APR 5 1946

UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 79th CONGRESS
FIRST SESSION

VOLUME 91—PART 5

JUNE 7, 1945, TO JUNE 30, 1945
(PAGES 5691 TO 7104)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1945

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PROCEEDINGS AND DEBATES OF THE 79th CONGRESS, FIRST SESSION

SENATE

THURSDAY, JUNE 7, 1945

(Legislative day of Monday, June 4, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Heavenly Father, we adore Thee whose name is love, whose nature is compassion, whose presence is joy, whose word is truth, whose spirit is goodness, whose holiness is beauty, whose will is peace, whose service is perfect freedom, and in the knowledge of whom standeth our eternal life.

The life is within our souls, but our selfishness has hindered Thee. We have not lived by faith. We have resisted Thy spirit. We have neglected Thine inspirations. Forgive what we have been; help us to amend what we are; and, in Thy spirit, direct what we shall be, that Thou mayest come into the full glory of Thy creation in us and in all men. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, June 6, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 6, 1945, the President had approved and signed the act (S. 383) to provide for the further development of cooperative agricultural extension work.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 62) authorizing the Committee on the Merchant Marine and Fisheries of the House of Representatives to have printed for its use additional copies of part 1 of the hearings on postwar disposition of merchant vessels, held before said committee during the current session, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 392. An act for the relief of Nebraska Wesleyan University and Herman Platt;

S. 510. An act to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes;

S. 633. An act to amend the Criminal Code so as to punish anyone injurying a party, witness, or juror on account of his having acted as such; and

S. 889. An act to amend section 47c of the National Defense Act of June 3, 1916, as amended, so as to authorize credit to students now or hereafter enrolled in the senior division of the Reserve Officers' Training Corps for military training received while on active duty in the Army, Navy, Marine Corps, or Coast Guard, or while pursuing a course of instruction in the Naval Reserve Officers' Training Corps.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942—AMENDMENT

Mr. THOMAS of Oklahoma. Mr. President, I submit an amendment to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and ask that it lie on the table until after the Senator from Maryland concludes his address.

The PRESIDENT pro tempore. Without objection, it is so ordered.

REPORT ON CONDITIONS IN PHILIPPINE ISLANDS (S. DOC. NO. 53)

Mr. TYDINGS obtained the floor.

Mr. HILL. Mr. President, will the Senator from Maryland yield to me to suggest the absence of a quorum?

Mr. TYDINGS. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Moore
Austin	Gerry	Morse
Ball	Green	Murdock
Bankhead	Guffey	Myers
Barkley	Hart	O'Daniel
Bilbo	Hatch	O'Mahoney
Brewster	Hayden	Overton
Bridges	Hickenlooper	Pepper
Brooks	Hill	Robertson
Buck	Hoey	Saltonstall
Burton	Johnson, Calif.	Shipstead
Bushfield	Johnson, Colo.	Smith
Butler	Johnston, S. C.	Taft
Capper	La Follette	Thomas, Okla.
Chandler	Langer	Tunnell
Chavez	Lucas	Tydings
Donnell	McKellar	Wagner
Downey	McMahon	Walsh
Ellender	Magnuson	White
Fulbright	Mead	Wilson

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Missouri [Mr. BRIGGS], the Senator from Utah [Mr. MURDOCK], the Senator from Montana [Mr. MURRAY], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS] are absent, on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent, in Europe visiting the battlefields.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from West Virginia [Mr. KILGORE] and the Senator from Washington [Mr. MITCHELL] are absent, in Europe on official business for the Special Committee Investigating the National Defense Program.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent, in Europe on official business for the Committee on Interstate Commerce.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

Mr. WHITE. The Senator from Indiana [Mr. CAPEHART] is necessarily absent, on official business.

The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Michigan [Mr. FERGUSON] is absent on official business of the Senate as a member of the Mead committee.

The Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Colorado [Mr. MILLIKIN] and the Senator from Idaho [Mr. THOMAS] are absent because of illness.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as

a delegate to the International Conference at San Francisco.

The Senator from Nebraska [Mr. WHERRY] and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Wisconsin [Mr. WILEY] is absent by leave of the Senate on official business as a member of the Board of Visitors to the United States Merchant Marine Academy.

The Senator from Indiana [Mr. WILLIS] is necessarily absent by leave of the Senate.

The PRESIDENT pro tempore. Sixty Senators having answered to their names, a quorum is present.

Mr. TYDINGS. Mr. President, it is necessary to actually visit the stricken Philippine Nation in order to comprehend the extent of the devastation and the hardships borne by the people in the Philippine Islands. No word picture can be adequate. No description will present the sad, pitiful, but heroic saga of the Philippine people from the time of the Japanese invasion December 7, 1941, to the present time. Only by a visit, living among the people and talking to them, and hearing of their heroism from American officers can one give to any report the real value it deserves.

CONDITIONS IN THE PHILIPPINES

Here is a brief word picture of conditions in the Philippine Islands: For the most part the great cities and many of the towns and villages in the islands lie in ruins. On the walls in this Chamber are a few pictures of the devastation and chaos which envelop the capital city of Manila. While these pictures show some of the damage, they do not depict the true extent of the devastation nor can they show the violence of the fighting which took place in this capital of the Philippines. In these islands most of the larger buildings, government and business, as well as many habitations, are constructed of cement and concrete. Every cement building in the Philippines was used by the Japanese as a fortress.

Fighting took place from street to street, from house to house, from floor to floor, from room to room from one end of the city to the other. The enemy did not surrender, even when surrounded and outnumbered. He fought to the death. Thus it became necessary, in order to liberate Manila, for example, to destroy the places in which the enemy was holding out. Consequently the devastation in Manila is city-wide. True, here and there walls are still standing, but everything inside these walls is burned and gutted, and in utter debris and ruin.

As a result, tens of thousands of persons are without homes or shelter. Tens of thousands are without clothing, food, or medicine. If it were not for the United States Army relief, these thousands would now be starving to death.

Most all the food and goods now being sold in the Philippines are food and goods which the Army is importing for civilian use. It is such a picture of dire distress that it instantly touches the pity of every heart. It is a picture of centuries of effort, building, and development which have been destroyed and wiped out before the relentless conflict of war. Light, water, and communications systems are almost totally destroyed. All transportation by boat between the hundreds of islands, as well as by rail, bus, and truck lines, is nonexistent. It is impossible, except through the limited supply of Army goods, to buy any of the necessities of life in the Philippines. This is particularly true of clothing, shoes, medicine, and food.

Not one bank in the islands is open. The Japanese, during their three and a half years of occupation, printed billions of dollars of worthless paper money. This money was widely circulated and used for all business purposes, as well as for purchases made by the Japanese. To a large extent this worthless money was used to pay off mortgages and other debts; to pay taxes to the local and national Philippine governments; to pay premiums due and future premiums far in advance on life insurance. Business credit is very difficult to find, and when found can be obtained only at usurious rates.

In addition, the deplorable financial muddle has been accentuated by the issuance of millions of pesos through guerrilla organizations to pay and maintain these fighting units which were so vital to our ultimate success. The issuance of this currency was authorized by the United States Army.

It will take at least 2 years, probably 3, to even revive the sugar industry. As we all know, sugar was, before the war, the principal Philippine export crop. It brought millions of dollars annually to the people of the islands. There is no sugar crop at present in the Philippines. The population of carabaos, which are the universal work animals of the Filipino farmer, has been greatly diminished. During the war these animals were eaten both by the Japanese and the civilian population. On the island of Mindanao there were many herds of wild carabaos, from which much of the meat supply of the Philippines normally came. Many of these wild herds were ruthlessly mowed down by the Japs and many were killed in the course of the fighting. These essential meat and work animals cannot be replenished for the present because the supply must come, for the most part, from French Indochina, Burma, and other areas now occupied by the enemy.

Many sugar mills and other industrial plants of the Philippines were wholly or partly destroyed. Some escaped serious damage. Much machinery was shipped to Japan. Much scrap iron from destroyed machinery was carried off by the Japanese.

When the American Army marched out from Manila to make its heroic stand on Bataan and Corregidor, the warehouses and shops were thrown open to the populace to keep the supplies therein from falling into the hands of the enemy. Thus looting took place on a large scale. During our return to Manila looting again took place in many localities.

The food situation in the Philippines is tragic. Even in peacetimes the Filipinos do not raise enough rice, which is their staple food. During the Japanese occupation such rice as the Filipinos did raise was frequently commandeered by the Japanese Army. Only a very scanty supply of rice was left for the hungry millions in the islands.

There is a shortage of primitive farming implements. This is partly due to the devastation of war and the fact that during the last 3½ years much of the available supply has been worn out.

There is also a shortage of seeds and plant stock. Thus it is difficult, under present conditions, to assist the Filipinos to supply the food which they otherwise might produce.

Most bridges in the Philippines were destroyed. In most cases temporary bridges have been built across rivers and streams by our Army. These temporary bridges have greatly facilitated travel and commerce in the islands. However, they are but makeshifts to serve a present need.

For the last 3½ years most of the Philippine government's income, both national and municipal, has been in the form of Japanese currency. All of this has now been declared valueless. Likewise there has been no import nor export revenue coming to the Philippine government during this time. During the occupation the Philippine government has functioned on worthless Japanese currency commonly referred to by soldiers and civilians alike in the islands as "Mickey Mouse" money. The Philippine government's only funds are those which it has now in the United States.

The principal source of income in the Philippines today comes from the expenditures of our armed forces. Tens of thousands of Filipinos are working, putting in installations necessary for our armed forces, and with their earnings they are buying the food which they have to have for themselves and families in order to live.

Thus people are almost solely dependent upon the United States Army for the necessities of life. Many, many people are without food, clothing, housing, and medicine. Today, in Manila alone, the United States Army is feeding 600,000 persons daily. Of this 600,000, all but 60,000 are at present paying for the food furnished by the Army. The remaining 60,000 in Manila are completely on relief. The same condition applies in varying degrees to other urban centers in the islands.

The Army and the Filipino government report that while the conditions are more aggravated in Manila than elsewhere, principally because of its size, conditions are bad in many of the other cities and towns scattered throughout the islands where violent fighting has taken or is taking place.

What can be done to improve the lot of the Filipino people who are so gravely in need? The answer is: Not much at the present. And here is the reason: We are still in the middle of a deadly and far-reaching war with the Japanese. Over and above everything else, our principal task still is to win that war at the quickest possible moment. Anything which prolongs the struggle means that many, many lives will be lost unnecessarily. It means that our real ability to help stricken countries, particularly the Philippines, is correspondingly curtailed. It means that our own economy is weak-

ened and our natural resources are further exhausted. In short, any postponement of victory means the additional loss of lives, the wounding and maiming of additional thousands of others, and the squandering of additional billions of dollars.

Now all of us know we are but just beginning our greatest attack on the Japanese. We know that millions of troops who were fighting recently in Germany are on their way to the Far East. Many of these will undoubtedly come to the Philippines. In fact, many were coming there while we were there. In the Philippines there is not sufficient shelter, food, and other materials available for them. Consequently, as these hundreds of thousands of troops arrive they must have shelter, food, clothing, hospitals, medicines, beds, tents, trucks, autos, munitions, machinery, weapons, equipment, work and repair shops, hundreds of ships of all types, thousands of planes of all types, airfields, locomotives, freight cars, cranes, drydocks, bulldozers, steam shovels, concrete mixers, airplane hangars, warehouses, gasoline and oil, repair parts, and scores of other items too numerous to mention. Obviously these things must come first. The very lives of the Filipino and American soldiers depend on their having everything they need to win a quick victory and to bring the war to an end.

That, in a word, is why more relief cannot be brought to the Philippines quickly. If the war were over, it would be relatively easy to aid the Filipino people to emerge from their disaster. Every bit of aid we now give to them means that precious and needed ships and transportation must be taken from the Army and Navy to supply the primary wants of the Filipino Nation. However, the Army and Navy already need many more ships and much more transportation of all kinds than they now have.

Before going to the Philippines I spent an afternoon with General Kells at San Francisco. He is in charge of the debarkation point at that place and along the Pacific coast. He showed me the Army and Navy requisitions for goods of all kinds. These requisitions are already taxing every facility at his disposal, and he is far behind in filling the demand. For example, the Army and Navy need lumber, nails, machinery, roofing, housing of all kinds, clothing and food, and all the rest, just as the Filipino people need these things. We know that the military needs must come first. So it is plain that only partial recovery, that only partial reconstruction and rehabilitation for the Philippines is all that is possible now. It is plain that any measure of complete recovery can be achieved only after the war is over.

One of the first tasks of President Truman's mission to the islands was to take up with the military authorities there what shipping they could spare in order to supply fundamental wants of the Filipinos without seriously impairing the war effort. We found both General MacArthur and his entire staff already greatly concerned with this problem. We surveyed the matter jointly. As a result of our discussions, we were able to get 8,000 tons of shipping for the Filipinos exclusively during the month of June—but one ship. We anticipated that 30,000 tons of shipping will be available for the same purpose during the month of July. We expect there will be more thereafter. This tonnage will be devoted almost exclusively to food, clothing, and medicine. It will be short, far short, of what is needed. It is the best that can be done at this time. So far, and rather recently, 216 trucks have been turned over to the Philippine Commonwealth government, which will be operated mostly through private companies as bus lines to transport both civilians and freight. These trucks provide but a skeleton service for the island of Luzon alone, and will run principally between Lingayan Gulf and the Manila area.

The railroad is now operating between Manila and San Fernando, having been restored by the Army. It is now carrying passengers. One hundred and fifty tons daily freight has been allocated exclusively for civilian needs on this road. It is probable that full civilian requirements for railroad freight cannot be provided within 90 days in this area. Service between Manila and Bantangas and Logaspi will not be available for at least 90 days.

Fifteen F boats of 90 dead-weight tons capacity each, and four Lake-type freighters of 3,000 dead-weight tons each, have been made available by the Army to the War Shipping Administration in the Philippines, primarily for communications and relief. These 19 boats will be used exclusively in the inter-island shipping. They will be operated by civilians. They will provide but a skeleton service between the islands, but they will carry and permit some trade and commerce and will greatly help to relieve the shortage of transportation now existing.

In addition to the above, three planes have been set aside for civilian travel and to permit fast daily mail service between the islands. All of these transportation measures are but a makeshift to help carry on essential business until better times permit further improvement.

The power situation throughout the islands has been greatly impaired. For example, prewar Manila had installations capable of supplying 45,000 kilowatts. At present, even after Army repairs to the system, there are only 5,400 kilowatts available. This is but a little more than one-tenth of the prewar consumption. Even this power is being supplied, in part, by portable generators located chiefly in Army installations. During the months of June and July this figure will prevail. By August it is hoped to increase it to 15,000 kilowatts. By September it is planned to have one-half of the lost electrical energy restored to Manila. It will take until the first of next year before reasonable normal electric capacity can be established.

The two basic foods of the Philippines are rice and fish. The Army has brought in 55,000 tons of rice from last October to the 1st of May of this year. It has placed orders for 110,000 additional tons. Delivery of this extra tonnage is expected before the 30th of next November. The Philippine government has also placed orders for 225,000 tons of rice for the 6-month period beginning November 1. The Army has also placed orders for more machinery in order to increase the local rice crop; but this, like other things, must wait on the contingency of shipping.

The supply of fish in the Philippines comes mostly from inland waters and ponds, and from deep-sea fishing. The inland problem is chiefly one of transportation, which, as I have said, is far short of needs. Heroic efforts are being made to solve the fish transportation problem, that is, to connect the fish-producing areas with the centers of consumption. However, the deep-sea fishing problem is difficult to solve, because that industry was almost exclusively Japanese operated. The necessary know-how, as well as the ships and other equipment, is at present lacking in the Philippines, and fish are not coming in for consumption.

No major steps have been taken to rehabilitate sugar because no crop can be harvested for export probably before 1948.

On the brighter side, abaca and copra production can be restored to normal just as soon as adequate trade goods, transportation, and some more machinery are available.

There are between 500 and 1,000 tons of rubber available now in the Philippines. Efforts are already under way to increase this production at the rate of about 200 tons a month, beginning with the 1st of July of this year.

It will be at least 6 months before any worth-while production of chrome and manganese can be obtained. Due to destroyed machinery and other damage, gold mining, too, must wait on replacements of these losses as well as on transportation and other necessary services.

It is General MacArthur's general policy in the Philippines to turn over relief responsibility to the Philippine Commonwealth government at the earliest practicable date. This has already been done in a number of areas, including one district in Manila. It is expected that the Commonwealth will take over all of Manila some time during the current month. A tentative date of September 1, 1945 has been set for the complete turn-over to the Commonwealth of both procurement and distribution of relief supplies in the Philippines.

It is also the commander in chief's policy to have all relief supplies sold at the earliest practicable date through established wholesalers and retailers, at prices and margins fixed by the Commonwealth government and the Army jointly. In Manila today, more than 90 percent of the relief supplies are sold and only 10 percent given away, as I have previously pointed out.

The visitor to Manila is met by a strange sight. Everywhere one looks throughout the streets, thousands of Filipinos are digging into the debris to try to recover a piece of lumber or a sheet of corrugated iron, or something which they can use or sell, with which to cook or to make a home. Men, women, and children stream back and forth, up and down the thoroughfares, carrying all manner of stuff salvaged from the devastation. With these crude materials they fashion little rooms or huts in

ruined houses in which they are making their homes. The rainy season is now just beginning in the Philippines. Rain there will be more or less incessant for some time to come. The Filipinos know this and they are trying desperately to fix some sort of shelter over their heads before the downpour gets fully under way.

Able staffs of doctors, both Army and civilian, Americans and Filipinos, are working long and heroically to keep epidemics from breaking out, to enforce sanitary regulations, and to take other means of insuring the health not only of the Army, but also of the whole community.

In walking through Manila, one frequently sees sprays of water shooting up from the streets where the water system has been damaged by the shelling. Repairs to this system are being made as rapidly as possible, and the water supply in Manila, while surrounded by many inconveniences, is fortunately adequate.

The best over-all estimate I could get of the possible damage wrought to the islands by the war is as follows and I think this estimate is conservative: That from 10 to 15 percent of all the buildings in the Philippine Islands have been destroyed and that possibly another 10 percent have been damaged. Thus, 25 percent of all the assessable basic structures in the Philippine Islands have either been destroyed or seriously damaged. This, of course, affects the revenue of every town and city in the islands as well as that of the Commonwealth Government. In the present emergency, it is very difficult for towns and cities and the national government to raise the necessary revenues with which to carry on. Export and import revenues are practically nonexistent. The whole system of taxation and revenue-raising has virtually been destroyed.

On the brighter side, the Army is doing much to aid in reconstruction and rehabilitation. Large forces of men with bulldozers and trucks are clearing up much of the debris and carting it off. The streets have been opened for the most part throughout the Manila area. Buildings are being repaired chiefly to make room for military personnel and to furnish them operating rooms in which to work. Much rehabilitation and reconstruction of warehouses and the like is being pushed rapidly by our military forces, and many new warehouses are being constructed. In some cases whole squares, where formerly stood buildings, have been completely cleaned off and tent cities put thereon in order to house the military personnel—and this in the very heart of Manila. Docks are being repaired; and of the 600 ships sunk in Manila Harbor by our bombers, over 400 have already been raised, and work is progressing rapidly on the remainder. Many of these ships have been so damaged that they are towed away and resunk out of the path of travel near the breakwater.

Water traffic in Manila Bay is being resumed; old piers are being cleaned up and reconstructed, and new ones built. The increased unloading of shipping is progressing at a rapid rate. That work is being expedited to the utmost.

On the railroads, the telephone, electricity and other utilities, much of the devastation is being restored by our armed forces who obviously need these services so they can function efficiently. These operations, to a large extent, will mitigate some of the devastation occasioned by the war.

The mission which I had the honor to head was composed of Vice Admiral Tarrant, of the Navy; Brigadier General Lowe and Colonel Baumann, of the Army; Mr. Jones, of the Budget Bureau; Dr. Elliott, Vice Chairman of the War Production Board; Captain Brierley, of the United States Maritime Commission; Mr. Dorfman, chief economist of the Tariff Commission; Mr. Hester, of the Interior Department, and in charge of Filipino affairs; and Colonel Ijams, vice chairman of the Veterans' Administration.

The Navy and Army men on this mission concerned themselves primarily with Navy and Army matters, with the future military program of the Filipinos, and with the question of United States bases in the Philippine Islands. On the question of bases, much progress has already been made. The Filipinos are willing to give us any bases that we may need or desire, and that question is being efficiently handled at the present by our Army and Navy Departments in conjunction with the Philippine government.

The other members of the mission concerned themselves primarily with cutting red tape, exploring the local situation in the Philippines, and finding what they could obtain by way of pertinent information which would help them to help the Filipinos on their return. For example, Mr. Jones, of the Budget Bureau, accumulated much valuable governmental information, particularly in the field of revenues and the possible future expenses of the Philippine government.

Dr. Elliott, Vice Chairman of the War Production Board, explored the possibilities of help for priorities and for obtaining food, clothing, medicine, farming equipment, and the like, and other essentials in the normal economy of the Philippine Islands.

Captain Brierley, of the United States Maritime Commission, was of tremendous help in working out the shipping problems with the military authorities in the islands.

Mr. Dorfman concerned himself with the past, present, and future trade of the islands, principally between them and the United States, assembling pertinent data for the use of the Congress later on.

Mr. Hester, of the Interior Department, who had spent many years in the Philippines, looked into the relationships between the Philippine government and the Interior Department, and in addition thereto furnished us with much valuable background applicable to the present and future probable conditions in the islands.

Colonel Ijams, of the Veterans' Administration, attempted to set up records and to install a system which we hope will not make necessary hundreds of claims bills coming to the Congress after the war is over. It must be remembered that during the war not only have regular Filipino soldiers fought with our own forces in many of the battles, but some were covered into the United States Army, and guerrilla leaders likewise organized groups with our approval that counted mightily in our effective victories over the Japanese.

Never have I seen a more effective, hard-working and efficient group of men undertake any problem. I asked President Truman to appoint only top-flight men, and he did. We had planned many visits throughout the islands, but when we arrived and found the dire conditions that existed, by unanimous consent all trips were canceled and we devoted ourselves from dawn until far in the night each day we were there to working on matters that would bring some measure of immediate relief and, we trust, ultimate relief and aid to this gallant nation that has fought so loyally and bravely in our common cause. I want to take this opportunity to thank publicly each and every member of this mission for his loyalty, cooperation, and unstinted effort to make our visit to the islands as helpful as we could in the circumstances, and for the information that each of them assembled and made available to the Congress for the solution of present and future problems. I am indebted to each and every one of them beyond words.

Upon their return to Washington, after they had already accomplished a great deal by way of relief and aid while they were in the islands, each member of this mission is now pursuing solutions for the Philippine problems here at home.

While in the islands, they met face to face with the people who have sent requests, requisitions, and communications to their departments here in Washington, asking for aid or action of one kind or another. Many difficulties were thus overcome. A better understanding was achieved. In some cases action was instantaneous. In others, information was assembled which makes speedy results possible and better support for both the military and the civilian undertaking at this time.

While in the islands we spent one afternoon as a group face to face with the Philippine President and his entire cabinet. It was all off the record. Everyone had the opportunity to say what he thought, to ask any question about anything, and to explore any matter. This conference was of immense good. It gave us a chance to explain to the Filipino officials the handicaps imposed upon us by the military situation, and what might not be accomplished for present and future rehabilitation and aid in the Philippines. However, no one on the mission, including the chairman, made any promises of any kind to anybody in the Philippine Islands. Policy making, we realize, is a question for the President and the Congress. All we could say was that we knew and appreciated their plight, revered and cherished the loyalty and sacrifices of the Filipino people, and that we felt sure America would support a program which would help them to emerge from their great difficulty. We likewise listened to

complaints and suggestions of the American, Filipino, and the Chinese chambers of commerce in the islands, and to scores of individuals. Most of us talked several times with General MacArthur, who always placed himself completely at our disposal. He made available all the members of his staff whom we wished to interview, and both he and they accorded us every courtesy and gave us all aid and desired information. Likewise, President Osmeña and the members of the Filipino government were always accessible to us and furnished us with every bit of information which we desired. To fulfill one request made by the chairman, President Osmeña put a staff of 20 men to work for five solid days and far into the night to turn out some reports which we thought the Congress would like to have on matters affecting the future of the Philippines, with particular reference to our relations with them.

Thus, I would like to say for this mission, for General MacArthur and his representatives, and for President Osmeña and his governmental officials, that during our stay there, from the beginning of the day until far into the night, everyone cooperated with us to the fullest extent, for we were all interested in the solution of a common problem. We worked quickly and long, because the need was great. We completed our task at the earliest possible moment so that we could bring the quickest possible aid to these people who deserve so well at our hands.

Now, a word about the background of the war in the Philippines from December 7 to date. The story of Filipino loyalty, the unrelenting resistance, the thousands of acts of courage, and the giving of life itself, is one of the brightest chapters in the history of America, for the Philippines are still under our flag.

To illustrate; on the island of Panay, during the Japanese occupation, through friendly Filipinos word was sent to our Navy that there were 40 Americans on the island who wanted to be taken off. The Navy said it would send a submarine to a certain point on the island on a given date to take off these refugees. word spread around and when the sub arrived, instead of 40 there were 67 Americans who had assembled to be taken off. Although this maneuver required several days and the news of the event had to be passed on to hundreds of people, and although a garrison of 500 Japanese soldiers was but 3 miles distant, the sub came to the point at the appointed time, took on all of the American refugees, and departed before a single Jap knew anything about it.

On another occasion, at an important juncture in the Battle of Leyte, the chief Japanese admiral was flying across the Viscayan Islands. Bad weather forced down his plane on the island of Cebu. When it landed, the natives captured him. He had in his possession very valuable Japanese papers. Those papers showed the location of every ship in the Japanese Navy at that time. The Jap admiral was flying to hold a conference with those who shortly would fight the great naval battle of the Philippines in which our fleet met with outstanding success. Those papers were immediately sent to our own military forces by the Filipinos. The Jap admiral was kept in captivity. The Jap garrison on Cebu became so infuriated that they started killing a number of Filipinos each day in order to force the Filipinos to give up their Jap captive. Only after a number of people had been killed did the Filipinos relent, and then only after a conference in which it was agreed that the admiral would be given up provided there would be no more killing or mistreatment of civilians on that island.

On another occasion, while we had weather reports from most of the Pacific areas, we did not have weather reports for the Philippine area which, as Senators know, reaches for about a thousand miles in length and several hundred miles in width. A group of Americans and Filipinos were taken to Australia and there trained in weather reporting. This group was then equipped with portable radio stations. They were then taken back secretly to the Philippines and distributed throughout the islands. Thus, during the time of the Japanese invasion and occupation, we had 200 radio stations reporting daily from all over the Philippines to the leaders of our armed forces. These reports came in at certain specified times. Not only did they report the condition of the weather prevailing over the Philippines, but in addition they reported the location of Japanese ships, their number, size, and course; and they also told our armed forces where the Japanese troops were in the Philippines, how strong they were, and quite often what their intentions were.

It is needless for me to point out that this aid was of the greatest value to our armed forces. It allowed us to maneuver with pretty full knowledge of what the enemy was doing, where he was stationed, where his fortifications were, how strong he was, and the like. It made our landing operations almost a predictable success. It made it possible to save the lives of countless thousands of Americans, to save other thousands from wounds and disease, to shorten the war, and to make the reconquest of the Philippines a speedy and signal victory.

It is stated in the Philippine Islands by competent Army authority and without a single contradiction, that there is not a known case of an American refugee, an airman forced down on the islands, or a fleeing soldier whom the Filipinos did not hide, feed, and shelter, and on numerous occasions they planned and made successful his escape. There is not a single reported case where there was any treachery, even though induced by Japanese bribery, on the part of the Filipino people against any American soldier or civilian. Quite frequently Filipinos were tortured and sometimes shot, but not once did they give away any American.

On another occasion, four American aviators who were forced down were able to contact some Filipinos through whom a request was made for a submarine to come to take them off. Because of the difficulties involved, help did not come when expected. In this case two Filipinos secured a boat and took the four airmen a considerable distance through enemy-held islands to Leyte, where they landed near General MacArthur's headquarters. After thanking these Filipinos for their daring act of rescuing those four American aviators, General MacArthur directed that their boat be loaded to the gunwhales with food and supplies as a reward for their heroic undertaking.

These instances, which are but few of many, illustrate the great loyalty, the unflinching resistance, and the fine spirit of cooperation which the Filipinos have constantly accorded our flag and our military forces. It shows that our policy of dignifying the Filipino, helping him on the way to ultimate independence, and our just and humane consideration of his welfare, have paid rich dividends. While the subjugated people of other lands have, in some cases, failed to cooperate with those who held sovereignty over them, the Filipinos are a striking exception to this rule. I cannot resist the thought that in spite of the wide advertisement that Americans know nothing about dealing with the people of other lands, and that our efforts in this direction are amateurish, we have proved to be surprisingly expert. Experience has already demonstrated that our example could be followed with great profit by those who are frequently regarded as having exceptional talent for dealing with foreign peoples.

What of present and future relationships between the United States and the Philippines? The first of these is the question of independence. I look upon independence as a settled issue. So does President Truman, so does President Osmeña, and so does General MacArthur. Every President, from McKinley down to Truman, has held out the prospect that eventually the Philippines would be given their independence. The Filipinos have asked us to make good on that promise. We have made good, and the event of Filipino independence on or before July 4, 1946, is as certain as anything human can be. There are, of course, persons in the Philippines, most of them being engaged in business and many of whom are not Filipinos, who for one reason or another do not favor independence. Anyone visiting the Philippines is likely to see much of such persons, and to form the opinion that nobody in the Philippines wants independence. However, one finds no such sentiment among the elected representatives of the Filipino people, nor, so far as I could learn, among the rank and file of the Filipinos themselves. There are a few Filipinos, of course, who do not favor the independence program, but the overwhelming majority of them now, as in 1934, want what our Government has solemnly declared they shall have, and they want no postponement of it whatsoever. Therefore, I think we should proceed in this Congress with the idea that Filipino independence is a settled issued. General MacArthur told me he so regarded it; so did President Osmeña, and I know that from talks with President Truman he also is in accord with this policy.

Immediate aid to the Filipinos, as I have pointed out, must be within the limits imposed upon us by our present and coming military operations. Much has

been done and much will be done to alleviate the worst aspects of their distress, even in spite of tremendous military demands, but any real program of helpfulness must, to a large extent, wait until conditions permit it. In the meantime, the Philippine government, national provincial, and municipal, is faced with difficult problems. Their ability to obtain revenues has been seriously impaired. I recommend to the Congress and to the administration that, if need be, we make such loans as are necessary to the Philippine government to carry it through this difficult period—say the first 3 years—and to supplement their diminished revenues. The Philippine government should have sufficient income to permit it to carry on civil government in the islands in the interests of all concerned. Obviously, the islands' own tax revenues in the first year will be small, but they will be larger in the second year and still larger in the third year. But during this 3-year emergency period United States loans may be necessary. Any such loans I am sure, would be repaid when better times come to the Philippines.

WAR DAMAGE RELIEF AND REHABILITATION

This Government, so far as I can ascertain from study, from the War of the Revolution down to date, has never paid war damages to its own citizens. What property the Army has requisitioned for its own use, it has, of course, paid for, but it has never paid for the damage inflicted on persons or property as a result of actual warfare.

During this war, arrangements were made to deal with this matter through the medium of the War Damage Corporation. The relationship of property in the Philippines to war damage insurance will undoubtedly be clarified later by act of Congress. I shall not discuss this insurance subject further at this time, because I learned that the War Damage Corporation has already sent men to the Philippines to gather information to help them formulate a policy.

It would be unwise in my opinion, at least for the present, if we were to depart from our long and traditional attitude toward war damages, that is apart from insurance. On the other hand, we would be a heartless and unappreciative Nation if we did not recognize the dire straits of the Filipino people as a result of the fighting with the Japanese. I, therefore, respectfully suggest to the Congress that we make a gift of $100,000,000 for the purpose of assisting in the rehabilitation and reconstruction of the Philippines, this sum to be expended by our Army and Navy engineers in accordance with a program to be worked out by the Congress.

Such a program would help mightily in restoring the homes and the industry in the Philippines, whereas the mere payment of cash might not. At any rate, I do not believe, for many reasons which I shall not take the time to detail, that we should embark on a program of paying war damages per se apart from insurance—throughout the Philippines. Rather, I suggest that we make this appropriation in the form of a gift. This policy will permit us to retain our traditional attitude toward war damages on the one hand, while at the same time, on the other, to bring a large measure of aid to the people and industries of the Philippine Islands.

FUTURE TRADE RELATIONS

In the field of future trade relations between the Philippines and the United States, we run into many schools of thought. Some advocate perpetual free trade between the islands and this country; others advocate free trade for a limited number of years; others would put the Philippines, immediately after independence, on the same basis as that of any other nation in its trade relationship with the United States. This is a matter which Congress will have to consider, and it is difficult for anyone to chart a course at this moment which would be in the interest of both the Filipinos and our own people. However, I respectfully suggest some considerations which I believe are worthy of deep thought. Whatever trade policy this Congress adopts can be changed by any succeeding Congress. Trade relationships are never stable in the United States. We have had high tariffs and we have had low tariffs and we have had protective tariffs and tariffs for revenue only. We have had practically all of these while I have been a Member of the United States Congress.

If the present Congress were to promise the Philippines free trade for an indefinite period—or even for 20 years—the islands would immediately start shaping their economy to take advantage of that trade relationship. But if a subsequent Congress decided to discontinue the free-trade relationship after it had been in existence for some time, the Filipino economy would then be up against a stone wall. Confusion and chaos would result in the islands, and the welfare of the Filipino people would be seriously jeopardized. If, on the other hand, we gave them free trade for, say, a period of 10 or 15 or 20 years, at the end of that interval, if not before, they would also be up against a stone wall. Unless such a trade policy were further extended, they would then have to readjust their entire economy all over again. Obviously, such a proposal would not be in the eventual best interest of the Filipinos, for we must keep constantly in mind that there can be no guaranty that any trade policy enunciated by one Congress will not be changed or altered by a succeeding Congress.

Therefore, I respectfully suggest, as a basis of consideration, that we adopt a trade relationship with the Philipine Nation which will be definite enough to inform all concerned of what our policy is going to be now and in the future, and thus clear the air of uncertainty so far as we can. It seems to me that the proper course, taking into account all the present circumstances, would be to continue the United States-Philippine trade status which was in existence at the outbreak of the war for, say, another 3, 4, or possibly 5 years. Under that arrangement the United States tariffs on Philippine products would be low in relation to those that would apply to imports from other countries. This tariff plateau would provide an opportunity for the islands to get on their feet again. We should then gradually proceed upward from that tariff level, over a period of years, until the Philippines are in the same status as that which is the lot of other free and independent nations. We can never make the Filipinos free and independent if their economy is to be linked to ours indefinitely. They can only be free and independent by actually being free and independent. That means that eventually, like France or Britain, Peru or Bolivia, China or Australia, they must stand on their own feet. I think we should set our sights for such a target eventually and make our program one that is broad and sympathetic, which will enable them to recover in part, at least, from the ravages of war, but which will eventually permit the Filipinos to stand upon their own economic feet.

Thus, if a program of a low-tariff plateau for several years, followed by progressive increases in tariffs carefully planned to lead them to a state of eventual economic independence is adopted, we will have made good all the implications and all the expressed precepts of a free and independent Philippine Nation.

On the other hand, if we were, because they are soon to be free and independent, to adopt a trade program which would put them on the same basis as that of other foreign nations and impose upon them immediately the same tariff rates which apply to imports from other nations, we would seem to be, and I believe we would be, not only unappreciative of the loyalty they have exhibited which no money on earth could buy, but we would be unsympathetic to the great hardships and long struggle this young nation must still make to achieve its place in the sisterhood of independent republics to which it will soon be an accredited member.

So, in summing up, I respectfully recommend to your consideration, first, that our independence policy stand and that we fulfill to the letter our promise; second, that we make such loans to the Philippine government as may be wise and necessary to carry that government through the period of real emergency; third, that we make a generous gift, say, of a hundred million dollars, to be expended by our own people under proper restrictions and condtiions for reconstruction and rehabilitation in the islands; and that, fourth, we promulgate a trade policy which will give this nation a chance to live and recover but which will eventually confer upon her economic as well as political freedom.

I have submitted all of these proposals to President Truman. Undoubtedly the President will have something to say about them in due time. I express the hope that the Congress may think well of this program in general and as a basis, and that we may soon embark upon it and carry it to completion.

Before closing, I would like to give you this thought, for whatever it is worth: It is my profound conviction that it would be in the interests of better relations between the Philippines and the United States and would help all of us to plant our feet on the right road if my colleagues of the Senate and House

could find it possible, without injury to the war effort, to visit these islands, and preferably before too much time has passed. This is particularly true of those of us who serve on the Committee on Territories and Insular Affairs in the two Houses. No matter how much one reads about the war in the Philippines and in the East, no matter how much one looks at the pictures of the devastation war has wrought, it is impossible to get the actual feel of the place unless one moves around the islands for a while and sees, hears, and observes what has taken place there during the war. So I am hopeful that it may be possible for the members of these committees, and perhaps others, to visit the Pacific in the not far distant future.

As we look back on the Philippine experiment, we should be short-sighted if we viewed it simply from the standpoint of the Filipino Nation alone and ourselves. The Philippines are not far from the coast of Asia. It is only a few hours' flying time from Manila to China. The Philippines are of Asia; but while of Asia, they are more in the orbit of political, cultural, and trade relationships of the United States and of North and South America than they are in the orbit of Asia. Everywhere throughout Asia our humane and helpful relations with the Philippines are known. The attitude of our Government is admired and respected. The Chinese point to it as a striking example in practical idealism. The Arab world is familiar with our good faith and policies of helpfulness which we have followed in our relations with the Philippines.

This record is too good for us to mar now as we shake hands with this former ward, congratulate it on its success in achieving independence, and wish it well on the pathway of nationhood. The eyes of all Christiandom are on us, and it is good policy, as well as simple justice, to see that we do what is right and proper to make Filipino independence a success and to show the world that there is at least one nation—and that is ours—and I hope more nations, on the face of this earth who not only talk of freedom but who actually carry out their professions.

We have a reservoir of good will and respect in the Philippines that is an asset of tremendous potential value. It has made friends for us all over the world. More than that, with our great bases at Guam and Saipan, in the Philippines, and elsewhere in the Pacific, I believe we have one of the greatest guaranties against a recurrence of war, particularly an aggressive war, on the continent of Asia or elsewhere. It stands to reason that the Japanese would never have attacked us at Pearl Harbor and elsewhere had they known of the potential might of this great country. That they underestimated our power to build and create goes without saying. That calculation, or miscalculation, if you please, was a primary factor in the Japanese invasion of China and eventually of much of Asia and the Pacific.

So today, with our great bases in the Marianas and Hawaiian Islands, in the Marshalls and Carolinas, together with those in the Philippines, that might is on full display. Many of these bases are new ones under our flag. They have been bought with the most precious thing we possess, the blood of our young people. They lie in cemeteries which dot all these islands. We must forever hold them, not for the purposes of thwarting liberty or throttling trade or coercing or subjugating the people of any other nation, but as a guaranty that our young men and women 20 years or so from now will not again have to go forth on such a quest as that on which we are presently engaged. Had these Pacific bases been in existence 10 years ago, I am sure that Japan would never have invaded China. There would have been no Pearl Harbor. There would have been no war involving the whole of Asia, perhaps. Security is no longer national—it is international. The great nations of the world alone have the power to keep the peace. None of them has more power than have we. Our relationship with the Filipinos shows clearly that America will not abuse the power which God has given it, that our power shall be used for justice and for decency among the peoples and the nations of the earth, and that the right kind of leadership has at last come to keep the peace and to promote the civilization and welfare of all mankind, at least so far as we are concerned.

We should give up no base, whether previously a mandated island or not, which has been won by the blood of our gallant soldiers, sailors, and airmen. If we do, we will again invite war and its deadly cost in life. So long as we keep these bases, the threat of war will be reduced to the minimum. With our Navy the greatest in the world, with our Air Force the greatest in the world, we perhaps more than any other nation can exert an influence on world events, looking to a prevention of another war.

Unfortunately, some of our allies and associates, particularly in the Pacific, are not equipped with the resources and manpower to enforce justice among men and nations, certainly in this area. Therefore, whether we want it or not, we must do it if it is to be done. We must make our contribution of readiness and preparedness if a third world war, more deadly than the last two, is to be prevented. And in this high endeavor which all men of good will cherish and long for, I thank the kind Providence that the United States, in its dealings with the Philippines, has given an earnest assurance to all nations, that the ideals which we hold will not be tarnished and that the power we possess will be used constructively and not destructively, and that it will be exerted for justice henceforth in a troubled, war-sick, and devastated world.

[Applause.]

Mr. HAYDEN. Mr. President, I wish to congratulate the Senator from Maryland on the very able and informative address he has just delivered to the Senate. I ask unanimous consent that his remarks be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE SAN FRANCISCO CONFERENCE—NOTICE OF INTENTION TO ADDRESS THE SENATE ON MONDAY

Mr. BURTON. Mr. President, I wish to address an inquiry to the senior Senator from Kentucky [Mr. BARKLEY] and the senior Senator from Maine [Mr. WHITE]. I had in mind that it would be proper to make a somewhat extended statement on Monday with regard to the progress of the negotiations being conducted at San Francisco, with a view to supporting the work of our delegates there, and with a view to emphasizing the importance of international stability as a domestic necessity.

I should like to inquire of the majority leader and the minority leader whether the making of such a statement at that time might conform to or interfere with the regular business as planned?

Mr. BARKLEY. I may say, Mr. President, that the Senate will be in session on Monday, and, of course, the Senator from Ohio would be entitled to the floor, so far as I know, even if we have not concluded action on the measure now under consideration. I hope we may pass the bill this week, but if for any reason we do not, I do not know of any reason why the Senator from Ohio could not be given opportunity to express his views on Monday.

Mr. BURTON. I thank the Senator from Kentucky.

Mr. President, therefore I give notice that I expect to ask to obtain the floor on Monday with the view of making an extended statement with regard to the negotiations at San Francisco.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF SURPLUS PROPERTY BOARD

A letter from the Chairman and members of the Surplus Property Board, transmitting, pursuant to law, the second quarterly progress report of the Surplus Property Board (with an accompanying report); to the Committee on Military Affairs.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents in the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McKELLAR, from the Committee on Appropriations:

H. J. Res. 208. Joint resolution making an appropriation for emergency flood-control work, and for other purposes; without amendment (Rept. No. 327); and

H. J. Res. 212. Joint resolution making a supplemental appropriation for the fiscal

year ending June 30, 1945, for the Children's Bureau, Department of Labor, and for other purposes; without amendment (Rept. No. 328).

By Mr. O'DANIEL, from the Committee on Claims:

S. 543. A bill for the relief of Felix Frederickson; with an amendment (Rept. No. 329);

H. R. 802. A bill for the relief of Camp No. 1, Alaska Native Brotherhood, Sitka, Alaska; without amendment (Rept. No. 331);

H. R. 912. A bill for the relief of William H. Shultz; without amendment (Rept. No. 332);

H. R. 993. A bill for the relief of Mrs. Ellen C. Burnett; without amendment (Rept. No. 333);

H. R. 1038. A bill for the relief of Daniel B. Johnson; without amendment (Rept. No. 334);

H. R. 1059. A bill for the relief of Leonard D. Jackson and Elsie Fowkes Jackson; without amendment (Rept. No. 335);

H. R. 1488. A bill for the relief of Austin Bruce Bowen; without amendment (Rept. No. 336);

H. R. 1617. A bill for the relief of Hugh M. Gregory; without amendment (Rept. No. 337);

H. R. 1756. A bill for the relief of the estate of the late Demetrio Caquias; without amendment (Rept. No. 338); and

H. R. 2336. A bill for the relief of Osborne E. McKay; with amendments (Rept. No. 330).

By Mr. JOHNSTON of South Carolina, from the Committee on Claims:

S. 711. A bill for the relief of Ernest L. Fuhrmann; with an amendment (Rept. No. 339);

H. R. 1453. A bill for the relief of Edith M. Powell; without amendment (Rept. No. 340); and

H. R. 1482. A bill for the relief of the legal guardian of Samuel Wadford; without amendment (Rept. No. 341).

By Mr. ELLENDER, from the Committee on Claims:

S. 489. A bill for the relief of Caffey Robertson-Smith, Inc.; without amendment (Rept. No. 342);

H. R. 842. A bill for the relief of Mrs. Sadie L. Dance, Michigan Millers Mutual Fire Insurance Co., and State Farm Fire Insurance Co.; with amendments (Rept. No. 353);

H. R. 1091. A bill for the relief of Harold J. Grim; without amendment (Rept. No. 343);

H. R. 1243. A bill for the relief of Mrs. C. J. Rhea, Sr.; without amendment (Rept. No. 344);

H. R. 1328. A bill for the relief of Mrs. Cecilia M. Tonner; without amendment (Rept. No. 345);

H. R. 1606. A bill for the relief of Ethel Farkas, Julius Farkas, and legal guardian of Terez Farkas; with an amendment (Rept. No. 346);

H. R. 1611. A bill for the relief of Charles E. Surmont; without amendment (Rept. No. 347);

H. R. 2003. A bill for the relief of the legal guardian of Stewart Martin, Jr., a minor; without amendment (Rept. No. 348);

H. R. 2700. A bill for the relief of Alice Walker; without amendment (Rept. No. 349);

H. R. 2721. A bill for the relief of the Tobey Hospital; without amendment (Rept. No. 350);

H. R. 2730. A bill for the relief of Mrs. Jane Strang; without amendment (Rept. No. 351); and

H. R. 2925. A bill for the relief of Nelson R. Park; without amendment (Rept. No. 352).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BALL:

S. 1116. A bill to provide additional pay for enlisted men of the Army who are awarded the Medical Badge; to the Committee on Military Affairs.

By Mr. WALSH:

S. 1117. A bill to authorize the Secretary of the Navy to convey Casa Dorinda Estate in Santa Barbara County, Calif., to Robert Woods Bliss and Mildred B. Bliss;

S. 1118. A bill for the relief of First Lt. Jack Sanders, United States Marine Corps Reserve, for the value of personal property destroyed as the result of an explosion at Camp Lejeune, N. C., on January 22, 1945; and

S. 1119. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in building No. 146 at the naval operating base, Bermuda, on April 26, 1945; to the Committee on Naval Affairs.

By Mr. OVERTON (for Mr. MCCARRAN):

S. 1120. A bill to provide for the reorganization of Government agencies, and for other purposes; to the Committee on the Judiciary.

EXPENSES OF HEARINGS BEFORE COMMITTEE ON APPROPRIATIONS

Mr. MCKELLAR submitted the following resolution (S. Res. 132), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Appropriations, authorized by Senate Resolution 9, agreed to January 6, 1945, to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject referred to said committee, hereby is authorized to expend from the contingent fund of the Senate, for the same purposes, during the Seventy-ninth Congress, $10,000 in addition to the amount of $5,000 heretofore authorized.

EXPENSES OF HEARINGS BEFORE COMMITTEE ON FOREIGN RELATIONS

Mr. GEORGE submitted the following resolution (S. Res. 133), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Foreign Relations, authorized by Senate Resolution 9, agreed to January 6, 1945, to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject referred to said committee, hereby is authorized to expend from the contingent fund of the Senate, for the same purposes, during the Seventy-ninth Congress, $5,000 in addition to the amount of $5,000 heretofore authorized.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 209. An act for the relief of David B. Smith;

H. R. 981. An act to authorize payment of certain claims for damage to or loss or destruction of property arising prior to May 27, 1941, out of activities of the War Department or of the Army;

H. R. 1307. An act for the relief of Montgomery City Lines, Inc.;

H. R. 1527. An act to exempt the members of the Advisory Board appointed under the War Mobilization and Reconversion Act of 1944 from certain provisions of the Criminal Code;

H. R. 1567. An act for the relief of Katherine Smith; and

H. R. 1711. An act for the relief of Blanche H. Karsch, administratrix of the estate of Kate E. Hamilton.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942

The Senate resumed the consideration of the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

Mr. THOMAS of Oklahoma. Mr. President, I ask that the amendment I offered immediately after the Senate convened today be laid before the Senate.

The PRESIDENT pro tempore. The clerk will state the amendment for the information of the Senate.

The CHIEF CLERK. It is proposed to add the following new section at the end of the joint resolution:

SEC. 3. That for the purpose of restating and clarifying the policy of Congress with respect to the prices of agricultural commodities, as set forth in section 3 of the Emergency Price Control Act of 1942, as amended by section 2 of Public Law 729, Seventy-seventh Congress, approved October 2, 1942, and as further amended by section 201 of the Stabilization Act of 1942, it shall be unlawful to establish or maintain against any processor a maximum price for any major product (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) resulting from the processing of any agricultural commodity, or maximum prices for the products of any species of livestock (such as cattle, hogs, or sheep) (the products of each species of livestock to be taken as a group in establishing or maintaining such maximum prices) which does or do not equal all costs and expenses (including all overhead, administrative, and selling expenses allowed as expense deductions in computing Federal income and excess profits tax liability) incurred in the acquisition of the commodity or species of livestock and in the production and distribution of such product or products plus a reasonable profit thereon, not less than the profit earned thereon by such processor during a representative base period.

Mr. THOMAS of Oklahoma obtained the floor.

Mr. WHITE. Mr. President, will the Senator yield to me for a question?

Mr. THOMAS of Oklahoma. I yield to the Senator from Maine.

Mr. WHITE. Is the amendment which has just been read at the desk identical with the amendment which appears in the minority views?

Mr. THOMAS of Oklahoma. No. In one particular it is different, that is with respect to the citations of the existing law.

Mr. WHITE. But substantially it is identical?

Mr. THOMAS of Oklahoma. It is word for word identical so far as the legislation it proposes is concerned, but in the amendment embodied in the minority views the three statutes which are already in existence relating to this question are not properly stated.

Mr. President, I have copies of the amendment as it was read from the desk, and I ask that they be distributed to

Senators so they may read the amendment.

The PRESIDENT pro tempore. Without objection, copies of the proposed amendment will be distributed as requested by the Senator from Oklahoma.

Mr. THOMAS of Oklahoma. Mr. President, the amendment just read at the desk, which is offered as section 3 to the pending joint resolution, is the result of the hearings held before the Senate Committee on Agriculture and Forestry during the past 3 months. Conditions in the meat industry became so bad that the Senate authorized an investigation of them, and they were such as to justify the House in appointing a special committee to consider the difficulties and problems of the meat industry. Both committees made their reports, and they are now printed and are before the Members of the respective Houses.

Mr. President, in order that I may not take up any unnecessary time, and that I may make the statement as brief as I can, I desire to place in the RECORD some data which I think bear directly on the issue.

When the war came on a few years ago all agreed that it was necessary to enact some sort of price-control law—a law which would, so far as possible, prevent inflation. So the Congress took up this matter, and in 1942 enacted legislation under the title: "To further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes." This law, which was styled "the Emergency Price Control Act of 1942," was approved January 30, 1942.

Mr. President, this act contains one section seeking to protect farm prices throughout the United States. In order that it may appear in the RECORD at this time, I send to the desk the section referred to, and I ask that the clerk read the portion marked with a blue pencil.

The PRESIDENT pro tempore. Without objection, the clerk will read as requested.

The Chief Clerk read as follows:

AGRICULTURAL COMMODITIES

SEC. 3. (a) No maximum price shall be established or maintained for any agricultural commodity below the highest of any of the following prices, as determined and published by the Secretary of Agriculture: (1) 110 percent of the parity price for such commodity, adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials, or, in case a comparable price has been determined for such commodity under subsection (b), 110 percent of such comparable price, adjusted in the same manner, in lieu of 110 percent of the parity price so adjusted; (2) the market price prevailing for such commodity on October 1, 1941; (3) the market price prevailing for such commodity on December 15, 1941; or (4) the average price for such commodity during the period July 1, 1919, to June 30, 1929.

(b) For the purposes of this act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law. In the case of any agricultural commodity other than the basic crops corn, wheat, cotton, rice, tobacco, and peanuts, the Secretary shall determine and publish a comparable price whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

(c) No maximum price shall be established or maintained for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to producers of such agricultural commodity a price for such agricultural commodity equal to the highest price therefor specified in subsection (a).

Mr. THOMAS of Oklahoma. Mr. President, that was the law enacted to insure farm producers that during the war they could at least have, so far as the law could give it to them, fair and equitable prices. The Administrator, which means the OPA Administration, disregarded this provision of the law to such an extent that within less than 1 year the Congress was called upon to reconsider the matter, and in October of 1942 it undertook again to give the OPA a directive.

I now send to the desk a further provision which the Congress passed, in which it sought to direct the OPA as to what to do with respect to farm prices. I ask that the portion of this law which I have marked, be read at the desk. It is from the act approved October 2, 1942.

The PRESIDENT pro tempore. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

Provided further, That in the fixing of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing: *Provided further*, That in fixing price maximums for agricultural commodities and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, as provided for by this act, adequate weighting shall be given to farm labor.

Mr. THOMAS of Oklahoma. Mr. President, after the Congress had acted the second time, still the OPA authorities refused to proceed in accordance with the manifest policy of the Congress. So by the year 1944 the Congress had to pass another act in an effort to get the OPA authorities to follow the policy laid down by the Congress.

I send to the desk a copy of the Stabilization Act of 1942, approved June 30, 1944, and ask that the portion on page 12 which I have underscored be read.

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

AMENDMENTS TO SECTION 3 OF THE STABILIZATION ACT OF OCTOBER 2, 1942

SEC. 201. (a) The first proviso contained in section 3 of the Stabilization Act of October 2, 1942, as amended, is amended to read as follows: "*Provided*, That the President shall, without regard to the limitation contained in clause (2), adjust any such maximum price to the extent that he finds necessary to correct gross inequities; but nothing in this section shall be construed to permit the establishment in any case of a maximum price below a price which will reflect to the producers of any agricultural commodity the price therefor specified in clause (1) of this section:".

(b) Section 3 of such act of October 2, 1942, as amended, is amended by adding at the end thereof the following new paragraphs:

"On and after the date of the enactment of this paragraph it shall be unlawful to establish or maintain any maximum price for any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity which will reflect to the producers of such agricultural commodity a price below the highest applicable price standard (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) of this act.

"The President, acting through any department, agency, or office of the Government, shall take all lawful action to assure that the farm producer of any of the basic agricultural commodities (cotton, corn, wheat, rice, tobacco, and peanuts) and of any agricultural commodity with respect to which a public announcement has been made under section 4 (a) of the act entitled "An act to extend the life and increase the credit resources of the Commodity Credit Corporation, and for other purposes," approved July 1, 1941, as amended (relating to supporting the prices of nonbasic agricultural commodities), receives not less than the higher of the two prices specified in clauses (1) and (2) of this section (the latter price as adjusted for gross inequity).

Mr. THOMAS of Oklahoma. Mr. President, some might inquire why the Congress is called upon to consider this matter a fourth time. My reply to such an inquiry would be that it is because the OPA authorities have wholly disregarded the acts of Congress, not only in one case, but in three cases, because there are three sections of the law, in separate acts, which direct the OPA authorities to give consideration to farm commodity prices on the basis of the policy enunciated by the Congress; and the OPA authorities refuse to do so.

Some one might ask, "What explanation have you to give?" The explanation I have to give is that the OPA does not desire to have any directive given it by the Congress of the United States. So far as farm commodities are concerned, it does not now have any directive with respect to farm prices. If the OPA had its way, it would repeal—and in effect it has repealed—each of these three sections. Not only has the OPA repealed these three sections, but the Emergency Court of Appeals has likewise repealed them. I have before me an opinion of the Emergency Court of Appeals which was handed down recently in case No. 101. It is the case of Armour & Co., an Illinois corporation, against Chester Bowles, Price Administrator. The case was decided on March 29, 1945. I desire to read from the opinion. I quote from page 15:

Without undertaking to define precisely what is meant by "out-of-pocket costs," they do include direct labor and material costs, and undoubtedly exclude general overhead such as administrative and selling expenses.

Mr. LANGER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. WAGNER in the chair). Does the Senator from Oklahoma yield to the Senator from North Dakota?

Mr. THOMAS of Oklahoma. I yield.

Mr. LANGER. Will the Senator state the facts of the case, so that we may understand to what the decision related?

Mr. THOMAS of Oklahoma. This was a meat case. Armour & Co. was appealing from the order of the OPA. The OPA refused to allow the packing companies, great and small, to include in their costs of production administrative and selling expenses. I do not understand how an organization could live unless it included in its costs both administrative expenses and selling expenses. In this case the OPA refused to permit Armour & Co. and other companies to include in their cost items their administration and selling costs. The Emergency Court of Appeals said:

They do include direct labor and material costs, and undoubtedly exclude general overhead such as administrative and selling expenses.

Further on the court sustains the OPA decision. I desire to have read at the desk the last page of the decision, because it relates to the laws which Congress has enacted. The opinion concludes with the following statement:

A judgment will be entered dismissing the complaint.

That means that the Emergency Court of Appeals held against the packing company and sustained the OPA contention that the packing companies are not entitled to have their administrative costs included in their costs of production. Neither are they entitled to have their selling expenses included in their costs of production.

I ask unanimous consent that the portion of the opinion which I have indicated be read at the desk.

The PRESIDING OFFICER. Wthout objection, the clerk will read as requested.

The Chief Clerk read as follows:

In the act of October 2, 1942 (56 Stat. 765), now cited as the Stabilization Act of 1942, the so-called McKellar amendment added a proviso as follows:

"*Provided further,* That in the fixing of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing. * * *"

The only legislative history with reference to the amendment is found in a statement on the Senate floor by Senator Brown, who had charge of the bill, explaining the amendment thus:

"Mr. President, that amendment is in line with the policy already established by the Price Control Act, and I believe it is substantially a restatement of existing law. As I understand, the Senator from Tennessee desires that the policy be restated in the joint resolution. Personally, I have no objection" (88 CONGRESSIONAL RECORD 7494). In other words, the McKellar amendment did not modify the basic statutory standard in section 2 (a) that maximum prices must be "generally fair and equitable," which would naturally mean that the prices established must allow a generally fair and equitable margin. As we held in the Gillespie case, where industry earnings under price control have remained at or above the representative peacetime level, the prices established for a particular product produced by a multiple-product industry provide a generally fair and equitable margin when they are sufficient to allow the recovery of out-of-pocket costs in respect to such product.

Contrary to complainant's contention, we do not deem relevant to the present case the proviso introduced by way of amendment to section 2 (a) by the Stabilization Extension Act of 1944, as follows: "*Provided,* That no such regulation or order shall contain any provision requiring the determination of costs otherwise than in accordance with established accounting methods." RMPR 169 contains no provision requiring changes in cost-accounting methods; the industry remains free to follow its old cost-accounting practices. The Administrator has merely refused to accept the cut-out test method used in the industry as the yardstick for determining whether the maximum prices are generally fair and equitable. It surely was not the intention of Congress to require the Administrator, in discharging his duties under section 2 (a) to accept at face value the results indicated by whatever method of cost accounting the industry has chosen to pursue. For the same reason we hold that the regulation does not operate "to compel changes in the business practices, cost practices, or methods * * * established in any industry," contrary to the prohibition of section 2 (h) of the act as amended.

A judgment will be entered dismissing the complaint.

Mr. THOMAS of Oklahoma. Mr. President, that decision is offered to show—and it shows conclusively—that the OPA has disregarded the three acts of Congress. Secondly, it shows that the Federal Emergency Court of Appeals, appointed pursuant to law to consider appeals from the OPA, sustained the OPA in its disregard of the law.

In effect, this opinion repeals each of three sections of the law upon the statute books today; and, so far as the OPA is concerned, and so far as the farm price problem is concerned, there is no law that the OPA recognizes, and there is no law that the United States Emergency Court of Appeals recognizes. So the amendment offered this afternoon is intended to give the OPA a fourth directive. If this amendment is adopted and becomes law, and the OPA disregards it I presume Congress cannot compel the OPA to enforce the law. All we can do is to enact the law, and then try to get the agencies to enforce it. Of course, we have remedies against agencies of the Government which refuse to enforce the law. Insofar as I am concerned, I should like to make use of some of those remedies, if I could have my way about it.

Mr. LANGER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from Oklahoma yield to the Senator from North Dakota?

Mr. THOMAS of Oklahoma. I yield.

Mr. LANGER. I remember that at the time when the Tydings amendment was before the Senate and when the Selective Service System refused, as Senators will recall, to defer farm boys, I asked the distinguished senior Senator from Ohio [Mr. TAFT] what remedy we had against Mr. Hershey. His reply was very unsatisfactory.

I should like to know what power the Congress has, aside from withholding appropriations, against some of the agencies which are appointed by the Executive.

Mr. THOMAS of Oklahoma. Mr. President, the incident cited by the distinguished senior Senator from North Dakota is in point. The Congress attached what is known as the Tydings amendment to the Selective Service Act. The authorities who were to administer that law refused to abide by it and paid practically no attention to it. So the Congress was forced to make a second attempt to make the law so plain that they could not disregard it. Even though we made a second attempt, in my opinion, the law is not being enforced as the Congress intended it to be enforced.

But now we have no law upon the statute books which in any way protects the farmers in respect to the prices paid for their commodities during the war.

Mr. President, at this point I send to the desk a telegram which I have received. It verifies the statement I have just made. The writer of the telegram is Mr. Wilbur LaRoe, Jr. It is true that he is an eminent lawyer, and some persons may not wish to take his viewpoint; but I think his judgment is to be respected, and I think his opinion is sound. I ask unanimous consent that the telegram be read at the desk.

The PRESIDING OFFICER. Without objection, the telegram will be read.

The Chief Clerk read as follows:

CHICAGO, ILL., *June 7, 1945.*

Hon. ELMER THOMAS:

Supreme Court decision denying certiorari Armour case nullifies McKellar amendment in present statute by supporting contention of OPA that the amendment is without significance. This makes doubly necessary a new amendment in language so clear and specific that it cannot be nullified by interpretation.

WILBUR LAROE, Jr.

Mr. THOMAS of Oklahoma. Mr. President, the investigation held by the Senate Committee on Agriculture and Forestry disclosed a great many things which were somewhat alarming. We found conclusive evidence that there exists in this country a vast black market. The OPA knows about this black market, because I exhibit to the Senate a release from the OPA, dated May 30, 1945, which was only 8 days ago. It is a report by Chester Bowles, Administrator of the OPA, to the Members of the United States Senate and House of Representatives. On page 2 of the release Mr. Bowles says:

By May 25 only 15,220 nonfederally inspected slaughterers had registered with the OPA for their quotas. No doubt some of those who have not registered still intend to do so. It is safe to say, however, that the great majority of the 11,000 which failed to apply had been operating in the black market. Today they no longer can do business.

He means by that statement that they no longer can do business legally. Mr. Bowles admits, speaking for his organization, that a great majority of the 11,000 slaughterers-packers are operating in the black market. One-half of 11,000 is 5,500; so he says that a large number in excess of 5,500 are operating in the black market today.

Mr. President, that is one thing the amendment seeks to cure. If the amendment is agreed to and if it becomes operative as its proponents think it should,

it will exert a powerful influence, we think, in stopping and terminating the black market. It will permit the packers to live. They cannot live now, under existing conditions. Their packing houses are closed. Until recently four packing houses were operating in the city of Washington. How many are operating now, Mr. President? My information is that none are operating now. Why are those packing houses not operating in the District of Columbia? Why are others not operating throughout the States of this Republic? They are not operating because under the rules and regulations and ceilings provided by the OPA they cannot exist, and as a result they have gone out of business and have closed their doors.

This matter was called to the attention of the OPA authorities by the Senate and House committees. The OPA has made three separate attempts to bring about a better condition in the meat industry. The investigations by the two congressional committees, when the reports based on them were filed, forced the authorities of the OPA to take notice of the recommendations. So the organization in control of prices made three separate attempts to help the meat industry. The first effort, step No. 1, was made while the hearings were being held, but the meat industry said that the amended orders were of no benefit to them, and that in many particulars they were worse than the first orders. So the OPA could not get by with that adjustment.

The complaints continued; so the OPA then took a second step; it brought out what it called a 10-point program, and it put that program into operation. The meat industry said that program was better than the first one, but it was not sufficient, and they could not operate under it.

So the OPA had to take notice of those complaints; and then, as a last resort, being forced by both Houses of Congress, it brought out program No. 3. That program has afforded some relief to the packing industry, especially to the larger packers; but under the program the small packing house quotas have been limited. So the packing house located out in the country is allowed to slaughter only so many hogs a month and so many cattle a month.

Mr. President, the report which Mr. Bowles, as Administrator of the OPA, made to the Congress made one promise to which I wish to call the attention of the Senate. He made a promise to the meat packers of America that at the end of the year, if they have suffered a loss, they may file a statement of their loss for investigation, and if they can convince the OPA authorities that they have suffered a loss, the OPA will then pay, in the form of a subsidy, a sufficient amount of money to cover the loss. No profit whatever is provided for.

Mr. President, it is obvious to me that the fact that the OPA authorities gave this promise to make good or make whole and protect from loss the packers at the end of the year is an admission on the part of the OPA that the packers are not now making money. That is exactly the fact.

Mr. President, I now wish to read from the 10-point program which was issued only recently by the OPA authorities.

Mr. BALL. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. BALL. Does the Senator know of any law under which the OPA could fulfill its promise to make any individual concern whole at the end of the year?

Mr. THOMAS of Oklahoma. That is the point I was going to make, Mr. President. I know of no such law. I have asked attorneys who have time at their disposal to search the law books, but I have found no attorney who has been able to find such a law. I have asked the OPA to cite the law which would give them such authority, and they have not cited any. So I make the statement that there is no law which authorizes the OPA to pay a subsidy at the end of the year to any concern which can show it has incurred a loss. Yet that is one of the promises the OPA made to the packers. The OPA made it on April 23, when this release was issued. The OPA has made it since, and it made the promise again only this morning, before the Senate Committee on Banking and Currency.

Mr. President, inasmuch as the part which I have read embraces approximately but three or four paragraphs, I send the release to the desk and ask that the clerk read the portions which are indicated by a blue pencil mark.

The PRESIDING OFFICER. Without objection, the clerk will read as requested by the Senator from Oklahoma.

The Chief Clerk read as follows:

INCREASES, IF NECESSARY, IN SUBSIDY PAYMENTS OR PRICE CEILINGS ON PORK

It is expected that OPA's present study of the price ceilings for pork and pork products will be completed so that a final decision can be made known on or before May 10, 1945. As previously announced, any increases which prove necessary will be made effective, by means of subsidy payments, retroactively to April 1, 1945. Such increases will be made effective for the future either by an increase in subsidy payments or in price ceilings or by a combination of both. In making such determination, the adjustments on beef will be taken into consideration. If the final determination is not made by May 10, there will be an interim subsidy payment of 40 cents per hundredweight, subject to later adjustment upward or downward in accordance with the final decision.

ADJUSTMENTS FOR INDIVIDUAL SLAUGHTERERS

A primary feature of today's program is a special adjustment plan designed to make certain that no individual slaughterer who operated profitably in peacetime will be compelled to discontinue operations during the present critical period.

The adjustment will take the form of a special subsidy to be paid by the Defense Supplies Corporation on certification by the Office of Price Administration.

Any slaughterer whose plant operated profitably within the period 1938–41 and who believes that in the absence of further adjustment he will be unable to operate without loss for the balance of his current fiscal year, will be eligible for the special subsidy if he has been in compliance with applicable price and rationing regulations during the period for which he seeks relief. To show that his plant operated profitably in the period 1938–41, the slaughterer must show that during that period or such part of it as the plant was in operation the business either earned a profit on sales of meat and related products on the average for the period of operation or earned such a profit during at least half of the years within the period.

Mr. THOMAS of Oklahoma. Mr. President, the clerk has read the substance of the provision. There is one line on the next page which has been underscored with a blue pencil. I ask that that line be read.

The PRESIDING OFFICER. The clerk will read as requested.

The Chief Clerk read as follows:

First, an increase of 25 cents per hundredweight is authorized in the maximum prices of carcass beef of choice, good, and commercial grades on sales to the Government. For Army frozen boneless beef an increase of 35 cents per hundredweight is provided, because of an approximate 30-percent shrinkage incurred in the boning operation. Comparable adjustments are being made on sales to the War Shipping Administration.

Mr. THOMAS of Oklahoma. Mr. President, that is as much of the document as I care to have read. I do not desire to put all of it into the RECORD because I believe Members have copies of the release in their office files.

I invite particular attention of the Senate to this matter because it is unusual for a Federal agency to make a promise to the people of America that at the end of a fiscal year, if they can show they have suffered a loss during the year, the agency will give them a special subsidy in order to make up the loss which they have sustained. That is exactly what the OPA has done with respect to the slaughterhouses of America. I submit this question to the OPA: How can you expect the slaughterhouses to operate for a year at a loss and still maintain themselves in business?

Mr. President, most slaughterhouses are not gigantic institutions. There are what are known collectively as the Big Four, but of the 26,000 slaughterhouses located throughout the United States, most of them are small institutions. In order to obtain money for the operation of their business, those slaughterhouses must frequently borrow from the banks. I doubt if any bank in America would loan a packing house money with which to conduct its business if the only assurance the bank could receive of a repayment of the loan was that at the end of the year the OPA, according to its promise, would make good the loss which the packing house had sustained. I cannot find one law which authorizes such a promise. So far as I know, there is no law which authorizes the OPA to make a promise of that nature. If there were such a law, Mr. President, the OPA would first have to obtain the money in order to pay the subsidy. It cannot merely write a check for the money. It must first ask the Congress of the United States for the money in order to make special payments in the form of special subsidies for the purpose of remunerating packing houses for the losses which they have sustained during the previous year. Banks will not make loans on such a basis. That being true, the slaughterers cannot finance themselves, and many of them have ceased to operate. They will continue to cease operations

so long as the order to which reference has been made remains in effect.

Mr. President, I have had numerous conferences with the agency known as the OPA, lasting for a considerable time. After a recent conference I wrote Mr. Bowles a letter setting forth the position, as I understood it to be, of the Committee on Agriculture and Forestry. I do not desire that the letter which I wrote Mr. Bowles be read, but I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON APPROPRIATIONS,
June 5, 1945.

HON. CHESTER BOWLES,
Administrator, Office of Price Administration, Washington, D. C.

DEAR MR. BOWLES: I acknowledge receipt of your favor of the 4th instant and note your report on the recent changes in the rules and regulations made by your organization with respect to the meat industry.

The investigation ordered by the Senate was caused by the number of complaints coming in to Members of the Senate from their respective States and inasmuch as such complaints must have been reaching your office and nothing was being done with respect to them, it appeared to the Members of the Senate that the complaints were having little, if any, attention by your organization. Resolutions were passed by both the House and Senate authorizing committees to make an investigation and submit reports with respect to the meat industry.

After such committees were appointed and the investigations were begun, your organization did take notice of the meat situation and did take a step which was offered as a solution of the problem about which the complaints were made.

Your organization having made the meat program, must have been in possession of all the facts relating to the industry from the producing of meat animals to the sale of processed meats to the ultimate consumers. Knowing of these conditions you had full authority to adjust the rules and regulations so as to have brought about the relief which was demanded.

Your first step, or adjustment No. 1, was of so little aid that it was rejected. Thereafter you brought out your 10-point program, and again the changes and adjustments were not accepted. Following your second attempt to so adjust the rules and regulations and subsidies as to permit the small packers to continue to exist, and having failed in the opinion of the meat industry, the respective committees of the two Houses brought forth and submitted their respective reports, whereupon a third step was taken by your organization.

To this date I have not had sufficient reaction from the meat industry to enable me to judge of the sufficiency of the relief granted.

Speaking for the State of Oklahoma alone, I have continuous complaints coming in with respect to the provisions of the program. The northern part of my State is practically a solid wheat field and this year we have one of the best crops in our history. Through your rules and regulations you have limited such packing houses as we still have left to such a low quota that the packers are having to remain idle most of the time. We have, in my State of Oklahoma, more hogs and cattle than we ever had, and many of these animals are ready for slaughter, yet because of the low quotas the slaughter houses cannot kill, which in effect, first destroys the market for the live animals and, second, it prevents such slaughterers from providing meat for the population residing in the area where the cattle and hogs are held and where the slaughterhouses are idle.

Farmers who produce only a few head of cattle and hogs for the market cannot, with profit, transport such animals long distances to a slaughterhouse under Federal inspection; hence, stagnation is the result of your policies in most of the State of Oklahoma. Perhaps this is not the worst part of the program. Because the wheat section of Oklahoma has lost a vast amount of its population to foreign defense plants and to the military service, it will be necessary to import into the State a number of harvest hands equal from 15 to 25 percent of the population of the wheat counties in order to insure the harvesting and saving of the crops of Oklahoma farmers.

In passing, I call your attention to the fact that the wheat and oat harvest is now on in Oklahoma. While I cannot speak with authority, I am satisfied that the conditions prevailing in Oklahoma are prevailing or will prevail in each of the farm sections and especially in the Wheat Belt of the Central West.

Because of your present policies the hotels and restaurants are unable to procure meat for their tables and the farmers are unable to procure meat to serve to the harvest hands which they will be compelled to provide for on the farms. Men engaged in harvesting farm crops must have some form of meat, otherwise they will not engage in that class of work undernourished and with an inadequate supply of proper food.

While the Senate investigation was devoted primarily to the meat industry, yet I share the feeling of many members of the Senate that your organization has not administered the law as the Congress intended that it should be administered. At this point let me call your attention to the provisions of the original law, Public Law 421, Seventy-seventh Congress; approved January 20, 1942. The portion I desire to call your attention to is found in section 3, as follows:

"SEC. 3. (a) No maximum price shall be established or maintained for any agricultural commodity below the highest of any of the following prices, as determined and published by the Secretary of Agriculture: (1) 110 percent of the parity price for such commodity, adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials, or, in case a comparable price has been determined for such commodity under subsection (b), 110 percent of such comparable price, adjusted in the same manner, in lieu of 110 percent of the parity price so adjusted; (2) the market price prevailing for such commodity on October 1, 1941; (3) the market price prevailing for such commodity on December 15, 1941; or (4) the average price for such commodity during the period of July 1, 1919, to June 30, 1929.

"(b) For the purposes of this act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law. In the case of any agricultural commodity other than the basic crops—corn, wheat, cotton, rice, tobacco, and peanuts, the Secretary shall determine and publish a comparable price whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

"(c) No maximum price shall be established or maintained for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to producers of such agricultural commodity a price for such agricultural commodity equal to the highest price therefor specified in subsection (a)."

In addition to the provisions of the original law, I call your attention to the act (Public Law 729, 77th Cong.) approved October 2, 1942, and call your attention to provisos contained in section 3 of said law. Such provisos are as follows (so-called McKellar amendment):

"*Provided further,* That in the fixing of of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing: *Provided further,* That in fixing price maximums for agricultural commodities and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, as provided for by this act, adequate weighting shall be given to farm labor."

To justify the statement just made that your organization has failed to administer the law as intended by the Congress, I call your attention to the provision of the act passed and approved on June 30, 1944. This act has as its title "To amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of October 2, 1942, as amended, and for other purposes." Obviously believing that the act was not administered as intended, the Congress placed in the law just mentioned the following provisions:

"SEC. 201. (a) The first proviso contained in section 3 of the Stabilization Act of October 2, 1942, as amended, is amended to read as follows: '*Provided,* That the President shall, without regard to the limitation contained in clause (2), adjust any such maximum price to the extent that he finds necessary to correct gross inequities; but nothing in this section shall be construed to permit the establishment in any case of a maximum price below a price which will reflect to the producers of any agricultural commodity the price therefor specified in clause (1) of this section:'.

"(b) Section 3 of such act of October 2, 1942, as amended, is amended by adding at the end thereof the following new paragraphs:

" 'On and after the date of the enactment of this paragraph, it shall be unlawful to establish, or maintain, any maximum price for any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity which will reflect to the producers of such agricultural commodity a price below the highest applicable price standard (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) of this act.

" 'The President, acting through any department, agency, or office of the Government, shall take all lawful action to assure that the farm producer of any of the basic agricultural commodities (cotton, corn, wheat, rice, tobacco, and peanuts) and of any agricultural commodity with respect to which a public announcement has been made under section 4 (a) of the act entitled "An act to extend the life and increase the credit resources of the Commodity Credit Corporation and for other purposes," approved July 1, 1941, as amended (relating to supporting the prices of nonbasic agricultural commodities), receives not less than the higher of the two prices specified in clauses (1) and (2) of this section (the latter price as adjusted for gross inequity).' "

Pursuant to the law enacted by the Congress, it assuredly was the intent to enact no legislation nor to provide for any administration which would prevent farm commodities to rise to that point where the full parity price would be reflected in the amount paid to the producer. Even with a world war in existence and with over $26,000,000,000 of currency in circulation and some one hundred and forty-five billions of credit money in existence, your organization has so administered the prices of processed arti-

cles so that a number of farm commodities have not yet been permitted to rise in price sufficiently to enable the farm producers to secure the full parity price.

For example, on May 15 of this year, the parity price of wheat was $1.53 per bushel, yet the price paid to farmers was only $1.49 per bushel. On the same day the parity price of rye was $1.25 per bushel, while the price paid to the farm producers of rye was only $1.12 per bushel. On the same date the parity price of cotton was 21.45 cents per pound, while the price paid to cotton farmers was only 20.51 cents per pound. On the same date the parity price of corn was $1.11 per bushel, while the price paid to the farmer producer of corn was only $1.08 per bushel.

I realize that the price paid to farmers on the average is almost a full parity price, but still, with all the favorable conditions to prices, full parity prices have not been secured to farmers to date.

With respect to meat prices I have no complaint that ranchers and farm producers of hogs, cattle and sheep are not receiving the full parity price; however, with respect to meat the complaints coming to me are from feeders and small slaughterers. I have no complaints to speak of from the producers of livestock and neither have I complaints to speak of from retailers of the processed meat. Complaints are insistent that the feeders cannot operate and that the small slaughterers were in a "squeeze," wherein they could not operate without sustaining severe losses; hence, with respect to the meat industry the complaints were limited to a proper price to the feeders and to a proper spread between the price paid the slaughterers and the price they were permitted to receive for the processed products under your rules and regulations.

As stated before, I am not prepared to pass on whether or not your most recent order carried sufficient relief to permit the feeders to reengage in "feeding out" cattle and whether or not such regulations were sufficient to permit the small slaughterers to reopen for business with some prospect that they might break even, if not make a profit.

While I cannot, as yet, make a positive statement, I am advised by a number of slaughterers that your latest program does not permit them to receive their costs or to make a fair margin of profit.

In conclusion, I think the question is much more fundamental than whether this or that program provides the needed relief. In my opinion the one thing that is largely responsible for the present distress of many small companies processing agricultural commodities is the Office of Price Administration's faulty pricing policies based upon the overall industry profit test supplemented by the secondary standard profit cost. As you know, this pricing policy has been approved by the court in several cases and it seems to me that Congress must, by legislation, remedy this defect in administration.

Inasmuch as your administration of the law has brought about so much controversy and so many complaints, it would seem to me that you would welcome a further directive by the Congress as to just what policies you should follow with respect to agriculture, as well as other commodities.

For the reason stated, I feel that the amendment introduced by myself and now pending before the Senate for consideration should be called up and offered in the Senate as an amendment to Senate Joint Resolution 30, the proposal to extend the Emergency Price Control Act, as amended, and the Stabilization Act of 1942, as amended.

In thus answering your favor I do not wish to have you think that I am lacking in confidence of either your ability or willingness to administer the law as you interpret it and as you think the law should be interpreted to bring about the best conditions for all the people of our great country; however, I know that you have a vast number of highly trained experts who are making the determinations and, in effect, the decisions with respect to the many matters over which you have jurisdiction.

Assuming to speak for the citizens of one State, I am convinced that the public interest demands that the Price Control Act should be extended; however, I likewise assume to speak for one State when I say that I think just as strongly that the public interest would be served by the enactment by the Congress of a further directive clarifying the intent of the original act and further clarifying the intent of the so-called McKellar amendment, and the amendment which I have pending before the Senate seeks to do this identical thing.

If the Senate agrees to the amendment, then it will go to the other branch of the Congress, and if concurred in by the other branch, it should express the third attempt of the Congress to define your powers and duties so definitely that misinterpretation thereafter will be impossible.

Respectfully submitted.

ELMER THOMAS.

Mr. THOMAS of Oklahoma. Mr. President, on yesterday, June 6, 1945, Mr. Bowles, the Administrator of the Office of Price Administration, sent me a letter which I send to the desk and ask to have read.

The PRESIDENT pro tempore. Without objection, the clerk will read as requested.

The Chief Clerk read as follows:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., June 6, 1945.

The Honorable ELMER THOMAS,
Chairman, Agriculture and Forestry Committee,
United States Senate.

DEAR SENATOR THOMAS: You have asked for a statement of the policy which the Office of Price Administration will follow in pricing the products of the various species of livestock.

Recognizing the critical shortage of meat and the imperative need of avoiding any impediment to maximum production and even distribution, this Office, in addition to satisfying all the various mandatory requirements of the present law, will see that the products of each of the three main groups of livestock—cattle and calves, hogs, and lambs and sheep—are each, separately considered, on a profitable basis.

To the fullest practicable extent the Office will see that each of these groups of products is separately profitable at all times, regardless of live animal prices. It will at all events see that each group is separately profitable on an annual basis.

I have discussed this letter with Judge Vinson and Mr. Davis, and they authorize me to say that they concur in it.

Sincerely yours,

CHESTER BOWLES,
Administrator.

Mr. THOMAS of Oklahoma. Mr. President, I wish briefly to comment upon the letter. In this letter Mr. Bowles has promised that he will see to it that every branch of the packing industry relating to beef, pork, mutton, and lamb, will operate at a profit. I desire to reread that particular paragraph of the letter:

Recognizing the critical shortage of meat and the imperative need of avoiding any impediment to maximum production and even distribution, this Office, in addition to satisfying all of the various mandatory requirements of the present law—

Mr. President, there are no requirements of the present law. The OPA has disregarded them, ignored them, and has been sustained in its position by the Emergency Court of Appeals. I assert that there is no law which forces it to do anything. So it is very easy to make a pledge that all existing law will be enforced when the OPA does not recognize that any law governing the matter is in existence.

The paragraph continues:

will see that the products of each of the three main groups of livestock—cattle and calves, hogs, and lambs and sheep—are each, separately considered, on a profitable basis.

Mr. President, that is all the pending amendment would do. It would do but one thing, namely, to write into the law an assurance or a statement of the policy of Congress that the packers shall have a profit on their cattle and calf production, a profit on their hog productions, and likewise a profit on their lambs and sheep production. So, Mr. President, all the amendment would do would be to write into the law a forthright direction to the Office of Price Administration in an effort to compel that agency to give farmers and ranchers a fair price for the products of their land. Of course the amendment covers not only meat, but all agricultural products, everything that grows upon the farm.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WAGNER. I was going to ask to have read, if the Senator will permit me to do it now, the provision of the law by which the OPA does the very thing the Senator has in mind, I think that is at the end of the year to make up by way of subsidy any losses which may have been incurred. I was going to ask that that may be read now, or, if that is not agreeable to the Senator, I will ask that it be read at a later time.

Mr. THOMAS of Oklahoma. That section has just been read within the last 5 minutes.

Mr. WAGNER. Not section (e), because I know that Judge Vinson, who is a very able lawyer, and Mr. William Green, who is one of the best lawyers in New York, both interpret that section in a way to justify the very thing which the OPA has agreed to do and is doing.

Mr. THOMAS of Oklahoma. That is true. The OPA interprets that law in harmony with its recent actions, and its recent actions refused to recognize the right of industry to make a profit or even to pay their costs, because the OPA is going to give them back their losses at the end of the year, if they sustain losses.

Mr. MORSE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from Oklahoma yield to the Senator from Oregon?

Mr. THOMAS of Oklahoma. I yield.

Mr. MORSE. I wish to say, Mr. President, that, in my judgment, if we are going to correct maladministration of the OPA the time to do it is now when they want further congressional sanctions for their program. I favor the objectives of OPA, but I shall continue

to criticize their mistakes and maladministration. I am not at all impressed by Mr. Bowles' letter, because in my honest opinion, judging from past experience, he will not make good on that letter.

Last September, as I said on the floor yesterday, Mr. Bowles made the statement that the OPA would not be guilty of repeating the costly mistakes it has committed for 2 years in the West in regard to the sheep industry. However the sad fact is that the same mistake is being made again.

With the Senator's permission, I should like to read into the RECORD at this point an article which appeared in the Oregon Journal of May 30, 1945, written by one of the most able reporters and correspondents on the west coast, Mr. Robert A. Holley, entitled "Lamb Problems Face Northwest." The article reads as follows:

Oregon's lamb rationing problem, the bane of district, regional, and national OPA, came within close range today.

"From all appearances, it will be the same old story of 'too little, too late' unless the OPA moves fast," R. L. Clark, livestock industry spokesman, president of Bodine & Clark Livestock Commission Co., commented when reporting that thousands of Willamette Valley lambs are ready for market.

Clark explained that butchers are literally crying for the lambs, State inspected plants are limited by slaughter quotas, and "the big federally inspected plants won't kill them until they get the price down."

"Willamette Valley farm lambs are traditionally marketed from now on through August. Since San Francisco packing plants are loaded to capacity with California lambs, it is necessary to market all lambs for the next few weeks in the Northwest."

The Portland district OPA has been given all kinds of advance notice on the 1945 lamb marketing problem by agricultural leaders and livestock associations. The Western Oregon Livestock Association passed a resolution February 18 asking that rationing of lamb be suspended from June through August, "so the crop will not be wasted." Oregon Wool Growers' Association went on record urging removal of ration points from lamb during the rush market season and asking association officers to impress upon OPA that lambs form a seasonal perishable crop.

But even if lamb were in the meat-market showcases, the consumer would not be able to buy it because he is bankrupt on red stamps. Thousands of housewives bought fish on Tuesday to serve their families over Memorial Day holiday. A survey of downtown markets late Tuesday showed customers standing, two and three deep, at fish-market counters, while at meat markets there were more employees than customers.

If the Senator from Oklahoma will yield a moment longer, I should like to refer to a couple of very basic points which I think should be kept in mind throughout this debate. First, the meat problem throughout the country has raised regional differences. I grant it is desirable, wherever possible, to have a uniform policy but it is necessary to take into account the realistic facts of what the meat producers of this country find themselves up against.

In order to make myself plain, because it illustrates the principle which I wish to emphasize, let me take a moment to say that in Oregon we have what is called the Willamette Valley and in that valley we have what we call soft lamb. There is no higher quality lamb raised in the country, but it cannot be shipped long distances. It is not the kind of lamb that will stand shipment because of the great shrinkage it suffers in shipment. This is true also of the lamb in other sections of my State. Before the war and throughout the history of the industry Oregon lambs were slaughtered in local slaughterhouses throughout Oregon and principally in Portland. Oregon lamb has been sold to consumers of Oregon almost entirely. For 2 years the production of lambs in Oregon has been going down. This year the reduction is somewhere between 25 and 40 percent. Why? Because OPA will not be sufficiently realistic to recognize that when Oregon lambs are ready for market they must be sold and consumed in a regional area. We have asked OPA each year to lift the ration points on Oregon lambs. Last year the district OPA office in Portland agreed that was the only way to solve the problem; but Mr. Bowles, in Washington, refused to sustain the Oregon office, and so thousands of dollars were lost to sheep producers in my State. The same mistake was made 2 years ago. One of the results has been the loss to the consumers of millions of pounds of lamb through shrinkage and nonproduction.

Last September, however, when we finally persuaded Mr. Bowles at least to stop by on his way from San Francisco to Seattle by air, he dropped in at the Portland airport and a considerable number of representatives of business and livestock interests of the State waited upon him. He admitted in that conference that the Office of Price Administration had made a mistake for 2 years in handling Oregon lambs, and he gave assurance that the error would not be repeated. That is why I say to the distinguished Senator from Oklahoma that the letter with Mr. Bowles' signature attached to it, insofar as I am concerned, is not worth the paper on which it is written. He has not made good on his promise to prevent a repetition of OPA's 2-year mistake in handling Oregon lambs.

Let me make one other point. In facing the meat problem in this country we are facing also the problem of production. That is why I intimated in my remarks yesterday that to me it is unthinkable and a demonstration of great stupidity on the part of governmental agencies charged with the responsibility of increasing livestock production in this country that in the midst of a war the Government should be taking the position that the production of livestock should be reduced.

We were told yesterday by the distinguished Senator from Illinois [Mr. BROOKS], as I recall—and his statement was admitted by the majority leader—that the Government agencies took the position last year that hog production should be reduced 16 percent. That is the same sort of economic waste, so far as its realistic results are concerned, as if that amount of livestock were killed and destroyed, for certainly, the meat has been made unavailable to the consumers of the country.

In my judgment, as a Congress, we have got to do something to correct this mistake before the pending legislation is finally passed. Mere promises out of Mr. Bowles are not enough. I think it is time we should put into the law language which will require OPA to adjust its meat program to the realities of the situation. I for one am not going to vote to give Mr. Bowles the blanket authority he has had in the past. I think the time has come when the Government should assure the livestock producers of this country that they are not going to be subjected further to the arbitrary and capricious power of the OPA, but that they are going to have assurance, in the letter of the law, that the type of promise Mr. Bowles sets forth in his letter to the Senator from Oklahoma will be made good by statutory mandates.

Mr. THOMAS of Oklahoma. I thank the Senator for his statement. All the amendment seeks to do, Mr. President, is to restate and clarify and make definitely certain that the farm commodities of this country shall be produced not only at cost but at reasonable profit.

Let me ask one question of Members of the Senate. Do Senators know of a single contractor who has built an Army camp or a Navy camp who has made an Army plane or a Navy plane, who has made a tank, a truck, a gun, or what not, for the war effort, who has not made a profit? If so, I have not heard of such a contractor.

Mr. BROOKS. Mr. President——

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from Oklahoma yield to the Senator from Illinois?

Mr. THOMAS of Oklahoma. I yield.

Mr. BROOKS. I think the Senator from Oklahoma is entirely correct. Throughout the entire war effort contractors made so much profit that we had to renegotiate the contracts and get money back from the profits that were made out of the war. While we were appropriating money to meet their contracts, they were inducing labor to leave the farms, so that we not only paid high wages to get the war contract job done, but the farmer, his wife and his children had to work doubly hard, faced with the uncertainty of making a profit.

I am sure the distinguished Senator from Oklahoma will recall that the cattle feeders from the Middle West came here in great numbers a few months ago and warned the Government. Judge Vinson was present and sat there for hours listening to them. They said, "There is more livestock, there are more cattle on the hoof today than we have ever had in our history, but we cannot put them in our feed lots at the price we must pay for the feeder calf if we want to realize a reasonable profit." One farmer, who had only one arm, said, "I am going to do my best, and I am willing to do it, if you let me realize a fair profit." That is the very thing we want to do.

I agree with the distinguished Senator from Oregon, the farmers of this country have lost faith in the Government's promise that "we will not change the rules." The OPA does change the rules. Those engaged in the restaurant

business are subject to it now. When they had only so much meat and so much sugar they rationed among themselves their own points, and set up little reserves. In came the OPA and canceled the points and made them take an inventory, and took away from them the benefit of the reserves they had tried to build up for special occasions, so that their restaurants might live.

I think the time has finally come when we have to write into law what the provisions are to be that will guarantee the farmers a reasonable profit, because now guns are not the only important things. We heard this morning from the Senator from Maryland [Mr. TYDINGS], who has just returned from the Philippines. He knows how important the food problem is there. Others of us have just come back from Europe, and we know that food is one of the most important things in the world right now. The farmers of America are ready and willing to produce. If the Congress will write into the law a provision so that bureaucratic bungling will stop changing the rules, there is a group which will produce the food for America and relieve suffering throughout the world.

Mr. THOMAS of Oklahoma. I thank the Senator.

Mr. MOORE. Mr. President, will my colleague yield?

Mr. THOMAS of Oklahoma. I am glad to yield to my colleague.

Mr. MOORE. I wish to submit one practical proposition and see what my colleague thinks about it. Yesterday I read into the RECORD a telegram from Harper County, Okla., which I assume stated the facts, that the people have more cattle than they have ever had before. That is true throughout the country, is it not?

Mr. THOMAS of Oklahoma. That is true.

Mr. MOORE. There are more cattle on the range.

Mr. THOMAS of Oklahoma. That is correct.

Mr. MOORE. My colleague knows, and every other Member of the Senate knows, that from now up to about October of this year many millions of cattle which would make good beef will be slaughtered from the grass. If they cannot be slaughtered, they have to go back to the ranches and back to the farms, and then become poor again and no longer fit for beef.

What sense is there in limiting slaughtering of cattle on the ranges in Oklahoma, and Texas, and other States where the cattle have gotten fat enough to make fairly good beef? Is not that a total waste, a serious mistake, and is it not unnecessarily denying beef to the people of the United States, and making no contribution at all to the enhancement of the quantity sent to foreign countries, or furnished the Army and Navy? Is it not just a total waste, and can it ever be replaced?

I know my colleague understands what I am talking about. Why would it not be proper, in that case, to take the limit off the slaughtering of grass cattle, and let the cattle producers slaughter what their neighborhoods need? What harm could come of it? It might raise the price of beef temporarily, but I would rather pay a little more money and get some beef than have a low price and not be able to get any beef.

Mr. MORSE. Mr. President, will the senior Senator from Oklahoma yield so that I may ask his colleague a question?

Mr. THOMAS of Oklahoma. I yield.

Mr. MOORE. I shall be glad to answer if I can.

Mr. MORSE. On the basis of the Senator's knowledge of the beef cattle industry, does he agree with me that when beef cattle are ready for market and the OPA restrictions prevent their marketing, and they have to be turned back on the range, many million pounds of beef are lost by shrinkage?

Mr. MOORE. I most certainly do know that to be a fact. That is exactly what happens.

Mr. MORSE. Just as much a loss as though we took the equivalent number of cattle of that weight and destroyed them?

Mr. MOORE. That is exactly true, just as in the case of lambs in the Senator's section. There are lambs fit only for slaughter in the Senator's immediate locality. When slaughtering is not allowed, people go hungry amid plenty of meat.

Mr. MORSE. If the OPA so fixed the ration point system as to lift the points to meet the exigencies of seasonal loads, much meat would be saved, because the American people would buy it, would they not?

Mr. MOORE. That is correct.

Mr. MORSE. As I said yesterday, I say now to the Senator from Oklahoma, I think we must stress over and over again the answer to one fallacious argument of the OPA in regard to inflation as it relates to meat production. The money that is spent for the purchase of necessities of life does not increase the danger of inflation. The American people can use the beef and lamb which is now wasted because of the OPA's ration-point program based upon inflexibility. Modifying the ration-point system will be to the national good, and it does not follow that it will add to any inflationary spiral.

The only thing for which I am pleading—and I shall be through with this sentence—is that, as a Congress, we should insist at this time that OPA so adjust its procedures as to take into account these regional meat problems, and the realities of livestock production.

Mr. MOORE. If my colleague will yield one moment further——

Mr. THOMAS of Oklahoma. I yield.

Mr. MOORE. I wish to say that if we continue to limit the slaughtering of fat grass cattle, and they go back to the ranges, as we come into a period with the prospect of a very poor crop, many of those cattle will perish during the coming winter, and will be a total waste. Does my colleague agree with me in that?

Mr. THOMAS of Oklahoma. My colleague has correctly stated my viewpoint in that regard.

Mr. OVERTON. Mr. President, will the Senator from Oklahoma yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. OVERTON. The observation I am about to make is not to be considered by the distinguished Senator from Oklahoma as being in opposition to his amendment, but I wish to obtain some information as to its practical application.

As I understand, the OPA is to base the price on the cost to whoever sells, whether it be the cattle producer, in the case of cattle, or the feeder, or the processor, or the packing house. As I further understand the amendment he has offered the OPA is to determine, in the case of each person engaged in production or processing, what his costs are, and fix the price so as to assure him a profit. Is that correct? Or is the OPA to undertake to average in some way the costs in each case, the cost to the packer, the cost to the livestock producer, and the cost to the feeder?

Mr. THOMAS of Oklahoma. Mr. President, in answering the question of the Senator from Louisiana I will explain briefly what has happened to date. The OPA undertakes to analyze the costs of production and the selling costs over the entire period, let us say, of 1 year, on all the products the packers make. For example, some packers not only process hogs but they process cattle and lambs. Some packers slaughter and process only beef. Others slaughter and process only sheep, and others slaughter and process only hogs. So the present OPA policy is to consider the net income, if there be one, a packing plant derives from all its activities. The large packers engage in many activities in which the smaller packers do not engage. For example, the larger packers have many branches. Representatives of one packing concern came before the committee and testified that were it not for the profit made by the concern on its sporting goods manufacturing department, the packing plant could not be kept open. That simply shows that the concern is using the profits it makes from the manufacture and sale of sporting goods to defray the deficit incurred in its slaughtering operations.

Mr. OVERTON. I think I understand that. But this is a practical proposition. The OPA has to fix a price so as to insure above the costs a reasonable profit. The question I ask is this: How is the OPA to ascertain those costs?

Mr. THOMAS of Oklahoma. The OPA has a very elaborate questionnaire which it sends not only to packers but to everyone else engaged in business in which the OPA is interested. We have heard much complaint about such questionnaires in recent months. The OPA sends the questionnaires to all concerns in which it is interested, packers included, and when the questionnaires are filled out and returned, the OPA has a complete record of all the transactions of any concern, be it large or small.

Mr. OVERTON. Then the OPA will fix a price for a concern which has returned the questionnaire?

Mr. THOMAS of Oklahoma. The OPA has made the investigation and has fixed

the price. It is the contention of the slaughtering industry that the prices fixed have not been sufficiently high, that is, that the spread has not been sufficiently great, to enable the slaughterers and packers to buy the animals, process them, sell them, and get back their costs.

Mr. OVERTON. How long does the able Senator from Oklahoma think it will take the OPA to get a return from a questionnaire and to analyze the information thus desired from a multitude of slaughterers and packers so as to determine just what the costs are with respect to each processor?

Mr. THOMAS of Oklahoma. Mr. President, the OPA has all the information that is available. The OPA has been working on this subject for 2 or 3 years. The OPA has received voluminous reports from all federally inspected packing concerns. Of course the OPA does not have any connection with the black market operators. But the slaughtering houses, the packing houses, have already advised the OPA of every feature of their business and of every cost they incur in their operations.

Mr. President, this is the trouble: The OPA has fixed a selling price on the animal that comes from the farm or from the ranch. There is no particular complaint from the farmer that he is not receiving enough for his hog or his steer or his calf or his sheep. We do have complaints, however, from the feeders that they cannot take range cattle which are not quite ready for the market, and feed them out under the present expense of labor and of feed, and get back their money. So the evidence is conclusive to the mind of the members of our committee that the feeders, those who buy the animals from the farmers and from the ranchers and put them in the feed lot and do what they call feed them out, cannot continue to do so because they cannot make enough money in the operation.

Mr. OVERTON. I think I understand that.

Mr. THOMAS of Oklahoma. Let me make one further statement which I think will clear up the situation. The packers have a floor price which they are supposed to pay to the feeders or the farmers. Whatever that price is, they are supposed to pay it. Then they are supposed to have a ceiling above which they cannot charge for the processed commodity. Let us say they buy a steer and pay $100 for it. They process the steer. Then the law limits them, by regulations issued, as to price for which they can sell each pound of the animal. The packers contend they are not allowed a sufficient spread between what they have to pay for the animal and what they receive for it to enable them to stay in business, and, as a result, in the city of Washington, every packing house is closed. Packing houses are closed in my State and they are closing daily throughout the United States.

Mr. OVERTON. I thoroughly understand that. Will there be a price fixed on each packer dependent on the cost of operations?

Mr. THOMAS of Oklahoma. No. The OPA groups them.

Mr. OVERTON. Is a price fixed for all packers?

Mr. THOMAS of Oklahoma. A price is fixed for all packers; that is correct.

Mr. OVERTON. Independent packers, the Big Four packers, and all other packers?

Mr. THOMAS of Oklahoma. The OPA groups them; but the ceiling is alike for all, and the subsidy is alike for all. The packers are grouped to some extent.

Mr. OVERTON. Action would be based on the information which the OPA already has?

Mr. THOMAS of Oklahoma. The OPA has all the information it can obtain. The OPA is receiving information daily, and all the time. The OPA, however, has plenty of information on which to establish the prices. The OPA has already established the prices, and has had them in existence for a long time past. The OPA has adjusted the prices three times this spring on the information it has.

Mr. OVERTON. I thank the Senator from Oklahoma.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. HICKENLOOPER. In connection with the question asked by the Senator from Louisiana I will state that it is my understanding of the amendment of the Senator from Oklahoma that it is not necessary at all for OPA to undertake to fix the individual packing price for each plant. The only thing OPA would have to do under the amendment would be to fix a price which was not below the cost of production, plus the margin in the base period. It seems to me that could very easily be done. As the Senator from Oklahoma pointed out a moment ago, OPA is now fixing prices on these same plants and on the processors of other agricultural commodities by regions and zones. OPA can do it under this amendment, as I see it, just as easily, but the difference is that the amendment proposed by the Senator from Oklahoma follows the traditional and time-honored American principle that people ought to be permitted, if they can, to make a profit; that the power of government should not be used to compel them to sell their goods or services below the cost of production.

As I view the amendment of the Senator from Oklahoma, it would be a comparatively simple thing to administer it, if OPA desired to make it simple, and it would probably be as encouraging a thing in the processing field of our econmy as has happened during this war. It would establish confidence on the part of people who are now desperately trying to keep in business, and who look at the example of their neighbor who has gone out of business, with fear and trembling.

Mr. OVERTON. Mr. President, will the Senator from Oklahoma further yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. OVERTON. The reason I asked the question is that I apprehend that, if this price-fixing is to be done by OPA on information which it has to gather in the future, it might be months, it may be years before the OPA shall have accumulated the information, and it will require the employment of thousands upon thousands of additional personnel to collect all the figures in order to fix the prices. Perhaps it will not be done until the war is over, and we have abolished OPA and forgotten all about it. That is the reason I want to know what would be the practical application of the Senator's amendment. I have not analyzed it, but the Senator advises me, as the Senator from Iowa just heard, that the OPA can take the information it already has and not have to make any further investigation. I think the amendment ought so to declare. Otherwise, OPA will send its agents into the field in order to obtain information, and it will take a very long time to obtain it.

Mr. THOMAS of Oklahoma. Let me assure the Senator from Louisiana that the OPA now has all the information that the brightest minds they can employ can secure, and that is all the information the packing houses have. The OPA now has the needed information. But it is getting additional information from day to day and from time to time as conditions change.

I desire to thank the distinguished Senator from Iowa [Mr. HICKENLOOPER] for his statement.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. ELLENDER. I should like to ask a few questions in respect to what the Senator from Oklahoma and other Senators have just been discussing. As I understand the amendment proposed to be included in the pending joint resolution, is it not a fact that every processor will have to be given a profit?

Mr. THOMAS of Oklahoma. Yes, Mr. President, and, further answering the question, let me say that in the promise made by Mr. Bowles in his 10-point program he says he will consider every slaughterer in the United States, and at the end of the year, if any slaughterer in the United States can show that he has suffered a loss, he will make good such loss by a direct subsidy. So the OPA is going to consider every slaughterer in the United States. It is considering every slaughterer now.

Mr. ELLENDER. The Senator states that he intends to give to every processor a profit. Suppose that after an examination of the records of, let us say, five processors who produce the same kind of goods the cost of producing one article shall be found to be, let us say $1 for one processor; for another 96 cents; for another 92 cents; for another 90 cents; and for still another 89 cents. How would the ceiling prices on the article be fixed.

Mr. THOMAS of Oklahoma. They would be fixed as they have been fixed in the past. At the present time the packing houses slaughter meat animals at different prices. In the cities in this country, under a free economy, one butcher shop may sell a cut of meat at one price, and another butcher shop, across the street, may sell the same cut of meat at a different price. That is not unusual.

Mr. ELLENDER. Under the terms of the Senator's amendment, if an article cost a processor $1, and a 5-percent profit were allowed, that would mean that such

processor could sell at $1.05; and the processor whose cost was 89 cents could sell for almost 94 cents. Is that true?

Mr. THOMAS of Oklahoma. The amendment seeks to guarantee the packing industry, the feeders of cattle, and the slaughterers of cattle, only sufficient money to enable them to pay the costs of operation and a reasonable profit in addition. Does the Senator take exception to the statement of that principle? Should they not have that much?

Mr. ELLENDER. I believe that a profit ought to be allowed to processors. The method of reaching that goal should be fixed according to prevailing and tried methods. It strikes me very forcibly that if the amendment of the Senator is adopted, it will simply mean that the price or ceiling fixed for the high-cost producer will become the ceiling price for the low-cost producer; and the man who produces an article at a cost of 89 cents as I pointed out a while ago, will be able to sell it for $1.05, instead of almost 94 cents and thereby increase his profits tremendously, all of which would have to be borne by John Q. The only alternative would be to permit the establishment of different prices on the same article and thereby make ceiling prices ineffective.

Mr. THOMAS of Oklahoma. Let me give an illustration. I do not desire to be personal. The Senator from Louisiana has some of the finest land out-of-doors. His particular land is adapted to the production of potatoes. The Senator from Louisiana can produce potatoes on his Louisiana land probably at the minimum cost. Yet, in my State, which produces some potatoes, we cannot produce as many bushels per acre as can the Senator from Louisiana. In my State the taxes may be higher. Labor costs may be higher. The soil may not be so good. The yield per acre may not be so high. So in my State we could not compete with the low-cost production of potatoes on the Senator's farm in Louisiana. Yet there is no occasion for a different ceiling. The farmers in my State would not make as much money as would the Senator from Louisiana. I am sure he would not complain about that. That is an illustration.

Mr. ELLENDER. I understand; but suppose a ceiling were fixed so as to give the Oklahoma farmer a fair profit. Since I can produce potatoes on my farm more cheaply than can the Oklahoma farmer my profits would be far in excess of his profits. Would that not be true?

Mr. THOMAS of Oklahoma. That is exactly what has happened.

Mr. ELLENDER. Cannot the Senator see that if his amendment were adopted, and the situation which I have been discussing should occur, a ceiling price would be fixed on a commodity so as to give to the low-cost producer a price equal to the high-cost producer and thereby give opportunity for unconscionable profits. The only alternative as I have previously pointed out would be to have many prices in one locality on the same products.

Mr. THOMAS of Oklahoma. Certainly it would be manifestly unfair to use the costs of production of potatoes in Louisiana as a basis for fixing the ceiling price of potatoes in my State and in other States where the land, perhaps, is not quite so good, where labor expenses are higher, and perhaps taxes are higher.

Mr. ELLENDER. As I understand, under the Senator's amendment the OPA would use my costs in fixing a certain price. Then it would use the Senator's costs in Oklahoma as a basis for fixing a price for potatoes in Oklahoma. It would take the costs in Idaho as a basis for fixing the price of Idaho potatoes. That would mean that a certain price would be fixed on the potatoes which I produce; another price on the potatoes produced in the Senator's State; and still another price on potatoes produced in Idaho or in other States. The system of price ceilings would simply be shot to pieces and unworkable. I give this illustration because the Senator used potatoes as an example. As I pointed out the Senator's amendment does not affect prices of farm products.

Mr. THOMAS of Oklahoma. That is exactly the policy now being followed by OPA. I hold in my hand the regulations affecting the poultry industry in the United States. Under those regulations there are 51,840 possible prices on poultry products in the United States. Let me explain how that comes about. For example, on one page of the rules and regulations we find a list. No. 1 on the list is broilers, fryers, and roasters. There is a price ceiling on them.

Mr. ELLENDER. Under those ceiling prices everyone gets the some price.

Mr. THOMAS of Oklahoma. In that area.

Mr. ELLENDER. That is correct.

Mr. THOMAS of Oklahoma. There are a great number of areas.

Mr. ELLENDER. That is true.

Mr. THOMAS of Oklahoma. They get the same price in that area. Undoubtedly all the potato growers in the area surrounding the Senator's farm in Louisiana have the same kind of ground, the same labor costs, and the same taxes. Therefore, presumably they can all produce at about the same costs of production. So the potato growers in that section can be grouped, and prices can be fixed, just as prices are fixed on poultry.

Mr. ELLENDER. On my farm this year my average was about 225 bushels to the acre, whereas some of my neighbors raised about 110 bushels to the acre. The Senator can imagine how much more profit I would have made on my potato crop if the basis of ceiling prices had been made on the cost of production of 110 bushels an acre instead of 225 bushels. I would have probably increased my profits by 30 or 40 percent.

The other alternative would be that I would have to sell my potatoes to the distributor at a lower price than that received by the high-cost producer. The distributor would doubtless sell on a basis of his highest cost, as it would be impossible to differentiate the potatoes produced by me and those of my neighbor.

Mr. THOMAS of Oklahoma. Let me complete this reference before I yield further. I was answering the question of the Senator from Louisiana.

I wish to place before the Senate the plan of OPA in handling poultry prices. As I explained a moment ago, a price is established for each section of the United States. The OPA can divide the country into as many sections as it desires. In a certain area a certain price is placed on broilers, friers, and roasters.

The second item in the list is light capons. A different ceiling price is fixed on light capons.

The third item in the list is heavy capons, which take a different ceiling price.

The fourth item comes under the heading of "Fowl," which includes all groups of poultry.

The fifth item is stags and old roosters.

The sixth item on the list is geese.

The seventh item is young turkeys.

The eighth item is old turkeys.

In that way poultry products are broken down into groups. But that is not all, Mr. President. The United States is divided into areas, and separate ceiling prices are fixed on each of the groups of birds—chickens, geese, ducks, turkeys, and so forth.

The next division is processed poultry. The items which I have just read are in the group of live poultry. Different ceiling prices are fixed on the various subdivisions under the head of live poultry. On processed poultry different ceiling prices are fixed on the same products, namely, broilers, friers, and roasters; light capons, heavy capons, fowl, stags and old roosters, geese, young turkeys, and so forth. In this category young turkeys are broken down into three classifications, namely, light, medium, and heavy. The same applies to old turkeys. There are two classes of poultry—first, live poultry; and second, dressed poultry.

The third category includes ceiling prices on kosher processed poultry. There are different ceiling prices on the various classifications of kosher processed poultry. The price ceilings on kosher processed poultry are different from those on live poultry and processed poultry.

Then the United States is divided into areas, and a different price can be fixed on each of these grades in the various areas of the United States, to such extent that it is possible to have more than 51,000 ceiling prices on poultry.

Mr. OVERTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. McMAHON in the chair). Does the Senator from Oklahoma yield to the Senator from Louisiana?

Mr. THOMAS of Oklahoma. I yield.

Mr. OVERTON. Since I asked the Senator from Oklahoma for an explanation of his amendment I have seen a printed copy of it. I presume this is the one which he has offered. Let me read it:

Provided further, That on and after the date of the enactment of this proviso, it shall be unlawful to establish or maintain against any processor a maximum price for any major product (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) resulting from the processing of any agricultural commodity, or maximum prices for the products of any species of livestock (such as cattle, hogs, or sheep) (the products of each species of livestock to be taken as a group in establishing or maintaining such maximum prices) which does or do not equal

all costs and expenses (including all overhead, administrative, and selling expenses allowed as expense deductions in computing Federal income and excess-profits tax liability) incurred in the acquisition of the commodity or species of livestock and in the production and distribution of such product or products plus a reasonable profit thereon, not less than the profit earned thereon by such processor during a representative base period.

Therefore, every one of them would have to be taken up individually.

Mr. ELLENDER. That is correct.

Mr. OVERTON. Under this amendment, as I interpret it, their cost of production must be determined, and then a reasonable profit added to it, in the case of each processor. That is what the OPA would have to do. It seems to me that would be an interminable job.

Mr. THOMAS of Oklahoma. Mr. President, does the Senator object to that policy?

Mr. OVERTON. I certainly do object to it, because administratively it is bad. Please understand that I do not object to having processors and producers make profits, but I do object to foisting upon the OPA what I think, after reading the Senator's amendment, would be administratively an utter impossibility.

Mr. THOMAS of Oklahoma. Mr. President——

Mr. ELLENDER. Mr. President, will the Senator yield to me?

Mr. THOMAS of Oklahoma. I will yield in a moment. First, let me say that recently when the producers of milk were in distress, they made application to the OPA for adjustment of the ceiling prices. The OPA said, "It is impossible. We cannot apply a subsidy to the milk industry. It is impossible of operation." But after the clamor became so intense, the OPA divided the country into areas and it provided a milk subsidy which is now working well. If it can be done for milk and for poultry, why can it not be done for the meat industry and the other industries of the country which deal with farm commodities?

Mr. OVERTON. Mr. President, that is just the point. It is not necessary for the OPA to examine each producer's books to ascertain the cost of production, in order to grant a subsidy. The Senator's amendment, however, does not call for the ascertainment of an average price, to be determined by records which are now in existence and before the OPA; but the amendment would require the OPA to ascertain the cost of production of each and every processor and to add to each processor's cost a reasonable profit, to be determined by the OPA, for such individual processor.

Mr. THOMAS of Oklahoma. Mr. President, take, for example, the production of an airplane which costs $1,000,000 or $5,000,000, as the case may be. There are in that airplane not only thousands of separate items, but there are in it, involved in its construction, literally tens of thousands and even hundreds of thousands of separate items, all of which are required to make up a modern airplane. Many of them may be small items, such as rivets, but they are there. Does the Senator presume to tell the Senate that he does not believe that those who make the rivets and other parts for airplanes do not deserve a profit, and, second, that they are not getting a profit?

Mr. OVERTON. I did not say that.

Mr. THOMAS of Oklahoma. Certainly the Senator did not, and no one could believe it if he should say it. No one could honestly believe, in my opinion, that we could expect the manufacturers of tanks, planes, trucks, rifles, cannon, and the thousands of other items needed for the war to manufacture them at a loss. They are not producing them at a loss—at least, I have not heard of any. Every camp built in the country, except a very few, which were built on the basis of advertisements for bids and the awarding of contracts, has been built on the basis of cost plus a fixed fee.

Mr. OVERTON. But that is a contractual relationship between the Government and a particular manufacturer. Furthermore, the fact is ascertained after the event, so that long after the product has been manufactured the books are examined and a determination is made whether an excessive profit has been made.

But that is not this amendment. Under this amendment the OPA must decide in time, in order for it to be of value to the packer and the feeder, just what his price is going to be on his particular product. In order to do that the OPA would have to go through a long, detailed examination of the individual's books, to determine what his operating costs are.

Mr. THOMAS of Oklahoma. The OPA has that information now; it is now available. Full information is available.

Mr. OVERTON. Mr. President, if the Senator from Oklahoma will pardon me, let me say that, of course, I have not thought it through, but I should like to say that if his amendment would provide for the ascertainment of the average costs, according to the records now in the hands of the OPA, it seems to me that would be a practical proposition. It might not be the right thing, but it would be a practical proposition.

Mr. THOMAS of Oklahoma. Would the Senator from Louisiana suggest that remedy for the manufacturers of tanks, trucks, planes, guns, ammunition, carriages, uniforms, and shoes for our soldiers, when they have to have them, and have to have them immediately? Of course the Senator would not make that suggestion, namely, that the OPA ascertain the average price at which all manufacturers could make rifles, the average price at which all manufacturers could make shoes, or the average price at which all manufacturers could make shells. Of course that is not done. We must have those articles; we must have them produced. Otherwise such steps would not be necessary.

Mr. President, the amendment not only applies to meat, but it applies to cotton goods. The Senator from Louisiana comes from a great cotton-producing State. Does he not desire that Louisiana farmers who raise cotton shall have the parity price reflected to them, when they sell their cotton, in the price of the goods which the spinners make and sell to the trade?

Mr. ELLENDER. Mr. President, will the Senator yield at that point?

Mr. THOMAS of Oklahoma. I yield.

Mr. ELLENDER. Will the Senator point out any paragraph or sentence in the pending amendment which will in any wise help the farmer? All I see written in the amendment is a provision to help the processors. If I understand the amendment, it means that practically everything the farmer will buy will go up in price, but as to what he produces he is not afforded protection. Am I right or am I wrong? I would like to have a specific answer to my question from the Senator.

Mr. THOMAS of Oklahoma. Mr. President, the view which the Senator from Louisiana has expressed is not new; he made a similar statement in the committee, time after time. As each witness came before the committee, the Senator repeated that statement. I know that is his position. I do not take exception to his right to take that position, but I think he is wrong. Everyone else has been protected under the law. Mr. President, what industry is there in this country that is not protected by the law? Take the bankers, for example. What laws have they to protect them? They have every law they can think of. Consider the railroads. What laws have they to protect them? They have every law they can think of, and they even have a special commission to determine their rates. Consider the electric power companies. What laws do they have to protect them? There is in every State a commission before which the electric generating companies can go, produce their cost sheets, and show what it costs them to manufacture electricity. As a result of such showings, the public regulatory bodies in the several States prescribe the rates which such companies can charge for their electricity when it is sold to consumers. They receive the benefit of that protection; they are guaranteed that. There is not an organized industry in America that does not have all the law it needs to protect its prices.

But now we are considering the farmers of America—formerly 32,000,000 of them, although now, because of conditions, only 25,000,000 are left. In the past few years 7,000,000 of our citizens have left the farms. Why has that happened? It has happened because they have not been able to make a living on the farms. In my section of the country, the center of the Wheat Belt, the bread basket of America, a large percentage of the farm population has gone to other States. A while ago my colleague stated that in northern Oklahoma—one gigantic wheat field; in county after county in my State practically every acre is planted to wheat—there is, this year, the best wheat crop which has ever been had in all its history. The wheat crop is now ready for the harvest, but because the farm boys have been taken for the armed forces and because other men have been taken for work in defense plants, 25 percent of the population of those counties has left. In order to harvest the wheat crop, sufficient workers must be brought back into those counties, or the crop will not be harvested.

What is the situation there? In my section of the country there are plenty of cattle and plenty of slaughterhouses, but the slaughterhouses cannot kill the cattle and the butcher shops and restaurants cannot get meat from the meat packers. That situation exists both in my section of the country and in the region in the vicinity of Washington, the Capital of the Nation. The small packers cannot kill the cattle and hogs. Therefore, the restaurants are without meat; the hotels are without meat; the farmers are without meat. They cannot get it. In order to feed the harvest hands who will be necessary if the crops are to be harvested, the farmers must have some meat. If they do not have meat they will get no harvest hands.

So, Mr. President, I join in the alarm expressed by my colleague, the junior Senator from Oklahoma [Mr. MOORE] who has told the Senate that things are in bad shape in the Wheat Belt in our State.

It will be only a short time before the harvesting in this Wheat Belt will move north to Kansas, and from Kansas it will move into Nebraska. From Nebraska it will move into Iowa, and north into North Dakota and South Dakota. If the same condition prevails in those States which prevails at the present time in Oklahoma, how will the gigantic wheat crop be harvested? If it is not harvested what is to be the effect on the supply of wheat? Last year the wheat was piled up in the fields and much of it deteriorated in quality if it did not spoil altogether. The same thing was true with regard to corn.

Mr. President, I believe I have covered the subject sufficiently.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklohama. I yield.

Mr. ELLENDER. If the amendment were adopted, I am sure the Senator will admit that it would be necessary for the OPA to investigate the cost of every article produced by every processor.

Mr. THOMAS of Oklahoma. The OPA has already done so. It is doing it every day. It has thousands of men employed for the specific purpose of making such investigations, and the men are being paid as much as $8,000 and $10,000 a year for their services.

Mr. ELLENDER. Under the Senator's amendment the books of every processor will have to be examined and I——

Mr. THOMAS of Oklahoma. Does the Senator object to that?

Mr. ELLENDER. I may not object; but it would require perhaps 5 or 6 years in which to accomplish such a task, and only God knows how many employees it would require in order to perform the work.

Mr. THOMAS of Oklahoma. Only where a complaint has been registered against the OPA has there been any trouble. At the present time the OPA has in effect ceiling prices on practically every commodity and article in the United States. Have complaints been registered about everything? There have been no complaints from the farmers with regard to the price they receive for hogs, steers, or sheep.

Mr. ELLENDER. I grant that; but under the amendment of the Senator, as I understand it, the OPA would have to examine the books of every processor, and then give him a profit on every product he processes, or else be in violation of the law. The amendment provides that after its enactment, "It shall be unlawful to establish or maintain against any processor a maximum price for any major product—that does not give him a profit," and so forth. Until an examination has been made by the OPA as to costs and allowing a profit, at what prices will processors dispose of their commodities? What will be the gage or the yardstick to be adopted in fixing prices, pending the determination of costs and a fair profit?

Mr. THOMAS of Oklahoma. How do they dispose of their commodities at the present time? In my State thousands upon thousands of range cattle are now on the ranges. They cannot be sold. The cattle are not ready for the big markets. They will not make AA, A, or even B meat because they are not fat enough. They are range cattle. People in the country will eat them for the want of something better, but they are not salable on the big markets, and the various packing companies will not buy them.

Mr. ELLENDER. The amendment would not affect that situation at all, as farmers are not protected under the amendment.

Mr. THOMAS of Oklahoma. It would help the farmers.

Mr. ELLENDER. No; on the contrary, it would put a greater burden upon them. Wherein would the amendment in any way help the farmer? I wish the Senator would answer that question specifically.

Mr. THOMAS of Oklahoma. If the amendment becomes law and the OPA abides by the law—those are two contingencies—the farmer will be guaranteed that whatever he produces will return to him a profit. A ceiling will be established for the farmer and a floor for the packer.

Mr. ELLENDER. The proposal would establish profits for all processors only, and the farmer is not in any way protected. If anything, as I pointed out a while ago, he will be further burdened.

Mr. THOMAS of Oklahoma. Many pages of three columns each, of fine print, have been required to outline the rules and regulations respecting poultry alone. We cannot now go into much of that data. It would be as big as a dictionary and no doubt larger. I believe that at the present time the OPA has 16 volumes of rules and regulations which are approximately the size of the sheet which I now exhibit to the Senate. If placed on one another the sheets would make a pile approximately 30 inches high. That many rules and regulations have been required in order to establish hundreds of thousands of ceilings which are now in existence with respect to various commodities throughout the country. If this measure becomes law it will guide the OPA in its functions, providing that agency wants to be fair to the farmer.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. TAFT. I suggest to the Senator from Louisiana, if he thinks that the amendment will require a too-detailed examination of every processor, that in respect to many commodities today the price has been fixed so low that the OPA has had to make individual adjustments. The OPA has made a regular practice of encouraging individuals to come to it, present their individual costs, and receive a price different from that which the industry in general has been receiving.

When I talked recently to one of the high officials of the OPA concerning the new pricing of products such as automobiles, and refrigerators, which have not yet been put into production, it was made clear that the OPA is expecting to take a price such as a 1942 price, and fix it so low that it will be necessary to consider thousands of individual applications in order to fix a proper price for the particular manufacturer involved. So the claim that the pending proposal would be too complicated seems to me to be wholly unjustified. Unfortunately, the OPA is engaged in thousands of examinations of the kind under consideration, but I do not believe that it lies in its mind to contend that this particular amendment cannot be put into effect.

Mr. THOMAS of Oklahoma. I thank the Senator for his statement.

Will the Senator from Ohio give an estimate of the number of contracts which the Government has entered into for the production of war supplies?

Mr. TAFT. I believe that I have been told that it is in the neighborhood of 3,000,000. That was some time ago, however. I think it was more than a year ago, or when we were considering the Renegotiation Act.

Mr. THOMAS of Oklahoma. Mr. President, the present law provides that the Government may make an investigation into each of the millions of contracts which have been entered into for the production of war supplies. If the Government does its duty it must make the examination in order to ascertain whether or not the contractor has made an unreasonable profit. So, the argument which the Senator from Louisiana has made is not tenable.

Mr. DONNELL and Mr. ELLENDER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield, and if so, to whom?

Mr. THOMAS of Oklahoma. I yield first to the Senator from Missouri.

Mr. DONNELL. I should like first to state that I am very much in sympathy with the purposes of the amendment. I am not quite clear, however, with respect to certain points raised by the two Senators from Louisiana, and I should like to ask the Senator from Oklahoma a question. Is it the intention of the Senator from Oklahoma, by his amendment, to have different ceiling prices for the same commodity in the same area? Take, for example, the city of St. Louis.

Mr. THOMAS of Oklahoma. No; it is not the intention.

Mr. DONNELL. Allow me to illustrate my difficulty. I shall appreciate the courtesy of the Senator from Oklahoma if he will give me his views.

Suppose there are in St. Louis three packing companies which have been devoting themselves entirely to the processing of cattle. There is A packing company, which made on its sales of $5,000,000 a total of $50,000; there is B packing company which, on the basis of the same volume of sales, made $100,000; and there is also C packing company which, on the same basis of sales, made a profit of $150,000. As I understand the amendment, it would be necessary in that case, as against C packing company, which made the largest profits, not to impose a ceiling price less than that which would equal the combination of the costs as defined in the amendment plus the profits of that particular company. As against C packing company the maximum price which would be possible would be much higher than in the case of A company. Is that to be the situation under the amendment?

Mr. THOMAS of Oklahoma. No doubt that is the fact. The packing plants which have been operated in the city of St. Louis, for example, have not all made the same degree of profits. Some companies are more efficient than others, and therefore they make more money. There is no doubt about that. But if one company makes more money than another company, income taxes or renegotiation will offset the extra profit.

Mr. DONNELL. But, as I see it, under this amendment while as to C company a certain ceiling price would be possible, as to B company a smaller ceiling price must be fixed, and against the third company even a smaller ceiling price.

As I stated at the outset, I am in sympathy with the purpose of the amendment, but it strikes me that it is subject to the vice which has been suggested by both Senators from Louisiana, namely, that it undertakes to go into each separate company and find out its costs. As I see it—probably I am wrong, and, if so, I should like to be corrected—the theory which underlies the amendment and which it is proposed to carry out, though I fear it will not be done for the reason indicated, is that it shall be unlawful to prescribe a maximum price for the products of any species of livestock, as, for illustration, cattle, in a given area which does not equal the average cost of such products plus the average profit prevailing in the industry. Therefore, it occurs to me that this amendment would be much clearer and much more accurate and probably be subject to much less objection, if framed along the lines I have indicated, namely, to make it a matter of prescription that the maximum price for all products of any species in a particular area shall be the average cost of the product plus the average profit. Otherwise, as I see it, the amendment very clearly produces a separate ceiling price for each and every individual processor. Am I not correct?

Mr. THOMAS of Oklahoma. Let me say to the Senator from Missouri that if the Congress should follow his formula and fix the average price, that would mean that the average price would be the mean of the cost of the little packer, the inefficient packer, the large packer, and the efficient packer, and all those in between. The average price would be halfway, so that if we were to allow them the average price, those below the average price would soon be in bankruptcy because they could not live. Below the average would be below the price at which they could live, and they would have to quit, and that is what they are now doing.

Mr. DONNELL. As I see the amendment, while it is not what the Senator intends that it should do, it permits the possibility in the illustration I gave of separate ceiling prices for the same commodity in the same area. That I do not think is what the Senator intends. To my mind, however, there is real merit in the contention which has been made by both Senators from Louisiana. I say again I am in sympathy with the purpose of the amendment, and I should like to see it so stated as to relieve it of the objections they have made.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Iowa?

Mr. THOMAS of Oklahoma. I yield.

Mr. HICKENLOOPER. With reference to the points raised by the Senator from Missouri, I think that the argument on the question of individual prices for each processor, while sounding plausible as an argument against the amendment on the part of those who originally advanced it—and I am not referring to the distinguished Senators who have spoken because I have heard before in other places exactly the same argument against this amendment—is in the nature of a red herring drawn across the trail in an effort to defeat this amendment.

The fact is that the OPA could today, I believe, establish individual ceilings, and they are doing it in the case of individual adjustments all over the country, affecting various products. They have that power today. The power to do that is not, as I see it, extended by the Senator's amendment any more than it exists at this time.

The place where I believe we are failing to properly analyse this amendment, in the light of these criticisms of individual business price fixing, is this, that it is not necessary for the OPA under the Senator's amendment to fix individual ceilings on a business. The OPA can fix a ceiling that is general in an area; if they care to let an efficient fellow make a little more money. That is the American system; that is what built our industry and business. If one man can make more money doing the same thing than another perhaps he becomes successful.

I have become rather disturbed about the theories which have been announced in the last few months in committee meetings by bureaucrats and others that they must minutely and intimately regulate the profits of the American people to the point where, I believe, some of them think it is a sin and a moral crime for an individual to make a profit. If an area has for instance three packing plants, each selling the same volume, but one making $50,000, another $100,000, and another $150,000, it means that two of them, at least in that proportion, are more efficient, better businessmen, and are taking advantage of the American system more than the third man is. I see no reason why the price should not be fixed so that those of various efficiencies can operate and use their genius in wartime just as well as in peacetime.

The point is that the OPA was set up to keep prices from running away into a wildly extravagant spiral upward and OPA can do it under this amendment just as well as under the law that now exists, but this will give to businessmen full and real assurance that their Government it not going to destroy their economy by compelling them to sell at a loss, as countless businesses are doing today in this country. I have files full of evidence, letters from business people who are facing bankruptcy today because they are small operators and cannot operate with the efficiency and economy of the large operators and have not equal facilities for distribution. We must never forget that it is the little fellow in business today, the small operator, who keeps the American economy free, and if the time ever comes when through price-control policies, we squeeze the little fellow out and concentrate our economy into the hands of a few large industries or businesses, then we will be heading down a road which most of us, based upon our experience in the past at least, will not recognize.

Mr. THOMAS of Oklahoma. I thank the Senator from Iowa. Let me answer further the inquiry submitted by the Senator from Missouri [Mr. DONNELL]. I am not afraid of reports of people making money. I do not think the Senate should be afraid of reports that people are making money. We face a $300,000,000,000 war debt. At 2½-percent interest it will take $7,500,000,000 to meet the interest bill on $300,000,000,000 of national indebtedness. That is item No. 1.

The people of this country must work and make money. If they do not, they cannot pay the taxes. They must work and make money sufficient to pay their share of all forms of taxation, not only Federal but State, county, municipal, district, and so forth.

Now, Mr. President, one item stares the people in the face, namely a seven-and-a-half-billion dollar bill for interest. That is only a starter. We are going to have to maintain a large Army and a large Navy and a large Air Corps after the war is over. Practically two or three million men must be retained. The maintenance and upkeep of such an Army is going to impose a gigantic burden. It will cost at least $5,000,000,000 a year for the first few years at least. Add the $7,500,000,000 interest charge and the $5,000,000,000 for the support of the Military Establishment, and we find an expenditure of $12,500,000,000 for those two items. We must raise $12,500,000,000 in taxes in order to meet the interest on the national debt and support the Army and the Navy and the Air Force. But that is not all.

When this war is over there will have been 15,000,000 men and women who have served in the armed forces. Relatives of those who have been killed are

now getting payments under insurance policies totaling $10,000 for each policy. Those who come back maimed must be hospitalized until they are cured, if they can be cured. That will constitute an enormous expense. We must rehabilitate these boys when they come back; that will be an enormous expense. We must make them loans when they come back; that will be another enormous expense. We must educate the youngsters who want to go to school when they return, and that will be another enormous expense. So hospitalization, rehabilitation, training, and educating 15,000,000 soldiers will run into billions of dollars each year. Add that to the $12,500,000,000. It cannot be said that the sum will be less than $15,000,000,000 in toto, just as the result of the war.

Mr. President, that is not all. We had a war 25 years ago, and we are now paying on the indebtedness caused by that war. Not all the millions of the boys engaged in that war receive pensions, but hundreds of thousands of them do. Others are being rehabilitated, and as the boys of World War I grow older, they will go on the pension rolls, and that expense must be added to the fifteen billion.

Then, Mr. President, we have not taken into account the running expenses of the Government. It is my prophecy that those who remain in the Senate for some time to come—and I hope many of my colleagues will—will in the near future see the time when we will not be able to reduce the annual budget below $25,000,000,000 a year, to be met by Federal taxes. That does not include county taxes, State taxes, city taxes, or district taxes. Those are all in addition to the $25,000,000,000.

If people are not allowed to make money, how are we to meet these bills? I am not afraid of the people making a little money. I hope they will, and the sooner they are permitted to make a little money, the sooner they can begin to reduce the national debt.

Mr. President, I have taken more time than I had intended to take, and I surrender the floor.

Mr. BUCK. Mr. President, I am personally convinced that the life of the Office of Price Administration must be continued, but that there should be certain modifications in the law. Not only is it necessary, as a wartime agency, for the duration of our present war with Japan, but it is necessary for a successful reconversion program. I quote the minority views accompanying Senate Joint Resolution No. 30, of which I am a signer:

> We do not oppose, in fact we recommend, that the program of price control be temporarily continued, but in the interests of a developing American economy, encouragement for the employment of more labor, the expansion of production and business, and a high national income in this country, we believe certain corrections in the law are necessary.

In order to employ the millions of men who are and will be discharged from the armed services in the coming months, jobs must be available at salaries which can meet the prices of the necessities of livelihood. These jobs cannot be created by government, for government itself creates no wealth. These jobs must be created by private business, large and small.

But what is necessary to assure such jobs? First of all, a demand for the products to be produced. That demand is already showing itself in every line, so I doubt if that will be a worry, unless it is not filled. Second, the products must sell at prices which will meet the costs of production, including wages, and give a reasonable return to the owners.

The Office of Price Administration must play an important role in this program. But I am saying now that unless a more intelligent attitude is adopted by the OPA, harm and destruction will be brought upon our postwar business picture.

It is true that retail prices should not be allowed to soar during a time when money is cheap and plentiful to many, based purely on what a seller may get for his product. But neither must those prices be set by Government or anyone else at a level whereby a reasonable return is not realized to the management. Only when such a return is assured will business expand, take risks on the future, and employ to the fullest extent. And that reasonable return cannot be figured on the cost of production of 3 or 4 years ago. It must be figured on the basis of costs today.

I quote from the OPA press release of May 11, 1945:

> If a reconverted industry requests us to reexamine its prices, we will start with its cost prices in the last period of normal production, usually 1941 or some part of it. We will take those costs and adjust them upward for two factors: (1) Lawful increases in materials and parts prices, and (2) lawful increases up to this time in basic wage rate schedules of factory workers. To the 1941 costs so adjusted, we will add in place of the 1941 profit margins the more nearly representative peacetime margin received in 1936–1939.
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> Our belief is that there will be few instances in which increases in retail prices above 1942 levels will be necessary, and that in such instances the size of the increases will be relatively small.

I cannot conceive of anyone ignoring the actual facts as they exist today. To every businessman, large and small, labor costs have risen since 1942, and if the wages and salaries of labor are to be maintained near their present levels, it is only logical that prices must be adjusted accordingly. But in addition to that, replacement of outworn equipment, deteriorated by hard wartime use, is necessary in a great majority of plants, and must be allowed for and met. This factor will be much greater than the ordinary replacement which was necessary on a year to year basis during peacetime years. Efficient production cannot be expected with broken-down equipment.

It is, therefore, my conviction that, if the policy announced by the OPA for the reconversion period is not altered by a more intelligent understanding and approach than heretofore announced, only chaos will result.

Upon that basis I am inclined to favor the Taft and Thomas amendments proposed to the existing act, not as a means of curtailing the activities of the OPA, but as a means of defining the intent of Congress as to reconversion policies. I believe that the policy expressed in these two amendments is sound from a business point of view in that it will allow a sound price structure, which will in turn insure maximum employment for all our people.

One word concerning the 1-year extension of the Price Control and Stabilization Act. It seems to me necessary that the controls existing under these acts, intelligently administered, shall continue until the supply of consumers' goods approaches near to the demand for them. During the war years we have departed far from the natural law of supply and demand. In order to get back under that rule and yet avoid catastrophe, certain guide posts must be set up in that direction. If properly administered, the existing acts may serve as those guide posts.

Do not misunderstand me on this point. I will be the first one to demand the abolition of these controls when we reach a point when our established economic rules may again take over at a minimum of hardship to the people and the country. But I do believe that 1 year's time will be needed for this process, and in some fields even more time will be necessary. Congress, however, may exert its authority at any time prior to that date in curbing or altering the law.

Many believe that shorter extension of time would force the OPA to be more responsive to congressional direction. I cannot subscribe to that view. Rather I would see Congress write definite restrictions and statements of policy in the act itself, and then stand guard to change or alter the act from time to time as it seems necessary. That to me is sound legislative policy.

If my reasoning is correct, the extension of the present acts, with the suggested modifications, will provide jobs and purchasing power for returning war veterans and all other workers, and start us down the road to an era of stable postwar economy.

Mr. TAFT. Mr. President, I rise on behalf of the Thomas amendment and an amendment which I myself shall offer after the Thomas amendment shall have been voted on. I may say that the two amendments overlap to a certain extent, and if the Thomas amendment shall be agreed to, I shall then modify my amendment so that it will apply only to nonagricultural products, so that there will be no conflict in the principle of dealing with agricultural products.

I may say, however, that, roughly speaking, the two amendments seek the same objective. They seek to make sure that a maximum price shall not be so fixed that a processor or manufacturer will be unable to recover his costs plus a reasonable profit, if he is a typical member of the industry.

Mr. President, I have supported the OPA for the last 4 years. I assisted in drafting the original Price Control Act of 1942. I worked with the then Senator from Michigan, Mr. Brown, in securing the passage of the bill and the enactment of the law by the Congress.

The act, however, did not contemplate the policy which is now in effect, and a reading of it will show very clearly that it did not. Mr. Henderson's testimony before the committee at the time of the original hearings, expressing his intention as to price control, was entirely different from what has actually occurred.

The original Price Control Act of 1942 contemplated a reasonable and limited control of a certain number of basic products. Mr. Henderson so intended. It was not intended to extend it to most of the luxury items and to all the minor products to which it has been extended. At that time I do not think we had the slightest idea it was to be used to control prices on goods sold to the Army and the Navy, as since has been done. The Army and Navy were supposed to look after that matter themselves.

But shortly after the act was passed Mr. Henderson changed his mind as to the kind of price control we ought to have. He went to Canada, which had a price freeze, and he came back with the idea that he must issue a general national price regulation fixing the prices, and he did so in the spring of 1942. It was not very effective, and in the fall of 1942 the President demanded additional powers, and the stabilization act was passed. In the stabilization act Congress gave countenance to the new theory which was not contained in the original act, that the President, if he so desired, might adopt the freeze policy. Even under that act, however, prompt action was not taken, and it may be said that the present policy dates from May 1, 1943, 2 years ago, when finally the general freeze-price policy was put into effect, with a roll-back of meat prices and various other prices, and the adoption of a subsidy program. So, the question we have to consider now is the wisdom of the policy which has been pursued for the past 2 years, and most of the comparisons I make in the price and wage fields cover this period of 2 years.

During that period the OPA claims to have been universally successful in preventing inflation, because the cost of living index in those 2 years has gone up only 1½ percent. The cost of food, I think, has gone up somewhat more than that, possibly 3 or 4 percent, but in general the cost of living index has been held to 1½ or 2 percent. That has been questioned somewhat because a good many products which are on the cost of living index apparently are not available, and people are paying more in the black market for meat and are buying higher priced cotton goods because they are unable to get those which appear in the cost of living index. However, so far as holding the retail price is concerned the OPA has done a very good job.

Unfortunately, however, I think it is still true that you cannot freeze retail prices because the OPA has not been able to freeze costs and other prices. The Stabilization Act of 1942 extended the power to wages, for instance, and whereas prices have gone up only 1½ percent in the cost of living index, the wages in this country have gone up more than 10 percent in the 2 years. Furthermore, the price of agricultural products at wholesale has gone up 10 percent. That is fixed, roughly speaking, by the parity price, and the parity price on wheat, for instance, in the 2 years, has gone up about 9 percent. The parity price of corn has gone up 10 percent. The parity price of cotton has gone up 90 percent. The parity price of burley tobacco has gone up about 12 percent. The parity price of hogs has gone up about 10 percent, of beef cattle 9 percent, of wool 10 percent. Those are the parity prices which have moved up automatically, and therefore they have automatically moved up the maximum price at wholesale on those products.

In addition to that, in the whole field of wood, wood pulp and lumber prices have gone up a good deal more than 10 percent, because it has simply been impossible to get men to go into the woods and bring out that material at anything like the wages they were originally paid, so they have had to be paid more.

Consequently what has happened in this freeze is that while the cost of living has been held almost stable, all the costs of manufacture have gone up 10 or 12 percent during that period.

The way the OPA has held the price level at the cost of living index level is simply by making the manufacturers and the distributors absorb the difference in cost. To some extent they have been able to do so, that is, some of them have been able to do so. In the meat field they were wholly unable to do so. I might add that the price would have gone up another 1½ or 2 percent if we had not undertaken the subsidy policy, and if we were not now spending $1,500,000,000 of the taxpayers' money to keep prices from going up another 1½ percent. Personally I think it would have been better if the price had gone up 1½ percent, and thus had saved $1,500,000,000 a year to the American taxpayers.

In any event, with that subsidy the ordinary manufacturer and processor is faced with the fact that he must sell his goods at the same price at which he originally had to sell them, though his costs are at least 10 percent higher. In individual cases the costs are more, and in some cases, of course, the costs are less. In some cases industry has been able to make up the difference by an increased volume of production. In other cases industry cannot make up the difference by an increased volume. In certain cases, such, for example, as that of the large packers, where a number of different products are manufactured, the loss on one commodity can be made up in producing other commodities. But the individual who handles a product which is squeezed is in a position where he loses money, and must go out of business unless he has enough capital to absorb the loss.

On the general question of price level and inflation, I think it is perhaps interesting to note that since the 1st of January 1941, which is usually taken as the starting point, because there was not any great increase before that time—for a number of years there was a slight increase, but substantially prices have been level—wages, that is, gross weekly wages, take-home pay, have gone up from approximately $26.40 to $47, or an increase of about 80 percent. Gross hourly wages, that is, the average wage paid per hour, taking into account overtime, which is the figure that goes into the manufacturer's cost sheets, have gone up 52½ percent, from 100 to 152½. In straight hourly wages adjusted for industry—that is, if the individuals have been working in the same industry—the actual increase is 37½ percent. On the other hand, the wage rate actually earned, counting the workers who shifted into other industries where more money is paid, has gone up 45 percent in these 4 years.

We talk about the Little Steel formula of 15 percent, but, as a practical matter, it has not been possible to freeze wages, in spite of the proclaiming of the wage freeze—and why? For the simple reason that a price freeze or a wage freeze freezes injustice as well as justice. It freezes unjust conditions as well as just conditions. If you are really going to have a price freeze and make it work you have to expect a freeze of unjust conditions. Human nature will not stand that. Human nature will not stand it in the case of wages. So we have had to adjust unjust conditions in the wage field. That is the reason it is not possible to freeze wages. Wage rates alone have gone up, at the lowest calculation, 37½ percent, and possibly 40 percent. At the same time the cost of living has gone up only 26 percent. So that the cost of living price level has gotten entirely out of line with the wage level.

It is suggested that wage earners are more efficient. I do not think the slightest evidence has been offered that there has been any increase in the efficiency of wage earners. As a general thing, in war time efficiency decreases; and I think probably efficiency has decreased in this war. At any rate, there are no reliable figures to show that it has in any way increased, although in the last war it decreased, and after the war it increased.

The result of the whole business is that we have a certain degree of inflation. That is, we have an increase in retail prices of 26 percent, and in wages, up to about 40 percent. I do not think we could prevent it, and I do not think we can prevent the level going somewhat higher, so long as we have a deficit of $50,000,000,000 or $35,000,000,000 a year. On the whole, I think if we could stabilize at a level approximately 25 percent above the January 1, 1941, prices, we would be better off. I doubt very much if we want to depress prices, and hold prices down to the point where, when the drop comes, they will drop still further, perhaps to prewar prices, or 15 percent above prewar prices. I think there would be much less difficulty in adjustment if we could maintain approximately the present price level and approximately the present wage level.

My feeling is that we have inflation, and we might as well recognize it. I think we should adjust prices to correspond approximately with the wage level. I think we ought not to be afraid of increasing prices. People talk about the so-called spiral of inflation. That is a very slow-moving spiral. Wages are adjusted once a year. Under the OPA prices will be adjusted once a year.

There is no tremendous difficulty. If we increase manufacturers' prices 10 percent and hold the distributors to the same margin they are getting today, we can hold retail prices down to an increase of 5 percent. So far as I can see, if the war continues, another increase in wages of 5 percent is almost certain to occur. We cannot help it. There is no way in which we can fix wages as we can fix prices. We are bound to face a certain increase in wages, and it seems to me that the proper thing to do is to recognize that fact, and recognize that the prices may go.

About a year ago the British Government had no hesitation in saying, "We feel that conditions are such that we are going to have to let prices go up 5 percent. We are not going to absorb the increase any further with subsidies. We have gone as far as we care to go with subsidies, and we are going to let prices go up." So far as I know, nothing happened to discourage the British war effort or British workmen.

The choice has been presented here between wide open inflation and a complete price freeze. I say that the proper thing is a moderate course between those two policies. It would be just as dangerous to hold prices below wages as it would be to let prices hit the sky. It is true that after the First World War, the moment the armistice came to an end, the administration deliberately took off every control. That was the view of the present senior Senator from Virginia [Mr. GLASS], who was then Secretary of the Treasury. That was the view which predominated in the Wilson administration. They took off every control; and it is true prices hit the sky and went up 25 or 30 percent after the end of the war.

I do not favor any such control at all; but I do say that if we want to secure recovery in this country, we must permit those who want to make things to make a profit when they make them. We must fix a price which will encourage people to go into business, expand their business, or start new businesses which will put people to work, so that we can meet the unemployment which we face.

Today we are really facing the reconversion period. The only reason I have made the fight on these amendments this year, when I never did it before, is that I think we face an entirely different situation. During the war, if there were casualties in business, that was no worse than had happened to many other businesses which had to go out because there were no materials for them to use. It was certainly not as bad as the sacrifice of life in the war. They were simply casualties. I thought the policy was mistaken, and I still think so. I belive that even during the war it discouraged production.

The trouble with the meat situation is not with production. The production of meat is all right. The farmer and the stockman are receiving sufficiently high prices to enable them to raise meat animals. The difficulty is that so many packing houses have closed that the processing of the meat has been forced into unreliable and illegitimate hands, thus building up a tremendous black market. Packer after packer has gone out of business because he could not meet the price squeeze which was put on him by the present administration. It started with beef. Two or three small beef packers in Cincinnati, who had been in business for a hundred years, quit business nearly 2 years ago. Since that time there has been a steady increase in the number of casualties among the various packing houses. I have before me telegrams which I shall read, relating to the closing of packing houses in Canton, Ohio, and Piqua, Ohio. I have telegrams from Dayton, where there is no legitimate meat, by reason of the fact that the supply houses which formerly provided meat have closed their doors because they lost money on every head of cattle they purchased.

From the beginning the Office of Price Administration has made one great mistake. We were urged, when we first enacted this law, to put one man at the head of all food control, so that he would have a concern both with the production of food and with the price of food. It was urged that one man should deal with the whole problem. Instead of that, the Office of Price Control was set up to control all prices, and another division was given charge of production. Since that time the fetish of the price freeze, the anti-inflation complex, has so dominated the administration that today they sacrifice all questions of production. They have sacrificed justice to individual processors, justice to individual men, and justice to various industries.

The idea behind the anti-inflation complex is the determination to keep the retail price of everything at a certain level. That has been such a dominating policy in the administration that it did not make any difference who was War Food Administrator or who was Secretary of Agriculture. I do not believe now that merely taking food control away from the OPA and giving it to the Secretary of Agriculture will obtain any result, because this policy is a policy which extends all the way down from Mr. Vinson, and has dominated the administration. I think it is a great mistake. I think it is just as important to get production as it is to have proper prices.

I think we could well stand an increase in prices if it would result in increased production. I think there has been a mistake in policy from the beginning, and I do not think the present policy can be adhered to. If we could freeze wages and freeze all costs, then I should say that we could freeze all prices. But we cannot admit that there is an inflation in wages and an inflation in wholesale prices, and then pretend that there is no inflation in retail prices. We can follow such a policy for a while; but if we hold it too long, it bursts at the seams, just as it has done in connection with the meat problem. Today meat is in a similar situation to that occupied by liquor during prohibition. The same situation applies to other products. We have talked a great deal about meat, but it is only a sensational and spectacular evidence of the result of this policy. The same thing is happening in other lines, in a quieter way. In other lines people simply cannot manufacture. Production will be steadily reduced, and the result will be reduced production in the postwar period.

I believe that the attitude of the Price Administration has been wrong from the beginning on the question of cooperation. We wrote into the original Price Control Act all sorts of provisions about cooperation. We wrote in the provision that before any regulation or order should be issued, the Administrator, so far as practicable, should advise and consult with representative members of the industry affected by such regulation or order. That never was done during the first year or so of the act. Today, while consultations are held, members of the industry come directly from them with the feeling that no real consideration has been given to them.

We also wrote in the provision:

> He shall appoint an industry advisory committee or committees, either national or regional, or both, consisting of such number of representatives of the industry as may be necessary in order to constitute a committee truly representative of the industry or of the industry in such region, as the case may be. * * * The Administrator shall * * * advise and consult with the committee with respect to the regulation or order, and with respect to the form thereof, and classifications, differentiations, and adjustments therein. The committee may make such recommendations to the Administrator as it deems advisable. * * *

That was ignored for a year. Finally, after these committees were appointed again, they found it almost impossible to secure any real hearing from the officials of the Office of Price Administration. The attitude has been, in effect, that the businessman is a crook, that the businessman is wrong, that if he gives the OPA some figures, presumptively there is something wrong with the figures, and the OPA must go back and get one report after another, in the meantime postponing any relief in the particular case in which relief is sought.

We inserted a provision that—

> In carrying out the provisions of this act the Administrator is authorized to confer with producers, processors, manufacturers—

And so forth—

> to cooperate with any agency or person, and to enter into voluntary arrangements or agreements with any such persons, groups, or associations relating to the fixing of maximum prices, the issuance of other regulations or orders, or the other purposes of this act.

In the First World War the price of cattle was controlled by such an agreement. It was controlled by an agreement between the Price Administrator and the packers as to the general level of prices which would be paid for cattle. It was done voluntarily by the industry, and it could be done.

Mr. ROBERTSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LUCAS in the chair). Does the Senator from Ohio yield to the Senator from Wyoming?

Mr. TAFT. I yield.

Mr. ROBERTSON. I think this is an opportune moment to place in the RECORD a comparison between the wages paid in the cattle-raising and wool-raising

States of the West today, as compared with the prewar rates.

In the case of sheep herders the prewar rate was $50 a month and board. Today it is from $150 to $175 a month and board. In the case of camp tenders, the wages rose from $55 a month to $150 a month. In the case of ranch hands the wages rose from $40 a month to from $125 to $150 a month, and in that connection I may say that the $40-a-month ranch hand of the prewar time did the work which, today, two $125-a-month men do.

Hay hands were paid from $2 to $3 and board in the prewar period. Today they are paid from $6 to $8 a day. Irrigators who were paid $60 a month in the prewar period are now paid $175 a month. Cowboys who were paid $50 a month now are paid $150 a month.

I thank the Senator for yielding to me.

Mr. TAFT. Mr. President, the Senator from Wyoming has called attention to a particular industry in which there has been a much greater increase in costs than in the prices the industry receives. The OPA has refused to accept the ordinary accounting reports of manufacturers and processors. It has disallowed varieties of costs which have been allowed by the Bureau of Internal Revenue for years. It has taken the position, in effect, that the Bureau of Internal Revenue has been duped by businessmen for many years, but that the OPA knows better. So, one after another, it has required detailed statements which the smaller operators often are unable to furnish, and then it has proceeded to disallow the costs, or has done so in order to have some excuse for not granting an increase in price which should be made.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. McMAHON. I should like to ask the Senator, inasmuch as he has just stated that the small processors cannot furnish the statements, how they will furnish the statements upon which their profits will be computed, if the amendment is adopted.

Mr. TAFT. That would be up to them. If they could not furnish such statements, they could not get the increases in prices. I think that is the answer.

Earlier today the charge was made by Mr. Bowles that this procedure is too complicated. The answer is that if a processor cannot separate the costs of different products, he cannot make out a case for an increased price. That would be the fault of the businessman, and in that event he would not receive the increased price.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. If they can figure the costs of their businesses for income-tax purposes, under the rules of the Bureau of Internal Revenue, why can not they arrive at some approximate estimate of their costs and profits for the OPA?

Mr. TAFT. The charge was made that, of course, the Bureau of Internal Revenue does not require an operator to furnish separate figures for beef, pork, mutton, lamb, and other products, and the claim was made that the processors and packers could not separate their figures, in order to provide separate figures for the various products. Today the Bureau of Internal Revenue does not require that to be done.

Mr. BARKLEY. No; it does not require that to be done. But I think any ordinarily prudent packer or processor would do that anyway, in his own interest. He would not throw all of his hogs and cattle and sheep into the same pit, so to speak, and turn them out together and have a general conglomerated cost for all of them. He is bound to keep books.

Mr. TAFT. I agree with the Senator; I think it can be done, and I think the smaller packers can furnish such figures. But earlier today it was claimed that the task would be impossible; the argument was made on the ground that the cost figures requested would be so complicated and would require such a rearrangement of accounting practices that the packers and processors would have to employ expert accountants, and that it would be beyond the means of the average small packer.

Mr. BARKLEY. The statement also was made that the OPA, in order to obtain an estimate of the cost of production, sent out approximately 68 requests. No one claims that there are more than four or six large packers in the country, so the 68 must have included some small or medium-sized packers. Most of them did not reply. They did not say, "It is too complicated," but they simply ignored the request altogether. They seemed to feel that it was none of the OPA's business, and they would not answer the letter. They could have replied, "We cannot give you accurate figures about it. Perhaps if you simplify the formula, we can." But they ignored the request altogether.

Mr. TAFT. I understand that. For March, for processors of more than 70 percent of the meat produced in this country—not 70 percent of the packers—returns have been furnished for all of them except approximately 10 percent.

Mr. BARKLEY. Of course, the 70 percent included many of the smaller packers.

Mr. TAFT. Of course.

Mr. BARKLEY. But certainly it did not represent 70 percent or 50 percent or 30 percent in number.

Mr. TAFT. Mr. President, the OPA has also pursued, since the beginning, a crack-down policy. I think the enforcement policy has been unwise. It has not resulted in the apprehension of the real black-market operators. The OPA has usually chosen some big figure and has shown some minor infraction of the law, so that it could make a good deal of noise about proper enforcement. From the beginning the people have been prosecuted without warning. In general, the whole policy has not been one of cooperation with business, but it has been one of crack-down on business, suspicion of business, and a general attitude or frame of mind that the less we have of processors and distributors, the better.

Mr. President, I have said that the OPA has departed from the policy of the act. The act was very definite in giving expression to the idea that one who had additional costs should have increased prices. The standard set out in the act is clear. It provides that the Administrator may by regulation or order fix a fair and equitable price. Then it says that he "shall ascertain and give due consideration to the prices prevailing between October 1 and October 15, 1941 (or if, in the case of any commodity, there are no prevailing prices between such dates, or the prevailing prices between such dates are not generally representative because of abnormal or seasonal market conditions or other cause, then to the prices prevailing during the nearest 2-week period in which, in the judgment of the Administrator, the prices for such commodity are generally representative), for the commodity or commodities included under such regulation or order, and shall make adjustments for such relevant factors as he may determine and deem to be of general applicability, including the following: Speculative fluctuations, general increases or decreases in costs of production, distribution, and transportation, and general increases or decreases in profits earned by sellers of the commodity or commodities, during and subsequent to the year ended October 1, 1941."

That provision has been completely disregarded. At the end of these two amendments provision is made to rewrite that principle into very definite, compulsory language.

Instead, as I have said, the OPA has adopted the policy of a retail-price freeze, and in order to do that the OPA has sacrificed everything else. I hope to give a number of examples of actual controls by the OPA in order to illustrate what I am saying; but now I say that after 2 years of constant discussion with the OPA and constant conversation with persons who have come to Washington to present their case to the OPA, the OPA has deliberately used every possible device to prevent giving anyone an increase, no matter how much it might be justified.

Over and over again the Industry Division of the OPA, which is headed by a man who knows something about the particular business under consideration, has recommended an increase, but it has not been put into effect. The favorite method is that of delay. More figures are requested, and more hearings are held. In the case of the smaller meat packers, for example, they went out of business before any action was finally taken by the OPA. At the present time, under pressure from Congress, the OPA has made at least three additions to the price of meat by means of subsidies. In most industries if the OPA makes any adjustment it is usually an adjustment of about one-third of what was asked for, and about one-third, perhaps, of what the industry is actually entitled to, and on the basis of the lowest possible method of calculation.

The OPA has adopted a peculiar rule. In the first place it looks at the over-all industry profit. When profits are considered it is necessary to go back a year. It is impossible to tell what the 1944 profits of an industry have been until 3

or 4 months following the end of 1944. In other words, it is necessary for the manufacturer to take a heavy loss before he can prove he did not make any profit, and he must stand the loss for a year.

In the second place, when considering the over-all industry profits, a few persons have been doing things which have been very profitable. For example, some of the large packers are making money on various side lines and specialty articles which they make from meat. It is all taken into consideration, and the industry as a whole is taken into consideration from the point of view of the over-all profits, and the smaller producers are denied an increase. The OPA has adopted the peculiar rule that if a manufacturer is making three or four separate articles, and two of them have been profitable, the OPA can make him sell the remaining two at a loss. The OPA requires the manufacturer to sell them at a loss. Yet the rules provide that if he is making an over-all profit, at least breaking even on products B and C, and can show that he is sustaining a loss on product A, he may raise the price of product A just high enough to cover his expenses for labor and material. In other words, he must sell the product at a price which will return no profit, because he is selling products B and C at a profit.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. Is not the practice to which the Senator is now referring the practice which is followed in almost every business?

Mr. TAFT. No; I do not think it is. I would not say that distributors and retailers have not had loss leaders, perhaps as a customary thing.

Mr. ELLENDER. Does the Senator mean to say that manufacturers make profits on everything which they manufacture?

Mr. TAFT. If a manufacturer does not make a profit on an article he usually discontinues making it, or finds some way by which to increase the price of the article, or decrease its cost of manufacture. No manufacturer wants to continue to make a particular product at a loss if he can possibly avoid it.

Mr. ELLENDER. What the Senator states is not the evidence we have received in the committee from one of the largest processors of meat.

Mr. TAFT. There have been times when, of course, every manufacturer has made some product at a loss, but at the first opportunity he did everything which he could do in order to adjust the situation. Why should he continue to make something at a loss? He would be better off by discontinuing the manufacture of the article. The difficulty is that the loss is made in many cases before anything can be done about it. For example, a manufacturer perhaps sustained a loss in 1941. If he had continued into 1942 perhaps he would have found some way by which to offset the loss. But there is fastened onto him a price which is below cost.

Mr. President, let us consider for a moment the postwar reconversion period. An effort is being made to encourage many persons to go into business. It has been proposed to loan returning GI's approximately $2,500 or more for the purpose of going into small businesses of various kinds. Does the Senator from Louisiana believe that any of them will go into a business and manufacture articles which have to be sold at a loss? Obviously, if we hope to establish manufacturing activity in this country we must fix the maximum price of manufactured goods sufficiently high to provide an incentive to persons to go into the business of making the particular products involved, and other products as well. Today we face the return of approximately 2,000,000 men from the Army within the next 6 months. We face the dismissal of 2,000,000 or 3,000,000 men from war work by the end of this year. Those men will have to go to work in civilian industry. If we try to absorb all of them in industry we must fix prices for manufactured articles at a level which will induce the manufacturers to produce the commodities the American people are willing to buy.

Mr. President, I think the OPA policy is in violation of the OPA Act. I think the act contemplates that every product shall be sold at a reasonable and fair price. The act does not say so in so many words, so the pending amendments provide that a reasonable profit shall be made. I believe the act itself contemplates that every product shall stand on its own feet.

Mr. President, I do not wish to make statements without explaining them, and I should like to consider briefly a few of the examples of various industries which have come to my attention within the past 30 days.

Here, for example, is a manufacturer of screw-machine products, such as small screws, bolts, and nuts, which go into the parts entering into the construction of automobiles. Only last week a committee of manufacturers of screw-machine products called on the OPA, and the OPA told the committee that it was about to issue an order rolling back their prices to the 1941 levels. Why? Because the articles in which the committee was interested are used in the manufacture of automobile parts, and the policy of the OPA is to require that automobiles be sold at 1942 price levels when the manufacture of automobiles shall be resumed. The general statement of postwar policy relates to automobiles and to other articles to which reference has been made by the Senator from Delaware. The OPA states, in effect, "We expect automobiles will be sold at 1942 prices. We have a formula." But when one reads the entire order, one sees that it evidently applies all the various principles which have been adopted previously, and provides that automobiles and refrigerators shall be sold at 1942 prices, although since the 1942 prices were fixed the cost of material and labor has increased by from 25 percent to 30 percent. The little fellow who makes the parts of parts, if you please, Mr. President, has been told that his prices will be rolled back to the 1941 levels, and that the prices of all automobile parts will be rolled back.

Mr. President, to my mind, that policy is inconceivable. We cannot encourage people to make articles which the public wants if such a policy is pursued. As a matter of fact, in the particular case to which I have referred, that of the Ainsworth Co., the company ordered at the 1941 prices a number of small-screw products of the Ann Arbor Automatic Products Co., of Ann Arbor, Mich. The company said, "If we accept the order, we will have to sell these products at a loss." The order was turned down. The parts manufacturer was able to find another company which apparently had a different price level, and was able, therefore, to accept the order. There is a vast number of metal manufacturers, all held down to something like 1941 or 1942 prices.

I come now to an agricultural product, Ohio potatoes. I shall not go into all the figures as to Ohio potatoes as against Maine potatoes. Whether they are a superior product, I do not know, but, at any rate, the Ohio growers get a higher price than the Maine growers get, but only for home consumption.

As a result of the price fixing of the administration, the association which has written me says that "The potato acreage in Ohio in 1944 was the smallest since 1887," because the price fixed on Ohio potatoes was inadequate. The indications are that the 1945 acreage will be reduced by 10 percent below 1944.

I come now to the case of the Shelby Shoe Co., of Portsmouth, Ohio. The OPA has priced women's shoes down to a point where the manufacturers absolutely break even. Who is going into the business of manufacturing women's shoes if he is not going to make any profit on them? All the incentive to build up volume is gone if a reasonable price is not allowed. Why are the manufacturers denied a reasonable price? It is because they happen to own a lot of foreign patents, or foreign licenses, under which they give the forms and the names to manufacturers in South America and Europe, to apply to shoes they manufacture, and on those licenses they make a profit. So the OPA says, "You cannot increase the price of shoes, although the costs today are equal to the price we allow you."

Mr. President, this company is not going broke; in fact, it is one of the strongest companies in the field; but how can we expect the women's shoe industry to expand if we require on all women's shoes—and these are the $4 to $6 shoes—to sell for the same ceiling price which has been in effect ever since 1941, instead of at a 25 to 30 percent increase? How can we expect new people to go into the shoe business, or old shoe companies to expand, if we allow them a price which exactly equals their costs, all because a particular company happens to make a profit on something else, which has no relation whatever to the price level of shoes in the United States?

Now here is the case of Hollingsworth & Whitney Co., a paper mill company of Maine. This company happens to make in a Maine mill the paper which is used in the punch cards which have been widely sold and used by the Army and

Navy. It happens to have two mills in the South, and one in Maine. At the present time it is losing $400,000 a year on its Maine mill, and the OPA says it cannot increase the price—although, incidentally, the card manufacturer would pay the increase—because the company is making a profit on different kinds of paper in the mills of the South. What will happen? The company will close down its Maine mill and throw thousands of people out of work. What justification is there for that, merely because the company happens to be operating two profitable mills in the South producing some other kind of paper?

Mr. WHITE. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHITE. I happen to have a folder before me which deals with the question of the Maine mill to which the Senator is referring, and what the Senator has said prompts me to quote very briefly from the folder, if I may, with the Senator's approval.

Mr. President, this is a concern making card stock. I think it makes about 90 percent of all the tabulating card stock made in the United States and used by the Government of the United States. It makes this card stock at the order of the War Production Board. It has not a free choice as to the quality and kinds of paper product it makes, but it gets its orders from the War Production Board. Yet, at the same time, the War Production Board has restricted the company's ability to make other paper by directing it to "ship pulp from our northern and southern plants to other paper mills, thereby further decreasing the supply available to our own paper machines."

Mr. President, this is a plant engaged in a particular manufacture, at the direction of the War Production Board, and the War Production Board prevents the possibility of its extending its activities into other forms of paper products, by directing that its pulp be shipped to other mills.

It happens that this same mill faces a tremendous increase from 1941 to 1945 in the cost of the wood that goes into its wood pulp. It says:

> In our case, the wood cost per ton of pulp in the first quarter of 1945 is 123 percent greater than it was in the middle of 1941.

That, of course, is only one item of cost, and it may be the largest—I do not know about that—but the net result is, as the Senator from Ohio has said, that that mill, long an active industrial concern in my State, is operating now at a loss of $435,000 a year, and, of course, it means the complete disappearance of that industry from the State of Maine unless the War Production Board or the OPA or some other interfering agency of the Government affords some measure of relief.

Mr. TAFT. The amendment I have offered covers the situation, because it provides that they shall be entitled to the same margin over today's costs in their present prices that they had in 1941 over the costs at that time. The amendment of the Senator from Oklahoma covers only agricultural products; I think it probably does not cover paper, but the amendment I have offered does cover the situation referred to by the Senator.

Mr. WHITE. I wanted to make sure of that. I understood that the amendment of the Senator from Ohio did cover such a situation as that I have brought out.

Mr. AIKEN. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield to the Senator from Vermont.

Mr. AIKEN. Does the Senator know whether or not the profit on the two southern mills is sufficient to more than offset the loss on the Maine mill?

Mr. TAFT. It is about the same. My recollection is there was about $500,000 profit on the two southern mills, and a loss of about $400,000 on the other. But it is an entirely different kind of paper. The paper made in Maine is a special paper, used especially for punch cards which are widely used today by the Government.

Mr. AIKEN. I was merely wondering, if the correction were made in the case of the Maine mill, whether the War Production Board would not turn around and say, "We will cut to a sufficient extent the price of what we are allowing the southern mills to offset that."

Mr. TAFT. I think that would be justified, and could be done.

Now, let us consider textile products. For some reason the OPA has held down the prices of low-grade textiles strictly, at the same time allowing the textile mills to make a lot of money on the more expensive grades, rayon goods, and the like.

Mr. AIKEN. I think that is true. I think it is very difficult to explain some of the workings of the OPA today, and, in my opinion, the Senator from Oklahoma and the Senator from Ohio are substantially stating the facts as to the situation. The only question is, What can we best do to remedy the situation? Can we do anything to remedy it, inasmuch as it is largely a matter of administration? We have legislated before, and the Government agencies have ignored the intent of Congress. Will further legislation make them act any differently?

Mr. TAFT. I admit the Senator's point; I do not know whether there is anything to do except to impeach them. But I think the Senator from Oklahoma and I have offered amendments sufficiently clear so that they will have a hard time not making some reasonable adjustment, at least, even if they do not go the whole distance I think they should go.

Mr. AIKEN. I realize the situation, but I have wondered whether we coud gain anything more by legislation, and whether the time had not about come when we should tell certain Government agencies that they would have to mend their ways or we would adopt more drastic methods than merely legislating. The question in my mind is whether the amendment offered by the Senator from Oklahoma or that offered by the Senator from Ohio would materially improve the situation.

Mr. TAFT. We think they would. I now go to another case, Mr. President, the manufacturer of small electric motors for civilian purposes. The letter I have is from the Ohio Electric Manufacturing Co., of Cleveland, Ohio, and it states:

> Our company was visited the other day by a regional business consultant for the Department of Commerce who asked us if we had any reconversion problems.
>
> I advised him we had no problems whatsoever except that of prices, but so far that was an insurmountable problem because the cost of labor had gone up about 100 percent since 1941, and, therefore, if we sold fractional horsepower motors at the depressed prices prevailing prior to the war, we would be losing an average of $2 per motor.
>
> We need the privilege of quoting up to 35 percent more than prewar prices in order to name a price which would give us 5-percent profit after taxes. Of course, there are some lines, as noted above, where we do not have to add anything and some would come somewhere in between nothing and 35 percent, but we would need 35 percent leeway (on this product) to enable us to quote to promote full production after the war.

Mr. President, I do not like to dwell too long on this angle of the discussion, but I think the only way this case can be made is by showing the vast variety of industries and cases that are affected by the present policy of the OPA.

Then there is the case of malt products. For some reason the OPA has proceeded now to roll back the price of beer. For many years it has been a recognized legitimate practice for certain malt products to provide a reasonable profit to the distributor. This has been an economic necessity in some cases. In any event, it has grown up as a matter of practice, which does not now seem to be a legitimate matter of concern of the OPA. But OPA now comes along and rolls back the ceiling price as of 1942 on malt products on the basis of the price of the manufacturer to the distributor, in an effort to equalize the margin of profit rather than to control the price to the consumer. OPA has put an increase on one fellow, so it proceeds to take it out on somebody else.

Here is a telegram from a cloak and suit manufacturer in Toledo, Ohio:

> In reference to NAP supplementary order 108, OPA regulation affecting the cloak and suit industry undermines the financial condition of this 50-year-old organization. Unless the average price maximum can be raised this plant must stop operation. This would throw out of employment approximately 150 men and women who have made this their life work and are not capable of other employment because of training and age, and a lay-off would be definitely detrimental to them. To maintain this order is not to the best interest of the public or of this particular industry.

Let us consider the case of work socks. The present price on work socks, which are made of cotton, has been so fixed, as in the case of a good many cheaper grade textile products, that, according to the Fair Brand Hosiery Co., which is, I think, the largest manufacturer of work socks, there is a loss of about 8 cents on every dozen pair of socks. The selling price is $1.45. The current cost of making the socks is $1.53.

The same thing is admittedly true in the case of a great many of the cheaper grades of textile products. With respect to underclothes, women's cheap dresses,

all sorts of children's clothes, OPA today and WPB are saying to the textile mills, "You must make these products at a loss. You must go ahead and make them. We do not care whether you lose money on them or not. You can make it up on something else if you can."

Mr. President, I do not know if that is unjust to those mills, but I do know that so long as such articles are priced at a figure less than cost, they are not going to be made. It is not human nature to make them under such circumstances. People will not be put to work making them if the price of the articles is not adjusted so as at least to yield a reasonable return over the cost.

The Central Carton Co., of Cincinnati, Ohio, manufacturers of folding paper boxes and displays, writes as follows:

Regulations have made it increasingly difficult to operate profitably.

In our industry, which is the folding-paper-box industry, we have had to absorb all increases in the cost of raw materials, labor rates, and freight rates and also the cost of higher grade boards and trim sheets when substituted for the correct grades and the right size sheets. We have also had to use the same profit margins on wholly dissimilar products and have not been able to improve the quality of the packages which we supply our customers unless we absorb the increase in the cost of improvement.

The B. & P. Motor Sales Co. is a manufacturer of electric irons. I do not know what the final result has been, but in March they got a price from the OPA:

If we were to sell our irons to the trade at $5.23 we would lose better than $1.50 on each iron.

No one is going into the electric-iron business if he is going to lose $1.50 on each iron.

Here is a letter from a cottonseed mill with which I happen to be familiar. It was once owned, I think, by my uncle. It is the Taft Cotton Oil Co., of Taft, Tex.:

As I explained to you when in Washington just a year ago, Commodity Credit Corporation and the OPA have ceilings on all our products and a floor on the price of cottonseed. Certain large vertically integrated corporations making profits on other operations are using same to subsidize or take care of the losses of their cottonseed oil milling operations. The small oil-mill operators are in the same kind of a squeeze as the small independent meat packers, and unless the program is changed there is absolutely no chance of survival. Our loss this year would be around $30,000.

That is a small company with a capital of $150,000, and so far as I can remember, with the exception of 1 or 2 years when there was no cotton, that company had made a profit every year for the last 15 or 20 years.

The Underwear Institute of New York City writes:

The heavyweight underwear situation will be in a state of crisis similar to that now present in meat—just as soon as the weather turns cool this fall and people set out to buy some.

In my opinion there will be none.

This is due to the fact that in practically all of the mass production mills, making low and medium price heavyweight underwear, we find their price ceilings below their costs. For your information I am taking the liberty to enclose copy of letter written by the Utica Knitting Co. to Dr. W. Y. Elliott, Vice Chairman of Office of Civilian Requirements.

Which gives the exact figures showing the loss on heavy underwear.

I have here a letter from an Ohio building material company, the Toledo Plaster & Supply Co. They write:

First, a price increase was allowed the manufacturers of lime but the same was not passed on to the building supply dealers, making the margin between the cost and selling price so small that it was almost a joke.

In that case, of course, they made the distributor absorb the increase in cost.

Second, when the retail price on face brick was frozen, it was a delivered price from the brick plant to the job site and consequently included the cost of delivering by truck. This cost has increased tremendously not only in wages to the truck drivers, but in the upkeep and repairs to trucks. The manufacturer's price on face brick was recently increased but no relief was given to the building supply dealer, due to the increased cost of trucking.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. Will the Senator tell us which period of time will be used by OPA as to costs, so as to fix a reasonable profit on each product processed by a manufacturer? Would it be the costs of last week, last month, or future costs?

Mr. TAFT. I think it should be any typical period. I think they should give some allowance for the future. Ordinarily I would say it ought to be done on the most recent figures obtainable. I think the producer should not wait until the end of the year either. If the wages have gone up, the producer will know what the increase in the cost of wages is.

Mr. ELLENDER. But suppose the wages were increased, which would naturally follow if the cost of living increased, Would it not be necessary, under the pending amendment, that those costs be taken into consideration in figuring out profits? Let me put it this way: Would it not be necessary to make a new determination every time a processor's costs are increased?

Mr. TAFT. It would operate like this: Suppose the manufacturer's price were increased 10 percent. If the distributors were held to the same margin they had—the manufacturer's price is usually about half the retailer's price—it could be reflected into approximately a 5-percent increase in that particular price. If that were a general or universal increase of 5 percent—which it would not be, because we are moving into a period in which some prices are going down by themselves—then when the next wage contract came up, perhaps in 6 months, there would be an increase of 5 percent. Perhaps 6 months later the manufacturer would finally get his additional increase of, say, 2 percent, because wages are only one item in the increase in costs. So, instead of having what we call an increasing spiral, if it were handled properly, we would have a decreasing spiral. As a practical matter, if we make an increase this fall or about the 1st of January 1946, I doubt if we shall ever have to make another increase.

Mr. ELLENDER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Ohio yield to the Senator from Louisiana?

Mr. TAFT. I yield.

Mr. ELLENDER. How could the OPA follow the suggestion made by the distinguished Senator if, as was pointed out in the course of the debate this afternoon, the costs of every processor would have to be taken into consideration, and a profit allowed to every processor under penalty of the law?

Mr. TAFT. In the first place, in order to make the matter clear, the amendment which I submitted does not contain such a provision.

Mr. ELLENDER. But in his opening remarks the distinguished Senator said that he was speaking in support of the Thomas amendment.

Mr. TAFT. That is correct.

Mr. ELLENDER. He was advocating it. He said that if the Thomas amendment were adopted he would not press his amendment. So I am taking it for granted that the distinguished Senator is discussing the Thomas amendment as it is presently before the Senate.

Mr. TAFT. The Senator interrupted me before I finished what I had to say. In the first place, I merely wish to call attention to the fact that my amendment is based upon an industry standard. As to the Thomas amendment, as a practical matter, my impression is that the OPA would fix one price for the whole industry, at a point which would take into consideration the costs of the least efficient producer.

Mr. ELLENDER. That is the Senator's impression, and it may be wishful thinking on his part; but under the terms of the amendment, as I understand it, the costs of every processor would have to be taken into consideration in fixing a profit for each such processor.

Mr. TAFT. I think so.

Mr. ELLENDER. Has the Senator any idea of the time which would be necessary, the cost, and the vast army of employees which would be required to examine the books of every processor in the country to determine what profit each should receive?

Mr. TAFT. Does not the Senator know that the OPA is now doing that very thing?

Mr. ELLENDER. No; I do not.

Mr. TAFT. There is an increasing number of individual applications, and the OPA has encouraged them rather than increase the price when it ought to be increased in order to give a fair price for the whole industry. The OPA has held the price down to a wholly unjustifiable level and has encouraged the least efficient producers to make application to have a particular price fixed for each individual firm. Not only that, but when I called up Mr. Brownlee in connection with the future pricing order, he said, "We realize that it is going to be a tremendous task. If we set the 1942 price level for the old products, we are going to have to grant each manufacturerer a sufficient price, perhaps in excess of that, to give him a profit."

The OPA is proposing to do exactly what the Senator from Oklahoma is proposing in his amendment. Furthermore, the OPA does not have to examine the books of every processor in the country.

If a man is satisfied with the price, he does nothing. Under the terms of the Thomas amendment, the OPA would be called upon to change the price only if a producer should make application for a particular price and lay his costs on the table. So all the OPA would have to do would be exactly what it now does.

Mr. ELLENDER. The Thomas amendment would make unlawful the fixing of a maximum price for any product unless the producer of that product were given a reasonable profit.

Mr. TAFT. Yes; but if we consider the act as a whole, it is perfectly obvious that the only way in which the law could be effective would be for the man who is injured to make application for an increase in price. I think that is obvious on its face. I do not see that the OPA would have to call for any information other than it already calls for from every single manufacturer in the United States. There are 200,000 employees working for the organization, and today the OPA is undertaking to do exactly what the Senator is objecting to.

Mr. ELLENDER. The Senator is a good lawyer, and the language in the pending amendment is clear that no maximum price can be fixed on products of a processor unless his cost be examined or reasonable profit allowed. The Senator knows very well that the way the OPA has fixed prices in the past has been to take the costs of certain manufacturers, allow a reasonable profit, always having in mind profits made during a certain period. Under this amendment it would be imperative on the part of OPA to examine the books of every processor and fix a price which would allow a reasonable profit for him, if I understand the English language. As I pointed out a while ago, a reasonable profit would have to be allowed to every processor for any major product resulting from the processing of any agricultural commodity or for the products of any species of livestock.

Mr. TAFT. I believe the Senator from Louisiana is mistaken in his interpretation. The OPA has not fixed prices in that way. It has frozen prices which theretofore existed. Most prices are fixed today because the OPA froze the price which someone charged 3 or 4 years ago. From time to time individuals have sought adjustments, and occasionally they have obtained them. There have been many more individual adjustments made than industry-wide adjustments.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. When prices have been frozen, the OPA has attempted to fix an over-all price for all those engaged in the same industry, so that prices would be uniform in any given community. But the pending amendment would prohibit the OPA from fixing a ceiling for any processor—it does not say "all processors," but "any processor"—which would not include costs and a profit, based upon a certain period. In my judgment, it would be necessary for the OPA to consider the costs of every single processor. In any given community where there were six such processors, there would be the possibility that the same product might be sold at six different prices. If that were true, the customers would go to the processor who sold the cheapest, and he might be the one who needed the least relief so far as prices were concerned. People are going where they can buy processed food the cheapest.

Mr. TAFT. In some respect the Senator is correct; but that condition exists in the United States today. The prices of all manufacturers were frozen, not at a fixed level, but at the particular price which the individual manufacturer formerly charged. So, today we have the condition which the Senator is regretting, and which he says would be brought about by the Thomas amendment.

Passing on, I refer briefly to the used-car situation. There is an attempt to control something that cannot be controlled. The used-car situation is similar to the meat situation. The result of trying to impose ceiling prices on used cars has been to drive most of them into the black market. Today legitimate used-car dealers have about 10 percent of the used-car business, and the other 90 percent is handled on street corners by persons who have no responsibility, and who finally work out a deal by which individual A sells to individual B at a price 50 or 100 percent more than the supposed ceiling price.

The furniture manufacturing industry is another example. I have the following communication from Grand Rapids:

> Our company is one of the largest manufacturers of fine furniture in the country, and I am chairman of a price-relief committee of the National Association of Furniture Manufacturers. A careful and detailed survey from about 100 factories in the North shows that the cost of labor and materials in the manufacture of furniture has advanced at least 30 percent since March 1942, the date at which prices were frozen. Since that time the OPA has authorized an advance of 5 percent. Figures show that in the past profits in the industry have been, on the average, less than 8 percent on sales. It is obvious that full employment cannot be given in the furniture industry unless selling prices are high enough to cover today's cost. Unemployment is rapidly developing in Michigan, and our industry is in a position to quickly employ a large number of men, but cannot give employment if furniture must be sold for less than cost.

Mr. BARKLEY. Mr. President, will Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. What does that letter mean? Does 8 percent on sales mean 8 percent on the turn-over?

Mr. TAFT. Eight percent on the turnover. That is the profit margin.

Mr. BARKLEY. How frequent is the turn-over in the furniture business?

Mr. TAFT. I do not know; I cannot say.

Mr. BARKLEY. It is rather difficult to figure what a man's annual profit is if he is receiving 8 percent profit on his turn-over. He may turn over his inventory every month.

Mr. TAFT. I am not talking about profit. The point is that the increase in the cost of making the furniture has been 30 percent. In the prewar period the cost was 92, and 8 percent was added for the profit margin. Now, if the figure 92 has gone up 30 or 35 percent to 130, and they still have to sell at 100, they are obviously losing money. They sell at 105, because a 5-percent increase has been allowed. Obviously, they are selling at a loss.

Mr. BARKLEY. Still, if their total increase in the cost of labor since January 1, 1942, were 30 or 35 percent, and they were allowed an 8-percent profit on the turn-over, which might be several times a year, they would still be able to make a profit.

Mr. TAFT. The Senator is mistaken. This has nothing to do with turn-over. The statement is that they figure that if they sell something for $100 and $92 represents the cost the profit is $8. That is unit cost. It has nothing at all to do with turn-over. The 8 percent might give them 2 percent on their capital or 100 percent.

Mr. BARKLEY. I was accepting the Senator's interpretation of his own figures. The Senator said it was 8 percent on sales. If it is 8 percent on all sales, of course it would be on turn-over, because they use the money they get from one sale to buy more furniture, and then sell it.

Mr. TAFT. That has no relation to the unit-cost situation. It seems clear to me that what the telegram says is that where their costs were $92 and they sold for $100, they now have increased the price to $105, and their costs of labor and materials have gone up 30 percent, which would be approximately $27 more, or a total of $119. So the net cost would be $119, and they have to sell at $105. Probably those figures are not quite accurate, because the costs of labor and materials do not make up more than 60 percent, instead of 92 percent. I would assume that if it is 60 percent, it would be about $18, or, in other words, an increase to $110, with the sale at $105.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. AIKEN. As I listened to the reading of the communications from the various industries, I received the impression that those companies are not complaining that they are not getting by now, so much as they are expressing the fear that they will be unable to convert to production for civilian consumption. Is that the impression the Senator from Ohio has received from those communications?

Mr. TAFT. No; they are entirely different.

Mr. AIKEN. Consider the furniture figures, for instance. I think they have been making money during the war, but their sales have been made largely to the Navy Department, the Maritime Commission, and the War Department; they have been selling largely to the Government.

Mr. TAFT. I assume that to be so.

Mr. AIKEN. They might be able to do business with the Government on an 8-percent basis, whereas that would be totally inadequate for reconversion purposes.

Mr. TAFT. I think the Senator is correct. I think they are chiefly concerned with what their situation will be after the war. Of course, a number of these people have not been in business at all.

so they have no experience. They are saying, "We cannot start and we cannot expand our facilities after we start, if we have to sell at a loss."

Mr. AIKEN. I am receiving similar letters, particularly from two clothespin manufacturers in my State. The costs of their materials have virtually doubled. Now they are getting war orders. They claim they cannot fill the orders on the basis of the 1941 or 1942 prices which they are told they have to charge. I am told, however, that the OPA is considering their cases.

Mr. TAFT. That has always been the trouble; the OPA has been considering cases, but often it has done very little after it has considered them. My experience has been that the OPA often does not do anything after it considers the cases or, when it does do something, it grants increases of such a small amount or such a small proportion of what is requested that there is no possibility for the manufacturer to do business except at a loss.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator from Vermont has suggested that the furniture manufacturers are making profits because they are selling the furniture to the War Department, the Navy Department, and the Maritime Commission. However, it seems to me that they are selling furniture to everyone. I have not heard that any retail furniture store in my section of the country has closed, and I know they are doing as good business today as they did prior to the war. According to the figures submitted to the committee, the small furniture stores throughout the United States are making 168 percent of the profits they made from 1936 to 1939, which does not seem to be a very unfavorable figure.

Mr. AIKEN. As I recall, they have been limited in the quality of material they have been allowed to use in furniture for civilian use.

Mr. BARKLEY. They have been limited, but that has not affected their profits.

Mr. AIKEN. In other words, they have not been able to use first-class materials in the furniture they have manufactured for civilian use. They have had to use third-grade materials, and the result has been that poor furniture has been produced.

Mr. BARKLEY. But they have made a profit on it.

Mr. AIKEN. I think they have made profits on Government orders. I have not heard any complaints about prices, in particular, from furniture manufacturers. I assume they have been making a profit on what they have sold for civilian use. But there seems to be a fear that they will get stuck in the future when they meet with more competition for their market.

Mr. BARKLEY. They may be true, but they are looking at the top of one hill from the top of another.

Mr. TAFT. Mr. President, if I had received only one communication from one industry, I would simply have said, "That is too bad." But I have received all these communications in the last 30 days. The situation is Nation-wide. It applies to every industry. The situation affecting meat is obvious. That branch of industry is able to do something, because of the subsidy; but in the case of meat the OPA has refused to increase the price to the consumers 1 cent. That is the philosophy which guides the OPA's entire operations. If the OPA possibly can deny an increase, it will deny it. I think the evidence I have been submitting shows that that is the general situation today.

Other Senators, I believe, will deal with the general question of the meat business. In Ohio, at least, there are a number of packing plants which have closed. In particular, let me say that today there are in Washington two or three gentlemen from Dayton, Ohio. Today, Dayton has practically no meat, because the principal packing company which has supplied Dayton with meat for many years closed last week. It not only dismissed its employees, but it completely shut down its operations, leaving Dayton with practically no meat supply whatsoever. I refer to the Val Decker Packing Co. A letter which I have received in respect to that company reads in part as follows:

> They advised me this morning that they are compelled to discontinue their beef kill which has been running about 500 animals per week. A large part of this is set aside for Government use and the balance goes into civilian channels within a radius of 100 miles of Piqua, Ohio, where the plant is located.
>
> From their viewpoint, the OPA situation has simply become impossible. Bill Decker, of that company, has been their cattle buyer for 35 years and has purchased, during that period of time, millions of dollars worth of cattle from markets in Chicago, St. Louis, Wichita, Omaha, Texas, etc. He has been honestly buying. He gets about 2 percent of the cattle he bids on. With prices continually rising, it has been difficult for him to hold to the OPA ceiling prices, but he has endeavored to do so. These cattle come into the plant, are slaughtered, and are then graded by Government inspectors. Oftentimes the Government inspectors, with far less experience than Bill Decker possesses, lower the grades, with the result that, according to their notion, he has paid too high a price for the cattle he purchased. This tends to cause them to go over their allowable purchase price. Due to this sort of thing, their last report showed they were over about $3,400, which could mean, under the regulations, that they would be denied their accrued subsidy of approximately $50,000. No matter how honest a man tries to be, it just doesn't make sense for him to jeopardize an entire operation. They have made no money in 1945, and they may be in red ink on their beef kill. They have advised the necessary authorities that effective May 28 they will discontinue killing beef.

They did that.

Mr. President, men do not go out of business merely for the pleasure of going out of business or for the purpose of spiting the Government or the OPA. They go out of business because the OPA has made it impossible for them to continue in business.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. Did the person to whom the Senator has just referred give him any idea of how much profit he made last year?

Mr. TAFT. I do not have his profit figures for last year. But a similar packer by the name of Kahn, in Cincinnati, I may say to the Senator from Louisiana, lost approximately $250,000 on beef, and made approximately $350,000 on pork. That was in 1944. For the last 5 months of that year he lost on pork, and has lost on pork ever since because the pork kill has been reduced to 50 percent of what it was in 1944.

Mr. ELLENDER and Mr. AIKEN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield, and if so, to whom?

Mr. TAFT. I yield first to the Senator from Louisiana.

Mr. ELLENDER. I should like to point out to the Senator from Ohio that the records show that the profits in the packing industry during the last year on from 70 to 75 percent of meat-packing volume showed a decided increase. The figures show that the percentage of profits on net worth, before taxes, increased from 4 percent which was the average during the period 1936 to 1939, to 25.2 percent for 1944.

Mr. HICKENLOOPER. Mr. President, will the Senator yield in order that I may propound a question to the Senator from Louisiana?

Mr. TAFT. I yield.

Mr. HICKENLOOPER. Will the Senator from Louisiana read his figures again and explain them? I did not quite follow his statement.

Mr. ELLENDER. I will gladly repeat the figures and will give more figures in that connection.

It will be recalled that when the Senate Agriculture Committee held hearings some time ago on the subject of meat shortages, many packers appeared before it and suggested that they should receive a certain percentage of profit on the net sales handled by them. During the period 1936 to 1939, before taxes, the average percent on net sales was 1 percent. I am speaking of percentage on net sales and not a percentage on net worth. I repeat. The average for 1936 to 1939 was 1 percent.

Mr. HICKENLOOPER. That was before taxes.

Mr. ELLENDER. That was before taxes. Last year the percentage was 3.3 on the total net sales before taxes.

Mr. HICKENLOOPER. May I ask the Senator the authority for those figures?

Mr. ELLENDER. They were taken from income-taxes reports and from reports furnished by packers who produce from 70 percent to 75 percent in volume of all meat processed in this country.

Mr. HICKENLOOPER. I have some figures which were published by the Economic Department of the National City Bank, New York City, which I believe to be an impartial investigating medium. The figures show that the packing industry last year, that is during the fiscal year ending last October, made a net over-all profit of nine-tenths of 1 percent on their total volume of business done.

Mr. ELLENDER. Was that after taxes?

Mr. HICKENLOOPER. It was after taxes.

Mr. ELLENDER. The report which I have before me shows that after taxes the net for 1944 was 1 percent on net sales after taxes of packers who handled from 70 to 75 percent of meat packing volume.

Mr. HICKENLOOPER. I have other figures. I have been trying to locate them, but I have not succeeded so far. They indicate that for several years past, the taxes in industries comparable to the meat industry——

Mr. ELLENDER. I will gladly furnish further information to the Senator.

Mr. HICKENLOOPER. It runs in my mind that those figures, compiled from the same source, indicate that the meat business never has had, after taxes, a profit greater than 1.5 percent.

Mr. ELLENDER. One and seven-tenths percent was the highest, and that was in 1941. The percentage is on the over-all net sales and covers the volume of meat that I indicated a moment ago.

Mr. TAFT. Mr. President, I do not see what difference it makes. Surely the fact that a meat-packing industry makes a profit of 1 percent on its gross sales, and adds 1 percent to the cost of meat, is not of great importance to the economy of the country, or indicative of any excessive profits.

Mr. ELLENDER. That may express the Senator's views, but the complaint is being made that the packers are not making profits, and are going out of business. I am showing that they are making profits greater than they have ever made.

Mr. TAFT. The Senator is making the same mistake which the OPA has made. The OPA considers the principal products of the big packers, adds in their side lines such as the canned goods and sporting goods of such companies as Wilson & Co. and others, takes into consideration the profits made on such articles, and adds them to the over-all profits. However, Mr. President, this country does not operate on averages. If the country is to be operated on the basis of averages there will be no small businesses in the United States. I do not care how much the big packers make. Eighty percent of their profits are taken away from them in any event. We must have a price level which will enable persons who have been in business for many years to continue in business. That is the purpose of any price-fixing policy. The purpose is not to control profits.

As I have already explained, in 1944 all the packers who handled hogs made a considerable amount of money during the first 6 months of the year. During the last 6 months of the year, when business fell off, they broke even, and during the past 4 or 5 months they lost money on hogs.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. AIKEN. Many packers appeared before the Committee on Agriculture and Forestry. I believe that most of them testified they made money during 1944. They made it on hogs and at the expense of the producers of the hogs. While the Government placed a floor on hogs of $13.75, it did not have the machinery with which to maintain the floor. The result was that the packers were able to buy their hogs in some instances for as low as from 6 cents to 10 cents a pound, particularly if the hogs were slightly overweight or underweight. The packers themselves admitted that it was in that way that they had made their profits last year. It was made at the expense of the farmer who lost money on his hogs. That is the reason we do not have as many hogs this year. It is the shortage of hogs which has prevented packers from making any profit this year.

Mr. TAFT. Mr. President, I thank the Senator. I think the Senator's statement is exactly correct. The packers made money on hogs for two reasons; first, because there was a large volume of them, and second, because of there being a large volume the packers could buy the hogs cheap, and the Government did not keep up the price as it promised to do.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. TAFT. I much prefer, if I may, to finish my remarks. I should like to conclude today.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield to me for a moment?

Mr. TAFT. I yield.

Mr. THOMAS of Oklahoma. Before the Senator concludes I wish he would discuss the problem of the employment of 60,000,000 men after the war is over. How can 60,000,000 men be employed when the price levels in effect are not sufficient to permit profits?

Mr. TAFT. I agree with the Senator, and I shall be glad to discuss the subject.

To continue with the examples to which I have referred, here is a letter from Malcolm P. McNair, professor of marketing, Harvard University:

> A particularly good example of this situation exists right here at home in the case of the Saco Lowell Co. At the request of the WPB this company has discontinued the manufacture of war goods and is concentrating on its regular business of manufacturing textile machinery, which is at present greatly needed. And yet, owing to the existing OPA price ceiling the company is losing money every day and seriously depleting its working capital. OPA officials admit the justice of the company's case but say that under the general rule and policies which they have established it is impossible to make an exception. This is an attitude which I think can be justified during the period of all-out war, but I believe there is a point in the transition period when such an attitude will have serious repercussions on the ability of business, both to turn out the goods necessary to prevent inflation and to offer employment to returning servicemen.

What I have read states exactly the point which I have been trying to make.

Mr. President, one of the serious matters which has been brought to my attention, because it is such a basic industry, is steel. The OPA has just granted an increase in the price of steel, which, again, may be sufficient for the large companies, but the manufacturers of steel products—a great many special products—are left in such a position that they also are going to have to do business at a loss, particularly those which are going back into business from which they have been excluded during the war.

There was said to be an increase from $2 a net ton to $7 a net ton on steel, but the actual cost, according to all those who have communicated with me, amounts much more closely to about $10 a net ton. At the same time there were no increases in many important steel items. No increases were made on cold rolled sheet strips and hot rolled sheet strips.

I remember Mr. Henderson testifying about steel 3 years ago, when he said that he had held the prices of steel and that the manufacturers had absorbed all the preliminary wage increases, but admitted that if there were any more increases they had gone beyond the point of absorbing those increases.

Again, the steel companies engaged in manufacturing war articles have been able to make large profits, but when they have made too large a profit it has been taken away from them through renegotiation. There are, however, many small steel companies—and I do not refer to Little Steel. I do not mean the integrated companies, or four or five big ones that compete with United States Steel—there are many steel companies which make products the prices of which make their manufacture result in a loss. It is in some respects like the meat-packing industry. In the meat-packing industry the large packers can get by, because they make profits on some things, but they are forced to sell other articles at a loss, and when we find one concern which makes only one article which has to be sold at a loss, that concern is out of business. The situation is very much the same in the steel industry.

Mr. President, I should like to refer very briefly to the textile situation, although that is well known. I think everyone is aware that today textiles are being sold at a loss in many fields on the theory that in other fields the textile mills are making a large amount of money. Last year we adopted, as to the textiles, an amendment just like the pending amendment, and while it did some good, OPA did not follow it through completely.

The Senator from Alabama [Mr. BANKHEAD] has secured from the OPA a statement that they will be good hereafter, and he has written into the majority report the statement of what he intended by the original Bankhead amendment. We are really not proposing, in the amendments we are offering, to do anything except to apply to other agricultural products and other nonagricultural products the same principles the Senate voted to apply to textile products in the Bankhead amendment of last year.

Mr. President, there is one other case to which I should like to refer briefly, one no doubt some Senators heard commented on by Mr. Fulton Lewis, Jr. In this we get into the retail field. It seems three Swiss ran a small, cheap lunch counter and a cheap bar in San Francisco. Finally the floor fell in, the building was condemned, and they built themselves a brand new, modern restaurant, of the scale and standard which is very

common in San Francisco. They finished it on the 15th of last December, and applied to the OPA for prices. The OPA said, "You have to sell everything in this brand-new restaurant, with all your higher costs and your increased wages, at the same prices at which you sold at the lunch counter you ran in the tumbledown building." They applied and applied and applied, and today their new restaurant is still on their hands. They are unable to open, and they have not opened. They did open the bar, I think, for 1 month, and lost $1,900, applying the same prices they had charged before. They closed the bar, and have not opened the restaurant. This is another case of killing employment, another case of discouraging industry in the retail field.

Mr. President, I call attention to one other thing, which shows the general point of view of the OPA. I cut this out of a newspaper yesterday:

OPA last night ordered woolen and worsted mills to return to their average prices of 1943 as another step in cutting customers' costs of suits, coats, dresses, and other civilian garments.

At this late period the OPA is requiring woolen mills again to cut back their prices of woolens to the prices that were charged 2 years ago, in spite of increased costs, in spite of the desirability of bringing about more employment, and making the sale of woolen goods profitable.

Mr. President, they are simply "hipped," if you please, simply fanatically inspired with the determination that there shall be no increase of retail prices, and for that they are willing to sacrifice production, justice to individual operators, and, unfortunately, employment after the war.

Mr. President, I should like to take about 10 or 15 minutes to conclude, and I shall be glad to do that the first thing tomorrow morning, if there is a desire that the Senate take a recess at this time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JOHNSON of Oklahoma, Mr. KIRWAN, Mr. NORRELL, Mr. ROONEY, Mr. JONES, Mr. JENSEN, and Mr. DWORSHAK were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the foreign service.

Mr. BARKLEY. I ask unanimous consent that the foreign-service nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. BARKLEY. I ask unanimous consent that the President be immediately notified of all confirmations of today.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith. That completes the Executive Calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 56 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 8, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 7 (legislative day of June 4), 1945:

DIPLOMATIC AND FOREIGN SERVICE

Howard Donovan, of Illinois, now a foreign-service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

Carl W. Strom, of Iowa, now a foreign-service officer of class 6 and a secretary in the diplomatic service, to be also a consul of the United States of America.

Bartley P. Gordon, of Massachusetts, now a foreign-service officer of class 8 and a secretary in the diplomatic service, to be also a consul of the United States of America.

THE JUDICIARY

UNITED STATES MARSHAL

Alphonse Roy, of New Hampshire, to be United States marshal for the district of New Hampshire, vice John M. Guay, term expired.

NATIONAL LABOR RELATIONS BOARD

Paul M. Herzog, of New York, to be a member of the National Labor Relations Board for a term of 5 years from August 27, 1945.

Paul M. Herzog, of New York, to be a member of the National Labor Relations Board for the unexpired term of 5 years from August 27, 1940, vice Harry A. Millis, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 7 (legislative day of June 4), 1945:

FOREIGN SERVICE

Monnett B. Davis to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Denmark.

Paul H. Alling to be a diplomatic agent of the United States of America at Tangier, Morocco.

Lynn W. Franklin to be consul general of the United States of America.

Theodore C. Achilles to be a consul of the United States of America.

Robert Rossow, Jr., to be a foreign-service officer of class 8, a vice consul of career, and a secretary in the diplomatic service of the United States of America.

POSTMASTERS

IDAHO

Gordon A. Needham, Kellogg.

ILLINOIS

Eva H. Bubon, Alpha.
Elizabeth Romer, Northfield.

MINNESOTA

Magdeline Giefer, Hampton.
Fannie S. Ronkainen, Kettle River.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 7, 1945

The House met at 11 o'clock a. m.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal God, our Father, we are again calling upon Thy name, compelled not only by our many necessities but constrained by Thy great love and encouraged by every gracious invitation in Thy Holy Word.

We pray that we may meet all the experiences of this day with the glad assurance of Thy promise that they who wait upon the Lord shall mount up with wings as eagles; they shall run, and not be weary; they shall walk, and not faint. When we are tempted to allow our faith to become eclipsed by fear, give us a vision of Thy love and power which cannot fail.

Grant that in our prayers we may remember more frequently and fervently those brave men and women who are giving themselves so valiantly in order that our noble heritage may be safeguarded. May they have the constant inspiration and confident companionship of Thy presence.

Hasten the dawning of that day when the spirit of man shall be emancipated from everything that defiles and destroys its splendor. May the sinister and sordid forces of evil be forever banished from

the earth and supplanted by the ideals and principles of our blessed Lord.

In His name we offer our petitions. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 3267. An act to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3024. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 65. Joint resolution to transfer to the Reconstruction Finance Corporation the functions, powers, duties, and records of certain corporations.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 510. An act to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes.

EXTENSION OF REMARKS

Mr. LUDLOW asked and was given permission to revise and extend the remarks he expected to make today in the Committee of the Whole during the consideration of the war agencies bill and to include a list of WPB controls and other tabulated matter.

Mr. BECKWORTH asked and was given permission to extend his own remarks in the RECORD.

Mr. DICKSTEIN asked and was given permission to extend his remarks in the RECORD by inserting a very brief editorial dealing with the question of constitutional amendments.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that on Tuesday next I may be permitted to address the House for 20 minutes after the disposition of business on the Speaker's desk and following any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. GARY asked and was given permission to extend his remarks in the Appendix of the RECORD and include an extract from a letter he received from overseas.

Mr. CURLEY asked and was given permission to extend his remarks in the RECORD and include an address which he had made.

Mr. LUTHER A. JOHNSON asked and was given permission to extend his remarks in the RECORD.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a press release.

PERMISSION TO ADDRESS THE HOUSE

Mr. JONKMAN. Mr. Speaker, I ask unanimous consent that on Monday next, after the regular business of the day and any special orders, I may address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ENGLE of California. Mr. Speaker, I ask unanimous consent that on Monday next, after the legislative business and any other special orders, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

BRETTON WOODS AGREEMENT ACT

The SPEAKER. The unfinished business is the further consideration of the bill H. R. 3314, the Bretton Woods Agreement Act.

The question is on the motion to recommit.

Mr. SPENCE. Mr. Speaker, on that I ask for a division.

The question was taken; and on a division (demanded by Mr. SPENCE) there were ayes 8 and noes 73.

Mr. SPENCE. Mr. Speaker, I object to the vote on the ground there is no quorum present and I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 29, nays 326, not voting 77, as follows:

[Roll No. 97]

YEAS—29

Bennett, Mo.	Jenkins	Rich
Bishop	Johnson, Ill.	Rizley
Brehm	Jones	Robsion, Ky.
Buffett	Knutson	Schwabe, Mo.
Clevenger	Lemke	Schwabe, Okla.
Cole, Mo.	Mason	Scrivner
Curtis	O'Hara	Smith, Ohio
Ellis	O'Konski	Sumner, Ill.
Gwynne, Iowa	Reed, N. Y.	Vursell
Hoffman	Rees, Kans.	

NAYS—326

Abernethy	Bates, Ky.	Bunker
Adams	Bates, Mass.	Burgin
Allen, Ill.	Beall	Butler
Allen, La.	Beckworth	Byrne, N. Y.
Anderson, Calif.	Bell	Byrnes, Wis.
Anderson, N. Mex.	Bender	Camp
Andrews, Ala.	Bennet, N. Y.	Campbell
Andrews, N. Y.	Biemiller	Cannon, Mo.
Angell	Blackney	Carnahan
Arends	Bland	Case, N. J.
Arnold	Bolton	Case, S. Dak.
Auchincloss	Boykin	Celler
Baldwin, Md.	Brooks	Chapman
Barden	Brown, Ga.	Chelf
Barrett, Pa.	Brown, Ohio	Chenoweth
Barrett, Wyo.	Bryson	Chiperfield
Barry	Buckley	Church
	Bulwinkle	Clark
Clements	Healy	Pace
Cochran	Hedrick	Patman
Coffee	Heffernan	Patrick
Cole, Kans.	Hendricks	Patterson
Colmer	Henry	Peterson, Ga.
Combs	Herter	Pfeifer
Cooper	Heselton	Philbin
Corbett	Hill	Phillips
Courtney	Hinshaw	Pickett
Cox	Hoch	Pittenger
Cravens	Hoeven	Poage
Crawford	Holmes, Mass.	Powell
Crosser	Holmes, Wash.	Powers
Cunningham	Hook	Price, Fla.
Curley	Hope	Priest
D'Alesandro	Horan	Quinn, N. Y.
Daughton, Va.	Howell	Rabin
Davis	Huber	Rains
De Lacy	Hull	Ramey
Delaney, James J.	Izac	Ramspeck
	Jackson	Randolph
Delaney, John J.	Jennings	Rankin
	Johnson, Luther A.	Rayfiel
Dickstein		Reed, Ill.
Dingell	Johnson, Okla.	Resa
Dolliver	Jonkman	Richards
Dondero	Judd	Riley
Doughton, N. C.	Kean	Robertson, N. Dak.
Douglas, Calif.	Kearney	
Douglas, Ill.	Kee	Robertson, Va.
Doyle	Keefe	Robinson, Utah
Dworshak	Kefauver	Rockwell
Eberharter	Kelley, Pa.	Rodgers, Pa.
Elliott	Kelly, Ill.	Roe, Md.
Ellsworth	Keogh	Rogers, Fla.
Elston	Kerr	Rogers, Mass.
Engel, Mich.	Kilburn	Rogers, N. Y.
Engle, Calif.	Kilday	Rooney
Ervin	King	Rowan
Fallon	Kinzer	Russell
Feighan	Kirwan	Ryter
Fellows	Kopplemann	Sasscer
Fenton	Kunkel	Savage
Fernandez	Landis	Sheridan
Fisher	Lane	Simpson, Ill.
Flannagan	Lanham	Smith, Maine
Flood	Larcade	Smith, Va.
Fogarty	Lea	Smith, Wis.
Folger	LeCompte	Snyder
Forand	LeFevre	Sparkman
Fuller	Lesinski	Spence
Fulton	Lewis	Springer
Gallagher	Link	Starkey
Gamble	Luce	Stevenson
Gardner	Ludlow	Stigler
Gary	Lyle	Sullivan
Gathings	Lynch	Sumners, Tex.
Gavin	McConnell	Sundstrom
Gearhart	McCormack	Taber
Gerlach	McCowen	Talbot
Gibson	McDonough	Talle
Gifford	McGehee	Tarver
Gillespie	McGlinchey	Thom
Gillette	McGregor	Thomas, N. J.
Gillie	McKenzie	Thomas, Tex.
Goodwin	McMillen, Ill.	Thomason
Gordon	Madden	Tibbott
Gore	Mahon	Tolan
Gorski	Maloney	Torrens
Gossett	Manasco	Towe
Graham	Mansfield, Tex.	Traynor
Granahan	Marcantonio	Trimble
Granger	Martin, Mass.	Vinson
Green	May	Voorhis, Calif.
Gregory	Michener	Vorys, Ohio
Griffiths	Miller, Calif.	Wadsworth
Gross	Mills	Wasielewski
Gwinn, N. Y.	Monroney	Weaver
Hagen	Morgan	Weiss
Hale	Mott	West
Hall, Edwin Arthur	Mundt	Whittington
	Murdock	Wickersham
Hall, Leonard W.	Murphy	Wigglesworth
	Murray, Tenn.	Wilson
Halleck	Murray, Wis.	Winstead
Hancock	Neely	Wolcott
Hare	Norrell	Wolfenden, Pa.
Harless, Ariz.	Norton	Wolverton, N. J.
Harness, Ind.	O'Brien, Ill.	Wood
Harris	O'Brien, Mich.	Woodhouse
Hartley	O'Neal	Woodrum, Va.
Havenner	O'Toole	Worley
Hays	Outland	Zimmerman

NOT VOTING—77

Andersen, H. Carl	Bradley, Pa.	Dawson
	Brumbaugh	Dirksen
Andresen, August H.	Buck	Domengeaux
	Burch	Drewry
Bailey	Canfield	Durham
Baldwin N. Y.	Cannon, Fla.	Earthman
Bloom	Carlson	Eaton
Bonner	Clason	Elsaesser
Boren	Cole, N. Y.	Geelan
Bradley, Mich.	Cooley	Grant, Ala.

Grant, Ind.	Martin, Iowa	Sikes
Hand	Merrow	Simpson, Pa.
Hart	Miller, Nebr.	Slaughter
Hébert	Morrison	Somers, N. Y.
Hess	Peterson, Fla.	Stefan
Hobbs	Ploeser	Stewart
Holifield	Plumley	Stockman
Jarman	Price, Ill.	Taylor
Jensen	Rabaut	Walter
Johnson, Calif.	Reece, Tenn.	Weichel
Johnson, Ind.	Rivers	Welch
Johnson, Lyndon B.	Roe, N. Y.	White
	Sabath	Whitten
LaFollette	Sadowski	Winter
Latham	Shafer	Woodruff, Mich.
McMillan, S. C.	Sharp	
Mansfield, Mont.	Sheppard	
	Short	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Miller of Nebraska for, with Mr. H. Carl Andersen against.

Mr. Short for, with Mr. Dirksen against.

General pairs until further notice:

Mr. Whitten with Mr. Ploeser.

Mr. Rabaut with Mr. Stefan.

Mr. Holifield with Mr. Martin of Iowa.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Jarman with Mr. Grant of Indiana.

Mr. Price of Illinois with Mr. Canfield.

Mr. Sikes with Mr. LaFollette.

Mr. Drewry with Mr. Brumbaugh.

Mr. Domengeaux with Mr. Bradley of Michigan.

Mr. Hobbs with Mr. Plumley.

Mr. Roe of New York with Mr. Weichel.

Mr. Slaughter with Mr. Merrow.

Mr. Peterson of Florida with Mr. August H. Andresen.

Mr. Somers of New York with Mr. Woodruff of Michigan.

Mr. Cannon of Florida with Mr. Taylor.

Mr. Bloom with Mr. Hand.

Mr. Cooley with Mr. Shafer.

Mr. Durham with Mr. Hess.

Mr. Bonner with Mr. Reece of Tennessee.

Mr. Grant of Alabama with Mr. Jensen.

Mr. Morrison with Mr. Carlson.

Mr. Rivers with Mr. Baldwin of New York.

Mr. Hart with Mr. Stockman.

Mr. Bradley of Pennsylvania with Mr. Eaton.

Mr. Burch with Mr. Clason.

Mr. Walter with Mr. Simpson of Pennsylvania.

Mr. Hébert with Mr. Cole of New York.

Mr. Sabath with Mr. Johnson of California.

Mr. HAGEN changed his vote from "present" to "no."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

Mr. SABATH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SABATH. I was on the floor of the House and was listening and did not hear my name. I stepped out for a minute and discussed a matter of business with the gentleman from Massachusetts [Mr. McCORMACK]. I came back and tried to vote and I find I am not recorded. I desire to be recorded as voting "no."

The SPEAKER. The Chair is doubtful that the gentleman qualifies for a vote.

Mr. SABATH. I have been here right along and I did not hear my name called. Then later on when I came back it was too late.

The SPEAKER. After the announcement of the vote the Chair feels the gentleman does not qualify.

The question is on the passage of the bill.

Mr. SPENCE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 345, nays 18, answered "present" 1, not voting 68, as follows:

[Roll No. 98]

YEAS—345

Abernethy	Douglas, Ill.	Jenkins
Adams	Doyle	Jennings
Allen, Ill.	Dworshak	Jensen
Allen, La.	Eberharter	Johnson, Ill.
Anderson, Calif.	Elliott	Johnson, Luther A.
Andrews, Ala.	Ellsworth	Johnson, Okla.
Andrews, N. Y.	Elsaesser	Jonkman
Angell	Elston	Judd
Arends	Engel, Mich.	Kean
Arnold	Engle, Calif.	Kearney
Auchincloss	Ervin	Kee
Baldwin, Md.	Fallon	Keefe
Baldwin, N. Y.	Feighan	Kefauver
Barden	Fellows	Kelley, Pa.
Barrett, Pa.	Fenton	Kelly, Ill.
Barrett, Wyo.	Fernandez	Keogh
Barry	Fisher	Kilburn
Bates, Ky.	Flannagan	Kilday
Bates, Mass.	Flood	King
Beall	Fogarty	Kinzer
Beckworth	Folger	Kirwan
Bell	Forand	Kopplemann
Bender	Fuller	Kunkel
Bennet, N. Y.	Fulton	Landis
Bennett, Mo.	Gallagher	Lane
Biemiller	Gamble	Lanham
Bishop	Gardner	Larcade
Blackney	Gary	Latham
Bland	Gathings	Lea
Bolton	Gavin	LeCompte
Boykin	Gearhart	LeFevre
Brehm	Geelan	Lesinski
Brooks	Gerlach	Lewis
Brown, Ga.	Gibson	Link
Brown, Ohio	Gifford	Luce
Bryson	Gillespie	Ludlow
Buckley	Gillette	Lyle
Bulwinkle	Gillie	Lynch
Bunker	Goodwin	McConnell
Burgin	Gordon	McCormack
Butler	Gore	McCowen
Byrne, N. Y.	Gorski	McDonough
Byrnes, Wis.	Gossett	McGehee
Camp	Graham	McGlinchey
Campbell	Granahan	McGregor
Cannon, Mo.	Granger	McKenzie
Carnahan	Green	McMillen, Ill.
Case, N. J.	Gregory	Madden
Case, S. Dak.	Griffiths	Mahon
Celler	Gross	Maloney
Chapman	Gwinn, N. Y.	Manasco
Chelf	Hagen	Mansfield, Tex.
Chenoweth	Hale	Marcantonio
Chiperfield	Hall, Edwin Arthur	Martin, Mass.
Church	Hall, Leonard W.	May
Clark	Halleck	Michener
Clements	Hancock	Miller, Calif.
Cochran	Hare	Mills
Coffee	Harless, Ariz.	Monroney
Cole, Kans.	Harness, Ind.	Morgan
Cole, Mo.	Harris	Mott
Colmer	Hartley	Mundt
Combs	Havenner	Murdock
Cooper	Hays	Murphy
Corbett	Healy	Murray, Tenn.
Courtney	Hedrick	Murray, Wis.
Cox	Heffernan	Neely
Cravens	Hendricks	Norrell
Crawford	Henry	Norton
Crosser	Herter	O'Brien, Ill.
Cunningham	Hesselton	O'Brien, Mich.
Curley	Hill	O'Neal
Curtis	Hinshaw	O'Toole
D'Alesandro	Hoch	Outland
Daughton, Va.	Hoeven	Pace
Davis	Hoffman	Patman
Dawson	Holmes, Mass.	Patrick
De Lacy	Holmes, Wash.	Patterson
Delaney, James J.	Hook	Peterson, Ga.
Delaney, John J.	Hope	Pfeifer
Dickstein	Horan	Philbin
Dingell	Howell	Phillips
Dolliver	Huber	Pickett
Dondero	Hull	Pittenger
Doughton, N. C.	Izac	Poage
Douglas, Calif.	Jackson	Powell
Price, Fla.	Sabath	Powers
Priest	Sadowski	Tibbott
Quinn, N. Y.	Sasscer	Tolan
Rabin	Savage	Torrens
Rains	Sheridan	Towe
Ramey	Simpson, Ill.	Traynor
Ramspeck	Smith, Maine	Trimble
Randolph	Smith, Va.	Vinson
Rankin	Smith, Wis.	Voorhis, Calif.
Rayfiel	Snyder	Vorys, Ohio
Reed, Ill.	Somers, N. Y.	Vursell
Rees, Kans.	Sparkman	Wadsworth
Resa	Spence	Wasielewski
Richards	Springer	Weaver
Riley	Starkey	Weiss
Robertson, N. Dak.	Stevenson	West
	Stigler	Whittington
Robertson, Va.	Sullivan	Wickersham
Robinson, Utah	Sumners, Tex.	Wigglesworth
Rockwell	Sundstrom	Wilson
Rodgers, Pa.	Taber	Winstead
Roe, Md.	Talbot	Wolcott
Rogers, Fla.	Talle	Wolfenden, Pa.
Rogers, Mass.	Taylor	Wolverton, N. J.
Rogers, N. Y.	Tarver	Wood
Rooney	Thom	Woodhouse
Rowan	Thomas, N. J.	Woodruff, Mich.
Russell	Thomas, Tex.	Woodrum, Va.
Ryter	Thomason	Worley
		Zimmerman

NAYS—18

Buffett	Lemke	Robsion, Ky.
Clevenger	Mason	Schwabe, Mo.
Ellis	O'Hara	Schwabe, Okla.
Gwynne, Iowa	Reed, N. Y.	Scrivner
Jones	Rich	Smith, Ohio
Knutson	Rizley	Sumner, Ill.

ANSWERED "PRESENT"—1

O'Konski

NOT VOTING—68

Andersen, H. Carl	Earthman	Ploeser
	Eaton	Plumley
Anderson, N. Mex.	Grant, Ala.	Price, Ill.
	Grant, Ind.	Rabaut
Andresen, August H.	Hand	Reece, Tenn.
	Hart	Rivers
Bailey	Hébert	Roe, N. Y.
Bloom	Hess	Shafer
Bonner	Hobbs	Sharp
Boren	Holifield	Sheppard
Bradley, Mich.	Jarman	Short
Bradley, Pa.	Johnson, Calif.	Sikes
Brumbaugh	Johnson, Ind.	Simpson, Pa.
Buck	Johnson, Lyndon B.	Slaughter
Burch		Stefan
Canfield	Kerr	Stewart
Cannon, Fla.	LaFollette	Stockman
Carlson	McMillan, S. C.	Walter
Clason	Mansfield, Mont.	Weichel
Cole, N. Y.		Welch
Cooley	Martin, Iowa	White
Dirksen	Merrow	Whitten
Domengeaux	Miller, Nebr.	Winter
Drewry	Morrison	
Durham	Peterson, Fla.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. H. Carl Andersen for, with Mr. Miller of Nebraska against.

Mr. Dirksen for, with Mr. Short against.

Mr. Price of Illinois for, with Mr. O'Konski against.

Additional general pairs:

Mr. Bailey with Mr. Winter.

Mr. Earthman with Mr. Shafer.

Mr. Boren with Mr. Welch.

Mr. Lyndon B. Johnson with Mr. Buck.

Mr. McMillan of South Carolina with Mr. Johnson of California.

Mr. Mansfield of Montana with Mr. Canfield.

Mr. O'KONSKI. Mr. Speaker, I voted no. I have a live pair with the gentleman from Illinois [Mr. PRICE]. Therefore, I withdraw my vote and answer present.

Mr. HOFFMAN changed his vote from "nay" to "aye."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BLAND. Mr. Speaker, if any of the following gentlemen have failed to respond to their names on the roll calls just had or any other roll calls today, Friday, or Saturday, I desire to announce that they are absent on official business, attending the meeting of the Board of Visitors of the Merchant Marine Academy at Kings Point. I refer to the gentleman from Florida [Mr. PETERSON], the gentleman from Louisiana [Mr. DOMENGEAUX], the gentleman from Washington [Mr. JACKSON], the gentleman from New York [Mr. KEOGH], the gentleman from California [Mr. WELCH], the gentleman from Ohio [Mr. WEICHEL], and the gentleman from New York [Mr. BUCK].

LEGISLATIVE BRANCH APPROPRIATION BILL, FISCAL YEAR 1946

Mr. SABATH. Mr. Speaker, I call up House Resolution 287 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, with Senate amendments thereto, and the same is hereby taken from the Speaker's table to the end that all Senate amendments be, and the same are hereby, agreed to.

Mr. SABATH. Mr. Speaker, I yield myself 10 minutes. After I will have used 10 minutes I shall then yield to my genial colleague from Ohio [Mr. BROWN].

Mr. Speaker, this resolution makes in order the legislative branch appropriation bill as amended by the Senate. It leaves all of the House provisions as they were originally passed by the House.

A great deal of publicity has been given to this matter because the Senate has not agreed to the acceptance of the needed expense allowance provided for in the bill. However, I am informed that they have provided for their extra expenses in a different way which is equivalent to the $2,500 House allowance. When all is considered I believe the amount the Senate has voted—not directly as has the House—will approximate the House allowance.

The unfavorable publicity given this matter has continued in the news articles of some newspapers notwithstanding that most of them in their editorials have maintained that congressional salaries are too low and have advocated and recomended a salary increase. Many newspapers have given a great deal of publicity to the reports of independent organizations which endorse and urge that the salaries of Members of Congress should be increased even up to $25,000 a year. I cannot help but feel that the position taken by those newspapers who have editorially supported an increase in congressional salaries and who now assail or criticize the action of the House and give the matter great publicity in their current news articles, is uncalled for.

Mr. Speaker, when I first entered this House the salary of Members was $5,000. It was then increased to $7,500, and later to $10,000. This increase gives the membership an additional $2,500 to defray the extraordinary expense to which they have been and are subjected. I know that the work of the Members is five times as great as it was when I entered the House and I know the expense of each and every Member is two or three times as great as it was years ago. Personally I admit that I can get along without this extra allowance notwithstanding that over $2,000 is taken away from each and every Member of the House in income tax, and notwithstanding that some of these writers and people believe that we are not obliged to pay the income tax; but I can get along. There are, however, many Members with large families who are under tremendous expense, maintaining homes both in their congressional districts and here in Washington and in view of the ever increasing cost of living. They cannot get along so well and they are entitled to this additional expense allowance. It will not increase their salary but it will only meet the additional expense to which they have been and are subjected.

You are familiar with my efforts in behalf of the white-collar workers in obtaining an increase in their salaries and wages and, in some instances I have been able to obtain fair advances for them, but not as much as I desired. I shall continue to exert my efforts in that direction.

The criticism, as I observed, against our original action does not come from that source, but from those whose salaries are double, triple, and even ten times greater than the salary of Members of Congress. I have a list of several thousand business executives who are drawing salaries of $50,000 or more a year, not mentioning what they receive in the way of dividends, bonuses, and so forth, and I venture to say that very few of them possess any greater ability or work harder than the Members of this House.

The question has been raised that the membership did not have an opportunity to vote directly on this legislation. Well, it will have a chance to do so today and all those who feel they are not entitled to more than the present salary provided can vote against this resolution. It is my opinion that an unfavorable vote would place the membership of the House in a ridiculous position as not having courage enough to stand by their original action. The action previously taken by the House has been approved by the Senate and cannot now be altered. Oh, I appreciate that same of the Members may vote against the resolution to agree to the Senate amendments and that body's approval of the $2,500 extraordinary expense allowance to Members of the House. Some Members stated to me that the expense allowance should have been at least $5,000. To this I cannot subscribe at this time and I believe that it should not be voted until we also take care of many underpaid wage earners and employees.

Mr. Speaker, during my recent illness I had an opportunity to reread and familiarize myself with the history of legislation from the colonial days of the Constitutional Convention up to the present time. More than ever, as a result of that research, do I realize that the country had at that time some outstanding, capable, and patriotic men as Presidents, members of the Cabinet, and in the Congress, and there were some perhaps who were not as broad or liberal minded as others. I say, however, without fear of contradiction that the membership of this House today in proportion contains just as much ability, energetic effort, and patriotism as at any time in the history of our country. It is true that no one under the sun is perfect. We all make mistakes and have our shortcomings, but I know, Mr. Speaker, when the history of this Congress is written many men in this House will receive the same credit and will stand out in the same favorable way as the great leaders of years gone by.

Of course, we have capable men with whom we do not always agree, but I would not charge them with not being honest. From a reading and rereading of the history of the Nation I know that there are certain sectional issues that always creep in. That occurred even in the Constitutional Convention. Consequently we should not blame from time to time some of our Republican friends who may feel that certain interests are entitled to first consideration. We on this side differ with them. We always give preference to personal rights over property rights. We believe that the masses of the people of America are entitled to first consideration by the Congress, and not the interests of a favored few, as some people always desire. Our considerations should be first in the interest of the general good and welfare of our Nation. I therefore feel at this time that the present legislation deserves favorable consideration and I hope that a majority of the Members will be courageous enough, notwithstanding some of the unfair attacks that have been made from time to time, to vote according to their conscience and what they believe is right and just for the best interest of the country.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. SABATH. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, House Resolution 287, as the chairman of the Rules Committee has already stated, simply makes in order and provides for the adoption of the Senate amendments to H. R. 3109, an act to make appropriations for the legislative branch of the Government for the year ending June 30, 1946.

The issue which may well be drawn into the debate on this rule is whether or not the measure should be returned to the Appropriations Committee for further consideration of a single item in the House portion of the bill, to wit, the item which provides for an appropriation of $2,500 per year as reimbursement to the Members of the House for expenditures made by them in transacting official business.

In this connection I believe it should be pointed out that the House has already passed on that expense-item question. It should also be recalled the legislative subcommittee of the Committee on

Appropriations recommended this item originally; that later the full Committee on Appropriations recommended the same; that the Committee on Appropriations directed the chairman of the subcommittee and other members of the Committee on Appropriations to appear before the Committee on Rules and ask for a rule making in order this particular item. After 2 days of public hearings, that rule was granted. About 3 weeks ago the rule was brought to the floor of the House, and it was debated for 1 hour. The bill itself was then debated for 2 hours. Further debate under the 5-minute rule was carried on for an additional 3½ hours, or for a total of 6½ hours of debate on the entire question. It was plainly and clearly stated that if you were in favor of the expense item you would vote for the rule, because the only reason in the world why the rule was before the House was to make that particular item in order, and that if you were opposed to the expense allowance you would vote against the rule. A roll-call vote was had on the rule, and every Member of the House had an opportunity to go on record.

Then an amendment was offered to strike out this particular item from the bill, and that was overwhelmingly defeated. Again, an attempt was made to defeat the entire bill, and the House by a very heavy majority approved the bill. The bill then went to the Senate, where these Senate amendments now under consideration were introduced and adopted.

In this connection let me say that the Senate for a long time now has been taking care of the expenses of its membership through the use of a contingent fund, and by other appropriations contained in the legislative appropriation bill. The House has not done so. Instead the House, in its wisdom, decided to appropriate $2,500, as a top limit to each individual Member, as its method of reimbursing the membership for the expenditures made in behalf of their constituents and on official business only. It should be borne in mind that this fund is appropriated and can be used only for reimbursing a Member for expenditures actually made in the transaction of public business. The Senate follows an entirely different procedure. There each Member is allowed long-distance telephone calls at Government expense. They have a lump-sum appropriation to be used when away from their offices. They have a contingent fund amounting to $401,000 against which various charges are made, and perhaps rightly so. The House has no such privileges or allowances.

But what I want to make clear is this: The Senate has its method of reimbursing its membership for their expenses. That method has been in use for many years. The appropriation for those Senate expenses was increased this time. The House has adopted its own method of reimbursing its Members, and the question before this House today is whether or not we shall follow the rule of comity that has always existed in Congress and accept the Senate amendments.

The vote on this rule does not directly affect the $2,500 item. The only way—and I want to be absolutely fair about it—that item could be possibly affected would be for the rule to be voted down and the measure sent back to the Committee on Appropriations. It is hard to believe that the Committee on Appropriations, which has passed on this matter at least twice in the past, would reverse its position on this item if the bill was referred back to it.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Kentucky.

Mr. MAY. If I understand the gentleman's statement, the parliamentary situation is that if the rule we are now considering is defeated, it would automatically send the Senate amendments, providing for their own membership and their own employees, back to the House Committee on Appropriations.

Mr. BROWN of Ohio. I think, to be absolutely correct, that the bill would go back to the Speaker's table and the Speaker, in turn, would refer it to the House Committee on Appropriations.

Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, the gentleman from Ohio [Mr. BROWN] has in the main made a correct statement as to what has transpired in reference to this increase in compensation or expense, or whatever you designate it. There are some phases of his remarks, however, that are subject to amplification.

In the first place, the Committee on Appropriations placed in an appropriation bill without authority of law an item providing for $2,500 additional compensation for Members of the House; that is, the Congress had never in the regular way considered or passed upon this additional allowance. The regular way would have been to consider the proposal in a legislative committee and then debate and vote upon the proposal in the House, just the same as any other legislation. However, the Committee on Appropriations saw fit to add this amount, which was subject to being stricken from the bill if any one Member of the House objected. In order to foreclose any such freedom of action on the part of the House, the Committee on Appropriations, by a vote of 17 to 13, as the Rules Committee was advised, made application for a rule insulating the item in the appropriation bill against points of order. The Rules Committee, by a majority vote, authorized the rule, and when it was before the House for discussion, it is true that the able gentleman from Ohio [Mr. BROWN] expressed the view that a vote for the rule was a vote for or against the $2,500 increase. On the other hand, the able gentleman from Georgia [Mr. COX], who was in charge of the rule, advised the House that the purpose of the rule was to bring the $2,500 item before the House for consideration, so that discussion might be had and a vote assured on the part of the membership. I do not know which one of these two statements was most persuasive, because both of the gentlemen are usually quite accurate. However, there was a difference of opinion. Some Members of the House, who were much opposed to the $2,500 additional allowance, voted against the rule on the roll call, and did so in the belief that they would have an opportunity to have a roll-call vote on the advisability of the increase.

In my opinion, there has been no clean-cut vote on this question. If there had been any such vote, then this rule today would not be necessary. In short, we must all agree that the vote on the pending rule will be a direct vote on whether or not the Member voting desires to approve this $2,500 expense allowance in the manner provided. Possibly some will argue that the House has already passed on this item but without a roll call vote, and that the Senate, by a small margin on a roll call vote also passed the item. Therefore, it is not in controversy at this time. Technically that is correct, but as a matter of fact we all know why we are going to have a roll call today. This roll call is all the Members who oppose this additional appropriation desire. Ours is a rule by the majority. There should never be any effort to avoid going on record on controversial legislative matters, and I feel sure that when all the members think this thing through they must agree with this philosophy.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I am sorry but I only have 5 minutes. If the gentleman from Mississippi can get me some additional time I shall be most happy to yield.

The merits of the proposed increase are not in question today. Debate and discussion here will make no difference in the vote when the roll is called. This is not a complicated, involved, or difficult problem. Possibly I go a little too far when I say that it is not a "difficult" problem. What I mean is that we all know what it is all about.

The House passed this appropriation bill, and the Senate added a few amendments. There is no dispute anywhere as to the Senate amendments, and their ratification by the House is only a formality. The "milk in the coconut" is a roll-call vote on the item which is not technically in dispute but which in fact is the only matter in controversy.

If this rule is voted down, then, as suggested by the gentleman from Ohio, the bill will go back to the Committee on Appropriations. That committee then can eliminate this controversial item and report out the remainder of the present bill in a new bill. This new bill can be agreed to unanimously by the House and by the Senate, and go to the White House. Or, the Committee on Appropriations can investigate further the noncontroversial items added by the Senate. Regardless of the action taken on this rule, the decision here made will in my opinion settle the matter.

If we are to be guided by editorial and columnist comment, it would seem clear that the preponderance of opinion in the country is that the salary of Members of Congress should be increased but that

the increase should be made a part of the regular compensation, subject to taxation, the same as the present salary, and not retroactive in effect, and not in excess of increases in wages allowed in other activities, in conformity with the Little Steel formula. It seems to me that this is a logical conclusion and I shall vote accordingly.

Mr. SABATH. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I endeavored to get the gentleman from Michigan to yield to me merely to clarify the parliamentary situation. I think he has since clarified it. I do not think there is any misunderstanding about this. Those who believe that this expense account should be allowed will vote aye on the rule. Those who think to the contrary will vote no. I think it is a matter entirely within the province of this House to pass upon, and the rule has been brought out for that purpose.

Mr. Speaker, when this same matter of the pay increase was before the House originally I stated my position then, in part, as follows:

I might also add that I regret the necessity of voting against this rule on the legislative appropriation bill. But I feel compelled to do so for the reason that I think it is a mistake for Members of Congress to raise their income, either direct or indirectly, at a time when we are all trying to hold the line against inflation. And certainly if we as Members do that we make ourselves vulnerable when all other groups request additional compensation. The vote on the rule will be the test.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, I wish to compliment the gentlemen from Illinois, Michigan, and Mississippi upon clarifying the pending issue. There is only one issue pending here, as they have well pointed out. That is whether or not you desire upon final consideration to provide this $2,500 expense item for yourselves. Except for that issue this rule would not be pending. I know I cannot say to you anything which transpired before the Committee on Appropriations. But I can say to you that in a public hearing before the Committee on Rules on yesterday it was developed without contradiction that the Committee on Appropriations first, by a vote of 13 to 12, decided to ask the Committee on Rules to include in this rule a provision for a direct vote on the $2,500 expense item. Adjournment of the committee was then had, and the next day it was carefully explained by proponents of the proposition that a vote on the rule, this rule, would be in substance a vote on the question of whether or not Members desire to provide for themselves this $2,500 item. I know of at least one gentleman in the Committee on Appropriations who changed his position by reason of that representation having been made to him. The committee then reversed its action in asking a separate vote on the expense item by a vote of 17 to 13.

On yesterday, when I appeared before the Committee on Rules and asked for the inclusion in the rule of a provision for a separate vote on this particular item, it was explained by the chairman and by other members of the committee that in their judgment a vote on this rule is a vote on the $2,500 item, in substance. So I think there can be no reasonable question about that. It is not a direct vote but it is an indirect vote. This is decision day. If you adopt this rule you send this bill to the White House and you provide for yourselves the $2,500 in expenses. If you vote down this rule you send the bill back to the Committee on Appropriations and that committee can take either one of two courses: It can bring this bill back to the House for action on the Senate amendments or it can table the bill and report out a new bill leaving out the item which the House has provided for itself in the original bill, and perhaps leaving out some of the items which the Senate has provided for itself.

In other words, the entire bill could receive and would receive the further consideration of the Committee on Appropriations. But if you vote for this rule, and if it is adopted, the $2,500 will be provided by law, unless the President vetoes the bill, as I hope he would do. But if you vote against the rule you will, in substance, be voting not to have this $2,500 paid to yourselves, because I feel assured that the Committee on Appropriations would accept that as an expression of opinion on the part of the House that the money ought not to be provided and that it would then take such action as might be necessary in order that it might not be provided. I do not desire to discuss again the merits of the issue. I did that when I opposed this provision upon its original passage. In the Appropriations Committee, in the Rules Committee, and on the floor I have opposed it in every way possible.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. As a matter of fact, there is only 1 hour of discussion on this rule, and if the rule is adopted the bill then goes to the White House without further debate; is that not true?

Mr. TARVER. If the rule is adopted, it is the last legislative step necessary in order to make this money available to the Members. If it is defeated it means that the money will not be available to you. So that the issue is crystal clear. If you want the $2,500, vote for the rule. If you are opposed to it, vote against the rule. Call the roll.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. BULWINKLE].

Mr. BULWINKLE. Mr. Speaker, I am not here today to discuss the merits of this measure. Clearly I think that by this time every Member of the House of Representatives should understand that a vote for this rule means a vote in favor of the $2,500 expense allowance. A vote against the rule means that you are opposed to the legislation.

Mr. BREHM. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. Yes; I yield.

Mr. BREHM. Is it not true that up to this minute the only opportunity this House has had to vote for or against this $2,500 was on the Tarver amendment which had as its purpose the striking of this item from the legislative appropriation bill?

Mr. BULWINKLE. That is correct.

I want to say to you just this: Let me remind you that once before in the history of Congress they passed a retroactive increase-of-pay bill. That was during the administration of President Grant. The increases were for the Congress and for the President and Vice President. That bill was passed in the early part of March in a new session. By January of the following year, 1874, the country was so opposed to anything like it that the Congress passed a bill repealing the act of 1873.

So I say, today will you have to decide whether under this rule you are in favor of legislation which gives you retroactive expense money, if you please, or whatever its name may be, to the first of January, and whether or not you want legislation exempting that amount from taxation.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON of Virginia. Mr. Speaker, when the rule making the $2,500 expense item in the appropriation bill is in order, I voted against the rule, and likewise against the bill on final passage. Some at that time may not have realized it, but I fully realized that a vote against that rule was a vote against the item in question. I shall vote against this rule and I hope it will be defeated. I approach it from the standpoint of one serving on the committee that must levy the taxes. I helped draft the Revenue Act of 1943. Those who were in Congress then voted for it. I realize it increased our taxes about 400 percent, but there are those of smaller incomes than ours whose taxes were increased 600 percent. What sticks in the bark of the press and the taxpayers is entering the back door instead of the front door with a $2,500 item that is intended to be tax free.

If we defeat this rule the matter goes back to the committee where it can be amended and reconsidered. I understand that already a direct approach to this problem is being had in the preparation of another bill. A member of the Committee on Appropriations told me that in his opinion this would only be temporary and that the Congress would repeal this by the next bill and go at the matter right. I say let us go at the matter right—now. Do not embarrass the members of the tax committee who cannot give this advantage to Tom, Dick, and Harry, who have to pay taxes, the tax advantage we propose to take for ourselves. Send this bill back to the committee. Let them take this item out. That is the only purpose of this rule. Then we can approach in a straightforward way what is the proper compensation for Members of Congress, and take action on it that will meet with public approval.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, it seems just silly, foolish, and absurd for the Congress to follow the course it has followed since 1932, wasting money on almost every conceivable project, sending billions of dollars abroad and then refuse to reimburse its Members for expenses actually paid out in performing their official duties. I sympathize deeply with and I feel sorry for all those Members whose consciences hurt them because they anticipate they may be forced to take this $2,500. For myself, I want none of it; and I am filing with the disbursing officer one of these so-called directives which authorizes and directs him to pay back into the Treasury of the United States any part of that $2,500 which comes to me. That directive is in words and figures as follows:

JUNE 7, 1945.

Hon. KENNETH ROMNEY,
Sergeant at Arms,
House of Representatives,
Washington, D. C.

MY DEAR MR. ROMNEY: You are hereby authorized and directed, as disbursing officer, to pay into the Treasury of the United States any and all sums which may come into your hands and which may be placed to my credit prior to January 1, 1946, on account of the appropriation of the sum of $1,642,500, as carried in H. R. 3109.

This authorization and directive applies only to the so-called $2,500 Congressional expense item.

CLARE E. HOFFMAN,
Representative in Congress, Fourth District, Michigan.

In presence of Helen M., Boyer, Annabell Zue.

This statement is being filed by me, this course followed, for reasons which are compelling and sufficient, but so far as I know, they do not apply to any other Member of the House. My action is not to be construed by anyone as indicating what others who favor or oppose this rule should do. I speak only for myself and I repeat, for reasons which, so far as I know, do not apply to any other Member of the House, this action is taken.

I know that the Members of Congress have been discriminated against by the revenue department all down through the years on their income-tax returns and have been denied reductions which every other earner of income in the United States received.

I believe that a man is worthy of his hire. I know of my personal knowledge that many Members of the House earned two and three times as much at home before they came down here as they receive while here. If the people of my district do not want me to represent them in Congress any more because I voted that the Members should have this $2,500 which will in part and only in part reimburse them for expenses paid out, that is up to them, I am not going to be frightened into voting against this rule by any newspapers or any pressure organizations which falsely say that I am trying to fatten my own income. The directive filed as above shows I will get none of it. I say the Members of this body are entitled to this allowance and if they do not get it today, and that is what this is about, I would like to say, if ethics, or courtesy, or whatever it may be called, does not prevent—and that is this: We lack courage or we take the course of the least possible criticism if we refuse to allow items of expense which are given to every employee of every private enterprise.

Mr. BROWN of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Speaker, the legislative appropriation bill that was before the House some days ago contained a provision allowing each Member of the House a sum not to exceed $2,500 annually to cover actual official expenses of each Member. An amendment was offered to strike this $2,500 from the bill. I voted in favor of that amendment. A very substantial majority voted for the amendment and it was included in the general legislative appropriation bill as it passed the House. The bill then went to the Senate, but the Senate did not disturb this $2,500 item. The Senate did include in the bill certain items of expense allowances for the Members of the Senate. One of these allowed as much as $1,800 a year for long-distance telephone, and it allowed other items, and $400,000 for miscellaneous. These allowances and expenses of the Senate would exceed on the average approximately $5,000 for each Senator. After the Senate action the bill then came back to the House.

A resolution is now before us which, if adopted, would in effect send this legislative appropriation bill to the President and it will include the $2,500 official expense allowances annually for each Member and the allowances provided in the bill for the Members of the Senate. If this resolution is defeated, the bill will then likely go back to the Appropriations Committee for further investigation and for such action of the Appropriations Committee as may be deemed appropriate by that committee. It has been made clear by both those favoring this $2,500 allowance and those opposed to it that a vote in favor of this resolution is a vote for the $2,500 official-expense allowance. And those who are opposed to the $2,500 allowance will vote against the resolution.

I voted for the amendment cutting out this $2,500 item when the bill was up in the House the other day, and when a vote is taken on this resolution I shall vote against it. We did not have an opportunity the other day to go on record, and I am very glad that we shall have an opportunity today to go on record in opposition to this $2,500 allowance. I oppose it for a number of reasons. One is the manner in which the proposal has been handled and presented to the House; another is, I want our country to avoid all expenses possible, and I have what I consider other valid reasons, but I do not agree that there were any undercover or any unfair practices in bringing this question before the House. Neither do I agree that it is an increase in a Member's salary. The bill expressly provides that this $2,500 is allowed to take care of the actual, necessary official expenses of Members of the House incident to the efficient conduct of their official duties.

The erroneous impression has gone out that Members of the House under this provision would receive expense allowances that had been denied to Members of the Senate. It is true that the House has never before been allowed the outlay for necessary official expenses. The Senate has enjoyed such rights for many years and in the legislative appropriation bill in question they were granted increases equal to or greater than the amount provided in the bill for Members of the House, and this was in addition to the expense allowances they are now and have been receiving for a number of years, and let it be understood that I am not in any sense condemning or criticizing such allowances for Members of the Senate. I am assuming that they are just and proper. It is, however, unfair to the House for the report to be broadcast that the House is seeking some benefits which are not enjoyed by the Senate even to a greater degree.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. BROWN of Ohio. May I inquire if the gentleman was not a Member of the United States Senate for sometime?

Mr. ROBSION of Kentucky. Yes, I had the honor of being a Member of that great body, and from what I learned then and from what I know now the Senators have allowances voted by Congress to them that exceeds this allowance to Members of the House.

THE PROPONENTS CLAIM

The proponents of this $2,500 allowance claim and have set forth in definite items that on the average members of the House are required to pay out $2,500 or more in necessary and actual expenses to carry out efficiently their official duties. They insist that the average Member of Congress has and must maintain a home in his district. He must have a home here for himself and his family as he spends nearly all of the year here at Washington. He must either invest his own capital and buy a homé in which to live or he must rent a home. That will cost him and his family approximately $2,000 or $2,400 a year and they state that is an expense made necessary by reason of his official duties.

There are hundreds and hundreds of Government agencies scattered over the metropolitan area of 1,300,000 people and these agencies must be visited from time to time in looking after the interest of his constituents. Some members make from 80 to 100 miles a day. They must have a car, gasoline, and oil, and the member must maintain his car. There is no accommodations for members of the House and their families that live near the Capitol or at least not many of them can find accommodations near the Capitol. Some of them are forced to find homes 5, 6, and 8 miles from the Capitol. He must have a car to go back and forth to his place of business. Members of the House must pay for a great many long-distance calls out of their own funds. In this bill each Member of the Senate is allowed $1,600 a year for

long-distance calls alone. They urge that while a Member is allowed mileage for a roundtrip for himself he must of necessity bring his wife and children, and he must make several trips to his district and back each year if he looks after, efficiently, his constituents on matters pertaining to his district. If he sends out any speeches to his constituents he must pay for the printing of these speeches and hire extra help to address them, and when he sends out 20,000 or 30,000 letters to his district enclosing matters of interest to his constituents he must hire people to address the envelopes and put the material in in the envelopes and they insist there are a great many more items of expense that run into many hundreds of dollars each year that each Member must pay out of his own pocket, and not including any of his living expenses in the most expensive city in the Nation.

I might say that I have observed the business of a Member of Congress growing by leaps and bounds, and especially in the last 10 years, and I can sympathize with Members who pay out these large sums of money for his actual and necessary expenses in carrying on their official duties, and I agree that this should not be the case. Members of the House should be placed on an equal footing with Members of the Senate. I am now talking about expenses that they would not have to incur except for carrying out their official duties and expenses they would not incur if they were carrying on their business as lawyers, doctors, farmers, businessmen, and so forth, if they were at their homes. Congress votes money to the various executive offices of the Government as well as others whose salaries are $10,000 or more necessary to meet all official expenses, including travel, and for such time as they may be away from home on their official business, and they are furnished cars, gas, oil, and the necessary upkeep, and they do not have the multitude of expenses that Members of Congress have. The life of a Member of the House and Senate must necessarily be a very active one. He must meet a multitude of problems every day, and if he efficiently represents his constituents—and the average Member of Congress is a hard-working person—he must be busy every day and frequently at night and many times on Sunday, and with these burdens he must conserve his health and energy, and have a place to live with home surroundings, and should receive such compensation as is reasonable and just, and should not be required to take out of his salary legitimate, actual, and necessary expenses to carry on his official duties.

GREAT CHANGE SINCE 1925

The present congressional salary was fixed in 1925. Since that time Congress has voted increases in pay for Government officials and workers. The wages of workers in the factories, mines, shops, and mills have been greatly increased. The income of farmers, industry, and commerce have been greatly increased. The cost of living along many lines has almost doubled, and especially in the city of Washington. Contrary to the belief of many people, a Member of the House and Senate must pay Federal income tax just the same as other people. More than $2,700 comes out of his salary for Federal income taxes, and he must also pay State income taxes, and if there is taken an additional sum of about $2,500 for a place to live, then he only has left about $5,000 out of which to pay the living expenses of his family and all of these other innumerable expenses that are strictly official and are incurred by reason of his official duties. It can be seen at once that a Member of Congress must be frugal and economical in order to make both ends meet, and there are not many Members of Congress that can accomplish that. While my family is a very frugal and economical family, as we do not try to "keep up with the Joneses," I would be embarrassed to say how much less I have now than I had the day I announced for Congress in 1918. We are a little more fortunate than some Members of Congress—Mrs. Robsion was very industrious and thrifty; I worked hard many years in the practice of law, in the banking and other businesses, and had laid aside a modest sum. As we could not secure a home when I first came to Congress in 1919, I bought a home out of a part of my accumulated savings, but, of course, we must pay high taxes and the upkeep of that home. I might also state that my children are grown and married and are self-supporting. President Truman stated at his press conference today, I am advised, that while he was a Member of the Senate for the last 10 years he kept his wife on the pay roll as one of his secretaries as they could not make both ends meet otherwise. Few persons have taken the time to find out how many sources draw upon a Member of Congress.

FORMER SPEAKER CHAMP CLARK

I want to tell you a gripping life story of a great American—8 years Speaker of the House of Representatives, Hon. Champ Clark, of Missouri. It was my pleasure to serve with this able statesman for 2 years. The Republicans took control of the House in 1919 and elected a Republican speaker—displacing Champ Clark. In the landslide of 1920 he was defeated for Congress. He was born, reared, and educated in Kentucky. After his defeat and when Congress met the first Monday in December 1920 and through the months of December, January, and February, former Speaker Clark, as was his habit, frequently came over on the Republican side and talked to me and other Republican Members of the House from Kentucky. He was very much dejected. The defeat broke his heart. He appeared to be the saddest man I ever knew in the House of Representatives. He said on more than one occasion, "I have given 26 years of my life in the service to my country in this House and you boys know that I had opportunities many times, by reason of being Speaker and other positions I held in the House, to have accumulated a fortune, but now I have nothing except my good name. I am an old man, as I am 75 years of age. I know not which way to turn. I would not mind it so much for myself, but it grieves me to know that if I should die, I could not and would not leave my dear wife anything." Speaker Clark was religiously inclined and generally concluded his speeches by saying in substance, "I hope it may be the will of the Almighty to take me before March 4." He wanted to die before March 4 while he was still in office because then his wife would receive a sum equal to 1 year of his salary which was $7,500 at that time.

Mr. Speaker, the soul of that great American and that great statesman who had given 26 years of honest service to his country took its flight on March 3, 1921. Of course, I have known of a number of other Members who left the Halls of Congress bankrupt. I do not see how any man can stay in Congress and render efficient and courteous service to his constituents and not pay out more than his salary. I know that it would have been unfortunate for Mrs. Robsion and our family if we had not accumulated something before I entered public life, and if I had not been successful in a few important law suits. While a Member of Congress does not have an opportunity to make money he does have through the years opportunities to be of service to his country and opportunities to help tens of thousands of people.

This bill will cost the taxpayers of the Nation approximately $1,000,000 annually. Some have pointed out that on today Congress voted approximately six billions for alleged loans and stabilization fund which will go in the end to foreign countries. That is 6,000 times as much as the sum in question here, but I voted against that. Congress has voted sixty-four billions for lend-lease for other countries. That is sixty thousand times as much as that mentioned in this bill and Congress has voted other billions for foreign countries, and I have been voting against all of these except those especially designed to aid us in our war effort, and I am going to vote against this resolution—although I think it is just. This Nation is facing a three hundred billions or more war debt. We must stop a lot of these expenditures and if possible preserve the fiancial integrity of this Nation. Of course, this allowance here is less than a drop in the bucket.

Mr. BROWN of Ohio. Mr. Speaker, if there are no other former Members of the Senate who wish to testify, I yield 2 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, I am greatly disturbed over the situation that confronts the House at the present time. It is true as has been stated that this rule simply provides that the legislative appropriation bill be taken from the Speaker's table and a vote be had on the question of agreeing to the Senate amendments.

You have been told, and will be told again, that the provisions of this bill as far as the House is concerned have not been disturbed by the Senate. The Senate has added some items and those in charge of the bill seek the concurrence of the House in those items.

I am not going to discuss what the Senate has done in reference to expenses for Members of the Senate, but I am going to remark that there is no rule or

regulation that requires the House to accept the Senate amendments that have to do with the expenses of that body.

It was only 3 or 4 years ago that the Senate provided for what was termed an "assistant Senator" whose duty it would be to handle matters with various Government agencies so that the Senators would have more time to attend to their legislative duties. The amount of the salary was $7,500 per annum. The Senators were very anxious to have this provision passed, but the House refused to agree to it which is conclusive evidence that comity does not always prevail between the House and the Senate.

When this bill was under consideration I was in the hospital and was not able to be present. I do not hesitate to say that had I been present I would have opposed certain changes in the present law made by the Committee on Appropriations which had not been authorized or approved by the Committee on Accounts of which I am chairman. I thought that there was an unwritten agreement between the Appropriations Committee and the Committee on Accounts that no legislative provision would be placed in the appropriations bill until the Committee on Accounts had been consulted.

Of the changes in salaries made by the Committee on Appropriations only one had been approved by the Committee on Accounts and that was the placing of the official reporters of committees on the same salary basis with the official reporters of debates.

Now what happened? Of course the big issue and the one you will hear about today is the item on page 19 granting $2,500 per annum to assist in defraying expenses related to or resulting from the discharge of his official duties. This applies solely to Members of the House.

While it was thoroughly discussed in the Senate it was not changed nor did the Senate provide directly in this way for assistance to Senators, but as you have heard and will hear the Senators found another way to defray their expenses.

I read the debate on the bill and I do not agree that this amount is exempt from taxation. Regardless of what anyone says in reference to the intent of Congress on the floor of the House, or an expression in the report in the bill as to the intent of Congress, it is the law itself that prevails in the end.

The Board of Tax Appeals rendered a decision in what is known as the George Lindsey case holding that a Member of Congress could not deduct his living expenses while in Washington in filing his income-tax return. In my opinion, that decision will hold insofar as this provision is concerned.

There is no doubt that Members of Congress are entitled to an increase in compensation or that they should be permitted to deduct from their income-tax-return expenses incurred while in Washington in the performance of their duties. A businessman is entitled to make deductions for any trip he makes to Washington, including large hotel expenditures, also expenses for dinners, and so forth. That is a matter, however, that should be determined by the Committee on Ways and Means in connection with the next revenue bill.

If a bill is brought in providing for a reasonable increase for Members of Congress without any strings attached to it whatsoever, I will vote for it, because I know the great majority of the Members of Congress are not able to live on their salary.

There is another matter, however, that concerns me more than this. The committee of which I happen to be chairman has jurisdiction over the salaries of the personnel of the House of Reresentatives. The bill as reported by the committee and amendments added on the floor contain numerous increases in salaries for certain groups and certain individuals. I may as well be frank and say to what I refer.

For instance, an amendment was offered from the floor which provides that the reading clerks shall receive $7,000 a year instead of $5,000, and the assistant reading clerk shall receive $5,000 instead of $3,600, and the pages shall receive $5 a day instead of $4 a day.

Now, I am not going to comment on the others, but just let me tell you what you have done in passing such amendments to existing law.

With the exception of the clerk of the Appropriations Committee, this $7,000 is more money than is received by any clerk of any committee in the House. The clerk of the Committee on Ways and Means receives but $4,620. The clerk on Interstate and Foreign Commerce receives $4,500. The clerk of the Judiciary Committee receives $3,900. The clerks of the Military Affairs Committee, the Naval Affairs Committee, the Rivers and Harbors Committee, the Rules Committee, and the Foreign Affairs Committee all receive $3,300, which is less than one-half that the reading clerks receive.

You just passed a very important bill that came from the Banking and Currency Committee. That committee has been handling some of the most important legislation that has been before the House for years and still the clerk of that committee receives only $2,760.

I am not going to refer to all the other committees of the House, but as a result of the action of the House the chairmen of various committees of the House have already contacted me saying it is absolutely necessary that their clerks receive higher pay or they are going to lose their services.

You increased the salaries of the pages, but you did nothing whatsoever for the Doorkeepers, the great majority of whom are veterans and who are married.

I was under the impression that the Monroney committee would bring in a recommendation revising the salaries of the personnel of the House. I have talked to the chairman of that committee, the gentleman from Oklahoma [Mr. MONRONEY], and he tells me they will not be able to reach that for a long time to come.

I am serving notice now that in view of the situation that has resulted as a result of the increases in salary for a small group which was not passed on by the legislative committee, that I am going to ask the Accounts Committee to consider the advisability of bringing in a resolution that will make a fair adjustment and classification of positions, and this applies to all personnel of the House where the committees will feel justified in taking up.

I dislike to be critical, but what would the members of the Appropriations Committee do if a legislative committee not only brought in an authorization but at the same time included an appropriation to carry out the authorization? You know and I know they would do exactly as they have done many times in the past—make a point of order against the language and it would be stricken from the bill insofar as the appropriation is concerned.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield such time as he may desire to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Speaker, I opposed the provision in this bill for the allowance of $2,500 for official expenses of Members of the House when it was before us for consideration on May 10th last. At that time I voted against the rule which would make the bill in order and I voted for the amendment to eliminate the $2,500 provision from the bill, and I voted against the bill itself. I shall vote against the rule today for the reason that that is the only method those of us opposed to this expense allowance will have to go on record. I repeat what I said when the bill was before us on May 10. I agree with the proponents of this allowance that the Members of Congress are entitled to an increase in their salaries and also allowances for official expenses. I am opposed to voting ourselves an increase at this time, however, to be retroactive and covering the term for which we have already been elected at the old salary schedule. Furthermore, in the midst of this crisis while all citizens are making heavy sacrifices not only in money, services, and needs, and many of life itself, we here in the Congress can well make some sacrifice in compensation and expenses to which in normal times we are entitled. I believe it ill becomes us in this great legislative body to vote ourselves these increases while we deny many underpaid Federal employees reasonable increases in salaries. I have long advocated a reasonable allowance for our elderly citizens for meager living expenses. I cannot feel justified in voting increases to ourselves while denying these old folks a modest sum to keep body and soul together in their old age. This bill will increase our take-home money $2,500 annually. It will in effect, if not in fact, be a violation of the Little Steel formula which we are asking others to follow. Let us in the Congress point the way in holding the line and vote down an additional annual expense of $1,642,500 for ourselves. Therefore, Mr. Speaker, I will cast my vote against the rule so that the bill may be sent back to the committee for appropriate action to eliminate the $2,500 expense item.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. BELL].

Mr. BELL. Mr. Speaker, I think that there is a stake in this bill that some of

us are overlooking. An editorial came to my desk the other day, which I assume most of the Members received, which appeared, I think, in Collier's, saying that we were too timid to vote, apparently, for anything that would go to us. I do not believe that.

But I do want to call your attention to this thing: As the situation stands today there are just two classes of people who can afford to belong to the Congress. One is the rich man to whom money means nothing, and the other is the man who is willing to come down here and work for two or three thousand dollars a year. There is not a man in this House who down deep in his conscience does not know that the legitimate expenses, that is, the expenses which are purely incidental to his being in Congress, run into all the way from five to six or seven thousand dollars a year. We all know that. There is no use in kidding ourselves about that. I am not going into the long list of things that we have to pay out which are purely incidental to the affairs of the office. There is an old saying that is true, that in life we get just what we pay for. The American people are going to get the kind of Congress that they pay for. Sooner or later, as the years go by, if the Congress of the United States has not the courage to put the compensation of Congressmen where it will draw men of ability and courage into this body, the people are going to suffer as the result of it. This is not a salary increase. It is merely an assumption by the United States Government of the legitimate expenses, or at least some of them, that have to be paid. Personally, I do not think that it is the obligation of any man to assume expenses which are perfectly and legitimatey the expenses of his employer. If you are working for the Standard Oil Co. or for a railroad company or for a corner grocer, he would not expect you to pay his rent and his telephone bills.

Mr. SABATH. Mr. Speaker, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, I shall vote "yes" on this measure when the roll call vote is taken. Perhaps, if I had had my choice, I would have solved the problem in a somewhat different way. I certainly favored the proposal by the gentleman from Mississippi [Mr. WHITTINGTON] who thought, as I understood him, that we ought to increase the Members' salaries by 15 percent to keep within the Little Steel formula, and allow him an expense account within certain limits. However, we have this measure before us, and I think it merits support. I am inclined to believe that less attention to an increase in a Member's pay and along with it a just and business-like retirement plan would have been preferable. I think it was a cruel shame that the retirement measure which was enacted into law a few years ago was so misunderstood by the public and so hurriedly repealed by Congress.

I do not know how others may be, but I am a poor man. I have always lived upon a salary. I now realize the truth of what Mrs. Isabella Greenway, my predecessor stated, in 1936, while I campaigned to fill a vacancy, when she said, "Dean MURDOCK, you will not get rich at Washington." This she said before a large audience in Tucson, with Senator Ashurst, then the senior Senator from Arizona, on the platform, and I noticed that the Senator laughed heartily at Mrs. Greenway's statement which he evidently understood better than I did. I am not the only Member of Congress who has learned the truth of what the former Congresswomen from Arizona said and meant upon that occasion.

Would it be better if we had only rich men as Members of both branches of Congress? I am convinced from attitudes and actions I observe that there are some who feel that it should be that way. We could save the Government quite a bit of money by abolishing all salaries and other emoluments and payments to Members, and I do not doubt but that there would be candidates for these seats if no salaries were paid. One of the founding fathers of this Republic opposed paying the President any salary, and he felt sure that if the Constitution incorporated that part of his plan that the high office of the Presidency would never go begging for candidates. The other founding fathers, of course, did not agree with him, and so the Constitution of the United States provided that the President shall be paid a salary. Think how much the taxpayers of the United States would have been saved if the no-salary plan had been adopted. Of course, the list of our Presidents would have been somewhat different, and it would have lacked certain names, such as A. Lincoln.

What was one of the great parliamentary reforms demanded in England prior to 1832? It was payment of salaries to Members of Parliament. Why did Englishmen think it necessary when there were so many English gentlemen who would gladly serve under the former plan? What was one great reform in Germany, demanded by the people and contrary to Bismarck's idea? It was payment of a salary to the Members of the Reichstag. Evidently, most Englishmen, about 1830, and evidently, most Germans, about 1870, had come to the conclusion that salaries should be paid to the men who made their laws and conducted their government. Our fathers thought so and arranged it so in the basic law of our land.

Thoughtful students of government, even some of the well-known writers in the press today, recognize that a Member of Congress ventures much when he quits what he is doing to come to Washington to be a part of this Government. Comparatively few people know the nature of that risk, or the extent of it, but deliberate and impartial judgment of our best thinkers advocates suitable compensation, not only in salary, but in office help, in facilities, and in security for those who give their entire thought and effort and sometimes their very lives to their governmental tasks. There are those who contend, and I think rightly so, that better service, more unselfish and loyal service, can and will be furnished by Members of Congress who do not have the haunting fear of the poorhouse just ahead of them. It is a tragic story that famous leaders in this House have reached old age in poverty marking the end of a useful public career. It is a tragic story that could happen to many of the Members of Congress.

Mr. SABATH. Mr. Speaker, I yield such time as she may desire to the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Speaker, I intend to vote "yes" on this resolution making the Senate bill in order. I think that we will place ourselves in a most ridiculous position, after having voted for this expense account only a short time ago, to reverse the action we then took today. I intend to vote for the resolution.

Mr. SABATH. Mr. Speaker, I yield the remaining 8 minutes' time to the gentleman from Kentucky [Mr. O'NEAL].

Mr. BROWN of Ohio. Mr. Speaker, I yield the remaining 4 minutes allotted this side to the gentleman as well.

The SPEAKER. The gentleman from Kentucky is recognized for 12 minutes.

Mr. O'NEAL. Mr. Speaker, I trust that this issue will not be confused. It is as clear as it can be. This is one of the regular appropriation bills presented to Congress for the operation of the Federal Government. This bill came to you from the Committee on Appropriations and it was passed by the House. It went to the Senate, and as has been the custom for a long time, the Senate agreed to all of the House provisions without change, and then proceeded to make such changes as they felt should be made in their behalf. There are only two other minor amendments in the entire bill. The bill was messaged back here and it went on the Speaker's table, as has always been the custom. The chairman of the subcommittee made a unanimous-consent request to concur in the Senate amendments and that request was declined. We then sought a rule.

Mr. Speaker, the only thing in this bill in controversy, actually, is the bloc Senate amendments, and the rule that you have before you is to agree to those Senate amendments. That is the only question. That is a normal, ordinary procedure, and that is what is before you today. Even though you may be against this expense item, there is no reason in the world to interrupt the orderly procedure of our appropriation bills through the House. Now, that the matter has been discussed and the expense item is no longer in controversy, not before you in connection with this rule but just indirectly brought into it, in my opinion, you are perfectly justified in voting for this rule. Those who fought this expense item know that it is not here, but they say, "We want to play the game over again. We would like to have a fourth strike. We had our chance, but we would like now to do it all over again."

Since they want you not to let this bill become law, I should like to take just a minute or two to tell you something along that line. In the first place, the executive departments have a Bureau of the Budget to which they go and present their needs, and that Bureau of the Budget recommends to the Congress on execu-

tive items that certain amounts be put in for expenses for this, that, or the other reasons whatever it may be. We vote those sums by the millions, and everybody from a clerk on up who has such expense items we are asking here is taken care of. But nobody can do that for the House. The budget committee of the House is your small Subcommittee on Legislative Appropriations. This would never be here or any other just item of expense would not be here unless your subcommittee brought it to you.

For 10 years I have watched you carry this load and I have heard a lot of people talking about it, but nobody was doing anything about it. We decided to do something about it, because we know the beating that every Member of Congress is taking on his expense items. There is no Bureau of the Budget to recommend it to you. The only one who could do it was this small subcommittee, and we presented it to you. Before we did that, however, in order that it might be known to the Members, in order that there might be no one to say, "Oh, we did not know what was going on," I went to the Democratic side and said, "What do you think about it?" Almost unanimously the steering committee said, "Go to it. We think it ought to be done." I asked the Republican Members to go to their side so that we would have no confusion about it, and the Republican Members came back and said, "We canvassed the entire membership of those that are here, and two out of three say, 'Go to it and put it into the bill.'" That is why it is in here.

Now they are asking you to back up and steal away. I do not believe you will do it. It was brought before the House in the normal way. We brought in a rule. That rule was passed by 229 to 124. The gentleman from Georgia wants to play the game over again. He offered an amendment to strike out the expense item and he got 68 votes for it and we got 208 against it. Anybody that implies that the 200 tried and true Members of Congress would not stand up on a roll-call vote—well, it almost is worth asking the Speaker to have it taken down. I do not believe any man, especially a Member of Congress, has any right to charge that 200 of these Members of Congress would now, because there has been talk, sneak away and say, "Now that you have got me on record, I won't vote my convictions."

Mr. WOODRUM of Virginia. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. It seems to me, as I have listened to the discussion, that the parliamentary situation has been considerably confused by some gentlemen trying to put their own interpretation on what a vote on the rule would mean. It is a fact, as I understand, that the item of $2,500 for expenses is not in disagreement between the two Houses. This House could take no action, not even by unanimous consent, to change that item, because it is the joint action of both Houses.

If the rule is defeated and the bill is sent back to the Committee on Appropriations, the Committee on Appropriations cannot change the item. The only thing it could do would be the perfectly ridiculous performance of taking that appropriation bill and putting it in the ashcan and reporting out an entirely new appropriation bill and bringing it back.

Mr. O'NEAL. That is correct.

We also had a motion to recommit. We defeated it and passed the bill finally with that expense item in it, by a vote of 179 to 83.

Mr. Speaker, with reference to the question of being out of balance with the Senate, may I comment upon that. Even with this item of expense in the bill we still, as far as expenses are concerned, are not on a comparable basis with the Senate. If you want to throw it out of balance then take this item out and you will have increased the disparity between the two items covering expenses in the Senate bill and in the House bill.

We are told this is not the time. Gentlemen, there has been comparatively little criticism about this bill. Many of the great newspapers have been for it, as well as many of the leading columnists. But you have enemies of the House of Representatives who will never be for it, who will always say this is not the time. They will also say, "Do it some other way." No matter when it comes up, no matter if it comes up next year or the year after or whenever it comes up, this same type of mind that does not like the Members of the House of Representatives will always say, "This is not the time. There is some other way to do it which is better." Gentlemen, they will always be that way. This has created comparatively little furor throughout the country. I believe the thinking people of America feel this thing is right.

Mr. Speaker, let us see what would happen if this bill were held up. It would go back to the Committee on Appropriations; then what would happen? July 1 is not far away. If the controversy continued it might be some time before this bill could be passed. July 1 is the dead line. It must go through, or every employee on the Hill and all other necessary expense items could be taken care of.

Then, Mr. Speaker, what is more serious to me, we would start a controversy between the Senate and the House. The Senate is composed of fine, honorable gentlemen. The Senate is a distinguished body. I for one have no desire to go back to the committee and take their items and question this little thing or that little thing as to what they are doing and give the enemies of the Senate and the House of Representatives the opportunity to parade it all through the papers and create discord and confusion. That is not in the interest of good government and good legislation or in the interest of our country. We do not want this to go back and get into a snarl among ourselves.

Mr. Speaker, I wish I had more time, but I want to say, in conclusion, this question has been voted on several times by Congress, the greatest legislative body in the world. In my opinion the House of Representatives consists of as fine and courage a group of men as you will find anywhere. When anyone infers that this group, because there has been a little talk in the newspapers, is composed of men who will sneak out and run when they have to put their names on the dotted line, is underrating the high character of the House. I think he is far underestimating the character of the men I see before me now. This is a vote to agree to the Senate amendments. We should do it and have the matter end in an orderly way. If there are those who want to do something else, they have an opportunity to do so without sabotaging this bill. But since we have carried it by as much as 208 to 68, to even think of changing our position and voting against it will be interpreted as fear. I do not believe this group is afraid. I do not believe your constituents elected men to represent them in the House of Representatives who can be scared by pressure groups or by newspapers or by anybody else. I trust you will agree to this rule and vote for it and that we will not beat an ignominious retreat.

The SPEAKER. All time has expired.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

Mr. SABATH. Mr. Speaker, on that I ask for the yeas and nays.

Mr. TARVER. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 206, nays 152, answered "present" 1, not voting 73, as follows:

[Roll No. 99]

YEAS—206

Adams	Douglas, Calif.	Hoffman
Allen, Ill.	Doyle	Holmes, Mass.
Anderson, Calif.	Eberharter	Holmes, Wash.
Anderson, N. Mex.	Ellsworth	Hook
	Elsaesser	Howell
Andrews, Ala.	Elston	Huber
Andrews, N. Y.	Engle, Calif.	Izac
Arnold	Feighan	Jackson
Auchincloss	Fellows	Jennings
Baldwin, N. Y.	Fenton	Johnson, Ill.
Barden	Fernandez	Johnson, Okla.
Barrett, Pa.	Flannagan	Jones
Barry	Flood	Kee
Bates, Ky.	Fogarty	Kelley, Pa.
Bates, Mass.	Forand	Kelly, Ill.
Beall	Fuller	Keogh
Bell	Fulton	Kerr
Bender	Gallagher	Kilburn
Bennet, N. Y.	Gary	Kilday
Biemiller	Gathings	King
Bishop	Gavin	Kirwan
Boykin	Gearhart	Kopplemann
Brown, Ohio	Geelan	Larcade
Buckley	Gerlach	Latham
Butler	Gibson	Lea
Byrne, N. Y.	Gifford	LeFevre
Case, N. J.	Goodwin	Lesinski
Celler	Gordon	Link
Chapman	Gorski	Lyle
Chelf	Granahan	Lynch
Chiperfield	Granger	McCormack
Clark	Green	McCowen
Clements	Gregory	McDonough
Clevenger	Griffiths	McGehee
Coffee	Hagen	McGlinchey
Cole, Kans.	Hale	McGregor
Combs	Hall, Leonard W.	McKenzie
Cox		Maloney
Cravens	Halleck	Mansfield, Tex.
Curley	Harness, Ind.	Marcantonio
Daughton, Va.	Hartley	Martin, Mass.
Dawson	Havenner	May
De Lacy	Healy	Merrow
Delaney, James J.	Hedrick	Miller, Calif.
	Heffernan	Morgan
Delaney, John J.	Hendricks	Mott
Dickstein	Herter	Murdock
Dingell	Hill	Murphy
	Hinshaw	Neely

Norton	Rayfiel	Somers, N. Y.
O'Brien, Ill.	Reed, Ill.	Sparkman
O'Hara	Reed, N. Y.	Spence
O'Neal	Resa	Sullivan
O'Toole	Rizley	Talbot
Outland	Robinson, Utah	Thomas, N. J.
Patman	Rodgers, Pa.	Tolan
Patrick	Roe, Md.	Torrens
Patterson	Rogers, Mass.	Towe
Peterson, Ga.	Rogers, N. Y.	Traynor
Pfeifer	Rooney	Vinson
Philbin	Rowan	Wadsworth
Phillips	Ryter	Wasielewski
Pittenger	Sabath	Weaver
Powell	Sadowski	West
Powers	Sasscer	Wickersham
Price, Fla.	Savage	Wolcott
Quinn, N. Y.	Schwabe, Okla.	Wolfenden, Pa.
Rabin	Sheridan	Woodhouse
Ramspeck	Smith, Maine	Woodruff, Mich.
Randolph	Snyder	Woodrum, Va.

NAYS—152

Abernethy	Gillie	Norrell
Angell	Gore	O'Konski
Arends	Gossett	Pace
Baldwin, Md.	Graham	Pickett
Barrett, Wyo.	Gross	Poage
Beckworth	Gwinn, N. Y.	Priest
Bennett, Mo.	Gwynne, Iowa	Rains
Blackney	Hall,	Ramey
Bland	Edwin Arthur	Rankin
Bolton	Hancock	Rees, Kans.
Brehm	Hare	Rich
Brooks	Harris	Richards
Brown, Ga.	Hays	Riley
Bryson	Henry	Robertson,
Buffett	Heselton	N. Dak.
Bulwinkle	Hoch	Robertson, Va.
Bunker	Hoeven	Robsion, Ky.
Burgin	Hope	Rockwell
Byrnes, Wis.	Horan	Russell
Camp	Hull	Schwabe, Mo.
Campbell	Jenkins	Scrivner
Cannon, Mo.	Jensen	Simpson, Ill.
Carnahan	Johnson,	Smith, Ohio
Case, S. Dak.	Luther A.	Smith, Va.
Chenoweth	Jonkman	Springer
Church	Judd	Starkey
Cochran	Kean	Stevenson
Cole, Mo.	Kearney	Stigler
Colmer	Keefe	Sumner, Ill.
Cooper	Kefauver	Sundstrom
Courtney	Kinzer	Taber
Crawford	Knutson	Talle
Crosser	Kunkel	Tarver
Cunningham	Landis	Taylor
Curtis	Lane	Thom
D'Alesandro	Lanham	Thomas, Tex.
Davis	LeCompte	Thomason
Dolliver	Lemke	Tibbott
Dondero	Lewis	Trimble
Doughton, N. C.	Ludlow	Voorhis, Calif.
Douglas, Ill.	McConnell	Vorys, Ohio
Dworshak	McMillen, Ill.	Vursell
Elliott	Madden	Weiss
Ellis	Mahon	Whittington
Engel, Mich.	Manasco	Wigglesworth
Ervin	Mason	Wilson
Fallon	Michener	Winstead
Fisher	Mills	Wolverton, N. J.
Folger	Monroney	Wood
Gamble	Mundt	Worley
Gillespie	Murray, Tenn.	Zimmerman
Gillette	Murray, Wis.	

ANSWERED "PRESENT"—1

Luce

NOT VOTING—73

Allen, La.	Drewry	Martin, Iowa
Andersen,	Durham	Miller, Nebr.
H. Carl	Earthman	Morrison
Andresen,	Eaton	O'Brien, Mich.
August H.	Gardner	Peterson, Fla.
Bailey	Grant, Ala.	Ploeser
Bloom	Grant, Ind.	Plumley
Bonner	Hand	Price, Ill.
Boren	Harless, Ariz.	Rabaut
Bradley, Mich.	Hart	Reece, Tenn.
Bradley, Pa.	Hébert	Rivers
Brumbaugh	Hess	Roe, N. Y.
Buck	Hobbs	Rogers, Fla.
Burch	Holifield	Shafer
Canfield	Jarman	Sharp
Cannon, Fla.	Johnson, Calif.	Sheppard
Carlson	Johnson, Ind.	Short
Clason	Johnson,	Sikes
Cole, N. Y.	Lyndon B.	Simpson, Pa.
Cooley	LaFollette	Slaughter
Corbett	McMillan, S. C.	Smith, Wis.
Dirksen	Mansfield,	Stefan
Domengeaux	Mont.	Stewart
Stockman	Weichel	Whitten
Sumners, Tex.	Welch	Winter
Walter	White	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Ploeser for, with Mr. Whitten against.

Mr. LaFollette for, with Mr. H. Carl Andersen against.

Mr. Slaughter for, with Mr. Roe of New York against.

Mr. Sikes for, with Mr. Rogers of Florida against.

Mr. Rabaut for, with Mr. Stefan against.

Mr. Hobbs for, with Mr. Miller of Nebraska against.

General pairs:

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Holifield with Mr. Martin of Iowa.

Mr. Jarman with Mr. Grant of Indiana.

Mr. Price of Illinois with Mr. Canfield.

Mr. Drewry with Mr. Brumbaugh.

Mr. Domengeaux with Mr. Bradley of Michigan.

Mr. Earthman with Mr. Weichel.

Mr. Peterson of Florida with Mr. August H. Andresen.

Mr. Bloom with Mr. Hand.

Mr. Cooley with Mr. Shafer.

Mr. Durham with Mr. Hess.

Mr. Bonner with Mr. Reece of Tennessee.

Mr. Morrison with Mr. Carlson.

Mr. Hart with Mr. Stockman.

Mr. Bradley of Pennsylvania with Mr. Eaton.

Mr. Burch with Mr. Clason.

Mr. Stewart with Mr. Short.

Mr. Hébert with Mr. Dirksen.

Mr. Bailey with Mr. Cole of New York.

Mr. Grant of Alabama with Mr. Smith of Wisconsin.

Mr. O'Brien of Michigan with Mr. Johnson of California.

Mr. Rivers with Mr. Welch.

Mr. Lyndon B. Johnson with Mr. Simpson of Pennsylvania.

Mr. Cannon of Florida with Mr. Winter.

Mr. Allen of Louisiana with Mr. Plumley.

Mr. Mansfield of Montana with Mr. Corbett.

Mr. GILLESPIE changed his vote from "aye" to "no."

The result of the vote was announced as above recorded.

By motion of Mr. SABATH, a motion to reconsider was laid on the table.

GENERAL PERMISSION TO EXTEND REMARKS

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent that all Members be given 3 days in which to extend their remarks on the legislative appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. POWERS asked and was given permission to extend his remarks in the RECORD.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD.

Mr. ANDERSON of California asked and was given permission to extend his remarks in the RECORD and include an editorial.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1946

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes, with Senate amendments thereto, disagree to the amendments, and ask a conference with the Senate on the disagreeing votes of the two Houses.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. JOHNSON of Oklahoma, KIRWAN, NORRELL, ROONEY, JONES, JENSEN, and DWORSHAK.

EXTENSION OF REMARKS

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. SADOWSKI asked and was given permission to extend his remarks in the RECORD on two different subjects and to include a newspaper article.

Mr. SAVAGE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD on two different subjects and to include in one a letter.

Mr. SMITH of Wisconsin asked and was given permission to extend his own remarks in the RECORD.

Mr. GILLIE asked and was given permission to extend his remarks in the RECORD and to include a speech delivered by Hon. Harry W. Baals, of Fort Wayne, Ind.

Mr. JOHNSON of Oklahoma asked and was given permission to extend his remarks and include a speech delivered on the life, character, and public service of the senior Senator from the State of Oklahoma by Judge E. R. Pruett.

Mrs. LUCE asked and was given permission to extend her own remarks in the RECORD.

NATIONAL WAR AGENCIES APPROPRIATION BILL, 1946

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

Pending that, I ask unanimous consent that general debate may continue during the day and that the first paragraph of the bill be read before the Committee rises this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, frankly I do not see how we can finish debate in 2½ or 3 hours on this bill. I should have to object. I feel we should have at least 3 hours tomorrow.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that general debate continue during the remainder of the day and for 1 hour tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, I think we should have more than that. That is not enough to cover what we will need. I shall have to object to that. I would be willing to go along on 2 hours.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that general debate continue during the day today, half the time to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself.

The SPEAKER. Is there objection to the present request of the gentleman from Missouri?

Mr. COLMER. Mr. Speaker, reserving the right to object, is there any provision made in this bill for continuation of the so-called FEPC?

Mr. CANNON of Missouri. We include in this bill provision for no agency for which a legislative committee has introduced a bill or now has a bill on the calendar.

Mr. COLMER. I interpret that, then, to mean that there is no provision therein for the FEPC?

Mr. CANNON of Missouri. No; neither for the OPA nor the FEPC.

Mr. COLMER. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3368, with Mr. SPARKMAN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself such time as I may use.

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. CANNON of Missouri. Mr. Chairman, we are winning the war. It is not yet won. There is a long and bitter road ahead before it is completely won. But we have achieved victory in Europe, without which success in Asia would have been futile and if we but continue at the present rate of effort victory on every front lies ahead eventually.

Many factors have contributed to our success in the war program. American agriculture has produced food at an unprecedented rate, without which victory would not have been possible; but they could not have won it alone. Labor has produced beyond all former records. The war could not have been won without the extraordinary effort labor has made; but labor unassisted could not have won the war. Business has contributed immeasurably to the success of the war. It has been a war of production and business has contributed the excess production, without which the victory could not have been achieved; but business alone could not have won. The war has not been won by any industry or class or organization. It has been won through wholehearted and effective cooperation of every element in American life and industry. And second to none, as a factor in the success of the war program, has been the work and accomplishments of the war agencies for which this bill makes provision.

I say, considerately, that it is my implicit conviction, that the war could not have been won, success could not have been achieved, victory would not have been possible, without the work and cooperation of the several war agencies for which this bill makes provision.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. MARCANTONIO. The gentleman realizes, particularly in view of the President's message on FEPC, how important an appropriation for the existing FEPC agency is. As chairman of the Committee on Appropriations I think the gentleman owes an explanation to the House for the omission of appropriations for FEPC by the gentleman's committee.

Mr. CANNON of Missouri. I shall be glad to give the gentleman any information I have on the subject.

Of the 23 war agencies, the pending bill provides appropriations for 19. The remaining agencies are not provided for in this bill for a variety of reasons. For example, OCD has practically completed its work. It has rendered a great service, which happily was not as essential as had been anticipated and for that reason is not included in this bill. Likewise, the relocation agency which provided for internment of all Japanese in America, will have concluded its work by the end of the calendar year and is allowed only enough money for liquidation.

FEA is not included for the reason that it cannot be accurately provided for until we know what provision is to be made for lend-lease. FEPC to which the gentleman refers, and OPA, are awaiting legislative authorization.

It is one of the fundamental laws of the land, in force from the beginning of the Constitution, that no money can be appropriated out of the Treasury of the United States without authorization of law. Provision for those agencies for which bills have been introduced, upon which the legislative committees of the House have acted has necessarily been deferred pending consideration by the House of bills now on the calendar are naturally not included. It is obviously impossible to forecast in advance what will be the nature of the authorizing legislation, and for that reason appropriations cannot be made until we know what appropriations are permissible. On such agencies the committee has taken no adverse action. They have not been rejected. They are simply deferred without prejudice until such time as the House shall take up the bills now waiting on the calendar and indicate to the committee the character and extent of the appropriations it wishes the committee to report.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. I am very much interested in the gentleman's comments. But, of course, the gentleman knows that there is a bill on the calendar, and that the Committee on Labor on February 23 asked for a rule to bring that bill to the floor of the House, and up to the present time that rule has been denied. There is a petition on the table at the present time to bring the bill before the House for debate. The gentleman knows that it is practically impossible to get that bill through before June 30. Therefore, if there is no temporary appropriation made for FEPC, then FEPC dies on June 30. Does the gentleman think that that is a fair procedure?

Mr. CANNON of Missouri. The gentlewoman has accurately stated the situation. Of course, as the gentlewoman knows, in view of the fact that due to her long and eminent service she is one of the most experienced parliamentarians in the House, there are two ways in which such a provision could be brought to the floor of the House, that is, either by a report from the Committee on Rules authorizing consideration of the bill which her committee has reported and which is now on the calendar, or by making in order an amendment to the pending bill, appropriating money for that purpose. I may say to the distinguished gentlewoman from New Jersey that the Committee on Appropriations is merely marking time, awaiting such contingency and that as soon as either one of these courses are taken to make it possible for the Committee on Appropriations to appropriate for this purpose, the Committee on Appropriations will take prompt and, in my judgment, favorable action.

Mrs. NORTON. Am I to understand that the gentleman will permit an amendment to this bill? I understood that it would not be admitted on a point of order. I would be very glad to offer such an amendment.

Mr. CANNON of Missouri. As I have explained, if the Committee on Rules will bring in a rule making it in order, the committee will be glad to take it up.

Mrs. NORTON. Does the gentleman believe that the Committee on Rules would bring in a rule to make that in order, when they have refused to give us a rule since February 23 up to the present time?

Mr. CANNON of Missouri. Of course, the gentlewoman understands that such an inquiry or suggestion should be addressed to the chairman of the Committee on Rules and not to a member of the Committee on Appropriations. The gentlewoman will recall that the Committee on Appropriations last year brought in a bill which carried this item, and if a similar parliamentary situation had prevailed this year, I know of no reason why the Committee on Appropriations would not again have brought it in, but the Committee on Appropriations cannot appropriate a single dollar without authorization. That is the statutory law of the

Nation—in force since the beginning of constitutional government.

Mrs. NORTON. How about last year?

Mr. CANNON of Missouri. As the gentlewoman will recall, the parliamentary situation last year was entirely different. The gentlewoman will recall that last year the gentleman from New York, the ranking minority member of the committee, and the chairman of the committee came on the floor and secured unanimous consent to waive all points of order against the bill. That made it possible to include the item. Such procedure was not possible this year and, therefore, the Committee on Appropriations is helpless under the rules of the House.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. MARCANTONIO. With all due deference to the gentleman, I should like to point out the situation as it really exists. First of all, the appropriation for FEPC and the legislation for a permanent FEPC from a parliamentary standpoint are two separate and distinct matters. The appropriation for the FEPC agency set up by executive order has always heretofore been made by the Committee on Appropriations even though there has been no legislative authorization for that appropriation. Am I correct in stating that?

Mr. CANNON of Missouri. Invariably a rule has been reported by the Committee on Rules and passed by the House making it admissible, or unanimous consent was secured without a rule.

Mr. MARCANTONIO. I am talking now about the action of the Committee on Appropriations, and I should like to confine the discussion to that. I realize the gentleman is not responsible for the conduct of any other committee; so let us stick to his Committee on Appropriations. Heretofore on every occasion this agency has received appropriations by the Committee on Appropriations, the gentleman's committee. This year the gentleman's committee has not appropriated a single penny for that agency.

Mr. CANNON of Missouri. The Committee on Appropriations cannot appropriate. All it can do is recommend appropriations. Disposition of such recommendations is by the House.

Mr. MARCANTONIO. Well, to recommend the appropriation, to include the appropriation in its bill. This year it has not included it in its bill. The excuse that is given is that the legislation for a permanent FEPC is pending, and, since it is pending, there is no reason for the Committee on Appropriations to appropriate for the existing FEPC. This agency from a parliamentary standpoint is not even remotely related to the permanent FEPC legislation. Therefore, its excuse is very lame. What I fail to understand is what reason is there for the Committee on Appropriations to have changed its course with respect to this temporary FEPC appropriation. Why has the Committee on Appropriations failed to recommend this appropriation for this agency which has had appropriations recommended for it by the gentleman's committee last year? Why last year and not this year? That is the question I submit, the gentleman has not answered directly.

May I add one further thought. The Committee on Appropriations determines whether or not an appropriation should be recommended. The argument that there is no authorization does not prevail because time and time again the Committee on Appropriations has recommended appropriations to the House even though there has been no legislative authorization. In fact, in this very bill there are many items for which there are no legislative authorizations. Why an exception in this case? Why has the appropriation not been recommended even though appropriations have been recommended in this bill for other agencies for which there are no authorizations?

Further, who did not this Committee on Appropriations recommend the appropriation and then go before the Committee on Rules and ask for a rule waiving all points of order, as you did on two separate and distinct occasions this session of Congress?

Mr. CANNON of Missouri. May I say to my good friend from New York that the answer is very simple.

Every war agency provided for in this bill was instituted by Executive order. There was originally no legislative authority for any of them. Legislative authority has since been provided for some, but the majority are still without legislative authorization. In other words, it is, to all practical intents and purposes, impossible to get this bill before the House without a rule.

Mr. MARCANTONIO. Then why treat FEPC, which was also set up by Executive order, differently from these other agencies?

Mr. CANNON of Missouri. The question is very well put and I shall answer it. It is impossible to get this bill before the House without a rule, because appropriations for most of the war agencies created by Executive order are subject to a point of order. There is no legislative authority for them. Anyone may rise in his place and lodge a point of order against such appropriations and, without further ceremony, they are out of the bill.

Now it is of the most vital importance that this bill be passed sufficiently early to get it in under the wire before the end of the fiscal year; that is by June 30. The uninterrupted prosecution of the war program depends on it. When we suggested to Members of the House that the bill was ready and that we would require the usual rule we were informed that if certain items were incorporated in the bill, no rule would be given for the bill or any part of the bill. Now, what can we do? What course is left open to the committee? Here are the war agencies, the continuance of which is vital to the success of the war. Appropriations for them must be available by the 30th of June, and we are told that if certain agencies are included in the bill no rule will be forthcoming. What recourse have we but to eliminate any such items?

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. MARCANTONIO. What official communication has the gentleman received from the Committee on Rules to that effect? And if the gentleman has not received any official communication, who has notified him and pointed a legislative gun at him? Who did it? We want to know. The people of this country want to know who is killing this agency and how is it being done? Let us have the facts. Let us have the truth.

Mr. CANNON of Missouri. Well, that is a very elementary proposition. Why does not the gentleman go to the Committee on Rules and ask?

Mr. MARCANTONIO. The gentleman said he was told or notified. Who notified him? Who told him? Several gentleman from the Committee on Rules are here in the Chamber at this time. Let us have the facts.

Mr. CANNON of Missouri. If the gentleman desires to ask any member of the Committee on Rules, or any other Member of the House who may have the information, I shall be glad to yield for that purpose.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. MICHENER. If the Committee on Rules has taken any such action as that I do not know of it. I am a member of that committee and I do not think I have missed a meeting in a long time until I was 5 minutes late yesterday. But certainly there has not been any such action that I know of taken by the Committee on Rules. We have other members of the committee on the floor here. I think the gentleman should know something about his facts before he comes on the floor and makes assertions like that.

Mr. CANNON of Missouri. Oh, why doesn't the gentleman come out from behind the false whiskers and discuss the situation as it is?

Mr. MICHENER. What does the gentleman mean? What does the gentleman mean?

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Ohio.

Mr. BENDER. The Committee on Rules, like the Lord, works in mysterious ways its wonders to perform. We have been wondering about the Committee on Rules during recent days regarding the permanent FEPC bill. We understand that bill is coming out next Tuesday. I do not know what sleight-of-hand performance is used or what the mechanics are. The only thing we know about are the facts. There is something here which is not visible to the naked eye. I think the gentleman is correct in pointing out the situation. But I say regarding this particular bill that all of these things are subject to a point of order. No rule has been granted on any part of this bill, and yet I think the gentleman expects a rule to be granted. I think the House should be given an opportunity before this bill is voted upon. Since action on the permanent FEPC bill is suspended until next Tuesday, while this bill is under consideration we ought to be given an opportunity to vote on this

proposition and consider it and provide an appropriation for it.

Mr. CANNON of Missouri. As the gentleman says, it is not visible to the naked eye, but it certainly is in every newspaper published in Washington. I refer the gentleman to the press. I trust the gentleman reads the newspapers, and if he does, he will find the whole matter fully discussed in detail and illustrated and illuminated by name and number.

Mrs. NORTON. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the lady from New Jersey.

Mrs. NORTON. Mr. Chairman, I think the distinguished chairman of the Committee on Appropriations has done this House a very great service by making the statement that he has just made. What the House would like to know, and particularly what the Committee on Labor would like to know, is who is the controlling factor in the Committee on Rules who would dare to notify the gentleman to the effect he states he was notified?

Mr. CANNON of Missouri. May I say to the gentlewoman from New Jersey, the able chairman of the important Committee on Labor, that obviously there are many others who have more influence with that committee than I have. Up to this time I have not been able to even get a rule of this bill. We are proceeding today without a rule. And we will be helpless tomorrow when we start to read the bill, unless the Committee on Rules relents in the meantime. I am certain the lady exerts just as effective an influence, and certainly a more persuasive influence, with the Rules Committee than I do. I have not been able to get a rule either.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from California.

Mr. VOORHIS of California. I wanted to ask the gentleman about OPA, because it seems to me that in the case of OPA there has been legislative authorization in the past. I assume that OPA will be continued another year. Certainly it is a central agency in connection with the war program. What I am afraid of is that if no appropriation is made for OPA in the current bill, in view of the fact that the bill to extend OPA has not come before the House yet and may be a quite controversial bill, that we will get caught by June 30 without any funds for that agency, which I think would be disastrous. What does the gentleman think about that?

Mr. CANNON of Missouri. I thoroughly agree with the gentleman. It is inconceivable that we should not enact an authorization bill and provide appropriations for the OPA, and by that failure turn the country over to uncontrolled inflation. But the bill is on the calendar. The Committee on Appropriations awaits the pleasure of the House. The Committee on Appropriations, I am happy to say, is not the master of the House but the servant of the House. As soon as the House indicates, by passing either of these bills, that it wants appropriation, the Committee on Appropriations shall be delighted to oblige.

Mr. VOORHIS of California. Would it have been impossible to have secured a rule for an appropriation for OPA?

Mr. CANNON of Missouri. Apparently. The same situation obtains for OPA, so far as any official action taken by the Committee on Rules is concerned, as for FEPC.

In that connection, may I say, that we now have in preparation the last deficiency bill which we expect to pass before the recess. Hearings began last Monday. Just as soon as the House indicates by its action its desire for an appropriation for this or any other purpose, we will include it in the bill which is now in process of formulation.

Mrs. DOUGLAS of California. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the lady from California.

Mrs. DOUGLAS of California. Then we are to understand that the same forces that opposed the FEPC, which is set up to give equal opportunity to all the people in this country, are not afraid of inflation?

Mr. CANNON of Missouri. I regret that I cannot speak from any information or with any authority on that subject. I have no idea. I am not permitted to diagnose the mental processes back of the determination or lack of determination to provide consideration of the many measures which fail to reach the floor in every session of Congress. As I have said, the lady, who knows as much about newspapers as anybody in the country—and who is as favorably mentioned in the newspapers as anybody in the country—is in better position to judge of that than I am.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. MARCANTONIO. Coming back to the parliamentary situation before us, I understand there are about 18 agencies provided for in this appropriation bill, for about half of which there is no authorization. I am convinced that FEPC has received discriminatory treatment.

Mr. CANNON of Missouri. Not in the Committee on Appropriations. The Committee on Appropriations has shown by its service to FEPC up until this time——

Mr. MARCANTONIO. Up until this time. That is the point.

Mr. CANNON of Missouri. Up until this time, when the door was locked and the Committee on Rules had the key, and not the Committee on Appropriations.

Mr. MARCANTONIO. May I say that the Committee on Appropriations has been with us up until we got to the door and then you would not open it. I have been supporting all of these agencies and I intend to do so again. I am not going to sit here and permit this FEPC agency to be discriminated against. The gentleman has been speaking about obtaining a rule.

Mr. CANNON of Missouri. FEPC has not been discriminated against in the Committee on Appropriations.

Mr. MARCANTONIO. The gentleman and I disagree on that; I think it has been.

Mr. CANNON of Missouri. All right; let me ask the gentleman this question.

Mr. MARCANTONIO. May I complete my thought?

Mr. CANNON of Missouri. Yes; I yield to the gentleman, always with pleasure.

Mr. MARCANTONIO. Further, I think we should bring this to a head so that the Committee on Appropriations will have to go and ask for a rule; and in asking for that rule I expect the Committee on Appropriations, through its chairman, to ask for a rule which will make FEPC in order as well as the other agencies. Reluctant as I feel about raising a point of order to the other agencies, I am seriously considering doing it not because I am opposed to the agencies, but because I want to throw the whole thing into one issue: We either have a rule for all or for none.

Mr. CANNON of Missouri. The gentleman, of course, in whose legislative judgment I have the most profound confidence, will have to decide on that when the times comes. I am certain that he would not want to leave our forces desperately battling a savage enemy in the Orient today without a single service which this bill proposes to give them in the preservation of their lives and in their success on the battlefield.

Mr. MARCANTONIO. The gentleman can save these services by requesting a rule to make all of the war agencies, including FEPC, in order.

Mr. CANNON of Missouri. It is no more my duty to save these services and back up our fighting men than it is the duty of the gentleman from New York or any other Member of the Congress. It is an imperative duty and priceless privilege devolving upon all of us alike.

Mr. MARCANTONIO. Let us stop waving the flag here. There is nothing which is more important than this FEPC agency in the prosecution of this war. Raising the point of order is not going to kill these agencies, it is just going to raise the issue properly and squarely of discrimination employed against the FEPC appropriation. It will place the burden upon the Appropriations Committee for saving or killing the FEPC agency set up by President Roosevelt's Executive order and now most seriously defended by President Truman. It will compel it to go before the Rules Committee and request a rule that would make FEPC as well as the other agencies in order. It is a fair request in the interest of winning the war and not against its interests. If the Rules Committee refuses the request then it will assume full responsibility for the resulting calamity in the eyes of the Nation.

Mr. CANNON of Missouri. But if the gentleman from New York expects the Chairman of the Appropriations Committee, who is the least important member of that committee, by any rule, to dictate to the House and the other committees of the House it is like asking a small boy sitting along the curbstone watching the circus to direct the course of the elephants as the procession passes by.

Mr. MARCANTONIO. The gentleman just admitted that he accepted dictation from the Committee on Rules with regard to the FEPC agency.

Mr. CANNON of Missouri. It is the gentleman himself who is accepting dictation now because——

Mr. MARCANTONIO. No, no; the gentleman publicly confessed that because he had been notified by the Committee on Rules that it would not grant a rule for this bill if it contained FEPC, he took FEPC out of the bill; the gentleman confessed that. The gentleman is accepting dictation and the gentleman has not stated who pointed the pistol, but the country ought to know that, particularly in view of the President's message on this question.

Mrs. NORTON rose.

Mr. CANNON of Missouri. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. I just want to say I think the chairman of the Committee on Appropriations has shown a great deal of courage in what he has said here today. We all knew the facts, we all know why FEPC was omitted, but it took a lot of courage to come before this House and tell the House that the Rules Committee, or a few members of the Rules Committee, were running this entire House. If the membership of the House is ready to stand for that, it is not the kind of House or the kind of Congress I think it is.

Mr. CANNON of Missouri. My good friend the gentlewoman from New Jersey realizes that I do not make any statement about the House or about any of the committees of the House. She has secured her information from newspapers or perhaps from members of the Committee on Rules itself; not from me. I have not today made any statement or given any information that cannot be secured through a cursory perusal of the public press at any time.

Returning to the question before us, the war agencies, I am glad to call attention to the reduced recommendations of the Bureau of the Budget throughout the list of agencies. The recent developments on the front reducing its status from a two-war campaign to a one-war campaign have made possible a corresponding reduction in the appropriations for the work of the agencies. Conditions developing in the last few weeks have made it possible for the Committee on Appropriations to still further reduce the estimates and our recommendations throughout the bill are materially less than those received from the Bureau on all agency appropriations.

Taking up the agencies categorically, the bill provides, first, for the War Labor Board, which performs a very necessary function. It handles disputes between management and labor, and during the war its services have not only been essential but highly successful. In view of the decreased burden placed upon the agencies by the progress of the war, we recommend a small cut in its Budget estimate. The Budget Bureau had already cut the agency $980,000 below the appropriation for the current year, and the Committee on Appropriations made a further cut in the interest of economy of $85,000.

The Office of Alien Property Custodian, for the administrative expenses of which allocation is made from funds over which the Custodian exercises control, a restrictive provision is recommended limiting the amount of such funds which may be used for the purpose and providing for its administrative expenses funds $870,000 below the Budget estimate.

The Office of Civilian Defense, as I previously stated, has closed its work. In that connection I wish to pay tribute to the hundreds of thousands of men and women all over the Nation who at great inconvenience and sacrifice have contributed their services during the entire course of the war, without compensation or hope of reward, in order to render a needed service to their country.

The Office of Defense Transportation possibly has rendered services under more adverse conditions than those confronting any other of the war agencies. Faced with a burden which exceeded the capacity of its equipment, with a war traffic which broke all records involving transportation by water, rail, highway, and by air, under conditions which at times seemed impossible, it has moved the troops to the front, kept supplies moving to those troops, and at the same time continued the normal business of the country with remarkable efficiency.

I think we can judge the credit to which that agency is entitled by the statement which the German general, Von Runstedt, made in commenting on the factors entering into the defeat of the German forces. As will be recalled, it was his opinion that the critical factor contributing to German defeat was the destruction of transportation lines supplying the front. He said that they had the men and the material, but could not move them. While German transportation was paralyzed American transportation was functioning more efficiently than ever before. It was one of the differences between defeat and victory.

The Office of Economic Stabilization has been recently reorganized. It is necessary, therefore, to provide additional personnel. For that reason the cut in its budget was limited to reductions in travel and penalty mails, aggregating $750, supplementing the reduction of $96,250 recommended by the Bureau of the Budget under the current appropriation.

The Office of Scientific Research and Development has not only contributed immeasurably to the winning of the war but has at the same time made notable contributions to science which will be of lasting benefit to the Nation and the world. Due to the reduced needs of the armed services the committee recommends a reduction of $7,500,000 in addition to the cut of $32,000,000 recommended by the Budget.

The Office of Inter-American Affairs has performed an exceptionally important service in its contribution to a better understanding between the nations of the Western Hemisphere. The Budget estimate was $3,693,000 below the appropriation for 1945, and the committee included a further reduction of $1,880,000, to meet declining activities on the western front.

The Office of War Information has, through its Overseas Operations Branch, disseminated to our allies and the other nations of the world news regarding America's aims and intentions and the news of the success of her war efforts, which have exerted a profound influence on world sentiment and brought about, both directly and indirectly, the capitulation of enemy forces which otherwise would have had to be taken at heavy cost. Its Domestic Operations Branch has provided indispensable service in the handling of information and insuring compliance with governmental policies and wartime regulations. The Budget estimate was reduced by $18,875,367, and the committee thought the reduced field of action warranted a further cut of $7,000,000.

The War Production Board handling allocation of materials and conversion of industry to peacetime purposes has already begun to scale down its activities. It has revoked 100 of its 420 control orders and expects to release an additional 100 in the next few months. Accordingly, the committee, in addition to the reduction of $28,500,000 recommended in its estimate, further reduces its appropriation by $4,148,000.

The Smaller War Plants Corporation, which has been notably effective in its equable distribution of war contracts to the smaller industrial plants and in aiding such business organizations in the process of converting to peacetime operations, will be largely relieved by relaxation of controls over materials as reconversion advances, of the burden of securing proper allocation of short-supply items. Accordingly, the appropriation for the Corporation was reduced $3,000,000 by the Budget estimate and $1,000,000 by the committee.

The War Shipping Administration charged with the stupendous task of operating all American ships for the war period has made an outstanding record in administration and operation. In view of the fact that it reports an unobligated balance at the end of the year of $50,000,000, the committee recommends $40,000,000 less than the 1946 estimates leaving $10,000,000 in the balance at the end of the fiscal year.

The Maritime Training Fund providing for the training program, which must continue as long as the fleet is increasing, permits a comparatively small reduction of $8,270,000, under the cut of $10,000,000 recommended by the Bureau.

The Office of Censorship will experience a drastic reduction in the censorship of mail with the cessation of the European war and the committee recommends a reduction of $1,350,000 supplementing the Budget cut of $11,593,000.

The Office of Strategic Services has played a large part in the success of our arms in Europe, and in view of the early discontinuance of that front the committee recommends a cut of $18,166,000 below the reduction of $23,000,000 recommended by the estimate.

The Petroleum Administration for War has accomplished the seemingly impossible in stretching our oil supplies to meet the staggering requirements of war—at home and abroad. In view of the heavy requirements devolving upon the PAW during the coming year a nominal cut of $31,000 is recommended by the committee in connection with the small reduction of $981,000 proposed by the Bureau.

The Office of Mobilization and Reconversion, administering the War Mobilization, Contract Settlement, Surplus Property, and Retraining and Reemployment enactments is in charge of activities of growing importance and increasing obligations. So, to the recommended reduction of $2,756,912 proposed by the Budget the committee proposed a further nominal cut of $41,100.

The Selective Service is not greatly affected by the close of the European war. The number of men to be inducted during 1946 remains the same. But a reduction of $2,500,000 is recommended in the expectation that there will be some consolidation of boards and some saving in travel items during the year.

The War Relocation Authority is closing its work and this is the last year an appropriation will be required. The Tule Lake center will be transferred to the Department of Justice, and it will be entirely out of business by June 30, 1946.

As will be noted, the reduction in activities and a resultant reduction of recommendation of appropriations for support of the agencies is appreciable. They will be abolished as soon as national security no longer requires their operation. But the Japanese war calls for such continued effort in every department of military and civilian activities that we are still under the necessity of providing funds to meet all exigencies. For this reason precipitate reductions cannot be made where not authoritatively and unmistakably indicated.

At the same time, no opportunity to economize is overlooked and every practicable reduction is being made. The committee has already presented two joint resolutions proposing rescissions in appropriations for the fiscal year 1945. Under the provisions of section 303 of the Second Deficiency Appropriation Act of 1944 the Bureau of the Budget is charged with maintaining a close surveillance over wartime appropriations in order to recapture all surplus funds. Such rescissions are expected to increase in frequency and amounts as the progress of the war permits.

Mr. BENDER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BENDER. I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Thirty-eight Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 100]

Allen, La.	Bloom	Clason
Andersen, H. Carl	Bonner	Cole, N. Y.
Anderson, Calif.	Boren	Cooley
Anderson, N. Mex.	Bradley, Mich.	Courtney
Andresen, August H.	Bradley, Pa.	Daughton, Va.
Andrews, N. Y.	Brumbaugh	Dawson
Auchincloss	Buck	Dingell
Bailey	Burch	Dirksen
Barden	Burgin	Domengeaux
Barry	Canfield	Douglas, Calif.
Bennett, Mo.	Cannon, Fla.	Doyle
	Carlson	Drewry
	Case, N. J.	Durham
	Celler	Earthman
	Eaton	LaFollette
	Fellows	Lesinski
	Flannagan	McGlinchey
	Flood	McMillan, S. C.
	Fogarty	McMillen, Ill.
	Gossett	Mansfield, Mont.
	Grant, Ala.	Martin of Iowa
	Grant, Ind.	Mason
	Gross	May
	Hand	Miller, Nebr.
	Harless	Morrison
	Hébert	Norton
	Heffernan	O'Brien, Mich.
	Hess	Pace
	Hobbs	Peterson, Fla.
	Holifield	Peterson, Ga.
	Hook	Ploeser
	Hope	Plumley
	Jackson	Price, Ill.
	Jarman	Quinn
	Jennings	Rabaut
	Johnson, Calif.	Randolph
	Johnson, Ill.	Rayfiel
	Johnson, Lyndon B.	Reece, Tenn.
	Kee	Reed, Ill.
	Keogh	Rivers
	Kopplemann	Rodgers, Pa.
		Roe, N. Y.
		Rogers, N. Y.
		Savage
		Scrivner
		Shafer
		Sharp
		Sheppard
		Short
		Sikes
		Simpson, Pa.
		Slaughter
		Smith, Ohio
		Stefan
		Stewart
		Stockman
		Sumner, Ill.
		Thomas, Tex.
		Torrens
		Vinson
		Vursell
		Wadsworth
		Walter
		Weaver
		Welchel
		Welch
		White
		Whitten
		Winter

Acccordingly the Committee rose; and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, and finding itself without a quorum, he had directed the roll to be called, when 307 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, may I ask the majority leader as to the program for this week and next week?

Mr. McCORMACK. There are no bills reported by the District of Columbia Committee, therefore no bills from that committee will be called up on next Monday. The first order of business will be the consideration of a discharge petition in connection with H. R. 7, the anti-poll-tax bill. Debate on that is limited to 20 minutes, 10 minutes to each side. If the committee is discharged, then the matter comes up for debate under the rules of the House on the following day.

Then on Monday, if in order, the House will consider H. R. 3393, the pay-raise bill. I understand the gentleman from Georgia [Mr. RAMSPECK] will ask unanimous consent that it be in order to consider that bill next week.

On Tuesday, if the committee is discharged, the House will consider H. R. 7, the anti-poll-tax bill. That will come up under the rules of the House if the committee is discharged from further consideration on Monday.

On Wednesday the House will consider H. R. 3395, extension of the Renegotiation Act. Unanimous consent has already been granted for the consideration of that bill next week.

On Thursday we will take up House Joint Resolution 202, a bill out of the Appropriations Committee reducing appropriations available in the fiscal year ending June 30, 1945.

On Friday we will take up the Carden bill, H. R. 1270, which is a private claims bill.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield.

Mr. MARTIN of Massachusetts. I yield to the gentleman from Michigan.

Mr. HOFFMAN. May I ask the majority leader if he has any information as to when the leadership on that side is going to follow the President's recommendation and bring out the FEPC bill?

Mr. McCORMACK. No rule has been reported out on that as yet.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, first of all I want to assure the Members that I had nothing to do with the making of this quorum call.

Mr. Chairman, the Truman administration seems to be adhering closely to the standard New Deal policy of trying to influence elections with the expenditure of public money, or promising to spend public money.

Last Tuesday a special election was held in the Second District of Montana, which is the eastern part of the State. As chairman of the Republican Congressional Committee I was of course much interested in that election. The Republican candidate won decisively, reversing the political situation which has prevailed in the district for 14 years.

On the Tuesday just preceding the election, Edwin D. McKim, Chief Administrative Assistant to President Truman, sent a telegram from the White House to our colleague, Hon. MIKE MANSFIELD, Democrat, representing the First Montana District, who was at that time in the Second District actively campaigning for the Democratic candidate in the special election. The telegram was sent to the gentleman from Montana [Mr. MANSFIELD], at Miles City. It read as follows:

> The Veterans' Administration has advised me that the hospital will go to eastern Montana.

I have called Mr. McKim and he tells me he sent the telegram. A child would understand the reason why the telegram was sent. Widespread use was made of it over the radio and in the press during the campaign.

All of which was bad enough but here are further facts of importance: General Hines, of the Veterans' Administration, tells me that no decision has been reached as to where the hospital shall be located. There is an appropriation for a hospital to be located either in North Dakota or eastern Montana, but the Veterans' Administration has not yet determined which State shall get it. Mr. McKim, when I talked with him this morning, said he has no further information I told him of the statement made to me by General Hines. His answer was that he had reason to believe the location of the hospital had been determined as indicated in his telegram, and that he sent it in good faith. But the truth is that this matter had not been decided and is not yet decided. All of which adds up to clear

proof of the cynicism of the political operations of the present administration which seems determined to continue the policy of buying elections with the taxpayers' money. This action was even worse because the telegram designed to influence votes did not speak the truth unless there is a superauthority over the Veterans' Administration and its Board, which determines the locations of hospitals. If this superauthority is operating, that fact is as shocking as the effort to buy the votes.

The people resent such tactics, and an administration which resorts to this kind of cheap political trickery will not and cannot retain the confidence of the people. It is obvious that the people of eastern Montana did not fall for this vicious kind of political activity.

We all remember the early days of the New Deal when millions of dollars of relief funds, spent by the WPA and other agencies, were used to buy votes. It became a national scandal at that time. The Nation will not permit the money it appropriates to care for its war veterans to be misused for similar purposes. The voters in the Second District of Montana gave their verdict on that subject on Tuesday.

Mr. LEMKE. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from North Dakota.

Mr. LEMKE. I wish to assure the gentleman that this week I was assured by those who do the selecting of the location of that hospital that no politics will be played and that no decision had been made. I shall hate to believe that the President of the United States will interfere and play politics with a hospital for the veterans, but we shall wait and see. I sincerely hope and believe that the person who sent that telegram was not speaking for the Veterans' Administration.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, this is a bill making appropriations for war agencies. As such, it deserves particular consideration. With the war in Europe at an end, every curtailment and elimination of war agencies that can safely be made should be made now.

This bill has not received proper consideration, in my judgment.

Despite over 1,300 pages of hearings, the bill was marked up in 2 hours and 35 minutes by the clock. It was marked up in the absence of about 50 percent of the testimony, which was neither printed nor available. It was marked up in the absence of four of the seven majority members of the subcommittee. In their places were two members of the majority who were not members of the subcommittee and who did not hear any of the testimony. Arbitrary and hasty action is not conducive to wise economy. It is unfair to the Congress and to the country.

The bill, Mr. Chairman, is filled with legislative provisions from start to finish. It is the most slipshod appropriation bill to come before the House.

The rule sought by the majority members of the committee would make it impossible to improve matters through points of order.

Some weeks ago the chairman of the Appropriations Committee wrote to the Director of the Bureau of the Budget stating, as I am informed, that never in his recollection in connection with appropriation matters had he seen so much opposition to legislation on appropriation bills, and requesting the Director to serve notice on all departments and agencies that the House committee would not consider those items in the future unless supported by proper substantive legislation.

This is the fourth rule, Mr. Chairman, sought under the leadership of the chairman of the Appropriations Committee since his letter to the Budget Bureau designed to prevent legislation in appropriation bills.

Attention is called, in passing, to the fact that the estimates of these war agencies were not submitted at the beginning of the session as a part of the estimates for the fiscal year 1946, as required by the Budget and Accounting Act. On the contrary, hearings before the Bureau of the Budget were deferred by order of that Bureau until well after the commencement of the session and the submission of estimates for the regular agencies of the Government.

The requirement of the Bureau of the Budget that agencies submit their requests in terms of man-years instead of the number of persons employed and to be employed is also in clear contravention of the Budget and Accounting Act.

The time available makes impossible detailed discussion of all the agencies provided for in this bill. It is not possible even to refer to matters of importance developed in the course of the hearings.

I shall limit myself to comments on a number of agencies which, it seems to me, are particularly important to bring to the attention of the Congress at this time.

By way of summary, in the light of the record, I make the following suggestions: First, that the Office of Economic Stabilization be terminated immediately; second, that the War Relocation Authority be liquidated by December 31, 1945; third, that the requests of OWI and OIAA be slashed with a view to the liquidation of the agencies as soon as possible, such of their functions as may be determined to be essential to be transferred for operation to the State Department or the high command; fourth, that a thorough-going investigation of WSA be conducted, having in mind the possibility of terminating the revolving fund of the agency in favor of direct appropriations and of liquidating the agency by transfer of funds and functions to the Maritime Commission, as originally provided by the Congress; fifth, that the closest possible control be maintained over the Office of Contract Settlements and the Surplus Property Board with a view to safeguarding the taxpayers against manifest opportunities for waste and abuse.

OFFICE OF ECONOMIC STABILIZATION

The Office of Economic Stabilization was set up originally by Executive order. The agency is a small one and, in my opinion, could well be eliminated at this time. Under our former colleague, Judge Vinson, the agency got along with a personnel of 16 and an expenditure of $89,000. Mr. Davis, the new head, requests a personnel and an appropriation more than double that of his predecessor.

The function of the agency is purely that of alleged coordination of various war agencies, and it acts, in effect, as an umpire if agency heads cannot agree. Mr. Davis states, and I quote:

> I find myself in a good deal of sympathy with the idea that no coordination is necessary if those agencies will coordinate themselves—

And further—

> If there should not be another such office, I will be glad to be relieved of the duties.

Our former colleague, Judge Vinson, is, of course, thoroughly familiar with the functions of this agency. He has taken his entire staff with him to the Office of War Mobilization and Reconversion. In my judgment, we should wind up the affairs of the Office of Economic Stabilization and permit Judge Vinson to do any umpiring that may be necessary.

OFFICE OF WAR INFORMATION

The Office of War Information was also created by Executive order. Since 1943 funds have been made available to it in the amount of $132,320,000.

The agency requests an appropriation of $42,000,000 as compared with an estimated expenditure in the current fiscal year of $51,000,000.

In other words, Mr. Chairman, with the war in Europe over, OWI requests an appropriation of 83 percent of its Global War expenditure and advises the committee that it intends to divide its overseas expenditures, 53 percent as to Europe and 47 percent as to the Pacific.

Frankly, any such request at this time does not make sense to me, in the light of available information.

I have always been critical of the work of this agency. In the absence of a full-dress investigation to determine exactly what the agency has done, I have always felt that much of its work has been valueless and therefore wasteful; that some of its work has been actually harmful, and that, due to a lack of proper investigation as to loyalty, there have been included among its personnel those who should not have been included on any pay roll of the Federal Government.

In this connection the record indicates denial of or removal from employment in respect to 351 persons due to lack of loyalty, with 1,431 loyalty investigations yet to be completed by the Civil Service Commission. The record further indicates that, included in 2 lists of about 80 employees, brought to the special attention of OWI 1 year and 2 years ago, many of whom have been eliminated from the rolls, there are still 11 whose investigations have not been completed.

I hope that the Committee on Un-American Activities will have this situation in mind, not only in respect to persons awaiting investigations by the Commission but in respect to certain who have apparently been given clearance by the Commission.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. GAVIN. How many are on the pay roll of OWI at the present time, would you say, approximately?

Mr. WIGGLESWORTH. They had a total of 9,645 man-years in the current year, and are asking for 7,926 in the next fiscal year.

Mr. GAVIN. What percentage of those are foreigners, would you say?

Mr. WIGGLESWORTH. I cannot tell exactly the number of foreigners, but the record shows 413 aliens on the rolls, not including those who may have been picked up overseas in the various countries in which OWI is operating.

Mr. GAVIN. Is it the intention of the committee to offer an amendment to strike out this OWI agency from the bill?

Mr. WIGGLESWORTH. It is the intention of the minority members of the committee to offer an amendment which will at least serve to effect a drastic reduction in the request, with a view to the liquidation of the agency as a whole at the earliest possible time.

Mr. GAVIN. May I ask what the gentleman means by "at the earliest possible time"? In view of the fact that it is so unnecessary and nonessential and a waste of the American taxpayers' money, it is about time we got rid of this agency right now. In other words, let us cut out unnecessary and nonessential expenditures. Our boys over there doing the fighting have to come home and take off their coats and go out and find a job and earn the money to keep these people on the public pay roll. Why not effect some economies and blot it out? Now is the time to get rid of it. Why wait to liquidate it 6 months from now? The committee should recommend to the House to take it out. Somebody should offer an amendment to eliminate the entire appropriation. Certainly the War Department, the Navy Department, and the various departments of the Government can handle everything that the OWI now does, in a very efficient manner, and save some $42,000,000 for the American taxpayers.

Mr. WIGGLESWORTH. I will say to the gentleman if I were doing the job myself, I think I would provide sufficient funds for liquidation in the near future, and couple with that the proviso that any functions that may be determined to be essential shall be taken over by the State Department or by the high command. Of course, neither the gentleman nor I want to do anything which would militate against the war effort in the Pacific.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. VORYS of Ohio. Recently there were seven Belgian journalists brought to this country on a 6 weeks' tour under the auspices of the OWI. The Foreign Affairs Committee of the House of Representatives was host to those people at a luncheon in the Speaker's office, for which we paid out of our own pockets. I know that in the release that OWI gave about this trip they made no mention about this luncheon, but did name a number of social and other functions these journalists had attended. I have attempted to find out under what appropriation, foreign or domestic, of the OWI such an adjunct, possibly beneficial adjunct, was carried on. Can the gentleman answer that question?

Mr. WIGGLESWORTH. The agency very definitely has funds for bringing various people from overseas in some such manner as the gentleman indicates. I believe the gentleman will find in the hearings on the pending bill a list of those who have been brought to this country recently under the auspices of the OWI.

Mr. VORYS of Ohio. I noticed that many of these journalists spoke excellent English. Their speeches and the release of OWI showed that part of the purpose of the trip was to put out domestic propaganda for OWI in the United States. It would strike me that that is a peculiar way to spend money assigned to overseas activities—use it for propaganda not in Belgium but for the OWI itself in the United States.

Mr. WIGGLESWORTH. The alleged purpose is to give those who are brought here from other countries a better picture of this country for dissemination when they return home.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. REES of Kansas. My attention has been called recently to the fact that OWI representatives attend various committee meetings and sessions of Congress. I am wondering whether this sort of thing is necessary. It seems to me they can secure the same information, if they need it, if they have any use for it, by consulting the CONGRESSIONAL RECORD or the hearings of these various committees. I am wondering whether or not the gentleman agrees with me that that service is useless?

Mr. WIGGLESWORTH. I may say to the gentleman from Kansas that I am not familiar with that service. I have read in the newspapers recently however that the OWI has made the very kind suggestion, as I understand it, that it might conduct our correspondence with our constituents for us.

Mr. REES of Kansas. Just one thing further, if the gentleman will permit. I had this experience recently: A gentleman called on me who said he was a representative of OWI. He wanted to know about a special order I had for the next day, said he wanted to examine the bill on which I was going to talk and would like to have a copy of the address. He said he was sure it would be of interest to their organization, particularly to the Overseas Division of the OWI, that he was quite sure the European countries would be interested in the statement I was to make. It happened that that particular statement was with respect to the question of rabies in this country. I told him that I did not think the European countries would be particularly interested in that subject matter. He said he thought they would be, he was quite sure. The next day he furnished me with a little document to be sent overseas containing an item on my statement about the question of rabies. I mention this only to show the uselessness of it as I see it. There may be some good in OWI, but in my judgment the thing has gone too far.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield briefly.

Mr. GAVIN. It is quite apparent from the gentleman's splendid statement that he has made a thorough study of OWI. Can the gentleman tell us about George E. Taylor, who is the assistant to Dr. Elmer Davis? I mean just give us a sketchy background. I was very much interested as to who he was and where he came from and all about him, because if Davis should resign he would step in and be in charge of the propaganda concerning this great Nation of ours. I wonder if the gentleman could tell us something about him.

Mr. WIGGLESWORTH. I may say to the gentleman from Pennsylvania that all I know about Mr. Taylor is that he appeared before the committee and gave some testimony. As the gentleman will find from the hearings, at the request of the gentleman from New York [Mr. TABER], he inserted in the hearings a statement as to his experience and background. I do not have any additional information.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. In answer to the gentleman from Pennsylvania, the gentleman from Massachusetts said that the members of the minority on the committee were contemplating offering an amendment to pare down the appropriation for OWI. May I ask the gentleman if he can divulge the amount of the reduction that they are going to ask for?

Mr. WIGGLESWORTH. That will appear at the proper time. The matter is still under consideration.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. I have not had an opportunity to read the hearings, but may I ask, Was there any testimony on the part of the Army or Navy with reference to this particular item, either for or against it?

Mr. WIGGLESWORTH. I may say to the gentleman that at my request an effort was made through the Joint Chiefs of Staff to obtain a specific opinion from each of the six theater commanders as to the value of OWI services, if any, in the respective theaters. To date no response has been received.

Mr. SMITH of Wisconsin. Then we have no testimony?

Mr. WIGGLESWORTH. There is some testimony in the hearings, but it refers to pre-VE-day and, therefore, is not particularly helpful from my standpoint as to the picture which now confronts us.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 15 additional minutes.

Mr. Chairman, I do not know anything about OWI activities in respect to rabies that the gentleman from Kansas referred to, but here is a brief summary of the work of the Overseas Branch of the OWI in the current fiscal year:

Radio, 1,000 programs a week: Criticism based on the character of broadcasts by disks such as Hungarian, Italian, Polish, and Yugoslav disks has apparently continued.

Motion pictures: 177 films other than news reels. Among many other reels listed in the record are Cowboy, City Harvest, Steel Town, Jeep, Social Security, Yellow Springs, and Library of Congress.

News and Features Bureau:

Radiophotos	2,644
Prints	32,433
Negatives	12,427
Plastic plates	16,393
Exhibits	352
Film strips	1,549
Microfilm (feet)	8,115
Total	73,923

Publications: 12 612 890 publications, booklets, and pamphlets. Included in the list are such publications as Alphabet Primer of Friendship, Wall Calendar, Map of the U. S., Music in the U. S. A., Small Town, U. S. A., Women of the U. S. A., Rights of Man, and a series of Photo Reviews.

I am told there are some 30 or more publications now in the course of preparation, written largely by those having little knowledge of Germany and the Germans, drawing in some instances a sharp line between the Nazis as a whole and the military, and having little value under present conditions.

A study of data furnished in reference to the Domestic Branch activities, for which $1,300,000 is recommended, shows that the Branch has not only continued to coordinate all official statements and releases, but has acted as a focal point for all Government campaigns through radio, moving pictures, books, magazines, and graphics, serving 3,000 libraries, and an unknown number of colleges and lecturers.

Attention is called to the fact that the law makes it an offense punishable by removal from office and fine and imprisonment for any official or employee of the Federal Government to use any appropriated funds through advertisement, printed or written matter, directly or indirectly, to influence Members of Congress to favor or oppose, by vote or otherwise, directly or indirectly, any legislation or appropriation before or after the introduction of any bill or resolution.

Certain Government campaigns where policy has been determined may be proper. Other campaigns, in respect to such matters as Dumbarton Oaks, Bretton Woods, revision of trade agreements, or other questions in respect to which policy has not been determined, may well violate both the spirit and the letter of the law, if not carefully handled.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I have been informed by a member of a delegation from this body who was in London some time ago that he had not much more than reached his hotel when he was waited on by a gentleman who said that he represented the OWI; who told him that he had a fine automobile at his disposal to show him the city and take him about wherever he would like to go and render any other service that he might wish in order to make the situation more comfortable and more pleasant while he was in that country. He said he took advantage of the use of the car. It was a great, big, fine automobile, chauffeured by an American citizen. They proceeded to show him the city and the country about. Besides that, they offered him the facilities of the radio and anything else that might be to his pleasure while he was there.

Does the gentleman think that that sort of thing is necessary? Does the gentleman think the taxpayers ought to pay for that sort of thing?

Mr. WIGGLESWORTH. May I say to the gentleman that the expenditure of funds in Europe, proposed under present conditions, seems to be out of all reason.

Mr. REES of Kansas. May I say, Mr. Chairman, while I have the floor, that the gentleman is making a very interesting and informative statement with respect to this legislation.

Mr. WIGGLESWORTH. I thank the gentleman.

If OWI has its way, it will continue its Domestic Branch on a slightly reduced scale, will increase its activities in the Pacific about 33 percent, and will continue operations in Europe on the basis of $18,800,000.

OWI opposes liquidation in Europe prior to the termination of the war in the Pacific. It maintains that, as long as there is a war with any country, it has authority to carry on its operations in all countries. It gives its functions in Europe as, first, informing Europe about the Japanese war; second, assisting public relations between the American forces and the local populations; and, third, telling the people of Europe what America is like, and what its objects are.

For these purposes, it proposes to maintain, in addition to its huge set-up in this country, a personnel of over 2,500 in countries outside the Orient as compared with about 1,700 in the Orient. A break-down by countries appears in the table at page 947 of the hearings.

Specifically with reference to Germany, OWI proposes to operate newspapers in the American zone for the time being; to conduct radio news services; to supervise moving pictures; and, apparently, if it has its way, to permit no newspapers to circulate in Germany from anyplace in the world except those put out by the OWI and the military high command.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. May I ask the gentleman if he has any opinion whether or not the OWI should be done away with in Europe?

Mr. WIGGLESWORTH. My view, as I tried to make plain, is that the proposed appropriation should be drastically reduced, with a view to liquidating the OWI at the earliest possible moment, any functions that may be determined to be essential being turned over either to the State Department or the High Command.

Mrs. BOLTON. May I ask the gentleman what arm we would then have to do the thing other countries are doing, selling themselves to these countries?

Mr. WIGGLESWORTH. I would do it either under the State Department or under the High Command.

Mrs. BOLTON. Has the State Department the adequate force, the personnel, and the "savvy" to do it?

Mr. WIGGLESWORTH. Congress can provide whatever is necessary in terms of functions deemed to be essential.

Mrs. BOLTON. We have suffered so very much from the fact that we have almost no one over there that is trained in any of these methods, and if we do not have something better to put in its place, it would seem to me very unwise to take away that which we have.

Mr. WIGGLESWORTH. I agree with the gentlewoman, but I think it should not be difficult to substitute something more efficient insofar as necessary for the present organization.

Mrs. BOLTON. I wonder if the gentleman knows the history, for instance, of the OWI work in Turkey and in north Africa, the things they have done, the things that we know because of OWI.

Mr. WIGGLESWORTH. If the gentlewoman will pardon me, I do not want to go into too much detail at this time because I have further ground I want to cover.

Mrs. BOLTON. Does the OSS enter into what should be put in its place?

Mr. WIGGLESWORTH. No; the OSS functions differently.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. May I say to the distinguished gentlewoman that I think the OSS ought to go out with the OWI; in fact, I think they both ought to be taken out.

Mr. WIGGLESWORTH. Mr. Davis states, Mr. Chairman, and I quote:

> I am afraid the average German is not going to get religion without a good deal of evangelization, and it will require not only the work of a staff in Germany, but the supplying of materials—news, radio programs, publications, pictures, and so on from our offices and our London base.

In other words, Germany is to be reeducated.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Pennsylvania.

Mr. GRAHAM. How can that be reconciled with the statement of Pastor Niemoeller that the Germans want to be regulated and controlled and do not want our democratic ideas?

Mr. WIGGLESWORTH. May I say to the distinguished gentleman from Pennsylvania that I once spent 4 years in Germany in reparation days after the last war, and that, in my opinion, any thought that the German people can be reeducated within any reasonable period of time by American propaganda which it is forced to consume is nonsense. We have only to consider the results of the attempted reeducation of Poland during more than 100 years of her partition by Austria, Germany, and Russia to find confirmation of this fact.

I would, of course, Mr. Chairman, do nothing to impair the war effort. I doubt very much, however, the wisdom of continuing OWI, particularly in Europe and on the domestic front.

A news story out of London dated March 28 and, therefore, well before VE-day, quotes Mr. Davis as stating that there was no outlook that OWI would become a permanent agency after the war. He added that some of its overseas services would be incorporated into the State Department as a supplement to American news agencies in foreign countries.

In my opinion, his implied suggestion is a sound one. I think we should slash the requested appropriation with a view to the liquidation of the agency as soon as possible, allowing the State Department or the high command to assume such functions of the agency as may be determined to be essential.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. Did I understand the gentleman correctly? I understood him to say that the OWI took the position that as to publication, for instance, OWI was the only disseminating body for Germany, that they should have full charge and full control of that.

Mr. WIGGLESWORTH. I said that appeared to be their desire if they were to put their program into effect. The gentleman has in mind the statement by the President recently indicating that he does not see eye to eye with that policy. But even after that statement Mr. Davis informed your committee, that the matter was still under consideration.

Mr. RIZLEY. It is my understanding that as far as our army of occupation is concerned, the only country we are to occupy over there, in view of the recent agreement, is Bavaria.

Since we have turned this other occupied territory back to either the British or the Russians, which territory was taken by our troops, will we still be permitted to go into that territory with our publications and sell them American propaganda?

Mr. WIGGLESWORTH. Into which parts of Germany?

Mr. RIZLEY. Into any part which is occupied by the Russians, we will say, or by the British.

Mr. WIGGLESWORTH. I cannot answer the gentleman's question.

Mr. RIZLEY. If not, it seems to me the need for this part of the appropriation can be put down considerably since the beginning of the war.

Mr. WIGGLESWORTH. I agree with the gentleman. The requested expenditures is excessive.

OFFICE OF INTER-AMERICAN AFFAIRS

The Office of Inter-American Affairs, successor to the Coordinator of Inter-American Affairs, is also a creature of Executive order.

One hundred forty-four million nine hundred thousand dollars, including contract authorizations not yet liquidated, have been made available for this agency; $80,000,000 of this has been utilized for the capital of the agency's five corporations, and $64,000,000 for other purposes.

The Budget estimate amounts to $15,800,000 for the fiscal year 1946, as compared with $17,500,000 to be expended in the current fiscal year. The committee recommendation is $14,000,000.

The agency contemplates spending $10,300,000 through its motion picture, radio, and press and publications divisions, and something over $3,500,000 on its programs of cooperative education, health and sanitation, food, and emergency rehabilitation.

The Congress has, in effect, given this agency a blank check authority to obligate and spend millions of its dollars. It is true that the general outlines of expenditure have been considered in connection with appropriations, but no detailed check, insofar as projects are concerned, has been made. The result has been, in my judgment, that no proper control has been maintained and that money has been spent unwisely and wastefully.

The agency has presented to the committee this year a document entitled "Status of Projects of the Office of Coordinator of Inter-American Affairs, October 1 to December 31, 1944."

This document contains 151 sheets of paper about 9 x 15 inches and is too voluminous for the committee hearings or the CONGRESSIONAL RECORD. It discloses the operation of projects covering wide ranges, from motion-picture scripts for publicizing the Little Red Schoolhouse, New York's Bronx Zoo, and Fulton Fish Market to the construction and operation of costly hospitals, sanitation, training, malaria control, sewage disposal, radio broadcasting, newspapers, news services, and numerous other ventures in 20 South and Central American Republics.

Under leave to extend my remarks, I include at this point a brief summary of the projects by their principal categories and countries. It will be noted that the projects referred to in the quarter ended December 31, 1944, number 1,186 at a cost of $40,510,189.11.

Status of projects of the Office of Coordinator of Inter-American Affairs, Oct. 1 to Dec. 31, 1944

Departments and divisions	Numbers of projects	Amounts of projects
DEPARTMENT OF BASIC ECONOMY		
Division of Food Supply	7	$117,450.00
Division of Health and Sanitation	78	1,880,987.69
Division of Training	13	2,571,160.00
All divisions	3	1,493,900.00
	101	6,063,497.69
Division of Food Supply:		
Costa Rica	2	520,871.00
El Salvador	3	16,300.00
Haiti	4	129,000.00
Honduras	4	1,457,575.37
Nicarauga	5	108,999.80
Panama	6	126,000.00
Paraguay	9	433,500.00
Peru	24	421,995.96
Venezuela	16	856,188.00
	73	4,070,430.13
Division of Health and Sanitation:		
Brazil	71	807,669.06
Chile	20	1,244,641.37
Colombia	64	1,893,119.00
Costa Rica	31	657,552.48
Dominican Republic	4	63,309.53
Ecuador	64	2,998,807.42
El Salvador	42	723,987.64
Guatemala	12	720,111.81
Haiti	33	437,437.00
Honduras	28	756,183.00
Mexico	22	913,000.00
Nicaragua	54	676,256.51
Panama	11	456,682.14
Paraguay	23	1,145,400.00
Peru	63	1,449,733.26
Uruguay	12	139,389.43
Venezuela	13	1,061,000.00
	567	16,150,279.65
DEPARTMENT OF ECONOMIC DEVELOPMENT		
Division of Assistant Coordinator	13	278,352.95
Division of Research	4	33,767.00
	17	312,119.95
DEPARTMENT OF INFORMATION		
Division of Assistant Coordinator	2	107,000.00
Division of Education	17	334,055.02
Division of Inter-American Educational Foundation, Inc.	64	2,915,390.98
Division of Motion Pictures	66	2,950,705.50
Division of Press	58	2,077,604.00
Division of Radio	130	3,920,777.75
Regional	23	605,098.00
	360	12,910,631.25
DEPARTMENT OF TRANSPORTATION		
Division, if any, unidentified	19	550,108.46
DEPARTMENT OF UNITED STATES ACTIVITIES, SPECIAL SERVICES		
Division, if any, unidentified	49	453,121.98

RECAPITULATION

Departments and divisions	Number of projects	Totals of projects
Department of Basic Economy	101	$6,063,497.69
Division of Food Supply	73	4,070,430.13
Division of Health and Sanitation	567	16,150,279.65
Department of Economic Development	17	312,119.95
Department of Information	360	12,910,631.25
Department of Transportation	19	550,108.46
Department of United States Activities and Special Services	49	453,121.98
Totals	1,186	40,510,189.11

LAW LIBRARY FEDERAL WORKS AGENCY

Descriptions of a few of the 1,186 projects follow:

Funds for South American trip of representatives of the Children's Bureau, Department of Labor, project amount, $1,980.54.

Biostatistical and epidemiological information in the other American Republics, project amount, $25,000.

In-service social-work scholarships, 1942–43 funds, project amount, $12,000.

Latin-American social-work fellowships, extended 1943, project amount, $25,000.

Intern-training program for economists for the other American republics, project amount, $52,000.

In-service training program for agricultural economists of the other American republics, project amount, $9,150.

Basic economy motion pictures, project amount, $500,000.

Transportation survey—completed, project amount not shown.

Home-economics training—6-month course, Caracas, project amount, $17,528.

Tocoran subdivision and reclamation—to subdivide a large Government-owned and operated farm of approximately 5,000 acres into small farms, 100–200 acres, and to transfer these units to private ownership, and so forth, project amount, $93,-886.

Purchase of a launch for the State of Amazonas, project amount, $12,500.

Medical care for migrants—11 projects—project totals $263,492.

Public laundry at San Salvador; project amount, $17,000.

Slaughterhouse at San Salvador; project amount, $99,000.

Cauce Oriental—flood control; project amount, $53,000.

Scholarships for the training of visitadores and guardas sanitarios; project amount, $20,700.

Jail improvement at Iquitos; project amount, $1,233.

Display of sanitary privies and private water-supply models, Reio Negro Depto.; project amount, $4,003.70.

Construction of public laundry at Triente y Trece; project amount, $6,468.

Project No. BMP–5–4393, page 94 of the document hereinbefore mentioned, is described as follows:

Purchase of scripts, $4,500.

Completed. Eighteen scripts were purchased. Eight were written for basic economy film program, and will be used for footage shot in Latin America by Carl Pryor. Titles of the other scripts are: "Women's Fashions," "Adult Education," "American Girls," "Fulton Fish Market," "Music on the Air," "Small Town," "Collins Machete Factory," "Little Red Schoolhouse," "Bronx Zoo," "Mosquito Control."

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TABER. Mr. Chairman, I yield 10 additional minutes to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Here again the broad question arises of the liquidation of this war agency. About a year ago, on April 13, 1944, to be exact, Mr. Rockefeller appeared before your committee and, among other things, as appears at page 938 of the hearings on last year's bill, made the following statement:

Our policy is to continue as long as necessary the activities which were essential to the war, and then to taper them off with as little dislocation as possible. Other activities which should be made a part of the permanent program of this Government, we hope to place in permanent Government agencies and thereby be in a position, as rapidly as commensurate with the best interests from the point of view of all to liquidate the agency.

Mr. Rockefeller went on to point out that the end of the work of the Basic Economy Department and of the educational program was in sight; that the economic development program and the transportation work should be capable of being carried on by private enterprises; that the inter-American training group and other programs comprised, in his judgment, the peacetime activities of private interests, and that the cultural-relations program to the tune, I believe, of $1,500,000 had already been turned over to the State Department. This, he said, left largely the information program through the radio, moving pictures, and press, which, he felt very definitely, was a wartime program.

In other words, he left the impression that the agency was on the road to substantial curtailment and liquidation.

The war in Europe is now over, and yet we find this agency requesting an appropriation of $15,800,000 as compared with an estimated expenditure of $17,500,000 in the current fiscal year.

In my opinion, this appropriation should also be reduced and consideration given to the liquidation of the agency, at an early date, such functions as may be determined to be essential to be turned over to the State Department by the Congress.

OFFICE OF WAR MOBILIZATION AND RECONVERSION

The Office of War Mobilization and Reconversion includes not only the office under Judge Vinson, but the Retraining and Reeducation Administration under General Hines, the Office of Contract Settlement, and the Surplus Property Board. The last two named are new agencies, both of them, in my judgment, fraught with the possibility of waste and scandal if not meticulously operated in the interest of the taxpayers.

The Office of Contract Settlement has settled $18,000,000 worth of contracts out of $27,000,000 cancelled.

It serves as an appeal board on appeals by contractors. There is no appeal by the Government in the interest of the taxpayers, decisions being final as to the Government. It also purports to define policy for 26 contracting agencies, many of whom will, apparently, act in terminating and settling their own contracts.

The agency's printed report to Congress of April 1945, indicates that authority has been delegated, in certain instances, to prime contractors to terminate and make final settlements of their contracts with subcontractors, with funds made available for that purpose.

The value of the Board, if it is to serve merely as a coordinating agency, is open to question.

The Surplus Property Board requests an appropriation of $2,619,000 for administrative expenditure and $60,000,000 for the expenses of nine disposal agencies which it has designated.

This Board also serves as a coordinating agency defining policies for the disposal agencies.

The Board estimates eventual surplus property at anywhere from $50,000,000,000 to $100,000,000,000. It has already received $1,665,000,000 of property and has disposed of $265,000,000 of it at a cost of $164,000,000, or about 62 percent of its cost.

All disposal agencies are owner agencies. No check whatever to date has been made on prices asked for property disposed of. The act under which the Board operates is, in my judgment, very loosely drawn; and the utmost care, both as to personnel and methods, is vital if trouble is to be avoided.

As Senator JOHNSON of California stated to Colonel Heller, a member of the Board, when the latter appeared before the Senate Committee on Military Affairs, "The saints in heaven will be condemned in a few years over what this Board does."

WAR RELOCATION AUTHORITY

This agency is also the result of Executive order. During the 3 years of its existence it has received funds in the amount of $157,000,000. Its present request is for $25,140,000 as compared with an appropriation of $37,500,000 for the current fiscal year.

On the basis of the record, this agency should be wound up immediately.

Of the 120,000 people, or thereabouts, who have been under its control, 53,000 remained to be relocated at the time of the hearings, in addition to some 20,000 at Tule Lake, who have been placed there because of a lack of loyalty, a desire to return to Japan, or similar reasons. It was stated that 37,000 would remain outside of Tule Lake as of June 30, indicating a reduction of 16,000 by that time.

Under a ruling of the War Department on December 17, 1944, almost 6 months ago, all are free to leave, aside from those at Tule Lake. Under a recent ruling by the Supreme Court, no one can be legally detained whose loyalty has been determined. Regulations of the War Relocation Authority operating as a detainer are declared invalid.

The plans of the agency contemplate the turning over those at Tule Lake to the Department of Justice and the relocation or release of all others by January 2, 1946, almost 15 months after the ruling by the War Department. They contemplate disposal of the property now on hand by April 1, 1946, and the winding up the affairs of the agency by June 30, 1946.

In my judgment the agency should be wound up far more promptly.

The record indicates, under the plans of the agency, $5,000,000 for relocation assistance; $2,463,000 for special grants, and over half a million dollars for an unauthorized refugee center at Fort Ontario, N. Y. It indicates also the maintenance of 55 field offices, 8 centers, and 1 refugee station; the payment of $129,-

300 for salaries for publicity to sell the program of WRA to the public; the payment of $2,134,000 for travel, or almost $900 per employee; and the operation of 454 motor cars and 1,256 trucks, or something less than 1 automobile and 3 trucks for every 4 employees.

In my opinion, the appropriation should be slashed with a view to finishing the personnel job within 3 months and winding up the agency by the end of the calendar year.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. GAVIN. I conclude the gentleman believes it would be better all around rather than cut out the entire OWI appropriation, that an amount be set up in this bill to liquidate it in an orderly fashion?

Mr. WIGGLESWORTH. Coupled with a proviso that any functions which may be determined to be essential shall be taken over and operated by the State Department or the high command.

Mr. GAVIN. Or other branches of the Government under the War and Navy Departments?

Mr. WIGGLESWORTH. Yes.

Mr. GAVIN. What would you say would be a reasonable amount to liquidate OWI in an orderly fashion, approximately?

Mr. WIGGLESWORTH. It will take some time and probably several million dollars.

Mr. GAVIN. Well, would you say five or six million dollars would be cheap?

Mr. WIGGLESWORTH. I would like to get a little expert advice on that.

Mr. GAVIN. I would say if we got rid of OWI for about $5,000,000 it would be very cheap and a very wise investment on the part of the Congress.

WAR SHIPPING ADMINISTRATION

Mr. WIGGLESWORTH. The record indicates, Mr. Chairman, a gross cost of the WSA in the fiscal year 1946 of $3,096,000,000, a revenue of $1,429,000,000, leaving a deficit of $1,666,000,000 to be made up out of the revolving fund of the agency, $1,181,000,000 by appropriation of $485,000,000 and by transfer of $50,000,000 from the insurance fund for reserve purposes.

The requested appropriation is $485,000,000 as compared with $550,000,000 for the current fiscal year. Gross cost, however, shows an increase from $2,610,000,000 to $3,096,000,000 based on a contemplated increase in the fleet of about 22 percent. The committee has reduced the Budget estimate by $40,000,000.

This entire agency, created by Executive order, in my opinion, calls for a general reappraisal.

It operates in the same field with the Maritime Commission. Some confusion and duplication of effort necessarily results. It operates under one Administrator as compared with the Maritime Commission under five Commissioners. Severe criticism has been made in respect to its financial operations. Since January 1, 1943, I understand, there have been more than 211 pages of the CONGRESSIONAL RECORD devoted to criticism of the WSA and the Maritime Commission, in addition to countless pages of committee hearings.

Attention is called to the enormous revolving fund under the control of this agency. During 1945, it is estimated that $1,459,000,000 will have been expended from that fund. On the basis of this appropriation, there will be available for 1946 the sum of $1,548,000,000.

Here again, Mr. Chairman, the broad question arises as to whether this revolving fund should not be terminated with a view to tighter control over agency operations under direct appropriations, and whether WSA should not be liquidated in the near future by the transfer of its functions and funds to the five-man United States Maritime Commission, as originally provided by Congress.

All of us know of the criticism of WSA in respect to charter hire, insurance, and purchase prices allowed and paid by the agency. The Comptroller General has been highly critical of its activities in these and other matters. The Committee on the Merchant Marine and Fisheries has also taken exception recently to various WSA operation.

CHARTER HIRE

The request for charter hire is $367,100,000 as compared with $346,800,000 for the current year.

Figures received from the Maritime Commission and inserted in the CONGRESSIONAL RECORD for January 27 and February 4, 1944, show 753 vessels 20 years old or more, having a book value of $37,900,000, with charter earnings in 18 months estimated at over $199,700,000.

Figures included with reference to the Red Sea charters show 81 vessels with a book value of $8,200,000 earning profits on 91 voyages to the Red Sea of $26,800,000.

The record indicates basic rates of $1.15 and $1.25 per dead-weight ton per month for tankers and other ships, respectively. Those rates, however, do not apply to all types of vessels.

The table appearing on page 357 of the hearings shows 77 vessels with an aggregate dead-weight tonnage of 598,908 and an annual charter hire amounting to $21,956,701, or an average of $3.05 per dead-weight ton per month. Included in the table are vessels with charter hire running as high as $9.05 per dead-weight ton per month. For example:

Vessels	Year built	Dead-weight tonnage	Annual charter hire	Rate per dead-weight ton per month
Aleutian	1906	2,837	$274,800	$8.07
Columbia	1907	2,527	227,664	7.54
Mexico	1932	3,011	322,704	8.93
Wialeala	1928	1,675	168,480	8.38
Yukon	1899	2,285	248,232	9.05
Permanente	1902	11,114	432,216	3.24
Philippa	1902	11,158	414,888	3.09
President Johnson	1904	15,267	302,400	1.65
President Tyler	1920	13,050	262,656	1.67

On the basis of $1.25 per dead-weight ton per month, the amount payable with respect to the 77 vessels would amount to only $8,983,620, instead of $21,956,701.

INSURANCE

The request for insurance for the fiscal year 1946 is $121,000,000 as compared with $142,000,000 for the current year.

Figures received from the Maritime Commission and inserted in the CONGRESSIONAL RECORD for February 4, 1944, show 690 vessels 20 years old or more with a book value totaling $34,500,000 on which insurance had been effected in the total amount of $477,300,000, or about 1,400 percent of the book value.

Figures received from the General Accounting Office and inserted in the CONGRESSIONAL RECORD for February 7, 1945, show 32 vessels 20 years old or more with amazing insurance coverage compared with Admiral Land's estimated values of the vessels for operation as of December 31, 1938.

The record indicates that the basic rate for insurance purposes was as high as $75 per dead-weight ton in 1942; that it had been reduced by 1944 to $56.25 per dead-weight ton; and that on April 20, 1945, it was reduced to $47.50 per dead-weight ton. The basic rate still is apparently in excess of the British rate.

The table inserted in the hearings at page 366 fails to furnish the insurance data requested. It does, however, give values for many ships 20 years old or more, and it is noteworthy that the values given do not agree with values previously furnished by Admiral Land.

For example: The steamship *Alabaman*, built in 1921, with a dead-weight tonnage of 10,380 is given a value of $583,875 in the table, or $56.25 per dead-weight ton. The table already referred to received from the General Accounting Office and inserted in the CONGRESSIONAL RECORD of February 7, 1945, shows that this vessel was sold by the Government in 1922 for $300,000, and gives a value for operation as fixed by Admiral Land at December 31, 1938, of $117,443, or about $11 per dead-weight ton.

Similarly, the steamship *Arizonian*, built in 1920, with a dead-weight tonnage of 11,600, is given a value in the table in the hearings of $652,500. The General Accounting Office table referred to, however, shows a sale of this vessel by the Government in 1920 for $506,369, and a value for operation as fixed by Admiral Land at December 31, 1938, of $97,506.

Those are but examples.

Eighty percent of the cases requiring determination of just compensation for vessels were completed before the rate was lowered to $47.50 per dead-weight ton.

PURCHASE PRICES

The WSA's request for funds for vessel purchases in the fiscal year 1946 is $30,000,000, as compared with $28,000,000 in the current fiscal year.

Figures received from the Maritime Commission and inserted in the CONGRESSIONAL RECORD for January 27 and February 4, 1944, show 69 vessels 20 years old or more bought for over $26,300,000, or about seven times their book value.

Prices are said to be determined in the light of the opinion of the Advisory Board of Judges, which the gentleman from

Virginia [Mr. BLAND] has referred to as "almost a study in Greek."

The Comptroller General has testified, in effect, that the Advisory Board's opinion is difficult to interpret; that he does not consider himself bound by it; that certain prices paid since the opinion were proper, in his judgment; and that others were under consideration.

The record refers to the acquisition of nine ships—eight 20 years old or more and one 10 years old or more—from the American President Lines for $14,800,000, plus $500,000 for delay in payment.

The record also refers to a payment to the United States Lines of $19,200,000 for two ships, one 10 years and the other 9 years old, originally costing about $21,000,000.

It refers also to an offer of $7,200,000 to the American-Hawaiian Lines for 11 ships built between 1920 and 1921, having an owner's net aggregate book valuation on December 31, 1941, of $299,307, and apparently representing on that basis a capital profit of about $7,000,000, presumably tax-free if used for new vessels.

When Admiral Land's attention was called to the fact that, according to his own estimated values for operation as of December 31, 1938, some of these ships were worth about $100,000, and even less, he replied: "I have no comment to make."

Admiral Land reports that "about every yardstick there is" was used in determining amounts to be paid in these transactions.

It would appear that we have been paying far more for the "old crocks" than would be required for the purchase of brand-new ships under legislation now pending before the Congress, based on prewar foreign costs of production less depreciation.

OTHER MATTERS

The record also indicates that the Maritime Commission has included in contracts with Henry J. Kaiser a clause agreeing, in determining contractor's profits, to allow "all costs, charges, and liabilities incurred by contractors, including those resulting from the negligence of corporate officers, agents, and employees."

No satisfactory explanation was given the committee in this connection, the clause having been referred to as "legal verbiage."

A list of agency fees will be found on page 394 of the hearings. These fees are in addition to charter hire paid to the same agents in many cases. Detailed information requested in this connection has not been supplied.

The appropriation requested for ship repairs amounts to $453,300,000, as compared with $334,600,000 in the current year.

A year ago, in discussing this item, and a request allowed for inspectors, hopes were held out to the committee that substantial savings would be effected. Estimated savings by Mr. Douglas were as high as $50,000,000, and by Admiral Land from $2,000,000 to $10,000,000. Part of the increase is due to deferred items. No savings, however, are apparent.

The record indicates that only $20,000,000 has been recovered by recapture and renegotiation. No progress has been made in respect to the Red Sea charters, two companies only having made any repayment.

Profits allowed after renegotiation are said to average between 7 and 8 percent on business done, which might mean as much as 500 percent on capital invested in cases of small concerns.

Contracts for the purchase and charter of ships have apparently been exempted from renegotiation by the Price Adjustment Board on the theory that no services are involved. This action seems to be particularly unfortunate in the light of the criticism to which the agency has been subjected.

The record indicates that hundreds of persons in all parts of the world are on the pay roll of the WSA at this time, and on the pay roll of some shipping company as well. A list of 86 officials of the agency appears in the hearings at page 464. The agency is, apparently, not particularly concerned as to whether or not a dual pay-roll service is involved.

A comprehensive audit by the General Accounting Office, begun in 1942, has not yet been completed. This is the audit in respect to which the CONGRESSIONAL RECORD of March 28, 1944, at page 3175, quotes the Comptroller General as follows:

> The latest balance sheet available is as of June 30, 1942. A recent examination thereof was made by a representative of this office who reported that the records were in such condition—supporting documents and papers being missing—that a proper verification of the balance sheets of the War Shipping Administration and the United States Maritime Commission as of June 30, 1942, was impossible.

I have repeatedly urged a thoroughgoing investigation of the financial activities of the WSA and the Maritime Commission, either by a standing committee of the Congress, or by a select committee. Results to date appear to be very meager. I appreciate fully the fine results obtained in terms of construction and operation in time of war; but that does not justify loose financial operations. Some day the entire picture will have to be gone into, in fairness to the two agencies, in fairness to the taxpayers and in the best interests of a properly operated merchant marine.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentlewoman from Illinois [Mrs. DOUGLAS].

Mrs. DOUGLAS of Illinois. Mr. Chairman, without regard to race, color, or creed, young Americans are drafted today to give their very lives for this country. In all decency a nation which demands "the last full measure of devotion" from every group, must stand ready to protect minorities against unjust discrimination.

One of the most vicious sides of nazism was its racism. Such a theory is poison to a people who believe in Thomas Jefferson's words "all men are created equal." As we fight for decency in all parts of the world, let us be doubly sure that we tolerate no economic racism at home. I urge the restoration of funds for the continuance of the FEPC. It has been successfully administered up to now and must not be dropped during this war period.

Mr. CANNON of Missouri. Mr. Chairman, I yield 30 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. KEEFE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. KEEFE. Mr. Chairman, I make a point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 101]

Allen La.	Dondero	Miller, Nebr.
Andersen, H. Carl	Drewry	Morrison
Anderson, N. Mex.	Durham	Murdock
Andresen, August H.	Earthman	Pace
Andrews, N. Y.	Eaton	Patman
Angell	Elsaesser	Peterson, Fla.
Arends	Ervin	Peterson, Ga.
Auchincloss	Fellows	Ploeser
Bailey	Fisher	Plumley
Barden	Flannagan	Price, Fla.
Barry	Flood	Price, Ill.
Bates, Mass.	Fogarty	Quinn, N. Y.
Beall	Fuller	Rabaut
Bland	Geelan	Rabin
Bloom	Gifford	Rains
Bonner	Gillette	Randolph
Boren	Grant, Ala.	Rayfiel
Bradley, Mich.	Grant, Ind.	Reece, Tenn.
Bradley, Pa.	Hall, Leonard W.	Reed, N. Y.
Brumbaugh	Hand	Rivers
Buck	Hart	Robertson, Va.
Buckley	Hartley	Robinson, Utah
Buffett	Healy	Rodgers, Pa.
Bunker	Hébert	Roe, N. Y.
Burch	Heffernan	Rogers, N. Y.
Byrne, N. Y.	Hess	Sadowski
Canfield	Hinshaw	Shafer
Cannon, Fla.	Hobbs	Sharp
Carlson	Holifield	Sheppard
Celler	Hook	Sheridan
Chiperfield	Jackson	Short
Clason	Jarman	Sikes
Clements	Jennings	Simson, Pa.
Cole, Kans.	Johnson, Calif.	Slaughter
Cole, Mo.	Johnson, Ind.	Smith, Ohio
Cole, N. Y.	Johnson, Lyndon B.	Snyder
Cooley	Kefauver	Stefan
Courtney	Keogh	Stewart
Crawford	LaFollette	Stigler
Curley	Larcade	Stockman
Daughton, Va.	Link	Sumner, Ill.
Dawson	Lynch	Talbot
Delaney, James J.	McGlinchey	Taylor
Dickstein	McGregor	Torrens
Dingell	McKenzie	Vorys, Ohio
Dirksen	McMillan, S. C.	Wadsworth
Dolliver	Mansfield, Mont.	Walter
Domengeaux	Martin, Iowa	Wasielewski
	Mason	Welchel
		Welch
		Whitten
		Winter

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, and finding itself without a quorum, he had directed the roll to be called, when 285 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Indiana is recognized for 30 minutes.

Mr. LUDLOW. Mr. Chairman, anyone who carefully examines the bill that has been presented to the House so luminously by the chairman of our Appropriations Committee, the gentleman from Missouri [Mr. CANNON], must reach the conclusion, I think, that it contains many happy harbingers of a return to constitutional government and normalcy in the United States.

It would not require a far stretch of the imagination to suggest a rechristening of this bill so that it would bear a name a little more descriptive of its aims and purposes. It has been given the title "The National War Agencies Appropriation Bill." It could very well have been given the name "The Reconversion Appropriation Bill" for in a very real manner it charts the course away from bureaucratic controls and back toward the American way of life. As one who participated in the framing of this bill, who believes himself to be fairly familiar with its terms and implications, I will say that I believe it is the first long step toward the demobilization of our wartime bureaucracy.

SPIRIT OF THE CONSTITUTION

Our Constitution has a spirit as well as a letter. In the years of national emergency its letter has been transgressed in innumerable instances but for every time its letter has been violated its spirit has been murdered in a thousand ways. The WPB and the OPA and a wide variety of other agencies, alphabetical and nonalphabetical, have imposed upon the people of this country a perfectly bewildering medley of "thou shalt" and "thou shalt nots." Our citizens have accepted obedience to these mandates as a patriotic duty in wartime and have suffered a degree of regimentation against which in times of peace they would have rebelled with all of the fervor of free men who are determined to remain free.

We have heard much about "directives" in recent years. The term has grown in disfavor because it connotes many forms of distress and a kind of totalitarian superlordism which the American endures as war necessity but at heart despises. This bill, as I see and understand it, presents the American people with a new and more agreeable form of directive. In a limited extent but in a way that is clearly discernible, it points the direction back to the American way of life. It takes away at least some of the shackles that have been hampering the free operation of constitutional processes. Whether it has gone too far or not far enough in charting the way back to normalcy may depend on the opinions of individual minds. Some would like to wipe out hated bureaucratic government at one fell stroke. Others would continue the bureaus long enough to cushion the transition shock. But I think it can truthfully be said of this bill that it rings the death knell of wartime controls. Not only does it do that but in a notable way it provides vehicles necessary to bridge the gap back to normal civilian activities. That is the reason why I say that it could properly be called the reconversion bill or the transition bill.

APPROPRIATION COMMITTEE'S SPLENDID LEADERSHIP

In this process of demobilizing bureaucracy and turning America back to Americans under the aegis of the Constitution which placed our country in the very forefront of the free nations of earth, the Committee of Appropriations, headed by the able gentleman from Missouri [Mr. CANNON], is destined to have a great and, in my opinion, a surpassingly important part. Our committee already has exerted superlative leadership in that direction which may be considered an earnest of things to come. I call attention to the committee's clear vision in writing the follow the provision into the Second Deficiency Appropriation Act of 1944:

> The President shall direct the Bureau of the Budget to maintain a continuous study of appropriations and contract authorizations granted for the national defense, war agencies, and the prosecution of the present wars for the purpose of submitting for the consideration of Congress, when the state of the wars make such action possible, a list showing the condition of the balances of each of such appropriations and contract authorizations, together with his recommendations for the repeal of such of those funds or portions thereof as are deemed no longer required for the purposes for which they were granted.

This economy provision of the 1944 Appropriation Act bore abundant fruit on May 2, 1945, when the Budget Bureau submitted to Congress the President's recommendation for the cancellation of $4,265,000,000 of outstanding uncommitted contract authorization and $3,100,000,000 of appropriated funds of the Maritime Commission and the House promptly passed the repealing legislation. This was an admirable beginning of what undoubtedly will be an enormous retrenchment and reconversion program that will eventually restore America to its ancient landmarks.

TRIBUTE TO PRESIDENT TRUMAN

I would like to pause at this point to say that in my opinion Harry S. Truman is making a grand start as President of the United States. Coming from the very heart of the country and from humble beginnings near the grass-roots of America, he has brought to his office the unpolished ruggedness of real worth, the sound sense and wholesome philosophy of the pioneers who builded in the Western Hemisphere the greatest democracy the world has ever known, a Government that is universally recognized as the grandest work of man. He knows that there is no magic that can take the place of industry, no veneer that can take the place of character. He knows that no man-made laws can repeal the laws of Nature and that there is no substitute for individual initiative and free enterprise in building a happy and prosperous nation. He has already proven himself to be a constitutional President, with a real reverence and respect for the checks and balances of the Constitution. He has demonstrated that his heart beats in rhythm with the heart beats of 130,000,000 people and that he recognizes the eternal truth that virtue dwells as often in hovels as in palaces. He is and always will be a President of the people, capable of interpreting their thoughts, their hopes, and aspirations. He has shown that he knows how to get along with Congress, which is half the battle in a successful administration of the Presidency. As a government, we have been floating around in the air a great deal in recent years. I have faith to believe that President Truman, working with Congress, will bring us back to the good old solid earth. His teamwork with our Appropriations Committee is a shining example of the kind of cooperation between the White House and Congress we may expect and that augurs well for the future of the country.

The agencies covered by this bill represent to a large extent the wartime controls and regulatory measures which were held to be necessary to protect the national interest in the war period. Our committee has not been unmindful of the fact that the war is only half won and that some—perhaps many—of the directives and impositions which fret our citizens and disturb our normal life must be continued until Japan is conquered, but generally speaking this bill reflects a welcome relaxation of controls and a reduction, and in some instances a liquidation, of activities that were created for the period of the emergency.

WPB ABOLISHES 105 CONTROLS

I will point to a graphic illustration of what I mean. The War Production Board furnishes the most striking example of a voluntary surrender of authority anticipatory to liquidation later on. That Board has been operating under a system of 420 controls. Those controls have done as much as anything I can imagine to knock into a cocked hat the American way of life. They have reached into every home, restricting individual freedom and impinging upon free enterprise.

It was therefore with genuine pleasure that our subcommittee on deficiencies heard J. A. Krug, Chairman of the War Production Board, announce that the Board has voluntarily released 105 of these controls, that 100 more will be thrown off this year, and that the remainder will be abolished with the coming of victory over Japan. It was news to our subcommittee that exactly one-fourth of the WPB controls already have been rescinded. It was further testified that the revocation of these controls took place between April 10 and May 10, 1945. I asked Chairman Krug to furnish for the record a descriptive list of the 105 controls that already have been abolished and he readily agreed to do so, but when the list reached our subcommittee it proved to be so long and cumbersome and contained so many words that I released my request to have it printed in the hearings because of the cost involved. However it may be seen at the committee room by anyone who desires to look at it and to derive from it solace and inspiration for the future.

LIST OF CONTROLS ALREADY THROWN OFF

The testimony before our subcommittee to the effect that 105 WPB controls already have been thrown off will be welcome news to the public. The list of the controls that have been revoked this month and last month—omitting the

lengthy descriptive verbiage in each case—is as follows:

Order L–27, amended: Vending machines, merchandise.
Order L–29, amended: Metal signs.
Order L–37a, amended: Musical instruments.
Order L–38, amended: Industrial and commercial refrigerating and air-conditioning machinery and equipment.
Order L–39a: Sprinkler heads.
Order L–42, schedule 3, amended: Low-pressure heating boilers.
Schedule 6, amended: Cast-iron radiators.
Schedule 8, amended: Radiator supply valves, thermostatic float, or boiler return traps.
Order L–43, amended: Motorized fire apparatus.
Order L–54a, amended: Typewriters.
Order L–55: Shotguns.
Order L–58: Sextants.
Order L–59b, amended: Metal plastering bases and metal plastering accessories.
Order L–73, amended: Office supplies.
Order L–74, amended: Oil burners.
Order L–75, amended: Coal stokers.
Order L–77, amended: Metal windows.
Order L–78, amended: Fluorescent lighting fixtures.
Order L–80, amended: Outboard motors and parts.
Order L–81, amended: Toys and games.
Order L–91, amended: Commercial laundry equipment, dry-cleaning equipment, and tailors' pressing equipment.
Order L–108, amended: Finishes on metal-working equipment.
Order L–140a, amended: Cutlery.
Order L–145, amended: Aircraft control and pulley bearings.
Order L–145a, amended: Anti-friction bearings.
Order L–151, amended: Domestic watt-hour meters.
Order L–154, schedule 1, amended: Water meters.
Schedule 2, amended: Steam surface condensers.
Schedule 5, amended: High-voltage insulators.
Order L–161, amended: Electric fuses.
Order L–173, amended: Floor and wall furnaces.
Order L–174, amended: Manufactured gas.
Order L–175; amended: Railroad standard watches.
Order L–182, amended: Commercial cooking and food- and plate-warming equipment.
Order L–187, amended: Cast-iron boilers.
Order L–188, amended: Loose-leaf metal parts and units and mechanical bindings.
Order L–190, amended: Scales, balances, and weights.
Order L–193a, amended: Sprocket chain, sprocket chain attachment links, and sprocket chain wheels.
Order L–206, amended: X-ray equipment.
Order L–211, schedule 1: Concrete reinforcement steel.
Schedule 2: Steel wheels and tires.
Schedule 4: Structural steel shapes.
Schedule 5: Steel axles and forgings (railroad and transit service).
Schedule 6: Mechanical steel tubing.
Schedule 7: Rails and track accessories.
Schedule 8: Carbon steel plates.
Schedule 10: Water-well tubular products.
Schedule 11: Steel pressure pipe.
Schedule 12: Steel pressure tubes.
Schedule 13: Steel pipe.
Schedule 14: Steel fence posts.
Schedule 15: Hot rolled carbon steel bars.
Order L–214: Medical equipment and supplies simplification.
Schedule 2: Corrective spectacles.
Schedule 3: Medical and surgical furniture and related equipment.
Order L–216: Simplification and standardization of portable tools, trucking equipment, mechanics' hand service tools, files, hack and band saws, vises, machine-tool accessories.
Schedule 1: Universal portable electric tools.
Schedule 2: Wrenches.
Schedule 3: Pliers and nippers.
Schedule 4: Rotary files and burs.
Schedule 7: Hacksaw blades.
Schedule 8: Hard edge flexible back band saws.
Order L–222, amended: Floor machines, rug-scrubbing machines, industrial vacuum cleaners, and blowers for cleaning purposes.
Order L–227: Wood-cased pencils and penholders.
Order L–235: Airport-lighting equipment.
Order L–236, amended, schedule 2: Marine power hardware.
Schedule 3: Marine fittings hardware.
Order L–238, amended: Sun glasses.
Order L–252, amended: Valves and valve parts.
Order L–259, amended: Physical therapy equipment.
Order L–266: Sterilizer equipment.
Order L–278, amended: Steel pipe fittings, simplification.
Order L–266b: Ammunition.
Order L–288: Grey cast iron, malleable iron, and brass and bronze pipe fittings, simplification.
Order L–299, amended: Power boilers.
Order L–301, amended: Power cycles.
Order L–314, amended: Lubrication equipment.
Order L–325, amended: 35-mm. motion picture projection equipment and accessories.
Order L–327, amended: Fiber shipping drums.
Order M–21a, amended: Alloy iron, alloy steel, electric furnace carbon steel.
Order M–28, amended: Dichlorodifluormethane.
Order M–28a: Monochlorodifluoromethane.
Order M–50, amended: Jewel bearings.
Order M–53, amended: Printing ink.
Order M–154, amended: Nitrocellulose.
Order M–216a, amended: Conservation of new automotive vehicles subject to rationing by Federal agencies.
Order M–216b, amended: Conservation of new automotive vehicles subject to rationing by Federal agencies.
Order M–220, amended: Sheep intestines.
Order M–300, schedule 43: Lactic acid.
Order M–330, amended: Calcium metal.
Order M–311, amended: Used automotive parts.
Order M–352: Acetone and diacetone.
Order P–116: Osnaburgs.
Order U–1, directive 1: Prohibiting placing of purchase order with supplier other than producer for delivery of new distribution transformers, 5 kv.-a. and smaller.
Directive 3: Deliveries of new domestic watt-hour meters.
Order U–1a, amended: Power, water, gas, and central steam heat.
Order U–1c, amended: Same as above.
Order U–1d, amended: Same as above.
Order U–1f, amended: Same as above.
Order U–1g, amended: Same as above.
Order U–1i, amended: Same as above.
Order U–5, amended: Communications, wire communications equipment.
Order U–6, amended: Wire and cable telegraph industry.
Order U–8, amended: Order limiting the manufacture of telephones.
Order U–9, amended: Order limiting the use of lighting facilities.

WFB PLANNING A SPEEDY END

It will be encouraging to the country, I think, to know that the War Production Board is planning to make a record for speed in folding up, when Japan is conquered. Testifying on this point, Chairman Krug said, page 656 of the hearings:

I think we ought to have enough organization left to tie up our records and make clear for the future what the War Production Board did and how it did it, so that we do not have months and months of time lost later on, without any records to show how it was done. But in terms of administering war contracts, I think practically all of this can terminate on the day of victory over the Japs.

That is a rather amazing statement—

Interposed Judge WOODRUM—

Do you mean, for instance, if tomorrow morning we got the blessed news that Japan had capitulated, that all of your controls over materials and supplies and everything would go off? It seems to me you would have confusion and a mad scramble and a black market and inflation and everything else, when we have had constant years of control.

To this Mr. Krug responded:

Judge, I am not talking about all the Government controls, I am talking about our controls. From what we can see now, the instant military production is cut back after the Japanese War there will be an adequate supply of everything for our peacetime economy.

So it appears that the War Production Board, a favorite bete noire of America, is due for early demise. The Office of Price Administration, another favorite bete noire of the people, also is on the way out, but its time of departure is not as clearly delineated as that of the War Production Board. Chester Bowles, the Administrator, testifying before our subcommittee, ventured the opinion that it may be necessary to continue OPA controls for 6 months after the fall of Japan to curb postwar inflation.

OCD GOES OUT OF THE PICTURE

The bill before you reflects many other evidences of a diminishing bureaucracy as the needs of war relax. The Office of Civilian Defense goes entirely out of the picture. For the first time since the war started we make no appropriation for it, although an estimate of $369,000 was submitted by the Bureau of the Budget. Altogether, beginning with an appropriation of $100,000,000 for the fiscal year 1942 there has been appropriated for the Office of Civilian Defense the sum of $112,225,950. Augmenting these Federal funds for civilian defense the States and local communities have raised a much larger amount, from which it would appear that well over a quarter of a billion of taxpayers' money has been spent to protect American civilians from attacks that never came. From hindsight it appears that a great deal of the preparation that was made for civilian defense was wildly extravagant and excessively costly, even foolish, but probably it would not be so regarded if just one bomb had struck New York or Washington. I am reminded of a story told by our colleague the gentleman from South Carolina [BUTLER HARE] who is the best storyteller I know, bar none. According to BUTLER, a native rode out of the hills of Carolina into town to buy a rifle. He went to the hardware store and looked over a variety of guns and picked out one that exactly suited his fancy, but it was terribly expensive—too expensive for his pocketbook, he thought. So he jumped in the saddle and started gloomily back to the hills. All of the time, however, he was doing some heavy

thinking. At the edge of town he called out "whoa" and sitting horseback soliloquized as follows about that rifle: "If I need her and I ain't got her, I'll never need her again."

Acting on that philosophy he jerked the rein and executed a quick turn-about to the store and bought the rifle.

With as good grace as possible, the American people probably would do well to forget the vast sum spent for civilian defense and charge it up to insurance. Anyway, there is a little consolation in the fact that the Office of Civilian Defense has surplus equipment of something like $30,000,000 estimated value. Some of this is fire-fighting apparatus which has never been used and which will be serviceable in local communities. Two million left-over gas masks will not be of much use except perhaps as museum pieces or to please the kiddies who wish to play the game of war.

WRA MAKES FAREWELL BOW

The War Relocation Authority is making its farewell bow to the Appropriations Committee in this bill. It had been granted $157,170,000 in previous appropriations and we have allowed it $25,000,000 for next year to wind up its affairs, so that altogether its cost to the taxpayers will be $182,170,000. The main activity of the Authority at this time is the transfer of Japanese from the relocation centers to what they expect to be their permanent places of abode. There are still in the centers about 53,000 people who are free to be relocated. Each one may elect the place he desires to go and the Government will pay the cost of his transportation and relocation, provided the place is within the continental limits of the United States. In addition, each evacuee is allowed a grant of from $75 to $150 to enable him to become established at his new location. It is expected that the evacuation will be completed and that the eight relocation centers will be closed by January 1 next. That will leave only one camp at Tule Lake, Calif., and complete jurisdiction over it will be transferred to the Department of Justice. There are 20,000 Japanese at Tule Lake, including 7,000 adults, some of whom are listed as incorrigibles. Approximately 42,000 Japanese have been relocated to date outside of centers. Of these, 8,000 have gone into the Army, and the Four Hundred and Forty-second Combat Team, a Japanese-American unit, has made a wonderful record of loyalty and bravery in Italy and France.

END OF CENSORSHIP DRAWS NEAR

In the bill before us the Office of Censorship probably appears for the last time. Finis cannot be written on its activities too soon to suit its able Director, Byron Price, whose services as a top-notch newspaper executive are in demand and who is anxious to get back to his first and only love, the newspaper business. Testifying to our subcommittee—page 244 of the hearings—he said:

> As far as I am concerned I will certainly recommend that it (the Office of Censorship) be terminated the moment American lives are no longer in danger, without waiting for the treaty which would technically, legally, end the war.

Including the $13,000,000 carried in this bill the total appropriations for the Office of Censorship amount to $106,000,000.

While no one connected with our committee claims the gift of prophecy—and certainly I would be the last one to pretend such a gift—I think it is safe to assert that the following titles in the bill presently before us will never be seen in appropriation bills again: Office of Strategic Services, Petroleum Administration for War, Office of Defense Transportation, National War Labor Board, and Selective Service System. The Office of Alien Property Custodian also probably is on the way out, although it may linger longer than some of the others due to the time required to wind up its various and complicated business operations.

OWI APPROPRIATION REDUCED

The Office of War Information, which is distinctly a war activity, will be wound up by statutory limitation 6 months after the end of the war, if Congress does not terminate it sooner. Its distinguished Director, Elmer Davis, no doubt will be glad to resume his eminent career in radio and journalism with an income many times his Government salary. In appropriations up to date the Office of War Information has cost the taxpayers $122,941,601. The amount carried in the pending bill for that activity is $35,000,000 as against a Budget estimate of $42,000,000. Under the Budget proposal 52 percent of the appropriation of $42,000,000 would have been spent to carry on OWI activities in the European theater, where the shooting has stopped, and only 48 percent in conducting psychological warfare and other activities against the Nipponese enemy who still remains to be licked. Fifty-three percent of the personnel would be assigned to European operations and only 47 percent to the Far East. This did not seem to your subcommittee to be a very logical distribution of funds and I think all of us had some misgivings about a proposal to publish seven newspapers in Germany during the fiscal year 1946 at a cost of $713,765 for that year alone. I am one of those who appreciate the fine work done by the OWI in the past, but I believe it would be wise to consider a faster tapering off of its operations in Europe and a greater concentration of its efforts to defeat Japan. It would seem to me that the problem now of the OWI is not so much the reeducation of Germany as it is the defeat of Japan.

It is not easy to measure accurately the effect of a leaflet on morale, but in both Europe and Asia it has been proved that leaflets can undermine the fighting spirit of enemy troops. They are most effective when used against soldiers who are hungry, weary, confused, or separated from their units.

The importance of radio in the psychological warfare program has been increased tremendously through the installation of a giant transmitter on Honolulu and a relay transmitter on Saipan. The rather violent and contradictory reactions of Tokyo to these broadcasts—jamming, changes of programing, and threats against listening—are indication that they are being heard.

There probably is a higher degree of literacy in Japan than in any other country on the globe, over 99 percent. The Japanese had at least 5,000,000, and perhaps as many as 7,000,000 radio receiving sets when the war began. How many of them have been put out of commission by bombing no one knows, but it would appear that through the medium of radio transmission and leaflets dropped from airplanes and shot from guns, the OWI would find a sufficiently fertile field in Japan for its propaganda activities. An auspicious beginning of this line of activity already has been made. Many of the B–29 planes and naval carrier planes carry leaflets and drop them in raids over Japan. Some of us believe that it is the Japanese theater, rather than in Europe, that OWI will find its most inviting opportunities for continued effective service. That, I think, was the main motivation for the cut in this estimate.

SURPLUS PROPERTY BOARD AN ENIGMA

While numerous appropriation titles are significantly fading from our war agencies bill, some new faces are appearing, so to speak. These are the titles that have to deal with bridging over from war to peace, and the most conspicuous of these new appropriations is the one for the Surplus Property Board. Here we ran into astounding astronomical figures. The lowest estimate of the value of surplus property to be disposed of is $50,000,000,000, and the highest is $100,000,000,000. Either sum is incapable of comprehension by finite minds. The Surplus Property Board is a coordinating and not an operating agency. It allocates operating funds to the various disposal agencies, and $60,000,000 was the amount set up in the estimate for this purpose to cover a period of about 4 months.

With all due respect for the officials who came before us representing the Surplus Property Board, they were unable to give us any helpful assistance because in setting up this new activity, which involves so many imponderables, there is absolutely no landmark to go by. They could give us no facts worth while, because in the nature of things they did not have and could not have such facts. Our subcommittee, as a guess in the dark, decided to allow the Board $40,000,000 and give it time to find its bearings in the school of experience. This will furnish the disposal agencies funds to start operations, and when they learn more definitely what their requirements will be they may submit estimates for supplemental appropriations.

CANCELLATION CLAUSES AN ADVANTAGE

Fortunately for speedy liquidation of the war agencies, nearly all of the many thousands of contracts they have entered into for materials, construction, and so forth, contain a standard cancellation clause which facilitates winding up the business and closing the accounts. Acting Director R. L. Putnam, of the Office of Contract Settlement, estimated—page 832 of the hearings—that in the next 6 months contracts will be canceled at the rate of $2,000,000,000 a

month. These are largely Army, Navy, Maritime Commission, and lend-lease contracts. Actually at the end of March, Mr. Putnam further testified, 140,000 contracts with a dollar volume of $27,000,000,000 had been canceled and 132,000 contracts, dollar volume $18,000,000,000 had been settled. The dollar volume of the contracts still outstanding as of the middle of April was $60,000,000,000.

APPROPRIATIONS PASSED OVER

By action of a majority of our committee appropriations for the Office of Price Administration and the Fair Employment Practice Committee were left out of the bill pending enactment of authorization legislation. I am confident that Congress will pass legislation to continue the Office of Price Administration and that the authorization will be followed by an appropriation to implement it with necessary funds. While the OPA has suffered from maladministration in too many instances and mistakes of judgment have grievously entered into its enforcement operations, aggravating criticism and fomenting irritation, nevertheless the agency has done a fine over-all job in curbing the inflation which undoubtedly by this time would have swept the country if there had been no OPA price controls.

I regret exceedingly that our committee rejected a motion I made to provide an appropriation to continue the Fair Employment Practice Committee under Executive order. That Committee has done much good in smoothing out race relations during the war emergency, and it will be especially needed, in my opinion, during the postwar reconversion period when employment difficulties will become multiplied and intensified. In 1919, following the First World War, when there were no controls similar to those of the FEPC, there were 26 race riots. I hope that the Senate will provide the funds for the FEPC which the House has failed to provide. Then we can approach the subject in conference with the hope of working out an agreement that will enable the FEPC to live and carry on. We should not forget that both the national political platforms last year endorsed the FEPC in principle.

The Democratic platform said:

We believe that racial and religious minorities have the right to live, develop, and vote equally with all citizens and share the rights that are guaranteed by our Constitution. Congress should exert its full constitutional powers to protect those rights.

The Republican plank was as follows:

We pledge the establishment by Federal legislation of a permanent Fair Employment Practice Commission.

COMPARISON SHOWING CUTS

A comparison of the Budget estimates for major items in this bill and the reduced amounts carried in the bill as reported, shows that the members of our committee wielded sharp pencils in holding down the items in harmony with public sentiment, which demands that the bureaucratic war agencies be reduced as soon as possible. That comparison, as applied to the main titles of the bill, is as follows:

	1945 appropriation	1946 Budget estimate	Amount carried in this bill
National War Labor Board	$14,300,000	$13,405,000	$13,320,000
Alien Property Custodian	4,000,000	3,370,000	2,500,000
Office of Defense Transportation	14,050,000	7,700,000	7,000,000
Office of Scientific Research and Development	162,000,000	77,500,000	70,000,000
Inter-American Affairs	17,693,000	15,880,000	14,000,000
Office of War Information	53,875,367	42,000,000	35,000,000
War Production Board	63,500,000	29,148,000	35,000,000
Smaller War Plants Corporation	10,000,000	8,000,000	7,000,000
War Shipping Administration	530,350,000	485,595,000	437,325,000
Office of Censorship	24,593,000	14,350,000	13,000,000
Office of Strategic Services	43,000,000	38,165,000	25,000,000
Petroleum Administration for War	4,950,000	4,000,000	3,968,290
Office of War Mobilization and Reconversion	1,198,488	63,996,500	43,956,700

A SOUND BILL

We believe that this is a good bill and that it represents straight thinking as to what is best for the country in this critical period when reconversion problems of great magnitude are challenging attention and demanding solution. We believe that it points in the direction of a sound economy and the restoration of all of the constitutional rights of individual initiative and free enterprise that are so sacred to our people. We hope that the House will approve our work.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield just for a question?

Mr. LUDLOW. I cannot resist the importunity of my good friend.

Mr. HOFFMAN. I did not know I had that power.

The question is, I understood the gentleman to say, that the President has shown how to get along with Congress. Can the gentleman advise me as to what the Rules Committee and the majority are going to do about FEPC, whether they are going to go along with him?

Mr. LUDLOW. I will have to reply to the gentleman that in that instance I am not informed. I am speaking in general terms.

Mr. HOFFMAN. I thank the gentleman for the information.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I yield 20 minutes to the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Chairman, I have asked for this time to discuss a bill dear to my heart and to the heart of every American who believes in human rights. Our patience has been tried by the intolerance, the prejudice, and completely unfair attitude of the opposition. We are willing to debate this question in this forum and accept the decision of the membership. It seems to me nothing could be fairer than this. We are not afraid of the verdict. We can take it, whatever it is. That is all we ask of the opposition.

No committee and no group should have the right to prevent a bill, almost unanimously reported by a standing committee of the House, from being considered by the full membership of the House. To do so is a confession of great weakness and a lack of courage.

I want to thank the chairman of the Committee on Appropriations [Mr. CANNON] for his courtesy in giving me this time to attempt to clarify some misstatements about which I think we are all concerned. In the beginning of this session of Congress, there were some 12 bills introduced on the subject of FEPC. They were divided almost evenly between Democratic and Republican sponsorship and the Labor Committee, finally, after consideration, adopted a bill which is a composite of what we felt were the best features of all the bills. I am giving this background for the benefit of the Members who are not familiar with it or with the provisions of the bill being discussed.

H. R. 2232 sets forth in its statement of principles a right of all people under this Government, and inherent in the Constitution, the right of freedom to work, regardless of race, creed, color, or national origin, or ancestry. This is a right which more recently has been accepted as a principle by our allies as well as ourselves in the Atlantic Charter.

The bill then sets forth just what shall be discriminatory practices in employment that will be forbidden by this act. It will apply to employers as well as labor unions. As in a great many other administrative acts passed during the past 12 years, it also protects employees who oppose the proscribed unfair employment practices or who file charges under the act. This is not extraordinary, it is consistent with administrative practices which have been approved and accepted by other agencies set up by Congress.

This act, of course, will take in no business which does not affect interstate commerce. It will affect employers hiring more than six employees for employment in industries in interstate commerce and will forbid, as well, the limiting of hiring or recruitment to any source that discriminates in referrals. Labor unions also are affected in the same way.

The act, also, calls for the setting up of an administrative agency to enforce the provisions of the act, consisting of five members appointed by the President with the advice and consent of the Senate. These members shall be known as the Commission and will be appointed for staggered terms of 5 years each. The present Fair Employment Practice Committee shall, upon enactment of this legislation, cease to exist, but its employees, records, papers, and property will be transferred to the Commission.

The jurisdiction of the Commission is defined to take in employers of six or more individuals and labor unions of six or more individuals engaged in business affecting interstate commerce, contractors, and subcontractors of the Federal Government and agencies of the Federal Government itself.

The set-up of the procedures of the Commission is patterned directly on the NLRB and the rules of judicial enforcement and judicial review follow the customary procedure as approved by the Supreme Court.

The investigatory powers likewise follow well-tried practices of many other administrative agencies.

The Commission is authorized to issue and amend regulations whenever necessary, but Congress can, under the provisions of this bill by concurrent resolution, within 60 days of issuance of the regulations, thereby rescind those regulations. This, in a most general way, is a very brief outline of the bill H. R. 2232.

We know that the committee established by the President has, without sanctions and with a very small staff, succeeded in establishing the principle of freedom from discrimination in employment. The Executive order of the President ends 6 months after hostilities cease. We believe, unless we continue by law, the principle of economic freedom, we shall be faced with many very serious problems when this war ends. We cannot write a set of principles to serve in winning a war and refuse to accept them when peace comes.

The men and women serving in the armed forces are of all creeds, colors, and national origins. Their service to their country is not predicated on color or ancestry or anything other than that they are good Americans. They are Americans fighting for a common objective, freedom in the broadest sense of the word. We have repeated over and over again that this war is being fought to preserve freedom in our own country and to extend it to the peoples of the world. If we are honest—and I believe we are, at least most of us are—there remains one way to prove it and that is to end discrimination in our own country.

During the past several months some Members of the House have made speeches, overflowing with oratory and very much lacking in facts, on the subject of this bill. I regret that it is so very obvious that the authors of these speeches are all tarred with the same stick of prejudice. The history of this issue as a matter of public record, is that the only opposition to the legislation exists in the States below the Mason and Dixon's line. It is, of course, conceded that any Member has the right to make a speech in opposition to any bill, but when the opposition uses misstatements as to facts, they should be corrected. Some of the misstatements are used so often that I feel, in the interest of truth and fair play, they should be emphasized here.

It has been said that no limit is placed on the number of employees who could be hired under the terms of the measure. This statement is ridiculous on the face of it since Congress has always possessed the power, through appropriations, to limit the personnel of any and all agencies; and, may I say, it is a power which has been used very frequently, particularly in recent years.

Another statement which has been made by the opponents about this bill, is that Congress shall delegate to the Commission tremendous legislative, judicial, and administrative powers and functions. If there is one line in this bill giving the FEPC the power to write legislation, then I wish someone would point it out to me. In fact, even the customary power to issue regulations applicable to procedure is limited by the provision in section 10 that Congress may disapprove any regulation by concurrent resolution within 60 days of the issuance of such regulation. No judicial powers are conferred upon the FEPC since the orders of the Commission, like the majority of agencies in existence for many years, are merely exhortations unless and until a Federal court embodies them in a decree of its own. The Commission will not have any power to impose penalties or to punish for contempt, since, as anyone knowing anything about administrative agencies knows, judicial intervention is needed even to obtain obedience to subpenas. These facts are not new, they existed since administrative agencies came into being and almost identical provisions are contained in legislation creating the Federal Trade Commission in September 1914.

Time and again the statement has been made that the FEPC members who would hear and try cases could be appointed without restraint as to qualifications. The members who use this argument are doing their Chief Executive and their colleagues in the Senate a grave injustice, since the Commission, like every other administrative agency, is appointed by the President with the advice and consent of the Senate. They in turn would hire those to work under them. The procedure of Presidential appointment was thought effective and necessary enough to be incorporated in the Constitution of the United States when it was written and has proven so successful that there has never, to my knowledge, been even a question of an amendment to change this provision of the Constitution.

Once again, the opponents of administrative procedure are making the blanket statement that the hearings before the Commission would be biased and prejudiced. They make this statement regardless of the fact that the Federal courts all over the country and also the Supreme Court have issued rules as to what constitutes a fair hearing before an administrative agency. No court would sanction and no administrative agency allow the official who presides at its hearings to prosecute the case or even to investigate it. National Labor Relations Board orders have been set aside because a trial examiner cross-examined witnesses. They have done this with other agencies also and will continue to do so if and when it happens again with any other agency governed by the same rules and regulations, which would govern FEPC under the pending bill.

The allegation that the FEPC judges would be free to admit hearsay evidence, conclusions of witnesses, and ex parte statements is also made without basis in fact since the courts insist that any order of an administrative agency be supported by "substantial evidence" as "more than a scintilla and must do more than create a suspicion of the fact to be established. It means such relevent evidence as a reasonable mind might accept as adequate to support a conclusion." Of course, it is possible that the term "reasonable mind" is what confuses the opposition.

If, as the opponents so bluntly put it, the right of judicial review is a farce, why are there so many appeals from orders of such agencies? The reviewing court under H. R. 2232, would insure: first, that the Commission acted within its jurisdiction; second, in accordance with due process and the traditional requirement of a fair hearing; and, third, that the findings of fact are supported by substantial evidence.

A favorite and particularly stupid allegation of the opposition is that this bill would give social equality to Negroes. My answer to that, although it is really too fantastic to need an answer, is that social equality is earned by individuals, not presented to them gratuitously. There are many white people with whom I would not associate socially, and I am sure that all of you feel the same about many people of your own acquaintance. There is not one word in the bill which would give more than an equal chance for employment to any minority. Of course, I am completely aware, as I stand here, that blindly prejudiced individuals refuse to listen to the fairest statement of fact in this matter, and I regret to admit that the majority of the opposition, and the reason, in fact, for the necessity of such legislation as this, is just such blind unreasoning prejudice. There is an old saying that "there are none so blind as those who will not see." That, I believe, is the case in this instance.

In one of the opposition speeches I have read, it has been stated that "Minority groups would be given preferential treatment to the detriment of every other element of American society." This is completely and entirely untrue. Minority groups would be given equal treatment—equal justice—nothing more. It was also said that "the enactment of the bill would repeal the veterans' preference rights as outlined in the Selective Service Act." Completely and entirely untrue. That "private enterprise, small business, the merchant, farmer, newspaper, organized and unorganized labor, Federal and State and country would be hounded for the supposed benefit of these minority groups." Again, completely inaccurate. And last, that "the minority groups whom the proponents of the bill would seek to benefit would suffer more than every other element of American society, therefore, that by enacting the proposed bill, Congress would violate its duty to promote domestic strength and tranquillity." To all of this there is an unanswerable argument: the bill seeks only to give economic justice to every human being, regardless of race, color, creed, or national origin or ancestry. If the things we are fighting for for which millions of American lives have been sacrificed—white Americans, black Americans, naturalized Americans, Catholics, Protestants, and Jews—mean what we have

said they mean, then in God's name forget prejudice, forget their color or their race and give to all equal economic justice under the law. That is all we are asking for—economic justice. If men are equal in ability, they should be treated alike, regardless of from where they come or what their color. That is all we ask. Don't try to distort the truth. Remember that there will be a day of reckoning when we shall have to answer to God for our actions. Prejudice will not help us then. We cannot ask men, white and black, to lay down their lives, if necessary, on the altar of democracy and then when the war is won, say to them, "We didn't mean you; we meant only white men, only Americans of several generations, not naturalized Americans, not Jews."

Why has the Rules Committee refused to give another committee of the House the privilege it is entitled to to bring a bill, almost unanimously reported, to the House, the right to have it debated by the membership of the House? Is that democracy? What kind of democracy? Are we trying to say to other countries of the world that we in America believe in democracy—that all men are born equal under the law and then when the test comes in our own country deny to the minority groups the same rights and privileges accorded to the majority groups? Is that what America believes? Is that the sort of thing we have been fighting for? I think not. I have no sympathy for the narrow-minded point of view that is always afraid to change the status quo. A few years ago we had this same kind of debate about whether or not men and women should be paid a living wage when the wage and hour bill was before the House. We won, as we are going to win in this debate. That law has done more to bring up the standard of living in this country than anything ever attempted, but it was difficult to make the opposition believe it would succeed. The same arguments were used against that bill. It is true that every big step taken in advancing the cause of economic security or in changing the status quo brings great opposition from those individuals who believe their personal fortunes or habits may be changed by the progressive step contemplated. This is to be expected, but no progress would be possible if people who believe in it did not accept the challenge of the opposition and fight for what they believe right. It is in this spirit and because I believe in my soul that this legislation is absolutely necessary that I accept the challenge of the opponents and ask all Members who believe in justice and fair play to sign No. 4 petition and join me in attempting to bring a belated justice to the millions of underprivileged minorities throughout America.

I am sorry that it is necessary to bring so important a bill to the House by means of a petition. But since it is necessary I sincerely hope those of you who do believe in justice and in fair play and in the American way of life will not hesitate to sign this petition, since, apparently, it is the only way we can possibly debate this bill.

SCUTTLING THE FEPC

[From the Washington Post of June 7, 1945]

The Fair Employment Practice Committee is being made a victim of efficient neglect. It was studiously and conspicuously ignored by the House Appropriations Committee when that body reported out on Friday the war agencies appropriation bill for the fiscal year beginning July 1. Without funds, the FEPC would, in any case, be rendered altogether impotent. But because it happens to be an agency established by Executive order, congressional failure to grant it an appropriation would deprive it even of skeleton existence. And the ugly part of this slick scheme is that the House will probably have no opportunity to vote on continuance of the FEPC. According to the rule under which the appropriation measure was brought to the floor, any motion to include the FEPC can be summarily knocked out on a point of order—which Representative JOHN RANKIN has already served notice that he will raise.

The transparent pretext on which the FEPC was left out of the appropriation bill is that a proposal is currently before Congress to establish a permanent and statutory Fair Employment Practice Commission. In the House, this proposal is securely bottled up in the Rules Committee—again thanks to the sabotage of Representative RANKIN. In the Senate, it is under the threat of filibuster from a small group of irreconcilables. There seems scant chance of its being enacted at all—and no chance that it will be enacted before the end of this month when the existing temporary agency is scheduled for extinction. If a permanent FEPC is created by Congress, it will, of course, take over the files and the funds as well as the work of the present body.

There is peculiar need for action by the Federal Government to prevent employment discrimination in the reconversion period. The inevitable dislocations of the period will be the harder to bear if un-American prejudices work to the disadvantage of minority groups in the discharge and gradual reemployment of warworkers. Negroes in particular—since they are traditionally the last to be hired and the first to be fired—are entitled to look to their Government at least for an assertion of their basic rights. An FEPC, working wisely and patiently as the present executive agency has done, can help substantially to promote fair play in the difficult transition from war to peace. We must look to the Senate, and to leadership from President Truman, to repair the damage wrought by legislative trickery in the House.

FEPC APPROPRIATION

[From the Washington Star of June 6, 1945]

The Fair Employment Practice Committee is faced with another threat to its existence.

Last week the House Appropriations Committee, in reporting out the supply bill for the war agencies, failed to make any provision for FEPC funds. This was a deliberate omission, the theory being that there is no cause to continue a temporary agency created by Executive order when legislation is pending for the establishment of a permanent FEPC. But this is a line of reasoning which ignores the practical aspects of the matter.

Unless it is granted an appropriation, the present FEPC will cease to function at the end of this month. Nor is there the slightest chance that a permanent FEPC will be in existence by that time. On the contrary, the legislation to set up a permanent agency is facing a long, hard fight in Congress, and there is no assurance that it will be enacted in any form at this session. Consequently, unless funds are appropriated for the existing FEPC, there will be, at best, a long period of time during a critical phase of reconversion when there will be no governmental agency to deal with the important problem of discrimination in employment.

On its record the FEPC deserves a better fate. During 1944 the agency docketed 3,635 cases. Satisfactory adjustments were obtained in 1,324 cases, the great bulk of the remaining complaints being dismissed because of insufficient evidence, lack of merit, or lack of jurisdiction. These statistics indicate that the temporary FEPC deserves to be continued until Congress acts on the pending legislation to create a permanent agency. But if this is to be done, the Senate must take the initiative in making available the appropriation, which the House committee was unwilling to recommend.

Mr. KEEFE. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. KEEFE. I have listened with great interest to the very splendid statement and exposition of the bill reported out of the committee of which the gentlewoman from New Jersey is chairman. I would like to inquire, out of her broad knowledge of this whole subject matter, whether or not the bill which was passed by the State of New York and which was written into the law of that State in any way approximates the objectives which are included in the bill submitted by the gentlewoman from New Jersey.

Mrs. NORTON. I understand they do, although I have been told that they go a little further than we do in our bill. I understand the principle and the objective, of course, is the same.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentlewoman one additional minute.

Mrs. NORTON. May I go further and say to the gentleman that I have not read the New York bill, so that I am not qualified to say just exactly what is contained in it, but I have read newspaper stories and I have heard a great deal about it. I understand it is very much like this bill except that I think the penalties go a little further than we go in our bill.

Mr. KEEFE. What is rather amazing to me is the fact that there is a bill which was placed on the statute books of the State of New York by a Republican legislature and a Republican governor, and here in this Congress, with the Democratic Party committed in its platform to the passage of the FEPC and the President insisting upon its passage, and with every committee of this House controlled by the Democratic administration, including the Rules Committee, that bill does not come before this House.

Mrs. NORTON. It does not surprise the gentleman any more than it surprises me.

The CHAIRMAN. The time of the gentlewoman from New Jersey has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the State

of the Union, reported that that Committee having had under consideration the bill, H. R. 3368, had come to no resolution thereon.

EXTENSION OF REMARKS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to extend my remarks just made today and to include therewith two editorials.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill today may have 5 legislative days in which to extend their own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

NATIONAL WAR AGENCIES APPROPRIATION BILL, 1946

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that general debate on the bill, H. R. 3368, be limited to 2 hours tomorrow, one-half the time to be controlled by the gentleman from New York and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, how does the time stand on general debate today?

The SPEAKER. The gentleman from Missouri has used 1 hour and 33 minutes and the gentleman from New York has used 52 minutes.

Mr. TABER. It would seem to me that the time should be balanced tomorrow. I would be willing to let it go for 2 hours tomorrow if we should receive the same time in all.

Mr. CANNON of Missouri. Then, Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, 1 hour and 15 minutes to be controlled by the gentleman from New York [Mr. TABER] and 45 minutes by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SMITH of Virginia, from the Committee on Rules, submitted the following resolution (H. Res. 289) for printing in the RECORD:

Resolved, That during the consideration of the bill (H. R. 3368) making appropriations for the war agencies for the fiscal year ending June 30, 1946, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

SALARY AND WAGE ADMINISTRATION IN THE FEDERAL SERVICE

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that it may be in order at any time next week to consider the bill (H. R. 3393) to improve salary and wage administration in the Federal service, and so forth, and that there be not to exceed 3 hours of general debate, one-half of the time to be controlled by myself and one-half by the ranking minority member of the Committee on the Civil Service, the gentleman from Kansas [Mr. REES].

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. HORAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein a column from this morning's Washington Post.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute following the other special orders today.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. FULTON. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes today following the other special orders, to explain six companion bills which I have introduced.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. Under the previous order of the House the gentleman from Kansas [Mr. REES] is recognized for 15 minutes.

DISPOSITION OF SURPLUS GOVERNMENT PROPERTY AND GOVERNMENT-OWNED WAR PLANTS

Mr. REES of Kansas. Mr. Speaker, on October 3, 1944, the President signed the Surplus Property Act which provides for a Surplus Property Board having general supervision and direction over the handling and disposal and transfer of surplus property between Government agencies. The Board operates in an advisory capacity only, and merely determines the policy to be followed by the various Government agencies concerned with the handling and disposal of surplus property under their control. Billions of dollars' worth of property of all kinds is rapidly coming under the jurisdiction of this Board.

I am reliably informed that the waste, the confusion and graft in connection with the disposal of Government propetry is mounting to huge proportions. If this condition continues without an active investigation and study by the Congress, it will result in a scandal that will dwarf even the Teapot Dome scandal of several years ago.

At least a dozen agencies of the Federal Government are constantly handling and disposing of billions of dollars' worth of Government property. It is true the Surplus Property Board attempts to coordinate and establish policies for this gigantic task, but because these agencies have been established for a long period of time and their policies are already well formulated, the Surplus Property Board is unable under existing law to cope with the various problems which arise from day to day and hour to hour in each of these Federal agencies.

My attention has been invited to alleged black market operations, graft, and bribery which, it is claimed, is prevalent in connection with the disposal of surplus war property, particularly in the case of scarce commodities for which there is so much demand today. I do not know how many millions or billions of dollars' worth of goods are never declared surplus and are disposed of in an illegal and unethical manner. These charges which have come to me and other Members of Congress should be thoroughly investigated and those guilty of war profiteering should be put in jail.

It is impossible for the Congress to determine what action should be taken until a thorough study and investigation is made of the entire situation. It is my opinion, and other Members of Congress share the same view, that all agencies handling surplus Government property ought to turn over to one central agency the disposal of all surplus Government property for ultimate disposal according to policies formulated by a Surplus Property Board. As the law stands today there is an open invitation to all manner of profiteering and graft, I believe that in order to avoid a national scandal and to protect the interests of the American people and save them billions of dollars, such an investigation should be conducted.

Now is the time for the Congress to act upon this subject and not at a later date when no affirmative or corrective measures could be adopted to alleviate a past condition. If the Congress does not act very soon upon this all-important matter, I believe it will be too late to enact remedial legislation. I do not propose to stand idly by while our brave boys are making sacrifices upon the battlefields of the world, and let our Government be lulled into complacency by a group of men who are making millions through the improper and illegal purchase of surplus war goods. This is a serious matter. I urge the Members of the House to act favorably upon the resolution I am offering today.

Briefly, the resolution which I have submitted provides for the establishment of a committee of five Members of the House appointed by the Speaker. The committee is authorized to conduct a thorough investigation of all activities of the Federal Government in connection with the handling and disposal of surplus property, including the present operations and policies of the Surplus Property Board. Also the committee should be authorized to investigate the irregular and illegal activities of Government employees who may be engaged in the handling and disposal of surplus property; and finally, the committee should inquire into the overlapping and duplication of functions and activities of the Government agencies concerned with the disposal of surplus property. After the investigation the committee should report to the Congress its findings and propose such remedial legislation it considers necessary in order to protect the public interest and to insure the most expeditious, efficient, and businesslike

handling of surplus property and Government-owned war plants. The committee should continue in existence throughout the period of reconversion and should keep a watchful eye upon the disposal of all surplus property, including the Government-owned war plants.

Economic dislocations and maladjustments will occur if surplus Government property and war plants are disposed of upon an inequitable basis. This will seriously impair our reconversion program. It is easy to see that inequitable concentrations of industries in urban areas in certain parts of our country will seriously impair the economic future of other parts. A realistic approach to this entire problem should be taken, and solutions should not be based upon political or personal considerations. The dislocation of great numbers of our population if continued during the reconversion period will impair the future economic growth of our Nation. It is my belief that the Congress as well as the executive branch of the Government should seriously consider this problem before steps are taken which cannot be retraced. If we are not to have a planned economy, it is necessary for private industry to have freedom of action which could be destroyed by an inequitable disposal of surplus property and Government-owned plants.

These serious problems merit the consideration of every Member of the House. It is my judgment if a committee such as I have outlined is established, it will not only save billions of dollars, but its investigations will result in recommendations which outline a safe and sane policy of readjustment.

GEN. GEORGE S. PATTON

The SPEAKER. Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 1 minute.

Mrs. ROGERS of Massachusetts. Mr. Speaker, at the Bedford, Mass., airport, in my congressional district, this afternoon, Maj. Gen. Sherman Miles, of the First Service Command, and other dignitaries are welcoming home Gen. George S. Patton.

I know the entire country gives him welcome and all of his men. Certainly no general in all the theaters of war did more with so little than did General Patton. Even Gen. George C. Marshall, Chief of Staff, has admitted for a long time that General Patton did not have adequate supplies; yet he won brilliant victory after brilliant victory, and would have been in Berlin ahead of our allies, the Russians, if he had not been held back.

Our thanks today go to him and to every one of his gallant army.

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. FULTON] is recognized for 5 minutes.

MILITARY AND NAVAL TRAINING

Mr. FULTON. Mr. Speaker, I have introduced today six companion bills for the following purposes:

First. To provide for a threefold increase in the Cadet Corps at the United States Military Academy at West Point.

Second. To provide for a threefold increase in the number of midshipmen at the United States Naval Academy at Annapolis.

Third. To establish a United States Women's Military Academy—a women's West Point.

Fourth. To establish a United States Women's Naval Academy—a women's Annapolis.

Fifth. To provide for the establishment of a United States Military Aviation Academy.

Sixth. To provide for the establishment of a United States Naval Aviation Academy.

These bills were prepared and extensive study was given by me to the matter, the early part of February of this year, on my return from the Philippines from carrier duty with the Navy, to take my seat in Congress. I have not filed the bills until now, as I did not in any way want to interfere with our foreign relations or the plans for the San Francisco Conference, which is now almost completed.

It is my intention to have the Army and the Navy take advantage of existing facilities now spread over the country and start the new classes this fall, if possible.

The buildings, surplus equipment, and instructors are all available and only need to be assembled and organized. Hundreds of boys are voluntarily applying for just such training.

As to locations, there should be three separate institutions for the Military Academy—one in the East, one in the Midwest, near Chicago, and one in the West. Annapolis should have three institutions—one on the east coast, one on the Gulf of Mexico, and one on the west coast—to train men in all types of conditions affecting our Navy.

The women's locations should be selected to use women's college facilities where possible, with special emphasis on the education of women for the administration, supply, personnel, and communications divisions of both the Army and the Navy. The servicewomen have definitely shown their capabilities. The contributions they have made to America's effort in this war certainly have won them a permanent place in American life, and these bills for women's academies give them that recognition.

I have obtained on February 17, 1945, comparative statements through the Director of the Legislative Reference Service of the Library of Congress furnished from the War Department and the Navy Department. I quote as follows:

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, February 17, 1945.

Hon. JAMES G. FULTON,
House of Representatives,
Washington, D. C.

DEAR MR. FULTON: With reference to your inquiry of February 16, the Navy Department has furnished us the following data:

Years in which the number of midshipmen was changed by law	Number of midshipmen authorized on Oct. 1	Active strength of the Navy on June 30	
		Officers	Enlisted men
1905	881	2,544	35,279
1916	1,231	3,870	55,123
1917	1,455	8,038	185,143
1918	2,120	[1] 22,549	[1] 423,270
1924	1,976	8,165	87,709
1928	1,790	8,898	84,822
1932	1,789	9,463	81,679
1935	2,022	9,783	83,343
1941	3,117	28,421	247,417
1941 (Regular Navy only)		13,149	208,183
1944	3,117	267,754	2,600,153
1944 (Regular Navy only)		43,403	461,322

[1] Of the above number of officers and enlisted men on active duty in 1918 those in the permanent Regulation Navy were 9,199 officers and 208,671 enlisted men.

The War Department furnished the following data:

Years in which the number of cadets was changed by law	Number of cadets authorized	Actual strength of the Regular Army	
		Officers	Enlisted men
1905	522	3,934	63,022
1908	533	3,966	72,462
1913	580	4,845	87,190
1916	1,332	5,025	102,616
1919	1,334	8,039	194,378
1926	1,374	11,779	119,928
1935	1,960	12,037	125,098
1942	2,496	14,401	538,462
1944	2,496	15,441	[1]

[1] War Department states that total enlisted men in the Regular Army has not been compiled since 1942.

Sincerely yours,
ERNEST S. GRIFFITH,
Director, Legislative Reference Service.

Mr. Speaker, these figures show the lack of development of our military educational facilities in comparison to the great development of our armed services. They also show that our voluntary educational facilities are out of gear with our proposed postwar military establishment. There are many times more officers from outside educational institutions at present running our services, and West Point and Annapolis graduates are very much a minority—which should not be. Many large colleges of our country individually have more former students as officers in our services than the United States Military and Naval Academies.

The air branches of both services need technically trained men that should be provided a specialized education that only separate Army and Navy Academies under experienced air officer supervision can provide. These air branches should receive the recognition they have long merited by the establishment of separate air academies in locations adaptable to flight training.

A final result of the immediate adoption of this plan of expansion will be that our veterans of this war will be given a chance to complete the rounded military education that hundreds of them want. They are capable, experienced, and certainly deserve the education. The Federal Government should immediately provide the education to which they are entitled.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. STOCKMAN, for June 6 and 7, on account of official business.

To Mr. AUCHINCLOSS (at the request of Mr. SUNDSTROM), for 2 days, on account of river and harbor investigation.

To Mr. ROBERTSON of Virginia, for 2 days, Friday and Saturday, June 8 and 9, on account of official business.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 65. Joint resolution to transfer to the Reconstruction Finance Corporation the functions, powers, duties, and records of certain corporations; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 209. An act for the relief of David B. Smith;

H. R. 981. An act to authorize payment of certain claims for damage to or loss or destruction of property arising prior to May 27, 1941, out of activities of the War Department or of the Army;

H. R. 1307. An act for the relief of Montgomery City Lines, Inc.;

H. R. 1527. An act to exempt the members of the Advisory Board appointed under the War Mobilization and Reconversion Act of 1944 from certain provisions of the Criminal Code;

H. R. 1567. An act for the relief of Katherine Smith; and

H. R. 1711. An act for the relief of Blanche H. Karsch, administratrix of the estate of Kate E. Hamilton.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 510. An act to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 209. An act for the relief of David B. Smith;

H. R. 981. An act to authorize payment of certain claims for damage to or loss or destruction of property arising prior to May 27, 1941, out of activities of the War Department or of the Army;

H. R. 1307. An act for the relief of Montgomery City Lines, Inc.;

H. R. 1527. An act to exempt the members of the Advisory Board appointed under the War Mobilization and Reconversion Act of 1944 from certain provisions of the Criminal Code;

H. R. 1567. An act for the relief of Katherine Smith; and

H. R. 1711. An act for the relief of Blanche H. Karsch, administratrix of the estate of Kate E. Hamilton.

ADJOURNMENT

Mr. LUDLOW. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock and 19 minutes p. m.) the House adjourned until tomorrow, Friday, June 8, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill (H. R. 2783) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a public hearing at 10:30 a. m., on Tuesday, June 12, 1945, on H. R. 3263.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, June 12, 1945, at 10 a. m., at which time hearings will be resumed on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

COMMITTEE ON THE JUDICIARY

The Committee on the Judiciary has scheduled hearings, to begin at 10 a. m., on Monday, June 18, 1945, on the following joint resolutions: House Joint Resolution 67, to declare the policy of the Government of the United States in regard to tide and submerged lands; and House Joint Resolution 118, House Joint Resolution 119, House Joint Resolution 122, House Joint Resolution 123, House Joint Resolution 124, House Joint Resolution 125, House Joint Resolution 128, House Joint Resolution 129, House Joint Resolution 130, House Joint Resolution 134, House Joint Resolution 137, House Joint Resolution 138, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 153, House Joint Resolution 172, and House Joint Resolution 193, entitled "To quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles." The hearings will be held in the Judiciary Committee room, 346 House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

535. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

536. A letter from the President, United States Civil Service Commission, transmitting a draft of a proposed bill to further amend the Classification Act of 1923, as amended; to bring about uniformity and coordination in the allocation of field positions to the grades of the Classification Act of 1923, as amended; and for other purposes; to the Committee on the Civil Service.

537. A letter from the Chairman of the Board, Reconstruction Finance Corporation, transmitting the report of the Reconstruction Finance Corporation for the month of March 1945; to the Committee on Banking and Currency.

538. A letter from the Chairman, Surplus Property Board, transmitting the second quarterly progress report of the Surplus Property Board; to the Committee on Expenditures in the Executive Departments.

539. A letter from the Acting Director of Budget and Reports, Navy Department, transmitting a report showing the name, age, legal residence, rank, branch of service, with special qualifications therefor, of each person commissioned from civilian life into the United States Naval Reserve, the Marine Corps Reserve, and the Coast Guard Reserve, during the period April 1, 1945, to May 31, 1945, inclusive, who have not had prior commissioned military service.; to the Committee on Naval Affairs.

540. A letter from the executive assistant to the Secretary, Department of Commerce, transmitting revisions of the estimates of personnel requirements for the quarter ending June 30, 1945, for coastal surveys and working funds, Coast and Geodetic Survey, requesting an increase of 23 positions in the former and a corresponding decrease of 28 in the latter; to the Committee on the Civil Service.

541. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in building No. 143 at the naval operating base, Bermuda, on April 26, 1945; to the Committee on Claims.

542. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill for the relief of First Lt. Jack Sanders, USMCR, for the value of personal property destroyed as the result of an explosion at Camp Lejeune, N. C., on January 22, 1945; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PRIEST: Committee on Interstate and Foreign Commerce. H. R. 3266. A bill to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes; with amendment (Rept. No. 702). Referred to the Committee of the Whole House on the State of the Union.

Mr. CHAPMAN: Committee on Interstate and Foreign Commerce. House Joint Resolution 116. Joint resolution to facilitate the execution of subsection (d) of section 13 of the Railroad Unemployment Insurance Act, as amended; without amendment (Rept. No. 703). Referred to the Committee of the Whole House on the State of the Union.

Mr. JARMAN: Committee on Printing. H. R. 2522. A bill to authorize the Secretary

of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States; without amendment (Rept. No. 704). Referred to the Committee of the Whole House on the State of the Union.

Mr. IZAC: Committee on Naval Affairs. S. 58. An act to amend an act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941, as amended, and for other purposes; with amendment (Rept. No. 705). Referred to the Committee of the Whole House on the State of the Union.

Mr. BIEMILLER: Committee on Naval Affairs. S. 397. An act to provide for the presentation of medals to members of the United States Antarctic Expedition of 1939–41; without amendment (Rept. No. 706). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Naval Affairs. H. R. 319. A bill to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia; with amendment (Rept. No. 707). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 289. Resolution waiving points of order against the bill, H. R. 3368, making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes; without amendment (Rept. No. 708). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FULTON:

H. R. 3402. A bill to establish a United States Women's Naval Academy; to the Committee on Naval Affairs.

H. R. 3403. A bill to establish a United States Women's Military Academy; to the Committee on Military Affairs.

H. R. 3404. A bill to provide for the establishment of a United States Naval Aviation Academy; to the Committee on Naval Affairs.

H. R. 3405. A bill to provide for the establishment of a United States Military Aviation Academy; to the Committee on Military Affairs.

H. R. 3406. A bill to provide for a threefold increase in the number of midshipmen at the United States Naval Academy; to the Committee on Naval Affairs.

H. R. 3407. A bill to provide for a threefold increase in the Cadet Corps at the United States Military Academy; to the Committee on Military Affairs.

By Mr. NEELY:

H. R. 3408. A bill to authorize a preliminary examination and survey of Buffalo Creek and its tributaries, West Virginia and Pennsylvania, for flood control, for run-off and waterflow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. RANDOLPH:

H. R. 3409. A bill to effectuate the purposes of the Servicemen's Readjustment Act of 1944 in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. ROBERTSON of North Dakota:

H. R. 3410. A bill authorizing the construction of a free highway bridge across the Yellowstone River near Fairview, Mont.; to the Committee on Interstate and Foreign Commerce.

H. R. 3411. A bill granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River; to the Committee on Interstate and Foreign Commerce.

By Mr. BREHM:

H. R. 3412. A bill to amend the Public Health Service Act so as to provide assistance to States in developing and maintaining dental health programs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LEMKE:

H. R. 3413. A bill to provide promotion of certain retired officers of the Army, Navy, Marine Corps, and Coast Guard who served as commissioned officers during two wars; to the Committee on Military Affairs.

By Mr. TRAYNOR:

H. R. 3414. A bill to amend the Public Health Service Act so as to provide assistance to States in developing and maintaining dental health programs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LYLE:

H. R. 3415. A bill to amend the Servicemen's Dependents Allowance Act of 1942 to provide for the continuance during the present war of the payment of monthly family allowances to dependents of enlisted men who die in service; to the Committee on Military Affairs.

By Mr. CANNON of Florida:

H. R. 3416. A bill to provide fair and just compensation for the use of any building, as defined in this act, by the United States and to provide for mutual cancelation rights between the lessor and the lessee, for the use of such building where governed by a written lease executed after December 7, 1941; to the Committee on Public Buildings and Grounds.

By Mr. REES of Kansas:

H. Res. 288. Resolution providing for the investigation of the handling and disposal of surplus Government property and Government-owned war plants; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to increase the subsistence allowances for war veterans while pursuing educational courses under the GI bill of rights, so-called; to the Committee on World War Veterans' Legislation.

Also, memorial of the President of the Chamber of Deputies of Lebanon, relative to the strife in Lebanon; to the Committee on Foreign Affairs.

Also, memorial of the President of the Chamber of Deputies of Syria, relative to the strife in Syria; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States relative to the establishment of a system of unemployment insurance in the maritime industry; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R. 3417. A bill for the relief of Clarence J. Spiker and Fred W. Jandrey; to the Committee on Foreign Affairs.

By Mr. McGEHEE:

H. R. 3418. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the United States Naval Convalescent Hospital, Banning, Calif., on March 5, 1945; to the Committee on Claims.

By Mr. SHAFER:

H. R. 3419. A bill for the relief of the estate of Mrs. Mary Karalis; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

889. By Mr. COCHRAN: Petition of Anna E. Filip and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

890. Also, petition of Henry G. Lear and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

891. Also, petition of Jack Pessina and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

892. Also, petition of Joseph Blow and 21 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

893. Also, petition of E. M. West and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

894. By Mr. SULLIVAN: Petition of Charles K. Baker and 234 other citizens of St. Louis, Mo., urging the passage of legislation enabling the tenants and occupants of Delmo Labor Homes to purchase these homes on long terms at low interest rates, so that these Missourians will not be evicted and rendered homeless under the farm-security program, now pending, to liquidate this project by sale to the highest bidder; to the Committee on Agriculture.

895. Also, petition of Andrew Jackson Carter and 252 other citizens of Missouri, urging the passage of legislation enabling the tenants and occupants of Delmo Labor Homes to purchase these homes on long terms at low interest rates, so that these Missourians will not be evicted and rendered homeless under the farm-security program, now pending, to liquidate this project by sale to the highest bidder; to the Committee on Agriculture.

896. By the SPEAKER: Petition of Robert Bettancourt and sundry others, of New York City, N. Y., petitioning consideration of their resolution with reference to House bill 2346; to the Committee on the Merchant Marine and Fisheries.

897. Also, petition of Samuel C. Pandolfo, petitioning consideration of his resolution with reference to a redress of grievances; to the Committee on the Judiciary.

898. Also, petition of the secretary, Texas Synod of the Evangelical and Reformed Church, petitioning consideration of their resolution with reference to their approval of Senate bill 101 and House bill 2232; to the Committee on Labor.

899. Also, petition of the secretary, Upper Mississippi Valley Water Use Council, petitioning consideration of their resolution with reference to a survey of the Upper Mississippi River Navigation Reservoirs; to the Committee on Rivers and Harbors.

SENATE

FRIDAY, JUNE 8, 1945

(Legislative day of Monday, June 4, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Reverend Jacob S. Payton, D. D., Washington, D. C., Assistant Director of the General Commission on Army and Navy Chaplains, offered the following prayer:

Almighty God, our Heavenly Father, we acknowledge Thy excellency, we return thanks for Thy continued goodness, and confess to Thee our sins and shortcomings. Amid the tribulations of our times, we need Thy peace for our hearts. In a day of confusion, we require the clarifying wisdom which is from above. In a world clamorous with many voices, teach us to take heed that we may hear what the Lord doth say. For all such help we turn to Thee, O Lord, whose mercy endureth forever, and whose promises to those who put their trust in Thee are faithfully kept.

We invoke Thy blessing upon Members of this body. Grant them strength for their labors, discernment of policies that make for national righteousness, courage for the realization of their ideals, and always a steadfast faith in Thee in directing the destinies of America.

Sustain our fighting forces with valor and guard us against failure to protect and preserve the peace and the liberties now being bought by their sacrifices. We offer our prayer in the name of Jesus Christ our Saviour. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, June 7, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 7, 1945, the President had approved and signed the joint resolution (S. J. Res. 66) to extend the statute of limitations in certain cases.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, in which it requested the concurrence of the Senate.

THE PRESIDENT'S PRESS CONFERENCES—ARTICLE BY ARTHUR KROCK

Mr. HATCH. Mr. President, the true measure of any man's greatness is nearly always demonstrated by the methods and the way in which he exercises power or discharges high responsibilities. A little man, given unusual power, does not take very long to demonstrate his littleness. A truly great man equally demonstrates his greatness by the simplicity and the humbleness with which he exercises and discharges power and high responsibility. No man was ever more suddenly thrust into position of great power and high responsibility than was the man who now sits in the White House.

This morning I happened to pick up the New York Times and read the article by Mr. Arthur Krock entitled "The President's Own Press Technique." The article describes President Truman and, in a measure, demonstrates how daily President Truman is giving evidence to the Nation and to the world that in the exercise of the great powers which have come to him and in the discharge of the high responsibilities of his office he is showing every mark of true greatness. In the last paragraph of the article Mr. Krock says:

Such is Mr. Truman's press conference technique, which really isn't technique at all, being simply Mr. Truman of Independence, Mo.

Mr. Krock makes plain that the President of the United States in remaining and being Mr. Truman of Independence, Mo., is showing every element and every mark of genuine and true greatness.

Mr. President, I ask unanimous consent that the entire column written by Mr. Krock be printed in the RECORD at this point as a part of my remarks.

The PRESIDENT pro tempore. Without objection, the article will be inserted in the RECORD as requested.

The article is as follows:

THE PRESIDENT'S OWN PRESS TECHNIQUE

(By Arthur Krock)

WASHINGTON, June 7.—Mr. Roosevelt's press conferences were usually interesting events, and often dynamic and sensational. He used this important medium of public information with a skill that had become professional before he left Albany for Washington. So greatly did he value the press conference as a governmental, political, and personal instrument that he rarely interrupted his semiweekly schedule. When the President died it was generally thought that no successor could bend this bow of Ulysses as effectively.

But in the brief period of his Presidency Mr. Truman has already demonstrated that he, too, is a master of the press-conference medium and that he has a technique all his own. The method differs widely from Mr. Roosevelt's, but in the following respects it is superior:

Mr. Truman does not hold a press conference until he has a budget of important news to impart, and then he fires it off with the rapidity and accuracy of the veteran artilleryman he is. He is always clear and direct. He answers promptly and precisely such questions as he wishes to answer. But he gives his auditors so much work to do in reporting what he has told them that little inclination to question remains, and none for those speculative and trouble-laden interrogations which were so tempting to Mr. Roosevelt and to which he often made improvised or hasty replies that got him into difficulties. Such questions were time-fillers on the numerous occasions when the late President had little or no news, and therefore there was no reason for the conference to be held at all.

SWAMPING THE REPORTERS

In 14 minutes today, for example, Mr. Truman gave the material for almost a dozen news articles—all important, some very important. By the time he had completed his budget the press and radio reporters were eager to get to their typewriters and their microphones, for time is always running against their busy trade. The questions that were addressed to the President dealt with emergent factual matters such as: (1) What about the offshore oil suits? I told the Department of Justice to bring them. (2) Do you think the Big Five should meet on Syria, as the French and Russians have suggested? No. (3) Can you say anything about Harry Hopkins' report? I'll tell about that here after he has made it.

The exchanges (all quotations herein are paraphrased) were agreeable, but there was no time for jokes and sallies and no atmosphere to engender them. The President is very businesslike when engaged in the major business of reporting to the people through the press conference, and, since that is the sole occupation of those whom he is addressing, his auditors are delighted. For a time some of them may have been apprehensive over the new system of calling them to the President's office at irregular and less frequent intervals. But it is now clear that Mr. Truman is as great a believer in and practitioner of the method as Mr. Roosevelt was, except he has a belief that meetings with the press are mutually useful only when he has news.

YOUNGER APPOINTEES

There were other interesting aspects to today's press conference. One was the repetition of that accent on youth which is becoming more and more audible in Mr. Truman's administration. Two of his new appointees—Lt. Paul Herzog as Chairman of the National Labor Relations Board, and W. Stuart Symington as Chairman of the Surplus Disposal Board—are young men by any standard, and John B. Hutson, the new Under Secretary of Agriculture, is not yet 55. While General Bradley, who will succeed General Hines as head of the Veterans' Bureau, is not young himself, the President's stated reason for the change followed the same line of thinking that has reduced the age of his Cabinet and the administration in general: that the affairs of veterans of a war should be managed by a companion in arms.

This is very independent, clear, and fluid thinking, and, if the thought did not originate with the President, the undoubted conclusion is that he instantly saw the point when it was made. However, since Mr. Truman served in World War I and knows the Veterans' Bureau thoroughly, it is much more probable that the idea is his own. This impression is strengthened by the general one he conveys—that he originates most of the decisions he makes. And certainly when he has cut through doubts, difficulties, and confusions of counsel he is forthright and firm in his position, and gives no suggestion that he wants to escape opposition by gilding hard facts.

That was the way he stated everything today, and the way he has made his announcements at previous press conferences. If anyone thinks travel restrictions should be abandoned, he is asking the impossible, said the President. If travel rationing is necessary, there will be rationing. Members of Congress are grossly underpaid—and diplomats too (answering a question)—and he would sign a bill to give Members $25,000 a year if Congress sends him such a straightforward measure, said the President. The Government should be the sole employer of its officers and officials, and therefore they should be paid a living wage, said the President.

Such is Mr. Truman's press conference technique, which really isn't technique at all, being simply Mr. Truman of Independence, Mo.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATES, DISTRICT OF COLUMBIA (S. DOC. NO. 54)

A communication from the President of the United States, transmitting supplemental estimates of appropriation for the District of Columbia (public schools), amounting to $490,000, fiscal year 1946, in the form of

amendments to the Budget for that fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

UNIFORMITY AND COORDINATION IN THE CLASSIFICATION OF FIELD POSITIONS TO GRADES OF CLASSIFICATION ACT OF 1923

A letter from the president of the United States Civil Service Commission, transmitting a draft of proposed legislation to further amend the Classification Act of 1923, as amended; to bring about uniformity and coordination in the allocation of field positions to the grades of the Classification Act of 1923, as amended; and for other purposes (with an accompanying paper); to the Committee on Civil Service.

PERSONNEL REQUIREMENTS

A letter from the executive assistant to the Secretary of Commerce, transmitting, pursuant to law, revisions of estimates of personnel requirements for coastal surveys, and working funds, coast and geodetic survey, for the quarter ending June 30, 1945 (with accompanying papers); to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Chamber of Commerce of Tulsa, Oklahoma, favoring the enactment of legislation to prevent the granting of immunities, subsidies, favors, and unfair advantages to cooperative organizations because of their cooperative form and practices, and to place them on an equal and competitive basis with all other business organizations (other than certain farmers and fruit growers); to the Committee on Finance.

A letter in the nature of a petition from Guy W. Cecil, of Detroit, Mich., praying for the enactment of the so-called seamen's bill of rights legislation; to the Committee on Commerce.

By Mr. SALTONSTALL (for himself and Mr. WALSH):

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Finance:

"Resolutions apprising the President of the United States that further decreases in existing tariff rates, if made by him under authority of the Tariff Act of 1930, as amended, may adversely affect the textile industry in Massachusetts

"Whereas there is pending before the Congress of the United States a bill, printed as H. R. 2652, which in part extends the authority of the President of the United States in the making of proclamations by him increasing or decreasing existing tariff rates; and

"Whereas while it is recognized and agreed that the basic principle involved in the proposed legislation is a necessary part in the work for the establishment and maintenance of world peace, yet any further decreasing of existing tariff rates by the President under such extended authority, if said bill is enacted into law, may result in conditions adversely affecting the textile industry in Massachusetts: Therefore be it

"*Resolved*, That the General Court of Massachusetts hereby respectfully apprises the President of such result so that he may be guided thereby in acting under the authority aforesaid in the matter of tariff rates; and be it further

"*Resolved*, That a copy of these resolutions be sent forthwith by the State secretary to the President of the United States and to each Member of the Congress from this Commonwealth."

FRANKLIN D. ROOSEVELT NATIONAL HOLIDAY

Mr. MEAD. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a resolution adopted by the officers and members of local No. 76, United Furniture Workers of America, affiliated with the CIO, New York City, N. Y., requesting that January 30 of each year be proclaimed a national holiday in honor of former President Franklin D. Roosevelt.

There being no objection, the resolution was received, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

To the Congress and the Senate of the United States of America:

We, the officers and members of local 76, United Furniture Workers of America, affiliated with the CIO, after due deliberation do hereby resolve that the Congress of the United States should set aside January 30 of each year and proclaim this day a national holiday to honor the memory and birthday of a man who, during his lifetime, did much to make this world of ours a better place to live in, and who died in the service of his country and of the world.

That man, humanitarian, statesman, and citizen of the world, was our late President and Commander in Chief of the United States, Franklin Delano Roosevelt.

LOCAL 76, UNITED FURNITURE WORKERS OF AMERICA, CIO,
JACK SCHWARTZ, *President.*
MORRIS PIZER, *Secretary-Treasurer.*

APPROPRIATION FOR FEPC—TELEGRAM FROM LAUNDRY WORKERS JOINT BOARD OF GREATER NEW YORK

Mr. CAPPER. Mr. President, I have received a telegram from the Laundry Workers Joint Board of Greater New York, William Baron, manager, appealing to the Congress to restore to the war-agencies appropriation bill the item for FEPC legislation. I am heartily in favor of the FEPC bill and ask unanimous consent to have the telegram printed in the RECORD and appropriately referred.

There being no objection, the telegram was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *June 6, 1945.*

Hon. ARTHUR CAPPER,
United States Senate:

Behalf of 20,000 laundry workers in Greater New York, we urge you to restore to war agencies appropriations bill the item for FEPC. The future of American democracy rests upon true equality for all its people regardless of race, creed, or color, who gave their sons to preserve this democracy.

LAUNDRY WORKERS JOINT BOARD OF GREATER NEW YORK ACWA,
WILLIAM BARON, *Manager.*
ROY SODEN, *Assistant Manager.*
LOUIS SIMON, *Secretary-Treasurer.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BUSHFIELD, from the Committee on Finance:

S. 880. A bill to provide for designation of the United States Veterans' Administration hospital at Sioux Falls, S. Dak., as the Royal C. Johnson Veterans' Hospital; without amendment (Rept. No. 354).

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

H. R. 3059. A bill authorizing the Postmaster General to continue to use post-office clerks and city letter carriers interchangeably; without amendment (Rept. No. 355).

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT—REPORT OF COMMITTEE ON FINANCE

Mr. GEORGE. Mr. President, the Senate Finance Committee has ordered reported favorably the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, which is commonly known as the Trade Agreements Act. The bill provides for an extension of that act. The report may not be ready for filing during the day, and I ask unanimous consent to file it during the recess of the Senate if the Senate shall not be in session tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MEMBERSHIP OF THE UNITED STATES IN THE FOOD AND AGRICULTURAL ORGANIZATION OF THE UNITED NATIONS—REPORT OF COMMITTEE ON FOREIGN RELATIONS

Mr. AUSTIN. Mr. President, I desire to make a request on behalf of the Committee on Foreign Relations. House Joint Resolution 145, providing for membership of the United States in the Food and Agricultural Organization of the United Nations, has been ordered reported favorably, and I was asked to file a report for the committee. The report is not yet ready, but I hope to have it ready soon, and I ask permission to file it in recess.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on June 7, 1945, he presented to the President of the United States the following enrolled bills:

S. 392. An act for the relief of Nebraska Wesleyan University and Herman Platt;

S. 510. An act to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes;

S. 633. An act to amend the Criminal Code so as to punish anyone injuring a party, witness, or juror on account of his having acted as such; and

S. 889. An act to amend section 47c of the National Defense Act of June 3, 1916, as amended, so as to authorize credit to students now or hereafter enrolled in the senior division of the Reserve Officers' Training Corps for military training received while on active duty in the Army, Navy, Marine Corps, or Coast Guard, or while pursuing a course of instruction in the Naval Reserve Officers' Training Corps.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a report for the month of May 1945 from the chairman of a certain committee in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

SENATE MILITARY AFFAIRS COMMITTEE, SUBCOMMITTEE ON WAR MOBILIZATION

JUNE 5, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of May 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name o. individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Ann S. Gertler	3721 39th St. NW., Washington, D. C.	Department of Interior, Washington, D. C.	$2,000
Hope C. Heslep	2 East Maple St., Alexandria, Va.	War Manpower Commission, Washington, D. C.	2,000
Joan P. Karasik	1919 19th St. NW., Washington, D. C.	Foreign Economic Administration, Washington, D. C.	3,800
Charles Kramer	4621 South 34th St., Arlington, Va.	Office of Price Administration, Washington, D. C.	6,500
C. Theodore Larson	3917 North 5th St., Arlington, Va.	National Housing Agency, Washington, D. C.	5,600
Fritzie P. Manuel	1621 T St. NW., Washington, D. C.	War Manpower Commission, Washington, D. C.	4,600
Darel McConkey	Lanham, Md.	War Production Board, Washington, D. C.	4,600
Cora L. Moen	5327 16th St. NW., Washington, D. C.	Office of Price Administration, Washington, D. C.	2,000
Elizabeth H. Oleksy	1620 Fuller St. NW., Washington, D. C.	War Production Board, Washington, D. C.	2,600
Mary Jane Oliveto	500 B St. NE., Washington, D. C.	National Housing Agency, Washington, D. C.	1,800
Francis C. Rosenberger	5814 64th Ave., East Riverdale, Md.	Office of Price Administration, Washington, D. C.	4,600
Herbert Schimmel	3604 Minnesota Ave. SE., Washington, D. C.	War Production Board, Washington, D. C.	8,000
Marjorie J. Tillis	211 Delaware Ave. SW., Washington, D. C.	Foreign Economic Administration, Washington, D. C.	3,200

H. M. KILGORE, *Chairman.*

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

S. 1121. A bill for the relief of the J. B. McCrary Co., Inc., and for other purposes; to the Committee on Claims.

By Mr. WHERRY:

S. 1122. A bill for the relief of Charles Bryan (with accompanying papers); to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

S. 1123. A bill to encourage the provision of useful public works and for other related purposes; to the Committee on Finance.

By Mr. GUFFEY:

S. 1124. A bill to provide for abatement of tax for members of the armed forces in certain cases, an additional exemption for veterans, and for other purposes; to the Committee on Finance.

By Mr. OVERTON (for himself and Mr. BRIDGES):

S. 1125. A bill to increase the compensation of the Speaker of the House of Representatives, the Vice President of the United States, Senators, Representatives in Congress, Delegates from Territories, the Resident Commissioner from Puerto Rico, and members of the Cabinet; to the Committee on Appropriations.

By Mr. GREEN:

S. 1126. A bill for the relief of Alice A. Murphy; to the Committee on Claims.

By Mr. MAGNUSON:

S. 1127. A bill for the relief of Edward Pittwood; to the Committee on Claims.

(Mr. RADCLIFFE introduced Senate bill 1128, which was referred to the Committee on Commerce, and appears under a separate heading.)

By Mr. PEPPER:

S. 1129. A bill for the relief of Willie H. Johnson; to the Committee on Claims.

(Mr. PEPPER introduced Senate bill 1130, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

By Mr. PEPPER:

S. J. Res. 74. Joint resolution designating the second Thursday of October of each year as Clara Barton Day; to the Committee on the Judiciary.

READJUSTMENT IN CIVILIAN LIFE OF PERSONS SERVING IN THE MERCHANT MARINE

Mr. RADCLIFFE. Mr. President, I introduce a bill providing aid for the readjustment in civilian life of persons who have rendered war service in the United States merchant marine during World War II, and to provide aid for the families of deceased war-service merchant seamen.

It is not my intention at this late hour to attempt to discuss the bill, the purposes of which are obvious. Our Government very wisely, and in a sense of undisputed fairness, has made provision that members of the armed forces returning to civilian life shall have some facilities for their aid coming from our Government. It seems only fair and reasonable that something also very substantial and beneficial should also be done for those who have been in the merchant marine and are leaving that service or, in some cases, for their families. We know that in no other war in our history has the merchant marine been called upon to render services as important as those it has rendered during the present one. What they have done has been indispensable. They have served well and nobly. They have made possible our essential operations in all parts of the globe. They have constantly been subject to the dangers and hazards of war. Many members of the merchant marine have given their lives for our country. Picture the tragedy in a loss of 40 percent of ships and men in a trip to Murmansk. Certainly it is meet and proper that suitable recognition by way of legislation be paid to members of the merchant marine for what they have done so bravely and so helpfully. With that purpose in mind, arrangements should be made by the Federal Government by which these returning seamen shall have increased opportunities for civilian life, and their individual facilities should be augmented in various ways by the Federal Government.

The bill (S. 1128) to provide aid for the readjustment in civilian life of those persons who rendered war service in the United States merchant marine during World War II, and to provide aid for the families of deceased war-service merchant seamen, introduced by Mr. Radcliffe, was read twice by its title and referred to the Committee on Commerce.

FAIR AND JUST COMPENSATION FOR USE OF BUILDINGS BY THE UNITED STATES

Mr. PEPPER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill which is a revised version of another bill I introduced on May 17, being Senate bill 1012, and now pending before the Committee on Military Affairs. I ask unanimous consent that the Committee on Military Affairs be discharged from the further consideration of the bill (S. 1012) to provide fair and just compensation for the use of certain hotels and apartment buildings by the United States and to provide for mutual cancellation rights between the lessor and the lessee for the use of said hotels and apartment buildings where governed by written leases executed after December 7, 1941, and that it be indefinitely postponed.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Florida? The Chair hears none, and the bill introduced will be received and appropriately referred, and Senate bill 1012 will be indefinitely postponed.

The bill (S. 1130) to provide fair and just compensation for the use of any building, as defined in this act, by the United States and to provide for mutual cancellation rights between the lessor and the lessee, for the use of such building where governed by a written lease executed after December 7, 1941, introduced by Mr. PEPPER, was read twice by its title and referred to the Committee on Military Affairs.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942

Mr. MOORE and Mr. TAFT each submitted an amendment intended to be proposed by them, respectively, to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, which were ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, was read twice by its title and referred to the Committee on Banking and Currency.

PRINTING OF ADDITIONAL COPIES OF PART 1 OF HEARINGS BEFORE HOUSE COMMITTEE ON MERCHANT MARINE AND FISHERIES ON POSTWAR DISPOSITION OF MERCHANT VESSELS

The PRESIDENT pro tempore laid before the Senate House Concurrent Resolution 62, which was read as follows:

Resolved by the House of Representatives (the Senate concurring), That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on the Merchant Marine and Fisheries of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 750 additional copies of part 1 of the hearings on postwar disposition of merchant vessels held before said committee during the current session.

Mr. HAYDEN. Mr. President, as a courtesy to the House, I move that the Senate concur in the concurrent resolution.

The motion was agreed to.

LIDICE MEMORIAL

Mr. PEPPER. Mr. President, Sunday, June 10, will be the third anniversary of the ruthless destruction of the peaceful village of Lidice, Czechoslovakia, by the Germans. The depravity of German conquest against Lidice stands as one of the high crimes of World War II. For the American people to pause and remember Lidice is a sure way for the United States to be reminded of all that we are fighting for in this lightning Global War.

June 10 should always stand as Lidice Day—a remembrance for a kindly liberty-loving people who suffered great tragedy—a reminder that people's towns in the United States might have suffered similar fates had we not had the courage, the material, and the manpower to turn back the Nazi hordes.

There has been organized the Lidice Memorial Committee to keep alive the memory of Lidice.

Lidice has been immortalized; it has become a new symbol for the United Nations of the liberty for which it is fighting. Its memory has not been dimmed by other acts of savagery that added other towns and thousands of innocent victims to the want acts of an enemy who now has been defeated.

With the approach of Lidice Day, I ask unanimous consent to have inserted in the CONGRESSIONAL RECORD, following my remarks, an inspiring story of the destruction of Lidice written by Joseph Auslander, famous American poet. It is based on facts furnished by Joseph Horak who watched the wiping out of his home village.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIDICE MEMORIAL

There once was an old, old village in Bohemia, and its name was Lidice. It was a small and peaceful village. There was a church, a school, a farmer's market, a general store. There was a butcher, a baker, a shoemaker, a blacksmith. Indeed, Lidice was such a friendly, tight little village that the people there needed only one of everything.

When the invader came, there were just 89 homes in the village. Every cottage had its own neat vegetable garden. Every cottage had a chicken yard and a goose pen. And in front of each cottage there was a flower bed. In Lidice everyone grew geraniums, and their cheerful rosy red and their spicy smell walked up and down Main Street with the people.

Lidice was a village whose people were content. They did not travel to the big cities. Sometimes one of them went as far as Prague, to bring back wondrous tales of the ancient cathedral, the splendid markets, the beautiful national theater. But for the most part, the people of Lidice lived to themselves, and the great outside world of cities whose magical towers glittered in the twilight was but a dream and a dreamer's tale.

In other words, Lidice was literally the people's town; in a very real sense, the village of the world. Everybody has a little piece of Lidice in his heart.

In the morning, the farmers went afield to cultivate the land. And the miners went down into the coal pits to labor; but all returned home after the Angelus.

When the invader came, the people—there were only 628 of them altogether—were trampled under his iron boot; still they fared no better and no worse than a thousand other villages. They were subjected to numerous inspections and inquisitions; they resisted to the utmost.

And then, on May 27, 1942, in far away Prague, two Czech patriots shot and fatally wounded Reinhard Heydrich—Heydrich, the hangman—deputy Reich protector of Bohemia-Moravia, and deputy gestapo chief, who had been sent from Berlin to keep the Czechs in line with whip and bullet and rope, but especially with rope, whence came his nickname—the hangman.

Heydrich died on June 4. A reward of $225,000 was posted for the capture of the patriots. They were never captured.

The hangman's state funeral, on June 7, was an occasion of barbaric splendor. No royal personage has been followed to his grave by a more spectacular cortege. And, in that dreadful funeral procession, marched the ghosts of 2,000 innocent people of Prague, murdered that they might escort the hangman to his final doom. These murdered folk included judges, architects, physicians, artists, university professors, students, and just plain people.

But the 2,000 were not enough. Some memorial to shock the world, grown almost shockproof through the monotonous accumulation of horror upon horror, must be provided for the hangman. So Lidice was chosen for that infamous honor.

On June 10, a certain Joseph Horak, villager of Lidice, was arriving home from a visit to Prague. He took a short cut through the woods; the morning was clear and peaceful; the village was still sleeping. From a small hill he saw to his dismay, that Lidice was surrounded by the invader's tanks. Then the dive bombers swooped down. Whole families; men, women, and children, rushed forth from their houses in helpless terror only to be met and mowed down by machine guns. Those who remained in their cottages were barricaded in by the invader's foot soldiers, and the houses set on fire. Then the tanks moved forward to level the village; the foot soldiers went about in squads to slaughter any stray survivors, and finally all of Lidice was flaming in one vast funeral pyre of innocent martyrs. When the invader left the smoking ruins, there was indeed a terrible memorial.

The excuse, of course, was that the two Czech patriots who had shot the hangman were concealed there. But we know now that if the invader had not made an example of Lidice, it would have been some other village—some similar peaceful spot on which to visit vengeance. For by now there have been a thousand Lidices—in France, in Greece, in Norway, in all the ravaged lands—but this Lidice in Bohemia is the mother of all Lidices, for here the furious degradation of the invader first found its consummation.

There is an enormous patience and courtesy in the earth. The grass eternally forgives, the grass has grown over the graves of the martyrs. But the wounded heart cannot ever quite heal over. Out of the wounded heart, slow drop by drop, has grown the dream and the plan that is the resurrection of Lidice.

Lidice, the quiet little village, was unknown to the world. Lidice, the symbol, belongs to the whole world—to every liberty-loving human being—of every race and creed and color. Today the very word "Lidice" stands for those virtues of the human heart, those values and graces of man's imperishable spirit which alone confer on time the dignity of timelessness and which alone give to life meaning, direction, and grandeur.

In America, the land of freedom, the children of Czechoslovakia join with all the free children of earth to rebuild Lidice. All freemen have a stake in Lidice. This new Lidice will be a place where again grandfather may go about his farming, and grandmother spin and weave; where father may work the mines, and mother bake the good bread that keeps the family strong; where the children can sing and play in the public square. The village will be restored and forever, towering above it, tall enough to be seen even as far away as the shining mountains, will stand a great cathedral of the heart, wrought of granite and bronze. This will be a monument devoid of hate, revenge, and pride. It will be a place of pilgrimage for every living soul in our time and in all future times, a place of forgiveness—and of peace.

On the site, once famous for its cherry orchards, will rise this monument of mercy; it will be built by Czech labor on land pledged by the Czech Government. The Czechs are a proud people. They do not want the dole and the soup kitchen. They ask only to earn their bread in the sweat of their labor, as freemen worthy of their hire. For them and for this noble work of their hearts and hands, all funds contributed by freemen everywhere will be used.

The ruins of the old Lidice will remain untouched as a cemetery for the bones of the innocent martyrs and the ashes of their homes. On one side of the valley will spring the new, modern Lidice; on the other, and facing it, will stand this memorial—both city and memorial tangible and eternal witnesses to Czech labor and universal brotherhood.

This, then, is the dream and the plan that have grown, slow drop by drop, out of the wounded heart and the heart's faith. A renowned Czech-American sculptor and a Czech architect have fashioned the form of the dream. It is the duty and privilege of the free peoples of earth to give it shape and substance.

When this cathedral is built and the village is restored, the word Lidice will take on still another meaning. It will be the living symbol of Christ's compassionate utterance and promise: "Come unto me, all ye that labor and are heavy laden, and I will give you rest." Lidice will remain forever the measure of the depths to which man can descend—and the heights to which he can rise.

SOVIET-AMERICAN UNITY IN VICTORY AND PEACE—ADDRESS BY SENATOR PEPPER

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address delivered by him in New York City on May 31, 1945 as a part of a program entitled

"Salute to the GI's," which appears in the Appendix.]

RESEARCH FOR HEALTH—ARTICLE BY SENATOR PEPPER

[Mr. PEPPER asked and obtained leave to have printed in the Appendix of the RECORD an article entitled "Research for Health" written by him and published in the New York Times of April 10, 1945, which appears in the Appendix.]

ADDRESS BY SENATOR MYERS AT COMMENCEMENT EXERCISES, CATHOLIC UNIVERSITY

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD the address delivered by Senator MYERS at the commencement exercises, Catholic University of America, Washington, D. C., May 23, 1945, which appears in the Appendix.]

INCREASE IN PAY FOR POSTAL EMPLOYEES — ADDRESS BY SENATOR MYERS

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a radio address on the proposed increase in pay for postal employees delivered by Senator MYERS on April 21, 1945, at Philadelphia, which appears in the Appendix.]

ASSOCIATE JUSTICE JACKSON'S REPORT ON TRIALS FOR WAR CRIMINALS

[Mr. BROOKS asked and obtained leave to have printed in the RECORD the report to the President of the United States by Associate Justice Robert H. Jackson, chief of counsel for the United States in the prosecution of Axis war criminals, which appears in the Appendix.]

PLAN TO END WORLD TRADE CURBS—ADDRESS BY GOVERNOR DEWEY

[Mr. TOBEY asked and obtained leave to have printed in the RECORD an address delivered by Governor Dewey on June 7, 1945, offering a plan to end world trade curbs, which appears in the Appendix.]

TRIBUTE TO ERNIE PYLE BY JOSEPH L. DAILEY

[Mr. HATCH (on behalf of Mr. WILLIS and himself) asked and obtained leave to have printed in the RECORD an address delivered by Joseph L. Dailey at Albuquerque, N. Mex., May 13, 1945, in tribute to the late Ernie Pyle, which appears in the Appendix.]

WHY I AM AN AMERICAN—ESSAY BY GEORGE J. CHRYSSIKOS

[Mr. MEAD asked and obtained leave to have printed in the RECORD an essay by George J. Chryssikos, of New York City, entitled "Why I Am an American," which appears in the Appendix.]

OPPOSITION TO MISSOURI VALLEY AUTHORITY BILL

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "Battle of Befuddlement," relating to opposition to the Missouri Valley Authority bill, published in the Progressive of June 4, 1945, which appears in the Appendix.]

FARM MACHINERY

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article from the McLean County (N. Dak.) Independent of May 31, 1945, entitled "Increase Possible in Farm Machinery," and also three postal cards relative to the exportation of farm machinery from Canada through Portal, N. Dak., which appear in the Appendix.]

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACT OF 1942

The Senate resumed the consideration of the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

Mr. TAFT obtained the floor.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Daniel
Austin	Guffey	O'Mahoney
Ball	Hart	Overton
Bankhead	Hatch	Pepper
Barkley	Hayden	Radcliffe
Bilbo	Hickenlooper	Reed
Brewster	Hill	Robertson
Bridges	Hoey	Saltonstall
Brooks	Johnson, Calif.	Shipstead
Buck	Johnson, Colo.	Smith
Burton	Johnston, S. C.	Taft
Bushfield	La Follette	Thomas, Okla.
Butler	Langer	Tobey
Capper	Lucas	Tunnell
Chandler	McKellar	Tydings
Chavez	McMahon	Wagner
Donnell	Magnuson	Walsh
Downey	Mead	Wherry
Ellender	Moore	White
Fulbright	Morse	Wilson
George	Murdock	
Gerry	Myers	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Missouri [Mr. BRIGGS], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent in Europe visiting battlefields.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from West Virginia [Mr. KILGORE] and the Senator from Washington [Mr. MITCHELL] are absent in Europe on official business for the Special Committee Investigating the National Defense Program.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent in Europe on official business for the Interstate Commerce Committee.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Michigan [Mr. FERGUSON] is absent on official business of the Senate as a member of the Mead Committee.

The Senator from South Dakota [Mr. GURNEY] and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Colorado [Mr. MILLIKIN] and the Senator from Idaho [Mr. THOMAS] are absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Wisconsin [Mr. WILEY] is absent by leave of the Senate on official business as a member of the Board of Visitors to the United States Merchant Marine Academy.

The Senator from Indiana [Mr. WILLIS] is necessarily absent by leave of the Senate.

The PRESIDENT pro tempore. Sixty-four Senators having answered to their names, a quorum is present.

Mr. TAFT. Mr. President, I spoke at such length yesterday that I really feel ashamed to speak again, and shall speak but a few moments simply to summarize the position which I took yesterday.

One thing has happened which I think illustrates the point I was trying to make yesterday, that it is not possible completely to prevent inflation because to do so is to freeze injustice as well as justice, and people will not stand for freezing injustice, particularly as to individuals. The result has been that in the last 2 years, while prices have been held stable, wages have increased approximately 12 percent by the very lowest method of calculation, and that has increased the costs of all manufacturers, processors, and distributors.

The parity price of every important agricultural product has increased 10 percent in the last 2 years, and thus costs have increased. But the OPA has refused to pass on that increase in costs in any ultimate retail price. The OPA has forced all manufacturers to absorb that difference. Yesterday the House of Representatives insisted upon increasing the allowance of its Members by $2,500, and President Truman yesterday approved that course, because apparently he felt that Members of Congress represented such an extreme case of injustice that there should be exception, if you please, to the wage freeze formula in their favor.

Certainly we cannot claim any longer that we have adopted a freeze policy in this country. The only thing that is frozen today is the price of manufacturers and the retail price to the consumer. The attempt to hold that has created

such a squeeze that, as I showed yesterday, in many industries there is today a maximum price which requires industries to sell at a loss. That is as unjust as it is to pay Members of Congress only $10,000 a year. It is something that should be corrected from the point of view of justice. But, more important than that, if we maintain the manufacturer's price, we cannot induce new people to go into business to make the products which can only be made at a loss. If such products are only one-fourth or one-fifth of the total, nevertheless such a situation reduces our capacity to put people to work, to put to work in this year 1945 the four or five million men who are going to be released from the Army and from their present employment.

Mr. President, I say that the OPA must be told, and OPA can be told by the adoption of the Thomas amendment or by the adoption of my amendment, as you choose, that that policy must be changed; that when costs are adjusted prices must also be adjusted or we cannot hope for a successful period of reconversion.

The amendments which are presented by the Senator from Oklahoma [Mr. THOMAS] and myself do no more than prescribe the original idea of the Price Control Act. The second section of that act clearly shows the intention that if costs are increased prices shall be increased, and the OPA has consistently disregarded that provision.

Furthermore, the proposal is not substantially different from the formula which OPA itself has announced for goods the manufacture of which has been suspended, which I read yesterday, which provides for adjusting upward on the basis of increase in cost. The difficulty is with other sections of the act, and the regular practice of the OPA shows that while it makes such a statement it actually intends, if it possibly can, to insist upon everything being sold at 1942 prices, in spite of increase in costs ranging from 10 to 30 percent. Certainly, if this is the policy of OPA, there is no reason that I can see why we should not write a provision into the law so that it will be definitely tied down. I am not satisfied to accept any longer the statement of OPA that it is going to correct the situation. With respect to meat, OPA has said that three times, and each time it has had to make another concession, because the first concession made was inadequate, and OPA was still dominated by the thought that there must be a freeze of prices.

In conclusion, I should like to read the statement made by Mr. J. A. Krug, the Chairman of the War Production Board, because he states the philosophy of the reconversion period, which I think must control prices just as much as it controls production. This appears in his official statement issued on May 27, the Krug report on the needs and methods of reconversion. Mr. Krug said:

> Desirable though it may be to attempt to prevent temporary economic dislocations—

And that is perhaps what a slight increase in price may be called, a temporary economic dislocation, until we obtain full production—

> Desirable though it may be to attempt to prevent temporary economic dislocations, the experience of those who have lived with these controls during the war clearly dictates that the controls are not suited to that job.

Also, we may say that the price policy is not fitted to the job of increasing production.

> Moreover, reason and history indicate that, in any readjustment from a war- to a peacetime economy, temporary dislocations are inevitable.
>
> We must not be stampeded by such dislocations into elaborate controls or special dispensations. Our economy is a jigsaw pattern of interlocking buyers and sellers, producers and consumers. The pieces of the jigsaw will move into place best if we give people scope and leeway—with a minimum of rules, regulations, and production controls.

He might well have said price control.

This is the statement of Mr. J. A. Krug, Chairman of the War Production Board, as to the policy which dominated the War Production Board in maintaining production controls in the reconversion period.

Finally, he said this:

> The danger confronting us, as I see it, is that we will overlook the natural resilience of the economy—the capacity of manufacturers, wholesalers, and retailers to readapt themselves to changed conditions and hence quickly to utilize the resources released from munitions production. If we were to attempt in Washington to see that every manufacturer, wholesaler, or retailer got his exact share of released manpower or materials, we should be lost in a myraid of rules and regulations. We should get in the way of reconversion rather than speed it.

There is nothing which will so hamper business as the attempt to impose strict controls, controls which are difficult to understand, and in some cases impossible to conform to without actual loss of money, and, of course, in the case of small concerns, going out of business. I believe that in our price policy we should require the OPA to follow the philosophy which dominates the most important section of the administration, the War Production Board.

Mr. ELLENDER. Mr. President, I ask the indulgence of the Senate to hear me briefly with respect to the pending amendment. Before I proceed to a discussion of the amendment, however, I desire to refer to certain data that I have at hand and other that I placed in the RECORD on May 7 and May 15, when I presented some of my reasons for continuing price-control legislation for another 18 months.

To hear the distinguished Senator from Ohio [Mr. TAFT] and others of my colleagues speak, one would judge that bankruptcy faces many businesses throughout the country, and that unless the pending Thomas amendment or the Taft amendment is adopted by the Senate, we shall be faced with depressing conditions throughout the country. I do not believe that the financial status of industry for the past 4 years, when compared with the record of prewar years, will disclose any adverse conditions. On the contrary, it will show enormous profits in every line of industry, and there is no reason for one to be apprehensive of the future business of this country should the OPA be extended without amendments.

Judging from the statements made by the Senator from Ohio [Mr. TAFT], it seems to me that he is arguing and trying to show that higher prices means more production. That is not the case, as borne out by impartial figures produced by me on May 7 in a speech delivered by me on this floor. I made a comparison of the rise in prices during World War I with the increases which occurred during World War II, and also compared production during the two wars. This is the picture:

Using 100 in each case when the war started, for the years 1914 and 1939, respectively, prices increased 83 percent from 1914 to 1918. From 1939 to 1944 they increased 21 percent.

Let us see what the effect was on production. Using 100 as a figure for 1914 and 1939, respectively, the years in which the two World Wars started, production increased 25 percent during World War I. It had increased to 26 percent in 1917, but it went down 1 percent in 1918.

Let us contrast that with what happened during this war. Using the figure of 100 for 1939, we see that in 1944 production increased 116 percent, in comparison with a measly 25 percent during World War I. Mr. President, there is no question in my mind that that enormous increase in production has been caused to a large extent by a stabilized economy brought about through price and wage stabilization.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I would prefer not to yield at this point. I shall be glad to yield in a few minutes. I should like to follow through with the subject I am now discussing.

As I indicated a moment ago, to hear some of my distinguished colleagues argue, one would judge that the profits of business have been on the down grade. Let us see what the record shows. I shall cite figures from Moody's Industrials, a publication which is issued in book form. These figures show the gain over peacetime profits of 1589 manufacturing concerns.

This table considers manufacturing as a whole, and then the different kinds of manufacturing, and shows the increase from the prewar period (average 1936–39) to the present in some cases. The figures also demonstrate the increases from the prewar period up to 1943.

The increase in the case of all manufacturing is 256 percent; tobacco products, 36 percent; petroleum and coal, 113 percent; chemicals, 142 percent.

Yesterday my good friend from Ohio [Mr. TAFT] complained about the profits in the furniture and finished lumber industry. The increase in that industry, up to 1943, was 291 percent.

Mr. TAFT. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from

Louisiana yield to the Senator from Ohio?

Mr. ELLENDER. I yield.

Mr. TAFT. With what year is that figure compared?

Mr. ELLENDER. That figure represents the increase during 1943.

Mr. TAFT. 291 percent over what?

Mr. ELLENDER. Over the average period 1936 to 1939.

Mr. TAFT. Of course, they lost money in the period from 1936 to 1939, so there is no difficulty in showing an increase of 291 percent.

Mr. ELLENDER. This is a comparison of conditions before the war with those during the war; and the figures show a large increase in profits. To continue from the Moody statistics: Paper and allied products, 304 percent; textile-mill production, 503 percent. As the Senator pointed out, it may be that some plants lost money during the period 1936–39, but no one would say they are now losing money, with an increase of 503 percent over the 1936–39 period.

Reverting to our industrial production, of which all of us are proud, and which has made it possible for us not only to prepare ourselves for war but to aid our allies, so that the war could be won sooner: Using 100 for the production in the 1935–39 period, in 1920 it was 75 percent; in 1929, 110 percent; in 1937, 113 percent; in 1939, 109 percent; in 1940, 125 percent. That was just about the time when we started our defense production. In 1941 it was 162 percent. Then, when we got in the war and when price controls were placed in effect, in 1942, it was 199 percent. In 1943 it was 239 percent, and in 1944, 235 percent.

Mr. WHERRY. Mr. President, will the Senator yield at that point?

Mr. ELLENDER. I now yield to the Senator.

Mr. WHERRY. What do the figures the Senator has been citing prove? In answering my question, I should like to suggest most kindly to the distinguished Senator that our war debt has been increased to $300,000,000,000, and I should like to know whether the figures the Senator has been citing include it. Do the figures the Senator has been stating for our benefit reflect that increase? Anyone can pick out any 3- or 4-year period when we spent $100,000,000,000, and can show an increase in all industrial production in this country. Certainly that is not a basis for the conclusion that the OPA legislation should continue as it is, without amendment. Certainly the Senator cannot be contending that that has anything to do with a determination by the Senate whether the country needs to have OPA legislation amended, rather than to have it continue upon a basis on which only industry can operate at a profit.

Mr. ELLENDER. Well, Mr. President, the contention has been made on the Senate floor in the last several days that prices should be increased, and that an increase in prices will result in increased production. I have just pointed out that that was not the case during World War I. Higher prices do not bring about increased production.

Mr. WHERRY. Mr. President, let me ask the Senator whether the Government uses a standard of rising prices in order to obtain production. Through 73 corporations the Government spent $100,000,000,000 last year. What do the Senator's figures prove when we come to the point whether it helps all industry?

Mr. ELLENDER. The figures I have cited and those that I propose to produce will show that business is in the best of health and in fact in the best condition it has ever been.

Mr. WHERRY. That is because the Government makes the contracts and does not use the OPA standards when doing so. That is the reason. Does the Senator contend that there is a surplus of food products in the country at this time?

Mr. ELLENDER. Well——

Mr. WHERRY. Yes; the Senator must pause there, because obviously there is a shortage of food products.

Mr. ELLENDER. Just a moment. I desire to try to answer the two questions propounded to me by the Senator. Price controls are applied to all industries including steel, copper, and other metals. Now as to food products, I did not intend to discuss the issue at this time, but let me say to the distinguished Senator that by contrast there is a large increase in food production; yes. I wish to state to the Senator that, as I have pointed out in debate on several occasions, when we compare the 1944 food production with prewar production, even though we have at present 6,000,000 less farmers than in prewar days, we find that we have been able to produce one-third more food in this country. Does the Senator question that statement?

Mr. WHERRY. I deny that there is a maximum food production in this country. On the other hand, I wish to suggest to the Senator——

Mr. ELLENDER. I am asking whether the Senator will deny——

Mr. WHERRY. I wish to suggest to the Senator that there is a scarcity of food in this country, to such an extent that unless the situation is materially improved we shall have plenty of trouble within the next 6 months.

Mr. ELLENDER. Oh, I have heard similar statements ever so often. Famines were predicted 2 years ago, but our food production has been on a steady increase as to most products. I contend that if the Thomas amendment and the Taft amendment are adopted we shall have less food. Why? Because by those amendments the farmers will not be taken care of at all, and their cost of production will be tremendously increased, as I will endeavor to show in the course of my remarks. The amendments help the processors and manufacturers and overlook the farmers and other producers of raw materials.

Mr. WHERRY. Mr. President——

Mr. ELLENDER. I am sorry; I do not wish to go into that phase of the matter at the moment any further. I prefer to follow through with the line of thought I started with and when I reach that part of my speech dealing with food production I shall be glad to yield to the Senator.

Mr. WHERRY. The Senator does not wish to yield any further; is that correct?

Mr. ELLENDER. Yes; I wish to yield. If the Senator will direct his questions to the subject I am now discussing, I shall be glad to yield.

Mr. WHERRY. I have gathered from the Senator's remarks that he is attempting to show that there is no need for any amendments to the OPA legislation because we are getting plenty of production all the way along the line, and the Senator has been citing figures in order to compare the present situation with the situation in the period from 1936 to 1939, years when there was a substantial decrease in business, and in some cases very little business. The Senator has compared those years with the war years when the Government has done most of the business. I say that does not prove anything.

Mr. ELLENDER. Well, Mr. President——

Mr. WHERRY. And then, Mr. President, I asked the Senator——

Mr. LUCAS. Mr. President, a point of order.

Mr. WHERRY. I asked the Senator what the situation was in connection with food production. He said there has been an increase of one-third. I should like to suggest to the Senator that he consider the letter which Chester Bowles wrote to the distinguished senior Senator from Oklahoma [Mr. THOMAS], which may be found on page 5703 of the CONGRESSIONAL RECORD, June 7, 1945. Here is what he said:

> Recognizing the critical shortage of meat and the comparative need of avoiding any impediment to maximum production and even distribution—

And so forth and so on.

So Mr. Bowles admits there is a scarcity of food.

Let me quote from the press for this morning:

> Cafe men plan meatless menus.

They are going to have a meeting next Monday, and they plan to attempt to stretch the reduced ration points to cover the 2,000,000 meals a day served in Washington.

And here is a United Press report from New York City:

> THREE THOUSAND (WITH POINTS) BESIEGE BROOKLYN MARKET (WITH MEAT!)
>
> NEW YORK, June 7.—Five abreast, the crowd stretched for several blocks. Police estimated it at 3,000 persons.
>
> * * * * *
>
> George Lazarus, market manager, estimated that 1,000 persons would be disappointed.

Yet, the Senator from Louisiana stands on the floor of the Senate and says we do not need to try to improve the food-supply situation, because, so the Senator has said, we have had one-third increase in the production of food.

Mr. ELLENDER. Mr. President, I have not said anything of the sort, and the

printed RECORD will disprove the Senator's statement. The great trouble with the Senator is that he is obsessed with the subject of meat production. I admit a lack of equitable distribution of our present supplies, but I deny that we have not an increased production.

Mr. WHERRY. Well, Mr. President——

Mr. ELLENDER. Mr. President, I will gladly yield to any Senator who wishes to ask a question relative to the subject of comparative profits in business, which I am now discussing. I said at the beginning of my remarks that I am trying to show that business as a whole is not as badly off as some of my distinguished colleagues have been saying it is. Most are advocating amendments to the Price Control Act so as to permit greater profits to an already thriving economy.

Mr. WHERRY. Does the Senator refer to the production of meat and sugar and other foods? Just consider the Senator's statement——

Mr. LUCAS. Mr. President, a point of order.

Mr. WHERRY. Mr. President, will the Senator yield to me? I appreciate the fact that the distinguished junior Senator from Louisiana——

Mr. ELLENDER. Mr. President, I shall answer the Senator's question in a few minutes, if he will just bear with me. I have stated on several occasions that I will gladly engage the Senator in debate if and when I discuss food production.

Mr. HATCH. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield for a question.

Mr. HATCH. I wish to join in the point of order made by the Senator from Illinois. I desire to insist that the debate be conducted according to the rules of the Senate. The Senators know that under the rules of the Senate any Senator who desires to have another Senator yield to him should first address the Chair, and the Senator having the floor should yield, if he so desires.

The PRESIDING OFFICER. The Chair requests that all Senators observe the rule.

Mr. WHERRY. Mr. President, will the Senator yield to me for a statement?

Mr. ELLENDER. I yield for a question relative to what I am discussing, namely, the profits of business as a whole.

Mr. WHERRY. I will conform to the rules of the Senate. I asked the Senator whether he would yield. I do not wish to infringe upon the rules. I realize the seriousness with which the Senator from Louisiana is presenting his argument. We have talked before about the Office of Price Administration and legislation relating to it. I wish to have the Senator know that I ask these questions in all sincerity. When I first asked the Senator to yield, he declined, and I sat down. Later I again asked him to yield, and then he yielded. I have asked three or four questions. I do not wish to impose upon the Senator's time, and I do not wish to attempt to take advantage of any rule of the Senate. I make that statement for the RECORD.

I appreciate the ability and intelligence and good faith of the Senator from Louisiana, and the faith he has in the Office of Price Administration and the legislation relating to it which has been enacted. He sincerely believes in it. But as he proceeded with his statement, I asked him to yield, because it is very difficult to remember questions which one would have liked to ask in connection with points which were made by a Senator during the course of his remarks. I would appreciate it very much if the Senator would, as he goes along, give some of us an opportunity to ask questions, because after all I am very much interested in the production of food, and I think the Senator realizes that as much as any other Senator on this floor does.

Mr. ELLENDER. It was the Senator from Nebraska who raised the question of food production. I have discussed the issue so often on the floor of the Senate that I do not think it apropos to burden the RECORD with another detailed discussion on the subject.

When I was interrupted by the distinguished Senator from Nebraska I was attempting to answer a statement made yesterday by the distinguished Senator from Ohio [Mr. TAFT] in respect to profits in the manufacture of furniture and other finished lumber products. I stated that the profits in 1943, in contrast with those of the period from 1936 to 1939, were 291 percent. Yesterday I got in touch with the OPA in order to ascertain if it had any recent figures in respect to the matter insofar as 1944 was concerned. As I have already indicated, the figures given me as to furniture and finished lumber for 1943 were taken from Moody's Industries. The OPA was not able to account for all manufacturers for 1944, but a fair sample of 12 operators from all over the country was considered. The information is as follows:

During the period of 1936 and 1937 the average of dollar profits on sales for these 12 operators was $2,900,000, and in 1944 the dollar profits had risen to $9,400,000. During the period 1939 to 1941 the percentage of profit on sales was 8.9 percent. In 1944 it was 10.2 percent.

Yet, according to the statement of the distinguished Senator from Ohio, the manufacturers want more than a 10 percent profit on sales.

The earnings on the basis of net worth of the concerns to which I have referred from 1939 to 1941 were 18.4 percent. In 1944 they were 27.9 percent.

Yet, Mr. President, there are Members of the Senate who are asking that prices be revised so that greater profits may be afforded to those engaged in these industries.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. In order to aid in proving the Senator's point, I wish to read into the RECORD a statement of facts taken from Dun & Bradstreet.

In 1944 Dun & Bradstreet recorded only 1,222 business failures. The number in 1939 was 14,700, and the number in the black year of 1929 was 22,900. If there is any evidence of hardship being experienced in connection with the absence of profits in industry at the present time, the record of Dun & Bradstreet does not show it.

Mr. ELLENDER. I may say to the Senator from Illinois that within a few moments I shall attempt to address myself to the subject to which he has referred.

Mr. LUCAS. I regret having intruded upon the Senator's time, but I did so in order to present for the RECORD the facts and figures which I thought were relevant to the subject being discussed.

Mr. ELLENDER. I thank the Senator, and I wish to say that I am very appreciative of his help.

Mr. LUCAS. I thought the information which I gave was material and competent evidence to be submitted at this point in the Senator's argument. The plain and unvarnished truth is that in all its history business was never in better condition than it is at this very moment. The lamentations of the Senator from Ohio [Mr. TAFT] in regard to the industries which he asserts are about to go into bankruptcy does not square with the facts if the statistics which I have been quoting are correct.

Mr. ELLENDER. What the Senator from Illinois has stated is what I have been trying to develop before the Senate.

Mr. President, I now propose to discuss some of the profits which are being made in the steel industry.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WHERRY. Will the distinguished Senator from Louisiana answer me this question: If there has been the tremendous increase in profits all along the line which the Senator says there has been, why is there such a scarcity in meat products?

Mr. ELLENDER. The reason is very simple, if the Senator will bear this in mind: All the enormous profits about which I have been speaking have made the country tremendously prosperous. Our people have a huge buying power. Years ago when our meat production was approximately 150 pounds a person, a poor devil did not have the money with which to buy his 150 pounds. Today he has it. He is now financially able and eager to buy his share. To some extent that should answer the Senator's inquiry as to why some of us are not obtaining as much meat as we would like. The meat which is now available is being distributed according to the point system, as the Senator knows, and almost every one is entitled and able to buy his share of meat, as I have just indicated. Let us also not forget that on the fighting fronts today there are more than 10,000,000 soldiers and sailors in our Army and Navy. They are all big meat eaters, and we are giving to them all the meat that they require. We are also called upon to feed thousands of prisoners of war and as our victorious armies march

on to victory in Europe we must care for thousands of conquered peoples. At home we are probably being required to stint ourselves, but we should not gripe about that. As I stated a while ago we are suffering from a maldistribution of our meat supplies due largely to black-marketing, and I do believe that every effort is being made to alleviate the situation. With the help of our law abiding citizens we should stamp out black marketing to a very large extent.

Mr. WHERRY. Will the Senator yield for another question?

Mr. ELLENDER. I yield.

Mr. WHERRY. Inasmuch as the Senator has not answered my first question, I should like to ask another question.

Today we have in the United States a surplus of 10,000,000 head of cattle.

Mr. ELLENDER. The surplus is greater than that.

Mr. WHERRY. Last year we did not feed as many cattle as we fed in——

Mr. ELLENDER. When the Senator says 10,000,000 cattle, what period of time is he taking into consideration?

Mr. WHERRY. I am speaking of the present time. Let us take into consideration also the 10-year average prior to the war.

Mr. ELLENDER. I think the Senator is mistaken.

Mr. WHERRY. What does the Senator say the surplus of cattle is?

Mr. ELLENDER. During prewar years the average for the years 1935–39 was, as I recall 66,700,000 head.

Mr. WHERRY. The number of cattle on the range was approximately 67,000,000.

Mr. ELLENDER. Last year the number was almost 82,000,000, and on January 1 of this year it was still around 82,000,000.

Mr. WHERRY. Very well; let us take the Senator's figures.

Mr. ELLENDER. Yes.

Mr. WHERRY. That number of cattle are on the hoof. Why do we not have that meat in the ice box?

Mr. ELLENDER. What?

Mr. WHERRY. I ask the Senator to answer the question. If his argument is correct, it should indicate that, with all the money which we have, and with all the increased profits which the Senator says industries are making, it should be profitable to feed cattle, and therefore the meat counters should be full of meat and everybody should be buying it.

Mr. ELLENDER. If the Senator from Nebraska will be patient with me I will again try to explain the situation to him. I believe that today, as in the past, the OPA is doing all that it can do equitably to distribute the meat which is available. The Senator well knows that in the latter part of 1943 and in the early part of 1944 there was such an enormous quantity of cattle and hogs on hand, particularly hogs, that all our packing plants were working to capacity. The Senator knows that to be true. Of course, it was very profitable, as I shall point out in a few minutes, to be engaged in the packing industry. I wish the Senator would be patient with me and wait until I can get to this particular phase of my remarks. When I reach that subject I will gladly answer any question which the Senator may wish to ask. I may not be able to please him. It seems that he did not agree with me a little while ago when I told him that with 6,000,000 fewer farmers we are producing a third more food. He disagrees with that.

Mr. LUCAS. Mr. President, will the Senator yield for one observation?

Mr. ELLENDER. I yield.

Mr. LUCAS. The debate has been proceeding on the theory that OPA is responsible for meat production in this country. The OPA has not a single thing to do with the production of meat. That is a War Food Administration duty. It was Judge Vinson who gave the cattle producers an increase in the price of cattle; it was Judge Jones, of the War Food Administrator, who fixed the support price for hogs. As I understand, the War Food Administration is the agency of the Government which is responsible for the production of meats in this country.

Here is a statement which I think may partially answer the Senator from Nebraska, although I know that, probably, no statement could satisfy him entirely. I now refer to the fact shown by the agricultural statistics which I obtained from the department. Everybody knows that 30 percent of the meat supply of the United States is going to our armed forces. That is No. 1. Obviously, if 30 percent is going to the armed forces and in addition some is going under lend-lease, that brings the civilian supply of meat down to some extent.

As the Senator from Louisiana a moment ago said, Senators forget that the people of the United States are eating more meat per person—and no one disputes that—than they ever consumed in the history of this Nation. As a whole, the American people are better fed at this moment than at any time in our entire history. Why is that? It is said we are not producing sufficient. I do not know whether the figures I have are correct. Some persons use the agricultural statistics when the figures conform to their ideas, at other times they ignore them. I shall state, however, what the statistics show.

Meat production in 1945, according to the statistics of the Agriculture Department, will be 38 percent above the production for the period 1935 to 1939. Beef production is at an all-time peak, 12 percent above last year's production, which was the previous peak year. In 1945 it will run 38 percent above the average production for 1935–39. We shall in 1945 produce 2,400,000,000 more pounds of beef than we produced before the war.

Pork production in 1945 was 2,190,000,000 above the production for the 1935–39 period. Production was up 42 percent. It will, however, be down a third from last year's peak production. Why is that? It is because the hog population, in the great run of last year rose 91 percent from prewar levels. Think of that. Think of producing in this country last year 91 percent more hogs than we ever produced during the prewar years. Yet no producer suffered as a result of the hog prices. When we had the greatest hog crop in this country, even though prices went slightly below parity, that price remained only a short period of time. Today the hog farmer is getting more than parity, just as the cattle farmer is getting more than parity and the sheep farmer is getting more than parity for the animals they produce.

It is not an agricultural problem at all. Neither one of the amendments before the Senate has anything to do with strictly an agricultural problem. The amendments affect processors and other industries throughout the country. To say that the pending amendment is a farm amendment is not in accordance with the facts.

The hog population, as I said, rose 91 percent. Feed production at that time rose only 36 percent. So the hog population had to come down. OPA had nothing to do with it. And yet we hear this constant condemnation of OPA throughout the press and on the floor of the Senate on the question of hog production.

I have not agreed with OPA in all the things it has done, but I know it has had the toughest job of any agency of the Government, and it has been an agency criticized by Senators in the most cases for home consumption. This agency has been constantly condemned and criticized, although it has held the line in a period when there was greater danger of inflation than at any other time in all our history as a nation.

Of course they have done wrong many times. Human nature is subject to frailty and error; no one is perfect in this world. I remember a great Senator who knew more about price control perhaps than any other Member of this body, Senator Prentiss Brown, who was appointed Administrator of OPA. He did not remain there very long, Mr. President. That is a pretty rough job, and the OPA has taken plenty of punishment at the hands of Senators. I see on the floor the distinguished Senator from Oklahoma [Mr. MOORE], who has been a constant condemnor of OPA. It would be interesting to see him, great businessman that he is, operating and managing OPA. Senators who constantly condemn and criticize should, once in a while, say something good about an agency which has, in my humble opinion, done the constructive job the OPA has done. Political sniping should cease.

The market price for hogs last year fell to $12.50 per hundredweight, which was slightly under parity, but $12.50 is a pretty good price for hogs at any time. I come from the Corn Belt section, and I understand what it means to get $12.50 for hogs when I look back at the prices for which hogs were selling a few years before. Yet after that heavier run of hogs is over, we find them today hitting

the ceiling price. The OPA ceiling price at that time was $14.75, and I think the price is around that figure at the present time.

Mr. THOMAS of Oklahoma. Mr. President, may I ask the Senator from Illinois a question?

Mr. ELLENDER. Yes.

Mr. LUCAS. I have not finished. I desire to make my statement and I shall be through.

Mr. ELLENDER. Very well. I yield to the Senator from Illinois for that purpose. I wish to say to my good friend from Illinois that he is making my speech as to meat and I do not propose to again cover the subject.

Mr. LUCAS. The OPA set a ceiling of $1.14 on corn. There were many who did not want that done. They wanted the price of corn to be unrestricted; they wanted corn and every other commodity to be sold according to the law of supply and demand, just as the cattle growers wanted it done from the beginning in the case of cattle.

I listened last year to a lawyer from Texas representing the cattle interests before our committee. He asked the agricultural committee to let the law of supply and demand operate so far as cattle were concerned. Cattle! That is what we have heard all the time. Many persons have their perspectives confined to the cattle pen in connection with a great problem that affects 137,000,000 people. I say if the Thomas amendment and the Taft amendment are adopted by the Senate, we can kiss price control good-by, and, with the billions of dollars that are now in the pockets and bank accounts of civilians, who are ready to buy anything and everything, we will see an era of inflation which will completely wreck price control.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. Mr. President, as I have just indicated the Senator from Illinois [Mr. LUCAS] is delivering my speech, and I do not mind yielding, but hereafter I shall yield only for a question.

Mr. THOMAS of Oklahoma. Will the Senator yield that I may ask the Senator from Illinois a question?

Mr. ELLENDER. I yield for that purpose.

Mr. THOMAS of Oklahoma. It has been the custom on this floor for over a century that when one Senator refers to another Senator by name, the Senator referred to is accorded the courtesy, if he desires, of replying. The Senator mentioned me by name, and then refused to yield.

Mr. President, I now desire to ask the Senator from Illinois a question. Does the Senator approve of the price ceilings, the rules and regulations in force at the orders of OPA, at the time the Senate Committee on Agriculture and Forestry, of which he is a member, started the investigation some 3 months ago? I yield to him to reply.

Mr. LUCAS. Mr. President, I did not directly refer to or ask the Senator from Oklahoma any question, but he has asked me one. If he wants an answer I shall be glad to give him one.

Mr. ELLENDER. I yield for that purpose.

Mr. LUCAS. I took part in those hearings. I was a member of the Committee on Agriculture and Forestry, but not of the subcommittee, and at the very kind request of the distinguished and able Senator from Oklahoma, for whom I have a very high regard, I attended a great number of the hearings.

I did not agree with the OPA, as I said a while ago, as to their method of paying subsidies to the packers. I do not agree with them now as to some things, and I shall continue to disagree with them, but I am not willing to vote to wreck the OPA program in order to satisfy a few individuals in this country or to satisfy my own desires dealing with a few problems.

I went along in those hearings and did everything I could in order to get the slaughterers more money through the subsidy route, and I think they got a better proposition as a result of what we did, but I am not going to vote for an amendment such as that the Senator from Oklahoma has offered, which, in my opinion, will definitely break down price control. There are not enough men in the Army to get the facts for the OPA upon which they can absolutely ascertain and predicate the costs in order to enable the industry to have a profit. Under the amendment it is necessary to guarantee something to every industry, whether it is efficient or inefficient, and if I were Administrator of the OPA and was handed the Thomas and Taft amendments, I would close up shop, I would not give a single subsidy to any individual or industry until I knew the facts from their records, not what is before the OPA now, but the records brought up to date. It is provided it shall be unlawful to violate the proposal submitted, and someone might go to jail if he violated the amendments. OPA officials cannot afford to take that chance. The Administration will break down. That seems to be what a lot of folks desire.

I do not know whether I have answered the Senator's question or not.

Mr. THOMAS of Oklahoma. Will the Senator from Louisiana yield to me further?

Mr. ELLENDER. I yield.

Mr. THOMAS of Oklahoma. The investigation was ordered by vote of the Senate. Either the OPA was wrong when the investigation was begun or it is wrong now. Since the hearing started the OPA has changed its rules and regulations at least three times. My question to the Senator was: Was OPA right when the investigation was started? If the answer should be "yes," then OPA must be wrong now. If OPA was in error when the investigation was started, then no Senator can be justly criticized for having pointed out the error, and for making an effort to secure a correction.

Mr. ELLENDER. Mr. President, in further answer to the question propounded by the distinguished Senator from Oklahoma to the Senator from Illinois, I would say that the OPA has been constantly at work in an effort to help the meat processors. It is not only in the last 4 or 5 months, but it has a staff that is constantly at work trying to adjust prices for the slaughterers and processors. There is no doubt, as the distinguished Senator from Oklahoma [Mr. THOMAS] has just indicated, that some corrections by the OPA have been made before, during, and after the hearings held before the Committee on Agriculture and Forestry of which he is chairman.

I now yield to the Senator from Nebraska.

Mr. WHERRY. Mr. President, I appreciate the Senator yielding to me now, but I shall decline to speak further in his time because he has stated to me on the floor that he would answer my question relative to the fact that there are not as many cattle being produced as there were.

The statement made by the distinguished Senator from Illinois of course is just a statement in defense of OPA which he had a perfect right to make. As I understood the Senator from Louisiana he was attempting to prove that because of the increase in price in the industries all the way along the line we have had better times, that people were eating meat. I want the Senator to show me, if he can—and I appreciate his interest—that there has been an increase in the production of food, that there has been an increase in the feeding of cattle, that there has been an increase in the feeding of hogs and of sheep, that we have plenty of meat, and that the ones who buy it can get it without difficulty, that there is no black market, that everything is operating on the profit basis. The increased profits the Senator has suggested are tremendous according to his statement, during the period of the war, when we have increased the debt to $300,000,000,000. It is my contention that these things have not been happening.

Mr. ELLENDER. The Senator knows well that in my remarks I did not intend a discussion about meat or food production, but I was merely making an attempt in my own way to answer the distinguished Senator from Ohio. It was the Senator from Nebraska who raised the question of meat and food production, as I previously indicated. Judging from what the Senator from Ohio said, I repeat, business was going to the dogs, and he was advocating amendments to the Price Control Act which would hike prices, which, in turn, would result in more production. That was not the situation in World War I, in contrast to World War II. I am speaking of our industrial and agricultural production generally. I am looking into the small end of the telescope and am attempting to visualize the picture as a whole. I am not attempting to look through the big end of the telescope and center my efforts on our present meat situation, as the distinguished Sen-

ator from Nebraska [Mr. WHERRY] seems to want to do. Considering our food production as a whole, we have a sufficient amount on hand and in production to keep us in good health. No one is suffering from a lack of food in this country. I have not seen any people who could not walk around or who had to get a doctor to inject strength-giving liquids into them. They have been able to take it. Those in good health are all nourished properly and show no signs of starvation. Has the Senator come in contact with anyone suffering or on the verge of starvation?

Mr. WHERRY. If the Senator is asking me that question, I simply reply that that is always the contention of those who believe in the OPA legislation. I contend, and I want the Senator to know it——

Mr. ELLENDER. Mr. President——

Mr. WHERRY. The Senator has asked me a question; let me answer it.

Mr. ELLENDER. Proceed.

Mr. WHERRY. I contend that there is little meat that is edible on the meat counters of this country; that there is a pork shortage beyond description, and that there is this unprecedented demand. It is not a question of whether we have the cattle or the corn, but it is a question whether or not the price levels which have been established and put into operation by OPA have permitted the proper functioning on a profit basis so that we could obtain the production we need.

Mr. ELLENDER. The Senator again centers on meat when I asked him a simple question as to whether he has seen anyone suffering or on the verge of starvation. Be that as it may, I desire to ask the Senator another question.

Mr. WHERRY. Have I answered the question the Senator just asked me?

Mr. ELLENDER. I hardly think so, but let me ask the Senator this question.

Mr. WHERRY. Yes.

Mr. ELLENDER. The Senator has no doubt studied the Thomas amendment.

Mr. WHERRY. Yes.

Mr. ELLENDER. And the Taft amendment.

Mr. WHERRY. Yes.

Mr. ELLENDER. Would their adoption bring about more hog production, cattle production, and, in fact, more meat production?

Mr. WHERRY. The Senator has asked a question, and I should like to have the time necessary to reply. Such proposed amendments provide for a reasonable profit margin. Expected profit is the incentive which will result in production and production is unquestionably the one thing now needed to augment price controls.

I would agree with the Senator, because I know he has made a study of the OPA legislation, he is intellectual, and knows what he is talking about—I would agree that there was on the statute books, up until the decision in the Armour case, ample legislation, if properly administered, to enable OPA to establish price levels that would have made it profitable to farmers to produce hogs and cattle. Now that the Armour case has been decided by the Supreme Court, we have no law making such provision as is attempted to be furnished by the clarifying amendment of the Senator from Oklahoma. If that amendment shall be agreed to, then we will conform to what was incorporated in the letter of the Administrator of the Price Administration sent to the Senator from Oklahoma [Mr. THOMAS] yesterday, and which appears in the CONGRESSIONAL RECORD, in which he stated that in the future they would do the very thing, in the administration of the act, that the Senator from Oklahoma [Mr. THOMAS] included in his amendment.

Mr. ELLENDER. They have been doing it all along. That is nothing new.

Mr. WHERRY. Then I ask the Senator why it is that cattle feeding is not continuing on the basis on which it should continue in this economy of scarcity?

Mr. ELLENDER. The Senator knows very well that in recent weeks they have added a subsidy to the cattle feeder—I think of 50 cents—is it not? That may not be enough, and if it can be shown it is not enough, of course, all we need do is to raise it.

The point is this: Congress has decided to use a system of subsidies in order to control prices and maintain our economy. What some Senators now desire to do is to get away from the subsidy method and let prices increase. If ever the time comes when such a thing occurs, then, so far as I am concerned, I shall not vote for another nickel of subsidies. If it is necessary to increase prices, let that be done, but I shall not vote for any subsidies and at the same time permit prices of subsidized commodities to go up. That is what will occur if the Thomas amendment is adopted. The Senator has not answered my question as to whether the Thomas amendment or the Taft amendment will increase farm production. The amendments favor processors and manufacturers and will help to increase their profits.

Mr. WHERRY. Mr. President, will the Senator further yield?

Mr. ELLENDER. In a moment. Before the Senator gets through I want him to point out one sentence in either the Thomas amendment or the Taft amendment that will, if either amendment is adopted, in any wise improve the station of the farmers of this Nation. My contention is that the adoption of either amendment will result in increasing their costs, it will increase their food bills, their clothing bills, their labor cost, and, in fact, the cost of everything they use and need for their farm operations. The Senator well knows that if such a thing happens the farmers will be the next group to come to OPA and say—"Raise our prices." If that occurs processors will come back to OPA and labor will come to OPA and ask for increases, and we will find ourselves in a spiral of inflation, and God only knows what will then happen. Our present dollar may in the course of not many months be worth only as much as a Chinaman's yen is now worth. I dread the day when our printing presses may be on the go. I would much prefer that some of us suffer from the lack of an ample diet than to open the doors that will lead to uncontrolled inflation. It is then that our people will really suffer.

Mr. WHERRY. Will the Senator from Louisiana yield to me now?

Mr. ELLENDER. Yes.

Mr. WHERRY. I wish further to answer the Senator's question as to whether the adoption of the Thomas amendment or the Taft amendment would result in doing what I should like to have done relative to increased production of livestock—and when I speak of increased production of livestock I mean also meat on the counter. If the Senator will permit me I should like completely to answer the question, because he has asked it of me. I said a moment ago that I felt that prior to the decision in the Armour case we did have a law on the subject, but, by reason of the fact that the Price Administrator did not act in accordance with that law, we were not getting the numbers of cattle in the feed lots we were entitled to have under the OPA legislation which the Senator from Louisiana himself helped to pass. The amendment proposed by the Senator from Oklahoma clarifies the very thing that was set out in the letter written by Administrator Chester Bowles yesterday, which the distinguished Senator from Oklahoma [Mr. THOMAS] placed in the RECORD, which was that if any price is set, it must be set so it is profitable to all segments of the industry, and OPA must figure that profit to particular groups of the industry rather than to the industry as a whole. Mr. Bowles said in the letter that he would do that. If he will do so then the amendment becomes only a clarifying amendment, and what I understand the Senator from Oklahoma [Mr. THOMAS] attempts to do by the amendment is to clarify the Stabilization Act with reference to cattle and calves, hogs, lambs, and sheep; that each be separately considered on a profitable basis.

Mr. ELLENDER. Mr. President, that is not what the Thomas amendment does as I have previously indicated. It helps processors and manufacturers of agricultural commodities.

Mr. WHERRY. Will the Senator yield for a further answer?

Mr. ELLENDER. I yield.

Mr. WHERRY. The Senator said he believes in subsidies. I know that has been the Senator's position since I have been in the Senate. He conscientiously believes in subsidies. He has a right so to believe. But if we are to pay subsidies I should like to ask how the increase, resulting from the subsidy, would affect the cattle feeder? I understood from the chairman of the Committee on Banking and Currency, the Senator from New York [Mr. WAGNER], who is now in the Senate Chamber, before I went to Nebraska a few days ago, an attempt would be made to take care of the situation by

means of a subsidy. When I returned I found out that the only subsidy that is paid to cattle feeders is 50 cents a hundred. I wish to point out to the distinguished chairman of the Committee on Banking and Currency that on a 1,200-pound steer that is only $6. Do Senators think that a subsidy of 50 cents a hundred is an inducement to a man who is so hard pressed now because of the situation with respect to the feeding of cattle—that a subsidy of 50 cents a hundred, which would mean $6 on a steer weighing 1,200 pounds, is a sufficient inducement for him to feed cattle in the feed lot? The total subsidy paid on a steer weighing 1,200 pounds is $6, as I stated. Yet the total subsidy paid on that 1,200-pound steer—and I bring this to the attention of the distinguished Senator from Louisiana—is $51.60. Fifty-one dollars and sixty cents is paid to the processors and all those who handle the product afterward. Of that, only 50 cents a hundred goes to the one who produces the calf and finally feeds the steer and gets his meat to the meat counter.

I ask in all fairness whether Senators think such a subsidy will result in increase in feeding of cattle on the feed lots? The feeding of cattle and hogs on the feed lots depends upon whether it can be done profitably or not. The only answer to that question is "No." That is not a sufficient subsidy to achieve such a purpose. If a subsidy is to be given, it should be a sufficient subsidy to attract the cattle to the feed lots.

Mr. ELLENDER. Let us increase the subsidy if it is necessary to do so. The point is that we cannot at this moment afford to abandon our subsidy program and let higher prices control. That is the point I have emphasized. I say that in all earnestness, and I shall help all I know how to increase the subsidy if that is necessary. If 50 cents is not sufficient, let us give more. But let us not permit the price of beef to go up 3 or 4 cents in order to accomplish the purpose we seek to rectify.

Mr. WHERRY. Will the Senator yield further?

Mr. ELLENDER. I do not mind yielding again, but, as my colleagues will soon find out, it seems to me all I have to say has been anticipated, first by the distinguished Senator from Nebraska——

Mr. WHERRY. I am sorry.

Mr. ELLENDER. And then by the distinguished Senator from Illinois. I will find myself repeating probably what other Senators have said. I do not mind yielding. I am glad to stir up a little discussion. My hope is that the discussion will center on the two amendments. Let us determine the effect of the two amendments on production.

Mr. WHERRY. Will the Senator yield further?

Mr. ELLENDER. Yes.

Mr. WHERRY. My answer is that these two amendments will do the very thing necessary to be done, because they deal with the price levels which are established. The levels have to be lawful levels. If the Senate adopts the Thomas amendment——

Mr. ELLENDER. But the amendment does not do that. That is simply wishful thinking on the part of the Senator, and if he reads the amendment he will find out that it means that reasonable profits must be allowed to every processor—not to take a sample of a dozen or so processors—but every processor must be allowed a reasonable profit on every major product he manufactures. As I interpret the Thomas amendment it shall be unlawful for OPA to maintain any prices unless the OPA examines the books of a processor and finds out what his costs are, and after the costs are determined, give him a reasonable profit on each major product he produces. That is the purpose of the Thomas amendment.

Mr. WHERRY. The Senator from Louisiana broke in before I really had a chance to answer him. The Thomas amendment applies particularly to livestock and agricultural products. The Taft amendment deals with all industry. I am quite satisfied that the clarifying amendments offered by the distinguished Senators from Oklahoma and Ohio will give us who are cattle feeders an opportunity to show the over-all feeding charges, what it takes to buy the cattle, what it takes to feed them, and the price we get as set by the Office of Price Administration.

I wish the distinguished Senator from Illinois were present in the Senate Chamber at the moment. The testimony before the subcommittee of which the Senator is a member showed that the top price the packer could pay was $16.51 for AA feeder cattle. The price we have to pay for those cattle today in the open market is $13.50. When you get the cattle laid down and have paid your freight charges and commission fees the price is $14.25. As the result the feeders who have the corn are not buying those cattle, they are not placing them in the feed lots, because there is not a margin of profit. A subsidy of 50 cents a hundred will not provide a sufficient margin of profit.

I wish to suggest to the distinguished Senator from Louisiana that if the Taft amendment or the Thomas amendment is not adopted, then it is the responsibility of the Office of Price Administration, as an administrative agency, to set a price level at which the cattle can be fed and sold at a profit. If that is not done, there will be a continued shortage of meat.

It seems to me useless to argue the question as to whether or not there is a meat shortage. I know that the Senator agrees with me that there is a shortage. It will become more acute than ever unless we get more cattle and hogs into the feed lots. I say that in all sincerity. I wish to help the administration produce food.

The situation is just as critical with respect to other products. It is critical not only with respect to cattle but also with respect to hogs and sugar. We can get increased production if the incentive exists, if the profit motive is present. If we do not wish to follow that policy, the subsidy must be of sufficient amount to attract cattle to the feed lots.

Cattle are not going to the feed lots today. There are fewer cattle in the feed lots today than there were a month ago. Next month there will be fewer cattle in the feed lots than there are this month. The argument that more cattle are going into the feed lots, and that there is no shortage, is absolutely without foundation.

We must clarify the situation. That is the duty of Congress. The Administrator has not done it over a period of nearly 3 years, although I believe he had the authority. These amendments would clarify the legislation, and I believe that both of them should be adopted. The Congress should say what shall be done with the price levels; and unless the administration complies with the laws which the Congress enacts, its acts are unlawful.

I thank the Senator for yielding to me. I believe that the issue is so great that the debate should be unlimited. Whatever we do should be done in a constructive way, without heat or passion. We can believe in subsidies, or in the profit motive. We can believe in the OPA legislation, or we can disagree; but the fact remains that the supply of meat is becoming shorter. It is becoming shorter in New York City and many of our industrial cities. It is becoming shorter in my State, and meat of all kinds is becoming critically short.

Instead of the Administration clarifying the present condition it is making it worse. I think the time has arrived for Congress to step in and say what the price level should be. It ought to be possible to show what is necessary to allow a profit. We should set a price level which would attract cattle to the feed lots. According to the figures of the OPA, we have 10,000,000 more cattle than we have had, on the average, over a 10-year period, 1921–30. We have the corn, and the labor to feed it to the cattle and hogs. All we need is a sufficient profit, under the profit-motive theory, or else a subsidy to attract those cattle into the feed lots. Unless that is done, we shall have a continued shortage of meat.

Let me point out to the Senator from Louisiana that everything he has said about holding prices down depends upon having legal prices, and not black-market prices. He knows as well as I do that the black market is becoming tremendous in this country. I believe that maximum production is the only way to cure the difficulty.

I thank the Senator.

Mr. ELLENDER. Mr. President, as I stated awhile ago, some of my distinguished colleagues have virtually made my speech, and I hesitate very much to repeat some of the arguments made by them. However, to revert to the question which I was discussing when I was interrupted, I had concluded showing the differences in profits in the furniture and finished lumber business. I believe the distinguished Senator from Ohio said something about profits in the steel business yesterday. He showed that some

concerns were losing money, and that OPA in showing profits took the figures from the books of large concerns and did not consider the activities of smaller companies.

I inquired of OPA with respect to that subject. Fortunately, the OPA has just concluded a comprehensive study of 47 steel companies scattered throughout the country. None of the large companies are included in the list of 47 steel companies covered in the analysis I am about to present. None of the so-called Little Steel companies, such as Republic, Youngstown, and so forth, are included.

I am told that the 10 larger companies, including the so-called Little Steel companies, produce 80 percent of the Nation's steel production. The 47 smaller companies, whose books and accounts were carefully investigated and analyzed by OPA, as I just indicated, produce 16 percent of the steel output of the Nation. Let us see how they have fared.

In the period from 1936 to 1939 these 47 companies earned an average net profit on sales of 4.9 percent. In 1944 the same 47 companies earned 13.7 percent on sales, contrasted with 4.9 percent in the period 1936 to 1939.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MORSE in the chair). Does the Senator from Louisiana yield to the Senator from Ohio?

Mr. ELLENDER. I yield for a question.

Mr. TAFT. In the first place, the Senator's argument is that because some companies made profits in 1944, therefore the price today is correct. The point I have been trying to make is that the steel companies have been engaged in war business. Of course, they have made profits. That is not the question. They are going back into the production of civilian goods. What are the prices of those civilian products?

The Senator has just said that in the period from 1936 to 1939 these 47 companies earned 4.9 percent on sales.

Mr. ELLENDER. That is correct.

Mr. TAFT. All my amendment does is to provide that they shall earn today the same profits which they earned in 1941. So far as I am concerned, I do not care whether the basis is 1941 or 1939. I will accept either year.

Mr. ELLENDER. I shall contrast for the Senator the profits which would be made by those companies if the 1941 formula were in force with what they are making today, and show how the profits would be considerably increased.

Mr. TAFT. Whatever year we take, the profits of some companies will be increased, and the profits of others will be decreased. We must have some standard. I would just as soon take the year 1939. I am willing to accept as a basis the average for 1938, 1939, and 1940. The OPA shows 1941 as the basis for cost in its reconversion policy. Then it tried to combine with its 1941 costs the margin for the years 1936 to 1939, which were bad years; 1937 was a bad year, and the average is not a fair figure. I am willing to accept 1938 and 1939, or 1939 and 1940; but the figure for 1941, which I have used, is a reasonable figure.

All these figures about over-all profits do not prove anything. I admit that the large companies have made money. My point is that many small companies, which make a particular product, are forced to sell it at a loss. The OPA says, in so many words, "We are requiring these goods to be sold at a loss because profits are made on something else." The producer who makes only one such product sells entirely at a loss; and when we come to reprice for the reconversion period, no one will make that product.

Mr. ELLENDER. Let me ask the Senator a question. As he pointed out yesterday, the large steel companies are making enormous profits. They produce 80 percent of the steel which is now manufactured in the United States. The 47 concerns whose account books have been analyzed show considerable profits. If we add the steel production of the 10 large steel companies to the production of the 47 smaller producers, we find that they are producing 96 percent of the steel manufactured in this country. With the enormous profits being made by those who are producing 96 percent of the steel, does the Senator think it would be just and fair to allow a profit to the producers of 4 percent of the steel, and at the same time raise the ante, so to speak, for the producers of the 96 percent? In other words, is it fair and just to raise the already swollen profits of those who produce 96 percent of the steel so as to take care of the few who produce only 4 percent of the steel made in this country?

Mr. TAFT. The answer is "Yes"; I do.

Mr. ELLENDER. Well, I do not.

Mr. TAFT. If the Senator proposes to limit everyone's profits, then there will be profit control, not price control; and with profit control we could not maintain a free economy in the United States.

Mr. ELLENDER. In other words, Mr. President, the Senator from Ohio is now arguing for the Thomas amendment, because, as I pointed out yesterday, it would permit the OPA to fix the selling prices on the basis of the cost of the high-cost producer in any industry; and no matter what the profits of low-cost producers might be in that industry, the selling price of the low-cost producers would be increased to the selling price of the high-cost producers. That would be the result. Should the Senate permit such a method of price revision, we might as well abandon price controls.

Mr. TAFT. Mr. President, the Thomas amendment would permit that, but it would not require it, and there is no evidence whatever that the OPA would choose that method of conducting business, because in general the OPA prefers to set a flat price which will give the more efficient producer a larger return than the less efficient producer.

Mr. ELLENDER. The Senator from Ohio knows well that if the Thomas amendment is adopted it will mean four or five or six prices in the same community for the same article, or else the low-cost producers must be allowed to charge the selling price of the high-cost producers. The Senator cannot argue himself out of that situation.

Mr. TAFT. Mr. President, I am generally in favor of giving to the low-cost producers the price of the high-cost producers, because that is the whole basis on which our economy operates. The reward for efficiency in operation is the factor which in the end reduces prices. It is the thing which has raised our standard of living. It is the thing on which our whole economy is based.

Mr. ELLENDER. Then I repeat what I said yesterday: If the Senator's view is correct and if the Thomas amendment is adopted, we might as well kiss price control good-bye, because it will become ineffective and inoperative.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. TAFT. I disagree with that statement, but that is not what I wish to say at this point. I hold in my hand a tabulation of figures for the iron and steel industry. This tabulation was obtained from the National City Bank, which I think is about the most reliable source of such information. The whole industry made, in 1943, 5.6 percent net, on its net worth. In 1944 it made 5.2 percent on its net worth, after taxes. Of course, that is not a picture of exorbitant profits.

But the main point is that these figures are an average, they represent both the nonprofitable companies and the profitable companies. Every steel company in the country was engaged in war work. These figures are for companies which have been engaged in operations as a part of the war economy, not the reconversion economy.

In the last 5 months there have been serious cut-backs; and there are many small steel companies in Ohio, about which I know, that now are reconverting; they are changing their operations so that they will be able to make articles for civilian consumption. They now find that they can make them only at a loss.

I think the whole argument of the Senator from Louisiana is based on the fact that in 1943 and 1944 the corporations made large profits. Of course they did, but mostly because of the war business.

Mr. ELLENDER. The Senator does not mind that; does he?

Mr. TAFT. The pork packers made large profits up to about the first of July 1944.

Mr. ELLENDER. Yes.

Mr. TAFT. But the moment you begin to sell at a loss, you cut down production. The Senator has said that prices do not produce production. Of course they produce production. Last week I talked to a big manufacturer of refrigerators. He said, "We are going to reconvert. We are going ahead to make refrigerators. But if they fix the 1942 prices, on which we will lose on every refrigerator, we will make 5,000 or 6,000 refrigerators, whereas we are planning to make 50,000 or 60,000 refrigerators, and we will do so, if we get a decent price."

Mr. ELLENDER. Evidently the Senator did not hear me make a comparison of industrial production during World War I with industrial production in World War II. The Senator has argued, as I pointed out during his absence, that high prices mean more production.

Mr. TAFT. It is inevitable that profitable prices will mean more production. I did not refer to high prices. I say that if the prices which are set are such that no profits will be made, there will be almost no production. If the price which is fixed permits a reasonable return, there will be all the production we wish to have.

Mr. ELLENDER. But the Senator from Ohio pointed out a while ago that higher prices on refrigerators will mean that more refrigerators will be manufactured.

Mr. TAFT. If the price fixed for refrigerators is such that the manufacturer of refrigerators will lose money, he will not make many refrigerators; he will make only enough to keep his organization going.

Mr. ELLENDER. Mr. President, for the benefit of the distinguished Senator from Ohio and other Senators who have recently entered the Chamber, let me point out that during World War I prices increased 88 percent in the period from 1914 to 1918, and production increased 25 percent. During World War II, prices increased 21 percent, and production increased 216 percent. The inevitable conclusion from those figures is diametrically opposed to the theory now advanced by the distinguished senior Senator from Ohio.

Mr. TAFT. Mr. President, with all due respect to the Senator, let me say I do not think his figures prove anything. We have a big industrial production because the Government went to the manufacturers and said, "We want you to produce these things for the war." Of course, we have had three wars at once, so we have had three times as much production as we did in the First World War.

Mr. ELLENDER. Suppose there had been effective price controls during World War I?

Mr. TAFT. Mr. President, this reference to World War I is a mistake on the part of the Senator, because in the first 3 months of World War I there was no greater increase in prices than there was in the first 3 months of World War II.

Mr. ELLENDER. The figures do not show that, I desire to say to my distinguished colleague.

Mr. TAFT. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a memorandum giving all the figures, showing that the actual increase for the first 19 months of World War I was just about the same as the increase in the first 19 months in this World War.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM

World War I began in August 1914 and United States participation began April 7, 1917, and extended to November 11, 1918—a period of 19 months. Congressional authority to control food prices was given in August 1917 and was dissolved at the armistice, except in wheat, sugar, and hogs as to which there were continuing Government guaranties.

World War II began in September 1939 and United States participation began on December 7, 1941, and extends to date. It is therefore only possible to compare the price controls over 19 months of World War I and the first 19 months of World War II.

The principles of the two price controls differed radically. Price controls in World War I were limited to some 20 essential staples and their products, which comprise over 90 percent of American nutrition. The price controls of World War II cover thousands of grocery items—many of which are refinements and luxuries.

Prices in World War I were based upon stabilizing prices at points nearest possible to the producer—that is, elevators, stockyards, creameries, milk-sheds, etc. Then there was established a "mark-up" for each stage of manufacture or distribution. Prices in World War II were fixed at arbitrary levels at various outlets with subsequent adjustments. World War I methods resulted in the uninterrupted flow from farmer to consumer, required only a few hundred men for enforcement, and resulted in no black markets and no local famines. World War II methods require thousands of men and women for enforcement, require hundreds of millions in subsidies to patch up irregularities, and have resulted in local famines and black markets.

Prices in both wars had advanced considerably before the United States entered the wars, and before control of prices was established.

Taking 1913 as a base of one hundred, the situation in each case at our entry into the war was:

	Year	Farmer prices	Wholesale prices	Retail prices
April	1917	175.0	159.0	144.9
December	1941	132.4	141.0	141.6

The attached table—No. 1—shows the advances in detail, month by month, for the first 19 months of the United States participation in both wars, taking the first month of our participation as 100 base.

World War I prices received by farmers advanced 25.9 points at the nineteenth month and they advanced 36.4 points in the nineteenth month of World War II. (These are the figures of the Department of Agriculture.)

World War I average wholesale food prices advanced 24.2 points at the nineteenth month, while World War II average wholesale food prices advanced 22.1 points at the nineteenth month. (These are Department of Labor figures.)

World War I average retail food prices advanced 24.8 points at the nineteenth month, while World War II average retail food prices advanced 24.5 points at the nineteenth month.

These tables are not fair to the food administration of World War I for three reasons: The authority of the food administration in World War I to control prices was not granted to it until August 1917, while the figures given relate to April 1917; in World War I the indexes include the unregulated luxury and refined foods; and black market prices or subsidies to food dealers are not represented in the statistics of World War II. Also, World War II food agencies have paid out several hundreds of millions of dollars to farmers, manufacturers, and dealers, which do not show in the index of prices but come out of the consumers' pockets as taxes just the same.

While even the tables given show neck-and-neck advances, if adjustment were made as above, the Food Administration of World War I would show for the first 19 months at least nine points better in farmers' prices, nine points better in wholesale prices, five points better in retail prices.

Table II, attached, shows the money retail prices of 11 staples during World War I period of control.

Table III shows wholesale prices in money for certain staples in World War I and World War II.

Table IV shows the movement of prices in the two wars based upon pre-World War equals 100.

COMPARATIVE CONSUMPTION PER CAPITA

In World War I the conservation of food was organized on a voluntary basis through measures of cooperation with the consumers and the trades. There were no ration boards, ration cards, harassment, and only trivial expenses.

In World War II the conservation of food was organized upon a compulsory basis through ration boards with ration cards and elaborate regulation of the trades at great inconvenience to the public and at high expense.

It is of interest to compare the results of the two methods in the four most critical commodities, and which could no doubt be extended to other commodities. (The figures are from the Department of Agriculture.)

Consumption in pounds per capita per annum for 4 representative commodities

Year	Meat	Chickens	Lard and cooking fats	Sugar
World War II:	*Pounds*	*Pounds*	*Pounds*	*Pounds*
1942	137.9	21.5	22.5	86.2
1943	136.6	28.1	24.1	80.3
1944	147.0	23.0	23.6	88.4
Average	140.5	24.2	23.4	84.9
World War I:				
1917	136.0	17.7	21.4	77.2
1918	143.0	17.8	22.8	78.0
Average	139.5	17.75	22.1	77.6

These figures are for civilians only and are exclusive of the armed services.

World War I figures are inclusive of the armed forces. Moreover, the figures for World War I were based on the difference between production and imports less exports divided by the population. During World War I much food was exported to the Allies which for military reasons was not reported to the Department of Commerce. This is shown by Allied and other figures of imports from the United States as larger than our export figures. Moreover, the statistics for World War II cover full calendar years, whereas the food control in World War I did not include any one full calendar year.

Making reasonable adjustment for these differences, the rate of consumption by civilians for World War I was:

Meats	132
Chickens	15.2
Lard and cooking fats	20.1
Sugar	73.3

It was necessary to drastically conserve wheat in World War I which has not been necessary in World War II. The amount of this conservation is indicated by the fact that we exported about 33 percent of the wheat crop available for food in the years 1917 and 1918, when we had no theoretical surplus for export at all. And this was ac-

complished wholly by voluntary action and without ration cards.

COST OF ADMINISTRATION

In World War I, the Food Administration controlled the stimulation of production, conservation in consumption, prices, purchases of Army, Navy, and the Allies, and relief of Europe, all under one organization. In World War II these functions are divided over 7 or 8 organizations. The total number of paid employees in World War I was under 3,000 in the Food Administration and the use of perhaps 4,000 of the Department of Agriculture. The paid employees in World War II of all related agencies possibly exceeds 200,000.

The total administrative expenses of the Food Administration in World War I from beginning to end, including the relief of Europe, was under $8,000,000. The expenditures during the first 19 months of World War II food agencies probably exceed $200,000,000. The Food Administration in World War I returned all appropriations of working capital intact and earned a net profit of over $60,000,000 in food operations. It paid out no subsidies. The food agencies of World War II have paid out several hundred millions of losses on food and subsidies. Thus, the Food Administration in World War I cost $50,000,000 less than nothing for its 19 months, whereas the food agencies of World War II have cost several hundred millions in the same period.

TABLE I.—*Food prices World War I and World War II—Index numbers*

WORLD WAR I

[April 1917=100]

Month of war	Calendar	Prices received by farmers	Wholesale prices	Retail prices
	1917			
1st	April	100.0	100.0	100.0
2d	May	105.9	106.4	104.1
3d	June	107.1	104.4	104.8
4th	July	106.5	103.1	100.7
5th	August	107.1	107.1	102.8
6th	September	108.8	108.7	105.5
7th	October	112.9	112.5	108.3
8th	November	112.9	112.5	106.9
9th	December	114.7	112.0	108.3
	1918			
10th	January	117.1	112.5	110.3
11th	February	118.8	112.4	111.0
12th	March	118.2	109.6	106.2
13th	April	117.1	111.1	106.2
14th	May	116.5	111.0	109.0
15th	June	114.1	111.2	111.7
16th	July	117.1	115.9	115.9
17th	August	121.8	117.2	117.9
18th	September	127.1	121.6	122.8
19th	October	125.9	124.2	124.8

TABLE I.—*Food prices World War I and World War II—Index numbers*—Continued

WORLD WAR II

[December 1941=100]

Month of war	Calendar	Prices received by farmers	Wholesale prices	Retail prices
	1941			
1st	December	100.0	100.0	100.0
	1942			
2d	January	103.5	103.5	102.7
3d	February	104.9	104.5	103.3
4th	March	105.6	106.2	104.9
5th	April	108.4	109.1	105.7
6th	May	107.7	109.3	107.5
7th	June	107.7	109.7	107.9
8th	July	109.8	109.6	110.2
9th	August	111.9	111.4	111.5
10th	September	114.0	113.1	111.9
11th	October	116.8	114.3	114.6
12th	November	118.9	114.4	115.9
13th	December	123.8	115.2	117.3
	1943			
14th	January	126.6	116.2	117.6
15th	February	128.7	116.9	118.1
16th	March	134.3	118.7	121.5
17th	April	137.8	119.8	124.3
18th	May	135.7	122.1	126.4
19th	June	136.4	121.1	125.5

TABLE II.—*Average retail prices of specimen-controlled articles, 1917–20*

	Wheat flour	Bread	Sugar	Milk	Lard	Bacon	Ham	Round steak	Coffee	Butter	Eggs
	Cents per pound	*Cents per pound*	*Cents per pound*	*Cents per quart*	*Cents per pound*	*Cents per pound*	*Cents per pound*	*Cents per pound*	*Cents per pound*	*Cents per pound*	*Cents per dozen*
1917—August	7.6	10.2	10.0	11.4	27.7	43.1	39.4	30.8	30.5	47.6	46.0
September	7.4	9.9	9.9	11.8	29.7	44.4	40.9	29.7	30.5	49.6	52.5
October	7.1	9.9	9.8	12.7	31.3	48.2	42.6	30.8	30.5	50.8	55.1
November	6.9	9.9	9.6	12.8	32.7	48.4	42.6	29.7	30.3	52.8	58.1
December	6.8	9.3	9.5	13.1	33.4	48.8	43.4	30.0	30.3	54.3	63.4
1918—January	6.6	9.4	9.5	13.4	32.9	48.6	43.6	30.6	30.4	56.7	67.4
February	6.6	9.5	10.6	13.4	33.0	48.4	43.8	31.4	30.4	57.9	61.1
March	6.6	9.6	9.2	13.4	33.2	48.8	44.1	31.8	30.4	55.2	44.3
April	6.6	9.8	9.1	13.2	33.1	49.5	44.6	34.5	30.1	50.7	42.5
May	6.6	9.9	9.1	13.2	32.9	50.5	45.6	38.0	30.1	51.0	42.4
June	6.7	10.0	9.1	13.0	32.6	51.5	46.5	40.6	30.2	51.1	42.5
July	6.7	10.0	9.2	13.2	32.5	52.3	48.7	40.3	30.1	52.6	49.1
August	6.8	9.9	9.3	13.6	33.1	54.0	48.5	39.6	30.1	53.9	53.6
September	6.8	9.9	9.6	14.3	33.6	56.2	51.9	39.8	30.3	59.2	58.6
October	6.7	9.8	10.6	14.8	34.2	57.9	52.0	39.0	30.5	65.1	64.1
1919—October		10.1	11.4	16.0	26.1	52.8		36.9	48.6	71.1	72.0
1920—September		11.9	18.3	17.2	27.9	54.5		43.1	46.6	68.4	71.1
October		11.8	13.9	17.3	29.2	54.6		42.0	43.4	68.9	80.8

Source: U. S. Department of Labor, Bureau of Labor Statistics Retail Prices, 1913 to December 1920 (Washington 1922), pp. 80–89.

TABLE III. *Average wholesale prices of commodities (money value)*

	Cattle—steers, good to choice	Hogs—good to choice, heavy: Chicago	Bacon: Chicago	Mutton—fresh, dressed: New York	Butter, creamery—extra: Boston	Eggs—firsts, fresh: Chicago	Milk, fluid: New York	Wheat flour—patents: Portland, Oreg.	Sugar, granulated: New York	Rice—Blue Rose, head, clean, medium to good: New Orleans	Potatoes, white: New York
	Per 100 pounds	*Per 100 pounds*	*Per pound*	*Per pound*	*Per pound*	*Per dozen*	*Per quart*	*Per barrel*	*Per pound*	*Per pound*	*Per 100 pounds*
1917—June	$12.55	$15.71	$0.242	$0.168	$0.391	$0.313	$0.046	$11.90	$0.075	$0.072	$2.95
September	14.99	18.33	.280	.180	.444	.374	.060	10.90	.082	.070	1.09
December	13.24	16.85	.314	.188	.452	.484	.072	10.00	.080	.073	1.09
1918—March	13.23	16.83	.279	.195	.450	.347	.075	9.60	.073	.078	.69
June	17.18	16.62	.250	.224	.441	.316	.044	9.60	.073	.089	.95
September	18.41	19.73	.278	.193	.539	.431	.068	10.45	.085	(1)	1.36
December	18.36	17.58	.301	.150	.665	.624	.092	10.45	.088	.079	1.02
1919—March	18.58	18.96	.305	.214	.610	.389	.076	10.43	.088	.071	1.09
June	15.46	20.67	.333	.165	.521	.404	.068	10.88	.088	.082	.93
September	16.81	17.00	.274	.118	.575	.457	.075	10.75	.088	.120	1.57
December	17.08	13.69	.226	.140	.702	.733	.085	11.75	.109	.114	1.92
1920—March	14.40	14.44	.211	.196	.664	.450	.079	12.84	.137	.116	3.29
							Per 100 pounds				
1941—December	12.75	10.51	.234	.091	.354	.343	3.74	7.17	.052	.064	2.33
1942—March	13.36	13.51	.263	.099	.353	.283	3.74	7.01	.053	.070	2.53
June	12.99	14.27	.268	.111	.374	.304	3.48	6.49	.055	.070	2.88
September	14.53	14.71	.280	.114	.441	.351	3.93	6.81	.055	.067	1.62
December	15.13	14.25	.258	.184	.473	.390	4.13	6.93	.055	.067	2.28
1943—March	15.95	15.64	.258	.154	.468	.374	4.13	7.72	.055	.067	3.39
June	15.88	14.01	.258	.149	.430	.386	4.13	7.88	.055	.067	3.87
September	15.84	14.93	.240	.128	.418	.417	4.13	7.88	.055	.067	2.78
December	15.41	13.27	.240	.125	.418	.400	4.33	8.02	.055	.067	2.81
1944—March	15.53	14.14	.240	.125	.418	.321	4.33		.055	.067	2.79
June	16.44	11.96	.240	(1)	.418	.332	4.33	7.92	.055	.067	3.06
September	17.21	14.00	.240	(1)	.418	.368	4.35	7.92	.054	.067	3.96
December	16.31	14.29	.240	(1)	.418	.418	4.35	7.92	.054	(1)	3.16

[1] Not available.

TABLE IV.—*Price index—pre-World War I=100*

	Average farm	Average wholesale	Average retail
1915	99	?	107
1916	118	?	117
1917	175	?	156
1918	204	?	180
1919	215	?	194
1920	211	?	207
1921	146	?	174
WORLD WAR II			
1939	95	?	135
1940	100	?	136
1941	124	?	143
1942	159	?	171
1943	192	?	184
1944	195	?	179
1945:			
January	201	?	?
February	199	?	?
March		?	?
April		?	?

Mr. ELLENDER. Mr. President, I do not know where the distinguished senior Senator from Ohio has obtained those figures. But, following them, I ask unanimous consent to have printed at this point in the RECORD a tabulation of the comparative price increases over 4 years of two world wars, as appearing on page 4263 of the CONGRESSIONAL RECORD, May 7.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Comparative price increases over 4 years of 2 world wars

	1914–18 World War I (percent price increase)[1]	1939–43 World War II (percent price increase)[2]
Cost of living, total [3]	50.3	24.9
Food (61 items)	63.9	46.7
Clothing (111 items)	85.3	28.5
Housefurnishings (39 items)	77.2	24.8
Wholesale prices, total (889 items)	96.1	37.5
Raw materials (111 items)	102.1	69.5
Semimanufactures (99 items)	131.3	24.7
Finished products (679 items)	87.6	25.0
Industrial commodities [4] (709 items)	92.4	21.2
Selected manufactured items:		
Steel plates (tank)	187.4	0
Copper ingots	90.3	14.0
Plate glass	76.1	0
Wool blankets	164.7	[5] 50.0
Cotton hosiery (men's)	132.3	[5] 71.9
Blue denims	214.8	74.5
Prices received by farmers for all commodities	91	119
Prices received by farmers for 58 foods	78	116
Selected agricultural items:		
Cattle	58	89
Hogs	102	150
Cotton	127	128
Milk	46	94
Butterfat	73	122
Wheat	165	133
Corn	106	139
Prices paid by farmers for 174 commodities and for interest and taxes	[6] 71	34

[1] July 1914 to July 1918.
[2] August 1939 to August 1943.
[3] Rent and fuel, not available by months.
[4] All commodities other than farm products and foods.
[5] To May 1943, the latest available.
[6] 1914 to 1918, not available for World War I period.

Source: Farm prices, Bureau of Agricultural Economics; others, Bureau of Labor Statistics.

Mr. ELLENDER. Mr. President, I do not care to take up the time of the Senate to make the distinction between the two, but it might prove interesting reading.

Now, Mr. President, continuing with a comparison of the profits on net sales and on the basis of the capital worth of the 47 steel companies—which are not the large ones, as I said—in 1944 the 47 companies earned 13.7 percent on sales, in contrast to 4.9 percent during the period 1936–39. In other words, their rate of profit on sales went up 275 percent. From 1936 to 1939, the average total annual dollar profit was $16,000,000. For 1944 it was $111,600,000. The rate of return on net worth of the 47 companies moved up from 5.9 percent in 1936–39 to 33.4 percent in 1944. In other words, their rate of return on net worth increased over 565 percent. Yet some Senators complain and are eager to afford these concerns greater returns.

If we take the period of 1941, which is the year referred to by the distinguished senior Senator from Ohio in his amendment which he proposes to add to the Thomas amendment, here is what would happen—bearing in mind that if we use the 1941 period, the profit on net sales for those same 47 companies would be 17 percent instead of 13.7 percent, and on net worth instead of making a profit in 1944 of 33.4 percent—these same 47 companies would make a profit of 39.1 percent. Senators should stop and consider the import of the amendment. In the face of such enormous profits as are now being obtained, the Taft amendment would up them considerably.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. ELLENDER. In a moment. I repeat, Mr. President, that if we adopt the Thomas amendment which seeks to control prices on agricultural commodities as well as meats, and then tack on the Taft amendment which deals with industrial products, we may as well repeal the Price Control Act.

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Ohio?

Mr. ELLENDER. I will yield in a moment.

I cannot conceive of a Senator standing on this floor and saying that he is in favor of price control and then voting for the Thomas and the Taft amendments. As I have just indicated, if those two amendments shall be adopted we cannot possibly control prices. It will not be possible even to fix ceilings. Price levels must take their course. The moment the cost of living is increased labor costs are bound to increase also, and then the tug-of-war will begin between labor on the one side and industry on the other. It will result in a spiral of inflation. In no time our country will be engulfed in a spiral of inflation which will, according to my way of thinking, destroy our economy.

I now yield to the Senator from Ohio.

Mr. TAFT. I read from my amendment:

No maximum price shall be established or maintained after October 1, 1945, over protest, for any commodity or for any major item of any such commodity, which does not return to the processors and manufacturers thereof and to persons engaged in mining such commodity, not less than the same dollar margin over cost, if any, which they received for such commodity or major items in the year 1941.

It seems to me that that language is so fair and just that no one could question it; 1941 was not a peculiarly profitable year. Corporations did not derive the large profits to which the Senator has referred. I assert that a man who is operating a business should be allowed the same margin of profit during the reconversion period that he had during the prewar period. The Senator contends that in allowing such profit the price-control system will be destroyed.

Mr. ELLENDER. Why does the Senator desire to increase the profits on net worth of companies, such as those to which I have referred, from 33.4 percent in 1944 to 39.1 percent for the same period?

Mr. TAFT. I entirely deny the accuracy of the Senator's figures. The correct figures with regard to 1943 and 1944 show that the steel companies, as a whole, earned approximately 5 percent on their net worth, and not 33 percent. I shall be glad to examine the Senator's figures, and I believe I can point out to him in what way they are wrong.

The OPA has various methods of eliminating this item and eliminating that item, and not counting this cost and not counting that cost. I do not have confidence in the OPA. In case after case during the past year I have found the OPA to be unfair in its calculations. It has even refused to accept the calculations of the Bureau of Internal Revenue. The position of the OPA is that it has been duped by these various companies year after year. The point which I am trying to make is that there is nothing which so destroys price control as a formula which says in effect, "You have the same margin of cost as you had in the prewar period." I contend that if manufacturers and producers are not allowed a reasonable margin of profit over cost, we shall not be able to provide necessary employment and products during the reconversion period.

Mr. ELLENDER. My contention is that all of these various concerns are making what I call unconscionable profits when contrasted with those of the prewar period. I do not believe it to be right at this time to inject into the Price Control Act a formula which will further increase those profits.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. ELLENDER. That is what would take place.

Mr. BUSHFIELD addressed the Chair.

Mr. TAFT. The formula would not further increase——

The PRESIDING OFFICER. The Senator from Ohio will suspend. Does the Senator from Louisiana yield to the Senator from South Dakota?

Mr. ELLENDER. I first yield to the Senator from Ohio [Mr. TAFT], and then I will yield to the Senator from South Dakota [Mr. BUSHFIELD].

Mr. TAFT. I wish to suggest only that the formula, based on 1941, would not increase profits over what they were in 1943 and 1944. It would be merely an attempt to restore the margin which existed during the prewar period. I merely wish to make that statement in answer to the contention of the Senator from Louisiana.

Mr. ELLENDER. However, it would have the tendency to increase prices, and that is what the Senator wishes to bring about.

I yield to the Senator from South Dakota.

Mr. BUSHFIELD. Mr. President, the Senator from Louisiana has been talking for sometime about profits as compared with the profits of various industries in various years. I can find nothing in the Price Sabilization Act which says anything about profits. It mentions only three things, namely, the stabilization of prices, fair and equitable wages, and the cost of production. If the Senator knows of any place in the law at which anything is said about profits I should like to have him point it out to me.

Mr. ELLENDER. I am glad the Senator has made his statement. He will recall that many other Senators have stated that the OPA has attempted to control profits instead of prices. The OPA has no right to follow such a course. It has attempted to maintain fair prices which in no manner cut down profits, generally speaking. As a matter of fact in fixing fair prices it has endeavored to allow fair profits. I think that the charge made that the OPA has tried to control profits is not well founded in the light of the fact submitted by me in the last few hours.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. In a moment. During the war with the tremendous increase in our industrial production, of course, prices increased.

I was about to point out that yesterday the Senator from Iowa had, I believe, some figures which he desired to put into the RECORD, but could not locate them at the moment. I am about to read into the RECORD a table showing the profits of the meat industry.

Mr. HICKENLOOPER. Mr. President, on that point will the Senator yield to me? I understood the Senator to say that the OPA had no right to regulate profits.

Mr. ELLENDER. There is nothing in the act which gives it any right to regulate profits.

Mr. HICKENLOOPER. I submit, Mr. President, that the very yardstick which the OPA is now inflicting upon the economy of this country is what it calls the over-all industry profits yardstick. That alone, I believe, goes far afield, and beyond any permission granted it, or any legislation enacted in connection with the establishment or maintenance of prices. By its own admission, the OPA is proceeding on a profit basis and not on the basis of a fair and equitable price.

Mr. ELLENDER. Mr. President, I shall now devote a few minutes to the subject of profits on net sales and on net worth as they relate to the meatpacking industry. Yesterday I promised the Senator from Iowa [Mr. HICKENLOOPER] that I would make an attempt, in my own time, to give him all the figures, and I shall do so now.

I shall now give some information based upon reports furnished by the various packers who manufacture from 70 to 75 percent of meat by volume in this country. The percent of profit on net sales for 1936 to 1939 averaged 1 percent before taxes, and after taxes, 0.8 percent. In 1939 the percent of profit on net sales before taxes was 1.6 percent, and 1.3 percent after taxes. In 1940 it was 1.8 percent before taxes and 1.4 percent after taxes. In 1941 it was 2.4 percent before taxes and 1.7 percent after taxes. In 1942 it was 2.4 percent before taxes and 1.2 percent after taxes. In 1943 it was 2.7 percent before taxes and 1.1 percent after taxes. In 1944, last year, the year as to which a great deal of complaint was made before the Committee on Agriculture and Forestry, approximately 2 months ago, the percent of profit on net sales before taxes was 3.3 percent and after taxes, 1 percent.

Now, Mr. President, let me contrast the percentage of profit on net sales with the percentage of profit on net worth, which, by the way, ought to be the method by which the profit should be estimated.

Last year one packer who was mouthing for more profits, on an investment of $900,000 made $300,000. Yet he was complaining because, forsooth, cattle prices had gone to the ceiling, and he was unable to make a go of his business.

Hogs and cattle prices reached ceiling only in the beginning of this year. There may have been a few instances in the latter part of last year when the prices of hogs and cattle reached ceiling, but the situation became acute after that, as it is acute now. Of course some of the packers have shown losses, but a number of them, one in particular, a large packer, said that on his overall business he would show a profit. As to the slaughterers of cattle and the slaughterers of hogs, I admit that they did show losses, but I repeat that OPA has been making every effort to help them and I am sure that that attitude will be continued in the future.

Now let us make the comparison on the basis of net worth for the same period. In the period 1936–39 the percentage of profit on net worth before taxes was 4; after taxes, 3.1. In 1939 it was 6.2 before taxes and 5.0 after taxes; in 1940 it was 7.3 before taxes, and after taxes 5.7; in 1941 it was 12.2 before taxes and 8.6 after taxes.

Now listen to the figures for the last 3 years. In 1942, before taxes the percentage of profit on net worth was 16.7, and after taxes 8.4. In 1943, before taxes it was 20 percent on net worth, and after taxes 8.1 percent; and last year, 1944, the year about which we have heard so much, and in the latter part of which some packers showed enormous losses on this and that product, the percentage of profit on net worth was 25.2 before taxes, and 7.6 percent after taxes.

Mr. BUTLER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Nebraska?

Mr. ELLENDER. I gladly yield.

Mr. BUTLER. I would appreciate it very much if the Senator would explain to me just what relation that has to the subject under discussion. I take it that what we are interested in is getting more meat and more food for the people to eat; and not whether some large firms or some small firms have made greater profits. It is a little difficult for me to see how that directly answers the question about which we are really concerned namely, the production of food.

Mr. ELLENDER. If the Senator will bear with me in my next topic I will show, if I can, that neither the Taft amendment nor the Thomas amendment or a combination of them will bring about the production which is desired. My guess is that the adoption of either amendment will decrease production, because both amendments simply protect the processors of agricultural products, the processors of meat, and the manufacturers of industrial supplies, the prices of all of which, if the formula is adopted, are bound to go up, and accordingly the costs of the farmer will be increased, and next year he would have to ask for an increase in his prices, and, if it is not granted, he will find himself suffering losses.

Mr. BUTLER. I will appreciate it very much if the Senator from Louisiana will explain to me how there can be brought about increased production of anything, whether steel or food products, without the people furnishing it having a profit on their transactions over a long time.

Mr. ELLENDER. The whole argument which has so far been made on the floor of the Senate in respect to amendments to the Price Control Act is that they would bring about increased production; but, as I have pointed out on several occasions on the floor of the Senate, that is not the case. In the past increased prices have not meant increased production, and I venture again to say that if the Thomas and Taft amendments were adopted they would mean less production, because they would increase to a large extent the costs of the farmer in producing agricultural commodities. The amendments proposed do not in any manner help the farmers.

Mr. President, if OPA has been instrumental, as some contend, in reducing profits in a desire to control prices, it would strike me very forcibly that the death rate among businesses should be on the increase. Is not that logical? There can be no doubt about it in anybody's mind; but as the distinguished Senator from New York [Mr. WAGNER] pointed out the other day and as appears on page 3 of the report on the pending joint resolution of the Committee on Banking and Currency, business failures have not increased. Let us see what the business status has been over a period of a few years.

In 1929 business failures aggregated 22,909; in 1933, 31,822; in 1939, 14,768; in 1940, 13,619; in 1941, 11,848.

Now let us take the war years when, as is contended by some, business has been placed in such a position that it will have to go into bankruptcy. The number of failures in 1942 was 9,405; in 1943, 3,221; and in 1944, only 1,222 businesses failed in this Nation of ours. Yet we hear on the Senate floor that the Price Administration has choked off business by reducing its profits, has led it into bankruptcy, has prevented it from making profits. Yet, as I pointed out on two or three occasions, all businesses have never been so prosperous as they are today.

Mr. President, some time ago I received a challenge from the distinguished Senator from Ohio, and I telephoned OPA for facts, if any they had. I shall read their answer to my request, which, I am sure, will be convincing proof that I have not only accepted the challenge of the distinguished Senator from Ohio but I think I have met it.

The communication reads:

You have requested this Office to provide you with any information bearing on the following request made to you by Senator TAFT in the course of the debate on the stabilization extension resolution in the Senate yesterday afternoon:

"Mr. TAFT. I should like the Senator to furnish me with any statement by any businessman that could not give the separate cost of each major item he manufactures."

In association with Paul M. Green, OPA Deputy Administrator for Accounting, I have assembled a considerable volume of evidence conflicting squarely with Senator TAFT's assumption that businessmen as a rule keep records which enable them to give the total costs and profit margins separately for each major item they manufacture. Our accounting department has had an unparalleled opportunity to become familiar with the accounting practices of American industry. Their experience indicates conclusively the truth of the following proposition:

1. It is impossible to get any profit and loss statements by separate commodities or even by divisions and departments from the great majority of American manufacturers;

2. Of those manufacturers who do attempt to keep product or departmental cost and profit records, the information derived from such records is not in such shape to permit its use by OPA in making industry-wide determinations without extensive investigation and adjustment; because

(a) The methods of allocating overhead costs and profits vary widely among manufacturers even within the same industry; and

(b) The allocation methods used frequently include many arbitrary or conventional factors which, unless carefully adjusted and revised, produce cost and profit figures for each separate product which, when added together, cannot be reconciled with the overall profit and loss statement for the reporting company.

The supporting evidence follows:

1. The textile industry:

In connection with its studies under the Bankhead amendment OPA accountants were obliged to visit approximately 350 textile companies. At least half of the companies visited had no records which would reveal product cost and profit information without extensive cost and financial analysis.

To explain the absence of data from particular companies, OPA developed a form, Statement of Nonavailability, copies of which were signed by officials of each company and placed in the OPA files. Some companies sent in letters instead.

Here are excerpts from some of the statements:

A Virginia knitting mill: "Unit cost of hosiery not maintained."

A North Carolina cotton mill: "No detailed costs by yarn numbers."

An Arkansas cotton mill: "No cost records kept by mill on yarn construction. * * * No costs or sales break-down is kept by fabric style."

A South Carolina cotton mill: "Profit on individual fabric * * * not available as this is an average-cost mill."

Another South Carolina cotton company operating three mills: "Neither costs nor selling prices, or data necessary to compute, are available for individual fabrics."

A Tennessee hosiery mill: "Our bookkeeping system does not segregate expenses in a detailed manner."

A North Carolina hosiery mill: "[Sales of] major item cannot be separated from other sales."

A Texas cotton mill: "The company has kept no sales breakdown, either in amount or fabric * * * no effort has been made to figure profits by fabrics by the company."

A Georgia cotton mill: "The enclosed figures do not represent cost on 4.75 weight only but on the averages of all the styles we make."

2. The processed-food industry (canning, preserving, pickling, drying, and freezing fruits and vegetables):

OPA has had to examine the books of over 400 companies in these industries. The accountant in charge estimates that at least 90 percent of the companies examined did not have cost and profit data by products.

Yet in these amendments we are being asked to separate them, and how under Heaven it can be done is beyond my comprehension.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. In just a moment.

For such studies as it made, OPA had to send its accountants to each company examined, discuss the problem with its officials, and work out a method of securing the neeeded information in accordance with a formula developed by OPA accounting department.

A quick examination of OPA files produced a list of the names and addresses of 233 food processing companies (not including meat packers) which reported to OPA that they had no product cost or profit data.

Many more such names could be obtained if time permitted.

3. The wine industry:

A west coast accountant who is a specialist and a leading authority on accounting in the wine industry wrote OPA on September 13, 1943, as follows:

"I know of only one vintner which has a set of accounts which segregates the costs and realization from sales of bottled dessert wine and table wine from those of other commodities and where I feel confidence in the accuracy of the results."

4. Survey of reconverting manufacturers:

In September 1944 as a part of the process of developing OPA's reconversion pricing formula, OPA's Accounting Department instructed each of OPA's eight regional offices to interview representative manufacturers in their respective regions to learn whether they could furnish cost and profit data for the last 6 months of 1941 on a departmental or a divisional basis. (A product basis was considered too hopeless to ask about.)

Reports of interviews with 31 small and medium-sized manufacturers, who had made a wide variety of commodities in 1941, were received in Washington and tabulated.

Of the 31 interviewed, only 7 could give the departmental or divisional profit and loss figures requested.

Only 6 could give such figures for 1936–1939.

Twenty-seven said it would be more feasible to give materials prices and wage rates for 1941 than unit costs.

5. The shoe industry:

Signed statements of nonavailability of product cost and profit data were obtained in the course of a survey of the shoe industry. Here are some quotations.

A New York shoe manufacturer: "[Manufacturing costs by price ranges]—unobtainable as records are not kept in manner to supply the information."

A Wisconsin shoe manufacturer: "No costs records available for price range and categories * * * No cost records are maintained by style of shoe.".

I now yield to the Senator from South Dakota.

Mr. BUSHFIELD. What the Senator is really saying is that it is too difficult for OPA to ascertain what the profits in business are. I wish to ask the distinguished Senator from Louisiana if he would rather OPA guessed at them than took an exact method of finding out.

Mr. ELLENDER. Mr. President, I do not suppose that OPA has made many guesses. My guess is that if they try to guess, we will have high prices.

Mr. BUSHFIELD. Is that not what they have been doing?

Mr. ELLENDER. As I have indicated to the Senate on yesterday, prices of goods were frozen as of those prevailing in March 1941. But in the meantime, whenever anyone came for an adjustment in price, OPA necessarily bore in mind profits that were shown to have been made in a given period in considering the question of whether or not ceiling prices should be upped. I do not know of any other way it could be done.

If the Thomas amendment shall be agreed to, as I have pointed out on two or three occasions, the books of every producer will have to be examined, if the law is to be followed as it is written, and a reasonable profit must be allowed to the processor on every major product he manufactures.

Mr. BUSHFIELD. Will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. BUSHFIELD. The Senator continues to refer to the profits these different businesses are making, and I repeat that there is not one word in the Price Administration law that says anything about profits.

Mr. ELLENDER. I am not trying to convince the distinguished Senator from South Dakota or any one else that there is anything in the act which gives OPA the right to control profits. I do believe that in making adjustments as to ceiling prices profits should to some extent be considered.

What I am trying to say is that the big cry has been that the ceiling prices ought to be increased, and that new language should be written into the act to accomplish that purpose.

Mr. BUSHFIELD. If there is nothing in the act itself which says anything about profits, why continue to talk about profits?

Mr. ELLENDER. Simply in answer to the Senator from Ohio [Mr. TAFT] and to other Senators who have said that price control has stifled business, that it was not receiving what it was entitled

to, and that we ought to give it more profit. The Senator from Ohio said yesterday, "What good will it do to a business to raise the price of a commodity one or two cents when income taxes will grab most of it?" That may be true. But by increasing prices the cost of living is increased, labor will become disturbed, and the farmer will become uneasy. Then, as I said a while ago, a tug of war will result. Labor will want higher wages because of increased cost of living, and to meet that increased cost of labor industry will ask for an increase. Then before we know it OPA will not be able to cope with the situation, and with that, price control goes out the window.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. ELLENDER. Yes; I gladly yield.

Mr. TAFT. In the first place I did not ask for increases for all industries. I proposed a formula. If the prices are not high enough then there should be an increase. On the other hand, many prices are probably higher than the formula prescribes. I made no statement that there should be a general increase in prices.

Mr. ELLENDER. I did not so understand the Senator. In answer to a question by me the Senator from Ohio said he thought the low-cost producer should receive the same price as the high-cost producer. The Senator said that two or three times during the course of the debate.

Mr. TAFT. Yes; I think so.

Mr. ELLENDER. That means higher prices.

Mr. TAFT. Oh, no; it does not mean anything of the sort. It means——

Mr. ELLENDER. That means giving unconscionable profits to the low-cost producer, when today he is receiving more—I will not say more than he should have, but much greater prices than he has ever received in history.

Mr. TAFT. This was my statement, that there are many products which under OPA prices today are compelled to be sold at a loss. If we want to get more production we have to have higher prices for them. There are others probably sold below the formula proposed in the amendments. There are many of them above the formula proposed in the amendments which would not in any way be affected by the amendments. That is the statement I actually made.

Mr. ELLENDER. Yes, but the Senator has been speaking in behalf of the Thomas amendment, and as I pointed out, and as the Senator from Ohio admitted, and as the Senator from Oklahoma admitted yesterday, every producer will have to be given a reasonable profit on every major product he manufactures.

Mr. TAFT. The margin over costs.

Mr. ELLENDER. Yes, that is correct. And I further said——

Mr. TAFT. If the producers have been in business for 50 years, and most of them have, I do not think a price should be fixed which drives them out of business in the reconversion period. Some, as a matter of fact, have been in business for a hundred years.

Mr. ELLENDER. As I pointed out a moment ago, there were 22,909 business failures in 1929, whereas in 1944 there were 1,222 failures. So we have had very few failures recently. To my way of thinking that shows that price control is not hurting business.

Mr. TAFT. I think the Senator's figures refer to bankruptcies and business failures, which ordinarily do not occur today. What happens today is that hundreds of thousands of small businesses have gone out of business. Today there are something like 500,000, if I remember the figure correctly, fewer small businesses in operation than there were when the war started. I do not say that that is the result of the OPA policy. That is the result of the war. There are only one-tenth the number of gas stations there were in operation before the war. But my point in that the decrease in business failures is not significant. If a man sees that he must do business today at a loss, he will close up his business before he fails. Many packers saw that if they continued to operate they would go into bankruptcy. Such cases do not appear in the Senator's figures. So I do not think that comparison is significant or important.

Mr. BARKLEY. Mr. President, let me say in connection with the question of failure, that the figures quoted by the Senator from Louisiana are taken from Dun & Bradstreet, and they do not simply include bankruptcies but all business failures.

Mr. TAFT. I think they include only business failures.

Mr. BARKLEY. That is what I said; they include business failures.

Mr. TAFT. The Senator said that OPA would have to go into thousands of books. Here are a number of fixed prices. Those are legal prices. Nothing is going to be done about those prices until somebody complains. If a small producer is unable to separate his costs, is unable to show that the price on canned peas, for instance, is below his cost, he does not make his case, and the OPA is not going to change his price. The burden is on him to separate his costs. I venture to say further that any industry—I do not know about the small individual producer—but I venture to say there is not an industry in this country which if it has a case to make cannot separate the costs of its major product and make a case on which that industry can show what that particular product is costing.

Mr. ELLENDER. That may be the Senator's wishful thinking. I quoted many statements a moment ago from industry itself showing that it does not keep books separately so as to show profit.

Mr. TAFT. I admit that.

Mr. ELLENDER. The Senator admits that, and yet the Senator says that it has to be done.

Mr. TAFT. I did not say it had to be done.

Mr. ELLENDER. Yes; the Senator said——

Mr. TAFT. No, no; because——

Mr. LUCAS. Mr. President, I suggest——

The PRESIDING OFFICER (Mr. MORSE in the chair). Senators will suspend for a moment. The reporter is endeavoring to take down what is being said, and he cannot do it when two Senators speak at the same time. Let Senators speak one at a time.

Mr. ELLENDER. I am sorry, Mr. President.

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Ohio?

Mr. ELLENDER. Yes; I yield.

Mr. TAFT. The point I was making was that there may be small producers who cannot separate their costs. There may be industries that have nothing to separate. The last statement I made, which the Senator from Louisiana challenged, was I believe that any industry, if it has to, can obtain cost figures, and have the cost calculation made in such a manner that it can show the cost of any major product the industry makes, if it has sufficient accounting force and ability to do it. To answer further, if it cannot do it, then it cannot make a case under the Thomas amendment or under my amendment.

Mr. ELLENDER. If it has not done so in the past, why impose such a burden on business now?

Mr. TAFT. Because business knows. Those who conduct a business may not be cost accountants, but every business knows whether it is selling its product at a loss or a profit. It knows that instinctively. If it claims its product is being sold at a loss, I say it is not going to put the concern to any great sacrifice to obtain the necessary accounting to prove what the concern knows is true.

Mr. ELLENDER. As I interpret the amendment, the cost accounting on each major product will have to be kept by industry—if I correctly understand the English language.

Mr. TAFT. I do not think so.

Mr. ELLENDER. I advance this further argument that the moment the amendment is adopted and becomes law price ceilings as to all processors become unlawful, because the amendment provides, in so many words, that it shall be unlawful to establish or maintain, I repeat, establish or maintain, with the accent on maintain, a maximum price for any major product—unless what? Unless the books of processors are investigated, and an analysis is made of the cost of his labor, and cost of this and cost of that, and when all that is added together a reasonable profit must be allowed on each major product processed by each processor. I will ask the Senator from Ohio to answer this question. What is going to happen in the meantime? If it is unlawful for OPA to maintain its present ceiling prices and it has to resort to the procedure of going to every processor, examining his books, and fixing his costs, and then giving him a reasonable profit, what is going to happen in the meantime? At what price will the processor sell his goods?

Mr. TAFT. In the meantime, if the Senator will read the whole act, the price that has been fixed remains in effect, and it remains in effect until set aside by some court or changed by the Administrator. There is no provision, so far as I know, for a stay. It is conceivably possible that a man charged criminally who could show that that price is illegal, might escape jail, but when the OPA has fixed

a price no one that I know of has yet insisted that that price was illegal and gone on and consistently charged the higher price and taken the chance of going to jail. No one will do that. If this is his guess, he goes to jail.

We expressly provided in the Price Control Act that when a price was put into effect it should remain in effect until it was changed by the OPA or by an order of the court. There was nothing retroactive about the order of the court. There is no way to hold up a maximum price under the Price Control Act. It goes into effect and stays in effect until it is set aside.

Mr. ELLENDER. But the Thomas amendment nullifies that provision, and supersedes it because it provides "That on and after the date of the enactment of this proviso, it shall be unlawful to establish or maintain" certain prices. If that does not nullify the law, then I do not understand the English language. Bear in mind that the amendment states specifically that the OPA cannot maintain maximum prices, unless——

Mr. TAFT. I do not believe the Senator does understand it. If he reads the entire act——

The PRESIDING OFFICER (Mr. MORSE in the chair). Senators will suspend; and the Chair announces that he will strictly enforce the rule, and will not recognize any Senator who does not first obtain the floor from the Chair.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. THOMAS of Oklahoma. I should like to ask the Senator whether or not he voted for the so-called Price Stabilization Act?

Mr. ELLENDER. The original act; yes.

Mr. THOMAS of Oklahoma. Will the Senator yield to me for the purpose of reading one or two lines from the Stabilization Act?

Mr. ELLENDER. Certainly.

Mr. THOMAS of Oklahoma. The Stabilization Act, for which the Senator voted, contains the Bankhead amendment, which reads as follows:

> On and after the date of the enactment of this paragraph, it shall be unlawful to establish, or maintain, any maximum price for any agricultural commodity or any commodity processed or manufactured in whole or in substantial part from any agricultural commodity, which will reflect to the producers of such agricultural commodity a price below the highest applicable price standard (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarns) of this act.

That is exactly the same language as is found in the amendment which the Senator is criticizing.

Mr. ELLENDER. I beg the Senator's pardon. I stated that I voted for the original Price Control Act. I did not vote for the Bankhead amendment as I recall. I made a lengthy speech opposing the Bankhead amendment. However, the RECORD will show the position taken by me.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Louisiana yield to the Senator from Ohio?

Mr. ELLENDER. I yield.

Mr. TAFT. I invite the Senator's attention to the fact that the original OPA Act is full of provisions such as section 3:

> So minimum price shall be established or maintained for any agricultural commodity below the highest of any of the following prices—

Then follows an elaborate calculation:

> (c) No maximum price shall be established or maintained for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to producers of such agricultural commodity a price for such agricultural commodity equal to the highest price therefor specified in subsection (a).

The Senator's argument on the pending amendment could have been made against section 3 of the original Price Control Act; and yet there has been no trouble with that act. Those limitations on price fixing are exactly the same as the limitations provided in the Thomas amendment and in the Taft amendment.

Mr. ELLENDER. I do not so interpret the Thomas amendment. I do not wish to repeat what I have said many times; but, as I understand, the OPA would be bound to give to each producer of major products a reasonable profit. It would be compelled to examine his books and find out his costs, and then allow him a reasonable profit.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. I do not know whether the Senator has placed this evidence in the RECORD. It is evidence which must go to the Administrator himself, the individual upon whom will be placed the responsibility of administering the law. If the Senator has it, he can read it into the RECORD.

Mr. ELLENDER. I intended to conclude my remarks by placing in the RECORD the data to which the Senator refers.

Mr. President, I was very glad to yield to my colleagues during the course of this debate and to have provoked some discussion on this most important issue.

Many contend that what is necessary now is more production. Some are arguing that the adoption of the Thomas amendment, modified by the Taft amendment, which would cover industrial products, would bring about that result. In my humble opinion it would absolutely do away with price control. Senators who contend that it would not destroy price control, and who say that they favor price control, and at the same time would vote for these amendments, are in my opinion simply giving lip service to price control.

The Thomas amendment would do one of two things. It would cause the price of the lowest-cost producer to go up to that of the highest-cost producer, or else, in localities where the same commodity is produced by a number of producers, there would be different prices for the same product. I understand the differences in prices of some industrial products are as much as 75 percent. In the case of processed agricultural products, the price differential as to some products ranges from 20 to 30 percent.

So if this amendment were to be adopted, the OPA, in administering the law, would have to ascertain the costs of each processor, and give him a reasonable profit on each major product. In one store a can of tomatoes of one brand might sell for 11 cents; another brand of the same kind of tomatoes for 12 cents; and still another for 13 cents. If such a situation were to occur, my guess is that the retailer would not sell the tomatoes for 11 cents, or 12 cents, or 13 cents per can. He would sell them all at 13 cents and make that extra profit. In my humble opinion this would simply open the door to the worst kind of fraud.

I have argued with OPA on many occasions as to some of their rules and regulations. I have had many disputes with OPA and I did not succeed in every instance in convincing the OPA that I was right. From the beginning the OPA had as employees persons who looked to the welfare of the distributor rather than that of the producer. That situation has been corrected to some extent, and I presume there is still some room for improvement. But, Mr. President, on the whole OPA has done a good job. I ask Senators to look into the small end of the telescope, and not the big end and thereby get the whole picture. Let us not ask, "Why has not OPA done better with respect to this product, that product, or the other product?" Let us consider the job as a whole. If it is considered in that light, we are bound to conclude that the OPA has done a good job in administering a most difficult problem. It has helped us immeasurably in preparing our great country for an early victory against our enemies.

I for one do not wish to amend the act to such an extent as to nullify the provisions of the law. My contention is that we are going to need price control to a greater extent after the war, when peace comes, than we have needed it during the war. I think I can prove that by reviewing what occurred after World War I.

As Senators know, after the war we had an inflationary period. Sugar sold for 37 cents a pound. My father produced sugar in Louisiana. He had worked all his life improving the quality of cane and had earned a considerable sum of money. When the inflationary period started after the First World War, he sold raw sugarcane at eighteen dollars and some odd cents a ton. The next year he thought he would make a killing. He planted more sugarcane, and he produced a big crop which cost him over $10.50 a ton to produce. But he got only $3.80 a ton for it. In a few years his savings dwindled to such an extent that he had to borrow money so as to operate his plantation. When he died he owed quite a sum of money.

I do not want that to occur again to anyone in this country. Let us maintain this price control, because, as I said, we will need it more after the war than we do now. Let us maintain the value of our dollars, so that when our soldiers return their savings will be worth stable dollars.

I yield now to the Senator from Delaware.

Mr. TUNNELL. Mr. President, I was going to ask the Senator about the Thomas amendment. I see that the OPA would be limited to a ceiling which, as I understand, would provide for a profit. The amendment provides for—

a reasonable profit * * * not less than the profit earned thereon by such processor during a representative base period.

Does the Senator have any idea what is meant by the words "representative base period"?

Mr. ELLENDER. I presume it would mean such a period as the distinguished senior Senator from Ohio is trying to establish—namely, 1941. The Senator from Ohio indicated a while ago that almost any period would do, but the fact remains that he selected 1941, which happens to have been the best year in many years.

Mr. TUNNELL. Suppose the producer had made a profit of 50 percent in 1941. Would the amendment make it impossible for the OPA to fix a price which would make the profit less than 50 percent?

Mr. ELLENDER. No, of course not; absolutely not.

Mr. TUNNELL. The OPA would be bound by that margin; would it?

Mr. ELLENDER. Certainly—just as I pointed out that the OPA would have to be guided by profits made in 1941, should the amendment of the distinguished senior Senator from Ohio—which deals with industrial profits—be adopted.

Mr. TUNNELL. Then, in answer to that question, I understand that the real determination would be the cost price, plus 50 percent, if that was the profit made in the representative period.

Mr. ELLENDER. The OPA would have to use that period as the base, of course, and it could not veer from it.

Mr. TUNNELL. It could not provide for a lesser profit.

Mr. ELLENDER. That is the way I understand the amendment.

Mr. TUNNELL. Then the amendment would make it necessary in those cases to have a cost-plus-50-percent-profit price.

Mr. ELLENDER. It would seem that way to me.

Mr. TUNNELL. Yes.

In fact, are not both amendments a cost-plus proposition for American business?

Mr. ELLENDER. That is what I have been trying to argue—although not in that language. But they would result in guaranteeing a profit. Of course the Thomas amendment goes a little further than the Taft amendment, in that the Taft amendment uses the year 1941 as the base for fixing the price. But as I have already pointed cut, the Thomas amendment would compel the OPA to examine the books of every processor as to every major product produced by him, figure out what his costs are and what his profits were during the base period, and then allow him a reasonable profit.

Mr. TUNNELL. But that would be only for the purpose of determining whether the profit which he demanded was in accordance with the profit he made.

Mr. ELLENDER. The Senator means to say the profit he made during that period, of course.

Mr. TUNNELL. Yes; I mean the profit made during that period.

Mr. ELLENDER. That is correct.

Mr. TUNNELL. It would be only a test of his figure.

Mr. ELLENDER. That is correct.

Mr. TUNNELL. But as I understand, in neither of the amendments is there any limitation on costs.

Mr. ELLENDER. I presume that in examining the books of any processor the OPA would have to take into consideration the actual costs. I doubt whether any costs could be added to in any way, unless they could be justified. Unless the processor could show actual necessary costs, I do not believe the OPA would be bound under the amendment to accept any and all costs submitted unless they could be justified as I have just indicated.

Mr. TUNNELL. There would be no limitation as to the actual costs; would there?

Mr. ELLENDER. No; but I think the cost of labor, for instance, could easily be ascertained; and the cost of the product could easily be ascertained, as the amendment provides. Beginning on page 1 it specifically provides:

It shall be unlawful to establish or maintain against any processor a maximum price for any major product (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) resulting from the processing of any agricultural commodity, or maximum prices for the products of any species of livestock (such as cattle, hogs, or sheep) (the products of each species of livestock to be taken as a group in establishing or maintaining such maximum prices) which does or do not equal all costs and expenses (including all overhead, administrative, and selling expenses allowed as expense deductions in computing Federal income and excess profits tax liability) incurred in the acquisition of the commodity or species of livestock and in the production and distribution of such product or products plus a reasonable profit thereon, not less than the profit earned thereon by such processor during a representative base period.

So the OPA would have to take into consideration the cost of labor, the cost of the animal—in the case of livestock—the cost of processing, the cost of distribution, and, in fact, the cost of delivering the commodity to the distributor.

Mr. TUNNELL. How about the cost of advertising?

Mr. ELLENDER. If that were a legitimate cost, I suppose it would have to be included, also.

Mr. TUNNELL. Then there would be practically no limitation as to cost, and the sale price would have to represent a reasonable profit above the cost; is that correct?

Mr. ELLENDER. That is correct. But I doubt whether the cost could be any more than the customary costs in a similar industry. I presume the cost would be limited to what is customarily chargeable.

Mr. TUNNELL. How could it be tested in that way? What test could be made to show whether it was a proper cost?

Mr. ELLENDER. I do not know. I presume that a test could be made to show what are ordinary costs in such a business—such a business as the one the processor is engaged in—and I presume that could be used as a guide under the amendment.

Mr. TUNNELL. Is not that only a presumption? The amendment simply requires the allowance of a cost-plus price.

Mr. ELLENDER. There is no doubt about that, Mr. President. There is no question about that. The Senator is entirely correct.

As I have indicated, every processor would be allowed that price for his products. As the distinguished senior Senator from Ohio stated a while ago—and he repeated it two or three times—it simply means that the selling price of the low-cost producer would be brought up to the selling price of the high-cost producer. That would be the result.

Mr. TUNNELL. Does the Senator think there would be any intelligent reason for the continuation of the OPA if either one of the amendments is adopted?

Mr. ELLENDER. I am saying that it would simply nullify the OPA and kill it. It would make the act unworkable.

Mr. TUNNELL. That is what I mean.

Mr. ELLENDER. I repeat that those who say they are for price control, but who vote for either or both of the amendments, will simply be giving lip service to price control.

Mr. TUNNELL. I thank the Senator.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the June 8, 1945, statement issued by Mr. Chester Bowles, Price Administrator. In that press release he covers the situation very well. It seems to be in accord with what I have been contending for the last 3 hours.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

"Enactment of either of two proposed amendments to the Price Control Act would mean the end of effective price control and would inevitably result in a general inflation," Price Administrator Chester Bowles stated today.

"No one can question that these amendments would cause immediate and substantial increases in the cost of food, clothing, and other necessities of life," Mr. Bowles said. "Their sponsors say their amendments are intended to raise the prices of these articles. In my judgment, as Price Administrator, they would do far more than this. They would lead to a complete break-down of price control. I refer to the amendments proposed by Senator THOMAS of Oklahoma and Senator TAFT.

"I want to make it perfectly clear," Mr. Bowles said: "that the issues are up to Congress to decide. Congress is our board of directors, and we shall do our best to carry out their decision. As Price Administrator, however, it is my responsibility to state as clearly as possible what I believe the effect of the amendment would be.

"Senator THOMAS' amendment provides that every processor, efficient or inefficient, of any agricultural commodity shall have prices high enough to allow a profit on every major product he sells—over and above any cost he chooses to incur. Agricultural commodities, of course, include wool, cotton, and hides, as well as all basic foods. This pricing formula would not benefit farmers. They would pay more for what they buy and get no more for what they sell.

"We would have to give up uniform pricing, unless we gave everyone a price high enough to yield a profit to the most inefficient. Such a level of prices would not be price control at all.

"A second possibility would be for us to figure an individual price for each product for each firm, based on its own costs and its own profits. We could never recruit the army of accountants needed for these hundreds of thousands of computations, so we might as well eliminate this possibility.

"The only other alternative would be to give every firm a formula for figuring its own costs, profits, and prices. Each firm would have a different price and that price would change with every change in costs, with no incentive to keep costs down. This write-your-own-ticket pricing would be wholly unenforceable. The familiar dollar-and-cent prices which let the consumer know what he should pay would be a thing of the past. The chiseler and the profiteer would have a field day.

"Senator TAFT's amendment applies to all manufacturers, whether or not their raw material comes from a farm.

"The amendment reflects Senator TAFT's view that we have had too little inflation in this war. It requires, for every manufactured commodity or major item thereof, a profit equal to the dollar profit per unit of sale received on that commodity or item, by the industry generally, in 1941.

"While this amendment avoids the quagmire of complete individual seller pricing, it would be no less effective than Senator THOMAS' in raising prices. In the end it would lead just as surely to the collapse of price control.

"The amendment would require increases in the ceiling prices of a majority or near majority of all manufactured goods. OPA would be required to disregard entirely the over-all earnings position of an industry and allow price increases on each separate product having a profit below the prescribed standard. Widespread price increases would be compelled in the most profitable industries as well as in the least.

"Senator TAFT has picked out a profit standard which would raise manufacturers' total profits far above the record levels even of 1944. In 1941, when the inflationary upsurge had not yet been checked, dollar profit margins (that is, the profit per unit of sale) were the highest in recent times—higher even than in 1944. This inflated unit profit, multiplied by the greatly incerased volume of sales, would produce fantastic total profits—profits which, I am sure, the responsible leaders of American industry do not seek.

"The amendment proceeds upon the assumption that manufacturers maintain an accurate product-by-product break-down of their costs. Our experience in seeking such figures has made it completely clear to us that many, indeed most manufacturers, simply do not do so. Thus the amendment could not be administered except by guesswork. Guessed-at prices are invariably high prices.

"Above all, it must not be thought that the initial price increases required by either amendment would be the only ones. One man's price is another man's cost. Each price increase would lead to another. Bitter experience has taught us that once this dangerous spiral starts, its only end is collapse.

"These two inflationary amendments are proposed in the face of facts which show conclusively that during the wartime period production has increased enormously, incomes of business, farmers, and labor have all grown to unprecedented levels, and there has been less individual economic hardship than at any other time in the country's history.

"The reconversion period brings new problems. Under the present law OPA can and will gear its price policies to the needs of the reconversion period so as to promote full employment and full production—the only final answer to inflation."

LEAVES OF ABSENCE

During the delivery of Mr. ELLENDER's speech:

Mr. LA FOLLETTE. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. LA FOLLETTE. I ask unanimous consent that I may be excused from further attendance upon the Senate for the remainder of this day.

The PRESIDING OFFICER (Mr. MORSE in the chair). Without objection, the Senator from Wisconsin is excused.

Mr. SMITH. Mr. President, I ask unanimous consent to be excused, so that I may keep an important speaking engagement in New Jersey this evening.

The PRESIDING OFFICER. Without objection, the leave is granted.

EXTENSION OF EMERGENCY PRICE CONTROL ACT OF 1942 AND STABILIZATION ACT OF 1942

The Senate resumed the consideration of the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

Mr. HICKENLOOPER obtained the floor.

Mr. MOORE. Mr. President, will the Senator yield to me?

Mr. HICKENLOOPER. I yield to the Senator for the purpose of enabling him to ask a question.

Mr. MOORE. I should like to ask a question of the Senator from Louisiana, who has been speaking. I noticed that the Senator repeatedly stated he thought it essential to maintain price control after the war.

Mr. ELLENDER. Yes.

Mr. MOORE. Will the Senator be more specific about that, and will he say for how long a period after the war price control should be maintained, in his opinion?

Mr. ELLENDER. It should be maintained just so long as production does not reach the demand for any particular article. I understand that under the present law the OPA may take the ceiling price off any commodity at will. I think it has done so during the past when the supply of a particular commodity equaled the demand for it. Under the act in its present form I am certain that should any commodity which is now under price control be produced in such quantity as to make price control in relation to it unnecessary, no further law would be needed in order to permit OPA to release such product from price control.

I assert with all earnestness that I believe it is imperative for the future of our economy to maintain prices even though they have to be maintained for as long as 5 or 6 years from now. Let us maintain price control so as to stabilize our economy. We want our dollar to be worth a dollar in American money. Let us not permit our economy to drift into a situation similar to that which now prevails in China and many other countries.

Mr. MOORE. I agree with the Senator.

Mr. ELLENDER. I am glad that the Senator agrees with me.

Mr. MOORE. I believe that it is generally conceded that the demand for all products and commodities which America can produce will be enormous during the reconversion period. The demand for food products will be enormous because the world must be fed from the production of America. Is it not essential that some kind of incentive be provided for the purpose of increasing production to the very limit in order that we may feed ourselves as well as other nations of the world? Can we achieve maximum production under the present policies of the OPA?

Mr. ELLENDER. I think we can.

Mr. MOORE. Is it not generally conceded that so far as the shortage of food is concerned the Committee on Agriculture and Forestry has learned that because of mismanagement by the OPA under the law itself a shortage of food has resulted?

Mr. ELLENDER. I cannot agree with that statement. I recently made a speech of almost 2 hours in duration in which I made the situation quite plain. It is my honest conviction that the reason that our country has been able to go along industrially and produce ships, cannon, and other articles of war in vast quantities has been the stabilization of prices.

Mr. MOORE. We are talking about food.

Mr. ELLENDER. I understand that; but the same situation applies with respect to food. As the Senator has indicated, our production may not be in the same volume as it is at the present time. However, it is my honest conviction that because of price stabilization and the incentives which have been furnished through the WFA, our country has been able to increase its food production one-third over the prewar volume.

Mr. MOORE. The Senator's statement suggests another question which I should like to ask. The object of holding prices within reasonable bounds is to protect the American dollar and prevent inflation, is it not?

Mr. ELLENDER. That is correct; and the object is also that of aiding production.

Mr. MOORE. Yes. Does the Senator contend that the incentive which has been offered to producers in the form of subsidies is or is not inflationary in itself?

Mr. ELLENDER. I have debated that matter on several occasions.

Mr. MOORE. Possibly I was not present when the Senator addressed himself to the subject.

Mr. ELLENDER. It may be inflationary, but not to the extent it would have been had we not resorted to subsidies. As I pointed out some time ago in the Senate, if we had not resorted to subsidies the prices of certain commodities

would have increased, thereby adding approximately $80,000,000,000 more to the cost of carrying on the war. Under the price-control system——

Mr. MOORE. Let us be a little more specific. Those figures are quite general.

Mr. ELLENDER. Yes, but they can be easily ascertained to be true.

Mr. MOORE. How does the Senator reconcile the number of livestock in the country with the shortage of meat which now prevails?

Mr. ELLENDER. Of course, as the Senator knows, there is no doubt that we have a meat shortage at the present time. That is due largely to maldistribution.

Mr. MOORE. There is no shortage of cattle.

Mr. ELLENDER. Yes; there is a cattle shortage. I do not mean there is a shortage at the present time in comparison with previous periods; but I mean that there is a shortage when we take into consideration the necessity of appeasing the appetites of the American people.

Enormous amounts of money are now in circulation, and the purchasing power of the American people has increased. The demand for meat has increased, and there is not a sufficient supply to appease the appetites of the American people. Compared to prewar production we have an enormous supply of cattle. Compared to the amount of meat that could be sold and consumed at present because of the huge buying power of the American people, we are short of cattle.

Mr. MOORE. What is the reason for that situation?

Mr. ELLENDER. I cannot conceive of our ability to produce——

Mr. HICKENLOOPER. Mr. President, I have the floor.

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. BUTLER. Mr. President, will the Senator yield to me?

Mr. HICKENLOOPER. I yield.

Mr. BUTLER. I should like to propound a question to the Senator from Louisiana who has spoken at considerable length, and very forcefully, in behalf of certain phases of the question confronting us today in connection with the OPA. The Senator has failed totally to mention one phase of the question which concerns me at the moment. I refer to the fact that we are facing a reconversion period, and if we follow the rules and the formula which have directed OPA policies in the past we shall be confronted by new problems. We are now about to enter the reconversion period and already, in many places throughout the country, employment has been reduced from the 48-hour week to the 40-hour week. Only yesterday a delegation of men representing certain unions was in my office and stated that they believed it would be only a short while before the 40-hour week would be reduced to a lower level. That brings our country face to face with this question: What effect will the OPA policy have on reconversion if it continues its policy of profit control instead of price control?

In this connection, Mr. President, I wish to read one telegram of many which I have recently received. This telegram was sent to me by a merchant, and reads as follows:

> I am very much in favor of only a short extension of Price Control Act for 3 months and easing of regulations to encourage the manufacture of needed merchandise. New maximum average price order effective June 1 is unwise and unworkable and will cause many factory closings unless modified at once.

I now wish to read from a letter which I recently received from the largest manufacturer of brooms in the world. He was in my office not long ago and told me that brooms were being imported from Mexico. I asked him to explain why that was being done. He subsequently wrote me the letter to which I have referred, from which I read as follows:

> Now, with regard to the Mexican broom question, we have a customer in Pennsylvania that buys a great many whisk brooms from us, but we have never hoped to sell them very many house brooms because of the fact that we were catering at all times to the better class of broom trade, and they were considered more or less of an outlet for common and medium-grade merchandise, but to my surprise we received an order for some 200 dozen of one of our best-brand brooms, which we sold to them at $10.75 per dozen, and which we know the housewife would cheerfully pay 50 cents more for than the broom they have been offering their trade made in Mexico, for which they are paid $15.50, and are being retailed to the trade at $1.65, or at least they were up until the last report I had, which is not over 3 weeks old.
>
> The highest-price broom we made is being sold at approximately $3 per dozen less than those being offered to the trade for which this customer of ours is paid $15.50 per dozen, and it would not in any way compare with the cheapest brooms we have to offer, but what provokes me is that OPA is trying to set up a regulation for us that will, in many instances, force the broom manufacturers in the State to reduce their ceiling prices, and yet they will price into the consuming public a broom for which the trade must pay $1.65, and is not worth to exceed $1 even by stretching the value, because of the acute shortage existing in house brooms.
>
> What I object to is for OPA to price brooms imported at a much higher price than we are getting, still they are trying to tell us that we are too high.

The situation facing us in the reconversion period is not a trivial matter, because it concerns thousands and tens of thousands of small-business manufacturers who, in the total, make up the largest number of employers in our entire country. What I am about to say has to do with a small firm that, like almost all other manufacturing firms, has been making war material until recently. Their business in that line dropped off, and they are looking forward to the future; they want to keep their employees, numbering between 50 and 60, and they desire to put on the market an article which they desire to manufacture.

Early this year the Ford Aircraft Tool Manufacturing Co., of Omaha, Nebr., made application to the Office of Price Administration to establish a price on a cigarette lighter which they hoped to manufacture. The principal objective of the company in planning to manufacture these lighters was first to soften the shock of the reconversion activities and to prevent unemployment, so far as humanly possible, in their line of business in Nebraska.

During the war this company manufactured products which were of extreme importance and value in the prosecution of the war. Considerable credit should be given to the initiative and ability of any concern which, anticipating a necessary reconversion program because of cut-backs in war contracts, proceeds immediately to adapt its equipment and machinery to a peacetime product that would prevent unemployment.

An unnecessary amount of delay attended the review of the application by the OPA's Durable Price Branch of the Consumers Goods Division in the Price Department, necessitating the company to send representatives to Washington at considerable expense on several occasions. While the Ford company had very thoroughly investigated the manufacturing and material costs with relation to the production of the lighter and had established what they felt was a fair market price, the OPA contended that the price was entirely too high and away out of line with the price set for other lighters of comparable material. This allegation was made in the face of definite information that several lighters slightly inferior in quality and cost had been priced much higher than the price the Ford company had asked for. Representatives of the OPA contended that they had made a mistake in permitting a high price on these other lighters and intended to roll back the price.

In view of the fact that the venture into the manufacture of cigarette lighters was a new experiment for the Ford Co., they very sensibly asked for a fair price to permit them to go ahead, with an understanding that if after production was attained there were excessive profits, they would on their own accord ask for a new price bracket and roll back their own market costs. This very sensible and businesslike approach found very little sympathetic response from the OPA. They would not even agree to permit a reexamination after a 6 months' period of operation to allow an increase in the price if production and material costs resulted in a loss to the company. The argument was based primarily on the allegations that other recognized companies were producing similar lighters much cheaper. No consideration was given to the fact that other recognized manufacturers had already established production and marketing channels for lighters and in the process had been able to stabilize their overhead and manufacturing costs.

It is just sensible business to know that a new company which in the instance of manufacturing cigarette lighters has to purchase dies and other materials, cannot compete immediately in price structure with old and established firms, but lack of this principle and a refusal by the OPA to recognize it practically precludes any new company from going into business unless they are willing to make a large capital investment against a background of tremendous risk of ever realizing any profitable return.

After negotiating with the OPA for a period of about 4 months, a price was

established only after the company decided that it would be probably better to go into the manufacture of the lighter even if the price set meant a loss in the company's operations. In a further attempt to stabilize business activities in my State, this company designed another lighter and submitted it to the OPA for an allocation of price. A similar delay is being experienced on this item.

I point to these matters in the hope of showing the very unrealistic and unbusinesslike approach that many concerns in this country must face in having to go before the juvenile minds in OPA in order to establish a private business that would soften the blow of unemployment and aid tremendously in bridging the gap between war-contract and peacetime operations.

I may say in this connection, Mr. President, that the distinguished Senator from Louisiana has been talking of what has happened in the past. He has not given one single thought to what faces us in the future which, to me, is far more important than the statistics he has been reading of what has happened in the past.

Mr. ELLENDER. Mr. President, if the distinguished Senator will permit me, I may say that I believe other Senators desire to speak, and I do not think it is exactly right for me to cover the whole subject. I want to leave my good friend, the Senator from Arkansas [Mr. FULBRIGHT] an opportunity to talk on the point raised by the Senator from Nebraska; but, as I understand, the OPA has worked out a plan for reconversion, and, with the permission of the distinguished Senator from Iowa, it may be that the extended question asked me by the Senator from Nebraska can be answered by the Senator from Arkansas. Will the Senator from Iowa not permit the Senator from Arkansas to do that?

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. HICKENLOOPER. Mr. President, I agreed some time ago to yield to the Senator from North Dakota [Mr. LANGER] for the purpose of putting an editorial and some other matter into the RECORD, and then I shall yield.

(At this point Mr. LANGER asked and obtained leave to insert in the RECORD certain matters, which appear in the Appendix.)

Mr. PEPPER. Mr. President——

Mr. HICKENLOOPER. I yield to the Senator from Florida for a question.

Mr. PEPPER. I wanted to make a brief observation, but I can make it in the form of a question.

I wanted to comment on the interrogatory propounded by the Senator from Nebraska relative to the reconversion period. I am wondering if the Senator is not overlooking the larger aspects of the reconversion period by failing to take into consideration the changed economy into which we shall reconvert as compared to the system from which we converted. For example, when we began to convert to war we had a national debt of, say, $35,000,000,000. Now we have a national debt of $288,000,000,000. That money is in circulation or in institutions in the country. Before the war we had currency in circulation of, we will say, four or five billion dollars. Now we have currency in circulation of $28,000,000,000, which is in the hands of the people. So the economy into which we are going to reconvert is quite a different economy from the one from which we converted to a war economy. Did the able Senator from Nebraska himself not lose sight of the fact that half of the families of this country make less than $2,000 a year and that when the price structure is disarranged and prices are permitted to rise the income of half the families of America who make but $2,000 a year is seriously reduced?

So, in order to give one manufacturer a better price than he has been getting, and a little more profit than he has been receiving, I am sure the Senator would not want to open the Pandora's box of inflation, which would result in very grave injury to the majority of the people of our country. The able Senator must remember that the war is not yet over, so that the question of reconversion is not so acute.

Mr. BUTLER. Mr. President, with reference to what the distinguished Senator from Florida has said, I should merely like to ask whether he approved of a small industry which is attempting to reconvert and continue in business having to go before the OPA, the kind of an OPA we have had thus far for about 3 years, to obtain permission to join up with the new economy about which he speaks.

Mr. PEPPER. The answer is "Yes; I do believe it is required," because we have to run this activity on principle, and for all the people, and we cannot have a rule that will apply merely to one person. I think the man who goes to the OPA is entitled to a sympathetic hearing and is entitled to have his case adjudicated on the basis of justice and common sense, but certainly everyone should have to conform to the standards of an agency trying to protect all the people.

Mr. BUTLER. The Senator's remarks would indicate to me what we have been told rather frequently, that the OPA is not a temporary organization or a war set-up, but is intended to be permanent in the United States, and to that I am opposed.

Mr. PEPPER. No; the able Senator is in error about that. I do not know of anyone who has proposed a permanent OPA, any more than a permanent WPB has been proposed; but in the interest of all the people the present controls should not be too quickly relinquished, because we are out of equilibrium, and until we get back to something like the equilibrium of normality, it would be an injustice to the masses of the people not to give them some protection through a disinterested agency.

Mr. BUTLER. Does the Senator from Florida think we will get back to a private-enterprise economy more quickly by following the OPA rules and regulations, or by permitting reasonable or even rather unreasonable profits on certain articles, until men are reemployed?

Mr. PEPPER. To answer the Senator's question, I think we will get back more quickly following the former course which the Senator indicated. We cannot expect to get back to desirable normality through the portals of chaos.

Mr. TAFT. Will the Senator from Iowa yield that I may cite one case?

Mr. HICKENLOOPER. I yield.

Mr. TAFT. I have in my hand a telegram handed to me by the senior Senator from North Dakota [Mr. LANGER] which illustrates a situation from one to three examples of which I receive every day. This is a telegram from the Buffalo Coal Mining Co., of Matanuska Valley, Alaska. It reads:

ANCHORAGE, ALASKA, *June 8, 1945.*

Senator WILLIAM LANGER:

By reason of amendment 43, April 27 this year, to Maximum Price Regulation 288 issued by Office of Price Administration, Buffalo Coal Mining Co., of Anchorage, and mining coal in Moose Creek, Matanuska Valley, Alaska, has been forced to shut down operations by reason of prices set which is far less than actual cost of production. * * * Foregoing OPA order effective May 17 reduced all prices about $1.70 per ton from going price and about $2.70 less than production costs figures on 10-month period July 1944 to May 1945. Price differential could have been adjusted immediately pursuant to amendment by OPA office at Juneau, Alaska. * * * Records of production costs covering above period have been in hands of Mrs. Mildred Herman and W. W. Woodall of OPA since May 24, and conferences held without any results. This serious condition being treated with seeming indifference. Shut down of mine has caused miners to be thrown out of work in addition to lack of coal urgently needed. Amendment by OPA must be made to OPA regulation thereby allowing at least production costs.

Mr. President, that happens over and over again, because the OPA does not care whether it puts people out of business or not.

Mr. PEPPER. Mr. President, will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. I yield, but after this I shall ask Senators not to request that I yield further, for a time, because I have been yielding for about 40 minutes.

Mr. PEPPER. I wonder if the able Senator from Ohio would really wish to make the charge against any group of his fellow citizens that they do not really care whether people go out of business or not. There may be errors in administration, the OPA may not have been able to decide every case rightly, or as quickly as it should have been decided, but the able Senator, being one of the distinguished lawyers of the country, I dare say has many times complained about a decision in a court which he did not like, which he thought was erroneous, and by which he thought a client was deprived of something that was his. Yet that does not mean that we disestablish the judicial system of the country, and that we fail to abide by law, that we quit submitting our disputes to judges and juries, who do err. I am sure the able Senator may have pointed out a case where the proper result has not been reached, or the result was not reached in the right time, but those of us who have had experience in courts know that we have had occasion to complain about judges and juries, but we did not set aside the judicial system.

Mr. TAFT. Will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. I yield.

Mr. TAFT. I fully agree with what the Senator from Florida has said, and that is the approach I have made right along, until the cases became so numerous that they have come to me every day, and from almost every industry. Yesterday I cited, not 1 case, but about 15 cases of widely different industries, in which exactly the same attitude has been taken. I stated that I had come to the conclusion regretfully that the OPA was willing to sacrifice justice in an individual case, or the production that is necessary for this country, in order to carry out its preconceived economic theory of the absolute necessity of a retail price freeze on everything, and an opposition to an increase of any kind.

Mr. PEPPER. But the able Senator, of course, recognizes the vast multitude of individual industries there are in this country. They run up into the hundreds of thousands, and, if we take them all, into the millions. To make an individual decision in every case, the Senator, with his sense of fairness, would recognize to be a superhuman task. So the OPA generalizes as much as it possibly can, because of the impossibility of dealing with each individual case. Perhaps the Senator having called these matters to the attention of the OPA will get quicker action than the parties aggrieved were able to get.

Mr. MOORE. Will the Senator from Iowa yield to me a moment?

Mr. HICKENLOOPER. I yield.

Mr. MOORE. I assure the Senator from Iowa that I ask for the floor merely to submit an amendment which I desire to offer to the joint resolution. I submit the amendment and ask that it be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

Mr. HICKENLOOPER. Mr. President, for the last 2 or 3 days we have been having extensive and sometimes heated argument about the question of the continuance of one of the great war agencies of the Government, or amendment of the law under which it was established. I think it is significant to note that this agency has been operating during the war period, for about 3 years; that each year its power has been renewed; that only at this time has the apparent great wave of opposition and resentment to the activities of OPA been given strong voice, and there must be some reason for that.

In the first place, I believe that the overwhelming number of people in their own minds believe that price control in wartime is a necessary step in order to prevent a spiraling price structure. I believe the evidence of the last 3 years has shown that the American people have cooperated magnificently in controlling prices, and in putting up with restrictions and shortages and minor disagreements and disabilities. I think the record is very clear that in the last war the American people did a magnificent job in the way of cooperation in the economy of the United States. I think that if the Members of the Senate will study carefully the figures which the Senator from Ohio put into the RECORD a short time ago as to comparative cost of the first 19 months of the First World War and the first 19 months of this war, they will be astounded at the similarity of the curve and the similarity of the costs.

It is to be noted that in the First World War the cooperation was voluntary. It did not require all the vast army of employees which now exists, and the millions upon millions of dollars paid out for enforcement and minute regulation and interference with business. But it was a voluntary cooperation which gave splendid results. However, in this war we have followed a different course, a course of compulsion, and a course of enforcement, if you please, by a myriad of officers running all through our States and cities and counties and communities in various, in fact, in all kinds of economic activities, as well as in many of the social aspects of our society. The result is that today a tremendous storm of protest is rising in this country, and so much of it is centering upon the activities of OPA that there must be some reason for it, and I think there is.

Manifestly in time of emergency or time of war it would be desirable to pass a general enabling act and then trust to the good sense and the good judgment and the vigor of the administrative officials to conduct the administration of the act in the best interests of the public and in the best interest of the war effort. I say that would be the ideal as an emergency measure. Of course I want it clearly understood that I believe that no system of control of our economy, except moral controls, have any place in a free American system of competitive enterprise as a peacetime proposition. But, unfortunately, I think that every Member of the Senate and every Member of the House of Representatives has his mail full of complaints citing instances of various lines of business throughout the country being strangled, denied the right to operate within any limits of ingenuity, constantly controlled, and supervised, all that has a strangulating effect on our economy which will be felt, I believe, more acutely in the postwar reconversion period than it is even at this time.

Mr. President, there has been considerable discussion in the Senate yesterday and today respecting the philosophy of OPA and concerning the intent of the law, but it probably is a continuance and an emphasis of the attempt Congress made, or thought it made, along the direction it considered proper in order to correct some of the inequities of the administration of this great activity. As the Senator from Oklahoma [Mr. THOMAS] pointed out yesterday or the day before, the Congress has three times attempted to define the administrative limits within which the OPA should operate. The last attempt was the Bankhead amendment. That was read a moment ago, but I desire to read it again, because I think it bears very materially upon the amendment of the Senator from Oklahoma. The Bankhead amendment was adopted in 1944 as an amendment to section 3 of the Stabilization Act, and bear in mind, we have been operating under it without any disruption of our economy, without any spiraling prices necessarily except the natural spiral that has gone on. This is the language of the Bankhead amendment:

> On and after the date of the enactment of this paragraph, it shall be unlawful to establish, or maintain, any maximum price for any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity which will reflect to the producers of such agricultural commodity a price below the highest applicable price standard (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) of this act.

That language was adopted last year. Again for emphasis and again in realization that the Senator from Oklahoma pointed this out and it has been pointed out before, may I, however, read the language of the Senator's amendment:

> It shall be unlawful to establish or maintain against any processor a maximum price for any major product (applied separately to each major item in the case of products made in whole or in major part from cotton or cotton yarn resulting from the processing of any agricultural commodity—

And so on. The language is practically verbatim. The line of disagreement in this argument seems to be on the question of the words "each processor." I should like to speak for just a moment on my understanding of that provision and my belief as to how it could and should be administered.

Let us first bear in mind that the OPA today has full power to readjust the prices of any and every manufacturer, processor, distributor, or otherwise within the scope of the law as it now stands. OPA not only can do it but is doing it in increasing degree throughout various branches and agencies. So this language gives OPA no greater duty, no greater power, than it already has.

In the administration of this amendment, as I conceive it, the OPA would simply make use of the voluminous files and the intricate and accurate information it already has. After reading repeatedly the testimony taken by the full Committee on Banking and Currency, and the subcommittee, I for one do not hold for one minute that OPA has to reach out and get another figure. OPA has been gathering the figures for 3 years and doing, in my opinion, what it has no right to do; namely, to go back in various businesses for years and getting their figures and statistics. Many times those figures are not available, but that has been a part of OPA's minute regulatory system. Nevertheless OPA has been gathering these figures, so OPA has them respecting all major industries. OPA has the figures, otherwise it could not fix the arbitrary prices it now has put into effect on even small items.

I wish to illustrate that by referring to one business, that of a man who makes stockings and socks. He manufactures 104 different types and kinds of socks. OPA has no difficulty setting the price on

the socks which he manufactures. It is true OPA has set a price on 63 lines of his socks which in each case is below the provable cost of production, and it has set a price on 41 of those lines above his cost of production. So he is making a modest profit. But OPA has no difficulty in coming to the conclusion as to what the price should be on the various lines. OPA has gone so far as to set the price on screws which go into machinery, screws which are almost too small to pick up with the fingers. OPA has gone from that to setting the price on airplanes and locomotives. OPA already has run the whole gamut of our economy in all its minutiae, so OPA cannot be heard to complain that a little detail in the enforcement of the Thomas amendment would either stymie OPA, block OPA, or cause a spiral of inflationary and advancing prices. I cannot hold with that argument at all, because in the past, in my opinion, in the field of minutiae, the OPA has gone far beyond any requirement that could be made under the terms of this amendment.

I believe that the amendment of the Senator from Oklahoma could be enforced easily and simply. With the figures it has at the present time, the OPA knows, within a fraction of a cent, what the cost of small-cost articles is, and within a fraction of a dollar what the cost of greater-cost articles is. It would not be difficult for the OPA, if it cared to administer this amendment in the spirit in which the Congress would write it, to determine the proper prices.

There, Mr. President, lies the crux of the whole administrative end of OPA—the intention in the minds of those who administer the law. If they cared to administer the Thomas amendment in a frank, friendly, and efficient spirit, they could establish satisfactory prices for the products of businesses coming within the terms of the amendment. There would be no complaint whatever, and no occasion for examination of complaint. Thereafter only companies which could prove that they were operating at a loss, or operating at a margin below that established by the Thomas amendment would ever come in and prove their cases. Manifestly, unless no attempt were made to falsify its records, no company would come before the OPA unless it thought it had an airtight case and could prove beyond doubt that it was operating either at a loss or at such a close margin that it came below the standards of the Thomas amendment.

It seems to me that this amendment could be administered simply if the OPA desired to administer it simply. If the OPA wished to make it complicated, it could make it complicated. But there is no necessity under the Thomas amendment to examine the books of every company in the United States in every line of business. There is no provision for it. There is no requirement for it under the Thomas amendment. If that should be done, it would be because the OPA would be going far afield and stretching the law in its administration of the act.

It is true, as was stated here yesterday or the day before, that attention has been focused on this situation primarily because of the meat shortage. It does us no good to stand here and say that there is a great deal of meat in the country. Your wife and my wife, Mr. President, know that they cannot buy meat when they go to the grocery store or the meat market. It does no good to say to the American public that there is plenty of meat in the country. Perhaps there is plenty on the hoof; but we have not yet reached the point of eating it raw. There is comparatively little meat in legitimate channels.

I have before me an admission of the shortage. In the Washington Star of May 18, 1945, there is an account of an interview with Mr. Chester Bowles, the Price Administrator. We have heard much said on the floor of the Senate, and in various other places, about 117 pounds of meat per capita, or 126 pounds, or 130. Whatever figure one uses, it probably cannot be successfully disputed. I would not dispute whether the correct figure is 117 or 130.

The news story in the Washington Star of May 18, 1945, is headed "OPA Chief estimates per capita meat quota at 60 pounds this year." Let me read the story:

> Price Administrator Chester Bowles today let housewives in on a Government secret—when the Agriculture Department estimates the per capita consumption of meat at 115 pounds a year, actually only about half that amount of meat will be available in stores under the rationing program.

I believe that is not an overstatement.

> "Without realizing that a considerable part of the total rationed food supply goes to civilians in the form of manufactured products and through restaurants and other places where food is served, housewives look at the figures, total up the number of ration stamps they have and then wonder how in the world OPA expects them to obtain their share at the present point values," Mr. Bowles declared.

I shall not read the remainder of the story. I ask unanimous consent to have the entire article printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OPA CHIEF ESTIMATES PER CAPITA MEAT QUOTA AT 60 POUNDS THIS YEAR

Price Administrator Chester Bowles today let housewives in on a Government secret—when the Agriculture Department estimates the per capita consumption of meat at 115 pounds a year, actually only about half that amount of meat will be available in stores under the rationing program.

"Without realizing that a considerable part of the total rationed food supply goes to civilians in the form of manufactured products and through restaurants and other places where food is served, housewives look at the figures, total up the number of ration stamps they have and then wonder how in the world OPA expects them to obtain their share at present point values," Mr. Bowles declared.

Mr. Bowles said the misunderstanding comes from the fact that per capita figures usually refer to total supplies.

"For instance, when the Bureau of Agricultural Economics announced recently that per capita supplies of meat would be 115 pounds annually it did not mean that household consumers would buy all of that meat directly with their ration stamps," he explained.

"Actually, only about half of that meat will move against ration stamps," he said.

"The Bureau figures were based on carcass or wholesale weight and do not take into consideration a 15-percent loss reducing it to butchers' counters. On top of that, some meat goes to public eating places which require no surrender of stamps and some goes into soups and other manufactured products," Mr. Bowles said.

He estimated that these and similar uses, plus normal shrinkage, take up 40 to 50 percent of the total civilian meat supply.

"Thus, instead of 115 or 120 pounds of meat per person to be bought with ration points, it is likely that about 60 pounds on an annual basis will be available at retail counters to the average ration book holder," he declared.

Mr. WHITE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from Iowa yield to the Senator from Maine?

Mr. HICKENLOOPER. I yield.

Mr. WHITE. I have been a member of no committee especially charged with the study of the OPA problem, and particularly the meat problem. I have only the general knowledge which I think every Senator has about the situation.

The Senator from Iowa has been speaking about the supplies of meat available to civilians. I happen to have before me a memorandum which excites my interest. I should be glad to have the Senator offer me an explanation of the situation which I shall outline to him in a moment, if he is able to do so.

This is a copy of an interdepartmental memorandum from the treasurer of the Bangor State Hospital, in my State, to the State purchasing agent. It is dated May 28, and reads as follows:

> We today contacted Swift & Co., Armour & Co., Wilson & Co., and Penobscot Beef and Provision Co., for any kind of meat, oleomargarine, butter, or eggs. Not a pound of meat, butter, or oleomargarine and no eggs obtainable except that Armour & Co. had six cases of margarine. The same has been about the situation for the past 10 days. No assurance of improvement. A farmer slaughtered a small cow because she injured her foot and we got the carcass; 425 pounds which is practically all the meat we have. Approximately 1,000 pounds of carcass beef is required for a meal here. The kitchen requisitioned 5 cases of eggs this morning. We only had 2 cases. The diet slips for this week call for 40 dozen eggs.
>
> Nearly 1,400 people here to be fed. Can you offer any solution?

I do not know the occasion for that situation; but it seems to me that something is fundamentally wrong somewhere when a State institution caring for sick and unfortunate people is unable to procure, upon any terms or by any expenditure of effort, meat, butter, eggs, and other food products so necessary in the care of patients. Can the Senator, out of his experience and his intimate knowledge, give me any explanation of that situation, and can he suggest what can be done about it?

Mr. HICKENLOOPER. Mr. President, I am glad the Senator from Maine has asked that question. It relates to one of the fields which I had not in-

tended to discuss, because I wished to curtail my remarks somewhat. But it is very important.

In the first place, as a rule, institutions of that kind obtain their meat from supplies which have been shipped across State lines. Much of the meat supply, for instance, on the eastern seaboard and much of the meat on the western seaboard—in fact, in many sections of the country—is dependent upon interstate shipments. That meat must be federally inspected, in order to authorize its interstate shipment. As I said, I did not intend to cover this phase of the subject, and I do not have the exact figures with me, but I believe I can state them with substantial accuracy. Several years ago approximately 70 percent of all the meat slaughtered for human consumption in the United States was slaughtered by federally inspected plants. Approximately 30 percent was slaughtered by nonfederally inspected plants. With the manipulation of prices and in view of the fact that not only was the profit squeezed out of the slaughtering business for legitimate slaughterers but they were actually compelled, beginning some time last year, universally, to sell at a loss, the situation became very difficult, indeed, for them. It became most difficult for them to obtain meat at a price in competition with the prices the black market purchasers would pay for meat of various classes and qualities. The result was that the ratio between the amount of meat slaughtered in federally inspected plants and the amount of meat slaughtered in nonfederally inspected plants began to change, and I am informed that today about 45 percent of the meat slaughtered in this country for human consumption is slaughtered in federally inspected plants, and about 55 percent is slaughtered in nonfederally inspected plants. I would say that generally, without exception, the black market supply of slaughtered meat comes from the nonfederally inspected plants. Let me make myself clear. I do not mean to say that every nonfederally inspected plant is a black market operator; no. Many of such plants are very fine and legitimate, and their complaints will show what is happening to them. But it is from that field that the black market comes.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator permit me to make a statement at this point?

Mr. HICKENLOOPER. Yes; I yield.

Mr. THOMAS of Oklahoma. My amendment is the result of the investigation carried on by the Senate Committee on Agriculture and Forestry. After the meat investigation was completed, the committee prepared a report, and submitted it to the Senate. The amendment then was prepared, in an effort to cure the defect indicated by the report of the committee. Although we have plenty of meat on the hoof, plenty of live animals—about as many as we have ever had, if not more—and although we have as many slaughterhouses as we have ever had, and they are ready for operation if they can operate, the trouble is, as I see it, that many of the slaughterhouses cannot operate. They cannot operate because of two reasons. The first is that the price ceiling is so low that they cannot obtain their cost of production. So they cannot operate. Others are not operating legally; they have found that if they operate legally they cannot get their money back, so they have gone on the black market.

The amendment is intended to give the slaughterhouses a sufficient spread so that they can buy the animals at the ceiling from the farmer and at the floor of the packing plant and slaughter the animals and process them and sell them within that spread. That is the purpose of the amendment.

Unless the amendment is adopted or unless the OPA modifies its rules and regulations, the situation which now exists will continue to exist, and consequently the eleemosynary and charitable institutions which have been referred to by the Senator from Maine will find themselves in a worse situation than the one which now confronts them. Today they do not have any eggs or butter or meat, to speak of, and the situation will grow worse.

I should like to ask whether any other Senator has a program to suggest as a cure for this situation? My committee has said that this amendment will help. I make the statement that if the amendment is adopted and if it is properly, fairly, and honestly administered—as I think it will be—in 60 days' time we will begin to see an improvement and a correction of the defects which now exist.

Mr. HICKENLOOPER. I entirely agree with the Senator.

Mr. President, I should like to continue with my answer to the question asked by the Senator from Maine. Heretofore the armed forces have required a quota set aside from the federally inspected plants. In other words, they have told the operators of the federally inspected plants, "We want so many pounds of beef and so many pounds of pork. Set that much aside for us." Let us say that perhaps 2 years ago that amounted to 25 percent of what the packing houses produced. But with the armed forces still setting aside the same poundage of meat from the federally inspected plants and with the percentage of meat processed by the federally inspected plants much reduced, it is apparent that in that field alone a reduced amount of meat has been produced for the general public or for institutions of the kind referred to by the Senator from Maine.

I think the amendment proposed by the Senator from Oklahoma is the most constructive step which has been proposed in at least an optimistic hope of doing something about the situation. As the Senator from Oklahoma has said, we must enable the legitimate slaughterers to enter the market again.

I have on my desk copies of telegrams which I believe were placed in the hearings of the Committee on Banking and Currency. Let me say that these telegrams were sent in March, and since that time conditions have become worse. One slaughterer sent the following telegram:

> We could kill 1,000–1,200 cattle. Have killed from 500–600 in recent weeks. Reducing kill to 200–300 this week.

Another one said:

> We could slaughter from 350–500 more cattle weekly if prices were satisfactory.

That means that if they were not losing from $15 to $35 on each steer when they slaughtered it and when it went through their plant, they could slaughter from 350 to 500 more cattle a week.

Another one telegraphed as follows:

> Could slaughter 400 additional head per week if prices adjusted favorably.

Another one telegraphed:

> We are slaughtering 300–400 cattle weekly. Our normal kill is 1,000. We have capacity to handle 1,200 providing price structure would permit. We have been forced out of the market several weeks as prevailing prices paid would have put us in violation of the maximum.

That means that if they had paid the prevailing price on the black market, for instance, or if they had pushed up their price in order to compete, they would have lost their subsidy, and they would also have lost whatever subsidies the Government had been paying them to enable them to stay in business.

Another packing company telegraphed:

> We could increase approximately 150 head weekly.

Another one telegraphed:

> We are selling no dressed beef as all cattle are used in sausage production. If prices were favorable we could kill 50 head more weekly.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. LUCAS. Will the Senator state the dates of those telegrams?

Mr. HICKENLOOPER. They were sent in March of this year.

Mr. LUCAS. I thank the Senator.

Mr. HICKENLOOPER. I am quite sure they were placed in the RECORD of the hearings held at that time by the Committee on Banking and Currency.

Let me relate what I was told 10 days ago by one of the Big Four packing companies. Incidentally, I think they can weather almost any storm; they are all right. It is not the big fellows I am fighting for, but it is the little packers who take care of the meat supply of the United States; they are the ones we wish to keep in business.

One of the members of the Big Four told me about 10 days ago that in his entire organization throughout the United States—he has a number of plants—on the day previously, only 40 beef animals had been killed. His organization could not obtain more animals at the price which it was required to pay under OPA regulations.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. MOORE. I should like to have the Senator from Iowa clarify, if he can, his statement that the federally inspected plants are increasing in number. Is that what the Senator said?

Mr. HICKENLOOPER. I cannot be certain about that. I would not want to say that the nonfederally inspected plants are increasing. I believe they are

increasing. What I said was that the proportion of meat killed in federally noninspected plants in this country is increasing. The percentage of total meat killed in nonfederally inspected plants, when compared with the total amount killed in Federal-inspected plants, is increasing.

Mr. MOORE. Meat contracted for by the Government must be federally inspected, must it not?

Mr. HICKENLOOPER. Yes.

Mr. MOORE. And the plants which do not produce meat for the Government may or may not be inspected.

Mr. HICKENLOOPER. That is correct.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I will yield in a moment.

Mr. President, normally there are approximately 350 packing plants in the United States which are federally inspected. At the present time there are approximately 420 such plants. Until the cancellation by OPA of its slaughtering permits there were 25,000 slaughtering permits, including those issued to farm slaughterers, butcher-shop slaughterers, and those who slaughtered for commercial sales.

Mr. MOORE. Most Senators have received inquiries from nonfederally inspected plants. The supply of cattle has been reduced to such an extent that many such plants have been compelled to go out of business. I have submitted to the OPA complaints of that character and the reply has been in effect, "Let the plants become federally inspected." As I understand, when a plant is federally inspected an option can be exercised by the Government on approximately 60 percent of the plant's slaughtered supplies. That situation could destroy, of course, the purposes of the local packers and result in no meat for the public.

Order No. 1, which was recently issued by the OPA, and which was supposed to be to the advantage of the nonfederally inspected plants, absolutely precluded the operators of nonfederally inspected plants from operating.

Mr. HICKENLOOPER. To which order was the Senator referring?

Mr. MOORE. Order No. 1, which was recently issued by the OPA.

Mr. HICKENLOOPER. Yes.

Mr. MOORE. In reply to an inquiry which I made of the OPA in respect to what would take place in connection with the situation existing in Tulsa, to which I referred the other day, in which the operator was compelled to close his plant, the OPA said that the plant might become partially federally inspected. However, that is not an answer to the question. The solution offered by the OPA would not increase the quota of the plant at all, and the cost of operating the plant on the basis of the established quota is resulting in a loss of five or six thousand dollars a month.

Mr. HICKENLOOPER. That is correct, and the plant will have to employ more men and lose more money.

Mr. MOORE. Yes; the plant cannot remain in business. That is what happens under OPA Order No. 1.

Mr. HICKENLOOPER. As an illustration of the general attitude which has been adopted by the OPA, I recall that when the hearings began before the Committee on Banking and Currency, the OPA said that it was looking into the situation, that everything was all right, and it did nothing further about it. The OPA asked some of the packers to submit figures, but it did nothing more until the tremendous demand which followed for meat, a great deal of which was stimulated by the Committee on Agriculture and Forestry investigating the food situation. Perhaps the Banking and Currency Committee did not go into the matter minutely because it was looking at the over-all situation. Three separate attempts have been made recently to rig the price market, not one of which has brought the food situation out of the red.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. BUSHFIELD. Apropos of the discussion of federally inspected and nonfederally inspected plants, I think it is only fair to read a statement to the Senator from Iowa, which was recently made by Mr. Bowles. He stated as follows:

> In April, as you know, the OPA was given authority to control the slaughtering of livestock by all nonfederally inspected owners. A program was immediately worked out which called for the registry of all farm and nonfederally inspected commercial slaughterers throughout the country.

So I assume that at the present moment all of the slaughterhouses to which the Senator has referred are either federally inspected or must operate under a certificate, so in effect they are federally inspected at the present time.

Mr. HICKENLOOPER. I do not so understand the situation.

Mr. BUSHFIELD. I show to the Senator Mr. Bowles' letter.

Mr. HICKENLOOPER. It is my understanding that only approximately 420 plants in the United States are now under Federal inspection.

Here is what happened. The OPA went into the situation and issued approximately 28,000 permits to slaughterers in connection with the food program. Then the black market became active. In an attempt to control the black market the OPA canceled all those 28,000 permits. My information is that it has been reissuing them just as fast as applications for them have been received, and that in many instances permits are being reissued to the same persons who had apparently been operating in the black market.

Mr. LUCAS. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. LUCAS. I do not wish to allow the statement of the Senator from Iowa to go unchallenged. I wish to submit certain facts with respect to the subject which the Senator is discussing. I do not have my notes before me, but the facts, as I remember them, are these: Approximately 27,000 permits were originally issued by the War Food Administration. I say that with emphasis because the strongest terms of condemnation are constantly being applied to the OPA. The original permits were issued by Marvin Jones, the head of the War Food Administration, and 27,000 of those permits were issued.

Only recently the OPA was given authority to issue permits. It canceled all slaughtering permits, and asked the holders of them to submit verified statements with respect to what they had done during 1944, and, perhaps, in 1943. In more than 30 days' time only 11,000 applicants had asked to have their licenses renewed. That is pretty good evidence that approximately 17,000 persons were probably engaged in black-market operations. In other words, one of the questions asked of those slaughterers was, "Were you engaged at any time in selling meats above the ceiling? Were you engaged in black-market operations at any time?" I believe that perhaps in a short time we shall probably find that our black-market meat, or at least a part of it, which has apparently been handled by 17,000 operators, will be explained to a considerable extent.

Mr. President, I did not want to allow the impression to remain that these same permits are being issued in every case to the same persons who had formerly held them.

Mr. HICKENLOOPER. Mr. President, I read from a report which I believe gives the figures as of the date of the report:

> On May 14, under our new authority, the licenses previously issued by the Government to the 26,436 nonfederally inspected commercial slaughterers were canceled. By May 25 only 15,220 nonfederally inspected slaughterers had registered with OPA for their quotas.

I think both the Senator from Illinois and I probably were a little at variance on that.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. Let me finish this statement.

> No doubt some of those who have not registered still intend to do so. It is fair to say, however, that the 11,216 who failed to apply have been operating on the black market. However, they can no longer do business.

That is a theory, of course, which I think has not been substantiated, and I think there is much argument on the other side.

Mr. LUCAS. Mr. President, if the Senator will permit, I agree with him that not enough time has passed to give a fair test, but the mere fact that 27,000 of these licenses were issued and the way the slaughtering industry has been making money lead me to say it is a pretty safe gamble that with 10,000 or more still out there is something radically wrong, or they would still be in business; they would not wait 30 days to ask for a renewal of their licenses to slaughter cattle and hogs and other animals.

I hope I am wrong in that, because I do not want to impugn the patriotism or the motives of any slaughterer in this country, but I think it is a pretty safe guess that there is something wrong; otherwise, these men would be here. But the statement I challenged was that the OPA

had issued these permits right and left to apparently the same people who had been in the black market before.

Mr. HICKENLOOPER. I have rather interesting data here furnished by the OPA—bulletins informing people how to renew their slaughtering permits. They said: "If you did not collect the ration points for your meat last year, you will have to agree to do it this year, and please tell us how much meat you sold without ration points and how much with ration points." That indicates that it is a simple matter to get a permit back. All they have to do is promise to be good from now on.

Mr. LUCAS. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Iowa yield to the Senator from Illinois?

Mr. HICKENLOOPER. I yield.

Mr. LUCAS. My only reply is that 15,000 have been able to comply with the questionnaire the OPA sent out, and if those 15,000 could comply with all the questions asked, perhaps the other 10,000 could, too, if they were on the square with the OPA rules and regulations and the price-control law.

Mr. HICKENLOOPER. I do not have enough of the facts, and I doubt if anyone has, as to these 8,000 or 10,000, to produce the exact proof.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. BUSHFIELD. I should like to call the attention of the distinguished Senator from Iowa to the particular language which he quoted in the statement or letter from Chester Bowles. He spoke of maldistribution of meat in this country. That is the only difficulty with the so-called meat shortage in the United States today, namely, maldistribution, and the OPA has exclusive jurisdiction and charge of the distribution, and has had for months.

Mr. HICKENLOOPER. Mr. President, the question of meat is the big issue in connection with the price policy of this country. We have the question of production in all lines of our economy, but, as I stated earlier, meat is the thing which has focused the attention of the country upon this issue.

As in the case of meat, I think in the case of many manufactured products, every Member of Congress, both of the House and the Senate, has his mail clogged with complaints on the part of people who are known to be members of a group of honest and reliable persons who make assertions and statements and who give their calculations showing that under present price regulations in many instances they are being forced to operate at a loss.

Mr. President, repeated examples have been given by the Senator from Ohio and others along that line. I shall not plow that ground again, because it would be repetition. Literally hundreds and thousands of examples could be put into the RECORD, but enough have already been inserted for illustration, and in my opinion to anyone who cares to read, they present a rather ominous picture of the determination of a Federal agency to disregard the economy of the country in the interest of maintaining a record, and, if you please, a line.

I say here and now, Mr. President, that I am of the firm conviction that OPA has now come to the point where it emphasizes the maintenance of a line, the curve of a chart, and its great tendency is to disregard the whole economy that goes into the building of the chart. In fact, we have a number of statements of OPA officials to this effect, "Yes, it is perhaps true that some businesses are going to have to quit under this over-all-profit yardstick, but what of it? Look at the line of price we have maintained." That field, too, has been ploughed. Grade deterioration has been discussed. The fact that we cannot really buy the merchandise today in many instances which goes to make up the price curve, but we have to buy some other and more expensive class of merchandise, is not taken into consideration in the price calculation.

In making their economic curves and charts respecting the price of commodities they do not consider the great subsidy payments made on these foodstuffs. They do not consider a great many factors which go into the actual dollar out-of-pocket cost of living of the American public, but they seem to be possessed with the idea of pointing to a curve and keeping that line on the board running somewhat level, and as I stated before, disregarding the economics of this country which go to make up that curve. Therein lies the danger.

For a little while I want to speak about one phase of enforcement by OPA which I think has contributed to the restlessness and to the discouragement of the American people. That is the minutiae in OPA enforcement and regulations which I discussed a while ago.

First, let me call the Senate's attention to a story which appeared in the Chicago Tribune of June 5 last. I shall not read all this story. There is an editorial in the Chicago Tribune dealing with it. I shall ask leave to place the story and the editorial in the RECORD in order that I may consume less time than I otherwise would. Those who wish to read the story and the editorial may do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

The news article and editorial are as follows:

FARMER DEFIES BUREAUCRATS OVER KILLING TWO COWS—OPA ISSUES RULE ON INJURED ANIMALS

The legal status of the carcasses of two cows that were struck by a train and then slaughtered Monday by Elmer Bastian on a farm near Hinckley, De Kalb County, was uncertain yesterday, Office of Price Administration officials in Chicago said. But Miss Verna Lee, chief clerk of the ration board in Sandwich, which serves Hinckley, said the two men had obeyed regulations.

"Bastian obtained a permit to process the carcasses," she said, "and we authorized him to sell the meat on condition that he demand points for it."

NEW RULING ON INJURED ANIMALS

The circumstances of the slaughtering prompted Robert M. Harper, district director of the Moline OPA office, in whose jurisdiction Hinckley lies, to announce a series of meetings of farmers to clarify the tangle of red tape and regulations surrounding home butcherings.

"We are going to tell the farmers," he said, "that although a permit ordinarily is required before slaughtering an animal, in case of injured animals a farmer is free to go ahead with the slaughtering and to notify us immediately afterward."

The Bastian cows, with a third, had strolled into the path of a Burlington freight train early Monday. One animal was killed and the carcass sent to a rendering works. Legs of the two others were broken.

When Bastian started to slaughter the injured animals an OPA investigator, W. L. Pratt, who was driving past, warned him not to proceed until he had obtained a permit, the farmer reported.

He proceeded with the slaughtering, however, and Thursday was tendered an order by Pratt and George Greenaway, another OPA agent, to appear at the Chicago office yesterday morning. The order ended: "Fail at your own peril."

BOTH FAIL TO APPEAR

Yesterday Greenaway and Pratt admitted that the order was not a legal summons, but an "invitation." Greenaway said he had appended the ominous warning because the phrase appeared on regular subpenas, and he thought it would be a good idea.

The order was directed to Berge Skartveit, a tenant on the farm owned jointly by Bastian and a partner. Neither Skartveit nor Bastian showed up in Chicago to be questioned. Pratt and Greenaway were present, however.

When officials transferred the case to the Moline OPA office, the agents said they would continue their investigation and would report their findings to Moline. The agents remarked that they had no way of knowing that the cows had been struck by a train.

Both denied using abusive language when they called at Bastian's store at Hinckley Thursday and were confronted with the beef carcasses hanging in the cooler. Pratt said he had not counseled letting the injured cows lie in the pasture for 3 days while the permit was being obtained, as Bastian charged.

THE OPA PONDERS A COW

Three cows got on the Burlington railroad tracks near Hinckley, in De Kalb County. A freight train reduced one of them to unsalable hamburger and crippled the other two. The tenant on the farm notified Elmer Bastian, one of the owners, and Bastian decided that the crippled cows would have to be killed.

He had killed one when W. R. Pratt, an OPA employee from Elgin, appeared and demanded whether he had a slaughter permit, which obviously he didn't. Pratt ordered Bastian to do nothing further until he had heard further from him, Pratt. Bastian killed the second cow to end its suffering, called the OPA office in Sandwich, Ill., and was given permission to butcher the meat, store it in the cooler of his store in Hinckley, and sell it if he collected ration points for it.

Three days later Pratt and another OPA employee, George Greenaway, appeared at Bastian's store and gave him a summons to appear at the Chicago office of the OPA. They told him that there he would be given instructions about slaughtering the second cow and disposing of the carcasses of both animals. When Bastian asked them if they expected him to let the injured animals suffer for 3 days while the OPA made up its mind, and then showed them the dressed carcasses hanging in his cooler, he was, by his own account, subjected to a torrent of profanity by the 2 OPA representatives. The agents retreated when their behavior attracted an angry crowd of Hinckley citizens.

To the OPA, apparently, the 2 cows presented no more than a problem of licensing

a slaughterer. To Bastian, the people in Hinckley, and the local OPA board in Sandwich they represented meat. If Bastian had waited for the OPA to act the meat would have been lost.

Mr. HICKENLOOPER. Mr. President, the story is—and I assume it is true, it seems to be established by OPA officials—that a train out of De Kalb, Ill., ran into two cows and mangled them somewhat, but did not kill them. The farmer who owned the cows knocked one of the cows on the head and was butchering her in the field in order to save the meat when an OPA representative stopped him and said he had to obtain a slaughterer's permit before he could kill and butcher that cow. The farmer's language was not such as we use on the Senate floor in speaking of OPA officials. In any event, he continued cutting up his cow which he had killed after she had been mangled by the train. The OPA representative told the farmer not to touch the other cow. The farmer, however, proceeded to butcher both cows, which he had killed after the train had mangled them.

A day or two later the farmer received a very formidable order from the OPA which summoned him to appear before the tribunal which was set up in Chicago, and the following very ominous words appeared at the end of the order: "Fail at your own peril."

I shall now read from the news story which allegedly quotes Mr. Greenaway, I believe, on that particular point.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. LUCAS. Is the Senator from Iowa quoting from a statement of facts which he has received?

Mr. HICKENLOOPER. I am quoting from the story which appeared in the newspaper, which I have put in the RECORD to save time.

Mr. LUCAS. From what is the Senator quoting?

Mr. HICKENLOOPER. I am quoting from the Chicago Tribune of June 5.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. HICKENLOOPER. I yield.

Mr. LUCAS. Has the Senator attempted to check with the OPA respecting the truth of the story?

Mr. HICKENLOOPER. I did not clearly hear what the Senator asked.

Mr. LUCAS. Does the Senator think it is really fair to present the newspaper item until he has checked the facts with the OPA to ascertain definitely whether that story is true? Does the Senator think it fair to bring that article in here as an argument against continuation of OPA, especially coming from the Tribune, as it does?

Mr. HICKENLOOPER. The Senator from Illinois might not agree that the Chicago Tribune was a proper source of information. I presume the Chicago Tribune's philosophy differs somewhat from that of the senior Senator from Illinois. I have no quarrel with the Senator's belief one way or the other, and will not dispute the matter with him. Nor do I hold any brief for the Tribune. But I believe the journalistic ethics of the Chicago Tribune measure up to the average journalistic ethics of the newspaper profession generally throughout the United States. Some newspapers are on one side of the question now before us, some on the other side. But I believe that in their news-reporting policy newspapers probably maintain a fair standard.

Mr. LUCAS. The only thing I am talking about is that the Senator from Iowa is willing to use that newspaper story in support of an argument he makes against continuation of the OPA, without calling the OPA on the telephone or writing to OPA to ascertain what the facts are, and as to whether what the article says is true or not. In other words, it is the same old story, Mr. President. There are some Senators who do not want the facts. The story may be true, I will say to the Senator from Iowa. I do not know. I read the same story. If I had desired to comment on that story on the floor of the United States Senate I would have taken time to have telephoned or written a letter to ascertain the truth of the story before I rose on the floor of the Senate and used it as a basic argument for the repeal of OPA.

Mr. HICKENLOOPER. I believe that editorials and news stories in great numbers are submitted for the RECORD by Senators with the assumption at least that they substantially state the facts as printed.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. TOBEY. Adverting to the remarks of the Senator from Illinois, I take it his inquiry was based on the theory that the whole thing might be "bull;" is that correct? [Laughter.]

Mr. LUCAS. It sounds very much like it.

Mr. HICKENLOOPER. I yield in the matter of interpretation of "bull" to those who have had more experience than I, and I am willing to accept their analysis.

I will give one item that appeared on May 6, 1945, in a newspaper in my home State, and I will state to the Senator from Illinois that I rely very much on the accuracy of the news reporting of this newspaper. An item appeared in the Des Moines Register of Des Moines, Iowa, dealing with the butter situation. I am merely giving some illustrations to show what makes the public restless under present enforcement by OPA, and public sentiment is an element which must be considered in any free country.

The article states:

Some Des Moines food outlets Saturday reported they have been having a little trouble with butter turning rancid for the lack of customers with sufficient points to buy that commodity.

Butter, which commands a ration price of 24 points a pound has been plentiful in stores in recent weeks. On the other hand oleomargarine, which "costs" 12 points a pound, has been scarce.

My purpose in reading that is to show that the public in that part of the country, as verified by letters I have received, simply does not have the points in its possession to pay 24 points a pound for butter, and the OPA has done nothing about it. Butter in some places has become rancid.

I have other news stories showing that butter has become rancid in Wisconsin and in other States in recent weeks. Yet in the administration of this act no change in that point system has been made in order to enable the reduction of the surplus stocks of butter. No change in the system has been put into effect.

I wish to give Senators another illustration of the administration of the act, and a thing which multiplied thousands of times in varying degrees over the country has contributed to this great storm of protest which has been built up. I wish to read to the Senate a very substantial portion of the broadcast made by Fulton Lewis, Jr., on May 18, at Los Angeles, which was referred to by the Senator from Ohio yesterday, in which he very carefully sets out a condition which exists. I think it is a matter for discussion. Fulton Lewis said:

The story tonight is a story about three little guys—three little Swiss and the land of opportunity—the land of the free and the home of the brave.

Their names don't make much difference, really, but in case you are interested they are Sil Antogonli, and Louis Margnetti, and Francis Rodari. They're good, hard-working citizens all of them, and I have investigated and found that each one of them has a record as clean as a hound's tooth. They've never been involved in any trouble of any kind; they have no police records; they're very serious little people.

Years ago, during the 1920's they got together and rented a little hole in the wall, down in lower San Francisco, and set up a lunch counter—eight stools and two side tables, and they did all the work themselves, except for the dishwashing, and they hired a man to do that.

Incidentally, I have on my desk a picture of that hole-in-the-wall. It is only a small lunch counter.

Incidentally, all through those early days, each of them was taking $25 a week as his share of the profits, and they worked 15 to 18 hours a day, and they were paying the dishwasher $31 a week, for one regular shift.

When the depression came along they kept a considerable list of their long-time customers who were eating on credit—most of which was never liquidated—but that didn't make any difference; they merely shrugged their shoulders and smiled and said those people had to eat, didn't they?

As time went on, by very long and very patient work, and those same back-breaking hours, and by infinite frugality they saved up several thousand dollars and last October the floor of the lunchroom caved in and the building was condemned. So, inasmuch as they had to rebuild, they decided to take a risk and try to realize the dream they always had cherished—to have a really nice, really high-grade establishment, of which they could be proud. It was impossible to do that, of course, on the same price scale they had been charging in the little hole in the wall, so they went to their local OPA board and explained what they wanted to do, and they were told to go ahead and when they were ready to open to bring in their proposed price changes and the OPA would fix them up.

It was a rather difficult business for these three little Swiss men, because they knew nothing of the complications and eccentricities and intricacies of WPB priorities and such things, but they finally made their way through the maze and got WPB approval of their construction plans and proper WPB priorities for the materials nevertheless.

They also went to the Bank of America and, after they had been thoroughly investigated, they were given a loan by that institution. In October they began construction and they built a really beautiful restaurant which they named the Saint Moritz, and they even got their linen and silver and glassware and chinaware.

It's a spot that does credit even to San Francisco, which is renowned for its magnificent hotels and eating places. It has deep pile carpeting on the floors, beautifully paneled walls in rare woods, excellent murals, a gorgeous bar with sparkling glassware in front of a mirrored back, subdued lighting throughout. And all through this construction period these three little guys were in there working their hearts out, helping with the job in order to keep the cost as low as possible. When the regular crews would go off at the end of their day, these three would keep on working far into the night, digging ditches for the plumbing, doing carpentry work, putting in the sewers, everything conceivable.

On December 15 it was ready to open and it held a really proud position in a neighborhood of high-class competitive restaurants, all of which were doing a tremendous business, jammed to capacity day in and night out. So—

They went to the OPA, these three little guys with their Swiss background, and they asked for approval of their prices scales, which, by the way, they had computed strictly in accordance with OPA regulations. The prices were about 50 percent higher than the prices they had charged at the old lunch counter, but, at that, they were much lower than many of the restaurants in the immediate vicinity.

They waited, and they waited some more, but they could get no answer out of the OPA.

They never got a flat refusal; they simply got no answer. Nobody would say "Yes" or "No."

If they had opened up without OPA approval of their prices, they would have been in violation of OPA regulations, so they had to continue to wait.

The restaurant was all ready to do business—spic and span, even the tables set with fresh napkins at the places, but the doors had to remain closed.

After some weeks, it was suggested to them that they hire a lawyer, which was a little frightening, because lawyers come high in the money terms to which they were accustomed, but they did hire one nevertheless—only to find that the OPA refused to deal with him because he himself had been a former OPA employee. So they paid off that lawyer and got another lawyer, who went to work on the case, but he couldn't get any satisfaction either.

January passed and so did February and so did March and so did April, and still the sparkling, beautiful new restaurant remained with its doors closed while the three little guys whose life dream it represented watched the interest charges pile up on the loan they had received from the bank without even a fighting chance of earning the money to pay off that interest.

Finally, the OPA told the new lawyer that what the three little Swiss would have to do was to open up at their old lunch-counter prices and operate for 90 days, and if at the end of that time they could prove that they were losing money, they could submit a request for a revised scale of prices, which the OPA would then consider.

That seemed pretty hard but they decided that they would try it on the bar, at least, which they did. At the end of 1 month they had lost $1,900, and, on careful figuring, they worked out the fact that if they continued that for the remaining 2 months, it wouldn't make any difference whether the price increases were granted or not, because all of their savings would be gone and they'd be out of business.

But the OPA insisted, adamantly, that because they had been in business before with their little hole-in-the-wall lunch counter, and had included the site of the old lunch counter in the new establishment, that so far as OPA was concerned it was still a lunch counter. I may add that the OPA regional administrator in San Francisco, Mr. Charles Baird, reaffirmed that to me today, in just those words, and said that he thought that was a proper and very wise policy.

You remember that it was last December 15 on which the Saint Moritz Restaurant was finished and was ready to open its hospitable doors to customers. This is May 18, 5 months and 3 days later, and to this day the OPA has never approved any scale of prices for the three little Swiss guys who had tried to make a dream come true in a land where, reputation has it, dreams can come true if men will work for them.

The doors of the restaurant are still closed, and the lawyer still cannot get any satisfaction.

He continues at some length on this matter. He shows in the broadcast and in the one of the following week that up to this date the OPA has never approved any scale of prices for that new and expanded restaurant except to advise the owners to go on the old lunch-counter scale of prices in establishing their new prices, which they have tried, and themselves know to be a loss. Such administrative acts, multiplied thousands of times over the country, contribute to restlessness.

A short time ago, in connection with retail merchants, a new pricing policy was established. It is called Maximum Price Regulation 580, and it is a dandy. It is a 42-page document. I have a copy of it in my hand, which I can show to Senators. It consists of 42 pages of carefully and finely printed literature, giving tables and methods of calculation for pricing merchandise in retail stores—this, bear in mind, after a burdensome period of 2 or 3 years of other methods of pricing.

I have looked through Maximum Price Regulation 580, because I have received a great many letters from merchants all over my home State calling attention to it. They throw up their hands and say that they have neither the facilities, the knowledge, nor the education to go through this thing and reprice their merchandise, as it apparently demands. They cannot understand it. They cannot follow it; and yet they have been told that they cannot operate in business unless they comply fully.

I have an illustrative letter from a merchant in a substantial little county seat town in my State. I shall not read it in full, but it expresses a desperate hope that sometime, in some way, the minute regulation of OPA will be lifted so that a merchant, operating under the labor shortage with which he must now contend, can get a job done. I shall read one paragraph. The writer refers to the new regulation, and the additional difficulties which are heaped upon him. He says:

Let me cite you one concrete instance of what I mean, right here in Clarion. This man runs our leading furniture store. He has three boys in the armed service, one daughter in the WAVES, and a son-in-law in the Army, too. This man has been retired, and until his oldest son was drafted he ran the store. At this time the father came back, unable to get help. He is trying to keep the store open for his son's return. The normal force in this store would be about two or three men and a bookkeeper. This man and one green girl run the store. How in the world can he comply with this latest brainstorm of OPA? That is only one of many such.

Mr. President, I have letters in my files from merchants in large towns, who have staffs of accountants and intricate bookkeeping systems as well as cost-accounting systems, for their particular purposes. They have told me that they cannot be at all certain, after spending weeks of effort and going through their stores with a staff of people, that they have come within gunshot of complying with this new 42-page regulation, Maximum Price Regulation 580. Those matters distress the people.

Another one stuck up its head a few days ago. I cannot say just when this one went into effect, but the OPA now has made a requirement and has established a regulation—which of course carries with it a Federal penalty if it is violated—compelling every undertaker, as a part of his duty, to be responsible for the collection of the ration stamps of the deceased, before the undertaker has completed his job and his duty. The OPA furnishes voluminous instructions and cards which the undertakers must send to this one, and cards which the relatives must send to that one, and acknowledgment cards which the undertaker must send back. The OPA is going to require the undertakers to get back the ration stamps from the deceased even if they have to go to the gates of Heaven and talk to St. Peter and ask him for them. That proceeding, that minutiae and extreme detail which have crept into our economy under the guise of war necessity, is what disturbs the American people.

Today a reconversion period confronts us. I think that all of us, regardless of our attitude on particular pieces of legislation, realize that a period of reconversion is on us now, and all of us are hoping and working in our own way to make that period one of expanding economy, great employment, and the highest possible income for all classes of people in our country—a period of encouragement and hope for the future. That is what we wish to have. I will admit that we may disagree about the methods of achieving it. Perhaps I am not correct in my attitude; perhaps I am only partially correct. I do not know, but I merely have to say it as I see it.

Today, because of the cut-backs, reconversion is now upon us. Countless factories and countless industries are suffering either partial or complete cutbacks from war production to the production of peace. I do not know what policy will be placed in effect by the OPA I do know what a number of businessmen of my State think the policy will be and what they have understood the policy will be, as a result of their talks with persons in the lower strata of OPA—persons who apparently have considerable authority. The ones to whom I have

talked, those who tell me that what they say reflects the general sentiment of the meetings they have had in our State in connection with this matter, say they are now convinced that unless the OPA changes its attitude, as anounced by the subordinates who have stated the intention, the OPA is planning to hold American enterprise and American business to a roll back to 1941 price levels, in some cases, and in other cases to the 1942 price levels. The persons to whom I have talked and those who have written to me say, "We will be out of business if that is going to be the policy and if it is legitimately adhered to We will be out of business and we will not be able to reemploy or expand our plants or our businesses. We are discouraged. We do not think there is any promise or hope for the future under that kind of a policy. Under such a policy, we do not think there will be the hope and the opportunity which we must have in this country in the days after the shooting stops, or, in fact, right now."

Let me tell you, Mr. President, how tenaciously and rigidly the administrators in the field generally cling to this price policy. There is in my State a company which manufactures pulleys. I know that what I am about to relate is substantially true. Last year and the year before that company lost $18,000 each year on the pulleys it made. The manufacturing of pulleys is a substantial portion of its business, although it makes some other articles. It made a little extra on some of the other products it manufactured, so over all it made just a little money—perhaps 1 percent or 1½ percent on its whole operations. It happened that it sold the pulleys, and had done so for years, to one jobber in the East. It sold only to that jobber. But it sold on a price level maintained by the OPA, and it has been losing $18,000 a year for 2 years. The jobber in the East happened to have such a favorable price policy that he could raise his price to the manufacturer just a little, to help him take up a part of that loss, but he would not have to raise his price to the public. So in that case the jobber, who was taking the manufacturer's product, was willing and anxious to raise the price he paid the manufacturer, in order to help the manufacturer absorb a part of his loss. The jobber joined in the application, and agreed that he would not raise the price of that pulley to the public. They made application to the OPA. Months went by. Repeated trips were made from the town where the pulleys were manufactured to Chicago, and the company received many requests for additional figures, some of them for operations of many years past. But there was repeated failure of action. They encountered nothing else.

One morning about 10 days ago a representative of that company came to my office. I did not know what he wanted to see me about. He told me his story. I then telephoned the OPA office and talked to Mr. Brownlee, the Deputy Administrator for Price, in the Office of Price Administration. I told him the story. He said to me over the telephone, "If that man can substantiate that story, he should have some relief."

I said, "I do not know anything about it except his own statement, but he can bring his figures to you."

It is my information that in about 30 minutes' time, after going through that record, with a substantiation of the man's story, he received the requested relief. But months before, in the field operation and in the district operation, they had been stymied and stymied and stymied.

I will say that in that case the administrative officials at the top of OPA, who saw the justice of the claim and who realized that it would not affect the price to the public, acted very quickly. But that occurred only after the passage of several months, with repeated trips and repeated accounting statements, and finally a trip to Washington, in desperation. Finally, after that man went to the office of the OPA in Washington, he was able to secure relief very quickly, because Mr. Brownlee, whom I believe tries to be very fair, saw the justice of the request. I certainly have no complaint about Mr. Brownlee's basic attitude of fairness, although I may sometimes disagree with his enforcement philosophy. Mr. Brownlee said to me that that man had a perfectly justifiable case. He obtained his relief in just a few minutes, and I think the relief granted was perfectly sound and proper.

But such things make people restless; and whereas one person can come to Washington and can obtain a hearing, there are throughout the country thousands who do not know where to go and do not know what to do. They go no further than their district OPA representative. There they are told what they can do. They are turned down; and, in discouragement, they quit.

Those are the policies which are followed in the OPA. Such policies discourage the public. I think they should be corrected. They can be corrected administratively, of course.

I refer to the statement which was made a while ago that Congress has made several attempts to write into the law protective features which Congress intended should be put into effect in connection with the American economy. I believe it is essential that the Thomas amendment, as well as the Taft amendment, be made a part of the law as a protection to every American, and as a guaranty that the power of government, under the guise of war emergency, shall not be exercised against a citizen in order to compel him to do business in our free economy at a loss.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. McMAHON. I wish to propound to the Senator from Iowa a question which has occurred to me at various times during the debate.

I presume that the Senator has noted that the leaders of organized labor have been calling at the White House and suggesting that the Little Steel formula be revised upward. Does the Senator believe that the adoption of the Thomas amendment and the Taft amendment would retard the effect of or eliminate the wage-control policy embodied in the Little Steel formula?

Mr. HICKENLOOPER. I see no reason why the adoption of either or both of the amendments should eliminate adequate, proper, and economic control of wages.

With regard to the Little Steel formula, we are confronted with this fact: The Little Steel formula is an arbitrary formula, and not necessarily an economic formula. In other words, so far as wages are concerned, we use a different yardstick. We consider what income a man needs in order to live properly. I say that the Little Steel formula is an arbitrary formula and not necessarily an economic formula. I think an economic formula is one in which wages adapt themselves to the factor of costs.

Mr. McMAHON. The Senator has not yet answered my question. In the Senator's opinion, if the Senator should adopt the amendments to which I have referred, does he believe that it would be possible to hold the Little Steel formula? I am not asking him whether the formula is a good or bad one, but I am asking him whether it would be possible to hold it. I should like to have the Senator's opinion on that point. I will judge for myself whether I think it is well for the Little Steel formula to be maintained or scrapped.

Mr. HICKENLOOPER. We have repeatedly broken the Little Steel formula. It has not been held. In my judgment it is not necessary, under the present program, for the cost of living to increase to any appreciable extent.

Mr. McMAHON. What does the Senator mean by "any appreciable extent"?

Mr. HICKENLOOPER. Perhaps 1 percent, or one-half of 1 percent. It has been announced by the Bureau of Labor Statistics, or by Mr. Bowles, that the cost of living has risen only approximately 2 percent in the past 2 years, while wages have increased from 8 to 10 percent.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. TAFT. Am I to understand that by the Little Steel formula the Senator refers to an increase over the wage rates as of January 1, 1941? Perhaps the Senator from Oregon [Mr. MORSE] can answer the question.

Mr. MORSE. I think the period is from January 1, 1941, to May 1, 1942.

Mr. TAFT. In other words, there was a 15-percent increase in the cost of living, and the rule was that wages could not rise more than 15 percent. According to an authority which I hold in my hand, the increase from January 1, 1941, to the present day has been from 100 to 137½. In other words, in spite of the Little Steel formula, wages during that period have actually increased by 37½ percent. Within the past 2 years wages have increased 10 percent, while prices and the cost of living have increased only 1½ percent. So the fact that the cost of living might rise 5 percent more is no justification for a break in the Little Steel formula. However, whether a break would take place or not, I do not know. I think it would. I think the formula was broken yesterday in President Truman's approval of a 25-percent increase in the salaries of Members of the House of Representatives.

Mr. McMAHON. The Senator has answered the question which I propounded. In his opinion, if the Senate adopts the Thomas and the Taft amendments, and they result in raising the cost of living, we shall still be able to withstand further demands on the part of labor that the Little Steel formula, with its revisions, be scrapped.

Mr. TAFT. I think the Senator will find that beginning with 1945 the average increase in the wages of labor will be 5 percent in spite of the Little Steel formula. I think it will be that much if we do not raise the cost of living a fraction of 1 percent. I think the strength of labor is such, and the maladjustments and injustices in some places are such, that in some places we cannot help but increase the average wage rates approximately 5 percent.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. THOMAS of Oklahoma. I think the record should be kept straight. We have been operating since 1926 on the 1926 basis, because in that year the administration set a price level of 100. That basis was established in accordance with the average prices of 1926. Since then we have used that year as a base. On the 2d day of June, only 6 days ago, the price level stood at 106, or only 6 percent above what it was, on the average, during 1926. The amount of money now in circulation is approximately $27,000,000,000, whereas in 1926 it was only $4,000,000,000 or $5,000,000,000. We now have approximately $100,000,000,000 of credit, while in 1926 we had only $40,000,000,000 or $50,000,000,000. Notwithstanding those facts, the price level 6 days ago was only at 106.

The question has been raised whether, if the two amendments to which reference has been made are adopted they will result in an increase in the cost of living. I cannot speak for the amendment of the Senator from Ohio [Mr. TAFT], because I am not familiar with it. However, I can speak for the amendment now pending. The administration is operating under a subsidy system. If it should be found that the processors of any commodity should receive a somewhat higher price in order to enable them to continue in business, the situation will be taken care of by a subsidy. There is no attempt under this amendment to raise the price of meat to the consumer, or the price of bread or any other food product, because they are all farm products. The administration is operating on a subsidy system. If it were necessary to give any processor a small sum of money in order to prevent him from going into bankruptcy, he would receive a subsidy.

The OPA has made three attempts to widen the subsidy spread, and now slaughterers are operating on a satisfactory rate, or at least so I have been advised. If the pending amendment is agreed to, and if the OPA is convinced that any particular processor should receive a wider spread, or a little more money with which to operate his plant and maintain it in operation, the situation will be taken care of by a subsidy. The members of the CIO, the AFL, or any other organization of labor, would not be required to pay any more for their meat or bread, or any other food product, than they are paying at the present time.

That is an explanation of the amendment as I understand it.

Mr. HICKENLOOPER. Mr. President, I should like to conclude the few remaining remarks I have to make, but I wish to give another illustration of the administration and the policies of OPA which drive people to distraction, at least those out in the farming section of the country, where the people do not understand all the ramifications of high priced economists.

I have a letter I desire to read. I have requested a full report on this case from OPA. They have had it since May 25, and I have not yet received a report. I asked for the original letter from OPA today because I wanted to put it into the RECORD, but I am very anxious to ascertain just what their explanation of it is.

Mr. President, there are two or three popcorn centers in Iowa, where great quantities of popcorn are raised. The farmers will make a contract with some popcorn processor, in advance of planting, at a certain price per bushel, and they will plant their acreage. I have received several letters on this subject. The farmers have had a mass meeting, which ended in a near riot, in the county seat town of Sidney, a short time ago. I read from the letter as follows:

> I write to call to your attention, a matter of very vital importance to the farmers of southwest Iowa.
>
> About 500 farmers here engaged in raising popcorn. In the spring of 1944 they contracted to raise the popcorn for $3.68 per hundredweight in the ear and, or, in lieu of that at $6 per hundredweight shelled corn basis.
>
> Not being entirely dumb the farmers all figured out that the profit at the $6 per hundredweight price would make them much more money. Now, many of them found it to be impossible to get shellers to come to their own cribs. The processors agreed to get the corn, shell it and after deducting 5 cents per bushel for shelling and the weight of the cobs, would pay them the shelled corn price. Many of them did it that way.

In order to follow this I should say that the price of corn on the cob to the farmers was $3.65. If the corn were shelled, the price was $6. The processor shelled the corn for the farmer and charged the farmer 5 cents a bushel for shelling it, weighed the cobs, and took the weight out of the total weight, and paid the farmer at the rate of $6 a hundredweight. The letter continues:

> Toward Christmas the OPA, discovering they had left a loophole wherein the farmers were making more money than they had intended, sent out a ruling that "the corn must be shelled at the farmer's crib," or in lieu of that, it "must be hauled to the sheller, then returned to the farm, scooped into the farmer's bin, rescooped into the truck, and after that the processor can take the corn.
>
> Well, now about 50 farmers have been summoned before the OPA regional court in Omaha, found guilty before appearing, fined from $15 to $50, and held to pay a return overpayment to the Government to $1.12 per hundredweight.
>
> The farmers had a hot meeting here in the Legion Hall last night, and organized what they chose to call The 500 Organized Farmers Popcorn Growers Association, which has as its purpose protection against injustice by the OPA. I think they mailed you a letter and also to George Wilson and Ben Jensen, and to Chester Bowles, and possibly to President Truman.
>
> I felt it would be well enough to mail you an explanation of just what the "offense" is. I thought you would desire it to help make up your mind to support the renewal of the life of this brilliant group when it comes up in June. It seemed to be the idea of the groups that if they cannot get relief from this infamous order not one bond will be purchased by the group.

Of course, I do not approve that particular philosophy, but think of the situation—and I have received other letters verifying this. The farmers have been having near riots about it. When they planted their corn they had a right to contract for it at $3.65 a bushel in the ear or $6 shelled. Now, because the processor used his trucks in some instances and came to get the corn, and shelled it, and then paid the shelled price, less the 5 cents a bushel for shelling, these farmers have been haled to Omaha or Council Bluffs and fined in what I think is as clear an example of ex post facto infliction of pseudo law enforcement as I ever heard of. It is the most foolish thing in some ways, and silly in others, and most idiotic for a citizen's own government to use in connection with people whose government many of us at least still believe it is. This popcorn story is another one that causes restlessness with the OPA.

I shall read a typical telegram from the Ottumwa (Iowa) Chamber of Commerce. I have many like communications. I am merely picking out some typical ones. This telegram reads:

> The Chamber of Commerce of Ottumwa, Iowa, strongly urges that the extension of OPA authority be limited to 90 days, so that industry, including hard and square-foot goods manufacturers can have the opportunity to present facts to the Senate Banking and Currency Committee showing that present policies of this agency in issuing directives is eliminating and destroying free enterprise and curtailing and eliminating the production of essential civilian goods, such as men's, boy's, women's, and children's clothing and accessories. We particularly refer to regulation 108 map and similar regulations recently issued by OPA. Letter follows.

That is signed by the president of the Ottumwa Chamber of Commerce. I have letters from cloth manufacturing concerns, I have letters from hardware people, letters from jobbers of stoves, and electric ice boxes, and others.

I shall not burden the Senate further with these details, but the economy of this country today is becoming fearful because a bureaucratic administrative group has without doubt gone far afield, away beyond the intention of Congress which gave it life, it is disregarding the three separate attempts of Congress to curtail it, and is fighting every movement taken to prevent any restriction upon its unbridled authority to work its own peculiar and hard-to-understand brand of economics upon what I hope is a free

American system, and all under the guise of the war effort.

Mr. President, I repeat what the junior Senator from Oklahoma [Mr. MOORE] pointed out in his very able speech a few days ago. I may say that he goes further than I do. I feel that it is not advisable at this moment to cut off the operation of OPA, because it has become, in this emergency, a substantial part of our effort, and I think we should taper it off gradually.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. MOORE. I realize that I have gone further than the Senator from Iowa would go, and I realize that I have gone further than most Senators would go; but after listening to the Senator's very able presentation here this afternoon of the maladministration of the law, after hearing the able senior Senator from Oklahoma [Mr. THOMAS] say repeatedly on this floor that the OPA had repeatedly refused to carry out the intent of the law passed by Congress, what else can we expect now by way of any improvement in the management? If the things which have occurred will continue to occur, as the able Senator from Iowa indicates, why continue it longer? If discontinuing it would result in some inflation, as everyone thinks it may, will that be worse than the inflation that is being produced by the black market which predominates in this country today?

Mr. HICKENLOOPER. So far as concerns the policies which at least business in this country, as far as my observation goes, believe to be the policies of OPA, they are discouraging to the point that we will have a great deflation in the activities of business in this country under those policies, which will be more damaging than any inflation could be, but I believe in keeping level, if we can, by control.

Let me suggest that every act of OPA, whether it concerns the popcorn growers who are haled into Council Bluffs and fined for what I believe to be the carrying out of a contract which was good when made—every act of administration of the OPA is the result of the act of Congress and is the responsibility of Congress. I do not believe I will blame OPA for so much of what it is doing if Congress continues to permit OPA to do it. We have heard much of the fact that Congress has become supine, that we have submitted to a growing, strangling bureaucracy in ths country. But the powers are ours. We create these agencies. We can control them if we have the courage and understanding to do it. Therefore whatever OPA does can be laid directly in the lap of Congress, because we have the power to control OPA. We set up that agency. We gave it life. OPA exists so long as we permit it to exist, and whatever its actions, they are the actions of our own creature.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. FULBRIGHT. I did not understand the answer which the Senator from Iowa made to the Senator from Oklahoma [Mr. MOORE]. Is the Senator from Iowa in favor of abolishing the OPA straight out?

Mr. HICKENLOOPER. No, Mr. President. I said to the Senator from Oklahoma that I do not go as far as he goes. I believe he thinks OPA ought to be abolished. I do not think it ought to be abolished at this time.

Mr. FULBRIGHT. Is it not a fact that the Senator from Oklahoma is a little franker about the matter, and that he thinks that either of these amendments would so mutilate the administration of OPA that it would amount to an abolition of it?

Mr. HICKENLOOPER. I cannot agree with the Senator from Arkansas. I think the two amendments can be administered more easily and with better controls than the system OPA is using now.

Mr. FULBRIGHT. I was curious to know how the Senator thinks OPA is going to determine the costs of all the various articles involved——

Mr. HICKENLOOPER. They do not have to.

Mr. FULBRIGHT. Why do they not have to?

Mr. HICKENLOOPER. The provision does not say that they have to determine the cost. It says they shall not enforce against any processor a price which is lower than his cost plus a margin in the base period.

Mr. FULBRIGHT. How is OPA going to determine the price if it does not know the cost?

Mr. HICKENLOOPER. How did OPA determine the prices it fixed on all the minute things on which it has now fixed prices?

Mr. FULBRIGHT. OPA does not fix the prices individually. OPA fixes the prices respecting the whole industry.

Mr. HICKENLOOPER. OPA fixes industry-wide prices, but fixes them on the individual details of manufacture. OPA fixes prices on such things as little screws and articles all the way to big steam engines—on the whole industry.

Mr. FULBRIGHT. It fixes the average cost on the whole industry, does it not?

Mr. HICKENLOOPER. Yes; but OPA makes provision now for adjustment in individual cases.

Mr. FULBRIGHT. If a man brings in his own figures and proves to OPA that the price it sets is below cost, which is a perfectly proper thing——

Mr. HICKENLOOPER. In the overwhelming number of instances reported to me the operation is a magnificent success, but meanwhile the patient dies.

Mr. FULBRIGHT. Is that not probably because the patient cannot determine his own costs sometimes? Is not that what is the matter?

Mr. HICKENLOOPER. I think not. I will give the Senator an illustration from the meat business. There is a standard form approved, I believe, by the Bureau of the Budget for inquiry respecting the costs. OPA would not use those forms. OPA insisted on figuring out its own forms. The Bureau of the Budget would not let OPA print the forms. There was no authorization for such a form. So finally the American Meat Institute in trying to help OPA, printed up those forms and those forms were the ones OPA sent out. I do not believe there was a packing plant in the United States which had its books set up in the breakdown manner that OPA figured out down there in the bowels of the organization some place. It took a long time and much accounting work and much change in methods on the part of many of the companies to furnish the information desired.

Mr. FULBRIGHT. Does it not seem clear that those in the meat business and the meat packers seem to be the ones who are in such great difficulty? Is that not something which is peculiar to that industry?

Mr. HICKENLOOPER. No. I said that was something which was spectacular.

Mr. FULBRIGHT. The Senator spoke of the meat industry because it is the biggest industry in Iowa, I presume.

Mr. HICKENLOOPER. No.

Mr. FULBRIGHT. More constituents of the Senator's engage in growing meat than anything else? Is that correct?

Mr. HICKENLOOPER. No.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. MORSE. May I comment on the remarks of the Senator from Arkansas, because I am interested in his remarks that the Thomas amendment would have the effect of destroying the program of OPA. The same argument has been made by other Senators this afternoon. We have a "Wolf! Wolf!" sheet, propaganda sheet, put out by OPA today and placed in the RECORD, I believe. Every time we seek to bring a little law and order, and fair dealing into the procedures and policies of the OPA we are charged with trying to defeat the objectives of OPA. Thus we are treated today to OPA's latest propaganda sheet, claiming that the Thomas amendment will destroy price control. Now, Mr. President, the objectives of OPA as legislated by the Congress are nonpartisan. Unfortunately I am afraid the administration of OPA has become very partisan.

I do not think that one attempt to keep the small processors and slaughterhouse plants in business will increase the cost of living, as alleged by Mr. Bowles. I may say to the Senator from Arkansas that Mr. Bowles yesterday, in a letter to the Senator from Oklahoma [Mr. THOMAS], said this:

> Recognizing the critical shortage of meat and the imperative need of avoiding any impediment to maximum production, and even distribution, this Office, in addition to satisfying all the various mandatory requirements of the present law, will see that the products of each of the three main groups of livestock—cattle and calves, hogs, and lambs and sheep—are each, separately considered, on a profitable basis.
>
> To the fullest practicable extent, the Office will see that each of these groups of products is separately profitable at all times, regardless of live-animal prices. It will at all events see that each group is separately profitable on an annual basis.

Mr. President, I think the OPA ought to try to reconcile the Bowles letter of yesterday with the Bowles pressure sheet

of today. They are irreconcilable, since under the Thomas amendment the OPA will be required to do what Mr. Bowles promises in his letter he will do. However, in his letter of yesterday Bowles was very careful—he is always very careful to use that type of language which permits him to do just as he pleases. Thus, he uses the "sleeper clause," "to the extent practicable." In other words, when it serves the discretion of the OPA to see to it that the investigations are made so that these slaughterhouses can operate on a profitable basis as to these three categories of livestock, he will do it; but when it does not serve his purpose, then he can take refuge in language of his letter, which permits him not to do it.

I want to say to the Senator from Arkansas that I view it as very important to our food-production program that these slaughterhouses be kept in business so that they can take care of the meat supply of this country and put more meat on the tables of American workers and on the tables of peoples in other parts of the world who are going to need it under our international program. I do not agree that the Thomas amendment is going to destroy OPA. Rather, it is going to help OPA, if OPA will carry it out in accordance with the spirit and intent which Mr. Bowles professes in his letter of yesterday. Personally, I would like to see the Thomas amendment modified so as to protect the public from inefficient operations of packing houses and from profits by packers beyond a reasonable amount. Possibly it would be wise to require the processors and packers to get a ruling from the Director of Economic Stabilization in case OPA, under the policy of the Thomas amendment, finds that the price required to keep a particular packer in business at a profit would be unstabilizing. I would vote for some such modification; but unless the OPA is willing to accept some legal requirement setting forth in the law itself the promises of Mr. Bowles in his letter of yesterday free of an escape clause, I shall vote for the Thomas amendment. We must stop OPA from ruining the small processor and packer and discouraging the production of larger quantities of meat.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. FULBRIGHT. The practicability of the administration is the point that is in issue. Under this provision, if each processor could challenge any price applied to him on the basis that it did not reflect his individual cost plus a profit——

Mr. HICKENLOOPER. He can do it under the present law.

Mr. MORSE. And he will do it under the proposed law.

Mr. FULBRIGHT. I do not see that the requirement under the present law would give him the same right. If that is true why do Senators want the amendment? What does it add, if it adds nothing to the law.

Mr. HICKENLOOPER. In order to give the American economy and the American businessman some protection of law, and have the Nation run by law and not run the Nation administratively.

Mr. FULBRIGHT. The Senator says he can do it under the present law without the adoption of the amendment. Why do Senators want the amendment if the businessman can do it now without the amendment?

Mr. HICKENLOOPER. Because he is subject now to interminable delays, and if he is wrong he goes to jail. The OPA has, through the emergency court succeeded in obtaining approval of the industry-wide yardstick. It has succeeded in having the court rule that costs are undoubtedly limited to out-of-pocket costs of labor and material, and do not take into effect the administrative expense, the selling expense, the expense of advertising, and all the other things that have been accepted as costs in American industry for years. They have excluded those things. So in many instances there might be a profit, according to the OPA, but a loss so far as the bank account of the individual is concerned.

Mr. FULBRIGHT. The Senator saw the figures, not taken from the OPA, but from the Bureau of Internal Revenue, with regard to profits of corporations. The Senator saw how much greater they were last year than they have ever been. It is most peculiar that that fact has not been considered. The corporations continually show greater profits than at any other time in history.

Mr. HICKENLOOPER. Then there should be absolutely no objection to this amendment.

Mr. FULBRIGHT. Except that it is administratively impossible. As the Senator from Oregon says, practically it cannot be administered.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. TAFT. I wish to reinforce what the Senator from Oregon has said. Last March Chester Bowles appeared before our committee and said that it was impossible to separate the processing of beef, pork, and lamb. He said it could not be done. Then yesterday, or the day before, he appeared before the Committee on Banking and Currency with this letter, in which he said he was proposing to do it. I asked him, "Mr. Bowles, you yourself told us that this could not possibly be done; and now, under pressure, you find it can be done. Is not the same thing true of all the other major industries of the United States?" There was no answer to that question.

Mr. HICKENLOOPER. Mr. President, let me say one thing further about the administration of the law, touching a little on the point raised by the Senator from Arkansas. He asks, "Why is it necessary to write such a provision into the law?" Let me tell the Senate why it is desirable to have it written into the law. It is desirable to have it written into the law so that one can get the book down and read it, so that we will not have to depend upon the whim of some administrator. What he thinks today and writes down today becomes the law. Then when he changes his mind tonight, what he writes down in secret tomorrow also becomes the law, even though it is at variance with his finding of today.

Let me illustrate. In the hearings before the Committee on Banking and Currency one of the witnesses was a very interesting young merchant from Richmond, Va., who gave us some very pertinent facts. I shall not quote all his testimony, but he told us of the desperate situation in which he found himself, trying to operate a business under these rules and regulations—and sometimes the lack of them—and inability to get any rules or regulations. The prize part of his testimony was this:

> And may I read you an example of some of the confusion of instructions we received from OPA? The other day I called and asked them if they would send me a certain regulation I understood existed but I had never heard of it or seen it; so I received the regulation the next morning. It had a little slip. This is one just like the slip that was attached to the regulation, and it read:
>
> "Warning. This is the latest available version of the regulation in which you may be interested. However, the text may not be a current version as currently amended."

The man threw up his hands and said, "What is the regulation? I am sent a regulation, but I am warned on the face of it that it probably is not the regulation which is applicable, although it is supposed to be."

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. WHERRY. A moment ago the Senator made the statement that this situation was the responsibility of Congress. He stated that the administration of the act, and the directives which have been issued, were the responsibility of Congress, and that we should do something about it.

The general public feels that we are responsible. The directives which are issued from administrative offices are interpreted by the public generally as being approved by legislative acts of Congress. I have been confronted with that attitude many times in the past few days. Those who feed cattle do not understand the price levels.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. WHERRY. I do not have the floor. The Senator will have to ask the Senator who has the floor to yield to him.

Those who establish price levels on commodities which are not in keeping with the provisions of the original Stabilization Act, and in defiance of Congress, have gone out of their way in certain instances to attempt to show that the Congress is responsible for these things, that we are the ones who are creating these directives, and that we are responsible for them.

Section 3 of the original Price Stabilization Act provides that there shall be no price level which is lower than the highest price which agricultural commodities brought between April and October of 1942; yet when the floor on hogs was broken in 1943, it was Congress that was blamed for not stepping in and seeing that farmers were given the prices which they were guaranteed.

Let me point out to the distinguished Senator from Iowa that it is not necessary for us to speculate as to whether the public feels that we are responsible because we created the act in the first place, and made it possible for these bureaus to grow up. The people generally hold Congress responsible for the administration of these acts.

I have received a letter which I should like to read. It has to do with the incident referred to by the Senator from Iowa, relating to the five head of cattle. This letter speaks of eight head of cattle. This incident happened 30 miles from Omaha. This is a report from a newspaper reporter who made a personal investigation.

Mr. HICKENLOOPER. The incident which I reported happened at De Kalb, Ill.

Mr. WHERRY. Then this is another one. This incident happened within 30 miles of Omaha.

I should like to read this letter into the RECORD to show how the people feel about what the Congress does with respect to OPA:

OMAHA, NEBR., *June 5, 1945.*

DEAR KENNETH: As you think OPA is so wonderful and necessary am sending you a couple of clippings, and especially the one regarding the cows killed and sent to a rendering plant, and after your OPA has caused such shortages by throwing all the meat into the black market. You can't deny (or can you?) that there is a black market and a big one. I dare you to read these two into the RECORD or to the Senate, and why not mention that no place in the Bible can you find the Lord's approval of food wastage in order to make an excuse for rationing.

Did it ever occur to you that the Lord may get so mad that He would make a real shortage as a good lesson to a bunch of dictators?

Sincerely,

L. D. MUNSINGER.

P. S.—I've known you ever since a kid and never thought you could be hoodwinked into anything and so am surprised and put out.

L. D. M.

I ask unanimous consent to have printed in the RECORD the two clippings inclosed with the letter which I have just read.

There being no objection, the clippings were ordered to be printed in the RECORD, as follows:

CATTLE TRUCKING RECORD SET HERE

The Omaha stockyards Monday established a new record for the number of cattle brought to market by truck and had a run of cattle that constituted the second largest June day on record.

A total of 18,000 head of cattle were received, of which 15,204 head came by truck.

Despite the record, handlers said there was no congestion at the unloading chutes. The influx was fairly well distributed over Sunday and Sunday night, enabling unloading to keep pace with receipts.

Of the cattle received, an estimated 75 percent was in fat steers. By contrast, the June 25, 1934, record of 18,760 cattle was a drought-engendered one.

The receipts of 18,000 head compares with 10,600 a year ago today, and 11,000 a week ago. Omaha was second among the Nation's markets Monday in cattle receipts, being topped by Chicago.

MEN FEAR OPA, SO BEEF LOST—EIGHT CATTLE HIT BY TRAIN, NO MEAT SALVAGED AS RULES BALK IOWANS

Due to a small-town butcher's and a farmer's fear of the OPA, some 5,000 pounds of fresh beef last week wound up in a rendering plant at Minden, Iowa.

Some residents of Neola, Persia, Minden and other towns in the area, about 30 miles northeast of Omaha, were irked about it Saturday, having heard that the OPA wouldn't allow the beef to be salvaged without surrendering red points, and so on. But as near as World-Herald reporters could determine, no one ever asked the Omaha OPA office what, if anything, could be done about it.

And Omaha district OPA officials Saturday night declared that if they had heard about it, they would have gone down the line and found some way to get that beef in the Omaha market, which is almost beefless.

BUTCHER CONSULTED

How much of the beef would have been edible was a matter of some dispute. Here is what happened:

Last Wednesday a herd of 10 cattle broke through a fence on the Dean Hawes farm 1 mile north of Persia, and wandered onto the main line Milwaukee Railroad tracks. A Red Cross hospital train plowed into the herd. Six of the cattle were killed, two were injured, and two escaped unscathed.

Of the two injured, one had only a broken leg.

The train crew dropped a note in Persia, and Section Foreman Bob Hilton went to the scene. He summoned the farmer-owner of the cattle, two of them milk cows and the rest stock heifers.

The farmer and a representative of the railroad decided that some beef could be salvaged if a butcher came and bled the cattle properly and promptly.

Mr. Hawes drove to Minden and consulted the butcher at the E. J. Peeper Market.

QUOTA USED UP

The butcher told him that his quota of slaughtering was used up, and without OPA approval he wouldn't dare do any butchering. Mention of OPA also made Mr. Hawes apprehensive.

The upshot was that the Minden Rendering Works was called to get all eight of the cattle. The rendering works employees shot the cattle still living.

"It's a shame," said John Tischler, OPA district ration executive. "If we had heard anything about it we would have found some way to legalize slaughter and sale of that meat. As for red points, if word has been passed out in Omaha, half the restaurant men in town would have driven out in their own cars to get a chance to buy it, and pay points."

MEAT SPOILS

Mr. Tischler said he didn't think the train's hitting the cattle would have made all of them unfit for slaughter.

"I understand they hit them over the head at the packing house and knock them out cold before they slit their throats," he said.

In ordinary times, a farmer would contact the nearest butcher or abbatoir and have the meat processed as soon as possible. However, because of the delay in trying to figure out the OPA angles, and the warm day, Mr. Hawes said the meat rapidly passed the stage where it would have been fit for consumption.

Mr. WHERRY. Evidently this man feels that I am one of those who have approved the issuance of all these directives. At the last count, since 1933 there have been 76,000 directives as a part of the regulation from Washington.

Mr. HICKENLOOPER. The Senator voted last year for a continuance of the OPA, did he not?

Mr. WHERRY. Yes.

Mr. HICKENLOOPER. Does not that fix the responsibility upon the Senator for the acts of the OPA? Did not the Congress create the OPA?

Mr. WHERRY. Congress created the OPA; but Congress itself is not responsible for directives which are in direct contradition of all the trade practices and the economy which has been developed in this country. Whenever those directives are in direct contradiction, it is my opinion that they are contrary to the Stabilization Act. But if we do nothing about it, then I agree with the Senator from Iowa that the responsibility is ours. In my judgment it is time for Congress to assume that responsibility, whether it feels that it has the responsibility or not, because the public generally holds us accountable for every one of these directives.

Mr. HICKENLOOPER. If, knowing these things, we do nothing about it when we have the opportunity, we are responsible as a group.

Mr. WHERRY. That is correct.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. If I correctly recall the results of the election in Nebraska last year, I do not believe that anyone would hold the Senator from Nebraska responsible for anything done by this administration, whether it be by the OPA or any other agency.

Mr. WHERRY. What does the election in Nebraska last year have to do with me?

Mr. FULBRIGHT. The Senator represents the people of Nebraska.

Mr. WHERRY. I was elected in 1942.

Mr. FULBRIGHT. But I take it that the people of Nebraska are still of the same view.

Mr. WHERRY. I do not know. What I am saying to the Senator from Iowa is that the Congress of the United States is being held responsible for the administrative acts of the OPA, and the directives issued by the OPA relative to price regulation. We are being held responsible. I think the Senator from Iowa, instead of just feeling that we should assume that, should know that at least I feel that the people with whom I come in contact are holding Congress responsible; and if we do not do something about it, it will be our responsibility, not the OPA's.

Mr. FULBRIGHT. Following that thought a little further, I would judge from the election of last fall that they approve of the OPA.

Mr. WHERRY. Does the Senator mean that the people of Nebraska or the people of the United States as a whole approve of the OPA?

Mr. FULBRIGHT. No; I do not mean that the people of Nebraska approve of the OPA. I excepted Nebraska; I do not think the Senator is in any trouble with the people of Nebraska who voted for him.

Mr. WHERRY. I thank the Senator. I hope I am in no trouble either with the people of Nebraska or the people of any other place; and I wish to stay out of trouble, because I do not wish to be responsible for a directive which I think goes beyond the act itself.

I thank the Senator very much for yielding to me.

Mr. TAFT rose.

Mr. HICKENLOOPER. I yield to the Senator from Ohio.

Mr. TAFT. Mr. President, I enter a motion to have the Senate reconsider the votes by which the committee amendments to the joint resolution were adopted, and I ask that the motion to reconsider lie on the table. I may not call up the motion to reconsider; but inasmuch as this is the last opportunity I shall have to file the motion, I do so now.

Mr. HICKENLOOPER. Mr. President, at this time I yield the floor.

Mr. TAFT. Mr. President, I also send to the desk an amendment to the pending measure, and I ask that it be printed and lie on the table. It is a revision of the amendment I formerly offered.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the table.

Mr. BARKLEY. Mr. President, it is obvious that the Senate cannot conclude action on the joint resolution today. It is not desired to have a session tomorrow. But it is desirable, if possible, to obtain a unanimous-consent agreement for a limitation of debate beginning on Monday.

I wish to say in a preliminary way that the Senator from Ohio [Mr. BURTON] gave notice a day or two ago that he would request recognition when the Senate reconvenes on Monday. He has agreed to postpone that until Tuesday.

Therefore, I ask unanimous consent that beginning with the session on Monday, no Senator shall speak more than once or longer than 20 minutes on the joint resolution or any motion or amendment relating thereto.

Mr. MORSE. Mr. President, reserving the right to object, I ask the Senator whether it will be possible for me to be allowed not more than 5 minutes before the Senate adjourns or recesses this afternoon, so that I may make a few comments which I should like to place in the RECORD.

Mr. BARKLEY. I have no objection to that. I am endeavoring to obtain a unanimous-consent agreement relative to the procedure on Monday and during the further consideration of the pending joint resolution.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none.

Mr. WILEY. Mr. President, will the Senator restate the unanimous-consent request?

Mr. BARKLEY. I ask unanimous consent that beginning with the session on Monday, at the beginning of that session and during the further consideration of the pending joint resolution, no Senator shall speak more than once or longer than 20 minutes on the joint resolution or on any motion or amendment thereto.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. I understand the unanimous-consent agreement would mean that any Senator might speak for 40 minutes on both the joint resolution and the amendments.

Mr. BARKLEY. Yes; 40 minutes in all.

I will say that if for any reason action on the joint resolution is not completed on Monday, although I hope it will be, the Senator from Ohio [Mr. BURTON] desires to make on Tuesday the address which he had intended to make on Monday. I would ask that the limitation not apply to him on Tuesday, when he delivers his speech, if the Senate has not completed action on the joint resolution by that time.

Mr. WHITE. Mr. President, I concur in the unanimous-consent request of the majority leader, because, as he has said, the Senator from Ohio [Mr. BURTON] did give notice of his desire to speak on Monday. That request was noticed by all, and I think it highly appropriate that he should have that opportunity to speak on Tuesday.

The PRESIDING OFFICER. The question is on agreeing to the unanimous-consent request propounded by the Senator from Kentucky. Is there objection? The Chair hears none. Without objection, it is so ordered.

SUPPLEMENTAL APPROPRIATION FOR CHILDREN'S BUREAU, DEPARTMENT OF LABOR

Mr. McKELLAR. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 212.

The PRESIDING OFFICER. The joint resolution will be read by title.

The LEGISLATIVE CLERK. A resolution (H. J. Res. 212) making a supplemental appropriation for the fiscal year ending June 30, 1945, for the Children's Bureau Department of Labor, and for other purposes.

Mr. McKELLAR. Mr. President, the joint resolution has passed the House and has come to the Senate. Its prompt passage is absolutely necessary, in order for it to be effective by the 10th of June, after it has been passed by the Senate and signed by the President. For that reason I am asking unanimous consent for its immediate consideration. The joint resolution is drawn up in the usual form. There are a number of States which will be unable to carry out the program for the Children's Bureau until the joint resolution is passed.

Mr. WHITE. Mr. President, I understand the purpose of the joint resolution is to provide for emergency maternity and infant care.

Mr. McKELLAR. That is correct. The appropriation would come under the Department of Labor, the Children's Bureau.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 212) was considered, ordered to a third reading, read the third time, and passed.

APPROPRIATION FOR EMERGENCY FLOOD-CONTROL WORK

Mr. McKELLAR. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 208.

The PRESIDING OFFICER. The joint resolution will be read by title.

The LEGISLATIVE CLERK. A resolution (H. J. Res. 208) making an appropriation for emergency flood-control work, and for other purposes.

Mr. McKELLAR. Mr. President, the joint resolution provides an appropriation to carry out the provisions of a bill recently passed by the Senate. Prompt passage of the joint resolution is necessary.

Mr. WHITE. Mr. President, I take it that the joint resolution implements, by means of the requested appropriation, the authority which Congress has already granted.

Mr. McKELLAR. The Senator is absolutely correct.

Mr. WHITE. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the resolution (H. J. Res. 208) was considered, ordered to a third reading, read the third time, and passed.

CONGRESSIONAL SALARIES

Mr. MORSE. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield.

Mr. MORSE. I wish to make a very brief statement which I think should be placed in the RECORD before the Senate adjourns or recesses for the week-end. I say that because I think there is a great deal of misunderstanding and misrepresentation in the press in regard to the expenses of Members of the Senate. I think it is most unfortunate that such a serious blow was struck against the economic stabilization program of this Government as the one which was struck yesterday by the House of Representatives of the United States Congress, and apparently condoned by the President of the United States in a press conference on yesterday.

I wish to make two points, Mr. President. I wish to say, without fear of successful contradiction, that the action taken by the House of Representatives yesterday was in direct violation of the economic stabilization program of this Government, and violated the spirit, intent, and purpose of the Act of Congress of October 2, 1942.

I think a great blow has been struck against the anti-inflation program of the Government. I mean by that, Mr. President, that Members of the House on yesterday voted themselves a $2,500 increase in salary. I have read every word of the debate which occurred in connection with the issue when it was before the House of Representatives, and there is nothing in it which can take away from the Members of the other House the stigma attendant upon their voting themselves a wage grab increase in the midst of the war, in direct violation of the economic stabilization policies binding upon the remainder of our population. By voting for the increase the Members of the House have, in my judgment, performed a great disservice to this country.

I was greatly pained to read in the press last night that the President—I hope unthinkingly—condoned the action of the House of Representatives.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BARKLEY. I do not think it is fair to say that the President condoned the action of the House of Representatives. As I read the statement of the press, he had stated that he did not like what the House had done. He said he preferred the increase to have been in a more direct manner, and recommended an increase of more than $2,500. I only recently took the same position on the floor of the Senate which the Senator from Oregon is taking with respect to the proposed $2,500 increase. I have no regrets whatever for anything I said at the time, or the vote which I cast. But to say that the President condoned the increase is not fair, because the statement of the President was that he did not like the way by which the increase had been granted.

Mr. MORSE. I assure the Senator from Kentucky that what I want most to do is to be fair to the President because my good wishes are with him. Nevertheless, when he makes a statement which, in my judgment, is not in the economic interest of the country, and demonstrates that he is willing to violate our anti-inflation program, I think it is important that a voice be raised against his action. It is true that he made comments which be construed as a criticism of the indirection which the House used in voting themselves an increase in salaries, but he then went on to say that if the bill had provided for a salary of $15,000 or $25,000 he would have signed it. In other words he would have violated the orders binding upon himself and Congress, at least morally, to a greater amount than did the House.

I think a case can be made out for such an increase as the President suggests after the economic stabilization emergency has passed, but no case can be made out for it at the present time. I say that because one of the great domestic problems confronting the country is that of holding the line against inflation. I certainly hope the administration will change its approach to this problem from the one made by the President yesterday. United support in protecting our American dollar from inflation is vital to the welfare of every man, woman, and child in this country.

In closing my remarks, Mr. President, I wish to point out that as a result of the debates held in the House of Representatives, and through newspaper reports an impression has been created that Members of the Senate voted themselves an increase in salary in an amount at least equal to the amount which was grabbed by the Members of the other House yesterday. Such an impression is the result of statements to the effect that Members of the Senate have available to them expense drawing accounts for their personal use. It was stated in an article in the New York Times last Sunday, that as with regard t othe Members of the Senate, if they do not spend all the money allotted to their offices for clerk hire they are allowed to pocket the difference at the end of the year. I think it is important that someone should make clear to the American people that any money voted by the Senate for office expense in connection with the operation of the offices of Senators is money which must be spent in the performance of official Government business, and that every cent of it must be accounted for, and that it must go through the accounting services of the Government. If any Member of this Senate does not use the telephone allowance, to which I referred a few days ago, by actually making official Government calls, the money remains within the United States Treasury. I do not know of a single Senator that would object to the House duplicating the type of strictly Government business expense budget which is provided by the Senate. That money is spent in the actual transacting of Government business.

However, under the guise of an expense allowance the Members of the other House have placed $2,500 in their pockets, and they do not have to account to anyone for it. It amounts to a wage increase, and it violates the wage structure of the Congress of the United States as it existed on September 15, 1942. Every employer and every worker in the country, up to this hour, has been bound by the wage structure which existed on September 15, 1942, in this way: If today he is doing the same work which he did on September 15, 1942, he may not receive more money for his work unless he has not been a beneficiary under the application of the Little Steel formula or one of the other wage criteria of the War Labor Board. I think it is a sad reflection upon the Congress of the United States that, when confronted with the great job of holding the line and protecting the value of the American dollar, it voted to violate our anti-inflation program. I think it equally unfortunate for the President of the United States, in a conference with the press, to give the impression that he would violate the stabilization program still further if the Congress should violate it by enacting a law which called for an increase in salary to the Members of Congress even greater than the $2,500 increase which the Members of the House voted for themselves.

THE SAN FRANCISCO CONFERENCE—NOTICE OF INTENTION TO ADDRESS THE SENATE ON TUESDAY

Mr. BURTON. Mr. President, I was present when the Senator from Kentucky [Mr. BARKLEY] and the Senator from Maine [Mr. WHITE] explained the arrangements for speaking on Monday next. I wish to concur in the arrangement to limit debate in order to hurry the passage of the OPA bill.

I also express appreciation of the action taken in connection with my desire to address the Senate. I had intended to do so on Monday. I will do so on Tuesday. I appreciate the opportunity which has been afforded me to ask for the attention of Senators on Tuesday at the beginning of the session on that date, at which time I shall address the Senate on the subject of international relations, particularly as they bear upon the proceedings now taking place at San Francisco, in an attempt to encourage our delegation there in aiding the progress of the work which is being undertaken.

BRETTON WOODS AGREEMENT—NOTICE OF HEARINGS BEFORE COMMITTEE ON BANKING AND CURRENCY

Mr. WAGNER. Mr. President, on Tuesday next at 10:30 a. m. the Committee on Banking and Currency will hold hearings on the so-called Bretton Woods International Monetary Stabilization Act.

AUTHORIZATION FOR PRESIDENT OF THE SENATE TO SIGN JOINT RESOLUTIONS DURING RECESS

Mr. BARKLEY. Mr. President, I ask unanimous consent that the President of the Senate be authorized during the recess which the Senate will take at the expiration of its session today to affix his signature to House Joint Resolutions 203 and 212, which the Senate has today passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. GEORGE, from the Committee on Finance:

Oscar B. Ryder, of Virginia, to be a member of the United States Tariff Commission for the term expiring June 16, 1951 (reappointment).

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the postmaster nominations be confirmed en bloc and that the President be immediately notified.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc, and, without objection, the President will be notified forthwith.

That concludes the calendar.

RECESS TO MONDAY

Mr. BARKLEY. Mr. President, it is my purpose to move a recess until 11 o'clock on Monday, and I hope all Members of the Senate will note the hour.

As in legislative session, I move that the Senate now recess until 11 o'clock a. m. on Monday next.

The motion was agreed to; and (at 5 o'clock and 40 minutes p. m.) the Senate took a recess until Monday, June 11, 1945, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 8 (legislative day of June 4), 1945:

DEPARTMENT OF AGRICULTURE

John B. Hutson, of Maryland, to be Under Secretary of Agriculture.

SURPLUS PROPERTY BOARD

W. Stuart Symington, of Missouri, to be a member of the Surplus Property Board for the unexpired term of 2 years from October 3, 1944, vice Guy M. Gillette, resignation effective July 15, 1945.

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

TO BE BRIGADIER GENERAL

Col. Paul Williams Thompson (captain, Corps of Engineers), Army of the United States.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 8 (legislative day of June 4), 1945:

POSTMASTERS

MARYLAND

Rose B. Cecil, Great Mills.

MINNESOTA

Carl O. Sandberg, Glen Lake.

NEBRASKA

Opal M. Moore, Liberty.
Albert L. Porr, Pawnee City.

NORTH DAKOTA

Fred W. Bork, Jud.

TENNESSEE

Lela Grace Wilson, Harrison.

TEXAS

Hattie Pearl Brenek, Sweet Home.

VERMONT

Carleton H. Bosworth, Bristol.

WEST VIRGINIA

J. Truman McCauley, Bunker Hill.
Pauline M. Alvis, Ceredo.
Mary Mariano, Dehue.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 8, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, offered the following prayer:

O Thou eternal God, as we bow together in the fellowship of prayer, may this moment of meditation and quietude be for us a veritable mount of vision where we shall receive insight and inspiration for the duties and responsibilities of another day.

May we surrender our minds to Thy divine wisdom, which never errs, and may our hearts be sensitized to Thy divine love, which never fails.

Grant that daily we may grow in nobler ways of living. Wilt Thou take our groping, faltering spirits and transform them into centers of light and power and loveliness. We are not asking to be better than others but to be better than ourselves. May our souls be too strong to be chained and too large to be imprisoned by selfishness and self-seeking. May we lose sight of self in service for others.

We pray that the chosen representatives of our beloved country may be in the vanguard of those who labor for the coming of that day when men and nation shall walk together on that upper highway of good will and peace, and order their life by Thy law of love.

In the name of the Christ our Saviour, we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

SECOND ASSISTANT CLERK, COMMITTEE ON CLAIMS

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I offer a privileged resolution (H. Res. 290), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That until otherwise provided by law there shall be paid out of the contingent fund of the House additional compensation at the rate of $1,000 per annum to the second assistant clerk to the Committee on Claims so long as the position is held by the present incumbent.

Mr. COCHRAN. Mr. Speaker, for years the law provided that the assistant clerk of the committee, basic salary $1,800, should receive $1,000 additional as long as the incumbent held the position. He entered the armed forces and a substitute was secured, but under the law only $1,800 could be paid. The substitute has developed into an excellent clerk, but the chairman of the committee states that another position has been offered to the present clerk, and unless he is able to pay the salary that was received by the former assistant clerk she will resign.

The chairman of the committee presented a real case to the Committee on Accounts and the request was unanimously approved.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. CLEMENTS] be granted leave of absence until June 20, on account of official business.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

LIVING QUARTERS FOR AMERICAN TROOPS IN GERMANY

Mr. PRICE of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PRICE of Florida. Mr. Speaker, I read from a letter I have just received from a boy in Germany, as follows:

GERMANY, *May 31, 1945.*

DEAR EMORY: Just a line to let you know that I came through the European theater of operations, you might say, on a prayer. Our unit, like many others, fought from the time of arrival until "cease fire" order was given. Combat, to me, was the most terrible experience I ever hope to go against.

Yes, the end of the war in this area left the enlisted men as well as junior officers wondering just who won the war. The military government refuses to inconvenience the German people in order to provide decent living quarters for American troops. At present we are in a schoolhouse on the Austrian border, still on the German side, sleeping 20 men on the hard floor in a room not larger than 20 by 20 feet. Needless to say, the men are pretty low as far as morale goes and many are writing their Representatives in Washington of conditions here that are unlike the rosy picture painted by the various newspapers at home. It is pretty hard to take, after what we have gone through. I'll only mention one—walking and crawling through blood and brains of men you have known so well.

EXTENSION OF REMARKS

Mr. SIKES (at the request of Mr. PRICE of Florida) was given permission to extend his remarks in the RECORD.

Mr. MONRONEY asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a letter from Sgt. Don Robinson, editor of the Forty-fifth Division News, and in the other to include a copy of an editorial from the Washington Post.

Mr. RICHARDS asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a poem, the Flag of Nations, by Miss Hallie McMillan, and in the other with reference to the Army point system, and to include therein a letter from a boy on the European front.

Mr. GILLIE asked and was given permission to extend his remarks in the RECORD and include therein a short letter from the Veterans' Aid Committee, from Bluffton, Ind., and also another article on the pauper's oath for veterans.

SMALLER WAR PLANTS CORPORATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the Smaller War Plants Corporation has done some good work in Massachusetts. Its last bimonthly report does not show where there is any decrease in the functions the Corporation was originally established to perform. In addition, the Seventy-eighth Congress placed on it important new duties in the matters of reconversion and contract termination.

I note by Sunday's papers that the Surplus Property Board issued a regulation, dated June 2, which designated the Smaller War Plants Corporation as the buying agent, or clearing house, on all purchases for veterans desirous of

obtaining surplus property for the purpose of engaging in any and all types of business or profession as well as farming.

By virtue of its 102 offices throughout the Nation, the Smaller War Plants Corporation is very well situated to perform this service for veterans. As you know, I am always deeply interested in the welfare of veterans. It is my earnest desire that adequate facilities be available to veterans to obtain, under a first priority rating now assigned them, the tools, equipment, and machinery they desire up to the $2,500 allotted to each veteran.

I am cognizant of the fact that the reduction of $1,000,000 below Budget estimate was recommended by the House Appropriations Committee prior to the date of the issuance of this Surplus Property Board regulation, and I am fearful that the $7,000,000 will not be sufficient to carry on the necessary activities of the Smaller War Plants Corporation. It is my hope that the Senate committee may be able to determine what additional amount might be necessary to enable the Corporation to fully discharge its duties. I am especially interested that no veteran should be slighted or neglected in his quest for surplus property which he may have need for. Every facility should be placed at his or her disposal.

OPERATION OF GOLD MINES

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, yesterday Canada lifted all restrictions on the mining of gold and other metals. Papers headlined the fact, and I suppose that many people will read that to mean that Canadian gold mines had been completely shut down by decree as ours have been. Such is not the fact.

Canada never did close her gold mines. Their control order merely prohibited expansion—after June 22, 1942—except by permit. There is a vast difference between limiting expansion and shutting down. Canadian gold mining has never gone below 70 percent of normal, even with short manpower. The gold mine closing order in the United States, L–208, on the other hand, was a complete shutdown, a 100-percent stoppage of production.

And that shut-down, Mr. Speaker, has been maintained here while the United States, as a matter of top Government policy, exported equipment and supplies to keep gold mines going in Canada, Honduras, Saudi Arabia, and South Africa. Our gold miners and our gold-mining communities have accepted that discrimination with questioning, of course, but with obedience always. Their sons and daughters have been out on the battle fronts and they have backed them up with purchases of bonds and with tremendous scrap salvage campaigns.

But now, Mr. Speaker, with controls being lifted in one industry after another, with men in high places talking about unemployment ahead, and with Canada lifting the lid on expansion where they have never even restricted normal operations, our gold-mining communities will see in continued shut-down only gross and unjustified discrimination. L–208 should be abolished at once.

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, in reference to this gold-mining enterprise, I just want to bring to the attention of Congress that we have regulations in this country to protect our citizens from being duped from gold-mine stocks. But there are people in Canada—and I do not know whether they come from this country or not—who are trying to promote these gold-mining schemes. They are calling up citizens of this country by long-distance telephone after they have gotten their names and telling them about these mining projects. They are trying to pull the wool over the eyes of the American people by selling stocks that have little if any value for much more than they know them to be worth. The old stock swindle is in operation today. Why permit it? It seems to me if the people want to mine gold they had better do it in the United States, where they know something about it and where they will receive treatment such as our own citizens received under stock regulation, rather than to go to some foreign countries and waste their money on worthless stock now being promoted by someone in foreign countries, not through the mail, but over the telephone. American citizens, do not be gullible for telephone calls offering you stocks for sale over the telephone.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therewith a poem written by Mr. T. M. Semple, of New Palestine, Ind.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE OPA

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, if the Congress has one duty to the people of this country it is to clean out the OPA, root and branch, and start all over.

The OPA is forcing legitimate businessmen into the black market, causing discontent among the people, causing farmers to lose money on cattle, curtailing meat supplies now and in the future. Why should the Army have a 3 years' supply of sugar or meat on hand? Why should food lay in storage until it is spoiled? Recent investigations have proven that there are more than 75 times as much food in storage as the War Food Administration had reported. Why don't these war agencies tell the truth, and above all, why don't they let the people have food? They want them to work and to buy bonds.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

MOTOR VEHICLE USE TAX

Mr. GOODWIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GOODWIN. Mr. Speaker, I have written the Committee on Ways and Means urging that my bill H. R. 723 may be brought out for action in order that the Congress may repeal the obnoxious motor-vehicle use tax before July 1, when the tax is due to be renewed. Letters in approval of my bill have reached me in sufficient numbers to make certain the widespread unpopularity of this $5 use tax, and I am certain that repeal would speedily follow if the two branches are given an opportunity to vote.

This tax simply cannot be justified. It is an absurd law to begin with, because the Treasury Department has to call upon the Post Office Department to help administer it, and then rely entirely upon local authority to enforce it. Administration is ineffective and enforcement inadequate. Experience shows that neither can be improved. The percentage of delinquency is unbelievably high and apparently nothing can be done about it. It destroys confidence in government. The man who buys a stamp sees his neighbors driving without one, and feels he has been a "sucker." Hundreds of thousands of automobile owners have simply refused or neglected to pay the tax.

The tax is unsound in principle because it is discriminatory and unfair to users of low-priced cars and fails to consider ability to pay. One-half of our motor vehicles are owned by individuals who, when the tax was imposed, were earning less than $30 a week. It is ludicrous to see a lowly car, being husbanded for its last miles, paying the same as a costly limousine.

The tax is of doubtful constitutionality. Being a tax on transportation, it is discriminatory because it applies to only one kind of transportation. It invades States' rights by putting the Federal Government into a taxing field that belongs to the States themselves.

This $5 use tax is disliked just as violently by officials having to do with the administration of the law or its enforcement, as by the car owners themselves. During rationing our people have endured this silly tax with great patience, especially the holders of only A coupons. The man who has driven only a hundred miles in 3 months pays just as much as the one who drives a hundred miles a day. This is taxation without transportation. If the law is repealed, there will still be,

in some States, as many as 17 direct taxes on automobile users.

VISITS ABROAD BY MEMBERS OF CONGRESS

Mr. WILSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[Mr. WILSON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF TRADE AGREEMENTS ACT

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, those of us who have the honor of representing agricultural districts were concerned over the passage of the extension of the Trade Agreements Act giving to the President power to reduce tariffs by an additional 50 percent. Agriculture has been hit the hardest by the trade-agreements program. Congressman FRANK CARLSON, a member of the Committee on Ways and Means, pointed out that the tariff rates on agricultural products had already been cut by 46 percent. Apparently this additional authority is sought by the State Department for the purpose of making further cuts on agricultural products.

The farmers of America are aware that the shipbuilding interests of the country are subsidized by the taxpayers to the extent of 100 percent. This is done so that our shipbuilding industry can compete with cheap foreign labor construction costs.

Mr. Speaker, the farmers of the country are also aware that the shipbuilding interests, at the request of the administration, lobbied for the trade-agreements law so that American agriculture would become more and more at the mercy of cheap foreign agricultural production. They are also aware that a vast majority of those Representatives coming from shipbuilding centers voted for the bill to further take away the farmers' protection against foreign competition.

How long are the shipbuilding interests going to get away with this? It must be remembered that the farmers did not start this controversy. The shipbuilding interests, by their lobbying and by their votes, are flirting with some dangerous opposition.

EXTENSION OF REMARKS

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD and include an article from the Christian Science Monitor.

Mr. PITTENGER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an advertisement of the American Bakers' Association appearing in a recent issue of the Washington Evening Star.

Mr. BUFFETT asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a constituent.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Nebraska [Mr. STEFAN] may extend his own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a statement made before the Committee on World War Veterans' Legislation by Dr. John H. Baird answering attacks made by one Mr. Maisel in a recent magazine article.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

THE LOST GENERATION OF SCIENTISTS

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include therein a short magazine article and certain tables.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[Mr. GIFFORD addressed the House. His remarks appear in the Appendix.]

PRESIDENT TRUMAN AND THE FEPC

Mr. BREHM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BREHM. Mr. Speaker, if my information is correct, President Truman has addressed a letter to the gentleman from Illinois [Mr. SABATH] requesting that the Rules Committee grant a rule on FEPC.

I now quote from the President's letter as it was printed in the Washington Evening Star:

> I therefore urge the Rules Committee to adopt a rule permitting this legislation to be voted down by the Members of the House as quickly as possible.

I wonder if that is a true quotation from the President's letter or if it is a misquotation. Does President Truman want a rule adopted so that the House may vote down the FEPC?

Mr. RANKIN. That is what he ought to have said.

Mr. BREHM. I am only interested in getting the exact quote from the President to avoid confusion later on.

Mr. SABATH. I am sure he wanted the Rules Committee to function as the Rules Committee should function.

BRIG. GEN. FRANK T. HINES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, Members have no doubt noticed in the press that General Hines has resigned as Administrator of Veterans' Affairs and that Gen. Omar N. Bradley is to succeed him.

I have made arrangements for General Bradley to appear before the Committee on World War Veterans' Legislation, in executive session, at 1:30 o'clock this afternoon, I will say to the members of that committee.

I wish to pay my tribute to General Hines. I have worked with him now for more than 20 years, during which time he faithfully served the veterans of this country, as millions of veterans, as well as their dependents, will testify. I have never asked General Hines for a political favor; I have no patronage in the Veterans' Administration; but I want to say to you now that I have never met a more conscientious public servant, or one more devoted to the cause he served, than Gen. Frank T. Hines has been in looking after the disabled veterans and their dependents.

The following letter, from President Truman to General Hines constitutes one of the finest tributes ever paid to a public servant.

THE WHITE HOUSE,
Washington, June 7, 1945.

DEAR GENERAL HINES: With great regret I accept your resignation as Administrator of Veterans Affairs and as Administrator of the Retraining and Reemployment Administration. These resignations are to take effect upon the qualification of your successor in each instance.

You have served faithfully, loyally and efficiently in charge of the affairs of veterans for more than 22 years. It has been a record of accomplishment and of service to your fellow veterans in which I am sure you and those associated with you must feel great pride.

I am accepting your resignation only because of a feeling which I have long held that the veterans of this war should have as the Administrator of their affairs another veteran of this war. For that reason I am asking Gen. Omar N. Bradley to take over the affairs of the Veterans Administration.

By the time General Bradley's duties will enable him to assume office, the congressional investigation, which was begun at your own solicitation, will have been completed.

I want you to know that I have always had and shall continue to have complete confidence in you and in your handling of public matters. In fact I shall ask you within the near future to take another post of public importance, and I hope that you will accept it.

With kindest personal regards,
Very sincerely yours,
HARRY TRUMAN.

Brig. Gen. FRANK T. HINES,
Administrator, Veterans' Administration,
Washington, D. C.

RULE WAIVING POINTS OF ORDER ON WAR AGENCIES APPROPRIATION BILL, 1946

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 289 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the consideration of the bill (H. R. 3368) making appropriations for the war agencies for the fiscal year ending June 30, 1946, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

Mr. SMITH of Virginia. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, for over 4 years the Committee on Rules has requested and urged the Committee on Appropriations not to bring in legislation on appropriation bills depriving the legislative committees of their functions.

This rule before us today makes in order H. R. 3368, making appropriations for war agencies. Included in the bill are many provisions that the Committee on Appropriations had no right or jurisdiction under the rules of the House to embody therein. The most unjustified provision carried in the bill is that pertaining to the operation of commercial railroads and truck lines to which the chairman of the Committee on Interstate and Foreign Commerce objects, and has expressed resentment to the action of the Committee on Appropriations. I quote an excerpt from a letter the chairman of that committee has addressed to the Committee on Rules calling attention to the provision in question:

On page 6 of this bill, lines 11 to 16, there appears the following language:

"*Provided further,* That in operating any commercial railroad or truck line the Office of Defense Transportation shall pay whatever license or inspection fees and highway compensation taxes such lines would have been obligated to pay had they continued in operation under the control of the owners thereof."

I fully appreciate the necessity of this legislation authorizing appropriations for the war agencies and it is only for that reason alone the rule should be adopted so that funds for the fiscal year 1946 may be available by July 1 of this year.

Mr. Speaker, it is manifestly unfair and not proper on the part of the Committee on Appropriations to embody legislative matter in appropriation bills, including therein legislation which they favor and on the other hand refusing at the same time to include needed emergency appropriations, such as for the Office of Price Administration and, especially, for the Fair Employment Practice Commission, for which there is a country-wide demand.

Once more, I express the sentiment of the membership of the Committee on Rules that they look with disfavor upon the infringing of the prerogatives of legislative committees, especially after they have held long hearings and are ready to report the proposed legislation to the House.

Mr. Speaker, the gentleman who preceded me a few moments ago said that the President had sent me a letter and he quoted from a newspaper article to the effect that the President wants the rule voted down. Some newspapers delight to make mistakes or to misquote and it is my observation that they do make mistakes quite often. We, too, make mistakes, but it is apparent that some newspapers on occasions do so deliberately, while we do not. So that there may be no misunderstanding as to the contents of the President's letter, I shall read it for the information of the Members. It is as follows:

THE WHITE HOUSE,
Washington, June 5, 1945.

DEAR MR. CONGRESSMAN: I understand that the House Appropriations Committee has deleted from the war-agencies appropriation bill for the fiscal year beginning July 1, 1945, all appropriations for the Fair Employment Practice Committee.

This action will have the effect of abolishing the Committee and terminating its work without giving the Members of the House of Representatives an opportunity to vote on the question.

The Fair Employment Practice Committee was originally established before the attack upon us at Pearl Harbor, and was an integral part of our defense-production program. It has continued since then in one form or another, and has grown steadily in importance. Its work has been based on the principle that the successful prosecution of the war demands the participation of all available workers regardless of race, creed, or color, and that the policy of the United States was to encourage all such persons to full participation in the war effort.

The war is not over. In fact a bitter and deadly conflict lies ahead of us. To abandon at this time the fundamental principle upon which the Fair Employment Practice Committee was established is unthinkable.

Even if the war were over, or nearly over, the question of fair-employment practices during the reconversion period and thereafter would be of paramount importance. Discrimination in the matter of employment against properly qualified persons because of their race, creed, or color is not only un-American in nature, but will lead eventually to industrial strife and unrest. It has a tendency to create substandard conditions of living for a large part of our population. The principle and policy of fair-employment practice should be established permanently as a part of our national law.

I understand that one reason assigned for omitting an appropriation for the present committee is that a proposal is now before the Congress to establish a permanent and statutory Fair Employment Practice Commission.

The legislation providing for this Commission is now in the Rules Committee.

Unless it is sent to the floor, the Members of the House will have no opportunity to vote upon it. The result will be that on July 1 next the principle of fair-employment practices will have been abandoned by the House of Representatives.

I therefore urge the Rules Committee to adopt a rule permitting this legislation to be voted upon by the Members of the House as quickly as possible.

Very sincerely yours,

HARRY TRUMAN.

Hon. ADOLPH J. SABATH,
Chairman, Rules Committee,
House of Representatives,
Washington, D. C.

Consequently, the statement to the effect that the President asked that the rule be voted down, of course, is unfair and unjustified. To the contrary, he is in favor of this legislation, and I believe he would welcome and appreciate if we would today make in order an amendment which would provide for the appropriation for the Fair Employment Practice Commission. I appreciate, as I have stated, that the rule must be adopted because the appropriations for the continuation of the other war agencies designated in the bill are necessary. However, I feel that no point of order should be made against an amendment to the bill making in order the appropriation for the Fair Employment Practice Commission, leaving aside for the time being the question of the appropriation for the Office of Price Administration, which, I understand, will be taken up later.

Mr. Speaker, it has been over 3 months since the Norton bill providing for a permanent Fair Employment Practice Commission was reported by the Committee on Labor and that application was made to the Committee on Rules for a rule to provide for its immediate consideration. The first hearing for the granting of a rule was had on March 8, followed by additional hearings on April 19, 20, 25, and 28, and those members present of the Committee on Rules will confirm that I have made every effort to obtain favorable consideration for a rule. However, my every effort to obtain a vote on the granting of a rule has been frustrated at every turn.

It is indeed strange that many who are opposed to the granting of a rule, including some of the newspapers, have unfairly charged me and hold me responsible in not bringing in a rule to give the Members of the House the opportunity to vote on this proposed legislation to establish a permanent Fair Employment Practice Commission. However, it has now been definitely agreed that a vote will be taken on the rule next Tuesday, June 12, and the committee will have the opportunity to grant or defeat the rule to consider this urgent legislation. Personally, I hope that the vote will be favorable and thereby afford the opportunity to the membership to vote on this legislation, which is demanded by fair-minded citizens and organizations throughout the United States. While I have obtained unanimous consent to insert some of the hundreds and hundreds of letters, telegrams, appeals, and resolutions which I have received urging the enactment of the legislation, I shall not encumber the RECORD, as they are too large in number and it would not be fair to insert some to the exclusion of many resolutions which I have received from churches and organizations that I do not wish to omit.

May I in conclusion say this? Not only is President Truman in favor of the legislation but the very last request made by the late President Roosevelt on the day that he died was that the Fair Employment Practice Commission be continued. His secretary called on me at 3 o'clock in the afternoon on that day conveying the President's request that I do everything in my power to endeavor to bring about the adoption of a rule for this legislation. In view of the fact that our late President and our present great President, as well as the Republican and the Democratic Conventions, are on record favoring this legislation, I cannot see why favorable action should not be taken, why the rule should not be granted, and why there should be any objection on the part of any one making this country-wide demanded legislation in order.

Mr. SMITH of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from Wisconsin [Mr. BIEMILLER].

Mr. BIEMILLER. Mr. Speaker, I believe the Rules Committee has erred bad-

ly in presenting a rule to the House which makes it impossible to bring the appropriation for the FEPC before the membership for a vote. I fear this action has been taken by the Rules Committee because of certain misconceptions about the FEPC which are unfortunately quite rife among many people.

No agency is more misunderstood than the FEPC. Among the more important distortions of the truth about this agency are the charges that it promotes social equality; that it forces unwelcome, unqualified workers upon employers; that FEPC is concerned solely with discrimination against Negroes; that it insists on a quota plan in employment.

As to the first of these allegations, there is nothing in the Executive order under which the FEPC functions or in the history of the agency's operations to justify this assertion. The FEPC has limited itself strictly to cases of discrimination in employment. It has neither power nor desire to regulate social relationships. The functions of the Committee are too essential in the search for manpower and too closely related to the problem of worker morale to permit excursion into social issues over which it has no jurisdiction. The task and sole aim of the FEPC is concisely stated in the Executive order:

> It is the policy of the United States to encourage full participation in the war effort by all persons in the United States regardless of race, creed, color, or national origin, in the firm belief that the democratic way of life within the Nation can be defended successfully only with the help and support of all groups within its borders.

Likewise untrue is the charge that FEPC forces unqualified workers upon employers. Free choice of workers is limited by FEPC only to a prohibition of discrimination against a qualified and needed worker because of his race, or creed, or national origin. No employer has been asked to take any worker unqualified for the available position, nor has any employer been asked to hire an unneeded person. The Nation's short manpower supply does not permit such waste. It is FEPC's wartime duty to encourage the employment of all qualified workers needed in Government and in war industry regardless of their ethnic, creedal, or geographic origins. The great number of workers added to the labor force by this policy more than justifies the use of a democratic restraint upon the customs of certain employers.

The simple language of the Executive order clearly shows FEPC is not alone concerned with discrimination against Negroes. The Executive order forbids discrimination in employment because of race, creed, color, or national origin. The protection of FEPC is thus extended to 13,000,000 Negroes, 5,000,000 Jews, 20,000,000 Catholics, and 3,000,000 Americans of Mexican descent. Discrimination hits hardest against Negroes and from the group come 85.7 percent of the cases handled by FEPC. The high percentage of Negro complaints is a reflection of the number of Negroes and the severity of discrimination against them, rather than the concern of the President's committee with the so-called race problem.

The assertion that FEPC insists upon a quota plan in employment is almost too ridiculous to deserve an answer. The FEPC has repeatedly condemned quota systems of hiring. In two recent decisions—in the matter of McQuay-Norris and in the matter of the United States Cartridge Co.—the committee ruled that—

> A race quota system of employment would be inconsistent with the individual protection against discrimination "by reason of race, creed, color, or national origin" to "any person in war industries and government" afforded by Executive Order 9346 * * * such a system works to the disadvantage of individuals in both minority and majority groups by providing that consideration of race rather than qualifications and availability shall operate as the criterion for hiring an employee.

The protection of the President's committee is extended to qualified individual members of minority groups, not to the groups as a whole. A quota plan makes membership in some racial or religious minority group a condition of employment—a clear violation of the Executive order.

The late Franklin D. Roosevelt inaugurated the FEPC. His worthy and distinguished successor, President Harry Truman, has called for its continuation. I hope the Members of this House will soon have an opportunity to vote up or down the recommendations of these two great Americans.

Mr. SMITH of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, I find myself in the position where I must vote for the pending rule with a great deal of reluctance because of the omission by the Committee on Appropriations of an appropriation for continuance of the Committee on Fair Employment Practice. Defeat of this rule would delay and possibly cause the denial of annual appropriations for the continuance beyond June 30 of a number of vital and necessary executive agencies included in the national war agencies appropriation bill for 1946.

I cannot for the life of me understand how it is that a considerable number of my colleagues on this side of the aisle, who reputedly carry the emblem of the Democratic Party, flout the wishes of the leader of our party, President Truman, of our late President, Franklin Delano Roosevelt, and of the vast majority of the fair-minded citizenry of this Nation.

When the national war agencies appropriation bill came before the full Committee on Appropriations, of which I have the honor to be a member, I opposed the recommendation of the subcommittee to omit the usual annual appropriation for continuance of FEPC. I felt that I would be derelict in my duties as an elected Democratic Member of this House if I did not oppose such an omission from the bill because the establishment of a permanent FEPC was promised the electorate of this country under the terms of the Democratic national platform adopted at the convention to which I was a delegate last July in Chicago. As one who sincerely believes in tolerance and equal economic justice for all, it seems to me that the very fundamentals for which we are now fighting and for which innumerable American lives have been sacrificed are being jeopardized by the prejudice, intolerance, and unfair position taken by those who oppose the principles of FEPC. There can be no excuse for not having this very important matter considered by the full membership of this House. With that in mind, I followed the distinguished chairman of the Appropriations Committee before the Committee on Rules yesterday and opposed the granting of any rule which would prevent consideration and granting of the annual appropriation for this agency. In so doing I felt that I responded to the recent request of President Truman that Congress establish a permanent Committee on Fair Employment Practice.

The people of America should be proud of the valiant stand and courageous fight on behalf of this legislation made by the distinguished gentlewoman from New Jersey, chairman of the Labor Commitee. How true are the words she uttered only yesterday upon the floor of this House, when she said: "If the things we are fighting for for which millions of American lives have been sacrificed—white Americans, black Americans, naturalized Americans, Catholics, Protestants, and Jews—mean what we have said they mean, then in God's name forget prejudice, forget their color or their race and give to all equal economic justice under the law."

It would indeed be a travesty on justice if, when the Rules Committee meets next Tuesday to consider the granting of a rule on H. R. 2232, that committee should refuse such a rule and thus deprive the full membership of this House of the right to vote upon the merits or demerits of the FEPC bill. We who are in favor of a permanent FEPC are confident of success should the matter reach the floor of this body and are willing to accept the decision of the entire membership in regard thereto.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, this rule waives points of order against items in the bill. That is all it does. It says nothing about and has nothing to do with FEPC. We are told that in order to carry on the program today this rule must be adopted.

Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I rise to discuss a serious defect in the present organization of the executive branch and to present a remedy. I have today introduced a bill to reconstitute the Civil Aeronautics Board as an independent agency, taking it out of the Department

of Commerce, where it was placed by Executive order.

This subject has far-reaching implications. It involves such fundamental principles of organic law, and so vitally affects our future, that we should consider it only in the most enlightened and nonpartisan spirit. It has a bearing on the proposed airport bill, and therefore will influence, and either advance or retard, air travel and commerce. It relates to the proposed bill to grant to the President power to reorganize the executive branch and therefore poses the question whether or not such powers, if granted, will be used to improve and perfect, not merely to rearrange, the administration of government. It poses the question of whether the power sought by the President, if granted, will be used to subject to political control the great independent agencies such as the Interstate Commerce Commission, which is for surface transportation the counterpart of the Civil Aeronautics Board. It involves a basic concept of our economic and political life. It evokes a principle the endorsement or rejection of which by the President of the United States will provide a true test of the devotion of this administration to our proven and time-honored system of the regulation and control of great segments of our economy by quasi-judicial, quasi-legislative agencies. It thrusts into the debate of the House this question: Whether or not the present administration will preserve the independent authority of these great agencies and respect the fundamental truth that they are embodiments of the legislative principle and answerable to the Congress.

The Civil Aeronautics Board was divorced from the Department of Commerce and set up by Congress in the Civil Aeronautics Act of 1938 as an independent agency. In 1940 it was placed back in the Department of Commerce by Executive order. That Executive action was taken against the better judgment of most of the friends of aviation and against a majority vote of this House.

Implicit in the proper regulation and development of the aviation industry is the welfare and a large share of the future prosperity of our Nation. Continuance of control by the Department of Commerce over the agency regulating this industry will subject its deliberations to political pressures and divided responsibility, if not irresponsible meddling.

Right at this time we are about to entertain a proposal to appropriate a large sum—perhaps $1,000,000,000—for the purpose of aiding the development of public airports throughout the country. My remarks do not relate to the wisdom of granting aid or the necessity of stimulating the development of such a project. Under present conditions, however, there is serious danger that the execution of this plan may provide another spectacle of executive encroachment, mismanagement, visionary, and impractical administration.

As originally constituted, the Civil Aeronautics Authority was created as an independent, quasi-judicial body, responsible only to Congress, and so designed as to attract able men capable of applying broad, practical experience without interference.

I maintain that the present Board's deliberations, decisions, and administration must not be kept subject to partisan control, or the experimental theories of men unfamiliar with practical aviation problems. The management of its 10,000 employees and the establishment of its policies must be integrated, intelligent, and dynamic, not confused and ineffectual through divided and perhaps conflicting responsibility. We must recognize the need for impartial and expert judgment by men familiar with air navigation, transport, and operation. Failure to do so may subject the Congress to the charge that its neglect of this critical industry will have hampered its proper growth and thereby weakened the economic and military strength of this Nation.

The Civil Aeronautics Board, or the Administrator, will largely determine the future of the great aviation industry in this country. They will have the administrative responsibility for the proper allocation of approximately $1,000,000,000 in the coming years. It is erroneously suggested by some that the present Authority is free from undue influence by the Secretary of Commerce, but I should like to point out in passing that Mr. Wallace is right now taking flying lessons in order to qualify as an "expert."

Aviation experts are not made by flying a few hours with a tutor. I might as well try to qualify myself to run the Philharmonic Symphony by buying one of those dollar piano courses which profess to teach you to play anything you can hum, sing, or whistle.

Any such program the Congress may enact should be administered by competent, independent, and experienced men. I would hate to see any such program subjected to the purposes of political manipulation.

The functions of the Civil Aeronautics Board were once before under the jurisdiction of the Department of Commerce. By the Civil Aeronautics Act of 1938 Congress established it as an independent agency for the express purpose of removing it entirely from political influences under which it now struggles. A special Senate Committee on Safety in the Air made an extensive study of the entire problem of the regulation of civil aviation. In its preliminary report, dated June 20, 1936, its findings of fact were published. I shall submit them for the RECORD:

ORGANIZATION

1. The general complaint coming from everyone, both in the manufacturing and operating industry and from the public generally, is that the Bureau of Air Commerce does not at this time have sufficient prestige or rank within the Department of Commerce to make for efficiency. It is pointed out that with the promulgation of the Executive order of June 10, 1933, aeronautics in the Department of Commerce was relegated to the status of a bureau.

The committee finds that such a claim is well-founded. * * * But the work in aeronautics is still in such a state of flux that the activity should not be relegated to the status of a bureau.

2. It is alleged that personnel and financial control is outside the Bureau and in the hands of the administrative assistant to the Secretary of Commerce, thereby embarrassing the Director and his two assistants.

We find this to be true.

3. It is alleged that personal, promotional, and political activities, cropping up here and there, make for inefficiency.

The committee finds that this is true. (S. Rept. 2455, 74th Cong., June 20, 1936.)

The findings in that report were sufficient to show the wisdom of establishing the Civil Aeronautics Authority as an independent agency answerable to Congress. The impartial recommendations of Members of the Senate and the House over a period of years endorsed that view, and legislative action was taken in the Civil Aeronautics Authority Act of 1938. Nevertheless, the Executive in 1940 used reorganization powers to overrule this judgment and place this agency under the jurisdiction of the Department of Commerce, subject to its administrative officials. By so doing the Executive ruptured the direct relationship of the agency to the Congress and openly flouted the clear legislative intent to remove this quasi-judicial body from undue political influence.

Subsequently, in 1943 the Committee on Interstate and Foreign Commerce submitted a favorable report on a bill to reestablish the independence of the Civil Aeronautics Board. At this point I submit an excerpt from this report for the RECORD:

Your committee recommends the removal of these aeronautical agencies from the Department of Commerce at this time in order to permit them to perform their functions with maximum efficiency. * * * This committee is convinced * * * that agencies of the character here involved cannot function with the highest degree of efficiency and sense of public responsibility unless they have the status of independent agencies of the Government.

The Civil Aeronautics Authority was established in 1938 as an independent agency, and it so exercised its functions until the reorganization in July of 1940. During that time it was clearly demonstrated that the Authority could exercise its functions without supervision by any executive department or other agency. In view of that fact it appears to be a needless duplication of effort and personnel to require the Secretary of Commerce to establish an additional staff to supervise the work of this agency. It is, of course, necessary in many cases to group together a number of divisions and bureaus under the general supervision of a department head in order to provide for proper coordination of the functions performed by these divisions and bureaus, but that is not the case in this instance. The functions performed by the Commission and the Administrator provide for the complete and integrated regulation and promotion of civil aeronautics, and it is not necessary that any provision be made for the coordination of these integrated functions with others.

Not only does the supervision of the Secretary of Commerce constitute a needless duplication of functions, but it also introduces complications into the performance of this important work without any compensating benefits. For example, instead of the Administrator being able to take speedy action, it is necessary for any problem of importance to be considered and disposed of by the office of the Secretary of Commerce and a special assistant to the Secretary has been provided for this purpose. While the Board, under the existing organization, may act with greater independence than the Administrator, it is necessary for it to clear all

of its reports to Congress and the President through the Secretary of Commerce, which necessarily in the aggregate takes a great deal of time and effort. It certainly cannot be expected that the Secretary of Commerce, in view of the responsibility placed upon him by the reorganization orders, can do otherwise than actually exercise a substantial amount of supervision over the Administrator and actually give careful consideration to the reports proposed by the Board.

One of the major reasons for establishing the Civil Aeronautics Authority as an independent agency in 1938 was that the aviation industry had even at that time acquired such importance that it was thought necessary to have an independent agency fully responsible for its regulation and promotion. Since 1938 that industry has grown by leaps and bounds and its full potentiality has been demonstrated by the role which airplanes have played in the present war. It is even more clear now that in order to regulate and promote this industry the responsibility must be imposed upon men who devote their full attention to it. Ultimate responsibility for the future of the industry must not be delegated to an officer who must necessarily devote only a fraction of his time to that work. Moreover, when the Civil Aeronautics Authority was placed in the Department of Commerce the officers of that agency were placed in a relatively subordinate position. Under such circumstances it may be difficult in the future to fill these positions with men of the high caliber which are required to guide the destiny of an industry having such a vital bearing upon the future of this Nation. (H. Rept. No. 784, 78th Cong.)

Because, as I have shown, this action has been recommended by both Democrats and Republicans in both the House and the Senate; because it will serve the practical interest of both the industry and the public; because it is consistent with our traditional theory of Government, I urge my colleagues of the House to give their support to this measure.

Mr. Speaker, I ask unanimous consent to include as part of my remarks the report of the Committee on Interstate and Foreign Commerce of the House.

The SPEAKER. Without objection, the gentleman may extend his remarks as requested.

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I yield to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I have made and include therein a number of telegrams and letters.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHENER. Mr. Speaker, I have no further requests for time.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

NATIONAL WAR AGENCIES APPROPRIATION BILL, 1946

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 3368, with Mr. SPARKMAN in the chair.

The Clerk read the title of the bill.

Mr. TABER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this bill calls for a multitude of appropriations for a multitude of agencies, from the Office of War Production down to the OWI, the Office of Scientific Research and Development, the Office of Strategic Services, and the Office of Inter-American Affairs. It also provides $40,000,000 for the Surplus Property Board.

The gentleman from Massachusetts [Mr. WIGGLESWORTH] discussed the details of many of these items yesterday. I am going to spend most of my time discussing the OWI. In that case there was an original estimate of about $54,000,000, a revised estimate of $42,000,000, and a recommendation from the committee for $35,000,000. The OWI has on its roll at the moment about 10,375 employees. Of these about 2,800 are in New York City. Eight hundred and ninety-five, if I remember correctly, are in San Francisco. About 1,700 are in the Pacific area and about 2,800 in the Atlantic area, including Germany, France, Italy, all over Africa, and many other places in Europe, in both the Allied countries and the occupied countries.

It is apparent that their activities in Europe should be close to an end. It is apparent that we should not go any further with it.

Last year there was spent upon the Japanese situation about $12,000,000. That is the only activity of a major character that this outfit should be permitted to carry on. There are very few items that might justify themselves in the United States, like the preparation of the Government manual. But all of these activities, running a book and magazine bureau, a foreign news bureau, graphics bureau, news bureau, bureau of special services, a radio bureau, and a motion-picture bureau, ought to be eliminated. It is all right that they might have authority to screen certain governmental printing and publications and cut them out, but they certainly should not do any more than that. It is ridiculous for them to get out a news release.

Now look at the figure of $35,000,000, and I am going to give you some figures that are of interest, at least to me. The entire Associated Press news-gathering and distribution service only calls for a pay roll and expenditure of a total of about $12,000,000. The entire United Press, with its set-up all over the world, only costs, over all, $10,000,000. Is it not ridiculous that these people should have spent for a much lesser activity $35,000,000? They cannot come here with the idea that they are carrying on this activity in aid of the war effort. I took the trouble to check over the sort of thing they were doing. At the San Francisco office with 895 people on the pay roll, they sent out 12 broadcasts in a day. I am advised that 12 people, news gatherers and that sort of thing, would be sufficient to run the thing and do the broadcasting. One of the broadcasters was a navy officer, Captain Zacharias, who was paid by the Navy. Translators and everything else could well be covered with 15 people. The other activities there, such as looking after the transmission station and that sort of thing, should be covered with 50 people. So they have eight or nine times what they should have.

Take the Atlantic area with 2,100 people in New York City. It is perfectly ridiculous. We should get rid of them. They have nothing of a constructive character to do. There is not any sense in our continuing forever broadcasts to the countries of Europe and Africa and the Near East; we should end that operation. This idea of running a censorship and limiting the things that can go into Germany and come out of Germany except what OWI produces itself on one side of a sheet the size of the Daily News, with which we are all so familiar here in Washington—just one side of the sheet—and still they want several hundred employees in Germany to look after that one thing—it is ridiculous. At the present time their printing activities and everything else in Italy employ 1,300 people. They propose to put 1,700 in the Orient. It is time we got this agency in a position for liquidation—and when we give it a funeral, we ought to give it a decent burial, but we ought not to give it a Chinese funeral with 20,000 mourners; that is, with 20,000 people on the pay roll. It is perfectly ridiculous that we should have that kind of set-up. A set-up of 2,000 employees which would require one-fifth of the amount the committee has allowed would be perfectly adequate to cover every single thing they could possibly do or need.

They are doing some broadcasting in the Philippines. A set-up like that would not prevent them from doing that. They are doing a little broadcasting in China. A set-up such as I have proposed would not do away with that. I should like to see this situation cleaned up; I should like to see it get away from this idea that we should prolong the war a little longer to keep a lot of people in unnnecessary activities instead of supporting the war effort. The more chair warmers we have kicking around the agencies with nothing to do, the more we are interfering with the war effort; and that is just what this outfit is doing right now.

Instead of aiding the war effort with productive work, they are interfering with productive work, they are hurting the war effort; and we ought to cut them down to a point where they do not have on the rolls any more than they actually need—only a very few. I really honestly believe that every necessary activity they should carry on could be carried on with 500 people.

There are a tremendous amount of things they indulge in that are perfectly ridiculous. I hold here in my hand a sample of the cartoons they send out to daily and weekly papers throughout the country, something like 15,000 in the

United States. I have here in this box one man's collection for a month of the junk that is sent to him in the form of press cuts and that sort of thing to put in his paper, things he cannot use. I have here the broadcasts they send out in 1 day from San Francisco, a dozen of them. I told you about them and what would be required to carry it on. It just seems to me that we ought to get over that sort of thing and give the major part of that activity in Europe in the occupied zone to General McClure, who represents the Army. He is the one who is going to have the say about it. It really ought to be altogether under them if they are going to occupy a part of Germany and we should not have all this sort of thing going on.

Why, these people are so hard up that they are reaching out and asking the privilege of performing Congressmen's functions. They went over to the joint committee which is now studying reorganization of the Congress and at the hearings the other day stated that they were prepared to take charge of the following up and the answering on congressional mail. Are you Members of Congress so hard up mentally that you are prepared to turn over to that kind of an agency the handling of your mail? If anyone thinks that is what that agency wants to do, they ought to read some of these broadcasts. Most of them are insipid, most of them are inane, they are not the things that it would take anybody any appreciable length of time to get up. Any person could take the Army and Navy communiqués day by day and could get up almost everything that is in them.

The CHAIRMAN. The gentleman has consumed 15 minutes.

Mr. TABER. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, we are facing a situation when it is time to begin to curtail, when it is time to begin to reconvert into civilian activities and to get rid of those things that have been masquerading under war agencies, and which have been more of a detriment than a help.

When this item of the bill is reached I propose to offer an amendment which will cut it down very substantially. This will give them an opportunity to liquidate. President Roosevelt started to liquidate the central administrative services and President Truman followed by liquidating the OCD, neither of which performed a useful function. The central administrative services made it more difficult, cumbersome, and troublesome to conduct the routine operations of that activity. The two outfits have been dead quite a long time as far as activity goes; yet it was necessary, so the President thought, for him to send up a Budget estimate of $90,000 to provide a proper funeral and undertaking service for these two agencies to the Treasury Department at this time. I do not know whether that means that these agencies have refused to liquidate or just what the trouble is, but it does seem as if we should go down the line and strip out the unnecessary activities and the agencies that are asking for money which ought not to be given.

Mr. Chairman, I want to say a word or two about the surplus property situation, which is in the utmost confusion. The Board and the Administrator have not the slightest idea what their situation is. They are not moving the surplus property and this is the time to move it. They asked us for $60,000,000. The new head of that agency has been announced. I hope that that new man will perform to such a degree that it will result in action which will move that surplus property and get rid of it, because the longer we have it the less we will get out of it, and the more trouble we will have, and the more it will interfere with regular business. The quicker we get rid of it the more we will relieve the shortage in civilian goods, and the more we will let those surplus items contribute to the welfare of the civilian population.

There was another set-up that came before us that was very disappointing, and that is the Office of Economic Stabilization. I do not believe that the gentleman who is at the head of it, a man named Davis, had the slightest idea of what the job was all about. He did not seem to understand what his own force was. From a very small set-up he was trying to build up into a big bureau. It is about time that we began to clamp down on that sort of thing and let all of that be handled by the Office of Mobilization and Reconversion.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. SPRINGER. I am happy to have the gentleman's statement regarding the surplus property disposition. In my section of Indiana many of the businessmen have attempted to learn something regarding it, but the whole matter seems to be in a state of confusion. They are able to get but very little information regarding it. I am happy to have the gentleman's information on that subject.

Mr. TABER. I hope that maybe this new man will be able to do something. We have not had anything yet.

Mr. Chairman, I am not going to take any more time at this point and I yield 5 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I am sure that all of us agree that when some person or organization does a job which we believe to be good it is always right and proper to give credit where credit is due. So I am taking this time to inform the House of some of my associations with the OWI. Ever since Pearl Harbor I have collaborated with the OWI in sending short-wave broadcasts to the Scandinavian countries. Being of Danish descent, and coming from a district where there are many Norwegians, Swedes, and Danes, the OWI felt that I was in a position to help them do some good in those overrun countries. I assisted in preparing 15 or 20 speeches which were broadcast to those countries. In all of those speeches I plead with the people to keep the faith with America, and assured them that sooner or later they would be liberated, because they were a Christian people and they should be free.

About a month ago a man from the Danish underground walked into my office and said, "I heard some of your broadcasts. I want you to know that they really lifted us up and did a lot of good." I asked them to do everything in their power to hinder the program of the Nazis, and they did.

I am not a member of the subcommittee which brought out this bill, so I shall not, of course, say whether or not this is too much money for the OWI. I hope the Congress will give the OWI sufficient money to carry on the things that are necessary to be done. I am sure that until the Japanese war is won we need to keep the people of the world informed as to the problems we have in the Pacific, and by so doing I believe we will reap considerable benefits with our allied nations.

I feel certain that a program of this kind is necessary until the war and the peace are won all over the world. In my estimation, the Office of War Information has done a commendable job in the European theater of operations, and all I ask is that they be given the necessary funds to finish the job.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN].

ARE WE SURRENDERING OUR SOVEREIGNTY?

Mr. HOFFMAN. Mr. Chairman, those who use the most words and shout the loudest, who write and print the greatest mass of propaganda, insist most arbitrarily and vehemently that we, as a Nation, can and should establish a universal, enduring peace by entering into some form of a super-world organization which will carry the "four freedoms"; establish and maintain prosperity, the liberty and freedom of the individual, throughout the world. But the arguments they advance and the course which they chart and follow do not point either toward the liberty and security of the individual, the interests of the United States of America, or the right of the smaller nations each to determine its own form of government.

We know that Russia has seized and is determined to hold and impose her form of government upon Lithuania, Latvia, Estonia, Poland, Hungary, Austria, Bulgaria, Rumania, Yugoslavia, much of Germany east of the Elbe.

We recall Churchill's statement that he did not become "The King's first minister in order to preside over the liquidation of the British Empire"; we realize that Britain hasn't the slightest intention of granting independence to the people of India. Watching the proceedings at San Francisco, it is evident that neither Britain, Russia, nor France has the slightest idea of adhering to the principles promulgated in the Atlantic Charter. Nor does either intend to sacrifice any of its sovereignty or its control over its nationals.

On the other hand, the United States, whose men and materials saved the British Empire, enabled Russia to defend herself and overrun eastern Germany, restored France to her people, shows not the slightest indication of either protecting her national interest or the rights of her citizens. While other nations are grabbing, the United States is giving.

While other nations are extending their territory and power, laying the foundation for future world trade, the United States continues to give away billions of dollars, hundreds of thousands of tons of material, to aid in the rehabilitation of other nations. It continues to sacrifice its men by the thousands to remove the Japanese menace which might otherwise threaten Russia, the British, and the Dutch interests in the Pacific and the East.

Russia protects the individuals who owe her allegiance, so does Great Britain, but the United States gives us an example of how she not only does not protect one of her citizens but actually assists another nation in denying to him his rights as a citizen of the United States when engaged in a diplomatic mission.

THE MYSTERIOUS KENT CASE

On September 3, 1939, England and France declared war on Germany. In October of 1939 Tyler Kent, the son of a distinguished career man in our Foreign Service, was appointed coding clerk in the American Embassy in London. It became his duty to put into code and to decode messages sent or received by the Embassy in a secret code used by the Department of State.

On May 26, 1940, when he was 22 years of age, Kent was seized by the counter-espionage detectives of Scotland Yard. He was accused of having revealed to a member of Parliament, a Capt. Archibald Ramsey, who had been actively engaged in fighting the influence of the political economic planning over the British Empire, what Kent alleged were the contents of certain messages which had passed between Winston Churchill and Franklin Delano Roosevelt and which Kent confessed he had copied and photographed. At the time these messages were received Winston Churchill was First Lord of the Admiralty in the Neville Chamberlain cabinet and Franklin Delano Roosevelt was President of the United States. The messages were transmitted through the secret code used by the Department of State, and at the time Joseph P. Kennedy was the American Ambassador in London.

It is difficult to understand how Kent, who was then but a youth, could have been the only one aware of the contents of these secret messages. Ambassador Kennedy or some of his subordinates must have known what was transpiring. Certainly someone in the Department of State in Washington received the messages from the President, if there were such messages, ordered them put into code and someone transmitted them. On the conceded facts it must be assumed that the State Department in Washington and Kennedy in London were fully aware of what was being transmitted. It seems to have been conceded by Tyler Kent that he did receive, that he abstracted from the official files, copied and photographed the contents of certain cables which passed through his hands in his official capacity.

His mother, who has been in communication with him and who has called on me several times in his behalf, insists that he discovered from these messages that Churchill was at the time seeking to overthrow the Neville Chamberlain government so that he might, himself, become Prime Minister.

The further claim is made that by the interchange of these code messages Churchill and the late President were following a course which would eventually unite Great Britain and the United States in the war against Germany.

It is further alleged that the code messages also discussed plans for a lend-lease policy. These code messages it is charged were exchanged at a time when the late President and the administration leadership in both Houses of Congress were engaged in an effort to enact certain legislation which the Congress was told, contrary to the fact, would maintain our neutrality and aid in preventing war.

Kent gave as his excuse for disclosing the contents of these messages in violation of his duty, his desire to prevent war; to let it be known that while certain high officials here in America were talking peace, they were actually preparing for war.

Kent's mother claims that more than 450 cables in codes were exchanged between Roosevelt and Churchill. Many of them prior to May of 1940 when Churchill finally overthrew Chamberlain and became Prime Minister. Among the cables which were decoded and the contents revealed, it is alleged there was one sent by Churchill to Roosevelt in October of 1939 in which Churchill, then British Lord of Admiralty, stated:

> I am half American and a natural person to work with you. It is evident we see eye to eye. Were I to become Prime Minister of Britain we could control the world.

If such was the intent of Churchill at that time and if he communicated that fact to the late President of the United States, the people of the United States should be made aware of it. What Churchill and the late President of the United States then had in mind should be now fully revealed because in the light of what happened prior to America's entrance into the war, our representatives at San Francisco and the Congress of the United States can the more intelligently determine the course which we should follow. Churchill's secret purpose to become a co-conqueror of the world, if he had such purpose, should now be disclosed. If this Nation was inveigled into a war which it was unnecessary for us to fight; if it was used as a cat's-paw to further the interest of the British Empire or the ambition of a world politician; if our men who have died on the battlefield have been pawns in the hands of an ambitious man; though it is now too late to save the lives of those who have died, it may not be too late to save a million or more other Americans from being sacrificed in a game of international power politics.

If the charges made by Tyler Kent are not true, they should, without further delay, be disproved. We should not this time wait for years after the war is over to learn the facts; wait as we waited after the last war for Colonel House and others to disclose the secret correspondence taking place between President Wilson and foreign representatives.

It is further charged that Sir George Paish, while Kent was being tried in an English court, in August 1940, after a visit to the White House, told Senator WHEELER, "I am responsible for getting the United States into the last war. I am over here now and I am going to cross the United States on a speaking tour. I am going to get this country into this war."

We know that Churchill, when we went into the war, said of our entering into the war: "That is what I have dreamed of, aimed at, and worked for, and now it has come to pass."

When it became known that Kent had divulged this secret information to Captain Ramsey and Ramsey continued to oppose the British Government, Captain Ramsey was arrested, incarcerated and only recently obtained his freedom. But Tyler Kent, the young American, is still confined in a British jail.

WILL THE UNITED STATES PROTECT ITS CITIZENS?

So far in its negotiations with other nations the United States has not adequately protected its own national interests when they came in conflict with those of the British Empire or of Russia. We are always on the giving, not the receiving end, of every deal. It is only by a review of the Kent case that we learn the full extent of the failure of the United States to protect an American citizen.

While billions of dollars worth of material have been given to others and have been expended in the war effort; while our young men have sustained more than a million casualties to bring freedom to peoples and to indiviuals throughout the world, a citizen of our country is surrendered to the British and thrown into jail because he revealed secret information which, it is alleged, passed between two powerful individuals and which he believed should be made public in order to save his country from war, other young men from death.

It is a matter of common knowledge that every country in the world has the right to protect its diplomatic activities. Every nation, if not recognizing fully the principle that the diplomatic representatives and the property of other nations within certain areas are exempt from local control, has recognized and given at least lip service to it.

Here in Washington the diplomatic representatives of every government are granted immunity from arrest by local or Federal authorities. Embassies and their inhabitants are free from search and seizure. Neither the local police nor our Federal authorities have any right to interfere with the representatives of any foreign nation.

As long ago as 1812, we fought a war with Great Britain when it endeavored to assert the right to search American ships and seize seamen on the high seas. But in the Tyler Kent case the United States did not assert itself, failed to protect its own citizen; permitted him to be seized and thrown in a British prison where he still remains. Why? Is it because if he was released we would learn this war was deliberately planned?

If Tyler Kent committed an offense, in violation of our laws, the rules and regulations of the State Department, and it seems that he confessed that he did decode, copy, photograph and unlawfully disclose the contents of certain messages, he should have been tried by United States authorities either in London, if that was the proper procedure, or he should have been brought back to the United States, tried and, if convicted here, confined. There is no excuse for the action of the Federal Government, of the State Department, in surrendering to British authorities to be tried under British procedure an American citizen, a diplomatic representative who committed an offense against the United States.

Kent under our form of government was entitled to a trial by a jury of his peers. He was entitled to a trial by a jury of American citizens. Just why should he have been surrendered to the British; unless it was that under their system of procedure, he could be gagged; tried secretly; the nature of his offense kept secret; those who conspired, if any did, to involve a nation in war might be protected, remain unknown.

Now that the war in Europe is over, while the representatives of so many nations are conferring at San Francisco in an effort to prevent future wars, it is all important that any information which will throw light upon the reasons for this war, or the causes back of it, and how we became involved in it, are disclosed to our people, so that they and their representatives at San Francisco, and in the Congress, may hereafter avoid a course which may bring about other wars.

Franklin Delano Roosevelt is dead. Churchill will not live forever. Some of those who wrote, who coded, who decoded, who are familiar with the contents of code cables between the State Department, and others in high authority here, and Churchill and any other member of the British Government or individual seeking position in the British Government may die and now is the time, while the witnesses and those having information are still alive, to have the facts placed upon the record.

Perhaps of equal importance is it to learn whether American citizens, no matter how mistakenly they may act, but who sincerely and honestly think they are engaged in a patriotic effort, should have the facts connected with their arrest, conviction and incarceration disclosed so that a plea for clemency may be made; so the justice of their confinement may be determined.

Little is to be gained by the sacrificing of a million men, by the expenditure of billions of dollars, if in the end neither the sovereignty of the Nation nor the freedom and liberty, the constitutional rights of American citizens, are to be protected.

It is time that Congress adopt a resolution appointing a disinterested committee charged with the duty of investigating and spreading upon the public record the facts connected with any messages actually received, decoded and disclosed by Tyler Kent, and which will aid the conference at San Francisco in laying the foundation for a lasting peace. Congress should inquire into and ascertain whether the rights of Tyler Kent, as an American citizen engaged in diplomatic duties, were fully protected and for what reason he was surrendered to British authorities.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Chairman, I want to address myself to the Office of Inter-American Affairs in particular and incidentally to the Office of War Information.

When the State Department appropriation bill has come before the House in the last three fiscal years I have talked about the duplication of functions in the field of our intercourse with foreign nations. In the State Department appropriation hearings I attempted many times to get the State Department to say that they were able, now that the war in Europe is about over, to take over the functions of these special war agencies. I had been led to believe in previous years that the State Department would as soon as possible have responsibility for our entire negotiations with other countries as their exclusive function.

The State Department foreign service personnel numbered around 2,000 3 years ago and was raised another 2,000 the following year, and another 2,000 in the present year, making a total of 6,000 foreign representatives. Now, when you add to that the personnel of the special war agencies of the Government you have confusion compounded. I made the statement when the State Department bill was before the House for consideration that there were so many representatives of different agencies proposing to make friends for the United States that they have to wear badges to keep from giving the Government away to each other. I still contend the Appropriations Committee hearings on this bill confirm my contention.

Now we will consider the Office of Inter-American Affairs. The language appearing at pages 9, 10, 11, and up to line 7 of page 12, has a ring of strange similarity to the cultural-relations sections of the State Department appropriation bill. Let us see what they are doing. They may make "grants of money, property, or services to governmental and public or private nonprofit institutions and facilities in the United States and other American Republics." The State Department cultural-relations program has those same powers. The State Department is engaged in the "free distribution and donation or loan of publications, phonograph records, radio scripts, radio transcriptions, art works, motion-picture scripts, motion-picture films, educational material, and other material and equipment." I have quoted practice of the State Department and the language of the Office of Inter-American Affairs. This agency and the State Department do the very same thing. I have been quoting from page 10 of the bill providing the language of authorization for the Office of Inter-American Affairs, and describing work of the State Department at the same time.

Now let us read this extraordinary power that you find at the bottom of page 10 of the bill which Congress will grant to the Office of Inter-American Affairs if this appropriation bill passes:

Provided, That corporations heretofore created or caused to be created by the Coordinator of Inter-American Affairs primarily for operation outside the continental United States shall determine and prescribe the manner in which their obligations shall be incurred and their expenses allowed and paid without regard to the provisions of law regulating the expenditure, accounting for and audit of Government funds, and may, in their discretion, employ and fix the compensation of officers and employees outside the continental limits of the United States without regard to the provisions of law applicable to the employment and compensation of officers and employees of the United States.

Now this language was originally adopted when we were in the throes of war and felt pretty desperately, if not a little wild, about having the United States united with the South American and Central American Republics. I certainly join with any Member of the House in urging that we do have such unity. But is it necessary that we give broad grants of power to several agencies to confound and confuse the people of the South and Central American Republics so that no one knows what the policy of the United States is? These corporations who may receive funds herein are entirely and absolutely beyond the control of the Congress of the United States. They are absolutely beyond the control of the Comptroller General of the United States. He never can audit their books. All they are required to do is to make a report to the President of the United States.

A few days ago there was passed in the House a bill for contributions to an autonomous organization, the Inter-American Statistical Institute. The language which I referred to previously in the bill which provides that the Office of Inter-American Affairs may spend money and make "grants of money, property, or services to governmental and public or private nonprofit institutions and facilities in the United States and other American Republics" means we could spend public money with that organization. The original law authorizing the United States Government to make a contribution to and become a member of the Inter-American Statistical Institute contained a ceiling of $35,000, which we could spend with that particular agency. When the House and Senate passes a bill releasing the ceiling of $35,000, the Coordinator of the Office of Inter-American Affairs can spend for services with that autonomous organization, controlled by public employees but operated as a sort of clandestine affair, millions of dollars out of this appropriation, with that organization completely beyond the control of the Government of the United States by virtue of this language I have quoted. I point out these things for a purpose. That is, I have looked over the details of some of the expenditures that have been made by the Office of Coordinator of Inter-American Affairs, now the Office of Inter-American Affairs, in the present appropriation. I find some of these projects may be interesting to you, be-

cause I know you do not know how your money is being spent by this outfit.

Following are some of the projects operated and being operated:

DEPARTMENT OF BASIC ECONOMY

Vegetable production in Haiti, project amount, $3,190.

Development of local resources, Honduras, project amount, $75,505.

Nurses training school at the British-American Hospital, Lima, Peru, completed, $30,039.80.

Funds for South American trip of representatives of the Children's Bureau, Department of Labor, project amount, $1,980.54.

HEALTH AND SANITATION—BASIC ECONOMY

Special edition in Spanish and Portuguese of an American Medical Association magazine, project amount, $152,000.

Venereal disease control along the United States-Mexican border, project amount, $102,420.

Training course for Dominican Republic nurse, project amount, $1,200.

Civilian defense training course for director of civilian defense of Brazil, project amount, $3,456.85.

Inter-American civilian defense, trip of James Sheppard, project amount, $496.12.

Visit of United States labor leaders to other American Republics, project amount, $8,900.

Supervision of health and sanitation programs in connection with the production of lead and zinc ores and concentrates in Bolivia; project amount, $20,000.

Graduate fellowships in tropical medicine at Tulane University—1943; project amount, $48,500.

Supervision of health and sanitation programs in connection with the production of zinc concentrates from Volcan mines in Lima, Peru; project amount, $9,000.

Visit of public health experts to the United States—1943; project amount, $30,000.

Health and sanitation program, Pan-American Highway-Laboratory unit in Panama for treatment of horse diseases, project amount, $120,000.

Supervision of health and sanitation program, Compania Minera El Dorado, S. A., Peru, copper ore, project amount, $4,000.

Bolivian scholarship program, project amount, $25,000.

Supervision of health and sanitation program, International Balsa Corp., Costa Rica, project amount, $3,000.

Publication of a Spanish edition of the "Manual of Industrial Hygiene," project amount, $4,000.

Biostatistical and epidemiological information in the other American Republics, project amount, $25,000.

Intercounty training program in the other American Republics, project amount, $50,000.

Social security consultant to Venezuela, project amount, $800.

Health and sanitation program in the mica mining areas in Brazil, project amount, $90,000.

Visit of Lucy Lima Rocha to the United States, project amount, $2,900.

Penicillin to be used in the other American Republics, project amount, $5,000.

Special training in postgraduate medical field for Dr. Luis Rendon; project amount, $540.

Medical care for rubber workers in Bolivia in cooperation with the Rubber Development Corporation; project amount $50,000.

Travel for Stella Decker from Bolivia to the United States for training in nursing; project amount, $615.

Pathological investigation in Guatamala; project amount, $13,506.

In-service social work scholarships, 1942–43 funds; project amount, $12,000.

Institute of Inter-American Affairs training program—health and sanitation; project amount, $1,818,000.

Institute of Inter-American Affairs Training Program—Food Supply, project amount, $420,000.

In-service training program for nursing sisters, project amount $56,750.

Soil and water conservation training facilities, project amount, $29,000.

Latin-American social work fellowships, extended 1943, project amount, $25,000.

Intern training program for economists of the other American Republics, project amount, $52,000.

In-service training program for agricultural economists of the other American Republics, project amount, $9.150.

Argentine chemical researchers, revised, project amount, $17,260.

Basic economy motion pictures, project amount, $500,000.

Films of basic economy, department of operations in Latin America, project amount, $33,900.

Inter-American institute of agricultural science in Costa Rica, in cooperation with the Pan American Union and the United States Department of Agriculture; project amount, $960,000.

FOOD SUPPLY DIVISION—HAITI

Distribution of tools and seeds and demonstrations—to put back into food production the lands used for Cryptostegia planting, by furnishing farmers seeds, tools, fruit trees, vegetable plants, and providing technical supervision for individual farmers, and so forth; project amount, $79,000.

HONDURAS

To increase food production in the Comayagua Valley by reclaiming land and resettling farmers on improved land; project amount, $125,000.

Food production service center project, to establish an agricultural demonstration and instruction unit near Tegucigalapa; project amount, $60,000.

Honduras road project, construction and repair; amount spent, $1,131,214.32.

Similar projects in Nicaragua.

PANAMA

Purchase and marketing of surplus vegetables and fruits of the Canal Zone, technical aid to farmers; project amount, $85,000.

PARAGUAY

In-service training of Paraguayan personnel, agriculture; project amount, $2,000.

Resources survey, a project to provide a technical basis for planning; project amount, $105,500.

Seed improvement and crop development, a project to make available adequate supply of high-yielding and dependable seeds for field crops and to propagate and distribute superior orange trees—two small model farms are used for demonstration—project amount, $120,000.

Milk supply and dairy project—a model dairy, poultry, and hog farm was established to demonstrate improved milk production and distribution methods—project amount, $73,000.

Supervised credit, to supervise the administration of a credit system, funds to be furnished by the Banco Agricola; project amount, $4,000.

Range-livestock improvement, Barrerito Ranch, to demonstrate methods of increasing quantity and quality production of beef, improve natural ranges, investigate improved range and management practices, and produce and utilize supplemental feeds; project amount, $61,000.

PERU

Victory-garden project, Lima, to increase the production of vegetables in the immediate vicinity of Lima; project amount, $7,172.50.

Transportation survey; completed; project amount not shown.

Callao fisheries project, to determine a definite plan of producing fish for food as well as fertilizer; project amount, $59,763.98.

There are many other similar projects for Peru.

VENEZUELA

Equipment and supplies, Caracas, to provide funds for the accumulation of equipment to be used on various projects, and to provide for financing, repairs, maintenance, and so forth; project amount, $300,000.

Home economics training, 6 months' course—Caracas, project amount $17,528.

Fish distribution, Federal district zone—Caracas—to effect improvement to the catch of fish and in its distribution in the Federal district, project amount, $41,628.

Tocoron subdivision and reclamation, to subdivide a large Government-owned and operated farm of approximately 5,000 acres into small farms 100–200 acres, and to transfer these units to private ownership, and so forth, project amount, $93,896.

BRAZIL, LEPROSY-CONTROL PROGRAM

Purchase of a launch for the State of Amazonas, project amount, $12,500.

Construction of a boys' dormitory in the State of Goiaz, project amount, $17,500.

Construction of a dispensary in Goiaz, project amount, $12,500.

Construction of a dispensary in Manaus, project amount, $10,000.

Construction of a nursery in Vitoria, project amount, $15,000.

Fellowships and scholarships, project amount, $20,000.

Construction of nursing school, project amount, $200,000.

Medical care for migrants—11 projects—project totals, $263,092.

CHILE

Engineering survey to determine need for a sewage-disposal plant, project amount, $13,000.

Prepartion of architectural plans for typical health centers and tuberculosis hospitals, project amount, $10,000.

Construction and equipment of school of hygiene to be operated by the University of Chile, projects amount, $85,000.

Construction and equipment of a health center, public baths, and laundries in Quinta Normal district—Valparaiso—project amount, $185,000.

Construction of health centers throughout Chile; project amount, $160,000.

Construction and equipment of a health center at Antofagasta; project amount, $136,000.

Equipment of Carbineros Hospital; project amount, $250,000.

Sewerage system and sewage disposal plant for the twin towns of Villa Alemana and Penablanca; project amount, $125,000.

Sanitary sewerage system—construction of a sewerage system and a treatment plant—at La Calera; project amount, $175,000.

Construction of a sewerage system at Santiago; project amount, $400,000.

Construction and equipment of a tuberculosis hospital at Santiago; project amount, $500,000.

COLOMBIA

Treatment and prevention of yaws, malaria, and intestinal parasites; project amount, $99,343.84.

National advanced school of nursing; project amount, $85,959.89.

Health centers and sanitary campaigns in the department of Magdalena—treatment of diseases, including general medical care, venereal diseases, and parasitosis; project amount, $128,061.65.

New nurses school at Bogota; project amount, $229,226.36.

ECUADOR

Pavilion, general hospital at Ambato; project amount, $28,658.75.

Pavilion, general hospital, construction of new wings at Cuenca; project amount, $73,576.64.

Tuberculosis hospital at Guayaquil; project amount, $268,875.91.

Infectious disease hospital at Guayaquil; project amount, $138,722.68.

Maternity hospital at Guayaquil; project amount, $233,576.58.

Infectious disease at Quito; project amount, $159,678.46.

Nurses' training school at Quito; project amount, $114,891.

Health center and dispensary at Quito; project amount, $163,654.28.

Maternity hospital at Quito; project amount, $262,485.37.

General hospital at Riobamba; project amount, $93,484.84.

Health centers at Salinas; project total, $24,678.

Medical care for rubber workers; project amount, $124,335.77.

EL SALVADOR

Health center at San Salvador; project amount, $106,000.

Public laundry at San Salvador; project amount, $17,000.

Sewerage system at San Miguel; project amount, $54,650.

Slaughterhouse at Atiquiziaya; project amount, $2,400.

Slaughterhouse at San Salvador; project amount, $99,000.

Slaughterhouse at Sonsonate; project amount, $11,000.

GUATEMALA

Sanitation and malaria control at San Jose; project amount, $53,557.

Sanitation and malaria control at Puerto Barrios; project amount, $71,115.

Hospital construction at Guatemala City; project amount, $500,000.

HAITI

Construction of maternity ward at Aux Cayes; project amount, $5,000.

Campaign for the eradication of yaws; project amount, $93,994.

Malaria-control drainage at Port-au-Prince; project amount, $15,000.

Malaria control drainage in the Bolosse - Palmiete district — Port - au - Prince—project amount, $10,000.

Construction of health center at Cite Vincent, Port-au-Prince, project amount, $5,500.

Malaria control drainage, Port-de-Paix, project amount, $24,357.

Entomological survey, project amount, $4,449.

HONDURAS

Emergency preventive medicine and sanitation program, Depto, Cortes; project amount, $17,689.

Public health education training program, countrywide; project amount, $10,599.

Surface-water drainage system at La Cieba; project amount, $29,864.

Public Health Department—health center building at Tegucigalpa; project amount, $146,939.

Tuberculosis hospital, same place; project amount, $212,500.

MEXICO

Health center at Boca del Rio; project amount, $59,000.

Health center, C. Juarez; project amount, $68,000.

Health education, Mexico City; project amount, $22,000.

Sewerage system at Parras; project amount, $70,000.

Sewerage system at Tapachula; project amount, $61,500.

Sewerage system at Actopan; project amount, $23,000.

Sewerage system at Huiztla; project amount, $23,000.

Tuberculosis control, United States-Mexican border; project amount, $48,000.

Venereal-disease control, United States-Mexico; project amount, $42,000.

Water supply at Perote; project amount, $35,000.

Water-supply systems—seven towns—project amounts totaling $411,000.

Water supply system Dr. Miguel Silva, project amount $11,000. At the document's page 60, and in connection with this project there is found this explanatory note under the heading "Statement of performance":

Agreement was signed November 21, 1944, providing for the construction of a water supply system for Dr. Miguel Silva, a new village built for inhabitants evacuated from the area devastated by the eruption of the volcano Paricutin.

NICARAGUA

Construction of national health department building; project amount, $137,000, at Managua.

Training project for sanitary inspectors, Managua; project amount, $11,538.

Training of hospital and public-health nurses, and hospital alterations, at Managua; project amount, $52,648.

Public health nurses' course—hospital alterations; project amount, $11,246.

Public health nurses' course—operation of school; project amount, $20,033.

Cauce Oriental, flood control; project amount, $53,000.

Construction of health centers—five places; project amount, $93,800.

Operation of national institute of hygiene; project amount, $9,296.

PANAMA

Malaria control construction; project amount, $234,459, which is country-wide, and in addition to seven local projects in Panama.

PARAGUAY

Health center and ministry of health building at Asuncion; project amount, $249,000.

Tuberculosis sanitarium; project amount, $196,300, at Asuncion.

Sewer construction at Asuncion; project amount, $100,000.

Health center at Villarica, project amount, $60,500.

Health center at Concepcion, project amount, $57,000.

Barrio Obrero health center, project amount, $49,783.

Scholarships for the training of visitadoras and guardas sanitarios, project amount, $20,700.

PERU

Dispensary at Caballacocha, project amount, $11,950.

Dispensary at Barranca; project amount, $14,803.

Operation of dispensary at Barranca; project amount, $2,887.

Dispensary at Borja; project amount, $9,252.

Operation of dispensary at Borja; project amount, $2,533.

Dispensary at Contamana; project amount, $12,027.

Operation of dispensary at Contamana; project amount, $2,831.

Dispensary at Requena; project amount, $11,719.

Operating it; project amount, $2,840.

Mobile dispensary; project amount, $7,401.

Operation of mobile dispensary; project amount, $2,591.

Dispensary at Rioja; project amount, $12,952.

Dispensary launch at Iquitos; project amount, $9,252.

Operations of dispensary launch, $3,779.

Dispensary launch at Iquitos; project amount, $11,102.

Dispensary launch at Iquitos; project amount, $3,456.

Dispensary launch, rivers of Peru, $9,252.

Dispensary launch, rivers of Peru, $5,397.

Operation of dispensary launch, rivers of Peru; project amount, $3,594.

Other dispensary launch projects are listed, five additional.

Hospital construction at Tingo Maria; project amount, $45,273.

Hospital operation at Tingo Maria, project amount, $10,603.

Hospital with dispensary at Pucallpa, project amount, $91,750.

Hospital operation at Pucallpa, project amount, $10,353.

Hospital at Iquitos, project amount, $185,042.

Alteration and addition to Ministry of Health Building, Lima General, project amount, $69,390.

Malaria control, Chimbote, project amount, $87,124.

Health center, Chimbote, project amount, $77,101.

Sewerage system at Chimbote, project amount, $92,513.

Health center and hospital, Chimbote, $101,773.

Health center at Lima, $123,361.

Hospital at San Martin, $91,750.

Hospital construction, Yurimaguas, $91,750.

Jail improvement at Iquitos, $1,233.

School for sanitarians, Iquitos, $43,176.

Note: Health and sanitation projects in Peru approximate $1,449,733.26 in project amounts, with indicated actual expenditures of $1,096,840.22, with 940 employees.

Note: It is not deemed necessary to enumerate the projects in full, for all countries under any of the several headings.

A few of the health and sanitation projects in the remaining two countries, Uruguay and Venezuela, are mentioned as follows:

URUGUAY

Display of sanitary privy and private water supply models, Rio Negro Depto., project amount, $4,003.70.

Construction of privies and water supply at Trienta y Trece, project amount, $7,389.64.

Construction of privies and water supply at Fray Rentos, project amount, $4,412.78.

Health center at Trienta y Trece, project amount, $28,043.

Construction of public laundry, at Triente y Trece, project amount, $6,468.

Nurses' training program at Montevideo, project amount, $13,065.

VENEZUELA

Malaria control—drainage, at Maracay, project amount, $227,000.

Malaria control—drainage, at Puerto Cabello, project amount, $155,000.

Malaria control—drainage, at Maturin, project amount, $200,000.

Traveling fellowships in South America, instruction of personnel, project amount, $8,000.

Medical care for rubber workers, Territorios Amazonas, project amount, $50,000.

Summary showing the number and kinds of projects operated in the Latin-American countries, as shown by the document mentioned hereof:

Other projects operated are as follows:

Project descriptions

	Number of projects
Economic development	17
Education	84
Motion pictures	67
Press	58
Radio	122
United States activities and special services	49
Total	397

RECAPITULATION

Health and sanitation projects	570
Food-supply projects	73
Others, as listed last above	397
Approximate total of projects	1,040

PROJECTS DESERVING SPECIAL MENTION

Project No. B-SE-1776, page 82 of the document hereinbefore mentioned, is described as follows:

Prepublication order for 1,000 copies of Who's Who in Latin America, $7,500; and

To insure the immediate preparation of a completely revised and enlarged edition which will consist of seven volumes. A second supplement has been signed providing for publication of the first volume of the revised edition on or before June 30, 1945, and the remaining volumes as soon thereafter as possible. Professor Hilton, editor, is now at Stanford University and is working at the task of getting biographies ready for press.

Project No. BMP-5-4394, page 94 of the document hereinbefore mentioned, is described as follows:

Purchase of scripts, $4,500.

Completed: Eighteen scripts were purchased. Eight were written for basic economy film program and will be used for footage shot in Latin America by Carl Pryor. Titles of the other scripts are: Women's Fashions, Adult Education, American Working Girls, Fulton Fish Market, Music on the Air, Small Town, Collins Machete Factory, Little Red School House, Bronx Zoo, and Mosquito Control.

Project No. OEMcr-1-7, page 101 of the document hereinbefore mentioned, is described as follows:

Walt Disney Production Film Unit; project amount, $500,000; expenses paid, $531,075.04; expenses unpaid, $69,016.95.

Statement of performance: Der Fuhrer's Face, Education for Death, Reason and Emotion, Water, Friend or Enemy, Winged Scourge, Grain That Built the Hemisphere, and Defense Against Invasion are now in distribution in the United States and in the other Americas. Amazon Awakens, English print approved July 8. Awaiting distribution prints: Portuguese script approved by State October 16. Food and the Child (formerly Infant Care and Feeding) in preparation. Personal Cleanliness work prints completed and ready for review. Transmission of Disease, English script approved without emendations July 8. Spanish script approved August 29. This subject near completion.

Project No. NDcar-110, page 101 of the document hereinbefore mentioned, is described as follows:

Walt Disney Field Survey and Short Subjects on Latin America, $220,000.

Saludus Amigos, in distribution, United States theatrically, in other Americas in Spanish and Portuguese nontheatrically. The Pelican and the Snipe, and Pluto and the Armadillo completed for theatrical distribution only. Tres Caballeros completed and delivered in November. The world premiere in Mexico December 21 reported as most brilliant motion picture event in the history of Mexico. Entire proceedings broadcast over a national Mexican chain and transcriptions were made for distributions throughout the other American Republics.

Project No. MP-1017C, page 101 of the document hereinbefore mentioned, is described as follows:

Production of war and educational motion picture, and Uncle Sam, M. D.—Sooting in progress.

Project No. BPR1-5013, page 102 of the document hereinbefore mentioned, is described as follows:

Advisory service on art work, typography, and photographic materials, $7,500—1945 funds.

Contract covers advisory services on published materials of press. It has been the means of guaranteeing a high-quality product at a minimum expense to the Government, through the application of technique suggested by Lambdin Associates, the contractor. A third supplement will extend the contract through the 1945 fiscal year.

Project No. BPR1-5104, page 102 of the document hereinbefore mentioned, is described as follows:

Maintenance of mailing lists for the magazine, or other publications, and for other incidental charges, $20,000.

Contract with Business Publishers International Corp. provides for the processing and maintenance of stencils and addressograph plates essential to the successful and efficient distribution of the magazine and other publications.

Project No. BPR1-5048, page 102 of the document hereinbefore mentioned, is described as follows:

Magazine (extended), $950,000.

This contract with the Business Publishers International Corp. provides for the preparation and printing of En Guardia and Em Guarda, Spanish and Portuguese monthly periodicals, respectively, as well as En Garde, a French quarterly publication. A new contract which will include provisions for trademarking and copyrighting the magazine is in final stages of completion and will supersede OEMcr-288 under which these services have been previously rendered.

Project No. BPR1-5122, page 102 of the document hereinbefore mentioned, is described as follows:

Overseas edition of the New York Times, $31,000.

The purchase of 6,000 copies per week of the overseas edition of the New York Times is provided for by this project. This number may be increased to 10,000 copies. Distribution is effected by two methods: The purchase of plastic plates for local printing at several points and the purchase of finished copies. The overseas edition has been distributed in the other American republics since the American News Letter was discontinued in August 1943.

Witnesses for the Office of Inter-American Affairs say on the record and they have said in answer to questions by the gentleman from Massachusetts [Mr. WIGGLESWORTH] that they do not overlap any function with the OWI, the State Department, the Army, the Navy, the Foreign Economic Office, formerly lend-lease, but when you go into particular items you find where they are absolutely duplicating the functions that the State Department's cultural relation program exercise.

I now yield to the gentleman from Illinois.

Mr. JOHNSON of Illinois. I just wanted to make this observation: The $79,000 we are spending in Haiti right now to reclaim the ground we took for Cryptostegia is a total failure. It produces rubber all right, and Cryptostegia grows wild down there, but there was no way to process it. They planted it in that country where it grew in the wild state, but then they gave up the project. Now they are spending this money to put this land back in shape for cultivation, yet it was only wild land to begin with.

Mr. JONES. I thank the gentleman for his observation. You will notice in the compiled list of projects another interesting expenditure costing $47,628 for fish distribution in the Federal District Zone of Caracas, the purpose being to improve the catch of fish and its distribution in this Federal district of a Latin-American country.

There is an agrarian program in Venezuela to subdivide a large farm of approximately 5,000 acres into small farms of 100 and 200 acres. This project is to cost us $93,000. Can you tell me the necessity of the United States Government's breaking up big farms into smaller farms in other American countries? I cannot see the justification of it by any stretch of the imagination. I cannot see how it can be classified as a national-defense project.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. ROBSION of Kentucky. Does our Government own the land?

Mr. JONES. No. This land is located in Venezuela.

Mr. ROBSION of Kentucky. By what authority do we divide up the land of other governments? Do we own them or have we the right to make any disposition of them at all? Has any member of the gentleman's committee found out? Has testimony been offered to justify that?

Mr. JONES. I have tried in the last 6 months to knock out on points of order slipshod authorizations which are written by the Bureau of the Budget and to which Congress in the past has given little attention. In the paragraph on the Office of Inter-American Affairs there is unlimited authority, without any accounting to the General Accounting Office, given to corporations beyond the control of Congress under which power the Director may spend money in the Americas, may make grants of property, grants of funds, and do many other things that we do not find out about until years later.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. TABER. Mr. Chairman, I yield the gentleman from Ohio five additional minutes.

Mr. JONES. It is only after the lapse of several years that we learn how the money was spent. I have read portions of a compilation of OIAA projects with a brief description of them. It covers 17 typewritten pages of one project after another in the American Republics. I hope confusion and duplication can be ended by an amendment I propose to offer to bring all these functions under the control of an old-line agency, the State Department.

Mr. ROBSION of Kentucky. What is the aggregate of these sums for these projects?

Mr. JONES. The gentleman from Massachusetts [Mr. WIGGLESWORTH] on yesterday placed in the RECORD the aggregate of the projects for a 3-month period. It ran to something like $40,000,000, from October 1, 1944, to December 15, 1944. What the total is I have not discovered in the hearings.

Mr. ROBSION of Kentucky. As one Member of the House, I wish to express my appreciation for the very great industry and effort the gentleman has made to scale down useless Government expenditures.

Mr. JOHNSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. JOHNSON of Illinois. The gentleman has made an intense and careful study of this subject. I wonder if the gentleman can tell the House what department is involved in this exposé that Fulton Lewis, Jr., is making to the country every evening at 7 o'clock of the waste of money in Government contracts in Nicaragua? Under what department is that?

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. TABER. It comes under the Public Roads Authority, and apparently it does not seem to smell very sweet.

Mr. JOHNSON of Illinois. It smells very bad.

Mr. JONES. We should get after these expenditures and weigh them against the end and objective. If it takes the Office of War Information, the Army, the Navy, the State Department, and the Office of Inter-American Affairs to sell American friendship to the other American republics surely there must be a definite objective that the United States Government is seeking.

I want you to read what Mr. Harrison has to say on page 499 of the hearings. He is the new Director who succeeds Mr. Nelson Rockefeller and, may I say, by the way, that the new Director, Mr. Harrison, now proposes to draw a $10,000 salary for his services. Nelson Rockefeller formerly did the job for nothing. You will find at page 9 of the bill that he will get $10,000—equaling a congressional salary for doing the job.

Here are his objectives for the Office of Coordinator of Inter-American Affairs. He is talking about the business private enterprise will get in South America. See at page 499 of the hearings, as follows:

> We want our friends and allies to do business in the other American Republics. The more they do the better for us.

That statement interested me greatly and I called up several Government economists who I presume got their jobs by patronage of the majority party. I read this statement to them and commented: "It sounds crazy to me. Does it make sense to you?" There was not one of them who found it made any sense. If England, Russia, and the Netherlands are able to do more business in South America in competition with our expanded war production machinery it will help the United States, Harrison claims. So our objective, according to Harrison, is not an expanded market for the products of American labor and American enterprise but to help our allies expand their South and Central American market.

Let us refer to something else a moment. We sent our sons overseas to shed their blood and to fight for the liberation of those countries of Europe which were downtrodden and overrun by the Nazi war machine. We gave large lend-lease commitments to Britain, Russia, and the Netherlands. We made enormous commitments of lend-lease to help them out because they were supposed to be broke and could nct buy war materials from us.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. JONES. Mr. Chairman, what sense is there in expanding each and every one of these lend-lease credits without any reciprocal commitment from the recipients of lend-lease that they will leave us our share of the markets in the Western Hemisphere? Should we not have had some kind of a commitment, one that would reserve for ourselves a portion of this trade in the American Republics? Instead we furnish more lend-lease, we pay cash for the raw war materials we need to buy, and release a larger block of money for a propaganda program of Russia and Britain because they can have plenty of money left over to do a selling job in South and Central America in competition with us. It is a vicious circle. Then we have to spend more money in the State Department and in this agency I am talking about, the OWI and the FEA to influence friends over and over again for the American people so that they may sell the products of their labor and the products of an expanded war-production machine which will be converted to peace production.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. When we do good we seem to get the worst of it. It is like the boy who received a black eye and when he went home his mother said: "Go and take this piece of cake to the boy who gave you the black eye and make friends with him." The boy went

away and came back with another black eye. The mother asked, "How did this happen?" The boy said that the boy wanted another piece of cake.

Mr. JONES. I insist that the State Department take the entire American Republic foreign relation function over, and it would if it did not have an inferiority complex. There is not a word in this language for OIAA that has been approved by basic law. The functions described are State Department functions; but apparently the State Department, as I stated, has an inferiority complex. Nelson Rockefeller has headed this agency from the beginning; then he went to the State Department, where Mr. Stettinius, the Secretary of State, gave him two bosses among seven assistants. With their present attitude the State Department compares with Snow White and the Seven Dwarfs. I say that it can handle the functions of the OWI and the Office of Coordinator of Inter-American Affairs and all of our relationships to the exclusion of some of these war agencies.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. Can the gentleman assure the members of the Committee on Foreign Affairs of the House that when the State Department really needs funds to do these things adequately, and some Republicans are worried about the inadequacy of our foreign service, the gentleman will support us in really constructive measures when the State Department wants to do these things that the gentleman feels are not constructive now?

Mr. JONES. I am very glad the gentlewoman asked that question as a member of the Committee on Foreign Affairs, because I have been pleading for three consecutive years to get this matter straightened out. Two years ago the gentlewoman asked me a similar question by saying, "Who approved these funds for the special war agencies that are duplicating the work of the State Department?" At that time I made a statement on the floor of the House that, of course, the request was made by the Bureau of the Budget and the Committee on Appropriations approved it.

The only way that this duplication can be straightened out is for the Committee on Foreign Affairs to hold hearings, to coordinate and to bring under the State Department the exclusive power to represent our country with all foreign nations. The Committee on Foreign Affairs of the House or the Senate has never acceded to my views on the subject. They do not have to, of course, and as long as they do not hold hearings or bring in any bill to straighten out the confusion and the competition, there is nothing that can be done except to go on and handle these requests as the Committee on Appropriations has done.

Mrs. BOLTON. Mr. Chairman, if the gentleman will yield further, may I say that the gentleman has done a very fine piece of work in his analysis of the whole situation. Is not the gentleman aware that the Committee on Foreign Affairs has justified itself by appointing subcommittees for just this purpose? We felt we were very inadequately set up to do the very best work that could be done to back the State Department in any kind of a foreign service that is adequate to represent a country of the first magnitude in the world. Heretofore it has been very difficult for the State Department to have a real voice here. We hope that we shall be able to make ourselves heard, and I trust most earnestly that the gentleman will listen when we speak.

Mr. JONES. I certainly will listen. I would like to have something to work with and hear something constructive presented by the Committee on Foreign Affairs that will bring the representation of the United States Government into a compact organization of the State Department, and I would like to see the Secretary of State and the Assistant Secretaries of State have confidence in themselves to handle the entire representation of the United States, to head up Commerce and Agriculture instead of having them spread all over the lot.

Mrs. BOLTON. We shall be glad to have the gentleman's help in anything that he might suggest.

Mr. JONES. When we know that requests are being made before another subcommittee of the Committee on Appropriations for these several agencies, naturally we try to hold each one of them down. We did build up and add considerably more to the cost of the State Department. We added considerably more to the appropriation over the previous fiscal year, and on top of that there will be appropriations for OWI, for the Coordinator of Inter-American Affairs, the FEA, and other agencies.

At the proper time I will offer an amendment to strike out all of the Office of Inter-American Affairs, and I shall also present an amendment to the Office of War Information, which reads as follows:

Provided, That none of the funds herein appropriated shall be used to pay the salary or expenses of any employee of the Office of War Information for functions thereof in the Western Hemisphere other than the United States.

The Office of Inter-American Affairs has complete power, as the hearings show, to present radio transcriptions, to write magazine articles, to distribute magazines, to distribute newspapers, to make speeches, to do everything under the sun that the Office of War Information wanted to do in South America, and yet the broad lines of authority of the Office of War Information are not restricted outside of the jurisdiction of the Western Hemisphere. They operate in South and Central America, too. My amendment to the Office of War Information would at least straighten out that confusion and keep the OWI out of the Americas. If my amendment striking out the Office of Inter-American Affairs does not prevail to knock out the Office of Inter-American Affairs and return the functions to the State Department, then, at least, I will offer the OWI amendment so two war agencies, the OWI and OIAA, will not compete in South America.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield to the gentleman from Pennsylvania.

Mr. RICH. They not only gave all this information there but they did quite a good many things down there to set those people up in business, through the Office of Inter-American Affairs, did they not?

Mr. JONES. They have perfect power to deal and make grants, to make capital grants, to organize and initiate a capital structure in private organizations, I contend, from the authorization in this appropriation bill. There can be fraud and graft from heck to breakfast, and there is nobody to audit the accounts or nobody required to audit them.

Mr. RICH. Who gives them authority to do all this?

Mr. JONES. It is in the language of the appropriation bill that I read earlier in my speech. It appears on pages 10 and 11 and reads as follows:

That corporations heretofore created or caused to be created by the Coordinator of Inter-American Affairs primarily for operation outside the continental United States shall determine and prescribe the manner in which their obligations shall be incurred and their expenses allowed and paid without regard to the provisions of law regulating the expenditure.

What more could a crook want than that kind of authorization with which to deal with any official of the United States Government?

Mr. RICH. The thing to do is to vote for the amendment the gentleman is going to offer; but if the gentleman is unable to carry that, then what is the procedure?

Mr. JONES. The best thing is to try to vote down the bill.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I want to ask the gentleman from Ohio a question, if I may, to get myself straightened out in regard to his proposed amendment. Does the gentleman propose to reduce further the appropriation for OWI for all its foreign work?

Mr. JONES. No. My amendment does not attack at all the amount of $35,000,000 allowed in this appropriation bill. All it does is limit the functions to functions outside of the Western Hemisphere, where the Office of Inter-American Affairs has concurrent jurisdiction. They are both in it.

Mr. MURDOCK. I thank the gentleman.

I have heard much praise about what work has been done by the OWI abroad during this war. I heard the gentleman say that he felt that a good many of these functions ought to be turned over to the State Department. I am in favor of as much coordination and consolidation as possible, but we ought to hesitate about doing that or closing out OWI too soon. I have a lot of confidence in Elmer Davis and I think the OWI has done a splendid piece of work abroad during the war. The war is not over yet. I am quite anxious that we support OWI adequately.

I am told on reliable authority, and I know it from my own relatives abroad

as well as others, that a great deal of helpful American information is dispersed on the continent of Europe among our allies, impartial and accurate information that ought to be widely scattered by the OWI. It is a kind of advertising of our country and it is a kind of advertising, by the way, that the State Department is not equipped to do and could not appropriately do in peacetime.

Speaking of advertising, every business concern in America does its advertising. I can pick up my magazine and see, for instance, that the Pennsylvania Railroad has its fine pictures and its advertising matter, all of which costs much money, but such expenditure is regarded good business to spread information even before those who already know about it.

I wonder what percentage of people in this section have never heard of the Pennsylvania Railroad. Probably not 5 percent. Yet they advertise and spend a lot of money wisely in advertising. How many people in the Allied countries of Europe know anything like fully what part Uncle Sam has played in this war? Probably not 5 percent know much about America's attitude and action in this war. We have sent 12,000,000 men into uniform and a great number of women. We have footed a large share of the bill. We have lend-leased guns, ammunitions, and matériel of war. We have paid a heavy price in blood and tears.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I cannot yield until I make my point. The point is that we have helped mightily and adequately to win this war. In my opinion, and I am thoroughly convinced, the entrance of the United States in the First World War in 1917 brought victory. Without America the Allies would have been defeated. But how many people in Europe think that? I am thoroughly convinced that the entrance of the United States in this greater conflict has brought victory, and if it had not been for the decisive part played by the United States there would have been no victory for the Allies in this war. Yet how many people in the world know this truth?

Other leading countries are making known to Frenchmen, Dutchmen, Danes, Norwegians, Swedes, and all the rest of conquered Europe what they have done toward liberating them. But they do not know America's part except as we tell them; and we have been telling them though the Office of War Information that American soldiers have fought and died and won many decisive battles.

Yes; we furnished the vast sums of money. They may never pay it back. They may never pay back the debt of the First World War. Well, forget about those debts. But I would like to have the millions of Europe whose hide we saved in 1917 and 1918 not forget about the fact we saved them. All those people ought to know, and OWI is one means we have of letting them know about this war. We should at least get the credit if we do not get a return of the money invested in the victory of 1918 and in the victory of 1945. Unless we do this in a scientific, accurate, tactful way, and extensively, Europe's few leaders will soon forget, because they do not want to remember, and the masses of the people will not know that it was our men and our guns that won the victory in 1945. This work of enlightenment is not costing too much if it is done and well done.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

SMALLER WAR PLANTS CORPORATION

Mr. PATMAN. Mr. Chairman, the report of the House Appropriations Committee indicates that the Smaller War Plants Corporation has been recommended for an appropriation of $7,000,000.

This amount is $1,000,000 less than the amount recommended by the President as necessary to carry on the operations of the Corporation.

SWPC HAS DONE MUCH WITH A MINIMUM AMOUNT OF MONEY

I believe that it is fitting for me to observe that seldom in the history of the Government has an agency done so much with so little. Last year the appropriation of the Smaller War Plants Corporation was $10,000,000. Of that amount, and with praiseworthy economy, the Corporation expended about $8,250,000. And, yet, with this very modest administrative investment the Corporation has protected and aided small business interests in our national economy which have an economic value running into billions.

SWPC WAS CREATED BY CONGRESS AND HAS CARRIED OUT THE WILL OF CONGRESS

The Smaller War Plants Corporation was, and is, a congressional instrumentality. Public Law 603, Seventy-seventh Congress, which created this Corporation, was passed unanimously by both Houses of Congress. The Corporation was the first, and for a long time, the only war agency created by statute.

Congress established the Smaller War Plants Corporation as an agency to ensure maximum protection of the small interests of the Nation and the full mobilization of production resources to aid the war effort. You will recall with me that back in 1942 the small producers of the Nation were largely left out of war production. Procurements were going to large industries. Small business was being squeezed out. At the same time, when we needed every ounce of productive energy, to produce goods for war, small plants were standing idle.

To meet these dangers, SWPC was created. Its record of achievement has fulfilled the objectives we set forth to a degree which has exceeded our expectations.

A REVIEW OF THE RECORD OF SWPC SHOWS PROGRESS ALONG ALL LINES

It is entirely proper that, as we consider the allocation of funds to the Smaller War Plants Corporation for another fiscal year, we review briefly the record of the Corporation and the new program which we in Congress have delegated to the Corporation.

PRIME CONTRACT AWARDS TO SMALL PLANTS WITH THE ASSISTANCE OF SWPC

During the 2½ years of its existence, the Smaller War Plants Corporation has brought about the awarding of prime contracts to small plants to the sum value of $3,300,000,000. During 1944 alone $2,100,000,000 went in prime contract awards to small plants. This represents an increase in Army contracts from an average of 13 percent prior to 1944 to 22 percent in the last 7 months in 1944. In the case of the Navy, prime contracts to small plants arose from 8 to 24 percent. In addition, a great volume of business went to small plants in the form of subcontracts. The Smaller War Plants Corporation has constantly urged that the small plants of the country be given subcontracts.

LOANS

To meet the pressing need of small plants for financial assistance, the Corporation has made over 2,000 loans involving $270,530,000. These are loans which were originally turned down by banks. In other words, had it not been for the Smaller War Plants Corporation, small plants would not have been able to secure necessary financial assistance with which to fill necessary war contracts. Interestingly enough, the loss on loans to date has not exceeded 1 percent.

The financial program of the Corporation has filled a vital need in our economy. There can be no expansion of small business or participation in war production so long as small producers cannot secure necessary financial assistance. In carrying out this program, the Corporation has at all times urged participation on the part of the banks. The relations of the Corporation with the banks are good. The banks realize that the Smaller War Plants Corporation does not compete with commercial banking but fills a need which otherwise would not be met.

TECHNICAL ADVISORY SERVICE HAS SPEEDED WAR PRODUCTION

Through the Technical Advisory Service of the Smaller War Plants Corporation small producers and manufacturers have been able to secure necessary technical information without which they would not have been able to meet war contracts. During the war over 10,000 requests for assistance have been received by the Smaller War Plants Corporation. These have been met. As a result, small plants of our Nation have more up-to-date processes than before, and, more important, they have made a greater contribution to war production.

SWPC, AN IMPORTANT FACT-FINDING AGENCY

In addition to its basic operating program, the Corporation has created facilities by which up-to-date economic data on small business are available. The Corporation is constantly gathering valuable statistical information which various committees of Congress are making and have made use of. Through this information we are able to understand and evaluate the problems of small business more effectively than ever before.

CONGRESS HAS EXPRESSED CONFIDENCE IN SWPC

The successful war program of the Smaller War Plants Corporation has brought forth many expressions of confidence on the part of Congress.

On the basis of the excellent manner in which the Corporation has fulfilled its basic war objectives, this Congress

has entrusted many new and important responsibilities to the Corporation in connection with reconversion.

In the Contract Settlement Act, Public Law 385, this body charged the Smaller War Plants Corporation with all of the responsibility necessary to protect small concerns in all phases of contract termination.

In Public Law 457, the Surplus Property Act, Congress again gave extremely broad powers to the Corporation in order that small business might have a full opportunity to participate in surplus property markets. Public Law 457 went so far as to give the Corporation the authority to purchase surplus goods for small business if, on investigation, it found that the needs of small business were not being otherwise met.

Again, in the Reconversion and Mobilization Act, Public Law 458, definite reference is made to small business protection.

The intent of Congress as expressed in these laws is clear and unmistakable. As in Public Law 603, this Congress is resolved that the smaller independent interest of America which is the backbone of our free economy, shall be guaranteed such protection as will assure them an opportunity to compete and expand.

LIFE EXTENDED TO DECEMBER 31, 1946

Only recently the life of SWPC was extended to December 31, 1946. This was done only after a thorough examination of the entire operation of the Corporation. Congress through its own creation of the Smaller War Plants Corporation has recognized the need of utmost urgency in the present and future operations of our Government.

ADDITIONAL RESPONSIBILITIES HAVE BEEN ENTRUSTED TO SWPC BY OTHER AGENCIES

Congress has not been alone in reposing great confidence in the work of the Smaller War Plants Corporation.

Several months ago the Veterans' Administration designated the SWPC as agent to handle all loan applications for veterans under the GI bill of rights except those processed through banks. This was a recognition of the financial integrity and good business judgment of the Corporation.

Only last week the Surplus Property Board, by regulation, designated the Smaller War Plants Corporation as the sole agency for the handling of the veterans' program as it relates to purchasing of surplus property. This is a designation of great magnitude. It will place a tremendous burden on the Corporation's facilities. I might add that this designation was not known at the time the House Appropriations Committee held hearings and rendered its report.

We all know how important it is that veterans be given an opportunity to acquire Government surplus when the acquisition is based on a justifiable need. There is absolute unanimity on the part of this Congress and on the part of all American people that the returning veteran be given every opportunity to secure out of the store of surplus materials those items for which he has a need.

The Surplus Property Board has recognized the right of the veteran along these lines. I will go so far as to say that the Surplus Property Board selected the Smaller War Plants Corporation to administer this program because it felt that this Corporation would administer the veterans program on a sound business-like basis and in keeping with our expressed purpose of helping the veterans.

I would like to call your attention to another point of great significance. We are interested in expansion of small business in America. The veteran represents a great potential reservoir of new small businesses. Naturally the veteran is a potential small businessman and not a large operator. The surplus goods he acquires will be used to establish his own small, independent enterprise. If we can establish thousands upon thousands of these we will not only have kept the faith with the veteran but will have insured a continuing, vigorous, free enterprise economy.

CONGRESS SHOULD PROTECT ITS OWN CREATION

The importance and full contribution of the Smaller War Plants Corporation cannot be measured in terms of dollars and cents alone. During the 2½ years of its existence it has done much to focus attention upon the peculiar problems of small business. In this respect it has again carried out the will and mandate of Congress, as expressed through the Small Business Committees of both Houses.

At this point I would like to say that the Corporation, through its Chairman and Board of Directors, has, at all times, worked in absolute harmony and cooperation with the House Select Committee on Small Business of which I am chairman. This I know has been true also of its relation with the Senate Small Business Committee. I have, at all times, found it willing to follow any suggestions which have been made. In short, we have worked together for a common purpose—the preservation of true small-business opportunity in America.

It is difficult to evaluate specifically the part which the Corporation will play—by specific mandate of Congress—in the basic reconversion programs. But that part will not be a small one because of the action of Congress itself. On every hand Congress has turned to the Smaller War Plants Corporation as an agency through which the will of Congress can be translated into action. Judging from the past performance of the Corporation, it is my opinion that this agency which we have created will continue to merit the confidence of Congress.

Always, of course, our first objective is to win the war. And, in this respect, I am convinced that the end of the European war was hastened by the effect mobilization of small-business production resources. Likewise, the continued contribution of small producers throughout the Nation will speed the day of final victory over Japan.

As chairman of the House Select Committee on Small Business and as an American citizen, I believe that the preservation of small-business interests are directly related to and a part of the preservation of the free-enterprise system in America. We, the Members of Congress, created the Smaller War Plants Corporation and as long as that Corporation fulfills the purposes for which it was created, it becomes our duty to afford it encouragement and financial facilities with which to do the job we have laid out.

In view of the greatly expanded program which lies ahead, growing out of the Surplus War Property Board regulation, and the various measures of Congress, I do not feel that the Corporation can operate successfully on an appropriation of $7,000,000. Again, I would remind you that the record of the Corporation is evidence of the fact that the organization has, and will, continue to operate with a minimum of expenditure. It has demonstrated economy in its operations during the past year. I have every confidence that such economy will be continued during the coming year.

Let us not be unmindful, therefore, that during a period in which appropriations have been made by the billions that this agency with a few million dollars allocated from its capital stock has given us a record of performance not excelled by any other agency of government. It is a record of performance in behalf of an object in which we all believe—the preservation and protection of the rights of small business throughout America.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. PATTERSON].

INTERNATIONAL IMPLICATIONS

Mr. PATTERSON. Mr. Chairman, the struggle for world peace is not only taking place on the international level. The domestic policies of our Nation and the other major powers compose, in part, the stuff of which permanent peace is made. Good intentions alone, without appreciation of the basic problems which must be solved before world harmony is achieved, are not enough. Domestic unrest and internal strife are sufficient in themselves, and quite apart from economic and ideological differences between nations, to generate the spark that may again engulf the globe in flames.

Among the more crucial of these home-front problems are the threat of widespread unemployment and the accidental or deliberate accentuation of racial and religious cleavages. Full employment and fair employment are vital to peace. Both are necessary unless the Nation is to be divided and the unity so painstakingly built during the war years is to be shattered.

The United States constitutes an experimental laboratory made to order for statesmen and political scientists. Every racial and religious group is represented, as is every shade of political and economic opinion. How can we expect to assume world leadership and direct the energies of the millions that constitute the United Nations into constructive channels, if we fail at home? How can the people of China and the Philippine Islands retain confidence in American ideals and objectives if our bad faith is illustrated by our cavalier treatment of our own dark-skinned citizens? How

can we strive for world unity if, at home, we pursue policies that result in irreconcilable divisions?

At San Francisco, our delegates are laboring to erect a structure in which to house a covenant of permanent peace. The action of the House Appropriations Committee in removing the FEPC appropriation from the national war agencies bill of 1946 at this time is tantamount to driving a nail into the coffin of those ambitions. It is hard to believe that the Appropriations Committee could not have known what it was doing—could not have suspected the effect of this action on colonial peoples everywhere. At best, the action was thoughtless and misguided. At worst, it was a direct slap in the face of those people who had every right to expect, from our utterances and political direction, much more in terms of sympathetic aid and assistance. Some have felt justification in labeling this action as a deliberate sabotage of the people's efforts to eliminate force as an instrument of settling international disputes and I am not entirely certain that this conclusion is erroneous.

Fortunately, it is not too late to remedy this disaffection. The FEPC must continue, preferably as a permanent arm of the Government, but certainly as an instrumentality for assuring fair and impartial economic treatment to all persons, during the reconversion period, without regard to race, creed, color, or national origin. Unless affirmative action is taken promptly, minority groups will know that their Government has washed its hands of the entire matter. I am not willing to predict the consequences, at home and abroad, of our failure to protect our loyal minority group citizens.

Continue the FEPC. In no other way can we repair the damage that has already been done. In no other way can we contribute so constructively to the perpetuation of good will at home and among nations.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentlewoman from California [Mrs. DOUGLAS].

Mrs. DOUGLAS of California. Mr. Chairman, every bill that passes this House, not only directly affects the men, women, and children of this country, but also directly affects the men, women, and children of the world. It is hard to remember, but it is nevertheless true that our words and attitudes and actions are building daily the kind of world we will live in in the future.

The dropping of the FEPC from this bill for a variety of reasons not only is an injustice to the minority citizens of this democracy, but it is an injustice to all other Americans who are not members of minority groups.

It is an injustice because we must all share the blame of refusing equality of opportunity to minority groups. Failure at this time to provide for the Fair Employment Practice Commission does more than dirty the hem of our democracy. It casts doubt in the minds of all the colored peoples of the earth who are, incidentally, in the great majority, as to the quality of our democracy. It raises the question among the colonial peoples of the earth, most of whom are colored, as to whether or not we are really their friends, whether or not we will ever understand their longing and right for self-determination.

Just as a person is known for certain qualities, certain principles, just as a person is identified with certain ideals, which are built up over a period of time, so a nation is known for her qualities.

And just as an individual can build for himself prestige in a community, so a nation in the community of nations establishes confidence, attains stature and prestige and thereby gains leadership or loses the confidence of other peoples and thereby loses her place of leadership among the nations.

The action taken at this time in relation to the Fair Employment Practice Commission will be known around the world, and to the degree to which we have broken faith, we will have lost leadership.

If you think I am exaggerating, talk to those who have come back from the Far East and hear what they have to say.

If we would retain the leadership which is rightfully ours in the world, we must show respect for the other nations of the world and all their peoples. We begin at home to show this respect by our attitudes toward individuals in minority groups—not merely by talking about the ideals of democracy.

Of course, if we wish to abdicate a position of leadership, that is all well and good. But let us not complain then if some other nation takes our rightful place in the future.

And if this were not true about the effect of our failure to live up to what we say we believe in upon world opinion, it is still true that we have a democratic tradition to fulfill for our people here at home.

This House has more than once vindicated the most implicit principle of democracy that men are created equal in their rights under the law.

The right to work is most vital to us today. The Fair Employment Practice Commission is no more than an effort to recognize this right and to give it that substantial effectiveness which alone makes laws a valid method of implementing democracy.

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I have listened to a number of speeches with respect to the FEPC, including the speech just made by the distinguished gentlewoman from California. All of these speeches belabor someone for not bringing FEPC before the Congress, and it is stated that unless the FEPC bill is passed the United States is going to lose its leadership. I do not quarrel with that statement, but why not be perfectly fair and frank with the people of America and these so-called minority groups that the New Deal has for years catered to in order to obtain their vote?

Why not put the responsibility for failure to bring in the FEPC right where it is? The New Deal has the votes. The New Deal Democratic Party has the votes—an overwhelming number of votes—and if you want to have the FEPC here, you have the votes to bring it here. Why do you not tell the people of this country and point out that a Republican assembly and legislature in New York, under the guidance and direction of a Republican Governor, kept its promise with those minority groups and wrote into the statute law of the State of New York an FEPC law, which Governor Dewey signed? Why did you make political capital last November in making your appeal to the minority groups to support your party? Now you are up here, person after person, complaining and crying because you cannot get the bill before the Congress for consideration. The responsibility lies, if it lies any place, in the hands of the administration that controls the committees of this Congress and says which legislation shall be permitted to come before the Congress. The Rules Committee is comprised of 12 members—8 of them are Democrats and 4 are Republicans. With this great control of the Rules Committee, why do you not keep your promises to the minority groups in the same manner as Governor Dewey did in New York? You have the votes; and if you fail now, you are again demonstrating that the promise you made last fall was mere campaign oratory.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota, [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, there is only one reason that the FEPC is not in this bill, and this talk about the Committee on Appropriations taking it from the bill is more or less beside the point. The one reason that the FEPC is not in this bill is that a legislative bill to create an authorization for the FEPC has been denied a rule by the Committee on Rules. Had the Committee on Rules reported a rule, then the committee would have considered an appropriation here. For a somewhat similar reason an appropriation for the OPA is not in this bill. A bill to extend the life of the OPA is pending in the other body, and the committee took the position that since a point of order would lie against the OPA appropriation or the FEPC appropriation, and since the question of a rule was not settled on either of these propositions, it would be a perfectly fruitless and futile thing for us to put these items in the bill. A point of order would have been sustained against it, and had the FEPC been in here on the basis of the refusal previously given, a rule could not have been obtained for this bill.

Mr. D'ALESANDRO. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Maryland.

Mr. D'ALESANDRO. Is it not a fact that two attempts were made in committee to restore the appropriation for OPA; one by the majority party and one by the minority party?

Mr. CASE of South Dakota. For OPA?

Mr. D'ALESANDRO. For FEPC.

Mr. CASE of South Dakota. For FEPC. The question was brought up and was considered but it was pointed out that it would be subject to a point of order and would be a perfectly futile thing to do.

Mr. D'ALESANDRO. That is correct.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. I fail to follow the philosophy of the Committee on Appropriations or the Committee on Rules. We bring a rule in here to make in order a whole lot of legislation in this appropriation bill apparently on the ground that there is no bill pending even to suggest such legislation, but omit FEPC as a war agency merely because legislation is pending to make it a postwar agency.

Mr. CASE of South Dakota. But let me point out to the gentleman from Ohio that on none of the things in this bill have the Committee on Rules declined to give a rule, whereas the Committee on Rules had declined to give a rule on the FEPC, so it was obvious that if we put the FEPC item in here we would not get a rule for the consideration of the balance of the bill.

Mr. VORYS of Ohio. Would the gentleman permit me to finish my question? Is it to be the position of the Committee on Appropriations and the Committee on Rules that at any time a bill is pending on a legislative matter they will not give a rule permitting legislation on an appropriation bill? Because if that were the position, then all of this legislation on appropriation bills could be stopped by introducing bills to cover those legislative subjects. I do not quite follow the philosophy.

Mr. CASE of South Dakota. No; not by simply introducing a bill. The gentleman overlooks the fact that in this instance, the Committee on Labor had considered and reported the bill. If another bill were to be reported by a committee of the House and then were to be refused a rule by the Committee on Rules, as the FEPC bill has, the committee might take the same position. I do not know; but that would be a logical position. No general rule was adopted, but in this instance we had a definite situation where the FEPC bill, it was known, had been before the Committee on Rules for many days, and the rule had been considered and had not been reported out.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Michigan.

Mr. MICHENER. The FEPC bill is before the Committee on Rules. It has been there for a long time. Some of us are ready to vote for it. I understand that the chairman of the committee has announced that on Tuesday next there will be a vote, rain or shine. I hope that is true. I am sorry this is getting into politics, but let us remember that the only political committee in the House is the Committee on Rules. That is the only committee in the House that has twice as many members of the Democratic Party as it has of the Republican Party. It would seem strange that our friends of the minority who are now complaining could not muster up at least three votes out of the eight in their political party, in order to report out the FEPC bill.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. May I say in answer to the gentleman that it is a very great pity that the Committee on Rules is composed mostly of Democratic members from one part of the country. I am very sorry that that is true. They are not representative of the Democratic Party as a whole. That being the case, unfortunately, we must depend upon you Republicans to help report a rule on FEPC to get the bill before the House.

Mr. MICHENER. The Democratic Party placed those members on the Rules Committee. It was a Democratic Party action. Please do not accuse the Republicans now. We have been criticized enough, God knows, without being accused of setting up the majority committees, which are to carry out your policies.

Mrs. NORTON. I am not accusing the Republicans of anything of the kind. I know you had nothing to do with selecting members to the Rules Committee. Neither did I.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Georgia.

Mr. COX. I should like to make the observation that there are those on the Committee on Rules who believe that the most dangerous thing that can happen to our society is to have class become a political problem and be dealt with as a political question. Marxism, not Christianity, not Americanism, has made a dogma out of the class struggle. I happen to be one member of the Committee on Rules, to whom reference has been made, who refuses to write Marxism into our institutions by legislating upon the question of class.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I must decline to yield any further. I really had intended to talk about the bill. We have talked about an item that is not in the bill, or at least those to whom I have yielded have talked about it. It is not in there for the simple reason that a rule was not granted covering it, and we did not want to endanger the balance of the bill.

This bill deals with the national war agencies, most of which have been set up by Executive order. Because of that fact most of them are without legislative authority. They are not permanent agencies; they are temporary wartime agencies. They represent the marshaling of the Nation behind the Army and the Navy for the prosecution of the war.

The gentleman from Texas who spoke a few moments ago referred to the place occupied by the Smaller War Plants Corportation. He spoke of it as an aid to little business. I call the attention of the committee to the fact that in the hearings the head of the Smaller War Plants Corporation repeatedly told us about the great future he saw for his agency; in fact, at one point he stated that he would like to see the name changed to the Small Business Corporation.

I call that to your attention because in the case of practically all of these agencies some attempt will be made to carry these wartime activities over into peacetime.

In the case of the Smaller War Plants Corporation the Director was very frank. He told us he thought he ought to have his agency's name changed so he would not be identified purely with the war.

Mr. Chairman, I dislike to yield further; I had hoped to go into a little discussion of some of these agencies because these agencies are the ones which have been causing headaches for Members of Congress. These are the agencies that have put on the wartime restrictions: The War Production Board; the Office of Price Administration, on which we had hearings, although there was no appropriation included in the bill for that because of the pendency of the extension act; the Office of War Information; the War Mobilization and Reconversion Office; the War Labor Board; the Economic Stabilization Office; the Office of Defense Transportation. These are agencies which have been putting restrictions upon the activities of citizens during the time of war.

Mr. PITTENGER. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. Of course, I yield to the genial gentleman from Minnesota.

Mr. PITTENGER. The gentleman mentioned the OPA a while ago. I wonder if the OPA appropriation is in this bill. I do not think it is.

Mr. CASE of South Dakota. The OPA appropriation is not in this bill. During the hearings on this bill we had hearings on the OPA estimates but the pendency of the extension bill in the other body, as I have previously said, is the reason for its not being included here. When the fate of pending amendments to the extension act are known then we can act on the appropriations needed intelligently.

As it was it was something of a problem to make appropriations for the activities here presented. For example, there was the Surplus Property Board which came before us, not knowing what they were going to set up, and answering questions in the vaguest sort of fashion. In fact, the head of the Surplus Property Board said some people have said the act is not workable in its present form. At one point the gentleman from Illinois interrogated the man who was representing the Department of Agriculture about the plan for the disposal of surplus food and asked what the basis was for the estimate. The gentleman from Illinois asked:

Just how was that estimate of $10,800,000 contrived?

The answer given by Mr. Meeker was:

As we explained previously, Mr. DIRKSEN, the estimates from the owning agencies, the agencies who are declaring food surplus to War Food for disposal, were not at all satisfactory. In the final analysis, we had to make the best estimate we could with the information at hand, which was inadequate.

The gentleman from Illinois [Mr. DIRKSEN] answered:

Of course, that is no answer at all. I am not being supercritical, but it is one thing to reach out in the air and grab a figure and another thing to have a basis for it.

Now, Mr. Chairman, realizing that my time is short and at the point of expiration, I shall merely say that remarks which I had hoped to make on the Office of War Information, War Shipping Administration, the Office of Scientific Research and Development, the Surplus Property Board, and the Smaller War Plants Corporation, will be made at a later date.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, we find the House of Representatives placed in a position where it is powerless and deprived of any opportunity to pass upon a most important question, and that is, on the appropriation for the FEPC agency. Despite the fact that the President of the United States has recommended favorable action on this matter, the House cannot vote on it. It cannot vote on it for two reasons: first, because the Committee on Appropriations refused to appropriate for this agency, and second, because the Committee on Rules refused to grant a rule which would have made an amendment appropriating for this agency in order. That is not only strange, it is tragic. I believe and submit that both the Committee on Appropriations and the Committee on Rules have to take the responsibility for the calamity which will ensue as the result of this agency going out of existence. I hope the Senate of the United States upholds the best democratic traditions of this country by restoring this appropriation.

I want to deal a minute with this grand mystery, mystery No. 1 of the year, the great detective story "Who killed FEPC?" I think we should know who used the dagger; we should know who slipped in the poison. We should know who is the undertaker and who is the embalmer. We have been seeing the buck passed, the Alphonse and Gaston act, "I did't do it. You did it. We Republicans did not do it. You Democrats did it." Let us get the facts. I think the country ought to know the facts.

For the past week the Rules Committee has been lined up 6 to 5, 6 for FEPC and 5 against. If the Republicans stood by what they said they would do, to support the rule for a permanent FEPC, that would have given us 4 votes for it on the Republican side, and there were 2 Democratic votes for it. Why was no vote taken? What was the jockeying behind closed doors? Why did the committee fail to vote when there was a majority for FEPC? There are members of the Rules Committee present on the floor and if what I say is not accurate I shall yield to them for correction.

First of all, it is charged that there was an agreement not to have any vote until the gentleman from Missouri [Mr. SLAUGHTER], who is the twelfth member of this committee of twelve and who has been away, returned. If that is true, then I say that was a deal against the interests of the country. I say that those who are in favor of permanent FEPC legislation should never have made that deal. You cannot get away with it before the country. Why is it that that committee did not have a quorum? Why did men who were supposed to favor FEPC stay away from committee meetings when the chairman was seeking to obtain a vote? I am not worried about the enemies of FEPC. I am worried about the so-called friends of FEPC. You can be somebody's friend in a certain way as to aid and abet his killer. This kind of friendship, professed friendship, has brought us to the stage where FEPC is being murdered. So you now finally announce that you are going to vote on Tuesday. What a great favor! You reached an agreement to hold a vote on Tuesday in that committee, a sacred agreement, which is not going to be broken. Let us see what that is going to do for FEPC rule. If the gentleman from Missouri [Mr. SLAUGHTER], returns on Tuesday and if he should cast his vote against the FEPC rule, that will make the vote 6 to 6, and the rule for FEPC will fail.

The country ought to know about this jockeying. I can have respect for a man who stands up on the floor of this House or in committee and says, "I am opposed to FEPC and I will vote against it." I disagree with him but I at least respect him for having the courage of his convictions. But this business of playing this sly game behind closed doors, of making a deal not to vote until you are sure to have enough votes to kill the rule, that kind of business is not in keeping with square and fair dealing that the American people require on this most important question.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman one additional minute.

Mr. MARCANTONIO. I have stated these facts, not being a member of that committee, but these are the facts. No one contradicts them. I want the people of this country to know what has happened so that when Tuesday comes along and the rule is not reported, nobody can start playing once again the Alphonse and Gaston act and say, "No; I did not do it. You did it." And the other fellow says, "No; I did not do it. You did it." We might as well let the people have the whole story. It is one of double-crossing and double-dealing from beginning to end.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. TABER. Mr. Chairman, I yield the balance of my time to the gentleman from Pennsylvania [Mr. GAVIN].

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 8 minutes.

Mr. GAVIN. Mr. Chairman, I regret that more Members were not present today when the able gentleman from New York [Mr. TABER] discussed the OWI.

In the name of common sense it is about time this Congress becomes practical. Let us take a realistic view of matters in an honest and sincere way. Two and two still make four, and this orgy of spending of the public's money on nonessential and unnecessary governmental agencies must cease unless we want to throw this Nation into bankruptcy.

As far as OWI is concerned, I want to state honestly and sincerely that I have no faith in the work the OWI is doing. Nobody knows much about it, and you cannot find out much information about it. It is a hodgepodge of individuals from all over the world, thrown together with a lot of world ideas and dreams that may eventually cause more consternation than good.

I am suspicious of the whole outfit. I do not believe in its work, and I will feel much easier, as will the American people, when this outfit is out of business.

To spend $35,000,000 on the OWI at this time is an insult to the intelligence of every man and woman who wears a uniform. If I were convinced that this agency would bring this war to an end one split second sooner, I would increase the appropriation a thousandfold. But I have convinced myself, honestly and sincerely, that it is useless. It has degenerated into a haven for worn-out writers and propagandists and is a refuge for an element seeking soft berths during this war period.

A local paper stated:

On May 1 OWI had 9,385 people on its pay roll—in this country, 4,023; elsewhere throughout the world, 1,661 sent from the United States and 3,701 hired abroad. Since then it has been recruiting.

Some OWI employees are able and well meaning. Many are crackpots, professional do-gooders, and persons making the most of a chance to spread at public expense strange propaganda which would surprise and displease the American people if they knew all that goes on.

Now, I am asking you, Why do we have to have 3,701 foreigners on the OWI pay roll? What is the trouble with some sound, clear thinking Americans? I would like to know how many Americans are on the pay roll of British war information; and how many Americans are on the pay roll of French war information; and how many Americans Joe Stalin has dishing out propaganda to the Russians? Well, you know the answer, and it is unnecessary for me to dwell on that score any longer.

If the Members of Congress were back home talking with the people of their districts asking them what they thought about spending $35,000,000 for OWI, I am of the opinion they would find they would be definitely opposed to any further spending for this agency. And you are going to be on record today for approving or disapproving this agency.

Now a million dollars is a thousand thousand dollars and we are asked to spend thirty-five thousand thousand dollars to continue this agency of the Government which has outlived its period of usefulness.

If all the servicemen of each Member's district were in the gallery listening to this debate I wonder how many of the

Members would vote a $42,000,000 appropriation.

The amendment which will be offered will give them enough to carry over in the Pacific and then liquidate the outfit, write the whole thing off, call it a day. To me OWI is a great mental disturbance and I will feel greatly relieved when these 3,701 foreigners are off our pay roll.

Who is going to pay this bill? If the appropriation requested is approved today, the boys who are over there doing the fighting now will have to come home, find a job, take off their coats and go to work to pay the taxes to pay this $42,000,000 which is absolutely unnecessary.

The American press in this country is doing a great job and the news of the country, and the news of the world, has been handed to the American people in a thorough, informative, speedy and efficient way. When you want war information or any other information you read the papers, not OWI hand-outs.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. GROSS. In all the material that they have put out all over the world, which we know is a great deal, does Uncle Sam ever appear anywhere in it? Uncle Sam seems to be unknown to OWI.

He, after all, used to be a familiar figure that inspired us. Now, it is one or two men who are publicized throughout the world. Why should not Uncle Sam be publicized?

Mr. GAVIN. I thank the gentleman for his contribution.

If the OWI handled all the news, they might have thought it inadvisable to tell us that the war in Europe was over.

I know a lot of Members who have become global minded, and they have talked with OWI representatives at home and around the world, and they will say they have done a good job—and some will say "Well what are you going to offer us to take its place?" However, I say that we have no further need for the OWI; and that the War Department, the Navy Department, the State Department and the domestic branches of the Government can handle the situation in a very thorough and businesslike manner.

The type of service that the OWI is rendering the country was indicated in the recent program developed for occupied Germany by Dr. Elmer Holmes Davis, Director of War Information, which met, not alone with the disapproval of the Chiefs of Staff but also President Truman vetoed the program that they had intended to carry on in war-torn countries of Europe.

The President has been sending over letters lately approving legislation which he believes is necessary and essential, but I want to state to the Members that I am of the opinion that you will not hear the Speaker take the floor today to read any letter from the President putting his endorsement on the OWI.

As far as expenditures are concerned we all go along gladly on war expenditures; and if it took every dime we had as a contribution to this war effort, everyone of our millions of people in the Nation would gladly give it to bring about a speedy and total victory in our war effort.

There is not a Member of this House who, if you ask him just what the OWI has done as a contribution to the war effort, would give you any definite information of any consequence. The only thing I know about it is that they dropped leaflets, which was the principal argument for their existence last year, and I understand that they carried on some propaganda and musical programs and psychological stuff throughout the world. But the war in Europe is now over, and we are turning in a magnificent performance in the South Pacific, and this is pretty much without the OWI. Every time one of these agencies of Government is started an attempt is then made to perpetuate it and keep a lot of so-called brilliant minds on the pay roll when they ought to be out looking for jobs and doing something constructive in the war effort. Uncle Sam has been very generous, but the time has come when we must recognize that though he is presumed to be the rich uncle, he is not rich enough to keep on spending and spending indefinitely unless we want to throw this country into bankruptcy. Somebody must pay the bill, and the only ones I know who will pay the bill are the eight or nine million boys in the service who will return home and pay the bill. They not alone have to fight the war, but they have to pay for it.

I feel certain that the American people will applaud the action of Congress in erasing for all time the OWI, and it will bolster their morale if they know we have the courage to stand up and eliminate these unnecessary appropriations to continue war agencies that are of no value to the war effort.

I agree with what has been said here today and if we want to indicate to the American public that we are looking after their interests we will slash this item without much debate.

As far as I am concerned, what has happened is water over the dam; write it off and take the loss and forget about it. But to put many millions more on the barrel head and keep up this agency is just throwing good money after bad. There is nothing to be gained and I cannot see any good that the OWI can do over the months that lie ahead.

Let us stand up like good Americans with the courage and intestinal fortitude to get rid of some of these unnecessary wartime agencies. I want to state that if we put this matter up to a lot of returning servicemen and ask them what they think about spending $35,000,000 for OWI, I know what they would tell you and tell you in no uncertain terms.

This is a great opportunity to bolster the morale of the American people by Congress reasserting itself and looking after the public interest and welfare of the American serviceman and taxpayers. Let us not be swayed by a lot of catalog appeals, all of which we have heard over and over again. Thirty days from now this agency like the National Youth Administration will never be missed—never be missed. This OWI outfit will be something to be remembered but not talked about. The amendment that will be offered should be adopted to give them enough to liquidate and go out of business, and I trust the Members will vote for its passage.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE FOR EMERGENCY MANAGEMENT
National War Labor Board

Salaries and expenses: For all necessary expenses of the National War Labor Board, including salaries at not to exceed $10,000 per annum each for the four public members and not to exceed $9,000 per annum each for the four alternate public members, of the Board; travel expenses (not to exceed $720,000), including travel of new appointees and transportation of their immediate families in accordance with regulations prescribed by the President, and expenses of transportation of household goods and personal effects in accordance with the act of October 10, 1940 (5 U. S. C. 73c–1), from the places of their actual residence at the time of appointment to places of employment outside continental United States, and for such expenses on return of civilian officers and employees from their posts of duty outside continental United States to the places of their actual residence at time of assignment to duty outside the United States; not to exceed $45,000 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); printing and binding (not to exceed $30,000); payment at the rates not in excess of those fixed by law for witnesses attending in United States courts (28 U. S. C. 600c), of fees, mileage, and subsistence of witnesses appearing at hearings held by the National War Labor Board or its agents in connection with the performance of its functions, which payment of fees, mileage, and subsistence shall be subject to certification by the Chairman of the Board, or his designee, as to the necessity therefor; actual transportation and other necessary expenses, and not to exceed $25 per diem in lieu of subsistence, whether or not in a travel status, of other members, alternate members, and associate members of the Board while serving as such without other compensation from the United States; $13,320,000: *Provided*, That those provisions of section 201 of the Independent Offices Appropriation Act, 1946, making appropriations available for travel and subsistence of persons employed or serving intermittently or without other compensation while away from their homes or regular places of business shall apply to public, labor, or industry members of the regional boards, committees, commissions, or panels, or public hearings officers of the National War Labor Board, whether employed intermittently or indefinitely, and the term "consultants" as used in section 201, National War Agencies Appropriation Act, 1945, and title I, under the head "Office for Emergency Management First Deficiency Appropriation Act, 1943," and paragraph (a), general provisions, National War Agencies Appropriation Act, 1944, shall be constructed to include such persons. None of the persons receiving compensation on a per diem when-actually-employed basis and employed intermittently or indefinitely shall be entitled to any of the benefits of the Sick Leave Act of March 14, 1936 (49 Stat. 1162), or of the Annual Leave Act of March 14, 1936 (49 Stat. 1161), as amended, or of any other provisions of law pertaining to sick or annual leave.

Mr. LEA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEA: Page 4, line 1, after the word "persons", strike out the period, and insert a colon, and the following: "*Provided further*, That no part of the funds appropriated in this paragraph shall be used in connection with investigation, hearings, directives, or orders concerning bargaining units composed in whole or in

part of agricultural laborers as that term is defined in the Social Security Act in section 409, title 42, United States Code."

Mr. KEEFE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. KEEFE. I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and twenty members are present, a quorum.

Mr. LEA. Mr. Chairman, the object of this amendment is to put a restriction upon the use of funds appropriated by this section for the National War Labor Board with reference to bargaining and compulsory contracts as affecting agricultural labor. Agricultural labor was exempted by the National Labor Relations Act. But we found shortly after that act went into effect little respect was paid to that exception which Congress intended should be provided for labor on the farm.

There is a clear distinction between industrial labor and agricultural labor as to the practical application of bargaining practices. Congress has been pretty clear in its purpose to recognize the distinction between these two classes of labor. In two or three acts Congress defined agricultural labor very definitely. Once in the Social Security Act and also in the Internal Revenue Act. The proposal here is that the National War Labor Board shall be limited by the definition as we have it in the Social Security Act and in the Internal Revenue Act. The definition in the Social Security Act is a masterful piece of legislation. It was written with a clear, truthful, and practical understanding of modern agriculture. That cannot be said of another definition supplied by administrative agencies which have attempted to destroy the exemption that Congress intended.

After these laws were passed regulations were adopted which attempted to ignore the definitions approved by Congress. In effect, this was done by these agencies writing their own definitions. The result is that we have had, by these laws and regulations written under them, nine different definitions of agricultural labor, to the great harassment of the farmer. In some instances and in important respects, the farmer, to comply with one regulation, would be compelled to violate another.

Agriculture cannot comply with regulations which may be livable for industry. Right now, in the face of highly competitive conditions, which assure good wages for farm labor, and in the face of the most urgent demand of our history for food production, the War Labor Board is responsible for practices that greatly handicap the farmer in his efforts to produce food.

The most oppressive attitude toward the farmer is in reference to the production of perishable products—fruits and vegetables. When the peaches are on the tree and ripe there is no time for delay, for harassment, or for contracts to be made by the War Labor Board here in Washington, setting aside collective bargaining as to the farmer's relations with the laboring people.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is there any more reason why they should interfere with the farmers when they want to pick their peaches than they should interfere with industry when industry wants to make munitions for carrying on the war?

Mr. LEA. I will not say there is, as a matter of principle. There is a great difference as to the effect on the employer. Fresh fruit and vegetables, if not handled in the hour, are lost. Not so with woods, metals, fibers, and grains that have more lasting qualities. Under the War Labor Board, the right of collective bargaining has in substance been denied. There has been the form but not the substance of collective bargaining.

Mr. RICH. That is the point I want to make. Why is it that we should deny agriculture the benefits, if there are benefits, derived from having labor unions? Why is it that agricultural labor should be denied the benefits of all the legislation we have passed in the last few years?

Mr. LEA. Of course, legislation should have regard to fairness on both sides. The situation of the farmer with his perishable products is different from that of the industrialist dealing with articles that are not so perishable. Fundamentally, on the abstract proposal, I agree with the gentleman. Through indifference, overzeal, or lack of impartial fairness, the War Labor Board has suffered its agents to be partisan crusaders without that fairness that should characterize every activity of the Government to its citizens.

Mr. RICH. I agree on the fact that fruit will spoil and rot on the trees, but on the other hand, if we are having strikes in industry today when we are trying to prosecute the war, then we are doing injury in both instances.

Mr. LEA. That is true, but I stand on the proposition we are here dealing with at this time.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. LEA. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to t he request of the gentleman from California?

There was no objection.

Mr. LEA. The War Labor Board has at times recklessly waved aside those wholesome procedures for just administration and rushed into the hour when it can tell the farmer what kind of a contract he must sign. If their power were exercised fairly, with a judicial temperament, with intent to do justice to both sides, I would find no fault. I would approve such action as justified by the need of supporting the war. But I believe the truth was established here in a committee of Congress recently, that the War Labor Board in ordering these farmers as to what kind of contracts they must sign, was acting in disregard of essentials to justify their orders in two very important respects. In every true sense the farmer was denied the right to collective bargaining. There was only a semblance of protecting that right. It developed in testimony adduced the other day by a committee of this House that out in our State, and the same is probably true in other States, that the War Labor Board acted on perjured testimony as a basis for assuming jurisdiction to order the farmers to sign these contracts. The testimony also tended to show that the Board in imposing that order acted with knowledge of that perjured testimony. That is a deplorable situation. Now, in effect, all we do by this amendment is to apply to the War Labor Board the definition which would provide the exemption which Congress intended to give agricultural labor. It does not propose to prevent the organization of unions or deny collective bargaining. It does want to require fairness and integrity of administration by terminating administrative practices that are deplorable.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The gentleman from California is recognized for 5 minutes.

Mr. PHILLIPS. Mr. Chairman, I think it is important that this discussion of a very simple amendment should not start off on a basis of misunderstanding. This is not a new definition of agriculture. This does not establish a definition of agriculture. We should not debate whether that definition of agriculture is correct nor what it has to do with a definition of industrial labor. This amendment says to the War Labor Board what Congress thought it had said three times before, that this was the definition of agricultural labor.

There is a bill in the Committee on Agriculture on which hearings are to be held fairly soon, I believe that that is the place to debate whether that definition of agricultural labor is correct.

The War Labor Board holds itself above the definition. It says that the definition of "agriculture" established by Congress does not apply to the actions of the War Labor Board. This amendment says to the War Labor Board that the definition of agriculture established several times by the Congress is the definition of agriculture we intended to apply to these activities.

The reason for the amendment has come up in the last few days in Texas, Florida, and California. The cooperative packing houses have always had difficulties with the definition of agricultural labor. If the farmer takes an em-

ployee from the USES, a certain interpretation is applied; if he takes the same employee through the Extension Service, a different interpretation is applied.

I say that the definition itself is not a matter for immediate discussion. We are saying now that Congress has established the definition of "agricultural labor," and that is the definition we want the War Labor Board to follow.

The amendment offered by the gentleman from California [Mr. LEA] also implies that we want the War Labor Board to follow the law. After certification has been made by the National Labor Relations Board, that a certain union is to be the bargaining agent in an agency, there is a negotiation period. There is supposed to be negotiation between the employer and the employee, and it is not until that point is reached that the War Labor Board may step in. In the testimony brought before a committee of this Congress, the War Labor Board has skipped over those steps. As soon as a union is designated, whichever union it may be, the War Labor Board steps in and says, "Here is your contract; sign on the dotted line."

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. OUTLAND. Are there not certain types of agriculture in California, or industrial agriculture, where the season may only be 3 or 4 months, and if you give that waiting period, by the end of that time there will be no opportunity for the board to rule on anything, because the season has passed?

Mr. PHILLIPS. There are questions regarding certain cases. It is not clear whether this agricultural definition should or should not apply. That question applies, however, to the NLRB, not the WLB. It also applies to cases where the NLRB and the WLB have used the vote of one season's employees to impose the union on a totally different group in the season immediately following.

The CHAIRMAN. The time of the gentleman from California [Mr. PHILLIPS] has expired.

The gentleman from California [Mr. VOORHIS] is recognized.

Mr. VOORHIS of California. Mr. Chairman, it is with some reluctance that I oppose this amendment, because the amendment is offered by my colleague the gentleman from California [Mr. LEA], for whom I have highest respect. Nor do I believe that all of the actions of this Board have been wise.

I think that this question of the definition of "agricultural labor" in reference to the labor laws has got to be threshed out. The present situation is confusing. There is no doubt about that. But I am frankly afraid this amendment will make it worse. Just what the definition of agricultural labor ought to be I am not going to try to say today, except to say that, in my judgment, there are a great many people now excluded from the benefits of the Social Security Act, under the definition as applied to that act, who I do not think ought to be excluded, and who I think ought to have the benefits of that act. I see no reason why either farmers or agricultural workers should not have the same protection for old age or disability as anyone else.

The immediate question, however, is whether or not in this appropriation bill we are going to set up the following situation: It is not true that Congress has established only one definition of "agricultural labor." It has established more than one. It established one in the Social Security Act; it established one in the Wage and Hour Act; it did not establish any, particularly, in the National Labor Relations Act except to exempt agricultural labor. The interpretation of "agricultural labor" which has been made by the National Labor Relations Board and which has been upheld by certain court decisions, whether you agree with it or not, is the definition which the National Labor Relations Board follows in making certifications of bargaining agents. I agree with the gentlemen who have criticized some of the action that has been taken. I believe the War Labor Board is wrong when it attempts to determine the bargaining agent. I think that is the job of the National Labor Relations Board. But if this amendment is adopted, you can have a situation where a union can be certified by the National Labor Relations Board as the bargaining agent for a certain group of workers, but the War Labor Board will be estopped from taking any action with regard to that matter in substitution for the type of collective bargaining which in peacetime would be expected. Now, what I am afraid this will mean is trouble. For if a union is going to be certified as a bargaining agent, and if, as is certainly the case, we expect them to observe the no-strike pledge, we cannot very well say at the same time that they cannot appeal for the use of the only machinery that exists as a substitute for such peacetime methods. That one agency is the War Labor Board. Now, if this amendment sought to limit the War Labor Board to a definition observed by the National Labor Relations Board, I would vote for it. For that would be a logical move. The other logical move is to settle this question by careful consideration of a legislative bill, a thing which is about to take place.

It must be remembered that the War Labor Board is a temporary agency and that we all hope the time is not far distant when the war will be over, and we will no longer need either the War Labor Board or a number of other war agencies.

The War Labor Board exists only for the purpose of trying to stand in place of the collective bargaining action that would take place in peacetime. This amendment would say that even though a group of workers were certified as the bargaining agent they could not go to the War Labor Board. A lot of testimony has been presented to the Smith committee but the hearings are not concluded and I do not believe the remedy for the problems that have been developed before that committee lies in this amendment. This amendment would exclude a very large number of workers, not alone some where there is still controversy but a great many where there is no controversy at present, where good relations exist between workers and employers and where this amendment would throw the whole matter into great confusion.

The CHAIRMAN. The time of the gentleman from California has expired.

The CHAIRMAN. The gentleman from Maryland [Mr. BALDWIN] is recognized.

Mr. BALDWIN of Maryland. Mr. Chairman, I rise in support of this amendment offered by the gentleman from California. I am a farmer, but, fortunately, live in a place in Maryland where we have not had any trouble with the unionization of farm labor. I am, however, familiar with the trouble they have had in some of the States. I know enough about the farm-labor situation to know that if labor unions should come in and organize farm labor and put them under the jurisdiction of the War Labor Board, with all the regulations that apply to industrial help, you would disorganize the entire agricultural set-up of the country. Farm labor is entirely different from industrial labor. In many instances it is seasonal. You cannot expect farm labor to conform to the hours and rules of industrial labor. Take my own instance, my work is seasonal. I have to keep six or eight regular men, pay them regular wages 6 months in the year for doing practically nothing. Those men during the seasonal operations expect to work somewhat longer hours and do not expect to get an increase in wages during that period, because they realize that the seasons even themselves up, and they are entirely satisfied with the conditions. But when you let an organization go into the farming sections of the country and organize the groups of workers in the way industrial labor has been organized, you are raising a real problem. I say to the city folks that if it becomes universal in this country you are going to pay a great deal more for your food than you ever have paid before. If the farmers of this country have got to conform to the hours and wages of industrial workers to produce food, the food costs in this country, I venture to say, will be raised 50 percent, and in some cases you might not get it at all.

Another thing, in many instances, if the usual procedure of industrial organization of labor were used on the farm in the case of the farmer who has two or three sons working for him, the sons had better hire out to him rather than let their work become part of the farm operations.

I certainly hope this amendment will prevail and that farm labor will be left without the jurisdiction of the Labor Relations Board.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

The gentleman from Pennsylvania [Mr. RICH] is recognized.

Mr. RICH. Mr. Chairman, it is very consoling to hear Members talk about the difficulties they are having with the National War Labor Board. As one of the Members said a while ago, when people talk about things in which they are interested they had better clear the lumps out of their throat so their words are not misinterpreted, and clear their minds of cobwebs when they vote on

some of these measures before the House and not center their thinking only on things that pertain particularly to themselves, things in which they in their own business are interested.

I believe this amendment is a good one. It is gratifying to me to see these fellows from California and Maryland come in here and say that labor unions are good only for industry, that labor unions are injurious and detrimental to the farmers and the packers of this country. They do not want it to apply to their own farm industry. It is time they stopped long enough to study and learn what kind of rules and regulations the National War Labor Board is putting out affecting all labor and all forms of industry and agriculture. If it is good for a man or woman working in a cotton mill why is it not good for a man or woman working in a packing plant?

Some people in industry are having about all the difficulty they can contend with, not from good, sound American labor unions, but from the radicals in labor unions. We have radicals in the labor unions today, and if the labor unions do not clear them out they will find that this country of ours will be in a rather precarious position both for labor as well as industry. The question is not raising the price of farmers' commodities. I want to see labor get good wages, I want to see them have steady employment, but the people in industry today are just about at their wits' end to know what to do about the rules and regulations as laid down by the War Labor Board and the demands made by radical labor. I want to impress that on your minds. We have a lot of Communists in this country who will do anything they can to tie up the country, tie up industry and agriculture; they will tie up every industry they can and every manufacturing plant that is making things that are necessary in the prosecution of this war. They do not care a ripsnort about anything except to gain an advantage for themselves, and when the War Labor Board gets to fostering people of that kind in labor unions it will be doing the labor unions the greatest amount of damage possible. The people of this country are going to wake up and the labor unions will find that they are not as successful in doing the things that are beneficial to labor as they would be if they hamstrung these radical labor leaders and put them where they belong because, as I stated, all these radicals want to do is to gain their own ends so that they can get fabulous sums of money out of it. It is a racket with these radicals. You have to be careful and very careful that you do not get the War Labor Board involved to the extent that it is driven to do something that is not for the benefit of this country. I want to see the Members, who are sincere in their convictions about getting the War Labor Board to do the right thing, vote for agricultural manufacturing establishments, and sound, sensible labor. Labor, agriculture, and business are all indispensable and must work and live together in peace and happiness and contentment.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The Chair recognizes the gentleman from California [Mr. OUTLAND].

Mr. OUTLAND. Mr. Chairman, I think that we ought to be rather certain of what some of the implications of this particular amendment are. My colleague from California [Mr. VOORHIS] says he opposes it with reluctance. I oppose it without any reluctance whatsoever because I am afraid it is going to increase strife in certain marginal fields where the definition of what constitutes agricultural labor is not yet certain.

We are discussing a field of collective bargaining here where the line has not as yet been sharply drawn. For example, is the labor in certain types of packing sheds agricultural or not? Thus far they have been certified as not agricultural and there has been a peaceful bargaining taking place between the workers in those sheds and the employers. If by this particular bill that is stricken out and funds cannot be used for that purpose, we can be quite certain that here on the floor of the House today we are taking an action that is going to increase strikes and increase industrial conflict at the very moment when we are trying to stop it.

The agricultural committee of this House has before it four bills at the present time as to what does constitute agricultural labor. I agree with the gentleman from California [Mr. LEA] that we ought to decide clearly, definitely and exactly what we mean, but it would be a very bad step to try to do it with very little debate on the floor of the House today. Moreover, if his definition is adopted, it will remove from collective bargaining several hundred thousand workers now protected. I would much prefer to see this definition given by the Committee on Agriculture after long and careful study. I fear very much that the action we take here today may have exactly the opposite effect to that which we hope for. It will be a real blow to many thousands of loyal workers in our packing sheds in the West and in the South.

Mr. HOOK. Mr. Chairman, will the gentleman yield.

Mr. OUTLAND. I yield to the gentleman from Michigan.

Mr. HOOK. Is it a fact that this amendment would not affect the small family-sized farmer but only the large commercial farmer?

Mr. OUTLAND. There is a very difficult problem, as I said a moment ago, of defining just what we mean by agriculture. For example, we do not mean agricultural labor when we talk about a cannery. Is there any distinction between a cannery and a packing shed? They are both phases of processing food, not producing it. This amendment, in my judgment, is just one more example of the attack that is constantly being carried on against the legitimate bargaining rights of American workers. Anything to drive another wedge into collective bargaining. Where are we going to draw the line? I think it would be far wiser action on the part of this House to vote down this amendment today and let this problem of definition be worked out very thoroughly in the proper committee.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield

Mr. OUTLAND. I yield to the gentleman from California.

Mr. VOORHIS of California. It seems to me the crux of the thing is that the definition must be the same with regard to the National Labor Relations Board as it is in regard to the War Labor Board.

Mr. OUTLAND. I agree with the gentleman.

Mr. VOORHIS of California. That is the main thing that I believe is objectionable in this amendment today.

Mr. BALDWIN of Maryland. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from Maryland.

Mr. BALDWIN of Maryland. Where did the demand for this unionization of farm labor come from? From not one source except the labor organizers in an effort to get the farm labor into the labor organizations. May I just point out this fact that when a strike occurs in an industrial plant, the product of that concern can lay there and wait, but if a strike occurs in a packing shed containing perishable merchandise it will be a complete loss.

Mr. OUTLAND. In turn, may I ask the gentleman a question? Where does the demand for this amendment come from? That is the real issue. The answer is crystal clear. It comes not from the farmers of America, but from the big industrial agriculturists, always eager to reduce wages, to lengthen hours, and to remove the safeguards of collective bargaining.

Mr. Chairman, this is a truly dangerous amendment, and should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I think that the Members should very thoroughly understand the exact situation before voting upon this amendment. The Fair Labor Standards Act was passed by the New Deal, and I have heard it proclaimed on the floor of this House a thousand times as the great charter for liberty for labor in America. In that Fair Labor Standards Act you define agricultural labor. The type and character of agricultural labor that you intended to exempt from the provisions of the Fair Labor Standards Act are very clearly defined. When you wrote the Social Security Act you again defined agricultural labor, and if you take the time to read the two definitions you will find that the definition of agricultural labor in the Social Security Act is vastly more extended than the definition of agricultural labor in the Fair Labor Standards Act. Now then, what this amendment purposes to do is in effect to write into the Fair Labor Standards Act a new definition of agricultural labor which this Congress has never heretofore seen fit to write, and to write into the Fair Labor Standards Act the definition which is found in the Social Security Act.

It is a very serious amendment and will have very serious repercussions. I do not want to say how you should vote. I have my own opinion on that. But let me say that when you vote for this amendment you are voting to restrict the provisions of the National Labor Relations Act and the Fair Labor Standards Act just as well as you are the National War Labor Board Act. This amendment was before the Congress in the cloak rooms and in the lobbies, and it was suggested that it be offered as an amendment to the appropriation for the National Labor Relations Board. It was not offered to the National Labor Relations Board appropriation bill, but it is now sought to bring it in here and tack it onto the appropriation for the National War Labor Board. I want to say to you that if you do this you better, before you vote, find out just what the implications are behind this proposed amendment and how far it is going to go.

The question simply is, do you want to emasculate by your vote the provisions of the Fair Labor Standards Act, which contains a very broad definition of agricultural labor, and which it is sought by this amendment to enlarge to include a lot of workers you never intended to include in the exemption when you passed the Fair Labor Standards Act? That is the only question there is for our determination.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, it is just amazing that a man could be so completely mistaken in his conclusions as is my good friend from Wisconsin [Mr. KEEFE]. It is quite true that in various acts Congress has defined agricultural labor. It is also true that the courts have in a half dozen or more cases defined agricultural labor. What has happened is this. It has been disclosed by testimony given before the Smith committee during the past week, and with which the gentleman probably is not familiar, that the War Labor Board is redefining agricultural labor. The War Labor Board goes so far as to argue, and this by the logic of its definition, that in Wisconsin, for example, where you have dairies, and many of them, if the farmer uses a milking machine, the fellow that adjusts it to the cow is an industrial worker. Out on the plains of Kansas, if the farmer uses a combine and threshes the grain as he cuts it, those men so engaged are industrial workers. Congress never intended the application of any such definitions. In Idaho, if a man sacks his own potatoes, and has his boy and girl help him, under the Labor Board contention they are industrial workers. We know we never intended any such construction to be used. That is not what Congress intended when it exempted agricultural labor in the National Labor Relations Act. Neither a farm worker nor a farmer becomes an industrial worker when he uses a pitchfork, a tractor, threshing machine, or a milker.

What the War Labor Board is trying to do, and in some cases has succeeded in doing, is writing a new definition of agricultural labor into farming activities. All that I understand this amendment proposes to do is to go back to the old definitions established by the Congress and by the courts, and to curb the power of the War Labor Board, prevent it imposing either closed shop or security of membership clauses in contracts, forcing farmers, their chilren, or their employees into unions and the payment of dues.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Chairman, I rise at this time to support the amendment offered by my colleague from California [Mr. LEA]. My congressional district, as I have said before and am proud to repeat, produces more food and fiber than any congressional district in the United States. I can say honestly to the Members of this House that at the present time the interference that is going on with the packing houses, when it is very important that we get this food to the armed forces in behalf of the war effort, is causing much delay in getting food to our fighting men even in the Pacific. I believe this amendment is much needed at this time if we are interested in winning the war. In order to prevent interference with the production of any food items and so that we may progress as fast as possible in winning the war I urge we take action.

In my congressional district, on many occasions in the past few months, disruption of the packing houses has come about not by the people who live in the community but by people who are brought in there and who, after they stay there 6 days, become eligible to vote on whether or not that packing house will operate under a union program. If they win the election they move out immediately. In some instances, if they lose the election they move out immediately. But where do they go? They move over to the next community, that same group of people, to set up a union program to interfere with the progress of the farmers in moving produce to the market.

This amendment, whether it is good or bad, is necessary in the minds of some people in behalf of the war effort at the present time to feed the boys in the Pacific and to feed our starving allies across the pond. But at a later date if this is not being worked out properly, after we have won the war, I will be glad to sit around the table with anybody and work out the right procedures. But at this time I will not yield further. I demand we vote on the Lea amendment, and I hope the membership will back it up and adopt it and thereby back up the boys by seeing that we get food to them as well as to people in every walk of life.

The CHAIRMAN. The time of the gentleman from California has expired. All time has expired.

The question is on the amendment offered by the gentleman from California [Mr. LEA].

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 120, noes 34.

So the amendment was agreed to.

The Clerk read as follows:

OFFICE OF ECONOMIC STABILIZATION

Salaries and expenses: For all necessary expenses of the Office of Economic Stabilization, including salaries of the Director at $15,000 per annum and one assistant to the Director at $9,000 per annum; temporary employment (not to exceed $6,360) of persons or organizations by contract or otherwise, without regard to civil-service and classification laws; not to exceed $2,250 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); traveling expenses (not to exceed $4,500); purchase of one passenger automobile; and printing and binding (not to exceed $2,000); $196,250.

Mr. WIGGLESWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: On page 6, line 17, strike out the balance of the lines down to and including line 3, on page 7.

Mr. CANNON of Missouri. Mr. Chairman, I make the point of order against the amendment that it comes too late, inasmuch as we have already passed that part of the bill.

Mr. WIGGLESWORTH. Mr. Chairman, I was on my feet seeking recognition to offer the amendment.

The CHAIRMAN. The gentleman was on his feet. The Chair saw the gentleman standing and believes he should be permitted to offer his amendment. The Chair overrules the point of order.

Mr. WIGGLESWORTH. Mr. Chairman, this amendment is designed to eliminate the Office of Economic Stabilization. It is a small agency, but a growing one, set up like so many of these other agencies, under Executive order in the first instance.

Under our former colleague, Judge Vinson, this organization was carried on with a small staff and an expenditure of about $89,000. His successor, Mr. Davis, comes before Congress at this time with a request which is double, both in terms of personnel and in terms of appropriation that which was required under the leadership of Judge Vinson.

When we try to find out what the exact functions of this agency are, we find the record on several occasions very hazy. It has been very difficult to find out just what this agency does and just what its duties are supposed to be.

It may be said in a word however that the function of this agency is that of coordination of a few of the so-called war agencies on the home front. It is designed to act as umpire when agency heads cannot come to an agreement. That seems to be its sole function. In my judgment the agency is unnecessary. The coordinating function is the function of a cabinet officer, and if that is not adequate we have the Office of War Mobilization and Reconversion, of which Judge Vinson is now in charge, which can handle any problems which might be presented to this agency.

Yesterday I quoted Mr. Davis, the present head of this agency, and I want to quote him again. He said:

I find myself in a good deal of sympathy with the idea that no coordination is necessary if these agencies will coordinate themselves.

Further quoting:

If there should not be another such office I will be glad to relieved of my duties.

Our former colleague, Judge Vinson, is thoroughly familiar with the functions of the agency and has taken his entire staff to the Office of War Mobilization and Reconversion. In my judgment we should wind up the affairs of the Office of Economic Stabilization and permit Judge Vinson to do any umpiring that may be necessary.

I hope the House will support this amendment.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CANNON of Missouri. Mr. Chairman, the Office of Economic Stabilization is the supreme court of stabilization. It is the referee, the umpire, the harmonizer. It is the correlating agency. The other agencies of the Government sometimes work at cross-purposes and must be correlated. For example, it is the referee on price differences between OPA and the War Food Administration. It is the referee between those who are handling prices and those who are handling wages. Whenever those who are handling prices render decisions affecting wages the Office of Economic Stabilization is the arbiter, and whenever those handling wage matters get into the field of prices it makes the necessary stabilizing adjustment. It would be impossible to proceed without an umpire.

But most important of all, the Office of Economic Stabilization is a controlling influence against inflation. To abolish it as is proposed in this drastic amendment would be to loose unbridled inflation on the Nation.

Judge Vinson, to whom reference has been made, earnestly approves this appropriation. I am astonished there should be any suggestion that it be eliminated. I trust the amendment will be voted down.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, anyone who really believes that this is necessary should read the testimony that was offered before us in the committee.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. CASE of South Dakota. Yes; I yield to the gentleman from New York.

Mr. TABER. When Mr. Vinson moved out of this office he took all of the business with him and left nothing for Davis to do.

Mr. CASE of South Dakota. He took the real power with him. Appeals can be made from this office to Mr. Vinson.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. CANNON of Missouri. The suggestion that Vinson moved out and took all the business with him is without any foundation whatever. The powers and functions of the office remain as heretofore.

Mr. CASE of South Dakota. The fact remains, though, that Judge Vinson in his present position can overrule whatever this official decides. This is strictly the case of putting on an extra wheel, of putting a patch on a patch. If agencies, when given a decision to reach, disagree, they come here; and if they disagree here, they go to Mr. Vinson.

The appropriation last year was only $100,000 for this activity. When Mr. Davis came in he said he would have to have more money. He wanted more economists, he wanted more lawyers. In other words, he wanted to set up a little bureau to duplicate, in effect, the bureaus he was to referee.

This is strictly a question of putting in an unnecessary difficulty, of increasing the number of appeals and increasing the exasperation of the American people. The whole war program would move more smoothly if we did not have it in here. Mr. Davis told us he wanted to get out of the job just as soon as he could. Here we have a chance to help him by voting for the amendment offered by the gentleman from Massachusetts.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. WIGGLESWORTH) there were—ayes 71, noes 62.

Mr. CANNON of Missouri. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chairman appointed as tellers Mr. CANNON of Missouri and Mr. WIGGLESWORTH.

The Committee again divided; and the tellers reported that there were—ayes 87, noes 69.

So the amendment was agreed to.

The Clerk read as follows:

OFFICE OF INTER-AMERICAN AFFAIRS

Salaries and expenses: For all necessary expenses of the Office of Inter-American Affairs, including salary of the Director at $10,000 per annum; not to exceed $15,000 for the temporary employment of persons or organizations by contract or otherwise without regard to the civil-service and classification laws; employment of aliens; travel expenses, not to exceed $101,297; printing and binding, not to exceed $12,000; not to exceed $8,000 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); entertainment of officials and others of the other American Republics; grants of money, property, or services to governmental and public or private nonprofit institutions and facilities in the United States and the other American Republics; the free distribution, donation, or loan of publications, phonograph records, radio scripts, radio transcriptions, art works, motion-picture scripts, motion-picture films, educational material, and other material and equipment; such other gratuitous assistance as the Director may deem necessary and appropriate to carry out his program expenses of transporting employees of the Office of Inter-American Affairs and their effects from their homes to their places of employment in the other American Republics, or from their homes in the other American Republics to their places of employment, and return, when specifically authorized by the Director; travel expenses of dependents and transportation of personal effects, from their places of employment to their homes in the United States or in the possessions of the United States or in the other American Republics, of employees for whom such expenses were paid by the Government on their assignment to posts in foreign countries: *Provided*, That corporations heretofore created or caused to be created by the Coordinator of Inter-American Affairs primarily for operation outside the continental United States shall determine and prescribe the manner in which their obligations shall be incurred and their expenses allowed and paid without regard to the provisions of law regulating the expenditure, accounting for and audit of Government funds, and may, in their discretion, employ and fix the compensation of officers and employees outside the continental limits of the United States without regard to the provisions of law applicable to the employment and compensation of officers and employees of the United States: *Provided further*, That the Director shall transmit to the President immediately upon the close of the fiscal year a complete financial report of the operations of such corporations; $14,000,000, of which $3,543,290 is for the payment of obligations incurred under the contract authorization of $18,000,000 under this head in the National War Agencies Appropriation Act, 1944, and $301,423 under the contract authorization of $2,500,000 under this head in the National War Agency Appropriation Act, 1945: *Provided further*, That not to exceed $25,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Director, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify and every such certificate shall be deemed a sufficient voucher for the amount therein certified: *Provided further*, That notwithstanding the provisions of section 3679, Revised Statutes (31 U. S. C. 665), the Director is authorized in making contracts for the use of international short-wave radio stations and facilities, to agree on behalf of the United States to indemnify the owners and operators of such radio stations and facilities from such funds as may be hereafter appropriated for the purpose, against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities.

Mr. JONES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 9, line 14, strike out the entire paragraph beginning on page 9, line 14, also the remainder of the page; all of pages 10 and 11, and the first seven lines of page 12.

Mr. JONES. Mr. Chairman, I have offered this amendment as I previously announced I would because there is a duplication of authority of the State Department, the Office of Inter-American Affairs, the OWI and the FEA. I cannot offer the amendment that I would like to offer to transfer the functions under this paragraph and the money appropriated therefor to the State Department. I yield to no one in my desire for complete cooperation with all of the American Republics. However, the Office of Inter-American Affairs is a child of the Coordinator of Inter-American Affairs, an independent agency, whose functions overlap those of the OWI, the FEA, and the State Department.

I have before me, and I shall insert it in the RECORD, the language of the act, Public Law 61 of the Seventy-ninth Con-

gress, which was recently passed, which is the appropriation bill for the State Department for the fiscal year 1946, the same fiscal year for which this paragraph provides funds for the Office of Inter-American Affairs. The language of that public law at pages 13 and 14 covers the functions of the American Republics Division of the States Department, as follows:

Cooperation with the American Republics: For all expenses necessary to enable the Secretary of State to meet the obligations of the United States under the Convention for the Promotion of Inter-American Cultural Relations between the United States and the other American Republics, signed at Buenos Aires, December 23, 1936, and to carry out the purposes of the act entitled "An act to authorize the President to render closer and more effective the relationship between the American Republics," approved August 9, 1939, and to supplement appropriations available for carrying out other provisions of law authorizing related activities, including the establishment and operation of agricultural and other experiment and demonstration stations in other American countries, on land acquired by gift or lease for the duration of the experiments and demonstrations, and construction of necessary buildings thereon such expenses to include personal services in the District of Columbia; not to exceed $125,000 for printing and binding; stenographic reporting, translating, and other services by contract, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); not to exceed $5,000 for expenses of attendance at meetings or conventions of societies and associations concerned with the furtherance of the purposes hereof; and, under such regulations as the Secretary of State may prescribe, tuition, compensation, allowances and enrollment, laboratory, insurance, and other fees incident to training, including traveling expenses in the United States and abroad in accordance with the Standardized Government Travel Regulations and the act of June 3, 1926, as amended, of educational, professional, and artistic leaders, and professors, students, internes, and persons possessing special scientific or other technical qualifications, who are citizens of the United States or the other American Republics: *Provided*, That the Secretary of State is authorized under such regulations as he may adopt, to pay the actual transportation expenses and not to exceed $10 per diem in lieu of subsistence and other expenses of citizens of the other American Republics while traveling in the Western Hemisphere, without regard to the Standardized Government Travel Regulations, and to make advances of funds, notwithstanding section 3648 of the Revised Statutes; traveling expenses of members of advisory committees in accordance with section 2 of said act of August 9, 1939 (22 U. S. C. 249a); purchase (not to exceed five passenger automobiles), hire, maintenance, operation, and repair of motor-propelled and animal-drawn passenger-carrying vehicles; purchase of books and periodicals; rental of halls and boats; and purchase, rental, and repair of microfilming equipment and supplies, and colored photographic enlargements, $4,000,000; and the Secretary of State, or such official as he may designate is hereby authorized, in his discretion, and, subject to the approval of the President, to transfer from this appropriation to other departments, agencies, and independent establishments of the Government for expenditure in the United States and in the other American Republics any part of this amount for direct expenditure by such department or independent establishment for the purposes of this appropriation and any such expenditures may be made under the specific authority herein contained or under the authority governing the activities of the department, agency, or independent establishment to which amounts are transferred: *Provided further*, That not to exceed $100,000 of this appropriation shall be available until June 30, 1947.

The language of the paragraph in the State Department appropriation bill gives all of the functions that are covered in the bill at pages 9, 10, 11, and 12, which this amendment would strike out. If it were possible under the standing rules of the House to transfer these functions to the State Department I should be only too glad to do so. I do not want to cripple our relationships with the American Republics. All I want to do is to establish order out of the confusion of conflicting agencies so that we do not have three or four or five agencies with representatives in all of the American Republics that have to wear badges to keep from selling or giving the Government away to each other. I hope that I will have the cooperation of the Members on both sides of the aisle for this constructive means of tying to the State Department the functions originally intended for the State Department when it was created, to wit, to be the exclusive agent representing the United States Government in our intercourse with other nations. I firmly believe that when President Truman gets down to the task of defining the functions of the different old-line agencies he will transfer these special war-agency functions and their personnel to the old-line agencies so that we will have a closely knit organization that radiates the United States from a top Cabinet position, under administrators that have capacity to govern.

Let us see how ridiculous the history of this Office of Inter-American Affairs is. Nelson Rockefeller for a long time was the Administrator of this agency. He handled funds that sometimes ran as high as $23,000,000 a year. He is appointed an Assistant Secretary in the State Department in charge of this particular work in the State Department, and he needs two bosses to administer three-million-odd dollars. How ridiculous it is that a man cannot handle the same job in the State Department and how ridiculous it is that this Agency should not be brought into the regular functions of the State Department so that when a government deals with the United States representatives, it may deal with one agency that governs the economic, political, and agricultural relationships or every function that the United States is interested in in foreign intercourse. That is the way it should be.

This is a constructive amendment to do a good job for the United States Government so that we will grow in stature and honor with men who are career diplomats in their dealings with other nations.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. The gentleman's idea is that if this item is stricken out it will then be possible to effect the transfers to the State Department through an item in the deficiency bill?

Mr. JONES. That is exactly what I have in mind. The deficiency committee has been in almost continuous session from the beginning of the war and it can hear these requests in behalf of the State Department to do this job most any Thursday or Friday afternoon that the President wants to send them down.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, this amendment strikes at one of the most vital provisions carried in this bill. Now of all times in the history of the Nation and the hemisphere, we need and value the friendship and esteem of our neighbors south of the Equator. For many years we labored under the disadvantage of relations which were not wholly amicable with some of our southern neighbors. The result not only to American business but to our world relations was most disastrous.

I cannot think of a situation warranting more earnest and sympathetic consideration. It is to be regretted that the papers and the radio serving South America will carry news that such an amendment has even been offered. Under the admirable administration of this agency we have in the last 3 years, and especially in the last few months, won completely the friendship and confidence and the affection of our estimable neighbors in North, Central, and South America. We have shown them that we have no selfish aspirations, we have no desire to encroach upon their rights or prerogatives, either political or commercial, and that our only desire is to live in complete amity as a member of a family of states, all of whom have common interests and mutual respect and regard for each other.

In response to the suggestion that this work should be done by the Secretary of State, may I say that there was submitted to our committee a letter by Acting Secretary Grew, shown at page 582 of the hearings, endorsing this activity. They do not want it included in the State Department at this time. They feel that it can function more effectively as a separate and independent agency. They urge this appropriation and the continuation of this activity.

But, unfortunately, the amendment goes further than the disruption of international relations. It involves repudiation of obligations of the United States Government.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Ohio.

Mr. JONES. I do not see how the gentleman can make that statement because the State Department by treaty, as referred to in the State Department Appropriation bill, has authority to deal in cooperation with the other American Republics. We appropriated some $3,000,000 this year to that agency for that purpose. This is just to combine the functions under one head as a good

business proposition. This is no slap in the face of the South or Central American republics because nothing would be denied that is now being done.

Mr. CANNON of Missouri. The gentleman characterizes his amendment as a good business proposition. On the contrary it would be a very poor business proposition. It would tend to disrupt the friendly and happy relations which have been established with such care in the Latin countries and which are now universal throughout North and South America.

I cannot think of anything which would be more deplorable at this critical time than such an interference with our diplomatic relations with our neighbors. They could hardly interpret it in any other way than as the slap in face to which the gentleman has referred.

More than that, this amendment proposes the impossible step of repudiating American contractual obligations which have been incurred through corporations which the Office of Inter-American Affairs has established under authority of law. These obligations must be met, and provision is made to meet them here. I trust that no one will seriously suggest that the United States Government repudiate its financial obligations to our South American neighbors.

Mr. Chairman, I cannot believe that this amendment will be taken seriously. I trust it will be rejected by a decisive vote.

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. JONES].

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 78, noes 81.

Mr. JONES. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. CANNON of Missouri and Mr. JONES to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 76, noes 90.

So the amendment was rejected.

The Clerk read as follows:

OFFICE OF WAR INFORMATION

Salaries and expenses: For all necessary expenses of the Office of War Information, including the employment of a Director and Associate Director at not exceeding $12,000 and $10,000 per annum, respectively; not to exceed $45,800 for the temporary employment in the United States of persons by contract or otherwise without regard to the civil-service and classification laws; employment of aliens; employment of persons outside the continental limits of the United States without regard to the civil-service and classification laws; travel expenses (not to exceed $267,500 for travel within the continental limits of the United States); expenses of transporting employees and their effects from their homes to their places of employment outside continental United States and return to their homes in the United States; reimbursement, at not to exceed 3 cents per mile, of employees or others rendering service to the Office of War Information for use by them of privately owned automobiles for transportation on official business within the limits of their official stations or places of service; purchase of radio time and purchase or rental of facilities for radio transmission; purchase, rental, construction, improvement, maintenance, and operation of facilities for radio transmission and reception, including real property outside the continental limits of the United States and temporary sentry stations, guard barracks, and enclosures for the security of short-wave broadcasting facilities within the continental limits of the United States without regard to the provisions of section 355, Revised Statutes (40 U. S. C. 255), and other provisions of law affecting the purchase or rental of land and the construction of buildings thereon; advertising in foreign newspapers without regard to section 3828, Revised Statutes (44 U. S. C. 324); printing and binding (not to exceed $1,000,000, for such expenses within the continental limits of the United States), including printing and binding outside the continental limits of the United States without regard to section 11 of the act of March 1, 1919 (44 U. S. C. 111); not to exceed $56,250 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); purchase or rental and operation of photographic, reproduction, printing, duplicating communication, and other machines, equipment, and devices; exchange of funds without regard to section 3651, Revised Statutes; acquisition, production, and free distribution of publications, phonograph records, radio transcriptions, motion-picture films, photographs and pictures, educational materials, and such other items as the Director may deem necessary to carry out the program of the Office of War Information, and sale or rental of such items by contract or otherwise to firms or individuals for use outside the continental limits of the United States; purchase, repair, and cleaning of uniforms for use by porters, drivers, messengers, watchmen, and other custodial employees outside continental United States; such gratuitous expenses of travel and subsistence as the Director deems advisable in the fields of education, travel, radio, press, and cinema; not to exceed $250,000 for entertainment in the United States and abroad of officials and others in the fields of education, radio, press, and cinema of other countries and prior appropriations of the Office of War Information for this purpose shall be construed as having been available for expenditure in the United States; payment of the United States' share of the expenses of the maintenance, in cooperation with any other of the United Nations, of organizations and activities designed to receive and disseminate information relative to the prosecution of the war; $35,000,000: *Provided*, That not more than $31,135,270 (including living and quarters allowances) shall be allocated to the Overseas Operations Branch and not more than $1,297,500 shall be allocated to the Domestic Operations Branch for the following functions only: Office of the Director; Book and Magazine Bureau; Foreign News Bureau; Graphics Bureau; News Bureau; Bureau of Special Services; Radio Breau; Motion Picture Bureau, not exceeding $36,840: *Provided further*, That notwithstanding the provisions of section 3679, Revised Statutes (31 U. S. C. 665), the Office of War Information is authorized in making contracts for the use of international short-wave radio stations and facilities, to agree on behalf of the United States to indemnity the owners and operators of said radio stations and facilities from such funds as may be hereafter appropriated for the purpose, against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities: *Provided further*, That not to exceed $250,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Director, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify and every such certificate shall be deemed a sufficient voucher for the amount therein certified.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 12, line 13, strike out "$45,800" and insert "$22,900."

Page 12, line 18, strike out "$267,500" and insert "$130,000."

Page 13, line 15, strike out "$1,000,000" and insert "$500,000."

Page 14, line 13, strike out "$250,000" and insert "$125,000."

Page 14, line 22, strike out "$35,000,000" and insert "$17,500,000."

Page 14, line 23, strike out "$31,135,270" and insert "$16,500,000."

Page 14, line 25, strike out "$1,297,500" and insert "$297,500."

Page 15, line 1 through line 5, strike out the following: "for the following functions only: Office of the Director; Book and Magazine Bureau; Foreign News Bureau; Graphics Bureau; News Bureau; Bureau of Special Services; Radio Bureau; Motion Picture Bureau, not exceeding $36,840", and insert a colon.

Mr. TABER. Mr. Chairman, this is an attempt to cut the Office of War Information from $35,000,000 to $17,500,000, and the cuts have been proportioned practically accordingly.

The expenditure this year in the Pacific area is $12,200,000. For the Overseas Branch this amendment allows $16,500,000. It is perfectly ridiculous to have them spending as they wanted to, over $20,000,000 in the European and Atlantic section. It is perfectly ridiculous, as they wanted to, to maintain an office doing nothing of any account in New York City with 2,100 people. It is perfectly ridiculous for them to maintain an office in San Francisco with 895 people. The only think that I can see that they do in San Francisco is to get out 12 broadcasts a day that are not very effective. They could run it with 50 people and have plenty of margin. They can operate everything that they want to operate in China, the Philippines, Hawaii, and anywhere in the Pacific region on this money. Why should we let them go on and monkey around in Italy with 1,300 people, all over Africa with a station in almost every town, all over western Asia, and all these terrible setups in the United States? Why? They have 906 people in Washington and their functions here are supervisory and administrative. They have on the roll at the present time 10,383 employees, a perfectly ridiculous figure.

Let us put an end to this waste of manpower, let us put an end to this waste of Government funds and put it down somewhere near what is right and what it ought to be. Frankly, this cut that I am proposing is very conservative; it should be more. But I am giving every one of them the benefit of the doubt. If they had $7,000,000 they could provide for everybody who is needed to carry on this activity fairly, efficiently, and effectively; and I hope the House will adopt this amendment and put an end to this waste.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. VORYS of Ohio. Did I understand correctly that earlier this afternoon the gentleman stated that the whole Associated Press world-wide service costs only $12,000,000.

Mr. TABER. That is correct; and the United Press is only $10,000,000 for their whole set-up, and they cover a thousand times what is covered by this outfit. It is perfectly ridiculous for us to be wasting money in this style. It is against the war effort to vote for anything that wastes money this way. It is not for the war effort, and I hope this amendment will be adopted.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. DWORSHAK. I wish to call the gentleman's attention to Joint Resolution 202 in which the President has requested the Congress to recapture excessive appropriations made during the fiscal year ending the 30th of this month. Included therein for the Office of War Information, salaries and expenses, is an item of $4,750,000, which means that a year ago this Congress gave the OWI approximately $5,000,000 more than they can spend during the present fiscal year.

Mr. TABER. That is true; and here we are giving them more than double what they have any right to spend.

Mr. WOODRUM of Virginia. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. TABER].

Mr. Chairman, it would be most unfortunate to make a drastic cut in the Office of War Information such as is proposed by the gentleman from New York. The Congress has shown a number of times that there were certain features of the programs of the Office of War Information that did not meet its approval and it curtailed them accordingly.

During the current fiscal year the Office of War Information had for expenditure something over $50,000,000. The appropriation suggested now by the Appropriations Committee reduces that to $35,000,000.

Let us see for just a moment what this will do. It is true that the European war is over so far as the shooting is concerned, but if you will talk to some of the Members of the House who have been over there since the shooting stopped you will see that the military governments that are taking over have a proposition on their hands of gigantic proportions. In the countries taken over by the Allied armies an effort is being made to bring order out of chaos. The military governments are using the Office of War Information for that purpose. They are using it to get to the population and to the citizens information in the way of directives, instructions, and rules and regulations for their conduct as a conquered people and, in addition to that, they are trying to get over to the people real information as to what America is doing, as to what it has tried to do and as to what its objectives are in the future. Nothing could possibly be more important in the days right immediately ahead of us than to see to it that the conquered countries get proper information.

The Office of War Information does not decide what the people get. That agency broadcasts to the people and they get the information in the way of news releases that are passed upon and carefully censored by the military governments that are in the occupied countries and that have charge of those territories.

Mr. Chairman, this would absolutely wipe out all of the activities of the Office of War Information in the countries that we have just taken over and there would be chaos and confusion. Not only that but we are just getting started in the Pacific and it is proposed to use the Office of War Information there. How can any gentleman put his judgment as a Member of Congress up against the judgment of our military men who say they use this service?

Mr. Chairman, I am sorry the distinguished gentleman from Illinois [Mr. DIRKSEN] is not here today because we all know him as an earnest, conscientious, high-minded man who does not hesitate to take the well of the House and express his views and say what he thinks, even though sometimes many of us are not in accord with him and many times we do not agree with him on matters. I know, as many of you gentlemen know, what the gentleman from Illinois said upon his recent return from abroad. He said in his judgment he thought it might be safe to cut the Office of War Information to $35,000,000 but it would be tragic, he said, if it were wiped out entirely and if its services which are so necessary at this time for the reasons I have indicated were denied to the military governments. If the gentleman were present today he would take the well and say to you that in his judgment this appropriation should not be cut one farthing from what the Appropriations Committee has cut it. I may say that it was largely upon his splendid testimony and his emphatic assertion as to what this agency had done that the Appropriations Committee was willing to go along with this.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 50 minutes, the last 5 minutes to be reserved for the Committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON].

Mr. MARTIN of Massachusetts. Mr. Chairman, reserving the right to object, how many Members rose?

The CHAIRMAN. Twelve.

Mr. MARTIN of Massachusetts. Mr. Chairman, I think we ought to have an hour, then.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 1 hour, the last 5 minutes to be allotted to me.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, broadly speaking, it may be said that there are three areas of activity for which the funds are asked for the Office of War Information. Those three areas, in the way in which I choose to approach the subject, are these: First, the domestic, or that phase of their activity within the United States; second, the phase of activity in Europe; third, the phase in the Pacific. The appropriation contained in the bill is $35,000,000. In his amendment the gentleman from New York has provided that not more than $16,500,000 shall be allocated to the Overseas Operations Branch. That leaves for the operation of the Overseas Branch considerably more than was requested for the phase in the Pacific.

In general, it may be said that the amendment offered by the gentleman from New York is based upon the theory that the primary overseas job should be that in the Pacific. In the picture that the OWI offers for their work in Europe they include the operation of 7 newspapers with a projected or estimated circulation of 2,000,000 copies. The amendment offered by the gentleman from New York is predicated upon the assumption that the main work should be that in the Pacific, that the work here in the United States could be very greatly reduced, and that the work in the European theater could be very greatly reduced.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Indiana.

Mr. HARNESS of Indiana. This is the question that I wanted to ask the gentleman from Virginia. Is it not a fact that the War Department has sufficient funds and sufficient trained personnel to do everything that OWI is supposed to do in Europe?

Mr. CASE of South Dakota. Yes; in my judgment as a member of the subcommittee handling War Department estimates, that is correct. The theater commanders today have the responsibility of determining what is permitted to be published in the countries now occupied.

Through the communiqués which the theater commander wants to issue, through his licensing and control of what is to be published, he has within his hands today control of the situation in Europe. The question is whether or not you want on top of that to empower the OWI to go into the European theater and engage in the publication of newspapers and continue as a war agency when the war is over.

I had quite a discussion with Mr. Davis, the head of the OWI, during our hearings on this. I asked him if he, as an exponent of freedom of the press, did not believe that we have to exercise the processes of democracy if the countries of Europe are going to live in a democratic state. He attempted to suggest, "Well, we can agree on that as a philosophical

proposition, but we have a practical situation to deal with."

I submit to you in the terms that were offered by the Washington Post of this city that the only way in which the countries of Europe are going to learn democracy is by practicing it. If we, during the period of occupation, control what goes into their papers, if we have free access to them to get across what we want through communiques, then there is no need for our going into the business of publishing newspapers in Europe.

Then let us look at the domestic scene. The language of the Taber amendment proposes to cut down on the operations of the OWI at home. At the present time in New York City there are 2,182 employees, in Washington 706, and in San Francisco 895. We have our own news services in this country; why does OWI need such a set-up here?

When you vote on this amendment, remember that we are leaving for OWI more money than the Associated Press requires for its world-wide operations. I am told that the world-wide operations of the Associated Press are carried on with a budget of about $12,000,000, those of the United Press on $10,000,000. We are leaving in the bill under the terms of this Taber amendment, $16,000,000 for the operations around the world. We are not crippling a sound and sane program for the OWI to carry on its psychological war against the Japs.

I urge your support for the amendment offered by the gentleman from New York.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. HARLESS].

Mr. HARLESS of Arizona. Mr. Chairman, it is my firm belief that the drastic cut proposed would be nothing less than tragic. Recently I had the experience of talking with a close friend of mine, a friend of 20 years, who was head of the operations in Turkey for the Office of War Information, the man who set up the office in Casablanca. In company with him, I went to the head office of the Office of War Information. Naturally, knowing him well, I went into this very thoroughly. I was surprised to learn the amount of work that particular branch of the Government has done and what they have been responsible for. Through their actions they have been responsible for the surrender of the entire Italian Fleet. One battleship alone would more than pay for the amount of this entire appropriation. I was also surprised at the number of lives that particular branch of the Government has saved in this war by being able to influence the direction and trend of affairs in Europe.

That is not all. We have not yet won this war. This friend of mine told me that Russia is at the present time setting up operations in north Africa and all over Europe to spread information in mass production. It is true the shooting war has more or less stopped in Europe, but he told me that the people of Europe do not even know what we did in this war. We went out of the last war, and they did not even know we had participated in it except in the places where our soldiers marched.

We went into the war supposedly to settle questions for the future. We are voting on appropriations for various agencies of the Government now in order to forestall another war. If this drastic cut is put into effect, we would be unable to carry out the functions of the OWI in Europe and disseminate information to instill in the minds of the people of Europe our place in the world.

I think it would be downright criminal for us to take this particular branch of the Government, with all of their experts and with their radio technicians, and eliminate it and expect the War Department with no real technicians to go ahead with this work in Europe. That is exactly what would happen. Because, as a matter of fact, it would have to withdraw from Europe and concentrate on China. That is not all. We expect to exert influence in Europe after this war is over. Why should we spend all of our money and have our men sacrificing their lives fighting this war and when it is over settle down and wait for another war to come? We want to tell the world about our position. I think it is time for us to do it now. We should continue to do it. For the first time in history we have a means of disseminating to the world some information as to what democracy means.

They have more than radio programs. You should go down to the Office of War Information and see the thousands of bulletins which have been put out explaining the position of the American Government and something about the American people. There has been so much misunderstanding all over the world about us. It is time for us to disseminate a little information. That information could be sent out for something less than the cost of a cruiser or less than half the cost of a battleship. In order to effect such a small saving, it is proposed here to take away the very instrument by which we are able to tell the world what we are doing.

It is said that we are going to leave it to the War Department. The question is asked, "Do they compare with the AP and the UP?" Why, that is ridiculous. As a matter of fact, this particular branch of the Government hires a large number of foreigners. This friend of mine told me when he went into Turkey he could not get an article into a single Turkish newspaper. Von Papen had them all sewed up. What did my friend do? He had to hire men who were on the Turkish newspapers. In other words, he had to put them on his pay roll in order to get enough influence. In a very short time he had a few articles in some of the Turkish newspapers, and within 6 months he had articles about America's part in the war appearing in every newspaper in Turkey. That is something we have to think about.

Then we have the Chinese theater of war and all the things attendant upon the disrupted conditions in the Orient. We have not even touched on that. The Office of War Information has concentrated on Europe. It is very important that we keep this appropriation not only at the existing level, but we should even provide more.

The CHAIRMAN. The Chair recognizes the gentlewoman from Connecticut [Mrs. LUCE].

Mrs. LUCE. Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York, to cut the OWI appropriation.

I agree wholeheartedly with everything that the gentleman who has just spoken has said, and with the distinguished gentleman from Virginia, about the importance of the need for a voice for America, a voice which will constantly state America's cause abroad. But I cannot help thinking that we do not need to spend the sum proposed to have that voice and to achieve the effects for America's cause abroad, which we seek.

I offer as an exhibit today the total output of the Overseas Branch of the Japanese Division of the OWI in San Francisco for 1 day late this May. It comprises 13 radio scripts.

Now, the gentleman from Virginia said that it was a dangerous thing for any Member of Congress to put his judgment on an OWI question against that of our military men. I am completely prepared to put my judgment with reference to the amount of talent, and money, and ability it should take to produce these 13 scripts—the total output of that branch of the OWI on one May day—beside the judgment of any military man in the United States of America. No one would not dare place his judgment against that of military men in the field as to what the net military effect of these scripts might be, but as to the amount of time or money that it should take to prepare them, I believe that you and I would be very competent judges.

These 13 radio scripts averaged 15 or 20 minutes radio time each. Of the 13 scripts, 3 were contributed gratis to the OWI. One was written by a captain in the Navy called Captain Zacharias. Another one was contributed by Mr. Hu Lin, editor of the paper Ta Kung Pao, a Chinese delegate to the San Francisco Conference. The remaining 11 scripts written by OWI writers. Eight of these scripts are straight news broadcasts. I would be extremely surprised if the gentleman from Virginia [Mr. WOODRUM] could not, in his spare time in between votes on the floor of this House, with a scissors and paste pot and a copy of the Washington Post, turn out as good and certainly better script as any one of these.

Eight of the 11 scripts are news broadcasts of a very commonplace quality. Three might be called original material. One of these, which lasts 10 minutes, describes the inflationary economy of Japan, a broadcast, I venture to say, few of us would understand or consider very informative if we had heard it.

Another one consists of canned music from the Merry Widow.

A third one is an appeal to the Japanese soldier, to the Japanese soldier on Iwo Jima or Okinawa, to lay down his arms and go home. It describes to him in 15 sentimental minutes of piffle that there is a moon out over Japan and that the tubs of fertilizer smell very sweet in his backyard. And that he should, there-

fore, desert his fox hole to get back to that moon and fertilizer in Nippon. It is perfectly plain to any one of you who will take the trouble to read these scripts that it should not conceivably take 895 people in the San Francisco office to produce 12 such scripts as these per diem.

The CHAIRMAN. The time of the gentlewoman from Connecticut has expired.

Mr. MARTIN of Massachusetts. Mr. Chairman, I yield the 5 minutes that have been allotted to me to the lady from Connecticut.

The CHAIRMAN. Without objection the gentlewoman from Connecticut is recognized for five additional minutes.

There was no objection.

Mrs. LUCE. Each of these scripts cost the American taxpayer approximately a thousand dollars. I do not know how many people in Japan have listened to them or have been convinced by them. I wish to hazard no guess on that subject, but I do insist that with a staff of 100, reasonably intelligent American newspaper men and women and a few Japanese translators, any of us could turn out more scripts, and far better scripts than these.

Now, I have been abroad, too, as has been the gentleman who spoke before me. I too have seen OWI in operation overseas, indeed since its very inception. I saw it when it was being formed in India. I saw it in the Near East. I have seen it operate in England and in France. I have seen it in China. I think I know a little about OWI. I do not hesitate to say for a moment that the job that OWI does overseas is important and highly necessary. Nor can any fair-minded person deny that many of its personnel are highly able men and women, doing their best for our country overseas. But there are many far too many useless and incompetent people on the pay roll of OWI overseas and abroad.

We dare not close off all money to the OWI, but it seems well within reason that the OWI should be put on its mettle by a cut which would inspire them, in their country's behalf to do twice as much with half as much. I think they can, and should do it. I warmly support the amendment offered by the gentleman from New York.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentlewoman from Connecticut yields back 2 minutes.

The gentleman from South Carolina [Mr. RICHARDS] is recognized.

Mr. RICHARDS. Mr. Chairman, there is probably no branch of the Federal Government that has been subjected to as much unjust criticism as has the OWI. It is my honest opinion that no branch of this Government has done a better job with the tools it has had to work with. It is very prudent, I think, in discussing this question to remember that not one single Member of the House has condemned the purposes of OWI, nor the quality of the job it is doing. Their over-all job, everybody says, has been well done. Then somebody will get up here as has the gentlewoman from Connecticut and pick out some triviality and say something about scripts costing too much. Let us remember that the OWI is blazing a trail insofar as the United States is concerned, insofar as a governmental function of the United States is concerned. What did we do during the last war? We went over there, we saw, we conquered, we threw down our guns, we came back home, and anyone going to Europe a few years afterward found the people of Europe, the average people of Europe, hardly able to tell the traveler what the United States had done in the war or what prompted the United States to plunge into the conflict.

One of the main jobs of the United States, as I see it, in its plan, its program to establish an organization to preserve and maintain peace, is to let people of the other parts of the world know about the ideals of the United States, the policies of the United States, the achievements of the United States both in the political and the military fields, if you please. With all the money this Congress has spent for good will, decent living, and international peace and stability, to quibble over $35,000,000 to give the people of the world a picture of what we are and what we stand for, is a very poor line to take, in my opinion.

Yes; I have an objection to this provision here; I think it should have been at least $50,000,000 instead of $35,000,000. Elmer Davis has done a grand job.

Mr. ELLSWORTH. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. ELLSWORTH. I saw the gentleman from South Carolina in London at the same time I was there last fall. I am sure the gentleman along with me observed what the people in the London Office of the OWI were doing, that they were a very hard-working group; in fact, I thought Bill Weber and some of the others might be overworking at the time we were there. As far as I could see, and I think the gentleman will agree with me, they were going a good job in the London office, they were not wasting any money.

Mr. RICHARDS. I thank the gentleman for that observation. I believe the same thing could be said of every other office of the OWI. I think that the Members of Congress who have been fortunate enough to visit foreign fields during this war found that to be the case everywhere over there. Now, Mr. Chairman, we must not get our eyes away from the main issue; remember that no one has denied that OWI has done an over-all good job. We should view the woods and not just look at one gnarled tree.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

The Chair recognizes the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, when the OWI came before your Committee on Appropriations it requested an appropriation of $42,000,000. In other words, with only the war with Japan confronting us, the war in Europe having terminated, OWI made a request for 83 percent of the appropriation which it had for the current fiscal year. Furthermore, the OWI told us it wanted to use 53 percent of its foreign funds in Europe, as compared with 47 percent in the Pacific, where the fight is still going on.

Mr. Chairman, as stated in my remarks of yesterday, to me such a request just does not make sense under present conditions.

OWI told us they wanted the money in Europe for three purposes, namely, for informing Europe about the Japanese war, for helping public relations between the armed forces and local populations, and for telling the people about America and what America wants. For those three purposes OWI asked $18,800,000.

When you read what they told us they contemplated doing in Germany it all comes down to one word, namely, "reeducation." As I stated yesterday, I do not believe the people of Germany can be reeducated in any reasonable length of time by American propaganda which they are forced to consume.

I have talked with many people in this country, with men in the newspaper world and in our Government here, and while I am not free to use names, the consensus of opinion that I have obtained from those with whom I have talked—and they include those in high places who certainly ought to know what they are talking about—is to the effect that OWI is contributing very little to the war effort at this time and that its program for Europe where the war has been terminated is both unreasonable and impractical.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from New York.

Mr. WADSWORTH. Would the gentleman inform the committee as to the amount of money there would be left for OWI activities in Europe in the event the pending amendment is adopted?

Mr. WIGGLESWORTH. It depends, of course, on how the money is applied. I will answer the gentleman by saying that OWI will have $12,200,000 for use in the war area in the Pacific, the identical sum it has for the current fiscal year. Then it will have a couple of hundred thousand dollars for its domestic branch. The balance of it will be available in Europe until such time as it is liquidated, any functions that may be determined to be essential being transferred to the State Department or the High Command.

Many of those with whom I talked have urged immediate discontinuance of the entire activity. This amendment does not go that far.

I realize the necessity for a proper informational service, but I think it is absurd to have that service partly in the hands of the OWI, partly in the hands of the OIAA, and partly in the hands of the Cultural Relations Division of the State Department. The whole thing ought to be placed in the hands of one compact, efficient, economical organization operating presumably under the Department of State.

Mr. Chairman, from my standpoint this is a reasonable amendment. It provides funds on the basis of the current year for the war effort in the Pacific and, in addition, sufficient funds for operation in Europe until liquidation and

transfer of essential functions can be effected.

Mr. Chairman, I hope that the amendment offered by the gentleman from New York will be adopted.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I spoke on this amendment earlier this afternoon by asking the gentleman from Ohio whether he proposed to offer it. He said he did not. I anticipated that the amendment would come, but I was not quite sure from whom.

With all the advertising in the commercial realm that we are doing which is regarded as good business judgment on the part of our own firms in order to instruct people concerning things that they already know about, we quibble now over a small sum of money to advertise the real America to the people of the Old World who are so greatly indebted to us and who really know so little about us. As I said earlier today, we may have to forgive and forget our war debts of the First World War so far as monetary balance is concerned, but we do not want to forgive and forget the moral obligation which the people in Europe owe us in terms of appreciation and gratitude for having saved them twice from destruction. How can they appreciate America if they do not know us? How can they know what we have done if we do not tell them in the proper way? Oh, you say that they have seen our soldiers. What percent of the people of Europe have seen American soldiers? Even in France I doubt whether 10 percent of the people know how many soldiers we put in there to drive the Germans back.

We are told that we can let Europe know about America by the ordinary commercial channels. Yes; we can make use of our own daily newspapers and other publications and our own radio broadcasting facilities, as well as through commercial dealings. Do those always present the right picture in the right way? I believe powerful and interested forces have and could again distort the picture. The people of Europe did not understand America the real America, and America did not understand Europe after the last war, therefore a great gulf led to suspicion, ill will, and eventually to hostilities because of misunderstandings between the people of Europe and the people of America.

We cannot afford to let dollar diplomacy enter into this relationship as the main basis of understanding. We cannot afford to permit interested, selfish motives to predominate to shape the destines of the world, nor represent America by anything but the most high and lofty motives. I want Europe in these dark days to know the real America. I would not have them at any time to gain their information of us solely from the films from Hollywood, nor slanted newspapers from America, nor irresponsible broadcasts from our radio stations, any more than from some of our unrepresentative travelers. I want the truth and the facts presented, together with the good will toward enslaved nations which America had to throw into this conflict. I want America's attitude and effort duly impressed on the people of Europe properly and effectively and it must be done or the war will have been won by us in vain.

There is a psychological war, as the gentleman from Virginia pointed out, which is more important than the military war, because the military war will have been in vain if we do not get the right attitude toward us on the part of the people of Europe. It is more necessary after the war than during it. That has yet to be done, and that is not the work of the State Department. The State Department is interested in gathering commercial information. We have our foreign agents in every port. We want trade information; that is all right. But we want ambassadors of good will, and we cannot have ambassadors of good will whose sole credentials are the dollar signs on their vestments. We want people who show the true side of America, and that is not entirely a commercial spirit by any means.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from South Carolina.

Mr. RICHARDS. As I understand, the gentleman from Arizona not only wants to get the news about America to those people but he wants to get the ideals of America behind the news to those people.

Mr. MURDOCK. That is exactly it.

Mr. RICHARDS. A news agency's main function is to give the news and not the ideals behind the news.

Mr. MURDOCK. That is true of the most ideal news agency and for that reason we must not rely solely upon ideal news agencies to picture America to Europe during these critical days ahead.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Chairman, my good friend, the gentleman from South Carolina, says that there is no one who does not admit that the OWI has done an over-all good job. On the other hand, the gentleman from Arizona quotes an OWI official saying that those countries in Europe do not know what we have done. I fear that the latter statement may be correct and it is a serious criticism of the over-all job of OWI.

There is no question about the importance of carrying our ideals, our views, and our culture abroad. But I have an idea that in this realm, as the old saying goes, "What you do speaks so loudly that I cannot hear what you say." The deeds we have done in Europe speak louder than any propaganda we can put out.

I, too, was in Europe the day the war ended, on May 7. We had just traveled in England, Belgium, France, and Germany. I was also abroad last year, in Britain and north Africa. I had an opportunity to observe what OWI was doing and to talk with OWI and State Department officials and military men on the vast job that needed to be done.

Without going into any criticism of whether the job was done that needed to be done, let me point out that last year when we appropriated for this agency Europe was a hostile continent. Now we find in Europe at least a nonbelligerent continent and we hope a friendly continent.

Certainly we can cut the amount that this one war agency will spend, in an area that is not at war, by one-half, which is what I understand the cut in this appropriation will mean for the European theater, leaving intact the amount to be spent in the Pacific. We need American propaganda over there, but what we need to do—and it is all through this bill and we might as well face it—is to go ahead with the transition from a war to a peace basis. What we need now in an area where there is no war is to have the military controlling military sources and channels of information, leave one-half of the OWI appropriation still to be spent, to have them wind up, and then have some sort of propaganda ministry, under whatever label we give it, developed through our Department of State. In foreign lands we should have not half a dozen different competing, confused, and duplicating agencies of Government, but have our economic, our political, our social, our cultural, and our intellectual activities headed up under the old-line Department of State. That is, I am sure, what some of our great allies intend to do very shortly. That is what we had better do, or we shall have confusion.

A word has been said about psychological warfare. I investigated that somewhat and met some of the military men who were engaged in that work. It is true that some of their activities had the effect of divisions in battle and caused important surrenders and had other important military results, but that was not just OWI. We have psychological warfare in the Army and in OSS, for which provision is made in this bill. Anyhow, that sort of warfare is over in Europe.

One thing that this amendment does and which I heartily support is to make a drastic cut in the domestic functions of OWI. The cut is $1,000,000, and leaves but $297,500 for their domestic work. I believe it is certainly time that this war agency got out of the domestic field. The only way you will get them out is to cut off the money.

I hope that the amendment will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, I hold in my hand the Federal Treasury statement of June 6. You can see by that statement you are $241,540,435,090.86 in the red, and you are going in the red by leaps and bounds. You have been doing that for 12 years. Where are you going to get the money? If the time ever comes when you keep this country from going into a financial wreck, it is only going to be because of the foresight and wisdom of the Members of Congress from now on. I feel the President of the United States is going to take that course, and he is going to do what he can. But he cannot do it unless you, the Congress, aid and assist him.

Now we have before us for consideration the Office of War Information. You have $35,000,000 in this bill. Yesterday the majority of the Members of the House voted to increase their salaries $2,500—$2,500. That will require about $1,500,000. If you cut this one item out here you will save $35,000,000, or you will save 20 times more than you increased your salaries on yesterday. How the people back home would rejoice in that! Think what a name you can make for yourselves right here. Here is the opportunity, if you ever had it, to show that you did not want to bankrupt this Nation by voting yourselves this salary. Here you can save your constituents more taxes. We are now trying to cut out something that can easily be eliminated and we can save $35,000,000, thus saving 20 times more than you spent yesterday by voting that $2,500 increase. Is that not good business? I say it is. I say that is a fine way to demonstrate to the people of this Nation that we mean business and we are going to do business. We are not going to interfere with anybody in the OWI. They can easily get a job today. This country needs more men 10 times over than we can eliminate from OWI. Let us take those fellows and give them other jobs, some place else where it will accomplish some good and thus save $35,000,000. I say to you that means good business. And if you operate that way the people will give you a lot of credit.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from South Carolina.

Mr. RICHARDS. The gentleman is a fairly successful businessman. How far would the gentleman's business get without legitimate advertising?

Mr. RICH. I will tell the gentleman—if you consider me a good businessman because I have not gone into bankruptcy yet, but am just one step ahead of the sheriff. In our business we cut out everything that is not essential to our business at this time and that is all I want the Government to do in this instance.

Mr. RICHARDS. I heard the gentleman from Pennsylvania was a good businessman.

Mr. RICH. If this were my business I would eliminate OWI at this time as a matter of good Government business. In our business we have eliminated everything that we possibly could during this war to try to do the things we are supposed to do for the prosecution of the war. Now the Government has our industries frozen from now until the 15th of September and we cannot make a thing except as directed for the war effort. And it is going to be for the war effort and things are going to be shipped out more than likely on lease-lend and given to foreign countries. The Government has put the screws on us but we are going to do what is necessary and conform to the rules and regulations laid down by the administration for the carrying on of the war.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from New York.

Mr. TABER. The trouble is, if this amendment is adopted it would throw off the roll thousands who are not doing a thing. That is true, is it not?

Mr. RICH. Why, certainly. We should eliminate this. It is a good business proposition; let us cut it out and cut it out now. I hope you Members here who have been talking about economy in Government will give us a vote. Do not let the votes all come from this side of the aisle. Give us a few votes from your side of the aisle. Let us start economy in Government to cut down on the spending. Be wise and economize.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, if we had followed the argument of my friend the gentleman from Pennsylvania [Mr. RICH] 3 or 4 years ago, all we had to do was to refuse to appropriate a penny and just invite Hitler to come over and take over the country. I wonder where the gentleman's business would be if we had done that. Two hundred and forty-one billion dollars: Yes; to save America; to save our country. The gentleman from Pennsylvania makes an argument and appeals to the unthinking and emotional mind.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield for a question; not for a speech.

Mr. RICH. If you had followed the course which I advocated you would not have been in the hole you are in now.

Mr. McCORMACK. One thing is certain, if we followed the gentleman from Pennsylvania we would never have had lend-lease; we never would have had an extension of the Selective Service; we would not have had all the legislation that we fought for before Pearl Harbor, and without which we would have been in a bad position after Pearl Harbor happened.

Now, let us get to the question involved. The gentleman from New York [Mr. TABER] made an observation which interested me and I wanted to find out just what the situation was. It was a pertinent observation and I wanted to look into it and see where the differentiation was between the Associated Press, for example, and the OWI. The gentleman from New York said the over-all yearly expenses for conducting the Associated Press amounted to $12,000,000. Whether or not that is correct, I do not know, but I accept it as a correct statement for the purpose of differentiating. The Associated Press is a news service. The Associated Press does not publish or print newspapers. The Associated Press does not engage in broadcasts. The Associated Press does not have a broadcasting station. The Associated Press is not prepared to print and does not print leaflets such as I have here, to distribute in alien territory for the purpose of saving American lives.

I have here a picture which appeared in practically all the papers throughout the country, of a Japanese soldier surrendering, with a leaflet in his hand. That was one of the leaflets of the OWI. Millions of them were flown over in B–29's and dropped upon the people of Japan. So effective was that, that not so many days ago the people of Japan were informed that if they did not turn in those leaflets, if they responded to those leaflets or were affected by them they would be prosecuted. And prosecution in Japan under such circumstances means death.

Mrs. DOUGLAS of California. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mrs. DOUGLAS of California. And will the gentleman please state that the men who flew those pamphlets over Tokyo were people who belonged to the OWI?

Mr. McCORMACK. Exactly, some of them.

The Associated Press is strictly a news organization, and only in one language. The OWI has 21 languages in Europe and 6 languages in Asia. The Associated Press has no leaflets and no newspapers. They are not fighting a combat or psychological warfare like the Office of War Information.

The radio in OWI is the largest item of expense. The Associated Press does not have that item.

Reference has been made to 12 or 13 scripts. The gentlewoman from Connecticut [Mrs. LUCE] I believe made some reference to them. The gentlewoman's reference was correct, as far as Japan was concerned that day. But the complete information is that every day there are 200 broadcasts going out of the San Francisco office in different languages, not only to Japan but to the Philippines, Burma, Korea, Siam, and the Dutch East Indies and other places in Asia. So that 12 or 13 scripts is correct as to Japan alone, but in addition to that there were 188 other broadcasts going out each day.

As to the OWI in Europe, this comes from a Republican who just came back from Europe, and I read from the CONGRESSIONAL RECORD of May 30, when on that day the gentleman from Illinois, [Mr. DIRKSEN] said:

> I went into these offices to talk to the personnel. I find that while some do not agree with me, and while I went with some prejudice in my heart, for instance, toward an agency like OWI, I do want to say for them, and I must say it in candor, and all honesty of purpose, that overseas they have done a good job.

Yet, the gentleman from New York [Mr. TABER] wants to reduce the overseas appropriation from $31,000,000 to a little over $16,000,000.

I hope the amendment offered by the gentleman from New York [Mr. TABER] will be defeated.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired.

The Chair recognizes the gentleman from Illinois [Mr. VURSELL] for 5 minutes.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield for a question?

Mr. VURSELL. I yield.

Mr. CASE of South Dakota. Did the gentleman hear the reference made by the gentleman from Massachusetts to a photograph showing a Japanese surrendering holding a leaflet in his hand?

Mr. VURSELL. I did.

Mr. CASE of South Dakota. The gentleman perhaps has also seen the picture or some reference to it.

Mr. VURSELL. No.

Mr. CASE of South Dakota. I was wondering if there was anybody on the floor who could say whether or not in that particular instance the leaflet the Jap was carring was prepared by OWI or by the Army?

Mr. VURSELL. That I cannot tell the gentleman.

It has been said repeatedly that OWI has done a very valuable work. There is not any question about that. We have appropriated to it over $150,000,000 since this war started and naturally we would expect a pretty fair job of work for $150,000,000. A better job could have been done for half the money. But there comes a time when the honeymoon of the OWI, like the OCD, and like many others of these alphabetical agencies will have to come to a close.

There is no one in this Congress who wants to deny to OWI any money they really need in order to help win the war or in order to help give the right impression of the American system of government to the world at large; but as our activities overseas come to a close to a certain extent then naturally we must begin to deflate this organization. It has been said a few times that the proceedings of Congress should be broadcast to the people of the country. Many, many times we Republicans have tried to protect the taxpayers, tried to reduce appropriation items by hundreds of thousands and millions of dollars and reduce the thousands and thousands of jobs that are like leeches on the economy of the country in the interest of the taxpayers, and we find a solid phalanx almost on the Democratic side of the House voting for the continuation of these organizations, never ready to let loose, wanting to keep them.

The thought has come to me that if we were to cut $5,000,000 from the OWI fund in this bill and establish a broadcasting system here in the House of Representatives to carry the proceedings of Congress to the people of this country that we would get a Republican Congress here and quite probably a Republican administration 2 years from now, because the people back home would then understand that the Republican are trying to protect the taxpayers of this country here on the floor of Congress. That the Democrats want to continue to expend and waste their money. Thousands are employed by OWI who are not needed.

Let me point out another thing: The Reader's Digest, Time, Life, Fortune, and many other splendid magazines of world-wide circulation are constantly carrying the news of America all over the world. We have the Associated Press service, the United Press reaching all parts of the world. With these press services and the millions of copies of our great magazines reaching the farthermost part of the earth the American ideals will be brought to the people of the world much better than by anything the OWI could do. Do you know that the Reader's Digest sends out 800,000 copies printed in the Spanish language? Do you know that the Reader's Digest sends out 400,000 printed in Portuguese? They send 300,000 copies of every issue to London and they expect to increase it to 750,000 as soon as they can get the paper. They send 300,000 copies to Sweden. By these means all over the world we can carry the ideals of the American form of government.

We ought to deflate OWI at this time. These agencies will never be ready to quit. They will never quit till we in Congress stop their pay. They are having too good a time all over the world spending and wasting the people's money. Will not you on the Democratic side join with we Republicans and help save our taxpayers $17,500,000 by passing this amendment?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Missouri [Mr. CANNON], for the balance of the time.

Mr. CANNON of Missouri. Mr. Chairman, the speaker who preceded me—and I think he is supported in that view by all who spoke in support of the amendment—says that their purpose is to save money. Our purpose is to save lives.

I do not know just how much those lives are worth. I do not know whether the life of one boy is worth $30,000 or more, or less. But I do know that we are saving a vast number of lives through the instrumentality of this agency, and the testimony upon that point before the committee was indisputable.

If anyone cares to turn to page 960 of the hearings, it will be noted there that official Army reports show that more than 70 percent of the prisoners taken on the western and Mediterranean fronts had been influenced to surrender by the leaflets produced by OWI and their military colleagues. It would be difficult to estimate the cost, in the blood and lives of our men, of having to take that percentage of enemy soldiers by grenade and bayonet attacks. Someone said here in debate that when our boys got back and took off their coats they would criticize the expenditures of OWI. I wonder what will be the attitude of these boys, to whom these Japs surrendered, when they get back.

But let us take the purely dollars-and-cents point of view suggested by the proponents of this resolution. Here is the statement made by a witness before the committee at page 963 of the hearings:

> If we shorten the war by only a few days the savings to the Government in dollars alone—not to mention lives—will be enough the cover the Office of War Information's entire budget. And it is our confident belief that these activities may speed Japan's surrender by months.

As everyone knows, the next 3 months are critical in the Japanese war. Either Japan—staring inevitable defeat in the face and anxious to salvage something from the wreckage—will surrender, or she will elect to go ahead in a war to the death. In such a crisis, psychological warfare is indispensable. Without it we cannot hope to shake enemy morale to the point of unconditional surrender.

What is the alternative? We have the answer in the reports received in the last few days from Okinawa. That island is a narrow strip of land a hundred miles long and approximately 8 miles wide. Our ships shoot entirely across it. Our naval guns have pulverized it. From the clouds we have dropped a greater tonnage of explosives than on any other similar area in the war. And every time we land, Japs pour forth from caves to inflict the most terrible losses suffered by our men in the Pacific war. We opened attack on this pin-point island in the Pacific March 16, and we have not taken it yet. If it requires that much ammunition and that much time and that staggering loss of life, what can we expect when we land in Japan proper—or on the mainland of China where the Japanese Government has 7,000,000 trained soldiers?

We are told on high authority that it will take 2 years at a minimum. And I hesitate to estimate what it means in casualties—our neighbors' boys and ours. And yet there are people on this floor who prefer to rely on their own judgment than on the judgment of the Army commanders. Confronted with this terrible alternative, we cannot take anybody's judgment—certainly we cannot take anybody's guess—that further psychological warfare which has produced results in the past, is unnecessary—or should be reduced. To do so would be gambling with the lives of American soldiers.

For example, here is a statement by Brig. Gen. Bonner F. Fellers, military secretary to General MacArthur, made by General MacArthur's direction:

> General MacArthur is a firm believer in psychological warfare. He has placed our activities directly under his personal direction. As you all know, he has practiced psychological warfare in all his operations. He has high hopes for the results which we may be able to achieve in the future.

Whose opinion will you accept—opinions by the political generals and admirals who have spoken here on the floor this afternoon—or the considered statement of General MacArthur?

The lady from Connecticut spoke just now. Her testimony was at direct variance with that of Congressman DIRKSEN, who has returned from abroad where he visited every theater of war and who warmly endorsed the work of OWI on every front he visited, and who emphatically endorsed this appropriation of $35,000,000 for OWI.

The lady from Connecticut based her entire argument on one point—the fact that 13 scripts, which she described in detail, constituted one day's broadcast from the San Francisco office. If I have misquoted I ask to be corrected.

As a matter of fact, the request which elicited the information on which the lady's speech was based was for "all of the Japanese language broadcasts" for that day. There were 13 Japanese language broadcasts on that day, and in compliance with the request, the 13 scripts to which she referred were delivered as requested. But the Japanese broadcasts were only a small part of the total broadcast for the day. The San Francisco office, on that same day, broadcast in 22 languages and dialects. So, the 13 scripts which the lady characterized as the total day's work constituted only a fraction of the work for the day.

The daily reports from the San Francisco operations show an average of approximately 1,275 radio broadcasts a week from that office. The lady was imposed upon. But I hope the House will not be imposed upon.

I trust the amendment will be defeated and we will still be able to use every resource at our command in support of the Pacific expedition.

Mr. Chairman, we must defeat this amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 91, noes 94.

Mr. TABER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. CANNON of Missouri and Mr. TABER.

The Committee again divided.

The CHAIRMAN. The Chair votes in the negative.

On this vote by tellers there are 106 ayes and 106 noes. The amendment is rejected.

Mr. JONES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 15, line 21, after "certified", strike out the period and insert a colon and the following: *Provided*, That none of the funds herein appropriated shall be used to pay the salary or expenses of any employee of the Office of War Information for functions thereof in the Western Hemisphere other than the United States."

The amendment was rejected.

The Clerk read as follows:

For all expenses necessary to enable the disposal agencies designated by or pursuant to the Surplus Property Act of 1944 to carry out the disposal functions vested in them by or pursuant to said act, including the objects authorized under the appropriation for the Office of War Mobilization and Reconversion, $40,000,000, to be for allocation or reimbursement by the Surplus Property Board, with the concurrence of the Director of War Mobilization and Reconversion, to such agencies in such amounts as shall be approved by the Bureau of the Budget, including, in the case of Government corporations, reimbursement for expenditures incurred by them during prior fiscal years in connection with the disposal of surplus property under said act and under Executive Order 9425: *Provided*, That these funds shall be available only for expenses incident to the care, handling, transfer, and other disposition by a disposal agency of property other than that under its control as an owning agency as defined in said act and expenses of other Government agencies designated by the Board to render special advisory service in connection therewith: *Provided further*, That the provisions of section 203 of the Independent Offices Appropriation Act, 1946, restricting the availability of appropriations for the purchase, maintenance, or operation of aircraft, shall not apply to expenditures incident to the disposal of aircraft under the authority of the Surplus Property Act of 1944 (act of October 3, 1944, Public Law 457). The appropriation, "Surplus property program," in the amount of $14,999,000 carried under the heading "Procurement Division," in the Treasury Department Appropriation Act, 1946, is hereby transferred to and consolidated with this appropriation and the limitations contained in such transferred appropriation shall be applicable only to such amount of $14,999,000.

Mr. DE LACY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have risen to state briefly on this floor my regret that a handful of members on the Appropriations Committee and the Rules Committee have deprived us of an opportunity to vote for or against a basic measure which a majority of the people favor, the Fair Employment Practices Committee, and which the President of the United States has asked us to include in our appropriation. I regret this situation exceedingly. The people of the country will have a very difficult time understanding how in a free country the elected representatives of the people have no opportunity to cast their ballot on this important measure.

I yield back the remainder of my time.

Mr. COLMER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I have sat here for 2 days listening to another small, willful group lambast certain committees of this House and repeatedly state the self-asserted opinion that certain committees are preventing a majority of the people of this country from expressing their will.

I have been around this House now for a little longer than the gentleman from Washington [Mr. DE LACY], and some others who have made those assertions, and it has been my observation that the will of democracy has been working pretty well.

Mr. DE LACY. Will the gentleman yield at that point?

Mr. COLMER. I am sorry. I am not yielding right now.

Mrs. NORTON. Will the gentleman yield?

Mr. COLMER. I am sorry. I am not yielding right now.

This country has been getting along pretty well for 150 years under the democratic form of government under which we have been operating and we do not need to change that form now. I know there is a certain group in this House who have set themselves up as more powerful than the regularly constituted majority on this side—Democratic.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. COLMER. And the regularly constituted minority on the other side—Republican.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. COLMER. Mr. Chairman, I have said as politely and as courteously as I know how that I was not yielding now.

We have been operating pretty well. Now, I challenge the statement that a majority of the people of this country want this legislation which this little group is trying to put across. There have been a great many statements made here about that. I want to say to you that when the people of this country wake up to a full realization of what you are trying to do to them there will be no question about what the will of the majority of the people of this country is. You talk about regimentation of the people; you talk about Government bureaucracy; if this unfortunate scheme goes through you will see regimentation and bureaucracy, the like of which has never happened.

Let me say to you that that type of legislation will not and cannot successfully operate in a democratic form of government such as we have. It has a place in but one form of government and that is a national socialistic state. I say to you that the principle is the same as that used by Hitler and Mussolini. I agree with you that the objectives sought are diametrically opposite, but the principle is the same. Hitler and Mussolini said you could not hire certain types of people, among whom were Jews. Under the scheme you propose employers would be forced to employ persons whom they did not want. That is not democracy.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Chairman, I ask unanimous consent to address the House for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

Mrs. NORTON. Mr. Chairman, I object.

Mr. HOOK. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I doubt whether I will take the 5 minutes, but I just want to rise to answer a few of the statements that have been made.

We talk about Hitler and Mussolini. During the time we were fighting Hitler and Mussolini, the Fair Employment Practice Committee brought into the war production program many thousands upon thousands of American citizens to produce the weapons of war to defeat Hitler and Mussolini that would not have been brought into the program had it not been for the FEPC. The Fair Employment Practice Committee has done a fine job in helping to defeat Hitler and Mussolini. The war is not over. They are ready and willing to help defeat Hirohito and the Japanese also.

Talk about fascism! Talk about Hitlerism! If the right to a job is not the right of every American citizen, if we are going to say to certain American citizens that because you are Catholic, because you are Protestant, because you are white, because you are black, you are not going to have a fair chance to a job in this Nation, we will have established fascism in this Nation. Our cry of democracy will be a mockery. What is that but what Hitler said in Europe when he said, "The Jews cannot remain in this nation"? What is the difference? I say to you, if we are going to have America and have democracy in America, let us have democracy for all, not for a few; and let us not forget that the very group that is being discriminated against, the group the Fair Employment Practice Committee is trying to protect, has sent their sons across the sea, and they have spilled their blood in defense of the United States of America, in defense of the Star and Stripes; yes, in defense of the democracy we are trying to protect, and that our boys are dying day after day in order to protect. Let us be fair, let us be honest; if we are for democracy, then let us stand up and fight for it. If you are against democracy then do not

give us a chance to vote for or against the FEPC appropriation on the floor of this House. If democracy is to be respected on the floor of this House, then show that respect by being men of integrity by being honest and deciding this question in the democratic way; let this House decide whether or not it wants the Fair Employment Practice Committee provision in this bill. But if you do not want democracy, if you do not want the Members on the floor of this House to decide, then object to the amendment if it is offered. That will be the real test of your belief in democracy.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

By unanimous consent, the pro forma amendments were withdrawn.

Mr. POWELL. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, there is not much future for any people when they lose their ethical integrity. There is not much future for any people who make a promise and then break that promise. I rise as objectively as possible to say just one or two things in reply to the gentleman from Mississippi who said that "another small group" in this House is trying to exert its power. I do not know what he means by a "small group"—there may be "another group."

We have been operating here for 150 years as a majority and minority, and we are still operating that way. But we are not operating on the basis of majority and minority when any handful prevents free discussion of any matter affecting the American people.

The gentleman from Mississippi said he challenged the statement that "the majority of the people of this Nation are for this type of legislation." There is only one way the American people meet a challenge, and that is in the open. The people of Germany and Italy meet challenges in the dark. If he challenges that statement, let us meet the challenge in the open, unless he believes in the doctrines of Mussolini and Hitler. Why are we keeping this from coming out in the open if we are not afraid that maybe the majority is in favor of it?

No one person represents this Government and no one group represents this Nation. This is a Government of a majority and minority of the people, black, white, Protestant, Catholic, Jew and Gentile, and the only way an issue can be decided is when the people themselves stand up and decide it for themselves. Abe Lincoln said there is only one government that would never perish from the earth and that is a government of the people. Let us have a government of the people. During the crisis in the war period we called on the manpower of this Nation irrespective of color to man the machines of production. Now that victory is here, we are shutting the doors in their faces. That is immoral and unethical. That is sabotaging democracy.

Mr. Chairman, I challenge the gentleman from Mississippi and all others, if they believe this is a democracy and believe they are in the majority, let us come out in the open and let us decide which is the winner. Let us get on with the business of winning the war and the peace—a people's peace. Let us support our President and Commander in Chief and pass a permanent FEPC.

Mr. DOYLE. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I am not going to speak on the merits or lack of merits of the FEPC bill at this time. But I feel impelled to say that as a baby Member of this great legislative body during these last 6 months, it is a shocking experience for me to learn that there is in this House a method or system whereby a few members of our Rules Committee can prevent debate and discussion on the floor of this great legislative body, even after another duly constituted and empowered committee, in full performance of its duties and its responsibilities, has reported a bill favorably out of committee by a unanimous or almost unanimous endorsement, as was the case in point with the Labor Committee on this FEPC bill.

I repeat, I am not here discussing the merits of this bill. I am not criticizing any person or persons. I criticize as dangerous to democratic processes any system whereby a minority controls the will of a majority to the extent obtaining in this House in a situation such as this. I am speaking against a system which I discover as a baby Congressman, which here permits a few members of our Rules Committee to stifle and choke and actually prevent a democratic opportunity to this great House for debate on a measure after a duly constituted committee of this House reports favorably for it to be considered by the Members of this House.

Surely the Rules Committee cannot possibly ever be as fully informed or advised on every bill coming from every committee of this House as is the respective committee itself on the measure for which it is expressly responsible. It would be foolhardy to expect one committee of this House to know as much as all of the committees of this House on subjects considered by all the committees. With due respect to the distinguished Rules Committee members, I know that they do not claim any such unlimited intellectual attainments. Yet, gentlemen, merit should be the controlling factor in all cases; and nothing bordering on less than merit must control.

What is the reason why it is safe and sound and according to democratic processes, that a bill should be disallowed presentation to the floor after it has almost unanimous approval for debate by a committee of this House? I recognize a clearance or a calendar committee has to be in control of time and orderly processes in order to facilitate presentation of legislation asked to be considered by the various committees. But gentlemen, is it not destructive of democratic processes for the Rules Committee to have power to absolutely deny, within itself, debate opportunity on a bill, merely because it differs from the opinion of the committee which may have voted almost unanimously to have the bill come to the floor of the House?

Is this not a case where our system allows a minority to control an informed and responsible majority? I speak against any such system as un-American in its essence and destructive of democracy in its results.

I ask that this great legislative body be given an opportunity to discuss and debate and decide this bill on its merits and every other measure too, which is reported out of any of the duly constituted committees of this great legislative body. I repeat, I criticise no person. I simply condemn a system I find existing and which I believe inherently destructive of American democratic processes.

Nor is the fact that it has been the system used for a long period justification of its continuance. If some Members feel that I, as a recently made Congressman, have not yet had ample opportunity to learn by experience, may I emphatically say to you that it does not take very long for a person to see the undemocratic nature of this particular system which I speak against.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. DOYLE. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Am I to understand that the gentleman is indicting his own party, which has 245 Members in this House, and has 8 members on the Committee on Rules out of a committee membership of 12; is he indicting his own party?

Mr. DOYLE. I will say this to the gentleman, that I am indicting a system which I discover makes it possible for a few members of our committee to defeat an almost unanimous report of a great committee of this House after that committee has studied it for several weeks, and is in full possession of the facts and is charged with acting in a responsible and intelligent manner.

No; I am condemning the system which weakens democratic processes for which I will always speak out and defend.

I speak for an opportunity in the American way to have this House membership hear the report of its own committee. Let the House itself decide the merits of the bill; the House is qualified and entitled to this opportunity. To refuse it is dangerous and destructive to legislative progress.

I am aware that the right of petition prevails in this case and that a majority of this House can call this bill from the table of the Rules Committee. But, I find also that it is almost a practical impossibility to succeed in so doing. It places an unnecessary and unjust handicap and dead weight upon legislative processes to place it in that position. It can easily result in a denial of the just and reasonable processes of democracy. Besides, why should a few on our committee have the power of placing legislation from another committee under that almost impossible burden to overcome?

I may not agree with you in what you say, but I will fight to the finish to get you the American right to say it. This, gentleman, is the democratic process for which I briefly speak.

Mr. WOODRUM of Virginia. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I think there are one or two things that ought to be said about the system. I am not particularly concerned either about the merits or the demerits of the bill which has been reported. I would not vote for it if it came out on the floor because I do not think it would accomplish the purpose which its proponents hold out for it. But that does not concern me.

I am concerned somewhat and I have been concerned by the repeated statements that have been made on the floor of the House that there is some sort of legislative legerdemain being practiced by the Committee on Appropriations and the Committee on Rules which keeps some piece of legislation from being considered and acted upon. Let me say this to you, that the Committee on Appropriations carried this item several years when it was not authorized by law. We brought it here. We let the House act upon it and the House acted upon it. I voted for it. I defended it upon the floor. But after a legislative committee reported the bill and after the Committee on Rules refused to clear it, after a direct issue was raised upon it, then the Committee on Appropriations had no right to bring it to the floor.

Let me say this to my friend, the baby Member of Congress. Twenty-four years ago when I came here—and I sympathize with just how he feels today—I remember how indignant I was when there was a certain piece of legislation that I thought ought to pass, and the chairman of the Committee on Rules—and he was then a member of the party on this side of the aisle—Mr. Phil Campbell, walked around with a rule which had been reported out by the Committee on Rules in his hip pocket, and he would not even call it up, even though the Committee on Rules had granted the rule. Every 2 years after that, until almost the last couple of terms of Congress, we annually had a show here on the floor. The great parliamentarian from Georgia, Mr. Crisp; the great parliamentarian from Tennessee, Finis Garrett; the great gentleman from Michigan, Carl Mapes; the great gentleman from Iowa, Mr. Ramseyer, among other celebrated persons, debated this question of the discharge rule. I remember one thing that Mr. Crisp, one of the greatest parliamentarians who ever sat in this House, said, and I give it to you today, "If you think we have a bad system, gentlemen, remember this: This House never gets into any kind of a situation where it cannot work its will if a majority of the Members of the House wish to do it."

Now ponder that if you will. Any day that a majority of the Members of this House wish consideration for this bill it can be brought up for consideration and debated and acted upon. There is a petition on that desk, and I want to say to my good friend from Wisconsin who tries to make politics out of this, I suggest that you read that petition. There are 125 names on it, or there were a few minutes ago. Any day that the House wants to consider this legislation it can take it away from the committee. So there is a way, there is a legitimate, parliamentary way. And though we may get caught some time when we cannot get our pet bill up, remember this, there has never been any parliamentary system under any democracy that has given the people and their elected representatives as much freedom, as much absolute security, as the system under which we live.

Mr. MARCANTONIO. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise not to engage in any controversy as to whether or not the rules of this House provide for the will of the majority to be exercised. I do not want to enter into that broad discussion, because we have something very specific before us. The gentleman from Virginia—and if I misunderstood him I will yield to him to correct me—gave the impression that the Committee on Appropriations was ready to recommend an appropriation for this FEPC agency, but that when it was informed that the Rules Committee would not grant a rule waiving points of order to all of the items in the bill because of the existence of this particular item, the Appropriations Committee retreated and did not make the recommendation for an appropriation for the FEPC agency. Was that the gentleman's statement?

Mr. WOODRUM of Virginia. The gentleman did not exactly understand me correctly. I said that the Appropriations Committee, after it ascertained that the Rules Committee would not give a rule for the consideration of the bill which had been reported from the Labor Committee, never seriously considered reporting this item after the issue had been drawn in the Rules Committee. The OPA, I may say to the gentleman, is in exactly the same situation.

Mr. MARCANTONIO. Therefore, the gentleman now contends that the Committee on Appropriations took the position that it would not recommend the appropriation for the temporary FEPC set up under the Executive order, simply because the Committee on Rules had pending before it a proposal for permanent legislation. But we were informed yesterday, may I say to the gentleman from Virginia, by the distinguished chairman of the Appropriations Committee that the recommendation of the appropriation for FEPC was not repeated this year because the gentleman from Missouri, the chairman of the committee, had received information to the effect that if FEPC were included in this war agencies appropriation bill the Rules Committee would not grant a rule waiving points of order to the other items in the bill.

The gentleman will have to concede that, if that statement is correct, then we are no longer permitting the will of the majority of this House to be exercised. Then the gentleman, with all of his great knowledge of the rules of the House, will have to concede that that is accepting dictation from the Rules Committee on the part of the Committee on Appropriations. You just cannot get away from it. What happens to the exercise of the will of the majority of the House under the circumstances I have just recited?

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The gentleman, who is so much interested in this matter, might have given the House an opportunity to work its will today had he objected to the ordering of the previous question and voted down the previous question on the rule. Then the rule could have been amended.

Mr. MARCANTONIO. I will tell you why we did not do that, because we did not want to give some more people who are supposed to be friends of the FEPC another alibi to stab us in the back; that is all.

Mr. CASE of South Dakota. It would have given you the opportunity to have a direct vote on it if you had voted down the previous question.

Mr. MARCANTONIO. Mr. Chairman, I decline to yield. I want to complete my answer. The gentleman himself asked for it and now he is going to get it. If we had asked for a vote on the previous question it would not have been accepted by those who only pretend to be friends of FEPC as a direct vote on the direct and square issue of an FEPC appropriation or no FEPC appropriation, oh, no, it would simply have given them an opportunity to say, "Oh, yes, I am for the FEPC but I believe in protecting the rule that has been reported out by the Committee on Rules and my refusal to vote down the previous question does not mean that I am against the FEPC. It just means that I want to stand by the Rules Committee." So that would have been used as another alibi by those who pretend to favor FEPC but who have failed to support any move that has been made in behalf of FEPC. We are sick and tired of these alibis and we are not going to have any more created to be used by those who pretend to be for FEPC, but who will do nothing to help it. Therefore, in answer to the gentleman from South Dakota, the reason why we did not force a vote on the previous question is that we did not want a defeat on that collateral issue to be used by the enemies of FEPC as a test of strength on the issue of FEPC when we know that on a show-down on FEPC we will receive a majority. That is why we insist that you give the House an opportunity to vote directly on the FEPC issue.

Mr. CHELF. Mr. Chairman, will the gentleman yield? The gentleman's attitude is the reason why you do not have any more votes and the reason you have not got any more signatures on the petition.

Mr. MARCANTONIO. Let us vote on the FEPC bill and you will see how many votes we have.

Mr. MONRONEY. Mr. Chairman, I move to strike out the last word.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. TARVER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TARVER. Mr. Chairman, is it or is it not in order under the rules of the House that gentlemen upon a motion to strike out the last word may discuss matters which do not relate to the last

word or to any subject matter contained in the bill?

The CHAIRMAN. In the consideration of a bill of this nature, those gentlemen who obtain the floor by offering a pro forma amendment are supposed to discuss matters relating to the bill. The gentleman from Oklahoma will proceed in order.

Mr. TARVER. Then, Mr. Chairman, I will make a point of order hereafter, because this subject matter has been fully discussed, that every gentleman addressing the House under a pro forma amendment shall confine himself to the subject matter of his amendment.

The CHAIRMAN. The gentleman from Oklahoma will proceed in order.

Mr. MONRONEY. Mr. Chairman, I thank the gentleman from Georgia for his suggestion.

I take the floor to discuss the smallest, tiniest item in this appropriation bill. This bill appropriates $796,000,000, and the amendment that I wish to discuss is one in which the House in its haste struck out, I believe ill-advisedly, a total amount of $196,000.

I speak of the amendment that cut out the Office of Economic Stabilization. I am certain the Members of the House did not realize that they were pulling out the connecting pin which has held the dam against inflation. Under the Stabilization Act of October 2, 1941, we directed the President to set up an office to control the forces of inflation.

The only agency of this Government that can protect this Nation against inflation at the most vital connecting point is the Office of Economic Stabilization. That is the point where wages and prices come together. You have control over prices in the Office of Price Administration. You have control over wages in the War Labor Board.

But the only place that those two can be geared together and connected, to be sure you do not have an unlimited cycle of inflation, is in the Office of Economic Stabilization.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. In just a moment I will yield.

You abolish today by the adoption of this amendment the office that Judge Fred Vinson held up until 2 months ago. I do not think I need remind you what a valient fight he made against all kinds of economic pressure, both on the labor front and on the price front, to resist a run-away of prices during this critical period. Yet the amendment today abolishes the Office of Economic Stabilization.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. TABER. Does not the gentleman realize that the Office of War Mobilization and Reconversion has that authority and Judge Vinson is taking the whole thing over to work on it?

Mr. MONRONEY. I beg to differ with the gentleman from New York, because Judge Vinson cannot possibly handle the vital work of reconversion and war mobilization, and do the work on price control and economic stabilization as well. It is a physical impossibility to do it.

The gentleman knows that Judge Vinson was succeeded by Mr. Davis, of New York, who has endeavored against all kinds of different pressures to hold the line against inflation. This appropriation is $196,000, the tiniest one in this bill, yet we have blissfully appropriated $796,000,000 in this bill, and now we are trying to hit a gnat.

When you are hitting at a gnat-sized appropriation, bear in mind that you are pulling out the pin that is holding the dam together against the devastating tide of inflation. The cost of the amendment to the Nation will be billions of dollars.

We will ask for a roll-call vote on this very ill-advised amendment.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read as follows:

DEPARTMENT OF THE INTERIOR

WAR RELOCATION AUTHORITY

Salaries and expenses: For all necessary expenses of the War Relocation Authority, $25,000,000, including expenses incident to the extension of the program provided for in Executive Order 9102 to persons of Japanese ancestry not evacuated from military areas and the administration and operation of the emergency refugee shelter at Fort Ontario, N. Y., provided for in the President's message of June 12, 1944, to the Congress (H. Doc. 656); salary of the Director at not to exceed $10,000 per annum; employment of aliens; not to exceed $20,000 for the employment of persons or organizations, by contract or otherwise, without regard to the civil-service and classification laws; traveling expenses, not to exceed $313,200; reimbursement, at not to exceed 3 cents per mile, of employees for official travel performed by them in privately owned automobiles within the limits of their official stations; printing and binding, not to exceed $14,900; procurement of supplies and equipment (with or without personal services); the leasing to others of land acquired for the program; purchase of uniforms for internal-security officers; transfer of household goods and effects as provided by the act of October 10, 1940, including travel expenses, of employees transferred from other Federal agencies to the Authority at its request; not to exceed $10,000 for payment to States or political subdivisions thereof, or other local public taxing units, of sums in lieu of taxes against real property acquired by the Authority for the purposes hereof; for payments for the performance of governmental services required in connection with the administration of the program; the disposal, by public or private sale, of goods or commodities produced or manufactured in the performance of activities hereunder, the proceeds of which shall be deposited in the Treasury as miscellaneous receipts: *Provided*, That the provisions of the act of February 15, 1934 (48 Stat. 351), as amended, relating to disability or death compensation and benefits, shall apply to persons receiving from the United States compensation in the form of subsistence, cash advances, or other allowances in accordance with regulations prescribed by the Director of the War Relocation Authority for work performed in connection with such program and, effective August 5, 1944, in connection with the administration and operation of such emergency refugee shelter: *Provided further*, That this provision shall not apply in any case coming within the purview of the workmen's compensation laws of any State, Territory, or possession, or in which the claimant has received or is entitled to receive similar benefits for injury or death: *Provided further*, That the Secretary of the Interior may delegate to any official in the War Relocation Authority the authority to make appointments of personnel and he may also delegate to any official in the War Relocation Authority the authority to make other determinations necessary for the conduct of administrative management within the Authority: *And provided further*, That the limitation placed on the amount available for travel expenses for the War Relocation Authority shall not apply to travel of evacuees and their escorts incident to transfers and relocation.

Mr. DWORSHAK. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DWORSHAK: On page 33, line 18, after the second word "expenses", insert "for the liquidation by January 1, 1946"; and in line 19, after the word "Authority", strike out "$25,000,000" and insert "$20,000,000."

Mr. DWORSHAK. Mr. Chairman, I realize the House is growing impatient at this late hour, but I ask your indulgence to explain the objectives of my amendment.

Under Executive Order No. 9102, the War Relocation Authority was created by the President in March 1942. On December 17, 1944, Major General Pratt, of the Western Defense Command, issued Public Proclamation No. 21 revoking the exclusion order which had been issued shortly after Pearl Harbor, and which was responsible for the creation of the War Relocation Authority. That was last December. There is no reason why this agency—which has done a fairly efficient job in the handling of Japanese evacuees on the west coast—should not liquidate its affairs within 6 months and discharge those Japanese, who are American citizens, so that they may return to their respective States or be relocated elsewhere in the United States, without unnecessary delays.

In December 1944, Secretary Ickes made the statement that there would be early liquidation of the relocation centers which were established originally for the temporary maintenance of a dislocated people. I want to call your attention to page 269 of the hearings on this bill. There you will find that Director Myer said that all of the camps will be liquidated in December of this year. The committee report further states that, during the last 6 months, from January 1 to June 30 of the fiscal year 1946, there will be no evacuees in the relocation centers in the West. Still, the Budget requests, as outlined on page 269 of the hearings, during a period of 6 months, or from January to June of 1946, a total of $7,000,000 for operation of this agency. I ask you why the War Relocation Authority should be allowed to spend $7,000,000 when there will be no evacuees in relocation centers?

I want to point out that the longer the Japs remain in idleness in these relocation centers the more difficult will be their relocation when they are discharged and permitted to return to their former

homes or elsewhere in the United States. We have an acute manpower situation. These Japs are American citizens. The Japs who were considered dangerous to this country, or who have expressed a desire for repatriation, have already been removed to the Tule Lake camp in California, and the records of the other Japs have been scrutinized. They are American citizens and under the law there is no reason why they should be detained in these camps for a year after revocation of the exclusion order. Why should not all of these Japs—except those at Tule Lake—be released, instead of drafting our American boys from farms in the West—while the Jap evacuees are loafing in these camps because there is no authority now for giving them temporary leave which would enable them to relieve the labor situation on the farms and in the industries of the West? It is time we closed down this particular agency and released this manpower which is so sorely needed by our country in wartime.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, the bill, as written, provides precisely the same program as that proposed by the gentleman's amendment—liquidation of the Authority by January 1, 1946. The only difference is he would provide $5,000,000 less to complete the program. Of the amount proposed more than $7,000,000 is necessary to pay railroad fare and expenses of liquidation. An additional seven million is required to pay the cost of the Tule Lake center for a full year and turn it over to the Department of Justice. The remaining amount must bear the cut proposed by the amendment, so the reduction would amount to 50 percent. This is a large organization built to furnish all requirements for more than 110,000 people—including housing, food, medical care, schools—and more than 40,000 still await relocation. It takes time to move such a large group of people and to dispose of these large quantities of machinery and equipment. The committee, after careful consideration, is convinced that the amount proposed is the irreducible minimum with which it can be done.

Liquidation is proceeding with efficiency and dispatch. The program should not be interrupted or disorganized. I ask that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. DWORSHAK].

The question was taken; and on a division (demanded by Mr. DWORSHAK) there were—ayes 95, noes 113.

So the amendment was rejected.

Mr. MARCANTONIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARCANTONIO: Page 35, after line 24, insert the following new paragraph:

"Fair Employment Practice Committee: For all necessary salaries and expenses, $599,000."

Mr. RANKIN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. RANKIN. Mr. Chairman, I make the point of order that the amendment is not germane, it is not in order on this bill, it is legislation on an appropriation bill and it is not authorized by law.

The CHAIRMAN. Does the gentleman from New York [Mr. MARCANTONIO] desire to be heard?

Mr. MARCANTONIO. Briefly, Mr. Chairman.

Mr. Chairman, without conceding whether or not the amendment is in order, it has been offered for the purpose of completing the record and, also, may I point out that we would have had an opportunity to debate this particular amendment if no point of order had been made.

The CHAIRMAN. The Chair understands the gentleman concedes the point of order?

Mr. MARCANTONIO. Mr. Chairman, I do not concede the point of order.

The CHAIRMAN. The point of order is well taken. It is legislation on an appropriation bill and not authorized by law. The point of order is sustained.

The Clerk read as follows:

GENERAL PROVISIONS

SEC. 102. The appropriations in this act for salaries and expenses shall be available, in addition to the objects specified under each head, and without regard to section 3709, Revised Statutes (except as otherwise specified herein), for personal services in the District of Columbia and elsewhere; contract stenographic reporting services; lawbooks, books of reference, newspapers and periodicals; maintenance, operation, and repair of motor-propelled passenger-carrying vehicles; acceptance and utilization of voluntary and uncompensated services; and traveling expenses, including expenses of attendance at meetings of organizations concerned with the work of the agency from whose appropriation such expenses are paid.

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CANNON of Missouri: Page 36, line 4, after the comma, strike out the remainder of line 4, all of line 5, and line 6 to and including the comma.

Mr. CANNON of Missouri. Mr. Chairman, this is merely a clarifying amendment, and I ask for a vote.

The amendment was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 3368, making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. CANNON of Missouri. Mr. Speaker, I ask for a separate vote on the amendment to page 6, line 17, Office of Economic Stabilization.

Mr. MARCANTONIO. Mr. Speaker, I demand a separate vote on the Lea amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: Page 6, line 17, strike out lines 17 to 26, and on page 7, strike out lines 1 to 3.

Mr. MARCANTONIO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. Mr. Speaker, when a separate vote is demanded on several amendments, does the vote come in the order in which the separate votes were demanded or in the order in which the amendments appear in the bill?

The SPEAKER. Since the question has been raised, the Chair thinks that, when a separate vote has been demanded on several amendments, the amendment which appears first in the bill should be first voted upon.

The Clerk will report the so-called Lea amendment.

The Clerk read as follows:

Amendment offered by Mr. LEA: Page 4, line 1, after the word "persons" strike out the period and insert a colon and the following: "*Provided further*, That no part of the funds appropriated in this paragraph shall be used in connection with investigation, hearings, directives or orders concerning bargaining units composed in whole or in part of agricultural laborers as that term is defined in the Social Security Act in section 409, title 42, United States Code."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 176, noes 49.

Mrs. NORTON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: Page 6, line 17, strike out lines 17 to 26, and on page 7, strike out lines 1 to 3.

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 100, noes 113.

So the amendment was rejected.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TABER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TABER moves to recommit the bill to the Committee on Appropriations with instructions to report the same back forthwith with an amendment reducing the Office of War Information by $17,000,000, to apply to the estimates for activities in Europe and the United States.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Chair being in doubt, the House divided, and there were—ayes 120, noes 108.

Mr. CANNON of Missouri. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 138, nays 128, not voting 166, as follows:

[Roll No. 102]

YEAS—138

Abernethy	Graham	Merrow
Adams	Griffiths	Michener
Allen, La.	Gross	Miller, Nebr.
Anderson, Calif.	Gwynne, Iowa	Mundt
Andrews, N. Y.	Hale	Murray, Wis.
Arends	Hall,	O'Hara
Arnold	Edwin Arthur	O'Konski
Barrett, Wyo.	Halleck	Phillips
Bates, Mass.	Hancock	Pittenger
Bell	Harness, Ind.	Poage
Bennett, Mo.	Henry	Ramey
Bolton	Herter	Rankin
Boykin	Heselton	Reed, Ill.
Bradley, Mich.	Hill	Rees, Kans.
Brehm	Hinshaw	Rich
Brown, Ohio	Hoeven	Rizley
Buffett	Hoffman	Robertson,
Butler	Holmes, Mass.	N. Dak.
Case, S. Dak.	Holmes, Wash.	Robsion, Ky.
Chenoweth	Hope	Rockwell
Chiperfield	Horan	Roe, Md.
Church	Howell	Rogers, Mass.
Clevenger	Hull	Schwabe, Mo.
Cole, Kans.	Jenkins	Schwabe, Okla.
Corbett	Jennings	Scrivner
Cox	Jensen	Short
Crawford	Johnson, Ill.	Simpson, Ill.
Cunningham	Jones	Smith, Wis.
Curtis	Jonkman	Springer
Dolliver	Judd	Stevenson
Dworshak	Kearney	Stockman
Elliott	Keefe	Sumner, Ill.
Ellis	Kilburn	Sumners, Tex.
Elston	Kinzer	Taber
Engel, Mich.	Knutson	Talbot
Fenton	LeCompte	Talle
Fisher	LeFevre	Thomas, N. J.
Fulton	Lewis	Tibbott
Gamble	Luce	Vorys, Ohio
Gavin	McConnell	Vursell
Gibson	McCowen	West
Gifford	McDonough	Wigglesworth
Gillespie	McGehee	Wilson
Gillette	McGregor	Winstead
Gillie	McMillen, Ill.	Wolcott
Goodwin	Martin, Mass.	Woodruff, Mich.
Gossett	May	

NAYS—128

Andrews, Ala.	Bryson	Carnahan
Baldwin, Md.	Bulwinkle	Chapman
Beckworth	Bunker	Chelf
Bland	Burgin	Cochran
Boren	Camp	Coffee
Brown, Ga.	Cannon, Mo.	Colmer
Combs	Johnson, Okla.	Rains
Cooper	Kee	Ramspeck
Crosser	Kefauver	Resa
D'Alesandro	Kelley, Pa.	Richards
Dawson	Kelly, Ill.	Riley
De Lacy	Kerr	Robinson, Utah
Dingell	Kilday	Rogers, Fla.
Doughton, N. C.	King	Rogers, N. Y.
Douglas, Calif.	Kopplemann	Rooney
Douglas, Ill.	Lanham	Rowan
Doyle	Lea	Russell
Engle, Calif.	Lesinski	Ryter
Fallon	Ludlow	Sadowski
Feighan	Lyle	Sasscer
Fernandez	McCormack	Savage
Folger	Madden	Snyder
Forand	Mahon	Sparkman
Gallagher	Manasco	Spence
Gardner	Marcantonio	Starkey
Gary	Miller, Calif.	Stigler
Gordon	Mills	Sullivan
Gore	Monroney	Tarver
Gregory	Murdock	Thom
Harless, Ariz.	Neely	Thomas, Tex.
Harris	Norrell	Thomason
Hart	Norton	Tolan
Havenner	O'Brien, Ill.	Trimble
Hays	O'Brien, Mich.	Voorhis, Calif.
Healy	O'Neal	Wasielewski
Hedrick	Outland	White
Hendricks	Patman	Whittington
Hoch	Patrick	Wickersham
Hook	Patterson	Wood
Huber	Philbin	Woodhouse
Izac	Pickett	Woodrum, Va.
Johnson, Luther A.	Powell	Worley
	Priest	Zimmerman

NOT VOTING—166

Allen, Ill.	Earthman	Martin, Iowa
Andersen, H. Carl	Eaton	Mason
	Eberharter	Morgan
Anderson, N. Mex.	Ellsworth	Morrison
	Elsaesser	Mott
Andresen, August H.	Ervin	Murphy
	Fellows	Murray, Tenn.
Angell	Flannagan	O'Toole
Auchincloss	Flood	Pace
Bailey	Fogarty	Peterson, Fla.
Baldwin, N. Y.	Fuller	Peterson, Ga.
Barden	Gathings	Pfeifer
Barrett, Pa.	Gearhart	Ploeser
Barry	Geelan	Plumley
Bates, Ky.	Gerlach	Powers
Beall	Gorski	Price, Fla.
Bender	Granahan	Price, Ill.
Bennet, N. Y.	Granger	Quinn, N. Y.
Biemiller	Grant, Ala.	Rabaut
Bishop	Grant, Ind.	Rabin
Blackney	Green	Randolph
Bloom	Gwinn, N. Y.	Rayfiel
Bonner	Hagen	Reece, Tenn.
Bradley, Pa.	Hall,	Reed, N. Y.
Brooks	Leonard W.	Rivers
Brumbaugh	Hand	Robertson, Va.
Buck	Hare	Rodgers, Pa.
Buckley	Hartley	Roe, N. Y.
Burch	Hébert	Sabath
Byrne, N. Y.	Heffernan	Shafer
Byrnes, Wis.	Hess	Sharp
Campbell	Hobbs	Sheppard
Canfield	Holifield	Sheridan
Cannon, Fla.	Jackson	Sikes
Carlson	Jarman	Simpson, Pa.
Case, N. J.	Johnson, Calif.	Slaughter
Celler	Johnson, Ind.	Smith, Maine
Clark	Johnson,	Smith, Ohio
Clason	Lyndon B.	Smith, Va.
Clements	Kean	Somers, N. Y.
Cole, Mo.	Keogh	Stefan
Cole, N. Y.	Kirwan	Stewart
Cooley	Kunkel	Sundstrom
Courtney	LaFollette	Taylor
Cravens	Landis	Torrens
Curley	Lane	Towe
Daughton, Va.	Larcade	Traynor
Davis	Latham	Vinson
Delaney, James J.	Lemke	Wadsworth
	Link	Walter
Delaney, John J.	Lynch	Weaver
	McGlinchey	Weichel
Dickstein	McKenzie	Weiss
Dirksen	McMillan, S. C.	Welch
Domengeaux	Maloney	Whitten
Dondero	Mansfield,	Winter
Drewry	Mont.	Wolfenden, Pa.
Durham	Mansfield, Tex.	Wolverton, N. J.

So, the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Plumley for, with Mr. Keogh against.

Mr. Beall for, with Mr. Byrne of New York against.

Mr. Reed of New York for, with Mr. Barrett of Pennsylvania against.

Mr. Smith of Ohio for, with Mr. Sikes against.

Mr. Fuller for, with Mr. Hobbs against.

Mr. Carlson for, with Mr. John J. Delaney against.

Mr. Rodgers of Pennsylvania for, with Mr. Pfeifer against.

Mr. Stefan for, with Mr. Rabaut against.

Mr. Martin of Iowa for, with Mr. Holifield against.

Mr. Grant of Indiana for, with Mr. Jarman against.

Mr. Ploeser for, with Mr. Whitten against.

Mr. Johnson of Indiana for, with Mr. Sheppard against.

Mr. Cole of Missouri for, with Mr. Price of Florida against.

Mr. Wolfenden of Pennsylvania for, with Mr. Biemiller against.

Mr. Dondero for, with Mr. Dickstein against.

Mr. Shafer for, with Mr. O'Toole against.

Mr. Dirksen for, with Mr. Lynch against.

Mr. Taylor for, with Mr. Bloom against.

Mr. Bishop for, with Mr. Randolph against.

Mr. Allen of Illinois for, with Mr. Morrison against.

Mr. Hess for, with Mr. Heffernan against.

General pairs until further notice:

Mr. Roe of New York with Mr. Fellows.

Mr. Sheridan with Mr. Mason.

Mr. Somers of New York with Mr. Canfield.

Mr. Curley with Mr. Lemke.

Mr. James J. Delaney with Mr. Case of New Jersey.

Mr. Weiss with Mr. LaFollette.

Mr. Barry with Mr. Clason.

Mr. Green with Mr. Powers.

Mr. Rayfiel with Mr. Cole of New York.

Mr. Price of Illinois with Mr. Eaton.

Mr. Celler with Mr. Reece of Tennessee.

Mr. Rivers with Mr. Hagen.

Mr. Torrens with Mr. Ellsworth.

Mr. Traynor with Mr. Leonard W. Hall.

Mr. Rabin with Mrs. Smith of Maine.

Mr. Drewry with Mr. Hand.

Mr. Buckley with Mr. Sundstrom.

Mr. Cooley with Mr. Angell.

Mr. Quinn of New York with Mr. Hartley.

Mr. Bonner with Mr. H. Carl Andersen.

Mr. Lane with Mr. Weichel.

Mr. Bradley of Pennsylvania with Mr. August H. Andresen.

Mr. Burch with Mr. Wolverton of New Jersey.

Mr. Domengeaux with Mr. Bennet of New York.

Mr. Durham with Mr. Blackney.

Mr. MARCANTONIO changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

Mr. CANNON of Missouri. Mr. Speaker, pursuant to the instructions of the House, I now report back to the House the bill H. R. 3368, the war agencies appropriation bill, with the amendment incorporated in the motion to recommit, and with the recommendation that the amendment be agreed to and the bill as amended do pass.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment reducing the Office of War Information by $17,000,000, to apply to the estimates for activities in Europe and the United States.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. CANNON of Missouri. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 252, nays 2, not voting 178, as follows:

[Roll No. 103]

YEAS—252

Abernethy	Gossett	Miller, Calif.
Adams	Graham	Miller, Nebr.
Allen, La.	Gregory	Mills
Andrews, Ala.	Griffiths	Monroney
Arends	Gross	Mundt
Arnold	Gwynne, Iowa	Murdock
Baldwin, Md.	Hale	Murray, Wis.
Barrett, Wyo.	Hall,	Neely
Bates, Mass.	Edwin Arthur	Norrell
Beckworth	Halleck	Norton
Bell	Hancock	O'Brien, Ill.
Bennett, Mo.	Harless, Ariz.	O'Brien, Mich.
Bland	Harness, Ind.	O'Hara
Bolton	Harris	O'Konski
Boren	Havenner	O'Neal
Boykin	Hays	Outland
Bradley, Mich.	Healy	Patman
Brehm	Hedrick	Patterson
Brown, Ga.	Hendricks	Philbin
Brown, Ohio	Henry	Phillips
Bryson	Herter	Pickett
Buffett	Heselton	Pittenger
Bunker	Hill	Poage
Burgin	Hinshaw	Powell
Butler	Hoch	Priest
Camp	Hoeven	Rains
Cannon, Mo.	Hoffman	Ramey
Carnahan	Holmes, Mass.	Ramspeck
Case, S. Dak.	Holmes, Wash.	Rankin
Chapman	Hope	Reed, Ill.
Cheif	Horan	Rees, Kans.
Chenoweth	Howell	Resa
Chiperfield	Huber	Rich
Church	Hull	Richards
Clevenger	Izac	Riley
Cochran	Jenkins	Rizley
Coffee	Jennings	Robertson,
Cole, Kans.	Jensen	N. Dak.
Colmer	Johnson, Ill.	Robsion, Ky.
Combs	Johnson,	Rockwell
Cooper	Luther A.	Rogers, Fla.
Corbett	Johnson, Okla.	Rogers, Mass.
Cox	Jones	Rogers, N. Y.
Crawford	Jonkman	Rooney
Crosser	Judd	Rowan
Cunningham	Kearney	Russell
Curtis	Kee	Ryter
D'Alesandro	Keefe	Sadowski
Dawson	Kefauver	Sasscer
De Lacy	Kelley, Pa.	Savage
Dingell	Kelly, Ill.	Schwabe, Mo.
Dolliver	Kerr	Schwabe, Okla.
Doughton, N. C.	Kilburn	Scrivner
Douglas, Calif.	Kilday	Short
Douglas, Ill.	King	Simpson, Ill.
Doyle	Kinzer	Smith, Wis.
Dworshak	Knutson	Snyder
Elliott	Lanham	Sparkman
Ellis	Lea	Spence
Elston	LeFevre	Springer
Engel, Mich.	Lesinski	Starkey
Fallon	Lewis	Stevenson
Feighan	Luce	Stigler
Fenton	Ludlow	Stockman
Fernandez	Lyle	Sullivan
Fisher	McConnell	Sumner, Ill.
Folger	McCormack	Sumners, Tex.
Forand	McCowen	Taber
Fulton	McDonough	Talbot
Gallagher	McGehee	Talle
Gardner	McGregor	Tarver
Gary	McMillen, Ill.	Thom
Gavin	Madden	Thomas, N. J.
Gibson	Mahon	Thomas, Tex.
Gillespie	Manasco	Thomason
Gillette	Marcantonio	Tibbott
Gillie	Martin, Mass.	Tolan
Goodwin	May	Trimble
Gordon	Merrow	Voorhis, Calif.
Gore	Michener	Vorys, Ohio
Vursell	Wickersham	Wood
Wasielewski	Wigglesworth	Woodhouse
West	Wilson	Woodruff, Mich.
White	Winstead	Worley
Whittington	Wolverton, N. J.	Zimmerman

NAYS—2

Hook Kopplemann

NOT VOTING—178

Allen, Ill.	Eaton	Martin, Iowa
Andersen,	Eberharter	Mason
H. Carl	Ellsworth	Morgan
Anderson, Calif.	Elsaesser	Morrison
Anderson,	Engle, Calif.	Mott
N. Mex.	Ervin	Murphy
Andresen,	Fellows	Murray, Tenn.
August H.	Flannagan	O'Toole
Andrews, N. Y.	Flood	Pace
Angell	Fogarty	Patrick
Auchincloss	Fuller	Peterson, Fla.
Bailey	Gamble	Peterson, Ga.
Baldwin, N. Y.	Gathings	Pfeifer
Barden	Gearhart	Ploeser
Barrett, Pa.	Geelan	Plumley
Barry	Gerlach	Powers
Bates, Ky.	Gifford	Price, Fla.
Beall	Gorski	Price, Ill.
Bender	Granahan	Quinn, N. Y.
Bennet, N. Y.	Granger	Rabaut
Biemiller	Grant, Ala.	Rabin
Bishop	Grant, Ind.	Randolph
Blackney	Green	Rayfiel
Bloom	Gwinn, N. Y.	Reece, Tenn.
Bonner	Hagen	Reed, N. Y.
Bradley, Pa.	Hall,	Rivers
Brooks	Leonard W.	Robertson, Va.
Brumbaugh	Hand	Robinson, Utah
Buck	Hare	Rodgers, Pa.
Buckley	Hart	Roe, Md.
Bulwinkle	Hartley	Roe, N. Y.
Burch	Hébert	Sabath
Byrne, N. Y.	Heffernan	Shafer
Byrnes, Wis.	Hess	Sharp
Campbell	Hobbs	Sheppard
Canfield	Holifield	Sheridan
Cannon, Fla.	Jackson	Sikes
Carlson	Jarman	Simpson, Pa.
Case, N. J.	Johnson, Calif.	Slaughter
Celler	Johnson, Ind.	Smith, Maine
Clark	Johnson,	Smith, Ohio
Clason	Lyndon B.	Smith, Va.
Clements	Kean	Somers, N. Y.
Cole, Mo.	Keogh	Stefan
Cole, N. Y.	Kirwan	Stewart
Cooley	Kunkel	Sundstrom
Courtney	LaFollette	Taylor
Cravens	Landis	Torrens
Curley	Lane	Towe
Daughton, Va.	Larcade	Traynor
Davis	Latham	Vinson
Delaney,	LeCompte	Wadsworth
James J.	Lemke	Walter
Delaney,	Link	Weaver
John J.	Lynch	Welchel
Dickstein	McGlinchey	Weiss
Dirksen	McKenzie	Welch
Domengeaux	McMillan, S. C.	Whitten
Dondero	Maloney	Winter
Drewry	Mansfield,	Wolcott
Durham	Mont.	Wolfenden, Pa.
Earthman	Mansfield, Tex.	Woodrum, Va.

So the bill was passed.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Keogh with Mr. Plumley.

Mr. Barrett of Pennsylvania with Mr. Reed of New York.

Mr. Byrne of New York with Mr. Beall.

Mr. Sikes with Mr. Smith of Ohio.

Mr. Hobbs with Mr. Fuller.

Mr. John J. Delaney with Mr. Carlson.

Mr. Pfeifer with Mr. Rodgers of Pennsylvania.

Mr. Rabaut with Mr. Stefan.

Mr. Holifield with Mr. Martin of Iowa.

Mr. Jarman with Mr. Grant of Indiana.

Mr. Whitten with Mr. Ploeser.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Price of Florida with Mr. Cole of Missouri.

Mr. Biemiller with Mr. Wolfenden of Pennsylvania.

Mr. Dickstein with Mr. Dondero.

Mr. O'Toole with Mr. Shafer.

Mr. Lynch with Mr. Dirksen.

Mr. Bloom with Mr. Taylor.

Mr. Randolph with Mr. Bishop.

Mr. Morrison with Mr. Allen of Illinois.

Mr. Heffernan with Mr. Hess.

Mr. Larcade with Mr. Towe.

Mr. McMillan of South Carolina with Mr. Baldwin of New York.

Mr. Pace with Mr. Winter.

Mr. Stewart with Mr. Kean.

Mr. Walter with Mr. Landis.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Gathing, its enrolling clerk, announced that the Senate had passed without amendments joint resolutions and a concurrent resolution of the House of the following titles:

H. J. Res. 208. Joint resolution making an appropriation for emergency flood-control work, and for other purposes;

H. J. Res. 212. Joint resolution making a supplemental appropriation for the fiscal year ending June 30, 1945, for the Children's Bureau, Department of Labor, and for other purposes; and

H. Con. Res. 62. Concurrent resolution authorizing the Committee on the Merchant Marine and Fisheries of the House of Representatives to have printed for its use additional copies of part 1 of the hearings on postwar disposition of merchant vessels, held before said committee during the current session.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Commerce.
2. Department of War.
3. Office of Civilian Defense.
4. Selective Service System.
5. United States Maritime Commission.

ADJOURNMENT OVER

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

SIGNING OF ENROLLED JOINT RESOLUTION

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House, the Speaker may be authorized to sign enrolled House Joint Resolution 208.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD in two instances; to include in one a set of resolutions adopted by the North Dakota Stockmen's Association, and in the other a set of resolutions in opposition to the Missouri Valley Authority.

Mr. REED of New York (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD in two instances; to include in one a set of resolutions adopted by the New York Senate, and in the other some newspaper clippings.

Mr. CHENOWETH asked and was given permission to extend his remarks in the RECORD on the meat situation and include certain correspondence with Mr. Chester Bowles.

Mr. KELLY of Illinois asked and was given permission to extend his remarks in the RECORD and include a short editorial from the Chicago Times.

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article entitled "The Auto Industry After the War." I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $182, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. DOYLE asked and was given permission to revise and extend the remarks he made in Committee today and also to extend his remarks in the RECORD and include two short letters from members of the American armed forces.

Mr. RANKIN asked and was given permission to revise and extend the remarks he made in Committee today and include a letter from the President of the United States.

Mr. MARCANTONIO (at the request of Mr. RAMSPECK) was given permission to revise and extend the remarks he made in Committee today.

The SPEAKER. Under previous order of the House the gentleman from California [Mr. MILLER], is recognized for 20 minutes.

LOW COST PUBLIC POWER

Mr. MILLER of California. Mr. Speaker, the fight to eliminate two relatively small items from the Interior Department appropriation bill of 1946 has brought us face to face with one of the greatest postwar issues that the Congress will face—the question of whether the Nation wishes to avail itself of the advantages of low-cost public power in building the economy of tomorrow.

At the behest of President J. B. Black of the Pacific Gas & Electric Co., the appropriations subcommittee of this House struck from the Budget estimates for Bureau of Reclamation $115,300 to be used for planning transmission lines from Shasta Dam to load centers in the Central Valley project area, and $100,000 for planning a steam-power plant in the delta region of the Central Valley, which would increase the firm power available from Shasta Dam threefold.

The Senate has restored these items. If this House were to insist upon this omission, it would leave the P. G. & E. in virtual monopolistic control of electrical wholesale distribution in northern and central California, and would force the United States Government to sell current to the P. G. & E. at low rates, and buy it back in large quantities at high rates for the operation of its tremendous Central Valley project. This would cost the electricity consumers of California, including the Bureau of Reclamation, many millions of dollars—in the course of years billions—which would enrich the P. G. & E. without any fair return.

The tragedy of this situation, however, is much broader than that. By eliminating direct Government sales in electric distribution, you would be shutting out from California many industries which would go to areas where Government competition has forced rates for electric energy down to a minimum. You would make it impossible for California, and particularly the San Francisco-Alameda-Contra Costa County area, to build a postwar economy that would absorb hundreds of thousands of war workers from shipbuilding and other war industries into peacetime occupations; and in so doing the Congress would be directly responsible for widespread unemployment, men and women left stranded in California who came to it during the war to build new industries, but who would become migrants without a base. You can prevent such tragedy.

It is not difficult to see that this is the sort of thing which begins the deflationary cycle more quickly and effectively than anything else. When depression once gets rolling, it gathers momentum until it eventually carries the entire economy of the Nation with it. Gentlemen, I am telling you that right now and here is the time and place to act so that the hope of every person in America that we shall build a sound economy of abundance does not become an empty dream.

We can have full employment. We can build new industries that will flourish in the West as well as in the East. We can help each other upward, almost as easily as we can drag each other downward, if we can only recognize the things that are necessary for us to do.

Let me repeat—nothing is more important in maintaining employment and a high-velocity economy in the West at this very moment when cut-backs in shipbuilding and munitions production are occurring than large supplies of low-cost electric energy injected freely into the industrial blood stream. The energy used for heat and power in many manufacturing industries is one of the most important costs of manufacture. If we in California are permitted to avail ourselves of the energy which nature has provided so abundantly in our State, we can in the postwar world take our place permanently as one of the great manufacturing States along with those of the East, for we now have an oversupply of manpower, and mineral and agricultural resources of our region are among the most abundant.

But we cannot rely upon the P. G. & E. to provide the low-cost power which must be obtained if we are to put our manpower to work on our resources. At least we cannot rely upon the P. G. & E. as long as it continues to operate as a monopolistic enterprise. This conclusion is not hastily arrived at. Nor am I pointing a finger of scorn and anger at the P. G. & E. when I declare that it is the principal menace to the prosperity of California in the postwar period. The officers of the P. G. & E. would consider themselves derelict in their duty if they did not oppose the introduction into California by the Federal Government of low-cost electrical energy, for they do not have the foresight to realize that this is California's salvation. They can see only the profits they think they might lose in the next few years.

But the Congress has the duty of examining a situation, not from the viewpoint of the stockholders of one private utility, but from the standpoint of all of the people of the Nation; and this viewpoint means that each region must help every other region to maintain the maximum of employment and prosperity consistent with the welfare of the whole. We have learned from extremely sad experiences that when the economy of one part of the Nation suffers seriously that all parts inevitably suffer.

Let us establish one point right now. Shasta power is low-cost power. With Shasta power made available to the industrial and agricultural areas of California without passing through the distributing systems of the P. G. & E. it could be delivered at rates that would compare well with the lowest rates for electric energy in the United States.

The Central Valley project interim rates established last March by the Bureau of Reclamation, which probably will be reduced somewhat if the Congress permits the CVP to construct its own transmission lines and a steam plant in the Delta region, could be distributed to many towns, irrigation districts, and cooperatives in California. The city of Redding, which is close to Shasta Dam, now pays about 7½ mills a kilowatt-hour for the current it buys from the P. G. & E. The CVP is negotiating to sell current to Redding at around 5 mills, a reduction of one-third.

The P. G. & E. sells current at average rates ranging from 7.7 mills to 11.2 mills to the cities of Alameda, Biggs, Gridley, Lodi, Palo Alto, and others. With CVP interim rates, these cities could receive electric energy for between 4.8 mills to 6.8 mills per kilowatt-hour. The upper figure is a little below the Tennessee Valley Authority rates, but this does not mean that CVP interim rates are, on the whole, lower than those of the TVA. In general, the CVP interim rate is lower than the TVA rate for small towns and rural electric cooperatives, but for large towns or large power districts the TVA rate is lower than the CVP interim rate. The 2 rates coincide at about 3,000 kilowatts. At 500 kilowatts the CVP interim rate is 1 mill lower than the TVA rate. For loads greater than 10,000 kilowatts, the TVA industrial rate is lower. For example, a 5,000 kilowatt load is slightly more than one-tenth of a mill higher under the TVA rate than under the CVP rate, whereas a 50,000-kilowatt load is about one-tenth of a mill lower under the TVA rate than under the CVP rate.

The gentleman from Mississippi [Mr. RANKIN] has pointed out to you that if electric rates throughout the United States could be reduced to the rates now charged by the TVA, there would be a saving to all consumers of approximately

$1,335,000,000 a year. From the analysis that I have made it is obvious that the saving would be approximately the same under the interim rates now charged by the Central Valley project of the Bureau of Reclamation. We know that TVA rates are low rates. CVP rates also are low rates. P. G. & E. rates are considerably higher.

Now, without prejudice, let us make a comparison of P. G. & E. rates with those to be found in the State of Washington. We need go back only to 1940, when the war in Europe was beginning to have a powerful impact upon American industry to obtain a picture of the behavior pattern of the great California utility company, as compared with the behavior of the public agencies, which produce and distribute electric current in the State of Washington.

In 1940 the P. G. & E. sold 2,700,000,000 kilowatt-hours of electric energy to its commercial and industrial customers, whereas only 1,900,000,000 kilowatt-hours were sold in the State of Washington by public and private agencies.

With the movement of war industry to the Pacific coast great advances in the commercial and industrial use and distribution of electricity occurred. But gains in the State of Washington were far more rapid than in California. While the volume of electricity sold in commercial and industrial services by the P. G. & E. advanced 81 percent between 1940 and the end of 1944 to a total of 4,800,000,000 kilowatt-hours, sales in the State of Washington advanced 312 percent to a total of 7,600,000,000 kilowatt-hours. Although the output in the State of Washington for commercial and industrial purposes in 1940 was 800,000,000 kilowatt-hours less than that of the P. G. & E., by 1944 it had become 2,800,000,000 kilowatt-hours greater than that of the P. G. & E.

When one examines the difference between the commercial and industrial rates charged by the P. G. & E., and by the Bonneville Power Administration, which derives its electricity from the Grand Coulee Dam operated by the Bureau of Reclamation and the Bonneville Dam operated by the Corps of Engineers, one finds an important reason why war industry preferred the State of Washington to California.

The rate figures which I present here for the P. G. & E. are taken from the Federal Power Commission's, Statistics of Electrical Utilities in the United States, except those for 1944, which are taken from the company's annual report, and the figures for the State of Washington were derived from Electric Energy Sales Statistics, put out by the department of public service, State of Washington. These figures show an average rate for commercial and industrial services of the P. G. & E. of 13.73 mills per kilowatt-hour in 1940 and 10.11 mills for the State of Washington. At that time commercial and industrial rates in the Northwest were 26 percent lower than in California.

In the following 4 years, however, these rates were reduced 16 percent in California and 53 percent in the Northwest, so that the Washington rates in 1944 were less than half—only 41 percent—of the P. G. & E. rates. Commercial and industrial rates in the Northwest had come down to 4.74 mills per kilowatt-hour, as compared with 11.59 mills in California.

It is perfectly clear that California has been placed at a terrible disadvantage by its greatest private utility. On a 100-percent load factor, industries in the Northwest get their current for the astonishingly low rate of 2 mills per kilowatt-hour. These low rates have attracted such developments as aluminum rolling mills, plants for the manufacture and processing of magnesium, ferro alloys, calcium carbide, and chlorates, representing an investment of about $155,000,000. These plants alone added about $40,000,000 annually to the tax rolls of the communities affected, and paid some $650,000 in local property taxes in Washington in 1945.

More and more industries are using large quantities of electrical energy, and the tendency will continue in the years to come. This is an argument which should appeal to every businessman in California. High rates for electric current seem like too high a price to pay to nourish a traditional dislike for Government enterprise. Even when viewed from the utility stockholder's angle, perhaps it is not good business. For while revenues from commercial and industrial sales of current by the P. G. & E. climbed 53 percent as the result of slightly lowered rates and the influx of war industry, similar revenues in the Northwest climbed 93 percent—almost doubling.

If industry in the State of Washington continues to advance faster than in California, it will be demonstrated forcefully to the P. G. & E. stockholders that they would have been better off if rates had been reduced more.

It is the people of California, however, with which I am concerned. They could have $60,000,000 in the single year of 1944 on their light and power bills if they had obtained the benefit of low rates enjoyed by the people of Washington. If, on the other hand, the people of Washington had been forced to pay P. G. & E. rates, they would have paid out $79,000,000 more for their current than they paid for public power from Grand Coulee Dam and other sources.

Now the P. G. & E. is very anxious that the Central Valley project should not distribute the power which it produces, but should sell it at the bus bar to the P. G. & E. at a very low rate. The private utility would then carry the current over its own lines to the pumping stations of the Central Valley project and sell the power back to the Government at a high rate. That is the principal reason President J. B. Black of the P. G. & E. opposed making even the smallest appropriations to the Bureau of Reclamation for planning a steam power plant in the Delta region, which would vastly increase the usefulness of Shasta power by increasing its firm energy about threefold. The P. G. & E. president also opposed a small sum for planning a transmission line which would carry Shasta power to the load centers where it will be required.

One of the claims made by Mr. Black was that the P. G. & E. stood ready to market all of the power which might be produced at Shasta. This claim is misleading. Here are some facts that speak for themselves. During the first 4 months of this year the P. G. & E. took 231,860,890 kilowatt-hours of energy from the Shasta power plant. During this period, 852,942 acre-feet of water were released from the Shasta Reservoir. The power demand from the P. G. & E. was too small to use all of this water through the Shasta generators, so it was necessary to spill 124,201 acre-feet over the dam. This water could have generated about 42,000,000 kilowatt-hours of electric energy, which, if taken under the company's contract would have resulted in $62,000 additional revenue to the Government. It does not appear that the company's claim of being ready to absorb all of the power produced at Shasta is entirely in accordance with the facts.

To rely upon the P. G. & E. to do so, and thereby bring the full benefits of Shasta's technical advances to the people of California, would seem to me foolhardy in the extreme. Nothing in the attitude of the P. G. & E. toward public power has ever given me the impression that the company wished to encourage its development no matter how much public power might help in building up the State of California. Before one could have such confidence, the P. G. & E. would have to adopt some new attitudes.

I have compared P. G. & E. rates with those to be found to the north of the San Francisco-Alameda-Contra Costa County area, in the State of Washington. There is less advantage accruing to southern California, although the public power brought to Los Angeles hundreds of miles across the Sierra Nevada Mountains from Boulder Dam, also owned by the Bureau of Reclamation, gives the great city to the south of us some advantage, particularly for large users. I shall not go into a detailed examination of the sale of power, but merely point to a tabulation worked out by the Federal Power Commission showing the ranking of various cities in relation to electric rates. This list covers cities of 50,000 population or more. On top of the list is the city with the lowest rates in each class. The rates for small users—those consuming 25 kilowatt-hours or less a month, and these consumers for the most part are poor people—are illuminating. In this class San Francisco rates were ranked forty-seventh from the top, about half way down the list, while Los Angeles rates were thirty-fifth, indicating somewhat lower rates.

A greater difference is shown for smaller cities. Pasadena, which receives current from Boulder Dam, ranks forty-second from the top of the list, while Sacramento, which buys current from the P. G. & E. ranks eighty-fourth at the very bottom of the list. In other words, for the smallest users, the P. G. & E. gives the very worst rates in any large city in the United States. Cities in the TVA area give the best rates to small users. The attitude toward small users perhaps is significant of the attitude toward the public in general.

When it comes to the larger users, those who consume 250 kilowatt-hours of current or more a month, Los Angeles with

Boulder Dam current is tenth from the lowest rate of any large city in the country, while San Francisco with P. G. & E. current ranks twenty-fourth. Tacoma has the lowest rates in this classification and Seattle the second lowest.

Now let me touch on another phase of P. G. & E. rates. Some of the cities of California were among the first to establish municipal systems, at first producing their own current in steam plants. But as the great central power plants of the large cities were developed by private utilities, it was found that current could be produced more cheaply in these big plants, than in the relatively small plants of the lesser cities.

The city of Alameda across the bay from San Francisco was the first city in California to own its power plant. This system is operated by the Alameda Bureau of Electricity. By 1928, its steam electric plant had become too small to serve the growing city, and it was decided that current could be purchased to better advantage from the P. G. & E. Rates to consumers were set which were just about the same as those charged by the P. G. & E. across the bay in San Francisco. But while San Francisco has gained little from owning the Hetch Hetchy plant, because it has been prevented from building transmission lines to the city, the city of Alameda has profited tremendously from owning its own distribution system and buying power.

Alameda always has made a handsome profit on its investment in plant and equipment by retailing at the P. G. & E. rates. Last year it had a net income of $453,500 on a plant valuation of $1,838,300—a profit of 25 percent. This year it is estimated that the net income will amount to about $505,000, or a profit of about 26 percent. The Alameda Bureau of Electricity does not pay taxes on its revenue. But it does turn over to the city most of its net income. This dividend to the taxpayers last year amounted to $393,490, or 21 percent of the valuation of the plant. Now, this is a pretty good rate of return to the citizens of Alameda upon their investment in a distributing system. For a number of years the rate of return was in the neighborhood of 14 percent, which is not a bad return on any investment these days.

A study made by the Water Project Authority of California in 1941 revealed that from 1914 to June 30, 1939, inclusive, the bureau of electricity transferred to the city of Alameda's general fund as dividends $2,830,919. Since fiscal 1939 through fiscal 1945, this year being estimated, $1,660,800 more will have been added. These dividends have been used by the city for constructing schools and firehouses, a health center, a golf course, a public library, and other civic improvements.

Some use of funds in this manner is justified, but even more is to be gained by bringing rates for industrial purposes down to the lowest possible figure, for it is in this way that an area can bring to it the industries it needs, and can by the application of low-cost power develop resources which otherwise never could be used profitably. That is the direction in which we shall have to move in the postwar world to make the most out of this rich land of opportunity—rich only if we do not try to squeeze out of it the greatest immediate profit that the traffic will bear, but do whatever we can to bring down costs of operation, while maintaining the purchasing power of the lower income groups. For it is in maintaining farmer and worker income, even increasing it, that the great markets of the future are to be developed.

The claim sometimes is made that private utilities pay taxes to the State, whereas public power units do not. Under systems of State regulation of rates private utilities are permitted to add to the electric bills of consumers every penny of all the taxes they pay to local, State, and Federal Governments. You may remember that in the old days of the National Electric Light Association, its managing director, Mr. M. H. Aylesworth, used to advise utilities to spend money freely in selling their propaganda to the people. "Do not be afraid of the expense. The public pays the expenses," he told the public relations section of the N. E. L. A. in Birmingham, Ala., in 1924. The utilities had no sense of guilt in using the people's money to tell them that public power was uneconomical and doomed.

Well, in California, taxes have been declared by the courts to be an "operating expense," and stand in the same category as wages paid. The claim these companies make that they are "heavy taxpayers" is a pretty cheap way of gaining a lot of credit. It is the purchaser of electric current who deserves the credit for paying utility taxes. But he can obtain that credit more directly by investing in public power. In fact, from an investment point of view there could be none better, for not only is interest paid upon the bonds the Government sells to finance the construction of reclamation multiple-purpose projects—and Government bonds are generally considered a pretty fair investment—but the public receives benefits in lower electric rates, immediately the projects are completed. These lower rates are fixed for power generated not only in its own plants, but from the private utilities which bring down their rates to meet the competition, and incidentally collect more money because their sales increase.

If this were a matter which concerned California alone, it would be still important. But may I point out to you that this is vital to the entire Nation. The magnitude of its importance will become more obvious with every year that passes.

The effort to prevent the Government from building electric distributing systems which will be owned by all of the people, instead of selling current at the bus bar to private utilities, is an issue which will be fought over whenever a Government dam produces large quantities of power. The Shasta transmission line is only a typical example. Unless the people obtain from their own representatives here in the halls of the Congress a clear mandate to distribute the electric energy they produce, the benefits of low-cost power will not reach the great majority of consumers, including thousands of small business units throughout the country. The Congress cannot afford to represent the great utility monopolies, rather than the rank and file of the American people.

And it is no exaggeration to add that unless the benefits of low-cost electrical energy are broadly disseminated in the postwar period one of the chief advantages of modern technological improvement will be denied to the people of the United States, and the economy of abundance under which there could be jobs and reasonable incomes for almost all who wish to work will continue to be an utopian dream.

We owe this to ourselves. But we owe a greater debt to the men who have fought to keep us from becoming the slaves of Germany and Japan. If we should fail to take advantage of all that modern science can offer to reduce the cost of living, to shorten hours of labor, to bring greater leisure in which to enjoy the more beautiful things of life, then, I say, we are slaves of our own stupidity.

If we act wisely today by preparing plans for the construction of the vast irrigation and low-cost power projects which the Bureau of Reclamation has proposed, we shall be taking at least one step which will help provide jobs for our men when they return from war, and lasting opportunities for the future of all Americans. These projects are not leaf-raking makeshifts for the unemployed. They are the best-paying, long-term investments that the American people can make. No money we can spend will bring more substantial returns. If we merely look backward and declare, "The Government should stay out of business, and great power projects which are proposed in this program constitute big business," then we are shackling ourselves to tradition.

The truth is that healthy and continued growth of this Nation in the light of today's knowledge requires the coordinated development of great river valleys calling for multiple-purpose projects too large, too complicated, too charged with the public welfare and safety for private business to tackle. The Government is today the only agency that can undertake such tasks. We must accept this as a necessity of the present and a policy for the future. Unless we have the boldness to look forward realistically, we shall see other nations marching out ahead of us in the procession down the avenues of time which men call the progress of civilization.

PERMISSION TO ADDRESS THE HOUSE

Mr. WORLEY. Mr. Speaker, I ask unanimous consent that on Tuesday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 1 hour.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. PACE, for 4 days, June 11, 12, 13, and 14, on account of important business.

To Mr. BIEMILLER (at the request of Mr. IZAC) for today, on account of official business.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 212. Joint resolution making a supplemental appropriation for the fiscal year ending June 30, 1945, for the Children's Bureau, Department of Labor, and for other purposes.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 4 minutes p. m.), under its previous order, the House adjourned until Monday, June 11, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a public hearing at 10:30 a. m., on Tuesday, June 12, 1945, on H. R. 3263.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, June 12, 1945, at 10 a. m., at which time hearings will be resumed on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

COMMITTEE ON THE JUDICIARY

The Committee on the Judiciary has scheduled hearings, to begin at 10 a. m., on Monday, June 18, 1945, on the following joint resolutions: House Joint Resolution 67, to declare the policy of the Government of the United States in regard to tide and submerged lands; and House Joint Resolution 118, House Joint Resolution 119, House Joint Resolution 122, House Joint Resolution 123, House Joint Resolution 124, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 129, House Joint Resolution 130, House Joint Resolution 134, House Joint Resolution 137, House Joint Resolution 138, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 153, House Joint Resolution 172, and House Joint Resolution 193, entitled "To quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles." The hearings will be held in the Judiciary Committee room, 346 House Office Building.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COCHRAN: Committee on Accounts. House Resolution 290. Resolution providing additional compensation for the second assistant clerk to the Committee on Claims; without amendment (Rept. No. 709). Referred to the House Calendar.

Mr. DOUGHTON of North Carolina: Committee on Ways and Means. H. R. 3395. A bill to extend through December 31, 1945, the termination date under the Renegotiation Act; without amendment (Rept. No. 725). Referred to the Committee of the Whole House on the State of the Union.

Mr. RAMSPECK: Committee on the Civil Service. H. R. 3393. A bill to improve salary and wage administration in the Federal service; to provide pay for overtime and night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in the Federal personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes; without amendment (Rept. No. 726). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGEHEE: Committee on Claims. H. R. 852. A bill for the relief of Betty Jane Ritter; wthout amendment (Rept. No. 710). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 854. A bill for the relief of Isabel Carlson; with amendment (Rept. No. 711). Referred to the Committee of the Whole House.

Mr. BYRNES of Wisconsin: Committee on Claims. H. R. 1057. A bill for the relief of the legal guardian of Margaret Hockenberry, a minor; with amendment (Rept. No. 712). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 1085. A bill for the relief of Mrs. Celia Ellen Ashcraft; with amendment (Rept. No. 713). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 1145. A bill for the relief of Ben. W. Colburn; with amendment (Rept. No. 714). Referred to the Committee of the Whole House.

Mr. HEDRICK: Committee on Claims. H. R. 1564. A bill for the relief of William W. Maddox; with amendment (Rept. No. 715). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 1601. A bill for the relief of Dorothy M. Moon; without amendment (Rept. No. 716). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 1849. A bill for the relief of Mrs. Ora R. Hutchinson; with amendment (Rept. No. 717). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 2028. A bill for the relief of John Visnovec, Rose Visnovec, and Helen Visnovec; with amendment (Rept. No. 718). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 2163. A bill for the relief of Teresa Tine; with amendment (Rept. No. 719). Referred to the Committee of the Whole House.

Mr. STIGLER: Committee on Claims. H. R. 2266. A bill for the relief of land and personal property owners of Fort Knox area of Meade County, Ky.; with amendment (Rept. No. 720). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 2450. A bill for the relief of Bruce Bros. Grain Co.; without amendment (Rept. No. 721). Referred to the Committee of the Whole House.

Mr. COLE of Kansas: Committee on Claims. H. R. 2515. A bill for the relief of Harland Bartholomew and Associates; without amendment (Rept. No. 722). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 2763. A bill for the relief of Fred Crago; with amendment (Rept. No. 723). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3388. A bill for the relief of Mrs. Jeannette B. Stedman; with amendment (Rept. No. 724). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. BATES of Kentucky:

H. R. 3420. A bill to provide for refunds to railroad employees in certain cases, so as to place the various States on an equal basis, under the Railroad Unemployment Insurance Act, with respect to contributions of employees; to the Committee on Interstate and Foreign Commerce.

By Mr. FLANNAGAN:

H. R. 3421. A bill to amend Public Law 347, Sixty-fourth Congress, approved February 23, 1917; to the Committee on Education.

H. R. 3422. A bill to create an Agricultural Credit Agency, to consolidate therein all Federal agricultural lending agencies, to create a public farm-appraisal system, and for other purposes; to the Committee on Agriculture.

By Mr. HALLECK:

H. R. 3423. A bill to reestablish the Civil Aeronautics Board as an independent agency of the Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LANHAM:

H. R. 3424. A bill to permit renewal of certain trade-mark registrations after expiry thereof, and for other purposes; to the Committee on Patents.

By Mr. PETERSON of Florida:

H. R. 3425. A bill to extend the time for filing valid application for disabled emergency officers' retirement benefits, to grant retirement pay to World War emergency officers who now have or who may later establish a 30 percent or more service-connected permanent disability for this and/or other purposes; to the Committee on Military Affairs.

By Mrs. ROGERS of Massachusetts:

H. R. 3426. A bill to provide continued ratings of permanent and total degree where active tuberculosis has been established and to terminate reduction of pension, compensation, or retired pay under laws administered by the Veterans' Administration in the cases of veterans without dependents who are hospitalized or domiciled; to the Committee on World War Veterans' Legislation.

By Mr. VINSON:

H. R. 3427. A bill to authorize the Secretary of the Navy to convey Casa Dorinda estate in Santa Barbara County, Calif., to Robert Woods Bliss and Mildred B. Bliss; to the Committee on Naval Affairs.

By Mr. LATHAM:

H. R. 3428. A bill to authorize the erection of a Veterans' Administration general medical and surgical hospital and domiciliary facility in the Borough of Queens, city of New York; to the Committee on World War Veterans' Legislation.

By Mr. KEFAUVER:

H. R. 3429. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARNAHAN:

H. R. 3430. A bill for the relief of George F. Powell; to the Committee on Claims.

By Mr. GOSSETT:

H. R. 3431. A bill for the relief of F. W. Burton; to the Committee on Claims.

By Mr. LECOMPTE:

H. R. 3432. A bill for the relief of J. W. Edgerly & Co.; to the Committee on Claims.

By Mr. LYLE:

H. R. 3433. A bill for the relief of A. L. Maloy and T. G. Bosquez, operating under the name of Maloy & Bosquez Lumber Co.; to the Committee on Claims.

By Mr. SMITH of Virginia:

H. R. 3434. A bill for the relief of Belmont Properties Corp.; to the Committee on Claims.

By Mr. McGEHEE:

H. R. 3435. A bill to provide for the reimbursement of certain Navy personnel and former Navy personnel for personal property lost or destroyed as the result of a fire which occurred on the naval station, Tutuila, American Samoa, on October 20, 1943; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

900. By Mr. BRYSON: Petition of Stella K. Ormond and 3,500 other citizens of North Carolina, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

901. Also, petition of Mrs. E. G. Ellis and 85 other citizens of Council Bluffs, Iowa, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

902. Also, petition of Mrs. E. W. Robinson and 1,458 other citizens of the State of Tennessee, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

903. Also, petition of Mrs. G. W. Hummel and 794 other citizens of the State of Kentucky, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

904. Also, petition of Mrs. L. S. Evins and 1,392 other citizens of the State of Alabama, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

905. Also, petition of William C. Wesracott and 152 other citizens of Westfield, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

906. Also, petition of Mrs. G. G. Bright and 35 other citizens of Euclid, Ohio, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

907. Also, petition of R. L. Pound and 123 other citizens of Seattle, Wash., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

908. By Mr. COCHRAN: Petition of Angelo Garvaglia and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

909. Also, petition of Arthur Russell and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

910. Also, petition of H. J. Petri and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

911. Also, petition of Charles Heigelheim and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

912. Also, petition of John Pelt and 25 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

913. By Mr. DICKSTEIN: Petition of the Legislature of the State of New York, requesting the enactment of legislation declaring the Indians within the State of New York, whether residing within or without any of the reservations within such State, subject to the jurisdiction and laws of the State of New York in all respects excepting only those matters wherein jurisdiction has been or hereafter shall be expressly assumed by the Federal Government; to the Committee on Indian Affairs.

914. By Mr. ELLSWORTH: Petition of Pearl E. Wicks and 31 other citizens of Myrtle Point, Oreg., petitioning consideration of the resolution with reference to the passage of House bill 2082; to the Committee on the Judiciary.

915. By Mr. KEE: Resolution of the Associated Syrians of Mercer, McDowell, and Wyoming Counties, W. Va., relative to their great concern over the present political situation in Syria; to the Committee on Foreign Affairs.

916. By Mrs. ROGERS of Massachusetts: Petition of the General Court of Massachusetts, apprising the President of the United States that further decreases in existing tariff rates, if made by him, may adversely affect the textile industry in Massachusetts; to the Committee on Ways and Means.

917. By Mr. SABATH: Petition of the House of Representatives of the State of Illinois, urging the Congress of the United States to enact a law prohibiting the requirement of the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers; to the Committee on the Judiciary.

918. By Mr. SULLIVAN: Petition of Helen Becks and 252 other citizens of St. Louis, Mo., urging the passage of legislation enabling the tenants and occupants of Delmo Labor Homes to purchase these homes on long terms at low interest rates, so that these Missourians will not be evicted and rendered homeless under the farm security program now pending, to liquidate this project by sale to the highest bidder; to the Committee on Agriculture.

919. Also, petition of Artie Reed and 275 other citizens of St. Louis, Mo., urging the passage of legislation enabling the tenants and occupants of Delmo Labor Homes to purchase these homes on long terms at low interest rates, so that these Missourians will not be evicted and rendered homeless under the farm security program now pending, to liquidate this project by sale to the highest bidder; to the Committee on Agriculture.

920. Also, petition of Mr. Hines and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

921. Also, petition of Mr. Happel and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

922. Also, petition of Mrs. Holman and sundry other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

923. Also, petition of Mr. Silvester and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

924. Also, petition of Mrs. Edward Kraus and 34 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

925. Also, petition of G. Lambs and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

926. By Mr. ROWAN: Petition of House of Representatives of the Sixty-fourth General Assembly of the State of Illinois adopted May 29, 1945, with reference to prohibiting the requirement of the payment of a poll tax as a prerequisite to voting; to the Committee on the Judiciary.

SENATE

MONDAY, JUNE 11, 1945

(Legislative day of Monday, June 4, 1945)

The Senate met at 11 oclock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Lord of all being, whose glory flames from sun and star and on the earth, with a freshened world washed by Thy cleansing rain, we bring to Thee our parched souls that they may be restored by the riches of Thy grace.

O Thou from whom in vain we try to flee, grant us now in a violent world a saving experience of inner quiet and serenity. The futile years with their bitter lessons have taught us that the things for which we have greedily grasped—the bauble of fame, the glitter of gold, the allurements of sense, the bread of pleasure—are but vanity and vexation of spirit. And now, this morning hour, with the unsatisfied desires of our seeking hearts, we turn in contrition to Thee. Like flowers in June gardens uplifted to the sun, like still waters that mirror the eternal stars, so we would lift our yearning souls to Thee, our light and our life, our help and our hope. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous request, the reading of the Journal of the proceedings of the calendar day Friday, June 8, 1945, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Myers
Austin	Green	O'Daniel
Ball	Guffey	O'Mahoney
Bankhead	Hart	Overton
Barkley	Hatch	Pepper
Bilbo	Hayden	Radcliffe
Brewster	Hickenlooper	Reed
Bridges	Hill	Robertson
Briggs	Johnson, Calif.	Saltonstall
Brooks	Johnson, Colo.	Shipstead
Buck	Johnston, S. C.	Smith
Burton	La Follette	Taft
Bushfield	Langer	Thomas, Okla.
Butler	Lucas	Tobey
Capper	McCarran	Tunnell
Chandler	McKellar	Tydings
Chavez	McMahon	Wagner
Donnell	Magnuson	Walsh
Downey	Mead	Wherry
Ellender	Mitchell	White
Ferguson	Moore	Wiley
Fulbright	Morse	Wilson
George	Murdock	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent on official business in Europe visiting battlefields.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from North Carolina [Mr. BAILEY], the Senator from North Carolina [Mr. HOEY], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from West Virgina [Mr. KILGORE] is absent because of illness in his family.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business in Europe for the Interstate Commerce Committee.

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY] and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Colorado [Mr. MILLIKIN] and the Senator from Idaho [Mr. THOMAS] are absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Indiana [Mr. WILLIS] is necessarily absent by leave of the Senate.

The PRESIDENT pro tempore. Sixty-eight Senators having answered to their names, a quorum is present.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On June 8, 1945:

S. 633. An act to amend the Criminal Code so as to punish anyone injuring a party, witness, or juror on account of his having acted as such.

On June 9, 1945:

S. 889. An act to amend section 47c of the National Defense Act of June 3, 1916, as amended, so as to authorize credit to students now or hereafter enrolled in the senior division of the Reserve Officers' Training Corps for military training received while on active duty in the Army, Navy, Marine Corps, or Coast Guard, or while pursuing a course of instruction in the Naval Reserve Officers' Training Corps.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, in which it requested the concurrence of the Senate.

NOTICE OF HEARINGS BEFORE COMMITTEE ON BANKING AND CURRENCY ON FULL EMPLOYMENT BILL

Mr. WAGNER. Mr. President, I ask unanimous consent to have inserted in the RECORD a statement explaining the plans of the Banking and Currency Committee for public hearings on the full employment bill, S. 380.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Extensive hearings on the full-employment bill (S. 380) will begin after the Banking and Currency Committee has completed its work on the Bretton Woods legislation, it was announced today by Senator ROBERT F. WAGNER, Democrat, New York, committee chairman.

"The maintenance of full employment in a free competitive economy," stated Senator WAGNER, "is the basic problem of our age. It must not be approached in a selfish or partisan spirit, nor with offhand opinions and ready-made reactions.

"In preparation for the full-employment hearings, I urge our national leaders in business, agriculture, labor, government, and all other fields, to consult and confer on the basic policies and programs needed to strengthen free enterprise and assure the existence of employment opportunities for all who are willing and able to work.

"I should like to see business, labor, agriculture, and government arrange for frank and open discussions of the full employment problem in every State and in every community. No legislation, no program, no policies aimed at the twin objectives of full employment opportunity and the fostering of competitive enterprise can be successful unless we can achieve widespread understanding of the issues that are involved and can map out a course for the future that will receive the wholehearted cooperation of the great majority of the American people.

"The coming discussion of the full-employment bill in the United States Congress should reflect the well-considered views of thoughtful citizens throughout the country. The problem of full employment, therefore, should be high on the program of every forum, every trade association, every trade union, every club, every PTA, every woman's association, throughout the summer so that Congress can arrive at a truly national decision as promptly as possible."

The full-employment hearings, the Senator revealed, will be held in two parts—the first part before Labor Day, the second after Labor Day.

Between now and Labor Day, Senator WAGNER stated, the committee hopes to receive testimony from: (1) The sponsors of the full-employment bill and other Members of Congress; (2) servicemen and veterans; and (3) national experts on the relation between employment and unemployment, on the one hand, and disease, crime, individual maladjustments, family problems, population growth, etc., on the other hand.

During the period after Labor Day the schedule will be as follows: (1) Business and the professions; (2) agriculture; (3) labor; (4) international relations; (5) State and local governments; (6) welfare and public service; (7) public works and conservation; (8) fiscal policy; (9) governmental organization; and (10) witnesses not otherwise covered.

This calendar, the Senator pointed out, is still subject to change and modification. The actual dates will be set in the near future.

THE SAN FRANCISCO CONFERENCE—NOTICE OF INTENTION TO ADDRESS THE SENATE

Mr. BURTON. Mr. President, I renew the notice which I gave last Friday, which was briefly discussed, to the effect that I would ask for the floor briefly on the convening of the Senate tomorrow with a view to making a statement with regard to the charter of the United Nations now being put into shape at San Francisco, and with particular emphasis on its effect on our foreign policy.

EDWARD V. MURPHY

Mr. WALSH. Mr. President, it is with profound sorrow that I announce the untimely death of a faithful and devoted employee of the Senate, Mr. Edward V. Murphy, assistant to the Official Reporters of Debates, who died on Friday last at his home in Washington.

Mr. Murphy, a brother of James W. Murphy, the present competent and respected chief of the Senate reporting staff, served in the capacity of assistant reporter since 1920. He had a profound knowledge of legislative procedure, and more especially the history and precedents of the Senate. Each day he compiled for the CONGRESSIONAL RECORD the routine business of the Senate, arranged it in the proper order, and stated it in the correct parliamentary language.

His knowledge of Senate procedure was of great assistance not only to Senators but also to the official reporters of debates. His advice and guidance were of especial value to new members of the reporting staff, who are always bewildered by the complexities of this difficult and exacting work.

Ed Murphy was a gentle, kindly soul, with never a harsh word for anyone. His many kindnesses to those with whom he came in contact will not soon be forgotten, and his place will be difficult to fill. We Members of the Senate offer our sincere sympathy to his brother, the other members of his family, and his many friends.

ENROLLED JOINT RESOLUTIONS SIGNED DURING THE RECESS

Under authority of the order of the 8th instant,

The PRESIDENT pro tempore signed the following joint resolutions on June 9, 1945, which had previously been signed by the Speaker of the House of Representatives:

H. J. Res. 208. Joint resolution making an appropriation for emergency flood-control work, and for other purposes; and

H. J. Res. 212. Joint resolution making a supplemental appropriation for the fiscal year ending June 30, 1945, for the Children's Bureau, Department of Labor, and for other purposes.

REPORT OF A COMMITTEE DURING THE RECESS

Under authority of the order of the eighth instant, Mr. GEORGE, from the Committee on Finance, to which was referred the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, reported it on June 9, 1945, with amendments, and submitted a report (No. 356) thereon.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON ADMINISTRATION OF FOREIGN AGENTS REGISTRATION ACT

A letter from the Attorney General, transmitting, pursuant to law, a report on administration of the Foreign Agents Registration Act of 1938, as amended, from June, 1942, to December 31, 1944 (with an accompanying report); to the Committee on the Judiciary.

FRANKLIN D. ROOSEVELT HOSPITAL AT CRUGERS PARK, PEEKSKILL, N. Y.

A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to provide for designation of the Veterans' Administration Hospital at Crugers Park, Peekskill, N. Y., as Franklin Delano Roosevelt Hospital (with an accompanying paper); to the Committee on Finance.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Finance:

"Senate Joint Resolution 24

"Joint resolution relative to memorializing Congress to enact remedial legislation to provide members of the armed forces with wage credits on their social security accounts for the period of their military service

"Whereas by the close of the war there will be approximately 15,000,000 men and women in the armed forces of the United States, of which group California's share will be approximately 1,000,000; and

"Whereas most of these men and women will have lost 1 to 4 years or longer from employment covered by the Federal Social Security Act; and

"Whereas the benefits to be received under the Federal Social Security Act are computed from contributions by both employee and employer, with the time spent in the armed forces exempt, thereby lowering forever the average monthly wage from which benefits are determined; and

"Whereas it is the feeling of the people of the State of California, as manifested and expressed in the legislature, that the returning veteran justly deserves and is entitled to fair and generous consideration; and

"Whereas the old age and survivors feature of the Social Security Law is a wholly Federal program: Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California, jointly, That the Congress of the United States is respectfully memorialized to consider the enactment of remedial legislation to provide members of the armed forces with wage credits on their social security accounts for the period of their military service; and be it further

"Resolved, That the Secretary of the Senate is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives of the United States, to the Senators and Representatives from California in the Congress of the United States, and to the Federal Social Security Board."

A letter in the nature of a petition from Local No. 14, National Labor Relations Board Union, of St. Louis, Mo., praying for the adoption of amendments providing for a 25-percent increase in wage rates and true time and one-half as proposed by the subcommittee of the House Committee on the Civil Service to House bill 2497, the so-called pay-raise bill for Federal employees; ordered to lie on the table.

By Mr. TYDINGS:

A resolution adopted by the National Maritime Union of the Port of Baltimore, Md., favoring the enactment of the joint resolution (S. J. Res. 57) designating the birthday of Franklin Delano Roosevelt as a legal holiday; to the Committee on the Judiciary.

A resolution adopted by the Maryland Society of the Sons of the American Revolution, Baltimore, Md., protesting against the enactment of legislation providing for Federal aid to education; to the Committee on Education and Labor.

A resolution adopted by the board of directors of the Council of Churches and Christian Education of Maryland-Delaware, Inc., Baltimore, Md., protesting against the enactment of legislation providing for compulsory peacetime military training; to the Committee on Military Affairs.

A resolution adopted by the Public Service Commission of Maryland, Baltimore, Md., favoring the enactment of the bill (H. R. 2536) to amend the Interstate Commerce Act with respect to certain agreements between carriers; to the Committee on Interstate Commerce.

MISSOURI RIVER BASIN

Mr. LANGER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the North Dakota Reclamation Association on June 3 at its session at Minot, N. Dak., relating to further surveys and investigations by the Bureau of Reclamation and the Army Engineers for multiple purpose development of the Missouri River Basin.

There being no objection, the resolution was received, referred to the Committee on Irrigation and Reclamation, and ordered to be printed in the RECORD, as follows:

To the United States Bureau of Reclamation and United States Army Engineers:

In view of adequate appropriations, which at this time seem likely to be made available by the Seventy-ninth Congress for further surveys and investigations, by both the Bureau of Reclamation and the Army engineers for multiple purpose development of the Missouri River Basin, and

With fullest appreciation for efforts already advanced by these two Federal agencies, and with fullest confidence in their ability to effect over-all development of this great valley by coordination of their facilities, and without the creation of any separate authority, and

In view of supporting evidence to be made a supplementary part of this resolution setting forth the dire need of added water supply for domestic and industrial uses by cities in various sections of the State, as well as the ever-continued threat of drought to the western semi-arid section of the State, and necessity of further expansion of irrigation in

order to stabilize crop production and maintain the present high standard of livestock herds;

We respectfully urge the need for speedy action in completing all necessary preliminary surveys and investigations throughout the State, as embodied in the coordinated plan of the Bureau of Reclamation and Army engineers for North Dakota, which would make possible the launching of a construction program immediately following the end of the war, and as soon as funds are made available therefor.

This resolution respectfully submitted and adopted by the North Dakota Reclamation Association, represented by its directors in session at Minot, N. Dak., this 3d day of June, 1945: Be it further

Resolved, That a copy of this resolution be sent to Governor Fred G. Aandahl, chairman of the North Dakota State Water Commission; the full Congressional delegation from North Dakota in Washington, D. C.; F. O. Hagie, Secretary National Reclamation Association, Washington, D. C.

NORTH DAKOTA RECLAMATION ASSOCIATION,
HOWARD L. STONE, *President.*
J. I. ROVIG, *Secretary.*

EXTENSION OF EMERGENCY PRICE CONTROL ACT

Mr. CAPPER. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference resolutions adopted by the Washington (D. C.) Federation of Churches in which they appeal to all citizens to support the Price Control Act, to refuse to patronize the black markets, and to "play fair with their neighbors and friends of this and other peace-loving nations."

There being no objection, the resolution was received, ordered to lie on the table and to be printed in the RECORD, as follows:

WASHINGTON FEDERATION OF CHURCHES,
Washington, D. C.

The Board of Directors of the Washington Federation of Churches appeals to President Harry S. Truman and to the Congress of the United States for an extension of the Price Control Act, without inflationary amendments.

In so appealing, members of the Board are influenced by no partisan considerations but have in mind the evil effects of the inflation which followed World War I. The cost of living during 1919–20 nearly doubled, and among the first to suffer were aged persons on small retirement incomes, wives and children of men who were or who had been in the armed forces, and fixed income workers. Reported critical food shortages make imperative the continuance of rationing and price control if available goods are to be fairly distributed here at home. Our deep concern for the security and health of American families moves us to ask for strong Government controls until such food shortages no longer exist.

Likewise, we have in mind the needs of the suffering peoples of Europe and Asia, and the food commitments our Government has made to them. We realize that these commitments can be respected only if our own citizens generously accept an extension of governmental regulations which have in some cases proved vexatious, but which have thus far enabled us to fight with honor and power. By tightening our belts and by cooperating in the destruction of black markets, we can fulfill the agreements already made, and hold a place of leadership in the moral reconstruction of the world.

We appeal, therefore, to the church people of Washington, and to all citizens, to support these price control meaures, to refuse to patronize the black markets, and to play fair with their neighbors and friends of this and other peace-loving nations.

Adopted: May 31, 1945.

For the Board of Directors:

CARROLL C. ROBERTS,
President.
FREDERICK E. REISSIG,
Executive Secretary.

ADMINISTRATION AND OPERATION OF OPA

Mr. CAPPER. Mr. President, I have received from the Chamber of Commerce of Newton, Kans., a letter and resolutions with respect to the authority of the OPA and asking that several important changes be made in the price-control program. I ask unanimous consent to present the letter and resolutions and that they be printed in the RECORD and appropriately referred.

There being no objection, the letter and resolutions were received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE,
Newton, Kans., June 4, 1945.

Hon. Senator ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR MR. CAPPER: I am enclosing a copy of resolution passed by the retail committee of the Newton Chamber of Commerce. The discussion of the committee when considering this resolution reflected these ideas.

1. That Congress should retain more power in price control by putting some eliminations on ruling by the Office of Price Administration.

2. That the courts rather than the agencies would be used in interpreting the law and the regulations of the Office of Price Administration.

3. That the extension of price controls should be limited by Congress.

I understand these proposals are before the House Committee on Banking and Currency. We should be glad to have you consider the ideas in this resolution when the bill is before the Senate for consideration.

Very truly yours,

GUY W. WEBSTER,
Secretary-manager.

To Whom It May Concern:

Whereas the OPA in administering the Price Control Act has squeezed the normal gross margins of retailers by forcing them to absorb increases in production costs while maintaining retail prices; and

Whereas the present administration of the law creates a situation which would make it difficult or impossible for retailers to reconvert to a healthy postwar condition in case sales volume declines and/or costs return to normal; and

Whereas the interpretation of law and determination of guilt is a function of the courts rather than of administrative agencies; and

Whereas price controls should be relaxed at the earliest date consistent with necessities forced by the war emergency: Now, therefore, be it

Resolved, That the retail committee of the Newton Chamber of Commerce respectfully request the Congress to incorporate the following changes in the extension of the Price Control Act:

1. Congress should define the term "generally fair and equitable" to prevent the present squeeze and insure price ceilings that are fair to all retailers under whatever business conditions may develop.

2. Permit the courts to use discretion as to granting injunctions in cases of purely technical or nonwilliful violations that inevitably occur among billions of transactions.

3. Grant to the United States district and circuit courts, nearest the point of business of the petitioner, the right to review OPA decisions.

4. Extend the act to allow proper control over commercial rents in war-emergency areas.

5. Renew the act for a 12-month period, not 18 months as proposed by others.

REPORT OF THE COMMITTEE

The following reports of committees were submitted:

By Mr. AUSTIN, from the Committee on Foreign Relations:

H. J. Res. 145. Joint resolution providing for membership of the United States in the Food and Agricultural Organization of the United States; without amendment (Rept. No. 357).

By Mr. O'MAHONEY:

From the Committee on Indian Affairs:

H. R. 1656. A bill to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project; with an amendment (Rept. No. 359).

From the Committee on Appropriations:

H. R. 3306. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes; with amendments (Rept. No. 358).

By Mr. ELLENDER, from the Committee on Claims:

H. R. 892. A bill for the relief of Madeline J. MacDonald; without amendment (Rept. No. 360).

By Mr. MAGNUSON, from the Committee on Commerce:

S. J. Res. 51. Joint resolution granting permission to Charles Rex Marchant, Lorne E. Sasseen, and Jack Veniss Bassett to accept certain medals tendered them by the Government of Canada in the name of His Britannic Majesty, King George VI, without amendment (Rept. No. 361).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL:

S. 1131. A bill for the relief of Jess Hudson; to the Committee on Claims.

By Mr. DOWNEY:

S. 1132. A bill for the relief of Aeronautical Training Center, Inc.; to the Committee on Claims.

By Mr. JOHNSON of Colorado:

S. 1133. A bill for the relief of S. M. Price; to the Committee on Claims.

By Mr. WALSH:

S. 1134. A bill to reimburse certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel for personal property lost or damaged as the result of a fire in buildings 102 and 102–A in Utulei, Tutuila, American Samoa, on August 17, 1944; and

S. 1135. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the naval auxiliary air station, Pungo, Norfolk, Va., on February 13, 1945; to the Committee on Naval Affairs.

By Mr. McCARRAN:

S. 1136. A bill to provide for the evacuation and repatriation of the remains of certain persons who died and are buried outside the continental limits of the United States and

whose remains could not heretofore be returned to their homelands due to wartime shipping restrictions; to the Committee on Military Affairs.

By Mr. GREEN:

S. 1137. A bill for the relief of Charles Myers; to the Committee on Naval Affairs.

By Mr. MYERS:

S. J. Res. 75. Joint resolution to authorize the issuance of a special series of stamps commemorative of the one hundredth anniversary of the founding of Girard College; to the Committee on Post Offices and Post Roads.

HOUSE BILL REFERRED

The bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, was read twice by its title, and

The bill (H. R. 3368) making appropriations.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENTS

Mr. O'MAHONEY submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3306) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes, the following amendments, namely:

Page 10, line 13, following the word *"Provided,"*, insert the following: "That $25,000 of the unexpended balance of the appropriation for this purpose for the fiscal year 1945 shall be available for payment to the National Symphony Orchestra Association for concerts to be given in the public schools of the District of Columbia during the fiscal year 1946 when a program satisfactory to the Commissioners of the District of Columbia has been arranged: *Provided further"*.

Page 26, line 24, after the word "waived", under the paragraph "Municipal court", insert the following: ": *Provided further*, That hereafter the disbursing officer of the District of Columbia is authorized to advance to the clerk of the court, upon requisition previously approved by the Auditor of the District of Columbia, sums of money not exceeding $500 at any one time, to be used for the payment of witness fees."

Mr. O'MAHONEY also submitted two amendments intended to be proposed by him to House bill 3306, the District of Columbia appropriation bill, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notice.)

RUMORED RETIREMENT OF GENERAL MARSHALL—EDITORIAL IN ARMY AND NAVY JOURNAL

Mr. HART. Mr. President, there is around town a rumor that the high command of the Army is facing a change, and I fear the rumor has good foundation. It is to the effect that General Marshall is seriously contemplating retirement from his position as Chief of Staff. That is a very serious matter. The Army and Navy Journal has published an editorial on the subject, which, it is to be hoped, will be very widely read. I ask unanimous consent that it be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

We call upon the President to order, and the country to demand, that General of the Army Marshall abandon the idea of retirement. He assumed the Office of Chief of Staff on July 1, 1939, 2 months before Hitler invaded Poland, and when the black clouds of war were rolling their portentous thunder over the world. Faced with the prospect of meeting the armed might of Germany, then at its peak, and anticipating that Japan would join the Axis Powers and include America in its attack, his was the responsibility for the military defense of the United States and the promotion of our aims. How well he met the test an uninvaded and victorious United States now devoutly appreciates. But we do not, we cannot, realize the magnitude of the task he performed—the multitudinous questions and problems involved in the development of armies 8,000,000 strong from the mere prewar token Regular Army of 180,000; the provision of food, clothing, quarters, and the latest equipment for this vast horde; the transformation of civilians into efficient officers; the education of men in the school of the soldier, their training in squads, companies, regiments, divisions, and armies; their instruction in warfare in the light of the lessons revealed in Europe and the selection of commanders with the capacity to lead them, so that for the first time in American history organizations were placed upon the battlefields which required only the test of fire to make them the marvelous machines that, independently or cooperating with those of our allies, crushed the German Wehrmacht and annihilated the Japanese where they were entrenched. Nor can we grasp the intensity of thought which military genius fashioned into solutions of the problems of strategy imposed by the threats of enemies upon America's flanks and the vastness of global war, and of the equally vital problems of logistics, the execution of those solutions required. Then, too, there was the overwhelming need of the creation and maintenance of unity between the Allied Nations, each with its own ambitions and aims, and its expression in coordination and cooperation in all fields, diplomatic as well as military. The tremendous contribution thereto which General Marshall made is evidenced by the combined operations of all the powers that brought Germany to defeat, that kept China in the war, and that has driven Japan back from its far-flung conquests to its home islands.

Germany having been conquered and all the preparations down to the last button having been completed for the conquest of Japan, General Marshall is said to feel that he can relinquish active duty and, without the slightest disturbance to our arms and aims, leave to a successor, perhaps General Eisenhower, the execution of the plans for the reduction of our Pacific enemy. For General Eisenhower, the Army and Navy and our allies in common with our own people, have the highest admiration. Unquestionably because of the experience and the ability he has demonstrated in the field, his familiarity with the War Department, and his personal knowledge of the Far East, he would make a top Chief of Staff. But the mothers and fathers of the Nation know of the care of their sons and daughters which General Marshall personally has given, and realize that our casualties would have been infinitely greater had they been sent untrained into action and had they not been furnished with the latest in arms. The Regular Army, perhaps more than the less professional, understands the monumental and difficult character of the work he has done, and rely upon him to a degree beyond that enjoyed by most of our war leaders in the past. The National Guard and Reserves have found themselves better soldiers as a result of his policies and attention. The civilians who were commissioned, realize that to him is due their qualifications as members of the great corps of officers the Nation possesses. The noncommissioned officers and privates attribute to him not only their training, but their health and comfort, unsurpassed in any previous war of our history. Thus the folks at home, and the rank and file of the troops, have implicit faith and trust in this chief, whose one aim has been victory in the shortest possible time and with the least cost in life. Like faith and trust were reposed in him by President Roosevelt; they are reposed in him by President Truman. He enjoys the supreme confidence of Congress. It follows that for him to retire would be a calamity of the first order. Let the country rise as one man, and, with due consideration of his own desires, make him understand that he is necessary as its military leader, and urge that he carry on. That can be done through the passage by Congress of a resolution which the President would be glad to approve, reiterating the national confidence in this great soldier, which is in every citizen's heart. Such a resolution we hope, would cause him to forego retirement, even though he may believe his own particular part of the war task is done, and induce him to remain in the responsible post, which he is filling with glorious distinction, at least until Japan shall have surrendered unconditionally.

ADDRESS BY SECRETARY OF THE NAVY AT NAVAL ACADEMY GRADUATING EXERCISES

Mr. WALSH. Mr. President, the Secretary of the Navy, Mr. James Forrestal, was the guest speaker at the graduating exercises held at the United States Naval Academy on June 6, 1945. He spoke to the largest class ever to be graduated from this institution. In his address he touched upon many points which were of importance, not only to the young graduates of the Naval Academy, but to every American citizen. He stated:

> The most dangerous thing for the United States to do, next to a decision to abstain from such a world organization, would be to assume that simply because a document has been written or a plan drawn for international organization the evolution of the plan into a living and viable instrument will be automatic.

It seems to me that many of us nowadays are not fully aware of the correct relationships between actions and words, and that many of us have a tendency to substitute mere words for actions. He also states:

> Peace without the power to enforce it must remain an empty dream.

In considering plans for our postwar Navy, we must make sure we retain the powerful Navy which has been constructed during the war.

The Secretary stated that to naval officers, certain facts about naval and air power seemed to be self-evident truths, but that these facts are unknown to the average citizen, and to some Government officials. These self-evident truths he stated to be as follows:

> First. That possession of such power, giving us control of the great reaches of sea in both oceans, means that our enemies cannot bring attacks to our home shores.
>
> Second. That the corollary of the above statement is that the places where we fight any nation with which we go to war will be of our choosing and not theirs.
>
> Third. That possession of sea power multiplies the effectiveness of land forces, and may give us what Mahan said British sea power gave Wellington, the multiple use of the

limited forces at his disposal—they were available to fight Napoleon in Spain and they could be shifted by water to fight in the Low Countries.

Fourth. That, however powerful our land armies may be, it is command of the sea that enables their power to be applied, whether it is on the coast of north Africa, the beaches of Normandy, or in the jungles of Luzon.

Another vitally important point brought out in the Secretary's address was the difference in educational procedures and methods between the military schools such as Annapolis and West Point and the liberal arts colleges. He stated that while West Point and Annapolis had something to learn from these institutions, the reverse was also true.

In my judgment, Mr. President, this address is most informative, and I ask unanimous consent that it be printed in the body of the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

This is the season of the year when young men and women, on occasions known as graduations or commencements, become exposed to the desire of their elders to indulge that greatest of all human propensities—giving advice to others.

This is a season which is made conspicuous not only by those June days, the rarity of which was sung by one of our gentlest American poets, but is also marked by the felicitous bromides and the happy clichés of innumerable speakers of varying ages and pomposity.

Like all men, I hold myself not to be old; as to pomposity I shall have to leave you to judge.

When the gigantic task of winning this war is finished the nations that have won it will be faced with the equally difficult task of creating a mechanism to reduce the risk of future wars.

I resist the temptation here to use such phrases as "guaranteeing future peace" or "insuring against war," because in my view there is no automatic way of insuring against war or of guaranteeing peace, and I think it is unwise to encourage the accumulation of such expressions. They tend to diminish the very watchfulness, care, and prudent statesmanship which are the real guarantors of peace.

Constant vigilance is the price not merely of liberty of an individual nation but of the security and peace of the world.

It is obvious that, if we are to have peace in the world, the United States must be one of the architects of any international organization designed for that purpose. But having said that, I would like to add that the most dangerous thing for the United States to do, next to a decision to abstain from such a world organization, would be to assume that simply because a document has been written or a plan drawn for international organization the evolution of the plan into a living and viable instrument will be automatic.

The writing of the document and the construction of the plan are only first steps in the long journey to world security. Many bricks have to go into that structure; bricks of economic stability and balance, of social and political justice, and, possibly the most important of all, of mutual education in confidence, courtesy, and trust among the victors, so that the nations we have defeated will not be able, by sowing the seeds of suspicion and fear among us, to prepare the way for that fatal lack of understanding and concurrence of action which made it possible for Hitler, Mussolini, and the Japanese to prepare for this war.

One of the bricks in the international structure will be the realization by this country as well as by the world that availability of armed force to prevent aggression is fundamental in any plan for peace. We must constantly remind ourselves that there is no hope of peace unless the nations desiring a world built upon law, not upon force, are willing to fight for that choice. Peace without the power to enforce it must remain an empty dream.

I start with the assumption that this country, as one of the great powers which have lifted the terrible shadow thrown across the world in the last 5 years, must retain its armed force and its willingness and ability to make swift use of it whenever nations such as Japan, Italy, and Germany get into the hands of outlaws. I assume that the United States Navy will be one of the great elements of that power, and I am speaking to you as a group of men who will be officers in the naval service.

I want to remind you that, having chosen the profession into the active practice of which you are now being graduated, there devolves upon you a great responsibility to maintain its high traditions. At the same time I want to remind the Nation of the debt that it owes to the numbers of devoted naval officers who have gone before you.

I say nothing new when I remark here that there is occasional criticism both in print and in conversation of what is called the Annapolis Club. Public reference is sometimes made to the thesis that Annapolis graduates regard themselves as a select and snobbish group of men sharply set off from the vulgar mass of the rest of the Nation.

This I have found to be untrue. The men like yourselves who attend the Naval Academy come from all sectors and conditions of the American scene. The father of Fleet Admiral King was a railroad employee in Lorain, Ohio. Fleet Admiral Nimitz came from a small town in Texas where his grandfather ran a small hotel. Admiral Jonas Howard Ingram was born in a small Indiana town of Jeffersonville, on the Ohio River; his father, W. T. Ingram, was a real estate man and owner of a sand and gravel pit. Admiral Halsey was born in Elizabeth, N. J., the son of a naval family. Admiral Spruance is the son of an Indianapolis businessman. Admiral Mitscher's father was one of the first settlers in Oklahoma, and Admiral Kelly Turner's father was a forty-niner in California.

These and others like them are the leaders of our Navy. They are not extraordinarily different from other Americans. It is not from such backgrounds as these that there comes a Junker class or the legend of a master race. As a matter of fact there is no group in America within the scope of my own acquaintance or knowledge who have a clearer understanding of the great principles upon which the American way of life is established or who would more tenaciously resist any attempt to change our fundamental forms of government.

If it seems desirable to call this group of men a club, I have no quarrel with the appellation, but I want to say here that I thank God that the Naval Academy produced men of patriotism, talent, and discipline to provide an officer corps capable in a great crisis of building, equipping, and training the greatest naval force the world has ever seen.

I am thankful that this group of men had the inner discipline and devotion to duty to continue in their profession during years when the country seemed at times to be unaware of their existence and certainly quite unaware of the need for military power. The highest tribute to the Academy, as it completes 100 years of services to the Nation, is the record of its graduates' achievements.

You and those who have gone before you are custodians of the honor of our flag and our country; you have become symbols of national service and patriotism by the dedication of yourselves to your country's service.

The burden you will carry is very great in time of war and it may sometimes seem unrewarded in time of peace, but that is a part of the self-dedication that is implied by the acceptance of your commissions today in the United States Navy.

There is another responsibility which goes along with the somewhat simpler, more direct responsibility of living up to the traditions and the honor of this Academy. I refer to the necessity of the members of the Regular Navy to see to it that in peacetime the general public is understood by the Navy and that the public, in turn, understands the Navy.

Among other things that you will have to keep in mind is the realization that the professional naval officer's knowledge of sea power and what it means to the security of this Nation is not shared by the average American citizen. Very few have read Mahan thoroughly. I doubt if even all of you have, and I shouldn't like to have to take an examination myself on his writings.

That being so, it should be part of your mission to enlighten the people on all appropriate occasions of these primary truths about the sea and air power of our Navy:

First. That possession of such power, giving us control of the great reaches of sea in both oceans, means that our enemies cannot bring attacks to our home shores.

Second. That the corollary of the above statement is that the places where we fight any nation with which we go to war will be of our choosing and not theirs.

Third. That possession of sea power multiplies the effectiveness of land forces, and may give us what Mahan said British sea power gave to Wellington—the multiple use of the limited forces at his disposal—they were available to fight Napoleon in Spain and they could be shifted by water to fight in the Low Countries.

Fourth. That however powerful our land armies may be, it is command of the sea that enables their power to be applied, whether it is on the coast of north Africa, the beaches of Normandy, or in the jungles of Luzon.

To you these are all self-evident truths, but they are not to the average citizen or even everyone within Government. If they were, we would have no difficulty in peacetime in getting our necessary appropriations. We would not have had to spend over a hundred billion dollars for our Navy in this war. So I ask each of you, in short, to consider yourself a purveyor of information about the Navy and about our national need for its continuance. Never get tired of the repetition of this story, nor take it for granted that it is already known to your listeners.

There are many barriers to each communication between the officers of the service and the public but those barriers must be leveled if we are not to return to the inertia of the 20 years before the war on national defense.

I shall reaffirm as often as I get appropriate opportunity what I have said here today about the character and quality of the graduates of the Naval Academy. However, I am also constrained to remind you and your older associates of the Navy that while the trained Annapolis graduates are essential to our ability to conduct naval warfare, the support of the Nation is essential to the existence of the Navy, and that the Navy which is successfully fighting this war is a civilian Navy. Three million nine hundred thousand Americans constitute its strength. Of that number 400,000 are officers, and only 11,350 of them were graduated from the Naval Academy. I remind you that the Navy has grown more than 30-fold in its enlisted personnel.

There were about 100,000 enlisted personnel in 1940 against the 3,500,000 who now man the Navy on land and sea. The Naval Academy is a necessary part of our national defense. But Navy men must never forget that they need the support of the people in peacetime and their comradeship in wartime.

For this reason the Navy must make it its business to maintain adequate channels of contact with the public, which means with public opinion. It must take firm grasp of the fact that in time of war the Navy will have to be manned by your fellow citizens, a great percentage of whom have never before seen the sea. It must face the fact that its officers will have to come from these same civilian sources. Right now it has to face the fact that in order to obtain the officers needed to man the Navy which we must keep when this war is over we shall have to get large numbers from the ranks of the Reserves who are serving and fighting in the Navy, now chiefly in the Pacific.

My own estimate is that beyond the Regular Line of the Navy plus those graduating this year and next from the Naval Academy this number will approximate 30,000. To get these men the Navy will have to face the competition of the opportunities of civilian life. To get them—and we shall not get them unless we do this—the officers of the Regular Navy in all commands must realize and accept the responsibility of convincing young men of promise that they have the same opportunities and the same chances for advancement that are available to Annapolis graduates. In other words, that the criteria of promotion in the Navy are character, competence, and capacity for leadership.

It may be appropriate at this point to say that the Department is now examining the curriculum of instruction at the Naval Academy with a view to bringing it into closer alinement with the needs of the service as demonstrated by our experience in wartime.

The Naval Academy from time to time has been referred to as a trade school and it has been criticized for the lack of classical background provided in other colleges. This may be a fair criticism but it may be equally fair to remark that the criticism can be made reciprocally—that is to say, the liberal arts colleges have something to learn from West Point and Annapolis just as those institutions can learn from them. One university that I know of has already undertaken to profit by the experience of the war to the extent of limiting the scope of the elective system of study and making obligatory instruction in those basic courses, such as mathematics and science, which have been found so indispensable in wartime.

We hope in the Navy to be able to devise a system of education which will insure that every officer who serves in the United States Navy, Regular or Reserve, will have received approximately the same basic beginning training so that there cannot again be even the friendly debate as to the merits of the trade schools versus the university country club. The details of this have not yet been worked out, but I regard it as one of the most important tasks that face us in making our plans for the postwar Navy.

I have said many times what I believe with all my heart, that this sea and air Navy of ours which has been built to the point of great power and high efficiency must be one of the means to bulwark our hopes and aspirations for a world of justice, of law, and of decency. To you I endeavor to say today that you have a double obligation—the obligation to return to the Navy in terms of honorable service what the Navy has given you and will give you, and, secondly, to constitute in yourselves one means of keeping the American public informed of what the Navy is and what its needs are, that it is founded in democracy and belief in our republican institutions, and that it must have the support of the Congress and the people if we are to keep it what it is today, the greatest and finest Navy in the world.

You leave Annapolis to become a part of that great aggregation of ships and fighting men. Some of you will go fairly swiftly to duty in destroyers and submarines, in the carriers and on the battleships, and in the Marine Corps. You will have the high privilege of taking part in the liquidation of our eastern enemy, Japan.

You go to join a company of magnificent fighting men. Let me read you a paragraph from the letter written by Admiral Turner from Okinawa:

"All hands are having a tough time here at Okinawa, but we are winning, no matter how slowly it seems. * * * You may have been proud of these Navy boys of ours at Iwo, but you simply can't imagine the eruption of courage and determination and skill they have displayed here at Okinawa. It's a case where the people at the top try to give a little guidance, and then let these grand young fellows we have in the Navy just take charge and do things. Frankly, Mr. Secretary, it's the most thrilling experience anyone could have and I've looked at young naval officers and young naval enlisted men for a good many years. These young fellows are like a pair of runaway horses who have jerked the reins out of your hands!"

Nevertheless, disposing of Japan will not be an easy task. I should like to believe that there is in the Japanese people that "cracking point" which we so often see discussed. I hope there is; but I am mindful of the remark of a correspondent who has been in the Pacific war at Guadalcanal, through Tarawa, Iwo Jima, and Okinawa, that for 39 months he had been watching for signs of what is called the "cracking point" in the Japanese and that he hasn't seen it yet.

I expect that the Japanese will fight with increasing tenacity and fury as our power begins to concentrate on their homeland. We have seen evidences of that fury at Iwo Jima and on Okinawa. It will take the full power of the tremendous war potential that we have mustered in the past 4 years if we are to secure what I take to be the will of this country; the complete, unequivocal, and unconditional surrender of Japanese militarism.

OUR AMERICAN ECONOMY—ARTICLE BY SENATOR WHERRY

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "Our American Economy," written by Senator WHERRY and published in the June issue of Washington News Digest, which appears in the Appendix.]

STATEMENT BY SENATOR MYERS ON PROPOSED INCREASE OF SALARIES OF POSTAL EMPLOYEES

[Mr. MYERS asked and obtained leave to have printed in the RECORD a statement made by him before the Senate Committee on Post Offices and Post Roads in support of H. R. 3035, to increase the salaries of postal employees, which appears in the Appendix.]

CEREMONIES ON OCCASION OF PLACING GERMAN SURRENDER DOCUMENTS ON PUBLIC DISPLAY

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD the proceedings at the ceremonies held in the National Archives Building, Washington, D. C., when the German surrender documents were placed on public display, which appear in the Appendix.]

ADDRESS BY HON. SAMUEL D. JACKSON AT ROOSEVELT MEMORIAL DINNER

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an address delivered by Hon. Samuel D. Jackson at a Roosevelt memorial dinner held at New Orleans, La., on May 31, 1945, which appears in the Appendix.]

EDITORIAL BY WALLING KEITH ON AUTOBIOGRAPHY OF THE LATE GEORGE W. NORRIS

[Mr. HILL asked and obtained leave to have printed in the RECORD an editorial entitled "The Fear of Poverty" referring to the autobiography of the late Senator George W. Norris, written by Walling Keith and published in the Gadsden (Ala.) Times, which appears in the Appendix.]

EXTENSION OF RECIPROCAL TRADE AGREEMENTS—EDITORIAL COMMENT

[Mr. TOBEY asked and obtained leave to have printed in the RECORD an editorial entitled "Republican Suicide," published in the Washington Daily News of June 9, 1945, and an editorial entitled "Trade and Peace," published in the New York Times of June 11, 1945, both on the subject of the extension of reciprocal trade agreements, which appear in the Appendix.]

COMMITTEE REPORTS ON BRETTON WOODS AGREEMENTS — EDITORIAL FROM NEW YORK HERALD TRIBUNE

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "Two Committee Reports," relating to the congressional committee reports on the Bretton Woods agreements, published in the New York Herald Tribune of June 11, 1945, which appears in the Appendix.]

TRIBUTE TO FRANKLIN D. ROOSEVELT—ADDRESS BY REV. ALLEN PENDERGRAFT

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address delivered by the Reverend Allen Pendergraft, in tribute to the late Franklin D. Roosevelt, which appears in the Appendix.]

WHAT HAS HAPPENED TO THE MEAT?—ARTICLE FROM NEWS WEEK MAGAZINE

[Mr. HICKENLOOPER asked and obtained leave to have printed in the RECORD an article entitled "What Has Happened to the Meat? The Story Behind the Shortages," published in the June 4, 1945, issue of Newsweek magazine, which appears in the Appendix.]

SHORTAGE OF UNDERWEAR—LETTERS FROM SMITH, FOLLETT & CROWL

[Mr. HICKENLOOPER asked and obtained leave to have printed in the RECORD two letters from Smith, Follett & Crowl, one addressed to him and another addressed to Senator YOUNG, relating to the shortage of civilian underwear, which appear in the Appendix.]

EXTENSION OF PRICE CONTROL—EDITORIAL FROM WASHINGTON POST

[Mr. TUNNELL asked and obtained leave to have printed in the RECORD an editorial "Attacking Price Control," published in the Washington Post of June 11, 1945, which appears in the Appendix.]

FISCAL POLICY FOR FULL EMPLOYMENT—EXCERPT FROM ARTICLE BY JOHN H. G. PIERSON

[Mr. TUNNELL asked and obtained leave to have printed in the RECORD an excerpt from an article entitled "Fiscal Policy for Full Employment," written by John H. G. Pierson, which appears in the Appendix.]

CHESTER COUNTY PROTESTS SAVED MILK SUBSIDY—ARTICLE IN THE PHILADELPHIA RECORD

[Mr. MYERS asked and obtained leave to have printed in the RECORD an article by

Edwin Kemp, entitled "Chester County Protests Saved Milk Subsidy," published in the Philadelphia Record of May 5, 1945, which appears in the Appendix.]

THE NEED FOR NATIONAL UNITY—LETTER FROM ALFRED STANLEY

[Mr. DOWNEY asked and obtained leave to have printed in the RECORD a letter addressed to him by Alfred Stanley, dated Okinawa, May 8, relative to the need of national unity, which appears in the Appendix.]

PRICE RESTRICTIONS IN CANADA—ARTICLE BY BILL CUNNINGHAM

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an article relating to price restrictions in Canada, written by Bill Cunningham, and published in the Boston Herald, which appears in the Appendix.]

HARRY HOPKINS' VISIT TO MOSCOW

Mr. BRIDGES. Mr. President, official comments as well as press reports and some columnists enthusiastically announced a few days ago that a great victory has been achieved by Mr. Harry Hopkins in Moscow because Marshal Stalin yielded on his hitherto stanch opposition to permit the Security Council of the International Security Organization, now being mapped at San Francisco, to discuss international conflicts which might threaten the peace of the world.

According to the press and radio, even some of our delegates were elated over Mr. Hopkins' victory, and called Marshal Stalin's reversal of his previous attitude a "happy omen" for the outcome of the San Francisco Conference. I read in the newspapers statements made by some Members of this body saying how pleased they were at what had been achieved in the conference held at Moscow. That startled me.

It is important that these misleading statements issuing from San Francisco be put in their real light.

From the very beginning of the San Francisco Conference until the fifth week of the United Nations' discussions, there was never brought up the problem of a big power being granted veto power enabling it to stop presentation and discussion of any international situation threatening the peace of the world. What was discussed at San Francisco was a so-called two-point veto program consisting of: First, the right of veto for every one of the Big Five to forbid the use of force against any potential or actual aggressor; second, the right of veto for every one of the Big Five to forbid investigation of conflicts or situations which might endanger the peace of the world.

Reluctantly, a majority of the United Nations accepted point one of this veto formula in view of the fact that all of the Big Five seemed determined to carry that formula through the San Francisco Conference.

As to point two of that veto program, the opposition of the majority of the United Nations grew so strong that some of the Big Five were considering a softening of this rigid and extremely undemocratic rule.

When the legal advisers of the Big Five started drafting a more flexible formula concerning the investigation of international situations dangerous to the peace of the world, the Soviet delegation stiffened its opposition to any attempts to change this formula and unexpectedly enlarged it so as to make it cover not only the "investigation," but also any "presentation" and "discussion" of international situations which might put the peace of the world in danger.

At this point the remaining Big Four—the United States, Great Britain, China, and France—joined the majority of the other United Nations in opposition to the Soviet interpretation of the veto formula.

Here is where Mr. Hopkins comes into the picture.

He obtained in Moscow only and exclusively the withdrawal of the extended Russian interpretation of the veto formula, but he did not obtain any change of the Russian attitude concerning the two points involved in discussion at San Francisco for the last 6 weeks.

It is obvious that the Soviet Government played an extremely shrewd "horse-trading" game. It raised a third point, an additional one to the two points already contested, and then yielded only on this third one, added only for the reasons of bargaining. That is a smart horse-trading proposition, but it should not fool the American people. As the very conscientious reporter of the New York Times, Mr. James B. Reston, put it in his San Francisco dispatch of June 8th, "of one thing the 'little 45'—meaning the smaller powers—were sure: The veto fight had been conducted—during the last week—on a point they did not even think was an issue, the right of discussion. But so much energy had been wasted on this point that the small nations had very little heart left to continue their fight for what they really wanted—the removal of the veto from decisions to investigate international disputes."

It is obvious that the people of the United States, watching very carefully the San Francisco proceedings, have been hoodwinked by official comments emanating from San Francisco by those who obviously want the American people to believe that a trick played by shrewd Soviet negotiators is a victory for the democratic way of thinking about the future International Security Organization.

The facts are these: First, the right of veto by any of the Big Five—the use of force against aggressors, stands as it stood at Dumbarton Oaks and at Yalta despite the opposition of many of the United Nations and a large portion of the American people; second, the outrageous right to veto by any of the Big Five any investigation of situations threatening the peace of the world stands exactly as the Soviet interpretation of the Yalta voting formula wanted it to stand; and, because of weariness or a feeling of helplessness prevailing now in the ranks of the delegations at San Francisco, and particularly in the ranks of the American delegation, nobody seems to want to challenge that preposterous formula, contenting themselves with praising a victory on an issue which not only was never raised before but which is even unthinkable to be raised in any nontotalitarian society, namely, the right of free discussion.

The example displayed by the small nations in their efforts to obtain justice and equality for all nations, great and small, with exemptions and privileges for none, is an outstanding example of the earnest desire of the small nations to cooperate in the establishment of a world organization for a permanent peace. This is the type of organization that the American people not only want but were under the impression they were going to get.

It is a great disappointment to a large group of American people that the United States' great weight of influence should not have been thrown with the small nations to obtain this objective. I wish my country were throwing her great weight, her moral support, and her prestige into the cause of equality and justice, rather than weakly giving in on great matters of principle.

I am disappointed that we apparently can get no more perfect a set-up, but I want a world organization for peace, so I shall accept the best we can get out of San Francisco as our only hope. I wish, however, to state very clearly that it is not what the American people wanted. It is not what they expected they were getting. Let us not try to hoodwink the American people as to what is going on in San Francisco today, or what they are getting, because it is very far from their understanding of what they want, the ideal they seek—that of a perfect peace organization.

LEAVE OF ABSENCE

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that I may be excused from attendance at the Senate in order to keep a very important appointment at one of the executive departments.

The PRESIDING OFFICER. Without objection, leave of the Senate is granted.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942

The Senate resumed the consideration of the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the senior Senator from Oklahoma [Mr. THOMAS], which will be stated.

The CHIEF CLERK. It is proposed to add the following new section at the end of the joint resolution:

SEC. 3. That for the purpose of restating and clarifying the policy of Congress with respect to the prices of agricultural commodities as set forth in section 3 of the Emergency Price Control Act of 1942, as amended by section 2 of Public Law 729, Seventy-seventh Congress, approved October 2, 1942, and as further amended by section 201 of the Stabilization Act of 1942, it shall be unlawful to establish or maintain against any processor a maximum price for any major product (applied separately to each major item in the

case of products made in whole or major part from cotton or cotton yarn) resulting from the processing of any agricultural commodity, or maximum prices for the products of any species of livestock (such as cattle, hogs, or sheep) (the products of each species of livestock to be taken as a group in establishing or maintaining such maximum prices) which does or do not equal costs and expenses (including all overhead, administrative, and selling expenses allowed as expense deductions in computing Federal income and excess profits tax liabilty) incurred in the acquisition of the commodity or species of livestock and in the production and distribution of such product or products plus a reasonable profit thereon, not less than the profit earned thereon by such processor during a representative base period.

The PRESIDENT pro tempore. Under the unanimous-consent agreement each Senator may speak not more than once nor more than 20 minutes on the joint resolution or any motion or amendment thereto.

Mr. LUCAS obtained the floor.

Mr. CAPPER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CAPPER. Mr. President, I wish to state, as briefly and concisely as I can, my reasons for supporting the pending Thomas amendment, offered by the senior Senator from Oklahoma [Mr. THOMAS] to the pending joint resolution proposing to extend the life of the Price Control and Stabilization Acts for another 12 months. I shall confine my remarks primarily to the Thomas amendment, dealing with prices of agricultural commodities and products processed from agricultural commodities.

In the first place, Congress established the Office of Price Administration to control prices for the purposes of preventing run-away inflation and at the same time to stimulate production. Congress never intended, in my judgment, that OPA should have the function of controlling profits. The OPA was established for price-control, not profit-control, purposes.

Congress did write into the original Price Control Act, and later tried several times to make it effective through amendments to the act, a provision intended to prohibit the OPA from fixing prices below specified levels for farm commodities. Furthermore, Congress attempted to direct the OPA to allow equitable margins for processors and handlers of products made from farm commodities at the different levels.

Patently those directions and prohibitions have not been observed by the Office of Price Administration.

Right here in the District of Columbia, if my information is correct, there used to be four slaughterhouses engaged in meat production. Today they are closed down. I cannot believe those small packers have closed down because they wanted to interfere with the war effort. They did not close down because there are no cattle or hogs to be slaughtered. They did not close down because there is no demand for beef and pork in Washington. I cannot conceive of their being closed down to spite the Government, or even the OPA.

My own, and only, conclusion can be that they closed down because they were compelled by OPA regulations and price levels to operate at a loss ratio so large that it would bankrupt them to continue in business. That is not the way to get food production. There seem to be plenty of similar instances in other lines throughout the country.

The Thomas amendment simply reiterates and clarifies the intent of Congress that it shall be unlawful to establish or maintain against any processor of farm commodities a maximum price for any major project which does not equal all costs and expenses, plus a reasonable profit thereon.

Mr. Chester Bowles, the Administrator of OPA—a fine man—has issued a press release stating that adoption of this amendment and the Taft amendment would in effect end attempts at price control. But almost at the same time Mr. Bowles writes a letter to the Senator from Oklahoma [Mr. THOMAS], chairman of the Senate Committee on Agriculture and Forestry, of which I am a member, in which Mr. Bowles says:

> Recognizing the critical shortage of meat and the imperative need of avoiding any impediment to maximum production and even distribution, this Office * * * will see that the products of each of the three main groups in livestock—cattle and calves, hogs, and lambs and sheep—are each, separately considered, on a profitable basis.
>
> To the fullest practicable extent the Office will see that each of these groups of products is separately profitable at all times, regardless of live animals prices. It will in all events see that each group is separately profitable on an annual basis.

It seems to me, Mr. President, that if we are to take Mr. Bowles' letter in good faith, he cannot logically object to Congress enacting a law to the same effect. If he had not used that escalator clause, "to the fullest extent practicable," I might be willing to vote simply to extend the act, leaving it to Mr. Bowles to insure the producers and processors production costs, plus a reasonable profit, while price controls continue to be exercised. But as he did include that clause in his letter, I think Congress had better stipulate in the law what it is intended for the OPA to do.

Mr. LUCAS. Mr. President, I am operating against a time limitation. I did not yield to the Senator from Kansas to make a long speech.

Mr. CAPPER. I shall be through in a moment.

It is perfectly plain, from testimony before the Senate Committee on Agriculture and Forestry and also the Committee on Banking and Currency, that the OPA has established prices which required production at a loss, through various formulas on "industry as a whole" and so forth.

It is also understood, and has been announced, that for reconversion the OPA intends to establish retail prices on manufactured articles at 1942, sometimes 1941, price levels, regardless of increases in production costs since that time. True, the OPA also announces that individual concerns can come to OPA, make a showing of losses under the price levels established, and ask for relief.

Mr. President, I am fearful of the effect of such a policy upon reconversion. If a businessman, or one who intends to go into business, knows that his prices will be 1942 prices, and production costs may be 10, 20, or 30 percent higher than in 1942, he is going to hesitate about going into that business. Of course, some ex-serviceman without experience, might borrow money and go into a small business without realizing that the OPA price ceilings preclude the possibility of his making a profit.

I do not contend that it is the business of government to guarantee that every business may be conducted at a profit, but I do contend that it is not the province of government to fix prices at levels which prevent those doing business under them operating at a profit.

Mr. President, as I see it, the OPA has put the Congress on notice that it intends to establish prices for the reconversion period at levels which, to understate the case, will discourage persons who know anything about business operations from going into business.

We are not going to get maximum production and full employment that way. If the 1942 and 1941 retail price levels are established, there is likely to be a time lag in reconversion that could give us the anomaly of a depression, while the people of the country need a hundred billion dollars' worth of goods, services, materials, and construction, and have a hundred billion dollars or so of savings with which to pay.

Would not that be something to brag about?

I shall support the Thomas amendment.

Mr. LUCAS. Mr. President——

Mr. TAFT. Mr. President, I ask unanimous consent that the time of the Senator from Illinois start beginning now.

The PRESIDENT pro tempore. Without objection, it is so ordered, because that is absolutely fair.

Mr. LUCAS. I thank the Senator from Ohio.

Mr. President, I rise in the Senate in opposition to the Thomas and Taft amendments, which are the pending measures before this legislative body. I think it is important that the Senate see in their proper setting the proposals of the Senator from Ohio and the Senator from Oklahoma for amendment of the price-control legislation.

Mr. President, I shall discuss primarily the question of inflation, as I view it, in the event these two amendments become the law. For the last 3 years I have constantly talked about inflation, primarily because of what I saw happen to this country during the last war when we had runaway prices in every direction.

We have, during this war, created the greatest inflationary pressures in the history of the Nation. The war has cost to date, $290,000,000,000. Forty-six percent of everything produced has gone off to war, leaving the money paid for this production competing in the market for the 54 percent of all goods remaining for civilian purchase. Every month the public has received $3,000,000,000 more in income, after taxes, than the value of goods and service available for purchase. These savings have mounted month by month until they now total $113,000,000,000, of which sum only $27,000,000,000 is in Series E bonds. By the end of the year the public's savings since Pearl Harbor

will total $1,000 for every man, woman, and child in the Nation. Remember that the greatest prewar national income of all the people in the Nation was only eighty-four billion—or thirty-four billion less than the public's savings up to this time—and it becomes apparent how great is the inflationary pressure which is loose in this land.

Look also at currency. At the start of the war in Europe we had $7,200,000,000 in circulation. Today we have more than three times as much, or $25,000,000,000.

Look at the other form of money—balances in checking accounts in banks. At the start of the war these totaled $27,000,000,000. They now total $71,000,000,000. They have been multiplied more than three times.

In the last war the gain in currency and checking accounts taken together totaled $10,000,000,000. This time the gain is $61,000,000,000, or six times as much.

In the last war's inflation living costs rose 94.4 percent, with relatively weak inflationary pressures. In this war, in a like period, with far more powerful inflationary pressures, living costs have risen only 28.6 percent or one-third as much.

Mr. President, if we discard the inflationary controls which are now the law of the land, even if we just begin to tamper with the price control set-up in an attempt to do something for some individual, some particular industry, or some processor, as would be done under the Thomas amendment, or for practically all industries of every kind, as would be done under the Taft amendment, we shall be bound to turn loose the inflationary pressures, and when this huge amount of money starts turning over in this country, then in my humble opinion our economic balance will be lost.

Now, on the brink of this explosive economy, the Senator from Ohio and the Senator from Oklahoma propose to throw in two lighted firebrands to set off the inflationary dynamite. In whose interest is it being done? Supposedly it is done to save businesses from hardships. What businesses?

The Senator from Ohio is seeking to remove hardships from manufacturing businesses which, as a group, are earning, before taxes, 250 percent more than they earned before the war.

The Senator from Oklahoma is aiming to provide relief for food processors who are earning 190 percent more than they earned before the war.

The Senator from Ohio is also aiming to provide relief for department stores which, according to their own published figures, are earning 10 times their prewar earnings.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. I have requested the Senator to yield to me only so that I may point out that department stores are not covered by my amendment. My amendment covers only processors and manufacturers.

Mr. LUCAS. I was under the impression that department stores were covered under the Senator's amendment; I thought every industry was covered under it.

Mr. TAFT. Only processors, manufacturers, and mining companies are covered under my amendment.

Mr. LUCAS. Then my statement made with respect to department stores does not apply, if the Senator's amendment does not cover them.

The answer, of course, will be that while business as a whole is doing exceedingly well, many are suffering hardship. Where is the evidence? As I said the other day in colloquy with the distinguished junior Senator from Louisiana, and I repeat it now, Dun & Bradstreet in 1944 recorded only 1,222 business failures. The number in 1939 was 14,700. The number in the great boom year 1929 was 22,900. What is the evidence of hardship?

The plain unvarnished truth is that never before in the history of the Nation has there been so little business hardship as there is right now. Of course, there are a few inefficient operators who are not making money. But are we, in the midst of the most explosive economy in our history, going to guarantee every concern in the United States a profit on every product? If we are, we shall be legislating inflation instead of protecting the Nation against it. That is virtually what these two amendments would do.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LUCAS. I am glad to yield to my friend, the Senator from Arkansas.

Mr. FULBRIGHT. Does the Senator happen to know what percentage of our business operates at a loss in normal times? Is it not true that a substantial number operate at a loss as a normal matter in peacetime operations?

Mr. LUCAS. The Senator is correct, and I just quoted figures on failures from Dun & Bradstreet, which is the best evidence of the number of businesses which operate at a loss in normal times. But in this crisis, when everyone in this country is making a profit, they want to remove, through these amendments, the controls, so that they can make more money. That is the truth of the matter. When these individuals make more money, the consuming public will be the ones who will suffer as a result of abandoning the inflationary controls.

The Senator from Oklahoma in his aid to food processors would make it appear that he is acting in the interest of the farmers of the United States. He wants to assure them parity, as he said in one statement.

Mr. President, the fact is that farmers, on all the goods they produce, are getting 116 percent of parity, and they have been getting it. I live in the heart of the Corn Belt section of Illinois. I own farmlands, Mr. President. As a landlord, I have made more money during the last 5 years than I have in any other previous 5 years in my operation as a landowner; and what is true with me is also true with every other farmer, regardless of the section of the country in which he lives. Today hogs are selling at 112 percent of parity; beef cattle are selling at 138 percent of parity; veal is selling at 119 percent of parity; lambs are selling at 133 percent of parity.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to my distinguished friend the Senator from Wyoming.

Mr. ROBERTSON. I should like to ask the distinguished Senator from Illinois whether in using the term "farmer" he includes the stock producer?

Mr. LUCAS. Yes; certainly.

Mr. ROBERTSON. Then I must take issue with the Senator.

Mr. LUCAS. Very well; I will read the Senator the figures supplied by the Department of Agriculture. I know what the Senator is driving at, but I do not see how the formula which is being laid down under the Thomas amendment will help the Senator's position in Wyoming, as a cattle raiser. Here are the facts—first, for the average value for calves and cattle from 1935 to 1939. Those who raised calves and cattle were fairly well off at that time; they were getting along fairly well from 1935 to 1939, as compared to the dark days around 1931, 1932, and 1933. In my opinion, every farmer was rather happy. Here is the average figure for that time: Calves and cattle, $1,173,000,000; hogs, $856,000,000; sheep and lambs, $166,000,000; a total average at that time of $2,195,000,000.

In 1940 the cash value of calves and cattle was $1,381,000,000; in 1941, $1,718,000,000; in 1942, the total value produced and sold was $2,293,000,000; in 1943, $2,581,000,000; in 1944, $2,607,000,000, which was the highest at any time on record, in cash value, received by producers of cattle and calves.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. ROBERTSON. I assume that the figures which the Senator has given represent gross receipts.

Mr. LUCAS. Certainly.

Mr. ROBERTSON. They do not take into consideration the cost of production at all.

Mr. LUCAS. The cost of production on the farm has, of course, increased, as it has in other industries. However, the evidence before this body is that last year the farmers produced the greatest crops on record with one-third the former labor. That applies to the Senator from Wyoming, as well as to any other producer in the country. The Senator is not suffering much because of the price he has received for his cattle.

Mr. ROBERTSON. The wages paid to labor in the stock-raising sections of the country have increased from 100 percent to 200 percent.

Mr. LUCAS. It may be that the cost of labor employed by the Senator has increased more on the range than in other localities, but, notwithstanding that fact, the Senator is in a better financial position at this moment than he has ever been in his whole life, and I am sure he will not hesitate to admit to that fact.

Mr. ROBERTSON. I certainly take issue with the Senator.

Mr. LUCAS. I should like to go into the matter with him personally.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. Does the Senator feed any cattle?

Mr. LUCAS. No.

Mr. WHERRY. Does the Senator feed any hogs?

Mr. LUCAS. Yes; I have fed some hogs, but I hope the Senator will not start talking with me about feeding cattle.

Mr. WHERRY. I merely wish to ask the distinguished Senator a question. I want to ask him how much he paid to the feeders, and how much he made on the cattle?

Mr. LUCAS. I know that the Senator will talk about feeding cattle all day long if I only give him a chance to do so. He is a cattle feeder, he loves the cattle, and he loves to make a profit on them. The subject about which he talks chiefly on the floor of the Senate is that of feeding of cattle.

Mr. WHERRY. Inasmuch as the Senator from Illinois does not feed any cattle, and cannot speak from personal experience with regard to that subject, it is hardly fair for him to say that farmers and cattle raisers are making money.

Mr. LUCAS. As a whole, the Senator knows that the farmer is better off today than he has ever been. The Senator continually talks about feeding cattle. But I am looking at the over-all picture. I can get my perspective above the cattle pen during this great national crisis.

Mr. WHERRY. I thank the Senator for allowing me to interrupt him, and I will speak later upon the subject in my own time.

Mr. LUCAS. Very well.

Mr. President, I wish to submit some figures with regard to hogs.

The average value of hogs from 1935 to 1939 was $856,000,000; in 1940, $836,000,000; in 1941, $1,302,000,000; in 1942, $2,191,000,000; in 1943, $2,942,000,000; and in 1944, $2,796,000,000.

The years which I have given include the period with reference to which complaints have been made that the farmer who produces hogs was having trouble in making a profit and in getting a market for them. Why, Mr. President, it is the most nonsensical argument I have ever heard.

We have repeatedly heard Senators condemn the OPA. The attempt has been made to use the United States Senate as a political sounding board for attacks on OPA, and the attempts to villify the OPA throughout the country have constantly been in the form of political sniping at an agency of the Government which has had one of the most difficult jobs of all agencies in administering an act of Congress. As a matter of fact, there are Members of the Senate who wish to break down price control. They are willing to give it lip service and say that they want it to continue in effect, but the Thomas amendment and the Taft amendment if adopted would be the beginning of the end of price control.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. PEPPER. I wish to ask the able Senator from Illinois if it is not his understanding that the amount of spendable money in the hands of the people has not increased from approximately $6,000,000,000, at the beginning of the war, to about $28,000,000,000 at the present time, and if the national debt has not increased from less than $35,000,000,000 to $240,000,000,000, and also if it is not one of the marvels of governmental accomplishment that with such currency expansion and such credit expansion there has been only approximately a 50 percent increase in the cost of living, by maximum estimates, due principally to the OPA's administration?

Mr. LUCAS. My understanding is in accordance with the Senator's question. I may say further to him that I went into that subject at the beginning of my remarks before he came into the Chamber. The figures which I have used were furnished to me by authoritative governmental sources in Washington.

Mr. President, there has been a great deal of talk about sheep and lambs, and it has been said that the producers of sheep and lambs have been tremendously injured by the OPA. Perhaps some slight injury may have occurred. No one who becomes subject to rules and regulations of the Government remains long uninjured. The Senator from Florida is being injured as a result of such rules and regulations. Every other Senator is, as well. However, we must look at the over-all picture. We must remember we are in the most costly and devastating war in all history.

The average value of sheep and lambs produced in the period of 1935 to 1939 was $166,000,000; 1940, $180,000,000; 1941, $227,000,000; 1942, $307,000,000; 1943, $342,000,000; in 1944, $302,000,000.

The cash value has increased each year.

In 1940 the total was $2,397,000,000; 1941, $3,247,000,000; 1942, $4,791,000,000; in 1943, $5,865,000,000; in 1944, $5,705,000,000, or an increase in average percent of 1944 over the period 1935 to 1939 on calves and cattle, of 122 percent; on hogs, 228 percent; and on sheep and lambs, 82 percent. The total average was 160 percent.

Mr. President, when anyone says that this is a measure benefiting the farmer, the figures do not bear out the statement. The truth of the matter is that both the American Farm Bureau and the Farmers Union are definitely on record as being opposed to the Thomas amendment and the Taft amendment because they realize that the farmer as a part of society will have to bear his share of the increased cost of commodities which he must buy.

This is the same kind of legislation as that which we passed last year to assure parity to the cotton farmers. What we did was not to bring cotton to parity, but to provide a hand-out to textile mills, whose earnings already were five times their prewar earnings.

Lest any Senator think that inflationary dangers are over, now that the war in Europe is ended, let us note that after all presently contemplated cut-backs the Jap war alone will cost more than twice the total cost of World War I, which brought such ruinous inflation. The rate of expenditure for the Japanese war will be twice the rate of expenditure in January 1942, when Congress passed the Price Control Act to protect the Nation against inflation. With vastly greater inflationary pressures now, are we going to let down the bars and turn inflation loose upon the country?

We are to pass this legislation supposedly in the interest of business and farmers. Before doing so, should we not consider what happened to business and farmers in the price collapse that followed the inflation of the last war?

In 2 years corporation profits fell from earnings of $6,400,000,000 to losses of $55,000,000. And in the next 5 years 106,000 businesses went bankrupt. Remember that only 1,222 failed last year.

Will business benefit if we break stabilization by adopting these amendments and turning inflation loose upon the country? When collapse came, the very businesses it is sought to help—the high-cost inefficient producers—would be the first to go under.

Farm prices after the last war fell from 32 to 85 percent. Average farm income dropped from $1,360 to $460 a year. And in the next 5 years 453,000 farmers lost their homes and jobs—their farms—through mortgage foreclosures, and it was caused by the inflation that took place immediately following that war. Everyone who is familiar with what happened in those years knows that the farmer who after working practically all his life and had taken from the soil some fifteen or eighteen or twenty thousand dollars and laid it aside, always wanted the 160 acres next to his farm. Finally, in that great boom year, when land in my section of the country was selling for from $300 to $600 an acre, he went ahead and mortgaged the 160 acres he owned in order to buy the adjacent 160 acres and mortgaged that, too, in order to own the 320 acres. When the great collapse came he was one of the individuals who went down with it. He not only lost the 160 additional acres he had bought, but he lost the 160 acres that he had toiled for during the heat of the burning suns and cold of the winters over a period of from 15 to 20 years.

That is what I have in mind today. The farmer in my section of the country is better off than at any time in his history. I want to protect him. I do not want him to go through the same series of bank crashes, foreclosures of mortgages, bankruptcies, and all the suffering that he had to undergo back in the period from 1931 to 1934 and 1935. I was there and I saw it all. I was in the bankruptcy courts one after another for clients of mine. I was attorney for the receivers of some 15 banks in my section of the country that went down as a result of that crash.

The PRESIDING OFFICER (Mr. MCMAHON in the chair). The time of the Senator from Illinois on the amendment has expired.

Mr. LUCAS. Mr. President, I will take 20 minutes on the bill.

In arguing for his amendment a few days ago the Senator from Oklahoma [Mr. THOMAS] sought to establish the fact that Congress had placed restrictions upon ceiling prices for farm products, but that OPA had wilfully disre-

garded them. Later, he included the Emergency Court of Appeals in the conspiracy to evade the clear purposes of Congress. Finally, he included the Supreme Court of the United States. It seems to me that if OPA, the Emergency Court of Appeals, and the Supreme Court agree on the meaning of legislation passed by Congress and the Senator from Oklahoma stands on the other side, the chances are that the Senator is wrong. At least, it always has been the American way for the Supreme Court to interpret the meaning of our laws. It may be that the Supreme Court and the Emergency Court of appeals were wrong. Maybe Congress did not intend what the Supreme Court said it intended, but, after all, we must follow the Court. If we do not like its decisions we can change the rules, but this amendment does not change the rules with respect to the decision handed down by the Supreme Court.

The Senator from Oklahoma made it appear that in fixing ceiling prices OPA threw out any allowance for overhead and selling expense, and that the Supreme Court upheld that interpretation. The fact is that OPA never considers costs unless an industry says that ceiling prices are inadequate. In that case it assures an industry its prewar profits. It writes a floor under profits at the prewar level. But the pending amendment proposes to fix ceiling prices for all articles produced by all industry; that is the truth of the matter.

If an industry making multiple products is earning at least its prewar profits but costs of individual items have risen and the industry claims it is losing money on individual items or groups of items, OPA raises prices to assure the industry at least its out-of-pocket costs on such items. Out-of-pocket costs do not include overhead or sales costs.

My distinguished friend from Oklahoma, great chairman of the Committee on Agriculture and Forestry, should have explained to the Congress that whenever an individual product was not given a price covering all costs the industry overall was earning at least its peacetime profits.

He said:

> I do not understand how an organization could live unless it included in its costs both administrative and selling expenses.

It could live when such costs were not included for every individual item, because at all times the industry of which it is a part is guaranteed at least its peacetime profits.

These facts, however, are details. The main fact is that we are sitting on a keg of economic dynamite and it is no time to start smoking when one is sitting on a dynamite keg. I trust that the Senate will defeat this vicious proposal to cure the least amount of business hardship in the Nation's history, at the expense of the Nation itself and its 130,000,000 of people.

Let us not be misled. There is no such thing, in the face of these terrific inflationary pressures, as "controlled inflation," for one man's price increase becomes another man's cost.

That is what the Senator from Ohio [Mr. TAFT] was saying the other day. He contends that inflation can be controlled. Mr. President, if this price control law is broken even by 10 percent, there will never be any way of controlling prices, but that is what it is proposed to do under the Thomas and Taft amendments. Increases in living costs, translated into wage increases, start the circle of increases all over again. There is only one safe course. That is to continue to hold the line unflinchingly. The prosperity and happiness of the American people for the next 10 years depends upon our decision.

Mr. President, in conclusion let me say that if the Thomas and Taft amendments become the law of the land, the farmer and the rest of the consuming public are the ones who will receive the injury. They are the ones who will be compelled to pay the increased cost that will result from these proposals.

If I were the Administrator of the OPA and administering an act which made it unlawful for me not to do certain things, certainly no money would ever be paid to any processor or industry affected by the law until I had before me a verified statement with respect to the actual costs of each individual, industry, or processor involved. That means an army of accountants would be necessary to obtain this information. That means delay. That means confusion. That means the beginning of the end of the Price Control Act.

Mr. President, referring to the subject of accountants to handle these different transactions, it was stated by the Secretary of War in a Finance Committee some time ago that if the war were to terminate at that time, it would take all the accountants in the world 15 years to analyze and examine the accounts of the contractors and subcontractors. That is the testimony. In other words, a businesslike examination is impossible. It would be necessary to have men of good judgment and high patriotism to make more or less arbitrary decisions, because there are not a sufficient number of accountants available to do the work. Under the present amendment it would take an army of accountants to do the job. I care not what the authors of this amendment may say with respect to the information which is now on hand with the OPA; the OPA must be the judge. They are the ones who are administering the law; they are the ones who have to obtain the information, and if I were the administrator I would not budge until I had the information.

As was said by Mr. Bowles, the only other alternative is to give every firm a formula for figuring its own costs, profits, and prices. Obviously, each firm would have a different price, a different set of costs, and different profits upon different items. These factors would change from time to time. It would be absolutely impossible to enforce the law, the result being that such an arrangement would produce conditions upon which the time-serving trimmer would thrive and prosper. The cost-plus feature is an invitation to every producer and manufacturer to play fast and loose with the costs involved. It makes but little difference, as Uncle Sam is paying the bill. Cheating under this kind of an arrangement would become so artistic and refined that the public would ultimately look upon it as a noble profession. Chiselers would become so numerous that they would be compelled to wear a badge of identification in order to keep from gouging one another.

Mr. President, this is not even a noble experiment. The legislation proposed by the Thomas and Taft amendments is pure folly. It is utterly injudicious; it is a downright asinine, cockeyed, bewildering, irrational piece of stupidity.

Mr. President, in the last few years I have heard some of my Republican brethren severely criticize this administration. They are doing so today as they fight for these indefensible amendments. The critics have charged that we are building a superstate. They, too, contend that the Democrats in power would be leading the Nation into a pitfall of socialism. They have charged the New Deal with creating a sprawling bureaucracy that threatened the free way of life. They have constantly condemned regimentation and bureaucratic interference into the business life of the citizens of this country. Yet the two amendments now pending will submit the businessman to more red tape, more indignity, and more bureaucratic control than any two amendments which have been presented to the Congress since I have been a Member of this legislative body.

It will not be very long until those who are now acclaiming these amendment as the panacea for all of the OPA evils will be using the Senate floor as a sounding board in their criticism of this agency of Government for interfering with the business of American men as they honestly attempt to administer this legislative monstrosity.

Mr. BUSHFIELD. Mr. President, I understand there is a time limit of 20 minutes. Is that correct?

The PRESIDING OFFICER (Mr. DOWNEY in the chair). The Senator is correct.

Mr. BUSHFIED. On each amendment to the joint resolution itself, or as a whole?

The PRESIDING OFFICER. On each amendment, and on the joint resolution.

Mr. BUSHFIELD. Mr. President, I have enjoyed the remarks of the distinguished Senator from Illinois [Mr. LUCAS]. I know he spent a great deal of time in the preparation of his address, and I compliment him on it, although I do not agree with him in anything he has said.

Mr. President, what is called a spiral of inflation, about which we have heard so much in recent weeks, has become in the minds of some almost a fetish; they bow down and worship it. The facts do not warrant the charge that there is or ever will be a spiral of inflation under existing conditions.

It is said we will have inflation. We already have inflation. I have in my hand the monthly digest of the Department of Labor, which says that there is an increase in the price of foods at the

present moment of 56.7 percent. There are price increases, in the case of many other things, but I refer only to that because I intend to direct my remarks largely to that subject.

Mr. President, the Emergency Price Control Act was passed in 1942. Under the law Congress directed that three things be done, and three things only. The Office of Price Administration was to stabilize prices, it was to provide for fair and equitable wages, and was to provide for cost of production. Those were the only things mentioned in the law. That is the only direction Congress gave, but that is the limitation, or was intended to be, to those who were to administer the Emergency Price Control Act.

Yet we have gone far afield from what Congress had in mind when the law was enacted. We have an army of people on the Federal pay roll to enforce price control, and what has been referred to by many as profit control, when Congress did not mention the word profit at all in the law, was not concerned with it when it enacted the law, and did not issue any directive to the executive departments in connection with profits.

Mr. President, I spent some 6 or 8 weeks, as a member of the Committee on Agriculture and Forestry, attempting to ascertain what could be learned about the meat situation primarily. We investigated as thoroughly as we could, with the means we had at hand, and we did obtain a great deal of valuable information for the Senate and for the people of the country. During the hearings I said to Mr. Brownlee, who is the Deputy Administrator for Price of the Office of Price Administration, that the question of maldistribution was the important consideration rather than any other item he had mentioned in his testimony, and he largely admitted my statement to be correct. I have a mimeograph statement in connection with a letter from Mr. Bowles, head of Price Administration, in which he again corroborated what I charged in the beginning about maldistribution. He said:

> The basic cause of maldistribution of meat during the last few months lies in the substantial growth of the amount of livestock being slaughtered in nonfederally inspected slaughterhouses.

I do not entirely agree with Mr. Bowles as to the reason for the maldistribution, but he says, in this statement which he has issued within the last 3 days, that maldistribution is the difficulty.

No other agency of the Government has any control of distribution of food products, and especially of meat, except OPA. At the present time they determine everything in connection with food in this country in collaboration with the War Food Administration. They are the final word. Yet, if the difficulty about meat in Washington and other metropolitan centers is due to maldistribution, who is responsible for it? There is only one agency possibly responsible, and that is the OPA itself.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. BUSHFIELD. I yield.

Mr. SHIPSTEAD. Is it not a fact that maldistribution is due to the shortage of production?

Mr. BUSHFIELD. No; I cannot agree with the Senator in that respect, because there is no shortage of production in the case of meat. The records have substantially proved that to be so.

Mr. SHIPSTEAD. Why do we not get meat?

Mr. BUSHFIELD. Lack of proper distribution is the cause of our not getting meat.

Mr. SHIPSTEAD. Does the Senator mean to say that those who get most of the meat eat more meat than is good for them?

Mr. BUSHFIELD. No; I do not mean that. I mean that OPA is responsible for the manner in which meat is distributed in the metropolitan centers.

Mr. SHIPSTEAD. Is it not due to the black market?

Mr. BUSHFIELD. What caused the black market?

Mr. SHIPSTEAD. Shortage.

Mr. BUSHFIELD. No, absolutely not. The Senator is mistaken about that.

Mr. SHIPSTEAD. I disagree with the Senator.

Mr. BUSHFIELD. The black market is caused by the regulations and rules of the OPA, and nothing else.

Mr. TAFT. Mr. President, will the Senator from South Dakota yield?

Mr. BUSHFIELD. I yield.

Mr. TAFT. I wish to call attention to one thing which reinforces the Senator's argument. The OPA says that there is available today 70 percent of the meat of normal times for the civilian population. Yet 3 weeks ago the commissioner of markets in New York City stated that meat, both from the black market and all other meat in New York City, amounted to only 10 percent of the amount of meat which had been available to the civilian population of New York City before that time. That cannot indicate anything except gross inefficiency. Of course, it starts from shortage, as the Senator from Minnesota says, but if proper and reasonable control were enforced under which legitimate operators in the industry could work with the Food Administration and not have to close their doors there is no reason in the world why there should not be a fair distribution of meat in the cities, as well as in the rural districts.

I wish to call one other thing to the attention of the Senator in connection with this matter of distribution. I was called today from Albany, N. Y., and was informed that it is not possible to get any potatoes in Albany. The dealers there bought their potatoes on the Eastern Shore of Virginia year after year, and this year they got only 40 percent of their potato supply, because down on the Eastern Shore, it is said the regular people cannot ship because trucks are coming in and buying the potatoes on the black market, and instead of paying $3.04 a bushel, which is the ceiling price, paying $4 or $5, and carting off the potatoes, so that the legitimate operators in potatoes are developing a tremendous shortage throughout the United States.

The character of control which the OPA has put into effect is resulting in a complete break-down. The industry cannot cooperate with the OPA under the circumstances because those administering OPA have not the ordinary business instincts and common sense to put in the proper kind of control which would be effective.

Mr. BUSHFIELD. I thank the Senator from Ohio for his contribution. There was comment a while ago about what the OPA had done with regard to keeping control of rising prices. It has not kept control of prices of food products; it has not kept control of farm labor, which is up from 250 to 300 percent above what it was before the war started.

It has done something else, however, which is most interesting, Mr. President. From one end of the country to the other it has inaugurated a program which seems—and I say "seems" because I do not know what is behind the administration of OPA—which seems to indicate that they do everything possible to irritate and anger the people of the country, when they could just as well do things in another way without accomplishing such a result. I think that is what OPA probably is to be blamed for as much as anything else.

Mr. President, I have on my desk the file of a case in the District Court of the United States for the District of Columbia, which is as good a case as any to use to illustrate what I have in mind. Two partners operating a grocery store in the city of Washington were visited by two OPA operators a short time ago. I have never been in the store in question. I do not know the proprietors, or know anything about them. They were charged by the OPA operators with making an overcharge on a handful of small items, the overcharge being a cent or two and the total amounting to $1.96. Remember, Senators, the total amount of the violation or overcharge for which these grocers were held responsible and for which a charge was lodged against them, was $1.96. Can Senators imagine what OPA did to those two little grocers by reason of that $1.96 overcharge or violation? The two were fined $1,200. They were told to cash in, and if they did not do so immediately they faced a term in the District jail.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. BUSHFIELD. I yield.

Mr. HICKENLOOPER. May I pass on to the Senate an example that happened in the town of Toledo, Iowa, on the 10th day of April last? An OPA investigator walked into a small branch grocery store which was being operated by a "green" manager; that is, a manager who had had no experience except about 2 weeks in managing a grocery store. The investigator picked three items from the shelves of the branch grocery store. All three, he said, were overpriced 1 cent. They were 7-, 8-, or 9-cent articles. The OPA investigator told the manager that he would have to settle then and there for $25 per item because the three items were overpriced on the shelves 1 cent each. The investigator had no sales

charged against the man. The only charge of violation was that the items were overpriced on the shelves. The manager telephoned his employer at another town and was told that the articles in question were priced properly upon the shelves. The OPA investigator said, "No; here is a bulletin which shows that since the 1st of April the price was dropped 1 cent on each of these articles."

The fact developed later that that bulletin from the OPA district office had not been mailed until the 9th day of April, and had not reached the grocery store at the time of the incident, but the manager was threatened with the assessment of $25 by reason of not complying with a price change which he knew nothing about, since the bulletin had not been in his hands.

Mr. President, I reported that case to OPA and sent the correspondence to OPA sometime the latter part of April. I have had no report on the case from OPA since that time. I take the word of the very reputable merchant who wrote out the full circumstances, and particularly that the fact that the OPA bulletin had not been mailed from the district office until the 9th of April went without dispute.

Mr. BUSHFIELD. I thank the Senator from Iowa for his contribution.

Mr. President, there are similar instances, multiplied many times, throughout the country, some of them within my own State. What the Senator from Iowa has just said reminds me of a case at the little town of Centerville, S. Dak. A man operates a large food market in that town. He is the president of the board of education of the town. He is a member of the War Food Board of the county. He is an important local individual. But he was an orphan Norwegian boy who came to America 20 or 25 years ago and made his own way, as many other immigrants have done, without help from anybody, and became the proprietor of this food store in the little town I have mentioned. He was visited by members of the OPA. After having made an examination of his store they told him that he had one of the best kept stores it had been their privilege to investigate.

As we usually do in my section of the country, he went home for his lunch at noon. He left word at the store that he would like to meet these men at the store on his return from lunch, as he wanted to ask them some questions. So they waited for him to return after the lunch hour. When he came back they were at the store. They began finding fault with some of the prices of food items on the shelves, as they did in the case to which the Senator from Iowa referred. They contended he was overcharging on four or five items on the shelves. He brought out his invoices as well as the OPA regulations and showed the OPA investigators that they were wrong.

They finally devoted the afternoon to an examination of the store, apparently resenting the fact that the proprietor was within his rights and that they were mistaken. They searched the store carefully and found three items upon which there were small overcharges of a cent or two. The men left, and the following Thursday or Friday evening the proprietor was notified to appear at Parker, the county seat of the county, for a special hearing on the charge of violation of OPA regulations. The owner of the store protested and said, "That is the night of our high-school commencement exercises. I am chairman of the board, and I give out the diplomas to the graduates of our high school. For years I have sat on the platform directing the commencement exercises." With their usual neglect of public feeling, OPA said to this grocery store proprietor, "You be at the county seat where we told you to be, at the hour we told you to be there, regardless of the commencement exercises or anything else." And for the first time in several years this food distributor had to desert the commencement exercises of the high school and go to the county seat.

When he got there he was kept waiting for some time. Finally he was taken into an inner room and a young lady in the room said, "I will give you 15 minutes to defend yourself." The food proprietor told his story as well as he could. He was told to leave the room, and in 10 minutes was called back and the young lady said, "You are fined $25 unless you want to pay back to every customer who has been in your store and purchased one of these three items the amount of the overcharge plus half again that amount." Manifestly the proprietor could not find all the people who had bought the items in question. He settled on a cash basis. He had to pay the $25 before he left.

Mr. President, I refer to this case somewhat at length because this man was chairman of the school board of his home town. He held a position of honor and trust in the town. He was to present the diplomas to the graduates of the high school that night. He was humiliated before his home community beyond any reason or any excuse by little, pipsqueak OPA hirelings; he was publicly advertised in the community as being a law violator when there was no excuse for doing so.

That is one reason why I say that OPA goes out of its way to hurt people, to annoy people, and humiliate them in their home communities, for in this case there was not one word in the charges filed by the OPA men that there was anything willful, anything vicious, or anything criminal in this man's activities.

I have another case, Mr. President——

The PRESIDING OFFICER. The Senator's time on the amendment has expired.

Mr. BUSHFIELD. I will take time on the joint resolution.

In the town of Deadwood, S. Dak., is a grocer who purchases supplies in considerable quantities when he can. In this particular case he did so. A couple of visitors from the OPA came his store, and he was told that he had purchased more canned goods than he was entitled to under the points which he was allowed. This is the story, Mr. President: The town of Deadwood, S. Dak., is about midway between the Atlantic and Pacific coasts. There are no canneries located there, and there are no large wholesale houses handling canned goods. This man wanted to buy canned goods for his store. But this peculiar factor entered into the situation:

The ODT, which has charge of our transportation facilities, said, "You cannot have a car of goods shipped into Deadwood, S. Dak., unless it is a 65,000-pound car." The OPA said, "You cannot ship canned goods into Deadwood, S. Dak., unless you have the points necessary for them, and you have only a certain number of points every 30 days." So this grocer could either do without the canned goods entirely, because he could ship in only a 65,000-pound car, or he could bring them in and hope that the OPA would let him turn in his points for the next month to make up the deficit.

The grocer was charged by the OPA with a violation of its regulations. He was fined. I do not know what the amount of the fine was, but the whole thing was utterly uncalled for and useless. The grocer had not purposely, intentionally, or knowingly violated any law or regulation; but the OPA, in the might of its great wisdom, fined this man because he had to violate either the ODT regulations or the OPA regulations.

As I stated a moment ago, for 6 or 8 weeks I took part in the investigation in the Senate of the meat situation. We found to our dismay and amazement, according to the newspapers and some of our own Members, as well as from some of the testimony, that in the city of Pittsburgh, where the Senator from Montana [Mr. WHEELER], the Senator from Indiana [Mr. WILLIS], and the Senator from North Dakota [Mr. YOUNG] went to hold hearings, there was an 80-percent black market. This was in February or March. Mayor LaGuardia came down here from New York City and testified as to conditions in New York City. We had heard that there was an 80-percent black market in New York City. Mayor LaGuardia said, "I do not think it is that large, but I would estimate that 30 percent of all the meat we use in New York City is black-market meat."

We called as a witness a man named Kennedy, I believe, who is in charge of weights and measures in the District of Columbia. In answer to my question he testified that at least 50 percent of the meat sold in this city was black-market meat.

Mr. President, so long as we have this law we must stop the black market if it is humanly possible to do so. We cannot permit such a condition to exist in various metropolitan areas, as it has existed in recent months. But such a situation does exist. We have in this country today more live cattle than we have ever had in America before, with one exception. We have 82,000,000 head of cattle. There is no reason why those cattle should not eventually reach the feeders' lots and slaughter houses, and be distributed equitably in the metropolitan centers; but I ask any Member of the Senate

if he has been able to find meat in the city of Washington in recent months?

Mr. President, after that lengthy hearing before our committee, the chairman of which, the Senator from Oklahoma [Mr. THOMAS], was in constant attendance, and was exceedingly fair to every witness, a report was presented by that committee to the Senate. This is what the committee reported to the Senate:

> The committee believe that the Office of Price Administration has failed miserably to enforce price and ration control regulations. We realize that effective enforcement is difficult, but we believe the enforcement staff to a large extent is inexperienced and unqualified, and that it has failed to obtain the cooperation of the public generally.

Mr. President, I need only comment in passing upon the personnel of the staff. I remember very well the morning when the Senator from Nebraska [Mr. WHERRY] and the Senator from Montana [Mr. WHEELER] were present before our committee. A man named Emerson, who I believe was either chief counsel or a member of the legal staff of OPA, was testifying. It was developed by those two Senators that Mr. Emerson had never tried a lawsuit in his life. He had come from Harvard University, and because he was a "Hahvahd" man he was qualified to be a member of the legal staff of OPA. He testified frankly and openly that he had never tried any lawsuits and had never examined a jury. He stated that he had appeared before some judges. He had been installed as practically the head of the legal department of OPA.

Mr. President, I could cite other cases of that kind. I have never met Mr. Bowles. He may be a most estimable gentleman. I know that he is a good advertising man, but as an Administrator of OPA that is all he is—a good advertising man. Let me tell the Senate why I say that. I hold in my hand a little booklet, apparently consisting of 35 or 40 pages, printed by the Office of Price Administration under date of January 31. Mr. Bowles pretends to be the editor and publisher of it. I am sure that any Senator can obtain a copy of it if he is interested. Mr. Bowles devotes the entire booklet, not to a discussion of the three principles in the Price Administration statute which I mentioned—he does not discuss those principles at all—but to instructions to his staff as to the most effective way of obtaining publicity for OPA. He says, "Pick out the most notorious cases, cases in which you can get the biggest fine, and in which you can get the most notoriety, and publish them largely over the country."

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. BUSHFIELD. I yield.

Mr. SHIPSTEAD. Whom is the Senator quoting?

Mr. BUSHFIELD. I am quoting Chester Bowles, head of the OPA, in this booklet.

Mr. SHIPSTEAD. I understand that Chester Bowles is an advertising man.

Mr. BUSHFIELD. Yes. He is a good advertising man.

Mr. SHIPSTEAD. He knows how to get production of advertising.

Mr. BUSHFIELD. Yes.

Mr. SHIPSTEAD. He does not know how to get production of meat.

Mr. BUSHFIELD. That is quite evident. Up to date he has not obtained it.

This little booklet gives complete instructions to the enforcement officers of the OPA as to how to get the most notoriety for OPA and for themselves. I was under the impression that the OPA was created for the purpose of stabilizing prices, establishing fair and equitable wages, and assuring the cost of production to producers; but Mr. Bowles says nothing about that in his little booklet.

I have another booklet, in heavy black type, issued by Mr. Bowles. It was received at my office on March 29. I do not know when it was published. In this booklet he gives certain figures with respect to OPA. I find to my amazement that OPA have 62,615 paid workers and 375,000 volunteer unpaid workers. Yet Mr. Bowles says he has not enough employees. We have asked officials of his office—not Mr. Bowles himself, because he never appears before the committees——

Mr. TOBEY. Oh, yes, Mr. President; Mr. Bowles does appear before the committees, let me say, if the Senator will excuse me. Will the Senator yield to me?

Mr. BUSHFIELD. I yield.

Mr. TOBEY. In justice to Mr. Chester Bowles it should be said that he comes before the committees constantly; he testifies before them in a very frank and open manner. He is above reproach in that respect. I wish to see all men who are engaged in the service of the Government receive a square deal, and that is why I rise to state the fact as regards Mr. Bowles.

Mr. BUSHFIELD. Mr. President, I thank the Senator from New Hampshire for his defense of Mr. Bowles. I happened to attend every session of the Committee on Agriculture and Forestry, but the Senator from New Hampshire did not. I say that Chester Bowles did not appear as a witness before our committee.

Mr. TOBEY. Mr. President, if the Senator will further yield to me, let me say to him that he is a member of the Committee on Agriculture and Forestry, and I am a member of the Committee on Banking and Currency, to which committee all legislation affecting the OPA has come, from the very beginning to the present time. Chester Bowles has come very constantly and regularly before the Committee on Banking and Currency, and he has opened up to the committee all his books and records and, in my judgment, he has given a complete justification of the OPA. He has come before our committee very gladly. I make this statement because I will not willingly permit a man to be discredited wrongly.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BUSHFIELD. I yield.

Mr. AIKEN. Chester Bowles did offer to come before the committee one day. I mentioned that to the committee, but there did not seem to be any demand for his presence there, to my knowledge.

Mr. BUSHFIELD. I remember distinctly that the Senator from Oklahoma [Mr. THOMAS] requested the OPA to have a representative at all of our meetings. After one or two meetings, that was the last we saw of the representative.

Mr. AIKEN. I know that Mr. Bowles told me personally he would gladly come before the committee if we wished to have him do so.

Mr. BUSHFIELD. Well, the proof of the pudding is the fact that he did not come.

Mr. President, I wish to comment briefly on some of the activities of OPA about which we have learned during the committee hearings. I hold in my hand a letter printed and sent broadcast by a man named Shoup, regional administrator for Boston, Mass. The letter was sent to newspaper editors, editorial writers, radio commentators, group leaders, and trade executives. Here is what this man Shoup, an appointee of Chester Bowles, said in his letter:

> The attack on price control before the Senate Agricultural Committee represents one of the most vicious pressure group tactics yet undertaken. Success of the attack would deal a body blow to price control which is so necessary to the economic life of our country.

Mr. President, the letter was uncalled for. It was entirely out of order, and the man who wrote it should have been dismissed by his chief for sending out such a letter about a Senate committee. But, so far as I have heard, he is still on the pay roll.

Mr. President, the other day we had before the Committee on Agriculture and Forestry a man named Dunn, who was in charge of canned food rationing. He quit the OPA in disgust because he could not subscribe to the doctrines and philosophies of that agency. Two days after he quit he appeared before our committee and made this statement, which is significant:

> I have been in charge of canned foods for OPA for 2½ years, and I say to you gentlemen today that there is no reason for a continuance of OPA regulations and rationing upon canned foods.

Mr. President, I will go even further than that; I will say that there is no reason for the continuation of OPA, and it should be abolished. I recognize that it will not be, but I am going to support the Thomas and the Taft amendments.

Mr. AIKEN. Mr. President, now that the United States and the whole world are facing an acute food shortage, particularly in meat, it seems to be a very popular pastime to try to put the blame on someone for the condition which exists at this time. I wish to say that I do not think any one individual or any one group or any one agency of Government is to blame for the present shortage. If we are going to blame anyone we should just blame the war.

The OPA must assume some of the responsibility for the shortages which now

exist. I think the War Food Administration perhaps must assume a small part of the responsibility. The high officials of the armed services, who made the prediction that the war in Europe would be over last year must also assume some of the responsibility. Neither the Congress nor the executive department of the Government can be wholly absolved of blame. As I have said, the entire blame for the present situation cannot be charged to any one group.

Yet, on the whole, in spite of the errors the OPA has made, in spite of mistakes others of us have made, we have done fairly well up to now; and I think some of the agencies which have had to assume the responsibility for shortages must also be given some of the credit, because when we look over the whole situation we find that up to this time the line against inflation has been held very well.

The Senator from Oklahoma and the Senator from Ohio have made substantially correct statements concerning the ability of many processors, manufacturers, and producers to do business adequate to meet the needs of the Nation and the rest of the world and to make a profit or to break even at the same time. We may as well recognize that the most difficult year of all, so far as the food situation is concerned, lies ahead of us. There is little chance that the situation will improve before next fall or perhaps next spring, if it does get better then. In addition to having to feed our armies, we have to help feed the people of Europe, and as the war goes on we shall find that it will be necessary for us to feed millions of people of Asia as well. So for some time yet the food situation will not be what we would like to have it be.

The principal need today is food. I do not think we lack so much in arms or ammunition or other materials of war, but we do lack food. The great volume of mail which Members of Congress are receiving—I know that every Member of Congress is receiving a great deal of mail—is largely due to fear. That fear becomes more apparent as the war grows closer to what we hope is its end. There is fear by industry that during the reconversion period it will be so hampered by Government agencies that wholesale bankruptcies will result.

There is fear on the part of workers that they will lose their jobs. There is fear on the part of consumers that they will not have enough money with which to make purchases. There is fear on the part of a great many Government employees that they will be laid off. Some of the latter seem to have the mistaken idea that in order to make sure of their jobs, American industry and agriculture must be hamstrung with all kinds of red tape and regulations. But the same desire for absolute security which exists in the hearts of all of us exists in the heart of the humblest citizen, as well as in the largest corporation in the country.

There is no such thing as absolute security for either the humblest citizen or the largest corporation. Neither is there any reason to fear that the United States is on the verge of a depression or that famine is imminent, if we work out our problems sanely and cooperatively.

Instead of being on the verge of national disaster, we may well be on the verge of the greatest era of prosperity the world has ever known. It all depends on how we plan.

The first need of mankind is food and shelter. Without those things, we cannot live.

It is necessary, first, that food be produced and shelter provided; second, that the prices be within the ability of all to pay. The production of food without the ability to buy it would lead only to destitution and lawlessness. The ability to buy food without food being available would reach practically the same end.

In 1942 Congress established the Office of Price Administration for the purpose of maintaining prices within the reach of the consumer, and distributing the available necessities of life equitably among the people. The War Food Administration was charged with the production of food. It is unfortunate that at the start those two agencies were not coordinated under a single head.

The OPA has put its principal emphasis upon holding down prices, and it has put so much emphasis on this angle of the situation that it has retarded production to some extent, and must take the responsibility for the result.

We are now talking so much about reconversion to consumer production on the part of industry that the OPA indicates its intention of forcing prices back to prewar levels. Any child in grammar school knows that a manufacturer or a producer cannot pay an increased cost for material, labor, and other elements which enter into his business, without increasing the selling price of his product. It appears that the OPA contemplates reviewing the costs of various individual manufacturers and making adjustments in ceiling prices with regard to the individuals concerned. That would be one way of maintaining an army of OPA employees continually on the job for years to come, but it would not be in the interest of our national economy as a whole.

We simply cannot sustain our national economy, pay our governmental expenses, and service our national debt of $300,000,000,000 on the same price and wage level that we had when our national debt was only $30,000,000,000.

We can develop new methods of production to hold down costs, offsetting the increased level of wages, but whatever we do, we must maintain our national income at a level necessary to the safety of our national economy, even if it means increased prices and increased base rates of wages, and we must do this without letting either prices or wages get completely out of control.

I have no fear of higher prices or higher wages so long as the rise is equitable as between the different groups of our national economy.

The war with Japan is not yet over. The need for help to feed hundreds of millions of people in other countries must be met. This can be done only by the production of food.

In the long run, prices can be controlled adequately only through adequate production of food and other necessities. So long as there is a shortage of food, we will have black markets, and when the supply of food reaches the point where it equals demand, the black markets will disappear.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. LANGER. I have a great deal of confidence in the judgment of the distinguished junior Senator from Vermont. I should like to ask him two or three questions, because I am somewhat confused in my understanding of the situation. Why is it that the people of this country cannot buy meat? I have received telegrams from producers of cattle in various sections of my State. They have informed me that they cannot obtain meat even in some of the restaurants in North Dakota. What is the explanation of that situation?

Mr. AIKEN. The explanation is that there is not sufficient meat to go around, and the current supply of meat is being inequitably distributed. Theoretically, we should all receive a certain percentage of the quantity of meat which we used to consume, but we are not receiving it. Too much of the human element enters into the picture. We have been using tremendous quantities of meat for our armed forces. They are perhaps consuming three times as much meat as they consumed when they were in civilian life. We have assisted the armed forces of our allies as well. We have sent tremendous quantities of food abroad under lend-lease. During last February alone we sent abroad approximately $117,000,000 worth of food. I believe it will be found that for the first 3 or 4 months of this year a large quantity of meat was included in the approximately $117,000,000 worth of food which we sent abroad. Last year we sent to Russia alone more than a billion pounds of meat. So far as I know, none of it has been sent to the liberated countries.

Mr. LANGER. Mr. President, will the Senator further yield?

Mr. AIKEN. Yes; I yield to the Senator from North Dakota.

Mr. LANGER. Only a few months ago a hog could not be sold in North Dakota. One man at Dickinson, N. Dak., said to me, "I have 200 hogs and I cannot sell them. Nobody wants them." Who is to blame for a situation of that kind? It has been said by many persons that we need a greater production of meat.

Mr. AIKEN. I will come to the subject later during my remarks. The fact that the person to whom the Senator from North Dakota has referred could not sell his hogs a year ago is one reason that he is not raising hogs this year.

Mr. LANGER. That is correct. May I ask the Senator one more question?

Mr. AIKEN. I yield.

Mr. LANGER. Subsidies were granted and packers were supposed to pass the subsidies onto the farmer. In the Senator's opinion were the subsidies passed on?

Mr. AIKEN. They were passed on perhaps to the next handler below the packer, which was very likely a purchasing

organization owned by the packing company itself. So far as I know, not a dollar of the subsidy which was paid to the packers beginning in July 1943 ever got back to the farmers.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. SHIPSTEAD. Can the Senator explain any reason for the present shortages in localities where there is ample opportunity to produce?

Mr. AIKEN. The explanation lies in the difference between the amount produced and the amount demanded.

Mr. SHIPSTEAD. The regulation of the OPA in regard to corn made it impossible for the so-called feeders of livestock, who produce the best meat by feeding the animals corn, to continue in business. The corn rotted in the fields, and we do not now receive a great amount of meat produced by the fattening of cattle. The situation is due to the regulations of the OPA.

Mr. AIKEN. The Senator is correct. The regulations of the OPA have tended to discourage production. There is no question about it. In some cases the regulations have discouraged production faster than the War Food Administration could encourage it.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MOORE. I merely wish to suggest to the Senator that there is no shortage of raw materials which go into feed. There is a surplus of cattle and corn throughout the country, as the Senator well knows. Therefore, if there is a shortage it is the fault of someone.

Mr. AIKEN. I think the Senator is correct. I would not say that there would not be a shortage, because it would depend on how many people we undertook to feed. There is sufficient food to feed the people of this country if, as the Senator has said, the corn and the feeders could get together.

Mr. LANGER. Mr. President, I should like to know who is the more to blame for the situation in which we find ourselves today. Is it the War Food Administration or the OPA?

Mr. AIKEN. I think every Senator must draw his own conclusion with regard to that subject. On the whole, I think the War Food Administration has endeavored to encourage production. It did not provide adequate machinery, in some cases, to carry out its commitments to the farmers. The War Food Administration, I am sure, has not undertaken to discourage production in any way except with regard to certain crops which were deemed by it to be less necessary than others.

Mr. MOORE. Does the Senator now believe that by reason of the planned price-control policies we have improved the situation, or made it worse?

Mr. AIKEN. I think that if we had not had any planned control, there might have been a heavier production but with fewer people obtaining what they needed of such production.

Mr. MOORE. I thank the Senator.

Mr. AIKEN. But the fact is——

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I will, if the Senator from Nebraska will not enter into a discussion of feeders, but my time is limited. I inquire of the Chair if my first 20 minutes is up.

The PRESIDING OFFICER. The Senator has remaining 5 minutes on the amendment.

Mr. AIKEN. Then I yield briefly to the Senator from Nebraska.

Mr. WHERRY. Mr. President, I deeply appreciate the Senator's yielding. I know his interest in agriculture and his activities on the Committee on Agriculture and Forestry. It has been stated on the floor of the Senate many times by those who are favorable to the pending legislation to extend the Price Control Administration that neither the so-called Thomas amendment nor the Taft amendment would help the producer. Is the Senator from Vermont of that opinion?

Mr. AIKEN. In the course of my remarks I am going to make a statement as to that pretty soon.

Mr. WHERRY. If the Senator is going to make a statement about that when he comes to it in his speech I should like to make a question.

Mr. AIKEN. I may answer the question before it is asked.

Mr. WHERRY. Would the Senator accept an amendment, which would be an additional paragraph to the Thomas amendment, and which would read something like this:

> That it shall also be unlawful to establish or maintain against the producer of any agricultural commodity a maximum price for such commodity which does not equal all costs and expenses to the farmer and his family in the production of such commodity, plus a reasonable profit thereon.

What I am asking is would the Senator from Vermont, as one who is interested in farm production, if he feels that neither of the pending amendments would do what is contended by its autor, namely, that it would probably help indirectly, accept such an amendment as I have suggested, if it were offered, in the interest of producers? As the Senator knows I am intensely interested in the producers of agricultural commodities in Nebraska. The Senator from Vermont can answer now or when he reaches it in his speech.

Mr. AIKEN. I think I will explain my position on that matter very soon. I say I would not vote for any amendment that would neglect the producer, because we must have production before we can have prices and profits at any time.

Mr. WHERRY. I agree with the Senator's conclusion, and it is only for that reason that I am asking him, in view of his position, if such an amendment as I have suggested were adopted does he think it would remedy the situation as to the producer of agricultural commodities?

Mr. AIKEN. I am not prepared to express off-hand a snap opinion until I see the amendment in written form.

Now, Mr. President, I will start again with the statement that today we are far from producing sufficient food. Our farms have been stripped of their labor. According to press dispatches, only 3 out of 1,000 men being discharged from war industries are willing to return to the farm even for harvesting. The price farmers can pay for labor is far out of line with the wages that men and women have been receiving in war industries and what they expect to receive in the reconversion period.

At no time since the war started has the farm labor situation been so acute as it is today. At no time since the war started has the need for farm machinery been so great and the supply so little in comparison with the needs. Farm machinery has been wearing out more and more each year, and, while the farmers got along pretty well for the first year or two of the war, they are not getting along well now so far as the farm machinery situation is concerned.

Furthermore at no time since the war started has the weather been so unfavorable to crop production as it has been this year.

If I thought that either the Taft amendment or the Thomas amendment would result in a material increase in the production of food in this country, I would vote for one or the other of them because today the need for food is more urgent than the need for lower prices.

But, as I look at these amendments, they are purely manufacturers' and processors' amendments.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). The time of the Senator from Vermont on the amendment has expired.

Mr. AIKEN. I will take a few minutes on the bill. The Thomas amendment is a processor's amendment, purely and simply. It seeks to guarantee to each individual packer a profit, regardless of the amount of business he may do.

Under the Thomas amendment, a packer could process only 50 percent as much meat as he did last year, and still be assured of his profit.

If I voted for the pending amendment it would be simply as a mark of respect for the senior Senator from Oklahoma, who offered it.

In appearing before the Agriculture Committee, many packers testified that the reason they were losing money was because they could not get the live animals to slaughter and had to operate at a loss. I do not question their statement. I think many of them have been squeezed out because of foolish regulations, and some have been squeezed out because, as I have said, they could not get live animals to slaughter, but in my opinion the Thomas amendment will not produce an additional pound of meat, nor return to the farmer a single additional dollar as an incentive toward greater production.

Of course, the packers say, "Give us more profit, and we will assure the farmer a greater return"; and, yet, in 1944, when packers admit making a large profit, they readily concede that they did so at the expense of the farmer.

The Federal Government did not have adequate machinery for maintaining its

support price on pork; packers took advantage of the situation, and in many cases forced the farm price down to one-half the figure the producer thought he was going to get under the Government floor price. In some cases he was forced to hold his hogs until they became overweight and then instead of the Government-guaranteed price would find himself offered 6, 7, or 8 cents a pound. The farmer with three or four hogs who did not have a carload to sell on the market would have to take what the buyers offered him, and in my section of the country, as I recall, the prices ran around 9 or 10 cents a pound.

If the packers did not return to the farmer any of their profits last year, but took every advantage to force the price down, is there any more reason to believe that they will share with the farmer the profits guaranteed under the Thomas amendment? The answer is definitely "No," and we all know it.

On the other hand, the Thomas amendment would probably increase the prices of things the farmer has to buy which are manufactured from agricultural products.

The Taft amendment not only does not offer any incentive for greater food production, but actually would make production more difficult than it is now and I believe would result in decreased food production.

Not only would the Taft amendment increase the cost of virtually everything farmers have to buy, but it would put them in a more disadvantageous position as regards labor than they are in at present.

If only three out of a thousand laid-off industrial employees are willing to return to farm work now, they certainly would not have any more inducement to assist in farm harvesting and food production under the Taft amendment.

If the manufacturer is given a guaranty of a dollar margin of profit, as provided in the Taft amendment, while the farmer receives only a percentage of parity guaranty without consideration being given to the cost of farm labor in the computation of parity, the farmer will be put at a still further disadvantage in competing for the available supply of labor.

As I see it, the Thomas amendment would conceivably increase the farmer's expenses, with no increase in income likely, but the Taft amendment would almost certainly put the farmer at a more serious disadvantage than he is at present and could really be labeled an antifarm amendment because it gives industry such a great advantage over agriculture.

Mr. President, I notice that those who come to Congress like to ask things for themselves in the name of the farmer. So far as I am concerned, the meat packers are not farmers, although, to hear them talk, one might think they were the real representatives of agriculture. I am not trying to be derogatory to the meat packers, but they are looking out for themselves and they are going to buy as cheaply as they can and sell for all they can get, just as everyone else engaged in business does.

If either of these amendments should be adopted, one of two things would happen: Either the OPA would ignore the mandate of Congress, as it has been known to do, in which case present conditions would not be bettered at all, or if the OPA complied with the provisions of these amendments the result would be a greatly increased price to the consumers, who include the farmers themselves, increased profits to packers and processors, no increase in the production of food, and a decrease in the net farm income.

The problems of production and distribution today can all be solved by administrative action. No more law is necessary, if what law we now have is used as Congress intended it should be.

I can see no sense in Congress enacting legislation which, in effect, would command executive agencies to obey laws previously passed.

I shall vote to continue the Office of Price Administration for 1 year more. During that year this agency can, if it will, correct abuses which now exist, make possible the reconversion of our industry to consumer production, and still hold prices within reason.

I have confidence that the executive department will from now on exercise a firmer hand in the control of some of its agencies, with a resulting betterment to our national economy. However, if any agency does not within the next 12 months correct the abuses with which it is justly charged, the only solution then will be for the Congress to revise the entire Price Control Act or refuse to make appropriation for its continuance.

We should know by the early part of next year whether the Office of Price Administration is correcting the abuses of which it is guilty, or whether it does not intend to do so. If it does not intend to remedy the situation, then I agree that Congress should revise the law completely, and that can be done in such a way as to make it conform to the purposes for which we intended it.

As I have said, if I thought that either of these amendments would result in the production of more food or in putting farm income on an equitable basis with that of other groups, I should gladly vote for it. The world needs food so badly that even a resulting increase in cost would be warranted if the enactment of these amendments would result in the production of more food. But, frankly, both amendments are patchwork, and I do not think they would remedy the injustices or the food shortages which now exist.

Mr. LANGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from North Dakota?

Mr. AIKEN. I yield.

Mr. LANGER. The Senator has confidence in Chester Bowles has he not?

Mr. AIKEN. I think Mr. Bowles and Mr. Brownlee have done the best they possibly could. As has been repeatedly said on the floor of the Senate, it is impossible for them to control every division of the Office.

Mr. LANGER. What puzzles me is this. Here we have a first-class businessman, apparently, in charge of OPA, who comes here and works for nothing. I should like to have the Senator tell me how it happens that the telegrams which come to Senators, at least those from my State, all come from businessmen who say, for instance, "My restaurant is going to close up. I cannot continue operating with a man like Chester Bowles in charge of OPA." I have the highest respect for Mr. Bowles; but I should like to have the Senator's idea as to the point I have suggested.

Mr. AIKEN. As I have said, I think thousands of injustices have been committed. People have been unjustly put out of business. On the other hand, when we are in the midst of the greatest war in the history of the world, we cannot expect to keep everybody's business running as usual.

Mr. LANGER. The Senator says he is in favor of extending OPA for a year.

Mr. AIKEN. For a year.

Mr. LANGER. And that the Executive is going to make some improvements. Does the Senator mean by that that Chester Bowles is going to make improvements, or President Truman, or who?

Mr. AIKEN. I think the Office of Price Administration could be directed to make improvements. I have a great deal of confidence in our former colleague, President Truman, but he has a tremendous job, he cannot get around all at once to straighten out many things which need straightening out. I am willing to give him time enough to do the job he has, and, with the tremendous pressure of world affairs which must be on him at this time, I am inclined to be very, very tolerant.

Mr. LANGER. Will the Senator yield further?

Mr. AIKEN. I shall yield as long as I have time left.

Mr. LANGER. Is it the Senator's opinion that the restaurants which are closing up, and also some other businesses, will get relief within the next 2 or 3 weeks?

Mr. AIKEN. Does the Senator refer to the meat shortage?

Mr. LANGER. The meat shortage, and food shortage in general.

Mr. AIKEN. I do not know. I know some restaurants seem to have a supply of meat and others do not. The distribution is not equitable. No one can claim it is. There is a black market, and the black market grows as the gap between production and demand grows.

Mr. LANGER. The Senator's judgment, then, as I get it from what he has said, is that the adoption of the Thomas amendment or the Taft amendment will not help the small restaurant men at all. Is that correct?

Mr. AIKEN. I do not think the enactment of the amendments would result in the production of more food. I think, perhaps, their enactment would give more assurance to processors and manufacturers, but, as I have said, I think if there has been any change in food production, it has been a decrease, and I think definitely there would be a further decrease of food production under the Taft amendment.

Mr. LANGER. What is the attitude of the farm organizations of the State of Vermont, and the New England States generally, on these two amendments, if the Senator knows?

Mr. AIKEN. Our farm organizations have been very noncommunicative on this question. The Farm Bureau Federation has been inclined to go along with the war measures which we have taken. We have only the Farm Bureau Federation and the Grange in Vermont, and I have not heard from the Grange.

Mr. LANGER. I thank the Senator.

Mr. AIKEN. From my State there has been very little complaint about the over-all prices for a long time. Vermont is a milk-producing State. I think about 70 percent of our farm income is from the production of fluid milk.

There has been complaint about the farm-labor situation. The farms have been stripped of their labor. The selective service has, in the opinion of a good many farm leaders, violated the spirit of the Tydings amendment, although it has been very hard for them not to, and still meet the demands which have been made upon them. The farm machinery situation has not been good. But so far as prices go, I have had very little complaint.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. WHERRY. I was called out of the Chamber, and I wondered whether the Senator answered my question relative to the amendment suggested by me.

Mr. AIKEN. As to the amendment, I should not undertake to answer the question without seeing the amendment written out and having a little while to study it, but I will say that I would not vote for any amendment which did not guarantee an incentive for greater food production.

Mr. MORSE obtained the floor.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. WAGNER. The question has arisen as to how the Farm Bureau Federation stands and how other organizations stand, and one Senator a few days ago asked about the attitude of the Advisory Board on War Mobilization and Reconversion, which, as the Senator from Oregon knows, is a Board which was selected by the President, and endorsed by the Congress.

The public members of that Board are Mr. O. Max Gardner, chairman; Mr. William H. Davis; and Miss Anna M. Rosenberg.

The labor members are Mr. T. C. Cashen, Mr. William Green, and Mr. Philip Murray.

The farm members are Mr. Edward A. O'Neal, Mr. James G. Patton, and Mr. Albert Goss.

The industry members are Mr. Eric A. Johnston, Mr. George Meade, and Mr. Nathaniel Dyke, Jr.

The members of the Board met the other day at a full meeting, all the members being present except Miss Rosenberg, who is traveling in Europe on official business, and voted unanimously against the Thomas and the Taft amendments and in favor of the pending joint resolution.

I thought I would give this information for the benefit of those who asked about the attitude of the farm industry. Representatives of the farmers are included in the list of those mentioned.

Mr. MORSE. Mr. President, in view of the time limit imposed upon speakers on the pending measure, I shall decline to yield further until I have completed my formal remarks, and then I shall be very happy to answer, if I can, any question any Senator may wish to ask me in regard to my remarks. I hope that no Member of the Senate will take offense at my refusal to yield until I at least guarantee to myself that I have sufficient time to make the remarks I wish to make for the RECORD.

Members of the Senate are aware of the fact that on past occasions in the Senate I have called attention to the mishandling by the OPA of the Oregon lamb marketing problems, and I have called attention to a conference held last fall by Mr. Bowles at the Portland airport in regard to that situation. Mr. Bowles apparently has taken offense at some of my statements on the floor of the Senate, because Saturday afternoon there was delivered to my office a critical letter from Mr. Bowles, and in fairness to him and in order to keep the record straight, he is entitled to have that letter in the RECORD. I should also read into the RECORD my reply to Mr. Bowles' letter, which went forward to him this morning.

Mr. Bowles' letter to me is as follows:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., June 8, 1945.

The Honorable WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: In a speech on the floor of the Senate yesterday in opposition to the Price Control Act, you are quoted as having made the following statement:

"Last September, however, when we finally persuaded Mr. Bowles at least to stop by on his way from San Francisco to Seattle by air, he dropped in at the Portland airport and a considerable number of representatives of business and livestock interests of the State waited upon him. He admitted in the conference that the Office of Price Administration had made a mistake for 2 years in handling Oregon lambs, and he gave assurance that the error would not be repeated. That is why I say to the distinguished Senator from Oklahoma that the letter with Mr. Bowles' signature attached to it, insofar as I am concerned, is not worth the paper on which it is written. He has not made good on his promise to prevent a repetition of OPA's 2-year mistake in handling Oregon lambs."

The statement that I made any commitment about the handling of Oregon lambs which I have not fully lived up to is utterly and completely erroneous.

The facts about the lamb situation in Oregon are as follows: In early July of last year the lamb growers of the Northwest requested our various district offices to remove rationing on lambs for their particular area.

A man was sent out from Washington by the National Office to report at first hand on the problem. Since the removal of points on an area basis had never been undertaken before, there was considerable difference of opinion as to whether it was necessary or advisable in this particular case.

I had not heard of this problem until shortly before my visit to the coast in August. At the request of the various groups in your State, I stopped over especially in Portland in order to make a personal investigation.

The problem was presented to me at the Portland airport by the State agricultural officials, lamb growers and others in a constructive, factual and reasonable manner. I told the group present that in my opinion mistakes had been made in the handling of the problem and that I would discuss further with my own rationing department the question of what, if any action, should be taken. I made no other commitment of any kind.

That all this was perfectly understood by the group which talked with me at the airport is sufficiently shown, I think, by the report of the talk which appeared on the front page of the Oregon Journal for Monday, August 28, 1944. The following paragraph appears in that report:

"Lew Wallace, Democratic national committeeman for Oregon, endeavored on two different occasions to get Bowles to take immediate action, or to promise definite relief. But Bowles would not publicly commit himself beyond agreeing to take a good hard look at the situation. Bowles said it would be unwise for him to be making offhand decisions on a cross-country tour, and that if he overrode the duties of his departmental heads in Washington, he would have a lot of men quitting their jobs."

Early the next morning I called my Washington office and told them that in my opinion we had been mistaken in our earlier decision and that an adjustment of some kind should be made to allow for the prompt marketing of the remainder of the lamb crop, estimated to be 60 percent of the total.

Two days later our three district directors in Portland, Seattle, and Spokane were authorized by Washington to validate two special ration stamps good until October 22, 1944, for the purchase of lamb only in the Northwest area.

The announcement of this step was made by the three district directors themselves. I did not make any announcement on this program.

Of course I made no commitment how the situation would be handled in 1945. Obviously, when I was unwilling to make a commitment for the situation then existing, I would not have made a commitment for the year following, in disregard of all the changes in circumstances which might intervene.

In view of these facts I can only construe your statement yesterday on the floor of the Senate as a careless one, based on information which you failed to take the trouble to check.

This being the case, I think you will recognize that the rules of fair play call for a full and prompt retraction. In view of the importance you have given to the matter in the current debate, it seems to me that the correction should be made before the debate closes.

I should like to add that the decision whether this year's conditions again justify giving special consideration to the marketing of grass-fed lambs in the northwest will be announced shortly. This Office will be guided in its decision by its best judgment of what the facts as to this year's market warrant.

Sincerely,

CHESTER BOWLES,
Administrator.

This morning I sent by messenger to Mr. Bowles' office the following reply to his letter of June 8:

JUNE 11, 1945.

Hon. CHESTER BOWLES,
Administrator,
Office of Price Administration,
Washington, D. C.

DEAR MR. BOWLES: Thank you very much for your letter of June 8, 1945. I shall introduce it into the RECORD today, with whatever I consider to be appropriate remarks in regard to it. However, my remarks will be in direct conflict with the contentions set forth in your letter. If you will check the press releases which were generally published in Oregon, in addition to the quote from the Oregon Journal upon which you now rely, you will find that your statements at the Portland airport were given quite a different interpretation by many newspapers.

Likewise, if you will check into the use which was made of the assurances given by you at the Portland airport conference by spokesmen for the Democratic Party during the campaign last fall, you will more fully appreciate why I do not intend to permit you to weasel out of those assurances now.

The fact is that the mishandling of the Oregon lamb problem by the OPA during the marketing seasons of both 1943 and 1944 was a hot campaign issue in Oregon. The Democratic Party was very much concerned about the political effects which it was having upon the farmers of my State. Hence, Democratic leaders sought the Portland airport conference with you. I, too, welcomed the airport conference because I, in the interests of the Oregon livestock industry, was anxious to have the OPA correct its mistake.

The irrefutable fact is that at that conference you admitted that the OPA had made a mistake and you assured those in attendance that you would take the necessary steps to rectify the situation. You also gave them the impression that you would see to it that the mistake was not repeated. Since receiving your letter on Saturday, I have again checked into the matter by talking to Oregon newspapermen and they affirm my statements.

Further, it is interesting to note that following your conference at the Portland airport you did take steps to correct the situation as best you could that late in the season by authorizing, through your organization, the use of two special ration stamps for the purchase of lamb in the Northwest area. During the remainder of the political campaign of last fall Democratic spokesmen attempted to meet the lamb issue by referring to your assurances as made at the airport conference and as demonstrated by your subsequent acts whereby you sought to correct the mistake. Unfortunately for most lamb producers in the State your remedy fell into the typical OPA pattern of "too little and too late."

The statement in your letter to the effect that the adjustment adopted by you allowed "for the prompt marketing of the remainder of the lamb crop estimated to be 60 percent of the total" is not accurate, so I am informed by livestockmen in Oregon in whose word I do have confidence.

It is true, as you say in your letter to me, that at the Portland airport conference you did not issue a ruling on the spot, but you did admit that a mistake had been made and that you would see what could be done to correct it. In the 3-hour conference at the airport you expressed the view that there was no necessity for sending an expert out from Washington to study the situation and that the reports of the local OPA in the field should have been sufficient. May I call your attention to the fact that the local OPA officials had urged upon your Washington office very early in the lamb season the lifting of the rationing stamps on lamb, and your comments at the airport conference to the effect that the reports of the local OPA officials in the field should have been sufficient was accepted—and I believe justifiably so—as an admission by you that the Washington office had been wrong.

I can assure you that Democratic spokesmen made political capital of your statements at the conference. The reversal of the ruling of the Washington office and the sustaining and putting into effect of the recommendations of the local OPA office in Portland two days later was in keeping with the impression which the newspapermen and the livestockmen carried away from the conference; namely, that you would proceed to correct the mistake.

I was very much pleased with what you did at that time and I said so on many occasions during the campaign and I also said that it promised well for the future insofar as the handling of the lamb problem was concerned. However, in perfect candor I should also say that in my speeches I stressed the point that the bungling by the Washington office of the Oregon lamb problem is a clear demonstration of how important it is that, in administering Congressional legislation such as the OPA act, we must provide for a greater delegation of authority to local offices. Had that been done in the Oregon lamb situation, the recommendations of the Portland OPA office would have been put into effect and the great loss to Oregon sheepmen would not have been suffered.

I am not now concerned with the political use which was made of your airport statements by the Democrats in the election. However, parenthetically, I do wish to say that I am convinced that the OPA was used politically throughout the campaign and that a fair share of the blame for it must be placed at your door because, as the head of the OPA, you should have made its administration as nonpartisan as are its statutory objectives.

However, I am concerned about what you are going to do in the way of protecting the sheepmen of my State from the costly losses that your organization, through stupid mistakes, has imposed upon them during the past 2 years. I urged upon you sometime ago that you should take note of this problem and carry out the assurances which you at least gave the livestockmen of my State to believe you would carry out when you talked to their representatives at the airport. I think it is interesting to note that you gave no heed to my representations in the premises until the fight over the Thomas amendment developed in the Senate. Now I understand that your organization is working out, or has worked out, some solution of the Oregon lamb probelm; but I, as yet, have not been informed as to what it is.

May I say in passing that my experience with the OPA is that a spirit permeates your entire organization that can be characterized as a high and mighty attitude toward the Congress. Too few in your organization seem to recognize that the OPA is a creature of the Congress and is directly responsible to the Congress for its acts and policies. I shall be the first always to protect the OPA or any other Government agency from partisan political interference; but I caution you to remember that an obligation rests upon all Government agencies which are functioning under congressional acts to administer themselves in a nonpartisan manner and to extend to the Members of the Congress of all parties courteous cooperation in supplying the information and conducting the investigations into the particular problems which Members of the Congress call upon you to perform. I have not received such cooperation from you or your organization, and my complaint in this regard is not singular, because I have heard the same complaint from other Members of the Congress.

I recognize that you and I are in irreconcilable conflict over both the Oregon lamb issue and the general meat policy of the OPA, because the fact is that you have made a sorry mess of it and are doing what you can to rationalize your position.

I had hoped that you would recognize the great public disservice which the OPA has done by its bungling of the meat situation and come forward with necessary amendments to the OPA Act, which you know better than anyone else are needed to solve the problem from a legislative standpoint. However, it is obvious that you have bowed your neck and made up your mind that you are going to have the OPA Act reenacted as it is, apparently as a matter of protecting your pride of opinion. I do not feel that the public's interests should be subordinated to your personal wishes in this matter.

I have been told by certain Senators who have conversed with you that you have given them the impression that if the Congress changes the law from what it now is, you will resign. I think that you ought to recognize that the no-strike policy should apply to you as well as to everybody else in the country. However, if you feel so strongly about either having your way or quitting, then I think it would be in the public's interest for you to resign.

I want you to know that I personally would prefer to have the Thomas amendment in some different form from its present language, and I had hoped that you would come forward with suggestions for statutory change which in the public's interest would meet the problems those of us who seek to sustain the objectives of the OPA as expressed in existing legislation are trying to solve.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MORSE. Mr. President, while the Senator was out of the Chamber, I made the statement at the beginning of my remarks that I would not yield until I had finished, and then I would be very happy to answer any questions Senators might wish to ask me.

Mr. CHAVEZ. I ask the indulgence of the Senator for a brief observation at this point.

Mr. MORSE. I will extend that courtesy to the Senator.

Mr. CHAVEZ. I noticed that the Senator stated that the gentleman about whom he was speaking threatened to resign if Congress did not do certain things. Congress has heard such threats in the past; but I have never known a Government official to resign under such circumstances. They always stay. The only way they can be separated from the Government service is for the Congress to cut off their appropriations.

Mr. MORSE. I thank the Senator for his comment.

I continue to read my reply to Mr. Bowles.

Last week I discussed this matter with several of my friends on the Democratic side of the Senate and urged them to get into a huddle with you along some such lines as I set forth in my remarks on the floor of the Senate last Friday. However, I have

been informed that they believe the result sought cannot be accomplished because of your adamant position on the matter.

It is interesting to note that several Democrats to whom I have talked about it admit to me privately that the meat policies of the OPA need to be changed. They admit that many small processors and slaughterhouse operators have been driven to the wall as the result of the OPA's policies. But they seem to think that, in view of the position you have taken in opposition to any legislative change, they are under a party obligation to support your position in the premises and then work out with the OPA administrative changes that will correct the abuses of which I complain.

Unfortunately, the trouble with that approach is that, as far as I am concerned, I have no confidence in your working out administratively the necessary changes to prevent the great injustices of which I complain. Hence, sadly enough, a great national problem which should be faced and solved on a nonpartisan basis is becoming even more confused as the result of the partisan position taken by some forces within the administration. I regret it, and I think that the public will regret it.

I am perfectly willing—and I believe that a majority of those Members of the Senate who are inclined to favor the Thomas amendment are willing—to see what can be done in working out with you and the administrative forces some modification of the Thomas amendment which will ease your mind of your present fears in regard to it, and at the same time guarantee that the small processors and the small slaughterhouse operators in this country are not going to be confronted with financial ruin because of your policies.

The promises which you made in your letter to Senator THOMAS the other day are not enough to satisfy me because if you are willing to do the things which you say you are willing to do in that letter, then you should be willing to make specific suggestions as to how, in your opinion, the present law should be changed so as to make the program which you suggest in your letter a matter of legal right by statutory mandate.

As far as I am concerned, I think that our personal differences should be subordinated to the common good in this matter and that you should come forward with constructive suggestions as to how we can modify the law to give the processors concerned the protection to which they are entitled. Such protection is essential to maintaining the great meat production schedule that is going to be necessary if we are to play the part which we, as a nation, should play in supplying adequate amounts of meat to our own people and, under proper international policies, to people in the starving sections of the world.

You will always find me a cooperative associate in the accomplishment of such an end; but if you insist upon following your present course of action, I shall consider it my public duty, as a representative of the people of my State and of the Nation, to do everything I can, as a Senator, to protect the country from the great abuses which I think are flowing from your policies.

Yours respectfully.

Mr. President, this morning I received from the city editor of the Oregonian the latest report he could give me on the lamb situation in our State. I desire to read his telegram:

PORTLAND, OREG., *June 9, 1945.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Investigation of the lamb situation among growers, packers, OPA officials, and others seems to indicate:

1. Situation is not as acute as last year because (a) OPA policies of last 2 years discouraged growers and resulted in fewer ewes and hence fewer lambs and (b) scarcity of beef on the market has produced a livelier demand for lamb than was case year ago when point values on beef were low. The lamb crop is estimated at about 75 percent of last year's record production.

2. In May OPA slapped quotas on No. 2 slaughterers (nonfederally inspected). They may slaughter certain percentage of each kind of meat they slaughtered last year. Last year No. 2 slaughterers handled almost no lambs, hence quotas are nil.

3. OPA office here has already attempted to have these quotas removed on lamb so far without result. Verne Livesay, OPA regional agricultural adviser, has made strong representations on this point, we understand, but OPA at Washington is deaf to any appeal.

4. Big slaughterers do not have as much beef and pork to kill as last year. It is possible they may convert some facilities to lamb and this may help situation. However, manpower is short and this relief may be small.

5. McDannell Brown, of OPA, says he favors lifting the quota restrictions and says he has endeavored to get Army inspection of No. 2 slaughterers so some of lamb may be used to supply military requirements. He declares removal of points by OPA unlikely with rest of Nation so short of meat unless actual spoilage develops.

6. Indications are that if slaughterer quotas were lifted the shortage of other meat would divert red points to lamb in quantities to ease this situation materially provided orderly marketing of lambs can be achieved and California lambs do not mature at exactly same time as last year. In fact, increase in point or point bonus would not solve the situation unless slaughter quotas are increased. Lambs will simply back up on the farms and ranges, become unprofitable mutton, and eventually be destroyed with net loss in the Nation's meat resources.

Following are quotes from two authorities which may prove useful: R. L. Clark, "If the OPA won't let the slaughterers kill them we won't be able to eat them. The lambs will back up and spoil. I think OPA should take the points off and let the people eat them. They all mature at once. You just can't argue with nature. They're just like strawberries. When they're ripe you have to get them out.

* * * * *

"The Army will take all they can, of course. If nature would let us spread them out there would be no problem."

Dr. E. L. Potter, Department of Agricultural Economics, OSC, "It's up to OPA to see it doesn't happen a third time in a row. (Lamb crisis of 1944 and lesser one of 1943.) If they have a better solution than taking the points off they're perfectly welcome to try it."

ROBERT C. NOTSON,
The Oregonian.

Mr. President, I repeat that the lamb situation in my State is a mess, and so far as I know up to this hour the OPA has not done what needs to be done in order to prevent great losses to the Oregon sheepmen.

I had expected to cover more points in the course of my remarks during the time allotted me, but I see that I must condense some of the statements I wished to make. However, I do desire to point out to the Senate that there are a few basic facts which we need to keep in mind during this debate. First of all, let me say it is well established, by every investigation which has been made by the appropriate committees of the two branches of Congress, that the meat policy of the OPA has put many small processors and slaughterhouse operators out of business. In my judgment no one can successfully deny that fact and it should be accepted as one of the controlling facts in support of the Thomas amendment. Second, destroying the small processors and small slaughterhouse operators has a very direct bearing upon the production of meat. It has been argued here that the Thomas amendment is just a big packing-house-operator amendment.

I wish to say that if the Thomas amendment is modified in accordance with remarks I made Friday and in accordance with suggestions I have made for several days, now, to Senators on the other side of the aisle, it will not be a slaughterhouse operator's amendment or a packer's amendment, in the sense that Senators have made their criticisms. I, for one, believe that we are playing into the hands of the big packers if we continue to put the small processors and the small slaughterhouse operators out of business, because that will give the big packers a greater control over the industry. Then they will be in a position, under the decision in the Armour case, to take losses on certain meat products but make it up on byproducts not produced by the little fellow. The "over-all plant profit" test of the Armour decision discriminates against the small processor and in favor of the big packers. When prices are fixed on the basis of the "over-all profits" theory the little fellow cannot compete with the big packers in the processing of beef. To a lesser degree he is also in the same fix when it comes to hogs and sheep. When he goes out of business, the big packers intensify their control over the industry. That has a very direct bearing upon the farmer and the production of meat.

I wish to say that a continuation of the act in its present form, without amendment, will be costly both to the American farmer and to American labor. I am well aware—and if I had time to do so I should like to discuss the point at some length—that American labor is being fooled by the OPA these days, in regard to the Thomas amendment. I have been receiving from labor telegrams similar to those which other Senators have been receiving asking me to vote against both the Thomas and Taft amendments. I have told labor representatives forthrightly that they had better get the facts in regard to the OPA policy on processors and had better discover that if the OPA continues with its policy the American worker will find himself greatly damaged by it. It is unfortunate that labor has been propagandized to the effect that protecting the small processor will increase the cost of meat to labor. What it will do is supply labor with much-needed meat.

The protection can be given and should be given without increasing the cost of meat to labor or to consumers generally. Existing subsidy controls can be, and should be, resorted to in order to protect the small processor and at the same time keep the cost of meat to the consumer at a stabilized level without any inflationary increase. In opposing this protection to the small processor, labor is playing into the hands of the big packers and is work-

ing against its own best interests. Keeping the small processor in business is essential if we are going to protect the farmer and livestock producer who seeks to sel' his meat on hoof. It is not good labor policy or good public policy for labor to oppose good-faith attempts to keep the small processor in business. The small processor is not only needed by the farmer, but he is also needed by labor.

In a very real sense, labor is seeking, by its opposition to the Thomas amendment, to injure the legitimate interests of the small processor and the farmer. I repeat that I wish the Thomas amendment had in it language along the lines of the suggestions which I made in my speech on the floor of the Senate last Friday. However, I have been advised that there is no hope of getting support for such language from administration forces because Chester Bowles is opposed to any effective amendments being passed in connection with this OPA Extension Act. I think labor would have served its own interests better, as well as the public interest if instead of trying to pressure Senators not to vote for the Thomas amendment, which seeks to protect the small processor, labor had endeavored to get Mr. Bowles to agree to a revision of the Thomas amendment which would have permitted OPA the right to refuse to give relief to an individual processor in a specific case until so ordered by the Director of Economic Stabilization, if in fact the OPA was of the opinion that the relief sought would have unstabilizing effects.

In the absence of any such revision of the Thomas amendment I intend to vote for the Thomas amendment in its present form because I am firmly convinced that if it is passed the dire predictions of Mr. Bowles in regard to it will prove to be wolf yelps.

In answer to a letter which I received last Saturday from an exceptionally able representative of the American Federation of Labor, who disagreed with my stand on the Thomas amendment, I said this in part:

> I appreciate very much receiving your good letter of June 8. I regret that I cannot agree with your conclusions. I think labor is reading into the Thomas amendment things that simply are not there. I have tried to point out to Senators on the Democratic side that they should bring Chester Bowles into a huddle and modify the Thomas amendment along some such lines as I set forth in my remarks on the floor of the Senate yesterday.

I then pointed out in my letter to this AFL representative that Senators on the Democratic side of the Senate have admitted to me privately that—

> Bowles has bungled the meat situation and that his policies have driven to the wall a great many small processors and slaughterhouse operators. * * * I think labor is making a great mistake on this issue because it is placing itself in opposition to the legitimate interests of the livestock producers and the farmers.
>
> However, I would like very much to see the Thomas amendment modified so as to give OPA the right to refuse to grant any particular price or recommend that any subsidy be paid to any slaughterhouse operator or processor, if that price would be unstabilizing, and then give to the slaughterhouse operator and processor the right to appeal from the OPA ruling to the Director of Economic Stabilization or to Vinson. I think that some such provision would give adequate protection to the processor and slaughterhouse operator, who today is being ruined by Bowles' arbitrary and unrealistic policies, and at the same time protect the stabilization program.
>
> The administration forces have apparently bowed their necks and made up their minds that they are going to ram the OPA bill through again without any changes. I for one cannot vote to perpetuate Bowles' policies, which I know are doing great injustice to the livestock industry and the livestock producers of my State. I believe that many of the dire predictions that are being made in regard to the Thomas amendment will not turn into realities because administrative policies which can be devised under the administration will prevent that result.
>
> I am not for the Taft amendment, but I shall vote for the Thomas amendment unless the administration is willing to modify it along some such line as I have suggested to the administration leaders. I am sorry that I have lost confidence in Bowles. * * * I shall vote, and shall continue to vote, for such restrictions upon him as I think are necessary to protect the interests of the public.
>
> Enclosed is a copy of the daily CONGRESSIONAL RECORD for yesterday. You will find my remarks on page 5890. If Bowles can do the things that he says he will do in his letter to Senator THOMAS, to which I referred in my remarks yesterday, then he ought to be willing to agree to accept modification of the Thomas amendment which gives that right to the processors concerned rather than causing them to be placed in a position where they must be entirely dependent upon the exercise of Mr. Bowles' arbitrary discretion.

I then suggested to this AFL representative that he should make representations to some of the administration Senators over the week end and suggest to them that they propose modifying the Thomas amendment along the lines which I have already suggested. If that can be done, I think a modified Thomas amendment is best. If it is not done, the Thomas amendment may be defeated, but the opposition to OPA's bungling of the meat situation, which will continue if the law is not changed, will continue to rise throughout the country with the result that the real objectives of OPA will be in danger. I want to do what I can to avoid that. Although I know we disagree about it, I feel that in the long run what I am seeking to accomplish is much more in the interests of labor and everyone in the country than is the position which you have taken.

In connection with this issue, as is the case with most controversial issues, labor is not of one mind. Some labor leaders have already told me that they recognize the soundness of the position which I have taken in this fight. For example, late Saturday afternoon one of the high officials of the AFL sat in my office and told me that he agreed with the position which I had taken. However, I told him that whether he agreed or not, I was satisfied that I was right in the premises and that whenever I was convinced of the soundness of my position I intended to vote in accordance with my convictions, irrespective of whether labor or any other group in the country agreed with me.

Likewise various officials of the CIO in my own State, and nationally, have urged me to vote against the Thomas amendment. I have replied to them to the same effect as I have replied to representations made to me by the AFL. Thus last Saturday to a CIO official I sent the following wire:

> In reply your letter June 5 wish to say that my investigation of OPA policies just completed convinces me that I should vote against Taft amendment but unless administration forces take steps to provide OPA law for protection to livestock industry from OPA's bungling and costly mistakes of past 2 years affecting that industry, I shall vote for Thomas amendment. Have done everything possible to obtain satisfactory action from OPA to correct costly mistakes which have brought great injury to Oregon livestock producers, but without success. I appreciate that labor groups are opposed to Thomas amendment; however, I am satisfied that amendment would be much less harmful to labor than continuation of OPA's mistakes in handling of livestock industry. Further, I think it is a mistake for labor to oppose protecting small livestock producer and small processor who is at present time being seriously injured by OPA policies. Likewise, I am convinced that present OPA policy as it relates to livestock industry involves application of principle of reducing production in very midst of meat shortage and a starving world. It does not make sense to me. I have spoken on matter three times in Senate in past 3 days and refer you to my views expressed in RECORD. I tried to get some of my friends on Democratic side to modify Thomas amendment in conference with Bowles, of OPA, but without success, although they admitted without exception that OPA's present policy in regard to meat situation is doing great injury to livestock producers and processors of Oregon and other States.

Now, Mr. President, when I say that the livestock producer and the farmer are hurt by the present OPA policy, I think I know what I am talking about. I come to the Senate not only with an agricultural background but with close association with farm groups in my State. What happens is that the small farmer, who produces only a relatively few head of cattle, sheep, or hogs for the market, frequently finds himself under the OPA quota policies unable to sell his livestock to the non-Federal-inspected slaughterhouses and processing establishments in his local community. What does he do then? He either has to let that fat stock which is ready for market shrink by taking it out of the fattening lot and turning it back to pasture, or he has to sell it to the livestock commission buyer who does buy for the big packers and who ships the livestock purchased on commission in carload lots to the big packing house stockyards. However, the joker in that procedure is that this commission buyer is able, as the result of the application of OPA restrictions, to force the small farmer and livestock producer to sell his livestock at considerably below ceiling prices. That little joker is costing the small farmer and small livestock producers of this country great losses and yet we hear Senators stand up on the floor of the Senate and paint a rosy picture depicting the farmer as making great profits out of livestock production. Their statements constitute a travesty upon the facts.

One other point, Mr. President, needs to be mentioned in regard to the hardships upon the small producer which flow from OPA's policies. Every man in the Senate who knows anything about livestock markets knows that if a packer withholds buying in the market for as much as 1 day, or half a day, when a producer's supply of livestock on the hoof is ready to be shipped, or has been shipped or trucked to the stockyards, that packer can deflate the market price for that day all the way from 50 cents to $2 per hundredweight. It is that type of a squeeze play which OPA policies are forcing livestock producers into. Every time a small processing plant or small slaughterhouse goes out of business in the State of any Senator here, the position of the big packer is strengthened accordingly. It is the small processor, the small slaughterhouse operator, who performs the great public service of maintaining an available market in the small communities of our Nation for the small farmer and the small livestock producer. Those who are opposing the principle of the Thomas amendment are playing into the hands of the big packers. Yet, I have had Members of the Senate say to me that in supporting the principle of the Thomas amendment, I am supporting a big packers' proposal. Nothing could be further from the fact because just the opposite is true.

At the risk of undue repetition, Mr. President, I want to emphasize again a point which has been made over and over in this debate and that is the point that there is a direct relationship between the maintaining of our small processors and our small slaughterhouse operators on an economic basis which makes it possible for them to operate at a profit if we are to maintain the maximum production of livestock which is solely needed in this starving world. The hog situation of last year proves my point. The small processors and the small slaughterhouse operators could not make a profit on beef, so what did they do? They quit buying it in any great amounts. Incidentally, as a result of their not buying and processing beef, many millions of pounds of beef were lost to the American public through shrinkage because great herds of fat beef cattle, ready for the market, were in fact turned back to the range because the processing plants would not buy them and process them at a loss. As I said on the floor of the Senate the other day, that is an excellent example of OPA's bungling and stupidity. It was an inexcusable disservice to the American consumer. It has proved to be very costly from the standpoint of beef production.

The Thomas amendment seeks to prevent the repetition of that ghastly economic mistake. When the small processors could not process beef at a profit, what did they do? Naturally, they sought to stay in business, so they took cognizance of the fact that there was a very heavy production of hogs available for the market. They proceeded to buy hogs at less than ceiling prices. In testimony before congressional committees, the processors have been very frank about that fact. They pointed out that they paid less than ceiling prices for hogs in order to make up for losses on beef, but the fellow that suffered the real loss was the producer of hogs. I repeat, the American hog producer last year suffered a great loss because of this policy of bungling on the part of OPA. What was the result of that? Brood sows on the farms of America were drastically cut in number. Thus this season we have a hog shortage because the farmer could not afford to raise hogs and run the risk of further bungling by OPA.

I have already spoken on another occasion at some length in regard to the same sort of costly mistakes on the part of OPA in regard to the production of sheep. Tackle this problem, Mr. President, from any angle you care to. You inevitably find that the cause for the serious maladjustments in America's meat problem stems from the bungling OPA policies which that group of nonrealists and armchair theorists have foisted upon the processors and producers of America's meat supply.

When I say that the destroying of the businesses of the small processors and small slaughterhouse operators has a very direct bearing upon the production of meat, I am well aware that the accuracy of that statement has already been established by the debate which is already in the RECORD. As I have already pointed out, the small processor and the small slaughterhouse operator could not make a profit on beef, so a year ago many of them tried to turn their plants into sausage plants. For example, I cite as one witness a very distinguished public citizen of my State, a small processor and packer in Oregon, Mr. Nebergall, of the Nebergall packing firm, of Albany, Oreg. He pointed out to me that they practically stopped the slaughtering of beef in his plant because they could not take the losses. Then they proceeded to process hogs. He laughed when he talked to me, and he said, "We almost became a sausage plant."

A year ago, as pointed out by the OPA, there was a surplus of pork. So the processors and packers, who were taking a beating on beef, reduced the price on live pork. Then, under the economy of scarcity program of the War Food Administration, farmers were told by the War Food Administration and, in my judgment, in cooperation with the OPA, to reduce the production of hogs. Statistics vary as to what that reduction has been, but I do know that there is a great scarcity of hogs today directly as a result of the policy of the OPA a year ago. Processors had to buy hogs at prices far below ceiling in order to meet the over-all plant profit test of the Armour case. The result was to discourage hog production, and every housewife in America is paying for that OPA mistake today. Of course, if a processor cannot make a profit on beef, he has to make it on something else. So he has been taking it out on the hog producer. So to say that the farmers have been making profits on meat production during the past year is sheer nonsense. Let the gentlemen who are making that argument go to the hog producers of this country and try to sustain that argument on the basis of their operations. Let them look at the books of the thousands of farm operators who have been raising hogs, and let them see whether hog producers are making money. Mr. President, the result of the OPA meat policies has been to put hog producers out of business or in the red. And so I assert, Mr. President, that meat production has been reduced as a result of an OPA policy which has put small slaughterhouse operators and the small processors out of business in large numbers. It must be stopped.

What would be economic statesmanship on the part of the OPA at this hour? Mr. Bowles should be making suggestions to the Senate as to how the principles set forth in his letter to the senior Senator from Oklahoma [Mr. THOMAS] can be enacted into law. There are those among us who believe that he will not administratively do the job which he professes in his letter to the senior Senator from Oklahoma that he will do. I wish Mr. Bowles and his associates would get off their high horse and help the administration leaders prepare an amendment which will carry out the suggestions I made in my remarks on the floor of the Senate last Friday. For the purpose of the RECORD I insert those remarks at this place into this speech of today:

Mr. MORSE. May I comment on the remarks of the Senator from Arkansas, because I am interested in his remarks that the Thomas amendment would have the effect of destroying the program of OPA. The same argument has been made by other Senators this afternoon. We have a "Wolf! Wolf!" sheet, propaganda sheet, put out by OPA today and placed in the RECORD, I believe. Every time we seek to bring a little law and order, and fair dealing into the procedures and policies of the OPA we are charged with trying to defeat the objectives of OPA. Thus we are treated today to OPA's latest propaganda sheet, claiming that the Thomas amendment will destroy price control. Now, Mr. President, the objectives of OPA as legislated by the Congress are nonpartisan. Unfortunately I am afraid the administration of OPA has become very partisan.

I do not think that one attempt to keep the small processors and slaughterhouse plants in business will increase the cost of living, as alleged by Mr. Bowles. I may say to the Senator from Arkansas that Mr. Bowles yesterday, in a letter to the Senator from Oklahoma [Mr. THOMAS], said this:

"Recognizing the critical shortage of meat and the imperative need of avoiding any impediment to maximum production, and even distribution, this Office, in addition to satisfying all the various mandatory requirements of the present law, will see that the products of each of the three main groups of livestock—cattle and calves, hogs, and lambs and sheep—are each, separately considered, on a profitable basis.

"To the fullest practicable extent, the Office will see that each of these groups of products is separately profitable at all times, regardless of live-animal prices. It will at all events see that each group is separately profitable on an annual basis."

Mr. President, I think the OPA ought to try to reconcile the Bowles letter of yesterday with the Bowles pressure sheet of today. They are irreconcilable, since under the Thomas amendment the OPA will be required to do what Mr. Bowles promises in his letter he will do. However, in his letter of yesterday Bowles was very careful—he is always very careful to use that type of language which permits him to do just as he pleases. Thus, he uses the "sleeper clause," "to the

extent practicable." In other words, when it serves the discretion of the OPA to see to it that the investigations are made so that these slaughterhouses can operate on a profitable basis as to these three categories of livestock, he will do it; but when it does not serve his purpose, then he can take refuge in language of his letter, which permits him not to do it.

I want to say to the Senator from Arkansas that I view it as very important to our food-production program that these slaughterhouses be kept in business so that they can take care of the meat supply of this country and put more meat on the tables of American workers.

Also, the tables of peoples in other parts of the world are going to need it under our international program. I do not agree that the Thomas amendment is going to destroy OPA. Rather, it is going to help OPA, if OPA will carry it out in accordance with the spirit and intent which Mr. Bowles professes in his letter of yesterday. Personally, I would like to see the Thomas amendment modified so as to protect the public from inefficient operations of packing houses and from profits by packers beyond a reasonable amount. Possibly it would be wise to require the processors and packers to get a ruling from the Director of Economic Stabilization in case OPA, under the policy of the Thomas amendment, finds that the price required to keep a particular packer in business at a profit would be unstabilizing. I would vote for some such modification; but unless the OPA is willing to accept some legal requirement setting forth in the law itself the promises of Mr. Bowles in his letter of yesterday free of an escape clause, I shall vote for the Thomas amendment. We must stop OPA from ruining the small processor and packer and discouraging the production of larger quantities of meat.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MORSE. I am very sorry, Mr. President, but I wish to say that at the beginning of my remarks, when the Senator from Kentucky was not present in the Chamber, I gave reasons for not wishing to yield during the course of my speech. I shall be very glad to yield for questions after I shall have concluded.

Mr. President, the basic issue which, in my judgment, has not bee discussed sufficiently in this debate, is whether the Congress of the United States wishes to allow the decision of the emergency court in the Armour case to stand. If that is what the OPA Act means, the decision will result in a perpetuation of evils about which we are complaining. We are the only ones who can change that decision. We can change it in the sense that we can adopt an amendment to the act which will so modify it as to make perfectly clear to any court in the future that the over-all profit test shall not be applied.

Mr. President, I think it is a great mistake to argue that administratively the type of principle which is argued for through the Thomas amendment will break down the effectiveness of the OPA. That same, "Wolf, wolf," cry was made a year ago, as the records of the committee hearings will show, when the Bankhead amendment was before the Senate committee for its consideration in regard to the subject of cotton. It was then said in effect, "If this amendment is enacted into law the pricing policies of OPA will break down." Have they broken down in the sense that OPA uses the term? No, they have not. I am not impressed by the dire predictions of OPA. The time has come when we should notify Mr. Bowles to proceed to carry out what was the spirit and the intent of the Congress of the United States when it enacted the OPA Act, the interpretation of which, as expressed by Mr. Bowles and by the court in the Armour case, is in violation of the spirit and the intent of the act as contemplated by the Congress.

As I have said before, I wish there were some modifications in the Thomas amendment. I have been very frank about it in debate, and in conference with some of the Members of the Senate on the other side of the Chamber. I think that the danger of the Thomas amendment in its present form is that it may put a premium on inefficiency in the operation of packing plants. Hence I would be perfectly willing, so far as I am concerned, to agree to a modification in the language which would give OPA a right to make an appeal either to the Director of Economic Stabilization, the Director of War Mobilization, or to the War Mobilization Board, whose opinion the Senator from New York [Mr. WAGNER] quoted a few minutes ago. I believe the OPA should have the right to appeal to some such officer or agency if the OPA believes that a price which it might have to allow the processor or a subsidy would be unstabilizing. However, to leave the matter to the OPA, on the basis of the OPA's sorry record in the handling of meat, would be a great disservice to the country and I cannot vote for it. Congress should see to it that the act is amended so as to prevent Mr. Bowles from making further costly mistakes against the public's interest.

I now yield to the Senator from Kentucky.

Mr. BARKLEY. A while ago the Senator suggested that there should be a modification of the amendment which has been offered by the Senator from Oklahoma [Mr. THOMAS]. I merely wish to say that I have prepared, and will offer when the time comes, a substitute to the Thomas amendment which would do precisely what has been suggested in Mr. Bowles' letter to the Senator from Oklahoma. I hope that when the amendment is offered and discussed I shall have the attention of the able Senator from Oregon.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HICKENLOOPER. I think the Senator from Oregon has very ably presented a phase of the situation applicable to the State of Oregon. I invite attention to the fact that I have received three or four typical letters from various businessmen. One of the letters has come from a small merchant who is engaged in the restaurant business. Another has come from an ice company, another from a lumber company, and another from a wholesale manufacturer of cotton goods. They are all from my State. This morning I received 90 letters from various persons in my State in complaint of the various shortcomings of the OPA, and what it is doing. If I may have the permission of the Senator from Oregon I should like to read brief sentences from each of the letters.

Mr. MORSE. I suggest to the Senator from Iowa that if he will permit me to continue in order that I may be sure that I have time to complete my remarks, I will then yield to him for the purpose he asks if I have any time left over.

Mr. HICKENLOOPER. Very well.

Mr. MORSE. Mr. President, I ask unanimous consent to insert in the RECORD at appropriate places in my remarks certain material which I was not able to cover, or thought I was not able to cover, because of the limitation on time which had been agreed to. The material to which I refer deals principally with the problem of the black market which has, in my opinion, been accentuated by the meat policy of the OPA. The material deals also with findings of committees of both the Senate and the House. It also deals specifically with policies which I believe we shall have to adopt if we are to prevent OPA from continuing to create crisis after crisis in the handling of consumer products in this country. We must take steps now to prevent OPA from setting back our conversion program to the great detriment of the country. That is sure to happen if we continue to permit it to bungle and bungle. The OPA must be forced to conduct itself in accordance with sound economic policies.

The PRESIDING OFFICER. Without objection, the unanimous-consent request of the Senator from Oregon is agreed to.

Mr. MORSE. Mr. President, it has already been pointed out in this debate that the OPA meat policites have been productive of one thing, but a very undesirable thing—namely, the widespread black market in meat throughout this country. Testimony before House and Senate committees leaves no room for doubt on this point. The special committee of the House, in its report filed May 1, 1945, had this to say in part about the black market:

BLACK-MARKET EXPANSION

Evidence of this is to be found in the constantly developing reports of black-market operations. Naturally it would not have been and could not have been the privilege of the committee to develop a sufficient staff of investigators to run down and prove or disprove all of the statements and rumors which have been made concerning the mishandling of food, the channeling of meat supplies into improper hands, and the actual sale of it at prices far in excess of the Office of Price Administration ceilings or without the surrender of proper red ration points.

The committee, however, did receive in its meetings in New York what it regarded as substantial evidence that a large portion of the retail establishments in New York dealt in meat at above ceiling prices. To support our opinion that the evidence was reasonably conclusive, the committee had on the stand testifying before it a Government official whose responsibility it is to gather market quotations. It was his testimony that a substantial percentage of meat in New York moved at the wholesale level in black-market channels, and his experience was sufficiently specific so that he was able to quote for the committee the exact black-market prices then prevalent in New York on the various grades of beef. These prices were approximately 100 percent above the legal ceilings at the wholesale level on the various grades.

If the customary mark-up practice was followed by the retail store, the retail price to the consuming public was more than double the legal ceilings.

In confirmation of that testimony, the committee heard from various consumer groups statements that steak sold customarily in New York at from 75 cents per pound to more than $1 per pound. These reports were confirmed by numerous witnesses who had either seen sales made at those levels, or had been present within stores when actual transactions had taken place. Numerous witnesses under oath concurred in this testimony.

The committee felt itself justified in believing that the black-market operations in New York City were increasing rather than diminishing, and that the price was steadily rising. Indicative of this was the fact that some 5 weeks prior to the trip of the committee to New York, it had received from a well-informed executive of a packing concern a market quotation indicating that the prevailing going price for a carcass of good beef in New York was $30 above the ceiling price. At the time the committee visited New York, the going black-market price was reliably given as $100 per carcass above the legal ceiling price.

INFLATION IN BLACK-MARKET PRICES

This surely indicates the inflationary spiral that quickly moves into the black-market operation, and indicates as well the cost to the American public of not being able to control the price of meat and hold the line on the important part of the American diet.

The best evidence of the dislocation that has taken place in our meat distribution system is the fact that legitimate processors of meat and legitimate wholesale and retail distributors of meat find it increasingly difficult to secure supplies to meet the civilian requirements while those engaged in black-market operations seem to have an abundance of supplies both at wholesale and retail levels.

Many legitimate dealers, both in processing, wholesaling, and retailing, are being forced out of business because they are trying to hold the line and comply with Government regulations.

I want it distinctly understood, Mr. President, that I hold no brief for any processor or slaughterhouse operator in this country who has engaged in the black market. I do not condone such conduct—I condemn it. However, Mr. President, neither my protest nor the protest of any other Senator will change human nature. The fact remains that the meat policies of OPA, which made it impossible for hundreds of small processors and slaughterhouse operators to do business at a profit, unquestionably caused some of them to play the black market. I am convinced, Mr. President, that the adoption of the basic principles of the Thomas amendment would be the most effective blow that could be struck against black-market operators in this country. It would do more to check black-market operations than 10,000 economic gestapo snoopers turned loose upon the public by OPA.

What is most important of all, Mr. President, the basic principle of the Thomas amendment, if adopted by the Congress, would effectuate what, I think, was the clear mandate of the Congress when it passed the OPA act. That mandate was in effect repealed by the OPA emergency court in the Armour case, by way of judicial legislation which, in my humble judgment, cannot be reconciled either with the function of the court or with the clear letter of the law. Why do I say that, Mr. President? I say that because the Price Control Act specifically directed the OPA to fix maximum prices which would be fair and equitable. The emergency court's ruling which sustains the OPA's price policy of fixing prices on the basis of the over-all-industry earning test was neither fair nor equitable to the small processor and the small slaughterhouse operator who cannot possibly meet the over-all-industry earning test because of the very nature of his operations. He does not have the highly profitable side lines enjoyed by the big packers. The little fellow does not make sporting goods and all manner of side-line articles out of the offal and waste parts of the beef carcass which the big packers, through their mass-production methods, have been able to turn into a profitable business. Furthermore, it should be remembered that some of the profits that the big packers, which OPA includes within its calculations of the over-all-industry test, are profits which are made from products that in fact have no relationship whatsoever, or no connection, with the slaughtering and processing of meat.

Under the OPA test, if Wilson & Co. or Swift & Co. were the manufacturers of automobiles, it would be just as sensible to have OPA include, within the profits calculation, any profits which they might make from the manufacture of those automobiles, as it is for OPA to include the profits which these packers do make from sporting goods, side-line products, and profits from other products not produced by the small processor and slaughterhouse operator. The over-all industry profit test, devised by OPA and approved by the emergency court, not only has no relationship to the realities of the situation but is not in keeping with the ordinary dictionary meaning of the language used by Congress when it said in the OPA Act that maximum prices shall be fair and equitable. There is nothing fair nor equitable about the test and we are paying a dear cost for the serious mistake which OPA made when it adopted the test and when the emergency court compounded the wrong. Fairness and equity dictates that Congress should put both the OPA and the court right in the matter of the intent of Congress. I repeat the OPA Act imposed a congressional mandate upon the policy makers in OPA and upon the emergency court, namely, that maximum prices shall be generally fair and equitable. Clearly the over-all industry profits test devised by OPA and sanctioned by the court is neither fair nor equitable.

I thoroughly disagree with the statement of policy as expressed by Mr. Brownlee, Deputy Administrator of OPA, when, in his testimony before the Senate Banking and Currency Committee on March 2, 1945, he said:

The industry earnings standard, as you recall, is our primary guide in carrying out this requirement. We believe that if prices are to be "generally fair and equitable," a price increase is ordinarily required when the earnings of an industry from its operations as a whole, before income taxes, fall below its peacetime earnings, appropriately adjusted for changes in investment.

I say I disagree with Mr. Brownlee because the record, as shown throughout this debate, convinces me that the industry earnings standard imposed by OPA upon the meat industry of this country has squeezed out, and is squeezing out, of business hundreds of small processors and slaughterhouse operators. A great injury to the economic security and to the food supply of America is resulting from this unsound policy which Mr. Brownlee attempted to defend before the Senate committee.

Now, Mr. President, much has been said throughout the debate about special remedies and special programs which OPA and other Government agencies seek to put in operation in order to solve the critical meat problems confronting the Nation. Reference has been made to the so-called 10-point program. However, the House special committee, in its report filed May 1, submitted a very negative report on that program. This is what the House committee said in part:

In the opinion of the committee the 10-point program announced on April 23 by the Office of War Information in behalf of the Office of Economic Stabilization, the Office of Price Administration, the War Food Administration, and the War Department to secure an increase in the production of beef and pork, is for the most part unsatisfactory and will not materially increase meat supplies. The program will not restore confidence among producers, and under it legitimate processors and distributors are still required to lose substantial sums in order to comply with ceiling prices. It will take more than half-way measures to secure additional meat for the people and stop black-market operations.

The program fails to remove the price squeeze confronting feeders of cattle and offers little if any incentive for farmers to feed cattle and thereby materially increase the amount of beef for the Nation.

I do not propose to pass final judgment on the 10-point program at this time, Mr. President, but I am greatly impressed with the criticisms of it made by the House special committee. May I say parenthetically that I have great confidence in Mr. ANDERSON, the newly appointed Secretary of Agriculture, and I note that he was not enthusiastic about the so-called 10-point program.

I sincerely hope that when he assumes the duties of his office, he will exercise, without delay, the powers of that office to the end of doing everything possible to straightening out America's meat problem. I am convinced that one of the things he will have to do is convince the administration that OPA's policies must be drastically changed. I am convinced that he should use his influence to get this administration to see that if OPA continues to apply the over-all industry earnings test, the bungling of our meat supply will continue. Referring again, Mr. President, to labor's interest in this controversy, may I point out in passing that the many hundreds of small companies processing agricultural products are a very important source of employment in America.

We are already being confronted with an unemployment problem and I regret to say that I think it is going to get

steadily worse during the first stage of the reconversion period. We need to keep every wealth-creating job that we can. We need each and every one of the jobs provided by the small processors and slaughterhouse operators. Yet the OPA's meat policies, the over-all industry earning test which some spokesmen for labor think they want to have continued, are destroying jobs for American workers.

I say that it is not the principle of the Thomas amendment which is injurious to labor, but it is the policies of OPA itself in relation to the meat industry which are injurious to labor, injurious not only because of the jobs which those policies are destroying but because those policies are conducive to the creation of a great black market in meat. Labor, more than any other group in the country, suffers from the outrageous prices of the black market. Workers need meat, they need much more meat than they are getting in America today. I charge that OPA's policies have wasted meat, they have deprived the workers of the country of meat which otherwise would have been available to them.

I charge further that OPA's policies have played into the hands of the big packers and will prove to be much more costly to the American worker than will be the basic principles of the Thomas amendment, even if that amendment should be effectuated by certain slight price increases for some cuts of meat rather than by way of granting subsidies. However, I repeat, Mr. President, that I have yet to see any evidence presented in this debate which supports the contention of any Senator that the result of the Thomas amendment will be an increase in the price of meat. That allegation has been made but no proof has been presented.

When it is pointed out to the Senators who make the argument that the Thomas amendment will result in a great increase in price of meat, that the meat can be handled by way of subsidy, we are met with silence. At this point, Mr. President, may I also emphasize that if the Thomas amendment becomes law, it does not mean that OPA will have to check the books of every processor in the country. That argument which has been made by some Senators in this debate simply is not so. What will happen, if the principle of the Thomas amendment is adopted, is that any processor who claims that he cannot operate at a profit under maximum prices, fixed by OPA, will have to come forward with his books and establish a case for himself. It should be obvious to every member of the Senate that no processor who is guilty of mismanagement or inefficiency of operations is going to attempt to defend such practices and seek price relief or a subsidy in order to perpetuate them. I claim that only those processors who can make a good case for themselves, only those processors who in fact find that the prices set by OPA are unjust, unfair, and inequitable to them, will come forward under the Thomas amendment and ask for the relief to which I say, in all justice, they would be entitled.

In closing my argument, Mr. President, I wish to mention one other point. I note that the principle of the Thomas amendment is identical with the principle of the Bankhead amendment of last year that was passed by the Congress applicable to the cotton industry.

I trust, Mr. President, that a principle of logrolling in the Senate is not to be adopted as the determinative policy for passing upon a matter of such great national concern as that involved in fixing generally fair and equitable prices within the terms of the OPA Act. I claim that the language of the OPA providing that prices fixed by OPA shall be "generally fair and equitable" should be applied equitably and fairly and without unjust discrimination. I claim that a generally fair and equitable margin should be allowed for processing by the small processors and slaughterhouse operators of the country. However, the over-all industry earnings test, adopted by the OPA and approved by the Court in the Armour case, involves a misapplication, in my judgment, of the language of the act itself. As a result, the great meat industry of this country, so vital to our food supply, is in danger of suffering irreparable injury as a result of OPA bungling. I feel that those in the Senate who voted for the Bankhead amendment last year, as that amendment relates to the cotton industry, cannot justify opposing the Thomas amendment because even the language of the Thomas amendment is almost identical with the Bankhead amendment. I do not suggest that those who supported the Bankhead amendment should support the Thomas amendment on the basis of any vote-trading proposition, because I shall not be a party to that sort of legislative practice, but I do say to those Senators that I have yet to hear any argument for the Bankhead amendment which is not equally applicable to the meat industry under the Thomas amendment. Mr. President, in closing, I wish to say that time does not permit my discussing these vital questions in greater detail. I appreciate very much the attention which the Senate has given me, and I sincerely hope that at least a majority of the Senate will vote to protect the small processors and slaughterhouse operators in America and thereby vote to protect directly and indirectly the small farmer and the small livestock producers in the country. Such a vote will at the same time be a vote to protect the food supply so vital to American labor and consumers generally. I trust further that a majority of the Senate will serve notice this afternoon on the OPA and its Director, Mr. Bowles, that their bungling of America's meat production must cease and that the OPA must conform its policies to the spirit, intent, and letter of congressional enactments.

Mr. MORSE. I now yield to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I am about to read a sentence or two from a letter which I have received from a restaurant operator in a small town in Iowa.

The PRESIDING OFFICER. The time of the Senator from Oregon [Mr. MORSE] has expired.

The Chair recognizes the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll and the following Senators answered to their names:

Aiken	Gerry	Myers
Austin	Green	O'Daniel
Ball	Guffey	O'Mahoney
Bankhead	Hart	Overton
Barkley	Hatch	Pepper
Bilbo	Hayden	Radcliffe
Brewster	Hickenlooper	Reed
Bridges	Hill	Robertson
Briggs	Johnson, Calif.	Saltonstall
Brooks	Johnson, Colo.	Shipstead
Buck	Johnston, S. C.	Smith
Burton	La Follette	Taft
Bushfield	Langer	Thomas, Okla.
Butler	Lucas	Tobey
Capper	McCarran	Tunnell
Chandler	McKellar	Tydings
Chavez	McMahon	Wagner
Donnell	Magnuson	Walsh
Downey	Mead	Wherry
Ellender	Mitchell	White
Ferguson	Moore	Wiley
Fulbright	Morse	Wilson
George	Murdock	

The PRESIDENT pro tempore. Sixty-eight Senators having answered to their names, a quorum is present.

Mr. BARKLEY. Mr. President, I am anxious, as I am sure all other Members of the Senate are anxious, to get a vote on the pending proposal and to dispose of this legislation today. It is in that mood that I trespass now upon the time, and probably upon the patience, of the Senate for a little while to discuss the pending amendment and the price situation as a whole, following which I propose to offer a substitute for the Thomas amendment and to discuss it briefly.

Mr. President, I think we all agree that the Stabilization Act and the Price Control Act cannot now be abandoned. No Member of the Senate is enough of a prophet to predict how long it will be required to continue these controls; but certainly the time has not yet come when we can abandon them.

The Committee on Banking and Currency held exhaustive hearings upon the whole subject and back in March voted to report the joint resolution extending the Stabilization Act and the Price Control Act for 1 year. While the subcommittee was preparing the report on the extension the meat situation became acute, and an investigation was had by the Committee on Agriculture and Forestry of the Senate and by a similar committee in the House of Representatives. Because of that and in the hope that it might clear up, the committee did not report promptly the measure extending the Stabilization and Price Control Acts for the one year which it had voted unanimously to do.

Last week the committee reassembled and considered the whole subject anew, notwithstanding its previous action, and reopened the matter for the consideration of amendments. The result was that the committee reiterated its previous attitude and voted against all amendments to the joint resolution, except a reduction in the time of the extension, and reported it providing for a 1-year's extension without other amendment.

The Senator from Oklahoma has offered an amendment to the joint resolution which, in effect, if not by its terms, provides that in the fixing of maximum prices "it shall be unlawful to establish or maintain against any processor"—that is, any single processor anywhere in the United States—"a maximum price for any major product (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) resulting from the processing of any agricultural commodity, or maximur prices for the products of any species of livestock (such as cattle, hogs, or sheep) (the products of each species of livestock to be taken as a group in establishing or maintaining such maximum prices) which does or do not equal all costs and expenses (including all overhead, administrative, and selling expenses allowed as expense deductions in computing Federal income and excess profits tax liability) incurred in the acquisition of the commodity or species of livestock and in the production and distribution of such product or products plus a reasonable profit thereon, not less than the profit earned thereon by such processor during a representative base period."

I agree with those who have discussed the amendment in their conclusion that if it should be enacted into law the Office of Price Administration could not fix any maximum price on any processed product, which had been processed from agricultural products, which did not provide after all costs a reasonable profit to every individual processor, no matter how inefficient he might be, no matter how incapable he might be, with his set-up of making a profit, no matter how much his losses may have been prior to the war because of inefficiency. The Price Administrator could not fix a price which would not give him a profit.

Mr. HICKENLOOPER. Mr. President——

Mr. BARKLEY. I hope the Senator will not interrupt. I am limited in my time. I meant to state when I began that I would not be able to yield to any Senator, and until I shall have concluded I hope I shall not be interrupted, because I brought on a limitation myself, and I wish to abide by it. I shall yield when I have concluded, if I have any time left.

I shall state what the result of the adoption of the Thomas amendment would be—and it is conceivable that it might happen in many communities throughout the United States. Suppose there are in a given town or county three or six or a dozen processors of any of the products covered by the Thomas amendment. If the OPA is to carry out its purpose, as it is plainly written in the language, it must either fix a maximum price sufficiently high to enable any efficient processor to make a profit or it must establish a different maximum price for each processor, dependent on the costs of his production.

If it adopts a ceiling high enough to enable the most inefficient in any community to make a profit, it will fix a ceiling high enough to make the most efficient and the most advantageously situated a greater profit than they should be allowed to make. Or it has to adopt a different ceiling for each processor, which would mean that for every processor of different products which are manufactured from agricultural commodities there would be a different ceiling, depending on the costs, the efficiency, the set-up, the size, and all the elements which go to make up costs. So, the identical product in any community would have a maximum price depending upon the profit or the costs of each individual processor, and there would be no uniformity whatever of prices in any community for any product processed in this way.

We all know what would happen in such a situation. If there were three packers, or half a dozen packers, or processors in my home town, and there were a different ceiling for each one of them, the processor who sold his product and was allowed to sell his product at the cheapest price would get all the business. It would gravitate to him because of the desire to get an equal product at the lowest possible price. Those who sold their products at a higher price would lose the market, which would go to the one who had a smaller price, as fixed by an individual ceiling upon the product which he processed.

If the OPA took the first horn of the dilemma, it would allow the most successful and the most efficient to make greater profits than they were entitled to make. It would be required to do that if it attempted to fix an over-all ceiling high enough to permit the most inefficient to make money. The only other alternative would be to fix a ceiling for each of the processors, in which case, as I have said, the processor who made the product the cheapest would get the business.

Mr. President, I have not time to read it, but I wish to put into the RECORD at this point a letter which I have received, dated June 6, from the Honorable Edward A. O'Neal, president of the American Farm Bureau Federation, who I think is a fairly level-headed and representative spokesman of the farmers of the United States. He is the head of one of the great farm organizations, one of the ablest, and one of the most efficient, and one of the most valuable farm organizations in our country, the American Farm Bureau Federation. In a letter addressed to me dated June 6, Mr. O'Neal discussed the Stabilization Act from the standpoint of the farmers. I have not the time to read the entire letter, but I desire to read the last two paragraphs, and I ask that the entire letter be printed in the RECORD at this point.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., June 14, 1945.

Hon. ALBEN W. BARKLEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BARKLEY: At its meeting on June 1 our board of directors reviewed existing price-control legislation and authorized us to support the renewal of these laws without amendment at this time. We believe that the existing laws for price control and wage control are adequate if properly interpreted and administered.

Unfortunately, some serious mistakes have been made in the past in the administration of price control, and these mistakes have seriously handicapped farmers. We have made repeated protests to the proper officials and have been assured that these conditions will be corrected. These are matters which must be corrected by administrative action, and there is ample authority in existing laws to do this.

We have asked that adequate assurances be obtained from appropriate officials that these conditions will be corrected through administrative actions. Assurances have been given that parity prices of farmers are going to be protected through price ceilings and price supports; that subsidies will be withdrawn as soon as practicable, but not in such manner as to impair agriculture's parity position; that the various provisions of law to safeguard agriculture will be fully carried out; that the provisions of the Bankhead-Brown amendment with respect to cotton and cotton textiles will be interpreted and applied as intended by Congress; that price ceilings and price floors on livestock and other agricultural commodities hereafter will be announced sufficiently far in advance of production periods to enable producers to make their plans accordingly and will not be reduced during such periods except for emergencies; and that price ceilings will be removed as rapidly as abundant supplies are available.

We believe that too much attention is being given to protecting the interests of processors, handlers, and distributors of agricultural commodities, and not enough to the producers. We do not believe that Congress will be justified in enacting additional provisions for the benefit of processors and distributors, as the existing laws are adequate to properly protect their interests.

There is also a lack of coordination between the various governmental agencies responsible for food policies. We have insisted in the past and are going to continue to insist that such coordination of administration be effectively carried out.

Despite the mistakes that have been made, a great majority of farmers feel that it is imperative to continue price control and wage control at this time. The alternative would be disastrous inflation, which would wreck our entire economy.

We therefore hope that the Senate will pass Senate Joint Resolution 30, as reported by the Banking and Currency Committee.

Sincerely yours,

EDWARD A. O'NEAL, *President.*

Mr. BARKLEY. Mr. President, it will be noted that Mr. O'Neal points out some mistakes the OPA has made, and I am ready to concede that the OPA has made mistakes. I have pointed out some of them to the officers of the OPA. I have not time to discuss them now. Mr. O'Neal said:

> Despite the mistakes that have been made, a great majority of farmers feel that it is imperative to continue price control and wage control at this time. The alternative would be disastrous inflation, which would wreck our entire economy.
>
> We therefore hope that the Senate will pass Senate Joint Resolution 30, as reported by the Banking and Currency Committee.

Mr. President, that is a recommendation on the part of the American Farm Bureau Federation that the joint resolution be passed without amendment.

I have just received from Judge Fred M. Vinson, Director of the Office of War Mobilization and Reconversion, a letter

dated today, transmitting to me copy of a resolution adopted by the Advisory Board, addressed to the Director, which endorses the extension of the Stabilization Act without the Thomas and the Taft amendments. The resolution reads:

Resolved, That the Advisory Board advises the Director that it endorses the extension of the Stabilization Act without the Thomas and Taft amendments.

That is signed by Edward A. O'Neal, head of the American Farm Bureau Federation; James G. Patton, head of the Farmers' Union; Albert Goss, head of the Grange; Eric A. Johnston, head of the United States Chamber of Commerce; T. C. Cashen; Philip Murray, head of the CIO; William Green, head of the American Federation of Labor; William Davis, now the Economic Stabilizer, taking the place of Judge Vinson; and former Governor O. Max Gardner, who is the chairman of the board.

The board adopted unanimously, except for one member who is absent in Europe, the resolution urging the passage of the joint resolution without the Thomas amendment and without the Taft amendment. The men who adopted that resolution represent labor, agriculture, and business and the public.

They adopted another resolution which I shall read:

That the Advisory Board advises the Director that it endorses the extension of the Stabilization Act without amendments.

That resolution is signed by all those whose names I read to the foregoing resolution except Mr. Albert Goss, who voted against the resolution endorsing the extension without any amendments. I assume he did not want to commit himself on amendments that had not been submitted and which he had not studied, but all the other members of the board voted against amendments of any kind, and all, including Mr. Goss, voted for the adoption of the resolution advocating the enactment of the resolution of extension without the Thomas and the Taft amendments.

Mr. President, I ask unanimous consent to have printed at this point in my remarks the two resolutions which I have just read.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

JUNE 11, 1945.

Resolved, That the Advisory Board advises the Director that it endorses the extension of the Stabilization Act without the Thomas and Taft amendments.

Unanimously adopted:

Edward A. O'Neal, James G. Patton, Albert Goss, Eric A. Johnston, George Meade, Nathaniel Dyke, Jr., T. C. Cashen, Philip Murray, William Green, William Davis, O. Max Gardner.

JUNE 11, 1945.

Resolved, That the Advisory Board advises the Director that it endorses the extension of the Stabilization Act without amendments.

For: Edward A. O'Neal, James G. Patton, Eric A. Johnston, George Meade, Nathaniel Dyke, Jr., T. C. Cashen, Philip Murray, William Green, William Davis, O. Max Gardner.

Against: Albert Goss.

Mr. BARKLEY. Mr. President, I realize that from the very inception of the legislative undertaking to provide stabilization of wages and prices there have been in our country certain elements who were opposed to it. Some were opposed to any sort of regulation of wages or prices. Others have favored a sort of controlled inflation. The Senator from Ohio [Mr. TAFT], my friend, for whose views I have great respect and for whose personality I have a deep affection, is one of those who have advocated more or less a controlled—I do not suppose he would call it "controlled inflation," but controlled gradual increase in prices. He has during the entire life of the Stabilization Act and at the beginning of it announced that he thought the danger of inflation had been exaggerated, and advocated an increase of 10 percent a year in prices and in the cost of living.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I asked when I began my remarks, not to be interrupted.

Mr. TAFT. I wanted to say the figure was 5 percent, not 10 percent; that is all.

Mr. BARKLEY. I think the Senator from Ohio made a speech in 1942 in which he said he favored a 10 percent increase per annum.

Mr. TAFT. Gradually decreasing.

Mr. BARKLEY. Of course, if the Senator's idea had been adopted and it had been carried out we would now have had practically a 30-percent increase in the cost of living instead of the 8 percent which we have witnessed. Be that as it may——

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. We have had a 26-percent increase in the cost of living. There was a 10-percent increase per annum for 2 years.

Mr. BARKLEY. Not since the act of 1942, about which I am speaking, was passed. We had a larger increase beginning in 1939, when the war started, but from the time of the passage of the Stabilization Act, which we are now seeking to amend, there has been an over-all increase of only eight and a fraction percent, and since the order was issued to hold the line there has been an increase of only 1.5 percent.

Mr. President, the Senator from Ohio the other day in the course of his remarks mentioned a few horrible examples of what has happened under the OPA. I suppose he could do the same in regard to any activities as the result of the war. I have no doubt that horrible examples could be brought to our attention with respect to the draft law and its administration, and court martials in the field. I have no doubt that we are all familiar with horrible examples in connection with wages and labor conditions which from time to time are brought to our notice. I sometimes think the Senator from Ohio must maintain in his office a hospital for sick business because all those who have any complaints seem to function through his office. He brings them to our attention whether they come to him by letter or over the radio. The other day he mentioned a horrible example in San Francisco in regard to a restaurant, the St. Moritz, as I recall. I do not suppose the Senate is particularly interested in the St. Moritz Restaurant. The Senator from Ohio referred to it as a sort of joint—lunch counter and a bar. He obtained his information from our good friend the very able commentator, Mr. Fulton Lewis, Jr. I have never been in the St. Moritz Restaurant in California. I do not know how imposing an institution it was before it was remodeled, but it was remodeled and I am told it is now an establishment which has a price range very similar to that which exists at the Fairmont Hotel in San Francisco, which happens to be the headquarters of the American delegation to the San Francisco Conference, where Mr. Stettinius and Mr. Molotov and many other diplomats who represent their countries are content to eat and to lodge.

The PRESIDENT pro tempore. The time of the Senator from Kentucky on the amendment has expired.

Mr. BARKLEY. I will speak on the bill, Mr. President.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. The point is that the owners of that restaurant have never been able to get permission to open the restaurant, and, although they have spent a great deal of money on it, it is still closed.

Mr. BARKLEY. Has the Senator from Ohio been in it?

Mr. TAFT. No.

Mr. BARKLEY. No; the Senator from Ohio has not been in it. He does not know what it is.

Mr. TAFT. I have seen pictures of it.

Mr. BARKLEY. The OPA, which ought to know the price range in that locality, advises me that the price range for this horrible example, the St. Moritz Restaurant, is in the same category as the Fairmont Hotel, which is one of the finest in San Francisco, and which houses our delegation to the Conference now in progress in that great city.

Mr. President, I do not wish to regale the Senate with any recital of what has happened under OPA. We know that there are no governmental organizations in the United States, unless it be the War Department—and I doubt if it does—which deal with more individuals and more organizations than do the Office of Price Administration, the Office of Economic Stabilization, and the over-all head of these various activities and agencies, Judge Vinson, who is head of the Office of War Mobilization and Reconversion.

I do not wish to call the attention of the Senate, by repetition, to the profits which have been made by industry during the years under which their prices have been controlled by the Office of Price Administration. Price controls

have been in effect in the years 1942, 1943 and 1944. In 1929 corporation profits in the United States, after taxes, were $9,300,000,000. That was the peak year of all profits prior to the depression in 1930 and the following years. In 1939 profits after taxes were $5,300,000,000. In 1940 they were $7,300,000,000. In 1941 they were $7,300,000,000. In 1942 they were $8,300,000,000. In 1943 they were $9,900,000,000. In 1944 they were more than $10,000,000,000, after paying all the taxes we levied against the profits of corporations. More than 1,500 corporations and manufacturing concerns increased their profits in 1942, 1943 and 1944, compared with their profits in previous years, notwithstanding price regulations.

According to Dun & Bradstreet's reports, the number of business failures in the United States in 1918 was 9,892; in 1919 it was 6,451; in 1920, 8,881; in 1921, more than 19,000; in 1922, 23,000; in 1929, 22,000; in 1932, 31,000 or more. The number of business failures gradually declined, until in 1944 there were only 1,222 business failures in the United States, in the third year of price control, under an act passed by the Congress with a view of undertaking to prevent inflation and runaway prices, and which, in spite of mistakes, I believe has been fairly and successfully administered by the Office of Price Administration.

The other day the Senator from Ohio referred to the fact that furniture manufacturers and furniture retail dealers were losing money. The profits of retailers increased so that in 1943, compared with the average for the period 1936 to 1939, the profits of hardware retailers in the United States had gone up to 360 percent. That is, they were 360 percent as compared with the average for the period from 1936 to 1939. The profits of furniture stores in the United States had gone up to 168 percent. Profits of variety chain stores were 249 percent as compared with the average for the period from 1936 to 1939.

Small men's apparel stores had profits of 299 percent as compared with the previous period. Department and specialty stores had profits of 1,038 percent as compared with the average of the period from 1936 to 1939. Chain grocery stores had profits of 137 percent as compared with the previous period. Wholesale hardware stores and manufacturers had profits of 179 percent; dry-goods wholesalers 639 percent; and so on through the list. Those are the profits compared with the average for the years 1936 to 1939.

Of course, we know what has happened to the wages of labor. In 1929, the average take-home wage was $26.95 a week. In 1944, it was $46 a week.

Farm prices and farm production have gone up. In 1943 and 1944, the farmers of this country produced 25 percent more than they produced on the average in the period from 1936 to 1939, and they received a commensurate increase in their income.

In 1919 farm income was $8,799,000,000. It went down in 1926, 1929, 1939, and 1940. In 1940 it was $4,699,000,000. It then began to rise, and in 1944 farm income was $12,300,000,000, under the Price Control Administration, which it is said is bankrupting everyone in the United States.

Mr. President, I mention these facts not in order to leave the impression that I believe that these organizations and individuals have made more money than they were entitled to make. I congratulate them upon their record of production and their record of profits. But I mention them in order to prove that in spite of the price regulations, in spite of individual losses here and there, which can never be avoided or completely eliminated, American labor, American agriculture, American industry, and American merchandising have made more money than they made prior to the war. Fewer of them have lost money, on the average, than lost money prior to the beginning of the war in 1939, or prior to the time we entered the war, in December 1941.

It is difficult to give the Senate the benefit of figures in every particular branch of industry. I realize that the meat situation is one which is giving all of us concern. In spite of what the Senator from Oregon [Mr. MORSE] said about the OPA and about Mr. Bowles—and I credit him with sincerity in believing what he has said—I believe that Chester Bowles, Jim Brownlee, Judge Field, the general counsel, and all the others who have fashioned the policy of the OPA have done their level best to be fair and equitable to all branches of American industry, merchandising, agriculture, and labor.

I recognize the impossibility of providing a guaranty of profit to everyone in business, even in time of war. We must admit that war brings casualties in business no less than on the battlefield. I am not one of those who believe that we should guarantee a profit to everyone engaged in business, while boys from almost every family in this Nation are giving up their lives, shedding their blood, and being maimed in the struggle to preserve democracy and to save what we believe to be worth while saving. We have no right or power to guarantee a profit to all those who do not fight, but who stay at home. I do not criticize them on that account, because no one would contend that every man or every woman can fight on the battlefields. But we have a battle line here at home, while our men are fighting and dying, shedding their blood, and being maimed for life on battlefields abroad. Last Saturday night I saw scores of young men who will never see again. While they are undergoing such tremendous hardships, certainly no one should contend that the Government of the United States should guarantee a profit in money to everyone who happens to be in a business or in a profession or in any other activity.

Mr. President, much as I always hate to disagree with my friend the Senator from Oklahoma [Mr. THOMAS], I feel that the adoption of his amendment would be a great injustice not only to the people at large, but to many of those who are engaged in the very industry and activity which the Senator seeks by his amendment to help. The adoption of his amendment and the adoption of the amendment of the Senator from Ohio would mean an increase in the price of every suit of clothes, every garment, every pair of shoes, and almost every other article of necessity used by the American people. I know there are inconveniences and there are shortages. I do not know how we can avoid all of them.

The other day I went downtown to buy some undershirts for myself. I found a shirt I liked, and it was my size, so I said, "Give me half a dozen of those shirts." The clerk said, "Well, we can give you only two." I said, "Why?" He said, "There is a restriction; we cannot sell more than two to any customer." I suddenly realized that we are at war, and I said, "What is the situation?" The proprietor of the store said, "In 1944, 55,000,000 undershirts were made by the undershirt industry of the United States, and for the first 6 months of 1945 the Army and the Navy demanded or required that they be allowed to purchase 56,000,000, which is 1,000,000 more than all they made last year."

I am not sufficiently informed as to the need for undershirts by the Army and the Navy to know whether they have requisitioned or asked for more shirts than they need, but that is what they have done, and that accounts for the shortage, and that is why I can buy only two. That illustrates why many people cannot buy more than a limited quantity of what they need.

Mr. President, it seems to me that all we should do by legislation is to provide a general pattern. Personally, I myself would prefer no amendment to this Extension Act. I believe the Price Administrator can be trusted to do whatever is necessary to be done, in his judgment and in the judgment of Judge Vinson and in the judgment of the War Food Administration, by whomsoever or in whatever way it may be administered, in order to deal fairly, equitably, and justly, not only with all American business, but especially with agriculture.

A few days ago Mr. Bowles, the Price Administrator, wrote a letter to the Senator from Oklahoma. The Senator from Oklahoma put it in the RECORD the other day, but I will read it now, by way of emphasis:

DEAR SENATOR THOMAS: You have asked for a statement of the policy which the Office of Price Administration will follow in pricing the products of the various species of livestock.

After all, Mr. President, this whole matter has gotten down largely to a question of livestock and meat. I have talked to the Senator from Alabama and to other Senators from the cotton-raising regions. They do not wish to have cotton dealt with or touched in this situation. They are satisfied with the way it is now being administered. They do not desire any change to be made in it or any question raised about it by way of any amendment which might be placed in the measure with respect to textiles.

I read further from the letter to the Senator from Oklahoma:

Recognizing the critical shortage of meat and the imperative need of avoiding any impediment to maximum production and even

distribution, this Office, in addition to satisfying all the various mandatory requirements of the present law, will see that the products of each of the three main groups of livestock—cattle and calves, hogs, and lambs and sheep—are each, separately considered, on a profitable basis.

To the fullest practicable extent the Office will see that each of these groups of products is separately profitable at all times, regardless of live animal prices. It will at all events see that each group is separately profitable on an annual basis.

I have discussed this letter with Judge Vinson and Mr. Davis—

Mr. Davis is head of the Office of Economic Stabilization—

and they authorize me to say that they concur in it.

Mr. President, a Member of the Senate has said: "Why cannot that be integrated into the law? Why, instead of having a letter from Mr. Bowles saying he is going to do this, cannot we have it written into the law?"

I have undertaken to do that, by means of a substitute which I now send to the desk and ask to have read. I offer it as a substitute for the amendment offered by the Senator from Oklahoma.

The PRESIDENT pro tempore. The amendment in the nature of a substitute will be read.

The CHIEF CLERK. As a substitute for the amendment offered by Mr. THOMAS, it is proposed to add the following proviso:

Provided further, That on and after the date of the enactment of this proviso, no maximum prices shall be established or maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AIKEN. The amendment in the nature of a substitute, offered by the Senator from Kentucky, does not in any way affect farm prices; does it?

Mr. WHERRY. Mr. President, will the Senator please speak louder?

Mr. BARKLEY. The Senator from Vermont has asked me whether the amendment I have offered in the nature of a substitute would affect prices to the producer—in other words, to the farmer. It does not deal with that question. It deals altogether with the ceilings placed upon processors.

The PRESIDENT pro tempore. The time of the Senator from Kentucky has expired.

Mr. BARKLEY. Mr. President, do I have 15 minutes on my substitute?

The PRESIDENT pro tempore. The Senator has 20 minutes.

Mr. TAFT. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. TAFT. Am I to understand that 20 minutes will be available to each Senator on the substitute for the Thomas amendment, as well as on the Thomas amendment itself?

The PRESIDENT pro tempore. The substitute is, in effect, another amendment. It is now the pending amendment. It is a substitute for the Thomas amendment. Each Senator may have 20 minutes on the substitute amendment.

Mr. AIKEN. Mr. President, let me ask the Senator whether there is in the substitute amendment anything which provides any incentive for the production of livestock. There is not, is there?

Mr. BARKLEY. No; just as there is nothing in the Thomas amendment which would do that, because the Thomas amendment deals altogether with processors. That is all I deal with in my substitute. I am offering the substitute for the Thomas amendment, which is limited to processors.

As the Senator knows, there is already in the law a provision prohibiting the Office of Price Administration from fixing any maximum price on farm products until such products have reached parity.

Inasmuch as livestock is now selling in the main above parity, there is no occasion to amend the existing law at the present time with respect to the prices of livestock.

Mr. AIKEN. As I pointed out earlier in the day, both the Taft and Thomas amendments would react to the disadvantage of the farmer, because the processor or the manufacturer may take the cost of labor in to account, while the farmer is not allowed to do that, and it is not taken into account in computing parity. So the farmer is at a distinct disadvantage.

Mr. BARKLEY. I do not think that the substitute or the original amendment would militate against prices to the farmer. In fact, it seems to me that the amendments are likely to militate indirectly in favor of the farmer. They provide a basis of profit for those who process agricultural products. If the processing is put on a profitable basis, there will be a greater incentive and a greater possibility not only of paying the ceiling prices for livestock such as cattle, hogs, and sheep, but if the markets justify, as long as the act is in operation it will perhaps be possible to pay even higher than ceiling prices now being paid for certain species of livestock.

Mr. AIKEN. I do not see how higher than ceiling prices could be paid.

Mr. BARKLEY. We know that cattle, on the whole, are selling above parity.

Mr. AIKEN. If the profit of the processor is guaranteed, the farmer must pay more for his shoes, shirts, and the food which he buys. If he cannot sell his produce for any more than he is selling it at the present time, it looks to me as though any amendment which would increase the farmer's costs would work to his disadvantage and discourage production.

Mr. BARKLEY. From the beginning of this debate it has been contended, as the Senator knows, that because of the losses sustained by certain processors in the processing of livestock of all kinds, they have to that extent been handicapped in paying to the farmer the prices which the farmer should receive.

Mr. AIKEN. They are handicapped at the present time, and some of them have been all the time.

Mr. BARKLEY. There is no way that I can see by which to guarantee that everybody throughout the country may make a profit.

Mr. AIKEN. The Senator's amendment in the nature of a substitute is a definite improvement over the Thomas amendment so far as the public as a whole is concerned. It is no more disadvantageous to the farmer than is the amendment which it seeks to supersede. However, I do not believe that any substitute will straighten out the situation.

Mr. BARKLEY. I myself believe that the Senator has much ground for his assertion. As I said previously, I would prefer that the OPA Act be extended without any amendment whatever. But if there is to be any amendment, it certainly ought not to be one which would require the OPA to examine into the books of manufacturers and into the operations of every single processor of livestock in the United States and fix a figure which would guarantee to him a profit regardless of the fact that even in the prewar days he may not have made a profit.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. OVERTON. As I read the Senator's substitute, it contemplates a margin of profit on each of the species referred to. Assuming that the large packers as a whole sell a much greater volume of each species than all the independent packers put together, and assuming that they readily make a fair profit, they could, perhaps, continue to make a profit while the small packer and the slaughterer would not be so fortunate. I am very much in sympathy with the Senator's amendment. The situation is a very difficult one, but I do not know that his amendment would afford substantial relief to the small slaughterers and independent packers. If a margin of profit were to be based on each group, the large packers might readily make a profit because they are, no doubt, in a better position to make a profit than are the small independent packers. They do much the greater volume of business.

Mr. BARKLEY. Of course, the Senator has touched on one of the most difficult phases of the entire livestock and meat problem. It is very difficult to have identical ceilings upon identical products produced by small and large producers alike, so as to even up the profits. The only alternative for that situation, however, is to fix the ceilings so high that the small processor can succeed in making a profit, and if an identical ceiling be established, the profits of the large company would be increased over what they were theretofore. It seems to me that we must take one or the other of the two horns of the dilemma. We cannot take both of them. We may disregard both of them, but it seems difficult even to do that.

In every community in which there is a diversity of producers located within a block of each other, or even within a mile of each other, two of them can sell at different prices, one making a profit while the other stands a loss. It seems to me that we must accept the horn of the dilemma which gives the over-all

identical price to the community which will buy the product. If we fix a ceiling so high as to make the business of a small company profitable, either the large company will get greater profit out of its business than it should receive or it will undersell the smaller company and garner all the business into its hands.

Mr. OVERTON. I think the Senator's amendment is a vast improvement over the Thomas amendment, but I still believe that it will not relieve the situation entirely. It is very difficult to deal with the situation legislatively.

Mr. BARKLEY. The Senator is correct. It is very difficult to deal with the situation legislatively. It is even difficult to draw a simple amendment which does not possibly do an injustice to someone. However, in an effort to come as near to being fair to all producers and consumers as it is possible to do so, it seems to me that this amendment offers a vast improvement over the one for which it is a substitute.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. FULBRIGHT. Wilson & Co. was cited as an illustration of a packer making a large profit in sporting goods. However, that illustration would not entirely apply to the Senator's proposal. As I read the amendment, it applies to hogs. The large packer has a great diversity of products, such as shirts, baseball bats, and other items of a similar nature. I submit that the Senator's amendment would not entirely cure the situation.

Mr. BARKLEY. Of course, the amendment provides that each category shall be dealt with separately. In other words, a maximum price would be fixed for sheep and lambs as though the producer were producing nothing else but sheep and lambs. Then a ceiling would be fixed on hogs, in dealing with that category separately as if the processor were dealing in that category only. Cattle and calves would be dealt with as a separate category, whether sold as steaks or veal. The purpose is not to put them all together in a sort of hodge-podge of meat.

Mr. FULBRIGHT. On that basis, I do not think there is a great difference between the cost of production as between large producers and small producers.

Mr. BARKLEY. The prices of the so-called Big Four or Big Five are determined on the basis of everything they make and everything they distribute; whereas if they were not making anything except the products of cattle, sheep, hogs, and so forth, their average unit profits might be no greater than that of the average small company that makes none of these extra things in its manufacturing process.

Mr. AUSTIN. Mr. President, will the Senator permit a question?

Mr. BARKLEY. I yield.

Mr. AUSTIN. I should like to ask whether it is claimed that the cause of the shortage of meat is the fixing of maximum prices on meat products with reference to the processor? Is he the person because of whom the application of the OPA's authority affects by reaction the quantity of production?

Mr. BARKLEY. There is undoubtedly an indirect effect upon the amount of production brought about by what the processor is able to pay the producer for the livestock which he buys.

Mr. AUSTIN. That is not my question. My question is whether it is claimed by those who seek a remedy through the amendment that the trouble is the price ceiling fixed on the processor.

Mr. BARKLEY. Yes; that is one of the claims made; that many of the processors are losing money and many of them have gone out of business for two reasons: They could not get the livestock for one cause or another, and there has been a shortage of hogs recently in the slaughterhouses and in the packing institutions. Whether that was brought about by the price paid to the producer of the hogs is open to question. The ceiling was fixed on the hogs a year and a half or 2 years ago, and the hog producers were importuned to increase their production. They were willing to increase their production at the price fixed, and they produced so many hogs that a time arrived when there was a surplus of hogs. They took their hogs to the market by the train load, and in many cases they found so many hogs there on a given day that the market could not absorb them, and, rather than ship them back home or keep them indefinitely, they sold them at below the ceiling price. Hogs went down, and, because hogs went down, automatically the production of hogs declined, for the price of hogs, or the fluctuation in the price, where the law of supply and demand applies, has a direct relationship to the production of hogs; indeed, the two are almost coextensive.

Mr. AUSTIN. Mr. President, may I ask the Senator another question?

Mr. BARKLEY. Certainly.

Mr. AUSTIN. Does the Senator claim that if his amendment were adopted and went into effect and a reasonable margin of profit were allowed to the processing industry in the group that processes calves, for instance, therefore there would come about as a natural economic result an increase in the rating of calves?

Mr. BARKLEY. I think so, because, assuming that a reasonable profit margin is to be allowed to the processing industry—and I assume that that would be the case, because Mr. Bowles, in his letter to the Senator from Oklahoma, said that is the policy the OPA is going to inaugurate, and I am trying to integrate it into law—and that some of the processors will make profit enough to enable them to pay more for the livestock they process, automatically that will increase production.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHERRY. I am very much interested in this matter, because, after all, if this amendment is adopted I want to make sure that it reflects back to the cattle feeders and the hog feeders. Does the distinguished Senator from Kentucky contend that if the amendment he offered should be adopted it would help maintain prices to the producers of cattle and hogs? The Senator mentioned the hog industry and the present market in that industry. Does he think this amendment would correct that situation?

Mr. BARKLEY. I think that to the extent the adoption of the amendment would bring about the maintenance of a profitable margin among those who buy from the farmer livestock, whether hogs, cattle, or sheep, it would automatically reflect a better price to the producer, because that better price could be paid based upon a reasonable margin of profit in the processing industry itself.

Mr. WHERRY. Mr. President, will the Senator yield for one more question?

Mr. BARKLEY. I yield.

Mr. WHERRY. Then, basically, there is no difference between the Senator's amendment and the so-called Thomas amendment, except the amendment of the Senator from Kentucky applies to the processors in groups rather than as individuals. Am I correct?

Mr. BARKLEY. It applies to the processors as an industry, as a group.

Mr. WHERRY. Rather than as individuals.

Mr. BARKLEY. Yes; rather than to each individual, for the reasons I have attempted to outline. If it is applied to each individual, there cannot be any uniformity of prices in any community, and if the over-all is fixed high enough to reach the less efficient, the smaller man, it must be made so high that the big man will get more profit than he ought to have.

Mr. WHERRY. Mr. President, will the Senator yield for one more question?

Mr. BARKLEY. I yield.

Mr. WHERRY. Then, in choosing between the amendment offered by the Senator from Kentucky and the amendment offered by the distinguished Senator from Oklahoma, we are to determine whether we feel that application of the formula to the individual would be more effective than if applied to the group. Is that correct?

Mr. BARKLEY. Yes; that enters into it. In other words, a Senator's vote probably will be determined, at least in part, by whether he thinks the OPA ought to deal with each individual processor and fix his profit separately, or with the industry of processing as a whole. There is one other difference. My amendment deals only with livestock and meat, whereas the pending amendment deals with cotton, textiles, and so forth.

Mr. WHERRY. I appreciate that explanation, because it was my thought when I made a brief statement on the floor of the Senate last Friday, that it would indirectly benefit the producers of cattle and hogs by helping to stabilize the processors throughout the country, together with the subsidy paid under directive, so that the market would not be depressed and become demoralized and therefore the processors of livestock would benefit. According to the Senator's statement, what we must determine is whether we want the Thomas amendment, which applies to the individual processor, or whether we want the

amendment of the Senator from Kentucky which applies to a group. The amendment of the Senator from Kentucky applies only to livestock, while the amendment of the Senator from Oklahoma applies to other commodities.

Mr. BARKLEY. That is correct. I think that is a fair statement. Of course the subsidy already provided for the feeder and also for the processor of certain types, plus this amendment, in my judgment will so stabilize the processing industry dealing with livestock and meat as to reflect a great benefit upon the producers as well as at the same time directly benefiting the packing and processing industry as a whole.

Mr. LUCAS, Mr. AIKEN, and Mr. TAFT addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and if so, to whom?

Mr. BARKLEY. I yield first to the Senator from Illinois.

Mr. LUCAS. I should like to give a little further information in reply to the question asked by the able Senator from Vermont [Mr. AUSTIN].

The weight of steers slaughtered in Chicago is down only 2 percent in 1945 from average weight for 1941–45; but 3 percent more are being slaughtered as good or choice.

Admittedly when cattle prices moved up to ceilings nonfederally inspected packers were put temporarily in a loss position. That is the reason why the packers have been here. They were compelled to pay almost the ceiling price for cattle, and, of course, when they salughtered them they did so at a loss; but in December of last year up to the present time a series of price adjustments on Army purchases and a series of subsidy increases have removed any but the most incompetent packers from a loss position. Adjustments have added approximately $200,000,000 annually to packers' gross income. Their increased cost of livestock this year over last year will total about $150,000,000. That leaves an increase of $50,000,000 in their net over the cost of livestock. That is approximately the total profits of the whole packing industry, after taxes, before the war.

Mr. BARKLEY. I thank the Senator for that information.

Mr. AIKEN. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yeld.

Mr. AIKEN. I said a few moments ago that I thought the joint resolution would be better without any amendment whatever, but I have been studying the amendment offered by the Senator from Kentucky, and while I cannot see that it will increase production at all, or increase farm income, it is my opinion that it will meet the legitimate complaints which a good many processors have made, and correct injustices which have been committed against many of them. So I wish to say that I am satisfied with the amendment offered by the Senator from Kentucky, and am willing to vote it, because a great many processors have been squeezed almost out of business by OPA regulations, and this amendment seems to me to fill a legitimate need; but it will not result in the production of any more meat.

Mr. BARKLEY. That may be, but it will have an indirect effect.

Mr. President, how much more time have I on my substitute?

The PRESIDENT pro tempore. Four minutes.

Mr. BARKLEY. There are many reasons which have been assigned for what has happened to many packers and processors. Many of those who have come to see me have complained that they could not obtain livestock in sufficient quantities, and that applies especially to pork. There was a reduction in the production of pork when the price of hogs went down. Another reason probably was the diversion of all kinds of meat to the black market.

The OPA has never really had a sufficient number of enforcement officers to police this country. They have only about one to every county in the United States. Seventy or 80 percent of all the people who work for the OPA are volunteers, and receive no pay whatever, and I am sure that every Senator will understand that with an average of only one enforcement officer to each county in the United States, it is impossible to police the establishments so as to be able to prevent altogether the black market. But I think that the program which has recently been inaugurated by the OPA will go a long way toward lessening if not eliminating the black market in livestock and in meats.

Mr. TAFT. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. TAFT. What does the Senator think the words "a reasonable margin of profit to the processing industry as a group" mean? How could it be figured what a reasonable profit to the industry as a group was? Would it be the average, taking them all and averaging it?

Mr. BARKLEY. Take the group in any region or in any community which processes and sells its processed product to the consumer. Take them as a group, take them altogether, and consider their industry separately in dealing with sheep and lamb, for instance, or hogs, or cattle and calves.

Mr. TAFT. Both the Thomas amendment and the Taft amendment prescribe a definite formula, and would hold OPA to that formula. But the Senator refers to "a reasonable margin of profit to the processing industry as a group."

Incidentally, the "reasonable margin of profit" is entirely in the discretion of the OPA, whereas both the Taft amendment and the Thomas amendment refer to the margin of profit at a typical base period.

Mr. BARKLEY. To be fixed by the OPA.

Mr. TAFT. My amendment is definite; under the Thomas amendment the time is to be fixed by the OPA, but they have to take a definite base period.

Mr. BARKLEY. If we leave it to the OPA to decide, under the Senator's amendment, and under the Thomas amendment according to what the base period is, they could fix it in any year or any group as they might see fit. They would have just as much discretion in fixing the base period as they would in fixing a reasonable margin of profit under my amendment.

Mr. TAFT. If we leave the finding of "a reasonable margin of profit" to the OPA, we leave complete discretion in their hands, which is exactly what we are trying to get away from, because we do not think that discretion has been properly exercised.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Oregon.

Mr. MORSE. I seek information in regard to the amendment in its final form. There was sent to my desk another draft of the amendment, which read as follows:

Provided further, That on and after the date of the enactment of this proviso, no maximum prices shall be established or maintained on any products resulting from the processing of agricultural products, including cotton, wool, and livestock, which does not allow a reasonable profit to the processing industry as a group.

Mr. BARKLEY. That is not the amendment in the form in which I offered it. I eliminated the provision as to textiles, because those who are interested in the textile industry, and who are operating under the Bankhead-Brown amendment—and that applies especially to cotton products—did not desire the present law interfered with.

Mr. MORSE. I understood that.

Mr. BARKLEY. I eliminated all reference to textiles.

The PRESIDENT pro tempore. The time of the Senator from Kentucky has expired.

Mr. BARKLEY. I thank the Chair and the Senate for their courtesy. I have taken more time than I had intended to consume. I hope the substitute may be agreed to.

Mr. GEORGE. Mr. President, may I ask the Senator one question in the time of whoever has the floor? If no one has the floor, I shall ask for time.

The PRESIDENT pro tempore. The Senator from Georgia is recognized.

Mr. GEORGE. I merely wish to ask one question. Is it the intent and purpose back of the substitute amendment to make it impossible for the Director of OPA in any hardship case to apply any relief formula which he may wish to apply?

Mr. BARKLEY. No; and I thank the Senator for the question. Under the present practice, and under the provisions of the law, the OPA can deal with and they are now dealing with, hardship cases. The burden of proof is on the claimant in a hardship situation to prove he has a hardship, and they are now dealing with such requests and granting relief. It is not intended that this shall in any way interfere with that.

Mr. AIKEN. Mr. President, I merely wish to refer to the statement of the Senator from Ohio in objecting to the term "reasonable margin of profit" in the amendment offered by the Senator from Kentucky. I find on examination

of the amendment offered by the Senator from Ohio that he states:

Costs and margin for any group of processors, manufacturers, and miners shall be the average costs and margins of typical members of the industry to be determined by any reasonable method selected by the Administrator.

Mr. BARKLEY. In other words, in his amendment the Senator from Ohio arrrives at the figure by taking an average situation among all the members of a group entitled to come under the language of the amendment, and that is the basis. Of course, there is no more discretion granted under my amendment than under the amendment of the Senator from Ohio in determining what the average would be for costs and margins among all the groups to be considered.

Mr. AIKEN. That is exactly what I wanted to point out.

Mr. BARKLEY. I appreciated that, but my time was expiring just as I was coming to it.

Mr. MORSE. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. If I have the floor.

Mr. MORSE. Will the Senator permit me, on his time, to ask the Senator from Kentucky a question? I had not finished my inquiry when the time of the Senator from Kentucky had expired.

Mr. AIKEN. So long as I have the floor, I shall be glad to yield for that purpose.

Mr. MORSE. I should like to refer to the question I was addressing to the majority leader at the time the Senator's time expired. As I said, I note that in the final amendment, as the Senator submitted it, he eliminated the language "including cotton and wool." I understand the Senator's explanation as to why cotton was eliminated, but I am not sure that I am ready to take the position that wool should be eliminated, because I judge that the cotton men do not speak for the wool men, and the same problem which affects the cotton industry likewise affects the wool industry.

I am also in doubt as to whether or not the amendment should be so restricted as to apply solely to meat products. Why not apply it to other agricultural products because, if the principle is sound in regard to meat, it is sound in regard to other agricultural products?

Mr. BARKLEY. In considering whether products processed from agricultural products should be included in any amendment which might be considered, we semed to confront a situation where there was such a diversity in the products manufactured from agricultural products that it would be very difficult, if not impossible, to enforce the law. For instance, I suppose there are a dozen or two dozen different types of cereal breakfast foods which are made of agricultural products. If we include all agricultural products and require that the processing of all should be placed on the same basis and in the same categories as meats, which have really caused the present chaotic situation, we would burden the OPA with a task which it would be well nigh impossible to perform. I mention cereals merely as one sample of all the products which are finally made from the commodities that come from the farm. When that situation was called to my attention I felt it was unwise to go beyond what has apparently made these amendments necessary in the minds of many Senators, or desirable, even if not necessary.

The same thing would be true with respect to the products of wool. It would require the OPA to deal separately with every manufacturer of socks and everything that is made from wool, including underwear, shawls, and overcoats. Everything produced from wool would be placed in a separate category, and the OPA would have to consider not only the over-all profits to the processor but, if the Thomas amendment were adopted, to every individual manufacturer or processor of everything made from wool and all agricultural products. Since meat brought about a situation which induced these amendments in the first place, it seemed to me it would be wise to limit our amendments to that field.

Mr. MORSE. Unless I have been misinformed, the OPA is doing that very thing now. OPA is making those studies now.

Mr. BARKLEY. Of course, they are making those studies, and placing overall prices on products, but they are not undertaking to make a separate ceiling for each manufacturer of all the things made by him from the separate farm products, although under the practice and the law they are now dealing with hardship cases in which any individual manufacturer can make out a case showing that he entitled to relief.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Nebraska, and then I yield the floor.

Mr. BUTLER. At this point I wish to place in the RECORD an editorial from the Omaha Daily Journal-Stockman entitled "Effect of Steer Subsidy in Reverse."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EFFECT OF STEER SUBSIDY IN REVERSE

Those who are keeping the crop planners' scores these days can mark up another error for their latest plan to stimulate beef production by paying 50 cents a hundred pounds subsidy to farmers for cattle weighing 800 pounds or over and worth $14.25 or over, Chicago basis or $13.85 at Omaha.

Don't get us wrong. As long as the Government has opened up the Federal Treasury trough, farmers are more entitled than most groups of people these days to feed there. We feel, and have all along, that if subsidies must be paid, let them be paid to the men who really produce the beef, the feeder and raiser of the cattle.

However, the whole new program is falling flat so far as being a stimulating factor in putting more weight on cattle is concerned, or encouraging the farmer to feed more of them. If this is the planners' idea of getting the corn out of the crib and into good beefsteaks, we will have a long wait before we again see the day when we can berate the retail butcher because he left a little extra fat on that 6-pound beef roast, or even hint that he weighed his thumb, too.

As a whole, the entire price arrangement in the cattle market now is less favorable to the man feeding cattle to heavier weights than it was before the planners decided the industry needed more of their help. There is actually less margin between the short-feds and the prime heavy animals than before. The man with top grade steers on the market has had his price halted by the OPA ceiling. He gets 50 cents extra from the Government, but the man with less desirable animals for sale has had a substantial rise in the market as well as the 50 cents from the Government. The outcome has been a condition that further discourages long feeding.

In many ways the new plan has worked in reverse. It has placed the man whom it was supposed to help in a less favorable position than before it was inaugurated. The price of half-fat feeding cattle, those on the "line," around 800 pounds, has been automatically raised for many farmers because the owners of such stock would rather sell to the slaughterer and collect the extra 50 cents. Unless the feeder meets this increase he does not get the cattle.

Many farmers feel that the trend in the West may be toward holding a larger share of the cattle to weigh 800 pounds or over in an effort to collect the subsidy by selling for slaughter instead of to the Corn Belt feeder. Since the plan has gone into effect there has been little or no increase in the market for top grade steers but the average steer price has advanced to the highest June level in history. Competition of packers in some classes of the fleshy feeders has been stepped up by the plan.

Any program that fails to allow a fair margin of profit for the man who carries his animals to heavyweights on a grain ration will not raise the tonnage of beef produced. While the man with ordinary steers gets record prices for his offerings, the man with prime stock is held down to a ceiling that is 16 percent less than the records set up in the postwar period of World War I. The penalty is equivalent to about $3.50 a hundred pounds.

When the old war records were established for top steers the average steers brought $7 under the top. The spread now is about $1.50.

Mr. PEPPER obtained the floor.

Mr. CHANDLER. Mr. President, will the Senator yield to me for a moment to ask the Senator from Vermont a question?

Mr. PEPPER. I remind the able Senator from Kentucky that since there is a limitation of time placed on Senators his question should be brief.

Mr. CHANDLER. It will be. I understand, Mr. President, the Senator from Vermont does not claim anything for these amendments except that ultimately, if they are adopted, it will be necessary to yield to the discretion of the OPA, which is something we are doing now; and if that is so, we simply give the OPA discretion as to what they shall do in connection with the amendment.

Mr. AIKEN. Both the Taft and the Barkley amendments have that effect. I have not studied the effect of the Thomas amendment.

Mr. CHANDLER. Then it is the Senator's judgment, is it not, that if we adopt either of the two amendments, we shall simply be doing a futile thing, because we will be no better off then than we were before.

Mr. AIKEN. I think that is true with respect to any amendment.

Mr. BUSHFIELD. Mr. President, in order to save the time of the Senator from Florida may I ask the Senator from Vermont to yield in his own time, so I may ask a question of the Senator from Kentucky? I do not wish to trespass

upon the time of the Senator from Florida, and I suggest that means in order to avoid taking any of his time.

Mr. AIKEN. Mr. President, if I still have time left, I will yield to the Senator from South Dakota.

Mr. BUSHFIELD. I wish to ask a question of the Senator from Kentucky, if I may.

The PRESIDING OFFICER. The Chair will state that the Senator from Vermont has yielded the floor. The Senator from Florida now has the floor.

Mr. PEPPER. The Chair advises me that I have the floor. Therefore, the interruption will be in my time. I understand I have time on the joint resolution and on the amendment.

Mr. WHERRY. Mr. President, it is my understanding that the Senator has 20 minutes on the bill, 20 minutes on the so-called Thomas amendment, and now that the Senator from Kentucky [Mr. BARKLEY] has offered a substitute amendment, the Senator will have 20 minutes time on that substitute; therefore the Senator will have 1 hour of time. Any Senator who has spoken on the joint resolution and on an amendment has, as I understand, 20 more minutes of time.

Mr. PEPPER. Mr. President, I will consume only a part of that time. I do not wish to deprive any Senator of the privilege of asking a pertinent question, but I should like to be permitted to make the remarks I wish to make. However, I yield to the Senator from South Dakota [Mr. BUSHFIELD].

Mr. BUSHFIELD. I thank the Senator from Florida. May I ask the Senator from Kentucky a question concerning a sentence in his proposed substitute amendment, as follows:

> Do not allow for a reasonable margin of profit to the processing industry as a group on each such species.

This is the concluding sentence in the proposed substitute. All meat processors, so far as I know, handle all classes of livestock. That is, one slaughterer does not simply handle cattle, another one hogs, and another one sheep. Practically all of them handle all three species of livestock. Does the Senator's provision mean that the OPA then is simply to fix prices on each individual species, or to take the whole together?

Mr. BARKLEY. On each individual species. That is, OPA will fix a price on sheep and lambs that will have no relationship to the price they fix on beef or hogs. In other words, each of these species, under this language, would be entitled to a reasonable profit regardless of what happened to the other species. OPA will fix the maximum on each species separately, and not mix them all together, and have an over-all price for the meats they produce in these various categories.

Mr. BUSHFIELD. I thank the Senator.

Mr. FULBRIGHT. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. FULBRIGHT. I wanted to ask the Senator from Kentucky if evidence was not presented to the committee that there are a number of smaller packers who do not slaughter all the various species, and that one of the reasons why they were squeezed out was because they handled but one species.

I also wish to ask the Senator from Kentucky respecting the plans which were announced by the OPA concerning reconversion prices. Is it not true that OPA has already announced a policy which is very similar to the Senator's amendment; that is in the calculation of prices for articles which have been out of production during the war the producers can add to the former prices any increase in cost of materials and in labor in order to maintain a reasonable profit?

Mr. BARKLEY. Yes; but they are permitted to take into consideration any increase in the cost of materials and in the cost of labor necessary to produce the things which they were producing at the time they were forced out of production by reason of the war.

Mr. FULBRIGHT. My point is that the Senator's amendment is consistent with that program.

Mr. BARKLEY. Yes; I think, undoubtedly, it is consistent with that program.

The PRESIDENT pro tempore. The time of the Senator from Florida is running.

Mr. PEPPER. Mr. President, I am sure every Senator finds himself very much embarrassed whenever he feels it necessary, in line with his own judgment and sentiments, to oppose anything offered by the able senior Senator from Oklahoma [Mr. THOMAS]. I know with what sincerity and earnestness he is proposing his amendment, and therefore with the greatest diffidence find myself not in accord with it.

The amendment, as its language discloses, provides that on and after the date of its enactment, should it be adopted—

> It shall be unlawful to establish or maintain against any processor a maximum price for any major product (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) resulting from the processing of any agricultural commodity, or maximum prices for the products of any species of livestock (such as cattle, hogs, or sheep) (the products of each species of livestock to be taken as a group in establishing or maintaining such maximum prices) which does or do not equal all costs and expenses (including all overhead, administrative, and selling expenses allowed as expense deductions in computing Federal income and excess profits tax liability) incurred in the acquisition of the commodity or species of livestock and in the production and distribution of such product or products plus a reasonable profit thereon, not less than the profit earned thereon by such processor during a representative base period.

Mr. President, I wish to make a few observations as to the legal effect of the proposed amendment. In the first place, it seems to me that the necessary construction of the language "any processor" is an individualistic reference. That does not mean processors generally. It means any individual processor; and that means that any individual processor in the Nation would have the right to resort to the emergency court of appeals and insist that he must be dealt with individually under the protection of this amendment, so that his individual costs must be determined. That means costs of acquisition, distribution, and overhead. Then, upon his individual costs, however efficient or inefficient he may be, he shall be guaranteed the margin of profit provided in the amendment.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MURDOCK. With such a plain provision written into the law, I wonder why the Senator takes the position that the processor would have to go into court.

Mr. PEPPER. The able Senator is quite correct. Of course, he would not have to resort to the courts to establish an obvious requirement of the law against the OPA.

The effect of the amendment, if I correctly understand it, is to vary the existing rule, which is designed to give a fair margin of profit to an industry or class of people, and to individualize the protection provided in the amendment.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. As I read the amendment, it would be unlawful for the OPA to deal with an individual until it could definitely ascertain what the over-all picture was with respect to costs; and until that were done the individual processor would be a free-lance at liberty to do whatever he might wish to do.

Mr. PEPPER. The Senator is exactly correct; with all the attendant difficulty which comes from ascertaining the costs of any individual processor.

The amendment goes further. It not only provides that each individual processor shall be guaranteed a profit upon his individual costs; but he is guaranteed a profit upon each species of the enumerated commodities which he processes. That is, he is guaranteed a profit upon the cost of processing lamb, pork, or beef, for example; or, if he has categories of some other commodity, he is guaranteed a profit upon his categories of some other commodities. He is guaranteed a profit upon his individual cost respecting each species of a category of commodities. That is the second provision of the amendment.

The third is that it varies the rule which has heretofore been applied, which I call the parity principle or parity rule. As I understand the price-control law, in its inception we could have put into the picture what might be called the cost-plus principle, which we repudiated with respect to contracts, or we could have put into the picture as a criterion the parity principle. While costs enter into it, essentially the parity principle has been the guiding star of the Price Administration thus far in the control of prices.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HICKENLOOPER. With respect to the difficulty of classification of individual plants, I should like to call attention to the fact that OPA is doing that very thing now with individual plants and individual lines in individual plants.

I have before me the list of a sock manufacturer in Chicago, who has 104 lines of socks. The OPA has fixed a price on each of the 104 lines; and it is doing so with respect to his competitors individually. Also, Mr. Bowles has repeatedly said that in the postwar conversion period the OPA expects to fix reconversion prices on all articles of each manufacturer who wishes to reconvert, and not as a class. So, as I understand, the OPA itself is proposing to do the very thing which the opponents of the Thomas amendment are complaining about.

Mr. PEPPER. On the contrary, let me say to the able Senator from Iowa that I was advised by the Office of Price Administration today that 28 out of 31 companies with reconversion products were unable to provide cost-and-profit figures by individual products when the OPA auditors called at their offices to obtain such figures. That information was given to me today by the OPA. That was in respect to manufacturers.

I am also told that of 250 companies checked, 233 were unable to provide cost-and-profit figures for individual products.

Forty-eight brick manufacturers were unable to provide cost-and-profit figures for individual products, out of 48 brick companies inquired of. That is 100 percent. Those figures were given me today by the Office of Price Administration.

Mr. HICKENLOOPER. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. HICKENLOOPER. That is the very point I am making. OPA is now undertaking to go into every individual factory, classify its products, and fix the price on each individual product. The OPA objects to the Thomas amendment for that very reason, but the OPA is now doing that very thing, and that is its proposal for reconversion.

Mr. PEPPER. I must disagree with the able Senator's assertion. The inquiry to which I referred was made in connection with the fact that the OPA had been urged to fix individual prices for reconversion, and it was making inquiry to see if it could fix such prices. It is finding that it is not possible to do so. I assume the argument of the able Senator from Iowa would require just that.

Another thing about this amendment is that it would absolutely prohibit any ceiling prices on the commodities affected, because each ceiling price would depend not upon the principle, but upon the individual costs of an individual processor. Who could ever tell what they might be? If a processor had one cost today, he might have another cost tomorrow or next month. So the public would have absolutely no protection if such a law were literally enforced by the Office of Price Administration. The public could never be acquainted with what the ceiling price was.

For whom is this amendment intended? Whom would it benefit? Would it benefit the producers or growers? No. It is for the benefit of processors. This is not an amendment to help producers or consumers, but the middlemen. That is its effect, whatever may be the intention and design of the able sponsors of the amendment. It seems to me, therefore, that the conclusion is that it would not help the producer. It would add to the cost of living to the consumers, and would benefit only the middlemen, who, in our normal economy, have been the most fortunate in all the chain from production to consumer.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHERRY. In view of that statement, does the Senator feel that he could support an amendment which would extend the benefits to the producer, if such an amendment could be drafted?

Mr. PEPPER. That is a perfectly fair inquiry. I shall have to say "no" to my able friend from Nebraska, for the essential reason upon which I oppose this and all other amendments, that inevitably it would add to the cost of living and contribute toward inflation. Even for the benefit of the producers, I do not wish to do such a thing by legislation.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. PEPPER. I am glad to yield.

Mr. WHERRY. If we could show, as I think we can, that if the producers were afforded relief we could increase our production to the maximum, would not that tend to decrease the cost of living rather than increase it?

Mr. PEPPER. It would in a normal economy, Mr. President; but in our domestic economy, 46 percent of all that we are producing goes for war. Therefore the 46 percent of production which goes for war competes in the market with the other 54 percent, which is available for civilian consumption; so we have not a normal equilibrium in our economy.

Mr. WHERRY. Mr. President, will the Senator yield for one further question?

Mr. PEPPER. I yield.

Mr. WHERRY. I agree with the Senator's statement; but it has been my position, and I believe the position of most of us who come from the Corn Belt, that if we could get more cattle and hogs into the feed lots we could obtain increased production. I agree with the distinguished Senator that we need greater production than we have ever had before. Any incentive which we can obtain for the cattle feeders and for the hog raisers will help us increase our maximum production. I think it is conceded by everyone who has studied the situation that we need such increased production. If we can get it, would not it help solve the problem of the increased cost to the consumers?

Mr. PEPPER. Mr. President, I will say to the Senator that of course the higher the price or the compensation to the producer, the larger the return to him. But there are two ways by which we may help the producer. One is to increase the price. The other is to give him a subsidy.

Today I was talking on the telephone to Mr. W. H. Davis, the Director of Economic Stabilization. He reminded me of the 10-point subsidy on meat which is being put into effect and an additional 3-point subsidy which is to be put into effect. He said that those subsidies will very materially assist the producers of meat.

Mr. WHERRY. Mr. President, will the Senator yield to me to permit me to make one more point?

Mr. PEPPER. I yield.

Mr. WHERRY. If the Senator will analyze that directive, I think he will find that the only incentive which is being given as a subsidy to the cattle feeder, which is equivalent of 50 cents a hundredweight, amounts to only $6 on a 1,200 pound steer. All the subsidies which are being paid under the last directive which has been issued amount to $51.60, and of it only $6 goes to the cattle feeder. The balance goes to the processor or to those behind the processor.

My point is that although I have always opposed subsidies, yet if that is the way the administration desires to proceed, I think the subsidy should be made sufficient to attract to the feed lots the cattle we so badly need.

Mr. PEPPER. Mr. President, I will say to the Senator that I have never opposed subsidies to producers, when it can be shown that they are necessary in order to give the producers a fair return. I have never opposed giving a fair return or a fair profit. But if it is a question whether we are going to impose the burden of the whole economic system on the backs of consumers or whether we are going to provide for the payment of a subsidy, I prefer to have a subsidy paid, rather than to increase the cost of living.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from Florida yield to the Senator from Illinois?

Mr. PEPPER. I yield.

Mr. LUCAS. I should like to point out at this time that the subsidy came from the War Food Administration. The OPA has not a single thing to do with subsidies. It had to wait for Judge Vinson or Judge Jones to say whether the cattle feeder was entitled to another 50 cents per hundredweight. Constantly the OPA is being blamed on the floor of the Senate and in the press for a number of things for which it is not responsible. The OPA was not responsible for issuing the original permits to slaughterers throughout the country. That was done by the War Food Administration.

The PRESIDING OFFICER. The Chair announces that the time of the Senator from Florida on the amendment has expired.

Mr. PEPPER. Does the Chair mean that my time on the substitute has expired? The substitute is the pending matter.

The PRESIDING OFFICER. The Senator is correct.

Mr. PEPPER. I will take my time, next, on the amendment.

The PRESIDING OFFICER. The Senator can take his time on the joint resolution.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PEPPER. It was my understanding that the pending question is the substitute for the Thomas amendment to the joint resolution. If that be true, I thought a Senator would be allowed 20 minutes on each pending amendment or pending question. So I would be entitled to take the time the able senior Senator from Kentucky [Mr. BARKLEY] took. I understood that he took 20 minutes on the Thomas amendment and then 20 minutes on the substitute.

The PRESIDING OFFICER. It is the understanding of the present occupant of the Chair that the Senator from Florida is entitled to 20 minutes on the pending amendment and 20 minutes on the joint resolution. When the Senator from Kentucky spoke, the pending question was the amendment offered by the Senator from Oklahoma to the joint resolution.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield to me?

Mr. PEPPER. I yield.

Mr. THOMAS of Oklahoma. Let me say that the Senator from Kentucky spoke on three propositions: First, the Thomas amendment; second, his substitute for the Thomas amendment; and third, the joint resolution.

Will the Chair clarify the situation?

The PRESIDING OFFICER. The present occupant of the chair is informed that the Senator from Kentucky spoke on the amendment offered by the Senator from Oklahoma, and then offered his substitute during the course of his speech, and then spoke on the joint resolution.

Mr. BARKLEY. Mr. President, if the Chair will permit me to make a statement, I wish to say that I spoke first on the amendment offered by the Senator from Oklahoma. I spoke on it for 20 minutes. The Chair then announced that my time had expired. I then spoke on the joint resolution. When my time on the joint resolution had expired, I offered my substitute, which had not theretofore been pending; and I was permitted to speak on it.

The PRESIDING OFFICER. The Senator has stated the substance of the Chair's statement. The Chair will insist on the statement he made.

The time of the Senator from Florida on the amendment has expired. What does the Senator wish to do now?

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PEPPER. I understood the Senator from Kentucky to announce that he spoke 20 minutes on the Thomas amendment, then 20 minutes on the joint resolution, then offered the Barkley substitute, and spoke or it. Obviously, that means that he spoke on three different subjects.

The PRESIDING OFFICER. Under the rule, a Senator is entitled to speak on the pending amendment. The pending amendment now is the amendment offered by the Senator from Kentucky [Mr. BARKLEY] as a substitute for the Thomas amendment. The Senator from Kentucky first spoke on the amendment offered by the Senator from Oklahoma, which then was pending. When he finished that, he spoke for 20 minutes on the joint resolution, which he had a right to do. When he concluded that, he offered his substitute, and he spoke on it.

The pending amendment is the substitute offered by the Senator from Kentucky. The time of the Senator from Florida has expired on the substitute. There is now no pending amendment by the Senator from Oklahoma.

Mr. PEPPER. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PEPPER. Is the present occupant of the chair aware of the fact that when the Senator from Florida rose to speak and when he was asked to yield by other Senators, to clarify the question as to what time the Senator from Florida had, the Senator from Nebraska [Mr. WHERRY] asked the question whether there were not three propositions pending, namely, the joint resolution, the Thomas amendment, and the substitute amendment, and whether the Senator from Florida could speak for 20 minutes on each, and the then occupant of the chair ruled that he could. Subsequently, basing his action upon that ruling, or at least, the understanding which he had of the ruling, the Senator from Florida yielded from time to time to other Senators.

The PRESIDING OFFICER. The present occupant of the chair knows nothing about that.

What does the Senator from Florida wish to do now? His time on the amendment has expired.

Mr. LUCAS. Mr. President, will the Senator yield to me?

Mr. PEPPER. I yield.

Mr. LUCAS. I ask unanimous consent that the Senator from Florida be permitted to take 20 minutes on the Barkley substitute. That will be in conformity with what has already been done by the senior Senator from Kentucky [Mr. BARKLEY].

Mr. TAFT. Mr. President, does the Senator refer to the Senator from Florida only?

Mr. LUCAS. No; I refer to all Senators.

Mr. TAFT. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. The point of order is that the limitation on debate permits any Senator to speak for 20 minutes only on the joint resolution or on any amendment or motion thereto, but a substitute for an amendment or an amendment to an amendment is not an amendment to the joint resolution. Therefore, the Chair was in error in permitting the Senator from Kentucky to proceed for the length of time he did, because if that is to be the ruling, all limitation of debate is off, and any Senator can offer an amendment to an amendment and can speak on it for 20 minutes, then can withdraw his amendment to the amendment, and can thus proceed indefinitely. There will be no limitation if the ruling of the former occupant of the chair is to stand. I make the point of order that only 20 minutes should be allowed to each Senator on the joint resolution and 20 minutes on the Thomas amendment and all amendments thereto, and then 20 minutes on any other amendment which may be offered to the joint resolution.

After that point is settled, I shall be glad to agree to the unanimous-consent request, so far as the Senator from Florida is concerned.

The PRESIDING OFFICER. The objection made by the Senator from Ohio is not timely; it is made too late. It would have been good if made while the previous occupant of the chair was presiding; if it had been made then, it could have been passed on. However, the time to have objected was then; but now it is too late. The Chair overrules the Senator's point of order.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. I ask unanimous consent that all Senators be permitted to have, in addition to 20 minutes on the joint resolution and the amendment offered by the Senator from Oklahoma, 20 minutes upon the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

Mr. BANKHEAD. I object to any extension of time.

The PRESIDING OFFICER. Objection is heard.

The time of the Senator from Florida has expired on the amendment.

Mr. PEPPER. I shall address myself to the joint resolution.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHERRY. In view of the statement made by the prior occupant of the chair in response to the question I asked, that the Senator from Florida had 20 minutes on the joint resolution, and 20 minutes on the Thomas amendment, as well as on the so-called Barkley amendment, I ask unanimous consent that the distinguished Senator from Florida be permitted to speak on all three, as the distinguished Senator from Kentucky has already done.

The PRESIDING OFFICER. Does the Senator from Florida yield for that purpose?

Mr. PEPPER. Mr. President, I do not wish to trespass upon the kindness of Senators.

Mr. WHITE. Mr. President, is the unanimous-consent request which has just been made applicable only to the Senator from Florida, or is it to have application to the joint consent arrangement generally? If it applies so as to give 20 minutes additional time to the Senator from Florida, and to no one else, I shall not object. Having entered into a unanimous-consent agreement with respect to a limitation upon debate, I do not believe that during the course of debate we should remake the rules under which we are proceeding. In the circumstances, I do not object to the unanimous-consent request.

Mr. PEPPER. Mr. President, I assure the Senator that I shall not consume all of my allotted time.

The PRESIDING OFFICER. The present occupant of the chair is informed that the previous occupant of the chair made no such ruling as has been suggested by the Senator from Nebraska [Mr. WHERRY], and that the RECORD will show that no such ruling was made.

The Senator from Florida is recognized on the joint resolution.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. I was interested in knowing how the senior Senator from Kentucky [Mr. BARKLEY] could have spoken for 20 minutes on the——

The PRESIDING OFFICER. The Chair has already explained the situation. Without objection, the Senator was permitted to speak. The Senator from Florida [Mr. PEPPER] has the floor.

Mr. WHITE. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. WHITE. If the Chair will permit me, I wish to say a very brief word with regard to the parliamentary situation.

The Senator's request was for 20 minutes on the joint resolution and 20 minutes on the amendment. My understanding is that the reference was to amendments which are now pending before the Senate. The arrangement does not mean that a Member of the Senate may speak for 20 minutes on the joint resolution, 20 minutes on the pending amendment, and then 20 minutes on each and every amendment which may be lying on the desk, which may or may not heretofore have been called to the attention of the Senate. I do not know whether I am correct in my understanding, but we are likely to find ourselves, if we keep on talking about this matter, in such a situation that there will be no limitation on the discussion of amendment in the nature of a substitute, and any Member who obtains the floor may find himself in position to talk indefinitely. In other words, if we are going to talk about amendments which are not actually pending, I do not know where the discussion will end.

Mr. PEPPER. Mr. President, a parliamentary inqury.

The PRESIDING OFFICER. The Senator will state it.

Mr. PEPPER. How much time does the Senator from Florida have remaining?

The PRESIDING OFFICER. Twenty minutes on the joint resolution.

Mr. PEPPER. Very well.

Mr. President, I have spoken of what I thought would be the effect of the Thomas amendment if it should be adopted.

As to the Barkley amendment, I have no objection to it. I do not think it does anything but what has already been done by the OPA, but if the Senator thinks that it clarifies the situation without making it mandatory to increase substantially the cost of living, I have no objection to it. However, I should prefer to see no amendment whatever to the joint resolution.

Why do I say that, Mr. President? Senators have on their desks copies of various amendments. Here is one Taft amendment:

> No maximum rent shall be fixed on any housing accommodation the construction of which is begun after July 1, 1945; and no maximum rent shall be fixed on any housing accommodations which does not return to the owner thereof his costs of operation, if any, plus a reasonable return on the value of his property on January 1, 1941, or January 1, 1946, whichever is lower.

That amendment applies to the control of rents.

I now read the Taft amendment which proposes to increase substantially by approximately 10 percent manufacturers' profits. It means, Mr. President, that more than $9,000,000,000 annually—my figures have been obtained from the OPA—would be added to the present living costs of the consumers of this country. It would mean that $7,300,000,000 annually would be added to the cost of the war after all contemplated cut-backs had taken place. However, that would be only the first round in the spiral of inflation. Wages would be increased. The cost of the Japanese war to this country would be easily increased by $50,000,000,000.

Mr. President, I also have before me a copy of the amendment proposed by the able Senator from Oklahoma [Mr. MOORE], which reads, as follows:

> No maximum price established under the Emergency Price Control Act of 1942, as amended, or under the Stabilization Act of 1942, as amended, and no program of rationing or allocation with respect to distribution to civilians, shall be effective with respect to cattle, calves, eggs, and poultry, or any product or commodity derived or processed in whole or major part from cattle, calves, eggs, or poultry during the period from July 1, 1945, to September 30, 1945, both dates inclusive.

There may be other amendments which will be or have been proposed.

Mr. President, with whom are we dealing when we talk about increasing the cost of living in the United States? I have figures which demonstrate that, according to the Bureau of Agricultural Economics, the cost of living in May 1945, as compared with the base period 1935 to 1939, had increased approximately 50 percent. The Bureau of Labor Statistics has stated that the increase was about 27 percent. The cost of food and clothing, according to the Bureau of Labor Statistics, had increased in April 1945, as compared with the base period of 1935–39, 36 percent. According to the A. F. of L. and the CIO studies, the increase in food prices was approximately 62 percent; and as to food not processed or examined by the BLS, 96 percent; clothing, 62 percent; house furnishings, 52 percent; and rents, 15 percent.

Mr. President, I wish to speak about two or three classes of people whom we are often inclined to overlook when we are thinking about the so-called hard-pressed processors. First, I wish to refer to the old-age and survivors' insurance group in the United States. There are 1,700,000 families in that group. Each family was receiving $21.97 a month in January 1940, and has received only a 7-percent increase since. It now receives $23.40 a month.

I speak of another group which is receiving public assistance. There are 2,800,000 families composing that group. In January 1940 they were receiving $19.87 a month each. Now in June 1945, they are receiving $27.55 a month each.

Mr. President, I wish to tell the Senate about another group consisting of 3,500,000 dependent families. They are families who are dependent on men in the armed forces of this country who are fighting this war. What do they receive? A wife receives $50 a month. The first child receives $30 a month. Each additional child receives $20 a month. A wife with two children whose husband is on Okinawa, or at some other battle front, in the air or in a submarine, receives only $100 for herself and two children. What about her dependent benefits being increased, Mr. President? Has anyone said anything at all about her? No one has done so. Yet it has been contended that such companies as Swift, Cudahy, Wilson, and others should receive greater profit; but no suggestion has been made that a soldier's children should receive more food.

Mr. President, if we are to increase the profits of the processors of this country, someone has to pay for it. The producer would not pay it, therefore the consumer would have to pay it, and I am speaking for a group which involves millions of American families who are living at the very bottom of the ladder. They are eating and drinking the dregs of the economy, because they have not the money with which to pay a higher price. Yet the Senators want to help the processors.

Mr. President, I am speaking not only about the millions who are receiving old-age assistance, or survivors' benefits, or veterans' dependency allotments. Let me tell the Senate who are the American people.

I have here the statistics of family income, from the OPA study. This shows that there are three and a half million family units making less than $500 a year. It show that there are six and a half million family units making from $500 to $1,000 a year; six and a half million consumer units making from $1,000 to $1,500 a year; 6,000,000 consumer units making from $1,500 to $2,000 a year; four and a half million making from $2,000 to $2,500; three and a quarter million making from $2,500 to $3,000, four and a half million making from $3,000 to $4,000; two and a half million making from $4,000 to $5,000; 1,900,000 making from $5,000 to $7,500; 628,000 making from $7,500 to $10,000; 789,000 consumer units, out of a population of 137,000,000, making more than $10,000.

So, Mr. President, America, with all her riches, is still a poor country. More than half the consuming units in the United States have to live upon an average income of less than $2,000 a year, and that includes those whose sources of support are fighting for democracy in the United States and in the world.

It seems to me, therefore, Mr. President, that to add to the cost of living, as will have to be done, is an injustice to these people whose wages cannot be raised because of the Little Steel formula,

and whose salaries cannot be raised because of the Stabilization Act. It is wrong to say that we are going to add to the profits of the processor—because I cannot help feeling that they are going to get along at least as well as the masses of the American people who are having a tough time to make ends meet in the inflation which has already occurred since the war has been in progress.

A word in conclusion, Mr. President. I wish to join in what was said by the able Senator from Illinois [Mr. LUCAS] in commendation of what has been achieved by the Office of Price Administration. They have been criticized throughout the length and breadth of this land. They have been defamed, and blamed, and vilified, and accused in every possible way, yet the over-all job they have done will stand out as one of the great accomplishments of this Administration and this Government in the course of the war. As the able Senator from Illinois pointed out, although the currency in circulation has increased from three to four times what it was when the war started, although bank deposits, which are spendable money, have increased more than three times, although the national debt has increased from $28,000,000,000 to $271,000,000,000, OPA has kept the cost of living down to about a 50-percent increase.

Mr. President, we cut the benefits of the dependent wife and children by half when we increase the cost of living by half because they live on consumers' goods. With only $100 a month, they do not save up money to invest in stocks and bonds. Add to the spiral of inflation, and it simply means, in substance, that we are reaching down into the pocket of the little boy, who is looking at an absent father's photograph on the wall, and taking food out of his mouth, in order to put profits into the pockets of the processor.

Mr. President, the soldiers, sailors, and airmen—the men who are fighting this war—are entitled to have greater protection from the Congress which drafted them and sent them into the vortex of death and into the depths of the sea than would be afforded if we take from those who are left behind what they should have.

Mr. THOMAS of Oklahoma obtained the floor.

Mr. BUSHFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield for that purpose?

Mr. THOMAS of Oklahoma. I yield.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Butler	Guffey
Austin	Capper	Hart
Ball	Chandler	Hayden
Bankhead	Chavez	Hickenlooper
Barkley	Donnell	Hill
Bilbo	Downey	Johnson, Calif.
Brewster	Ellender	Johnson, Colo.
Bridges	Ferguson	Johnston, S. C.
Briggs	Fulbright	La Follette
Brooks	George	Langer
Burton	Gerry	Lucas
Bushfield	Green	McCarran
McKellar	O'Mahoney	Thomas, Okla.
McMahon	Overton	Tobey
Magnuson	Pepper	Tunnell
Mead	Reed	Wagner
Mitchell	Robertson	Walsh
Moore	Saltonstall	Wherry
Morse	Shipstead	White
Myers	Smith	Wiley
O'Daniel	Taft	Wilson

The PRESIDING OFFICER. Sixty-three Senators having answered to their names, a quorum is present.

Mr. THOMAS of Oklahoma. Mr. President, with the hope of securing a vote at the earliest possible moment, I shall not take any more time than necessary to clarify the issue.

First, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. THOMAS of Oklahoma. Is it not a fact that before we vote on the amendment offered by the Senator from Kentucky as a substitute, we have a right to perfect the original proposals, which is my amendment?

The PRESIDING OFFICER. The amendment offered by the Senator from Kentucky, as the present occupant of the chair understands, is an amendment to the amendment. It will have to be disposed of as such before the Senator from Oklahoma can perfect his amendment.

Mr. BARKLEY. The amendment which I offered is a substitute for the Thomas amendment. It is not an amendment to it.

Mr. THOMAS of Oklahoma. Mr. President, that was my understanding, and therefore it is my understanding that we have a right to perfect our amendment before the substitute is in order to be voted upon. Is not that correct?

The PRESIDING OFFICER. Will the Senator again state his question?

Mr. THOMAS of Oklahoma. It is my understanding that the author of an amendment has the right to perfect that amendment before a vote can come on any substitute amendment. A substitute amendment may be offered, but before the vote comes on the substitute the proponent of the original amendment has the right to perfect his amendment. Am I correct?

The PRESIDING OFFICER. The present occupant of the chair thinks that the amendment, whether it was intended to be an amendment to the amendment or not, actually is an amendment to the amendment, and would have to be disposed of; otherwise we would have an amendment in the third degree. After the amendment has been disposed of, then the amendment before the Senate can be perfected or changed as the Senate wishes.

Mr. BARKLEY. The language which I offered does not seek to add anything to the language of the amendment of the Senator from Oklahoma. It is a substitute for it, and states that it is offered as a substitute for his amendment. It provides additional language to the existing law, but it provides no additional language to the amendment of the Senator from Oklahoma. It is offered in lieu of his amendment.

The PRESIDING OFFICER. The Chair will read into the RECORD a statement with regard to the point of order raised during the colloquy between the Chair and the Senator from Oklahoma [Mr. THOMAS]:

On April 20, 1933, the Senate had under consideration the bill (H. R. 3835) to relieve the existing national economic emergency by increasing agricultural purchasing power.

The Committee on Agriculture and Forestry had inserted as an amendment a new title (title II) dealing with agricultural credits.

Mr. WAGNER offered an amendment to the committee amendment to insert in lieu of the language contained therein certain words as a substitute.

Mr. ROBINSON of Arkansas desired to offer what he termed "perfecting amendments" to Mr. WAGNER'S substitute amendment.

The PRESIDING OFFICER said: "Let the Chair make this suggestion: Title II of the pending bill is an amendment reported by the Committee on Agriculture and Forestry, and, being inserted matter, it must become an amendment in the first degree."

Mr. ROBINSON of Arkansas stated that the amendment proposed by Mr. WAGNER was considered by the Committee on Banking and Currency and those in charge of the bill desired to perfect the amendment; and

The PRESIDING OFFICER stated: The Senator from Arkansas asks unanimous consent that title II of the bill be regarded as original text so far as amendments are concerned, so that the substitute offered thereto and title II will be subject to amendment.

Mr. ROBINSON'S request was then agreed to.

I think this ruling is on all fours with the ruling of the Chair in connection with the matter just disposed of by the Senate.

Mr. THOMAS of Oklahoma. Mr. President, in order to clarify the parliamentary situation I ask unanimous consent that I may perfect my amendment in the form of a new section to be known as section 3 before I proceed with my remarks.

The PRESIDING OFFICER. Is there objection? None is heard, and it is so ordered.

Mr. THOMAS of Oklahoma. Mr. President, I now yield to the Senator from Alabama to suggest amendments which I will accept.

Mr. BANKHEAD. Mr. President, I submit two perfecting amendments. The effect of them is to take cotton out of the Thomas amendment, so that neither cotton nor cotton textiles will be further involved in the joint resolution.

The PRESIDING OFFICER. The Senator from Oklahoma modifies his amendment by unanimous consent accordingly. The clerk will state the perfecting amendment.

Mr. BANKHEAD. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. BANKHEAD. The author of the amendment accepts my amendment. It is my understanding that he has the right to do so.

The PRESIDING OFFICER. The Chair so understands. It is a modification of the amendment. The clerk will read the modification.

The LEGISLATIVE CLERK. On page 2, lines 1 to 3, it is proposed to strike out the words "applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn."

Mr. THOMAS of Oklahoma. Mr. President, that is the first amendment submitted by the Senator from Alabama, and it proposes to take from the amendment as it is now written all that portion which relates to cotton or cotton yarn. I am glad to accept the amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma is perfected to that extent.

The clerk will read the second amendment offered by the Senator from Alabama [Mr. BANKHEAD].

The LEGISLATIVE CLERK. Before the period at the end of the amendment it is proposed to insert a colon and the following: "*Provided*, That nothing in this section shall be construed to affect, modify, or limit in any manner those provisions—the last three paragraphs—of section 3 of the Stabilization Act of 1942, as amended, which were added by subsection (b) of section 201 of the Stabilization Extension Act of 1944."

Mr. THOMAS of Oklahoma. Mr. President, I likewise accept that amendment.

The PRESIDING OFFICER. The amendment of the Senator from Oklahoma is perfected accordingly.

Mr. THOMAS of Oklahoma. Mr. President, on page 1, line 1 of my amendment we find the words "restating and." It was my intent in the use of those words in the original text to restate the amendments which are now on the statute books; but since we have accepted two amendments with respect to cotton, I further modify my amendments by striking out, on page 1, line 1, the words "restating and", so that the first line will read:

That for the purpose of clarifying the policy of Congress—

And so forth.

The PRESIDING OFFICER. The modification will be made.

Mr. THOMAS of Oklahoma. Mr. President, in the original act creating the OPA we passed legislation intended to protect agricultural prices. They were not given much consideration by the OPA. So the last Congress passed what is known as the Bankhead-Brown amendment, to make clear and definite the law with respect to cotton and cotton products. The Bankhead-Brown amendment is now in the law.

It now appears—and I am sure this statement is correct—that the cotton situation is being handled so satisfactorily under this definite law that those engaged in cotton production do not wish to take a chance by modifying existing law. That is the reason why I have accepted the amendments suggested by the Senator from Alabama, so as to take no chance of interfering with existing law with respect to cotton.

What has been done for cotton I now wish to do for other agricultural products, and for that reason I am urging the adoption of this amendment.

Mr. PEPPER. Mr. President, will the Senator yield for a question? I do not wish to trespass on his time.

Mr. THOMAS of Oklahoma. I yield.

Mr. PEPPER. Is it not true that the effect of the Senator's amendment is to do away with the parity principle and substitute the cost of production?

Mr. THOMAS of Oklahoma. No; not at all, Mr. President. The parity principle now stands in the law. We do not seek to amend the parity principle. It is in the law no less than three times; first, in the original creating the OPA; second, in the law amending the Stabilization Act, and, third, in the law extending the OPA in 1944. I do not desire to modify, amend, or change in any way the present parity principle. I want that understood. But let me say to the Senator from Florida that even yet, with the greatest war of all time, with twenty-seven billions of money in circulation, and $145,000,000,000 of credit in existence, some farm prices have not reached parity.

Some may question that statement. I have the data here which I think should be conclusive. I exhibit to the Senate a sheet issued by the National Fertilizer Association. It is dated June 5. I believe it is correct. Here are the figures: On that date wheat stood at only 97 percent of parity, corn stood at 97 percent of parity, hay at 80 percent of parity, and cotton at only 96 percent of parity. Despite the fact that we have an enormous amount of money in circulation, and a gigantic sum of credit or deposit money, totaling over $170,000,000,000, the OPA has not permitted those prices to rise to parity. That is what I complain about.

Let me say very sincerely that I am opposed to the substitute amendment. The substitute amendment is not nearly as good as existing law. It says nothing definitely. I would much rather take existing law than the substitute amendment, for this reason: The substitute amendment would modify existing law. Existing law sought to express the policy of Congress that each commodity should be considered separately, and a fair and just price placed upon each commodity. The substitute amendment, for example, proposes to group all hogs together, to group all cattle together, and to group all sheep together, and then group all industries processing cattle, and make those industries prosperous. It proposes to take all industries processing sheep, put them in a group, and see to it that the processors of the sheep industry are prosperous; and to give the same treatment with respect to hogs.

Mr. President, for the small slaughterer here is the joker: The evidence shows that 70 percent of the meat processed in America is processed by about four or five of the larger concerns. We have no complaint about that.

Mr. BARKLEY. Mr. President, will the Senator yield.

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. When the Administrator, Mr. Bowles, wrote the Senator from Oklahoma a letter after some discussion with him about what he proposed to do with regard to meats and livestock, the Senator from Oklahoma objected because he said that Mr. Bowles was proposing to go beyond what the law authorized him to do, and to that extent he had no power. What I am trying to do is to write into the law what Mr. Bowles said he was going to do.

Mr. THOMAS of Oklahoma. If Mr. Bowles was going to do it, he would have done it already. The House committee found that the OPA was not managing this matter properly. The Senate committee found that the OPA was not managing the meat industry properly; and since those two reports have been submitted the OPA has made three separate attempts to adjust this matter. It has adjusted it fairly satisfactorily to the big packers, but how about the little packers?

Let me call the attention of the Senate to a few clippings which I have on my desk. On Friday, June 8, the New York Herald Tribune published a news story, under the following headlines:

Two thousand shoppers stand 5 hours to buy meat. One thousand more turned away at Brooklyn market. Lines start at 3 o'clock in the morning.

Mr. President, visualize the situation over in the city of Brooklyn at a meat market. Two thousand people are assembled in front of the meat market. Another thousand were turned away. They began to assemble at the meat market at 3 o'clock in the morning. Does any Senator approve of a system that forces citizens to act thus, when the country has an abundant supply of cattle, and packing houses are scattered all over the country? At this moment the small packing houses have their quotas cut down to such an extent that they can slaughter only a small percent of their capacity of cattle, hogs, and sheep. They can get the animals, but they are not permitted to slaughter them. That is what I am complaining about. I ask the distinguished Senator from New York what remedy he proposes to take care of the situation in the great city of Brooklyn, in the great State of New York?

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. PEPPER. I was about to ask the able Senator if he does not think that the principal complaint, as he has indicated, arises from the inadequacy of quotas rather than from the deficiency of prices?

Mr. THOMAS of Oklahoma. Yes. But this applies only to the little fellow.

Mr. President, I have no commission to speak for the great State of Florida. The State of Florida is well represented in this body. However, I hold in my hand the front page of the Miami Daily News of June 8, 1945. This newspaper is published in the city of Miami, Fla. I should like to read one paragraph from the news story on the first page:

Farmers, poultry dealers, milk producers and distributors, leading businessmen, members of various branches of the Greater Miami Chamber of Commerce, hotel men, restaurateurs, and others were slated to deluge PEPPER with demands that he get behind the Thomas amendment.

That is not all, Mr. President. I have a letter from the other distinguished Senator from the great State of Florida, and I am going to do what he asked me to do. He sent me a telegram attached to the letter, and asked me to bring it to the attention of the Senate. Mr. Pres-

ident, I shall not read the letter. I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS,
June 6, 1945.

Senator ELMER THOMAS,
Chairman, Committee on Agriculture and Forestry, United States Senate, Washington, D. C.

DEAR SENATOR THOMAS: Enclosed is a copy of a telegram which I have received from the City Council, city of Arcadia, Fla., and the Board of County Commissioners of DeSoto County, relative to the meat situation in Florida.

Although I have taken up the matter with officials of the Office of Price Administration, I thought the information contained in this telegram might be of interest to the members of your committee, and I shall appreciate it if you will bring it to their attention.

Sincerely yours,
CHARLES O. ANDREWS.

Mr. THOMAS of Oklahoma. Mr. President, I ask that the telegram be read at the desk in my time.

The PRESIDING OFFICER. Without objection, the telegram will be read.

The legislative clerk read as follows:

ARCADIA, FLA., *June 5, 1945.*

Hon. C. O. ANDREWS,
United States Senator,
Washington, D. C.:

Last night City Council of Arcadia, Fla., and today Board of County Commissioners of De Soto County, Fla., adopted resolutions demanding congressional investigation as to OPA and what they regard as foolish regulation of slaughtering of Florida grass-fed beef due to a manifest ignorance on the part of OPA with Florida conditions. Evidence can be furnished proving Florida ranges overstocked and that unless cattle can be marketed without hamstringing OPA restrictions, many will die on range this summer, fall, and winter that should be in the family pot. And also produce evidence that OPA's blindness has revived cattle stealing on a wholesale scale and that apparent gangsters are offering fantastic prices for dressed beef delivered to their trucks for black-market purposes at scheduled spots on the highways at night. Even Florida citizens are being deprived of necessary meat and sustenance in the midst of surplus and legitimate small slaughterers are being harassed, indicated, and enjoined by OPA. Florida citizens are demanding immediate action not next week but now. Your immediate attention to this problem will be appreciated as well as your advising what action taken.

CITY COUNCIL OF CITY OF ARCADIA, FLA., BOARD OF COUNTY COMMISSIONERS DE SOTO COUNTY.

Mr. THOMAS of Oklahoma. Mr. President, it is not for me to make reply to that telegram. I place it in the RECORD at the instance of my colleague the senior Senator from Florida [Mr. ANDREWS]

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. PEPPER. The Senator has been very kind. I think there should be some reexamination of the quotas, and I have advocated the reexamination of the quotas in my State; but the very ones who complained of deficiency of quotas did not say one word to me about deficient prices. They simply want the privilege of killing. They are not basing their complaint upon the inadequacy of prices, which is the only thing the pending amendment would affect.

Mr. THOMAS of Oklahoma. Mr. President, I now exhibit a picture to the Senate. The picture shows two or three meat cutters behind a meat block. On the block is half of the carcass of a horse, and in front of the block are numerous customers who are trying to get some of the meat. The heading is "Horse meat is their dish."

In smaller type are the words:

In the midst of a severe meat shortage, the United States horse-meat market is doing a thriving business, selling 40,000 pounds weekly, at 18 cents a pound. Customers are shown (above) buying various cuts of horse meat at a ——— market.

I shall not put the name of the town into the RECORD. If I mentioned the name of the town, no doubt, there would be a run on the town for meat, although it be that of the horse.

Mr. President, before my committee, in the hearing on the meat question, it was testified that during the first 3 months of this year 54,000 horses had been slaughtered for meat. That is 18,000 horses a month. Make the computation. The situation was not as acute then as it is now. No doubt but that more horses are being slaughtered now than then. But make the computation. Eighteen thousand a month, multiplied by 12, will show us that some 216,000 horses or more have been or will be slaughtered this year and served as meat for human consumption.

Then, Mr. President, I have another picture. It shows a stockyard in my State literally full of what appear to be white-faced cattle. They cannot be slaughtered. Someone may ask, "Why?" The answer is that in the town of Tulsa the meat packers have a quota, and now they have killed the number of animals they are permitted to kill, in accordance with the quota.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. THOMAS of Oklahoma. Then I will speak on the amendment.

So, Mr. President, the packing concern at Tulsa, Okla., must let its plant go idle the remainder of this month. The cattle are ready for slaughter, but the packers cannot slaughter them. Someone may ask, "Why?" Here is the reason. The OPA has made an order that the small slaughtering houses can slaughter only so many animals a month, and when they slaughter that number of animals, they must close for the remainder of the month. Why is that done? It is done to force the animals to the large slaughter houses. Someone may ask why the OPA wishes to have the animals go to the large slaughterhouses, which is the effect of the order. The reason is that in the small packing houses there is no Federal inspection of meat, and the Government cannot get any of the meat. The meat is not federally inspected, and for that reason it cannot be sent across State lines. Meat must be federally inspected before it may be sold to the Government and before it may be transported across State lines.

But let us consider the situation of a farmer who raises a few cattle or a few hogs or a few sheep. When he gets them ready for the market he takes them to his local slaughterhouse, where formerly he found a market. But today he cannot have the animals slaughtered at the local slaughterhouse any more. The small slaughterhouses have been closed; after they have used up their monthly quota, they are forced to close for the balance of the month. So the small local slaughterhouses have been destroyed. Now the farmer must ship his cattle by truck to Omaha or Topeka or Wichita, or to some other place remote from his locality. That is why the cattle are not going from the local communities to the slaughterhouses. The local slaughterhouses are not permitted to process them; hence the local market has been destroyed.

Mr. President, as I said on a former occasion, in my State we are in the midst of harvest time. We have one of the finest wheat crops in history. Harvesting wheat is hard work. The men start work early in the morning and work all during the day, until nighttime.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. MORSE. With regard to the small producer and the selling of his cattle, does the Senator agree that one of the unfortunate results is that the commission man is, therefore, able to force the farmer to sell his beef or sheep or hogs to him at a price far below the ceiling price, because the small slaughterhouses cannot take the meat?

Mr. THOMAS of Oklahoma. That is correct. I thank the Senator.

First, Mr. President, I exhibit an editorial appearing in a newspaper published in my State. It states that one county of Oklahoma, Harper County, has 38,859 cattle, 1,158 hogs, and 1,493 sheep, as of the January 1 census. Harper County is one of the great wheat-growing counties in Oklahoma. Men must be imported there for labor in the harvest fields. But now there is no meat there; the slaughterhouses are closed.

I read one line of the editorial:

Anyone who knows anything about healthy harvest hands knows they can't live on lettuce sandwiches and chicken a la king.

Mr. President, they might live on chicken a la king if they got enough of it, but certainly they could not live on lettuce sandwiches.

That is the point, Mr. President. That is all we are trying to accomplish by the amendment. We are trying to do the same for livestock and the products of livestock that has been done for cotton. Last year, by means of the Bankhead-Brown amendment, we made the provision relative to cotton so clear and so certain that it could not be avoided. We must do the same thing now with respect to meat, or they will avoid it. They will pay no attention to the Barkley substitute, for it is virtually the present law. There is no use in voting for the Barkley

subsitute, because it is virtually on the statute books now, and they pay no attention to it.

Mr. President, I hold in my hand a copy of Senate bill 380, the title of which is as follows:

To establish a national policy and program for assuring continuing full employment in a free competitive economy, through the concerted efforts of industry, agriculture, labor, State and local governments, and the Federal Government.

The first few lines of the bill read as follows:

SEC. 2. The Congress hereby declares that—

(a) It is the policy of the United States to foster free competitive enterprise and the investment of private capital in trade and commerce and in the development of the natural resources of the United States.

Mr. President, I am in favor of such a policy; but how can we have full employment when only a portion of the great meat industry is employed? Will someone answer that question, if he can?

Mr. President, the President of the United States is in favor of full employment. I hold in my hand a copy of a news item printed in a recent issue of a local newspaper. The item is headed:

Tells Business Truman Wants It To Prosper.

"Bob" Hannegan Outlines Administration Policy in Jefferson Day Speech.

I quote a short paragraph from Mr. Hannegan's speech. I do so in order to show that the President of the United States is in favor of full employment and wishes to have everyone at work.

Listen to what Mr. Hannegan said:

Second only to victory and lasting peace, the objective that is closest to the President's heart is to see American business, in cooperation with labor, agriculture and government, make good its endeavor to keep our people prosperous and employed.

How can the packing industry be prosperous if it operates only on part time? How can the packing industry be fully employed if, after it has killed a few animals each month, it must lay off its men for the balance of the time?

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. McKELLAR. A few minutes ago by unanimous consent, apparently, it was conceded by everyone that, so far as cotton and cotton products are concerned, this same sort of amendment has worked 100 percent good for that industry. Why could not an amendment exactly like it also work in the same way for cattle and beef and sheep and hogs?

Mr. THOMAS of Oklahoma. If the same principle is adopted for the packing industry, it will be satisfactory. I thank the Senator.

Mr. President, at this point in the RECORD in connection with my remarks, I ask unanimous consent to have printed a statement which explains the situation relative to the federally inspected packing establishments.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A federally inspected packer is one who has complied with the meat-inspection law and can therefore ship his meat across State lines. There are approximately 350 packing plants who have Federal inspection under the meat-inspection law. Since the war, the War Food Administration has inaugurated what is called Army inspection and there are about 100 plants who have Army inspection. These packers can sell meat to the armed forces and it can be sold to camps not across State lines. Prior to OPA there were approximately 1,650 commissioned slaughterers in addition to retail stores who were classed as nonfederally inspected packing plants. They still have local State and city inspections in many instances, but they cannot ship across State lines and the Army is not permitted to buy meat from them.

Since OPA, approximately 25,000 additional licenses have been granted to commission slaughterers, but they cannot ship their meat across State lines. As pointed out, in Mr. Bowles letter to Senator THOMAS and other Senators, OPA has recently canceled 11,000 of these licenses which Mr. Bowles said undoubtedly were on the black market.

Under the Meat Inspection Act, in order for a packer to be federally inspected, he must comply with certain sanitary regulations of the Bureau of Animal Industry.

Any packer, if his plant is sanitary, could get Federal inspection, although it is more expensive to operate a federally inspected plant than a nonfederally inspected plant, because it must be kept much cleaner.

A federally inspected plant has Federal inspectors in all departments who are both veterinarians and lay inspectors. The Government pays these men salaries—except overtime—so there is no expense in connection with the inspectors. The difference in the expense arises in the fact that the Department of Agriculture, which administers the law is very strict on cleanliness, light, and air. The plant must be kept clean and sterile, which requires a clean-up after each operation with live steam. Also, if any product is mishandled, such as dropped on the floor or not getting in the coolers, the Federal inspectors inspect this product and require it to be placed in inedible products; thus, it can be seen between nonfederally inspected packers and federally inspected packers, what it costs to keep their plant clean and their products clean and sanitary.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a statement of how the amendment will work if it is enacted into law. It will not require the OPA to go out and inspect, or examine several thousand packing institutions. It only makes it illegal for the OPA to set a ceiling price which will not reflect to the small slaughterhouses a chance to get back the money which they have invested in purchasing and slaughtering animals together with a profit. If the amendment is adopted this is all that would take place; if I operate a slaughterhouse, for example, and cannot get enough money out of my operations to pay expenses I will take my books to the OPA and say, "Here are my books. Look them over, I cannot continue to do business under the present rules and regulations." If I cannot convince the OPA that I need relief, the OPA will not give relief. However, if I can make a showing satisfactory to OPA then it should give me an additional subsidy to enable me to remain in business. I do not ask to have prices raised—in order to allow me to continue to do business. That is all there is to the amendment.

Mr. MORSE. Mr. President, if the Senator will yield to me, I may say that I think he has made one of the strongest points in this entire debate. If the amendment to which the Senator has referred were agreed to the OPA would not have to inspect the books of every processor in the United States. The burden would be on the processor to come to the OPA and show that the price which had been fixed did not permit him to operate at a fair profit.

Mr. THOMAS of Oklahoma. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Twelve minutes.

Mr. THOMAS of Oklahoma. Mr. President, if the Chair has not already ruled, I ask unanimous consent that the statement to which I have referred, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Senator from Louisiana has repeatedly said that the amendment will be impossible to administer because OPA would be required to examine the books of hundreds of processors before they could establish legal ceilings, and cites the opening language of the amendment which reads as follows:

"*Provided further*, That on and after the date of the enactment of this proviso, it shall be unlawful to establish or maintain against any processor a maximum price," etc.

Exactly the same language as the above is used in the Bankhead-Brown amendment relating to cotton added to section 3 of the Stabilization Act last year which provides:

"On and after the date of the enactment of this paragraph, it shall be unlawful to establish, or maintain, any maximum price for any agricultural commodity," etc.

The argument that the amendment would require examination of any additional figures before ceilings could be established is not true. The OPA has figures from virtually all companies in great detail combined into overall industry figures. Under the amendment they can proceed just as they have in the past and establish an industry-wide ceiling. If any processor objects on the grounds that the margin is not great enough, he must produce his own figures and prove to the OPA and the Emergency Court that the industry-wide ceiling does not return all of his costs plus a profit not less than the profit he earned in the base period. If he can prove this, the ceiling is illegal as to him, the processor who has protested.

If the protesting processor is a high-cost operator, he probably made no profit in the base period and therefore the industry-wide ceiling will probably be sufficient to return his costs as he would not be entitled to any profit. In any event, every legitimate processor who was in business prior to OPA has a right to have his ceilings fixed high enough so that he can recover all of his costs if he can.

Mr. THOMAS of Oklahoma. Mr. President, on the 8th of June, which was only a few days ago, Mr. Bowles released an amazing statement. It was an attack upon my amendment. I shall pay no attention to the attack, but I invite the attention of the Senate to the last paragraph of the statement, reading as follows:

The reconversion period brings new problems. Under the present law OPA can and will gear its price policies to the needs of the reconversion period so as to permit full employment and full production, the only final answer to inflation.

Here is the point, Mr. President: Mr. Bowles and his organization are now laying the foundation to take over the economy of the United States and carry it on after the war is over. Does any Senator doubt that? If you do, I exhibit for your attention a release from OPA dated November 4, 1944. The release has been kept secret. It is a memorandum directed to all members of OPA advisory committees from Chester Bowles, Administrator. Subject: Our Pricing Objectives in the Reconversion Period.

The OPA does not plan to fold up when the war is over. It plans to take over and have charge of reconversion. Mr. President, I thought the Senate had passed a resolution creating a committee to have charge of recommending legislation for reconversion. However, the OPA has other plans.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I will yield in just a moment.

Mr. President, I ask unanimous consent that the memorandum of the OPA to which I have just referred be printed in full in the RECORD at this point as a part of my remarks.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., October 1944.

Memorandum to: All members of OPA advisory committees.

From: Chester Bowles, Administrator.

Subject: Our pricing objectives in the reconversion period.

For 2½ difficult years we have been striving to maintain a stable wartime economy. In general, our efforts have been successful.

Since the spring of 1942, when price control first became effective, the Department of Labor tells us that industrial prices have risen less than 3 percent. The cost of living, expressed in the individual prices of items purchased by the average middle-income family, has, according to the same authority, risen only about 9 percent in this same period.

FOUR REASONS WHY

There are, I believe, four basic reasons why we have been able to establish this record:

1. The tremendous wartime production of American farmers and American industry, which, in addition to our huge production earmarked for war, has provided us with $90,000,000,000 worth of consumer goods and services in the past year.

2. The patriotic desire of the American people to save their money instead of spending it during wartimes.

3. The basic honesty of the American people which has kept the vast majority of them from patronizing the black market.

4. The Government stabilization program authorized by Congress in the Stabilization Act.

It has been the responsibility of the OPA under the Stabilization Act to administer the actual pricing of 8,000,000 products and services, and to establish rents for 14,500,000 dwelling units. It has been a staggering task.

The ground over which we have traveled has been new and unfamiliar. There have been no sign posts to guide us. Our policies have been developed laboriously by trial and error. Inevitably there have been mistakes, delays, and irritations.

ALL GROUPS HAVE BENEFITED

But the fact remains that the job so far has been accomplished. Prices and rents have remained relatively stable. Moreover, this stability has been accomplished without hardship to any major economic group.

Industry profits in 1943, even after the payment of high wartime taxes, actually exceeded net profits after taxes in 1929. They were more than double the net profits after taxes in 1939. Net farm income after all expenses exceeded prewar levels by 170 percent. Industrial wages are at an all-time peak.

VE-DAY WILL BRING NEW PROBLEMS

The pricing policies which we have followed during the war period have been effective under wartime conditions. But today we look forward to more and more cut-backs in war production and the increased production of peacetime goods.

During the next 90 days we are hopeful that the war will be brought to a close in Europe. During the next 18 months or so we are looking forward to victory in the Pacific. As our economy partially reconverts to peacetime requirements we will be called upon to face rapidly changing economic conditions.

Within 3 months after Germany is defeated it is estimated that plants now producing 40 percent of our war goods can be freed for the manufacture of civilian goods. More than 4,000,000 war workers will be made available for the production of goods for which the American people are eagerly waiting.

The Federal Government has made it clear that industry will be assisted and encouraged to resume the manufacture of civilian goods as rapidly as possible. To this end, the War Production Board has announced that it will lift controls over most materials and manufacturing immediately after VE-day. The War Manpower Commission has stated all manpower controls will be lifted except in relatively few areas where they are essential to continued war production.

The only lasting answer to inflation is full production of civilian goods with all possible speed. For this reason we in the OPA welcome these developments as a major aid in holding prices stable.

But even under the most favorable conditions our pricing task will be a ticklish one. A weak price policy during the next few months can set in motion all the powerful inflationary forces that surround us. A rigid price policy in which no allowance is made for legitimate increases in costs could stifle employment and production and head us straight for a major depression.

WHAT HAPPENED IN 1919

In 1919 we met this same problem on a greatly reduced scale, and fumbled it badly. While there are many factors now which are totally different from those we faced after the last World War, it will be wise to examine carefully what happened to prices immediately after Armistice Day 1918.

During the First World War, with a minimum of price control, the cost of living increased by 62 percent from July 1914 to Armistice Day. Both corporation profits and net farm income rose to record levels.

Immediately after the armistice, in November and December, war controls were dropped. In March 1919 the price level again started upward as a wild scramble for inventories and new goods developed.

This postwar inflationary rise continued at an increasing pace. By June 1920 living costs had risen to 108 percent above the 1914 level—an additional 46-percent increase after Armistice Day. Wholesale prices, which had risen 102 percent, went on to a peak of 148 percent above prewar levels. Wages and pay rolls, business earnings and farm income—these, too, continued their climb.

And then came the collapse. Within 22 months factory pay rolls dropped 44 percent to bring misery and privation to millions of our workers. Net farm income dropped 66 percent; 436,000 farmers lost their properties through foreclosures during the next 4 years.

Corporate profits after taxes dropped from $6,419,000,000 in 1919 to a net loss of $55,000,000 in 1921. Inventory losses, amounting to $11,000,000,000, wiped out practically all the reserves accumulated out of wartime profits.

That's the story of our price levels after the last war. Everybody had moved up together and everybody came down together. We went up fast; we came down hard. It's a story that provides a perfect lesson on how not to handle our pricing problems during the next few months. It's a story which we must all be determined shall not be repeated this time.

During the war our efforts have aimed solely at checking inflation. On VE-day the picture will change. When the telegrams go out canceling war orders, the forces of deflation will begin to develop.

From that day on until full production is achieved and supply and demand come into reasonable balance, the forces of inflation and deflation will exist in our economy side by side. Right now it is impossible for anyone to say with finality which will be the greater.

THE DANGER OF INFLATION

Let's first take a look at the huge inflationary pressures all ready to push prices up as soon as the war in Europe ends.

By the end of 1944, $100,000,000,000 of wartime savings will be waiting in the hands of people who have been unable to buy many of the things they wanted most—a new car, an electric refrigerator, a washing machine, a sewing machine, a new stove, new farm machinery, a new house.

Obviously, it will be impossible to produce all of these articles in sufficient quantities immediately. But people don't like to wait. The pressure of buyers with good jobs and a backlog of wartime savings will be tremendous.

Merchants will be anxious to be among the first to offer new goods for sale. The retailer who can quickly build a good inventory will be in a position to capture the business.

Every manufacturer, too, will want to be among the first to produce these goods. The competition for materials will be considerable. To back up this competitive desire for inventories and raw materials are billions of dollars in wartime reserves.

THE DANGER OF DEFLATION

But, as I have pointed out, inflationary pressures are only one-half the story. Deflationary pressures—some of them inescapable, some of them potential, are equally dangerous.

The closing of plants built only for war production—which probably cannot make peacetime goods—will require an estimated 2,000,000 people to look for peacetime jobs elsewhere. Millions of others will face temporary unemployment while the plants in which they work set up their new production lines for civilian goods.

In all plants changing over to civilian production, the return to the 40-hour week will reduce the workers' weekly take-home pay. Even a 10-percent cut in hours, which seems probable soon after VE-day, will cut salaries and wages by something like $12,000,000,000 in a year.

Adequate unemployment compensation will, of course, help to some degree to hold up purchasing power. Our huge backlog of savings will also serve as an antidepression asset. But fear of prolonged unemployment can make people hesitant to spend their savings except for necessities. A man out of work goes slow in building a new home—even though his savings account is still ample.

Up to now business and industry have been able to absorb the men—more than 1,250,000 of them—who have been mustered out of

the armed forces. However, when our soldiers and sailors start coming home after VE-day there may be more men than jobs until industry hits its stride.

If reconversion is slow, the national income will be dangerously down while millions of workers are waiting to return to work. Slowness in reconversion would also mean a let-down in demand for basic raw materials.

The Government has been spending about $70,000,000,000 a year for war materials and construction, and that money has provided good jobs at high wages. Within 3 months after the defeat of Germany it is estimated that this will be cut to about forty billion. To a major extent that's money out of our pockets, until we get civilian production going on a comparable scale.

Some of these deflationary threats we cannot hope to avoid. Some of them are temporary and the speed or slowness of reconversion will determine the extent of their influence. Others may not materialize, unless businessmen and their customers—frightened of the future—are afraid to invest and spend their money.

But after VE-day the threat of deflation cannot be ignored.

WE MUST RESIST BOTH FORCES

Statistics alone cannot measure either of these dangerous economic forces. Behind them lie the psychological factors of overoptimism on the one side or fear on the other. Both of these are products of uncertainty.

Uncertainty about prices is one of the most dangerous. It could lead to a wild speculation or to a drying up of purchasing power. That is why we are determined to do all in our power to hold prices stable during the months ahead.

It will take careful planning and intelligent cooperation on the part of all of us as a nation—Government, industry, labor, farmers—if we are to guide ourselves successfully through this difficult transition period.

There are many factors which will determine our success or our failure. The pricing policy we follow is only one of them. Our export policy, our tax policies, our disposal of Government-owned war plants and surplus war goods will all play an important part.

But our OPA responsibility is for pricing and for pricing alone. What shall our reconversion price policies be?

WHAT OUR PRICING POLICY MUST ACCOMPLISH

The pricing policy on the reconverted civilian products which we adopt to meet the difficult conditions which lie ahead must, in my opinion, accomplish the following:

1. It must encourage maximum production. It must not stand in the way of the manufacturer's desire to produce to the limit of his capacity. This means prices which yield good profits for business, large or small, on the basis of high-volume production.

2. Our pricing policy must be easy to apply. Decisions must be made rapidly. Manufacturers have a right to expect from us the quickest possible answers on requests for prices on new items. We must realize, however, that prices cannot be set without adequate information from the businesses affected.

3. Our pricing policies in the reconversion period must encourage the continued payment of high wage rates. When wages are reduced purchasing power begins to dry up. Through the loss of overtime and through some unavoidable unemployment, as plants are reconverted from wartime production to peace some deflation in the take-home wages of our industrial workers is inevitable. If this trend were increased by pricing policies that would result in a general lowering of wage rates, we would soon face a serious depression.

4. Our pricing policies must continue to protect the public against general increases in the cost of living. Rents, food prices and clothing prices must be held at no higher than present levels. On consumer goods which have been out of production for some time, price increases must be given only when absolutely necessary, and then held to the minimum amounts needed to encourage volume production.

5. Our pricing policy must not contribute to any repetition of the farm collapse which followed the inflation in prices after World War I. The ability of our farmers to purchase industrial products and generally to increase their standard of living has been tremendously improved during the war period.

With sustained high purchasing power our farmers can furnish one of the largest and most profitable markets for industrial products. In my judgment that market, in the reconversion period as well as during the postwar period, must be encouraged vigorously and sustained. The responsibility for that, of course, lies in other agencies.

6. Our OPA pricing policy must call for the elimination of price control as rapidly as possible. This means that ceilings should be removed on each product or in each industry one after another, when there is no longer any danger of inflationary price rises in that particular field.

If we decontrol too quickly we will find ourselves in serious trouble with the possible need for reimposing controls at a later date. But if we hold controls in effect after they are no longer needed it will tend to discourage production and initiative on the part of industry.

It is obvious that the development of a pricing policy to meet all these objectives is a difficult task. But if we are to achieve a vigorous, full production economy with a high standard of living and with full opportunity for every group, it must be successfully accomplished.

THE SIZE OF THE JOB

Let's take a look at the types of companies and products that have been under price control. Let's compare them with the others that will need to have their ceiling prices reviewed. In other words, let's take a look at the job ahead from the standpoint of administration.

Many companies have continued to make peacetime products throughout the war-production period. Others have continued the production of civilian goods, side by side with wartime commodities. Still others have for at least 2 years been wholly converted to the making of war materials. Some peacetime products have been entirely off the market since the first quarter of 1942. During the next few months they will become available to the general public for the first time in more than 2 years.

Price control now covers all civilian goods and many services. The principal consumer items now under price control have an estimated 1943 retail value of $78,000,000,000, or 85 percent of total consumer expenditures in 1943. Among the most important of these are food, clothing, rent, furniture and furnishings, fuels, and certain services.

The regulations setting up ceiling prices in the fields now covered have been geared to the individual requirements of the businesses and industries affected. With few exceptions they have been fair both to buyers and sellers. They meet the legal obligation that they must be generally fair and equitable.

The important point is that these ceiling prices are already in effect and are working. They have stood the test of time and, as the record amply demonstrates, they have permitted full production and record profits. Our hard-earned experience in setting them has given us the know-how to work out ceilings for the industries coming back into civilian production.

These present price controls present no new problem. They will be continued in substantially their present form. We shall continue to use the same pricing standards, standards which during the last few months have been carefully reviewed and approved by Congress. In other words, we will expect absorption of cost increases on less profitable items, as well as on more profitable items, by industries which manufacture several lines and whose total profits are satisfactory.

We have been adjusting prices in cases of individual hardship ever since ceiling prices were established, and we will, of course, continue to do so.

We will also continue to allow price increases to industries whose profits have fallen below the level of the 1936–39 period. But in most of these consumer lines now in production, volume should increase as war restrictions are removed and as raw materials become more plentiful.

Overtime payments will probably decrease, and more efficient labor will become available. As a result of these factors, unit production costs should decrease. It is my belief, therefore, that with relatively few exceptions, firms which are now manufacturing consumer peacetime products will continue to prosper under present ceiling prices.

PRODUCTS WHICH HAVE BEEN OFF THE MARKET

What industries may need new ceiling prices? As we see it, they will be largely in the metal-using industries in the consumer durable goods fields—industries which for the most part have been out of civilian production since early 1942.

The retail value of the products made by these industries in 1941 was $6,500,000,000. That represents only 8.5 percent of total consumer expenditures in 1941. Obviously, the percentage may differ for 1945, depending upon the speed and extent of reconversion, the progress of the war in the Pacific, consumer spending power, and many other factors. But it gives us an idea of the size of the problem.

Fewer than a dozen types of goods make up over 85 percent of the value of all items which may need a reconversion price. These are automobiles and parts, refrigerators, sewing machines, washing machines, vacuum cleaners and other electrical household appliances, radios, phonographs, pianos, heating and cooking equipment, clocks and watches.

The hundreds of miscellaneous items in the durable-goods field amount to only 15 percent of the problem. These, like the 85 percent, may or may not need new prices.

About a score of companies manufacture 80 percent of all the items which will soon be coming back into production. The remaining 20 percent are produced by about 25,000 additional firms of varying sizes.

From our administrative point of view the problem is substantial. But it is not as great as generally assumed. It is smaller than others which we have handled successfully in the past.

WHAT WILL NEW PRODUCTS COST?

In general, our objective in setting ceiling prices for these new goods will be the manufacturer's own 1942 prices. These are the prices he was charging when he converted from civilian to war production. And, with few exceptions, these are the ceilings in effect today for any manufacturer still producing the same or similar goods.

This means that any manufacturer who is planning to put new civilian goods on the market at 1942 prices or less knows now that his ceiling price will not be lowered. As soon as production and manpower controls are released he can proceed at once. Reconversion pricing will not be one of his problems.

In practically all consumer durable-goods industries there have, of course, been increases in wage rates and some increases in material prices. But we know from the wartime experience that increased wage rates and

material prices need not be fully reflected in price increases for the finished product.

In industries now under price control, such as textiles, meat packing, paper and pulp, for example, substantial increases in either hourly wages or materials prices, or both, have occurred. In none of these cases, however, has it been necessary to allow price increases anywhere near equivalent to the cost increases.

In most cases the price increase has been only a small fraction of the full equivalent. Nevertheless, profits have moved up sharply—so sharply in fact, as to suggest that the cost increase should often have been entirely absorbed without unfairness to the industry.

In cotton textiles, average hourly earnings increased 25 percent between December 1941 and May 1944, while materials prices rose 19 percent during the same period. To offset these increases in full, a price rise of 17 percent would have been necessary. The actual price increases during this period average only 6 percent. Profits of the industry before taxes nevertheless rose 33.3 percent between 1941 and 1943.

In slaughtering and meat packing the experience has been similar. To reflect fully increases in average hourly earnings and material costs between 1941 and 1943 would have required a price increase of 30 percent. The actual increase (including subsidies as a 10 percent price increase) was the equivalent of only a 16 percent price increase. Cost absorption here was therefore about 50 percent. Yet industry profits in 1943 were 68.2 percent above 1941 levels.

In the paper and pulp industry, average hourly earnings have increased 17.7 percent since 1941. Material costs have increased 19 percent during the same period. If these increases had been fully reflected, prices would have had to increase by 14.6 percent. Actually, paper and pulp price increases during this period averaged only 4.2 percent while industry profits have continued at the 1941 level.

Our experience in these fields and dozens of others strongly suggests that in the consumer durable goods industries, where increases in wage rates have been no greater and increases in materials prices have been substantially less, production for most companies can be resumed at approximately 1942 prices.

There are some companies, however, and perhaps a few industries whose costs have risen so far above their 1942 level as to make full absorption impossible. These will need new prices. They will need them quickly, and we intend to see that they get them.

HOW NEW PRICES WILL BE SET

It is our hope that ceiling prices for the major fields can be arrived at through industry-wide conferences in Washington. We are now planning meetings with members of the automobile, electric refrigerator, washing machine, radio, and a few other industries—representing on a dollar volume basis 80 percent of the entire reconversion pricing problem.

At these meetings we will discuss the volume each industry plans to achieve; what they are going to pay for labor and materials; the savings they expect to make through increased plant efficiency, and lower sales costs. We will also be guided by prices which they feel, on the basis of their own experience, are most likely to assure the wide-scale consumer buying necessary to maintain volume production.

In those cases where an increase over the 1942 price level is really needed to bring any product back on the market, an increase will be given. We will make every effort to set ceilings at a point that will lead manufacturers to expand, not restrict, their production.

PRICES FOR 25,000 SMALLER MANUFACTURERS

I am well aware that any delay on our part in setting prices would be an even greater hardship for small manufacturers than for large ones. We must make sure that any manufacturer who needs a new price can get a decision quickly. In order to do this, we will authorize the 93 OPA district offices, located in all parts of the country, to set the final ceiling price for all reconverted products not on the key list of 12 major items.

Many firms have already indicated that they plan to sell at their 1942 prices, or even lower, as soon as they can get back with civilian production. They will not need to call on our field offices at all.

Firms whose higher production costs make a price adjustment necessary will be able to present the facts to the nearest office and receive a price based on a set of standards arrived at in Washington. These will be standards that can be quickly applied without referring back to Washington.

The exact method by which the prices for the smaller firms will be set and the standards which will be followed are now under discussion with many of our advisory groups and with our field officers, on whom much of the administrative burden will fall.

Barring the sudden end of the war in Europe, the details will be withheld until these discussions are finished.

A complete plan, including pricing standards for the smaller manufacturers, however, has been fully developed. If necessary, we are prepared to announce full details of the pricing procedure that each manufacturer (with the exception of those making the major items listed above) will follow within 48 hours after VE-day.

Finally, we are studying the possibility of completely exempting from price control certain manufacturers in the consumer durable goods field. This might be done in two ways: First, by exempting all manufacturers doing less than a certain annual volume of business—say $100,000; second, by exempting manufacturers of minor parts or miscellaneous products.

We are anxious to do this in order to eliminate as rapidly as possible all unnecessary red tape and needless regulation. We are investigating the extent to which this can be done without endangering effective price control in the consumer durable goods field.

WHEN WILL CONTROLS BE LIFTED?

We have always looked upon price control as a stopgap, a stabilizing wartime control to be dropped as soon as production brings supply and demand reasonably in balance. The last war, with its false economic calm after the armistice, followed by a ruinous inflation and collapse, taught us the danger of moving abruptly and thoughtlessly. To maintain controls needlessly even for a few extra months would be equally mistaken.

The wartime lack of balance between supply and demand made price control necessary. When supply and demand come back into balance price controls will not be needed. As soon as there is no further danger of price increases in a particular commodity field there will be no reason for price ceilings in that field and we will drop them.

The exact timing will vary widely from item to item. But, working with Industry Advisory Committees, we will watch each field closely. We will rely heavily on their recommendations as to when controls can be safely removed.

INDUSTRY'S RESPONSIBILITY FOR THE FUTURE—SOME PERSONAL OBSERVATIONS

In this memorandum I have discussed Government wartime controls over prices and rents. I would like to add, however, a few personal thoughts on the problem which industry will face when all Government controls have been eliminated.

I must emphasize that these ideas represent my personal opinion only. They are based on my own experience and observations gathered in my own business before the war and, more recently, in dealing with policy problems as a wartime employee of our Government.

Most of us think of free enterprise as a system in which prices are set by competition and the law of supply and demand. Unfortunately, before the war this concept was true only in part of our economy.

In too many industries prices were held up artificially in order to provide higher unit profits. Because of this policy, in some industries full production and employment were curbed. In many cases businessmen pursued a policy of high unit profits based on curtailed production, rather than going after the larger total profits that might have come through larger volume at a lower profit per unit.

During the war we have all had an opportunity to learn much about our economic system. Before the war few of us visualized the tremendous productive power of our American economy. The fact that this miracle of production has been achieved during wartime will have a significant influence on our peacetime industrial planning.

It is unlikely after the war that our people, including our 11,000,000 returning servicemen, will long tolerate any economic system which does not provide reasonably full production with reasonably full employment at a high standard of wages and farm income.

As a practical matter, we cannot go back to the production levels of 1940. The Department of Commerce recently estimated that if in 1946 we were to go back to 1940 total production at 1940 hours of labor there would be 19,000,000 unemployed. There would be a cut of more than 30 percent from our present level of production.

Such an economic reversal would mean shrinking markets and falling prices for farm products, as well as the products of our factories. It would mean that our farmers, our workers, and our returning soldiers would again have to compete bitterly with each other for their frugal individual shares of economic scarcity. It is obviously unthinkable.

If we attain full production and experience, a corresponding increase in the national purchasing power, the Department of Commerce says we would be able to spend 40 percent more for food in terms of a more varied diet, better qualities, and increased services in connection with processing and distributing food products—45 percent more for clothing, 55 percent more for refrigerators and other electrical equipment, 70 percent more for household furniture, 90 percent more for new farm machinery, and two and one-half times more for new homes than in 1940.

We who have been close to American industry during the war period believe that industry can successfully meet this test of the future. But I believe we are all aware, both in Government and in industry, that in order to reach this goal we must establish and maintain close cooperation among all groups—business, labor, farmers, and Government.

During the next 5 years, of all periods in our history, we will need economic courage, good sense, and a common understanding of the problems that we face.

If, during the next few years, major segments of American industry operate on a high-price, high-unit profit basis, we are going to have diminished production and dangerous unemployment. If major segments of American industry attempt to cut prices by depressing wage rates, we will face the dangers of another disastrous depression.

The basic answer to our economic future, it seems to me, lies in the maximum hourly

production on the part of labor; high wage rates, low unit profits, and the greatest possible volume on the part of industry; the maintenance of high farm income; and the joint realization of all groups that the prosperity of each depends on the prosperity of the others.

During this difficult war period we have all learned to cooperate and to work together on a constructive give and take basis. We are winning the war today because each group—our soldiers and sailors, our industrial workers, our leaders of enterprise, our farmers and our Government—have worked as part of a team.

We have had our occasional differences of opinion. But we have never had to argue about where we wanted to go or the speed with which we wished to get there.

Our economic future, like the winning of the war, rests in our own hands. This challenge is as great as the war itself.

Mr. THOMAS of Oklahoma. Mr. President, if the OPA takes over it plans to roll back prices to 1941 and 1942 levels. The OPA plans to roll back prices of all commodities, including labor, to where they were in 1941 and 1942.

If this amendment shall be voted down, the vote will be, in effect, to turn OPA loose to do as it pleases.

Mr. President, on page 6 of the memorandum which I have asked to have printed in the RECORD the OPA refers to 1941 and 1942 prices. Allow me to state what 1941 and 1942 prices were, Mr. President. Then I will yield if I have any time left.

In 1941 wheat sold for 96 cents a bushel. Wheat sold for only $1.18 a bushel in 1942. OPA will roll the price of wheat back to 1941 or to 1942.

Let us consider cotton. The OPA will roll the price of cotton back. In 1941 cotton sold for 17.03 cents a pound, and in 1942 it sold for 19.14 cents a pound. OPA will roll cotton back to the prices of 1941 and 1942.

Let us take corn. In 1941 corn sold at 75 cents a bushel. In 1942 it sold at 91 cents a bushel. The OPA will roll the price of corn back to the 1941 and 1942 levels.

Let us also consider hogs. In 1941 hogs sold for 9.09 cents a pound. OPA expects to roll back the price to what it was in 1941 and 1942.

Let us take cattle, for example, and we will find the same situation exactly.

Mr. President, if the OPA rolls back the prices to the farmers and growers they will then proceed to take up the subject of wages. I am wondering if my good friend, the head of the American Farm Bureau, is in favor of rolling back prices to where they were in 1941 and 1942. I wonder if the men representing the great labor organizations will stand for an order rolling the wages of labor back to what they were in 1941 and 1942.

I now yield to the Senator from Kentucky.

Mr. BARKLEY. The Senator got away from the point about which I wanted to interrogate him. He was putting forth what seemed to me to be a bogy that Mr. Bowles had planned to take over and run the economy of this country. I am sure the Senator knows that Mr. Bowles nor anyone under him may operate 1 day or 1 hour without the approval of Congress.

Mr. THOMAS of Oklahoma. Then why has Mr. Bowles issued this kind of literature?

Mr. BARKLEY. Because already there is a certain amount of reconversion taking place. His statement is in respect to a policy of the OPA in regard to matters of conversion while it is in existence and going on. Reconversion is now taking place. Instead of rolling retail prices or other prices back to what they were in 1942, the Senator from Oklahoma knows that there are many products which are not now in existence. The only correct criterion to follow is the price that the product brought when it was last on the market.

Mr. THOMAS of Oklahoma. Mr. President, my time is limited. I have only 1 or 2 minutes left, and I wish to continue with my statement.

Mr. BARKLEY. When the last two price increases in material and labor are taken into consideration, if the Senator will study the statement——

Mr. THOMAS of Oklahoma. Mr. President, I make the broad statement that the OPA has not been authorized by Congress to have anything to do whatever with reconversion. It does, however, have power to fix prices at the present time. If this bill is enacted into law the OPA will be in power for at least another year. However, I maintain that it has no power under any law to take over the regulation of the domestic economy of the United States and manage it after the war is over. The War Production Board could do so, but not the OPA.

Mr. President, I submit the amendment on its merits.

Mr. BARKLEY. Mr. President, I do not want to shut off anyone from debate, but I hope that we can reach a vote on the pending substitute before we adjourn today. Therefore, I urge Senators to remain in the Chamber.

Mr. TAFT obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. I do not wish to shut off any Senator from debate, but I hope we can have a vote on the pending substitute before a recess is taken tonight. Therefore, I urge Senators to remain in the Chamber until a vote is had.

Mr. TAFT. Mr. President, I rise to oppose the Barkley substitute. I may say the substitute represents a third concession made by the Price Administration after considerable pressure. It seems to me that they are still protecting themselves against having to do anything they do not want to do. The language is so vague as to "a reasonable margin of profit to the processing industry as a group," that I think they can interpret it to mean almost anything. They can choose the industry members on whom they wish to base the profit, they can average the whole thing, they can average it in any way they want to average it. I do not really think it proposes any definite standard for the Price Administration.

The objections to the Thomas amendment, and to my amendment, as well, have been made on the floor today in two or three groups. In the first place, it is claimed that it is not possible to protect every individual packer, because that would impose a vast job on the OPA. Let me say that is exactly what the OPA is doing in nearly all the reconversion industries. I talked with Mr. Brownlee at the time of their announcement of the reconversion policy, and they propose to fix a 1942 price, practically, on all reconversion products. Then they are going to each firm, and if the firm can show it is losing money, as practically all of them are, we know it could get a special price. Mr. Brownlee said it would impose a very large administrative task, but that he thought they could do it. Now they say that it is impossible to be done.

As a matter of fact, they do not have to do that. They can fix a reasonable price for meat which will return a fair profit to those who received fair profits in the prewar period, those who were efficient enough, and it will be a flat price for all meat. There will be a few less efficient processors, who did not make that much profit before the war, or who are not making it now, who will go down to practically a break-even basis. Under the Thomas amendment, it is true, they would have to be given a special price. At the present time they can get by, probably because the supply of meat is so short, but as it becomes more plentiful, they will have to take their loss, because they will not be able to get the additional price.

There is no guaranty of profits in this undertaking, unless there is a tremendous shortage in the particular goods. It is merely a question of where the maximum price shall be fixed. The statement is, "You shall not fix a maximum price which will not return a reasonable margin over cost to those who are in the business."

After all, these people have been in business all their lives. They succeeded in the prewar period. Why do they not have the same opportunity today, in the postwar period?

Mr. PEPPER. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield for a question, but it is not a precedent, because my time is limited.

Mr. PEPPER. Is it not a fact that if any benefit is to be derived by the processors whom the amendment seeks to benefit, it will have to come out of the consuming public?

Mr. TAFT. Either the consuming public or through an additional subsidy. Personally, I think it should come out of the consuming public. I think the consuming public is perfectly able to pay it, and I believe very strongly that the prices have been held down too much. Yesterday I cited statistics which show that in the past 4 years the take-home wages of labor have increased 78 percent, whereas prices have risen 26 percent. The price level is well below the wage level. It is well below even the current hourly rate of wages, which has gone up, according to one method of cal-

culating, 45 percent, and according to another method, 37 percent.

The statement is made that a controlled inflation is a break-down of our economy. What have we had for the last 4 years except controlled inflation? There is inflation today, and everyone recognizes that fact. Prices have risen 26 percent. The currency has increased in volume three times, and bank deposits have doubled during this period. There is no question that we have inflation today. An increase of 78 percent in take-home pay is inflation. The increase in wage rates is inflation.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. TAFT. I am sorry; I have not sufficient time to yield, as I should prefer to do.

There is no question that what we have today is controlled inflation. We cannot stabilize everything when a war starts and keep it so. There was an effort to freeze wages 2 years ago and an effort to freeze prices, and since that time the hourly rate of wages has risen 12 percent, in spite of the Little Steel formula, while prices have risen 1 or 2 percent. There is inflation. If we recognize an increase of prices, we recognize the necessary result of an inflation which has already occurred, and if we keep the price level below the general standard of inflation in other respects, it means that industry is probably conducted at a loss; it means people will not be able to go into business in the reconversion period; it means that we will not be able to put people to work; it means that people will not be able to obtain the employment which they wish to obtain.

It is said that certain industries have made too much profit. That was the principal argument made by two of the Senators who have spoken. What do they mean by that? They are taking the 1944 profits. Most of these industries are engaged in the production of war goods, and a large part of the profits are war profits. But in the case of a steel company, for instance, as soon as it quits manufacturing materials for war and returns to the manufacture of ordinary steel products at 1942 prices, it will be in such a position that it cannot make any money; it will not wish to expand its business, and will not care to put anybody to work. We must remember, furthermore, that when we talk about profits, we are talking about what happened a year ago, in the year 1944. We cannot get a report on over-all profits of industry until 3 months, at least, after the end of the fiscal year. So when we talk about conditions a year ago, that is to say, before VE-day, before we had the problem of reconversion facing us in any respect, such profits show nothing as to what is happening today, and what will happen as to reconversion profits.

Furthermore, it is said we cannot give industries prewar margins because the volume is greater today, and therefore they will make more profit. As a matter of fact, the volume is greater for those who have been in the business of producing war goods, and it is greater in some other respects, but there are many industries whose volume is not greater than it was before the war. There are many industries which, particularly doing the period of reconversion, will have a very limited volume, and have difficulty in reaching the volume they enjoyed in the prewar period.

It seems to me obviously just and clear that if we want to put people to work making civilian goods, and afford employment to 2,000,000 men from the army and to two or three million men who will be leaving war industries in the next 6 months, we should enable the industries to make the same margin of profit over cost they made before the war came on.

Mr. President, that is only fair, and if we do not give them any margin, or make them operate at a loss, they will not expand their business. They may come back into business in order to keep their hand in, but they will not try to do the business they did before the war.

The soldiers who want to go into industries will not be able to do so if the profits of the industries are held at low figures. In the case of a limited number of products many industries have profitable prices, but I cited last week industries making textile machinery going back into that operation, as well as industries making wood-working machinery, referred to by the senior Senator from Wisconsin [Mr. LA FOLLETTE]; integrated steel companies, meat packers, furniture manufacturers, cotton oil mills, cloth and suit manufacturers, paper box manufacturers, electric iron manufacturers, manufacturers of women's shoes, manufacturers of agricultural products, auto parts, screw machine products, particularly automobile parts, and the Maine paper industry to which I referred.

There is a wide list of products which today are priced at a figure which do not return the cost and which certainly do not give any margin which will induce producers to put any people to work. Of course, to the extent that the profits of 1944, which were referred to, are war profits, they are subject to renegotiation. If the profits are too great, the Army and the Navy take them away from the producers. The profits are subject, furthermore, to 80 percent excess-profits tax if they are excess profits. Certainly that, Mr. President, is a sufficient limitation on profits.

I was afraid that if this subject were brought up contrast would be made between profits and the men who have given up their lives in the war. I have not thought the system in effect during the past year was the correct system, but I felt that during the war these companies should be casualties of the war and should be so regarded. Now, however, as we approach the reconversion period, we face another question, and in the next 6 months the effect on the economy of the country from civilian production will be greater than from war production, because war production will be cut down, certainly less than 50 percent, and perhaps closer to 25 percent, below what it was when we were engaged in two wars.

The question of getting people back to work now becomes important. It is not a question of sacrifice. I do not care whether corporations make any profit or not, so far as they are concerned. The point is that unless we set up an economy based on a normal price level similar to that of the prewar era, which gives a reasonable margin over cost, we are not going to have reconversion, we are not going to have employment, we are not going to develop the dynamic economy which is supposed to put 50,000,000, 55,000,000, or 60,000,00 people to work in the United States.

Incidentally, there are many figures given to show percentage of profit in some years over other years when companies did not make any profit. Of course, if they do not make any profit, or perhaps a profit of only $1,000 in one year, and in another year make profits of $290,000, there is a difference of 290 percent, even though $290,000 is a low return on the actual capital invested in the business.

Mr. President, I want to make it clear that the Thomas amendment and my amendment together cover very much the same points. The Thomas amendment does provide that each processor shall receive a profit. That is because the Senator from Oklahoma is interested in production. He is interested in keeping every packer in business. After all, they succeeded in keeping in business in peacetime. I do not know why they should be put out of business in wartime. But the basing system could be exactly the same. It could be the reasonable cost to a reasonably efficient producer plus the margin he made in the prewar period. Then under the Thomas amendment it would be necessary to take care of the limited margin producers and give them a little more, by allowing them to charge a higher price if they can get it. Under my amendment producers are entitled to make a profit, or no profit at all unless they can get the business up to the normal standard.

The Senator from Kentucky said the question came down to the meat business. The only reason for that was that the meat business presented such a glaring case of inefficiency on the part of the OPA. In this case it was so clear that their policy interfered with production, it was so clear that they have forced little fellows out of business because they had an over-all industries profit, that it has come to the public attention, and has caused such pressure on the OPA that the OPA have yielded once, twice, and finally yielded a third time. Finally they agreed, under the strong pressure of the Senator from Kentucky, really to write the policy into an amendment instead of simply writing a letter that they would make changes as they pleased as they went on. But it seems to me that the amendment offered by the Senator from Kentucky is exceedingly indefinite. It does not tie the OPA down to anything, and to my mind it does not meet and solve the meat problem any more than it meets and solves any other problem.

Above all, I believe we stand at the crossroads today asking, as we go into reconversion, whether we are going to have our policy based on a reasonable

return to those who want to go into business, or whether we want to have them so hamstrung by restrictions and price limitations that they will not go into business, so we shall not put men to work, but shall create a tremendous unemployment problem which can not even be taken care of by the bill introduced by the Senator from New York [Mr. WAGNER], by spending vast billions of Government money in order to put people to work.

If Senators really want a private industry system in this country it is necessary to give private industry a chance to operate under normal conditions. It is necessary to give men a chance, and not be tied down hand and foot by Government restrictions. I do not think private industry can operate normally unless we adopt the Thomas amendment and the Taft amendment, whereby the OPA will be told clearly that Congress disapproves of the over-all industry standard, which helps only the big fellow and makes all the smaller companies sell at a loss, and that Congress proposes to require them to consider each product it is desirable to have manufactured in the postwar period and price it fairly as a product so that persons may be induced to go into the business of manufacturing it and may be induced to put other people to work in the making of the particular product.

Mr. MAGNUSON. Mr. President, I had intended to say something in answer to what the distinguished Senator from Ohio [Mr. TAFT] has said his amendment would do respecting labor, but the hour is late. Substantially, of course, the Senator from Ohio would not reduce dollar wages. All his amendment would do would be to increase prices to the laboring man. I have compiled some figures on corporate income and on the wages of the laboring men of this country. I ask unanimous consent to place the statement I have prepared in the RECORD, as an answer to the position taken by the Senator from Ohio.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DRAFT OF STATEMENT BY SENATOR WARREN G. MAGNUSON ON LABOR ASPECT OF SENATOR TAFT'S POSITION

One of the most alarming implications in the position taken by the distinguished Senator from Ohio in his speech to the Senate last week and, I may add, in his radio debate with Leon Henderson has thus far escaped attention.

It must be brought out into the open.

Senator TAFT in his debate yesterday said:

"Whereas prices have gone up only 1½ percent in the cost of living index, the wages in this country have gone up more than 10 percent in 2 years."

He followed this statement with a variety of other measures of increases in labor's earnings and rates of pay.

From this he drives straight to the following conclusion. Let me read his words:

"The cost of living price level has gotten entirely out of line with the wage level."

To make it perfectly clear that in his opinion this relatively greater increase in wages is not deserved, he then asserts—and I quote:

"I do not think the slightest evidence has been offered that there has been any increase in the efficiency of wage earners."

Senator TAFT has made it abundantly plain how he would correct this out-of-lineness of living costs and wages.

Senator TAFT would not reduce dollar wages. All he would do would be to increase prices. In other words, he would let the worker take home just as many dollars at the end of the week. He would simply cut down the things which the worker's dollars would buy.

Why does Senator TAFT propose this assault on the American workman's standard of living? Does he think that the American workman has been living too well during this war?

I am sure that the distinguished Senator from Ohio would not admit this. The Senator's position seems to be that unless the relative purchasing power of the worker's dollar is kept static the American productive economy cannot thrive.

This is an extraordinary philosophy for a Nation which has committed itself to a program to attain full employment after the war.

I recognize, of course, that there is always the possibility that so serious maladjustment between prices and wages could come about as to require an increase in the price level. But what is the elementary test of such a maladjusment?

The test, of course, is whether business profits have been squeezed to such a point that business cannot continue to operate at a high level of production. The proper line of inquiry, therefore, is to see how business profits have been faring during this period when in Senator TAFT's view the cost-of-living index has gotten out of line with the level of wages. This is so obvious that it is extraordinary that the Senator should have made no mention of the rise in the level of business profits, incorporated and unincorporated, during the very time that Senator TAFT would have us believe business enterprise is being squeezed between fixed prices and rising wages.

Let us look to the record. The facts are in the committee report at pages 3 and 4.

Senator TAFT notes that since the 1st of January 1941 take-home pay has gone up about 80 percent. How did corporate profits rise during that same time? Let us compare the profits for the year ending December 31, 1940, with the profits for the year ending December 31, 1944, and let us look only at profits after all corporate income and excess-profits taxes had been paid.

In 1940 that income was $4,800,000,000. In 1944 it was estimated at $10,000,000,000. That makes a percentage increase of slightly over 108 percent—call it just 100 percent to take care of any error in the estimates.

Does an 80-percent increase in take-home pay seem excessive to Senator TAFT because corporation profits have risen only 25 percent faster? Just what would he consider the proper in-line relation, between corporation profits?

Of course, I realize that all business is not incorporated. Let's see what unincorporated business has done. The comparison appears on page 4 of the committee report. These are profits before taxes because, of course, there are no corporate or excess-profits taxes levied against unincorporated businessmen. The proprietor pays only his personal income tax, just as the wage earner does. Senator TAFT has manifested special concern lest business has been too tightly squeezed during the past 2 years when prices have gone up less than 2 percent while he claims wages have increased more than 10 percent. What did corporation profits do after taxes during those 2 years, 1943 and 1944? Comparing profits for the year ended December 31, 1942, with profits for the year ending December 31, 1944, the increase registered is 20.4 percent. That may look like a squeeze to the Senator from Ohio, but it looks like extremely good business to me.

The table on page 4 of the committee report gives the aggregate dollars of increase between 1940 and 1944 by four types of sellers—manufacturers, wholesalers, retail dealers, and service trades.

The percentage of profits increase during this period for the unincorporated manufacturers is 87 percent. The percentage for the unincorporated wholesalers is 83 percent. For unincorporated retailers the percentage is 94 percent, while for the unincorporated service trades the percentage is only 39 percent. Apparently, then, it is only the unincorporated service trades which have failed to gain more than the gain in labor's take-home pay.

Latest figures for 1945 on corporate profits show that the spectacular levels of 1944 have almost been maintained. Some falling off, to be sure, may be expected as war spending declines. But war spending for the 6 months after January 1, 1946, is officially estimated by WPB to be at the rate of $73,000,000,000 per year.

With spending on that scale still continuing during the second half of the period covered by the proposed extension of this act, it is fantastic to suppose that corporate profits will be so far reduced as to require a reduction in the real wages of American labor.

Senator TAFT underestimates the American businessman. He has achieved production miracles during the past 4 years and he has been amply and properly rewarded for them. I do not think that he is going to cut down production now until his already magnificent profits are enhanced by still higher prices.

Mr. THOMAS of Oklahoma. Mr. President, I promised certain Senators that I would notify them if a vote were to be taken this afternoon. In order that they may be notified, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Myers
Austin	Green	O'Daniel
Ball	Guffey	O'Mahoney
Bankhead	Hart	Overton
Barkley	Hatch	Pepper
Bilbo	Hayden	Reed
Brewster	Hickenlooper	Robertson
Bridges	Hill	Saltonstall
Briggs	Johnson, Calif.	Shipstead
Brooks	Johnson, Colo.	Smith
Buck	Johnston, S. C.	Taft
Burton	La Follette	Thomas, Okla.
Bushfield	Langer	Tobey
Butler	Lucas	Tunnell
Capper	McCarran	Tydings
Chandler	McKellar	Wagner
Chavez	McMahon	Walsh
Donnell	Magnuson	Wherry
Downey	Mead	White
Ellender	Mitchell	Wiley
Ferguson	Moore	Wilson
Fulbright	Morse	
George	Murdock	

The PRESIDENT pro tempore. Sixty-seven Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY] as a substitute for the modified amendment offered by the Senator from Oklahoma [Mr. THOMAS].

Mr. BARKLEY. Mr. President, have the yeas and nays been ordered?

The PRESIDENT pro tempore. They have not.

Mr. BARKLEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. BRIDGES. I have a general pair with the Senator from Utah [Mr. THOMAS]. If he were present I understand he would vote "yea." I transfer that pair to the Senator from Idaho [Mr. THOMAS] and will vote. I vote "nay."

Mr. TYDINGS. My colleague [Mr. RADCLIFFE] has been called from the Chamber on Government business. If he were present he would vote "yea."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

I announce that the Senator from Florida [Mr. ANDREWS] is necessarily absent. I am advised that if present and voting he would vote "yea."

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent in Europe visiting the battlefields.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from North Carolina [Mr. BAILEY], the Senator from North Carolina [Mr. HOEY], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from West Virginia [Mr. KILGORE] is absent because of illness in his family.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent in Europe on official business for the Interstate Commerce Committee.

I further announce that the Senator from Texas [Mr. CONNALLY] has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from Idaho [Mr. TAYLOR] has a pair with the Senator from North Carolina [Mr. BAILEY]. I am advised that if the Senator from Idaho were present and voting he would vote "yea," and the Senator from North Carolina would vote "nay."

The Senator from West Virginia [Mr. KILGORE] has a pair with the Senator from North Carolina [Mr. HOEY]. If present and voting the Senator from West Virginia would vote "yea," and the Senator from North Carolina would vote "nay."

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY] and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Colorado [Mr. MILLIKIN] and the Senator from Idaho [Mr. THOMAS] are absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco. He has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Indiana [Mr. WILLIS] is necessarily absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART], the Senator from New Jersey [Mr. HAWKES], the Senator from Colorado [Mr. MILLIKIN], the Senator from Idaho [Mr. THOMAS], and the Senator from Indiana [Mr. WILLIS] would vote "nay" if present.

The result was announced—yeas 36, nays 31, as follows:

YEAS—36

Aiken	Hart	Murdock
Bankhead	Hatch	Myers
Barkley	Hayden	O'Mahoney
Briggs	Hill	Overton
Chavez	Johnson, Colo.	Pepper
Downey	Johnston, S. C.	Saltonstall
Ellender	La Follette	Smith
Fulbright	Langer	Tobey
George	Lucas	Tunnell
Gerry	Magnuson	Tydings
Green	Mead	Wagner
Guffey	Mitchell	Walsh

NAYS—31

Austin	Chandler	Reed
Ball	Donnell	Robertson
Bilbo	Ferguson	Shipstead
Brewster	Hickenlooper	Taft
Bridges	Johnson, Calif.	Thomas, Okla.
Brooks	McCarran	Wherry
Buck	McKellar	White
Burton	McMahon	Wiley
Bushfield	Moore	Wilson
Butler	Morse	
Capper	O'Daniel	

NOT VOTING—29

Andrews	Hoey	Scrugham
Bailey	Kilgore	Stewart
Byrd	McClellan	Taylor
Capehart	McFarland	Thomas, Idaho
Connally	Maybank	Thomas, Utah
Cordon	Millikin	Vandenberg
Eastland	Murray	Wheeler
Glass	Radcliffe	Willis
Gurney	Revercomb	Young
Hawkes	Russell	

So Mr. BARKLEY's amendment in the nature of a substitute for the modified amendment of Mr. THOMAS of Oklahoma was agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the modified amendment offered by the Senator from Oklahoma [Mr. THOMAS] as amended.

The amendment as amended was agreed to.

Mr. TAFT. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Ohio will be stated.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to add the following:

SEC. 3. No maximum price shall be established or maintained, over protest, for any commodity or for any major product of a processor, manufacturer, or miner (other than products resulting from the processing of cotton and products of any species of livestock), which does not return to the processors, manufacturers, and miners of such commodity or major product, not less than the same dollar margin over cost if any, which they received for such commodity or major items in the year 1939. For the purpose of determining such margin, "cost" shall include, both for 1939 and current year calculations, labor, materials, overhead, sales and advertising expenses, taxes other than Federal taxes, depletion, depreciation, and all other expenses allowed as deductions by the Federal income-tax laws. "Costs" and "margin" for any group of processors, manufacturers, and miners shall be the average costs and margins of typical members of the industry to be determined by any reasonable method selected by the Administrator. Maximum prices fixed hereunder shall not be invalid because they fail to return his costs to particular members of such group. The word "miners" shall be defined as including all individuals, partnerships, and corporations engaged in the business of mining but shall not include employees.

Nothing in this section shall nullify the power of the Administrator to make adjustments and reasonable exceptions in individual cases under the provisions of section 2 (c) of the Emergency Price Control Act of 1942, but it is the intention of this section that an adequate general price level be established for all commodities and major products, and exceptions made only in special cases.

Mr. TAFT. Mr. President, I think it will take only approximately 2 minutes to explain the exact provisions of the amendment and the changes I have made which distinguish it from the former amendment.

The amendment as now offered applies to all processors, manufacturers, and miners. It does not apply to distributors, either wholesale or retail. In the amendment as now proposed, two products are completly excepted from it. One is products resulting from the processing of cotton, because they are dealt with by the Bankhead amendment. The other is products of any species of livestock, because they are dealt with by the Thomas amendment. My amendment as now offered covers both agricultural and nonagricultural products.

In line 13, on page 2, I have made a change by striking out the word "any" and changing the word "member" to "members", so that that part of the amendment would read "to return his costs to particular members of such group," so as to indicate that the maximum prices shall not be invalid if more than one member of a group fails to receive a return of his costs or fails to make a profit.

The amendment differs from the Thomas amendment, because under my amendment the fixing of prices would be done only upon application by an industry. The OPA would not have to go out and on its own motion examine the books or records of every processor.

The standard which is set is only an industry standard. It does not apply to any particular processor in any way. It simply provides that in the case of each industry, the OPA may select typical members by which to judge the industry, and the amendment would require that they shall have the same margin over their present costs that the industry enjoyed in the year 1939.

The greatest objection made to this amendment by Mr. Bowles in his statement of day before yesterday was that the year 1941, which I had used, was a year of exceptionally wide margin. So I have gone back to the year 1939. In 1937 everyone lost money. In 1938 profits were coming back; 1939 was approximately an average year. In 1941 and 1942 we began to feel the effects of the war. So the standard which I propose is the year 1939.

I think it is made perfectly clear that maximum prices shall not be invalid because they fail to return their costs to particular members of an industry, just as in peacetime some members probably lose money or do just a little better than receive their costs. So it is proposed that in the reconversion period the position shall be exactly the same.

However, the amendment would not exclude the possibility of making special arrangements, as the OPA does now under section 2 (c) of the Emergency Price Control Act.

I think I have previously made the arguments for the amendment. All I wish to say at this time is that the amendment contemplates merely that in the reconversion period—and we are just at the beginning of that period—maximum prices shall not be fixed by law for any product on which standard members of the industry shall not be able to recover their costs plus the same kind of margin they had in normal prewar times.

I think the statement of that formula itself is a statement of its justice and its wisdom, if we wish to bring about reemployment in the postwar period.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT].

Mr. BARKLEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a general pair with the Senator from Utah [Mr. THOMAS]. I transfer that pair to the Senator from Idaho [Mr. THOMAS] and will vote. I vote "yea."

The roll call was concluded.

Mr. PEPPER. My colleague, the Senator from Florida [Mr. ANDREWS], is unavoidably absent. If he were present, he would vote "nay."

Mr. TYDINGS. My colleague from Maryland [Mr. RADCLIFFE] is absent on Government business. If he were present, he would vote "yea."

Mr. MORSE. The RECORD shows that my colleague, the distinguished senior Senator from Oregon [Mr. CORDON], is in the West attending meetings of the Committee of the Senate on Grazing Fees.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent. I am advised that if present and voting he would vote "nay."

The Senator from North Carolina [Mr. BAILEY], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from North Carolina [Mr. HOEY] are absent on public business. I am advised that if the Senators from North Carolina were present and voting they would vote "nay."

The Senator from Virginia [Mr. BYRD], the Senator from South Carolina [Mr. MAYBANK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent in Europe visiting battlefields.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business in Europe for the Interstate Commerce Committee.

The Senator from West Virginia [Mr. KILGORE] is absent because of illness in his family. I am advised that if present and voting, he would vote "nay."

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY] and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Colorado [Mr. MILLIKIN] and the Senator from Idaho [Mr. THOMAS] are absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco. He has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Indiana [Mr. WILLIS] is necessarily absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART], the Senator from New Jersey [Mr. HAWKES], the Senator from Colorado [Mr. MILLIKIN], the Senator from Idaho [Mr. THOMAS], and the Senator from Indiana [Mr. WILLIS] would vote "yea" if present.

The result was announced—yeas 26, nays 41, as follows:

YEAS—26

Austin	Capper	Robertson
Ball	Donnell	Saltonstall
Brewster	Ferguson	Shipstead
Bridges	Hart	Smith
Brooks	Hickenlooper	Taft
Buck	Johnson, Calif.	Wherry
Burton	Moore	White
Bushfield	O'Daniel	Wiley
Butler	Reed	

NAYS—41

Aiken	Fulbright	Johnston, S. C.
Bankhead	George	La Follette
Barkley	Gerry	Langer
Bilbo	Green	Lucas
Briggs	Guffey	McCarran
Chandler	Hatch	McKellar
Chavez	Hayden	McMahon
Downey	Hill	Magnuson
Ellender	Johnson, Colo.	Mead
Mitchell	Overton	Tydings
Morse	Pepper	Wagner
Murdock	Thomas, Okla.	Walsh
Myers	Tobey	Wilson
O'Mahoney	Tunnell	

NOT VOTING—29

Andrews	Hoey	Scrugham
Bailey	Kilgore	Stewart
Byrd	McClellan	Taylor
Capehart	McFarland	Thomas, Idaho
Connally	Maybank	Thomas, Utah
Cordon	Millikin	Vandenberg
Eastland	Murray	Wheeler
Glass	Radcliffe	Willis
Gurney	Revercomb	Young
Hawkes	Russell	

So Mr. TAFT's amendment was rejected.

Mr. WHERRY. Mr. President, I send to the desk and ask to have read an amendment which I offer in behalf of myself and the Senator from Minnesota [Mr. SHIPSTEAD].

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following:

It shall be unlawful to establish or maintain against the producers of any livestock, grain, or any other agricultural commodity a maximum price for such commodity which does not equal all costs and expenses (including all overhead expenses and return on capital, and an allowance for the labor of the producer and his family) incurred in the production of such commodity plus a reasonable profit thereon.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Nebraska.

Mr. WHERRY. Mr. President, this amendment does exactly to the producer what would be done to the processor under the amendment of the Senator from Kentucky [Mr. BARKLEY].

I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a general pair with the Senator from Utah [Mr. THOMAS]. I transfer that pair to the Senator from Idaho [Mr. THOMAS] and will vote. I vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from North Carolina [Mr. HOEY], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent in Europe visiting battlefields.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair

with the Senator from Michigan [Mr. VANDENBERG].

The Senator from West Virginia [Mr. KILGORE] is absent because of illness in his family.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent in Europe on official business for the Interstate Commerce Committee.

The Senator from Maryland [Mr. RADCLIFFE] is absent on Government business.

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY] and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Colorado [Mr. MILLIKIN] and the Senator from Idaho [Mr. THOMAS] are absent because of Illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Indiana [Mr. WILLIS] is necessarily absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] has a general pair with the Senator from Texas [Mr. CONNALLY].

The result was announced—yeas 37, nays 30, as follows:

YEAS—37

Aiken	Chavez	O'Daniel
Austin	Donnell	Reed
Ball	Ferguson	Robertson
Bilbo	Hatch	Saltonstall
Brewster	Hickenlooper	Shipstead
Bridges	Johnson, Calif.	Smith
Brooks	Johnston, S. C.	Thomas, Okla.
Buck	Langer	Wherry
Burton	McCarran	White
Bushfield	McKellar	Wiley
Butler	Magnuson	Wilson
Capper	Moore	
Chandler	Morse	

NAYS—30

Bankhead	Hart	Myers
Barkley	Hayden	O'Mahoney
Briggs	Hill	Overton
Downey	Johnson, Colo.	Pepper
Ellender	La Follette	Taft
Fulbright	Lucas	Tobey
George	McMahon	Tunnell
Gerry	Mead	Tydings
Green	Mitchell	Wagner
Guffey	Murdock	Walsh

NOT VOTING—29

Andrews	Hoey	Scrugham
Bailey	Kilgore	Stewart
Byrd	McClellan	Taylor
Capehart	McFarland	Thomas, Idaho
Connally	Maybank	Thomas, Utah
Cordon	Millikin	Vandenberg
Eastland	Murray	Wheeler
Glass	Radcliffe	Willis
Gurney	Revercomb	Young
Hawkes	Russell	

So the amendment offered by Mr. WHERRY in behalf of himself and Mr. SHIPSTEAD was agreed to.

Mr. WHERRY and Mr. HATCH addressed the Chair.

The PRESIDENT pro tempore. The Senator from Nebraska.

Mr. WHERRY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THOMAS of Oklahoma. I move that the motion to reconsider the vote be laid on the table.

Mr. HATCH. Mr. President——

The PRESIDENT pro tempore. The motion to lay on the table is not debatable.

Mr. HATCH. Mr. President, I desire to say that I rose to my feet first. I first addressed the Chair, and I desired to make a motion.

Mr. WHERRY. Mr. President, I raise the point of order.

The PRESIDENT pro tempore. A motion to reconsider the vote by which the amendment was agreed to has been made.

Mr. HATCH. I know it has been made, but I want it definitely understood that I was first to be on my feet, and the first one to address the Chair.

The PRESIDENT pro tempore. The Chair did not see the Senator, or hear him address the Chair. However, the Senator from Nebraska [Mr. WHERRY] was on his feet and was asking for recognition.

Mr. TAFT. Mr. President, I should like to explain my vote on this measure.

The PRESIDENT pro tempore. Is there objection to the Senator from Ohio making an explanation of his vote?

Mr. BILBO. I object.

Mr. TAFT. It is in order for me to state why I voted the way I did on the amendment, is it not?

The PRESIDENT pro tempore. The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the amendment was agreed to.

Mr. HATCH. Mr. President, I merely wish to state my point of order, that I do not like this procedure in the United States Senate. Any Senator should be heard at any time during a session of the Senate. I hope every Senator in this Chamber will vote "nay" on the motion to lay on the table.

The PRESIDENT pro tempore. The question is on agreeing to the motion to lay on the table. [Putting the question.] The Chair is in doubt.

Mr. LUCAS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). Mr. President, I have a general pair with the Senator from Utah [Mr. THOMAS]. I transfer that pair to the Senator from Idaho [Mr. THOMAS] and will vote. I vote "yea."

The roll call was concluded.

Mr. HATCH. Mr. President——

The PRESIDENT pro tempore. The Senator from New Mexico.

Mr. HATCH. I merely desire to receive recognition after the result of the roll call is announced.

The PRESIDENT pro tempore. If the Senator is first on his feet——

Mr. HATCH. I am first on my feet, I think. I do not believe any other Senator is on his feet.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Kentucky [Mr. CHANDLER], the Senator from North Carolina [Mr. HOEY], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent in Europe visiting battlefields.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from West Virginia [Mr. KILGORE] is absent because of illness in his family.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official business.

The Senator from Maryland [Mr. RADCLIFFE] is absent on Government business.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent in Europe on official business for the Interstate Commerce Committee.

I am advised that if the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS] were present and voting they would vote "nay."

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY] and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Colorado [Mr. MILLIKIN] and the Senator from Idaho [Mr. THOMAS] are absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Indiana [Mr. WILLIS] is necessarily absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] has a general pair with the Senator from Texas [Mr. CONNALLY].

The result was announced—yeas 33, nays 31, as follows:

YEAS—33

Austin	Donnell	Reed
Ball	Ferguson	Robertson
Bilbo	George	Saltonstall
Brewster	Hart	Shipstead
Bridges	Hickenlooper	Smith
Brooks	Johnson, Calif.	Taft
Buck	McCarran	Thomas, Okla.
Burton	McKellar	Wherry
Bushfield	Moore	White
Butler	Morse	Wiley
Capper	O'Daniel	Wilson

NAYS—31

Aiken	Hatch	Murdock
Bankhead	Hayden	Myers
Barkley	Hill	O'Mahoney
Briggs	Johnson, Colo.	Overton
Chavez	La Follette	Pepper
Downey	Langer	Tobey
Ellender	Lucas	Tunnell
Fulbright	McMahon	Wagner
Gerry	Magnuson	Walsh
Green	Mead	
Guffey	Mitchell	

NOT VOTING—32

Andrews	Hoey	Scrugham
Bailey	Johnston, S. C.	Stewart
Byrd	Kilgore	Taylor
Capehart	McClellan	Thomas, Idaho
Chandler	McFarland	Thomas, Utah
Connally	Maybank	Tydings
Cordon	Millikin	Vandenberg
Eastland	Murray	Wheeler
Glass	Radcliffe	Willis
Gurney	Revercomb	Young
Hawkes	Russell	

So the motion of Mr. THOMAS of Oklahoma to lay on the table Mr. WHERRY'S motion to reconsider was agreed to.

Mr. HATCH. Mr. President——

The PRESIDENT pro tempore. The Senator from New Mexico.

Mr. HATCH. I am very glad to be recognized now.

Mr. President, I had no particular objection to the amendment offered by the Senator from Nebraska [Mr. WHERRY]. I thought it might be a good amendment; I wanted a little bit of time to consider it.

Unfortunately, there has been exhibited today on the floor of the United States Senate a great desire on the part of Senators to cut off debate and limit inquiry. I am opposed to that. Whether it comes from the Republican side or the Democratic side makes no difference to me. But the Senate has voted, and it has decided to cut off debate by adopting a motion to lay upon the table a motion to reconsider, and not let Senators make even an honest inquiry as to what an amendment might mean. Frankly, I do not know what the amendment offered by the Senator from Nebraska does mean.

My only thought now is—and I am very serious about it—let it never happen again. When any Senator wishes to rise in his place and ask an honest question and find out what some proposal means, I hope the Senate of the United States will always be willing to accord that privilege to him.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. TAFT. I merely wish to state the reasons for my vote.

Mr. HATCH. I think the Senator should state them, and I think every Senator who voted should state his reasons.

Mr. TAFT. I voted against the Wherry amendment because it would set up a cost-of-production standard which would be contradictory to the parity standard. Maximum prices have always been based on parity. A maximum price cannot be fixed below parity, and that has worked out very well. I think it would be a mistake to confuse the parity standard with the cost-of-production standard.

When we come to the processors, there are no such standards; there is nothing to protect them. So I thought we ought to have the cost-of-production protection. I do not have any great objection to substituting this proposal for the parity standard, but it would mix things up. Therefore, I voted against the Wherry amendment.

Mr. HATCH. Mr. President, I am very glad to have the explanation made by the Senator from Ohio, and if any other Senator wants to rise and state why he voted as he did, I shall be glad to yield.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HATCH. Yes; I yield to the Senator from Illinois. I said I shall be glad to yield to any Senator.

Mr. LUCAS. Mr. President, now for the first time I have learned what it was we were voting upon in connection with the last amendment. If the Senator from Ohio is correct in his statement of what the amendment does we will have more confusion and chaos as the result of now substituting or attempting to substitute the cost of production theory for the parity formula which has been upon the statute books and been worked out carefully over a period of years.

Mr. President, it just goes to show what can be done with a great formula of agriculture, the parity formula, which practically every farm organization in America is in favor of today, and to work out which years of time have been given. The cost of production theory has been before the Senate and House Committees on Agriculture times without number, but it has never been able to win its way in the United States Senate and have a fair hearing. Now we adopt it without a solitary soul, practically, knowing what we were doing.

I simply wish to make my position clear. I certainly hope that when the bill goes to conference the conferees will not permit the amendment to stand if what the Senator from Ohio has said with respect to its effect is correct.

Mr. President, this illustrates why it is so dangerous to vote upon an amendment of this sort at a late hour, when we absolutely do not know what it is all about. The Senator from Nebraska apparently took advantage of the situation in order to put through that kind of amendment.

Mr. BREWSTER, Mr. BARKLEY, and Mr. MOORE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Mexico yield, and if so to whom?

Mr. HATCH. No, Mr. President; I do not yield now.

First I want to say that I still think the Senator from Nebraska had something in his amendment that was very good which I might have supported had I been accorded the opportunity to confer with him.

I have said that I would yield to any Senator who wishes to explain his vote. I first yield to the Senator from Maine [Mr. BREWSTER].

Mr. BREWSTER. Mr. President, I think the RECORD should be clear that the Senator from Nebraska [Mr. WHERRY] presented his amendment in due course, and there was ample opportunity for any Senator at that time to be recognized before the vote was taken. Subsequently, when the motion to reconsider was made, I think the RECORD should be clear that the motion to lay on the table did not come from this side of the aisle. I think the RECORD will bear out that statement.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. HATCH. I yield, but I want to make sure that I still retain the floor.

Mr. BARKLEY. I hope the Senator from New Mexico will not extend indefinitely his invitation to Senators to rise and explain their vote. There is nothing we can do about the Wherry amendment now. If there are further amendments to be offered I should like to see the Senate act upon them, so we may dispose of all of them as well as the joint resolution this afternoon. If we can do that I do not see any particular point in Senators explaining their vote.

Mr. HATCH. The Senator from Oklahoma [Mr. MOORE] is on his feet. I yield to him if he desires to make a statement.

Mr. MOORE. Mr. President, I did not rise with the intention of saying anything respecting the vote on the Wherry amendment. I rose for the purpose of calling up an amendment which I have submitted. I thought the Senator from New Mexico had yielded the floor.

Mr. HATCH. Mr. President, I have nothing further to say. I yield the floor.

The PRESIDENT pro tempore. The joint resolution is still in the Senate and open to amendment.

Mr. WILEY. I call up an amendment which I have submitted, and I ask that it be stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert a new section, as follows:

SEC. 3. Section 2 of the Emergency Price Control Act of 1942, as amended, is amended by inserting at the end of such section a new subsection as follows:

"(n) In establishing or maintaining maximum prices under this Act or otherwise in the case of collect-on-delivery sales of any commodity whereunder established practices of the seller a uniform charge is added to the price to cover mailing costs, an increase in maximum prices shall be allowed equivalent to any increase in such costs heretofore or hereafter resulting from increased postal rates or charges."

Mr. WILEY. Mr. President, I should like to have the attention of the Senate for 3 minutes. I have listened to the discussion which has taken place respecting the pending joint resolution for a number of days, and have sought no opportunity to make a contribution until now. I will state the simple purpose of my amendment. A year and a half ago Congress increased the c. o. d. charges. Let us consider one instance respecting

c. o. d. charges. If the c. o. d. charge contained in the revenue act was 17 cents before we passed the law making the increase, we increased it to 30 cents. The c. o. d. charge is the charge which under the law the purchaser should pay. In my little town there is a little factory doing a c. o. d. business and employing 200 workers. I took this matter up with the OPA and they legislated. They said that the manufacturer should pay the increased c. o. d. charge. That made a matter of 13 cents additional on each purchase. The increased c. o. d. charge made the difference to that factory in my town employing 200 persons between whether it would make $18,000 net or go into the red $3,000 a year. The House is again proposing to increase the c. o. d. charge, and the OPA, which has no authority to legislate, is dictatorially saying that the manufacturer must pay that c. o. d. increase.

Mr. President, we talk about doing something for little business. My amendment simply provides that OPA shall not impose that c. o. d. increase upon the manufacturer when in the past it has been the custom for the purchaser to pay the c. o. d. charge.

I know of two or three instances which I could mention to explain how this increase is affecting manufacturers detrimentally. In due time it will put many small factories out of business. In my little town of 10,000 people, if 200 persons were thrown out of employment, if their economic earnings were taken out of the life stream of the community, it would simply mean paralyzing it.

Mr. President, the point I am making is this: We gave the OPA power to do certain things, but we never gave to OPA the power to legislate, and we did not give it authority to transfer c. o. d. charges from the purchaser to the manufacturer. That is what my amendment involves, and I shall appreciate support for it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wisconsin. [Putting the question.] The Chair is in doubt.

Mr. WILEY. Mr. President, I ask for a division. Some time ago I spoke to the Senator from New York [Mr. WAGNER] about this amendment, and I understood him to agree that he would take it to conference.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. WAGNER. The amendment did come before the committee, but I felt that it was sufficiently important to be taken to conference if the Senate should agree to it.

Mr. BARKLEY. Mr. President, an amendment cannot be placed in a measure which is before the Senate with the understanding that it is to be taken to conference. The joint resolution may never go to conference. The Senate is now acting on it. It must go to the House. Whether it goes to conference will depend upon whether there are differences between the two Houses.

It seems to me that this amendment ought not to be agreed to on the theory that it will go to conference, because it may never get there.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. WILEY]. On this question a division has been requested.

On a division the amendment was agreed to.

The PRESIDENT pro tempore. The joint resolution is before the Senate and open to further amendment.

Mr. MOORE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Oklahoma will be stated.

The LEGISLATIVE CLERK. On page 1, after line 8, it is proposed to insert the following new section:

SEC. 3. No maximum price established under the Emergency Price Control Act of 1942, as amended, or under the Stabilization Act of 1942, as amended, and no program of rationing or allocation with respect to distribution to civilians, shall be effective with respect to cattle, calves, eggs, and poultry, or any product or commodity derived or processed in whole or major part from cattle, calves, eggs, or poultry during the period from July 1, 1945, to September 30, 1945, both dates inclusive.

Mr. MOORE. Mr. President, it has been well understood throughout all the discussions on the joint resolution that we have in this country a surplus of range cattle. As a matter of fact, I think we have probably 20,000,000 more cattle today than we had on the average during the 10-year period prior to 1939.

The situation now is that many million head of cattle are on the ranges, and they cannot be slaughtered in the small slaughterhouses, what are called the nonfederally inspected plants, because of quotas fixed.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. MOORE. I yield.

Mr. WAGNER. As I understand, the purpose of the amendment is to take off, for a period of 3 months, any rationing or price control with respect to cattle and poultry, and the products thereof.

Mr. MOORE. That is exactly correct.

Mr. WAGNER. I hope we will not go that far.

Mr. MOORE. I would not expect the Senator to hope anything else.

It is perfectly apparent to me, from the votes in the Senate, that we are to have price control fastened upon us for another 12 months, if not permanently. I have been one of the very few who thought that the law of supply and demand might operate effectively and properly if we should give it an opportunity to operate; but we have not done so.

I cannot understand why we should not permit the slaughter of cattle already on hand. The Senator from New York says that he hopes we do not go as far as the amendment which I propose. Not to go that far would result in millions of pounds of beef being wasted, because those cattle cannot be slaughtered under the present regulations. They are fat, and would make fairly good beef now. They will have to go back on the ranges. Cattlemen who know anything at all about the cattle country and the cattle business know that there is a possibility of cattle going back upon the ranges this winter, and not only becoming poor, but perishing because of the shortage of feed which is likely to follow the present unfavorable crop outlook.

If there is anything wrong with my proposal, I should like to have it pointed out, rather than to have merely the observation, "I hope we will not go that far." If there is anything wrong with permitting slaughterers to kill cattle which are already fat, when my amendment could not operate for any other purpose except to save meat for the people, I should be very glad to know about it.

I have included poultry in my amendment. It has been said by the Food Administrator that the law cannot be enforced with respect to the poultry business. If we should lift the ban on poultry, we could have an increase in poultry and poultry products.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. MOORE. I yield.

Mr. OVERTON. If the Senator's amendment were adopted, it would have the effect of destroying the black market during the 3 months' period, would it not?

Mr. MOORE. I suppose it would.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MOORE. I yield.

Mr. PEPPER. Has the Senator considered extending the period of nonoperation of the law, and doing more good by a longer period of nonoperation?

Mr. MOORE. Yes; but I do not find that sentiment here in the Senate. I believe that those who are afraid of inflation should have no fear of inflation as a result of removing rationing restrictions for this brief time, when we are marketing what we call grass cattle.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. MOORE. I yield.

Mr. BUTLER. The Senator's amendment would, in effect, remove rationing with respect to cattle for a period of 3 months, for the reason that there is an oversupply of cattle.

Mr. MOORE. That is correct.

Mr. BUTLER. The situation is very similar, is it not, to that which obtained when we had an overabundance of pork, but the OPA continued to maintain rationing until pork prices dropped clear under the sink.

Mr. MOORE. Yes. I believe that the price of cattle might possibly advance to some extent for a period of time, until the slaughterers received enough meat so that they could stock up their stores and supply the demand. Then I believe the price would find its proper level again. That is my candid opinion.

Mr. President, I do not consider this proposal so foolish as to merit the rejoinder, "I hope we will not go that far," as though we were proposing to go very far.

Mr. BARKLEY. Mr. President, I should like to say a word about the pending amendment seriously. It would mean that for the next 3 months, during July, August, and September, there would be neither price maximums nor rationing on cattle, calves, or any product of cattle or calves, or on poultry and eggs, or any product of poultry and eggs. In other words, the Government of the United States, buying meat for the Army and Navy, would be compelled to buy it in a market in which there was no regulation and no ceiling. That factor alone would cost the Government and the taxpayers of the United States an untold amount of money.

It is true that there are a great many cattle in the country. It is not at all certain or probable that the lifting of the ban for 3 months would result in their slaughter. Many things affect the cattle market besides prices; and I doubt very much if the ceiling prices have affected it to any great extent. But certainly if there is a surplus of cattle roaming the fields, there is no surplus of poultry. There is no surplus of eggs. Frequently one cannot find either in the market—and I am not speaking of the black market or any other market particularly. Frequently they cannot be obtained.

It seems to me that it would be almost—I do not like to use the word "farcical," but certainly it would seem incongruous for Congress to lift the ceiling ban and the rationing provisions with respect to these necessary articles of food. Those who have the biggest pocketbooks could rush in and buy them. There would be no restrictions, no ceilings, and no rationing.

It is suggested there would be no black market during those 3 months. I believe that that argument can hardly be taken seriously.

Mr. MOORE. Mr. President, I hope the Senator did not mean to say that this program would prevent the Government from buying meat for the soldiers.

Mr. BARKLEY. It would not prevent the Government from buying it; but the Government would have to buy it in competition with everyone else; and those who had the largest amount of money would run up the price.

Mr. MOORE. Certainly the Senator cannot mean that. That would not necessarily follow at all.

Mr. BARKLEY. Yes; I mean it.

Mr. MOORE. These contracts are made.

Mr. BARKLEY. Yes; they are being made all the time, and they are going to continue to be made. But they must be made in the light of the law and the economic situation and the supply.

Mr. MOORE. I cannot agree with the Senator about that.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. The amendment reads:

No program of rationing or allocation with respect to distribution to civilians shall be effective—

And so forth. It says nothing about the Army.

Mr. BARKLEY. I understand that. But it would indirectly, if not directly, affect the Government's purchase of those products.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AIKEN. In connection with the effect of the amendment let me say that in the section of the country from which I come the OPA has set a ceiling price for eggs of about 7 cents a dozen less than the agricultural authorities say it costs to produce them. The result has been, as I undestand, that a very extensive black market has grown up, and it is possible to get as much as $4 for a rooster or a laying hen. A man can get whatever he asks, because the demand is so strong.

It seems to me the effect of this amendment would be to legalize the black-market prices, and by September 30 we would not have a sufficient number of laying hens left in the country to begin to produce the eggs which will be needed for Thanksgiving.

Mr. BARKLEY. If the market is left free of any restriction, what does the Senator think a $4 hen would get for an egg which it laid? [Laughter.]

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MOORE].

The amendment was rejected.

The PRESIDENT pro tempore. The joint resolution is still before the Senate and is open to further amendment.

A day or two ago the Senator from Ohio [Mr. TAFT] filed a motion to reconsider the votes by which the committee amendments were agreed to. Does the Senator from Ohio wish to bring up his motion at this time, or does he wish to withdraw it?

Mr. TAFT. I withdraw the motion, Mr. President.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 30) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Resolved, etc., That section 1 (b) of the Emergency Price Control Act of 1942, as amended, is amended by striking out "June 30, 1945", and substituting "June 30, 1946."

SEC. 2. Section 6 of the Stabilization Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "June 30, 1946."

SEC. 3. That section 3 of the Stabilization Act of 1942, as amended, is further amended by inserting at the end thereof the following: *"Provided further*, That on and after the date of the enactment of this proviso, no maximum prices shall be established or maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species."

SEC. 4. It shall be unlawful to establish or maintain against the producers of any livestock, grain, or any other agricultural commodity a maximum price for such commodity which does not equal all costs and expenses (including all overhead expenses, a return on capital, and an allowance for the labor of the producer and his family) incurred in the production of such commodity, plus a reasonable profit thereon.

SEC. 5. Section 2 of the Emergency Price Control Act of 1942, as amended, is amended by inserting at the end of such section a new subsection, as follows:

"(n) In establishing or maintaining maximum prices under this act or otherwise in the case of collect-on-delivery sales of any commodity where under established practices of the seller a uniform charge is added to the price to cover mailing costs, an increase in maximum prices shall be allowed equivalent to any increase in such costs heretofore or hereafter resulting from increased postal rates or charges."

Mr. WILEY. Mr. President, I ask unanimous consent that I be permitted to have printed in the body of the RECORD a few remarks which I have prepared on the OPA situation.

The PRESIDENT pro tempore. Is there objection?

Mr. BARKLEY. Mr. President, I should like to make an inquiry of the Senator. The Senate has never recognized the right of its Members to extend their remarks in the RECORD. If we were to start such a proceeding, I think we would be establishing a bad precedent. Is that what the Senator has in mind in connection with his unanimous-consent request? I think we would be establishing a bad precedent if we were to start a practice of permitting Senators to extend their remarks in the RECORD without having delivered any part of them. Frequently Senators make certain remarks and then request that certain other matters be printed in the RECORD in connection with their remarks, but I do not recall an instance in which a Senator has been granted the privilege of extending his remarks in the RECORD without delivering at least a part of them.

Mr. WILEY. I will say that I stated a portion of them this afternoon in relation to my amendment which, fortunately, was adopted. But I make this request because the hour is late, and because I noticed that the distinguished Senator from Washington did the same thing this afternoon. The rule is one which seems to me to be observed more in the breach than in the observance.

Mr. BARKLEY. If the Senator wishes to have printed in the RECORD some matter in connection with remarks he made, I shall have no objection. But I understood the Senator to ask unanimous consent for the printing of remarks no part of which has been delivered here.

Mr. WHITE. Mr. President, I shall not object to the request, but I wish to concur completely in what the majority leader has said about the insertion in the RECORD of remarks which have not been delivered in part. If such remarks were printed, no Senator would be given an opportunity to exercise judgment regarding the propriety of the inclusion of the remarks. In my opinion, such a practice is a thoroughly bad one.

However, in view of the fact that the Senator from Wisconsin delivered a part of the statement this afternoon, I have no objection.

Mr. BARKLEY. Mr. President, I shall not object, but I do not wish to have the

Senate begin the practice of extension in the RECORD of remarks which were not delivered in part. That has been done for many years in the House of Representatives, but I think it is bad practice.

Mr. TAFT. Mr. President, since I have been a Member of the Senate, I have seen printed in the RECORD many remarks which were not actually delivered. My understanding is that they must be printed in fine type. I remember a discussion relative to the point that if such remarks are not delivered they must be printed in fine type. But many memoranda prepared by Senators have been inserted in the RECORD. I have seen that done—and often not in connection with an extended speech.

Mr. BARKLEY. Mr. President, I am trying to guard against beginning a custom of having printed in the body of the RECORD—whether in fine type or in boxcar letters—an extension of remarks, no part of which has been delivered.

Mr. WHITE. Mr. President. Mr. President——

Mr. HATCH. Mr. President, I will object.

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield, and if so, to whom?

Mr. WILEY. Mr. President, in view of the very pertinent remarks which have been made, I shall withdraw my request.

After having previously listened to the remarks of the distinguished Senator from New Mexico [Mr. HATCH] in relation to courtesies in the Senate, I wish to say that I had no intention of trespassing upon what I thought was a Senator's right. I should like to say briefly that if any Senator requests the printing in the RECORD of a matter which should not properly be printed there, I think that is going rather far. On the other hand, I think there is such a thing as treating each other on the level and on the square.

Mr. HATCH. I think the Senator should yield to me.

Mr. WILEY. I am very happy to yield.

Mr. BARKLEY. Did I understand the Senator from Wisconsin to say he had withdrawn his request?

Mr. WILEY. Yes; I have withdrawn my request.

Mr. HATCH. Mr. President——

Mr. BARKLEY. I yield for a question.

Mr. HATCH. I was about to say that if the Senator from Wisconsin desires to place anything in the RECORD, I shall not object.

Mr. WILEY. I thank the Senator. I did not believe that he would object. I reciprocate in the same spirit.

(At this point Mr. BREWSTER asked and obtained leave to have printed in the RECORD an article from the Boston Herald by Bill Cunningham, which is noted elsewhere in the RECORD under the appropriate heading.)

Mr. WILEY. Mr. President, I wish to invite attention to the situation into which we have put ourselves. A United States Senator has asked and obtained consent to have printed in the Appendix of the RECORD an article written by Bill Cunningham. However, another Member of the Senate has been unable to have printed in the RECORD a speech which he had prepared and expected to deliver, but because of the pressure of pending business in the Senate, he did not have an opportunity to deliver it. He made the request, and there was some question as to the validity of the request.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HAYDEN. I should like to state, as chairman of the Joint Committee on Printing, that I am familiar with the rule to which the Senator refers. Time and again Senators have asked permission to extend their remarks in the RECORD, but that custom is not followed in the Senate. If a Senator has a statement to make and desires to write it out and have it included in the RECORD as a part of his remarks, it may be done, but will appear in fine type, indicating that the remarks were not actually made on the floor of the Senate. The statement would not appear in the RECORD as having been actually made by the Senator.

EXTENSION OF TRADE AGREEMENTS ACT

Mr. GEORGE. Mr. President, I move that House bill 3240, a measure to extend the Trade Agreements Act, be made the unfinished business for tomorrow.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, which had been reported from the Committee on Finance with amendments.

CONFIRMATION OF UNITED STATES TARIFF COMMISSION NOMINATION

Mr. BARKLEY. Mr. President, there is on the Executive Calendar only one nomination, that of Oscar B. Ryder, of Virginia, to be a member of the United States Tariff Commission. I ask unanimous consent that the nomination be considered as in executive session.

The PRESIDENT pro tempore. Is there objection? The Chair hears none and the nomination is confirmed, as in executive session.

Mr. BARKLEY. I ask that the President be notified forthwith of the confirmation of the nomination.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Col. Ray A. Robinson to be a brigadier general in the Marine Corps for temporary service from the 2d day of April 1943;

Col. William C. James to be a brigadier general in the Marine Corps for temporary service from the 31st day of July 1944;

Col. William O. Brice to be a brigadier general in the Marine Corps for temporary service from the 25th day of January 1945;

Lt. (jg) Elbert W. King, Dental Corps, United States Naval Reserve, to be an assistant dental surgeon in the Navy with the rank of Lieutenant (junior grade), to rank from the 1st day of May 1944;

Ensign Everett A. Malcolm, United States Navy, to be an assistant paymaster in the Navy with the rank of ensign, to rank from the 7th day of February 1941; and

Ensign Hartsel F. McCue, A1, United States Naval Reserve, to be an ensign in the Navy, to rank from the 16th day of November 1942.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 23 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 12, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received June 11 (legislative day of June 4), 1945:

REGISTER OF LAND OFFICE

Harry N. Child, of Washington, to be register of the Land Office at Spokane, Wash. (Reappointment.)

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

TO BE COLONELS WITH RANK FROM JUNE 1, 1945

Lt. Col. Clarence Ralph Huebner, Infantry (temporary major general).

Lt. Col. Frederick McCabe, Infantry (temporary brigadier general).

Lt. Col. William M. Cravens, Coast Artillery Corps (temporary colonel).

Lt. Col. Frederick Joseph de Rohan, Infantry (temporary colonel).

Lt. Col. Frederick Schoenfeld, Quartermaster Corps (temporary colonel).

Lt. Col. Arthur Paul Thayer, Cavalry (temporary colonel), subject to examination required by law.

Lt. Col. Paul Joseph McDonnell, Infantry (temporary colonel).

Lt. Col. Eustis Leland Poland, Infantry (temporary colonel).

CONFIRMATION

Executive nomination confirmed by the Senate June 11 (legislative day of June 4), 1945:

UNITED STATES TARIFF COMMISSION

Oscar B. Ryder, to be a member of the United States Tariff Commission for the term expiring June 16, 1951.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 11, 1945

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord, our God, how manifold are Thy works. In wisdom hast Thou made them all; the earth is full of Thy goodness. We rejoice in the unsearchable

riches of Christ, from whom we obtain joy and gladness in every time of need. In these confused days, with their many voices, we await Thy will concerning us. In all our hopes and aspirations, be Thou our anchor and keep alive the flame on the altar of the soul.

O Thou who hast worn the robe of human flesh, revealing Thyself in the common ways of human life, we humbly pray for understanding in the solution of the perplexed problems which confront the Congress; without Thy directing hand our labors may become a delusion and our devotion weakness. We pray that a special benediction of guidance and grace may attend our President. We invoke rich blessings upon our Speaker, the leaders and all Members; may they be not only worthy servants of our beloved country but fit children of the kingdom of God. In the name of our blessed Master we pray. Amen.

The Journal of the proceedings of Friday, June 8, 1945, was read and approved.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title:

H. J. Res. 208. Joint resolution making an appropriation for emergency flood-control work, and for other purposes.

EMERGENCY FLOOD-CONTROL WORK

The SPEAKER. The Chair announces that pursuant to the authority granted him on June 8, 1945, he did on June 9, 1945, sign the enrolled joint resolution, House Joint Resolution 208, making appropriations for emergency flood-control work, and other purposes.

THE POLL TAX

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. MARCANTONIO].

Mr. COLE of Missouri. Mr. Speaker, a point of order.

Mr. MARCANTONIO. Mr. Speaker, under rule XXVII of the House I call up the motion to discharge the Committee on Rules from further consideration of House Resolution 139.

Mr. RANKIN. Mr. Speaker, a point of order.

Mr. COLE of Missouri. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 104]

Allen, La.	Bloom	Clason
Anderson, N. Mex.	Bolton	Clements
	Boren	Coffee
Andresen, August H.	Bradley, Mich.	Cole, Kans.
	Bradley, Pa.	Cole, N. Y.
Andrews, Ala.	Brumbaugh	Cooley
Bailey	Buckley	Curley
Baldwin, Md.	Cannon, Fla.	Dawson
Baldwin, N. Y.	Carlson	Delaney,
Beall	Celler	James J.
Bennet, N. Y.	Chapman	Delaney,
Bland	Clark	John J.
Dirksen	Jarman	Reed, Ill.
Dondero	Jennings	Richards
Durham	Johnson, Calif.	Rivers
Earthman	Johnson, Ind.	Rodgers, Pa.
Eaton	Johnson,	Roe, Md.
Fallon	Lyndon B.	Roe, N. Y.
Fellows	Judd	Rowan
Fenton	Kean	Shafer
Fernandez	Kilburn	Sharp
Flood	King	Sheppard
Fogarty	LaFollette	Sheridan
Gathings	Landis	Short
Gorski	Latham	Sikes
Grant Ala.	Lynch	Simpson, Pa.
Grant, Ind.	McDonough	Slaughter
Gwinn, N. Y.	McClinchey	Smith, Ohio
Hagen	McKenzie	Smith, Va.
Hall,	Martin, Iowa	Snyder
Leonard W.	Morrison	Somers, N. Y.
Hand	O'Konski	Stefan
Hare	O'Toole	Stewart
Hart	Pace	Sundstrom
Hartley	Pfeifer	Taber
Hébert	Ploeser	Thomas, N.J.
Henry	Plumley	Torrens
Herter	Powell	Towe
Hess	Powers	Wadsworth
Hobbs	Price, Ill.	Walter
Holifield	Quinn, N. Y.	White
Holmes, Wash.	Rabaut	Whitten
Hook	Reece, Tenn.	Winter

The SPEAKER. On this roll call, 309 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE POLL TAX

Mr. MARCANTONIO. Mr. Speaker, I call up the motion to discharge the Committee on Rules from further consideration of House Resolution 139, providing for the consideration of the bill (H. R. 7) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers.

The Clerk read the resolution, as follows:

Resolved, That upon the day succeeding the adoption of this resolution, a special order be, and is hereby, created by the House of Representatives, for the consideration of H. R. 7, a public bill which has remained in the Committee on the Judiciary for 30 or more days without action. That such special order be, and is hereby, created, notwithstanding any further action on said bill by the Committee on the Judiciary, or any rule of the House. That on said day the Speaker shall recognize the Representative from New York, VITO MARCANTONIO, to call up H. R. 7, a bill making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers, as a special order of business, and to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of said H. R. 7. After general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the Member of the House requesting the rule for the consideration of said H. R. 7 and the Member of the House who is opposed to the said H. R. 7, to be designated by the Speaker, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill, and the amendments thereto, to final passage, without intervening motion, except one motion to recommit. The special order shall be a continuing order until the bill is finally disposed of.

Mr. RANKIN. Mr. Speaker, I move that the motion be laid on the table.

The SPEAKER. That motion is not in order under the rules.

Mr. RANKIN. Then, Mr. Speaker, I ask ananimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. The Chair cannot recognize Members to extend their remarks until this matter has been disposed of.

The gentleman from New York [Mr. MARCANTONIO] is recognized for 10 minutes, and the gentleman from Georgia [Mr. COX] is recognized for 10 minutes.

Mr. MARCANTONIO. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, on last Friday there was discussed from the floor of this House the question of whether or not the will of the majority of the House may be exercised under the rules. It is most obvious that by the signing of this petition by 218 Members, a majority of the House, the will of the majority has been expressed in favor of immediate consideration of the bill (H. R. 7) providing for the outlawing of the poll tax. It is my considered judgment that not only was this an expression on the part of the majority of the Members of the House but that the signing of this discharge petition reflected the will of the great majority of the people of the country.

This is also supported, Mr. Speaker, by the fact that on two other occasions within the last 3 years this House has twice overwhelmingly passed a bill making illegal the requirement for the payment of a poll tax as a prerequisite to voting in primary and general elections for Federal officers.

I do hope this debate will be kept on a high level. I urge that the debate be conducted in a manner compatible with the importance of the issue involved. Mr. Speaker, this year there is one fundamental issue now before us and that is whether or not returning soldiers will return to a restricted and limited democracy, restricted and limited by this undemocratic poll-tax device, or whether or not the men who have been fighting for freedom will return to a country where the franchise will be unrestricted and in keeping with the best democratic traditions of this country.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. COX. Mr. Speaker, paraphrasing a statement once made by Senator Moses upon the floor of the House, I should like to say that mournfully I prophesy that the program of the Marxists controlling this kind of legislation will go forward to complete consummation. I have observed men quailing under the lash of the bull whip of the gentleman from New York [Mr. MARCANTONIO], which he wields with consummate skill. I note with regret that he is making sin eaters out of otherwise good and gentle people.

Mr. Speaker, I am prepared to yield the remainder of my time to any Member on the floor opposed to this legislation.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Mississippi.

Mr. RANKIN. Will the gentleman yield me the balance of his time?

Mr. COX. I yield the gentleman the balance of my time if no other Members of the committee want time.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Will I be permitted to yield this time as I see fit?

The SPEAKER. The gentleman from Georgia [Mr. Cox] controls the time.

Mr. COX. Mr. Speaker, I yield the gentleman from Mississippi [Mr. RANKIN] the remainder of my time to speak to the resolution.

Mr. RANKIN. Just yield me 5 minutes and reserve the balance of your time.

Mr. COX. Mr. Speaker, I yield the gentleman from Mississippi [Mr. RANKIN] 5 minutes, and reserve the balance of my time.

The SPEAKER. The gentleman from Mississippi is recognized for 5 minutes.

Mr. RANKIN. Mr. Speaker, this so-called anti-poll-tax bill is indeed one of the first steps toward the wiping out of State governments. It is an attack on constitutional government itself. I realize that many decent Democrats, and many decent Republicans, are suffering in the spirit, so to speak, because they are being bludgeoned into voting for this vicious measure. Remember it is just the beginning. Other communistic measures are to follow.

Last year when we had the soldiers' vote fight up here, when attempts were being made to take away from your State the right to control your elections, I led the fight to save to the people of your States the right to control their own elections, and kept them from taking the election machinery out of your hands and turning it over to a Federal bureaucracy.

This is just the beginning; other attacks on the Constitution are to follow. If we had a Supreme Court that had the proper respect for the Constitution of the United States I would not worry so much about this legislation. If Chief Justice Fuller, if Chief Justice White, if Chief Justice John Marshall, or judges of their caliber, dominated the Supreme Court of the United States, with their devotion to the Constitution I would not be uneasy at all. But unfortunately that is not the case.

By this bill you are undermining, you are destroying, constitutional government. And for whose benefit? For the benefit of a certain un-American element that wants to get control.

As you all know I represent a Southern State. Almost half of the people of that State are Negroes. We get along with them better than you do in your States. We have not killed as many Negroes in Mississippi since the Civil War as were killed in one race riot in East St. Louis, or in Chicago. We have not killed as many Negroes in my State in 40 years as were killed in one race riot last year in Detroit, Mich. Some people are still trying to cover up the facts concerning that riot; but I have the record and I know what I am talking about.

We have a condition in the South that you do not have. We are doing the best we can. Today the white people of the South, and especially of Mississippi, are paying the highest penalty in this war of any section of this country. Although we are about equally divided in numbers, the Government takes about four whites to one Negro. At least 90 percent of the men from Mississippi who have died, or been wounded or captured by the enemy in this war were whites. Yet here you come and drive this dagger in their backs while they are out there dying for constitutional government. I know that many of you do not have the courage to vote your convictions on this measure. You have been lambasted and abused by certain elements until many of you are afraid to vote your convictions to uphold the rights of the various States.

But do not forget that you are commending this poison chalice to your own lips. Suppose we men from the South had taken this attitude last year when they were trying to take away from you the right to control your own elections. If we men who are being assailed by this montrosity had taken that attitude then, the chances are your elections would have been conducted not by your own people but by some long-nosed corporals in the headquarters in the Army while your boys were out on the firing line doing the fighting, and many of you would not be here today. Your election machinery would be gone from the hands of your people.

Mr. REED of New York. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. REED of New York. I am wondering if the gentleman will reserve about a minute for me to express myself a little later?

Mr. RANKIN. I am going to ask the gentleman from Georgia [Mr. Cox] to do that.

Mr. RICH. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. RICH. Does not the Constitution provide that the States have a right to decide the qualifications of their own electors?

Mr. RANKIN. Yes; but what is the Constitution to the Communist Party? Your Constitution says that, and the gentleman from Pennsylvania [Mr. RICH] believes in the Constitution of the United States. But the Communists of this country are dedicated to the destruction of our Constitution. They are dedicated to the overthrow of our form of government; and this is one of their first steps.

It is not a question of being for or against a poll tax. That is a matter for the States. But it is a question of maintaining constitutional government, for which our young men understand they are offering up their lives.

Mr. Speaker, I realize that this proposition will probably pass. Next day you will no doubt have the so-called FEPC bill to harass the businessmen and the farmers whom it proposes to regiment in the most totalitarian manner. Every businessman and every farmer in America would be affected by it. Next will probably be a bill to abolish your separate schools.

The drive is on to sovietize America.

If that is what you want; if you want a totalitarian state; if you want to destroy by piecemeal the Constitution of this Republic and turn the ship of state adrift upon the turbulent tide of totalitarianism that is now sweeping the world, as Oliver Wendell Holmes has said, then—

> Tear her tattered ensign down!
> Long has it waved on high,
> And many an eye has danced to see
> That banner in the sky.
>
> Nail to the mast her holy flag,
> Set every threadbare sail,
> And give her to the god of storms,
> The lightning and the gale!

For if you follow this policy to its logical conclusion, then States' rights will be wiped out and constitutional government will be destroyed.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. COX. Mr. Speaker, I yield such part of the 3 minutes as he desires to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Speaker, every one of the 10,000,000 soldiers who are now fighting are fighting under an oath of office. Every person of the 130,000,000 people inferentially take an oath of office to support the Constitution of the United States.

In the early history of this country the fathers of the Constitution decided they were going to let the States have implicit confidence in the Federal Government. How did they do it? They did it in this way: They said that the right of suffrage should depend upon the qualifications for the most numerous branch of the State legislatures. So far as I am concerned, no matter how much sympathy I may have for those who would like to vote and who feel that they are deprived of voting by a State-imposed poll tax, nevertheless I have taken an oath of office and, therefore, until the Constitution is amended I propose to stand by the Constitution and I shall vote against this proposal to override the Federal Constitution in total disregard of my oath of office.

Mr. COX. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, when I came to Congress I took an oath of office to support the Constitution of the United States. I have asked some Congressmen who, in my opinion, are well versed in the law, stating this is unconstitutional, if it were not the fact that the Constitution required that the States determine the qualifications of their electorate and I was informed "yes." For that reason it would be the wise thing for those who are supporting this legislation to ask for a constitutional amendment permitting this change rather than to bring this bill here to be voted on.

Mr. Speaker, I shall not support this proposition because I feel it is unconstitutional. Ever since I have been in Congress I have done everything I knew how to support the Constitution to the best of my ability and I am going to do

it in this instance. It is not a question of the poll tax, it is the constitutionality of the bill. Furthermore, our forefathers threw the tea overboard. The reason, taxation without representation is tyranny. May I ask any red-blooded American citizen who wants to see our country prosper and remain under the Constitution: Is it any better to have representation without taxation, without some responsibility for the support of our Government? I also believe in States' rights.

Mr. COX. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON of Virginia. Mr. Speaker, each time a bill has been before the House to abolish by congressional action a State poll tax as a prerequisite to voting, I have expressed my opposition to such action. In Virginia the provision is written into our State constitution. I favor the submission to the voters of Virginia of the question of whether or not that constitutional provision shall be repealed. But I am very definitely of the opinion that it is a subject over which the Congress has no constitutional jurisdiction, and I am likewise of the opinion that if the Congress had such jurisdiction it should not be exercised.

In the Appendix of the CONGRESSIONAL RECORD, volume 88, part 10, at page A3349, will be found a clear and convincing argument by Attorney General Staples, of Virginia, on the subject of the unconstitutionality of the bill in question. In the CONGRESSIONAL RECORD, volume 88, part 6, October 13, 1942, at page 8155, will be found the objections I voiced at that time to the passage of a similar bill.

I desire to quote again a letter which I quoted at that time from Dr. Harley L. Lutz, of Princeton University, written on October 5, 1942:

DEAR MR. ROBERTSON: Thanks for your letter of September 30, with its enclosure.

With respect to the poll tax, I have never been able to sympathize with the usual academic position against this tax, and I tried to make that clear in the textbook to which you refer. I am still of the opinion that a poll tax is a useful feature of a revenue system, and that it is particularly so in those States which do not have great disparities of wealth and income. I think the statistics of tax collections will bear me out in saying that there are many States in which a poll tax levied at a moderate rate will produce more revenue than either a graduated tax on so-called net income or a tax on inheritances and estates.

I am in complete agreement with you as to the sinister aspects of the proposal that the Congress shall assume authority to determine voting requirements in the several States. The trend toward complete Federal domination of the States and their local subdivisions must be counteracted with all the force at our command. If we add up the various manifestations of this trend, I think we have good reason to fear for the future of our Federal system, and if we permit the federalizers to destroy the basis upon which the Federal Government rests, it is my own conviction that the bulwark of our individual liberties will be destroyed also.

I appreciate your writing me and say again that if there is any other way in which I can be of assistance I hope you will call upon me.

Sincerely yours,

HARLEY L. LUTZ.

That letter is more pertinent now than it was 3 years ago, for the simple reason that the trend both here and abroad to centralize has been greatly accelerated during the intervening years. Great Britain is now involved in an election in which the dominant issue is whether or not Great Britain is to adopt a modified form of state socialism. It is believed that every country in Europe which will be within the so-called sphere of Russian influence will in the postwar era adopt some form of highly centralized government which will not be a democracy. No one knows what the future of France will be, but everyone knows that the present political leadership of France is favorable to some program of national sccialism.

Every Member of this Congress loudly proclaims his desire to see in this country a perpetuation of the private enterprise system. Everyone knows, or ought to know, that the private enterprise system is being challenged here as well as abroad. Every action from now on taken by the Congress to override the provisions inserted in our Constitution by the founding fathers in behalf of a maximum measure of personal freedom and of a maximum opportunity in which a system of private enterprise may successfully function will be a step in the direction of state domination of the individual and a step away from the type of representative democracy we have previously known and previously enjoyed. History records no instance of an overnight destruction from within of a particular form of government which has existed for more than a century and a half. The process has always been slow, and it has always been insidious. The leaders advocating the change have always concealed their real purposes, and the masses who have accepted the change have always done so on the mistaken assumption that what they are going to get in the future will be better than what they have had in the past.

I will frankly admit that a twentieth century definition of representative democracy is and should be different from an eighteenth century definition. New problems have arisen and fundamental principles must be interpreted in the light of those problems. The important thing, however, is to retain the fundamental principles, adjusting their application to existing conditions and not repudiate them. And it makes no material difference in the end result whether repudiation is consciously or unconsciously made. It is my opinion that it is not in the interest of better government for the Federal Government to control the election laws of the States. If there be those favoring that action, let them frankly say so and proceed to that objective according to the means prescribed by our Constitution, namely, a repeal of that part of our Constitution which denies to the Federal Government such control. There can be no surer way of bringing about the destruction of what Daniel Webster, on the one hundredth anniversary of the birth of George Washington, referred to as "the beautiful edifice of constitutional American liberty" than to destroy stone by stone the foundation of that edifice, namely, the Constitution of the United States.

I hope the pending rule will be defeated.

Mr. MARCANTONIO. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Speaker, as usual, the red herring of communism has been thrown into this discussion. It has been said that those of us who signed the petition to bring this measure before the House are fellow travelers. Frankly, I do not know of a Communist Member of this body. Two hundred and eighteen of us have signed the petition, as is provided for under our rules. The signers are Republicans and Democrats in good standing, every one of them nominated in either the Republican or Democrat primaries, by the majority of the voters of the two parties. Of course, such a statement is obviously without foundation and should be thrown out the window. As a matter of fact, outstanding citizens of the South are supporting this legislation. The oldest weekly in America, the Southern Planter, with headquarters in Richmond, came out editorially for this legislation, as have scores of other outstanding daily and weekly newspapers in the South.

This legislation is supported by good citizens of both parties. Why? Simply because one-fifth of the Members of this House are elected by only one-fiftieth of the adult population in the seven poll-tax States.

What happens when the poll-tax law is repealed? Florida repealed the poll tax in 1937 and the vote in that State jumped from 327,000 to 482,000 in the space of 2 national elections. Georgia has just repealed the poll tax. It was still in effect there last November at the national election. Including Georgia, the poll-tax States last November have a total population of some 25,000,000. Fourteen million of these were adults of voting age. These States elected 79 Representatives by casting only 2,757,000 votes. This means an average of 34,906 votes per Congressman. Outside of the poll-tax area the average was 118,948 votes.

The whole picture of voting and population shows that in the poll-tax States four out of five adult citizens did not vote. In the rest of the country three out of five voters did vote at the last election.

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. MARCANTONIO. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Mrs. DOUGLAS].

Mrs. DOUGLAS of California. Mr. Speaker, I just want to say I hope this motion will pass and that the resolution will be adopted. I hope by this action today we will permit the Members of this House to vote either for or against the anti-poll-tax bill. This is one of the bills that has confronted every one of us in our election one way or another. It is a bill about which the American people want some expression from those of us who have been sent here to represent them. I happen to be for the bill, but I hope that in any event we shall be able

to vote, whether we are for it or against it.

Mr. MARCANTONIO. Mr. Speaker, I yield 1 minute to the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Speaker, I just want to say that I am not the least bit embarrassed to speak and vote for this good American bill, H. R. 7, and for the resolution to bring it before the House of Representatives, despite the challenge of the gentleman from Mississippi [Mr. RANKIN]. The time has come when those of us who believe in democracy should stand up to be counted and challenge this nonsense about communism. Every time a bill of this kind is reported those of us who are liberal, those of us who believe in human rights and in equality and freedom are always labeled Communists. It seems to be the answer of the opposition to all their stupid prejudices. I think it is time to stop such nonsense.

Mr. MARCANTONIO. Mr. Speaker, how much time have I left?

The SPEAKER. The gentleman has one-half minute.

Mr. MARCANTONIO. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is, Shall the Committee on Rules be discharged from further consideration of House Resolution 139?

Mr. MARCANTONIO. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 224, nays 95, not voting 113, as follows:

[Roll No. 105]

YEAS—224

Adams	Douglas, Calif.	Henry
Allen, Ill.	Douglas, Ill.	Heselton
Andersen, H. Carl	Doyle	Hill
Anderson, Calif.	Dworshak	Hinshaw
Andrews, N. Y.	Eberharter	Hoch
Angell	Elliott	Hoeven
Arends	Ellis	Holmes, Mass.
Arnold	Ellsworth	Hook
Auchincloss	Elsaesser	Hope
Barrett, Pa.	Elston	Horan
Barrett, Wyo.	Engel, Mich.	Howell
Barry	Engle, Calif.	Huber
Bates, Ky.	Feighan	Hull
Bender	Fenton	Izac
Bennett, Mo.	Fernandez	Jackson
Biemiller	Forand	Jenkins
Bishop	Fulton	Johnson, Ill.
Blackney	Gallagher	Johnson, Okla.
Brehm	Gamble	Jonkman
Brown, Ohio	Gardner	Kearney
Brumbaugh	Gavin	Kee
Buck	Gearhart	Keefe
Buckley	Geelan	Kefauver
Buffett	Gerlach	Kelley, Pa.
Bunker	Gifford	Kelly, Ill.
Butler	Gillespie	Keogh
Byrne, N. Y.	Gillette	Kinzer
Campbell	Gillie	Kirwan
Canfield	Goodwin	Kopplemann
Cannon, Mo.	Gordon	Kunkel
Carnahan	Gore	Lane
Case, N. J.	Graham	Lea
Celler	Granahan	LeCompte
Chelf	Granger	LeFevre
Chenoweth	Green	Lemke
Chiperfield	Griffiths	Lesinski
Church	Gross	Lewis
Cochran	Gwynne, Iowa	Link
Combs	Hall, Edwin Arthur	Luce
Corbett	Hall, Leonard W.	Ludlow
Crawford	Halleck	Lynch
Crosser	Hancock	McConnell
Cunningham	Harless, Ariz.	McCormack
D'Alesandro	Harness, Ind.	McCowen
Dawson	Havenner	McGregor
De Lacy	Healy	McMillen, Ill.
Dickstein	Hedrick	Madden
Dingell	Heffernan	Mansfield, Mont.
Dolliver		Marcantonio
Martin, Mass.	Rees, Kans.	Sumner, Ill.
Merrow	Resa	Talbot
Michener	Robertson, N. Dak.	Talle
Miller, Calif.	Robinson, Utah	Taylor
Miller, Nebr.	Robsion, Ky.	Thom
Monroney	Rockwell	Thomas, Tex.
Morgan	Rogers, Mass.	Thomason
Mott	Rogers, N. Y.	Tibbott
Mundt	Rooney	Tolan
Murdock	Rowan	Trayner
Murphy	Ryter	Voorhis, Calif.
Murray, Wis.	Sabath	Vorys, Ohio
Neely	Sadowski	Vursell
Norton	Sasscer	Wasielewski
O'Brien, Ill.	Savage	Weichel
O'Brien, Mich.	Scrivner	Weiss
Outland	Simpson, Ill.	Welch
Patrick	Smith, Maine	Wigglesworth
Patterson	Smith, Wis.	Wilson
Philbin	Spence	Wolcott
Phillips	Springer	Wolfenden, Pa.
Pittenger	Starkey	Wolverton, N. J.
Priest	Stevenson	Woodhouse
Rabin	Stigler	Woodruff, Mich.
Ramey	Stockman	Zimmerman
Randolph	Sullivan	
Reed, Ill.		

NAYS—95

Abernethy	Folger	Patman
Barden	Fuller	Peterson, Fla.
Beckworth	Gary	Peterson, Ga.
Bell	Gibson	Pickett
Bland	Gossett	Poage
Bonner	Gregory	Price, Fla.
Boykin	Hale	Rains
Brooks	Harris	Ramspeck
Brown, Ga.	Hays	Rankin
Bryson	Hendricks	Reed, N. Y.
Bulwinkle	Jensen	Rich
Burch	Johnson, Luther A.	Riley
Burgin	Kerr	Rizley
Byrnes, Wis.	Kilday	Robertson, Va.
Camp	Knutson	Roe, Md.
Case, S. Dak.	Lanham	Russell
Clevenger	Larcade	Schwabe, Mo.
Cole, Mo.	Lyle	Schwabe, Okla.
Colmer	McGehee	Smith, Va.
Cooper	McKenzie	Sparkman
Courtney	McMillan, S. C.	Sumners, Tex.
Cox	Mahon	Tarver
Cravens	Maloney	Trimble
Curtis	Manasco	Vinson
Daughton, Va.	Mansfield, Tex.	Weaver
Davis	Mason	West
Domengeaux	May	Whittington
Doughton, N. C.	Mills	Wickersham
Drewry	Murray, Tenn.	Winstead
Ervin	Norrell	Wood
Fisher	O'Hara	Woodrum, Va.
Flannagan		Worley

NOT VOTING—113

Allen, La.	Fogarty	Pfeifer
Anderson, N. Mex.	Gathings	Ploeser
Andresen, August H.	Gorski	Plumley
Andrews, Ala.	Grant, Ala.	Powell
Bailey	Grant, Ind.	Powers
Baldwin, Md.	Gwinn, N. Y.	Price, Ill.
Baldwin, N. Y.	Hagen	Quinn, N. Y.
Bates, Mass.	Hand	Rabaut
Beall	Hare	Rayfiel
Bennet, N. Y.	Hart	Reece, Tenn.
Bloom	Hartley	Richards
Bolton	Hébert	Rivers
Boren	Herter	Rodgers, Pa.
Bradley, Mich.	Hess	Roe, N. Y.
Bradley, Pa.	Hobbs	Rogers, Fla.
Cannon, Fla.	Hoffman	Shafer
Carlson	Holifield	Sharp
Chapman	Holmes, Wash.	Sheppard
Clark	Jarman	Sheridan
Clason	Jennings	Short
Clements	Johnson, Calif.	Sikes
Coffee	Johnson, Ind.	Simpson, Pa.
Cole, Kans.	Johnson, Lyndon B.	Slaughter
Cole, N. Y.	Jones	Smith, Ohio
Cooley	Judd	Snyder
Curley	Kean	Somers, N. Y.
Delaney, James J.	Kilburn	Stefan
Delaney, John J.	King	Stewart
Dirksen	LaFollette	Sundstrom
Dondero	Landis	Taber
Durham	Latham	Thomas, N. J.
Earthman	McDonough	Torrens
Eaton	McGlinchey	Towe
Fallon	Martin, Iowa	Wadsworth
Fellows	Morrison	Walter
Flood	O'Konski	White
	O'Neal	Whitten
	O'Toole	Winter
	Pace	

So the motion to discharge the Committee on Rules from further consideration of House Resolution 139 was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Dirksen for, with Mr. Kilburn against.
Mr. Sundstrum for, with Mr. Sikes against.
Mr. Dondero for, with Mr. Cooley against.
Mr. Jennings for, with Mr. Durham against.
Mr. Hagen for, with Mr. Richards against.
Mr. Holmes of Washington for, with Mr. Hobbs against.
Mr. LaFollette for, with Mr. Fellows, against.
Mr. Clements for, with Mr. Pace against.
Mr. Rabaut for, with Mr. Andrews of Alabama against.
Mr. Holifield for, with Mr. Grant of Alabama against.
Mr. Stefan for, with Mr. Gathings against.
Mr. John J. Delaney for, with Mr. Allen of Louisiana against.
Mr. Judd for, with Mr. Baldwin of Maryland against.
Mr. Martin of Iowa for, with Mr. Clark against.
Mr. Ploeser for, with Mr. Whitten against.
Mr. Grant of Indiana for, with Mr. Jarman against.

General pairs until further notice:

Mr. Curley with Mrs. Bolton.
Mr. Sheridan with Mr. Hand.
Mr. Quinn of New York with Mr. Clason.
Mr. Coffee with Mr. Herter.
Mr. Pfeifer with Mr. Rodgers of Pennsylvania.
Mr. McGlinchey with Mr. Powers.
Mr. Powell with Mr. Carlson.
Mr. Gorski with Mr. Baldwin of New York.
Mr. Rayfiel with Mr. Johnson of Indiana.
Mr. Cannon of Florida with Mr. Towe.
Mr. Somers of New York with Mr. Hess.
Mr. Morrison with Mr. Taber.
Mr. Bloom with Mr. Hartley.
Mr. Fogarty with Mr. Smith of Ohio.
Mr. Roe of New York with Mr. Shafer.
Mr. Hart with Mr. Eaton.
Mr. James J. Delaney with Mr. Short.
Mr. Sheppard with Mr. Cole of New York.
Mr. O'Toole with Mr. McGregor.
Mr. Price of Illinois with Mr. August H. Andresen.
Mr. Torrens with Mr. Bennet of New York.
Mr. O'Neal with Mr. Beall.
Mr. Stewart with Mr. Reece of Tennessee.
Mr. Rivers with Mr. Thomas of New Jersey.
Mr. Chapman with Mr. Jones.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That upon the day succeeding the adoption of this resolution, a special order be, and is hereby, created by the House of Representatives, for the consideration of H. R. 7, a public bill which has remained in the Committee on the Judiciary for 30 or more days without action. That such special order be, and is hereby, created, notwithstanding any further action on said bill by the Committee on the Judiciary, or any rule of the House. That on said day the Speaker shall recognize the Representative from New York, VITO MARCANTONIO, to call up H. R. 7, a bill making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers, as a special order of business, and to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of said H. R. 7. After general debate, which shall be confined to

the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the Member of the House requesting the rule for the consideration of said H. R. 7 and the Member of the House who is opposed to the said H. R. 7, to be designated by the Speaker, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill, and the amendments thereto, to final passage, without intervening motion, except one motion to recommit. The special order shall be a continuing order until the bill is finally disposed of.

The SPEAKER. The question is on the resolution.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Does that mean that this is the end, that this is the last vote on the resolution?

The SPEAKER. The last vote today. If the resolution is agreed to, the bill comes up tomorrow under the terms of the resolution.

Mr. RANKIN. I thought the other vote was the only vote to be taken today.

The SPEAKER. The other vote was on the question of discharging the Committee on Rules. This vote is on the resolution to make the bill in order.

Mr. RANKIN. I move to lay that motion on the table.

The SPEAKER. Under the rule, that motion is not in order.

The question is on the resolution.

The question was taken and the Chair announced that the ayes seemed to have it.

Mr. RANKIN. Mr. Speaker, I object to the vote on the ground there is not a quorum present. I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and three Members are present; not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 220, nays 94, not voting 118, as follows:

[Roll No. 106]

YEAS—220

Adams	Canfield	Elsaesser
Allen, Ill.	Cannon, Mo.	Elston
Andersen, H. Carl	Carnahan	Engel, Mich.
Anderson, Calif.	Case, N. J.	Engle, Calif.
Arends	Celler	Feighan
Auchincloss	Chelf	Fenton
Barrett, Pa.	Chenoweth	Fernandez
Barrett, Wyo.	Chiperfield	Forand
Barry	Church	Fulton
Bates, Ky.	Cochran	Gallagher
Bates, Mass.	Corbett	Gamble
Bender	Crawford	Gardner
Bennet, N. Y.	Crosser	Gavin
Bennett, Mo.	Cunningham	Gearhart
Biemiller	D'Alesandro	Geelan
Bishop	Dawson	Gerlach
Blackney	De Lacy	Gifford
Brehm	Dickstein	Gillespie
Brown, Ohio	Dingell	Gillette
Brumbaugh	Dolliver	Gillie
Buck	Douglas, Calif.	Goodwin
Buckley	Douglas, Ill.	Gordon
Buffett	Doyle	Gore
Bunker	Dworshak	Graham
Butler	Eberharter	Granahan
Byrne, N. Y.	Elliott	Granger
Campbell	Ellis	Green
	Ellsworth	Griffiths
Gross	LeFevre	Robinson, Utah
Gwynne, Iowa	Lemke	Robsion, Ky.
Hall, Edwin Arthur	Lesinski	Rogers, N. Y.
	Lewis	Rooney
Hall, Leonard W.	Link	Rowan
	Luce	Ryter
Halleck	Ludlow	Sabath
Hancock	Lynch	Sadowski
Harless, Ariz.	McConnell	Sasscer
Harness, Ind.	McCormack	Savage
Havenner	McCowen	Scrivner
Healy	McGregor	Simpson, Ill.
Hedrick	McMillen, Ill.	Smith, Maine
Heffernan	Madden	Smith, Wis.
Henry	Mansfield, Mont.	Snyder
Heselton		Spence
Hill	Marcantonio	Springer
Hinshaw	Martin, Mass.	Starkey
Hoch	Merrow	Stevenson
Hoeven	Michener	Stigler
Holmes, Mass.	Miller, Calif.	Stockman
Hook	Miller, Nebr.	Sullivan
Hope	Monroney	Sumner, Ill.
Howell	Morgan	Talbot
Huber	Mott	Talle
Hull	Mundt	Taylor
Izac	Murphy	Thom
Jackson	Murray, Wis.	Thomas, Tex.
Jenkins	Neely	Thomason
Johnson, Ill.	Norton	Tibbott
Johnson, Okla.	O'Brien, Ill.	Tolan
Jonkman	O'Brien, Mich.	Traynor
Kearney	Outland	Voorhis, Calif.
Kee	Patrick	Vorys, Ohio
Keefe	Patterson	Vursell
Kefauver	Philbin	Wasielewski
Kelley, Pa.	Phillips	Welchel
Kelly, Ill.	Pittenger	Weiss
Keogh	Priest	Welch
King	Rabin	Wigglesworth
Kinzer	Ramey	Wilson
Kirwan	Randolph	Wolcott
Kopplemann	Reed, Ill.	Wolfenden, Pa.
Kunkel	Rees, Kans.	Wolverton, N. J.
Lane	Resa	Woodhouse
Lea	Robertson, N. Dak.	Woodruff, Mich.
LeCompte		Zimmerman

NAYS—94

Abernethy	Fuller	Pickett
Allen, La.	Gary	Poage
Barden	Gibson	Price, Fla.
Beckworth	Gossett	Rains
Bell	Gregory	Ramspeck
Bland	Hale	Rankin
Bonner	Harris	Reed, N. Y.
Brooks	Hays	Rich
Brown, Ga.	Hendricks	Riley
Bryson	Jensen	Rizley
Bulwinkle	Kerr	Robertson, Va.
Burch	Kilday	Roe, Md.
Burgin	Knutson	Rogers, Fla.
Byrnes, Wis.	Lanham	Russell
Camp	Larcade	Schwabe, Mo.
Case, S. Dak.	Lyle	Schwabe, Okla.
Clevenger	McGehee	Smith, Va.
Cole, Mo.	McKenzie	Sparkman
Colmer	McMillan, S. C.	Sumners, Tex.
Cooper	Mahon	Tarver
Courtney	Maloney	Trimble
Cox	Manasco	Vinson
Cravens	Mansfield, Tex.	Weaver
Daughton, Va.	Mason	West
Davis	May	Whittington
Domengeaux	Mills	Wickersham
Doughton, N. C.	Morrison	Winstead
Drewry	Murray, Tenn.	Wood
Ervin	Norrell	Woodrum, Va.
Fisher	O'Hara	Worley
Flannagan	Patman	
Folger	Peterson, Fla.	

NOT VOTING—118

Anderson, N. Mex.	Cole, Kans.	Hand
	Cole, N. Y.	Hare
Andresen, August H.	Combs	Hart
	Cooley	Hartley
Andrews, Ala.	Curley	Hébert
Andrews, N. Y.	Curtis	Herter
Angell	Delaney, James J.	Hess
Arnold		Hobbs
Bailey	Delaney, John J.	Hoffman
Baldwin, Md.		Holifield
Baldwin, N. Y.	Dirksen	Holmes, Wash.
Beall	Dondero	Horan
Bloom	Durham	Jarman
Bolton	Earthman	Jennings
Boren	Eaton	Johnson, Calif.
Boykin	Fallon	Johnson, Ind.
Bradley, Mich.	Fellows	Johnson, Luther A.
Bradley, Pa.	Flood	
Cannon, Fla.	Fogarty	Johnson, Lyndon B.
Carlson	Gathings	
Chapman	Gorski	Jones
Clark	Grant, Ala.	Judd
Clason	Grant, Ind.	Kean
Clements	Gwinn, N. Y.	Kilburn
Coffee	Hagen	LaFollette
Landis	Quinn, N. Y.	Slaughter
Latham	Rabaut	Smith, Ohio
McDonough	Rayfiel	Somers, N. Y.
McGlinchey	Reece, Tenn.	Stefan
Martin, Iowa	Richards	Stewart
Murdock	Rivers	Sundstrom
O'Konski	Rockwell	Taber
O'Neal	Rodgers, Pa.	Thomas, N. J.
O'Toole	Roe, N. Y.	Torrens
Pace	Rogers, Mass.	Towe
Peterson, Ga.	Shafer	Wadsworth
Pfeifer	Sharp	Walter
Ploeser	Sheppard	White
Plumley	Sheridan	Whitten
Powell	Short	Winter
Powers	Sikes	
Price, Ill.	Simpson, Pa.	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Dirksen for, with Mr. Kilburn against.

Mr. Sundstrom for, with Mr. Sikes against.

Mr. Dondero for, with Mr. Cooley against.

Mr. Jennings for, with Mr. Curtis against.

Mr. Hagen for, with Mr. Richards against.

Mr. Holmes of Washington for, with Mr. Hobbs against.

Mr. LaFollette for, with Mr. Fellows against.

Mr. Clements for, with Mr. Pace against.

Mr. Rabaut for, with Mr. Andrews of Alabama against.

Mr. Holifield for, with Mr. Grant of Alabama, against.

Mr. John J. Delaney for, with Mr. Clark against.

Mr. Stefan for, with Mr. Gathings against.

Mrs. Bolton for, with Mr. Durham against.

Mr. Judd for, with Mr. Baldwin of Maryland against.

Mr. Ploeser for, with Mr. Whitten against.

Mr. Grant of Indiana for, with Mr. Jarman against.

Additional general pairs:

Mr. Hébert with Mr. Arnold.

Mr. Earthman with Mr. Bradley of Michigan.

Mr. Lyndon B. Johnson with Mr. Cole of Kansas.

Mr. Fallon with Mr. Gerlach.

Mr. Slaughter with Mr. Gwinn of New York.

Mr. Flood with Mr. Hand.

Mr. O'Toole with Mr. Herter.

Mr. Hare with Mr. Horan.

Mr. Walter with Mr. Johnson of California.

Mr. Chapman with Mr. Jones.

Mr. Luther A. Johnson with Mr. Kean.

Mr. Curley with Mr. Landis.

Mr. McGlinchey with Mr. Martin of Iowa.

Mr. Murdock with Mr. O'Konski.

Mr. Peterson of Georgia with Mr. Plumley.

Mr. Boren with Mr. Short.

Mr. Gorski with Mr. Simpson of Pennsylvania.

Mr. Boykin with Mr. Shafer.

Mr. Anderson of New Mexico with Mr. Rockwell.

Mr. Cannon of Florida with Mr. Winter.

Mr. Sheridan with Mr. Wadsworth.

The result of the vote was announced as above recorded.

On motion of Mr. MARCANTONIO, a motion to reconsider the vote whereby the resolution was agreed to was laid on the table.

ANNOUNCEMENT

Mr. CELLER. Mr. Speaker, I beg to announce that a number of Members of the delegation from New York were in a train wreck at Baltimore. Among them were Mr. JOHN J. DELANEY, Mr. LEO F. RAYFIEL, Mr. ANDREW L. SOMERS, Mr. JOSEPH BALDWIN, and others. For that reason they were unable to be in the Chamber to vote on House Resolution 139.

EXTENSION OF REMARKS

Mr. BULWINKLE asked and was given permisison to extend his remarks in the Appendix of the RECORD by printing a speech of Brig. Gen. Albert L. Cox on Memorial Day.

Mr. DOUGHTON of North Carolina asked and was given permission to extend his remarks in the Appendix of the RECORD by inserting a speech made this morning before the Postwar Policy Committee by Hon. Josephus Daniels, ex-Secretary of the Navy and Ambassador to Mexico.

Mr. ELLIOTT asked and was given permission to extend his remarks in the RECORD and include an editorial from the Los Angeles Times of June 5.

Mr. GORDON. Mr. Speaker, I ask unanimous consent to insert in the RECORD three timely mentions of the annual meeting of the Knights of Columbus of New York urging a solemn warning to be sounded to the United States.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE THIRD ANNIVERSARY OF THE EXTERMINATION OF LIDICE, CZECHOSLOVAKIA

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, 3 years ago last Saturday our country and the world were shocked by the brutality which exceeded all other Nazi brutality in destroying the little village of Lidice, Czechoslovakia. Every man was murdered and the women and children were taken away.

Yesterday all through that section thousands upon thousands of people, friends, kinsmen, and others, gathered at the place where Lidice once stood to commemorate the anniversary of that desperate deed of the bloodthirsty Nazis.

Born in Czechoslovakia and having lived there until I was 15 years of age, early in life I became acquainted with its people, their habits, customs, aspirations, and the ruthless, unwarranted oppression visited upon the Bohemians by the Hapsburg dynasty and the Germans. Therefore, instinctively, I have always had a deep and abiding interest in the good, honest, hard-working, brave people of Czechoslovakia. No people have been the object of more tyranny and abuse than the Czechs. A landlocked state, her natural troubles were enough, but with determined heart she has weathered every storm and is again taking her rightful place among the leading, enterprising nations of the world. Austrians, Germans, Hungarians, and peoples of other nations have shamefully abused her and desecrated her soil, but, as solid as truth and as enduring as justice, her people would not down. Little by little the robber nations exploited and overran her without a scintilla of justification. Before October 1938 she had an area of about 55,000 square miles and was a very peaceful and law-abiding state.

In October 1938 the German Sudeten area, consisting of a fringe of varying width running north, west, and south of the present Provinces of Moravia and Cechy, with an estimated area of approximately 10,885 square miles, was, as a result of force, shamefully ceded to the German Reich when Chamberlain yielded to the pressure and the threats of the Hitlerites. At the same time the small town of Cesky Tesin, opposite the Polish town of Cieszyn, and approximately 405 square miles of adjacent territory, were occupied by Poland. On November 2, 1938, a German-Italian arbitration award transferred to Hungary an area estimated at 4,787 square miles. Lastly, shortly after the conflagration began in September 1939, this once promising country, then comprising about 39,000 square miles, was completely swallowed up by the insensate Nazis.

It is peculiarly fitting that on June 9, 1945—3 years after one of the crowning infamies of all history—we pause to assess the important values of, and pay merited tribute to, a worthy, undaunted people. History records no more determined, virile, and resilient people. Those of less courage and tenacity, those made of common clay, have long since given up the struggle, vegetated, submitted to tyranny, and closed the pages of their history. Not so with Czechoslovakia. What a brave and inspiring example for all. Other nations have been buffeted by capricious winds and destructive looters, and most of them have succumbed. For them we have nothing but sympathy, because we know not their complete problems and what really led to their destruction. In Czechoslovakia we have a country whose will and faith enabled her to withstand as sad a fate as ever was visited upon any nation in recorded history. All glory to Czechoslovakia.

Around all this grandeur and nobility and sacrifice I associate one great name as a symbol—Thomas Garrigue Masaryk, for a great part of his 87 years the most prominent Czech and the first President of Czechoslovakia, 1918–35.

It was my good fortune to know this great and good man before World War I. Whatever I have been able to accomplish as a Member of this honorable body has brought me much pleasure and satisfaction, but I never experienced more pleasure than was mine when I was able, as President Masaryk said, as a Member of Congress to be of assistance to Czechoslovakia during its struggle for freedom and independence. Since Professor Masaryk during all his useful adult life was a profound student of the science of government, it was not hard to persuade him that the surest way to write his name indelibly upon the pages of his country's history and secure for his country a high place in the sisterhood of states was to evolve a model democratic republic not only for his own good people but as a pattern for other aspiring countries then emerging from dependency to independence. And Professor Masaryk did not fail. One can almost look upon his passing 4 years before the war started as an act of mercy, because if he had lived to see his country destroyed at Munich so that "we might have peace in our time," that act would have broken his great, altruistic heart and caused his death. Still there stands, among the highest in the world, after 6 years of suffering and agony—not less suffering and agony because silently and dignifiedly borne—the untarnished and inspiring name of Masaryk. He died after achieving his heart's greatest desire—a liberal, democratic republic which he headed, as I have said, with such singular eminence of mind and character for 17 long, eventful, formative years, leaving behind the proud memory of a brave, beneficently imperious gentleman who bowed to death alone. Fortunately for him he was given the high privilege of witnessing the processes of his own immortality, which was for him ample recompense for all his arduous labors. And, as I have said, it was well that a merciful Creator recalled him ere he saw so much of his great and successful work temporarily destroyed by an appeasement that erroneously guaranteed us "peace in our own time" for the destruction of Czechoslovakia.

Now, let us turn to a consideration of the fate of Lidice, Czechoslovakia, which is something else that assures immortality for a truly brave people. One of the proudest boasts of the Czech a thousand years hence will be: "My forebears resisted brutal domination and subjugation, and they were part of the whole population of 667 persons that was massacred on June 9, 1942, by the barbaric Nazis."

At the lower end of a gently sloping wheat field is a freshly painted sign reading: "Here used to stand the village of Lidice."

The little sign in the wheat beside a dusty, rutted clay road is the epitaph of Lidice, a quiet little Czech village erased from the earth by vengeful Germans.

All the world heard about Lidice, as trumpeted by the Nazis themselves following the assassination of Hangman Reinhardt Heydrich in 1942; of the killing of its male population and its extermination.

They stripped Lidice's men and killed them. Women and children were packed off to concentration camps. They left not one stone of the village's 112 buildings standing.

Today the mile-square area which was Lidice is an open field partly covered by ripening wheat.

Out of 667 people in Lidice that night of June 9, 1942, only two are known for sure to be alive. Both are women in a hospital.

Rocks and the stump of a pear tree are all that is left of Lidice. New maps being printed by the Czech Government do not show Lidice. Lidice is a hallowed name to the Czechs, and they want to let it remain in memory only.

Workers from neighboring villages have cleared away a plot 25 feet square

in the center of the stubble field as a simple memorial to Lidice's victims.

This is the recital of an eye-witness as to what happened at Lidice:

During the night of June 9, 1942, the Germans rounded up all the women in the schoolhouse. Four women who were expecting babies were sent to a Prague hospital. After their babies were born they were sent to a concentration camp, and nothing was ever heard of them or their babies.

While the women were being herded into the school, the Germans gathered the men on the village commons. The men then were marched to the cemetery and shot.

The first fire was started in the mayor's home at 7:30 a. m. For the next 3 days they burned Lidice.

After the fires died down, the Germans tore down everything left of Lidice and carried it away.

This dastardly murder at and destruction of Lidice has rekindled anew in the hearts of the liberty-loving people of Czechoslovakia a determination to effect retribution and to exert an even greater effort in behalf of their beloved country; and today they are striving with their utmost endeavor, as they did after the First World War, to rebuild and reconstruct their republic under President Benes as it was under their former President Masaryk, and to follow his footsteps in evolving peace, happiness, contentment, and prosperity to the good people of Czechoslovakia. It is fervently hoped that they will continue to have the united cooperation of all enlightened, unselfish peoples, so that Czechoslovakia may lead all other European nations, as in the past, in law and order, under a free democratic government.

The result of the destruction of Lidice and its people will continue to be an inspiration and an example of what harmonious cooperation can attain. May I express the hope that no transgressor will ever again deprive the Czech people of their opportunities, freedom, and liberty.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a commencement address delivered at American University on the occasion of the bestowal of the degree of doctor of laws on Marcellus Sheild.

Mrs. DOUGLAS of Illinois asked and was given permission to extend her own remarks in the RECORD and to include an excerpt from the diary of a young flier, Carrol Binder, Jr., of a distinguished family, who has been missing in action since May 1944.

Mr. KIRWAN (at the request of Mr. KEE) was given permission to extend his remarks in the RECORD and to include a communication from Mr. L. S. Chadwick, president of the Perfection Stove Co., of Cleveland, Ohio.

RALPH A. BARD, UNDER SECRETARY OF THE NAVY

Mr. VINSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks in the RECORD and to include a letter from the President of the United States.

[Mr. VINSON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. DE LACY asked and was given permission to extend his remarks in the RECORD and to include a certain article.

ANNOUNCEMENT

Mr. D'ALESANDRO. Mr. Speaker, I wish to announce that due to a train wreck, the gentlemen from Maryland [Mr. BALDWIN and Mr. FALLON] have been unable to be present this morning.

LEAVE OF ABSENCE

Mr. CELLER. Mr. Speaker, I have just received word from the family of the gentleman from New York [Mr. O'TOOLE] that he was suddenly taken ill and has been removed to a hospital. I ask unanimous consent that he may have an indefinite leave of absence.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. WEISS asked and was given permission to extend his remarks in the RECORD and to include a statement from William D. Curran.

PERMISSION TO ADDRESS THE HOUSE

Mr. FULTON. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes after disposition of matters on the Speaker's desk today and at the conclusion of any special order heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. CASE of South Dakota asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a letter on the sheep situation.

Mr. HINSHAW asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a table of certain tariff reductions.

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a speech made by J. P. Seiberling, at the Salesmanship Club, at Dallas, Tex., on April 12, 1945, entitled "Freedom's Greatest Foe." This is over the amount of two pages allowed. I have asked the Public Printer for an estimate and I am informed this will cost $195. If granted permission to insert this in the RECORD, I will send the Public Printer my personal check for $195.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ANNOUNCEMENT

Mr. ANDREWS of New York. Mr. Speaker, on the roll call on the resolution today I understood this to be the roll call on the discharge petition. I voted for the discharge petition and, naturally, would have voted for the resolution had I understood the question correctly.

EXTENSION OF REMARKS

Mr. ANDREWS of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a statement by Karl T. Compton, president of the Massachusetts Institute of Technology.

Mr. JENKINS asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a short newspaper article.

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a letter.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and to include an editorial from the Carroll County Independent, of Center Ossinee, N. H.

Mr. AUCHINCLOSS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include four speeches made by the contestants in an oratorical contest held at the Freehold High School under the auspices of the American Legion on the subject, The Constitution of the United States. I am advised by the Government Printing Office that this will require three and a half pages of the CONGRESSIONAL RECORD and will cost $173.40. I ask unanimous consent that this matter may be included in the RECORD notwithstanding the additional cost.

The SPEAKER. Notwithstanding the additional cost, and without objection, the extension may be made.

There was no objection.

Mr. HERTER (at the request of Mr. AUCHINCLOSS) was given permission to extend his remarks in the RECORD and include a statement from the chairman of the Citizens Advisory Committee on Returning Veterans.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include a statement by Dr. Wolford, of the Veterans' Administration, before the Committee on World War Veterans' Legislation.

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD in three instances; to include in one an editorial appearing in the Asbury Park Press; in one to include an article appearing in the Buffalo (N. Y.) News, and in the other to include an article by David Lawrence.

Mr. BENDER asked and was given permission to extend his remarks in the RECORD in two instances.

PUT ONLY AMERICANS ON GUARD

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

CALL OF THE HOUSE

Mr. CHENOWETH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 107]

Anderson, N. Mex.	Gathings	ONeal
Andresen, August H.	Gorski	O'Toole
Andrews, Ala.	Grant, Ala.	Pace
Bailey	Grant, Ind.	Peterson, Ga.
Baldwin, Md.	Gwinn, N. Y.	Pfeifer
Beall	Hagen	Ploeser
Bloom	Hand	Plumley
Bolton	Hare	Powell
Boren	Harless, Ariz.	Powers
Bradley, Mich.	Hart	Price, Ill.
Bradley, Pa.	Hartley	Rabaut
Cannon, Fla.	Hébert	Reece, Tenn.
Cannon, Mo.	Herter	Richards
Carlson	Hess	Rockwell
Celler	Hill	Rodgers, Pa.
Chapman	Hobbs	Roe, N. Y.
Clark	Hoffman	Rogers, Mass.
Clason	Holifield	Sabath
Clements	Holmes, Wash.	Shafer
Coffee	Jarman	Sharp
Cole, Kans.	Jennings	Sheppard
Cole, N. Y.	Johnson, Calif.	Sheridan
Cooley	Johnson, Ind.	Short
Courtney	Johnson, Lyndon B.	Sikes
Curley	Johnson, Okla.	Simpson, Pa.
Davis	Jones	Slaughter
Dawson	Jonkman	Smith, Maine
De Lacey	Judd	Smith, Ohio
Dirksen	Kean	Stefan
Dondero	Kilburn	Stewart
Durham	LaFollette	Sundstrom
Earthman	Landis	Taber
Eaton	Latham	Thomas, N. J.
Ellsworth	Lea	Torrens
Fellows	Lesinski	Towe
Fernandez	McDonough	Wadsworth
Flood	McGlinchey	Walter
Fogarty	Martin, Iowa	White
Folger	May	Whitten
Fuller	Monroney	Wilson
Gardner	Murdock	Winter
	O'Konski	

The SPEAKER. On this roll call 306 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FEDERAL EMPLOYEES PAY ACT OF 1945

Mr. RAMSPECK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3393) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union, for the consideration of the bill H. R. 3393, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. RAMSPECK. Mr. Chairman, I yield myself 5 minutes.

Mr Chairman, this bill, dealing with the pay legislation of what is generally referred to as the white-collared group in the Federal service, proposes to put them on a parity basis with other Federal employees. It does not do anything for a single employee covered by this proposal that this House has not already done for the other Federal employees. Just about a month ago we passed a bill bringing the postal employees under this type of legislation, providing basic wage increases and overtime on the same basis proposed in this bill, which is time and a half after 40 hours.

The bill was handled in the Civil Service Committee of the House by a subcommittee composed of the gentleman from Washington, [Mr. JACKSON,] the gentleman from California [Mr. MILLER], the gentleman from Texas [Mr. COMBS], the gentleman from Massachusetts [Mr. HERTER], and the gentleman from Illinois [Mr. VURSELL]. I want to pay my compliments to them for doing what I consider a fine job. We have an excellent bill here, and it will be explained in more detail by the gentleman from Washington [Mr. JACKSON], who was chairman of the subcommittee; however, if you will take a copy of the report, which was filed on the bill, you will find an answer to most any question you want to ask. I doubt if there has been a more complete report filed on any legislation dealing with the subject matter we have before us this afternoon.

Briefly the bill proposes a pay increase for this group of employees averaging a little over 15 percent. The plan has been approved by the Chairman of the National War Labor Board and by the Economic Stabilization Director, Mr. Davis.

It also provides that if they work beyond 40 hours they shall be paid time and a half on the basis of 2,080 hours a year or 260 days per year which is the standard used in the wage and hour law. That is the same standard that has been in use for years for the employees of the Government who work in the navy yards and the arsenals who come under wage-board procedure and whose salaries are fixed by wage boards. Those employees already have had basic wage increases, and therefore, I repeat that all we are proposing to do in this bill is to bring these employees up to a basis of equality with the other million and a half Federal employees in the executive branch of the Government. We do not go beyond that in any respect, and to do less than we propose in this bill, it seems to me, would not be doing justice to the employees covered by this act.

There is one other point I want to make. This bill also covers employees of the House and the Senate and in the offices of the Senators and the Representatives. They are treated exactly the same as the people downtown in the executive branch as relates to basic pay. They get an average increase of 15 percent plus. We do not put them under time and one-half overtime because we have no hours up here on the Hill. But in lieu of overtime and in addition to the basic wage increase they get 10 percent instead of overtime pay.

The same rule is applied to the judicial employees of the Government as is applied to the legislative employees, so that this bill will complete the pay legislation and will do justice to a group of 1,200,000 employees on basic pay and 1,400,000 on overtime pay. I think the bill ought to pass. I cannot see how anybody who voted for the postal bill can fail to vote for this bill, because it is simply doing justice to those people who have not yet been covered by the legisation heretofore passed.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. RAMSPECK. Mr. Speaker, I yield myself five additional minutes.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Mississippi.

Mr. RANKIN. I am not criticizing the general proposition of raising the pay to meet the increased price conditions, and I hope that it is carried on down to every farmer in the country, because with $26,000,000,000 in circulation now as against the peak of $5,698,000,000 after the last war, any man who does not realize that we are going into higher price levels and stay ther evidently does not understand the economic situation, or else he is looking forward to the time when we will repudiate the national debt. If we undertook to contract the currency down to what it was before this war broke out, it would mean repudiation of the national debt. So I am not kicking on pay raises as a general proposition; but I want to ask the gentleman if it is not a fact that this committee has made an investigation of the civil service

Mr. RAMSPECK. The committee has been investigating civilian employees; yes.

Mr. RANKIN. The report of that committee has not been made public yet, has it?

Mr. RAMSPECK. We filed a number of reports. I do not know what the gentleman refers to.

Mr. RANKIN. I am speaking about the main report. I understand it shows that in some governmental agencies as much as 38 percent have received from 5 to 10 grade advances during the war. In some agencies the increases amount to 60 percent during the war period. Now, then, I understand Mr. Flemming says that the average increase is 4.2 percent. That is right, is it not?

Mr. RAMSPECK. He testified before the committee that the average increase in the take-home pay due to grade promotions and within-grade promotions and transfer was 4.2 percent.

Mr. RANKIN. Yet these advancements in a large number of cases have increased the pay as much as 60 percent, have they not?

Mr. RAMSPECK. No; I do not think so. It is true that there have been in some agencies that have been expanded considerable grade promotions, but I point out to the gentleman that that does not increase the pay roll.

Mr. RANKIN. I understand, but when you give them grade promotions rapidly it increases their pay.

Mr. RAMSPECK. Yes; it increases their pay as individuals.

Mr. RANKIN. The other 10 or 11 percent have received only within-grade promotions of 5 to 8 percent, so the promotions of those who have not been jumped from one grade to another have been held down to from 5 to 8 percent.

Mr. RAMSPECK. The report about which someone has evidently told the gentleman was a staff report to the committee. The committee held one hearing on the matter and continued it until further information could be gotten. Nobody yet has substantiated those statements. They are contradicted by the Civil Service Commission and by the testimony of the Bureau of Labor Statistics had before the committee.

Mr. RANKIN. What I should like to know is, when are we going to be able to get a copy of that report? I will tell the gentleman why I am interested in this propositon. This statement of Mr. Flemming that the increase has been an average of 4.2 percent, the within-grade promotions and transfers and grade promotions themselves—that is, stepping from one grade to another—brings up an entirely different picture. One of the troubles we are having in the Veterans' Administration is that in 1932 the responsibility of writing class specifications and standards was given to the Civil Service Commission .

Mr. RAMSPECK. Let me point out to the gentleman right at that point such responsibility relates to the jobs in the District of Columbia only.

Mr. RANKIN. All right, we will take it in the District of Columbia.

Mr. RAMSPECK. General Hines can fix any salaries he wants to for employees outside the District of Columbia.

Mr. RANKIN. Yes; but one of our troubles is right here in the District of Columbia. That is where these cases are piling up. The other day when I undertook to give General Hines the power to employ extra help, the gentleman from Georgia opposed it.

Mr. RAMSPECK. Yes; because the gentleman was fixing different salaries for the same job.

Mr. RANKIN. I understand the gentleman is going to oppose that bill before the Senate. If they kill it, it will leave thousands and thousands of World War veterans with their claims unadjudicated.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. RANKIN. Will the gentleman take some more time?

Mr. RAMSPECK. Let us get this over with, because it is getting off the subject.

Mr. Chairman, I yield myself two more minutes.

Mr. RANKIN. They have written 210 of the estimated 5,200 needed classifications, and the Veterans' Administration employees are being classified low today in comparison with the employees of other agencies. For that reason, we are having passed on to us by the Civil Service the employees they do not want elsewhere; and the War Department is sending us the doctors they do not want elsewhere. As a result, we are having a stagnated condition, about which all this row was being raised, and we want some relief.

Mr. RAMSPECK. I am just as much interested in that situation as is the gentleman, and I shall be glad to cooperate with him; but this bill does not deal with that subject.

Mr. RANKIN. I understand; but I should like to have that report published, and I should like to have a copy of it, because if the Veterans' Administration is going to have piled on it the employees that the rest of the Government do not want, low-grade employees, and at the same time have passed on to it the doctors that the Army admits it does not want, then we are going to be unable to take care of the enormous load; and appointing another Administrator will not help it at all. I talked with General Bradley about this proposition. He is a very splendid gentleman and a conscientious public servant. But if you leave his hands tied as the hands of General Hines are now tied by the Civil Service Commission and by the War Department itself, he will be just as helpless as is General Hines at the present time.

Mr. RAMSPECK. I shall be glad to help the gentleman work that out.

Mr. REES of Kansas. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, if I may have the attention of the gentleman from Mississippi, it seems to me there is some question with respect to that 4.2 percent compared with some figures that I indicated. I made further inquiry with respect to that matter with the Civil Service Commission and was advised that this 4.2 percent was in what statisticians call a media, whatever that means. I asked that I be furnished with the amount of money actually paid to employees of the Commission during January 1945 as compared with the same month, we will say, in 1941. I asked to be furnished information with respect to the amount of money and the number of employees so we could find out what the average was on a percentage basis. I was told on Saturday that it was a matter which will take a considerable amount of time; it was a very complicated thing and that probably in 2 or 3 days that information could be furnished. I am just mentioning that in reply to the gentleman's inquiry on that particular point.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. RANKIN. Will the gentleman insist on having the report of the investigating staff made public so that the other Members of Congress can get it? I can tell you now we are drifting into the most deadening bureaucracy that any nation ever faced unless the Civil Service Commission is cleaned up and put back on the beam. The greatest sufferers of such bureaucracy are the disabled veterans.

Mr. REES of Kansas. I will say that the report to which the gentleman refers was objected to by a majority of the committee on the ground that it was only a partial report; that it was incomplete, and it was said by members of the committee that the report did not state the complete facts. For that reason, being a partial report, a majority of the committee felt it should not be disclosed or made public at the present time. In answer to the gentleman, I felt it ought to have been made public and available to Members of the House. It was prepared by our own staff. It was made by our staff director, Colonel McCormack, who investigates civil-service problems. Colonel McCormack, director of our staff, is a conscientious and capable investigator. It seemed to me we were entitled to have that information for at least whatever it was worth. Of course, the answer plainly is that the Commission should have the right to reply and give their answer to it before being made a part of the record. It was also suggested that this particular report, according to members of the committee, does not deal with the direct question of the pay bill.

Mr. RANKIN. Well, does not the gentleman think the Members of Congress are entitled to see that report which was made by this staff selected for that purpose in order that we may find out what is wrong in the civil service, if anything? Should we wait for the Civil Service Commission to come in and take years probably to answer those criticisms when everyone realizes there is something wrong in the Civil Service Commission? It seems to me the committee ought to publish that report and if the Commission wans to file any answer, let them file it, but publish the whole thing and give it to Congress.

I am one who realizes that we are moving into a higher price level permanently, but I think we ought to have it before we pass on this bill, because if they have gone and stilted some fellows up 60 percent by grade promotions and held the other fellows down by merely giving them an intragrade promotion and held them down to 5 or 8 percent while the other fellow gets 60 percent, it seems to me the entire purpose of civil service is being destroyed from within.

Mr. REES of Kansas. The chairman can make his statement if he cares to with respect to that matter, but the majority of the committee present held that the amount of information presented was not sufficient to sustain the conclusions.

Mr. RANKIN. Does the gentleman mean the committee held that?

Mr. REES of Kansas. The majority of the committee held that.

Mr. RANKIN. Well, what do you have these investigators for?

Mr. RAMSPECK. Will the gentleman yield to me?

Mr. REES of Kansas. I yield to the gentleman.

Mr. RAMSPECK. We heard from a member of the Civil Service Commission, who flatly contradicted the information given to the committee by its staff. In that sort of situation, the committee not having time to pass on who was right and who was wrong or to secure further information, has no report to make. When we finish the investigation we will make a report. We will find out what the facts are. But the report did not purport to cover what we are dealing with in this bill, which is the classification act of jobs.

Mr. RANKIN. But it will be too late. You will have given blanket raises to men who had already had a 60 percent raise, the same percentage raise as the poor fellow who has only received a 4.2 percent raise, or not over 8 percent. At the same time these people who receive the smallest percentage of raise in my opinion have the heaviest burden.

Mr. RAMSPECK. Did not the gentleman from Mississippi vote for the postal pay bill?

Mr. RANKIN. Yes; I did.

Mr. RAMSPECK. They have a raise every year.

Mr. REES of Kansas. Now, Mr. Chairman, I decline to yield further.

Mr. RANKIN. But they have not had any 60 percent raise for any favored few.

Mr. REES of Kansas. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Do I understand the chairman to say that the staff report, which is the report prepared by a staff of our own Civil Service Committee, is denied to Congress because the commission being investigated disagrees with the report?

Mr. REES of Kansas. The gentleman has almost stated it. The reason given is that the report is incomplete. The chairman of the committee himself feels—of course, he can speak for himself.

Mr. VORYS of Ohio. But the statement of the chairman was not that it was incomplete as to what it reported but that the Civil Service Commission, the body being investigated, did not agree with the report.

Mr. REES of Kansas. The gentleman from Ohio is correct.

Mr. VORYS of Ohio. If that is a precedent for this House, it means that we never can have any investigation of any administrative agency unless the administrative agency likes the report of our investigators. I think that is the silliest thing I ever heard of.

Mr. REES of Kansas. I agree with the gentleman.

Mr. RANKIN. Will the gentleman yield further?

Mr. REES of Kansas. I yield.

Mr. RANKIN. I understood this investigation was being made looking to the passage of this legislation. Now we are called upon to pass the legislation which gives the same percentage raise to a man who has already been raised 60 percent that it gives to the poor fellow who has only received a 4.2 percent raise; yet we do not have the benefit of that report and none of us can look at it and see what it provides. I do not like to have to legislate under those conditions.

Mr. VORYS of Ohio. Will the gentleman yield further?

Mr. REES of Kansas. I yield.

Mr. VORYS of Ohio. It seems to me that any administrative agency or commission should, of course, have the right to comment on or contradict a report which our own committees, through their own staffs, make to us; but to say that we cannot have a report because somebody may want to contradict it and therefore it is incomplete is an ominous practice to be followed by a committee of this House.

Mr. REES of Kansas. I will say to the gentleman from Ohio that the Commission, represented by one of its members, was immediately given a chance to reply to that inquiry, but even at that we still do not have this report before us.

Mr. RANKIN. Does he have any information that these investigators did not have access to? These investigators had a right to go to him and get information?

Mr. REES of Kansas. That is correct.

Mr. RANKIN. Well, he does not have any information that they did not have access to?

Mr. REES of Kansas. That is correct.

Mr. RANKIN. It looks to me as though you are asking us to cast a blind vote.

The CHAIRMAN. The gentleman from Kansas has consumed 10 minutes.

Mr. REES of Kansas. Mr. Chairman, I yield myself 15 additional minutes.

Mr. Chairman, the annual expenditures for personal services for civilian employees in the executive branch of our Government amounts to approximately seven an a half billion dollars. This figure is the highest in our history. There are more than 3,000,000 employees on the Federal pay roll. They are employed in Washington and in various parts of the country as well as in many parts of the world. It may be interesting to know there are about 470,000 Federal civilian employees outside of the United States. They are in almost all part of the world and are engaged in various kinds of activities. Approximately half of the 3,000,000 employees are included in this bill.

This bill will increase the present total annual pay-roll costs by an estimated sum of $740,000,000; that is, it will cost the Government $740,000,000 more than is now being paid these employees in addition to the overtime pay they receive at the present time. According to the report, on the basis of the present number of employees, the total annual cost of overtime based upon current levels of employment and present work schedules, the cost of overtime will amount to $937,800,000 under the provisions of this bill as compared with $688,600,000 under S. 807, a difference of $250,000,000; and compared with overtime now being paid in the sum of $611,400,000 which is $326,400,000 more for overtime than is presently being paid. So you are increasing the present overtime by $326,400,000 and you are increasing the base pay $392,200,000. Let me put it another way. This bill makes the base pay of nearly all of the Government employees except those in the lowest brackets approximately what they receive now including their overtime, and then adds overtime at the rate of so-called time and a half up to $2,950, and from there on pays on a sort of graduated scale described in this report.

Mr. Chairman, I had hoped that consideration of permanent pay raises for Government employees could be withheld until the postwar period, and that in the meantime Congress would extend the provisions of the present Overtime Pay Act with such adjustments as may be reasonable in line with living costs. This legislation is described as permanent legislation. Congress should seriously consider this bill as it will result in adding greatly to our already stupendous national debt. In committee much stress was placed on the fact that Government employees are grossly underpaid in view of increased cost of living since 1940. In view of that fact, I think this is not the time to consider permanent increases because the cost of living is in a variable state, and will not stabilize for at least another year or two. It is my contention that the entire question of pay raises for Government employee will be just as much "up in the air" when this legislation is passed as it is today.

Much has been said about the equality of pay between Government and private industry for the same type of work. I also believe in equal pay for equal work, but there is no evidence in the hearings before the other body or before our committee with respect to that subject. As of April 30, 1945, there were 3,200,000 employees on the Federal pay rolls. I have contended that a permanent pay increase bill ought not to be considered because the Federal employment is out of all reasonable proportion to the amount of work that is being done in the Federal Government, and for the further reason that there are a half million excessive employees on the Federal pay roll. Do not misunderstand me—there are hundreds of thousands of employees, especially in the old-line agencies, who are doing splendid work, but there should be a leveling off of Federal employment before pay increases are considered.

This bill is weak in many respects. It contains a provision which is a carry-over from the overtime pay law providing that the Budget Bureau shall establish employees' ceilings in departments and agencies. Under this bill Government employees are exempt from this provision. I was interested in the testimony of the Budget Bureau in discussing this provision—it being the contention of certain officials that this provision in the overtime pay law resulted in the reduction of large numbers of employees—about 300,000. It ought to be observed that Federal employment increased rather than decreased during that period. These employees were only transferred. The Budget Bureau said there was a great reduction in employment. Even if the entire Government were subject to this provision, it would be ineffective because the Budget Bureau, as many of the Members of the House can testify, is usually the mouthpiece of departments and agencies. The Budget Bureau has become the representative of the departments to justify the appropriation of the funds they seek. I shall propose an amendment to this bill that will make provision for setting up within our Government an authority responsible only to Congress to help determine the most vital needs of the various departments and to make recommendations with respect to reductions in force, elimination of waste, and overlapping and duplication of Government activities.

The problem of excessive numbers of employees cannot be solved without intensive investigation of the management practices of the departments and agencies of Government. If efficient and businesslike management policies were used, it is obvious that a less number of employees would be required. This whole matter should be brought to the attention of the Congress, as well as the American people, by throwing upon it the spotlight of an intensive investigation.

The bill contains a provision to empower the Civil Service Commission to establish entrance salaries at the middle of a particular grade instead of at the bottom of the grade. The Commission contends the provision is necessary in order to attract Federal civil-service employees who will not work at the present minimum entrance salary. Since this bill raises wages of all Federal employees, the problem to which Mr. Flemming refers has been solved. If it has not been solved, it ought to be sent back to the Civil Service Committee. Furthermore, it hardly seems that Mr. Flemming, who speaks for the Commission, could contend that employees in one agency will be content to sit by while employees are hired in another agency to do similar work but at higher wages. Under this provision, advocated by the Civil Service Commission, it is possible for two employees sitting side by side in the same agency, doing the same work and having the same efficiency rating, to receive different salaries, varying as much as $400 per annum.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Mississippi.

Mr. RANKIN. There is the very thing I am complaining about. We are adding a larger amount to the people on the pay roll who have already been increased 60 percent. We are adding a larger amount to their annual salary than we are to the ones who have only been increased 4 or 5 percent. As a result you will find down in that lower bracket a large number of the best stenographers in Washington. They are efficient. In the upper brackets you will find a great many fellows sitting around at the head of what they call the division doing practically nothing. I am not opposed to a reasonable rate—I want that understood—but I am opposed to raising one out of all proportion to the other, and especially when the other one is doing the most work and doing just as efficient work as the one in the higher brackets. I agree with the gentleman this bill ought to be sent back to the committee where it should be gone into thoroughly. The Commission should be permitted to come in and answer this report; then its answer and the report should be published so that the Members can have something upon which to base a reasonable conclusion. As it is now, I am afraid that we are doing a grave injustice to pass this bill in its present form.

Mr. REES of Kansas. I may say to the gentleman from Mississippi that it is the contention of Mr. Flemming, representing the Commission, that he finds the situation is so much more workable if we give him this leeway in the employment of Federal employees.

Mr. RANKIN. I am not altogether in accord with Mr. Flemming's ideas. It may give him more elbow room now to do what he wants to do, but Mr. Flemming is not the Government altogether.

Mr. REES of Kansas. I agree that Mr. Flemming is not the Government.

Mr. RANKIN. I am not saying that in criticism of the gentleman from Kansas.

Mr. REES of Kansas. I appreciate the gentleman's statement.

Mr. RANKIN. They are building up a kind of a Civil Service fascisti in this country, and I am not satisfied with it, and I think this bill ought to be taken back to the committee, as well as the report, and let him reply to it, and let us bring in a bill here that is based on justice and equality.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Washington.

Mr. JACKSON. I would like to point out to the gentleman from Mississippi that the basic pay increase, if the gentleman will look at the bill, starts at the lower brackets, so that the biggest proportion of the increase in basic pay applies to the individuals in the lower bracket.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from California.

Mr. HINSHAW. The gentleman from Kansas and the gentleman from Mississippi both are very much interested and concerned over the ability of the Veterans' Administration and its outlying facilities to obtain adequate and competent help. That is particularly more necessary in the near future than it has been, perhaps, in the immediate past. I want to know whether this bill is going to provide for that, or whether it is going to cause dissatisfaction among those who are already employed.

Mr. RANKIN. Mr. Chairman, if the gentleman will yield, it applies to the class here in Washington. It is here in the central office that we are having most of the stagnation, and that is where I am interested in getting these claims processed. The central office is being discriminated against under the present system.

Mr. HINSHAW. I am thinking of the adequate care in the veterans' hospitals, in their competition with the war agencies at the present time. They are in a terrible situation trying to get decent help.

Mr. RANKIN. That is right.

Mr. HINSHAW. Can the gentleman answer that question?

Mr. REES of Kansas. This bill will not have any affect on what the gentleman proposes, except it will provide higher salaries for employees. It might make such positions more attractive.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from Kentucky.

Mr. ROBSION of Kentucky. What percentage of the Federal workers does this bill cover? Recently I talked to a person connected with the Civil Service Commission, who has been with it a number of years, and he claimed that this bill only covered about one-half of the Federal workers.

Mr. REES of Kansas. That is approximately correct.

Mr. ROBSION of Kentucky. Why?

Mr. REES of Kansas. Because, as the chairman of the Civil Service Committee explained awhile ago, about half of our employees now are under what is called the wage board who fix the wages of the employees. A great number of them are employed, as the gentleman probably knows, in the shipyards and places of that kind, and that group does not come under this legislation. They are nearly all mechanics and artisans. Their wages are fixed by the wage board.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Louisiana.

Mr. BROOKS. May I ask the gentleman this question. The gentleman is explaining that part of the Federal employees will not be covered. What part of the Federal employees who would normally be considered permanent employees will be covered in this bill?

Mr. REES of Kansas. Let us put it this way. The so-called blue-collared group does not come under this legislation, generally speaking, and the white-collared group does; that is, all of the clerical forces and stenographic forces, and professional jobs and so forth.

Mr. BROOKS. In other words, the employees of the permanent agencies do come under the bill.

Mr. REES of Kansas. Yes; that is correct. There is a rather interesting thing about it. We have some agencies such as the RFC, and others like that, who do not come under the jurisdiction of the Civil Service Commission insofar as the fixing of salaries is concerned but come under this bill when it comes to the question of overtime. That is a rather significant thing. There are reasons given for that, and I think perhaps the gentleman from Washington will explain the reasons when he takes the floor.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. REES of Kansas. Mr. Chairman, I yield myself five additional minutes.

Mr. BROOKS. Are the legislative employees treated just as they are now?

Mr. REES of Kansas. The legislative employees are put into a still different category. Does the gentleman have in mind the employees in the congressional offices?

Mr. BROOKS. That is correct.

Mr. REES of Kansas. Under this bill they are given a 10-percent increase.

Mr. BROOKS. Is that a 10-percent increase over the basic salary or 10 percent over the carry-home salary?

Mr. REES of Kansas. It is in addition to present salary. The gentleman from California, a member of the committee, who has made a very careful study of this, can probably answer the question.

Mr. MILLER of California. The legislative employees are treated the same as the employees in the same wage brackets in the other classified Government services, as far as their increases are concerned. In other words, a person getting $1,200 a year base salary out of the 9,500 would be placed on the same basis as a person getting $2,400 in say the Veterans' Administration, as far as their raises are concerned, and applied to that are the same raises.

Mr. REES of Kansas. That is right, but I thought the gentleman from Louisiana referred to overtime.

Mr. MILLER of California. As to overtime, the employees in each office could not very well be expected to punch a time clock because of the confusion that would be caused.

Mr. REES of Kansas. Just give the answer; let the time clock go.

Mr. MILLER of California. They get 10 percent of the whole amount as overtime in addition to their salary, up to $2,900.

Mr. BROOKS. Will they take a reduction from what they are getting now?

Mr. MILLER of California. It will be about comparable with what they are getting now.

Mr. REES of Kansas. With respect to the section to which I directed your attention, at the proper time I expect to move to strike the provision that allows so much discretion to the Commission, because I do not believe it affords proper protection to the civil-service employees, and leaves them at the mercy of the Civil Service rules and regulations. Such a provision allows the Civil Service Commission to revise the Classification Act, which I contend is a congressional function.

The report of the committee calls attention to the letter of the President with respect to the 40-hour week, or the 44-hour week, whatever it is. I am in favor of a 40-hour week in Government service just as soon as a congressional resolution or Presidential order may be adopted. After VJ-day, after the war has been won, and all so-called overtime work except where absolutely necessary has been eliminated, I will favor the establishment of what is described as true overtime.

In the midst of this crisis, when everybody everywhere is expected to do his part in the prosecution of this war, I do not think it is fair that the House give approval to legislation that will add at least $300,000,000 more than is necessary to the cost of Government. The $300,000,000 is the difference between time and one-twelfth overtime, as is now being paid by the Government, and time and one-half, as proposed by this bill. I think this procedure is ill-advised. I regret that the membership of this House has not had a chance to become more familiar with this legislation.

I think something should be said in reply to a statement that one and a half million employees under this bill ought to be considered on the same basis as the so-called blue-collar workers who are engaged in what may be regarded as industrial activities. That group, for one thing, is regarded as being temporary, and their employment is similar to that in industry. To indicate that it is temporary, I call your attention to a statement of a member of the Commission who said that when they were put under the Wage Board control there were only about 55,000 of them. That was just a few years ago. So, more than a million of these workers are only temporary and, ordinarily, will be discharged when war activities have ceased.

Let me call your attention also to the fact that Government employees are paid on a 12-month basis but are entitled to at least 26 days' vacation during the year, and this leave is accumulated, and they are also entitled to 15 days' sick leave during the year. I mention this only to refute the statement that is made many times about how our Government employees are unreasonably kept on the job.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to my distinguished colleague who keeps a watchful eye on important legislative matters.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REES of Kansas. Mr. Chairman, I yield myself five additional minutes.

Mr. CHENOWETH. I wish the gentleman would give us a concrete case showing how this bill would affect a Federal employee getting, let us say, $1,800 a year. As I understand, a $1,800 worker now gets a 15-percent increase of $300, making it $2,100. Now, how does this bill affect that individual?

Mr. REES of Kansas. This bill will still pay him $2,100 for straight time—that is, for his 8 hours per day, or 40 hours a week. Then, in addition thereto, it will give him 30 percent more time for the extra 8 hours he works during the week.

Mr. CHENOWETH. That is for the extra 8 hours on Saturday?

Mr. REES of Kansas. That is right. That will be 30 percent of $2,400, or whatever it is.

Mr. JACKSON. I may say that the gentleman is right on the $1,800 base salary.

Mr. REES of Kansas. That is right.

Mr. JACKSON. That is right. Under the existing law he gets $300.

Mr. REES of Kansas. That makes $2,100 for base pay.

Mr. JACKSON. As proposed in this legislation, he gets $300, so it will be exactly the same.

Mr. REES of Kansas. Yes; that is right. But he gets overtime in addition thereto at the rate of 30 percent.

Mr. JACKSON. That is right; which is the same as 500,000 other employees.

Mr. REES of Kansas. I am not talking about them. I am talking about this individual case.

Mr. CHENOWETH. Do I understand that the gentleman is informing the House that they have time clocks in these departments where they calculate overtime on those clocks?

Mr. REES of Kansas. No; they do not calculate the overtime. They——

Mr. CHENOWEH. What is this talk about overtime? I do not understand it.

Mr. REES of Kansas. They are all paid on the basis of a 48-hour week, that is on the basis of 6 days at 8 hours per day. They are all paid for 48 hours work per week.

Mr. CHENOWETH. Cannot the gentleman tell us exactly what this bill does to the $1,800 employee, leaving out the overtime phraseology?

Mr. REES of Kansas. All right. The man who gets $1,800 base pay now will be raised up to $2,100 base pay as they call it. This bill will add to the $2,100 30 percent of $2,100. That will be his annual salary under this bill.

Mr. CHENOWETH. That will be in addition then to the temporary increase which they are getting now?

Mr. REES of Kansas. That is correct.

Mr. CHENOWETH. He will get 30 percent in addition?

Mr. REES of Kansas. That is correct.

Mr. CHENOWETH. Making a total of a 45-percent increase for the $1,800 employees in the last 2 years?

Mr. REES of Kansas. The gentleman is right, as usual.

Now this committee report makes comment with regard to that question of no base pay increase having been granted for a considerable period of time. As a matter of fact, since 1940 Government jobs have been highly sought after because it was assumed that the pay was better than in private employment. I should also add in the new agencies there are thousands of employees who are getting salaries they never heard of before. Thousands are receiving pay in the higher brackets which they would not receive in civilian employment. Something has been said with respect to the post-office pay. I think that has been pretty well discussed. I think the gentleman from Illinois [Mr. MASON] will probably discuss that phase in a few minutes, giving us some comparative figures on that question. He knows the problem. I trust you will listen to him. He is authority on the subject. It seems to me one of the reasons, or one of the excuses, is that if you do a certain thing for one person then you must do more for the next one as you go along. Thus we get into a tail spin on this particular legislation. I think we should be a realistic with respect to this bill. Government employees are expected to work 6 days a week, 8 hours a day. That means they work from 8:30 until 5:30, with an hour for lunch, or from 9 to 5:30 with 30 minutes at noon. I do not believe anyone who wants to do his part would expect to work less, especially in the kind of work included in this legislation. Under our proposal employees should be well satisfied with the base increase, which I am willing to support, which amounts to as much as they are getting now with their overtime. I think they ought to be satisfied with the proposal which I shall submit which will allow them one and one-twelfth, the same as our present formula for the additional 8 hours work.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield at that point?

Mr. REES of Kansas. Yes; I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. In order that we may understand definitely just what the gentleman is saying may I ask the gentleman this question?

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. REES of Kansas. Mr. Chairman, I yield myself three more minutes.

Mr. WHITTINGTON. An employee with a base pay of $1,800 now gets a percentage increase of 15 percent, or a total of $2,100.

Mr. REES of Kansas. If that is his base pay he now gets $2,100.

Mr. WHITTINGTON. And does he get overtime in addition to the $2,100?

Mr. REES of Kansas. No. Under the present law——

Mr. WHITTINGTON. The total he gets for overtime and everything else at present is $2,100?

Mr. REES of Kansas. That is right.

Mr. WHITTINGTON. And that same person, under this bill, would get $2,100 plus 30 percent of $2,400?

Mr. REES of Kansas. That is correct.

Mr. WHITTINGTON. Or substantially $2,900, or a total increase of 45 percent?

Mr. REES of Kansas. That is correct.

Mr. HARRIS. Will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. HARRIS. Did the gentleman mean to say that the 30-percent increase would be on $2,400 or on $2,100?

Mr. REES of Kansas. On $2,400.

Mr. HINSHAW. Will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. HINSHAW. How does this compare with the recent postal pay increase bill that we passed? Is it not far in excess of that?

Mr. REES of Kansas. In my opinion it is. I have taken so much time already that the gentleman from Illinois [Mr. MASON], who has made a very careful study of that, will present it later.

Mr. WHITTINGTON. Will the gentleman yield further?

Mr. REES of Kansas. I yield.

Mr. WHITTINGTON. Is that $2,400 an arbitrary figure that you take to arrive at the 30 percent?

Mr. REES of Kansas. No. The figure is this: They use a base of 15 percent or 20 percent increase—I think the figure is 20 percent, except it must not be less than $300.

Mr. JACKSON. Will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. JACKSON. Under existing law a person who is getting $1,800 base salary gets a 21.6 percent increase on his basic annual salary for the work done on Saturday, or an additional 8 hours.

Mr. WHITTINGTON. Is that over and above the $2,100?

Mr. JACKSON. No. I am talking about what the law is now; not in this act, but existing law. It provides for more than $300 over the basic pay of $1,800, because he gets 21.6 percent, or a minimum of $300.

Mr. REES of Kansas. Nobody gets less than $300 increase now.

Mr. WHITTINGTON. Does he get more than $300 total now?

Mr. JACKSON. Surely; 21.6 percent runs a little over $300.

Mr. REES of Kansas. $360, to be exact.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. VORYS of Ohio. Would it be possible for the gentleman or the chairman of the subcommittee or somebody to tell us exactly and not mumble over these various formulas, but just give us this answer: What does an $1,800 employee get now, take-home pay, for a 48-hour week, and what will he get under this bill?

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. REES of Kansas. Mr. Chairman, I yield myself three additional minutes.

He gets now 21.6 percent of $1,800.

Mr. JACKSON. Twenty-one and six-tenths percent, which is time and one-twelfth.

Mr. REES of Kansas. Twenty-one and six-tenths percent; a little over $360. That is what he gets now. Now, this new act gives that to him permanently as part of his base pay.

Mr. JACKSON. No, no. May I make an observation?

Mr. REES of Kansas. This will give $300 permanently.

Mr. JACKSON. That is right. If the Members of the House will look in the bill and simply follow the formula that is set out on basic pay increases, they could easily understand it.

Mr. REES of Kansas. It just goes back to the statement I made a moment ago to the gentleman from Colorado [Mr. CHENOWETH], when he asked how its affects the man who gets $1,800. This gives him $2,100 base pay. Then you add to that 30 percent more, and that is what he gets.

Mr. JACKSON. That is for time and a half.

Mr. REES of Kansas. That is for time and a half.

Mr. JACKSON. And the House voted——

Mr. REES of Kansas. We are not talking about what the House voted. I am talking about the provisions of this bill.

Mr. CHENOWETH. Will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. CHENOWETH. According to the information the gentleman gave me, an $1,800 employee now is getting $2,100 or $2,160.

Mr. REES of Kansas. Yes.

Mr. CHENOWETH. Under this bill he will get $300 permanently, or $2,100 plus 30 percent of $2,400, or a total of $2,820. Is that correct?

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. VURSELL. I have a schedule here furnished to our subcommittee, I believe, by the Classification Division of the Civil Service Commission in which it states that a $1,800 employee under the base of $1,800 now draws $2,190; under the base that we are considering that is increased until he would draw $2,691.

Mr. CHENOWETH. How is that figure arrived at? What is the formula?

Mr. VURSELL. It is an increase from 21.6 to 30 on overtime and an increase of 20 percent on base pay.

Mr. CHENOWETH. That, of course, does not correspond with the figures the gentleman from Kansas just gave us.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to my distinguished colleague from Ohio.

Mr. VORYS of Ohio. I have looked at page 27 as suggested by the chairman of the subcommittee and I find there that a $1,800 man would get a total of $2,100 plus $630, which I make $2,730 and not the figure given by the gentleman from Illinois.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. REES of Kansas. I yield myself four additional minutes.

The gentleman from Ohio is correct. The increase is something like $700.

Mr. VORYS of Ohio. The total is $2,730.

Mr. REES of Kansas. That is right.

Mr. VORYS of Ohio. And not what the gentleman read from the Classification Division at all.

Mr. REES of Kansas. The gentleman from Ohio is right.

Mr. Chairman, we ought to be realistic with regard to this bill. Government employees are expected to work 6 days a week at 8 hours a day. That means a work day from 8:30 until 5:30 with an hour for lunch, or from 9 until 5:30 with 30 minutes at noon. I do not believe anyone who wants to do his part would expect to work less, especially in the kind of work included in this legislation. Under our proposal the employees should be well satisfied with the base increase in pay allowed under this bill and with a little increase for the so-called additional 8 hours of work. Let us wait until this war is over and the boys return—those who do return. Let us not tell them that for this kind of work in order to carry on in Government we decided in order to have more return in our pay, that for 8 hours above 40 hours the pay ought to be time and a half more than base pay. The men in our armed forces will be taxpayers just like the rest of us.

I hope you will support my amendment that will leave the base pay—that amounts to more than the employees are getting now—but will make the overtime at similar rates as they are at present. It will save the taxpayers of this country about $300,000,000 and will injure no one. We are all taxpayers. These boys at the fighting fronts are taxpayers, or will be when they come home. Additions in this bill will mean almost $100 per year to each of them if they pay their proportion of the taxes. My amendment will at least save a part of it and will injure nobody.

I agree with my chairman that people who work for the Government ought to have the pay to which they are entitled. They will get it under my proposal.

There are several thousand employees who are not under the Classification Act but who will receive the benefits of the overtime provisions of this bill. They include the RFC, the HOLC, FDIC, Farm Credit, Export Bank, Federal Reserve, OPA, and a number of others whose agencies fix their own salaries.

Mr. Chairman, I think is is fair to call your attention to the fact that most of the testimony before the House committee is that by Mr. Arthur Flemming on behalf of the Civil Service Commission and representatives of the Bureau of the Budget who were, of course, very strong for this legislation. John Q. Public, as in many instances, does not have much representation unless members of the committee do it.

Again I call attention to the admonition of the distinguished chairman of our Appropriations Committee who told this House a few days ago that our country was on the verge of bankruptcy, and that we should look well toward a little bit of economy in government. Here is a place to give that admonition serious consideration.

Mr. Chairman, I am in favor of paying every Government employee every dollar he earns and is entitled to receive. I am going along with the committee insofar as base pay is concerned, but I do think we are carrying things too far to increase the base pay and then on top of that add time and a half pay for 8 hours of a 6-day week at 8 hours a day, on this kind of work that has security, more than other jobs, and at work that does not have hazards. I say it is going a little to the extreme at a time when everybody is expected to do his share. If it were different kind or class of work, that would be different.

I have prepared an amendment to be submitted at the proper time to provide when the emergency is over, and when by Executive order or by concurrent resolution of Congress, a real 40-hour workweek is established, then time and a half pay shall be allowed to meet extraordinary conditions.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. ARENDS. Before the gentleman yields the floor I wonder if he would not again state what the total possible added increased cost will be if this bill is passed.

Mr. REES of Kansas. The total additional cost, according to the report filed by the committee the way it is presented to us, is $937,800,000. That is the figure in the report.

Mr. ARENDS. Right close to a billion dollars.

Mr. REES of Kansas. Pretty close to a billion dollars.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. The gentleman has in mind that item of $736,000,000?

Mr. JACKSON. The gentleman mentioned $940,000,000. He did not mean that.

Mr. REES of Kansas. Seven hundred and thirty-six million dollars is the figure given here; that is more than three-quarters of a billion. I also read from the committee report the following statement under the title "Increase Due to Changes in Overtime Compensation":

> The total annual cost of overtime, based upon current levels of employment (about 1,480,000 employees subject to Public Law 49) and upon present work schedules of eight additional hours per week (416 overtime hours for 52 weeks), will amount to $937,800,000 under the provisions of this bill, as compared with $688,600,000 under S. 807, as passed by the Senate, and with $611,400,000 under the present law, which expires June 30, 1945.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. RAMSPECK. Mr. Chairman, I yield myself 3 minutes to clarify a little of the thinking among some of our friends who seem to be confused.

If you will turn to page 27 of the report, you will find exactly what this bill does to the people it covers. I want to give an illustration. Under the postal bill, which we all voted for, it was provided that a clerk or a carrier making $1,700 a year shall immediately get a base wage increase of $400 a year, or $2,100 a year; and then if he works 48 hours a week, he gets 30 percent additional, which is $630, giving that postal worker a take-home salary on a 48-hour week of $2,730.

Under this bill we have taken an employee making $1,800 base pay—a hundred dollars higher—and we give him an increase of $300, raising him to $2,100 a year and overtime the same as the postal employees. They come out exactly the same so far as the take-home pay is concerned, but the postal employee started at $100 below the other employee.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. The postal employee had his last base rate fixed in 1926?

Mr. RAMSPECK. Yes.

Mr. VORYS of Ohio. While the other employee had his salary fixed by the act of December 22, 1942?

Mr. RAMSPECK. Oh, no. In 1923. I am talking about the base pay now in both cases.

Mr. VORYS of Ohio. In one case the base pay has not been touched since 1926 and in the other his base pay was reviewed and classified by the Congress in 1942?

Mr. RAMSPECK. No; the gentleman is mistaken. There has been no basic change in the Classification Act since 1930, except as the mechanical forces, which we did increase a little bit 2 or 3 years ago. That applied to the custodial and mechanical forces.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Let us be fair and state further that the employees' wages or salaries were increased but we called it overtime pay.

Mr. RAMSPECK. We are talking about base pay.

Mr. REES of Kansas. I understand that.

Mr. RAMSPECK. The postal employee gets $300 extra, too, but we are talking in both cases about base pay. I see the gentleman from Illinois [Mr. MASON] sitting here, who is a valuable member of the Post Office and Post Roads Committee. He will agree with me that is what happened under the postal bill we all voted for. The $1,700 clerk gets $2,100, and if he works on Saturday he gets 30 percent more.

Mr. MASON. Yes; he does; but the base pay of the new postal clerk will still be $1,800 when he starts. That is not so for the Government employee.

Mr. RAMSPECK. The gentleman is correct about that, insofar as the entrance grade is concerned. But we raised the base pay of all of the rest of the postal employees up the line.

Mr. Chairman, I yield 15 minutes to the gentleman from Washington [Mr. JACKSON].

Mr. JACKSON. Mr. Chairman, at the outset I would like to express my thanks to the members of the subcommittee for their valuable help in reporting out this legislation. They attended the meetings faithfully and worked diligently to report out this legislation. I think there has been a lot of unnecessary confusion about this particular bill. First, let me say that we have in the Government service approximately 2,900,000 employees. Over half of those employees are working under so-called war-service appointments. They are good for the duration of the war and 6 months thereafter. Again, over one-half of the 2,900,000 people in the Federal service are employed under the so-called Wage Board provisions of the law which was enacted by the Congress in 1934. Those people are employed primarily in arsenals and navy yards. They are given the prevailing wage in that given area and are not concerned in this particular legislation.

Fundamentally, two things are true. All of those people under the jurisdiction of wage boards have received the basic pay increase of 15 percent, which is proposed in this bill. No. 2, they are also all being paid time and one-half for overtime for work in excess of 40 hours. I make that statement in order to clarify the record.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. The gentleman uses the figure of 2,900,000, and a figure of over 3,000,000 was used earlier this afternoon. Is that figure in error, and are there any documents before us which would show what the present number of employees is who are on the Federal pay roll?

Mr. JACKSON. I would have to check through the hearings to find it, but I think if the gentleman will look at the hearings he will see that the last report shows 2,900,000. I believe a statement by Mr. Edgar Young, of the Bureau of the Budget, will disclose that.

In addition to the people under the Wage Board rulings, there are the employees in the postal service who are receiving, and rightfully so, basic pay adjustments and compensation for overtime. These people we are dealing with here today are the only employees of the Government service that have not received a basic pay increase and who are not receiving time and one-half for work in excess of 40 hours.

I want it clearly understood that I worked for and voted for the Postal Reclassification Act. Our loyal postal workers are entitled to it fully.

Mr. MASON. Mr. Chairman, if the gentleman will yield, the only correction I want to make is that this change in the basic pay of the postal employees is not yet a law. It has just passed the House and is now in the Senate.

Mr. JACKSON. I might still reiterate my statement that under existing law they received a basic pay increase, and also are receiving time and one-half for overtime, if I am not mistaken.

Remember this. Under the legislation that passed this House 2 weeks ago the people in the postal service received better than time and one-half. They received about time and seven-twelfths for overtime.

The testimony before the committee also shows that the people in private industry are given time and one-half for overtime if they work in excess of 40 hours, and virtually all of them have received the 15 percent as laid down by the Little Steel formula. As you know, we passed the Fair Labor Standards Act several years ago making time and one-half mandatory in private industry.

I hope that that will at least clarify the record. I would now like to deal very briefly with the subject of overtime pay as provided for in this bill, and then I would like to deal with the subject of basic pay increases.

Beginning in 1940, the Congress passed a series of laws providing overtime pay for certain groups of white-collar workers in a few of the departments and agencies. It thus extended to a few salaried groups the policy of paying for extra hours in excess of 40 a week; that had become the rule for Goverment crafts and trades and the postal service several years previously. Since these first overtime pay laws for white-collar workers only partially covered the service, it was necessary to pass a more general law. This was done on December 22, 1942.

The December 22, 1942, law was temporary and expired on April 30, 1943, being then replaced by the present law, the War Overtime Pay Act of 1943.

This law, under which about 1,480,000 Federal employees have been receiving extra pay for working longer hours, is also temporary. It expires on June 30 next.

If, on July 1, 1945, it is not replaced by other legislation authorizing overtime pay for overtime work, the general situation will be that per annum or salaried employees outside the postal service can and will be required to work overtime without additional compensation. No other large group of Federal employees will be so treated. The Government would be in the position of having an overtime pay policy for about half of its employees while prohibiting overtime pay to the other half.

As I pointed out, half of them now receive basic pay increases which these people have not received, and over half of them are receiving time and a half for overtime, which these people are not receiving.

H. R. 3393 continues the present policy of paying for overtime work when performed by the Government's white-collar workers.

In so doing, it changes the present method of computing overtime pay so as to eliminate, so far as we can at present, existing discriminations against such workers in this respect.

For mechanical trades and crafts paid at prevailing rates fixed by wage boards, the Congress has provided, in the act of March 28, 1934, for payment for work in excess of 40 hours a week at one and one-half times the straight-time or basic hourly rate. There are 2,080 hours in the basic or straight-time work year for such employees, consisting of 52 weeks of 40 hours each.

This is the same basic work year that now exists for salaried employees. However, the War Overtime Pay Act establishes for them the following method of computing overtime hourly rates: Divide the annual rate by 360 to get the straight-time daily rate. Divide this quotient by 8 to get the straight-time hourly rate. Multiply this result by 1½ to get the overtime hourly rate. The basic work year underlying this computation is not 2,080 hours but 360 days of 8 hours each, or a total of 2,880 hours. The effect is to diminish the overtime hourly rate for salaried workers as contrasted with that for other employees of equal basic rates.

For example, if a salaried employee works 48 hours a week, the increase in the length of his basic workweek of 40 hours is 20 percent. Under the overtime computation formula he receives 21.67 percent more pay for working 20 percent more time. This is only time and one-twelfth—only slightly more than straight time.

H. R. 3393 changes this method of computation and brings it into line, as nearly as possible, with the methods used in other branches of the service and in private industry under the Fair Labor Standards Act.

It provides true time and one-half rates for overtime work in the case of employees receiving salaries not in excess of $2,980. For those receiving more than this amount, the overtime rates are graually lessened in accordance with a schedule given in the bill.

This schedule starts with true time and one-half at $2,980, and reduces this rate continuously down to straight time at about $4,080, and to less than one-half straight time at $6,440. At that salary and higher salaries, employees receive the same rate of overtime that they now receive under existing law.

The application of the overtime pay provisions, as is the case with all other provisions of the bill, is subject to the limitation that no salary may be increased by the bill to a total rate higher than $10,000 a year.

During the war the necessities of the service have required a general 48-hour workweek. It is the expectation of the committee that hours of work will be reduced as soon as possible. A letter from the President, dated June 1, 1945, to the chairman of the committee, shows that it will be the policy of the Government to reduce hours of work in labor-market areas classified in groups II, III, and IV by the War Manpower Commission. These are areas in which acute labor shortages do not exist or are not anticipated to such an extent as to endanger essential war production.

In normal times, overtime service should be required only under unusual circumstances, but when it is required it should be paid for.

After the war the provisions of H. R. 3393 will permit and encourage the establishment of a 40-hour workweek as a general practice throughout the executive branch.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Kansas.

Mr. REES of Kansas. With respect to the manner in which the overtime is computed, under the proposal of the gentleman from Washington, overtime is computed on the basis of 260 days in a year, and under the so-called one and one-twelfth proposal we compute it on the basis of 360 days in the year, each an 8-hour day.

Mr. JACKSON. Yes. Or to state it another way, one is 2,080 hours, and the other is 2,880 hours.

Mr. REES of Kansas. But you use 260 days per year when you divide the time?

Mr. JACKSON. That is right. Under the postal bill, which all the Members of this body voted for, they use the formula of 253 days.

H. R. 3393 changes this method of computation and brings it into line as nearly as possible with the method used in other branches of the service and in private industry under the Fair Labor Standards Act. It provides true time and a half rates for the overtime work in the case of employees receiving salaries not in excess of $2,980. For those receiving more than this amount the overtime rates are gradually lessened in accordance with the schedule given in the bill.

You will find that schedule set out in the bill itself on page 5.

This schedule starts with true time and a half at $2,980 and reduces this rate continuously down to straight time at $4,080 and to less than one-half straight time at $6,440.

At that salary and higher salaries they receive the same rate of overtime that they are now receiving under existing law.

What I want to make clear is that time and a half only goes to $2,980.

Technically, under existing law—that is, the Fair Labor Standards Act—they recognize time and a half up to $3,800 in private industry. After that they make no provision for time and a half. That is the line of demarcation between a per hour employee and an executive who is paid by the month. We went beyond that and reduced it even more and instead of using $3,800 we have reduced it to $2,980, which again, I may say, is lower than what is being paid to people in the Federal service working in navy yards, arsenals, and in private industry.

The application of overtime-pay provisions as in the case of all other provisions of the bill is subject to the limitation that no salary may be increased by the bill to a total rate higher than $10,000 a year. During the war the necessities of the service have required generally a 48-hour week. It is the expectation of the committee that hours of work will be reduced as soon as possible. A letter from the President dated June 1, 1945, to the chairman of the committee shows it will be the policy of the Government to reduce hours of work in labor-market areas classified in groups 2, 3, and 4, by the War Manpower Commission. These are areas in which acute labor shortages do not exist or are not anticipated to such an extent as to en-

danger essential war production. If you will look in the report starting on page 23 which deals with the estimated cost of the bill you will note on page 25 a letter from the Bureau of the Budget estimates that if there is a reduction in force, which has also been definitely indicated by an average I believe of 20,000 per month, the cost of this will be reduced $217,400,000. Then if we go to a 44-hour week there will be a further reduction of about $135,000,000.

I would like to refer next to the basic pay increases. All pay rates prescribed by Congress under the Classification Act of 1923 as amended, under which about 1,200,000 Government employees are compensated, have remained virtually static since 1930 with the exception of one minor adjustment for the lowest salaried workers in 1942.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAMSPECK. Mr. Chairman, I yield the gentleman five additional minutes.

BASIC PAY INCREASE

Mr. JACKSON. The schedules of pay rates prescribed by Congress in the Classification Act of 1923, as amended, under which about 1,200,000 Government employees are compensated, have remained virtually static since 1930, with the exception of one minor adjustment for the lowest-salaried workers in 1942.

Since January 1941 the cost of living has increased at least 26 percent. Other workers, both in Government and in industry, have enjoyed basic pay increases up to the 15-percent limit established by the Little Steel formula established by the National War Labor Board to compensate, at least in part, for this considerable increase in living expenses. Yet, with minor exceptions of slight over-all effect, the basic pay scales of the Classification Act are the same as they were 15 years ago.

To establish a reasonable relationship between the rates of the Classification Act and the changes that have taken place in the cost of living, the bill proposes basic pay adjustments consistent with national salary and wage stabilization policy.

The formula that is set forth in the bill for increasing existing statutory basic pay rates is as follows: Add to each such rate 20 percent of that part thereof which is not in excess of $1,200 a year. To this sum add 10 percent of that part of the existing rate which is in excess of $1,200 a year but not in excess of $4,600 a year. To this sum add 5 percent of that part of the existing rate which is in excess of $4,600 a year. The resulting total is the new basic rate.

For example, to a rate of $2,000 a year would first be added 20 percent of $1,200, or $240. Next we would add 10 percent of the difference between $1,200 and $2,000, that is, 10 percent of $800, which is $80. The total increase would be $320, and $2,320 would be the new basic rate.

Similarly, to a rate of $5,000 would first be added 20 percent of $1,200, or $240. Next we would add 10 percent of the difference between $1,200 and $4,600, that is, 10 percent of $3,400, or $340. Next we would add 5 percent of the difference between $4,600 and $5,000, that is, 5 percent of $400 or $20. The new rate would be $5,000, plus $240, plus $340, plus $20, or a total of $5,600.

The effect of this formula is to create a continuous sliding scale ranging from an increase of 20 percent in the very lowest brackets to 8.9 percent at $9,000 a year, which is the highest salary now payable under the classification act.

Up to and including $1,200 a year, the increase is 20 percent. At $1,500 it is 18 percent. At $2,400 it is 15 percent. At $4,000 it is 13 percent. At $5,000 it is 12 percent. At $7,000 it is 10 percent.

The over-all average increase works out 15.9 percent.

This plan of basic salary increases has been approved by the National War Labor Board as being wholly within the limits of the wage-stabilization program.

This basic pay increase plan will apply to all position compensated under the Classification Act of 1923, as amended. It will also apply to statutory salaries specifically prescribed in acts of Congress. It will not apply, however, in cases where there is no control by Congress over basic salaries, as where heads of agencies have been authorized to fix salaries without regard to the Classification Act pay scales or any other statutor pay schedules.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield.

Mr. HARNESS of Indiana. In the report on page 27 there is an exhibit showing the basic rates and annual overtime rates proposed in this bill. Take, for example, the $3,000 employee whose basic pay today is $3,000. The legislative employee who gets a basic pay of $3,000 now draws a maximum of $3,420.

Mr. JACKSON. $3,435.

Mr. HARNESS of Indiana. This shows $3,420.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. RAMSPECK. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. JACKSON. Give me an illustration. Is the gentleman talking about the legislative employees on Capitol Hill?

Mr. HARNESS of Indiana. Yes; I am talking about the salaries they get.

Mr. JACKSON. If you have allocated $3,000 to him he gets 15 percent of $2,900, which is $435. That is what it is. The total then amounts to $3,435.

Mr. HARNESS of Indiana. Now, I wish to know what this second column means: "Proposed basic rates under section 405." That shows $3,420. Would that be the basic pay?

Mr. JACKSON. That is right.

Mr. HARNESS of Indiana. Then in addition to that you have two more columns here headed, respectively, "48-hour week" and "44-hour week." Which one would apply?

Mr. JACKSON. To whom?

Mr. HARNESS of Indiana. To any one of these employees in the legislative branch.

Mr. JACKSON. If the gentleman will read the bill he will find that as far as legislative employees are concerned, they are given the basic pay increase provided in this bill, but instead of the overtime shown in either of the two columns to which the gentleman referred, the 48-hour week or the 44-hour week, they are given 10 percent in lieu of overtime up to $2,900, or $290.

Mr. HARNESS of Indiana. That is on the assumption that we are now working at 48 hours a week?

Mr. JACKSON. No; it is on the assumption that overtime differs in different offices. Some may work 44 hours, some 54, and some 60. So instead of having either of these columns apply we gave them a straight 10 percent in lieu of overtime.

Mr. HARNESS of Indiana. All right; now let us talk about this $3,000 employee, whose new basic pay will be $3,420 under the bill. What will be his overtime increase?

Mr. JACKSON. Ten percent of $2,900. He gets $3,420 plus $290.

Mr. HARNESS of Indiana. I want to get clear in my mind how it may apply to the same employee doing the same class of work in one of the executive departments. His basic pay under this bill would be $3,420.

Mr. JACKSON. The basic pay would be exactly the same.

Mr. HARNESS of Indiana. The gentleman means it is the same as the $3,000 legislative employee?

Mr. JACKSON. No. The basic pay is the same in the executive branch as it is on the Hill. The person now receiving $3,000 would receive a new base pay of $3,420.

Mr. HARNESS of Indiana. Then how do you compute the 48-hour week?

Mr. JACKSON. For the Hill?

Mr. HARNESS of Indiana. No. for the executive departments.

Mr. JACKSON. He gets, roughly—if the gentleman will look at the schedule that is set out on page 5 of the bill, which shows the overtime schedule—he gets the overtime rate, time and a half up to $2,980, and after that it is graduated on a reduced scale so that when he gets to $4,080 he gets straight time, and when he gets above $4,080 he is getting less than straight time.

Mr. HARNESS of Indiana. What I am trying to get at is what you mean by this exhibit on page 27 of the report where it shows two columns, one headed 48-hour week and the other 44-hour week.

Mr. JACKSON. I explained the reason for that earlier in my statement.

In a letter to the chairman of this committee the President of the United States has stated that just as soon as possible in areas that are classified as groups 2, 3, and 4 by the War Manpower Commission, it is proposed that those agencies and departments go on a 44-hour week; and that is set out for the benefit of the Members so that they may get some approximate idea as to what the overtime cost will be in the event of a 44-hour week.

Mr. HARNESS of Indiana. In other words, the pay will either be under the 48-hour week or the 44-hour week, depending upon the proclamation of the President.

Mr. JACKSON. That is right. In other words, the President has authority under existing law to cut the hours of

work down to 44 or to 40 hours, if he wishes.

Mr. HARNESS of Indiana. That would apply only to hourly workers then?

Mr. JACKSON. No. It applies to the per annum workers.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. RAMSPECK. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. McMILLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Illinois.

Mr. McMILLEN of Illinois. Does this bill include the unnecessary employees mentioned in the so-called Byrd report?

Mr. JACKSON. What does the gentleman mean by that?

Mr. McMILLEN of Illinois. The Byrd committee, as I recall it, stated that there were about one-third too many employees in the governmental bureaus, employees who were unnecessary. Does not the gentleman think that it would be better, first, to remove the unnecessary employees, then there would be plenty of funds, without going into further indebtedness by making the adjustment recommended in this bill?

Mr. JACKSON. Will the gentleman explain to me how this House can consistently offer one formula of basic pay allowance to one group of Federal employees and a different one to another? The other day the House voted to give a basic pay increase to the postal employees and also time and a half for overtime.

Mr. McMILLEN of Illinois. I may explain that in this way: If there was a mistake made yesterday, why make another one today when we are going into inflation so fast nobody can keep up with it?

Mr. JACKSON. I think the Government ought to practice what it preaches. It is giving the people here involved the same consideration we did the other day.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Georgia.

Mr. RAMSPECK. May I call attention to the fact that Senator BYRD is a member of the Senate Civil Service Committee which reported out an identical bill to this, except as to overtime, and the Senate supported it.

Mr. JACKSON. That is correct.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. What is the difference, if any, between the scale of salaries established by the RFC and similar agencies that are not fixed in the Classification Act and those under the Classification Act?

Mr. JACKSON. I do not have the scale, I may say, but generally it runs a little higher.

Mr. WHITTINGTON. What percentage?

Mr. JACKSON. I cannot answer that.

Mr. WHITTINGTON. I think we ought to know that if we are going to make those increases correspond.

Mr. JACKSON. I will say to the gentleman that those people are not included in this bill.

Mr. WHITTINGTON. But they are as to overtime.

Mr. JACKSON. Certainly; they are included now.

Mr. WHITTINGTON. As to overtime?

Mr. JACKSON. Yes.

Mr. WHITTINGTON. But not as to overtime fixed in this bill?

Mr. JACKSON. They are included in this bill as to overtime, but they are not included in the basic pay increase.

Mr. WHITTINGTON. The overtime is a little more than the present overtime in this bill for all of them.

Mr. JACKSON. That is right. It is roughly 8 percent more—8.4 percent more, to be exact.

Mr. WHITTINGTON. Is it a fair statement to say that generally all Federal employees embraced in this bill at present are increased 15 percent and the increases in this bill are over and above the 15 percent?

Mr. JACKSON. I did not quite get the gentleman's question.

Mr. WHITTINGTON. At the present time we have wartime increases, which will expire, of about 15 percent.

Mr. JACKSON. No. Under existing law the people that we cover by this bill, the people under the Classification Act, are getting 21.6 percent for the extra work.

Mr. WHITTINGTON. I understand that. That is over-all. We call that a 15-percent over-all increase.

Mr. JACKSON. No.

Mr. WHITTINGTON. We gave the legislative employees 15 percent.

Mr. JACKSON. We have a different scale entirely for the legislative employees.

Mr. WHITTINGTON. We are allowing them 15 percent and the other people 21.6 percent?

Mr. JACKSON. That is right.

Mr. WHITTINGTON. In this bill we bring the legislative employees up to the other minimum?

Mr. JACKSON. On basic pay. We give them exactly the same basic-pay increase.

Mr. WHITTINGTON. Having done that, will the salaries that we pay these Government employees correspond generally with the salaries we pay the legislative employees?

Mr. JACKSON. The basic pay will be exactly the same, but the overtime will not be the same, because we are giving 10 percent in lieu of overtime to legislative employees, which is much less than the overtime provided executive department employees.

Mr. WHITTINGTON. That is substantially the same as the overtime?

Mr. JACKSON. Oh, no.

Mr. WHITTINGTON. What would be the difference on a $3,000 salary? I have this before me. It is about $3,725 as against $3,840?

Mr. JACKSON. On $3,000 legislative employees will get a basic increase of $420, plus $290, or 10 percent on $2,900 in lieu of overtime pay. Under this bill executive employees will receive $3,420 plus $860 for a 48-hour week.

Mr. HARNESS of Indiana. That is about $300 more.

Mr. WHITTINGTON. It is $500 more.

Mr. JACKSON. Executive department employees are getting more now under existing law. If the gentleman will familiarize himself with the existing pay provision, an executive department employee drawing $3,000 under existing law is getting 21.6 percent overtime pay on his basic salary up to $3,600. Legislative employees receive only 15 percent on $2,900, or a maximum of $435.

Mr. WHITTINGTON. Those are Federal employees.

Mr. JACKSON. In the executive branch of the Government.

Mr. WHITTINGTON. But not in the legislative.

Mr. JACKSON. No.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Are any of the employees covered by this bill getting less than 48 hours overtime at the present time?

Mr. JACKSON. Yes. There are a few employees who only work 40 hours a week. Under existing law they are given a bonus of $300.

Mr. VORYS of Ohio. What kind of an employee would that be?

Mr. JACKSON. There are certain employees, I understand, in the Customs Service, storekeepers, who can only work 40 hours a week, and then there are certain employees of the War Department.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

Mr. RAMSPECK. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Ohio.

Mr. ELSTON. If I understand the gentleman's explanation of the legislative, congressional, and judicial salaries, the maximum amount of overtime that can be given to one of those employees is $290.

Mr. JACKSON. That is right.

Mr. ELSTON. Is that not discrimination against those employees? Take, for example, a secretary who earns $5,000 a year. That is the maximum that can be paid. The most that he or she could get in lieu of overtime would be $290.

Mr. JACKSON. Yes, but he gets a basic pay increase of $600.

Mr. ELSTON. But his basic pay is the same as any other Government employee.

Mr. JACKSON. That is right.

Mr. ELSTON. I notice on page 27 that an employee downtown who is making $5,000 a year gets $5,600 plus $692.83 as against an employee on the Hill getting $5,600 plus $290.

Mr. JACKSON. Will the gentleman suggest some other formula? The committee was confronted with a very difficult situation in dealing with legislation of this character. There are some legislative employees that only work 40 hours a week. Some may work less. If the

gentleman can think of any formula that would work better, I would be happy to have him present it to the House. I realize it is difficult. As a matter of fact, this bill does more to equalize that difference than the previous bill we passed 2 years ago. Under existing law they only get 15 percent up to $2,900, that is what they are getting now, while the employees in the executive branch of the Government are getting 21.6 percent up to, I believe, $3,800.

Mr. ELSTON. This schedule does not even give the employees in the legislative and judicial departments credit for working beyond 44 hours a week.

Mr. JACKSON. That is absolutely correct. It only gives them recognition of one-third. Executive department employees receive a 30-percent increase on a 48-hour week, whereas legislative employees received only 10 percent in lieu of overtime. I will be glad to entertain any suggestion that the gentleman has. I will concede that this is conservative. As a matter of fact, I think it is extremely conservative, but I think the gentleman, on the other hand, can realize the problem we faced. If we put it on a straight time and one-half over 40-hour basis, then each Member will have to certify that the employee worked, for example, 48 hours. I think maybe 15 percent rather than 10 percent in lieu of overtime is more nearly what it should be, for legislative employees. But I would be happy to have the gentleman's suggestion.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Michigan.

Mr. DINGELL. I would like to interpose an observation at this point. I assume, of course, that the committee has struggled with a very difficult and complex problem. What I cannot understand is the opposition to the payment at the rate of time and one-half overtime which emanates from some sources as expressed by some individuals on this floor. I view this overtime question at time and one-half as sort of penalty which will serve to discourage overtime employment. Many of the Members here, and I presume of the committee, look upon it as sort of a bonus, which is an entirely erroneous view. Am I correct in my deduction?

Mr. JACKSON. That is correct. At that point let me make this observation, if I may, to the gentleman. We have a very unique situation in our navy yards. Your per hour employees received time and one-half and they received a basic pay increase in accordance with the Little Steel formula. On the other hand, your per annum employees, your architects, your clerks, stenographers, and so on are under the Classification Act and they have received no basic pay increase and do not receive time and one-half for overtime.

Mr. DINGELL. Which is a grave injustice, because it does not make any difference whether he is a clerk or an executive, if he works overtime he should get time and one-half.

Mr. JACKSON. Let me quote from Admiral Crisp's testimony before the committee, if I may, at this point. He is the Director of Shore Establishments. This shows the disparity that exists within a given navy yard. I quote from page 88 of the hearings:

> The differences in qualifications and responsibilities, for persons shown in the preceding two charts as having the same pay, are striking. As illustrated in chart 7, a P–1 chemist in the Puget Sound Navy Yard, a telephone operator in a private shipyard, and a laborer, first class, in the navy yard, all earn about $45 a week. A P–1 chemist must have 4 years of technical training or experience after graduation from high school. A telephone operator in a private shipyard need only have 2 years of high school and 6 months' experience. A laborer, first class, in the navy yard, who may clean the laboratory in which the chemist works, need only be able to read and write.

Mr. DINGELL. Under the circumstances I contend there should not be any distinctions made on the question of time and a half for the payment of overtime. Clerk or executive should be compensated on the same basis without distinction.

Mr. JACKSON. I agree absolutely with the gentleman.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. RAMSPECK. Mr. Chairman, I yield four additional minutes to the gentleman from Washington.

Mr. WASIELEWSKI. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Wisconsin.

Mr. WASIELEWSKI. We have heard a great deal about the fact that there has been an acceleration of upgrading of Federal employees in order to make up for the lack of an increase in the base pay. Has the gentleman's committee gone into that matter to any degree?

Mr. JACKSON. The committee is studying that problem at the present time. That has to do with individuals and not jobs, however. It has nothing to do with the increase in the overall cost, because you have there classified positions and designated salaries. Naturally, with the growth of Government personnel from 900,000 to 2,900,000, there will be an advancement of the employees who came into the Government first, a gradual promotion, although in some cases the promotions have been rapid.

Mr. WASIELEWSKI. It has been said that the $1,440 employees are raised to $1,660 after 2 or 3 months of employment. That would represent quite a jump in base pay. I am wondering whether or not the committee has gone into that.

Mr. JACKSON. Let me give another example of the disparity that exists within a given navy yard or an arsenal:

> Again a P–2 engineer in the navy yard, a junior draftsman in a private shipyard, and a brakeman in the navy yard all earn about $60 a week. A P–2 engineer must have a degree in naval architecture or engineering plus 1 year of engineering experience. To become a junior draftsman in a private shipyard, an inexperienced untrained person need only be a high-school graduate and serve a 6-month apprenticeship. A brakeman in the navy yard need only have 4 years of grade school and 1 year's experience.

To answer the gentleman's inquiry, this bill would give these individuals the same basic pay increase that has been allowed under the Little Steel formula, and the same overtime formula, that is, time and one-half. That accounts for the great disparity there of income, because the individual that is under the Wage Board, or the prevailing rate, receives a higher rate per week than the individual who is under the Classification Act on a per annum basis and not given those increases in basic pay and for overtime.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Kansas.

Mr. REES of Kansas. With respect to the group the gentleman has just described, one of the reasons why their wages have been increased is that they are in direct competition with employees in war plants who are, after all, temporary employees.

Mr. JACKSON. I am sure the gentleman is aware of the fact that under the act of 1934 the navy yards are obligated, for it is mandatory, to pay time and a half for overtime. That is where the biggest portion of the increase comes. They have no discretion. It is absolutely mandatory under existing law. It is not because of competition at all because that law was passed long, long before there was a shortage in the labor market.

Mr. REES of Kansas. I did not mean the competition on the one and a half overtime. What I meant was competition in the increase in wages.

Mr. JACKSON. That is basic wages?

Mr. REES of Kansas. Yes, basic wages.

Mr. JACKSON. They are paid the prevailing rate and given the increase allowed. They have been allowed 15-percent increase under the Little Steel formula which everyone received in the Government service except these people who are being covered under this bill.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield.

Mr. MURDOCK. Will the gentleman assure me the provisions of this bill are consistent with the provisions of the postal pay bill which passed the House recently?

Mr. JACKSON. They are not as liberal as under the postal provisions which passed here a few weeks ago, I will say to the gentleman. If the gentleman looks up the record on the time and a half provision the postal employees receive approximately time and seven-twelfths.

Mr. MASON. No.

Mr. JACKSON. If the gentleman will read the bill and will check the postal bill he will find the formula used in the postal pay bill is 253 days a year, while we use 260 days. The gentleman from Illinois will concede that on that basis the overtime formula here is not as great as the postal provision. Is that correct?

Mr. MASON. That is correct; yes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I had not intended to take part in debate on this bill, but in view of the fact that parallels have been drawn between the provisions of this bill and the provisions of the postal pay increase bill which we passed some 2 or 3 weeks ago in the House, I feel it is necessary at least to try to clear up some more points which have been made. Like the speaker who said that he intended to clear up these points but who left me, at least, and many others probably more confused than ever, perhaps I will be just as successful as he was and leave you more confused than ever.

I want to first clear up the comparison or the parallel between the clerk in the postal service and a clerk in the Government departments. The postal clerk getting a base pay of $1,700 under present law and receiving a bonus of $300 under the present temporary bonus law draws $2,000 today. That clerk under the postal pay increase bill will get $2,100. He will be bracketed in at the $2,100 place. But the $1,700 position in the postal service remains at $1,700 and does not get any increase at all. That is, the present employee of the postal service who is in the $1,700 base pay group will get $2,100 when he is bracketed in. But the new postal employee will start at $1,700, exactly where he started before. That is not true of this bill.

A new Government employee under this bill would get whatever bracket he is in. According to the statement, an $1,800 clerk would get $2,730, and every other one who comes in and goes into that classification gets that money. You cannot draw a parallel between the two because there is no comparison, and it is not fair to draw that parallel.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield.

Mr. HARRIS. How long would that new postal employee have to work before he could get $2,100?

Mr. MASON. He would have to work 4 years.

There is another comparison that has been made that I want to make clear. Under the present postal law all overtime pay is paid at straight time—not time and a half as Government employees are receiving, but straight overtime. Under the postal increase bill he will be given time and a half for overtime, but there is this difference to be considered, too: Under present conditions we are told by the Byrd committee there are six or seven hundred thousand Government employees more than is necessary, loafing on the job, filling positions but not needed for work, whereas in the postal service today they are short from forty to sixty thousand positions. The men have been drafted into the service and they have not filled the positions. So the present postal employees, being short that number of jobs, have had to do the extra work under the load that has been placed upon the Postal Department. So there again you cannot make that comparison, even on overtime. We might just as well forget about this comparison between the postal service and the Government service.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. REES of Kansas. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. JACKSON. Will the gentleman yield?

Mr. MASON. I yield.

Mr. JACKSON. I would like to ask the gentleman if he knows the approximate cost of the postal pay bill? I understand it is about $154,000,000 for 300,000 employees.

Mr. MASON. That is approximately what it was.

Mr. JACKSON. And it is exactly in proportion to the cost of this bill, which includes 1,440,000.

Mr. MASON. Only this bill proposed to give increases to unnecessary workers, where that bill gave increases not only to necessary workers but below the necessary number.

Mr. JACKSON. Of course, I assume the gentleman would provide amendments in this bill——

Mr. MASON. We will certainly offer amendments.

Mr. JACKSON. We will not take away your right.

Mr. MASON. Very well.

Now I want to make it clear to this House that I am personally for and favor time and a half for Government employees as well as employees in private industry. I personally favor increases in pay commensurate to the increased cost of living for Government employees, just as I do for the postal employees. Therefore I ought to be for this bill, but I am not for the bill in its present form. I am against this bill in its present form, first, because it forces me, if I vote for it, to vote for increases in pay to Government employees, five or six or seven hundred thousand, or whatever the number is, I am leaving that to the Byrd committee—I am forced to give them increases in pay for doing nothing, for unnecessary work, in order to increase the pay of necessary Government employees who are earning their pay and more than earning their pay. I do not think that is fair. Secondly, this bill gives a flat automatic increase to those Government employees who have already been increased 60 percent—the same amount approximately speaking. I know the 10 percent goes to these upper brackets and 20 percent to the lower brackets, but if you have increased the Government employee's pay in the last 2 years, say, 60 percent, then to give that class of employees another fat increase on account of the cost of living or something else, that just does not make sense to me, and that was not so in the postal pay increase.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield.

Mr. JACKSON. Does not the gentleman believe that some consideration ought to be given the stenographer who is working at $1,440? The idea of these Government girls living in luxury in Washington is somewhat rudely shaken when it is realized that many of them get only $1,440 plus overtime.

Mr. MASON. The gentleman asks me, and I say "Yes"; but in order to do that I should not be required to vote an increase to the Government employee that is not necessary, or to the Government employee who has already received a 60-percent increase.

Mr. JACKSON. The gentleman knows that that matter is handled by the Appropriations Committee. Assuming for the sake of argument that the gentleman is right—but I believe he is wrong—there is no reason why he should foreclose those who deserve an increase.

Mr. MASON. I do not intend to. If an amendment is offered that will cut off the pay roll of the Government these unnecessary employees and do it under legislative supervision, I shall vote for the bill, because then I shall know I shall be voting at least to give an increase to needy Government employees.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RAMSPECK. Mr. Chairman, will the gentleman advise me how the time stands?

The CHAIRMAN. The gentleman from Georgia has 36 minutes remaining, the gentleman from Kansas, 35.

Mr. RAMSPECK. Mr. Chairman, I yield myself 3 minutes just to call attention to this fact: Notwithstanding what my friend the gentleman from Illinois [Mr. MASON] has said, I want to call the attention of the House to the fact that the Senator from Virginia, who has been quoted here several times about unnecessary employees, was a member of the committee that considered S. 807, which is a companion bill to this, which passed the Senate. That bill carries exactly the same language except that on overtime the Senate bill gives 21.6 percent, whereas we give 30 percent, or true overtime.

In connection with the postal service I want to make it quite plain that I am not criticizing the postal bill, and certainly not the service, because I have voted for all postal legislation; and if I had been here the day that bill was passed I would have voted for it and so stated on the floor later in the day. But it is a fact that a postal employee making $1,800 base pay under existing legislation is getting $300 bonus, or $2,100. The same thing is true of the $1,800 employee who comes under this bill today. They are both given $2,100 under existing legislation. Under the postal bill, if it passes the Senate as it passed the House, the $1,800 clerk will immediately go to $2,200. Under this bill the $1,800 employee will go to $2,100, or $100 a year less.

I do not say that there are any employees in the postal service who are not needed; I do not say that there are any in any of the agencies covered by this bill who are not needed. I do not know. It is not my province as a Member of Congress to determine that question; but I am surprised to hear my friend from Illinois say he is going to deny increases in salary which he says he thinks are justified to 700,000 employees because he claims there are 500,000 who ought to be fired.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from California.

Mr. HINSHAW. I would like to clear up a question in my own mind that has been brought up on the floor. If I understood the gentleman from Illinois correctly, the difference between the two propositions is that in the post-office proposition there was no changing the pay in grade whereas in this bill it completely changes the pay in grade?

Mr. RAMSPECK. I do not think the gentleman from Illinois would contend that. He says the entrance grade is $1,700, but they have added nine grades above the present grade for letter carriers and clerks; so they added new grades going up to $3,000 a year and they immediately moved everybody in the postal service up $400 per annum at one time.

Mr. HINSHAW. You have to start at the same place?

Mr. RAMSPECK. That is correct; you still have to start at the same place.

Mr. HINSHAW. What about this bill here. Do you have to start at the same place or do you start higher?

Mr. RAMSPECK. Instead of starting at $720, you start at $864.

Mr. HINSHAW. I do not understand. The gentleman did not mean $700?

Mr. RAMSPECK. I mean exactly what I said. We are dealing with the Classification Act here, which has various salaries. The lowest grade is $720 per year. We are increasing the entrance salary for the grade that is now $1,800 to $2,100.

Mr. HINSHAW. That is the difference between the two bills. The entrance rate stays the same under the postal bill, whereas we increase it under this bill?

Mr. RAMSPECK. There is that difference, but there is also an immediate increase of $400.

Mr. HINSHAW. That is to those already employed?

Mr. RAMSPECK. Yes.

Mr. HINSHAW. That is not true of the new ones coming into the postal service?

Mr. RAMSPECK. They go up $100 a year if they are letter carriers and clerks. I am talking about that part of it because I am familiar with it. I do not remember the details about the various other positions in the postal service, but there was a reclassification, and so is this.

Mr. HINSHAW. Do you not think it would make it a little more difficult to get people to start in in the postal service on that basis over and above what it would be for the rest of the Government service?

Mr. RAMSPECK. I do not think so, because the entrance salary is $100 higher than the entrance salaries for ordinary clerks under the Classification Act. Their entrance salary at the present time is $1,260 and $1,300, along in there, and that will be increased under this bill, in the case of $1,260 to $1,500. A comparable job, in my judgment, will be below the entrance salary in the postal service.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Is it not true that a postal clerk joining the service starts under the new law at $1,700 a year whereas a clerk joining Civil Service starts at $1,800 a year?

Mr. RAMSPECK. That depends on what they are doing. A stenographer under this bill instead of starting in at $1,260 or $1,320 would start in at $1,506 and $1,572, respectively.

Mr. VORYS of Ohio. I am looking at page 27 of the report, which has a salary scale of the postal clerks. That shows that when they start in, for instance as a city delivery carrier, they get $1,700 and it take a number of years, a great many years, as a matter of fact, to get up to the top salary.

Mr. RAMSPECK. It takes him 13 years to get to the top salary for postal clerks under the new bill.

Mr. VORYS of Ohio. There is no such statutory time limit in the civil-service bill?

Mr. RAMSPECK. Oh, yes, there is. The gentleman is mistaken about that.

Mr. HINSHAW. What is it?

Mr. RAMSPECK. Under present legislation he can go up only one step in grade every 18 months. We are reducing that to 12 months in this bill.

Mr. VORYS of Ohio. In the postal service they require 3 years at $2,700, 5 years at $2,800 and 7 years at $2,900.

Mr. RAMSPECK. That is right.

Mr. VORYS of Ohio. There are no comparable stretches of time in the civil-service grades, are there?

Mr. RAMSPECK. But the steps in the civil service with comparable salary are much smaller. They are, maybe, $60 or $100 in the postal service.

Mr. VORYS of Ohio. The time is much longer in the postal service.

Mr. RAMSPECK. I do not know what it is. I would have to sit down and refresh my recollection. But it takes about 9 years, as I recall it, to go from the bottom of the grade to the top of the grade in salary along about $1,700.

Mr. VORYS of Ohio. One other question. Is it not true that all of these civil-service employees except a few scattering exceptions, are working on a 48-hour week now?

Mr. RAMSPECK. That is correct.

Mr. VORYS of Ohio. And is it not true that in the postal service there is no such over-all work on a 48-hour week; that overtime is actually an exception in the postal service?

Mr. RAMSPECK. I cannot tell the gentleman that; I do not know. I would not undertake to state. I do not know how much overtime is being worked in the postal service at the present time, and yet in some branches there is a great deal.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. RAMSPECK. Mr. Chairman, I yield myself four additional minutes.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Arizona.

Mr. MURDOCK. I asked a question of the author of the bill a moment ago to clear up any doubt in regard to a comparison in my own mind. It is the gentleman's opinion, then, that this bill will do substantial justice to the different groups of employees; is that correct? I have in mind postal employees and Federal employees, chiefly.

Mr. RAMSPECK. Yes; and do comparatively even justice, I would say.

Mr. MURDOCK. I do not believe that there are any unnecessary employees in the Post Office Department. I have heard of some unnecessary Federal employees, but I will have to be shown who they are before I can act from that standpoint. Is it not rather inconsistent to pass judgment upon a bill like this fixing rates of pay, and at the same time in it placing limits upon employees? Would that not be a good deal like fixing the rate of pay of a private soldier by law and then determining how many there may be in the armed forces by the amount of money we are willing to pay out? I think Congress should fix the rate of pay by this law and determine the number employed by another standard.

Mr. RAMSPECK. I think the way for Congress to fix limits on the number of employees is through appropriation acts.

Mr. MURDOCK. And that has nothing to do with the standards of rates of pay.

Mr. RAMSPECK. That is right.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I would like to be clear in the matter. As I understand, in substance, this bill freezes the salaries of the employees that have heretofore been increased over-all 21.6 percent. That is made the base.

Mr. RAMSPECK. Oh, no. We used the base which was in existence when the 21.6 percent was authorized for overtime. On top of that we are adding an average of a little over 15 percent.

Mr. WHITTINGTON. Instead of freezing them, in accordance with my first question, the present compensation, that overall or 21.6 percent, we freeze it at substantially 15 percent.

Mr. RAMSPECK. That is right.

Mr. WHITTINGTON. Then we add to that 15 percent the 30 percent that has been mentioned here for time and one-half.

Mr. RAMSPECK. That is correct.

Mr. WHITTINGTON. So that in substance and in fact the employee now working 48 hours would get the time and one-half in addition to the 15 percent overall that he now gets.

Mr. RAMSPECK. Yes, but he will not get the 21.6 percent that he is getting now, so you have to subtract that from the 45 percent that has been talked about around here.

Mr. WHITTINGTON. Let us get the difference clear between the 15 percent at which it is frozen and the 21.6 percent.

Mr. RAMSPECK. If the gentleman will just remember that the 21.6 percent expires on the 30th day of this month; it will be out of the picture. In the place of that we are giving him 30-percent overtime, but in addition we also raise his basic pay an average of 15 percent.

Mr. WHITTINGTON. What would the gentleman say the increase would be if it is not 45 percent?

Mr. RAMSPECK. It will be about 23 or 24 percent.

Mr. WHITTINGTON. What would you add to the 30 to get the 24 percent? The gentleman says we are increasing it 30 percent over the 15 percent.

Mr. RAMSPECK. If a man is making $1,000 a year, under the present law that is his base salary. He is temporarily getting 21.6 percent overtime. We are wiping that out. We increase his base salary by 15 percent and then we are giving him 30 percent overtime on that, so that the net increase is about 23 percent.

Mr. WHITTINGTON. Twenty-three percent, by giving 30 percent over the 15 percent.

Mr. RAMSPECK. Thirty percent overtime, yes, for his work after 40 hours. At present he gets his base pay plus 21.6 percent for 48 hours. If the pending bill passes, without amendment, he will get his base pay plus 15 percent, plus 30 percent for 48 hours. The net increase is 45 percent less 21.6 percent or 23.4 percent.

When the workweek is reduced to 44 hours, as it soon will be, he will lose 15 percent, so that the net increase will be only 8.4 percent over his present pay.

Mr. REES of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, I am sure we who have been on the subcommittee and on the Civil Service Committee will have the sympathy of everyone who has heard this discussion today. I am quite sure that in the future in selecting men to serve on the Committee on the Civil Service, if there are enough certified public accountants in Congress they are the ones who ought to be appointed to that committee. I really sympathize with such bright gentlemen as the gentleman from Mississippi [Mr. WHITTINGTON] and the gentleman from Georgia [Mr. RAMSPECK], who have just recently tried to figure out what this increase may actually amount to. I thought I knew pretty well what I wanted to say when I came over to the floor of the House, but I must admit I am confused.

Now let me get back to the inception or the study or lack of study in approaching this question of legislation. You will recall that we had a congressional committee established at the expense of this body to make a study of the general set-up of the Civil Service. This committee operated during 1944 and did some very good work. I recall that in the early investigation we got into the alphabetical agency known as ANEPA, and it was not very long until ANEPA no longer existed. Their work and their position were so untenable that they faded out of the picture and were glad to get under the cover of General Somervell, some of them in some other departments.

Our report showed that about 150,000 people at that time in 1943, or early in 1944, got off the pay roll because of a gesture from our committee as to an examination with regard to overstaffing and bad utilization. That committee made such a splendid report that its work was provided for by this legislative body for the beginning of the Seventy-ninth Congress. It made a factual study of the general Civil Service set-up, but the study was not complete. We asked for a further study by the committee to help us in determining what are the facts in approaching this legislation. It has been made as rapidly as has been possible.

Mr. Chairman, may I say that Colonel McCormack, who was recommended to our committee late in 1943 or early in 1944 by the chairman of this committee, the gentleman from Georgia [Mr. RAMSPECK], or at least was presented and suggested to our committee, was finally employed as the chief of staff of investigation. He is a man of unusual character and a man, in my judgment, of unusual ability. He is a man of unusual courage. When called upon, he started out to make this investigation. He did the best he could and brought in, as has been referred to, the report which I did not intend to refer to, but inasmuch as it has been mentioned, may I say that he made a study of some 20 agencies and brought in a report that caused a number of us on the committee to wonder whether or not we should delay this legislation until he could have finished his report and until the Chairman of the Civil Service Commission and all the various other agencies interested had a chance to come in and deny the allegations in his report and give him a chance by factual information to reinforce and prove the charges in the report he brought in. Now, we do not have that report. In my judgment, we are approaching a piece of legislation without sufficient information. We are like the boy who goes out to hunt quail with an experienced hunter. The experienced hunter takes aim and shoots at one bird. The boy shoots at the whole covey as they go up, and generally does not bring down any game.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I will be glad to yield.

Mr. HARNESS of Indiana. Is not the thing that complicates this whole legislation the fact that you have approached it from the standpoint of trying to figure out complicated scales for overtime pay on annually employed employees?

Mr. VURSELL. That is correct.

Mr. HARNESS of Indiana. Would it not simplify the whole thing if you arrived at a percentage increase of base pay for all annual employees and forgot about this overtime pay for them?

Mr. VURSELL. I think the Senate has done a very wise thing in following that very plan.

Mr. HARNESS of Indiana. Could you not do that with these annually employed employees and at the same time grant time and a half pay for the hourly employees? I am speaking of those men and women who work in the shipyards, navy yards, and the army arsenals, where they are paid on an hourly basis.

Mr. VURSELL. I understand they already have the advantage of this time and a half.

Mr. HARNESS of Indiana. If they already have it, it would simplify it that much more, would it not?

Mr. VURSELL. It might; yes.

Mr. HARNESS of Indiana. And you would be doing justice by the men and women in the Government service whom we all believe are entitled to certain increases in their base pay.

Mr. VURSELL. Yes; and I thank the gentleman for his contribution.

May I say that this is what our trouble is: It is not that I do not want to establish a fair wage level and give a good salary to the Federal employee who needs it. I think that the majority of the Members on both sides of this House want Federal employees well paid. But as I told them in committee, the hurdle we have to get over is that in fact we do not know how many now are well paid and perhaps overpaid. We want to find out who need more pay and give it to them. Worse than that we do not know how many of the hundreds of thousands of people who are on the Federal pay roll now ought to be back in production. People on the pay roll with no work to do.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REES of Kansas. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. VURSELL. Now, doubtless, with the mushroom growth of this gigantic set-up that we have, there has crept in considerable favoritism. A great many of these people have had their salaries increased by upgrading, and so forth. If there is a way of determining where the inequity lies, that is what this Congress would like to do and that is what our committee would like to have done.

Mr. HINSHAW. Will the gentleman yield?

Mr. VURSELL. I yield.

Mr. HINSHAW. I am sympathetic with the desire of the committee to know how many unnecessary employees there are in the Government, but I cannot see what relation that has to the question of pay scale.

Mr. VURSELL. I can give you the relationship.

Mr. HINSHAW. It seems to me that the matter ought to be brought in here and if there are too many employees they should be let out, but the question of pay scale is a question of pay scale and not a question of number.

Mr. VURSELL. There is some distinction to be drawn there.

Mr. JACKSON. Will the gentleman yield?

Mr. VURSELL. I yield.

Mr. JACKSON. I might also make the observation that the problem as to the number of employees is a matter within the scope of the Appropriations Committee. And certainly this is true: There is no reason in the world why anyone in this House would want to penalize any of the employees in the Government service who are doing a good job, just because, as one gentleman has said, there is an excess of Federal employees. It has no relationship at all to the problem of pay.

Mr. VURSELL. We know that the Appropriations Committee cannot handle this. There will be an amendment offered to set up in the Congress a committee that does nothing else but police the overstaffing and bad utilization of labor. We offered that amendment in

the committee and the gentleman from Washington [Mr. JACKSON] opposed it.

The facts are that we do not have the information we ought to have.

When we passed the Emergency Pay Raise Act for approximately one million two hundred thousand Federal workers under the Civil Service classification in 1943, that bill simply provided overtime pay at 1 and 1/12 percent for 8 hours of extra work each week. Figuring this pay raise in percentage it was a raise in their base pay of 21.6 percent. This was in recognization of the 48-hour week. The Bureau of the Budget, on a question from me this morning, informed me that this lump sum increase of 21.6 percent I have referred to amounts annually to a total of $614,000,000 for the approximate 1,200,000 people affected under the Classification Act.

Now, the Senate Civil Service Committee has, after long hearings, passed Senate bill 807 which raises the base pay beginning with those in the lower salary brackets by about 20 percent up to about $2,900, when the percentage in base pay becomes less up to $9,000 running as low as 5 percent.

Now, bear in mind that this percentage of increase is computed on and added to the present salaries of all such Federal workers affected as they were drawing under the 1943 act. In other words we gave them an increase of 21.6 percent in 1943, now in 1945, under the Senate bill we give them an additional increase of 20 percent in the lower brackets and from 10 down to 5 percent in the higher brackets which I understand will average about 15.9 percent across the board on the entire Federal pay rolls of those we are dealing with under this Classification Act.

Now, going further, the House bill that we have before us would give an overtime increase of time and a half after 48 hours. Briefly that will add about $249,500,000 and probably a few million more. Now, I am taking the position that the Senate has gone as far as we ought to go at this time on this plan.

In other words, that will add about $580,000,000 in increase if we go along with the Senate. If we go along with the House bill it will add about $736,000,000 that we know of and will set an example that will probably run it to a billion dollars if all the agencies who have a right to come under the Classification Act should come under it.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. REES of Kansas. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. VURSELL. We must keep in mind that there are a hundred million other taxpayers who are going to have to help pay this bill. It has been said that John Q. Public did not have a hearing before our committee. We represent the public and we have got to take care of John Q. and look after his interests along with the interests of other groups. I cannot bring myself to believe that we should go further than the Senate bill in the interest of the entire economy of the country. We have got more people to represent than these people on the Federal pay roll who naturally are more interested in their particular welfare than they are in the welfare of other people who are not so affected, and I believe it is the duty of this Congress to go a little slow on going all the way at this time. I know there are some very splendid and high grade labor leaders who would like for us to go further. I do not blame them in any way, because they have the more or less particular job of helping to look after the interests of members of their craft. I would like to agree with them, but I cannot. I want to help them look after the interests of the members of their craft by not getting the economy of this country out of balance to the point where it might redound against the interest of the very class of people they are trying to protect. I believe I am as good a friend of labor as the average Member or average citizen even though some of them claim, and try to make the labor leaders believe, that they are for everything they want.

Mr. Chairman, I belong to no class in this Congress—neither to big business, to little business, to the farmer, the white-collar workers, or the laboring class. I am extremely interested in all of these classes. I want to try to deal out equity justly to all of them in order to keep the economy of this country sound and strong. I will give the benefit of the doubt to the wage earner and the underpaid at all times.

We are facing a national debt, as you all know, of some $300,000,000,000. Conservative men in Congress, conservative business and conservative labor leaders in this country are the people who have got to keep the economy of the country sound if we keep production high and if we keep labor employed and if we keep prosperity in this country so that we shall have something to tax against in order to balance the Budget and have something left over for the reduction of the debt along in the future in order that we may keep bonds at par, and I do not want to place an extraordinary burden on the servicemen who are coming home by the millions—on them or their families—to help pay off these debts.

This is a very serious matter and when the time comes that the amendment is offered to get back on a 40-hour week, and one will be offered, I hope it will receive support. May I say in that connection that labor does not want overtime. The 40-hour week was placed on the statute books to spread out the work. It was a punitive measure and we want to get back to the point where we will use overtime as a punitive measure. When we get back to that time, if the cost of living has not been reduced, if the general pay scales of this country have not gone down toward normalcy, then I am willing to come on the floor of the House and use overtime as a penalty measure in the hands of the Government and vote for whatever pay raise is necessary to give the laboring people of the Federal Government that which they ought to have. But in the meantime this splendid investigating committee, headed by a very able and courageous individual, should go ahead and make a complete study of this matter, bringing the report of the committee to this Congress, because I believe we can improve the morale of the public servants and I believe we can save this Government billions of dollars if we shake out the loafers in the classified civil service of this Nation.

The Senate bill will save the Government about $250,000,000, and its provisions grants at the same time an increase to the Federal workers of about $486,900,000. This is going a long way with these employees and I feel sure we will be praised by them for our efforts in their behalf and not condemned.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RAMSPECK. Mr. Chairman, I yield such time as he may desire to the gentleman from Maryland [Mr. SASSCER].

Mr. SASSCER. Mr. Chairman, I favor this pay bill and hope it will be enacted. As I read this bill, the primary purposes seem to be to continue the previous temporary authorization for extra payment for overtime services when such services are required by the necessities of Government, and to effect the basic pay adjustments consistent with changes that have taken place in economic conditions.

Anyone at all familiar with the situation in the Government departments knows that many of the employees are, and have been for years, in low-pay groups, and their advances have lagged behind salary and wage advances in other endeavors. The low-salaried Government employees have been in a disadvantageous position for some time. There is probably no group that, insofar as salaries and living costs are concerned, have felt the pinch of war and wage stabilization more than the so-called white-collar workers, particularly those in the lower brackets.

The overtime provision in this bill, like all overtime pay, should have a tendency, when employment demands are less heavy, to reduce the working hours to a basic workweek of 40 hours. I believe and hope that in the postwar period, when there will undoubtedly be more persons seeking positions than there are positions available on the present workweek schedule, the tendency both in Government and employment generally will be to a 5-day week. Such a week in the postwar period would be helpful to the spread of employment, solving of unemployment, affording of recreation, and good basic home, civic, and economic conditions.

Mr. REES of Kansas. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. GEARHART].

Mr. GEARHART. Mr. Chairman, the Congress has before it today an elementary question. Stating it simply, it is merely a question of doing justice to the white-collar workers in the service of our Government. These men and women have done a wonderful wartime job. They have worked at top speed and for long hours, and they have given the utmost of their skill and earnestness to the job. They know that they are working

for victory and that in no small measure the success of the war effort on the welfare of the civilian population depend on them.

Until Congress passed the War Overtime Act the overtime work necessitated by the defense emergency and the war was entirely uncompensated so far as these white-collar employees are concerned, but we have testimony on the highest authority that they worked those long unpaid hours without complaint. The War Overtime Act by no means granted them justice. It gave the very lowest-paid groups among them some semblance of it, but most employees received only about the straight-time rate for their overtime and many received even less than that.

Almost every other group of employees in this country has had one or more base-pay increases since 1941, but the white-collar Government workers have had none. The Little Steel formula was designed to permit pay increases that would in some degree help to meet the rising living costs of recent years, but that formula has become so inadequate that organized labor is united in asking that it be revised upward.

But Government employees have had no base-pay increase at all. The 15 percent the Little Steel formula grants is provided for in H. R. 3393, on an overall basis; the lower-paid employees, on whom the impact of living-cost increases bears most heavily, will get greater percentage pay increases than the others, who admittedly are discriminated against.

This remedial measure is long, long overdue, so much so, in fact, that considerable sentiment has been expressed to the effect that it should have been made retroactive. But we are concerned now with suitable recognition of the Government's white-collar employees as of this date, and I trust that it will not be delayed.

One very small group of Government employees, as Commissioner Flemming brought out in the hearings on this bill, received a pay increase a few years ago, but this affected only about 1 percent of the total. The group that benefited was the custodial group, which is among the lowest paid in the service, and the increase was probably necessary to maintain a sufficient force on the job. Many other white-collar employees in the low brackets have actually suffered hardship in order that they might continue to serve their country, and it is time for this hardship to cease.

There is no excuse any longer to discriminate against this group of faithful public servants. They deserve the base-pay increase that practically everyone else has enjoyed, and it would be unfair for us to deny it. For that matter, the middle- and upper-bracket employees, who are not being treated as well under this bill as they deserve, will still suffer by comparison with persons in other employments, even if they receive the increases provided for in H. R. 3393.

It is time for a basic revision of Classification Act salaries. If the tremendously increased cost of living alone did not justify it, the glorious services of these employees during the war would entitle them to recognition; and, finally, the American view that there should be a constantly rising standard of living in this country, and that all its people should benefit from improved methods and techniques, gives them a further just claim. The justice of the base-pay increase provided for in H. R. 3393, it seems to me, is simply not open to question.

Now we come to another feature of the bill, the provision of true time and a half for overtime. We realize, of course, that this bill does not provide anything like that for upper-bracket employees, for it places a ceiling on full overtime earnings at the $2,980 bracket and thereafter those earnings are on a diminishing scale. This, of course, is based on the theory that the lower-bracket employees need the greater increases, which may be true enough, but it also seems clear that as a matter of abstract justice there should be no distinction; if a man's effort is worth a certain amount per hour, whether it is much or little, the principle of premium pay for overtime work is still sound.

That principle is derived from the fact that human beings are not machines and that there is a limit to the time they can work, or should work, in the interest of their physical health. It is generally conceded today that in normal times the workweek should not exceed 40 hours because that is best in view of all the circumstances—the welfare of the employee and the quality and quantity of his production. Now, in a war economy, we have extended the hours of our Government employees to 48, because we need the production. Some of them can, over long periods, no doubt, maintain the same rate of production for the additional 8 hours that they maintain for a normal length week; others probably do not maintain it; their production falls off in the last 8 hours by comparison with production when they are fresher and in better condition to work. But because we need the production we set the 48-hour week, and accept the lessened production of the last 8 hours if we must.

But the very fact of that lessened production is evidence that there is a strain upon the employee. Scientific studies indicate that the average man is probably able to do good work for a 48-hour week but that a 40-hour week is better for the average woman, not necessarily because of physical health but because she usually has home responsibilities that take considerable time. In either event, however, when we impose a 48-hour week, we are asking people to work longer hours than they should, and to work a schedule that may possibly imperil their recuperative powers. It is a common statement that after long periods of overtime work people become victims of continuous fatigue. That is why organized labor, long ago, adopted the principle of premium pay for overtime work, and common usage places that premium at true time and a half for overtime.

If that basis is fair in industry, as everyone apparently believes it to be, it is fair in Government. And as a matter of fact, there is ample recognition of that fact in the attitude of Government itself and indeed of this very House.

A large number of Government employees, those who come under the wage board system, receive true time and a half through all the brackets, and have for many years. The white-collar group has been discriminated against by comparison with them, and this condition is the more unfortunate because in many places employees of the two classes work side by side, one receiving barely straight time for overtime and the other true time and a half.

Only a few days ago, however, the House of Representatives expressed itself very definitely on the issue of true time and a half for overtime, in connection with the postal field service pay increase bill, which passed by a vote of 360 to 1. That bill granted postal field service employees true time and a half on the basis of 253 work days a year, instead of the equivalent of 260, as provided for in H. R. 3393. Clearly, we cannot adopt a rule of equity for one group of Government employees and deny it to another. I hope this House will render the same measure of justice to Classification Act employees that it has to the faithful postal workers.

Mr. RAMSPECK. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, this afternoon we are considering legislation which would accomplish basic pay increases for employees of the Federal Government. I have been intensely interested in the colloquies which have been exchanged between Members as to the rates proposed in H. R. 3393. I believe there is a very real desire on the part of the membership of this House to deal equitably with the subject.

It is my opinion that now, not later, is the time for the necessary increases to those individuals from our States who form perhaps 95 percent of all the workers within the Federal structure. We must remember here that we are dealing with a group that carries on for us, as a Nation, the business of the Government of the United States. We must not forget that the civil-service system is not a new program, but has been in existence for 32 years. Under the merit plan our Government functions rather effectively—although improvement can and should be made.

I desire to direct attention to certain questions that have been discussed by the distinguished ranking minority member of the Civil Service Committee, the gentleman from Kansas [Mr. REES], and by the splendid gentleman from Illinois [Mr. VURSELL], also a committee member, and others, in reference to the work which has been carried forward by the investigation of civilian employment under the leadership of the House Civil Service Committee.

I think our committee needs no defense for bringing in this legislation. I believe we can very appropriately point to the Civil Service Committee of the House as a group which functions not only on pay-raise plans but also attempts to improve personnel service. We initiated on our own responsibility the investigation of the deficiencies within the

Federal Government structure. This beginning was made with the appropriation by the Congress of the United States of funds to function, through a staff, for such a necessary fact-finding undertaking study in 1942.

So let us not be deceived by the statements often made that the Civil Service Committee, bringing in this bill and other measures, desires always to raise the pay or improve the working conditions for the employees themselves. As necessary as those objectives may be and should be, let us remember that the members of your committee, 21 in number, have year after year—I have served on the committee for almost 13 years—been charged with the responsibility of weeding out deficiencies within the Government, of doing away with the overlapping of agencies and improving the general morale of the Federal employee. For that reason I call attention of the membership to the fact that the House of Representatives, in 1942, adopted H. R. 550 which authorized your Committee on the Civil Service to investigate civilian employment in the Government. Why did your committee ask for this resolution to be passed and the power given to it to conduct the investigative work which is so well being developed by the staff by Colonel McCormick? It was because the committee, under the courageous leadership of the chairman the gentleman from Georgia [Mr. RAMSPECK] deemed it necessary then, because of the swollen structure of our governmental system under the impact of war, to go into these agency shortcomings and unsatisfactory matters and not wait until after the war had been concluded.

It was not an easy task which we undertook and it has been carried forward until this time, and we hope in the future, with a noteworthy dispatch, with an impartial study of the facts, and with helpful disclosures promptly to this House. It has been indicated that a good job is being done.

I remind the Congress, especially the House this afternoon, that we have filed at least six reports which have been based on the work of the investigative staff. These workers have operated directly under the guidance of the gentleman from Georgia [Mr. RAMSPECK] and the gentleman from Kansas [Mr. REES], myself, and the other members of the committee.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. RAMSPECK. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. RANDOLPH. Mr. Chairman, the work was judged by this Congress to be worthy, and in January 1943 we passed H. R. 16, which called for a continuation of the investigation. What has happened? Projects that were unnecessary have, in part, been eliminated; programs which could not stand the full light of responsible investigation were curtailed and economies were effected in the governmental system.

I think this Congress realizes, on reflection, that your Civil Service Committee has been commended by other committees of this House and by the executive branch of the Government for the work which has been done. I call attention to the money which no one will argue has not been saved to the Federal Government through the work of this investigating program of the Civil Service Committee. Particularly let us take the item of $127,000,000 which was saved through the disallowment of specific salary items in the War Department budget for 1943. That saving came as a result of inquiries and conferences carried on by the investigative staff of the committee. Our House Committee on Military Affairs, and Subcommittee on Appropriations, in their reports to this Congress, have indicated that the expenditure of $127,000,000 was eliminated.

We have reason to believe, and we have so reported to the Congress of the United States—and I would ask you to read that report, No. 2084, filed on behalf of the House Civil Service Committee with this body—which discloses we have saved in the period of less than 2 years approximately $470,000,000 on an annual basis of public funds, and an additio: al sum through the stopping of unnecessary undertakings and the curtailment of costly practice in Government.

To date, Mr. Chairman, this important work has been carried on with less than $100,000 appropriated for the task by this House.

I have spoken in this vein in behalf of what the House Civil Service Committee has done from time to time, and is now doing, in the way of saving the money of the taxpayers of this country.

I believe it wrong to develop in this debate the idea that apparently the House Civil Service Committee is always desirous of bringing in legislation which would raise the salaries of employees—thus adding to the heavy cost incident to the conduct of the Federal Government.

I shall vote for this measure because I believe that in so doing I shall be paying at least a partial reward for faithful labor, and I trust that it is practically a full debt, to those individuals who are carrying on the work of the Government of the United States. I shall also vote for the true overtime feature, which we believe to be for the best interests of the men and women who are employed.

I believe that the legislation which passed the Senate and the one which now is presented in the form of H. R. 3393 can be the basis for a conference out of which we can have a measure finally passed, and sent to the President, which will give to these approximately 1,400,000 employees who would be covered by the provisions of this bill that which the Congress should give to them. It is nothing more nor less than a living wage.

The individuals who are working in this Government establishment who are getting $6,000, $7,000, $8,000, or $9,000 a year are very, very few. It is the persons who are the file clerks, who are the typists, who are the stenographers—the $1,800 to $2,600 bracket—that serve to make up the great backlog of Federal employees from the standpoint of the numbers involved.

I desire to make myself clearly understood when I say that I am in favor of an equitable increase for these individuals. I feel that it has been too long denied to them. I believe it is justice long overdue.

When I make those statements, I also say to you that I have advocated publicly that we should eliminate many tens of thousands of the employees now on the Government pay rolls. We can do this and still carry on efficiently within the agencies and departments.

I trust, as the gentleman from Georgia [Mr. RAMSPECK] has indicated, that the appropriating committee of this Congress will look carefully into the subject of a top-heavy personnel. I can say for the members of the House Civil Service Committee that the best proof of our desire to have the best operating Government personnel possible is to refer to the reports which have been filed with Congress by our investigation.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Arizona.

Mr. MURDOCK. Does the gentleman think, then, that a good deal of this surplus personnel has already been disposed of?

Mr. RANDOLPH. I am certain in my own mind that there are far too many employees in the Federal agencies and departments at the present time. Progress is being made, and must be made increasingly, to further reduce employees.

I get profoundly weary, however, if I may use that expression, when individuals within and without Government carpingly criticize the fine work which is done by the men and women who work for the United States in our Federal service. They are by and large loyal, efficient, and they are giving us a dollar's worth of employment for the dollar's salary which is paid. I trust that in this legislation we are approaching equitably a solution, at least partially, of their living problems as deserving American citizens.

Mr. REES of Kansas. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, I am speaking in favor of the Federal Employees Pay Act of 1945, to give a fair increase to Federal employees. The purpose of this bill is frankly to remove existing discriminations against a large group of Government employees, those who come under the Classification Act and the Executive order classification. They are white-collar employees, for the most part, and they have done a splendid job during the war under most trying circumstances.

We all know they have had no increase in base pay up to this time since 1923, and there should be no argument as to the necessity for righting this injustice now. But there is another equally serious injustice and discrimination under which they have labored for many years, and one which I believe this Congress is morally bound to correct. That is in connection with the overtime pay scale of this group of employees, which has never been fair or just and which is greatly at variance with the practice of private industry and of other Government agencies.

Until a comparatively short time ago no provision whatsoever was made for paying these employees overtime, and in the early days of the defense emergency and the war they worked many hours of unpaid overtime. It is a tribute to these loyal employees that they made not the slightest complaint; they knew that they had a part in preparing this country for defense and in the prosecution of the war, once war had come to us, and they were eager to do their full share.

When the Congress passed the War Overtime Act it recognized the unfairness to which these employees were subjected, for it provided a token overtime pay, which worked out at little more than straight time for overtime work, except in the lowest brackets, and at considerably less than straight time in the higher brackets. But it was important as a principle. Congress by this legislation accepted the principle of premium pay for overtime, which is the usual rule in private enterprise, and now we have the opportunity to put it into practice.

A great many employees in my district and in neighboring districts along the Atlantic seaboard would be benefited by the provisions of this bill. It has been disheartening for these employees heretofore. Oftentimes employees working in various agencies have worked the same hours and have worked just as conscientiously right beside other employees whose pay is set by wage boards. These other employees have received not only substantial base pay increases, but have been given true time and a half for their overtime work, while these advantages have been denied to the group of Government employees covered by this bill. The difference in scales has meant very considerable differences in earnings, and for my part I see no possible justification for any such difference or discrimination.

The bill now before this House is defective in some respects but it is a great step in advance and I believe we should take it, and at once. Admittedly it discriminates against the higher-bracket employees, but the recognition of this discrimination gives us reason to hope that eventually the same true overtime compensation will be given to all.

Private industry universally recognizes the principle that premium pay, at the rate of time and a half, should be paid for overtime work, and only a few days ago this House gave that same principle its enthusiastic endorsement when it voted so overwhelmingly to grant it to the field service employees of the Post Office Department. That was a sound vote, and a deserved recognition of many loyal employees of our Government. Now we have the opportunity to give a larger group of equally worthy employees the same recognition, and I trust it will be granted with the same fine spirit.

As a serviceman who recently returned to take his seat in Congress from a navy carrier in the Philippine combat area, I want the public to know how great a part we servicemen feel the civilian employees of the Government have played in winning the war. Now the time is here and the opportunity is here to show how much we appreciate their efforts.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

OPA PREVENTS CONSERVATION OF FOOD

Mr. HOFFMAN. Mr. Chairman, the Office of Price Administration was brought into existence because it was said that an over-all control of prices and consumption was necessary to prevent inflation and further the war effort. The policy of the OPA, in many instances, has failed to secure the abundance of food needed, not only for our armed forces and those of our allies but for our civilian population.

Within the week a representative of the OPA testified that there was a surplus of food in this country and he offered to cite the figures to prove it.

Whatever his figures may show, the average housewife, and for that matter her husband, is still in altogether too many instances not only searching the market for butter and for meat, but finds a scarcity of many essential items.

True, there has on occasion been a surplus of specific food items. We all recall that not so long ago, due to the policies of the OPA, and other executive agencies, 25,000,000 cases of eggs, 30 dozen to a case, were allowed to deteriorate so that in the end they went for either fertilizer or the manufacture of animal foods.

Now some grocerymen are telling the housewife that she can have but six eggs at a time, and many do not have them at all.

Nor has the housewife seeking lard forgotten the 20,000,000 pounds of lard that spoiled. Those looking for a pat of butter remember the tons of rancid butter which accumulated under the "planning" of administrative agencies. Yes; and there were the carloads of potatoes which went on the dump. But why continue the story?

If the planners in the New Deal had the wisdom of a Solomon and the all-seeing eye, it is still somewhat doubtful whether they could repeal either the laws of nature or be able to successfully defy those of supply and demand. But still satisfied of their own wisdom and infallibility, they go merrily on their way interfering with the businesses of those who heretofore have been able to supply the necessities and many of the luxuries enjoyed by our people and creating a situation which prevents the conservation of food.

Permit me to cite one instance: OPA issued a ceiling price on berries which are sold on the fresh market. Then it fixed a ceiling price on the processing of berries. For example, the ceiling price of strawberries in the fresh market, that is, those used by the housewife in the eastern section of the country, was fixed at 24 cents per pound. The ceiling on the same fruit in Oregon and Washington is 18 cents per pound, but the ceiling price which the processor, that is, the canner who puts the strawberries in a can, adds sirup, puts on a label, pays for the labor which performs the work, and also maintains and pays taxes and insurance on his plant, cannot charge more than 17¾ cents per pound.

The ceiling price on red raspberries for fresh use in the eastern section is 24 cents per pound; the processor cannot charge more than 19 cents.

On black raspberries, which Michigan processes almost exclusively, the price in the fresh market is 25 cents a pound. But after the processor has finished with them, put them in a can, in a barrel, or frozen them, and packed them in containers, he can charge but 17 cents per pound. The result is, especially in the East, and in Michigan, which produces and heretofore has processed more than two-thirds of the entire black raspberries, berries are going on the fresh market where those receiving high wages in war industries purchase them no matter what the price.

The housewife whose husband's income does not match that of the industrial worker cannot afford to buy them for canning; and if she could, the OPA has it fixed up so that she cannot get the necessary sugar.

The effect on the processor and on the future supply of processed and canned food for the coming winter and spring is disastrous.

Placed on the witness stand, testifying under oath, representatives of the OPA and of the WFA finally conceded that a processor who had to compete on the open market with a ceiling price of 24 cents per pound, and who could not sell for more than 17¾ cents per pound, either had to quit processing fruit or sell it on the black market.

F. L. Granger, secretary, Michigan Frozen Foods Packers' Association, with years of experience in the processing of fresh fruits, and who operates at Benton Harbor, in southwestern Michigan, which has a market over which millions of dollars' worth of fruit goes each year, but who also has operated in the Southwest, stated that all through the years 1943 and 1944 administration agencies had been petitioned for relief, but there still seemed to be no disposition in the OPA to relax its discriminatory practices.

Mr. Granger testified that in 1942 the Federal Surplus Commodities Corporation purchased for lend-lease approximately 11,000 tons, or 60,000 barrels, of processed strawberries; that all of that production came from the eastern area, principally from Michigan, Louisiana, Arkansas, Tennessee, and New York; that in addition approximately 10,000 barrels of red raspberries were processed for lend-lease in Michigan and New York.

In 1943 the interests which he represents and others had similar contracts for the processing of berries for the British Food Ministry, but were able to supply only a part.

OPA, through the public press, has advised the people that there will be a 25-percent shortage during the coming fall, winter, and spring of available canned fruits.

We have heard a great deal from the OPA, its administrators and its employees and from others who are its ardent supporters to the effect that prices have been held in line, inflation prevented, by OPA regulations.

Mr. Granger gave some figures which are interesting. The record of four can-

ning plants and two frozen food packers in Michigan, which are representatives of the industry in that State and others, for the years 1937 through 1944, shows that production in the case of canning plants has declined from a total of 238,526 cases packed in 1942 to 16,015 cases packed in 1944, due solely to the arbitrary price regulations covering that commodity. Similar conditions apply to red raspberries, dewberries, and strawberries. The black raspberry figures are used because Michigan produces the largest volume of that fruit produced in the United States.

The facts show that the OPA price regulations have prevented and are preventing conservation of the berry crop and OPA and WFA sit on the lid and insist that it continue.

If you cannot buy processed berries, do not blame the producer, the berry growers, do not blame the canner of the food, the processor of food, just remember that WFA and OPA are the culprits and carry your indignation, your exasperation one step farther down to your Congressman who voted to let it continue.

Nor does the record show that OPA has held down the price of strawberries, for example. An affidavit from a grower in Michigan and other figures show that the highest price attained by strawberries during the period of World War I from 1917 to 1923 was $3.54 per 16-quart crate, whereas the Office of Price Administration ceiling price on strawberries to govern in Michigan during 1945 is $5.76 per crate.

The highest price on dewberries for the period mentioned occurred in 1918 at $3.35 per 16-quart crate, whereas the Office of Price Administration ceiling price on dewberries for 1945 is $4.32 per 16-quart crate.

The highest price paid for black raspberries for this period occurred in 1920 when $4.25 was paid for 16-quart crate by canning plants in this area. Today the ceiling price for fresh black raspberries is $0 per 16-quart crate.

By these exhibits it is shown that the Office of Price Administration pricing has not controlled prices in the fresh market since these figures are 40 to 60 percent higher at the present time on the same commodity than they were during World War I and immediately thereafter when all commodities operated in a free market with only demand and supply operating to establish values.

The Market News Bulletin, Office of Marketing Services, War Food Administration, issued at Chicago, Ill., daily from April 14, 1945, to May 10, 1945, shows that throughout that period stemmed strawberries at Hammond, La., were quoted from 25 to 27 cents per pound to grower, although the official ceiling prices for processor payments on strawberries issued by the Office of Price Administration to cover this production established a ceiling price of 15 cents per pound.

One thing OPA did do, and that was to create a condition which made it possible for a black market to operate at Hammond, La., and elsewhere.

Mr. Granger testified further that, in spite of the fact that the Army wanted to buy 5,000,000 pounds of these strawberries at the ceiling price of 15 cents, it was found that it was impossible for processors to purchase at these figures when the fresh market reflected 12 cents higher price per pound for the fresh fruit. To obviate this difficulty we are advised that the Army was permitted to increase its purchase price to cover the increased cost of production, thus establishing a preferred sales basis for large packers in certain areas versus discrimination against the small packer in other areas who has been forced to abide by the ceiling formula or be put out of business.

The Senate is today considering an extension of the life of OPA. It is all very well for the administration, the friends of these Government agencies to contend that the alleged shortage of essential food items is due to the great demand created by the war and the needs of the civilian populations of our allies. Their own figures show that more food is being produced and that more is available per capita right here in the United States than in 1939. At least that is their contention. If that be true, then it is only their own muddled planning, their own unreasonable arbitrary regulations which prevent people getting the things they need. The hard-working, over-burdened housewife, with a husband who has an empty stomach and a vile temper and, in addition, a house full of children to feed, is expressing her opinion of the OPA.

The OPA deserves all it is getting, but those who created it, who have nursed it along and who still continue to back it up, who fail to insist that it should mix common sense with its red tape, are not blameless. To the long-suffering housewife who does the everyday vital necessary work without complaint; who never sees a service ribbon or a medal; for whom there are no playing bands or public speeches, I make this suggestion, that the next time you see or hear from your Congressman or Senator, you ask him how he stands on OPA; how much longer he intends to vote to continue it.

Mr. RAMSPECK. Mr. Chairman, I ask that the Clerk read the first section.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Federal Employees Pay Act of 1945."

TITLE I—COVERAGE AND EXEMPTIONS

COVERAGE

SEC. 101. (a) Subject to the exemptions specified in section 102 of this act, titles II and III of this act shall apply (1) to all civilian officers and employees in or under the executive branch of the Government, including Government-owned or controlled corporations, and in or under the District of Columbia municipal government, and (2) to those officers and employees of the judicial branch of the Government, the Library of Congress, the Botanic Garden, and the Office of the Architect of the Capitol who occupy positions subject to the Classification Act of 1923, as amended.

(b) Title IV of this act shall apply to officers and employees who occupy positions subject to the Classification Act of 1923, as amended.

(c) Subject to the exemptions specified in section 102 of this act, title V of this act shall apply to officers and employees in or under the legislative or the judicial branch of the Government whose compensation is not fixed in accordance with the Classification Act of 1923, as amended, and to the official reporters of proceedings and debates of the Senate and their employees.

(d) Subject to the exemptions specified in section 102 of this act, title VI of this act (containing miscellaneous provisions) shall apply to officers and employees of the Government according to the terms thereof.

Mr. RAMSPECK. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union reported that that Committee having had under consideration the bill (H. R. 3393) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and include some articles from the Wall Street Journal.

Mr. CANNON of Missouri asked and was given permission to extend his remarks and include a broadcast delivered yesterday on America United program over the NBC network.

THE LATE HONORABLE SCOTT FERRIS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, it is with deep regret that I announce the death in Oklahoma City last Saturday, June 9, of the Honorable Scott Ferris, a former distinguished Member of Congress from Oklahoma.

Mr. Ferris was born in a log cabin in the State of Missouri about 67 years ago. He came up the hard way on a Missouri farm and struggled for an education. When southwestern Oklahoma was opened for settlement in 1901, Scott Ferris moved to Lawton, Okla., then a frontier town, and opened a law office in a tent. Later he was elected to the Oklahoma State Legislature, where he served with distinction and established himself as a leader.

When the Territory of Oklahoma was admitted to the Union as a State in 1907 Mr. Ferris was elected to Congress from the old Fifth Congressional District, which now comprises to a large extent the area of the Sixth Congressional District, which I now have the honor of representing. He served with unusual distinction as a Member of this body from the fall of 1907 until spring of 1921, at which time he voluntarily retired from Congress.

The late former Congressman suffered his only defeat for public office during the so-called Harding landslide of 1920. For the past quarter of a century Mr. Ferris devoted the major part of his time to his private business, in which he also was successful. For many years he was the Democratic national committeeman from Oklahoma and also served for some time as chairman of the Oklahoma State Highway Commission.

The few Members of Congress who served with Scott Ferris will remember him as a warm-hearted, jovial gentleman who knew how to make friends and keep them. He loved people and the people who knew Scott loved him. During the dark days of World War I he was one of the closest friends in Congress to President Wilson. He not only supported the war effort in every way possible, but he shared many of Woodrow Wilson's views and ardently supported the League of Nations as the practical method of preserving world peace.

Many citizens not only in the Sixth Congressional District, which he represented so long, but throughout the State mourn his passing. The world was made better and happier because of the life, the character, and the influence of Scott Ferris.

SUPPLEMENTAL REPORT TO REPORT NO. 687

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent that the chairman of the Committee on Indian Affairs may file a supplemental report to Report No. 687, to make it conform to the Ramseyer rule.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

EXTENSION OF REMARKS

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include certain editorial excerpts, and I am informed by the RECORD clerk that the cost will be $130.

The SPEAKER. Notwithstanding and without objection the extension may be made.

There was no objection.

Mr. COLE of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial—Timely Observations—that appeared in the St. Joseph News-Press, written by Arthur B. Burrough.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include a considerable number of telegrams dealing with the Price Control Act.

Mr. HOFFMAN (at the request of Mr. VURSELL) was granted permission to extend his remarks in the RECORD.

PERSONAL EXPLANATION

Mr. McDONOUGH. Mr. Speaker, I was unavoidably absent on the roll call, the discharge of the committee on the bill H. R. 7 and the vote on the rule. Had I been present I would have voted "yea" on both matters.

The SPEAKER. Under previous order of the House the gentleman from Michigan [Mr. JONKMAN] is recognized for 10 minutes.

THE SUGAR SITUATION

Mr. JONKMAN. Mr. Speaker, it is strongly recommended by the Republican Congressional Food Study Committee, of which I am a member, that an immediate 6-month embargo be placed on all shipments of sugar owned by the United States to its own account.

We are virtually facing a sugar famine. Already in some sections of the country housewives cannot use their ration stamps because the only sugar available is that which has drifted into the black market. Even home canning allotments have been stopped in five eastern States and the District of Columbia by the Office of Price Administration. Reasons for the sugar shortage are well known to all of us. Faulty rationing, failure to stimulate increased sugar production during the last 3 years, and faulty allocation of manpower are the basic causes. Government officials responsible for the entire sugar program apparently either refuse to correct the situation, or fail to appreciate the problems involved; and they continue to pile error upon error.

It is reported that the home canning allotment needed to conserve 1945 production of fruits and vegetables will have to be cut well below the 600,000-ton allocation recently announced. Even that amount was 46 percent below the 1,100,000 tons distributed to housewives for home canning in 1944. It is also reported that industrial users will be allocated an even smaller amount than the 45 to 50 percent of their 1941 requirements which was also recently announced. This means that thousands of small local food processors utilizing local production will be compelled to close their plants. It also means that the large industrial canners of fruits and vegetables will have to reduce their packs materially and create a further shortage in those food products.

In the letter creating the so-called Crowley committee by the then Director of War Mobilization James F. Byrnes to coordinate all Government activities on foreign allocations of food, after referring to military requirements he said:

> All other requirements for relief, rehabilitation and other export purposes, must then be evaluated against our own minimum essential civilian economy. Our foreign commitments must not be allowed to disrupt our own economy to such an extent that its capabilities to meet its own needs as well as the needs of others, will be reduced. This must include consideration of our own reconversion needs after the defeat of Germany.

Mr. Byrnes here clearly recognizes that the needs of our own civilian economy must take precedence over all exports for whatever purpose, except military requirements of our own fighting men and conditions immmediately following in the wake of battle. If Government officials refuse to carry out the instructions thus given to them, they should be removed and officials placed in charge who will recognize the needs of our own domestic economy first.

In the case of sugar, there is entirely too much secrecy at a time when military necessity no longer requires that secrecy. The stock piles of sugar held in other countries are known to officials of our Government, and one wonders why they object to making public that information. The only logical explanation seems to be that they desire to hide the blunders and errors made in the past by compounding further blunders.

According to the most reliable statements available, a total of nearly 2,000,000 tons of sugar is scheduled to be released by the United States, primarily to European countries. At the same time it is reliably reported that the reserve stocks of sugar in Great Britain are higher than in peacetime, while our own reserve stocks of sugar are perilously low. It is also reliably reported that Great Britain has greatly increased its beet-sugar production, while the planting of sugar beets in this country has been so seriously hampered as to reduce them to some 40 percent below normal. At the same time we have shipped other foods to Britain to substitute for the increased acreage placed in sugar beets in that country.

If this recommendation of the Republican Congressional Food Study Committee is carried out until such time as the sugar stocks of foreign countries are made public and the allocations of our sugar supplies to them are reviewed, it will mean an average of about 170,000 additional tons of sugar each month will be made available for home canning and industrial uses of the United States. If the reports of heavy sugar stocks abroad are confirmed, no harm will be done by postponing the shipment of sugar from our stocks during the next few months. If it develops that certain European countries are to receive unduly large shipments of sugar, these can be reduced when the facts are finally made known, and allocations for the domestic civilian consumption can be permanently increased.

Mr. Speaker, on behalf of the Republican Congressional Food Study Committee, on April 19, and again on May 7, I called the attention of the House and the administration to the fact that unless early action was taken by the Commodity Credit Corporation, the 1946 sugar crop would again be so low as to create another most serious situation in that year. Despite that warning, the Commodity Credit Corporation has not yet made arrangements for the purchase of the 1946 Cuban and Puerto Rican sugar crops, our principal sources of supply at the present time. There is grave question as to whether the tentative proposal made to Puerto Rican growers is sufficient to have any real effect on 1946 production, and the planting season will be over in another 2 weeks. So far as we have been able to learn, the Commodity Credit Corporation has made no proposal whatsoever for the 1946 Cuban crop even at this late date. It is difficult to understand why there should be such bureaucratic delay in the face of the facts which have been known to everyone for months.

If any of these food problems are to be solved, they must be faced realistically. Bickering and jockeying for authority by the Government agencies must be stopped. Officials must be placed in charge of these problems who will see to it that such situations as have developed with meat, sugar, fats and oils, and other food commodities will be speedily rectified.

The SPEAKER. Under the previous order of the House the gentleman from California [Mr. ENGLE] is recognized for 20 minutes.

WPB SHOULD IMMEDIATELY ANNOUNCE OPENING OF GOLD MINES

Mr. ENGLE of California. Mr. Speaker, two and a half years ago on the first of this month the WPB issued an order closing the gold mines of this country. It was one of those hurried, ill-considered actions taken in the early part of our war effort without proper study. In subsequently discussing this order on April 1, 1943, before the subcommittee on Mining and Minerals Industry of the Senate Committee on Small Business on April 1, 1943, Mr. Donald Nelson, the Chairman of the WPB, made the following comment:

> When we did it we believed it was the right thing to do. We didn't study it. Sometimes the only way you can get the real evidence is on occurrences after the fact.

It has been generally admitted in the WPB and in the other agencies involved that placing this order in effect was a mistake, and for that reason the difficulty of getting a repeal of the order is hard to understand.

Some months ago a special study with respect to the accomplishments of the gold-closing order was made and is contained in Report No. 9, entitled "The Closing of the Gold Mines," prepared by the policy analysis and record branch, office of the executive secretary of the WPB. The conclusions reached in this report are that the closing of the gold mines failed to accomplish the purpose for which it was intended, and that very little credit, if any, can be given to this order so far as sustaining the war effort is concerned.

Last summer when there was so much talk about an early reconversion I wrote a letter to Mr. Krug—it was just after he was appointed the new head of WPB—and he had made some general statements in regard to early reconversion, and especially about getting Government out of business at the earliest possible moment. I wrote him at that time and commended him upon his statement and called his attention particularly to the order closing the gold mines and pointed out that it was the only order of its type ever imposed upon any segment of American industry. I urged him to put the gold-closing order at the top of his list among those to be repealed at the earliest possible date.

He answered and said that the WPB was planning toward the lifting of the ban on gold mining at the end of hostilities in Europe. That solution would have been satisfactory to the gold mining industry because we could not hope to get the manpower and machinery to operate the gold mines until there was some easing of machinery and manpower requirements in the war effort. With that assurance the matter was left more or less at rest, although from time to time someone from the industry took occasion to point to the injustices of the order and the continuing damage which was inflicted on the gold mining industry.

Most people do not realize that a gold mine is not like a factory or some other types of businesses. A gold mine has to be continually kept unwatered and timbered up. If it is neglected the mine fills with water, the timbers break down and the cost of unwatering and retimbering the mine reaches prohibitive cost and the mine finally is completely destroyed. A gold mine cannot be converted to any other type of production. The automobile industry was closed down but it was converted to other wartime production. Such was the case with other types of industries. But the gold miners, prohibited from producing, were required to do what they could to keep the water out of their mines, the mines timbered up, and their taxes paid, without any production whatever. It is not hard to visualize what this has done to numerous mining properties. Many small miners have had to sell their properties to larger operators who had the cash assets to keep them in condition in order to salvage anything at all. Others have simply abandoned their mines and lost their lifetime investment and the hopes of a lifetime. Even the bigger operators are in financial difficulty. Several of the biggest mines in my district, which produces one-fourth of the total national production of gold—some fifty million dollars a year—have their backs to the wall. I was told by the manager of the Idaho-Maryland Mine, which is one of the richest in California, that it will cost them a half million dollars to get started again, and that does not count the tremendous cost which has gone on over a period of two and a half years to keep this mine in existence at all. I could duplicate the situation at the Idaho-Maryland by specific reference time and time again. This loss to these mining operators and their stockholders is directly attributable to the imposition of L–208, the gold closing order on the industry.

In other words, as an act of alleged war necessity the gold-mining industry in this country has been placed in jeopardy of complete ruin at a time when our gold supply is decreasing in alarming proportions and at a time when we have made commitments of gold to the Bretton Woods fund and when because of our gold shortage we have had to reduce the gold reserve behind our currency from 40 to 25 percent.

The gold-mining industry is a rather small industry, relatively speaking. It is compact and does not represent a large number of people and cannot form a formidable pressure group. But you can imagine the protests which would have rent the skies if the automobile industry, the washing-machine industry, or the makers of numerous other types of manufactured articles which could be mentioned had simply been closed down and had been required to dig into their life savings to maintain their properties or sacrifice their properties. As I look back over the situation I am amazed at the restraint with which the gold-mining industry has accepted the terrible burdens of this order and the sacrifices which have been required of it in this war. I believe that I can say without fear of contradiction that no industry in this country has made an equivalent sacrifice in dollars and cents to the war effort. To many others the war has created opportunities for unheard of expansion and millions of dollars have been made in the war effort by some industries converted to wartime production. In the gold-mining industry alone have we seen a group of operators whose production has been shut off and who have been required to carry the burdens of their losses to their industry alone.

At a subsequent date when the losses can be more carefully surveyed, I intend to come before this Congress and ask that some equitable reimbursement be made to the gold-mining industry for its losses, and I believe that this Congress will be willing to take some steps toward relieving the losses which this industry has incurred by reason of an order which was unjustified and which in my opinion was illegal.

When it became apparent that the European conflict was to end and that VE-day was soon to be announced, we again began to vigorously press the WPB on the repeal of the gold closing order. Senator GURNEY, of South Dakota, where the famous Homestake mine is located, Senator MILLIKIN, of Colorado, and others joined me in an effort to get a definite commitment from the WPB. After numerous conferences with the WPB and War Manpower Commission, a meeting was finally called at which Senator MILLIKIN and I, representing the gold-mining interests, met with Mr. Krug, of WPB, and Mr. McNutt, of War Manpower Commission. That was last month.

In this meeting it was agreed by everybody that the order should be repealed. The only questions were of timing and how the matter should be handled. We of course wanted an immediate lifting of the order. This was refused on the ground that there was a tight manpower condition in the lead mines in Colorado, Idaho, Utah, and Arizona, and that if the matter was deferred for a short time until cut-backs in certain lines of wartime production were ordered, that this situation might be relieved.

I want to discuss the manpower problem in the lead mines as it bears upon the opening of the gold mines. The original idea in closing the gold mines was to force the gold miners to go into the copper mines. Somebody back here had the idea that if the gold mines were closed and the copper mines were left open, the gold miners would pick up their picks and shovels and go into the copper mines. This was one of these paper transactions in which it is figured that so many men were in the gold mines and so many men were needed in the copper mines, and that all that had to be done to reshuffle them was to close the gold mines and

leave the copper mines open. As a matter of fact, things do not work that way and did not in this instance. A gold miner is not a copper miner and ordinarily will not go into a copper mine. The War Manpower Commission and the United States Employment Service have not been able to prove that over 250 men went from the gold mines to the copper mines. In California they went down to the defense plants and some of them stayed in the communities where they lived and took other jobs, but they did not go into the copper mines.

In other words, in order to get a mere pittance of manpower—a drop in the bucket so far as our total manpower needs are concerned—they wrecked a $200,000,000 industry in this country. There have never been more than 30,000 people in the gold-mining industry, and if they all went into defense industries—which they did not—the sacrifice of the gold-mining industry in this country would not have been worth the total contribution in manpower to the war effort.

The Army had something to do with that, and while we are talking about peacetime military conscription we might look at this as a sample of what the military can do when they get to running the country. The WPB was trying to get men for the copper mines and asked the Army to furlough experienced copper miners to help out. The Army refused unless the WPB absolutely closed the gold mines. In other words, the order was put in as the result of a deal between the Army and the WPB, with the WPB being forced by the Army to make the gold-mining industry the sacrificial goat in order to get copper miners furloughed out of the Army to meet the shortage in the copper industry. It would seem that the Army would base its decision to furlough or not to furlough copper miners on military requirements alone and not on other considerations about which they knew nothing and the ultimate effect of which they were not in a position to judge. The Army has not worried since as to what happened to the gold-mining industry or as to how their high-pressure tactics actually worked out on the gold mines or copper mines—any more than they worry as to what anything costs or as to how much gold there is in the Treasury so long as there is enough to pay their salaries and to provide the necessary gold braid.

But we seem to be headed for the same mistake again. This time keeping the gold mines closed on the theory that opening them will affect the manpower in the lead mines. We are going to have exactly the same situation and I commend to the attention of the War Manpower Commission and the WPB a review of Report No. 9, previously referred to, entitled "The Closing of the Gold Mines", which reveals the dismal record of that order so far as getting any gold miners into the copper mines. I commend the reading of that report particularly to representatives of the Navy who appeared at a special committee meeting in the WPB not so long ago and protested the opening of the gold mines on the grounds of the manpower situation in the lead mines, and also to Mr. McNutt and some of his henchmen who are proceeding under the same fallacy. It seems regrettable that history has been permitted to repeat itself when the record is so clearly written.

At the meeting I have just referred to, attended by Senator MILLIKIN and myself with Mr. Krug, and Mr. McNutt, we pointed out to Mr. McNutt that we had a communication from every mining association in the four States primarily interested in lead production—that is Colorado, Utah, Arizona, and Idaho—that the lifting of the gold-closing order would have no substantial effect on the manpower in their lead mines. To our knowledge representatives of the WPB and the War Manpower Commission had contacted the operators in those areas and we know what the responses had been.

I do not have all of the responses here, or copies of all of them, but as characteristic I wish to insert at this point in the RECORD some of the communications received from those areas in regard to the effect of lifting the gold-closing order on the manpower in the lead mines. They are unanimously to the effect that no substantial interference will occur.

Mr. McNutt acknowledged that our information was authentic but he feared there might be some overlapping of interest, that is, that the lead miners were willing that such statements be made by the mining asociations in those States in order to help their fellow miners in the gold industry. This is an assumption without any basis in fact. The lead miners are not that charitable. If they thought they were going to suffer a financial loss by reason of the opening of the gold mines it is naive to assume that they would quitely incur such loss.

And it must be remembered that in only four States—Colorado, Utah, Arizona, and Idaho—is the shortage of help in the lead mines alleged to exist. Why, because of this small area, should gold mines in California, South Dakota, Alaska, New Mexico, Washington, and other States in this country remain closed? Surely no one will believe that the gold miners in California are going to travel clear to Arizona or Utah to go into a lead mine. And in any event, is it fair to continue to impose the crushing burden of this order on the gold mining industry throughout the entire United States and Alaska because of the critical position of manpower in the lead mines in Arizona, Colorado, Utah, and Idaho? The whole program just simply doesn't make sense, and sometime I begin to wonder if there isn't something more sinister behind it than the flimsy reasons we have thus far heard.

The position of the War Manpower Commission and the Navy in regard to helping the manpower situation in these four States by keeping the gold mines closed cannot be sustained on any reasonable basis. The lead miners in those States themselves say that lifting the gold-mining ban will not substantially affect their manpower requirements. The mining associations of those States have gone on record to the same effect. There is no justification for assuming that gold miners will any more readily go into the lead mines than they did into the copper mines. The record is that they did not. There is no justification for condemning the gold miners throughout the entire United States and Alaska to further economic loss and ruin because of the manpower situation in the lead mines in four States, even if keeping the gold mines closed in those States was necessary or would be of assistance. In addition, the War Manpower Commission will retain other controls over manpower, even after the gold closing order is lifted. The War Manpower Commission will still have power to control referrals and can prevent manpower which could be used in the lead mines from going into the gold mines. The wages which the gold mines are able to pay are strictly noncompetitive in comparison to the wages paid in the lead mines, the copper mines and other strategic mining. No miner is going to leave a lead mine to go into a gold mine at lower wages. The net result of opening the gold mines will simply be to give the gold-mining industry a chance to salvage as much of the industry as now remains with what labor it can scrape together—local people, men over age, and people who have always worked in the gold mines and who will do nothing else. The gold-mining industry cannot compete with wages paid in industrial plants in war production, and as a consequence can siphon off no manpower from that source. It is important, however, that the gold mines be opened immediately, not only because of the complete ruin which is facing the industry but because as war-order cutbacks occur, employment and full employment must be provided for our people. It will take months to get the mines ready to operate and if they are going to be in a position at all to take up any of the slack of unemployment which is bound to occur, they must have a free rein now in order to get ready.

The other day Canada lifted all of its restrictions on gold mining. Canada had never closed its gold mines, and they have operated full blast during this entire war. Such also has been the case with the gold mines in every other country involved in this world conflict. The United States is the only exception. We are the only country which closed down the gold mines. Canada had an order to the effect that the gold mining industry could not be expanded and new operations could not be commenced—that is all—and that order has now been removed. It is ironical that at the time our gold mines were closed down equipment manufactured in this country and considered too vital to the war effort to be used by our own gold mines was being shipped to Canada, South America, and other places to keep their gold mines in operation.

As a final conclusion of the meeting with Mr. Krug and Mr. McNutt, which I have previously discussed, it was agreed by Mr. Krug and Mr. McNutt to take the matter up with Judge Vinson, the Economic Stabilizer. After they had talked the matter over, Mr. Krug telephoned me and told me that all three had agreed that the decision on the matter should be deferred until the 15th day of June, at

which time a definite announcement would be made with regard to the disposition of Order L–208 closing the gold mines. The 15th of June is Friday of this week, and so on Friday of this week we expect a crucial decision to be made affecting the interests of the gold mining industry. We do not know what the announcement is going to be, but we are in hopes that Judge Vinson, Mr. Krug, and Mr. McNutt will at that time announce a definite end of an order which has been one of the most collosal blunders made by our Government during the prosecution of this war—that the gold mining industry will be relieved of the extraordinary and wholly incomparable sacrifice which it has been required to make in this war, and that gold production so vital to our country at this time will again be resumed.

PHOENIX, ARIZ., *April 25, 1945.*

WM. C. KELLEY,
Vice Chairman for Metals,
War Production Board,
Washington, D. C.:

Strongly urge early revocation of gold closing order L–208. Manpower used in Arizona gold mines is a group that we have never been able to get to go to copper, lead, or zinc mines and they have been sitting around gold areas awaiting opportunity to resume operations where they left off. We know definitely that reopening of gold mines would not take manpower from either lead or copper mines and lessen production of those metals but would utilize wasted manpower in communities that have become impoverished because of original ill-advised action in closing gold mines.

CHARLES F. WILLIS,
State Secretary,
Arizona Small Mine Operators Association.

CALLAHAN ZINC-LEAD CO., INC.,
New York, N. Y., May 10, 1945.

Mr. W. C. BROADGATE,
Technical Consultant, Special
Committee to Study Problems of
American Small Business,
United States Senate,
Washington, D. C.

DEAR MR. BROADGATE: With VE-day behind us and the ban against racing lifted, can you explain to me why Gold Limitation Order L–208 is still effective?

We are very conscious of the manpower shortage and as miners of cadmium and lead and zinc, we ourselves are short of men in our mines, but we doubt very much if we would lose any men—or fail to get more men into our cadmium and zinc and lead mines if L–208 were lifted.

Many small closed gold mines cannot foresee a profit with the price of gold and the level of wages where they are today, and we believe would delay reopening until conditions become more favorable.

Others among the larger companies could probably not use a full crew at once, but if permitted could afford gradually to reemploy the men who formerly lived and worked at these mines and who wish to return. We believe, however, that few men would give us high shipbuilding and other war job wages while they are available in order to return to gold mining. However, now that certain war jobs and the accompanying high wages are no longer available, the gold miners should certainly have the same chance that has been given to the race-track employee.

Very truly yours,

HENRY B. VAN SINDEREN,
President.

Mr. CONOVER,
American Mining Congress,
Washington, D. C.:

We feel that cancellation of Order L–208 will not in any way hinder our production of lead for the war effort.

MIKE HORSE MINING & MILLING CO.,
ROBERT P. PORTER, *President.*
HELENA, MONT.

PIOCHE, NEV., *May 7, 1945.*

HARRY SEARS,
Graybar Building, New York:

Answering your telegram 5th. Do not see how cancellation L–208 closing order gold mines will hurt Nevada lead, zinc mining for the reason that gold mines are located principally in California and therefore they will draw manpower from closing shipyards as such can be arranged.

JOHN JANNEY.

SAN FRANCISCO, CALIF., *May 31, 1945.*

Hon. CLAIR ENGLE,
House Office Building,
Washington, D. C.

DEAR CLAIR: I now understand that a delay of 6 months in revocation of Order L–208 is contemplated. The excuse given is that the lead mines need miners so badly that the gold mines should not be allowed to open while their demands are unsatisfied. I do not know who is the statistician who influences the Army and War Manpower Commission since Mr. Leifcowitz transferred to the State Department. However, it looks like the same old story of shuffling some cards with figures on them and moving miners around on paper from where they are not wanted to where they are. It seems just impossible to impress the Army and War Manpower Commission with the idea that human beings don't react that way. However, your gold-mining constituents out here would very greatly appreciate it if you would keep up the good work you have been doing, and among other things endeavor to impress the following facts on Mr. McNutt and the other War Manpower officials who are blocking this repeal:

1. If the lid is taken off gold mines in California, it is not conceivable that more than 2,000 workers will be employed in the gold mines within a 6-month period. Of this 2,000, 800 are already allowed by special permits.

2. Renewal of dredge mining will not attract any miners because they don't use miners. At the outside, 2,000 men might be employed throughout the State on dredgers.

3. Experience following the enactment of Order L–208 shows that the gold miners did not go to the lead mines or the copper mines when the gold mines were shut down, in any substantial number. They all went to the war plants and shipyards, which are now closing down.

4. Reopening the gold mines will not mean the employment of machinists and electricians and other skills badly needed in ship repair.

5. Any wages that the gold mines will be able to afford will be strictly noncompetitive with other types of mining.

6. It follows as a conclusion from the foregoing that the only mer the gold mines may hope to employ will be men who formerly lived and worked in their respective communities, plus a few of the younger IV–F's and laborers who can be trained into miners. It will be a long, slow process to reorganize operating crews, and if it is to be accomplished and such mines as have been allowed to fill with water are to be pumped out by the time the call for jobs gets acute the legal restraint should be removed now and the industry allowed to take its own course. None of the mines are in a critical labor area, and it is inconceivable that their reopening on any scale that is possible in the light of present economic conditions will interfere with lead mining or any other war industry.

The need for immediate action is very urgent because some of the mines will not be able to stand the strain and expense of keeping unwatered and timbered up much longer. The local economy of the greater number of the communities in any district depends in some measure on keeping these mines in operation. I know you are doing your best for them, but this letter is just one more urgent appeal containing a few facts which you might call to the attention of some of the objecting officials.

Cordially yours,

ROBERT M. SEARLS.

WESTERN ECONOMIC AND
MINING AFFILIATES, INC.,
Denver, Colo., May 31, 1945.

Hon. CLAIR ENGLE,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN ENGLE: You will find enclosed herewith the resolutions unanimously adopted by the gold-mining industry at the meeting of the Western Economic and Mining Affiliates, Inc., at Boise, Idaho, on May 25 and 26, 1945.

These resolutions incorporate not only the unanimous opinion but the best thinking of those assembled to seriously consider the treatment the gold-mining industry has received at the hands of our Government, and also future monetary policies which should be pursued if our country is to be saved from manipulated currency used in some countries to destroy confidence and employ slave labor.

We have not incorporated in these resolutions any reference to the important part gold and silver produced in conjunction with the strategic and critical minerals play in the production of these minerals, but we earnestly commend your attention to the matters and things herein contained as highly important to the future welfare of these United States. Sound thinking and sound money have brought this country through many crises in the past; surely neither can be discarded simply because our country is fortunate enough to have reserves of the monetary metals.

Your comments are invited and your cooperation is solicited.

Cordially,

WESTERN ECONOMIC AND
MINING AFFILIATES, INC.,
By ROBERT S. PALMER,
Managing Director.

Resolutions adopted at Boise, Idaho, meeting of Western Economic and Mining Affiliates, Inc., May 25–26, 1945

The gold-mining industry of the United States is united in its support of our President, Harry S. Truman, our armed forces, and our Congress in making every effort to complete the victory over the country's enemies, thus making it possible for a great many of the members of our armed forces to return to their peacetime pursuits including the many gold miners who are now fighting for our country on the farflung battle fronts.

We accept our responsibility with respect to the immediate problem of reemployment of those who desire again to make their livlihood in the gold mining industry of America. We urge the prompt rescinding of the gold mine closing order, known as L–208, with due consideration being given to the immediate needs of the industry with respect to equipment, supplies, and the additional burdens placed upon the industry by the pursuance of governmental policies and economic trends which have changed considerably conditions under which we must operate since the issuance of the order. The

order was ill-advised in that it never accomplished its stated purpose of diverting manpower and materials into strategic metal mines but instead worked undue hardship on many communities in which the production of gold is usually carried on, while we have seen gold producers in allied countries continue production throughout the war, sending their gold to the United States, and in many instances, using equipment manufactured in this country, the use of which was denied American producers.

When Order L–208 is rescinded, between 6 months' and 1 year's time will be required for our gold mines to replace equipment that was commandeered for the war effort. Prompt action to permit resumption of gold mining is necessary to start planning jobs for the returning veteran.

We believe in the American system of government, including our historically sound monetary structure, based on gold and silver, which has carried us through many periods of stress to world leadership.

We deplore the recent unfortunate utterances of Marriner Eccles and others in governmental position with respect to gold, which embody a foreign ideology not suitable to this country. We can understand spokesmen from other countries whose gold reserves are temporarily exhausted, criticising our time-honored and tested monetary system in which our people have such a huge stake, but we take sharp issue with any government official of this country who attacks the very foundation of our monetary structure, depending as it does on public confidence based on gold and silver as a safeguard against debauchery of our currency.

We insist upon the continuation of our monetary policy as announced by Congress on November 1, 1893, as follows:

"It is hereby declared to be the policy of the United States to continue the use both of gold and silver as standard money and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement, or by such safeguards of legislation as will insure maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts. And it is hereby further declared that the efforts of the Government shall be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States and in the payment of debts."

And the guarding by Congress of its Constitutional power (art. I, sec. 8, p. 5, which provides that "Congress shall have the power to coin money, regulate the value thereof, and of foreign coin") given it by the people against encroachment by any international agreement or treaty or by the enactment of any legislation limiting the power of Congress in this respect.

Our people have confidence in hard money supported by gold and silver, for they know that this money is the money of free men and that paper money has been used in foreign countries to pay slave labor and has, invariably, disrupted the economy of the countries using such paper currency. The disaster, poverty and hardship which has resulted to the peoples of those countries in which managed currency unsupported by a metallic base has been attempted, justify a strong position on the part of all thinking Americans against any trend in that direction in this country. We had bitter experience with greenback currency following the Civil War and remember full well the experiences of Germany following World War I. We have the example of paper currency inflation in Greece today, as well as in China where the Chinese Government has made a strong appeal for American gold to save its currency structure.

Confidence in currency is essential for the well being of our people. Confidence in gold has been the inherent trait of people for centuries and has been recognized in law and in fact by our people since the Declaration of Independence. It is impossible to change human nature, and we urge that government officials who have seen fit to attack gold and silver desist from their attacks and restore confidence in the monetary structure of our Government. The immediate circulation of gold would help to this end. We call attention to the fact that this gold belongs to the people of the United States, other than that ear-marked for foreign countries, and that it is not the personal property of any public official or group of officials. It should be safeguarded with the utmost discretion on the part of every public official and the monetary policies on which our country was founded and developed should be strictly upheld and defended.

We recommend that encouragement be extended to producers of the precious metals not only in the United tates but throughout this hemisphere, and we believe that encouragement of the production of these metals will add much to North and South American solidarity. Contrary to general belief, the world price of $35 was established by economic forces acting throughout the world. This was later recognized by our Government and since that time gold has been selling at a higher price than $35 on certain foreign markets. Pending reestablishment of a stabilized international price for gold, we urge that the right to sell newly mined gold in foreign markets be extended to domestic producers.

We commend those leaders in the Senate and House of Representatives who have, by their actions, demonstrated a knowledge of the monetary system of our Nation.

The professed objectives of the Bretton Woods conference are worthy of consideration. The methods proposed to attain those objectives especially with respect to the stabilization fund, as incorporated in H. R. 2211, are contrary to the best interests of the people of the United States. We favor the adoption of the amendment to be offered by Senator ELMER THOMAS of Oklahoma, giving recognition to the fundamental principles and monetary policies heretofore adhered to by the legislative branch of our Government.

While this conference is primarily concerned with the precious metals, we fully appreciate the fact that one or both of the precious metals are found in conjunction with the nonferrous base metals in this area and that any policy detrimental to the encouragement of the production of precious metals would drastically affect the cost of production of the base metals as well as precious metals and would restrict production of both.

Looking forward to the post-war period when venture capital should take the place of Federal loans for the development of present or new mines, and when essential productive work instead of WPA projects should be provided for the returning servicemen, we strongly urge that the present restrictive taxes on venture capital in mining be removed by an act of Congress to permit such mine-development costs to be treated as direct mining costs, deductible in computing net income.

We respectfully urge and petition that the Senate of the United States appoint a special committee to investigate the administration of the gold-closing order L–208, with special reference to high priorities and approval given by the War Production Board for manufacturers of the United States to furnish hundreds of millions of dollars of gold-mining machinery to foreign countries while at the same time denying equipment and supplies to gold mines of the United States. Also, to determine why so-called small gold mines in Central and South America were granted P–56 serial numbers and authorized to purchase gold-mining machinery and supplies in the United tates, without regard to quantity, and under which authority many of these mines stocked up with supplies to last several years while all gold mines in the United States were closed down by Order L–208.

Published by Western Economic and Mining Affiliates, Inc., Denver, Colo.

RESCISSION OF THE L–208 GOLD CLOSING ORDER

(Western Governors' Conference Reno, Nev., April 21, 1945)

Whereas the mining industry cannot reconvert from war to peace production in the same sense as can the manufacturers, and whereas the nearest approach to reconversion is the resumption of precious metal mining, and whereas it is important to the well-being of the Western Mining States that provision be made for full employment and the creation of taxable wealth: Now, therefore, be it

Resolved, That the Western Governors' Conference assembled in Reno, Nev., April 20, and 21, 1945, recommend that War Production Board Order L–208 be rescinded at the earliest period commensurate with the prosecution of the war, and further that said order be relaxed commensurately as labor and materials become available and strategic and critical metals and minerals are no longer in short supply.

Approved by: Governor Dempsey (New Mexico), Governor Wallgren (Washington), Governor Greening (Alaska), Governor Gossett (Idaho), Governor Osborn (Arizona), Governor Ford (Montana), Governor Warren (California), Governor Hunt (Wyoming), Governor Carville (Nevada), Governor Maw (Utah), Governor Snell (Oregon), Representative of Governor of Colorado.

CALENDAR WEDNESDAY

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

GENERAL LEAVE TO EXTEND ON THE PAY INCREASE BILL

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the pay increase bill under consideration this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. ANDERSON of New Mexico, Mr. GORSKI, Mr. CLEMENTS, Mr. AUGUST H. ANDRESEN, Mr. HERTER, and Mr. HOLMES of Washington, for 10 days to 2 weeks, as members of the Special Committee to Investigate Food Shortages, for the purpose of holding hearings.

To Mr. TALBOT, Mr. REED of Illinois, Mr. GWYNNE of Iowa, Mr. CRAVENS, and KEFAUVER, on account of attending committee hearing at Scranton, Pa.

To Mr. ANDREWS of Alabama, indefinitely, on account of death in family.

To Mr. RODGERS of Pennsylvania (at the request of Mr. GRAHAM) for 1 week, on account of illness.

To Mr. RICHARDS, for 1 week beginning June 11, on account of official business.

To Mr. HARE, for 2 days, on account of important business.

JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on Saturday, June 9, 1945, present to the President, for his approval, joint resolutions of the House of the following titles:

H. J. Res. 208. Joint resolution making an appropriation for emergency flood-control work and for other purposes; and

H. J. Res. 212. Joint resolution making a supplemental appropriation for the fiscal year ending June 30, 1945, for the Children's Bureau, Department of Labor, and for other purposes.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock and 19 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 12, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Tuesday, June 12, 1945, at 10 a. m., in room 356, Old House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a public hearing at 10:30 a. m., on Tuesday, June 12, 1945, on H. R. 3263.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

A subcommittee of the Committee on Interstate and Foreign Commerce will hold a hearing at 10 a. m., on Wednesday, June 13, 1945, in the Rivers and Harbors Committee room, room 1304, House Office Building, on H. R. 1742 to amend the Department of Agriculture Organic Act of 1944, to facilitate the use of certain funds therein provided for the Rural Electrification Administration, and for other purposes.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, June 12, 1945, at 10 a. m., at which time hearings will be resumed on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON THE JUDICIARY

There will be a meeting of Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m. on Wednesday, June 13, 1945, to continue hearings on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

COMMITTEE ON THE JUDICIARY

The Committee on the Judiciary has scheduled hearings, to begin at 10 a. m., on Monday, June 18, 1945, on the following joint resolutions: House Joint Resolution 67, to declare the policy of the Government of the United States in regard to tide and submerged lands; and House Joint Resolution 118, House Joint Resolution 119, House Joint Resolution 122, House Joint Resolution 123, House Joint Resolution 124, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 129, House Joint Resolution 130, House Joint Resolution 134, House Joint Resolution 137, House Joint Resolution 138, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 153, House Joint Resolution 172, and House Joint Resolution 193, entitled "To quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles." The hearings will be held in the Judiciary Committee room, room 346, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

543. A letter from the Acting Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

544. A letter from the Acting Attorney General, transmitting a draft of a proposed bill to amend the Nationality Act of 1940 to preserve the nationality of citizens residing abroad; to the Committee on Immigration and Naturalization.

545. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to reimburse certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel for personal property lost or damaged as the result of a fire in buildings 102 and 102-A in Utulei, Tutuila, American Samoa, on August 17, 1944; to the Committee on Claims.

546. A letter from the Administrator, Veterans' Administration, transmitting a draft of a proposed joint resolution, to provide for designation of the Veterans' Administration hospital at Crugers Park, Peekskill, N. Y., as "Franklin Delano Roosevelt Hospital"; to the Committee on World War Veterans' Legislation.

547. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an existing appropriation for the National Labor Relations Board for the fiscal year 1945 (H. Doc. No. 226); to the Committee on Appropriations and ordered to be printed.

548. A letter from the Secretary of War, transmitting a report showing the name, age, legal residence, rank, branch of the service, with special qualifications therefor, of each person commissioned in the Army of the United States without prior commissioned military service from the period April 1, 1945, to May 31, 1945; to the Committee on Military Affairs.

549. A communication from the President of the United States, transmitting the budget for the military and departmental activities of the War Department for the fiscal year 1946, containing estimates of appropriations amounting to $21,963,093,400, and proposed provisions affecting said estimates (H. Doc. No. 225); to the Committee on Appropriations and ordered to be printed.

550. A communication from the President of the United States, transmitting an estimate of appropriation for defense aid for the fiscal year 1946, exclusive of aid authorized to be transferred by the War and Navy Departments and the Maritime Commission, as follows: Defense aid, $1,975,000,000 (H. Doc. No. 224); to the Committee on Appropriations and ordered to be printed.

551. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 9, 1945, submitting a report, together with accompanying papers and an illustration on a review of reports on Savannah River and Harbor, Ga., requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted on October 28, 1937, and on November 4, 1939 (H. Doc. No. 227); to the Committee on Rivers and Harbors and ordered to be printed with an illustration.

552. A letter from the Attorney General, transmitting a report on the administration of the Foreign Agents Registration Act of 1938, as amended, for the period from June 28, 1942, to December 31, 1944; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAY: Committee on Military Affairs. H. R. 3440. A bill authorizing appropriations for a permanent program of scientific research in the interest of national security; without amendment (Rept. No. 727). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of New York:

H. R. 3436. A bill providing for a medal for service in the armed forces during the present war; to the Committee on Military Affairs.

By Mr. GRANAHAN:

H. R. 3437. A bill conferring jurisdiction upon the Court of Claims of the United States to consider certain claims arising after January 1, 1926, out of the Tariff Act of 1922; to the Committee on Claims.

By Mr. HEFFERNAN:

H. R. 3438. A bill to provide special leave for Government employees who are members of the United States Coast Guard temporary reserve; to the Committee on the Civil Service.

By Mr. WOODRUFF of Michigan:

H. R. 3439. A bill to amend an act entitled "An act to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal," approved May 29, 1944; to the Committee on the Merchant Marine and Fisheries.

By Mr. MAY:

H. R. 3440. A bill authorizing appropriations for a permanent program of scientific research in the interest of national security; to the Committee on Military Affairs.

By Mr. BURCH:

H. J. Res. 214. Joint resolution providing for the issuance of a special series of stamps commemorating memorable victories in the cause of human freedom in Europe and Asia;

to the Committee on the Post Office and Post Roads.

MEMORIAL

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to enact remedial legislation to provide members of the armed forces with wage credits on their social-security accounts for the period of their military service; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of New York:

H. R. 3441. A bill to provide for the naturalization of Master Sgt. Gerhard Neumann; to the Committee on Immigration and Naturalization.

By Mr. GORE:

H. R. 3442. A bill for the relief of the legal guardian of Robert Kyle; to the Committee on Claims.

By Mr. GRANAHAN:

H. R. 3443. A bill for the relief of Otto Kraus, receiver of the Neafie & Levy Ship & Engine Building Co.; to the Committee on Claims.

By Mr. HARLESS of Arizona:

H. R. 3444. A bill to grant the title of public lands to the town of Safford, Ariz., for the use of its municipal water system; to the Committee on the Public Lands.

By Mr. VURSELL:

H. R. 3445. A bill for the relief of Thelma Eileen Lovell Dean; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

927. By Mr. ANDREWS of New York: Resolution by the Assembly of the State of New York, urging enactment of legislation declaring the Indians within the State of New York, whether residing within or without any of the reservations within such State, subject to the jurisdiction and laws of the State of New York in all respects excepting only those matters wherein jurisdiction has been or hereafter shall be expressly assumed by the Federal Government; to the Committee on Indian Affairs.

928. By Mr. BENNETT of Missouri: Resolution of the Nevada, Mo., Chamber of Commerce in support of House bill 2536; to the Committee on Interstate and Foreign Commerce.

929. By Mr. CANFIELD: Resolution of the Paterson division, American Palestine Committee, urging the enactment of House Joint Resolution 198 for the reconstitution of Palestine as a free and democratic Jewish commonwealth; to the Committee on Foreign Affairs.

930. By Mr. COCHRAN: Petition of Jack Pessina and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

931. Also, petition of Hy L. Schnellmann and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

932. Also, petition of Andrew Johnson and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

933. Also, petition of William H. Martin and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

934. Also, petition of William Potthast and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

935 By Mr. SULLIVAN: Petition of William Hutchinson and 260 other citizens of St. Louis, Mo., urging the passage of legislation enabling the tenants and occupants of Delmo Labor Homes to purchase these homes on long terms at low interest rates, so that these Missourians will not be evicted and rendered homeless under the farm-security program, now pending, to liquidate this project by sale to the highest bidder; to the Committee on Agriculture.

936. Also, petition of Iona Ayers and 113 other citizens of St. Louis, Mo., urging the passage of legislation enabling the tenants and occupants of Delmo Labor Homes to purchase these homes on long terms at low interest rates, so that these Missourians will not be evicted and rendered homeless under the farm-security program, now pending, to liquidate this project by sale to the highest bidder; to the Committee on Agriculture.

937. By the SPEAKER: Petition of Mrs. W. G. Jordan and various citizens of the parish of Caddo, La., petitioning consideration of their resolution with reference to their endorsement of House bill 2082; to the Committee on the Judiciary.

SENATE

TUESDAY, JUNE 12, 1945

(Legislative day of Monday, June 4, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Heavenly Father, unto the hills of Thy grace and glory we lift the expectant eyes of our faith, for from Thee cometh our help. Even as with bending backs we toil in the valley, we are grateful that the light of heaven falls upon our daily path, and that in the beauty of common things we may partake of the holy sacrament of Thy presence.

In these days when searing hate has done its worst on the earth, we thank Thee for men and women of good will under all skies, the saving salt of a tortured world, upon whose integrity of character and whose understanding sympathy with other nations and races the hopes of tomorrow's world rest. Keep strong everywhere all souls who strive to maintain the insights of human brotherhood. In this Capital City set upon a hill, may we be ministers of an abiding peace, true servants of the common good, and forerunners of Thy kingdom's coming. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, June 11, 1945, was dispensed with, and the Journal was approved.

NOTICE OF HEARING ON NOMINATION OF ARTHUR A. KOSCINSKI TO BE UNITED STATES DISTRICT JUDGE, EASTERN DISTRICT OF MICHIGAN

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, notice is hereby given that a public hearing has been scheduled for Wednesday, June 20, 1945, at 10:30 a. m., in the Senate Judiciary Committee room, Capitol Building, upon the nomination of Arthur A. Koscinski, of Michigan, to be United States district judge for the eastern district of Michigan, vice Arthur J. Tuttle, deceased. At the indicated time and place, all persons interested in the nomination may make such representations as may be pertinent. The subcommittee in charge consists of the Senator from Nevada [Mr. McCARRAN], the chairman; the Senator from New Mexico [Mr. HATCH]; and the Senator from Michigan [Mr. FERGUSON].

TRIBUTE TO HON. RALPH A. BARD

Mr. WALSH. Mr. President, it has just recently been announced that the resignation of Mr. Ralph A. Bard, Under Secretary of the Navy, has been accepted, effective on July 1, 1945.

Mr. Bard has served as Assistant Secretary and Under Secretary for a period of about 4½ years. He was responsible for the supervision and direction of the Naval Shore Establishment and all matters relating to civilian personnel. During his tenure of office the civilian personnel of the Navy increased from approximately 90,000 employees to over 700,000. The Navy has grown from 383 combatant ships to over 1,300 combatant ships, plus a new-born armada of over 58,000 landing craft, not to mention over 6,000 smaller vessels and 40,000 aircraft.

The excellent production record made by the Navy was due in large measure to the efficient manner in which Mr. Bard performed his duties.

The Members of the Senate Naval Affairs Committee have come to know Mr. Bard very well and have found him to be an able administrator. They regret that he has found it necessary to leave the position of Under Secretary of the Navy and hope that after taking a much needed rest it will be possible for him to return to Government service.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PERSONS COMMISSIONED IN THE ARMY FROM CIVIL LIFE

A letter from the Secretary of War, transmitting, pursuant to law, a report showing the name, age, legal residence, rank, branch of the service, with special qualifications therefor, of each person commissioned in the Army of the United States without prior commissioned military service from the period April 1 to May 31, 1945 (with an accompanying report); to the Committee on Military Affairs.

PERSONNEL REQUIREMENTS

Letters from the administrative officer of the White House and the vice president of

the Panama Railroad Company, transmitting, pursuant to law, estimates of personnel requirements for their respective offices for the quarter ending September 30, 1945 (with accompanying papers); to the Committee on Civil Service.

JURISDICTION OVER WATERWAY, RIVER, AND HARBOR IMPROVEMENTS—RESOLUTION OF MILWAUKEE COMMON COUNCIL

Mr. WILEY. Mr. President, I have received from the city clerk of Milwaukee, Wis., a certified copy of a resolution relating to the retention of jurisdiction over waterway, river, and harbor improvements in the Corps of Engineers, United States Army. I ask unanimous consent that the resolution be printed in the RECORD and appropriately referred.

There being no objection, the resolution was received, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

Whereas the Congress of the United States has for more than a century vested in the Corps of Engineers, United States Army, jurisdiction over the improvement of waterways, rivers and harbors, flood control, and allied matters; and

Whereas the Corps of Engineers has carried out these responsibilities with great fidelity to the public interest and with unsurpassed technical ability, and it is manifest to all concerned with our national commerce and transportation and familiar with the requirements of navigation and shipping that these activities should be continued under the same jurisdiction and the same high standards now in effect: Now, therefore, be it

Resolved, by the Common Council of the City of Milwaukee, That we respectfully urge the Congress of the United States to retain jurisdiction over waterway, river, and harbor improvements in the Corps of Engineers, United States Army, which has ably and impartially met this responsibility for more than a century, with the highest standards of efficiency and economy, and with high regard for the public interest; and that said council hereby goes on record as opposed to the transfer of these duties and functions of the Corps of Engineers to any other agency of Government; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, to the Secretary of War, to the Chief of Engineers, United States Army, and to the Senators and Representatives in Congress from the State of Wisconsin.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs:

H. R. 2754. A bill to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes and to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma," approved January 27, 1933, and to validate State-court judgments in Oklahoma and judgments of the United States district courts of the State of Oklahoma; without amendment (Rept. No. 362).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Colorado:

S. 1138. A bill to amend title III, Servicemen's Readjustment Act of 1944, and for other purposes; to the Committee on Finance.

By Mr. WALSH:

S. 1139. A bill for the relief of the residents of Guam through the settlement of meritorious claims; to the Committee on Naval Affairs.

By Mr. MAGNUSON:

S. 1140. A bill to repeal the act of June 18, 1934 (48 Stat. L. 984), and the act of June 15, 1935, supplementary thereto (49 Stat. L. 378), and the act of May 1, 1936 (49 Stat. L. 1250), and for other purposes; to the Committee on Indian Affairs.

By Mr. WALSH:

S. J. Res. 76. Joint resolution authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1; to the Committee on Naval Affairs.

RELEASE OF MEDICAL PERSONNEL FROM ARMED FORCES

Mr. DOWNEY submitted the following resolution (S. Res. 134), which was referred to the Committee on Military Affairs:

Resolved, That the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to the relative needs of the armed forces and the civilian population for the services of medical personnel with a view to ascertaining (1) whether, as a result of developments in the war, or through more efficient utilization of medical personnel, such personnel can be released from the armed forces for civilian service without impairment of the war effort; (2) the speed with which demobilization of medical personnel in the armed forces can be accomplished as the needs of the armed forces diminish, and (3) whether any further action is necessary to insure an adequate supply of trained medical personnel to meet the future needs of the armed forces and the civilian population of the Nation. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation, together with such recommendations as it may deem desirable.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses, and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

INVESTIGATION OF SHORTAGE OF NEWSPRINT

Mr. BUTLER. Mr. President, on behalf of the senior Senator from Indiana [Mr. WILLIS] and myself, I ask unanimous consent to submit for appropriate reference a resolution authorizing the Committee on Agriculture and Forestry to make an investigation of the existing newsprint shortage.

As every Senator knows, Mr. President, the patriotic publishers of this Nation have given literally millions of dollars' worth of free advertising to the Treasury for the various war loan drives. They have contributed much news space not only to the sale of war bonds, but to the Office of Price Administration program to hold down prices, to the War Production Board to aid in the gathering of needed materials and in the conservation of others.

It would be difficult for me, in a few minutes, Mr. President, to recite the over-all war contributions of the newspapers of America. And we all know that their contribution has been great, and that their contribution will continue, no matter what the Government does or does not do.

For some time I have been cognizant of the difficulties of newspapers in obtaining an adequate supply of newsprint, but as long as the war in Europe raged, neither the publishers nor any Senator wanted to take action that seemed to overlook the exigencies of the period. Now, however, the war in Europe is over—has been over more than a month—and it would seem that the patriotic newspaper publishers of America could look for a respite in the newsprint shortage.

But even a preliminary investigation will reveal that this is not the case. Actually, the publishers must look forward to greater shortages, unless quick action is taken now by each Government agency charged with one or the other of the factors affecting newsprint production or distribution.

Just the other day, on June 7, one of the largest newspapers in Nebraska, the Omaha World-Herald, stated in an editorial that the United States Government's purchases of paper for all purposes increased from 124,500 tons in 1941 to 1,064,512 tons in 1944, attributing its information to the War Production Board.

Think of it—the Government's use of paper has increased eight and one-half times in a 4-year interval, while private publishers were suffering more and greater reduction. More than a year ago, Augustus E. Giegengack, the Public Printer, admitted to a subcommittee of the House of Representatives, that he did not know of all the paper being used by Uncle Sam, because much Government printing was being done outside the Government Printing Office, exclusive of that done by the armed services.

I have discussed this matter with other Senators on both sides of the aisle, and I am convinced that a careful investigation by the Senate will not only uncover abuses in the use of paper by the Government, bungling on the part of those who have charge of allocating newsprint, and slow action by the agencies connected with planning to relieve the shortage in this Nation, but, more important than these revelations, I believe such an investigation would work positively toward increasing the flow of newsprint to our hard-pressed publishers.

On May 31 last, my distinguished colleague from Indiana [Mr. WILLIS] placed in the RECORD, at page 5334, a seven-point plan suggested to him by an Indianapolis, Ind., newspaper publisher, Mr. Eugene C. Pulliam. That seven-point plan has been the subject of wide study both by other Senators and by the industry, I know, and I am anxious that the various bureaus which have anything at all to do with newsprint production or

distribution see it and, even more appropriately, act on it.

I have checked closely enough into this situation to know that the bureaus in charge are mindful of the situation, but that they should be spurred into more decisive action. There is absolutely no good reason why the newspaper publishers of this country cannot be given some relief from this problem, which is serious to them, in the next several months. Prompt action will bring that relief, and I believe that the Senate should see to it that prompt action is forthcoming.

The PRESIDENT pro tempore. Without objection, the resolution submitted by the Senator from Nebraska (for himself and Mr. WILLIS) will be received and appropriately referred.

The resolution (S. Res. 135) was referred to the Committee on Agriculture and Forestry, as follows:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation for the purpose of ascertaining the causes of the existing shortage of newsprint, and to report to the Senate at the earliest practicable date the results of its study and investigation together with its recommendations as to any legislation necessary to provide for relieving such shortage.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

COMMENCEMENT ADDRESS AT UNIVERSITY OF UTAH BY SENATOR THOMAS OF UTAH

[Mr. MURDOCK asked and obtained leave to have printed in the RECORD an address delivered by Senator THOMAS of Utah at the seventy-sixth annual commencement of the University of Utah at Salt Lake City, Utah, June 5, 1945, which appears in the Appendix.]

UNITED STATES AS A MEDIATOR FOR PEACE—ADDRESS BY ALF M. LANDON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address on the subject United States as a Mediator for Peace delivered by Hon. Alf M. Landon before the Manhattan (Kans.) Rotary Club, which appears in the Appendix.]

NAMING OF VETERANS' ADMINISTRATION HOSPITAL AT SIOUX FALLS, S. DAK.

The PRESIDENT pro tempore. Under the previous notice given by him, the Senator from Ohio [Mr. BURTON] is recognized.

Mr. BUSHFIELD. Mr. President, will the Senator from Ohio yield?

Mr. BURTON. I yield.

Mr. BUSHFIELD. Mr. President, on behalf of the Committee on Finance I reported a few days ago Senate bill 880 to provide for naming the veterans' hospital at Sioux Falls, S. Dak. The Senator from Ohio has kindly yielded to me so that I may call up that bill at this time. I move that Senate bill 880 be now taken up for immediate consideration.

Mr. GEORGE. Mr. President, with the understanding that the Senate will revert to the regular order, there is no objection on my part.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 880) to provide for designation of the United States Veterans' Administration hospital at Sioux Falls, S. Dak., as the Royal C. Johnson Veterans' Hospital.

The PRESIDENT pro tempore. The question is on the motion of the Senator from South Dakota.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. BUSHFIELD. Mr. President, I introduced the bill some time ago. The Senate Finance Committee has unanimously approved the bill, and it is now on the calendar. The Budget Bureau has also approved it. I desire to say merely a brief word in connection with the bill.

Royal C. Johnson was for more than 15 years a Member of the House of Representatives from my State. Most of the Senators on this floor knew Mr. Johnson. He was chairman of the Veterans' Committee of the House of Representatives from the time of its beginning until he left the Congress. I desire, and the people of my State will be much honored, to have the new veterans' hospital in that State at Sioux Falls, S. Dak., named the Royal C. Johnson Memorial Hospital.

The PRESIDING OFFICER (Mr. HILL in the chair). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the proposed United States Veterans' Administration hospital at Sioux Falls, S. Dak., shall be known and designated on the public records as the Royal C. Johnson Veterans' Hospital.

COMPENSATION OF POSTAL WORKERS—EDITORIAL COMMENT

Mr. LANGER. Mr. President, will the Senator from Ohio yield?

Mr. BURTON. I yield to the Senator from North Dakota.

Mr. LANGER. Mr. President, I have here some editorials which were gathered together by William C. Doherty, president of the National Association of Letter Carriers, who has shown great zeal in behalf of the bill which is now pending before the Committee on Post Offices and Post Roads dealing with postal pay. These editorials are from every part of the United States, and I ask unanimous consent that I be permitted to insert them in the RECORD as a part of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Scranton Times of March 21, 1945]

POSTAL WORKERS SEEK INCREASE

Postal workers are looking for a rise in pay. They have been looking for one, in fact, for a long, long while. It was back under President Coolidge that the maximum salary was increased from $1,800 to $2,100 annually.

Something over a year ago a temporary bonus of $300 was allowed postal workers. This expires June 30 unless Congress extends it or there is a substitute bill passed which will make the increase permanent. That's what the postal workers want. They are asking that the Burch bill, which would give an immediate increase of $400 a year, overtime based on a 40-hour week, and an opportunity for postal workers in large cities to be upgraded to $3,000 a year and those in smaller cities to $2,700 a year over a period of years, be passed. Representative BURCH is chairman of the House Post Office Committee. The fact that he has sponsored the bill may be taken as an indication of belief by committee members that the demands of postal workers are reasonable and should be granted.

Postal workers have been trying for a number of years to get a pay increase commensurate with their work, responsibility, and to help them meet the increased cost of living. In the last Congress a bill was passed by the House and was ready to go through on final reading in the Senate, but became lost in the shuffle or was shoved aside to permit action on what the Senators thought was more important legislation.

Postal service, next to the courts, is the oldest public service in the country. No Government activity comes closer to the people.

Postal workers are asking friends to urge on Members of Congress prompt and affirmative action on their demand for a pay increase to help them meet the cost of living.

[From the Boston Post]

RAISE WELL EARNED

The Post Office Department has turned over to the Treasury a $47,000,000 check, which represents a surplus in receipts over expenses from July 1, 1943, through September 1944. During the current fiscal year there's every reason to believe that even that fat surplus will be surpassed and by a big margin.

Of course, for a governmental branch traditionally saddled with a deficit that's a remarkable showing—a showing made possible by the war. It reflects, too, a terrific increase in business by thousands of efficient postal workers, who have been demonstrating for a long time their right to an increase in pay.

[From the Scranton Tribune of April 24, 1945]

POSTAL WORKERS MERIT PAY BOOST

It was a regrettable development that the last session of Congress expired without the lawmakers doing justice to the Nation's postal workers who are seeking a well-earned increase in salary schedules. The measure passed the House but got caught in the last-minute jam in the Senate.

The issue is again before Congress and there is no excuse for it falling by the wayside this time. The postal worker's case is a meritorious one; he is a tried, faithful, and efficient worker; he, like all others, is confronted with higher living costs, yet he hasn't had a salary boost in 20 years.

It is up to the public, which benefits first hand from the efficiency of the postal department, to let the Members of Congress

know the people want the postal workers to get their just dues. Congressman MURPHY is solidly in favor of the measure. Residents of other districts would do well to ascertain the views of their Representatives and write them urging support of the bill, which is designated H. R. 2071. The time is long overdue for the country to deal fairly with its postal employees.

[From the New York Journal-American of December 26, 1944]

POSTAL WORKERS LOSE AGAIN

The legislative log-jam at the close of the Seventy-eighth Congress prevented action by the Senate on a measure providing pay increases for postal employees, and thus prolonged the Federal policy of injustice against these vital Government workers.

This is an unmitigated betrayal of the most grievously and inexcusably underpaid group of workers in the United States.

The thousands of postal workers who would have been the beneficiaries of this measure have not had an increase in basic pay for nearly 20 years.

They actually work overtime at a lower rate of pay than that applying to regular time.

Congress had every moral reason to pass this bill.

It had plenty of time to pass it.

The House of Representatives, in fact, did pass it in ample time.

But the Senate, to its shame, simply did not get around to it until the final hour of the closing session—and then found itself lacking a quorum.

This is a bitter experience for America's postal workers, but an all too familiar experience.

It is a particularly bitter disappointment for their families at Christmas time, and the Members of Congress responsible for it are guilty of a shameful act of negligence and discrimination.

The next Congress, convening in January, should make it the first order of business to put an end to the prolonged disappointments and discouragements of the Nation's postal workers.

It is little short of a national crime that these essential, overworked, and underpaid employees of the Federal Government should continue to be victims of congressional negligence and discrimination, and the new Congress should deal with their cause according to its obvious and acknowledged merits.

[From the San Francisco Examiner of March 31, 1945]

BE JUST TO THE MAILMAN

In thousands of communities and rural areas, the mail carrier is one of the most familiar figures.

Throughout the years, in all kinds of weather—to paraphrase the famous line from Herodotus which is the motto of the postal service—he goes his "appointed rounds."

Nowadays, when millions of men and boys are away from home with the colors, his visits may be as comforting to anxious households as those of the family doctor.

And in these war years his task has been as endless and his burdens often have been heavier than in the times of peace.

For the postal service has had to break all records in the volume of mail delivered, and it has had to do this with the most serious manpower shortage the Department has ever known, so that every employee in the postal service has had to work harder than ever before.

Moreover, these men have received no extra pay for the extra and even extraordinary service that they are giving.

Their salaries are fixed by law and, because the law is obsolete, the salaries are grossly unfair and inadequate—which is doubly unjust since at this very time the monetary receipts of the Post Office Department are the highest in its history.

This inequity will be corrected if Congress passes the Burch bill which is now under consideration.

The bill will make a complete reclassification of postal employees, the first in 20 years; it will grant an immediate increase of $400 in the annual basic pay, with honest overtime of time and a half for more than 40 hours of work a week; and it will provide for annual increases over a limited term of years as an incentive to keep men in the service.

In an appearance before the Post Roads Committee of the House of Representatives, Mr. William C. Doherty, president of the National Association of Letter Carriers, warned Congress that the future of the postal service will be determined by its action on the Burch bill.

Speaking hopefully for the letter carriers, he said:

"It would appear that at long last the carrier will be given an equal opportunity with his fellow American to share in a decent standard of living."

The country can well afford this act of justice, which has been too long withheld.

The mail carrier and the postal clerk are essential workers, in war or in peace.

They should be respected and rewarded as such.

[From the Nashville Tennesseean of April 30, 1945]

REASONS SO STRONG

The Burch bill to give the postal employees a permanent wage increase is a much better measure than the one which died in the Senate last December after passing the House with a single dissenting vote.

The reason for passing the bill are so strong that it is difficult to see how any serious opposition to it can develop.

As unanimously reported to the House by the Post Office Committee, the Burch bill provides for a $400 increase in the wages of each employee, time and a half for overtime instead of the present straight-time basis, the reclassification, including extensive upgrading, of employees, and the provision of longevity increases of pay over an 11-year period instead of the present 5-year period.

There has not been a reclassification of jobs since the general act of 1925 nor an increase in pay except for a temporary $300 annual increase since the start of the war under a law which will expire June 30.

The postal service provides the most frequent and perhaps the most favorable contracts between the average citizen and his National Government. The mails have always gone through, come rain or storm or cold. Chosen on the basis of merit, the carriers and their fellow employees have never forgotten to be faithful and courteous in serving their employers, the great public. They therefore deserve from the public generous support for the Burch bill because they merit on the basis of performance all the benefits provided under the proposed measure.

[From the Nashville Banner of May 2, 1945]

POSTAL EMPLOYEES, THE REAL FORGOTTEN MEN

The Banner has said before that no group within the Federal employee structure commands more respect—as a group—than the postal employees. Day in and day out, year in and year out, they render efficient service. As a unit, they represent the antithesis of the bureaucracy which, in so many departments and agencies, has come to predominate. No higher compliment could be paid them than the one which speaks for itself in that comparison.

Consider then the injustice connoted in the fact that postal employees have had no raise in 20 years. Their last salary increase was in 1925. Even during the economic ordeal of the present war emergency, when means were found to put through raises for almost everyone in the country—in Government service and out of Government service—postal employees have been the forgotten men.

Now pending in the House Post Office Committee is H. R. 3035—a bill providing for a general reclassification and salary increase for these employees. It should be passed at once. Congress must not prolong the situation of this injustice. The bill should be adopted, and its provisions put into effect at the earliest possible date.

[From the Philadelphia (Pa.) Evening Bulletin of March 20, 1945]

POSTAL WORKERS' PAY

To be reported from committee to the House in Washington within the next week or two is a bill which would make permanent the temporary $400-a-year wage increase granted some months ago to post-office employees as a cost-of-living bonus.

Congress has ample justification for enactment of this measure. Postal employees have been without an increase in basic pay since 1925, and few wage rates anywhere in the country are on such a basis. Postal work has multiplied and personnel has been reduced by the war. Overtime rates are less per hour than regular pay.

The measure being prepared would grant to per diem employees a percentage increase comparable to the flat raise planned for workers on an annual salary. A similar measure was caught in the legislative jam at the end of the last session and failed.

The situation has not changed since the cost-of-living bonus was granted. None of the arguments about holding the wage line applies in this case, for if Congress fails to act by June 30, the effect will be that of a wage cut.

[From the Youngstown Vindicator of May 22, 1945]

POSTAL WORKERS' PAY

The House has voted, 360 to 1, to raise postal employees' basic salaries by about $400 a year. The Senate should follow the example promptly for two reasons: The increase is long-delayed justice; it is needed to keep the postal service efficient.

There has been no change in basic postal salaries since 1925. For the last 2 years the employees have been given a temporary $300 bonus. But since the old base was kept they got less pay for their overtime than for straight time. The bill passed by the House will set up a new base, and allow time and a half for overtime as in private employment.

Under the existing pay system the Post Office Department finds it virtually impossible to recruit new workers. Thousands of workers have been forced to go into other employment in order to support their families properly. As President William C. Doherty, of the National Association of Letter Carriers, wrote recently, this situation raises "a grave danger—the development of an inferior postal system." So Congress will be serving the public interest as well as simple justice if it completes passage of the postal increase without delay.

[From the Kansas City Jewish Chronicle of April 13, 1945]

POSTAL EMPLOYEES ASK FOR A RAISE—FIRST THEY WILL HAVE HAD IN 20 YEARS

Postal employees are asking for an annual increase of $400 in earnings, the first they will have had in 20 years. A $300 bonus is now in effect until June 30 of this year, but this raise was nullified by the passage of the withholding-tax law passed at the same time. Increased earnings at the present time are

due to overtime work, which is paid for at a lower rate than for regular employment.

During the depression years pay cuts and payless furloughs were no exception and were put into effect without delay.

The Post Office is handling the largest volume of mail in its history. Since 1935 the volume of business has increased 65 percent, with an increase of only 36 percent in personnel. Thousands of its younger workers, with over 10,000 mail carriers, are in the armed forces.

There are not many mechanical improvements in the post office as it is largely a job of individually handling each piece of mail several times. Over 100,000,000 pieces of mail are delivered daily.

The salary bill, H. R. 2071, is now in the hands of the Post Offices and Post Roads Committee of Congress. Those in favor of its passage may write to their Senators and Congressmen urging them to vote for it.

[From the Denver Catholic Register of April 12, 1945]

POSTMAN'S PUZZLE DEMANDS SOLUTION

(By Rev. Maurice E. Reardon)

The most eagerly expected public servant in the daily life of Americans, today more than ever, is the man in the slate-blue uniform with the brown leather sack on his back and elastic in his legs—the letter carrier. He is the good-natured fellow who cajoles the neighborhood mongrels, pals with the kids on his route, cheerfully bears with the fickleness of the weatherman, shares in the community's joys and sorrows, and seldom asks for any personal favors. It is easy to take such loyal service for granted. It should be hard for any patron to ignore the postman's plea for assistance in solving a serious problem that faces him.

The situation is simply this: Your letter carrier and the other postal employees have not had a raise in their basic pay since 1925, a quarter of a century ago. During the lean years of 1929 to 1934 postmen took a 27 percent cut in pay. A war bonus of $300 per year granted by Congress is to expire automatically July 1. Now in the past 4 years alone the cost of living has risen more than 40 percent. Simple mathematics poses the problem: How are the slighted men and women of the postal service going to make the grade? Give up? Well, do not, because there is something you can do to help out these people to whom we are all indebted.

Last autumn patrons of the postal service all over the country wrote to their Senators and Congressmen urging that a measure providing for adjustment of the salaries of letter carriers and other post-office workers be adopted. So widespread and effective was the appeal that the bill was passed by the House of Representatives with but one dissenting vote. In the Senate, however, the bill became involved in the last-minute legislative jam and the session adjourned without the measure being permitted to come to a vote.

In the present session of Congress a new measure, H. R. 2071, providing for the long-delayed financial relief of postal workers, has been introduced by their friends. Accordingly these men and women are asking their patrons again to write their Congressmen and to urge adoption of the measure, which is designed to provide the needed adjustment in pay.

Realizing the importance of their services, these men have stood by their routes to give you the full benefit of good service, even though higher living costs have outstripped their pay and war industries have tempted them with wartime salaries. From the ranks of Denver's postal employees 225 have entered the armed forces. Receipts of the Denver post office for the past year reached an all-time high with an income of more than five and one-half million dollars.

During the past 15 years postal employees helped to organize and distribute for the NRA, the soldier bonus bonds, unemployment census, alien registration, war-bond drives, and many other projects, all without extra compensation or additional burden upon the taxpayer.

It is not often that your postman comes to you with his problems, but he does so now, because you are the one who can correct an impossible economic situation and get for him a salary adjustment that will make it possible for him to continue to serve you and sustain himself and his family. You can do this by immediately writing to your Senator and to the Congressman representing your district. Do it now before the mailman slips the next letter into your box. If you do, you will then be able to face him with a sincere smile and feel that you have repaid his efforts in a small way.

[From the Kansas City (Kans.) Labor Bulletin of May 25, 1945]

AN APPEAL FROM YOUR POSTAL EMPLOYEES

DEAR FRIEND: Will you please help us?

Last fall we asked for an increase in pay. We did not receive this increase. On the final day of the last session of Congress a technicality, raised by a Senator, caused the pay increase bill to be pigeon-holed. Now we are forced to start all over again. During the present emergency we are receiving a temporary bonus of $5.76 a week. This bonus expires June 30. We are trying to get a raise of $7.69 a week to replace this bonus. This would be an increase of $1.93 over the present bonus.

Do you know that the postal employees have not received an increase in pay since 1925? (over 20 years ago).

Do you know that 5 percent of our salary is deducted to pay toward our retirement?

Do you know that the raise in postal rates did not in any way benefit the postal employees?

Do you know that postal employees are paid from postal receipts and not from general taxes?

Do you know that the Post Office Department turned over $40,000,000 on October 1, 1944, to the Treasury?

Do you know that more than 50,000 postal employees are in the armed forces?

Do you know that the postal employees receive less per hour for overtime than for regular time?

Do you know that it takes the unified support of Congress to give us an increase in salary?

Do you know that we need your help right now? You will render us a great service by writing to your Congressman and Senators to support the reclassification bill for postal employees, H. R. 2071. Remember—the only recourse we have is to get your support. Won't you please help us by writing these letters. Hand them to your postman and if necessary we will pay the postage.

Thank you,

YOUR POSTAL EMPLOYEE.

[From the Rocky Mountain News, Denver, Colo., of April 5, 1945]

YOUR POSTMAN

(By Lee Casey)

Have you noticed a puzzled expression on your postman lately? I have, and this despite the fact that, from the time of Sophocles—he of the famous motto about the mail going through—to this date postmen are about the kindliest group of citizens I know.

What's worrying your postman and mine is a matter of pay. He hasn't had an increase in salary since 1925—a full quarter-century. True, he did get a war bonus of $300 a year to meet the increase in the cost of living and higher income taxes. But this bonus will expire automatically July 1. So far as the postman is concerned, the Little Steel formula simply doesn't exist. So, naturally, he'd like to know something about where he stands.

In any event, he stands in a peculiar and difficult position.

When the rest of us feel we are entitled to a raise, we go, either individually or collectively, to our official superior. But the postman can't do that. Neither the postmaster nor the postmaster general has anything to say about a postman's pay. Congress is the sole judge of that question.

The postman is under difficulties there. He not only is not supposed to be, he actually isn't, in politics. He cannot lobby for himself, like most minority groups. He just has to wait for something to happen. So far, nothing has.

Last year it almost happened. A bill adjusting postmen's salaries passed the Lower House of Congress with only one dissenting vote. It was referred to a Senate committee, and died there.

Now, I'm not trying to say what the increase in the postman's salary should be. I haven't sufficient information to pass on that question. Even if I had, I lack the proper judicial aloofness. Temperamentally, I'm in favor of more money for everybody. I'm most assuredly in favor of more money for postmen. What with what they have to put up with, I don't think they are getting enough or ever will, no matter what the adjustment may be. As between postmen and most lawyers, for example, I'd say most emphatically that postmen are far more deserving.

But I think it is quite clear that the decision should be made on the merits of the case and that the postman's bill—which is officially H. R. 2071, known as the Salary Reclassification Act—should be brought out, discussed, and acted upon, instead of being shunted aside and lost as happened last year.

Colorado's four Members of the House voted for the bill last year and this year, of course, we have in the House those same familiar Republican faces. In addition, the quartet has declared for this legislation.

Thus far, however, the bill remains in the House Committee on Post Offices and Post Roads, and there is danger that it will remain there, as has happened with a lot of proposed legislation, good as well as bad, that was presented to the expiring Thirty-fifth Colorado General Assembly.

Our Congressmen are now back home in their respective districts, where their constituents can get a crack at them. While we have them here, I think it's a good idea for us to tell them we'd like to have that postman's bill brought out. The postman has done a fine job during the war and because of his peculiar relationship with the Government, only Congress can give him relief.

At least let's see what he needs and, when the case is proved, give him what he has coming. Certainly it would be a bad mistake to deprive the postman of his rights by the same old "died in committee" gag.

[From the Highland Chief, Denver, Colo., of April 12, 1945]

LETTER CARRIERS

In addition to their regular duties, Denver letter carriers this week are increasing their loads on their backs with leaflets which they are distributing to ask their friends and patrons to help them get the first increase in their basic pay in 20 years.

Last autumn patrons of the postal services all over the country wrote to their Senators and Congressmen urging that a measure, providing for adjustment of the salaries of letter carriers and other post-office workers, be

adopted. So widespread and effective was the appeal that the bill was passed by the House of Representatives with but one dissenting vote. In the Senate, however, the bill became involved in the last-minute legislative jam and the session adjourned without the measure being permitted to come to a vote.

In the present session of Congress a new measure, H. R. 2071, providing for the long-delayed financial relief of postal workers, has been introduced by their friends. Accordingly, these men and women who have seen their salaries fall far behind increased living costs are asking patrons to again write their Senators and Congressmen urging adoption of the measure which is designed to provide the needed adjustment in pay.

[From the Tampa (Fla.) Tribune of April 20, 1945]

JUSTICE FOR POSTMEN

The Nation's postal workers are forgotten men. They have not been given a basic pay increase since 1925. Their $300 annual bonus, enacted in 1943 as a temporary measure, will expire this June 30. Unless Congress approves new legislation, the 375,000 postal employees will be working for the same pay they received 20 years ago.

A bill to increase the thin pay envelope of letter carriers and other postal workers has been introduced in the House. We believe it to be good bill. It sets up a $400 permanent raise in annual base pay. It provides time and a half for overtime, extra pay for night work and other deserving compensations.

During the last session of Congress a similar bill was passed by the House. It was lost in the shuffle in the Senate, however, during the preadjournment days. Now the postmen are waging another determined campaign to win support for the measure, and they request the American public to back the fight by writing Congressmen to approve it.

We join the postal workers in urging citizens of this area to write their Congressmen. It will be simple justice for Congress to pass this bill.

[From the Iowa City Press-Citizen of April 18, 1945]

AS VIEWED FROM HERE—POST OFFICE EMPLOYEES MAKE PLEA

Reg Manning's editorial cartoon on this page today gives emphasis to a matter brought further to our attention by a letter received from the Iowa City post office employees and addressed to the patrons of the Iowa City post office.

It concerns the salary received by postal employees in the United States.

But let the local postal employees' letter speak for itself; it states the case in behalf of the writers simply, but eloquently, and we believe warrants the consideration of all of us:

"During the past year your postal employees have been making a desperate effort to secure an increase in salary. At the close of the last session of Congress, the House had passed on a bill to make this possible, but the Senate failed to do so. Consequently, the temporary bonus which we now receive will expire for good June 30 this year, with nothing definite in sight except the salary which was established back in 1925.

"However, we are hoping that the present Congress will do something in our favor. There is almost nothing that we as postal employees can do. Therefore we are soliciting the interest and help of you, the public. If you feel we are worthy of that much of your interest and time, we urge you to write a letter to one or more of the following, telling them just how you feel about it: Senator GEORGE A. WILSON, Senator BOURKE B. HICKENLOOPER, and Representative THOMAS E. MARTIN.

"We feel that a letter from one of our patrons will carry many times more weight than any letter we might send:

"If you are at all interested in writing such a letter, just hand it to your letter carrier or any window clerk, who in turn will be glad to furnish envelope and postage to mail same, unless you prefer sending it direct yourself.

"To help the public understand our case, we wish to present the following questions:

"1. Do you know we have had no raise since 1925?

"2. Do you know it takes an act of Congress to give us a raise?

"3. Do you know our overtime pay is less than regular pay per hour?

"4. Do you know we receive less for Sunday and holiday time than for regular time?

"5. Do you know a raise for us could be encouraged by you?

"6. Do you think we deserve a raise?

"7. Will you help us in our efforts?

"8. Will you please write your Congressman?

"9. How about it, folks? It's up to you.

"THE IOWA CITY POST OFFICE EMPLOYEES."

[From the Scrantonian, Scranton, Pa., April 29, 1945]

GIVE POSTAL WORKERS SALARY BOOST

On the home front, no group has done a better war job than the postal workers of the Nation. The Post Office Department has efficiently handled a vast volume of mail, sold stamps and bonds, assisted in the registration of aliens, and otherwise performed valued wartime services.

Because of the draft calls from among postal workers, the remaining staff has worked, in many places, short handed, but nevertheless service mail and packages have gone forward on schedule to the far ends of the earth. In the absence of any salary increases, the postal workers have stayed on the job, without any suggestion of a strike, or any disturbance to the service.

It will probably come as a shock to many people to learn that postal workers get the same pay as they did 20 years ago, with the exception of a $300 per year cost-of-living bonus paid to each worker regardless of his base pay. This bonus has been paid only for 2 years and is due to expire on June 30.

Justice demands that the postal workers be granted a salary increase. A bill known as H. R. 2071 has been introduced in the House which would extend the $300 bonus and increase it by $100. If the bill fails to pass, postal workers' salary schedules will be back where they were in 1925. This must not be permitted to happen.

The postal workers deserve a reward for their faithful service. The public should rally to their cause and insure enactment of this needed salary-increasing legislation.

[From the Minneapolis Labor Review of April 6, 1945]

INJUSTICE THAT HAS BECOME OUTRAGE

When a rank injustice that should be and can be eradicated is permitted to continue it becomes an outrage.

The particular outrage we have in mind is the failure of Uncle Sam to raise the pay of postal employees for more than 20 years. There is no reason why these servants of the people should be discriminated against, and there are plenty of reasons why this condition should be remedied at once.

Post office employees include post office motor-vehicle employees, special delivery messengers, post office clerks, letter carriers, railway-mail-service mail handlers, railway mail clerks, and other Government employees.

There are 3,500 of these workers in the Twin Cities.

It means that this large number of families in this territory are suffering greviously, to say nothing of the great numbers throughout the entire Nation.

There have been substantial raises in postage rates, but none of these raises have leaked into the pay envelopes of the postal employees.

There is now before Congress H. R. 2071 that provides for an increase in wages for postal employees. It is not the amount of increase that it should be, but these workers through their various organizations have expressed their acceptance of what the bill has to offer.

In order for these workers and their families to receive what benefits this bill provides it will be necessary for many of you to write to their Congressmen and Senators urging the passage of this measure, H. R. 2071.

These workers who have so patiently waited for this far too long delayed pay increase are all members of organized labor. They are hard-working employees who surmount all vagaries of weather and all obstacles to see that your mail gets to you.

In the American Federation of Labor the members call one another brothers. Here is a situation that demands a demonstration of that brotherhood at least to the extent of writing a letter to your Congressman and United States Senator urging the passage of H. R. 2071.

In all war activities these workers are making their contributions just as are those who have received pay raises. When the war-bond salesman come, post office employees do not say, "Wait until Congress raises my pay, then I will buy bonds." When the Red Cross folks rap at the door, post office employees do not say, "Wait until Congress raises my pay, then I will contribute to the Red Cross." No, they ask no delay, they contribute just like everyone else, but they know it means less food on the family table, poorer clothing for the family, that the husband passes up the new suit he needs, and the wife is compelled to forget the new Easter bonnet she had set her heart upon.

It means medical service that is needed has to be put off, and dental work has to be postponed.

So it has been for more than 20 years. Not so exacting as now with the war contributions added. But this 20 years of delay has made life rather doleful for postal employees and their families to say the least.

Perhaps the Congressmen and Senators mean well, but they have many things pressing for action, particularly in wartime. So we urge you to pile in those letters so that Congressmen and Senators will appreciate that this long overdue pay raise for post office employees is something that can no longer be postponed.

See that Uncle Sam through the action of Senators and Congressmen applies some justice to this injustice that has become an outrage, by enacting H. R. 2071 now.

[From the Dayton (Ohio) Labor Union]

POST OFFICE WORKERS SEEK AID ON WAGE BILL

Employees of the Middletown post office, all of whom are members of the American Federation of Labor, are again urging their fellow unionists and all citizens of the city to back them in their efforts to obtain wage legislation.

Postal employees and members of Middletown civic clubs 6 months ago circulated petitions for such national legislation. These petitions were forwarded to Members of Congress. Petitions were also sent to United States Senators ROBERT TAFT, of Cincinnati, and HAROLD BURTON, of Cleveland, urging them to act in behalf of the postal employees.

Nearly 2 years ago Congress granted postal employees a war bonus of $6 per week, their first pay increase since 1925. The bonus provision expires this coming June. To take its place a new bill, H. R. 2071, has been introduced. This bill proposes an increase of $1.30 per week over what the postal employee is now receiving. If this bill be not passed by July 1 they will take a cut of $6 per week.

To prevent a pay cut the postal employees are urging all unionists, friends of organized labor, and their other friends to support them in their fight for passage of H. R. 2071. It is being urged that letters be written to Congressman EDWARD J. GARDNER and to Senators TAFT and BURTON seeking their support of this bill.

Hilbert Martin, assistant postmaster at Middletown, who has frequently addressed sessions of the Middletown Trades and Labor Council, and is a booster for his associated workers in the post office, is backing the postal employees 100 percent in their fight for this legislation.

[From the Philadelphia Inquirer of March 21, 1945]

RAISE POSTAL WORKER'S PAY

Postal workers have a just complaint against their employer, the Government, and they've had it a long time. For their last salary raise came under President Coolidge, 20 years ago, when the maximum was put at $2,100, instead of $1,800.

Since then they've seen the cost of living go sky high, taxes increase so fast as to make their heads swim and millions of industrial workers enjoying the largest wages they have ever earned. The postal worker is the forgotten man.

Congress finally did grant the mailmen a temporary bonus of $300 a year, which expires June 30. But what they are asking is a modest $400-a-year salary increase without the bonus, with overtime based on a 40-hour week. A bill to this end is now before a House committee. A similar measure, passed by the House at the last session, was tangled up in the Senate.

The new bill should be passed without further delay. At best it will be a tardy act of partial justice to these faithful servants of the people.

[From the Baltimore News-Post of May 5, 1945]

JUSTICE LONG DELAYED

The Post Office Committee of the House of Representatives, after many weeks of consideration, has finally given favorable and unanimous action to the long-pending measure designed to give the thousands of postal workers in the United States their first basic-pay increase in 20 years.

This is an important step in the direction of according justice to the postal workers; but, of course, only a step.

Many times in recent years the postal workers have seen their petition for adequate pay get this far, and no farther.

Committees have reported favorably on the matter before, without achieving the ends of acknowledged justice.

On several occasions one House or the other of Congress has actually passed the postal pay-increase bill.

But it is no credit to the Congress, and none to the country as a whole, that none of these steps in the right direction have ever resulted in upward adjustment of the shamefully low pay of the postal workers.

This time the bill must pass.

This is true because it is no longer only a matter of doing simple justice to the postal workers that is involved.

President William C. Doherty of the National Association of Letter Carriers made this clear in a recent letter to Mr. William Randolph Hearst.

Mr. Doherty wrote to Mr. Hearst because, as he said:

"The Hearst newspapers have had a wholesome effect in focusing public attention to the plight of the postal workers.

"The crusade conducted by your newspapers," he continued, "stands out like a beacon light.

"Every citizen should be grateful for the magnificent manner in which you have sounded the warning.

"There still exists a grave danger—the development of an inferior postal system."

That is the real danger in the present situation.

If continued injustice to the postal workers simply meant that these hundreds of thousands of vital workers would be compelled to exist on the substandard living wage they have endured for the last 20 years, it would be bad enough.

Mr. Doherty points out something worse.

"Manpower shortages within the postal service are already acute," he warns.

"Management is finding it practically impossible to recruit needed personnel on the present outmoded pay schedules.

"Existing critical conditions are no longer a matter affecting letter carriers and postal workers alone.

"Let it be said that the very future of the postal service and the fate of its personnel now rest with the Seventy-ninth Congress."

The future of the postal service is at stake because the underpaid postal workers are tired of substandard living, tired after 20 years of futile waiting for the performance and fulfillment of broken promises.

Accordingly, thousands of them have already gone into other fields of employment where they can live the American way, and other thousands will follow them if the present Congress falls down on its promises and duty, as the previous sessions of Congress have been doing for the last 20 years.

If for no other reason than the simple justice of the matter, Congress should approve the postal-pay-increase bill; but in the vital public interest of preserving our essential and efficient postal system it must do so.

[From the West Hartford Metropolitan News of May 4, 1945]

ARE POSTAL WORKERS PEOPLE?

We often have been intrigued with the idea of stepping up to our mailman or to the clerk who sells us a few stamps, and asking him if he also belongs to the human race. We know that the mailman who delivers the good and the bad in his mail sack, and the clerk who sells us money orders, tax stamps, and war bonds, must live in a house, he must buy clothes, and he evidently eats, maybe too, he has a family to support. He must be above average intelligence or he wouldn't have been able to pass the civil-service test to get the job.

The reason we were intrigued with the postal-service personnel, is that we have been looking over the Federal expenditures during the past 20 years and when we came to the Post Office Department we were amazed and shocked to learn that base pay of these faithful public servants is the same rate in effect in 1925. Twenty years without an increase.

It's hard to believe, but it's true, your postman or clerk hasn't had a raise in all that time. You and I know that we pay more for postage, the Post Office Department shows a better profit and you go to the post office more often, meaning many new lines have been added.

During the present war, the postal worker has been most loyal to his profession; he has watched the big money jobs on the next block, he has watched the money orders grow in powerful figures, and he has watched the draft deferments for other youngsters while he is still subject to a call from Uncle Sam. The postal worker has to pay the same increased costs of living that we do, like us, he pays more rent and he pays more taxes.

The annual salary of a postal worker is $2,100, out of this is deducted a withholding tax and retirement contributions, leaving him $1,500 with which to feed and clothe himself and his family and pay for any other knicknacks he may desire. If someone gave a post-office worker a car, in all probability he wouldn't have enough money with which to run it.

During the past 2 years, Congress has been giving these postal workers a $300 bonus, this largess expires in June, it meant for many, the difference between their chosen career or finding another job in their leisure hours. The postal worker is not allowed to campaign under the Federal statutes. If he was he could throw an avalanche of high pressure at Congress. He could point out that out of all the money given away during the past 20 years, he is the only forgotten man.

The only voluble voice the postal worker has is the people for whom he toils, that's us, we expect good service, we like to see the mail man, he's the guy who plods up to your door in fair weather and foul, he's the guy who carries that letter to your son out in the vast wastelands on some Pacific atoll, he's the same guy who brings you the welcome letter from your son, written from a foxhole on Okinawa or in Germany, all you see is the front view, take a look at him as he plows through the snow down your walk, note the patches in his pants or on his elbows, he's the same guy who hasn't had an increase in his pay for 20 years. Don't fool yourself, if he quits his job, you'll not get your mail so regularly.

The postal worker doesn't want any more sympathy, he is no doubt weary of 20 years of promises by the Congress. Your postal worker just wants a fair break, no more, no less.

At the present time there is before Congress, bill H. R. 2071. Under this bill the postal worker is assured some justice to the extent that the base pay would be increased up to $400 per year.

If this or a similar bill is not passed by the present Congress, America will be faced by a breakdown in its postal service through a serious help shortage.

Every American citizen who resents the protracted injustice against the postal workers should take the time to write to his Congressman their approval of this measure so that these workers will be allowed to live and support their families according to American standards and to eradicate an injustice that has so long endured.

[From the New York Daily Mirror of May 17, 1945]

TOWARD JUSTICE

The House of Representatives, by the overwhelming vote of 360 to 1, has approved the Burch bill for reclassification of postal workers.

When and if it is finally approved by the Senate and the President, this legislation will right two basic wrongs:

Foremost, it will give the employees of the United States Post Office—who are in closer contact with the people than any other public servants—the first pay raise they have had in 20 years.

Second, it will stop the deterioration of one of our finest governmental services, which has been occasioned by the plain fact that a wage which offers only a bare subsistence likewise offers no attraction to ambitious young persons seeking a life career.

Indeed, the present pay rates already have driven many fine and loyal workers from the ranks of the postal service.

That the deterioration so far has been slight is a tribute to the fidelity of the aver-

age postal worker, who has stuck to his job in the face of the wartime inflation which imposed the most stringent economies on him and his family.

But the danger of deterioration is real, as Mr. William C. Doherty, president of the National Association of Letter Carriers, pointed out in a recent letter to Mr. William Randolph Hearst.

"Manpower shortages within the postal service are already acute," Mr. Doherty said. "Management is finding it practically impossible to recruit needed personnel on the present outmoded pay schedules. Existing critical conditions are no longer a matter affecting letter carriers and postal employees alone. It is definitely in the public interest that the Burch bill be enacted into law without further delay."

The Hearst newspapers have long fought the postman's battle, maintaining that he is grossly underpaid on a job that is one of the oldest and most important in the service of the people.

On July 1 a temporary $300 annual cost-of-living "bonus" will expire. If the Burch bill is not passed and signed by then, the average postal worker, whose base salary is $2,100, will have left to live on after taxes and retirement contributions exactly $1,575—$30.20 a week.

This is not a living, much less a decent subsistence for a segment of our best citizenship—men and women who have homes to maintain, families to feed and clothe, children to educate.

The Burch bill will grant an immediate pay raise of only $400 a year. It will set up classifications so that; over a period of many years, workers in large cities may hope to earn $3,000 annually, and those in smaller cities and rural areas $2,700.

Under the present system a postal worker reaches within 5 years the maximum he can ever hope to earn.

The House, by its all-but-unanimous approval of the Burch bill, has accurately reflected the opinion of the vast majority of the people.

We hope and recommend the Senate will act as speedily and as resoundingly. And that President Truman, with his signature, will execute the final act to bring to a fair level salaries that were substandard long before the Little Steel formula was ever heard of.

[From the New York Daily Mirror of April 28, 1945]

JUSTICE FOR THE POSTMAN

This should be the year the postman gets a break. If it is, it will be the first year in the last 20.

Your postman hasn't had a raise since 1925. His wages were substandard long before anyone ever heard of the Little Steel formula.

He has held his family together and maintained his dignity as one of our best citizens and highest types of public servant only by dint of the most stringent personal economy.

Now the Burch bill, sponsored by Representative THOMAS G. BURCH, of Virginia, has been reported out with the unanimous approval of the House Post Office Committee.

The Burch bill would immediately raise postal base pay from $2,100 to $2,500, grant time and one-half overtime based on a 40-hour week, and give an opportunity for workers in large cities to be upgraded to $3,000 a year ($2,700 in smaller cities) over a long period of years.

These benefits, adding up to nothing more than plain and simple justice, would cost the Government annually only about one-third of the present year's $100,000,000 postal profits.

If the bill does not pass by June 30, the date when the present annual emergency bonus of $300 expires, the average postman will have exactly $1,575 left to live on after taxes and retirement fees.

No more good men would go into the service; thousands would leave it; the general public would suffer. This must not happen. Congress and President Truman should quickly approve the Burch bill, against which no voice can be raised.

[From the Philadelphia Daily News of March 21, 1945]

POST-OFFICE EMPLOYEES MAY GET RAISE AT LAST—NO INCREASE IN 20 YEARS—WRITE TO YOUR SENATOR, TO STOP ANY FINAGLING

(By Lee Ellmaker)

We never could understand why post-office employees were objects of discrimination in Congress, when large numbers live in every congressional district in the United States.

Right now postal employees are getting $300 a year war bonus. Prior to that, they didn't have a raise for almost a fifth of a century.

The chairman of the House Post Office Committee, Representative BURCH, of Virginia, has introduced a bill giving them a permanent raise of $400—$100 over their wartime pay.

We believe postal employees are entitled to this, and more. We believe when the Post Office Committee of the House reports this bill, it should be railroaded into the Senate, so there will be no last-minute technicalities to delay it, as happened 2 years ago.

If every postal employee in the United States would let their Senators know about this, the Senators would not try finagling again.

[From the Los Angeles Evening Herald Express of March 21, 1945]

INCREASED POSTAL PAY — STATE LEGISLATURE URGES CONGRESS TO GIVE POST-OFFICE WORKERS $400-A-YEAR INCREASE

Good Americans will heartily approve the action of the California State Legislature in forwarding to Congress a resolution urging that action be taken to grant permanent salary increases of $400 to employees of the United States Post Office.

This is a matter which calls for the immediate attention of Congress and is a matter which should have the complete approval of that body.

The postman is the most faithful, conscientious, and reliable of our public employees, yet he has been neglected more than any other. In the face of a much-increased cost of living, postal employees have not had a basic-pay increase since 1925—19 years ago.

It is true that a temporary wartime bonus of $300 was voted a short time ago, but even that increase is scheduled to expire next year.

The California Legislature is to be congratulated on having taken up the cause of the postal employee, and it is to be hoped that Congress will see its way clear to heed the resolution this State has sent to Washington.

The American people owe much to the postal workers, a debt which should be paid.

[From the Chicago Daily News of April 10, 1945]

FIFTY OF MY BOYS ARE OVERSEAS—MAILMAN RINGS TWICE FOR GI LETTERS

(By Sue Mahrer)

A sympathetic word, a quiet bit of encouragement, or a World War I anecdote * * * these are the things Mailman Frank G. Williams delivers with his letters.

A hero in World War I in which he was a messenger runner, the slight postman passes out home-front morale with mail to his customers in the Edgebrook and Lincolnwood area.

"I have 230 houses on my 34-block route," he explained. "There are 50 of my boys overseas and 24 still in this country."

Williams was a member of the Ninth Infantry during the last war and won the Croix de Guerre with Palm from the French Government for carrying messages through heavy artillery fire for seven consecutive days.

The United States awarded him the Distinguished Service Cross and Purple Heart. Although wounded by shrapnel in the arm, he continued to run messages near Blanc Mont Ridge, refusing to be relieved. He was eighteen at the time.

"I guess I ran some mighty secret and important mail back there in Germany, but none of it was as important as the letters I deliver every day right here at home," he said.

One of his best "clients" is Mrs. Marie McLaughlin, 6655 Central Avenue. She has four boys in service. One has recently been honorably discharged. "Every bit of mail I deliver to her is mighty important."

Brown-eyed Frank always rings twice when there is a letter from a serviceman, and he puts in a whistle for good measure.

While on his route, if he sees a girl rushing to catch the 8:35 for work, he pulls out that awaited letter from her sweetheart or husband and gives it to her before she boards the train.

Anxious mothers, wives, and GI girl friends are always asking him for information from his own war experiences. "I just tell them what the medals mean or what the initials on the soldier's return address stand for," Frank says.

Two new "morale" clients on Frank's route are the parents of Constance Kullerstron, 6430 Spokane Avenue, who recently enlisted in the Army Nurse Corps.

Recently he delivered the Purple Heart Medal to Mrs. Lawrence Schnittgen, mother of Lt. Larry Schnittgen, 6656 Sauganash Avenue. "Larry will be all right," he answered Mrs. Schnittgen. "Our boys get the finest medical care in the world."

Frank, who is 46, has been in the mail service since 1927. He lives with his wife, Ruth, and son, Richard, 7, at 6521 Ebinger Avenue, Niles, Ill. When he isn't doing double duty of delivering mail and building morale, he likes to work in his victory garden.

[From the Philadelphia Record of March 22, 1945]

UNCLE SAM'S UNDERPAID

Most of the arguments about increase in pay involved the Little Steel formula, based on increases in cost of living since January 1, 1941.

A workman whose pay hasn't gone up since then can point to the increase in the cost of living the past 4 years and put up an argument the Government listens to.

But postal employees haven't had an increase in basic pay since 1925.

Congress is now considering a bill which would make permanent a $400-a-year bonus granted to meet at least partly the increase in cost of living. Unless Congress acts by June 30, the Post Office employees will lose the bonus for next year and in effect get a wage cut.

In all fairness to a hard-working group of Government employees, Congress should act promptly to make the temporary bonus part of the permanent wage scale.

[From the Long Island (N. Y.) Daily Press of March 22, 1945]

LATHAM ASKS POSTAL RAISE

WASHINGTON.—Congressman HENRY J. LATHAM, Queens Village Republican, today appeared before the House Committee on Post-offices and Post Roads, at the hearing on the Burch bill, and pleaded that the postal workers be given an immediate raise of $400 and an opportunity to be upgraded in large cities to $3,000 a year over a period of years.

"The letter carriers," LATHAM said, "are in my opinion the hardest working group of public servants on the pay roll. They tramp the streets day in and day out, in good weather and bad, to see that the mail is delivered promptly. They stand out in contrast to the many baffling bureaucrats who infest the public pay rolls.

"The postman's maximum salary now is $2,100 a year. He hasn't had a raise in 20 years, and today finds himself financially squeezed between the increased cost of living and high wartime taxes which reduce even his small income. How he manages to exist is a mystery.

"The letter carriers and postal clerks have helped to earn the profit which the Post Office Department returns to the Treasury each year."

[From the Denver (Colo.) Colorado of April 7, 1945]

SHOULD RECEIVE RAISE IN SALARY

Last week Denver letter carriers distributed 20,000 letters to Denver patrons asking each to write to United States Senators JOHNSON and MILLIKIN and Congressman GILLESPIE, urging them to work for passage of House Resolution 2071, known as the salary reclassification act.

It is stressed in their letter that the cost of living has gone up more than 40 percent in the last 4 years, while their basic pay has remained the same for 20 years. Also during the depression they took a 27 percent cut in salary.

Colorado feels that the mail carriers are deserving of an increase in salary and urges Senators JOHNSON and MILLIKIN as well as Congressman GILLESPIE to work for the passage of House Resolution 2071.

[From the Colorado Labor Advocate, Denver, Colo., April 12, 1945]

HELP THE POSTAL WORKERS GET A RAISE IN PAY

(By Frank J. Woertman)

Spurred on by the fact that they have not received a permanent pay increase in the last 20 years, the postal employees of the United States are banding themselves together, both nationally and locally, in one supreme effort to bring about the enactment of H. R. 2071, a salary reclassification bill which will place each individual group in a salary bracket more closely in line with those used by private enterprise.

Locally, a legislative committee has been formed, composed of representatives of all postal groups. The committee is working with a zeal never before shown in any previous campaign.

United for one common purpose, they are going forward with plans, which, if given the proper support, will culminate in reaching the goal which they so ardently strive to obtain.

One of the more recent of the committee's efforts is a circular, which the mail carriers have distributed on their routes. This circular portrays the postal employee as the forgotten man of these wartime days. It proves to even the most skeptical, that present pay standards and present price levels leave these workers with a problem which they find it impossible to figure out.

Some relief was given them by Congress—a $25 a month bonus—but even this runs out on the 1st of July this year, leaving them stranded with a 1925 salary in an expensive 1945.

The one glimmer of hope is the bill now pending in the Congress.

Known officially as H. R. 2071, this bill would give to postal employees a $400 a year raise in pay. They are asking their friends in the great labor movement to give them the support which they so desperately need.

They urge them to read carefully the above mentioned circular and to write immediately both their Congressman and their Senators asking them to lend their efforts to the passing of this bill.

With the concentrated support of labor, it is felt that success will finally crown their attempt and place them closer to the standard which most workers now enjoy, and which they all so richly deserve. Remember, write for H. R. 2071 today.

[From the New York Daily Mirror of March 23, 1945]

MAIL CARRIERS PLEAD FOR RAISE

WASHINGTON, March 22.—William C. Doherty, president of the National Association of Letter Carriers, told the House Post Office and Post Roads Committee today that the future of the service depends on passage of the Burch bill, granting an immediate $400 basic annual pay raise.

Testifying the legislation, introduced by committee chairman BURCH (Democrat, Virginia), Doherty said the manpower shortage in the service will become worse unless pay is increased. He added:

"Full responsibility for the postal system rests with Congress.

"Once again all records for mail volume and receipts have been broken. That accomplishment has been achieved despite the most serious manpower shortage in the history of the service."

Doherty said his organization represents 63,000 dues-paying, A. F. of L. members in 3,700 cities and towns and "the organization is the sole spokesman for the carriers of the Nation."

The bill provides a basic $400 raise, plus time-and-a-half after 40 hours, and a system of upgrading which allows postal workers in most cities to achieve a $3,000 annual wage over a period of years.

"It would appear," he said, "that at long last the carrier will be given an equal opportunity with his fellow Americans to share in a decent standard of living."

[From the Western News, Denver, Colo., of April 5, 1945]

In addition to their regular duties, Denver letter carriers this week are increasing their loads on their backs with leaflets which they are distributing to ask their friends and patrons to help them get the first increase in their basic pay in 20 years. Last autumn patrons of the postal service all over the country wrote to their Senators and Congressmen urging that a measure, providing for adjustment of the salaries of letter carriers and other post-office workers, be adopted. So widespread and effective was the appeal that the bill was passed by the House of Representatives with but one dissenting vote. In the Senate, however, the bill became involved in the last-minute legislative jam and the session adjourned without the measure being permitted to come to a vote. In the present session of Congress a new measure, H. R. 2071, providing for the long-delayed financial relief of postal workers, has been introduced by their friends. Accordingly, these men and women who have seen their salaries fall far behind increased living costs, are asking patrons to again write their Senators and Congressmen urging adoption of the measure which is designed to provide the needed adjustment in pay.

[From the Oregon Daily Journal, Portland, Oreg., April 5, 1945]

HIS PACK IS HEAVY BUT HIS PAY LIGHT

The organization is called the National Association of Letter Carriers. It ought to be known as the organization of letter-post-card-paper-package carriers. Whatever the weather, however bulging the pack, these gray-clad carriers are on the job.

When mail is uncommonly heavy, they deliver it with the same good cheer as when duties, never light, are not quite so heavy.

And they deserve pay that, to some nominal degree, is proportioned to the value, the importance, and the exhausting character of the service they render. They deserve pay fitted to the increases in living costs which letter carriers like other public servants—like anybody else—have been forced to meet.

Pending in the Congress is the salary reclassification bill H. R. 2071, introduced by Representative BURCH, which provides a $400 yearly up for your postal employee, plus time and a half for all overtime. The $300 yearly bonus provided for war expires June 30 next.

There are a couple of things mighty easy to say about the postal employees. For nearly 20 years they've had no permanent pay increase, and they preeminently deserve it. The Congress should pass the Burch bill in behalf of letter carriers without delay.

[From the Milwaukee Sentinel of March 23, 1945]

THE CARRIERS ASK HELP

The Milwaukee branch of the National Association of Letter Carriers appeals to the public for support of a bill introduced in the House of Representatives designed to bring relief to a hard-worked and insufficiently rewarded body of public servants.

The bill is H. R. 2071, introduced at the request of the Post Office Department after careful study, and provides for an immediate increase in the pay of these faithful workers.

No body of men in the United States work more faithfully than the postal employees.

And no body of public servants receive less adequate compensation for their efforts.

The Sentinel and the other Hearst papers have supported earnestly and vigorously the various efforts which have been made to bring the compensation of postal employees to somewhere near the level of that enjoyed by other workers, and we think that the appeal of the Milwaukee carriers should be heeded by our citizens.

Postal employees have no way of improving their financial condition except through action of Congress. They cannot resort to methods used by other workers but must depend on the understanding of their needs by the national lawmakers.

This understanding has not been apparent. The question of postal workers' pay has repeatedly been evaded, and, as these columns have pointed out, their compensation has not kept pace with rising living costs or with comparative compensation in private employment.

The Milwaukee carriers ask their friends to write to their Congressmen to urge support of H. R. 2071. The request is a proper one and one that should be heeded by all citizens who are desirous of seeing fair play for diligent, hard-working, faithful servants of the public.

[From the New York Journal-American of March 23, 1945]

POSTAL EMPLOYEES ASK RECOGNITION OF BURDENS

EDITOR, NEW YORK JOURNAL-AMERICAN,
New York, N. Y.

SIR: The Burch reclassification of salary bill, designated as H. R. 2071, now pending before the House Post Office and Post Roads Committee for consideration, which would grant an increase of $400 per annum for postal employees above their present basic pay, should be enacted into law at this session of Congress.

This measure, which is backed up by the United National Association of Post Office Clerks, with a membership of over 35,000 postal employees throughout the country, is only looking to the doing of simple justice.

It seems to me nobody can possibly be against it.

The postal employees are loyal without question; they are thoroughly worthy. Their task is much greater during the impending emergency than they have had before.

They have had many inescapable burdens placed upon them by this impending emergency; and yet, in the face of disheartening conditions, they have served faithfully and efficiently.

The request for an increase in their pay is a simple one of obvious justice.

Sometimes it seems to be human nature to overlook those men who do most for us, to take their efforts as a matter of course. It seems that this group has been overlooked now for 20 years.

As we all know very well, the cost of living has gone up over 30 percent; this despite ceiling prices.

Unquestionably the postal workers are losing in what at one time was a race between wages and prices, but has now become a runaway with prices far in the lead.

Workers in private industry who can negotiate collectively with their employers have been able to contract for increased wages and such wages generally have been increased either by agreement or through the War Labor Board since it was established.

Certainly the postal employees do not have to be shown facts and figures to know what has happened to the purchasing power of their dollar.

The United National Association of Post Office Clerks is advocating the passage of the Burch bill because there is urgent need for increased compensation on a permanent basis for postal employees:

First, because they absolutely need it to overcome the increased cost of living.

Secondly, they deserve it because they have rendered efficient service over many years and during the last 20 years they have not received any recognition by way of increased compensation.

Public opinion expressed from all parts of the Nation and groups of our citizens with unanimity is back of this bill.

Income taxes, pension contributions, and the cost-of-living increase will eat up whatever benefit is conferred by the proposed salary legislation.

Most individual postal employees enter the postal service with a view of making it a lifetime profession. Salaries in the postal department have not kept pace with workers in many industries.

The Burch bill is tardy recognition of a well-merited claim. The temporary $300 bonus granted will expire June 30 of this year. Unless Congress passes the Burch bill, postal employees and their families will find themselves in a very precarious economic plight.

Under present salary schedules the young man who enters the postal service starts at a salary of $1,700 a year after subbing for several years, and receives an increase of $100 a year thereafter for 4 years. This is as far as he can go.

Twenty-one hundred dollars is the maximum he can look forward to. This schedule was established back in 1925. As the years have passed it has been impossible for them to make ends meet.

The average salary of a postal clerk or letter carrier is $2,000 plus the temporary $300 bonus, which brings the average salary up to a maximum of $2,300.

Deduct his income taxes plus his pension contributions from this amount and he is lucky to have $1,900 a year, or about $38 a week, left to maintain himself and his dependents.

One of the great domestic issues of the day is the establishment of a proper relationship between employer and employee, which must include proper recompense for the work done and adequate pay so an employee may bring his family up to the American fashion and in accordance to American standards.

Government in the past few years has been particularly concerned about the problem, as far as the industrial life of the Nation is concerned, and it should certainly treat its own employees in the way it expects businessmen to treat theirs.

Furthermore, postal employees are not receiving the regular pay for overtime services. As we all know, most employees, particularly those in private industry, receive time and one-half for overtime but postal employees receive only straight time.

Now they are appealing to the American people and the Congress, requesting that some recognition of appreciation be given for past services and present onerous burdens.

Let us give heart and hope to the postal employees as he gives his life to the great services that touches every hand and home of the Nation.

MAXWELL LICKER,
New York Post Office Clerks Association, Branch 1, New York, N. Y.

[From the Philadelphia Daily News of April 12, 1945]

POSTMEN WANT A RAISE

The man who delivers the mail and all the army of other postal employees with him are seeking a permanent raise in their basic wages.

These faithful employees in Government service have had no raise since the beginning of 1925. During the depression years they had to take a pay cut of 27 percent which was restored in 1935.

Then in May, 2 years ago, they were granted a temporary annul bonus of $300, half of which they lost immediately in the withholding tax.

The emergency legislation which provided for this special bonus expires in 2 months. The Burch reclassification bill which is being considered by the House Post Office Committee would allow a permanent increase of $400 a year and upgrading of salaries that start at $1,700 a year and which reach $3,000 after a postal employee has served on his job for 26 years.

These upgradings would affect many thousands of workers upon whom we depend for the efficiency of our postal service. Most of them are carriers or rated as clerks. No one can say that the pay these men and women receive is excessive for the duties they perform.

The post office in exery community is one agency where chronic and large scale absenteeism would create havoc in the service. Whether in winter storms or summer heat the letter carrier delivers his mail, and so dependable is he that Americans take him for granted, which is the best evidence of faith in the reliability of his performance.

The postal service personnel must depend on the understanding and sympathetic support of the public to get them what they deserve. They may consider themselves underpaid or overworked but they can't indulge in a work stoppage such as some other employed Americans have indulged in because they weren't satisfied with working conditions.

The men who man the postal routes, whether it be the central areas of a big city or to the rural delivery boxes at the end of a country lane, these Government employees have a right to expect better wage rates than they received 20 years ago.

[From the Akron (Ohio) Beacon-Journal of April 5, 1945]

THEY'RE ASKING FOR IT

The letter carriers—those hard-working Government employees who bring the mail to your door in winter and summer—are urging people to write more letters. They are actually asking for more work.

The reason behind this request is a wage increase bill now before Congress. The postal workers figure that if Congressmen get a flood of mail from constituents endorsing the measure, the chances of getting it passed will be increased.

Frankly, we think the postal workers are entitled to a raise. They haven't had a basic pay increase in 20 years. In 1943 they were given a temporary wartime bonus of $300 a year, but that will end July 1 of this year. And unless Congress approves the new measure, which provides for a $400-a-year increase, they'll go back to their 1925 scale.

The postal workers aren't pounding desks or making threats. Quietly and earnestly, they are asking for a raise they feel is deserved. They are asking support for their case, in letters to Senators and Congressmen.

[From the Yonkers (N. Y.) Herald-Statesman of March 21, 1945]

FAITHFUL TO "THEIR APPOINTED ROUNDS"

Before the Seventy-ninth Congress is H. R. 2071, behind which, we are confident, will be the support of a large majority of the residents of this city as well as of Westchester County. It is a bill designed to lift salaries of postal employees to meet increased living costs.

Note that this is not an appropriation measure to offset wartime increases of living costs. Postal employees have not received a salary increase since 1925, and they receive less pay for overtime than they do for regular time.

There is at present a $300 bonus, but this expires on June 30. And even with due consideration of this bonus, 20 years is entirely too long a time to wait for adjustment of salaries to meet the advances in living costs which have come in those two decades.

H. R. 2071 proposes to give mail carriers in city delivery service pay ranging from $1,700 to $2,700. There is also provision for an 8-hour day, compensatory time for work on Saturdays, Sundays, or holidays; overtime pay in emergencies requiring more than an 8-hour workday; a 10-percent differential for night work; a 15-day vacation with pay.

The bill in general raises salaries of postmasters, clerks, and other postal employees, but it is the faithful letter carrier in whom we are most interested. Of these, says Herbert Gebhardt, of Yonkers, secretary of the New York State Association of Letter Carriers, comprising 11,000 members:

"Our contact is the closest of any service employee throughout this Nation, and no matter how tough the weather may be or how large a load we have to carry, our good friends the general public look for us around the same time every day. And very seldom do we fail them.

"For some reason, the powers that be have given us the so-called run-around and stagnated us to such an extent that we cannot continue under such a foreign existence. We want to live like real American citizens."

Those are true words. The average letter carrier is a friend to nearly all upon his route. He comes to know the members of the families, their troubles and their jobs, and to share in them, albeit vicariously. To him, the delivery to a family of a delayed letter from a boy over there is as welcome responsibility as it is a comfort to those who receive it, and probably detain him to hear excerpts. Day in and day out, he plods his way with heavy pack but a faithful heart.

It was Herodotus who wrote, and Woodrow Wilson who translated, that excellent tribute engraved upon the facade of the general post office in New York City. "Neither snow, nor rain, nor heat, nor gloom of night stops these couriers from the swift completion of their appointed rounds."

We suggest that the time has come when those who agree with that sentiment should do something about it. The best thing would be to let your Congressman and your

Senator know that you favor early passage of H. R. 2071.

[From the Rochester Democrat and Chronicle of April 22, 1945]

POSTAL WORKERS' CASE

EDITOR, DEMOCRAT AND CHRONICLE:

A bill now before Congress, known as H. R. 2071, increasing the salary of postal employees, is soon to be enacted upon. For over 20 years no increase has been given this class of workers. As we retrospect one may ask, is this increase justified? When Civil Service was first enacted, the minimum salary was $600, the maximum $800 yearly. In those days rentals were from $15 monthly, a roast of pork or veal of 3 pounds could be purchased for 30 cents, chickens, steaks, hams, as low as 13 cents per pound, eggs 12 cents a dozen, butter at 18 cents a pound, a soup bone thrown in, with dog meat if asked for (today that soup bone costs 50 cents or more with emphasis on the bone), potatoes 30 to 50 cents a bushel, coal $4 to $5 a ton in your bin, carrier's uniform cost $12.50 for summer, $16 for winter. Today they range for summer $30.95 to $36.20, winter $34.95, 18-ounce cloth, to $47.85, 24-ounce cloth. Shoes were bought for $2.50 to $3, strong and durable. These are only a few samples by comparison with today's prices. As time rolled on salaries increased to $2,100 a year, then remained static for 20 years.

Your carrier serves you in sunshine and in storm, he is indefatigable in the discharge of his duties, uncomplaining, honest, assiduous, and industrious. He shares your joys and your sorrows. He often does you favors which he is not obligated to do, and in this he is sustained by postal laws and regulations. He doesn't recognize race, creed, or color; the humble or the pauper gets the same consideration as the aristocrat. He may sometime have a frown and appear to you sullen, but be tolerant, perhaps anguish or sickness has crossed his path. Remember we are subject to this same feeling. The pathway to a clerkship is not strewn with roses; thorns often appear before reaching the maximum salary. He must climb the ladder of the lower grades as carriers do; the procedure is slow before he reaches the coveted goal of $2,100 a year. It has been as long as 4 years for carriers and clerks to reach the summit. He then must submit to the inevitable, which means an all night trick often lasting for years. He is then advanced to afternoon trick. Through seniority, it may be by an occasional retirement, removal for cause, sometimes by death, he reaches his zenith when advanced to a steady day trick as stated before. He is demerited for any omission but goes on unperturbed. Many clerks are all day on their feet. Some have what is known as rest bars but they must not be compared to a cushioned seat. It's a stanchion with a block of wood 6 by 10 inches, adjusted at an angle. If used all day it would cause mental agitation and disquietude.

After their withholding tax is deducted, 5 percent of their salary retirement retained, and their church obligation met, buying of war bonds, educating their children, their meat, grocery, and doctor bills paid, it is left to the imagination what is left for any recreation.

Unlike our policemen and firemen, their dependents receive no pension from the Government, and often find themselves in financial difficulty. These men are the most efficient, the hardest worked in all the country's service, and the poorest paid. In all the Government service it has no more honest, no more tireless, no more faithful employees. Their claims are just and should be recognized, and should be encouraged by every citizen.

Invoke the aid of your Representatives in Congress, JAMES W. WADSWORTH, GEORGE F. ROGERS, Senator ROBERT WAGNER and JAMES MEAD, Washington, D. C., and reward your faithful servants for their meritorious service.

L. F. PROZELLER.

[From the New York Herald Tribune of April 11, 1945]

MORE PAY FOR THE POSTMAN

Letter carriers and other post-office employees have received no increase in basic pay since February 28, 1925. During the depression they had to take a pay cut of 27 percent. This was restored in 1935, and on May 1, 1943, a temporary annual bonus of $300 was awarded them, which was cut in half almost immediately by the withholding tax. The legislation providing for this bonus expires next June 30. So now they are pressing for the passage of the Burch reclassification bill, which is being considered by the House Post Office Committee and which would grant a $400 permanent increase and an upgrading of salaries that start at $1,700 a year and reach $3,000 after 26 years of service.

The bill deals with a highly complex classification of many thousands of workers who are responsible for the efficiency of our mail deliveries. In the salary brackets just mentioned are mostly carriers and clerks. The scale of pay proposed is naturally higher for postmasters, superintendents, engineers, and the like, and lower for others, but a proper proportion is maintained—at least to the degree that specific legislation can achieve it—and we should say that in no category do the figures seem excessive, and especially those quoted for letter carriers and postal clerks.

These are the post-office employees with whom the public comes more directly in contact and on whose conscience and intelligence it puts an intimate reliance. We think it will agree with us that they deserve, after 20 years, the modest raise and upgrading indicated—the more so that they may not strike for better wages but must depend on public sympathy and suppport for what should be coming to them.

[From the Springfield (Mass.) Union of April 6, 1945]

THE NEGLECTED POSTMAN

Bills now pending in Congress are aimed toward tardy justice for a class of civil public employees that have long been neglected, the postmen. The measures would bring about a complete reclassification of postal employees. One would grant an immediate increase of $400 a year, another would give time and a half for overtime work, while a third would confer seniority rights.

While these overworked, underpaid Federal employees have been neglected, the Government has been zealous in safeguarding the pay envelopes of the employees of private corporations.

Simple justice has long been due letter carriers and postal clerks, whose salary status has not been reclassified since 1925. If they stick to the job they attain a niggardly salary maximum at the end of 5 years. Beyond that their only hope of advancement in pay lies through elevation to a supervisorship or to the post of assistant postmaster.

The uninformed will be surprised to learn that the average pay of a postal clerk or carrier is $2,000 plus a temporary bonus that gives a maximum of $2,300. With deductions for income taxes and pension charges he is lucky if his net income is $1,900.

There is an army of these employees and they have a national organization, which, however, has not concerned itself with stressing the need for salary recognition. No more faithful public servants exist than the postmen whose duties, though unobtrusive, are of the utmost importance and responsibility.

The postman's job is wholly devoid of glamor, yet if he for any reason were to cease to function business would immediately be disorganized and society in general would be put to it to carry on. The postman carries on regardless of heat or cold, faithful to the slogan of the service. He deserves better recognition than he has received.

[From the Minneapolis Times-Tribune of March 31, 1945]

POSTMAN'S PAY

Postal workers, described at a Senate hearing last year as "the most flagrantly underpaid group of employees in the United States," are still waiting for Congress to do something to better their lot.

A bill increasing their base pay for the first time since 1925 was passed unanimously by the House at the last session, but failed in the rush for adjournment in the Senate.

The temporary $300-a-year increase granted in 1943 is due to expire in 2½ months, and the postmen fear they will soon be even worse off than at present.

One of the few objections raised to the bill in the last Congress was that it provided a blanket increase rather than graduated merit increases, which the Post Office Department had been planning for years.

Most legislators had lost patience with the post office delays in working out a new schedule and preferred to go ahead with their own bill, but now the official plan has been completed.

It has been embodied in a new bill, introduced by Representative THOMAS G. BURCH, of Virginia, chairman of the House Post Office Committee.

Since this measure has the approval of Government authorities, representatives of the employees and members of the committee, there seems no reason why it shouldn't be passed.

Yet vigilance on the part of the postman's friends in Congress will be required, to be sure that his bread and butter isn't lost in the shuffle again.

ONE HUNDRED AND FIFTY CONGRESSMEN FOR POST PAY RAISE

WASHINGTON.—Some 150 Congressmen told the House Post Office Committee March 27 they wholeheartedly favor enactment of H. R. 2071 giving a $400 yearly base-pay increase and time and a half for overtime to the Nation's postal employees.

President Leo E. George, of National Federation of Post Office Clerks (AFL), said the bill has the active backing of all AFL postal employee unions.

[From the Fargo Forum and Daily Tribune of April 15, 1945]

POSTAL PAY

Your postman and the other employees in the United States postal service are asking for your assistance. They are asking the folks they serve to help them get a raise in wages.

Should they have a raise in wages?

They make out a strong case. Twenty years ago, under President Calvin Coolidge, the mailman's salary was raised from a maximum of $1,800 to a maximum of $2,100 annually. There has been no fixed increase in pay since.

They are now getting a temporary bonus of $25 a month, but this $300 a year will expire June 30 unless Congress extends it.

Bills are pending before Congress that would grant the postman and all other postal employees a permanent $400-a-year increase.

In view of the steep increase in living costs since 1925, a raise of $33 a month would seem to be a fair and moderate request.

Postmen and other postal employees have homes to keep up, families to raise, children to educate.

Is there a more faithful public servant in America than your postman, who trudges to your door every weekday, rain or shine, sleet, storm, or blizzard, in the sizzling heat of summer and through the blasts of winter?

Recently the New York Daily Mirror made a plea for justice for the postman. Said the Mirror:

"Who is this postal worker whose income barely provides him with a worrisome subsistence? Is he one of the army of bureaucrats who infest Washington and the Nation to the number of 3,000,000?"

Everyone in America knows the answer to that one. These postal employees are true civil servants. They are not the pets of the New Deal. Compared to the compensation paid to employees in many of these new bureaucratic organizations, these old-time servants of the Government have been and are being shamefully treated.

Bills have been before Congress providing fair compensation for the postal employees for a long time. They were before the last Congress. It was generally agreed if the measures had come to a vote they would have passed. But at the last minute they were callously kicked out on a technicality.

The postman can do little about it. Their hands are tied. Under the Hatch Act they cannot mix in politics. They point out that they cannot strike, and wouldn't want to if they could. They have no recourse to arbitration, mediation, or negotiation.

All they can do is to appeal to the public to use its influence with Congress. If you think your postman and his fellow employees have a just cause, you could help by writing to some member of the North Dakota delegation in Washington and telling him how you feel about it.

[From the Hartford (Conn.) Times of April 5, 1945]

POSTAL EMPLOYEES HAVE A CASE

Although it is a sound principle that salaries should not be permanently increased at a time when war prosperity has driven all prices high, the situation in which the postal employes of the Nation find themselves is considerable of an exception. They have not had a raise in 20 years. They almost received such a basic increase last year but through senatorial conflict over a technicality the bill was not passed.

Congress has recognized the fact of the higher cost of living and has in wartime authorized payment of a cost-of-living-bonus of $300 a year. That bonus will expire on June 30 of this year. So, either of two things should happen. Either this bonus should be renewed or, better still, basic increase approved for the 70,000 postal workers.

The salary increase provided for in the pending legislation is $400 a year. That may seem a considerable increase if it were not true that it represents deserved accumulated increases over a period of 20 years. No one probably would say that postal workers ever have been overpaid.

As can readily be imagined, obtaining authorization for basic salary increases for 70,000 Federal workers is not a simple matter in normal times. It appears not to have been a very easy matter even in war prosperity times. The workers are undoubtedly justified in pressing for a basic salary increase.

For the first time in many years of Post Office Department operation, it is now producing a surplus to the Government. During the last decade it has turned over to the Treasury more than $117,000,000, despite the fact that one-eighth of the mail is carried free. This reflects the fact that the postal employees have been doing an increasing amount of work. For this and for reasons of seniority in service they deserve an increase in their compensation.

[From the Minneapolis Star-Journal of April 4, 1945]

HE DIDN'T GET THE RAISE

Remember the campaign last year to get postal employees a $400 permanent increase in maximum pay, from the present basic limit of $2,100? You may have the impression such a bill was passed. It went sailing through the House, but the Senate killed it the last day of the Seventy-eighth Congress.

A similar bill, H. R. 2071, is now before Congress. It provides the $400 permanent raise, with $100 a year extra for 2 years to compensate for added living costs. It also provides time and a half pay for overtime work. Postal workers now get 16 cents an hour less pay for overtime than they do for regular working hours.

The bill, however, hasn't moved out of committee. On June 30 the temporary bonus of $300 a year expires, and unless action is taken the mailmen will go back to the scale which has been in effect for 20 years.

In 1932 each postal worker got a 30-day furlough without pay, and in 1933 he was given a 15-percent pay cut and a 9-day pay-less furlough. This on the basis that living costs had gone down. Except for the temporary $300 bonus, no cognizance has been taken of increased living costs the past few years.

The Post Office Department expects to make $117,000,000 this fiscal year. The men who pound the pavement and sort the mail and do all the kindred jobs so efficiently can't strike for higher pay. A grateful Nation certainly should set up a basic maximum pay goal of $2,500 a year.

[From the Portland (Maine) Press-Herald of April 16, 1945]

SIMPLE JUSTICE

Taken by and large, the employees of the United States Post Office Department render about as fine a public service as can be imagined. Most of us take employees and service more or less for granted, and do not fail "to gripe plenty," as the Army would say, when some little thing goes wrong. Consequently the whole country, through its Congress, has been guilty of serious neglect in the treatment of an outstanding branch of public servants. It has failed to recognize the fact that the heavily increased cost of living afflicts the post office people as much as it does miners, automobile workers, and others who again and again, because they were unionized, have forced pay increases beyond the power of white-collar groups to secure.

To be sure, the Congress several years ago passed belatedly a bill granting a salary increase of $300 to the post office people, but by the terms of the bill this increase stops automatically June 30 of this year.

Now before the Congress is the Burch bill, which proposes a $400 increase in postal employees' annual base pay with time and one-half for overtime, extra pay for night work, and some minor adjustments in compensation that are familiar to unionized labor generally, and have been familiar for years.

This bill ought to have prompt passage. The postal employees have not had an increase in base pay—except for the temporary wartime increase already referred to—since 1924. Anyone who can think back to that time, 20 years ago, will be able to imagine what unnecessary hardship this Government service imposes upon its people so unjustly. Relatively to what less skilled, less courteous, and less dependabe workers receive in other callings, even that $400 increase seems and is far less than adequate. But at least this bill is a "must" if the country has any conception of fair dealing.

[From the Allentown (Pa.) Evening Chronicle of April 12, 1945]

Members of Congress will have an opportunity soon to correct an apparent inequity that has existed for a long time when they are called upon to decide the fate of H. R. 2071, calling for a permanent salary increase for the Nation's postal workers.

Except for a temporary war bonus of $300 a year granted in 1943, postal employees have had no raises in salary since January 1, 1925. And this $300 honorarium is due to expire on June 30 this year. Unless action is taken soon by the House committee now studying the merits of a salary reclassification measure the workers face the prospect of returning to the pay basis in effect for 20 years.

Postal workers, just like the rest of us, are burdened with higher living costs and larger tax obligations now than in 1925. They struggled through the depression years without a plaint and have continued to give consistent good service during the war years when the wages of most other workers have mounted steadily.

It isn't that the department cannot afford to do better by its employees in a financial way. For many years the service was operated at a deficit. In 1935 there was a postal deficit of $69,802,000. It is estimated that the current fiscal year 1945 will end with a postal surplus of $117,643,897.

Therefore, in view of the circumstances we do not consider it more than right for Congress to recognize faithful service and enact H. R. 2071 without delay.

[From the Holyoke (Mass.) Transcript-Telegram of April 11, 1945]

A JUST APPEAL

It is not often that one sees the American press generally agreed on a salary boost claim entered by any group. But that is the situation on the effort made by postal workers to get an increase through acceptance by Congress of the Burch bill, sponsored by the chairman of the House Post Office Committee. A similar bill passed the House in the closing day of the last session by an overwhelming vote but was not reached in the Senate before adjournment.

Reason for the solid support of newspapers and of all others interested enough to gather all the facts in the case lies in the discovery that there has been no pay increase for postal workers in exactly 20 years, or since the administration of Calvin Coolidge. During the depression they were called on to take a 27 percent pay cut. That was restored in 1935. In 1943 a temporary annual bonus of $300 was voted them and half of that was promptly taken away by the operations of the withholding tax. The Burch bill would not only provide a $400 flat increase but would provide for an upgrading of salaries starting at $1,700 and reaching $3,000 after 26 years of service.

The bill deals with a highly complex classification of many thousands of workers who are responsible for the efficiency of our mail deliveries. In the salary brackets just mentioned are mostly carriers and clerks. The scale of pay proposed is naturally higher for postmasters, superintendents, engineers, and the like and lower for others, but a proper proportion is maintained, at least to the degree that specific legislation can achieve it. And we should say that in no category do the figures seem excessive, and specially those quoted for letter carriers and postal clerks.

These are the postoffice employees with whom the public comes more directly in contact and on whose conscience and intelligence it puts an intimate reliance. We think it will agree with us that they deserve, after 20 years, the modest raise and upgrading indicated, the more so that they may not strike

for better wages but must depend on public sympathy and support for what should be coming to them.

[From the Christian Science Monitor]

POSTMEN'S PAY

If your mail from the western front or the Pacific is overdue, you may be sure it is not your postman's fault. He is working long hours and carrying extra heavy loads to bring your letters as promptly as two sturdy feet and two willing hands can. There is something, however, that is long overdue the postman—a pay increase—and the public may be at fault in not giving sufficient support to his efforts to attain it.

Letter carriers and other post-office employees have had no increase in their annual base pay since 1925, despite the marked rise in the cost of living and repeated attempts to get remedial legislation passed.

Two years ago an annual bonus was granted, but it was only temporary and will expire in June. In 1944 a bill passed by the House was rejected in the Senate largely on a complaint that it granted uniform increases regardless of merit, but in that same year over-all increases were granted large groups of workers in private employ.

The pay of postal employees never has been too high. Under present conditions they decidedly are underpaid. The Burch bill now before Congress seeks to right this injustice. It deserves the support of both Congress and public, on whom the postal workers must depend in the absence of union organization to support their claims.

CALL OF THE ROLL

Mr. BURTON. Mr. President——

Mr. WHITE. Mr. President, will the Senator from Ohio yield?

Mr. BURTON. I yield.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Daniel
Austin	Guffey	O'Mahoney
Ball	Hart	Overton
Bankhead	Hatch	Pepper
Barkley	Hayden	Radcliffe
Bilbo	Hickenlooper	Reed
Brewster	Hill	Robertson
Bridges	Johnson, Calif.	Saltonstall
Briggs	Johnson, Colo.	Shipstead
Brooks	Johnston, S. C.	Smith
Buck	Langer	Taft
Burton	Lucas	Thomas, Okla.
Bushfield	McCarran	Thomas, Utah
Butler	McKellar	Tobey
Capper	McMahon	Tunnell
Chavez	Magnuson	Wagner
Donnell	Mead	Walsh
Downey	Millikin	Wherry
Ellender	Mitchell	White
Ferguson	Moore	Wiley
Fulbright	Morse	Wilson
George	Murdock	
Gerry	Myers	

Mr. WHITE. I announce the unavoidable absence of the senior Senator from Wisconsin [Mr. LA FOLLETTE] for a brief while this afternoon. He is in attendance upon public business.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] and the Senator from North Carolina [Mr. BAILEY] are necessarily absent.

The Senator from Kentucky [Mr. CHANDLER], the Senator from North Carolina [Mr. HOEY], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent in Europe visiting battlefields.

The Senator from West Virginia [Mr. KILGORE] is absent on account of a death in his family.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent in Europe on official business for the Interstate Commerce Committee.

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY] and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Indiana [Mr. WILLIS] is necessarily absent by leave of the Senate.

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present.

LEAVE OF ABSENCE

Mr. LANGER. Mr. President, I ask unanimous consent to be excused from the Senate for a period of 2 hours and 30 minutes on some important public business.

The PRESIDING OFFICER. Without objection, leave is granted.

AMERICA TOMORROW

Mr. BURTON. Mr. President, D-day is here for building international stability. International stability is a worldwide necessity. International stability is also a domestic necessity for America tomorrow. It is a domestic necessity for every nation if its civilization is to survive, to say nothing of advance.

We who are at home owe it to our young men and women at the front to make sure that their complete and costly victory on both sides of the world shall be worth the infinite price paid for it. To do this we must do everything possible to establish and maintain such a just and lasting peace that when they return from the front they shall find here the America of which they think, of which they dream, and for which they fight.

It is time, therefore, for us, as Members of the United States Senate, to review the result to date of the efforts of the Allies to establish unity among the peace-loving nations of the world for purposes of peace as well as for those of war. In the Senate we have an especial responsibility to prepare ourselves for the early consideration of the Charter of the United Nations now being written at San Francisco and soon to be submitted to us as a treaty. It was with such a possibility in mind that the Senate, on November 5, 1943, adopted Senate Resolution 192 looking toward the formation, at the earliest practicable date, of a general international organization for the maintenance of international peace and security.

In considering this Charter of the United Nations now, it is important not only to examine its terms; it is important also to see the whole Charter in its true perspective so that we shall neither underestimate nor overestimate its importance to America and to the world in attaining that international stability which is so essential to postwar recovery here and abroad.

Mr. President, unless we clearly see the need for the establishment of some general international organization at the earliest practicable date, we may easily underestimate the vital importance to America and to the survival of civilization of our reaching some agreement upon this issue at once. Unless we fully appreciate the tragic alternative of ever-threatening war which will face America and the world in the absence of such an agreement, we may be inclined to reject a charter because of its failure in some relatively unimportant particular to conform to our views.

If we are convinced, as I am convinced, that some charter establishing a general international organization for the maintenance of international peace and security is essential to the survival and development of America and the world, we shall strive for a charter which shall conform as far as possible to our wishes. Before we would reject a charter in its entirety we should make sure that its defects are so gross that they would create a condition which would be worse for us and for our children and for the world than that which would result from the total absence of a charter with all the danger that a reliance upon the international law of the jungle involving the survival of the strongest in a state of perpetual warfare, would mean to America.

On the other hand, we must not overestimate the contribution which a mere international mechanism can make to the lasting peace of the world. We must not exaggerate either its scope or its force. We must place it in its true perspective and turn our attention likewise to such other actions as we should take to preserve our Nation and to attain our ideals.

Accordingly, in reviewing the situation presented by the Charter of the United Nations which has been developing at San Francisco, I shall discuss: First, the necessity for international stability; second, the wisdom of the approval of the proposed Charter of the United Nations;

third, the necessity for other action, in addition to the approval of the Charter of the United Nations if such approval be given.

I. THE NECESSITY FOR INTERNATIONAL STABILITY

Without international stability there can be no substantial prospect of domestic recover in the United States or any other nation. Without reasonable assurance of continued peace there is no peace. Temporary absence of war when coupled with fear or apprehension of war is but an armistice.

To the extent that there is fear of war there must be preparation for war. Therefore, in proportion to the need for such preparation, the strength and thought of men will be diverted from the constructive paths of peace to the destructive ways of war. Just to that extent will peace and prosperity be handicapped.

INTERNATIONAL STABILITY IS A WORLD-WIDE NECESSITY

International stability and reasonable assurance of international stability through some form of international commitment or organization is therefore essential. While it must be admitted that there can be no such thing as an absolute human guaranty that there will not be another and greater world war than that through which we are passing, yet it is equally clear that we owe the highest obligation that man can owe to those who have died in World War II to see to it that everything possible is done by us to make a World War III less likely than otherwise would be the case. It is obvious that much can be done to make such a war less likely. It is equally obvious that one of the primary things which can be done to this end is to develop some kind of an agreed procedure that will help to overcome the causes of war and to dispose of those incidents and frictions which otherwise might lead to war.

MIDDLE EAST PETROLEUM CAN AID WORLD RECOVERY

Perhaps I can make this point doubly clear by referring to a situation which was deeply impressed upon Senator TUNNELL, of Delaware, now presiding in the Senate, and myself when we visited the great petroleum resources on the Persian Gulf in January of this year. Traveling there on an official mission for the Senate, we were glad to see that—to the extent of existing pipe lines, refineries, and transportation facilities—these enormous resources were at that time being used to the fullest extent possible in support of the Allied cause in World War II. While the ascertainment of this fact was our primary mission, we were still more deeply impressed with the importance of these great resources to the future of the world. It was made clear to us through competent experts that the petroleum resources near the Persian Gulf in Iran, Iraq, Kuwait, and Saudi Arabia are far greater than all the petroleum resources of the United States. Petroleum is one of the most valuable forms of wealth available to mankind in such an automotive age as the present. It is more important than gold. It holds the key to economic wealth, improved standards of living, and even military power.

This particular accumulation of petroleum, furthermore, is located at a point where it will be tremendously needed in the generation of tomorrow. Situated near the juncture of Europe, Asia, and Africa, it is available to those continents at a time and in a manner greatly needed by the people of each of those continents. It may well be the key to their recovery and prosperity through the mechanization and development of their impoverished people. Senator TUNNELL and I also observed with especial satisfaction that this great resource was thus available to these people without the necessity for borrowing any part of it from the United States Treasury.

Accordingly, if for no other reason than the economic recovery of the world through the use of its own natural resources as exemplified through the petroleum supply of the Persian Gulf, it is in the interest of the United States and of the world to establish some kind of international stability which shall foster the early development of those resources and the distribution of their values to those who will use them partly for themselves and partly as purchasing power in dealing with the rest of the world.

USE OF MIDDLE EAST PETROLEUM WILL CONSERVE AMERICAN RESOURCES

This is not the only lesson which Senator TUNNELL and I learned from a study of these resources and their relation to the economic future of America and the world. It became clear to us, as it had been clear for many months to our GI soldiers and others in that area, that unless these great petroleum resources of the East were soon put to greater use than at present our own petroleum resources, if called upon to supply the needs, not only of the Americas, but of Europe, Asia, and Africa, would be exhausted comparatively soon, while the corresponding resources of Asia, Europe, and Africa would be conserved for future generations. It is clear that we of this generation owe an important obligation to our children and grandchildren to conserve the resources of America for their time as well as our own; and it is equally clear that one way to do this is to encourage the early and natural development of the petroleum resources of the Persian Gulf as a source of wealth for the rest of the world without exhausting the American resources for that purpose. This example supplies an important argument in favor of some form of international coordination of effort that will encourage the development of the natural resources of Europe, Asia, and Africa, as well as the Americas, in the present generation.

MIDDLE EAST PETROLEUM IS A TEMPTING MILITARY PRIZE

Still a third lesson was obvious to Senator TUNNELL and myself as we viewed the greatest petroleum refinery in the world at Abadan, near the southern extremity of Iran. In January of this year, these great refineries were devoted wholly to the military needs of the Allies. They were refining 300,000 barrels of petroleum a day and were soon to be expanded to a capacity of 360,000 barrels a day. This tremendous output, however, made but a relatively small demand upon the resources available in the area. To the British troops quartered throughout southern Iran, to the Russians quartered throughout northern Iran, as well as the American troops transporting supplies from the south to the north to reach the eastern battle front through Russia, the potential military value of these petroleum resources in time of war was only too obvious.

If there is to be a World War III or if there is to be even a substantial prospect of a World War III, this tremendous petroleum resource is of such military value in the event of such a conflict that it would almost inevitably be a primary objective in such a war. Therefore, unless there be international stability and a reasonable assurance of international stability, this very petroleum resource itself may provide an occasion for hostile action in an attempt to secure some advantage through obtaining access to it. From a military standpoint this is an easy object lesson of the need for a general international organization of such stability and strength as to provide assurance against a World War III to such an extent that the military control of these petroleum resources shall not become a matter of international competition among the great nations of the world.

The foregoing are factual illustrations of the need for some form of general international organization to help assure international stability. They emphasize in a highly practical manner the need for such stability and point with all too great clarity to that unthinkable alternative of a World War III in the absence of some clearly understood international program dedicated to peace and security.

We need not, however, go beyond our own shores to see a demonstration of the need for international stability based upon our own conditions at home.

B. INTERNATIONAL STABILITY IS A DOMESTIC NECESSITY

International stability is a domestic necessity. It is a domestic necessity for America and for every nation of the world. I shall demonstrate its necessity for America.

When America seeks to establish a permanent, financially sound, peacetime prosperity after the war, it will do so under the greatest handicap in her history. It will do so under a greater handicap than anyone ever imagined America would face. I refer to our national debt. After this war it will be not merely twice or five times what it was after World War I, but it will be more than 10 times what it was after World War I. It will exceed $300,000,000,000. Three hundred billion dollars can be translated into our personal experience by suggesting what it would mean if divided equally among the 30,000,000 families that make up the United States of America. Many of these 30,000,000 families already have mortgages upon the homes they occupy or rent. But whether or not they have such mortgages, the national debt of $300,000,000,000, averaged among them, is equal to a $10,000 mortgage ahead of

all other individual obligations now on their homes.

Furthermore this $300,000,000,000, or these 30,000,000 $10,000 mortgages, must be carried and kept in good standing. This national debt is evidenced by the bonds of the United States. These bonds must be kept good if there is to be any semblance of prosperity in America. These bonds are held by every trustee, insurance company, bank, business house, church, and practically every family in America. If anything were to happen to the stability and good standing of these bonds, the collapse of American credit and stability would be so great that our last depression would resemble prosperity in comparison with what we would then suffer.

In order for America to enjoy prosperity, in order that there may be Nation-wide employment in America, these bonds must be kept good. This means, at the least, that the interest on them amounting, at 2 percent per annum, roughly to $6,000,000,000 a year, must be paid.

The interest on these bonds can come only from taxation. The necessary taxes to pay this interest and also to carry on our Government will be far greater than the taxes paid by the American people before the war. If such taxes are to be paid, the American people must, therefore, earn and produce much more real wealth than they earned or produced before the war. It is not necessary that this production reach the wartime peaks, but it is necessary that it reach a point somewhere about one-half way between prewar production and those wartime peaks.

I have confidence that America can meet this test. I believe that if there be cooperation between industry, labor, and agriculture, coupled with reasonable Government leadership, America will meet this test. That such peacetime production is at least possible seems clear, because America is producing now products far in excess of what she produced before the war. We have the plants, we have the machinery, we have the skilled labor and the skilled supervision. We have access to the materials and we have the means of distribution. There is an almost unlimited demand at home and abroad. With our capacity to produce and with this need for our products, we should be able to meet the test, especially if we shall produce those many new products and use those many new materials and methods of production which have been developed during the past few years. A reconversion policy conducive to individual enterprise, in small businesses as well as large, will be an important factor.

I have been given added confidence in the availability of such new materials, methods, and products through a recent publication supplied by the Bureau of Labor Statistics to a subcommittee of the Senate Committee on Military Affairs. It is entitled "Wartime Technological Improvements." In 400 pages it lists some fourteen hundred improvements developed during 1942 and 1943. Without attempting to describe any of them or to list more than a few of them, I call attention to the following new materials, new methods, and new products listed in that publication. Among the new materials are synthetic rubber, aviation gasoline, plastics and other synthetics, plywood, magnesium, great new quantities of aluminum, national emergency steels, and alloying elements. Among the new methods listed are riveting, welding and stitching metals, new heat-treating processes, metal spinning, powder metallurgy, centrifugal casting, continuous casting, metal spraying, mechanical inspections, electronic sorting, counting and measuring; and among the new products are aircraft designs and navigation devices, jet-propelled aircraft, improved automobile transmission and cooling systems, radar, television, radio and telephonic improvements, processed foods, new medicines, and electron microscopes.

These are but a few samples of materials, methods, and products that can represent improved standards of living and billions of dollars of increased value to be derived from human effort for the enjoyment of all and to which our young men and women who have won this war look forward with confidence.

This picture of possible prosperity, this means of meeting our national handicap derived from World War II, is, however, directly dependent upon one condition. This is that there shall be international stability and reasonable assurance of international stability for a substantial number of years ahead. If there be no such stability, it will not be possible for us to recall our men from ways of war to paths of peace. It will not be possible for us to divert the needed materials from destructive to constructive purposes, and it will not be possible to attract the investments of the future into those new enterprises which require several years of experimentation and development in order for them to produce the results upon which our prosperity shall depend.

It is for these reasons that international stability is a domestic necessity if America is to experience prosperity in time of peace. For similar reasons, international stability is a domestic necessity for every nation. In reverse, it is also true that domestic prosperity in America and elsewhere is essential to the maintenance of international stability.

Our first duty therefore is to seek reasonable roads to international stability. International stability by its very terms implies international understanding, tolerance, justice, and practical procedures for disposing of frictions among people and nations. It calls for some form of international agreement among the peoples of the world. The stronger and closer this agreement shall be, the greater the international stability that will result. The weaker that it shall be, the nearer the result approaches the uncontrolled law of the jungle under which survival depends upon force and war, rather than upon justice and peace. We seek the middle ground which will combine the greatest possible degree of individual freedom with that degree of mutual support which will assure safety against aggression and will attain justice through peaceful procedure in cases of international conflicts of interest.

It is a source of infinite encouragement to the peace-loving people of the world, and especially to the people of America, that the economic and military necessities of our time thus point the way toward policies of international understanding and agreement which are thoroughly in line with the ideals upon which our Nation is founded. To the extent that we shall thus proceed toward international understanding and agreement, we shall also proceed toward the practice of the Golden Rule, and toward a realization of the general principles of the brotherhood of man.

C. SENATE RESOLUTION 192, ADOPTED NOVEMBER 5, 1943

It was with an appreciation of this combination of the practical and the ideal that the Senate faced this fundamental issue when considering the advisability of a declaration of policy in 1943. The same issue was faced at the same time by the representatives of the United States, Great Britain, Russia, and China, who were about to join in the Declaration of Moscow.

Members of the Senate will recall that at the time when the Senate had before it the Connally resolution, Senate Resolution 192, dealing with this subject of international peace and security, there was announced to the world the declaration signed on behalf of those four nations on October 30, 1943, and forthwith the United States Senate incorporated the terms of that declaration into a paragraph of Senate Resolution 192. The Senate then adopted that resolution by a vote of 85 to 5. The policy thus declared by the United States Senate by a vote far exceeding two-thirds of the Senators present, served to advise the President of the United States, the people of the United States, and our allies of the importance which we attached to international stability and to the four foundation stones of America's policy in building that stability.

Through that resolution of 1943 the policy of the United States was as clearly declared and determined as it is possible for such a policy to be declared and determined under our form of government. It was set forth in a resolution of the United States Senate, which was adopted by an overwhelming vote. The policy was in the very words of a declaration just made on behalf of the Chief Executive of the United States and the Chief Executives of Great Britain, Russia, and China to the same effect. The conferences later held at Dumbarton Oaks in Washington and the present Conference at San Francisco have been undertaken by the representatives of the United States, therefore, not for the purpose of determining our policy upon the fundamental question of the advisability of our entry into a general international organization, but merely upon the question of implementing that policy and determining what specific terms should be agreed upon between the parties to such an organization as a basis for its formation.

It is important to bear this sequence in mind, because it is obvious that, if the present proposals are rejected, any future program for implementing this pol-

icy must necessarily pass through a procedure similar to that already taken at Dumbarton Oaks and San Francisco. There are probably hundreds of forms of agreements that would come within the four general purposes of the policy declared. In order, however, to make that policy a living policy some one form of agreement must be accepted by the parties, and unless dictated by one party to the others it must represent the result of various compromises among them. To abandon the present proposals in favor of some substantially different proposal at this time would be futile. Any such new proposal would in turn have to go through a new set of preliminary conferences. These would be comparable to the Dumbarton Oaks conferences, and under the circumstances the result probably would much resemble the original product of those conferences.

We shall do well, therefore, when we appraise the results of the San Francisco Conference to do so first from the point of view of determining whether it comes squarely within the general policy declared by the Senate in 1943; and if so, whether it represents the highest common factor of agreement among the 50 states which are parties to the San Francisco Conference.

In the interests of international stability, peace, and prosperity, it is our obligation to those who have given their lives that this Nation may live, to bring forth from San Francisco some agreement that shall be consistent with the declaration of 1943, an agreement which shall represent a step toward international stability rather than a step away from it. We must also examine the San Francisco proposals carefully and understand them clearly so that we shall neither exaggerate their contribution toward international stability nor deprecate their every contribution toward maintaining peace and security in the world as contrasted with the result which the world would face with no agreement.

The test established by Senate Resolution 192 is as follows:

> The Senate recognizes the necessity of there being established at the earliest practicable date a general international organization, based on the principles of the sovereign equality of all peace-loving states, and open to membership by all such states, large and small, for the maintenance of international peace and security.

It is important to examine the four cornerstones of stability established in this declaration.

THE FOUR CORNERSTONES SET BY THE SENATE

First. The resolution calls for a general international organization. This distinguishes this proposal from a proposal for a static treaty. This calls for a going concern, flexible enough to meet changing conditions, and representative enough to permit the members of it to have channels of contact with one another on the basis of justice and equality rather than of force alone. It is clear that the San Francisco Charter of the United Nations meets this test.

Second. The organization must be "based on the principle of the sovereign equality of all peace-loving states." This makes it clear that the organization, in the first instance, shall be open only to peace-loving states. This has been taken to mean the Allies against the Axis, but it implies that when other states are able to meet this test such other states shall be admitted to membership through appropriate action of the existing members. This clause also emphasizes the policy that member states shall be recognized as enjoying "sovereign equality." This is a principle familiar to the citizens of the 48 sovereign States of the United States of America. While each of our States is a sovereign State, each, for purposes of mutual benefit, has, nevertheless, by constitutional contract, limited its freedom of action. Furthermore, under the Constitution of the United States, while our sovereign States have retained equality of representation in the United States Senate, they have agreed to a substantial difference in their representation in the coordinate legislative body—the United States House of Representatives. To a nearly corresponding degree the States have also accepted differences of representation in the electoral college which determine the degree of their influence in the choice of the President of the United States. The proposed San Francisco Charter of the United Nations clearly recognizes the principle of the sovereign equality of the original members, although in some degree limiting their absolute freedom of action in consideration of mutual advantages to be derived by the respective states from such contracts. The proposed charter therefore meets this second test.

Third. Open to membership by all such states, large and small. This expresses the fundamental policy of the relationship between individuals and between nations upon which our Nation was founded. From July 4, 1776, to the present we have sought to recognize equality of opportunity for individuals and states based upon their common relationship to God and to their fellow men rather than upon the basis of their size, strength, wealth, color, creed, or other man-made distinctions. The proposed San Francisco Charter of the United Nations meets this test.

Fourth. The purpose of the organization called for by the Senate is a limited purpose—"the maintenance of international peace and security." It does not require a supergovernment. It does not even require an administrative body. It calls for an organization to maintain international peace and security. If the United Nations shall succeed in the maintenance of international peace and security they will make a tremendous contribution to humanity. The question, therefore, is whether or not the charter presents a reasonable proposal for an organization to maintain international peace and security and approximates the highest common factor of agreement possible for that purpose among the initial members of the organization. I believe that the proposed San Francisco Charter of the United Nations meets this test as will appear from a further discussion of its terms. I believe, therefore, that the proposed Charter comes within all four requirements of the Senate resolution.

II. THE WISDOM OF THE APPROVAL OF THE PROPOSED CHARTER OF THE UNITED NATIONS

Before considering the terms of the proposed Charter of the United Nations, I wish to express my appreciation of the long and difficult service which the members of the United States delegation to San Francisco, including the Secretary of State, E. R. Stettinius, Senator Tom Connally, Senator Arthur H. Vandenberg, Representative Sol Bloom, Representative Charles A. Eaton, Commander Harold E. Stassen, and Dean V. C. Gildersleeve have been rendering to the United States and to the general cause of international stability.

Their patient, vigorous, constructive service has been evident from many public and personal reports of the Conference. They have also expressed their appreciation of the helpfulness to them of their professional staff and of the many voluntary consultants who have assisted them in the consideration of specific issues.

Many amendments to the original Dumbarton Oaks Proposals are still under consideration. None has been finally and officially adopted by the Conference. Yet many amendments have reached such a stage of informal agreement as to have justified their publication in the public press with the assurance that they give a fair indication of the probable form of the final agreement. There also have been published in the Department of State Bulletin for May 6, 1945, the several amendments in which the four sponsors had reached an agreement and which, accordingly, were presented as joint proposals and generally were received with favor.

Judging from these reported amendments, the original Dumbarton Oaks Proposals have been greatly strengthened and broadened so that if the original Dumbarton Oaks Proposals were regarded with favor, the amended instrument would seem to be entitled to a greatly strengthened support. I believe that each of the amendments announced has improved the proposals from the point of view of the United States.

Mr. President, I ask unanimous consent to have printed in the RECORD, as exhibit A, at the close of my statement, a copy of the Dumbarton Oaks Proposals in their original official form, and immediately following that text I ask that there be printed in full, with several corrections that I have made in it with the assistance of the Department of State, the so-called text of the almost completed Charter of the New World Security Organization, as compiled by the staffs of the New York Times and the San Francisco Chronicle and published in the New York Times on Sunday, June 10, 1945.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Without objection, the request of the Senator from Ohio is granted.

(See exhibit A following Mr. BURTON'S address.)

Mr. BURTON. I am especially anxious to establish the fact that the Charter of the United Nations as it is developing at San Francisco comes well within the

policy outlined for it by the Senate resolution of November 5, 1943, and I believe that is clear.

I wish also to commend the delegates of the United States upon the progress that has been made in improving the Charter as compared with the form in which the Charter originally was presented to them.

Finally by a review of important provisions of the Charter, I wish to emphasize the strength or weakness of those provisions and then to demonstrate the resulting value to the cause of international stability that is to be found in the proposed Charter.

The freedom of discussion, the outspoken differences of opinion among the representatives of 50 nations as reported at San Francisco have demonstrated to an unusual degree the genuineness of this conference. The presence of such discussions leading to ultimate constructive compromise has been a major triumph for democratic practice in arriving at settlements of international differences. This augurs well for the future of the Charter. It promises to be an "open covenant openly arrived at."

In considering the fundamental wisdom of approving the Charter of the United Nations, it is of primary importance to contrast its terms with the bald alternative of having no charter. Naturally, in reporting the development of the Charter through the negotiations at San Francisco, news interest has attached itself to the comparatively few points of disagreement rather than to the many points of agreement. This has tended to create an impression of the existence of major disagreement among the members of the conference. This is contrary to the fact.

The area of disagreement in fact has been reduced to an extremely small range, while the area of agreement has covered many items much more important than those on which disagreement has remained. Without here attempting to examine the whole Charter in detail, it nevertheless is important to emphasize at least five features of it. These are:

A. Its methods of peaceful adjustment of disputes.

B. The International Court of Justice.

C. The Economic and Social Council.

D. Regional arrangements and agencies.

E. The Security Council.

A. ITS METHODS OF PEACEFUL ADJUSTMENT OF DISPUTES

The genius of this Charter is not the use of military force but the substitution of justice for force. This was excellently stated by the senior Senator from Michigan [Mr. VANDENBERG] in Detroit, on February 5, 1945. He said:

> The genius of Dumbarton Oaks, in correct perspective, is not the use of military force at all. The genius of Dumbarton Oaks is the exact opposite. It is the substitution of justice for force. It is the substitution of international law for piracy. It is the substitution of peace for war. Its genius lies in the organization of these pacific mechanisms which shall stop future frictions short of the necessity for force. Its genius lies in the mobilization of the vigilant moral and spiritual power of enlightened civilization against the dark and evil forces of recurrent savagery. If this power has been dormant and impotent, it is because it has lacked a vigorous world instrument for organized expression. In my deep conviction, Dumbarton Oaks, in proper form, can supply this tremendous instrument.

He was referring to the original Dumbarton Oaks Proposals, and those proposals insofar as they provide for pacific mechanisms to stop future frictions short of the necessity for force have not been limited but have been made more effective by the admendments which have been developed at San Francisco. It is important to remember this sentence from the statement by Senator VANDENBERG:

> Its genius lies in the organization of * * * pacific mechanisms which shall stop future frictions short of the necessity for force.

This is the great objective of the Charter of the United Nations. Its purpose is to maintain peace and security, and its greatest contribution to that end consists of the several mechanisms established and extending from peaceful investigations to the use of economic or military force. None of these mechanisms would be available were it not for the Charter. They constitute an unanswerable reason for its ratification and against its rejection.

Among these pacific mechanisms, each one of which adds to the value of the United Nations Charter, should be listed at least the following:

First. The declaration of purposes: This will include increased emphasis, added at San Francisco, upon the principles of justice and international law, the recognition of equal rights and self-determination of peoples, and the promotion and encouragement of respect for human rights and for fundamental freedoms for all without distinction as to race, language, religion, or sex. Under this heading, I quote from revised chapter I on purposes in its latest available form:

> 1. To maintain international peace and security; and to that end to take effective collective measures for the prevention and removal of threats to the peace and the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with principles of justice and international law, adjustment or settlement of international disputes or situations which may lead to a breach of the peace.
>
> 2. To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples and to take other appropriate measures to strengthen universal peace.
>
> 3. To achieve international cooperation in the solution of international problems of economic, social, cultural, and humanitarian character and promotion and encouragement of respect for human rights and for fundamental freedoms for all without distinction as to race, language, religion, or sex; and
>
> 4. To be a center for harmonizing the actions of nations in the achievement of these common ends.

Second. The declaration of principles intended to carry out the purposes of chapter I is of extreme importance. Among these special emphasis may be placed upon Nos. 3, 4, and 6 which are as follows:

> (3) All members of the organization shall settle their international disputes by peaceful means in such a manner that international peace, security, and justice are not endangered.
>
> (4) All members of the organization shall refrain in their international relations from the threat or the use of force against the territorial integrity or political independence of any member or state or in any other manner inconsistent with the purposes of the organization * * *.
>
> (6) All members of the organization shall refrain from giving assistance to any state against which preventive or enforcement action is being undertaken by the organization.

The entire chapter II dealing with principles in the form indicated by the latest report of the San Francisco meetings is as follows:

> In pursuit of the purposes mentioned in chapter I the organization and its members should act in accordance with the following principles:
>
> 1. The organization is based on the principle of the sovereign equality of all its members.
>
> 2. All members of the organization shall fulfill the obligations assumed by them in accordance with the charter in order to ensure to all of them the rights and benefits resulting from membership in the organization.
>
> 3. All members of the organization shall settle their international disputes by peaceful means in such a manner that international peace, security, and justice are not endangered.
>
> 4. All members of the organization shall refrain in their international relations from the threat or the use of force against the territorial integrity or political independence of any member or state or in any other manner inconsistent with the purposes of the organization.
>
> 5. All members of the organization shall give every assistance to the organization in any action undertaken by it in accordance with the provisions of the charter.
>
> 6. All members of the organization shall refrain from giving assistance to any state against which preventive or enforcement action is being undertaken by the organization.
>
> 7. The organization shall ensure that states not members of the organization act in accordance with these principles so far as may be necessary for the maintenance of international peace and security.
>
> 8. Nothing contained in this Charter shall authorize the organization to intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the members to submit such matters to settlement under this Charter; but this principle shall not prejudice the application of chapter VIII, section B. (Such section relates to threats to the peace or acts of aggression.)

Third. The General Assembly: It provides for a general assembly of which all members of the organization shall be members. This extremely important but comparatively little discussed body shall meet in regular annual sessions and in such special sessions as the occasion may require. It shall adopt its own rules of procedure and elect its own president for each session. It shall set up such bodies and agencies as it deems necessary for the performance of its functions. Each member of the organization shall have one vote in the General Assembly. Important decisions of the

General Assembly including recommendations with respect to the maintenance of international peace and security, election of members of the Security Council, election of members of the Economic and Social Council, admission of members, suspension of the rights and privileges of members and budgetary questions shall be made by a two-thirds majority of those present and voting. On other questions the decisions of the General Assembly shall be by a simple majority vote.

Fourth. The functions and powers of the General Assembly: In addition to its highly democratic form of organization just described, the General Assembly has certain functions and powers tending to stop future frictions short of the necessity for force. The General Assembly, for example, shall have the right to discuss any matter within the sphere of international relations and with certain limitations to make recommendations to any member or to the Security Council or both on any matters within the entire sphere of international relations. It shall have the right to consider and make recommendations on the general principles of cooperation in the maintenance of international peace and security, expressly including the principles governing disarmament and the regulation of armaments. The General Assembly shall have the right to discuss any questions relating to the maintenance of international peace and security brought before it by any member or members of the organization or by the Security Council. It also has the right to make recommendations with regard to any of the principles or questions above-mentioned. The limitations on these functions and powers mentioned above are that any such questions on which action is necessary should be referred to the Security Council by the General Assembly either before or after discussion and that while the Security Council is exercising, in respect of any dispute or situation, the functions assigned to it, the General Assembly should not make any recommendation with regard to that dispute or situation unless the Security Council so requests. Nevertheless, the opportunity for discussion and recommendation among all members of the Assembly, even subject to the limitations stated, is of major importance as a peaceful method of procedure as to issues which might lead to international friction or conflict.

Fifth. The initiation of studies and making of recommendations: The General Assembly shall initiate studies and make recommendations for the purpose of promoting international cooperation in the political, economic, social, cultural, educational and health fields assisting in the realization of human rights and basic freedoms for all, without distinction as to race, language, religion, or sex and enccuraging the progressive development of international law and its codification.

Mr. President, I wish to call special attention to this right and obligation of the General Assembly, in which each of the 50 members is represented by an equal vote, to encourage the progressive development of international law and its codification. Chapters III, IV, and V of the proposed Charter in accordance with the latest proposals announced at San Francisco apparently are as follows:

CHAPTER III. MEMBERSHIP

1. The initial members are the signatories of the charter whose ratification has become effective in accordance with chapter XI.

2. Membership of the organization is open to all peace-loving states which, in the judgment of the organization, are able and ready to accept and carry out the obligations contained in the charter.

CHAPTER IV. PRINCIPAL ORGANS

1. The organization has as its principal organs:

A. A General Assembly;
B. A Security Council;
C. An Economic and Social Council;
D. An International Court of Justice; and
E. A Secretariat.

2. The organization should have such subsidiary agencies as may be found necessary.

3. The United Nations shall place no restrictions on the eligibility of men and women to participate in any capacity and under conditions of equality in the principal and subsidiary organs.

CHAPTER V. THE GENERAL ASSEMBLY

SECTION A. COMPOSITION

The General Assembly shall consist of representatives of members of the organization. Each member may have not more than five representatives.

SECTION B. FUNCTIONS AND POWERS

1. The General Assembly shall have the right to discuss any matter within the sphere of international relations; and, subject to the exception embodied in paragraph 2 below, to make recommendations to the members of the organization or to the Security Council, or both, on any such matters.

2. In particular and without limiting the generality of the preceding paragraph, the General Assembly shall have the right:

A. To consider the general principles of cooperation in the maintenance of international peace and security, including the principles governing disarmament and the regulation of armaments and to make recommendations to the governments or to the Security Council on such principles.

B. To discuss any questions relating to the maintenance of international peace and security brought before it by any member or members of the organization or by the Security Council, and to make recommendations to the governments or to the Security Council, or both, with regard to any such question. Any such questions on which action is necessary should be referred to the Security Council by the General Assembly either before or after discussion. The General Assembly shall have the right to call the attention of the Security Council to situations which are likely to endanger international peace and security. While the Security Council is exercising in respect of any dispute or situation the functions assigned to it under this charter, the General Assembly should not make any recommendation with regard to that dispute or situation unless the Security Council so requests. The secretary general shall be required, with the consent of the Security Council, to notify the General Assembly at each session of any matters relative to the maintenance of international peace or security which are being dealt with by the Security Council and also to notify the General Assembly immediately the Security Council ceases to deal with such matters.

3. The General Assembly may admit new members to the organization upon recommendation of the Security Council.

4. The organization may at any time suspend from the exercise of the rights or privileges of membership any member of the organization against which preventive or enforcement action shall have been taken by the Security Council, or which shall have violated the principles of the charter in a grave and persistent fashion. The exercise of these rights and privileges may be restored in accordance with the procedure laid down in chapter —, paragraph —.

5. The General Assembly shall elect the non-permanent members of the Security Council and the members of the Economic and Social Council. It shall elect the secretary general of the organization upon the recommendation of the Security Council, made by an affirmative vote of seven members. The General Assembly shall participate in the election of the judges of the International Court of Justice in accordance with the provisions of the statute of the court.

6. The General Assembly shall apportion the expenses among the members of the organization, it shall consider and approve the budgets of the organization as well as any financial and budgetary arrangements with specialized agencies brought into relationship with the organization under the provisions of chapter IX, section B.

7. The General Assembly shall initiate studies and make recommendations for the purpose of promoting international cooperation in the political, economic, social, cultural, educational, and health fields, assisting in the realization of human rights and basic freedoms for all, without distinction as to race, language, religion, or sex, and encouraging the progressive development of international law and its codification.

8. Subject to the provisions of paragraph 1 of this section, the General Assembly should be empowered to recommend measures for the peaceful adjustment of any situations, regardless of origin, which it deems likely to impair the general welfare or friendly relations among nations, including situations resulting from a violation of the purposes and principles set forth in this charter.

9. The General Assembly should make recommendations for the coordination of the policies of international economic, social, cultural, health, and other specialized agencies brought into relation with the organization in accordance with agreements between such agencies and the organization.

10. The General Assembly should examine the administrative budgets of such specialized agencies with a view to making recommendations to the agencies concerned.

11. The General Assembly should receive and consider annual and special reports from the Security Council; such reports should include an account of the measures which the Security Council has adopted or applied to maintain international peace and security.

Subject to the provisions of paragraph 2 of this section, the General Assembly should be empowered:

(A) To approve or disapprove in whole or in part any report from the Security Council and to make any recommendations or observations thereon;

(B) To submit recommendations to the Security Council with a view to insuring complete observance of the duties of the Security Council inherent in its responsibilities to maintain international peace and security.

The General Assembly shall receive and consider reports from the other bodies of the organization and make any recommendations or observations thereon.

SECTION C. VOTING

1. Each member of the organization shall have one vote in the General Assembly. A member which is in arrears in the payment of its financial contributions to the organization shall have no vote so long as its

arrears amount to its contributions for two full years. The General Assembly may waive the penalty if it is satisfied that the reasons for delay in payment are beyond control of the state in question.

2. Important decisions of the General Assembly, including recommendations with respect to the maintenance of international peace and security, election of members of the Security Council, election of members of the Economic and Social Council, admission of members, suspension of the rights and privileges of members and budgetary questions, should be made by a two-thirds majority of those present and voting. The General Assembly shall decide by a majority of those present and voting all other questions, including the determination of additional categories of questions to be decided by a two-thirds majority.

SECTION D. PROCEDURE

1. The General Assembly shall meet in a regular annual session and in such special sessions as occasion may require. Special sessions shall be convened by the secretary general at the request of the Security Council or of a majority of the members of the organization.

2. The General Assembly shall adopt its own rules of procedure and elect its president for each session.

3. The General Assembly may set up such bodies and agencies as it deems necessary for the performance of its functions.

Sixth. Pacific settlement of disputes: In addition to procedure for the pacific settlement of disputes under the guidance of the General Assembly or the Security Council there are also certain pacific procedures which can and should be taken by individual states apart from action of the General Assembly or the Security Council. These are important. They include an express provision that any state, whether a member of the organization or not, may bring to the attention of the General Assembly or of the Security Council any dispute or any situation which may lead to international friction or give rise to a dispute.

I wish to call special attention to the fact that there is a specific provision that any state, whether a member of the organization or not, may bring to the attention of the General Assembly or of the Security Council any dispute, or any situation which may lead to international friction, or give rise to a dispute—an organized international forum open to the world. It is also provided that the parties to any dispute, the continuation of which is likely to endanger the maintenance of international peace and security should obligate themselves—and they do so obligate themselves by their membership—first of all, to seek a solution by negotiation, mediation, conciliation, arbitration or judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice. These provisions are contained in section A, chapter VIII, dealing with arrangements for the maintenance of international peace and security including prevention and suppression of aggression.

Seventh. Other peaceful procedures: If, nevertheless, parties to a dispute that is likely to endanger the maintenance of international peace and security fail to settle it by the means just stated, they should obligate themselves to refer it to the Security Council. If the Security Council finds that the continuance of the particular dispute is in fact likely to endanger the maintenance of international peace and security, it shall decide whether to recommend appropriate procedures or methods of adjustment, or itself to recommend such terms of settlement as it may consider appropriate.

The extreme importance of these provisions often has been overlooked in public discussions of the Charter. In these cases the members of the Security Council, whether they be permanent or temporary members, are not permitted to vote or to veto if they are themselves parties to the dispute. This thus provides a mechanism which may be used in many cases and which will supply a forum of the greatest importance. Before resort is had to economic or military force the Security Council may itself recommend appropriate procedures or methods of adjustment or even terms of settlement. This is a mechanism of peace heretofore lacking. It should help to secure fair settlements without the use of force. If these terms of peaceful settlement be not accepted and even if there be a subsequent veto of the use of the armed forces of the United Nations to meet the issue, this declaration of policy by the members of the Security Council, not parties to the dispute, will have a substantial bearing upon the alinement of the nations of the world in their individual capacities in the event of threatened hostilities beyond the control of the United Nations as such.

B. THE INTERNATIONAL COURT OF JUSTICE

There is to be an International Court of Justice and all members of the United Nations, by virtue of that membership, shall be parties to the statute of the International Court. While the statute relating to this Court has not been put in final form, it is expected to follow as closely as possible in form, precedent, and tradition, the statute of the present Permanent Court of International Justice which has been in existence since 1920. This new Court will be an important mechanism for the disposition of many questions without resort to force. Its jurisdiction like that of the present Court may well comprise all matters specially provided for in treaties and conventions. This jurisdiction will be capable of extension to many matters through the consent of the respondent to the jurisdiction of the Court in any particular case. The decision to set up a new Court instead of incorporating the old Court into the new organization was probably due in large part to the fact that the membership of the old Court included eight enemy states and five neutral states in World War II, while failing to include 13 probable members of the United Nations. Among those not included in the old World Court was the United States. The new Court will start with membership on the part of all of the United Nations as soon as they have become members of that general organization, and it will be open to membership by additional states as rapidly as they shall qualify for membership among the United Nations. It is an important agency of peace. Its incorporation in the Charter of the United Nations is an important reason for the ratification rather than the rejection of that Charter in the interests of international stability.

C. THE ECONOMIC AND SOCIAL COUNCIL

The Economic and Social Council is a new pacific mechanism which carries with it great possibilities for the establishment and maintenance of international peace and security. It provides an orderly and peaceful procedure for the consideration of the vitally important international questions of an economic and social nature.

Mr. President, this Council deserves more public recognition than has been given to it. While not listed in the original draft as one of the so-called principal organs of the United Nations corresponding to the General Assembly and Security Council, International Court of Justice, and the Secretariat, it is now so listed in the latest reports and it is given such a place of prominence in chapter IX, dealing with arrangements for international cooperation, that it is clearly of major importance. This Council may grow to a position of extraordinary influence and value in the maintenance of the peace and security of the world, because it reaches to the causes of war and conflict.

Its breadth of jurisdiction and its distinctly democratic organization and voting procedure make it an agency readily capable of rapid growth and great future influence.

Its original purposes expressly extended to economic and social questions, including other humanitarian problems. Amendments to chapter IX which seem likely to be adopted further expand its scope. The amendments which I shall read at this time are of extreme importance, because the Economic and Social Council has been so enlarged that it is quite different from the economic and social council set out in the Dumbarton Oaks Proposals. It represents one of the major contributions that has come from the many consultants who have been working with the United States delegates. These amendments include the following statement of purposes:

With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principles of equal rights and self-determination of peoples, the organization shall promote:

A. Higher standards of living, full employment and conditions of economic and social progress and development;

B. Solutions of international, economic, health, and other related problems; international, cultural, and educational cooperation; and

C. Universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, language, religion, or sex.

Responsibility for the discharge of this function shall be vested in the general assembly, and, under the authority of the general assembly, in the economic and social council.

All members pledge themselves to take joint and separate action in cooperation with the organization for the achievement of these purposes.

By way of limitations, however, there is applicable here as elsewhere the previously quoted provision in the general principles of the charter that nothing contained in this charter shall authorize the organization to

intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the members to submit such matters to settlement under the charter.

Mr. President, under the original proposals the Economic and Social Council is to consist of 18 members of the United Nations, each elected for a term of 3 years by the General Assembly. Each state elected to the Council shall have one representative who shall have 1 vote in the Council. Decisions of the Council shall be taken by simple majority vote of those present and voting. The amendments propose that the members shall be elected in 3 groups of 6 each for overlapping terms. They also expressly state that members shall be eligible for reelection at any time.

The Economic and Social Council thus provides for no permanent memberships, no special majority, and no individual right of veto. It is left to the good judgment of the General Assembly, by its two-thirds vote, to see to it that the five larger powers, the United States, Great Britain, Russia, China, and France shall be members of this Council by virtue of their natural fitness for such membership. It is probable that the other 13 members of the Council will include appropriate representatives of the middle and small powers, well distributed around the world. While this Council is an advisory and coordinating body rather than an executive council, a majority of but 10 states will be required to reach decisions and, therefore, in this fertile field of public policy there will be available to the world not only a meeting place but a forum and a voting procedure of high potential value, not necessarily controlled by one or even by all of the five larger states. This makes it necessary for the larger as well as the smaller states to sell their proposals to this Council on the intrinsic merit and fairness of their proposals. This Economic and Social Council has important potentialities the value of which will be great or small, depending upon the leadership shown by the sponsors of international peace, justice, freedom, and security.

The Council shall set up commissions in the fields of economic and social activities and for the promotion of human rights, and such other commissions as may be required in the fields within the competence of the Council. There shall be a permanent staff which shall constitute a part of the Secretariat. It will be equally important to see to it that this Council does not overdevelop its activities and to see to it that it makes reasonable and constructive use of them in the interest of international peace and security.

Mr. President, I call attention to the fact that the provision for the creation by the Economic and Social Council of a commission on human rights was proposed by the United States delegation. It also has been suggested by the Secretary of State of the United States that one of the first tasks of this commission shall be to draw up an international bill of rights. It would then be for the United Nations to determine whether such a bill of rights should be made a part of international law or whether it should be left to the individual nations to incorporate it in their respective constitutions. The United States delegation likewise proposed amendments authorizing the Economic and Social Council to make suitable arrangements for consultation with nongovernmental organizations, which are concerned with matters within the competence of the Council. Such arrangements may apply both to international organizations and, where appropriate, to national organizations after consultation with the member state concerned. This evidently was in the nature of an acknowledgment by the United States delegation of the indebtedness which it felt to its own consultants, representing some 42 national private organizations, which have shown special initiative and helpfulness in connection with the consideration of many phases of the United Nations Charter. I understand that in addition to the 42 national private organizations officially thus recognized, there were present at least 170 more which also contributed to the consideration of these issues.

The full terms of chapter IX, which has been expanded to great length by recent amendments, dealing with the arrangements for international economic and social cooperation, including the latest proposed amendments, as compiled on June 9 are as follows:

SECTION A. PURPOSES

1. With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principles of equal rights and self-determination of peoples, the organization shall promote:

A. Higher standards of living, full employment and conditions of economic and social progress and development;

B. Solutions of international economic, social, health, and other related problems; international, cultural, and educational cooperation; and

C. Universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, language, religion, or sex.

Responsibility for the discharge of this function shall be vested in the General Assembly and, under the authority of the General Assembly, in the Economic and Social Council.

2. All members pledge themselves to take joint and separate action in cooperation with the organization for the achievement of these purposes.

SECTION B. RELATIONSHIPS

1. The various specialized intergovernmental organizations and agencies having wide international responsibilities in economic, social, and other related fields, as defined in their basic instrument, shall be brought into relationship with the organization on terms to be determined by agreement between the Economic and Social Council and the appropriate authorities of the specialized organizations of agencies subject to approval by the General Assembly.

2. The organization shall, where appropriate, initiate negotiations among the nations concerned for the creation of any specialized organization or agency required for the accomplishment of the purpose set out above.

SECTION C. COUNCIL: COMPOSITION AND VOTING

The Economic and Social Council shall consist of representatives of 18 members of the organization. The states to be represented for this purpose shall be elected by the General Assembly. The terms of service of the members shall be 3 years, but arrangements shall be made after the first election for six of the members chosen at that election, to retire after 1 year, and six after 2 years. Members shall be eligible for reelection at any time. Each member shall have one representative who shall have one vote. Decisions of the Economic and Social Council shall be taken by a simple majority of those present and voting.

SECTION D. FUNCTIONS AND POWERS OF THE COUNCIL

In addition to the functions enumerated elsewhere, the Economic and Social Council shall be empowered:

A. To carry out, within the scope of its functions, recommendations of the General Assembly;

B. To make recommendations, on its own initiative, for promoting respect for, and observance of, human rights and fundamental freedoms;

C. To make and to initiate studies and reports with respect to international economic, social, cultural, health, and other related matters, and to make recommendations, on its own initiative, on such matters to the General Assembly, to members of the organization, and to specialized organizations or agencies concerned;

D. To coordinate the activities of the economic, social, cultural, health, and other specialized organizations or agencies brought into relation with the organization, through consultation with, and recommendations to, such organizations or agencies and through recommendations to the General Assembly and to the members of the organization;

E. To obtain regular reports from the specialized organizations or agencies, to obtain reports from the members of the organization and from the specialized organizations or agencies on the steps taken to give effect to its own recommendations and to those of the General Assembly; and to communicate its observations on such reports to the general assembly;

F. To perform services at the request of members of the organization and at the request of specialized organizations or agencies with respect to economic, social, cultural, health, and other related matters, subject to the approval of the General Assembly;

G. To call, in accordance with the rules prescribed by the organization, international conferences on matters falling within the scope of the functions of the Council;

H. To prepare draft conventions, with respect to matters falling within its competence, for submission to the General Assembly;

I. To furnish information to the Security Council;

J. To assist the Security Council upon its request; and

K. To perform such other functions within the general scope of its competence as may be assigned to it by the General Assembly.

SECTION E. ORGANIZATION

1. The Economic and Social Council shall set up commissions in the fields of economic and social activities and for the promotion of human rights, and such other commissions as may be required in the fields within the competence of the Council.

2. The Economic and Social Council shall invite any member of the organization to participate, without vote, in its deliberations on any matter of particular concern to that member.

3. The Economic and Social Council may make arrangements for representatives of the specialized organizations or agencies brought into relationship with the organization to participate, without vote, in its deliberations and in those of the commissions established by it, and for its representatives to participate in the deliberations of such specialized organizations or agencies.

4. The Economic and Social Council shall be authorized to make suitable arrangements for consultation with nongovernmental organizations which are concerned with matters within the competence of the Council. Such arrangements may apply both to international organizations and, where appropriate, to national organizations after consultation with the member state concerned.

5. There shall be a permanent staff which shall constitute a part of the Secretariat of the organization.

6. The Economic and Social Council shall adopt its own rules of procedure and the method of selecting its president. The Economic and Social Council shall meet as required in accordance with rules adopted by the Council. These rules shall include provision for the calling of a meeting on the request of a majority of the members of the Council.

D. REGIONAL ARRANGEMENTS AND AGENCIES

The recommendation and encouragement of regional arrangements and agencies which has been a part of the United Nations program from the first announcement of the Dumbarton Oaks proposals is another feature of major significance.

It constitutes a vitally important and realistic recognition of the practicalities of international relationships. It emphasizes the fact that while the whole world has become interdependent yet there are great numbers of questions and policies which have important local, national, or regional significance apart from the comparatively few issues that have important world-wide significance.

If we are to understand the conservative character of the United Nations Organization contemplated by the proposed charter, it is important to recognize the limited jurisdiction which it vests in the United Nations agencies. The United Nations organization is by no means an administrative body attempting to administer the affairs of the world as a unit. It is not a supergovernment. It is not an attempt to place a magnifying glass upon the national government of the United States of America or of any other nation and to impose that structure upon the world. It recognizes that the complexities of long distances, large populations, complicated industrial relations, and differences of language and historical point of view, emphasize the wisdom of a decentralization of administrative power. The British Empire has given the world an example of the wisdom of decentralization. Although united by ties of tradition, language, commercial relations, and otherwise, it recognized a number of years ago the advisability of decentralizing the Empire through the formation of the British Commonwealth of Nations. Through such decentralization it has gained rather than lost in its efficiency, strength, and durability.

The proposed Charter of the United Nations limits its fundamental purpose to the maintenance of international peace and security. It does not attempt to centralize governmental administration. It seeks to encourage and coordinate policies which will tend to maintain international peace and security. It seeks to bring about by peaceful means and with due regard for principles of justice and international law the adjustment and settlement of international disputes which may lead to a breach of the peace.

It seeks also to strengthen the prospects for universal peace and international cooperation by eliminating, as far as possible, the fundamental causes of war.

Recognizing this limitation upon its activities in the manner described, the United Nations add great strength to their program by recognizing and encouraging regional arrangements and agencies to meet issues which are of an international nature but which are of local or regional scope rather than of global scope. It is in the interests of the peace, security, and stability of the world that national domestic questions be settled through national and domestic arrangements and agencies. It is similarly in the interests of such peace, security, and stability that as far as practicable regional issues be settled through regional arrangements and agencies. Such a policy tends to reduce the number of questions which shall so threaten the peace and security of the world that they shall require the use of global arrangements or agencies for their settlement.

The logic of this decentralization of responsibility is further emphasized by certain natural and traditional relationships in various regions. An outstanding example is found in the regional unity of the 21 republics in North, Central, and South America. The regional relationship has been evidenced by constantly increasing numbers of ties of varying degrees of formality culminating in that vitally important regional agreement recently entered into among them at Mexico City and known as the Act of Chapultepec. In connection with that act, the senior Senator from Vermont [Mr. AUSTIN], whom I see present, was a great help. Also the senior Senator from Texas [Mr. CONNALLY] was a leader in bringing about that understanding.

The wisdom with which this general problem has been approached is emphasized by the fact that the Charter of the United Nations does not attempt to require the formation of regional agencies nor to prescribe their form. It merely recognizes and encourages them where they may naturally present themselves. The Dumbarton Oaks Proposals provided in section C of chapter VIII that nothing in the Charter should preclude the existence of regional arrangements or agencies for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action, provided such arrangements or agencies and their activities are consistent with the purposes and principles of the organization. Those original proposals further stated that the Security Council should encourage settlement of local disputes through such regional arrangements or by such regional agencies, either on the initiative of the states concerned or by reference from the Security Council. The latest proposals add that—

The member states comprising such agencies or entering into such arrangements should make every effort to achieve peaceful settlement of local disputes through such agencies or arrangements before referring them to the Security Council.

The adjustment of relationships between regional agencies and the general international organization calls for careful consideration in each instance. The details of some of these adjustments have been much discussed, but there has been no departure from the sound public policy involved in the existence of such arrangements and calling for the development of some means of coordinating regional activities in each case with those of the general international organization.

To the extent that regional arrangements on the American Continent or on the European or any other continent can assume some of the primary responsibilities for the settlement of local disputes and for the maintenance of international peace and security, there is hereby gained an important step toward the maintenance of the peace of the world. The localizing of disputes and settlements for adjustment among those most closely related to them is a sound principle of governmental organization and of human relationships well deserving of encouragement. It is a natural application of the principle of self-government.

This recognition and encouragement of regional arrangements and agencies in the Charter of the United Nations is an important additional reason in favor of the ratification and against the rejection of that Charter.

While the final terms of chapter VIII, section C, and other parts of the Charter dealing with this subject have not been announced, the discussions have indicated that the original proposals for the Charter may well be expanded so as to clarify the relationships between the United Nations organization and at least two types of regional arrangements and agencies that already are recognizable.

For example, treaties designed to prevent future aggression by the enemy states of World War II may well be permitted to operate automatically as a practical measure of localizing the maintenance of peace and security in the immediate future. This recognition and encouragement of local and regional responsibility is in line with the policies already indicated, and may well continue until such time as the general international organization may, on request of the governments concerned, be charged with the responsibility for preventing further aggression by a state now at war with the United Nations.

Similarly in the case of the regional security arrangements which have been developed in the Act of Chapultepec, or which may be developed through similar acts, it may well be recognized that the United Nations organization has full and final authority on questions relating to international peace and security, but that nothing in the Charter impairs the inherent right of individual or collective self-defense, if an armed attack occurs against a member state, until the Security Council has taken the measures necessary to maintain international peace and security.

The latest published version of chapter VIII, sections C and D, is of extreme importance in this particular, and in full is as follows:

SECTION C. REGIONAL ARRANGEMENTS

1. Nothing in the Charter should preclude the existence of regional arrangements or agents for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action, provided such arrangements or agencies and their activities are consistent with the purposes and principles of the organization. The member states comprising such agencies or entering into such arrangements should make every effort to achieve peaceful settlement of local disputes through such agencies or arrangements before referring them to the Security Council. The Security Council should encourage the development of peaceful settlement of local disputes through such regional arrangements or by such regional agencies, either on the initiative of the states concerned or by reference from the Security Council.

This paragraph in no way impairs the application of paragraphs 1 and 2 of section A of this chapter.

2. The Security Council should, where appropriate, utilize such arrangements or agencies for enforcement action under its authority. But no enforcement action should be taken under regional arrangements or by regional agencies without the authorization of the Security Council with the exception of measures against enemy states in this war provided for pursuant to chapter XII, paragraph 2, or, in regional arrangements directed against renewal of aggressive policy on the part of such states, until such time as the organization may, on request of the governments concerned, be charged with the responsibility for preventing further aggression by a state now at war with the United Nations.

3. The Security Council should at all times be kept fully informed of activities undertaken or in contemplation under regional arrangements or by regional agencies for the maintenance of international peace and security.

SECTION D

Nothing in this Charter impairs the inherent right of individual or collective self-defense if an armed attack occurs against a member state, until the Security Council has taken the measures necessary to maintain international peace and security. Measures taken in the exercise of this right of self-defense shall be immediately reported to the Security Council and shall not in any way affect the authority and responsibility of the Security Council under this Charter to take at any time such action as it may deem necessary in order to maintain or restore international peace and security.

E. THE SECURITY COUNCIL

The Security Council is the enforcing agency of the United Nations organization. It is also an executive agency through which various actions can be taken on behalf of the United Nations in the interest of the maintenance of peace and security without resorting to enforcement measures of either an economic or military nature.

Due to the fact that the enforcement features of such a charter as this are the most difficult of adjustment and definition, these naturally are the last ones upon which general agreement is reached. To some extent such an agreement has not yet been finally reached at San Francisco. However, substantial agreement has been reached on so much that it is well worth consideration here.

It is important to recognize, however, that although these provisions for enforcement are essential for certain extreme emergencies and are valuable in helping to forestall such emergencies, yet they are not the features of the plan that will be called upon for use in most of its current operations. In fact, if the United Nations are thoroughly successful in their efforts to maintain international peace and security through peaceful means, those enforcement measures will not come into operation at all. Like flood-protection devices, there are some that are needed to meet regular and expected dangers. There are others that are built to meet extraordinary emergencies which it is hoped never will arise, and which when they do arise may be of such an unpredictable character that nothing could prevent the disaster they bring. We, therefore, build protective walls to meet foreseeable and extraordinary emergencies, and we should not be dissuaded from building them merely because it is conceivable that they may not withstand a major earthquake.

The attention given to the voting plan in the Security Council, especially on matters involving the use of armed force, emphasizes the fact that the voting relationships here called into operation present a new problem in governmental mechanics quite as difficult and quite as new as that which faced the members of our Constitutional Convention which in 1787 brought forth the new proposals contained in the Constitution of the United States. The very fact that the conditions are new indicates that the solution, if it is an appropriate one, will probably have some elements of experimentation in it.

In approaching this subject it is also important to recognize the nature of the armed forces that are involved. They represent, initially at least, the same armed strength of the Allied Nations which recently has won the war against the Axis nations in Europe, and much of which is still directed against the Axis forces under the control of Japan. The essence of the strength of these Allied forces was in their allied unity. They constitute a championship team. The championship was won by the entire team acting as a team, not by any one member of it alone. It is the purpose and intent of the Charter of the United Nations to preserve that team intact. It is upon the continued unity of that team that the demonstrated strength and military authority of the organization as an enforcing agency rest. It is, therefore, important to recognize that at all points in the consideration of this enforcement agency we are dealing with the agency as a unit. If the agency ceases to be a unit or if dissension arises among the members of the championship team, then the demonstrated ability of the agency to defend its championship against all comers and to assume responsibility for preserving order by force of arms loses its best claim to invincibility. In fact, the existence, to say nothing of the strength, of this agency of the United Nations is conditioned upon the unity that creates it.

While this does not mean that disagreement among the major Allies necessarily spells war between them, or that each is unable to continue to fend for itself in the future, it does mean that when there is dissension among these major Allies the world is then deprived of its one greatest, most obvious, and most accessible source of demonstrated power to enforce international law and organized justice in the interests of humanity.

The whole theory of this enforcement provision is that the peace-loving nations of the world, identified at this time by their alliance in their defense of the world against the aggression of the Axis Nations, have decided to stand together in maintaining international peace and security.

Insofar as this enforcement section of the Charter is concerned, its strength and success therefore depend fundamentally upon the will of the United Nations, and primarily of the five larger United Nations, and of the peoples of those nations, to remain united and at peace with one another. There cannot be devised any governmental mechanism which can be the equivalent of an automatic pilot to guide the world unerringly along the paths of lasting peace. Mechanisms that will eliminate sources of friction are important aids to the maintenance of peace and security. Mechanisms to make decisions between nations based upon justice and law are important agencies of peace. But as long as governments are controlled by human beings those governments will respond to human impulses, and no mechanism can by itself eliminate that human factor. Accordingly, if we expect to achieve and cherish a just and lasting peace for generations to come, or even for a single generation, it must be our objective, and that of our allies, to so guide our conduct and our emotions that we shall genuinely try, in our international as in our personal affairs, to do unto others as we would have them do unto us. The practice of the Golden Rule, growing out of a deep faith in the common brotherhood of man and fatherhood of God, is needed as a foundation for a just and lasting peace.

There are two aspects to the work of the Security Council. The first is its function as a pacific mechanism seeking to preserve peace through peaceful methods. The second is its character as an enforcement agency, seeking to enforce peace by the exercise of economic or military power in behalf of the United Nations, much as the peace officers of our national, State and local governments keep the peace and enforce the law within their respective jurisdictions. The plan by which the votes of the members of the Security Council are cast in the discharge of these respective functions is also of special importance.

THE SECURITY COUNCIL AS A PACIFIC MECHANISM

While much emphasis, Mr. President, has been placed upon the function of the Security Council as the enforcement agency of the United Nations, that is by

no means its only function. It has many minor administrative functions in connection with the conduct of the peace of the United Nations organization. It also has an outstandingly important function as a pacific mechanism seeking to preserve the peace of the world without resort to military or economic sanctions. This phase of its activity has not been given the public attention that it deserves.

VOTING PROCEDURE IN THE SECURITY COUNCIL

Before considering even this phase of its activities, it is essential to make clear the way in which the membership is determined and official decisions are made in the Security Council. The Council is to consist of 11 members. Six of the eleven are to be chosen from and by the General Assembly. These six member states are to be elected by a two-thirds vote of the General Assembly for terms of 2 years, and three of the six will retire each year. In the first election three of the six shall be chosen for 1 year and three for 2 years. At no time shall any of such elected members be eligible for immediate reelection after the expiration of their respective terms. Due regard is to be paid in the first instance to equitable geographical distribution and to the contribution of members of the organization toward the maintenance of international peace and security, and toward the other purposes of the organization. The other members of the Security Council shall be representatives of the United States, Great Britain, Russia, China, and, in due course, France. These shall be permanent members, and, no doubt, membership to France will be extended at the initial formation of the organization.

On questions of procedure it is proposed, in accordance with the understanding reached at the Crimea Conference at Yalta, that decisions of the Security Council shall be made by an affirmative vote of seven members. In fact, on all issues coming before the Security Council its action is to be taken by an affirmative vote of seven members, the only difference being that on some questions this affirmative vote must include some or all of the five permanent members of the Council.

The obvious reason for this majority of seven, rather than a simple majority of six, even on questions of procedure, is that it is important that on any decisions of the Council there be concurrence, not merely of the six temporary members or of the five permanent members, but there must be the concurrence of at least two of the temporary members with the five permanent members, or, at least, the concurrence of one of the permanent members with the six temporary members. Ordinarily, the combination will be on some other basis, but this provision at least requires the concurrence of some of the larger with some of the smaller nations before taking action on any issue. The soundness of this provision apparently has not been seriously questioned.

I wish to emphasize that whenever a variation occurs from a simple majority, as is the case here, it necessarily creates veto power in a minority. There has been much discussion about the veto power to be exercised by individual members of the Security Council. Each of the five permanent members are given a veto power for certain purposes, as I shall discuss. It is important, however, also to realize that on every question any combination of five member nations, be they permanent or temporary, large or small, have a veto power over any action of the Security Council. The veto power does not lie alone in any one of the major nations. It lies also in any combination of five of the smaller nations, if they so wish to exercise it, because unless such five nations will break up sufficiently to permit one of them to vote with the other six, no action at all can be taken by the Security Council.

On questions other than those of procedure it is also required that the affirmative vote of seven must include all of the permanent members that are not parties to the dispute and in some cases it must include all permanent members even though they are parties to a dispute. This amounts in some cases to permitting a permanent member to have a veto over action of the Council when that permanent member is not a party to the dispute and in some cases even permits such a member to veto action when it is a party to the dispute.

The distinction between these classes of cases is important. There is a natural justification for the veto by a major power of the use of its forces against itself. There is little if any apparent justification of the veto in the case of recommendations of peaceful settlements. It is of substantial importance that there be no right of veto against a discussion of issues within the jurisdiction of the Council. Apparently this freedom of discussion is to be preserved.

In considering this right of veto it is important to recognize that we are discussing here only the right of veto of action by the Security Council. There is no right of veto by any single member of any decision by the General Assembly or by the International Court of Justice or by the Economic and Social Council. Nor is there a right of veto of decisions by the Security Council on questions of procedure or a right of veto of the mere discussion by that Council of any subject within its jurisdiction.

Furthermore, there is no right of veto by a party to the dispute, when the merits and peaceful settlement of that dispute are at issue, as distinguished from the case where the issue is the enforcement of a decision. This is the general effect of the provision which requires a party to a dispute to abstain from voting in decisions arising under section A of chapter VIII, which is the important section dealing with the pacific settlements of disputes. This complete exclusion from voting applies also to a party to a dispute in decisions under what in the final draft apparently will be the third sentence of paragraph 1 of section C of chapter VIII, which deals with the encouragement of settlement of disputes by regional arrangements or agencies.

Section A of chapter VIII thus becomes of special importance not only because of its own substance but because in making decisions under it the right to vote—and therefore also the right to veto—is limited to members of the Council that are not parties to the dispute. The world is thereby assured of having a substantially disinterested and highly representative body in a position to recommend terms of settlement in disputes which otherwise might endanger the peace and security of the world.

Section A of chapter VIII has not yet been put in final form, but there is good reason to expect that it will read substantially as follows, including several amendments which have received favorable consideration:

SECTION A. PACIFIC SETTLEMENT OF DISPUTES

1. Without prejudice to the provisions of paragraphs 3–6 below, the Security Council should be empowered, if all the parties so request, to make recommendations to the parties to any dispute with a view to its settlement in accordance with the principles laid down in chapter II, paragraph 3.

2. The Security Council should be empowered to investigate any dispute, or any situation which may lead to international friction or give rise to a dispute, in order to determine whether its continuance is likely to endanger the maintenance of international peace and security.

3. Any state, whether a member of the organization or not, may bring any such dispute or situation to the attention of the General Assembly or of the Security Council. In the case of a nonmember it should be required to accept, for the purposes of such dispute, the obligations of pacific settlement provided in the Charter.

4. The parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, should obligate themselves, first of all, to seek a solution by negotiation, mediation, conciliation, arbitration or judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice. The Security Council should call upon the parties to settle their dispute by such means.

5. If, nevertheless, parties to a dispute of the nature referred to in paragraph 4 above fail to settle it by means indicated in that paragraph, they should obligate themselves to refer it to the Security Council. If the Security Council deems that the continuance of the particular dispute is in fact likely to endanger the maintenance of international peace and security, it shall decide whether to take action under paragraph 6 or 7 or whether itself to recommend such terms of settlement as it may consider appropriate.

6. The Security Council should be empowered, at any stage of a dispute of the nature referred to in paragraph 4 above, to recommend appropriate procedures or methods of adjustment.

7. Justiciable disputes should normally be referred to the International Court of Justice. The Security Council should be empowered to refer to the Court, for advice, legal questions connected with other disputes.

The entire third sentence of paragraph 1 of section C of chapter VIII in decisions under which parties to a dispute likewise have no right to vote or veto will probably read as follows:

The Security Council should encourage the development of peaceful settlement of local disputes through such regional agencies, either on the initiative of the states concerned or by reference from the Security Council.

While it is true that a veto power therefore still rests in such permanent members of the Security Council as are

not parties to the pending dispute where the action of the Council is seeking to bring about a pacific settlement of that dispute, nevertheless, such veto power is at least the veto power of a nation that is itself not a party to the issue and therefore is in a position to apply considerations of justice and fairness to the issue more readily than if it was itself a party to the dispute.

Mr. President, there is much to be said for omitting the veto power altogether in dealing with the pacific settlement of disputes or their reference to regional agencies. The very argument which leads to the requirement that a party to the dispute, be it a temporary member of the Council or a permanent member of the Council, shall abstain from voting on the peaceful settlement of a dispute to which it is a party argues for the elimination of the veto power altogether. For example, if a permanent member of the Council is thus deprived of its vote and of its veto in a case where it is itself a party to the dispute, there would seem to be still less ground for its insisting upon an individual veto power over the pacific settlement of a dispute to which it is not a party at all. Its vote in such a case where it is not a party would be appropriate, but the very fact that it is not a party would seem to indicate that a right of veto should not be accorded to it. Even though it may not now be possible to eliminate this right of veto of recommendations for pacific settlements, it may be possible, after a few years of experience under the Charter, to demonstrate the feasibility of such an elimination.

In the interest of securing an agreement on the Charter Russia recently abandoned its contention that the right of veto should extend to the vetoing of the discussion of a controversial issue by the Security Council. This action by Russia in abandoning such a contention was taken in response to the unanimous request of all of the other permanent members of the Council, and it is indicative of the kind of cooperation and mutual confidence that is essential to the success of the United Nations experiment. This agreement to the free discussion of issues is an important element in the program which depends primarily upon mutual and full understanding of issues for the maintenance of international peace and security.

The action of Russia in this instance gives some ground for hope that it and the other permanent members of the Security Council may at some time agree to waive the right of veto of any decision to recommend peaceful procedures and settlements, as distinguished, for example, from a veto of the enforcement of a decision by the use of the economic or armed forces of the nations called upon to do the enforcing.

The Security Council has an extraordinary opportunity to avoid unnecessary war by the exercise of its powers of investigation and of recommendations of peaceful procedures and settlements.

It is expressly provided in the proposed amendments of chapter VIII, section A, paragraph 4, that the parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, shall obligate themselves, first of all, to seek a solution by negotiation, mediation, conciliation, arbitration or judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice.

Assuming, however, that such means have failed, there is provided a further important power on the part of the Security Council for the peaceful disposition of the dispute. This power is of substantial importance to the world and has not yet received adequate consideration in public discussions of the Charter. It is provided in paragraph 6 of the same section that the Security Council is to be empowered at any stage of a dispute of the nature above mentioned, which is likely to endanger the maintenance of international peace and security, to recommend appropriate procedures or methods of adjustment. This provision has been in the Dumbarton Oaks Proposals from the beginning. It contains an important power to recommend appropriate methods of adjustment before resorting to force. One interpretation made of this provision has been to limit it strictly to procedures or methods of adjustment as distinguished from terms of settlement. On the other hand, a broader interpretation would indicate that appropriate procedures or methods of adjustment would include terms of settlement as a method of adjustment. However, the danger of such ambiguity is eliminated by the more recently published amendment which expressly provides in the revised form of paragraph 5 of this section that if the Security Council deems that the continuance of the particular dispute is in fact likely to endanger the maintenance of international peace and security, it shall decide whether to take action under paragraph 6 or 7, theretofore mentioned, or whether itself to recommend such terms of settlement as it may consider appropriate.

This amendment is of primary importance. It leaves no doubt as to the power of the Security Council by a vote of seven of its members, exclusive of any members that shall be parties to the dispute, to recommend to the world and to the parties appropriate terms of settlement of a dispute endangering the peace of the world.

This provision in itself is a substantial argument in favor of the ratification of the Charter of the United Nations and against its rejection. It provides an important mechanism for the peaceful settlement of disputes which otherwise might well lead to a World War III. Our generation owes it to future generations not to overlook such an opportunity as this for the maintenance of international peace and security.

As a further official explanation of the voting procedure in the Security Council, I ask unanimous consent to have printed in the body of the RECORD as exhibit B, following the two drafts of the Charter, a copy of the statement by the delegations of the four sponsoring governments on voting procedure in the Security Council as released at San Francisco, Calif., on June 8, 1945.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit B.)

THE SECURITY COUNCIL AS AN ENFORCEMENT AGENCY

Mr. BURTON. Now, Mr. President, turning to the other capacity in which the Security Council is authorized to act, we should consider its position as an enforcement agency. In this capacity, it assumes the duties of a sheriff. In order to assist it in the performance of these duties it is supplied with armed forces.

Its decision to act as an enforcing agency, either through the use of economic sanctions or of the armed forces supplied to it, requires an affirmative vote of seven of its members, and such seven must include the concurring vote of all of the permanent members whether or not they are parties to the dispute.

This gives a full veto power to each of the five permanent members of the Council, the United States, Great Britain, Russia, China, and France. They in turn are also the nations which will supply the major portions of the armed forces which would be used in military enforcement procedures. While there may be arguments against this veto power, yet, in view of the source of the armed forces to be supplied the Security Council, there are probably at the present time compelling arguments in favor of this veto power if limited to decisions on enforcement issues.

The use of such a veto power upon the issue of whether or not the Security Council shall use the armed forces of the United Nations presents quite a different question from the use of the veto power on a recommendation of terms of peaceful settlement. The armed forces of the United Nations are primarily those of the five permanent members of the Security Council itself. To call out these forces for use against one of the five permanent members would be much like calling upon the sheriff to arrest himself. The incongruity of such action is recognized in the statutes of our respective States. For example, it is frequently provided that in such an instance some other official of that State, for example, the coroner, shall exercise the authority of the sheriff. Here the difficulty is even greater. There are no substantial forces other than those of these permanent members which could possibly be used to apply armed force to the other permanent members. To make such an order would be an express order to start World War III, if the defendent physically resisted the enforcement of the decision against it. The veto right in such a case is, therefore, a straightforward way of recognizing the limitation of the powers of enforcement that are inherent in this Charter.

It is important that no nation under the Charter of the United Nations shall be called upon to perform an obligation which, when the time comes to perform it, it is likely to refuse to perform. It is quite likely that if a permanent member of the Security Council were, by the terms of the Charter, called upon to use its own

armed forces against itself, or even against another major power, it would decline to do so. Furthermore, if such a provision were incorporated in the instrument, it is altogether likely that the instrument shall fail of ratification by some of the nations most vitally concerned. It might lead to its failure of ratification by the United States itself.

Accordingly, the incorporation of this veto power to be exercised by anyone of the permanent members of the Security Council over the use of the armed forces of the United Nations is by no means a provision which would justify a refusal to ratify the instrument as a treaty. It might be suggested that the veto should be limited to the use of a nation's own quota of the armed forces of the United Nations, rather than to the use of any part or all of those forces. It apparently has been determined that such a contention at this time, however, would not be acceptable and therefore it should not be pressed.

Insofar as the United States is concerned, to say nothing of the other nations sponsoring the Charter, the presence of this veto power which permits the United States to veto the use of armed forces of the United Nations either against itself or against any other nation is a strong argument in favor of the special interests of the United States under the Charter.

To the extent that such a veto power cuts off the use of the armed forces of the United Nations at the option of any one of the permanent members of the Council, it is a limitation upon the United Nations as an enforcing agency. This limitation should be clearly recognized as such. We should then recur to the fact that this entire proposal depends upon the concurrence in it of at least five major allies as the foundation of its structure. Without this limitation it is clear that the consent of the five could not now be obtained and the Charter should not be rejected merely because it does not accomplish what is at the moment impossible, namely, the securing of the voluntary agreement of the five major nations to permit the use of the combined armed forces of those nations against themselves, or against others, without a final individual opportunity to veto such a use in the light of the conditions at that time.

It is to be hoped that disputes endangering the peace of the world will be adjusted before ever reaching such a crisis. The Charter is intended to make it as unlikely as possible that such a crisis will be reached.

But even with this veto power upon their use, the existence of the proposed armed forces of the United Nations, subject to the call of the Security Council, will provide an important added assurance of the possibility of maintaining the peace of the world. As against all except the five nations which hold a veto power over their use, these forces will be immediately available or readily on call in accordance with the terms of the Charter. They will constitute an effective peace force. They are an expression on the part of the great championship military team of the Allied Nations that that team stands ready to enforce international law and justice throughout the world for the sake of the peace of the world and in accordance with the Allied Nations' demonstrated capacity to defend the world against aggression. Our sacrifices in World War II are sufficient reasons for our seeking in this added way to prevent the outbreak of World War III and to put an end to such a new war, if there should be one, while it is in such an early stage that this can be done with a minimum of further sacrifice.

By way of concrete example, another threatened invasion of Ethiopia by Italy, of Poland by Germany, or of Manchuria by Japan, under this Charter could and should be stopped at an early stage through the use of the armed forces of the United Nations under direction of the Security Council. However, in the absence of some such charter, some such mechanism of peace, and some such enforcing agency, a renewed attack of the kind which led to World War II might all too readily lead to World War III and our generation would be inexcusably to blame for having taken no constructive measures to prevent the recurrence of that tragedy. Accordingly, the powers of the Security Council coupled with the armed forces of the United Nations, although limited by the right of veto on the part of a permanent member of the Council, provides an important argument in favor of the ratification and against the rejection of the United Nations Charter as a step toward the maintenance of international peace and security.

In order that all members of the United Nations may actively help to maintain international peace and security in time of crisis and against aggressors, they undertake to make available to the Security Council, on its call and in accordance with a special agreement or agreements, armed forces, assistance, and facilities, including right of passage necessary for the purpose of maintaining international peace and security. These agreements shall govern the numbers and types of forces, their degree of readiness and general location, and the nature of the facilities and assistance to be provided. The agreements are to be negotiated as soon as possible on the initiative of the Security Council and member states, or between the Security Council and groups of member states. All such agreements are to be subject to ratification by the signatory states in accordance with their constitutional processes.

In order to enable urgent military measures to be taken by the United Nations, there are to be held immediately available by its members national air-force contingents for combined international enforcement action. There is also to be established a military staff committee. Its functions shall be to advise and assist the Security Council on all questions relating to the Council's military requirements for the maintenance of international peace and security, to the employment and command of forces placed at its disposal, to the regulation of armaments and to possible disarmament. It shall be responsible under the Security Council for the strategic direction of any armed forces placed at the disposal of the Council. The committee shall be composed of the Chiefs of Staff of the permanent members of the Security Council or their representatives. Any member of the United Nations not permanently represented on the committee is to be invited by the committee to be associated with it when the efficient discharge of the committee's responsibilities requires that such a state should participate in its work. The staff committee, with the authorization of the Council, after consultation with regional agencies, may also establish military subcommittees.

In substance, the armed forces of the United Nations are to be a smaller edition of the Allied armed forces mobilized and used in much the same manner as has been the case during World War II. These armed forces are not to be in a group separated from the control of their respective nations. They merely are assigned to the United Nations campaigns as they would be to any of their own nation's campaigns. This retention of connections between these troops and their own nations is due in part to the fact that a modern army cannot exist apart from the sources of supply of its modern equipment. There is no such thing as a self-sufficient armed force. An armed force of today requires not only men in uniform supplied with arms and ammunition, it needs, also, airplanes and back of them airplane factories and back of them aluminum production plants and back of them great sources of electric power, and coupled with these there must be available great sources of supply of food, clothing, and the many incidental items that go into the manufacture of modern fighting equipment. The armed forces of the United Nations will be, therefore, an Allied force comparable to that used in World War II, but greatly reduced in size and cost. This reduction will reflect the reduced need for Allied armed forces in the light of the Allied victory over all enemy forces of the world and in the light of the continuing cooperation of the Allied Nations through the formation of the United Nations, dedicated to the maintenance of international peace and security.

The effect of the Security Council as an enforcement agency is therefore to provide added unity and stability in a manner that may aid materially in maintaining international peace and security.

F. THE TRUSTEESHIP COUNCIL

In addition to the agencies outlined in the Dumbarton Oaks Proposals, the San Francisco Conference has indicated that provision will be made for a Trusteeship Council and administrative transitional arrangements to get the new organization started. The chapter dealing with the Trusteeship Council has not been available in final form, but it apparently will provide a new mechanism for the administration of certain areas inhabited by dependent people in the interest of the people who inhabit them and in the interest of future world security. The trustee system is to replace the system

of mandates established under the League of Nations. The territories may, therefore, include some territories now held under mandate, some which may be detached from enemy states as a result of World War II, and some voluntarily placed under the system by states responsible for their administration. The trusteeship system shall not apply to territories which have become members of the United Nations.

The basic objective of the trusteeship system in accordance with the purposes of the organization laid down in chapter I of the Charter shall be—

(A) To further international peace and security;

(B) To promote the political, economic, social, and educational advancement of the trust territories and their inhabitants and their progressive development toward self-government or independence as may be appropriate to the particular circumstanees of each territory and its peoples and the freely expressed wishes of the peoples concerned, and as may be provided by the trusteeship arrangement;

(C) To insure equal treatment in social, economic, and commercial matters for all members of the United Nations, and their nationals, and also equal treatment for the latter in the administration of justice.

Some of the areas have special strategic importance. While the form is not primarily important, the substance of our rights in these areas is important. For example, whether or not the United States shall have sovereignty over points which are primarily of strategic importance to its own security and to the maintenance of peace and security in the Pacific, it is important that the United States shall have full legal right to use those areas for strategic purposes essential to its security and to future world security.

The proposed amendments that set up the Trusteeship Council are of considerable length and deserve careful consideration. They have not yet been finally adopted, but they cover many points which have been under public discussion. They are set forth in an unnumbered chapter at the end of exhibit A, which is to follow this discussion in the RECORD.

G. AMENDMENTS

The foregoing discussion has dealt with the United Nations Charter and has emphasized the value and, in fact, the urgency of its approval because of the means of making peaceful adjustments that it provides, and because of the provisions it makes for an International Court of Justice, an Economic and Social Council, the recognition of regional arrangements and agencies, a Security Council, and a Trusteeship Council, none of which would exist without this Charter.

There remains at least one further important consideration to be discussed in connection with the terms of this Charter. This is its provision for its own amendment.

One of the major reasons for the establishment of an international organization as distinguished from the writing of static treaties between nations is so that the nations may have a flexible mechanism with which to meet changing conditions that threaten international peace and security. The establishment of the United Nations thus provides a going concern of substantial value to meet the then forseeable conditions. This organization itself, however, will become a tragic hindrance to the peace of the world unless it can be changed itself to meet the changing needs of the time and to reflect the results of experience gained.

It is, therefore, a matter of major importance that the Charter shall contain appropriate provisions for its own amendment.

On the one hand, reasonable security against ill-considered amendments is an important factor in securing the consent of members to the Charter in the first instance. Equally important, however, is a reasonable degree of freedom of amendment.

The Charter necessarily contains some provisions that are unsatisfactory to some of its members but are not sufficiently objectionable to justify opposition to the Charter if the Charter contains a reasonable opportunity for its amendment in the light of future experience under it. This reasonable freedom of amendment is as important in securing approval of the Charter as is the protection of the Charter against unreasonable ease of amendment.

It has been suggested also that there be an opportunity to reconsider the provisions of the Charter at a specified future date by a general conference to be called by a substantial number of the members of the United Nations.

A precedent of interest on this subject is to be found in the provisions for the amendment of the Constitution of the United States. Provision is there made for two alternative procedures. In article V it is provided that—

> The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three-fourths of the several States, or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by the Congress: *Provided*, That no amendment which may be made prior to the year 1808 shall in any manner affect the first and fourth clauses in the ninth section of the first article; and that no State, without its consent, shall be deprived of its equal suffrage in the Senate.

In the light of this article, which has proven to be reasonably satisfactory, it may be suggested that alternative modes of amendment be provided by the Charter of the United Nations. One procedure might be by way of a general conference and the other by way of specific amendments proposed to the Charter for separate adoption. The precedent set by the Constitution of the United States also confirms the suggestion that it is better to leave the time for the calling of such a conference or for considering individual amendments to the needs of the future rather than to attempt to specify now an arbitrary future date when some action must be taken regardless of the desirability of it at that time.

Furthermore, the provision in the Constitution of the United States which excludes from the usual procedure of amendment any amendment which might deprive a State of its equal suffrage in the Senate without its own consent suggests that inasmuch as a veto power is to be incorporated in the original Charter of the United Nations, it might be appropriate to provide that no permanent member of the Security Council shall be deprived of its veto power by way of amendment without its own consent, but that all other amendments shall take effect when ratified in accordance with their respective constitutional processes by the three-fourths of the members of the United States, including in such three-fourths at least three-fourths of the members of the United Nations then holding membership in the Security Council.

III. THE NECESSITY FOR OTHER ACTION IN ADDITION TO THE APPROVAL OF THE CHARTER OF THE UNITED NATIONS IF SUCH APPROVAL BE GIVEN

Even if the Charter of the United Nations is ratified and the organization becomes a going concern, this is but one of many vital steps which need to be taken in the interest of a just and lasting peace. The Charter in itself will determine none of the actual terms of the peace. It will settle no questions of boundaries or of ethnic relations.

There will remain for consideration great numbers of international issues which will be constantly recurring until such time as a just and satisfactory solution of each has been reached on its merits. Some of these are already of long standing and are extremely difficult of solution. Each is of primary importance to the people directly concerned, and each has some significance in the continued peace and security of the world.

In connection with some of them, the United Nations organization may be of assistance. Many others, however, will fall far outside the scope of the United Nations agencies unless and until some dispute threatening the peace and security of the world might bring them before the United Nations. Among such, it is but necessary to mention such outstanding examples as the cases of Poland and Palestine both to illustrate the difficulties involved and to indicate the complete separation of those difficulties from the impending issue of the ratification of the Charter of the United Nations.

These difficult questions of boundaries and sovereignty certainly constitute no argument against the ratification of the Charter by the United States. In fact the existence of a United Nations organization dedicated to the observance of international law and to securing justice in international affairs should be a helpful influence rather than a hindrance in securing a hearing leading toward just and satisfactory solutions of these difficulties.

Apart from questions as to individual nations and conflicts of interest there are many issues of an international nature and some of a domestic character to

which it will be necessary for the Senate to give early consideration if America is to have lasting peace and prosperity. These issues are inescapable. Congress is already considering or is about to consider proposals to meet most of them.

It is necessary that we think of these as well as of the Charter of the United Nations if we are to see that Charter in its proper perspective. The Charter is a vitally important and primary step on the road to lasting peace; yet, after all, it is but one of many difficult and important steps which also are essential if peace and security are to be maintained in America, to say nothing of the world.

AMERICA'S FOREIGN POLICIES

While not attempting to list, by any means, all of the international and domestic problems bearing upon the stability of America tomorrow, the following are among those deserving early attention.

First. Relief and rehabilitation of Allied occupied nations: This issue is to be distinguished from that relating to the treatment of conquered enemy nations. The latter is a separate problem, still primarily of a military nature, although soon calling for recognition by Congress through appropriations. The procedure in connection with the relief and rehabilitation of Allied occupied nations is also to be distinguished from the procedure which was adopted to meet their wartime needs under the lend-lease program. The problem of relief and rehabilitation of Allied occupied nations which themselves are unable to pay for that relief and rehabilitation is the problem now facing the United Nations Relief and Rehabilitation Administration. There is a pressing emergency for carrying forward the program that is already under way. There also exists a need to visualize the end of the UNRRA relief program in accordance with its original intent. The end of UNRRA will leave the United States and the other Allied nations face to face with problems of postwar economic recovery in the light of their own future industrial possibilities, as well as in the light of the sufferings and destruction brought upon them by enemy occupation.

Second. The stability of international credit and foreign exchange: This is a necessary element in postwar stability and recovery. It is involved in the proposals before Congress for an International Bank for Reconstruction and Development, together with an International Monetary Fund. These proposals have grown out of the international conference held at Bretton Woods, N. H., in July 1944. The soundness of the International Bank and its proposal for the establishment of international credit have been generally approved. Recent modifications of policy have also been winning wider approval to the International Monetary Fund program than was at first evident. The monetary-fund program has been widely misunderstood. It is intended to supplement the establishment of international credit through securing standards of international trade which will avoid consequences similar to those experienced between World War I and World War II as a result of the devaluation of national currencies and a general resort to various types of cut-throat competition among nations. These practices contributed to the world-wide depression. While this plan requires clarification, it is equally important to recognize that the early stabilization of international trade is a primary condition of world-wide and domestic recovery. So unless some better substitute is produced to help stabilize international exchange and to improve its standards of doing business, it will be important to proceed with this plan.

Third. Food: While our first responsibility is to provide opportunity to secure adequate food supplies within the United States for both our military and civilian population, there also exists a need for increasing the nutritive value and the efficiency and volume of the production and distribution of foods among our Allied nations, so that they may fully sustain themselves as soon as possible. The Food and Agriculture Organization developed at Hot Springs, Va., in May 1943, was an attempt to reach this need.

Fourth. The restoration of educational systems among our allies, to say nothing of the problem in the Axis Nations, is a problem upon which the peace and stability of the world necessarily depend. The importance of these educational systems increases in proportion to the extent to which reliance is placed upon the principle of self-government in these nations. Emergency problems exist among our allies whose educational and cultural institutions were destroyed by the Axis Powers. This situation not only calls for the securing of ordinary school equipment, but it also opens the door to America and to Great Britain for guidance in teaching scientific and industrial processes and in providing laboratory equipment among our allies, in place of the processes and equipment formerly supplied from Axis sources. The important opportunities involved in this need were considered at the Conference of Allied Ministers of Education, held in London in April 1944, at which the United States was represented by a commission under the chairmanship of WILLIAM J. FULBRIGHT, now a Member of the United States Senate. The need for the continuance of this interest is self-evident.

Fifth. International civil aviation presents one of the most important fields of international development. Today, due to the war, America leads the world in aviation. There will naturally develop substantial competition for international civil aviation in the postwar period. The peace and prosperity of the world and of America are closely related to and can be greatly benefited by developments in this field. Consideration was given to them at the Civil Aviation Conference held at Chicago in 1944. An important issue which is to be decided as a matter of domestic policy of the United States is how to regulate the participation of American interests in international aviation. It must be decided upon the basis of what policy will best develop the aviation industry of America, in connection with a world-wide advance in this new field of human enterprise.

Sixth. International communications and their regulation are more vital than ever to the access of America to the rest of the world and to the continuance of our international trade. In past years the Universal Postal Union and the Communication and Transit Organization have existed in connection with the League of Nations. New issues are now presented in the fields of cable and radio communication, and they offer new opportunities for America. The policy of the United States on these issues is yet to be developed, and we undoubtedly shall be called upon soon to join with the other nations of the world in the consideration of these issues.

Seventh. International Labor Organization: This important activity has survived the general abandonment of other activities of the League of Nations. The United States has been a member of the ILO since 1934, and it is now being carried on with offices primarily in Canada. The importance of international labor issues was recognized at the International Labor Conference held in Philadelphia in 1944. While this field may yield critical and important developments domestically as well as internationally, the international issues are important to the future peace and prosperity of the world. They should command the continued interest and support of the United States.

Eighth. General international trade and travel: The development of international postwar trade is important not only to the United States but to all other nations. The degree to which we and other nations shall find it necessary to protect home industries presents issues of an economic and commercial nature which usually can better be solved in detail by administrative bodies fully informed on the facts, rather than by legislative bodies, except on issues of general policy. In this field comes the question of the extension of the Reciprocal Trade Agreements Act, now the pending business before the Senate. While there are important reasons for the extension of the life of this act, the proposed measure raises a serious question, for example, as to the extent to which the executive branch of the Government should be permitted to adjust legislative tariffs up or down without coming back to Congress for approval of the variations.

Apart from international trade in the ordinary sense, there will develop a new opportunity for international travel, which carries with it tremendous possibilities for the benefit of both the United States and foreign nations. Tourist travel will transport American funds abroad in a manner which will not seriously compete with American productive industries. Distribution of such funds abroad will improve international personal relations, and at the same time will help to develop purchasing power for American-made goods.

Ninth. The United States merchant marine presents an important domestic and international problem. Following the war, we shall have by far the largest merchant marine fleet in the world and in our history. If we are to maintain an

Army, Navy, and Air Corps of substantial proportions in connection with our obligations to the United Nations, or in connection with our own policy, we shall need to maintain a large merchant marine as an emergency auxiliary to those forces. It would present an added reason for a Federal interest in our merchant marine service. Having built the ships and trained the men which will enable us to carry the traffic of the world, America may well seek to retain that trade and not again be driven from it by competition based upon standards of wages and living so much lower than that available to American seamen as to be regarded as against public interest.

Tenth. International freedom of expression and of the press: This subject is related to that of cable and radio communication, but it is broader than that issue. It has become clear that an important factor in the maintenance of international peace and understanding is access to and publication of the truth in making known the news of the world. America's interest in this extends not only to the news to be published in America but in the news to be published about America and the United Nations in general throughout the world. While this presents a major and difficult issue of international policy, it has not as yet received the public recognition or support that it deserves.

Eleventh. Treaty-making process of the United States: If the United States ratifies the Charter of the United Nations, and by entering that organization assumes a new and greater share in the international problems of tomorrow, there will be an increased need for the current consideration of foreign policies and international treaties in the light of these closer relationships. Our Constitution now provides for the passage of laws affecting the internal affairs of this Nation, and for the appropriation of funds affecting both the internal and external affairs of this Nation by a majority vote of the House of Representatives and of the Senate, followed by the approval of the President. This procedure has made possible constructive and rapid action based upon the will of the majority of Americans as currently reflected through the two Houses of Congress and the President. On the other hand, our Constitution in the case of treaties does not provide the same facility for their approval. It is based upon an early policy which sought to preserve to one-third of the States a veto power over treaties. There were especially in mind at that time treaties affecting the New England fisheries or traffic in the Gulf of Mexico, which the States in those respective areas were particularly interested in controlling. While these conditions have greatly changed, the requirement still exists that treaties must have the consent of two-thirds of the Senators present. This places a veto power over treaties in one-third plus one of the Members of the Senate. Theoretically, at least, this places a veto power in the hands of the Members of the Senate who might well be representing at the time not merely one-third of the population, but as little as 8 percent of the population of the Nation. This results in a negative control of our foreign policy by a minority rather than by a majority of the Senate, and therefore by the representatives of a minority rather than by a majority of the people of the United States.

If and when the United States shall ratify the Charter of the United Nations and become a member of the United Nations, there will then arise a new and closer relationship between the United States and the rest of the world which will place a greater need upon the United States for prompt and representative constructive action in our foreign affairs than in the past. This change of relationship suggests the propriety of the Senate's at least submitting to the people at that time a proposal for a constitutional amendment on this subject. The same two-thirds of the Senate that shall have voted to ratify the United Nations treaty would be thoroughly justified in submitting to the States a constitutional amendment which, in the light of changed conditions, would permit a change in the constitutional procedure so that thereafter a treaty could be made binding upon the United States after its negotiation by the President and its approval by a majority vote in each House of Congress, in much the same manner as a domestic statute is now enacted.

The submission of such an amendment by a vote of two-thirds of the Senate and two-thirds of the House, subject to approval by the vote of three-fourths of the States, would be a step thoroughly in keeping with a desire to afford to the people of the United States an opportunity to take part in the foreign policy of this Nation with the same facility as they now take part in the conduct of its domestic affairs.

Mr. BALL. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. BALL. I have listened with great interest to the Senator's list of the various and specific measures which this Nation must adopt in addition to joining the United Nations organization. I am wondering if the fact should not also be stressed that the establishment of the United Nations organization, as well as the ratification of the treaty by the Senate, will merely provide the machinery through which the peace-loving nations of the world may act jointly in order to prevent another war, and that that machinery will not succeed unless it is supported continually through the years by the governments and the peoples of the member nations.

I am thinking particularly of the League of Nations. The League of Nations could not act except by unanimity of its membership, and that fact resulted in a much greater deterrent to action than the so-called veto powers. The League declared Japan to be an aggressor in 1931, and Italy in 1936. The member nations of the League did not specify their objections under the covenant by going to the assistance of China and Ethiopia. It was the lack of support, rather than the weakness of the peoples, of the various nations which, in my opinion, caused the League to fail.

I wonder if the Senator from Ohio does not want to stress that the establishment of this world organization would merely give us an opportunity to act, and that unless we pass the essential enabling legislation which will make available to the Security Council the necessary force, the organization will not be in position to succeed or to operate successfully.

Mr. BURTON. I thank the Senator from Minnesota for his emphasis on the point which he has so clearly made. I agree with him entirely in his statement. When the Charter comes to the Senate from San Francisco it will be followed by a supplementary agreement relating to the armed forces. Then there must also be a willingness to put it into execution and make it function. To my mind the Charter from San Francisco will be the first of a series of steps which must be taken if we are to have international stability upon which our peace security depends.

AMERICA'S DOMESTIC ISSUES

It has been demonstrated that international stability is a domestic necessity for our own recovery. So also, our domestic stability and prosperity as determined by our domestic policies are not only matters of national concern but of international importance under the present interdependent relations of the nations of the world. In this domestic field our obligations are more familiar to our public and to Congress, but that makes them nonetheless important for mention here. These policies deal with issues which are still closer to our individual American citizens than the international policies which have been discussed. Among the domestic policies thus crying for early consideration and vital to the stability of America tomorrow are the following:

First. National solvency: This presents the vital need for stopping the increase of our national debt following the end of the war, carrying the load of our present debt, changing and adjusting our taxes so that they will be stabilized and will encourage, rather than discourage, production. This calls for an end to deficit financing of our Federal operating expenditures.

Second. Increased production and full employment: This calls for understanding and cooperation between management, labor, agriculture, and Government. It calls for a recognition of the need for policies and relations which will produce ever-increasing production as the key to ever-increasing prosperity and to substantially full employment.

Third. Inventions and new products: Many of these offer the promise of infinitely greater returns from human effort in the future than in the past. In them is an important part of the key to increased production based upon the same expenditure of manpower. Many of these new materials, methods, and products were mentioned earlier in this statement in pointing out the great possibilities connected with them provided there shall be international stability and reasonable assurance of international

stability for a substantial number of years to come and which would permit the return to peacetime production of men, material, and invested capital.

Fourth. Improved housing: There still exist large disgraceful slums and blighted areas in our heavily populated centers. Improved housing materials and methods of construction offer new opportunities for the building of private as well as public housing to meet this need.

Fifth. Improved health conditions, safety programs, and physical standards: These all make direct contributions to productiveness and prosperity. Attention has been called to them by the many physicals defects discovered in connection with the draft of men for military service. There is need for greater hospital facilities in many rural and other areas. These should be developed through privately owned as well as publicly owned agencies, but need not call for public operation of these agencies if carefully located in accordance with the needs of the population.

Sixth. Educational progress as the foundation of democracy: The need for improved education in many parts of the Nation has been emphasized by the lack of education disclosed in the draft of men for military service. The Nation as a whole suffers from such educational defects in its citizenry, and it is important that means be found to overcome such lack of facilities while at the same time protecting our educational policies as against encroachment by the Federal Government.

Seventh. Military training: This will present an issue which will be largely affected by the quota of military forces which may become the obligation of the United States in the Army, the Navy, and the Air Corps under the provisions of the Charter of the United Nations. In the absence of the determination of that quota and its implications, this issue need not and should not be determined inasmuch as the immediate needs are amply met by the Selective Service Act until May 15, 1946.

Eighth. Fair employment practices: These present an issue which should be met with thorough consistency with our national purposes and ideals. It is important to consider which practices should be under local as contrasted with Federal control. Following the precedent set during this war, Federal regulation of practices naturally should extend to and also be limited to employment that is in whole or in part supported by Federal taxes. These taxes are collected without racial or other personal discrimination and therefore should be expended likewise. The success of these policies will depend primarily upon the general public support of the policy involved.

Ninth. There is need for development of a code of fair industrial and labor relations as the foundation of industrial production upon which our standards of living depend. This is of primary importance to labor, to management, and to the public. If there is to be industrial peace and prosperity, it is vitally important that the utmost fairness be available to all parties concerned in such production whether they be employer or employee and whether they be members or officials of organized labor or of employer organizations and whether they be members or not members of any organization whatever.

IV. CONCLUSIONS

Mr. President, there are many more domestic issues of importance. The foregoing have been mentioned so that it may be clear that in passing upon our international problems we must not overlook the vitally important domestic problems of our time. Neither our international nor our domestic policies alone can fully meet the needs of America tomorrow. Our needs are in both fields and require constant attention.

In the field of international and domestic relations, America bears an extraordinary responsibility of leadership at this time. Not only is America the leading creditor nation, military nation, and industrial nation of the world, but it is also the nation whose history most naturally fits it for a demonstration of the soundness of the recognition of the individual rights of men and of nations to full freedom of opportunity based upon justice and fairness rather than upon size, strength, wealth, race, color, or creed. With the exception of those of American Indian descent, most of our population or their forefathers came to America to seek greater freedom of individual opportunity. America is not so much a place as it is a people bound together by a common ideal. This ideal is the ideal of human liberty and opportunity; our obligation and purpose in connection with it was most perfectly expressed in the concluding sentence of Lincoln's second inaugural address delivered from this Capitol Building 80 years ago. He then said, "With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in, to bind up the Nation's wounds, to care for him who shall have borne the battle and for his widow and his orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

EXHIBIT A

THE UNITED NATIONS DUMBARTON OAKS PROPOSALS FOR A GENERAL INTERNATIONAL ORGANIZATION IN THE ORIGINAL FORM IN WHICH THEY WERE TO BE THE SUBJECT OF THE UNITED NATIONS CONFERENCE AT SAN FRANCISCO, APRIL 25, 1945

There should be established an international Organization under the title of the United Nations, the charter of which should contain provisions necessary to give effect to the proposals which follow:

CHAPTER I. PURPOSES

The purposes of the Organization should be:

1. To maintain international peace and security, and to that end to take effective collective measures for the prevention and removal of threats to the peace and the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means adjustment or settlement of international disputes which may lead to a breach of the peace;

2. To develop friendly relations among nations and to take other appropriate measures to strengthen universal peace;

3. To achieve international cooperation in the solution of international economic, social, and other humanitarian problems; and

4. To afford a center for harmonizing the actions of nations in the achievement of these common ends.

CHAPTER II. PRINCIPLES

In pursuit of the purposes mentioned in chapter I, the Organization and its members should act in accordance with the following principles:

1. The Organization is based on the principle of the sovereign equality of all peace-loving states.

2. All members of the Organization undertake, in order to insure to all of them the rights and benefits resulting from membership in the Organization, to fulfill the obligations assumed by them in accordance with the charter.

3. All members of the Organization shall settle their disputes by peaceful means in such a manner that international peace and security are not endangered.

4. All members of the Organization shall refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the Organization.

5. All members of the Organization shall give every assistance to the Organization in any action undertaken by it in accordance with the provisions of the charter.

6. All members of the Organization shall refrain from giving assistance to any state against which preventive or enforcement action is being undertaken by the Organization.

The Organization should insure that states not members of the Organization act in accordance with these principles so far as may be necessary for the maintenance of international peace and security.

CHAPTER III. MEMBERSHIP

1. Membership of the Organization should be open to all peace-loving states.

CHAPTER IV. PRINCIPAL ORGANS

1. The Organization should have as its principal organs:

a. A General Assembly;

b. A Security Council;

c. An International Court of Justice; and

d. A Secretariat.

2. The Organization should have such subsidiary agencies as may be found necessary.

CHAPTER V. THE GENERAL ASSEMBLY

SECTION A. Composition: All members of the Organization should be members of the General Assembly and should have a number of representatives to be specified in the charter.

SEC. B. Functions and powers: 1. The General Assembly should have the right to consider the general principles of cooperation in the maintenance of international peace and security, including the principles governing disarmament and the regulation of armaments; to discuss any questions relating to the maintenance of international peace and security brought before it by any member or members of the Organization or by the Security Council; and to make recommendations with regard to any such principles or questions. Any such questions on which action is necessary should be referred to the Security Council by the General Assembly either before or after discussion. The General Assembly should not on its own initiative make recommendations on any matter relating to the maintenance of international peace and security which is being dealt with by the Security Council.

2. The General Assembly should be empowered to admit new members to the Organization upon recommendation of the Security Council.

3. The General Assembly should, upon recommendation of the Security Council, be

empowered to suspend from the exercise of any rights or privileges of membership any member of the organization against which preventive or enforcement action shall have been taken by the Security Council. The exercise of the rights and privileges thus suspended may be restored by decision of the Security Council. The General Assembly should be empowered, upon recommendation of the Security Council, to expel from the Organization any member of the Organization which persistently violates the principles contained in the charter.

4. The General Assembly should elect the nonpermanent members of the Security Council and the members of the Economic and Social Council provided for in chapter IX. It should be empowered to elect upon recommendation of the Security Council, the Secretary-General of the Organization. It should perform such functions in relation to the election of the judges of the International Court of Justice as may be conferred upon it by the statute of the court.

5. The General Assembly should apportion the expenses among the members of the Organization and should be empowered to approve the budgets of the Organization.

6. The General Assembly should initiate studies and make recommendations for the purpose of promoting international cooperation in political, economic and social fields and of adjusting situations likely to impair the general welfare.

7. The General Assembly should make recommendations for the coordination of the policies of international economic, social, and other specialized agencies brought into relation with the Organization in accordance with agreements between such agencies and the Organization.

8. The General Assembly should receive and consider annual and special reports from the Security Council and reports from other bodies of the Organization.

SEC. C. Voting. 1. Each member of the Organization should have one vote in the General Assembly.

2. Important decisions of the General Assembly, including recommendations with respect to the maintenance of international peace and security; election of members of the Security Council; election of members of the Economic and Social Council; admission of members, suspension of the exercise of the rights and privileges of members, and expulsion of members; and budgetary questions, should be made by a two-thirds majority of those present and voting. On other questions, including the determination of additional categories of questions to be decided by a two-thirds majority, the decisions of the General Assembly should be made by a simple majority vote.

SEC. D. Procedure. 1. The General Assembly should meet in regular annual sessions and in such special sessions as occasion may require.

2. The General Assembly should adopt its own rules of procedure and elect its president for each session.

3. The General Assembly should be empowered to set up such bodies and agencies as it may deem necessary for the performance of its functions.

CHAPTER VI. THE SECURITY COUNCIL

SECTION A. Composition. The Security Council should consist of one representative of each of 11 members of the Organization. Representatives of the United States of America, the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics, the Republic of China, and, in due course, France, should have permanent seats. The General Assembly should elect six states to fill the nonpermanent seats. These six states should be elected for a term of 2 years, three retiring each year. They should not be immediately eligible for reelection. In the first election of the nonpermanent members three should be chosen by the General Assembly for 1-year terms and three for 2-year terms.

SEC. B. Principal functions and powers. 1. In order to ensure prompt and effective action by the Organization, members of the Organization should by the charter confer on the Security Council primary responsibility for the maintenance of international peace and security and should agree that in carrying out these duties under this responsibility it should act on their behalf.

2. In discharging these duties the Security Council should act in accordance with the purposes and principles of the Organization.

3. The specific powers conferred on the Security Council in order to carry out these duties are laid down in chapter VIII.

4. All members of the Organization should obligate themselves to accept the decisions of the Security Council and to carry them out in accordance with the provisions of the Charter.

5. In order to promote the establishment and maintenance of international peace and security with the least resources for armaments, the Security Council, with the assistance of the Military Staff Committee referred to in chapter VIII, section B, paragraph 9, should have the responsibility for formulating plans for the establishment of a system of regulation of armaments or submission to the members of the Organization.

(Here follows the text of section C as proposed at the Crimea Conference:)

SEC. C. Voting. 1. Each member of the Security Council should have one vote.

2. Decisions of the Security Council on procedural matters should be made by an affirmative vote of seven members.

3. Decisions of the Security Council on all other matters should be made by an affirmative vote of seven members including the concurring votes of the permanent members; provided that, in decisions under chapter VIII, section A, and under the second sentence of paragraph 1 of chapter VIII, section C, a party to a dispute should abstain from voting.

SEC. D. Procedure. 1. The Security Council should be so organized as to be able to function continuously and each state member of the Security Council should be permanently represented at the headquarters of the organization. It may hold meetings at such other places as in its judgment may best facilitate its work. There should be periodic meetings at which each state member of the Security Council could if it so desired be represented by a member of the Government or some other special representative.

2. The Security Council should be empowered to set up such bodies or agencies as it may deem necessary for the performance of its functions including regional subcommittees of the Military Staff Committee.

3. The Security Council should adopt its own rules of procedure, including the method of selecting its president.

4. Any member of the Organization should participate in the discussion of any question brought before the Security Council whenever the Security Council considers that the interests of that member of the Organization are specially affected.

5. Any member of the Organization not having a seat on the Security Council and any state not a member of the Organization, if it is a party to a dispute under consideration by the Security Council, should be invited to participate in the discussion relating to the dispute.

CHAPTER VII. AN INTERNATIONAL COURT OF JUSTICE

1. There should be an international court of justice which should constitute the principal judicial organ of the Organization.

2. The court should be constituted and should function in accordance with a statute which should be annexed to and be a part of the charter of the Organization.

3. The statute of the Court of International Justice should be either (a) the statute of the Permanent Court of International Justice, continued in force with such modifications as may be desirable or (b) a new statute in the preparation of which the statute of the Permanent Court of International Justice should be used as a basis.

4. All members of the Organization should ipso facto be parties to the statute of the International Court of Justice.

5. Conditions under which states not members of the Organization may become parties to the statute of the International Court of Justice should be determined in each case by the General Assembly upon recommendation of the Security Council.

CHAPTER VIII. ARRANGEMENTS FOR THE MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY INCLUDING PREVENTION AND SUPPRESSION OF AGGRESSION

SECTION A. Pacific settlement of disputes: 1. The Security Council should be empowered to investigate any dispute, or any situation which may lead to international friction or give rise to a dispute, in order to determine whether its continuance is likely to endanger the maintenance of international peace and security.

2. Any state, whether member of the Organization or not, may bring any such dispute or situation to the attention of the General Assembly or of the Security Council.

3. The parties to any dispute the continuance of which is likely to endanger the maintenance of international peace and security should obligate themselves, first of all, to seek a solution by negotiation, mediation, conciliation, arbitration, or judicial settlement, or other peaceful means of their own choice. The Security Council should call upon the parties to settle their dispute by such means.

4. If, nevertheless, parties to a dispute of the nature referred to in paragraph 3 above fail to settle it by the means indicated in that paragraph, they should obligate themselves to refer it to the Security Council. The Security Council should in each case decide whether or not the continuance of the particular dispute is in fact likely to endanger the maintenance of international peace and security, and, accordingly, whether the Security Council should deal with the dispute, and, if so, whether it should take action under paragraph 5.

5. The Security Council should be empowered, at any stage of a dispute of the nature referred to in paragraph 3 above, to recommend appropriate procedures or methods of adjustment.

6. Justiciable disputes should normally be referred to the international court of justice. The Security Council should be empowered to refer to the court, for advice, legal questions connected with other disputes.

7. The provisions of paragraph 1 to 6 of section A should not apply to situations or disputes arising out of matters which by international law are solely within the domestic jurisdiction of the state concerned.

SEC. B. Determination of threats to the peace or acts of aggression and action with respect thereto: 1. Should the Security Council deem that a failure to settle a dispute in accordance with procedures indicated in paragraph 3 of section A, or in accordance with its recommendations made under paragraph 5 of section A, constitutes a threat to the maintenance of international peace and security, it should take any measures necessary for the maintenance of international peace and security in accordance with the purposes and principles of the Organization.

2. In general the Security Council should determine the existence of any threat to the peace, breach of the peace or act of aggression and should make recommendations or decide upon the measures to be taken to maintain or restore peace and security.

3. The Security Council should be empowered to determine what diplomatic, economic, or other measures not involving the use of armed force should be employed to give effect to its decisions, and to call upon members of the Organization to apply such measures. Such measures may include complete or partial interruption of rail, sea, air, postal, telegraphic, radio, and other means of communication and the severance of diplomatic and economic relations.

4. Should the Security Council consider such measures to be inadequate, it should b empowered to take such action by air, naval, or land forces as may be necessary to maintain or restore international peace and security. Such action may include demonstrations, blockade, and other operations by air, sea, or land forces of members of the Organization.

5. In order that all members of the Organization should contribute to the maintenance of international peace and security, they should undertake to make available to the Security Council, on its call and in accordance with a special agreement or agreements concluded among themselves, armed forces, facilities, and assistance necessary for the purpose of maintaining international peace and security. Such agreement or agreements should govern the numbers and types of forces and the nature of the facilities and assistance to be provided. The special agreement or agreements should be negotiated as soon as possible and should in each case be subject to approval by the Security Council and to ratification by the signatory states in accordance with their constitutional processes.

6. In order to enable urgent military measures to be taken by the organization there should be held immediately available by the members of the organization national air-force contingents for combined international enforcement action. The strength and degree of readiness of these contingents and plans for their combined action should be determined by the Security Council with the assistance of the Military Staff Committee within the limits laid down in the special agreement or agreements referred to in paragraph 5 above.

7. The action required to carry out the decisions of the Security Council for the maintenance of international peace and security should be taken by all the members of the Organization in cooperation or by some of them as the Security Council may determine. This undertaking should be carried out by the members of the organization by their own action and through action of the appropriate specialized organizations and agencies of which they are members.

8. Plans for the application of armed force should be made by the Security Council with the assistance of the Military Staff Committee referred to in paragraph 9 below.

9. There should be established a Military Staff Committee the functions of which should be to advise and assist the Security Council on all questions relating to the Security Council's military requirements for the maintenance of international peace and security, to the employment and command of forces placed at its disposal, to the regulation of armaments, and to possible disarmament. It should be responsible under the Security Council for the strategic direction of any armed forces placed at the disposal of the Security Council. The committee should be composed of the chiefs of staff of the permanent members of the Security Council or their representatives. Any member of the Organization not permanently represented on the committee should be invited by the committee to be associated with it when the efficient discharge of the committee's responsibilities requires that such a state should participate in its work. Questions of command of forces should be worked out subsequently.

10. The members of the Organization should join in affording mutual assistance in carrying out the measures decided upon by the Security Council.

11. Any state, whether a member of the organization or not, which finds itself confronted with special economic problems arising from the carrying out of measures which have been decided upon by the Security Council should have the right to consult the Security Council in regard to a solution of those problems.

SEC. C. Regional arrangements. 1. Nothing in the charter should preclude the existence of regional arrangements or agencies for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action, provided such arrangements or agencies and their activities are consistent with the purposes and principles of the organization. The Security Council should encourage settlement of local disputes through such regional arrangements or by such regional agencies, either on the initiative of the states concerned or by reference from the Security Council.

2. The Security Council should, where appropriate, utilize such arrangements or agencies for enforcement action under its authority, but no enforcement action should be taken under regional arrangements or by regional agencies without the authorization of the Security Council.

3. The Security Council should at all times be kept fully informed of activities undertaken or in contemplation under regional arrangements or by regional agencies for the maintenance of international peace and security.

CHAPTER IX. ARRANGEMENTS FOR INTERNATIONAL ECONOMIC AND SOCIAL COOPERATION

SECTION A. Purpose and relationships. 1. With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations, the Organization should facilitate solutions of international economic, social, and other humanitarian problems and promote respect for human rights and fundamental freedoms. Responsibility for the discharge of this function should be vested in the General Assembly and, under the authority of the General Assembly, in an Economic and Social Council.

2. The various specialized economic, social, and other organizations and agencies would have responsibilities in their respective fields as defined in their statutes. Each such organization or agency should be brought into relationship with the organization on terms to be determined by agreement between the Economic and Social Council and the appropriate authorities of the specialized organization or agency, subject to approval by the General Assembly.

SEC. B. Composition and voting. The Economic and Social Council should consist of representatives of 18 members of the organization. The states to be represented for this purpose should be elected by the General Assembly for terms of 3 years. Each such state should have one representative, who should have one vote. Decisions of the Economic and Social Council should be taken by simple majority vote of those present and voting.

SEC. C. Functions and powers of the Economic and Social Council. 1. The Economic and Social Council should be empowered:

(a) To carry out, within the scope of its functions, recommendations of the General Assembly;

(b) To make recommendations, on its own initiative, with respect to international economic, social, and other humanitarian matters;

(c) To receive and consider reports from the economic, social, and other organizations or agencies brought into relationship with the Organization, and to coordinate their activities through consultations with, and recommendations to, such organizations or agencies;

(d) To examine the administrative budgets of such specialized organizations or agencies with a view to making recommendations to the organizations or agencies concerned;

(e) To enable the Secretary-General to provide information to the Security Council;

(f) To assist the Security Council upon its request; and

(g) To perform such other functions within the general scope of its competence as may be assigned to it by the General Assembly.

SEC. D. Organization and procedure. 1. The Economic and Social Council should set up an economic commission, a social commission, and such other commissions as may be required. These commissions should consist of experts. There should be a permanent staff which should constitute a part of the secretariat of the Organization.

2. The Economic and Social Council should make suitable arrangements for representatives of the specialized organizations or agencies to participate without vote in its deliberations and in those of the commissions established by it.

3. The Economic and Social Council should adopt its own rules of procedure and the method of selecting its president.

CHAPTER X. THE SECRETARIAT

1. There should be a secretariat comprising a secretary-general and such staff as may be required. The secretary-general should be the chief administrative officer of the Organization. He should be elected by the General Assembly, on recommendation of the Security Council, for such term and under such conditions as are specified in the charter.

2. The secretary-general should act in that capacity in all meetings of the General Assembly, of the Security Council, and of the Economic and Social Council and should make an annual report to the General Assembly on the work of the Organization.

3. The secretary-general should have the right to bring to the attention of the Security Council any matter which in his opinion may threaten international peace and security.

CHAPTER XI. AMENDMENTS

Amendments should come into force for all members of the Organization, when they have been adopted by a vote of two-thirds of the members of the General Assembly and ratified in accordance with their respective constitutional processes by the members of the Organization having permanent membership on the Security Council and by a majority of the other members of the Organization.

CHAPTER XII. TRANSITIONAL ARRANGEMENTS

1. Pending the coming into force of the special agreement or agreements referred to in chapter VIII, section B, paragraph 5, and in accordance with the provisions of paragraph 5 of the Four-Nation Declaration, signed at Moscow, October 30, 1943, the states parties to that Declaration should consult with one another and as occasion arises with other members of the Organization with a view to such joint action on behalf of the Organization as may be necessary for the purpose of maintaining international peace and security.

2. No provision of the charter should preclude action taken or authorized in relation to enemy states as a result of the present war by the governments having responsibility for such action.

NOTE

In addition to the question of voting procedure in the Security Council referred to in chapter VI, several other questions are still under consideration.

WASHINGTON, D. C., *October 7, 1944* [released October 9, 1944].

[From the New York Times of June 10, 1945]

TEXT OF THE ALMOST COMPLETED CHARTER OF THE NEW WORLD SECURITY ORGANIZATIONS

THE PREAMBLE

We, the peoples of the United Nations,

Determined to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind, and

To reaffirm faith in fundamental human rights, in the dignity and value of the human person, in the equal rights of men and women and of nations large and small, and

To establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and

To promote social progress and better standards of life in larger freedom, and, for these ends,

To practice tolerance and live together in peace with one another as good neighbors, and

To unite our strength to maintain international peace and security, and

To accept principles and to institute methods to insure that armed force shall not be used, save in the common interest, and

To employ international machinery for the promotion of economic and social advancement of all peoples, through our representatives assembled at San Francisco, agree to this charter.

CHAPTER I. PURPOSES

The purposes of the Organization are:

1. To maintain international peace and security; and to that end to take effective collective measures for the prevention and removal of threats to the peace and the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with principles of justice and international law, adjustment or settlement of international disputes or situations which may lead to a breach of the peace.

2. To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples and to take other appropriate measures to strengthen universal peace.

3. To achieve international cooperation in the solution of international problems of economic, social, cultural, and humanitarian character and promotion and encouragement of respect for human rights and for fundamental freedoms for all without distinction as to race, language, religion or sex; and

4. To be a center for harmonizing the actions of nations in the achievement of these common ends.

CHAPTER II. PRINCIPLES

In pursuit of the purposes mentioned in chapter I the Organization and its members should act in accordance with the following principles:

1. The Organization is based on the principle of the sovereign equality of all its members.

2. All members of the Organization shall fulfill the obligations assumed by them in accordance with the charter in order to insure to all of them the rights and benefits resulting from membership in the Organization.

3. All members of the Organization shall settle their international disputes by peaceful means in such a manner that international peace, security, and justice are not endangered.

4. All members of the Organization shall refrain in their international relations from the threat or the use of force against the territorial integrity or political independence of any member or state or in any other manner inconsistent with the purposes of the Organization.

5. All members of the Organization shall give every assistance to the Organization in any action undertaken by it in accordance with the provisions of the charter.

6. All members of the Organization shall refrain from giving assistance to any state against which preventive or enforcement action is being undertaken by the Organization.

7. The Organization shall insure that states not members of the Organization act in accordance with these principles so far as may be necessary for the maintenance of international peace and security.

8. Nothing contained in this charter shall authorize the Organization to intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the members to submit such matters to settlement under this charter; but this principle shall not prejudice the application of chapter VIII, section B.

CHAPTER III. MEMBERSHIP

1. The initial members are the signatories of the charter whose ratification has become effective in accordance with chapter XI.

2. Membership of the Organization is open to all peace-loving states which, in the judgment of the Organization, are able and ready to accept and carry out the obligations contained in the charter.

CHAPTER IV. PRINCIPAL ORGANS

1. The Organization has as its principal organs:

A. A General Assembly;
B. A Security Council;
C. An Economic and Social Council;
D. An International Court of Justice; and
E. A Secretariat.

2. The Organization should have such subsidiary agencies as may be found necessary.

3. The United Nations shall place no restrictions on the eligibility of men and women to participate in any capacity and under conditions of equality in the principal and subsidiary organs.

CHAPTER V. THE GENERAL ASSEMBLY

Section A. Composition

The General Assembly shall consist of representatives of members of the organization. Each member may have not more than five representatives.

Section B. Functions and powers

1. The General Assembly shall have the right to discuss any matter within the sphere of international relations; and, subject to the exception embodied in paragraph 2 below, to make recommendations to the members of the organization or to the Security Council, or both, on any such matters.

2. In particular and without limiting the generality of the preceding paragraph, the General Assembly shall have the right—

A. To consider the general principles of cooperation in the maintenance of international peace and security, including the principles governing disarmament and the regulation of armaments and to make recommendations to the governments or to the Security Council on such principles;

B. To discuss any questions relating to the maintenance of international peace and security brought before it by any member or members of the Organization or by the Security Council, and to make recommendations to the governments or to the Security Council, or both, with regard to any such question. Any such questions on which action is necessary should be referred to the Security Council by the General Assembly either before or after discussion. The General Assembly shall have the right to call the attention of the Security Council to situations which are likely to endanger international peace and security. While the Security Council is exercising in respect of any dispute or situation the functions assigned to it under this charter, the General Assembly should not make any recommendation with regard to that dispute or situation unless the Security Council so requests. The secretary general shall be required, with the consent of the Security Council, to notify the General Assembly at each session of any matter relative to the maintenance of international peace or security which are being dealt with by the Security Council and also to notify the General Assembly immediately the Security Council ceases to deal with such matters.

3. The General Assembly may admit new members to the Organization upon recommendation of the Security Council.

4. The Organization may at any time suspend from the exercise of the rights or privileges of membership any member of the Organization against which preventive or enforcement action shall have been taken by the Security Council, or which shall have violated the principles of the charter in a grave and persistent fashion. The exercise of these rights and privileges may be restored in accordance with the procedure laid down in chapter —, paragraph —.

5. The General Assembly shall elect the nonpermanent members of the Security Council and the members of the Economic and Social Council. It shall elect the secretary general of the Organization upon the recommendation of the Security Council, made by an affirmative vote of seven members. The General Assembly shall participate in the election of the judges of the International Court of Justice in accordance with the provisions of the statute of the court.

6. The General Assembly shall apportion the expenses among the members of the Organization, it shall consider and approve the budgets of the Organization as well as any financial and budgetary arrangements with specialized agencies brought into relationship with the Organization under the provisions of chapter IX, section B.

7. The General Assembly shall initiate studies and make recommendations for the purpose of promoting international cooperation in the political, economic, social, cultural, educational, and health fields, assisting in the realization of human rights and basic freedoms for all, without distinction as to race, language, religion, or sex, and encouraging the progressive development of international law and its codification.

8. Subject to the provisions of paragraph 1 of this section, the General Assembly should be empowered to recommend measures for the peaceful adjustment of any situations, regardless of origin, which it deems likely to impair the general welfare or friendly relations among nations, including situations resulting from a violation of the purposes and principles set forth in this charter.

9. The General Assembly should make recommendations for the coordination of the policies of international economic, social, cultural, health, and other specialized agencies brought into relation with the Organization in accordance with agreements between such agencies and the Organization.

10. The General Assembly should examine the administrative budgets of such specialized agencies with a view to making recommendations to the agencies concerned.

11. The General Assembly should receive and consider annual and special reports from

the Security Council; such reports should include an account of the measures which the Security Council has adopted or applied to maintain international peace and security.

Subject to the provisions of paragraph 2 of this section, the General Assembly should be empowered:

(A) To approve or disapprove in whole or in part any report from the Security Council and to make any recommendations or observations thereon;

(B) To submit recommendations to the Security Council with a view to insuring complete observance of the duties of the Security Council inherent in its responsibilities to maintain international peace and security.

The General Assembly shall receive and consider reports from the other bodies of the Organization and make any recommendations or observations thereon.

Section C. Voting

1. Each member of the Organization shall have one vote in the General Assembly. A member which is in arrears in the payment of its financial contributions to the Organization shall have no vote so long as its arrears amount to its contributions for two full years. The General Assembly may waive the penalty if it is satisfied that the reasons for delay in payment are beyond control of the state in question.

2. Important decisions of the General Assembly, including recommendations with respect to the maintenance of international peace and security, election of members of the Security Council, election of members of the Economic and Social Council, admission of members, suspension of the rights and privileges of members and budgetary questions, should be made by a two-thirds majority of those present and voting. The General Assembly shall decide by a majority of those present and voting all other questions, including the determination of additional categories of questions to be decided by a two-thirds majority.

Section D. Procedure

1. The General Assembly shall meet in a regular annual session and in such special sessions as occasion may require. Special sessions shall be convened by the secretary general at the request of the Security Council or of a majority of the members of the Organization.

2. The General Assembly shall adopt its own rules of procedure and elect its president for each session.

3. The General Assembly may set up such bodies and agencies as it deems necessary for the performance of its functions.

CHAPTER VI. THE SECURITY COUNCIL

Section A. Composition

The Security Council should consist of one representative of each of 11 members of the Organization. Representatives of the United States of America, the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics, the Republic of China, and France, should have permanent seats. The General Assembly should elect six states to fill the nonpermanent seats, due regard being specially paid in the first instance to the contribution of members of the Organization toward the maintenance of international peace and security and toward the other purposes of the Organization, and also to equitable geographical distribution. These six states should be elected for a term of 2 years, three retiring each year. They should not be immediately eligible for reelection. In the first election of the nonpermanent members three should be chosen by the General Assembly for 1-year terms and three for 2-year terms.

Section B. Principal functions and powers

1. In order to insure prompt and effective action by the Organization, members of the Organization should by the charter confer on the Security Council primary responsibility for the maintenance of international peace and security and should agree that, in carrying out these duties under this responsibility, it should act on their behalf. The Security Council shall make annual and, when necessary, special reports to the General Assembly for its consideration.

2. In discharging these duties the Security Council should act in accordance with the purposes and principles of the Organization.

3. The specific powers conferred on the Security Council in order to carry out these duties are laid down in chapter VIII.

4. All members of the Organization should obligate themselves to accept the decisions of the Security Council and to carry them out in accordance with the provisions of the charter.

5. In order to promote the establishment and maintenance of international peace and security with the least diversion of the world's human and economic resources for armaments, the Security Council, with the assistance of the military staff committee referred to in chapter VIII, section B, paragraph 10, should have the responsibility for formulating plans for the establishment of a system of regulation of armaments for submission to the members of the Organization.

6. The Security Council shall participate in the election of the judges of the International Court of Justice in accordance with the statute of the court.

Section C. Voting

1. Each member of the Security Council shall have one vote.

2. Decisions of the Security Council on procedural matters shall be made by an affirmative vote of seven members.

3. Decision of the Security Council on all other matters shall be made by an affirmative vote of seven members, including the concurring votes of the permanent members; provided that, in decisions under chapter VIII, section A, and under the third sentence of paragraph 1 of chapter VIII, section C, a party to a dispute should abstain from voting.

Section D. Procedure

1. The Security Council should be so organized as to be able to function continuously and each state member of the Security Council should be permanently represented at the headquarters of the Organization. It may hold meetings at such other places as in its judgment may best facilitate its work. There should be periodic meetings at which each state member of the Security Council could, if it so desired, be represented by a member of the Government or some other special representative.

2. The Security Council should be empowered to set up such bodies or agencies as it may deem necessary for the performance of its functions.

3. The Security Council should adopt its own rules of procedure, including methods of selecting its president.

4. Any member of the Organization should participate in the discussion of any question brought before the Security Council whenever the Security Council considers that the interests of that member of the Organization are specially affected.

5. Any member of the Organization not having a seat on the Security Council, and any state not a member of the Organization, if it is a party to a dispute under consideration by the Security Council, should be invited to participate in the discussion relating to the dispute. In the case of a nonmember, the Security Council should lay down such conditions as it may deem just for the participation of such a nonmember.

CHAPTER VII. AN INTERNATIONAL COURT OF JUSTICE

1. A tribunal to be called the International Court of Justice is hereby established as the principal judicial organ of the United Nations.

2. The court shall be constituted and shall function in accordance with the annexed statute which forms an integral part of the charter of the United Nations.

3. Nothing in this charter shall prevent the parties from entrusting the solution of their differences to other tribunals by virtue of agreements already in existence or which may be concluded in the future.

4. The statute is based upon the statute of the Permanent Court of International Justice.

5. All parties to the charter are ipso facto parties to the statute of the International Court of Justice.

6. Conditions under which states not parties to the charter may become parties to the statute of the International Court of Jusice shall be determined in each case by the General Assembly upon recommendation of the Security Council.

7. All members of the United Nations undertake to comply with the decisions of the International Court of Justice.

8. In the event of a state's failure to perform the obligations incumbent upon it under a judgment rendered by the court, the other party may have recourse to the Security Council, which may make recommendations or decide upon measures to give effect to the judgment.

9. The General Assembly and the Security Council may request the International Court of Justice to give an advisory opinion on any legal question.

CHAPTER VIII. ARRANGEMENTS FOR THE MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY INCLUDING PREVENTION AND SUPPRESSION OF AGGRESSION

Section A. Pacific settlement of disputes

1. Without prejudice to the provisions of paragraphs 3-6 below, the Security Council should be empowered, if all the parties so request, to make recommendations to the parties to any dispute with a view to its settlement in accordance with the principles laid down in chapter II, paragraph 3.

2. The Security Council should be empowered to investigate any dispute, or any situation which may lead to international friction or give rise to a dispute, in order to determine whether its continuance is likely to endanger the maintenance of international peace and security.

3. Any state, whether a member of the Organization or not, may bring any such dispute or situation to the attention of the General Assembly or of the Security Council. In the case of a nonmember, it should be required to accept for the purposes of such dispute the obligations of pacific settlement provided in the charter.

4. The parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security should obligate themselves, first of all, to seek a solution by negotiation, mediation, conciliation, arbitration, or judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice. The Security Council should call upon the parties to settle their dispute by such means.

5. If, nevertheless, parties to a dispute of the nature referred to in paragraph 4 above fail to settle it by means indicated in that paragraph, they should obligate themselves to refer it to the Security Council. If the Security Council deems that the continuance of the particular dispute is, in fact, likely to endanger the maintenace of international peace and security, it shall decide whether to take action under paragraph 6 or 7, or whether itself to recommend such terms of settlement as it may consider appropriate.

6. The Security Council should be empowered, at any stage of a dispute of the nature referred to in paragraph 4 above, to recommend appropriate procedures or methods of adjustment.

7. Justiciable disputes should normally be referred to the International Court of Justice. The Security Council should be empowered to refer to the court, for advice, legal questions connected with other disputes.

Section B. Determination of threats to the peace or acts of aggression and action with respect thereto

1. The Security Council should determine the existence of any threat to the peace, breach of the peace or act of aggression and should make recommendations or decide upon the measures set forth in paragraphs 3 and 4 of this section to be taken to maintain or restore peace and security.

2. Before making the recommendations or deciding upon the measures for the maintenance or restoration of peace and security in accordance with the provisions of paragraph 1 the Security Council may call upon the parties concerned to comply with such provisional measures as it may deem necessary or desirable in order to prevent an aggravation of the situation. Such provisional measures should be without prejudice to the rights, claims, or position of the parties concerned. Failure to comply with such provisional measures should be duly taken account of by the Security Council.

3. The Security Council should be empowered to determine what diplomatic, economic, or other measures not involving the use of armed force should be employed to give effect to its decisions, and to call upon members of the Organization to apply such measures. Such measures may include complete or partial interruption of rail, sea, air, postal, telegraphic, radio, and other means of communication and the severance of diplomatic and economic relations.

4. Should the Security Council consider such measures to be inadequate, it should be empowered to take such action by air, naval, or land forces of members of the Organization.

5. In order that all members of the Organization should contribute to the maintenance of international peace and security, they should undertake to make available to the Security Council, on its call and in accordance with a special agreement or agreements, armed forces, assistance and facilities including rights of passage necessary for the purpose of maintaining international peace and security. Such agreement or agreements should govern the numbers and types of forces, their degree of readiness, and general location, and the nature of the facilities and assistance to be provided. The special agreement or agreements should be negotiated as soon as possible on the initiative of the Security Council and concluded between the Security Council and member states, or between the Security Council and groups of member states. All such agreements should be subject to ratification by the signatory states in accordance with their constitutional processes.

6. When a decision to use force has been taken by the Security Council, it shall, before calling upon any member not represented on it to provide armed forces in fulfillment of its obligations under the preceding paragraphs, invite such member, if it so requests, to send a representative to participate in the decisions of the Security Council concerning the employment of contingents of its armed forces.

7. In order to enable urgent military measures to be taken by the Organization there should be held immediately available by the members of the Organization national air force contingents for combined international enforcement action. The strength and degree of readiness of these contingents and plans for their combined action should be determined by the Security Council with the assistance of the Military Staff Committee within the limits laid down in the special agreement or agreements referred to in paragraph 5 above.

8. The action required to carry out the decisions of the Security Council for the maintenance of international peace and security should be taken by all the members of the Organization in cooperation or by some of them as the Security Council may determine. This undertaking should be carried out by the members of the Organization by their own action and through action of the appropriate specialized organizations and agencies of which they are members.

9. Plans for the application of armed force should be made by the Security Council with the assistance of the Military Staff Committee referred to in paragraph 10 below.

10. There should be established a Military Staff Committee, the functions of which should be to advise and assist the Security Council on all questions relating to the Security Council's military requirements for the maintenance of international peace and security, to the employment and command of forces placed at its disposal, to the regulation of armaments and to possible disarmament. It should be responsible under the Security Council for the strategic direction of any armed forces placed at the disposal of the Security Council. The committee should be composed of the chiefs of staff of the permanent members of the Security Council or their representatives. Any member of the Organization not permanently represented on the committee should be invited by the committee to be associated with it when the efficient discharge of the committee's responsibilities requires that such a state should participate in its work. Questions of command of forces should be worked out subsequently. The Military Staff Committee, with the authorization of the Security Council, after consultation with regional agencies, may establish military subcommittees of the Military Staff Committee.

11. The members of the Organization should join in affording mutual assistance in carrying out the measures decided upon by the Security Council.

12. Any state, whether a member of the Organization or not, which finds itself confronted with special economic problems arising from the carrying out of measures which have been decided upon by the Security Council should have the right to consult the Security Council in regard to a solution of those problems.

Section C. Regional arrangements

1. Nothing in the charter should preclude the existence of regional arrangements or agents for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action, provided such arrangements or agencies and their activities are consistent with the purposes and principles of the Organization. The member states comprising such agencies or entering into such arrangements should make every effort to achieve peaceful settlement of local disputes through such agencies or arrangements before referring them to the Security Council. The Security Council should encourage the development of peaceful settlement of local disputes through such regional arrangements or by such regional agencies, either on the initiative of the states concerned or by reference from the Security Council.

This paragraph in no way impairs the application of paragraphs 1 and 2 of section A of this chapter.

2. The Security Council should, where appropriate, utilize such arrangements or agencies for enforcement action under its authority. But no enforcement action should be taken under regional arrangements or by regional agencies without the authorization of the Security Council with the exception of measures against enemy states in this war provided for pursuant to chapter XII, paragraph 2, or, in regional arrangements directed against renewal of aggressive policy on the part of such states, until such time as the organization may, on request of the governments concerned, be charged with the responsibility for preventing further aggression by a state now at war with the United Nations.

3. The Security Council should at all times be kept fully informed of activities undertaken or in contemplation under regional arrangements or by regional agencies for the maintenance of international peace and security.

Section D

Nothing in this charter impairs the inherent right of individual or collective self-defense if an armed attack occurs against a member state, until the Security Council has taken the measures necessary to maintain international peace and security. Measures taken in the exercise of this right of self defense shall be immmediately reported to the Security Council and shall not in any way affect the authority and responsibility of the Security Council under this charter to take at any time such action as it may deem necessary in order to maintain, or restore, international peace and security.

CHAPTER IX. ECONOMIC AND SOCIAL COUNCIL: ARRANGEMENTS FOR INTERNATIONAL COOPERATION

Section A. Purposes

1. With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principles of equal rights and self-determination of peoples, the organization shall promote:

A. Higher standards of living, full employment, and conditions of economic and social progress and development;

B. Solutions of international economic, social, health, and other related problems; international, cultural, and educational cooperation; and

C. Universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, language, religion, or sex.

Responsibility for the discharge of this function shall be vested in the General Assembly and, under the authority of the General Assembly, in the Economic and Social Council.

2. All members pledge themselves to take joint and separate action in cooperation with the organization for the achievement of these purposes.

Section B. Relationships

1. The various specialized intergovernmental organizations and agencies having wide international responsibilities in economic, social, and other related fields, as defined in their basic instrument, shall be brought into relationship with the organization on terms to be determined by agreement between the Economic and Social Council and the appropriate authorities of the specialized organizations of agencies subject to approval by the General Assembly.

2. The organization shall, where appropriate, initiate negotiations among the nations concerned for the creation of any specialized organization or agency required for the accomplishment of the purpose set out above.

Section C. Council: Composition and voting

The Economic and Social Council shall consist of representatives of 18 members of the Organization. The states to be represented for this purpose shall be elected by the General Assembly. The term of service of the members shall be 3 years, but arrangements shall be made after the first election for six of the members chosen at that election to retire after 1 year, and six after 2 years. Members shall be eligible for reelection at any time. Each member shall have one representative who shall have one vote. Decisions of the Economic and Social Council shall be taken by a simple majority of those present and voting.

Section D. Functions and powers of the Council

In addition to the functions enumerated elsewhere, the Economic and Social Council shall be empowered:

(A) To carry out, within the scope of its functions, recommendations of the General Assembly;

(B) To make recommendations, on its own initiative, for promoting respect for, and observance of human rights and fundamental freedoms;

(C) To make and to initiate studies and reports with respect to international economic, social, cultural, health, and other related matters, and to make recommendations, on its own initiative, on such matters to the General Assembly, to members of the Organization, and to specialized organizations or agencies concerned;

(D) To coordinate the activities of the economic, social, cultural, health, and other specialized organizations or agencies brought into relation with the Organization, through consultation with, and recommendations to, such organizations or agencies and through recommendations to the General Assembly and to the members of the Organization;

(E) To obtain regular reports from the specialized organizations or agencies, to obtain reports from the members of the Organization, and from the specialized organizations or agencies on the steps taken to give effect to its own recommendations and to those of the General Assembly; and to communicate its observations on such reports to the General Assembly;

(F) To perform services at the request of members of the Organization and at the request of specialized organizations or agencies with respect to economic, social, cultural, health, and other related matters, subject to the approval of the General Assembly;

(G) To call, in accordance with the rules prescribed by the Organization, international conferences on matters falling within the scope of the functions of the Council;

(H) To prepare draft conventions, with respect to matters falling within its competence, for submission to the General Assembly;

(I) To furnish information to the Security Council;

(J) To assist the Security Council upon its request; and

(K) To perform such other functions within the general scope of its competence as may be assigned to it by the General Assembly.

Section E. Organization

1. The Economic and Social Council shall set up commissions in the fields of economic and social activities and for the promotion of human rights, and such other commissions as many be required in the fields within the competence of the Council.

2. The Economic and Social Council shall invite any member of the Organization to participate, without vote, in its deliberations on any matter of particular concern to that member.

3. The Economic and Social Council may make arrangements for representatives of the specialized organizations or agencies brought into relationship with the Organization to participate, without vote, in its deliberations and in those of the commissions established by it, and for its representatives to participate in the deliberations of such specialized organizations or agencies.

4. The Economic and Social Council shall be authorized to make suitable arrangements for consultation with nongovernmental organizations which are concerned with matters within the competence of the Council. Such arrangements may apply both to international organizations and, where appropriate, to national organizations after consultation with the member state concerned.

5. There shall be a permanent staff which shall constitute a part of the secretariat of the organization.

6. The Economic and Social Council shall adopt its own rules of procedure and the method of selecting its president. The Economic and Social Council shall meet as required in accordance with rules adopted by the Council. These rules shall include provision for the calling of a meeting on the request of a majority of the members of the Council.

CHAPTER X. THE SECRETARIAT

1. There should be a secretariat, comprising a secretary general (five deputies) and such staff as may be required.

The secretary general and his deputies should be elected by the General Assembly on recommendation of the Security Council for a period of 3 years, and the secretary general should be eligible for reelection. The secretary general should be the chief administrative officer of the Organization.

2. The secretary general shall act in that capacity in all meetings of the General Assembly, of the Security Council, of the Economic and Social Council, and of the Trusteeship Council, and shall perform such other functions as are or may be entrusted to him by the organization. The secretary general shall make an annual report to the General Assembly on the work of the Organization.

3. The Secretary-General may bring to the attention of the Security Council any matter which, in his opinion, might threaten international peace and security.

4. In the performance of their duties the Secretary-General and the staff shall be responsible only to the Organization. They shall not seek or receive instructions from any Government or from any other authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials. Each member undertakes to respect the exclusive international character of the responsibilities of the Secretary-General and the staff, and not to seek to influence them in the discharge of their responsibilities.

5. The staff shall be appointed by the Secretary-General under regulations established by the General Assembly. The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence, and integrity. Due regard shall be paid to the importance of recruiting the staff on as wide a geographical basis as possible.

CHAPTER XI. RATIFICATION AND AMENDMENTS

1. (A) The present charter shall be ratified by the signatory states in accordance with their respective constitutional processes.

(B) The ratification shall be deposited with the Government of the United States of America, which shall notify all signatory states of each deposit.

(C) As soon as the ratifications have been deposited by each of the states entitled to a permanent seat on the Security Council and by a majority of the other signatory states, the charter shall come into force for those states which have deposited their ratifications.

(D) The charter shall come into force for each of the other signatory states on the date of the deposit of its ratification.

2. Amendments should come into force for all members of the Organization when they have been adopted by a vote of two-thirds of the members of the General Assembly and ratified in accordance with their respective constitutional processes by the members of the Organization having permanent membership on the Security Council and by a majority of the other members of the Organization.

3. A general conference of the members of the United Nations may be held at a date and place to be fixed by a two-thirds vote fo the General Assembly, with the concurrence of the Security Council, voting in accordance with the provisions of chapter VI, section C, paragraph 2, for the purpose of reviewing the charter. Each member shall have 1 vote in the Conference. Any alterations of the charter recommended by a two-thirds vote of the Conference shall take effect when ratified in accordance with their respective constitutional processes by the members of the organization having permanent membership on the Security Council and by a majority of the other members of the organization.

CHAPTER XII. TRANSITIONAL ARRANGEMENTS

1. Pending the coming into force of the special agreement or agreements referred to in chapter VIII, section B, paragraph 5, and in accordance with the provisions of paragraph 5 of the four-nation declaration signed at Moscow October 30, 1943, the states parties to that declaration should consult with one another and, as occasion arises, with other members of the Organization with a view to such joint action on behalf of the Organization as may be necessary for the purpose of maintaining international peace and security.

2. No provision of the charter should preclude action taken or authorized in relation to enemy states as a result of the present war by the governments having responsibility for such action.

CHAPTER XIII. MISCELLANEOUS

Section A. Legal status and immunity

1. The Organization shall enjoy in the territory of each of its members such legal capacity as may be necessary for the exercise of its functions and the fulfillment of its purposes.

2. (A) The Organization shall enjoy in the territory of each of its members such privileges and immunities as are necessary to the fulfillment of its purposes.

(B) Representatives of the members of the Organization and officials of the Organization shall similarly enjoy such privileges and immunities as are necessary to the independent exercise of their functions in connection with the organization.

3. The General Assembly may make recommendations with a view to determining the details of the application of the foregoing provisions or may propose conventions to the members of the Organization for this purpose.

Section B. Treaties and obligations

1. Every treaty and every international agreement entered into by any member of the Organization after the coming into force of the charter shall as soon as possible be registered with the Secretariat and be published by it.

2. No party to any such treaty or international agreement which has not been registered in accord with the provisions of this article may invoke that treaty or agreement before any organ of the Organization.

3. In the event of any conflict arising between the members of the Organization under the charter and their obligations under any other international agreement the former shall prevail.

CHAPTER ON TRUSTEESHIP

Section A. General policy

1. States members of the United Nations which have responsibilities for the administration of territories inhabited by peoples not yet able to stand by themselves under the strenuous conditions of the modern world accept the general principle that it is a sacred trust of civilization to promote to the utmost the well-being of the inhabitants of these territories within the world community, and to this end:

(A) To insure the economic and social advancement of the peoples concerned;

(B) To develop self-government in forms appropriate to the varying circumstances of each territory; and

(C) To further international peace and security.

2. States members also agree that their policy in respect to such territories, no less than in respect to their metropolitan areas, must be based on the general principle of good-neighborliness, due account being taken of the interests and well-being of other members of the world community, in social economic and commercial matters.

Section B. Territorial trusteeship system

1. The Organization should establish under its authority an international system of trusteeship for the administration and supervision of such territories as may be placed thereunder by subsequent individual agreements and set up suitable machinery for these purposes.

2. The basic objective of the trusteeship system, in accordance with the purposes of the Organization laid down in chapter I of the charter, should be:

(A) To further international peace and security;

(B) To promote the political, economic, social, and educational advancement of the trust territories and their inhabitants and their progressive development toward self-government or independence as may be appropriate to the particular circumstances of each territory and its peoples and the freely expressed wishes of the peoples concerned, and as may be provided by the trusteeship arrangement;

(C) To encourage respect for human rights and for fundamental freedoms for all without distinction as to race, language, religion, or sex, and recognition of the interdependence of the peoples of the world; and

(D) To insure equal treatment in social, economic, and commercial matters for all members of the United Nations, and their nationals, and also equal treatment for the latter in the administration of justice, without prejudice to the attainment of (A) and (B) above, and subject to the provisions of paragraph 5 below.

3. The trusteeship system should apply only to such territories in the following categories as may be placed thereunder by means of trusteeship arrangements:

(a) Territories now held under mandate;

(b) Territories which may be detached from enemy states as a result of this war; and

(c) Territories voluntarily placed under the system by states responsible for their administration. It would be a matter for subsequent agreement as to which territories would be brought under a trusteeship system and upon what terms. The trusteeship system should not apply to territories which have become members of the United Nations.

4. The trusteeship arrangement for each territory to be under trusteeship should be agreed upon by the states directly concerned, including the mandatory power in the case of territories held under mandate by one of the United Nations, and should be approved as provided for in paragraphs 8 and 10 below.

5. Except as may be agreed upon in individual trusteeship arrangements, made under paragraphs 3, 4, and 6, placing each territory under the trusteeship system, and until such agreements have been concluded, nothing in this chapter shall be construed in or of itself to alter in any manner the rights whatsoever of any states or any peoples or the terms of existing international instruments to which member states may respectively be parties. This paragraph should not be interpreted as giving grounds for delay or postponement of the negotiation and conclusion of the agreements for placing mandated and other territories, as provided for in paragraph 3, under the trusteeship system.

6. The trusteeship arrangements in each case should include the terms under which the territory will be administered and designate the state which should exercise the administration of the territory or designate the United Nations Organization itself to exercise the administration of the territory.

7. In addition, there may also be designated, in the trusteeship arrangement, a strategic area or areas which may include part or all of the territory to which the arrangement applies, without prejudice to any special agreements made under chapter VIII, section B, paragraph 5.

8. All functions of the Organization relative to such strategic areas, including the approval of the trusteeship arrangements and their alteration or amendment, should be exercised by the Security Council. The basic objectives as provided for in paragraph B.2 above should be applicable to the people of each strategic area. The Security Council shall without prejudice to security considerations, avail itself of the assistance of the trusteeship council provided for in paragraph 11 below to perform these functions of the organization under the trusteeship system relating to political, economic, and social matters in the strategic areas, subject to the provisions of the trusteeship arrangements.

9. It shall be the duty of the state administering any trust territory to insure that the territory shall play its part in the maintenance of international peace and security. To this end the state shall be empowered to make use of volunteer forces, facilities, and assistance from the territory in carrying out the obligation undertaken by the state for the Security Council in this regard and for local defense and the maintenance of law and order within the territory.

10. The functions of the Organization with regard to trusteeship arrangements for all areas not designated as strategic, including the approval of the trusteeship arrangements and their alteration and amendment should be exercised by the General Assembly.

11. In order to assist the General Assembly to carry out those functions under the trusteeship system not reserved to the Security Council, there should be established a trusteeship council which would operate under its authority. The trusteeship council should consist of specially qualified representatives, designated (A) one each by the States administering trust territories and (B) one each by the states named in chapter VI, section A, which are not administering trust territories; and (C) one each by a sufficient number of other states, namely for 3-year periods by the General Assembly, so that the total number of representatives is equally divided between administering and nonadministering states. The trusteeship council shall, when appropriate, avail itself of the assistance of the Economic and Social Council and of other bodies which are brought into relationship with the United Nations Organization, in regard to matters with which they are respectively concerned.

12. The General Assembly, and under its authority, the trusteeship council, in carrying out their functions, should be empowered to consider reports submitted by the administering state, to accept petitions and examine them in consultation with the administering state, to make periodic visits to the respective territories at times agreed upon with the administering state, and to take these and other actions in conformity with the trusteeship arrangements.

13. The administering authority in each trust territory within the competence of the General Assembly should make an annual report to the General Assembly upon the basis of a questionnaire formulated by the trusteeship council, on the political, economic, social, and educational advancement of the inhabitants of the trust territory.

EXHIBIT B

STATEMENT BY THE DELEGATIONS OF THE FOUR SPONSORING GOVERNMENTS ON VOTING PROCEDURE IN THE SECURITY COUNCIL

(Released in San Francisco, Calif., June 8, 1945)

Specific questions covering the voting procedure in the Security Council have been submitted by a subcommittee of the Conference Committee on Structure and Procedures of the Security Council to the delegations of the four Governments sponsoring the Conference—the United States of America, the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics, and the Republic of China. In dealing with these questions, the four delegations desire to make the following statement of their general attitude toward the whole question of unanimity of permanent members in the decisions of the Security Council:

1. The Yalta voting formula recognizes that the Security Council, in discharging its responsibilities for the maintenance of international peace and security, will have two broad groups of functions. Under chapter VIII, the Council will have to make decisions which involve its taking direct measures in connection with settlement of disputes, adjustment of situations likely to lead to disputes, determination of threats to the peace, removal of threats to the peace, and suppression of breaches of the peace. It will also have to make decisions which do not involve the taking of such measures. The Yalta formula provides that the second of these two groups of decisions will be governed by a procedural vote—that is, the vote of any seven members. The first group of decisions will be governed by a qualified vote—that is, the vote of seven members, including the concurring votes of the five permanent members, subject to the proviso that in decisions under section A and a part of section C of Chapter VIII parties to a dispute shall abstain from voting.

2. For example, under the Yalta formula a procedural vote will govern the decisions made under the entire section D, of chapter VI. This means that the Council will, by a vote of any seven of its members, adopt or alter its rules of procedure; determine the method of selecting its president; organize itself in such a way as to be able to function continuously; select the times and places of its regular and special meetings; establish such bodies or agencies as it may deem necessary for the performance of its functions; invite a member of the Organization not represented on the Council to participate in its discussions when the members' interests are specifically affected; and invite any state when it is a party to a dispute being considered by the Council to participate in the discussion relating to that dispute.

3. Further, no individual member of the Council can alone prevent consideration and discussion by the Council of a dispute or situation brought to its attention under paragraph 2, section A, chapter VIII. Nor can parties to such dispute be prevented by these means from being heard by the Council. Likewise, the requirement for unanimity of the permanent members cannot prevent any member of the Council from reminding the members of the organization of their general obligations assumed under the Charter as regards peaceful settlement of international disputes.

4. Beyond this point, decisions and actions by the Security Council may well have major political consequences and may even initiate a chain of events which might, in the end, require the Council under its responsibilities to invoke measures of enforcement under Section B, Chapter VIII. This chain of events begins when the Council decides to

make an investigation, or determines that the time has come to call upon states to settles their differences, or makes recommendations to the parties. It is to such decisions and actions that unanimity of the permanent members applies, with the important proviso, referred to above, for abstention from voting by parties to a dispute.

5. To illustrate: In ordering an investigation, the Council has to consider whether the investigation—which may involve calling for reports, hearing witnesses, dispatching a commission of inquiry, or other means—might not further aggravate the situation. After investigation, the Council must determine whether the continuance of the situation or dispute would be likely to endanger international peace and security. If it so determines, the Council would be under obligation to take further steps. Similarly, the decision to make recommendations, even when all parties request it to do so, or to call upon parties to a dispute to fulfill their obligations under the Charter, might be the first step on a course of action from which the Security Council could withdraw only at the risk of failing to discharge its responsibilities.

6. In appraising the significance of the vote required to take such decisions or actions, it is useful to make comparison with the requirements of the League Covenant with reference to decisions of the League Council. Substantive decisions of the League of Nations Council could be taken only by the unanimous vote of all its members, whether permanent or not, with the exception of parties to a dispute under article XV of the League Covenant. Under article XI, under which most of the disputes brought before the League were dealt with and decisions to make investigations taken, the unanimity rule was invariably interpreted to include even the votes of the parties to a dispute.

7. The Yalta voting formula substitutes for the rule of complete unanimity of the League Council a system of qualified majority voting in the Security Council. Under this system nonpermanent members of the Security Council individually would have no veto. As regards the permanent members, there is no question under the Yalta formula of investing them with a new right, namely, the right to veto, a right which the permanent members of the League Council always had. The formula proposed for the taking of action in the Security Council by a majority of seven would make the operation of the Council less subject to obstruction than was the case under the League of Nations rule of complete unanimity.

8. It should also be remembered that under the Yalta formula the five major powers could not act by themselves, since even under the unanimity requirement any decisions of the Council would have to include the concurring votes of at least two of the nonpermanent members. In other words, it would be possible for five nonpermanent members as a group to exercise a veto. It is not to be assumed, however, that the permanent members, any more than the nonpermanent members, would use their veto power willfully to obstruct the operation of the Council.

9. In view of the primary responsibilities of the permanent members, they could not be expected, in the present condition of the world, to assume the obligation to act in so serious a matter as the maintenance of international peace and security in consequence of a decision in which they had not concurred. Therefore, if majority voting in the Security Council is to be made possible, the only practicable method is to provide, in respect of nonprocedural decisions, for unanimity of the permanent members plus the concurring votes of at least two of the nonpermanent members.

10. For all these reasons, the four sponsoring governments agreed on the Yalta formula and have presented it to this Conference as essential if an international organization is to be created through which all peace-loving nations can effectively discharge their common responsibilities for the maintenance of international peace and security.

Mr. FULBRIGHT subsequently said: Mr. President, I desire to ask a question of the junior Senator from Ohio with regard to the address he made earlier in the day. Unfortunately I had to be away while he was discussing that portion of his address regarding the amending clause of the Charter of San Francisco. I wonder if the Senator from Ohio will give the Senate his views on whether it would be proper to have a revision convention—we will say a constitutional convention—for the revision of that Charter in 5 or 7 years as an alternative to making the Charter more easily amended.

Mr. BURTON. Mr. President, replying to the Senator from Arkansas, I will say that I did discuss that matter in my statement earlier in the day, and I said I concurred in what is apparently the proposal now pending in San Francisco that there be provision made for amending the Charter in somewhat the same way that we amend the Constitution of the United States, either by convention or by submission of individual amendments, and my thought is that following the precedent in the Constitution of the United States, the time for calling a general conference for amending the Charter should not be set now for a specific date, because it might be an unfortunate and inconvenient date, but should be left to the call of some proportion, let us say about two-thirds of the assembly, or three-fourths of the assembly, and then a meeting of the general conference could be held, and action taken by way of convention or by way of individual amendment.

Mr. FULBRIGHT. I wanted to say that my purpose in asking the question was to ascertain the Senator's view, and to place on record my own view, which is, that I believe the most important thing that now can be done by the Charter is to make it more easily amended, or subject to revision at some reasonably future time, during which we shall have had the experience necessary to develop the understanding which will be required to remedy some of the defects which all of us note.

Mr. BURTON. I thank the Senator from Arkansas. The point I should like to add, simply to make sure that the colloquy is clear, is that the one thing which is most discouraging about the proposal now pending for amendments to the Charter is that it requires amendments to be approved by all of the permanent members of the Security Council, thereby securing a veto right to any one of them to veto any of the amendments. I think that the right to veto an amendment should be limited to those provisions of the original Charter dealing with the veto.

Mr. FULBRIGHT. I absolutely agree, and I hope our delegation will insist upon that point. That is what I meant by saying there should be a liberalization of the amending power.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. GEORGE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hart	Murdock
Austin	Hatch	O'Mahoney
Ball	Hayden	Pepper
Barkley	Hickenlooper	Radcliffe
Bilbo	Hill	Robertson
Briggs	Johnson, Colo.	Saltonstall
Brooks	Johnston, S. C.	Shipstead
Burton	La Follette	Smith
Butler	Lucas	Thomas, Okla.
Capper	McCarran	Tobey
Chavez	McKellar	Tunnell
Donnell	McMahon	Walsh
Downey	Magnuson	Wherry
Ellender	Mead	White
Ferguson	Millikin	Wiley
Fulbright	Mitchell	Wilson
George	Moore	
Gerry	Morse	

The PRESIDENT pro tempore. Fifty-two Senators having answered to their names, a quorum is present.

DISTRICT OF COLUMBIA APPROPRIATIONS

Mr. O'MAHONEY. Mr. President, will the Senator from Georgia yield to me?

Mr. GEORGE. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 3306, the District of Columbia appropriation bill. The bill was unanimously reported by the Committee on Appropriations. There is no controversy respecting it, and I am confident it can be passed in 10 or 15 minutes.

The PRESIDENT pro tempore. Does the Senator from Georgia yield for that purpose?

Mr. GEORGE. I will yield for that purpose, Mr. President, with the understanding that consideration of the bill will take but a short time.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 3306) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wyoming?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments.

Mr. O'MAHONEY. Mr. President, let me say first that the appropriations for the District of Columbia last year amounted to $69,827,963. The Senate

Appropriations Committee added $715,200 to the amount of the pending appropriation bill as passed by the House, but even with that addition the total of the bill, as reported to the Senate, is only $65,703,280, or $4,124,688 less than the appropriations for last year. The bulk of the addition which was made by the Senate committee is for public schools, $518,560. The other additions are of a minor character.

Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Fiscal service," on page 5, line 20, after the word "laws", to strike out "$220,000" and insert "227,200."

The amendment was agreed to.

The next amendment was, under the heading "Regulatory agencies," on page 8, line 14, after the figures "$128,100", to insert a comma and "together with not to exceed $6,000 of the unexpended balance of the appropriation for this purpose contained in the District of Columbia Appropriation Act, 1945."

The amendment was agreed to.

The next amendment was, on page 9, line 3, after the words "rest room", to strike out "$145,300" and insert "$148,700."

The amendment was agreed to.

The next amendment was, under the heading "Public schools—Operating expenses," on page 10, line 15, after the word "denies", to strike out "equal privileges", and in line 16, after the word "children", to strike out "as is" and insert "the same treatment as that."

The amendment was agreed to.

The next amendment was, under the subhead "Capital outlay," on page 15, after line 18, to insert:

For an additional amount for the construction of an eight-room addition to the Kimball School, including an assembly hall-gymnasium, remodeling of the present building, and treatment of grounds, $60,000.

The amendment was agreed to.

The next amendment was, on page 15, after line 22, to insert:

For the construction of a 16-room extensible elementary-school building, including an assembly hall-gymnasium, and treatment of grounds, in the vicinity of Fifty-third and Blaine Streets NE., $430,000.

The amendment was agreed to.

The next amendment was, on page 16, after line 16, to insert:

For the preparation of plans and specifications for a new 24-room elementary-school building, including an assembly hall-gymnasium, to replace the present Amidon, Fairbrother, and Greenleaf Schools, to be constructed at a total cost of not to exceed $500,000, on a site in the vicinity of the Amidon School, $10,500, which amount may be credited to the appropriation account "Office of Municipal Architect, construction services."

The amendment was agreed to.

The next amendment was, on page 16, after line 24, to insert:

For the preparation of plans and specifications for a new 24-room elementary-school building, including an assembly hall-gymnasium, to replace the present Walker and Jones Schools, to be constructed at a total cost not to exceed $500,000, on a site in the vicinity of Third and L Streets NW., $10,500, which amount may be credited to the appropriation account "Office of Muncipal Architect, construction services."

The amendment was agreed to.

The next amendment was, on page 17, after line 7, to insert:

For the preparation of plans and specifications for a new 14-room elementary-school building, including an assembly hall-gymnasium, to replace the present Peabody and Hilton Schools, to be constructed at a total cost not to exceed $360,000, on a site in the vicinity of the Peabody School, $7,560, which amount may be credited to the appropriation account "Office of Municipal Architect, construction services."

The amendment was agreed to.

The next amendment was, on page 18, line 19, after the words "In all", to strike out "$1,608,000" and insert "$2,126,560"; in line 21, after the word "expended", to strike out "which amount may be credited to the appropriation account "Office of Municipal Architect, construction services","; and in line 24, after the word "schools" and the quotation mark, to strike out the comma and "but obligations shall not be incurred for any or all of the foregoing projects which would result in a total obligation in excess of such $1,608,000."

The amendment was agreed to.

The next amendment was, under the heading "Public Library," on page 20, line 19, after the name "Woodridge" to strike out "$679,000" and insert "$682,900."

The amendment was agreed to.

The next amendment was, on page 21, after line 5, to insert:

For the preparation of plans and specifications for construction of branch library buildings in Anacostia and Pleasant Plains, and for remodeling of existing structures at Takoma Park and Southeastern, $17,800.

The amendment was agreed to.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. I ask the distinguished Senator from Wyoming where, if anywhere in this bill, the matter of pay for janitors or custodians of schools appears?

Mr. O'MAHONEY. On page 11, the paragraph beginning on line 1, under the item "Operation of buildings and maintenance of equipment," includes the appropriation for that sort of service. There is no special treatment given in this bill to pay for janitors.

Mr. LANGER. My information is that the pay is totally inadequate. Some Janitors are receiving $1,200, $1,300, or $1,400 a year, depending upon how long they have been in the service. Somewhere in this bill I believe there should be a provision to raise the pay of such employees to the point where they can at least make a living.

Mr. O'MAHONEY. Let me say to the Senator that the classification of salaries, for the most part, is a matter of legislation. The House committee, in reporting this bill included in its report a paragraph reading as follows:

RECLASSIFICATION OF POSITIONS

As previously indicated, on April 1, there were 1,292 vacancies out of a total of 12,964 authorized positions, or 10 percent. While the manpower situation has no doubt accounted for a great number of the vacancies it also has become apparent to the committee that a great portion of these vacancies may be attributed to inadequate salaries. While the committee is not in a position to make any expression as to what officials or agencies are responsible for this situation, it is of the definite opinion that something must be done about it. Either the District officials should take action or the Civil Service Commission should review the standards with respect to many of the positions, especially those in the welfare and health institutions. It is inconceivable to the committee, for instance, to expect the employment of graduate nurses, psychiatrists, psychologists, doctors of medicine, and other personnel requiring college training and extensive experience at the salaries presently provided. The committee is of the opinion that fewer but better-paid personnel would result not only in better service to the residents of the District but in more efficient and economical operation.

The Appropriations Committee, either that of the Senate or that of the House, did not make any study of these salaries, the reason being that the Committees on Civil Service in both Houses and the legislative committees on the District of Columbia have that matter in mind. As I recall, the Civil Service Committee of the House has reported a bill dealing with the whole question of personnel compensation. The Appropriations Committee is rather limited in its consideration of salary rates and classifications, because that is a legislative matter, which should properly be considered by a legislative committee. Under the rules, we would find it very difficult to pass appropriation bills at all if we were to undertake broad legislative projects. Of course, compensation of employees would be such a project.

Mr. LANGER. As I remember, at various times the Committee on the District of Columbia has reported bills covering the pay of policemen and firemen, which bills have been passed.

Mr. O'MAHONEY. They were considered and reported by the Committee on the District of Columbia.

Mr. LANGER. Yes.

Mr. O'MAHONEY. Such matters come under the jurisdiction of a legislative committee. We are dealing in this instance with appropriations. The Senator will recall that the rules of the Senate provide that legislation sholl not be attached to an appropriation bill except on written notice and suspension of the rule. The problem which the Senator raises is a problem for the consideration of the Committee on the District of Columbia, because a law would have to be enacted. We undertake in this bill only to provide appropriations to make effective laws which have already been enacted.

Mr. LANGER. As I understand from what the Senator says, a point of order could be raised against any amendment to fix the salaries of janitors and custodians.

Mr. O'MAHONEY. That is correct. The Committee on Appropriations does not believe that that is its function.

The PRESIDENT pro tempore. The clerk will state the next committee amendment.

The next amendment was, under the heading "Health Department," on page 30, line 19, after the words "per annum", to strike out "each and" and insert "each"; in line 20, after the word "each", to insert a comma and "and one chief steward at $3,600 per annum"; on page 31, line 7, after the word "grounds", to strike out "$1,750,000" and insert "$1,828,320"; and in line 17, after the word "or", to strike out "in the diagnosis of tuberculosis" and insert "where the Commissioners determine it to be necessary in the public interest."

The amendment was agreed to.

The next amendment was, under the heading "Public welfare—Family welfare service," on page 33, line 13, after the word "than", to strike out "$1,680" and insert "$3,360"; in line 14, after the word "of", to strike out "four" and insert "eight"; and on page 34, line 3, after the word "building", to strike out "$556,000" and insert "$557,680."

The amendment was agreed to.

The next amendment was, under the subhead "Juvenile correctional service," on page 37, line 12, after the word "committed", to strike out "$390,000" and insert "$385,740."

The amendment was agreed to.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. I ask the distinguished Senator from Wyoming where, on page 33, any provision is made for aged people?

Mr. O'MAHONEY. The Senator from North Dakota will observe that, beginning on page 32, the bill deals with public-welfare items. The provision for old-age assistance is to be found on page 34, beginning in line 15, under the item "Adult assistance: For all expenses necessary for certification," and so forth. I will say to the Senator that provision was made in the bill as it passed the House, apparently quite satisfactory to all concerned, because although full notice was given of the public hearing by the Subcommittee on the District of Columbia appropriation bill, no representations were made on that score.

Mr. LANGER. Can the Senator tell us how much a month an aged person receives in the District of Columbia?

Mr. O'MAHONEY. If I correctly remember, a year ago there were ceilings on the amount of individual aid that could be given to any single person. Last year the Senate committee, in considering the District of Columbia appropriation bill, felt that that was unjustified, that the ceilings were too low, and that they should not be imposed, but that the welfare authorities should be free to meet each situation as it arose. We, therefore, recommended an amendment which the Senate adopted, taking the ceilings off. So it is altogether within the jurisdiction of the welfare authorities to pay what each case deserves.

Mr. LANGER. Can the Senator tell me what the average is?

Mr. O'MAHONEY. I do not carry that figure in my mind. The hearings in the House, on page 313, contain this exchange:

> Mr. STEFAN. The ceiling for fiscal 1943 compared with February 1945 for old-age assistance: 1943 was $30; 1945, $34.52. You have this table?
>
> Mr. CLAPP. Yes, we prepared the table, and I have a copy of it here.

Mr. LANGER. That is the maximum. What is the minimum?

Mr. O'MAHONEY. I do not have those figures here. It would be altogether unrealistic, however, to cite a minimum, because it might be a very small amount made for a particular case. I think the authorities of the District of Columbia are taking adequate care of the problem as it arises. Certainly no complaint was made to the committee.

Mr. LANGER. Of course, $34, if that is a ceiling, would not be very much.

Mr. O'MAHONEY. It is not a ceiling. The ceilings have been taken off.

Mr. LANGER. They have been taken off?

Mr. O'MAHONEY. Yes; and it was due to the action of the Senate last year that they were taken off.

The PRESIDENT pro tempore. The next committee amendment will be stated.

The next amendment was, under the heading "Public works," on page 42, line 14, after the word "binding", to strike out "$340,000" and insert "$346,900."

The amendment was agreed to.

The next amendment was, on page 49, line 12, after the word "education", to insert "without reference to any other law"; in line 13, before the word *"Provided"*, to strike out "$396,200" and insert "$465,600"; and on page 50, line 9, after the word "shall", to insert "hereafter."

The amendment was agreed to.

The next amendment was, under the heading "National Capital Parks", on page 58, line 14, after the word "wagons", to strike out "$936,000" and insert "$948,300."

The amendment was agreed to.

The next amendment was, under the heading "National Zoological Park," on page 59, line 9, after the word "specimens", to strike out "purchase, maintenance," and insert "purchase of one additional passenger-carrying vehicle, and maintenance."

The amendment was agreed to.

The next amendment was, on page 62, line 18, after the name "Commissioners of the District of Columbia", to insert a colon and the following additional proviso: *"Provided further,* That officers and employees whose positions were reallocated by the Civil Service Commission during the period January 1, 1945, to July 1, 1945, who have not received such reallocation increases shall be entitled to receive them retroactively to the date they would otherwise have been effective except for the provisions of said section 7, but in no case prior to January 1, 1945."

The amendment was agreed to.

The next amendment was, on page 62, after line 24, to insert:

> SEC. 10. Appropriations herein made available for the purchase of passenger-carrying vehicles, with the exception of those to be purchased for use by the Fire Department and the Metropolitan Police, shall be available only for the purchase of used or Federal surplus motor vehicles.

The amendment was agreed to.

The next amendment was, on page 63, line 5, to change the section number from 10 to 11.

The amendment was agreed to.

The PRESIDENT pro tempore. That completes the committee amendments.

Mr. O'MAHONEY. Mr. President, by instruction of the committee, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 10, line 13, following the word *"Provided"*, it is proposed to insert the following: "That $25,000 of the unexpended balance of the appropriation for this purpose for the fiscal year 1945 shall be available for payment to the National Symphony Orchestra Association for concerts to be given in the public schools of the District of Columbia during the fiscal year 1946 when a program satisfactory to the Commissioners of the District of Columbia has been arranged: *Provided further.*"

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed on behalf of the committee.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, on behalf of the committee, I offer another amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 26, line 24, after the word "waived", under the paragraph "Municipal court", it is proposed to insert the following: *"Provided further,* That hereafter the disbursing officer of the District of Columbia is authorized to advance to the clerk of the court, upon requisition previously approved by the Auditor of the District of Columbia, sums of money not exceeding $500 at any one time, to be used for the payment of witness fees."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed on behalf of the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The bill is still before the Senate and is open to further amendment.

Mr. LANGER. Mr. President, on page 37, under the heading "Juvenile correctional service," I notice the item for the National Training School for Girls. Let me inquire whether the Superintendent of the National Training School for Girls is a man or a woman?

Mr. O'MAHONEY. The Superintendent is a woman.

Mr. LANGER. I notice that the bill provides for her a salary of only $3,200. That would seem to be entirely inadequate.

Mr. O'MAHONEY. Let me say to the Senator that his point of view has been shared by some members of the committee. That amount represents an increase of $500 over the amount the Superintendent formerly received. I will say to the Senator that the whole problem of the National Training School for Girls is the subject of special consideration by the subcommittee. There are on foot plans to provide better facilities, and there has also been a suggestion, on the part of at least one member of the committee, that the expense of running the school is altogether out of proportion to the number of its inmates.

The President pro tempore. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDENT pro tempore. The bill having been read the third time, the question now is, Shall it pass?

Mr. BURTON. Mr. President, I wish to say just a few words in expressing appreciation of the efficiency with which the committee staff and the subcommittee staff and the chairman of the subcommittee have handled these matters. The hearings on this appropriation bill were conducted with a great deal of expedition. It appears from a consideration of the House committee report and from the hearings before the Senate committee that much care has been given to this bill in all its details. The total increase in the amounts of the appropriations, as recommended by the subcommittee and as explained by the Senator from Wyoming, consists almost entirely of amounts for the building of two schools and the making of plans for certain other schools. I wish to point out that those additions are not variations from the District's program. They are part of a well-established and thoroughly planned program whch has been developed over a period of years by the distinguished Senator from Louisiana [Mr. OVERTON], who brought about a study of the school system of the District of Columbia with a view to building up the school facilities without borrowing money by the issuance of bonds, but by providing for a reasonable addition of new buildings to the school system from year to year.

What is proposed here is merely the continuance of a well-planned and established program. The provision for the schools which is added in the bill is in accordance with the result of exhaustive research to determine which ones are needed under the program, in view of the changing conditions in the District of Columbia. I think there is no question that these additions should be made, and I urge the passage of the bill.

Mr. O'MAHONEY. Mr. President, I join the junior Senator from Ohio in his compliment to the staff of the Appropriations Committee. In the handling of this bill, as in the handling of other appropriation bills, the staff has been most helpful to the members of the committee. I should say, in addition, that no member of the committee is more diligent, more helpful, or more effective than the Senator from Ohio. He has been very helpful in his service on this committee.

The PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 3306) was passed.

Mr. O'MAHONEY. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. O'MAHONEY, Mr. GLASS, Mr. OVERTON, Mr. THOMAS of Oklahoma, Mr. BILBO, Mr. BURTON, Mr. BALL, and Mr. WILLIS conferees on the part of the Senate.

LEAVE OF ABSENCE

Mr. HICKENLOOPER. Mr. President, I find that it is necessary for me to be absent for a week or so in my home State. Therefore, I ask unanimous consent to be excused for approximately the next 2 weeks, if I find it necessary to remain that long.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. Without objection, consent of the Senate is granted.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 3109. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes; and

H. R. 3267. An act to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. GEORGE. Mr. President, the hour is late, and perhaps it will be just as well not to begin lengthy consideration of the pending bill until tomorrow. However, I shall make a brief statement concerning the renewal of the trade-agreements legislation and the action taken by the committee on it.

The Trade Agreements Act of 1934 authorizes a modification of not more than 50 percent in rates and duties in effect at the time of its passage. The bill now before the Senate, as it came from the House of Representatives, makes the legislation apply to tariff duties in effect as of January 1, 1945. It sets up the same machinery or continues the same machinery and the same safeguards, and it contains certain provisions which are applicable to the change made in the grant of the power to the President. It adds to the reviewing committee on which the President must call for advice and information, two additional departments of Government, to wit, the War Department and the Navy Department.

The President, under the original act, and under each extension of it, was authorized to call upon the State Department, the Department of Commerce, the Department of Labor, the Department of Agriculture, and the Tariff Commission for information and advice. But now, under section 4 of the pending bill, as it came from the other House, and as it was reported by the Finance Committee to the Senate, the War Department and the Navy Department have been added. Obviously, the real purpose in adding the War and Navy Departments is to have before the President at all times, when any trade agreement is under consideration, the necessities of the Army and Navy for strategic materials and metals.

When the bill was considered by the Finance Committee of the Senate, on motion of the Senator from Ohio section 2 of the bill; that is, the section which would give authority to the President to modify by not more than 50 percent up or down, the existing rates, namely, the rates in effect on January 1, 1945, was stricken out, and all other provisions relating to the enlargement of the power of the President were stricken from the bill as well.

Section 3 was also stricken from the bill, but paragraph 3 of that section was reinserted in the same form in which it came from the House.

No other amendments were made in House bill 3240 by the Senate Finance Committee.

In this particular instance, Mr. President, I find myself in this position: I am not able to go along with the majority of the committee in striking section 2 from the bill, and I gave notice that I would reserve the right to insist before the Senate, as a Member of this body and as a member of the Senate committee, that the amendment be disagreed to rather than approved by the Senate. In connection with that point I may say that the vote in the Finance Committee was 10 in favor of striking section 2 from the bill, and 9 against striking it. Two members of the committee were absent in attendance at the San Francisco Conference, and did not vote.

Mr. President, several other amendments were considered, but were rejected. I refer particularly to an amendment to shorten the period of the extension from 3 to 2 years.

With the exceptions already stated, the bill remains in the same form as when it came to the Senate from the House of Representatives.

Mr. President, I shall not enter into any lengthy discussion of the bill at this time, and perhaps not at any time, because the issues joined are very clear and are very well known to the Members of the Senate. I shall make only a few observations which I think should be made.

Undoubtedly, during the discussion of the measure many extraordinary arguments will be advanced for and against the proposal. They will be arguments

which will reduce themselves to a pure contest between a percentage ad valorem and specific duties upon particular products. If that were all the bill meant it should not have been brought before the Senate to consume the time of the Senate. If the primary purpose of the bill were merely to afford a contest over certain tariff rates, it would not be worth while to consider it.

The Trade Agreements Act was originally enacted, it is true, for the purpose of expanding foreign markets for the products of the United States, by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets would be made available to those branches of American production which require and are capable of developing such outlets by affording corresponding market opportunities for foreign products in the United States. The general purpose of the act, of course, remains the same, but circumstances and events have widened the act vastly in the course of the past few years. At the present time the act itself is far more important than it has been at any time since its enactment, because it not only retains the original purpose for which it was enacted—we have had 10 or 11 years of experience under the act—but the events which have occurred since its original enactment have tremendously increased the importance of the legislation.

Whatever Members of this body may think, or whatever Members of the other House may think, the act has been lifted entirely out of the field of mere controversy as to whether there should be a 55-cent duty or a 40-cent duty, or whether there should be a reduction or increase in tariff rates.

Mr. President, what has transpired accounts for the importance of this legislation. Bear in mind that I have not, and I do not intend to take the position that the whole peace of mankind depends on this legislation. Not at all. I am thinking of this bill as I think of every other bill, namely, from the standpoint of our American economy, what will happen to us and how it will affect us. I also have due regard, I hope, for the welfare and well-being of peoples everywhere insofar as our domestic legislation of any character is concerned which may affect their welfare and their well-being.

I shall not make the extravagant statement, and do not intend to be led into any statement that with this measure in force and effect, imports into this country and exports from it may be increased to any arbitrarily high figure. I think I have sufficient judgment to know that the final limitation of imports into this country is fixed by our capacity to receive and to consume them. I believe that the American economy has a right to such imports as it can receive and beneficially consume. I can conceive of no one who would wish to contradict the statement I have made.

Mr. President, this is not a mere tariff issue any longer, and I am now coming to what I wish to say, and perhaps all I wish to say this afternoon. The world has very steadily moved toward collectivism, and it is still moving in that direction, and regardless of whether any individual or any political party in America grasps the effect of that movement, the movement goes on anyway, relentlessly at this moment. The world is moving definitely in that direction. All of Europe is moving in that direction. The pressure upon the one single power in Europe, as we associate it with Europe, which might stand against it, is the United Kingdom, the British Empire, and already unmistakable evidences exist that Britain herself is being moved in that direction.

There will be an election in Great Britain which will of course at this time mean the election of Mr. Churchill and his party, but that election may not stand for longer than 9 months. Anyone who will carefully read Mr. Churchill's party declaration I think will see what I mean. I shall read what he said, in part. This is the manifesto issued by Mr. Churchill and the Conservative Party, on which he is asking for reelection:

> Britain will not give up its right to safeguard our balance of payments by whatever means are necessary.

That is the declaration of the British Premier, Mr. Churchill; that is the declaration that state control of commerce will be the rule of the future, if it is necessary to go that far to preserve the balance of payments of the British Empire. That, Mr. President, is all it means.

At this juncture we stand face to face with an issue which looms larger than any tariff, that is, whether we are to have trading by private individuals through the channels of world commerce, or whether it is to be a collectivist program. In all Europe the movement is toward collectivism. The single influence in the great international trading communities of the earth which would stand against it ordinarily must be the British Empire; yet the British Empire faces facts, not theories.

The Soviet Union may regulate her own trade as she pleases, because her trade is state controlled. It is a matter which concerns the state. They may export at a loss or import at a loss, because it is all washed out in an economy which is completely state owned and state controlled.

I do not indulge in any criticism of Russia. I have carefully avoided it, and I wish to avoid it. I can see how we may cooperate with Russia, with the Soviet Union, though holding to basically and radically different social, economic, and political principles. But we of the United States should be able to see that the powerful influence of Russia will make for a collectivist economy, as far as that influence can go, and our economy, in the long run, will shape our political structure. Therefore, it seems to me, Mr. President, that at this moment we stand face to face with an issue which not only incorporates all of the purposes for which it was originally framed, but which has grown immensely larger.

If anyone is to make a fight for free trade in the sense that trade is to be carried on by individuals and organizations, and not as a mere instrumentality of the State, who is to do it? We may hope that the British Empire will be found on our side finally, because undoubtedly they know the wisdom of liberal trade policies, and have usually stood for a liberal trade program. But we cannot close our eyes to the fact that on the whole continent of Europe indeed, throughout the world, men may be asking, "Where can there be found full employment? Where can there be found an economy under which men and women are not concerned about their well-being and welfare, about what they shall eat and wear, and how they shall be sheltered?"

Mr. President, inevitably the economic system of Soviet Russia will be brought into comparison with the economic system of the United States, a free system for which we have always stood. Who is to defend it?

I have been at a loss to understand how men can talk about a reduction in the ad valorem rate on zinc, or on some other article of commerce, in the face of the fact that this issue is so much greater than that.

Now what is proposed in that part of the bill which was stricken out in the Committee on Finance by a vote of 11 to 10? It proposes to give assistance to the President of the United States in his fight for a free commerce, not in the sense of free trade, but in the sense of free commerce. Our trade with Russia has never amounted to more than about $30,000,000, or some such negligible amount. If their economic system should prevail throughout the earth, our trade could easily shrink everywhere. If we are to have governments controlling trade and commerce of the earth, or if we are to have governments supporting cartels, and imposing restrictions, and monetary regulations, and what not, then the period of free trade in the world, in the sense of free enterprise in trade, may temporarily lapse.

So, the United States is the only great nation—I am, thank God, happy to feel justified in believing that Canada will be on our side—the United States is the only great nation, with the sympathetic support of many of our Latin-American neighbor nations to be sure, on whom it will devolve to maintain a system of free economic enterprise as applied to international trade and commerce. That is why it was sought to give to the President of the United States a little more power. He had the power under the original act to modify tariff rates of 1930 by not more than 50 percent. Already, on the basis of value, 42 percent of all our dutiable imports have been reduced by 50 percent. Twenty to twenty-two percent of dutiable imports have been reduced by a lesser percentage. Some 37 or 38 percent of our dutiable imports have not been affected by any trade agreement made under the Trade Agreements Act. But the 42 percent on which the 50-percent reduction has already been made includes practically 90 percent of the chief exports of Canada and the United Kingdom to the United States.

Germany is not the great problem in the immediate future. Not while this

extension continues for 3 years, if the measure is approved by Congress, will Germany be a strong factor in the world market. Japan will not be a factor in the world market during the next 3 or perhaps the next 7 years. Great Britain will be. She is the greatest trading country in the family of international traders. Canada will be. Canada and the United Kingdom constitute our greatest customers for our foreign trade. There is therefore little left of the bargaining power originally vested in the President under the act of 1934, indeed, actually there is almost nothing left of it, because we will do no bargaining with the Axis group. As I have just said, they will not be a factor in world commerce and world trade during the period covered by this act, if extension of it is approved by the Congress.

We will deal with those nations which have been united with us. We have the power, if we are wise, to give to the executive branch of our Government the authority to sit down and talk matters over. We may have the power to turn Britain from her present course, and even to influence Soviet Russia so far as trade restrictions are concerned. We will certainly have no power to turn them from the course on which they are now rather definitely headed if we have nothing to talk about when we sit down to bargain with them. If we are not now going to entrust the executive branch of the Government with some power and some authority, then we would be expecting the impossible from our Government in meeting the acute issues that lie ahead and that are far more important than any single duty granted to any single interest in the United States, because, in the final analysis, they embrace and include everything we have always stood for, and that is, first, the protection of our American markets, and, second, an opportunity to trade in the markets of the world without discrimination against us.

Mr. President, the tariff seems to me more and more to be a local issue, and sometimes the best of us are not able to rise above the local influences which surround us. Even if there are any interests in the country that think this further grant of power to the President may be hurtful to them it seems to me they can afford to place some weight upon the solemn promise and declaration of the President of the United States when he said:

> I have had drawn to my attention statements to the effect that this increased authority might be used in such a way as to endanger or "trade out" segments of American industry, American agriculture, or American labor. No such action was taken under President Roosevelt and Cordell Hull, and no such action will take place under my Presidency.

The grant here asked is of a permissive power and of a permissive authority—permissive power and authority which will enable the Executive not to save the hides of particular protected interests which cannot look beyond their own local interests when the national welfare is involved but to protect a system of free enterprise, international trade, and commerce on which their whole future must depend.

Mr. President, I have already said that I do not expect to see our exports and imports climb to anything like the heights that some of our friends constantly tell us about, but I hope that we will be able wholesomely to increase our exports. That will, of course, make it necessary to increase our imports in order to pay for the exports, because I think we must envision an expanded economy, not a contracted economy. If we or any of us have already reached the conclusion that we face a world in which the economy will be contracting we are already admitting defeat, we are already admitting that we are headed in the direction of another great destructive catastrophe in the history of mankind.

Mr. President, I wish to read an excellent statement on this very point made by Mr. Charles Taft, who is now with the State Department. His statement is:

> The fact is—and I am glad that the occasion for each renewal of the act affords an opportunity to make it clearer—that the trade-agreements law itself really has nothing to do with the traditional tariff issue. The issue is no longer the historic question of tariff for protection or tariff for revenue only. Congress has made it abundantly clear—and I think there is no difference on this between Republicans and Democrats—that it will not permit existing tariffs to be reduced to a point where any segment of American industry or agriculture would suffer serious injury. Within the bondary of this controlling policy the Trade Agreements Act is the mechanism by which individal rates of duty can be adjusted carefully and selectively, in exchange for valuable concessions from other nations, all with a view to creating the conditions in which a sound and thriving foreign commerce can be carried on.

Mr. President, during the course of the debate I shall, of course, have more to say; but I wish to repeat here and now that I shall not concern myself in any dispute, or worry myself about a slight increase in a mere trickle of imports coming into this country because of a reduction or modification that may have been made in tariff rates. As I envision this issue, it rises above the ordinary tariff dispute with which we have been familiar through the years. Events have lifted it out of that category, and have given this legislation a wider significance at this time.

I have read what the President has said, and I have read what one of the officers of the State Department who will administer the act itself has said. I am here to give assurance that I would be the first to go to the rescue of any American industry which was being sacrificed or destroyed because of any unwise application of the trade agreements law. I would not see American labor deprived of employment by any unwise application of the law.

It is quite possible that within the next 3½ years few trade agreements will actually be entered into; but this act is a powerful lever to enable us to avoid the direction which things may inevitably take in the postwar period if we are not in a position to talk with those who will make the trade policies of other nations.

The great advantage of the Trade Agreements Act has not been in what little increase it brought to a particular industry or in the case of particular products, but in breaking down the restrictions which would adversely affect all production and all trade in the United States.

It has been urged upon me, as I know it has been urged upon other Senators and will continue to be urged upon them, that now is not the time to extend the act. The argument is that in this period of flux and change, the European War having ended and the Japanese War approaching—as we hope—a reasonably early end, now is not the time to be dealing with tariffs or anything that may affect or modify tariff rates. I assert that now is the time, because within 3 years the trade policies of every important country on the globe will have been set. Whether they will be set adversely to us or not, we do not know. Great Britain is getting ready to return to civilian production. France will do so as soon as she can obtain sufficient coal and raw materials. The Soviet Union will go into production on a large scale. While she is not interested in commerce in the same way that we are, she is nevertheless interested in production. All the other countries of Europe will be going back into production at the earliest possible time.

Although the world is in chaos and confusion, that very fact will hasten the arrangements which every trading nation will make in what it conceives to be the interest of its own commerce, its own industry, and the employment of its own workers within its boundaries.

If we wait for 3 years to do anything about it—and all we can do about it is in this act—the commerce of the world will be rigidly set; and if we have no way of bargaining and entering the picture within that length of time, take my word for it, Mr. President, it will be set against the free enterprise system as we have applied it to our international trade and commerce.

What the world needs now more than ever in its history is a long era of unbroken peace and of reasonably unfettered commerce. If that is not achieved, the world will face more difficult problems, perhaps, than we are now facing.

How are we going to do anything about the tariff? How are we going to meet any problem which arises within the next three and a half years with respect to any duty if we do not do it under this act. We do no expect general tariff legislation. We know that we are not going to have it. We know that it is not possible to bring about any substantial or material changes in existing schedules within the next three and a half years. We know that within the next three and a half years we are not going to have any general legislation dealing with quotas and restrictions, or any of the other things which may be builded like road blocks in the path of human progress. We must operate under this act, if at all.

I am merely speaking frankly. Is anybody willing that for the next 3 years

we shall have no agency of Government and no power in Government to deal with the problems which must inevitably affect not only our economy but the economy of the whole world and the political structures which will be erected on the economies of other nations?

It is said that Congress can do this, or that. Mr. President, I participated in the 1928–29–30 tariff debates. We spent more than 20 months on the Smoot-Hawley Tariff Act. There will not be another general revision of tariffs which will not take almost that long. Whatever may happen to the Senate as a result of the 1946 election, and whatever may happen to the House of Representatives, the executive branch of this Government will not change; and under this act alone is it possible for your country and mine to combat the adverse tendencies and the powerful drive to take control, largely by collectivist measures, of the future commerce of the world.

Mr. President, will any of us bind the hands of our Government for 3 years while the world is undergoing a revolution that will leave it a different world at the end of that time? In no single phase of human activity will changes more definite and more certain and more rigid be made than in the field of international trade and commerce.

This issue is not a party one. It is not a question of high or low tariffs. The single question now is whether events have lifted this legislation to a higher realm, where—after all—its approval, with slightly increased power given to the President, will constitute the only real tool with which our country can work in trying to shape at least the foundations for the future welfare of our industries and our workers.

There may be those who believe—although I have great difficulty in thinking so—that foreign trade is of no consequence. If anyone wishes to build around himself a Chinese wall and try it out, he is welcome to do so. But if our system of economy and our political system are to have any chance to survive in the world, it is of consequence, and in the years ahead of us it will be of increasing consequence, that free enterprise in the field of international trade and commerce shall play, as it must, a larger part than it has played in the past. I am tremendously heartened when I talk to men like Daniel Tobin, who represents labor—and organized labor, at that—and when all of the representatives of the CIO who come before the Finance Committee say, "We endorse this program. We have changed our position on it. We are convinced that it is a necessary and a right program." I am tremendously heartened that at least United States Senators will not tie the arms of the only branch of the American Government which can meet the problems ahead of us in the next 3 years, and thus will not leave us exposed to economic conditions and systems which may be adverse to our own and which will make it impossible for us again to extend our trade and commerce in the world on the basis on which we have enjoyed international trade and commerce in the past.

Mr. President, the hour is late, and I may not say anything more about the bill, except with respect to particular phases of it. At this point I wish to place in the RECORD an article by Walter Lippmann. I do not always agree with Walter Lippmann, but this article is a very sensible one. In it Mr. Lippmann points out that this issue is not a question of high tariffs or free trade. The article appears in today's Washington Post, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TODAY AND TOMORROW

(By Walter Lippmann)

THE SENATE AND MR. CHURCHILL

Mr. Churchill's election manifesto, or party platform, contains a statement about British commercial policy which the Senate is bound to consider carefully. On this subject, Mr. Churchill was certainly speaking for all British parties and not solely for the Conservative Party. The manifesto says that Britain will not give up its right "to safeguard our balance of payments by whatever means are necessary." To this situation—not British alone—and to this pledge and threat the trade agreements bill and the Bretton Woods bill—both of which have been passed by the House and are now before the Senate—are addressed.

They are important, and they are urgent because the need to safeguard the balance of payments will, if we do not intervene, lead the British to commit themselves to government management of international commerce. Without the bargaining power which the trade agreements bill and Bretton Woods give us, we could not even argue with the British about the desirability of preserving the system of private enterprise in world commerce. With those measures we can talk and we can be listened to, and we may have good hope of keeping Britain—the greatest of the international trading communities—from taking the definite and perhaps irrevocable turn toward barter, restrictions, monopoly, and government control.

To ignore this paramount consideration, and to discuss the trade-agreements bill as if it were a bill to lower the American tariff, is to miss the whole point. If this were a bill to lower the American tariff, it would be a waste of precious time and energy to debate it now. There are dozens and dozens of things of far more importance than whether the tariff duty on a few imports is a little higher or a little lower. But this is not a bill to lower the American tariff. It is a bill to invest the President, who conducts our foreign relations, with economic bargaining power to be used in inducing the trading nations not to abandon but to restore and preserve the system of private trading.

What some of the opposition have quite evidently not understood is how we could use access to our market as a bargaining instrument, and yet run no risk whatever of hurting American producers. The answer is that the American economy is so much bigger than any other, is indeed about equal to all other national economies combined. That being the case, exports which fill a trifling percentage of the huge American market are of great economic importance in the much smaller economies of other nations. That is the reason why tariff adjustments which do not injure American producers have nevertheless such great international bargaining value.

It is as a bargaining instrument to promote and preserve the system of private trading that the trade-agreements bill has been conceived. That is how the instrument will be used by President Truman and by the officials—particularly Messrs. Clayton, Acheson, and Charles Taft—who are responsible for shaping our foreign-trade policy. It is hard to believe that the Senate will deny to the American Government the means to use its own economic power to further the trade policies which all Americans, who are not advanced collectivists, believe in. For the Republicans, after all they have had to say about private enterprise, to stand out against such a measure to restore private enterprise in international trade, is as if the Anti-Saloon League started to give a series of cocktail parties.

It makes no sense whatever except that it demonstrates that most of the Republicans in Congress respond to local pressures, in this case grossly exaggerated and, except in small details, largely mistaken. The national leaders of the Republican Party have shown that they know perfectly well that the congressional Republicans have taken the wrong line, and that the party can get nowhere in the Nation as long as in Congress it follows Messrs. MARTIN and TAFT rather than its national leaders.

Mr. LANGER. Mr. President, will the Senator yield to me?

Mr. GEORGE. I yield.

Mr. LANGER. I am tremendously impressed with what the distinguished chairman of the Finance Committee has said, but I am puzzled about one point. From the Senator's remarks I have received the impression that the Soviet Union has a form of enterprise which is to be contrasted with the American and the British forms. I ask this question because I am completely ignorant of the subject matter. I am not ashamed to say so, because I do not believe that the election of a man to the office of Senator of the United States automatically clothes him with knowledge of everything. If the impression I have received from the Senator's remarks is the correct one, I cannot understand why the United States Government should lend Russia $6,000,000,000, if we are to have this tremendous economic fight.

Mr. GEORGE. I do not know that the United States Government has advanced Russia $6,000,000,000. I am not quarreling with her system of enterprise; I am not quarreling with her economics; I am not raising the issue. I am saying that despite vast and basic differences in economic theory and political theory, I still can see how full cooperation with Russia is possible. I do not know what loans will be made to Russia, but I do believe that in the making of loans and in our ability to sit down and talk with Russia we may be able to preserve our own place and to protect our own general economy.

I will say to the Senator that if I were running the business—of course, I am not—I would not lend Russia $6,000,000,000. I would set up a loan for Russia not to exceed $1,000,000,000, and I would see that the money was spent under at least the control of some American agency which would safeguard our economy, and which would not permit the absorption of any one commodity which was in short supply in this country, to the hurt of American industry. I am inclined to think that I would not set up any loan to any nation in the amount of more than $1,000,000,000. If it worked well, we might increase the loan later on. But certainly I would not set up a $6,000,000,000 loan at this time.

However, that is not my responsibility, and I do not control it. I wish the Sen-

ator to know that I am expressing only my own view.

Mr. LANGER. Mr. President, let me say to the Senator that I am anxious to cooperate with Russia and with every other nation. I am one of those who believe that under no consideration should we have any trouble or difficulty with Russia or any other country. However, in listening to the remarks of the distinguished Senator from Georgia, I have been impressed with the fact that Russia does not wish to obtain from us $6,000,000,000 worth of shoes or clothing or food, but she wishes, as I understand the situation—and I am sure the Senator from Georgia is much better informed about it than I am—to obtain from us machines with which to make machines to manufacture goods which ultimately, in 5 or 10 years, would be in competition with goods produced in our country.

Mr. GEORGE. I cannot answer the Senator as to that.

Mr. AIKEN, Mr. BARKLEY, and Mr. O'MAHONEY addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Georgia yield? and if so, to whom?

Mr. GEORGE. I yield first to the Senator from Vermont.

Mr. AIKEN. I was about to ask if the Senator has any knowledge whether the United States, as a Government, has made any loans to Russia, other than those made by way of lend-lease. Is it not a fact that Russia's loans have been negotiated through private banks in this country?

Mr. GEORGE. Mr. President, I have no knowledge other than that which every other Senator has on that subject.

Mr. AIKEN. Is it not true that prior to the war Russia was an important customer of our industries, and that our industries now have on hand very large orders from Russia, to be filled in the postwar period? So far as I know, the United States has not made any direct governmental loans to the Russian Government.

Mr. GEORGE. It has not, so far as I know, except as may have occurred under the lend-lease program.

Mr. BARKLEY. Mr. President, I was about to suggest to the Senator, in response to the suggestion of the Senator from North Dakota, that there has been a great deal of comment in the press and in other places about a $6,000,000,000 loan to Russia. No such loan has been made, and no part of it has been made. Whether Russia will ask for any such loan, I do not know.

Advances have been made to Russia under lend-lease which will, of course, be discontinued. They were war measures and not economic measures for times of peace. All that, however, lies in the future. I do not know the size of the loan for which Russia will ask. How much of it will be granted, I do not know. But up to the present time no Government loans have been made by the United States to Russia. There have been some private loans made to her, which extend back over a period of many years prior to the war. It should be said in connection with that fact that in no instance has Russia ever defaulted in her payments on what she borrowed from private sources in the United States, even before she might have been said to enjoy solidity or solidarity of her political economy, a condition which she has demonstrated in this war that she possesses. I think that her meeting her obligations in this country has established for her a credible record. What will happen between Russia and the United States in regard to credits advanced in the future I do not know. It is generally understood that whatever credits she may be able to obtain will be used in the United States. Perhaps some of them will be used for the purchase of machinery. Those who are acquainted with Russia know that she needs vast industries. Mr. Stalin was said to have remarked not long ago, in regard to competition with the United States, that it would require a hundred years for Russia to be able to supply her own demands, and therefore there was no immediate danger that Russia would undermine the trade of other countries.

Russia has one-sixth of the earth's surface and one-tenth of the world's population. She has no highways worthy of the name. She has been able to industrialize in part only through the assistance of American credit and American engineers in the past quarter of a century. Russia must go a vast distance before she can offer a great menace, in my judgment, to us in international trade.

Mr. GEORGE. Mr. President, I merely wish to make the statement that I do not intend to be drawn into any discussion with regard to Russia. I have a very definite conviction that the system of the Russian economy may powerfully influence future trade relationships. That is the only phase of the situation which I wish to discuss.

I do not know what loans have been made to Russia, or promised to her. I merely said that if I were in control of the granting of loans, which I am not, I would not grant a loan of more than $1,000,000,000 to any single nation for rehabilitation purposes. I do not know that additional loans should not be established, but initially I think this country would make a great mistake in making loans of from $6,000,000,000 to $10,000,000,000 to any country.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. O'MAHONEY. I desire to ask the Senator from Georgia a question or two before he takes his seat.

I believe that all the remaining Members of the Senate will agree with me in my assertion that no Member of this body is more powerful or more persuasive than is the distinguished Senator from Georgia. When he applies his logic and his eloquence to any subject most of us are likely to back away from any controversy with him.

I was impressed, however, by two statements which the Senator made. First, with respect to dangers which night be incurred by industry in the United States, the Senator from Georgia stated that if any American industry were to be destroyed or injured he would be willing to come to its aid. Of course, he would. I know he would. A little later he said that in the absence of this law the Government of the United States would be without any instrument with which to protect itself and the people of the United States in controversies which might arise with great trading nations such as Great Britain—I remember his words clearly—and with the communistic theory of trade and government. I asked the Senator how would it be possible for him, or for any Member of the Senate, or any Member of the House of Representatives to come to the assistance of any American industry once we give up our power to look at these agreements after they are made. I confess to the Senator that it seems to me to be idle for a Member of Congress to say, "I shall defend American industry against unwise trade agreement" when, by the very terms of this bill we surrender every item of power which we have in order to protect American industry. Under this bill the authority of the Congress to fix tariff rates is dedicated to the experts of the State Department. The trade agreement will be sealed, signed, and delivered before any Member of the Senate or any Member of the House knows what is in it. How, then, can we talk about defending any industry.

Mr. GEORGE. Mr. President, of course, the Senator from Wyoming has completely disarmed me by his complimentary statement, and I should be disposed to agree with him if I could, but, unfortunately, in this case I cannot.

In the first place, this agreement would last only 3 years from this date if approved. All agreements made under it would last not longer than 3 years from the date on which they were entered into. The time may be much shorter, but not greater than 3 years.

In the second place, we have the State Department, the Department of Commerce, the Department of Labor, the Department of Agriculture, and now, under this present bill, the War and Navy Departments, sitting in with the Tariff Commission, to advise with the President before agreements are finally made. Notice is given to the general public, and I have no doubt that within the 3 years ahead of us any one of us will be able to foreknow with what country an agreement is to be made, and will have a list of the articles which may be affected.

I do not fear that the President of the United States, who has so recently occupied a seat in this body, will be willing to listen to any Senator without regard to political persuasions, or any Member of the House of Representatives on any question of tariff rate or duty which might substantially or materially hurt American industry, or those engaged in that industry as workers.

I do not believe that, as frequently as these trade agreements are brought back before the Senate and as often as we here debate the question, there need be any fear that there will be any unrealistic steps taken which will really seriously and adversely affect American industry.

Of course, as an individual Member of the Senate it will be very hard for anyone to say that he could have his will or wishes about any particular rate of duty or trade restriction. He would simply have to do the best he could.

For my part, I believe that the President of the United States will look at these trade agreements and will not approve them if he has any serious question of an adverse material effect upon any American industry.

Not only is that true, but in the Belgian agreement, which went into effect January 1, 1939, I believe, and in the latest agreement made with Mexico, and I believe also in the second agreement made with Canada, there are appropriate escape clauses which would permit the cancellation of any agreement if an adverse effect for any reason were seen to flow from the agreement itself. I have faith that the President would certainly act, and I do not think the President is so far removed, under all machinery set up for his guidance and direction, from the pulse of the American people, as to be led to continue any program which was really harmful to American industry.

Mr. O'MAHONEY. Mr. President, the Senator's response was precisely what I anticipated it would be. It is that even though we delegate this power, no harmful result will follow, that it will be exercised wisely, that it will be exercised in the interest of the people.

Mr. President, I have no doubt that the President of the United States will do everything in his power to make certain that none of these agreements will be to the disadvantage of the people of America. The question that is raised by the pending bill, however, is not a question of the good will of any official, it is a question of fundamental congressional power.

The Senator from Georgia has well pointed out that the trade agreements which will be negotiated under the act will be negotiated in a world in which the great Government of Russia, by government action, will determine what is to be done for the people of Russia. He has well pointed out that in the new world into which we are entering we shall be compelled to transact business with collectivist states. He has pointed out that some of the nations of the world are even now preparing for the postwar world, and that is true. But what I point out is that in the bill as it has come from the committee, and in the law as it now exists, the Congress of the United States has stripped itself of all power which belongs to it under the Constitution to protect the people who sent us here, and we are forced to rely upon pleas like that made by the Senator from Georgia, "Oh, no harm will result."

Mr. President, the great issue of our time is not trade, it is totalitarianism. The great issue of our time is the loss of self-government by peoples all over the world, and the assumption by executive authority of the power to decide what is good for the people. That is the issue of our time. I say it is no answer to declare that we have a great and good President. It is no answer to say that the War Department will be there, that the State Department will be there, that the Department of Commerce will be there, and that other executive departments and bureaus will be there. What I am pointing out is that the elected representatives of the people will not be there. That is what we are dealing with.

If ever there was a time when the elected spokesmen of the people of the United States should not surrender their power, this is the time. We stand upon the threshold of events which no man can foretell. There is no member of the Committee on Finance, there is no Member of the Senate, and no Member of the House, no official of the executive branch of the Government anywhere, who can predict the conditions which will exist in this world 1 year from today, to say nothing of conditions 3 years from today.

We know that the great Government of Britain, through some of its leading spokesmen, is advocating the reestablishment of the cartel system. We know that Russia is a state-managed economy. We know that Argentina is a state-managed economy. We know that Spain is a dictatorship. Wherever one's eye turns in the world today he finds systems of government which are not founded upon the theory on which our Government is founded, which is that the people control.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Certainly.

Mr. GEORGE. Do not all the countries to which the Senator has referred desire to trade in the best market in the world?

Mr. O'MAHONEY. Of course they wish to trade in the best market in the world, and I believe, I will say to the Senator from Georgia, that the representatives of the best customers in the world should know what sort of a deal is going to be made for them.

Mr. GEORGE. Will the Senator answer another question?

Mr. O'MAHONEY. Certainly.

Mr. GEORGE. The Senator concedes that they wish to trade here, in the best market there is.

Mr. O'MAHONEY. I thilnk they do.

Mr. GEORGE. Should we not be able to talk with them about the conditions under which they will trade?

Mr. O'MAHONEY. Of course.

Mr. GEORGE. And the concessions they will make to us?

Mr. O'MAHONEY. Of course. I agree that we should talk with them, certainly.

Mr. GEORGE. The Senator's only objection is that he thinks they should talk with the Congress, and not the Executive.

Mr. O'MAHONEY. Not at all. The Senator has always misapprehended my argument, I am sorry to say. He has been very kind in listening to me, but I have never been able to convey to him the principle which I have had in mind during all these 12 years when I have consistently suggested that before a trade agreement should become effective it should be laid upon the desks of the Members of the Senate and of the House.

Let the State Department carry on its conversations, certainly, let the War Department and the Navy Department sit in and advise, let the Department of Commerce advise, of course, let all that be done, but before the contract is signed, sealed, and delivered, let us know what is in it so that the Senator from Georgia may say to the people of Georgia, before the contract becomes binding. "This is what will happen to the articles in which you trade"; so that the Senator from Louisiana may know and report to his constituents what is being done with the commodities in which his State is interested; so that the Senator from Delaware, the Senator from Arkansas, the Senator from North Dakota—every Senator in this body—shall be in a position, before the bargaining power of his popele has been granted away, to report to them and say, "Surely we are making trade agreements, but I know what is transpiring."

Mr. President, I remember that several years ago, after the Trade Agreements Act was first passed, the Committee on Information was holding a hearing in one of the Government buildings with respect to a trade agreement with a foreign country—I have forgotten which country—and, together with many other Senators and Representatives, I attended the hearing because among the items which were in the published notice were commodities in which the people of my State were interested. As I stood there before the rostrum on which were seated half a dozen persons whom I had never seen before, whose names I did not know, who had never been elected by the people of any State, I saw Senators stand before those gentlemen and say to them, "These are the commodities produced in my State. Do not give them away."

I turned on my heel and I walked out, because to me it was a humiliating spectacle to see Members of the Senate and of the House, who have the constitutional power to fix tariff rates, pleading before appointive officers for the protection of the industries and the commerce of their States, and pleading, Mr. President, not to the Secretary of State, not to the President, not to the Tariff Commission, not to the experts who were going to write the agreements, but to subordinate officials who were merely sitting there listening and who had no power whatsoever. The power was ours, given to us by the Constitution of the United States. We had delegated it away upon the plea that the great depression of 1929 had brought about such a condition that in self-protection it was necessary for us to give this power away to the State Department, and let the Department save us, because we could not save ourselves.

That, Mr. President, was 10 or 12 years ago. Nothing was done. Trade agreements were made. They were ineffective. They brought no results. The explanation is now given, and properly, that they could not have been expected to have brought results because the whole world was rushing toward war. That is true. But what are we rushing toward now? Who knows? Shall we put blinders on? Shall we whom the Constitution designates as the lawmakers, whom our people have sent here to make the laws—shall we now put the blinders on, close our eyes, convey our responsibility, our duty, and our power to unnamed individuals, who, in our name, will do we know not what; who will sign the names of our constituents to this contract of which we know nothing?

Mr. President, I was talking to a Senator this afternoon about this matter. The thought came into my mind: A function cannot be preserved by refusing to exercise it. Functions which we do not use atrophy and die. Senators and Representatives wonder at the absenteeism in the Senate and in the House which is noted in the press. Why should we wonder about it? Do we not know why it is? Why are Senators and Representatives absent? They are absent because we have given away our power. That is why they are absent. They do not sit here idly merely to talk while somebody else exercises the power which the Constitution gave to us.

Mr. President, I shall have more to say about this subject before the debate is concluded, but I say now, if ever there was a time when the spokesmen of free government should assert themselves it is this moment.

Oh, it is said, "You would go back to the logrolling days of the Smoot-Hawley tariff bill." That does not follow, Mr. President. But suppose it were true; all in the world those who take that position are saying is that the fixing of tariffs in a free assembly is a function of government of which they want no more. They are saying when they vote to delegate unreviewable power to the Executive, "We are through with legislative government so far as this issue is concerned, and we are adopting executive government."

Mr. President, what has happened is that we are moving away from the free enterprise of which everyone talks so glibly and so eloquently. We are moving away from the free enterprise of free individuals into a managed economy. We have had a managed economy during the war. We had to have a managed economy because we were fighting totalitarian powers and we had to go totalitarian ourselves. We did go totalitarian because it was necessary for us to put into the hands of some group the power to mobilize all the manpower and all the material power, all the resources, human and natural, available in the United States. So we created the OPA and the War Production Board, and so we created all the other agencies which by fiat from Washington told us what to do. We willingly did it because we knew it was necessary in order to win the war.

Are we going to do it in the reconversion period? Ah, Mr. President, if we do, then be certain that we are turning our backs upon free government, and we are adopting the theory of the managed state.

I attended meetings of the Finance Committee when it was considering this bill. I was there while Assistant Secretary of State Clayton was testifying, and the committee was gracious enough to permit me to ask a question or two of Mr. Clayton. I asked him how much the foreign trade amounted to. He said, "Six or seven percent of our total trade."

Assume, Mr. President, it amounts to 10 percent. Is 10 percent of our trade worth the sacrifice of the constitutional power of the Congress to say what shall be done about tax rates, about tariff rates, about international trade agreements? I do not believe so. I do not believe that all the trade in the world is worth the sacrifice of the principles of free government, because, Mr. President, I say that here, the last upon the surface of the earth, stands a great free government. In order to prosecute the war we willingly cooperated with everything we possessed. We even contributed 1,000,000 casualties to the winning of the European war. The war in Europe is over, but we are not yet at peace, and we will have to make more sacrifices. Enormous sacrifices have been made by the young men of America in order to preserve free government, and the Congres sof the United States cannot serve them by giving it away and establishing executive government.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. OVERTON in the chair). Does the Senator from Wyoming yield to the Senator from Iowa?

Mr. O'MAHONEY. I yield.

Mr. HICKENLOOPER. If I correctly understand the Senator's argument, a comparable argument could be made by referring to the question of income taxes and the delegation to appointive officials of the power arbitrarily to regulate from time to time, according to their own whims, the amount and rates of income taxes the people should pay. Am I correct that that is a proper analogy?

Mr. O'MAHONEY. It is completely proper. All we would have to do would be to say, "Be it enacted by the Senate and House of Representatives, the constitutional law-making bodies of the United States, that hereafter the Secretary of the Treasury may increase or decrease income-tax rates by 50 percent of what they were on a certain date, or 50 percent of what they are now."

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. GEORGE. I am surprised that the Senator from Wyoming accepts that as a complete analogy. He certainly must know that in dealing with foreign nations the executive branch, and the executive branch alone, can function. The legislative branch cannot function. It cannot enter into trade agreements. At best, it can delegate the authority to the executive branch, which since Marshall's day has been recognized as the sole agency through which negotiations with foreign governments can take place.

Mr. O'MAHONEY. I quite agree with the Senator, but that does not destroy the pertinency of my answer.

Mr. GEORGE. There is no analogy between negotiating with Argentina, Brazil, or France for a concession in return for which we are willing to make a concession——

Mr. O'MAHONEY. The Senator from Georgia switches from the treaty-making power to the tax-collecting power, and from the tax-collecting power to the treaty-making power.

Mr. GEORGE. No. The Senator said that the analogy was complete. I hardly think the Senator wants the RECORD to stand that way. There is no analogy at all, because there can be no negotiations respecting a trade agreement with any foreign nation, whether they involve a duty, a quota, or anything else, unless such negotiations are conducted by the President of the United States.

Mr. O'MAHONEY. I am not talking about negotiations.

Mr. GEORGE. So there can be no analogy.

Mr. O'MAHONEY. Oh, yes, Mr. President.

Mr. GEORGE. That would not be similar to making laws with respect to the levying of an income tax.

Mr. O'MAHONEY. As I say, the Senator chooses—and very properly as an argument—to hop from the subject of levying taxes to the subject of negotiating. Of course, the President has the power to negotiate; of course, foreign relations are in the hands of the Executive; but under the constitutional system, when the President negotiates a treaty with a foreign government, he submits it to the Senate, where it must be ratified before it becomes effective.

Mr. GEORGE. I understand that. If that is the Senator's position, I can understand that it ought to be submitted to the Senate. If that were done we might as well destroy the act. We could never get any action here. It would require 30 months——

Mr. O'MAHONEY. The Senator is saying that if we proceed in the constitutional way we may as well destroy the act.

Mr. GEORGE. No; if the Senator will pardon me, the way provided in the act is the constitutional one. This is exactly the way we have proceeded to make freight and passenger rates. There are some things which the Congress cannot do. In this instance we are lodging the power in the President, with all manner of safeguards thrown around it, to negotiate trade treaties, because we do not wish merely to reduce a rate or lift a restriction unless we can get something in return.

Mr. O'MAHONEY. Of course, I disagree with the Senator from Georgia in that statement. I have always contended before the Committee on Finance, and I now contend, that there is no comparison between the establishment of the Interstate Commerce Commission and the delegation to the President, through the State Department, of the power to make trade agreements and fix tariff rates. The distinction between the State Department and the Interstate Commerce Commission, for example, was clearly portrayed upon the floor of this body when the reorganization bill was under consideration several years ago. The proposal which came to us from the Executive at that time was that in the reorganization plan the Interstate Commerce Commission should be placed under the power of the President. The Congress refused to do so; the Congress said, "The Interstate Commerce Commission is a quasi judicial body acting in the place of Congress, and we refuse to place it under the power of the President." We did not place it under the power of the President. In this case, however we may look at it, whether we are considering the levying of a tax or the formulation of an international

agreement, we are placing a clearly legislative function in the hands of the President. We are placing the whole transaction, from the negotiation to the completion, signing, and delivery of the agreement, in the hands of the Executive.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am glad to yield.

Mr. FULBRIGHT. Does the Senator seriously contend that if we were to follow his suggestion there would be anything at all done?

Mr. O'MAHONEY. Yes. I think it is quite possible. I think that throughout this war the Congress of the United States has demonstrated its capacity to rise to whatever heights were necessary in order to convey the necessary power——

Mr. FULBRIGHT. For the purpose of winning the war.

Mr. O'MAHONEY. To carry on the war and win it.

Mr. FULBRIGHT. The Senator mentioned the OPA, in connection with carrying on the war. In carrying on the peace, consider the record of the Senate and the other legislative body after the last war. Have they ever demonstrated the facility or the organization to deal with matters of this kind?

Mr. O'MAHONEY. I believe that the organization could be improved. For example, with respect to this precise matter, I believe that it would be a very desirable improvement if some members of the Senate Finance Committee and some members of the Ways and Means Committee of the House were designated to sit with the Executive in drafting trade treaties, or at least in fixing the rates—in exercising the legislative function. Certainly the machinery could be improved. All I am protesting against is the sacrifice, without reservation, of the congressional power.

A moment ago a Senator handed me the Senate Manual, opened at the place where the Constitution of the United States, in article I, section 8, recites the powers of the Congress. It reads:

> The Congress shall have power to lay and collect taxes, duties, imposts, and excises—

Again:

> The Congress shall have power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes.

Let us not fool ourselves. What we are doing by this bill is rewriting the Constitution. We are saying that the Executive shall have power to lay and collect taxes, duties, imposts, and excises, and power to regulate commerce with foreign nations. That is precisely why I say that we are living in a world in which the executive power, the state-managed economy, has risen to heights which threaten the existence of free government; and I protest against this surrender by the Senate of the United States.

Mr. FULBRIGHT. Mr. President, will the Senator from Wyoming further yield?

Mr. O'MAHONEY. I yield.

Mr. FULBRIGHT. Under our system of division of power, the proposal seems to me to be perfectly constitutional. It was contemplated that the general policy should be established by the Congress, and that its execution should be delegated to the Executive.

Mr. O'MAHONEY. No one can tell me what the policy is under the Reciprocal Trade Act. There is power under the act to raise duties or lower them.

Mr. FULBRIGHT. The policy, obviously, is to try to lower them.

Mr. O'MAHONEY. The Senator says "obviously."

Mr. FULBRIGHT. Does the Senator have any doubt that that is the policy?

Mr. O'MAHONEY. The power is granted to raise duties as well as to lower them. The complete power of Congress is granted to the President. All in the world that the Senator from Arkansas is saying is this: "The democratic system that we have is cumbersome. It is difficult to operate. The modern world has outrun it, and we must surrender our powers to the Executive." Mr. President, if I felt that way, I would pack up my bag and go home.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. Did I correctly understand the Senator to say a moment ago that, insofar as trade agreements are concerned, he would rather see them destroyed, even though it cost us all our foreign trade?

Mr. O'MAHONEY. Not at all; I did not say that. I said I do not believe the foreign trade is worth the sacrifice of the American system of government, under which the people of Illinois elected the distinguished Senator last year to come to Washington, and, as a Member of the Senate, to represent them and their interests on the floor of the Senate.

Mr. LUCAS. That does not have very much to do with what I asked the Senator. I thought he said that there was not enough foreign commerce in the world to be of sufficient importance to justify the making of such trade agreements. It seemed to me that the practical effect of what the Senator said was that all the foreign commerce with which we could deal would not be of sufficient importance to warrant having trade agreements go into effect.

Mr. O'MAHONEY. No, Mr. President; the Senator misunderstood me. I repeat what I said: I said that all the foreign trade in the world is not worth the sacrifice of the American system of government.

Mr. LUCAS. Very well; the Senator is taking the position that through trade agreements we are sacrificing our constitutional rights.

Mr. O'MAHONEY. No, indeed, Mr. President; again I say that the Senator from Illinois has not followed my argument. My whole theory is this——

Mr. LUCAS. Well, the Senator——

Mr. O'MAHONEY. Mr. President, if the Senator will permit me to do so, I shall tell him what I am trying to do, and then he can argue with me and can prove that I am wrong, if he is able to do so. I am saying to him that, of course, the State Department and the President should carry on negotiations with foreign countries. Of course, we should endeavor to bring about a better trade relationship throughout the world. Of course, we should do everything within our power to upbuild the foreign trade of the United States. But when the State Department has negotiated trade agreements, I say we should let the State Department file them with the Congress, before they become effective, and the Congress should look at them.

Mr. LUCAS. Does the Senator know that that was done in connection with the provision in the McKinley Tariff Act? Of the 17 agreements which the President sent to the Congress and which were referred to the committee, all were pigeonholed. None ever got before the Senate.

Mr. O'MAHONEY. Of course, Mr. President, that occurred during a Republican administration. I will say to the Senator that in the present administration I would not expect that to be done.

Mr. LUCAS. That was a Republican administration, it is true, but that is not the answer. As I understand the situation, in all our history very few trade treaties or agreements which have been sent to the Senate and the House of Representatives for approval by means of concurrent action have ever been approved. The Senator from Wyoming has adopted the method he is now employing in an attempt to destroy trade treaties, because it is as certain as I am standing here that if every trade agreement which is proposed to be made between this country and any other country has to come back to the Senate, the old logrolling system will be revived. As the Senator said a while ago, the Senator from Rhode Island would ascertain whether some product of his State was affected; the Senator from Illinois would ascertain whether some product of his State was affected; and the Senators and Representatives from all the 48 States of the Union would seek to tack onto an agreement amendments, and thus the old logrolling system would be renewed. As you said in the committee the other day, the system of "You scratch my back and I will scratch yours" would be revived. That was the old system. If we adopt it again, when we get through there will be nothing left to which any other nation will agree. That is the truth of the matter. In that case, the trade agreements would be gone. We might just as well advocate the outright repeal of the law, and provide for a return to the old tariff system. That is the situation in a nutshell. We must take either one horn of the dilemma or the other.

I am sorry I misunderstood the Senator a while ago, but I thought I distinctly understood him to say that there was not enough trade in the world that would satisfy——

Mr. O'MAHONEY. Mr. President, the Senator can read my remarks in the RECORD, and I assure him they will not be changed.

Mr. LUCAS. I was about to say that I hope the Senator will not change them.

Mr. O'MAHONEY. I do not have that habit.

Mr. LUCAS. I do not wish to see our country again become isolationist. However, that is what we are headed for unless the power to make trade agreements is continued.

Mr. O'MAHONEY. Mr. President, I do not desire to detain the Senate any longer today, but I merely wish to point out that a great deal of water has gone over the dam since William McKinley was President of the United States. Since then there has been a great deal of progress. I even think there has been a great deal of progress in the Senate and the House of Representatives. I believe that those who are elected in our time to the Senate and the House of Representatives will discharge their functions in an effective and patriotic manner. I think no danger will ensue from retaining our constitutional power. But, Mr. President, regardless of that fact, it is perfectly clear to everyone who cares to consider the situation that every argument which has been advanced here this afternoon—and, I prophesy, every argument which will be advanced throughout this debate—to sustain the plea that Congress should surrender its power is an argument against legislative government.

I say that at a time when authoritarian government is springing up all over the world, the Congress of the United States of America should not be the one to adopt even one tittle of it in this country in respect to any legislative matter. What we should undertake to do from now is to regain as much of the legislative power as it is possible for us to recapture.

Mr. President, the people of the United States expect Congress to regain the powers it has relinquished. We cannot satisfy their desires by continuing to give away our powers.

Mr. BARKLEY. Mr. President, I realize the lateness of the hour, but I cannot resist the temptation to comment on one or two of the statements made by the distinguished senior Senator from Wyoming. He has adverted to what he calls and to what has become known as absenteeism in the Senate and in the House of Representatives, and he attributes that to the fact, as he has said, that the Congress has surrendered all of its power, and that there is no need for Senators and Members of the House of Representatives to remain here, because they have no power left to exercise. I disagree with the Senator about that.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. O'MAHONEY. I do not recall having said that we have surrendered all our power, although, of course, we have come rather close to doing that.

Mr. BARKLEY. Well, Mr. President, the Senator said that we have surrendered so much of it that no Senator has any interest in remaining here. I disagree with that statement. Deplorable as chronic absenteeism is, yet I realize that Senators frequently have to be absent. I also realize that during the war and in recent weeks there has been a special condition which has induced many Members of the Senate to go abroad. I think that in the main their trips have been helpful.

Let me say that if the Senate were now considering the details of a tariff bill I doubt very seriously whether we would have any greater ease in maintaining the presence of a quorum than we now have. I went through the debates on the Tariff Act of 1930. As the Senator from Georgia has said, they began in 1928 and concluded on the 30th of June 1930. The bill came to the Senate from the House of Representatives, and interminable hearings were held. The bill was debated in the Senate for many months. I was the ranking Democratic member of the Subcommittee of the Finance Committee on Metals and Metal Products. My recollection is that we then had about as hard a time keeping Senators here in the exercise of their power to levy taxes as we now have. There was not much difference.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. FULBRIGHT. There is one point about which I wish to make an inquiry of the Senator from Wyoming, and I should like to ask the Senator from Kentucky to comment upon it in connection with the proposed program. Does not the Senator from Kentucky believe that the proposal would have considerable effect in the minds of the peoples of other nations with respect to our intentions in the political and international field? We cannot isolate trade treaties so that we can take one position with regard to them on one day, and on the next day take an inconsistent position in the political field. I think the matter is very important.

Mr. BARKLEY. What the Senator has stated is no doubt true. Our attitude toward other nations, and our willingness to cooperate with them and bring about a program designed to increase the interchange of goods, thereby affording greater employment in all countries, has an indispensable relationship to our political cooperation.

As the Senator from Georgia pointed out a while ago, neither in international trade nor in domestic trade can we separate the economic situation from the political.

The Senator from Wyoming said a moment ago, or at least intimated, that it is humiliating for Members of Congress, especially Members of the Senate, to go to the executive departments with respect to taxes. The Constitution gives Congress the power to levy taxes. However, instead of levying them ourselves, we go to some subordinate to whom we have surrendered power. The Constitution gives to the Members of the Senate the right to confirm or reject Presidential appointments. The Constitution provides that the President shall, with the advice and consent of the Senate, appoint persons to office. We, as Members of the Senate, do not feel that we are acting beneath the dignity of a Senator when we go to an executive officer and ask him to appoint a friend of ours. There is no lack of dignity connected with that.

The same Constitution which says that Congress shall levy and collect taxes, in almost the next sentence it says that it shall regulate commerce, not only with foreign nations, but with Indian tribes, and among the various States. The Constitution gives Congress the authority to levy and collect taxes, and to regulate commerce among the States, with foreign nations, and with Indian tribes. Yet for more than half a century there has been in existence the Interstate Commerce Commission, which was established for the purpose of regulating Commerce. Congress surrendered its power to examine into the details of such regulation by establishing the Commission. From time to time various Members of Congress, including myself, have appeared before the Interstate Commerce Commission for the purpose of arguing with regard to a rate structure which they felt injured their respective sections, or some other particular section of the country. I do not think that by so doing they were acting beneath their dignity as United States Senators.

Mr. President, if Congress could establish the Interstate Commerce Commission for the purpose of regulating commerce among the States, as it did more than half a century ago, under the same sentence, the same article, and the same section of the Constitution it could establish a commission to regulate commerce with foreign nations. We have not done that as yet, except in part, then we established the Tariff Commission and gave it power to change rates. If Congress has the power to set up an independent agency it has the power to create or to clothe an already existing agency with power. That is what we are doing in this case with the President of the United States. We are making him our agent for the purpose of regulating commerce between the United States and other nations through the medium of trade agreements.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. O'MAHONEY. Does the Senator give any weight to the theory of the division of powers set forth in the Constitution?

Mr. BARKLEY. Yes.

Mr. O'MAHONEY. Does the Senator not see a difference between the establishment of a quasi-judicial commission, such as the Interstate Commerce Commission, and a delegation of power to an executive arm of the Government which was established under the Constitution to carry out the law?

Mr. BARKLEY. I do not see any distinction between the establishment of an independent commission by Congress to exercise a constitutional authority, and an authorization by the Congress to the President to act as its agent to exercise the same function. We have granted similar authorizations recently. The pending measure provides nothing new. We are authorized under the Constitution to raise an army, but we do not stand on the street corners and solicit enlistments. We authorize the President and the Secretary of War to do that.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. O'MAHONEY. Of course, the Senator realizes that Congress may pass a law, as in this war it passed the Selective Service Act, in which it carefully prescribed the power of the President.

Mr. BARKLEY. Yes; and in the pending measure we are proposing to prescribe the power of the President. That is, he may reduce tariffs 50 percent. I am in favor of a division of power, but not a divorcement between the executive and the legislative. They must work together. I think we do not violate the Constitution, either in its letter or in its spirit, by authorizing the President to act as an agent of Congress. It was done as far as back 1791, even during the administration of George Washington. Why argue about the constitutionality of it now?

I do not want to go on ad libitum at this late hour.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. FULBRIGHT. The Senator has been a Member of the Senate for a long while. Is it his view that if we adopt the suggestion of the Senator from Wyoming actually there will be no trade agreements? Is it not true that in that event we might just as well not pass the pending bill?

Mr. BARKLEY. That is my view of it. I participated in the debate on the Smoot-Hawley tariff bill, and I remember that on one occasion when we were discussing the logrolling which everyone knew was taking place, a distinguished Senator announced on the floor of the Senate that he was a logroller as well as a back scratcher, that he would scratch anybody's back who would scratch his, and he further announced that his back was itching at that very moment, and he wanted anyone to scratch it who was willing to do so. [Laughter.]

Mr. President, I did not rise to make a speech. I wish to have printed in the RECORD some figures for the information of the Senate so that Members may be perusing them during the debate.

On January 1, 1939, we made an agreement with the United Kingdom dealing with woolen manufactures, and I should like to show what the deleterious, injurious, and destructive effects of it may have been.

In 1939 the value of all our domestic production was $306,000,000 plus. In that year imports were 1.4 percent of production. In 1937 the value of our domestic production was $540,000,000 plus, and imports were 1.9 percent. That was before the agreement to which I have referred was entered into.

In 1939, after having operated a full year under the agreement, our domestic production was $476,000,000-plus, and imports were 2 percent, or one-tenth of 1 percent more than they were the preceding year.

We made agreements with Switzerland and with France. The Swiss agreement was effective on February 15, 1936, and the agreement with France was effective on June 15, 1936.

In 1937 our domestic production was $834,000,000-plus, and our importations were 1.4 percent of our production.

In 1937 our domestic production was valued at $1,288,000,000-plus, and importations were 2.3 percent.

In 1939 our domestic production was valued at $1,012,000,000 and our imports at 1.8 percent.

We made an agreement with Canada on cattle and beef effective January 1, 1936, and with Argentina effective November 15, 1941. That was after the years which I am discussing.

In 1933 our domestic production of cattle and beef amounted to $7,331,000,000 pounds, and importations were 1.6 percent.

In 1935 we produced 7,565,000,000 pounds, and our importations amounted to 4.1 percent. That was before any trade agreement had been made either with Canada or Argentina.

In 1937, the next year after the trade agreement was made, we produced 7,906,000,000 pounds, and our imports were 4.8 percent.

In 1939 we produced 8,000,000,000 pounds plus, and importations were 5.5 percent.

With respect to farm income from cattle and calves, in 1933 such income was $599,000,000, in 1935 $1,062,000,000, in 1937 $1,238,000,000, and in 1939 $1,289,000,000.

Mr. President, I have some figures here with respect to leather footwear, under an agreement with Czechoslovakia made in 1938, which because of conditions in Europe, continued in effect only to April 22, 1939.

I have here also a table with reference to elastic fabrics, under an agreement with France.

I have a table in regard to pottery, under a trade agreement made with the United Kingdom.

I also have a table as to watches and clocks, under an agreement made with Switzerland effective February 15, 1936.

I also have a table with reference to cheddar cheese, under an agreement made with Canada effective January 1, 1936.

Mr. President, I ask unanimous consent that these tables be printed in the RECORD at this point, showing the domestic production and the percentage of imports of all these items contained in the tables, so that they may be studied by Members of the Senate during the debate, and prior to final action on the bill.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Domestic production and imports of selected commodities, showing percentages imports are of domestic production, 1933–39

Product and agreement in which principal concession was made	1933	1935	1937	1939
Woolen manufactures (United Kingdom, effective Jan. 1, 1939):				
Domestic production	$306,281,000	(1)	$540,919,000	$476,787,000
Imports as percent of production	1.4	(1)	1.9	2.0
Cotton manufactures (Switzerland, effective Feb. 15, 1936, and France, effective June 15, 1936):				
Domestic production	$834,207,000	(1)	$1,228,909,000	$1,012,147,000
Imports as percent of production	1.4	(1)	2.3	1.8
Cattle and beef (Canada, effective Jan. 1, 1936 on cattle):				
Argentina, effective Nov. 15, 1941, on canned beef):				
Domestic production (pounds)	7,331,000,000	7,565,000,000	7,906,000,000	8,002,000,000
Imports as percent of production	1.6	4.1	4.8	5.5
Cash farm income from cattle and calves, beef and veal	$599,485,000	$1,062,426,000	$1,238,924,000	$1,289,658,000
Leather footwear (Czechoslovakia, effective Apr. 16, 1938, to Apr. 22, 1939):				
Domestic production (pairs)	350,400,000	383,800,000	412,000,000	424,100,000
Imports as percent of production	0.6	0.4	1.1	0.6
Elastic fabrics (France, effective June 15, 1936):				
Domestic production	$16,130,000	$15,237,000	$14,924,000	$16,065,000
Imports as percent of production	1.3	1.1	1.7	1.2
Pottery (United Kingdom, effective Jan. 1, 1939):				
Domestic production	$44,024,000	(1)	$97,365,000	$97,861,000
Imports as percent of production	12.4	(1)	10.2	6.9
Watches and clocks and movements (Switzerland, effective Feb. 15, 1936):				
Domestic production	$29,201,000	$62,549,000	$104,446,000	$89,513,000
Imports as percent of production	6.7	8.8	10.3	11.3
Cheddar cheese (Canada, effective Jan 1, 1936):				
Domestic production (pounds)	415,649,000	475,788,000	497,007,000	541,781,000
Imports as percent of production	0.2	0.2	1.0	1.2
Income of domestic Cheddar cheese producers	$42,396,000	$68,638,000	$79,024,000	$69,348,000

[1] Not available.

ATTENDANCE OF SENATORS

Mr. GREEN. Mr. President, I wish to make a short statement, made necessary by the fact that a very strained and, in my opinion, illogical construction is put on the rules of the Senate requiring the attendance of Senators in person in the Senate Chamber at the time of a roll call.

I was present in the Chamber this morning, and I have been present this afternoon a part of the time, and a part of the time I have been in my office and elsewhere about the Capitol and the Senate Office Building; but now the only way I can get my name in the RECORD so as to show I was present this afternoon is by taking one of two methods, between which I can choose. One is to suggest the absence of a quorum, which would show that there are only eight Senators present, and would show that all the others are absent individually. The other is to make a statement, which will get my name in the RECORD, and show that I was here.

It seems to me that if a Senator is present anywhere in the Capitol Building or the Senate Office Building, and lets the clerk know he is there and ready to come and vote on any matter which calls for a vote in the Senate Chamber, that should be taken by the clerk as evidence of his attendance. It is absurd to suppose that when a Senator is in the lobby, or the restaurant, or the cloak room, or in his own office or a committee room, and communicates with the clerk, that

should not be regarded as indicating that he is present. That was, until a short time ago, the rule, but for some reason, owing to an individual Senator's remonstrance, the rule has been, in effect, changed. So the only recourse a Senator has is to choose between suggesting the absence of a quorum and demanding a roll call or taking the floor and interrupting the proceedings to make a statement, as I am now doing.

The PRESIDENT pro tempore. The present occupant of the chair will certify that the Senator from Rhode Island has been in the Senate a number of times today, and was really present.

Mr. BARKLEY. Mr. President, with regard to the remarks of the Senator from Rhode Island, I think we all agree that the enforcement of any rule of the Senate necessarily works a hardship on someone. Yet I cannot quite agree that we should adopt the rule that a Senator could telephone from his office and say he is present, or will be here, if there is a roll call vote on some proposition, because if all Senators should do that, we would have more empty benches than we have now, or usually have.

I can appreciate the frequent difficulty and embarrassment of Senators who are present most of the time, and who happen to be out of the Chamber when a roll call for quorum purposes is brought about, which emphasizes another ridiculous rule of the Senate, it seems to me. All 96 Senators may be in their seats in the Senate at any given time, but if any Senator makes a point of no quorum the clerk must call the rall to see if they are here. I think there should be a rule that the Chair could count Senators present to see whether there is a quorum, instead of the necessity of having the roll called, even though the Senate Chamber is filled. That is the rule in the House of Representatives, and it has worked well. The only object of calling the roll for a quorum is to get a quorum of 49 Senators present. If they are all here, it seems to me the Chair should be able to count them and see they are here, and announce that a quorum is present. I doubt whether the Senate would ever agree to a sensible rule like that, but that is the way I feel about it.

Mr. GREEN. Mr. President, I wish to add another illustration to the one the able Senator, the majority leader, used. Suppose there is a roll call, and a Senator whose name begins with A answers present, and then leaves the Chamber. By the time the clerk gets down to the Z's, if there are any, there may not be a quorum present, because Senators are not all here at any one time, and it would be necessary to begin over again with the A's. That would be the logical construction of the rule, that all Senators must be present at one time.

NOTICE OF HEARING OF WAR CONTRACTS SUBCOMMITTEE OF THE COMMITTEE ON MILITARY AFFAIRS

Mr. O'MAHONEY. Mr. President, I wish to give notice, so that it may appear in the RECORD, that a meeting has been called of the War Contracts Subcommittee of the Committee on Military Affairs, to which all members of the Committee on Military Affairs are being invited, and to which members of the Industrial Reorganization Committee of the Senate Committee on Postwar Economic Policy and Planning have been invited, to hear the members and staff of the Surplus Property Board, on Thursday morning at 10 o'clock. The meeting will be held in room 357 in the Senate Office Building.

The nomination of Mr. W. Stuart Symington, of St. Louis, to be a member of the Surplus Property Board, has been referred by the Committee on Military Affairs to the subcommittee. Mr. Symington will appear in the city sometime this week.

The purpose of the meeting will be to afford the members of the Surplus Property Board an opportunity to discuss with the members of the Committee on Military Affairs, from which came the Surplus Property Act, the principles which are guiding the disposal of property. Certain objectives were set forth in the act.

As a part of my remarks, I ask unanimous consent that there be printed in the RECORD the summary of the progress report of the Surplus Property Board which has just been received in the Senate.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF SECOND QUARTERLY REPORT OF SURPLUS PROPERTY BOARD

Part I of the report contains largely historical material setting forth disposal experiences after World War I and the history of the Surplus Property Act.

Part II is entitled "Basic Organization and Problems." The following statements are important:

1. General supervision and direction authorized under section 6 of the act signifies both policy and control. So far the Board has been concerned primarily with the establishment of policy.

2. Many disposal transactions by owning agencies take place under statutes other than the Surplus Property Act.

3. For the purpose of achieving better coordination with other Government agencies the Surplus Property Board has established an Advisory Board of representatives of other agencies.

4. The revised Budget estimate of $2,619,170 allows for a staff of 377 persons.

5. The staff is set up under an administrator. There are seven major offices: Industrial property, consumer goods, real estate, aviation, foreign disposals, reports and information, and staff services.

6. Surplus property in the hands of the owning and disposal agencies amounted to almost $1.400,000,000 in terms of procurement cost. The backlog of undisposed surplus amounted to almost $1,000,000,000, representing largely aircraft and related equipment.

7. Approximately 16 percent of available surpluses, or approximately $265,000,000 worth in terms of procurement cost, were disposed of during the 10-month period between June 1944 and March 1945. The fastest moving stocks consist of food, next consumer goods, next small vessels.

8. Four-fifths of sales are made to nongovernmental buyers, about 12 percent to Federal agencies. Only about 2 percent are taken by State and local governments.

Part III, entitled "Putting the Act Into Effect," deals primarily with the several provisions for priorities and preferences:

1. Transfers within the War and Navy Departments and between the two departments amounted to $212,000,000.

2. State and local governments are not given priority on all items but only a selected list of items.

3. Veterans' preference is being effected through the medium of Smaller War Plants Corporation, which will acquire surpluses which veterans have requested and turn those items over to individual veterans on credit terms.

4. Distribution in rural areas is covered by Surplus Property Board Regulation No. 3, which provides for channeling into such areas surplus property having farm use. This is done with the cooperation of the War Foods Administrator and the Agricultural Adjustment Agency.

5. Small business preference is effected by selling in small lots. More than 86 percent of all transactions executed by the Treasury Department were under $1,000, and 68 percent under $500.

6. Plant disposal will have greater impact upon the long-run structure of the economy than will the disposal of any other class of surplus. Roughly one-fifth of the Nation's industrial capacity, representing an investment of $16,000,000,000, is now owned by the Government. Plant disposal must be approached both on an industry-wide and national basis. Industry reports are under preparation. The present surplus of plants is small—amounting to 46—representing a total cost of $102,000,000. Thirty-one additional plants are excess, representing a value of about $444,000,000, but have not been declared surplus.

7. Contractor inventories present a special problem because they are widely scattered and speedy plant clearance is important. The retention of plant equipment by contractors is being encouraged except for plant equipment short in supply.

8. Disposal of real property has not been a task of great magnitude since only 139,000 acres out of a total of 9,000,000 acres and 26,000 parcels have been declared surplus.

The remainder of the chapter deals with the description of the provisions made for distributing information, and establishing procedures for investigations and checks of surplus transactions.

Part IV entitled "Principal Disposal Programs" goes into further details with respect to activities under each of the disposal programs for aircraft, capital and producers' goods, consumers' goods, agricultural commodities and food, ships and maritime policy, and foreign disposal.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the postmaster nominations are confirmed en bloc.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BARKLEY. I ask that the nominations in the Navy be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the Navy nominations are confirmed en bloc.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the Marine Corps nominations are confirmed en bloc.

That completes the calendar.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 13, 1945, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 12 (legislative day of June 4), 1945:

IN THE NAVY

APPOINTMENTS IN THE NAVY

To be assistant dental surgeon, with the rank of lieutenant (junior grade)

Elbert W. King

To be assistant paymaster, with the rank of ensign

Everett A. Malcolm

To be ensign

Hartsel F. McCue

IN THE MARINE CORPS

FOR TEMPORARY SERVICE

To be brigadier generals

Ray A. Robinson
William C. James
William O. Brice

POSTMASTERS

NEBRASKA

Enid M. Morgan, Rosalie.

NEW YORK

Edward J. Blackall, Fort Edward.

OHIO

Elsie O. Welty, West Mansfield.

PENNSYLVANIA

John T. Friend, Acosta.
John H. McKee, Corsica.
Eva E. Taft, East Springfield.
Elma V. Ross, Eau Claire.
Blanche A. E. Hemperly, Enhaut.
LeRoy E. Strawbridge, Felton.
Conrad A. Zahner, Glenfield.
Melvin J. Hurd, La Jose.
Frank W. Kebe, Moon Run.
Roy B. Lesher, Mount Pleasant Mills.
Elizabeth V. Heaps, North Bend.
William C. Stauffer, Orefield.
Mildred A. Swanson, Pittsfield.
Virginia R. Nosik, Pulaski.
William M. Stewart, Rochester Mills.
La Roy C. Best, Schnecksville.
Martha M. Benninger, Stiles.
Neil Kunselman, Tionesta.
Earl E. Koch, Wescosville.
John B. Myers, Wormleysburg.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 12, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Merciful God and Father of us all, again as children of Thy providence we approach Thee in humble confidence and with the courage of compelling faith. As we move through the hours of this day, breathe into us an atmosphere of brotherly love and consideration, subduing anxious striving. By the manifestation of the truth, walking in honor and personal integrity, may we commend ourselves to the favor of all men. O keep the Congress strong of heart, ready of mind, and consecrated in spirit as it administers the trust reposed in it as a priceless heritage of human freedom.

Grant, O Lord, that the great brotherhood of nations at last may learn the abiding source of their peace and happiness; that they may go forward and rise to new heights of greatness as they show forth the love that blesses those who give and those who receive. We pray Thee to create within us a passion to contend against whatever worketh wrong between man and man, nation and nation. Through Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 30. Joint resolution extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of Justice (Federal Bureau of Investigation).
4. Department of Labor.
5. Post Office Department.
6. National Housing Agency.
7. Office of Civilian Defense.
8. Office of Defense Transportation.
9. Office of War Information.
10. Selective Service System.

THE POLL TAX

The SPEAKER. The Chair thinks under the rule he must recognize the gentleman from New York [Mr. MARCANTONIO]. The gentleman from Texas [Mr. SUMNERS] will be designated to control the time in opposition to the bill.

Mr. MARCANTONIO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. RAMSPECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 108]

Anderson, N. Mex.	Gorski	Pace
Andresen, August H.	Grant, Ala.	Ploeser
Andrews, Ala.	Grant, Ind.	Plumley
Bailey	Gwynne, Iowa	Price, Ill.
Barden	Hagen	Rabaut
Bates, Mass.	Hall, Edwin Arthur	Rains
Bloom	Hancock	Reed, Ill.
Boren	Hart	Richards
Bradley, Mich.	Hébert	Rodgers, Pa.
Bradley, Pa.	Heffernan	Roe, N. Y.
Cannon, Fla.	Herter	Ryter
Carlson	Hess	Shafer
Case, N. J.	Hobbs	Sharp
Chapman	Holifield	Sheppard
Clason	Holmes, Wash.	Short
Clements	Jarman	Sikes
Coffee	Jennings	Simpson, Pa.
Cole, N. Y.	Johnson, Calif.	Slaughter
Cooley	Johnson, Ind.	Smith, Ohio
Cravens	Johnson, Lyndon B.	Snyder
Curley	Jones	Stefan
Dirksen	Kean	Stewart
Dondero	Kefauver	Sundstrom
Doyle	Kilburn	Talbot
Durham	LaFollette	Thomas, N. J.
Earthman	Landis	Towe
Eaton	Martin, Iowa	White
Fellows	Mason	Whitten
Gathings	O'Toole	Winter

The SPEAKER. On this roll call, 338 Members have answered to their names, a quorum.

On motion of Mr. RAMSPECK, further proceedings under the call were dispensed with.

THE POLL TAX

The SPEAKER. The question is on the motion offered by the gentleman from New York [Mr. MARCANTONIO].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7, with Mr. BULWINKLE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MARCANTONIO. Mr. Chairman, I first yield 30 minutes to the gentleman from Ohio [Mr. BENDER], to be yielded by him as he sees fit, and of my remaining 30 minutes I yield at this time 5 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I have been through many debates on the poll-tax situation, and always we are told that what each State does in reference to poll taxes is none of our business.

Well, my answer to that is that no State can act in a vacuum. It is our business. "Seek not for whom the bell tolls. It tolls for thee."

All of us are affected by anything that happens in any of the States, particularly with reference to the imposition of a poll tax and the requirement that no one can vote unless he satisfies a condition precedent, namely, the payment of such tax.

Whatever happens, especially as to voting in our Republic anywhere, in my humble opinion, and particularly in Presidential or congressional elections, concerns each and every one of us, concerns the Congress, and concerns all the people of the United States.

There are States' rights, of course, but let us not lose sight of the fact that there are by virtue of our Constitution national rights also.

Article I, particularly section 4 thereof, gives certain rights to this Congress concerning elections, and we must not lose sight of that article of the Constitution. It reads:

> The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law alter such regulations, except as to the places of choosing Senators.

Section 4 sets up these national rights and gives Congress a measure of control over Presidential and congressional elections. Congress is vested with those national rights as trustee for all potential voters everywhere and those national rights are paramount to States' rights.

Vermont, New York, and California have as much right in a national election as Texas, Missouri, and South Carolina. Is it just for the people of New Jersey, North Dakota, and Connecticut to be legislated for and their Federal interests be administered by officials elected on any undemocratic franchise?

Mr. Chairman, if a State can impose a poll-tax requirement of $2 or $3, it can impose one of several hundred dollars or even several thousand dollars. It could be capricious. It could say that no one shall have the right to vote unless he has paid his private debts. By token of that argument a State could say nobody shall have the right to vote unless he is a regular churchgoer. At some stage therefore the Federal power must intervene to protect the republican form of Government guaranteed specifically by our Constitution. That is exactly what the reasoning was in the famous case of United States against Classic, decided by the Supreme Court in May 1941.

It said, for example, that the Congress could intervene in a primary in a State since in certain States the primary is an election, and therefore any undue burdens on the election processes are indefensible and may be prohibited by Congress.

The history of modern poll taxes indicates beyond peradventure of a doubt a studied purpose to curtail voting, to reduce the numbers of those who may vote. See the statistics of votes cast for Representatives in Congress in poll-tax States. Compare them with the votes cast for Congressman in New York or Illinois or Maryland. It is like 7,000 votes to 150,000—7,000 in say, Mississippi, and 150,000 in my own district in New York.

Assuredly such poll taxes are designed to deprive certain people of the right to vote—designed to impair democracy. We in the Chamber therefore have the right and duty under the Constitution to protect that democracy in our Republic.

Poll-tax States would not dare show their hands by openly saying colored people cannot vote. That would violate the fourteenth and fifteenth amendments. Yet what cannot be done openly is done covertly and indirectly. In either case the Constitution is violated. Each State receives under congressional act its quota of Representatives based upon its entire population. But in the seven poll-tax States the population gets Congressman, whose election is based, not on universal manhood suffrage but upon a system of voting that justifies a political racial superiority, a political aristocracy.

We have a right to follow and trail that quota of Congressmen that we allot to each State, and see to it that our republican form of government is not impaired in their election.

We dare not permit, say, in Massachusetts, a form of election which would insure only the Cabots and the Lodges and the Lowells elected to Congress. Concomitantly we dare not permit longer elections in seven poll-tax States where only certain political Brahmins can vote or can be elected. Such a caste system is the very antithesis to democracy.

The payment of a poll tax as a conditional to voting is an unwarranted, arbitrary, unreasonable restriction upon the rights of franchise.

Democracy rises or falls with the grant or refusal of the vote. The democracy of seven poll-tax States is quite faint.

Freedom has been defined as follows: "That man is free who is conscious of being the author of the law that he obeys."

If I am qualified as to character, residence, literacy, and age to vote, and am still barred because I did not pay my poll tax, then an unnatural barrier is erected about my freedom. If that tax is enacted primarily to keep many from voting—and that is the primary purpose—then the disenfranchised cannot be "conscious of being the author of the law" they obey. Then the law is being made—as in the days of feudalism—by those they have not elected.

Put it another way; democracy has been defined as a state of government where one may be an individual potato and not lose one's independence as an individual potato by being mashed.

The poll tax makes thousands and thousands just so much mashed potatoes and democracy vanishes.

Can we say democracy exists in a town where on one side of the railroad track people can vote while on the other side they are willing and able to vote but cannot?

Let a State enact all the poll taxes it wishes, but payment thereof cannot and should not be a condition precedent to voting. It may be an effective and efficient method of collection, but it is not justifiable. The poll tax is not a tax on voters as a class.

Congress, under article I, section 2, of the Constitution, can regulate "the times, the places, and the manner of holding elections" to Federal offices. These are broad powers, sufficient to prevent unreasonable restrictions. Judge Pitney and Judge Brandeis held in Newberry against United States that the manner of holding elections goes to the entire mode of procedure, "the essence, not merely the form, of conducting the elections." These judges justified congressional control even over primaries. In fact, the Classic case subsequently heard by the Supreme Court overruled the majority opinion in the Newberry case and sustained the point of view of the minority opinion as expressed by Judges Pitney and Brandeis.

Congress has definite grants of power in accordance with article I, section 4 of the Constitution: That is, Congress may regulate the times, places, and manner of holding elections and, in addition, Congress may alter any provisions that States may make on the subject, except as to places of choosing Senators.

Thus, Congress may regulate State action by preventing payment of poll tax as a condition for voting.

I quote from the famous *Yarbrough case* (110 U. S. 651):

> For the power of Congress over the subject is paramount. It may be exercised as and when Congress sees fit to exercise it. When exercised the action of Congress, so far as it extends and conflicts with the regulations of the State, necessarily supersedes them. This is implied in the power to "make or alter." * * * The right to vote for Members of Congress is fundamentally based upon the Constitution of the United States, and was not intended to be left within the exclusive control of the States.

Opponents of this measure say each State can set and define the qualification of its voters for its most numerous branch of its legislature under article I, section 2, of the Constitution.

Poll-tax pay is not a qualification. In the *Breedlove case* (302 U. S. 277), Mr. Justice Butler said that it is merely a tax.

Aliens must pay it, yet paying them is no qualification for voting.

It is no qualification like an intelligence test, literacy test, residence requirement, age requirement, necessity of citizenship. Pay as condition precedent to voting is an enforcement provision to encourage paying of a tax.

Generally poll taxes need not be paid by persons over 60 years of age, by the deaf, the dumb, the crippled. All of these are exempt from the tax and may vote.

It is no qualification as to the halt, lame, and feeble.

I believe men in the armed services may vote and need not pay the tax.

It is therefore no qualification for them. This inconsistency takes the props from under the argument that the poll tax is a qualification of fitness to vote.

We pride ourselves on universal suffrage. That is hollow pretense. Eight million are without vote, although potentially qualified.

We proclaim female suffrage, yet thousands of qualified females are forcibly deprived.

It is the poor who are bereft of the vote. They need it more than the wealthy. Those of wealth can fend for themselves, the lowly cannot—without the vote.

James Madison in Federalist 57 said:

> Who are to be the electors of the Federal Representatives? Not the rich, more than the poor; not the learned more than the ignorant; not the haughty heirs of distinguished names, more than the humble sons of obscurity and unpropitious fortune. The electors are to be the great body of the people of the United States.

The abolition of poll taxes is not wholly a race problem. Potentially 8,000,000, on an average, are disenfranchised by poll taxes in 7 States.

It is common fallacy to think that poll taxes only disenfranchise the colored voter in the main. That is not so. Whites are disenfranchised to a greater degree than Negroes. These whites include sharecroppers, tenant farmers, denizens of tobacco road, the impoverished.

This discussion and prior discussions are good things. It warns poll-tax States to purge themselves.

Georgia has repealed its poll tax, Tennessee repealed its poll tax, but its courts ruled otherwise.

Let Alabama, Arkansas, South Carolina, Texas, Mississippi, and Virginia take warning.

Mr. BENDER. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I presume that during the course of debate on this question we will hear some very profound arguments addressed to the question of the constitutionality or unconstitutionality of the pending legislation. I raised those questions in my mind a number of years ago, and I have tried to satisfy the constitutional oath which I took as a Member of this body to support and uphold and defend the Constitution of the United States.

I have read all of the arguments advanced in favor of the constitutionality of this proposed legislation as well as those arguments opposed to it. It seems to me, as one who has had some experience in the law, that to make an argument based upon the constitutionality or lack thereof with respect to this legislation leaves out of consideration present trends. If there is a lawyer in this House that can render an opinion to a client on the question of constitutionality on any subject involving any clause of the Constitution, with the assurance to his client that that advice will ultimately be sustained, then I would like to have him arise now. I do not believe there is any such lawyer in the United States today, because the turbulent changing times have caused a turbulent and changing sentiment in the Supreme Court of the United States which, after all, is the body that puts the final O. K. on a question of constitutionality.

I have read the arguments of those who contend that this action is constitutional and I have read the briefs of those who have opposite views. I have reached the conclusion, without going into all of the details, that the Supreme Court of the United States, as presently constituted, will ultimately hold that this legislation is within the provisions of the Constitution, and will do so upon the theory that if this bill ever becomes law the Congress of the United States has the right to control and have a voice in the control of the election of Federal officers, and Federal officers only, and upon the further theory that the imposition of a poll tax is a restriction on the right to vote and not the designation of a qualification for voting. When you read the newspapers of yesterday and see decision after decision coming out of the Supreme Court, involving constitutional questions that affect the lives and fortunes of the people of this Nation, and every one of those decisions determined by a 5 to 4 vote, it becomes a rather tenuous argument, it seems to me, to say with any degree of assurance that if you vote for this legislation you are voting to enact into law a statute that will do violence to constitutional provisions.

Now we are living in a strange era when laws are being made by the Supreme Court of the United States day after day by the vote of one man on that Court. Five-to-four decisions are the rule today. Precedents are rapidly being overturned. The day-to-day decisions of the Supreme Court are so at variance with established precedent that no one can state with assurance what the law is. I again repeat that I do not believe there is a good lawyer in the land who can stand before this or any other body with complete assurance that he or she is right, and make the statement that this legislation is or is not constitutional. I am satisfied in my own conscience that this legislation if passed by this Congress and signed by the President will ultimately be held by the Supreme Court to be constitutional. In so doing I feel I have complied with what I conceive to be my responsibility under the oath to support the Constitution which I took when I became a Member of this great body.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. RANDOLPH. The gentleman has expressed himself very clearly as to the question of constitutionality. What does the gentleman's heart say as to the principle of the legislation?

Mr. KEEFE. My heart says every person in the United States should have a right to vote. That is what my heart says. That sentiment is in the hearts of the people of America, because State after State which for years maintained the poll tax as part of the State structure of government, has seen fit by State action to repeal the inequities which are found in poll-tax legislation. There are only seven States which now have a poll tax. The last two to repeal such legislation were the States of Tennessee and Georgia. Florida did a short time ago. That expresses what is in the hearts of the people of America. I am sure that the distinguished gentleman from West Virginia [Mr. RANDOLPH], whose heart always beats in sympathy with progress, shares this sentiment.

Mr. MARCANTONIO. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. DAWSON].

Mr. DAWSON. Mr. Chairman, as the preceding speaker said, there are those who base their disapproval of this measure upon some question as to its constitutionality. I do not believe there is a Member of this Congress who believes that the framers of the Constitution intended to put it into the hands of any State to impose such qualifications as would take from the majority of the people of that State the right to express themselves at the polls in the election of Federal officers.

This protection is given us in article IV, section 4, of our Constitution:

> The United States shall guarantee to every State in this Union a republican form of government.

What, then, is a republican form of government? Certainly the framers of the Constitution had in mind the form of government which then existed in the various States. In no State at the time of the framing of the Constitution was there any qualification imposed which gave to less than a majority of the people the right to vote. In other words, at that time there was no qualification imposed which would take away from the majority of the people by virtue of that qualification a voice in the Government. That is why we have met here today on this matter—because in seven of our States there is a qualification imposed which in fact amounts to a restriction, the import and result of which is to disfranchise a majority of the people of those States. Certainly it becomes the problem of all the other States where a majority of the people exercise the right to vote to do something about a situation where a small minority in any State, by virtue of the imposition of a qualification which disfranchises the majority of the people of that State can defeat the will of the majority. This poll tax is imposed under the guise of a tax for school purposes. Every honest man knows that the requirement of a poll tax for school fund purposes is just a subterfuge. They know it was never imposed honestly for that purpose. They know it was imposed for the express purpose of disfranchising those who are economically circumscribed. Yet they stand here and tell you that failure to pay the price of $2 shows a lack of pride in the individual by his failure to exercise his right of franchise. As a matter of fact, under the circumstance and situation in which those people live they cannot afford the payment of a $2 poll tax. In order to see that large numbers were disfranchised, in some of the States they made the poll tax cumulative.

To go further and cripple citizens in their efforts to vote, some of the States have made it an offense against the laws of the State to attempt to get people to pay their poll taxes. So, you see, under article IV, section 4, of the Constitution of the United States, this Congress is given the power to see that every State has a republican form of government.

Any time any State imposes a limitation which will destroy that condition it becomes the duty of this Congress to pass measures, such as we are passing here today, to do away with this iniquitous poll tax or any other restrictive measures which operate to disfranchise a majority of the people.

One of our distinguished Members stood on this floor the other day to speak. He said he came from a State where the proportions of citizens were about equal of Negroes and white people. He said that four out of every five called to the colors were white. But he did not tell you that the reason they did not take Negroes into the Army down in Mississippi was because they could not meet the minimum educational qualifications required by the Army. He did not tell you that. Under this poll-tax system, where the taxes are supposed to be collected to educate people, why is it, then, that so many of these people cannot meet the minimum educational requirements? Mr. Chairman, this poll tax is but a subterfuge used to disfranchise citizens and should be outlawed. This bill should pass.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DAWSON] has expired.

Mr. MARCANTONIO. Mr. Chairman, I yield such time as she may desire to the gentlewoman from California [Mrs. DOUGLAS].

Mrs. DOUGLAS of California. Mr. Chairman, if we are not fighting for the right to vote, what are we fighting for?

The history of America is the history of a constantly broadened base of suffrage, moving always toward universal adult franchise.

For the most part the States themselves have taken action. When the States failed to act the Congress has acted. We have always before us the fourteenth amendment to the Constitution, with its eternal guaranty that no law may abridge the privileges and immunities of citizens. We have the nineteenth amendment, extending the right of suffrage to all women. There are current proposals to lower the voting age to 18, and to fine nonvoters.

Yet we have the strange spectacle of seven American States in which the number of voters is deliberately held down by an artificial restriction having no relationship to qualifications for the exercise of suffrage.

Payment of a poll tax is not a qualification for voting; it is not an attribute of character. There is nothing about the payment of a poll tax which indicates whether a man or a woman has the intelligence, the maturity, and the judgment to vote.

No less a person than the present Governor of Alabama is my authority for this statement. In his message to the Alabama General Assembly asking for repeal of the cumulative feature of Alabama's poll-tax law he said:

> The poll tax is not a qualification for voting. It is a condition precedent to the use of the ballot.

That is what Gov. Chauncey Sparks, of Alabama, one of the seven poll-tax States, said.

Is it any wonder the women of the United States are taking the lead in trying to get rid of the poll tax?

Payment of a poll tax by a free citizen of the United States as a condition of voting is an insult to American citizenship.

Before 1920 American women were a kind of second-class, voteless subcitizen. In 7 American States there are still 10,000,000 voteless, second-class, subcitizen Americans. With this bill, H. R. 7, we can liberate all the votes of all the men and women in those seven States, just as we liberated all the votes of all the women in the other States by the nineteenth amendment.

Mr. SUMNERS of Texas. Mr. Chairman, I yield such time as he may desire to the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM of Virginia. Mr. Chairman, on yesterday I voted against the motion to discharge the Rules Committee from further consideration of the so-called anti-poll tax bill. The motion was carried by a roll-call vote of 223 to 95. Today, I shall vote against the measure which this action makes in order. The bill will pass, as it has before. I wish to make a few observations in explanation of that vote.

I freely confess that I am in a most uncomfortable position on the whole matter. I am unalterably opposed to the requirement of the prepayment of a poll tax to entitle one to vote. I have stated so emphatically and repeatedly. On the other hand, I am equally as opposed to the repeal action being taken by the Federal legislative body. The repeal action should be taken by the States. Such action by the Federal Congress is, in my judgment, clearly unconstitutional and would be a serious encroachment by the Federal Government on the rights of the States to determine the qualifications and rights of its citizens to vote. This is not merely an academic question. To establish a precedent and to lay down the principle that the Federal Government could have anything whatsoever to do with the qualifications of voters in the several States would, in my judgment, be most alarming.

Only seven States remain that have the poll-tax requirement. I am sorry to say that my own beloved State of Virginia is one of these States. I have repeatedly given it as my judgment that our State legislature should immediately take the required action to do away with this tax as a prerequisite to voting. It is a relic of a bygone political era. It is a political irritant. At a time when we should be preaching the doctrine of democracy and national unity it stirs up racial hatred and foments class feeling. At a time when we should be working toward the goal of an informed and active electorate it is a contributing factor in discouraging participation in Government affairs by the masses of the people.

Furthermore, it is absolutely unnecessary to accomplish the purpose for which its proponents hold on to it. It has been clearly demonstrated that it is quite possible to have a fair, logical, and thoroughly democratic educational or literacy test, for the prospective voter which would adequately protect the ballot. I certainly do not advocate an open, indiscriminate ballot. The election laws of every State with which I am familiar have some protection or safeguard against the ignorant and those who are totally unfit to participate in important governmental functions.

A determined effort is being made in Virginia to get rid of the poll tax as a prerequisite to voting. It is not suggested that the tax—as a tax, be repealed, but on the contrary it should be retained and collected for school purposes. The offensive part of it is to retain it as a prerequisite to voting. That antiquated procedure must and will go.

So far in our State about all of the encouragement we have received is that the next State administration will submit the matter to the people for them to decide whatever that may mean. Of course to "permit the people" to have a voice in such an important matter is no doubt a gracious and generous concession. "Hope springs eternal in the human breast."

Mr. SUMNERS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. RUSSELL].

Mr. RUSSELL. Mr. Chairman, for some cause, which is hard to understand, we are again confronted with the most unconstitutional anti-poll-tax bill of all times. It occurs to me that this is the worst time that a punitive measure should come before this House; this time when we are coming out from under a part of the worst chaos that civilization has ever known. It is almost unbelievable that certain Members of this great body, who have taken a solemn oath to uphold and defend the inspired and deathless Constitution of the United States of America, should even want to pass through this body a bill that even a wayfaring man should see that in doing so it would be destroying another pillar of that Constitution which has meant so much to them and to the American people. Yes, that 155-year-old charter of human freedom, which is now and has always been the hope, the dream, the prayer of the civilized world. And still they want to pull another stone from the foundation of that old charter of human freedom by passing this bill just because they are prejudiced against that section of our country, which has provided, as they have a right to do under the Constitution, the levying and paying of a small, insignificant sum as a poll tax as a prerequisite to voting within that section.

Let us for the time being lay aside the prejudice embodied in this bill, and in all fairness look at what this bill embodies. The vital issue involved in the measure before us is whether the Constitution of the United States is to be nullified or whether it is to be upheld. I do not care whether you approve of the poll tax as a qualification for voting, and your stand upon that ground may be justified or it may not be justified, that is a small matter, and is a matter of convictions and opinions which fades into insignificance when compared to the real issue involved. The fact remains,

the fact that cannot be successfully contradicted, that the Congress has not the power to abolish the poll tax as a qualification for voting in any of the States of this Union. The Constitution makes that perfectly clear in providing that Representatives and Senators shall be elected by the people, and that the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Under this provision the States and the States alone have the power, limited only by the Constitution, to determine the qualifications of the voters. The Congress certainly does not have this power and any attempt on the part of the Congress to exercise such power is clearly an attempt to scuttle the Constitution. I am sorry to see that some of the Members of this body stand ready to scuttle same for the sole and only purpose of enhancing themselves from a political standpoint. Yet it is strange, some of these Members, who are supporting this measure, were about a year ago fighting the Federal soldier vote bill because of its unconstitutionality and quoting the same article and section of the Constitution that applies to the present bill. Let us be consistent and honest. The same reasons and the same article that made the Federal soldier vote bill unconstitutional make the present bill unconstitutional, and any person ought to see it.

Any fair consideration and discussion of this question will make the facts clear. The makers of the Constitution understood that they were offering to the States a document that guaranteed absolute protection of the power of the States to control suffrage in the election of Congressmen and Senators. Had any other provision been adopted by the Constitutional Convention on this question it is doubtful if the Constitution could or would have been adopted and then ratified by the States. Anyone reading the history and debates of the Convention can come to no other logical conclusion. It is very significant and should be and is conclusive to all reasonable minds, who have fairly considered the question, that during all of the debates on this question in the Constitutional Convention not one single person spoke of, or even suggested, giving the power to the Congress to determine the qualifications of the electors.

In the formation of our Constitution the authorities found it to be impractical to bring together the many different colonies or States, and any qualification which might have been written in the Constitution would not have satisfied the different States, and for that reason the framers of the Constitution decided to leave the adoption of the qualifications of the electors to the States. And in consequence, this decision is set out in the Constitution, in that part of article I, section 2, which states:

> And the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

No one would or could, intelligently, advocate that the Federal Government could determine and pass upon the qualifications of the electors in the States for the most numerous branch of the State legislature. To even ask a question of this import should convince any reasonable mind what this provision means, which the Constitution left and correctly so, the determination of the qualifications of the electors to the States, with reference to the election of representatives in Congress.

This provision was understood by all of the States when they ratified the Constitution as a pledge and assurance, and the same was ratified upon these conditions and circumstances. These assurances and guaranties were repeated many times by the framers of the Constitution during the period of ratification. This assurance or pledge to the people was irrevocable except by an amendment in the form and manner set out in the Constitution for amending same. This was a wise provision. The Government through the Congress has never up to this time dishonored that pledge and to do so now would be a breach of faith.

If there could be any doubt on this question, the history of the framing of the Constitution should be looked into. Elliott's Debates furnishes us with absolute proof of the intentions and effect of this section of the Constitution. It records on page 387 the words of Madison as follows:

> The right of suffrage is certainly one of the fundamental articles of republican government and ought not to be left to be regulated by the legislature.

Meaning of course, the Congress.

Not a single delegate to the Convention spoke in favor of giving the power to Congress. A few wanted to set out the qualifications by the Constitution. This was defeated.

Col. George Mason, of Virginia, one of the delegates, said in regard to this question, and I quote:

> A power to alter the qualifications would be a dangerous power in the hands of the Congress (p. 386).

Madison was in favor of setting out in the Constitution certain qualifications. He thought and so expressed the opinion that the freeholders of the country would be the safest for a Republican form of government; but knowing ratification was necessary, did not press the qualification for the reason he was afraid the States would not ratify the same with such a provision in it, and argued that leaving the qualifications to the States would hasten ratification and this provision was recommended by the Committee on Detail on August 6, 1787, by the following members of the committee:

John Rutledge, South Carolina; Edmund Randolph, Virginia; Nathaniel Gordon, Massachusetts; Oliver Ellsworth, Connecticut; and James Wilson, Pennsylvania; with the only restrictions:

That qualifications for electors for Representatives in Congress should be the same as the qualifications for the most numerous branch of the State legislatures.

Under such provision, it would be just as constitutional for the Congress to attempt to change the qualifications of the electors for the most numerous branch of the State legislature.

Mr. Chairman, I want to clear up a little matter that my colleague the gentleman from Alabama [Mr. PATRICK] at least left the impression with me, and I think with others from his speech. I gained the impression from what he said that Alabama required the payment of $36 in the form of a poll tax, in order to vote. The gentleman from Alabama informed me that he did not intend to convey that idea; that he intended to convey the idea that Alabama could levy a tax in the amount of $36.

Mr. PATRICK. Will the gentleman yield?

Mr. RUSSELL. I yield.

Mr. PATRICK. Our State poll tax in Alabama is $1.50 a year. It acummulates to $36. If you owe $1 of that $36 you cannot vote. There are many, people in Alabama who cannot vote and could not vote if they paid $35. They would have to pay $36.

Mr. RUSSELL. That is over a period of years?

Mr. PATRICK. It is over the period from 1921 to 1945.

Mr. RUSSELL. But in each year the poll tax for Alabama is only $1.50?

Mr. PATRICK. That is right. I thank the gentleman for clearing it up.

Mr. RUSSELL. Now it has been said that the poll tax was passed as a qualification for voting, for the purpose of disfranchising certain citizens of our country. That is incorrect, it does not disfranchise anybody. The colored folks in my native State who have paid this poll tax each year—$1.75—are as free to vote as I am. It does not make any difference what his color, race, or creed. So it does not deprive anybody of voting. If I fail to pay it, I cannot vote. No one who fails to pay it can vote. So it does not deprive any living human being of the right to vote.

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield?

Mr. RUSSELL. No; I do not yield.

In my earlier remarks I did not have time to finish. I wish now to take up the subject where I left off. I had reached the point of qualification of voters and I called attention the constitutional provision, article 1, section 2, with reference to the qualification of electors for representatives in Congress being the same as of the electors for the most numerous branch of the State legislature.

Can you imagine any Member of this Congress having the audacity to attempt on the part of Congress to change the qualifications of the electors for the legislatures within the States? Yet, if the Constitution gives the power to Congress to pass the bill before us, it certainly would go the rest of the way and give the Congress the power to change the qualifications of the electors for the most numerous branch of the State legislatures; as this constitutional provision is inseparable.

Now, back to the Constitutional Convention, Gouverneur Morris, of Pennsylvania favored a uniform rule in the Constitution to limit suffrage to the free-

holders, and proposed such. This provision was defeated 7 to 1, and the present provision was adopted by a unanimous vote and we have the present provision, which was revised and arranged by the Committee of Styles and Arrangement composed of the following delegates: William D. Johnson, Connecticut; Alexander Hamilton, New York; Gouverneur Morris, Pennsylvania; James Madison, Virginia; and Rufus King, Massachusetts.

This sentence, which is the only phrase on qualifications of the electors, of representatives in Congress, was not only a solemn pledge to the States, but was a command to the States to be used in electing representatives, thereby forcing the States to be as fair in electing their national representatives as they were in electing the members of the most numerous branch of the legislature of their own States.

It has been contended by some of the Members of this body that section 4 of this article gave the Congress authority to change the qualifications of electors for representatives in Congress, but such is not the case. That section is as follows:

The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof, but the Congress may at any time by law make or alter such regulations except as to the place of choosing Senators.

This contention is without reason or logic, and such contention is downright silly. The power given to the legislatures as to time, places, and manner of holding elections cannot by the wildest imagination be construed to include legislation as to qualifications. The courts have universally held, without a single exception, to the contrary. Such a construction does not and cannot comport to the English or any other language, nor even common sense. Some of these same Members have tried to argue that such contentions were upheld in *United States* v. *Classic* (313 U. S. 299) but such is not the case. The question being obiter dictum, and a careful reading of this opinion is to the contrary as shown not only by the wording of the opinion, but the cases cited in support of the real question at issue; as they held to the contrary on the qualification issue.

There were some people who raised this question during the ratification period, but their fears were all abated by the members of the Constitutional Convention.

In the ratifying convention of Massachusetts, Dr. John Taylor, of Dougless, raised this question: That section 4 might give the Congress power to prescribe a property qualification for voters in the sum of £100 money. Rufus King, a member of the Constitutional Convention, in answering him, said:

The idea of the honorable gentleman from Dougless transcends my understanding, for the power of control given by this section (sec. 4) extends to the manner of elections, not to the qualifications of the electors.

In the Pennsylvania ratifying convention, James Wilson, a member of the Constitutional Convention, on this point said:

In order to know who are qualified to be electors of the House of Representatives, we are to inquire who are qualified to be electors of the legislature of each State. If there be no legislature in the State, there can be no electors of them. If there be no such electors, there is no criterion to know who are qualified to elect Members of the House of Representatives.

By this short, plain deduction, the existence of State legislatures is proved to be essential to the existence of the General Government.

In the Virginia ratifying convention, Wilson Nicholas, one of the delegates to the Constitutional Convention, said:

If, therefore, by the proposed plan it is left uncertain in whom the right of suffrage is to rest, or if it has placed the right in improper hands, I shall admit it is a radical defect. But in this plan there is a fixed rule for determining the qualifications of electors and that rule is the most judicious that could possibly have been devised, because it refers to a criterion which cannot be changed. A qualification that gives a right to elect representatives for the State legislatures gives also by this Constitution a right to choose representatives for the General Government.

In the ratifying convention in North Carolina, Mr. John Steele, a delegate to the Constitutional Convention, stated to that ratifying convention with reference to this constitutional provision, as follows:

Who are to vote for them? Every man who has a right to vote for a Representative to our Legislature will have a right to vote for a Representative to the general Government. Does it not expressly provide that the electors in each State shall have the qualifications requisite for the most numerous branch of the State legislature? Can they, without a most manifest violation of the Constitution, alter the qualifications of the electors? The power over the manner of elections does not include that of saying who shall vote. The Constitution expressly says that the qualifications which entitle a man to vote for a State representative. It is then, clearly and indubitably fixed and determined who shall be the electors; and the power over the manner only enables them to determine how these electors shall elect—whether by ballot, or by vote, or by any other way.

We do not have to stop with this provision and in order to further cinch the State rights involved in this section of the Constitution, amendment 10 to the Constitution was adopted a few years later, which states in substance that the powers not delegated to the United States by the Constitution nor prohibited by it to the States, are reserved to the States respectively, or to the people.

And we do not have to stop here to get further constitutional authority and sanction to this States' rights provision, as shown by the history of the times and the occasion when amendment No. 14 was adopted on July 21, 1868, when the Southern States were held under the reconstruction acts, sometimes referred to in that section as the carpetbag rule; when the Congress, composed entirely of Members adverse to those States who cherish the doctrine of States' rights, stated in section 2 of amendment 14 that when the right to vote at any election for the choice of electors for President and Vice President of the United States, Representatives in Congress, and so forth, is denied to any of the male inhabitants of such a State being 21 years of age and a citizen of the United States, are in any way abridged, the representation of such States should be reduced in proportion which the number of such male citizens shall bear to the whole number of male citizens. In other words, the Members of Congress at that time, realizing the constitutional provision leaving the qualifications of the electors to the States, could not change same, but could only punish those States for adopting a qualification inconsistent with the provisions of this amendment. This should convince any Democrat that the Congress at that time recognized the constitutional right of the States to pass on the qualifications of the electors.

We do not have to stop there to get further sanction of this provision to the people of the United States, but again in 1913, on May 31, the people of the United States adopted amendment 17, wherein again the Constitution provided "that the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature." Is it not significant, does it not mean anything to you, that every time when the people of our country in the formation of its Constitution, or its amendments thereto, recognized the States' rights provision in the basic law of our land?

The courts of our land have universally held that the States had the sole right to determine the qualifications of their electors in the most numerous branch of their State legislatures. This being the case, in *Linder* v. *United States* (268 U. S. 5), the Supreme Court said:

Congress cannot under the pretext of executing delegated powers, pass laws for the accomplishment of objects not entrusted to the Federal Government. And we accept as established doctrine that any provision of an act of Congress ostensibly inactive under power granted by the Constitution not naturally and reasonably adapted to the effective exercise of such power, but solely to the achievement of something plainly within power reserved to the States, is invalid and cannot be enforced. This is clearly determined in the tenth amendment to the Constitution of the United States.

Each one of us, on entering the duties of the office we now hold, took the following oath:

I do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; that I will—

And so forth. Having taken that oath freely, I believe that every Member of this body should live up to it. I make no criticism of those who vote for this bill, but for myself, I will say that if I vote for the present bill knowing that it is unconstitutional as I do, then I will have violated that oath, and will have sworn falsely when I took it. This I do not intend to do. Others can do as they please, but I intend to uphold the oath I took

so long as I am a Member of this august body. I am sorry that time forbids a full discussion of the principle involved. I readily believe that if these Members will discard the political aspects of this bill and look into it fairly and squarely, I am reasonably sure, that it would not receive one vote.

Mr. SUMNERS of Texas. Mr. Chairman, I yield such time as he may require to the gentleman from Virginia [Mr. DREWRY].

Mr. DREWRY. Mr. Chairman, having made two addresses on this subject and fully set out my opposition to the bill attempting to abolish State poll taxes by Federal congressional action, I will not take up the time of the House further than to again submit in brief form my objections as a matter of record.

First. It is unconstitutional. The Constitution of the United States prescribes that in voting for Members of the House of Representatives—

> the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Several States require the payment of a poll tax as a prerequisite to voting in an election for "electors of the most numerous branch of the State legislature." It, therefore, follows that the constitutional provision cannot be abrogated except by amendment to the Constitution itself.

Second. In the making of the Constitution the States, furthermore, reserved all powers not delegated to the United States by the Constitution nor prohibited by it to the States. The States reserved the right to define the qualifications of electors and have never delegated the definition of electors to the Federal Government.

It is clear that there is no provision which permits Federal action in such a manner as this bill provides, and it is unconstitutional legislation. The only legal way in which such legislation can be passed is to amend the Constitution in the manner prescribed by the Constitution.

Third. If Congress has the power to pass legislation affecting the internal affairs of a State as to suffrage, then it has the further right to pass legislation concerning the police power, which also was reserved to the States, and numerous other instances of the same kind might also be cited. If this bill becomes law, Congress would be flooded with legislation concerning the affairs of the respective States in a great many ways which have never been held to be constitutional legislation since the beginning of our Government; in other words, the fundamental principle of State government as given the States in the Constitution would be nullified. As the majority vote on such legislation would control the passage of such legislation, the States with the largest population would be able to interfere with the internal affairs of each State in a way that would be most unwelcome and unjustifiable, and the smaller States would be absolutely at the mercy of the States having the larger representation in the House of Representatives; in other words, it might very well be considered that this one piece of legislation would radically alter the form of government under which we have lived for 150 years.

Fourth. In the acceptance of the Constitution the States specifically reserved all powers they did not surrender, and they were determined not to surrender the control of the suffrage, for if they did they could not manage their own affairs. This power was necessary to their existence as a democratic form of government within themselves. Without this reservation of power, the States would have been subject to any fluctuations of opinion on the part of Congress. So the States reserved their control of the suffrage, and in order to make it more stable agreed that the respective States in their own constitutions should define it. Seven States of this Union think that a poll tax is a proper method of taxation, and that making the payment of it a prerequisite to voting is a proper condition to attach to the suffrage of its citizens. Some States do not have such provisions in their constitutions. These seven States do not interfere with the legislative or constitutional rights of other States. This unconstitutional action of Congress to prevent such legislation as the individual States think their conditions require is a direct interference with the rights reserved by them in the Constitution to which they agreed. Why should the States which do not have a poll tax object to other States having it? Those States that do not have such provisions are not affected by the action of the so-called poll-tax States in any manner, shape, or form. If the people of the respective States wish to get rid of the poll tax, then it is in their power to do so, but it should not be within the power of other States to interfere with this provision in the poll-tax States.

Fifth. So far as the State of Virginia is concerned, the same law for voting applies to every person who meets the requirements of the election laws. One requirement is the payment of a poll tax. This requirement does not in any way deny or abridge the right to vote to any person on account of his "race or color or previous condition of servitude." The requirements in Virginia apply equally and without discrimination to everyone who desires to vote, and to all who comply with the election laws.

Sixth. Virginia also requires that a person applying to vote shall be able to read and write. If the Congress has constitutional power to nullify the provision requiring the payment of a poll tax, it can also require that persons who apply to vote shall not be required to have the educational qualification of reading and writing. In other words, if Virginia wishes her government controlled by the educated and intelligent, Congress, if this bill becomes law, could direct that the government of the State be directed to some extent by the ignorant and illiterate. John Stuart Mill thought that the "electorate should consist of the educated, and further that the electors should be taxpayers and advocated a direct tax in the simple form of a capitation" on every adult who wished to vote.

Virginia also requires that idiots, insane persons, and paupers shall be excluded from voting. If Congress has the right to direct the qualifications of voters in Virginia as in this legislation, it would also have the right to nullify this provision, thereby turning over the government of the State, to some extent, by giving idiots, insane persons, and paupers a voice in the affairs in the State. There are other provisions as to the qualifications of voters. All of these qualifications, as prescribed by the Virginia Constitution, could be nullified by Federal action if the provisions of this bill should be enacted into law.

In other words, Virginia could be governed in Congress by the majority representation of those from other States.

To sum it all up, this legislation is unconstitutional, unwarranted, unjustifiable, and unwise.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, in the process of regimentation going to seed, we are now presented with a proposal to permit the creature to dominate and subjugate its creator in matters of control never contemplated to be within the power of the creature. The States are not the creatures of the Federal Government. The Federal Government is the creature of the States. Anyone who will read the debates of the Constitutional Convention will realize the great solicitude of the delegates in preserving the rights and powers of the States in the duel government they were forming, and consequently they delegated to the central government very limited authority.

That solicitude is reflected in an important incident of history which occurred the year before the assembling of the Constitutional Convention. There was a convention held at Annapolis composed of delegates from the Thirteen States, and the purpose of that convention was to modify and amend the old Articles of Confederation under which they were living in order that trade might be carried on among those States. Many of them had their own moneys, their own armies, their own trade barriers. There was no contemplation whatever of a great central government with unlimited power, because the people of the States were opposed to a delegation of authority to tax without restriction and to grant general control and regimentation of the rights and lives of the people of the various States.

The Constitutional Convention was but the aftermath of that convention at Annapolis. It did not meet for the purpose of establishing a strong central government, but one of limited delegated powers that might enable these 13 entities better to carry on their commercial relationships and to give to the central government only such authority as was necessary for purely Federal matters and necessary dealings with foreign countries. Their solicitude is reflected in the instrument itself which the wayfaring man, though a fool, may read and understand to mean that the qualifications of electors of those who serve in this central government should be determined by the States themselves, and that those qualifications should be such as are prescribed by those States for representatives in the most numerous branch of the State legislatures.

Mr. Chairman, we are not concerned here with the question of whether it is right to have a poll tax or whether it is wrong to have a poll tax. The question before us is who should determine that particular matter, and the Constitution preserves that authority absolutely and unequivocally in the States themselves.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BENDER. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, in reply to my good friends from Texas, the last two speakers, I would like to quote from the most eminent son of the South, Thomas Jefferson, who wrote from Monticello in 1800:

> We may lessen the danger of buying and selling votes by making the number of voters too great for any means of purchase.

From wise old Benjamin Franklin comes this testimony:

> Did not think the elected had any right in any case to narrow the privileges of the electors.

This is what Justice Robert Jackson of the United States supreme Court, who is now in Europe, I believe, and who is recognized by the present administration and by the people generally as an eminent jurist, said:

> We should say now, and in no uncertain terms, that a man's mere property status, without more, cannot be used by a State to test, qualify, or limit his rights as a citizen of the United States.

The highest and most sacred constitutional right is the right to vote. "The right of the people to choose," in the words of the Supreme Court, "is a right established and guaranteed by the Constitution." It is the cornerstone of our democracy. No vote, no democracy.

The Constitution says:

> (1) The United States shall guarantee to every State in this Union a republican form of government (art. IV, sec. 4).

A republican government is one with majority rule. In the poll-tax States, a majority are disfranchised. Can a republican government exist when the overwhelming majority of citizens are denied the right to participate in affairs of government because they are poor?

The Constitution says:

> (2) No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States (fourteenth amendment, sec. 1).

The poll tax, where it must be paid before a citizen can vote in Federal elections, abridges his right to vote. And the right to vote is basic to the exercise of all other rights.

The Constitution says:

> (3) The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof, but the Congress may at any time by law make or alter such regulations (art. I, sec. 4).

James Madison, father of the Constitution, describes the purpose of this section:

> Should the people of any State by any means be deprived of the right of suffrage, it was judged proper that it be remedied by the general Government.

Those who claim the anti-poll-tax bill is unconstitutional rely on article I, section 2, of the Constitution:

> The House of Representatives shall be composed of Members chosen * * * by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

But the poll tax is not a "qualification" for voting. It is a restriction on the right to vote. A qualification fits a person to exercise a function.

The Senate Judiciary Committee, in its 1943 report, questions whether the Constitution gives any legislature the "right to say that no one should be entitled to vote unless, for instance, he had red hair or had attained the age of 100 years." To be "qualified" to vote does not imply a man need have, say, $30 to spare. In three States the tax accumulates.

The poll tax is not a qualification for voting. It is a restriction and interferes with voting.

> No State can tax any Federal function. [The power to tax is the power to destroy.] * * * As a matter of self-preservation, the Congress * * * must have the right to prevent any State authority from destroying this cornerstone of the Government itself. (Senate Judiciary Committee.)

A constitutional amendment is not necessary—because the anti-poll-tax bill is constitutional—or practical, because it could drag from State to State for ratification for 20 years and be blocked in the end by only 13 States.

But the antipoll tax is constitutional. Congress has the power under any or all of the sections of the Constitution cited to abolish the poll-tax restriction on the free vote in Federal elections. The time for Congress to act is now.

Why are literally thousands of men and women in every part of the Nation exercising themselves on this question? What difference does it make whether or not H. R. 7 is enacted into law?

In our country we are sometimes inclined to grow complacent over our great American achievements. But our fundamental rights, so broadly expressed by the Declaration of Independence—life, liberty, and the pursuit of happiness—have been made possible more frequently by long, hard work than by appeals to reasonableness.

For over a century we had property qualifications, educational tests, and a score of other restrictions on the right to vote in our country. It took a civil war to confer the ballot upon millions of our people. It took the nineteenth amendment to give the vote to half of the Nation, and that was done only some 25 years ago.

Today, in seven States, a poll tax requiring the payment of a cash fee as a condition of voting is still in effect. The amount of the tax appears small, but it is not the amount which we oppose. We oppose the principle of payment for the privilege of voting. We oppose this tax from every standpoint, politically, morally, and socially.

Today, from a third to a half a century after these barriers to the ballot were enacted, the number of persons who are prevented by them from voting is enormous. This is not a racial matter. In the poll-taxed States, the number of white citizens participating in the business of electing candidates to office is by far the lowest in the Union.

All Americans, no matter where we may live and no matter how much we may earn, pay taxes for the support of the Federal Government. If we recognize for a moment the right of a State to impose a financial tax as a limitation on our right to vote for Federal officers, then we are right back to the evil which the founding fathers fought in the days of the Revolution—taxation without representation.

Let us look at the history of this legislation. Impartial historians and the records of the State legislatures make no apologies for the poll-tax legislation. These laws were enacted to prevent people from voting. Some folks have always been afraid of too much democracy. Secretly or publicly, many of them have declared their fear of placing the vote in the hands of the poor man. From 1888 to 1902, 10 States adopted the poll tax. The results were immediate. In the State of Mississippi, 117,000 people voted in 1888. In 1892 only 52,000 voted. By 1940 there were 2,000,000 people in Mississippi, but the vote cast in that year, the greatest election vote in the history of the United States, was only 170,000 votes in the entire State of Mississippi. That was the largest vote ever cast in this State.

In Maryland, with a population smaller than Mississippi, 543,000 votes were cast. The only voting difference between Maryland and Mississippi is that Maryland has no poll tax and Mississippi has. In Tennessee, the vote cast in 1892 was 40,000 less than it had been in 1888.

Now some people say that the folks in these States just do not care about voting. They say that the poll tax is small and that if the people really wanted to vote they would pay it. The facts are not so simple.

Mississippi has the highest poll tax, $2, and the lowest average income. In 1940 it was $220 per capita. In order to vote, a Mississippi citizen must present poll-tax receipts for both the year of the election and the previous year. The latest date on which a Mississippi citizen could pay his poll tax in order to be eligible to vote in November 1946, was February 1, 1945.

In Alabama the tax liability is cumulative to the age of 40. A lifelong resident of Alabama casting his first vote at the age of 40 would have to pay $36.

The cumulative feature of the Georgia law will continue to disfranchise Georgia citizens, under an opinion of the State attorney general. He believes that the repeal of the act did not relieve citizens of their accumulated liability. The maximum possible accumulation of poll-tax debt in Georgia was $47.47. The people of Georgia are expected to vote this year on a new constitution omitting the poll tax entirely.

The tax is cumulative in other States for more limited periods. In every case the result is the same. Poll taxes cut down voting.

The poll tax gives a disproportionately large representation to those States

which limit the right of their citizens to vote. It makes it impossible for the full functioning of the democratic process.

It does one thing more. American Government officials along with the American people must recognize that we are increasingly important on the world scene. What we do is a matter of concern, not only to ourselves, but also to the peoples of other nations. They look upon the United States as a leader in the molding of public thinking. Here is what they see. They see us preaching what we do not practice.

Why has the poll tax persisted in the South? There are various reasons. In the first place, the conviction persists in many parts of the region that this device is still necessary to the maintenance of white supremacy. In the second place, the political leaders often favor retention of the levy, since those who have been chosen to office by a limited electorate naturally prefer not to risk the uncertainty of a contest in which thousands of new voters take part. Again, those interests which prefer to see political power remain in the hands of the "upper crust" of propertied voters, rather than in those of the masses, likewise back the status quo. Lastly, the attitude of the disfranchised whites has been, in the main, either indifferent or inarticulate until recent years.

But this indifference has ended.

From every part of the South come the strong voices of the people in whom Abraham Lincoln placed his faith.

In Virginia, where I live when I am in Washington, I have a copy of a letter from George Elwood of Norfolk, written to his Congressman.

Mr. Elwood wrote:

> It must be evident to you that there is strong support for repeal of the poll tax in Virginia. This is your opportunity to help make democracy work and at the same time reveal your progressive leadership to the Virginia voters.

Yesterday I referred to the Southern Planter, the oldest agricultural paper in America. Today, I want to read this editorial from another old and honorable Virginia paper, the Virginian Pilot of Norfolk, taken from the issue of June 5, 1945:

> The 6-year effort to secure an act of Congress to outlaw State taxes on voting in Federal-office elections, is a story of legislative futility, but that is not the whole story. The congressional fight on the poll tax has helped to bring taxed voting into national disrepute, to put proponents of taxed voting on the defensive before their home constituencies, and to give impetus to repeal of poll-tax laws by State action. It may now be set down as a political certainty that as long as a single American State requires the payment of a tax as a condition of voting, each successive Congress will seek to invalidate such a tax as applied to Federal-office elections.
>
> There is an outside possibility that in one of these congressional engagements, the Senate dog will get tired of being wagged by the anti-poll-taxers tail, will vote to apply cloture to the windjammers, and bring the issue to a vote. That will be the beginning of the end of taxed voting in continental United States. It cannot come too soon.

There have been dozens of letters to the editors of Virginia papers from individuals, and there have been other editorials similar in tenor to the one I have quoted.

Here is a wonderful letter from Mr. J. Lewis Henderson, of Little Rock, Ark. I understand that Mr. Henderson sent this letter to all the Arkansas Representatives:

> Now of all times we must subordinate sectional prejudices in favor of the national welfare and give to all citizens regardless of race, creed, or religion, equal opportunity to the basic rights of citizenship.

I do not believe we can afford any longer to pay the terrific price required to maintain this discrimination. Its cost to the people in terms of the ill will which it breeds toward one's neighbors is too great.

Mr. HARRIS. Mr. Chairman, will the gentleman yield? He mentioned my State.

Mr. BENDER. I yield.

Mr. HARRIS. I may say to the gentleman from Ohio that in 1938 an amendment to the Constitution of Arkansas was voted upon by the voters of Arkansas, and its citizenship—and it was a large vote—voted more than 2 to 1 to retain its $1 per year poll tax.

Mr. BENDER. But the people could not vote on that measure unless they had paid the poll tax. Those who had not paid the poll tax were not privileged to vote.

Mrs. Ethel K. Millar, of Conway, Ark., wrote to her Congressman:

> I believe that an increasing number of Southern people want to do away with the poll tax as a requirement for voting. Our Methodist Woman's Society for Christian Service does. Please vote for H. R. 7.

One Louisiana Congressman received this wire from New Orleans:

> Sixty-five members of the Baptist Student Union, of New Orleans, urge you to vote for anti-poll-tax bill, H. R. 7.

The Baptist Student Union is a fellowship of military and civilian college students and students of medicine and nursing.

The New Orleans Industrial Union Council sent telegrams.

Then, there was Miss Marjorie Geier, of New Orleans, who wrote her Louisiana Representative:

> As a citizen of a State which has abolished the poll tax, which discriminates against potential voters on the basis of financial status, I am very interested in seeing this undemocratic practice abolished all over the United States.
>
> I, therefore, urge you to do all that you can to help pass the anti-poll-tax bill when it comes to the floor of the House. If this bill is passed we will have come a step closer to realizing true democracy in America.

From Kentucky, Edward H. Weyler, secretary-treasurer of the Kentucky State Federation of Labor, wrote to Kentucky Representatives:

> Inasmuch as the Kentucky State Federation of Labor has repeatedly gone on record as favoring the passage of anti-poll-tax legislation, may I request you to use your good office and influence and vote for the passage of the anti-poll-tax bill.

From all over the South, as my colleagues here have helped show, the demand for abolition of the poll tax by Federal action, comes in a swelling chorus of newspaper comment, political speeches, letters from citizens, resolutions by organized groups—especially labor and church groups—and radio comment.

Let me call your attention to the fact that this measure to abolish the poll tax was drafted at the request of Southern groups. Earnest, sincere men and women of the South are convinced that only by Federal action can the poll tax be eliminated. This bill has been approved by hundreds of groups throughout the Nation. It cannot wait for time and education any more than winning the war can wait.

What have been the political and social consequences of the levy? One result seems to be the partial atrophy of the democratic process, owing to limited participation by the people in that process. Another is that it has placed obstacles in the way of securing needed social and labor legislation in States where so many beneficiaries of this legislation cannot vote.

Arkansas and Mississippi still have no workmen's compensation law. Alabama and Florida have no law for the protection of women in industry, while Mississippi, Georgia, and Kentucky allow women to work 60 hours a week. Child labor legislation in the South is likewise considerably less effective than elsewhere, and the only Southern States with minimum-wage laws are Kentucky, Louisiana, and Arkansas, the first two of which have no poll tax.

The net effect of our poll tax is to make it impossible for hundreds of thousands of Americans to vote, for reasons which are completely alien to the American spirit. Hundreds of thousands of poor white farmers, hundreds of thousands of colored citizens are excluded from the polls by a device which has no bearing whatever upon their sacrifices to their Nation or their devotion to our country. Thousands of young men, thousands of colored soldiers, who were recruited from the poll-tax States, have fought valiantly and finally, on the battlefields of this war. They have died in the service of their country which make it impossible for them to cast a ballot.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, this debate might continue for 2 weeks. We all know if it did, it would not change any votes. We can agree with the gentleman from Wisconsin [Mr. KEEFE] that it is impossible to prophesy the course the Supreme Court may follow. The Supreme Court may render as many decisions as it chooses, but as long as our people are able to read and write, reason, and use their judgment, it will never be able to convince them that the fundamental principles laid down in the Constitution mean just exactly what former decisions have construed them to mean. The people will just sit back and wait for the present members to die—pass on—and a new Court take over.

Now we here in Congress are engaged again in the pleasant pastime of enacting legislation which we all know very well will go over to the other body and there be buried, if past experience is any guide.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Not unless the gentleman can get me some more time.

In addition to the intense and overwhelming desire which burns so fiercely in the breasts of all of us, and especially in the heart and mind of my good friend the gentleman from Ohio [Mr. BENDER], to aid certain other groups to which we do not belong, and which it is said should have special favors, there is a somewhat feeble flame which impels us here to sow broadcast seeds which we hope in the coming November election may give us a harvest of votes. If, perchance, in the broadcasting there drop a few weed seeds, we hope they will be taken out when the legislation is under discussion in the other body. So, in pursuit of the votes which we all want, and which we all may need in the next congressional election, there is no reason why we should not go ahead through this sort of vaudeville performance about once in every so often. The House has passed similar bills in the past without result. So let us get on with the shadow-boxing.

My heart was bleeding and I was almost brought to the verge of tears by the argument of the gentleman from Ohio [Mr. BENDER] and the gentleman from New York made for home consumption—and undoubtedly good for that purpose. They talk about qualifications. The gentleman from Ohio and the gentleman from New York in effect said it was a crime and a sin to impose any financial qualifications upon the exercise of the franchise. It is a burden, they say; yet both the gentleman must admit that in the State of New York and in the city in which the gentleman from New York lives, as well as in the city of Cleveland and in the State of Ohio, there are certain qualifications which every would-be voter must meet before he can cast a ballot. All imposed by local authority, all restricting the voting privilege. Every municipal body, to say nothing of the States, requires that a man be a resident of a restricted district for a certain length of time before he is permitted to vote. It is a crime and a sin according to the gentleman from Ohio and the gentleman from New York that a man must have a dollar before he can vote; yet almost all the States or many of the States lay down the rule that a voter must be able to read and write. Why, may I ask the gentleman, compel a citizen to live in a certain circumscribed locality before he can vote? Are we not all residents in the United States?

Mr. Chairman, let me say another thing. It is said this right to vote is a sacred right. Sure, it is an essential right if we are to have a government by the people and we all ought to be able to exercise it, but there are other rights in the country the exercizing of which are denied to a majority of the workers. The Lord said that Adam and Eve had to get out of the Garden of Eden, and out they went, and from that day to this unless a man was either the object of charity or a thief he had to work if he wanted to live, if he wanted to eat, if he wanted to establish a home, if he wanted to get an education for his children. Yet the gentleman from New York and the gentleman from Ohio [Mr. BENDER], as well as others, who are so outraged, who are so indignant, because some few States, acting in their sovereign capacity, ask a man to have a dollar and pay it into the State treasury to be used for the education of the children before he votes, who are determined to do away with that iniquitous procedure, will stand up and fight, and I have heard them on this floor, for a union rule which says that a man cannot work until he pays $50 to join a union and so much per month for the privilege of working for a livelihood. Sure a man should be able to vote—but if he cannot work he will finally get too weak to get to the polls.

Oh, they are consistent. It is all right to make the right to vote universal, but they will deny the citizen the right to work, the ability, until he has paid a tax, to eat and agrees to and continues each week or month to pay an additional tax. How some who want to abolish the poll tax, who weep and wring their hands over the plight of the man who does not wish to pay a dollar or two in order to vote, enjoy swinging a club on a picket line in order to force a nonunion man to join up, pay up, and continue to pay if he wishes to earn the money to buy food for his wife and children.

Weep no more, my brother, over the plight of the individual who objects to paying a dollar for exercising his right to be a part of this Government, to have a voice in its policies. Save your tears for the racketeers who countenance the strikes which hold up the production of munitions of war, so greatly needed by our men in the Pacific; for the strikers in the plants on the west coast who have held up the repairs of warships on which our men have died. Go down into the well and flood it with your tears while you advocate the abolition of the poll tax, then come back tomorrow and uphold legislation under which a few racketeers keep returning veterans from holding jobs in American war plants.

The weeping and the wailing in the well of the House today may bear fruit in November of 1946, but it is a sorry commentary on the relative importance of a restriction or a qualification—whichever you wish to call it—imposed through a poll tax upon the exercise of the elective franchise and the practice sanctioned by the Federal Government of requiring reputable, law-abiding citizens to pay tribute to the administration's political ally in order to work in support of the men on the fighting front.

Mr. MARCANTONIO. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. POWELL].

Mr. POWELL. Mr. Chairman, the two gentlemen from Texas used the same phrase that this bill is unconstitutional and that the wayfaring man could see that. I happen to be a wayfaring man, I guess. I am not a lawyer, I am not a politician, just plain citizen John Doe. Whenever States' rights do not operate in the interest of a majority of the people of a State then it is the duty and responsibility of the Members of Congress to see that those States' rights do operate to meet the needs and the desires of the people of that State.

I do not come to speak about that, however. I come to speak about the fact that many of the opponents of this bill have used the argument that it is communistic and it would immediately franchise millions of Negroes in the South. I rise to say that both of those objections are subterfuges, both of those objections are untruths. We might as well be realistic and frank about this and admit that if this bill is passed immediately in the House and in the Senate the political lot of the Negroes in the South will not be changed one bit. There are other tricks, such as "grandfather" clauses and white primaries which would still exclude them. The basis of the opposition stems from the desire to keep about five or six million whites in the South in political slavery. It is the poor white man of the South who will benefit by this bill, not the black man. That is the real reason why I came here to say, not as a politician but as a Christian minister of the largest Protestant church in this Nation—just plain citizen John Doe—that you cannot keep the voice of the new South down much longer. The new South is going to be heard, and it is going to vote. Two dollars may not mean much to the gentleman from Michigan, but $2 is a lot of money to 6,000,000 share-croppers in the southern States who average less than 6 cents per day. Two dollars is a lot of money to men who at the end of a year's work for them and their entire family are told that they still owe the planter money.

There is a new South coming forward, a new white South, too, ladies and gentlemen. Too long have there been 6,000,000 share croppers kept at starvation wages of 6 cents a day, too long have 10,000,000 black and white people of the southern States been in political bondage. These people are not going to continue much longer the way they have been going without being heard.

We talk about States' rights. I hold in my hand, and I will submit it for the RECORD—see the Appendix—a statement from the chambers of commerce, ministers, teachers, professors, all white, of Alabama, 500 of them, asking the Governor of Alabama to abolish the poll tax. Yet their voice was not heeded. It is time for us, when the States fail, to step in and see that the rights of the citizens are protected and their needs met.

This bill will pass. I am not making any plea, therefore, to pass it. I am making a plea that from the ranks of the white southern Congress of this body shall come today a voice expressing the hopes and desires of the new South; someone with the courage to stand up today and speak for people of the South who cannot vote. They may have to go to the cross for it, but that is how the world goes forward. May others from the South support that stand.

This Nation will never achieve full stature until the whole South is free. The South can never start the upward march to political freedom until the chains of poll tax are broken.

These chains will be broken either here or by the new white man together with the new black man. The cavalcade of

the common man is moving up freedom road. They will not be satisfied any longer with second-class democracy. They fought to make the world safe. They intend to have democracy here—now!

Mr. SUMNERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, I believe the surest way for the individual to enslave himself is to destroy the Constitution that gives him individual liberty. I think perhaps it would pay those who are so anxious to override the Constitution for political expediency to give some thought to that subject. The surest way to find out what the framers of the Constitution meant is to go back and examine what some of those great men had to say on this subject.

Yesterday I called attention to the fact that when they were formulating the Constitution there was very great jealousy on the part of the States lest the Central Government should become so all powerful that it would absorb or destroy or weaken the sovereignty of the States. Those wise old framers of the Constitution said, "Of course, we do not want to destroy the States and we must find some method by which we can assure the States that the Federal Government is not going to be an all-powerful and dangerous institution." I went back and looked at the record. James Wilson sat in the Constitutional Convention, and I am sure that no one will question the ability of that man. In lecturing to a law class in what was then the University of Philadelphia, and since then the University of Pennsylvania, he went into this very question, I just want to read to you what Justice Wilson had to say, and I hope that you will follow me closely and see just what his observations were in regard to this regulation. He said:

> This regulation is generous and wise. It is generous; for it entrusts to the constitutions or to the legislatures of the several States, the very important power of ascertaining and directing the qualifications of those who shall be entitled to elect the most numerous branch of the National Legislature. This unsuspicious confidence evinces, in the National Constitution, the most friendly disposition toward the governments of the several States. For how can such a proper disposition be evinced more strongly than by providing that its legislature, so far as respects the most numerous branch of it, should stand upon the same foundation with theirs; and by providing further, that this foundation should be continued or altered by the States themselves?
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> This regulation is wise as well as generous. An attention to its genuine principle and tendency must have a strong effect in preventing or destroying the seeds of jealousy, which might otherwise spring up, with regard to the genius and views of the National Government. It has embarked itself on the same bottom with the governments of the different States; can a stronger proof be given of its determination to sink or swim with them? Can proof be given of a stronger desire to live in mutual harmony and affection? This is an object of the last importance; for, to adopt an expression used by my Lord Bacon, "the uniting of the hearts and affections of the people is the life and true end of this work."

The remarks which I have made on this subject place, in a clear and striking point of view, the propriety and, indeed, the political necessity of a regulation made in another part of this Constitution. In the fourth section of the fourth article it is provided that "the United States shall guarantee to every State in this Union a republican form of government." Its own existence, as a government of this description, depends on theirs.

As the doctrine concerning elections and the qualifications of electors is, in every free country, a doctrine of the first magnitude, and as the National Constitution has, with regard to this doctrine, rested itself on the governments of the several States; it will be highly proper to take a survey of those provisions which, on a subject so interesting, have been made by the different State constitutions, for every State has justly deemed the subject to be of constitutional importance.

In the Constitution of Pennsylvania the great principle which animates and governs this subject is secured by an explicit declaration that "elections shall be free and equal." This is enumerated among the great points which are "excepted out of the general powers of government, and shall forever remain inviolate." The practical operation of this great and inviolable principle is thus specified and directed:

"In elections by the citizens every freeman of the age of 21 years, having resided in the State 2 years next before the election, and within that time paid a State or county tax, which shall have been assessed at least 6 months before the election, shall enjoy the rights of an elector."

By the Constitution of New Hampshire, "every male inhabitant, with town privileges, of 21 years of age, paying for himself a poll tax, has a right to vote, in the town or parish wherein he dwells, in the election of representatives."

In Massachusetts this right is, under the constitution, enjoyed by "every male person, being 21 years of age, and resident in any particular town in the Commonwealth for the space of 1 year next preceding, having a freehold estate within the same town, of the annual income of £3, or any estate of the value of £60." Everyone so qualified may "vote in the choice of a representative for the said town."

The right to choose representatives in Rhode Island is vested in "the freemen of the respective towns or places." This regulation is specified in the charter of Charles II. The State of Rhode Island and Providence Plantations has not assumed a form of government different from that which is contained in the above-mentioned charter.

The qualifications requisite in the State of Connecticut to entitle a person to vote at elections are maturity in years, quiet and peaceable behavior, a civil conversation, and 40 shillings freehold, or £40 personal estate; if the selectmen of the town certify a person qualified in those respects, he is admitted a freeman on his taking an oath of fidelity to the State.

The Constitution of New York ordains "that every male inhabitant of full age, who shall have personally resided within one of the counties of the State, for 6 months immediately preceding the day of election, shall, at such election, be entitled to vote for representatives of the said county in assembly, if during the time aforesaid he shall have been a freeholder, possessing a freehold of the value of £20, within the said county, or have rented a tenement therein of the yearly value of 40 shillings; and been rated and actually paid taxes to the State.

"All inhabitants of New Jersey, of full age, who are worth 50 pounds, proclamation money, clear estate within that government, and have resided within the county, in which they shall claim a vote, for 12 months immediately preceding the election shall be entitled to vote for representatives in assembly.

"The right of suffrage is not specified in the constitution of Delaware; but it is provided, that, in the election of members of the legislature, it shall remain as executed by law at present.' "

"In Maryland, 'all freemen above 21 years of age, having a freehold of 50 acres of land in the county, in which they offer to vote, and residing therein, and all freemen having property in the State above the value of 30 pounds current money, and having resided in the county, in which they offer to vote, 1 whole year next preceding the election, shall have a right of suffrage in the election of delegates for such county.' "

We find, in the Constitution of Virginia, no specification of the right of suffrage; it is declared, however, that this right shall remain as it was exercised at the time when that constitution was made.

It is provided by the Constitution of North Carolina, "that all freemen of the age of 21 years, who have been inhabitants of any county within the State 12 months immediately preceding the day of election, and shall have paid public taxes, shall be entitled to vote for members of the house of commons, for the county in which they reside."

According to the Constitution of South Carolina, "every free white man, of the age of 21 years, being a citizen of the State, and having resided in it 2 years previous to the day of election, and who has a freehold of 50 acres of land, or a town lot, of which he hath been legally seized and posesssed at least 6 months before such election, or, not having such freehold or lot, has resided within the election district, in which he offers to give his vote, 6 months before election, and has, the preceding year, paid a tax of 3 shillings, sterling toward the support of government, shall have a right to vote for members of the house of representatives for the election district in which he holds such property or is so resident."

Mr. Chairman, I want to point out here in those State constitutions you will find various qualifications. This is not a color proposition, as the distinguished Member from New York just said. It also, of course, concerns the white population. When the Constitution was written the various States had poll taxes. We had them in the North. A poll tax was one of the qualifications for voting at that time. From time to time the State legislatures varied their qualifications. The States had the right to do so then and they have the right to do so now. They have a right to do so in accordance with the intent and letter of the Constitution. In our State we have many qualifications. The minute you begin to break down one constitutional system for purposes of political expediency, just that minute the centralized Government is going to take over and destroy the sovereign independence of the States. Make no mistake about it.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Chairman, this bill is identical in number and in language with the so-called anti-poll-tax bill which passed the House on May 25, 1943. It is generally conceded that voting is a State function and that the qualifications of voters are to be prescribed by the States. The argument of those who assert that the Supreme Court as now constituted will hold this or any other legislation valid regardless of the Constitution carries with it its own refutation on the very face of the argument.

As to the constitutionality of this bill, I assert that I believe every Member of this body will vote in accordance with his or her oath of office. In 1937, in the Breedlove case, the constitutionality of the poll tax as a qualification for voting was upheld. The Classic case has been cited. That case was decided by the Supreme Court as now substantially constituted. It did not involve the matter of poll taxes. That case involved the matter of the integrity of the voting in Louisiana and the protection of the citizen in his right to vote. Therefore it is not in point. Following the Classic case, the Supreme Court of the United States as substantially now constituted in the case of Purtle against Brown refused certiorari in a case involving the payment of poll tax as a qualification for voting.

If there are two classes of people in the United States that are more interested, if possible, in the integrity of the Constitution than any other classes it is the Negro and the poor people. As a member of the bar, I often invoked the Constitution in behalf of my clients, black and poor. I assert that this bill is unconstitutional; that no language has been cited from the Constitution or the decisions of courts that would justify the provisions of this bill.

Reference was made to article IV, section 4, guaranteeing a republican form of government. That article and that section has been construed time after time by the Superme Court of the United States in the matter of elections, and that is generally confined to fraud and corruption. It is necessary to provide a republican form of government that the States which, for more than a hundred years, at the time that provision was adopted, required the payment not only of poll taxes but of property taxes, should be upheld in their rights and protected in their rights. There is a new South. That is the South of Grady of Georgia; that is the South of Lamar of Mississippi; that is the South of tolerance, with our eyes toward the future. Give us a chance. Poll taxes are being eliminated in the South by the States. If there is one statement that was made this morning more accurate than another it was the statement of the colored Member from New York that the elimination of poll taxes in the South has not conferred, and will not confer, franchise upon the Negro. North Carolina has abolished the poll-tax qualification. Florida has abolished it. Louisiana has abolished it. An amendment is now being submitted by Georgia. Give the South a chance to solve our own race problems. They will not be solved by force or compulsion.

As has been well said in this debate, it is not a question as to the policy that will be pursued in the South, but it is a question whether or not the Congress of the United States shall interfere and intervene and deprive the States of their rights. Some are never so happy as when they are undertaking to regulate other people's lives, other people's businesses, and other people's politics. The matter of the elimination of the poll tax in the South as a requisite for voting will be retarded by those who insist upon the passage of a bill similar to the one now pending. It will not provide franchise for those for whom it is intended to provide. Whatever may be said of Mississippi, we have eliminated the poll tax in our primary elections, for the soldiers in the service. Whatever may be said of Mississippi we have gradually improved and liberalized our voting laws. I had a neighbor some 15 years ago who owed about $20,000 in taxes which he was unable to pay and he was not permitted to vote. The poorest man in the State voted by the payment of a $2 poll tax. It is the problem of the States. It is the function of the States. Mississippi has repealed all taxes except the poll tax for voting. The States will solve the problem in their own time. Those who advocate the passage of this bill in order to liberalize the ballot and franchise will defeat the very purpose that they have in mind. There are rights for the States. There are Federal functions. Rights of the States exist in war as they exist in peace. The right to vote has always been declared by the Supreme Court of the United States, in all the cases, a matter for the States. There is not any language that has been thus far cited, or that can be found, that could lead a thoughtful man or a good lawyer to the conclusion that the Supreme Court would other than void any act of Congress that undertook to regulate the franchise of the States. Volumes of decisions of the Supreme Court are filled with decisions that hold similar acts of Congress invalid, passed during the tragic days of the reconstruction. If the States can be entrusted with the lives and the property of the people, surely the States can be entrusted with the matter of franchise.

It is, I extend to say, generally agreed that suffrage is not a matter of right but a privilege to be conferred by the States.

In Federal elections qualifications of voters for Members of Congress are found in article I, section 2, of the Constitution. They are the qualifications for the electors of the most numerous branch of the State legislature. Those qualifications are to be prescribed by the State.

However, it is argued that under Article I, section 4, relating to the power to regulate the time and place and manner of choosing Senators and Representatives, the Congress reserved the power under the term regulation, to prescribe qualifications.

The complete answer is that for 123 years Congress never undertook to exercise any such power. It thus admitted that it had no such power. Moreover, it must follow that Congress has no such power as to voters for Representatives.

Among the qualifications for voting are sex, residence, age, and taxes, including poll taxes. It has been said that under the Classic case for the first time the Supreme Court of the United States has indicated that it will go into the matter of the qualifications of voters. That case involved a primary election on the facts in that case. That case decided that under the necessary and proper clauses of the Constitution, under the clause of the Constitution guaranteeing a republican form of government, the Federal Government would protect a citizen in the exercise of his right to vote for Representative.

I call attention to this language in the Classic case:

> Obviously included within the right to choose secured by the Constitution is the right of qualified voters within a State to cast their ballots, and have them counted in congressional elections.

There was no question of the qualifications of voters involved. It was a question there whether a man who is qualified would be permitted to cast his vote.

The Supreme Court has decided that State poll taxes are not unconstitutional. In 1937 the Supreme Court of the United States in the Breedlove case upheld the validity of a statute requiring the payment of a poll tax to vote in a Federal election. After the Classic case the Supreme Court, as substantially constituted at present, in the Pirtle case, involving the poll tax in a Federal election refused a writ of certiorari, thus upholding the doctrine in the Breedlove case, to wit, that the qualifications of voters in Senatorial and Congressional elections is a matter for the States.

The bill admits that poll taxes are a qualification, and under the guise of denominating the payment of a poll tax a hindrance, the advocates of the pending bill are hard pressed to declare that payment of taxes, that sex, that age are in the same category as fraud, intimidation, and corruption. The bill under consideration undertakes to say that that which has been deemed to be a qualification from time immemorial, to wit, the payment of a poll tax, shall not be a qualification.

The bill under consideration will not accomplish its purpose. In the so-called eight poll-tax States there are other qualifications for voting. These remain.

The qualifications for voting in 8 of the States are proscribed in the pending bill. If Congress can proscribe, then Congress can prescribe. If Congress can proscribe poll taxes in 8 of the States, then Congress can prescribe qualifications in all of the 48 States. The function of the States with respect to suffrage would thus be abolished.

If we believe that the bill is unconstitutional we should oppose it. We can not salve our conscience by saying that we will pass it on to the Supreme Court. Moreover, the Congress of the United States has held that only by constitutional amendment can qualifications of voters be changed. Sex was abolished as a qualification by the nineteenth amendment, and the payment of poll taxes as a qualification for voting can only be abolished by an amendment to the Constitution.

Heretofore Congress has never undertaken to restrict or limit qualifications except by a constitutional amendment. The fifteenth amendment provides that the right to vote shall not be denied or abridged on account of race, color, or previous condition of servitude. The nineteenth amendment prescribes that the right to vote shall not be denied or abridged on account of sex.

We make sorry spectacles of ourselves when we ignore the question of constitutionality. Poll taxes like sex as a qualification for voting can only be abolished, I repeat, by an amendment to the Constitution.

In the Seventy-seventh Congress, second session, the House considered and passed H. R. 1024, known as the Geyer bill. At that time pending in the Senate was S. 1280, known as the Pepper bill. The Geyer bill was amended by the Judiciary Committee of the Senate and as amended was reported to the Senate. The Judiciary Committee of the Senate substituted an entire new bill for the Geyer bill. The bill now pending before the House is an exact copy of H. R. 7, passed as stated by the House on May 25, 1943, and that bill was an exact copy of the substitute proposed by the Senate Judiciary Committee of the Seventy-seventh Congress, second session, for the Geyer bill.

I made a number of speeches in the Seventy-seventh Congress, second session, in opposition to the Geyer bill. I also spoke in opposition to the bill passed on May 25, 1943. My remarks may be found in the CONGRESSIONAL RECORD of May 25, 1943. I had previously spoken in opposition to the Geyer bill on October 12, 1942. I spoke in opposition to the Federal control of elections on September 6, 1942, and July 23, 1942. I also spoke in opposition to Federal anti-poll-tax bills on October 13 and June 8, 1942. I spoke in opposition to Congress prescribing qualifications for voters on February 2, 1944, and again on February 3, 1944. I can do no better in revising my remarks than repeating substantially word for word the arguments that I previously made in opposition to Federal control of elections, and I repeat substantially word for word the arguments that I made on May 25, 1943, in opposition to the identical bill now pending.

I call attention to the fact that the proponents have not attempted to submit any authorities in support of the validity of the bill. I opposed the rule, and I oppose the bill. I am gladly giving my reasons for my opposition. I shall confine myself to a discussion of the bill and shall undertake to demonstrate beyond a doubt that suffrage is a State function.

I shall call attention to the pertinent constitutional provisions, including provisions respecting Senators, Representatives, and Presidential electors. I shall show that qualifications can only be changed by constitutional amendment, as was done by the fifteenth and nineteenth amendments. I shall show that the Classic case did not involve the qualification of voters. I shall emphasize that registration for voting is required in many States and that a small vote is no reason for the passage of the bill. I shall show in reason and upon authority that voting is a State privilege and that legislation changing or abolishing the qualification of voters is not permissible under the Constitution.

I shall undertake to demonstrate that under the Constitution the qualification of voters for Senators and Representatives is in the States and that the anti-poll-tax bill is in violation of the right accorded to the States by the Federal Constitution. I shall further demonstrate that the poll tax is universally recognized as a qualification and that Congress is without power to provide that it shall not be required as a requisite for voting.

I. SUFFRAGE A STATE FUNCTION

The whole subject of the regulation of elections, including the prescribing of qualifications for suffrage, is left by the National Constitution to the several States, except as it is provided by that instrument that the electors for Representatives in Congress shall have the qualifications requisite for electors of the most numerous branch of the State legislature, and as the fifteenth amendment forbids denying to citizens the right to vote on account of race, color, or previous condition of servitude.

Participation in the elective franchise is a privilege rather than a right, and it is granted or denied on the grounds of public policy. (Cooley's Constitutional Limitations, 8th ed., vol. 2, p. 1360.)

Suffrage is not a universal right but is a privilege to be extended or denied by the States. (Story's Commentaries on the Constitution, vol. 1, 5th ed., secs. 579-584.)

The privilege to vote is generally derived from the States. The right is not conferred but is protected by the Federal Constitution. The fourteenth amendment does not have the effect of conferring such rights.

Subject to the limitation contained in the fifteenth amendment to the Constitution, the power to fix qualifications of the voters is vested in the States. (McCrary's American Law of Elections, sec. 1.)

The right of suffrage is not a natural right, nor is it an absolute unqualified personal right. (McCrary, sec. 3.)

The elective franchise is not a right, privilege, or immunity incident to citizenship. The Constitution left to the States the qualification of voters. (Paine Law of Elections, secs. 76 and 78.)

At the time of the adoption of the Constitution, all of the Thirteen Original States not only prescribed qualifications for voting, but they were jealous of the exclusive rights of the States as to suffrage. The qualifications, while similar, were by no means uniform. Among those generally required in the Thirteen Original States, as well as among the States today, are citizenship, residence, age, in some States the payment of taxes, and in many States, registration.

There was much debate in the Constitutional Convention as to the qualifications of the electors for Members of Congress. The members of the convention could not agree upon uniform qualifications for voters for Representatives in Congress and the matter of qualifications was, therefore, left to the States with the restriction that Members of Congress should have the same qualifications required for those voting for Members of the most numerous branch of the legislature.

The Constitution provided for the election of Members of Congress, and while the qualifications of electors was left to the States, Congress was given the power of making or altering the regulations as to the time, place, and manner of the election of Representatives and Senators, with no power to change the places of choosing Senators. Such power was essential to enable Congress to function or to exist, or to exercise the powers that had been conferred upon it.

A compromise was adopted at the convention. The supreme power of the States in suffrage was recognized by Congress, and to guarantee that the qualified electors would be protected in their voting and Congress was given power to alter or change the time, place, and manner of elections.

II. CONSTITUTIONAL PROVISIONS

Article I, section 2, is as follows:

The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

There is common consent and agreement that the States have the right to prescribe the qualifications requisite for electors of Members of Congress, but it is maintained that the poll tax is not a qualification but a regulation.

Article I, section 4, is as follows:

The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

By some it is maintained that poll taxes are a restriction or condition or regulation and not a qualification. It is maintained, therefore, that Congress may eliminate poll taxes. It is asserted by others that poll taxes are a pernicious activity and that they may be eliminated by act of Congress under the guise of preventing pernicious political activity. Statutes preventing pernicious activities have been approved by Congress under section 4 in congressional elections, under the necessary and proper clause, and under the constitutional guaranty of a republican form of government.

Article I, section 8, clause 18, is—

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers.

Article IV, section 4, provides, among other things:

The United States shall guarantee to every State in this Union a republican form of government.

There is a difference between fraud, corruption, ballot-box stuffing, and other pernicious practices and the qualifications of electors. Among the oldest of the qualifications in the mother countries and in the Colonies was ownership of property and payment of taxes. Tax and property qualifications obtained in varying degrees in all of the Colonies at the time of the adoption of the Constitution. The poll tax is probably the oldest of all taxes. Like many other taxes it may not be popular and it may be restrictive. Taxes, whether property taxes or poll taxes, have been the cause of uprisings and of revolutions. The poll tax or head tax was the cause of a peasant uprising in England under Wat Tyler in 1381, and taxation without representation was largely responsible for the Revolution.

It is a prostitution of language to say that a qualification of taxes, whether property or poll, shall now be declared to be a pernicious political activity.

Fraud, intimidation, corruption, ballot-box stuffing are crimes. Taxes may be onerous—they may be unpopular—but they are not in the same category with pernicious political activities. The proponents are hard pressed when they now ask Congress to declare a tax that has obtained through the centuries to be a pernicious political activity. No better proof could be desired of the weakness and invalidity of the anti-poll-tax bill.

The Constitution was not only mindful of the rights of the States with respect to suffrage, and not only recognized these rights, but it recognized the rights of the State legislatures. The language in article I, section 4, "except as to the places of choosing Senators" is unique.

The Constitution left to the State legislatures the places for their meetings. The rights of the States were again safeguarded. (Story, vol. 1, sec. 828.)

The language giving to Congress the power to make or alter such regulations does not seem to have attracted much attention or to have encountered any opposition during the Convention, but the provision was assailed in the State conventions, and a majority of the Original Thirteen States tentatively proposed amendments to the effect that the Congress would not be authorized to make regulations unless the States failed or refused to provide the qualifications of electors or for the elections. It was finally agreed that Congress should have the regulation as provided in section 4 to provide for its preservation. The debates on this section are most informative.

Neither the members of the Convention nor the Thirteen States in their ratifying conventions purported to take away entirely the alterative power of Congress, but proposed to restrict it to cases where a State neglected, refused, or was disabled to exercise the power of regulating elections. (Story, vol. 1, sec. 827.)

Mr. Madison, in commenting on article I, section 4, said, and I quote:

To give the National Legislature a power not only to alter the provisions of the States but to make regulations in case the States should fail or refuse altogether. (Fifth Elliot's Debates, 402.)

Madison's reasoning is easily explained. The States would not have ratified the Constitution if it had not been generally understood that the qualifications of electors would be the function of the States. In the Federalist, Hamilton said that the propriety of the clause in question rested, and I quote:

Upon the evidence of the plain proposition that every government should contain in itself the means of its own preservation.

In the ratifying conventions, as I have stated, a majority of the States proposed to limit the action of Congress to cases of neglect or refusal, but that proposal was abandoned upon the ground that there would be no occasion for congressional interference so long as the States performed their duty.

In the Virginia Convention, Madison, who had kept a record of the debates in the Constitutional Convention, advocated the ratification of the Constitution. Alexander Hamilton, who really favored a more centralized government, is responsible for the ratification of the Constitution by New York. In all of the conventions, section 4 of article I was assailed. It was most bitterly attacked. Hamilton's interpretation leaves no room for doubt. I quote from him:

Its authority would be expressly restricted to the regulation of the times, the places, and the manner of elections. The qualifications of the persons who may choose or be chosen, as has been remarked upon other occasions, are defined and fixed in the Constitution and are unalterable by the legislature. (The Federalist, LIX, LI.)

The history of the times indicates beyond reasonable doubt that if the Constitution makers had claimed for this section the broad regulation for which some now contend, the Constitution would never have been ratified. (Story on the Constitution, vol. 1, sec. 814, et seq.)

As Justice Field in his dissenting opinion pointed out in *Ex parte Clark* (100 U. S., p. 418), and I quote:

And the regulations as to the manner of holding them cannot extend beyond the designation of the mode in which the will of the voters shall be expressed and ascertained.

Again I quote from the same page:

The power does not authorize Congress to determine who shall participate in the elections or what shall be the qualifications of voters. These are matters not pertaining to or involved in the manner of holding the election, and their regulation rests exclusively with the States. The only restriction upon them with respect to these matters is found in the provision that the electors of Representatives in Congress shall have the qualifications required for electors of the most numerous branch of the State legislature, and the provision relating to the suffrage of the colored race. And whatever regulations Congress may prescribe as to the manner of holding the elections for Representatives must be so framed as to leave the election of State officers free.

The language employed in section 4 is simple and easy to understand. I quote from Chief Justice Fuller, in *McPherson* v. *Blacker* (146 U. S., p. 27):

The framers of the Constitution employed words in their natural sense and, where they are plain and clear, resort to collateral aids to interpretation is unnecessary and cannot be indulged in to narrow or enlarge the text; but where there is ambiguity or doubt or where two views may well be entertained, contemporaneous and subsequent practical construction are entitled to the greatest weight.

In all the 153 years of the history of the United States, Congress has never previously undertaken by statute to prescribe the qualifications of voters for Senators and Representatives. The seventeenth amendment provides for the election of Senators, but the same language with respect to the qualifications of electors that obtains in article I, section 2, is found in amendment XVII. I quote from amendment XVII:

The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.

There is a difference between manner and qualifications. Constitutional authority given to the legislature to prescribe the time and manner does not include the power to determine what shall constitute a legal voter (*Livesly* v. *Litchfield*, 83d Pac. 142; 47 Oreg. 248; 114 American State Repts. 920; Words and Phrases, vol. 26, p. 858).

Under article I, section 4, Congress has the right to make either new regulations or add to or modify State regulations (*Ex parte Seybold*, 100 U. S., p. 371). This involved the enforcement acts passed May 31, 1870—Sixteenth United States Reports, page 144—and amended on July 14, 1870—Sixteenth United States Reports, page 254—and again amended on June 10, 1872—Seventeenth United States Reports, page 347. These acts relate to elections of Members of Congress and were passed to secure purity of elections and the right of citizens to vote without molestation.

Following the ratification of the Constitution, there was no effort on the part of Congress to regulate time, place, and manner of elections until 1842. Some States elected their Representatives in Congress by districts and others from the State at large. Some nominated by districts and elected all Members from the State at large. But uniformity with respect to elections was desired, and the act of 1842 (5 Stat., p. 491) provided for the election of Members of Congress by districts. It was not until after the War Between the States and after the ratification of the fifteenth amendment that Congress undertook to pass regulations with respect to the time, places, and manner of electing Representatives. Congress had provided immediately following the War Between the States for uniformity of date as to the election of Senators (14 Stat., p. 243). I may remark in passing that after passing the seventeenth amendment Congress passed a temporary law that expired in 3 years for the election of Senators (38 Stat., p. 384). But when passions were high following the War Between the States, with freedom for former slaves, the enforcement acts were passed to prevent fraud, corruption, ballot-box stuffing, and intimidation in connection with congressional elections. Temporarily the landmarks of the fathers were forgotten. There was strife, and finally, on February 8, 1894 (28 Stat. 36), the enforcement acts were practically repealed, and Congress again left to the States, as it had for 80 years previous to the passage of the acts, not only the qualifications of voters for Members of Congress but the times, places, and manner of elections. Human nature is very much the same. The results in the Southern States were not what the advocates of the enforcement acts anticipated. There was reflex action. The same rules obtained in all of the States, and there was undesirable interference and intimidation with elections in other States than in the South, all of which resulted in the repeal of the enforcement acts, except the conspiracy sections, which remain.

These acts were based upon section 4 of article I. There was never any attempt to eliminate taxes, either poll or property, as all agreed Congress had no power to prevent the States levying taxes. There was never any attempt on the part of the Congress, when passions ran high following the War Between the States, to prescribe qualifications for voters in congressional elections. The whole purpose was to guarantee that the legal and qualified voters in the several

States should be protected in their right to vote. In its fundamental sense the privilege of suffrage is derived from the States, but the right of voting for Members of Congress is also found in the Constitution. Electors owe their right to vote to the Constitution, but the qualifications must be prescribed by the State (*Ex parte Yarbrough*, 100 U. S. 651; American Jurisprudence, vol. 18, p. 210).

No one disputes now that in State elections a poll tax may be required before the citizen can vote. While the requirement has been abandoned in many States, poll taxes and property taxes still remain, and these taxes obtain under the heading of qualifications. (American Jurisprudence, 1938, vol. 18, pp. 212, 226, 227, and 228.) I may remark in passing that literacy, and the ability to read or understand the Constitution, are among the qualifications in many States, including Massachusetts and New York. If Congress can eliminate the qualification of the poll tax requirement, it can eliminate the qualification of literacy, on the educational qualifications.

Under section 4 of article I, Congress may make regulations as to the conduct of elections or may supplement the State regulations. It may impose additional penalties. Our legislative history from 1870 shows that except for a period of about 24 years it was the policy to leave regulations to the States for the first 80 years of the history of the Republic (*U. S.* v. *Mosely*, 238 U. S., p. 383; *U. S.* v. *Gradwell*, 243 U. S., p. 476; American Jurisprudence, vol. 18, p. 187).

The enforcement acts following the War between the States confined themselves to elections for Members of Congress. There was no reference to Presidential electors and there was a reason why Presidential electors were not included within the terms of the statute. The justification for the enforcement statutes was the regulation authorized by section 4 of article I. There was no such regulation authorized with respect to Presidential electors.

III. PRESIDENTIAL ELECTORS

Article II, section 1, provides, and I quote:

> Each State shall appoint, in such manner as the legislature thereof may direct, a number of electors, equal to the whole number of Senators and Representatives to which the State may be entitled in Congress; but no Senator or Representative, or person holding an office of trust or profit under the United States, shall be appointed an elector.

The legislature appoints the electors. It may appoint them directly, as was done in the early history of the country, or it may provide for their election. The State legislature is vested with the power of appointment or election. It is significant that Congress was not authorized to make or change the regulations with respect to the appointment of electors. Congress was authorized to determine the time of choosing the electors and the day on which they shall give their votes, which day shall be the same throughout the United States (art. II, sec. 4). Congress has passed an act to provide for the time of choosing electors. All of the States complied, including the State of Maine, but Congress did not undertake to regulate the manner of the election of Presidential electors. It did not undertake to supervise such elections. No such power is given to Congress with respect to electors. Hence, I repeat, the enforcement acts following the War Between the States made no reference to Presidential or Vice Presidential elections, or the elections of Presidential and Vice Presidential electors. Under the Constitution the legislature of each State directed the manner of appointment of Presidential electors. It is significant that in the Constitution the power to regulate the appointment or election of Presidential electors is not given to Congress (*In Re Green*, 134 U. S. 377). The legislatures have exclusive power to direct the manner of Presidential elections (*McPherson* v. *Blacker*, 146 U. S., p. 1). I quote from the opinion by Chief Justice Fuller, on page 38:

> The fifteenth amendment exempted citizens of the United States from discrimination in the exercise of the elective franchise on account of race, color, or previous condition of servitude. The right to vote in the States comes from the States, but the right of exemption from the prohibited discrimination comes from the United States. The first has not been granted or secured by the Constitution of the United States, but the last has been (*U. S.* v. *Cruikshank*, 92 U. S. 542; *U. S.* v. *Reese*, 92 U. S. 214).

As I have stated, in 1866 Congress provided for a uniform time for the election of Senators by the legislatures—Statutes at Large 14, page 243. But it is significant that Congress, in passing the statute for congressional elections, recognized the right of the States, and the act of Congress fixing the time for the election of Representatives distinctly provided that it did not apply to any State whereby under the constitution State officials were elected at another time. Hence it is that Maine, where under the constitution State officials are elected in September, still elects her Senators and her Representatives during the month of September. The act of 1875—Eighteenth Statutes, page 400—provided for a uniform time for the election of Representatives, but exceptions were made that enable Maine, because of the constitutional September election, to elect Senators and Representatives at a different time from any other State in the Union. However, in Maine, because the Constitution authorizes Congress to provide a certain day for Presidential electors, Maine still votes for Presidential electors in November.

The bill embraces not only senatorial and congressional elections but elections for Presidential electors. The same may be said of the Hatch acts, the original of which was passed in 1939.

A statute was passed in 1907 preventing contributions by corporations in elections of Presidential electors, as a pernicious political activity. The acts of 1910, 1911, 1912, and 1913 were confined to pernicious political activities in senatorial and congressional elections. The Corrupt Practices Act of February 28, 1925, which repealed practically all of the prior acts, applied to expenditures and practices in connection with the election of Senators and Representatives, but it also prohibited contributions in connection with any election of Presidential electors.

Presidential elections are authorized, as are the election of Representatives in Congress, by the Constitution. There is the power of regulating the time, place, and manner of the elections of Representatives and Senators, but no power for regulating the time, place, and manner of elections of Presidential electors, under article I, section 8, clause 18, and I quote:

> To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

Congress thus has a right to protect and safeguard from fraud and corruption the election of Senators and Representatives as well as Presidential electors, but the power in Presidential electors does not come from the power of regulation, as in the case under article I, section 4, which is limited to Senators and Representatives.

If the advocates of the bill who assert that poll taxes are regulations are correct, then I maintain that Congress is without authority to provide for the elimination of poll taxes in the election of Presidential electors. The argument that a poll tax is a condition, a restriction, or a regulation and not a qualifications falls to the ground, for if it be sound then the bill is unconstitutional in undertaking to regulate the election of Presidential electors. On the other hand, if Congress has a right to pass legislation to prohibit and prevent pernicious activities in congressional and Presidential elections, section 4, article I, is not applicable or the source of power. If the power of regulation for congressional elections is derived from section 4, then there is no power of regulation for Presidential elections.

IV. NINETEENTH AMENDMENT

It is universally agreed that the States can prescribe qualifications for voting. Women were qualified in some States. In other States they were disqualified. It would be just as logical to have maintained that Congress could have passed an act prohibiting disqualification on account of sex, and call it pernicious political activity as it is to say that Congress can denounce the payment of poll taxes as a political activity. It took a constitutional amendment to enfranchise women. It will take a constitutional amendment to eliminate the poll tax. Congress cannot change the qualification of voters in the States. The advocates of the pending bill limit the poll tax to Federal officials. They deny that the poll tax is a qualification. This is a mere ruse. The fact is that when the Constitution was adopted all of the States had property or tax qualifications for voters. It was a qualification and not a manner at the time the Constitution was adopted, and it is a qualification still.

If Congress has the right to strike down a qualification for voting prescribed by the State, then it is in the power of Congress to impose additional qualifications for voting for Members of

Congress. If Congress has the right to restrict, it has the right to broaden. Article I, section 2, provides that the States shall prescribe the qualifications. If Congress now attempts to say that persons not qualified to vote under the State's laws may vote for Members of Congress, it would be equally in violation of the fundamental law. The bill is unconstitutional in dealing with qualifications under the guise of pernicious activity.

V. POLL TAX A STATE QUALIFICATION

Poll taxes as qualifications for voting have been upheld by the Supreme Court of the United States (*Breedlove* v. *Suttles*, 302 U. S. 277). In *Pirtle* v. *Brown* (118 Fed. 2, 218) certiorari was denied by the Supreme Court (62 Sup. Ct. Rept. 64, 314 U. S. 621). The privilege of voting in the State is conferred upon the State except as the same is limited by the fifteenth and the nineteenth amendments of the Federal Constitution. The State may condition suffrage as it deems appropriate.

VI. CLASSIC CASE

The proponents of the bill rely upon the recent case of *United States* v. *Classic* (313 U. S. 299). This case, however, is not in point. It does not involve the qualification of voters. It is a criminal prosecution to prevent a conspiracy to deprive a citizen of Louisiana from voting in a congressional election. In Louisiana the primaries elect the choice. The State conducts and pays the cost of the primary elections. The primary election was involved in the Classic case. The Court held in the Classic case that a citizen had a right to be protected in having his ballot cast and counted in a primary election for representative in the State of Louisiana under the facts in that case. It is sometimes loosely said that the Classic case is authority for the passage of the pending bill. I quote from the opinion of the court, from page 315 of the superior State court in that case:

> While, in a loose sense, the right to vote for representatives in Congress is sometimes spoken of as a right derived from the States (see *Minor* v. *Happersett* (21 Wall. 162, 170), *United States* v. *Reese* (92 U. S. 214, 217–218), *McPherson* v. *Blacker* (146 U. S. 1, 38–39), *Breedlove* v. *Suttles* (302 U. S. 277, 283)), this statement is true only in the sense that the States are authorized by the Constitution to legislate on the subject as provided by section 2, of article 1, to the extent that Congress has not restricted State action by the exercise of its powers to regulate elections under section 4, and its more general power under article I, section 8, clause 18, of the Constitution "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers." (See *Ex parte Siebold* (100 U. S. 371), *Ex parte Yarbrough, supra* (663, 664), *Swafford* v. *Templeton* (185 U. S. 487), *Wiley* v. *Sinkler* (179 U. S. 58, 64).)
>
> Obviously included within the right to choose, secured by the Constitution, is the right of qualified voters within a State to cast their ballots and have them counted at congressional elections. This court has consistently held that this is a right secured by the Constitution (*Ex parte Yarbrough*, supra; *Wiley* v. *Sinkler*, supra; *Swafford* v. *Templeton*, supra; *United States* v. *Mosley*, supra; see *Ex parte Siebold*, supra; In re *Coy* (127 U. S. 731); *Logan* v. *United States* (144 U. S. 263)). And since the constitutional command is without restriction or limitation, the right, unlike those guaranteed by the fourteenth and fifteenth amendments, is secured against the action of individuals as well as of States (*Ex parte Yarbrough*, supra; *Logan* v. *United States*, supra).

The court was passing upon the legality of a prosecution for conspiracy to prevent a citizen voting in a congressional election. The qualifications of the voter were not involved. It was admitted. There is no justification in the language quoted from the Classic case for the pending bill. The right to vote is derived from the States. The right to vote for a Member of Congress is guaranteed by the Federal Constitution, but the qualifications of electors is prescribed by the State. I call attention to the fact that the rights of qualified voters were under consideration. As stated, the right of qualified voters within a State to cast their ballots and have them counted at congressional elections was involved. The fact that then Chief Justice Stone spoke, as I have quoted, in the Classic case of the rights of qualified voters to be protected shows conclusively that while any statement as to qualifications of voters would have been obiter dicta in that case, nevertheless the opinion in expressed terms referred to qualified voters. Qualified voters are the voters qualified by the States.

VII. QUALIFICATIONS OF VOTERS FOR THE STATES

The Supreme Court of the United States in the Breedlove case, decided in 1937, held that the payment of a poll tax as a requirement or qualification for voting in elections for Representatives is not in violation of the Federal Constitution and is within the power of the State. The Court, as now constituted, in the Pirtle case denied a write of certiorari, and thus affirmed the doctrine announced in the Breedlove case.

The bill is really "fishing" legislation. The evident purpose is to undertake to secure favorable consideration before the Supreme Court as now constituted.

Some advocates of the bills have asserted that no State constitutions provide the collection of poll taxes as a qualification for voting. They are in error. The constitutions of Mississippi and Alabama, as well as the constitutions of the other States where poll taxes are now required, provide that poll taxes shall be a prerequisite and a qualification. The payment of taxes was a qualification obtained when the Constitution was adopted. They now obtain in the constitutions of at least eight of the States. The wisdom of the poll tax is for the States to decide. The question is whether Congress has the power to change or modify by adding to or taking from the qualifications prescribed by the States. The champions of the anti poll tax are experimenting with the courts and with the Constitution.

Hearings were conducted by the Judiciary Committee of the Senate on the Pepper bill. A subcommittee submitted an unfavorable report. Senator O'MAHONEY, chairman of the subcommittee, introduced Senate Joint Resolution 164 on October 5, 1942, proposing a constitutional amendment forbidding the collection of any tax or property qualification by the States. It is thus admitted that poll taxes cannot be abolished by Congress and that an amendment to the Federal Constitution is necessary to prohibit the States from prescribing the payment of poll taxes as a prerequisite to voting.

The Federal Constitution provides that the States shall determine the qualifications for voters in Federal as well as in State elections. Poll taxes now obtain in 32 States, but in only 8 of the States are they required as a prerequisite for voting. Congress is now asked to denounce as a pernicious political activity the payment of poll taxes as a qualification which such taxes have been prescribed as qualifications for voters from time immemorial. They are among the oldest of all taxes. The contention that poll taxes are a regulation or a restriction or a condition is a mere play upon words. They are qualifications in the constitutions and in the statutes in the States where they are required. They are denominated as qualifications by Story, Cooley, and by all the leading authorities on the Constitution and elections. The requirement may be regrettable, but unconstitutional action is no remedy for the alleged evil. It would be much wiser to rely upon the people to repeal without compulsion from the Federal authorities. The States were jealous of Federal constitutional encroachment at the time of the adoption of the Constitution. The States are still jealous of the rights reserved to them and the threat of unconstitutional encroachment is likely to hinder rather than promote the elimination of poll-tax requirements. At all events, the only remedy is to amend the Federal Constitution as was done in the case of the women's suffrage amendment to the Constitution.

Congress should set the example. No legislation in violation of the fundamental law of the land, no matter what the alleged excuse may be, should be passed by Congress. The people will have little regard for the statesmanship of Congress if Congress itself treats the Constitution as a scrap of paper. The refinements and the alleged distinctions in view of the plain language of the Constitution as to qualifications, including the payment of poll taxes, are distinctions without difference. If Congress can take from the qualifications of voters in Federal elections, it can add to such qualifications. Clearly there is no authority for such procedure under the Federal Constitution.

VIII. THE SMALL VOTE

Proponents of the bill refer to the small votes in general elections in the eight Southern States where poll-tax requirements still obtain. In Mississippi and the other Southern States the contests are settled in the primary elections. There are no contests in the general elections. In the primaries there are bitter contests. It is as difficult for a candidate to be nominated in a primary as it is for a candidate to be nominated and then elected in many other States. There are bitter contests in the primaries, but generally the primaries are decisive. The votes in the general elections are

mere formalities. It is the primary vote that counts.

The number of voters participating in the primary elections in Mississippi and other States, where the poll tax obtains, compares favorably with the participation in primary elections in the States where there is no poll tax. Again, the percentage of qualified voters participating in primary elections in States like Mississippi compares favorably with the number participating in other Southern States like North Carolina and Louisiana, where there are no poll-tax requirements.

The poll tax does not discriminate against the Negro. The Supreme Court would not have upheld it if such had been the case. All are treated alike. Under the Constitution of Mississippi voters were required not only to pay their poll tax but to pay all of their taxes before they are permitted to vote, prior to a constitutional amendment adopted in 1934, which only requires now the payment of poll taxes. Under the amendment, Mississippi passed in 1935 a statute requiring only poll taxes to vote. The remedy to eliminate poll taxes, however, is not with the Federal Government. It is a State function. Mississippi has provided that the payment only of a poll tax is requisite to vote in a primary election and that no poll tax shall be required of the man in the armed services.

Small votes, unfortunately, obtain not only in the South but in other parts of the country. This is regrettable, but, after all, democracy will be better promoted by an informed and enlightened franchise than by a numerous franchise. Intelligent voters in small numbers can be more helpful than ignorant voters in large numbers. Informed voters are more important than numerous voters.

Again, indifference in elections obtains not only in the South but, as I have suggested, in other parts of the country. In 1942 generally not more than one-third of the registered voters throughout the country participated in the primary elections. It is estimated that there are 42,191,179 registered voters and that 14,937,346 voted. The percentage of those who did vote is around 33⅓ percent. It varied in several States.

There are a number of factors responsible for the small vote:

First. There are always fewer votes than in Presidential contests. If it be said that voters in the World War II are apathetic, so were they in the World War I. Then again, the absence of acute issues in many States is responsible.

Second. Millions of voters are away from home in the Army and in the Navy, and millions of voters will not stop working in munitions plants to vote.

Third. There has been much migration of defense workers from one State to another.

Fourth. Long hours of work in war factories tend to keep voters away from the polls.

The Southern States to date have made a far better showing than have been made in many States. Texas, Georgia, South Carolina, and Tennessee stand at the top, with percentages of the registered voters participating in the elections ranging in these Southern States from 59 to 82 percent.

It is easy to charge. It is difficult to prove. With the latest information available, a larger percentage of voters have participated in the primary elections in the South than any other part of the country.

IX. REGISTRATION IS REQUIRED

There are other requirements in addition to age, residence, and the payment of taxes in Mississippi, as well as in other States. Under the Constitution the voter must be able to read or write the Constitution or to understand the Constitution when it is read to him. A literacy test obtains as it does in Massachusetts and many other States. If the Negro does not qualify it is not because of the poll tax. It is primarily because of the literacy test, and the literacy test applies to both whites and blacks. Educational qualifications not only obtain in Mississippi, but in practically all of the States of the Union. I do not recall an exception.

In Mississippi and other States registration is a qualification. The Supreme Court of the United States has recognized that registration is a qualification (*Wiley* v. *Sinkler*, 179 U. S., pp. 58, 62, and 64). Whether registration is a qualification or not, it was required and the requirement was upheld. It does not change the requirement by calling it a condition or a regulation. The distinction is without difference. They are all prerequisites to voting, and prerequisities of all kinds are generally qualifications.

X. REASONABLE CONCLUSION

While there have been divided courts and decisions with dissenting opinions, in many of the cases in the Supreme Court of the United States involving pernicious political activities under the enforcement acts first passed in 1870 and the Corrupt Practices Act of 1925, the question of the constitutionality of the poll tax in Federal elections has never been passed upon by the Court. No Federal statute preventing the payment of poll taxes has ever been passed, but the decisions of the Court in all of the cases involving pernicious political activities and regulating the time, places, and manner of conducting senatorial and congressional elections lead to the inevitable conclusion that the intent of the founding fathers was to leave the qualifications of senatorial and congressional electors with the State with the power in Congress to make or alter regulations with respect to the time, places, and manner of elections so as to prevent pernicious political activities, in order that the Senators and Representatives, President and Vice President might be honestly elected and that the voters might be protected. The inevitable conclusion is that Congress is without power to prescribe or to abolish any qualification of electors for Senators and Representatives and for Presidential and Vice Presidential electors.

The anti-poll-tax bill is in violation of the rights of the States, vigorously asserted at the time of the adoption of the Constitution and upheld by the Congress for 153 years. The right to vote in a congressional election for Senators and Representatives and Presidential electors is guaranteed by the Federal Constitution. If such a right is secured by the Constitution, Congress can protect the manner of holding the election, but the States must prescribe the qualification of the voters.

It has been said that a right may exist although it has not been exercised. The answer is, however, that acquiescence for more than a century and a half means consent. The States claim the right to prescribe qualifications. The Federal Constitution gave the States the right. Congress has assented by refusal to undertake for a century and a half to prescribe qualifications.

XI. NOT PERMISSIBLE UNDER THE CONSTITUTION

The qualifications of voters are reserved to the States. They are among the powers not delegated to the United States and reserved to the States under the tenth amendment. Members of Congress cannot violate their oath to uphold the Constitution by voting for an unconstitutional bill.

The bill embraces elections for President and Vice President. No persons have a right to vote for President and Vice President. If Congress assumes the power to supervise elections, at least Congress should use accurate language. It is true that similar language is used in the Hatch acts, but I hold no brief for the Hatch acts. Mistakes and errors should not be repeated. The remedy is to eliminate them.

As I have pointed out, Presidential electors are not national officers.

They are no more officers or agents of the United States than are the members of the State legislatures when acting as electors (Green, 134 U. S. 379).

As I have pointed out, the power and jurisdiction of the States as to the qualifications of Presidential electors are exclusive (*McPherson* v. *Blacker*, 146 U. S. 35). The inclusion in the bill of Presidential electors or elections for President and Vice President is without constitutional authority.

The bill declares that the payment of poll taxes is detrimental to the integrity of the ballot. There is no proof of such a claim. It charges the States where poll taxes are required with fraud. It convicts them of corruption without a trial. It has not been shown that they are evil, but as most of that evil is possible under them (*Williams* v. *Mississippi*, 170 U. S. 213).

Does Congress have jurisdiction to convict States of fraud? If the State laws operate as a fraud on the United States, the courts have ample jurisdiction. They are authorized to apply the remedy. But the Supreme Court of the United States, in the Breedlove case, has upheld the power of the States to levy poll taxes. Congress would be thus in the position of convicting the Southern States and the court of last appeal of fraud by providing that poll-tax requirements are detrimental of the ballot. It is admitted that poll taxes obtained for 153 years, but it is asserted that conditions have changed and that Congress will be justified in providing that poll

taxes are an interference. If they are—if they result in fraud—Congress has ample power under section 4 to regulate the manner of the election. The remedy is not to deprive the States of their rights respecting qualifications.

With the poll tax, the United States has existed and prospered for 153 years and has become the richest and most powerful Nation in the world. The poll tax is not impeding or destroying. The poll-tax States have a better government than they had preceding the poll tax.

The Federal Government has no power to prevent the levy of taxes by the States, and especially taxes for the promotion of public education.

If poll taxes are unconstitutional, if they have violated any rights of citizens, rich or poor, white or black, the Supreme Court of the United States would have so held. The right to vote for Senators and Representatives is derived from the Constitution, but the qualifications of voters are for the States.

The Constitution protects the right to vote only of those who are qualified under the State laws. If he is qualified, his right to vote in congressional elections will be protected. The Classic case so holds.

It is asserted that the poll tax is not a qualification and that it has nothing to do with the capacity of the voter to vote. It has as much to do with his qualifications as residence and as sex. These are among the universally admitted qualifications. At least it was the case with respect to sex before the nineteenth amendment.

The word "qualification" is thus defined by Webster:

> A condition precedent that must be complied with for the attainment of a status, the perfection of a right, etc., * * * as the qualification of citizenship.

A "qualified voter" is defined as:

> One who possesses certain specific qualifications for voting, especially as to citizenship, age, and residence, and sometimes also as to literacy and the ownership of property.

In the constitutional and ratification debates, Alexander Hamilton used the expression in connection with suffrage "prescribing qualifications of property." In the Yarbrough case the Court said:

> It adopts the qualification of those furnished as the qualification of its own electors for Members of Congress.

The Supreme Court has repeatedly held that the States have the right to prescribe who may vote.

The word "qualification" with respect to suffrage both before and after the formation of our Government and continuously down to the present date has been used in the sense of defining the persons who were entitled to vote. The word was so interpreted by the members of the Constitutional Convention. They used the term "the right of suffrage." They used it in connection with the qualification of electors, as it finally appeared in section 2 of article I, and the interpretation of qualifications of voters has persisted to the present time. Volume 29, Corpus Juris Secundum, 1941, in the article on elections and under qualifications of voters includes—section 29, page 51—property, payment of taxes, and, at page 52, the payment of poll taxes. The same thing is true of 18 American Jurisprudence. Among other qualifications, it includes "poll and other taxes." In Story, Cooley, and other works on the Constitution taxes appear among the qualifications. They appear among the qualifications in State constitutions, including the eight Southern States, where poll taxes obtain. They appear among qualifications in all of the leading textbooks on elections.

The States have the power to tax. Congress has no veto over the power of the States to tax. Congress has no power to interfere with the collection of State taxes. The repeal of the poll tax would be a prohibition of the collection of such taxes.

When the Constitution was adopted each State possessed unlimited power over suffrage and generally prescribed qualifications, including property and taxes (*Miner* v. *Happersett*, 88 U. S. 162):

> Whether the requirements to be met in each State be termed "qualifications of electors" or be referred to by any other term, the State possessed and exercised the unlimited power over suffrage and the granting of the privilege of voting.

In adopting the Federal Constitution the States did not grant to Congress any of their powers over suffrage. They did, however, in article I, section 2, limit their own power over suffrage requirements for Senators and Representatives. If the payment of a tax as a prerequisite of the right of suffrage is a qualification, then the State must prescribe the same for both Senators and Representatives and members of the State legislature. Under the inherent power of suffrage, if the poll tax is not a qualification, then the States have the power to require the payment of the tax for Senators and Representatives without requiring it of those voting for members of their legislatures. The power of the States to impose conditions or requirements for suffrage, other than qualifications, is in no way restricted by either section 2 or any other provision of the Constitution as originally adopted. The absolute power of the States over suffrage, except as it is restricted by article I, section 2, and the fifteenth amendment, has been repeatedly upheld by the Supreme Court of the United States.

In the case of Breedlove against Suttles, the privilege of voting is not derived from the United States, but it is conferred by the State. The right of voting is guaranteed by the Constitution to qualified voters. Congress has no power to regulate or interfere with the exercise by the States of their power to prescribe suffrage requirements or other power to levy and collect a poll tax.

The power of suffrage is in the States (*Guinn* v. *U. S.*, 238 U. S. 362):

> The States have the exclusive power to determine the manner of choosing its electors to vote for President or Vice President of the United States, and confers no power on Congress whatsoever to regulate on the subject.

For this reason the bill is invalid. Under the second clause of article II, the legislature appoints the electors. No power of supervision or regulation is given to Congress. Under the fourth clause, Congress can fix the time of meeting. It has no other power (*McPherson* v. *Blacker*, 146 U. S. 1).

Under article I, section 2, and the seventeenth amendment, the States have the exclusive power to prescribe the qualifications of electors of Members of the Senate and of the House. As I have stated, power under section 2 of article I was a restriction upon the powers of the States. The States had these powers. They reserved them. The Constitution never conferred any power except that of regulating the time, places, and manner of elections upon Congress.

As I have stated, the proponents of the bill undertake to discredit Breedlove against Suttles, and particularly the following language of that decision:

> Privilege of voting is not derived from the United States, but it is conferred by the State and save as restrained by the fifteenth and nineteenth amendments and other provisions of the Federal Constitution the State may condition suffrage as it deems appropriate.

The right to vote is based upon article I, section 2, but the proponents overlook the distinction between privilege and right. The suffrage laws of the State determine those who are privileged to vote. The Constitution of the United States protects the right of those who are privileged in the exercise of that privilege—*Ex parte Yarbrough* (110 U. S. 651).

The Classic case, so often and so much relied upon by the advocates of the bill, recognizes the distinction between the right to vote by qualified voters and by those disqualified under the suffrage laws of the States. That case did not involve the question of the power of suffrage. Qualifications were not involved. The question was whether the Constitution extended protection to qualified voters.

The Breedlove case was decided in 1937. The Court, as now constituted, decided the Pirtle case in 1941. The supreme courts of numerous States sustained the validity of the poll-tax qualification. No decision has ever struck it down. American Law Reports, annotated, volume 139, page 572, states:

> The courts are unanimous in holding that failure to pay a valid poll tax if imposed as a condition of voting has the effect of disqualifying and rendering his voting invalid.

Innumerable decisions from many States of the Union are cited in support of the announcement.

As shown by the statements of the framers of the Constitution, by the decision of the Supreme Court of the United States, and by the decisions of the highest courts of the States, by the actions of Congress, and the actions of States with respect to constitutional amendments, the States reserved full and unlimited powers to prescribe who may vote at all elections except as restricted by the provision that the qualifications to vote for Senators and Representatives should not be different from those prescribed for voters of the most popular branch of the State legislature. The

fact that Congress has never undertaken to interfere with the qualifications of voters except by constitutional amendment is conclusive that Congress is without authority to modify or repeal State qualifications for voting. It took the fifteenth amendment to prohibit the denial of the right to vote on account of race, color, or previous condition of servitude. It took the nineteenth amendment to prohibit such denial on account of sex. It will take a constitutional amendment to prohibit the payment of a poll tax as a qualification for voting in senatorial or congressional elections.

XII. FEDERAL AND STATE RIGHTS

The United States is but an aggregate of all the States in the Union. What exalted patriotism do Members of Congress possess that is not possessed by the members of the State legislatures? What virtues has Congress, not possessed by the citizens of the State? Who will say that the Congress of the United States is more interested in the welfare and representation of the State of New York than the citizens and the Legislature of New York By what right does the Congress of the United States assume that the public interest will be better promoted by the assertion of a Federal right to control Federal elections than by the assertion of the guaranteed right of control in the States?

The old landmarks are often the best. Even if Congress possessed the power to regulate and prescribe qualifications in congressional elections—which I deny—it is a power that should be exercised only as a last resort to preserve the Government. We have had enough centralization. The States are closer to the people than Congress. In peace and in war there are functions for the States. The Federal Government should not encroach upon these functions. The States pass laws for the descent and distribution of property. They possess the power of life and death over the citizens in the exercise of their police powers. They protect the citizen in the enjoyment of life and property. Such protection is guaranteed by the States. Are these rights and privileges less sacred than the right of voting or the privilege of franchise? The States that have the power of life and death are wisely trusted to provide with the qualifications of voters.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. BENDER. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, I know of no one who now defends the payment of a poll tax as a prerequisite to the right to vote. That is not the primary question involved in this bill.

The right to determine the qualification of voters was specifically reserved in the States by the Federal Constitution. We have gone a long way in the past decade toward striking down the Constitution. Somewhere we must call a halt if we are to retain our republican form of government. Unless and until the Constitution is amended the States, and only the States, have the right to determine the qualification of their electors. If this were a resolution calling for an amendment to the Constitution it would present a different matter, but this is an attempt by legislation to ignore and supersede the provisions of the fundamental law of the land. If I am to uphold the oath of office which I took as a Member of this body, I am compelled to vote against this bill. The facts are the States, themselves, are fast abolishing poll-tax statutes. We better let them continue and thus keep faith by upholding fundamentals.

Mr. ROBSION of Kentucky. Mr. Chairman, I rise in support of H. R. 7, the anti-poll-tax bill. A similar bill was brought before the House and passed by the House in 1942 and also in 1943, but each of those bills failed to pass the Senate because of the filibusters in that body in 1942 and 1943. I have heretofore spoken at length in opposition to the poll tax as a requisite to vote and on the question of the constitutionality of this legislation. I shall vote to pass this bill, H. R. 7. I know that it will pass the House again by an overwhelming majority. Let us indulge the hope that there will be no filibuster in the Senate. If action is not prevented by filibuster in the Senate, in my opinion, it will pass by an overwhelming majority in that body. Through the years the Democrats of Kentucky have from time to time attempted to pass legislation intended to restrict the rights of the people of Kentucky to vote, and especially to restrict the rights of the colored people and the common people generally. I actively opposed all such proposals, and they were defeated. We have the poll tax for State, county, municipal, and school purposes in Kentucky, and these taxes are paid by the people generally for the purpose of helping to support our State, county, city, and school governments. I have no objection to any State, county, city, or school district imposing poll taxes if they desire to do so. I think every citizen should be willing to contribute according to his ability for the support of his State, county, city, and school governments. However, I do vigorously object to the imposition of the poll tax as a requisite to vote.

In a free country, with a republican or representative government, such as ours, the citizens should be encouraged to participate in the selection of their public servants. In fact, every citizen should take advantage of this high privilege and be urged to do so. The great danger to our democracy is that not enough people take an interest in public affairs and in the selection of our public servants. This high privilege should not be restricted.

Approximately 11 States of the Union enacted laws requiring the payment of poll taxes before its citizens could vote. We are pleased to note that Florida, Georgia, Alabama, and Tennessee have passed laws repealing these laws. We still have 7 States in the Union that require the payment of a poll tax before the citizens of those States can vote. In some of these 7 States the poll tax is cumulative and some voters would be required to pay as much as $45 before they could exercise the right of suffrage, and we have reliable information in some of these States that no real effort is made to collect these taxes, and the citizens are encouraged not to pay their taxes and clothe themselves with the right to vote. Many persons think that this affects only the colored people. That is not the case. Millions of poor white people in the South are kept from voting because of the poll-tax requirement. The record discloses that States with poll-tax requirements only vote about one-half or less as many votes as States with comparable number of citizens vote where there is no poll-tax requirement. The Southern States that have repealed their poll-tax requirements have suffered no ill effect.

Congress certainly has the right under the Constitution to see to it that each State maintains a republican form of government and can have something to say as to say in the election of Federal officials, such as President, Vice President, Senator, and Representative. This bill makes it unlawful for any State or county official or election official of any county or State to demand or require a poll-tax certificate in order to qualify such citizen otherwise qualified to vote for President, Vice President, Senator, or Representative in Congress. We are constrained to believe that the poll tax is a restriction on the right of people to vote for Federal officials, and it is not a qualification as defined by the Federal Constitution.

If the American way of life and the freedom of our people are to be maintained, American citizens, both native-born and naturalized, must participate actively and fully in our Government and in our elections.

No poll tax is required for the colored men and women nor from the poor people to fight and defend our country as they are doing today on land, sea, and in the air, on every continent and every sea of the world. If they can fight, be maimed, broken in health, and die for our country without a poll-tax receipt, they should be permitted to vote without these requirements, and I am therefore happy to have the opportunity to remove these restrictions in voting for Federal officials. Congress has not the power and this bill does not interfere in any way with the qualifications and restrictions of citizens in the several States in voting for State, district, county, and city officials. That is a matter for the people of the several States.

Mr. BENDER. Mr. Chairman, I yield the balance of the time, 1 minute, to the gentlewoman from Connecticut [Mrs. LUCE].

Mr. SUMNERS of Texas. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut.

Mrs. LUCE. Mr. Chairman, in listening to this debate it has seemed to me that all the best reasons, indeed the only good reasons, given for defeating this legislation, and for upholding State rights to impose a poll tax, have been constitutional reasons. There is no doubt that those who have advanced constitutional arguments on both sides of the aisle have been utterly sincere in so doing. Surely they know their Constitution, and no doubt their legal knowledge of it is wider than mine. Yet as a simple citizen, a "wayfarer," as the

previous speaker called it, I can read the language of the Constitution as I see it before me, and understand its import.

I see that here in the fourteenth amendment it says that "no State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States."

It says, furthermore, in the thirteenth amendment, "the right of the citizens of the United States to vote shall not be denied or abridged by the United States or by any State, on account of race, color, or previous condition of servitude." The simple fact is that while there may be in the Constitution legal loopholes through which this language may be circumvented, this is the language which best expresses the spirit of the Constitution itself. In seeking legal loopholes in the Constitution we must be sure that we do not punch holes in the spirit of the Constitution, and in this matter the spirit of the Constitution is certainly abundantly clear. The spirit of our Constitution is that there shall be no discrimination against citizens for race or color or creed. The poll tax does indeed discriminate. It is therefore an evasion of the spirit of the Constitution and for that reason fundamentally unconstitutional.

The CHAIRMAN. The time of the gentlewoman from Connecticut has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, I come from a State where we have no poll tax. I happen to be one of the cointroducers and one of the authors of the bill to repeal poll taxes that the State of Florida passed. I sponsored it, and I advocated it, and I spoke on the floor of the Florida House for it. But when I come here to the Halls of the United States Congress, the Federal House, I am against this body's interfering with the rights of the States in the qualification and the regulation of poll taxes or of voters. I believe, Mr. Chairman, we ought to let the States determine this for themselves. It is a States' rights proposition. I believe that the founders of this Government intended that the States should regulate voting and should prescribe the qualifications of a voter. Why should the State of New York, the State of Ohio, or some other State say to the State of Mississippi or the State of Alabama that they must do away with the poll tax? That, Mr. Chairman, should be left to the States.

I believe in local self-government. Do you know what this bill is? It is the first step on a path to destroy State sovereignty. The next proposition that will come in here will be one to do away with registration and other State qualifications so people can go from State to State and vote.

I hope the membership of this House will acquit themselves as Americans; that they will allow the States to continue to regulate voting within their borders.

There is merit in the poll tax. There are arguments against it, but I am not concerned with that. I am concerned, Mr. Chairman, with the principle—and that is what I believe this Congress should concern itself with—that we should not try to take away the right of any State to regulate the poll tax. The proponents of the bill say their only interest in the elimination of the poll tax is merely as it affects Federal offices, the right to vote for President, Vice President, a Senator, or a Congressman. But remember, you people who vote in New York, you people who vote in Pennsylvania, or any other State, you have nothing to do with the election of a Senator or a Representative in any State but your own; not in Mississippi, not in Alabama, not in Florida, or any of the rest. If you had such interest there might be some argument; but you have no choice.

I hope this House will not go on record as taking away the rights of the States to regulate their poll taxes.

Mr. SUMNERS of Texas. Mr. Chairman, may I ask how the time stands?

The CHAIRMAN. The gentleman from Texas has 20 minutes remaining; the gentleman from New York, 14.

Mr. MARCANTONIO. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. PATRICK].

Mr. PATRICK. Mr. Chairman, I come from the deep South. My people fought on the southern side during the Civil War. I am not up here to regulate the business of someone else. I am trying to support the people of the Ninth Congressional District of Alabama. Let me agree with emphasis that this sort of legislation ought to be done within each State. I vote for this as second best.

Mr. Chairman, I have before me a petition signed by 157 members of the Chamber of Commerce of Jefferson County, Ala., asking the State of Alabama in June of this year to have the poll-tax law repealed. The Governor of Georgia was able to put his bill through. The Governor of Alabama just recently failed. So what are we to do? There are many good white people, if you please, in Alabama who cannot vote unless they pay from $1.50 to $3¢, not only for themselves but for every voting member of the family who is to vote.

Does the Constitution of the United States say to the people of this country that as a democratic right they cannot vote, no matter how good they are or how wholesome they may be, until they have paid $36, or $1.50. I do not believe we are living under that kind of a Constitution. I do not believe the Supreme Court we have now, or that we had at any other time, would sustain any such position.

Now, the matter of support to the schools is the most hypocritical gesture of this whole proposition. Why is this money applied to school funds? For a very serious purpose. Why, poll tax is the most anti-school measure we could possibly think of. Less than half the white children who go to school in the poll-tax States have parents who can vote. In our schools civics is one subject for study. We are trying to teach those children citizenship, we are trying to teach them to love and subscribe to our form of Government, but they have two strikes on them when they go into the classroom knowing their parents cannot vote. This is not a very good school measure. Applying poll tax to schools was done for the purpose of popularizing the tax. It is a small item compared to the noneducational burden it itself is.

In the elections of 1944 there were in the 8 southern poll-tax States 14,000,000 old enough to vote. There are only 7 of these States now. Georgia has gone right. There were 14,000,000 potential voters in those 8 States, yet only 3,000,000 voted and the great majority of them were white. We hear the cry "Wolf! Wolf!" on this, calling it a communistic issue. Some day there may be a communistic inspiration and we will have heard the cry of "Wolf! Wolf!" till we will be inclined to doubt it. Do you think that the 224 Members who voted yesterday to 95 opposed were inspired by communistic ideas when this measure was voted out? Ridiculous.

Do you indict the Supreme Court of the United States when this issue comes up, as did the gentleman from Mississippi, charging that the Supreme Court has no respect for the Constitution of the United States? I want to say that the average southerner who voted with the 95 Members does not believe that, and several have already told me so.

So, Mr. Chairman, I am here to support and represent my district. There is a new South rising and let me tell you that in my honest opinion the average voter in the South is far more progressive in measures of this kind than many of the officeholders in the South. There was a reason for the poll tax way back in the old days, but that reason has passed long ago. The destiny of the South is the destiny of America. There is no justification today for a poll tax. I hope the result of this action will inspire the Alabama Legislature to reconsider and repeal it in our State.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, I appreciate the fact that this bill is going to pass; so it seems to me that the time at my disposal ought to be used to discuss some of the basic principles involved in this proposal.

I believe that we must agree that whenever we propose to bring to Washington a power that heretofore has resided in the States, the contemplated transfer of that power is perhaps more important than the particular matter proposed to be dealt with. As power is more and more taken from the States and moved to Washington these transfers become more and more important.

We must determine soon whether we are going to permit to remain in the States the governmental powers which they are capable of discharging or bring those powers here, and, by reason of that concentration, overload the machinery of the Federal Government and convert the greatest democracy of all times into a great Federal bureaucracy. That proposition lies at the foundation of this question. We must decide some time soon what we are going to do about this. The control of the qualification of voters has

been with the States since the organization of the Government. That statement will not be challenged. We are now proposing to transfer that exclusive control from the States to the Federal Government—and I make the statement in good spirit—in order to do that we are going to violate the plain language of the Constitution.

Twice that language which fixes this power in the States has been incorporated in the Constitution; once when the Constitution was written and the second time when we provided for the election of Senators by direct vote of the people. It does not take a lawyer to know what the language means. It is as plain as can be. Let me read it to you. This is the language which was incorporated in the seventeenth amendment, adopted in 1913:

> The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.

Whoever the States make qualified to vote for the most numerous branch of the State legislatures it is provided in the Federal Constitution may vote for Members of Congress. That is the plan incorporated in the Constitution. It is a mighty serious thing for the Congress to attempt to disregard this plain provision of the Constitution of the United States in order to establish a Federal power over the State that has not since the formation of the Government ever been recognized as belonging to the Federal Government. In the beginning practically all the States had a poll tax. The States are with great rapidity abolishing the poll tax. Does anybody doubt that?

Mr. PATRICK. Yes; I doubt it.

My State failed to repeal it in June of this year. How can I doubt it?

Mr. SUMNERS of Texas. The record shows that one by one the States are abolishing the poll tax, and nobody can question it. There are only about seven left, I believe. The importance of this proposition from the poll-tax standpoint is decreasing, but its importance from the standpoint of additional Federal power over the States is increasing.

When you see a movement going in the direction that you want it to go and favor its going, why, then, this hurry? Why this questionable act? Is it not better to have the people of the States consent in doing a thing that is right, according to your view, than to force it upon those people?

I want to call attention to another thing in connection with this debate which I believe is hurtful. The statement is made here time after time that the requirement of a poll tax disfranchises able-bodied men and women.

That is bad business. The sort of government we are running is just like a lodge, like a labor organization. It is an association of private people engaged in the common enterprise of governing themselves. Such a government requires some money to operate it just like a labor organization does. It is not entirely without support in reason in human experience to say that able-bodied people who belong to an organization which requires money to operate ought to pay something to maintain it. Such a payment would tend to make a better people, more self-respecting people, a more fit-to-govern people. I was discussing this matter with one of my labor-union friends. I asked him, "Why do you not try this out in your own organization and provide that everybody who joins may vote for officers without paying a cent?"

How can you hope to have a self-respecting people, people who will look the world in the face and say, "I am no pauper or a governmental panhandler," when people are peddling that sort of poison over the country? I was up in New York, the home of the distinguished gentleman, the proponent of this bill. I went by a place of recreation for children. I said, "Is this free?" They said, "No." I said, "Why not?" They said, "The children have to pay a few cents. It helps them to keep their self-respect." I am not arguing for the poll tax, but I do feel strongly the duty respectfully to urge against this destructive argument. The appeal should be to every citizen to pay something toward the expenses of the Government of which he is a part. That would tend to make better citizens of them—give them more self-respect. Tell me that an able-bodied person ought not to pay one dollar or two a year for the privilege of being a citizen in this great country of ours and receiving its protection and free schools for his children? Tell me that you are helping to make good citizens in America by telling them they ought not to pay a dollar or two a year contribution to maintain the greatest Government on earth?

We have some hard sledding ahead of us in America. It is going to take great people to do this job in America. We are going to have to turn back to the States in America the power which is within their governmental capacity. Now do not make any mistake about that. Whenever you have so much power here in Washington that is beyond the governmental capacity of a democratic system of government to discharge, then you have to have a nondemocratic system to do the job. There is not a person in this House who does not know it. We are menacing our system of government by the concentration of power in Washington. Nobody doubts that. What do you propose to do by this bill? You not only propose this additional reduction of State power and increase of Federal power, but propose, as I see it, to violate the Constitution of the United States in order to do it. That is my judgment. To violate the Constitution of the United States in order to bring power to Washington that has been reserved by the State since the Constitution was written is not a good direction for us to be going.

Mr. SAVAGE. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. SAVAGE. If one person should pay a dollar to be a citizen of the United States, why should not everyone have to pay it? I was also going to ask you how do you explain away the fourteenth amendment to the Constitution, as raised by the lady from Connecticut [Mrs. LUCE]?

Mr. SUMNERS of Texas. I will let the lady who raised it take care of it. I have got something else to talk about.

Mr. REED of New York. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. REED of New York. I just want to say this. It seems to me if we are going down this path of ignoring the Constitution, in order to save our self-respect, we ought to abolish or attempt to abolish by constitutional amendment, the oath of office.

Mr. WORLEY. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. WORLEY. If, under the argument of the proponents, the Congress has the power to tell the several States they cannot levy a poll tax, would not the Congress have the same power to tell all the States that they must levy, or Congress would levy a poll tax for $100 or even $1,000, and thus disfranchise millions of American citizens?

Mr. SUMNERS of Texas. It would seem that under that construction, the Congress might do that, insofar as this provision of the Constitution is concerned; I mean their construction of the provision with reference to the "time, place, and manner of holding an election."

Mr. WORLEY. The founders of the Constitution did not intend the Congress to have any such power?

Mr. SUMNERS of Texas. Certainly not. We are not dealing with poll tax merely. We are dealing with the most fundamental principles involved in our whole scheme of democratic government, made up of the States and the Federal organization.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. LEWIS. I would like to read some language in the Constitution. "No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States."

Mr. SUMNERS of Texas. That is right. That language is in the Constitution now. I thank my friend.

There is also section 20 of the Criminal Code, which is as follows:

> Whoever, under color of any law, statute, ordinance, regulation, or custom willfully suggests or causes to suggest to any inhabitant of any State, Territory, or District, the deprivation of any right, privilege, or immunity secured or protected by the Constitution and laws of the United States, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.

If this bill is constitutional there is now ample law on the statute books to protect every person in any right which he may have under the Constitution to vote without paying a poll tax. We have got the language in the code now. But with that law on the statute books now the Supreme Court has held against the constitutionality of what is here proposed.

Mrs. LUCE. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mrs. LUCE. I noticed with considerable interest in the 3 years I have been on the floor of this House that the gen-

tleman has voted almost without exception for every piece of New Deal legislation which concentrated power in Washington. This seems to be a rather notable exception that the gentleman is taking in his stand today. May I ask the gentleman a question?

Mr. SUMNERS of Texas. Yes.

Mrs. LUCE. What is more fundamental about the Constitution than the spirit of it which says there shall be no discrimination on account of race, color, or creed? Does the gentleman deny that the poll tax is an attack on the spirit of the Constitution?

Mr. SUMNERS of Texas. There is no discrimination today on account of race, color, or creed. The requirement in a State that there shall be a poll tax applies to every person who presents himself or herself to vote regardless of race, color, or creed. As a matter of fact, the establishment in Texas of the payment of a poll tax as a prerequisite to voting, a part of the Terrell election law, grew out of an election fraud committed in Dallas, Tex., in 1902, entirely by white persons.

Let me call attention to another thing: This attempt to arouse section and race and creed here is not a good thing either. I do not believe in this baiting by anybody. I do not believe in baiting anybody; but I want to tell these minorities that are behind this bill that there is such a thing as going too far in baiting the descendants of the people whose ancestors established this Government. That is just something for some of you to think about.

There are not people in this country who have more frequently appealed to this Constitution for protection than these minorities. Destroy it, destroy reverence for its institutions, destroy its strength, destroy the sense of duty on the part of the Congress to defend it, destroy the sense of duty on the part of the courts to construe it as it is written, make it the football of politics and the instrumentality through which sectional minorities may be coerced, and the day must come when those who flee to it for protection will find they have destroyed its ability to protect.

Before concluding I want to discuss further the constitutionality of this bill.

These are the applicable provisions of the Constitution:

Article I, section 2: The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Article I, section 4: The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof, but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

The time of holding the elections for Members of Congress, the place of holding such elections, and the manner in which they are to be held Congress may determine. That is provided by this latter section of the Constitution.

Mr. Madison and Mr. Hamilton wrote under the common title "Publius." In the Federalist of February 19, 1788, this appears under that title:

Who are to be the electors of the Federal Representatives?

They are to be the same who exercise the right in every State of electing the corresponding branch of the legislature of the State.

On February 8, 1788, in the Federalist, this appears written by either Madison or Hamilton or both, under their common pen name:

The first view to be taken of this part of the Government relates to the qualifications of the electors and the elected.

Those of the former are to be the same with those of the electors of the most numerous branch of the State legislature. The definition of the right of suffrage is very justly regarded as a fundamental article of republican government. It was incumbent on the Convention, therefore, to define and establish this right in the Constitution. To have left it open for the occasional regulation of the Congress would have been improper for the reason just mentioned. To have submitted it to the legislative discretion of the States would have been improper for the same reason, and for the additional reason that it would have rendered too dependent on the State governments that branch of the Federal Government which ought to be dependent on the people alone. To have reduced the different qualifications in the different States to one uniform rule would probably have been as dissatisfactory to some of the States as it would have been difficult to the Convention. The provision made by the Convention appears, therefore, to be the best that lay within their option. It must be satisfactory to every State, because it is conformable to the standard already established, or which may be established by the State itself. It will be safe to the United States because, being fixed by the State constitutions, it is not alterable by the State governments, and it cannot be feared that the people of the States will alter this part of their constitutions in such a manner as to abridge the rights secured to them by the Federal Constitution.

Mr. King, of Massachusetts, served with Hamilton on the Committee on Style and this is what he says (vol. 2, p. 51, Elliot's Debates):

The power of control given by this section (art. I, sec. 4), extends to the manner of election, not to the qualifications of the electors.

The word "manner" is sought in this debate to be twisted into some sort of relationship to qualification.

Mr. Nicholas, of Virginia, a delegate to that State's convention which ratified the Constitution, made this statement (vol. 3, p. 8, Elliot's Debates):

In this plan there is a fixed rule for determining the qualifications of electors, and that rule the most judicious that could possibly have been devised, because it refers to a criterion which cannot be changed. A qualification that gives a right to elect representatives for the State legislatures, gives also, by this Constitution, a right to choose representatives of the General Government. As the qualifications of electors are different in the different States, no particular qualifications, uniform through the States, would have been politic, as it would have caused a great inequality in the electors, resulting from the situation and circumstances of the respective States. Uniformity of qualifications would greatly affect the yeomanry in the States, as it would either exclude from this inherent right some who are entitled to it by the laws of some States at present, or be extended so universally as to defeat the admirable end of the institution of representation.

In the North Carolina convention (vol. 4, p. 71, Elliot's Debates), Mr. Steele said:

The power over the manner of elections does not include that of saying who shall vote (that never left State control); the Constitution expressly says that the qualifications (are those) which entitled a man to vote for a State representative.

Mr. Davie, in the same convention (vol. 4, p. 61), said:

They may alter the manner of holding the election. * * * They cannot alter the nature of the elections; for it is established, as fundamental principles, that the electors of the most numerous branch of the State legislature shall elect the Federal representatives, * * * power is given to Congress, and extending only to the time of holding the place of holding, and the manner of holding the election. Is this not the plain, literal, and grammatical construction of the clause? Is it possible to put any other construction on it, without departing from the natural order, and without deviating from the general meaning of the words, and every rule of grammatical construction? Twist it, torture it, as you may, sir, it is impossible to fix a different sense upon it.

The ratification of the seventeenth amendment was the last expression of popular judgment as to what should be the qualification of electors. It was the identical arrangement as to the electors of the Members of the House of Representatives embodied in article I, section 2, of the Constitution. It is as follows:

The electors in each State—

Of Senators—

shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.

With the clear, uninvolved language of the Constitution squarely against the construction which the proponents of this bill would have us accept, and with the clear-cut statements of such contemporaries as Madison and Hamilton, King, Nicholas, Steele, and Davie, which I have quoted, clearly against its constitutionality, this is a most remarkable proceeding, remarkable even if there were no pronouncements by the courts of the land against its constitutionality. Many times the shadow of this question has come within the notice of the courts. Not once insofar as I know has the court indicated a belief in its constitutionality.

I direct consideration now to the decision of the Supreme Court of the United States against the constitutionality of this bill with the identical question here indicated squarely before it. I refer to the case of *Breedlove* v. *Suttles* (302 U. S. 277), a unanimous opinion, delivered by Mr. Justice Butler. The case arose in Georgia. I quote from the opinion:

A Georgia statute provides that there shall be levied and collected each year from every inhabitant of the State between the ages of 21 and 60 a poll tax of $1, but that the tax shall not be demanded from the blind or from females who do not register for voting (Georgia Code, 1933, sec. 92-108). The State constitution declares that to entitle a person to register and vote at any election he shall have paid all poll taxes that he may

have had opportunity to pay agreeably to law (art. II, sec. 1, par. III; Code, sec. 2–603). The form of oath prescribed to qualify an elector contains a clause declaring compliance with that requirement (sec. 34–103). Tax collectors may not allow any person to register for voting unless satisfied that his poll taxes have been paid (sec. 34–114). Appellant brought this suit in the superior court of Fulton County to have the clause of the constitution and the statutory provisions above-mentioned declared repugnant to various provisions of the Federal Constitution and to compel appellee to allow him to register for voting without payment of poll taxes. The court dismissed his petition. The State supreme court affirmed (183 Ga. 189; 188 S. E. 140).

The pertinent facts alleged in the petition are these: March 16, 1936, appellant, a white male citizen 28 years old, applied to appellee to register him for voting for Federal and State officers at primary and general elections. He informed appellee he had neither made poll-tax returns nor paid any poll taxes and had not registered to vote because a receipt for poll taxes and an oath that he had paid them are prerequisites to registration. He demanded that appellee administer the oath, omitting the part declaring payment of poll taxes, and allow him to register. Appellee refused.

Appellant maintains that the provisions in question are repugnant to the equal protection clause and the privileges and immunities clause of the fourteenth amendment and to the nineteenth amendment.

You are all familiar with the equal protection clause of the fourteenth amendment and also with the nineteenth amendment, the woman's suffrage amendment:

1. He asserts that the law offends the rule of equality in that it extends only to persons between the ages of 21 and 60 and to women only if they register for voting and in that it makes payment a prerequisite to registration. He does not suggest that exemption of the blind is unreasonable.

Then follows some discussion of the history and nature of the poll tax, which I will omit, though very interesting and illuminating and is of weight. I further quote from this opinion at page 281, as follows:

2. To make payment of poll taxes a prerequisite of voting is not to deny any privilege or immunity protected by the fourteenth amendment. Privilege of voting is not derived from the United States, but is conferred by the State and, save as restrained by the fifteenth and nineteenth amendments and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate. (*Minor* v. *Happersett* (21 Wall. 162, 170, et seq.); *Ex parte Yarbrough* (110 U. S. 651, 664–665); *McPherson* v. *Blacker* (146 U. S. 1, 37–38); *Guinn* v. *United States* (238 U. S. 347, 362).) The privileges and immunities protected are only those that arise from the Constitution and laws of the United States and not those that spring from other sources. (*Hamilton* v. *Regents* (293 U. S. 245, 261).)

Next the Court makes some analysis of the contention that this Georgia law violates the nineteenth amendment and holds—bottom page 283:

Its purpose is not to regulate the levy or collection of taxes. The construction for which appellant contends would make the amendment a limitation upon the power to tax. (Cites cases.) The payment of poll taxes as a prerequisite to voting is a familiar and reasonable regulation long enforced in many States and for more than a century in Georgia.

The Supreme Court was then composed of Chief Justice Hughes and Associate Justices McReynolds, Brandeis, Sutherland, Butler, Stone, Roberts, Cardozo, and Black.

Since that decision this identical question, stripped of every detail which could possibly aid the most skilled expert in the art of confusing, reached the Supreme Court of the United States by application for a writ of certiorari. That case is *Pirtle* v. *Brown* (118 F. (2) 218). It was decided March 8, 1941, by the circuit court of appeals. On July 19, 1941, Senator PEPPER, of Florida, appeared before the Senate Judiciary Committee in support of S. 1280, "a bill concerning the qualification of voters or electors within the meaning of section 2, article I, of the Constitution, making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or general election for national offices," the same subject matter as the bill here under discussion.

I quote from Senator PEPPER's statement found on page 7 of the Senate hearings:

In the Pirtle case the question was squarely presented as to whether or not the State could condition the right of a citizen to vote for a Congressman in an election, not the primary, but a special election called to elect a Member of the House of Representatives, because that citizen had not complied, or had failed to pay a poll tax, thus allowing him to vote. Notice that this was not for a State election nor any primary and that it was admitted that he had done everything to qualify but pay the poll tax.

Now, that is Senator PEPPER's explanation of the facts.

I continue to quote from Senator PEPPER, page 9, Senate hearing:

Behold the suggestion that the right to vote for a Member of Congress of the United States, the President of the United States, the Vice President, or the electors, is conditioned by the State upon such terms as the State wants to impose; that the right "is conferred by the State and, save as restrained by the fifteenth and nineteenth amendments" regarding race, color, or previous conditions of servitude and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate. * * *

So that in that case the Circuit Court of Appeals, Sixth Circuit, held that the State still had the right to condition the exercise of the franchise in any way it wanted to do so.

I continue to quote from the Senate committee hearings; this colloquy took place:

Senator O'MAHONEY. Was there any dissent in that case?

Senator PEPPER. No; it was a unanimous decision of the three judges, and now it appears that there is a writ of certiorari pending before the Supreme Court relative to that case, and I venture to predict that that petition for certiorari will be granted, and I do not expect that decision to stand.

On the 13th day of October 1941, the Supreme Court of the United States, with the application of the writ of certiorari seeking to bring the questions involved in the Pirtle case before it, refused to grant the writ. It could not do otherwise.

Whatever may be the opinion of members of that Court with regard to the poll-tax qualification, it is their business to interpret the Constitution as it is written. As it is written the States cannot deprive a person of the right to vote on account of sex, because the Constitution has been amended. The Supreme Court so holds, of course. The States cannot deprive a person of the right to vote because of race, color, or previous condition of servitude. The Supreme Court so holds. The States cannot deprive a person of the right to vote for Members of Congress if he is qualified to vote under the laws of his State for the members of the most numerous branch of the legislature. The Supreme Court so holds.

By the decision in the *Classic case* (313 U. S. 299) it was held that included in the rights secured by the Constitution are the rights of a qualified voter to have his physical opportunity to vote undisturbed and to have his vote counted, within the protection of sections 19 and 20 of the Federal Criminal Code.

The citizen is entitled to Federal protection as to the time of holding elections, the place of holding elections, and the manner in which elections are conducted, conditioned only that the voter is qualified to vote for a member of the most numerous branch of his own State legislature. Now it is contended that even though he may not be qualified to vote for a member of the most numerous branch of his own State legislature—that standard of qualification which is set up in the Constitution—Congress can get rid of that standard by making it unlawful. That seems to be on the theory that its enforcement would deprive the non-poll-tax payer of a Federal constitutional right which Congress would have the right to enforce by appropriate legislation.

Deleting from section 20 of the Criminal Code that part thereof made nonapplicable by the decision in the Classic case, it reads as follows:

Section 20 of the Criminal Code (U. S. C., title 28, sec. 52):

"Whoever, under color of any law, statute, ordinance, regulation, or custom, willfully subjects, or causes to be subjected, any inhabitant of any State, Territory, or District to the deprivation of any rights, privileges, or immunities secured or protected by the Constitution and laws of the United States * * * shall be fined not more than $1,000 or imprisoned not more than 1 year, or both."

In other words, if this bill is constitutional, corrective legislation, from the standpoint of the proponents of this legislation, is already on the statute books. If a person has a constitutional right to vote without paying a poll tax, he is protected by existing law. Whatever constitutional rights the citizen has to vote without complying with the poll-tax requirement of a State have been protected. Furthermore, existing legislation covers the whole field of the citizen's constitutional rights.

Each time where in our governmental history before this effort it has been deemed advisable to establish a new limitation upon the power of States to control election qualifications it was recognized that it could not be done as here attempted, by act of Congress, but had to be done by the States themselves.

After the Supreme Court refused to disturb the circuit court's holding in the

Pirtle case, the proponents fell back on the Classic case. But in the Classic case there was not involved one single question which could arise in a case testing the general constitutionality of this proposed legislation.

So we have this situation. We have the clear language of the Constitution and we have the interpretation of the men who helped to fashion the Constitution and the men who discussed it when the States ratified it; we have the philosophy of democratic government and we have the clear-cut decision of the Supreme Court holding that this proposed legislation is unconstitutional.

If you do succeed in breaking through the constitutional barrier, ignoring the interpretation made by the contemporaries of the Constitution, its practical interpretation since its adoption and the decisions of the Supreme Court, and should secure judicial approval you would then have a situation under which there would be no effective restraint upon the power of Congress to fix the qualifications of those who vote. The power to fix it down is the power to fix it up. You would be putting into what is coming to be a great Federal bureaucracy the power to deny the States the right to control suffrage. They are the organizations that are close to the people.

This attack is being made upon the Constitution in the name of the poor man. I want to call to witness the history of the ages, that they are the sort of people who suffer most when constitutional government is destroyed.

The men who fashioned this Constitution and who read deeply into the mysteries of life knew that there would come a time when the institutions of freedom would be imperiled. They did the best they could. They required that before we enter this Chamber we pledge ourselves by our solemn plight that we will defend the Constitution. Now is the time, and this is the hour.

Mr. Chairman, I look over my country. I see the picture in the world today. I recognize that my country, perhaps, stands as the last great independent constitutional government in the world. I see a time that has come now in the history of my country when the Constitution is no longer revered among the people—not much. I wonder, too, if your Nation and my Nation is to be added to the list of those from which freedom has departed. It departs with the departure of constitutional government.

I know from all that I have been able to learn that freedom cannot endure among any people who do not have fundamental laws that hold them true to the course of their destiny against the pressure of expediency and the whim of the moment.

Mr. MARCANTONIO. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from New York is recognized for 9 minutes.

Mr. MARCANTONIO. Mr. Chairman, the distinguished chairman of the Committee on the Judiciary has predicated his entire argument on the contention that the poll tax is a qualification for voting. He goes on further and contends that the poll tax is a qualification and therefore he relies on section 2 of article I of the Constitution and on the seventeenth amendment of the Constitution, section 2, article I, reads as follows: "The House of Representatives shall be composed of Members chosen every second year by the people of the several States and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature." The seventeenth amendment reads as follows: "The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for 6 years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures." In both section 2 of article I and in the seventeenth amendment the word "qualification" is used. Certainly I do not believe that the gentleman from Texas really can seriously contend that the payment of a poll tax not as an ordinary tax, but the payment of a poll tax as a prerequisite for voting in primary or general elections is a qualification. It is not in the same sense as a resident qualification or an age qualification. It is not a qualification, it is a restriction. Thus, the issue resolves itself not into the proposition of whether Congress or the State shall have control in regulating the elections; the issue resolves itself into the proposition of whether or not under the Constitution a State may set up such restrictions as will virtually nullify the elective franchise of any citizen of the United States residing in that State, and is Congress in such cases is devoid of power to act? That is the legal issue involved. The history of the poll tax, even the gentlemen who are opposed to this legislation will have to admit, proves that the poll tax does actually bar citizens of the United States from exercising their elective franchise. Ten million people have been deprived of their right to vote in the eight poll tax States. So it is a restriction, a restriction which nullifies an elective franchise for an American citizen residing in the poll-tax States.

Again, query? Has the Congress of the United States the power under the Constitution to deal with that situation? I refer the distinguished gentleman from Texas, one of the ablest constitutional lawyers of this body to section 4 of article I. It reads:

> The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof;—

I call attention to that semicolon. Then this section reads:

> but the Congress may at any time by law make or alter such regulations except as to the places of choosing Senators.

Neither the gentleman from Texas nor any other opponent of this legislation has dealt with section 4 of article I.

I repeat:

> but the Congress may at any time by law make or alter such regulations.

Therefore I do not see how there can be any doubt that, Congress when it finds that a State has set up a restriction which nullifies the elective franchise, has the power under section 4 of article I to alter such regulation. The power to make or alter such regulation means the power to abolish or outlaw such restrictive regulations.

May I also call the gentleman's attention to the fact that the fourteenth amendment to the Constitution implements section 4 of article I. It reads: "No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States." Then we also have in the Constitution section 4, of article IV, which simply reads: "The United States shall guarantee to every State in this Union a republican form of government." With all of this language in the Constitution, again I ask, can there be the slightest doubt as to the power of Congress to remove by legislation any restriction on the elective franchise which a State has set up in violation of section 4 of article IV, preventing thereby the establishment of a republican form of government in that State? Can there be the slightest doubt as to the power of Congress to remove by legislation any restriction which deprives any American citizen of his elective franchise which is definitely a privilege of citizens protected against abridgment by the fourteenth amendment to the Constitution?

You cannot take any one section of the Constitution and read it by itself. The gentleman well knows the accepted principle of law that each section of the Constitution must be read together with all of the other sections. Article XVII and section 2 of article I must be read in connection with the language I have just cited. In view of section 4 of article IV, in view of the fourteenth amendment, in view of article I, section 4 there can be no doubt of the right of Congress to remove or outlaw, any restriction which would deprive an American citizen of his elective franchise in any State.

So much for the Constitutional argument, and may I add this: That when a question of this character is before the Congress the least that the Congress can do is to respond to the will of the overwhelming majority of the American people and pass this legislation and then let the question be decided in the Supreme Court of the United States. Such procedure is certainly in accordance with the Constitution.

The gentleman from Texas was speaking of the minority behind this bill. It seems to me the answer is very obvious. This bill is not a bill of any minority nor of any combination of minorities. This bill is the result of the desire and the will of the overwhelming majority of the American people. The proof of that the gentleman received yesterday in the vote in this House, the proof of that the gentleman received in 1942, the proof of that the gentleman received in 1943 when the overwhelming majority of this House voted for this same legislation. The only reason why the legislation has not been approved by the other body is because an undemocratic minority in the other body refuses to permit the majority to exercise its will by the undemocratic device of filibustering.

Mr. Chairman, there is some thing much more fundamentally involved

here today. The issue is the old one that of Government by the few versus Government by the people. Our men are returning from the far-flung battlefronts, having left their comrades behind in marked and in some cases in unmarked graves. They did not have to pay a poll tax to fight and they do not want to be required to pay a poll tax to vote.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I ask unanimous consent that all Members who have spoken on this bill may have permission to revise and extend their remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. All time having expired, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the requirement that a poll tax be paid as a prerequisite to voting or registering to vote at primaries or other elections for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives, is not and shall not be deemed a qualification of voters or electors voting or registering to vote at primaries or other elections for said officers, within the meaning of the Constitution, but is and shall be deemed an interference with the manner of holding primaries and other elections for said national officers and a tax upon the right or privilege of voting for said national officers.

Mr. HARE. Mr. Chairman, I regret that more time was not provided for the discussion of this very important question, because I would like to inquire into the historical background of the whole matter, especially since so many references have been made to the Constitution of the United States and the different angles from which it has been approached. I was somewhat interested in the enthusiastic remarks of the gentlewoman from Connecticut [Mrs. LUCE] who took time to read the fifteenth amendment to this very intelligent body of men and women, emphasizing how important and how indispensable it is that we should recognize the changes in American life to which the spirit and purpose of the fifteenth amendment and the Constitution should be adjusted.

Then I was particularly interested in the remarks of the gentlewoman from California and the several gentlemen from New York, especially the author of this bill [Mr. MARCANTONIO], in how they emphasized the constitutional aspects of this proposal as related to the fifteenth amendment to the Constitution, because if I read the historical records correctly, the great State of California, from which the gentlewoman [Mrs. DOUGLAS] hails, not only refused to ratify the fifteenth amendment but in 1869 actually rejected it, and has not approved it up to this late day. And when I read the records further, I find that while the great State of New York did ratify the amendment on April 4, 1869, its legislature by formal action withdrew its consent to the ratification on January 5, 1870, and up to this date has not made any formal declaration showing any change of mind or heart.

The only logical conclusion I can reach is that the people of the great State of California and the people of the great State of New York, from whence the ardent supporters of this bill come, are still opposed to the fifteenth amendment or else they would take advantage of the opportunity afforded them in all these years to express their faith and allegiance to the fifteenth amendment, now a part of that great document we call the Constitution of the United States.

I go a little further, and again I call upon history to come to my rescue, and find that the great State of Ohio, that State so ably represented here today by the gentleman [Mr. BENDER], who spoke at length in favor of this proposal, through its legislature on May 4, 1869, rejected the fifteenth amendment and did not change its mind and ratify it until June 27, 1870, just 1 month before the amendment was formally ratified and made a part of the Constitution of the United States.

Mr. Chairman, despite the long and unbroken recognition by the courts and people of this country that the Constitution of the United States definitely declares the qualifications of electors shall be determined by the States, we have before us a bill which undertakes to amend the Constitution by appropriating the powers vested in the States under article I, section 2, of the Constitution and placing them in the legislative branch of the Government. Many of the speakers have openly declared that the purpose of enacting this bill into law is to have the matter presented to the Supreme Court to determine whether the Congress has the right to amend the Constitution in this way. Others have asserted that on account of changed conditions or circumstances the Court would or should find the action of the Congress to be constitutional they do not hesitate to say that the Constitution has served a good purpose, but say that times have changed and the Congress, therefore, should proceed to legislate in keeping with the times, irrespective of the Constitution. I hesitate to question the purpose or loyalty of anyone, but I submit in all seriousness that the Congress cannot afford to arrogate to itself the right or authority to amend the Constitution of the United States by statute. For the Congress to undertake to amend the Constitution simply because there has been a change in the conduct and actions of some people would have the same effect upon the security of our system of government as the elimination of the Ten Commandments would have upon enlightened civilization. The provisions of the Constitution, insofar as the security of our system of government is involved, are the fundamentals upon which our governmental structure stands and if the Congress should ignore its limited powers and proceed to remove or destroy these fundamentals our governmental structure must fall. I do not believe there is a man or woman in this Congress but who knows that article I, section 2, of the Constitution provides that the qualifications of electors shall be determined by the States. That is one of the fundamentals upon which our governmental structure is based. It was agreed by the framers of the Constitution that was one of the fundamentals to be followed in the establishment and preservation of the system of government then being created by the Constitution. When we destroy this one fundamental, a different system of government is being established. The Constitution and the Government established under it are creatures of the people. They made it, they have a right to change it; they provided the methods by which it may be changed. They probably anticipated that times might change and they, therefore, provided an orderly way to make such changes as they may warrant, but that power was not given to the Congress. If times have changed and the people are ready and prepared to make changes in their charter of liberty and the Constitution, the procedure to follow is open and clear, but apparently the proponents of this bill do not want to go to the people. By their actions, they are afraid to trust the people, and this is the straw that shows which way the political wind is blowing, and it forces some of us to mistrust the purposes behind this proposal and a few other kindred proposals, such as the FEPC. Remember, "There is a way which seemeth right to a man, but the end thereof are the ways of death."

This same general subject brought on a war among ourselves a number of years ago. I do not believe we will ever have another, but if the Congress and the Federal Government continue to appropriate the powers and functions of the States, I look for a day when the States will rise in their right and might and strike this great Government of ours both "hip and thigh," by putting a few clarifying amendments in the Constitution that will make it so plain "a wayfaring man need not err therein." The States and the people made the Constitution when they ratified it and they had a provision in that document that would enable them at any time to change or remake by amendment at any time three-fourths of the States might agree. The States can also give away their rights and surrender their powers either by amendment or by just sitting idly by and giving silent consent for the Federal Government to assume or appropriate all their powers. If the States lose their powers to the Federal Government, they can set up no alibi. The only thing they have to do is to exercise their rights and powers. This kind of legislation and other similar legislation now pending, such as the FEPC, is first a challenge to the Representatives of the States in the Congress, but if we fail to meet the challenge the responsibility may then be assumed by the States and if they, by their silence or inaction, give their consent then, as I have said, they cannot hereafter complain of having been robbed of their rights and powers.

We must remember there are certain things and certain principles in our system of Government that are just as fundamental and permanent as the Government itself; they were created and established when the Constitution was ratified by the people of the several States and the creating language incorporated therein means the same thing

now as when the Constitution was adopted. I can appreciate that some of the powers vested in the different branches of the Government may be expanded with changed conditions, but the power itself cannot be changed by mere interpretation. Furthermore, there may be times when, for lack of clarity or specific expression a question may arise whether a right or power has been lodged in the Federal Government, the State government, or reserved to the people, but where a power has been expressly given or expressly reserved, as in this case, a contest cannot legitimately arise. The Supreme Court made this clear in the case of *South Carolina* v. *United States* (199 U. S. 437), when it said:

> The framers of the Constitution were not mere visionaries, toying with speculations or theories, but practical men, dealing with the facts of political life as they understood them, putting into form the government they were creating, and prescribing in language clear and intelligible the powers that government was to take.

The point is further emphasized in the case of *Gibbons* v. *Ogden* (9 Wheat. 188), when the Court said:

> As men, whose intentions require no concealment, generally employ the words which most directly and aptly express the ideas they intend to convey, the enlightened patriots who framed our Constitution, and the people who adopted it, must be understood to have employed words in their natural sense, and to have intended what they have said.

Now what did they say in article I, section 2, of the Constitution? I quote:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Certainly the power of determining the qualifications of electors is not placed in the Federal Government or the Congress, but is expressly left as one of the powers of the States. Section I of the fifteenth amendment of the Constitution provides:

> The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

This provision did not repeal article I, section 2, where it is expressly stated that the States should have the right to determine the qualifications of all electors, including all persons of whatever race, color, or previous condition of servitude.

Mr. Chairman, I am not particularly interested in a poll-tax law in any State, but I am interested in preserving the right of a State to enact such a law if it so desires, provided the law does not conflict with the provisions of the Constitution of the United States. I am also interested in preserving the accuracy of our political history, and my primary purpose now is to correct statements made and impressions created by some of those who have preceded me when they insist that the poll-tax law was enacted in my State for no other purpose than to disfranchise the colored people in that State.

Some people have an idea that because the poll-tax law was not enacted in South Carolina until after the War Between the States it was solely for the purpose of disfranchising the Negro. It is unfortunate that we have men and women in Congress who believe that and have never taken the time to advise themselves fully in the premises. I would not attempt to criticize anyone for lack of information, because I find this to be one of my greatest liabilities, but it is unfortunate to undertake the solution of any great problem without first being fully advised.

It will be remembered that martial law prevailed to a more or less extent in most of the Southern States following the close of the Civil War for a period of 10 years and during this period in my State, South Carolina, the State legislature was in absolute control of Negroes and their political friends. No poll tax law had been in existence in the State prior to that time and while the colored people and their alleged friends were in control they drafted and ratified what is known as the "carpet bag constitution" in 1868. Article IX, section 2, of that constitution provided:

> The general assembly may provide annually for a poll tax not to exceed $1 on each poll which shall be applied exclusively to the public school fund.

Article X, section 5, of the same constitution provided:

> The general assembly shall levy at each regular session an annual tax on all taxable property for the support of public schools.

Four years later when the colored people and their alleged friends and advisers were still in complete control of the legislative machinery of the State, the following was enacted:

> There shall be assessed on all taxable polls in this State an annual tax of $1 on each poll, the proceeds of which tax shall be applied solely to educational purposes. Every male between the ages of 21 and 50 years, except those incapable of earning a support from being maimed or from any other cause shall be deemed taxable polls.

Probably the first act to enforce the payment of poll taxes was in 1873 when the Negroes were still in control of the State legislature and when Robert K. Scott, formerly of the State of Ohio, was Governor. This act provided that the county treasurer should furnish a list of all delinquent polls to the county commissioners and if the delinquent poll had no property that could be levied on for the collection of the tax the person would be subject to a penalty of double the amount of the poll tax and upon failure to pay the same after notification such person could be required to work upon the public roads of the county not exceeding 3 days, and upon his failure to work upon such roads or to pay the double tax he would be considered guilty of a misdemeanor and on being convicted should be imprisoned not exceeding 30 days or punished by fine not exceeding $10.

It must be observed that all this legislation providing for the payment of a poll tax and making it a criminal offense not to pay it was enacted by the State legislature composed of colored people and their political friends, and certainly they could not be charged with enacting legislation for the purpose of disfranchising themselves or disqualifying themselves of the right of suffrage. Therefore, the statements made by Members of the Congress who are supposed to be students of both secular and political history are absolutely incorrect when they say the poll tax laws were enacted in my State primarily to prevent Negroes from voting.

One of the preceding speakers stated that 10,000,000 American citizens are deprived of their right of suffrage in seven Southern States, presumably because they do not have the money with which to pay their poll tax. If that were a true statement, I would not hesitate to urge the legislature of my State to repeal the poll-tax law at the earliest possible date, but that is not the case. There may be 10,000,000 people in these seven States old enough to vote who do not cast their ballots, but that is not because they are not able to pay their poll tax, for in the first place a great percentage of them are not required to pay poll tax; men over 60 years of age and women are not required to pay. In my State about 60 percent of all persons over 21 years of age are either women or men over 60 years of age, none of whom are required to pay a poll tax and are, therefore, not required to present a tax receipt at an election. Consequently, the poll-tax law could in no way whatsoever prevent a large majority of the people from voting. If this situation is representative of the other poll-tax States, it would be perfectly absurd to say that every person over 21 years of age who did not vote in the last November election failed to do so because he or she was not able to pay the poll tax, and I cannot conceive how any reasonable, fair-minded, loyal American citizen can use such an argument in an effort to lead or mislead people in making up their minds in reference to the proposed legislation.

I read a propaganda report some time ago where an argument was advanced that the poll-tax law should be repealed by the Congress because some 18 or 20 Members of the Congress from the poll-tax States have served for a period of 20 years or more. I have not examined the record, but I imagine this is not far from being correct. The person making the statement did not name the Members of Congress, but I venture the assertion that the reputation, character, ability, loyalty, courage, and patriotism of these 18 or 20 men will stand as high under any standard of ability or code of ethics as any other 18 or 20 Members of Congress, regardless of the political party to which they belong or the State or section from which they come, and I can afford to make this latter statement because I do not happen to be one of those who have served for 20 years or longer. I am not making an argument for a poll-tax law in my State or any other State but I am trying to emphasize that the Congress has no right or power whatsoever to repeal such a law. If the law violates the Constitution of the United States it is not within the power of the Congress to determine its constitutionality. That

is a matter exclusively within the jurisdiction of the courts set up under the Constitution for this purpose.

The proponents of this bill either forget or do not know that payment of a poll tax in my State is not an optional tax. It is a criminal offense to refuse to pay it. Refusal to pay was made a misdemeanor by statute, and I again call attention to the anti-poll-tax leaders that the statute was enacted by the colored people themselves back in 1872. Failure to pay the tax subjects the taxpayer to a fine or imprisonment. Instead of the law being enacted to prevent people from voting, as has been alleged here today, it can be argued with just as much logic that the law was enacted for the purpose of enabling people to qualify to vote because the law requires every able-bodied man in the State under 60 years of age to have a poll-tax receipt whether he votes or not, but a tax receipt shows he is not a criminal by failing to pay the tax and it prevents him from voting at two precincts.

The method of how a State shall raise its revenues is an exclusive prerogative of the States, and what I am trying to do is to defend the right of a State to pass a tax law if its people want it, and then have the right to say whether a tax receipt is the best evidence of a person's residence, because such receipt will show exactly where he lives and whether he has been there long enough to qualify to register as a qualified elector. The tax can be reduced to 5 cents or 1 cent per poll and the principle would remain the same, but a bona fide tax receipt for 1 cent would show definitely and clearly whether the holder has a right to vote at the election precinct where he presents himself, and this is a required evidence of the voter to show he is eligible to vote at that particular precinct. It is not a qualification. His registration certificate is evidence of his qualification to vote.

Mr. CASE of New Jersey. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I am native-born, white, a gentile—a Protestant. That I am these things entitles me to no special status or distinction. Indeed I had no choice as to any of them, except the last. But because I am these things, and thus a member of the comfortable majority in this country, I find myself under compelling obligation to express my disagreement with certain remarks made yesterday in this Chamber by the gentleman from Mississippi [Mr. RANKIN].

As to Mr. Justice Frankfurter.

I am not personally acquainted with Felix Frankfurter. My last and only direct contact with him was as a student for a few weeks, nearly 20 years ago. But several of my close friends and professional associates have long known him intimately and I have had occasion, of course, to follow his decisions and opinions in my practice over the years.

I am convinced not only that he is not a Communist, but also that he has no more sympathy with the Communists' philosophy or their political, social, or economic beliefs or methods than does the gentleman from Mississippi or than I do myself. He is utterly devoted to our American democratic system of government.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CASE of New Jersey. I yield.

Mr. RANKIN. I am afraid the gentleman learned "not wisely but too well" the lessons he was taught under Mr. Frankfurter.

Mr. CASE of New Jersey. Mr. Chairman, Mr. Frankfurter is utterly devoted to our American democratic system and the great principles of liberty, equality, and justice under law upon which it rests. His devotion, I suggest, is but the deeper because he springs from a race which has known little but persecution since its history has been recorded; because, alien-born, he does not regard the great blessing of American citizenship so casually as his natural right as do many of us to whom it has come by birth.

He is a resourceful and energetic student of the law and our institutions; a fair-minded and stimulating teacher; always a crusader for justice for the individual; he has become one of the outstanding Justices of the Supreme Court, where he is regarded, I venture to say, by his brethren on the bench, as he is by the profession generally, as somewhat conservative in his views. He has the most profound respect for the Court, for its traditions, and for the law which it has made. I am satisfied, Mr. Chairman, that our American system, our constitutional democracy, will come to no evil at his hands.

Mr. Chairman, one word more.

The gentleman from Mississippi also said that, while in Mississippi the population is about equally divided between whites and Negroes, at least 90 percent of the casualties during this war from Mississippi have been gentile whites.

Mr. Chairman, no group in this country has a monopoly on patriotism. Men of all races, colors, and creeds, whether native- or foreign-born have equally sacrificed their lives or given the best years of their youth in this war. The casualty lists show that, as do the gold stars in the windows of homes, both high and humble, in every city, town, and hamlet, and on the farms throughout the land. I suppose there are not many Jews in the State of Mississippi, but I am convinced that their casualties are in proportion to their number in the population, as they are over the country as a whole. And, if that be not true also of the Negroes, it is due, I am sure, to no lack of courage or patriotism on their part, but rather to these two reasons:

First. That, because of poverty and lack of equal educational and economic opportunity for generations, the percentage of Negro draft rejections on medical and mental grounds is far above the average for other groups.

Second. That, to some extent, they may have been given noncombat service of one kind or another more often than most other groups.

Obviously, both of these factors have been quite beyond the control of the Negroes themselves. I am sure the records of this war will vindicate fully the heroism of the Negro combat soldier.

Mr. Chairman, I did not rise in defense of Mr. Justice Frankfurter or of the courage and patriotism of minority groups in this country. They need no defense by me. I rose because I could not by remaining silent permit any inference that I acquiesced in the sentiments to which I have taken exception. And, more important by far, because of my deep conviction that whenever we of the majority in this country permit such sentiments to go unchallenged, not only are we guilty of a wrong to the minority groups concerned but we risk the greater danger of brutalizing ourselves.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, taking up the time of Congress to pass this silly measure, that everyone knows is unconstitutional, especially at this critical time, forcibly reminds us of "Nero's fiddling while Rome burned."

This morning the distinguished gentleman from Wisconsin [Mr. KEEFE], said the country was confused, and that the confusion has spread to the Supreme Court of the United States.

In reply, I want to call attention to the fact that that confusion probably originated in the Supreme Court, And it has not only spread to the rest of country but it seems to have involved the distinguished gentleman from Wisconsin [Mr. KEEFE].

The gentleman from New Jersey [Mr. CASE] who has just spoken seems to have been confused to begin with. Mr. Frankfurter saw to that. The Supreme Court did not have to confuse him. He was educated that way.

Now, Mr. Chairman, they talk about the poor whites in the South not being permitted to vote. That is nonsense. Every once in a while some would-be uplifter gets up here and talks about the tenant farmers of the South of which he knows nothing. I grew up among them; many of our best citizens are tenants. Many of them say it is less expensive to rent land than to own it. I have been a tenant farmer and I have had tenants on my place, white and blacks. The intelligence of the average tenant farmer in my district will measure up to the average Member of this House who is willingly supporting this unconstitutional legislative monstrosity. For any tenant farmer who has sense enough to read the Constitution, or understand it when it is read to him, would know that this crazy measure is unconstitutional.

Some of you would look silly if you were to go down there and try to debate this question with some of the tenant farmers in that territory. When they got through with you the chances are that you would know much more about the Constitution than the bewildered gentleman from New Jersey [Mr. CASE] did when Frankfurter turned him loose.

Now, Mr. Chairman, this measure involves the Constitution of the United States. We do not care what kind of voting laws you have in New York. That is your affair. If a man wants to pay his poll tax in Mississippi he can vote, if he meets the other requirements. If the people of Mississippi want to change their voting laws, they can do so. But

Congress has no right or power to change those laws for them.

The gentleman from Ohio [Mr. BENDER] says they cannot vote down there because they are shut out on account of paying $2 poll tax, the only taxes that many of them pay to maintain the schools for their children. That is one reason the poll tax is levied. Now, he talks about the small vote cast down there. Certainly there is a small vote cast. They usually only had one ticket. They did run a candidate against me for Congress, a Republican by the name of Willkay, and he received 562 votes in the entire district.

It is said that Moses, the greatest of all law givers, caught his inspiration from the burning of a bush. When the average, unbiased American reads this bill he will probably think that the gentleman from New York [Mr. MARCANTONIO] had been involved in a forest fire.

Such legislative monstrosities as this, if passed by Congress, would gradually undermine and destroy the Constitution of the United States.

The next thing they are going to try to pass is the FEPC bill, which is one of the most alarming things to the businessmen and farmers of this country ever proposed. You Republicans as well as you Democrats are getting that reaction from home now. You are now beginning to hear from the substantial people in your States, warning you to get back on the beam. Next you will have an attack on the separate school systems of the various States. And, as I said, if you continue to pass such legislation you will destroy the Constitution of the United States by piecemeal. Then you will have a totalitarian state similar to Russia, Germany, or Italy, under the recent regimes. Is that what you want?

Why they talk about the fifteenth amendment. It has been held by the Supreme Court of the United States time and time again that our election laws do not violate the fifteenth amendment.

You are simply invading the rights of the States. You people from the far West are in a minority. Do not forget that. The time may come when you will cry aloud against some invasion of your rights, and as Ingersoll said probably the answer will be the echo of your wailing cry. Other sections of the country are not immune. You are laying the foundation for undermining and destroying the greatest system of constitutional government the world has ever known.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. PRICE of Florida. Mr. Chairman, I move to strike out the last 5 words.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Florida. I yield to the gentleman from New York.

Mr. MARCANTONIO. Mr. Chairman, in order to save time, I ask unanimous consent that all Members who so desire may extend their remarks at this point in the RECORD.

The CHAIRMAN. That request will have to be made in the House.

Mr. MARCANTONIO. Mr. Chairman, I am talking about extending the remarks made in Committee.

The CHAIRMAN. That has already been done.

Mr. PRICE of Florida. Mr. Chairman, as a Representative who comes from a Southern State where you have no poll tax and we have had none since 1937, I would like to say to those who claim that we are trying to keep either whites or Negroes from voting that I am anxious to have as many of our citizens as we can to vote. I believe the more we have taking part in our elections the more healthy the political situation will be. However, if the abolishment of the poll tax has no more influence in bringing this about in the other Southern States than it did in Florida, I am afraid that a great many of those in the North who seem to be so interested in the downtrodden man of the South will be sadly disappointed.

In Florida we hardly have over 60 percent of those who are eligible vote. In my home county we have around 70,000 qualified and in our most bitterly contested local elections last year we had a few over 35,000 votes. The Negroes can register and there are about 5,000 in my county registered and in the general election last year about 500 voted. This is about the same percentage that voted when we had to pay a poll tax.

Anyone who knows from experience that the payment of a poll tax has had absolutely no effect on the number voting in my State, either white or Negroes, I believe every State should settle this question for itself as we did in Florida.

Mr. RICH. Mr. Chairman, I move to strike out the whole section or the whole bill.

Mr. Chairman, this seems to be a day of strikeouts, so we come in here and say what we want to do back in our own States. In Pennsylvania we do not have a poll tax. The only way we get people to vote in Pennsylvania, in my district, is to dig them up, haul them to the polls, and then try to insist that they vote. The question before us today is not a question of letting somebody vote, as I see it; it is a question only of bringing in here a piece of legislation which is trying to stir up trouble, strife, and vexation. It is brought in by certain Members whose house is being haunted and who are being haunted themselves by certain legislation that we have passed in the last 10 years.

Mr. Chairman, we passed a lot of legislation here in the last 10 years that is causing a lot of people to squirm. We have done a lot of things in the last 10 years that it will take this Nation of ours 110 years to get rid of. We have passed a lot of legislation in the last 10 years that you will never forget as long as you live. It has our Nation in trouble and you are responsible for it.

If the time has come when we have to change the Supreme Court and break up the Court so that you have no confidence or faith in it, it is getting to be a pretty bad state of affairs. You all remember when we had the NRA and a lot of those alphabetical agencies that have been kicked out of the window. You have set up a lot more that you wished you did not have today.

I remember when everybody had faith in our courts, who believed in obedience to the laws, and who had faith in mankind. When honesty was a virtue, to obey laws was a national honor, and to believe all men were honest until found otherwise.

You remember about 1936 when the Chief Executive of the United States wrote a letter to a member of the Committee on Interstate and Foreign Commerce and said, "Pass that bill and let the constitutionality of it remain for the Supreme Court to decide," when he could have found out if it was constitutional or not. I want to tell you that you started out a few years ago to do things that are now a terrible calamity on the affairs of this Nation and which created an awfully sad situation for many people who believe in States' rights. You know there are a lot of you people here who believed in State rights a few years ago, but you passed a lot of legislation in the last couple of years that has taken the last vestige of States' rights away from the people and brought it into the Federal Government. You are trying to get the people in Washington to ease the ills and pains of everybody back in the sticks, back in your own State, where you ought to attend to those ills and pains yourselves. You are now finding out those things because you approved a lot of those laws, and it is painful to you now to see just where you are headed—to bureaucratic government and communism. Do you not think you should have voted against all of those bills away back in the time when they had the Democratic National Convention and you did away with the two-thirds majority rule? Do you not wish you would have left it as it was? How many of you would like to have seen that condition remain? All of you; every one of you on the Democratic side of the aisle. Now you find yourselves in this boat, and the question is, What is the best way out? You have before you today solely a constitutional question in this bill. It is not a question of whether the whites will vote or the blacks will vote or the Catholics will vote or the Jewish or the Protestants will vote. That is not the question. It is a question today of whether you are going to leave the Constitution of the United States alone.

The Constitution says that the right of suffrage shall remain in the hands of the States, and yet you want to come in here now with this bill and take that right away from those States that want to retain it. I do not think that we did a good thing for the State of Pennsylvania when we did away with it. If we did, I do not know what it is. You remember the time when they threw the tea overboard in Boston they said that taxation without representation is tyranny. I say to you that the right to vote ought to be the right to pay taxes just the same. The fellow that wants to vote ought to be pleased that he has the right to pay some taxes and have some say in this form of government, because as long you live, as long as your children live, and as long as this Nation stands none

of you Members here will ever see the time when you will get out of debt, unless you go into bankruptcy, and goodness knows we do not want to do that. We want to buckle up our belts and get back to solid ground and follow the customs and the landmarks of some of these old men you have been talking about here during constitutional times, when we had men with a lot of brains and a lot of intestinal fortitude to do the things that made this country great. What are you trying to do; wreck it? Let us vote this bill down. Keep States' rights. Stop Washington from trying to regulate your State, your municipalities, your homes. Stop Washington from telling you how long you should work; what you should eat; when you can buy a pair of shoes; how much sugar you can get to can foods; where you can work; how much wages your employer can pay you; what union you have to join; what you can plant on your farm and the number of acres. Oh, regimentation in Washington where are you taking our country? To bankruptcy, to communism. I say keep our oath inviolate and vote down this bill.

Mr. PATRICK. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I would not have risen again even to strike out three words if it had not been for the fact that I did not have time when I first spoke to explain what I meant by the $36 accumulation in our State. The poll tax in Alabama is $1.50 a year. If there is one payment left unpaid in the $1.50 accumulation after a man has gone through his years of poll tax paying, he cannot vote. That is, of course, true of every voter in the State except in case of special provisions that are made for returning soldiers of the last World War. So far as I know, no other exceptions have been made. Now, $1.50 is not a lot of money if you have the $1.50, but if you have not got $1.50 it amounts to a good little bit, as I know, because I have been there. There are many people in the Southland who cannot vote, but who would make good voters. We are merely asking Congress to help expedite this thing. I would give anything on earth if it would come from the States. This action should come from the States. By all means it should come from the States, but my State legislature just recently voted against poll-tax repeal. I am of the opinion that the majority of the voters in Alabama, at least in my district, are eager for the repeal of the poll tax laws of the State. There are only seven States left in the Union that have a poll tax. When you find that the combined vote of those States is only 19 percent of the potential voters, and when you find the free voting States register a ratio anywhere from 3-to-4 out of 5, you can see the embarrassment which obtains.

But the disqualification is this. You have sat on a jury. You know that the men who do not serve are the ones who want to get off. They are often the ones who could make the best jurors. If a man has a bias or an interest you could not get him off to save your life. He sits and serves on the jury. In our Southland some good folks feel that they are not in politics and have no particular interest in politics or in voting. Those who have a special interest qualify. Sometimes a special-interest group behind them qualifies them and pays their poll tax and they can vote. So you may be disfranchising some of the most valuable voters, the ones who have no special interest at all.

Mr. THOMAS of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. PATRICK. I yield.

Mr. THOMAS of New Jersey. Does the gentleman try to give us the impression that the only people who are voting in the South now are those special-interest groups?

Mr. PATRICK. No; certainly not.

Mr. THOMAS of New Jersey. I will say to the gentleman I am sure he does not wish to create that impression.

Mr. PATRICK. No; certainly, no such impression should obtain. We try, just as I am sure my friend from New Jersey does, to get as far away from special-interest groups as we can. And we try to get as far into the general run of people as we can because that is where good government comes from. I want to represent people—the people. This is the peoples' country. Those people should vote so as to assure every election as an election of the people.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. PATRICK. I yield.

Mr. BROOKS. The gentleman does not want to leave the impression that the Legislature of the State of Alabama does not represent the people of Alabama or the voters of Alabama, does he?

Mr. PATRICK. I would not leave such impression for the world. But I can say that the majority of the people in my district wish very sincerely to have the poll tax repealed. Of course, I have to let other legislators represent their districts as they see fit.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. PATRICK. I yield.

Mr. COLE of Missouri. Many, many years ago we had a poll tax in Missouri of $1 a year. At that time it was possible for any citizen to pay that poll tax by working. Does not that same provision hold true in the State of Alabama?

Mr. PATRICK. I do not believe anybody can work out his poll tax in the State of Alabama.

Mr. COLE of Missouri. Is it not possible for your citizens, rather than to pay the cash, to work the tax out?

Mr. PATRICK. The gentleman from Missouri is trying to work Alabama voters on the county road.

Mr. COLE of Missouri. That is right.

Mr. MARCANTONIO. Mr. Chairman, I ask unanimous consent that all debate on all sections of this bill close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. RICH. Mr. Chairman, I object.

Mr. MARCANTONIO. Mr. Chairman, I move that all debate on all sections of this bill close in 10 minutes.

Mr. RANKIN. Mr. Chairman, I offer an amendment to change the 10 minutes to 5 minutes and have debate close in 5 minutes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The amendment was agreed to.

The CHAIRMAN. The question is on the motion offered by the gentleman from New York [Mr. MARCANTONIO] as amended.

The motion was agreed to.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to ask the gentleman from Alabama a question. Will the gentleman tell me for what purpose the money which is paid in on the poll tax in the State of Alabama is used?

Mr. PATRICK. It is used to go to the schools to educate children.

Mr. HOFFMAN. So by abolishing the poll tax in Alabama—a thing your State legislature you say refused to do—you would deprive the school children of that means of education?

Now, another question which I should like to ask.

Mr. PATRICK. I think I answered that question.

Mr. HOFFMAN. You did, very well. I thank you ever so much. So I will ask you another question. Did I correctly understand you to say that those best qualified to vote in Alabama were deprived of the opportunity to vote? Did not vote?

Mr. PATRICK. I did not say the best qualified.

Mr. HOFFMAN. I understood you to say that if this bill was not passed we were "disfranchising the most valuable voter in the Southland." That is what the stenographer's record will show, though you may omit it from your revised remarks.

Mr. PATRICK. Did I?

Mr. HOFFMAN. The RECORD will bear me out on that. I just want to say I agree with you. The election returns seem to indicate just that.

Mr. PATRICK. Thank you.

Mr. HOFFMAN. Mr. Chairman, I yield back the balance of my time.

The Clerk read as follows:

SEC. 2. It shall be unlawful for any State, municipality, or other government or governmental subdivision to prevent any person from voting or registering to vote in any primary or other election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives, on the ground that such person had not paid a poll tax, and any such requirement shall be invalid and void insofar as it purports to disqualify any person otherwise qualified to vote in such primary or other election. No State, municipality, or other government or governmental subdivision shall levy a poll tax or any other tax on the right or privilege of voting in such primary or other election, and any such tax shall be invalid and void insofar as it purports to disqualify any person otherwise qualified from voting at such primary or other election.

SEC. 3. It shall be unlawful for any State, municipality, or other government or governmental subdivision to interfere with the manner of selecting persons for national office by requiring the payment of a poll tax

as a prerequisite for voting or registering to vote in any primary or other election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives, and any such requirement shall be invalid and void.

SEC. 4. It shall be unlawful for any person, whether or not acting under the cover of authority of the laws of any State or subdivision thereof, to require the payment of a poll tax as a prerequisite for voting or registering to vote in any primary or other election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the bill H. R. 7, pursuant to House Resolution 139, he reported the same back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MARCANTONIO. On the passage of the bill, Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 251, nays 105, answered "present" 1, not voting 75, as follows:

[Roll No. 109]

YEAS—251

Adams	D'Alesandro	Gross
Allen, Ill.	Dawson	Gwinn, N. Y.
Andersen, H. Carl	De Lacy	Hall, Edwin Arthur
Anderson, Calif.	Delaney, James J.	Hall, Leonard W.
Andrews, N. Y.	Delaney, John J.	Hancock
Angell	Dickstein	Hand
Auchincloss	Dingell	Harless, Ariz.
Baldwin, N. Y.	Dolliver	Harness, Ind.
Barrett, Pa.	Douglas, Calif.	Hart
Barrett, Wyo.	Douglas, Ill.	Hartley
Barry	Doyle	Havenner
Bates, Ky.	Dworshak	Healy
Bates, Mass.	Eberharter	Hedrick
Beall	Elliott	Heffernan
Bender	Ellis	Henry
Bennet, N. Y.	Ellsworth	Heselton
Bennett, Mo.	Elsaesser	Hess
Biemiller	Elston	Hill
Bishop	Engel, Mich.	Hinshaw
Blackney	Engle, Calif.	Hoch
Bolton	Fallon	Hoeven
Bradley, Mich.	Feighan	Holmes, Mass.
Brehm	Fenton	Hook
Brumbaugh	Fernandez	Hope
Buck	Flood	Horan
Buckley	Fogarty	Howell
Buffett	Forand	Huber
Bunker	Fulton	Hull
Butler	Gallagher	Izac
Byrne, N. Y.	Gamble	Jackson
Campbell	Gardner	Jenkins
Canfield	Gavin	Johnson, Okla.
Cannon, Mo.	Gearhart	Jonkman
Carnahan	Geelan	Judd
Case, N. J.	Gerlach	Kean
Case, S. Dak.	Gifford	Kearney
Celler	Gillespie	Kee
Chelf	Gillette	Keefe
Chenoweth	Gillie	Kelley, Pa.
Chiperfield	Goodwin	Kelly, Ill.
Church	Gordon	Keogh
Cochran	Gore	King
Cole, Kans.	Graham	Kinzer
Corbett	Granahan	Kirwan
Crawford	Granger	Kopplemann
Crosser	Green	Kunkel
Cunningham	Griffiths	Lane
Latham	O'Neal	Smith, Wis.
Lea	Outland	Snyder
LeCompte	Patrick	Somers, N. Y.
LeFevre	Patterson	Spence
Lemke	Pfeifer	Springer
Lesinski	Philbin	Starkey
Lewis	Phillips	Stevenson
Link	Pittenger	Stigler
Luce	Powell	Stockman
Ludlow	Powers	Sullivan
Lynch	Priest	Talle
McConnell	Quinn, N. Y.	Taylor
McCormack	Rabin	Thom
McCowen	Ramey	Thomas, N. J.
McDonough	Randolph	Thomas, Tex.
McGlinchey	Rayfiel	Thomason
McGregor	Rees, Kans.	Tibbott
McMillen, Ill.	Resa	Tolan
Madden	Robertson, N. Dak.	Torrens
Mansfield, Mont.	Robinson, Utah	Towe
Marcantonio	Robsion, Ky.	Traynor
Martin, Mass.	Rockwell	Voorhis, Calif.
Michener	Rogers, Mass.	Vorys, Ohio
Miller, Calif.	Rogers, N. Y.	Vursell
Miller, Nebr.	Rooney	Walter
Monroney	Rowan	Wasielewski
Morgan	Ryter	Weichel
Mott	Sabath	Weiss
Mundt	Sadowski	Welch
Murphy	Sasscer	Wiggiesworth
Murray, Wis.	Savage	Wilson
Neely	Scrivner	Wolcott
Norton	Shafer	Wolfenden, Pa.
O'Brien, Ill.	Sheridan	Wolverton, N. J.
O'Brien, Mich.	Simpson, Ill.	Woodhouse
O'Konski	Smith, Maine	Woodruff, Mich.
		Zimmerman

NAYS—105

Abernethy	Gary	Pickett
Allen, La.	Gibson	Poage
Arnold	Gossett	Price, Fla.
Baldwin, Md.	Gregory	Rains
Barden	Hale	Ramspeck
Beckworth	Hare	Rankin
Bell	Harris	Reed, N. Y.
Bland	Hays	Rich
Bonner	Hendricks	Riley
Boykin	Hoffman	Rivers
Brooks	Jensen	Rizley
Brown, Ga.	Johnson, Ill.	Robertson, Va.
Bryson	Johnson, Luther A.	Roe, Md.
Bulwinkle	Johnson, Lyndon B.	Rogers, Fla.
Burch	Kerr	Russell
Burgin	Kilday	Schwabe, Mo.
Camp	Lanham	Schwabe, Okla.
Clark	Lyle	Slaughter
Clevenger	McGehee	Smith, Va.
Cole, Mo.	McKenzie	Sparkman
Colmer	Mahon	Sumner, Ill.
Combs	Maloney	Sumners, Tex.
Cooper	Manasco	Taber
Courtney	Mansfield, Tex.	Tarver
Cox	Mason	Trimble
Curtis	May	Vinson
Daughton, Va.	Mills	Wadsworth
Davis	Morrison	Weaver
Domengeaux	Murray, Tenn.	West
Doughton, N. C.	Norrell	Whittington
Drewry	O'Hara	Wickersham
Ervin	Patman	Winstead
Fisher	Peterson, Fla.	Wood
Flannagan	Peterson, Ga.	Woodrum, Va.
Folger		Worley
Fuller		

ANSWERED "PRESENT"—1

Byrnes, Wis.

NOT VOTING—75

Anderson, N. Mex.	Gathings	Murdock
Andresen, August H.	Gorski	O'Toole
Andrews, Ala.	Grant, Ala.	Pace
Bailey	Grant, Ind.	Ploeser
Bloom	Gwynne, Iowa	Plumley
Boren	Hagen	Price, Ill.
Bradley, Pa.	Halleck	Rabaut
Brown, Ohio	Hébert	Reece, Tenn.
Cannon, Fla.	Herter	Reed, Ill.
Carlson	Hobbs	Richards
Chapman	Holifield	Rodgers, Pa.
Clason	Holmes, Wash.	Roe, N. Y.
Clements	Jarman	Sharp
Coffee	Jennings	Sheppard
Cole, N. Y.	Johnson, Calif.	Short
Cooley	Johnson, Ind.	Sikes
Cravens	Jones	Simpson, Pa.
Curley	Kefauver	Smith, Ohio
Dirksen	Kilburn	Stefan
Dondero	Knutson	Stewart
Durham	LaFollette	Sundstrom
Earthman	Landis	Talbot
Eaton	Larcade	White
Fellows	McMillan, S. C.	Whitten
	Martin, Iowa	Winter
	Merrow	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Brown of Ohio for, with Mr. Richards against.

Mr. Dirksen for, with Mr. Kilburn against.

Mr. Sundstrom for, with Mr. Sikes against.

Mr. Dondero for, with Mr. Cooley against.

Mr. Jennings for, with Mr. Durham against.

Mr. Holmes of Washington for, with Mr. Hobbs against.

Mr. Ploeser for, with Mr. Whitten against.

Mr. Clements for, with Mr. Pace against.

Mr. Rabaut for, with Mr. Andrews of Alabama against.

Mr. Stefan for, with Mr. Gathings against.

Mr. Holifield for, with Mr. Grant of Alabama against.

Mr. O'Toole for, with Mr. Cannon of Florida against.

Mr. Kefauver for, with Mr. Cravens against.

Mr. Price of Illinois for, with Mr. Byrnes of Wisconsin against.

Mr. LaFollette for, with Mr. Fellows against.

Mr. Grant of Indiana for, with Mr. Jarman against.

Mr. Coffee for, with Mr. McMillan of South Carolina against.

General pairs:

Mr. Curley with Mr. Halleck.

Mr. Roe of New York with Mr. August H. Andresen.

Mr. Gorski with Mr. Herter.

Mr. Bloom with Mr. Clason.

Mr. Hébert with Mr. Hagen.

Mr. Bailey with Mr. Rodgers of Pennsylvania.

Mr. Larcade with Mr. Carlson.

Mr. Stewart with Mr. Reece of Tennessee.

Mr. Murdock with Mr. Talbot.

Mr. Sheppard with Mr. Reed of Illinois.

Mr. Chapman with Mr. Martin of Iowa.

Mr. White with Mr. Knutson.

Mr. Boren with Mr. Plumley.

Mr. Anderson of New Mexico with Mr. Short.

Mr. Earthman with Mr. Jones.

Mr. BYRNES of Wisconsin. Mr. Speaker, I voted "No" on this roll call. I have a live pair with the gentleman from Illinois [Mr. PRICE]. Therefore, I withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent that all Members who so desire may have five legislative days in which to extend their remarks on the bill H. R. 7.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BULWINKLE asked and was given permission to extend his remarks in the RECORD.

Mr. TARVER asked and was given permission to insert an editorial from the Atlanta Constitution in connection with the remarks he expected to make today in the Committee of the Whole on the pay bill.

DEFENSE HOUSING

Mr. SABATH, by direction of the Committee on Rules, reported the following privileged resolution (H. Res. 291, Rept.

No. 731) which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3278 to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Public Buildings and Grounds, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PERMISSION TO ADDRESS THE HOUSE

Mr. STOCKMAN. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative business and the other special orders, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Massachusetts General Assembly.

Mr. SADOWSKI asked and was given permission to extend his remarks in the RECORD on two different subjects and to include an article from the Detroit Free Press and one from the State News.

Mr. GARY asked and was given permission to extend his remarks in the RECORD and include an editorial from the Times-Dispatch, of Richmond, Va.

Mr. WEISS asked and was given permission to extend his remarks in the RECORD in two instances and to include citations by the War Department.

Mr. PRIEST asked and was given permission to extend his remarks in the RECORD and include an article by William L. Shirer on the need of the OWI.

Mr. ENGLE of California asked and was given permission to extend his remarks in the RECORD on the price of gold.

Mr. ROWAN asked and was given permission to extend his remarks in the RECORD and include a letter from the Illinois Federation of Retail Merchants Association.

Mr. BLOOM (at the request of Mr. KEE) was granted permission to extend his remarks in the RECORD and include a radio address delivered by Andrew T. Walker, president of the New York Post Office Clerks Association.

Mr. POWELL asked and was given permission to revise and extend the remarks he made in Committee of the Whole and to insert a statement from the Southern Conference for Human Welfare.

Mrs. NORTON asked and was given permission to extend her remarks in the RECORD and include an article from the New York Herald Tribune of yesterday and an editorial from the Washington Post of this date.

Mr. HOCH asked and was given permission to extend his remarks in the RECORD and include an address by General Hershey.

Mr. LUTHER A. JOHNSON asked and was given permission to extend his own remarks in the RECORD.

Mr. GEARHART asked and was given permission to extend his own remarks in the RECORD in three instances, in the first to include a letter received from Charles C. Teague; in the second to include a statement by John W. Young, president of the Fraternal Order of Eagles; and in the third, an article he contributed to the Law Journal of Duke University Law School.

Mr. MURRAY of Wisconsin (at the request of Mr. MARTIN of Massachusetts) was granted permission to extend his remarks in the RECORD and include a letter from the Department of Agriculture.

Mr. WHITTINGTON asked and was given permission to extend the remarks he made in Committee of the Whole and to include some excerpts from the general debate on the poll tax bill.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and include a recent colloquy between Bob Evans, CBS reporter, and himself.

Mr. CANFIELD asked and was given permission to extend his remarks in the RECORD and insert a report of the Congressional Board of Visitors to the United States Coast Guard Academy at New London, Conn.

Mr. ELLIS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ANDERSON of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include a tribute to Ernie Pyle.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD on the Jewish question.

Mr. ANGELL asked and was granted permission to extend the remarks he intends to make in Committee of the Whole and include certain excerpts.

Mr. DICKSTEIN asked and was granted permission to extend his own remarks in the RECORD.

PERSONAL EXPLANATION

Mr. JUDD. Mr. Speaker, I was one of those in a train wreck yesterday and failed to be present for the roll call on the rule discharging the Committee on Rules and to take up the anti-poll tax legislation. Had I been present I would have voted for both of those, and I wish to be so recorded.

CONTINUATION OF SUBSIDY PAYMENTS BY CORPORATIONS CREATED UNDER THE RFC ACT

Mr. SPENCE, from the Committee on Banking and Currency, submitted a conference report and statement on the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes, for printing in the RECORD.

FEDERAL EMPLOYEES PAY ACT OF 1945

Mr. RAMSPECK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3393) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H. R. 3393, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

Mr. TARVER. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The gentleman from Georgia is recognized for 7 minutes.

Mr. TARVER. Mr. Chairman, on yesterday during general debate on this bill I was engaged in hearings held before one of the subcommittees of the Committee on Appropriations and did not have an opportunity to participate in the debate. I have, however, this morning read carefully the debate as it appears in the CONGRESSIONAL RECORD.

I think that it is a matter of extreme difficulty to judge from this debate exactly what percentage of increase in pay is being accorded by this bill to approximately 1,200,000 Federal employees and in overtime pay to approximately 1,400,000 employees. Members of the committee who have studied the complex questions involved have varied in their estimates all the way from 23 percent to 45 percent. I am inclined, however, to accept the estimate of my distinguished colleague the gentleman from Georgia [Mr. RAMSPECK], chairman of the committee, who has estimated the over-all increase at from 23 percent to 24 percent. He also insists that the increase is less than was recently provided by legislation passed through this House for postal employees.

My only purpose in taking the floor at this time is to endeavor to make clear for the RECORD my own position. I have felt that during the period of this emergency there ought not to be salary increases for Government employees of any type but that, although living costs have risen and taxes have increased, the 3,000,000 or more people who gain their livelihood by working for the Govern-

ment should accept these hardships as their fair share of contribution to the national sacrifice incident to the war effort. I have particularly stressed the fact time and time again that all of us ought to be willing to do this at a time when the national debt is approaching $300,000,000,000 in volume and when millions of American boys are in the firing lines at $55 per month. I have felt that Congress, in the enactment of legislation governing the pay of Federal employees and of itself, should set an example to the rest of the country and by its actions justify the efforts that are being made administratively to adhere to what is called the Little Steel formula intended to hold down wages in private industry, and to OPA regulations intended to hold down to reasonable levels the prices of consumers' goods.

In conformity with these views, I have voted against the initial increase granted postal employees in a preceding Congress, having been one of four Members who did so. I voted against the initial provision of the so-called overtime in the amount of 21.6 percent for all Federal employees, having been one of a small minority who did so. I voted in the Appropriations Committee against increasing the salaries of the clerks of that committee. I opposed the passage of legislation providing for an increase in secretarial hire for Members of Congress of $3,000 per annum. I opposed by every means within my power the recently enacted legislation providing for what amounts to an increase of $2,500 per year in the compensation of the Members of the House of Representatives.

In all of these positions I have been part of a minority. But when Congress within the last few days provided for a 25-percent increase in the compensation of Members of this House it definitely placed it beyond its own power to successfully resist efforts of Federal employees and of employees of private industry to secure comparable increases in their own compensation. It further placed it beyond its power to successfully resist the enactment of any legislation relating to doing away with the so-called Little Steel formula. Beyond that it cannot fail to approve the principle involved in the inclusion in the Senate on yesterday of the so-called Wherry amendment to the bill providing for extension of the Price Control Act to the effect that:

It shall be unlawful to establish or maintain against the producers of any livestock, grain, or any other agricultural commodity a maximum price for such commodity which does not equal all costs and expenses (including all overhead expenses and return on capital, and an allowance for the labor of the producer and his family) incurred in the production of such commodity plus a reasonable profit thereon.

If the Federal employee, the Member of Congress, the worker in private industry is entitled to everything that he wants then certainly the farmer is entitled to the measure of consideration accorded by the Wherry amendment.

I fear that some of these steps are taking us faster and faster down the slippery road which leads inevitable to uncontrolled inflation. I desire to insert in the RECORD at this point, under provision previously granted in the House, an editorial on this subject appearing in the Atlanta Constitution on Monday June 11, 1945. The editorial is as follows:

There are distressing straws in the economic wind.

Despite the fact that President Truman only last week turned thumbs down on labor's request for an immediate upward revision of the Little Steel wage-stabilization formula, the House of Representatives has voted itself an annual $2,500 tax-free expense allowance.

And today, in the Senate, opponents of price control reportedly have a good chance either to kill or to render ineffective the OPA.

The House action in including the indefensible tax-free expense allowance in the legislative appropriation bill will have the effect of undermining the Nation's entire anti-inflation machinery. For surely the War Labor Board will be unable any longer to demand strict adherence to its salary-freeze orders when the highest legislative body in the land so flagrantly violates the wage-stabilization program.

Undeniably, Congress is entitled to more money. But not now. Every Member of Congress knew what the job paid when he ran for office. There is no acceptable explanation for this infamous salary grab at this time.

New Mexico's Senator HATCH voiced our sentiments admirably the other day, declaring: "Members have long been inadequately paid. I favor a straight-out increase, subject to taxation the same as any other income. But I would be in favor of making the increase effective at some future time when stabilization of prices is not of paramount importance. We must treat ourselves the same as everybody else."

What a travesty it is that the Little Steel formula, which has successfully withstood the onslaughts of so many pressure groups, has now been undermined by the men who should have been most anxious to see it remain an effective protection against uncontrolled inflation.

Meanwhile, in the Senate, selfish interests are striving mightily to wreck the agency which has done such a remarkable job of keeping prices in line. And, from all indications, well may they be successful.

Two separate amendments, by Senators TAFT and THOMAS, have been introduced which, according to Price Administrator Chester Bowles, "would mean the end of effective price control and would inevitably result in a general inflation."

Last night, in Washington, administration spokesmen were privately admitting both amendments may well pass, this despite the common-sense warning, by Chairman Wagner, of the Senate Banking Committee, that "with inflationary pressure at an all-time high, no human agency can set the inflationary spiral in motion and then regulate its speed."

Wage stabilization and price control are the two cornerstones of our entire anti-inflation program.

Wage stabilization and price control—the two go hand in hand. Neither is long effective without the other. And both, from all indications, are now in the process of breaking down.

The war in the Pacific goes well. But on the home front we seem to be waging a losing battle.

No one realizes more deeply than I do the tremendous danger which is involved in this series of developments in the inflationary picture. If it were within my power to stop this trend and to retrace our steps along these several lines, I would be the first to undertake to do so. But I am not in favor of making fish of some and fowl of others. There should be equal treatment of people in Government and in private industry. Farmers should have treatment comparable to that accorded workers in the Government and in industry. Above all, Congress should not provide for itself benefits of a type which it refuses to accord to other segments of the population of our country. Therefore, since Congress raised the pay of Members of the House of Representatives by 25 percent I have voted to raise the postal employees' salaries and I shall now vote to raise the salaries of other Federal employees. I shall not so far as I am concerned resist comparable increases in salaries for people in private industry. I shall support proposals to assure a comparable measure of justice to the farmer. All of this may be taking us down the road to uncontrolled inflation. I think some of it is but I am not willing to make unjustified distinctions between different classes of our people. If you want to hold the line you must hold the line. You cannot allow it to bend or break at one point and expect to hold it at others. The President of the United States, much as I respect him, cannot successfully head a defense of the Little Steel formula and at the same time advocate paying Congressmen from $15,000 to $25,000 a year in salaries.

With due deference to my colleagues and their opinions I think that Congress in dealing with this inflation problem and national debt problem has made tremendous mistakes. When I was a boy in school we worked our arithmetic problems on slates and when in the course of working out a problem an error was made that error carried on to a final incorrect solution. The only way to straighten out the matter was to rub out and start over. I think it is up to the Congress of the United States to rub out and start over, else the country will be faced with an insoluble problem of inflation which will lead inevitably to economic disaster and force the reorganization of government and of industry. I do not know when the rubbing out will take place but that it will take place I am as strongly convinced as I am that I am standing in your presence here today. Whenever you want to undertake to get back to the thought of holding the line, to repair the bends and breaks in that line that you have permitted to develop, to restore in full the safeguards against inflation to which we adhered in the early days of this emergency, I shall go with you and help to do it but until that time I shall not by my vote countenance discrimination between those who have equal claims for consideration if Congress is simply trying to be beneficent and is not willing to protect the people of the country against the grave dangers which lie ahead.

The Clerk read as follows:

TITLE I—COVERAGE AND EXEMPTIONS

COVERAGE

SEC. 101. (a) Subject to the exemptions specified in section 102 of this act, titles II and III of this act shall apply (1) to all civilian officers and employees in or under the

executive branch of the Government, including Government-owned or controlled corporations, and in or under the District of Columbia municipal government, and (2) to those officers and employees of the judicial branch of the Government, the Library of Congress, the Botanic Garden, and the Office of the Architect of the Capitol who occupy positions subject to the Classification Act of 1923, as amended.

(b) Title IV of this act shall apply to officers and employees who occupy positions subject to the Classification Act of 1923, as amended.

(c) Subject to the exemptions specified in section 102 of this act, title V of this act shall apply to officers and employees in or under the legislative or the judicial branch of the Government whose compensation is not fixed in accordance with the Classification Act of 1923, as amended, and to the official reporters of proceedings and debates of the Senate and their employees.

(d) Subject to the exemptions specified in section 102 of this act, title VI of this act (containing miscellaneous provisions) shall apply to officers and employees of the Government according to the terms thereof.

EXEMPTIONS

SEC. 102. (a) This act shall not apply to (1) elected officials; (2) judges; (3) heads of departments or of independent establishments or agencies, including Government-owned or controlled corporations; (4) employees of the District of Columbia municipal government whose compensation is fixed by the Teachers' Salary Act of June 4, 1924, as amended; and (5) officers and members of the Metropolitan Police or of the Fire Department of the District of Columbia. As used in this subsection, the term "elected officials" shall not include officers elected by the Senate or House of Representatives who are not Members of either body.

(b) This act, except section 607, shall not apply to (1) officers and employees in the field service of the Post Office Department; (2) employees outside the continental limits of the United States, including those in Alaska, who are paid in accordance with local native prevailing wage rates for the area in which employed; (3) officers and employees of the Inland Waterways Corporation; (4) officers and employees of the Tennessee Valley Authority; (5) individuals to whom the provisions of section 1 (a) of the act of March 24, 1943 (Public Law No. 17, 78th Cong.), are applicable; and (6) officers and members of the United States Park Police and the White House Police.

(c) This act, except sections 203 and 607, shall not apply to employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose.

(d) This act, except sections 606 and 607, shall not apply to employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, to vessel employees of the Coast and Geodetic Survey, or to vessel employees of the Panama Railroad Co.

Mr. RANDOLPH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH: Page 3, line 5, after the figure "(2)", insert the word "Federal"; and on line 6, after the word "agencies", insert the words "of the Federal Government."

Mr. RANDOLPH. Mr. Chairman, I have spoken to the distinguished Chairman of the Committee, the gentleman from Georgia [Mr. RAMSPECK] and the distinguished ranking minority member, the gentleman from Kansas [Mr. REES] about this matter. This amendment would apply only to certain persons in the District of Columbia government.

The overtime, night, and holiday pay provisions of the pending bill, H. R. 3393, cover all employees of the District of Columbia Government, except those whose rates are fixed by the District Wage Board. The latter group, like similar groups in the Federal service are excluded.

The basic pay increase provisions will cover all District employees whose pay is fixed under the Classification Act and also all District employees who are paid statutory salaries fixed by any other Act of Congress.

District employees whose pay is not fixed by the Classification Act or any other pay statute, while under the overtime, night, and holiday pay provisions, are not covered by the basic pay increase formula. The committee anticipates that such groups both in the District and in the Federal governments will receive parallel increases by administrative action.

In order to make sure that judges of local courts and the District Commissioners are definitely covered by the bill, I offered the amendment in section 102 (a), dealing with exemptions, so as to exclude from the bill only Federal judges and the heads of departments or agencies of the Federal Government.

Mr. REES of Kansas. Mr. Chairman, we have no objection to the amendment. The amendment was agreed to.

Mr. DICKSTEIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am going to support H. R. 3393, but I think it is only a temporary measure and it will not help the workers after this war is over.

H. R. 3393 simply provides for Federal employees covered by the Classification Act the same wartime wage adjustments of basic pay rates which it has been the policy of the Government to allow to all workers in private industry under the Stabilization Act passed by Congress in October 1942. The bill provides for an over-all increase in basic salary rates of 15.8 percent which Stabilization Director Davis and War Labor Board Chairman Taylor state is consistent with the Little Steel formula. It is important to note that workers in Government navy yards and arsenals have also been allowed 15 percent increases in their basic salaries since 1942 and that Government workers paid under the Classification Act of 1923 are the only large group of workers in the country who have been denied base pay increases during the war.

With respect to overtime pay, the bill simply provides that Government workers who work more than 40 hours per week shall be paid for the overtime hours at true time and one-half rates if their salaries are $2,980 per year or less. This provision is in line with established Government policy which the Congress made explicit in the Fair Labor Standards Act.

Until now Federal workers have had no wartime increases in their basic pay rates, except a small group at the very bottom of the scale which received increases under a bill enacted in 1942 which in effect established a $1,200 minimum salary in the Federal service. Federal workers have received overtime pay since December 1942, at time and one-twelfth rates. The War Overtime Pay Act which authorizes this present overtime pay states that overtime work should be paid for at time and one-half rates, but it then establishes a method of computation which results in time and one-twelfth payments above referred to. This method of computation assumes that Federal workers work 360 days per year, or a basic work-week of 55 hours, and it provides that pay for hours worked in excess of the actual work-week of 40 hours shall be paid as if the basic work-week were 55 hours.

Obviously, H. R. 3393 is a minimum bill which Congress in fairness should accept since it merely provides for per annum workers in Government the same treatment which comparable workers in private industry and Government workers and navy yards and arsenals have been receiving since 1942.

H. R. 3393 will not take care of the wage problems of Federal workers after reconversion is fully under way. It can be anticipated that by the end of the Japanese war, or shortly thereafter, the Government service will return to the 40 hour week. This, of coure, is desirable, and as a matter of fact the President will shortly give authority to Federal agencies to immediately reduce the present 48-hour workweek in establishments which are not in critical manpower shortage areas. Reductions in the length of the workweek to 44 hours will probably take place in many Federal establishments immediately after July 1.

When Federal workers are no longer working overtime, they will, under the provisions of H. R. 3393 be receiving less take-home pay than they are today under the provisions of the War Overtime Pay Act. This would be true for all workers except those in the $1,200 bracket which would receive the same amount of pay for a 40-hour week under H. R. 3393 as they now receive for a 48-hour week under the War Overtime Pay Act. The cut which would be suffered by a $1,440 worker would be a very small one. For the $1,800 workers, however, the cut would be approximately $100. For the $2,600 worker, it will be approximately $200. It should be borne in mind that retirement deductions will be taken out of the base pay increases granted under H. R. 3393 whereas they are not made from the overtime pay employees now receive.

These potential cuts must be considered in the light of the purchasing power which Federal workers now have under the War Overtime Pay Act. The Bureau of Labor Statistics states that $1,925 is the minimum on which a single worker can now maintain himself in health and decency in the city of Washington, or other large centers of Federal employment with similar cost-of-living indexes. Today, 30 percent of all Federal workers receive less than this amount. Another 20 percent receive this amount, and only 50 percent receive more. The median wage in the Federal service is today $1,620 base pay. With overtime pay at the present time and one-twelfth rates, this $1,620 employee receives a total pay of $1,970. After tax deductions and adjustments for the 20

percent increase in the cost of living, this $1,620 worker is left only $1,230 in terms of 1941 dollars, but in 1941 this worker had $1,490 to spend after paying his taxes. Under H. R. 3393 this $1,620 worker will receive $1,902 base pay when overtime work is eliminated, and if prices and taxes continue at their present levels, as seem probable, this worker will have only about $1,180 to live on in terms of 1941 dollars.

I conclude that base-pay increases provided under H. R. 3393, plus overtime payments for work in excess of 40 hours at true time and one-half rates, will solve the immediate pressing problems of low-paid Federal workers, but is not designed to meet these problems after the return to the 40-hour week. If Congress does not now feel it is prepared to solve the problem of providing Government workers with adequate take-home pay after overtime work is eliminated, it should be aware that the problem will become acute during the next 6 to 12 months and will have to be solved at that time. An additional base-pay increase of approximately 10 percent, or a total increase of 25 percent over the present basic rates, will be necessary when overtime work is no longer required to provide Federal workers with adequate living standards.

The Clerk read as follows:

TITLE II—COMPENSATION FOR OVERTIME

OVERTIME PAY

SEC. 201. Officers and employees to whom this title applies shall, in addition to their basic compensation, be compensated for all hours of employment, officially ordered or approved, in excess of 40 hours in any administrative workweek, at overtime rates as follows:

(a) For employees whose basic compensation is at a rate less than $2,980 per annum, the overtime hourly rate shall be one and one-half times the basic hourly rate of compensation: *Provided*, That in computing such overtime compensation for per annum employees, the basic hourly rate of compensation shall be determined by dividing the per annum rate by 2,080.

(b) For employees whose basic compensation is at a rate of $2,980 per annum or more, the overtime hourly rate shall be in accordance with and in proportion to the following schedule:

Basic rate of compensation per annum:

Basic rate of compensation per annum:	*Overtime rate of compensation per 416 overtime hours*
$2,980	$894.000
3,090	885.554
3,200	877.103
3,310	868.662
3,420	860.216
3,530	851.770
3,640	843.324
3,750	834.878
3,860	826.432
3,970	817.986
4,080	809.540
4,190	801.094
4,300	792.648
4,410	784.202
4,520	775.756
4,630	767.310
4,740	758.864
4,960	741.972
5,180	725.080
5,390	708.955
5,600	692.831
5,810	676.707
6,020	660.583
6,230	644.458
6,440 and over	628.334

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: Page 4, strike out beginning with line 17 down to the table following line 7, on page 5, and insert in lieu thereof the following:

"SEC. 201. Officers and employees to whom this title applies shall be compensated for all hours of employment, officially ordered or approved, in excess of 40 hours in any administrative workweek, at one and one-half times their basic rate of compensation: *Provided*, That in determining the overtime compensation of per annum officers and employees, the pay for 1 hour shall be considered to be one two-thousand-eight-hundred-and-eightieth of their respective per annum salaries: *Provided further*, That such overtime shall be paid only on such portions of an officer's or employee's basic rate of compensation as is not in excess of a rate of $2,900 per annum."

Mr. REES of Kansas. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Chairman, this amendment is the provision that appears in Senate 807 that has passed that body with respect to the question of overtime. It is the same as appears in the present law with respect to overtime. There seems to have been and is now among Members of this House and among employees of the Government an idea that the only thing we do in legislation presented is to increase overtime. That is not the case. What we do, in the first place, is to increase the base pay of every employee, some one-million-four-hundred-thousand-odd employees in Government.

There is no controversy about the amount of the base pay as it is written in this bill. Personally, if I were writing it, I would arrange for a little higher pay for those in the lower brackets and not so much for those in some of the higher paid groups.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield for a correction?

Mr. REES of Kansas. Yes.

Mr. RAMSPECK. The base-pay increases affect only 1,200,000 employees and the overtime 1,400,000.

Mr. REES of Kansas. 1,200,000 is one figure which is given. Another figure which is given is one million and something like three or four hundred thousand. Anyway, more than a million employees are affected. It is true that a number of agencies employing more than 200,000 fix their own base pay, but they are under the overtime provisions of this bill.

This legislation starts out by increasing what is described as base pay of all these employees. It is the pay considered before overtime is added. Under this bill the increases in base pay amount to even more than the overtime that is paid now in some cases. In some cases it is a little less and in some cases a little more.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. Are you talking now about the $300,000,000 item of difference between the two overtime proposals?

Mr. JACKSON. I am referring to the gentleman's last statement.

Mr. REES of Kansas. I yield.

Mr. JACKSON. I refer to the gentleman's last statement that the cost of overtime at the present time is higher than what the basic rate would be under the provisions of the bill now before us for consideration. The gentleman, I think, is aware that existing time and one-twelfth amounts to 21.6 percent up to $2,900 and that the average over the basic pay increases runs 15.9 percent. I merely call that to the gentleman's attention.

Mr. REES of Kansas. I refer to the committee report of the gentleman from Washington, and I quote:

The total annual cost of overtime, based upon current levels of employment (about 1,480,000 employees subject to Public Law 49) and upon present work schedules of eight additional hours per week (416 overtime hours for 52 weeks) will amount to $937,800,000 under the provisions of this bill, as compared with $688,600,000 under S. 807, as passed by the Senate, and with $611,400,000 under the present law.

The gentleman's report further says:

This represents, therefore, an increase above present costs. This is largely due to a shift from an overtime rate of 21.67 percent additional pay for 20 percent additional time worked to a rate of 30 percent (i. e., 1½ times the straight hourly rate) on salaries up to $2,980, as computed on the new basic rates of pay.

I do not understand why the membership has not been furnished with comparative schedules so they may see what the increases really are. But an employee who gets $2,000 base pay now will get $2,320 base pay. He receives an increase of $320 before overtime is computed. What do we do to one who gets $4,600? Why, we push him up to $5,180 base pay—not overtime—but we start him out with that amount. Then we add overtime pay to that amount.

What do we do for the employee who gets $8,000 base pay a year now? We add $750 to his salary before we start paying overtime. So the $8,000 man will receive $8,750 per year and overtime that will put his salary under this bill at $9,404. Yet I am not complaining at all about this base pay. I believe the base pay should be increased. I am for that. Do not misunderstand me.

Now, then, let us see what we are doing about the overtime. This same person who gets $2,000 base pay now gets overtime of $433.33. So he gets $2,433.33 now. What does he get under this bill? Under the provisions of the bill before us that fellow will gets $2,990. The man who gets $2,000 base pay now will get $2,990 to take home under the provisions of this bill.

I am willing to go along with you and give him overtime. I am substituting the Senate provision, which, in place of giving this man who has been boosted from $2,000 to $2,300 a further sum of $690; under the Senate provision he would have $502.67 for overtime pay, or a total of $2,802.67.

Mr. JACKSON. Mr. Chairman, will the gentleman yield? What would he get under the Senate bill?

Mr. REES of Kansas. He would get $2,990.

Mr. JACKSON. He gets $100 more under this bill?

Mr. REES of Kansas. He gets $168.67 more in addition to his $320 increase in base pay.

Mr. JACKSON. That is a year?

Mr. REES of Kansas. He gets $187.33 a year more overtime under the provisions of the bill.

I think we are being pretty liberal when we do that, and I am sure Government employees will and should be satisfied. I think it is as much as the taxpayers of this country should be called upon to pay. I do not feel we should follow the gentleman from Georgia [Mr. TARVER], who suggested a few minutes ago, as I understood him, that there is little use of being economy-minded with respect to this matter.

Mr. JACKSON. Will the gentleman yield at that point?

Mr. REES of Kansas. No; I cannot yield just now. I got away from my subject. I should not have even discussed that.

Now, considering the man who gets $4,600 base pay at the present time, and you can think of somebody who is getting $4,600 a year down here, he is being paid at the present time $628.33, or $5,228.33. But that same fellow who gets $4,600 base pay down here will receive, when you get through with him under the provisions of this bill, $6,161.80. That is what you are going to pay him—$6,161.80.

I believe the $4,600 employee is pretty well treated when, under this proposal, he will have $5,808.33. This bill would push the salary to $6,161.80. It seems to me this is quite a boost compared with salaries paid to white-collared employees in your communities and mine.

Then you have this employee getting $8,000 base pay at the present time. This bill provides for $750 increase in base pay, and then with overtime under this bill, he will receive a total of $9,404. This, it seems to me, is a pretty good-sized boost in salary that is recommended by the majority of this committee.

Mr. Chairman, I want every employee in this Government to have the dollars to which he is entitled for his services, and I go along with an increase of basic salaries which amounts in base salary, mind you, in the sum of $392,000,000. Now, you propose to increase that amount in the further sum of $937,800,000 for overtime—for working 48 hours a week instead of 40 hours per week. All I ask you to do is follow the Senate proposal that would allow $680,000,000 for overtime. I think that is liberal. If you really want to save $275,000,000 or $300,000,000 and yet be fair to all parties concerned, you ought to vote for this amendment. After all, the formula of time and a half for overtime is, as I understand it, to penalize the employer so the work may be more equitably divided. Here the Government is the employer and says we need your services and are willing to compensate you well for these services. Let us wait until the emergency is over, and adopt the time and half proposal when the President by order, or Congress by resolution declares the actual 40-hour week in Government.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Indiana.

Mr. HARNESS of Indiana. I was interested in the gentleman's discussion of the provisions of this bill. What does your amendment do to the $4,600 man and the $8,000 man?

Mr. REES of Kansas. My amendment would give to the $4,600 man overtime pay of $623.33 in addition to the base increase of $580 under this bill. The committee proposal pays him a total of $6,161.80.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. REES of Kansas. Mr. Chairman, I ask uanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. The $8,000 man will have $750 added to his base pay. Then under the Senate proposal, I have submitted he will have overtime of $628.33 added to that amount. According to the schedule before me the $8,000 employee would get $9,404, which is slightly more.

Mr. HARNESS of Indiana. One further question: Do the same rates prevail for the legislative employees, under your amendment, that will prevail for the employees of the executive departments?

Mr. REES of Kansas. No; they do not.

Mr. RICH. Will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. RICH. How much does the bill as written, without your amendment, require in additional funds, in order to meet this pay roll?

Mr. REES of Kansas. According to report which we have before us there is a figure of $911,000,000, but the majority of the committee insists that the figure is $734,000,000 of total increase.

Mr. RICH. Now just one other question. With a national debt of $242,000,000,000 can you tell me where you are going to get the money?

Mr. CANFIELD. Will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from New Jersey.

Mr. CANFIELD. Having in mind that total figure of $900,000,000, is it not true that approximately 23 percent of it is taken back by the Federal Government in taxation?

Mr. REES of Kansas. Taxes are taken from all salaries from all people who are employed. I hardly see how that applies. That is true of people who are employed in stores and offices, who may not have salaries as high as are being allowed under this bill.

Mr. CANFIELD. But the majority of these salaries are rather low.

Mr. JENKINS. Will the gentleman yield?

Mr. REES of Kansas. I yield to my friend from Ohio.

Mr. JENKINS. I understand your amendment will reduce this total of $790,000,000 by about $270,000,000?

Mr. REES of Kansas. Yes.

Mr. JENKINS. If we should vote for your amendment, and I propose to do so, will the structure, by reason of your amendment, run up progressively the same as the other, by reason of the salary increases?

Mr. REES of Kansas. There is some difference. I do not suppose we will have time to figure it out, but my proposed schedule is exactly the same as is in operation now. It is in the Senate bill 807.

Mr. JENKINS. In other words, we will have a well-founded bill?

Mr. REES of Kansas. Yes; it is the present formula which you are using now.

Mr. MASON. Will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Illinois.

Mr. MASON. I want to make it clear that the basic salary increases that are in the bill are not affected by this amendment. The amendment does not do anything to the bill except with reference to the overtime.

Mr. JENKINS. The bill will be a symmetrical financial bill?

Mr. REES of Kansas. Oh, certainly.

Mr. HARNESS of Indiana. Will the gentleman yield again?

Mr. REES of Kansas. I yield.

Mr. HARNESS of Indiana. I asked the question if your amendment would equalize the increase for the legislative and judicial employees of this Government to those rates which we are paying to the executive employees.

Mr. REES of Kansas. It does not.

Mr. HARNESS of Indiana. I cannot understand why there should be any disparity.

Mr. REES of Kansas. Because there is a separate provision in the bill that deals with legislative employees.

Mr. HARNESS of Indiana. In other words, if your amendment is adopted you could later offer another amendment that would take care of that?

Mr. REES of Kansas. That is correct.

Mr. MILLER of California. Will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. MILLER of California. Is this not correct, that the fault you find with the present bill is only in the overtime provisions? That is what your amendment applies to?

Mr. REES of Kansas. This amendment deals only with the question of overtime; whether you want to pay for this additional 8 hours above 40 hours at the rate of one and one-twelfth of the regular pay, or whether you want to use the formula described as time and a half of regular pay. This formula is not really time and a half all the way down the line. It is not true time and a half, as I understand it. It pays time and a half for part of the salaries, and then a schedule is worked out that does not even pay full-time rates, as I understand it, on part of the wages.

I have a further amendment to submit, in event this one is accepted, that will allow time and a half across the

board for essential and necessary work when ordered by officials in charge, after, or by Presidential or congressional action work in Government is really on a 40-hour workweek schedule.

Someone has suggested that people in Government employ are underpaid. It is only a short time ago—and you know it as well as I do—that these Federal jobs were pretty much sought after, and the time is going to come before too long when they are going to be sought after again. I want them well paid just as much as anybody else on the floor; but, mind you, when you go back to this 40-hour schedule we are going to find legislation before us again to increase the wages of these employees, even though this is proposed as permanent legislation. You know this as well as I.

I hope you will support my amendment.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. JACKSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this particular provision of the bill brings into line 1,400,000 Federal employees who are not now receiving time and a half. We have on the Government pay roll approximately 2,900,000 employees today, 1,500,000 of whom are receiving time and a half. I mention that in order that you may understand the reason for this particular provision in the bill.

Some people do a lot of talking about helping the white-collar workers. Can anyone tell me why we should discriminate against these employees as contrasted with the so-called blue-collar workers?

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield.

Mr. VURSELL. I think I recall a few months ago when we had a bill up here in order to try to bring relief to white-collar workers out in industry throughout the country, the bill failed. Is it not a fact that the great majority of white-collar workers outside of the Government service are frozen in their jobs at a low wage and in some instances lower than is being received by similar workers in Federal service?

Mr. JACKSON. I think the gentleman is probably right but I may counter with a question: Is it not true that in private industry for work beyond 40 hours where that work involves interstate commerce and consequently comes under the Fair Labor Standards Act, such individuals receive time and a half under existing law? And let me remind the Members of this body again that a month ago, or a few weeks ago, by a vote of 375 to 1 this House—and I believe rightfully so—gave the employees of the Postal Service a little better than time and a half for work beyond 40 hours. There is not a consistent logical argument that can be made against this particular provision in the bill unless the Members of this body feel that the law relating to premium time beyond 40 hours is wrong. If you believe that ,that is one thing; but if you believe that people in private industry are entitled to time and a half beyond 40 hours, if you believe as this Congress has previously indicated by enacting into law in 1934 provisions requiring that all employees under the so-called Wage Labor Board should be paid the prevailing rate and in addition receive time and a half beyond 40 hours, then you will not support the amendment offered by the gentleman from Kansas.

Let us try to clarify the record as far as the actual take-home pay of these employees is concerned. I think it will probably be a little easier for the Members of this body to get a better picture if I give a couple of illustrations. Take a girl employed here in Washington or elsewhere in the United States receiving $1,440 annual salary: Under existing law she will receive $1,752 including 8 hours additional work, which amounts to about time and one-twelfth or 21.6 percent. That is existing law. Time and one-half amounts roughly to 30 percent. It is a difference of 8.4 percent that we are talking about in this amendment. So a girl whose base pay is $1,440 working 48 hours a week now receives $1,752 after pay-roll-tax deductions.

Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JACKSON. Mr. Chairman, after deduction for pay-roll taxes and the 5 percent for retirement, she has left $1,430, $10 less than her basic annual salary. I believe the gentleman will agree with me that it is pretty difficult for a girl in the city of Washington to get by on $1,430.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Kansas.

Mr. REES of Kansas. As a matter of fact, under the gentleman's bill this $1,440 girl is the one who is penalized. When she goes back on a 40-hour week she will get less than she is getting now under this bill.

Mr. JACKSON. No. I will come to that in a moment.

Mr. REES of Kansas. Right now she gets $300 for her overtime?

Mr. JACKSON. Under existing law, no; she does not. She gets $1,752—21.6 percent, or $312 overtime pay.

Mr. REES of Kansas. Oh, no. Nobody gets less than $300. That is the minimum.

Mr. JACKSON. Well, $312. The point is the $1,440 girl now, after deduction for taxes and 5 percent for retirement, is getting $1,430, $10 less than her actual annual salary. Under this bill, after deduction for taxes and the 5 percent for retirement, she would get $1,787, including basic pay increase and the overtime. That is less than $150 a month. I wonder if the gentlemen of this body feel that an individual in this city or in any other city in the United States, a stenographer, for instance, is going to be able to get by on less than $150 a month under wartime conditions?

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Illinois.

Mr. VURSELL. In making this comparison, the gentleman is taking a very low salary unit. Is it not a fact that there are very few now who are in the service at $1,440?

Mr. JACKSON. The principal cost of this legislation and any legislation dealing with Federal employees as a whole involves those with salaries under $2,500. I think the Members of this body realize that the great bulk of the work is done by the clerks and stenographers, who in the main receive salaries of less than $2,500 per year, 67 percent of all white-collar workers in the Federal service earn $2,000 or less.

Mr. Chairman, much has been said about overtime in the higher brackets. The time and a half provided in this bill stops at $2,980. Under the Fair Labor Standards Act the general line of demarcation separating the per hour or per annum employees from those in what might be called the executive group, or those engaged in executive work, is around $3,800. We have gone $1,000 below that general classification, lowering it to $2,980, which is the ceiling as far as overtime is concerned. From that time on the overtime tapers off.

Again let me remind you, as was pointed out yesterday, the President has sent a letter to the distinguished chairman of this committee pointing out that it will be the policy of this Government in the near future to advise the heads of departments and agencies that whenever they have offices which are located in labor market areas classified in groups 2, 3 and 4 by the War Manpower Commission, they may reduce the hours of work from 48 per week. It has been estimated that if we go to the 44-hour week, and that is the general plan of the agencies in the groups I have referred to, the total increased cost of this legislation over the existing cost will be $139,000,000.

Mr. Chairman, I hope the Committee will vote down the pending amendment.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. VURSELL. Mr. Chairman, reserving the right to object, this is a very important amendment, and I think we should have more time.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VURSELL. Mr. Chairman, I rise in support of the amendment. Mr. Chairman, the gentleman from Kansas [Mr. REES] has gone into considerable detail on this classification and the raise that would follow through if this bill as

brought out by the committee is approved. Here is what we seek to do in this amendment, and it is very important. There have been intensive hearings over in the Senate before the Civil Service Committee. They reported and have passed a bill which provides for one and one-twelfth overtime instead of one and one-half. With this amendment we are simply in conformity with the bill that has been approved by the Senate committee. That is all there is to this amendment. By doing this we go a long way in increasing the pay for those now in the Federal service.

How far do we go? We go $580,000,000 worth in raising the base pay and the overtime on the salaries of something like 1,200,000 people. If you want to outliberalize the Senate then you will have to vote down this amendment. I think it is fair to say that this body has regarded the Senate as rather liberal in appropriations. I think we have had that experience. Now do we want to set the precedent in this bill of boosting what the Senate has done by something like $250,000,000 as a minimum, to probably $300,000,000? I do not think that this House can afford to do that. I do not think that this House will do that when the Members understand that we are being very liberal, when we meet the Senate on this bill in question. You talk about people not having had a raise. You talk about stenographers being employed at $1,140 a year or $1,700 a year here in Washington.

You need not sympathize with the stenographers, because they are not employed at that rate. There is not a stenographer in the Nation who cannot earn more money than that in any town in this country, whether it is a small or large city. There may be a few file clerks in the very lowest brackets that are drawing a salary of this kind, but certainly no stenographers. A Federal employee gets 30 days leave, gets 17 days sick leave, and we have passed a bill out of the Civil Service Committee to give them a minimum amount of medical care throughout the various departments here in Washington. They have pensions and continuity of service under civil service. Try and compare that with people on the outside that are working in arsenals, shipyards, and so forth, who are getting time and one-half.

Yes, they get time and a half, but they do a different kind of work. They are subject to lay-offs, and the great majority will lose their jobs as the war draws to a close. They are on the same basis as people employed in private industry. And they do not have the provisions that our Federal employees have under civil service. Their job is not secure as to tenure in employment. They are not eligible for liberal pensions as are these classified workers.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. DE LACY].

Mr. DE LACY. Mr. Chairman, I rise in opposition to the amendment, and I wish to take issue with the concluding remarks of the gentleman who just preceded me. I cannot bring myself to believe that this great Government, which has really done an outstanding job in the prosecution of the war, is staffed by loafers, by people who never do anything. It has been my experience that these so-called loafers, these people who are not supposed to be doing anything, these Government servants, are actually carrying a burden of work which would stagger the ordinary individual. I speak on this with some feeling because in my district on the shores of Puget Sound there is a great navy yard in which we have two burning problems both leading to dissatisfaction and causing uncertainty and loss of needed manpower. One of these problems is that the Wage Board employee who is not covered by this act desires to be paid repair-scale wages for the repair work in which the yard is now wholly engaged, that he be paid the same scale as the repair worker in a private yard. The other problem is the one which this act, when passed without the amendment offered by the gentleman from Kansas, will adjust. We have chemists, metallurgists, architects and draftsmen, and skilled people of all classes doing their work conscientiously, flying out to sea in some cases taking advance pictures of the battle damage to those vessels and bringing them back into the yard. Working only from these advance photographs and drawings, the Planning Division and the channels of supervision made plans so that the mechanics in that navy yard could make superstructures, gun mounts, deck plates, or other structures, having them all ready before the ship actually comes to the yard. This procedure saves days and days. On one ship in particular 45 days of fighting time was saved by advance planning and advance construction made possible at this great navy yard by the very class of skilled employees which this bill is designed to benefit.

I would like to say to the membership of this House that the gentleman from Kansas knows very well the purpose of his amendment. He has not taken a 40-hour week as the basis of his calculations. He has taken 360 days a year as the basis of his calculation, whereas a 40-hour week which is 5 days of 8 hours is a 260-day year. It is on that basis that the calculation must rest. I appeal for justice to these employees. I appeal for them. They should have the same time and a half that the mechanics, the true and sturdy and efficient mechanics in these yards have, under the wage board. I want to compliment this committee for the magnificent job it has done, for the patience with which it has held its hearings, the care of its deliberations and the soundness of its recommendations. I hope this amendment will be voted down.

The CHAIRMAN. The gentleman from Wisconsin is recognized for 5 minutes.

Mr. KEEFE. Mr. Chairman, I take this time to see if I can clarify, in my own mind at least, some of the provisions of this bill. I would like the attention of the chairman of the committee.

If I understand the situation, we have a Classification Act which was passed in 1923 which provided base salaries for people working for the Government in certain classified grades, the classification of grade being made by the Civil Service Commission. Is that correct?

Mr. RAMSPECK. That is correct. It was limited, however, to departmental services. The gentleman understands that, of course?

Mr. KEEFE. Yes, I understand that. Now then, in this particular bill you propose first of all to increase the salaries under the Classification Act?

Mr. RAMSPECK. That is right. That is, the basic pay for jobs as classified under that law.

Mr. KEEFE. So that a girl coming into the Government service at a base-pay rate of $1,200 under the present Classification Act will have her base pay raised as you propose here, to $1,440?

Mr. RAMSPECK. The gentleman is correct.

Mr. KEEFE. So that the base pay for the grade of jobs all through the services that are affected by the Classification Act have an increase in base pay, which is the starting rate of pay when the person comes to work for the Government?

Mr. RAMSPECK. That is correct.

Mr. KEEFE. In addition to that, without any further enactment of law but by the operation of the so-called Ramspeck amendment and by the operation of the provision in the present law providing for automatic promotions and for promotions from grade to grade you provide an increase in those grades at the starting grade to which your Ramspeck automatic promotion and the promotion on a merit basis would likewise apply; is that true?

Mr. RAMSPECK. I would state it this way. Within each grade there are certain steps and under the present law the person can get stepped up $60, which is the category we are talking about.

Mr. KEEFE. Yes. That will continue, will it not, in the event this law is passed?

Mr. RAMSPECK. That is correct.

Mr. KEEFE. This does not change the automatic promotion or the meritorious promotion, is that right?

Mr. RAMSPECK. There is a section of this bill that changes the waiting period between those steps. It is not involved in this amendment, however.

Mr. KEEFE. I understand there is a reduction in the waiting period.

Mr. RAMSPECK. Just like we have in the postal bill. They go up at certain periods, one step in the grade.

Mr. KEEFE. Now I want it distinctly understood as far as I am personally concerned, that I believe these grades should be raised. I think it is long overdue. I think the basic pay of the grades should be raised and these Federal employees are entitled to it. What concerns me, however, is the proposal for the payment of this overtime pay. I can readily see the formula which you have adopted. The base pay is based on a 40-hour week.

Mr. RAMSPECK. That is correct.

Mr. KEEFE. And these employees are working 48 hours. Therefore they are working 30 percent on time and a half for overtime, so they should have a 30-percent increase for the overtime. So you have taken a straight 30-percent increase for the overtime pay right through all the grades?

Mr. RAMSPECK. Except that it cuts off at $2,980.

Mr. KEEFE. Yes. I am in error. It cuts off at $2,900, and gradually recedes down to $200 for a person in the grade of $9,000.

Mr. RAMSPECK. That is correct.

Mr. KEEFE. Now the question is whether or not we want to give overtime payment amounting to 30 percent in the grades up to $2,900 or whether we want to continue overtime on the basis of the present law, which is overtime at 21.6 percent.

Mr. RAMSPECK. That is the only issue in this matter.

Mr. KEEFE. So that the issue is presented to us clearly, then, is if we adopt the amendment offered by the gentleman from Kansas [Mr. REES] we will be giving to these people the increase in grades provided for by this bill, and the addition of overtime, based upon 21.6 percent increase. If we do not adopt it and the present law is passed the overtime will be 30 percent. Is that correct?

Mr. RAMSPECK. That is correct.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The gentleman from Georgia is recognized for 5 minutes.

Mr. RAMSPECK. Mr. Chairman, the issue on this amendment has been pretty well clarified by the discussion between the distinguished gentleman from Wisconsin [Mr. KEEFE] and myself.

The pending amendment does not affect the question of base pay at all. It simply undertakes to substitute for the language of the bill a provision as to overtime, which would continue what the employee now gets, 21.6 percent, whereas the pending bill proposes 30 percent for overtime. I think the issue is simply this: I want to be perfectly fair about it. We have approximately 1,000,000 Federal employees who come under what we call the Wage Board procedure for fixing their pay. They now get 30 percent for all time worked beyond 40 hours a week and have gotten it for many, many years. Last month we passed in this House a bill affecting 370,000 postal employees. And in that bill we gave them 30 percent, plus a little, because we divided their work year by 253 days, whereas this bill and the Wage Board employees were figured on 260; but that difference is so little that we need not discuss it. That is the only group of employees left in the Federal service who have been denied overtime on a true basis—on the same basis that we said in the Wages and Hours Act private employers should pay their employees when they worked beyond 40 hours.

Now I am not excited about this thing. I do not think the world will fall if we adopt the Rees amendment, but as far as I am individually concerned, and I thought about it a lot before I took a position on it, I cannot justify myself in saying that on the one hand I am going to pay one group of employees on a basis of 30 percent for overtime, and on the other hand I am going to say to these employees, "You cannot have true overtime."

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. REES of Kansas. Of course, I have discussed this matter with the gentleman. I am in favor of true overtime, time and a half for overtime, and I have an amendment to do that. But the gentleman from Georgia, the distinguished chairman of our committee, is the one who brought to the attention of the House the 21.6 percent when he adopted it.

Mr. RAMSPECK. I did not understand the gentleman.

Mr. REES of Kansas. The chairman of the committee is the one who brought to this House the formula we are using for overtime.

Mr. RAMSPECK. Oh, yes; we passed it for temporary purposes, and that act expires on June 30.

Mr. REES of Kansas. At that time the gentleman thought it was a fair thing to do.

Mr. RAMSPECK. That is what we did at the time. It was not my idea. I did not originate it.

Mr. REES of Kansas. It was the gentleman's proposal was it not?

Mr. RAMSPECK. I did not originate it; no.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. JACKSON. Was it not true also at that time that they were the only employees who were not receiving anything for the extra work they were doing?

Mr. RAMSPECK. That is right. As a matter of fact I voted in the Civil Service Committee for true overtime. I believe in that statement every member of my committee will bear me out.

There is just one question as far as I am concerned, and I am not criticizing anybody, that is why we should, if this amendment passes, treat 1,400,000 employees in the matter of overtime as they would be treated here, while we treat 1,500,000 other employees paid out of the same treasury time and a half for overtime work of the same kind. Especially is that true when the President of the United States says that insofar as overtime is concerned for those groups in the noncritical labor areas he is going to cut that back. So if we pass this amendment offered by the gentleman from Kansas we will be further reducing the true take-home pay of these employees when they go back to 44 hours.

It is a simple issue, I say to my friends, and I have decided it for myself. I am going to do equal justice; I am going to put these people by my vote on a parity with the others.

We just voted 30-percent overtime for postal employees and I am glad we did that, and we all voted for it except one Member of this House. Are they any more entitled to it than this group? I do not believe so.

I hope the amendment will be defeated.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

All time has expired.

The question is on the amendment offered by the gentleman from Kansas.

The question was taken; and on a division (demanded by Mr. REES of Kansas) there were—ayes 49, noes 92.

Mr. REES of Kansas. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. REES of Kansas and Mr. RAMSPECK.

The Committee again divided; and the tellers reported that there were—ayes 69, noes 125.

So the amendment was rejected.

Mr. RAMSPECK. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3393) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. EBERHARTER asked and was given permission to extend his remarks in the RECORD and to include two articles from the Chicago Sun.

PERMISSION TO ADDRESS THE HOUSE

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent that on tomorrow after disposition of business on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and to include an article from today's Washington News.

Mr. BRYSON asked and was given permission to extend his remarks and include an editorial.

Mr. LARCADE asked and was given permission to extend his remarks in the RECORD and to include a short newspaper article.

PERMISSION TO ADDRESS THE HOUSE

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes at the conclusion of any special orders for today.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

SPECIAL ORDERS

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. DICKSTEIN] is recognized.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that I may have permission to address the House on Tuesday next for 20 minutes after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Under previous order of the House, the gentlewoman from New Jersey [Mrs. NORTON] is recognized for 5 minutes.

FAIR EMPLOYMENT PRACTICES BILL

Mrs. NORTON. Mr. Speaker, the Rules Committee has refused to grant a rule on H. R. 2232.

The issue now is not whether the Fair Employment Practice Act should become law, but whether the Members of the House should be denied the right to consider and debate a proposed statute reported by a standing committee of this House after many months of careful work. Perhaps Members of Congress and standing committee of Congress are in great need of the protection of their own Fair Practice Act to guarantee that the House shall not be prevented by less than 12 Members from performing its duty. While there are 12 members on the Rules Committee, I am sure that all of them did not oppose reporting the Fair Employment Practice Act to the floor. I refuse to believe this body of elected Representatives of the people of this country will tolerate the acts of less than 12 Members who would obstruct 435 duly elected Representatives from executing their duties as Members of the House of Representatives. That is not only an unfair practice, it is an arbitrary and tyrannical practice.

We cannot send our citizens out to the battle fronts, on land, sea, and air, regardless of race, creed, or color with the command to die if need be for justice in the world and yet in our legislature refuse to debate an issue relating to justice for citizens within our borders.

Under our form of government, the courts are separate from the legislature. Symbolic of that, the Supreme Court stands apart, across the avenue from the Congress, but it was never intended that the courts should have a monopoly on justice. It is the common duty of both the legislative and the judicial branches of the Government to secure for all our citizens equal justice in all phases of life, economic as well as political to secure fair practices among all our citizens in all of their relationships with each other.

I call upon the Members of this House of Representatives to bring to the floor for fair debate, a fair bill, fairly prepared by a fair Committee on Labor. Whether you now think you approve or disapprove the proposed legislation, you cannot sanction a procedure in this chamber which would deny the Members a fair opportunity to fair debate on a fair proposal.

The situation now existing requires the use of a petition to bring the bill to the floor. I cannot believe that even those who now oppose the bill are so lacking in respect for the practice of open discussion and debate as to fail to support the petition. When our men—our citizens—of many races, colors, and creeds, are dying in a war for justice, can political expediency turn otherwise stalwart legislators to cowardice?

I have too great respect for my colleagues to think for a moment that expediency could so corrode your character. I feel confident that petition No. 4 on the desk will be signed and we will debate this bill in orderly fashion.

That, Mr. Speaker, is all the Committee on Labor asks for, that they be permitted to debate this very necessary bill on the floor of the House, and we will be perfectly satisfied to take whatever verdict the House will render.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

Mr. BLAND. Mr. Speaker, I ask unanimous consent that tomorrow and the balance of this week the Committee on the Merchant Marine and Fisheries may be permitted to consider legislation during the hours when general debate is had in the House.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

COMMITTEE ON IMMIGRATION

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that the Committee on Immigration may sit on Thursday of this week while the House is engaged in general debate.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SHARP (at the request of Mr. MARTIN of Massachusetts), indefinitely, on account of illness.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3109. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes; and

H. R. 3267. An act to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications services of ships of the United States, as amended, and for other purposes.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 13, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Tuesday, June 12, 1945, at 10 a. m., in room 356, Old House Office Building.

THE COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office ond Post Roads on Wednesday, June 13, 1945, at 10 a. m., at which time hearings will be continued on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

A subcommittee of the Committee on Interstate and Foreign Commerce will hold a hearing at 10 a. m., on Wednesday, June 13, 1945, in the Rivers and Harbors Committee room, room 1304, House Office Building, on H. R. 1742 to amend the Department of Agriculture Organic Act of 1944, to facilitate the use of certain funds therein provided for the Rural Electrification Administration, and for other purposes.

COMMITTEE ON THE JUDICIARY

There will be a meeting of Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m. on Wednesday, June 13, 1945, to continue hearings on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10: 30 a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

COMMITTEE ON THE JUDICIARY

The Committee on the Judiciary has scheduled hearings, to begin at 10 a. m., on Monday, June 18, 1945, on the following joint resolutions: House Joint Resolution 67, to declare the policy of the Government of the United States in regard to tide and submerged lands; and House Joint Resolution 118, House Joint Resolution 119, House Joint Resolution 122, House Joint Resolution 123, House Joint Resolution 124, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 129, House Joint Resolution 130, House Joint Resolution 134, House Joint Resolution 137, House Joint Resolution 138, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 153, House Joint Resolution 172, and House Joint Resolution 193, entitled "To quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles." The hearings will be held in the Judiciary Committee room, room 346, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

553. A letter from the Secretary, Department of Agriculture, transmitting a draft of a proposed bill, making it a petty offense to

enter any national-forest land while it is closed to the public; to the Committee on Agriculture.

554. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the War Department to pay claims for damages to or loss or destruction of property or personal injury or death in the sum of $212,553.59, which have been considered and adjusted under the provisions of the act of July 3, 1943 (31 U. S. C. 223b), and which require an appropriation for their payment (H. Doc. No. 229); to the Committee on Appropriations and ordered to be printed.

555. A communication from the President of the United States, transmitting estimates of appropriation amounting to $2,043,757.46 to cover claims allowed by the General Accounting Office and for the services of the several departments and independent offices (H. Doc. No. 230); to the Committee on Appropriations and ordered to be printed.

556. A communication from the President of the United States, transmitting records of judgments rendered against the Government by United States district courts, as submitted by the Department of Justice through the Treasury Department, and which require an appropriation of $13,653.87, together with an indefinite appropriation to pay interest (H. Doc. No. 556); to the Committee on Appriations and ordered to be printed.

557. A communication from the President of the United States, transmitting an estimate of appropriation for payment of judgments rendered against the Government by United States district courts, amounting to $5,332.10, together with an indefinite appropriation to pay interest (H. Doc. No. 232); to the Committee on Appropriations and ordered to be printed.

558. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Department of Justice to pay claims for damages in the sum of $524.47, which have been considered and adjusted under the provisions of the act of March 20, 1936 (31 U. S. C. 224b), and require an appropriation for their payment (H. Doc. No. 233); to the Committee on Appropriations and ordered to be printed.

559. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Public Roads Administration to pay claims for damage to roads and highways of States or their subdivisions, in the sum of $178,674.60 (H. Doc. No. 234); to the Committee on Appropriations and ordered to be printed.

560. A communication from the President of the United States, transmitting estimates of appropriations submitted by the several executive departments and independent offices to pay claims for damages to privately owned property, in the sum of $73,851.38 (H. Doc. No. 235); to the Committee on Appropriations and ordered to be printed.

561. A communication from the President of the United States, transmitting a schedule of judgments rendered by the Court of Claims which has been submitted by the Treasury Department and requires an appropriation for payment, amounting to $69,562.71 (H. Doc. No. 236); to the Committee on Appropriations and ordered to be printed.

562. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill for the relief of the residents of Guam through the settlement of meritorious claims; to the Committee on War Claims.

563. A letter from the administrative officer, the White House, transmitting a quarterly estimate of personnel requirements, representing the estimated personnel requirements for the White House Office for the quarter ending September 30, 1945; to the Committee on the Civil Service.

564. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the naval auxiliary air station, Pungo, Norfolk, Va., on February 13, 1945; to the Committee on Claims.

565. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed joint resolution, authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. MURDOCK: Committee on Indian Affairs. H. R. 3288. A bill to amend section 3 of the San Carlos Act (43 Stat. 475–476), as supplemented and amended, and for other purposes; without amendment (Rept. No. 687, pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. Report pursuant to House Resolution 20. Resolution investigating the national war effort; with amendment (Rept. No. 728). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBINSON of Utah: Committee on Roads. H. R. 2840. A bill to amend section 6 of the Defense Highway Act of 1941, as amended; with amendment (Rept. No. 729). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBINSON of Utah: Committee on Roads. H. R. 169. A bill to amend section 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes," approved July 13, 1943; with amendment (Rept. No. 730). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 291. Resolution providing for the consideration of H. R. 3278, a bill to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes; without amendment (Rept. No. 731). Referred to the House Calendar.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3257. A bill to remove restrictions to the appointment of retired officers of the United States Public Health Service as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes; with amendment (Rept. No. 733). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BULWINKLE:

H. R. 3446. A bill to provide for the avoidance of multiple taxation of air commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KEARNEY:

H. R. 3447. A bill to amend title III, Servicemen's Readjustment Act of 1944, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. O'NEAL:

H. R. 3448. A bill to provide for placing on the retirement list certain Army officers who have resigned from active service; to the Committee on Military Affairs.

By Mr. BROOKS:

H. R. 3449. A bill to amend the second sentence of section 3 of Public Law 110 of the Seventy-eighth Congress (ch. 187, 1st sess.), entitled "An act to establish a Women's Army Corps for service in the Army of the United States"; to the Committee on Military Affairs.

By Mr. D'ALESANDRO:

H. R. 3450. A bill to exempt from taxation all income received by persons in the armed forces; to the Committee on Ways and Means.

By Mr. IZAC:

H. R. 3451. A bill to amend the Pay Readjustment Act of 1942; to the Committee on Military Affairs.

By Mr. VINSON:

H. R. 3452. A bill for the relief of the residents of Guam through the settlement of meritorious claims; to the Committee on War Claims.

H. J. Res. 215. Joint resolution authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1; to the Committee on Naval Affairs.

By Mr. FLANNAGAN:

H. J. Res. 216. Joint resolution to amend subsection (c) of section 1 of the Bankhead-Jones Farm Tenant Act; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY:

H. R. 3453. A bill for the relief of John W. Farrell; to the Committee on Claims.

By Mr. KILDAY:

H. R. 3454. A bill for the relief of the legal guardian of William Clyde McKinney, a minor; to the Committee on Claims.

By Mr. McGEHEE:

H. R. 3455. A bill for the relief of Chatham M. Towers; to the Committee on Claims.

H. R. 3456. A bill for the relief of First Lt. Jack Sanders, United States Marine Corps Reserve; to the Committee on Claims.

H. R. 3457. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in building No. 146 at the naval operating base, Bermuda, on April 26, 1945; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

938. By Mr. ANDREWS of New York: Resolution submitted by a group of citizens of Erie County, urging support for the Price Control Act without any amendments, with full appropriation for OPA; to the Committee on Banking and Currency.

939. By Mr. COCHRAN: Petition of Roy Livingston and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

940. Also, petition of Nick Pavlaskis and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

941. Also, petition of Joe Pullaro and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

942. Also, petition of William Callas and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

943. Also, petition of C. W. Ogden and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

944. By Mr. HANCOCK: Resolution adopted by the Board of Supervisors of Onondaga County, N. Y., in support of House bill 2232 and Senate bill 101; to the Committee on Labor.

945. By Mr. KEARNEY: petition containing the signatures of 22 citizens of the Thirty-first Congressional District, State of New York, advocating the enactment by the Congress of the Pace bill, H. R. 752; to the Committee on Military Affairs.

SENATE

WEDNESDAY, JUNE 13, 1945

(Legislative day of Monday, June 4, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God and merciful Father, as around the world the battlements of tyranny tremble and we see Thy righteous sentence, "They that take the sword shall perish by the sword," fulfilled before our eyes, deliver us from the supreme folly of trusting in the same foul forces we fight. Keep us from the delusion that external might can ever take the place of inner integrity. Open our eyes to the evils within ourselves which shut Thee out. Cleanse us from inner defilement which blinds our eyes to the divine. Save us, as individuals and as a nation, from the smug pride which misses the humble path of meekness, the one road to Thee. In the Redeemer's name. Amen.

THE JOURNAL

On motion of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, June 12, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 12, 1945, the President had approved and signed the act (S. 510) to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 7) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers, in which it requested the concurrence of the Senate.

ADDRESS DELIVERED BY GENERAL EISENHOWER ON ACCEPTING HONOR CONFERRED BY THE CITY OF LONDON

Mr. GEORGE. Mr. President, I ask unanimous consent to insert in the CONGRESSIONAL RECORD the address delivered by Gen. Dwight D. Eisenhower in accepting the distinction and honor of the freedom of the city of London conferred upon him yesterday.

His address should be read by every American citizen, because it deserves to be ranked with classic literature and because it stamps General Eisenhower as a diplomat and as a statesman of the first order. It is one of the remarkable addresses of the present time, delivered by any American or by a citizen of any other nation. I therefore ask that it be incorporated in the RECORD.

The PRESIDENT pro tempore. Without objection, the address will be printed in the RECORD.

General Eisenhower's address is as follows:

The high sense of distinction I feel in receiving this great honor from the city of London is inescapably mingled with feelings of profound sadness. All of us must always regret that your great country and mine were ever faced with the tragic situation that compelled the appointment of an Allied commander in chief, the capacity in which I have just been so extravagantly commended.

Humility must always be the portion of any man who receives acclaim earned in the blood of his followers and the sacrifices of his friends.

Conceivably a commander may have been professionally superior. He may have given everything of his heart and mind to meet the spiritual and physical needs of his comrades. He may have written a chapter that will glow forever in the pages of military history.

Still, even such a man—if he existed—would sadly face the facts that his honors cannot hide in his memories the crosses marking the resting places of the dead. They cannot soothe the anguish of the widow or the orphan whose husband or father will not return.

A SYMBOL OF ALLIED PEOPLE

The only attitude in which a commander may with satisfaction receive the tributes of his friends is in the humble acknowledgment that, no matter how unworthy he may be, his position is the symbol of great human forces that have labored arduously and successfully for a righteous cause. Unless he feels this symbolism and this rightness in what he has tried to do, then he is disregardful of courage, fortitude, and devotion of the vast multitude he has been honored to command. If all Allied men and women that have served with me in this war can only know that it is they whom this august body is really honoring today, then indeed I will be content.

This feeling of humility cannot erase, of course, my great pride in being tendered the freedom of London. I am not a native of this land. I come from the very heart of America. In the superficial aspects by which we ordinarily recognize family relationships, the town where I was born and the one where I was reared are far separated from this great city. Abilene, Kans., and Dennison, Tex., would together equal in size possibly one five-hundredth of a part of Greater London.

By your standards those towns are young, without your aged traditions that carry the roots of London back into the uncertainties of unrecorded history. To those people I am proud to belong.

But I find myself today, 5,000 miles from that countryside, the honored guest of a city whose name stands for grandeur and size throughout the world. Hardly would it seem possible for the London Council to have gone farther afield to find a man to honor with its priceless gift of token citizenship.

Yet kinship among nations is not determined in such measurements as proximity of size and age. Rather we should turn to those inner things—call them what you will—I mean those intangibles that are the real treasures freemen possess.

To preserve his freedom of worship, his equality before law, his liberty to speak and act as he sees fit, subject only to provisions that he trespass not upon similar rights of others—a Londoner will fight. So will a citizen of Abilene.

THE BASIS OF KINSHIP

When we consider these things, then the valley of the Thames draws closer to the farms of Kansas and the plains of Texas. To my mind, it is clear that when two peoples will face the tragedies of war to defend the same spiritual values, the same treasured rights, then in the deepest sense those two are truly related. So even as I proclaim my undying Americanism, I am bold enough and exceedingly proud to claim the basis of kinship to you of London.

And what man who has followed the history of this war could fail to experience an inspiration from the example of this city?

When the British Empire stood—alone but unconquered, almost naked but unafraid—to deny the Hitler hordes, it was on this devoted city that the first terroristic blows were launched.

Five years and eight months of war, much of it on the actual battle line, blitzes big and little, flying V-bombs—all of them you took in your stride. You worked, and from your needed efforts you would not be deterred. You carried on, and from your midst arose no cry for mercy, no wail of defeat. The Battle of Britain will take its place as another of your deathless traditions. And your faith and endurance have finally been rewarded.

You had been more than 2 years in war when Americans in numbers began swarming into your country. Most were mentally unprepared for the realities of war—especially as waged by the Nazis. Others believed that the tales of British sacrifice had been exaggerated. Still others failed to recognize the difficulties of the task ahead.

All such doubts, questions, and complacencies could not endure a single casual tour through your scarred streets and avenues. With awe our men gazed upon the empty spaces where once had stood buildings erected by the toil and sweat of peaceful folk. Our eyes rounded as we saw your women, serving quietly and efficiently in almost every kind of war effort, even with flak batteries. We became accustomed to the warning sirens which seemed to compel from the native Londoner not even a single hurried step. Gradually we drew closer together until we became true partners in war.

TWO EXPEDITIONS PREPARED

In London my associates and I planned two great expeditions—that to invade the Mediterranean and later that to cross the Channel. London's hospitality to the Americans, her good-humored acceptance of the added inconvenience we brought, her example of fortitude and quiet confidence in the final outcome—all these helped to make the supreme headquarters of the two Allied expeditions the smooth-working organizations they became.

They were composed of chosen representatives of two proud and independent peoples, each noted for its initiative and for its satisfaction with its own customs, manners, and methods. Many feared that those represent-

atives could never combine together in an efficient fashion to solve the complex problems presented by modern war.

I hope you believe we proved the doubters wrong. And, moreover, I hold that we proved this point not only for war—we proved it can always be done by our two peoples, provided only that both show the same good will, the same forbearance, the same objective attitude that the British and Americans so amply demonstrated in the nearly 3 years of bitter campaigning.

No man could alone have brought about this result. Had I possessed the military skill of a Marlborough, the wisdom of Solomon, the understanding of Lincoln, I still would have been helpless without the loyalty, vision, and generosity of thousands upon thousands of British and Americans.

Some of them were my companions in the high command. Many were enlisted men and junior officers carrying the fierce brunt of battle, and many others were back in the United States and here in Great Britain in London.

ONE GREAT TEAM

Moreover, back of us always our great national war leaders and their civil and military staffs that supported and encouraged us through every trial, every test. The whole was one great team. I know that on this special occasion 3,000,000 American men and women serving in the Allied Expeditionary Force would want me to pay a tribute of admiration, respect, and affection to their British comrades of this war.

My most cherished hope is that after Japan joins the Nazis in utter defeat, neither my country nor yours need ever again summon its sons and daughters from their peaceful pursuits to face the tragedies of battle. But—a fact important for both of us to remember—neither London nor Abilene, sisters under the skin, will sell her birthright for physical safety, her liberty for mere existence.

No petty differences in the world of trade, traditions, or national pride should ever blind us to our identities in priceless values.

If we keep our eyes on this guidepost, then no difficulties along our path of mutual cooperation can ever be insurmountable. Moreover, when this truth has permeated to the remotest hamlet and heart of all peoples, then indeed may we beat our swords into plowshares and all nations can enjoy the fruitfulness of the earth.

My Lord Mayor, I thank you once again for an honor to me and to the American forces that will remain one of the proudest in my memories.

LEAVE OF ABSENCE

Mr. MORSE. Mr. President, I ask to be excused from the session of the Senate tomorrow in order that I may attend a very important conference at Chicago, Ill.

The PRESIDENT pro tempore. Is there objection to the request made by the Senator from Oregon? The Chair hears none, and the request is granted.

PETITION

The PRESIDENT pro tempore laid before the Senate the following resolution of the Senate of the Territory of Hawaii, which was referred to the Committee on Territories and Insular Affairs:

Senate Resolution 75

Whereas the Territory of Hawaii is an integral part of the United States of America, has enjoyed an enlightened form of constitutional government under the best traditions of Anglo-American concepts of freedom for more than 100 years, and in the long period of years since annexation to the United States of America has demonstrated its unity with the Nation, its devotion to the national ideals, and its full capacity for self-government; and

Whereas the people of this Territory have by plebiscite demonstrated their overwhelming desire that Hawaii become a State through the customary procedure by which the Congress has elevated other territories to statehood; and

Whereas the legislature of this Territory has repeatedly addressed the Congress asking that statehood be granted, thus carrying out the known and expressed sentiment of the people of Hawaii; and

Whereas provision has been made by this legislature to invite visits of congressional committees and groups to the Territory to acquaint the Congress of the United States with conditions and issues vitally affecting Hawaii in its relations to the National Government and to the Congress: Now, therefore, be it

Resolved by the Senate of the Twenty-third Session of the Legislature of the Territory of Hawaii, That this Senate does hereby express its complete belief in and support of statehood for Hawaii at the earliest possible moment; that this senate does hereby urge the Congress of the United States to take the steps necessary to elevate this Territory to a State; and that an invitation be, and it is hereby, extended to the Committee on Territories and Insular Affairs of the Senate of the Congress, to the Committee on the Territories of the House of Representatives of the Congress, or to such subcommittees thereof, respectively, as may be appointed, asking them to visit Hawaii upon the first opportune occasion to give further study and impetus to the program of statehood, and to give attention to any other matters of congressional interest and concern in Hawaii; and be it further

Resolved, That copies of this resolution be forwarded to the Secretary of the Interior, to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States of America, to the Committee on Territories and Insular Affairs of the Senate of the Congress, to the Committee on the Territories of the House of Representatives of the Congress, and to the Delegate to Congress from Hawaii.

THE SENATE OF THE
TERRITORY OF HAWAII,
Honolulu, T. H., May 4, 1945.

We hereby certify that the foregoing resolution was this day adoped by the Senate of the Territory of Hawaii.

E. S. CAPELLAS,
President of the Senate.
ELLEN D. SMYTHE,
Clerk of the Senate.

REPORT OF BANKING AND CURRENCY COMMITTEE

Mr. MURDOCK, from the Committee on Banking and Currency, to which was referred the bill (H. R. 2113) to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes, reported it without amendment and submitted a report (No. 363) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARKLEY:

S. 1141. A bill to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain officers and employees of the Smithsonian Institution, and for other purposes; to the Committee on Civil Service.

By Mr. GREEN:

S. 1142. A bill for the relief of Florence Barrows; to the Committee on Claims.

By Mr. PEPPER:

S. 1143. A bill for the relief of Harvey Shields; and

S. 1144. A bill for the relief of Willie H. Johnson; to the Committee on Claims.

EXTENSION OF TRADE AGREEMENTS ACT—AMENDMENT

Mr. ROBERTSON submitted an amendment intended to be proposed by him to the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 7) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers, was read twice by its title and referred to the Committee on the Judiciary.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Tom C. Clark, of Texas, to be Attorney General, vice Francis Biddle, resigned.

By Mr. GEORGE, from the Committee on Foreign Relations:

William D. Pawley, of Florida, to be Ambassador Extraordinary and Plenipotentiary to Peru;

Howard Donovan, of Illinois, now a foreign-service officer of class 2 and a secretary in the diplomatic service, to be also a consul general;

Carl W. Strom, of Iowa, now a foreign-service officer of class 6 and a secretary in the diplomatic service, to be also a consul; and

Bartley P. Gordon, of Massachusetts, now a foreign-service officer of class 8 and a secretary in the diplomatic service, to be also a consul.

AUTHORIZATION FOR COMMITTEE ON AGRICULTURE AND FORESTRY TO MEET AT 2 O'CLOCK

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry may meet this afternoon at 2 o'clock to consider further the nomination of Mr. Claude R. Wickard to be Administrator of the Rural Electrification Administration.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMERICAN FOREIGN POLICY—ADDRESS BY SENATOR BALL

[Mr. BALL asked and obtained leave to have printed in the RECORD a radio address on American foreign policy, delivered by him in Washington, D. C., on June 12, 1945, which appears in the Appendix.]

FULL EMPLOYMENT AND THE WHOLESALER—ARTICLE BY SENATOR MURRAY

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "Full Employment and the Wholesaler," written by him and published in the March

1945 issue of the Hosiery Wholesaler, which appears in the Appendix.]

THE NEGRO AND THE POSTWAR MILITARY POLICY—ADDRESS BY JUDGE WILLIAM H. HASTIE

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address by Judge William H. Hastie, of the Howard University Law School, before the Select Committee of the House of Representatives on Postwar Military Policy, which appears in the Appendix.]

TRIBUTE TO THE LATE PRESIDENT ROOSEVELT BY MISS JUNE THOMSON

[Mr. GUFFEY asked and obtained leave to have printed in the Appendix of the RECORD a tribute to the late President Franklin D. Roosevelt by Miss June Thomson, which appears in the Appendix.]

WOMEN'S RIGHTS AND THE CONSTITUTION—LETTER BY MRS. EMMA GUFFEY MILLER

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a letter on the subject of women's rights and the Constitution, written by Mrs. Emma Guffey Miller, and published in the Philadelphia Evening Bulletin of April 12, which appears in the Appendix.]

POEM WRITTEN ON THE DEATH OF AN AVIATOR BY HIS MOTHER

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a poem entitled "The Navigator Is Young," written by Mrs. Mabel Poe Blyth, of Slippery Rock, Pa., which appears in the Appendix.]

STATUTE OF NEW INTERNATIONAL COURT OF JUSTICE

Mr. BURTON. At the time of my statement in the Senate yesterday in regard to the United Nations Conference at San Francisco there was not yet available in reliable form the statute of the new International Court of Justice as approved by Committee 1 of Commission 4. It is now available, and I ask unanimous consent that it be printed in the RECORD as appearing in the New York Times of the issue of June 13, 1945. It is subject to some slight correction, but nevertheless is the best available report of that important new statute, and it is largely reliable.

There being no objection, the statute was ordered to be printed in the RECORD, as follows:

ARTICLE 1

The International Court of Justice established by chapter VII of the charter as the principal judicial organ of the United Nations shall be constituted and shall function in accordance with the following provisions:

CHAPTER I. ORGANIZATION OF THE COURT

ARTICLE 2

The Court shall be composed of a body of independent judges, elected regardless of their nationality from among persons of high moral character, who possess the qualifications required in their respective countries for appointment to the highest judicial offices or are jurisconsults of recognized competence in international law.

ARTICLE 3

1. The Court shall consist of 15 members, no two of whom may be nationals of the same state or member of the United Nations.

2. A person who for the purposes of membership of the Court under this statute could be regarded as a national of more than one state or member of the United Nations shall be deemed to be a national of that state or member in which he ordinarily exercises civil and political rights.

ARTICLE 4

1. The members of the Court shall be elected by the General Assembly and by the Security Council of the United Nations from a list of persons nominated by the national groups in the Permanent Court of Arbitration in accordance with the following provisions:

2. In the case of members of the United Nations not represented in the Permanent Court of Arbitration the lists of candidates shall be drawn up by national groups appointed for this purpose by their governments under the same conditions as those prescribed for members of the Permanent Court of Arbitration by article 44 of the Convention of The Hague of 1907 for the pacific settlement of international disputes.

3. The conditions under which a state which has accepted the statute of the Court but is not a member of the United Nations, may participate in electing the members of the Court shall, in the absence of a special agreement, be laid down by the General Assembly on the proposal of the Security Council.

ARTICLE 5

1. At least 3 months before the date of the election the Secretary General of the United Nations shall address a written request to the members of the Permanent Court of Arbitration belonging to the states which are parties to the present statute, and to the members of the national groups appointed under article 4, paragraph 2, inviting them to undertake, within a given time, by national groups, the nomination of persons in a position to accept the duties of a member of the Court.

2. No group may nominate more than four persons, not more than two of whom shall be of their own nationality. In no case may the number of candidates nominated by a group be more than double the number of seats to be filled.

ARTICLE 6

Before making these nominations, each national group is recommended to consult its highest court of justice, its legal faculties and schools of law, and its national academies and national sections of international academies devoted to the study of law.

ARTICLE 7

1. The Secretary General of the United Nations shall prepare a list in alphabetical order of all the persons thus nominated. Save as provided in article 12, paragraph 2, these shall be the only persons eligible.

2. The Secretary General shall submit this list to the General Assembly and to the Security Council.

ARTICLE 8

The General Assembly and the Security Council shall proceed independently of one another to elect the members of the Court.

ARTICLE 9

At every election, the electors shall bear in mind not only that the persons to be elected should individually possess the qualifications required but also that in the body as a whole the representation of the main forms of civilization and of the principal legal systems of the world should be assured.

ARTICLE 10

1. Those candidates who obtain an absolute majority of votes in the General Assembly and in the Security Council shall be considered as elected.

2. Any vote of the Security Council, whether for the election of judges or for the appointment of members of the conference envisaged in article 12 hereunder, shall be taken without any distinction between permanent and nonpermanent members of the council.

3. In the event of more than one national of the same state or member of the United Nations obtaining an absolute majority of the votes of both the General Assembly and of the Security Council, the eldest of these only shall be considered as elected.

ARTICLE 11

If, after the first meeting held for the purpose of the election, one or more seats remain to be filled, a second and, if necessary, a third meeting shall take place.

ARTICLE 12

1. If, after the third meeting, one or more seats still remain unfilled, a joint conference consisting of six members, three appointed by the General Assembly and three by the Security Council, may be formed at any time at the request of either the general assembly or the Security Council, for the purpose of choosing by the vote of an absolute majority one name for each seat still vacant, to submit to the General Assembly and the Security Council for their respective acceptance.

2. If the joint conference is unanimously agreed upon any person who fulfills the required conditions, he may be included in its list, even though he was not included in the list of nominations referred to in article 7.

3. If the joint conference is satisfied that it will not be successful in procuring an election, those members of the Court who have already been elected shall, within a period to be fixed by the Security Council, proceed to fill the vacant seats by selection from among those candidates who have obtained votes either in the General Assembly or in the Security Council.

4. In the event of an equality of votes among the judges, the eldest judge shall have a casting vote.

ARTICLE 13

1. The members of the Court shall be elected for 9 years, and of the judges elected at the first election the terms of five judges shall expire at the end of 3 years, and the terms of five more judges shall expire at the end of 6 years.

2. The judges whose terms are to expire at the end of the above-mentioned initial periods 3 and 6 years shall be chosen by lot to be drawn by the Secretary-General of the United Nations immediately after the first election has been completed.

3. The members of the Court shall continue to discharge their duties until their places have been filled. Though replaced, they shall finish any cases which they may have begun.

4. In the case of the resignation of a member of the Court, the resignation shall be addressed to the president of the Court for transmission to the Secretary-General of the United Nations. This last notification makes the place vacant.

ARTICLE 14

Vacancies shall be filled by the same method as that laid down for the first election, subject to the following provisions: the Secretary General of the United Nations shall, within 1 month of the occurrence of the vacancy, proceed to issue the invitations provided for in article 5, and the date of the election shall be fixed by the Security Council.

ARTICLE 15

A member of the Court elected to replace a member whose term of office has not expired shall hold office for the remainder of his predecessor's term.

ARTICLE 16

1. No member of the Court may exercise any political or administrative function, or engage in any other occupation of a professional nature.

2. Any doubt on this point shall be settled by the decision of the Court.

ARTICLE 17

1. No member of the Court may act as agent, counsel, or advocate in any case.

2. No member may participate in the decision of any case in which he has previously taken part as agent, counsel, or advocate for one of the contesting parties, or as a member of a national or international court, or of a commission of inquiry, or in any other capacity.

3. Any doubt on this point shall be settled by the decision of the Court.

ARTICLE 18

1. No member of the Court can be dismissed unless, in the unanimous opinion of the other members he has ceased to fulfill the required conditions.

2. Formal notification thereof shall be made to the Secretary-General of the United Nations by the registrar.

3. This notification makes the place vacant.

ARTICLE 19

The members of the Court, when engaged on the business of the Court, shall enjoy diplomatic privileges and immunities.

ARTICLE 20

Every member of the Court shall, before taking up his duties, make a solemn declaration in open Court that he will exercise his powers impartially and conscientiously.

ARTICLE 21

1. The Court shall elect its president and vice president for 3 years; they may be reelected.

2. It shall appoint its registrar and may provide for the appointment of such other officers as may be necessary.

ARTICLE 22

1. The seat of the Court shall be established at The Hague. This, however, shall not prevent the Court from sitting and exercising its functions elsewhere whenever the Court considers it desirable.

2. The president and registrar shall reside at the seat of the Court.

ARTICLE 23

1. The Court shall remain permanently in session, except during the judicial vacations, the dates and duration of which shall be fixed by the Court.

2. Members of the Court are entitled to periodic leave, the dates and duration of which shall be fixed by the Court, having in mind the distance between The Hague and the home of each judge.

3. Members of the Court shall be bound, unless they are on regular leave or prevented from attending by illness or other serious reasons duly explained to the president, to hold themselves permanently at the disposal of the Court.

ARTICLE 24

1. If, for some special reason, a member of the Court considers that he should not take part in the decision of a particular case, he shall so inform the president.

2. If the president considers that for some special reason one of the members of the Court should not sit on a particular case, he shall give him notice accordingly.

3. If in any such case the member of the Court and the president disagree, the matter shall be settled by the decision of the Court.

ARTICLE 25

1. The full Court shall sit except when it is expressly provided otherwise.

2. Subject to the condition that the number of judges available to constitute the Court is not thereby reduced below 11, the rules of the Court may provide for allowing 1 or more judges, according to circumstances and in rotation, to be dispensed from sitting.

3. Provided always that a quorum of nine judges shall suffice to constitute the Court.

ARTICLE 26

1. The Court may from time to time form one or more chambers, composed of three or more judges as the Court may determine, for dealing with particular categories of cases; for example, labor cases and cases relating to transit and communications.

2. The Court may at any time form a chamber for dealing with a particular case. The number of judges to constitute such a chamber shall be determined by the Court with the approval of the parties.

3. Cases shall be heard and determined by the chambers provided for in this article if the parties so request.

ARTICLE 27

A judgment given by any of the chambers provided for in articles 26 and 29 shall be a judgment rendered by the Court.

ARTICLE 28

The chambers provided for in articles 26 and 29 may, with the consent of the parties, sit and exercise their functions elsewhere than at The Hague.

ARTICLE 29

With a view to the speedy dispatch of business, the Court shall form annually a chamber composed of five judges, which, at the request of the parties, may hear and determine cases by summary procedure. In addition, two judges shall be selected for the purpose of replacing judges who find it impossible to sit.

ARTICLE 30

1. The Court shall frame rules for carrying out its functions. In particular, it shall lay down rules of procedure.

2. The rules of the Court may provide for assessors to sit with the Court or with any of its chambers, without the right to vote.

ARTICLE 31

1. Judges of the nationality of each of the contesting parties shall retain their right to sit in the case before the Court.

2. If the Court includes upon the bench a judge of the nationality of one of the parties, any other party may choose a person to sit as judge. Such person shall be chosen preferably from among those persons who have been nominated as candidates as provided in articles 4 and 5.

3. If the Court includes upon the bench no judge of the nationality of the contesting parties, each of these parties may proceed to choose a judge as provided in paragraph 2 of this article.

4. The provisions of this article shall apply to the case of articles 26 and 29. In such cases, the president shall request one or, if necessary, two of the members of the Court forming the chamber to give place to the members of the Court of the nationality of the parties concerned, and, failing such, or if they are unable to be present, to the judges specially appointed by the parties.

5. Should there be several parties in the same interest, they shall, for the purpose of the preceding provisions, be reckoned as one party only. Any doubt upon this point shall be settled by the decision of the Court.

6. Judges chosen as laid down in paragraphs 2, 3, and 4 of this article shall fulfill the conditions required by articles 2, 17 (paragraph 2), 20, and 24 of the present statute. They shall take part in the decision on terms of complete equality with their colleagues.

ARTICLE 32

1. Each member of the Court shall receive an annual salary.

2. The president shall receive a special annual allowance.

3. The vice president shall receive a special allowance for every day on which he acts as president.

4. The judges appointed under article 31, other than members of the Court, shall receive indemnities for each day on which they exercise their functions.

5. These salaries, allowances, and indemnities shall be fixed by the General Assembly of the United Nations. They may not be decreased during the term of office.

6. The salary of the registrar shall be fixed by the General Assembly on the proposal of the Court.

7. Regulations made by the General Assembly shall fix the conditions under which retiring pensions may be given to members of the Court and to the registrar, and the conditions under which members of the Court and the registrar shall have their traveling expenses refunded.

8. The above salaries, indemnities, and allowances shall be free of all taxation.

ARTICLE 33

The expenses of the Court shall be borne by the United Nations in such a manner as shall be decided by the General Assembly.

CHAPTER II. COMPETENCE OF THE COURT

ARTICLE 34

1. Only states or members of the United Nations may be parties in cases before the Court.

2. The Court, subject to and in conformity with its rules, may request of public international organizations information relevant to cases before it, and shall receive such information presented by such organizations on their own initiative.

3. Whenever the construction of the constituent instrument of a public international organization or of an international convention adopted thereunder is in question in a case before the Court, the registrar shall so notify the public international organization concerned and shall communicate to it copies of all the written proceedings.

ARTICLE 35

1. The Court shall be open to the members of the United Nations and also to states parties to the present statute.

2. The conditions under which the Court shall be open to other states shall, subject to the special provisions contained in treaties in force, be laid down by the Security Council, but in no case shall such conditions place the parties in a position of inequality before the Court.

3. When a state which is not a member of the United Nations is a party to a case, the Court shall fix the amount which that party is to contribute toward the expenses of the Court. This provision shall not apply if such state is bearing a share of the expenses of the Court.

ARTICLE 36

1. The jurisdiction of the Court comprises all cases which the parties refer to it and all matters specially provided for in the charter of the United Nations or in treaties and conventions in force.

2. The members of the United Nations and the states parties to the present statute may at any time declare that they recognize as compulsory ipso facto and without special agreement, in relation to any other member or state accepting the same obligation, the jurisdiction of the court in all legal disputes concerning:

(A) The interpretation of a treaty.

(B) Any question of international law.

(C) The existence of any fact which, if established, would constitute a breach of an international obligation.

(D) The nature or extent of the reparation to be made for the breach of an international obligation.

3. The declaration referred to above may be made unconditionally or on condition of reciprocity on the part of several or certain members or states, or for a certain time.

4. This declaration shall be deposited with the Secretary-General of the United Nations, who shall transmit a copy thereof to the parties to the statute and to the registrar of the Court.

5. Declarations made under article 36 of the Statute of the Permanent Court of International Justice and which are still in force shall be deemed, as between the parties to the present statute, to be acceptances of the

compulsory jurisdiction of the International Court of Justice for the period during which they still have to run and in accordance with their terms.

6. In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decisions of the Court.

ARTICLE 37

Whenever a treaty or convention in force between the parties to this statute provides for reference of a matter to a tribunal to have been instituted by the League of Nations, or to the Permanent Court of International Justice established by the protocol of December 16, 1920, amended September 14, 1929, the matter shall be referred to the International Court of Justice.

ARTICLE 38

1. The Court, whose function is to decide in accordance with international law such disputes as are submitted to it, shall apply:

(A) International conventions, whether general or particular, establishing rules expressly recognized by the contesting states.

(B) International custom, as evidence of a general practice accepted as law.

(C) The general principles of law recognized by civilized nations.

(D) Subject to the provisions of article 59, judicial decisions and the teachings of the most highly qualified publicists of the various nations, as subsidiary means for the determination of rules of law.

2. This provision shall not prejudice the power of the Court to decide a case ex aequo et bono, if the parties agree thereto.

CHAPTER III. PROCEDURE

ARTICLE 39

1. The official languages of the Court shall be French and English. If the parties agree that the case shall be conducted in French, the judgment shall be delivered in French. If the parties agree that the case shall be conducted in English, the judgment shall be delivered in English.

2. In the absence of an agreement as to which language shall be employed, each party may in the pleadings, use the language which it prefers; the decision of French and English. In this case the court shall at the same time determine which of the two texts shall be considered as authoritative.

3. The Court shall at the request of any party, authorize a language other than French or English to be used by that party.

ARTICLE 40

1. Cases are brought before the Court, as the case may be, either by the notification of the special agreement or by a written application addressed to the registrar. In either case the subject of the dispute and the contesting parties shall be indicated.

2. The registrar shall forthwith communicate the application to all concerned.

3. He shall also notify the members of the United Nations through the secretary-general and also any states entitled to appear before the Court.

ARTICLE 41

1. The Court shall have the power to indicate, if it considers that circumstances so require, any provisional measures which ought to be taken to preserve the respective rights of either party.

2. Pending the final decision, notice of the measures suggested shall be forthwith be given to the parties and the Security Council.

ARTICLE 42

1. The parties shall be represented by agents.

2. They may have the assistance of counsel or advocates before the Court.

3. The agents and counsel of parties before the Court shall enjoy the privileges and immunities necessary to the independent exercise of their duties.

ARTICLE 43

1. The procedure shall consist of two parts: written and oral.

2. The written proceedings shall consist of the communication to the Court and to the parties of memorials, counter-memorials and, if necessary, replies; also all papers and documents in support.

3. These communications shall be made through the registrar, in the order and within the time fixed by the Court.

4. A certified copy of every document produced by one party shall be communicated to the other party.

5. The oral proceedings shall consist of the hearing by the Court of witnesses, expert, agents, counsel, and advocates.

ARTICLE 44

1. For the service of all notices upon persons other than the agents, counsel, and advocates, the Court shall apply direct to the government of the state upon whose territory the notice has to be served.

2. The same provision shall apply whenever steps are to be taken to procure evidence on the spot.

ARTICLE 45

The hearing shall be under the control of the president or, if he is unable to preside, of the vice president; if neither is able to preside, the senior judge present shall preside.

ARTICLE 46

The hearing in Court shall be public, unless the Court shall decide otherwise, or unless the parties demand that the public be not admitted.

ARTICLE 47

1. Minutes shall be made at each hearing and signed by the registrar and the president.

2. These minutes alone shall be authentic.

ARTICLE 48

The Court shall make orders for the conduct of the case, shall decide the form and time in which each party must conclude its arguments, and make all arrangements connected with the taking of evidence.

ARTICLE 49

The Court may, even before the hearing begins, call upon the agents to produce any document or to supply any explanations. Formal notice shall be taken of any refusal.

ARTICLE 50

The Court may, at any time, entrust any individual, body, bureau, commission, or other organization that it may select with the task of carrying out an inquiry or giving an expert opinion.

ARTICLE 51

During the hearing any relevant questions are to be put to the witnesses and experts under the conditions laid down by the Court in the rules of procedure referred to in article 30.

ARTICLE 52

After the Court has received the proofs and evidence within the time specified for the purpose, it may refuse to accept any further oral or written evidence that one party may desire to present unless the other side consents.

ARTICLE 53

1. Whenever one of the parties does not appear before the Court, or fails to defend his case, the other party may call upon the Court to decide in favor of his claim.

2. The Court must, before doing so, satisfy itself, not only that it has jurisdiction in accordance with articles 36 and 37 but also that the claim is well founded in fact and law.

ARTICLE 54

1. When, subject to the control of the Court, the agents, advocates, and counsel have completed their presentation of the case, the president shall declare the hearing closed.

2. The Court shall withdraw to consider the judgment.

3. The deliberations of the Court shall take place in private and remain secret.

ARTICLE 55

1. All questions shall be decided by a majority of the judges present.

2. In the event of an equality of votes, the president or the judge who acts in his place shall have a casting vote.

ARTICLE 56

1. The judgment shall state the reasons on which it is based.

2. It shall contain the names of the judges who have taken part in the decision.

ARTICLE 57

If the judgment does not represent in whole or in part the unanimous opinion of the judges, any judge shall be entitled to deliver a separate opinion.

ARTICLE 58

The judgment shall be signed by the President and by the registrar. It shall be read in open court, due notice having been given to the agents.

ARTICLE 59

The decision of the Court has no binding force except between the parties and in respect of that particular case.

ARTICLE 60

The judgment is final and without appeal. In the event of dispute as to the meaning or scope of the judgment, the Court shall construe it upon the request of any party.

ARTICLE 61

1. An application for revision of a judgment may be made only when it is based upon the discovery of some fact of such a nature as to be a decisive factor, which fact was, when the judgment was given, unknown to the Court and also to the party claiming revision, always provided that such ignorance was not due to negligence.

2. The proceedings for revision shall be opened by a judgment of the Court expressly recording the existence of the new fact, recognizing that it has such a character as to lay the case open to revision, and declaring the application admissible on this ground.

3. The Court may require previous compliance with the terms of the judgment befor it admits proceedings in revision.

4. The application for revision must be made at latest within 6 months of the discovery of the new fact.

5. No application for revision may be made after the lapse of 10 years from the date of the judgment.

ARTICLE 62

1. Should a state consider that it has an interest of a legal nature which may be affected by the decision in the case, it may submit a request to the Court to be permitted to intervene.

2. It shall be for the Court to decide upon this request.

ARTICLE 63

1. Whenever the construction of a convention to which states other than those concerned in the case are parties is in question, the registrar shall notify all such states forthwith.

2. Every state so notified has the right to intervene in the proceedings; but if it uses this right, the construction given by the judgment will be equally binding upon it.

3. Unless otherwise decided by the Court, each party shall bear its own costs.

CHAPTER IV. ADVISORY OPINIONS

ARTICLE 64

1. The Court may give an advisory opinion on any legal question at the request of what-

ever body may be authorized by or in accordance with the charter of the United Nations to make such a request.

2. Questions upon which the advisory opinion of the Court is asked shall be laid before the Court by means of a written request which shall contain an exact statement of the question upon which an opinion is required, and shall be accompanied by all documents likely to throw light upon the question.

ARTICLE 66

1. The registrar shall forthwith give notice of the request for an advisory opinion to the members of the United Nations, through the Secretary-General of the United Nations, and to any states entitled to appear before the Court.

2. The registrar shall also, by means of a special and direct communication, notify any member of the United Nations or state entitled to appear before the Court or international organization considered by the Court (or, should it not be sitting, by the president) as likely to be able to furnish information on the question, that the Court will be prepared to receive, within a time limit to be fixed by the president, written statements, or to hear at a public sitting to be held for the purpose, oral statements relating to the question.

3. Should any member of the United Nations or state entitled to appear before the Court have failed to receive the special communication referred to in paragraph 2 of this article, such member or state may express a desire to submit a written statement or to be heard; and the Court will decide.

4. Members, states, and organizations having presented written or oral statements or both shall be permitted to comment on the statements made by other members, states, or organizations in the form, to the extent, and within the time limits which the Court, or, should it not be sitting, the president, shall decide in each particular case. Accordingly the registrar shall in due time communicate any such written statements to members, states, and organizations having submitted similar statements.

ARTICLE 67

The Court shall deliver its advisory opinions in open court, notice having been given to the Secretary-General of the United Nations and to the representatives of members of the United Nations of states and of international organizations immediately concerned.

ARTICLE 68

In the exercise of its advisory functions the Court shall further be guided by the provisions of the present statute which apply in contentious cases to the extent to which it recognizes them to be applicable.

CHAPTER V. AMENDMENT

ARTICLE 69

The framing and bring into force of amendments to the present statute shall be effected by the same procedure as is provided by the charter of the United Nations for amendments to that charter, subject, however, to any provisions which the General Assembly may adopt concerning the participation of states parties to the statute, but not members of the United Nations.

ARTICLE 70

The Court shall have power to propose such amendments to the present statute as it may deem necessary, through written communications to the Secretary-General of the United Nations, for their consideration conformably with the provisions of the preceding article.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. ROBERTSON. Mr. President, I submit an amendment to H. R. 3240, now pending, which I ask to have printed and lie on the table.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

Mr. BILBO obtained the floor.

Mr. SMITH. Mr. President——

Mr. BILBO. I yield to the Senator from New Jersey.

Mr. BARKLEY. Mr. President, will the Senator from New Jersey yield?

Mr. SMITH. I yield.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Myers
Austin	Guffey	O'Daniel
Ball	Hart	O'Mahoney
Bankhead	Hatch	Overton
Barkley	Hayden	Pepper
Bilbo	Hill	Radcliffe
Brewster	Hoey	Reed
Bridges	Johnson, Calif.	Robertson
Briggs	Johnson, Colo.	Saltonstall
Brooks	Johnston, S. C.	Shipstead
Buck	La Follette	Smith
Burton	Langer	Taft
Bushfield	Lucas	Thomas, Okla.
Butler	McCarran	Thomas, Utah
Capper	McKellar	Tobey
Chavez	Magnuson	Tunnell
Donnell	Mead	Wagner
Downey	Millikin	Walsh
Ellender	Mitchell	Wherry
Ferguson	Moore	White
Fulbright	Morse	Wiley
George	Murdock	Wilson
Gerry	Murray	Young

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] and the Senator from North Carolina [Mr. BAILEY] are necessarily absent.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent in Europe visiting battlefields.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from West Virginia [Mr. KILGORE] is absent because of a death in his family.

The Senator from Connecticut [Mr. MCMAHON], the Senator from Idaho [Mr. TAYLOR], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent in Europe on official business for the Interstate Commerce Committee.

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY] and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Indiana [Mr. WILLIS] is necessarily absent by leave of the Senate.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate.

The PRESIDENT pro tempore. Sixty-nine Senators having answered to their names, a quorum is present.

Mr. SMITH. Mr. President, I desire to address the Senate on the pending bill providing for extension of the Reciprocal Trade Agreements Act.

I

It is my considered judgment that the Reciprocal Trade Agreements Act should be extended for the immediate future. The question of the extension of the act is tied up with our postwar foreign policy and I find myself compelled, therefore, to think of San Francisco, the Bretton Woods monetary proposals, the reciprocal-trade program and other similar international matters as all in the same category.

The postwar situation is one that demands new vision and new perspective. We must really start from scratch. We must think in terms of the future peace of the world and of contributing our strength and our vision to the setting up of international relationships which will lead to the peaceful and judicial settlement of international disputes and differences. This must not be a partisan approach. It is an all-American problem.

Mr. President, I want to emphasize my conviction that in discussing this matter we must set aside partisanship.

In this connection, I like to think of the difference between what we see through a telescope and a microscope. With a telescope we can get a distant view of the heights that we hope some day to attain. With a microscope, as important as it is to increase our knowledge and make us think accurately, we enlarge tiny things which may unfortunately look so large that we may be diverted from our ultimate objective.

I would not be true to my own deepest convictions or to my responsibility to my constituency if I did not keep ever in front of me the long view through the telescope. At this vital hour in our history, the short-range microscopic analysis is not adequate.

Most of my colleagues already know of my keen interest in these world questions. My campaign last fall was built largely around my conviction that our

country must accept its share of responsibility for the setting up and supporting of a world organization to preserve the peace. But before my election and since, I have considered it a responsibility and a privilege to present to the people of New Jersey and other audiences the implications of the world situation and, as I saw it, the international responsibility and opportunity of our own country.

In the United States we have witnessed the amazing evolution of a great national conviction that the road ahead for America is the acceptance of our share of responsibility for the future peace.

In my talks and participation in open forums on this subject, I have endeavored to point out that there have been successive milestones on this road to peace, and among those milestones I have indicated first the progress of our Republican Party at the meetings of the national committee in 1942, the Mackinac Conference of 1943, and the national convention of 1944. I have pointed out also the more important bipartisan action taken by the House and Senate in the respective Fulbright and Connally resolutions and the particularly important milestone set up by the administration by Secretary Hull's able handling of the Moscow Conference in the fall of 1943, the Teheran and Cairo Conferences, the Dumbarton Oaks discussions in the late summer of 1944, the Yalta and Mexican Conferences of 1945 and now the San Francisco Conference.

This succession of events must be looked upon, as I suggested before, as milestones on the road to peace. If we look upon them as milestone on a road that we are traveling and bear in mind that no one of these milestones is a final destination, we can get the right perspective of the entire movement. This perspective, this vision, will make us realize that what we are seeking is not final perfection this early in our gropings for a new world, but rather progress. Yalta was a very distinct milestone in this progress, with all its limitations and with all its subsequent misunderstandings. There are real difficulties at San Francisco and there will be more before that Conference comes to an end, but I predict without fear of contradiction that San Francisco will be another and significant milestone and will take us far along the road. Let us not expect perfection, but let us expect progress and let us rejoice when that progress is made. And let us ever have the courage to blaze new trails.

II

Presently the Charter of San Francisco will be brought back to the Senate for ratification by the required two-thirds vote. The most effective attack that can be made on that treaty will be made by those who will point out this difficulty, that difficulty and the other difficulty, and who may maintain that, with these difficulties, the treaty is imperfect and therefore should not be ratified. Or, in the alternative, reservations may be demanded which by their very nature may prevent acceptance by the other participating nations.

We will have the voting issue, the veto issue, the Polish issue, the trusteeship issue, and other issues that will rightly belong to the peace conference, and these issues may lead us off our road and blind us to our fundamental responsibility to continue to move ahead in the direction in which we have been moving—the setting up of continual milestones on the road to peace and security.

San Francisco then is vitally important. And I have full confidence in those who are representing us there. As a member of the United States Senate, I feel our attitude in considering the treaty soon coming to us for ratification, must be both positive and constructive. This does not mean that we should not examine that treaty with the greatest care. That is our responsibility. That is the kind of microscopic study that is most important, but it must not take us off the road. Our whole approach to the debate must be with the telescopic end in view that we will ratify. Anything less than ratification by the United States of America would let down the whole world at this time of its travail and anxiety.

III

And so I want to go on record personally before my colleagues as supporting this primary political step in our progress. And in the same spirit in which I approach this decision, I want to approach the issue of international economic collaboration as an issue which is only second in importance to political collaboration. In this category we find the reciprocal trade agreements program and the Bretton Woods proposals. These procedures, as I see them, are additional milestones on the road to peace. On another occasion I plan to discuss the Bretton Woods proposals in a similar spirit, but today I wish to devote my attention to the reciprocal-trade agreements.

And let me suggest here that, as in the case of the San Francisco political proposals, it will be most unfortunate if partisanship enters into our discussions of these economic proposals. If we need political collaboration to preserve the future peace of the world, I am beginning to see from my studies that we will need economic understandings, if we are to lay the foundation for preventing the causes of future wars. This must have nothing to do with Republican or Democratic party policies. Everything having to do with our foreign affairs must be American and not partisan.

IV

Now, let us consider the Reciprocal Trade Agreements, and immediately set our thinking straight on one important point. This must not be a debate on high-tariff protection versus free trade, as most of my correspondents seem to think it is. I am not a free trader. I believe in scientific tariff protection. At the same time, I am an ardent supporter of the principle of tariff making involved in the trade agreement method, as opposed to the unilateral, tariff schedule making by Congressional logrolling. So let us first of all turn our telescope on the over-all objectives and the principle of agreement versus unilateral action.

The issue on this point is How do we want our trade relations with other nations determined? How can we most effectively protect and strengthen legitimate American business and develop a sound all-around economy? After careful study of the entire situation, and especially the challenge of the postwar world, my conclusion is that the trade-agreement method of mutual benefit is the sound approach. And let me state right here that I am not satisfied with the machinery of the present method of preparing these agreements. The "most-favored-nation" clause has dangerous possibilities. We need a better understanding of the multilateral principle as opposed to the bilateral. I want to see what comes out of San Francisco along the lines of the Economic and Social Council proposed at Dumbarton Oaks. I believe there are great possibilities in the handling of international trade agreements through some form of Economic Union. We are groping for light, but I do not see how that light can come from our traditional, unilateral, high-tariff policy. Like begets like. Our movement back to unilateral protection undoubtedly would immediately throw the rest of the world into tariffs, quotas, embargoes and other barriers to world trade. This, as I see it, would mean isolationism, economic chaos and the threat of World War III. No—we must very definitely continue the principle of the trade agreements.

V

What we are facing is a fundamental decision that the United States must make and must make soon. Until that decision is made, we shall be in a "fog" with regard to such questions as our tariff policy and the international monetary stabilization policy. That decision is whether in the postwar period we do or do not favor a world-wide expansion of international trade in which we will be an active participant. Do we propose to expand our exports at a time when there will be a world-wide immediate demand for our production, and especially for the so-called durable goods—manufacturing machinery and other tools with which to produce? If our policy is expansion of export trade, how can we best lay the foundation for it in our foreign trade relations? Do we propose to make use of our greatly expanded merchant marine in the development of our overseas trade?

In my contacts and correspondence, I have encountered two different viewpoints—one opposed to and one strongly favoring the expansion of our foreign trade. I have sincerely tried to ascertain the views of my constituents, and I have discovered in my own State of New Jersey a genuine and understandable fear by some of our most important industries that any lowering of the tariff which may be contemplated by the Trade Agreements Act might cripple or even destroy those industries.

The general argument of this opposition is that the United States is the greatest market in the world, and that our first objective should be to keep this market for our American producers and not risk the influx of foreign goods made by cheap labor by opening our doors to importations. While this group, of course, believes in the development of our American export trade, it would limit

exports to the extent of paying for the importation of raw materials and manufactured goods which we do not ourselves produce. This group points out that our foreign trade has heretofore only been a small percentage of our total national production, and prior to the war approximated an income of about three to four billion dollars only, out of a national prewar income of upwards of $80,000,000,000. This group favors the return to our traditional tariff policy, and consequently opposes the extension of the Reciprocal Trade Agreements Act, with its movement toward freer trade.

My other correspondents, who favor expanding our foreign trade, are those who, as might be expected, are engaged in the export trade. But also there is insistent support for an expanding world trade by those who are demanding that no stone shall be left unturned to bring about the full collaboration of the United States in the over-all economic and political program to preserve the future peace. This group favors trade expansion, because it feels that trade expansion helps international understanding. Furthermore, this group insists that we must expand our exports in light of our enormous productive capacity, if we are to find employment for all our people. It looks forward to a national, annual income of upward of $125,000,000,000, and an increase of our foreign export business from the prewar three or four billion dollars to ten or twelve billion dollars. It favors a carefully administered adjustment of our tariffs to enable foreign countries to pay in goods—they have relatively little gold—for the exports they buy from us. Consequently it favors reciprocal trade agreements, under which both parties benefit, as distinguished from unilateral tariff schedules. This group favors the extension of carefully guarded credits to help other nations help themselves, and thus to expand world-wide production and the world-wide raising of living standards. It looks upon the basic principles of the Bretton Woods proposals as essential.

This group insists that the expansion of world-wide production and world-wide trade gives the best promise of enduring world peace.

The United States must decide and must decide promptly whether it is to take this road of international trade expansion, or the road of international trade contraction. This is a decision which will profoundly affect our future and the future of the world.

VI

After careful deliberation of all these issues, and conferences and correspondence with those in a position to understand the economic implications, it is my own conviction that the road of trade expansion is the road the United States should take. And that road can be most effectively taken if we continue the use of trade agreements in our trade relations.

Since I came to my own conclusions in this matter I have been encouraged and fortified in the soundness of this position by the action of many outstanding groups. I need cite only a few, but they are significant: The United States Chamber of Commerce, Committee for Economic Development, Committee on International Economic Policy, Carnegie Endowment for International Peace, executives of both the American Federation of Labor, and the Congress of Industrial Organizations.

Believing that postwar world-trade expansion is the road the United States should take, I hope to see set up at San Francisco an Economic Council, as suggested in the Dumbarton Oaks proposals, which will explore this whole matter of international trade and will develop a program on which the participating nations can get together, having in mind, of course, the protection of their own respective internal situations. I also look forward ultimately to the development of an economic union which will be built along the lines of multilateral rather than merely bilateral trade agreements. In other words, I hope to see a prompt expansion of the trade-agreement principle by United Nations action.

VII

What will this do to my constituents in New Jersey? New Jersey is an industrial State—what might heretofore have been called a high-tariff State. I have heard from several industries, which are fearful of and opposed to the trade-agreement procedure: textiles, glass and china, chemicals, wire and cable, nonferrous metals, leather, the pencil industry, and others.

Certainly these industries are of first importance and their interests must be carefully considered in any future trade policy which the United States may adopt.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. WAGNER. Mr. President, the Committee on Banking and Currency held a rather late session today. I was unable to be present in the Chamber in answer to the quorum call. I should like to have my presence in the Chamber now recorded.

The PRESIDING OFFICER (Mr. HOEY in the chair). The RECORD will so show.

Mr. TOBEY. Mr. President, I make the same request on behalf of the Senator from Ohio [Mr. TAFT] and myself.

Mr. FULBRIGHT. Mr. President, I should like to be included in the same group.

The PRESIDING OFFICER. The RECORD will show the presence of the Senators named.

Mr. SMITH. Mr. President, I want to say to those industries in New Jersey, and to industries in other parts of the country, that, in my judgment, their interests can be better looked after by us, their Representatives here in Congress, under the reciprocal trade-agreements procedure than they could be under the old unilateral-tariff-schedule method. We will continue, of course, to have the battle between high- and low-tariff advocates, but I believe that can be carried on more effectively with the assistance of an expert tariff commission working with our State Department and the other departments now included in trade-agreement negotiations, than it could under the old "you tickle me—I'll tickle you" formula.

Mr. BUSHFIELD. Mr. President, will the Senator yield for a question?

Mr. SMITH. Yes; I am glad to yield.

Mr. BUSHFIELD. Did I correctly understand the Senator to indicate by his remarks a moment ago that he favors the approval by the Congress of these trade agreements?

Mr. SMITH. I did not indicate that, but I have no great quarrel with the principle of having the agreements ultimately approved by Congress when we have revised the procedure. I have no quarrel with the application of that principle if it does not too greatly complicate the situation. However, I am not in favor of it now. I think we have an immediate task to do, and I think it will only complicate the picture if we bring that element into it.

Yesterday I listened with great interest to the distinguished senior Senator from Wyoming [Mr. O'MAHONEY] and I am very much interested in the constitutional question which he raises. But personally I hope we do not go into that phase of the matter, because I think we are now facing an emergency situation.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. AIKEN. With regard to the approval of trade agreements by the Congress, is the Senator familiar with the number of trade treaties which have been approved by the Congress since the United States became a Nation?

Mr. SMITH. No; I do not think I have the figures in mind.

Mr. AIKEN. If I recall correctly, trade treaties of the nature which are obviously referred to have been approved by the Congress only three times. I am not sure of the exact number, and that is why I am asking for information. But, if I recall correctly, only three times have trade treaties of the nature now being discussed, which have been submitted to the Congress, been approved by the Congress. It is obvious that in treaties where 50 or 100 different articles might be involved, every group affected would bring its lobbies and pressure groups down on the Congress. If my information is correct, only about once in 50 years is it possible to get one of those agreements approved by the Congress.

Mr. SMITH. Mr. President, the distinguished Senator has stated very well my feeling that now, with the situation in which we find ourselves, we must trust to the Executive the handling of these matters, and not complicate the situation by insisting upon congressional approval, for the very reason the Senator has stated, namely, that there would be a return to the old logrolling system which prevailed heretofore when Congress undertook to write tariff schedules.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. FULBRIGHT. The Senator said he was impressed by the constitutional argument. He does not really feel that there is anything unconstitutional about the operation of the trade-agreement system, does he?

Mr. SMITH. No; I do not think so. I think the trade-agreement procedure can be operated properly within our constitutional system, and I am confident that important authorities have passed on that point.

Mr. President, I have examined my correspondence with care, and in no instance do I find evidence offered to show that any specific industry has been seriously injured by any reciprocal trade agreements heretofore written. I have received long and extended briefs and arguments indicating what may happen under certain assumed circumstances, but, as I said above, there has been no statement of any case that I recall where actual damage is alleged. I am advised that in certain industries in the United States a real injury has been suffered by existing trade agreements. I refer to the zinc industry, the lead industry, the watchmaking industry, and, as some claim, the cattle industry. There are, doubtless, others where there has been actual injury and which may have offered their evidence at the various hearings before the Congress, which I have not had the opportunity yet to explore. The point which I wish to emphasize, however, is that practically all the arguments turn on the old protection versus free-trade debate, rather than on any definite showing of harm actually done. And certainly where injury may have resulted, it can be more easily remedied under the trade-agreement procedure than under the old tariff-making formula.

I do not admit for a moment that we cannot have injuries remedied by dealing with the departments that are handling these agreements. The agreements are written for only 3 years, and we are feeling our way.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. TOBEY. Along the lines on which the Senator is now speaking, we have in documentary form the word of the President of the United States that under his jurisdiction as President, during his term of office, no such injury will accrue to American business. I suppose the Senator was aware of that.

Mr. SMITH. I was; but I thank the Senator for stating it for the RECORD.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. TAFT. Of course, if that argument were carried to an extreme it would authorize the approval by Congress of every conceivable measure which authorized the delegation of power. A fundamental principle of mine, and I think of most Senators, is that the authority of Congress shall not be delegated. The theory that delegated authority will not be improperly used, if we subscribe to it, is an argument, if at all, which destroys any value of our effort to lay down standards and to prescribe rules by which the Executive action shall be determined.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. TOBEY. With the permission of the Senator from New Jersey, I address my question to the Senator from Ohio. Is it not a fact that during the last 7 years of the dire emergency which has existed throughout the world, he and most of the rest of us who have been working during this period have joined in the delegation of power and have had a satisfaction in doing so?

Mr. TAFT. I will say in answer to the Senator that I never had a satisfaction in doing so.

Mr. TOBEY. Then the Senator did it in dissatisfaction; did he?

Mr. TAFT. I have only done it with reference to the armed forces of the United States engaged in the war. I have opposed every delegation of authority for emergency purposes or other purposes in connection with which Congress does not lay down an express standard to govern the Executive authority. The argument that we are perfectly safe because the President says, "I will not use these powers; I will not do anything wicked under this bill," certainly is utterly unsound, and is contrary to every principle of the Democratic Party, of the Republican Party, and of constitutional government.

Mr. TOBEY. Mr. President, will the Senator from New Jersey permit me to make a further statement, speaking now to my friend the Senator from Ohio?

Mr. SMITH. I yield.

Mr. TOBEY. I have the highest regard for the Senator from Ohio, as he knows. I should like to cite again, in connection with this discussion, a quotation to which I have referred a number of times. It could well be quoted a thousand times, and even that would not be too much. It applies to reciprocal trade agreements; it applies to the Bretton Woods agreement; it applies to the OPA; it applies to many other things. Here it is. I am not saying it; Lincoln is saying it:

> The dogmas of the quiet past are inadequate to the stormy present. As our case is new, we must think anew and act anew, fellow citizens, we cannot escape history.

Laugh that off, if you will.

Mr. TAFT. Mr. President, will the Senator from New Jersey further yield to me?

Mr. SMITH. I yield.

Mr. TAFT. Let me say in response to the quotation cited by the Senator from New Hampshire that certainly there is nothing quiet about the present; I agree with the Senator about that, I am sure. [Laughter.]

Mr. BREWSTER. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH. I yield.

Mr. BREWSTER. I assume that the characterization of "dogmas," as applied by Abraham Lincoln, would be equally applicable to any proposition which might be reported on this floor. I do not believe it defines our situation at all. Under that, Hitler, Stalin, and anyone else could find full authority for anything they proposed to do, simply because times have changed. They certainly have changed, Mr. President.

Mr. TOBEY. Mr. President, will the Senator from New Jersey permit me to speak again for a moment?

Mr. SMITH. I yield.

Mr. TOBEY. The Senator from Maine has referred to history, but that is not all which must be considered in this case. What he fails to recognize is the great principle—we do not like to consider it, but we have to—that the world is, today, in a state of chaos, and the alternative to doing something is doing nothing. I will not be a party to doing nothing. We must do something now. We must wake up, wipe the dust from our eyes, and see that the world is dying, and do something to relieve the strain. I will not be a party to inaction.

Mr. BREWSTER. Mr. President, will the Senator from New Jersey further yield to me?

Mr. SMITH. I yield.

Mr. BREWSTER. Let me say that since all the Senator from New Hampshire advocates is change, will he agree to any proposal which is advanced?

Mr. TOBEY. If the Senator from New Jersey will permit me to reply, let me say that, ergo, the Senator from New Hampshire is not a fool—a description he might deserve if he for a moment advocated a change only—and he trusts that the Senator from Maine does not really think the Senator from New Hampshire would agree to any change which might be advocated, merely because it would be a change.

Mr. BREWSTER. That is the only thing they are doing so far.

Mr. TOBEY. Oh, no.

Mr. BREWSTER. Well, that is the only thing that Abraham Lincoln said.

Mr. TOBEY. Oh, no; it is not, either. Lincoln said:

> As our case is new, we must think anew and act anew.

Mr. BREWSTER. What does that prove?

Mr. TOBEY. It proves that we must think anew, and we may have to leave behind some of the old moorings, if necessary, in order to reconstruct a stricken world. It is no time for a static mind.

Mr. BREWSTER. Does the Senator recall what Abraham Lincoln said about the tariff? It seems to me that we should consider what he said with regard to the subject we are now considering. I think he said that the protective tariff was the only protection of the American workingman. That was his formula in that day, and I think it is equally applicable today.

Mr. TOBEY. Let me ask the Senator whether, with his ability, he would think for a moment that if Abraham Lincoln were living today he would be against the extension of the Reciprocal Trade Agreements Act, or whether he would take a world-wide view of the matter.

Mr. BREWSTER. I certainly cannot undertake to say what Abraham Lincoln would say or do as of today. I can only quote what he said in his day. I think the quotation from Abraham Lincoln, cited by the Senator from New Hampshire, to the effect that he said we must face new conditions with new solutions, does not prove that reciprocal tariffs are the solution of all our economic ills.

Mr. TOBEY. No; but we are earnestly seeking a solution of the ills we now suffer, and we cannot close our eyes to the fact that it is a new situation of a most serious nature, of world-wide dimensions,

and, in my opinion, it calls for new remedial efforts.

Mr. BREWSTER. Mr. President, if the Senator from New Jersey will permit me to make a further remark, I should like to say that I think we should keep our eyes open with regard to the solution which is indicated rather than blindly follow the dogmas of the past.

Mr. TOBEY. No one has suggested that for a moment. The Senator from Maine is attributing to me something I never would recommend. I pay tribute to the histrionic talent of the Senator; and, Mr. President, I now take myself out of the discussion.

Mr. SMITH. Mr. President, I am afraid I started something.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. YOUNG. I agree with the Senator from New Jersey that ordinarily we should not be selfish about these matters, and I think the President of the United States could, perhaps, effectuate these trade agreements quicker than we could; but when the security of one's home and State is concerned, one cannot help but be concerned for himself. I have in mind my own State, which is practically an agricultural State. Overnight the President could reduce the tariff on wheat, hogs, sheep, and butterfat, and we would be ruined. We would have to move out of the State. I can see how such a thing could happen under a different President. I am wondering if it is wise to delegate such powers as would be delegated under this bill.

Mr. SMITH. I am aware of the difficulty which faces the Senator from North Dakota. I have the same difficulty in my own State, which is an industrial State. However, it seems to me that the course which has been proposed is the proper one to take, as I shall try to point out.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. MILLIKIN. I should like to suggest that President Truman's assurance is an argument against the expansion of the present power. An import which does not do harm to this country should be on the free list. It should not be a subject of a reciprocal trade agreement. Any article which is properly the subject of a reciprocal trade agreement is bound to harm some American industry. So, when the President tells us that he will employ reciprocal trade agreements in a way which will not injure any industry in this country, either he is giving us an assurance which he cannot make good in practice, or else he is telling us that he will cover by reciprocal trade agreements articles which should be on the free list.

Mr. SMITH. I thank the Senator for his observation.

VIII

I am convinced, therefore, that the United States can enter into the reciprocal trade-agreement program with safety. Our position is entirely different from what it was prior to World War I. During World War I we moved from a debtor position to a creditor position in world affairs. With this creditor position, and now with the confused aftermath of World War II, we are challenged with a completely new situation which, as I said earlier in my address, we must approach from scratch. The adoption of the program proposed for trade expansion undoubtedly will move us in the direction of lower tariffs, and it is possible of course that this will present a situation where the over-all good of all of our people may call for temporary hardships for a few. But these hardships, I believe, are far less than appear from a superficial study of the situation. As I said previously, the letters that I have received express fear of what may happen, rather than what actually has happened.

Furthermore, I have every confidence in our American ability to meet competition anywhere in the world or here at home. We know the methods and skills of mass production with consequent low-unit cost better than any other nation in the world.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. BUSHFIELD. Trade agreements have been in effect since 1934, as I recall. Therefore, there has been a specific purpose of expanding and enlarging our exports. Yet, during the period of time to which I have referred, agricultural exports decreased 50 percent.

Mr. SMITH. I thank the Senator for his observation.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. BREWSTER. I noted the Senator's reference to our moving from a debtor to a creditor position. His statement is similar to that which is made very frequently in discussions on this subject. It is said that we are now the greatest creditor nation of the world. I wonder to what extent the Senator has explored the basis of that apparent assumption.

Mr. SMITH. I think the over-all picture of our credits and debits warrants us in believing that we are a creditor nation. Of course, lend-lease is in the picture. We must consider that fact.

Mr. BREWSTER. Does the Senator assume that we should consider lend-lease as being a credit abroad?

Mr. SMITH. I do not think we should consider it too extensively as being a credit, because a great deal of it will not be paid back. We are, however, in the reverse position of that which we were in prior to the First World War when we were definitely a debtor nation.

Mr. BREWSTER. Our supply of gold has been steadily shrinking. As a result of the operations of lend-lease we have furnished approximately from $35,000,000,000 to $40,000,000,000 to foreign countries, and I do not believe we can expect to get back any material portion of the money. Meanwhile we have obligated ourselves to foreign countries for the materials which we have received from them, so I think that on the basis of short-term balances, today we owe approximately from $5,000,000,000 to $6,000,000,000. They represent credits which foreigners have in this country and which they could at any time demand us to pay either in gold or material. I find that situation to be difficult to reconcile with the repeated assertion that we are a great creditor Nation, and that we must be the Nation to finance world recovery.

Mr. SMITH. I am not making such an argument. I do not believe the distinguished Senator would maintain that we now owe more than we are owed, would he?

Mr. BREWSTER. It all depends on whether we take into consideration lend-lease. If the Senator believes that lend-lease will be repaid, then his position is correct. If he believes that it will not be repaid, I think the question is left open.

Mr. SMITH. Of course, an obligation may be considered as being owed. Many obligations have been owed to me during my life so far, which were never repaid, but I nevertheless thought they were owed to me.

Mr. BREWSTER. I should like to ask the Senator why he considers foreign countries are in debt to us under lend-lease.

Mr. SMITH. I think they are in debt to us, yes. Whether they repay the debt or not, I do not know.

Mr. BREWSTER. The Senator does not expect that it will be repaid, does he?

Mr. SMITH. I think some of it will be repaid and that some of it will not.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. AIKEN. I should like to correct an impression which is very prevalent, but which is false. I refer to the impression that the Federal trade agreements have been very injurious to American agricultural interests. In support of that statement I may say that some persons hold that after we entered into the trade agreement with Great Britain on January 1, 1939, our industrial exports increased and our agricultural exports decreased. Therefore, it is said that we sold out agriculture for the benefit of industry. I freely confess now that I used to believe that contention until I examined the record and found that we obtained numberless concessions on our agricultural exports to other countries.

It is true that our industrial exports increased and our agricultural exports decreased for the year beginning 1939. The reason was that at that time England, Russia, and Japan were buying everything they could obtain in this country with which to make war materials. The war started in the year 1939, and Germany—our second largest customer for agricultural exports—was completely eliminated from the market. So was central Europe and Italy, which ranked well up toward the top as purchasers of agricultural products. Agricultural exports to countries which were not blockaded increased, but naturally we could not eliminate Germany, our second best customer for agricultural products, the country which bought pork, lard, and many other products from us, and still maintain our volume of exports.

I wish to take this occasion—and I thank the Senator from New Jersey for giving me the opportunity to do so—to make clear why our industrial exports increased and our agricultural exports

decreased from 1939 on. I recall that previous to 1939 our apple market was prostrated because Great Britain had found various ways of shutting our products out of their markets. After the trade agreement went into effect our apple exports increased. I shall not attempt to say how much they increased, but I think we exported, in value, more apples after the trade agreement went into effect than our imports of woolen goods from Great Britain amounted to.

Mr. SMITH. I thank the Senator for his contribution.

Mr. YOUNG. Mr. President, if the Senator will further yield to me, I should like to state that at the present time one can go into Canada and buy almost anything unrationed. For some strange reason England is not buying in Canada, but is buying in the United States. After that situation comes to an end will not our agricultural exports decrease greatly?

Mr. AIKEN. I do not think Canada and the United States together can begin to supply the food needed by the world for the next 2 or 3 years, and naturally if foreign countries can get something for nothing rather than get it where they have to pay for it, they will take it under lend-lease from us, so long as they can get it.

Canada has a system, which I think is a pretty good one, of contributing so much as her part of carrying on this war. The amount is approximately $700,000,000 a year, as I recall, in addition to the contribution of her armed forces, and then whatever else is obtained from Canada those who obtain it have to buy and pay for.

Mr. YOUNG. I just came back from the Canadian border; and many Americans who go into Canada are bringing back hams and many other things which they buy in Canada, and they will probably continue to do that so long as they can get the articles.

Mr. AIKEN. I do not know whether the Senator from North Dakota was at a meeting of the Committee on Agriculture and Forestry held about 2 months ago, where it was brought out that this country requested Canada a year ago last fall not to export meats into this country, and had never rescinded that request. The Canadians said that was why they were not sending meat to help us; they had been asked to refrain from doing so, and the request had not been rescinded. Whether it has since been rescinded I do not know; but I think it safe to say that Canada and the United States together could not supply the world needs. I was surprised to learn in looking at the statistics that we even export a million bushels of grain to Canada. I presume that takes care of local conditions along the border.

Mr. SMITH. Mr. President, I will continue with my remarks.

As I have said, I have every confidence in American ability to meet competition anywhere in the world or here at home. We know the methods and skills of mass production with consequent low unit cost better than any other nation in the world. We have learned this because of our fundamentally intense, competitive, private industry economy, and our definite opposition to monopolies and cartels.

Mr. BREWSTER. Mr. President, will the Senator yield at that point?

Mr. SMITH. I will yield, but I am a little afraid of losing the continuity of my thought, if the discussion is diverted too much. I was trying to give to the Senate the whole picture. I shall be glad to yield, keeping that thought in mind.

Mr. BREWSTER. What I am about to say bears on the specific point the Senator from New Jersey has been making. He says he has every confidence in the ability of the United States to meet foreign competition. I am wondering how far he carries that. Does he mean that he feels we could afford to adopt a policy of free trade?

Mr. SMITH. I do not believe in free trade.

Mr. BREWSTER. The Senator does not believe that America, under free trade, could meet all competition. He limits the term.

Mr. SMITH. As I shall show a little later—and let me finish my thought—I feel that we can, by the trade-agreements policy and the readjustment of our trade economy fit into the picture, compete with any set-up. I think we can protect our industries adequately by the trade-agreement method.

Mr. BREWSTER. Does the Senator agree that it is all a matter of both an honest and intelligent application of the protective principle? The Senator does subscribe to the protective principle, does he not?

Mr. SMITH. I said earlier in my address that I believe in scientific protection.

Mr. BREWSTER. The Senator thoroughly believes, does he not, that it is merely a question of how that protection shall be provided and how far the Congress shall relax its primary responsibility and control.

Mr. SMITH. My preference is for the agreement method in determining trade relations, rather than by a unilateral tariff written by Congress itself.

Mr. BREWSTER. The Senator makes a distinction between, let us say, what he terms unilateral action by Congress, which I think every one is agreed is pretty well out of date, and trade agreements, say, as distinct from the scientific determination by the Tariff Commission as authorized under existing law which provides that the Tariff Commission, after scientific determination, may cut any tariff 50 percent, the benefit to go to all nations.

Mr. SMITH. I call the attention of the distinguished Senator from Maine to what I understand is the set-up. We are adding by the pending bill the War and Navy Departments to the group that will help the President in the negotiation and making of trade agreements. I will go as far as the Senator from Wyoming [Mr. O'MAHONEY] went last night, when he suggested that ultimately we probably might have representatives of the committees of the House and Senate taking part in the negotiation of trade agreements. That might be a future development. I am merely suggesting it parenthetically now. So I do not think that merely an expert Tariff Commission should have the authority, but different groups in the various departments that know the conditions, with, I hope, the Senate and House representing all the people, should develop our ultimate policy.

Mr. BREWSTER. Does not the Senator recognize that that is a deviation from what he properly terms the scientific principle? The scientific principle would involve a group in the nature of a tariff commission, theoretically, and the minute there is introduced, whether it is the State Department, the War Department, the Navy Department, or any other agency, there would be injected something other than what he would term scientific trade adjustments. The Army and Navy, for example, have to do with military and naval matters, the State Department with diplomacy, and we are political, naturally, thinking in terms of our constituents, but we have under existing law, irrespective of reciprocal trade agreements, a scientific method of determination, enunciated in Republican tariff laws. It seems to me that that is frequently lost sight of in bowing at the shrine of the reciprocal principle.

Mr. SMITH. I think the Senator's question will help bring out and develop the whole subject, and I am very grateful to him. I feel that the trade-agreements procedure is the important thing that we should endorse because of the special situation we are now in, and I am hopeful, as I said earlier in my remarks, that this method of procedure can be maintained and strengthened.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. SMITH. I yield to the Senator from Kentucky.

Mr. BARKLEY. Although recognizing the scientific basis of tariff reduction by the Tariff Commission, as we have done for a number of years, even that is a unilateral reduction. The Tariff Commission has no power of negotiation. The Tariff Commission can not exact or request of any other nation any reciprocal advantage because of any reduction it brings about. It is merely a straight reduction, based, usually, on scientific investigation with no advantage for our commerce, our trade, and our country, and of no advantage whatever by reason of lack of ability to give and take as in the agreement program which the Senator is so ably discussing. It cannot be assumed that the scientific basis is entirely absent from the trade agreements, because, as was testified before the Committee on Finance, it takes anywhere from 5 months to a year to go through the machinery and to bring about one trade agreement, which at least convinces me that the work is done very carefully, and I think it is done scientifically; but, in doing it scientifically, as the Tariff Commission may do, we are in a position to get something in return for what we are doing even on a scientific basis.

Mr. SMITH. I am glad the Senator brought that point out.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. BREWSTER. Adverting to the comment of the Senator from Kentucky, while it is true we do not get the trading aspects of the matter, it is also true that under such a reduction we do get what I had understood was the chief advantage urged for reciprocal trade agreements, namely, we build up our foreign imports, and thus enable those who import to us to pay for our exports to them, and we get the full benefit. The only limitation which the Senator from Kentucky would point out is that the very few countries with which we have no trade agreements would, under the most-favored-nation clause, get the benefits; but I think he would agree that they are pretty negligible benefits in our economy. That would be the only difference between one system and the other insofar as the advantages accruing from increased imports are concerned.

If the theory of the Trade Agreement Act is correct that we benefit by imports, because they enable foreign countries to pay for our exports, then the foreign countries are the ones that are closing their doors to us to their own disadvantage. I think we might rely upon their recognition of that argument if we are to proceed along the lines hitherto laid down.

Mr. SMITH. I thank the Senator. I should now like to continue my argument. I shall begin again the paragraph I was reading when the Senator from Maine interrupted me, so as to present the whole thought.

I have every confidence in our American ability to meet competition anywhere in the world or here at home. We know the methods and skills of mass production with consequent low unit costs better than any other nation in the world. We have learned this because of our fundamentally intense, competitive, private industry economy, and our definite opposition to monopolies and cartels.

These convictions and practices of the American people will, it seems to me, make it possible for us to meet legitimate competition and still maintain the living standards of our people. We can pay higher wages and produce a lower-priced article than any nation in the world—if we can produce in sufficient quantity—and we can maintain these altitudes of desirable objectives by demanding, as the price of our tariff concessions, that competing nations grant constantly rising standards to their workers. It is here where I suggest that an intelligent tariff policy could operate most effectively—not aimed to make unfair profits for a selected few—either nations or individuals—but to make low-priced products for a vastly expanded consumer market, a world-wide consumer market created by rising wages to an ever-expanding mass of ordinary people who then could afford to buy the lower-priced products produced.

And so I favor the extension of the Reciprocal Trade Agreements Act.

IX

But there remains a fundamental question: Should we grant additional powers to the President to reduce tariffs further as provided in the House bill—that is, to take January 1, 1945, as the date line from which we figure in the future the 50 percent discretion?

It was this provision that the Senate Banking and Currency Committee deleted.

On my first consideration of the bill, it seemed that we should not grant the additional power to the President which the bill contemplates, and I so stated publicly. On May 17, I issued a statement which was carried widely in the press of New Jersey. It read as follows:

It is my judgment that the Reciprocal Trade Agreements Act should be extended unamended for the immediate future.

The question of the extension of the act is related to the general tariff policy of the United States and to the question of our foreign trade after the war.

Our postwar foreign-trade policy is closely related to the problems now being considered by the Conference in San Francisco, and is vitally connected with the collaboration of the United States with the other United Nations in setting up an organization for the preservation of the peace of the world. The Dumbarton Oaks proposals include the setting up of a United Nations Economic Council to consider international trade relations and the operations of this council, of course, will be an important contribution to measures for the preservation of the peace.

We must bear in mind that if a world-wide trend toward Government-managed foreign trade is to be arrested, it will require a vigorous initiative on the part of the United States to demonstrate that a system of private, competitive, and nondiscriminatory trade will provide greater volume and scope to the trading nations of the world.

A willingness to offer reasonable hospitality to imports is the most powerful bargaining power than any nation can bring to the market of international trade. The reciprocal-trade program seems to offer a flexible medium through which we may exercise the greatest influence toward restoring the multilateral trading system under which we can operate to our best advantage.

In light of these considerations—

This was my position just 2 weeks ago—

it is impossible at this moment to determine how we should continue the reciprocal-trade policy in the postwar period—whether we should or should not give additional power to the President over our tariffs—whether we should favor a more or less flexible tariff policy, and whether we are satisfied with the present methods of tariff fixing.

It seems to me wise, therefore, that no change should be made at the moment in the present situation and that, therefore, the present Reciprocal Trade Agreements Act should be extended pending the termination of the Japanese war, and until such time as the United Nations Economic Council has been able to explore the whole situation and has made its recommendations to the various nations involved.

I think that is pretty close to the position taken in the report of the Committee on Banking and Currency.

I felt that this position was fair to our industries which have depended for their prosperity in the past on tariff protection. If we are considering an expanded postwar foreign trade with consequent tariff adjustments, it seemed to me proper that our industries should have a chance to readjust themselves. I therefore at that time favored a moratorium period.

I wish to emphasize that since this statement was issued I have explored the situation further, and in light of the most recent developments in international affairs, and after consultation with members of the State Department who will have the responsibility for negotiating the agreements, I am satisfied that full consideration will be given to the present situation—and I am dealing now with an emergency situation—of our American industries and to their adequate protection. What we are faced with in international affairs is the immediate setting up by the other United Nations of their future trade policies, and I feel that the United States would be under a very distinct handicap if our Executive and his aides, who are to represent us in negotiating trade agreements, should be deprived of the necessary weapons they will need to maintain our position. I believe that this consideration transcends the arguments against granting the additional powers. I favor, therefore, the restoration of section 2 to this bill in the form in which it came to us from the House. I take this position with confidence in the President and in the executive group who will have the negotiation of these treaties. I believe that they will protect those industries which I represent in the State of New Jersey and all other industries throughout the country.

Let me say in that connection that I feel it is an emergency with which we are dealing at this time, and that is why I have come to this conclusion.

The alternative is between trade adjustments by agreement with other countries or setting up, as heretofore, our unilateral tariff schedules. In the present crisis I am convinced that we should grant the powers asked for and trust those who represent us to handle those powers properly.

The argument for the President's discretion can be summarized. I was very much impressed by the admirable address delivered to the Senate last evening by the distinguished senior Senator from Georgia [Mr. GEORGE], and I think what I am saying is along the line of his argument.

Probably for some time after the war the state-dominated systems of Germany, Italy, and Japan will not be in a position to exert an important influence. Russia will certainly continue a policy of direct trading in the foreign field as in the domestic. The direction in which the United Kingdom and many of the other trading nations of the world will go will probably depend upon the alternatives offered. Within the United Kingdom and most of the other trading nations there are large and important groups who will choose the free private enterprise system, rather than a government-controlled system if it promises to offer world trade opportunities upon a scale sufficiently high to be more attractive. Unless the United States offers a strongly positive leadership, unless we throw our weight effectively on the side of nondiscriminatory multilateral world trade, there is immediate danger that the

private enterprise trading system will disappear.

Partly, the matter is one of our giving assurance of our good faith. If we want other nations to give up their major protective trade barriers—exchange control, bilateral agreements, cartel bargains, import quotas, and direct government purchasing arrangements, we must show a willingness to modify ours by a reasonable readjustment of our tariffs.

Most important, it is a matter of having at hand an effective bargaining instrument. Unless the additional margin for cutting duty rates offered in the Doughton bill is available to our negotiators, they might not have sufficient concessions to offer to win the concessions we seek. I am advised that we have left scant margin for further concessions to the United Kingdom, Canada, and much of Latin America. These important countries must join our orbit if there is to be a substantial area for competitive trade, and if we are to have an effective bargaining instrument, it must be a flexible one under which commitments may be made expertly, tactfully, decisively, and with reasonable dispatch. I do not believe that it is possible to provide this under the regular legislative tariff-making process.

Yesterday in the New York Herald Tribune, Mr. Walter Lippmann in his column entitled "The Senate and Mr. Churchill" points out the dangers to the United States in not giving our representatives adequate power in dealing with this immediate postwar situation. He quotes Mr. Churchill, who was speaking for all British parties and not solely for the Conservative Party, as saying that Great Britain will not give up its right to safeguard its balance of payments by whatever means are necessary. This means, as the able Senator from Georgia pointed out in his striking address last night, that Great Britain may be forced into the orbit of the collectivist countries which will be carrying on their foreign affairs by government action, rather than by the free-enterprise system of individual action.

There is a great struggle in the world, Mr. President, between collective action and individual, private-enterprise action, and I feel that is involved in this whole debate.

If Britain is pulled into this orbit, it will be a very distinct threat for everything that we have stood for here in America and for many of the things for which the war is being fought. It is my considered judgment, therefore, that we must permit the President and his advisers, whose group will be enlarged by inclusion of representatives of the War and Navy Departments, to negotiate these treaties for us, and it will be our responsibility and opportunity to back them up in every possible way in developing the proper relation of the United States to the other nations of the world in the postwar trade situation. This economic step is a vitally important additional milestone on the road to ultimate world peace.

X

After reviewing this whole subject, I have come to the conclusion that the United States, emerging from this war with an enormously expanded productive capacity, will be interested in the freest possible access to foreign markets. We will be interested in the highest standard of living for our customers throughout the world, so that they can be adequate consumers.

But while we will be interested in international cooperation, in trade policies, in monetary policies, and in foreign investments, our deepest interest lies in the hope expressed by me when I began my remarks. That hope is the maintenance of peace among nations and in the preservation in this country of truly democratic institutions. For these reasons, if for no other, we should participate with other nations in framing common postwar economic policies. For in such combined economic action, supplementing the corresponding political and military action which will be the outgrowth of the San Francisco Conference, seems to lie our real hope of establishing a world in which there may be a reasonable measure of both freedom and security.

We have a double responsibility. On our willingness or refusal to participate in a program of international cooperation will depend not only our own destiny, but the destiny of millions beyond our borders. And let us have faith that these ideals may some day be realized. By faith, since the dawn of human history, man has struggled toward freedom—not freedom from fear and want, insured by the State, but freedom from fear and want, insured by freedom of opportunity. There is a real distinction between insuring these freedoms by the State and insuring them by freedom of opportunity.

And so, Mr. President, it seems to me that in facing this whole picture, and in particular the immediate problem before us, namely, the extension of the Reciprocal Trade Agreements Act, our attitude may well depend on what kind of a glass we are looking through. Are we looking through a microscope which is too negative, too critical, which is destructive and selfishly introspective, or are we looking through a telescope, which is positive, bright-colored, long-visioned, the telescope of faith, hope, courage, leading us on the road toward the divine, far-off event, the ultimate understanding and good will between men of all nations?

Mr. AIKEN. Before the Senator from New Jersey takes his seat, will he yield to me?

Mr. SMITH. I yield.

Mr. AIKEN. I now have some of the information I was seeking earlier in the Senator's speech in regard to the ratification of trade treaties by the Senate, and inasmuch as it has been advocated that the Senate should ratify agreements which have been entered into by the executive department under authorization given by the Congress, I should like to read our national experience into the RECORD at this time.

During the lifetime of this country, some 160 years, there have been three reciprocal tariff treaties ratified by the Senate: One with Canada in 1854, one with Hawaii in 1875, and one with Cuba in 1902. Those three treaties were with countries with which we had very close relationships, geographical or otherwise.

Between 1844 and 1902 10 other reciprocity treaties were negotiated under the general treaty-making power of the Executive, but not one of them ever became effective.

The Tariff Act of 1897 specifically authorized the Executive to negotiate reciprocity treaties with foreign countries, which treaties would then have to be approved by the Senate. Under that provision 12 treaties were negotiated, but none of them ever even came to a vote in the Senate. They could not even get to the point where Senators would have a chance to vote on them. The Executive made the agreements, but the Senate had to give its approval.

In contrast to these attempts to put into effect trade treaties which had to be approved by the Senate, under the McKinley Tariff Act of 1890, which gave the executive department authority to make agreements under prior authorization of Congress and not subject to subsequent approval, 12 reciprocity agreements were made effective.

Under the Dingley Tariff Act of 1897, which contained similar authorization, 15 agreements were brought into force; and under the present Trade Agreements Act of 1934, 32 agreements have been concluded and brought into force.

So we might as well admit now that if we decide to give the executive department the right to make agreements with foreign countries, subject to the approval of the Senate after they are made, there will be no agreements put into effect at all, because in all our history the Senate has approved only three trade treaties of that nature, those with Canada, Cuba, and Hawaii.

Mr. BILBO. Mr. President——

Mr. LANGER. Mr. President, will the Senator yield?

Mr. SMITH. I now yield the floor.

Mr. LANGER. I wanted to ask the Senator from New Jersey a question.

The PRESIDING OFFICER. The Senator from Mississippi [Mr. BILBO] is recognized.

Mr. BILBO. While I had the floor at the beginning of the session, I was glad to yield to my distinguished friend, the Senator from New Jersey. I understand the Senator from New Jersey has now concluded his statement?

Mr. SMITH. I have concluded it; yes, but the Senator from North Dakota wants to ask me a question.

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from North Dakota to ask the Senator from New Jersey a question?

Mr. BILBO. I yield.

Mr. LANGER. As I understood the argument made by the Senator from New Jersey his statement was that we should grant this power to the Executive so that the Executive may have what may be called trading stock. Am I correct in that understanding?

Mr. SMITH. Something to trade with, yes, in the light of the way these treaties are negotiated.

Mr. LANGER. Congress gave the Executive $39,000,000,000 to use for lend-lease purposes. Five Senators took a trip around the world some time ago,

and on their return they told us, for example, that our troops would attack a certain island, and with great loss of life succeed in capturing the island, and on one such island, as I remember, we spent nearly $50,000,000, and after we had completed the fortifications necessary to make the island secure the American troops marched out and one Englishman came in, the American flag went down and the English flag went up.

In view of history of that kind, and in view of the fact that Congress placed $39,000,000,000 for lend-lease purposes in the hands of the Executive, and in view of the sorry record that was made, as is now evidenced by history, do I understand that the Senator believes the Executive should have the power, through the Department of State, to make any kind of tariff agreement he wants to make, without it being referred to the representatives of the people for ratification?

Mr. SMITH. I will answer the Senator by saying that in the present state of the world and the critical situation which confronts us, we have no alternative if we want to handle this matter intelligently and expeditiously. If, in the midst of the present emergency, we are to go into all the legalistic arguments respecting constitutional provisions we are in great danger of having the world move into a collectivist orbit and not preserve the free enterprise system we must preserve, and we must have England play the game with us in doing so. I do not think we ought to forget the abuses which may be possible, but there again I think the Senator is using a microscope instead of a telescope.

Mr. LANGER. Mr. President, will the Senator from Mississippi yield again so I may ask the Senator from New Jersey another question?

Mr. BILBO. Does the Senator wish to make a speech or simply ask a question?

Mr. LANGER. I simply wish to ask a question.

Mr. BILBO. Very well, I yield.

Mr. LANGER. The Senator from New Jersey says we have no other alternative. Let us assume this situation: Suppose Russia was competing with us in the field of oil, and another country was in the market to buy oil. As I understood the argument made by the distinguished Senator from Georgia [Mr. GEORGE] yesterday, because of Russian collective buying we would be at a disadvantage. Is not the alternative that we can set up a national corporation, something in the nature of our present Interstate Commerce Commission, which is directly responsible to the Congress, a Federal corporation which will have sufficient money and backing by the Congress, and thus have the Government compete with the collective system of which some seem to be so afraid?

Mr. SMITH. I have not given thought to that question. The whole question as to where we are to go from here is worthy of careful consideration. However, I do not believe that we have the time to set up a program such as the Senator from North Dakota suggests. In the situation which confronts us, when our Executive has the responsibility for moving, I wish to support him in developing trade relations for the immediate emergency. That is my plea. I am not asking for anything of a permanent nature. I am asking for further experimentation with the trade-agreement procedure, and perfecting that procedure in all our trade relations. All I am asking for is cooperation with the other countries of the world, in spite of the mistakes which have been made.

FAIR EMPLOYMENT PRACTICE COMMISSION

Mr. BILBO. Mr. President, I am sure we have all been delighted by the able and convincing statement of the views of the Senator from New Jersey sustaining the Reciprocal Trade Agreements Act. It is interesting to hear from that side of the Chamber a voice in favor of reciprocal trade agreements or reduction of tariffs in the interest of trade. Also it was very interesting to hear on that side of the Chamber the colloquy which we all enjoyed a while ago. This is possibly the first time in 12 years that the Republicans have had an opportunity to recite their Republican primers on the protective tariff. But, Mr. President, my purpose in taking the floor on this occasion is to call the attention of my colleagues and the people of the country to the serious consideration which the lawyers of Massachusetts are giving to the proposed Fair Employment Practice Commission, which to my mind is the greatest legislative monstrosity in the history of the American Congress.

The day is coming when all the people of this country will regret the wave which has caused a few States seriously to consider the enactment of so-called FEPC legislation. I am sure that all will agree with me that this proposed legislation has been sponsored by one or two groups, and, being sponsored by those groups, the majorities of both the Republican and Democratic parties have yielded, in their attempts to secure political support from such groups in the campaigns of the past and in the campaigns of the future.

A reading of the Democratic platform adopted at Chicago in 1944 will disclose no mention of the FEPC. However, some of the verbiage in that platform has been construed to mean that we oppose discrimination in employment because of race, color, creed, or origin.

Denying labor to a citizen of this country on the ground of any such qualification, and that alone, may be just cause for complaint in some instances. But the Republican Party, in its very great desire to reach out and get the Negro vote and the Jewish vote, which is sponsoring this bill, went all the way in favor of permanent FEPC legislation. In view of that fact, and because in a very short while we shall be face to face with such legislation on the floor of the Senate, I wish to read an article published in the June 4 issue of the Boston Traveler. It relates to an appeal by the Massachusetts Bar Association to the Massachusetts Legislature, which has had under consideration the enactment of a bill similar to the bill enacted by the State of New York under the leadership of Governor Dewey. The article reads as follows:

DEFER RACIAL BILL, BAR GROUP URGES—COMMITTEE LETTER OPPOSES ENACTMENT UNTIL WORKING OF NEW YORK LAW IS OBSERVED

Opposition to enactment of the Curtis anti-discrimination bill until Massachusetts has watched the New York law at work was expressed in a letter from the executive committee of the Massachusetts Bar Association, which is published today in the Massachusetts Law Quarterly.

MAY DO HARM

Addressing its letter to Senator Cornelius F. Haley, chairman of the committee on State administration, the executive committee urges that "it is a question of practical judgment whether the bill will do more harm than good." The proposed legislation would establish penalties for discrimination in employment because of race, color, religious creed, national origin, ancestry, or advanced age.

Signers of the letter are Attorneys Edward O. Proctor, Richard Wait, John H. Devine, Horace E. Allen, Clifford S. Lyon, W. Arthur Garrity, William E. Fuller, Guy Newhall, and Frank W. Grinnell. In a separate letter, Attorney John E. Peakes, of the committee, suggests postponement of action on the Curtis bill and advocates a legislative warning, in its place, that discrimination must be abandoned voluntarily or legislation will be enacted.

The committee letter submits that the subject is an emotional matter and "to compel men, against their wishes, to employ others who are, however unreasonably or unjustly, unwelcome either to their employers or to their fellow-employees, or to customers, would, in our opinion, tend to accentuate and deepen the prejudices which the bill seeks to allay."

I think the sponsors of this fool legislation will find out in the end that they will do more to arouse and accentuate the racial unpleasantness which prevails in many sections of the country than the FEPC law will ever be able to suppress. I continue to read from the article in the Boston Traveler:

It notes that there are sorts of employment where a confidential relationship based upon mutual sympathy and esteem is essential, which "could not exist under any system of forced employment."

It protests that the bill sets up a Government bureau with inquisitorial powers and "provides no adequate recourse to the courts for a person, who with complete sincerity, may believe he is being unjustly treated by the proposed administrative commission."

At the same time, the letter protests the exemptions for religious, charitable, and educational institutions, which he said should seek to set an example rather than obtain exemption from legislation they themselves have advocated. And the lawyers raise the question of the constitutionality of the legislation.

Of course, we all believe that the proposed legislation is unconstitutional. I do not know how it would fare in the Supreme Court as now composed, but there can be no question that the proposed legislation is unconstitutional.

I invite the attention of the Senate and the country to a special report from New York State, which is now operating, or is about to operate, under a temporary FEPC law. The New York law does not go into effect until the 1st of July. A large factory, located in New York and doing work for the war effort, recently suffered a cut-back, and it became necessary to release 75 or 100 women employees. The manager of the factory had working for him Negro women,

Jewish women, and white Christian women. When he was forced, because of the cut-back, to discharge a number of women from his employment, he released all the Christian white women in his employ, keeping the Jewish and Negro women on the job. When he was questioned about that procedure, he said:

Under this fool Fair Employment Act, if I release a Negro woman from my employment, I will be cited and will find myself in the toils of the law and subjected to the penalties of the FEPC legislation, because the Negro woman will at once claim that she was dismissed because of her color. If I dismiss one of the Jewish women, I will likewise be cited for dismissing a Jewish woman because of her religion. Therefore, to be safe I am going to discharge the white Christian women and keep the Negroes and the Jews.

I suggest to the sponsors of this legislation that before they put the final touches on it they make provision to prevent discrimination against the white Christian women of America who are forced to work in factories for a living.

LOAN TO ELLIOTT ROOSEVELT

Mr. BRIDGES. Mr. President, yesterday I was very much shocked to read in the press an account dealing with a loan of $200,000 to one of the sons of the late President Roosevelt, which loan was settled by a repayment of a mere $4,000. The headline states "Counsel for A. & P. Co. confirms disclosure of the deal."

I have read subsequent articles on this subject. I do not wish to take the time of the Senate to go fully into the matter; but when the son of a President of the United States borrows $200,000 and then is allowed to repay it for $4,000 it is a thing which citizens generally cannot pass by with a wink of an eye or the lifting of an eyebrow.

This is an affair that involves a moral issue, an ethical issue, and a question of general integrity; and it also concerns the taxpayers of the country who have to make up from their own pockets in taxes when Mr. John Hartford is allowed to write off such a sum on his income tax as a loss. Did Mr. Hartford try to collect this sum? What reason could there be for settling such a large loan for such a small amount?

I do not know whether it is true. I have read it in the press. I assume there must be something to it. I believe the Senate of the United States or the Congress of the United States as a whole cannot let this incident pass by and close their eyes to acts of this kind without ascertaining the truth. This story has been circulated about Gen. Elliott Roosevelt. If it is not the truth, that should be known, and Mr. Elliott Roosevelt's name should be cleared. If it is the truth, then the facts should be known and action taken.

I do not wish to condemn anyone until I know the facts, and I am very much interested to know the facts. I have talked to many Senators here on the floor today about it, and I know that it is a subject of concern all over the Nation.

I think the proper committee of the Senate—either the Interstate Commerce Committee or the Commerce Committee, or whatever the proper committee may be—any one of the appropriate committees—should properly look into it and should ascertain the truth of the situation. I do not think that this should go unnoticed, and I do not think Elliott Roosevelt's name should be in any way smirched if it is not true. But the truth should be ascertained, and this should be done at once.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield to me?

Mr. BRIDGES. I yield.

Mr. JOHNSTON of South Carolina. In the meanwhile will the Senator also investigate everyone else in the United States who may have lost money?

Mr. BRIDGES. Mr. President, let me say to the Senator from South Carolina that I think I have presented this matter in a very fair way. I have not accused Mr. Elliott Roosevelt of anything. I say reports have been published in the newspapers about this loan and it involves a question of integrity, morals, and ethics, and we should know the truth. If they are true, that is one thing. If they are not, certainly Mr. Roosevelt should be cleared.

Other people in the country have lost money; but, as the Senator knows, if he has read the story about this case, there were peculiar circumstances, about this loan and method of settlement which make it a very unusual and unique case. Far be it from me to try to condemn a person until the truth of the matter and the facts are known. But some sunshine in the dark recesses might be healthy for the Nation.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. GEORGE. Mr. President, I do not know what other Senator expects to speak at this time.

The PRESIDING OFFICER. The Chair will state to the Senator from Georgia that before the Senator from Wyoming [Mr. O'MAHONEY] left the Chamber he asked the Chair how long the discussion would last. The Chair told him the names of the Senators who were expected to speak. The Senator from Wyoming has not yet returned to the Chamber.

Mr. GEORGE. Then Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Downey	Langer
Austin	Ellender	Lucas
Ball	Ferguson	McCarran
Bankhead	Fulbright	McKellar
Barkley	George	Magnuson
Bilbo	Gerry	Mead
Brewster	Green	Millikin
Bridges	Guffey	Mitchell
Briggs	Hart	Moore
Brooks	Hatch	Morse
Buck	Hayden	Murdock
Burton	Hill	Murray
Bushfield	Hoey	Myers
Butler	Johnson, Calif.	O'Daniel
Capper	Johnson, Colo.	O'Mahoney
Chavez	Johnston, S. C.	Overton
Donnell	La Follette	Pepper
Radcliffe	Thomas, Okla.	Wherry
Reed	Thomas, Utah	White
Robertson	Tobey	Wiley
Saltonstall	Tunnell	Wilson
Shipstead	Tydings	Young
Smith	Wagner	
Taft	Walsh	

The PRESIDING OFFICER. Seventy Senators having answered to their names, a quorum is present.

Mr. TAFT. Mr. President, I regret very much that I was not able to hear the senior Senator from Georgia present the case for the minority of the committee yesterday and I regret that I have not had time to prepare as carefully as I should have liked the questions relating to the extension of the reciprocal trade treaties.

I rise to favor the committee amendment. If the committee amendment is adopted and the bill is then enacted containing the amendment, the reciprocal trade program will be continued for another period of 3 years. Treaties made during those 3 years may last for 3 years longer; so that it is possible that what we do now may affect the relations between the United States and other countries for a period of 6 years from this time.

I understand the reasons advanced for permitting the President to make additional cuts of 50 percent in tariff rates, but I do not think the reasons are valid. Personally I thought the Smoot-Hawley rates were too high, but they can now be reduced 50 percent. I do not think there is any evidence that when reduced 50 percent they are adequate to cover the difference between the cost of production here and abroad. I do not think there is any evidence that if they are further reduced to 25 percent they will come anywhere near protecting American industry against lower wage rates and lower costs in other countries. I think the evidence clearly shows that if that power is exercised it will put out of business many industries in the United States. That certainly is the evidence before the House committee and the evidence before the Senate committee. That is why I am opposed to granting authority to bring about an additional 50-percent cut, because it would eliminate American industry.

Those who are frank in favoring the amendment say that some industries ought to be eliminated, that they are not efficient industries and those engaged in them ought to engage in a mass-production industry and make goods which can be exported under present cost conditions.

I think the advocates of the measure are on the horns of a dilemma. They say they want to increase imports in cases where there is American competition, and yet they say that would not in any way injure any American industry that may be concerned. The two cannot be true. If they carry out their idea of increasing imports into the United States, that will necessarily injure the industries which are affected by the changes which may be made.

I have before me a table of the rates which were effective under various tariff laws. Under the Payne-Aldrich law, from 1909 to 1913, tariff rates on dutiable products were approximately 40.8 percent on the average. It must be under-

stood that about 65 percent of all imports come in on the free list, and only 35 percent are dutiable today, and on those the rates in the Payne-Aldrich law were 40.8 percent.

The rates on the average under the Underwood tariff law, from 1914 to 1922, were approximately 27 percent. Under the Fordney-McCumber law they were 38½ percent; under the Smoot-Hawley law, as affected by the Reciprocal Trade Act, they have been reduced on the average to about 31.6 percent in 1944. Therefore, this additional power would authorize a reduction of tariff rates on dutiable imports to approximately 16 percent, which is wholly inadequate to compensate for the difference in wages between this country and other countries. There cannot be any question that a further reduction of 25 percent in the Smoot-Hawley rates would amount practically to free trade so far as most of our industries are concerned. I do not understand the reason for granting such additional power at the present time.

We have not had any real trial of the 31-percent rate under the reciprocal trade treaties. The rate on all dutiable products had only been reduced by 1938 to an average of 39 percent. In other words, we have not had any trial of the 50-percent cut as yet. The State Department and the President approached it very gingerly in the beginning, and then gradually made a few minor reductions. Sometimes they imposed quotas, but the result was that the concessions were made of very little importance so far as the volume of imports was concerned. In 1938 when the war was beginning there was still an average rate of 39 percent on all dutiable imports.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Colorado.

Mr. MILLIKIN. I should like to call attention of the Senator to the fact that the percentage of imports is not necessarily the measure of damages. A single boatload of dairy products from Denmark, for example, can tear the whole domestic milk, butter, and cheese market to pieces.

Mr. TAFT. That is entirely true; any imports offered at a lower price certainly force a reduction in the price to the domestic producer.

The natural thing would be to say "Why not try the 50-percent cut?" We never have tried it. The most important treaty was made with England. It became effective on the 1st of January 1939, which was after Munich, and at a time when all England was engaged in preparing for the war which was certain to come. There was no normal exporting from England. We could not possibly judge what the effect of that treaty would be. One would think the natural thing would be to say, "Why not continue the law as it is for the present, and let us see what this 50-percent cut has really brought about." Is it going to result in the destruction of American industry as so many think it will?

Instead of that, it is proposed to reduce the 50 percent further, before we have even had any experience with the present 50-percent reduction. There is only one argument for it, so far as I am able to learn. I think, as a matter of fact, that proposal from the State Department completely surprised everyone in the Senate, including the distinguished chairman of the Committee on Finance. I do not believe anyone thought that the State Department was going to propose any such thing, because, after all, we do not know what the conditions will be in the postwar world. We do not know how cheaply foreign countries will be able to manufacture. We know they are to an extent destroyed; we know they are going to have a lower standard of living in the next 5 or 10 years, and we know they are going to have to work for anything that is paid to them. It is reasonable to suppose that in the postwar period their production costs in foreign countries are going to be lower, and that the threat to our industry is going to be greater than it was before the war. But we do not know all the facts. In the light of the circumstances, I cannot understand why on earth we should proceed to reduce the tariffs further, reduce them another 50 percent, to 25 percent of the Smoot-Hawley rates, at a time when world conditions are uncertain, and in view of the fact that even before the war we never had any actual experience with the 50-percent cut.

The argument made is, in essence, that the State Department has to have such authority as a bargaining power. That is the argument which was made, as I understand, yesterday by the senior Senator from Georgia; it is the argument which was made by most of the State Department officials. It seems to be the only argument made, when common sense would seem to dictate we should leave the rates where they are until we find out what conditions are going to be like in the postwar period.

The argument is that the State Department have no bargaining power. They have reduced tariff rates pretty close to the 50-percent limit. In the case of England, they have reduced about half the rates all the way, and made some other reductions. They have no bargaining power with England, it is said. The reason they have no bargaining power is perfectly obvious. It is because of the most-favored-nation principle that is contained in this program. It is the poorest bargaining weapon the United States Congress has ever provided for an executive department, because we enter into a bargain with A, and whatever we give to A in return for something A gives, we give for nothing to B, C, D, and E, and when we come to deal with B, C, D, or E, of course we have no bargaining power left. We have already given them all they want for nothing, without any return from them.

Mr. MILLIKIN. Mr. President——

The PRESIDING OFFICER (Mr. MYERS in the chair). Does the Senator from Ohio yield to the Senator from Colorado?

Mr. TAFT. I yield.

Mr. MILLIKIN. I should like to point out to the distinguished Senator that the bargaining-power argument is self-destructive. According to the proponents of the pending measure, we have already exhausted the bargaining powers which have been provided under existing law, and now they have to have another 25-percent bargaining power, which, in the course of time, will exhaust itself, and then there will be no alternative but free trade.

Mr. TAFT. Not only that, but it will be necessary to go a step further, because by the time we let in all imports free of duty, many other countries will still impose many duties, so we will have to subsidize imports from such countries in order to induce them to abandon the duties they still maintain.

Mr. MILLIKIN. So that this is a system whereby in the end we exhaust our bargaining power.

Mr. TAFT. Exactly.

Mr. MILLIKIN. It is not an argument for the system.

Mr. TAFT. Certainly not. It is the poorest argument that could be made. I cannot imagine that any nation in the world has ever had the bargaining power the United States Government has today. Every foreign nation is looking for American dollars, every foreign nation wants American assistance to aid in rehabilitation. We have all the bargaining power any nation could possibly desire.

Mr. MILLIKIN. Will the Senator from Ohio yield again?

Mr. TAFT. I yield.

Mr. MILLIKIN. If the additional 25 percent of bargaining power is advantageous and a good thing for the United States, then if we wiped the system out completely we would have a hundred percent bargaining power, which would be four times as good.

Mr. TAFT. Exactly; I agree with the Senator's figures.

Furthermore, we have not exhausted our bargaining power. All reciprocal trade agreements expire in 3 years. We can say to England, "Well, if you do not do so and so, we are going to raise these rates the next time we make a reciprocal trade agreement."

We have not destroyed our bargaining power simply because the President cannot reduce the rates on American imports any further than he has already reduced them. As a matter of fact, considerable reductions can still be made in a good many schedules, notably, the textile schedule.

We have other bargaining power; but what do we do with it? We had more bargaining power, probably, under lend-lease than we have today. We had bargaining power, and we should have been able to get from every nation in the world almost any concession we might ask for, but we insisted on giving away our property to them without any conditions. We considered that it was a privilege for us to be able under lend-lease to give them goods we produced, and we got nothing for that tremendous weapon of bargaining power. We threw it away.

What is proposed now by the Committee on Banking and Currency? It is proposed that we adopt the Bretton Woods agreement and put $6,000,000,000 into two funds to be loaned to the na-

tions of the world—free, gratis, for nothing—and we get nothing in return.

It is proposed that we give away that bargaining power, and then in order to get a much weaker power in the pending measure, we authorize the President to reduce our tariffs further and destroy industries and deprive workers of jobs. I think the bargaining power argument is the most fallacious and inadequate argument ever advanced for any bill pending on the floor of the Senate.

What is expected that we will get by the use of this bargaining power? I do not think we will get anything very substantial. Yesterday the distinguished chairman of the Committee on Finance read the statement of Mr. Churchill's, in which he said, "Britain will not give up its right to safeguard our balance of payments by whatever means are necessary."

Of course they will not, and they will not give it up because we reduce a few tariff rates. England proposes to safeguard her "balance of payments by whatever means are necessary," and England has not indicated in any way that she is going to give up imperial preferences for the slight gain she can derive from the pending measure. A further 25-percent reduction might mean two or three hundred million dollars a year of British exports to the United States which would not compare with the advantage she obtains from her imperial preferences. We know about the blocked sterling balances. We know England owes all her colonies, especially India, billions of dollars. We know that the only way by which she can possibly pay those debts is by shipping goods into those countries, and insisting that they take British goods and not American goods.

I cited here a few days ago the case of a pump manufacturer who has made pumps for years and sold them in India; he built up a market in India; but now he cannot get a license to import anything into India, because the British, necessarily, since they have to protect themselves, since they have to work out some way of paying their debts to India and to the other colonies, have set up a system of imperial preferences. If anyone thinks the bargaining power contained in the pending measure is going to persuade the English to give up imperial preferences, I believe he is very much mistaken.

Mr. President, this morning I read to the Committee on Banking and Currency the statement of Lord Keynes, to the effect that one thing the British were not going to do was to give up restrictions on exchange for an indefinite period of postwar reconversion until they straightened out all their affairs, because the British know they have to restrict imports into Great Britain, if they wish to survive.

They know very well also that they cannot operate successfully as a nation unless they impose restrictions, and I say the idea that we are going to get rid of those restrictions by some bargaining power granted by this bill is a complete illusion.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MILLIKIN. Let me remind the Senator from Ohio that in the Atlantic Charter Great Britain made a reservation covering the very subject matter which the Senator is now discussing.

Mr. TAFT. Yes; and every indication is, as Lord Keynes states, that Great Britain is going to protect the British and maintain tariffs as they please.

The case of the bicycle industry is typical. It was brought before our committee. In the United States about 2,000,000 bicycles are manufactured, and about 6,000,000 are made in England, of a slightly different type. The British bicycle industry was starting just before the war, and is now continuing, to make an American-sized model. They can export them to the United States, and we have reduced the tariff on bicycles, so that England, with her great productive power, can wipe out the American bicycle industry. There can be no question about that. The figures are available. It can probably be done under the 50-percent rate, and certainly it can be done under the 25-percent rate. What did we get from England? England maintained, as I recall, a 30-percent ad valorem duty on the imported bicycles. So we cannot make the lighter type of bicycles and ship them to England and compete with England. I do not think the present administration has shown in its use of bargaining power any evidence that it is going to use such power with any success whatsoever.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LUCAS. Does the Senator from Ohio claim that up to this time the American bicycle industry has been injured in any way by entering into the trade agreement?

Mr. TAFT. No. We entered into an agreement in 1939. The British did not make our kind of bicycles. They began to tool up for that purpose, but then the war came, and there was no further development of the British bicycle industry. They were not in a position to injure the American bicycle industry until they had begun to make the heavier type of American bicycle after we entered into the trade agreement with Great Britain.

Mr. LUCAS. The only point I wish to make is that the bicycle industry of America has not suffered one iota under the trade agreement with the British Government.

Mr. TAFT. That is perfectly obvious.

Mr. LUCAS. And that is true with respect to every industry in America whose representatives appeared and testified before the Finance Committee. The only thing they fear is what may happen in the future. In other words, it is apparent from what I saw of the witnesses that they have no faith in the present administration carrying out the trade agreements without adversely affecting the particular industries in which they are interested.

Mr. TAFT. No; the position of the industries whose representatives appeared before us was that a tariff rate of 50 percent of the present reduced rate would, if foreign competitors entered our market, put them out of business, because the foreign cost would be so much less. It is quite true, as I pointed out, that there has been almost no reduction; that the reduction before the war was only to about 39 percent ad valorem. Very little reduction took place before 1938, and since then the war has nullified the effect. But there were some outstanding cases. In the case of the zinc industry, over the protest of the Bureau of Mines, the State Department in 1937, as I recall, reduced the tariff on zinc, with the result that the price of zinc fell from $7 to $2 a ton, if I remember correctly. A number of mines closed. Finally the workmen said they would work for a lower wage, but just at that time the war began and the zinc mines resumed operations. They were injured directly by the reciprocal trade agreements.

In the lace industry the imports generally increased and the price steadily decreased. The trade agreement with respect to lace was entered in somewhat earlier—in 1935 if I remember correctly. The imports of lace increased until they represented about 60 percent of domestic consumption instead of 21 percent, and the industry very largely closed down.

I remember in the twenties and the thirties, when the glass and chinaware industry of Ohio was almost completely closed down. That was before the reciprocal trade agreements, because Japanese imports came in over the Smoot-Hawley tariff law. The tariff rate was not sufficiently high to protect the Ohio industry against Japanese competition, and the plants were shut down and men thrown out of work. That is why I am receiving telegram after telegram from the laboring men in the glass and chinaware industries in Ohio begging me not to permit a further reduction in the tariff on glass and chinaware.

The testimony by representatives of the watch industry is that under the trade agreement while the watch industry was engaged in war work of different kinds, the imports of Swiss watches during the war increased from 1,000,000 to 6,000,000. That was a tremendous increase in the importation of watches, a taking over of the American market, and making it very difficult for the American watch manufacturers to recover the market.

The history of the Underwood Act of 1913 is very clear so far as textiles are concerned. American textile mills were very rapidly closing down. Many had closed down in 1913, when the First World War finally came to their relief; but, just so soon as the war was over there was a flood of imports into the United States, and Congress passed, first, the Emergency Tariff Act, and then the Fordney-McCumber Act in order to protect American industry against the great flood of imports which came from an impoverished Europe, where people had to work for very much less wages per hour than the workers in the United States received.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator speaks of watches. Of course, we all know that the American watch industry has never been able to supply the American demand for watches. All the important

watchmakers, including Waltham, Elgin, Hamilton, Howard, and others, whose watches are recognized as being a superior article, have never been able to supply the demand of the American people for watches, and there has, of course, been an importation of watches to supply that demand, largely from Switzerland. The trade agreement on watches became effective February 15, 1936. In 1933 the domestic production of watches and clocks was a little more than $29,000,000, and we imported about 6.7 percent of that amount from abroad.

In 1935, which is the year before the trade agreement was entered into, our domestic production had gone up to $62,500,000 in value, and the imports were 8.8 percent of the domestic production.

In 1937, the year after the treaty went into effect, our domestic production had climbed to $104,446,000, and the importations in that year were 10.3 percent of the domestic production.

In 1939 the domestic production of watches was $89,500,000—a falling off from 1937, probably due in part to the war condition. The war began in Europe in September 1939, but, anyway, domestic production was $89,000,000 plus, and the percentage of importations compared to domestic production was 11.3.

Mr. TAFT. Possibly the decrease was because of the increased importations. That seems to be the obvious reason.

Mr. BARKLEY. No; the importations increased only 11 percent of $89,000,000, which would not be as much as 10 percent of $104,000,000.

Mr. TAFT. And since then the importations have quadrupled, or are six times what they were.

Mr. BARKLEY. That is true because none of our watchmakers are now making watches. Our watchmakers are now making precision instruments for the Navy and the War Department, and all the watches our people are now buying are imported. They have to be because we are not producing any.

Mr. TAFT. As I understood the representatives of the watch industry and the figures they presented it was very clear that in comparing the wages of labor in this country and in Switzerland, even at the present 50-percent rate they could not, because of costs, compete with the Swiss watch, and if the rate were cut in half there is no possibility of American competition, except for watches of a peculiar and special type.

Mr. BARKLEY. American watchmakers have always competed, and the amount of importations, beginning in 1933 and running up to 1939—I think we can even go back of 1933, and prior to the Tariff Act of 1930, which rearranged the classification of watches and watch movements—had not been larger than that which was necessary to supply the deficiency of our own domestic production, because we have never produced a sufficient number of watches to supply our own demand.

Mr. TAFT. One of the reasons for that is that the Swiss have refused to export machinery, and have refused to let their workmen leave and it has been a slow process to build up the watch industry, but it has been built up, and, certainly, today it is perfectly possible to build it up further, expand it, and take care of the domestic demand, if we wish to do so. I do not advocate that. It seems to me the only question is one of degree—whether the tariff rate is to be reduced to such a point as to wipe out the American industry. That is the question actually involved.

Mr. President, there are a good many other industries shown by the evidence to be directly affected. The question of textiles is perhaps one of the most important, and the figures are very clear, indeed, that if the tariff on textiles is cut in half, the English production, particularly with the new automatic machinery which we are supplying to them, under lend-lease I may say, is going to permit them to export to this country textiles to take the place of practically all which are now made here.

The effect of wages is very clear in the textile industry. The textile industry was formerly located in New England. New England lost 75 percent of the textile industry to the South. Why? Because wages were lower. That was the only reason. It was not because southerners were more efficient, or because there was better management in the South. It was simply because wages in the South were lower. If 75 percent of the New England textile industry went to the South because wages were lower, thus destroying the industry in New England, obviously if the English wages, which are only half what they are in the South, operate as a factor, we are going to lose the textile industry in the United States, and it will move to England.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Kentucky?

Mr. TAFT. I yield.

Mr. BARKLEY. We have a trade agreement with Switzerland and France with respect to cotton manufactures. Those two countries compete with us in the European region in the manufacture of textiles. The treaty with Switzerland became effective on February 15, 1936, and that with France became effective on June 15, 1936. The following year, 1937, we produced in the United States $1,228,000,000 worth of cotton textiles, and we imported 2.3 percent of that amount from those countries. Two years later, in 1939, we produced $1,012,000,000 worth of cotton textiles, and imported only 1.8 percent of our domestic production. So the trade agreement with Switzerland and France certainly did not injure the cotton textile industry in the United States.

Mr. TAFT. However, let me say that the cut made was a very slight one. It was a cut from 43 percent ad valorem to 35 percent ad valorem. It was not anything like the 50 percent authorized by the act. As a matter of fact, the policy of the administration did not succeed in increasing imports into the United States to any considerable extent, because the cuts which were made before 1939, before the British treaty, were not cuts of any particular importance.

Mr. BARKLEY. Taking all the nations with which we have these trade agreements, the amount of our exports increased 62 percent, and the amount of imports from those same nations increased 21 percent.

Mr. TAFT. The whole 62 percent was about $100,000,000, if I correctly remember—practically negligible in the national income. The subject was approached very gingerly. But when we came to the British treaty, we really began to make reductions. The result is shown in the fact that the average rate on dutiable products is only 31 percent, whereas it was 39 percent when the war began.

There is a long list of products, including textiles, bicycles, watches, roller bearings, and small metal parts of all kinds.

The chemical industry is a good example of an industry which we built up by tariff protection. It cannot compete with foreign chemical industry. It never was able to compete wtih the German chemical industry. It was greatly handicapped by its inability to proceed as rapidly as the German industry, particularly in the First World War, when it had no tariff protection.

Other products in the same situation are rayon and plastics. Then we come to the group of ores—iron ore, copper ore, lead ore, and zinc ore, which cannot successfully compete with South American ores.

Then we come to the field of agricultural products. The sheep raisers say, "If you want to reduce the tariff on wool, you can put the sheep industry out of business. We can quit." It is perfectly obvious—and the figures which they present are entirely convincing—that they cannot possibly compete with Australian wool. They say, "Perhaps it is all right to put us out of business." Perhaps it is. However, at this stage in the world's economy, when we do not know what the other countries are going to do, and when we do not wish to create unemployment in the United States, I do not believe this is the time to say deliberately, "Here is an industry which we will simply wipe off the books and eliminate from our economy."

We have the same difficulty with cattle, sugar, flax, linseed oil, and corn. There was a time when the Argentine corn came into the United States and clearly reduced the price of corn. In 1944 approximately 8,000,000 bushels of corn were imported from the Argentine into New Orleans and used for the manufacture of molasses. It was cheaper than American corn, and it will always be cheaper than American corn.

Soya beans and all the edible oils are subject to a decrease in production by reason of imports. We have imposed a 3-cent tax on coconut oil, inedible oil, to protect American producers of cottonseed oil and other oils. That can be reduced under this treaty. It was reduced once, and the Senate insisted on restoring it, if I correctly remember, because it felt that that was an interference with this particular industry.

Anyone who listens to the evidence with an open mind will come to the conclusion that if these rates are reduced the result will be to put out of business a considerable number of American industries. I do not know how many. I do

not pretend to say how large a percentage of the total would be involved, but perhaps a third of the industries of the country would be affected, some more seriously and some less seriously.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MILLIKIN. Among the items which the Senator has just mentioned, he has named products which go to the heart of the economy of perhaps a dozen of our western States. When it comes to livestock, hides, wool, minerals, dairy products, and sugar, those are the products on which we live. We are not talking abstractions. All those products can be produced in other countries more cheaply than we can produce them here. When we let them come in, we shall put a dozen States out of business.

Mr. TAFT. I agree with the Senator from Colorado.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator from Ohio has mentioned wool, and the Senator from Colorado has also mentioned wool. Wool has been one the great outstanding "sore thumbs" in the whole tariff structure. It has had its political repercussions. As the Senator from Ohio will recall, schedule 13 in the Payne-Aldrich tariff bill of 1909 affected his great and distinguished father very materially. In the Smoot-Hawley Act the tariff on wool was increased. After that tariff went into effect, domestic wool in the United States brought a price lower than the tariff. We have never produced sufficient wool to supply our own demands. It is in the same catergory as watches. We have never produced as much wool in this country as we use. In an effort to help the wool growers, in 1930 the tariff on wool was considerably increased, and following the enactment of that law, wool brought less to the wool growers of the United States than the tariff on it, which showed that the tariff on wool was a mere fetish. It did not affect the result, because wool certainly ought to bring as much as the tariff on it, if it brought no more.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. AIKEN. In connection with what the Senator from Kentucky has said, as I understand, the world price of wool today, plus our tariff which has not been reduced under trade agreements, amounts to less than the support price which we guarantee for domestic wool. For that reason, wool buyers find it cheaper to pay the world price for wool plus the full amount of the tariff than to buy domestic wool. I admit that there is a serious situation with respect to wool which will have to be straightened out.

Mr. TAFT. Am I to understand that the Senator from Vermont favors the elimination of the wool industry?

Mr. AIKEN. The wool industry has been going down for years.

Mr. TAFT. I am only asking whether the Senator thinks it should be eliminated. I do not know. All I am saying is that it would be eliminated if the tariff were cut in half.

Mr. AIKEN. Oh, no, Mr. President; I am not in favor of eliminating it. But the fact is that under the trade agreements in the last 10 years there has been no important reduction in the duty on wool. The wool industry is receiving the full protection of the tariff. But we must support the price for wool, because the tariff plus the world price is still less than the support price.

Mr. TAFT. Mr. President, the argument advanced by the Senator from Vermont is similar to that advanced by Mr. O'Neal. I asked him, "If the tariff on butter is reduced from 14 to 7 cents, what will happen to the butter industry?"

He said, "I can only answer that question in one way: It will not be reduced to 7 cents."

Mr. BARKLEY. Mr. President, will the Senator from Ohio yield in order to permit me to make a possible correction?

Mr. TAFT. I yield.

Mr. BARKLEY. A moment ago when I referred to the Payne-Aldrich tariff bill, I intended to say it was passed in 1909. One of my colleagues suggests I may have said 1939. Of course, I meant to say 1909. Two or three tariff bills were passed subsequent to 1909.

Mr. TAFT. Yes, Mr. President, I am sure the Senator from Kentucky knows the difference, because he was here in 1939.

Mr. President, we are asked to give to the President of the United States the power to destroy one or many American industries, on the promise that the power will not be used to do that. Then, how will the President increase imports? The purpose of giving the power to the President is to increase imports into the United States of dutiable products, and all dutiable products compete with American-made products. So, if the President of the United States is not going to use the power, how will be obtain increased imports? If the President will not use the power and will not in that way increase imports, I say there is no use in passing the bill. This bargaining weapon, this club, will be of no use if it is not used. If we are not willing to have it used or if the President does not use it, it will be of no use as a bargaining power.

So we must assume that the President will use it to the full extent to which he will be able to use it, if imports into the United States are going to be increased. In the case of wool, if the President reduces the tariff he will increase the imports of wool into the United States and that will absorb the whole wool market. If the President decreases the tariff on butter, the result will be that vast amounts of Danish and other foreign butter will be imported, and that will force down the price of butter 7 cents a pound.

Mr. LUCAS and Mr. BUSHFIELD addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield; and if so, to whom?

Mr. TAFT. I yield first to the Senator from Illinois.

Mr. LUCAS. Mr. President, the Senator from Ohio is using the same argument that so many of the witnesses have used. What they fear is fear itself, so far as this matter is concerned.

The truth is that up to now the President of the United States under the Reciprocal Trade Agreements Act has had wide latitude in bargaining power, which the Senator from Ohio has consistently fought. Yet, the butter industry, which the Senator from Ohio is telling America will be destroyed if the tariff on it is reduced 50 percent, has not been touched up to now. The only branch of the dairy industry which has been touched is the Cheddar cheese branch, and during the year when imports came in, they amounted to only 1.2 percent of the total production in this country; yet, during that same year, the Cheddar cheese industry sold to the domestic consumers more cheese than ever before in its history.

Mr. TAFT. Mr. President, I understand from the Senator from Maine that if all the power granted were used, the results would be to increase the dutiable products imported into the United States by less than $1,000,000,000. If very little of it were used, the result would be to increase imports into the United States by only several hundred million dollars.

Mr. LUCAS. Mr. President, will the Senator from Ohio yield again to me?

Mr. TAFT. I yield.

Mr. LUCAS. If that is all there is to it, then how can the Senator contend that many industries will be completely put out of business? If the figures of the Senator from Maine are correct, and if it will increase imports only several hundred million dollars, how can the Senator from Ohio tell the country that the industries to which he has referred will be put out of business?

Mr. TAFT. Perhaps the Senator misunderstood me. I said it would be less than $1,000,000,000—in short, approximately $900,000,000. I say that if there is an increase in the amount of $900,000,000 of the imports of selected products on which there is now a duty, the result will be to put out of business a very large number of American industries.

I think the total wool production of the United States is not very large; I would suppose it is between $50,000,000 and $100,000,000 a year. I am merely guessing about that.

Mr. AIKEN. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. AIKEN. The latest figures which I have show that for 1940 the wool production was 449,800,000 pounds, and our imports were 223,000,000 pounds during that year. So in 1940 we used more than the total amount of our production plus the imports of 223,000,000 pounds.

Mr. TAFT. Then I am correct; by $100,000,000 of the $900,000,000 approximately the whole wool industry can be put out of business.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. O'MAHONEY. I understand that the Senator has been talking about the question of power.

Mr. TAFT. Yes.

Mr. O'MAHONEY. Of course, it is not to be claimed at all that if the full authority were exercised, all our industries would be destroyed; but particular industries might be destroyed. We are dealing here with the fundamental question of power. It occurs to me, if the Senator will permit me to proceed for a moment, that perhaps I should refer to a speech which I was reading. At the moment when the Senator from Ohio was interrupted, I happened to be reading from a speech which was made on the floor of the Senate in August 1932 by a distinguished Democratic Senator, one of the outstanding constitutional lawyers of our time, Senator Thomas A. Walsh of Montana. I think his words might be of particular interest to the Democratic Senators who now are present.

Senator Walsh of Montana said, on August 10, 1922—and I am reading from page 11180 of volume 62, part 2, of the CONGRESSIONAL RECORD:

> Whatever doubt may be entertained by anyone concerning the constitutionality of the amendments under consideration, no doubt ought to exist in the mind of anyone, in my judgment, as to their unwisdom. Their stoutest defenders will probably disclaim any attachment whatever to the principle they represent as a feature of a permanent tariff policy; indeed, they hasten to convey the assurance that, were it not for the chaotic business conditions which prevail throughout the world and the instability of foreign exchange, they could not be induced to embrace it or even to tolerate it. Some apology, Mr. President, is certainly in order for such an astounding delegation of the functions of Congress to the Executive, vesting him with an authority no constitutional monarch may exercise, in character quite like that for the assumption of which kings have been brought to the block.
>
> No emergency, however grave, can justify the surrender into the hands of the President of the taxing power entrusted by the people to their representatives in Congress, no matter how profound may be his statesmanship or how exalted may be the character of the man who for a brief period may be elevated to that high office. If this encroachment upon the liberties of the people is either sanctioned or condoned, there is no man wise enough nor prescient enough to foresee the ultimate consequences.

There, Mr. President, in a few paragraphs a distinguished Democratic Senator, Senator Thomas J. Walsh, predicted precisely what is happening here today.

I remember very well, when first I appeared before the Finance Committee of the Senate, years ago, to protest against this conveyance away from Congress of its power, making the statement that if a grant of power to change the rates 50 percent were found not to be sufficient to accomplish the purposes which the Executive might have had in mind, then we might confidently look forward to the time when request would be made to increase the area within which the change could be made. Sure enough, when the Reciprocal Trade Agreement Extension Act was sent to Congress this time, it contained a provision extending the area within which the reductions could be made, so that the formula would be 50 percent of whatever rate might be in existence. So if a trade agreement with Great Britain 3 or 4 or 5 years ago reduced the tariffs 50 percent, they could be reduced another 50 percent. Logic clearly points out that when we start surrendering power, there is no end to it. It may proceed step by step, and gradually the whole basis of congressional functioning is swept away by the granting of power to the Executive.

Mr. BARKLEY. Mr. President, will the Senator from Ohio yield to me in order that I may propound a question to the Senator from Wyoming?

Mr. TAFT. I yield.

Mr. BARKLEY. In the speech of Senator Walsh, from which the Senator from Wyoming has quoted, the Senator was evidently talking about the amendment which had been offered to the Tariff Act of 1922.

Mr. O'MAHONEY. Yes.

Mr. BARKLEY. Will the Senator advise us what was the amendment which was being discussed?

Mr. O'MAHONEY. I have not gone that far back into the RECORD. I was only reading from Senator Walsh's speech.

Mr. BARKLEY. The speech is supposed to be pertinent to an amendment which was offered.

Mr. O'MAHONEY. Yes; but I merely called for the RECORD from the Library. The speech had to do with the delegation of power which was contained in the Fordney-McCumber bill. I have not read entirely the exact text.

Mr. BARKLEY. The amendment evidently was one which had been offered by the administration then in power, which sought to do something along the line of that which has been followed since, and the Senator from Montana opposed it. If I assume correctly, the argument was against the wisdom of the amendment and not against the power to be granted.

Mr. O'MAHONEY. I will read that part of Senator Walsh's speech also. He made an unanswerable argument against the delegation of power.

Mr. LUCAS. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. LUCAS. The Senator from Wyoming has stated that Senator Walsh made an unanswerable argument against the delegation of power.

Mr. O'MAHONEY. Yes.

Mr. LUCAS. Is the Senator referring to an address which was made by the distinguished former Senator from Montana, Mr. Walsh, on the subject of the tariff?

Mr. O'MAHONEY. Yes. I think the discussion pertained to the Fordney-McCumber bill.

Mr. LUCAS. As the Senator knows, Chief Justice Taft later upheld the constitutionality of the flexible tariff provisions in the Hampton case.

Mr. O'MAHONEY. Oh, yes; that is correct. The decision in the Hampton case was rendered on the specific point that in the law which was under construction at that time the standards were clearly established, that there was a specific rate to be fixed. I do not think it was the Fordney-McCumber law which was construed in the Hampton decision.

Mr. LUCAS. As I recall, Chief Justice Taft's opinion answered Senator WALSH'S argument.

Mr. TAFT. Mr. President, I should like to correct the RECORD in two respects regarding wool. In the first place, it is not true that the tariff on wool was not reduced. It was reduced by the agreements with Argentina and Uruguay in 1941 and 1943 to substantially 60 percent of the former tariff. The reduction was made and the administration saw fit to use its power to reduce agricultural products. In the second place, the entire annual production of wool in the United States is approximately $140,000,000. If we consider the entire picture, the production of wool is one of the industries which would suffer severely, and face entire elimination.

Mr. AIKEN. The Senator stated the tariff on wool was reduced in 1941 and 1943. Did that reduction apply to any particular amount?

Mr. TAFT. The tariff was reduced substantially as to different grades.

Mr. AIKEN. Does the Senator know whether there was any limitation incorporated in the agreements?

Mr. TAFT. I do not know. Nothing with respect to that point is noted in the book.

Mr. President, I wish to say a few words about the importance of foreign trade, because I think that foreign trade as a producer of prosperity is grossly exaggerated in its importance. Our exports in foreign trade since the First World War at no time amounted to more than approximately 7 percent of our national income. They reached as much as 7 percent in the period 1925 to 1929, when we had one of the highest tariffs we ever had. During the period from 1925 to 1929 our imports and exports were greater than they have ever been since.

Not only that, Mr. President, but of the $4,000,000,000 worth of annual imports, approximately two and one-half billion dollars worth came in on the free list. In other words, they were not affected by any tariff reduction. They are not to be affected by the pending bill. The importation of all articles which we wish to buy, and which we cannot make here in the United States, such as coffee, chocolate, and tropical products of all kinds amounts annually to approximately two and one-half billion dollars of the total $4,000,000,000. Only one and one-half billion dollars represent the value of goods which came in over the tariff wall.

From the Tariff Commission reports which the Senator from Maine will present when he speaks, the total possible addition to those imports is approximately $1,000,000,000. Over the highest tariff wall which we ever had we obtained one and one-half billion dollars worth of dutiable products. One billion more of imports may be involved. The portion of our total production which we are considering, therefore, in a country with $125,000,000,000 of national income today, is less than 1 percent of our total income. Whether it increases or decreases in the future, it will have a substantially small effect on the actual prosperity of the country.

As a matter of fact, Mr. President, the cart is being placed before the horse. The prosperity of this country creates imports and exports. It creates imports by which exports may be paid for. The evidence of that fact is perfectly plain as shown by the table to which I referred. The table shows the exports and imports of United States merchandise from 1924 to 1943. I ask unanimous consent that the table be printed at this point in the RECORD as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Foreign trade of the United States, 1924–43

[In millions of dollars]

Year	Exports of United States merchandise	General imports
1924	4,498	3,610
1925	4,819	4,227
1926	4,712	4,431
1927	4,759	4,185
1928	5,030	4,091
1929	5,157	4,399
1930	3,781	3,061
1931	2,378	2,091
1932	1,576	1,323
1933	1,647	1,449
1934	2,100	1,655
1935	2,243	2,047
1936	2,419	2,423
1937	3,299	3,084
1938	3,057	1,960
1939	3,123	2,318
1940	3,934	2,625
1941	5,020	3,345
1942	7,960	2,743
1943	12,592	3,361

Source: Statistical Abstracts of the United States, 1943, p. 509.

Mr. TAFT. In substance, the table shows that during the years 1924 to 1928 exports were approaching $5,000,000,000. Imports averaged approximately $4,000,000,000. In 1926 they reached $4,400,000,000. In 1929 the exports were $5,167,000,000 and the imports were $4,399,000,000. After that, and coincident with a general collapse in all the world trade and all domestic business, they decreased in 1932 to only a billion and a half dollars' worth of exports and $1,300,000,000 worth of imports. Then they gradually improved up to 1939, which may be said to be the last prewar year, when the exports reached a value of $3,123,000,000 and the imports reached a value of $2,318,000,000. As a matter of fact, trade treaties were not extensively used prior to the war. What will be the full effect of what has been done since 1938 and 1939 no one can tell until later. That is one reason why I think we should ascertain what the present 50-percent reduction will bring about before we grant more power.

Mr. President, what I have been saying shows that the way to increase imports is to increase prosperity in this country. If we can build up prosperity, we will have the necessary imports to pay for all the exports we can possibly furnish. Imports will probably be increased. An increase of duty-free imports is far more important than the import of dutiable imports. Incidentally, it does us no harm. If we double the importation of dutiable goods, it will threaten the very existence of a number of American industries and will threaten to throw people out of work. If the policy proves workable, the most we can hope for is an increase of approximately 1 percent in the national income of the United States. I assert that the entire picture of foreign trade and its possibility of expansion by reducing tariffs is grossly exaggerated, and that it is not something for which we should sacrifice any considerable part of the American economy.

The argument presented here is, very briefly, that we must import more goods. We must take down our tariff barriers and import more goods in order to export more goods. I venture to suggest that there is another bottleneck in connection with our power to export. I refer to the ability of other nations to buy our exports, and our ability to compete with other nations in our exports. We have built up in this country, whether rightly or wrongly, a higher price level and a higher wage level than there has been built in any other nation of the world. It is sometimes said that is due to greater efficiency. I suppose that in part at least the wage level is due to greater efficiency; but it is a little hard to say how any part of a price level on farm products can be due to greater efficiency. It may have an indirect result, but I think all the evidence shows that there is something else besides efficiency. Whether rightly or wrongly, we have deliberately protected our wage levels and our price levels. We have permitted the unions to push constantly for higher wages even though they might be uneconomic, if the industry involved had to compete with world industry. We have boosted farm prices, deliberately in some cases; and the result has been that we have created a wage and price level which is above that of the other nations of the world. I think it is not merely a question of a higher standard of living. We have a higher standard of living, which, to an extent, is the product of greater efficiency; so that we can stand the competition of the rest of the world; but entirely apart from that, we have gone on and built up a higher price level and wage level entirely apart from any question of efficiency.

It is a little difficult to make a comparison of prices. Taking sugar; sugar in Java, for instance, sells at 2 cents a pound, whereas it sells in the United States at 4¼ cents a pound. In July 1939 wheat was selling in the United States at 80 cents a bushel, while Canadian wheat was selling for 52 cents a bushel. If we take all the tariff off wheat there will obviously be a leveling of prices. It may be that our wheat is artificially priced, and I agree; it may be that if we could reduce our price level and our wage level by 20 percent, and put them more in line with world levels, we could have just as high a standard of living and be just as well off; but let anyone try to reduce the wage levels in the United States 20 percent. Let anyone try to reduce farm prices 20 percent overnight by Government fiat. It is something that cannot be done; it is not a matter that is feasible; it is a condition and not a theory. We have a higher price level and we have a higher wage level. It is very clear for instance that the workmen in the textile mills in this country are much more efficient than the English workmen, but it is not true that they are twice as efficient, although they get twice as much money as the English textile workers. I cannot understand how today, in view of the wages paid in other countries, we can hope to build up any great volume of export trade.

England is absolutely dependent on exporting 50 percent more goods than she exported before the war. England must do it. She is going to make the goods she produces at a cheaper price in competition with us, even if she has to reduce the English standard of living in order to do so. England cannot help it; she will have to do it.

Certainly, it is going to be easy for a couple of years, because industries in other countries have not started, but once they start we are not going to be able to compete with them in foreign trade, except in the case of a very limited number of products which we have some very special ability to produce. Is it true that we shall always be ahead in mass-production industries? What is to prevent Henry Ford from starting a factory in England and a factory in Russia and making automobiles in Russia for the Russians and in England for the English? Why should he not? Everybody knows now what machinery is necessary. We have the know-how; but the people of other countries can come here and acquire the know-how, construct their own factories, and build up their own mass-production enterprises. The original argument for free trade was that a particular country had a particular know-how, and that the people of no other country could acquire it in order to make a given article, that they had skilled workmen who could make it. That argument, however, is no longer tenable, because, with communications and knowledge and information what they are today, mass production can be transferred from one country to another. Let us not forget the policy deliberately indicated in the Colmer report, that we ought to export $3,000,000,000 of capital every year for the next 10 years. That is a part of the same theory of expanding foreign trade. So far as I can see, there is nothing to prevent the building up in many other nations the same mass-production industries which we think are our exclusive property and in which we think we are going to be particularly efficient. Is the Japanese workman any less efficient than the American? Is the European unable to learn to operate a machine?

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I merely want to venture a suggestion that there is a very good reason why Henry Ford will not establish a factory in Russia. I think the reason is obvious, is it not?

Mr. TAFT. The Russians can build a factory and then ask Henry Ford to operate it or ask him to send his experts. That has happened over and over again. We have built under lease-lend a half a

dozen oil-refining plants in various places, and now we are being asked to send over experts to teach them how to operate the oil plants, and we are going to send them under lend-lease. That is the understanding.

Mr. FULBRIGHT. Henry Ford would not operate because Russia would not permit a private enterprise, would it?

Mr. TAFT. Russia gives concessions; she is not entirely wedded to socialism. Russia insists on state ownership, but would be perfectly willing to have American engineers operate a plant.

Mr. FULBRIGHT. There is another question I should like to ask concerning a matter about which I am not clear. The Senator from Ohio says that foreign trade is not so important. Does the Senator think it is fair to measure its importance solely in dollars and the amount of commodities exported? What I have in mind is the case of cotton. We will say that, roughly, 50 percent is exported, and in the past it has made all the difference in the world whether operations could be continued in the South. Is it not true that if cotton producers are prosperous, their prosperity generates an enormous amount of internal trade which really can be traced to the external trade?

Mr. TAFT. I think the Senator misunderstood me. I may have said what he has indicated, but I did not mean to say foreign trade is not important. What I intended to say was that the tariff bill we have been debating does not mean an important increase in foreign trade, because two-thirds of our foreign trade consists of duty-free products, and that trade will increase, anyway. With an income of $125,000,000,000 a year, we are bound to import somewhere between three and five billion dollars of nondutiable imports. Payment for those imports provides the dollars to foreign countries to enable them to buy our cotton. In other words, regardless of the tariff, regardless of whether we abolish it, regardless of whether we raise it, plenty of necessary imports will continue to come in and create the necessary dollars to enable foreign countries to pay for the things we have to export. The trouble is that when we increase the number of dollars in foreign pockets, we find that they all go to buy manufactured products in the United States and not go to buy cotton, unless we subsidize cotton.

Mr. FULBRIGHT. If it is not so important, I do not see why the Senator should be so vigorous in his opposition, if we happen to think it is important. Why does the Senator care, if it is not important?

Mr. TAFT. I think it is important whether we destroy a number of American industries. The total number of products which would be affected perhaps would not be overwhelmingly great, probably not over a third, and the other two-thirds at the present time are rather safe. I question whether they will be in the future, but they are today. But that is not so large a volume. Increased trade will not have much effect on prosperity, but a good many thousand people would be deprived of work, and I do not think we ought to deprive them of work at the present time, as would happen if a certain number of industries were abolished.

Mr. FULBRIGHT. Can the Senator point to any industry of importance that has been put out of business or seriously damaged during the past 10 years of the operation of the trade-agreements program?

Mr. TAFT. I think I have answered that before. I gave a list of some six which had been seriously injured. I pointed out that there was very little reduction, that as a matter of fact the big reduction in treaties was made from the first of January 1939, in the British treaty, and in treaties since that date, which have not been tried; that in 1938, the last year before the treaty with Great Britain was made, the duties on dutiable imports were still 39 percent higher than the Fordney-McCumber tariff rates, and that they are now only 31 percent, according to the rates which have been put into effect. We never had a trial under those circumstances.

I think the Smoot-Hawley tariff rates were too high. I think they could stand a very reasonable reduction. I think the people who represented that they could not operate without those rates exaggerated, probably. But there was the principle, and I do not think it would be possible to protect those industries and prevent their destruction if the rates were reduced to 25 percent of the Smoot-Hawley tariffs.

Mr. FULBRIGHT. One further question. In reference to cotton, which, as the Senator knows, is the principal crop in my State, and throughout the South, if we were not able to export cotton, it is very likely, as I think all agricultural experts agree, that our States would go into the production of beef and dairy products. The opposition of the Senators from the Western States, where much of our beef has traditionally been produced, might be considered in that light, that the competition which would be generated as the result of cutting off our export markets for cotton would hurt them quite as much as importing a little beef from Canada or Argentina.

Mr. TAFT. The Senator means that if they went into the cattle business they would give up the production of cotton and there would not be the export of 50 percent of the product raised in those States, as at present?

Mr. FULBRIGHT. It is very likely, and my own opinion is that it is most likely that we would produce beef and dairy products, which we can produce, I think, effectively in competition with many of the Western States. As the Senator knows, the cotton industry is more or less traditional, and its roots go back many years.

Mr. TAFT. I venture to think that if the Senator's State built up a cattle industry, it would not be very serious competition, that the consumption of beef would increase, and that there would not be any great effect, because of the increase in prosperity brought about by that.

Mr. FULBRIGHT. If that be true, I do not see why imports of beef from other countries could not be absorbed in the same way.

Mr. TAFT. Largely because of the fact that they come in at a lower price. The difficulty we have gotten ourselves into is that with us cotton is selling at 22 cents, while it is selling in Brazil at 16 cents. How can we hope to export cotton unless we subsidize it? We have gotten into such a condition that our price level is higher than the price levels of the rest of the world, and if we let beef in without any tariff—I do not think the tariff keeps it out, but it is kept out by the foot and mouth disease regulation—if we let it in, it simply means we will lower the price of our beef to the point where our beef producers will not be able to produce any beef, and they will have to go out of business.

Mr. BREWSTER. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BREWSTER. I think the Senator from Arkansas did not speak quite loudly enough for the senior Senator from Wyoming [Mr. O'MAHONEY] to hear him, and it was to that Senator, I assume, he was addressing his remarks. The Senator from Wyoming was a little preoccupied at the time.

Mr. FULBRIGHT. No; the Senator from Wyoming bases his argument purely on the constitutional ground; I understand he has no interest whatever in beef.

Mr. BREWSTER. I think he was the only one who came under the definition of western Senator opposing this measure who was immediately available. However, I think the Senator from Arkansas should bear in mind that it is the accepted and announced policy of this administration, and of Mr. Clayton, who is administering our foreign economic affairs, that the export of cotton is to be ended. He made that entirely clear before the committee which discussed his nomination, and he announced that, so far as he was concerned, and so far as he had anything to do with the matter, cotton would not be an export commodity hereafter, because the American people would not continue to pay the subsidy. As the Senator from Ohio pointed out, that is essential in order for them to engage in world commerce.

Mr. FULBRIGHT. Will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. FULBRIGHT. To so engage on the present prices, but I think the leading cotton people believe that, through mechanization, they are going to be able materially to reduce the cost of the production of cotton. It is the general view in my State that they expect to be able to do that.

Mr. BREWSTER. Would not the Senator accept the views of Mr. Clayton as one who is at least somewhat familiar with the cotton industry, in view of his considerable activity in it not only here but in Brazil, so that he presumably knows something about the cost of production?

Mr. FULBRIGHT. Does the Senator mean that Mr. Clayton made the statement considering increased efficiency of production, that would happen under present conditions?

Mr. BREWSTER. He said it would be impossible for the United States, under

any development he could contemplate, and his knowledge of it, to be permanent participants in the world cotton market, and he anticipated also that the smaller cotton growers of the old South in any event would be eliminated.

Mr. GEORGE. Mr. President, may I ask when Mr. Clayton made any such statement?

Mr. BREWSTER. Before the committee which was hearing the question of his nomination, the Committee on Foreign Relations, when he was interrogated very carefully by the Senator from Alabama [Mr. BANKHEAD] on this very statement of policy, with which the Senator from Alabama sharply disagreed.

Mr. GEORGE. I am sure he never made any such statement before the Committee on Finance.

Mr. BREWSTER. This was before the Committee on Foreign Relations.

Mr. GEORGE. I am sure he holds exactly the contrary view.

Mr. BREWSTER. The statement was made, as I have said, before the Committee on Foreign Relations.

Mr. GEORGE. I think the Senator misunderstood Mr. Clayton, and I know he would not want to misrepresent him.

Mr. BREWSTER. Certainly, I would not, and I shall check the record, and correct it if I am in error.

Mr. YOUNG. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. YOUNG. Under our agricultural program, over a period of years the farmer was limited in the amount of wheat he could plant, and that was also true in the case of sugar beets, until last year. Any importation whatever of any agricultural product may put the American farmer out of business, or some farm worker out of a job, or deprive some returning soldier of a chance to go into the farming business and make some money I cannot for the life of me see how the tariffs on some agricultural products can be reduced without putting somebody out of business.

During 1944, in the State of North Dakota, we produced more than 360,000,000 bushels of grain and potatoes, 2,000,000 head of cattle, and a million hogs, and if we had lower tariff rates, and the producers of those commodities were out of business, we would not have them to count on now during this food crisis.

Mr. TUNNELL. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. TUNNELL. I merely wanted to say, with reference to the interrogation of Mr. Clayton, that Mr. Clayton was very positive in his statement that the American people would have to reduce the cost of production so as to compete with the rest of the world. I was on the committee and heard his testimony; I think all his testimony, but that was his position; that we could not permanently continue to subsidize and compete with the world.

Mr. TAFT. Mr. President, I hope very much that the cost of production of cotton in the United States can be reduced, but I venture to point out that in the other cotton-producing areas of the world people have just begun to grow cotton, and have the most modern methods, and just as fast as we invent a new cotton picker they will have the new cotton picker, and their labor will still be paid one-half to one-tenth what labor is paid in the South of the United States, under the wage-and-hour law and other laws.

Mr. AIKEN. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield to the Senator from Vermont.

Mr. AIKEN. How will refusal to extend the Trade Agreements Act prevent Brazilian cotton from taking away our market in Europe?

Mr. TAFT. It will not. At the moment the only solution of the cotton problem is to subsidize the export of cotton on the ground that it is a social problem which has to be taken care of. I do not know of any other immediate solution.

I merely wish to point out, however, that if we should put up the tariff wall 100 percent on the one-third of imports which are dutiable, the other two-thirds would provide enough in the way of imports, with reasonable prosperity in this country, perhaps three or four billion dollars worth, to provide dollars to buy all our cotton exports.

The trouble is that the cotton exporters are competing with the automobile exporters and every other business concern in the United States that is making a product which perhaps may be exported.

A plan has been proposed by the Senator from Mississippi [Mr. EASTLAND] to require that when imports came in, the dollars received therefor shall be used only to export agricultural products. It may be that something of that sort can be worked out, though it is a pretty difficult thing to do.

The price level of farm products and of other products in this country is considerably higher than the world level. In January 1939 the price of wheat was 81 cents in this country and 52 cents in Canada; the price of oats was 31 cents here and 25 cents in Canada; the price of barley was 51 cents here and 35 cents in Canada; the price of apparel wool was 64 cents here and 41 cents in Canada; the price of cotton yarns here was 21.21 cents, one type, another type 26 cents in New York and 19 cents in Manchester, another one 31 cents in the United States and 20 cents in England. On another product the price was 31 cents in the United States and 20 cents in England. On still another it was 45 cents in the United States and 35 cents in England. On wool tops it was 90 cents here and 49 cents in England. On worsted yarn it was $1.30 here and 70 cents in England. On sodium sulphate it was $21 a ton here, $15 a ton in Canada, and $16 a ton in the United Kingdom.

The point I make is that we have established a higher price level, and if we remove entirely or cut the tariff on all farm products in half, we will force down the price level here. There is no question about that. That cut is either going to come out of the taxpayer's pocket or out of the pockets of the farmer, one or the other. I do not know which.

It is said that the trade-treaty system is necessary for private enterprise in the world. That is what Mr. Lippmann said. I do not see any potency in such a contention. Whether England has restrictions or does not have restrictions, there will still be private traders in England. That is the system the English believe in. But if we create a condition whereby we knock down the price level of all agricultural products, then without any question we are going to have the Government step into the agricultural field again, and we will have regimentation of agricultural production, and large subsidies will be paid out of the pockets of the taxpayers, which is a more direct attack on the private enterprise system, I think, than anything else that can be done.

Incidentally, why are all the Communists and left-wing adherents in favor of this proposal? Because they want to force people into the mass-employment industries. That is where the CIO, with its PAC, is strong. They want to get rid of the craft unions and build up their industries and make this a country of mass-production industries. That is the reason they are for this plan. They are for it because they know that if it results in creating a great deal of employment in the other fields, it is going to make for trouble in this country and make for demands that the Government step in and spend large amounts of money and build up and regiment our economy. That is why all the left-wingers are for the proposal. That is why the Communists are issuing pamphlets in favor of it. That is why the PAC every moment of the day is sending telegrams favoring it.

Do Senators think that kind of economy is what we should have in the United States? Is it not a good deal better to have thousands of small industries? Is it not better to have an economic set-up which contains all types of industry, in which all types are represented, and in which every craft in this country may be developed? Perhaps we cannot take care of everything, but when war comes, then under such a plan we can build up a strong industry. I do not think it is desirable for this country to turn entirely to the mass-production industries.

Mr. President, it is not a question of efficiency that is involved. Our textile workers are as efficient as any in the world. Our workers are just as efficient as the British workers. But the reason is that the standard of living is lower in other countries than in this country. Their cost of cotton is lower; their cost of wool is lower. If we were to take off all tariffs, it would mean that other countries with less efficient industry could step in, perhaps, and eliminate more efficient industries in the United States of America.

Mr. ROBERTSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. FULBRIGHT in the chair). Does the Senator from Ohio yield to the Senator from Wyoming?

Mr. TAFT. I yield.

Mr. ROBERTSON. I received a letter this morning from which I should like to read one paragraph. The letter is from Mr. Howard D. Salins, managing

director of Flax and Fiber. The address of this concern is 6423 North Newgard Avenue, Chicago 26, Ill. I read:

For your information and in the interests of American farmers and the country as a whole we are passing on to you the report gathered by our radio monitor yesterday (Sunday) night, that the United States Department of State has entered into another trade agreement with the Argentine whereby the United States of America will ship her 500,000,000 gallons of precious gasoline in return from her of flaxseed.

If that be true, Mr. President, and I have only this letter to vouch for it, it seems to me a strong argument in favor of the position taken by my distinguished colleague [Mr. O'MAHONEY] that all trade treaties should be subject to Senatorial approval. If we are going to drain our present resources, which once taken from the earth can never be replaced, for agricultural products which can be grown year after year, I think most definitely such arrangements should be subject to senatorial action.

Mr. TAFT. I thank the Senator.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BREWSTER. I should like to clear up the matter of Mr. Clayton's testimony. I have before me a copy of the hearings. From a reading of them it seems to me he very clearly indicated that he proposed the elimination of the southern cotton growers from the world market because of the impossibility of their competing. I can read portions of his testimony which seem to me clearly to bear this out. On page 59 of the hearings before the Committee on Foreign Relations of the United States Senate, when there was being discussed the question of increased production in South America, the Senator from Alabama [Mr. BANKHEAD] asked Mr. Clayton regarding his position as to the cotton growers in the South. Mr. Clayton said:

I think that with Government help he ought to be put in a position where he can operate without Government help; yes, sir; that is what I believe.

Senator BANKHEAD. But you want that Government help to continue over a long period of years?

Mr. CLAYTON. I think it would probably take from 5 to 10 years to reconvert the cotton industry.

Senator BANKHEAD. And you believe in one world price for cotton?

Mr. CLAYTON. Yes, sir; I do.

Senator BANKHEAD. You believe the American southerner should be required to sell his cotton at the some price that the cheap Indian worker and the Egyptian worker get for their products?

Mr. CLAYTON. No, sir; I do not think that he should be required to do it.

Senator BANKHEAD. Well, not required; but if he did not have a market otherwise he would be required, would he not?

Mr. CLAYTON. Yes, that is right.

Senator BANKHEAD. So, in effect, that is what it means?

Mr. CLAYTON. In effect it means this, Senator BANKHEAD—that if in time the production of cotton cannot shift to more efficient lands, more efficient means of production, so as to meet this competition, then the Government has got to help the cotton farmer get out of that business and get into something else.

Mr. Clayton's testimony continues on the next page. I shall read only the pertinent part:

Senator BANKHEAD. Well, you know, there is a difference of about seven or eight cents in the world price of cotton and the American price of cotton?

Mr. CLAYTON. Yes.

Then Mr. Clayton takes up Secretary Wickard's plan. This is Mr. Clayton speaking:

If the plan of Secretary Wickard, that I and that others advocate, is not adopted, then you are going to continue with the present plan presumably, which is to produce twelve, thirteen, or fourteen million bales of cotton a year, which you cannot sell. Now, I do not know how long the United States Government can go along with that kind of thing.

Mr. Clayton proceeded to make it perfectly clear that he did not believe the subsidy program should continue. He did indicate, as I think the Senator from Georgia indicated, that it might be possible for areas in the West to compete with the world price, but he did not believe it was possible in what we characterize as the Old South. It was from that statement that I gained my impression that he expected to reconvert what we call the southern cotton growers into growers of some other products, and that they could not possibly hope to continue an economy under which they were exporting cotton in the world markets.

Mr. TAFT. Mr. President, I desire to make one thing perfectly clear. I do not want to decry the importance of foreign trade. What I wish to point out is that all this cry about how we are going to increase trade by reducing the tariff seems to me to boil down to a very small percentage, and one that cannot possibly have any broad effect on the exports of the United States and on increased national income of the United States. After all, even 1 percent of additional imports, which might produce 1 percent of additional exports, is not a net gain in our national income, because if that 1 percent were not imported, part of it, at least, would be made in the United States. The argument is that if we want to export something, we must import something to help the other fellow pay for it. But if we import something we must create an American market for those imports; and if we can enlarge our American market for imports, we can enlarge our American market for American-made goods. The foreign goods might be somewhat cheaper; but an increase of 1 percent in imports would result in an increase of only a fraction of 1 percent in the national income of the United States.

I see no reason to think that the proposed reduction could have a substantial effect on the prosperity of the United States. I can see how it might lead to perhaps $1,000,000,000 worth of imports, and that $1,000,000,000 of imports might destroy many small American industries, throw many people out of work, and create a condition which we could not successfully meet without Government aid and Government spending.

Mr. President, I wish to make only one further point. The argument is that in some way international trade makes for peace. I do not see why it makes for peace. I have never seen the argument followed through. There is very little evidence that wars have resulted from economic conflict—certainly not from quotas, so far as I can see. Most wars have resulted from a desire for power, the development of totalitarian leaders, or excessive nationalism. There is no evidence that I know of that import quotas and refusal to accept the imports of a particular country have produced war. It seems to me that unlimited competition in international trade is more likely to produce international friction. It has produced international friction in the past. The Underwood tariff certainly did not bring peace. It was followed by the First World War. The reciprocal trade agreements were followed by the Second World War.

There is no concrete evidence that free trade ever brought peace. During the nineteenth century, when the British had free trade, when they were seeking trade in every corner of the globe, more wars were started. Markets were grabbed and lands were seized in order that there might be trade with other countries. After all, Japan was an isolated country until we broke in and insisted upon her entering into world trade. The result of the insistence that Japan enter into world trade was not anything that we can consider as a generally successful move for peace.

I do not see any evidence that quotas and exchange restrictions have brought war. As I see it, we have only one problem. There may be countries so lacking in self-sufficiency and in markets that they cannot buy the things which they ought to have to feed themselves and to keep their economic machinery running. If there are any such countries, under the guidance of the San Francisco Conference and of the Social and Economic Council, and with their approval, I think we could enter into bilateral treaties with those countries. If Czechoslovakia must export a certain number of shoes, I think it would be fair enough for us to say, "We will take our share to help this particular economic sore spot in the world." I have no objection to bilateral treaties of that kind; but this proposal is a proposal to reduce all tariffs to all nations, whether they need it or not. Therefore it has no relation to world peace. It is simply an economic policy which I think will tend to bring destruction and unemployment in this country, rather than prosperity and peace.

Mr. President, I should like to add that so far as I am concerned, I do not wish to go back to the original tariff-making policy by which Congress, through log-rolling methods, made the tariffs. I should be perfectly willing to delegate to a tariff commission the power to make tariffs, provided we could lay down in the law sufficiently definite standards so that the commission would be bound by such standards, and so that those who are injured by the failure of the commission could go to court and have the law interpreted, and compel the administrative board to conform to the standards laid down by Congress.

I hope that 2 or 3 years from now, when this act again comes before us for consideration—because I assume that in some form it will be extended, and I see no great objection to extending it at the present time, although I do not approve of the principle of unlimited delegation—we may have presented a permanent tariff policy by which a board may fix tariffs, at rates which will protect American industries, with such exceptions as Congress see fit to make, or with the exception of industries producing only a very small proportion of the total consumption requirements of the United States. I believe very strongly that such a system can be devised, and I hope that such a system may be presented 2 or 3 years from now.

Inasmuch as there are no standards, and inasmuch as this is a request to give the President arbitrary power to establish any tariff he pleases, and destroy any vulnerable industry he pleases, and inasmuch as there is no proposal to write any standards into the law, I intend to vote for the amendment of the Senator from Wyoming, which provides that after a treaty is made it shall come back to Congress for ratification. I do not think that is the best method of dealing with the problem. I would rather have the standards prescribed in advance, and have the Commisison authorized to make tariffs under those standards, which I hope would protect every important American industry.

Mr. President, I cannot understand the reason why today, without having first tried the 50-percent cut, without having first tried the 31-percent tariff on dutiable products, we should suddenly, without having any experience with such tariffs, step into a 16-percent tariff, a tariff which certainly would wipe out a very considerable number of industries if the power were used. I do not believe that we can escape our responsibility for the destruction of those industries and the unemployment which would result by saying "We do not think the President will exercise those powers."

The PRESIDING OFFICER. The clerk will state the first committee amendment.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Guffey	O'Mahoney
Austin	Hart	Overton
Ball	Hatch	Pepper
Bankhead	Hayden	Radcliffe
Barkley	Hill	Reed
Bilbo	Hoey	Robertson
Brewster	Johnson, Colo.	Saltonstall
Bridges	Johnston, S. C.	Shipstead
Briggs	La Follette	Smith
Brooks	Langer	Taft
Buck	Lucas	Thomas, Okla.
Burton	McCarran	Thomas, Utah
Butler	McKellar	Tobey
Capper	Magnuson	Tunnell
Chavez	Mead	Tydings
Donnell	Millikin	Wagner
Downey	Mitchell	Walsh
Ellender	Moore	Wherry
Ferguson	Morse	White
Fulbright	Murdock	Wiley
George	Murray	Wilson
Gerry	Myers	Young
Green	O'Daniel	

The PRESIDING OFFICER. Sixty-eight Senators have answered to their names. A quorum is present.

The clerk will state the first committee amendment.

The LEGISLATIVE CLERK. On page 1, after line 7, it is proposed to strike out:

SEC. 2. (a) The second sentence of subsection (a) (2) of such section, as amended (U. S. C., 1940 ed., Supp. IV, title 19, sec. 1351 (a) (2)), is amended to read as follows: "No proclamation shall be made increasing or decreasing by more than 50 percent any rate of duty, however established, existing on January 1, 1945, (even though temporarily suspended by act of Congress) or transferring any article between the dutiable and free lists."

(b) The proviso of subsection (b) of such section (U. S. C., 1940 ed., sec. 1351 (b)) is amended to read as follows: *"Provided,* That the duties on such an article shall in no case be increased or decreased by more than 50 percent of the duties, however established, existing on January 1, 1945 (even though temporarily suspended by act of Congress)."

SEC. 3. Such section 350 is further amended by adding at the end thereof a new subsection to read as follows:

"(d) (1) When any rate of duty has been increased or decreased for the duration of war or an emergency, by agreement or otherwise, any further increase or decrease shall be computed upon this basis of the postwar or postemergency rate carried in such agreement or otherwise.

"(2) Where under a foreign trade agreement the United States has reserved the unqualified right to withdraw or modify, after the termination of war or an emergency, a rate on a specific commodity, the rate on such commodity to be considered as 'existing on January 1, 1945,' for the purpose of this section shall be the rate which would have existed if the agreement had not been entered into.

"(3) No proclamation shall be made pursuant to this section for the purpose of carrying out any foreign trade agreement the proclamation with respect to which has been terminated in whole by the President prior to the date this subsection is enacted."

And insert:

SEC. 2. Such section 350 is amended by adding at the end thereof a new subsection to read as follows:

"(d) No proclamation shall be made pursuant to this section for the purpose of carrying out any foreign trade agreement the proclamation with respect to which has been terminated in whole by the President prior to the date this subsection is enacted."

Mr. GEORGE. Mr. President, this is the amendment about which I spoke briefly yesterday afternoon. For the reasons I stated and for other obvious reasons, I am asking the Senate to disagree to the amendment—in other words, to vote it down.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. O'MAHONEY obtained the floor.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILEY. I desire to speak briefly on the proposed legislation.

Mr. President, I wish first to compliment the speakers who have expressed their ideas on this very important subject. Yesterday I listened with great interest and with profit. I also had the privilege of listening to my Republican brethren today, and I may say that I listened to them also with great profit.

In all matters with regard to which the human mind has a faculty of disagreeing, we find that individuals state their own premises and then draw certain conclusions from them. I had not expected to speak today; I had desired to review some briefly written notes this evening and make my comments tomorrow; but, in view of the fact that we are apparently proceeding at an accelerated pace, I have agreed to carry on for a brief period this afternoon.

As I have already said, Mr. President, I wish to present briefly a few thoughts with regard to the pending bill which would extend and widen the President's authority under section 350 of the Tariff Act of 1930.

As with so many other important issues which have been under consideration in the past, I think a great deal of buncombe or loose thinking has been built up around the issue which has arisen in this instance. It is essential that the buncombe be displaced by a realistic appraisal of the facts and of the issue. It is to this end that I humbly contribute the thoughts I am about to express.

Mr. President, the Senate has considered the tariff question on innumerably previous occasions, as well as during the past day or so. In my opinion, the following facts stand out in the present controversy, and I now summarize them:

First. The policy of bilateral reciprocity is a Republican policy in its origin, and in its constitutional applications.

Second. The tariff-making power is a Congressional power.

Third. America's standard of living, and her wages are tremendously high in comparison with those of the other nations of the world.

Fourth. There is a wide difference, both in the nature of tariffs and in the commodities covered by tariffs.

Fifth. America's great market in her home market.

Sixth. The actual results of the reciprocal trade agreements have not yet been established. I am sure that the discussion this afternoon has clearly demonstrated that fact. The agreements with the United Kingdom did not go into effect until 1939. So we have no yardstick with which to measure results.

Seventh. It has been established that the Tariff Act did not cause the world-wide depression.

Eighth. It has been established that instead of being a breeder of war, the tariff act actually may serve to prevent war.

Ninth. We do not now know what will be the postwar international trade picture, or what will be any part of it. It is all a matter of conjecture. No one can read the comments being made in relation to the compact which is being drawn up at San Francisco, and no one can listen to radio commentators without a realization that world conditions are in a state of flux. One commentator will speak about the child which is about to be born at San Francisco as a wee

step forward, and another will speak of it as being of no constructive importance whatever.

Mr. President, I repeat that we do not know what will be the postwar international trade picture. Trade, as we have learned during the past few years, in most instances is not a matter of agreement. It is a matter of life and death among the nations. Only today it has been stated in the press that Canada is reducing the gold content of her dollar. Senators know what that will mean to the trade of Canada, and they know what nations will do when they are fighting for their economic lives. I am stating, Mr. President, what I believe to be fundamental premises. Hence the great question in tariff policy is, How will it be administered?

Let me put it very bluntly. Before I became a Member of the Senate, approximately 6 years ago, I had a discussion with a prominent economist who had graduated from one of the great universities of the United States. At that time we had entered into a treaty of some kind with Czechoslovakia in relation to shoes. I called the attention of the economist to a statement which had been made to me by a representative of a little shoe manufacturing concern in my city. He had said to me, "If enough of these shoes continue to be imported, I can buy them cheaper than I can manufacture them, and I will have to go out of business; but I will make as much money because I can buy those shoes and sell them, just as I am doing now." I said to the economist, "What do you make of that?"

He said, "That's all right. We should have trade on a world level."

But, I said, "America has a standard of living, a wage standard, which is so far superior to that of any other country that if we should open the floodgates to imports from other nations, it would simply put us down to their level."

This man, who had the benefit of the best education in the United States, paid for by the taxpayers' money, said, "What of it?" Talk about an educated nincompoop. Think of that remark, "What of it?"

Less than 4 weeks ago another economist who had graduated from a university in New York City came into my office. I told him of this incident. "Why, sure," he said, "that economist was right. You have to protect the consumers of America."

"But, my dear sir," I said, "what of the 2,000,000 men and women employed in the shoe industry in this country?"

He said, "If we can buy shoes cheaper from other lands, the consumer should have the benefit of the cheaper price."

I asked, "What about the 2,000,000 men and women?"

He said, "Let them find employment elsewhere."

So I say to my colleagues, the test of a tariff policy is dependent on how it is administered. None of us who have been in Washington 6 years, who have seen some of the short-haired "gals" and some of the long-haired men who dictate policies in some of the groups downtown, are yet willing to turn over the economy of America to them.

Yesterday we had a graphic picture given to us by the distinguished senior Senator from Wyoming [Mr. O'MAHONEY], when, appearing, as he said, before one of these groups that was engaged in determining the letter and the spirit of a certain trade treaty or agreement, he did not see the head of the department, he did not see the Secretary of State, he did not see even the head of a division; he saw a few advisers sitting there, perhaps an adviser like the two economists about whom I have spoken.

So, Mr. President, I say this job is bigger and the question of cotton is likely to be more serious than may appear at first blush. If Harry Truman, to whom we would delegate this power, were to say that he would sit in on the hearings, if he could possibly sit in—a man born in the West, who knows the value of a dollar, who knows the life of the Middle West, who knows the problems of the workmen and the manufacturers—there would not be any question; but his view must be world-wide, he is taken up with this and with that, he is the executive head of 135,000,000 people, and so when a trade agreement is negotiated it goes not simply to the Secretary of State, who cannot handle it, but regardless of what geographical section of this country may be affected, it goes to the Treaty Division, and that Division will turn it over to a few who will sit in.

Suppose that among them there should be someone who had a special interest. Are there such people in Government? Have Senators ever had any experience of that kind with OPA and WPB? I do not think there is a Senator who can say he has not. I could cite instance after instance, but we are dealing with the economic health of the United States. When, as so graphically stated by the Senator from Wyoming, we who have been given power under the Constitution, we who through the years have seen the powers of Congress literally vanish from us because of the war and emergency, we who now are asked by the people to reclaim powers, are contemplating relinquishing more power, we had better think twice.

Before discussing specific points, let me note some general facts as a background. What does the pending bill propose?

The bill as passed by the House would extend the Trade Agreements Act of 1934 for a further period of 3 years, extending from June 12, 1945.

Second, it would amend the existing act to give the President authority to permit decreases or increases in tariff rates by 50 percent from the level of January 1, 1945. Under this authority any tariff rate in existence on that date which had been lowered by 50 percent through existing reciprocal agreements could be decreased still further to the extent of an additional 50 percent. Thus these rates could be reduced to a maximum of 75 percent from the original tariff rate as it existed on June 12, 1934.

Mr. President, the distinguished senior Senator from Ohio [Mr. TAFT] today gave illustrations. In the State of Wisconsin we know the history of zinc. We know what happened to the mines in southwestern Wisconsin, in Iowa, and in Illinois. In my State many bicycles are manufactured. I have had occasion to go into that matter, but I shall not particularize at this time. Throughout the Middle West there are manufacturers of glass, china, crockery, and those industries have grown up during the war because there was none to take our market. There are other things. Textiles have been mentioned. There are roller bearings, and all agricultural products.

I think it can be said with absolute assurance that since the Trade Agreements Act went into effect, in 1934, since which time 28 agreements have gradually been entered into up to 1939, there has not been an agreement of which anyone can say with reasonable certainty that it has really advantaged or really disadvantaged the country to any great extent, except in the case of a few of the articles.

In the light of the provisions of the bill to which I have referred, let us see how the Reciprocal Trade Agreements Act has worked out thus far. We have already concluded reciprocal trade agreements with 28 nations. Since 1934 there has been a total of 1,226 rate reductions in 346 tariff paragraphs, as follows: 230 rates reduced up to 25 percent, 266 rates reduced 26 to 39 percent, 179 rates reduced 40 to 49 percent, 523 rates reduced full 50 percent permitted, 28 rates reduced variable or exact change flexible.

Let us see how these tariff reductions have worked in relation to specific countries. Let us take the United Kingdom and Canada, our two largest customers, which accounted for one-third of our total export trade in 1939. In that year, reciprocal trade agreements with the United Kingdom had reduced rates of duty on almost 75 percent by value of the total dutiable imports from that country. In that year also our tariff reductions were in effect to the extent of 85 percent by value of the total dutiable imports from Canada.

Actually our tariff rates have already been reduced to the approximate level of the Underwood Tariff Act of 1913. The steady reduction in rates under the trade-agreements program has given the United States one of the lowest tariff levels of all the countries of the world.

One of the main arguments made yesterday by the distinguished Senator from Georgia [Mr. GEORGE] was that because of unsettled conditions we should give the further power to the President. I pose this question: Because of unsettled conditions should not Congress reclaim its powers? Should it not do so considering the shape the world is now in? If certain individuals are allowed to deal with our international economy in the manner in which they have dealt with it in years past, with their buncombe concept of what is economy, we will find that America will be continually "sold down the river"; that America will be "sold short."

As Members of the Congress vested with the constitutional obligation and power we are now asked, and we shall probably grant the request, to extend the act which has not had opportunity to demonstrate its effectiveness for good or for evil; we are asked to extend it in this

perilous period so that the tariff rates can be reduced another 25 percent or 50 percent of what they have previously been reduced.

The distinguished Senator from Ohio said that already we allow more than 65 percent of all imports, including raw materials, partially manufactured materials and noncompetitive finished materials, and agricultural implements, to come in free of duty. I think that is a wise provision. As I shall show later there are three classes of this international trade to which we should give particular attention. But between 60 and 65 percent of all imported goods come in free.

With this brief background let us review the major undeniable points, or at least points which I think are undeniable, which have arisen out of the long tariff controversy.

First, the policy of bilateral reciprocity is a Republican policy in origin and in constitutional application. It was the Republicans who originated the doctrine of reciprocity. It is a good doctrine. It is a policy which is embodied in the Constitution, a policy which should come into effect when two nations wish to get together and make a treaty.

Mr. RADCLIFFE. Mr. President——

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Wisconsin yield to the Senator from Maryland?

Mr. WILEY. I yield.

Mr. RADCLIFFE. I understood the Senator to say a moment ago that reciprocity is a good doctrine. But the Senator also stated a few minutes previously, that in dealing with foreign nations we have been "sold down the river." I think that is the phrase he used but I am not entirely clear that I have inserted the phrase in its proper setting. Now just what policy does the Senator have in mind? Since we began the policy of reciprocal trade agreements, we have entered into a number of such agreements and they have apparently worked very well. In fact I think it is almost the unanimous opinion that they have worked exceedingly well. If the doctrine of reciprocal trade agreements is so naturally sound, then we certainly have to run the risk, as the Senator says, of being "sold down the river." If we are going to deal with other countries we must have the power to do so advantageously. Does not the Senator think that we are in a better position to take care of ourselves if we have the power and authority to negotiate with other countries rather than to be bereft of such authority? If there is any danger of being "sold down the river," which I do not think there is, I believe we can look out for ourselves successfully and have done so. We can surely take better care of ourselves if the President and his advisers have some authority and power and leeway in negotiation than if they have none.

Mr. WILEY. Mr. President, is that a question, or is it a statement by the distinguished Senator? What is the question?

Mr. RADCLIFFE. The question is involved in a statement. I was asking the Senator how he expected to harmonize his statements. The Senator said that in dealing with other people we are being "sold down the river." On the other hand, the Senator said he believes in reciprocal agreements. How could the two statements be fitted together? How would the Senator adjust them to each other?

Mr. WILEY. Apparently the Senator from Maryland does not recall our dealings in the last 6 or 7 years; how we gave everything; and now, when we ask certain things, we find that our opportunity on the international front is gone. That is a matter of history with which the Senator is thoroughly cognizant. If the Senator says it is a question of Congress giving the President, and through him to his subordinates, a power which is a congressional responsibility, I answer that when we enter into a treaty which the Senate approves by two-thirds majority, then we will have no trouble whatever. The distinguished Senator from Wyoming provides in one of his amendments that after we delegate the power we shall have the opportunity for 60 days thereafter either to approve or disapprove. That would throw around the whole transaction the original basic constitutional band of protection. I shall not go into the history of how we are "sold down the river," if the distinguished Senator does not bear in mind the number of instances that have occurred.

Mr. RADCLIFFE. Will the Senator from Wisconsin yield for one more question?

Mr. WILEY. Yes; I am very happy to yield.

Mr. RADCLIFFE. I promise that I shall leave him in peace after this question. Does the Senator feel that a fair appraisement of the results of the creation, development, and operation of reciprocal agreements is that we have lost out so heavily? I thought the general opinion of people of the country was that that policy has been administered rather wisely, effectively, and beneficially to a high degree. I certainly think so.

Mr. WILEY. I am sure the distinguished Senator did not hear me say what he just now said. What I said was first that trade treaties came into being in 1930, and through the years they gradually evolved until we have 28 of them. The last was either with Mexico or Great Britain, in 1939. It may be that sufficient time has not elapsed to prove their effectiveness, first, because they were in operation during a very severe depression, when all our exports and imports fell off. If I wanted to be unfair, I could use what occurred during that period as an illustration and say that the treaties did not work. But up to 1939 Senators will find that our exports and imports fell off during the existence of the reciprocal agreements. I do not say that was the result of the agreements.

The world was in such a chaotic condition then, as it is now, that with respect to these particular treaties, with the exception of the articles mentioned by the distinguished Senator from Ohio, one cannot say whether they were for better or for worse.

I should prefer to discuss the points I have made seriatum, and give my own views.

Mr. RADCLIFFE. Mr. President, will the Senator yield once more?

Mr. WILEY. Yes.

Mr. RADCLIFFE. When the Senator referred to what he has said was our unfortunate experience in the last 6 or 7 years, I assumed he was discussing our experience under the reciprocal trade agreements, but I judge from what the Senator now says that he did not have those results in mind.

Mr. WILEY. What I had in mind was our great liberal-hearted policy of $39,000,000,000 in lend-lease, of our trading off this and trading off that, and of our getting nothing in return when we had an opportunity to get something. I am now talking about the policy which existed during the war years.

Mr. RADCLIFFE. Then the Senator's reference to the past 6 or 7 years had nothing whatever to do with the reciprocal trade treaties or results under them.

Mr. WILEY. I have already made it clear that during the years from 1939, the reciprocal agreements had no chance to operate to capacity, one way or the other. I believe that is a fair statement. That is the point which I wish to make clear. I do not wish to be partisan or biased, or credited with assuming that certain facts establish something that they do not establish. So I have said, and I repeat, that in my humble opinion, the fact that the records of imports and exports show that during the period when the treaties were in existence exports and imports decreased does not prove that the treaties themselves were ineffective.

I was speaking on the subject of the policy of bilateral reciprocity as a Republican policy. It was the Republicans who originated the doctrine of reciprocity as a bilateral proposition. It was they who consistently adhered to the policy, along constitutional lines. This was in keeping with the true purpose of such policy, as laid down by President William McKinley, its greatest exponent. In his first inaugural address, President McKinley said:

> The end in view is always to be the opening up of new markets for the products of our country by granting concessions to the products of other lands that we need and cannot produce ourselves, and which do not involve any loss of labor to our people, but tend rather to increase their employment.

I believe that that philosophy is wisdom, and that anything that is tested by that yardstick will prove to be sound.

The Republican Party has applied this policy, notably in the case of the McKinley tariff of 1890 and the Dingley tariff of 1897. Let us, therefore, have no loose talk about the administration's fatherhood of this idea. Let us have no more loose talk labeling the Republicans as economic isolationists, or with any other misnomer which smear artists can conceive.

The tariff-making power is a congressional power. Article I, section 8 of the Constitution of the United States provides that Congress shall have power to lay and collect duties, and to regulate

commerce with foreign nations. When the Congress delegates that power to the President, and through him to the State Department, it is the right of Congress, of course, to do so. It is the right of Congress to withdraw that power from the President. It is the right of Congress to limit its delegation of authority to him, to review the exercise of such authority by him, and to take any other step which it deems fit and proper in accordance with its own constitutional obligations and responsibilities. Let us, therefore, have no more loose talk about Congress sabotaging the President's bargaining power.

Where did the expression "the President's bargaining power" come from? He has Executive power. Congress does not trespass on his Executive power. If we use him as our instrumentality, we can prescribe in what field he shall operate, and to what extent. Let us have no more ill-advised chapter, such as I heard one evening recently by a radio commentator, who said, in effect, that Congress was "torpedoing the President's right to engage in tariff bargaining."

I do not wish to indicate what I think of some of those who are presuming to instruct the people. They get an idea, and then they speak from a tower. No one can touch them. They are omniscient. They speak of the President's right to engage in tariff bargaining, as if that were his right. That is our right. Any such authority as the President has in that field he derives from us, the Congress of the United States.

Why am I so insistent? I am no more insistent than is the distinguished Senator from Wyoming [Mr. O'MAHONEY]. When I heard the great Senator from Georgia [Mr. GEORGE], whom I love, speak of the collectivist movement in the world as an argument for granting additional authority to reduce tariffs 50 percent, I scratched my head and sought for the logic of that statement. The collectivist movement comes into being only when congresses and constitutional bodies fail to perform their function and give away their power. Collectivists movements occur not only in the political functions of a state but also in economic functions.

Not so long ago, in a hearing before a congressional committee, I heard a man from downtown say that what we should do was to create great Government corporations to handle foreign trade. Where did he get that idea? Have Senators ever heard of Amtorg? Have Senators ever heard of the great German agency which reached its tentacles into the very vitals of America in the chemical industry and other industries? It was government-controlled and financed. We had better think this thing through, Mr. President. The day of collectivist infiltration has just begun. The struggle of ideologies is still on; and the most important front in the world is the American front, which stands for the democratic way. The fight is greater than the question of simply delegating to Harry Truman or his State Department the power to exercise 75 percent of our power.

Senators know what the plea of all America is. They know it from their mail—not recently, of course, because lately some of the organizations mentioned by the Senator from Ohio have cracked the whip, and their stooges have sent letters and telegrams. The plea of all America is to maintain America American, a government with checks and balances, with an independent executive, an independent legislative branch, and an independent judiciary.

The people are asking Congress, "When are you going to recapture your powers"?

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. LUCAS. The Senator makes a statement as to what all America wants. If all America is against the passage of this bill, as the Senator says, why do men like Ed O'Neal, the head of the Farm Bureau Federation; Mr. Patton, head of the Farmers Union; Dan Tobin, the head of the teamsters' union, and representatives of chambers of commerce, the CIO, and other great organizations come before our committee and recommend the passage of the bill without any amendments?

Mr. WILEY. Just a moment. The Senator is putting words in my mouth. I did not say that all America was against this bill. I said that what all America wants is to have Congress stand on its own feet and recapture its powers. I cannot look into Ed O'Neal's mind or into the mind of a CIO representative or anyone else's. I have views of my own as to the reasons why they support this measure. Thank God, that is still their privilege in America. They still have freedom of petition. When they come here, I do not condemn them for taking a view contrary to that held by me. However, as a legislator, I have a function more important than that of Ed O'Neal. I am one of 96 Members of the greatest body of its kind in the world. My people expect me to use my judgment, although it may clash with that of my fellow men. I made the statement that all America—I would not even except those whom the Senator has mentioned, even though they may differ with me as to the pending proposal—is asking Congress when it expects to reclaim its birthright. By that I mean its legislative function, which, because of the war and others things, it has had to delegate.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. TOBEY. Reverting to the remarks of the Senator from Illinois [Mr. LUCAS], let me supplement that discussion by inviting the speaker's attention to the fact that the titular leader of our own party, Hon. Thomas E. Dewey, Governor of New York, has come out forthrightly and foursquare for the adoption of reciprocal tariffs and delegation of power thereunder, as has also Hon. Alfred Landon, who held the same position a few years ago. They are good authorities. We cannot all agree on these things. They speak for a great many Republicans. They have demonstrated a broad spirit in connection with the important phases of this legislation.

Mr. WILEY. I thank the Senator. I agree that men in the same party may differ.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. WHERRY. Mr. President, the Senator from Illinois mentioned the name of Ed O'Neal, head of the American Farm Bureau Federation, and the Senator said that Mr. O'Neal, speaking for the farmers of this country or, at least, for the organization he represents, recorded them as being favorable to the Reciprocal Trade Agreements Extension Act, as passed by the House. Let me say that Mr. O'Neal does not represent the cattle interests of this country, and he does not represent me—and I am a farmer. I wish to tell the Senate that the farming interests are not in favor of these reciprocal trade agreements and the proposed additional cut.

I hold in my hand a letter I have received from Denver, Colo., from Mr. F. E. Mollin, secretary of the American National Live Stock Association. Here is the concluding paragraph of his letter:

> It is our fear that further cuts in the tariff made at request of foreign interests without regard to the effect on American cattle producers can bring disaster to this industry when the war is over and we have to return to a basis of only domestic consumption. We have had no export trade in beef for more than a generation except during the two war periods. The possible heavy imports of cattle, dressed beef, and canned beef from Canada, Mexico, Cuba, and South America with cattle numbers expanding particularly in Canada and Mexico constitute a major threat to our industry and there should be no further reduction in the tariff. The only way to prevent it is to strike that provision from the pending tariff bill.

Mr. President, I ask unanimous consent to have the entire letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ARGENTINA TRADE AGREEMENT

1941: Canned beef reduced from 6 cents per pound to 3 cents per pound. Hides reduced from 10 percent to 5 percent ad valorem. Tallow reduced from one-half cent per pound to one-fourth cent per pound.

You will note from the above that the cattle industry in this country is at a peak in numbers and that beef production is expanded to a wartime basis and that under the existing trade-agreements law the full 50 percent cut in tariff has already been made on most of the important items affecting the cattle industry; that further reduction of the tariff as proposed in the pending bill would leave only a semblance of tariff protection for this great industry. It should not be forgotten that considerably more than half of the land acreage in this country grows grass and that much of this area cannot be used for any other purpose.

That use of the power to cut tariffs has not been limited to items where existing rates were a barrier to imports is clearly evidenced in practically all of the above items. Cattle imports have moved into this country freeely from Canada and Mexico under the rates prescribed in the original Hawley-Smoot Tariff Act. Dressed beef has come in considerable quantity from Cuba in recent years and it is now indicated that Canada,

having expanded its processing facilities during the war, will seek also a reduction in the tariff on dressed beef in order to send part of its exports to this country in that fashion.

Our imports of canned beef from South America prior to the war ran around 60,000,000 pounds per year—some years higher than that. About the time the war began, when the Army made its first purchases of South American canned beef, it was found that they could undersell the domestic product close to 15 cents per pound. The cut in the tariff from 6 cents to 3 cents was entirely gratuitous.

On hides the original 10 percent ad valorem was a nominal tariff and certainly by no stretch of the imagination could be considered a bar to importations. Records show large importations annually from South America and other countries. There was no excuse whatsoever for the reduction in the tariff on this item.

It is our fear that further cuts in the tariff made at request of foreign interests without regard to the effect on American cattle producers can bring disaster to this industry when the war is over and we have to return to a basis of only domestic consumption. We have had no export trade in beef for more than a generation except during the two war periods. The possible heavy imports of cattle, dressed beef and canned beef from Canada, Mexico, Cuba, and South America with cattle numbers expanding particularly in Canada and Mexico constitute a major threat to our industry and there should be no further reduction in the tariff. The only way to prevent it is to strike that provision from the pending tariff bill.

Respectfully submitted.

AMERICAN NATIONAL LIVE STOCK ASSOCIATION,
By F. E. MOLLIN, *Executive Secretary.*
DENVER, COLO., *May 18, 1945.*

Mr. WHERRY. Mr. President, that letter comes from the head—the secretary—of the cattlemen's organization of the United States. Mr. O'Neal is not speaking for them, and he is not speaking for me. I have just returned from Nebraska, and the farmers of Nebraska are not for these reciprocal trade agreements. I wish to add that statement to the address of the Senator from Wisconsin, which is certainly a very forceful one, and one to which we should listen with care.

Mr. BUTLER. Mr. President, will the Senator yield to me?

Mr. WILEY. I will yield in a moment.

Mr. President, first let me say that I do not wish to go into the question of who is for or who is against this particular proposal. I am frank to say that I have not counted noses. I have tried to reason my way through. As was suggested by my dear friend the Senator from New Hampshire [Mr. TOBEY] he has reached another result. I give him full credit for being honest and sincere. That is all I myself ask to be credited with. In this very process, Mr. President, I see in operation our great American system of checks and balances. It is in operation right here on the floor of the Senate, thank God. We are of many different races, and we have different economic, social, political, and—what is more—geographical levels. That very situation gives us here on the floor of the Senate the system which we call the American system of checks and balances, and out of the crucible of the clash of ideas we obtain the results, and then we abide by them.

I wish to say again that I do not desire to have Senators begin to count noses as to who is for or who is against, because that is not the way by which I have reached my conclusion.

Mr. TOBEY. Mr. President, will the Senator from Wisconsin yield at this point?

Mr. WILEY. I yield.

Mr. TOBEY. I was interested in the Senator's statement that he has not counted noses. Of course, I take the Senator's statement at par. Neither have I counted noses, but I am pleased to know that on this side of the aisle there is a growing number of Senators who will vote for extension of the Reciprocal Trade Agreements Act, and the number is growing larger every day. Let me tell the Senator, however, that there are other groups in the United States bitterly fighting this legislation, and their representatives are to be found not very far away from here. In the room to the right of this Chamber sit five fat, sleek lobbyists, with pencils and notebooks, jotting down the names of Senators who are for or against the pending measure, attempting to appraise their attitude, and calling Senators from the Senate Chamber and conferring with them, and conniving how to influence Senators to oppose the extension of the reciprocal tariff agreements and a further reduction in tariffs. That is the lobbying system in action, and that is an evil concomitant of Congress.

We are here charged with a great responsibility, and it is a tragic thing that as we sit here debating this far-reaching legislation, these lobbyists sit out there and go into a huddle with a Senate leader in an effort to bring Senators under the force of their arguments and influences and quid pro quos which, although we do not see them in here, yet function in the Senate lobby around the corner at this very moment, and have been doing so for several days.

So I commend my friend the Senator from Wisconsin for his argument, although I do not agree with him. He has not taken stock of all there is to be considered, but he has presented his argument in a frank and sincere way.

But I say that these lobbyists can go straight to—well, you know where they can go.

Mr. BUTLER. Mr. President, a moment ago I heard the question which was directed by the distinguished senior Senator from Illinois to the distinguished junior Senator from Wisconsin, with reference to the attitude of a certain national organization, to wit, the American Farm Bureau Federation. I merely wish to say that the Farm Bureau Federation of my State does not agree with the Ed O'Neal attitude. I put it that way, instead of saying the attitude of the American Farm Bureau Federation. Let me also say that the National Farm Union, headed by Mr. Patton, does not speak the language of the Nebraska farmers, and I will go a little further in that direction and says that the farmers of Illinois are not in tune with the statement issued for the American Farm Bureau Federation by Mr. O'Neal.

Mr. LUCAS. Mr. President, will the Senator yield to me?

Mr. WILEY. I yield.

Mr. LUCAS. I merely asked the Senator a question, in view of the statement he made to the effect that all America wants Congress to regain its powers. At that time the Senator from Wisconsin was discussing the reciprocal trade agreements. One of the chief arguments which we have heard is that, by means of the agreements, Congress is delegating away its power, and is transferring it to the Chief Executive. I merely mentioned the fact that Ed O'Neal, the head of the Farm Bureau; Mr. Patton, the head of the Farmers' Union, and representatives of the other farm organizations appeared before the Finance Committee, of which the Senator from Illinois is a member, and testified in favor of continuing the trade agreements without any crippling amendments. I do not know whether the Farm Bureau reaches out into Nebraska. Apparently it does.

Mr. BUTLER. Yes; there is a good one there.

Mr. LUCAS. Apparently it does, judging from what the Senator from Nebraska has said.

I did not raise that question at all. There was no reason why the distinguished junior Senator from Nebraska [Mr. WHERRY] should become so heated about cattle again. That was not the point at all. I was merely attempting to make inquiry relative to the broad statement the Senator from Wisconsin had made.

I wish to say in reply to what the junior Senator from Nebraska [Mr. WHERRY] said that I understand that Earl Smith, of Illinois, who is the head of our Farm Bureau, is for these agreements. I think he knows as much about agriculture as any other man in America does. Earl Smith is in favor of continuation of the Reciprocal Trade Agreements Act. He may not represent all the farmers. He is an independent in thought and in his political activities. I think he is a marvelous man. I follow his views occasionally and occasionally I do not. The farmers in my section of the country, in my judgment, have a great stake in connection with the reciprocal trade agreements. I do not know about the cattlemen of Nebraska, but if the Senator from Wisconsin will pardon me for a further moment I should like to say that I do know that the reciprocal trade agreements have not disturbed or hurt the cattle industry up to now. The only thing that is feared is fear itself. That was the substance of the testimony of practically every witness who appeared before our committee. There has been no substantial injury.

The other day the Senator from Ohio, while in the committee, recognized the fact that under the reciprocal trade agreements the injury to the cattle industry has been negligible, in comparison with the total amount of cattle imported to this country.

But when the Senator from Wisconsin indicated that, in his judgment, all America is against the trade agreements, I merely rose to call his attention to the testimony which was adduced before the

committee. When the Senator said he had not counted noses, it seemed to me he should not be telling the Senate about this industry and that industry and the other industry which will be hurt. That has been the basis of his argument. He apparently is counting noses; otherwise, his argument does not hold water.

Mr. WILEY. Mr. President, I object to having the Senator from Illinois put words in my mouth. I did not make the statement which he has attributed to me. I would have to be blind to what has been occurring on the floor of the Senate in the last few days if I were to say that all America is opposed to the trade agreements. I made no such statement. I said that all America is asking when the Congress of the United States will reclaim its constitutional powers. That is the statement I made.

Mr. HATCH rose.

Mr. WILEY. Mr. President, I desire to proceed with my remarks, although first I will yield to my dear friend the Senator from New Mexico.

Mr. HATCH. Mr. President, I should be glad to have the Senator yield to me.

Mr. WILEY. Yes; I yield.

Mr. HATCH. I rise because of the statement made by the Senator from Nebraska, as I understood him, to the effect that Mr. Mollin is head of the cattle industry of this country. Mr. Mollin, as I believe the Senator from Nebraska will agree, is the paid executive secretary of the American National Livestock Association. He is not the head of the association. So far as I am concerned, he does not speak for the cattlemen of America.

Mr. WILEY. Mr. President, I wish to resume.

Third. America's standard of living and her employee wages are tremendously high in relation to those of the rest of the world.

This is the most crucial single factor in our tariff discussion. Our standard of living in relation to the rest of the world is so high that were we to deny tariff protection to our products, the goods of countries with low standards of living and cheap labor could flood into America and undersell our domestic production. This is true in the case of shoes. It is true in the case of minerals, of motor vehicles, of dairy products, and so on. Our relatively high labor costs are not sufficiently offset by our relatively greater worker productivity. Labor represents from 30 percent to as high as 60 percent in the cost of all articles affected by our tariff duties. I ask Senators to compare the real income of American workers with that received by the workers of other countries. In the period from 1925 to 1934, the annual income figures looked like this: China, $110; Japan, $353; Germany, $646; France, $685; Great Britain, $1,069; United States, $1,381. Obviously, unless we are to make some attempt to offset our relatively high labor cost through reasonable tariff barriers, cheap goods will flood into America, close factories, cause unemployment, and lower America's standard of living. That is one terrible consummation which we devoutly do not wish.

Mr. President, I remember that when I was a boy a Mr. Wagner, a great sugar man, came into my little community. We built a sugar-beet factory. The citizens of the community contributed approximately $400,000 of hard-earned money. The total population of the community was about 10,000. Extra labor was employed during the sugar-beet season. All at once someone started tinkering with the tariff on sugar. What happened? A bank at Milwaukee had loaned $100,000 on the factory. The factory was good security for the loan. Subsequently it was forced to close. The machinery and the factory were almost worthless, and the bank was able to obtain only $10,000 from a sale of the machinery and the factory. The community lost an investment of $400,000. The employees lost their opportunity to work. The economic current of that community was seriously affected because someone had tinkered with the tariff schedule. The recollection of that experience comes to me now. At that time I was a youngster only 15 or 16 years of age.

Mr. President, let us remember that the unconditional most-favored-nation principle which America follows in each of her tariff agreements provides a keg of dynamite. Thus, if we allow to be imported 4 percent of our total domestic production of any one commodity through a trade agreement with one nation, under the unconditional most-favored-nation clause that allowance is generalized to all 27 remaining nations with whom we have reciprocal trade agreements. If we multiply that 4 percent by 28 the result is 112 percent of our total domestic production. Thus, not a single unit would be produced by America within a short time. Some will say that the reductions are made only in the case of a nation which is a single principal supplier of the particular goods, and that to multiply by 28 is unfair. But it has been proved that these reductions are not always made to principal suppliers. Moreover, in the case of a commodity such as a dairy item which is produced by many countries, the most-favored-nation principle will cause a tariff reduction for all those countries.

Fourth. There is a wide difference both in the nature of tariffs and in the commodities covered under tariffs.

It is important to observe that tariffs may be for revenue purposes or for protective purposes. It is obvious that what we are discussing now is protection or lack of protection of the American market, rather than the collection of revenue. It is important also that we note the differences between commodities. Some commodities are the fit subjects for tariff protection. Others need no protection and should have no protection. Thus, for example, we have:

(a) Commodities which we do not grow or produce at home but which other nations do grow and produce, and which we desire to have imported into America. Such commodities are tea, coffee, tin, spices, and so forth. There is no question that a tariff on such commodities is unnecessary and undesirable.

Then there are:

(b) Certain commodities which we produce and manufacture but which we consume more of than can be supplied by our domestic producers. A reasonable importation of such goods will not result in depreciating the market price in America. To maintain a low tariff on these products is also to engage in a healthy economic adventure.

Then:

(c) There are other commodities such as rubber, which are necessary for our national defense and which, prior to the war, we did not produce at home, but the production of which we recently entered into during the war. These commodities offer a very fit subject for tariff protection for purposes of national defense.

Then, lastly:

(d) There are regular consumer commodities which are not vital to our national defense, but which compete directly with American products, and would undersell them in our home market unless we protected them with a sufficiently high tariff.

In the light of these various classifications of commodities, we must take action appropriate to each of them. No single generalization in tariff policy will suffice for all of them. We must bear each category in mind, and must make our decisions accordingly.

Fifth. America's great market is her home market.

Let us never forget that our green pastures are here at home, rather than abroad. Let us not sell short the American market, the greatest in the world, for the sake of securing unstable foreign markets abroad. In the course of committee discussions, Department of Commerce experts said that they hoped for an annual export trade of $10,000,000,000. However, they hoped for a total national income of $170,000,000,000. Thus, the total exports would amount to only one-seventeenth of the total national income. And let us remember that that $10,000,000,000 figure is regarded by many persons as a fantastically high estimate. Let us remember that in the period between 1933 and 1940 all the exported products of our 9,000,000 business units—6,000,000 agricultural and 3,000,000 nonagricultural—amounted to less than 5 percent of our national income.

Sixth. The actual results of the reciprocal Trade Agreements Act to date are not yet conclusively established.

It is obvious to all that the reciprocal trade agreements have not had a fair trial. They had only five unstable peacetime years between 1934 and 1939 to be tested. We have all seen conflicting statistics as to their results. If any conclusions may be accepted as to the true story of those statistics, I believe they show that our Reciprocal Trade Agreements Act actually adversely affected our foreign trade. I shall submit a few proofs of this.

America's trade recovery after the depression was very slow as compared to that of other nations. In 1938, the last full year of peace, the United States ranked fourteenth among the leading nations of the world in point of recovery in gold value of exports, as compared to their and our 1929 trade figures. In 1939 our farm exports were lower than those of 1932, in the depth of the depression. But our farm imports were greater in

1939 than they were in 1932. Who, then, can lay any claim that our reciprocal trade agreements have substantially helped the farmer? Is not a conclusion justified that the exact opposite effect might have obtained?

Mr. President, there have been men in high places who are going to have much to do with these tariffs, who have the cockeyed notion that the Smoot-Hawley tariff caused the depression, when, if they had looked up the history of the period, they would have seen that the depression was under way throughout the world and in the United States, when all the forces in the United States which tried to keep something for America built the Smoot-Hawley tariff. Yet these men are going to have to do with the so-called free trade of the world. Do Senators wonder why I hesitate to vote to delegate more power, when I see the way their brains work, when I see that when we try to reason with them they flare up and go cockeyed?

Mr. President, we are dealing with American values, the most precious things in life. I heard the next Attorney General say today, "I have a wife and two children. I will do my duty." It was a challenge to all of us to do our duty.

Seventh. It is established, however, that the tariff did not cause the world-wide depression.

The Smoot-Hawley tariff of 1930, the highest in our history, was passed on June 17 of that year. We were already in the midst of the depression. This tariff was thus the result of the depression rather than its cause. It was a symptom of America's desire to protect her remaining domestic employment. The erection of tariffs by other nations at that time were symptoms and/or results of the depression just as their currency depreciation, their discriminatory measures, and all the other devices in which they engaged were also symptoms and/or results of the depression. If anything, our tariff served to lessen the harmful effects of the depression and prevent further factory closings and unemployment which might have resulted from the continued importation of goods without substantial tariff barriers in the way.

Eighth. It is established that the tariff, rather than a breeder of wars, actually may serve to prevent wars.

Mr. President, that is another statement made by one of the men who are going to have much to do with the policy of postwar international trade. It is as plain as the nose on one's face that what we are entering into here, and what the Government is becoming a party to, is an international war for the trade of the world, and we cannot sit down in one of our committees and hear these men talk without coming to that conclusion.

In the course of committee cross-examination, it was charged that in asking for a reasonable protection of the American market I was promoting a third world war. I think that the facts justify exactly the opposite conclusion. It is that those who favor America's flooding the world with her goods are actually encouraging a third world war.

I know something about history; I know something about the wars of the eighteenth century beween European governments. They were wars for trade, they were wars for expanded trade, for dominion, for continents, and anyone who is familiar with the history of the last 10 or 15 years knows that what we had then was an economic war, that cartels, that depreciated currency, that every utility conceived by the ingenuity of the human mind, was brought into action.

As was said by the Senator from Ohio, the importance of foreign trade is much overstated. Some of us can see—and it was stated before one of our committees—that we had to have an income of $170,000,000,000, and that it was figured that the total import and export trade should be $10,000,000,000. My mathematics are not so good just now, but I should say that that would be less than 5 percent, and in the computation exports and imports are taken into consideration, and figures were given by the Senator from Ohio today showing that 65 percent of the imports come in free of duty.

When the war is over we are going to contribute largely to the purchasing power of Europe through tourist trade, we are going to sink our millions, as we have in the past; then we are going to put Bretton Woods into it; then we are going to put the Export-Import Bank into it; then we are going to originate in Congress, as insurance, other instrumentalities to protect trade. Then it is said the Government should have extra tools—we who hold all the chips. No, I do not want to place too big a tool into the hands of those who have the cockeyed notions that this reciprocal trade business is 99 percent American trade.

Mr. President, I know the lesson of the past. I know how trade wars in goods have led to military wars in blood. Recently an article in a prominent magazine was entitled "An Export Boom May Cause Another War." America, with only 6 percent of the world's population, has normally had about 15 percent of the world's trade. How much more do we expect to take over of world trade?

After President Roosevelt had said that we were going to employ 60,000,000 men by going into the export trade, do Senators remember that a prominent Englishman rose on the floor of the British Parliament, just a few months ago, and said, "That means unemployment in Britain"? Yet some talk here about unity. Did Senators read the address General Eisenhower delivered yesterday? It was not a unity of dollars or trade that he spoke of. It was a unity of ideas, a unity of heart and soul and mind, and when we take away from Britain and cause unemployment among her men and women, are we making for peace? As I have said, there is much cockeyed reasoning about this whole matter.

Unemployment, depression, lowered standards of living, cause desperation in a people, and encourage their resort to military aggression.

Ninth. We do not as yet know the postwar international trade picture.

We know neither the trade picture nor the compact picture. The delegates have not yet had their plenary conference in San Francisco. We do not know what will come out of it. We do not know the social picture. We do not know what revolutions will result in Europe because of undernourishment of the people. We do not know about that.

It is obvious that vast, dynamic changes are occurring every day in the world-trade picture. Right now the nations of Europe are prostrate. They offer a vast market for our goods. They are of themselves unable successfully to compete with us. But in a short time—who knows how long—those nations, we trust, will be back on their feet again.

Did Senators read the statement a few days ago of a German industrialist, that within a matter of 60 days they could put the Ruhr back into production? It was said it was impossible, and now we are taking possession and are not going to let them return to production. But suppose they should. We are talking about imponderables of the future.

When the European nations somewhat recover, they will be able to compete with us. Will we by then have so over-expanded our export industries that we will let ourselves in for a colossal let-down? In the meantime, what will be the effect of aid rendered to foreign nations by lend-lease funds, by Bretton Woods, by UNRRA, by Export-Import Bank loans? What will be the shape of trading institutions in foreign countries? Will they increasingly resort to government trade organizations, such as Amtorg? Will we find that our private enterprise is competing with government enterprise in other nations which have a monopoly on their export trade? We do not know the answers to these questions. Is it not foolhardy to make any irrevocable plans for our future trade policy? Can we not decide upon that policy for relatively short periods and then renew it or revise it as the needs appear?

Tenth. The great question in tariff policy is how will it be administered.

If we give certain individuals absolute power to take action upon which we do not have to pass, how will they use the power? What special interests will they serve? Have Senators not heard of special interests in government? Will they sell out one segment at the insistence of another? The human mind is a queer contraption. Individuals are not always conscientious trustees of public affairs. I am not a pessimist, but for 6½ years I have been in Washington, and have seen many things take place. My obligation is to protect the economic life of America within the scope of the constitutional powers delegated to me.

As with all other Government affairs, management will play a crucial role in the realization of our trade objectives. If we give the authority to the President to revise our tariffs downward as well as upward, and if that authority through necessity is redelegated by the President to the State Department, and if some square peg in a round hole in that Department makes a downward reduction which because of the unconditional most-favored-nation principle multiplies the

reduction manyfold, among many nations, catastrophe will result. Cheap goods will flood into America, factories will close and workers will lose their jobs. Obviously, we must only have the finest type of personnel to exercise our tariff-making powers. Obviously, we need men who will look out for the best interests of America while encouraging reasonable trade with the rest of the world.

Mr. President, if I wanted to be unfair I could draw a comparison between 1930, when we passed this law, and 1939, when the war opened, and I could show the Senate that there were, in the case of some dairy products, imports from abroad, when I as a farmer received as little as 99 cents a hundred pounds for milk. I cannot definitely say that the low price I received was due to the imports of dairy products; but I know that New Zealand butter is waiting to come in, and I know that foreign cheeses are ready to come in, and I know that the lifeblood of my State is dependent upon what the soil produces. Fifty percent of my State is engaged in industry. My State produces 56 percent of the cheese made in this country. In the production of butter it is second among all the States of the Union. It produces more milk than any other State. But if we permit the impact to be made upon our America of imports such as can readily be contemplated, oleo, for example, the importation of which is now being manipulated, we can easily imagine what will happen. Senators know that because of the number of points required to obtain it, much butter is becoming rancid. People want butter. Who is manipulating that? Who is making it possible to thwart the people's desire for this great food, the greatest food in the world, if you please—butter, together with milk and cheese? People are not getting butter, and the market is being flooded with a synthetic product, which is being advertised everywhere. Who is agitating in favor of coloring this product so it will look like butter? Mr. President, when we consider this, let no one say there are no special interests.

There is one further argument I should like to make, but I shall do no more than touch upon it. Much of the clamor for this policy we are discussing today has come from individuals and corporations which already possess—listen to this Senators—ironclad protection from foreign imports through means of import quotas. I have not as yet heard the question of import quotas discussed on the floor of the Senate. They limit competition. Yet there are some who would turn this power over to a Government agent downtown who could sabotage the great industries and the industrial life of America. Import quotas obtain, for example, in the case of cotton and tobacco.

It is small wonder that this clamor comes therefore from certain groups? Yet the very fact that they themselves have protection in the form of quotas is proof that protection is necessary for others. I do not question their right to have such protection, but I say that other American producers have the right to protection of their goods.

Mr. President, the American market belongs to Americans. In the light of all the previous statements I suggest that if we delegate this power to the President, it be delegated for 1 year only, in view of world conditions. If it cannot be for 1 year, then let it be for 2 years.

On a broader basis, I am in favor of the following propositions:

First. That the Congress by majority vote should have the right to veto any trade treaty which may be negotiated under the act, such right to be exercised within 90 legislative days of its submission.

Mr. President, I do not agree that all the wisdom on this subject is found in a subdivision of the State Department. I have not yet seen any omniscient individuals who know it all; but I have seen many who are, as I call them, segmentists—segment thinkers, men who think only in relation to one piece of pie, whereas there are eight other pieces. So in view of the difficult period in which we now live, dynamic in its possibilities for good or evil to our beloved America, in view of this period so full of change, I believe it would be well for us to keep a hand on the plow.

Second. I believe further that proclaimed reductions in rates should not apply with respect to any country found to be discriminating against the exports of the United States.

Third. I believe also that concessions made by the United States in the period immediately ahead should not be extended to third countries except in return for concessions which the President finds to be reciprocally equal and equivalent. It is as apparent as the nose on one's face that Great Britain is approaching this subject on a bilateral basis, not on a unilateral basis. She recognizes what is ahead.

Fourth. That the importation of certain products, materials, and items certified to be essential to the national defense by the Joint Chiefs of Staff of the Army and the Navy shall be limited by a quota in order to preserve and maintain those industries in the United States which are essential to our national defense.

Mr. President, I have about concluded. I think that ahead we are facing difficult times. During periods when we face challenges so important to the future welfare of the Nation, we of the Congress must be very careful, when we delegate constitutional power, not to sabotage the system known as checks and balances in government. To me that is very important. My own State produces zinc, cheese, flax, and corn. Wisconsin, which is 50-percent industrial, is developing industries it did not have before, which have arisen out of the war.

In conclusion, Mr. President, remember that these reciprocal treaties must not be entered into if they will operate to sabotage the ingenuity of the American people which has come into being since Pearl Harbor. We have done the impossible. We will continue to do so. We have gone into synthetics. We are going into the new science of electronics. We must not make it impossible, by reciprocal agreements, for our people, through their industry, courage, and ability, to develop our manufacturing.

Around the corner there is peace or war. I believe that America should be made as strong economically, as strong militarily, and as strong politically as it is humanly possible to make it. I believe that only in that way can America become the real lighthouse of the world, with its gleams of light radiating through the nations of the earth. Peace will then come. If we weaken American industry we do not help the world. All the world is looking to us, not simply for the dollar but to see whether, in peace, the American idea will stand as it stood in war; whether or not in peace, collectivist or totalitarian ideas which have come out of Europe can overcome the American idea. A healthy America will permit the American idea to remain supreme.

COST OF PRODUCTION FORMULA AS APPLIED TO AGRICULTURAL PRODUCTS — THE WHERRY AMENDMENT

Mr. BANKHEAD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an extract from the CONGRESSIONAL RECORD, April 12, 1933, being pages 1551 and 1552, containing a statement by the then Secretary of Agriculture, Mr. Wallace, in opposition to the application of the principle of the cost-of-production program, which was covered by the Wherry amendment a day or two ago.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

Mr. BANKHEAD. Mr. President, if the Senator from Michigan will yield, I shall be glad to send to the desk and have read a statement which Secretary Wallace has sent to me.

Mr. VANDENBERG. Let it be read, Mr. President.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The legislative clerk read as follows:

"COST OF PRODUCTION AND FAIR EXCHANGE VALUE

"I find there is much misunderstanding about the meaning of the terms "cost of production" and "fair exchange value" as used in this bill. Cost of production means so many different things to different people. There are some who today say that the cost of producing a bushel of wheat is $1.50, whereas others say that it is only 40 cents, and perhaps both are right.

"The Department of Agriculture in June of 1932 published figures indicating that for the year of 1931, the cost of producing a bushel of wheat in the United States was 81 cents. This figure was an average of 2,930 individual farm reports, and, undoubtedly, some of these farmers reported average costs of more than $2 a bushel, whereas others reported costs of less than 40 cents. The question I would raise is, "Is it fair to take the average cost?" If so, let us project this figures of 81 cents for 1931 into the present situation.

"Land values and labor values today are both less than three-fourths of what they were in 1931. If the yield this year were the same as in 1931, it is probable that the methods employed by the United States Department of Agriculture would give the cost of producing wheat in 1933 as very little more than 60 cents a bushel.

"Figuring the cost of producing cotton in the same way, we get for the year 1933, assuming an average crop, a cost of around 8 cents a pound. In like manner with hogs—if we assume the cost of corn at 20 cents a bushel, man labor at 15 cents an hour, and horse

labor at 10 cents an hour—we get a cost per hundredweight, according to competent authorities, of around $2.65 a hundred. These figures, as just cited, are cost of production according to the definition as hitherto customarily employed in the Department of Agriculture.

"Frankly, I believe that cost of production, when used as a measuring stick under conditions as they exist today, might do a very real injustice to the farmer. Cost of production, in the sense in which it is ordinarily used, is likely to have written into it a terribly deflated land charge, man labor at 15 cents or less per hour, and horse labor based on unfairly low-priced corn, oats, and hay. The cost of producing hogs which I have given above illustrates what I mean. Everyone knows that if the farmer grows the corn which he feeds to his hogs, it is impossible to produce hogs at $2.65 a hundred. If the farmer buys his corn, however, it may be possible. How can you distinguish between the farmer who grows the corn which he feeds his hogs and the farmer who buys his corn?

"Secretary Wallace in 1920, in his book, Agricultural Prices, wrote as follows concerning the theory of cost of production and ratio price:

" 'Those who have given the most thought to price fixing, advocate as a guide "cost of production plus a reasonable profit." But what is cost of production? Even in industries so well controlled by man as coal mining, where the weather does not enter in, there are some mines that can produce a ton of coal for $2 or $3, while other mines cannot produce a ton of coal for less than $6 or $7. The North Dakota wheat farmer, in a year of rust, may produce wheat at a cost of $4 or $5 a bushel, whereas the Kansas farmer the same year may produce wheat at a cost of only a dollar or a dollar and a half per bushel. Shall both the Dakota farmer and the Kansas farmer be paid cost of production plus a reasonable profit for their wheat? From this standpoint we see that there is no such thing as a standard cost of production. A single producer may be able to determine his personal cost of production of a given quantity under a given set of conditions. But in the general sense, as it is commonly thought of, cost of production is a will-o'-the-wisp, a creature that seems to exist but really does not.

" 'Nevertheless, there is a rough-and-ready method of determining cost of production or just price as distinguished from laissez faire or supply-and-demand price. We refer to the ratio method of price determination. Over any long period of years hogs sell on the Chicago market at a price per hundredweight equal to the Chicago price of 11.5 bushels of corn. When hogs have sold for 14 bushels of corn, they have sold for more than cost of production plus a reasonable profit, while on the other hand when they have sold for 9 bushels of corn, they have sold for less than cost of production plus a reasonable profit. All this is not saying that certain producers have not been able to make a profit when hogs have sold for 9 bushels of corn. Neither is it saying that certain producers may not have been selling at a loss when hogs sold for as much as 14 bushels of corn. It is simply saying that it has required the pulling power of a price for hogs which is equal to the price of 11.5 bushels of corn to keep enough men in the bog business year in and year out to supply the demand of this country for hog products during the past 60 years. This is what we mean by the ratio method of price determination. It is the only practical method of determining cost of production in such a business as farming, where there are millions of producers working under a variety of conditions.'

"The ratio price as described by Secretary Wallace is similar in philosophy to fair exchange value, as described in this bill. The difference is that fair exchange value concerns itself with a ratio between the price of certain basic agricultural products and the price of things which farmers buy. Secretary Wallace said in the statement which I have just quoted: 'It has required the pulling power of a price for hogs which is equal to the price of 11.5 bushels of corn to keep enough men in the hog business year in and year out to supply the demand of this country for hog products during the past 60 years.'

"In like manner I say that in the long run there must be paid a fair exchange value for farm products in order to result in the production of enough food to keep people from starving to death in this country. I make this statement advisedly, realizing that a whole generation of farmers may produce food for far less than a fair exchange value before they and their children finally give up in despair. We do not wish the answer of brute nature red in claw and fang. To avoid such an outcome, we want to get true cost of production to our farmers as rapidly as conditions will permit. That is the object of this bill. I believe the true cost of production is fair exchange value as defined in this bill. Frankly, I am afraid of the term 'cost of production' as used in part 3 of this bill. It is too elusive; there are too many kinds of cost of production. It would be possible for a Secretary of Agriculture equipped with one set of prejudices to do a grave injustice in this part of the bill to the farmers, whereas another Secretary of Agriculture, with a different set of prejudices, might do a grave injustice to the consumers.

"What we want is the conception of a just price which maintains an even balance between producers and consumers. Fair exchange value, as defined in part 2 of this bill, is a mathematical effort to define such just price. I am willing to admit, of course, that the price ratio between the things which farmers sold in the prewar period and the things which farmers bought may not necessarily represent in all particulars a fair exchange value today. It may be said on the one hand that the use of combines today makes it possible to produce wheat for a somewhat lower price than fair exchange value calculated in this way would indicate. On the other hand, it may be said that the impoverishment of our soil which has taken place may render necessary an increased use of fertilizer which would cause the true fair exchange value to vary in the opposite direction.

"These niceties of ratio-price determination cannot be gone into a time of emergency like this. I believe that the fair exchange value as set forth in this bill approximates very closely to true cost of production and that it is essentially much closer to true cost of production than the figures printed annually by the United States Department of Agriculture. These figures, unfortunately, have written into them the depression in land values and hired farm labor of the year preceding. They have written into them the results of the unbalanced situation which has been with us so long. We are now striving for a state of true balance, and the concept of the fair exchange value will help us to realize that state."

Mr. VANDENBERG. Mr. President, may I inquire of the Senator from Alabama who is the author of this treatise which has just been read? No name was announced at the desk.

Mr. BANKHEAD. It is a statement that has been sent up, written by Secretary Wallace.

THE OREGON LAMB PROBLEM

Mr. MORSE. Mr. President, a few days ago, on behalf of the senior Senator from Oregon [Mr. CORDON] and myself, I offered for the RECORD a telegram of May 30 sent to Mr. Chester Bowles, head of the OPA, dealing with the Oregon lamb problem. On June 12, Mr. Bowles finally got around to writing me a letter in answer to my urgent telegram of May 30. I have his letter, and I ask unanimous consent to have it printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., June 12, 1945.

The Honorable Senator WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: This is written with reference to your telegram in which you discuss the lamb situation in Oregon and in which you make the request for both yourself and Senator GUY CORDON for a report on the steps taken by the Office of Price Administration to deal with the problem.

I understand that you have had some conversations with Mr. Arval Erickson, Chief, Meat Branch of the Food Price Division, and that he has passed on to you the information and reports both this agency and the War Food Administration have received regarding the marketing of lamb in Oregon and Washington. You probably know, too, that representatives of the Office of Price Administration are meeting with lamb producers in Chicago this week. Upon their return I am sure that Mr. Erickson will again contact you and report any steps that the Government feels may be necessary to deal with any problem that exists at this time.

Apparently, on the basis of reports on the situation as of the past week end, there was no evidence that the general public interest would be served by allowing lamb to be consumed point free in that area at this time. However, if markets do become conjested I am confident that the Government will take such steps as may be necessary to solve the problem in the best interest of producers and consumers.

Your understanding of the difficulties this agency faces in dealing with the meat problem is very much appreciated.

Sincerely yours,

CHESTER BOWLES,
Administrator.

Mr. MORSE. Mr. President, of course the letter is totally unsatisfactory. It constitutes a report of delay. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks my reply to Mr. Bowles as of this date.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON EDUCATION AND LABOR,
June 13, 1945.

Mr. CHESTER BOWLES,
Administrator, Office of Price Administration, Washington, D. C.

DEAR MR. BOWLES: In reply to your letter of June 12, 1945 (file reference 7041), I wish to state that I had a conference yesterday, June 12, with Mr. Erickson and Mr. Bosch, who informed me that discussions were being carried on between OPA and the WFA in regard to the Oregon lamb problem. They expressed the view that they were confident that a market would be found for Oregon lamb, either through Government buying or by way of other Government help in a manner which would protect the interest of the producers. They gave me the reasons as to why OPA, at least at the present time, does not believe that an attempt should be made to solve the

problem by way of lifting ration points as was done late in the season last year.

I do not agree that it would be a mistake to lift the rationing points on lamb in the Northwest section of the country, especially if the alternative is meat spoilage and waste and unjustifiable loss to the producers of lamb. If, on the other hand, the matter can be handled through Government purchases, or by carrying out of any of the other suggestions which Mr. Erickson and Mr. Bosch mentioned to me in the conference in my office yesterday, then I can see the desirability of handling it in that way rather than by lifting the ration points. I agree that to the extent possible the rationing program should be uniform throughout the country, but at the same time I do not think we should make a fetish or a sacred cow out of the principle of uniformity of policy in rationing. If, by lifting ration points on any particular consumer product, we can prevent waste and spoilage and, if that is the only feasible way of preventing that waste and spoilage, then I think it is only a matter of common sense to lift the ration points for whatever period of time may be necessary to prevent such economic and food loss.

I told Mr. Erickson and Mr. Bosch that as soon as OPA and WFA decided upon the program that was to be followed in endeavoring to solve the problem, I would appreciate receiving a written memorandum which I could use in answering the many letters and telegrams which I have received, and will continue to receive, from my State in regard to this critical matter. I also told them that, in the meantime, I intended to press for a very early solution of the problem because I consider it my public duty to do everything I can to prevent OPA from injuring unnecessarily, for the third lamb-marketing season, the lamb producers of my State. This is a problem which simply must be solved in fairness to the producers of these lambs, as well as in fairness to the consumers, and I can see no justification for any further delay in the matter.

It is a problem which your organization knew would present itself again this season, as it has the past two seasons. It is a problem which Senator CORDON and I discussed with the heads of your organization several times since the convening of this Congress and finally, when it was obvious that we were not getting anywhere with it so far as the OPA was concerned, I sent you my wire of May 30, to which your letter of June 12, is in answer.

I sincerely hope and trust that within the next few days this very troublesome problem will be handled in a satisfactory manner by your organization.

Sincerely yours.

Mr. MORSE. Mr. President, yesterday afternoon Mr. Bowles sent two representatives of his organization to my office to discuss with me the steps contemplated by the OPA with regard to the Oregon lamb problem. I told those gentlemen, as I told Mr. Bowles in my letter today, that when they reach some decision I would appreciate it if they would give me a written memorandum which I can use in meeting the objections which are flooding me from my State in protest of the continuation of this very serious wrong on the part of OPA in regard to the Oregon lamb problem.

Mr. President, I intend from time to time to continue to focus the attention of the Senate on this problem, because it is an excellent example of the type of inefficiency and public disservice which, in my opinion, characterizes the program of OPA in handling the meat problems of this country. I for one intend to continue to raise my voice in protest until OPA takes the necessary action to see to it that the livestock producers in my State, who are producing lambs about which I have spoken in the past, are done justice, and not wrong by the OPA.

I wish to point out that there is no rationalization that Mr. Bowles can present in justification of the delay, because it involves a problem which is 2 years old. As I previously stated, for 2 years this great injustice has been perpetrated upon the lamb producers of my State. The OPA has had months of notice. Since the beginning of this year the distinguished senior Senator from Oregon and I have continued to serve notice on OPA that we want action in regard to this matter.

At the risk of boring my colleagues in the Senate, let me say that I think it is the public duty of the Members of the Senate to acquaint themselves with this example, because I think it is a typical example of the many instances of inefficiency and wrong being committed on the American consumer by OPA.

In closing, I repeat that I yield to no other Member of the Senate when it comes to supporting the statutory objectives of OPA. I believe it to be my duty, in support of those statutory objectives, to see that the administrative abuses of OPA are corrected. If Senators on the other side of the aisle cannot take the necessary steps to see to it that Mr. Bowles corrects those abuses, I shall continue periodically to rise on the floor of the Senate and point them out. I shall continue to protest until this administration takes some effective action to see to it that the administration of OPA is improved in the interest of the American people.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. TUNNELL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

CONFIRMATION OF NOMINATION OF WILLIAM D. PAWLEY TO BE AMBASSADOR TO PERU

Mr. GEORGE. Mr. President, if no other Senator desires to address the Senate this afternoon, as in executive session, I wish to submit a unanimous consent request. I have conferred with the Senator from Maine [Mr. WHITE], the minority leader.

I ask unanimous consent, as in executive session, for the present consideration of the nomination of William D. Pawley to be ambassador to Peru, which nomination was reported favorably earlier in the day by the Committee on Foreign Relations.

Mr. WHITE. Mr. President, as I understand, this nomination was reported earlier in the day. Under ordinary circumstances it would go over until tomorrow. However, I believe that there are circumstances of some urgency which make it desirable that this nominee reach his post at the earliest possible moment. I therefore hope that the request of the Senator from Georgia will be favorably acted upon.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia? The Chair hears none. The nomination will be stated for the information of the Senate.

The legislative clerk read the nomination of William D. Pawley to be ambassador Extraordinary and Plenipotentiary of the United States to Peru.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. GEORGE. I ask that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

NOMINATION OF MONNETT B. DAVIS TO BE MINISTER TO DENMARK

Mr. JOHNSON of Colorado. Mr. President, in executive session on June 7, the nomination of Mr. Monnett B. Davis to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Denmark was confirmed. At that time I overlooked the opportunity which that confirmation gave me to say a word in behalf of Mr. Davis. I now ask unanimous consent, as in executive session, to have printed in the RECORD at this point as a part of my remarks a brief statement in that connection.

Mr. GEORGE. Mr. President, I have no objection; but I will say to the Senator from Colorado that the secretary of the Committee on Foreign Relations advises me that the Colorado Senators were consulted, and approved the nomination.

Mr. JOHNSON of Colorado. That is correct, but I overlooked the opportunity at that time to say a few words in behalf of Mr. Davis.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The President, the Senate, and the country are to be congratulated upon the confirmation on June 7, of the nomination of Monnett Bain Davis to be Minister to Denmark.

Mr. Davis earned his promotion the hard way. He is not a fat cat playboy who made a sizable contribution to a political campaign. He entered the Foreign Service at the close of the last war and advanced step by step through the years to the high office of Envoy Extraordinary and Minister Plenepotentiary to Denmark. The responsibility of reestablishing our long and friendly economic and cultural relations with Denmark and the Danish colony of Greenland is now his.

Mr. Davis graduated from the University of Colorado in 1917, and was a member of the Colorado National Guard when we entered World War I. Colorado is proud of him and wishes him well in his new task.

RECESS

Mr. GEORGE. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 21 minutes p. m.) the Senate

took a recess until tomorrow, Thursday, June 14, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 13 (legislative day of June 4), 1945:

FEDERAL COMMUNICATIONS COMMISSION

William Henry Wills, of Vermont, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1945, vice Norman S. Case, term expired.

COLLECTOR OF CUSTOMS

Harry M. Durning, of New York, to be collector of customs for customs collection district No. 10, with headquarters at New York, N. Y. (Reappointment.)

UNITED STATES MARSHALS

John E. Sloan, of Pennsylvania, to be United States marshal for the western district of Pennsylvania. Mr. Sloan is now serving in this office under an appointment which expired March 29, 1944.

Henry Robert Bell, of Tennessee, to be United States marshal for the eastern district of Tennessee. Mr. Bell is now serving in this office under an appointment which expired May 17, 1945.

John S. Denise, Sr., of Washington, to be United States marshal for the western district of Washington, vice Herbert W. Algeo, resigned.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment in the Regular Corps of the United States Public Health Service:

TO BE SURGEONS EFFECTIVE DATE OF OATH OF OFFICE

Norvin C. Kiefer	Myron D. Miller
George L. Fite	Arthur W. Newitt

POSTMASTERS

The following-named persons to be postmasters:

CALIFORNIA

James W. Moffitt, Guadalupe, Calif., in place of Corinne Dolcini, resigned.

Eva B. Wood, Newhall, Calif., in place of L. O. Duchene, resigned.

CONNECTICUT

Carl J. Lauretti, Farmington, Conn., in place of T. H. Collins, deceased.

INDIANA

Jacob C. Fleck, Cedar Lake, Ind., in place of Emma Knesek, resigned.

KENTUCKY

Marian C. Harned, Boston, Ky. Office became Presidential July 1, 1944.

MAINE

George M. Evans, Sherman Mills, Maine, in place of P. B. Seavey, transferred.

MARYLAND

Laura E. Linkins, Cabin John, Md. Office became Presidential July 1, 1943.

MISSOURI

John E. White, Hunnewell, Mo. Office became Presidential July 1, 1944.

NEW YORK

Lester J. Williams, Canastota, N. Y., in place of D. A. Lewis, deceased.

OHIO

Katherine Matson, Maynard, Ohio. Office became Presidential July 1, 1943.

TENNESSEE

Richard M. Morelock, Persia, Tenn. Office became Presidential July 1, 1944.

Emma Anderson, Unicoi, Tenn. Office became Presidential July 1, 1943.

TEXAS

Elbert W. Franklin, Floresville, Tex., in place of B. T. McDaniel, transferred.

WEST VIRGINIA

Ina Knapp, Cedar Grove, W. Va., in place of C. A. Skaggs, deceased.

CONFIRMATION

Executive nomination confirmed by the Senate June 13 (legislative day of June 4), 1945:

FOREIGN SERVICE

William D. Pawley to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 13, 1945

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed be the name of the Lord our God who inspires to clearer vision with broader sympathies and larger achievements. Keep us as a people in the vanguard of the upward movements toward the final triumph of good over evil, in proud submission to Thy holy will, facing a glorious destiny among the nations of the world.

Holy Spirit, restore unto us something of our birthright and grant that sorrows which surged about us may be assuaged; bestow upon us blessings of patience, filled with divine longings that move the soul and impart comfort and cheer to every care-shadowed life. Do Thou have compassion upon any who may be burdened, whose doubts and fears are greater than their joys. Through discipline and limitations do Thou increase our strength in all those virtues that make us better men and women, and we shall praise Thee in all our works. In the name of our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 830. An act to provide for designation of the United States Veterans' Administration hospital at Sioux Falls, S. Dak., as the Royal C. Johnson Veterans' Hospital.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3306. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. GLASS, Mr. OVERTON, Mr. THOMAS of Oklahoma, Mr. BILBO, Mr. BURTON, Mr. BALL, and Mr. WILLIS to be the conferees on the part of the Senate.

EXTENSION OF REMARKS

Mr. ROBERTSON of Virginia asked and was given permission to extend his remarks in the RECORD explaining briefly the provisions of three bills which he introduced today dealing with the national program of wildlife conservation.

Mr. HEDRICK asked and was given permission to print in the RECORD an editorial from the Charleston Gazette, of Charleston, W. Va.

GOLD-MINING INDUSTRY OF AMERICA

Mr. BUNKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. BUNKER. Mr. Speaker, no branch of our economy has made a greater contribution to the war effort than the mining industry of America.

And, paradoxically, no government in the world has dealt more harshly with its own gold miners than our country.

Under the terms of a War Production Board Order L–208, gold mining was stopped by the WPB more than 3 years ago.

The result is that today colonial England is the largest producer of gold in the world and Russia has replaced the United States as the second greatest. Gold production is being subsidized by the Canadian Government.

Allied countries all have enjoyed priorities on gold-mining equipment manufactured in the United States during the war, while our own producers have been denied access to the same.

Today our Government is buying South American gold, while our own gold mines disintegrate.

The War Production Board now has under consideration relaxation of its order, L–208.

More than 1,000,000 of our fighting men will be returning in the months just ahead to find employment in private industry; other hundreds of thousands of workers will be released from plants no longer required to win the war.

War manpower shortages can no longer be an argument for continuance of L–208.

It is essential that the barriers against the gold-mining industry be speedily lifted.

Failure at this time to relax the restrictions against gold mining would indicate a designed plan to wreck the gold-mining industry and to debase the value of gold and its utilization in our historically sound monetary structure which has carried us through every crisis of the past 150 years.

Confidence in currency is essential to the well-being of any government and any people. Our people have had that confidence in our currency through every period of stress in the past.

EXTENSION OF REMARKS

Mr. WOODRUM of Virginia asked and was given permission to extend his remarks in the RECORD and include a short editorial.

Mrs. NORTON asked and was given permission to extend her remarks in the RECORD and include a valedictory address by a constituent at the graduation of the second class of trainees of the Disabled American Veterans at American University.

Mr. BURGIN asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Washington Post.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include a letter signed by a number of servicemen.

FEPC

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, ever since I have had the honor to be chairman of the Committee on Rules, and to undergo the trials and tribulations incident to that position, it has been my sincere aim and policy to vote out rules on bills reported by legislative committees in order to expedite the business of the House. I am pleased to say that I have consistently brought in open rules whereby bills were considered under the 5-minute rule for amendment, and have opposed "gag" or closed rules. I very much regret that, notwithstanding my 3 months' effort, I have been unable to report a rule on H. R. 2232, known as the FEPC bill, to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry.

The bill was reported by the Committee on Labor with only one dissenting vote. In view of the Nation-wide demand for this legislation, as shown by a poll taken by Modern Industry, which disclosed that a vast majority, with the exception of a few States, are not only in favor but strongly urge the enactment of this legislation, I feel that action on this important legislation should be had now. Therefore, in view of the failure of the Committee on Rules to grant a rule to provide for the consideration of the FEPC bill, I shall now sign the discharge petition on the Speaker's table to discharge the Committee on Rules from the further consideration of the resolution for a rule, and I urge all fair-minded Members to do likewise.

The press reports state that four Republican members of the Committee on Rules have voted in favor of the granting of a rule. Consequently, I feel that the other Republican members will sign the discharge petition, especially in view of the pledge contained in the Republican platform, which provides:

> We pledge the establishment by Federal legislation of a permanent Fair Employment Practice Commission.

I do feel that they will comply with the pledge of their platform.

Mr. Speaker, I have stated before that our late President Roosevelt, as well as President Truman, has urged favorable action on this legislation. Consequently, I believe that a majority of the membership of the House, unlike the Committee on Rules, will give the Members the opportunity and right to vote upon the bill.

HON. ROBERT L. DOUGHTON

Mr. LYNCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LYNCH. Mr. Speaker, on yesterday a great honor was accorded one of our colleagues, the chairman of the Committee on Ways and Means, Hon. ROBERT L. DOUGHTON. We had a meeting of our committee yesterday and toward the end of the meeting he silently stole away. We learned later that he had gone to the White House where, in the presence of President Truman, he was awarded the honor and distinction of being designated as the one who had done the most outstanding and effective work during the year in behalf of foreign trade. The award was an oil painting of the steamship *Savannah*, which was the first steamship to cross the Atlantic, and it was symbolic of our two-way trade.

This award was made by the International Economic Council, which, of course, is one of the outstanding organizations developing our foreign trade in the country. In making that award to our distinguished colleague from North Carolina the International Economic Council certainly designated one who is by far superior to all others, in my opinion, in his knowledge of our tariff laws.

His expertness in tariffs and his intimate knowledge of foreign trade were amply demonstrated last week in the long debate on the extension of the Reciprocal Trade Agreements Act.

In honoring our distinguished colleague the International Economic Council paid a high tribue to a really great American.

You will, I am sure, be interested in the official communication to the gentleman from North Carolina [Mr. DOUGHTON] from the International Economic Council, notifying him of his designation. It reads as follows:

JUNE 9, 1945.

HON. ROBERT L. DOUGHTON:

Great pleasure advise you that International Economic Council members have named you winner of this year's award for outstanding advancement nation's overseas trade. Award oil painting of S. S. *Savannah*, first steamship to cross Atlantic and symbol of America's two-way trade. Presentation in President Truman's office Tuesday June 12, 10:45 a. m. Will phone you Monday.

JOSEPH A. JONES,
Director, International Economic Council.

The SPEAKER. The time of the gentleman from New York has expired.

ELECTION TRENDS

Mr. GALLAGHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. GALLAGHER. Mr. Speaker, a short time ago an election was held in Montana. My Republican friends boasted that that showed a trend and showed the sentiment of this Nation. Last Monday an election was held in my home town, the city of Minneapolis. In the last two prior elections a Republican mayor was elected, and in the last election a Republican council.

The Democratic labor forces won by 31,000, and we have a Democratic council. I believe the trend is still with the Roosevelt-Truman forces and will so continue.

The SPEAKER. The time of the gentleman from Minnesota has expired.

THE FEPC

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include therein an article entitled "The Road to Serfdom."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, we have just heard the gentleman from Illinois [Mr. SABATH] announce that he is going to sign the FEPC petition. I think that will finish it. His will probably be the last signature—it ought to be.

If you want to set up a totalitarian state; if you want a system of real totalitarianism; if you want your people regimented as they are in Russia, or as they were in Germany, then go ahead and sign that petition.

If you want every business in your district run by a few radical bureaucrats here in Washington, then go ahead and sign it.

One of the leading labor leaders came to me yesterday and said, "I believe it would ultimately destroy the labor unions of the Nation and have us all regimented by the Government."

If that is what you want, go ahead and sign under Mr. SABATH's name.

If you want to destroy constitutional government; if you want to be run by a little group set up here in Washington; if you want every business establishment and every farmer regimented by this FEPC group appointed here in Washington, regardless of their ability or interest in your community or the establishments located there, then follow the example of the gentleman from Illinois [Mr. SABATH] and sign right under his name.

The SPEAKER. The time of the gentleman from Mississippi has expired.

ARMY NURSES

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

[Mrs. BOLTON addressed the House. Her remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include an editorial dealing with peacetime conscription.

Mr. MERROW asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the New York Times on the dumping of wheat.

Mr. PITTENGER asked and was given permission to extend his remarks in the RECORD and include copies of correspondence and letters.

CORN NOT AVAILABLE FOR STARCH AND SIRUP BUT IS AVAILABLE FOR WHISKY

Mr. HOPE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include therein a letter and a telegram.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

[Mr. HOPE addressed the House. His remarks appear in the Appendix.]

MILK WASTED

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and to include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. GROSS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and to include an editorial.

Mr. MICHENER asked and was given permission to extent his remarks in the RECORD and to include an article appearing in the Courier Journal, Louisville, Ky., concerning the distinguished gentleman from South Dakota [Mr. MUNDT].

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances and include in each a newspaper article.

Mr. BULWINKLE asked and was given permission to extend his remarks in the Appendix of the RECORD and to include excerpts from a speech of Mr. C. Bedell Monro.

Mrs. DOUGLAS of Illinois asked and was given permission to extend her remarks in the RECORD and to include an article by Sarah E. Southal, supervisor of employment since 1920 of the International Harvester Co., which article appears in the June issue of the Church Woman.

Mrs. DOUGLAS of Illinois asked and was given permission to extend her remarks in the RECORD and to include a statement concerning OPA made by Mrs. Gerson B. Levy, national chairman of National Council of Jewish Women.

APPROPRIATIONS FOR WAR AGENCIES

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, only last week we passed the war agencies bill. Some information came to me yesterday afternoon which on checking appears to be absolutely correct that the War Production Board has a group of employees over here who are working about 50 percent of the time and that they should have been reduced in number earlier.

I have called this matter to the attention of the leaders of the other body and I have called it to the attention of the Bureau of the Budget with the request that the quota for these employees be cut so that that agency may be put upon a business basis. We are going to run into more and more of that sort of thing and it is going to take extreme alertness on the part of the Congress if we are to keep these governmental administrative organizations in hand.

The SPEAKER. The time of the gentleman from New York has expired.

LEAVE OF ABSENCE

Mr. JUDD. Mr. Speaker, on behalf of the gentleman from Indiana, Mr. LAFOLLETTE, I ask unanimous consent that he may be given a leave of absence for this week on account of necessary business.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

SENATE AMENDMENTS TO PRICE CONTROL ACT

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include certain amendments.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. JENKINS addressed the House. His remarks appear in the Appendix.]

FAIR EMPLOYMENT PRACTICE COMMITTEE

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, I merely wish to advise the House that I accept the challenge of the gentleman from Mississippi [Mr. RANKIN] and can assure him that the petition will be signed, the bill will come to the House for consideration of the Members who do believe in human rights, and despite the undemocratic prejudice of the opposition. It is my considered opinion that the FEPC bill will receive about the same majority as the anti-poll-tax bill received on yesterday.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON (at the request of Mr. THOMASON) was given permission to extend his remarks in the RECORD.

Mr. IZAC asked and was given permission to extend his remarks in the RECORD.

Mr. SASSCER asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington Post.

Mr. STIGLER asked and was given permission to extend his remarks in the RECORD and include an address delivered by Hon. Robert S. Kerr, Governor of the State of Oklahoma.

GERMAN BUNDISTS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, the Supreme Court of the United States has reversed the conviction of the 24 bundists from New York. I just want to advise the House that the Committee on Immigration and Naturalization has, by resolution, called upon the Department of Justice to take the necessary steps to intern the aliens among the defendants as enemy aliens and to look into the records of the defendants who are citizens to determine whether they should be denaturalized. I am informed that 17 are aliens and 7 of them are citizens. If the records of the so-called American citizens among them should warrant it—and knowing the past activities of the men involved it would not surprise me—we requested that denaturalization proceedings be instituted immediately so that they may be treated the way they deserve it—namely, as enemy aliens who are endangering the welfare and security of our country.

WHISKY HOLIDAY

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I just want to say that I agree completely with what the gentleman from Kansas [Mr. HOPE] said a while ago. It is quite impossible for me to understand the logic of a so-called whisky holiday when products such as corn, which otherwise would go to help relieve the sugar shortage and other types of food shortage, will inevitably be used up in the manufacture of that whisky. I agree with what the gentleman from Kansas said, and feel that his move in this matter is entirely right.

PHILIPPINE UPRISING AND CAMPAIGNS AFTER JUNE 4, 1902, AND PRIOR TO JANUARY 1, 1914

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3251) to extend pension benefits under the laws reenacted by Public Law 269, Seventy-fourth Congress, August 13, 1935, as now or hereafter amended, to certain persons

who served with the United States military or naval forces engaged in hostilities in the Moro Province, including Mindanao, or in the islands of Samar and Leyte, after July 4, 1902, and prior to January 1, 1914, and to their unremarried widows, child, or children, for immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman please explain this legislation?

Mr. LESINSKI. This bill covers certain veterans who were engaged in the hostilities in the Moro Province in the Philippine Insurrection after 1902 and up to December 31, 1913. They were not included in the Spanish veterans' pension bill, and all we are doing is bringing them up to that point, giving them the same pension that the Spanish War veterans are getting.

Mr. MARTIN of Massachusetts. There are about 300 of them?

Mr. LESINSKI. Yes.

Mr. MARTIN of Massachusetts. And while thus engaged, were really part of the Philippine Insurrection.

Mr. LESINSKI. Yes. They are the ones who really did all of the jungle fighting.

Mr. MARTN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. RANKIN. Will the gentleman yield me 5 minutes?

The SPEAKER. Consent has not yet been granted for consideration of the bill.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. I understood that this was one of the privileged committees that do not have to have unanimous consent to bring legislation to the floor of the House. Am I correct in that?

The SPEAKER. The gentleman asked for unanimous consent in order to save time, and that is the reason the Chair recognized him.

Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That any person who served in any unit of the United States military or naval forces while such unit was engaged in hostilities in the Moro Province, including Mindanao, or in the islands of Samar and Leyte, after July 4, 1902, and prior to January 1, 1914, who was honorably discharged from the enlistment in which such service occurred, and the surviving unremarried widow, child, or children of such person shall be entitled to pension under the conditions, and at the rates prescribed by the laws reenacted by Public Law 269, Seventy-fourth Congress, August 13, 1935, as now or hereafter amended.

SEC. 2. This act shall be effective from date it is approved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HISTORY OF THE LEGISLATION

Mr. LESINSKI. Mr. Speaker, this bill, H. R. 3251, is similar to bills that have been before the committee for several Congresses last past. After extensive public hearings and executive sessions during the Seventy-eighth Congress, your committee favorably reported H. R. 4099, a bill to extend the period of the Philippine Insurrection so as to include active service with the United States military or naval forces engaged in hostilities in the Moro Province, including Mindanao, or in the islands of Samar and Leyte, between July 5, 1902, and December 31, 1913. The bill passed the House and Senate and was disapproved by the President on December 8, 1944. The President's objections to the bill are fully set forth in his veto message, which is House Document No. 804, Seventy-eighth Congress. On the opening day of this Congress I reintroduced a bill which was identical in form with H. R. 4099 of the Seventy-eighth Congress. It was numbered H. R. 128 of this Congress. Your committee held public hearings on H. R. 128 on March 20 and 22. An executive session was held on May 17, at which time a new bill was approved by the committee and ordered reported to the House, which bill is not subject to the objections which were made to H. R. 4099 of last Congress. That new committee bill is H. R. 3251, which was just passed by the House.

PURPOSE OF THE LEGISLATION

This bill has for its purpose the granting of service pensions to a restricted group of veterans and their unremarried widows, child, or children based upon service during hostilities in the Moro Province, including Mindanao, or in the islands of Samar and Leyte, after July 4, 1902, and prior to January 1, 1914. It will provide pensions for those eligible under the conditions and at the rates prescribed by Public Law No. 269 of the Seventy-fourth Congress, approved August 13, 1935, as now or hereafter amended. Such laws pertain to the granting of pensions to veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, their widows and dependents, and include Spanish-American War service pension laws providing pensions on the basis of disability, age, or death—service connection not required—and the general pension laws providing pensions for service-connected disability or death.

The service pension for disability or age will be payable at the following rates:

Service 90 days or more or discharged (service-connected disability)

	Per month
June 2, 1930, 1/10 disability	$20
June 2, 1930. 1/4 disability	25
June 2, 1930. 1/2 disability	35
June 2, 1930. 3/4 disability	50
March 1, 1944. Total disability	75
May 24, 1938. Regular aid and attendance	100
June 2, 1930. Age 62	30
March 1, 1944. Age 65	75

NOTE.—The $75 rate at age 65 years and the $100 rate for regular aid and attendance are now payable under existing law only to persons who served between April 21, 1898, and July 4, 1902. In addition to other persons covered by the bill, those now on the rolls, at lower rates, whose only service was between July 5, 1902, and July 15, 1903, will be eligible for these rates if they meet the service requirements of the bill.

Service 70 days or more but less than 90 days

	Per month
June 2, 1930, 1/10 disability	$12
June 2, 1930. 1/4 disability	15
June 2, 1930. 1/2 disability	18
June 2, 1930. 3/4 disability	24
June 2, 1930. Total disability	30
June 2, 1930. Regular aid and attendance	50
June 2, 1930. Age 62	12
June 2, 1930. Age 68	18
June 2, 1930. Age 72	24
June 2, 1930. Age 75	30

Pension for service-connected disability under the general pension law as reenacted by Public Law No. 269, Seventy-fourth Congress, approved August 13, 1935, at rates ranging from $6.90 to $129.50 per month would be payable to any person who served as described in the bill, irrespective of length of service. By virtue of Public Law No. 359, Seventy-seventh Congress, approved December 19, 1941, any veteran otherwise entitled to pension under the general pension law would be eligible for pension at the rates provided in part I, Veterans Regulation No. 1 (a), as amended, ranging from $11.50 to $265 per month if the conditions of Public Law No. 359, Seventy-seventh Congress, approved December 19, 1941, are met.

Under the Spanish-American War service-pension laws as reenacted, pension is payable to the widow, child, or children of a veteran of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection, who served between April 21, 1898, and July 4, 1902, inclusive, and to the former widow whose subsequent or successive marriage or marriages has or have been dissolved either by the death of the husband or husbands or by divorce on any ground except adultery on the part of the wife.

Although service of veterans who served in the Moro Province between July 5, 1902, and July 15, 1903, is pensionable service under such laws, such service is not pensionable service as to their widows, former widows, child, or children under existing law.

Under the bill, the unremarried widow of a veteran who rendered service as described in the bill would be entitled to service pension at the monthly rate of $30, increased to $40 at age 65, and at the monthly rate of $50 if she was the wife of the veteran during the period of his service; and the unremarried widow, with a child or children, would receive in addition to the foregoing rates $6 per month for each child—acts of May 1, 1926, and March 1, 1944. The delimiting marriage date, January 1, 1938, would be for application, also the requirement of continuous cohabitation from date of marriage to date of death except where there was a separation which was due to the misconduct of or procured by the person

who served without the fault of the widow.

The monthly rate for a child, where there is no widow, would be $36 per month to age 16 years, with $6 per month for each additional child, and the rate from age 16 years to 18 years or to age 21 years, if attending school, would be $18 per month for 1 child, $27 per month for 2 children, $36 per month for 3 children, with $4 per month for each additional child, subject to a $74 monthly limitation on the total amount payable—sections 1, 7, Public Law No. 144, Seventy-eighth Congress, approved July 13, 1943; Public Law No. 483, Seventy-eighth Congress, approved December 14, 1944.

Under the general pension law as reenacted, pension is payable for service-connected death to the widow, child or children, dependent mother or dependent father of a veteran of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection, who served between April 21, 1898, and July 4, 1902, inclusive, and to the former widow whose subsequent or successive marriage or marriages has or have been dissolved either by the death of the husband or husbands or by divorce on any ground except adultery on the part of the wife. As in the case of service pensions, while the service of veterans who served in the Moro Province between July 5, 1902, and July 15, 1903, is pensionable service under the reenacted general pension laws as to such veterans, it is not pensionable service under such laws as to their widows, former widows, child or children, or dependent parent.

Under the bill the unremarried widow, child or children of a veteran who rendered service as described in the bill would be eligible for pension for service-connected death under the general pension law, as reenacted, at rates ranging from $25 to $30 per month for the widow, with $2 per month additional for each child. Where there is no widow, the widow's rate, $25 to $30 per month, plus $2 per month additional, would be payable for one child, with $2 per month for each additional child, the total being equally divided among the children. If the conditions under Public Law No. 359, Seventy-eighth Congress, approved December 19, 1944, are met, the wartime service-connected death rates would be payable as provided in section 14 (a), Public Law No. 144, Seventy-eighth Congress, approved July 13, 1943, which are as follows:

	Per month
Widow, no child	$50
Widow, 1 child	65
Each additional child	13
No widow, 1 child	25
No widow, 2 children	38
Each additional child	10
Total amount payable	100

Dependent parents are not covered by the bill, as they will continue to receive the more liberal rates provided under part II of Veterans Regulation No. 1 (a), as amended, and where death resulted from combat or extra-hazardous service, the wartime rates provided in such cases.

There is no delimiting marriage date applicable to pensions for service-connected death under the general pension law as reenacted. However, the requirement of continuous cohabitation from date of marriage to date of death, except where there was a separation due to the misconduct of or procured by the person who served without the fault of the widow, would be for application.

THE PHILIPPINE ARCHIPELAGO

Mr. Speaker, for the several Congresses last past your committee has had under consideration legislation which had for its purpose the granting of pensions to those who served during hostilities in certain areas of the Philippine Islands between 1902 and 1913. The committee has received many letters of inquiry as to the boundaries of the areas affected by the proposed legislation, but in which hostilities occurred which were covered by the bills. A great number of these letters were received after H. R. 4099 was introduced last Congress. It was thought by some veterans that because certain islands were not specifically named perhaps they would not benefit under the provisions of the bill. During the hearings on H. R. 4099 of the Seventy-eighth Congress, I received a letter from our colleague the gentleman from Minnesota, Representative HAROLD C. HAGEN, in which it was suggested that perhaps the Pulajane campaigns had been eliminated. I transmitted the letter to General Hines, who rendered a very comprehensive report. I am of the opinion that both the letter from Representative HAGEN and the reply from General Hines, which goes into detail in regard to the Philippine Archipelago and defines the outlying boundaries of the area in question, will be of interest to the Members of the House. It will be noted from General Hines' reply that it would be unnecessary and certainly inadvisable to attempt to specify each island or local area within such outlying boundaries because there would be danger of excluding islands or local areas within the outlying boundaries referred to. The bill, H. R. 3251, of this Congress covers the identical areas as those covered by H. R. 4099 of last Congress.

The letter from Representative HAGEN and the report of General Hines are as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., March 8, 1944.

Hon. JOHN LESINSKI,
Chairman, Committee on Invalid Pensions,
House of Representatives,
Washington, D. C.

DEAR COLLEAGUE: The following is a suggestion which I have received from a Spanish War veteran, relative to your bill, H. R. 4099:

"It should state provinces not province. There are several provinces in those islands named in the bill. Also include both the Moro and Pulajane campaigns.

"I should include all the Philippine Islands, and not restrict this service to any designated territory, as there was lots of fighting, or some at least in most all islands. They seem to be determined to leave out the Pulajane campaigns, for some reason unknown to me."

Any consideration given this suggestion and amendment, if desirable and needed, will be appreciated.

Kindest regards.

Very cordially yours,
HAROLD C. HAGEN,
Member of Congress.

VETERANS' ADMINISTRATION,
Washington, March 16, 1944.

Hon. JOHN LESINSKI,
Chairman, Committee on Invalid Pensions,
House of Representatives,
Washington, D. C.

MY DEAR MR. LESINSKI: Reference is made to your letter dated March 11, 1944, transmitting a letter dated March 8, 1944, received from Congressman HAROLD C. HAGEN, recommending certain proposed changes in H. R. 4099, Seventy-eighth Congress, "A bill to extend the period of the Philippine Insurrection so as to include active service with the United States military or naval forces engaged in hostilities in the Moro Province, including Mindanao, or in the islands of Samar and Leyte, between July 5, 1902, and December 31, 1913," concerning which you desire the views of the Veterans' Administration.

Congressman HAGEN suggests that the word "provinces" be used in the bill in lieu of the word "province" as there are several provinces in the islands named in the bill and that the Moro and Pulajane campaigns should be included. He further suggests that all the Philippine Islands should be included in the bill as there was some fighting in most all of the islands. It appears to be his understanding that the Pulajane campaigns are excluded from the provisions of the bill.

The Philippine Archipelago, which was acquired by the United States under the treaty with the Kingdom of Spain concluded April 11, 1899, comprises numerous provinces lying within the following line:

"A line running from west to east along or near the twentieth parallel of north latitude, and through the middle of the navigable channel of Bachi, from the one hundred and eighteenth to the one hundred and twenty-seventh degree meridian of longitude east of Greenwich, thence along the one hundred and twenty-seventh degree meridian of longitude east of Greenwich to the parallel of latitude 4°45′ N., thence along the parallel of latitude 4°45′ N. to its intersection with the meridian of longitude 119°35′ east of Greenwich, thence along the meridian of longitude 119°35′ east of Greenwich to the parallel of latitude 7°45′ N., thence along the parallel of latitude 7°45′ N. to its intersection with the one hundred and sixteenth degree meridian of longitude east of Greenwich, thence by a direct line to the intersection of the tenth degree parallel of north latitude with the one hundred and eighteenth degree meridian of longitude east of Greenwich, and thence along the one hundred and eighteenth degree meridian of longitude east of Greenwich to the point of beginning."

As previously pointed out in the report on H. R. 4099, dated March 8, 1944, the Philippine Insurrection was declared to be at an end and peace to have been established in all parts of the Philippine Archipelago except in the territory occupied by the Moro Tribes, by the President's proclamation dated July 4, 1902 (32 Stat. 2014). The territory occupied by the Moro Tribes included a number of southern islands in the Philippine Archipelago and is specifically defined by metes and bounds in section 1 of Act No. 787 of the Philippine Commission, "An act providing for the organization and government of the Moro Province," approved June 1, 1903, which reads as follows:

"SECTION 1. All that part of the island of Mindanao and its adjacent islands lying west or south of a boundary line beginning at a point on the north coast of Mindanao at Point Balato, 1 mile west of the western boundary of the barrio of Naburos, thence running due south to the middle of the channel of the Mipangi River, thence along said river to its mouth in Panquil Bay, thence along the south shore of Panquil Bay in an easterly and northeasterly direction to the south shore of Iligan Bay, thence along the

southern and southeastern shore of Iligan Bay in an easterly and northeasterly direction to Salinbal Point, about 7 miles north of the stone pier in Iligan, and thence from Salinbal Point due east to the crest of the watershed dividing the waters which flow into Iligan Bay from those flowing into Macajalar Bay, thence in a southerly direction along the crest of said watershed to the eighth parallel of north latitude, thence east along the eighth parallel of north latitude to the eastern shore of Mindanao, together with the Sulu Archipelago, including the islands known at the Jolo group, the Tawi Tawi group, and all other islands pertaining to the Philippine Archipelago under the sovereignty of the United States of America south of the eighth parallel of north latitude, excepting therefrom the islands of Paragua and of Balabac, and the immediately adjacent islands, but including the island of Cagayan Sulu, shall constitute the Moro Province, and shall be governed as hereinafter provided."

In referring to the Moro Province, comprising the areas above defined, it would seem inaccurate to use the word "provinces," although several provinces of the Philippine Islands may be included within the Moro Province, such as Jolo, part of Mindanao, Sulu, etc.

The purpose of H. R. 1358 and H. R. 1512, and of similar bills introduced in the Seventy-sixth and Seventy-seventh Congresses, was to grant service pension and the same privileges of hospitalization and medical treatment accorded to honorably discharged veterans of the Spanish-American War, Philippine Insurrection, Boxer Rebellion, and World War No. 1 to persons and the dependents of persons who served a required number of days in any military or naval establishment of the United States and who were honorably discharged therefrom when such service or any part thereof was rendered in certain southern islands of the Philippines, viz: Samar, Leyte, Jolo, or Mindanao in those campaigns against the Pulajane or Moro natives or their allied tribesmen between July 16, 1903, and December 31, 1913, recognized by the War Department in the issue of the Philippine Campaign Medal.

In the report to the committee dated July 8, 1943, on H. R. 1358, Seventy-eighth Congress, the service recognized in the issue of the Philippine Campaign Medal is set forth at length. All such service is covered by existing law or H. R. 4099, except that designated in Army Regulations No. 600–65, section I, paragraph 6g (5): "In the field against an enemy in any action in which there were killed or wounded on the side of the United States troops participating." This general provision has no relation to any particular time or particular campaign or expedition in which troops of the United States may have been engaged in hostilities in the Philippine Islands.

Operations between July 5, 1902, and December 31, 1913, against hostile Moros, or their allied tribesmen in the Moro Province, or in that part of Mindanao not included in the Moro Province, and against the Pulajanes in the islands of Samar and Leyte, or against any hostile tribesmen in any of the areas mentioned are covered by H. R. 4099.

As the bill covers all of the area in the Philippine Archipelago in which military or naval forces of the United States are known to have been engaged in hostilities during the period July 5, 1902, to December 31, 1913, and includes both the Moro and Pulajane campaigns, no further modification of the bill in its present form is indicated.

The original letter of Congressman HAGEN is returned.

Very truly yours,

FRANK T. HINES,
Administrator.

ESTIMATE OF COST

There are no records in the Veterans' Administration on which to base an estimate of the cost of the proposed legislation, but it is apparent that the cost will be small as the legislation pertains to a very limited group because of the restrictions, limitations, and the lapse of time since the termination of the period of service involved.

CONCLUSIONS AND RECOMMENDATIONS

Inasmuch as H. R. 3251 has eliminated the objections made to H. R. 4099 of the Seventy-eighth Congress, your committee strongly urges the prompt enactment of this legislation. The bill H. R. 3251, as a substitute for H. R. 128, Seventy-ninth Congress, the latter being identical with H. R. 4099, Seventy-eighth Congress, was adopted after careful consideration by your committee following hearings on H. R. 128, attended by representatives of the various service organizations, the War Department, and the Veterans' Administration. Careful study was given by your committee to the various proposals, including suggestions and recommendations of the Administrator of Veterans' Affairs. In view of the fact that the bill eliminates the objections that were raised in connection with the previous bill, H. R. 4099, Seventy-eighth Congress, and because of the facts outlined, this type of relief is justified.

The bill H. R. 3251 does not extend the official ending date of the Philippine Insurrection, and the facts of record support the granting of the afore-mentioned pension benefits because service in hostilities against the Moros and other hostile tribes during the period covered by the bill was contiguous to and under the same extra-hazardous and trying conditions as during the period now recognized officially as the period of the Philippine Insurrection. Such service was attendant with unusual danger and tropical diseases incident to jungle warfare, with handicaps related to equipment, food, medical care, and maintenance of adequate records of disabilities. It is the opinion of the committee that recognition of this particular service, based upon the extensive testimony of those who served, including those who were responsible for troops during such service, should not be considered as a precedent for groups performing other types of service in the armed forces. It will be noted that the bill recognizes service in hostilities, and the granting of a reasonable pension to this limited group, under the limitations contained in the bill, is considered to be justified on the basis of outstanding merit.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I was very much interested in the gentlewoman from New Jersey stating that the petition for the FEPC bill could be brought out on the floor by the signature of 218 Members. I recall that during the Hoover administration the requirement for that purpose was 145 names. Now, the gentlewoman from New Jersey voted to change that to 218 names, which makes it more difficult to bring these petitions out. I cannot understand why the gentlewoman is criticizing the rules of the House now when she helped to change the rule which now requires 218 signatures when it only required 145 names before during a Republican administration. She and the New Deal voted to require more signatures to a petition to discharge a committee. Why, it does not make sense for her and the chairman of the Rules Committee, the gentleman from Illinois [Mr. SABATH], to complain of the rules of the House. They are two Members who are responsible for the difficulties of bringing a bill on the floor by the signature of 218 Members. "To be sure your sins will find you out."

EXTENSION OF REMARKS

Mr. ADAMS asked and was given permission to extend his remarks in the RECORD and include therein a poem.

Mr. MURDOCK asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein a release from the Department of the Interior.

Mr. BECKWORTH asked and was given permission to extend his remarks in the RECORD.

Mr. COCHRAN asked and was given permission to extend his remarks in the RECORD and include two short letters.

FEDERAL EMPLOYEES PAY ACT OF 1945

Mr. RAMSPECK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3393) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3393), with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with and that it be printed in the RECORD and be open to amendment by sections.

Mr. DICKSTEIN. Reserving the right to object, Mr. Chairman, will that give us an opportunity to offer an amendment at any point in the bill?

Mr. RAMSPECK. Yes; amendments can be offered by sections.

Mr. DICKSTEIN. Mr. Chairman, I withdraw my reservation of objection.

Mr. RANKIN. Mr. Chairman, reserving the right to object, it ought to be

understood if this is done, in offering these amendments they ought to take the sections consecutively and not skip all over the bill.

Mr. RAMSPECK. Mr. Chairman, that is the request I have made, that it be in order to offer amendments by sections.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The remainder of the bill is as follows:

COMPENSATORY TIME OFF FOR IRREGULAR OR OCCASIONAL OVERTIME WORK

SEC. 202. (a) The heads of departments, or of independent establishments or agencies, including Government-owned or controlled corporations, and of the District of Columbia municipal government, and the heads of legislative or judicial agencies to which this title applies, may by regulation provide for the granting of compensatory time off from duty, in lieu of overtime compensation for irregular or occasional duty in excess of 48 hours in any regularly scheduled administrative workweek, to those per annum employees requesting such compensatory time off from duty.

(b) The Architect of the Capitol may, in his discretion, grant per annum employees compensatory time off from duty in lieu of overtime compensation for any work in excess of 40 hours in any regularly scheduled administrative workweek.

WAGE BOARD EMPLOYEES

SEC. 203. Employees whose basic rate of compensation is fixed on an annual or monthly basis and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose shall be entitled to overtime pay in accordance with the provisions of section 23 of the act of March 28, 1934 (U. S. C. 1940 ed., title 5, sec. 673). The rate of compensation for each hour of overtime employment of any such employee shall be computed as follows:

(a) If the basic rate of compensation of the employee is fixed on an annual basis, divide such basic rate of compensation by two thousand and eighty and multiply the quotient by one and one-half; and

(b) If the basic rate of compensation of the employee is fixed on a monthly basis, multiply such basic rate of compensation by twelve to derive a basic annual rate of compensation, divide such basic annual rate of compensation by two thousand and eighty, and multiply the quotient by one and one-half.

TITLE III—COMPENSATION FOR NIGHT AND HOLIDAY WORK

NIGHT PAY DIFFERENTIAL

SEC. 301. Any officer or employee to whom this title applies who is assigned to a regularly scheduled tour of duty, any part of which falls between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian, shall, for duty between such hours, excluding periods when he is in a leave status, be paid compensation at a rate 10 percent in excess of his basic rate of compensation for duty between other hours: *Provided*, That such differential for night duty shall not be included in computing any overtime compensation to which the officer or employee may be entitled: *And provided further*, That this section shall not operate to modify the provisions of the act of July 1, 1944 (Public Law No. 394, 78th Cong.), or any other law authorizing additional compensation for night work.

COMPENSATION FOR HOLIDAY WORK

SEC. 302. Officers and employees to whom this title applies who are assigned to duty on a holiday designated by Federal statute or Executive order shall be compensated for such duty, excluding periods when they are in leave status, in lieu of their regular pay for that day, at the rate of one and one-half times the regular basic rate of compensation: *Provided*, That extra holiday compensation paid under this section shall not serve to reduce the amount of overtime compensation to which the employee may be entitled under this or any other act during the administrative workweek in which the holiday occurs, but such extra holiday compensation shall not be considered to be a part of the basic compensation for the purpose of computing such overtime compensation. This section shall take effect upon the cessation of hostilities in the present war as proclaimed by the President, or at such earlier time as the Congress by concurrent resolution may prescribe. Prior to so becoming effective, it shall be effective with respect to any designated holiday only if the President has declared that such day shall not be generally a workday in the Federal service.

TITLE IV—AMENDMENTS TO CLASSIFICATION ACT OF 1923, AS AMENDED

ESTABLISHMENT OF RATES FOR CLASSES OF POSITIONS WITHIN GRADES

SEC. 401. Section 3 of the Classification Act of 1923, as amended, is amended by inserting at the end of such section a paragraph reading as follows:

"In subdividing any grade into classes of positions, as provided in the foregoing paragraph, the Civil Service Commission, whenever it deems such action warranted by the nature of the duties and responsibilities of a class of positions in comparison with other classes in the same grade, and in the interests of good administration, is authorized to establish for any such class a minimum rate, which shall be one of the pay rates, but not in excess of the middle rate, of that grade as set forth in section 13 of this Act, as amended. Whenever the Commission shall find that within the same Government organization and at the same location gross inequities exist between basic per annum rates of pay fixed for any class of positions under this Act and the compensation of employees whose basic rates of pay are fixed by wage boards or similar administrative authority serving the same purpose, the Commission is hereby empowered, in order to correct or reduce such inequities, to establish as the minimum rate of pay for such class of positions any rate within the range of pay fixed by this Act for the grade to which such class of positions is allocated. For the purposes of this section the fourth rate of a six-rate grade shall be considered to be the middle rate of that grade. Minimum rates established under this paragraph shall be duly published by regulation and, subject to the foregoing provisions, may be revised from time to time by the Commission. The Commission shall make a report of such actions or revisions with the reasons therefor to Congress at the end of each fiscal year. Actions by the Civil Service Commission under this paragraph shall apply to both the departmental and field services and shall have the force and effect of law."

PERIODIC WITHIN-GRADE SALARY ADVANCEMENTS

SEC. 402. Subsection (b) of section 7 of the Classification Act of 1923, as amended, is amended to read as follows:

"(b) All employees compensated on a per annum basis, and occupying permanent positions within the scope of the compensation schedules fixed by this act, who have not attained the maximum rate of compensation for the grade in which their positions are respectively allocated, shall be advanced in compensation successively to the next higher rate within the grade at the beginning of the next month following the completion of (1) each 12 months of service if such employees are in grades in which the compensation increments are less than $200, or (2) each 18 months of service if such employees are in grades in which the compensation increments are $200 or more, subject to the following conditions:

"(1) That no equivalent increase in compensation from any cause was received during such period, except increase made pursuant to subsection (f) of this section;

"(2) That an employee shall not be advanced unless his current efficiency rating is 'good' or better than 'good';

"(3) That the service and conduct of such employee are certified by the head of the department or agency or such official as he may designate as being otherwise satisfactory; and

"(4) That any employee, (A) who, while serving under permanent, war service, temporary, or any other type of appointment, has left his position to enter the armed forces or the merchant marine, or to comply with a war transfer as defined by the Civil Service Commission, (B) who has been separated under honorable conditions from active duty in the armed forces, or has received a certificate of satisfactory service in the merchant marine, or has a satisfactory record on war transfer, and (C) who, under regulations of the Civil Service Commission or the provisions of any law providing for restoration or reemployment, is restored, reemployed, or reinstated in any position subject to this section, shall upon his return to duty be entitled to within-grade salary advancements without regard to paragraphs (2) and (3) of this subsection, and to credit such service in the armed forces, in the merchant marine, and on war transfer, toward such within-grade salary advancements. As used in this paragraph the term 'service in the merchant marine' shall have the same meaning as when used in the act entitled 'An act to provide reemployment rights for persons who leave their positions to serve in the merchant marine, and for other purposes,' approved June 23, 1943 (U. S. C., 1940 ed., Supp. IV, title 50 App., secs. 1471 to 1475, inclusive)."

REWARDS FOR SUPERIOR ACCOMPLISHMENT; AUTHORIZATION AND LIMITATIONS

SEC. 403. Subsection (f) of section 7 of the Classification Act of 1923, as amended, is amended to read as follows:

"(f) Within the limit of available appropriations, as a reward for superior accomplishment, under standards to be promulgated by the Civil Service Commission, and subject to prior approval by the Civil Service Commission, or delegation of authority as provided in subsection (g), the head of any department or agency is authorized to make additional within-grade compensation advancements, but any such additional advancements shall not exceed one step and no employee shall be eligible for more than one additional advancement hereunder within each of the time periods specified in subsection (b). All actions under this subsection and the reasons therefor shall be reported to the Civil Service Commission. The Commission shall present an annual consolidated report to the Congress covering the numbers and types of actions taken under this subsection."

REWARDS FOR SUPERIOR ACCOMPLISHMENT; RESPONSIBILITY OF CIVIL SERVICE COMMISSION

SEC. 404. Subsection (g) of section 7 of the Classification Act of 1923, as amended, is amended to read as follows:

"(g) The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of this section. In such regulations the Commission is hereby empowered, in its discretion, to delegate to the head of any department or agency, or his designated representative, the authority to approve additional within-grade compensation advancements

provided for in subsection (f), without prior approval in individual cases by the Commission. The Commission is also authorized to withdraw or suspend such authority from time to time, whenever post-audit of such actions by the Commission indicates that standards promulgated by the Commission have not been observed."

INCREASE IN BASIC RATES OF COMPENSATION

SEC. 405. (a) Each of the existing rates of basic compensation set forth in section 13 of the Classification Act of 1923, as amended, except those affected by subsection (b) of this section, is hereby increased by 20 percent of that part thereof which is not in excess of $1,200 per annum, plus 10 percent of that part thereof which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 percent of that part thereof which is in excess of $4,600 per annum. Such augmented rates shall be considered to be the regular basic rates of compensation provided by such section.

(b) (1) The proviso to the fifth paragraph under the heading "Crafts, protective, and custodial service" in section 13 of the Classification Act of 1923, as amended, is hereby amended to read as follows: "*Provided*, That charwomen working part time be paid at the rate of 78 cents an hour, and head charwomen at the rate of 83 cents an hour."

(2) Such section is amended so as to provide the following rates of compensation for positions in the clerical-mechanical service:

Grade 1, 78 to 85 cents an hour.
Grade 2, 91 to 98 cents an hour.
Grade 3, $1.05 to $1.11 an hour.
Grade 4, $1.18 to $1.31 an hour.

(c) The increase in existing rates of basic compensation provided by this section shall not be construed to be an "equivalent increase" in compensation within the meaning of section 7 (b) (1) of the Classification Act of 1923, as amended.

TITLE V—EMPLOYEES OF LEGISLATIVE AND JUDICIAL BRANCHES

PART I—EMPLOYEES OF THE LEGISLATIVE BRANCH—INCREASE IN RATES OF COMPENSATION

SEC. 501. Each officer and employee in or under the legislative branch to whom this title applies shall be paid additional compensation computed as follows: 20 percent of that part of his rate of basic compensation which is not in excess of $1,200 per annum, plus 10 percent of that part of such rate which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 percent of that part of such rate which is in excess of $4,600 per annum. The additional compensation provided by this section shall be considered a part of the basic compensation of any such officer or employee for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended. The additional compensation provided for by this section and section 502 shall not be taken into account in determining whether any amount expended for clerk hire, or the compensation paid to an officer or employee, is within any limit now prescribed by law.

TEMPORARY ADDITIONAL COMPENSATION IN LIEU OF OVERTIME

SEC 502. During the period beginning on July 1, 1945, and ending on June 30, 1947, each officer and employee in or under the legislative branch entitled to the benefits of section 501 of this act shall be paid additional compensation at the rate of 10 percent of (a) the aggregate of the rate of his basic compensation and the rate of additional compensation received by him under section 501 of this act, or (b) the rate of $2,900 per annum, whichever is the smaller.

PART II—EMPLOYEES OF THE JUDICIAL BRANCH—INCREASE IN BASIC RATES OF COMPENSATION

SEC. 521. Each officer and employee in or under the judicial branch to whom this title applies shall be paid additional basic compensation computed as follows: 20 percent of that part of his rate of basic compensation which is not in excess of $1,200 per annum, plus 10 percent of that part of such rate which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 percent of that part of such rate which is in excess of $4,600 per annum. The limitations of $6,500 and $7,500 with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges, contained in the eighth paragraph under the head "Miscellaneous items of expense" in the Judiciary Appropriation Act, 1946 (Public Law No. 61, 79th Cong.), shall be increased by the amounts necessary to pay the additional basic compensation provided by this section; and the changes in the rates of basic compensation in the Classification Act of 1923, as amended, made by section 405 of this act shall not be taken into account in fixing salaries under such eighth paragraph.

TEMPORARY ADDITIONAL COMPENSATION IN LIEU OF OVERTIME

SEC. 522. During the period beginning on July 1, 1945, and ending on June 30, 1947, each officer and employee in or under the judicial branch entitled to the benefits of section 521 of this act shal be paid additional compensation at the rate of 10 percent of (a) the rate of his basic compensation, or (b) the rate of $2,900 per annum, whichever is the smaller. As used in this section the term "basic compensation" includes the additional basic compensation provided for by section 521 of this act.

TITLE VI—MISCELLANEOUS PROVISIONS

EFFECT ON EXISTING LAWS AFFECTING CERTAIN INSPECTIONAL GROUPS

SEC. 601. The provisions of this act shall not operate to prevent payment for overtime services or extra pay for Sunday or holiday work in accordance with any of the following statutes: Act of February 13, 1911, as amended (U. S. C., 1940 ed., title 19, secs. 261 and 267); act of July 24, 1919 (U. S. C., 1940 ed., title 7, sec. 394); act of June 17, 1930, as amended (U. S. C., 1940 ed., title 19, secs. 1450, 1451, and 1452); act of March 2, 1931 (U. S. C., 1940 ed., title 8, secs. 109a and 109b); act of May 27, 1936, as amended (U. S. C., 1940 ed., title 46, sec. 382b); act of March 23, 1941 (U. S. C., 1940 ed., Supp. IV, title 47, sec. 154 (f) (2)); act of June 3, 1944 (Public Law No. 328, 78th Cong.): *Provided*, That the overtime, Sunday, or holiday services covered by such payment shall not also form a basis for overtime or extra pay under this act.

INCREASE IN BASIC STATUTORY RATES OF COMPENSATION NOT UNDER CLASSIFICATION ACT OF 1923, AS AMENDED

SEC. 602. (a) The existing basic rates of pay set forth in the act entitled "An act to adjust the compensation of certain employees in the Customs Service," approved May 29, 1928, as amended, and those set forth in the second paragraph of section 24 of the Immigration Act of 1917, as amended, are hereby increased in the same amount that corresponding rates would be increased under the provisions of section 405 of this act; and each such augmented rate shall be considered to be the regular basic rate of compensation.

(b) Basic rates of compensation specifically prescribed by statute of Congress for positions in the executive branch or the District of Columbia municpal government which are not increased by any other provision of this act are hereby increased in the same amount that corresponding rates would be increased under the provisions of section 405 of this act; and each such augmented rate shall be considered to be the regular basic rate of compensation.

LIMITATIONS ON REDUCTIONS AND INCREASES IN COMPENSATION

SEC. 603. (a) The aggregate per annum rate of compensation with respect to any pay period, in the case of any present full-time employee who was a full-time employee on June 30, 1945, shall not, under the rates of compensation established by this act, be less than his per annum basic rate of compensation on such date, plus the rate of $300 per annum of 25 percent of such per annum basic rate of compensation, whichever is the smaller amount. This subsection shall apply to other than full-time employees on the basis of the proportion that the time served by any such employee bears to full-time service.

(b) Notwithstanding any other provision of this act, no officer or employee shall, by reason of the enactment of this act, be paid, with respect to any pay period, basic compensation, or basic compensation plus any additional compensation provided by this act, at a rate in excess of $10,000 per annum.

ESTABLISHMENT OF BASIC WORKWEEK—PAY COMPUTATION METHODS

SEC. 604. (a) It shall be the duty of the heads of the several departments and independent establishments and agencies in the executive branch, including Government-owned or controlled corporations, and the District of Columbia municipal government, to establish as of the effective date of this act, for all full-time officers and employees in their respective organizations, in the departmental and the field services, a basic administrative workweek of 40 hours, and to require that the hours of work in such workweek be performed within a period of not more than 6 of any 7 consecutive days.

(b) Beginning not later than October 1, 1945, each pay period for all officers and employees of the organizations referred to in subsection (a) shall cover two basic administrative workweeks established under such subsection.

(c) The following provisions of law are hereby repealed: (1) The provisions of the Saturday half-holiday law of March 3, 1931 (46 Stat. 1482; U. S. C., 1940 ed., title 5, sec. 26 (a)); (2) the provisions of so much of section 5 of the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1894, and for other purposes," approved March 3, 1893, as amended (30 Stat. 316; U. S. C., 1940 ed., title 5, sec. 29), as precedes the second proviso in such section; and (3) the provisions of section 6 of the act of June 30, 1906 (34 Stat. 763; U. S. C., 1940 ed., title 5, sec. 84).

(d) (1) Hereafter, for all pay-computation purposes affecting officers or employees in or under the executive branch or the District of Columbia municipal government, basic per annum rates of compensation established by or pursuant to law shall be regarded as payment for employment during 52 basic administrative workweeks of 40 hours.

(2) Whenever for any such purpose it is necessary to convert a basic monthly or annual rate to a basic weekly, daily, or hourly rate, the following rules shall govern:

(A) A monthly rate shall be multiplied by 12 to derive an annual rate;

(B) An annual rate shall be divided by 52 to derive a weekly rate;

(C) A weekly rate shall be divided by 40 to derive an hourly rate; and

(D) A daily rate shall be derived by multiplying an hourly rate by the number of daily hours of service required.

REGULATIONS

SEC. 605. The Civil Service Commission is hereby authorized to issue such regulations, subject to the approval of the President, as may be necessary for the administration of the foregoing provisions of this act insofar as this act affects officers and employees in or under the executive branch or officers and employees subject to the Classification Act of 1923, as amended, who are not in or under the executive branch.

VESSEL EMPLOYEES

SEC. 606. Employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, vessel employees of the Coast and Geodetic Survey, and vessel employees of the Panama Railroad Company, may be compensated in accordance with the wage practices of the maritime industry.

PERSONNEL CEILINGS

SEC. 607. (a) It is hereby declared to be the sense of the Congress that in the interest of economy and efficiency the heads of departments, and of independent establishments or agencies, in the executive branch, including Government-owned or controlled corporations, shall terminate the employment of such of the employees thereof as are not required for the proper and efficient performance of the functions of their respective departments, establishments, and agencies.

(b) The heads of departments, and of independent establishments or agencies, in the executive branch, including Government-owned or controlled corporations, shall present to the Director of the Bureau of the Budget such information as the Director shall from time to time, but at least quarterly, require for the purpose of determining the numbers of full-time civilian employees and the man-months of part-time civilian employment required within the United States for the proper and efficient performance of the authorized functions of their respective departments, establishments, and agencies. The Director shall, within 60 days after the date of enactment of this act and from time to time, but at least quarterly, thereafter, determine the numbers of full-time employees and man-months of part-time employment, which in his opinion are required for such purpose, and any personnel or employment in such department, establishment, or agency in excess thereof shall be released or terminated at such times as the Director shall order. Such determinations, and any numbers of employees or man-months of employment paid in violation of the orders of the Director, shall be reported quarterly to the Congress. Each such report shall include a statement showing for each department, independent establishment, and agency the net increase or decrease in such employees and employment as compared with the corresponding data contained in the next preceding report, together with any suggestions the Director may have for legislation which would bring about economy and efficiency in the use of Government personnel. As used in this subsection the term "United States" shall include the Territories and possessions.

(c) Determinations by the Director of numbers of employees and man-months of employment required shall be by such appropriation units or organization units as he may deem appropriate.

(d) The Director shall maintain a continuous study of all appropriations and contract authorizations in relation to personnel employed and shall, under such policies as the President may prescribe, reserve from expenditure any savings in salaries, wages, or other categories of expense which he determines to be possible as a result of reduced personnel requirements. Such reserves may be released by the Director for expenditure only upon a satisfactory showing of necessity.

(e) The following employees and employment may be excluded from the provisions of this section: (1) Intermittent employees who are paid on a "when actually employed" basis; (2) employees paid nominal compensation, such as $1 a year or $1 a month; (3) employees hired without compensation; (4) casual employees, as defined by the Civil Service Commission; or (5) such other employees or employment as the Director may find it impracticable to include.

(f) Until the cessation of hostilities in the present war as proclaimed by the President, the provisions of this section shall not be applicable to (1) employees of the War and Navy Departments except those who are subject to the provisions of titles II and III of this act; or (2) individuals employed or paid by or through the War Shipping Administration (A) who are outside the United States, (B) to whom the provisions of section 1 (a) of the act of March 24, 1943 (Public Law No. 17, 78th Cong.), are applicable, (C) who are undergoing a course of training under the United States Maritime Service or who have completed such training and are awaiting assignment to ships, or (D) who are on standby wages awaiting assignment to ships. As used in this subsection the term "United States" means the several States and the District of Columbia.

EXEMPTION FOR PURPOSES OF VETERANS LAWS AND REGULATIONS

SEC. 608. Amounts payable under the provisions of this act, other than increases under sections 405, 501, 521, and 602, shall not be considered in determining the amount of a person's annual income or annual rate of compensation for the purposes of paragraph II (a) of part III of Veterans Regulation No. 1 (a), as amended, or section 212 of title II of the act entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes," approved June 30, 1932, as amended (U. S. C., 1940 ed., title 5, sec. 59a; Supp. IV, title 5, sec. 59b).

APPROPRIATION AUTHORIZED

SEC. 609. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

EFFECTIVE DATE

SEC. 610. This act shall take effect on July 1, 1945.

The CHAIRMAN. Are there any amendments to be offered to section 202?

Mr. VORYS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have tried to follow closely the debate on this bill. I have studied the hearings and the report, and the only thing that is clear is that it is not clear what this bill does, or why.

A supplemental staff report from the Civil Service Committee dealing with over-rapid pay raises, faulty classifications and variations in classifications in pay is being suppressed because the Civil Service Commission disagrees with the report. Think of that. A committee suppresses an investigation of an administrative agency because the agency disagrees with the report. In this case we need the report, together with the comments of the Civil Service Commission, before we can intelligently pass on this bill.

According to the majority report, however—pages 8 and 9—this bill provides overtime, night and holiday pay for 259,000 in the executive branch who are not under the Civil Service Act. The committee admits that these 259,000 have not been classified and graded according to Classification Act standards and says:

> Until this is done, there can be no assurance that the basic pay scales sought to be raised have been established or are being applied in conformity with the general system approved by Congress.

Yet this bill uses these unknown pay schedules as a basis for overtime pay.

We know, however, from the majority report that the general increase in take-home pay is more than 50 percent over the Federal pay scale which was so satisfactory before the war that we were all hounded for Federal jobs. Page 23 of the report shows an average increase of 15.9 percent in basic rates, and then overtime of 30 percent of the new basic rate, which amounts to 34.5 percent of the old basic rate. Thus, 15.9 plus 34.5 equals 50.4. This means that the bill makes the 15 percent Little Steel formula increase the new permanent base and then adds over double the Little Steel formula as a wartime increase. If the War Labor Board says this is holding the line, then it must be because they themselves want inside this kind of line. We won the Battle of the Bulge in Europe. We are losing the battle in America because Congress itself, instead of holding the line, is deliberately creating a bulge in the line through inflation of Federal salaries that will help lose our war against inflation.

This House, without my vote, moved its own line up to prewar plus 25 percent. We should hold it there for other white-collar workers like ourselves. Congressmen and their staffs work overtime, and we do not get a month off or retirement pay. Except for the lower clerical grades, overtime for a white-collar worker in public office is an invitation to dawdle. It would be far better to pay a bonus to finish public business faster than to pay a premium for stringing it out, as is being done in thousands of Federal offices now under this practically 100-percent overtime plan.

Thousands of Federal workers have worked hard and loyally through the war. What else would you expect of Americans? Hundreds of them are feeling the pinch of wartime shortages. That is to be expected in a country at war. All of us on the Federal pay roll should set an example in hard work and self-sacrifice in wartime. If we try to beat the game by inflating our salaries to keep up with wartime inflation, in order to get more than our share of the things that cost more because they are scarce, we will end up by causing more inflation and not helping ourselves.

This bill should be sent back to committee for consideration as postwar permanent legislation, and we should keep our present pay system in effect until the end of the war.

The CHAIRMAN. Are there any amendments to section 203?

Mr. RANKIN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. RAMSPECK. Will the gentleman yield for a unanimous-consent request?

Mr. RANKIN. I yield.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent that all debate on section 201 close in 5 minutes.

Mr. REES of Kansas and Mr. VURSELL objected.

The CHAIRMAN. The gentleman from Mississippi [Mr. RANKIN] is recognized for 5 minutes.

HIGHER PRICE LEVELS

Mr. RANKIN. Mr. Chairman, as I said on yesterday or the day before, we are bound to move into higher price levels.

I have before me the circulation statement of the United States Treasury for April 30, 1945. It shows that on Octo-

ber 31, 1920, we had $5,698,000,000 in circulation, or $53.21 per capita. That was the highest in volume or per capita circulation our currency had risen in all the history of the country up to that time.

On April 30, 1945, we had not just $5,698,000,000 in circulation, but $26,189,000,000, and instead of having $53.21 per capita as we had in 1920, we had $188.08 per capita.

Prices in a free economy are regulated by two things—the volume of the Nation's currency and the velocity of its circulation.

We are bound to rise to higher price levels, but the one thing to which I am objecting is that this rise is not made uniform, and that the farmers of this country are being left out, to be ground into the dust by low prices for farm commodities while everybody else seems to reap a harvest of inflated wages and inflated values.

Every man who votes for this bill, if he is consistent and conscientious, must support the Wherry amendment which was adopted in the Senate a day or two ago to give the farmers reasonable pay for their services and for that of their families, in digging out of the ground a living for the rest of us.

Let me bring to you the picture of the cotton farmer. Every other farmer in America must sink to the economic level of the cotton farmer, because he is a direct competitor of every other farmer in America. You can produce anything in the Cotton Belt that you raise anywhere else in the United States.

Mr. REED of New York. Mr. Chairman, will the gentleman yield for an observation?

Mr. RANKIN. Yes; I yield.

Mr. REED of New York. Is it not a fact that the only answer to inflation caused by shortage of food is adequate prices that will bring about production?

Mr. RANKIN. Why, certainly. It was brought out here this morning that you can get all the sugar you want to make liquor. That has been going on all during this war. You cannot walk down the street of Washington that you do not see liquor stores literally packed with liquor. The farmers in your district and mine today cannot get sugar to can their fruit and berries.

Another thing, the cotton farmer is selling his cotton at 22 cents a pound, and yet during the last war, at the time when we had only $5,698,000,000 in circulation and did not have the OPA straddle of his neck, the farmer was getting 35 to 40 cents a pound for his cotton.

Now when we have more than $26,000,000,000 in circulation, or almost five times as much as we had then, he is getting just a little more than half as much for his cotton as he got then—when he should be getting two or three times as much.

If he was being paid in proportion for his cotton now he would be getting from 40 to 75 cents a pound, or even more, instead of 22 cents a pound.

Remember, the cotton farmer gets 1 cent an hour for his work for every cent a pound he gets for his cotton. Just think of that! The hardest working men in America, toiling in the hot sun at 22 cents an hour.

More of their sons—I want you all to hear this—the white cotton farmers of America have sent more of their sons in proportion to their numbers to this war than any other people under the American flag. You have stripped the southern farms of the young white men and boys, sent them to war, and you are now grinding their parents into the economic dust by holding down the price of the cotton they sell below the cost of production; and all the other farmers of America are caught in the economic squeeze with him.

Oh, I know that those communistic elements who want to regiment everybody, want to take over all the land in this country and have it divided into community farms. They want to take over all the factories and have them operated by the Government as they are operated now in some foreign countries; but those of us who still believe in constitutional government do not believe in that kind of stuff.

We want to see wages and farm prices rise to the economic levels justified by the volume of our circulating medium, so that we may all enjoy a reasonable measure of prosperity—including every farmer in America.

And instead of a communistic or totalitarian state, we want to preserve our American system of constitutional government, individual liberty, and freedom for all.

We want to save America for Americans.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. VURSELL. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. VURSELL. Mr. Chairman, I wish to say first that some of us were a little disappointed during the consideration of important amendments yesterday by too many empty seats in the House. We are continuing this bill today. There is going to be further opportunity to serve the country, and I hope we shall be able to register the will of the majority of the House when certain amendments will be offered later on and not the will of the pitiful minority.

The gentleman from Ohio has suggested that a report has been suppressed. I think it is fair to state as a member of the subcommittee dealing with this legislation that the greatest effort to get this report came from the minority, of which I was one of two. There is no question but that we should have had this report, that we should have been striving to operate in the light for the past 3 or 4 months knowing that we were going to approach this very important problem; but we did not get a full report, we got a partial report. I do not know whether we ought to try to extend the status quo and write permanent legislation later on in the fall after we have had this report; I do not know if we should take that step, but I am not satisfied with the approach that has been made to this legislation, and I do not think it is good administrative policy or good legislative policy to come in here and ask this House to consider the passage of legislation that is likely to be permanent and add something just a little less than a billion dollars to the burden of the taxpayers of this country, a piece of legislation that undoubtedly is inflationary in character, without having sufficient information as to the absolute necessity of the legislation and the equity it will bring to those who do not now have equity who are serving in the public service.

We offered an amendment yesterday, the same amendment that was offered before the committee, to cut this bill back to the very liberal Senate bill. That amendment was defeated yesterday. Some of the Members of the House who are here now probably do not know that because urgent business in committees, and so forth, kept them elsewhere. That bill would have added in aid, shooting in the dark as we are with this legislation, $580,000,000 to the pay roll of about half of those employed in the Federal service. That amendment went two-thirds of the way. It was defeated by the committee bill providing full time and a half for overtime. That is arrived at by shortening the number of days that are worked in the year and went all the way, adding $250,000,000 in excess to the $580,000,000 added under the amendment.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. VURSELL. Mr. Chairman, the gentleman from New York [Mr. TABER] came on the floor of the House this morning and in a 1-minute speech said he had it on pretty good authority that about 50 percent of the people in WPB were not necessary to carry on the functions of that agency and that they had no work to do. Is that not a strange and bad situation? The Members of this Congress, after having read the exhaustive committee report of Senator BYRD, believe that we are probably giving overtime and an increase in base pay to 300,000 people who are not needed and whose services are not properly utilized.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Washington.

Mr. JACKSON. Is it not a fact that the committee bill has adopted an amendment offered by Senator BYRD in the Senate bill relating to personnel ceilings?

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield to me?

Mr. VURSELL. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I may say to the gentleman that that particular section does not do a thing but just permits

them to shift the employees around. That is all it really does. There is nothing to cut down the employees of the Government in that section. The gentleman from Washington well knows that. It has been referred to a good many times here as the so-called Byrd amendment, but Senator BYRD, himself, as I understand him, wants to cut down employment. I am informed also he could not include that in this particular bill, so we have a sort of gesture here and there is a provision for ceilings, as they are called, but the gentleman from Illinois and the gentleman from Washington know, and they are quite familiar with the operations of the Civil Service, that that amendment will not cut at all the personnel in any department of Government.

Mr. VURSELL. Senator BYRD has been making a one-man fight and a noble fight in the other body to try to bring business principles into the Government. He has probably gotten as far as he can get over there with that committee. That is the status now.

We will offer to the House an amendment to set up a committee of management, which was offered to the committee headed by the able gentleman from Georgia, the Committee on Civil Service, by the minority and it was voted down. It will go to the heart of this thing and you Members representing the people who want to bring economy in Government are going to have an opportunity when this amendment is offered to stand up and say what you think the taxpayers' money ought to be used for, whether it should be conserved or whether it should be wasted in a most inflationary manner. We all want every one who is working to have fair wages, and we can give them splendid wages. The Government is rich enough to do that if you will shake out the drones and only pay those who work efficiently. You would not apply such a system to any business that you own and operate privately as you countenance in the Government here.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Idaho.

Mr. DWORSHAK. The gentleman referred to the fact that the Senator from Virginia [Mr. BYRD] has waged a one-man fight for economy and a reduction of civilian pay rolls. I should like to correct that statement. Mr. BYRD is merely chairman of a House-Senate committee which has sponsored this activity. Likewise, the Appropriations Committee of the House has done far more than merely seek publicity to create the false impression in the minds of the American people that reductions are made when in fact they have not been made in the other body.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent that all debate on section 202 do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. DWORSHAK. Mr. Chairman, reserving the right to object, we will have an opportunity to speak on other sections?

Mr. RAMSPECK. That is just on this section.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word, and, Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Chairman, I wonder if the Members of this House really understand the tremendous importance of the legislation that is now before us. From the evident lack of interest in this legislation as displayed by the lack of Members on the floor yesterday it would seem to me that perhaps the skids are already greased and that this legislation is going to go through without a single change. I think the public of this country and the employees of the Government ought to know what is in this legislation that we are asked to vote for. I have never listened to such a confused debate as has been made upon this proposed legislation.

I submit that so far as I am personally concerned, after being here all through this debate and participating in it to some extent, I am still confused as to what this bill really intends to do and what the genesis of this bill really is. I have not heard a single person say anything here today or yesterday as to the general attitude of those who are affected by this bill, the Government employees themselves. Here are, according to the statement in the report accompanying this bill, some 1,220,000 employees of the Government who are affected by the basic pay raises provided in this bill. There are some 260,000 other employees who are not affected by the basic pay raises provided in this bill but are affected by the overtime provision in this bill. We have the situation where these agencies have been created and appropriations made to maintain them with specific provisions that their employees may be hired without regard to the Classification Act. We did that the other day with respect to the employees that are going to be hired by the Veterans' Administration. All those employees are going to have their basic rates of pay fixed by the head of the agency and not pursuant to the Classification Act. It seems to me when you have the Veterans' Administration and the War Production Board and the OWI and all of these war agencies not under the control of the Classification Act, many of them with their people scattered throughout the length and breadth of this land, that we are bringing utter confusion into this matter of pay grades in the Government service. I think it is high time that the Congress of the United States begin to give some serious attention to the problem that will be presented out in your town and out in my town if you continue to pass this kind of legislation.

Let me tell you what is going to happen and give you an illustration. You have the employment offices scattered throughout this land, the USES offices, and they are proposing to extend them by a tremendous increase in the number of those offices. In each one of those offices are also located the employees of the unemployment compensation group. Those employees are State employees. They sit in the same offices with the USES employees, who are Federal employees, and there are thousands of them throughout this land. Under this bill, unless Congress rewrites the provision that was contained in the Federal security appropriation bill last year, you will be paying salaries to the girls and employees in the USES sections out of that office at Federal levels, and unemployment compensation employees will be paid at the State levels. How are you going to have efficient operation in the same office when here is a stenographer who under State levels gets $1,200 a year, and right next to her is another stenographer working for USES who under this bill will get in the neighborhood of $2,100 a year?

I want you to tell me what effect this is going to have upon the business of this country when you have all these employees in the ration boards and on these selective-service or draft boards throughout the country who are being paid in accordance with this proposed schedule. You cannot hire anyone to work in a bank, insurance office, or law office. The rates of pay in Government service are all out of line with the rates of pay paid to local people working in the same line of work in State, municipal, and civilian employment. Remember that employees out of Government service have been frozen to their jobs and their wages have likewise been frozen. I do not think you have given consideration to that situation in this bill. But you are always talking about the underpaid Government worker here in Washington. This bill affects Government workers from one end of this land to the other. Now, I want to see all of them well paid. But you do not make any differential in this bill between a worker working 48 hours a week in wartime Washington and a worker, for example, employed by a local draft board or ration board out in some small city. There is not a bit of differentiation. Certainly there is a vast difference in the living costs as between those of the girl who works here and one who works in an office back in your town or my town. I tell you, you are bringing confusion in this situation as it looks to me.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. JACKSON. What about the situation with reference to the postal service? We had a postal pay bill here recently. The letter carrier here in Washington gets the same salary as they get out in your district.

Mr. KEEFE. The argument might apply there; I do not know. But I am getting a little bit tired of having reference made to the postal pay-raise bill as a justification for the enactment of this legislation. Time will not permit a thorough analysis of the two situations. I can simply say that so far as I am concerned I voted for the postal pay raise and am glad of it. I believe they were entitled to it. I do not think the two situations are comparable because of the overtime provisions that are to be found in this bill. Without further discussion you can stop right there.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. Yes; I am glad to yield.

Mr. RAMSPECK. The gentleman asked about employee representatives at the hearings. The hearings have been printed and are available. The American Federation of Government Employees, the American Federation of Labor, the National Association of Federal Mechanics, the National Customs Service Association, the National Federation of Federal Employees, and the United Federal Workers, all testified and were in support of the bill.

Mr. KEEFE. Oh, yes. I have no doubt that is all true. Let me say to my distinguished friend from Georgia that I have taken it upon myself to talk to a large number of these employees in the departments here in Washington. I have talked to the girls who are grossly underpaid who are working in these offices down here 48 hours a week. And do not make any mistake about it—they are working. Those girls get down there at 9 o'clock in the morning and do not leave their offices until a quarter of 6. They work 6 days a week. Then they have to get a bus or streetcar and do not get home until 7, 7:30, or 8 o'clock. Five or six of them may live together in an apartment. They are compelled to do it in order to live. They then have to cook the evening meal. Then they have to wash the dishes, clean the apartment, do a little laundry, and so forth. It is as late as 9 o'clock at night before these girls are through with their day's work. These girls, and there are thousands of them in Washington such as I have described, have not the time during the week to go to a hairdresser to have their hair set. They do not have time to stand in line at food stores in order to get even a minimum of food.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman to proceed for five additional minutes?

There was no objection.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman.

Mr. JACKSON. I might say to the gentleman that the people in the lower brackets are the ones who benefit most by this legislation.

Mr. KEEFE. Yes; the tables show that they benefit most by this legislation, and I congratulate the committee in giving them this consideration. But let me tell you what they are most interested in, those that live here in Washington and in other large congested cities. There ought to be somebody in this House who will speak for these employees. I know whereof I am speaking. These girls are tired—they are tired—they have been working long hours all during this war period, and what they really want, despite what is contained in the record of your hearings, is a decrease in the number of hours and a fair increase in their day's pay. They want some chance to have a few hours during the week when they can rest in the sun; when they can get their own personal work done. Many of them have to do their own washing and mending and ironing. You can laugh if you want to but go out to these boarding houses and rooming houses where these thousands of girls are compelled to live, and you will find that the overwhelming majority of them want a shorter workweek with a commensurate increase in their base pay to take care of the additional cost of living.

Mr. JACKSON. Will the gentleman yield?

Mr. KEEFE. I yield.

Mr. JACKSON. The gentleman has read the report. He will note that the President has indicated that the hours of employment will be reduced as rapidly as possible.

Mr. KEEFE. Oh, I have read that report and I read the newspapers and I read the releases coming from the White House. I hope that happens, but I am talking about realities.

Mr. JACKSON. I assume the gentleman is supporting this legislation, in view of the feeling he has expressed here.

Mr. KEEFE. Exactly.

Mr. JACKSON. Including time and a half for overtime.

Mr. KEEFE. No. I am supporting the proposition that will give them time and one-twelfth, because I am sure that an overwhelming majority will be entirely satisfied with the present overtime rate if given the base rate increase.

Mr. JACKSON. You feel that these girls working in the offices in Washington should receive time and one-twelfth, but girls doing identically the same work in private industry, stenographic work, should receive time and a half?

Mr. KEEFE. May I say to the gentleman that I have said no such thing. I have said I shall vote for base pay increases and time and one-twelfth for the overtime. I have said I am convinced most Government workers will be completely satisfied. I do not know that stenographers in many private businesses are getting time and one-half. There is quite a difference, if I may say, and that is the realism I would like to discuss with the gentleman. The gentleman is not fooling me a bit and he is not putting me on the spot. I have made it a point to go down into a lot of these buildings on Saturday afternoon and I would like to take the gentleman down there on Saturday afternoon. In certain buildings you can shoot a cannon down the hallways, especially those occupied by war agencies, and you will not hit a person. Across the hall from those employees you will find employees of the old-line agencies that are working, when they see other people have gone away without even signing a leave slip which the law requires. You might as well understand this as a realistic proposition. You will find thousands of people leaving their jobs on Saturday afternoon and if you make a check of the leave slips you will not find that time charged to their annual leave.

Mr. JACKSON. Will the gentleman yield further?

Mr. KEEFE. I yield.

Mr. JACKSON. I understood the gentleman's statement a moment ago about these girls working long hours and working hard. Now what is his position? Does he say they are loafing?

Mr. KEEFE. May I say to the gentleman that I have never charged loafing. Had the gentleman been listening he would not have asked such a silly question. Certainly a person cannot loaf who is not on the job at all. My position is that there are those who are not covered by the classification standards who are working in the old-line offices of this Government, who do comply with the leave-slip provisions and who do have their time off charged to annual leave or sick leave, and who are closely supervised and closely watched. As to those people they are asking that you give them some reduction in their period of working hours, with a fair and reasonable and decent increase in their basic pay.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. DWORSHAK. Mr. Chairman, I move to strike out the last two words.

Mr. RAMSPECK. Will the gentleman yield for a unanimous consent request?

Mr. DWORSHAK. I yield.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent that all debate on section 203 close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DWORSHAK. Mr. Chairman, I have listened to the debate on this measure and I am amazed at the amount of confusion, as well as the lack of information which has been made available. I realize the members of this subcommittee have endeavored to work diligently so that they might outline some plan which would be acceptable. However, may I call the attention of the Members to a statement recently made by the chairman of this committee, whom we all respect, wherein he stated, according to the Associated Press under date of May 31, that there were 2,914,000 Federal civilian employees. Yesterday the chairman of the subcommittee stated there are approximately 2,900,000 Federal employees. I hold in my hand the report of the United States Civil Service Commission for April 30, 1945. May I direct your attention to the fact that while there are approximately 2,900,000 civilian employees in the continental United States, this report states:

The total number of paid employees serving outside the continental limits of the

United States was approximately 547,000 on March 31, 1945.

I wonder if those half-million civilian employees working outside of the continental limits work for nothing, or whether we should justifiably include them in the civilian Federal pay roll.

Mr. RAMSPECK. Will the gentleman yield?

Mr. DWORSHAK. I yield.

Mr. RAMSPECK. The statement I made is correct. I said there were 2,900,000 approximately in the United States.

Mr. DWORSHAK. That is right.

Mr. RAMSPECK. The gentleman agrees with me.

Mr. DWORSHAK. Yes.

Mr. RAMSPECK. There are several hundred thousand outside the United States.

Mr. DWORSHAK. Five hundred and forty-seven thousand.

Mr. RAMSPECK. They are working for the Army, the Navy, and other war agencies in connection with the war effort.

Mr. DWORSHAK. They are civilian employees, are they not?

Mr. RAMSPECK. Certainly.

Mr. DWORSHAK. Why are they not included in your report? They are included by the Civil Service Commission. They report there are over half a million civilian employees serving outside the borders of our country.

Mr. RAMSPECK. Are they not included in the report the gentleman has there from the Civil Service Commission?

Mr. DWORSHAK. Not in any reports which have been made by members of the gentleman's committee thus far. I challenge the gentleman to point out where that data have been included. Will the gentleman refer to it?

Mr. RAMSPECK. I may state to the gentleman that I have never attempted to conceal the fact that we have several hundred thousand people outside the United States. We have been dealing in this debate with those covered by this bill. There are approximately 1,200,000 dealt with on base pay and 1,400,000 dealt with on overtime pay.

Mr. DWORSHAK. Have you not included this other half million? Are they not amenable to the same regulations which affect the employment of civilians in this country? I might point out that back in the year 1940——

Mr. ROBSION of Kentucky. Just at that point, if the gentleman will permit an interruption, I should like to know how many of this 547,000 are not American citizens, where they live, and what it costs them to live.

Mr. DWORSHAK. Mr. Chairman, the gentleman could get that information from the Civil Service Committee. I am not a member of that committee.

In the year 1940 there were approximately 1,000,000 civilian employees on the Federal pay roll; now we have about 3,500,000. In 1940 the pay roll of the executive department of the Government was approximately $1,866,000,000, or less than $2,000,000,000. But today the annual pay roll of the executive department for civilian employees is approximately $9,000,000,000. So we have an increase of about 400 percent in the number of personnel and 400 percent in pay roll, or a jump from about $2,000,000,000 in 1940 to approximately $9,000,000,000 at the present time. Has that information been given to Members of this body so that they may act intelligently in the consideration of this bill?

I should like to call your attention to another fact that has not been revealed to this body during this debate.

The CHAIRMAN. The time of the gentleman from Idaho has expired. All time has expired on this section.

Are there amendments to sections 301, 302, 401?

Mr. REES of Kansas. Mr. Chairman, I offer an amendment to section 401.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: On page 9, line 5, under title 4, strike out section 401 and renumber sections 402, 403, 404, and 405, as follows: "Section 401, section 402, section 403, and section 404."

The CHAIRMAN. The gentleman from Kansas is recognized for 5 minutes.

Mr. REES of Kansas. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The CHAIRMAN. The gentleman from Kansas is recognized for 10 minutes.

Mr. REES of Kansas. Mr. Chairman, there has been considerable discussion with respect to the confusion regarding this bill. I want to say to the members of this committee that I have done the very best I could in an effort to secure information which I thought would be of interest to the membership of this House with respect to this legislation. Let me say to the committee that I have tried to obtain what information I could through our staff director. Our staff director, Colonel McCormack, is competent and is courageous. He believes in presenting the facts as he finds them, whether favorable to those who are being examined.

In my opinion, he has done a good job as far as he was permitted to do it, and during the time he had to do it. I had hoped that by this time we would have further information on that subject. Our chairman had scheduled a committee meeting for 10 o'clock this morning to discuss this matter further, and to hear the report of the staff director, but the meeting was called off during the morning because the chairman had another appointment, as I understand. What information would have been disclosed I do not know by the report the staff director has advised he has ready to present. I simply want it understood that, as a member of the Civil Service I have tried to secure as much information as could be provided that may be of importance to this committee and to the country with respect to this legislation.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Ohio who has manifested a great deal of interest in this proposed legislation.

Mr. VORYS of Ohio. On Monday we had quite a discussion about a staff report of the Civil Service Commission that was being suppressed. The circumstances were discussed with the chairman of the committee and the ranking member. Has that situation changed since Monday?

Mr. REES of Kansas. The only manner in which it has changed since Monday is that it was understood our staff director would furnish further information for our committee in reply to a statement that was made by a member of the Commission, who examined the staff report and claimed the statements of the staff director are incorrect. The committee was to have met this morning and receive the further report of our staff director. As I said, the meeting was postponed this morning, because our chairman had another appointment. I was advised the meeting will be tomorrow.

I see no reason why this report should be postponed. The members of the committee and the membership of the House ought to know what is in it. If it does not have anything to do with this bill, well and good; but we ought to have it now, and not wait until this legislation is disposed of. I think that is fair to the committee and to the House, and to our staff director, for whom I have the highest respect. Whatever information is disclosed in the report, this House should have it. This information is not from some outside source. It is from our own staff director, at the request of our own committee.

Mr. VORYS of Ohio. That report deals with the very subject matter that we are considering here, does it not?

Mr. REES of Kansas. In my judgment, it deals with the problems to be considered here and now. We ought to have it.

Mr. Chairman, I have been quoted in the press, and by Federal employees who are not familiar, as being opposed to the raising of the salaries of Federal employees. Such statement is unfounded; it is incorrect and it is untrue. The question involved in the amendment offered yesterday deals with overtime pay only. To keep the record clear, all members on the House Committee on Civil Service approve this legislation with respect to increases in base pay. The difference arose with respect to the overtime-payment feature of this bill.

I am in favor of raising the base pay as provided in this legislation. I have not said one word against it. In addition thereto, I favor overtime payments under the present schedules now in effect, which are at the rate of 21.67 percent, or 1½ for the additional 8 hours above the 40 hours per week. It is also the same schedule in the bill that passed the Senate. This bill proposes a so-called time-and-one-half schedule. Many Federal employees believe that the bill provides for an additional payment of time-and-one-half pay all the way down the line. The fact is that the time-and-a-half payment applies only up to $2,900, and from there on it tapers down to 7 or 8 percent only for overtime.

Mr. Chairman, when it is declared by Presidential order or by resolution of Congress that employees shall work only 40 hours, then let us have a really true time-and-a-half overtime for extraordinary necessary work, and apply it all the way down the line. That is the way to handle it, and I believe it is the way the Federal employees really want it. In fact, I shall be glad to introduce a resolution to provide for true time-and-one-half pay for necessary work when we are on the 40-hour-week schedule.

Now, Mr. Chairman, I am offering a further amendment that strikes out the provision in this bill that would authorize the Civil Service Commission to make adjustments within certain bounds and which would permit them to make their own classifications. It is my candid opinion that the Civil Service Commission has not thus far shown itself capable of doing that. In any event that has been the prerogative of this Congress ever since we have had the Classification Act. Congress has provided for those classifications. The question is whether you want by this provision in the bill to pass on to the Civil Service Commission the authority to do the thing that heretofore belonged to the Congress of the United States? The author of the bill will tell you that as a practical matter the Civil Service Commission should have authority to establish classifications. If there should be further classifications, they should have been written in this bill and not left to the power and authority of the Civil Service Commission. Of course, the Civil Service Commission feels this is further power that should be passed on to it, and not retained by the Congress. This Congress has passed too much power and authority to bureaus and agencies. Here is another example of giving further powers to bureaus and commissions. It violates the intent of the Classification Act. If further, let us find out what is needed and write them in the act, and not delegate the authority to any agency.

Mr. Chairman, may I say again, this is just about the last straw in asking the Congress to delegate authority. It is a more serious matter than most of the membership of this committee appreciate because we have become so accustomed to passing on authority and then finding out later that a great mistake was made. We can stop making that further mistake by striking out this section. It is new legislation and it should not be adopted. We should not let the Civil Service Commission rewrite the Classification Act which is a function of the Congress.

There has been considerable discussion on the floor of the House with respect to this upgrading matter, the increase of salaries by upgrading. There was considered on the floor the other day a figure of 4.2 percent by a member of the committee. He called that the media, whatever that means. I have asked that the Commission furnish us information showing the number of employees on the pay roll with the Civil Service Commission alone and the total amount paid them 3 or 4 years ago, and then give it to us as of a certain date, say January, 1945. I am advised that such information would require an endless amount of work and would take quite a while to prepare; so up to this time I do not have that information, but my candid judgment is that when we do receive it, there will be an average, not a media, of a great deal more than has been suggested by the committee report.

Mr. Chairman, the majority of the committee has been complimenting the Civil Service Commission and its officials with respect to taking care of the question of promoting people within the departments and they have insisted that the Commission has done a pretty good job.

Only a few hours ago an official in one of the war agencies called my attention to an employee who started at $3,200 less than a year ago, and has been moved along so rapidly that he is now being paid at the rate of between $8,000 and $9,000, and yet his services are little more important than they were when he was first employed. There is too much favoritism, especially in the newer agencies. Too many men and women who have come into Government in the last few years have been advanced over competent and experienced employees, who have been in Government many years, but who do not have influence back of them.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. REES of Kansas. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Here is another thing that goes on in our departments, and there ought to be some way to get rid of it, and that is this: We have too much of what might be called totalitarianism, whatever that is, down in our departments. We have individuals down there who are more or less czars, and when an employee wants to submit his problems or his grievances, he just does not have the chance to which he is entitled. Why, I have had employees down here, both men and women, who have been here for years in the old-line agencies—not the newer ones so much—who tell me, "Now, I want you to have this information with respect to the way conditions are going on down here." But they say in the same breath, "Of course, I hope you will keep this confidential because if it is reported to my chief, it may mean my job or mean demotion for me."

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Ohio.

Mr. ELSTON. As I understand, the gentleman's amendment would remove section 401 from the bill.

Mr. REES of Kansas. That is correct.

Mr. ELSTON. And section 401 provides permanent legislation?

Mr. REES of Kansas. That is correct.

Mr. ELSTON. If this Congress ever desired to repeal the legislation and we were confronted with a Presidential veto it would be necessary for two-thirds of the House and the Senate to recapture the power that we would delegate if we enact this bill in its present form?

Mr. REES of Kansas. The gentleman's statement is correct. I trust that the membership of this Committee will see fit to support my amendment.

Mr. ANGELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendment under consideration proposed by the gentleman from Kansas [Mr. REES] in my judgment should not receive approval. The section which the amendment seeks to strike from the bill merely liberalizes the procedure permitting the employees in certain cases to be advanced in a shorter time than otherwise would be permitted under the law. This is in line with the procedure in other branches of Federal service.

I am particularly interested in the passage of this bill and take this opportunity to discuss some of its general features. On March 21, 1945, I introduced H. R. 2703, which had for its purpose the improving of the salary and wage administration in the Federal service, classifying salaries and adjusting salary levels, providing pay for overtime and for night and holiday work, and also amending the Classification Act of 1923. A companion bill, H. R. 2497, was also introduced. These bills were referred to the Committee on the Civil Service, and extensive hearings were held. As a result, some modifications and changes were made in the provisions of these two bills, and a clean bill, H. R. 3393, was introduced by the gentleman from Washington, Representative JACKSON, on June 6 last. This bill is under consideration by the House and will probably be passed today.

This legislation is generally referred to as the white-collar pay bill for Federal employees and has for its purpose the putting of Federal employees in this class on a parity with those in other Federal services. Some time ago, the House passed a similar bill covering postal employees, and, insofar as practicable, this bill follows the general plan of the postal employees' bill. It provides for an average increase of white-collar employees' pay of 15 percent. The plan has the approval of the National War Agencies Labor Board and the Economic Stabilization Director, Mr. Davis. It provides that employees working beyond 40 hours shall be paid time and a half on the basis of 2,080 hours a year, or 260 days per year, which is the standard used in the wage-and-hour law. It is also the standard used in the navy yards and arsenals for employees, who come under wage-board procedure and whose salaries are fixed by wage boards. The employees to whom I last referred have already had basic wage increases, and it is proposed by this bill to bring these additional Federal employees on an equitable basis with the other million and a half employees in the executive branch of the Government.

The bill covers the legislative employees, that is, the employees of the staffs of Members of the House and Senate. They are treated on the same basis as other Federal employees in the executive branch insofar as it has to do with basic pay. They get an average increase of 15

percent plus, on a graded scale according to rate of pay. However, they are not placed on time and a half overtime because it is not practicable to utilize that method in fixing overtime computation for these employees, owing to the irregularity of their hours. In lieu of overtime and in addition to basic wage increases, these legislative employees, under this bill, get a flat 10-percent allowance instead of overtime pay. The same rule is applied to judicial employees of the Government. This bill, when enacted into law, will take the place of the temporary war emergency law of 1943 which expires on June 30, 1945, under which about a million and a half employees have been receiving extra pay.

Unless this bill is enacted or the overtime pay act extended, salaried employees other than those in the postal service will be required to work overtime without additional compensation therefor. No other group of Federal employees will be so treated.

The number of employees on the Federal pay roll changes from day to day but there are approximately 3,000,000 Federal employees in continental United States at the present time. They are employed in Washington and throughout the United States. It is reported that there are about 470,000 Federal civilian employees outside the United States. Approximately one-half of these employees are covered by this legislation. The Fair Labor Standards Act passed by the Congress some years back requires time and a half overtime in private industry. It would seem fair for the Federal Government to accord the same treatment to its own employees it requires of others.

The formula in the bill for increasing basic pay rates is specific and provides for the addition to the base pay of 20 percent of that part not in excess of $1,200 per year, to which shall be added 10 percent of the portion which is in excess of $1,200 but not in excess of $4,600 per year. To this sum is added 5 percent of that part which is in excess of $4,600 per year. The total of these additions is the basic rate. It is estimated that the over-all average increase amounts to 15.9 percent.

Mr. Chairman, this bill is in line with the general program of the Congress to classify and stabilize salaries of Federal employees so that they may be on a parity, so far as it is possible, with respect to hours, pay schedules, basic time, and overtime. It is believed that this bill is the best that is possible to frame at the present time and should receive the approval of all Members of the House. The bill has already passed the Senate in substantially the form as now set forth in H. R. 3393.

Mr. RAMSPECK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the section the gentleman from Kansas undertakes to strike out proposes to liberalize an act which was passed by this Congress in response to the action taken by the Committee on Appropriations. Prior to the enactment of that legislation there was no limitation on the speed with which the employees could go up the ladder within a grade. The Committee on Appropriations from time to time put certain limitations in the appropriation bills, but recognized that that was not a proper way to handle it, and they had the Bureau of the Budget make a study. The Budget brought in a report which the Committee on Appropriations sent to the Committee on the Civil Service, and the existing law was enacted in response to the action of the Committee on Appropriations and the Bureau of the Budget.

The present law provides that an employee can get a one-step promotion within the grade, which in the lower brackets is $60 a year, every 18 months. In the higher grades, from $3,800 up, they can get one only every 30 months.

In the hearings on this bill at page 91 you will find the testimony of Admiral Crisp, of the Navy Department, about the difficulty they are experiencing. He recommends the provision which the gentleman from Kansas is undertaking to strike out. It changes the waiting period respectively from 18 months to 12 months, and from 30 months to 18 months, in which a one-step promotion within the grade can be made. Now that is all there is in this section.

Somebody said they are tired of hearing about the postal bill, but I think it is fair to make comparisons with other legislation dealing with employees doing similar types of work. The postal bill and the postal legislation have always provided that clerks and letter carriers begin at the bottom of the grade, and they go up $100 each year until they reach the top, and that is still provided. It is an automatic promotion. The only difference between that and the provision we have in here is that these employees have to have a good efficiency rating before they can be promoted within the grade. So much for that.

I think the provision we have in the bill ought to stay in because it will help the War Department and the Navy Department—and they have both asked for it—to recruit the necessary personnel to service the war effort, and that is where most of these employees are. Two-thirds of all the Federal employees are in the War and Navy Departments.

They are just as much a part of the war effort as anything else.

Now I want to talk a little about this so-called staff report. We made a report and it is filed with the House and available to every Member setting forth the legislation under which all Federal employees are placed. Before the staff gathered the information for that, the gentleman from Kansas and the gentleman from West Virginia [Mr. RANDOLPH] and myself constituting a subcommittee of our committee, discussed with Colonel McCormack, the staff director, what was to go into that report. We agreed on it. He made the study and he made the report. The gentleman from Kansas and I went over the rough draft of it and approved it and ordered the committee print made. That was brought before the committee and acted on by the committee. The gentleman from Kansas asked for additional information. He never raised a question until it was before the committee for approval. Then we approved it and sought the additional information. That is what he is talking about now when he says there is a staff report which the committee has not acted on.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. REES of Kansas. The committee took action and requested that the information be furnished, did it not?

Mr. RAMSPECK. Exactly, on the request of the gentleman from Kansas.

Mr. REES of Kansas. So the committee requested it.

Mr. RAMSPECK. All right. We are agreed up to that point. I want to say to the House that the Civil Service Committee is not suppressing anything and does not intend to suppress anything. If you have any doubt about that read the reports that we have filed. I will state to the House I am not going to whitewash anybody in that investigation. We have been critical of the Civil Service Commission. But as long as I am chairman of the Committee on the Civil Service I am not going to be put in the position that the Dies Committee was put in when it was alleged that the chairman of that committee released staff reports without any meeting of the committee, without giving opportunity to the people who were mentioned in those reports to defend themselves. This so-called report, and it is only a staff report, is directly and categorically denied and contradicted by the officials who are concerned. We have referred it back to the staff and have given the staff an opportunity to substantiate the statements which were made and which are denied by Mr. Flemming, a member of the Civil Service Commission.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Chairman, that is why the staff report has not been filed as a committee report. It has not been acted on by the committee. Until it is acted upon it is not proper information to be made public.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. Yes.

Mr. REES of Kansas. Now to make that complete, I understood that the staff was ready to file its further report and is ready now but that the committee just has not met to receive the report; is that it?

Mr. RAMSPECK. We had tentatively agreed to have a meeting this morning.

Mr. REES of Kansas. And the staff is ready to report it this morning—is that right?

Mr. RAMSPECK. No; I do not know whether it is or not.

Mr. REES of Kansas. That is my understanding.

Mr. RAMSPECK. It is not my understanding.

Mr. REES of Kansas. It is my understanding that the staff has its report ready to be made this morning.

Mr. RAMSPECK. I do not know whether it has or not. But the fact of the matter is that the President called me to the White House this morning, and I had to go there just as the gentleman from Kansas would have gone if the President had called him. Therefore, the tentative session of the committee this morning was delayed until tomorrow. I take the position, may I say to my friends in the House, that whatever the facts may be as to the rapidity with which people have been promoted from grade to grade, that has nothing to do with this legislation. We are dealing, as the gentleman from Wisconsin pointed out yesterday in colloquy with me, with jobs which have been classified under an act passed by this Congress. We are undertaking to raise the rate of pay in those classes and grades. We are not dealing with individuals in this bill. The question of whether or not they have been promoted to another grade or the question of whether or not they have qualification for a job which already may exist and which has been occupied by somebody else is not involved here. Actually money is oftentimes saved to the Government and the pay roll is actually reduced when you have a unit of 10 people and an employee at the top resigns or is transferred somewhere else you promote the other 9. That is because oftentimes in such a case some of those 9 are above the minimum of the grade and therefore they go to the grade above at the minimum figure, thus you save the excess. So actually when promotions are made up the line that way more likely than not you actually save some money on the pay roll. Therefore, I take the position that all this talk about whether people have been promoted from grade to grade has nothing to do with this legislation. The question of whether they have been promoted within the grade is not involved here. It is a question of management. Certainly nobody in the House of Representatives has done any more in the last 2 years to try to bring about better management in Government than I have been undertaking to do.

We have saved the Government a lot of money. We have reduced the actual number of employees. I say to the gentleman from Idaho [Mr. DWORSHAK] there are fewer employees in the continental United States today than there were a year ago. It is largely due to the efforts of the Civil Service Committee of the House and the Committee on Nonessential Expenditures in the Senate, who constantly have been carrying on a campaign to hold down the pay roll.

Now, we have a matter in this amendment which deals with a question which the War and Navy Department leaders say is going to be helpful to them in prosecuting the war. As far as I am concerned, I am going to follow their judgment and vote against the amendment.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. ROBSION of Kentucky. The gentleman stated that there were less civil employees in the United States, in the continental United States, than there were before?

Mr. RAMSPECK. Than there were a year ago, I said.

Mr. ROBSION of Kentucky. Now, in the over-all picture in continental United States and in foreign countries, the two together run about 3,500,000. Is that more or less than a year ago?

Mr. RAMSPECK. I do not have the figures before me, but I want to say to the gentleman from Kentucky that in foreign countries our War and Navy Departments have in their employ a lot of local people. For instance, they had to employ in England men to unload our ships. They did employ thousands of people in Belgium and in France; stevedores and others. They are in that 500,000 employees about which the gentleman is talking. I do not know how many of them there are in that category.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. That accounts for the fluctuation overseas, in our war effort.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. VURSELL. I am wondering just how strongly the War and Navy Departments have insisted on this change in giving more authority to the Civil Service Commission.

Mr. RAMSPECK. It does not give any authority to the Commission. It makes it the law.

Mr. VURSELL. But the point I am wanting to make is that I thought perhaps we were going to be able to handle this bill without fighting the war. If they wanted this feature and waited 4 years before they made the suggestion, I wonder how urgent it is. I did not know, as a member of the committee, that the War and Navy Departments were interested in this particular section to which you have referred.

Mr. RAMSPECK. The gentleman was a member of the subcommittee. On page 91 of the hearings Admiral Crisp said this:

> Salaried employees of the Federal Government who do satisfactory work should be given salary increases every 12 months (instead of every 18 months) in the lower-salaried groups, and every 18 months in the higher-salaried groups, with the salary ceilings established by the Congress.

Admiral Crisp is a fine administrator. He has done a good job. I am going to follow his recommendation. I hope the Committee will vote against the amendment and sustain the recommendations of the War and Navy Departments.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. BENNET of New York. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, ever since I became a Member of Congress, and even before that, I have heard people say the time has come for the Congress of the United States to commence to economize; to try to save Federal money. On every bill that has been presented to the House involving appropriations the same subject has come up, but in each instance it has been said, "This is not the time to start. This is the wrong bill to commence on." "Too many people are interested in it."

Mr. Chairman, I believe the time has come to commence to economize but the way to economize is not primarily to pay low wages. The way to economize, in my judgment, is to get the most efficient possible operation from the employees of the Government. I would rather see better wages paid and fewer people employed if economical operation can be obtained in that manner.

The original purpose of the civil-service legislation, as every Member of Congress knows, was to do away with favoritism and to bring about promotions on merit. We have heard a lot of talk in this debate and the same sort of talk has reached every Member of Congress in his office, I am sure, to the effect that that original purpose has been completely lost; that we have to put up with the inertia which goes with civil service, without getting the corresponding advantage of promotion on merit. I do not say that that is so. I would like to know a lot more about it than I know now. There has been before the Civil Service Committee a resolution introduced by the gentleman from Pennsylvania [Mr. FULTON] asking for an appropriation of $500,000 for a full scale investigation of civil service, which would certainly bring out those facts.

I have had many civil-service employees call upon me at my office and complain of conditions in their particular place of employment. They said for example that there was no hearing given any more on grievances; that the so-called supervisor in each office had the final say and that whatever the supervisor said went, so if you were in right with the supervisor you got these promotions that are referred to, but if you were not in right you did not get them. There again, I do not know that that is so but I would like to find out about it. I would be interested to know why the committee has not itself sponsored this resolution of the gentleman from Pennsylvania [Mr. FULTON] and pushed it.

Since this war started businessmen have come into the Government for the first time in large numbers through the War Production Board and other agencies, and they have been shocked, they tell me, at what they found. They complain about being compelled to use three, four, and five poorly paid employees to

do the work they say can be better done by one or possibly two effective employees. That is the sort of condition we want to get away from.

The resolution introduced by the gentleman from Pennsylvania [Mr. FULTON] is apparently opposed, as nearly as I can tell, by the majority of the members of the Civil Service Committee and apparently judging from a letter I received yesterday it is also opposed by some of the employees' unions. In this letter the employees say they resent the charges of inefficiency and ineffective work which have been made on the floor of the House and in the newspapers. I do not blame them for resenting those charges but I think they should be the first to advocate this complete investigation which the Fulton resolution would provide for.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BENNET of New York. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BENNET of New York. Mr. Chairman, if these conditions do not exist then this report to be made by the Civil Service Commission will say so and the reputation of the Civil Service employees will be cleared, as it deserves to be cleared if they are doing the effective work we hope they are. The same is true of the Civil Service Committee. They ought to want this report made because many of these charges made on the floor of the House are serious and should be answered. Furthermore, every Member of Congress should want this because if it develops that the Government is being operated by too many people, that there is a chance for more efficient and more effective operation, then the recommendations made by this report can be put into effect; and I think the effective and efficient operation of the Government will prove popular. To conduct this investigation would be a business-like way of handling our affairs.

Mr. DWORSHAK. Mr. Chairman, I move to strike out the last word.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield for a unanimous consent request?

Mr. DWORSHAK. I yield.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. REES of Kansas. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Idaho is recognized for 5 minutes.

Mr. DWORSHAK. Mr. Chairman, I hesitate to take issue with my distinguished friend from Georgia, chairman of this committee, who a few minutes ago said for my specific information that he wanted the House to know there were fewer civilian employees on the Federal pay roll now than 1 year ago. I have the report of the United States Civil Service Commission for April 30. This is the most recent report available. The report shows that on April 30, 1945, there were 2,914,691 employees. On April 30 of 1944 there were 2,853,471; or a net increase during the past year of 61,220.

Mr. Chairman, I wish to take this opportunity to impress upon the Members of this body that this incident illustrates why I tried to point out in my previous remarks that continually we are told and reassured that the civilian pay rolls are going down, and down, and down. But if you study the monthly reports of the United States Civil Service Commission you will find that is not true. Let us recall that on December 1, 1942, the standard workweek was extended from 40 to 48 hours in government service. Naturally we might expect with a 20-percent longer workweek, that it would mean a reduction in the number of employees required to do a certain amount of work. Here again I refer to the monthly reports of the Civil Service Commission. In December 1942, there were 2,810,871 employees, but in the early months of 1943 the personnel jumped—within a space of 4 months—to 3,000,000 employees.

I insert at this point in my remarks a tabulation from figures submitted by the United States Civil Service Commission, showing the monthly civilian employment of the executive department of Government for each month since January 1941:

	Entire service	These figures are the estimated personnel outside continental United States, and are included in the total figures in the first column
1941:		
January	1,153,431	
February	1,173,152	
March	1,202,348	
April	1,251,283	
May	1,306,333	
June	1,370,110	
July	1,391,689	
August	1,444,985	
September	1,487,925	
October	1,511,682	
November	1,545,131	
December	1,670,922	
1942:		
January	1,703,029	
February	1,805,186	
March	1,926,074	
April	1,970,269	
May	2,066,873	
June	2,205,970	
July	2,327,932	
August	2,450,759	
September	2,549,474	
October	2,687,093	
November	2,739,815	
December	2,810,571	
1943:		
January	2,864,021	
February	2,944,922	
March	2,978,824	
April [1]	3,005,812	
May	3,030,659	
June [2]	3,156,955	154,500
July	3,126,216	154,500
August	2,992,147	154,500
September	2,960,019	154,500
October	2,952,013	154,500
November [3]	2,977,227	154,500
December	3,007,112	195,300

[1] War Department revised its procedure for reporting pay-roll data. Amounts paid to civilian employees of the War Department outside the limits of the continental United States, previously excluded from the total, are now included. (See Civil Service Commission report for May 1943.)

[2] Revised employment reporting system made necessary by enactment of War Overtime Pay Act. (See Civil Service Commission report for June 1943.)

[3] Reflects change in reporting procedure in Post Office Department, resulting in upward adjustment of 24,558 in employment totals, beginning in November 1943. (See Civil Service Commission report for December 1943.)

	Entire service	These figures are the estimated personnel outside continental United States, and are included in the total figures in the first column
1944:		
January	3,015,334	195,300
February	3,023,143	195,300
March	3,252,652	415,100
April	3,268,571	415,100
May	3,281,501	415,100
June	3,312,256	393,969
July	3,335,178	393,969
August	3,302,526	393,969
September	3,270,729	389,500
October	3,267,770	389,500
November	3,265,504	389,500
December	3,412,237	552,600
1945:		
January	3,441,500	552,600
February	3,471,527	552,600
March	3,467,410	547,000
April	3,461,691	547,000

So apparently when the workweek was extended from 40 to 48 hours it did not result—notwithstanding the acute manpower situation which obtained throughout our country—in a net reduction in the number of civilian employees on the Federal pay roll. Up, up, up, almost every month for 5 years has gone the number of employees until today we have approximately three and one-half million. If President Truman requests that the workweek be reestablished on the basis of 40 hours it should not make any material difference if we apply the same formula as used in going from 40 to 48 hours. It did take just as many Federal employees working 48 hours as 40 hours, so, I presume, there would be no material change in the number of employees working 40 hours instead of 48 hours.

It seems to me that if the House is going to cooperate with our President, and we hear every day in the debates that we ought to go along and help him win this war on the home front, it is time that we give serious consideration rather than mere lip service to some of these requests. We hear about streamlining our Federal Government. How do you streamline it? By adding more bureaus and adding constantly every month to the number of Federal employees on the pay roll. Yes, in 1940 the Federal pay roll was $2,000,000,000 annually. Now it is $9,000,000,000 and when this bill goes through it will probably be $10,000,000,000. We all recall when the Federal Government used to spend a billion dollars a year to transact the business of all branches of our Federal Government. Now it requires $9,000,000,000 to meet the civilian pay roll in the executive branch of the Government alone.

In closing may I say that while these assurances are given every week and every month to the American people and to the Members of this body that the Federal pay roll is being reduced, I refer you to the monthly reports of the United States Civil Service Commission. I am willing to rely on the figures of that New Deal executive agency.

The chairman of the House Civil Service Committee has questioned the figures

which I have mentioned concerning the Federal civilian pay roll. He persists in contending that the pay roll of the civilian branch of government now amounts to slightly more than $7,000,000,000 annually. The figure which I secured from the Civil Service Commission indicates that the pay roll for continental United States only for January 1945 was $616,500,000. On this basis, the annual pay roll would be approximately $7,398,000,000 covering only the United States. The Commission states that no accurate figures are available on the annual pay roll of approximately 547,000 civilian employees serving outside the United States. Most of the civilians serving outside the United States receive 25 percent differential in pay. If the average annual salary is placed at only $3,000, the annual pay roll for these 547,000 employees would amount to $1,641,000,000. If you add this sum to the amount of the pay roll for personnel in the United States, you will have a grand total of slightly in excess of $9,000,000,000.

I submit these figures to prove the accuracy of my statement that the Federal civilian pay roll has increased from less than $2,000,000,000 annually in 1940 to approximately $9,000,000,000 currently. I favor increases in basic wage rates of Federal employees in accordance with the Little Steel formula, but such action should be accompanied by the elimination of overtime pay and the reestablishment of the 40-hour workweek in Federal service.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The question was taken; and on a division (demanded by Mr. REES of Kansas), there were—ayes 60, noes 85.

Mr. REES of Kansas. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. RAMSPECK and Mr. REES of Kansas.

The Committee again divided; and the tellers reported that there were—ayes 71, noes 116.

So the amendment was rejected.

The CHAIRMAN. Are there any amendments to sections 402, 403, 404, 405, 501, 502, 521, 522, and 601?

Mr. REES of Kansas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I use this means of securing the floor to explain an amendment I shall offer later on in the proceedings.

I realize that there is a definite effort on the part of the majority of this committee to pass this legislation without any amendment. It is understood that there shall be no amendment. It is apparent that the majority side of this House will not support any amendment that may be submitted by a Member on this side of the aisle, and give little attention to the merits of such amendments. I do feel the majority as well as the minority should join in supporting this amendment.

I propose to offer an amendment to section 608 that in substance will provide for a congressional office of administrative management in the legislative branch of the Government. I think the time has come when the Congress should take hold of and deal with the problems that have been directed to the attention of this House during this discussion, let Congress through this office of administrative management study and determine whether or not we have too many employees, whether we have efficiency, or whether we do not have it, in place of leaving it in the hands of an agency under the direction of the Executive. After all, Congress is the representative of the people. Congress appropriates the funds to carry on the functions of government. These agencies are the servants of the people of this country.

Employment has grown and has become so much more complicated during the past few years. The cost of the civilian pay roll has become tremendous.

Mr. Chairman, there are more than 3,000,000 people on the pay roll of this country. About one for every three in the Army. There are a half million scattered in various parts of the world, who are engaged in various kinds of activities. It is estimated in this report the pay roll of Federal employees amounts to approximately $7,000,000,000. That figure is estimated for those in this country. I have just communicated with officials who estimate that the total cost is nearer eight and a half billion. And do not forget this bill adds almost another billion annually. I tried to get this House to save $300,000,000 of it, not in base pay, but only a part of the overtime pay provision of this bill. So we may as well face the fact that the Federal civilian pay roll, if this bill becomes effective, will amount to more than $9,000,000,000.

Mr. Chairman, the need of a full-time division of administrative management is evident. It is not generally known that the Civil Service Commission is a staff agency. During the emergency it has staffed only a part of the agencies. The Bureau of the Budget sort of checks with the agencies as to what the heads of the agencies feel they should have to carry on their functions. Little attention is given as to whether the functions are needed, or whether changes could be made to determine where they may be made to work more efficiently.

So my proposal would provide for the appointment of a director of administrative management and such assistant directors as necessary. It would be the function of this organization to examine and recommend legislation concerning, first, all nonessential Federal expenditures; second, overlapping and duplication of Federal activities and functions; third, excessive hiring of Federal personnel; fourth, procurement and disposal of all Federal property; fifth, all Federal personnel and administrative management practices; sixth, all requests for appropriations; seventh, exercise of authority by any Government agency in excess of constitutional or statutory authorization; and eighth, any specific problem referred to the bureau by any committee of Congress or a resolution of either House.

It is authorized to secure evidence regarding the matters which I have just enumerated and is charged with the duty of reporting its findings to the Congress, and submit recommendations upon any phase of the subject matter.

Provision is made in the amendment that the office is not to replace any committee of either the House or the Senate, and, as a matter of practical operation, the office shall be completely subservient to the Congress as a whole and to the congressional committee now in existence or which may be created in the future. I wish to make it clear that this office is not to be set up in a manner similar to any agency now in existence. Its duties and functions are completely apart and distinguishable from the duties and functions of every agency or department of the Federal Government.

Thus we would get definite information so that we can have intelligent legislation with respect to this problem. What has occurred during the last 3 days here in considering this legislation has demonstrated the need for it. Over and over and over on the floor of this House during this session of Congress we have observed the need for it. It has been suggested the Committee on Appropriations is the committee which should have charge of that function. But the Committee on Appropriations just does not have the time. It does not have the staff. It cannot devote its particular attention to this all-important question that has confronted this Congress and the American people in recent years. There may have been a time, perhaps, when it did not make so much difference, when we had only something like 500,000 people on the pay roll shortly after World War I. But the number grew by leaps and bounds until even as early as 1940 we had more than a million, and now we have more than 3,000,000 employees in the Federal Government and the Federal bureaus. I say to you that we need an agency, a management agency, to look into this thing and keep its hand on this thing. I trust you will support my amendment.

I am advised a point of order may be raised against this amendment. In my judgment, a point of order does not lie against this proposal, but I want to discuss it now so you will have the matter before you. I trust the chairman of my committee will see fit not to raise a point of order, but to let the Committee vote on the proposal.

I yield to the gentleman from Ohio.

Mr. BREHM. I think the gentleman is making a very pertinent statement. But does not the gentleman feel perhaps that this will be taken up or is being taken up by the committee which is now studying the matter of streamlining Congress?

Mr. REES of Kansas. I will say to the distinguished Member that I proposed this matter to that committee. But there is no good reason why this matter cannot be adopted by Congress without waiting for a report from that committee. I feel quite sure, as the gentleman probably does, that it may be quite a long time before we have a proposal brought to the floor of this House

coming from that committee. Here is one thing that you can act on now, if you will.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SLAUGHTER. Mr. Chairman, I move to strike out the last word and ask unanimous consent that I may speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SLAUGHTER. Mr. Chairman, as a member of the Committee on Rules, I opposed the rule making in order the consideration of the bill generally known as the FEPC bill. There were several objections I had to this bill, but in particular my objection was to a legislative trick employed; I say the slickest Communist trick that has ever been worked in framing a bill. This bill provides, among other things, that there shall be no discrimination because of "creed." Of course, at first glance, everybody would say that this provision is perfectly harmless. Creed in general parlance means religion, and of course everybody is in agreement with that basic belief in this country. But creed also means political belief. I read from the dictionary available to us here on the floor of the House, Webster's International Dictionary, which defines "creed" to mean, among other things, "A summary of principles or set of opinions professed or adhered to in science or politics, or the like."

It has been my contention and my feeling all along that the word "creed" was slipped in there for the very deliberate purpose of protecting the Communists and the Communist Party in this country so that if an employer refused to hire a man or woman because they were Communists he would be guilty of discrimination and subject to all of the pains and penalties of this act. In effect, this very word would repeal the provision which is in every appropriation act that we pass in this House, for in every appropriation bill it is provided that no man or woman shall receive any of that appropriation, who advocates the overthrow of this Government by force, which doctrine the Communist Party advocates.

Now we come to the question of whether or not the Communists are backing this bill, and when the committee goes back into the House I want to offer some documents which I have received. I have a letter from the Missouri State Committee of the Communist Political Association, signed by the secretary, and a long resolution adopted by the Communist Party in St. Louis on the 11th day of this month, asking me to cast my vote in the Rules Committee to report this bill to the floor of the House to please the backers of it, to wit, the Communist Party.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. SLAUGHTER. I yield.

Mr. COLMER. I just want to say, as another member of the Rules Committee, that some of us come from sections where no particular courage is required to take the action that we took in the Rules Committee on yesterday in blocking this FEPC legislation which was similar to that taken by the gentleman from Missouri [Mr. SLAUGHTER]. But coming from a border State, as the gentleman from Missouri does, as a member of that committee, I think the country and those who think as we do, owe the gentleman from Missouri a great debt of gratitude for the courage that the gentleman exemplified on yesterday when he showed that he placed his conception of the principles of government above political expediency. Permit me to say to the gentleman that he exemplified a high type of courageous statesmanship which might well be emulated by many of us.

Mr. SLAUGHTER. I thank the gentleman.

I invite the attention of the membership of the House to these remarks in the RECORD tomorrow and to this letter and this resolution, which are included at the end of these remarks, and I leave it to the collective judgment of this House whether or not I was straining at an interpretation of the word "creed," in view of this action of the Communist Party of Missouri.

MISSOURI STATE COMMITTEE,
COMMUNIST POLITICAL ASSOCIATION,
St. Louis, Mo., June 11, 1945.

Representative ROGER SLAUGHTER,
House Office Building,
Washington, D. C.

DEAR MR. SLAUGHTER: We are enclosing a copy of a resolution passed by 450 Missouri citizens at a meeting in St. Louis June 10, 1945.

We hope and trust that your views and your vote will conform to the views expressed in this resolution.

Sincerely yours,

HELEN MUSIL.

The following resolution was passed unanimously by 450 citizens of St. Louis at a meeting sponsored by the St. Louis Communist Political Association in Kiel Auditorium, St. Louis, June 10, 1945:

"FOR A PERMANENT FEPC

"The United States is a Nation in which the majority of the people belong to one minority or another. In our country, therefore, as in no other country in the world, fair employment practice is a matter of concern to all of us. As long as one worker is turned away because he is a Negro or foreign-born or a Catholic or a Jew, no one's job is safe.

"The establishment of a permanent Fair Employment Practice Commission—a permanent FEPC—is both a war measure and a peace measure. We need FEPC to help in war production until victory; to aid in a fair distribution of jobs in the reconversion period; to help avoid chaos in gearing America to full production in the postwar years.

"The House of Representatives has refused to appropriate funds for the present temporary FEPC, and is stalling the passage of a permanent FEPC. President Truman, in strong terms, has urged Congress to speed passage of an FEPC bill. Both the Republican and Democratic Parties have officially pledged themselves to support a permanent FEPC. But a coalition of reactionary Republicans and poll-tax Democrats is stalling its passage.

"Therefore, in order to enforce equal opportunity for every American citizen regardless of race, color, creed, political affiliation or national origin, we must ensure that the Congress appropriate funds to maintain the present temporary FEPC until the Congress establishes a permanent Fair Employment Practice Commission."

Copies to President Truman, Missouri Congressmen, Missouri Senators.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. POWELL. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. RAMSPECK. Mr. Chairman, reserving the right to object, and I am not going to object, I wish to serve notice that on any future request to speak out of order I will object.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. POWELL. Mr. Chairman, I would just like to ask the gentleman from Missouri [Mr. SLAUGHTER] one question. If the word "creed" is taken out of the bill and "religious belief" substituted, would he then be for the bill?

Mr. SLAUGHTER. I would certainly give it consideration. I do not know whether I would or not.

The CHAIRMAN. Are there any amendments to section 602? Are there any amendments to section 603?

Mr. BENDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENDER: On page 20, line 10, strike out all of lines 10, 11, 12, 13, 14, and 15, and strike out "(a)" on page 19, line 24.

Mr. BENDER. Mr. Chairman, this amendment would eliminate the limitation provided for in paragraph (b) of section 603, which restricts some benefits of this bill affecting those whose compensation is $10,000 a year.

Under the provisions of this bill, a man receiving $8,000 a year actually draws $9,404. On the other hand, this bill now provides that a man drawing $10,000 a year would not even receive what he is getting under the present law, $628 additional for overtime.

While only a handful of individuals are affected by this provision, some of them are the most outstanding, capable, and invaluable men in Government service. Why should these conscientious public servants be unjustly penalized under the provisions of paragraph (b)? Most of those individuals, were they in private employment, could unquestionably earn two or three times the amount they are now receiving on the Federal pay roll.

They have had long experience in Government and their services are priceless. They are the foremost experts in their respective fields, and there is no reason in the world why this provision should operate against them. Why should they be discriminated against? As I understand it, this is a salary increase bill, not a salary decrease bill. And there is no justifiable reason why this limitation should be included.

Members of this House know the gentleman to whom I refer. There is Mr. Smith, Director of the Budget, one of the ablest men in Government service. He loses $628 a year by virtue of this provision. I could name half a dozen others in the same category who are unfairly discriminated against, because of this unreasonable provision.

I have spoken to the members of the Civil Service Committee. There has been

no valid objection raised. On the contrary, practically all of them agreed that this paragraph was quite out of order, and should be eliminated. I trust the Members of the House will agree.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield.

Mr. GROSS. If we go down to the OPA and complain about a businessman woh has to fold up, they shrug their shoulders and say, "Oh, well, but there have always got to be some casualties." Does not that apply here?

Mr. BENDER. No. There is no valid reason why, when we have agreed here to correct an injustice, we should permit any discrimination. Members of the House are aware of the expenses involved in their own service. I strongly believe that the few individuals discriminated against under paragraph (b) are some of the best men on the Federal pay roll. As a matter of fact, if you care to examine the record—and I do not mean to emphasize personalities here—you will find that those affected by this provision are among the most unselfish, hard working Government employees we have and are entirely free from any political influence.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. DICKSTEIN. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. DICKSTEIN. Mr. Chairman, I have on the Clerk's desk an amendment exactly like that offered by my colleague who just preceded me, an amendment to strike out section 603 (b). I believe this section should be stricken out because it discriminates against outstanding executives in the departments, career men whose ability and experience we cannot afford to lose. Not alone does it cut off their overtime pay but it actually reduces their basic pay, and it destroys the morale of men who have a fine record and who are entitled to and deserving of a good compensation for their work.

Some of the people who would be affected are: the Director of the Bureau of the Budget; the Director of the Federal Bureau of Investigation, Mr. J. Edgar Hoover who has done such a splendid job during this emergency, who has made one of the finest records in the defense and protection of our country against saboteurs and other undesirables; the Commissioner of Civil Service; the Acting Secretary of State; and a number of other important officials in our Government would be affected. They would lose about $682 on overtime in addition to suffering an actual cut in their basic pay. I cannot support that kind of economy. I believe in all fairness to our people and the country that this subsection ought to be stricken out so that emoluments are not taken away from such men as I mentioned, who could get five times as much in private employment as they presently make in Government employment. You are destroying the morale of some valuable Government officials and it seems to me, that in fairness to these men the committee ought to agree to strike out this provision.

Mr. JACKSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if the members of the committee will turn to page 27 of the report they will find an exhibit setting out the various salary grades. I think there is probably considerable merit in the suggestion that has been made except it will be found that individuals getting a base salary now of $8,750 and on up will, under the formula recommended by the gentleman from Ohio, receive a salary in excess of $10,000 a year. In other words, you will have a lot of people working in the various departments receiving as compensation an amount greater than the heads of those departments and agencies..

We have a number of experts working in the various departments drawing $8,750 and $9,000 base. If you knock out this section they will receive more than the heads of those departments and agencies and obviously it does not take much understanding of this problem to see the inequities that are bound to rise. This is something that probably can be worked out in conference.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from New York.

Mr. DICKSTEIN. If you give an $8,500 a year man $10,000, and you take a $10,000 man and take away his top pay or his overtime, you deprive him of his basic pay. It is very simple to increase the top man with an added salary up to $12,000. You are discriminating against the top men in our Government who are the backbone of our defense in war and in peace.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Georgia.

Mr. RAMSPECK. As I understand it, the heads of some departments and agencies have salaries that are not fixed under the Classification Act but are fixed by special enactment and they are not affected by this act. Is that correct?

Mr. JACKSON. That is right, and they receive no benefit.

Mr. RAMSPECK. If this limitation is taken out, some of their subordinates will actually draw more pay than their superiors?

Mr. JACKSON. That is correct.

Mr. RAMSPECK. This limitation is not in the Senate bill, is it?

Mr. JACKSON. That is correct.

Mr. RAMSPECK. If it is left in the House bill, the conferees can deal with it?

Mr. JACKSON. That is right and that is what I suggest the committee do, because you are getting into a very complex problem which may create more inequities than you are trying to alleviate.

Mr. DICKSTEIN. Would the gentleman in conference agree to adjust that inequity on the basis of justice and equality to all the people?

Mr. JACKSON. We will naturally look at the matter very carefully and will endeavor to work out an equitable adjustment if such is possible.

I hope the Committee will vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. BENDER].

The amendment was rejected.

Mr. DICKSTEIN. Mr. Chairman, I have an amendment to section 603 that I have sent to the desk, and I ask that it be withdrawn.

The CHAIRMAN. Without objection, it may be withdrawn.

There was no objection.

Mr. JACKSON. Mr. Chairman, I offer an amendment to section 604.

The Clerk read as follows:

Amendment offered by Mr. JACKSON: Page 21, line 11, before "(2)", insert "and"; and strike out lines 18 to 20, inclusive, and insert "second proviso in such section. The first sentence of section 6 of the act of June 30, 1906 (34 Stat. 763; U. S. C., 1940 ed., title 5, sec. 84), is amended by inserting after 'United States' the following: '(except persons subject to section 604 of the Federal Employees Pay Act of 1945, and persons in or under the judicial branch of the Government)"; and the last sentence of such section 6 is amended by striking out 'Any person' and inserting 'Any such person.'"

Mr. JACKSON. Mr. Chairman, I rise in support of the amendment. I have discussed this with the ranking minority member of the committee and he has no objection. It has been requested by the disbursing clerks of the House and Senate. It would exempt the legislative branch from the provisions of this section of the bill.

Mr. REES of Kansas. Mr. Chairman, we have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. JACKSON].

The amendment was agreed to.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: Page 26, line 6, add new sections, to read as follows:

"SEC. 608. (a) There is hereby established in the legislative branch of the Federal Government a Congressional Office of Administrative Management (hereinafter referred to as the 'Office'), responsible only to the Congress. The Office shall be headed by a qualified Director, who shall be selected by the majority and minority leaders of both Houses of Congress and the Speaker of the House of Representatives as soon as practicable after the beginning of the first session of each new Congress, except that the first Director shall be selected within 30 days after the date of enactment of this act.

"(b) The Director, as soon as practicable after being selected, shall appoint two qualified Assistant Directors, not more than one of whom shall belong to the same political party as the Director.

"(c) The Director shall receive compensation at the rate of $9,000 per annum, and each Assistant Director at the rate of $7,500 per annum.

"(d) The Director shall appoint, pursuant to the provisions of the civil-service laws, such employees as may be necessary to carry out the functions of the Office under this title. The Director shall prescribe the duties of such employees, and shall fix their compensation in accordance with the Classification Act of 1923, as amended.

"SEC. 609. (a) It shall be the duty of the Office to study and investigate and to report and make recommendations to the Congress

concerning the following matters: (1) Excessive numbers of personnel in the Federal Government; (2) overlapping and duplication of Federal functions and activities which cause the employment of an excessive number of Federal employees; (3) all Federal personnel and administrative management practices; (4) all requests for appropriations for Federal personnel; and (5) any specific problem relating to the foregoing referred to the Office by a resolution of the Senate or the House of Representatives, or by the action of any standing, select, or special congressional committee.

"(b) The Office is authorized to receive and to obtain evidence with respect to all matters set forth in subsection 608 (a) hereof.

"(c) The Director shall, as frequently as possible, analyze reports of investigation made pursuant to the provisions of this title, and shall prepare recommendations and proposed legislation for submission to the appropriate congressional committee or committees.

"(d) In carrying out the provisions of this title, the Office is authorized to make free use of the mails in the same manner as the executive departments of the Government; and to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, or documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. Subpenas may be issued under the signature of the Director or any Assistant Director designated by him, and may be served by any person designated by such Director or Assistant Director. The provisions of sections 102 to 104, inclusive, of the Revised Statutes, shall apply in the case of the failure of any witness to comply with any subpena or to testify when summoned under the authority of this title.

"(e) In addition to other reports which it shall make from time to time as herein provided, the Office shall make an annual report to the Congress on or before the 1st day of November of each calendar year. Such report shall contain, in addition to a general statement regarding the work of the Office, specific information, data, and recommendations upon the matters set forth in this section.

"SEC. 610. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1946, the sum of $250,000 and for each fiscal year thereafter such sum as may be necessary to carry out the provisions of this title. So much of such fund as is necessary may be used for travel and other expenses as is authorized by the Director.

"SEC. 611. Nothing in this title shall be construed as in anywise modifying, repealing, or otherwise changing existing law; nor shall the provisions of this title be construed as affecting the duties or activities of any duly authorized standing, select, or special committee of the Congress."

And by renumbering section 608, section 609, and section 610 to read "Sec. 612," "Sec. 613," and "Sec. 614," respectively.

Mr. RAMSPECK. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill; that it brings in new matter, setting up a new agency, which has no relation to the purposes of this bill.

The CHAIRMAN. Does the gentleman from Kansas wish to be heard on the point of order?

Mr. REES of Kansas. Briefly, Mr. Chairman.

I will say, in the first instance, I had hoped that my distinguished chairman would not raise a point of order against this amendment because it is in the interest of the Government and in the interest of this Congress and the people of the United States. Secondly, this bill H. R. 3393, under the terms of its title, says:

To improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes.

It is my contention that under the terms of this title the amendment is germane, since the title amends the Classification Act and brings about a reduction in Federal personnel and establishes personnel ceilings for Federal departments and agencies.

I will not argue the matter further, but I do believe it comes under the broad provisions of the title and that a point of order does not lie against my amendment.

The CHAIRMAN (Mr. KEOGH). The gentleman from Kansas has offered an amendment which has for its purpose the creation in the legislative branch of the Government of a congressional Office of Administrative Management. The pending bill has for its primary and basic objective the improvement and adjustment of the wage and salary schedules in the Federal service. The amendment offered by the gentleman from Kansas seeks to create a new agency of Government. It is, in the opinion of the Chair, not germane to the pending bill, and the Chair therefore sustains the point of order.

Are there any amendments to be offered to section 608? 609? 610?

Mr. RAMSPECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Idaho and I had some discussion a while ago about the number of employees within the continental limits of the United States. I believe he is correct when he says there are more in the continental limits of the United States today than there were a year ago today. What I should have said and what I really had in my mind is that there has been a net reduction in this fiscal year so far. The figures fluctuate from month to month. As I recall it, the net reduction since July 1 is about 25,000 or 26,000.

There is just one other thing I want the RECORD to show and that is the present pay roll of the Government as shown in the hearings is $7,000,000,000 instead of $9,000,000,000.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield at that point?

Mr. RAMSPECK. I yield.

Mr. DWORSHAK. Does that include the pay roll for the half million serving outside of the United States or just within the continental limits?

Mr. RAMSPECK. That is my understanding according to the testimony.

Mr. DWORSHAK. The $7,000,000,000 covers just those working in the continental limits of the United States?

Mr. RAMSPECK. No, it is my understanding that is the entire pay roll. That is what is stated in the report.

Mr. DWORSHAK. That is not in accordance with the figures given me by the Civil Service Commission. According to them that would apply only to the continental United States.

Mr. RAMSPECK. I was just referring to the statement which was given to the committee by the Bureau of the Budget and which is found on page 23 of the report where we have a discussion of that matter.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. RAMSPECK. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3393) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. RAMSPECK. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. RAMSPECK. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 317, nays 36, answered "present" 1, not voting 78, as follows:

[Roll No. 110]

YEAS—317

Adams	Blackney	Cannon, Mo.
Allen, La.	Bland	Carnahan
Anderson, Calif.	Bolton	Case, N. J.
Andrews, N. Y.	Bonner	Case, S. Dak.
Angell	Boykin	Celler
Arnold	Bradley, Mich.	Chelf
Auchincloss	Brehm	Chenoweth
Bailey	Brooks	Chiperfield
Baldwin, Md.	Brown, Ga.	Clark
Barden	Brown, Ohio	Clevenger
Barrett, Pa.	Brumbaugh	Cochran
Barrett, Wyo.	Bryson	Cole, Kans.
Barry	Buck	Cole, Mo.
Bates, Ky.	Buckley	Colmer
Bates, Mass.	Bunker	Combs
Beall	Burch	Cooper
Beckworth	Burgin	Corbett
Bell	Butler	Courtney
Bender	Byrne, N. Y.	Cox
Bennet, N. Y.	Byrnes, Wis.	Crosser
Bennett, Mo.	Camp	Cunningham
Biemiller	Campbell	D'Alesandro
Bishop	Canfield	Daughton, Va.

Davis	Holmes, Mass.	Pittenger
Dawson	Hook	Poage
De Lacy	Horan	Powell
Delaney, James J.	Howell	Powers
	Huber	Price, Fla.
Delaney, John J.	Hull	Priest
	Izac	Quinn, N. Y.
Dickstein	Jackson	Rabin
Dingell	Jenkins	Rains
Dolliver	Jennings	Ramey
Domengeaux	Johnson, Ill.	Ramspeck
Douglas, Calif.	Johnson,	Randolph
Douglas, Ill.	Lyndon B.	Rankin
Doyle	Johnson, Okla.	Rayfiel
Drewry	Jonkman	Reece, Tenn.
Eberharter	Judd	Reed, N. Y.
Elliott	Kean	Resa
Ellis	Kearney	Riley
Ellsworth	Kee	Rivers
Elsaesser	Keefe	Rizley
Elston	Kelley, Pa.	Robertson, N. Dak.
Engel, Mich.	Kelly, Ill.	
Engle, Calif.	Keogh	Robinson, Utah
Fallon	Kerr	Rockwell
Feighan	Kilday	Roe, Md.
Fenton	King	Rogers, Fla.
Fernandez	Kinzer	Rogers, Mass.
Fisher	Kirwan	Rogers, N. Y.
Flannagan	Knutson	Rooney
Flood	Kopplemann	Rowan
Fogarty	Kunkel	Russell
Folger	Lane	Ryter
Forand	Lanham	Sadowski
Fuller	Larcade	Sasscer
Fulton	Latham	Savage
Gallagher	Lea	Schwabe, Okla.
Gamble	LeFevre	Shafer
Gardner	Lemke	Slaughter
Gary	Lesinski	Smith, Maine
Gavin	Luce	Smith, Va.
Gearhart	Ludlow	Smith, Wis.
Geelan	Lyle	Snyder
Gerlach	Lynch	Somers, N. Y.
Gibson	McConnell	Sparkman
Gifford	McCowen	Spence
Gillespie	McDonough	Springer
Gillette	McGehee	Starkey
Gillie	McGlinchey	Stevenson
Goodwin	McGregor	Stigler
Gordon	McKenzie	Stockman
Gore	McMillan, S. C.	Sullivan
Gossett	Madden	Sumners, Tex.
Graham	Mahon	Sundstrom
Granahan	Maloney	Talle
Granger	Manasco	Tarver
Green	Mansfield, Mont.	Taylor
Gregory		Thom
Griffiths	Mansfield, Tex.	Thomas, N. J.
Gross	Marcantonio	Thomas, Tex.
Hale	Martin, Mass.	Thomason
Hall, Edwin Arthur	May	Tibbott
	Merrow	Tolan
Hall, Leonard W.	Miller, Calif.	Torrens
	Monroney	Towe
Halleck	Morgan	Traynor
Hancock	Morrison	Trimble
Hand	Mott	Vinson
Hare	Mundt	Voorhis, Calif.
Harless, Ariz.	Murdock	Walter
Harness, Ind.	Murphy	Wasielewski
Harris	Neely	Weaver
Hartley	Norton	Weichel
Havenner	O'Brien, Ill.	Weiss
Hays	O'Brien, Mich.	Welch
Healy	O'Hara	Wickersham
Hedrick	O'Neal	Wigglesworth
Heffernan	Outland	Wilson
Hendricks	Patman	Winstead
Henry	Patrick	Wolcott
Heselton	Patterson	Wolfenden, Pa.
Hess	Peterson, Fla.	Wolverton, N. J.
Hill	Peterson, Ga.	Woodhouse
Hinshaw	Philbin	Woodruff, Mich.
Hoch	Phillips	Woodrum, Va.
Hoeven	Pickett	Worley

NAYS—36

Abernethy	Hope	Schwabe, Mo.
Andersen, H. Carl	Jensen	Scrivner
	LeCompte	Sumner, Ill.
Arends	Lewis	Taber
Buffett	McMillen, Ill.	Vorys, Ohio
Bulwinkle	Michener	Vursell
Church	Miller, Nebr.	Wadsworth
Cole, N. Y.	Mills	West
Crawford	Murray, Wis.	Whittington
Curtis	Norrell	Wood
Doughton, N. C.	O'Konski	Zimmerman
Dworshak	Rees, Kans.	
Ervin	Rich	

ANSWERED "PRESENT"—1

Dondero

NOT VOTING—78

Allen, Ill.	Grant, Ind.	Pace
Anderson, N. Mex.	Gwinn, N. Y.	Pfeifer
	Gwynne, Iowa	Ploeser
Andresen, August H.	Hagen	Plumley
	Hart	Price, Ill.
Andrews, Ala.	Hébert	Rabaut
Baldwin, N. Y.	Herter	Reed, Ill.
Bloom	Hobbs	Richards
Boren	Hoffman	Robertson, Va.
Bradley, Pa.	Holifield	Robsion, Ky.
Cannon, Fla.	Holmes, Wash.	Rodgers, Pa.
Carlson	Jarman	Roe, N. Y.
Chapman	Johnson, Calif.	Sabath
Clason	Johnson, Ind.	Sharp
Clements	Johnson, Luther A.	Sheppard
Coffee		Sheridan
Cooley	Jones	Short
Cravens	Kefauver	Sikes
Curley	Kilburn	Simpson, Ill.
Dirksen	LaFollette	Simpson, Pa.
Durham	Landis	Smith, Ohio
Earthman	Link	Stefan
Eaton	McCormack	Stewart
Fellows	Martin, Iowa	Talbot
Gathings	Mason	White
Gorski	Murray, Tenn.	Whitten
Grant, Ala.	O'Toole	Winter

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. McCormack for, with Mr. Dondero against.

Mr. Holmes of Washington for, with Mr. Smith of Ohio against.

Mr. Herter for, with Mr. Hoffman against.

General pairs:

Mr. Whitten with Mr. Ploeser.

Mr. Rabaut with Mr. Stefan.

Mr. Holifield with Mr. Martin of Iowa.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Jarman with Mr. Grant of Indiana.

Mr. Pfeifer with Mr. Hagen.

Mr. Hart with Mr. Talbot.

Mr. Coffee with Mr. Baldwin of New York.

Mr. Roe of New York with Mr. LaFollette.

Mr. Bradley of Pennsylvania with Mr. Reed of Illinois.

Mr. Sheridan with Mr. Robsion of Kentucky.

Mr. Bloom with Mr. Simpson of Illinois.

Mr. Kefauver with Mr. Fellows.

Mr. Price of Illinois with Mr. Carlson.

Mr. O'Toole with Mr. August H. Andresen.

Mr. Cravens with Mr. Jones.

Mr. Cannon of Florida with Mr. Allen of Illinois.

Mr. Sikes with Mr. Dirksen.

Mr. Hobbs with Mr. Kilburn.

Mr. Chapman with Mr. Short.

Mr. Pace with Mr. Rodgers of Pennsylvania.

Mr. Clements with Mr. Plumley.

Mr. White with Mr. Mason.

Mr. Andrews of Alabama with Mr. Eaton.

Mr. Grant of Alabama with Mr. Clason.

Mr. Sabath with Mr. Gwynne of Iowa.

Mr. Gorski with Mr. Johnson of California.

Mr. Curley with Mr. Simpson of Pennsylvania.

Mr. Durham with Mr. Winter.

Mr. Cooley with Mr. Landis.

Mr. HOFFMAN. Mr. Speaker, I was in my office consulting with some of my constituents. I did not get here until after my name was passed. I understand I cannot qualify?

The SPEAKER. The gentleman does not qualify.

Mr. DONDERO. Mr. Speaker, I have a live pair with the majority leader, the gentleman from Massachusetts, Mr. McCORMACK. If he were present he would vote "aye." I voted "no." Therefore, I withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

The was no objection.

The Clerk read the bill, as follows:

TITLE I—COMPENSATION FOR OVERTIME, NIGHT, AND HOLIDAY WORK

COVERAGE

SEC. 101. The provisions of this title shall, except as provided in section 401, apply to (a) all civilian officers and employees in or under the executive branch of the United States Government, including Government owned or controlled corporations; (b) all civilian employees of the Library of Congress, the Botanic Garden, or the Office of the Architect of the Capitol, except those covered by section 202 (c); and (c) those employees of the District of Columbia municipal government who occupy positions subject to the Classification Act of 1923, as amended.

OVERTIME PAY

SEC. 102. Officers and employees to whom this title applies shall be compensated for all hours of employment, officially ordered or approved, in excess of 40 hours in any administrative workweek, at one and one-half times their basic rate of compensation: *Provided*, That in determining the overtime compensation of per anum officers and employees, the pay for 1 hour shall be considered to be one two-thousand-eight-hundred-and-eightieth of their respective per annum salaries: *And provided further*, That such overtime shall be paid only on such portion of an officer's or employee's basic rate of compensatin as is not in excess of a rate of $2,900 per annum.

COMPENSATORY TIME OFF FOR IRREGULAR OR OCCASIONAL OVERTIME WORK

SEC. 103. (a) The heads of departments, establishments, and agencies may by regulation provide for the granting of compensatory time off from duty, in lieu of overtime compensation for irregular or occasional duty in excess of 48 hours in any regularly scheduled administrative workweek, to those per annum employees requesting such compensatory time off from duty.

(b) The Architect of the Capitol may, in his discretion, grant per annum employees compensatory time off from duty in lieu of overtime compensation for any work in excess of 40 hours in any regularly scheduled administrative workweek.

NIGHT PAY DIFFERENTIAL

SEC. 104. Any officer or employee to whom this title applies who is assigned to a regularly scheduled tour of duty, any part of which falls between the hours of 6 o'clock p. m., and 6 o'clock a. m., shall, for duty between such hours, excluding periods when he is in a leave status, be paid compensation at a rate 10 percent in excess of his basic rate of compensation for duty between other hours: *Provided*, That such differential for night duty shall not be included in computing any overtime compensation to which the

officer or employee may be entitled: *And provided further*, That this section shall not operate to modify the provisions of the act of July 1, 1944 (Public Law No. 394, 78th Cong.), or any other law authorizing additional compensation for night work.

PAY FOR HOLIDAY WORK

SEC. 105. Officers and employees to whom this title applies who are assigned to duty on a holiday established by Federal statute or Executive order shall be compensated for such duty, excluding periods when they are in leave status, in lieu of their regular pay for that day, at the rate of one and one-half times the regular basic rate of compensation: *Provided*, That extra holiday compensation paid under this section shall not serve to reduce the amount of overtime compensation to which the employee may be entitled under this or any other act during the administrative workweek in which the holiday occurs, but such extra holiday compensation shall not be considered to be a part of the basic compensation for the purpose of computing such overtime compensation: *And provided further*, That this section shall take effect upon the termination of the present war or such earlier time as the Congress by concurrent resolution or the President may designate.

TITLE II—EMPLOYEES OF LEGISLATIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT

COVERAGE

SEC. 201. The provisions of this title shall, except as provided in section 401, apply to officers and employees in or under the judicial branch of the Government whose compensation is not fixed in accordance with the Classification Act of 1923, as amended, to those employees in or under the legislative branch of the Government not provided for under the provisions of title I, and to the official reporters of proceedings and debates of the Senate and their employees.

ADDITIONAL COMPENSATION

SEC. 202. (a) During the period beginning on July 1, 1945, and ending on June 30, 1947, officers and employees to whom this title applies shall, except as provided in subsections (b), (c), and (d), be paid additional compensation at the rate of (1) $360 per annum if their earned basic compensation is at a rate of not more than $1,565 per annum, or (2) 23 percent of so much of their earned basic compensation as does not exceed a rate of $2,900 per annum, if their earned basic compensation is at a rate in excess of $1,565 per annum.

(b) Officers and employees to whom this title applies and whose hours of duty are less than full time, or whose compensation is based upon other than a time period basis shall be paid, in lieu of additional compensation under subsection (a), additional compensation at a rate of 23 percent of so much of their earned basic compensation as does not exceed a rate of $2,900 per annum.

(c) In lieu of overtime pay under title I, per annum employees under the Office of the Architect of the Capitol who are not compensated in accordance with the Classification Act of 1923, as amended, and intermittent elevator operators under such Office who are paid at hourly rates, shall be paid additional compensation in accordance with the provisions of this section.

(d) In no case shall any officer or employee be paid additional compensation under this section for any pay period amounting to more than 25 percent (or, in the case of employees of the Senate restaurant whose hours of duty are less than full time, more than 15 percent) of his earned basic compensation for such pay period.

TITLE III—AMENDMENTS TO CLASSIFICATION ACT OF 1923, AS AMENDED

COVERAGE

SEC. 301. The provisions of this title shall apply to all officers and employees in or under the United States Government, including Government-owned or controlled corporations, or of the municipal government of the District of Columbia, who occupy positions subject to the Classification Act of 1923, as amended.

ESTABLISHMENT OF RATES FOR CLASSES OF POSITIONS WITHIN GRADES

SEC. 302. Section 3 of the Classification Act of 1923, as amended, is further amended by inserting at the end of such section a paragraph reading as follows:

"In subdividing any grade into classes of positions, as provided in the foregoing paragraph, the Civil Service Commission, whenever it deems such action warranted by the nature of the duties and responsibilities of a class of positions in comparison with other classes in the same grade, and in the interests of good administration, is authorized to establish for any such subdivision or class a minimum rate, which shall be one of the pay rates, but not in excess of the middle rate, of that grade as set forth in section 13 of this act, as amended. Whenever the Commission shall find that within the same Government organization and at the same location gross inequities exist between basic per annum rates of pay fixed for any class of positions under this act and the compensation of employees whose basic rates of pay are fixed by wage boards or similar administrative authority serving the same purpose, the Commission is hereby empowered, in order to correct or reduce such inequities, to establish as the minimum rate of pay for such class of positions any rate not in excess of the middle rate within the range of pay fixed by this act for the grade to which such class of positions is allocated. For the purposes of this section the fourth rate of a six-rate grade shall be considered to be the middle rate of that grade. Minimum rates established under this section shall be duly published by regulation and may be revised from time to time by the Commission. The Commission shall make a report of such actions or revisions with the reasons therefor to Congress at the end of each fiscal year."

PERIODIC WITHIN-GRADE SALARY ADVANCEMENTS

SEC. 303. Subsection (b) of section 7 of the Classification Act of 1923, as amended, is hereby further amended by sustituting "12" for "18", "18" for "30", and "month" for "quarter"; by substituting "less than $200" for "$60 or $100", and "$200 or more" for "$200 or $250"; by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2) That an employee shall not be advanced unless his current efficiency is good or better than good.";

by renumbering paragraph (4) as paragraph "(3)"; and by inserting at the end of such subsection a new sentence as follows: "The Commission shall present an annual report to the Congress covering, by departments and agencies, the compensation advancements effectuated under the provisions of this subsection."

REWARDS FOR SUPERIOR ACCOMPLISHMENT; AUTHORIZATION AND LIMITATIONS

SEC. 304. Subsection (f) of section 7 of the Classification Act of 1923, as amended, is hereby further amended to read as follows:

"(f) Within the limit of available appropriations, as a reward for superior accomplishment, under standards to be promulgated by the Civil Service Commission, and subject to prior approval by the Civil Service Commission, or delegation of authority as provided in subsection (g), the head of any department or agency is authorized to make additional within-grade compensation advancements, but any such additional advancements shall not exceed one step and no employee shall be eligible for more than one additional advancement hereunder within each of the time periods specified in subsection (b). All actions under this subsection and the reasons therefor shall be reported to the Civil Service Commission. The Commission shall present an annual consolidated report to the Congress covering the numbers and types of actions taken under this subsection."

REWARDS FOR SUPERIOR ACCOMPLISHMENT; RESPONSIBILITY OF CIVIL SERVICE COMMISSION

SEC. 305. Subsection (g) of section 7 of the Classification Act of 1923, as amended, is hereby further amended to read as follows:

"(g) The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of this section. In such regulations the Commission is hereby empowered, in its discretion, to delegate to the head of any department or agency, or his designated representative, the authority to approve additional within-grade compensation advancements provided for in subsection (f), without prior approval in individual cases by the Commission, and to withdraw or suspend such authority from time to time, whenever post-audit of such actions by the Commission indicates that standards promulgated by the Commission have not been observed."

INCREASE IN BASIC RATES OF COMPENSATION

SEC. 306. (a) Each of the existing rates of basic compensation set forth in section 13 of the Classification Act of 1923, as amended, except those affected by subsection (b) of this section, is hereby increased by 20 percent of that part thereof which is not in excess of $1,200 per annum, plus 10 percent of that part thereof which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 percent of that part thereof which is in excess of $4,600 per annum. Such augmented rates shall be considered to be the regular basic rates of compensation provided by such section.

(b) (1) The proviso to the fifth paragraph under the heading "Crafts, protective, and custodial service" in section 13 of the Classification Act of 1923, as amended, is hereby amended to read as follows: "*Provided*, That charwomen working part time be paid at the rate of 78 cents an hour, and head charwomen at the rate of 83 cents an hour."

(2) Such section is amended so as to provide the following rates of compensation for positions in the clerical-mechanical service:

Grade 1, 78 to 85 cents an hour.
Grade 2, 91 to 98 cents an hour.
Grade 3, $1.05 to $1.11 an hour.
Grade 4, $1.18 to $1.31 an hour.

(c) The increase in existing rates of basic compensation provided by this section shall not be construed to be an "equivalent increase" in compensation within the meaning of section 7 (b) (1) of the Classification Act of 1923, as amended.

TITLE IV—GENERAL PROVISIONS

GENERAL EXEMPTIONS

SEC. 401. (a) The provisions of this act shall not apply to elected officials, judges, or heads of departments, independent establishments, and agencies. As used in this subsection the term "elected officials" shall not include officers elected by the Senate or House of Representatives who are not Members of either body.

(b) The provisions of this act, except the provisions of section 406, shall no apply to (1) officers and employees in the field service of the Post Office Department; (2) employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose; (3) employees outside the continental limits of the United States, including Alaska, who are paid in accordance with local native prevailing wage rates for the area in which employed; (4) officers and employees of the Inland Waterways Corporation and officers and employees of the Tennessee

Valley Authority; (5) individuals to whom the provisions of section 1 (a) of the act of March 24, 1943 (Public Law No. 17, 78th Cong.), are applicable; and (6) employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, and vessel employees of the Coast and Geodetic Survey, and such employees may be compensated in accordance with the wage practices of the maritime industry.

EFFECT ON EXISTING LAWS AFFECTING CERTAIN INSPECTIONAL GROUPS

SEC. 402. The provisions of this act shall not operate to prevent payment for overtime services or extra pay for Sunday or holiday work in accordance with any of the following statutes: Act of February 13, 1911, as amended (U. S. C., title 19, secs. 261 and 267); act of July 24, 1919 (U. S. C., title 7, sec. 394); act of June 17, 1930, as amended (U. S. C., title 19, secs. 1450, 1451, and 1452); act of March 2 1931 (U. S. C., title 8, secs. 109a and 109b); act of May 27, 1936, as amended (U. S. C., title 46, sec. 382b); act of March 23, 1941 (U. S. C., Supp. IV, title 47, sec. 154 (f) (2)); act of June 3, 1944 (Public Law No. 328, 78th Cong.): *Provided*, That the overtime, Sunday, or holiday services covered by such payment shall not also form a basis for overtime or extra pay under title I of this act.

INCREASE IN BASIC RATES FOR CUSTOMS EMPLOYEES

SEC. 403. The existing basic rates of pay set forth in the act entitled "An act to adjust the compensation of certain employees in the Customs Service", approved May 29, 1928, as amended, and those set forth in the second paragraph of section 24 of the Immigration Act of 1917, as amended, are hereby increased in the same amount as corresponding rates for positions subject to the Classification Act of 1923, as amended, would be increased under the provisions of section 306 of this act; and each such augmented rate shall be considered to be the regular basic rate of compensation.

ESTABLISHMENT OF BASIC WORKWEEK

SEC. 404. It shall be the duty of the heads of the several executive departments, independent establishments, and agencies, including Government-owned or Government-controlled corporations, and the municipal government of the District of Columbia, to establish for all full-time employees in their respective organizations, in the departmental and the field services, a basic administrative workweek of 40 hours, and to require that the hours of work in such workweek be performed within a period of not more than six of any seven consecutive days. The provisions of the Saturday half-holiday law of March 3, 1931 (46 Stat. 1482; U. S. C., title 5, sec. 26 (a)), shall not be applicable to employees in such organizations. The provisions of so much of section 5 of the act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1894, and for other purposes, as amended (30 Stat. 316; U. S. C., title 5, sec. 29), as precedes the second proviso in such section is hereby repealed.

REGULATIONS

SEC. 405. The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of the foregoing provisions of this act, subject to the approval of the President, insofar as this act affects employees in or under the executive branch of the Government.

PERSONNEL CEILINGS

SEC. 406. (a) It is hereby declared to be the sense of the Congress that in the interest of economy and efficiency the heads of departments and agencies in the executive branch of the Government shall terminate the employment of such of the employees thereof as are not required for the proper and efficient performance of the functions of their respective departments and agencies.

(b) The heads of departments and agencies in the executive branch shall present to the Director of the Bureau of the Budget such information as the Director shall from time to time, but at least quarterly, require for the purpose of determining the numbers of full-time civilian employees and the man-months of part-time civilian employment required within the United States for the proper and efficient performance of the authorized functions of their respective departments and agencies. The Director shall, within 60 days after the date of enactment of this act and from time to time, but at least quarterly, thereafter, determine the numbers of employees and man-months of employment so required, and any personnel or employment in such department or agency in excess thereof shall be released or terminated at such times as the Director shall order. Such determinations, and any numbers of employees or man-months of employment paid in violation of the orders of the Director, shall be reported quarterly to the Congress. Each such report shall include a statement showing for each department and agency the net increase or decrease in such employees and employment as compared with the corresponding data contained in the next preceding report, together with any suggestions the Director may have for legislation which would bring about economy and efficiency in the use of Government personnel.

(c) Determinations by the Director of numbers of employees and man-months of employment required shall be by such appropriation units or organization units as he may deem appropriate.

(d) The Director of the Bureau of the Budget shall maintain a continuous study of all appropriations and contract authorizations in relation to personnel employed and shall, under such policies as the President may prescribe, reserve from expenditure any savings in salaries, wages, or other categories of expense which he determines to be possible as a result of reduced personnel requirements. Such reserves may be released by the Director for expenditure only upon a satisfactory showing of necessity.

(e) As used in this section—

(1) the term "United States" shall include the Territories and possessions;

(2) the term "full-time civilian employees" shall include full-time intermittent (when actually employed), $1 per year, without compensation, and casual workers, as defined by the Civil Service Commission; and

(3) the term "part-time civilian employment" shall include part-time employment by intermittent (when actually employed), $1 per year, without compensation, and casual workers, as defined by the Civil Service Commission.

(f) Until the cessation of hostilities in the present war as proclaimed by the President, the provisions of this section shall not be applicable to employees of the War and Navy Departments except those who are subject to the provisions of title I of this act.

APPROPRIATION AUTHORIZED

SEC. 407. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

SEC. 408. Amounts payable under the provisions of this act, other than as an increase in the basic rates under title III or under section 403, shall not be considered in determining the amount of a person's annual income or annual rate of compensation for the purposes of paragraph II (a) of part III of Veterans Regulation No. 1 (a), as amended, or section 212 of title II of the act entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes," approved June 30, 1932, as amended.

REPEAL OF CONFLICTING PROVISIONS OF EXISTING LAW

SEC. 409. All laws or parts of laws in conflict with the provisions of this act are hereby repealed.

EFFECTIVE DATE

SEC. 410. This act shall take effect on July 1, 1945.

Mr. RAMSPECK. Mr. Speaker, I offer an amendment.

The Clerk read, as follows:

Amendment offered by Mr. RAMSPECK: Strike out all after the enacting clause in the bill S. 807 and substitute the provisions of the bill H. R. 3393 just passed.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 3393) was laid on the table.

PERSONAL EXPLANATION

Mr. ROBERTSON of Virginia. Mr. Speaker, I was unavoidably detained and when I reached the floor of the House the Clerk had passed my name. Consequently I had no opportunity to vote on the pay bill just passed.

EXTENSION OF REMARKS

Mr. BARRY asked and was given permission to extend his remarks in the RECORD and include a poem written on the death of President Roosevelt.

Mr. WOODRUFF of Michigan asked and was given permission to extend his remarks in the RECORD and include a letter addressed to the Members of the Senate from the National Brotherhood of Operative Potters, and also a statement submitted to the Senate Finance Committee by that organization.

Mrs. LUCE asked and was given permission to extend her remarks in the RECORD in two instances and include a short description of the composition of the present provisional government in Austria.

Mr. DWORSHAK asked and was given permission to revise and extend the remarks which he made in the Committee of the Whole and include a brief tabulation prepared by the United States Civil Service Commission.

Mr. SLAUGHTER asked and was given permission to revise and extend the remarks he made in the Committee of the Whole during the consideration of the bill H. R. 3393, and include a resolution as part of his remarks.

DISTRICT OF COLUMBIA APPROPRIATION, 1946

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3306) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. O'BRIEN of Illinois, CURLEY, GORE, O'NEAL, STEFAN, JENSEN, and HORAN.

GALLINGER MUNICIPAL HOSPITAL

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3257) to remove restrictions to the appointment of retired officers of the United States Public Health Service as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I understand that this legislation applies only to one individual and that it is an emergency? Further, I understand that the man will draw but one salary?

Mr. RANDOLPH. That is true. Gallinger Hospital needs the services of a competent Superintendent at the present time and they desire to allow the individual to take the salary attaching to the superintendency or the retired pay, whichever he elects. They need a good man now.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the limitations of existing law, the Commissioners of the District of Columbia may appoint any retired officer of the United States Public Health Service to the position of Superintendent of Gallinger Municipal Hospital and pay him a salary at the rate of $8,000 per annum and in addition to pay him at the rate of not to exceed $1,500 per annum for commutation of living quarters until such time as a new Superintendent's residence at said hospital has been constructed and is ready for occupancy. Such retired officer may receive such salary and commutation of living quarters or his retired pay, whichever he may elect. If he elects to receive his retired pay he shall receive neither such salary nor such commutation of living quarters. If he elects to receive such salary, with or without commutation of living quarters, he shall not receive his retired pay, but any such retired officer who elects to receive such salary shall not, because of his appointment to or service in such position as Superintendent, be deprived of his status as such retired officer, nor, at the termination of such service as Superintendent, to his retired pay.

SEC. 2. This act shall remain in force during the present war and for a period of 6 months following the termination of the war.

With the following committee amendments:

On page 1, line 5, after the word "Service", insert "or any retired civilian employee of the United States Government or District of Columbia government."

Page 2, line 5, after the word "officer", insert "or retired civilian employee."

Line 7, after the word "pay", insert the words "or retirement benefits."

Line 9, after the word "pay", insert the words "or retirement benefits."

Line 13, after the word "pay", insert the words "or retirement benefits"; and after the word "officer", insert the words "or retired civilian employee."

Line 17, after the word "officer", insert the words "or retired civilian employee."

Line 18, after the word "Superintendent", insert the words "his right."

Line 19, after the word "pay", insert the words "or retirement benefits."

Line 20, insert the following:

"SEC. 2. The Surgeon General of the United States Public Health Service may detail, at the request of the Commissioners of the District of Columbia, any commissioned officer of such Service to act as Superintendent of Gallinger Municipal Hospital, said officer to receive during the period he is so detailed the salary and commutation of living quarters provided in section 1 hereof in lieu of his salary as an officer of the United States Public Health Service."

Page 3, line 3, change "2" to "3."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to remove restrictions to the appointment of retired officers of the United States Public Health Service or retired civilian employees of the United States Government or District of Columbia government as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes."

EXTENDING THE TERMINATION DATE UNDER THE RENEGOTIATION ACT

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 3395, to extend through December 31, 1945, the termination date under the Renegotiation Act.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 3395, with Mr. GORE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the agreement, the gentleman from North Carolina is recognized for 1 hour and the gentleman from Minnesota will be recognized for 1 hour.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the bill under consideration, H. R. 3385, was unanimously reported by the Committee on Ways and Means and deals with renegotiation and repricing of war contracts.

Section 1 of the bill extends through December 31, 1945, the termination date of the Renegotiation Act of 1943. Under this act, the termination date for renegotiation of war contracts was fixed as of December 31, 1944, unless hostilities terminated at an earlier date. However, in this act, the President was given authority to extend the date for termination of renegotiation of war contracts to June 30, 1945, if he found and declared by proclamation that competitive conditions had not been restored. Under this authority, the President, on November 14, 1944, by proclamation, extended the termination date until June 30, 1945.

Your committee were of the opinion that competitive conditions still were not sufficient to prevent, in all cases, excessive profits on contracts being entered into and necessary for the prosecution of the war with Japan. Conditions confronting our forces in the Pacific require a different type of equipment, in some cases, from that employed in the war with Germany, and for this reason, additional time was thought necessary in order to secure sufficient experience to protect the Government from excessive profits. Moreover, it was considered to be necessary, in order to be fair to the contractors, especially those who conduct their business on a calendar-year basis, not to terminate the law in the middle of the calendar year. Witnesses representing both the Government and business recommended that the act be extended in order to be fair both to the Government and to the contractor.

Section 2 of the bill deals with repricing of war contracts. Under the present law, the repricing provision does not apply to any contracts or subcontracts made after the date proclaimed by the President as the date of termination of hostilities or the date specified by a concurrent resolution of Congress. Under the bill, the termination date for repricing expires December 31, 1945, regardless of whether or not the war with Japan has ended. Your committee felt that repricing should end at the same time that the Renegotiation Act terminated, as it is hoped and expected that if the war has not ended by December 31, 1945, that competitive conditions will become normal, or more nearly normal, and enable the officials of the departments to determine what is a fair and reasonable price in order to prevent excessive profits on war contracts.

The renegotiation and repricing of war contracts has served a most useful function. As of March 23, 1945, 58,250 contracts had been assigned to the renegotiation agencies for renegotiation. Of this number, 31,950 contractors were found not to have realized excessive profits. Thirteen thousand six hundred and fifty-two were found to have realized excessive profits and of this number 13,337 have entered into agreements to make refunds to the Government, leaving only 315 where agreements have not been reached. Twelve thousand six hundred and forty-eight remain to be finally completed. Approximately $6,000,000,000 has been recovered, of which more than four billion is for the War Department alone. However, this does not represent a net saving to the Government, since perhaps 70 or 75 percent of this amount would have been recaptured by the Government through excess profits taxes.

As previously stated, I feel that renegotiation has served a most useful function, and while there have been instances where its administration has not been free of censure and merited criticism, I do not believe these few isolated

cases, which I cannot and do not attempt to defend, should cause any Member to oppose the 6 months' extension provided by the pending bill.

Industry, labor, and the farmers of our country have achieved a production record during the war which has no equal in all of our history. Their attitude has been one of devotion, loyalty, and patriotism of the highest degree. Repricing or renegotiation of war contracts should not be considered an indictment of anyone. Both are war measures and should end with the cessation of hostilities or before, if conditions are such as to make them no longer necessary. The successful prosecution of the war demanded prompt action and contracts necessarily were hurriedly entered into. Production costs of many articles could not be definitely calculated either by the Government or by industry. There was no precedent or fixed formula upon which to base a fair price for a large number of machines and implements of war needed with a minimum of delay. Under such conditions, mistakes were unavoidable. In order to avoid, as nearly as possible, any excessive profits being realized upon contracts entered into under such abnormal conditions, renegotiation and repricing were necessary as a temporary measure. No one would favor such measures as a permanent policy of the Government. Their extension for an additional 6 months is thought necessary both from the standpoint of the Government and the welfare of many contractors, and I trust that the pending bill will receive the unanimous approval of the Members of the House.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield.

Mr. GRANGER. Complaints have been made about the excessive profits made by industry during the war. Since the gentleman is familiar with the renegotiation feature and also familiar with the imposition of taxes, what would the gentleman say as to what the general condition has been with respect to huge profits being made out of the war?

Mr. DOUGHTON of North Carolina. Had we not had the renegotiation and repricing? Is that the question?

Mr. GRANGER. Yes.

Mr. DOUGHTON of North Carolina. I am sure everyone familiar with the subject is aware of the fact that had we not had the renegotiation and repricing of war contracts, which contracts were necessarily entered into hastily, there would have been many unconscionable profits made out of the war. I believe we were all not only desirous but also determined that if they could be prevented by legislation they should be.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield to the distinguished gentleman from Georgia.

Mr. VINSON. As a matter of fact, however, the tax laws would have recovered at least 75 percent of the profits. Renegotiation has recovered approximately 25 percent of the excess profits.

Mr. DOUGHTON of North Carolina. That is the way we estimate it. The difference between repricing and renegotiation is that repricing is to prevent the making of unreasonable profits. Renegotiation is to recover the excessive profits that have been made. In many cases the repricing of contracts has obviated the necessity of renegotiation.

Mr. VINSON. And as the distinguished chairman of the Committee on Ways and Means stated, some 58,000 cases have been renegotiated and of that number only 315 have found disfavor with the conclusions of the Renegotiation Board.

Mr. DOUGHTON of North Carolina. In the case of most of these contracts that have been renegotiated, an adjustment has been agreed to as between the contractor and the Government and only 315 cases where no agreement was reached, which is an extraordinary record. While there has been some criticism, and perhaps there is some merit in the criticism, as to the way renegotiation has been administered, on the whole I do not believe important law has been administered more equitably or more satisfactorily. There have been a few instances, of course, that have been subject to criticism.

Mr. ARNOLD. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield to the gentleman from Missouri.

Mr. ARNOLD. Does the gentleman have any figures as to the probable cost of the Bureau of Renegotiation? How much has it cost the taxpayers to conduct the Bureau to recover this 25 percent?

Mr. DOUGHTON of North Carolina. I do not have any figures at hand, but compared with the amount that has been recaptured the cost has been negligible.

Mr. ARNOLD. The Bureau has recovered approximately 25 percent?

Mr. DOUGHTON of North Carolina. It has recovered some $6,000,000,000, but it is estimated that some 70 or 75 percent would have been recovered through excess profits taxes.

Mr. ARNOLD. What I am trying to get is the cost of the operation and how it compares with the amount of money that has actually been recovered.

Mr. DOUGHTON of North Carolina. And also how much has been saved through repricing. This has been recaptured through renegotiation. How much has been saved through repricing is not known, but it is a considerable amount.

Mr. ARNOLD. Is it possible that the cost of the operation of the Bureau exceeds the amount of taxes recovered?

Mr. VINSON. No.

Mr. DOUGHTON of North Carolina. Oh, no.

Mr. ARNOLD. What idea does the gentleman have as to how much money it has cost?

Mr. VINSON. I may be able to give the gentleman some idea of that. In the Navy Department there has been recovered approximately $2,000,000,000. Seventy-five percent of that recovery would probably have come back through excess-profits taxes.

Mr. ARNOLD. We would have gotten it, anyway.

Mr. VINSON. About $500,000,000 has been recovered on account of renegotiation, and, of course, to administer that did not cost anything like $500,000,000.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Certainly a very considerable part of the $2,000,000,000 which the gentleman from Georgia refers to would have been recaptured under the excess-profits provision.

Mr. VINSON. Yes; 75 percent would have been.

Mr. KNUTSON. I am not so sure but what 95 or 100 percent might have been.

Mr. DOUGHTON of North Carolina. I do not think anyone would believe that we could have gotten along satisfactorily and have prevented excessive profits. I believe that the Renegotiation and Repricing Acts have fully justified themselves; without them I have no doubt but what there would have been unconscionable profits made.

Mr. ARNOLD. Is it possible to find out how much the cost of the operations of this Bureau has been so that we can get it in the RECORD?

Mr. DOUGHTON of North Carolina. I am sorry I do not have the amount, but I will state again it is small compared with the amount that has been saved the Government and which would have been lost on account of excessive profits made out of war contracts, hurriedly entered into, when neither the Government nor the contractor knew what the cost of the articles to be produced might be.

Mr. ARNOLD. The gentleman has reference to the 25 percent?

Mr. DOUGHTON of North Carolina. That is the net estimate.

Mr. KNUTSON. Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, unfortunately I was not in the city when the Ways and Means Committee had this legislation before it, but it is my understanding the measure was reported unanimously and that there is no appreciable opposition to a further extension of this act. The Members of the House will recall that the original act expired on December 31 and was extended by Executive order for 6 months. The legislation we have before us today extends the life of the act for another 6 months. Personally I cannot see much necessity for extending the present law. Those who are making contracts for the Government, for the War Department, the Navy Department, the Maritime Commission, and other governmental war activities surely should have had enough experience by this time so that they should be able to enter into contracts that are fair to the Government as well as to the contractors. Bringing in a bill of his character to extend the life for another 6 months is an indictment of those officers who make contracts for the Government, or it indicates to me, as I am sure it does to others of you, that those who are

handling the renegotiation for the Government just simply want to hang on.

Were it not for the fact that the bill before us places a limitation on the life of the repricing feature of the law, I should not support an extension. As the act now stands there is no termination date for repricing. Certainly the committee acted wisely in deciding to write the provision into this bill that would terminate repricing at the end of the year. The whole thing to me is un-American; it is unfair. I dare say that there is not a man or woman within the sound of my voice who has not had called to his or her attention instances of unfairness to the contractor. Oh, you say this is necessary for the protection of the Federal Treasury. I say to you that there is no organization in the Government more able to look after itself than the Federal Treasury. They have the FBI, they have the Internal Revenue Department, the Wage and Hour Board, and all the host of governmental agencies that they can "sic" on a contractor and perhaps harass him to the point where he is driven out of business. On the other hand, there are innumerable contractors who come to Washington to renegotiate. They have to hire expensive legal counsel, certified public accountants, and the good Lord knows what else. I dare say there have been instances after instances where small contractors have practically been made bankrupt by the expense that they were put to in preparing themselves for renegotiation. As a matter of fact, the Committee on Ways and Means had several instances called to its attention when the legislation was before the committee some time back.

The committee members who are on the floor will recall that contractor from Richmond, Va., who clearly had been harassed and practically put out of business by the operation of the law.

I hope, Mr. Chairman, that this is the last time the House will be called upon to extend this un-American principle.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Ohio.

Mr. LEWIS. I would like to ask if any of those original contracts were entered into by the Government agencies in haste without an adequate chance to learn the cost and the fair value of the things that they were buying, and if many of those contracts are still in existence?

Mr. KNUTSON. I am not able to answer the gentleman. As I said at the outset of my remarks, I was out of the city the day the committee had this bill up and therefore I had no opportunity to interrogate any witness.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield gladly to my distinguished chairman.

Mr. DOUGHTON of North Carolina. Of course, some of these contracts of negotiation are still pending. But under this bill, if it is enacted into law, no contract entered into after December 31, next, will be subject to renegotiation.

Mr. KNUTSON. I understand that.

Mr. DOUGHTON of North Carolina. Of course, there is no way of knowing what the cost should properly be.

Mr. KNUTSON. But I think the Chairman will agree that those who are with the Procurement Division and the Treasury should know enough about the cost by this time, after we have been at war for 5 years or going on 5 years.

Mr. DOUGHTON of North Carolina. If the gentleman will yield further, there are two questions involved right there. They might know enough about it, but the competitive conditions might not be such as to enable them to tell what a proper cost should be. If a certain article is needed hurriedly and there is only one bidder, there is no competition. You not only must have that knowledge but the competitive conditions have to exist in order to prevent unconscionable profits.

Mr. KNUTSON. Mr. Chairman, whether there are one or more bidders is immaterial because of the fact that the Procurement Division has a right to reject any and all bids.

Mr. DOUGHTON of North Carolina. Yes; but there is not time to do that in wartime. You cannot measure water when you are fighting a fire. There is no time to do that.

Mr. KNUTSON. I have never heard of a single instance where one American contractor has refused to take a contract. You gentlemen may know of some. I concede and agree with the gentleman from Georgia that there was a need for this originally.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to my good friend.

Mr. VINSON. The gentleman made the statement that the procurement agencies should know by now something about the actual cost of the articles.

Mr. KNUTSON. That is correct.

Mr. VINSON. I grant you that is correct in the broad application of the statement. But for instance there are so many newly developed war materials about which they know very little. We are spending $40,000,000 for the establishment of a rocket plant. This is the first time that the Government has ever built rockets to any great extent. Therefore, it has no knowledge as to what would be the fair cost of rockets. It does have a knowledge as to what would be the fair value of a great many things that we have been building in the past, and the constant progress of the war with all of its combat variations makes it necessary with respect to the development of new inventions that there be an opportunity for repricing of those articles.

Mr. KNUTSON. It would certainly seem that competent engineers should be able to take a blueprint and determine approximately what it is going to cost to produce an article that is under consideration for production.

Mr. VINSON. But they have never produced it before and know nothing in the world about the production cost of the article.

Mr. KNUTSON. I am a layman and make no claim to knowing anything about what it costs to produce anything. But I dare say if I had the experience that some of the gentlemen in the Procurement Division have had I could tell pretty closely what it should cost to build a rocket or a jet plane.

Mr. VINSON. Now, to give the committee some concrete information, during the beginning of hostilities the Navy Department ordered a certain part of an airplane. It was estimated it was going to cost $600 per unit. As it developed, and as a result of an inquiry, they were able to reduce the price to $200 per unit. In a great many things the Department should know what the article is going to cost. But there are other articles on which the Department cannot know the fair cost of production, and what would be the fair cost for the contractor and to the Government.

Mr. KNUTSON. It seems to me these governmental activities which are connected with this work are like all governmental activities, they grow and grow rather than shrivel up.

Mr. VINSON. This will terminate at the end of the year.

Mr. KNUTSON. Yes; we were told it would end the first of the year, then be extended to July 1; now another extension is sought. I am not satisfied it is finally to end on the 1st of next January. But I will say this, that if a proposal comes up here later on to extend it beyond the 1st of January, we are going to have the greatest stand-up-and-knock-down fight that we have had in this House in a long time.

Mr. VINSON. I do not think the country would endorse a stand-up-and-knock-down fight as long as we are at war. We certainly have to have some method of fixing prices.

Mr. KNUTSON. Between the 95 percent tax imposed by the excess profits tax, repricing, and all the other safeguards that we have, I do not see any necessity for extending it. I think it is dead wrong to have both repricing and renegotiation. That exposes the contractor to a double hazard. Of course, I realize that I am one of those old-fashioned individuals who believe that all American citizens should have a chance for their white alley. It is not the function of the Government, or at least it should not be the function of the Government, to push them into bankruptcy.

Mr. VINSON. But certainly it should prevent him in wartime from making unconscionable profit.

Mr. KNUTSON. I do not think the average contractor needs any defense at my hands as to his patriotism, honesty, and desire to help the war effort. We all know they have done a fine job. They have been commended time without number by the Army, the Navy, the Maritime Commission, and other agencies.

Mr. HINSHAW. Will the gentleman yield?

Mr. KNUTSON. I yield for a brief question.

Mr. HINSHAW. Is it not true that on the question of renegotiation these men who are doing the production job and are subject to the renegotiation are in a very hazardous position, because they never know until the end of the year how badly they are going to be renegotiated?

Mr. KNUTSON. Exactly.

Mr. HINSHAW. Furthermore, the tax angle comes along and they then have to give him credit for the taxes paid in after the department renegotiates, and sometimes the amount saved is even smaller than the net loss to the company from the spending of its time looking over the books.

Mr. KNUTSON. The chairman and other members of the committee will recall that when we had a hearing on this, Government witness after witness gave it as their opinion that taxes should not be allowed before renegotiation.

Mr. HINSHAW. Definitely.

Mr. KNUTSON. I think that is one of the most monstrous rulings that I can conceive of, because certainly taxes are just as much a fixed charge as labor or material or anything else.

Mr. Chairman, I yield back the remainder of my time.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Chairman, I rise in support of H. R. 3395, a bill introduced by the distinguished chairman of the Ways and Means Committee to extend the termination date of the Renegotiation Act through December 31, 1945. My active support of measures which would take excessive profits out of war dates back to the Vinson-Trammell Act of 1934, which placed limits on profits for contracts for national defense.

The Committee on Naval Affairs has been concerned for many years with the problem of controlling profits on war contracts. This concern led to a series of public hearings, which disclosed huge war profits made on war contracts only a few months after Pearl Harbor, and finally resulted in Congress enacting the Renegotiation Act in an effort to control such profits.

During the Seventy-eighth Congress further hearings were held by the Committee on Naval Affairs and the Ways and Means Committee and this led to the enactment of desirable amendments to the Renegotiation Act.

The amended version of the act empowered the President to extend the termination date of December 31, 1944, by proclamation to June 30, 1945, provided that competitive conditions had not been restored. At the request of the Secretaries of War, Navy, and Treasury, and the heads of the United States Maritime Commission, Reconstruction Finance Corporation, and War Shipping Administration, the President, by Proclamation 2631 on November 14, 1944, did so extend the termination date of the act to June 30, 1945.

Realizing that competitive conditions would not be restored for some time in view of the continuing war necessities, on February 28, 1945, I introduced H. R. 2409, a bill to extend the termination date of the act through December 31, 1945. Subsequently, I was informed by the Navy Department that while my bill covered the principal objective, it did contain some technical defects which the Navy Department felt should be clarified.

On June 6, 1945, the great chairman of the Ways and Means Committee, the esteemed gentleman from North Carolina, introduced H. R. 3395, the bill now before the House. I have been informed by the Navy Department that the language of this bill permits the necessary flexibility in the determination of profits allocable to performance prior to the close of the termination date.

As my bill H. R. 2409 and H. R. 3395 both are aimed at the same objective of extending through December 31, 1945, the termination date under the Renegotiation Act, I give my complete support to the bill now before you, H. R. 3395.

The most important reason for the extension of the act is that our war requirements continue to be enormous, with a large proportion of the Nation's productive capacity devoted to the successful prosecution of the war.

Renegotiation continues to be an essential part of our war procurement for several reasons:

First. Competitive conditions have not been restored to permit normal pricing;

Second. We need all of the industrial genius of this country—to attract and obtain that industrial genius, protection against business risks must be provided;

Third. Consequently, allowances must be made for contingencies and business risks of changes in the character and volume of war production;

Fourth. These allowances for contingencies increase the estimated costs upon which the allowed profit is based;

Fifth. When any of the contemplated contingencies do not occur, the allowances for such unrealized contingencies increase the realized profits; and

Sixth. If such realized profits are excessive, then renegotiation goes into action—this is at least one place where hindsight can be put to practical use instead of merely charging the legitimate error of estimate to experience.

The war and war production has not reached a stage of elimination of these contingent variables, to which the determination of excessive profits is keyed. Certain war developments clearly illustrate this point:

First. The need for antiaircraft ammunition and weapons was greatly reduced by the decline of German air activity;

Second. Appraisal of military tactics had to be revised because of the need for more field-artillery ammunition than had been anticipated;

Third. With the progress of the war aircraft production has shifted from training planes to long-range heavy bombers;

Fourth. Navy requirements for bombardment purposes, as a result of combat experiences, have shifted from certain types of ammunition to rockets and high-capacity projectiles; and

Fifth. There have even been changes in the food rations for military and naval personnel, which were unforeseen.

Renegotiation of contracts has been the most effective and fairest method of taking excess profits out of war. It has avoided the weaknesses of the other approaches—a flat-profit limitation or a high excess-profits tax—which, first, encourage a tendency for increased costs and expenses, and, second, give no equitable consideration to variances in business risks.

As a substitute for a flat-profit limitation, renegotiation has three major objectives:

First. To prevent the realization of unconscionable profits;

Second. To control the costs and prices of war materials; and

Third. To encourage efficiency in war production and inventive and developmental contributions.

There is ample proof that renegotiation has accomplished and is accomplishing these objectives:

First. From April 28, 1942, to June 4, 1945, approximately $2,000,000,000 was recovered by the Navy Department alone in refunds through renegotiation of contracts. Probably three-fourths of this would have been collected through taxes, indicating that about $500,000,000 has been saved by the Navy Department through renegotiation of contracts that would not have been realized through the collection of taxes. These Navy Department figures represent only about one-fourth of the total aggregate of refunds of all procurement agencies.

Second. The margin of profits realized by war contracts dropped approximately 3 percent between 1942 and 1943, thus further indicating the effect of renegotiation.

Third. Renegotiation has been a tremendous pricing aid to procurement in causing voluntary price reductions that have resulted because contractors knew that the renegotiation boards would not let them keep the amount of profits actually realized.

Fourth. Where the all-commodity curve of the Bureau of Labor Statistics has shown a steady increase in prices—taking 1942 as the base—going from slightly under 100 up to 103, the Navy price curve has been coming down from about 108 to 85. In other words, all-commodity prices have increased 3 percent while Navy prices have decreased 23 percent.

Fifth. And yet, in spite of these savings through renegotiation, war contractors have been satisfied that they were fairly treated, as only 315 of 53,250 contractors have failed to agree on renegotiation settlements.

Therefore, Mr. Chairman, I strongly urge the extension of the termination date of the Renegotiation Act through December 31, 1945, through the passage of H. R. 3395, for contracts made during the past several months will in large measure produce the profits which will accrue during the balance of the year 1945.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield briefly.

Mr. HINSHAW. I hope the gentleman will agree with me that while it is equally desirable to keep profits out of war, it is likewise desirable that where a manufacturer has been asked to make an article at a suggested price, and that price proves to be wholly inadequate, they should be just as free in renegotiating upward as they are downward.

Mr. VINSON. May I say to the distinguished gentleman from California it so happens it does. Whenever they have

no fixed price and no definite contractual relation but have a tentative agreement as to the cost, and the cost shows that the contractor will stand a loss if he produces it, then it is raised. On the other hand, if it shows that he has made large profits, then it is reduced.

Mr. HINSHAW. I happen to have had the distinction, if you want to call it that, of having achieved the first renegotiation upward for a subcontractor who was given a contract by the prime contractor at a price which the prime contractor knew he could not make himself. Consequently it was necessary in order to keep him in business to renegotiate him upward, and I had the worst time in the world in persuading, not the department itself, but the General Accounting Office, that it was a reasonable proposition.

Mr. VINSON. Nevertheless, you accomplished what you undertook, which was a fair and equitable thing to the contractor who had accepted a price which was too low.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield.

Mr. LEWIS. I wish to ask the gentleman from Georgia if this inability of the Government and the contractors properly to estimate the cost of new products, new weapons of war, as they are put into production does not still exist and is the reason for the continuance of this legislation?

Mr. VINSON. That is the only justification; otherwise you could not justify it, because nobody wants to have this authority delegated to any bureau if it were not supported by the proposition the gentleman has just stated.

As I stated a moment ago, the Navy Department is launching something like a $40,000,000 program to build a plant for the making of rockets. It is the first time the Navy Department has ever engaged in the manufacture of rockets on such a magnitude and the Department cannot know with any degree of certainty what should be the proper cost of such an operation.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield.

Mr. HINSHAW. I can tell the gentleman exactly how they can do that.

Mr. VINSON. The gentleman can?

Mr. HINSHAW. The rocket program was originated in my district in the California Institute of Technology. They have built millions of rockets and they know exactly what they cost.

Mr. VINSON. I hope the gentleman will give the Navy Department the benefit of his superior knowledge on the subject.

Mr. HINSHAW. The California Institute of Technology can give it to them. They have accurate information on that.

Mr. VINSON. One can always get information on anything in California from the weather down.

Mr. HINSHAW. And it is good information.

Only 315 failed to agree with the renegotiation settlement. You could not pay a higher compliment to the Price Adjustment Boards than the figures I have just given. Out of 58,250 contracts renegotiated, all were satisfied except 315.

Mr. ROBERTSON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Virginia.

Mr. ROBERTSON of Virginia. The representatives of the Army and Navy told us that they thought this extension of 6 months would be adequate. When we were considering the matter in executive session the thought was advanced that if some unexpected emergency rose the Congress would still be here and the Ways and Means Committee would still be here to listen to any demands if the necessity should arise for a further continuation.

Mr. VINSON. Whether or not the Congress will be called upon at the end of the 6 months for another extension of the Renegotiation Act depends upon the progress of the war and the material that the Navy and War Department and Maritime Commission may need. It is to be hoped that the experience of nearly 3 years will enable them to adjust the prices and reach a fair contractual relationship when the contract is originally made, and therefore do away as early as possible with the Renegotiation Act, then rely entirely upon the excess profits tax provision of the revenue statute.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Does the gentleman mean to say that 315 appeals have been filed in the courts of the land?

Mr. VINSON. Only 315 contractors have been dissatisfied and refused to accept the terms of the Price Adjustment Boards out of 58,250.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Michigan.

Mr. MICHENER. I think the gentleman is just a little too comprehensive in his remarks when he used the word "satisfied."

Mr. VINSON. Then I withdraw that word.

Mr. MICHENER. Many of them, especially the smaller contractors, have been renegotiated arbitrarily.

Mr. VINSON. That may be true to some extent.

Mr. MICHENER. There is not a thing on earth they can do because they have not the money or means to get into the courts. They are far from being satisfied.

Mr. VINSON. Nevertheless they did not exercise what rights they had in their refusal to accept.

Mr. MICHENER. Yes; because in many instances they could not afford to. It was a question of bankruptcy either way you put it.

Mr. VINSON. It merely shows that the Price Adjustment Boards have at least convinced the vast majority of the contractors of their fairness and equity in settling the cases and that only a small number hesitated.

Mr. MICHENER. I am not opposing the matter, but I do know what has happened.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Michigan.

Mr. DINGELL. Whether big or small, I may say to the gentleman from what we were able to learn of the problem in the hearings and in executive sessions, the fact of the matter is that no one who faced the possibility of bankruptcy had any business for renegotiation; so I will say to the gentleman from Michigan that the people who were so hard pressed in their business that they were on the danger line of bankruptcy were, as a matter of fact, not renegotiable as a rule.

Mr. MICHENER. The committee had hearings, but the committee has not all wisdom and it did not have all the facts; therefore it should not attempt to speak with finality which my distinguished colleague from Michigan attempts to do in this matter. I know what I am talking about. I was not on the committee, but maybe there were some things that the committee in its wisdom did not learn.

Mr. VINSON. Mr. Chairman, I hope this bill will be passed and I hope for a speedy end of the war permitting the termination of renegotiation.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, at this time I would like to place in the RECORD the complete and accurate figures concerning the matter referred to by the distinguished gentleman from Georgia who has just preceded me. His figures and his interpretation are not entirely accurate. These are the accurate and complete figures: There were 58,250 assignments to renegotiation agencies. In other words, the renegotiation authorities assumed to renegotiate 58,250 different companies. Thirty-one thousand nine hundred and fifty of them were found to be free of any excess profits. In other words, they asked to examine 58,250 and there were 31,950 of them that were free of any excess profits. They couldn't compel payments out of that many. Out of the 13,652 left, after they had spent their energies on 31,950 and found nothing, there were 315 who were dissatisfied, as the gentleman stated. They missed their guess so far as 31,950 agencies were concerned. So they go to work and have 13,652 left and they renegotiated that many. From then on the gentleman's figures are correct when it comes down to the 315. But whenever he tries to impress on the Congress that this agency went out and it satisfied everybody but 315, he is going too strong. Thousands upon thousands may have settled under the worst kind of force and duress. The testimony before the Ways and Means Committee showed that the general feeling was one of dissatisfaction. Many who testified claimed that they had been subjected to implied and expressed threats of reprisals.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Georgia.

Mr. VINSON. Did I not state that they negotiated some 58,250 and that only 315 had refused to accept the renegotiation? Is that not what the gentleman's figures show?

Mr. JENKINS. No.

Mr. VINSON. Where do the 315 come from?

Mr. JENKINS. When the gentleman says that only that many refused, he gives the wrong impression for he does not bring forth in his statement this one fact, which is a profound fact, that literally thousands of people were renegotiated against their wishes and did not consent, but they were forced to come down to Washington. The gentleman should not give out that impression, which is not in line with the exact facts.

Mr. VINSON. The figures that I gave are substantiated by the statement that the gentleman from Ohio just made. I said there were 58,250 cases renegotiated, and of that number only 315 refused to agree to the renegotiation figures and conclusions.

Mr. JENKINS. The gentleman cannot say that, because there are 31,950 that are not included.

Mr. VINSON. What do the gentleman's figures show? Is it not 315?

Mr. JENKINS. The gentleman just said there were 31,950 that were put through the mill, but he did not say whether they agreed or disagreed.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Michigan.

Mr. MICHENER. The man who is executed never agrees to it, but he is executed nevertheless.

Mr. JENKINS. He is dead, and he cannot do anything about it. Many thousands of these 13,337 were threatened and cajoled and told to settle or else.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Does the gentleman know whether any of those 315 cases have been decided by the courts? Presumably some of these contractors went into the courts under the statute.

Mr. JENKINS. I understand that none of them have. The Government agencies resisted to the limit the passage of that provision of the present law that provides for court review. The Government has never been keen to see any of these cases taken to court. Its agents started out to get all the money they could and they are going to keep it up as long as possible. We must be forever on guard for this is one of the instances where Government bureaus will continue to sprout if they are not kept under control. The right to bargain and sell is the life of trade. It is the life of American industry. When you restrict this practice by giving one party to a bargain special rights and privileges you stifle the free movement of business. The Government should be able to hold its own in the great world of business and it can do so if its agents are industrious and alert.

The renegotiation program has quite a history. I will not give it any lengthy discussion, but I will start with the condition which obtained before Congress passed the law under which renegotiation is now being conducted.

There is no real justification for renegotiation except in times of war and even then renegotiation should not be practiced except as relates to commodities which had no standard value and sale price before the war. For instance, if a Government purchasing agent went out to purchase horses for the Government, he should know the value of horses and the Government should be compelled to pay the price agreed upon between the seller and purchaser. Likewise if he went out to buy wheat or corn or lumber or commodities of that kind he should pay the agreed price. On the other hand, if he went out to deal for commodities such as chemicals and technical articles of warfare, he could not be held to the same accountability. Even then the Government representatives should have inserted a clause into the contract that would make renegotiation a matter of agreement.

Before Congress passed the present law a great horde of sleuths and inspectors were sent out all over the country to get all of the money they possibly could. They proceeded in a manner that was little short of tyranny. Literally thousands of business concerns of the country were browbeaten and threatened and compelled to pay without any semblance of a complete audit. In my somewhat extended service here in Congress I never have seen any such similar performances as those carried on by the Government agents seeking to make these renegotiations. Their effrontery was almost equal to the effrontery of the OPA as it is at present carried on.

Because of the tyrannical actions of these Government agents, Congress enacted the present law. The present law carries certain new and stringent features. I shall discuss two or three.

In the first place, the law provides that a board representing the Army, Navy, and Maritime Commission should be set up and that that board should prepare and publish rules and regulations. Under the old law this was not done. Under the old law a couple of agents would step into an office and find out how much money a man or a company had and then proceed to demand most of it. These rules and regulations should be available to all persons having contracts with the Government and the board was required to see to it that before any Government agents would swoop down on these contractors and manufacturers that the contractors would have a chance to know their rights in the premises. This provision of the law has had a salutary effect and prevented much of the conduct against which the contractors and manufacturers had been complaining.

The law also set up a definite board to which the contractor could appeal if he felt aggrieved by reason of the conduct of the investigator. This board was supposed to adopt rules and regulations that would be so easily understood that it would not be necessary for a manufacturer or contractor to engage legal counsel to present their cases and to get what ought to be just and fair treatment. The idea was that the board would be fair to all parties.

I am glad to say that there were not nearly as many complaints against the tyrannical action of the Government representatives after this law went into effect. However, I am forced to say that the trouble was not altogether relieved.

Another provision was placed in the law which has had a very sobering effect on these self-anointed monarchs. I refer to that provision which gives the contractor or the manufacturer the right to appeal his case to a competent court. The law provides that if a man is dissatisfied with the findings of the board this board is required to give the complainant a statement of facts in writing. The purpose of this is to permit the complainant to lay the foundation of his appeal to the Court of Tax Appeals. When a board is required to put its findings in writing it is more liable to be careful that its findings are just.

When the law under which the country is now operating was up for consideration I made the prophecy that if these authorities would reform their tyrannical tactics and discontinue their philosophy of considering that every contractor was a law violator, and if the board would give courteous and reasonable consideration to those who appealed to the board, that there would be but few appeals to the court. My prophecy has been justified by the facts, and I am glad to say that very few cases have found their way into the court. In fact, I think that only about a half dozen have been taken to court.

Now, Mr. Chairman, I should like to discuss briefly the substance of the bill before us for consideration at this time.

This bill does more than simply extend the time of the life of the renegotiation section to December 31, 1945. I shall not take time to discuss this change exhaustively, but I want to call to the attention of the membership that it is hardly accurate to say that the first section of this bill does nothing but extend the time. If you will compare the first section of this bill with paragraph (h) of section 701 of the Internal Revenue law, which is the section dealing with renegotiation of war contracts, you will find that the language in this bill is different in some respects than the language in said subsection (h). The difference is to the advantage of the renegotiator.

Further, in this connection I want to call the attention of the House to the fact that when the Congress passed the bill under which the renegotiations are now carried on that bill did not contain the repricing section, which is section 801 of the Internal Revenue Code. That repricing section was inserted into the present law by the Senate. It was inserted largely at the insistence of the departments. I feel that the House Ways and Means Committee would not have accepted this repricing section at that time, and I feel safe in saying that the House itself would not have accepted it, but we all know how wonderfully and fearfully the law is made, especially the

law that comes out of a committee on conference.

I make this reference to show you that we must yet continue to be on our guard against the persistence of these departments of government who are constantly clamoring for power and more power.

The bill under consideration today is H. R. 3395. The bill originally introduced in the House and the bill upon which the hearings were conducted by the Ways and Means Committee was H. R. 2628. That bill did not contain any reference to the substance of section 2 of this bill. The present law provides that the repricing section shall continue in operation until the President has proclaimed the date of the termination of hostilities in the present war or the date specified in a concurrent resolution of the two Houses of Congress. In other words, under the present law and the Presidential order that was issued, the renegotiation activities of these agencies cease on any contracts entered into after June 30, 1945. But their right to reprice, which is practically the same thing, and in many instances much more exasperating, would continue until the war was over or until Congress passed some repealing legislation.

We in the Ways and Means Committee decided that we should amend the present law so that these renegotiators should be limited in their repricing activities to December 31, 1945, just as the present bill that we have under consideration limits them.

This amendment had two purposes, first to provide the same date of termination to all renegotiation and repricing activities, and, second, to give the contractors and the manufacturers of the country a definite date towards which they could direct the activities of their business.

Summing up, therefore, I will say that there is no doubt that the renegotiation law under which we are now operating met quite effectively a very sad need and put an end to tyrannical practices that were unnecessary and really un-American. I am not in favor of permitting unconscionable profits, but on the other hand I am in favor of the Government selecting competent purchasing agents so that a minimum of renegotiation would be necessary. The Government representatives have for the past 2 or 3 years felt free to make loose contracts because they knew that they could renegotiate these contracts, while they knew that the contractor or the manufacturer could not, upon their own motion, ask for a renegotiation of a contract into which they had entered, which was unprofitable to them. In other words the renegotiation program has been a one-sided program permitting the Government to renegotiate to protect itself but not permitting the contractor any chance to renegotiate a contract that he had made and which developed unfavorably to him.

I hope that the Government agencies will in the next 6 months take warning from the complaints of the people and the enactments of Congress and prepare themselves to operate without seeking for this unfair advantage. If they find that there are still many commodities about which they cannot know the prices they can stipulate in the contract that they will expect to recanvass the contract in case exorbitant profits are made. In that way both contracting parties will have due notice of what to expect.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. IZAC].

Mr. IZAC. Mr. Chairman, the reason, of course, for bringing this bill here today is because the Committee on Ways and Means in its wisdom found that renegotiation was a good thing. I think the whole Congress agreed on that originally. I am just sorry that there seems to be some difference of opinion now as to the effectiveness of the renegotiation statute. As the chairman of the Committee on Naval Affairs and the chairman of the Committee on Ways and Means have so adequately pointed out, it has really saved the taxpayers of this country about six billion dollars. You can say that it has caused discomfort and uneasiness on the part of a good many people who did not like to be renegotiated. I think it is a human trait that every one likes to make as much money as he can. But I have contended right from the very beginning that no excessive profits are warranted in wartime and I will debate that issue with any one. I do not care whether the contractor had to suffer overtime, had to worry himself a little bit about how to make ends meet, how to manufacture his product on a better basis, lower cost, and so on. He is not comparable to the man who is giving his blood for his country. So I do not think anybody is justified in complaining about the way renegotiation has worked.

You talk about harassing the individual contractor; that man is not touched unless he shows profits—profits that in the opinion of the board are excessive. The 58,000 contracts that were looked into were not renegotiated unless they showed excessive profits. That is what the act provides, and that is what actually took place. I think as my chairman of the Committee on Naval Affairs does, that 315 complaints shows that in about 95 percent of the cases the renegotiation action was warranted, and probably it is warranted in the 315 cases, I do not know; but they have their recourse. They can go to the courts and get relief.

In the beginning we were making a good many products of war that we had not even dreamed of before. Nobody could tell how much it would cost to make an airplane starter, for instance. I think we started out to manufacture them at $600 apiece. It was not long before they were turning them out with the same manpower in much less time and the cost finally went down to something like $200. Now if we had made a price of $600 by contract with the producer, you can see what he would have made at the end of a year, let us say, turning out, for instance 1,000,000 starters. The profits in some cases were exorbitant, I assure you.

Of course, we are supposed to be the watch dog of the Treasury. We are not supposed to let people use the taxpayers' money to the extent of making exorbitant profits in time of war. I think it is one of the feathers in our cap that we have at least endeavored better this time than in the other war to reduce the profits which are made in time of war.

Now, the end of the war with Japan is uncertain. In my opinion, the weakness of this bill today is that we definitely say we are going to end this at the end of this year, as much as to say that even if the war goes on 2 years more, anybody who wants to make excessive profits after the 31st of December can go ahead and do so. It is as if we say, "All right; you folks go ahead. We will say it is the fault of the fellow down here in the Navy Department or War Department or the Procurement Division of the Treasury Department." Does that make sense? Of course, it does not. We have to take the profit out of war and we have to reduce these exorbitant profits that individuals or individual contractors make whether the war goes on for 6 months or 6 years.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. COOPER. Mr. Chairman, I yield two additional minutes to the gentleman from California.

Mr. IZAC. Mr. Chairman, I think we should leave this in such a way that if the Committee on Ways and Means in going into that question decides, let us say in about November or December, that the war is going to last longer, and since we are going to have these new products which the various Members have spoken of, such as rockets and jet-propelled planes, then renegotiation should continue as long as the need for it exists. Nobody knows what these new products are going to cost. They are making rockets and jet-propelled planes in my district, incidentally. I am sure I do not know how much they are going to cost and neither do the contractors. We should see that they make a fair profit, but that renegotiation continues as long as it is necessary. That need, in my opinion, will go on as long as American inventive genius turns out new instruments of warfare.

So, my friends, I sincerely hope we adopt this resolution. We need to make up our minds that the necessity for it requires that it be continued in the future.

Mr. REED of New York. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill, H. R. 3395, deals with two forms of taxation. One with the recapture of profits already realized through renegotiation and the other as construed by the services with the capture of future profits. However, there is a vital difference between these taxes and other taxes. There is no definition in the law of excessive profits. Under the tax laws we define net income for income-tax purposes and adjusted excess-profits tax net income for excess-profits tax purposes. The renegotiation and repricing taxes are imposed by men and not by law. A group of officials sit around a table and determine whether, in their opinion, a corporation has made excessive profits or may make excessive profits in the future. Unless the contractor agrees to go along, his property may be seized and his plant taken. It

may, therefore, be said that business now has seven kinds of taxes to pay—namely, the normal tax, the surtax, the declared-value excess-profits tax, the capital-stock tax, the renegotiation tax, and the repricing tax. I hope the time will soon arrive when we can simplify our tax laws and reduce the number of taxes a corporation will have to pay to a single corporation tax levied on net income according to principles and definitions fully set forth in the law. If all taxes can be repealed with the exception of the corporate net income tax, business will not be confused and harassed by the multitudinous record keeping and investigations called for under the present system. I have already introduced a bill for the repeal of the excess-profits tax and the reduction of the individual income tax.

Two of the unwise features of our tax system at the present time are those dealing with renegotiation and repricing of war contracts. The bill before us makes an important contribution to a return to law and order by providing for the discontinuance of renegotiation and repricing after December 31, 1945.

A great deal was said in the hearings about the voluntary nature of the renegotiation proceedings. Under Secretary Patterson stated that of the 13,652 contractors found to have excessive profits by the departments, only 315 have had unilateral determinations of excessive profits issued against them. Of the 13,327 contractors who have entered into voluntary bilateral agreements, I wonder how many of these agreements were voluntary and how many were induced by threats and coercion. If a contractor does not settle voluntarily, the departments can enter a unilateral order on him and withhold payments that would otherwise be due, or if he is a subcontractor the Government can collect the money from the contractor who owes the subcontractor and also ask the contractor to sue him. The only way a contractor can have his case heard before an independent tribunal is not to enter into an agreement, but let the department enter an order. If he does not enter into an agreement, he can appeal to the Tax Court of the United States where he can raise both questions of law and facts, to determine whether he has actually made excessive profits. We provided for such a right of appeal in the Revenue Act of 1943. No contractor or subcontractor ought to be criticized for endeavoring to have his case heard before an independent and impartial tribunal. Yet Under Secretary Patterson refers to contractors who refuse to sign such agreements as hogs. In this connection, I quote the reply made by Under Secretary Patterson to the following comment by the gentleman from Kansas, Congressman CARLSON, in the recent Ways and Means hearings:

Mr. CARLSON. I appreciate that. I noticed this morning you mentioned a large number of contractors who had voluntarily signed articles on repricing or renegotiation without any difficulty, and that you only had a very few that you called recalcitrants.

Mr. PATTERSON. Hogs. (Revised hearings before the Committee on Ways and Means, p. 35.)

I am unable to agree with the conclusion of the Under Secretary that any contractor who wishes to exercise his constitutional right of having his day in court and having some independent tribunal pass upon whether he made excessive profits should be branded as a hog.

I recall that in the revenue bill of 1943 our committee provided that if a contractor or subcontractor is aggrieved by a determination of the Secretary made prior to the enactment of this act with respect to a fiscal year ending before July 1, 1943, whether or not such determination is embodied in an agreement, he is also entitled to have a determination in a de novo proceeding before The Tax Court of the United States. However, Judge Patterson and other War Department officials violently opposed this provision and it was eliminated in conference. Possibly, the judge was unwilling to have the light of day thrown on some of these so-called voluntary agreements.

Contractor harassment is not confined to renegotiation tyranny, but he is further harassed by the repricing methods adopted by the services.

The administration of the provisions of title VIII of the Revenue Act of 1943 had made it very difficult for contractors or subcontractors to carry on, and has resulted in stripping them of any reserve to meet their reconversion problems. The services have adopted a system known as company repricing. What is company repricing? In effect, it is a capture of estimated future excessive profits on the basis of quarterly periods. An attempt is made to estimate the profits of the company for the quarter and require the contractor to reduce his prices so as to eliminate profits which the departments regard as excessive for that quarter. We were told by the departments that renegotiation was needed, because the original price may have been agreed upon in order to allow the contractor some leeway to protect himself against the contingency that his costs will be increased by a reduction in his anticipated volume of production. Renegotiation was necessary it was said to recapture excessive profits due to the fact that the price agreed upon yielded excessive profits because the contingency of increased costs did not occur. But how can a contractor or subcontractor be protected if his margin of profit is to be cut down to a minimum through repricing on a quarterly basis? Furthermore, repricing does not eliminate renegotiation. The contractors who are repriced also have to be renegotiated. In response to a question from the chairman, Under Secretary Patterson admitted this to be the case.

It was openly stated by the services, in testimony before our committee, that repricing is future renegotiation and requires consideration of the same factors that are required in the case of renegotiation. However, company pricing is much more burdensome than renegotiation. Renegotiation is on an annual basis after the year has closed and the profits are known. A business may run the first two or three quarters on a profitable basis and the remaining quarter or quarters on a loss basis. Because the whole year is taken into account, this loss will be recognized in renegotiation. A different situation will apply in the case of repricing. Under repricing, the Government will only look to each quarter, and the contractor or subcontractor will not be protected against losses occurring outside that quarter. Although, under the repricing provisions, the contractor is forced to accept a price which, in the opinion of the services, will leave him no excessive profits, he is still expected to assume normal business risks. In one case the general manager, chief accountant, and two best assistants of a corporation had to drop everything else to battle the pricing team of the services at a time when they were endeavoring to reach maximum production for the war. I do not believe that the services are interpreting title VIII in accordance with the intent of the Congress.

In the regulations of the agencies dealing with the Renegotiation Act, the following statement is made:

Closely allied to the renegotiation of profits realized in past periods is the policy of preventing the realization of excessive profits in future periods by reduction in the price to be paid for future deliveries. While the 1943 act confines renegotiation to profits already realized for a post fiscal period insofar as a unilateral determination of excessive profits by order is concerned, it provides specifically for the prevention of excessive profits in future periods by authorizing the War Contracts Board and the contractor to enter into agreements for the elimination of excessive profits likely to be realized. Their occurrence in the future should be prevented by adjusting the prices for remaining deliveries under existing contracts on an over-all basis by a voluntary agreement as an incident to the renegotiation settlement. Where a mutually satisfactory agreement cannot be concluded with respect to future prices, the repricing statute (title VIII of the Revenue Act of 1943) specifically authorizes the Departments to reprice outstanding contracts of both prime and subcontractors with respect to future deliveries.

I do not believe that anyone reading this regulation will get the impression that company pricing is voluntary. Yet in the statement submitted by Under Secretary of War, Robert P. Patterson, under date of June 4, 1945, the following statement is made:

In the course of the hearings, the term "repricing" has been applied to both title VIII actions and to company pricing, and has apparently contributed to some confusion between them. Company pricing is based upon voluntary negotiations with contractors on their over-all war business. It supplements individual contract pricing by dealing with both prime contract and subcontract pricing policies, applicable to both current and future transactions. It is applied only to contractors which have a consistent record of excessive prices, costs, or profits which have not been successfully limited by individual contract pricing.

And then the following statement is made by Under Secretary Patterson in the same document:

Prime contractors which are exempt from renegotiation are subject only to taxes and company pricing. If title VIII is not continued in its present form, these companies will be subject only to taxes.

There appears to be real inconsistency in the two statements. If company pricing is independent of title VIII actions, it is difficult to see how the repeal of title VIII would relieve subcontractors from company pricing. These contractors and subcontractors are all under the threat of this company repricing. There is nothing mutual about such negotiations, and I am clearly of the opinion that the repricing policies of the departments are directly in conflict with the intent of Congress in enacting title VIII of the Revenue Act of 1943. Title VIII was inserted by the Finance Committee and agreed to in conference. The Finance Committee report in referring to this title make the following statement:

In the interest of clarity your committee proposes that the repricing authority be separated entirely from the renegotiation statute. The methods and considerations appropriate to the repricing power are different from those applicable to renegotiation on an over-all basis for the purpose of recapture. Actually, the authority to reprice is more analogous to the power to place compulsory orders contained in section 9 of the Selective Training and Service Act of 1940.

Accordingly, your committee has amended the House bill and the existing law to place the authority of the Departments to adjust prices in a separate title, section 801, of your committee bill. Under it the secretary of a department is given full power to adjust prices for articles and services supplied by contractors with his department or subcontractors thereunder. If this cannot be done by agreement the secretary may do so by order. The contractor is protected, however, by an express right to sue the United States to obtain fair and just compensation for the articles or services supplied. The department will pay to the contractor the full amount of the price fixed by an order and, if the contractor thinks the price fixed unfair, he may bring suit against the Government to recover the difference in the amount paid and the amount which he believes should have been paid. Any new price fixed under this section applies only to deliveries after the date of the order. Thus these price adjustments are prospective only and do not involve recapture. Consequently this authority will not overlap the over-all renegotiation for the purpose of recapture of past profits.

It will be noted that the report specially states that the methods and considerations applicable to repricing are different from those applicable to renegotiation on an over-all basis. Title VIII gives authority to adjust prices for the particular article supplied or service rendered. The report specifically states that the authority to reprice is made analogous to the power to place compulsory orders contained in section 9 of the Selective Training and Service Act of 1940.

Section 9 of the Selective Training and Service Act gives authority to the President to place an order with any individual, firm, or corporation for products or material and further provides that the compensation to be paid by the United States shall be fair and just. The question of what constitutes fair and just compensation is a judicial question and the courts have repeatedly held that it depends upon the value of the property or article at the time of the taking. See *U. S. New River Collieries* v. *U. S.* (262 U. S. 341), in which it was held that under No. 10 of the Lever Act and the fifth amendment, the owner of property requisitioned by the United States is entitled to the full money equivalent of the property taken and the ascertainment of this just compensation is a judicial function. I find no authority in title VIII for repricing on an over-all company basis. Because of the way this title is being administered, I believe that title VIII should be amended so that it will be on a purely voluntary basis, and I made a motion to that effect in the committee. However, since the majority bill will terminate title VIII as to contracts and subcontracts entered into after December 31, 1945, I am giving this bill my support, since I want to see this un-American practice discontinued as soon as possible.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, I will try to shed a little light on this very important subject, within my limitations.

Personally I favor the extension of the Renegotiation Act. I think the great bulk of the membership of this House feels as I do about it. We cannot tolerate any such thing as unconscionable profits to be made out of this war. We have heard much about harassments and abuses. Let me tell you that for the most part, unless specific instances are submitted, I assure you they are largely imaginary. Certainly they lend themselves to correction by way of the courts where there is an aggrieved corporation.

My alert and distinguished friend from California, well-informed as he is on naval affairs, has taken as an illustration starters for airplanes, and I have an idea he was dealing very largely with the question of repricing or renegotiation, or both. I want to deal chiefly with the necessity for repricing to which there seemed to be so much opposition as being superfluous because it is contended that renegotiation and excess profits taxes taken together were sufficient. But despite these, there will be many instances of excessive prices and excessive profits. Let us use the illustration of the airplane starter. Before the war it was produced in comparatively infinitesimal quantities, but we found in the course of time with the granting of contracts for large numbers of airplane starters that the price was brought down from $600 to somewhere in the neighborhood of a quarter of that amount and that all of the savings were not due to the manufacturers, the prime contractor, not at all; the contribution to the saving was made along the line progressively by the subcontractors who found that because of substitutes, because of experience in production, because of accelerated methods, because of new kinds of machinery they were able to produce the article far under what they originally thought would be the cost.

The renegotiation authority permits repricing in order to sift that excess cost immediately when it is detected instead of permitting the prime contractor to go along and draw from the Treasury the originally agreed upon amounts. Does that make sense? It is absolutely not only sensible but it is good business and is something that a witness before our committee from the Timken people, I believe, said was a common practice that has been in use for years in everyday business. If this is correct practice in private business what is the matter with it in Government business?

Over and above repricing there still is ample room for renegotiation because of tremendous profits and even after renegotiation and repricing there are still excess profits taxes to be collected under the tax law.

When the officials of the repricing board appeared before us in executive session I used as an illustration a tank, one of these monsters of the battlefield. We had never manufactured those in this country. Bill Knudsen, the genius of production for General Motors, the lieutenant general who retired recently, phoned from Washington, called Mr. Zeder or Mr. Keller of the Chrysler Corporation, and said: "Bill, can you make tanks, or will you make tanks for the Government?"

"Why! yes; we will." He said: "We have never made any. Can you send me the specifications?"

"Sure."

So he sent the specifications. Chrysler started production. The original price was $35,000 or $40,000, or whatever it might have been. Within a short time they found after they got into the mass-production methods in which these automobile men were expert that material savings could be effected. For instance, a subcontractor who manufactured treads, something he had never manufactured before; the subcontractor who manufactured the differentials or the transmissions, the stabilizers, other automatic devices and various other important adjuncts of these behemoths of the battlefield, found they could effectuate tremendous savings, and they passed them on. For instance, they said that transmissions they thought were going to cost $10,000 they found could be made at $6,000; and maybe later on they went down even lower than that. As these savings were reported the experts on renegotiation who appeared before the committee in executive session told us very plainly that the saving should be reflected in the unit cost on the remainder of the order instead of going into the pockets of the prime contractor. The savings represented a tremendous amount of money on the tanks that were produced on the basis of the originally agreed-upon price. The completed portion of the order before repricing due to savings is subject to renegotiation and subject to the excess-profits-tax provision.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield.

Mr. DINGELL. Not right now.

Mr. RIZLEY. Mr. Chairman, I make the point of order a quorum is not present.

Mr. DINGELL. Then I will demand a roll call on final passage of the bill.

The CHAIRMAN. The Chair will count.

Mr. RIZLEY. Mr. Chairman, I tried to get a little information.

Mr. DINGELL. I was going to yield to the gentleman, but I shall not now. We will have a roll call, I will say to the gentleman.

Mr. RIZLEY. Mr. Chairman, I withdraw the point of order.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield the gentleman 5 minutes in addition to what he has.

Mr. DINGELL. Mr. Chairman, in using the tank as an illustration I did not go far enough because the parts producers, the subcontractors involved in the production of a tank are far less than those involved in the production of, say, a destroyer. The experts told me that as graphic as the illustration might be with regard to a tank, we should use a destroyer. One said, "Why do you not use a destroyer where we have hundreds of subcontractors who daily effect savings and pass them on to the prime contractor." He said, "We learned in one instance after completing 2 destroyers how we had to reprice the balance of the order of 12," and he said further, "There are countless instances where the repricing is often more important than the renegotiation itself."

Mr. KEEFE. Will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I want to ask the gentleman, who spoke with some finality in the matter of a roll call a few moments ago, if I understood him correctly that there is to be a roll call.

Mr. DINGELL. Is the gentleman trying to inject some politics into this?

Mr. KEEFE. Is there to be a roll call on this bill, and is that going to be insisted upon by the gentleman?

Mr. DINGELL. I will insist on it if the gentleman likes it. I would rather have one; yes. I would like to know where the gentleman stands.

Mr. KEEFE. The gentleman knows where I stand.

Mr. DINGELL. No; I do not.

Mr. KEEFE. Mr. Chairman, I suggest the absence of a quorum.

Mr. DINGELL. That is fine with me.

The CHAIRMAN. The Chair will count.

Mr. ROBERTSON of Virginia. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3395) to extend through December 31, 1945, the termination date under the Renegotiation Act, had come to no resolution thereon.

SPECIAL ORDER

The SPEAKER. Under a previous order of the House, the gentleman from Oregon [Mr. STOCKMAN] is recognized for 20 minutes.

SEND OUR SURPLUS WHEAT TO EUROPE

Mr. STOCKMAN. Mr. Speaker, with all the discussion going on about food shortages in this country, I think it is high time we called attention to the fact that in wheat, the most important food crop of them all, we actually have a surplus. There is more wheat in the United States today than at any time in our history. Out in the Pacific Northwest we have so much wheat on hand from the 1944 crop that we are at a loss as to where to put the 1945 crop. The same situation prevails throughout the rest of the wheat-producing area. Our granaries and warehouses and elevators are full. We are even storing wheat in barns and schoolhouses. As proof of my opening statements I quote a portion of a news item appearing in the Washington Post of June 11, 1945, just 3 days ago, which says:

> Combines started rolling this week in southern Oklahoma and with only a fraction of the golden crop cut, harvest crews already have begun dumping wheat in the fields.
>
> In Kansas, center of the Wheat Belt, the harvest isn't even under way. When it starts in a week or so, grainmen see even a more critical situation with a prospective crop of anywhere from one hundred and sixty-five to two hundred million bushels to be added to already-crowded elevators.
>
> The dumping was at El Dorado, Okla., Saturday, when four elevators turned away loaded wheat trucks because they couldn't store the grain and couldn't get rolling stock to move it out of terminal markets.
>
> Only 31 carloads had been shipped from the area, one of Oklahoma's larger wheat-producing sections. Forty more carloads were stored in vacant houses, barns, and on the ground.

To permit this to happen in a world where millions of people are suffering for lack of food is absolutely inexcusable. As a practical method to dispose of this surplus, I suggest we use it to feed the liberated countries of Europe until they get back on their feet again and can produce food for their own needs. We should use it to make secure the victory for democracy which our armies and those of our allies have made possible, but a victory which cannot be won by military might alone.

I believe that a program should be inaugurated immediately by the Federal Government to move this surplus wheat out of storage at a much faster rate and in much greater quantity than is now being done, for use in meeting the critical food shortages that exist among the peoples of Europe. It is true we are short of freight cars and shipping space, but we have initiated the policy of feeding liberated Europe, and wheat is the most logical commodity with which to do it. We already have the machinery which could be used in undertaking such a program. The job could be assigned to one or more of the Federal agencies now concerned with certain aspects of the problem or it could be handled jointly through interagency cooperation. Such cooperating agencies would include the War Food Administration, the Commodity Credit Corporation, the United Nations Relief and Rehabilitation Administration, our lend-lease organization, and the War Department, the latter having jurisdiction over food supplies for occupied countries.

The job of moving this wheat into the hands of those who need it is one that should be done as quickly as possible. The next few months are the critical months, both from the standpoint of our farmers who will need storage space for the 1945 crop and from the standpoint of the need for food in Europe. Millions of hungry people in nations liberated from Nazi domination are depending upon us for food that will tide them over until their own agricultural economy can be restored. We are already doing a great deal to relieve the situation but we can do more, and we must do more to prevent widespread starvation in many sections of Europe this coming winter. Our surplus of wheat could be used to no better purpose. These people will not starve as long as they have bread.

Some idea of how badly our help is needed can be gained from the fact that food production in the countries of Europe will be less this year than at any time since the outbreak of the war, and far below prewar levels. Considering what they have gone through, that is not surprising. Military operations in some areas have made large tracts of land unusable as far as immediate agricultural production is concerned. Other farm areas were plundered before the Nazi retreat. There is the cumulative effect over the war years of shortages in manpower, tools and machinery, fertilizer, and seed. The transportation system has been badly damaged or disorganized. Livestock herds have been depleted. Food-processing factories have been damaged or bombed out of existence. And on top of all this there is a social and economic revolution going on. New governments are being set up, or old ones being reestablished. There is confusion and uncertainty; fear and unrest.

A review of the food outlook in the various countries of Europe reveals that most of them are deficiency areas and will continue to be the rest of this year and much of next. The situation in France remains serious. Even the low-level minimum rations are not being met. Unseasonable weather and lack of help and agricultural supplies greatly reduced the sowing of winter grains. The outlook is equally as unfavorable in Belgium. The Netherlands will need large imports of food, mainly cereals. The situation in Norway and Finland is serious and the crop outlook is not promising. Imports of food to Greece have been increased but will need to be continued, and the same is true in large sections of Italy.

Mr, RIZLEY. Mr. Speaker, will the gentleman yeild?

Mr. STOCKMAN. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. I appreciate that the gentleman from Oregon is making a very fine statement in connection with the wheat situation. I represent one of the larger wheat-growing congressional districts in the United States. I am fully familiar with what the gentleman is saying and that we are having a terrific time in Oklahoma now trying to find storage space for the wheat crop, the harvest which is already under way.

Mr. STOCKMAN. Then the gentleman's personal knowledge will bear out the statement I just made?

Mr. RIZLEY. Yes. All of us know that there are perhaps 300,000,000 bushels of surplus wheat in the country now. I wonder if the gentleman has investigated to determine why more of this wheat has not been sent to some of the countries in Europe who are so greatly in need? It is my understanding that last year we shipped perhaps less than 12,000,000 bushels of wheat out of this huge stock pile we had on hand. I think that information is essentially correct. It does seem to me that as important a food as wheat is, and with the countries of Europe in the situation they are in with respect to food, and the fact that we cannot even find storage space in this country right now in Oklahoma, that some of this wheat could be disposed of to good advantage. They are piling millions of bushels of wheat on the ground, and the harvest is just proceeding northward.

Mr. STOCKMAN. That is right.

Mr. RIZLEY. That condition may continue all throughout the harvest season. I want to congratulate the gentleman for bringing these facts to the attention of the Congress and to the country.

Mr. STOCKMAN. I thank the gentleman from Oklahoma for his contribution.

In reply to the gentleman, I will say that that is one of the reasons for making this speech this afternoon. In my opinion, one reason that more wheat has not been shipped to Europe is that there have been too many social workers' ideas prevailing and the thought has been given prevalence that people in Europe should have more of the finer things in life instead of one of the basic commodities.

Food production in countries of eastern Europe, once a food-surplus area, will also be considerably reduced this year, and supplies will have to be supplemented by imports.

All of which adds up to the fact that the people of these countries, if they are forced to depend upon their own resources and production, will have less to eat during the coming months than they did during the war. A survey of the food situation in Europe, completed in May by the Inter-Agency Committee on Foreign Shipments of which Leo T. Crowley is chairman, reveals that conditions are worst in countries which have only recently been liberated. It reveals that great masses of people, particularly in the cities, are getting even less food than the 2,000 calories a day which is regarded as the minimum for the maintenance of health, but is not sufficient to maintain a worker engaged in manual labor. In certain cities of Holland, for example, the people received no more than a fourth of this minimum daily requirement. In many other areas, less than 1,700 calories a day were available. This was just about half the average level of civilian consumption in the United States during 1944 which was 3,367 calories per day and a much more balanced diet. We know how the people of Great Britain have had to tighten their belts to make food supplies reach, yet their average level of civilian consumption in 1944 was 2,923 calories per day, or 72 percent greater than the consumption of people at the 1,700-calories level. We cannot, however, accurately measure hunger in averages. The degree of need in European countries varies in different sections and among different classes of people. The variety and quality of food available must be taken into consideration. It is not always possible to insure equitable distribution of supplies from one area to another.

We do know that the food shortage in many areas is acute and will become more acute as the months go by unless imports are greatly increased. We do know that millions of men, women, and children in the war-torn countries of Europe are facing the prospect of slow starvation unless steps are taken immediately to make additional food supplies available. Until such steps are taken we cannot expect them to make much progress on the gigantic task of restoration with which they are confronted. We cannot expect them to rebuild Europe on an empty stomach. They desperately need our help before they can help themselves.

I have already indicated one very practical way in which we can extend that help, and in so doing, find a partial solution to one of our own most vexing problems. That is to send them our surplus wheat.

We will have on hand in this country as of the 1st of next month a wheat carry-over of between three hundred and fifty and three hundred and seventy-five million bushels, most of it from the record-breaking billion-bushel wheat crop which our farmers produced in 1944. This will be from one hundred and fifteen to one hundred and forty million bushels more than our normal annual prewar carry-over for the 10-year period, 1932–41, inclusive.

The bulk of this wheat is backed up on farms and in country elevators because the farmers have been unable to get cars to ship it to terminals. During January through March this year, only 51,000,000 bushels were received at primary markets as compared to 157,000,000 bushels during the same period last year and 120,000,000 bushels in 1943. This movement of wheat to primary markets, reduced two-thirds below what it was a year ago, has been barely enough to meet current domestic and export demand. Stocks at ports and terminals have become nearly exhausted. Commercial stocks in terminal positions on April 1 totaled 100,000,000 bushels, the lowest since 1939.

This bottleneck in transportation and the inability to move our grain to terminal markets has created a very serious situation for the farmers of the Pacific Northwest and for wheat producers in other areas as well. Much of our 1944 crop is still in storage on farms and in country elevators. Last year's crop is taking up the storage space that will be badly needed for the 1945 crop within a very short time. Just how critical that lack of storage space is going to be can be realized from the fact that our farmers in the Pacific Northwest expect to produce an even bigger wheat crop in 1945 than the record-breaking output of 1944. May 1 estimates of the Department of Agriculture place the 1945 winter wheat crop for the Nation at 835,000,000 bushels, and if this production is realized, it would be 71,000,000 bushels above that of last year. Counting both spring and winter wheat estimates, another billion bushel crop is in prospect.

So we are confronted on the one hand with the problem of getting rid of our surplus wheat to make room for the new crop, and on the other, the problem of getting that surplus into the hunger-stricken areas of Europe. I do not minimize for a moment the difficulties that confront us in doing that job. Those difficulties, however, are not insurmountable. The most pressing immediate need is to move as much wheat as possible out of storage in farm areas into warehouses and elevators at ports and terminal points. A great many more rail cars for grain shipments must be made available during the next 2 months. With the much greater rail movement of war supplies from the east to the west coast, I see no reason why these cars could not be loaded with wheat on the return trip, thus putting this wheat into Great Lakes and Atlantic seaboard terminals for later shipment across the ocean.

It should also be possible during the summer months to substantially increase food shipments to Europe, and certainly wheat should have a priority in such shipments. Even if the shipping situation does not ease up and additional space does not become available for relief foodstuffs, wheat should still have a priority in food shipments that are made. It is easy to transport, is nonperishable, can be stored against future need, and has many different uses both as food for humans and as feed for livestock. If shipped in the whole grain for processing as needed in European mills and homes—and I am advised the flour mills in this country are booked to the full 24-hour capacity for the rest of this year—there would be the additional advantage that the byproducts of bran, middlings, and shorts would be available for livestock feeding. It would, however, be principally used as flour in making bread—the universal food among the people of Europe; the food which they depend upon more than any other and to a much greater extent than we do in this country. They not only use wheat to mix with other bread grains but they mill it to get a flour extraction of more than 90 percent. Nothing we could send to Europe in the way of food would accomplish more good or be more acceptable than an abundant supply of wheat. There has been a strong tendency in some quarters to forget that fact. There are those who think we should be sending them fancier foods; that we ought to include strawberries, asparagus, and similar delicacies in our shipments. Apparently we are already shipping more sugar than we should. I think the people of Europe will be very glad to get along without the fancier foods if we will just see to it that the space that would be taken up in shipping them is filled with just plain wheat. What they want and what they need in the critical days ahead is food that will stick to their

ribs. We ought to see that they get it. The way to do that is to send them as much of our surplus wheat as we can and do it just as soon as we can. Bread is the best ammunition we have to win the final victory for democracy in Europe.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. STOCKMAN. Gladly.

Mr. HOPE. I want to compliment the gentleman upon the very fine statement he has made. I represent a very large wheat-producing district, as the gentleman knows. The gentleman has outlined very clearly the problems that are confronting the wheat producers of this country and I think has pointed out the remedy in a splendid way. I think it is a practical remedy. I want to assure the gentleman I will be glad to cooperate with him in any possible way.

Mr. STOCKMAN. I am deeply indebted to the gentleman from Kansas for his statement.

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. STOCKMAN. I shall be happy to yield to the gentleman from Washington.

Mr. SAVAGE. I also want to compliment the gentleman for bringing this very important matter to the attention of the Nation. I wonder if the gentleman has inquired from the railroad companies why the empty cars coming back from the Northwest could not be used for shipping wheat.

Mr. STOCKMAN. I have made inquiry as to that. The only answer I have received is one I do not think adequately fits the situation. The answer given me is that they want them back in the East so quickly that they do not have time to load the empty cars with wheat in the West. That does not hold water with me for the reason that they can load wheat very fast.

They can load an 80,000-pound car in an hour and a half or less. I do not think the reason advanced is sufficient.

Mr. SAVAGE. I hope something can be done to solve the problem. I have just recently returned from Europe, and I saw great need for wheat and other commodities as well. But it seems to me a shame, when we have such a tremendous surplus of wheat in this country with the possible danger of it spoiling that it should be wasted on account of lack of transportation.

Mr. STOCKMAN. Would your observations in Europe tend to bear out what I just said, that they desperately need wheat?

Mr. SAVAGE. That is true. They need it. When the food gets to the ports in Europe we still have the same problem of transportation over there, but it seems to me we ought to be able to solve it here, and I hope they can solve it on the other end.

Mr. STOCKMAN. I thank the gentleman.

Mr. HOPE. Will the gentleman yield further?

Mr. STOCKMAN. I will be glad to.

Mr. HOPE. Does not the gentleman think the real solution of the difficulty is to give wheat and similar foodstuffs the proper priority, both in transportation by rail in this country and by ship overseas?

Mr. STOCKMAN. That is correct. Wheat should take the place of other foods that are going over there. Not necessarily that we need any additional shipping space, but we would do a much more efficient job if we used wheat instead of other things that are being sent, and at the same time do our own country a great deal of good by not increasing food shortages here.

The SPEAKER. The time of the gentleman has expired.

Under a previous order of the House the gentleman from Pennsylvania [Mr. EBERHARTER] is recognized for 10 minutes.

REHABILITATION OF RETURNING VETERANS

Mr. EBERHARTER. Mr. Speaker, this Congress has concerned itself with a multitude of ways to discharge its obligation to returning war veterans. It has attempted to provide them with the wherewithal to set themselves up in business, to assure them employment, to protect them against the hazards of rehabilitation into civilian life. I have favored the extension of every possible facility to these men because I understand it as my fundamental responsibility as an American to do so. I want to do so.

About a year ago I remember a group of businessmen suggested to this Congress that there are others besides the Government of the United States and the Congress who are willing and ready to rehabilitate these men and women as they come back home. We were reminded at that time that American business itself would like to have a hand in this rehabilitation.

I refer to a petition which was filed with Governors of the Federal Reserve System about a year ago by the Retail Credit Institute of America.

The Retail Credit Institute is a research and public-relations organization representing the specialty stores of America which sell consumers such important products as furniture, electrical appliances, refrigerators, washing machines, watches, clothing, musical instruments, carpets and other household and living necessities and comforts, and which extend the necessary credit to their customers to make these purchases possible to millions of families. The Retail Credit Institute a year ago asked the Federal Reserve Governors to permit American businessmen to consider the needs of each returning veteran and to help him as he needs the help—to furnish his home and equip him for work and civilian life by extending him whatever credit his individual needs may warrant.

The Credit Institute asked for special exemption of veterans from regulation W, which controls the extension of consumer credit.

Gentlemen, regulation W provides that a man can only buy durable products by paying down a considerable sum of money at the outset and by completing the terms of purchase within 1 year. I say to you that so long as there is a war this is all right and perfectly satisfactory when it comes to war workers and the rest of us back here at home who have earned normal or increased incomes during this war. But this regulation with its strict requirements was never intended to prevent the returning veteran with his pittance of pay in the armed service from procuring the furnishings for a small home, the equipment to set up civilian housekeeping, or the things necessary to get or keep a job.

The Federal Reserve System denied the petition of the Credit Institute for this exemption; denied the opportunity to American businessmen to extend their fair share of assistance to thousands of these returning men and women at a time when the Congress of the United States is appropriating literally billions of dollars and providing all manner of financial assistance at the expense of the Public Treasury and the taxpayer.

It seems to me that if private businessmen want to help these returning soldiers back to their feet at home they should be allowed to do it. It is their fair share and duty not to prohibit them. To force the returning veteran and his wife to set up housekeeping and buy the furnishings for a small apartment or home and to pay for all these things completely within the period of a year and to lay down on the line a substantial part of the purchase price in advance is unfair. Actually it is unthinkable. These people are not just picking up a few things here and there like the rest of us. They are starting from scratch. To handle it all in 1 year is not going to be possible. It is an unfair restriction, too, on the business men and women who would like to share patriotically in the veteran's return to normal living.

Several Members of this House and the Senate back at that time said they favored strongly such an exemption from regulation W. Nothing was ever done about it. The cry of inflation was the principal answer. I ask you, Is it any more inflationary to permit business to rehabilitate the veteran than it is for the Congress of the United States to spend public money doing it? Is it inflationary to make a man independent of the gratuities of Government as fast as possible after his return to civil life?

I should like something done about this.

A long time has passed since the Retail Credit Institute first brought this subject to the attention of Congressmen and the Board of Governors of the Federal Reserve System. It has been a long time since the gentleman from Michigan, Congressman GEORGE G. SADOWSKI, called this to the attention of the House, Monday, January 31, 1944. It is high time that something be done about it. The veterans are coming home. They, too, would like to know the answer, why their Federal Government should deliberately set up a barrier to prevent them economically from beginning to live again as civilians once the armed forces have released them.

Most of these men have no intention of going into business for themselves. A lot of the aid that Congress has offered them has to do with their going into private business.

What I am talking about is aid to the man who merely intends to get a job and

start living at home again. We can help him without it costing the Government of the United States a cent. We can help him by accepting proffered assistance of American business in offering him credit facilities to get started. Why in the name of all reason need the Government hesitate to take such a step?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LUTHER A. JOHNSON (at the request of Mr. THOMASON) for today and the remainder of the week on account of death in the family.

To Mr. CURTIS, for 8 days, beginning June 14, on account of official business.

To Mr. CHELF, for the rest of the week, on account of official business.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 3109. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes; and

H. R. 3267. An act to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes.

ADJOURNMENT

Mr. SAVAGE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; thereupon (at 4 o'clock and 43 minutes p. m.) the House adjourned until tomorrow, Thursday, June 14, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Thursday, June 14, 1945, at 10 a. m., in committee room 356, Old House Office Building.

THE COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Thursday, June 14, 1945, at 10 a. m., at which time hearings will be continued on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

A subcommittee of the Committee on Interstate and Foreign Commerce will hold a hearing at 10 a. m., on Thursday, June 14, 1945, in the Rivers and Harbors Committee room, room 1304, House Office Building, on H. R. 1742 to amend the Department of Agriculture Organic Act of 1944, to facilitate the use of certain funds therein provided for the Rural Electrification Administration, and for other purposes.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

COMMITTEE ON THE JUDICIARY

The Committee on the Judiciary has scheduled hearings, to begin at 10 a. m., on Monday, June 18, 1945, on the following joint resolutions: House Joint Resolution 67, to declare the policy of the Government of the United States in regard to tide and submerged lands; and House Joint Resolution 118, House Joint Resolution 119, House Joint Resolution 122, House Joint Resolution 123, House Joint Resolution 124, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 129, House Joint Resolution 130, House Joint Resolution 134, House Joint Resolution 137, House Joint Resolution 138, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 153, House Joint Resolution 172, and House Joint Resolution 193, entitled "To quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles." The hearings will be held in the Judiciary Committee room, room 346, Old House Office Building.

The Committee on the Judiciary will begin hearings at 10 a. m. on Thursday, June 21, 1945, on the following bills with respect to Federal administrative procedure: H. R. 184; H. R. 339; H. R. 1117; H. R. 1203, H. R. 1206, and H. R. 2602. The hearings will be held in the Judiciary Committee room, room 346, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

566. A communication from the President of the United States, transmitting an estimate of appropriation for the Department of Agriculture for the fiscal year 1946, in the amount of $4,500,000 (H. Doc. No. 237); to the Committee on Appropriations and ordered to be printed.

567. A communication from the President of the United States, transmitting deficiency estimates of appropriation for the fiscal year 1944, and prior fiscal years, in the amount of $3,404.72, and supplemental estimate of appropriation for the fiscal year 1945, in the amount of $2,750, in all, $6,154.72, for the District of Columbia (H. Doc. No. 238); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAY: Committee on Military Affairs. S. 916. An act to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps; without amendment (Rept. No. 743). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 2944. A bill to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities; without amendment (Rept. No. 744). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 3232. A bill to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect; without amendment (Rept. No. 745). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 3233. A bill to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances; without amendment (Rept. No. 746). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 3234. A bill to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect; without amendment (Rept. No. 747). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDREWS of New York: Committee on Military Affairs. H. R. 3436. A bill providing for a medal for service in the armed forces during the present war; without amendment (Rept. No. 748). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. CASE of New Jersey: Committee on Claims. H. R. 999. A bill for the relief of Lily L. Carren; with amendment (Rept. No. 734). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on Claims. H. R. 1015. A bill for the relief of G. H. Moore, of Butler, Taylor County, Ga.; with amendment (Rept. No. 735). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 1245. A bill for the relief of John F. Davis; without amendment (Rept. No. 736). Referred to the Committee of the Whole House.

Mr. BYRNES of Wisconsin: Committee on Claims. H. R. 1890. A bill for the relief of the estate of Peter G. Fabian, deceased; with amendment (Rept. No. 737). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 2089. A bill for the relief of Edwin F. Danks; with amendment (Rept. No. 738). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 2219. A bill for the relief of Mrs. James Arthur Wilson; with amendment (Rept. No. 739). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 2249. A bill for the relief of the Cape & Vineyard Electric Co.; without amendment (Rept. No. 740). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on Claims. H. R. 2641. A bill for the relief of Frank Glen; with amendment (Rept. No. 741). Referred to the Committee of the Whole House.

Mr. HEDRICK: Committee on Claims. H. R. 3046. A bill for the relief of Thomas A. Butler; with amendment (Rept. No. 742). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. McGEHEE:

H. R. 3458. A bill to reimburse certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel for personal property lost or damaged as the result of a fire in buildings 102 and 102-A in Utulei, Tutuila, American Samoa, on August 17, 1944; to the Committee on Claims.

By Mr. ROBERTSON of Virginia:

H. R. 3459. A bill to amend the act of March 10, 1934, entitled "An act to promote the conservation of wildlife, fish, and game, and for other purposes"; to the Committee on Agriculture.

H. R. 3460. A bill to permit public shooting on national wildlife refuges, and for other purposes; to the Committee on Agriculture.

H. R. 3461. A bill to preserve breeding stocks and prevent starvation and disease among waterfowl along their flyways, and for other purposes; to the Committee on Agriculture.

By Mr. VOORHIS of California:

H. R. 3462. A bill to amend the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes"; to the Committee on the Judiciary.

H. R. 3463. A bill to improve the hospital care of American war veterans, to establish a National Veterans' Hospital Board, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. WOLCOTT:

H. R. 3464. A bill to provide for the management of the Export-Import Bank of Washington, to provide for the capital thereof, and for other purposes; to the Committee on Banking and Currency.

By Mr. CHELF:

H. R. 3465. A bill to provide assistance, advice, counsel, and all other necessary help in the rehabilitation of World Wars I and II to insure prompt, courteous, and efficient disposition of correspondence pertaining to all veterans' claims, pensions, insurance, rights, and all other privileges which may now exist under the GI bill of rights or other veterans' legislation now upon the statute books, or which may later become law, all of which may pertain to monetary or other benefits or services, and all other inquiries or requests for help, advice, and counsel received by each Representative in Congress from each congressional district, which relate directly or indirectly to veterans' benefits, health, tranquillity, betterment; and for all other purposes; to the Committee on World War Veterans' Legislation.

By Mr. FISHER:

H. R. 3466. A bill to amend the Nationality Act of 1940 to preserve the nationality of citizens residing abroad; to the Committee on Immigration and Naturalization.

By Mr. HORAN:

H. R. 3467. A bill to amend the Emergency Price Control Act of 1942, as amended; to the Committee on Banking and Currency.

H. R. 3468. A bill to amend section 3 of the Emergency Price Control Act of 1942, as amended; to the Committee on Banking and Currency.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin memorializing the President and the Congress of the United States to enact law entitling persons discharged from military service to priorities in all equipment, machinery, supplies, and materials necessary for building, establishing, and equipping home, farm, and business structures and enterprises; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to take steps to provide salary increases for United States postal employees; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to take steps necessary to elevate the Territory of Hawaii to a State; to the Committee on the Territories.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. REECE of Tennessee:

H. R. 3469. A bill for the relief of Elmer A. Norris; to the Committee on Claims.

By Mr. THOMAS of New Jersey:

H. R. 3470. A bill for the relief of the legal guardian of Hunter A. Hoagland, a minor; to the Committee on Claims.

By Mr. TOLAN:

H. R. 3471. A bill for the relief of Howard D. Eberhart; to the Committee on Claims.

H. R. 3472. A bill for the relief of H. Bluestone; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

946. By Mr. BROWN of Ohio: Petition of 2,718 people protesting the meat and sugar program by the OPA and other Government agencies; to the Committee on Banking and Currency.

947. By Mr. COCHRAN: Petition of William A. Hill and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

948. Also, petition of Gus E. Koenig and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

949. Also, petition of Melvin Uhl and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

950. Also, petition of Julian Pierron and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

951. Also, petition of Steve Buchowitz and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

952. By Mr. DONDERO: Petition of more than 50 citizens of the Seventeenth Congressional District of Michigan, urging the passage of House bill 491, the antivivisection bill; to the Committee on the District of Columbia.

953. By Mr. LEONARD W. HALL: Petition of 43 names from Rockville Centre, N. Y., in advocacy of the enactment of House bill 2082, by Mr. BRYSON, prohibiting the manufacture or sale of beverages containing in excess of one-half of 1 percent of alcohol; to the Committee on the Judiciary.

954. By Mr. RICH: Petition of Avis Grange, No. 1959, Pennsylvania, in support of House bill 153; to the Committee on Banking and Currency.

SENATE

THURSDAY, JUNE 14, 1945

(Legislative day of Monday, June 4, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, beset by the perplexities of these calamitous days with all their fury and terror, let not our strength fail nor the vision fade. In the heat and burden of this epochal day we are called to serve, lead us, for Thy name's sake, to the abiding springs of fresh hope and confidence for a better tomorrow, a new faith in Thy goodness and in the unrealized possibilities of Thy erring children, in spite of the stupid folly by which they have devastated the good earth Thou hast given and marred the costly works of their own hands.

May our own lives, freed of pettiness and prejudice and radiant with good will which leaps all barriers, be channels through which Thy saving grace may flow for the healing of the nations. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, June 13, 1945, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT—APPROVAL OF A BILL

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on today, June 14, 1945, the President had approved and signed the act (S. 392) for the relief of Nebraska Wesleyan University and Herman Platt.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes, with an amendment in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3306) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. O'BRIEN of Illinois, Mr. CURLEY, Mr. GORE, Mr. O'NEAL, Mr.

STEFAN, Mr. JENSEN, and Mr. HORAN were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3251. An act to extend pension benefits under the laws reenacted by Public Law 269, Seventy-fourth Congress, August 13, 1935, as now or hereafter amended to certain persons who served with the United States military or naval forces engaged in hostilities in the Moro Province, including Mindanao, or in the islands of Samar and Leyte, after July 4, 1902, and prior to January 1, 1914, and to their unremarried widows, child, or children; and

H. R. 3257. An act to remove restrictions to the appointment of retired officers of the United States Public Health Service or retired civilian employees of the United States Government or District of Columbia government as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes.

FLAG DAY

Mr. WILEY. Mr. President, it was on December 1, 1862, in his address to Congress that President Lincoln said:

> The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think anew and act anew. We must disenthrall ourselves, and then we shall save our country.

I heard that statement quoted yesterday on the floor of the Senate, apparently as a basis for giving up or delegating more constitutional legislative power. I cannot agree with the application of that statement. It will be noted that President Lincoln spoke of dogmas. He did not speak of the Constitution. He did say, "We must disenthrall ourselves, and then we shall save our country." I can agree with the idea that we should disenthrall ourselves. I interpret that to mean that we should break the mesmeric spell which limits our spiritual, our mental, and our national activity. Each Senator can make his own application as to what chains, and foreignisms, and economic hokums we should disenthrall ourselves from.

I desire to call attention to another statement which Lincoln made in his famous Cooper Institute speech in 1860 which probably had more to do to place him as a leader before the American people than any other similar short statement he made. I quote:

> I do not mean to say that we are bound to follow implicitly in whatever our fathers did. To do so would be to discard all the lights of current experience, to reject all progress, all improvement. What I do say is that if we would supplant the opinions and policy of our fathers in any case, we should do so upon evidence so conclusive, and argument so clear, that even their great authority fairly considered and weighed, cannot stand.

I interpret these great words to mean: "Conserve all that is good, true, and beautiful in the past, but remember you cannot live on the spiritual capital of your forefathers. Every generation advances or retreats. If you are to be true to the America of your day as we were of our day, you must be a spiritual pioneer. You must clear the highways of America from the driftwood and the debris accumulated by the preceding generations. But you must not destroy the highways, and you must not place upon those highways the road blocks of outmoded ideas, imported fallacious Europeanisms." I also interpret it to mean: "You shall not place the safety of the American way in the hands of those who would spend it like the prodigal of old."

Mr. President, Lincoln never called names in any argument. He stuck to the facts. He was a good story teller and illustrated his position by stories and pertinent facts. On the question of tariff, no Member of this body has used Lincoln's argument when he said:

> I can understand that if a foreigner makes an article and sells it to an American for a dollar, we have the article and he has the dollar. But if an American makes an article and sells it to another American for a dollar, then we have the article, and we also have the dollar.

In these days of desire for 60,000,000 jobs, I would supplement Lincoln's statement by saying, "In the latter case, the American workman has the job."

Lincoln, in his great Gettysburg speech, spoke of "a government of the people, by the people, for the people"—not a government for other peoples; and he said it was for us to be dedicated to the great task of seeing to it that this Government "shall not perish from the earth." Somehow this man Lincoln, who came up the hard way, when men like Greeley said, "Let the South go," saw the need of unity that would last down through the years. If it had not been for him, we might now be 48 nations—another Europe on this continent. The point I am endeavoring to make is that neither he nor Washington felt that European ideas of various kinds should find lodgment on American soil. And each sensed the tremendous importance of this Government being a government of checks and balances—an adequate executive, an adequate legislative branch, and an adequate judiciary.

Mr. President, today is Flag Day. On June 14, 1777, the Continental Congress adopted the Stars and Stripes as the banner of our Nation. I remember years ago, when one of my youngsters came home from school, her eyes gleaming, and said, "Mummy, Daddy, I know what the flag is. The teacher told me. It is not just a piece of cloth with stripes of red and white and a field of blue with white stars, but the teacher says that you, mummy, are in that flag, and daddy is in that flag, and I am in that flag."

Mr. President, I wish we had a few more teachers like that, who would have their eyes on the American flag. I wish we had more folks talking that language. This flag is a symbol, not only of the past and the present but of what this Nation can be in a war-torn world, if we follow Lincoln's concept and disenthrall ourselves from the synthetic thinking and the mesmerism of false ideas, and hold fast to the great landmarks, spiritual and political, whose worth the ages have demonstrated.

Mr. President, some day I propose to review and discuss before the Senate America's demand that we recapture our legislative power. In telling that story it will be interesting reading to show how freedom remained intact in only those nations whose legislative bodies continued to exercise their functions.

LETTER BY SENATOR MORSE TO HON. RALPH A. BARD

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD as a part of my remarks a letter of tribute which I have written to Hon. Ralph A. Bard, Under Secretary of the Navy. In submitting the letter for printing in the RECORD, I wish only to say that I feel that the Government is losing the services of an outstandingly efficient public officer by the resignation of Mr. Bard as Under Secretary of the Navy.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
June 14, 1945.

HON. RALPH A. BARD,
Under Secretary of the Navy,
Department of the Navy,
Washington, D. C.

DEAR RALPH: In all sincerity, I wish to say to you that I regret very, very much that you are resigning as Under Secretary of the Navy. You have made a great record in that position. My associations with you in connection with various matters when I was a member of the War Labor Board, and since I have come to the United States Senate, have caused me to develop a great admiration and respect for you.

It is an understatement to say that your devotion to the duties of your office and your loyalty to the war interests of your country have been an inspiration to me. I have particularly admired your ability to disagree with a person on one issue and defend your position with objectivity, and then when you found yourself in agreement with the same person on another issue give to him the strength of your full support.

The Government can ill afford to lose the services of such men as you. In reading the press accounts of your resignation as Under Secretary of the Navy, I was pleased to note that you have agreed to make yourself available to the Secretary of the Navy for special assignments from time to time. That will offset to some extent the great loss of your services as Under Secretary of the Navy, and I sincerely hope that, at least for the duration of the war, your services will be used on many special assignments.

If I can ever be of any assistance to you, I shall always be glad to do what I can.

Cordially,

WAYNE MORSE.

LEAVE OF ABSENCE

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that I may be excused from attendance on the Senate during the session tomorrow.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the leave is granted.

SALARIES OF MEMBERS OF THE SENATE AND HOUSE OF REPRESENTATIVES

The PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, which

was read and referred to the Committee on Appropriations, as follows:

THE WHITE HOUSE,
Washington, June 11, 1945.

Hon. KENNETH MCKELLAR,
President pro tempore,
United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: The salaries of the Members of the House of Representatives and of the Senate should be commensurate with the nature and volume of their work and with their responsibilities. Equality between their pay and their job may never be achieved, but certainly there should be less inequity than at present. Under any measuring rod, the Members of the Federal Legislature are underpaid.

The Members of Congress are called upon to exercise seasoned judgment in every field of national interest. They must establish the policies that will advance the welfare of our people. They must draft and weigh the statutes to carry out these policies. They must review the administration of the law in order to determine whether the policies and the statutes should be changed. Day in and day out this work must be done in countless fields. Proposals now before Congress exemplify the broad scope of work. Among pending proposals are the international monetary structure, foreign-trade policy, economic stabilization, appropriations for war, tax policy, unemployment compensation, and full employment.

No business concern or private organization would even attempt to hire top-flight executives or advisers at the level of salaries which presently prevails in the American Congress.

Therefore, the salaries of Members of Congress should be increased to a level more in line with the job they are called upon to do. It will not be possible or wise to do this all at once. The adjustment of congressional salaries at present should be in the full amount consistent with the Little Steel formula and other stabilization criteria by which the Government controls salaries and wages in private industry. When these wage and salary controls are lifted, congressional salaries should be increased to at least $15,000.

Sincerely yours,

HARRY S. TRUMAN.

SPECIAL COMMITTEE TO INVESTIGATE THE PRODUCTION, TRANSPORTATION, AND USE OF FUELS IN AREAS WEST OF THE MISSISSIPPI RIVER

The PRESIDENT pro tempore. The Chair appoints the Senator from Missouri [Mr. BRIGGS] a member of the Special Committee to Investigate the Production, Transportation, and Use of Fuels in Areas West of the Mississippi River, created by Senate Resolution 319 (77th Cong.), to fill the vacancy caused by the expiration of term of service as Senator of Hon. Bennett Champ Clark.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By Mr. TYDINGS:

A resolution adopted by the Department of Maryland, United Spanish War Veterans, in council assembled, favoring the enactment of legislation providing for compulsory peacetime military training; to the Committee on Military Affairs.

A resolution adopted by the Department of Maryland, United Spanish War Veterans, in convention assembled, expressing to the Philippine people deep and sincere admiration of their heroic and patriotic conduct during the present war; to the Committee on Territories and Insular Affairs.

By Mr. WILEY:

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Military Affairs.

"Joint resolution memorializing Congress to enact law entitling persons discharged from military service to priorities in all equipment, machinery, supplies, and materials necessary for building, establishing, and equipping home, farm, and business structures and enterprises

"Whereas the Servicemen's Readjustment Act of 1944 (Public Law 346 of the 78th Cong.) among other commendable things provide public loans for the purchase or construction of homes, farms, and business property to certain persons who shall have served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to the termination of the present war and who shall have been discharged or released therefrom under conditions other than dishonorable; and

"Whereas the apparent purpose and intent of the law is to enable men and women discharged from military service to establish or reestablish themselves domestically and in a business way; yet no provision has been made to entitle such persons to priorities in equipment, machinery, supplies, and material necessary for building, establishing, or equipping home, farm, and business structure or enterprises; and

"Whereas if priorities on scarce and strategic equipment, machinery, supplies, and materials continue to persist the purpose of the Servicemen's Readjustment Act will be defeated and readjustment of our discharged service men and women will be retarded unless the Congress enacts law extending to these men and women effective priorities in such equipment, machinery, supplies, and materials: Now, therefore, be it

"Resolved by the assembly (the senate concurring), That this legislature memorializes the Congress to enact law entitling persons receiving loans for the purchase or construction of homes, farms, and business property under Public Law 346 of the 78th Congress to high priorities in all equipment, machinery, supplies, and materials necessary for building, establishing, and equipping home, farm, and business structures and enterprises; and be it further

"Resolved, That properly attested copies of this resolution be sent to the Director of the Office of Price Administration, to both Houses of the Congress, and to each Wisconsin Member thereof."

(The PRESIDENT pro tempore laid before the Senate a joint resolution of the Legislature of the State of Wisconsin identical with the foregoing, which was referred to the Committee on Military Affairs.)

By Mr. WILEY:

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Post Offices and Post Roads:

"Joint resolution memorializing the President and the Congress to take steps to provide salary increases for United States postal employees

"Whereas United States postal employees have had no salary increase since January 1925 with the exception of a temporary annual bonus of $300 which expires June 30, 1945; and

"Whereas this temporary bonus did not become effective until April 1943, long after a general upward revision of salaries and wages in other occupations had been established; and

"Whereas the postal employees have shown themselves to be faithful public servants, remaining on duty and serving their fellow citizens quietly and efficiently in spite of a greatly increased volume of mail and decreased manpower due to the induction of many postal employees into the armed forces: Now, therefore, be it

"Resolved by the assembly, the senate concurring, That this legislature memorializes the President and the Congress to take steps to provide for a permanent salary increase for United States postal employees; and be it further

"Resolved, That duly attested copies of this resolution be forwarded to the President, to the clerk of each house of the Congress and each Wisconsin member thereof and to THOMAS G. BURCH, chairman of the House Post Offices and Post Roads Committee."

(The PRESIDENT pro tempore laid before the Senate a joint resolution of the Legislature of the State of Wisconsin identical with the foregoing, which was referred to the Committee on Post Offices and Post Roads.)

PETITION FROM AGRICULTURAL PRODUCERS ASSOCIATION OF GEARY COUNTY, KANS.

Mr. REED. Mr. President, I ask unanimous consent to present for printing in the RECORD, as a part of my remarks, a petition from the Agricultural Producers Association of Geary County, Kans. I ask that the petition be referred to the Committee on Agriculture and Forestry.

There being no objection, the petition was received, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

JUNCTION CITY, KANS., *June 9, 1945.*

Senator CLYDE M. REED,
Senate of the United States,
Washington, D. C.

DEAR SENATOR REED: The Agricultural Producers Association of Geary County, Kans., in meeting assembled this June 9, 1945, formulated the following petition:

1. The repeal of the AAA.

2. That all treaty-making powers be retained by Congress as stated in the United States Constitution.

3. That all trade agreements and tariff regulations be made by Congress.

4. That the Reciprocal Trade Agreements Act not be renewed.

5. That fair market prices be accorded all producers of food and fiber.

6. That all food and fiber subsidies be discontinued at once.

7. That the above statements of opinion be placed in the RECORD.

The organization commends your efforts on behalf of the American farmer.

Respectfully,

HESTER L. SAUTTER,
President.

FAIR EMPLOYMENT PRACTICES—RESOLUTION OF LONG BEACH (CALIF.) CHAMBER OF COMMERCE

Mr. BILBO. Mr. President, I wish to read into the RECORD for the benefit of my colleagues one paragraph from a resolution adopted by the board of directors of the Long Beach (Calif.) Chamber of Commerce, as follows:

Be it resolved, That the Long Beach Chamber of Commerce place itself on record:

1. As believing that not coercion by legislation, but education, understanding, and the

development of inter-racial respect and tolerance are the instruments which will lessen discrimination and intolerance in employment; and that to cause customers and workers to alter their feelings toward their fellow men is the task of our educational, religious, and social agencies and of our homes.

Mr. President, that paragraph of the resolution announces a fundamental doctrine which should be impressed upon the Congress and upon the American people; that instead of trying to legislate feelings, sentiments, and convictions into the minds and hearts of the people of America it is rather the work of educational, religious, and social agencies.

The remainder of the resolution is in opposition to House bill 2232, known as the Fair Employment Practice Act.

I ask unanimous consent that the resolution may be printed in full in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

OBTAIN FAIR EMPLOYMENT PRACTICES BY EDUCATION RATHER THAN BY LEGISLATION

Be it resolved, That the Long Beach Chamber of Commerce place itself on record:

1. As believing that not coercion by legislation, but education, understanding, and the development of inter-racial respect and tolerance are the instruments which will lessen discrimination and intolerance in employment; and that to cause customers and workers to alter their feelings toward their fellow men is the task of our educational, religious, and social agencies and of our homes;

2. In opposition to the passage of assembly bill No. 3, referred to as the California Fair Employment Practice Act;

3. In opposition to the passage by Congress of H. R. 2232, referred to as the Fair Employment Practice Act; be it further

Resolved, That copies of this resolution be forwarded to our Representatives at Washington and Sacramento.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Finance:

S. 447. A bill to reduce the rate of interest on loans secured by United States Government life insurance to 3 per cent per annum; with amendments (Rept. No. 364);

H. R. 2949. A bill to extend five-year-level-premium-term policies for an additional 3 years; without amendment (Rept. No. 366); and

H. R. 3118. A bill to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes; with amendments (Rept. No. 365).

By Mr. GEORGE, from the Committee on Foreign Relations:

H. R. 688. A bill to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute"; with amendments (Rept. No. 366).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a report for the month of May 1945, from the chairman of the Committee on Banking and Currency, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON BANKING AND CURRENCY,
June 1, 1945.

Hon. KENNETH MCKELLAR,
President pro tempore of the Senate,
Senate Office Building,
Washington, D. C.

DEAR MR. PRESIDENT: Pursuant to Senate Resolution 319, I am transmitting herewith a list of employees of the Senate Banking and Currency Committee who are not full-time employees of the Senate. Included with this list is the name and address of each such employee, the name and address of the Department paying the salary of such employee, and the annual rate of compensation for each such employee.

Respectfully yours,
ROBERT F. WAGNER,
Chairman, Banking and Currency Committee.

Senate Banking and Currency Committee

Name of individual and address	Name of department or organization by whom paid	Annual rate of compensation
Lucile Bryant, 1016 16th St. NW., Washington, D. C.	Reconstruction Finance Corporation.	$2,100
Betti C. Goldwasser, 205 East George Mason Rd., Falls Church, Va.	War Production Board.	4,600
Edna Ruben, 4110 14th St. NW., Washington, D. C.	Reconstruction Finance Corporation.	2,300

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

S. 1145. A bill to amend section 2 of the act of January 29, 1942 (56 Stat. L. 21) and relating to the refund of taxes illegally paid by Indian citizens; to the Committee on Indian Affairs.

By Mr. GURNEY:

S. 1146. A bill to amend Public Law No. 425, Seventy-fourth Congress, January 27, 1936, to authorize application for payment of adjusted service benefits; to the Committee on Finance.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to introduce two bills. The first bill is the so-called general welfare bill which I introduced in the House of Representatives on many occasions during my service as a Member of that body. The second bill is to authorize the issuance of service medals to members of the armed forces who have served or may serve in the Aleutian Islands west of Sitka.

The PRESIDENT pro tempore. Without objection, the bills introduced by the Senator from Washington will be received and appropriately referred.

By Mr. MAGNUSON:

S. 1147. A bill to be known as the "General Welfare Act" or "General Welfare Act Amendments to the Social Security Act," to amend the Social Security Act so as to extend coverage thereunder to all groups and all classes, to amend the Internal Revenue Code so as to provide the revenue for an all-inclusive system of matured annuities for America's senior citizens, and for other purposes; to the Committee on Finance.

By Mr. MAGNUSON (for himself and Mr. MITCHELL):

S. 1148. A bill to authorize the issuance of service medals to members of the armed forces who have served or may serve in the Aleutians or elsewhere in Alaska west of Sitka subsequent to December 7, 1941, and prior to the termination of hostilities in the present war; to the Committee on Naval Affairs.

By Mr. THOMAS of Oklahoma (by request):

S. 1149. A bill for the relief of Margaret M. Ross; to the Committee on Claims.

By Mr. JOHNSTON of South Carolina (for himself and Mr. BUTLER):

S. J. Res. 77. Joint resolution authorizing a reduction in the rate of interest to be paid on certain loans made to States, municipalities or other public bodies by the United States of America through the Federal Emergency Administration of Public Works and Public Works Administration, or their successors in liquidation, and the repayment of such loans prior to their due dates; to the Committee on Banking and Currency.

EXTENSION OF TRADE AGREEMENTS ACT—AMENDMENT

Mr. SHIPSTEAD submitted an amendment intended to be proposed by him to the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H. R. 3251. An act to extend pension benefits under the laws reenacted by Public Law 269, Seventy-fourth Congress, August 13, 1935, as now or hereafter amended to certain persons who served with the United States military or naval forces engaged in hostilities in the Moro Province, including Mindanao, or in the islands of Samar and Leyte, after July 4, 1902, and prior to January 1, 1914, and to their unremarried widows, child, or children; to the Committee on Pensions.

H. R. 3257. An act to remove restrictions to the appointment of retired officers of the United States Public Health Service or retired civilian employees of the United States Government or District of Columbia government as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

RUBBER TIRES—ADDRESS BY GEORGE J. BURGER

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address by George J. Burger, of New York City, before the Metropolitan Philadelphia Tire Trade Association, Philadelphia, Pa., June 7, 1945, regarding Senate bill 713, the so-called rubber-tire bill, which appears in the Appendix.]

TRIBUTE TO THE TWENTY-SEVENTH INFANTRY DIVISION—EDITORIAL FROM THE NEW YORK HERALD TRIBUNE

[Mr. MEAD asked and obtained leave to have printed in the RECORD an editorial from the New York Herald Tribune of June 12, 1945, paying tribute to the Twenty-seventh Infantry Division, which appears in the Appendix.]

PROPOSAL AS TO ITALY PRESENTED BY MR. GENEROSO POPE

[Mr. MEAD asked and obtained leave to have printed in the RECORD proposals regarding the status of Italy presented to the President of the United States by Mr. Generoso Pope, of New York, which appear in the Appendix.]

SALARIES AND WAGES OF FEDERAL EMPLOYEES—PRINTING OF HOUSE AMENDMENT

Mr. GEORGE. Mr. President, I ask unanimous consent that the amendment made in the House of Representatives to the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel, and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes, be printed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COST-OF-PRODUCTION FORMULA AS APPLIED TO AGRICULTURAL PRODUCTS—THE WHERRY AMENDMENT

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD a very informative statement by the senior Senator from Alabama [Mr. BANKHEAD] with reference to the so-called Wherry amendment which was agreed to a few days ago in connection with the OPA bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The action of the Senate in adopting the Wherry amendment without discussion and without a moment's time for consideration, was, from my viewpoint, very unwise. The parity concept as a standard for fair prices for agricultural commodities has been developed over many years of consideration and actual application of that principle. The formula for arriving at parity prices for various agricultural commodities was many years ago written into the law and only a few changes have been made.

The Wherry amendment was offered when the Senate had otherwise completed consideration of the bill extending the OPA. It was late in the afternoon of a long and exhausting day of discussion and consideration of various phases of the price-control law. The amendment was not even printed and was only read once by the reading clerk.

The vote which seeks to abandon the entire parity concept was not, in my opinion, the result of the judgment of a majority of the Senate that the cost of production, including all overhead expenses, a return on capital, and an allowance for the labor of the producer and the family, plus a reasonable profit, should be substituted as a standard for estimating the fair agricultural commodity price and should be used as a standard for fixing ceilings and floors on all agricultural commodities.

The provision assuring parity prices on basic commodities and so-called Steagall commodities is nullified by the Wherry amendment. Wheat, cotton, and all basic commodities are left without protection for this year's crop. Wheat and cotton buyers would reap a harvest, new ceilings would be required on the processed commodities, and consumers of raw and processed commodities would be required to pay additional and excessive profits. Confusion and chaos would result if the Wherry amendment is suddenly made the law of the land. It is inconceivable that the President could approve the price-control bill if such an amendment is retained in the bill. According to all reason and precedent, it would invite and receive a Presidential veto.

FREEDOM-OF-THE-AIR AGREEMENTS

Mr. BILBO. Mr. President, every forward-looking American citizen is interested in anything and everything connected with the development and control of aviation. On the 23d of May, I addressed a letter to the Honorable Joseph Grew, Acting Secretary of State, in which I said:

MY DEAR MR. SECRETARY: On May 19, the executive council of the American Federation of Labor released the enclosed statement with reference to its position on the so-called freedom-of-the-air agreements. The A. F. of L. holds that the executive agreements which have been promulgated are illegal and should be withdrawn or submitted to the Senate for consideration as treaties.

I should like to receive the views of the State Department with reference to this question and the authority in law for making these agreements if such authority exists; also any other comment which you may care to make with reference to the statement as a whole.

Thanking you for your prompt attention to this matter, I am,

Sincerely yours,

THEODORE G. BILBO.

On the 9th of June, the State Department, over the signature of Acting Secretary Joseph C. Grew, presented me with a full discussion of the air convention held in Chicago. I read the first paragraph of the letter:

I am in receipt of your letter of May 23, 1945, requesting the Department's comments on views which have been expressed to the effect that there was no authority of law for the acceptance by this Government as executive agreements of the Interim Agreement, the International Air Services transit agreement, and the International Air Transport agreement signed by delegates to the International Civil Aviation Conference held at Chicago from November 1 to December 7, 1944.

After which the Acting Secretary discusses the question in full and sets forth the Department's position.

I ask unanimous consent that the two letters be printed in the RECORD, after which I expect to make a motion that they be printed as a Senate document.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MAY 23, 1945.

Hon. JOSEPH GREW,
Acting Secretary of State,
Washington, D. C.

MY DEAR MR. SECRETARY: On May 19, the executive council of the American Federation of Labor released the enclosed statement with reference to its position on the so-called freedom-of-the-air agreements. The A. F. of L. holds that the executive agreements which have been promulgated are illegal and should be withdrawn or submitted to the Senate for consideration as treaties.

I should like to receive the views of the State Department with reference to this question and the authority in law for making these agreements if such authority exists; also any other comment which you may care to make with reference to the statement as a whole.

Thanking you for your prompt attention to this matter, I am,

Sincerely yours,

THEODORE G. BILBO,
United States Senator.

DEPARTMENT OF STATE,
Washington, June 9, 1945.

The Honorable THEODORE G. BILBO,
United States Senate.

MY DEAR SENATOR BILBO: I am in receipt of your letter of May 23, 1945, requesting the Department's comments on views which have been expressed to the effect that there was no authority of law for the acceptance by this Government as executive agreements of the Interim Agreement, the International Air Services Transit Agreement, and the International Air Transport Agreement signed by delegates to the International Civil Aviation Conference held at Chicago from November 1 to December 7, 1944.

I am pleased to furnish you, in compliance with your request, with the following comments:

Four documents were prepared at Chicago which were all ad referendum to the governments signing the final act of the Conference.

The first document was the Interim Agreement on International Civil Aviation, providing for a provisional organization to consist of an interim assembly and an interim council, the period of whose operation is limited by the agreement to a maximum of 3 years. The function of the interim agreement was to create an organization which could make recommendations and function until a permanent organization came into existence.

The second agreement reached at Chicago provides for permanent machinery for dealing with the problems of international civil aviation. This permanent convention has been submitted to the Senate for its advice and consent.

The third document, the international air services transit agreement, is sometimes referred to as the two-freedoms agreement, and provides that the parties thereto grant one another two rights: the right to fly over their respective territories, and the right to land in their respective territories for non-traffic purposes.

The fourth document signed ad referendum in Chicago, the international air transport agreement, adds three more rights which the signatories grant to one another, and is sometimes referred to as the five-freedoms agreement. These three additional rights are the right to bring passengers and cargo from the home country of the plane to the territory of another signatory, the right to pick up passengers and freight in the territory of one signatory and carry them back to the home country of the plane, and the right to pick up passengers and cargo in the territory of one signatory and carry them to the territory of another.

The question you have raised relates only to the interim agreement and the two- and five-freedoms agreements, which have been accepted by this Government as executive agreements.

The declaration of the executive council of the American Federation of Labor, which you enclosed with your letter, states that these three agreements "would work radical changes in the law of the United States" and that their acceptance by this Government

as executive agreements, rather than their submission to the Senate for its advice and consent, "is illegal."

This, of course, is a serious charge and one which prompts me to acquaint you fully with the views of the Department of State.

If I may restate the issue, it is this: Do the Air Commerce Act of 1926 and the Civil Aeronautics Act of 1938 provide legislative authority for this Government to accept the undertakings in the interim agreement and the two- and five-freedoms agreements by executive action without reference to the Senate? We believe that they do.

The interim agreement on international civil aviation, creating a temporary organization to function for 3 years or until permanent arrangements are made, confers no powers on the temporary organization. It merely seeks to bridge the gap between the conference in Chicago and whatever permanent arrangement may finally be agreed upon. The expenses of the interim organization will have to be borne by the members, but funds contributed by the United States can only be made available by Congress, and no commitment with respect to the provision of funds by the United States has been made. The provisions of the interim agreement are not in conflict with any existing law, and it is clearly a proper object of executive action.

There remains the question of the "two" and "five freedoms agreements."

Section 6 (c) of the Air Commerce Act of 1926 provides:

"If a foreign nation grants a similar privilege in respect to aircraft of the United States, and/or airmen serving in connection therewith, the Civil Aeronautics Authority (Civil Aeronautics Board) may authorize aircraft registered under the law of the foreign nation and not a part of the armed forces thereof to be navigated in the United States. No foreign aircraft shall engage in air commerce otherwise than between any State, Territory, or possession of the United States (including the Philippine Islands) or the District of Columbia, and a foreign country."

Under this provision, the Civil Aeronautics Board may authorize aircraft registered under the flag of a foreign country to be navigated in the United States if the foreign country grants a similar privilege with respect to American aircraft.

The next relevant statutory provision is section 802 of the Civil Aeronautics Act of 1938, which reads:

"The Secretary of State shall advise the Authority (the Civil Aeronautics Board) of, and consult with the Authority concerning, the negotiation of any agreements with foreign governments for the establishment or development of air navigation, including air routes and services."

Under this section of the 1938 act, the Secretary of State must advise and consult with the Civil Aeronautics Board if he wishes to negotiate any agreement with a foreign government for the establishment or development of air navigation. A number of Executive agreements have been concluded with foreign governments. No question with respect to the authority to negotiate and conclude such bilateral agreements has been raised by the Congress, and no question is now raised of which I am aware.

The third statutory provision relating to the issue under discussion is section 1102 of the 1938 act. That section provides:

"In exercising and performing its powers and duties under this chapter, the Authority (Civil Aeronautics Board) shall do so consistently with any obligation assumed by the United States in any treaty, convention, or agreement that may be in force between the United States and any foreign country or foreign countries, shall take into consideration any applicable laws and requirements of foreign countries and shall not, in exercising and performing its powers and duties with respect to certificates of convenience and necessity, restrict compliance by any air carrier with any obligation, duty, or liability imposed by any foreign country * * *."

The effect of this section of the act is to require that, once an agreement with a foreign government has been concluded, the Civil Aeronautics Board shall exercise its powers and functions consistently with such agreement.

It seems apparent that Congress, in enacting the statutes to which I have referred, contemplated the making of agreements between this Government and foreign governments. It also seems clear that it was not intended that this Government could negotiate bilateral agreements with a number of other governments individually, but that it could not conclude one agreement with all of these other governments at the same time. A distinction between bilateral and multilateral agreements would be meaningless in the context of the legislation and easily avoided by the conclusion of agreements with a number of other governments simultaneously.

If, then, this Government had the authority to conclude agreements with respect to air navigation, the only remaining question is whether the three agreements negotiated in Chicago are themselves within the limits of the authority conferred by law.

The responsible discussion of this question has related to the requirement of section 402 of the Civil Aeronautics Act of 1938 that "No foreign air carrier shall engage in foreign air transportation unless there is in force a permit issued by the Authority [Civil Aeronautics Board] authorizing such carrier to so engage." The Board may issue such a permit "if it finds that such carrier is fit, willing, and able properly to perform such air transportation and to conform to the provisions of this chapter and the rules, regulations, and requirements of the Authority hereunder, and that such transportation will be in the national interest." The act further provides that, in considering the issuance of a permit, the Board may "prescribe the duration of any permit and may attach to such permit such reasonable terms, conditions, or limitations as, in its judgment, the public interest may require." The argument sometimes advanced is that the "two" and "five freedoms agreements" either oust the Civil Aeronautics Board of its jurisdiction to grant or deny permits or prejudge the decision and remove the opportunity of an exercise of discretion on the part of the Board.

Under the provisions of law to which I have referred, there are two ways in which foreign air lines may apply for and obtain permits to enter the United States.

A foreign air line may apply for a permit, in the absence of an international agreement, under section 402. If it does so, it must give proof that its home country grants reciprocal rights to United States air carriers. Without such proof, the Civil Aeronautics Board would be without authority to act. But, if such proof is given, the Board will consider the request for a permit and communicate its conclusion to the President. Under the statute the President makes the final decision; he need not accept the recommendation of the Board.

The other method by which a foreign air line may proceed occurs when there is in existence an agreement between the Government of the United States and the home government of the foreign air lines, granting reciprocal rights to the aircraft of the two countries. Under such an international agreement, general rights are reciprocally granted, but if a particular foreign air line wishes to avail itself of the agreement it still must apply to the Civil Aeronautics Board for a permit under section 402 of the 1938 act. There is no difference between the two methods in this respect. In the second case, the Board is required, in making its determination, to act consistently with the broad policy declared in the international agreement, but it is not precluded from reaching an independent conclusion with respect to the particular air line which has requested a permit. The Board must decide whether it is a suitable air line for performance under the requested permit, and whether it meets a number of other requirements specified in the statute. When the Board's determination is made it is communicated to the President, who is again given the final authority in the matter.

You will notice that whichever method is pursued under the statute, a finding that reciprocal rights have been granted—by agreement or otherwise—is required, and in both cases the ultimate decision is that of the President of the United States.

Nothing in the three agreements concluded at Chicago, which have recently been accepted by this Government as executive agreements, precludes Congress from making changes in the existing law if it sees fit to do so. We are of the strong opinion, however, that nothing done or provided for under the three agreements exceeds the authority contained in existing legislation.

It is for these reasons, Senator, that the Department believes that the action of this Government with reference to the documents arising out of the Chicago conference is proper, and that a change in this Government's position with respect to these matters is unnecessary and would be highly undesirable.

Sincerely yours,

JOSEPH C. GREW,
Acting Secretary.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. McMAHON obtained the floor.

Mr. TUNNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	O'Mahoney
Austin	Hart	Overton
Ball	Hatch	Pepper
Barkley	Hayden	Radcliffe
Bilbo	Hoey	Reed
Brewster	Johnson, Calif.	Revercomb
Bridges	Johnson, Colo.	Robertson
Briggs	Johnston, S. C.	Saltonstall
Brooks	La Follette	Shipstead
Buck	Langer	Smith
Burton	Lucas	Stewart
Butler	McCarran	Taft
Byrd	McClellan	Thomas, Okla.
Capper	McKellar	Thomas, Utah
Chavez	McMahon	Tobey
Donnell	Magnuson	Tunnell
Downey	Mead	Tydings
Eastland	Millikin	Wagner
Ellender	Mitchell	Walsh
Ferguson	Moore	Wherry
Fulbright	Morse	White
George	Murdock	Wiley
Gerry	Murray	Wilson
Green	Myers	Young
Guffey	O'Daniel	

Mr. BARKLEY. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] and the Senator from North Carolina [Mr. BAILEY] are necessarily absent.

The Senator from Alabama [Mr. BANKHEAD], the Senator from Kentucky [Mr. CHANDLER], and the Senator from

Idaho [Mr. TAYLOR] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in Europe.

The Senator from Alabama [Mr. HILL] is absent because of illness in his family.

The Senator from West Virginia [Mr. KILGORE] is absent because of a death in his family.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent in Europe on official business for the Interstate Commerce Committee.

Mr. WHERRY. The Senator from South Dakota [Mr. BUSHFIELD] is necessarily absent.

The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The PRESIDENT pro tempore. Seventy-four Senator having answered to their names, a quorum is present.

Mr. MAGNUSON. Mr. President, will the Senator of Connecticut yield to me?

Mr. MCMAHON. I yield.

Mr. MAGNUSON. I had intended to make a few remarks on the pending bill, but last night in reading the Washington Evening Star I noticed with great interest a paid advertisement presented as a public service by International Latex Corp. of Dover, Del. The article states my position so clearly regarding the pending measure that I shall not take the time of the Senate to speak, but ask unanimous consent that the article be printed in the body of the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WORLD TRADE OUR BEST GUARANTY TO WORLD PEACE

Within the next few days the Senate will vote on the renewal of the Hull Trade Agreements Act. The entire world is watching this vote. Will the Government of the United States continue to press forward along the path of economic cooperation or will it turn back toward economic isolation?

The Hull Trade Agreements Act, first passed in 1934, authorized the President to reduce tariff up to 50 percent in return for equal concessions on the part of other countries. Under the influence of mutual tariff reductions, our trade was revitalized and grew from year to year.

In one of his last messages to the Congress, the late President Roosevelt, in order further to expand trade, asked the Congress for authority to reduce tariffs up to 50 percent from present levels.

President Truman joined our late President in appealing to the Congress to grant this authority.

Within the past week the House of Representatives has responded to this appeal, with intelligence and with vision. It has passed a bill granting the authority requested.

WHAT SENATE IS DOING

The Senate will vote within the next day or two. The bill before it, however, is not the same as the one passed by the House, and it denies the President any additional power to cut tariffs. This bill could accomplish little, if anything, because under it our Government would have little to offer in exchange for tariff reductions of other countries; under it our President is deprived of the strong bargaining position he ever must be in, when dealing with other nations.

It is now within our power to take the lead in organizing a world economy based upon the principles of free enterprise and expanding trade. The House bill seizes this opportunity. The Senate bill would throw it away.

No nation can afford to make firm plans for the future until it knows what the United States is going to do. If we move boldly to expand the volume of trade, the world will follow our lead. If we hesitate, the world will hesitate, and we shall find ourselves once more in a world of stagnating trade, unemployment, and, before long, political upheaval.

REMOVING BARRIERS TO TRADE

The structure of world organization which is now taking form at San Francisco will not work unless this Nation is prepared to cooperate in economic as well as in political affairs. We cannot be good neighbors and still refuse to do business. We cannot do business while refusing to reduce the barriers of trade.

The House bill must not be defeated. It must not be emasculated by crippling amendments. The Senate vote on this issue will be the first test of America's willingness to build a strong economic foundation for the peace.

The time for decision is now.

Presented as a public service by—

INTERNATIONAL LATEX CORP.,
Playtex Park, Dover, Del.

APPROVAL OF TRADE AGREEMENTS BY CATHOLIC ASSOCIATION FOR INTERNATIONAL PEACE

Mr. LUCAS. Mr. President, will the Senator from Connecticut yield to me for a moment?

Mr. MCMAHON. I yield.

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement recently issued by the Catholic Association for International Peace, whose headquarters are in Washington, D. C. In the statement the association sets forth its approval of trade agreements, the subject which is now pending before the Senate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The trade-agreements program inaugurated under the Reciprocal Trade Act of June 1934, will expire June 12, 1945, unless renewed by Congress before that date. It is essential that the program be continued. Its revival will prove a definite insurance against a great flood of trade restrictions and discriminations such as swept over the world after the last World War. Perhaps second to nothing, it will carry with it a promise of the early resumption of mutually beneficial trade following the war. So, too, it will serve as a foundation stone in the future peace structure of the world.

The trade-agreements program stands in striking contrast to the tariff system so long characteristic of the economy structure of the United States. The tariffs protected special interests in this country by excluding others from our markets. The trade agreements seek to reduce our tariff barriers against the goods of any country which would do the same for us. This reciprocal reduction of barriers leads to a freer flow of goods, which ultimately redounds to the common good of all concerned. It leads to cordial relations between nations and to a friendly spirit that invites the discussion of other economic matters of mutual concern.

To date agreements or so-called "Hull treaties" have been signed with 28 countries. Approximately 65 percent of the total foreign trade of the United States is carried on with these countries. Each one of the treaties has meant some mutual lowering of trade barriers. That is, each has led to the reduction of some barriers erected by a foreign country against exports from our country, and in turn has reduced our barriers against some goods of that country. Because of the most-favored-nation policy embodied in the Reciprocal Trade Act, each country concerned is also assured protection against discrimination. Under this clause a lower rate of duty on a given product in a trade agreement with a foreign nation applies also to the same product from any third nation, unless that third nation is found to discriminate against the products of our country. In other words, this policy enables the United States to require other nations, as well as the particular nation that is a party to the contract, to give our exports nondiscriminatory treatment. This pays in dollars and cents. But it does more. It promotes cordial commercial relations, keeping down discriminatory trade practices that so readily beget resentments and invite retaliations.

There is no question that the countries covered by the agreements concluded to date have gained economically. Between the passage of the Reciprocal Trade Act in 1934 and the outbreak of the war in 1939 the exports of the United States to trade agreement countries increased by 63 percent. Our shipments to nonagreement countries increased by only 32 percent. During this same period our imports from agreement countries increased by 22 percent. Compared with this was an increase of only 12 percent from nonagreement countries. During the war trade was of course considerably dislocated. Yet, the late President Roosevelt was able to state categorically on March 5, 1945, regarding the beneficial results of the treaties: "We know, without any doubt, that trade agreements build trade and that they will do so after the war as they did before. All sections of our population, labor, farmers, businessmen have shared and will share in the benefits which increased trade brings". This statement based as it is on actual experience with the "Hull treaties" for fully a decade of years, should once and for all lay to rest the objections against the Reciprocal Trade Act on the basis of its alleged harmful effect on American agriculture and industry on the American farmer, workingman and businessman.

The Trade Act is to our own general economic advantage. Being in a preeminent position in this badly demoralized world we must also assume a leading role in helping all nations to a sound economic position by fostering as free a flow of trade as possible between them. Both the recovery of our broken world and its future peace depend in great measure on this. They depend on the cordial atmosphere that derives from international economic cooperation and the free and easy movement of goods between the nations which the trade treaties aim to bring about. Economic barriers and resulting discords have been fundamental in creating antagonisms between nations.

The renewal of the Reciprocal Trade Act is a pressing need. But its renewal alone is not enough. The late President Roosevelt correctly urged that the act be not only renewed but amended to give greater

flexibility. The amendment he requested is also a need. The original act empowered the President to reduce tariffs up to 50 percent of the rates in effect at the time of its enactment that is, 1934. The proposed amendment provides that the reduction limit be brought up to date and correlated with the rates of 1945 instead of those of 1934. The reason for this is that in the case of some countries the full 50-percent reduction in tariff has already been utilized.

Deserving of all sympathetic consideration too would seem to be such international economic measures as the plans for an International Monetary Fund and an International Bank for Reconstruction and Development recommended by the delegates at the Bretton Woods Conference in July 1944. Nationalistic monetary and financial policies had much to do with the situation that ultimately culminated in World War II. Similarly deserving of consideration would be any serious plans for concerted action to achieve full productive employment; in other words, international cooperation to get more goods produced, steady work, and a better standard of living for all peoples. Increasing economic opportunities and improving conditions of material well-being will go far toward eliminating occasions for resorting to war. One of the soundest guaranties of a future peaceful world is to be found in an economically secure world, in a world based on the solid foundation of international economic cooperation.

Both the trade-treaty program and the other proposals for international economic cooperation find a definite basis in the recommendation of Pope Pius XI in the encyclical. Reconstructing the Social Order, namely, that "since the various nations largely depend on one another in economic matters and need one another's help, they should strive with a united purpose and effort to promote by wisely conceived pacts and institutions a prosperous and happy international cooperation in economic life."

Mr. McMAHON. Mr. President, seldom in the history of this Republic has the Senate been confronted with an issue more significant for the Nation and for the world than the strengthening of the Trade Agreements Act.

We must not be deceived into thinking that this question can be argued as it has been for the last 75 years. The question is no longer a matter of protection versus free trade; it is a matter of responsible participation in the world economy versus economic isolationism.

It is now, now we must decide whether our Government is to be equipped with the tools necessary for building a sound and thriving world commerce.

Much has been said to persuade us that nothing is required at this moment but a simple extension of the old trade agreements authority. What that argument means, as everyone knows, is that nothing is required at all, for simple renewal of the nearly exhausted authority in the present act would be an empty gesture. It would be notice to the world that this Nation to which all mankind looks for leadership is content to mark time on one of the most pressing problems which faces us.

If through ignorance or fear or partisanship we adopt the course of inaction—let there be no mistake—we shall have taken the first fatal step in retracing the ruinous path we followed in the 1920's and which brought disaster in the 1930's.

After the last war we had a chance to give the world the political, economic, and moral leadership that the common peoples of the world were crying for and which they so desperately needed.

The need for political and moral leadership that existed in 1920 is multiplied tenfold today. The Europe of 1920 was ticking like a well-oiled watch compared with the chaotic conditions of devastation, misery, and despair of today. So today the world has even a greater need for our leadership. We shall suffer an even greater disaster if we fail this time as we did before.

To Senators who fear the spreading of economic systems antipathetic to our own, as well as to Senators who believe, as I do, that our concepts of morals and our western civilization must be defended and preserved, I say, take heed lest in the counsel of despair, nations now determined to maintain our system of free enterprise in their respective countries give up the ideals which we cherish, and embrace other systems than our own. If that should occur, does anyone with the sense of a gnat believe that our beloved country could maintain a system of free enterprise if our country were surrounded by the rest of the peoples of the earth practicing and preaching the dogmas of isms foreign to our concepts?

Religion and experience alike teach us that the greatest good of every man is to be sought in the good of others; that prosperity is the result of goodwill and peace, and that want follows enmity and strife. Unreasonable trade barriers make rivals of nations instead of cooperators. They foster a warfare which leads to even higher barriers, which differ in weapons, but not in spirit, from the warfare which devastates cities and impoverishes the peoples of the earth. Trade has always been the deterrent to war, the destroyer of intransigent prejudice, the spreader of knowledge and invention.

I do not for a moment suggest that approval by the Senate of the new bargaining power which our Government requires is more than a part of what we must do. But I am convinced that this action is one essential step that must be taken along with other steps if our opportunity to orient the world into the paths of peace is not to be lost.

The world has never been so beset with social, economic, and political problems of the magnitude of those which crowd upon us today with inexorable demands for their solution.

To meet and solve them we must recognize their interrelationship. Unless we do we cannot realize that the social, economic, and political questions are but elements of one great problem of maintaining the indivisible fabric of world peace and world stability and prosperity.

Every one of us earnestly prays for the success of the San Francisco Conference. But no sensible man supposes or believes that San Francisco is more than a framework of our hopes. For years to come we shall have to work steadily and boldly to build the flesh without which San Francisco will become a meaningless skeleton. What we do in our economic policy domestically and internationally will vitally affect our ultimate success.

I have said that the new bargaining power which was so decisively approved in the House and stricken in Committee by the margin of a single vote is an essential tool with which to do our part in leading the world to the reestablishment and development of a sound and thriving world commerce.

What has the power contained in the bill as passed by the House to do with domestic prosperity and world prosperity? No one will deny that a thriving world commerce is desirable. But in the present circumstances of the United States and the other nations of the world I am convinced that a thriving world commerce is indispensable to domestic prosperity. I am convinced that it is indispensable to our prosperity here at home.

There has never been a time in the history of the United States when a thriving foreign trade was so essential to the maintenance of domestic prosperity. To understand what foreign trade means to us today, let us view in some perspective the economic conditions in which we find ourselves. It is difficult to visualize the drastic economic upheaval that this country has experienced since 1939.

In 1929 our total production of goods and services was nearly $100,000,000,000. In 1939 the total production of goods and services was slightly more than $100,000,000,000. In 1944 the total production of goods and services had more than doubled; our production was more than $200,000,000,000.

In these few years of war we have doubled our productivity and in doing so we have brought about an industrial revolution.

Wall Street has an axiom, "As steel goes, so goes the country." In wartime that is doubly true, for wars are won with steel. And in peacetime steel epitomizes a nation's industrial prowess. Germany has been industrially powerful because of its rich Ruhr; Spain and Italy have been industrially weak because they lack, in rich combination, the iron ore, coal, and limestone that make steel. To know the problem that we face in steel we must realize that before the war we produced 60,000,000 ingot tons per annum. In 1944 we produced 90,000,000 ingot tons of steel.

Steel is not merely steel. Steel is all that goes with it, and steel expansion has meant expansion in countless associated and related industries. To use steel, we must have machine tools, boring mills, lathes, and milling machines. We must have all kinds of chemicals, either to treat the steel directly or for the finished products into which the steel goes. We must have bricks and cement to go with structural bars and beams in new construction. We must have creosoted ties for laying steel rails. We must have boxes and crates in which to ship the products which the rises and falls in steel production indicate the Nation has been manufacturing—and so on and on and on—from tin cans to bed posts, from oil pipes to pins.

The story of steel seems conservative when compared with the story in other fields. We have expanded aluminum

production fivefold. In 1939 we produced 327,000,000 pounds; in 1944 1,525,696,000 pounds. We have expanded magnesium fiftyfold, from 7,000,000 pounds to 350,000,000 pounds. We have raised machine-tool production from the $200,000,000 figure of 1929 and the $20,000,000 low of 1932 to a peak of $1,500,000,000 in 1942 and 1943. Today we still have a potential capacity in our machine-tool plants for a production of more than $400,000,000 a year, despite the fact that many plants which were in production during the earlier tooling up phases of the war have already returned to other lines. Mr. President, my State of Connecticut is thirty-second in population among the States. It ranks seventh in production of war materials. My State has hundreds of small machine-tool plants, and I am vitally interested in what is to become of them. That is one of the reasons why I am for the bill.

These vast changes in our productivity and in our industrial plants have brought with them corresponding changes in employment. It is not only that the total employment rose from 45,000,000 in 1940 to 51,000,000 in 1944. This increase indicates only a part of the magnitude of the change in our economy. While total civilian employment over the same period was increasing by only 15 percent, the number of individuals employed in manufacturing increased from 1939 to 1944 by 63 percent. Within manufacturing the changes are even more impressive. The number of workers employed in metal manufacturing, for example, has increased from a little over 3,000,000 in 1939 to more than 8,000,000 in 1944—an increase of 5,000,000—or from about 7 percent of total civilians employed to about 16 percent in the last year.

War always causes important shifts in the economic life of nations. This war has been no exception. The tremendous industrial expansion that it has brought dwarfs anything of the kind in the world's history. We have enlarged and added to our total productive capacity until it now accounts for nearly one-half of the total capacity of the world.

What are we to do with this tremendous plant? Can all of it be converted to the production of goods and services for our own consumption? Could this be accomplished under the system of free enterprise?

I think a number of things are clear from these facts. The first is that the millions of returning servicemen and servicewomen and the millions of war workers will never again accept as an inevitable product of the business cycle long periods of unemployment. The Nation must be prepared to maintain employment at a level somewhere between 50,000,000 and 60,000,000 if we are to attain economic prosperity and political stability.

I think another thing is very clear from these facts: Our country is now set up to produce in many lines very much more of certain goods than we ever have consumed here at home or are likely to consume in the near future. We are simply not going to use all of the automobiles or trucks or steel or machine tools or farm machinery or tobacco or cotton or lard that we are now equipped to produce. I think it is perfectly clear that these and many other industries must find foreign markets for a part of their output if they are to continue to be profitable and if they are to continue to contribute to employment and prosperity, rather than spiraling unemployment, depression, and political instability.

Practical common sense, Mr. President, tells us that the more we key our productive capacity into the world economy—through foreign trade—the less difficult the task of postwar economic adjustment will be. It should also tell us that if we try to achieve a high level of stabilized prosperity within a closed economy we should have to do without many essential raw materials and should have to contract much of our productive establishment—both industrial and agricultural—which cannot find adequate markets here at home.

Let the planners of a self-contained economy, which they would like to have, explain to us how we can buy and consume all of the automobiles, all of the cotton, and all of the other products that we now export—or could produce. In final analysis, the production of goods is determined by the demand for goods.

Speaking generally, the world is still a pretty poor place. Hundreds of millions of people in underdeveloped areas throughout the world live out their lives in hunger and despair. Production is often by primitive methods, and life is cheap.

They are, however, and they must be, Mr. President, our customers of the future. They will buy our goods just as rapidly as they learn to produce. Production is wealth, and it will give them the purchasing power with which to buy our products and those of other leading industrial nations. They are human beings with potential desires much like our own. They certainly would like to become accustomed to decent clothing, to radios, to telephones, to automobiles, and to all the other physical comforts and conveniences that we in America take pretty much for granted.

Think what it would mean if each person in China and India were to receive the equivalent of an additional cent each day in income—which would amount to almost $3,500,000,000 a year in purchasing power.

The real problem, as I see it, is to help these people to develop themselves economically. It involves the introduction of better techniques, the installation of more and better capital equipment, and the utilization of their natural but as yet undeveloped aptitudes. It means industrialization and it involves foreign loans. But I deny that it is charity. It does not mean that we are going to give away milk to Hottentots or shoes to the Chinese. It is enlightened, hard-headed self-interest.

Let us see what this means in a few concrete terms.

Competent students have estimated that if all people used as much cotton per person for wearing apparel and household furnishings as was used before the war in the United States alone, the cotton consumption of the world would be three times its highest point in the past, and the production of cotton textiles would also be trebled.

If the rest of the world had one-half as much soap per person as the average American has had, world production would have to be more than doubled.

It would take over 600,000,000 radios to bring the world up to the American consumption level. United States production in 1940 was less than 12,000,000.

There were 23,500,000 telephones in the United States in 1942. To supply the rest of the world with as many telephones in proportion to population as in this country would require nearly 350,000,000 new instruments.

In 1941 there were 33,000,000 automobiles in use in the United States, and 45,000,000 outside of this country. If the rest of the world had as many cars in proportion to population, there would have been 450,000,000 additional vehicles, a number of cars that would require the industry 75 years to produce at prewar peak performance levels.

Yet many of those who seek to emasculate the trade-agreements program tell us that $10,000,000,000 a year in exports after the war is fantastic. For the sake of insulating certain industries against competition from abroad they would have us turn our backs on these possibilities.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Connecticut yield to the Senator from Ohio.

Mr. McMAHON. I prefer to finish my statement first.

Senators, we must raise our sights. We are facing a new and challenging world, and we must think in terms that are adequate. Surely our textile manufacturers, our shoe manufacturers, our watchmakers, our farmers—all of us—are well off when times are good, regardless of imports, and they are badly off when times are bad, regardless of imports. It is far better to have 90 percent of a large market than 100 percent of a market half as great.

Of course, exports must be paid for in imports. It is the function of the trade-agreements program to expand exports and imports by the reciprocal relaxation of trade barriers. If we and the rest of the world are prosperous, a greatly increased volume of imports can be absorbed without harm to any domestic producers. It is an established fact that high imports and domestic prosperity go together, just as low imports and economic depression go together. Do not take my word for it. Statistics of the Department of Commerce demonstrate conclusively that domestic production, national income, imports, exports, and factory pay rolls all go up and down together.

Those who point with alarm to increasing imports frequently overlook the remainder of the picture. They seem to forget all about increases in domestic production. Time after time, in the course of the hearings on this bill, witnesses pointed with alarm to expected floods of imports. Any such expectations are, in my opinion, without basis in

fact. Europe's productive capacity is 60 percent destroyed. Her transportation is 80 percent destroyed. Over 120,000,000 Europeans are now without the means to produce for exports, to say nothing of taking care of themselves. Competent observers have informed me that it will take 5 years at the very minimum for Europe to recover even one-half of the capacity which they have lost.

We have nothing to fear from the industrialization of underdeveloped countries. Our greatest trade is with industrialized areas, namely, the United Kingdom and Canada. Our exports to Canada, a country of approximately 12,000,000 people, exceed our exports to all South America, which has a population of 90,000,000 people.

Senators, let us be economic statesmen. We shall not harm our local interests by adopting a broad-gaged view. On the contrary, we shall benefit them. We are all a part of these United States. We are a Nation. The welfare of our 140,000,000 people demands that we think of ourselves as a united country and as a part of the world, and legislate accordingly.

We shall prosper and have peace only if the world is prosperous. We must think and act in terms of national welfare and national self-interest.

When the Senate acts on this bill it will be setting the course of international trade policy, not merely for one of the 65 sovereign nations, but for half of the world's economy, because the United States, with a small fraction of the world's population, has nearly half of the world's productive capacity.

We, and we alone among the great powers, will emerge from this war with our economic strength vastly increased. We shall emerge the greatest creditor nation. We hold the bulk of the world's store of gold. The American dollar, everywhere in the world, is the symbol of strength, stability, and confidence. In these circumstances we cannot escape the tremendous responsibilities which are inherent in our position, either before our own people or before the world. Our economic strength is so overwhelming that we alone can make or break any plan for the reconstruction of the world economy.

This is not a matter upon which we can act at our leisure, nor will it be easy to rectify the mistakes that we make today. If we blunder, we shall set forces in motion which we may never be able to reverse.

Do we know the kind of world economic system we want to create?

I think we do. We want a system of expanding trade, open to free enterprise on a competitive and nondiscriminatory basis. We want to join with other nations in a constructive program to eliminate those obstacles which stand in the way of increased production, increased consumption, and higher standards of living in every part of the world.

In this period of transition between war and peace, a constructive program, pushed vigorously by the United States, would have every chance of success. The world is now in a fluid state. Most of the other nations are reluctant to set their trade policies for the years ahead until the purposes and policies of the United States are made clear. They know that no plan for the rehabilitation of world trade is more than an architect's dream without the active sponsorship of the United States.

It would be very easy for the world to return to the economic jungle of the 1930's, in which trade was all but obliterated in an unwholesome tangle of self-seeking and nationalistic trade policies. If we decline to take the lead in the drive to increase the volume of world trade, the nations will certainly drift into a demoralizing squabble for larger shares of a total trade whch is too small to meet the legitimate needs of all. When that happens, Mr. President, I assert that the system which every Senator in this Chamber does not want to see become a part of our western civilization will swallow up the corpus of world trade, and there will appear in this country the very system which we are trying to avoid.

The alternative to economic expansion is economic warfare. The techniques of economic warfare are by now well known, and they can be reinstituted in a very short time. Tariffs can be raised. Import quotas can be imposed. Exports can be subsidized . Currencies can be depreciated. Exchange controls can be entrenched. Barter deals can be negotiated. Discriminations can be instituted.

If this is the future that lies ahead of us, can we expect the nations to act harmoniously in their political dealings with one another? No one is so naive as to think that nations can be good neighbors in a united endeavor to preserve the peace, at the same time that they are employing economic policies which inevitably generate friction and hostility. If nations cannot cooperate in the matters which directly affect the economic well-being of their people, we will deceive ourselves if we believe that they can cooperate in an international security organization to maintain the peace.

The Reciprocal Trade Agreements Act is an indispensable tool which the United States must have if it is going to play its proper role of leadership in world economy. It is a tool which has been tried, tested, and improved for 11 years. Trade treaties are the most efficient device we have yet discovered to expand international trade in a way which benefits all participants. It is our way of attacking those barriers to international trade throughout the world which stand in the way of economic expansion.

The administration of this program will be under the wise and capable direction of a great American, Mr. Will Clayton. Clayton is no wild-eyed dreamer—no impractical visionary. I take pride in seeing this type of American in high public office. He has made a tremendous personal success in his own business. He knows world trade as few men know it. No American need fear the administration of this act under his guidance. He will be at the head of a board composed of representatives of agriculture, commerce, war, and the Navy. Mr. Clayton testified before the Finance Committee that all future trade agreements will contain an "escape clause" modeled after the clause contained in the Mexican Treaty. I quote from that clause:

> If, as a result of unforeseen developments and of the concession granted on any article enumerated and described in the schedules annexed to this agreement, such article is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar articles, the Government of either country shall be free to withdraw the concession, in whole or in part, or to modify it to the extent and for such time as may be necessary to prevent such injury.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. MORSE. I have asked the Senator to yield to me only for the purpose of emphasizing the quotation which he just read. I think it is very important to those of us who have a great concern for the agricultural interests of this country.

I am informed that it will be the policy of the State Department, in entering into reciprocal trade agreements, to make sure that American agricultural industry will be protected against the importation of cheap agricultural products from abroad.

Mr. TAFT. Mr. President, will the Senator yield on the same subject?

Mr. McMAHON. I yield.

Mr. TAFT. I merely wish to point out that the State Department has not pursued that policy. It reduced the tariff on wool in 1941 and 1943 both, although the tariff was already insufficient to protect the American wool industry. So, while the State Department promises in one way, its action has gone another.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McMAHON. Mr. President, I am trying to finish my statement. I should like to finish it, and then I should be glad to engage specifically in a debate with the Senator from Ohio, because I think the point he has just raised can be easily answered. I will welcome the help of the Senator from Vermont in answering that argument.

Mr. AIKEN. I prefer to have the Senator from Connecticut answer it, because that was all I intended to do anyway.

Mr. McMAHON. I thank the Senator.

Mr. President, can anyone believe that with this clause contained in our treaties any harm can come to any American industry? If anyone needed reassurance it can be had in the unequivocal promise of the President of the United States, who assured the House in a letter to Speaker RAYBURN that American industry need have no fears that America would be harmed under his administration.

The passage of the pending bill with the authority necessary to negotiate further trade agreements would be a ringing declaration to the world that the United States means to revive international trade on a multilateral, nondiscriminatory, private-enterprise basis. The failure of the bill to pass would signify to the world that the United States means to do nothing to prevent the return of economic nationalism, restrictionism, discrimination, and stagnation.

It is high time, as I see it, for us to decide whether we mean to be the "sidewalk superintendents" of world reconstruction.

We have been very free with our advice. We have been critical of the conduct of others. We have coined any number of brave and inspiring slogans.

I say in all seriousness to the Senators who have espoused the cause of world organization for security, in this Chamber, and on the public platform and in radio broadcasts that they must vote for the bill as passed by the House if they are to give more than lip service to the high ideals they have voiced for the making of a finer, more decent world. We all know that our decision on this bill will be flashed to the chancelleries of the world and will be interpreted to the peoples of the earth by their governments as an unfailing touchstone of our real willingness to wage peace as valiantly as we have waged war.

Mr. President, I told the people of my State that as a Senator I would vote to help protect the future peace of this earth. I consider it a high privilege to speak here and now for what I truly believe constitutes a most important contribution to that cause.

Let us, then, send a message not only to the peoples of the earth but to our own fellow Americans that we here today have struck a blow on behalf of prosperity, decency, hope, and an ordered world.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McMAHON. I yield to the Senator from Ohio.

Mr. TAFT. The Senator at one point in his statement referred to those who would emasculate the trade-agreements program. What we have before us is the committee amendment which eliminates the 50-percent cut but continues the reciprocal trade-agreement program. The Senator certainly does not suggest does he, that if we eliminate provision for the additional cut we are in anyway emasculating the program?

Mr. McMAHON. I answer the Senator by saying yes, I certainly do, because I should like to tell the Senator that if we do not extend the power to reduce the tariff rates by 50 percent further, beyond the present power to reduce them 50 percent, then what we are doing is really nothing, for we will not be able to enter into any new agreements, as we will have nothing further to bargain with.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. McMAHON. I yield.

Mr. TAFT. If the State Department had recommended a continuation of the Trade Agreements Act just as it was and the Congress had approved that policy, certainly no foreign nation could think we were abandoning the cause of lower tariffs, could it?

Mr. McMAHON. I will answer the Senator by saying that he seems to complain that the State Department has seen fit to make this recommendation because he thinks it is wrong. I am delighted that the State Department did recommend it because I think it is right, and, as being right, I think the State Department should have done it, and, having done it, I think the Senate should ratify it.

Mr. TAFT. What I desire to suggest to the Senator is that the continuation of the policy by which we are willing to reduce our tariff rates 50 percent from the figures set in the Smoot-Hawley Act of 1930, and about 20 percent below the tariff rates which prevailed from 1928 to 1929, when we had the largest foreign trade we have ever had, in my opinion certainly cannot be interpreted as an emasculation of the trade-agreement program.

Mr. McMAHON. The Senator can call it what he wants to, but, in my opinion—and I have so stated in my remarks—unless we extend the program and restore section 2 of the bill we will be doing very little for the principle of the reciprocal trade-agreement program which the Senator does not like now, which he did not like when it was originally adopted, and which he never will like.

Mr. TAFT. The rates now in effect, so far as I am concerned, are satisfactory; they may prove to be unsatisfactory; but I suggest that a 50-percent cut below the Smoot-Hawley rates is a low-tariff program. It is substantially the same program which was embodied by the Democratic Party in the Underwood law of 1913, which was known as a tariff-revenue measure.

Mr. McMAHON. I cannot prevent the Senator from Ohio from putting any interpretation he wants to put on the bill and the proposed power of further reduction, but I feel—and that is one of the reasons I am for the bill—that we will promote our foreign trade by just so much as we can induce other countries to give us advantages in their markets as we give them advantages in our market.

Mr. TAFT. The Senator also suggested that the national income and exports and imports have gone up and down together, a statement with which I agree entirely. I should like to know, however, if he thinks they have gone up and down with changes in tariff rates, whether prosperity has increased with low tariffs and declined with high tariffs. In other words, the Senator has not only to relate national income to exports and imports but he has to relate them to the tariff policy of the United States.

Mr. McMAHON. I am very happy that the Senator realizes the correctness of my statement that there is a close relationship between export and import trade, factory pay rolls, and the degree of prosperity which may prevail. I am very happy to know that the Senator agrees with that statement.

Mr. TAFT. What I wanted to tell the Senator was that exports and imports result from prosperity and not prosperity from exports and imports. All I want to point out to the Senator is that the table I put in the RECORD shows that during the period 1925–29, when we had the Fordney-McCumber tariff law, which was nearly twice as high as the rates now in effect, we had more imports than we ever had before.

Mr. McMAHON. Of course, the Senator knows that we paid for those imports largely by loans abroad during that period.

Mr. TAFT. By what?

Mr. McMAHON. By loans abroad during that period.

Mr. TAFT. No; not at all.

Mr. McMAHON. Oh, yes. In the 1920's we loaned and loaned and loaned abroad. The Senator knows that to be so.

Mr. TAFT. Yes, but the Senator got the situation mixed. What is promoted by making loans abroad is exports and not imports. I am talking about imports.

Mr. McMAHON. Yes, and we exported our capital abroad during the 1920's.

Mr. TAFT. However, those imports amounted to more than $4,000,000,000. Under the trade-agreements program imports during the subsequent period never exceeded two and a half billion dollars. What I wish to suggest is that if we make this country internally prosperous, we can increase imports into the United States.

Mr. McMAHON. In 1930, after seeing the beneficent results of tariff schedules which the Senator seems to like, the Senator's party initiated the Smoot-Hawley tariff. I suppose the Senator is familiar with what resulted from the tariff rates of that law.

Mr. TAFT. If the Senator is asking me a question, I may say that I do not think there were any appreciable results from those tariff rates, because there was a general collapse in all foreign trade, in no way due to the Smoot-Hawley law. The point I should like to make is that the Fordney-McCumber rates were practically the same as the Smoot-Hawley rates, and the latter were only slightly increased over those of the Underwood law, under which we had the largest foreign trade in our history.

Mr. McMAHON. When the Senator from Ohio says that, in his opinion, the rates of the Smoot-Hawley law of 1930 had nothing to do with the collapse that came soon thereafter, I should like to refer him to the statement which was made by 1,013 of the most eminent economists of this country in a plea to President Hoover, in which they begged him to veto the Smoot-Hawley tariff bill. In that statement, which I think I have on my desk, and which I shall be glad to let the Senator see if he has forgotten it, they predicted every single consequence which came upon this country as a result of that tariff act.

Mr. TAFT. I should be willing to submit to any of those economists whether the depression, which had already started in 1929, before the Smoot-Hawley law was enacted, could in any way have been checked by any different trade policy. Any economist of standing would say it could not have been. The Smoot-Hawley law might have contributed; I think the rates in that law were too high. I am not defending those rates today. I am defending rates 50 percent lower than the Smoot-Hawley rates. That is the question. The question is——

Mr. McMAHON. I understand very well what the question is.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. LUCAS. The Senator from Ohio is attempting to tell the Senator from

Connecticut that if we leave the reciprocal trade agreements just as they are he is going to be for them. He is advising the Senate that he is against the trade-agreements bill in the form proposed. If I understand the Senator from Ohio correctly in some of the statements he has made, he is going to support certain amendments to be offered which will definitely emasculate the trade-agreements program.

Mr. McMAHON. I thank the Senator.

Mr. TUNNELL and Mr. TAFT addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Connecticut yield; and if so, to whom?

Mr. McMAHON. I yield first to the Senator from Delaware.

Mr. TUNNELL. I notice that the Senator from Connecticut stated that the great quantity of goods shipped to all foreign countries prior to the great collapse of 1929 was paid for by American money. I should like to have the Senator enlarge on that statement, because I think it is true.

Mr. TYDINGS. Mr. President, will the Senator from Connecticut yield to me?

Mr. McMAHON. I yield.

Mr. TYDINGS. From 1920 to 1929 the people of America made loans to foreign governments, subdivisions of foreign governments, and to foreign corporations to the extent of $14,000,000,000.

Mr. McMAHON. That is correct.

Mr. TYDINGS. In addition to that, no sooner had the Smoot-Hawley tariff taken effect——

Mr. BREWSTER. A point of order——

Mr. McMAHON. I yielded to the Senator from Maryland.

The PRESIDING OFFICER. The Senator will state his point of order.

Mr. BREWSTER. The point of order is that we cannot hear the Senator from Maryland, and we want to hear him. Will he not raise his voice?

Mr. TYDINGS. I said that from 1920 to 1929 the Government of the United States made loans to foreign governments, subdivisions of foreign governments, and foreign corporations to the extent of $14,000,000,000, and with the money we loaned to them they bought the exports which we shipped, to which the Senator from Ohio has referred.

Mr. TAFT. If the Senator from Connecticut will yield to me, I referred to imports, which is just the opposite of the statement of the Senator from Maryland.

Mr. TYDINGS. If the Senator will follow the record of international trade throughout the whole history of the United States, he will find that there is a certain relationship between exports and imports, which go up and down together. According to the Senator's argument, if we had not made the loans, there would have been the same volume of exports, which I do not think is sound, for without the loans those in foreign countries could not have bought our goods, which in many cases were resold, and added to the momentum of the whole trade activity.

Mr. TAFT. Will the Senator from Connecticut yield?

Mr. TYDINGS. Let me make one more statement. In addition to that, no sooner had the Smoot-Hawley tariff bill been passed, about 1930, as I recall, than more than 20 governments immediately retaliated by fixing tariffs against United States exports. Obviously, whenever the exports of one country to another are stopped indirectly in the ramifications of trade the exports to other countries are stopped; so imports and exports are related, and rise and fall together in world trade.

Mr. McMAHON. The Senator is entirely correct.

Mr. TAFT. Mr. President, let me point out, however, that when we lend money to foreign countries it enables them to buy our exports, without our taking any imports. The more we lend them the less we have to take of their imports. Consequently, the fact that $4,000,000,000 a year of imports came in over the highest tariff barriers we ever had was rather hampered by our willingness to make loans than it was assisted by our willingness to make loans. That seems to me a perfectly obvious truth of international trade.

Mr. TYDINGS. Mr. President——

Mr. McMAHON. I should like a moment to answer the Senator from Ohio.

The Senator from Ohio absolutely refuses to see, as the Senator from Maryland has pointed it out, the necessary relation and coordination between exports and imports. It is said that we loaned foreign nations the money with which to take our exports, and they took them, sold them, and sent us back imports, but, nevertheless, they did it with our $14,000,000,000, as the Senator from Maryland has pointed out. The Senator from Ohio seems to divorce entirely the relationship between exports and imports.

Mr. TYDINGS. Mr. President, will the Senator from Connecticut yield?

Mr. McMAHON. I yield.

Mr. TYDINGS. The Senator from Connecticut, in his very admirable and what I thought was an almost unanswerable address in the massing of facts and evidence to support his point of view, stressed the fact that when the Smoot-Hawley Tariff Act was passed, in 1930, all world trade disappeared. He likewise stressed the fact, as I recall, that foreign countries immediately retaliated. If the viewpoint of the Senator from Ohio should prevail, namely, that as the world goes back to a peace basis, we should keep our tariffs up high, and other countries correspondingly raise their tariffs, would we not have a lot of watertight compartments impeding and breaking down the flow of goods all over the earth?

Mr. McMAHON. I would say in reply to the Senator from Maryland that not only is that bound to be the consequence but, as I tried to express in the remarks I made earlier, if that comes about, this proponent of free enterprise, the eminent and distinguished Senator from Ohio, will live to see the day, I am afraid, when that breaking down by the watertight compartments will bring on a conflict the like of which even we have never seen.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McMAHON. I yield to the Senator.

Mr. TAFT. The Senator referred to our keeping high tariff rates. The present rates are not high. The tariff we now have, which is the lowest we have had for many years, will be continued if the bill is enacted. The present are the lowest rates we have had since the Underwood tariff, and they may be as low as the Underwood tariff rates, if the full power given the President is exercised. So that we are not today debating high tariff rates. I do not like the form of reciprocal trade agreements, but I am willing to take the existing rates as they are, until the post-war period, when we may see what will happen.

So far as private enterprise is concerned, we are going to injure private enterprise far more by putting out of business substantial industries and creating unemployment. We would force more Government interference, more Government control of employment, more demand for Government subsidies to put people to work. More harm will be done to private enterprise in that way than with a perfectly reasonable tariff, such as we have today.

Mr. McMAHON. The senior Senator from Ohio is the high priest of his theory. He bespeaks it well. I do not deny that he speaks it competently. It just happens that I do not agree with what he says.

Mr. TUNNELL. Mr. President, will the Senator from Connecticut yield?

Mr. McMAHON. I yield.

Mr. TUNNELL. I should like to call attention to the fact that the present tariff law is not a low tariff measure, notwithstanding the statement of the Senator from Ohio. It was passed as a high tariff law. He says it was too high for him, but only certain schedules have been changed at all. Forty-two percent, as I remember, have not even been changed.

Mr. McMAHON. The Senator is entirely correct.

Mr. TAFT. Of course they can be changed without our changing the law. It is not proposed to repeal the law. It is proposed to extend it. So if that power can now be exercised the rest of the power can be exercised.

Mr. TUNNELL. And it is a high-tariff measure.

Mr. TAFT. No, it is not a high tariff measure. I showed yesterday that, whereas under the Fordney-McCumber tariff there was an annual average on dutiable products of 38 percent, it is now about 31 percent, and it can be reduced to 27 percent. But if the amendment which the committee has rejected should be adopted it would bring about a cut of about 16 percent on dutiable products. It would be for all practical purposes free trade.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. LUCAS. We have heard a great many speculations concerning percentages and what not during the present debate. Now we can obtain the facts in respect to this being the lowest tariff

in history. I read from report No. 594 of the Committee on Ways and Means, as follows:

The annual average equivalent ad valorem of the rates assessed against dutiable imports from 1935 through 1943 was 37 percent compared with 26.9 percent from 1914 through 1920.

Mr. McMAHON. I thank the Senator.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McMAHON. I have yielded to the Senator from Delaware.

Mr. TUNNELL. Mr. President, I have the floor. I do not think the Senator from Ohio is entitled to the floor all the time.

Mr. TAFT. No; but the Senator from Illinois put certain figures in the RECORD.

Mr. TUNNELL. Mr. President, the Senator from Connecticut yielded to me, and the Senator from Ohio keeps on talking.

Mr. TAFT. I am asking the Senator from Connecticut to yield to me. I have the right to make that request.

Mr. TUNNELL. Mr. President, the conclusion reached by the Senator from Ohio is simply on a percentage basis. What I was pointing out was that the tariff law under which we are living is a high tariff law and has been modified only to a limited extent by the reciprocal trade agreements on certain items. But the law is a high tariff law, conceived as a high tariff law, even too high for those who have been called the high priests of protection, and it is still a high tariff law, only modified as to certain items.

Mr. McMAHON. Mr. President, I will release the privilege of speaking further after making an observation which I should like to impress upon the Senator from Delaware and other Members of the Senate. It is that in all the hearings on the bill there was not a single, solitary industry which, in my opinion, regardless of the opinion held by the Senator from Ohio, came before the committee and pointed out that during the 11 years of the wise administration of this program it had been hurt one farthing's worth.

WASTE AND CORRUPTION IN CONNECTION WITH CERTAIN GOVERNMENT CONTRACTS

Mr. ROBERTSON. Mr. President, since December 7, 1941, practically everyone in this Nation has given his all for the war effort, which, of course, is right and proper. The people of the country have subscribed billions upon billions of dollars to war loans. Our boys have gone forth on the battlefields of the world, on land, on the water, under the water, and in the air. We at home have supported them by sending them every possible piece of battle equipment in order to reduce the number of casualties and to bring victory closer. We have been glad to do this. We would not listen to anyone who suggested anything to the contrary. We knew in many cases that the equipment was costing us a great deal more than it would have cost in normal peacetimes, but we were willing to bear the extra cost in order to obtain our objective with the least possible loss of life.

We were not, however, and are not now, prepared to permit anyone to conduct a systematized methodical species of graft on the people of the United States and particularly were we not prepared to permit an organized system of graft and deception, aided and abetted by a department of government intimately connected with the prosecution of the war.

Back in 1942 and during 1943 and 1944, two projects were started in Canada and Alaska. One was the Alaska-Canada Highway, known as Alcan, and the other was the Canol project for the development of oil and gasoline resources in northern Canada. I happen to know a number of men who worked on these projects, particularly on the Alcan Highway. I have talked to them and their story has always emphasized the staggering amount of equipment which was received on those projects but never used. They told stories of expensive machinery and equipment being dumped off the cars or trucks and left in the snow, with no attempt being made to repair trucks, tractors, bulldozers, and other equipment which was temporarily out of order. There was equipment everywhere. I was deeply interested in this whole matter, as not only many men from my State went to work on these projects but much of the road and bridge-building equipment from Wyoming and Montana and other States in that region, were taken and sent north to be worked, or perhaps I should say, to be rented to the Government on those projects.

With this in mind, I and many other members of this body have been deeply interested in a series of broadcasts by that able and brilliant young commentator, Fulton Lewis, Jr. In some week or more of broadcasting, Mr. Lewis has presented to the Nation one of the most extraordinary stories, a story which calls most definitely for a re-examination of all the payments, contracts and financial matters in general of the Alcan Highway, the Canol project, the various Pearl Harbor and Hawaiian contracts, the Panama Canal contracts, that is for the construction of additional lock facilities on the canal, and particularly for the various contracts and work done on the Latin American highway. This highway was designed as a military transportation link between the United States and the Panama Canal Zone, when the possibility of a Japanese attack on the Canal was very much to be considered and also the threat to our coastwise shipping by Japanese submarines.

Mr. Lewis, in the course of his broadcasts, has presented a story involving hundreds of millions of dollars of our money, probably of our bond money, and where those hundreds of millions of dollars have gone and where they are going every day. It is not necessary to go into detail with respect to the many items. Suffice it to say that, according to Mr. Lewis' presentation, the cost-plus-fixed-fee contracts have resulted in the contractors receiving not a 4 percent fixed fee alone, but additional amounts which roughly amount to 40 percent profit.

A number of Senators who have been listening to these broadcasts and who have been deeply impressed have spoken to me about them; and yesterday I invited Mr. Fulton Lewis to come to the Capitol Building and meet a dozen or so of us at our weekly luncheon meeting and tell us about this whole matter. Mr. Lewis came; and not only did he tell us about it, but he laid before us photostatic copies of contracts and letters, which remove any doubt from my mind—and I think also from the minds of other Senators that this is a matter of the gravest importance and one which should be the subject of immediate senatorial investigation.

Mr. President, in order that the basis of this disclosure may be made clear, I advise the Senate that according to the information which Mr. Lewis supplied, the 36 percent profit over and above the 4 percent fixed-fee figure is arrived at by leasing to the Government, by the contractor or a third party, equipment with which to carry on the job. The prices charged the Government and paid by authority of the Army Engineers are fantastic almost beyond description. One illustration alone is all that is needed. I cite the case of the D–8 caterpillar tractor. The rated value of one of the D–8 tractors when new is $8,600. The monthly rental guaranteed on each tractor throughout the life of the contract, whether the tractor is working or not, is $775. If the tractor is new—and many were second hand—it is paid for in rentals every 11 months. However, if the tractor is actually working and puts in more than 240 hours a month, it draws overtime in addition. But if it does nothing at all, if it is never uncrated, if it is unable to turn a wheel, if it does not even have an engine in it, it still draws $775 a month. A 5-ton truck, valued at $3,500, pays for itself every 7 months by a monthly rental of $500.

There is one other interesting item in connection with these fantastic figures and arrangements. I call it the portal-to-portal pay. For example, if the job is in Nicaragua, and if a piece of equipment is loaded at Los Angeles, the rent starts from the time it is loaded at Los Angeles until it is returned to Los Angeles and put in perfect working condition. Los Angeles to Nicaragua to work—some portal-to-portal, Mr. President, which surely makes John L. Lewis's just and rightful claim for portal-to-portal pay for his miners look like mere small change.

Mr. President, most of the information which Mr. Lewis presents to the public, and which he presented to Senators yesterday, was gathered from persons who were actually employed on the projects in question—auditors employed by the United States Government to see that the expenditure of the people's money was strictly in order, as well as inspectors and maintenance superintendents, checkers, and investigators who saw the various parts of this fantastic story unfold before their eyes. We must thank a distinguished and courageous colleague of ours in the United States Senate for

his help in making it possible for these men to come forward. The Senator from Colorado [Mr. JOHNSON] sent a telegram to Fulton Lewis which he was able to show these men, to the effect that a United States Senator, a member of the Senate Military Affairs Committee, would protect them. I read the telegram from the Senator from Colorado:

I pledge my every effort to try to protect the rights and the jobs of employees of the War Department against punitive measures, should they supply information with respect to waste and graft on the Latin-American Highway, and I am positive Congress will back me up.

Mr. President, this waste and graft are still going on at this moment. My object in presenting this matter is to urge that the special Committee to Investigate the National Defense Program immediately take this matter up, hold hearings, call witnesses, and demand the production of documentary evidence from the War Department, the Justice Department, the Treasury Department, and any other department which may be concerned. Failing action by this committee, a special committee of the Senate should be appointed forthwith to make a special investigation of this whole matter.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the Senator from Michigan.

Mr. FERGUSON. Mr. President, I think it is timely that the Senator from Wyoming should call this matter to the attention of the Senate and the people. The Senator from Maine [Mr. BREWSTER] and I have called this subject to the attention of the Special Committee to Investigate the National Defense Program. If the Senator will allow me a few minutes, I should like to say something on the subject.

Mr. ROBERTSON. I yield for that purpose.

Mr. FERGUSON. Mr. President, I firmly believe that no considerations of military security should permit graft and corruption. It is felt by some agencies of the Government that, under the guise of military security, corruption such as has been outlined here can be excused; but I do not believe that any Member of the Senate thinks that such considerations furnish justification for graft and corruption.

When I first became a member of the Special Committee to Investigate the National Defense Program, there came before it a similar situation in connection with the rental of property from outside sources. The cost of rental was greatly in excess of the cost of the machinery or property rented. We found that wives, relatives, and others were renting property to a company, so that the profits could be retained without the payment of income tax.

Mr. President, there is no excuse for such a thing. We called the situation to the attention of various Government agencies, and there was a prosecution. However, we now find that the same thing has been going on in connection with many contracts, and nothing has been done by the various agencies. Our committee is investigating the Alcan Highway and I believe we should investigate the Pan-American Highway.

Months ago a letter was read by Mr. Fulton Lewis showing that this situation had been called to the attention of the Attorney General. A letter over the signature of Mr. Tom Clark, which Mr. Clark himself says he did not sign, stated that because these things were going on in Latin America, nothing could be done, but that the situation would be called to the attention of the Army. So far we have heard nothing from the Army or the War Department on this question. If these charges are unfounded, the War Department should have disclosed the facts and should have shown that there was no foundation for the charges.

When the present President of the United States was chairman of the Special Committee to Investigate the National Defense Program, we exposed a similar situation; but it now appears from the facts available that the condition has not been cured, but that it is continuing.

We found that prices were placed on machinery which were many times its value. As the able Senator has said, it was rented "from portal to portal," no matter how great the distance was.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. BREWSTER. The Senator from Michigan referred to the President of the United States, who was at one time the distinguished chairman of the Special Committee to Investigate the National Defense Program. Is it not a fact that he publicly commented at the time that after our exposure of various irregularities of this character, the only action in the military services seemed to be the promotion of the men immediately involved? I am very curious to learn whether, under our new Commander in Chief, similar policies will prevail.

Mr. FERGUSON. Mr. President, I recall that upon one occasion when I was delivering a speech on the floor of the Senate the present President of the United States sat in the Chamber. He stated to the Senate and to the people that when the Special Committee to Investigate the National Defense Program exposed corruption, those who were responsible for such corruption received promotions rather than being dismissed from the Army.

We know from experience that witnesses in the Army and Navy have been intimidated. I have received letters stating that one of the first things they are told is that they are not to write letters to Senators or Representatives, because by so doing they would expose what was going on.

I believe the time has come—and I wish to commend the Senator from Colorado [Mr. JOHNSON] for saying that he will do all he can to aid in the effort—to see to it that retribution is not meted out to the witnesses who appear and give testimony, and I wish to say that, on my part, I shall exert every effort to make sure that no witness who is willing to come and disclose what is going on in the way of graft and corruption is ever punished.

I tell the Senate that the Attorney General who is now going out of office failed in his duty to give our committee information. I feel that an Assistant Attorney General was discharged from the Department—and I feel it sincerely—because he aided the committee, and, therefore, the Senate of the United States. Mr. Clark, when questioned the other day, said he was not responsible for the letter; he said that he had not signed it. The man who wrote the letter saying that nothing could be done in a situation such as this is no longer with the Department. Mr. Clark does not approve the position taken in the letter. I have high hope that a new day is dawning when the Department of Justice of the United States will not say that nothing can be done when there is graft or corruption, even if it be on the part of those high in Government circles, I care not whether they be connected with the Army, the Navy, or are merely ordinary citizens who hold Government positions.

Mr. ROBERTSON. Mr. President, I thank the Senator for his remarks.

Mr. SHIPSTEAD. Mr. President, will the Senator yield to me?

Mr. ROBERTSON. I yield.

Mr. SHIPSTEAD. Apropos of the statements made by the Senator from Wyoming and the Senator from Michigan, I wish to remind the Senate that it was the corruption of the Russian bureaucracy and of those in high circles in Russia which brought on the Russian revolution and the debacle which followed the First World War. That is something which those in our War and Navy Departments, as well as those in other departments of the Government in Washington, had better bear in mind.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the Senator from Oklahoma.

Mr. MOORE. I wish to comment upon the statement made by the Senator from Michigan with reference to the letter which was signed by Tom Clark, the present appointee as Attorney General. When that letter was disclosed, I wrote to General Somervell. As the Senate will remember, the letter contained a statement by the attorney who signed the name of Tom C. Clark, that because of venue and other reasons the Department of Justice could not function in the matter. It seemed a strange procedure to me; so I wrote to General Somervell, setting out the letter which was purported to have been written by Tom Clark, and asking him if the matter had been referred to the War Department and, if so, what had been done. I sent a copy of the letter to Mr. Clark and asked him to comment on it. He came to my office and told me that he disavowed the letter which had been written in his name; and he said that if he had been present he would not have sent it, that it was the function of the Department of Justice to prosecute this matter, and that it would be done.

I received a letter in answer from General Somervell. In the letter he stated that the Army did investigate itself, so to speak, but he gave no inkling as to what the report was. He stated that

since the matter had been made public, they would reinstate an investigation of the matters complained of.

I should like to make that statement for the RECORD.

Mr. ROBERTSON. I thank the Senator.

Mr. FERGUSON. Mr. President, if the Senator from Wyoming will further yield to me, let me say that if the Department of Justice performed its duty in cases of this kind there would be very little need for the Special Committee to Investigate the National Defense Program. But that committee has a function. I am not speaking now for the chairman of the committee, but I speak only as one of its minority members. I feel that the Special Committee to Investigate the National Defense Program can do its job with respect to the matter, now that it has been called to the attention of the committee. I believe the committee should go thoroughly into it. The committee has the right of subpena.

The people of the United States should expect that if there is any graft or corruption, they will know about it and the Department of Justice will take proper proceedings against those who are guilty, that no one who is guilty will go unpunished, and that no one who is not guilty will be punished.

Mr. President, I am glad the Senator from Wyoming has called this matter to the attention of the Senate. As a Member of the Senate and as a member of the Special Committee to Investigate the National Defense Program, it is my hope that within a short time this matter can be brought out into the open by means of public hearings, so that the people of the United States may know what has been going on and may have all the facts. I hope we will receive the cooperation of the Army and various other agencies of Government, so that the people may be certain that they know the facts and so that they may know whether their bond dollars and tax dollars have been correctly spent or corruptly spent.

Mr. ROBERTSON. Mr. President, I thank the able junior Senator from Michigan for his contribution.

I am in hope that the committee of which he is a member will take up this matter. If it should fail to do so, I trust the Senate will appoint, at some time, a special committee to investigate this very serious matter.

Mr. President, I shall not take further the time of the Senate, but I ask unanimous consent that at this point in my remarks copies of the broadcasts by Mr. Fulton Lewis, Jr., which I hold in my hand, be printed as a part of the RECORD.

There being no objection, the broadcasts were ordered to be printed in the RECORD, as follows:

BROADCASTS BY FULTON LEWIS, JR., OVER THE MUTUAL NETWORK

LOS ANGELES, MONDAY, JUNE 4, 1945

Tonight, ladies and gentlemen, I'm ready to begin presenting to you this report on which I have been working here in Los Angeles for more than 2 weeks, and on which my good assistant, Fred Morrison, with the help of an expert investigator, was working more than a month before that.

It's a story with tremendous ramifications, as you will find out from day to day, as it unfolds through this microphone. It's a story that involves untold millions of dollars of your money, and where those millions have gone and where they are going every day. And it's a story of terrific implications, because this particular instance—big as it is—is only one of many, many similar cases of a system that has been going on since the earliest days of the war; so as the facts in this drive home to you, as the impact of the whole thing hits you, remember that this is only one case out of many.

This merely indicates that what we have found here calls for the reexamination of the Alcan Highway job, and the Hawaiian contracts, and the Canol project, and endless other projects in other parts of the world, amounting to billions of dollars—because the system in this case seems to be no exception but, rather, the standard rule.

Now, in presenting this story to you I'm going to use an entirely new and different technique. Normally, of course, the procedure would be for me to come on the air and give you—in the third person—the stories which were told. This time, however, you're going to hear this story unfold right here through this microphone, from the lips of the people who gave us the information. They are coming on the air with me each evening to tell, for your benefit, the contributing facts which they know—because I want you to get the story from them. They were people on the project in question—auditors, employed by the United States Government to see that the expenditure of your money was strictly in order. They were inspectors and maintenance superintendents and checkers and investigators, who saw the various parts of this story with their eyes and heard it with their ears; and I know of no better way to get a story than that.

It's such a big thing that it will take perhaps four or five broadcasts or more to tell it, and in the beginning you may wonder just what the point is, just where the body is buried, so to speak. Just bide with me, however, because you'll see the answer, you'll catch onto the story as we go along.

There is one thing I'd like to say here at the outset. It would be impossible to pay a sufficiently high tribute to the courage and the patriotism and the integrity of these men who will appear on the air with me, in the broadcasts to come. All of them were Government employees on this project in question, and most of them are still Government employees. They are not high officials, drawing big salaries; most of them are $300-a-month men with families. A great many individuals in their position might be afraid to speak out and tell what they know. These men are not. They are Americans, who feel a sense of deep responsibility, and for their courage and fearlessness I want to express my own deep admiration.

In that connection, let me read a telegram which I have shown to these gentlemen, signed by United States Senator ED JOHNSON of Colorado, who is one of the top-ranking members of the Senate Military Affairs Committee. It says:

"I pledge my every effort to try to protect the rights and the jobs of employees of the War Department against punitive measures, should they supply information with respect to waste and graft on the Latin-American Highway, and I am positive Congress will back me up."

And that is the topic of these reports, the Latin-American Highway, which was designed as a military transportation link between the United States proper and the Panama Canal Zone, in the early days of the present war, when the possibility of a Japanese attack on the Canal and the stoppage of coast shipping by Japanese submarines was very threatening.

Construction of the highway was authorized just 5 months after Pearl Harbor. It was to run from Mexico, along the Pacific Coast, through Guatemala, El Salvador, a corner of Honduras, Nicaragua, Costa Rica, and thence through Panama, to the Canal Zone. It was, like the Canol and the Alcan Highway projects in Canada, a super-secret project, and try as we would in Washington, we could find out nothing about it or about the progress of it. So far as construction was concerned, the road was divided up into some seven different sections, some to be done by Army contract with private contractors, other sections to be done by the national governments of the countries involved, with the financing and engineering supervision of the United States Engineers.

That about completes the necessary background and stage-setting, except for one thing. You remember all the agitation, and legislation, and talk, about taking the profits out of this war. We were determined not to repeat, this time, the performance of the last war, when fabulous fortunes were made overnight on war contracts. So this time, we instituted the system of contracts on a cost-plus-fixed fee basis, on the theory that that would eliminate any incentive for contractors to build up the cost of a job, because regardless of cost, their fee would remain the same. Thus, if the Government hires Joe Zilch as the contractor on a given job and tells Joe to build a certain piece of road, the Government reimbursing Joe for all properly audited vouchers showing money that Joe has paid out for pay rolls and materials, and agrees to pay Joe a definite fixed number of dollars as Joe's profit on the job, it looks like a fool-proof system.

Certainly, we've all been sold on the idea that your money has been protected under that system. We've taken the profits out of war.

These forthcoming broadcasts will show what a complete hoax this has been. The profits are still there, greater than ever, as you will see.

Now, in the presentation of this story, it's necessary to have some orderly pattern, and so I'm going to take first things first. We're going to start at the bottom, on the ground, where men and machines are actually digging earth and where the things that happen are, for the most part, more or less petty and small-time fraud. But with that as a kick-off point, we'll move on up to the higher brackets where the stakes climb up into the millions. And remember, all the way through—it was your money. So let's begin with a gentleman by the name of Mr. Frank Huttenlocker:

Mr. LEWIS. Mr. Huttenlocker, you were an accountant in the employ of the United States Government, were you not? The Army Engineers, to be exact—and you were the auditor actually on the scene of construction, on one section of the Latin-American Highway in Nicaragua.

Mr. HUTTENLOCKER. That's right. I was the United States engineer-auditor at Esteli, Condega, and Somoto.

Mr. LEWIS. The contractor on that section of the highway was Swinnerton, McClure, & Vinnell, was it not?

Mr. HUTTENLOCKER. It was. They had the job on the northern half of the highway through Nicaragua, and the entire highway through Honduras. The section I was on was in Nicaragua.

Mr. LEWIS. Now, Mr. Huttenlocker, did you ever make any complaints about what you found going on?

Mr. HUTTENLOCKER. I made many complaints to Colonel Zass, who was in command of the project in Managua, but I never was able to get any reply.

Mr. LEWIS. You finally went over the head of Colonel Zass, did you not, and sent a complaint direct to the Department of Justice in Washington?

Mr. HUTTENLOCKER. I did.

Mr. LEWIS. Is this a photostatic copy of the letter of complaint you sent to the Department of Justice?

Mr. HUTTENLOCKER. Yes; with my signature at the end of it.

Mr. LEWIS. Very well. I want to read a few parts of it. To begin with, it's addressed to the Attorney General, Mr. Francis Biddle, and it opens with this paragraph: "I take this unusual means of directly addressing the Office of the Attorney General because of the unusual nature of the information which I am forwarding. This information is of the most confidential nature, and should not, under any means, be placed in any hands other than the Federal Bureau of Investigation." The letter then goes on to list various complaints, including the fact that your assistant, who had been helping you with investigative work on the job at Condega, had been dismissed over your protest—as a result of demands by the contractor that he be taken off the job. Is that correct?

Mr. HUTTENLOCKER. That's right.

Mr. LEWIS. Now, I want to read this paragraph No. 9, on the last page of your letter. It says:

"The facts which Mr. Anderson and myself have uncovered include the appropriation for private use of lumber, cement, electrical wire and installations, gasoline, trucks, together with the fuel used for them, the purchase of whisky made chargeable to 'new saddles', sheet iron of the sort used for culverts converted into a water tank, and a number of other items including what appears to be grave irregularities in the purchase of timber for the bridges."

Have I read the letter correctly, Mr. Huttenlocker?

Mr. HUTTENLOCKER. You have. That's what I wrote to Attorney General Biddle.

Mr. LEWIS. Did you receive a reply?

Mr. HUTTENLOCKER. I did. I got a reply not from Attorney General Biddle, but from one of the Assistant Attorneys General.

Mr. LEWIS. Is this the letter?

Mr. HUTTENLOCKER. It is.

Mr. LEWIS. Very well, I want to read from this letter, on the stationery of the Department of Justice, addressed to Mr. Frank Huttenlocker, auditor, United States Engineers, Condega, Nicaragua, and it carries this notation: "Re Swinnerton, McClure & Vinnell, et al., alleged fraud." Now let me read from the body of the letter. It says:

"I am satisfied from the information at hand, that grave irregularities have been committed, that would constitute a fraud against the Government.

"We are first confronted with the question of venue, which of necessity would have to be within the territorial limits of the United States, and if the matter were investigated to a successful conclusion, I am sure some natives of Nicaragua would be material witnesses, and there is no legal way to compel their attendance in court here, or to take their depositions in a criminal case. For those reasons, and the fact that whatever fraud may have been committed was at least with the passive acquiescence of those responsible to the Government of the United States, it is the present disposition of the Justice Department to refer the matter to the War Department for appropriate action.

"You, of course, realize that we have no available facilities to conduct an extensive investigation in Nicaragua, and it is felt that appropriate action by the War Department will accomplish the desired results."

Is that a correct reading of the letter you received?

Mr. HUTTENLOCKER. It is.

Mr. LEWIS. As a practical auditor, Mr. Huttenlocker, if what this Assistant Attorney General says about the difficulty of tracing frauds on this contract in a foreign country is true, would it be equally difficult for the Bureau of Internal Revenue to trace Federal income-tax evasions on money that individuals might get their hands on in that foreign country? In other words, suppose there were frauds; wouldn't it be much easier for the perpetrators to cover up, without paying income taxes on the money, than it would be in the United States?

Mr. HUTTENLOCKER. Oh, certainly.

Mr. LEWIS. By the way, Mr. Huttenlocker, will you look at this reply you received from the Department of Justice—the one I have just read—and tell me the name of the Assistant Attorney General who signed it?

Mr. HUTTENLOCKER. The signature is, "Tom C. Clark, Assistant Attorney General."

Mr. LEWIS. Is that the Tom C. Clark who has just been appointed Attorney General by President Truman, effective July 1?

Mr. HUTTENLOCKER. It is.

Mr. LEWIS. Thank you, Mr. Huttenlocker. Tomorrow evening, if you'll be so kind, I'd like to have you back with me at this microphone to give some specific details of the incidents and facts you uncovered in Nicaragua.

LOS ANGELES, TUESDAY, JUNE 5, 1945

Last night, ladies and gentlemen, I presented over this microphone a man who was one of the Government auditors on the scene on construction of the Latin-American Highway, in northern Nicaragua, some 2 years ago. He told, in general terms, of official charges he had made to the Attorney General of the United States in Washington, of irregularities and fraud. Tonight I have brought him back to this microphone to tell in more detail of the various specific cases on which he based those charges, because I want to build this whole broad story—which involves literally billions of dollars of your money—from the ground up, and this is the ground. This man has been an accountant for 46 years. He was in the employ of the United States Government at the time he was in Nicaragua, and his job was to protect your money. The contractors were on a cost-plus-fixed-fee contract. That is to say, they spent whatever was necessary to do the job, and then were repaid out of your Federal Treasury, plus a certain set fee for their services. This auditor was put there to protect you, by making sure that they really spent what they claimed to have spent and that they really spent it on the road. This man is still in the employ of the Government, by the way; a civil-service employee.

Mr. LEWIS. All right, Mr. Frank Huttenlocker, you went to Nicaragua in September of 1942, I believe, and were stationed for the first few months as Esteli, about 125 miles north of Managua, and then when the contractor moved his operating headquarters up to Condega you went there, and to Somoto, and remained on the job until the project was abandoned. Is that right?

Mr. HUTTENLOCKER. That's right.

Mr. LEWIS. I have here a photostatic copy of the contract of Swinnerton, McClure & Vinnell, and on page 11, in connection with the auditing of the company's accounts, it says that the Government "shall at all times be afforded proper facilities for inspection of the work; shall at all times have access to the premises, work, and materials; to all books, records, correspondence, instructions, plans, drawings, receipts, vouchers, and memoranda of every description, of the contractor, pertaining to said work." Is that what you got?

Mr. HUTTENLOCKER. Well, hardly. The contractor's superintendent, in charge of the job, was a man by the name of Charles Long. When I arrived on the job, I couldn't even get any pencils and paper out of him to keep my records. I bought pencils and paper in the village. It was necessary to do most of my work at night because I was out on the jobs all day, but the party chief engineer wouldn't give me a lamp for my tent, although there were plenty of lamps for the engineers' quarters and enough to lend to a barroom, so I bought candles and did my work on top of a box, sitting on another box.

Mr. LEWIS. Were you able to keep an accurate check on what was going on?

Mr. HUTTENLOCKER. I was not. Charlie Long said the company books were the secret, private property of the contractor, and I had to get special orders from the chief project auditor before I got access to them.

Mr. LEWIS. Were you able to check on pay rolls and materials?

Mr. HUTTENLOCKER. For quite a while I was not. Charlie Long and his assistants tried to prevent me from checking deliveries of gasoline, to see whether the amount the Government was being charged for was really delivered. He tried to prevent me from checking the ox-cart pay rolls and the time sheets for the equipment also.

Mr. LEWIS. Now, those time sheets for the equipment are very important, Mr. Huttenlocker, in connection with some facts that will be brought out later. For the benefit of those listening, will you explain just what they are?

Mr. HUTTENLOCKER. Well, they are the records showing just how long each piece of equipment, such as tractors, and bulldozers, and grading machines, worked each day. The contractor was paid for the number of hours that the equipment worked.

Mr. LEWIS. And you were prevented, as the job progressed, from checking those claims for time? All right, go ahead.

Mr. HUTTENLOCKER. As long as the work was being done close to camp, I was able to make some sort of a check, but as the work got farther and farther away, it became more and more difficult. I couldn't get to the jobs on foot, and the contractor wouldn't provide any transportation for many months, and wouldn't even let my checkers ride in the company trucks that were going to the job. I had to accept their word, blindly, on most of the charges and claims they made.

Mr. LEWIS. Now, in your complaint to Attorney General Biddle, you mentioned the appropriation of a wide variety of Government-owned property for private use. Will you go into that?

Mr. HUTTENLOCKER. A large part of that was in connection with a hacienda which Charlie Long had fixed up for himself. He couldn't seem to get the Government highway built, but he built an 8-mile road into his place with Government equipment and materials and native labor employed by the contractors. He had a Government lighting system and generator there and fixed it up into quite a place.

Mr. LEWIS. What about the "lumber deal" you mentioned in that letter?

Mr. HUTTENLOCKER. Well, I stumbled on that quite by accident in the course of checking some records. The contractor was buying a lot of timber from the natives for use in making bridges and other things, and the regular rate was $50 American per thousand board feet, in the log. When Charlie Long's inspector and purchasing agent went out to inspect the logs, however, he would reject whole deliveries of them and then tell the native that he didn't want him to lose out completely, and that a man named Orlando Moncado sometimes bought timber like that and Moncado might give the man something for it. When Moncado came along, he would buy the logs for the equivalent of $10, and then he would sell it to the contractor for the regular price of $50.

Mr. LEWIS. In other words, the same timber that had been rejected before was accepted from Moncado at the full price. Mr. Moncado made approximately $40 per thousand board feet log cut of the skin of the native that cut the timber?

Mr. HUTTENLOCKER. That's it. Whether Moncado kept the entire $40 or split with somebody else, I never was able to find out. However, I have a written statement from

Moncado saying he made thousands of dollars out of those deals.

Mr. LEWIS. You told me something about food purchases.

Mr. HUTTENLOCKER. Yes. I found that instructions had been issued that all food of every kind was to be purchased from Octavio Lovo, and I noticed that the prices that were being paid were many, many times higher than the prevailing prices in the neighborhood. I couldn't find any wholesale grocery company under the name of Octavio Lovo, so I began looking around. I found that Senor Lovo was the political boss of that area, and Charlie Long had made a contract with him to supply all food for the project. He was getting a monthly retainer, and in addition to that was boosting the prices on everything he furnished. It was a very profitable arrangement.

Mr. LEWIS. Was he pocketing all of his profits or was he splitting with somebody?

Mr. HUTTENLOCKER. I only know that I found a receipt or a canceled check from Octavio Lovo to Charlie Long for 1,000 cordovas, which is about $250 in American money. I turned it in with a report to Mr. Jim Hill, who was my superior in Managua.

Mr. LEWIS. As a matter of fact, speaking of reports, you kept very careful notes and records while you were on this job, didn't you, Mr. Huttenlocker? Why?

Mr. HUTTENLOCKER. Well, even then, there was common talk that sooner or later this whole thing would end in a congressional investigation, and I was determined to have a detailed record of everything that went on.

Mr. LEWIS. Now, were you ever able to get any help on your job?

Mr. HUTTENLOCKER. I finally got an American by the name of Bert Mitchell Anderson from the Army Engineer's office in Managua, who helped me in trying to trace these things down. He was very effective and we were really getting into things, when Charlie Long insisted to Colonel Zass, of the Army Engineers in Managua, that Anderson be gotten rid of, and Colonel Zass, in spite of all the protests I could make, took Anderson away from me and sent him back to the States. He took all of his records and evidence with him to make a report to the FBI.

Mr. LEWIS. Now, let me interrupt here just long enough to bring on Mr. Anderson. Mr. Anderson, you're a professor of psychology at a college here, and you were at Condega, Nicaragua, with Mr. Huttenlocker, and you were sent back to the States, as Mr. Huttenlocker has just said, and you did bring all of your papers and evidence back with you?

Mr. ANDERSON. I did, and as soon as I got across the border I made a full and complete report to the FBI at San Antonio, and here in Los Angeles.

Mr. LEWIS. What happened to your papers and evidence?

Mr. ANDERSON. I kept them until one night when three men in zoot-suits grabbed me on the street one night in Long Beach—just before I was to make a speech on the subject—and beat me up. They didn't take any money or other belongings, but they did steal my briefcase with all the papers. I spent months in a hospital with various broken bones.

Mr. LEWIS. I may interject that that is a matter of police record. Your report to the FBI is still in the possession of the FBI, though?

Mr. ANDERSON. I suppose so. I don't guess the zoot-suiters have tackled the FBI.

Mr. LEWIS. All right, thank you, Mr. Anderson. Now getting back to Mr. Huttenlocker, you spent a little time in Managua, I believe?

Mr. HUTTENLOCKER. Just a short time. The United States Government had taken over the Grand Hotel there, and Swinnerton, McClure and Vinnell, the road contractors, were operating it. It was proving very costly and I was sent in to see what was wrong.

Mr. LEWIS. Tell us what you found.

Mr. HUTTENLOCKER. I found that the food bills were incredible. They listed items of frankfurters at $5 a pound, and sauerkraut at $7.50 a gallon. I noticed that a large number of the vouchers for the food purchases were made out to someone with a native name, so I began looking around for him. I finally found him, in a little office on the lobby floor; he was an 18-year-old boy and one of the employees of the contractor, and when I walked in he was sitting there at the typewriter making out vouchers to himself, right then and there.

Mr. LEWIS. That's an easy way to make a living. What else did you find?

Mr. HUTTENLOCKER. They had a warehouse which I finally broke into and found a number of barrels of flour ruined by weevils, and about 35 50-gallon drums of cooking oil which was reeking, it was so rancid. This was used in cooking all the foods. We finally sold the cooking oil to the All-American Trading Co., which sold it to the Nicaraguan Railroad for lubricating oil.

And all the time that this flour and oil had been spoiling there in the warehouse, the contractors had been buying the same thing at outrageous prices.

Mr. LEWIS. As these various things turned up, you made complaints to Army headquarters, did you?

Mr. HUTTENLOCKER. Yes, sir.

Mr. LEWIS. Now, Mr. Huttenlocker, you stated last night that after you sent your protest to Attorney General Biddle in Washington, you received a reply from his assistant attorney general, Tom C. Clark. That reply stated that because of the difficulty of getting witnesses back to the United States, and similar problems, the disposition of the Department of Justice was to turn the whole matter over to the War Department for investigation, even though Mr. Clark was satisfied, from the information at hand, that grave irregularities had been committed that would constitute a fraud against the Government. Did you reply to that letter?

Mr. HUTTENLOCKER. I did.

Mr. LEWIS. Is this a copy of your reply?

Mr. HUTTENLOCKER. It is.

Mr. LEWIS. Very well, I want to read from it. This is from you to Assistant Attorney General Tom C. Clark. You say:

"My answer is an emphatic 'No.' You must understand that the War Department United States Engineers had such guilty knowledge of this whole fraud that their entire purpose was to steadfastly whitewash the acts of the contractors, for which they are directly responsible.

"From their demonstrated actions in Managua, I am convinced that the officers of the War Department would, in the case of an investigation thrown in their lap, be one of complete whitewash and cover up. It would be impossible to obtain an impersonal justice, which the taxpayers of the United States are entitled to. In my opinion, it would be entirely futile to testify and lay the facts before any investigative body appointed by the War Department. The investigation and indicated prosecution should be carried on by an agency of the Department of Justice. I stand ready to support the Government in any proper action."

That is your letter, Mr. Huttenlocker?

Mr. HUTTENLOCKER. It is.

Mr. LEWIS. Thank you, sir.

LOS ANGELES, WEDNESDAY, JUNE 6, 1945

Last night and the night before, I presented to you over this microphone a man by the name of Frank Huttenlocker, who was a field auditor for the United States Army Engineers, at Condega, Nicaragua, checking on the construction of the Latin-American Highway thrcugh the northern part of that country. The road was being constructed by Swinnerton, McClure & Vinnell, contractors, on a cost-plus-fixed-fee basis, and his job was to see that the costs, charged to you as the taxpayers who foot the bill, were legitimate costs; that the money claimed to be expended, really was expended, and was expended on the highway; and that your interests were protected, generally. You heard him tell of the efforts tha' were made to prevent him from doing his checking; the handicaps that were thrown in his way; the frauds, and grafts, and waste that he saw; and the complaints he made, even to Attorney General Francis Biddle, without results.

Tonight, I have here in the studio another field auditor, who held a similar position at the next headquarters point along the Nicaraguan section of the highway—and I want you to hear his story.

Mr. LEWIS. Your name is Larry Weddle and you were the United States Army Engineer auditor, on the scene of construction, at Homoto, Nicaragua, is that right?

Mr. WEDDLE. That is right. I was on the adjoining section of the road to Mr. Huttenlocker, and it was all done by the same contractor, Swinnerton, McClure & Vinnell.

Mr. LEWIS. You heard, last night and the night before, the story as told by Mr. Huttenlocker, of his experiences and difficulties. What were yours?

Mr. WEDDLE. Mine were just about the same, in general. I had the same trouble in checking their accounts and claims and materials. They had trucks to bring loads of liquor to their favorite saloons, from Managua, and plenty of transportation to go into town for big nights; but I couldn't even thumb a ride out to the scene of construction, to check on pay rolls or equipment time, or anything else.

Mr. LEWIS. Now, wait a minute. Once again we come to that equipment time. Will you explain that?

Mr. WEDDLE. Well, there were huge quantities of road-building equipment working on the job, or supposed to be working on the job. They put in claims for so many hours worked, and I had to approve most of those claims blind, because I never was able to check.

Mr. LEWIS. Did you have any difficulty checking pay rolls?

Mr. WEDDLE. The same difficulty. I finally had to get around to the work sites by any means I could. Also I disapproved quite a number of illegal pay increases, which the company turned in for reimbursement. Later, I saw those records and they had been altered by someone. My notes disallowing the increases had been erased or scratched off, and the increases had been allowed anyway.

Mr. LEWIS. I notice from the records that a large number of electric generators were sent down on that job.

Mr. WEDDLE. That's right. They were installed by the contractor, in saloons and private homes near the work camps, but we were never able, until after much insistence, to get one in the Army engineer's office, where we had to do our auditing work.

Mr. LEWIS. One last question, Mr. Weddle. Here is a map of the Latin-American Highway. I notice that the route of the road is quite direct as it leads south from the Mexican border through Guatemala, and El Salvador, and Honduras. But the moment it crosses the line into Nicaragua, instead of making the simple and direct course on to Managua, which would have been over level, easy country—a broad, flat plain—it goes strangely, far out of its way, to swing up into these very rugged and almost impossible mountains, to do the job the very hard way. Did you ever hear any explanation of that?

Mr. WEDDLE. I was told, and it was very common information, that top political leaders in Nicaragua had valuable coffee plantations in those mountains, and it was done to open up their lands.

Mr. LEWIS. Thank you very much Mr. Larry Weddle. We all appreciate your contribution.

Now, the next gentleman I want to bring on occupies a somewhat different status

from those you've heard already. He was the chief fiscal auditor for the entire Latin-American Highway project, with headquarters at the office here in Los Angeles. His name is Charles Claussen, and his job was to bring together, in a sort of supervisory way, the reports of the various auditors on all of the contracts along the entire route.

Mr. Claussen, you have been an accountant for 25 years, I believe?

Mr. CLAUSSEN. That's right.

Mr. LEWIS. Did you have occasion to go down to Nicaragua, on this highway contract of Swinnerton, McClure & Vinnell?

Mr. CLAUSSEN. Yes. We began to get rumblings and complaints just a few weeks after the contract got under way. I went down there twice, to see what was going on.

Mr. LEWIS. What did you find?

Mr. CLAUSSEN. Things were in a pretty bad mess. The contractor's office in Managua claimed to have made an outlay of about $2,500,000 for which it had no vouchers or receipts to show and, therefore, it was unable to get any reimbursement from the Government. The reason they had no vouchers or receipts was that none had come in from the field offices.

Mr. LEWIS. So——

Mr. CLAUSSEN. So I went up to the field offices and I found things in a worse mess there. At one of the field offices they claimed to have expended about $1,500,000. They said they had issued cash advances to their employees and others for as much as a thousand dollars apiece. I asked for their records and receipts, and they said they didn't have any records or receipts. I asked for their books, and they said they didn't have any books.

Mr. LEWIS. All right, what did you do then?

Mr. CLAUSSEN. I sat down and showed them how to set up their books, and what was required in the way of vouchers and receipts and proof of disbursement, so they could get some of their money back from the Government and continue to operate. They brought in vouchers to cover most of what they claimed to have spent, and when those vouchers were in proper form, I approved them.

Mr. LEWIS. Now, when they brought in these vouchers, Mr. Claussen, did you have any way of knowing whether the vouchers were authentic or legitimate, or not? Did you have any way of checking back to find out whether this receipt for so many dollars, paid to some native for rental of an oxcart, was really paid to that native for furnishing an oxcart?

Mr. CLAUSSEN. Oh, no. I had to take their word for that. It would have been humanly impossible for any man to have checked back on them. I could only insist that the form of the vouchers, and the way they were made out, and the factual material they contained, was according to the legal requirements. As a matter of fact, I never did approve about $50,000 worth of those claims.

Mr. LEWIS. Was anyone with you on this particular visit, Mr. Claussen?

Mr. CLAUSSEN. Yes; Jim Hill, the project auditor, and Elmo Hayden, who later took Mr. Hill's place, were with me.

Mr. LEWIS. Now, Mr. Claussen, I want you back on the microphone tomorrow night, because I want to move on up into the really important business of this contract, which Swinnerton, McClure, and Vinnell had with the Government, and just what it provided, because it's time we got into the really big money—but first I want to ask you a couple more questions. This road which Swinnerton, McClure, and Vinnell were building in Nicaragua was the northern half of the highway through that country. Do you know anything about the southern half?

Mr. CLAUSSEN. Yes, the southern half was built under contract with the Nicaraguan Government, under the supervision of Maj. Warren Ford, of the Army engineers. It was about the same length as the northern half, and I would say that one was about as difficult to build as the other.

Mr. LEWIS. Was that southern half of the road built by the Nicaraguan Government under Major Ford ever finished?

Mr. CLAUSSEN. Oh, yes. It's a beautiful road. The engineering is excellent; it's a fine, high-speed highway, about as good as you could ask for.

Mr. LEWIS. Did you ever have any trouble or complaints from that job?

Mr. CLAUSSEN. Never a word. Major Ford was a very fine, hard-working young man, who did a beautiful job. And he completed a beautiful highway.

Mr. LEWIS. Was the northern half under Swinnerton, McClure, & Vinnell ever completed?

Mr. CLAUSSEN. It was not. North of Condega, up to the Honduras line, there are miles of it that are nothing but soft roadbed. It's utterly impassible in the wet weather, and there's a lot of wet weather in that country. I was told that a jeep once did go the entire length of the roadway up to the Honduras line, but I wouldn't have wanted to make the trip. If it's true, it was more in the nature of a stunt.

Mr. LEWIS. By the way of verifying what you say, Mr. Claussen, I might interject that the Nicaraguan Embassy in Washington informs me, officially, that the whole portion of the roadway built by Swinnerton, McClure, & Vinnell up toward the Honduras border is impassable most of the time; there are detours for as much as 5 miles, where the road does not exist.

Mr. CLAUSSEN. I'm sure you'll find that is correct.

Mr. LEWIS. Mr. Claussen, can you tell me what the comparative cost of these two sections of the road were—the northern section of 80 to 90 miles, built by Swinnerton, McClure & Vinnell, and the southern portion built by the Nicaraguan Government, under Maj. Warren Ford of the Army engineers?

Mr. CLAUSSEN. I would have to look those figures up—I don't have them on the cuff.

Mr. LEWIS. Well, I do have them. I obtained them, officially, from the War Department in Washington. These are the Army's own figures. The uncompleted portion of the road, the northern portion, built by Swinnerton, McClure & Vinnell, cost a total of nearly $8,000,000. To be exact, the figure is $7,750,891.

The southern portion of the road, built by the Nicaraguan Government, under Major Ford. and completed in excellent style, cost less than $2,000,000.

Now, ladies and gentlemen, remember, this is just one section of one project—the Latin-American Highway—which in turn is only one of hundreds of similar contracts, all over the world, which your money has paid for.

We've been told that the profits were taken out of war. This original contract for Swinnerton, McClure & Vinnell, amounted to only $2,100,000, and their profit, supposedly, was represented in a paltry little fixed fee of $80,000. Mere chicken feed. Four percent on the total.

But there's a cute little trick in that contract—a paragraph—and the same trick was included, we find, in Canol and the Alcan Highway and the Panama Canal with its hundreds of millions of dollars, and all of the rest of the Army engineer contracts that we've been able to trace down.

Beginning tomorrow evening, we'll move into that, and I think that you, and the investigating committees of Congress, and probably the Bureau of Internal Revenue, will be very much interested.

LOS ANGELES, THURSDAY, JUNE 7, 1945

Well, tonight, ladies and gentlemen, we move upstairs to the big money in this story on war contracts. Thus far we've been talking about comparatively small items, on the scene of construction, on one sample contract on the Latin-American highway. But tonight we're going to graduate into much higher figures and much larger potentialities. And as this part of the story unfolds keep one or two things in your mind all the time. Remember those thousands upon thousands of pieces of roadbuilding and construction equipment on the Alcan Highway and the Canol project in Canada and the Hawaiian contracts in Hawaii—every piece of equipment that could be raked and scraped together—whether it was usable or not, much of which never turned a wheel—trucks and tractors and bulldozers, parked end to end almost as far as you could see. Remember that no one could ever understand why these contractors were running these contracts into such fantastic millions, when their own fixed fee for their services, their profit, was such a paltry little figure.

Once again tonight I have here at the microphone with me Mr. Charles Claussen, certified public accountant, who was chief fiscal auditor for the Army Engineers for the whole Latin-American Highway project, with offices in Los Angeles.

Mr. LEWIS. Mr. Claussen, I have here a photostatic copy of the Government's contract for the northern Nicaraguan section of the Latin-American Highway with the contracting firm of Swinnerton, McClure & Vinnell. You're familiar with that contract. You worked with it day in and day out. Is this a true copy?

Mr. CLAUSSEN. Indeed I am familiar with it, and that is a true copy.

Mr. LEWIS. Now I want you to explain a few points about this contract. First of all, it's one of those cost-plus-fixed-fee contracts, which were supposed to eliminate the evils that developed and the fortunes that were made out of war contracts back in 1917 and 1918. Is that right?

Mr. CLAUSSEN. Yes; it's a cost-plus-fixed-fee contract. It calls for an estimated construction cost for that section of the road of $2,100,000. And it provides a fixed fee for the contractor, Swinnerton, McClure & Vinnell, of $84,000.

Mr. LEWIS. That $84,000 was to be the payment to the contractor as his fee for his services, whether the job cost more than the estimate or less?

Mr. CLAUSSEN. That is right. The contract does provide that if the job proves to be very much more costly than the original estimate, the fixed fee may be adjusted appropriately.

Mr. LEWIS. Now, listen to this very carefully, ladies and gentlemen: But in this contract also, Mr. Claussen, is a provision—it is paragraph a and b, on page 7—by which the contractor is permitted to rent equipment to himself and charge that rental to the Government. Isn't that correct?

Mr. CLAUSSEN. It is correct. That is the greatest single item of cost in most of these contracts—equipment rental.

Mr. LEWIS. Now, let's get this perfectly clear. The Government gives a contract to John Jones to build a piece of roadway. In order to build that roadway, John Jones has to have bulldozers and tractors and trucks and steamshovels, and whatnot. John Jones has all of that equipment; he owns it himself. And under this contract he rents the equipment to himself for use on this particular road and the Government reimburses him for the full amount of those rentals. To make it simple, let's suppose he needs two bulldozers and two trucks to do the job. He owns the two bulldozers and the two trucks. In the role of an agent for the Government, he rents the four pieces of equipment from himself and then he turns a bill into the Government for the rental he has paid to himself, and he gets full reimbursement of that amount.

Mr. CLAUSSEN. That is what the contract provides.

Mr. LEWIS. Now, in this specific case the contractor was Swinnerton, McClure & Vinnell, and the road was part of the Latin-American Highway in Nicaragua, and this contract provides what?

Mr. CLAUSSEN. It provides that Swinnerton, McClure & Vinnell, who owned about 150 pieces of equipment, could rent that equipment from themselves, to use in building this piece of road in Nicaragua and the Government would reimburse them the full amount of those rentals, according to a certain specified table of rental rates.

Mr. LEWIS. Very good. Now, Mr. Claussen, in paragraph C on page 7 and in paragraph H, on the same page, it specifies when the rental on this equipment shall begin and when it shall end. Will you tell the listeners what those provisions are?

Mr. CLAUSSEN. They provide that the rental payments by the Government shall begin when the equipment is officially accepted by the Army engineer inspectors in Los Angeles, and the rentals shall continue until that equipment is delivered back to its owners, in first-class operating condition, in Los Angeles at the close of the contract.

Mr. LEWIS. And during that time?

Mr. CLAUSSEN. During that time it shall draw continuous rental at the rate of a minimum of 240 hours per month. If it works more than 240 hours a month, it shall draw overtime rental payments by the hour, beyond that 240 hours.

Mr. LEWIS. Now, let me summarize that. This equipment, which Swinnerton, McClure & Vinnell were renting from themselves and charging to the Government, was to draw rentals from the time it was accepted here in Los Angeles; all the way down to Nicaragua and all through the time it was on the job; and all through the time it was being returned to the United States; and all through the time the Government was repairing it and putting it back in first-class operating condition at Government expense; and until it was delivered back to Swinnerton, McClure & Vinnell in perfect working order. And all that time, whether it was working or not, whether it was in working condition or not, it was to draw a minimum monthly rental of 240 hours a month. In other words, 30 8-hour days. Is that correct?

Mr. CLAUSSEN. That is precisely correct.

Mr. LEWIS. Now, Mr. Claussen, will you turn back to appendix B, which is the list of equipment which Swinnerton, McClure & Vinnell rented from themselves. The list shows the estimated value of each piece and the monthly rental each one is to draw. The top item says 20 D–8 caterpillar tractors, and rates the value as $8,600 each. Now, what is the monthly rental listed here, guaranteed on each of these tractors, throughout the life of the contract, whether the tractors are working or not?

Mr. CLAUSSEN. $775 a month.

Mr. LEWIS. Of course, if the tractor is actually working and puts in more than 240 hours for the month, it draws overtime in addition to that. But if it does nothing at all—if it never is uncrated; if it is unable to turn a wheel; if it doesn't even have an engine in it—it still draws $775 a month?

Mr. CLAUSSEN. That's right.

Mr. LEWIS. Now, does that $775 a month rental include the cost of operation? The gasoline and the wages of the operator and the cost of repairs?

Mr. CLAUSSEN. Oh, no. That is just the rental of the machine itself. The Government pays separately for all of those operating costs.

Mr. LEWIS. Now, Mr. Claussen, you're pretty good at mathematics. At that minimum rental, how long would it take for each one of these caterpillar tractors to pay off its rated value of $8,600? In other words, how long would it take for the Government to buy them?

Mr. CLAUSSEN. About 11 months on these.

Mr. LEWIS. And each 11 months the Government pays all over again to the owners the total rated value of each tractor—$8,600—and still has to return the tractor to the owner, paying all costs of repairing it to perfect operating condition, when the contract is over. Is that it?

Mr. CLAUSSEN. That's what the contract provides.

Mr. LEWIS. Now, let's look at some of these others. Four carry-alls, 28-cubic-yard capacity, listed as having a value of $9,750. Guaranteed monthly rental, $1,100. How often do they pay for themselves?

Mr. CLAUSSEN. About every 9 months.

Mr. LEWIS. Here's one 5-ton truck, valued at $3,500. Monthly rental, $500 a month. What about that one?

Mr. CLAUSSEN. It pays for itself every 7 months.

Mr. LEWIS. Twenty power units, valued at $300 each. Monthly rental, $75.

Mr. CLAUSSEN. They pay for themselves every 4 months.

Mr. LEWIS. Whether they're working or not? Even if they've never been uncrated? What about these 15 bulldozers valued at $1,000 each? Rental, $145 each.

Mr. CLAUSSEN. They'll pay for themselves in a little more than 6 months.

Mr. LEWIS. The contractor owns them in the beginning and gets them back in perfect working condition at the end of the job, and incurs no expense of operation whatever during the course of the contract, but receives as rental over the 9 months of this particular project exactly one and a half times the value of each piece.

Now, Mr. Claussen, in the case of these D–8 caterpillar tractors listed here—20 of them—they are all listed at the same value—$8,600 apiece. That same value is given to them and they draw the same rental per month per hour, whether they are 1942 models or 1926 models?

Mr. CLAUSSEN. One month old or 20 years, it's all the same.

Mr. LEWIS. And if they are lost or destroyed or anything happens to them on the job so that the Government is unable to return them in perfect working order, the Government has to reimburse the contractor on the basis of that listed value of $8,600. Isn't that right?

Mr. CLAUSSEN. Yes; it is.

Mr. LEWIS. As against this valuation of $8,600 listed in this contract for each D–8 caterpillar tractor, do you happen to know, Mr. Claussen, what that D–8 tractor costs new, at the factory—not used as all of those tractors were, but brand new?

Mr. CLAUSSEN. I do know. It costs $7,300.

Mr. LEWIS. So this contract lists the value of this tractor, used, regardless of how old it is, at $8,600, when the cost of it brand new is only $7,300. Now, Mr. Claussen, one last question before you go, because we'll want to deal with this later. This contract also provides that the contractor may rent equipment from third parties—third parties, perhaps, in these foreign countries?

Mr. CLAUSSEN. Yes; it does, at the same scale of rentals that are provided for renting their own equipment. As a matter of fact, there was considerable third-party rental equipment used by Swinnerton, McClure & Vinnell on this particular job.

Mr. LEWIS. And none of those third parties in Nicaragua who rented machinery and equipment to Swinnerton, McClure & Vinnell, and drew rental from the United States Government at these fantastic rates were subject to income-tax payments to the United States Government, were they? They could draw a million dollars in rental payments and never have to pay a penny of it back to the United States Government in income tax?

Mr. CLAUSSEN. Not if they were subjects of a foreign country.

Mr. LEWIS. Thank you, Mr. Claussen, you've been tremendously helpful. You're a good and courageous American, and I know our listeners appreciate what you've done.

Now, ladies and gentlemen, you have the ground work. You have the foundation and the terms of this contract, which is only one of many contracts just like it, representing billions of dollars—and I trust that you're satisfied that the profits have been taken out of war.

I've done a little arithmetic myself, on this matter, and you may be interested in it. Remember, that all such equipment as this has been in constant demand ever since long before Pearl Harbor Day. A given tractor, owned by John Jones on December 7, 1941, could have been working almost continually ever since. Many of the have. A D–8 tractor—I take the first one on the list—which costs $7,300 new, and, under the scale of rentals in this contract, would have earned from the Government—to this date—$41,850, and the owner would still have the tractor in perfect working condition. Multiply that by the rest of the contracts on this Latin-American Highway, and by Canol, and by Alcan, and by the Persian pipe line and the back-door road to Russia, and by the Panama Canal, one single job of which was more than $330,000,000, and you begin to get some idea of what I meant when I said this was an important story.

Tomorrow night, we'll go much further with it, with further witnesses, showing that it's even worse than this.

LOS ANGELES, FRIDAY, JUNE 8, 1945

Last night, ladies and gentlemen, you heard over this microphone, from the lips of the chief fiscal auditor of the Army's Pan American Highway project, an account of the contract which the Army engineers made with the firm of Swinnerton, McClure & Vinnell, for construction of part of the highway through Nicaragua. Briefly, that gentleman confirmed the fact that this contract gave the company only a small fixed fee of $84,000 on a $2,100,000 job, but the contract contained a provision under which the company was permitted to rent expensive road building and construction machinery from itself, and then collect retimbursement for those rentals from the Government. He confirmed also that these rentals were so high that they repaid to the contractor the full original cost of the equipment every 9 months, or 8 months, or in some cases as frequently as every 4 months, despite the fact that they were second-hand pieces of equipment in the beginning, and the Government paid all operating costs, such as gasoline, repairs, wages of the driver, and so forth. Moreover, the contract required that these fabulous monthly rentals were to be paid to the contractor from the time the equipment was accepted in Los Angeles, whether it was working or not or whether it was in working condition or not, until such time as it was delivered back to the contractor in Los Angeles at the end of the job, in perfect working condition, and all expenses for putting the equipment back into that condition were to be paid by the Government. The contract also listed for each item of equipment a specific estimated fair value, which the Government was to pay to the contractor in the event the particular piece of machinery was lost or destroyed or could not be returned in perfect condition. It listed as the estimated value of a D–8 caterpillar tractor a valuation of $8,600, whereas that tractor, brand new, costs only $7,300. I might add here that the OPA ceiling price on that particular tractor, second-hand, is $4,100.

Ordinarily, as you know, on any sort of an investment, a return of 8 or 10 percent profit per year is considered very good. That is generally expected to cover upkeep and depreciation and interest on the investment, as well as profit. Certainly 15 or 20 percent profit per year would be a gold mine, even commercially.

In these contracts which the Army made, however, for the construction of highly vital military installations for the protection of the United States, the contractors were paid profits on their equipment, the smallest of which was 110 percent per year, and in some cases it ran as high as 400 percent per year. That is all done in the name of a system that has taken the profits out of war.

Now, remembering all that background, I have some further witnesses to present to you tonight, on this sample case—and it's only a sample case. Remember that the Government paid full rental, at these fantastic rates for every piece of equipment used by this contractor, whether it was working or not, from the time it was accepted by the Army engineers here in Los Angeles, to the time it was returned to the owners here, in perfect working condition. I have here at the microphone with me Mr. George Potter who was maintenance superintendent on the job in Nicaragua, and who received this equipment when it arrived there, and had charge of maintaining it while it was there.

Mr. LEWIS. Mr. Potter, this equipment was accepted by the Army engineers here in Los Angeles, and was shipped to Nicaragua, and you received it down there, did you not?

Mr. POTTER. I did.

Mr. LEWIS. What condition was it in?

Mr. POTTER. It was one of the worst collections of junk I've ever seen.

Mr. LEWIS. Just what do you mean by that[

Mr. POTTER. I mean we had to cannibalize it. We had to take parts from this machine to make that one operate. We had to dismantle some of the trucks to get parts to make the others run. At one time we had 17 trucks stripped down, even stripped of their springs, in order to keep the remaining 26 trucks in operation. We had the naked frames arrayed up on a hillside.

Mr. LEWIS. But those frames, as long as they had the serial number plate on them, drew full equipment rental pieces all the time they were there, and until they were rebuilt, and sent back to Los Angeles, and turned back to the contractor. Is that it?

Mr. POTTER. That's what I understand.

Mr. LEWIS. In short, Mr. Potter, the contractor brought poor equipment on the job and drew full rental on every piece of it all through the job, until the Government repaired or rebuilt it to perfect working condition and returned it to the contractor at the end of the job.

Mr. POTTER. That is true.

Mr. LEWIS. Was there much equipment sent down there, Mr. Potter, that was never used at all?

Mr. POTTER. A lot of stuff, like compressors and generators, and parts, never was uncrated at all.

Mr. LEWIS. But the Government paid these fantastic rentals on it, all that time?

Mr. POTTER. That's what the contract provided.

Mr. LEWIS. Now, when you came back to Los Angeles, you were in a position to inspect at this end, some of the equipment as it came back from various sections of the Latin-American Highway, were you not?

Mr. POTTER. I was.

Mr. LEWIS. Do you remember a particular lot that came back from Costa Rica, where the contractor was the Martin Wunderlich Co., of Jefferson City, Mo.? It was the equipment that that contractor had used down there, and the Army engineers bought it after the job was over for a total of about $1,350,000. Mr. Leo Gibbons, who purchased it for the Army engineers, reported that the repair cost would be about $300 per item. Do you remember receiving that lot of equipment?

Mr. POTTER. I certainly do. I've never seen stuff in worse condition.

Mr. LEWIS. Tell us about it.

Mr. POTTER. Well, the caterpillar tractors have six rollers at the top and six at the bottom, on each side, to support the tracks. On one of them, I remember, there was only one roller left at the top and three at the bottom. In the transmission gear box on one of them, I found there was only one gear left, out of six. That was the general shape the stuff was in.

Mr. LEWIS. Let me interject here, ladies and gentlemen, that the actual cost to the Government of repairing this equipment, instead of being $300 each, was more than $5,000 each, and, at least some of the equipment then was sold back to contractors for as little as $3,500 each, to be put on new Government contracts again—to begin drawing new rentals.

Thank you, Mr. George Potter. Inasmuch as you still are employed by the Army engineers, I want you to know that I admire your patriotism and your integrity and your courage in appearing at this microphone.

Now, I want to bring back to the microphone, for just a moment, or two, Mr. Charles Claussen, the chief fiscal auditor for this whole Latin-American Highway project, whom we had on the air yesterday and the day before. Mr. Claussen, you were in a position to see the total figures on this project as a whole—not only the Nicaraguan section, but the whole thing, from Mexico down to the Panama Canal Zone. Out of the total cost of the project, what percentage—what part of the total—was equipment rental?

Mr. CLAUSSEN. I'd say it was between 30 and 35 percent.

Mr. LEWIS. So far as you know, is that about the normal ratio, not only for this Pan American Highway, as a whole, but also on other road building contracts and similar contracts elsewhere?

Mr. CLAUSSEN. Yes; just about that.

Mr. LEWIS. Which means that on a $100,000,000 job which might have a little fixed fee of about $4,000,000 for the contractor, he would actually draw not only that $4,000,000 but another thirty to thirty-five million dollars out of this equipment rental racket? provided, of course, he owned or could buy the equipment to rent to himself?

Mr. CLAUSSEN. That's right. He would draw in cash, for himself between thirty-four and thirty-nine million dollars.

Mr. LEWIS. Thank you, Mr. Charlie Claussen. You've been tremendously helpful, and I know every individual who has heard these broadcasts, thanks you for your contribution.

Now, ladies and gentlemen, that concludes the presentation of these first-hand statements, by which I wanted to lay the groundwork for you, in these reports on how the profits were taken out of this war by these Army engineer contracts.

There are many, many, more ramifications of the whole thing which I'll present to you from Washington, beginning with my next broadcast. For example, the contract for part of this Latin-American Highway in Costa Rica was awarded to a concern called the Foundation Co., of New York, which shipped huge quantities of equipment across the United States from Weymouth, Mass., after it had been accepted there by the Army engineers, to be transshipped here at Los Angeles to Costa Rica for the road construction job. When it got here to Los Angeles it was in such bad condition that even the inspectors who accepted the stuff that Swinnerton, McClure & Vinnell sent to Nicaragua wouldn't accept this. They rejected it flatly and sent it back to Weymouth, Mass. But all of that time the equipment was drawing full rental. The records show that the Foundation Co., of New York, never laid a square inch of the roadway it contracted to build; none of this machinery ever even reached the job. But the Army engineers settled that contract for a total of more than $1,700,000.

Let me remind you, once again, that that was your money. One million seven hundred thousand dollars paid out for a road of which the contractor never laid a single square inch. And the profits have been taken out of war.

Well, listen to this. If, on December 7, 1941—Pearl Harbor Day—you had had 10 hydraulic power units for use in connection with caterpillar tractors, which would have cost you a couple of thousand dollars second-hand—the 10 of them would only have cost about $2,500 new—you would have drawn, at the rental rates in these Army engineer contracts, a total of $40,500 to date. That would be strictly rental. You wouldn't move a finger. You wouldn't pay out a penny in upkeep or operating costs of any kind. You wouldn't do anything but sit at home in total leisure and receive your checks totaling $40,500 for 10 pieces of equipment which cost you $2,500 at a top 5 years ago. And you would have the guarantee of getting all 10 pieces of equipment back in perfect working condition when the party is over.

Mr. LA FOLLETTE. Mr. President, will the Senator yield to me?

Mr. ROBERTSON. I yield.

Mr. LA FOLLETTE. I wish to commend the Senator from Wyoming for having brought this matter to the attention of the Senate and the Nation, and indirectly to the Senate's Special Committee to Investigate the National Defense Program. As a Member of the Senate who has been very much interested in the work of that committee and who has on every occasion supported the work of the committee in connection with its appropriations, I wish to express my own opinion and my own hope that the committee will promptly and thoroughly investigate the matter, and will make a special report on it to the Senate and to the country.

Mr. ROBERTSON. I thank the Senator.

Mr. AIKEN. Mr. President, will the Senator yield to me?

Mr. ROBERTSON. I yield.

Mr. AIKEN. I also wish to commend the Senator from Wyoming for bringing this matter to the attention of the Senate, and I express the hope that he will be much more successful in obtaining action on it than I have been when I have presented before the Congress matters relative to corruption in Government. I also hope the Senator will be more successful than the Comptroller General of the United States has been.

The Comptroller General has made five reports to the Congress concerning irregularities on the part of the United States Maritime Commission in dealing with shipping companies, with the Navy, and with various individuals and corporations. I do not suppose that many Members of the Senate even know that those reports have been made. The first one was referred to the Committee on Expenditures in the Executive Departments, and was printed. Thereafter, this committee received no more of those reports.

In comparison with what has been going on in the Maritime Commission and perhaps in other departments of government, I think the matter to which Fulton Lewis and the Senator from Wyoming have referred is rather small-time stuff.

Within the next few days I expect to present to the Senate some facts which will show what is now going on in the

Maritime Commission's affairs. The disclosures will warrant the serious attention of the Congress and of the executive department of the Government as well.

I am in hope that now that we have in the White House one of our former colleagues, who was at the head of the Truman committee and who had an opportunity to become familiar and did become familiar with much of the corruption and graft which occur in our Government, we will get some action from him just as soon as he has the time to take it.

I see lying on my desk now papers relating to just one instance. The Government sold to a shipping concern five ships for the sum of $356,000. The ships subsequently deteriorated to a value of $202,000; but when the war came on the Maritime Commission paid the same company $3,294,000 for the five ships which it had sold the company years previously for $356,000.

In the RECORD there is testimony with reference to ships having been lost at sea on which a hundred times their book value was paid in insurance.

I wish to commend the Senator from Wyoming for what he has said. It is indicative of what has been taking place within the past few years, on large and small scales, in several departments of the Government, particularly departments which have not been under the control of the Comptroller General of the United States. It has also taken place in some other departments, such as the Maritime Commission, which have been under the Comptroller General's jurisdiction. However, when the Comptroller General submitted reports with respect to the situation he was unable to secure any action either on the part of Congress or the executive department.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5 d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. BREWSTER obtained the floor.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	O'Mahoney
Austin	Hart	Overton
Ball	Hatch	Pepper
Barkley	Hayden	Radcliffe
Bilbo	Hoey	Reed
Brewster	Johnson, Calif.	Revercomb
Bridges	Johnson, Colo.	Robertson
Briggs	Johnston, S. C.	Saltonstall
Brooks	La Follette	Shipstead
Buck	Langer	Smith
Burton	Lucas	Stewart
Butler	McCarran	Taft
Byrd	McClellan	Thomas, Okla.
Capper	McKellar	Thomas, Utah
Chavez	McMahon	Tobey
Donnell	Magnuson	Tunnell
Downey	Mead	Tydings
Eastland	Millikin	Wagner
Ellender	Mitchell	Walsh
Ferguson	Moore	Wherry
Fulbright	Morse	White
George	Murdock	Wiley
Gerry	Murray	Wilson
Green	Myers	Young
Guffey	O'Daniel	

The PRESIDING OFFICER. Seventy-four Senators have answered to their names. A quorum is present.

Mr. BREWSTER. Mr. President, in supporting the committee amendment to the bill now under consideration, I shall try to be as moderate as was the distinguished chairman of the committee, and also certain of the Members of the Senate who discussed the matter on this side of the Chamber. If my moderation continues, I shall not wish it to imply that there is no warrant for considerable heat being generated with regard to the matter inasmuch as it strikes very vitally at the prosperity of some industries in our country, particularly within my own State.

In order to eliminate all local and sectional controversy, at the very beginning I wish to point out that under the existing trade-agreement policies reductions were made on nine articles which very vitally affect industries in my State. There were bound free of tariff seven items.

The following items were bound free, and all of them benefit Canada: Pulpwood, wood pulp, sea herring, lobster, newsprint, hardwood, lumber and timber logs and round timber, and firewood.

These items, ones in which Canada was chiefly interested, were reduced: Lumber and timber; sporting goods—hockey sticks, toboggans, skis, and so forth; maple sugar; live poultry; fish—salmon, lake trout, and other, principally freshwater fish; blueberries, both fresh and frozen; apples; seed potatoes; and undressed furs.

So, this may discount any particular personal interest which I may have in this matter, although I do not think it is necessary to apologize for a Senator in this Chamber thinking somewhat of his constituents, as we come here, in one sense, as ambassadors of our several States. But I should wish to address myself to the proper forum on the question of this issue as it affects the Nation as a whole.

The first thing which strikes one in the consideration of this matter is that everyone seems to proceed upon the seemingly false premise that there is something vicious in seeking protection for industries in the United States. Yet when pressed I think everyone here, without exception, has declared his devotion to the protective principle. If this be correct, then the issue is not whether or not we shall have protection, but what degree of protection is adequate and how it shall be determined. I have heard no Senator stand on this floor and defend the principle of free trade, although that would seem to be implicit in the arguments which are presented for this measure, since they seem to proceed upon the theory that we ought to trade freely with the rest of the world and that if other nations can produce goods more efficiently than we can they should be allowed to export them to the United States. Everyone makes this bow at the shrine of protection, and then proceeds very promptly to raise almost a question as to the patriotism of anyone who dares to stand up and defend the very proposition for which he contends and to which he subscribes.

We are told that in the application of the protective principle we must trust the President. I do not think that any Member of the Senate has had more loyal or friendly regard for the one who is now President of the United States than myself, born out of an association on the committee which bore his name where I worked with him very intimately in all the activities of that committee for the past 4 years; but I am sure the President of the United States would be the first to ask that no sense of personal loyalty or of confidence be permitted to affect our consideration of this law.

One Member of the Senate yesterday said that he discussed the matter with officials of the State Department, and he had been assured that they would not injure any American industry; therefore, he was inclined to go along. Some of us have been here during the past decade when the reciprocal trade agreements program was being developed, and it has come home to us very forcibly that the President of the United States cannot possibly administer this law. The President of the United States has very many and very serious responsibilities, and, no matter how sincere he may be in his assurances that we are to be protected, it is absolutely impossible for him to have the detailed knowledge essential to determine whether or not any particular schedule will be adequate to achieve what we all agree we desire, and that is the protection of American industry. He must necessarily leave it to the State Department. It is at this point that difficulty has arisen, since in the course of the various hearings regarding the reduction of tariff schedules it has been the settled policy of the State Department not to disclose the names of the men responsible for the determination.

Some of us appeared before the Committee on Reciprocal Trade Agreements of the Tariff Commission and presented our case. I found many of my colleagues on the other side of the aisle also there pleading as earnestly as I was for the protection of some industry that very vitally concerned their States. After this had gone on for weeks without end, presenting as well as we could our arguments and our reasons and our considerations, we finally were told one day,

when the Committee on Trade Agreements apparently felt as though the joke had gone far enough, that we might holler our heads off, but that they did not know what became of the hearings which were held; that they were simply a bunch of stuffed stooges sitting there listening to everything we said, which was taken down by a reporter, that they transmitted it to the State Department, and what happened to it after that they had no knowledge.

I say this not in any criticism of the sincerity of those who assured us they would look out for us, but if we are to have the assurance that somebody is going to look out for us I should like to know who he is. I should like, under American procedure, at least to be able to know who are the individuals who are to decide in any particular case whether the industries of my State are to be crucified or inadequately protected. Yet throughout all the years of the administration of this law, so far as my knowledge goes, there has never been the disclosure at any time of the men who are administering the details of the act and the agreements under it.

Question has also been raised as to consideration by the Congress, and it has been intimated that we are a very improper tribunal to consider anything of this kind. I shall not undertake to defend the integrity or the intelligence of this body. Each Senator is fully capable of considering that for himself, although I blush to think that we should attribute to others a greater wisdom or greater patriotism than we have ourselves, but if any Senator wishes to do that he has that privilege.

Mr. President, it is interesting and significant that in all the wide sweep of this world, with all the forms of government of every kind which are functioning, there are only three countries on the globe that do not require agreements of this character to be submitted to their legislative bodies. I do not know whether it is a reflection on our legislative body or whether it indicates the others have some peculiar qualities that enable them to follow such procedure. The only countries on earth that do not require trade agreements to go before their legislative bodies for ratification, either before or after they are signed, are Belgium, Cuba, and Ecuador. Every other country on earth submits them to its parliamentary or legislative body for consideration and approval. I say this because of the suggestion that there is something very reactionary about the attitude of anyone who questions the wisdom of the unknown men who administer the Trade Agreements Act and the agreements under it.

There is also to be considered the fact that, entirely apart from the question of tariff duties, the whole situation is vitally affected by exchange control. It is now proposed in Canada, according to the reports in the press yesterday, that the dollar shall be revalued. That is a matter of very great concern to us in New England along the Canadian border, because our relations there are very intimate. In the State of Maine we are practically landlocked in Canada, and other States are similarly affected.

If the reported action of Canada in revaluing the dollar were carried into effect, instantly it would affect every trade agreement we have. Great Britain meanwhile is carrying on with the so-called sterling bloc, which means that all dollars going into the sterling bloc are under British control. Purchases are not allowed outside of areas which meet with the approval of the British Government.

Mr. Churchill, in a statement to the Parliament of his party policy in the coming campaign, has made it very clear that he does not propose to approve any action which shall endanger the British Government's control of this situation. That is a sufficient indication that we in America have a similar responsibility to make sure that we shall not endanger our liberty. Yet what have we done? Under the authority to the President to bind items on the free list, which he has exercised, the powers of the Congress are absolutely circumscribed. This is done under the guise of removing impediments to trade. Yet, by the action of the President in binding nine items in the Canadian agreement on the free list, if at any time in the next 3 years ensuing it should be found that we were being very adversely affected, our hands would be tied unless we resorted to one or the other of the escape clauses, under which it is very difficult to establish our rights to redress.

We also find the policy of Empire preferences entering into the picture. I have no quarrel with the policies of Great Britain, with her seeking to develop trade among her vast dominions, and seeking to improve primarily British interests, enforcing the policy of Mr. Churchill, who declared that he does not propose, as Prime Minister, to carry on the liquidation of the British Empire. I think that was a very high and a very patriotic statement. I do not think any Member of this body needs to be concerned if he shall utter similar sentiments regarding the economy and the industry and other activities of the members of the British Commonwealth.

The policy of Empire preferences naturally runs athwart the entire theory on which trade agreements have been negotiated, and having gone ahead in all good faith to negotiate the British agreement, leaving this country still with the rights stipulated under the old agreement, it seems to me that the remaining power in the President to negotiate trade agreements within the 50-percent limitation originally prescribed affords all our British friends can properly expect of us, mindful of the fact that we have now reduced our tariff schedules to an average of 31 percent, only 4 percent above the so-called Underwood tariff, which was the lowest in our history.

The senior Senator from Illinois [Mr. LUCAS] put into the RECORD certain statements regarding comparative tariff rates. I am sure he had no intention of misleading, yet I think his statement needs amplification in order to be clarified.

I have before me a statement showing the average ad valorem rates of duty on imports into the United States, by years, under specified tariff acts, from the year 1910 down to date. The statement was issued by the statistical division of the United States Tariff Commission. From this table, one could prove almost anything he desired. For instance, under the Underwood law, which has been so highly praised by some Senators, I could show that the ad valorem rates were 37 percent, as against the 31 percent now prevailing. That would be true in the year 1914, the first year when the Underwood law went into effect, on October 4, 1913. In the following year the average rates were 37.6 percent ad valorem.

On the other hand, taking the average under the Underwood law for the 10 years from 1914 to 1922, during which it was in effect, the average was 27 percent.

I ask that this entire schedule be incorporated in my remarks at this point, in order that there may be no misapprehension anywhere as to the exact course of ad valorem rates under the various tariff laws.

The PRESIDING OFFICER (Mr. MCMAHON in the chair). Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Average ad valorem rates of duty on imports into the United States, by years, under specified tariff acts

[There are 2 fundamental difficulties in measuring average rates of duty under different tariff acts by the use of statistics of imports: (*a*) The change in the character and quantity of the articles imported from year to year, and still more from decade to decade; (*b*) the change in the general price level and even in the prices of single major commodities. Unless due regard is given to these changes, comparisons between different years are likely to be misleading]

Fiscal years 1910–18; calendar years 1919 and succeeding years	Imports for consumption							
	Free	Percent free	Dutiable	Percent dutiable	Total	Duties collected	Equivalent ad valorem rates	
							Dutiable	Free and dutiable
Payne-Aldrich law:								
Effective Aug. 6, 1909:							*Percent*	*Percent*
1910	$761, 353, 000	49.2	$785, 756, 000	50.8	$1, 547, 109, 000	$326, 562, 000	41.6	21.1
1911	776, 964, 000	50.8	750, 981, 000	49.2	1, 527, 945, 000	309, 966, 000	41.3	20.3
1912	881, 513, 000	53.7	759, 210, 000	46.3	1, 640, 723, 000	304, 899, 000	40.2	18.6
1913	986, 972, 000	55.9	779, 717, 000	44.1	1, 766, 689, 000	312, 510, 000	40.1	17.7
Annual average, Payne-Aldrich law	851, 701, 000	52.6	768, 916, 000	47.4	1, 620, 617, 000	313, 484, 000	40.8	19.3

Average ad valorem rates of duty on imports into the United States, by years, under specified tariff acts—Continued

Fiscal years 1910–18; calendar years 1919 and succeeding years	Imports for consumption							
	Free	Percent free	Dutiable	Percent dutiable	Total	Duties collected	Equivalent ad valorem rates	
							Dutiable	Free and dutiable
Underwood law:								
Effective Oct. 4, 1913:							*Percent*	*Percent*
1914	$1,152,393,000	60.4	$754,008,000	39.6	$1,906,400,000	283,719,000	37.6	14.9
1915	1,032,863,000	62.7	615,523,000	37.3	1,648,386,000	205,747,000	33.4	12.5
1916	1,495,881,000	68.6	683,153,000	31.4	2,179,035,000	209,726,000	30.7	9.6
1917	1,852,531,000	69.5	814,689,000	30.5	2,667,220,000	221,659,000	27.2	8.3
1918	2,117,555,000	73.9	747,339,000	26.1	2,864,894,000	180,590,000	24.2	6.3
1918 (July-December)	1,149,882,000	79.1	303,079,000	20.9	1,452,961,000	73,854,000	24.4	5.1
1919	2,711,462,000	70.8	1,116,221,000	29.2	3,827,683,000	237,457,000	21.3	6.2
1920	3,115,958,000	61.1	1,985,865,000	38.9	5,101,823,000	325,646,000	16.4	6.4
1921 [1]	1,564,278,000	61.2	992,591,000	38.8	2,556,869,000	292,397,000	29.4	11.4
1922 [1]	1,888,240,000	61.4	1,185,533,000	38.6	3,073,773,000	451,356,000	38.1	14.7
Annual average, Underwood law	1,903,268,000	66.3	968,211,000	33.7	2,871,479,000	261,279,000	27.0	9.1
Fordney-McCumber law:								
Effective Sept. 22, 1922:								
1923	2,165,148,000	58.0	1,566,621,000	42.0	3,731,769,000	566,664,000	36.2	15.2
1924	2,118,168,000	59.2	1,456,943,000	40.8	3,575,111,000	532,286,000	36.5	14.9
1925	2,708,828,000	64.9	1,467,390,000	35.1	4,176,218,000	551,814,000	37.6	13.2
1926	2,908,107,000	66.0	1,499,969,000	34.0	4,408,076,000	590,045,000	39.3	13.4
1927	2,680,059,000	64.4	1,483,031,000	35.6	4,163,090,000	574,839,000	38.8	13.8
1928	2,678,633,000	65.7	1,399,304,000	34.3	4,077,937,000	542,270,000	38.8	13.3
1929	2,880,128,000	66.4	1,458,444,000	33.6	4,338,572,000	584,837,000	40.1	13.5
1930 (Jan. 1–June 17)	1,102,107,000	64.6	603,891,000	35.4	1,705,998,000	269,357,000	44.6	15.8
Annual average, Fordney-McCumber law	2,565,490,000	63.8	1,458,080,000	36.2	4,023,570,000	561,615,000	38.5	14.0
Hawley-Smoot law:								
Effective June 18, 1930:								
1930 (June 18–Dec. 31)	979,016,000	69.5	429,063,000	30.5	1,408,079,000	192,528,000	44.9	13.7
1931	1,391,693,000	66.6	696,762,000	33.4	2,088,455,000	370,771,000	53.2	17.8
1932 [2]	885,536,000	66.8	439,557,000	33.2	1,325,093,000	250,600,000	59.1	19.6
1933	903,547,000	63.1	529,466,000	36.9	1,433,013,000	283,681,000	53.6	19.8
1934	991,161,000	60.6	644,842,000	39.4	1,636,003,000	301,168,000	46.7	18.4
1935	1,205,987,000	59.1	832,918,000	40.9	2,038,905,000	357,241,000	42.9	17.5
1936	1,384,937,000	57.1	1,039,040,000	42.9	2,423,977,000	408,127,000	39.3	16.8
1937	1,765,248,000	58.6	1,244,604,000	41.4	3,009,852,000	470,509,000	37.8	15.6
1938	1,182,696,000	60.7	766,928,000	39.3	1,949,624,000	301,375,000	39.3	15.5
1939	1,397,280,000	61.4	878,819,000	38.6	2,276,099,000	328,034,000	37.3	14.4
1940	1,648,965,000	64.9	891,691,000	35.1	2,540,656,000	317,711,000	35.6	12.5
1941	2,030,919,000	63.0	1,191,035,000	37.0	3,221,954,000	437,751,000	36.8	13.6
1942	1,767,592,000	63.8	1,001,693,000	36.2	2,769,285,000	320,117,000	32.1	11.6
1943 [3]	2,180,826,000	64.5	1,200,054,000	35.5	3,380,880,000	391,540,000	32.6	11.6
1944 [3]	2,707,103,000	69.9	1,164,693,000	30.1	3,871,796,000	368,234,000	31.6	9.5

[1] The Emergency Tariff Act became effective on certain agricultural products on May 28, 1921, and continued in effect until Sept. 22, 1922.
[2] Subsequent to June 21, 1932, certain commodities which had previously been on the free list were made taxable, and since that date have been reported as dutiable commodities. The principal commodities affected were petroleum, copper, lumber, and coal.
[3] Preliminary.

Mr. BREWSTER. Mr. President, I call attention merely to the fact that whereas the Senator from Illinois [Mr. LUCAS] used a comparison of the years 1935 to 1943, showing an average rate of 37 percent under existing schedules at that time, if he had come down to 1940 or 1941, he would have derived a very different result. It seems to me that in considering the matter as to what are our tariff rates under existing law as affected by the reciprocal trade agreements, it would be much more appropriate for the Senate to consider them on the basis of the situation prevailing today.

From this record I find that in 1944 the average ad valorem rates under existing law and agreements comparable with the 27 percent under the Underwood law are 31.6 percent, and if the President shall see fit at any time in the next 3 years to exercise the authority which would be given to him under the extension of the act, with the committee amendment, he could reduce them to the level of the rates of the Underwood law, which it seems to me is all any good advocate of protection or of more liberal trade agreements could possibly desire. So the suggestion that we must, somewhat blindly, give to the President any authority which he may request seems to me to meet the challenge of the facts as they exist, that is, that we have already given the authority; it has not been exercised in the past 10 years, but it still exists, and under it the President can reduce the schedules below those provided in the Underwood Act.

When it is said now that we should assume the responsibility of giving the President—and when I say the President, as I have pointed out, in reality the work is done by some unknown figures who exercise this authority and whom we do not now know—when it is said we should assume the responsibility of giving them authority to reduce the schedules, not to the 27 percent of the Underwood law, but to 16 percent, I feel that none of us is justly subject to criticism if we say that in the present unsettled conditions in the world, with the economic and other arrangements incident to San Francisco still to be determined, we feel we should pause and consider the 31-percent rates.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BREWSTER. I am happy to yield.

Mr. PEPPER. I am somewhat troubled in seeking to find what the real reason for the opposition to the bill is. Of course, not all laymen understand, but an able Senator like the Senator from Maine understands very thoroughly——

Mr. BREWSTER. How long has the Senator been listening to me?

Mr. PEPPER. Anything the Senator says is always clear and indicates very full information.

Mr. BREWSTER. I thought I had made my position clear.

Mr. PEPPER. I say the layman does not always understand the effect of a law, because it is not always correctly portrayed to him, but the Senator from Maine clearly understands its effect, and this law does not lower a single tariff rate in the whole American schedule. That is correct, of course, is it not?

Mr. BREWSTER. I regret that the Senator from Florida has not been present to hear my eloquent discourse hitherto, in which I discussed the whole question to which he refers and pointed out that one of my initial objections was that we had no means of ascertaining who were those responsible for determining the reductions in the tariff rates. That was my initial complaint.

Mr. PEPPER. I do not think the able Senator from Maine can elucidate his wide knowledge and find himself unable to discover where the trouble would be, in reducing the rates. Reciprocal trade agreements are not new. They have been in effect practically since the democratic administration has been in office.

Time after time they have been authorized by the Congress of the United States. There is an established procedure for their operation. So we speak from experience and not from speculation when we contemplate what will be the effect of such a law as is proposed.

Mr. BREWSTER. Again I express my regret, Mr. President, that the Senator from Florida was not present when I went into that matter in great detail. I outlined the procedure which took place in the reciprocal trade hearing in which I was associated with the distinguished Senator from Florida in pleading that there should not be a reduction of duties on certain items which vitally affect our own States.

Mr. PEPPER. Very well; but someone has to make a decision as to what is in the public interest.

Mr. BREWSTER. Very well. Will the Senator tell me——

Mr. PEPPER. And the power with respect to tariff rates would be conferred upon representative and responsible representatives of the Government.

Mr. BREWSTER. I am sorry again; but my complaint was that we had never been able to find out—and perhaps the Senator from Florida, with his unusual sources of information, was better informed than we were——

Mr. PEPPER. They are quite unusual when I obtain access to the great storehouse of memory of the Senator from Maine.

Mr. BREWSTER. None of us were able to find out who were the men who determined finally the changes to be recommended to the President.

Mr. O'MAHONEY. Mr. President, will the Senator permit me to make a comment?

Mr. BREWSTER. Yes.

Mr. O'MAHONEY. The Senator from Florida said that the decisions would be made by representative and responsible officials of the Government. I say that if that were so we would have no complaint. The officials who make decisions are neither representatives nor responsible. They are not chosen by the people. The people do not know who they are, and they are not responsible to anyone.

Mr. PEPPER. Mr. President, when the Senator says that about the Secretary of State of the United States and the President of the United States, it amounts to an extraordinary declaration on his part, because the Secretary of State and the President of the United States have to give their assent to the negotiation of trade treaties; they have to negotiate them; they have to promulgate them and proclaim them; and without their having done it, they do not become law. So if Senators do not like what they do, they know where they are and can appeal to them.

Mr. BREWSTER. Mr. President, I used a little different language than that used by my friend the Senator from Wyoming. When I spoke of it, I said we had no knowledge or means of knowledge, although we sought it eagerly, of the men who really examined the records and made the determination as to what reductions would be recommended to the Secretary of State and the President, and, as I have previously pointed out—and I am sure the Senator from Florida will agree with me—the President of the United States and also the Secretary of State are utterly unable personally to handle these matters. They necessarily have to be governed by the recommendations which come up from below, from some men whom we have never been able to discover.

Mr. PEPPER. If the Secretary of State can handle such intricate matters as the formulation of a world peace organization upon the advice of people down the line and in collaboration with them; if the President of the United States can carry on his terrific responsibilities in every sphere of government—of course, he makes himself accountable to the people, but depending, of necessity, upon his advisers and counselors; if the President of the United States can wage war and make peace, and conduct the domestic economy in every other aspect, I think he is capable of acting in a responsible capacity when it comes to tariff schedules which may happen to step on somebody else's selfish toes.

Mr. BREWSTER. I do not think the Senator from Florida intends to defend such a completely totalitarian philosophy as that indicated by his abdicating responsibility to the President, and I think the present President of the United States would be the first one to repudiate it.

I expect to go along with the Senator on the San Francisco Conference agreement and other matters, as I have gone along during many years with respect to most of the foreign programs; but I do not think that requires me to assume the omniscience or recognize the omnipotence of President Truman, whom we highly regard, in determining what is adequate protection for live poultry in my State, for salmon and fish of all kinds, for blueberries, for seed potatoes, or even undressed furs. I think the President really has something else to do, and I do not think he can determine that question.

Mr. PEPPER. Yes; but if the Senator will allow one more interruption, the old, old rule is that we all have rights which ought to be without limitation except when they trespass upon the rights of somebody else. It is like the fellow who going down the street swinging his arms, hit another fellow over the nose. When the man who was hit protested, the first man said, "Have I not a right to swing my arms anywhere I want to?" The one whose nose was hit said, "Yes; but where my nose begins your right ends."

Where the right of an individual manufacturer to receive protection adversely affects the public interest his right ends. All the law does is to bring tariff schedules into a fair and just relationship to the national interest, because our foreign-trade policies affect the whole country. We cannot give undue protection to one particular industry to the detriment of the national interest. So all the Trade Agreements Act does is to give authority, after full hearing and presumably full examination, at least to make a decision as to what kind of a tariff policy will be in accord with private interests and in accord with the national interest.

Mr. BREWSTER. Will the Senator from Florida advise me whether he believes in the principle of protection?

Mr. PEPPER. I believe in the principle of proper protection, but that does not mean that we should build up a tariff wall and not make selective lowerings of the tariff. It does not mean that we should impose an arbitrary prohibition and say to other peoples of the world, "Thou shalt not pass." There is no man more interested in the national welfare and more patriotic than the Senator from Maine, and, of course, he does not want anything for his people or for anyone else which is not generally in the public interest. But in the long run, not only are they good for the national interest, but selective tariff lowering reasonably negotiated with full knowledge of all the attendant circumstances, including peculiar detriments to any business or industry, is in the interest of the business and the industry if it is rightly done, as well as in the public interest.

Mr. BREWSTER. Will the Senator from Florida tell me how he determines whether any particular industry is entitled to protection, and how much?

Mr. PEPPER. If this law is continued in effect, as it has been in effect for the past several years, and if the State Department initiates an inquiry—I assume it is the State Department which initiates it—or if some other department of the Government initiates an inquiry and finally comes to the conclusion that it would be in the public interest to try to——

Mr. BREWSTER. That is too broad language. I wish the Senator would be more definite. "Public interest" is a very broad term.

Mr. PEPPER. If it would be to the advantage of the United States to let certain commodities come in from Cuba, so that Cuba would import certain commodities from this country in return, then those conducting the inquiry would canvass the situation, ascertain what affect the importation of the commodities from Cuba would have on industries engaged in the same business in this country. In order to make a determination they would have public hearings; they would let the industry come in and be heard; they would let them file briefs; they would let them make arguments; they would let them make a showing; and, eventually, after the State Department and other governmental departments had considered the matter, then they would make a decision, as they do about other public matters, as to whether it would be unfair and unjust to a particular individual or to an industry to initiate the agreement and let the commodities come in from Cuba so that Cuba could buy certain other commodities from this country. That is the way it operates.

Mr. BREWSTER. Let us take the Senator's analogy, which I think is a very good one. The Senator wants to sell more goods to Cuba, so he would consider what reduction we would make in certain schedules in order to permit Cuban goods

to come into this country, so that Cuba could buy more of our goods. Is that correct?

Mr. PEPPER. Yes; that is correct.

Mr. BREWSTER. How is that affected by the fact that practically every other trading nation on the earth immediately receives the benefit of the same reduction?

Mr. PEPPER. That is taken into consideration also in the decision which is made, because those who make the decision know that that is the effect of the decision. The benefit does not go only to Cuba. Under the most-favored-nation clause the same benefit goes to other countries. That is all taken into consideration in the decision which is made.

Mr. BREWSTER. But it certainly affects us very vitally whether or not we will be able to buy anything more from Cuba, does it not?

Mr. PEPPER. It affects the question whether we will be able to buy from them. Our way of buying from them is to let them send something here.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. O'MAHONEY. The illustration of Cuba, I think, is particularly appropriate. Cuba produces a great deal of sugarcane. The State of Florida grows a great deal of sugarcane, as does the State of Louisiana. Under the system which is in operation, and which the Senator from Florida praises, the unnamed, anonymous experts of the Department of State, who exercise the judgment to which the Senator from Florida has referred, as to what is best for the people of Florida and the people of Cuba, listen politely, if they happen to be upon the committee of information——

Mr. BREWSTER. Which they rarely are.

Mr. O'MAHONEY. They rarely are. They listen politely to what Senators from Florida, Maine, Wyoming, and Louisiana may have to say. They give no indication of what their decision may be. They extend no opportunity for any appeal from their judgment. They then reach a decision. That decision is rendered in secret. It is rendered behind closed doors. When it is made public it is already effective, because the trade agreement has been signed. So under this system the Senator from Florida, the Senator from Maine, the Senator from Louisiana, and all the rest of us——

Mr. BREWSTER. Let me point out that Cuba is an unhappy illustration, because Cuba is one of the three other countries of the world which can make executive agreements without consideration of its Parliament. In all the other countries of the world an agreement would not be effective until it had gone to the legislature and been considered. In this instance Cuba would be immediately effective.

Mr. O'MAHONEY. The great representative of popular government excludes the people from any voice in determining what is to be done. If these anonymous experts reach the decision that it is good for the United States as a whole to export some type of machinery to Cuba, and in exchange to give Cuba the opportunity of sending in enough sugarcane to injure the sugar industry of Florida, that decision is rendered by the experts behind closed doors, without any opportunity on the part of the Senator from Florida or any other Member of Congress to say "Aye," "Yes," or "No" about it. It seems to me that that is certainly not popular government.

Moreover, we know that in Cuba the workers on the sugar plantations are poorly paid and poorly housed. They are among the most exploited of people. That is not the condition in Florida. It is not the condition in Louisiana, or in any of the sugar-beet-producing States. The sugar industry in the United States is made subject to destruction by the decision of these unknown officials, who are exercising a power which the Constitution of the United States vested in the Congress.

Let me say to the Senator from Florida that the situation which he describes, and apparently praises, is a perfect example of the state-managed economy. Persons who presume to know what is good for the rest of us render the decision, and we must follow it. It seems to me that that is a very unwise system to follow at this juncture of world economic history.

In San Francisco today the representatives of 50 nations are gathered. They are endeavoring to work out a world security organization. One of the most important elements in that world security organization is the Economic Council, where an effort will be made, under the rules and regulations laid down in the World Security Organization, to solve questions of world trade openly and regularly—a very different situation from that which exists under the Reciprocal Trade Agreements Act.

Mr. BREWSTER. May I suggest "open covenants openly arrived at"?

Mr. O'MAHONEY. Of course. I am glad the Senator mentioned that, because it reminds me of another remark which the Senator from Florida made.

In the negotiation of the world security agreement at San Francisco great care has been taken to secure the active participation not only of the Senate, but of the House as well. Distinguished Members of this body and distinguished Members of the House were specifically appointed by the President and sent to San Francisco to share in building up the World Security Organization. But when it comes to drafting the trade agreements, we are carefully excluded, and denied the opportunity to represent our people.

Mr. BREWSTER. In the entire development of the San Francisco agreement throughout the past 2 years, the State Department has been in almost constant consultation with eight Members of this body, who have been fully advised, as we understand, as to every phase; and yet when it comes to our economy we are helpless.

Mr. O'MAHONEY. Not only are we helpless; but the members of the Committee on Finance of the Senate, which has reported this bill, and the members of the Ways and Means Committee in the House do not have the slightest idea who the persons are who will exercise the authority which is to be delegated.

Mr. PEPPER. Mr. President——

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. PEPPER. Mr. President, I should like to make one observation, and then sit down.

Mr. BREWSTER. I should like to make a comment on the sugar situation. Supplementing what has been said with regard to sugar, I was informed some years ago by the chairman of the Caribbean Commission in this country that under this program, by reason of changes in tariff rates, changes in quotas, and other provisions, by purely Executive action, the return for the Cuban sugar crop had been increased by $50,000,000. What an extraordinary power to be within the hands of a single man, a single executive, or, as the Senator from Wyoming has said, these anonymous experts, whom we do not know. Whether or not the power has been wisely exercised, I leave to Senators from sugar-producing States to decide. I do not know. All I know is that we pay.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. PEPPER. In the first place, it is extremely difficult for me to understand how able Senators can rise on this floor and denounce the act as conferring authority upon a group af anonymous bureaucrats to deal with the economy of this country when on the face of the bill appears this language:

> *Be it enacted, etc.*, That the period during which the President is authorized to enter into foreign trade agreements under section 350 of the Tariff Act of 1930, as amended and extended, is hereby extended for a further period of 3 years from June 12, 1945.

That is the same way in which the President, under the War Powers Act, was authorized to carry out the war power. It is exercised not through a group of anonymous and irresponsible people, but in the name of the President of the United States. He is responsible and accountable for what he does. Senators cannot get behind the cloak of anonymity and talk about some fellow away down the line in some secret place, whom they cannot see, and try to fasten upon him some imaginary fault or responsibility. The Congress of the United States is vesting this authority in the President; and if he does not exercise it properly, we know whom to call to account.

Mr. BREWSTER. How much time does the Senator think the President of the United States can give to this duty?

Mr. PEPPER. That is the President's job.

Mr. BREWSTER. How much time can anyone expect the President of the United States to give to the determination of 1,190 tariff schedules which have already been reduced? Each of those schedules involves a record consisting of thousands of pages. The total record consists of millions of pages; and the President of the United

States is expected to pass upon those questions.

Mr. PEPPER. The President of the United States, plus responsible officials to whom the task is delegated.

Mr. BREWSTER. And who are absolutely unknown to this body.

Mr. PEPPER. Let me answer the question.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. PEPPER. The President of the United States, with his responsible officials, can devote more time to it than can United States Senators in the consideration of a logrolling tariff bill.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. BREWSTER. I am very happy to yield.

Mr. BARKLEY. A moment ago the Senator from Wyoming suggested that the members of the Finance Committee had not the slightest knowledge as to the identity of the men who represented the various departments in the preliminary hearings with respect to the trade agreements.

Mr. O'MAHONEY. I did not refer to those who represent the departments, not at all. Of course, I know that those who represent the departments may be known to the members of the committee. I am talking about the experts who work out the schedules, because I have been informed that their names are deliberately kept secret.

Mr. BARKLEY. No such information as that came to the Committee on Finance. If the Senator will read the hearings before the Committee on Finance on this legislation, he will learn that, with the exception of one temporary vacancy, the names of those who represented the various departments which participate in these negotiations were given to the Finance Committee and are a part of the hearings which are now before the Senate. It is not accurate to say that the Finance Committee had no knowledge as to who participated.

Mr. BREWSTER. Mr. President——

Mr. MURDOCK. Mr. President, will the Senator yield to me?

Mr. BREWSTER. First, I should like to reply to the Senator from Kentucky.

Do I correctly understand that they indicated not only the men who were doing this, but the particular schedules with which they were concerned? After all, that is the vital point.

Mr. BARKLEY. They gave to the Committee on Finance the names of the representatives of each of the departments who sit in on the proceedings, and with one exception where there is a temporary vacancy, the names were given, and they appear in the hearings.

I do not mean to state or to intimate that all the way down the line are the representatives of the departments, including every expert and every clerk and every economist named in the testimony of those who appeared before the committee. But certainly it is not correct to state that the Finance Committee had no knowledge of those who sit in on the various proceedings in regard to the negotiation of the trade agreements—negotiations which last all the way from 5 months to even more than a year, from the time when they begin until finally the trade agreement is entered into.

I do not assume that the Senator would expect us to name every individual who sits in or who stands by, and is in a position to give information to those who are negotiating the agreements. But certainly they are entered into carefully and meticulously, after minute investigation, after everyone has been given an opportunity to be heard. I do not think it is quite fair to the Committee on Finance or to the State Department or the Commerce Department or War Department or the Navy Department or the Tariff Commission or, now, the OPA, to say that the Finance Committee received no information as to how these agreements are made.

Mr. BREWSTER. Mr. President, I am sure the Senator from Wyoming did not mean to indicate that we expect to get all such information at the start. What disturbed us throughout the investigations—and I do not know whether the Senator from Kentucky was there to make representations on behalf of some of his constituents or the industries or products of his State—was that after we had presented our case and after the proceeding had continued for several weeks, the committee finally advised us in a rather kindly and paternalistic fashion that it did not matter how much noise we made because they themselves did not know who determined this thing, that they took the record as we submitted it to them, and that the judges to whom we thought we were talking were not our judges at all, but that the case went over, as the Senator from Wyoming has pointed out, to some unknown, anonymous experts in the Department of State, and the names of those experts and the schedules with which they deal have never hitherto been disclosed to anyone on this side of the Chamber, so far as my knowledge goes.

Mr. BARKLEY. I do not think the fact that a man serving in a department may be anonymous, in a sense, is a reflection upon his ability or sincerity in dealing with such a question.

Mr. BREWSTER. No; I do not think so, either, of course.

Mr. BARKLEY. I doubt whether any Member of the Senate would attempt to reveal the names of all those who deal with these problems.

Mr. BREWSTER. But does the Senator think it is unreasonable to ask that the chief men who deal with these problems should be known to the Senate?

Mr. BARKLEY. Of course, the chief man——

Mr. BREWSTER. Mr. President, I said the chief men, not the chief man.

Mr. BARKLEY. I was about to say that the chief man is the President of the United States; and from him, on down in gradation, are the chief men in the various departments who are consulted. I doubt whether we could get down to the lowest stratum of those who take some part in the proceedings, but I think these matters are dealt with by men who are experts. I realize that the term "expert" is an offensive one. I know the term is unpopular, because some one once described an expert as a man who knows less and less about more and more. But, regardless of that, they are men who make a specialty of obtaining information with respect to certain things with which we have to deal.

Mr. BREWSTER. If I may correct the quotation, I should like to say that an expert knows more and more about less and less, until finally he knows everything about nothing. [Laughter.]

Mr. BARKLEY. Well, it is equally forceful, no matter whether it is stated in reverse or the other way around. A person could know less and less about more and more, or more and more about less and less. The sum total is about the same when the end of the road is reached.

Mr. BREWSTER. That is correct, and that is why we would like to know the names.

Mr. BARKLEY. I cannot give all the names.

Mr. O'MAHONEY. Mr. President, if the Senator will yield to me, let me say that I hold in my hand the United States Government Manual, 1945—first edition. When the Senator from Kentucky rose to speak, I sent for it, because it purports to be the official document which tells us precisely "who's who" in the Government of the United States.

On page 205 of this Government manual—which is published, by the way, under the authority of the Division of Public Inquiries, Office of War Information—I read the following:

COMMITTEE FOR RECIPROCITY INFORMATION

(Tariff Commission Building, E Street between Seventh and Eighth Streets NW.; National 3947)

MEMBERS

Chairman: Lynn R. Edminster (Vice Chairman, U. S. Tariff Commission).
Representatives of:
Department of State.
Department of the Treasury.
Department of Agriculture.
Department of Commerce.
Special assistant and executive secretary: Edward Yardley.

I think the Government Manual has very successfully concealed any information as to the identity of the individuals who constitute the Committee for Reciprocity Information.

Mr. BREWSTER. I think it should be clear that the Committee on Reciprocity Information has nothing to do with the determination of the reductions. The committee exists merely to receive information.

Mr. O'MAHONEY. The Senator is quite correct.

Let me say further that on page 581, I find the following notation, under the heading "Negotiation of foreign trade agreements":

The Trade Agreements Act of June 12, 1934, designated the Tariff Commission as a source of information and advice to the President in the negotiation of foreign-trade agreements involving modifications of tariff rates. The Commission, together with other governmental agencies, assists the Department of State in the preliminary examination and preparation of material for actual negotiations, and the Commission is represented on the various committees of the trade-agreements organization. Considerable assistance also is furnished to the Committee for Reciprocity Information, and the hearings of the

Committee are held in the offices of the Tariff Commission.

Then, on page 615, there is the following notation:

Committee for Reciprocity Information: Transferred by Executive Order 8190 of July 5, 1939, to the Department of State, to be administered under direction of Secretary of State. Effective July 1, 1939.

There is the sum total of the information which is available.

Mr. President, the fact of the matter is, according to my knowledge, that these individuals change from time to time, and there is no possibility of actually determining who does the precise act which the Congress of the United States, under the Constitution, is supposed to do.

Mr. GEORGE. Mr. President, if the Senators really wish to have some information, I shall try to supply a little of it.

At the present time the membership of the Trade Agreements Committee is as follows.

Mr. BREWSTER. To what date is the Senator now referring?

Mr. GEORGE. I am reading from page 88, part II of the hearing held on May 31, 1945.

Department of State, Charles Bunn, chairman; Department of Treasury, V. Frank Coe; Norman T. Ness, alternate; Department of Agriculture, Leslie E. Wheeler, G. B. L. Arner, alternate; Department of Commerce, Amos E. Taylor, H. P. Macgowan, alternate; United States Tariff Commission, Oscar B. Ryder, Lynn R. Edminster, alternate; Office of Price Administration, vacant.

The Committee for Reciprocity Information is composed of the following: Tariff Commission, Lynn R. Edminster, chairman; Department of State, Charles Bunn; Department of Treasury, V. Frank Coe, Norman T. Ness, alternate; Department of Agriculture, Edward A. Foley, G. B. L. Arner, alternate; Department of Commerce, Amos E. Taylor, H. P. Macgowan, alternate; secretary, Edward Yardley.

If Senators will be good enough to refer to the hearings they will find the entire procedure which every trade agreement follows from the beginning to the end.

Mr. TAFT. Mr. President, will the Senator refer to the page of the hearings from which he has been reading?

Mr. GEORGE. I have been reading from page 88, of part II, of the hearings.

Mr. BREWSTER. Am I to understand that the information which the Senator from Georgia has just given has been available heretofore?

Mr. GEORGE. It has always been available.

Mr. BREWSTER. I am quite sure the Senator is in error in that statement. I tried very earnestly 6 years ago to get such information and it was utterly unavailable. Do I understand that we will now be kept informed of changes in the committees from time to time, or are we to be refused information when we ask for it, relating, for example, to the schedules now under discussion? Does the Senator from Georgia know?

Mr. GEORGE. I have never known of a refusal to furnish information in regard to committees.

Mr. BREWSTER. That was the settled policy of the administration for many years.

Mr. GEORGE. It may be that they would not wish to disclose the name of a particular person who was working on a certain schedule. There might be abundant reason for that.

Mr. BREWSTER. That is the very thing about which we have been complaining.

Mr. GEORGE. Yes. That person may be working as a ministerial officer. Here is the set-up: The President of the United States is the head of the agreements organization, and under him directly is the Secretary of State who, at the present time, is Mr. Stettinius. Under the Secretary of State is the Committee for Reciprocity Information, the names of the members of which I have read to the Senate. That committee holds hearings on all trade agreements which are brought forth for consideration.

Mr. BREWSTER. However, they are not responsible for what takes place subsequently.

Mr. GEORGE. The Secretary of State and, finally, the President of the United States are responsible for what finally happens.

Mr. BREWSTER. The Committee on Reciprocity Information does not determine the recommendations. I believe that the other committee, the names of the members of which the Senator previously read, determines recommendations.

Mr. GEORGE. I was about to finish, if the Senator will permit. Under the Secretary of State comes also the Interdepartmental Trade Agreements Committee.

Mr. BREWSTER. Yes.

Mr. GEORGE. That committee is composed of representatives from the State Department, the Department of Commerce, the Treasury Department, the Tariff Commission, the Office of Price Administration, and, by the terms of the pending bill, representatives of the Army and Navy for the purpose of protecting the military and naval interests of the country in respect to strategic and critical materials.

Mr. BREWSTER. Am I to understand that the Senator from Kentucky and the Senator from Georgia believe that it would not be proper for the people of the United States to know the name of the ministerial officer who is responsible for making recommendations in regard to any particular schedule?

Mr. GEORGE. It would not necessarily be proper for someone in any department to be known to certain interests in this country. I served in the Senate when the Smoot-Hawley Tariff Act was written, and not until almost the end of the hearings did the members of the committee discover that a secretary of the manufacturers of a particular State was the confidential adviser to a Senate member of that committee. It may be proper to obtain information wherever one may wish to obtain it, but it is quite another thing for someone to be brought into a committee who is really representing special interests, and there have the right to participate in the sessions of the committee which is charged with something more than a responsibility to special interests that are looking for protection.

Mr. BREWSTER. I am sure the Senator from Georgia does not mean to imply that anything which I have said indicated that I desire to have any such representative placed in the situation to which the Senator has referred.

Mr. GEORGE. No; but I wish to make the situation perfectly plain. There would be terrific pressure on a clerk in any department of the Government——

Mr. BREWSTER. I am not speaking of a clerk. I am speaking of the persons who are members of the committee which finally determines rates. I understood the Senator to say that he would not care to have the Senate of the United States know what man was concerned with any particular schedule, because he would not have confidence in the ability of that person to resist the blandishments of some lobbyist, for example.

Mr. GEORGE. The Senator from Maine did not understand the Senator from Georgia to make such a statement. I said there might be good reasons for withholding the identity of men who, in a confidential capacity, were doing clerical and administrative work. I submit that anyone with practical experience should know what terrific pressure might be brought upon such men. I have given the names of the heads of the committees. They are the responsible representatives of the Government who gather the information, finally pass upon it, or finally recommend it through the Secretary of State to the President of the United States.

Mr. BREWSTER. I certainly do not wish to create any confusion, and I have no desire to go into the composition of the clerical or office force. I have in the past desired to be furnished with certain information, and I felt that it was a denial of democracy for someone to suggest that the men serving in responsible capacities as heads of these committees should not be allowed to furnish the information when it was requested. The names which the Senator has read to us have not hitherto been available during the early stages of trade agreements. If from now on we are to be supplied with the information, it is very gratifying to know it.

Mr. GEORGE. I may say to the Senator from Maine that no one man and no one committee determines finally these recommendations. They pass through various stages until they reach the Secretary of State; finally the President of the United States, who may approve or disapprove the particular trade agreement under consideration. It is, of course, perfectly proper for the responsible officers and representatives of the various departments to be known to the public, because they must be known to the public.

Mr. BREWSTER. That is correct.

Mr. GEORGE. They must sit in at the hearings, and they hear the arguments and make their decisions.

Mr. BREWSTER. I am sure the Senator from Georgia does not mean to intimate that, because, as has been repeatedly explained here, if the Senator from Georgia has been before the Committee on Reciprocity Information, he has been told that that committee is not the one which determines the matter, but that it is the other committee. We are not allowed to go before judges of the case, which I think is unfortunate. I also know that from 1934 to 1938 it was impossible to find out who composed the committee at any particular time.

Mr. GEORGE. I do not know about the composition of the committee at any particular time except the present time. But the Chairman of the Tariff Commission himself was asked these questions, and he furnished the answers. They are set forth in the hearings.

Mr. O'MAHONEY. Mr. President, will the Senator from Maine yield?

The PRESIDING OFFICER (Mr. DONNELL in the chair). Does the Senator from Maine yield to the Senator from Wyoming?

Mr. BREWSTER. I yield.

Mr. O'MAHONEY. I have listened with attention, as I always do, to what the Senator from Georgia had to say, and I turn to part 2 of the hearings before the Senate Committee on Finance, pages 88 and 89, from which he has read. There, on page 88, is a list of members of the Trade Agreements Committee and a list of members of the Committee for Reciprocity Information. I think it may properly be said in the light of what I quoted from the United States Manual, that some of the individuals representing the various departments change from time to time, as I pointed out. I was not talking about the representatives of the department; I was talking about the individuals who do the actual negotiating, those who draw up the documents which are to be sealed, signed, and delivered in secret.

The record of the hearings is very clear. On page 89 Mr. Ryder, that is to say the Honorable Oscar B. Ryder, a member of the United States Tariff Commission, testified in response to a question:

> The list of articles on which concessions are to be considered is announced, and then a certain time is given for filing briefs; after briefs have been filed, in 10 days or 2 weeks, the hearing is held. After the hearing the Committee for Reciprocity Information summarizes or analyzes the data given at the hearing and passes it on to the country committees and the Interdepartmental Trade Agreements Committee.

So there are the Committee for Reciprocity Information, the Interdepartmental Trade Agreements Committee, and, in lower case, the "country committees," whatever that may be.

On page 88, however, Mr. Ryder testified:

> Each agreement has a separate negotiating committee. Sometimes negotiations are carried on in Washington and sometimes in the foreign country.

So there is a fourth committee. The identity of the gentlemen who carry on the negotiations, those that do the actual work of agreeing to rates which shall be fixed or not fixed, those who do the work of the Congress of the United States, are not known; their names are still secret.

Mr. MAGNUSON. Mr. President, will the Senator from Maine yield?

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Washington?

Mr. BREWSTER. I yield.

Mr. MAGNUSON. I should like to ask the distinguished Senator from Georgia what I think is a practical question, one with which I know most Senators have been faced. It is this: What is the actual mechanical procedure? For instance, many of those interested in the pulp industry in my State, who believe that there should be some protection on pulp, write their Senators, and perhaps other Senators. They want to appear in order to determine what this country is going to do in relation to their pulp and Scandinavian pulp, and what sort of an agreement is going to be made. What is the actual procedure?

Should they write the committee which has been mentioned, or what do they do? That is what is bothering me. I want to preface my question to the Senator by saying that I am a firm believer in reciprocal trade agreements. I think we can work out schedules with other countries, and I believe the program is necessary, but some of the industries of this country are somewhat at a loss to know how to proceed to present their case.

A second thought that comes to me is that they seem never to be apprised of, say, the Swedish argument on the other side in the case of pulp, so that they might answer it in the best way they know how. I am wondering how they should go about it because I know the minute the pending bill is passed they will be telegraphing the Senator from Washington.

Mr. GEORGE. There is first of all a list made up in the Department by one of the committees set up to do that particular job, indicating the country with which a trade agreement is sought, and also a list of each article which is proposed to be dealt with in the agreement. That is given publicity by being published in the Register and even in trade papers, as I understand. The Department undertakes to apprise the public precisely what country is seeking an agreement or with what country we are seeking an agreement, and the articles to be affected or which may be affected. Then the hearings are started, after the list has been published. It generally turns out, according to the testimony before the committee, that out of 60 or 75 articles, as an illustration, the agreement concluded finally deals with 30 or 35 articles. Then there is an opportunity for hearing both by brief and by personal appearance.

Mr. MAGNUSON. Before the so-called Reciprocity Information Committee?

Mr. GEORGE. That is my understanding.

Mr. MAGNUSON. Then where does the manufacturer go from there, if he is not satisfied?

Mr. GEORGE. He finally goes to the Secretary of State, if he is not satisfied. He may go to the Secretary, and actually he may go to the President of the United States. But the recommendations are finally made up, and of course are passed on up through the Secretary of State.

Mr. MAGNUSON. This is the experience I have had: The agreement in relation to shingles at one time was announced, and the people of my State who are interested in shingles, of course, were not satisfied. Sometimes it is not possible to satisfy people, regardless of what is done. Nevertheless, the shingle interests of Washington were not satisfied. The agreement was already announced, and we finally had to go to the then President of the United States and have him go back over the whole procedure, which was the only recourse we had after the decision had been announced. I am wondering whether some plan could not be devised so that those interested, such as the pulp or shingle interests, or interests in the Senator's State, when trade agreements are announced, would have a right, before they become effective, to present some sort of an appeal or rebuttal.

Mr. BREWSTER. The Senator from Wyoming [Mr. O'MAHONEY] made a very eloquent presentation of the proposition which he was advocating, that they should come to the Congress of the United States as a final authority.

Mr. MAGNUSON. I hope they never will come to the Congress, because then the rebuttal would be on our shoulders.

Mr. GEORGE. In part II of the hearings will be found the testimony of Dr. Ryder, who is a member of the Tariff Commission, and who has been chairman of one or both of the committees before which hearings are held. He details in his testimony, as will be found if the whole of it is read, each step, and the full opportunity of an interested industry to be heard.

Mr. BREWSTER. Mr. President, to answer the question of the Senator from Washington more specifically, I think what he has in mind would be met if, before the final agreement were promulgated, there should be afforded an opportunity to be heard before the committee, let us say, which he mentions, which makes the final recommendation to the Secretary of State. It might well be, because of the obscurity of the record, that things would be brought to their attention, and that there would be a period of from 2 to 4 weeks, let us say, in which the industry might present its case after final determination.

Mr. MAGNUSON. It seems to me the industry gets into this position: The members of the industry come and present their case, whether it be right or wrong. Then the next thing they know is that the trade agreement is announced. It may never be changed, even though they have a right to be heard. It is like going into court and presenting one's case and not having an opportunity to have the other side heard.

Mr. BREWSTER. There is also this thought, that there is announcement of, let us say, a thousand schedules which are to be examined. The members of the industries cannot keep running to Washington. There are 40 different countries involved. So an industry may say, "We guess this will be looked out

for," and they do not know which particular 35 or 40 schedules are to be heard. The result is most unhappy. From the Senator's State of Washington they have to proceed clear across the country and present their case to a committee which has nothing to do with determining what is to be done.

Mr. O'MAHONEY. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield.

Mr. O'MAHONEY. I wish to make another comment which might be of interest to the Senator from Washington. He very properly asks why should not those persons in industries which are affected by a decision have an opportunity to appeal from that decision before it becomes effective?

In the tariff law of 1930, which contained a flexible tariff provision, there was also a provision which authorized court review. The distinction between the delegation of power constitutionally to some other body or officer than the Congress, and the unconstitutional delegation of power, lies in that very point of court review. If Congress delegates its power without preserving to the citizen the right of review by a court, then Congress is making a completely unconstitutional delegation of power, and when the Reciprocal Trade Agreements Act was approved on June 12, 1934, it contained this sentence:

> The provisions of sections 336 and 516 (b) of the Tariff Act of 1930 shall not apply to any article with respect to the importation of which into the United States a foreign trade agreement has been concluded pursuant to this act.

In other words, Congress not only delegated its power to fix the tariff rates, but it specifically took away from the citizens of the State of Washington, and the citizens of every other State, their right of appeal to the Congress against this action of the anonymous expert.

Mr. BREWSTER. Mr. President, I should like to say, in reply to the Senator from Washington, that the particular point which he has suggested is a most unfortunate one from the standpoint of the advocates of the theory now being pressed. If the Senator's fellow citizens become discouraged about pulp or pulpwood entering this country—and I have no doubt they will be, as the people of my State are, for I was told yesterday that 750,000 cords of pulp are waiting in Sweden to pour into this country, and we are going to hear from it——

Mr. MAGNUSON. I hope it will come now; we need paper.

Mr. BREWSTER. Very well. If at any time those concerned with that industry feel they should have some protection, they are going to find themselves utterly helpless, because the President already, in agreements with Canada and another country, has put pulpwood on the free list, and those are countries from which we obtain about $150,000,000 worth. That is a curious thing, because it has nothing to do with tariffs He has obligated us not to put any restrictions of any character on the importation of pulpwood. So it would not be possible for the Committee on Reciprocity Agreements even to consider protection for that particular item of our imports.

Mr. MAGNUSON. I thank the Senator. I wish to make one further observation. Of course, as I said in the beginning, I have voted four times for reciprocal-trade agreements, and I intend to vote again for the principle. I believe in the principle. I think we can arrive at scientific trade agreements with other countries. But I hope that in the administration of the law, the industries will have a right not only to present their cases but be able to find out what is on the other side, and have an opportunity to answer, and to know exactly what is going on. That is what I have been complaining about. I can understand that there is some reason for not subjecting officials to what the Senate was subjected to in the old days of tariff logrolling, but surely industries should have some right of appeal or rebuttal somewhere.

Mr. BREWSTER. Does not the Senator feel that the men who argue the other side, that it is all right to let importations from foreign countries come in and that it is all right to hurt American industry, should come out in the open and lay their cards on the table? Are they men of character, are they men of such character that they cannot present themselves? Why do they not lay their cards on the table, as we do? We have to tell our story; why should they not? Then, let someone with authority determine where the right lies.

Mr. MAGNUSON. Even if they did not come out in the open themselves, I wish they would keep the door open.

Mr. BREWSTER. I appreciate that.

Mr. McMAHON. Mr. President, there seems to be an effort to indicate that the right to have a hearing is a very vital one, and that we have always hitherto given industry the chance to be heard, under our tariff policy.

Mr. BREWSTER. That is correct, they have had a chance to be heard.

Mr. McMAHON. Hearings under the flexible provisions of the tariff law have been held by the Supreme Court, I believe, to be analogous to hearings before congressional committees. I am also informed that no hearings were provided for in section 3 of the Tariff Act of 1890, the McKinley Act, or in section 3 of the Act of 1897, the Dingley Act.

As the Senator knows, the President was authorized under those acts to enter into trade agreements with foreign countries, and to proclaim changes in our tariff structures. No hearing was required under section 338 of the Tariff Act of 1930, and of course under that act the President has the potential power of causing great injury to domestic industry by changing duties to the extent of 50 percent, or even excluding from entry merchandise needed for the operation of an industry.

Mr. BREWSTER. The Tariff Commission, under whose reports the President's action was taken, was supposed to be pure and unadulterated and above political influence.

Mr. McMAHON. But the Senator knows there was nothing written into those acts which provided what the Senator from Washington advocated should be written into the pending measure, or suggested it would be well if it were written in the law. The point I wish to make is that the present method of conducting negotiations is really, so far as that is concerned, no departure from the way tariff rates have been applied in the past.

Mr. O'MAHONEY. Mr. President, may I impose upon the Senator from Maine again?

Mr. BREWSTER. After I comment on one point I shall yield. The Senator from Connecticut must realize that the authority to reduce was theoretically an approach to a scientific solution, whereas the reciprocal trade agreement is obviously a political measure. While it is concerned with rates and with protection, it is also primarily concerned with what would be considered a political discussion of mutual interest in international trade. So I think the issues are somewhat distinct.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. O'MAHONEY. The Senator from Connecticut, I think, has been misinformed about the nature and effect of both the McKinley Tariff Act of 1890 and the Dingley Tariff Act of 1897. Neither one of those acts is in the slightest degree analogous to the Reciprocal Trade Agreements Act. The McKinley law of 1890 granted the President of the United States the power, if he found as a matter of fact that certain countries were discriminating against the United States, to declare in effect certain alternative rates of tariff which were named in the law. So that there was no discretion conveyed to the President. The only delegation of power to the President was a delegation to find out the fact whether or not there was discrimination. Then if he found that discrimination existed, the tariff which the Congress imposed took effect.

Mr. McMAHON. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield.

Mr. McMAHON. But the Senator from Wyoming by his statement has pointed out that discretion was given to the President to make the finding of fact as to whether the industry was being discriminated against.

Mr. O'MAHONEY. No; whether the discrimination was against the trade of the United States.

Mr. McMAHON. Yes, whether the discrimination was against the trade of the United States, but the President under that act was not required to give notice and hold hearings to the parties in interest.

Mr. O'MAHONEY. But the President had not the discretion to impose a tax. With respect to the Dingley law of 1907, in it the broad authority to negotiate reciprocal trade agreements was granted. But the Dingley Act, in section 2, or section 4—I have forgotten which—contained the express provision that such trade agreements should be reported to the Senate as treaties and to the Congress as tariff laws. Under it, complete opportunity was to be granted to each and every person affected to be given a hearing in order to protect his interests. In the present situation there is no means whatsoever of protecting their interests.

Mr. McMAHON. I call the attention of the Senator from Wyoming to the fact that in the case of the *Norwegian Nitrogen Products Company* v. *United States* (288 U. S. 294), the court held that hearings under the flexible provision of the tariff law were analogous to hearings before congressional committees.

Mr. O'MAHONEY. But the reason for that was that under the flexible tariff provision, the power was delegated to the President, through the Tariff Commission, to determine the difference in the cost of production at home and abroad, and the Supreme Court in the decision handed down by Mr. Chief Justice Taft in the Hampden case said that that was an intelligible rule. I did not agree with that opinion of the Chief Justice. I was in complete agreement, however, with Secretary Hull—then Representative Hull, of Tennessee—and Senator Thomas J. Walsh, of Montana, both of whom denounced the flexible tariff provision as an unconstitutional delegation of power.

But whatever one may say about the constitutionality and the narrow questions of realism, the fact which cannot be controverted is that the power to tax is the power to destroy, and we know that the founders of our Government undertook to preserve the power to tax in the people's representatives, but we are delegating it away, as the Senator from Maine pointed out earlier in his very accurate and very complete argument.

Although the Reciprocal Trade Agreements Act grants authority only to find duties which are a burden upon the commerce of the United States, and then change them, under the authority of this law trade agreements have been made which undertake to fix certain commodities on the free list for the period of the agreement. The senior Senator from Maine [Mr. WHITE], in a very persuasive argument made in the Senate several years ago when arguing in favor of the ratification of trade agreements as treaties, pointed out that here was an exercise of a power which was not delegated. Senators can read the Reciprocal Trade Agreements Act from stem to stern without finding in it a single word which authorizes or delegates to the Executive the power to fix any article upon the free list. The language is very clear.

Mr. McMAHON. Does the Senator not believe that if the Congress were determined to lay a duty upon wood pulp it would be prevented from doing so by the fact that the language he complains of is contained in a trade treaty? Does the Senator take that position? Would it not be possible for the Senator from Wyoming or the Senator from Washington [Mr. MAGNUSON] or the Senator from Maine [Mr. BREWSTER] to introduce a bill providing today for the imposition of a tariff on wood pulp imported into this country?

Mr. O'MAHONEY. Of course, it would be possible to do that.

Mr. McMAHON. So the Senator is really complaining about something that really does not amount to very much.

Mr. O'MAHONEY. Oh, yes; I am complaining about something that amounts to a great deal, because it is clear, if we follow step by step the progress of delegation of congressional power, that the people's representatives are surrendering their power to defend and speak for their constituents.

I was about to quote from the Trade Agreements Act.

Mr. GEORGE. Mr. President, I wish to inquire, who has the floor?

Mr. BREWSTER. I have the floor, Mr. President. I yielded to the Senator from Wyoming and will continue to yield to him until he has concluded.

Mr. GEORGE. Yes, but I wanted to give the Senator from Wyoming some information.

Mr. O'MAHONEY. I am glad to receive information from the Senator from Georgia. I usually do receive information when he speaks.

I read from the Trade Agreements Act as follows:

That the Tariff Act of 1930 is amended by adding at the end of title III the following:

* * * * * *

"SEC. 350."

Then omitting certain parts—

The President, whenever he finds as a fact that any existing duties—

When a commodity is on the free list there is no duty on it—

or other import restrictions—

When a commodity is on the free list there is no import restriction—

or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared will be promoted by the means hereinafter specified, (he) is authorized from time to time—

And so forth.

Mr. GEORGE. No; the Senator has read a little further he will find the express authority under which articles on the free list may be bound. It appears almost in words.

Mr. O'MAHONEY. I read:

No proclamation shall be made increasing or decreasing——

Mr. GEORGE. No; the Senator has skipped too far.

Mr. O'MAHONEY. Well, when the Senator from Georgia is on the floor I like to skip. Let us read the language.

Mr. GEORGE. I merely wanted the Senator to read it. When the President finds as a fact certain things—and there is no speculation about that—whether they be things which one can ordinarily determine with mathematical accuracy or not was not the question. That was precisely what was held by the Supreme Court in the Hampden case to be unnecessary. But when he finds certain things as a fact, then he is authorized from time to time—

(1) To enter into foreign-trade agreements with foreign governments or instrumentalities thereof; and

(2) To proclaim such modifications of existing duties——

Mr. O'MAHONEY. "Existing duties."

Mr. GEORGE. Certainly.

and other import restrictions——

Mr. O'MAHONEY. Restrictions.

Mr. GEORGE. That is correct. The Senator does not go far enough. [Continuing reading.]

or such additional import restrictions——

Mr. O'MAHONEY. Additional restrictions.

Mr. GEORGE. "Or such continuance——"

Mr. O'MAHONEY. Continuance of such restrictions or duties.

Mr. GEORGE. [Continuing reading.]

or such continuance, and for such minimum periods, of existing customs or excise treatment——

Mr. O'MAHONEY. Existing customs or excise treatment.

Mr. GEORGE. It is very clear that the President is authorized to continue whatever has been done under our customs laws; and if an article is on the free list, he may say that it shall remain there. If it is on the dutiable list, he may say that the duty shall be modified upward or downward by not more than 50 percent.

Mr. O'MAHONEY. Does the Senator contend that the presence of an article on the free list is comprehended in the term "existing customs"?

Mr. GEORGE. Certainly it is. The act deals with customs duties. The free list is just as much a part of the customs law as any other part.

Mr. BREWSTER. Mr. President, I should like to yield to my colleague, the senior Senator from Maine [Mr. WHITE], who originally raised this issue. I leave it to him to present the case.

Mr. GEORGE. Let me call attention to one further point. The President is authorized to consider anything that he finds on the free list, and to say that it shall remain there. He may not take it off the free list, because the act goes further. Let me explain the reason why this further clause was written into the act when we originally considered it.

The question was raised that under this act the President might take something off the free list and put it on the dutiable list. In committee it was positively decided that that should not be done; and in order to make certain that the President could not do it, an express prohibition was written into the act against switching something from the dutiable list to the free list, or from the free list to the dutiable list.

Mr. WHITE. Mr. President, will my colleague yield to me?

Mr. BREWSTER. I yield.

Mr. WHITE. I have had no disposition or purpose to take any part in this discussion. However, I recall that in 1940, when this subject matter was before the Senate, I was intrigued by the question as to what authority there was under the law, and in the President, to freeze upon the free list an article already upon that list. It seemed to me that the jurisdiction of the President with respect to any article was dependent upon his finding, as a matter of fact, that the situation of such article created a burden upon the trade or commerce of the United States, and that unless he did find that such article, either upon the dutiable list or upon the free list, con-

stituted a burden upon the trade and commerce of the United States, no jurisdiction in the President attached.

Mr. GEORGE. That is exactly correct. The only trouble with the Senator is that he does not reason far enough. That is the finding which the President must make; but having made that finding, he can deal with anything in our customs laws.

Mr. WHITE. Mr. President, may I make my brief statement without interruption? It was intensely interesting to me to learn that those upon the Democratic side of the aisle could by any possibility conclude that the presence of an article upon the free list constituted a burden upon the trade and commerce of the United States, upon which finding the jurisdiction of the President depended; and if by any possibility it could be said that the presence of an article on the free list constituted a burden upon the trade and commerce of the United States which gave the President authority to act, then it was beyond my poor power to understand why he should freeze such an article upon the free list and thus perpetuate the burden which he had found resulted from its presence on the free list. That was all novel doctrine to me, coming from the Democratic side of the Chamber.

As I say, I had no purpose to participate in this discussion; but during the 5 years since I made my speech in the Senate on this subject I have mulled over the question, and no one has yet satisfied me that under the 1934 act the President was given the slightest color of authority to find that an article on the free list burdened the commerce of the United States, and then, having made that finding, to perpetuate that burden by freezing the article on the free list for a period of 3 years.

Mr. GEORGE. Mr. President, the situation is very clear if the act is carefully read. Before the President can do anything he must find certain things as facts. Among them, of course, is that any existing duties or other import restrictions of the United States, or any foreign country, are unduly burdening and restricting the foreign trade of the United States, and that the purpose declared in the act will be promoted by the means thereinafter specified.

After the President has made a finding of fact which justifies action upon his part, he is expressly authorized to do certain things from time to time. His authority is not exhausted by one use of it. He is authorized from time to time—

(1) To enter into foreign trade agreements with foreign governments or instrumentalities thereof; and

(2) To proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements.

Mr. BREWSTER. Mr. President, will the Senator from Georgia explain how the President finds that an article on the free list is subject either to a customs duty or to a restriction of any kind? That is my difficulty.

Mr. GEORGE. It is not subject to a customs duty.

Mr. BREWSTER. And it is not subject to any restriction.

Mr. GEORGE. That is the remedy which the President may apply. He finds that some rate or rates are unduly burdening commerce. They may be the rates of a foreign country. They may be the rates or restrictions of our own country.

Mr. BREWSTER. Does the Senator mean an export rate of a foreign country would give the President jurisdiction?

Mr. GEORGE. The language of the act is that—

The President, whenever he finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States.

He may act. That is his finding. Having made the affirmative finding, he is then expressly authorized to use, as a continuing power, the power granted in the act.

Mr. BREWSTER. Let us take a specific case.

Mr. GEORGE. Just a moment. The President may proclaim "such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements."

Putting an article on the free list is an excise treatment.

Mr. BREWSTER. But keeping it on the free list——

Mr. GEORGE. Yes; keeping it on the free list is an excise treatment.

Mr. BREWSTER. Let us take the specific item of pulpwood, which very much concerns the Senator from Washington and me.

Mr. GEORGE. That is on the free list.

Mr. BREWSTER. It has always been on the free list, without restrictions of any kind.

Mr. GEORGE. Yes.

Mr. BREWSTER. It has always been freely exportable from Canada. Canada had no restrictions on it. We could get all the pulpwood we wanted. How does the Senator from Georgia find that the President could take jurisdiction of that specific item under this law, with no restriction in either country?

Mr. GEORGE. Suppose there were burdensome rates between Canada and the United States.

Mr. BREWSTER. Does the Senator mean on other items?

Mr. GEORGE. Yes; there may be several of them which we wish to modify.

Mr. BREWSTER. Having nothing to do with pulpwood?

Mr. GEORGE. Having nothing specifically to do with pulpwood. As a part of our bargaining power, we can say, "Here are certain things which are on the free list. We will freeze those articles on the free list for a period of 1, 2, or 3 years." That is a part of the bargaining power the President is given under the Reciprocal Trade Agreements Act. That seems to me to be very clear.

In the Finance Committee, when this question first arose, it was insisted that under the then broad phraseology the President might remove an article from the free list to the dutiable list, or conversely, from the dutiable list to the free list. Therefore there will be found in the act an express prohibition upon the power granted the President, namely, the explicit statement that under this act he may not transfer from the free list to the dutiable list, or from the dutiable list to the free list. To my mind it seems perfectly clear that when the President has found certain facts, he may then proceed to make a trade agreement. In express language, it is stated that he may "proclaim such modifications of existing customs or excise treatment of any article covered by foreign trade agreements"—that the President has entered into—"as are required or appropriate to carry out any foreign trade ageement that the President has entered into hereunder."

It seems to me there can be no doubt that the power exists, if the grant of power be a valid one—and, of course, that is an entirely different question—to freeze on the free list particular articles in which the other contracting country might have a particular or special interest.

Mr. BREWSTER. I think the Senator will agree that that language does give very broad powers, if the Senator's interpretation is correct.

Mr. GEORGE. I think it does give very broad powers, but I do not think they are any broader than the necessity of the case requires. If we are to have any bargaining power, it must be something more than a mere symbol. It must be something with substance in it. That is the reason why the second section of this bill is important. With the great trading nations with whom we have friendly trade relationships, and with whom we happen to have trade agreements at the present time, we have used up approximately 90 percent of our power to bargain—that is to say, under the power given to modify existing rates by not more than 50 percent and, of course, that means the Smoot-Hawley rates.

So it may be a very great power to grant to the President—and I grant that it is—but it is no greater than the power conferred under sections 336 and 338 of the Smoot-Hawley Tariff Act, because under them the President can, upon the recommendation of the Tariff Commission, modify the rate either up or down, as here, by 50 percent. So it is not a greater power.

All that would be done by section 2, which would be stricken out by the committee amendment, and which is the subject matter of serious controversy here, would be to apply that power to the rates now in existence, not to the rates which were in existence 11 years ago.

Mr. O'MAHONEY. Mr. President, the interpretation just announced by the Senator from Georgia depends upon a reading of the words "of existing customs or excise treatment" as though they read "of existing customs or lack

of customs, or excise treatment or lack of excise treatment." I take it that if there is not an excise rate upon an article of commerce, there is a lack of excise treatment. I take it that if there is not a customs duty, there is a lack of customs duty.

Mr. GEORGE. Mr. President, that is where the Senator is wrong. Articles are expressly put upon the free list, by law.

Mr. O'MAHONEY. Certainly; and then they are not subject to a customs duty and they are not subject to an excise treatment.

Mr. GEORGE. Nevertheless, that is a customs treatment.

Mr. MAGNUSON. Mr. President, will the Senator yield to me for a brief question?

Mr. BREWSTER. I yield.

Mr. MAGNUSON. Then, according to the interpretation of the distinguished chairman of the Committee on Finance, if those interested in the pulp industry of the Pacific Northwest or of the State of Maine or of any other State where that industry may exist could, by proper proof, show that being on the free list would be a burden to the economy of not only the Pacific Northwest or Maine but the whole country, the President could, under the act under consideration, take pulp off the free list, and impose a duty on it.

Mr. BREWSTER. Oh, no; he is expressly prohibited from doing that.

Mr. GEORGE. He is expressly prohibited from taking anything off the free list.

Mr. MAGNUSON. Then pulp is perpetually on the free list; is it?

Mr. GEORGE. No; it is not perpetually on the free list, because Congress could take it off.

Mr. MAGNUSON. In other words, an act of Congress would be required, in order to take it off; is that correct?

Mr. GEORGE. That is correct.

Mr. WILEY. Mr. President, will the Senator yield to me for a question?

Mr. BREWSTER. I yield.

Mr. WILEY. I wish to ask the Senator from Georgia for an interpretation of the word "restriction" in that connection. Let us consider pulp, which has been referred to. Suppose it is perpetually on the free list until Congress takes it off. Could the President, after making the findings—suppose he found that the quantities of pulp imported into the United States were detrimental to the American pulp industry—by proper restrictions limit the amount of pulp which could be imported, without attempting to take it off the free list? In other words, would he have any authority to fix quotas or otherwise restrict imports?

Mr. GEORGE. An argument might be built both ways as to whether a quota could be imposed. But in a trade agreement——

Mr. WILEY. I am not talking about that.

Mr. GEORGE. Certainly in a trade agreement, quotas can be imposed.

Mr. WILEY. Yes. The point to which I am referring, and with respect to which I wish to obtain the judgment of the distinguished senior Senator from Georgia, is that he and others have mentioned the tremendously challenging period we are entering, and I am wondering about an article which happened to be on the free list. Suppose it is found that a certain product of the United States is now on the free list, apparently is frozen there until Congress takes action to remove it from the free list. But suppose that all at once we find—as in the case of rubber—that it is very important that we maintain the industry in this country.

Is rubber on the free list?

Mr. GEORGE. Yes; rubber is on the free list.

Mr. WILEY. Very well. We have invested $700,000,000 in the rubber industry.

Mr. GEORGE. Yes; rubber is on the free list. It cannot be removed from the free list unless and until the Congress imposes a duty.

Mr. WILEY. Very well. Let us consider the exact question: Can the President, under authority of any of the tariff laws of this country, restrict the quantity of rubber imports, so that we would be in a position to produce our own rubber?

Mr. GEORGE. He can, through the Trade Agreements Act, if he can get the other producing country to agree with him. But he cannot arbitrarily do it, in my judgment, although the question might be arguable.

Mr. BREWSTER. Mr. President, will the Senator from Georgia answer this question: Assuming that the President had made an agreement that rubber should be on the free list, it would be on the free list for 3 years. During that period would it be within the power of Congress to put a tariff on rubber? In other words, is the executive agreement binding on the Congress?

Mr. GEORGE. My answer is that the Congress would have the power to do so. There would be a question whether the Congress would wish to do so in the face of the Trade Agreements Act.

Mr. BREWSTER. But certainly there would be what we would consider a moral obligation; would there not?

Mr. GEORGE. Oh, yes—and a very strong one. I would say it would be even more than a moral obligation.

Mr. BREWSTER. It would be an international obligation, let us say; we would have an international obligation not to do that.

Mr. GEORGE. Yes; it would be an obligation between the two countries.

Mr. O'MAHONEY. It would be no greater than the obligation of a treaty, and Congress could by law abandon a rule established by treaty.

Mr. GEORGE. Yes.

Mr. BREWSTER. I think we all agree that we wish to recognize our international obligations. I understand that rubber is bound on the free list by two agreements, which means that it will be utterly impossible for us morally or under our international obligation to protect the $700,000,000 rubber industry which we have built up, until the expiration of those agreements.

Mr. GEORGE. Does the Senator refer to the first agreement made with Great Britain?

Mr. BREWSTER. Yes.

Mr. GEORGE. Let me say to the Senator that the first agreement can be terminated at any time, and even the second agreement can be.

Mr. BREWSTER. But we would have to terminate the whole agreement; we could not change it as regards only one item.

Mr. GEORGE. Unless the other contracting party were to agree to such a modification—as has been done with Canada, I believe. We have had some modifications made without destroying the whole machinery.

Mr. BREWSTER. I thank the Senator.

Mr. O'MAHONEY. Mr. President, will the Senator from Maine yield to me in order that I may ask the Senator from Georgia a question?

Mr. BREWSTER. I yield.

Mr. O'MAHONEY. Does the Senator from Georgia agree that, with respect to any commodity on the free list as, for example, wood pulp, the President could, under the Reciprocal Trade Agreement Act, enter into an agreement with another country whereby a quota could be placed upon the importation of wood pulp into the United States?

Mr. GEORGE. I would be inclined to think that the President could do that.

Mr. O'MAHONEY. That would be my judgment.

Mr. GEORGE. But, my answer is not a clear one, and I do not make it with any high degree of confidence.

Mr. O'MAHONEY. If it is the Senator's contention——

Mr. GEORGE. I think that the President could impose a quota restriction. That is, the two countries could agree that while the commodity was on the free list, quotas could be restricted.

Mr. O'MAHONEY. That was my judgment.

Mr. GEORGE. I am inclined to believe that is correct.

Mr. BREWSTER. I understand that under the Peruvian agreement rubber was also frozen on the free list.

Mr. GEORGE. A reading of the language of the act will disclose that after the President has made preliminary findings of fact, and has concluded that an agreement should be entered into between the United States and country X, he may from time to time negotiate agreements or he may "proclaim such modifications," and so forth, in the existing duties which I have already read.

The end of paragraph (a) (2) of section 350 of the act reads:

> And the proclaimed duties and other import restrictions shall be in effect from and after such time as is specified in the proclamation. The President may at any time terminate any such proclamation in whole or in part.

The escape clause, or the clause which has been used in connection with the Mexican treaty, as well as somewhat similar clauses in other treaties, gives ample power to terminate an agreement if anything adversely affects the interest of the United States such as the trade and commerce of the United States, which grows out of its agreement, or takes place after negotiation of the agreement.

Mr. BREWSTER. The Senator agrees that the determination of that question is in the hands of the President rather than in Congress.

Mr. GEORGE. That is true. The only limitation, however, on the power of Congress, is the moral limitation not to disregard a commitment which has been solemnly entered into.

Mr. BREWSTER. I am sure the Senator does not mean to indicate that he would distinguish our probable course by considering whether our obligation were legal or merely moral.

Mr. GEORGE. We must take an extreme case, and in that case undoubtedly the President would act.

Mr. BREWSTER. Mr. President, I should like to complete my presentation of two or three points which I have been unable to take up thus far.

The argument has been frequently made that during our experience with trade agreements business with agreement countries increased by 63 percent, and with nonagreement countries by only 32 percent. I have heard that argument frequently advanced. I think it should be understood that there were other reasons for that situation than those of the trade agreements. The principal nontrade agreement countries during this period were Spain, Germany, Italy, Japan, China, and the Balkans. During that time Spain was in the throes of a civil war, and her ability to import and to export was very much reduced. There were other limitations also on Spain which we ourselves had imposed.

China was confronted with the invasion of Manchuria, and subsequently the invasion of her homeland by the Japanese. I am sure that none of us will regret that our trade with Japan was restricted, and we could only wish that it had been more vigilantly restricted during the period from 1936 on, when we were furnishing scrap iron and petroleum products to Japan with which they were trying to destroy a nation which is now one of our most honored allies. I do not believe that Germany needs any comment. During that period she was trying to wreck the civilization of the world. Italy was doing the same. Surely other considerations than trade agreements affected our trade with these countries. The percentages so frequently recited have little relation to trade agreements but were rather the danger signals of the approaching war.

I wish to read a list of items which have been named by a representative of the Congress of Industrial Organizations, Dr. J. Raymond Walsh, research director, as being examples of items on which the tariff should be reduced. In the discussion which I had with him he referred particularly to woolen products, meat products, watches, glassware, cotton lace, chinaware, and copper, as items on which he felt the tariff should be very materially reduced. I regretted that he selected for his illustration what were largely American Federation of Labor industries as being those which should be without the protection which they now enjoy. I, therefore, asked him about the shipbuilding industry, in which the Congress of Industrial Organizations has a very large interest, and what would be his attitude toward the protection of our shipbuilding industry. I should like to quote Dr. J. Raymond Walsh, who is quite ready to wipe out the shipbuilding industry of my State of Maine, or the State of Washington, and all other seaboard States. He said:

> It is inevitable, of course, that people in any trade—capitalists or workers—want to have that trade protected against change. But, as a social policy, of course, it is unwise for a nation to build up protection around particular capital investment or particular workers when that particular investment or trade becomes less efficient than it could be elsewhere in the world.
>
> So I would much prefer on behalf of the shipbuilders themselves that they be transferred under control—

I do not know what he means by that—

> and with care not to place great burdens upon them, from that trade if it is less efficient than a similar trade abroad, to a trade which is more efficient. Thus we would gain, they would gain, and the whole world would gain.

Our problem in my State, with its thousands of shipyard workers, is in knowing how to do what Dr. Walsh proposes to do, namely, transfer them to some other more efficient industry. I am sure he does not want them to be placed in the industries in Detroit and elsewhere. The evidence before our committee shows the long lag that inevitably occurs in reestablishing displaced workers.

However, I proceed to what seems to me to be the fundamental difficulty with the argument in respect to reciprocal trade agreements as being a solution of our economic ills.

Mr. TAFT. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield.

Mr. TAFT. I should think that anyone who is in favor of a reduction in the tariff on the imported goods would also be in favor of reducing subsidies to practically nothing on the transportation of goods by ship. If carried to the extent recommended by the present proposal, a reduction of 25 percent of the original subsidy would practically wipe out the American merchant marine on the seas of the world.

Mr. BREWSTER. That is the inevitable corollary, that it would wipe out the protection afforded our merchant marine.

Mr. GEORGE. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield.

Mr. GEORGE. Some of us who favor the pending bill do not wish to wipe out the subsidies to the merchant marine, but we are tremendously interested in having something for the merchant marine to carry both ways across the ocean. We want to preserve the merchant marine, we want it to be employed, and we are willing to continue subsidies to it.

Mr. TAFT. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield.

Mr. TAFT. It is only proposed to increase our export and import trade by a billion dollars in five billion. If we have a $5,000,000,000 import business, three billion of it comes in on the free list. So this proposal has nothing to do with changing that $3,000,000,000.

Furthermore, over the highest tariffs we have ever had, goods on the dutiable list were imported to the value of a billion and a half dollars. Conceivably we might increase the imports on the dutiable list against competitive industry by another billion dollars, and that is the limit of the increase, according to the Tariff Commission. So it is not fair to say that in urging the defeat of the proposal to authorize a further reduction of 50 percent we are fearing foreign trade, except to a limited extent, possibly at the outside to the extent of a billion dollars, possibly seven or eight hundred million dollars.

There is no question of destroying the foreign trade by the proposal we make to let the President keep the power he now has to reduce the tariff rates 50 percent.

Mr. GEORGE. Mr. President, let me suggest to my distinguished friend from Ohio that his primary difficulty is in regarding foreign trade and commerce as a static quantity. It is not. It is capable of expansion over and over again. To admit that we cannot expand it is to admit defeat, in view of the tremendous productivity and capacity to produce we have developed, which now all our people know, and which they certainly will expect us to utilize in the postwar period.

Mr. TAFT. Will the Senator further yield?

Mr. BREWSTER. I yield.

Mr. TAFT. I have been trying to get those who favor the pending proposal to tell us what are the tremendous imports which will come into the United States. The whole argument is that we must enact this bill in order to increase our exports and create additional prosperity, and we cannot do that without increasing imports. What are those imports?

I say that at best we cannot figure out more than $800,000,000 to a billion dollars additional imports, in a total foreign trade of four or five billion dollars. If we can be advised what they are, it will become perfectly apparent that if those imports over our tariffs are going to amount to two or three billion dollars, not only a number of the particular industries which have been referred to here will be wiped out but about half the American industries which have to compete with such importations will be destroyed.

What are these imports? We have cross-examined, both in the House committee and in the Senate committee, the officials of the State Department. We have asked, "What makes you think imports are coming in, and what are the things which are to be imported?" They will not say. Either they do not know, or they are afraid that if they do say, they will turn votes against the pending bill, because it is obvious it will destroy a number of additional American industries.

Mr. GEORGE. Mr. President, the Senator's trouble is just as it has been, he regards foreign trade and commerce as a static thing. This is a moving world. Some of our imports and exports may simply increase, but the whole

purpose is to expand our trade and commerce. It is not a question of importing something which will destroy a particular industry. That is not the object at all. That would defeat the purpose of the proposal. It would defeat the whole principle of the Trade Agreements Act.

The truth is that trade and commerce are not static. It has been demonstrated that they are not static, and I had hoped that beyond any doubt no one would rise on this floor and say that we had ever produced up to our capacity to produce.

Another one of the troubles with the Senator from Ohio, whom I very highly regard, is that he not only looks upon trade and commerce as something fixed and static, something which is not going to grow, which is not going to expand, but he is terrifically frightened that the Hottentots may get hold of some of our machinery and become efficient, and furnish competition. The trouble is, Mr. President, that if the Hottentot ever gets an American machine and becomes so efficient that he can compete with American labor through the use of that machine, he will no longer be a Hottentot, but he will be a consumer with purchasing power. We trade, and all our trade of great consequence is with great industrial nations. That is the basis of our trade and commerce.

I hope the backward peoples of the earth will learn how to produce and how to manufacture, because I know that then they will became additional purchasers in the great markets of the world, with some purchasing power, whenever they become expert enough to use American machines so expertly that they can compete with American workmen.

Mr. TAFT. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield.

Mr. TAFT. In the first place, I have never questioned the ability of the United States to increase its productive capacity. In the second place, there is no failure on my part to realize the fact that foreign trade has an expanding possibility. The point I am trying to make is that the reduction of the tariffs through the pending bill can have an overwhelmingly important effect on the prosperity of this country, because when we have had our greatest imports—under a high Republican tariff, incidentally, from 1925 to 1929, and we have never had anything like it since—two and a half billion of the four billion dollars worth of articles came in on the free list and were not affected in any way. The greater part of our trade has always been on the free list. It has been in commodities we cannot and do not produce and want to import from some other country.

Certainly trade is capable of indefinite expansion. If we had at that time a national income of $75,000,000,000, and we will have an income of $125,000,000,000 after the war, we can increase the importations on the free list from two and a half billion dollars to $4,000,000,000. The other billion and a half dollars' worth came in over the tariff barrier.

The Tariff Commission, as the Senator from Maine will agree, has made a study of the additional things which might come in if the tariff were reduced another 50 percent, and it adds up to less than another billion dollars. There is an infinitely greater threat of expanding the importation of articles now on the free list than those on the dutiable list, and when someone says I am opposed to increasing foreign trade, it is simply a picture that is attempted to be shown. To say that those who are opposed to the pending bill are opposed to foreign trade is an utterly false representation. It is not a fact. All we say is, Is it worth while to increase foreign trade from six to seven billion dollars, if it is going to throw a large number of men in this country out of work, and send them back to the ranks of the unemployed, and impose upon us a burden probably far greater than the benefit derived from the billion dollars of increase?

It does not even affect the national income that much, because the billion dollars of national income which we would get from exports, we would get from something else if we did not get it from exports, half a billion or three-quarters of a billion, from making those things ourselves in this country, even though it were less economical. The actual difference is, instead of being a billion dollars, perhaps a quarter of a billion dollars, and for that we are asked to throw out of work people whom the Government will have to reemploy by establishing new industries, if possible, and spend large amounts of Government money as practical subsidies in order to do that.

Therefore, it is not true to say that the opposition to the bill has anything to do with the idea that foreign trade is static. Foreign trade can go on increasing indefinitely.

That is not a Hottentot question. The British and the Belgians are good workmen. The British have competed right along, yet their wages today, in spite of their ability to import into this country—and we had more imports from Britain than anywhere else—are only one-half what wages are in this country. The theory that because we develop foreign exports we are going to increase the wages of people of this country is utterly unfounded. It has never been proved in any single instance. No doubt it gradually will help improve the condition of labor in other countries, but long before that our workmen will be out of work and they will have to be sent somewhere else to be taken care of on Government subsidy.

Mr. BREWSTER. I thank the Senator from Ohio for his contribution. I fully agree with what the Senator has said, and as soon as I shall have opportunity I will put in the RECORD the exact figures which support the argument he has made.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. SHIPSTEAD. In the first place, we must remember when referring to Britain, that Britain has her own inter-empire commitments with her dominions.

Mr. BREWSTER. Yes; empire preference.

Mr. SHIPSTEAD. That is correct; empire preference. Of course, that is a house within itself. On the question whether international trade remains steady or changes, I want to point out what resulted from, I believe, the first agreement which was made under the Reciprocal Trade Agreements Act, which, as I recall, was with Canada. It gave a preference to Canada on agricultural products. In return Canada gave preference to some of our most prosperous industries, such as the automobile industry, the typewriter industry, the typesetting industry, the most prosperous industries we have.

What happened to agriculture? In the first place, the duty on cheese was reduced. Then there was invoked the most-favored-nation clause. What happened to the cheese industry in the United States? Cheese began to come in from Canada, from Holland, from Belgium, from Argentina, and 800 cheese factories in the Middle West closed and did not reopen until we had the great demand for cheese resulting from the war, when we could no longer import cheese. The large processors, entrepreneurs of the cheese industry, who produce no raw materials, but receive them from the farmers, and who import them whenever they can get hold of them from the producers under the most-favored-nation clause, began to flood this Nation with cheese. They put 800 cheese factories in the Middle West alone out of business. After about 2 years, while the cheese business was on the brink of bankruptcy, there began to be a great increase in the dividends of the large cheese processors such as National Dairies, Kraft, and Swift & Co. National Dairies has two great processing plants in Tennessee, the home State of Secretary Hull. I do not have the figures absolutely correct in my memory, because it is several years since I saw them, but in about 2 years the dividends on the shares of these processors advanced from about seven or eight or nine dollars a share to $29 a share. That is what happened in the matter of dividends of these large processors, at the expense of the American farmers.

Mr. President, about 2 or 3 weeks ago representatives of the Labor Party in Great Britain on the floor of Parliament demanded the great requirement of labor in England after the war is over, and what do Senators think it is? Sixteen dollars a week for the male factory laborers, and $11 a week for women. Does American labor want to compete with such wages? Britain can obtain labor-saving machinery and install mass production with her labor receiving such a low wage. Are we going to have American labor compete with that kind of wage? Are we going to have the American farmer compete with the producers in foreign countries as they have to do, and go practically bankrupt, as they did after the first agreement that was entered into with Canada under the Reciprocal Trade Agreements Act? Because of the invocation of the most-favored-nations clause, our doors were opened to all the cheese-producing countries of Europe, enabling them to send their cheese to this country and drive our cheese manufacturers to the wall.

Mr. BREWSTER. I thank the Senator from Minnesota very much. I think what he has stated gives support to what we may anticipate would happen with a further 50-percent reduction.

I should like to conclude, if I may be permitted to do so. I have been on my feet for quite a time. I should like to conclude as early as possible.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. WILEY. I call the attention of the distinguished Senator from Maine to the fact that in 1942 we entered into a trade agreement with Peru covering India rubber, crude, including jetulong or pontianak; and on January 13, 1943, we entered into an agreement with Mexico respecting guayule rubber, crude. My question is: Under the most-favored-nation clause, in view of the fact that we have already an agreement with the Netherlands, does not that simply mean that when the East Indies again get into production they will be in a position simply to flood this country with rubber and put out of business our $700,000,000 investment in synthetic rubber?

Mr. BREWSTER. I think we must bear in mind as we talk of doing good to all the world that the reason why the Dutch will be able to do that is that they pay their labor 10 cents a day. When the distinguished Secretary of Commerce was before our committee advocating that we abolish our rubber industry it was my privilege to ask him whether he considered he was benefiting the world by supporting an industry in Sumatra and Java which paid its employees 10 cents a day. It is only by that means that they are able to compete.

To conclude, Mr. President, the Senator from Georgia has very well said that foreign trade is not a static thing. I want to comment in a moment on the consequences to our greatest rival in the commerce of the world, Britain, who is vitally dependent upon her foreign trade, and the possibility of collisions. But meanwhile let me place in the RECORD the fact that from 1924 to 1925 the foreign trade of the United States amounted to $54,000,000,000 under a tariff which has been criticized, while from 1934 to 1939, under the reciprocal trade policy, our foreign trade, exports and imports, amounted to $29,000,000,000, or approximately one-half.

It is interesting to note that while there is much talk about the balance of trade, the balance of trade against us in that first 5-year period was $5,000,000,000, and the balance of trade against us in the last 5-year period under the reciprocal trade agreements was $3,000,000,000, or practically the same percentage under each system.

Mr. President, I want to suggest that the way to accomplish the result which we all desire—and I think this is fully supported by the figures furnished us by the Tariff Commission—of a greater foreign trade is through the medium of a more prosperous United States. I shall undertake to prove that out of the mouths of the prophets.

Last February, anticipating the program which we now face, I submitted a resolution in the Senate which, on the recommendation of the Finance Committee, was adopted, asking the Tariff Commission to report to us what might be anticipated as the imports under conditions which were stipulated. One was under the normal income of 1939; another was under the hoped-for 75-percent increase in income over 1939, in order that we might have a perfectly fair presentation. Then with a 50-percent cut in traiffs what would be the result upon our imports and our economy?

The Tariff Commission worked on that throughout the winter, and on May 1 submitted to the Senate the reports which I hold in my hands. It is a matter of regret to me that these reports have not been printed in the 6 weeks which have since elapsed. I believe that there has been negligence on the part of someone in authority. I make no suggestions. I have been repeatedly assured that printed reports of the Tariff Commission would be available almost immediately. Week after week I was told that they were to be printed and available before this bill came to the floor of the Senate, and probably before it was considered by the committee; but apparently that has been impossible. I am now told that it will be 2 weeks before these reports are available in printed form. Meanwhile, I have had such analysis made of them as I could, and I give the fruits of at least a preliminary study.

The reports reveal the very interesting fact that if we can achieve in this country the certainly very-much-to-be-desired goal of a 75-percent increase in our national income over 1939, in the opinion of the Tariff Commission, after considering our entire economy and all the schedules involved, without any change in tariffs, we would have an increase of $906,000,000 in our imports—practically a billion dollars. That is to say, without any change in tariffs we would get $1,000,000,000 more in imports to pay for the foreign trade which we desire.

Let us go further. Let us assume a 50-percent reduction in all the tariffs, which everyone says is not going to happen. But let us assume a 50-percent reduction in every tariff prevailing on January 1, 1945, which would be within the power of the President under the proposed legislation as it originally came over from the House. Assume that our income were our 1939 income. The Tariff Commission estimates that we would have a $571,000,000 increase in imports. If we had a 75-percent increase in our national income over 1939, the Tariff Commission estimates that we would have a $778,000,000 increase in our imports. Meanwhile, they also estimate that under the first hypothesis, our domestic production would decline by $648,000,000, or there would be a decline in domestic production of practically $100,000,000 more than we would gain in imports from abroad. In other words, we would displace more industry than we would gain by what we might import. On the basis of a 75-percent increase in national income, it is estimated that our domestic industry would lose $889,000,000, as against a gain in imports of $778,000,000.

What would we do with the workers who would be displaced? All the studies and evidence before the committee have shown that it is very difficult to transfer shipbuilders from New England or the west coast to another industry somewhere else in the country. There is a long lag before they are able to find new places.

The figures which are available to the Senate seem to me amply to warrant the moderation with which the distinguished chairman of the Committee on Finance presented this measure to the Senate, when he said that he did not wish to support any of the glittering figures which have been urged in connection with the expected vast expansion of our foreign trade. We read repeatedly in the newspapers about a foreign trade of $5,000,000,000 to $10,000,000,000, and 3,000,000 to 5,000,000 jobs which would be created. If anyone is cherishing such an illusion, which has been held before the people of the United States by the words of so many spokesmen in high places, he may see his dreams dissipated by the cold-blooded testimony of the United States Tariff Commission, whose integrity, I believe, will not be challenged.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BREWSTER. I am very happy to yield.

Mr. AIKEN. Has the Senator any figures on the subject of an increase in intercontinental air transportation after the war?

Mr. BREWSTER. Yes; we have a great many figures.

Mr. AIKEN. I feel that intercontinental air transportation will have a great bearing on international commerce. I was wondering what increase was expected.

Mr. BREWSTER. Does the Senator mean the transportation of freight by air?

Mr. AIKEN. Freight, passenger, and express transportation.

Mr. BREWSTER. I am very glad to have the Senator bring up that subject.

Mr. AIKEN. Take passenger traffic, for example.

Mr. BREWSTER. I am very happy to have the Senator bring up the subject.

Mr. AIKEN. Perhaps I am getting away from the subject of the Senator's address.

Mr. BREWSTER. No. It is very pertinent. I am very glad that the Senator suggested it. Otherwise I might have overlooked it.

Prior to the war we spent somewhat less than $1,000,000,000 a year in foreign travel. It is my belief that the most constructive thing that would possibly happen would be for the United States to stimulate foreign travel to the tune of two or three billion dollars, as a result of the facility of air travel, in which, as the Senator knows, I have long been earnestly interested. It is my belief that, rather than pursue the puny $500,000,000, $600,000,000, or $700,000,000 which we might hope to get, according to the Tariff Commission, by a 50-percent reduction in tariffs, we might much more constructively stimulate our citizens to travel abroad, although, as the Senator

may realize, that statement is in derogation of travel to Maine and Vermont, where we like to entertain visitors. But our people should be stimulated to travel abroad as the very best kind of foreign exchange we can possibly have. It does not consume the labor or resources of other countries, but it gives them purchasing power to buy the products of the United States.

Mr. AIKEN. I agree with the Senator; but I have the opinion—and it is only an opinion—that our foreign commerce will increase somewhat in proportion to our foreign travel.

Mr. BREWSTER. Earlier I gave figures showing that in the period from 1924 to 1929, when we were very prosperous and had a great deal of foreign travel, we had a foreign trade of $54,000,000. It will be found that the curve follows the prosperity of America and the world, rather than almost any other factor.

Mr. AIKEN. That was dollar business. The largest percentage of our national economy represented by foreign commerce was in 1921. It reached a level of 12 percent of our total economy.

Mr. BREWSTER. That was because we were very prosperous, and our national income was very much higher during that period.

Mr. AIKEN. I feel that if foreign travel, whether by air or water, should double, while it might not double our foreign commerce, it would have a tendency greatly to increase our foreign commerce. I do not see how it could do otherwise.

Mr. BREWSTER. Every one agrees that 80 percent of the air travel of the world will be of American origin. Consequently, that will create dollar exchange in other countries. In my judgment it is one of the great hopes of creating purchasing power abroad. In my judgment it holds much greater hope than arguments of the character to which we have been listening, regarding comparatively minor figures.

Mr. AIKEN. I think I can go along with the Senator from Maine, even to the point of agreeing that it would be a more important factor than a change in tariffs. However, I believe that both factors would play their part.

Mr. BREWSTER. What I was trying to point out was that, as the Senator knows, there has been a great deal of talk about a foreign trade of $5,000,000,000 or $10,000,000,000, and from 3,000,000 to 5,000,000 jobs. I believe that we are indebted to the Tariff Commission for dissipating such a notion.

When I introduced the resolution to which reference has been made, one member of the Commission, who shall remain anonymous, inquired of me what this was all about. He said, "If you desire to destroy the idea that we can get any great increase in our foreign trade, such as is being discussed in glittering figures of billions, by reducing tariffs 50 percent more, let me tell you right now that any idea of such an increase is a joke." The figures of the Tariff Commission, as the result of 3 months' study, demonstrate it beyond a doubt.

Mr. AIKEN. A further thought has entered my mind. Does the Senator object to my bringing it out at this point?

Mr. BREWSTER. I am happy to have it.

Mr. AIKEN. How are we to prevent illegal transportation of goods between various countries after the war? The Senator knows that any one can load a plane in the middle of the night 500 miles north of the Canadian border, and have it in Alabama before daylight.

Mr. BREWSTER. We are now entering another field. I hope that during the next week the committee will make a report distinguishing between domestic and foreign air traffic, and that every plane will be compelled to stop at our border, rather than to enter a port of entry anywhere within the interior of our country. In that way we may control the situation.

Mr. AIKEN. In an economic sense, we shall have almost vanishing borders between countries, particularly between the United States and Canada. The airplane is an important factor. Our two countries are now as close together as Maine and Vermont used to be. Years ago the White Mountains were a greater barrier than a thousand miles are today.

Mr. BREWSTER. In our committee we are earnestly working on the matter of foreign commerce by air, and I hope we may report on it soon.

Mr. AIKEN. It seeems to me that our economics will become tangled, regardless of what we may do with respect to this bill or other bills. It seems to me that an irresistible force is bringing the economies of the various nations closer together.

INVESTIGATION OF LOAN TO ELLIOTT ROOSEVELT

Mr. BRIDGES. Mr. President, will the Senator yield to me?

Mr. BREWSTER. I yield.

Mr. BRIDGES. Out of order, I ask unanimous consent to submit a resolution at this time.

The PRESIDING OFFICER. Without objection, the resolution will be received and will be appropriately referred.

Mr. BRIDGES. I send the resolution to the desk and ask that it be read.

The PRESIDING OFFICER. Without objection, the resolution will be read.

The resolution (S. Res. 136) was read and referred to the Committee on Finance, as follows:

Resolved, That the Committee on Finance, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to the loan of $200,000, alleged to have been made by John Hartford to Elliott Roosevelt, and the deduction of the loss on such loan by the said John Hartford from his income for Federal income-tax purposes. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation, together with such recommendations as it may deem desirable.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $1,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. BRIDGES. Mr. President, I believe the resolution is a simple one, in view of the nature of the case.

Mr. GEORGE. Mr. President, I object to any consideration of the resolution at this time.

Mr. BRIDGES. There is no request for its consideration, but the Senator from Maine yielded to me, and I wish to explain the resclution for a moment.

Mr. GEORGE. I think we had better have a little order in the debate. I do not think the Senator has a right to yield for the taking up of some other business, if he still wishes to retain the floor. If the Senator from Maine has concluded, then well and good.

The PRESIDING OFFICER. The Senator from Maine has yielded to the Senator from New Hampshire.

Mr. GEORGE. I was inquiring whether the Senator from Maine has finished, because the Senator from New Hampshire wishes to explain the resolution.

Mr. BREWSTER. I did not yield the floor, although I have practically finished.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The PRESIDING OFFICER. The Senator from Maine.

Mr. BREWSTER. Mr. President, I do not think I need say any more than a benediction on all the contributions which have been made this afternoon by various Senators. I very much appreciate their contributions to the illumination of this subject.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. WALSH. The Senator has referred to the report of the Tariff Commission as a result of the resolution which he submitted to the Senate some months ago. In that report is there not a statement by the Tariff Commission of the industries which would be affected—seriously affected, I think their word is—if the reduction of 50 percent were made, under the law?

Mr. BREWSTER. Yes. That is why I greatly regret that the report is not available in printed form, because in it every schedule is reported on and every industry which would be affected is discussed and reported on, according to their estimates.

Mr. WALSH. It is my recollection that they name specifically 40 industries which would be affected if the proposal

to lower the tariff rates 50 percent is enacted into law.

Mr. BREWSTER. That is what they indicate.

Mr. WALSH. I suggest that it would be well to have the report printed in the RECORD.

Mr. BREWSTER. I shall be glad to do so. Mr. President, I ask unanimous consent that the report may be printed in the RECORD at this point.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Summary of 1939 statistics and postwar estimates for all dutiable commodities covered by the reports

	1939	Estimates for postwar long term					
		Per capita income as in 1939			Per capita income, 75 percent above 1939		
		Duties as in 1939	Duties reduced by 50 percent	Duties increased by 50 percent	Duties as in 1939	Duties reduced by 50 percent	Duties increased by 50 percent
Production for the domestic market (million dollars):							
(a) Gross	37,698	45,377	44,513	45,704	69,738	68,552	70,390
(b) Net (estimated at 75 percent of gross)	28,273	24,033	23,385	24,345	52,303	51,414	52,792
Imports:							
(c) Foreign value (million dollars)	1,003	1,141	1,612	106	2,047	2,825	1,576
Estimated ratio of landed value to foreign value (percent)	149.3	149.3	130.7	168.0	149.3	130.7	163.0
(d) Landed value, estimated (million dollars)	1,497	1,704	2,107	1,522	3,056	3,692	2,643

Summary of 1939 statistics and postwar estimates for all commodities, dutiable and free, covered by the reports

	1939	Estimates for postwar long term					
		Per capita income as in 1939			Per capita income, 75 percent above 1939		
		Duties as in 1939	Duties reduced by 50 percent	Duties increased by 50 percent	Duties as in 1939	Duties reduced by 50 percent	Duties increased by 50 percent
Production for the domestic market (million dollars):							
(a) Gross	41,568	49,949	49,084	50,366	76,531	75,344	77,185
(b) Net (estimated as 75 percent of gross)	31,176	37,462	36,813	37,777	57,398	56,508	57,889
Imports:							
(c) Foreign value (million dollars)	2,064	2,186	2,657	1,250	3,628	4,407	3,156
Estimated ratio of landed value to foreign value (percent)	126.4	126.4	119.2	133.6	126.4	119.2	133.6
(d) Landed value, estimated (million dollars)	2,609	2,763	3,167	2,605	4,586	5,253	4,216

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. MAGNUSON. I should like to ask whether the power of the President to establish quotas exists under the act. I have made inquiry regarding an item important to my State; namely, shingles. At one time, under the Smoot-Hawley Tariff Act, shingles were placed on the free list, following a time when a tariff had been placed on shingles. Then, in 1936, we intervened with the then President of the United States; and he established a quota on Canadian shingles coming into this country, because at that time he felt that under the act he did not have the power to put a tariff on shingles. So quotas have been established on certain items on the free list, and apparently the then President Roosevelt felt that he had that authority.

Mr. BREWSTER. That has also been done in the case of cotton. I believe the quota on cotton has practically eliminated its importation; it has reduced it to negligible quantities—less than 1 percent. The effect of the quota is that of a prohibitive tariff.

Mr. GEORGE. Mr. President, let me say that, although I may be mistaken, my recollection is that the Congress authorized the President to place a quota on shingles, and, pursuant to that authority, the President did place one. I think it questionable whether under the Trade Agreements Act the President could impose quotas on articles on the free list, but I would not make a dogmatic statement to that effect because I think it is debatable whether he has such authority.

Mr. BREWSTER. Have not quotas actually been imposed?

Mr. GEORGE. They have been imposed, I think, only on dutiable articles. My recollection is that in the case of shingles the Congress authorized the President to impose the quota, because there was some doubt about the authority to act, probably under the Reciprocal Trade Agreements law.

Mr. MAGNUSON. The quota took effect; and then, apparently, because of the difference of opinion, the bill granting the authority to the President was passed.

Mr. GEORGE. That is correct.

Mr. BREWSTER. My opinion is that the reduction of all our tariffs by 50 percent would have a negligible effect, whereas if we can promote the prosperity of the United States, as it seems to me is plainly indicated by the findings of the Tariff Commission, that is the constructive way to provide for recovery.

Mr. President, I have indicated why I have serious objection to the reciprocal principle. If we make an agreement with country A, we immediately dress a Christmas tree for the benefit of all the other countries—30 or 40—with whom we may be doing business. As a result, it would be impossible to determine what might be the situation under the unsettled economic conditions with which we might be confronted.

Consequently, it seems wise to allow the President to retain the power he now enjoys, so that he may take action in the light of the situations which develop in the kind of world in which we may live. This is no challenge of the good faith or the intentions or the sincerity of any other country. Let us bear in mind that Britain has imperial preference and the sterling bloc, and Russia has a totalitarian economy. It makes no difference what kind of an agreement we make with Russia; after all, Russia does everything under one tent. So while we might make quotas, Russia would buy or sell or cut as she saw fit to do, not as a matter of governmental agreement, but as a matter of economic policy, which is in an entirely different realm. While we, as a government, were making agreements as to what restrictions we would not impose, Russia, entirely aside from governmental agreements of any character, would carry out whatever trade policy she might desire to adopt.

Until we see the form which this development will take, it seems to me that the United States, without disparagement of its good intentions toward all the other countries of the earth, should merely authorize the President of the United States to continue to exercise the power he has enjoyed throughout the past 10 years.

CONTINUATION OF CERTAIN SUBSIDY PAYMENTS—CONFERENCE REPORT

During the delivery of Mr. BREWSTER's speech,

Mr. MURDOCK. Mr. President, will the Senator from Maine yield?

The PRESIDING OFFICER (Mr. DONNELL in the chair). Does the Senator from Maine yield to the Senator from Utah?

Mr. BREWSTER. I yield.

Mr. MURDOCK. I present the conference report on Senate bill 502, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) to permit the continuation of certain subsidy

payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That the last paragraph of section 2 (e) of the Emergency Price Control Act of 1942, as amended by the Stabilization Extension Act of 1944, shall not apply, with respect to operations for the fiscal year ending June 30, 1946, to corporations created or operations authorized to be performed pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended: *Provided*, That with respect to such corporations and such operations the making of subsidy payments and buying for resale at a loss shall be limited as follows:

"(a) Payments or purchases may be made after June 30, 1945, in such amounts as may be necessary to fulfill obligations incurred prior to July 1, 1945, with respect to 1945 and prior fiscal year activities.

"(b) Payments and purchases may be made with respect to operations for the fiscal year ending June 30, 1946, which involve subsidies and anticipated losses as follows:

"(1) With respect to materials or commodities, other than rubber and rubber products, produced outside the United States, in an amount not to exceed $80,000,000;

"(2) With respect to rubber and rubber products produced outside the United States, in an amount not to exceed $60,000,000;

"(3) With respect to materials or commodities within the United States, as follows:

"(A) Meat in an amount not to exceed $595,000,000;

"(B) Butter in an amount not to exceed $100,000,000;

"(C) Flour in an amount not to exceed $190,000,000;

"(D) Petroleum and petroleum products in an amount not to exceed $290,000,000;

"(E) Copper, lead, and zinc, in the form of premium payments, in an amount not to exceed $88,000,000; and

"(F) Other materials or commodities in an amount not to exceed $100,000,000:

Provided, That in the event the entire amount of any of the above allocations is not required for its purpose, the unused portion of such allocation, but not to exceed 10 percentum of such allocation, may be used for making such payments on and purchases of any other item or items enumerated in this Act, as may be determined by the Director of Economic Stabilization: *Provided further*, That the premium price plan for copper, lead, and zinc shall be extended until June 30, 1946, on the same terms as heretofore, except that all classes of premiums shall be noncancelable unless necessary in order to make individual adjustments of income to specific mines; and that the Metals Reserve Company shall purchase during the fiscal year ending June 30, 1946, at its 1944 price schedule, bauxite produced from such of the underground mines as supplied bauxite to the Metals Reserve Company during 1944 and in such quantities as the Bureau of Mines determines as being subject to permanent loss if not removed prior to June 30, 1946, but not to exceed, however, five hundred thousand long tons.

"SEC. 2. Any slaughterer who heretofore or hereafter shall have received extra compensation payments under Livestock Slaughter Payments Regulation Numbered 3 of Defense Supplies Corporation (adopted pursuant to directives of the Director of Economic Stabilization) when such slaughterer was not in a class eligible for such extra compensation payments, shall be relieved, in whole or in part, of obligation to repay the amount thereof and shall be entitled to receive, in whole or in part, the amount of such extra compensation payments repaid by such slaughterer to, or withheld by Defense Supplies Corporation on account of such extra compensation payments, to the extent that it is determined by the Director of Economic Stabilization, or any agency of the Government authorized by him, that it would be inequitable for Defense Supplies Corporation to require repayment by such slaughterer or to retain the amounts so repaid or withheld, provided such Director or agency also determines that such slaughterer believed reasonably and in good faith that he was eligible to receive such extra compensation payments: *Provided*, That any determination by such Director or agency under this section shall be reviewable by the Emergency Court of Appeals under such rules as such court may prescribe."

And the House agree to the same.

ABE MURDOCK,
ERNEST W. MCFARLAND,
GLEN H. TAYLOR,
ROBERT A. TAFT,
EUGENE D. MILLIKIN,
Managers on the Part of the Senate.
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

Mr. WHITE. Mr. President, I inquire does the report represent a complete agreement of the conferees, majority and minority?

Mr. MURDOCK. It does.

Mr. WHITE. Will the Senator indicate briefly what the effect of the agreement it?

Mr. MURDOCK. The conference report provides the authority for the payment of a number of subsidies, the authorization for which will expire on June 30 if the conference report is not adopted prior to that date.

The bill covers the subsidy on meat, the subsidy on flour about which we have all had many telegrams, and a number of other subsidies, and it restores the Senate language, which was stricken by the House, which takes care of the metal premium payment program until June 30, 1946.

It also includes an amendment with reference to slaughterers who in good faith have received certain subsidies and authorizes the Defense Supplies Corporation not to require repayment of such subsidies or in case repayment has been made to make an equitable settlement.

Mr. WHITE. I have no objection, Mr. President.

Mr. REED. Mr. President, will the Senator yield?

Mr. MURDOCK. Certainly.

Mr. REED. May I inquire if the conference report continues the flour subsidy for export flour to Latin-American countries?

Mr. MURDOCK. It does.

Mr. REED. I wish to express my appreciation of that action, because without that subsidy it would be impossible for American wheat to move as flour to Latin-American countries. Unless the subsidy is continued we will lose entirely what markets the wheat grower of the United States now has for his wheat in the form of flour going to Latin-American countries.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the report was considered and agreed to.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. BROOKS. Mr. President, earlier in the day the discussion centered on the question as to what an industry could do when the Committee for Reciprocity Information heard its case and made no finding. I find that the Elgin Watch Co., which is a very large and substantial concern in Illinois, in testifying before the committee, and under the guidance of questions asked by my colleague the senior Senator from Illinois [Mr. LUCAS], testified that it has lost a large share of the market since the trade-agreement program was inaugurated in 1936. I quote a part of the testimony:

> Our suggestion has been twofold. As a matter of fact, we have been before the Reciprocal Trade Committee; we started 2 years ago, and we haven't gotten any action yet. We asked specifically at the hearing in January of this year that there be arranged in some way or another a quota which would permit us to get back into production and get back into the market.
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> * * * * *
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> Senators, we came down here in April 1943 and had a long discussion with the State Department, with Mr. Harry Hawkins at that time, quite a brilliant fellow. That is where we started. Later, in December of 1944, we got the other watch companies together and filed a joint brief, and we had a hearing—I think it was January 31, 1945—and we are still in the dog house.

Mr. President, from the standpoint of national defense, the watch industry is one of the very important industries of this country. It has been unable to obtain an answer from the committee, and it has tried to do so for 2 years. I wish publicly to protest against such delay. The company to which I have referred has been engaged in war industry since 1941.

At this point I wish to quote from the testimony of the president of the Elgin Watch Co. He stated, in part, as follows:

> What I wish to impress upon you gentlemen is, that despite a warning from the War Department, a treaty was entered into that injured this industry and that gave the Swiss, subsequent to the trade agreement, 61 percent of the market in 1941 as against 47 percent in 1935—and since 1941 they have had the whole hog—and, consequently, we were not in the position to furnish the Government its military requirements with the speed or in the quantities that an adequately protected industry could have provided.

The watch industry, to be sure, is a specialized industry, but it has tried to obtain action on the part of the committee and has been unable to do so. So far, it has met with delay. No one seems to know when it will succeed in getting the committee to act.

I submit, Mr. President, that in the State of Illinois we have a very specific example of a great industry which is being hindered by the delay on the part of the committee in announcing its decision.

Mr. LUCAS. Mr. President, I agree with my colleague, the junior Senator from Illinois, with respect to the watch industry, and the problems which are now under consideration by one of the committees now handling reciprocity matters.

I do not believe a better witness appeared before the Finance Committee of the Senate than was Mr. T. A. Potter, president of the Elgin National Watch Co. I believe it was generally agreed among members of the committee that if any single industry in America really had a cause for complaint, it was the watch industry of this Nation, primarily because since 1941 very few watches have been made by the American watch industry for domestic use. Uncle Sam took over the control of the watch industry of this country at the beginning of the war, and since then the industry has made all the time precision instruments not only for this country but our Allies as well. It was the genius and capacity of the engineers in the watch industry which gave to the Allied world the fine precision time instruments which contributed so much to the defeat of Germany, and which are now contributing so much to the eventual defeat of Japan.

From the standpoint of the national defense, our Government cannot afford to permit the watch industry to fall by the wayside. We are all hoping that the time will come when we shall not need any more of the time precision instruments which the watch industry has been producing in the past few years. But, on the other hand, I believe that the members of the Finance Committee agree that this great industry has produced instruments of war which no other nation had the knowledge to produce, and that from the standpoint of the future the watch industry should not be destroyed.

In the pending bill provision has been made for the inclusion of Army and Navy representatives for the purpose of making the determinations to which reference has been made. I am sure they will use their influence in favor of the watch industry. In the meantime, the watch industry wishes to know where it stands. It has a right to know. I join with my colleague the junior Senator from Illinois in hoping that those who are responsible for making the decisions will furnish an answer for which the industries concerned have asked.

Obviously, the watch industry should not be made the subject of an amendment and be given special treatment, because if that were done, it would also have to be done for many other industries in this country. Amendments were offered giving special treatment to the metal and mining industry, the cordage industry, and others. They were all defeated. Once the door were opened there would be no end of the number of amendments which might come to the floor in an attempt to aid special industries which claim to have been injured.

I join in the protest made by the junior Senator from Illinois, and I sincerely hope that those who are responsible for the solution of the problem which is now pending will give an early decision to the industries concerned.

THE PAN-AMERICAN HIGHWAY

Mr. JOHNSON of Colorado. Mr. President, earlier in the day the junior Senator from Wyoming [Mr. ROBERTSON] called upon the Mead committee to investigate the Pan-American Highway contract which was brought to the attention of the country by Mr. Fulton Lewis, Jr. I sincerely hope that the Mead committee thoroughly investigates the matter. Personally I believe that the War Department, and especially the Army engineers, will demand that the matter be thorcughly and completely investigated. I have full confidence that the Mead committee will be thorough in its work and that it will give to the country all the facts connected with the matter. Like other Members of the Senate, I have great confidence in the Mead committee, and I know that it will do a good job and will make the facts known to the Senate and to the country.

PROMOTION OF VOCATIONAL EDUCATION

Mr. ELLENDER. Mr. President, from the Committee on Education and Labor, I report favorably Senate bill 1080, to amend Public Law 347, Sixty-fourth Congress, approved February 23, 1917, and I submit a report (Rept. No. 368) thereon.

Mr. President, I ask unanimous consent for the immediate consideration of the bill at this time, and also H. R. 3322, which I am also reporting favorably from the same committee. I wish to state that I have consulted with the minority leader, as well as the majority leader, and neither has expressed objection to the immediate consideration of the bills.

Mr. WHITE. Mr. President, I have made an effort to contact the minority members of the committee from which these bills come. I think I have been able to talk with five of the seven minority members, and I find no opposition on their part to either of the bills.

There is just one thing which troubles me. The bills have just been reported today. I rather dislike to see bills passed the day on which they are reported, but if the Senator from Louisiana can say to me that, either for personal reasons or from public considerations, it is desirable that the bills should be passed immediately, I shall raise no objection.

Mr. ELLENDER. Senate bill 1080 affects the distribution of funds for vocational training in Louisiana which have been tied up for some time and I feel that action thereon should be taken without delay. H. R. 3322 would make available for returning war veterans and their families vacant houses built for in-migrant war workers. It will be recalled that such housing cannot be rented except to war workers. Many returning veterans and their families have no place to go and I think it is imperative that we relieve their situation as soon as possible. On yesterday, Hon. FRITZ G. LANHAM, Congressman from Texas, and chairman of the House Committee on Public Buildings and Grounds, suggested to me that he felt the bill should be passed at once so as to relieve distress among many of our returning veterans and their families.

Mr. WHITE. I offer no objection.

The PRESIDENT pro tempore. The clerk will state by title the bill just reported by the Senator from Louisiana.

The LEGISLATIVE CLERK. A bill (S. 1080) to amend Public Law 347, Sixty-fourth Congress, approved February 23, 1917.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 5 of Public Law 347, Sixty-fourth Congress, approved February 23, 1917, entitled "An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure," be amended by adding at the end thereof the following sentence: "The administrators, directors, supervisors, and teachers necessary in the several States to carry out the provisions of this act shall be appointed in accordance with the laws of the respective States."

Mr. ELLENDER. Mr. President, I ask unanimous consent that the report on the bill be printed at this point in the RECORD. The report declares the purpose of the bill. It will be noted that the bill does not take away any language from Public Law 347, Sixty-fourth Congress, but simply adds a sentence at the end of section 5 which makes it certain that administrators, directors, supervisors, and teachers necessary in the several States to carry out the provisions of the act should be appointed in accordance with the laws of the respective States.

There being no objection, the report (No. 368) was ordered to be printed in the RECORD, as follows:

The Committee on Education and Labor, to whom was referred the bill (S. 1080) to amend section 5 of Public Law 347, Sixty-fourth Congress, entitled "An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure," approved February 23, 1917, having considered the same, report thereon with the recommendation that it do pass.

STATEMENT OF FACTS

A controversy arose in respect to an interpretation of section 5 of Public Law 347. The position taken by the legal staff of the United States Office of Education is that since vocational funds have to be channeled through a State board of not less than three members, the said board would have the authority to select the teachers, administrators, directors, and supervisors in a State irrespective of State laws to the contrary. The matter was fully discussed with the United States Office of Education as to the amendment suggested and the language submitted was approved and agreed to by the United States Office of Education.

It is felt that Congress should not interfere in any manner with the selection of the teaching staff of any State, but on the contrary the laws of the State should be respected in that regard. S. 1080 does not in any manner change any of the language in Public Law No. 347, but merely adds at the end of section 5 the following language: "The administrators, directors, supervisors, and teachers necessary in the several States to carry out the provisions of this act shall be appointed in accordance with the laws of the respective States."

The above language has been submitted and approved by the United States Office of Education acting through Commissioner John W. Studebaker, and it is felt that the administrators, directors, supervisors, and teachers should be appointed in accordance with the laws of the respective States of the Union and without any interference of any kind from the Federal Government.

NATIONAL DEFENSE HOUSING

Mr. ELLENDER. Mr. President, from the Committee on Education and Labor I report favorably House bill 3322, an act to expedite the provisions of housing in connection with national defense, and for other purposes, and submit a report (Rept. No. 369) thereon.

Mr. President, I ask unanimous consent for the immediate consideration of the bill.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill (H. R. 3322) an act to expedite the provisions of housing in connection with national defense, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the report on the bill be printed at this point in the RECORD.

There being no objection, the report (No. 369) was ordered to be printed in the RECORD, as follows:

The Committee on Education and Labor, to whom was referred the bill (H. R. 3322) to amend the act entitled "An act to expedite the provisions of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, having considered the same, report thereon with a recommendation that it do pass.

STATEMENT OF FACTS

It has become apparent that many families of servicemen and veterans' families are faced with serious difficulty in finding housing. In many cases, evictions or other factors have operated to deprive such families of the housing in which they have been living, and, because of the general housing shortage, they are not able to obtain other housing accommodations within their means. Returning veterans and their families are experiencing similar difficulties.

Because of the continuing shortage of materials required for permanent house construction, the privately financed programs to provide additional housing, without occupancy restriction, in congested areas and to relieve individual hardship cases has been restricted in amount. Moreover, in many cases, these families cannot afford to purchase housing at this time.

The purpose of the bill is to permit the needs of the families of servicemen and returning veterans to be met on the same basis as the needs of in-migrant war workers have been met—on a temporary basis and only to the extent that they cannot be met by the volume of permanent privately financed housing which can be provided under existing conditions. At present these families are not eligible to occupy war housing provided under the Lanham Act, as amended, unless some member of the family is a war worker. It is apparent that there are many families of servicemen and families of veterans which therefore cannot qualify for such housing. The bill would make it possible for the families of servicemen overseas and returning veterans with families, or the surviving family of any such person, who are affected by evictions or other unusual hardship to occupy any vacant publicly financed war housing which, although vacant, has not yet become surplus to the war needs of the area where it is located. Also, when any such war housing becomes surplus to the war needs of the area, the bill would make possible the moving of such housing to other areas where there is an acute shortage of housing and the needs of such families cannot be met through utilization of the existing housing supply in that area—including any publicly financed war housing. In areas where the needs of such families cannot be met through use of the existing supply of housing and by moving publicly financed temporary war housing from other areas, the bill would permit temporary housing to be constructed to meet these needs.

The removal provisions of section 313 of the Lanham Act apply to any temporary war housing utilized to meet these needs whether it is moved from another area or constructed initially for such purpose.

Although the bill does not provide for any additional authorization of funds for this purpose, funds made available under the authorization in section 3 of the Lanham Act, as amended, could be used for these purposes.

POWERS OF APPOINTMENT UNDER INTERNAL REVENUE CODE

Mr. GEORGE. Mr. President, from the Committee on Finance I report favorably, without amendment, House Joint Resolution 206, and I submit a report (No. 370) thereon. I shall ask for the immediate consideration of the measure, and shall give the reason for my request.

The PRESIDENT pro tempore. The clerk will state the joint resolution by title.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 206) extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

Mr. GEORGE. Mr. President, this is a measure providing merely for an extension for 1 year of the act, and it is agreeable to the Treasury. The joint resolution was unanimously ordered reported by the Committee on Finance this morning.

The time as fixed in the law will expire on June 30. Since the joint resolution must go back to the House, as I shall explain presently, and reach the President before the 30th of June, we have not very much time, and for that reason I ask for the immediate consideration of the joint resolution.

Mr. WHITE. Mr. President, I have no objection. The views of the Senator from Georgia are usually sound and persuasive, and they have been so on this occasion.

Mr. GEORGE. I thank the Senator.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Georgia?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. GEORGE. Mr. President, as I have stated, there is an amendment, which was not offered formally in the committee, which I ask to have considered.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, at the end of line 5, it is proposed to insert a new section, as follows:

SEC. 2. Section 501 (c) of the Revenue Act of 1932 as added by section 502 (b) of the Revenue Act of 1943, relating to certain discretionary trusts, is amended by striking out the words "on or after January 1, 1939, and" and inserting in lieu thereof the words "on or after June 7, 1932, and."

Mr. GEORGE. Mr. President, in the passage of this remedial statute provision was made for the relinquishment of the power to change the interest of the beneficiary of the trust, provided it were done on or after the date specified. It has been brought to the attention of the committee that many cases actually present the following situation: Prior to the enactment of the law the same powers which now might be relinquished within a certain specified time had already been relinquished, and this amendment is intended to give the same treatment to those who had actually relinquished the power prior to the enactment of the law, and prior to the date specified in the act. The amendment is not opposed by the Treasury.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time, and passed.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. GEORGE. Mr. President, I ask unanimous consent that the debate be limited to not more than 20 minutes for each Senator on the pending amendment or on the bill during the further consideration of the amendment.

Mr. WHITE. Mr. President, is the request limited to the committee amendment?

Mr. GEORGE. Yes; to the committee amendment.

Mr. WHITE. May I make one further suggestion, that in addition to the reference to the bill and the committee amendment, the Senator include "or any substitute therefor."

Mr. GEORGE. I asked for limitation pending further consideration of the committee amendment. I ask the Senator from Delaware [Mr. TUNNELL] if a 20-minute limitation is agreeable to him, or if he desires more time.

Mr. TUNNELL. Mr. President, I am afraid I cannot consent to the request. I have waited in the Senate all day expecting to have an opportunity to say something on the bill. I may not speak longer than 40 minutes; I may not speak longer than 20 minutes; but I hate to speak under a limitation after having

prepared myself and being in position to proceed to speak at greater length.

Mr. GEORGE. Mr. President, I shall not press the request. I had overlooked for the moment the fact that the Senator from Delaware was prepared to speak this afternoon, but did not obtain the opportunity to begin until after the customary time for taking a recess.

Mr. President, I withdraw the request.

Mr. TUNNELL. I thank the Senator from Georgia.

The PRESIDENT pro tempore. The Senator from Georgia withdraws his unanimous-consent request.

EXECUTIVE SESSION

Mr. GEORGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Maj. Gen. Roy S. Geiger to be a lieutenant general in the Marine Corps for temporary service from the 9th day of June 1945, which was referred to the Committee on Naval Affairs.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

Claude R. Wickard, of Indiana, to be Administrator of the Rural Electrification Administration for a term of 10 years.

By Mr. MURRAY, from the Committee on Education and Labor:

Paul M. Herzog, of New York, to be a member of the National Labor Relations Board for the unexpired term of 5 years from August 27, 1940, vice Harry A. Millis, resigned, and also for a term of 5 years from August 27, 1945.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads.

Sundry postmasters.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the calendar.

ATTORNEY GENERAL

The legislative clerk read the nomination of Tom C. Clark, of Texas, to be Attorney General.

Mr. McMAHON. Mr. President, I do not intend to delay the Senate at this hour, but I cannot permit this opportunity to pass without saying a word respecting the nomination. It so happens that when I was Assistant Attorney General in the Department of Justice the present nominee, whose appointment comes before the Senate today for confirmation, came to the Department of Justice. While he did not start at the bottom, he started very near the bottom. Because of his fine personality and his undoubted mental equipment, and because of the way he conducted himself in discharging the high trusts which were successively reposed in him, he now comes before the Senate as the nominee for the attorney generalship of the United States.

Mr. President, I congratulate Mr. Clark. I congratulate the President, who has recognized Mr. Clark so handsomely; I think I can assure the country, from my knowledge of Mr. Clark and my long association with him, that he will well and faithfully, and with great credit to himself, administer the duties of this high office. It is with great pleasure, Mr. President, that I shall vote for the confirmation of the nomination of Mr. Clark to be Attorney General of the United States.

The PRESIDENT pro tempore. Without objection, the nomination of Tom C. Clark, of Texas, to be Attorney General of the United States is confirmed.

Without objection, the President will be immediately notified of the confirmation of this nomination.

FOREIGN SERVICE

The legislative clerk read the nomination of Howard Donovan, of Illinois, to be consul general.

The President pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Carl W. Strom, of Iowa, to be consul.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Bartley P. Gordon, of Massachusetts, to be consul.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Without objection, the President will be immediately notified of the nominations in the Foreign Service.

That completes the Executive Calendar.

RECESS

Mr. BARKLEY. Mr. President, as in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 15, 1945, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate June 14 (legislative day of June 4), 1945:

IN THE MARINE CORPS

Maj. Gen. Roy S. Geiger to be a lieutenant general in the Marine Corps, for temporary service, from the 9th day of June 1945.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 14 (legislative day of June 4), 1945:

FOREIGN SERVICE

TO BE A CONSUL GENERAL OF THE UNITED STATES OF AMERICA

Howard Donovan

TO BE CONSULS OF THE UNITED STATES OF AMERICA

Carl W. Strom
Bartley P. Gordon

ATTORNEY GENERAL

Tom C. Clark to be Attorney General.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 14, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

This day, dear Lord, we seek Thy face anew to help us to be worthy in our living and of all the gifts which Thou hast bestowed upon us. Wilt Thou blend within us the human and divine, and may we surrender self for the commonweal and thus follow the guidance of our better impulses. In both success and failure, implant within us the self-restraint, the quietness of heart, and the courage of our Master.

Heavenly Father, we praise Thee for our Republic, with its traditions and sacred institutions which have come down to us through the sacrifices of our fathers. Help us to keep the trust for which our sons are now fighting so valiantly. In the spirit of the Prince of Peace, may our beloved flag with its symbolic colors shine like a rainbow of hope and promise in every threatening storm cloud of strife and disunity, and thus clear all highways for the feet of God. Hear us and thus bless us in the name of Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. ROBERTSON of Virginia asked and was given permission to extend his remarks in the RECORD and to include a brief article from the Christian Science Monitor by Richard L. Strout on the subject The Economic Lesson of 1920.

Mr. MAY asked and was given permission to extend his remarks in the RECORD and to include a statement made by Dr. Freeman, of Richmond, Va., before the Postwar Military Policy Committee of the House today, which is a historic review of military history in the United States.

Mr. SULLIVAN asked and was given permission to extend his remarks in the RECORD and to include a resolution passed by the Board of Aldermen of the City of St. Louis, Mo.

Mr. DOUGHTON of North Carolina asked and was given permission to extend his remarks in the Appendix of the RECORD and to include two editorials, one from the Rocky Mount (N. C.) Telegram and the other from the Columbus Sunday Dispatch, on the subject Succession to the Presidency.

Mr. ELSAESSER asked and was given permission to extend his remarks in the RECORD and to include an article that appeared in the Buffalo Evening News on the subject Seaway Project an Extravaganza.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent that on Thursday next, after disposition of business on the Speaker's table and at the conclusion of any special orders heretofore entered,

I may be permitted to address the House for 25 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EXTENSION OF REMARKS

Mr. D'ALESANDRO asked and was given permission to extend his remarks in the RECORD and include an address he delivered before the Benevolent and Protective Order of Elks, Lodge No. 7, on Flag Day.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD in two instances, to include in one remarks on the subject of American and Soviet accord, and in the other on the subject of the East India trade muddle.

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD and include an address delivered by Eugene C. Pulliam, publisher of the Indianapolis Star, before the Postwar Military Policy Committee.

Mr. SPRINGER asked and was given permission to extend his remarks in the RECORD and include certain excerpts.

FOOD SHORTAGE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the following telegram reached me today:

> How long can your native city Lowell carry on in the war effort without something to eat? No butter, oleo, meat, etc.; eight in my family. If we can't eat, we cannot work, buy bonds, and pay withholding tax. Would like reply before I bring conditions before 1,500 railroad members at this point.
>
> PETER CANNON BILLERICA SHOPS.

Mr. Speaker, the housewives and the fathers of this country have lost patience with existing food conditions. We always hear that something is going to be done, but nothing is done to correct them. The people of the United States will become very much weakened if immediate action is not taken to distribute food fairly. I have asked that investigators be sent to my own city of Lowell today with a view of getting something done. It is an inexcusable situation to have lard and oleo and butter spoiling in many places while there are people suffering from undernourishment. The food in this country is not being properly distributed, especially meat products, fats, and sugar. Our people are denied too much also to send food to countries that do not need it. I believe the American public will rise up and see that something is done if the Congress does not insist that justice be done. There already have been food riots. Housewives will march on Washington to secure justice.

PROTECTION OF HONORABLY DISCHARGED VETERANS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a copy of a bill I have introduced, H. R. 3384.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

VETERANS' HOME LOAN APPRAISALS

Mr. GIBSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include therein a pamphlet on reasonable, normal value for veterans' home-loan appraisals under section 51 of the Servicemen's Readjustment Act of 1944.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

[Mr. GIBSON addressed the House. His remarks appear in the Appendix.]

PROTECTION OF HONORABLY DISCHARGED VETERANS

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute in order that I may ask the gentleman from Mississippi [Mr. RANKIN] several questions.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I would like to ask the gentleman from Mississippi, in reference to his remarks, how he is going to permit the ex-servicemen to take their places in industry, a matter on which we passed legislation, in order that they may get their jobs back. The manufacturers of this country have been trying to give the veterans those jobs back, but the labor unions refuse to permit them to do it without having a strike on their hands.

Mr. RANKIN. The bill that I have introduced (H. R. 3384) takes care of that very proposition. I ask the gentleman from Pennsylvania to read that bill carefully, because I am sure he will agree with me.

Mr. RICH. Well, you can read that bill and you can talk about the legislation, but I am telling you here that the Members of Congress promised these men that they would get their jobs back.

Mr. RANKIN. Of course, they did.

Mr. RICH. But the labor unions have the Members of Congress, as well as a lot of people in this country, by the neck, and they are wrapping their tails around their necks, and you cannot do anything about it.

Mr. RANKIN. Not around my neck. I have introduced this bill to carry out that promise.

FLAG DAY

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SCRIVNER. Mr. Speaker, this is Flag Day, and this Nation is particularly flag conscious after the heroic exploit of those marines on Iwo Jima raising the flag. I call the attention of the House to the fact that the flag is more than a colored cloth of red, white, and blue. It takes more than that mere staff or pole upon which it was raised to keep it flying. It requires undying loyalty and support of 135,000,000 Americans to keep that flag aloft.

NATIONAL ENCAMPMENT OF THE GRAND ARMY OF THE REPUBLIC, 1945

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3287) to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, September 10 to 14, inclusive, 1945.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. VORYS of Ohio. Mr. Speaker, reserving the right to object, and of course I shall certainly not object, because this is an old custom which has been followed for many years, I understand that the chairman of the Committee on Naval Affairs, the gentleman from Georgia [Mr. VINSON], is going to suggest a change in the date from September 10 to September 9.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, from September 10 to 14, inclusive, 1945.
>
> SEC. 2. For the purpose of defraying the expenses of such band in attending and giving concerts at such encampment, there is authorized to be appropriated the sum of $6,452.10, or so much thereof as may be necessary, to carry out the provisions, of this act: *Provided*, That in addition to transportation and Pullman accommodations the leaders and members of the Marine Band be allowed not to exceed $6 per day each for additional living expenses while on duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station.

Mr. VINSON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. VINSON: On page 1, line 6, strike out "10" and insert "9."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "To authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, September 9 to 14, inclusive, 1945."

EXTENSION OF REMARKS

Mr. FOGARTY asked and was given permission to extend his remarks in the RECORD and include an editorial from the Youngstown Vindicator.

CONTINUATION OF CERTAIN SUBSIDY PAYMENTS

Mr. SPENCE. Mr. Speaker, I call up the conference report on the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "That the last paragraph of section 2 (e) of the Emergency Price Control Act of 1942, as amended by the Stabilization Extension Act of 1944, shall not apply, with respect to operations for the fiscal year ending June 30, 1946, to corporations created or operations authorized to be performed pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended: *Provided*, That with respect to such corporations and such operations the making of subsidy payments and buying for resale at a loss shall be limited as follows:

"(a) Payments or purchases may be made after June 30, 1945, in such amounts as may be necessary to fulfill obligations incurred prior to July 1, 1945, with respect to 1945 and prior fiscal year activities.

"(b) Payments and purchases may be made with respect to operations for the fiscal year ending June 30, 1946, which involve subsidies and anticipated losses as follows:

"(1) With respect to materials or commodities, other than rubber and rubber products, produced outside the United States, in an amount not to exceed $80,000,000;

"(2) With respect to rubber and rubber products produced outside the United States, in an amount not to exceed $60,000,000;

"(3) With respect to materials or commodities produced within the United States, as follows:

"(A) Meat in an amount not to exceed $595,000,000;

"(B) Butter in an amount not to exceed $100,000,000;

"(C) Flour in an amount not to exceed $190,000,000;

"(D) Petroleum and petroleum products in an amount not to exceed $290,000,000;

"(E) Copper, lead, and zinc, in the form of premium payments, in an amount not to exceed $88,000,000; and

"(F) Other materials or commodities in an amount not to exceed $100,000,000:

Provided, That in the event the entire amount of any of the above allocations is not required for its purpose, the unused portion of such allocation, but not to exceed 10 per centum of such allocation, may be used for making such payments on and purchases of any other item or items enumerated in this Act, as may be determined by the Director of Economic Stabilization: *Provided further*, That the premium price plan for copper, lead, and zinc shall be extended until June 30, 1946, on the same terms as heretofore, except that all classes of premiums shall be noncancelable unless necessary in order to make individual adjustments of income to specific mines; and that the Metals Reserve Company shall purchase during the fiscal year ending June 30, 1946, at its 1944 price schedule, bauxite produced from such of the underground mines as supplied bauxite to the Metals Reserve Company during 1944 and in such quantities as the Bureau of Mines determines as being subject to permanent loss if not removed prior to June 30, 1946, but not to exceed, however, five hundred thousand long tons.

"SEC. 2. Any slaughterer who heretofore or hereafter shall have received extra compensation payments under Livestock Slaughter Payments Regulation No. 3 of Defense Supplies Corporation (adopted pursuant to directives of the Director of Economic Stabilization) when such slaughterer was not in a class eligible for such extra compensation payments, shall be relieved, in whole or in part, of obligation to repay the amount thereof and shall be entitled to receive, in whole or in part, the amount of such extra compensation payments repaid by such slaughterer to, or withheld by Defense Supplies Corporation on account of such extra compensation payments, to the extent that it is determined by the Director of Economic Stabilization, or any agency of the Government authorized by him, that it would be inequitable for Defense Supplies Corporation to require repayment by such slaughterer or to retain the amounts so repaid or withheld, provided such Director or agency also determined that such slaughterer believed reasonably and in good faith that he was eligible to receive such extra compensation payments: *Provided*, That any determination by such Director or agency under this section shall be reviewable by the Emergency Court of Appeals under such rules as such court may prescribe."

And the House agree to the same.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
Managers on the Part of the House.
ABE MURDOCK,
ERNEST W. MCFARLAND,
GLEN H. TAYLOR,
EUGENE D. MILLIKIN,
ROBERT A. TAFT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The substitute agreed to in conference is the same as the amendment in the nature of a substitute which was passed by the House, except for the differences explained below:

The bill as passed by the Senate contained the following language which was stricken out by the House amendment: "The premium price plan for copper, lead, and zinc shall be extended until June 30, 1946, on the same terms as heretofore, except that all classes of premiums shall be noncancelable unless necessary in order to make individual adjustments of income to specific mines."

This language is restored in the substitute agreed to in conference.

The House amendment contained two sections not in the bill as passed by the Senate, as follows:

"SEC. 2. Any slaughterer not in a class eligible for extra compensation payments under Livestock Slaughter Payments Regulation No. 3 of Defense Supplies Corporation, adopted pursuant to directives of the Director of Economic Stabilization, who has received or may hereafter receive such subsidy payments, shall be relieved of obligation to repay the amount thereof, in whole or in part, to the extent that it is determined by the Director of Economic Stabilization, or any agency of the Government authorized by him, that such slaughterer believed reasonably and in good faith that he was eligible to receive such subsidy payments for his production, and that requirement of repayment would be inequitable.

"SEC. 3. Any slaughterer, who has received, or may hereafter receive, any subsidy payments from Defense Supplies Corporation, shall be relieved of obligation to repay the amount thereof, in whole or in part, unless Defense Supplies Corporation shall first establish its claim, by proof of willful violation charged, in a court of competent jurisdiction, by a suit to be instituted within 6 months from date of last payment of the amount sought to be recaptured."

In the substitute agreed to in conference a single new section 2 has been substituted for these two sections. The new section grants the same relief which was granted by section 2 of the House amendment, but has been broadened so as to cover not only the cases, covered by that section, where amounts have not been repaid to the Defense Supplies Corporation, but also cases where amounts have been withheld by the Corporation on account of excess payments and cases where excess payments have been repaid to the Corporation.

The proviso at the end of the new section 2, providing for judicial review of the administrative determinations made under the section, has been included to accomplish the general purpose which was intended by section 3 of the House amendment.

The new section 2 agreed to in conference reads as follows:

"SEC. 2. Any slaughterer who heretofore or hereafter shall have received extra compensation payments under Livestock Slaughter Payments Regulation No. 3 of Defense Supplies Corporation (adopted pursuant to directives of the Director of Economic Stabilization) when such slaughterer was not in a class eligible for such extra compensation payments, shall be relieved, in whole or in part, of obligation to repay the amount thereof and shall be entitled to receive, in whole or in part, the amount of such extra compensation payments repaid by such slaughterer to or withheld by Defense Supplies Corporation on account of such extra compensation payments, to the extent that it is determined by the Director of Economic Stabilization, or any agency of the Government authorized by him, that it would be inequitable for Defense Supplies Corporation to require repayment by such slaughterer or to retain the amounts so repaid or withheld, provided such director or agency also determines that such slaughterer believed reasonably and in good faith that he was eligible to receive such extra compensation payments: *Provided*, That any determination by such director or agency under this section shall be reviewable by the Emergency Court of Appeals under such rules as such court may prescribe."

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
Managers on the Part of the House.

Mr. SPENCE. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, this is the conference report on the bill, S. 502, which provides for subsidies on domestically produced butter, meat, flour; the strategic materials, copper, lead, zinc; petroleum products; rubber and other materials or commodities that are produced outside of the United States.

The amounts in the bill as we bring it back to the House, providing maximum subsidies, are exactly the same as the House agreed upon. The bill provides that $60,000,000 may be used in subsidies for rubber, and $80,000,000 for materials or commodities, other than rubber, produced outside of the United States. All of the other subsidies are to be used in connection with domestically produced materials and commodities.

The bill provides for $595,000,000 for meat, $190,000,000 for flour, $100,000,000 for butter, $290,000 000 for petroleum products, $100,000,000 that may be used for other commodities and materials, and $88,000,000 for copper, lead, and zinc. If any of the subsidies are not used for the purpose for which they are allocated, not exceeding 10 percent of those subsidies may be used for the other commodities and materials provided for in the bill.

It is essential that this bill become law immediately. The authority to use subsidies will expire on June 30 of this year, and if it is not renewed the subsidy program will fail.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. RICH. I want to make this observation, that if you would do the thing that is best for this country you would stop your subsidies right now and pay the price for commodities that are essential. Then you would do this country great good.

Mr. SPENCE. Mr. Speaker, I did not yield for a speech. In answer to the gentleman, if we would stop subsidies right now there would be a collapse of industry that would be indescribable. It is a policy that has been adopted. It would be impossible to stop the subsidies right now; and anybody, I think, who will consider the matter will agree that it would be impossible to stop the subsidies now without a collapse of essential businesses, and consequent disaster to the country. I presume nobody in this House, with the possible exception of the gentleman from Pennsylvania, would vote to stop subsidies now.

Mr. Speaker, the bill comes back on the conference report as passed by the House, with the exception of the provision with reference to the premium price on the strategic materials. The Senate provided that the premium prices should extend until June 30, 1946. The House had taken that provision out of the law and made the continuance optional. The argument has been advanced that the only way we can be assured of the production of strategic materials is by the continuance of these premium prices, that most of this production has come from high-cost producers, and in order to get them into production it was necessary to give them additional incentive.

I feel sure that the practical effect of this amendment in no way will change the procedure. We all know we have a major war to fight and we know these strategic materials are necessary. This is a production subsidy, and even if we should have a cessation of the war by the end of the year, which is entirely improbable, it would not be a matter to be deplored that production continued at the present rate. The House receded and concurred in the Senate amendment in this respect and I think we were thoroughly justified in so doing, for I believe it will continue to assure the necessary production of copper, lead, and zinc, which are so necessary to the successful prosecution of the war.

The only other change made in the bill was in reference to the amendment in regard to slaughterers. We had a provision in the bill that if a slaughterer received a subsidy to which he in good faith believed he was entitled and that compelling him to repay it would result in an inequity, that he could be relieved of the obligation of repayment. The Sundstrom amendment carried that much further and provided that if the slaughterer had received a subsidy to which under the law he was not entitled, that the Defense Supplies Corporation in their current account could not plead a set-off as against the amount that had been wrongfully paid him, but that they would have to go into a court of competent jurisdiction and prove that he willfully accepted the subsidy. This it seems to me would have been contrary to all business practices and would have worked a great inequity on the Defense Supplies Corporation. We liberalized the House amendment, however, by providing that if the slaughterer had received a subsidy to which he thought he was entitled, or if a subsidy was withheld from him which in good conscience he should have received even though strictly under the law he might not have been entitled to it, and the withholding of it would work an inequity, if the Director of Economic Stabilization decided that the repayment by the slaughterer or the withholding of subsidies by or the repayment to the Defense Supplies Corporation from the slaughterer would work inequity he could be relieved of the obligation and the subsidy would not have to be repaid and that withheld could be required to be paid to the slaughterer.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Missouri.

Mr. COCHRAN. Would the gentleman inform the House just how much is involved in that part of the bill?

Mr. SPENCE. I have forgotten the amount, but it is not a very great amount.

Mr. COCHRAN. But this is about the first time we have provided for relief from liability to pay to certain people who might be indebted to the Government.

Mr. SPENCE. It goes further. I did not complete my sentence.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. SPENCE. Mr. Speaker, I yield myself three additional minutes.

If it is decided by the Director of Economic Stabilization that the Defense Supplies Corporation may withhold the subsidy, or that the subsidy paid to the slaughterer should be paid back without working inequity, the slaughterer may then take an appeal from the decision of the Director to the Emergency Court of Appeals. We think that gives him every remedy that he ought to ask for and more than protects his interest in this respect.

Mr. SUNDSTROM. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from New Jersey.

Mr. SUNDSTROM. If a slaughterer has been paid a subsidy and the OPA or War Food Administration informs the Office of Defense Supplies he is not entitled to it, the Office of Defense Supplies automatically attempts to recapture that. Does that slaughterer then, in the present set-up, have the right to go to the Emergency Court of Appeals before he has to repay that money?

Mr. SPENCE. Yes. He has a right of appeal from the decision of the Director of Economic Stabilization. They cannot recapture unless the Director of Economic Stabilization or such agency as he may designate renders a decision and if he is not satisfied with that decision he can take an appeal to the Emergency Court of Appeals.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. Not for a speech.

Mr. RICH. I will ask the gentleman a question then.

Mr. SPENCE. Yes. Ask a question.

Mr. RICH. With a national debt of $242,000,000,000 plus, as of June 9, and you take out a billion and a half in subsidies from the Treasury that is as empty and as bare as Mother Hubbard's cupboard, where are you going to get the money to pay these subsidies?

Mr. SPENCE. We have spent this money to win the war and we have won it. I am not worrying about the money we have spent, I am worrying about the boys who are fighting our battles. The money we spent in buying implements of war saved the lives of thousands of our fighting men. I would not worry about the money we spent. It was necessary to win the war.

Mr. RICH. Will the gentleman yield further?

Mr. SPENCE. For a question.

Mr. RICH. When the boys come back and have to pay this debt you are leaving, what are they going to say to you then?

Mr. SPENCE. We left a good many over there and a good many are coming back because we spent the money. That is the answer to that question.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. SPENCE. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Speaker, it will be noted that the gentleman from Michigan [Mr. CRAWFORD] and myself, members of the conference committee, did not sign the conference report. As a matter of fact, I think it was the strangest conference that I ever attended. There was no opportunity whatsoever to confer on

the matter in dispute between the other body and the House. One Member of the other body had proxies for all but one of the conferees and, as I understand it, he had been instructed by those who had given him the proxies not to consent to any change whatsoever.

I had and offered a compromise proposal in lieu of the language in the Senate bill having to do with the noncancelable features of the premiums amounting to $88,000,000 on copper, lead, and zinc. The reason why I did not sign the conference report was because by restoring that to the bill—it will be recalled that the House committee had stricken it from the bill—we froze the production in our mines on the basis on which we had been getting production for the last few years and made it impossible for the War Production Board or any other agency of the Government, including the Metals Reserve Corporation, to cut back the production of copper, lead, and zinc, even though it developed within the next few weeks or few months that we had an excess amount of it.

We have been giving a great deal of consideration to the danger of stockpiling strategic and critical materials.

There is a fundamental danger in creating huge stock piles of basic materials, because if the Government has an excessively large stock pile of any of the basic raw materials, then it may control the flow of those raw materials to industry, and in so doing might negative any reconversion program which this Congress or anyone else might formulate.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Missouri.

Mr. COCHRAN. Your conferees on the surplus property bill were confronted with the Senate stock pile amendment, and we fought over it for a week or more. The Government is going to have a tremendous stock pile because under the provisions of the surplus property bill it is going to be required to keep those materials. We were able to get a provision that if it developed that there was not sufficient copper and aluminum for private industry, then a certain amount could be disposed of by the Government. But otherwise, under the surplus property bill, it freezes everything that we have. You cannot dispose of it. It was a provision in favor of the trusts.

Mr. WOLCOTT. I believe that there is a potential danger in stock piling which we cannot overlook, and unless and until the Congress adopts a policy in respect to the control of industry by Government and the flow of raw materials to industry, then of course we should not adopt any such language as is contained in this bill. The mine owners do not have any vested right to continue to mine for another year and expect the Government to take the entire output of those mines at a stipulated price any more than the automotive industry has a vested right to have its contracts for trucks and tanks continued for a year following, perhaps, the end of the war. Just to exaggerate perhaps a little bit to bring out the point, the so-called Detroit Tank Arsenal operated by the Chrysler Corp. is in my district. The Chrysler people have just as much right to insist that they continue to make tanks until June 30, 1946, as the miners of copper, lead, and zinc have to continue to operate their mines at a capacity far beyond both our military or governmental and civilian needs. But there was no opportunity whatsoever to confer on the question.

I have suggested that perhaps it would overcome all of the objections by the mine owners and miners if we agreed that these premiums should not be canceled unless, perhaps, 60 or 90 days was given to them so that they would have a reasonable opportunity to readjust their production to fit into postwar needs. We cannot hope to have a sound reconversion program if we are going to be faced with the constant necessity of protecting particular elements of our economy because, of course, the one will completely offset the other. It was necessary to get this conference report back to the Senate and the House because, as you all know, the millers were right up against the deadline on flour. They have to have this legislation if the people are going to have bread. So we were confronted with this peculiar situation whether we should take the responsibility of granting these subsidies to the food industry which would enable them to get sufficient supplies to our armed forces and civilians, or to put up a fight on this very fundamental question.

I do not think that the food question is any more important than the adoption of this governmental policy. We would have an opportunity to correct the food subsidy provisions of the bill but apparently cannot correct the mistake which was made in respect to metals. We saw no opportunity whatsoever to do the job here on the floor which we would have otherwise done and which according to our obligation as Members of this body we should do.

Another provision which has been touched upon by the chairman of the committee is in respect to review of the proceeding whereby certain of the subsidies may be recaptured. The language as it left the House provided very simply that where a slaughterer had received a subsidy on a certificate which he filed and it appeared later on the Director of Economic Stabilization decided he had not used good faith in applying for the subsidy, the Director of Economic Stabilization could recapture that subsidy either by suing him for it or deducting it from any future subsidies which might accrue to the slaughterer. The point was that we gave the Economic Stabilization Director unlimited power to determine questions which are usually determined in a court of equity. It gave the Economic Stabilization Director exclusive power and authority to determine whether this slaughterer had or had not used good faith and opened the door wide open to discrimination. It was thought by some of us that even the Director of Economic Stabilization should be protected against that charge. So the gentleman from New Jersey [Mr. SUNDSTROM] offered an amendment in our committee, which was adopted on the floor, providing for a court proceeding in the recapture of the subsidies.

The section which he offered was stricken in conference but a proviso was added to the bill which I believe in substance does about the same thing as the Sundstrom amendment did, or at least it is intended to do the same thing. It provides, if an issue is joined between the slaughterer and the Director of Economic Stabilization on whether or not the slaughterer used good faith in applying for the subsidy, the matter may be certified to the Emergency Court of Appeals and the question determined there, so that the Economic Stabilization Director will not have the final word on whether good faith was used or not.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, I take these few minutes to commend the conferees on this report. In my judgment, it is a good report. Of course, it is not entirely to my liking. I would have been glad to extend the subsidies to the critical and strategic minerals and metals for 2 years. However, I am glad to accept the Senate amendment with the provision striking out the cancellation clause. I have all along urged that the small mine operators should not be subjected to the threat of cancellation on short notice.

I cannot agree at all with my friend the gentleman from Pennsylvania [Mr. RICH] in regard to his opposition to this matter of subsidies. He does not want to pay this amount of money "out of an empty Treasury." Would he like to pay very much more out of an emptier Treasury or lose the war?

Let us look into this matter for a moment. During the First World War, taking copper as an illustration, the price of copper rose to at least 35 cents per pound. There is no doubt in my mind but that if the law of supply and demand had been allowed to operate freely in this war it would have done the same or more in regard to copper at this time. But the price of copper was stabilized or was pegged at 12 cents per pound. A premium has been granted to certain high-cost producers up to as much as 17 cents a pound so as to bring out the needed production. But that has not meant that all copper produced brought 17 cents a pound, not by any means. The higher price applies only to that over and above prewar production. I argued in favor of permitting it to go higher than 17 cents a pound. I thought we could have brought up the domestic production still more if that had been done. But it was not done. However, the plan we used has saved the American taxpayers and limited the national debt untold millions.

I do know that production has been increased because we permitted a premium to be paid on the vitally needed war minerals and metals. Now this war is not over yet. Who knows how long it will be before it is over? We cannot count out the bullets to the last man until the last Jap is killed. We ought to

play safe in regard to this matter of strategic war materials. The conferees have helped very much by retaining the Senate provision of noncancellation within the year covered by the measure. This removal of the possibility of cancellation will reassure many a doubtful small mine operator and enable him to go ahead with the war effort in safety.

I tell you the miners in my State and all through the West have had a sword of Damocles hanging over their heads in that these premium payments might be canceled, and if they cannot plan they will not produce. You must have time to plan in mining. A mining man must know more than 60 or 90 days in advance about his price. Therefore I commend the conferees on retaining this provision put in by the Senate.

No amount of argument about the law of supply and demand and the evils of subsidy payments as applied to peacetime can have any effect upon my mind when I regard these wartime conditions. The subsidy program has saved the Government untold millions of dollars, and it is retained in this measure for at least 1 year.

I approve of the committee conference report.

The SPEAKER. The time of the gentleman from Arizona has expired.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, in the hope of preventing inflation and holding down the cost of living to the masses, and especially to the white-collar workers, I have supported and voted in favor of the payment of subsidies.

In view of existing conditions I shall reluctantly vote for this bill which authorizes the payment of subsidies in the amount of $1,363,000,000—specifically, meat, $595,000,000; butter, $100,000,000; flour, $190,000,000; petroleum and petroleum products, $290,000,000; copper, lead, and zinc, in the form of premium payments, $88,000,000; other materials and products, $100,000,000.

Notwithstanding the tremendous sums that we are doling out to these industries hardly a day passes when they and many others appear in force before the Office of Price Administration and demand higher and higher, and still higher ceilings on all of their products, and agriculture is presently receiving prices for most of its products far above parity. I think it was the gentleman from Michigan who stated that the millers are in dire need of subsidies because of the increased price of grains that are already, as I have stated, way above parity prices. I am inclined to agree with him because the departments and agencies having jurisidiction in this matter have failed in their duty. Oh, yes, I am informed that complaints have been filed against the General Foods Corp. and three or four manipulators and brokers who, through their manipulations, have succeeded in cornering rye and have boosted the price of that commodity so that today it is priced at $1.46 per bushel, 30 cents above the price of corn, which, I am informed, has a 30 percent greater food value.

The reports of the Department of Agriculture indicate a tremendous crop of wheat and corn to such extent that some of it is deteriorating because of lack of storage facilities and shipping accommodations, and the news reports are to the effect that the farmers are worried. Notwithstanding this high current production of wheat and corn, saying nothing of the existing surpluses of these two commodities carried over from last year, the Commodity Credit Corporation has bought four and one-half million bushels of rye for overseas shipment. This purchase was made, I understand, upon the urgent pressure of those who have cornered the rye market and who control from 80 to 90 percent of the quantity of rye now on hand. Naturally the millers need a subsidy because when, in 1942 and 1943, this combination began cornering the market, the price of rye was 65 cents per bushel. Consequently, I agree with the gentleman that the millers, in view of the ever-increasing cost of grain, far above parity, must have a subsidy to continue in operation. While the same conditions do not apply to other industries, however, I suggest that before a subsidy is given them that they first prove that they are needed to enable them to operate at a fair profit. Yes, I am in favor of subsidy payments, but I feel that not a penny of these millions of dollars should be paid where it is not shown that profits have been less in the years from 1939 to 1942. This, I am sure, they cannot prove, as their profits have been enormous, and still, in their avariciousness, as I have stated, they are in Washington every day to demand higher ceilings, notwithstanding the payments of these tremendous subsidies.

Mr. Speaker, as soon as time will permit, I shall demand a report of the profits of these industries in 1944 and for the first 5 months of 1945. I feel I will be able to prove in many instances, when the true facts are known, that they are obtaining subsidies to which they are not entitled. Further, I shall demand a copy of the hearings held before the Commodity Credit Corporation on the basis of which they have been granted these subsidies and shall ascertain the reasons for the issuance of certain statements by that agency and the War Food Administration by which manipulators have succeeded in boosting prices and manipulating the markets. It is also my purpose to learn why the investigation was delayed and why action was not commenced long before this time, which has given these manipulators from 30 to 40 days to continue in their manipulations.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Speaker, the conference report which we are now considering calls for subsidies on rubber, rubber products, meat, butter, flour, petroleum products, copper, lead, and zinc. It also provides a blank check of a hundred million dollars which may be used for other materials and commodities.

Mr. Speaker, with the advent of war, a new policy was adopted by this administration. It is the policy of paying subsidies. We paid subsidies on copper, lead, and zinc previous to the war, but the subsidies upon meat, butter, flour, and petroleum are new ventures into the field of subsidies.

Subsidies act much like a narcotic. They are habit-forming. This House has increased from time to time, at the request of the administration, the amount and scope of subsidies. We even provide a hundred million dollars in this bill to give a little more opiate in the form of subsidies.

Some of these subsidies were perhaps necessary during war but I would call the attention to the House to the fact that when the subsidies upon meat, butter, and flour were adopted, it was said that this would reflect a higher price to the producer. These subsidies have been, and are, a consumer subsidy. We are paying a part of the grocery bill of everyone in the country; doing it at a time when they have more than a hundred billion dollars in their pockets. They have more money now than at any other time in the history of this Nation.

The proponents of subsidies maintain that it prevents inflation. Well, if paying a billion and a half dollars for subsidies, which will require two billion in taxes from our children, is controlling inflation, then I fail to comprehend what they mean by inflation. Inflation is here now because we have so much money in our pockets and little to buy. The OPA is trying to control some of the symptoms of inflation much like an anesthetic or an opiate would do. The money provided in this bill is a part of that anesthetic or opiate.

The money paid to slaughterers for AA beef amounts to $3.40 above the $18 ceiling on that beef. We also expect to pay a 50-cent subsidy to the feeder of cattle. In other words, a $3.90 subsidy. This would make AA beef $21.90. Now, Mr. Speaker, if beef was permitted to go to $21.90, removing all subsidies, it would not take long until the cattle producers would be flooding the market with good beef. It would not be necessary for the consumer to patronize the black market. The OPA fails to understand that with more cattle in the country than ever before, these cattle plus feed plus a reasonable price means meat. They prefer to have rules and regulations, changing them in the middle of the feed lot, and thus discourage the production of meat.

I submit, Mr. Speaker, that the time is not far off when this war is over that we must do something about subsidies. The dairy men in the country were opposed to subsidies on milk and butter, but now that they have been receiving them it would be difficult to discontinue them without upsetting the economics of the dairy business. Sooner or later prices must be permitted to find their own level. Subsidies should be discontinued. It takes an army of individuals to operate the subsidy program. It is an instrument of this New Deal administration. It is not good Americanism.

The subsidies being guaranteed to the producers of copper, lead, and zinc in a form of a premium payment guarantee this segment of industry a price for a

year after the war and at a time when we may have large surpluses of these materials. Is it the considered judgment of this House that we should underwrite the mining industry to give them a subsidy for producing at a time when we may have huge surplus stock piles of these minerals?

I repeat, Mr. Speaker, that the subsidy program acts like a habit-forming narcotic. It cannot be stopped with a stroke of the pen. If it is continued after this war is over, we may expect such a program to regiment, blueprint, and make the citizen do a physical, mental, ritualistic goose-step with the tune being played in Washington.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. SPENCE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

Mr. SPENCE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 255, nays 52, not voting 125, as follows:

[Roll No. 111]

YEAS—255

Abernethy	Douglas, Ill.	Jonkman
Allen, Ill.	Doyle	Judd
Allen, La.	Drewry	Kearney
Andersen H. Carl	Dworshak	Keefe
Anderson, Calif.	Eberharter	Kelly, Ill.
Andrews, N. Y.	Elliott	Kerr
Angell	Ellsworth	Kilday
Arnold	Elsaesser	King
Barrett, Wyo.	Elston	Kirwan
Bates, Ky.	Engel, Mich.	Knutson
Beall	Engle, Calif.	Kopplemann
Beckworth	Ervin	Lane
Bell	Fallon	Larcade
Bennett, Mo.	Feighan	Latham
Biemiller	Fenton	Lea
Blackney	Fernandez	LeCompte
Bland	Fisher	Lemke
Bolton	Flannagan	Lesinski
Bonner	Fogarty	Luce
Boykin	Folger	Lyle
Brehm	Forand	Lynch
Brooks	Fulton	McDonough
Brown, Ga.	Gallagher	McGehee
Brown, Ohio	Gardner	McGlinchey
Bryson	Gary	McKenzie
Bulwinkle	Geelan	McMillan, S. C.
Bunker	Gibson	McMillen, Ill.
Burch	Gillespie	Madden
Burgin	Gillette	Mahon
Butler	Gillie	Maloney
Camp	Gordon	Manasco
Campbell	Gossett	Mansfield, Mont.
Canfield	Green	Mansfield, Tex.
Cannon, Mo.	Gregory	Marcantonio
Carnahan	Griffiths	Merrow
Case, N. J.	Hale	Michener
Case, S. Dak.	Hare	Miller, Calif.
Chenoweth	Harless, Ariz.	Mills
Church	Harris	Monroney
Clark	Havenner	Morgan
Cochran	Hays	Morrison
Cole, Mo.	Healy	Mott
Colmer	Hébert	Murdock
Combs	Hedrick	Murphy
Cooper	Hendricks	Murray, Wis.
Courtney	Henry	Neely
Cox	Hess	Norrell
Crawford	Hill	Norton
Crosser	Hinshaw	O'Brien, Ill.
Cunningham	Hoch	O'Brien, Mich.
D'Alesandro	Hoeven	O'Hara
Daughton, Va.	Hook	O'Konski
Delaney, James J.	Hope	O'Neal
Dickstein	Horan	Outland
Dingell	Howell	Patman
Dirksen	Huber	Patrick
Dolliver	Hull	Peterson, Fla.
Domengeaux	Izac	Pickett
Dondero	Jackson	Pittenger
Doughton, N. C.	Jennings	Powell
Douglas, Calif.	Johnson, Lyndon B.	Powers
	Johnson, Okla.	Price, Fla.
Priest	Sadowski	Tibbott
Quinn, N. Y.	Sasscer	Tolan
Rabin	Savage	Torrens
Rains	Schwabe, Okla.	Traynor
Ramspeck	Slaughter	Trimble
Reece, Tenn.	Smith, Maine	Vinson
Rees, Kans.	Snyder	Voorhis, Calif.
Resa	Somers, N. Y.	Vursell
Riley	Sparkman	Wadsworth
Rizley	Spence	Walter
Robertson, N. Dak.	Springer	Wasielewski
Robertson, Va.	Starkey	Weaver
Robinson, Utah	Stevenson	Welchel
Robsion, Ky.	Stigler	Welch
Rockwell	Stockman	Whittington
Roe, Md.	Sullivan	Wickersham
Rogers, Fla.	Sumners, Tex.	Wilson
Rogers, Mass.	Talbot	Winstead
Rogers, N. Y.	Talle	Wood
Rooney	Tarver	Woodhouse
Rowan	Taylor	Woodrum, Va.
Ryter	Thom	Worley
Sabath	Thomas, Tex.	Zimmerman
	Thomason	

NAYS—52

Arends	Halleck	Poage
Auchincloss	Hand	Rankin
Bates, Mass.	Harness, Ind.	Reed, N. Y.
Bishop	Heselton	Rich
Buck	Hoffman	Schwabe, Mo.
Buffett	Jenkins	Scrivner
Byrnes, Wis.	Jensen	Shafer
Chiperfield	Johnson, Ill.	Smith, Wis.
Clevenger	Kean	Sundstrom
Cole, N. Y.	Kinzer	Taber
Ellis	Kunkel	Thomas N. J.
Fuller	Lanham	Vorys, Ohio
Gamble	LeFevre	West
Gearhart	McCowen	Wigglesworth
Goodwin	Martin, Mass.	Wolcott
Graham	Mason	Woodruff, Mich.
Gross	Miller, Nebr.	
Gwinn, N. Y.	Phillips	

NOT VOTING—125

Adams	Flood	McGregor
Anderson, N. Mex.	Gathings	Martin, Iowa
Andresen, August H.	Gavin	May
Andrews, Ala.	Gerlach	Mundt
Bailey	Gifford	Murray, Tenn.
Baldwin, Md.	Gore	O'Toole
Baldwin N. Y.	Gorski	Pace
Barden	Granahan	Patterson
Barrett, Pa.	Granger	Peterson, Ga.
Barry	Grant Ala.	Pfeifer
Bender	Grant, Ind.	Philbin
Bennet, N. Y.	Gwynne, Iowa	Ploeser
Bloom	Hagen	Plumley
Boren	Hall, Edwin Arthur	Price, Ill.
Bradley, Mich.	Hall, Leonard W.	Rabaut
Bradley, Pa.	Hancock	Ramey
Brumbaugh	Hart	Randolph
Buckley	Hartley	Rayfiel
Byrne, N. Y.	Heffernan	Reed, Ill.
Cannon, Fla.	Herter	Richards
Carlson	Hobbs	Rivers
Celler	Holifield	Rodgers, Pa.
Chapman	Holmes, Mass.	Roe, N. Y.
Chelf	Holmes, Wash.	Russell
Clason	Jarman	Sharp
Clements	Johnson, Calif.	Sheppard
Coffee	Johnson, Ind.	Sheridan
Cole, Kans.	Johnson, Luther A.	Short
Cooley	Jones	Sikes
Corbett	Kee	Simpson, Ill.
Cravens	Kefauver	Simpson, Pa.
Curley	Kelley, Pa.	Smith, Ohio
Curtis	Keogh	Smith, Va.
Davis	Kilburn	Stefan
Dawson	LaFollette	Stewart
De Lacy	Landis	Sumner, Ill.
Delaney, John J.	Lewis	Towe
Durham	Link	Weiss
Earthman	Ludlow	White
Eaton	McConnell	Whitten
Fellows	McCormack	Winter
		Wolfenden, Pa.
		Wolverton, N. J.

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. McCormack for, with Mr. Brumbaugh against.

Mr. Randolph for, with Mr. Rodgers of Pennsylvania against.

Mr. Ramey for, with Mr. Simpson of Pennsylvania against.

General pairs:

Mr. Holifield with Mr. Martin of Iowa.

Mr. Rabaut with Mr. Stefan.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Jarman with Mr. Grant of Indiana.

Mr. Whitten with Mr. Ploeser.

Mr. Pace with Mr. Clements.

Mr. Hobbs with Mr. Short.

Mr. Price of Illinois with Mr. August H. Andresen.

Mr. Sikes with Mr. Herter.

Mr. Cooley with Mr. Baldwin of New York.

Mr. Durham with Mr. Jones.

Mr. Bloom with Mr. Holmes of Washington.

Mr. Curley with Mr. Edwin Arthur Hall.

Mr. Roe of New York with Mr. Simpson of Illinois.

Mr. Link with Mr. Hagen.

Mr. Keogh with Mr. Carlson.

Mr. Chelf with Mr. Kilburn.

Mr. Heffernan with Mr. Clason.

Mr. Peterson of Georgia with Mr. LaFollette.

Mr. Coffee with Mr. Mundt.

Mr. O'Toole with Mr. Curtis.

Mr. Byrne of New York with Mr. Bennet of New York.

Mr. Pfeifer with Miss Sumner of Illinois.

Mr. Cannon of Florida with Mr. Fellows.

Mr. Cravens with Mr. Smith of Ohio.

Mr. Buckley with Mr. Reed of Illinois.

Mr. Gathings with Mr. Eaton.

Mr. Celler with Mr. McGregor.

Mr. Barrett of Pennsylvania with Mr. Lewis.

Mr. John J. Delaney with Mr. Corbett.

Mr. Baldwin of Maryland with Mr. Bradley of Michigan.

Mr. Gorksi with Mr. Adams.

Mr. Philbin with Mr. Holmes of Massachusetts.

Mr. Rayfiel with Mr. Gifford.

Mr. Sheridan with Mr. Plumley.

Mr. Chapman with Mr. Leonard W. Hall.

Mr. Hart with Mr. Wolverton of New Jersey.

Mr. Granahan with Mr. Gwynne of Iowa.

Mr. Kefauver with Mr. Winter.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FOOD INVESTIGATION COMMITTEE

Mr. BULWINKLE. Mr. Speaker, I present a concurrent resolution (H. Con. Res. 63) from the Committee on Printing and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Special Committee of the House of Representatives Designated to Investigate Food Shortages be, and is hereby, authorized and empowered to have printed for its use 5,000 additional copies of parts 1 and 2 of the hearings held before said committee during the current session.

The resolution was agreed to.

EXTENDING THE TERMINATION DATE UNDER THE RENEGOTIATION ACT

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3395) to extend through December 31, 1945, the termination date under the Renegotiation Act.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further

consideration of H. R. 3395, with Mr. ZIMMERMAN in the chair.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the Chair inform me how the time stands?

The CHAIRMAN. The gentleman from North Carolina has 13 minutes remaining, the gentleman from Minnesota, 33.

Mr. REED of New York. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota [Mr. LEMKE] to make an announcement.

Mr. LEMKE. Mr. Chairman, I wish to announce that tonight at 7:30 o'clock in the Ways and Means Committee room will be held a meeting of Members of Congress who are interested in the food and meat shortage. Every Member interested in this vital problem ought to attend this meeting tonight.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield.

Mr. BROWN of Ohio. It is entirely possible, of course, that some Members have other engagements that will prevent their attendance, yet they are interested, and their lack of attendance should not be ascribed to lack of interest.

Mr. LEMKE. I shall be delighted to remember that and to say to the gentleman that we are fully aware that many Members who are interested will not be able to attend, but I may say to them that we are interested in getting their views at any time before the OPA bill comes up on the floor of the House.

Mr. BROWN of Ohio. And the gentleman will agree, of course, that their absence does not necessarily mean that they are not interested.

Mr. LEMKE. I happen to know that from my own experience.

Mr. REED of New York. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Chairman, I have been consistently opposed to the renegotiation law. "It is," as a former Chairman of the War Department Price Adjustment Board publicly testified last year before the Ways and Means Committee, "a dangerous and un-American statute." While the amendments embodied in the revenue bill for 1943 improved the renegotiation law, its basic evils remains and it is no less un-American.

During the last Congress—on November 24, 1943—when we had before us the proposed amendments to the 1942 Renegotiation Act, I stated "such a law should never have been placed on our statute books" and expressed the personal conviction that "if given the opportunity this House would vote its complete repeal." We were not given that opportunity, because the rule under which the bill was debated precluded any amendments being offered.

I have not changed my position. On the contrary, I have been strengthened in my conviction by time and events, and further strengthened by the information I have been able to obtain personally from accountants and lawyers who have had experience with the renegotiation processes.

The ostensible purpose of renegotiation is to prevent war profiteering, to prevent the realization of unconscionable profits. The law itself uses the term "excessive profits." No one has satisfactorily explained how, after payment of a 90-percent excess-profits tax or the corporate tax over-all limitation of 80 percent, a company may become a war profiteer or have realized excessive profits. The Chairman of the War Contracts Price Adjustment Board presented rather imposing figures of the renegotiation refunds, but the figures are misleading. It should be borne in mind that, in general, approximately 80 percent of the money recovered through renegotiation would be recovered through taxation. It is pure nonsense to contend that American business generally can realize unconscionable profits out of the war when 90 or 80 cents out of every dollar of profit is paid to the Government in the form of taxes.

We should view the renegotiation law for what it is and not for what it has been represented to us to be. We may have originally intended it to be a measure for the elimination of excessive war profits, but at that time the excess-profits tax had not been enacted. Moreover, those in charge of the administration of the law have lost sight of its true purpose and have arrogated to themselves the right to say what is, in their judgment, a proper profit on a given year's operations.

You may say I am making a distinction without a difference, so to speak. Not at all. There is quite a difference in approach when you seek to determine what is truly excessive, in the full sense and meaning of the word "excessive" than when you seek to determine what profit is reasonable. Congress did not intend that renegotiation serve to determine what profits are reasonable. If we had we would have used the term. Nor did we say that the purpose of renegotiation is to eliminate unreasonable profits. We used the term "excessive profits." We meant "excessive profits" and not "unreasonable profits," as the renegotiators have construed the law.

If you would take the time, as I have, to interview some of your friends who are accountants or lawyers who have handled several renegotiations before the price-adjustment boards, you will get a clearer conception of what renegotiation really represents than otherwise obtainable. They will be able to give you specific illustrations of how the renegotiators have set themselves up as judges of what represents a "reasonable profit" rather than what represents an "excessive profit," as the law intends. This difference of approach has resulted in many companies having to make refunds which amount to only a few thousand dollars, which from the point of view of the company was important to its financial position and which, by no stretch of the imagination, could be considered excessive. It has also had the effect of penalizing rather than rewarding the low-cost quality producer.

The proponents of renegotiation place great stress on it having the merit of elasticity. I agree that the powers delegated under the law are practically without limit. But what merit there is in the elasticity of judgment given the renegotiators is entirely lost in the manner in which the law has been administered. The Special Committee Investigating the National Defense Program made a study of renegotiation and pointed out that it is impossible to recover every last dollar of excessive war profits without unnecessarily interfering with war production. The committee warned against overzealous administration and criticized the boards for so narrowing the margins of profit allowed, being too strongly influenced by a desire to achieve the same kind of mathematical exactness, that the efficient low-cost producer was not substantially rewarded over poor producers.

The statement found on page 221 of the hearings of the Committee on Ways and Means on this bill to extend the termination date of renegotiation, representing a typical comment of renegotiation is worth quoting:

> We happen to be the low-cost producer out of four others doing a similar job, and because of the Government's percentage-of-profit thinking, they are trying to take away dollars from us on account of having done a good job. In other words, we could do a poorer job and make more money than they are now willing to grant us after doing a good job well below the next lowest supplier. The threat always is that unless we accept these lower percentagewise gross profits they could force us to do so under section 801 of the act.

It is my contention that the renegotiation law is not what it has been represented to us as being and it is my contention that it should be repealed effective as of December 31, 1944.

The Renegotiation Act of 1943 provided for the termination of renegotiation as of December 31, 1944, but gave the President the authority to extend it 6 months. Pursuant to that authority, on November 14, 1944, the President issued a proclamation extending the termination date to June 30, 1945. The pending bill provides for a further extention of the termination date to December 31, 1945.

The most persuasive argument that can be advanced for extension of the termination date to December 31, 1945, is that most companies operate on a calendar-year basis, and it would be extremely difficult to renegotiate only 6 months of operations, and, most important, it would result in many inequities, inasmuch as many companies are likely to operate a profit during the first 6 months but have a loss, or at least a reduced profit, during the last 6 months, because of the cut-backs and war-production terminations. For this reason I would favor the proposed extension rather than leave the termination date as of June 30, 1945.

But, Mr. Chairman, the more practical and more sensible approach to the question is not to provide for the 6 months' extension proposed by this bill, but rather to enact legislation for the repeal of the President's proclamation providing for the first extension to June 30, 1945, thereby terminating renegotiation as of the end of 1944. Since the President's proclamation was issued the war in Europe has ended, and it is now evident that war production will be substantially reduced. We are now face to face with reconversion problems,

where a great part of American industry will experience sudden drops in volume but unavoidably have continuing costs. The future of American business depends upon its having sufficient working capital to make the transition from war production to civilian production. To continue renegotiation beyond 1944 under these circumstances is to obstruct rather than facilitate the trying transition to normalcy.

According to the information presented to the Committee on Ways and Means, the price-adjustment boards have only begun to renegotiate 1944 business. No cases involving 1945 business resulting in a refund have been completed. I have been advised by the Chairman of the War Contracts Price Adjustment Board that up to June 8, 1945, there were no completion of assignments for 1945 fiscal years "other than six cancellations." In other words, for the 1945 fiscal year to date there are nothing but cancellations of assignments. To terminate renegotiation as of December 31, 1944, would certainly not create any administrative problems or result in any inequities. On the contrary, such action would be a distinct contribution on our part for our boys returning home for employment. Let me remind you that the renegotiation law does not provide for the allowance of postwar reconversion reserves, which American business so strongly urged be allowed when the Renegotiation Act of 1943 was under consideration.

I hope the opportunity will be presented to this House to decide whether renegotiation should be terminated as of December 31, 1944, or December 31, 1945. Given such an opportunity, I hope that Congress will decide upon the 1944 date. Without such opportunity, we have, of course, no alternative in fairness to American business but to extend the termination date from June 30, 1945, to December 31, 1945.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, we have been talking about renegotiation of contracts which evidently or apparently are of an excessive price nature and consequently recapture of the excess profit should be had by the American people. I would like to talk briefly about the other end of this business which is the renegotiation upward of contracts that are patently too low.

It was my duty some months ago to become engaged in assisting a subcontractor representing a small industry in my district to attempt to obtain a renegotiation upward. I would like to call your attention to what this man had to go through. He had received a subcontract from a very large prime producer. The article which he was required to make for this prime producer was one which the prime producer himself recognized he was unable to make. He did not tell anybody that he was unable to manufacture it but he simply went out to find a subcontractor. Nobody knew what the article would cost. It was a very complicated piece of machining and metallurgical operation. A suggested price was made to this unwitting little company in my district. They took the item at the suggested price on a straight subcontract and discovered very shortly that it was so difficult to manufacture that they were losing $2 per item on a 50,000-piece production schedule.

The capital of the company was $75,000 and, of course, at $2 apiece loss on 50,000 pieces it soon put them very far in the red. They were about to be thrown into bankruptcy. When it came to the question of renegotiation upward the gentlemen in the War Department who have charge of that sort of thing were personally quite sympathetic to the whole situation but called attention to the fact that they were unable to renegotiate the contract upward unless it could be demonstrated or asserted that the continuation in business of this little company in the performance of this or any other contract was necessary to the war effort. It had to be certified that if they went out of business it would be detrimental to the war effort. They were absolutely cold-blooded about it, with no regard for the dire straits of the company because of its efforts to serve the war need.

It seems to me that such a question should not be raised in time of war. This was a going concern. It was able and willing and, of course, doing a good job for our country and a very necessary job, a job that the big producer could not do. The Government let contracts to prime producers that were too high or too low but, of course, it was considered that the prime producer was necessary to the war effort. But here is a little fellow on a subcontract, and it had to be certified that he was necessary to the war effort in order for them to consider the renegotiation upward so that he might recover his loss and stay in business. It finally had to clear through the General Accounting Office for final decision. It took all of the colonels and lieutenant colonels and brigadier generals there were in the War Department to sit around the table together and consult with each other to decide whether they should allow this little fellow to stay in business. And it took a lot of persuasion on my part, too. That, it seems to me, is utterly and absolutely ridiculous. Why is it that a prime contractor is any more necessary to the war effort than a subcontractor who is doing his job and doing it well; in fact, doing a job that the prime contractor himself was unwilling to attempt on his own part?

I have spoken enough on this subject. I want to talk about another subject.

I think the method of letting contracts used by the War Department, and to some extent earlier by the Navy Department, has had many faults. I remember very well a case some time ago where there was a question of the cost of a certain airplane. I am going to use fictitious figures at this point because I do not want unnecessarily to disclose the case. But let us say that the airplane cost $100,000.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. REED of New York. Mr. Chairman, I yield three additional minutes to the gentleman from California.

Mr. HINSHAW. Let us say the airplane cost $100,000 and was being produced at $100,000. A smart man was brought into the Navy Department to help reduce the costs to the Navy. What did he do? He went out to this particular contractor, among others, and he said, "How cheaply do you think you can produce that airplane on a competitive basis?"

The contractor said, "I think we could produce it for $75,000 all right on a competitive basis if we had a contract where we knew we were going to get $75,000 for each airplane and not be renegotiated below that figure."

The man from the Navy Department said, "Do you think you could produce it any cheaper?"

The contractor said, "Possibly so."

The Navy man said, "I will tell you what we will do. We will give you a contract at $60,000 per airplane, and likewise give you a profit of about $2,000 per airplane on that $60,000 figure, which was the same profit he had been allowed on the $100,000 price. Now for every thousand dollars that you can reduce the cost of that airplane below $60,000 we will give you a cut for your white alley and an additional profit and exempt you from negotiation."

May I say I believe I am correct in stating this although I cannot assert it factually: The man from the Navy Department said further, "If it costs you more, then we will see that you do not incur any loss but neither will you make a profit."

On that basis of guaranty and incentive they went out to really produce those airplanes and the cost went down and down and down. They were on a competitive basis where they were assured that they were not going to actually lose any money on the contract and where they got a cut for their white alley by reducing costs if they could. Thus they reduced the cost of that airplane, we will say, from $60,000 to something like $45,000. I am using proportionate figures and not the actual figures. In this case they will be saving the Government a great deal of money even though making a little more profit. Now that is the sort of thing that can be done in a great many lines in this country, if you give the people an incentive price. Likewise, I believe in incentive wages for labor. They are going to work, and work a lot harder if there is a real incentive. If we say to the contractor, "This is a cost-plus deal and when it is all over we will come back and renegotiate you," naturally they get afraid of what the renegotiation will do to them, because it is so uncertain, so they stick in every cost item they can think of knowing that most of them will be cut out and eventually it will be cut down to some point where they will really begin to cry for help. I do not think renegotiation is the right way to do it. I think this other plan is a much better way and one that will save the Government a great deal more money in the long run than any renegotiation statute because you use the powerful lever of the competitive spirit of America to reduce the prices. Competition has

made America the greatest low-cost producing country in the world and provided the world's highest standard of living.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. REED of New York. Mr. Chairman, I yield 12 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, as the Member of the House who introduced the word "renegotiation" into the Federal statutes, I have listened to some of this debate with interest and some amusement. Many statements I would challenge if there were any particular object in challenging them, and much of the debate I would interrupt to correct statements made if there were any particular good that could be done by so doing. But this baby of renegotiation has been a pretty tough little baby and has stood on its merits. The actual extension of the act here today is not really being opposed, although some speeches may sound that way.

The gentleman from Illinois [Mr. CHURCH] used a statement that was made by Mr. Karker, the first chairman of the Price Adjustment Board for the War Department, in a way which was contrary to his meaning and entirely out of the context of Mr. Karker's statement. I should protest that in justice to Mr. Karker. I refer to where the gentleman quoted him as having said the act was an un-American and dangerous act. Mr. Karker used those words only to show the nature of the problem of controlling excessive war profits. He went on to say it was not the kind of act that we would pass in normal times and it could be dangerous in its administration but that under the conditions existing it was the thing to do. No one ever made a better case for the Renegotiation Act than did he, one of the recognized leaders in American business.

I have heard Mr. Karker say that the ultimate criticism of renegotiation will not be because we were too severe in curtailing unconscionable and excessive profits in wartime but because too great profits were permitted in spite of renegotiation. It is my own conviction that will be the ultimate verdict of history when the whole story of renegotiation and our work on excessive profits in this war is written. It is not a perfect act; it has not worked perfectly but it represents an attempt to do something and it got more results than anyone would have predicted in the beginning. In round figures $7,000,000,000 has been saved on contracts renegotiated and an unknown amount saved in better pricing on subsequent contracts.

Now, as I say, I do not know that the act particularly needs a great deal of defense. Perhaps it is of interest to relate how it happened to get started. I do not take any credit for having exposed excessive profits which were being made in the shipping industry, such as the Naval Affairs Committee did. I do not take credit for having uncovered excessive contracts of the War Department. I do not claim any credit for any particular ingenuity in developing the procedure of renegotiation or planting the word "renegotiation" in the Federal Statutes. It was a happenstance.

In February 1942 I happened to learn that the War Department was trying to renegotiate some contracts voluntarily, but encountered difficulty when a contractor was not agreeable to the idea. During the hearings on the sixth supplemental appropriation bill I developed some testimony upon what was being done and the need for legislative authority. Then when the sixth supplemental appropriation bill was here on the floor I offered a simple amendment regarding the constitutionality of which no question could have been raised.

That original amendment provided merely that the funds in that particular bill should not be used to make that portion of payment settlement known as final settlement to any contractor who failed to file a certificate of cost and an agreement for renegotiation of excessive profits on a basis satisfactory to the procuring agency, the Secretary of War or the Secretary of the Navy. That amendment was ruled out of order on the ground that it imposed additional duties upon the Secretary. I then immediately offered a modified amendment providing that the funds in that bill should not be available to pay the final settlement on a contract where the contractor failed to offer a renegotiation agreement to renegotiate in any case where the profits exceeded 6 percent, or words to that effect. That met the parliamentary situation and started the word "renegotiation" in the Federal statutes.

The House adopted that amendment. I remember the incident well. It was late on a Saturday afternoon. It was adopted by an overwhelming vote. It went to the Senate and the Senate, recognizing that the amendment, in the manner in which it was offered, did not provide operating details, put in some details, and restored the flexibility by dropping the 6-percent feature. In certain respects I felt some of the detail was not appropriate. But that is neither here nor there; the essential idea of renegotiating prices on war contracts on the basis of determined and established costs was retained.

Now, the present excess-profits tax was not the law at the time renegotiation started. Sixty-five percent was the rate in the top bracket. We had reports coming in here of unconscionably excessive profits being made. The man from the Todd Shipbuilding Co. testified that they could not handle their profits with a steam shovel at a time when we had little children gathering waste paper and ringing door bells to sell war bonds to pay profits like that.

I have never maintained that renegotiation was a perfect solution of the problem. It was simply a stopgap. It was an attempt to preserve the rights of the public, to prohibit the use of public funds to pay excessive profits until we could work out a more perfect machinery.

We were in the midst of a war. We had to have something that would permit full speed ahead on construction; that would permit work to get under way on letters of intent; to permit contractors to start making something they had never made before; to permit them to switch over their machinery and equipment, not knowing what the cost would be. We had to get the job done. This was an attempt, to preserve a right for the Government to pay on the basis of costs and a reasonable profit. It was an attempt to keep the door open, built upon the Supreme Court decision in the old shipbuilding case in World War I, decided in the spring of 1942, that if the Government once made final settlement, it had no opportunity to recover, in the absence of a showing of outright fraud. So this was an attempt to keep the door open, to keep the Government from being held up because of its dire need; and yet to provide a way to get war production at maximum speed.

I might say also it protected Members of Congress from being responsible for the appropriation and expenditure of money to pay excessive profits which the boys who were out doing the fighting should some day come back to pay.

The act was properly amended as time went on. I was one of those who appeared before the Committee on Ways and Means when the amendment stage came along in the 1943 Revenue Act, when we sought to improve some of the features of the act on the basis of experience.

The more important changes provided an exemption for contracts under $500,000, provided a certain and definite right of appeal in the case of unilateral decisions; provided for a central price adjustment board, so that rules established by one price adjustment board would apply to all main contractors and contracts regardless of whether some were with the War Dapartment, some with the Navy Department, or some other procurement branch of the Government. And we extended the act to cover the Treasury, the RFC and their subsidiary procurement agencies. Those amendments were definitely of benefit.

Last fall when it appeared that the war was going to run beyond the expiration date for the act and when we were still entering new fields of manufacture, where no one had any cost experience, I wrote the Secretary of War, and the Secretary of the Navy and asked them if they thought the act should be extended. They replied that they thought it should and that the President was taking steps to provide for the 6 months' optional extension authorized in the act as revised in the 1943 Revenue Act.

I insert the letter of the Under Secretary of War at this point:

WAR DEPARTMENT,
OFFICE OF THE UNDER SECRETARY,
Washington, D. C., November 30, 1944.

Hon. FRANCIS CASE,
House of Representatives,
Washington, D. C.

DEAR MR. CASE: This is in reply to your letter of November 20, 1944, requesting information with regard to the present status of renegotiation.

The President, by proclamation, dated November 14, 1944, under the powers vested in him by subsection (h) (2) (B) of the Renegotiation Act of 1943, extended the termination date of the Renegotiation Act to June 30, 1945. The President took this action at the joint request of the Secretaries of the

Departments interested in renegotiation. For your information there is attached a photostatic copy of the President's Proclamation, the joint letter of the Secretaries, and certain supplemental papers from the Procurement Policy Board of the War Production Board and the Office of Director of Contract Settlement. The photostatic copy of the proclamation was made before the President's signature was affixed, but the Executive Office has advised that the proclamation was signed on November 14.

With respect to your inquiry as to the progress that has been made in completing the renegotiation of contracts, I have requested the Renegotiation Division of the War Department to prepare a full report which will be submitted to you shortly. A thorough examination is also being made in order to give you a complete report with respect to the other questions raised by your letter.

Your continued interested and your helpful assistance in connection with the Renegotiation Act is deeply appreciated. No one can evaluate too highly your contribution to this all-important job of preventing excessive profits in war procurement.

Sincerely yours,

ROBERT P. PATTERSON,
Under Secretary of War.

Thereupon I prepared and introduced a bill to provide for an extension to the end of calendar 1945, as this bill before us does. That was H. R. 5588, of the Seventy-eighth Congress, offered on the 6th of December. Time did not permit its consideration then, and I reintroduced it as H. R. 376 on the opening day of the Seventy-ninth Congress, the 3d day of January 1945. The pending bill, H. R. 3395, introduced by the distinguished chairman of the Committee on Ways and Means, does the same thing, and I am happy to support it.

The 6-month Presidential extension, of course, carried the act into the middle of this calendar year—carried it to the end of the fiscal year. That meant that many manufacturers would have renegotiations for a part of their year's business, but not on all of it. An extension to the end of the year is fairer to contractor and Government alike.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I am very happy to yield to the distinguished gentleman from New York, who gave me this time and who has contributed to the improvement of the statute.

Mr. REED of New York. Does the gentleman remember when he offered his renegotiation amendment to the appropriation bill?

Mr. CASE of South Dakota. That was in the act of April 6, 1942.

Mr. REED of New York. When did the gentleman say the excess profits was enacted?

Mr. CASE of South Dakota. I did not say. I merely said that the excess-profits tax which we have in effect now was not in effect at that time.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the distinguished gentleman from Tennessee whose interest and intelligence have done so much to place a curb on excessive profits in this war.

Mr. COOPER. The excess-profits tax was in effect for the calendar year 1940.

Mr. CASE of South Dakota. Not at the rates which are applicable at the present time.

Mr. COOPER. There have been amendments to it since then.

Mr. CASE of South Dakota. Yes; that is correct.

Mr. COOPER. The Excess Profits Tax Act for this war applied first to the calendar year 1940.

Mr. CASE of South Dakota. The gentleman from Tennessee, I am sure, will agree with me that the rates have been raised since that time.

Mr. COOPER. That is true and I certainly agree with the gentleman that the excess-profits tax does not eliminate excessive profits.

Mr. CASE of South Dakota. And that is true not merely because of the rates involved, but it is also true because of a point which the gentleman from Illinois overlooked when he made reference to it.

One reason why the excess-profits tax cannot recapture excessive profits is because it is a percentage proposition on volume and it does not take into consideration capital investment. Several instances have come to light where the contractor has only a small investment and has made a large profit using facilities the Government has financed or owns.

Another reason why an excess-profits law does not control war profits effectively is that it treats all profits alike and offsets losses against profits regardless of their origin. Contractors could use huge war profits to finance speculative ventures and make the public thereby carry the losses were it not for the renegotiation statute.

You have got to have something more than simply the excess-profits tax if you are going to control excess war profits.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. CHURCH. The gentleman realizes that in the Kaiser case repricing can be used.

Mr. CASE of South Dakota. General Somervell testified before the Military Affairs Committee the other day to the effect that without renegotiation, repricing was ineffective. That is why the War Department is agreeable to the termination of repricing along with the termination of renegotiation.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. EBERHARTER. I believe there has never been an instance where there have been any exemptions of any sort from renegotiation.

Mr. CASE of South Dakota. The gentleman will find that some operations of the Maritime Commission and the War Shipping Administration have been exempted, unfortunately, by reason of a waiver rule set up by the Price Adjustment Board. The gentleman will find testimony on that subject in the hearings on the national war agencies appropriation bill.

Mr. MILLS. Not under any basic law.

Mr. CASE of South Dakota. No; but under section 5, paragraph 352.2, of the regulations of the War Contracts Price Adjustment Board, an exemption from renegotiation has been set up for certain ship purchases and charters.

Mr. EBERHARTER. I am informed that the Commission has never been granted that power or exercised it.

Mr. CASE of South Dakota. The gentleman will find testimony on that subject in the hearings on the national war agencies bill, 1946, at pages 450 and following. The exemption paragraph is inserted there at page 455.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. SAVAGE].

Mr. SAVAGE. Mr. Chairman, this legislation is something that the people of the Nation are vitally interested in. I have had more experience as a contractor than as a Congressman, but frequently there is recompense in not being an old Congressman in that it gives one more intimate contact with business and people through recent experience out in the field. A great many people throughout the Nation are talking about this program. I have heard Members say here that it is un-American to renegotiate. I have had a great deal of experience with negotiation and I want to say that I do not know of anything that is more American than to sit down and negotiate contracts across the table or negotiate grievances with both sides of the argument represented. That is particularly American.

I realize as a contractor that you cannot always tell how much a thing is going to cost if its production extends over a time of technological development; and in wartime a nation always goes forward technologically many times as fast as it does in peacetime. With the great improvements that we are adopting in production I see no other way of being really fair to contractors than through the process of renegotiation. When there is something new or improved in the way of war implements that must be produced to help in the war effort we do not want to have to delay the production while we take time to investigate to find out all the details of price and costs. The important thing is to get the production started in order to get the war items in the hands of our armed forces as soon as humanly possible and alter the price, if necessary, later by negotiations. It must be done in order to save lives. The people are for it; they are definitely against excessive war profits. Competition is very ineffective in the production of new war items in wartime. For instance, a company is very likely to be the only company producing a certain type plane.

Let us not oppose things that make our war efforts effective, but let us expend our energy to effectuate a permanent peace. It can be done.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, the pending bill, H. R. 3395, extends the Renegotiation Act to December 31, 1945, or

6 months from June 30 this year, the expiration date of the present act. This extension has been strongly recommended and urged by the War Department, the Navy Department, the Maritime Commission, and every agency of the Government charged with the responsibility of prosecuting the war.

Let us bear in mind the purpose of the Renegotiation Act. The purpose is to prevent excessive profits being made out of this war. That is the reason for the act, and that purpose has been to some extent accomplished. Anybody who thinks that the people of this country want a few contractors to make excessive profits out of this war is just deceiving himself.

When this war is over and our fighting men come back, they are going to look at things and when they find that excessive profits have been made out of this war they are going to be plenty mad about it. I do not recall that I have made public reference here before, but it was my privilege to serve about 2 years in the Army during World War I. When I came back and found that about 23,000 millionaires had been created and thousands of others had made independent fortunes out of the war while we were wearing our country's uniform and receiving a soldier's pay, I did not think then it was right, and I do not think now it is right. I have exerted every effort I could; I have done everything within my power to prevent excessive profits being made during this war. We need renegotiation; we need repricing; and we need the excess-profits tax, and with all three of those operating there is still being made too much money by some people in this country out of this war. After all, there is something to the principle of equality of sacrifice when this country is facing the most critical hour in all of its history.

Mr. Chairman, reference has been made here to the excess-profits tax. I have exerted my best efforts in the committee to try to get a more effective excess-profits tax than we have today. We know that the excess-profits tax does not eliminate all excessive profits made out of this war.

Reference has also been made to the 95 percent excess-profits tax rate. You let me construct the base in the tax law; you can fix any rate you want to, and I can fix it so I can get out at the base. The difficulty is with the optional method of taking either the average earnings method or the investment-capital method; with all of the relief provisions in the excess-profits tax law, it does not reach all of the excess profits that are realized by these war contractors.

The National City Bank of New York, certainly not a Government institution, made an investigation and survey and found that only 70 percent of the excess profits were reached by the excess-profits tax law. Although the rate is 95 percent, there is an over-all ceiling of 80 percent to the corporation normal tax, surtax, and excess-profits tax. An actual illustration was given to our committee where one war contractor had made $3,000,000 and did not pay one cent of excess-profits tax. Why? Because he had enough losses and carry-backs and other relief provisions to which he could resort from his other business to wipe out any excess-profits tax.

The fact is that we need the extension of this act to prevent excessive profits being made during this war. I feel that there could be no doubt on the part of any fair and reasonable person that this bill should be passed because the real purpose of it is to try to prevent these excessive profits during war times.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. I have been very much interested in the very splendid and constructive statement the gentleman is making. I am wondering if this bill will do the job to which the gentleman refers, that is reaching the excess profits.

Mr. COOPER. May I say to the gentleman very frankly that it does not go as far as I would like to see it go, but it is the best we have. It is the best we have been able to get. I would like to see other provisions in the Excess Profits Tax Act. I voted for provisions in the Committee on Ways and Means, but they were not adopted. I voted against some provisions in the Excess Profits Tax Act that were included in it. But this is the best we have been able to get, and certainly we need this.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Illinois.

Mr. CHURCH. Would the gentleman support a measure to recapture excessive profits from individuals who are earning more than they ever earned before in their lives?

Mr. COOPER. Of course, the gentleman probably knows that in World War I they tried an excess-profits-tax law for individuals and found it would not work out. It has never worked successfully or satisfactorily, and it was not attempted this time, although President Roosevelt recommended it along with the excess-profits-tax law for corporations. The information was to the effect that the experience during World War I showed that an excess-profits-tax law could not apply to individuals, so it was not adopted. The excess-profits-tax law applies only to corporations.

Mr. CHURCH. And corporations do not vote.

Mr. COOPER. Of course, the gentleman also knows that we have the surtax applying to individuals and partnerships so far as net income is concerned.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The Secretary of the Treasury should know, from his information about banks, of the tremendous number of billions of dollars that are in the hands of some of these corporations that are making excess profits during the war, profits that are not accessible in other ways. Has the committee gone into that phase of it as to where that money is, how you could obtain that information, and how you could reach those profits? It seems to me it would be quite proper to freeze balances over 1940, because if you do not you are going to have these people go into reconversion and buying surplus property, and you will not be able to get it back through renegotiation because it will be too slow.

Mr. COOPER. Of course, that is a matter that will have to be given very careful consideration. It has not come in as a part of the study on this bill.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Colorado.

Mr. GILLESPIE. Is it not true that these exemptions the gentleman has mentioned are working more in favor of large concerns than of small concerns?

Mr. COOPER. They work in favor of anybody who can take advantage of them.

Mr. GILLESPIE. But that relief merely goes to the big ones.

Mr. COOPER. It goes to anybody who can take advantage of it, and under various provisions included in the excess-profits-tax law they are able to take advantage of those provisions so that when they wind up, their excess-profits-tax credit is large enough, so that many of them have very little, if any, excess-profits tax to pay.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. It would be possible to engage in a lot of specific enterprises and charge them up to their profits on war contracts were it not for renegotiation.

Mr. COOPER. Undoubtedly that is true.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. The gentleman heard the statement made on the floor of the House that Henry Kaiser on the basis of a $100,000 investment has made a $27,000,000 profit. What has the gentleman to say about the effect of the Excess Profits Act reaching in and taxing that excess, and why is it more effective if we are led to believe that the excess-profits-tax law is adopted for that purpose? How can such a thing happen?

Mr. COOPER. I do not have the figures here on Mr. Kaiser's company. I do not recall that there was any information brought to the attention of the committee singling that company out as any special illustration. But the point to bear in mind is this: When a war contract is finished, then the representatives of the contractor and the representatives of the Government sit down and go over the thing together. The Government representatives say to the contractor, "You have made excessive profits out of this contract. Now let us see if we can get together." And in a vast majority of the cases they do get together and make a settlement.

The CHAIRMAN. The time of the gentleman from Tennessee has expired. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That subsection (h) of the Renegotiation Act (relating to the termination date) is amended to read as follows:

"(h) This section shall apply only with respect to profits derived from contracts with the Departments and subcontracts which are determined under regulations prescribed by the Board to be reasonably allocable to performance prior to the close of the termination date. Notwithstanding the method of accounting employed by the contractor in keeping his books, profits determined to be so allocable shall be considered as having been received or accrued not later than the termination date. For the purposes of this subsection, the term 'termination date' means whichever of the following dates first occurs—

"(1) December 31, 1945; or

"(2) the date proclaimed by the President as the date of the termination of hostilities in the present war; or

"(3) the date specified in a concurrent resolution of the two Houses of Congress as the date of the termination of hostilities in the present war."

Mr. CHURCH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHURCH: On page 2, line 3, after the word "means", strike out the words "whichever of" and the balance of the section in lines 4 to 11, inclusive, and insert the following: "December 31, 1944."

Mr. CHURCH. Mr. Chairman, this amendment would limit the operations of the Board to contract performances for fiscal years ending up to and including December 31, 1944.

Page 84 of the hearings shows assignments not completed 82.3 percent for the fiscal periods ending in 1944, with no assignments shown there for the fiscal periods ending in 1945. The hearings indicate that the price adjustment boards had only begun to negotiate 1944 business. Up to the present date no cases involving 1945 business resulting in a refund have been completed. As I stated in my remarks a while ago, I have been advised by the Chairman of the War Contracts Price Adjustment Board that up to June 8, 1945, there were no completions of assignments for 1945 fiscal year "other than six cancellations." For the 1945 fiscal year to date there are nothing but cancellations of assignments. To terminate negotiation as of December 31, 1944, will create no administrative problems and result in no inequities.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I rise in opposition to the amendment. It is needless to say further that this bill was unanimously reported by the Committee on Ways and Means after full, extensive, and complete hearings. Of course, none of us likes to hear about anything which is un-American. But I do not know who is to determine who is American unless it is the representatives of the American people in Congress assembled. Certainly anything which is necessary in wartime for the salvation of our Government and for the prevention of excessive and unconscionable and unreasonable war profits cannot be classed as un-American.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield.

Mr. CHURCH. Why are you willing to put in this bill the termination date of December 31, 1945? You only had six cases completed for the 1945 fiscal year and they were canceled.

Mr. DOUGHTON of North Carolina. We have so provided in the bill because those in charge of the prosecution of the war, and for the better protection of the taxpayers of America, have recommended this as necessary in order to prevent the making of excess profits out of this war, as the gentleman from Tennessee [Mr. COOPER] and the gentleman from South Dakota [Mr. CASE] have so well said. If the war is not over by December 31, 1945, as we hope it will be, competitive conditions will then, we trust, be restored to the extent that this legislation will not be necessary any longer. But it is the wrong time to cut it off, in the middle of the calendar year. Not only is the Government in favor of this legislation but the contractors themselves appeared before our committee in favor of it. The United States Chamber of Commerce is in favor of it. If the gentleman wants to take the responsibility of suggesting that this legislation be terminated now, against the judgment of the membership of the Committee on Ways and Means and against the judgment of the War Department and the Navy Department and the majority of the American people, let him take that responsibility and account to his constituents. I am willing to account to my constituents and to the American people for the position I take in advocating that the renegotiation act be extended as provided in this bill. Moreover, the middle of the calendar year is no time to terminate legislation of this kind because that would work a great disadvantage and would be unfair to those contractors and businessmen who conduct their business on the basis of the calendar year.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield.

Mr. CHURCH. The gentleman is in error. My amendment does not cut this off in the middle of the year. My amendment cuts it off at the end of the fiscal year 1944 for all business that year.

I feel the chairman of the Ways and Means Committee is confused. You have had cases for 1944, but only six completed for 1945.

Mr. DOUGHTON of North Carolina. We are not even talking about the fiscal year 1944. We are now nearing the end of the fiscal year 1945. The gentleman is at least a year behind.

Mr. CHURCH. The gentleman misunderstands the amendment.

Mr. DOUGHTON of North Carolina. I hope the amendment will be voted down, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. CHURCH].

The question was taken; and on a division (demanded by Mr. MILLS) there were—ayes 1, noes 45.

So the amendment was rejected.

Mr. CHURCH. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and twenty-three Members are present; a quorum.

The Clerk will read.

The Clerk read as follows:

SEC. 2. Termination of repricing of war contracts.

Section 802 (b) of the Revenue Act of 1943 (relating to repricing of war contracts) is amended to read as follows:

"(b) Section 801 shall not apply to any contract with a department or any subcontract made after (1) the date proclaimed by the President as the date of the termination of hostilities in the present war, or (2) the date specified in a concurrent resolution of the two Houses of Congress as the date of such termination, or (3) December 31, 1945, whichever date is the earlier."

Mrs. NORTON. Mr. Chairman, I move to strike out the last word and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Chairman, my attention has been called to an absurd statement made on the floor yesterday by the gentleman from Missouri [Mr. SLAUGHTER]. I seldom pay much attention to such statements, but this one I think not only reflects upon the integrity of the Committee on Labor but also upon the integrity of a great President, who was responsible for the creation of FEPC as a temporary war agency, and later pressed for its being made a permanent agency.

In the Executive order as written by President Roosevelt are the words, and I quote, "race, creed, color, or national origin," and the bill, H. R. 2232, contains exactly the same terms. The gentleman from Missouri [Mr. SLAUGHTER] stated on the floor and to the press that the "slickest Communist trick that has ever been worked in framing a bill was used in including the word 'creed.'" Does the gentleman from Missouri [Mr. SLAUGHTER] dare to say that President Roosevelt resorted to tricks or that he was a Communist? Does he dare to question the Americanism or the integrity of President Truman, who has appealed to the Rules Committee to support FEPC and publicly urged that FEPC be made permanent? The charges made by the gentleman from Missouri [Mr. SLAUGHTER] are very serious ones and I cannot believe that even in the heat of passion they can or should be condoned.

I would also call the attention of the gentleman to the fact that such men as Mr. Mark Ethridge, publisher of the Louisville Courier-Journal; Dr. Malcolm McLean, president of Hampton Institute; and Msgr. Francis J. Haas, now bishop of Grand Rapids, Mich., who preceded the present Chairman, Mr. Malcolm Ross, have all served as Chairman

of the FEPC. Does the gentleman from Missouri [Mr. SLAUGHTER] accuse any of these gentlemen of being communistic? Does he question the Americanism of these gentlemen or their loyalty to our country. Would it not be a much more honorable course for the gentleman to have pursued and more in keeping with orderly procedure to offer an amendment changing the word "creed," which apparently frightens him with its dreadful implications, when the bill comes before the House for debate? If and when he does so may I assure him the words "religion," "faith," or any better word he may suggest as a substitute for "creed" will not be opposed by the Committee on Labor.

May I also call Mr. SLAUGHTER's attention to the hearings before the Labor Committee, where he will find endorsements from leaders of many religions, including the Federal Council of Churches of Christ in America, the American Society of Friends, the Church Federation of Chicago, representing the Protestant, Catholic, and Jewish religions; the American Jewish Council, the Fraternal Council of Negro Churches in America, and many high dignitaries of the Catholic and Protestant churches.

Does the gentleman from Missouri [Mr. SLAUGHTER] accuse these men of conniving to overthrow our Government by force or of being a party to the "slickest Communist trick that has ever been worked in framing a bill"?

No, Mr. SLAUGHTER, you know better. Why try to find so flimsy an excuse for your failure to support your President, Mr. Truman, your late President, Franklin D. Roosevelt, and the great minority groups of this country who are pleading for this bill. It was you, Mr. SLAUGHTER, who resorted to a trick, but it was not slick.

Mr. CHURCH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHURCH: Page 2 after line 12, strike out all of lines 13 to 21, and insert the following:

"Section 801 of the Revenue Act of 1943 shall not apply to any contract with a department or any subcontractor made after the date of the enactment of this act."

Mr. CHURCH. Mr. Chairman, this amendment would cancel the effect of section 802 (b) of the Revenue Act of 1943—relating to the repricing of war contracts—as of the date of the enactment of this act.

Mr. Chairman, I have the courage to call the attention of the committee to the argument under the heading "The Smaller Company" that was presented to the Ways and Means Committee at page 221 of the hearings.

The smaller company is not equipped to combat arbitrary administration of renegotiation and repricing powers of the Government. Almost three-quarters of National Association of Manufacturers' 12,500 members employ fewer than 500 workers, and they feel that renegotiation and repricing discriminate against the smaller employer who does not have the staff, the time, the skill, nor counsel to cope with these intricate procedures.

A basic objection to compulsory repricing and renegotiation is that it empowers individuals to determine arbitrarily what constitutes a reasonable profit without establishing adequate rules or standards for making such determinations.

Industry consistently has held that the administration of these powers is rule by men rather than rule by law, in contravention of our long-established constitutional method of government. The smaller the company the more likely it is to be at the mercy of arbitrary determinations.

Congress in 1942, after careful deliberation, acted to assist industry to reconvert quickly to peacetime production and to provide civilian jobs at the war's end by allowing corporate taxpayers a postwar credit of 10 percent of the excess-profits tax levied. Congress also provided for the carry-back and carry-forward of losses and excess profits for a period of 2 years in order to provide industry some insurance against the demands of postwar reconversion.

Renegotiation and repricing substantially nullify these provisions. A reduction of excess-profits taxes through compulsory repricing and renegotiation decreases the potential postwar refund. This reduction may well have a serious effect upon industry's ability to provide jobs in the postwar period.

Beginning on page 220 of the hearings let me read to you further:

Simultaneously with its drastic powers of taxation and renegotiation, the Government is forcing companies to accept reductions in contracted prices prior to the fulfillment of the contract. This mandatory repricing power is backed by the threat of plant seizure. We strongly urge the Congress to repeal the compulsory repricing power established under title VIII, section 801, of the Revenue Act of 1943, for the following reasons:

1. Profit recapture from war contractors and subcontractors is in the first instance brought about through renegotiation.

2. Further profit recapture is accomplished by severe normal tax, surtax, and excess-profits taxes.

3. The combination of renegotiation and taxation, applied to profits after they have been earned, makes compulsory repricing of contracts before profits are determined completely unnecessary.

4. Repricing in advance of contract performance depends upon voluminous cost-accounting estimates based upon past production volume. Costs determined on a large volume may be misleading when applied to a smaller volume. Prices established on the basis of large volume could easily be below actual cost when cut-backs and cancellations reduce that volume.

5. The mandatory repricing of existing contracts before completion may result in an over-all loss on the entire production for the year, a result which would not have occurred in the case of renegotiation which takes place after the facts are known.

6. Compulsory repricing of existing contracts destroys the sanctity of contract between Government and individuals which has characterized American progress.

7. When manpower in the services and in industry should be devoted to winning the war, vast burdens of cost analysis, filing of statements, and the great administrative details of compulsory repricing are being added unnecessarily to similar burdens of original price determination, renegotiation, and taxation.

SIMULTANEOUS USE NOT CONTEMPLATED

That the services did not contemplate employing renegotiation and repricing simultaneously is apparent from the Army Service Forces Circular No. 303, issued September 13, 1944, entitled "Company Pricing Program."

Paragraph 1 of the circular states the objective of the company pricing program, and paragraph 2 gives the following reason for the inauguration of the pricing program:

"Reason: After December 31, 1944, unless this date is postponed to June 30, 1945, by the President, war contract will not be subject to the Renegotiation Act of 1943. Business and the War Department must therefore develop improved methods of assuring close prices for war material when renegotiation ceases."

* * * * *

RENEGOTIATION PREFERABLE TO REPRICING

With an excess-profits tax of 95 percent, manufacturers strongly feel that additional profit control is unnecessary, but if the services and Congress continue to insist on further wartime control, it is only reasonable that the services should be forbidden to arbitrarily fix prices in advance of performance and then later renegotiate profits on an over-all basis. If one or the other power is to be continued, industry almost unanimously agrees that it should be that of renegotiation which is exercised after the facts are known and not before.

Mr. Chairman, the power to renegotiate up to and including contract performance in fiscal years ending in 1945, this fiscal year, is in the bill yet. The little business will have figures at the end of the year, at the end of any fiscal year, when renegotiation can be had. Why do it twice? They cannot stand for that expensive procedure of renegotiation and also repricing.

Mr. COOPER. Will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Tennessee.

Mr. COOPER. What was the date of the hearings from which the gentleman read?

Mr. CHURCH. Pages 220 and 221 of the hearings.

Mr. COOPER. Whose testimony is that?

Mr. CHURCH. The testimony of the National Association of Manufacturers. I referred to it.

Mr. COOPER. They did not even appear at the hearings. They sent in a statement.

Mr. CHURCH. That proves that the small businessmen did not have ample opportunity to be heard at only 3 days of hearings held by the Ways and Means Committee on this measure. I am simply calling that to your attention.

Mr. COOPER. Everybody had an opportunity to appear and everybody appeared who wanted to appear.

Mr. WOODRUFF of Michigan. Will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. I can assure the gentleman from Illinois [Mr. CHURCH] that every business organization in this country had every opportunity to appear before the committee individually or to be represented by an individual, if they so desired; but in this instance, as the gentleman from Tennessee has stated, they preferred to submit a statement only.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Illinois [Mr. CHURCH].

The purpose of renegotiation and repricing is somewhat different. The purpose of repricing is to prevent contractors from receiving, not only making but receiving, excessive profits, while the purpose of renegotiation is for the recapture of excessive profits after they have been received. It is much better for a person to keep money that belongs to him, if it does belong to him, and if this money belongs to the Government it is better to keep it, than to have it paid over when it is excess profits, than to go through all the difficulty and trouble of recapturing it. Repricing takes the place of renegotiation in many instances.

Mr. Chairman, repricing serves a splendid purpose in that respect; moreover, renegotiation does not apply under the law as it is now written to contracts under $500,000. If those contractors make excessive profits they can be reached by repricing. The majority of the committee thought it was best to let repricing and renegotiation terminate at the same time. They both terminate on December 31, 1945, under the pending bill.

Mr. Chairman, I ask for a vote.

Mr. DOYLE. Mr. Chairman, I move to strike out the last word.

Mr. COOPER. Will the gentleman yield?

Mr. DOYLE. I yield to the gentleman from Tennessee.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DOYLE. Mr. Chairman, I rise in support of this bill, the objective of which is to take excessive profits out of war. The distinguished gentleman from Tennessee [Mr. COOPER], member of the Ways and Means Committee, favorably reporting this bill, in his very able remarks, used a significant phrase when he said that there was still something to the "equality of sacrifice" and that there is still too much money being made in some places, and that we need this bill, and that it was the best bill we could now get. I say that the gentleman's use of the phrase "equality of sacrifice" should be significant and aid in our determination for this bill.

As I definitely said in the campaign which sent me to this great legislative body that I favored the principle of taking profits out of war, I certainly cannot happily keep my seat during this debate, but feel impelled to urge unanimous approval.

There can be no equality of sacrifice, referred to by the distinguished gentleman, when lives are taken involuntarily, or are offered voluntarily, as sacrifice for national defense, on the one hand, while, on the other hand, our economic set-up is such that greedy folks are permitted to make excessive and unconscionable profits in money terms which directly and indirectly result from the very sacrifice of human life, made necessary by war. I believe it is not entirely an impractical ideal for us to hold in our consciousness that we should think of practical ways and means as we move forward toward an enduring peace to the end that excessive money profits shall not result from the mass killing of humankind.

Granting that our national defense must never be less than is essential to our national safety and security, nevertheless, the relationship of internationally tied-up cartels, money-making schemes, and manipulations to the making of war must be remembered. I frankly believe there is nothing inconsistent with practical thinking and possibilities if we think in terms of the elimination of money profit in case of war. I recognize this may mean that we would have to give practical effect to the distinguished gentleman's phrase, "equality of sacrifice." Why, gentlemen, should not all Americans be left in a position of comparatively equal sacrifice in time of war? Why should relatively a few make vast material gains when vaster numbers are forced to sacrifice their very life's blood and human relationships?

On the basis of the thoroughgoing conscientious report of our Ways and Means Committee and of the long tenure of office and experience of many of its distinguished members, and based on its approval and recommendation that this bill do pass as a necessity and being the best that can now be obtained to the desired end that excessive profits shall not be made out of man's sacrifice in the interest of national defense, I shall support this bill.

Is it not in accordance with the American principles of fair play, and our American way of life, that there be equality of sacrifice in the interest of national security and defense? Do I hear any Member claim that there is equality of sacrifice when my neighbor contributes the life of not only one son, but of two, three, yes, even four sons, in human sacrifice for our national security, while my other neighbor being greedy for gain in gold and material things grasps the emergencies of war as an opportune time to line his pockets with taxpayers' money?

By these extemporaneous remarks, I do not intend to be understood as criticizing the great mass of my fellow American citizens, for I am sure they are not less unselfish, not less patriotic, than am I, but the record speaks clearly that the extension of this bill is necessary for the further prevention of excessive profits made out of war. No, I speak objectively for the consciousness of an ideal, for the putting of that ideal into practical effect—that ideal is, gentlemen, that we think in terms of there being no war; that we think in terms of there being no profits made out of war. When this is achieved, the phrase "equality of sacrifice" will be more nearly approached.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. CHURCH].

The amendment was rejected.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ZIMMERMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3395) to extend through December 31, 1945, the termination date under the Renegotiation Act, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. DOUGHTON of North Carolina. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 302, nays 1, not voting 129, as follows:

[Roll No. 112]

YEAS—302

Abernethy	Bryson	Crosser
Allen, Ill.	Buck	Cunningham
Allen, La.	Buffett	D'Alesandro
Andersen, H. Carl	Bulwinkle	Daughton, Va.
Anderson, Calif.	Bunker	De Lacy
Angell	Burch	Delaney, James J.
Arnold	Burgin	Dickstein
Auchincloss	Butler	Dingell
Baldwin, Md.	Byrnes, Wis.	Dirksen
Barrett, Wyo.	Camp	Dolliver
Bates, Ky.	Campbell	Dondero
Bates, Mass.	Canfield	Doughton, N. C.
Beall	Cannon, Mo.	Douglas, Calif.
Beckworth	Carnahan	Douglas, Ill.
Bell	Case, N. J.	Doyle
Bennet, N. Y.	Case, S. Dak.	Dworshak
Bennett, Mo.	Chenoweth	Eberharter
Biemiller	Chiperfield	Elliott
Bishop	Clark	Ellis
Blackney	Clevenger	Ellsworth
Bland	Cochran	Elsaesser
Bonner	Cole, Mo.	Elston
Boykin	Cole, N. Y.	Engel, Mich.
Bradley, Mich.	Colmer	Engle, Calif.
Brehm	Combs	Ervin
Brooks	Cooper	Fallon
Brown, Ga.	Courtney	Feighan
Brown, Ohio	Cox	Fenton
	Crawford	

Fernandez	Knutson	Rizley
Fisher	Kopplemann	Robertson, N. Dak.
Flannagan	Lane	Robertson, Va.
Fogarty	Lanham	Robsion, Ky.
Folger	Larcade	Rockwell
Forand	Lea	Roe, Md.
Fuller	LeCompte	Rogers, Fla.
Fulton	LeFevre	Rogers, Mass.
Gallagher	Lemke	Rogers, N. Y.
Gamble	Lesinski	Rooney
Gardner	Lewis	Rowan
Gary	Luce	Russell
Gearhart	Ludlow	Ryter
Geelan	Lyle	Sabath
Gibson	Lynch	Sadowski
Gillespie	McCowen	Sasscer
Gillette	McDonough	Savage
Gillie	McGlinchey	Schwabe, Mo.
Goodwin	McKenzie	Schwabe, Okla.
Gordon	McMillan, S. C.	Shafer
Gossett	McMillen, Ill.	Slaughter
Graham	Madden	Smith, Maine
Green	Mahon	Smith, Va.
Gregory	Maloney	Smith, Wis.
Griffiths	Manasco	Snyder
Gross	Mansfield, Mont.	Somers, N. Y.
Gwinn, N. Y.	Mansfield, Tex.	Sparkman
Hagen	Marcantonio	Spence
Hale	Martin, Mass.	Springer
Halleck	Mason	Starkey
Hand	May	Stevenson
Hare	Merrow	Stigler
Harless, Ariz.	Michener	Stockman
Harness, Ind.	Miller, Calif.	Sullivan
Harris	Miller, Nebr.	Sumner, Ill.
Havenner	Mills	Sumners, Tex.
Hays	Monroney	Sundstrom
Healy	Morgan	Taber
Hedrick	Morrison	Talbot
Hendricks	Mott	Talle
Henry	Murdock	Tarver
Heselton	Murphy	Taylor
Hess	Murray, Wis.	Thom
Hill	Neely	Thomas, N. J.
Hinshaw	Norrell	Thomas, Tex.
Hoch	Norton	Thomason
Hoeven	O'Brien, Ill.	Tibbott
Hoffman	O'Brien, Mich.	Tolan
Hook	O'Hara	Torrens
Hope	O'Konski	Towe
Horan	O'Neal	Traynor
Howell	Outland	Trimble
Huber	Patman	Vinson
Hull	Patrick	Voorhis, Calif.
Izac	Patterson	Vorys, Ohio
Jackson	Peterson, Fla.	Wasielewski
Jenkins	Phillips	Weaver
Jensen	Pickett	Welchel
Johnson, Ill.	Pittenger	Welch
Johnson, Lyndon B.	Powell	West
Johnson, Okla.	Powers	White
Jonkman	Priest	Whittington
Judd	Quinn, N. Y.	Wickersham
Kean	Rabin	Wigglesworth
Kearney	Rains	Wilson
Kee	Ramey	Winstead
Keefe	Ramspeck	Wolcott
Kelly, Ill.	Randolph	Wood
Kerr	Rankin	Woodruff, Mich.
Kilday	Reed, N. Y.	Worley
King	Rees, Kans.	Zimmerman
Kinzer	Resa	
Kirwan	Riley	

NAYS—1

Church

NOT VOTING—129

Adams	Celler	Gathings
Anderson, N. Mex.	Chapman	Gavin
Andresen, August H.	Chelf	Gerlach
Andrews, Ala.	Clason	Gifford
Andrews, N. Y.	Clements	Gore
Arends	Coffee	Gorski
Bailey	Cole, Kans.	Granahan
Baldwin, N. Y.	Cooley	Granger
Barden	Corbett	Grant, Ala.
Barrett, Pa.	Cravens	Grant, Ind.
Barry	Curley	Gwynne, Iowa
Bender	Curtis	Hall, Edwin Arthur
Bloom	Davis	Hall, Leonard W.
Bolton	Dawson	Hancock
Boren	Delaney, John J.	Hart
Bradley, Pa.	Domengeaux	Hartley
Brumbaugh	Drewry	Hébert
Buckley	Durham	Heffernan
Byrne, N. Y.	Earthman	Herter
Cannon, Fla.	Eaton	Hobbs
Carlson	Fellows	Holifield
Case	Flood	Holmes, Mass.
Chapman	Gallagher	Holmes, Wash.
Chelf	Gamble	Jarman
Clason	Gardner	Jennings
Clements	Gary	Johnson, Calif.
Coffee	Gearhart	Johnson, Ind.
Cole, Kans.	Geelan	Johnson, Luther A.
Cooley	Gibson	Jones
Corbett	Gillespie	Kefauver
Cravens	Gillette	Kelley, Pa.
Curley	Gillie	Keogh
Curtis	Goodwin	Kilburn
Davis	Gordon	Kunkel
Dawson	Gossett	LaFollette
Delaney, John J.	Graham	Landis
Domengeaux	Green	Latham
Drewry	Gregory	Link
Durham	Griffiths	McConnell
Earthman	Gross	McCormack
Eaton	Gwinn, N. Y.	McGehee
Fellows	Hagen	McGregor
Flood	Hale	Martin, Iowa
Fogarty	Halleck	Mundt
Folger	Hand	Murray, Tenn.
Forand	Hare	O'Toole
Fuller	Harless, Ariz.	Pace
Fulton	Harness, Ind.	Peterson, Ga.
Gallagher	Harris	Pfeifer
Gamble	Havenner	Philbin
Gardner	Hays	Ploeser
Gary	Healy	Plumley
Gearhart	Hedrick	Poage
Geelan	Hendricks	Price, Fla.
Gibson	Henry	Price, Ill.
Gillespie	Heselton	Rabaut
Gillette	Hess	Rayfiel
Gillie	Hill	Reece, Tenn.
Goodwin	Hinshaw	Reed, Ill.
Gordon	Hoch	Rich
Gossett	Hoeven	Richards
Graham	Hoffman	Rivers
Green	Hook	Robinson, Utah
Gregory	Hope	Rodgers, Pa.
Griffiths	Horan	Roe, N. Y.
Gross	Howell	Scrivner
Gwinn, N. Y.	Huber	Sharp
Hagen	Hull	Sheppard
Hale	Izac	Sheridan
Halleck	Jackson	Short
Hand	Jenkins	Sikes
Hare	Jensen	Simpson, Ill.
Harless, Ariz.	Johnson, Ill.	Simpson, Pa.
Harness, Ind.	Johnson, Lyndon B.	Smith, Ohio
Harris	Johnson, Okla.	Stefan
Havenner	Jonkman	Stewart
Hays	Judd	Vursell
Healy	Kean	Wadsworth
Hedrick	Kearney	Walter
Hendricks	Kee	Weiss
Henry	Keefe	Whitten
Heselton	Kelly, Ill.	Winter
Hess	Kerr	Wolfenden, Pa.
Hill	Kilday	Wolverton, N. J.
Hinshaw	King	Woodhouse
Hoch	Kinzer	Woodrum, Va.
Hoeven	Kirwan	

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. McCormack with Mr. Brumbaugh.
Mr. Jarman with Mr. Grant of Indiana.
Mr. Sheppard with Mr. Johnson of Indiana.
Mr. Rabaut with Mr. Stefan.
Mr. Holifield with Mr. Martin of Iowa.
Mr. Whitten with Mr. Ploeser.
Mr. Pace with Mr. Clements.
Mr. Hobbs with Mr. Short.
Mr. Price of Illinois with Mr. August H. Andresen.
Mr. Sikes with Mr. Herter.
Mr. Cooley with Mr. Baldwin of New York.
Mr. Durham with Mr. Jones.
Mr. Bloom with Mr. Holmes of Washington.
Mr. Curley with Mr. Edwin Arthur Hall.
Mr. Roe of New York with Mr. Simpson of Illinois.
Mr. Link with Mr. Rodgers of Pennsylvania.
Mr. Keogh with Mr. Carlson.
Mr. Chelf with Mr. Kilburn.
Mr. Heffernan with Mr. Clason.
Mr. Peterson of Georgia with Mr. LaFollette.
Mr. Coffee with Mr. Mundt.
Mr. O'Toole with Mr. Curtis.
Mr. Pfeifer with Mr. Simpson of Pennsylvania.
Mr. Cannon of Florida with Mr. Fellows.
Mr. Cravens with Mr. Smith of Ohio.
Mr. Buckley with Mr. Reed of Illinois.
Mr. Gathings with Mr. Eaton.
Mr. Celler with Mr. McGregor.
Mr. John J. Delaney with Mr. Corbett.
Mr. Gorski with Mr. Holmes of Massachusetts.
Mr. Philbin with Mr. Adams.
Mr. Rayfiel with Mr. Gifford.
Mr. Sheridan with Mr. Plumley.
Mr. Chapman with Mr. Leonard W. Hall.
Mr. Hart with Mr. Wolverton of New Jersey.
Mr. Granahan with Mr. Gwynne of Iowa.
Mr. Kefauver with Mr. Winter.
Mr. Barry with Mr. Jennings.
Mr. Kelley of Pennsylvania with Mr. Arends.
Mr. Byrne of New York with Mrs. Bolton.
Mr. Weiss with Mr. Vursell.
Mr. Walter with Mr. Reese of Tennessee.
Mr. Bradley of Pennsylvania with Mr. Powers.
Mr. Woodhouse with Mr. Wolfenden of Pennsylvania.
Mr. Andrews of Alabama with Mr. Kunkel.
Mr. Grant of Alabama with Mr. Rich.
Mr. Richards with Mr. Johnson of California.
Mr. Woodrum of Virginia with Mr. Bender.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, my colleague from Illinois [Mr. DIRKSEN] has a special order of 1 hour for this afternoon. He wishes to cancel that and to secure permission to address the House for 1 hour on tomorrow after disposition of business on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. BLAND asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein an article by Mr. Frank J. Taylor, president, American Merchant Marine Institute, on the subject Shipping Receipts Hold Small Factor in Balance of Trade, which appeared in the May 23, 1945, issue of the New York Journal of Commerce.

Mr. WICKERSHAM asked and was given permission to extend his remarks in the RECORD and to include a letter.

PERMISSION TO ADDRESS THE HOUSE

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes and to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

TWO HUNDRED THOUSAND DOLLAR LOAN TO BRIGADIER GENERAL ROOSEVELT

Mr. DOUGHTON of North Carolina. Mr. Speaker, I have requested this time to make a brief statement relative to certain matters that have been carried in the press and given publicity in the last few days concerning a loan purported to have been made or which was made by one John A. Hartford to Brig. Gen. Elliott Roosevelt. I would not have concerned myself about this had it not been for the statements that have been made that $196,000 of this loan of $200,000 has been charged off as a deduction from Mr. Hartford's 1942 income-tax return.

Considering the responsibility resting on the committee of which I have the honor to be chairman and, in view of the press statements and also comments by Members of the House, which I do not criticize, as well as statements made with respect to the matter in the Senate by one or more Senators, I felt that it was my duty as chairman of the committee charged with the responsibility of preparing and presenting revenue measures to make inquiry as to the tax phase of this matter. I did not want to say anything about it or to offer any criticism or comment until I ascertained as near as I could the facts in connection with it.

On yesterday I dispatched a letter by personal messenger to the Secretary of the Treasury, copy of which I will read:

JUNE 13, 1945.

Hon. HENRY MORGENTHAU, Jr.,
Secretary of the Treasury,
Washington, D. C.

DEAR MR. MORGENTHAU: Certain statements have been made by Members of the Congress and several articles have appeared in the newspapers with regard to an alleged transaction between Brig. Gen. Elliott Roosevelt and John A. Hartford, resulting in a loss to the latter, which loss was allowed by the Treasury Department as a deduction for 1942 tax purposes.

Please advise me as to whether or not these statements are true.

Sincerely,

R. L. DOUGHTON.

Late yesterday afternoon I received from the Secretary by messenger this letter, which I will read:

JUNE 13, 1945.

Hon. ROBERT L. DOUGHTON,
House of Representatives.

DEAR MR. DOUGHTON: I have your letter of June 13, 1945, addressed to Secretary Morgenthau, with respect to the recent publicity given a tax deduction allegedly taken by John A. Hartford for a debt owed Mr. Hartford by Brig. Gen. Elliott Roosevelt and charged off by Mr. Hartford as a bad debt in 1942.

The statements referred to, insofar as they relate to action by the Treasury Department, are untrue.

Our records show that in 1942 Mr. Hartford claimed losses from "uncollectible notes" of $228,500, but none of the item has been allowed by the Bureau of Internal Revenue as a proper deduction. To the contrary, the Bureau has questioned the propriety of the deduction, and, on May 30, 1945, in connection with its pending examination of Mr. Hartford's returns for 1942, requested its field office to investigate this item.

Sincerely,

JOSEPH J. O'CONNELL, Jr.,
Acting Secretary of the Treasury.

That is the extent of my knowledge through my investigation and inquiry with respect to the publicity given this matter.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield to the gentleman from Oregon.

Mr. MOTT. Did the Secretary of the Treasury state why he waited until May 1945 to look into a deduction that was claimed in 1942?

Mr. DOUGHTON of North Carolina. The Secretary does not state that, but I made some inquiry of Mr. Stam, chief of staff, Joint Committee on Internal Revenue Taxation, as to whether or not this delay on the part of the Bureau in reaching this item was anything unusual. He said it was not. In the first place, the 1942 tax returns are not made until 1943, and, of course, we all know that the collector's offices in the United States, as well as the Bureau of Internal Revenue here, are overworked and are unable to keep the auditing of these returns current. I will be glad to find out and make further inquiry. There is no disposition on my part to cover up or shield or hide anything. If anyone has done anything wrong in connection with this alleged deduction, which they say has not been allowed, or if it was not properly and regularly handled, I would want to know about it. I would not be afraid to assert that there is nothing wrong as far as Secretary Morgenthau's office or the Treasury Department or the Bureau of Internal Revenue is concerned. As to whether or not there may have been some dereliction in the New York office, I do not suppose anyone knows yet; but if it is thought that there has been, I will be very glad to make inquiry and ask for an explanation as to why this matter has not been looked into earlier.

I have been informed, though it is not in this letter, that so far as this loan is concerned, there is nothing contained in the tax return that would show that the Bureau of Internal Revenue had any information as to the details of the deduction claimed.

Mr. WOODRUFF of Michigan. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. Does not the distinguished chairman of the committee believe that it is somewhat significant that this matter was brought to the attention of a taxpayer as recently as May 30 of this year?

It is known that this information was available and known among quite a large circle of people for more than the period between now and the 30th day of May.

Mr. DOUGHTON of North Carolina. I will say in response to my friend that this letter does not state that the return was not received until the 30th of May, but on that date the Bureau requested the field office to investigate this item. I do not know in matters of this kind how long after returns are received before they are audited. If there is any question about that in anybody's mind, if there is anything that I can find out, I will find it out. If there is any unnecessary delay and anything to give rise to suspicion, I am sure it will be made known. Suspicion is one of the worst things that can be cast upon a department of the Government.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER. The Chair will put the request of the gentleman from North Carolina, but the Chair will remind Members that we are running on time borrowed from the Committee on Appropriations.

Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, will the gentleman yield further?

Mr. DOUGHTON of North Carolina. I yield?

Mr. WOODRUFF of Michigan. I might suggest to the chairman of the committee that this does not seem to be quite on the up and up. I think as chairman of the great committee which has jurisdiction over the taxes of this country the gentleman should call the committee together with a view to letting the committee determine whether or not we should thoroughly go into that question.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield.

Mr. KNUTSON. As I gather from the letter which the gentleman read from the Acting Secretary of the Treasury, the deduction claimed by Mr. Hartford has not yet been allowed?

Mr. DOUGHTON of North Carolina. No, it has not yet been allowed.

Mr. KNUTSON. In other words, the matter is not settled?

Mr. DOUGHTON of North Carolina. It is still pending, and the matter of deduction of the item has not been allowed. So far as I am concerned as chairman of the committee, if the committee desires me to call them together to discuss the matter in executive session I have no objection. Certainly I am trying to help throw light on the matter and get the truth. I do not want to see anybody sheltered who may have done wrong, and neither do I want to see anybody punished if they have not done anything wrong.

Mr. KNUTSON. Was the $196,000 loss included in the $224,000 deduction claimed?

Mr. DOUGHTON of North Carolina. It was alleged in the papers and in the publicity as being for the calendar year 1942. This is for the return of 1942.

Mr. KNUTSON. Was the item specifically named in the deduction, does the gentleman know?

Mr. DOUGHTON of North Carolina. I understand it was not.

Mr. KNUTSON. It was not?

Mr. DOUGHTON of North Carolina. So far as I know, it was not. I do not know whether it is customary, but we can find out about it as to whether it is customary to specify such items.

Mr. KNUTSON. I think it is.

Mr. DOUGHTON of North Carolina. But I am sure the Bureau of Internal Revenue always checks these items very carefully.

Mr. KNUTSON. We are always called upon to enumerate losses in the return of income taxes. The individual is called upon to give each specific case. I was just wondering how that $196,000 item had been handled.

Mr. DOUGHTON of North Carolina. Well, I suppose it was handled and sent back to be rechecked. Of course, an explanation would be demanded as to how it was handled and as to why the deduction was requested, and, if so, what action was taken. There has been no action taken and the deduction has not been allowed.

Mr. KNUTSON. I think the proper thing would be to send Mr. Stam down to personally examine the return of Mr. Hartford.

Mr. DOUGHTON of North Carolina. I am sure there would be no objection to that. There is certainly no objection on my part.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield to the gentleman from Indiana.

Mr. HALLECK. Do I understand from the gentleman's statement that the letter he has read to us confirms the public reports that the transaction involving $200,000 was had; that apparently the money was not repaid, which has resulted in Mr. Hartford's seeking to claim a deduction of $196,000 by reason of the fact that the money has not been repaid?

Mr. DOUGHTON of North Carolina. The deduction asked for was $228,500, as shown by the letter of the Acting Secretary of the Treasury. But it is assumed that was the transaction for which the deduction was asked. But the letter does not so state.

Mr. HALLECK. In any event, the amount that is sought to be claimed as a deduction is larger than the published amount to which the gentleman has referred?

Mr. DOUGHTON of North Carolina. Yes.

Mr. HALLECK. So that the only thing that yet remains to be determined is whether or not Mr. Hartford is entitled to the deduction?

Mr. DOUGHTON of North Carolina. So far as I am concerned, and so far as the Treasury and Bureau of Internal Revenue are concerned, that is the only thing to be determined. If he is not entitled to the deduction, I should judge that under the law he would not get it. And if he is entitled to it, I am sure that no one would want to see him not get it.

The SPEAKER. The time of the gentleman from North Carolina has again expired.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Speaker, I am sure that no Member of this body contemplates this unfortunate situation with any degree of satisfaction. It is more than unfortunate and I am glad that no Member of this body has tried to play it up for political purposes.

The whole matter seems to be somewhat involved. There are rumors and rumors, and, of course, that is inescapable. For instance, a newspaperman asked me yesterday if this loan had been made by Mr. Hartford at the time the subcommittee of the Ways and Means Committee was holding hearings on the Patman chain-store tax bill. As I understand it, this loan was made subsequent to the time the subcommittee made its report on that measure.

You all will agree with me that we should proceed to cauterize the wound, because nothing is to be gained by trying to cover the matter up and I am glad to be able to say I have found no disposition to cover the matter up. It is unfortunate, to say the least.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. Not at this point.

I think perhaps the Ways and Means Committee could very properly hold an early meeting to consider ways and means for securing a settlement of this transaction that will completely protect the Federal Treasury. As I understand it, Mr. Hartford has surrendered the notes for which he received $4,000, and that is something else we should ascertain, if the $4,000 came from the Reconstruction Finance Corporation. There are several angles that should be gone into, and I know that each and every Member of this House wants to protect the integrity of this Government and of the Federal Treasury.

I am going to suggest to my good friend the chairman of the Ways and Means Committee, than whom there is no more honorable and patriotic gentleman in this House, that the Ways and Means Committee be called together at a very early date, perhaps tomorrow or the day after, to take this matter up in executive session and sift the affair to the bottom. Personally, while not being a lawyer, it looks to me as though Mr. Hartford does not have any recourse, but we might be able to find a way to compel General Roosevelt to report the $200,000 as income. I do not know. That is something we will have to go into.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. CASE of South Dakota. Under the tax laws is interest deductible as well as the principal on a loss loan?

Mr. KNUTSON. All losses are deductible.

The SPEAKER. The time of the gentleman from Minnesota has expired.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) entitled "An act to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes."

REPEAL OF PORTIONS OF APPROPRIATIONS AVAILABLE IN THE FISCAL YEAR 1945

Mr. CANNON of Missouri. Mr. Speaker, by direction of the Committee on Appropriations, I ask unanimous consent for the immediate consideration of House Joint Resolution 202, reducing certain appropriations available in the fiscal year ending June 30, 1945.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 202; and pending that I ask unanimous consent that general debate may be limited to 30 minutes, one-half the time to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 202, with Mr. ROBERTSON of Virginia in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri for 15 minutes.

Mr. CANNON of Missouri. Mr. Chairman, it is a matter of gratification to the Committee on Appropriations, and I trust to the Members of the House, that conditions warrant our bringing in this bill at this time. And it is a matter of especial gratification that the system under which it is brought to the floor is operating so efficiently.

This is the second bill of this character which the Committee on Appropriations has brought in this session. As will be recalled, the first bill was for the rescission of appropriations in excess of $3,000,000,000. This bill provides for the recovery of prior appropriations, presently available, in excess of $92,000,000. Both resolutions are in direct response to and in compliance with the provisions which the Committee on Appropriations included in the second deficiency bill of 1944, requiring the Bureau of the Budget to maintain a constant supervision over all appropriations and all contractual obligations with a view to recommending the repeal of any provisions which were no longer required for the purpose for which granted.

There are 42 different items in the pending resolution which, in compliance with this law, the Budget Bureau has recommended to the President and the President has recommended to Congress for rescission in amounts which apparently can be spared.

It is not the contention of the Committee on Appropriations that the amounts itemized in the bill could not have been increased or that other items could not have been added. But we do submit that such changes could not have been made without violating the basic policy which the committee has followed with success from the beginning of the war.

The war is not yet over. We have been told—the President himself announced yesterday; General Stilwell in Sunday's paper reported; and previously former Ambassador Grew, who was for many

years a resident of Japan, reported to the effect that the close of the Japanese War is yet probably 2 years away.

So the Committee on Appropriations in reporting this bill has followed the policy which has governed it in the making of all war appropriations. Rather than run the risk of denying funds which might prove necessary for the support of our armed forces abroad or for the prompt and effective prosecution of the war, the committee has throughout the war followed the policy that if necessary to veer in any direction it would resolve the doubt in favor of providing too much and too soon, rather than too little and too late. We did not expect any of such funds to be wasted; and after a careful survey by the committee and by its investigators, we do not believe any of it has been knowingly wasted. As a result, there has never been a time in the course of this war when American men at the front needed munitions, food, or equipment, that money to provide those necessities was not available. I may say also that it is the plan of the committee that immediately upon the close of the Japanese war, or on the development of evidence to indicate beyond the peradventure of a doubt that specific funds will not be needed, to take prompt steps to reclaim, recover, and impound every dollar of any such surplus.

This is the first time in the history of any war that such action has been taken. Always in past wars the recovery of unexpended balances has been delayed until after the treaty of peace has been signed. In this war we are beginning early and will continue throughout the progress of the war to reclaim all surplus funds.

It is evident, therefore, that our future course in the recovery of unused appropriations is contingent on the progress of the war. Let us briefly analyze war conditions as we find them today. It is the belief of military authorities that Japan will follow one of two courses. Either she will surrender within the next 90 days or the war will be of long duration—a war to the death. Again, there are two alternatives in the event Japan decides to fight it out to the bitter end. Our armed forces have the choice of going in and making a bloody frontal assault upon the enemy with the view to closing the war within the year regardless of cost. Or we have the alternative of blockading the enemy, isolating their positions, starving them out, bombing them out, until slowly but surely without appreciable losses upon the part of the American forces we can win the war through attrition.

We have command of sea and air. From either direction the enemy is already impotent. Her fleet is no longer able to strike back. Her air forces can be eliminated in less time and at less cost than the Luftwaffe. Only on the ground is she still effective—and how effective can be judged from the suicidal resistance on Iwo Jima and Okinawa. We can avoid the heavy losses sustained on these islands. We had to have them. But now that we have them we can avoid the heavy losses sustained in their subjection for the remainder of the war and against similar positions by starving them out. Time runs with us and against the Jap. Not only is it possible to avoid losses by such a course, but we can operate with less men. Under such a program manpower can be released to start reconversion at home while we equip and train Chinese troops to cooperate from the ground with our ships and planes.

We have the option of fighting a longer war, at decreased tempo, with less men and less loss, and at the same time easing the economic situation at home. The close of the war—whenever it comes—will precipitate the usual repercussion which always accompanies reconversion. The gradual extinction of the war, with the corresponding demobilization of men from the armed forces to civilian life, will cushion the shock if not eliminate it altogether.

The possibility that Japan might surrender in 90 days—although purely conjectural—is somewhat heightened by a revelation just made by Russian authorities. In August of 1939, the Sixth Japanese Army, at that time the crack organization of all Japanese forces, suddenly and without notice—as has been Japan's strategy in all former wars—invaded Russian territory. The Russians, driven back, made their stand on their second line of defense, but closed in unexpectedly from the flanks and destroyed the entire Japanese Army. Not a man escaped. The massacre was as complete as the annihilation of Custer's men by Sitting Bull. A complete Japanese Army marched into Russia—and never came back.

The Russians, following their traditional policy of silence, said nothing. And, of course, the Japanese said nothing. But the total loss of their top army is thought to have been a factor in keeping the Japanese out when Hitler declared war on Russia and sent urgent requests to the Imperial Government for cooperation.

It may also be a deciding factor in prevailing upon Japan, when she considers the prospect of Russia coming in from the north to aid the Allies, to decide that unconditional surrender at this time is the better policy.

The future program of the Committee on Appropriations depends on developments which will become evident within the next 90 days. If at that time the termination of the war is in sight the committee will move promptly, with every resource at its command, to the detailed examination of every appropriation, contract, and contractual authorization then pending with a view to recovering every dollar that is still available.

If, on the other hand, it becomes evident that the Japanese are determined to fight it out—and there seems to be abundant evidence that they will adopt that suicidal policy—indicating that we will have at least 18 months or 2 years more of war ahead of us, then the committee will continue to follow its present policy under which we take only those surpluses on which there is positive and conclusive evidence that the surplus will no longer be needed.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I am very glad to hear the chairman of the Committee on Appropriations make the statement he just made. I think if these eventualities do occur that the first responsibility of the Committee on Appropriations will be to reexamine every appropriation bill for the fiscal year 1946 to determine what functions must be carried out and whether or not very substantial sums cannot be recaptured for the Federal Treasury.

Mr. CANNON of Missouri. The gentleman expresses very accurately the policy of the committee.

And may I add, Mr. Chairman, that the gentleman from Illinois [Mr. DIRKSEN] has rendered invaluable service in initiating and carrying out the program under which this bill is reported to the House and under which the Treasury has already reclaimed billions of dollars of unexpended balances.

Mr. Chairman, I reserve the remainder of the time on this side.

Mr. TABER. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this resolution repeals about $92,000,000 of funds that were appropriated heretofore by the Congress. It is just another evidence that we have been appropriating too much money, and it is a warning to us against appropriating more than is necessary in the days to come. There are probably 25 different items; I have not counted them, but it looks so from the report that I have before me.

There is one agency that is perhaps the most notorious waster of all governmental agencies, and one that has had far too much money appropriated, which is not included in this repeal, and that is the National Housing Agency. They have available about $40,000,000, and probably more than that. It is only a couple of weeks ago that they started in on a housing project in the Willow Run area, not for the purpose of taking care of people who were working in the war plants and who were not housed there, but for a so-called sociological proposition. If they want to spend money for that sort of thing they should come in here and get authority for that purpose. Up in Detroit they had a three and one-half to four million dollar project, and the Ford Motor Co. was the defendant in a proceeding to obtain the title to the land. Henry Ford made a statement that it was absolutely unnecessary and absolutely ridiculous, with the Willow Run plant being about to close and not suitable for peacetime operations. With those cut-backs and with that situation, such a thing was absolutely unnecessary.

As we reach the proper place in the bill I propose to offer an amendment which would repeal about $14,000,000

out of the $40,000,000 which I understand they still have available. From what they have told us I understand that approximately $42,000,000 will be available on the 1st of next July, unobligated. That may be a figure which is subject to a certain amount of revision, but surely repealing $14,000,000 from the worst wasting outfit in the whole Government would not be out of line or improper. I hope, as the bill is read and the amendment is offered, that it may be adopted.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. This in my opinion is very commendable, but nevertheless yesterday we saw the House go through the strange performance of adding at least eight times this amount of $90,000,000 to the annual expense of our Nation. Just how do the two of them tie in together? I realize that the gentleman from New York did not vote for that particular measure, and neither did I.

Mr. TABER. Perhaps they do not tie in. On the other hand, these items which have been presented here are items which I understand these agencies have not been permitted to use by the Bureau of the Budget. You know there has been considerable pressure from Congress put on the Bureau of the Budget to stop the unnecessary expenditure of public funds. These items have been, as I understand it, sequestered by the Bureau of the Budget and taken away from these agencies so that they could not spend it.

Mr. H. CARL ANDERSEN. Will the gentleman inform me, if he can, how the administration could in good conscience get in back of that bill yesterday and at the same time come in here and try to claim credit for doing away with a mere $90,000,000?

Mr. TABER. I think that is difficult to explain. I will not attempt to do so.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. DWORSHAK. The gentleman from New York who is now addressing the House has been criticized widely in some sections of the press because of the successful fight which he led last week to reduce the 1946 appropriation for the Office of War Information. The gentleman, if he were not too modest, might call attention to the fact that in this bill there is an item of $4,750,000 comprising the funds which the Office of War Information had appropriated and available to it for the current fiscal year but which it was unable to obligate or expend. I think the gentleman is entitled to a great deal of credit for the courageous fight he made last week seeking a curtailment of the funds made available for the Office of War Information. His judgment is fortified by this particular item in this measure.

Mr. TABER. Of course, that was a very conservative cut. It was not a wild cut. This cut I am going to propose in a few moments is not a wild cut. It is a conservative cut that will not be based upon what I think the housing agency needs, but upon a cut which is only about half of what I personally think should be made.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. JENSEN. I think it is well known to everybody that the gentleman who is now addressing the House has on every occasion fought nonessential spending, and because of his efforts many cuts were made, as well as because of the efforts of a number of members of the Committee on Appropriations. As a member of the subcommittee for the Interior Department appropriations, may I say that committee has been accused on the floor of this House and over the radio and also through the press in every conceivable manner to the effect that we were stingy and did not furnish enough money to the Department of the Interior. Here we now have a number of items which are being put back into the Treasury of the United States from the Interior Department funds which we appropriated last year. Also, many of these items were criticized by the House Members and we battled with the conferees from the other end of the Capitol and finally they did get some of these items increased. Many of them are now in this bill and being put back into the Federal Treasury. I think the members of the Committee on Appropriations of the House are vindicated to a great degree in their efforts to cut down these appropriations which have been excessive and which we knew were excessive at the time, but all we could do was to fight and fight, and finally we had to compromise in order to get a bill through.

Mr. TABER. There are at least a dozen items in the Interior Department which are being cut in this bill.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield the balance of my time to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, I want to register the opinion that although this has the appearance of saving some money, and is a welcome thing in that it is an appropriation bill in reverse, so to speak, I have a feeling this is rather slipshod legislation. It is slipshod in the sense that no hearings have been held by the commitee.

There is no evidence before the committee as to what parts of this amount will revert to the Treasury on the 30th of June, without action. There is no evidence before the committee on how much more might be recovered if we were to make a survey of existing appropriations on the basis that the war in Europe has come to an end. Everyone knows, when he stops to think about it, that the appropriations for the fiscal year 1945 were made upon the basis of a two-front war. Obviously a great many of these appropriations are not needed in the amount which it was anticipated at the time the appropriations were made.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. JENSEN. There are many of these items that had no bearing whatever on the war effort.

Mr. CASE of South Dakota. That is probably true although some of them were offered initially on a national defense basis. For instance, I notice one of the items from the Civil Service Commission is so labeled. But whatever merit these rescissions may have, neither the House nor the country can have the assurance in passing this bill that we have done the full job of rescinding that we should do.

The Chairman has very properly stated that when the war is at an end we will survey the entire field of appropriations outstanding at that time. By the same logic that makes that a sound policy and sound observation, we should at this time, in my judgment, review all the appropriations that are currently available, that were made upon the basis of a two-front war continuing through fiscal 1945. The very fact that we do not have such a review and the fact that this has come from the Bureau of the Budget is evidence that there is a field in which more work should be done.

Without examination of the facts surrounding each of these items, no one can know the merits of each rescission, but the general idea of this bill is good. I only regret that we are not going further at this time and reviewing in detail all outstanding appropriations that were made on the basis of anticipating a two-front war through fiscal 1945.

Mr. ANGELL. Will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. ANGELL. I note on page 4 of the bill two items, one the production of aluminum from low-grade bauxite, $185,000, and another, investigation of bauxite, $187,000. There is not anything in the report or anything that has been said by Members on the floor to indicate what those reductions are.

Mr. CASE of South Dakota. No; because the committee does not have any more than is before the gentleman in this report. No hearings were held. As an illustration of the fact that we are acting on this statement without detailed information, I may say that the Bureau of Mines is here taking a rescission of appropriations in the amount of $35,000 for enforcement of the Federal Explosives Act, and yet a few days ago an estimate came before the Committee on Appropriations asking that certain funds be made available to the Bureau of Mines to publish the Federal Explosives Act in pamphlet form, as a measure of enforcement. If we were legislating as carefully as we should, we would have a hearing on this and would know exactly what this is going to do. Then we would be better informed to act upon the request to which I have referred.

Mr. ANGELL. In the two items to which I refer, the Government has just got through expending about $4,000,000 in one instance on a plant for the manufacture of aluminum from low-grade bauxite ores in my State. It seems to me penny-wise and pound-foolish to junk that investment, which is not alone for war operation but also for postwar. We have an investment on the Pacific coast of some $500,000,000, and that belongs to Uncle Sam and Uncle Sam should provide funds, as far as possible, to protect

this investment, and not turn aluminum production over to Shipshaw or some other organization and junk our own investment in the United States.

Mr. CASE of South Dakota. I may say to the gentleman the House is taking the judgment of the Bureau of the Budget and they are telling us what we should do.

I have made these remarks because I do not want us to take too much unction to our souls for rescinding appropriations here when there is much more that should be done in this field.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

The Clerk read as follows:

Division of Central Administrative Services: Salaries and expenses, $1,558,000.

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas is recognized for 5 minutes.

SMALL BUSINESS FARES VERY WELL UNDER RENEGOTIATION ACT—REPORT OF CHAIRMAN OF WAR CONTRACTS PRICE ADJUSTMENT BOARD TO HOUSE SMALL BUSINESS COMMITTEE ANSWERS CRITICISMS MADE ON BEHALF OF SMALL FIRMS

Mr. PATMAN. The House Small Business Committee, of which I am chairman, has just concluded a series of 16 public hearings on the subject Financial Problems of Small Business.

A number of the 180 witnesses who appeared before our committee testified in rather general fashion as to the alleged harmful financial effect which the Renegotiation Act and its administration have had upon small business.

Because of the serious implications of these charges, the Small Business Committee directed a series of questions to the Chairman of the War Contracts Price Adjustment Board and requested that the committee be provided with a detailed analysis of the manner in which renegotiation treated each of the various-sized segments of business subject to renegotiation.

The reply which our committee has just received from Col. Maurice Hirsch, Chairman of the War Contracts Price Adjustment Board, is so comprehensive in its refutation of the complaints of small business witnesses and presents such a definite example of the consideration accorded small business risks by renegotiation officials that I feel it would be inappropriate not to supply the Members with a copy of this complete report right at this particular time.

This report of Colonel Hirsch shows, beyond any doubt, that small business has fared better than has big business under renegotiation. The report, which speaks for itself, is as follows:

STATEMENT OF COL. MAURICE HIRSCH, GENERAL STAFF CORPS, CHAIRMAN, WAR CONTRACTS PRICE ADJUSTMENT BOARD, AND CHAIRMAN, WAR DEPARTMENT PRICE ADJUSTMENT BOARD, TO THE SELECT COMMITTEE ON SMALL BUSINESS OF THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES

This statement with respect to the application of the Renegotiation Act to small war contractors is submitted at the courteous request of the distinguished chairman of this committee. In your consideration of the position of small business concerns in our general economy and the steps that properly may be taken to assure to them a fair competitive opportunity in the business community and to promote their growth, it is pertinent to consider the effect which renegotiation has had upon that segment of small business which has engaged in war production.

SMALL BUSINESS IN WAR PRODUCTION

As you know, contractors with renegotiable sales of less than $500,000 in fiscal years ending after June 30, 1943, are exempt from renegotiation. Our observations, therefore, have no application to the hundreds of thousands of retail and other establishments throughout the country which do not have renegotiable sales or to the truly small businesses which do not have such sales in sufficient volume to subject them to the provisions of the Renegotiation Act.

From our experience in examining the cases of small war contractors who are subject to the Renegotiation Act, I am happy to be able to report to you, as your own investigations have undoubtedly disclosed, that small business has made a magnificent contribution to war production. Case after case has come to light among the smaller war plants not only of expansion to meet increasing requirements for war material but also of significant original development in fields of invention, research, engineering, and manufacturing technique. This ability to grow and willingness to venture demonstrate the vitality, energy, and pioneering spirit of American industry, and is a reassuring precursor of a healthy and expanding economy in the post-war world.

No one who has lived intimately with war procurement and who is familiar with the truly remarkable record of many of the smaller war contractors could doubt the wisdom of keeping small business sound, energetic, and progressive and of giving it every reasonable opportunity to continue and every reasonable incentive to grow.

NATURE OF COMMENTS CONCERNING RENEGOTIATION

At the hearings which your committee conducted both in Washington and in other cities throughout the country, a number of witnesses testified with respect to renegotiation, and you have supplied me with a transcript of the pertinent parts of their testimony. In it there appear certain criticisms and suggestions with regard to renegotiation along with, I am glad to say, some favorable comments. I believe the criticisms and suggestions may properly be grouped under three general heads:

Criticism 1. Complaint was made that renegotiation through the disallowance of reconversion reserves and other contingency claims as deductible costs had allowed profits which, particularly to the smaller contractors, were inadequate to maintain a proper working capital, thereby jeopardizing the financial structure of these concerns.

Criticism 2. It was urged that renegotiation should provide for the offsetting of excessive profits realized in one year against low profits or losses realized in another year.

Criticism 3. Some of the witnesses expressed the opinion that smaller contractors have been less favorably treated in renegotiation than the larger concerns.

The first and second comments with respect to renegotiation are not new. During the very early days of the administration of the Renegotiation Act these points were raised by war contractors, both large and small. During 1943 exhaustive hearings on renegotiation were held before the House Committee on Ways and Means, the House Committee on Naval Affairs, and the Senate Finance Committee, in each of which spokesmen urged that the Renegotiation Act provide specifically that postwar reconversion reserves be allowed as costs in renegotiation. In these same hearings several witnesses argued that renegotiation was not allowing profits sufficient to assure adequate working capital and was jeopardizing the financial security of some contractors.

In response to those comments, representatives of the Departments charged with the responsibility of administering the then existing law, laid before the committees the full facts in the cases complained of. As a result of those hearings the Congress, in the Revenue Act of 1943, strengthened and clarified the Renegotiation Act, affirming and approving, in effect, the basic policies, procedures, and interpretations which had been developed and followed in the administration of the statute. In addition, the Committee on Ways and Means has recently held hearings, which were concluded in 2 days, on a bill introduced by Mr. DOUGHTON to extend the Renegotiation Act to the close of 1945, and relatively little testimony of a critical nature was presented with respect to the administration of the act.

A careful analysis of the testimony before your committee discloses particular emphasis to the application of the old criticisms to the renegotiation of the smaller war contractors.

Criticism 1. The financial structure of smaller contractors is jeopardized because of disallowance as costs in renegotiation of reconversion reserves and other contingency claims

The enormous expansion which certain small businesses have experienced as a result of war production often creates a problem of tremendous importance to them, especially with regard to their working capital position and their postwar reconversion needs.

From the viewpoint of renegotiation, the condition presented by undercapitalization can best be described by the use of an example. Assume that two contractors are producing equal quantities of the same product. A has $2,000,000 of capital, which is adequate for such an operation. B, however, has only $1,000,000 in capital and must utilize every credit available to him to carry out his commitments. His limited capital necessitates borrowing or the use of Government advances, and he frequently operates on the portion of his profits he knows will be needed for taxes and for his renegotiation refund. Should renegotiation accord to contractor B a higher dollar amount of profits on this account? Contractor B is given consideration for the fact that his capital, because of its smaller size in relation to the volume of business done, is exposed to greater risk than is the capital of contractor A. But it cannot be expected that the Government, in addition to allowing as a cost the interest paid by him on borrowed money, and in addition to making advancements without interest, and in addition to giving him a fair and reasonable profit for the products supplied, after according full weight to the risk inherent in his operation, should, through renegotiation, make additional profit allowances which, in effect, would be a Government contribution to his capital simply because he is undercapitalized.

It is obviously contrary to sound procedure and normal peacetime practice for either large business or small business to expect to finance a greatly augmented volume of production on a capital structure designed for a smaller volume and, at the same time, to invest substantial amounts in fixed assets, increase excessively the salaries of the owner-managers or other controllable expenditures, retire capital obligations, or pay big dividends.

In the comparatively few cases of financial hardship which we have observed in renegotiation, the hardship appears to have been, to a high degree, self-imposed, through the withdrawal or improvident use of capital which would ordinarily be considered necessary for the increased volume of business. In the infrequent cases where, however, assets have been properly conserved and the

contractor's difficulty is due to an over-expansion of his plant, the hardship generally is purely a temporary one, especially where certificates of necessity have been obtained, since the amortization obtained under certificates of necessity will almost invariably cause a substantial improvement in the working capital position as soon as the facilities expansion ceases. In dealing with these cases of financial hardship brought about by expansion of facilities at Government suggestion, the renegotiation agencies have attempted to ameliorate the situation by extending payments over a period until the capital tied up in fixed assets can be substantially turned into cash through amortization allowances.

With regard to postwar reconversion charges, much the same considerations are pertinent. The costs of the contractor's conversion to war production are ordinarily a properly chargeable cost of producing war goods. On the other hand, where the necessity for future reconversion exists, it is definitely a risk, but of course there cannot be added as a proper element of current cost those possible or probable or sometimes even practically certain expenditures which in some cases will be necessary in order to reconvert to peacetime operations. It should be noted that such items are not currently deductible for tax purposes. However, in renegotiation, the possibility of such expenditures is an element for consideration, and, where the risk incident to such expenditures has been material, it has influenced judgment as to the number of dollars to be retained by war contractors before their profits are regarded as excessive. For illustration, let us assume that a contractor may, in the future, be faced with the problem of severance pay under the usual type of severance pay agreement. There would be no allowance as a present cost of any definite number of dollars computed under some assumed specific facts which might be the basis for such future payments by the contractor. However, if the increase in the number of employees because of war production created for the contractor a substantial possibility of larger aggregate severance payments on termination of his wartime operations than he otherwise would face, then the added risk would be recognized as arising out of the wartime production and such risk would be a factor to be considered in renegotiation. This is inherent in our basic approach, which is to evaluate as well as we can the number of dollars beyond which profits are excessive, and in that evaluation every element of risk must be considered. But those risks must be actual ones and must arise from operations which are subject to review in renegotiation.

If it were possible to determine in advance what the actual amount of true reconversion costs would be, and how many years of war production a contractor would have before reconverting, it would be entirely proper to provide a reserve for reconversion and charge it to the costs of war production. This, it was concluded, was impossible because few, if any, contractors knew what it would cost to reconvert. Many did not intend to reconvert to the type of business they had been doing before the war, and one knew for how long a period it would be proper to spread any reconversion costs that might be determinable in advance. Accordingly, in renegotiation, the policy was adopted of recognizing that the company which, to do war work, converted its plant and put itself in a position from which it would have to reconvert in order to enter peacetime production, thereby assumed a risk which became the basis for the allowance of a profit in dollars above that which would have been regarded as adequate if the contractor were not faced with the necessity of reconverting.

In connection with the postwar position of contractors, it should be noted that the cost of extensive research, development, and engineering work during the war has been allowed both for taxes and in renegotiation. In most instances this work will be of enormous value to the contractor in his peacetime operations. Many new plants and facilities acquired during the war and fully charged to war production under amortization will be used in their exact or slightly changed condition for postwar production.

It would seem obvious that under no circumstances should reconversion reserves be allowed in renegotiation unless there is an amendment to the tax laws which would exempt such reserves from taxation. This is essential because otherwise there would be required, in most instances, several times the amount of the estimated postwar requirement in order to leave to the contractor, after taxation, the actual amount of the estimated need. Without such tax exemption, the result of this upon prices would be highly inflationary, and the much greater amount of money necessary to pay the higher prices allowed in order to provide for the accumulation of such reserves would place an immediate and substantial financial burden upon the Treasury of the United States.

Much more important, however, than any of these considerations is the question of the basic propriety of granting postwar reserves out of excessive profits. Is the particular segment of American business, whether large business or small business, which has the benefit of war production and which has excessive profits, more entitled to a reserve for postwar contingencies than are the contractors who, through fair pricing policies, have realized no excessive profits on war work? Is that segment more entitled to such protection than are those numerous elements in American business which have operated during the war and because of the war, at no profit and often at a loss? Is that segment more entitled to such protection than are those in that unfortunately large element in American industry whose business has been totally destroyed because of the war? The propriety of establishing postwar protection solely to those who have, by excessive prices, accumulated excessive profits out of public funds provided to meet the costs of war procurement is doubtful indeed. If postwar protection is accorded from reserves allowed solely to those contractors, then a premium is given to the ones whose profits on war work have been unjustifiably high, and an incentive will be created for their continuing with high prices or for their establishment of high prices in the future.

Criticism 2. Renegotiation should provide for the offsetting of excessive profits realized in 1 year against low profits or losses realized in another year

The second type of general comments made by the witnesses before your committee relates to the offsetting of excessive profits realized in any one or more years against low profits or losses realized in another year or years. In discussing this suggestion, it must be remembered that renegotiation gives substantial consideration to risks. The most important of all business risks is that of operating at a loss or with only a nominal profit, and such a risk normally has existed even though the contractor ends the year with a fair profit.

If renegotiation were to offset losses of 1 year against profits of another and, in effect, renegotiate for the entire war period as a unit, there is no question but that smaller dollar profits would have been justified to war contractors as a whole, since their risks would have been substantially less, and in most instances, the operations would have been on practically a guaranteed-profit basis. Industry which works on a guaranteed-profit basis does not merit high compensation. Nor can guaranteed profit without regard to contribution or capability ever be creative of efficient and effective enterprise.

To adopt a policy of allowing offsets, as suggested, would in effect create a direct subsidy for that group of war contractors which during at least 1 year has made excessive profits out of war production. Such a step would have two impetuses which would be absolutely in the wrong direction. First, if the contractor's loss or low profit occurred in the prior year, there would be the impetus for the contractor to charge too much in the current or future year so as to equalize his profits over-all. Secondly, if the contractor in a prior year accumulated too much profit, then he would have a reserve in the Treasury, an insurance policy out of public funds, to protect him against loss or low profit in the current year. Under such protection he would engage in cutthroat competition, destructive to other contractors, who may be equally important in our economy, but who have not accumulated such reserve.

I am not attempting to give an expression of opinion as to the propriety of according a subsidy to any business, large or small, nor to the advisability of providing lower tax rates or other means of assistance to small business as distinguished from a large business. I am merely here again presenting the view that, if such subsidy or means of assistance is established, it should not under any circumstances be created solely for that comparatively small segment of the type or size of business to which it applies which least needs it and which least can justify it. If applicable exclusively to small business, even then it should certainly not be limited to those elements of small business which have made excessive profits, whether in 1 or more years, out of war production.

Many individuals and small companies, on importunity of the Government or because of patriotic desire or for other reasons, have so priced on war production that they have not accumulated excessive profits. Many other individuals and small companies have had little or no war business. Still others have had their civilian business so curtailed because of war conditions or regulations that they have had their profits reduced or have even incurred losses. And then there is that group who, because of war conditions or requirements, have been forced to suspend their business entirely. Those in each of these groups have to face problems comparable to the problems confronting the contractors who have earned too much on war production. The only difference is that they are financially less able to meet the problems. Surely whatever governmental assistance is accorded should not be based upon the degree to which the need for such assistance has been minimized by excessive war earnings.

Personally, I conceive of any such plan as not only illogical, but in truth violative of the good faith of the Government toward those who have priced right on war production, and who have not, in the critical period of war procurement, taken advantage of the lack of normal competitive conditions to charge high prices or to accumulate excessive profits.

Criticism 3. Smaller contractors have been less favorably treated in renegotiation than the larger concerns

The testimony indicates a belief on the part of a few contractors that renegotiation has treated smaller contractors less favorably than larger companies.

From the outset, it has been the policy in renegotiation to apply the act to war contractors without the slightest attempt to regard any segment of industry, large or small, more favorably than any other segment of industry. The objective, and I am convinced, the accomplishment, has been to

remove excessive profits equitably and fairly, and with differentiations based solely on conclusions drawn from consideration of the pertinent factors under the statute.

Before, however, we can conclude whether renegotiation has applied more favorably to one segment of business than to another, there must be some standard of judging what constitutes favorable treatment and what unfavorable. The relation of wartime dollar profits to prewar profits may be compared, or profits as a margin on sales or as a return on investment or net worth may be suggested as the test. The contractors' risks must, in all events, be examined, including the risk incidental to reasonable pricing policies; and consideration must be given to the reasonableness of executive compensation, and to the source and extent of capital and plant employed, including a full regard for the profits realized through the use of Government-furnished facilities and advances. An important element must be the contractor's efficiency, his skill, the complexity of his operations, and his economy in the use of critical manpower and materials. The rate at which he turns his capital and inventory is significant, and no test would be complete without consideration of the risk involved in converting plant and equipment to a war-production basis and the necessity for its reconversion to postwar operation.

It was with full understanding of the complexities of this problem that the Congress spelled out in the Renegotiation Act the factors which must be weighed in the determination of excessive profits. No one of the designated factors can be used as the sole basis for comparison even of two companies, since to do so would necessitate an exact balance for each of the other factors, a situation unlikely to occur.

In view of these multiple elements, it must be recognized that the fairness of any renegotiation settlement cannot be judged solely by reference to the margin of profit on sales, the return on net worth, or any other single test. Examination of the results in renegotiation should be made with these considerations in mind.

Before, however, looking at the actual results as reflected by the data I am presenting to you, it may be well to review in a general way some of the special characteristics of small business with an indication of the particular applicability of certain of the factors used in renegotiation to the cases of small contractors:

(a) The small business is generally owner managed, that is, the executives are ordinarily owners of the entire equity or of a substantial proprietary interest. Accordingly, no fair consideration can be given of the effects of renegotiation on small and large business without full regard being given to executive compensation. The data presented will more fully develop this factor and demonstrate its importance.

(b) Under competitive conditions, and partly because of owner management, small business customarily operates with relatively smaller amounts of capital than larger companies and in general realizes, in peacetime, lower margins of profit on sales.

(c) Small companies with limited capital ordinarily incur greater relative risks than do large companies with more adequate capital in relation to sales, and are less prepared to meet unfavorable business conditions. Since the typical small company, by the very fact of its smallness, is confronted with a greater element of risk than its large competitor, it is proper that in renegotiation the typical small company should receive the consideration justified by this condition.

Thus, from the point of view of risk and investment it is generally agreed that, as a general rule, small business should earn relatively more dollars of profit upon a like volume of comparable production than larger business before those profits can properly be said to be excessive. At the same time, it is impossible fairly to measure the excessive profits of small contractors without due regard to the amount of compensation paid to the executives who usually are also the proprietors.

TABULATION AND COMPARISON OF RESULTS IN RENEGOTIATION OF SMALL BUSINESS AND LARGE BUSINESS

With these thoughts in mind let us examine the accompanying table marked "Table I," which shows the machine tabulated results in 3,178 renegotiation refund cases for 1943 in all the departments under the Renegotiation Act. The 1943 cases are used because the renegotiations for that period are now almost 100 percent completed while work is currently in process on the 1944 fiscal years. In order to cover the factors of net worth and executive compensation, only the cases of corporate contractors are included in the tabulation. The cases were not selected but comprise every 1943 case where all the factors tabulated are available. The cases are divided in columns indicating the contractor's average total annual sales in the base period, that is the years from and including 1936 through 1939. Sales of each of the 1,203 concerns covered in column 1 were less than $500,000 average per year in the base period and they thus can properly be classified as "small contractors."

The average annual total sales of these small companies in the base period (line 24) were $255,500, and in 1943 (line 3) their average total sales were $1,681,000. It will be noted (line 27) that their average total sales for 1943 were more than six times their average annual base-period sales. In the base period the average annual profits before taxes were $12,300, while in 1943, after renegotiation but before taxes (line 6) the average profits were $207,000. Line 28 shows that the average profits of these small companies for 1943 before taxes but after renegotiation increased almost sixteen times over the base period average annual profits, whereas in the succeeding columns the comparable increase indicated was respectively less than 7, 6, 5, 4, and 3 times. The average base period profits measured by sales, before taxes, of the small companies (line 26) were 4.8 percent, while their average 1943 profits, after renegotiation but before taxes (line 9), were 12.3 percent of the greatly expanded wartime sales. By reference to the other columns reflecting the results for the larger contractors, it will be seen that while both sales and profits measured by sales have expanded substantially for the larger contractors, the degree of increase is not nearly so great as for the contractors included in the first column.

From the viewpoint of net worth (line 13), it will be seen that in 1943 these small contractors, after renegotiation but before taxes, earned 102 percent of their average net worth, while in the next column the result was 64.1 percent, and in the last column 38.8 percent.

With regard to the compensation of the principal executives, the figures are especially revealing. Line 17 sets forth the ratio of the average executive compensation to the average net worth. In column 1 it is 28.1 percent, tapering down in the other columns until it reaches less than 1 percent in the last column containing the cases of contractors with base-period sales in excess of $10,000,000. It is recognized that owner-managers of small businesses often perform functions further down the line of operations than normally assigned to top executives of larger organizations, and, therefore, to equalize what are designated as executive salaries, the payments to others than top executives should sometimes be included in the figures of the larger companies. Nevertheless, the statistics as shown must be regarded as substantially correct and at the least are indicative of the relative positions of the respective-size groups.

COMPARATIVE EFFECT OF TAXES ON SMALL AND LARGE COMPANIES

Renegotiation is not a substitute for taxation, nor does it undertake to balance off the effect of the application of the tax laws to contractors variously situated. This is exemplified by the figures appearing in line 23 of the accompanying table. It will be noted that the small company, on average, retained in 1943 some 30 percent of its taxable income and the larger contractors retained 38 percent. The reason is obvious—the larger companies, because of their relatively lower expansion of sales and profits, plus, in the usual case, substantial prewar earnings and large invested capital, have been less severely affected by the impact of excess-profits taxes. This does not, however, lead to the conclusion that small companies, after taxes and after renegotiation, are less favorably situated than large contractors. Actually, a comparison of prewar profits of small and large companies (line 25), war profits (line 6), and the overall tax effect (line 23), indicates that the typical small company, in spite of the much larger proportionate salary payments, retained $62,000 after renegotiation and after taxes in 1943 versus $12,000 before taxes in the base period, which is an increase of 400 percent, while the typical large company showed an increase of only about 35 percent on the same basis.

Line 23 indicates an average effective tax rate of 70 percent for 1943 on these small companies. Their average effective tax rate in the base period was not more than 17 percent. Based upon these figures the average annual net profits remaining to the average small company in this group after taxes in the base period was $10,200, or 4 percent on average annual sales of $255,500, while in 1943 its average profit after renegotiation and after taxes was $62,000, or 3.7 percent on its six times expanded average sales of $1,681,000.

A comparison of these figures with like data in the largest size group is of especial interest.

For the average company with annual sales in the base period of more than $10,000,000, the average annual profit in the base period, after taxes, computed upon the same assumed tax rate of 17 percent, was $4,950,000, or 7.2 percent on sales of $69,411,000, while in 1943 its average profit after renegotiation and after taxes was $7,800,000, or 4.4 percent on its approximately two and one-half times expanded average sales of $177,423,000.

From these data, and based upon any standard chosen, it seems abundantly clear that small contractors have received fair and equitable treatment in renegotiation and in no sense have had less favorable consideration than has been accorded to large contractors.

The data set forth in table I are emphasized in the text of this statement. Insomuch as they are based upon the contractor's sales before the war, they would appear more clearly to reflect the proper distinction between small and large business. Since the Renegotiation Act exempts those contractors having annual renegotiable sales of less than $500,000 for fiscal years ending after June 30, 1943, table II, which is based upon 1943 sales, includes only those relatively few contractors who had renegotiable sales of less than $500,000 whose fiscal years closed between December 31, 1942, and July 1, 1943. Table II shows an even greater variance in the data applying to those classed as small and large contractors upon the basis of their 1943 sales than table I indicates with reference to those classed as small and large contractors on the basis of their prewar sales. Table III is a supplement to table II and compares the results in the years 1941, 1942, and 1943, and in the base period in all of the cases covered by table II where all of the data necessary for such a comparison is available. It is believed tables II and III are self-explanatory

and need no further comment in the text of this statement.

The data previously referred to reflect the composite figures of the cases within the respective categories as indicated. It is probable, however, that the members of the committee are interested in the results of renegotiation in specific cases. It is thought that no fairer or more informative exposition can be made than to submit the facts in the cases of those contractors who, in testifying before this committee for themselves or through representatives, have criticized the Renegotiation Act or complained of its application to them.

The renegotiation agencies hold as semi-confidential all matters disclosed by a contractor as a part of the renegotiation process, except where the contractor has himself brought into public question the fairness or justice of the conclusions reached in his case. It is, of course, recognized that the information so obtained is under any circumstances subject to the call of the Congress. Accordingly, a résumé has been prepared of the facts in the case of each contractor whose business was renegotiated and who testified, or who was represented by a witness, on the subject of renegotiation in the hearings before this committee. These summaries are being held subject to the inspection of the committee. It is believed that these cases will demonstrate the need for renegotiation, exemplify the fairness of its application, and substantiate the conclusion that small business has no valid complaint against the Renegotiation Act or its administration.

TABLE I.—*3,178 refund cases, fiscal years ending in 1943 for all departments*

CORPORATIONS ONLY

	Before or after Federal income taxes	Before or after adjustment	1,203 cases	702 cases	524 cases	435 cases	170 cases	144 cases
			Base period total sales					
			Under $500,000	$500,000 to $999,999	$1,000,000 to $1,999,999	$2,000,000 to $4,999,999	$5,000,000 to $9,999,999	Over $10,000,000
1. Average renegotiable sales		Before	$1,658,000	$2,393,000	$4,465,000	$7,304,000	$20,304,000	$103,677,000
2. Average renegotiable sales		After	$1,448,000	$2,136,000	$3,929,000	$6,435,000	$18,257,000	$97,115,000
3. Average total sales		do	$1,681,000	$2,846,000	$5,324,000	$9,896,000	$24,777,000	$177,423,000
4. Average profit on renegotiable sales	Before	Before	$371,000	$486,000	$958,000	$1,587,000	$4,092,000	$17,837,000
5. Average profit on renegotiable sales	do	After	$161,000	$229,000	$422,000	$718,000	$2,045,000	$11,275,000
6. Average profit on total sales	do	do	$207,000	$361,000	$675,000	$1,330,000	$3,192,000	$20,539,000
7. Average percent profit on renegotiable sales	do	Before	22.4	20.3	21.5	21.7	20.2	17.2
8. Average percent profit on renegotiable sales	do	After	11.1	10.7	10.7	11.2	11.2	11.6
9. Average percent profit on total sales	do	do	12.3	12.7	12.7	13.4	12.9	11.6
10. Average net worth per case			$203,000	$563,000	$1,229,000	$2,598,000	$7,051,000	$52,974,000
11. Average percent earned on net worth for renegotiable sales	Before	Before	182.8	86.3	77.9	61.1	58.0	33.7
12. Average percent earned on net worth for renegotiable sales	do	After	79.3	40.7	34.3	27.6	29.0	21.3
13. Average percent earned on net worth for total sales	do	do	102.0	64.1	54.9	51.2	45.3	38.8
14. Average percent earned on net worth for total sales	After	do	30.9	20.1	18.4	16.6	14.9	14.8
15. Average percent earned on net worth for nonrenegotiable sales	Before		22.7	23.4	20.6	23.6	16.3	17.5
16. Average compensation per case			$57,000	$67,000	$84,000	$119,000	$185,000	$404,000
17. Average percent compensation to net worth			28.1	11.9	6.8	4.6	2.6	.8
18. Average percent compensation to total sales		Before	3.0	2.2	1.4	1.1	.7	.22
19. Average percent compensation to total sales		After	3.4	2.4	1.6	1.2	.7	.23
20. Average percent compensation to total profit	Before	do	27.5	18.6	12.4	8.9	5.8	2.0
21. Average percent compensation to total profit	After	do	90.9	59.5	37.3	27.5	17.6	5.2
22. Average ratio of compensation to sales		do	$1: $29.5	$1: $42.5	$1: $63.4	$1: $83.2	$1: $133.9	$1: $439.2
23. Average percent of total profit earned before taxes and retained	After	do	30.3	31.3	33.5	32.4	32.9	38.2
24. Average total sales, base period			$255,500	$713,600	$1,427,800	$3,137,000	$6,933,000	$69,411,300
25. Average profit on base-period sales	Before		$12,300	$49,000	$97,000	$238,200	$539,300	$6,042,100
26. Average percent profit on base-period sales	do		4.8	6.9	6.8	7.6	7.8	8.7
27. Average percent increase, 1943 sales over base-period sales		After	557.9	298.8	272.9	215.5	257.4	155.6
28. Average percent increase 1943 profit over base-period profit	Before	do	1,582.9	636.7	595.9	458.4	491.9	239.9

NOTE.—Net worth derived from unweighted percentages. Compensation, main executives only. Based on cases processed through May 1, 1945 (lots 1-75). Data derived from tabulation No. 87.

TABLE II.—*3,745 refund cases, fiscal year ending in 1943 for all departments, corporations only*

	Before or after Federal income taxes	Before or after adjustment	150 cases	645 cases	880 cases	1,052 cases	484 cases	534 cases
			1943 total sales					
			Under $500,000	$500,000 to $999,999	$1,000,000 to $1,999,999	$2,000,000 to $4,999,999	$5,000,000 to $9,999,999	Over $10,000,000
1. Average renegotiable sales		Before	$311,000	$704,000	$1,428,000	$2,450,000	$5,919,000	$41,494,000
2. Average renegotiable sales		After	$267,000	$617,000	$1,270,000	$2,197,000	$5,273,000	$38,156,000
3. Average total sales		do	$328,000	$750,000	$1,683,000	$3,195,000	$7,943,000	$63,862,000
4. Average profit on renegotiable sales	Before	Before	$75,700	$161,400	$295,400	$486,500	$1,235,000	$7,380,000
5. Average profit on renegotiable sales	do	After	$31,600	$74,200	$137,300	$233,700	$589,000	$4,042,000
6. Average profit on total sales	do	do	$44,500	$98,900	$215,400	$402,000	$1,043,000	$7,544,000
7. Average percent profit on renegotiable sales	do	Before	24.3	22.9	20.7	19.9	20.9	17.8
8. Average percent profit on renegotiable sales	do	After	11.8	12.0	10.8	10.6	11.2	10.6
9. Average percent profit on total sales	do	do	13.6	13.2	12.8	12.6	13.1	11.8
10. Average net worth per case			$35,200	$101,800	$247,000	$500,000	1,435,800	$12,206,000
11. Average percent earned on net worth for renegotiable sales	Before	Before	215.1	158.5	119.6	97.3	86.0	60.5
12. Average percent earned on net worth for renegotiable sales	do	After	89.8	72.9	55.6	46.7	41.0	33.1
13. Average percent earned on net worth for total sales	do	do	126.4	97.2	87.2	80.4	72.6	61.8
14. Average percent earned on net worth for total sales	After	do	48.9	33.2	28.6	26.6	24.4	22.4
15. Average percent earned on net worth for nonrenegotiable sales	Before		36.5	24.3	31.6	33.7	31.6	28.7
16. Average compensation per case			$28,200	$46,700	$55,400	$73,500	$107,300	$233,900
17. Average percent compensation to net worth			80.1	45.9	22.4	14.7	7.5	1.9
18. Average percent compensation to total sales		Before	7.6	5.6	3.0	2.1	1.2	.35
19. Average percent compensation to total sales		After	8.6	6.2	3.3	2.3	1.4	.37
20. Average percent compensation to total profit	Before	do	63.4	47.2	25.7	18.3	10.3	3.1
21. Average percent compensation to total profit	After	do	163.7	138.2	78.4	55.3	30.6	8.6
22. Average ratio of compensation to sales		do	$1:$11.6	$1:$16.1	$1:$30.4	$1:$43.5	$1:$74.0	$1:$273.0
23. Average percent of total profit earned before taxes and retained	After	do	38.7	34.2	32.8	33.1	33.6	36.2

NOTE.—Net worth derived from unweighted percentages. Compensation, main executives only. Based on cases processed through May 1, 1945 (lots 1-75). Data derived from tabulation No. 85.

TABLE III.—*Supplement No. 1 to report of 3,745 cases—Data for 3,089 cases having prior and base period years information available*

	Before or after Federal income taxes	Before or after adjustment	59 cases	469 cases	719 cases	908 cases	442 cases	492 cases
			1943 total sales					
			Under $500,000	$500,000 to $999,999	$1,000,000 to $1,999,999	$2,000,000 to $4,999,999	$5,000,000 to $9,999,999	Over $10,000,000
1. Average 1943 total sales		After	$323,000	$762,000	$1,742,000	$3,189,000	$8,035,000	$65,955,000
2. Average 1943 total profit	Before	do	$49,800	$105,000	$229,000	$409,000	$1,074,000	$7,771,000
3. Average 1943 total profit (percent)	do	do	15.4	13.8	13.1	12.8	13.4	11.8
4. Average 1942 total sales			$282,000	$693,000	$1,538,000	$2,706,000	$6,907,000	$55,049,000
5. Average 1942 total profit	Before	After	$48,400	$106,000	$216,000	$375,000	$997,000	$6,891,000
6. Average 1942 total profit (percent)	do	do	17.2	15.3	14.0	13.8	14.4	12.5
7. Average 1941 total sales			$214,000	$542,000	$1,212,000	$2,055,000	$5,088,000	$40,525,000
8. Average 1941 total profit	Before		$31,800	$82,000	$179,000	$290,000	$811,000	$6,306,000
9. Average 1941 total profit (percent)	do		14.9	15.1	14.8	14.1	15.9	15.6
10. Average base period average sales			$119,400	$274,000	$609,000	$1,042,000	$2,665,000	$23,007,000
11. Average base period average profit	Before		$7,400	$17,700	$37,800	$67,000	$204,000	$1,989,000
12. Average base period average profit (percent)	do		6.2	6.4	6.2	6.4	7.6	8.6
13. Average 1943 compensation per case			$28,160	$47,500	$58,300	$75,800	$108,500	$231,700
14. Average 1942 compensation per case			$26,700	$45,100	$55,800	$72,500	$103,600	$228,600
15. Average 1941 compensation per case			$19,200	$36,700	$47,100	$61,500	$90,100	$214,000
16. Average 1943 percent compensation to total sales*		After adjustment.	8.7	6.2	3.3	2.4	1.4	0.35
17. Average 1942 percent compensation to total sales*		do	9.5	6.5	3.6	2.7	1.5	0.42
18. Average 1941 percent compensation to total sales*			9.0	6.8	3.9	3.0	1.8	0.53
19. Average 1943 percent compensation to total profit*	Before	After	56.4	45.2	25.5	18.5	10.1	3.0
20. Average 1942 percent compensation to total profit*	do	do	55.2	42.5	25.8	19.3	10.4	3.3
21. Average 1941 percent compensation to total profit*	do		60.4	44.8	26.3	21.2	11.1	3.4
22. Average percent increase 1943 compensation over 1941			46.4	29.4	23.8	23.3	20.4	8.3
23. Average percent increase 1943 total sales over 1941		After	50.9	40.6	43.7	55.2	57.9	62.8
24. Average percent increase 1943 total sales over base period		do	170.5	178.1	186.0	206.0	201.5	186.7

*Main executive compensation only.

NOTE.—Based on cases processed through May 1, 1945 (lots 1-75). Data derived from tabulation No. 87.

The Clerk read as follows:

FEDERAL WORKS AGENCY

Public Buildings Administration: Emergency safeguarding of public buildings and property, $6,400,000.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 8, after line 20, insert:

"National Housing Agency, war housing, $14,000,000."

Mr. H. CARL ANDERSEN. Mr. Chairman, a point of order.

Mr. Chairman, I consider this amendment worthy of more Members than are on the floor. I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 113]

Adams	Chapman	Gerlach
Anderson, N. Mex.	Chelf	Gifford
Andresen, August H.	Clark	Gordon
Andrews Ala.	Clason	Gore
Arends	Clements	Gorski
Bailey	Coffee	Granahan
Baldwin, N. Y.	Cole, Kans.	Granger
Barden	Cole, N. Y.	Grant, Ala.
Barrett, Pa.	Cooley	Grant, Ind.
Barry	Corbett	Green
Bell	Cravens	Gwynne, Iowa
Bender	Crawford	Hall, Edwin Arthur
Bland	Crosser	Hall, Leonard W.
Bloom	Curley	Hancock
Boren	Curtis	Harris
Bradley, Mich.	Daughton, Va.	Hart
Bradley, Pa.	Dawson	Hartley
Brumbaugh	Delaney, John J.	Hébert
Buckley	Dickstein	Heffernan
Buffett	Drewry	Herter
Bulwinkle	Durham	Hinshaw
Burch	Earthman	Hobbs
Butler	Eaton	Hoch
Byrne, N. Y.	Fellows	Hoffman
Cannon, Fla.	Flannagan	Holifield
Carlson	Flood	Holmes, Mass.
Celler	Gathings	Holmes, Wash.
Jarman	Gavin	Sheridan
Johnson, Calif.	O'Neal	Short
Johnson, Ind.	O'Toole	Sikes
Johnson, Luther A.	Pace	Simpson, Ill.
Jones	Patrick	Simpson, Pa.
Kearney	Peterson, Ga.	Slaughter
Kefauver	Pfeifer	Smith, Ohio
Kelley, Pa.	Philbin	Smith, Va.
Keogh	Phillips	Snyder
Kilburn	Ploeser	Somers, N. Y.
Kirwan	Plumley	Spence
Kopplemann	Powers	Stefan
LaFollette	Price, Ill.	Stewart
Landis	Quinn, N. Y.	Sumner, Ill.
Latham	Rabaut	Tarver
Link	Ramey	Thomas, Tex.
Lynch	Rayfiel	Torrens
McConnell	Reece, Tenn.	Towe
McCormack	Reed, Ill.	Traynor
McGlinchey	Richards	Vinson
McGregor	Rivers	Wadsworth
McMillen, Ill.	Robinson, Utah	Weiss
Maloney	Rodgers, Pa.	Whitten
Martin, Iowa	Roe, Md.	Winter
Mundt	Roe, N. Y.	Wolfenden, Pa.
Murphy	Rogers, N. Y.	Wolverton, N. J.
Murray, Tenn.	Shafer	Wood
O'Brien, Ill.	Sharp	Woodhouse
	Sheppard	Woodrum, Va.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROBERTSON of Virginia, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the resolution (H. J. Res. 202) and finding itself without a quorum, he caused the roll to be called, when 264 Members responded to their names, disclosing that a quorum was present, and he submitted herewith a list of the absentees for printing in the Journal.

The SPEAKER. The Committee will resume its sitting.

The CHAIRMAN. The gentleman from New York [Mr. TABER] is recognized for 5 minutes.

Mr. TABER. Mr. Chairman, this is an attempt to permit the House of Representatives to show a little initiative of its own in saving money. Enormous sums have been appropriated to the National Housing Agency to build war housing. When the House passed $90,000,000 and more for this Agency last March, the Senate cut the figure down. Then there was a further cut in conference of about $18,000,000, leaving about $66,000,000 available to them. As a result of the cutback in war activities and war production a great deal of the $66,000,000 that was provided for them in the bill that was carried through here about the 20th of April has not been used. They really do not know what they want to use it for. They have come back here with budget estimates to carry over into the next fiscal year, and they do not know what they want it for. They just have projects that they think they might want to consider.

I have offered an amendment to a resolution that has been brought in here designed to save money to the tune of $92,000,000. I have offered this amendment to cut, in addition to the $92,000,000 which the Budget recommended, $14,000,000 from the National Housing Agency. It is unquestionably clear that there is no reason why they should have the money. On the other hand, there are enormous numbers of projects under way which should be liquidated, and we should save much more money.

Up in Detroit in the middle of May the agency was attacked by the Ford Motor Co. because they were trying to build a project which would cost $3,500,000 without any justification for it whatever, and it was not a war activity. If we are in a frame of mind where we want to save money we should adopt this amendment and knock off $14,000,000 from the National Housing Agency's funds which are available to them so we can keep them from wasting money. It is about time that the Congress began to show some initiative and save the money directly rather than wait for the Budget to report a saving after the fiscal year is nearly ended and after it has become apparent that they cannot find any excuse for spending the money. There is not any excuse at all for this agency

having $40,000,000 on hand when they really do not know what they are going to use it for. I hope this amendment will be adopted and that we will be able to save $14,000,000.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. LESINSKI. Does the gentleman know that the National Housing Agency in my district wanted to put in 1,400 temporary homes at a cost of $3,500,000 and move the people from one side of town to the other, spending $3,500,000 moving them?

Mr. TABER. I understand that, and we ought to stop it.

Mr. MOTT. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Oregon is recognized for 5 minutes.

Mr. MOTT. Mr. Chairman, recently the subcommittee on congested war areas of the Naval Affairs Committee held extensive hearings in Honolulu on the war housing situation there. The report has been filed with Congress. We found there a housing condition so deplorable that it was critically hindering the conduct of the war in one of our most important war areas. The projects which we recommended for Honolulu and which are vitally necessary to the prosecution of the war will cost at least $14,000,000 before we have completed the job. Our findings and recommendations have been concurred in by every executive agency having jurisdiction and by the territorial authorities of Hawaii. It is a job which has to be done and done now. If this amendment is adopted the chances are we cannot carry it out, because we will need that $14,000,000 before the end of the present fiscal year. The construction of these projects, in fact, is under way now.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I yield.

Mr. TABER. The fact is that these people have $40,000,000. The request that they made to us was for only $8,000,000 for the Hawaiian job, and there was very serious doubt in their own minds as to how they could manage to do that.

Mr. MOTT. I have in mind right now and I can recite at least a half dozen war housing projects which are vitally necessary to the successful prosecution of the war, which cannot be carried out if this amendment is adopted. Honolulu is only one of them, and we need 11,000 housing units in that city alone. Just a few days ago the Naval Affairs Committee favorably reported a bill authorizing the restoration by the United States of public and private property in Guam which we were obliged to destroy in order to occupy that island. That alone will take more money than the gentleman says is now on hand.

Mr. TABER. But this particular money would not be available.

Mr. MOTT. This restoration will be done by the housing agencies. It will be done under the jurisdiction of the Navy but not by the Navy itself. The Navy has recently adopted that policy, and it has been carried out in a number of instances. The Navy has neither the time nor the available personnel for the construction of housing projects of this kind, and the Housing Authority is the proper agency to do it.

Mr. TABER. But it would not be done out of these funds.

Mr. MOTT. I think it will be done out of these funds and similar funds yet to be provided, but if there is any doubt about that the doubt should be resolved in favor of having a safe amount of money in this fund, because we still have a tremendous amount of war housing to construct. It is being constructed because unless it is done the prosecution of the war cannot proceed in the way the responsible commanders of the Army and Navy want it to proceed and in the way we all confidently trust it will proceed.

I earnestly hope that this amendment will be voted down.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 25 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. IZAC].

Mr. IZAC. Mr. Chairman, the gentleman who introduced the present amendment had in mind, I am sure, that if we cut out $14,000,000 now that is unallocated, we would not have to use that after the 30th of June. I want to assure him that what little my committee has been able to do in clearing up congestion in these strictly critical war-production areas will take a whole lot more than the $14,000,000. Eleven thousand housing units alone are needed in Honolulu for no other reason than to make it possible for the navy yard there to quickly repair the ships that are damaged now at Okinawa and other places in oriental waters and get those ships back quickly into the battle line. You cannot put an industrial plant into any part of the United States now without the War Manpower Commission giving authority for it, and they will not give authority for it unless first there is housing available for the required number of workers. We will not be able to add any men to the navy-yard forces in Honolulu unless we first get some housing there, and 11,000 units is a very conservative estimate. That is the unanimous opinion of every one of us who went out there. Simply because the War Department has not determined to this date exactly where they are going to make more cut-backs and where they will need more new industries because of the added importance of different types of war arms, munitions, and implements is no reason to say that if the national housing authorities do not allocate all the available money by the 30th of June that we have to take it away from them.

As long as this war goes on—and I want to see it end as quickly as the gentleman from New York—we are going to have workers shifted to where they can do the most good. And when we do that we must provide housing for them. At the present time we need 15,000 skilled workers from the eastern part of the United States to go into the navy yards and commercial yards on the west coast, in addition to what we need in Honolulu. This is for vital ship repairs. Under those conditions do you not think it foolish to be talking about cutting out $14,000,000 from this very necessary war-housing fund? We are going to need probably eighty or one hundred million dollars for additional housing in the next 6 months if the war goes on that long, and we cannot hope for the war ending before that time. We have to keep going full blast until the last day of the war. I appeal to my colleagues to vote down this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York. Just recently I completed 14 days of investigation of housing conditions in the State of California, and I know very well that we need every dollar that is available at the present time to take care of the emergency conditions existing by reason of workers being shifted to the Western States on account of the theater of war in the Pacific. In Los Angeles County there are more than 8,000 cases of mothers with 2 and 3 little children, as well as expectant mothers whose husbands are fighting in the Pacific, and some of those women and children are living in the back of screened porches, some in chicken coops, and some in garages. I have seen that with my own eyes. In the hometown of the gentleman from California [Mr. GEARHART], Fresno, they had 400 military families 6 weeks ago who made application for places to live. They were the wives whose husbands were somewhere in the Pacific theater of war. Today they have over 1,000 applications. People who sit back here and do not go out into the field as I have understand nothing whatsoever about the serious conditions we are having at the present time on the west coast. Housing is desperately needed.

My record in the House for voting against appropriations is just as good as any other Member here, and I have always been willing to cut down. The other day I walked down the aisle here with three Democrats to vote for a cut on an appropriation bill that one of the Republican Members suggested. I think it was Mr. TABER's amendment. But here is one item that we cannot afford to cut on if we want to back up the boys fighting in the Pacific. Certainly we do not want to let them come home and find that their wives and their little children are living in chicken coops, garages, and screened porches. We should provide decent homes for those people. I, for one, hope that this House will vote down this amendment. We need every dollar for the National Housing Agency to provide additional houses on the Pacific coast and any place that they are needed until we win this war.

There is nothing in the world that is as hard on a man as to find that his family has no place to live. In the State of California today we need 100,000 homes to take care of the present emergency conditions which exist on the west coast. It is no fault of the people in California. They are your people from your States. Many of them have followed their husbands as near as they can get to the Pacific coast to be near them in case their husbands are brought ashore. It is up to us to vote down this amendment and make it possible for these funds to be made available to continue the housing construction program to take care of these families and workers who are working in the shipyards and airplane plants until this war is won and the Japanese are defeated just as we have defeated the Germans.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. GEARHART].

Mr. GEARHART. Mr. Chairman, I am sure if the gentleman from New York had stopped to consider the shifting in war activity which was bound to occur now that the scene of the war is shifting from Europe to the Pacific, if he had stopped to consider that the housing that may be available in some eastern sections cannot be moved to the Pacific coast, he would not have assumed that because in some corners of the United States there may be an excess of housing there is not going to be a deficiency in housing in the Pacific Coastal States.

The gentleman from California [Mr. ELLIOTT] just a moment ago said there were over a thousand applications for homes in the city where I make my home. His information was just a week old. Today I have telegrams on my desk showing that the applications have gone up to 1,250 which cannot be processed or handled at all. I also know from information I have received from the War Department that they are activating an area there for troop concentration, preparing to receive 50,000 troops who will come from all sections of the United States. We are already 1,250 units behind. When these 50,000 additional troops begin to arrive on the 15th of this month we are going to have a situation where we will need 10,000 temporary shelters, something better than chicken coops and garages, such as my colleague from the district adjoining mine mentioned.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield.

Mr. HARNESS of Indiana. In any event, this money could not be available for building houses where servicemen's families may be unable to find housing. This is for building houses for employees who are working in defense plants, is it not? I assume a great number of wives and relatives of servicemen have migrated to the coast to be with their husbands, but this appropriation will not help them, will it?

Mr. GEARHART. We have over 400 applications unfilled. But you must remember just a few days ago we passed a bill which will authorize the construction of housing for the families of servicemen. It is only a matter of simple fairness to provide houses for the wives and families of workers. To deny housing for the wives and families of our soldiers and sailors is unthinkable.

Mr. HARNESS of Indiana. The Army or the War Department informs us they try to discourage the wives of service people from going to the camps because they have homes at other places.

Mr. GEARHART. So do the wives and families of the men working in war factories. That is why we have changed the law or the law is in process of being changed, because there are human considerations far more compelling in the case of a loving wife who wants to follow her husband and be with him for the last few days that she may ever see him again.

Mr. HARNESS of Indiana. I am not offering any criticism as to that. What I am saying is that this money is not available for the purpose of building homes for people who come in that category.

Mr. GEARHART. I have already answered the gentleman's question in pointing out that we have already 400 applications unfilled from persons of that class.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield.

Mr. TABER. May I say I hold in my hand a list submitted by the National Housing Agency and that the city of Fresno, from which city the gentleman comes, is not on the list.

Mr. GEARHART. I want to tell the gentleman from New York as emphatically as I can that I have on my desk telegrams sufficient to make quite a large stack from the Fresno Housing Authority telling me what they need and what they must have and describing to me over and over again the emergency conditions that have developed there. If the Housing Authority from Washington has not found out that Fresno needs housing perhaps that is the reason we have not got it. We are certainly not going to get it by turning down appropriation items which offer us an opportunity to obtain that which we need.

Mr. OUTLAND. Is it not true that not only Fresno but a great many other places on the Pacific coast are becoming more congested because of the push in the Pacific, and they have not received funds because we have not appropriated them? If this cut is made, it will only hurt areas looked upon as most congested, and places like Fresno are going to need additional funds for housing.

Mr. GEARHART. The gentleman is entirely right. I thank him for his contribution.

One naturally thinks first of his home neighborhood, but I know from what I read in the papers from California and from what I have received in letters that this condition exists throughout the entire West, in Oregon, Washington, and California.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Missouri [Mr. CANNON] for the remaining 5 minutes of the time for debate on this amendment.

Mr. CANNON of Missouri. Mr. Chairman, sometimes in the debate on the floor of the House there are flashes of unconscious humor. The speech of my good friend the gentleman from South Dakota [Mr. CASE] is an instance in point. The gentleman deplored the lack of hearings on this bill. Why were there no hearings on the bill? Because he did not ask for them. Any member of the committee may have hearings at any time. All that is necessary is to request them. They are always granted; never refused. In this instance the situation was so self-evident that it was unnecessary to hold hearings, but if any member had wanted hearings they would have been held. It was worth while to hear the gentleman berate himself so soundly.

And I was interested in his use of the term "slipshod." It was an excellent characterization of the amendment in the motion to recommit the war agencies bill introduced by the gentleman from New York [Mr. TABER] which has just been praised here on the floor in such superlative terms. As a matter of fact the amendment was so inexpertly drawn, is so inapplicable, and is so contradictory to the terms of the bill as to require an arbitrary decision by the General Accounting Office, even if that is possible, to give it any meaning whatever. I trust that every Member of the House will apply to the document room for a Senate copy of the bill and read the context of the amendment offered by the gentleman from new York.

But, the question here is not what somebody on this floor says about this subject motivated by partisan considerations. The question is what is said by people who know what they are talking about. May I call attention to two letters on the subject, one from the Under Secretary of the Navy and one from the Under Secretary of War.

The letter from the Under Secretary of the Navy reads as follows:

THE UNDER SECRETARY OF THE NAVY,
Washington, June 14, 1945.

Hon. CLARENCE CANNON,
Chairman, Committee on Appropriations,
House of Representatives,
Washington, D. C.

DEAR MR. CANNON: The Navy Department desires to favorably endorse the request of the National Housing Agency for an extension of time during which the funds appropriated under Public Law 40 of the Seventy-ninth Congress may remain available to that Agency. It is understood that the request of the National Housing Agency has been approved by the Bureau of the Budget.

The Department supports the National Housing Agency in this matter for two reasons. First, the arrival of VE-day on May 7, 1945, followed by shifts in military procurement and contract terminations, has introduced uncertainty regarding the labor market situation in certain localities which is naturally reflected in uncertainty regarding the volume of additional public housing, if any, which will be necessary. Further study and analysis of these situations is considered desirable before a final determination as to additional housing requirements can be made. In addition, there are several localities which have recently become of greater importance to the Navy due to the shift of the war effort to the Pacific theater and for which it is now felt that additional housing may be needed. The granting of authority

to the National Housing Agency by the Congress to draw upon the current appropriation after June 30, 1945, would permit better analysis by the Department of those situations which formerly seemed to firmly require housing, but which now require reanalysis because of recent labor market changes. It would make it possible to provide housing in certain situations which have recently developed an indicated need but for which the specific requirements are uncertain at present.

I wish to state for your information that the Department's request for extending the time period on the availability of current National Housing Agency funds is made primarily to permit of further analysis of the needs of certain west coast stations which more or less directly service the Pacific Fleet. Only one other station is involved and that is the Shumaker (Camden) Arkansas Naval Ordnance plant. A study is now being made of whether or not that station will require additional low-cost public housing.

Your consideration of this request will be greatly appreciated.

Very truly yours,

RALPH A. BARD.

The letter from Under Secretary Patterson reads as follows:

WAR DEPARTMENT,
OFFICE OF THE UNDER SECRETARY,
Washington, June 11, 1945.

Hon. CLARENCE CANNON,
Chairman, Committee on Appropriations, House of Representatives, Washington, D. C.

DEAR MR. CANNON: Representatives of National Housing Agency have appeared before your committee and requested that provision be made in the second deficiency bill, 1945, to permit obligation of funds, appropriated to National Housing Agency under Public Law 40, Seventy-ninth Congress, for new projects after June 30, 1945, and until December 31, 1945.

I heartily concur in National Housing Agency's request for an extension of time to obligate that appropriation.

Prior to VE-day, the War Department, in anticipation of the defeat of Germany, continuously reviewed its requirements for civilian employees in connection with both production of war matériel and servicing operations at command installations. These reviews have been intensified since VE-day. The transition from a two-front to a one-front war, with the consequent necessity for redeployment of troops, as well as the conduct of the one-front war, however, make changes in anticipated requirements and services necessary and frequent, notwithstanding our advance planning to meet these conditions.

The result is that, to a large extent, our requirements for civilian housing in connection with industrial and command facilities are still being studied. Our housing requirements will directly depend upon our requirements for civilian employees and, until cutbacks have become effective and sufficient time has elapsed to observe the effect of redeployment and field operations, it cannot be finally determined just what our civilian manpower needs will be.

We intend to request National Housing Agency to provide civilian housing only in minimum quantities and only in cases where there is clear and urgent need therefor. Under the circumstances, accurate determination of that need requires time. Accordingly, if funds are to be available when the War Department determines its needs, the appropriation must, in many instances, permit the obligation of funds for new projects after June 30. However, you may rest assured that we shall not request that housing projects be undertaken unless we feel that there is an urgent need therefor.

I understand that National Housing Agency's representatives have explained fully to the committee the reasons why it is desirable to extend the time for obligating the funds in question, and I have written you solely for the purpose of calling attention to the conditions which face the War Department even though I believe you are familiar with those conditions.

With personal regards, I remain,

Sincerely yours,

ROBERT P. PATTERSON,
Under Secretary of War.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. IZAC. That shows that the War Department is partly responsible for the fact that this housing money has not been allocated, because they have not been able to tell where the cut-backs will come and where the new industries will go.

Mr. CANNON of Missouri. Exactly. But both Departments immediately responsible for the conduct of the war emphasize the necessity of the appropriation of this money.

With the Japanese war nearing its climax, this is no time to rock the boat.

Certainly it is no time to take such drastic action in denial of what both the Army and the Navy say is imperatively needed—without any consideration whatever. If there was any question in the mind of any member of the committee about this item why didn't he ask for hearings and get some authoritative information on the subject?

Mr. Chairman, I trust the House will have the interest of the war at heart and reject the amendment.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 34, noes 93.

So the amendment was rejected.

The Clerk read as follows:

DEPARTMENT OF AGRICULTURE

War Food Administration: Salaries and expenses, $2,000,000;

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

The remarks of the distinguished chairman prompt me to make a suggestion. On the theory that indulging a little humor on the floor may occasionally bring about a good result, I wish to ask the chairman of the committee if he will, in his capacity as chairman, ask the Bureau of the Budget for a report as of the 30th of June showing the funds that have been made available to various agencies of the Government which carry continuing availability clauses and have that available to members of the committee in order that we may determine whether or not there are some continuing appropriations which should be recaptured with a view to determining whether or not we should ask for hearings thereon.

Mr. CANNON of Missouri. Mr. Chairman, such a request is always in order in the committee. I am always glad to entertain any such suggestion, and I am certain the suggestion of the gentleman will receive every consideration at the hands of the committee.

Mr. CASE of South Dakota. I am making the request of the chairman seriously and making it an inquiry of record, asking if he will have the Bureau of the Budget send up a report of all funds on which there is a clause of continuing availability carrying those funds beyond the period ending June 30, 1945.

Mr. CANNON of Missouri. The gentleman knows, of course, that the chairman cannot commit the membership of the committee, but in keeping of the custom of the committee, any reasonable request from the gentleman will be given prompt consideration.

Mr. CASE of South Dakota. I thank the chairman and express the hope that this idea growing out of the gentleman's words of humor will bring about a good result.

Mr. CANNON of Missouri. I must say I am rather surprised that the gentleman should go out of his way to submit such an unprecedented request when he knows he has never made any request that has not been entertained.

Mr. CASE of South Dakota. The chairman has always been considerate. The request was made in response to what I thought was the gentleman's invitation on the floor a little while ago, but it is made most seriously.

Mr. CANNON of Missouri. I am glad the gentleman is serious for once in his life.

The Clerk concluded the reading of the joint resolution.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise and report the resolution back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROBERTSON of Virginia, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration House Joint Resolution 202, reducing certain appropriations available in the fiscal year ending June 30, 1945, had directed him to report the bill back to the House with the recommendation that it do pass.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ACADEMY OF SCIENCES

Mr. MAY. Mr. Speaker, I ask unanimous consent that it may be in order during the next week to take up for consideration the bill H. R. 3440 under the rules of the House and that general debate on the bill be limited to 1 hour, to be equally divided between the gentleman from New York [Mr. ANDREWS] and myself as chairman of the committee on Military Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. HARNESS of Indiana. Mr. Speaker, reserving the right to object, did the chairman of the committee agree with the other members on time?

Mr. MAY. I talked to the gentleman from New York [Mr. ANDREWS] and to other members. I suggested 2 hours and the gentleman from New York [Mr. ANDREWS] said an hour would be sufficient. That is agreeable to me.

Mr. ANDREWS of New York. This is in agreement with the minority leaders?

Mr. DONDERO. Will the gentleman state what the nature of the bill is?

Mr. MAY. It is a bill to authorize the establishment of a permanent research organization in the National Academy of Sciences which will plan for research and development in the interest of the national welfare in the postwar years. It has the unanimous report of the Committee on Military Affairs and there is no opposition to it that I know of.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

READJUSTMENT OF RATES OF POSTAGE ON CATALOGS

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 292, Rept. No. 752), which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3238) readjusting the rates of postage on catalogs and similar printed advertising and other matter of fourth-class mail, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Post Office and Post Roads, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mrs. DOUGLAS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include report of Mr. Justice Jackson to President Truman, dealing with the trial of war criminals. This exceeds the allowable two pages. I have obtained an estimate from the Public Printer to the effect the cost will be $182. I believe it is of such importance that it should be printed in the RECORD; therefore I ask unanimous consent to include it notwithstanding its length.

The SPEAKER. Notwithstanding the cost and without objection, the extension may be made.

There was no objection.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD in two instances, concerning the 60,000,000 job bill and the Education Committee bill.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD and to include a tribute to the late President, Franklin D. Roosevelt.

Mr. SIMPSON (at the request of Mr. REED of New York) was given permission to extend his remarks in the Appendix of the RECORD and to include a letter addressed to him.

Mr. WHITE asked and was given permission to extend his remarks in the RECORD and to include certain excerpts and quotations.

Mr. PATMAN asked and was given permission to revise and extend the remarks he made in committee today and to include certain tables and excerpts.

ADJOURNMENT TO MONDAY

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. HENDRICKS. Mr. Speaker, reserving the right to object, we have had a resolution on the calendar for about 2 weeks known as the Carden bill and it seems as though when we get to consideration of that matter we adjourn.

The SPEAKER. The Chair may say, in answer to the question, that the gentleman in charge of the bill stated to the Chair that they did not want to handle the bill tomorrow.

Mr. HENDRICKS. I would like to propound an inquiry of the gentleman from Georgia. May I ask him if there is a possibility of getting to that bill next week?

Mr. RAMSPECK. I do not think there is. We have the OPA matter coming up next week and I do not think we will be able to reach it.

Mr. HENDRICKS. I am not going to object to the unanimous-consent request, but I would like to get to consideration of that bill sooner or later. I am interested in seeing it considered.

The SPEAKER. The gentleman in charge of the bill did not want to have it considered tomorrow. Is there objection to the request of the gentleman from Georgia?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that the special order which the gentleman from Illinois [Mr. DIRKSEN] has for tomorrow may be transferred to Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I ask the majority leader if he can tell us the program for next week?

Mr. RAMSPECK. Mr. Speaker, on Monday the House will receive General Eisenhower. No other business will be transacted on that day.

On Tuesday the House will consider bills on the Consent and Private Calendars, which will be followed by the bill to which the gentleman from Kentucky [Mr. MAY] referred, H. R. 3440, providing for a Scientific Research Bureau. That will be followed by H. R. 3278, a bill dealing with certain housing matters and facilities under the Lanham Act, as I understand it.

On Wednesday and Thursday we hope to take up consideration of the OPA extension bill.

On Friday we will take up the War Department appropriation bill, and on Saturday the deficiency appropriation bill.

Mr. MARTIN of Massachusetts. These two appropriation bills will probably conclude the appropriation matters.

Mr. RAMSPECK. It is my understanding that that concludes the program of the Committee on Appropriations.

Mr. CASE of South Dakota. Mr. Speaker, if the gentleman will yield, there is a second deficiency bill under consideration.

Mr. RAMSPECK. That is what we will take up on Saturday, I presume. We have a deficiency appropriation bill set down for Saturday of next week.

Mr. MARTIN of Massachusetts. I have had inquiry as to when the exercises for General Eisenhower will be held in the House. Is there any information upon that?

The SPEAKER. Probably at 12:30.

CONSENT CALENDAR

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the business in order on the Consent Calendar for Monday next be transferred to Tuesday.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

RECESS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that it may be in order on Monday for the Chair to declare a recess at any time during the day.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. MURDOCK asked and was given permission to extend his remarks in the RECORD.

Mr. HOOK asked and was given permission to extend his remarks in the RECORD and include a speech he delivered over the air on Friday.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SIMPSON of Illinois (at the request of Mr. MARTIN of Massachusetts), on account of death in his family.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 502. An act to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 3 minutes p. m.) under its previous order, the House adjourned until Monday, June 18, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, Friday, June 15, 1945, at 10 a. m., in open session, in the committee room, 356 Old House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Friday, June 15, 1945, at 10 a. m., at which time hearings will be continued on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

A subcommittee of the Committee on Interstate and Foreign Commerce will hold a hearing at 10 a. m., on Friday, June 15, 1945, in the Rivers and Harbors Committee room, room 1304, House Office Building, on H. R. 1742, to amend the Department of Agriculture Organic Act of 1944, to facilitate the use of certain funds therein provided for the Rural Electrification Administration, and for other purposes.

COMMITTEE ON THE JUDICIARY

The Committee on the Judiciary has scheduled hearings, to begin at 10 a. m., on Monday, June 18, 1945, on the following joint resolutions: House Joint Resolution 67, to declare the policy of the Government of the United States in regard to tide and submerged lands; and House Joint Resolution 118, House Joint Resolution 119, House Joint Resolution 122, House Joint Resolution 123, House Joint Resolution 124, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 129, House Joint Resolution 130, House Joint Resolution 134, House Joint Resolution 137, House Joint Resolution 138, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 153, House Joint Resolution 172, and House Joint Resolution 193, entitled "To quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles." The hearings will be held in the Judiciary Committee room, room 346, Old House Office Building.

The Committee on the Judiciary will begin hearings at 10 a. m. on Thursday, June 21, 1945, on the following bills with respect to Federal administrative procedure: H. R. 184, H. R. 339, H. R. 1117, H. R. 1203, H. R. 1206, and H. R. 2602. The hearings will be held in the Judiciary Committee room, room 346, Old House Office Building.

There will be a meeting of Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m. on Wednesday, June 27, 1945, to continue hearings on the bill (H. R. 2733) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

568. A letter from the vice president, Panama Railroad Co., transmitting on behalf of the United States offices of the Panama Railroad Co. quarterly estimate of personnel requirements for the quarter ending September 30, 1945; to the Committee on the Civil Service.

569. A letter from the Chairman, War Production Board, transmitting the eighteenth bimothly report of the Smaller War Plants Corporation for the period from April 1, 1945, through May 31, 1945; to the Committee on Banking and Currency.

570. A communication from the President of the United States, transmitting a proposed provision affecting an existing appropriation for foreign war relief; to the Committee on Appropriations.

571. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Works Agency for the fiscal year 1945, in the amount of $20,000,000; to the Committee on Appropriations.

572. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 for the Civil Service Commission amounting to $1,311,118; to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DOUGHTON of North Carolina: Committee on Ways and Means. House Joint Resolution 184. Joint resolution to continue the temporary increases in postal rates on first-class matter, and for other purposes; without amendment (Rept. No. 749). Referred to the Committee of the Whole House on the State of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 750. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 751. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. SABATH: Committee on Rules. House Resolution 292. Resolution providing for the consideration of H. R. 3238, a bill readjusting the rates of postage on catalogs and similar printed advertising and other matter of fourth-class mail, and for other purposes; without amendment (Rept. No. 752). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 3473. A bill to increase deceased war veterans' burial allowances to $250; to the Committee on World War Veterans' Legislation.

By Mr. RANKIN (by request):

H. R. 3474. A bill to extend benefits under laws administered by the Veterans' Administration to citizens of the United States who served in the active military or naval forces of any government allied or associated with the United States in the present war, if otherwise qualified, and to their dependents; to the Committee on World War Veterans' Legislation.

H. R. 3475. A bill to provide for the establishment of a veterans' hospital in central Alaska; to the Committee on World War Veterans' Legislation.

H. R. 3476. A bill to provide for the establishment of a veterans' hospital in southeastern Alaska; to the Committee on World War Veterans' Legislation.

By Mr. PETERSON of Georgia:

H. R. 3477. A bill for the improvement of Savannah Harbor, Ga.; to the Committee on Rivers and Harbors.

By Mr. QUINN of New York:

H. R. 3478. A bill to authorize the conveyance of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes; to the Committee on Military Affairs.

By Mr. SUMNERS of Texas:

H. R. 3479. A bill to amend the First War Powers Act of 1941; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANFIELD:

H. R. 3480. A bill for the relief of Miss Ruth Lois Cummings; to the Committee on Claims.

By Mr. FOGARTY:

H. R. 3481. A bill for the relief of Anna H. Whittaker; to the Committee on Claims.

H. R. 3482. A bill for the relief of John J. Matuza; to the Committee on Claims.

By Mr. HAVENNER:

H. R. 3483. A bill for the relief of Mr. and Mrs. Cipriano Vasquez; to the Committee on Claims.

By Mr. LEA:

H. R. 3484. A bill for the relief of the poultry producers of central California; to the Committee on Claims.

By Mr. SULLIVAN:

H. R. 3485. A bill for the relief of Edward Conners; to the Committee on Claims.

By Mr. TAYLOR:

H. R. 3486. A bill for the relief of Michael F. Fisher; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

955. By Mr. COCHRAN: Petition of C. W. Ogden and 27 other citizens of St. Louis, Mo.,

protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

956. Also, petition of William N. Sayer and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

957. Also, petition of Fred Supper and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

958. Also, petition of August Meyer and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

959. Also, petition of Frank Schuckman and 26 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

960. By Mr. SMITH of Wisconsin: Petition of the Wisconsin Legislature; to the Committee on Banking and Currency.

SENATE

FRIDAY, JUNE 15, 1945

(Legislative day of Monday, June 4, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, from whom all thoughts of truth and peace proceed, kindle, we pray Thee, in the hearts of all men the true love of concord, and guide with Thy pure and peaceable wisdom all those who at this time are taking counsel for the nations of this war-shattered globe, that in tranquillity Thy kingdom of justice and righteousness may stretch forth its frontiers until the mantle of Thy love shall cover a redeemed earth.

Where our deeds can help to make this a better world, where our words can keep despondent men on their feet, where our prayers can hasten the coming of a social order in which Thy will shall be done among men, there let us act and speak and pray. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, June 14, 1945, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 3287. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, September 9 to 14, inclusive, 1945;

H. R. 3295. An act to extend through December 31, 1945, the termination date under the Renegotiation Act; and

H. J. Res. 202. Joint resolution reducing certain appropriations available in the fiscal year ending June 30, 1945.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 63) authorizing the Special Committee of the House of Representatives Designated to Investigate Food Shortages to have printed for its use additional copies of parts 1 and 2 of the hearings held before said committee during the current session, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes, and it was signed by the President pro tempore.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED PROVISIONS PERTAINING TO AN APPROPRIATION FOR THE WAR SHIPPING ADMINISTRATION (S. Doc. No. 55)

A communication from the President of the United States, transmitting proposed provisions pertaining to an appropriation for the War Shipping Administration, fiscal year 1946, in the form of an amendment to the Budget for that agency (H. Doc. 120, 79th Cong.) (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT OF WAR PRODUCTION BOARD

A letter from the Chairman of the War Production Board, transmitting, pursuant to law, the eighteenth report on the operations of the Chairman of that Board, transmitted to him by the chairman and general manager of the board of directors of the Smaller War Plants Corporation, for the period from April 1 through May 31, 1945 (with an accompanying report); to the Committee on Banking and Currency.

INVESTIGATION OF VETERANS' ADMINISTRATION

Mr. REED. Mr. President, I ask unanimous consent to present and to have printed in the RECORD, as a part of my remarks, a resolution adopted by Captain Edgar Dale Post, No. 81, of the American Legion, Department of Kansas, at El Dorado, Kans., in regard to the investigation of the Veterans' Administration. I request that the resolution be appropriately referred.

There being no objection, the resolution presented by Mr. REED was received, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas it has come to our attention through newspaper and magazine reports and from reports of patients in the veterans' hospitals that the Veterans' Administration, insofar as hospitalization is concerned, has become so bound up in red tape and handled so inefficiently that it has almost become a national scandal: Therefore be it

Resolved, That the Captain Edgar Dale Post, No. 81, of the American Legion of the Department of Kansas, at El Dorado, Kans., in regular meeting assembled this 5th day of June 1945, recommend and urge that our Senators and Representatives from the State of Kansas use their influence and efforts to the end that a complete, thorough, and impartial investigation be made of the Veterans' Administration.

CAPTAIN EDGAR DALE POST, NO. 81,
OF THE DEPARTMENT OF KANSAS,
EL DORADO, KANS.,
By H. O. DENTON, *Commander*.

Attest:

DONALD J. RAYBURN,
Adjutant.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on Public Lands and Surveys:

S. 100. A bill to authorize an exchange of certain lands with William W. Kiskadden in connection with the Rocky Mountain National Park, Colo.; without amendment (Rept. No. 371);

S. 129. A bill to authorize the conveyance of certain public lands in the State of Minnesota to such State for use for park, recreational, or wildlife-refuge purposes; with an amendment (Rept. No. 374);

S. 708. A bill authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1819; without amendment (Rept. No. 372); and

H. R. 2416. A bill authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1819; without amendment (Rept. No. 373).

By Mr. O'MAHONEY, from the Committee on Pubic Lands and Surveys:

S. 911. A bill authorizing the conveyance of certain lands to the city of Cheyenne, Wyo.; without amendment (Rept. No. 377).

By Mr. WHEELER, from the Committee on Indian Affairs:

S. 480. A bill to authorize the sale of allotment of Henry Keiser on the Crow Indian Reservation, Mont.; without amendment (Rept. No. 375); and

S. 486. A bill for the acquisition of Indian lands required in connection with the construction, operation, and maintenance of electric transmission lines and other works, Fort Peck project, Mont.; with an amendment (Rept. No. 376).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 15, 1945, he presented to the President of the United States the enrolled bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporation created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

S. 1150. A bill for the relief of John Leberman (with accompanying papers); to the Committee on Claims.

(Mr. AIKEN (for himself and Mr. LA FOLLETTE) introduced Senate bill 1151, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. McCARRAN:

S. 1152. A bill to effectuate the purposes of the Servicemen's Readjustment Act of 1944 in the District of Columbia, and for other purposes; and

S. 1153. A bill to provide for an adjustment of salaries of the teachers, officers, and other employees of the Board of Education of the District of Columbia, to conform with the increased cost of living in the District of Columbia; to the Committee on the District of Columbia.

By Mr. KILGORE:

S. 1154. A bill for the relief of Mrs. Myrtle Sanson Smith; to the Committee on Pensions.

By Mr. WHEELER:

S. 1155. A bill authorizing the Secretary of the Interior to convey certain lands in the State of Montana to Cassie E. Howard; to the Committee on Indian Affairs.

(Mr. HATCH (for himself and Mr. CHAVEZ) introduced Senate bill 1156, which was referred to the Committee on Public Lands and Surveys.)

PROMOTION OF AGRICULTURE

Mr. AIKEN. Mr. President, on behalf of the Senator from Wisconsin [Mr. LA FOLLETTE] and myself, I ask unanimous consent to introduce for appropriate reference a bill to safeguard the health, efficiency, and morale of the American people; to provide for improved nutrition through a more effective distribution of food supplies through a food-allotment program; to assist in maintaining fair prices and incomes to farmers by providing adequate outlets for agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources; and for other purposes. We have prepared an analysis of this bill, and I ask unanimous consent that it be printed in the RECORD at this point.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred, and the analysis presented by the Senator from Vermont will be printed in the RECORD.

The bill (S. 1151) to safeguard the health, efficiency, and morale of the American people; to provide for improved nutrition through a more effective distribution of food supplies through a food-allotment program; to assist in maintaining fair prices and incomes to farmers by providing adequate outlets for agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources; and for other purposes, introduced by Mr. AIKEN (for himself and Mr. LA FOLLETTE) was read twice by its title and referred to the Committee on Agriculture and Forestry.

The analysis presented by Mr. AIKEN is as follows:

BETTER NUTRITION, BETTER FARM MARKETS—HOW THE NATIONAL FOOD-ALLOTMENT BILL WOULD HELP BRING ABOUT BOTH

In the years ahead, the greatest single problem of the Nation's farmers will be to find markets for all they can produce. Food production last year was more than a third higher than the average for the 5 years before the war. This level of output is more likely to go up than go down in the future, even after emergency war and foreign relief needs have ceased.

Also it is likely that millions of the Nation's families will not be earning enough money to buy as much as they need of the right kind of food. To some extent this is true even now, in the middle of record wartime employment and prosperity.

Unless active measures are taken, we can expect that, even with full employment, American families will be going hungry while American farmers are looking for places to sell their products. With less than full employment, the outlook for want in the midst of plenty would be far more serious.

The national food-allotment bill is designed to head off such an unfortunate situation. It is not, in the ordinary sense, either a "welfare" or a "farm relief" measure. It is an effort to put a floor under levels of nutrition for the Nation's families and to insure a large and stable market for food. It would say, in effect: "In this rich country with such great agricultural resources, every family, no matter how low its income may be, must have a chance to obtain at least a minimum adequate diet." In carrying out this guaranty, the market for farm products will be greatly broadened, thus strengthening farm prices and increasing farm incomes.

The food-allotment bill is based on the conviction that adequate diets for all families and better markets for farmers are in the national interest, and that it is a national responsibility to assist consumers and farmers in achieving those ends.

The food-allotment bill would enable lower-income families to increase their food purchases, and thus improve their diets.

It lays equal emphasis on consumers' need for better nutrition and farmers' need for broader markets, in the belief that efforts to help either consumers or producers of food, independent of the needs of the other group, would in the long run be self-defecting.

The basic principles of the food-allotment program are simple.

The first step is to determine scientifically the level of nutrition needed to keep an average person strong and healthy, and to translate that nutrition level into actual amounts of lower-cost foods.

The second step is to determine the value of the low-cost adequate diet periodically at current retail food prices. This cost, on a yearly basis, would be known as the food allotment.

The third step is to supplement the buying power of families that are not able to afford low-cost adequate diets.

In carrying out the third step, needless red tape that would limit the effectiveness of the program must be avoided. At the same time, Federal funds must be used in the most effective way to raise levels of nutrition and improve farm markets. To meet these difficulties the food-allotment program utilizes the fact that on the average, lower-income families spend about 40 percent of their incomes on food. Under the proposed program, participating families would continue their normal spending for food. The amount contributed by the Government would be used to buy additional food.

This would be accomplished by offering any family an opportunity to buy for about 40 percent of its income food coupons with a face value equal to the food allotments for all members of the family. Thus, while the value of the food coupons remained fixed, the amount that a family would pay for them would be determined by its money income. The Government would be bearing the difference between the family's contribution and the face value of the food coupons.

For example, suppose the food allotment per person was $15 a month. In that case, a family of four could buy food coupons worth $60. If the family had an income of $100 a month, it could get the coupons by paying 40 percent of its income, or $40. If the family income were $125, it could buy the same number of coupons for $50. But if its income were $150, the family wold have to pay $60 for $60 worth of coupons, and therefore would find no advantage in participating. A family of five with an income of $150, however, would again benefit by buying $75 worth of coupons for $60.

Thus, the Government's contribution would largely represent a net increase in family food consumption. An average family of four with an income of $100 a month now spends about $40 a month for food. Under the allotment program the Government would sell this family $60 worth of food coupons for $40. The net cost to the Government—$20 a month—would in this case just equal the increased value of food consumed. Of course, it would not work exactly this way in all instances. Sometimes the increased food consumption might be a little less than the Government contribution, but, in general, the Government money would be used for food; that is, for better diets and larger markets for farm products.

Operation of the program could be relatively simple. It would not in any sense be a relief program; no "means test" or long investigations by welfare agencies would be necessary. A simple declaration of income, similar to that required in connection with the Federal income tax, would be sufficient. Any family would be eligible to buy coupons by paying the required percentage of its income. This would be in marked contrast to the food-stamp plan, which in almost every area was limited to families receiving public assistance.

Participation would not be limited to people in cities and towns. Many farm families are poorly nourished, too. Some of them, of course, could best help themselves by raising more family food. The food allotment bill has special provisions for taking home-grown food into account.

What of the possibility that the program might provide Government food hand-outs to people who won't work? The number of such families is undoubtedly small, and the question of whether lack of enough food is not a prime cause of shiftlessness is itself debatable; but a special provision of the bill is a safeguard against such a misuse of funds. A minimum charge is provided for the food coupons. No matter how small its income, no family may obtain coupons for less than a fourth of their face value. As an additional safeguard, employable male participants may be required to register with an employment agency.

Another special provision would make it possible to earmark up to one-third of the coupons for special foods or groups of foods. This action could be taken either in the interest of farmers at times when particular products of nutritive value were in surplus, or of the health of consumers in areas where increased consumption of certain foods were especially desirable. As an alternative to earmarking coupons, special free stamps good for particular foods could be issued along with the regular coupons. The bill provides for the appointment of a council on nutrition. This council should be made up of distinguished scientists, within the Government and outside. This council will advise on any nutritional aspects of the program, including the effects of earmarking coupons. This earmarking must be done in a way that is consistent with good nutrition.

Except for the possible earmarking of a limited number of coupons, families would be free to exchange them for any foods they wished. This latitude is in keeping with the democratic character of the food allotment program. Participation would be entirely voluntary, and persons buying the coupons could use them at the store of any food dealer who had registered his desire to accept coupons.

So much for the details of the food allotment bill. Its adoption would provide a new market for farmers, and the greatest single stimulus to better nutrition than any Government action has as yet supplied. Although great advances still are needed in methods of processing food and getting it

to market, and much educational work still must be done in selection and preparation of food in the interest of better nutrition, lack of purchasing power remains the chief cause of improper diets among millions of families. For most of them, more purchasing power means better nutrition.

How much would the program cost? Of course, that would depend on the Nation's level of prosperity and the number of eligible families who chose to participate. However, studies of what probably would have happened in past years with such a program in effect indicate that the cost of the food allotment program might range between $750,000,000 in times of prosperity to possibly two and one-half billion in times of depression. One of the great merits of the program would be its tendency to level off the ups and downs of the business cycle. In good times, Government spending under the program would contract; in bad times, it would expand and counteract the tendency toward shrinking markets.

How would the food allotment program affect the Nation's levels of diet? Again the best way to find out is to go back to what would have happened in the past. Had the program been in effect in 1942, for example, participating families probably would have bought 60 percent more tomatoes and citrus fruit, 30 percent more milk, meat, poultry, and fish, and substantially larger amounts of vegetables and other fruits, eggs, and potatoes and sweetpotatoes. Purchases of other foods, such as grains, fats and oils, and sugar, would have remained about the same.

It is clear that such a pattern of increased purchases would result automatically in better nutrition. It is equally clear that a broad program of education would enable consumers to make selections that would raise the nutritional level of their diets considerably higher.

What could farmers expect in the way of better prices and incomes? The food allotment program not only would increase consumer food expenditures by about the amount of the direct Government contribution, it also would tend in many instances to strengthen food prices throughout the market. It has been estimated that a Government contribution of $1,000,000,000 to a food allotment program in 1942 would have increased farm income from food products by about $1,500,000,000.

The food allotment program is especially important as a means of carrying out the Government's commitment to support farm prices and farm income after the war. The soundest way of doing this is by insuring a large and stable market for agricultural products. We cannot long avoid a balance between supply and demand. Shall we reach this balance by a compulsory crop reduction program to reduce supply or by a voluntary food consumption program to raise demand? The second way—and the way provided in this bill—is certainly better both for farmers and for consumers, and it would lighten the burden of price support operations.

Additional measures to support prices of some farm products would, of course, be necessary, but if the food purchases of low-income families were maintained at a reasonable level, the problems of price support would be manageable.

Obviously, in either depression or prosperity, the food allotment program would be no cure-all for farmers. Markets for cotton, tobacco, and other nonfood products would not be affected. Demand for wheat and some other commodities would be stimulated only a little, if at all. Price support programs for certain commodities in weak demand, and other mechanisms for guiding production in the best direction, encouraging soil conservation, and for other purposes, still would be needed.

On the other hand, for the products that would be most affected—meat, milk, eggs and poultry, fruits and vegetables—farm prices would be strengthened substantially. Farm incomes would be strengthened even more, by the increase in marketings. Many of the producers of commodities not directly affected by the food allotment program would benefit through increased opportunity to shift to production of foods whose demand was stimulated by the food allotment program. This would be of special importance in reorienting the agriculture of the cotton South and of other areas where new markets must be developed for food products.

Granting the need for the food allotment program over the long pull, why be in a hurry to start one now, when the demand for so many foods is greater than the supply? There are two reasons why delay would be costly.

First, the need of better nutrition is considerable, right now in the midst of war prosperity. An estimated 2,500,000 to 3,000,000 families this year would gain by participating in the food allotment program, because 40 percent of their incomes is not enough to buy proper food for the household. Many families living on pensions or small wages, like retired couples, unskilled workers, families with many small children unable to migrate to war production centers, have not benefitted from the general rise in wages under the war effort. In some neighborhoods ration points are not being used up because people can't afford as much food as they are entitled to buy. These families need assistance now for the sake of their own health and of the morale of sons, fathers, and brothers in the armed forces.

Second, a start must be made now so that the program will be able to assist the much larger number of families that will need help later. Whether we achieve national full employment after the war or not, the process of industrial conversion is going to bring unemployment problems in many areas. Perhaps these difficulties will be localized and temporary; they will be nonetheless acute. They are beginning to show up in a few places already and will spread widely during the next few months. Running a successful food allotment program will be a large administrative job—one that cannot be coped with overnight. If it is to accomplish its purpose 6 months or a year from now, the groundwork must be laid as soon as possible.

This is a new kind of program. It is substantially different from the prewar food stamp plan. It should be started soon, in order to develop and perfect the necessary administrative details and to acquaint consumers and farmers with its opportunities before the problems of nutrition, farm surpluses, and price support become acute.

PUBLIC LANDS IN NEW MEXICO

Mr. HATCH. Mr. President, on behalf of my colleague [Mr. CHAVEZ] and myself, I ask unanimous consent to introduce for appropriate reference a bill granting to the State of New Mexico certain public lands in that State for the use and benefit of public institutions of the State. I also ask consent to present a joint resolution of the Legislature of the State of New Mexico relating to the bill and ask that it be appropriately referred and printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill and resolution will be received and appropriately referred, and the resolution will be printed in the RECORD.

The bill (S. 1156) granting to the State of New Mexico certain public lands in such State for the use and benefit of public institutions of the State, introduced by Mr. HATCH (for himself and Mr. CHAVEZ), was read twice by its title, and referred to the Committee on Public Lands and Surveys.

The joint resolution of the Legislature of the State of New Mexico is as follows:

House Joint Memorial 1

Joint memorial memorializing and requesting the Congress of the United States of America to enact a law granting 10,000,000 acres of land from the public lands of the United States of America, situated in the State of New Mexico, in trust to the said State of New Mexico, under the same restrictions and limitations as previous grants under provisions of the act of June 20, 1910 (36 Stat. 557), and for the benefit of the Home and Training School for Mental Defectives, Girls' Welfare Home, Carrie Tingley Crippled Children's Hospital, the Museum of New Mexico, Boys' Reform School at Springer, public buildings at the capital, water reservoirs for New Mexico irrigation purposes, for the establishment of a school of medicine, New Mexico Tuberculosis Sanatorium, and the common schools of New Mexico

Be it resolved by the Legislature of the State of New Mexico:

Whereas the New Mexico Home and Training School for Mental Defectives, Los Lunas, N. Mex., a State institution of which the facilities are generally known to be definitely inadequate for the purpose for which such home and training school was established; and

Whereas the Girls' Welfare Home, Albuquerque, N. Mex., a State institution for delinquent girls, has inadequate facilities and funds for a progressive program worthy of its purpose; and

Whereas the Carrie Tingley Hospital for Crippled Children, a State institution for the care and treatment of crippled children, with emphasis on the treatment of those afflicted with infantile paralysis, while splendidly equipped for the work, is deserving of maintenance revenues; and

Whereas the three foregoing institutions are almost entirely financed by legislative appropriations and the service and needs are such that each is worthy of invariable basic income; and

Whereas the Museum of New Mexico, an important institution which was inadvertantly omitted from the original group of State institutions receiving land grants, conserves and houses invaluable collections of the greatest cultural importance in the fields of art, archaeology, ethnology, and history; repairs and maintains various historic sites and State monuments; maintains an extensive research library in the fields of its interests; and operates 10 branch museums in various communities of the State; and

Whereas the Boys' Reform School, Springer, N. Mex., a State industrial school for delinquent boys, although the beneficiary of a previous grant of land, is greatly in need of additional facilities, equipment, and funds to accomplish the service for which the same was established; and

Whereas the public buildings at the capital, a program for which previous grants have been insufficient and many futile attempts have been made to finance the remodeling of present structures, and the construction of new buildings to provide greatly needed governmental office space; and

Whereas previous grants of lands to New Mexico for the benefit of its water reservoirs for irrigation purposes have proved insufficient to provide reasonable revenues for proper study, determination, and development of the water resources of this arid State; and

Whereas the State Tuberculosis Sanatorium, Socorro, N. Mex., the only free-bed tuberculosis institution in New Mexico, is supervised and maintained by a limited

allotment from the funds appropriated to the department of public welfare, said institution's capacity being therefore inadequate to meet the needs of the needy tubercular people of the State, and since the greatest need exists because of the increasing need and for the orderly development of the health program of New Mexico; and

Whereas a school of medicine and nursing, to be established at some future time and in connection with some established education institution, as the legislature may direct, is imperative to the future; and

Whereas the common schools, by reason of continuous growth and anticipated postwar expansion, will unquestionably require additional financial resources in order to meet these increased obligations to the children of New Mexico; and

Whereas the foregoing represent certain definite social and economic needs and services essential to the welfare and well-being of the people of New Mexico; and

Whereas the tax resources of New Mexico are both variable and limited and grants of public lands would give relief to taxpayers and insure correspondingly greater benefits to the people; and

Whereas there exists for administration of such lands as sought the New Mexico State Land Office, which has, under the several commissioners of public lands since statehood, administered previously granted lands at minimum cost in a manner worthy of the trust imposed, and unequaled in any other State of the Union: Now, therefore, be it

Resolved by the House of Representatives and the Senate of the State of New Mexico:

SECTION 1. That the Seventy-ninth Congress of the United States of America, now in regular session assembled in Washington, D. C., be, and the same hereby is, memorialized and requested to enact a law during the present session of Congress, as soon as may be done, granting 10,000,000 acres of public lands of the United States of America, situated in New Mexico, notwithstanding said lands are now or may hereafter be embraced within any Executive order of withdrawal, or grazing district authorized under the act of June 28, 1934 (48 Stat. 1269), to the State of New Mexico, in trust for the use and benefit of the following-named New Mexico institutions or purposes in the following amounts or acreage, respectively: For Home and Training School for Mental Defectives, 1,000,000 acres; for Girls' Welfare Home, 500,000 acres; for Carrie Tingley Crippled Children's Hospital, 500,000 acres; for the Museum of New Mexico, 1,000,000 acres; for the Boys' Reform School, 500,000 acres; for public buildings at the capital, 2,000,000 acres; for water reservoirs for irrigation purposes, 1,500,000 acres; for establishment in the future of a school of medicine, surgery, and nursing at such educational institution as the legislature shall determine, 1,000,000 acres; for the New Mexico Tuberculosis Sanatorium, to remain under direction and management of the New Mexico Department of Public Welfare, 500,000 acres; and for the common schools of the State of New Mexico, 1,500,000 acres, making a total grant of 10,000,000 acres of land.

SEC. 2. That the lands requested to be granted shall be under the same restrictions and limitations as those of the enabling act, being the act of June 20, 1910 (36 Stat. 557): *Provided, however,* That the selections of same shall in no way be hindered by the reservations and established grazing districts authorized under the provisions of said act of Congress of June 28, 1934 (48 Stat. 1269): *And provided further,* That the Congress may make provision for protection of existing preference rights of permittees and lessees and further providing for lease after appraisement and classification of such lands, and authorizing the New Mexico Commissioner of Public Lands and agents of the United States to enter into cooperative undertakings with respect thereto.

SEC. 3. *Be it further resolved,* That engrossed copies of this house joint memorial be placed upon the permanent records of the office of the secretary of state of New Mexico.

SEC. 4. *Be it further resolved,* That copies of this resolution be forthwith sent respectively to the President of the United States of America, to the President of the United States Senate, to the Speaker of the House of Representatives of the United States of America, and to the Senators and Representatives of New Mexico in Congress.

Approved by me this 7th day of April 1945.

JOHN J. DEMPSEY,
Governor, State of New Mexico.

EXTENSION OF TRADE-AGREEMENTS ACT—AMENDMENTS

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to submit two amendments to the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, and ask that they lie on the table, be printed, and printed in the RECORD.

There being no objection, the amendments were received, ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

At the proper place insert the following new section:

"SEC. —. No negotiations shall be undertaken under the authority delegated to the President by such section 350, as amended, with a view to decreasing the rate of duty on any article which, in the judgment of the President is essential to the national defense if, in the judgment of the President, such decrease might result in reducing the quantity of production of such article in the United States to such extent as to endanger, in the opinion of the President, the national defense."

At the proper place insert the following new section:

"SEC. —. No proclamation shall be made under the authority delegated to the President by such section 350, as amended, decreasing the rate of duty on any article essential to the national defense, as determined by the President, if, in the judgment of the President, wages are paid at a lower rate in the manufacture or production of such article in the principal competing country than in the manufacture or production of such article in the United States, and if the increased importation of such article into the United States, in the judgment of the President might result in the elimination or substantial curtailment of an industry essential to the national defense."

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred, as indicated:

H. R. 3287. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, September 9 to 14, inclusive, 1945; to the Committee on Naval Affairs.

H. R. 3395. An act to extend through December 31, 1945, the termination date under the Renegotiation Act; to the Committee on Finance.

H. J. Res. 202. Joint resolution reducing certain appropriations available in the fiscal year ending June 30, 1945; to the Committee on Appropriations.

THE VEHEMENT VOLUNTEER—ARTICLE IN TRIBUTE TO SENATOR McKELLAR

[Mr. STEWART asked and obtained leave to have printed in the RECORD an article entitled "The Vehement Volunteer," by John Taylor and Lynn Brannen, from the June 23, 1945, issue of Liberty, paying tribute to Senator MCKELLAR, which appears in the Appendix.]

EDITORIAL ON BOOK WRITTEN BY SENATOR THOMAS OF UTAH, ENTITLED "THE FOUR FEARS"

[Mr. STEWART asked and obtained leave to have printed in the RECORD an editorial published in the St. Louis Post-Dispatch of February 25, 1945, concerning The Four Fears, a book written by Senator THOMAS of Utah, which appears in the Appendix.]

JAMES A. FARLEY'S PROPOSALS FOR LIMITING SUCCESSION TO THE PRESIDENCY—EDITORIAL COMMENT

[Mr. MCMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "Limiting the Presidency," published in the Bridgeport, Conn., Post of May 13, 1945; and an editorial entitled "Presidential Succession," published in the Hartford Daily Courant of May 18, 1945, which appear in the Appendix.]

ONE HUNDRED AND SEVENTIETH ANNIVERSARY OF THE QUARTERMASTER CORPS

Mr. BROOKS. Mr. President, June 16, 1945, is the one hundred and seventieth anniversary of the Quartermaster Corps. The performance of the Quartermaster Corps and the Quartermaster General, Lt. Gen. Edmund B. Gregory, in this war will go down in history as one of the great contributions to the success of our armed forces. The multitudinous details of supply made a stupendous total job on a world-wide scale. Only an outstanding organizer and executive could have undertaken such a task in 1940 and from a small start developed a great team of 500,000 men to work so smoothly and efficiently.

I have a copy of General Gregory's message to his team on this one hundred and seventieth anniversary. His personal message to the men and women of the Quartermaster Corps is most inspiring. He also gives a very brief history of the corps for all to read and take pride in.

This most informative and inspiring message should be preserved for all our future generations to read. I therefore ask that it and the story of the Quartermaster Corps, entitled "On Being 170 Years Young," be printed in the RECORD as a part of my remarks.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

ARMY SERVICE FORCES,
OFFICE OF THE QUARTERMASTER GENERAL,
Washington, June 16, 1945.

Subject: One hundred and seventieth anniversary of the Quartermaster Corps.

To: All Quartermaster personnel.

1. This is addressed to you, whoever and wherever you may be. Whether you are truck driver on the Stilwell Road, combat quartermaster in the Philippines, instructor in a cooks and bakers school, fumigation and bath operator in an Army rest area, Government girl, civilian or officer at any of the vast Quartermaster installations throughout the world, I want you to feel that this is a personal greeting on this one hundred and seventieth birthday of the corps.

2. Pride in one's self and one's organization is indispensable to achievement. Therefore I call to your attention the accompanying brief story of quartermaster accomplishments through the years, most noteworthy

of which are the accomplishments you yourself are responsible for in this war.

3. This anniversary comes at a time of triumph. We have only recently concluded a war against a powerful military machine. That war was, by the admissions of the chiefs of staff of both sides, largely a war of supply. Therefore you, who are at the very hub of the Army's supply system, are to be congratulated. For each of you, in your own way, helped make this victory possible. Without your willing sacrifices, the world would not now see the sure, if still hazy, dawn of peace over the horizon.

4. You have had many requests during the past years of war—requests to work harder, to produce more, to speed up the pace. I have but one more request, and that will be my last. Comply with this and the time for taking orders will have passed. My request is now that Germany is defeated, stay on the job. Not just physically but spiritually. Give it all you have. In the Pacific we will soon have a much larger Army to supply than we had in Europe—over supply lines more than twice as long. For the sake of the boys who long to come home, for peace's sake, finish the fight by fighting to the finish.

E. B. GREGORY,
Lieutenant General, United States Army, the Quartermaster General.

ON BEING 170 YEARS YOUNG—THE STORY OF THE QUARTERMASTER CORPS

Look back 170 years from this very day. On an oak-shaded Boston street, a canvasser goes from door to door to collect clothing, pots and pans for the Continental Army. In those days an American soldier's uniform consisted of whatever he happened to have on (if it were a British uniform, a sprig of hemlock jauntily stuck in his hat would identify him as a rebel). There was no ration as we know it today—the army lived on rum, spruce beer, and such cattle as could be requisitioned on the spot. There was no time for planning and little experience upon which plans could be based anyway. The quartermasters, then as now responsible for gathering supplies and moving them up, had to meet problems as they arose.

Is it so different today? True, the vast complexity of modern war has forced standardization of clothing, equipment and ways of doing things. But fundamentally the success of our war effort has hinged on the ability of the quartermasters to meet successfully new conditions without recourse to previous experience. In 1941, facing enemies on opposite sides of the globe and a war under climatic and terrain conditions never before experienced, we were—from a supply standpoint—facing conditions as difficult for us as the conditions of yesteryear were to the revolutionaries of colonial days.

We had never fought major campaigns in jungles, deserts, on glacier peaks or coral atolls. We had given little thought to the kind of equipment that would stand up in those strange, distant places. We didn't have the housing or the clothing or the equipment for a large army at home, much less one spread over the earth. But we researched and developed and got what we needed where we needed it—fast. Like the quartermasters of the Continental Army in that fateful long-ago Summer, we used our heads and by using them—saved them.

This is the one hundred and seventieth anniversary of the Quartermaster Corps. It is also the hour of its greatest triumph. You, who have written this most splendid chapter of its history should know the other chapters. That is the purpose of this booklet. It will give you the necessary inspiration to write the next and, we trust, final chapter—the defeat of Japan.

YANKEE DOODLE DAYS

Yours is one of the oldest military organizations in the United States. The Continental Congress established the Quartermaster Corps on June 16, 1775. The Quartermaster General received $80 a month (about the same as a sergeant gets today) and the Deputy Quartermaster General was paid $40 a month (less than a present-day private).

The Act of February 5, 1778, provided for "carrying into immediate execution the important business of the Quartermaster General." That business, like the quartermaster business of today, included the supply of various articles, stores and services to the Army—among them, food, clothing, tentage, and shelter, forage, animals and transportation. But the manner in which supplies were procured was unlike anything imaginable today. House to house canvassing was as important as formal contracting. Lead was obtained from window and clock weights.

Salt, lead, gunpowder, and saltpeter provided the quartermasters with the most headaches. They had to be imported. The scarcity of salt produced in turn a scarcity of meat (inasmuch as salt was the chief preservative of meat). Complicating everything was a general lack of public faith in the Government's ability to pay off its contracts. This was not without some justification. The Continental Congress could not raise funds or make levies. It could only recommend such action on the part of the colonies, or States. Apparently the colonies did not respond promptly to the recommendations of the Congress. According to Maj. Gen. Nathaniel Greene, the second Quartermaster General: "* * * the farmers of New Jersey and Pennsylvania in 1780 would rather chop up their wagons for kindling and take a chance on hiding their horses in the woods than allow the Army to hire them or to purchase them with certificates, which from all evidence of previous experience, would never be redeemed."

Even when arrangements to obtain necessary funds were successful, other things went amiss. In 1775, Congress authorized a deduction against the soldier's pay for uniforms. Cloth could not be obtained, however. By the fall of 1777, men were being forced from the battlefields for lack of clothing. The men of General Green's army in the South were all but naked. The uniforms that did exist were in the main brown. Blue was the predominant color after 1778. Actually, uniforms were a contradiction of the term, for Army clothing was all but uniform. Corps, divisions, and even regiments all adopted separate uniforms. Only after 1779, when the apparel-wise French began to help us, did the clothing situation improve.

The food situation was nearly as haphazard. The first ration for the Army was prescribed by Congress in November of 1775. It included one pint of milk, one pint of Indian meal and one quart of spruce beer or cider per man per day. While the Army remained near Boston, the food supply was good. But as it moved south, formidable problems arose. First, foodstuffs were less plentiful. Second, roads were so bad that deliveries could not be assured. Moreover, Congress set up such stiff penalties for loss of supplies that nobody wanted to accept the responsibilities of commissary officer.

Obviously, something had to be done to remedy the entire situation. The remedy, however, created more problems than it remedied. Congress asked the States to furnish quotas of supplies needed to carry on the war. Due to transportation difficulties, food never arrived at the specified places at the right times. For days troops would be on meager rations. Then would come such a deluge of cattle as to make it impossible to slaughter and consume all the meat. Meanwhile there would not be enough forage to feed the cattle that were not slaughtered. When it came time to slaughter more cattle, the animals would be so thin as to make the proposition not worth while. And sometimes when the cattle could be slaughtered, there was not enough salt on hand to preserve the meat. Aside from the difficulties with the supplies that were furnished, often as not the States would be reluctant to furnish any supplies. The whole system of attempting to supply an Army without money collapsed by mid-1781.

PRIMITIVE PROCUREMENT

There was only one worse system left and that one was soon tried. Oddly, it was a predecessor of the present system of letting contracts. But there was so little faith between contractor and Government and so little determination on the part of either to abide by the contract that the system was worse than no system at all. Contracting began on July 10, 1781, when Congress resolved "that the superintendent of finance be, and he is hereby authorized, either by himself or such person or persons as he shall from time to time appoint for the purpose to procure on contract all necessary supplies for the use of the Army or armies of the United States * * * and also the transportation thereof." The fatal fallacy of the system was that contractors were not required to maintain any reserve stocks. Worse than that, they did not, according to the ever-truthful General Washington, seem to feel any legal obligation to fulfill their contracts.

Through the Revolutionary War, the Army served without a War Department or administrative head. General Washington, as commander in chief, had no higher authority to which he could appeal for support. Withal, the Army triumphed over a powerful military adversary. Credit for the victory belongs largely to those early quartermasters who prevailed over impossible odds. Out of incredible chaos they somehow managed to supply an army. It is not too much to say that the independence of the United States is due in large part to their ingenuity and enterprise.

Soon after the Revolutionary War, the business of the Quartermaster General diminished to the vanishing point. On July 25, 1795, Congress abolished the Office of the Quartermaster General. For the next 15 years the Nation had no Quartermaster General. Actually, there was little or no quartermaster business on hand. The Army in 1790 numbered about 1,200 men. Its supply was handled directly by the Secretary of War, whose job in this respect was little bigger than that of a regimental supply officer. Not until 1795 was the Quartermaster's Department reestablished by Congress. In 1802 it vanished once more. On March 28, 1812, Congress again created a Quartermasters Department headed by a Quartermaster General and four deputies.

This act provided "that in addition to other duties in the field, it shall be the duty of the Quartermaster General, his deputies and assistant deputies, when there to directed by the Secretary of War, to purchase military stores, camp equipage, and other articles requisite for the troops, and generally to procure and provide means of transport for the army, its stores, artillery, and camp equipage." The act was highly significant insofar as it divided the Quartermaster's Department into three distinct services: Transportation, clothing and munitions, and subsistence. An act of May 14, 1812, relieved the Quartermaster's Department of its ammunition and artillery functions by establishing an Ordnance Department.

QUARTERMASTER ODDITIES

The reorganization of the department was very timely. On June 18, 1812, war was declared against Great Britain. We had about 10,000 men under arms, half of them recruits. Our supply system was still inefficient. General Hull surrendered Detroit to a British Army one-third the size of his forces. If we learned anything from the final marginal victory wrested from the British, it was that supply was the decisive factor in

any war. A poorly organized supply department could lose a war. This realization was to win us future wars. Adversity in arms had taught us the truth.

One curious historical fact to emerge from the War of 1812 was that a quartermaster captain had built Perry's fleet. That was the fleet that had won the Battle of Lake Erie and had done much to discourage invasion from Canada. A quartermaster proved that Americans could build boats faster and better than the enemy. Another curious thing about the War of 1812 is that we won our greatest victory after the treaty of peace with England had been signed. That was the Battle of New Orleans. News of the signing of the treaty of peace at Ghent did not reach this country until 2 weeks after the battle was fought and won.

Eighteen hundred and twenty-eight brought a new development in quartermaster history. During that year Congress substituted sugar and coffee for the spirit compotent of the ration.

BIRTH OF THE DEPOTS

During the Civil War the Quartermaster Department operated somewhat similarly to the Quartermaster Corps of today. There was Maj. Gen. Montgomery C. Meigs serving as the Quartermaster General. General Meigs had 5 brigadier generals and quartermasters serving under him, 39 colonels, 18 majors, 554 captains, and 9 military storekeepers. There were in addition about fifteen hundred regimental quartermasters serving with troops. Commissary officers were with each Army department, depot, corps, and division. On July 4, 1864, an act of Congress systematized duties of the Quartermaster's Department. Under this act the Office of the Quartermaster General was divided into 10 divisions—remount and draft animals; clothing, equipage, and individual accouterments; ocean transportation; rail and river transportation; forage and straw; construction; wagons, ambulances, harness, and fuel; inspections and reports; money and property accounts.

One of the most important provisions of the act was the setting up of field depots for the storage and distribution of supplies to the Army. The field depots corresponded to present-day Army or base depots. They in turn were supplied by larger, permanent depots which were located in or near the big manufacturing cities. The specialized manufacturing depots of today had their Civil War counterpart in depots in New York, Philadelphia, and St. Louis.

Another activity born to the Quartermaster Corps—this one of everlasting importance—was the establishment and maintenance of national cemeteries. The establishment of national cemeteries was authorized by act of Congress of July 17, 1862. The same act provided a portion of Lee's farm as a national cemetery—known today as Arlington. In 1867, the Quartermaster Corps was delegated the sacred duty of establishing cemeteries and the interment therein of those who had died in the war.

The Civil War was the first war in which there was a reasonably well-organized Quartermaster Corps functioning with adequate personnel. Its work won the praise of Secretary of War Stanton, who declared: "During the war this branch of the service never failed. It answers to the demand and is ever ready to meet the national call." Foreign observers, too, were generous with praise. The French general, Du Chanal, was impressed with the equipment of our soldiers, particularly the soldiers under General Sherman. The Civil War soldier carried 36 pounds of equipment in summer and 40 pounds in winter. He also was issued a rubber blanket poncho and a 5-pound blanket for bivouac.

HIBERNATION AGAIN

When the Civil War ended, the Quartermaster Corps had under its control a great coastwise and river transport fleet, had perfected the handling of long wagon trains, had set up a fairly efficient system of manufacturing depots, and was expert in rail transport. It had demonstrated its ability to handle the important supply and transport functions of an army which, at the close of the Civil War, numbered approximately 1,000,000 men.

But the close of that war was the cue for a helter-skelter demobilization of the Military Establishment. On April 28, 1865, the Secretary of War ordered discontinuance of purchases of all supplies and release of all vessels and transports except those needed in moving troops to demobilization points. By 1866, the personnel of the Quartermaster Department had been whittled down to 69 officers and 16 military storekeepers. During the next year, the nine divisions of the Quartermaster General's office were abolished. Reduction followed reduction. By the time the war with Spain was about to begin, the United States Army had little more than 25,000 men, most of them engaged in subduing the Indians along our western frontiers.

Allowing the military to all but vanish during the period between wars had consequences which, against a stronger enemy than Spain, could have been fatal. Knowledge of military water transport was all but forgotten by the time of the Spanish-American War. We knew so little about the loading of transports that we had to ask the British for aid. Freight was backed up over 26 miles of rail lines behind Tampa. We failed to realize that depots must be in the interior to avoid crowding and confusion at embarkation points. We had great difficulty in loading and getting men off the boats. They landed in Cuba without personal equipment. Our mules, swimming ashore with small-arms ammunition strapped to their backs, saved the day.

QM'S IN TWO WARS

There were some entries on the credit side, however. Taken as a whole, the Spanish-American War taught us many valuable lessons in logistics. It afforded our Army its first experience with invasions of distant islands. The invasion of the Philippines during this war was made in five expeditions. Nineteen troop ships were used in all. None was lost and all men reached their destination in good health. The invasions involved the transportation of over 16,000 soldiers, their equipment, and the necessary supplies. Besides the important experience thus provided, extensive tropical service of American troops brought forth notable experiments in the development of khaki cloth.

Following this war, peace again brought the inevitable reduction in the Military Establishment. Nothing significant in Quartermaster history occurred until August 24, 1912. Then came one of the most important pieces of legislation in quartermaster annals. An act of Congress created the establishment known as the Quartermaster Corps by consolidating the Quartermaster, Subsistence, and Pay Departments. As set up under this act—except for certain changes made under the National Defense Act of 1916—the Quartermaster Corps approached the momentous tasks that were to be imposed by the World War.

Though the organization was not nearly equal at first to the burdens put upon it, we had the benefit of considerable supply experience. We knew how to load troops on transports. We knew how to load units for overseas service. We knew enough to avoid the British blunder at the Dardanelles of loading field guns on top of small arms.

Biggest headache of the corps was lack of adequate sources of supply. The corps was forced to buy commercial articles on the open market pending the time articles could be manufactured according to Army specifications. More than 200 different makes of motor vehicles were used by the American Expeditionary Forces in France. The spare-parts situation can be easily imagined. Transport and construction activities of the corps grew to such magnitude as to become activities of virtually separate organizations. The operations of the corps reached astronomical proportions. Eight hundred million pounds of beef were purchased during the war; a billion pounds of sugar. The corps acquired nearly a half million mules by the end of 1918. More than a billion dollars' worth of clothing was bought. More than 200,000 civilians were employed by the corps on construction activities alone.

At the close of the war the Quartermaster Corps inventoried its vast stocks, prepared them for sale, and again gradually resumed its peacetime activities. The corps was all but abolished in 1919, then resurrected by the act of June 4, 1920. Under this act, the chief of the corps, Maj. Gen. Harry L. Rogers, renewed his title as quartermaster general. The corps reacquired control of the Motor Transport Corps, the Transportation Service, the Construction Division, and the Real-Estate Service. Only the Finance Department remained a separate organization. In this form, the corps continued unchanged during the remaining period of peace.

THE GREAT EXPANSION

With the declaration of a national emergency in 1940, an era ended. Nothing that had occurred heretofore would match, either in scale or in scope, what was about to happen. Overnight, the United States was transformed from a peace to a war economy. No branch of the armed forces bore the brunt of the transformation as much as the Quartermaster Corps. Vast program followed vast program, each outdistancing the other with seven-league boots. In the fiscal year ending June 30, 1941, over a billion and a half dollars was spent by the corps for construction. Yet this was small compared with what was to follow.

On May 1, 1941, most of the Army went from a garrison ration (which allowed organizations to buy their own food and prepare their own menus) to a field ration (which provided rations in kind to all organizations on the basis of a master menu prepared by experts in Washington). Research and development of rations, clothing, and various articles of equipment began on a vast scale. Famous explorers, geographers, and cartographers were called into the office of the Quartermaster General as consultants. Climatic experts began studies designed to provide clothing and equipment that would stand up in places ranging from the Arctic fjords of Norway to the hot, humid atolls of Oceania.

Although we were training a national defense army at the time, it had already become evident that embroilment in any future war would mean it must be waged on a global basis. Experts interpreted climatic data in terms of how far up on a soldier's shoes the mud would go when a division landed on some island beach; how wet clothing would become in rain and snow; how all wool and cotton clothing and equipage items would withstand varied climatic conditions.

WORLD WAR II. EUROPE AND THE DAYS PAST

None of us in our lifetime will forget the shock on the afternoon of December 7, 1941, when radio flashed the news to the world that Pearl Harbor had been bombed by the Japanese. Teletype operators of Quartermaster Corps headquarters in Washington and field depots left their Sunday dinners to go on 24-hour duty; soon fighting men began moving toward ports of embarkation and with them moved supplies—supplies not only for immediate needs but to build up reserves for the heavy offensive operations that were inevitable before defeat of the enemy.

As great as the problem of clothing and equipping the growing Army was—expanding from a defense to a wartime army of 8,000,000—on the food front the momentous task staggered the imagination. The Quartermaster Corps became the largest mass feeding organization in world history, at one time supplying 24,000,000 meals a day to the Army alone, each meal scientifically planned to sustain men in the toughest kind of work. Meals in mess halls, fox holes, tents, former luxury hotels, transport planes, ships. Our Army had to race where Napoleon's army could not even have crawled—across deserts, arctic wastes, jungle fastnesses. Rations for mobile armies had to be designed and processed to withstand heat, damp climates, subzero temperatures—and yet be fit to eat, with the nutritive content of a steak dinner and yet compact enough to fit a soldier's pack.

Faced with war on opposite sides of the world, obviously strategy demanded defeat of the Axis Forces in Europe first; even then the enemy had penetrated deeply into Russia apparently in an attempted sweep to join the Japanese via Asia. Supplies and men were moved swiftly across the Atlantic to England in preparation for massive landing operations. The Quartermaster Corps played an important role in those operations.

The Allies struck on November 8, 1942, by landing on the coast of north Africa. For this operation the Quartermaster Corps provided 38,000,000 pounds of clothing and equipage, 22,000,000 pounds of rations, and 10,000,000 gallons of gasoline to go ashore with the troops. These were supplemented by more and still more until it was necessary for the Quartermaster Corps to acquire more than 25,000,000 square feet of storage space for current and reserve supplies. For open storage, thousands of yards of canvas had to be supplied.

By the following September the Nazis had been driven from Africa and Sicily and a landing was made on the Italian mainland. Violent weather set in immediately, necessitating shipment by plane and ship from Sicily and Africa more than a half-million items of clothing, blankets, and overshoes and hundreds of thousands of other items to supplement supplies landed with the invasion forces.

In June 1944 the Allies struck at the Continent itself; quartermaster trucks loaded with clothing, rations, and gasoline rolled from the landing barges behind the hard-hitting troops. Illustrative of the huge amounts is a report of one armored division which alone required its quartermasters to furnish it with more than 2,300,000 gallons of gasoline, 76,000 gallons of engine oils and nearly 1,100 tons of small arms ammunition to carry it from Normandy to the Siegfried line.

A tabulation of quartermaster supplies discloses the following general totals for a few major items supplied the American forces in the Mediterranean and European theaters for the 2 years immediately preceding VE-day:

More than 15,000,000 pair of trousers, 11,000,000 field jackets, 81,000,000 pairs of socks (of all kinds), 10,000,000 blankets, 1,500,000,000 gallons of gasoline (exclusive of aviation gas), and more than 10,000,000 tons of coal. While the Russian Army was engaged in driving the Germans from the interior of Russia, Quartermaster trucks rolled continuously over 700 miles of Persian deserts and mountains with more than 1,000,000 tons of supplies.

More than 100 fixed laundries, 60 of which were shipped from this country, provided service for troops and hospitals in the communications zones; hundreds of mobile units, laundry and repair, serviced the troops in the combat zones.

WORLD WAR II. JAPAN AND THE DAYS AHEAD

Meanwhile, the story was being repeated in the Pacific although necessarily on a smaller scale, and under most difficult of conditions. On Guadalcanal, rations and supplies were passed across gullies on improvised rope tramways; on New Guinea, they were toted over the Owen-Stanley mountains and up the Buna coast on brawny shoulders; in Burma, tons daily were parachuted to troops from cargo planes.

Days just as stern still lie ahead. In Europe, we supplied a large Army some 3,000 miles from home; in the Pacific and Asiatic theaters we will have to supply a large force—seven to ten thousand miles away. Large groups of men more than twice as far from the main source of supply.

The prospect is sobering but not frightening as long as we continue to do the excellent job we have done so far. We must all pull together in order to win more quickly. And out of all the suffering and sacrifice, aside from the deliverance of our Nation from destruction, much tangible good will result.

This war has been the greatest proving ground ever known for new foods, textiles, and many kinds of materials and appliances. Here are working materials which but for the war might never have become available—honest tests of new products, materials, and methods, honest because it was a matter of life or death to millions of American soldiers that we know the truth; new wrinkles in manufacturing and handling that will, if properly applied, reduce the peacetime cost of living for millions; developments in packaging and food processing that may change the concept and scope of perishable goods; diet discoveries and food preparation that may immeasurably improve the Nation's health; and countless other things to make living better and easier in the years to come.

And if we learn well from history, we will preserve the knowledge and experience of this war, particularly the logistical knowledge, as insurance against other national catastrophes. We will also retain a nucleus of a trained supply organization, able to expand overnight to meet such a national emergency.

Preparedness is not merely the maintenance of a sufficient number of trained combat troops; it is also industrial preparedness, supply preparedness, and research preparedness. It is a matter of constant vigilance in peace as well as in war. Let us not junk the knowledge born to us of our blood, and sweat, and tears.

That is the lesson and moral to be learned from the history of our organization—yours and mine—the Quartermaster Corps, today 170 years young.

Mr. O'MAHONEY. Mr. President, as the Senator from Illinois [Mr. BROOKS] has said, today is a notable anniversary in the history of the American military service, to which I think at least brief attention should be called in an open session of the Senate.

The Quartermaster Corps of the Army is 170 years old today. It is a corps which antedates the Constitution of the United States. It was established before the Declaration of Independence was written. It was established, indeed, at the very outset of the Revolutionary War by an act of the Continental Congress on June 16, 1775. It was created to supply food, ammunition, clothing, and equipment for the militia units which the Continental Congress hoped to recruit in the various colonies and build eventually into a unified striking force in defense of colonial liberty.

In the war for independence and in every other military conflict in which this country has been engaged, the Quartermaster Corps has rendered notably efficient service. Throughout the country today, in all the stations in which members of this organization are serving, notice is being taken of this anniversary. With pardonable pride in the achievements of this branch of our military forces, a branch that supplied the Continental Army to its final victory, and which has similarly supplied every American Army since.

I have had personal opportunities to witness what the Quartermaster Corps has done, and I feel that it would be an oversight if recognition were not given here on the floor of the Senate to the efficiency which has been demonstrated by this branch of the service through its 170 years of activity and particularly during this war. Although we know that the war is being carried on on a global scale, I think very few of us—even those of us who have sat on the Committee of Military Affairs and on the Appropriations Committee, and have made available the funds which have been expended—actually realize the scope of the transactions which have been carried on by the Quartermaster Corps. Senators who have had an opportunity to go abroad have, of course, seen visual evidence of what has been done.

We know that no American soldier anywhere in this whole far-flung war has been beyond the ken of the Quartermaster Corps. This organization has furnished the clothing, ammunition, and food which have made our Army the best fed, the best clothed, and the best equipped in all the history of mankind. Mr. President, I arise to give my personal tribute to the accomplishments of the 500,000 officers and enlisted men who, under the leadership of Lt. Gen. Edmund B. Gregory, with the cooperation of 75,000 civilian employees in depots and in domestic installations have established a record for which no parallel exists in all the history of military operations. It has been because of the efficiency of the Quartermaster Corps that our forces in Europe, in the Mediterranean theater, in the South Pacific, and in the China-India-Burma theater have been equipped with the supplies that were necessary to achieve victory. The gigantic industrial production of America would have been all in vain if the commodities of warfare had not been placed in the hands of the fighting soldiers all over the world. That was the task of the Quartermaster Corps. It was a task performed with efficiency and skill.

Each succeeding war through the 17 decades of the existence of the Quartermaster Corps has brought greater problems for the Quartermaster Corps, but the problems of this war were greater than were even imagined when we were first catapulted into the conflict in December 1941. No natural obstacle, no ocean, no mountain range, no difficulties of weather and wind, no other obstacle was great enough to prevent the Corps from performing its task. Time and distance itself were conquered, and wherever our soldiers fought, the fighting Quartermasters were there also.

In the 2 years preceding VE-day for the operations in the Mediterranean and in Europe the Quartermaster Corps handled more than 1,500,000,000 gallons of gasoline, not including the quantities used for aircraft. It handled more than 10,000,000 tons of coal, and as for clothing, more than 15,000,000 pairs of trousers, 11,000,000 jackets, 10,000,000 overcoats, raincoats, and ponchos, 10,000,000 sleeping bags were made available to our men. It would be impossible in the few moments available to me this afternoon to begin to catalog all of the articles which the Quartermaster Corps has handled. This 170-year-old organization in this war has stored and distributed approximately 70,000 different items.

Let me emphasize that the task has not been one of procurement alone, but of distribution often under the fire of enemy guns. Organizationally the Quartermaster Corps is a technical service rather than what is known as a combat service. Nevertheless it has more than earned the nickname bestowed upon it at Bataan—the Fighting Quartermaster Corps. It has carried on its work of supply under fire, moving in with the assault forces in every major landing operation. Its men and officers proudly wear nearly every type of military decoration possible to earn, including thousands of Purple Hearts, many of which were awarded posthumously. For more than a year and a half now the supply of not only food and clothing but medical items, guns, and ammunition to thousands of Allied troops—American, British, Chinese, and others—in the far reaches of Burma have depended to a large extent upon well-organized air dropping by quartermaster soldiers. On this dangerous run every cargo plane brought down by Japanese fire carried with it an Air Force pilot and three quartermasters. Two score of these intrepid supply men have flown more than 500 of these missions. Other hundreds have from 100 to 500 to their credit.

To make it possible to furnish this service, the Quartermaster Corps was compelled to undertake a gigantic task of training and organization. Most of the 500,000 men who did this job were engaged in utterly different occupations or had no occupation at all when they entered the service. The Quartermaster Corps trains the Army's cooks and does its baking. It operates laundries, many of them in combat zones, so that the men on the fighting front might have changes of clothing at every opportunity. It has conducted operations for the salvage and repair of all kinds of commodities, reducing the waste which is inevitable in war to a minimum. Men of the Quartermaster Corps move with the fighting troops, and gather up all items of issue damaged in combat or abandoned in the heat of battle or lost or overlooked by reason of sudden troop movements. Recovered items are repaired and returned to stock wherever repairable, and it can be said without exaggeration that literally hundreds of millions of tons in new procurement have been saved by the work of the Quartermaster Corps.

I have seen the training operations of the Quartermaster Corps in my own State at Fort Francis E. Warren. I know the care and the skill and the great ability which have gone into the training of these youths. The boys who have been assigned to the Quartermaster Corps and who have received military training as well as the specialized training necessary for this service have received instruction which will be of permanent value to them throughout their lives.

Behind the training and the actual operations is the work of planning so that the long supply lines stretching from continental United States to every combat theater were kept constantly filled and constantly functioning. All of this activity stems from headquarters out through the Quartermaster and Army Service Forces depots and the 35 market centers throughout the United States, with similar depots overseas. Frequently these branches are formulated as much as a year ahead, but they must be kept under constant observation because they must be constantly revised as the war changes. It would be impossible to exaggerate the tremendous difficulties of the task. No Quartermaster Corps in history was ever confronted with such a task. The General Staffs of Germany and Japan did not believe that any nation on earth could organize and supply a two-front war. We did it. And I think it's altogether fitting that on this birthday we should pay our tribute to General Gregory and all the officers and men and women of the Quartermaster Corps who have observed this one hundred and seventieth anniversary of the corps by hard work in their stations throughout the world.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The PRESIDENT pro tempore. The Senator from Delaware [Mr. TUNNELL] is recognized in accordance with a previous request.

Mr. WALSH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from Massachusetts?

Mr. TUNNELL. I yield.

Mr. WALSH. Mr. President, it is with reluctance that I find myself differing with a large number of my colleagues on this side of the Chamber in regard to the question now pending before the Senate. However, I feel compelled to follow my convictions, arrived at after serious and conscientious consideration of this question, which has potential possibilities of bringing serious, if not destructive, consequences to the industries and toilers of my State and, indeed, I fear, to the economic stability of the Nation.

Mr. President, I have voted repeatedly against excessive high-tariff duties. I voted for the original reciprocal trade law and its reenactment when it has been before the Senate every 2 years since 1934, in an effort to remove some of the evil results of laws made by the Congress in fixing basic tariff rates, when the reduction of existing basic tariff rates was limited to 50 percent. Though it has not been possible to determine whether the present law is a wise or unwise policy, for the war has prevented the reciprocal trade law from being operative, yet I intend to vote to continue the existing law. My opposition is to granting any additional power to increase tariff rate reductions at this time.

The full effect upon domestic production of the agreements already made is unknown. Without any normal period in which the existing reciprocal trade law could be tried out, it is now proposed to grant authority to reduce basic rates on a large number of commodities produced in this country up to a maximum of 75 percent without fixing any standards or yardsticks or other conditions, such as the consideration of the cost of production at home and abroad, to guide the bureau in the Department of State that negotiaties these treaties. In my opinion, this is a move in the direction of free trade, sincerely advocated by many who believe that the opening up of the trade markets of Europe to all nations is one of the major factors in world peace. In brief, it is a move to reduce agricultural and industrial tariffs to what could be the lowest level in the history of the country.

Mr. President, no one can predict with any degree of certainty what sort of a world we will face when world hostilities cease. Likewise, no human being knows at this time what effect the power already granted and exercised in trade agreements already made will have on American industry and labor in the immediate future. It is an extraordinary power. It is a power to destroy any industry which a bureau, set up in the State Department, considers unable to produce goods here as cheaply as they can be produced in a foreign country. If this policy had prevailed in the past, many small and struggling infant industries which have grown to become strong and powerful and prosperous would never have come into existence.

It is futile to discuss postwar trade problems without a realistic examination of the leading factors certain to be involved. England, our highest-cost competitor, pays wages that are 50 percent below those paid in America, and they go from 50 percent down to perhaps 80 percent below in some countries such as Czechoslovakia. Wages paid in America today are higher than ever in its history, and we desire to maintain them. We are exerting all possible effort to prevent large and widespread unemployment during the postwar period, and it is inopportune to lessen any existing agency of production by competition with imports from abroad. With the increased cost of production that it is necessary to maintain if wages are to be kept at present levels, we are proceeding, through this proposed legislation, to increase imports from other countries, in competition with our producers on a more favorable basis to importers than ever before.

At the present time our foreign competitors have full knowledge of our patents and efficiency methods and are capable of producing machine tools and machinery of the highest quality and efficiency. They have learned during these war years the methods of mass

production which we have taught them directly or by example. The United Kingdom has, according to evidence presented, greatly increased the efficiency of its manufacturing plants and has enough cotton-spindles production capacity to supply the entire world.

India, where the wages paid labor are notoriously small, has become one of the leading producing nations of secondary rank. South America has rapidly expanded not only its production capacity for consumer goods but also the production of minerals and other primary commodities. Russia and Czechoslovakia are contemplating increasing their production, agriculturally and industrially.

A press dispatch of May 30 from London states that plans are in contemplation for transferring thousands of India workers from agriculture to industry; that a large number of British companies plan to start factories there, particularly in the manufacture of textiles; that it is expected efforts to prove India's place as a potential postwar market will bring about industrial production to several hundred million dollars annually.

Mr. President the cost of living is lower in other countries than in this country. The cost of cotton is lower. The cost of wool is lower. This proposal is a proposal to reduce all tariffs to all nations whether they need it or not. Without first having tried out a plan which has resulted in leveling the tariffs on dutiable products to an average of 31 percent, we should hesitate to grant power now to make it possible, without having knowledge of the effect of what has already been done, to reduce the tariff to 16 percent on dutiable goods. It is said the power will not be exercised; we hear that again and again. But we are asked to grant the power without any condition attached, and, in my opinion, the tariff would certainly wipe out a considerable number of industries if the power were used.

Frankly, much as I believe we ought to help rehabilitate the war-stricken countries of Europe by all practicable means within our power, I am unable to accept the additional proposal that we now open our domestic markets to them in a larger degree than ever before in what may prove to be destructive competition with our producers and workers.

Proponents of this measure, sincere believers in free trade—and I do not now refer to the officers of the State Department who are negotiating the treaties, but many of the advocates—actually argued before the Senate committee in favor of the elimination of all industries in this country except those that can produce commodities cheaper than they could be produced abroad. They said the thing to consider was that the consumers would get goods more cheaply if they came from abroad than if produced in this country.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. WALSH. I should rather not. I should prefer to have the Senator wait until I conclude my prepared remarks.

I do not assert this policy would be followed, but, if this theory even remotely prevails among those who will have the power to negotiate trade agreements in secret, without approval by the Congress, it could mean overnight the depletion of the woolen fabric industry, the cotton-textile industry, the watch industry—which these treaties have already almost completely destroyed—the boot and shoe industry, the fish and jewelry, the paper and plastic industries, the dairy industry—and, in fact, nearly all our industries, except automobile and like heavy industries.

The Tariff Commission, in response to a resolution offered by the distinguished Senator from Maine [Mr. BREWSTER], named approximately 40 important commodities, the imports of which they stated would be materially—note the word "materially"—affected by reduced duties below the levels in the reciprocal trade-agreements law.

Mr. President, I ask that the list be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Is there objection?

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Cattle and beef, cheese, barley malt, alfalfa seed, tomatoes, brandy, wool-knit underwear, machine-made carpets and rugs, raw wool, woolens and worsteds, cotton yarns, countable cotton cloth, cotton tapestries, cotton table damask, cotton quilts and bedspreads, broad silks, knit gloves, yarns and threads of flax, rayon staple fiber, hats and hat materials, jewelry, lace and lace articles, embroidered household articles, handkerchiefs, leather shoes, leather gloves, silver-fox furs, perfumes, coarse linens and linen towels, dolls and toys, watches, art and decorative pottery, pottery tableware, glassware, hand-made, aluminum, aluminum foil, zinc, lead, copper.

Mr. WALSH. Mr. President, with the knowledge that the countries of Europe have obtained during the war of our mass-production methods, and the possession now of the tools, implements, machines, and patents, such as we have in this country, who will dare say that even the automobile industry and like industries may not soon fear the destructive effect of importations from abroad, which are bound to be developed in Europe following the war?

New England and the eastern seaboard have special reason to fear this legislation. Already 1,226 rate cuts have been made in commodities and many of these are comparable to those produced in domestic factories, including almost every product they manufacture.

Much as I would be willing to sacrifice in the hope and expectation of helping to contribute to world peace, I cannot bring myself to experiment at this time with any law which could, and, in my opinion, would, operate to create unemployment and destroy some of our industries. It seems to me the sensible thing—indeed, the only thing—that we ought to do at this time is to let the situation remain as it is until we see what develops in the postwar era. The bill, if enacted, would permit the making of trade agreements for a period of 3 years, with any country at any time between July 1, 1945 and 1948—thus permitting the binding of ourselves to international trade agreements that, if made during the latter one of these years, could extend and bind us until 1951. The postwar situation is too unsettled to take the chance. I have seen in my lifetime too many smokeless chimneys of once prosperous industries in cities like New Bedford, Fall River, Lowell, Haverhill, Lynn, Lawrence, and other manufacturing centers, not to be fearful of the effects of competition through low wages.

New England once had 80 percent of the cotton spindles of the country. Today it has only 20 percent. New England lost that predominance to the South, which now has 80 percent, and it was lost on the basis of a 10–25 percent lower wage standard than was paid in New England. If New England could not compete with the South at 25 percent lower wages, how is the textile business of the United States today, both North and South, going to compete with the world that may be 50 to 75 percent less than the wages paid here? Perhaps the textile industry ought to be sacrificed, but we ought to realize that we are delegating the power to do this. Some think it should be perhaps wiped out, but if another war comes, where are we to get our woolens and cotton products to clothe our people and protect their health?

The textile business is the most vulnerable of all, and in the most dangerous position of all, because it has live, active competition, particularly in Great Britain, in France, Switzerland, and now in India, and of course before the war had serious competition in Japan. It is vulnerable because it has the highest percentage of man-hours in its unit of production and has already experienced heavy cuts in its protective duties. Fifty percent of the cost of production in the textile mills goes to labor. The labor item is exceedingly large. One witness has developed this point before the Finance Committee very effectively:

You have got to make the tariff low enough to let the material come in. Otherwise, reciprocal trade business is no good. To make the trade agreements effective you have got to bring the tariff down so that goods can come into this country, and when commodities do come into this country it is going to displace man-hours in this country.

The threat and fear of the cotton and woolen textile industry extends also to paper, toy, woodworking, boot and shoe, and the recent plastic industries—in my town alone five of these small industries have been developed recently. Frankly, I sincerely believe the woolen industry cannot survive the tariff reductions already made in these trade agreements—certainly further reductions will be destructive.

It is alarming to think that at a time when there has been such widespread agitation over the country to protect and save small businessmen and small industries, there should be proposed a measure that has such injurious possibilities to many small industries and their workers. I was impressed in hearing the evidence before the Finance Committee and in reading the evidence presented before the Ways and Means Committee of the House and the debate in the House, at the more or less contemptuous manner in which reference was made by some witnesses to small

industries. For instance, when questions were asked as to how many a given industry employed, and in the case of the hand-made-glass industry the number was stated to be 6,000, there was displayed an attitude of "Oh, that is inconsequential." When one considers that more than 90 percent of all manufacturing establishments employ less than 100 people, such an attitude is highly dangerous and does not indicate much sympathetic interest in preserving and protecting the small industries of the country.

Mr. President, I have voted and supported all legislation that related to better working conditions, higher wages, restricting the employment and hours of labor of women and children and the rights of workers to bargain collectively with their employers. In fact, I have reported from the Committee on Education and Labor several bills dealing with the subject, which later became law, and defended them on the floor. These and a large amount of social legislation have undoubtedly, while improving the lot of the workers, added to the cost of production in this country. In my opinion, now, when working conditions in the world outside our own country are at the lowest level and the cost of production at the highest peak in our history and when taxes are the highest we have ever known, the reduction of tariffs would inevitably tend to destroy the benefits of all the above-mentioned legislation and prove injurious to our producers and workers.

The main purposes of the pending legislation are to open our markets so that other nations can sell us more competitive goods—noncompetitive goods like coffee, rubber, and other commodities not produced here which are on the free list constitute the major part of our imports today—by reason of an additional 50-percent reduction in tariff. Otherwise there would be no reason for the measure. The reasons behind this proposal can be nothing short of a direct movement away from the protective tariff policy that, with all its limitations and evils—and it had many—has contributed tremendously to the industrial growth of this country and to higher wages and the American standard of living, in the direction of free trade.

In brief, the bill proposes to reduce farm and industrial income further by paving the way for the purchase abroad of agricultural and industrial products that must be produced at home if farm and industrial income is to be maintained at its present level.

We should be prepared at all times and under all circumstances to protect our own market and strive to increase our domestic production rather than lessen it by seeking for import trade. So far as lies within our power and influence, we must aid other nations and peoples to attain higher standards of living and to work, enlarge, and enrich the markets of the world. In so doing, let us not be unmindful that the interests of America are of foremost consideration, that the protection of our own markets and our own people is primary. But regardless of whatever policy of relationship is to govern, it should be arrived at, not in secret, but in open concert by a democratic procedure and not by bureaucratic methods or means.

Let us hesitate to trade off our American standards of living for the hypothetical good will of foreign producers.

Mr. President, I ask to have printed at this point in the RECORD several letters and telegrams which I have received supporting the position and attitude I have taken in this address.

There being no objection, the letters and telegrams were ordered to be printed in the RECORD, as follows:

NAUSET WAREHOUSE CO.,
New Bedford, Mass., June 1, 1945.

Hon. DAVID I. WALSH,
Senate Chamber, Washington, D. C.

MY DEAR SENATOR WALSH: We address you regarding the pending extension of the reciprocal trade-agreements bill now before your Senate Finance Committee for hearing, and to pass along a suggestion that seems to us to be constructive and worthy of consideration.

We note that the power to cut the existing tariffs by another 50 percent through negotiation for reciprocal action with other countries appears to be the only figure used by anyone any time. Why should we, at this time, cut 50 percent more, leaving a net tariff of 25 percent as the protective feature for our great mass of New England labor, their wage and living standards, as well as the huge New England capital investment in manufacturing enterprises?

Why not have the extreme limit of power to cut reduced to 25 percent and see how that works out? Then, in the future, as and if we become adjusted to that figure, survey the whole matter again—say, in 3 to 5 years—and make another extension of the act if found feasible and safe to do so.

The severity of the adjustment to another 50-percent cut, in our opinion, will work havoc upon our woolen, cotton, rayon textile, and other industries. The hundreds of thousands of jobs dependent upon those industries and the allied and supporting supplying trades, as well as our whole New England and northeastern economy will receive another kiss of death, and we have had several such during the last 25 years, as you well know. We may not be able to stand up and take it much more and remain vigorous.

New England and the Northeast, willing to be liberal and helpful to others, see no reason to participate and concur in industrial suicide to please some other sections of this country of ours which are publicly out to "get us," if they can, and, in addition, give way to other countries which want all they can get from us—always, all the time—and pay us little or nothing in return, as usual.

With assurance from the writer of his continuing good will and esteem,

Respectfully yours,

C. A. W. BEST,
Treasurer.

OVERSEERS' ASSOCIATION,
PACIFIC MILLS, WORSTED DIVISION,
Lawrence, Mass., April 24, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WALSH: The Overseers Association of the Pacific Mills view with a great deal of concern the proposals embodied in H. R. 2652. We are cognizant of the fact that the greater portion of the woolen and worsted textile industry in the country is centered in and about Lawrence and are also aware of the fact that in labor alone there are nearly 90,000 textile employees who obtain their livelihood from the textile industry. We feel that it will be utterly impossible for industry to continue to maintain the present employment and wage levels if they are practically devoid of any protection in the form of an equitable tariff rate.

There has been an increasing tendency on the part of various governmental bureaus and labor organizations to attempt to standardize and stabilize wages and competitive conditions in the textile industry in the United States. In addition, there has been an ever-increasing tendency to raise wages until we have reached a point where our wages are approximately two and a half times those paid to British woolen and worsted employees. We are firm believers in high-wage levels if our goods can be manufactured at a price that will permit fair competition and a just distribution of production. We know, however, from our experience that without suitable tariff protection, Greater Lawrence will soon be reduced to the level of a forgotten city. We can see nothing but ruin and disaster to the textile industry just for the sake of sacrificing those who would give away to the rest of the world everything that we have worked hard to build up. We are afraid that this is just a part of the proposed schedule and scheme whereby our system of free enterprise will be abolished and taken over by the Federal Government. The only groups of persons who will be materially affected will be the importers and for the time being the automotive trades which look forward to a tremendous volume of export business of equipment which cannot be made in sufficient quantities in the foreign countries and which is sorely needed by them. The exports of American machinery and heavy equipment will then be paid for by textiles of foreign manufacture with the ultimate result that Massachusetts and New England especially will cease to exist as economic and industrial entities.

We urge you to exert your full power and influence to defeat H. R. 2652.

Yours very truly,

ANDREW HALDANE,
President.
HARRY LAMEERT,
Vice President.
JAMES L. BATTS,
THOMAS R. BEE,
EARLE R. RUTTER,
Directors.
A. N. SILLOWAY,
Secretary.

LAWRENCE, MASS., *June 5, 1945.*

Senator DAVID I. WALSH,
Senate Building, Washington, D. C.:

Ninety thousand Massachusetts textile employees and their employers dread the consequences of H. R. 3240. They look to you for opposition to this bill.

U. J. Lupien, Public Relations Consultant for Pacific Mills, Lawrence, and M. T. Stevens, North Andover, Mass.

PACIFIC MILLS, WORSTED DIVISION,
Lawrence, Mass., May 7, 1945.

Hon. DAVID I. WALSH,
Senator, Senate Office Building,
Washington, D. C.

DEAR SENATOR WALSH: Under separate cover we are sending you lithographed copies of petitions which were signed by the employees of the Pacific Mills in Lawrence. Attached herewith you will find a copy of the letter which was sent to Congressman LANE, together with the originals of these petitions.

Whereas you need no further information as to the disastrous effects of H. R. 2652, we nevertheless wish to reemphasize that the passage of such an act will be detrimental to the thousands of your constituents here in Massachusetts. Let us urge you again to do everything within your power to prevent such a catastrophe.

With the kindest of personal regards, I remain,

Yours very truly,

U. J. LUPIEN,
Director, Public Relations.

PACIFIC MILLS,
Boston, April 11, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WALSH: We realize we are entering a new era and reciprocal trade agreements are designed to help in making a lasting peace in the world.

As a woolen and worsted manufacturer we think we can maintain employment and make both ends meet if there is no change in the present tariff schedule. It is our belief that any further reduction on manufactured goods would be disastrous to our industry as well as to our employees.

Those responsible for the reduced tariff argue that reduced tariff would affect only the high-priced fabrics, and reciprocal trade agreements were designed to protect us on medium-priced goods. However, this proved not to be the case as in the first 5 months of 1939 under reciprocal trade agreements imports on worsteds increased 131 percent, and on woolens 150 percent, and these tremendous increases consisted largely of medium-priced goods.

The war has shown that our industry must remain intact for national safety. Most mills are running 100 percent on military fabrics. If it were not for our industry our armed forces could not have been clothed.

England manufactures under about the same conditions as we do, with the exception of labor costs. Average hourly earnings in the United States are 49 cents and in Great Britain 19 cents (Tariff Commission report, May 1936). The same report reveals that Japan's hourly earnings are 5.4 cents.

Foreign trade is the exchange of labor values and tariff should protect labor values in this country.

Therefore, it is imperative for national safety, for protection of American labor, and for protection of the worsted and woolen industry that no further reductions in tariffs be allowed. We urge you to vote against the Doughton bill (H. R. 2652) inasmuch as section 2 of that bill allows a further 50-percent reduction.

I expect to be in Washington in the near future and it is my hope that I may have an opportunity to discuss this matter with you further.

Most sincerely,

RUFUS F. HALE,
Assistant Treasurer.

PACIFIC MILLS, WORSTED DIVISION,
Lawrence, Mass., April 9, 1945.

Hon. DAVID I. WALSH,
United State Senate,
Washington, D. C.

DEAR SENATOR WALSH: The textile industry of Lawrence, as well as New England, views with great apprehension the provisions of H. R. 2652 which has been introduced by the chairman of the Ways and Means Committee. Apparently section 1 of this act would extend for 3 years more the powers of the President and the Secretary of State to extend reciprocal trade agreements with foreign countries. Sections 2 and 3 would permit a further reduction in existing tariff rates of 50 percent.

As you already know, the Trade Agreements Act of 1934 permitted a reduction of 50 percent in the then-existing rates. Hence if this act were to be passed in its present proposed form, the result would be that the new tariffs would be 75 percent less than they were in 1934.

The average hourly earnings in the woolen and worsted industry in Great Britain are approximately 40 percent of the rates paid in Lawrence and New England. Hence, it can readily be seen that further reductions in existing tariffs can only mean the complete ruin of our textile industries upon which so many thousands of persons in the New England States depend for a livelihood.

It is certain that Lawrence and New England will not be able to afford to maintain even its normal employment levels if this bill is enacted in its present form.

I would therefore strongly urge you to oppose the passage of this bill for the best interests of your constituents.

Yours very truly,

E. D. WALEN,
Vice President.

BOSTON, MASS., *June 7, 1945.*

Senator DAVID I. WALSH,
Senate Office Building:

Appreciate your efforts to defeat section 2, Doughton bill. Hope you will continue your good work in helping to protect American labor and industry.

PACIFIC MILLS,
R. F. HALE.

MIDDLESEX WORSTED SPINNING CO.,
Lowell, Mass., April 11, 1945.

Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.

DEAR SIR: There is before Congress and the Senate a bill to extend the State Department's power to reduce tariffs. I feel it my duty to write you and to ask you to vote against the passage of this bill, namely, H. R. 2652. Having been connected with the textile industry for over 30 years, I am keenly interested in the welfare of this industry and all who are connected with it.

You are, no doubt, aware that all the large textile centers of the European Continent have been untouched by bombs, this makes them potential competitors when this war is over. You also are familiar with the lower wages that are paid to those textile employees in Europe, and the lower standard of living which they are accustomed to and which they do not want America to change. You also must be aware of the fact that those same countries that are going to be our most serious competitors at the present time have no collateral with which to do business with, unless they are permitted to export to America the textiles which they are now making in large quantities; of the fact that it is the only industry over there that is, for the most part, intact.

This may seem a little mite selfish, but if we do not do something now to protect this second oldest industry in the world, we may wake up one day and find that the continent of Europe has taken it away from us, and that thousands of our returning soldiers, sailors, marines, Wacs, and Waves will be without jobs.

I therefore urge you to do all in your power to prevent the passage of this bill.

I remain,

Yours truly,

NORMAN CHADWICK,
Superintendent and Manager.

ABBOTT WORSTED CO.,
Graniteville, Mass., April 20, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SIR: Bill H. R. 2652 is now before Congress, to extend the State Department power to further reduce tariffs under reciprocal trade agreements.

We wish to register a very strong protest against this bill, particularly against the section giving permission to reduce tariffs on textile products an additional 50 percent. The United States tariff at the present time is approximately sixth lowest of some forty-odd principal countries, including Japan.

The textile industry has made an outstanding showing in production to supply yarns and fabrics to the armed forces during the present war. If this tariff were to be reduced to the point allowed under this bill, it would be impossible for us and other textile concerns to remain in business, paying as we do an average wage of three times and more as much as is paid by England and other European countries.

Where would the United States have been without the textile industries in this war?

We believe that the bill to permit additional reductions should be defeated, otherwise Congress will throw very large numbers of people out of employment.

Even under today's conditions, woolen textile materials and made-up clothes are being imported into this country.

Very truly yours,

ABBOTT WORSTED CO.,
EDWARD M. ABBOTT,
President.

HAYWARD WOOLEN CO.,
East Douglas, Mass., April 20, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SIR: I am writing you this letter in reference to the bill now before Congress—H. R. 2652—to extend the State Department's power to further reduce tariffs, which have already been very drastically cut.

I am particularly interested because of the effect it would have on our business. As you most likely know, a textile worker, for the first time, is now being paid substantially more than ever in the history of the textile business. The minimum wage in our industry today is 55 cents, whereas if this bill is passed, we will have to compete with the textile industry of Great Britain where the average textile wage is only 35 cents an hour. Our citizens deserve better protection than this, and it is not fair to have them compete with the import of foreign goods made by cheap labor.

I know you will do your utmost to see that the American citizen is protected.

Very truly yours,

LEO J. MURRAY, *Treasurer.*

HAYWARD WOOLEN CO.,
East Douglas, Mass., April 20, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SIR: I am writing you this letter in reference to the bill now before Congress—H. R. 2652—to extend the State Department's power to further reduce tariffs, which have already been very drastically cut.

I am particularly interested because of the effect it would have on our business. As you most likely know, a textile worker for the first time is now being paid substantially more than ever in the history of the textile business. The minimum wage in our industry today is 55 cents, whereas if this bill is passed, we will have to compete with the textile industry of Great Britain, where the average textile wage is only 35 cents an hour. Our citizens deserve better protection than this, and it is not fair to have them compete with the import of foreign goods made by cheap labor.

I know you will do your utmost to see that the American citizen is protected.

Very truly yours,

EDWARD P. MONE,
Assistant Treasurer.

PITTSFIELD, MASS., *April 24, 1945.*

Senator DAVID I. WALSH,
Senate Office Building:

We believe that the responsibility of writing tariffs should be the responsibility of the Congress rather than having the responsibility delegated to any one man. We believe, if the country desires any particular degree of free trade, that degree should be publicly arrived at rather than to be fixed privately. From a viewpoint of the worsted industry, it is essential that not only no further lessening of duties occur but that the industry be sure that none can occur. At least

until a new tariff act is passed by the Congress. We, therefore, believe H. R. 2652 should be defeated.

ELMVALE WORSTED CO.

THAYER WOOLEN CO.,
North Oxford, Mass., April 19, 1945.
Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.

DEAR SIR: We want to register our opposition to measure H. R. 2652 now in hearing. This measure is to enlarge the State Department's power to further reduce tariffs which have already been drastically cut, not only on wool textiles, in which we are vitally interested, but on other production.

We fail to see how we can compete against European labor on a practically nonprotective basis. We are very anxious to give full time employment to our employees and be able to take back on a desirable basis the people from our organization now in the service.

Competition from low-paid European labor would be disastrous for us and we would be very loath to have to compete on that basis. There is no question but that low tariffs would lower the living conditions, and as we pride ourselves on the fact that we have the best-paid and the best-equipped Army in the world, we feel that we should also have the best-paid workers in the world.

We feel that it would be much better to aid devastated areas in the form of outright gifts rather than open markets.

Very truly yours,
WALTER S. POMEROY, *President.*

LAWRENCE, MASS,, *May 12, 1945.*
Hon. DAVID I. WALSH,
United States Senator,
Washington, D. C.:

Lawrence Central Labor Union representing 10,000 AFL workers in Lawrence vigorously oppose extension of reciprocal trade agreements on grounds that such extension would result in postwar unemployment for thousands of textile workers. Urge your support in defeating extension.

JOHN J. HAVEY, *President,*
FRANKLIN J. MURPHY,
Secretary,
LAWRENCE CENTRAL LABOR UNION.

STEVENS LINEN ASSOCIATES, INC.,
Webster, Mass., May 8, 1945.
Hon. DAVID I. WALSH,
Senate Building, Washington, D. C.

DEAR SENATOR WALSH: As you know, there has been considerable agitation and discussion for and against the enactment of the extension of the Trade Agreements Act before the House Ways and Means Committee. Both employers of labor and employees are considerably disturbed over the possibility of the enactment of this bill as outlined. We feel sure that you are giving this matter considerable thought and taking a great deal of interest in it, as the communities which you represent are probably more vitally interested as a group than any other section of the country.

We, being members of the Soft Fiber Institute, will be represented at the hearing by Mr. Maloney, chairman of the tariff committee of the Soft Fiber Institute. It is our impression that he will mention, among other things, that the accepted union wage in Great Britain and Ireland for workers in textile industry is $10 weekly against a wage for like employment in this country of better than $40 per week, or a difference of 400 percent. Naturally if tariff protection is reduced it will be impossible for textiles, and more especially the linen industry, to compete with this sort of competition.

We have a very substantial investment in machinery and equipment and have been one of the main means of employment in Webster and Dudley for many years. We have given a great deal of thought to postwar planning and it is hoped that, all things being equal, that we can give employment after the war to more than 500 additional people. It is also our intention to purchase additional machinery and equipment and to take other steps to increase and maintain a high rate of employment. Naturally we hesitate to make any plans if there is a possibility of lowering protective tariffs.

Knowing your interest in the problems of the manufacturers and your desire to see labor employed, we feel sure that you will make every effort to see that their interests are protected.

Thanking you for giving this matter consideration, and appreciating your cooperation, I am,

Very truly yours,
WILLIAM A. CASH,
Treasurer.

METHUEN, MASS., *April 23, 1945.*
Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.

DEAR SIR: We, the undersigned, while subscribing to the principle of assisting foreign nations to get back on their feet, do not feel that tariffs should be lowered any more, to do so.

The American way of life, the best in the world, that our relatives and friends are fighting for in foreign lands, should in no way be endangered by insufficient tariff protection.

We who derive our living from the textile industry feel that if tariffs are lowered by the passage of this measure, it will mean a great set back to our way of living by unfair competition, lowered wages, and unemployment. We, therefore, urge your help in defeating H. R. 2652.

Sincerely yours,
THOMAS H. HOUGHTON.
BEATRICE L. HOUGHTON.
AGNES G. HOUGHTON.
CHARLES W. HOUGHTON.

UXBRIDGE, MASS., *May 31, 1945.*
Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.:

Regarding reciprocal trade agreement we urge you to support amendment which will be introduced making quota protection mandatory in all cases where serious unemployment and disruption would result from uncontrolled flood of imports.

WAUCANTUCK MILLS,
J. T. BRADY, *General Manager.*

UXBRIDGE, MASS., *June 14, 1945.*
Hon. DAVID I. WALSH:

Pleased at your stand regarding reciprocal-trade treaty.

STANLEY H. WHEELOCK,
STANLEY WOOLEN CO.,

MEDWAY MILLS, INC.,
West Medway, Mass., June 1, 1945.
Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR: We are very much opposed to the new reciprocal trade agreements amendment to the tariff act, which has been passed by the House. I hope you will exert every effort possible to see that this amendment is not passed by the Senate.

Thanking you kindly for past favors, we are,

Very truly yours,
R. G. BUCHOLD.

PACKARD MILLS, INC.,
Webster, Mass., April 12, 1945.
Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Together with all other woolen manufacturers, we are worried about the possible passage of a bill before Congress (H. R. 2652) which would give the State Department power to further reduce tariffs.

In spite of all arguments to the contrary, two and two still makes four. Every yard of woolen cloth which is imported into this country is one less yard for our workers to make. We cannot compete against the textile wages of Europe.

You represent a great woolen manufacturing State and we hope you can see your way not only to vote against this bill but to take an active part in its defeat.

Very truly yours,
RALPH K. HUBBARD,
President.

DAVID N. TAFT MANUFACTURING CO.,
Oxford, Mass., April 12, 1945.
The Honorable DAVID I. WALSH,
United States Senate,
Washington D. C.

DEAR SIR: There is before Congress H. R. 2652, a measure to enlarge the State Department's power to further reduce tariffs which have already been drastically cut by State Department reciprocal treaties, not only on wool textiles—in which we are interested—but on other products.

This bill must be defeated, as we cannot compete against the lower-paid foreign worker.

We hope you will agree with us that this bill must be defeated, and that we can count on your negative vote.

Yours truly,
D. T.

DENVER, COLO., *April 10, 1945.*
Hon. DAVID I. WALSH,
United States Senate,
Washington D. C.

DEAR SENATOR WALSH: The Reciprocal Trade Agreements Act of 1934 expires on June 12, 1945. I note considerable activity looking to an extension of this act.

I fail to understand how a reduction in tariff rates, which will permit foreign manufacturers to undersell us in our own markets, fits in the picture with the avowed aim of the present administration to create 60,000,000 postwar jobs in this country—a figure which they estimate necessary to permit our economy to function.

I am particularly concerned with the handmade glassware industry. It is a recognized fact that our domestic glass manufacturers had a very difficult struggle competing with imports from foreign countries—even with the full tariff rates as provided in the Tariff Act of 1930. This was obviously due to the great differences in American wage rates and the low wages paid in European glass-producing countries. That disparity in pay rates will be still further aggravated after the end of the present European war.

If the Reciprocal Trade Agreements Act is extended at this time, plus an additional reduction of 50 percent—just asked for by the administration—we can look for a wiping out of the American glassware industry. Passing of the extension of the act, with the further 50-percent reduction, means that the 1930 tariff rates could be reduced as much as 75 percent. And I maintain that no matter how efficient our domestic glass houses are, we cannot meet such competition.

It is an open invitation to all foreign glass-producing countries to help themselves to our national market.

That, indeed, is the picture facing the glassware and ceramic manufacturers of this country, and in like measure every manufacturer with foreign competition.

I strongly appeal to you to vote against the extension of the Reciprocal Trade Agreements Act of 1934.

Cordially yours,
C. N. ABENHEIMER.

COMINS & CO., INC.,
Rochdale, Mass., April 13, 1945.
Senator DAVID I. WALSH,
Washington, D. C.

DEAR SENATOR WALSH: We oppose the proposed reductions in import duties.

We call your attention to the records of the United States Treasury Department which show that the woolen industry as a whole operated at a net loss for a period of 15 peacetime years.

We need legislation to help this industry rather than to contribute to its destruction.

We urge your opposition to this reduction.

Very truly yours,
EDWARD I. COMINS.

ARLINGTON MILLS,
Lawrence, Mass., May 7, 1945.
The Honorable DAVID I. WALSH,
United States Senate,
Washington, D. C.

DEAR SIR: In my opinion, this bill should be defeated because, first, should it go through as planned, when we get back to a normal basis after this war is over and the other countries get producing again, it just means that the textile mills will not be able to compete.

This will cause curtailment of operation of the mills; also, a cut in wages.

Cannot see the justification of increasing the output from the mills abroad and bringing untold hardships on our local citizens.

I sincerely trust you will do all in your power to kill this bill, H. R. 2652, when it comes up.

Sincerely yours,
ERNEST A. JOHNSON.

ARLINGTON MILLS,
Boston, Mass., April 12, 1945.
Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WALSH: I thank you for your letter of April 9 and I appreciate very much your position with reference to the proposed changes in the reciprocal trade agreements. I suppose it will be impossible to prevent the adoption of some sort of an extension but certainly there should be no changes in the rates. I question very much whether the textile industries of New England can survive even under the present rates.

Very sincerely yours,
FRANKLIN W. HOBBS.

BOSTON, MASS., *May 31, 1945.*
Hon DAVID I. WALSH,
United States Senate,
Senate Office Building:

If any tariff reductions made on wool or wool fabrics we think the quota system will have to be adopted. Otherwise the wool textile industry with any reduction in tariff will face extermination.

ARTHUR O. WELLMAN,
President, Nichols & Co., Inc.

NICHOLS & COMPANY, INC.,
Boston, Mass., April 16, 1945.
The Honorable DAVID I. WALSH,
United States Senate, Senate Office Building, Washington, D. C.

DEAR SIR: Nichols & Co., Inc., is the largest worsted top manufacturer in this country, employing a large number of workers as well as indirectly furnishing employment to many thousands of others through the various stages of producing worsted tops and the resulting finished products, woolen and worsted materials.

Consequently, we are very much opposed to the bill (H. R. 2652) which is before Congress, as it would extend to the State Department the power to further reduce tariffs on wool and its manufactured products.

The State Department is advocating the reduction of tariff which would result in the importation of additional quantities of woolen fabrics produced abroad under a cheaper labor structure than our economic conditions will allow. The average textile wage in foreign countries favorably affected by a lowering of tariff would create competition in this country that could not be met without undermining the standards of living of all workers in our industry.

Also, we feel that it is very important that this bill be opposed in the interests of the men who are now in the armed services who hope to return to the textile business for which they were trained before their work was interrupted by the war. Their future possibilities for making a good living should not be risked.

If this bill is passed, it will seriously affect all textile workers, and in the New England States where the textile business is one of the chief industries, the result would be disastrous. We feel that if the tariff is lowered, the very existence of the whole wool and worsted textile industry in this country would be jeopardized.

We believe that H. R. 2652 should be defeated and we hope you will do everything in your power to help defeat it.

Respectfully yours,
ARTHUR O. WELLMAN,
President.

MAYFLOWER WORSTED CO.
Kingston, Mass., April 11, 1945.
Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.

MY DEAR MR. WALSH: As president and manager of the above-named concern, manufacturing fine men's-wear fabrics in the town of Kingston, Mass., I have been requested by the employees to write a letter to you protesting against any further reduction in the tariff on cloth being imported into this country.

The names of the employees attached to this letter are all trained textile workers who have always worked in the textile industry, who have homes and families here, and there is no other opportunity for employment. They realize that should the duty be further lowered to allow cloth to be imported from England and other countries where wages are a great deal less than here that it would be impossible for the textile mills to continue to run, and they would be out of employment.

On their behalf I trust you will give this your personal and serious consideration.

Very truly yours,
HAROLD J. WESTON, *President.*

LAWRENCE, MASS., *May 28, 1945.*
DAVID I. WALSH,
United States Senate,
Washington, D. C.:

I sincerely believe that the bill which has just been passed by the House extending reciprocal trade treaties and authorizing the President to further reduce present tariffs constitutes a serious threat to the greater Lawrence and New England textile industries. People of this district like those of every section of the country have cheerfully made many sacrifices to help win this war and I do not believe that they are willing or should they be asked to sacrifice the opportunity for future employment and prosperity on the flimsy altar of internationalism and the idealistic theory that free trade will further a lasting peace. Therefore, I urgently request you to work, fight, and vote against this vicious legislation when it reaches the Senate.

JOHN P. S. MAHONEY, Jr.,
Publisher, Lawrence Sunday Sun.

WASHINGTON MILLS ABRASIVE CO.,
North Grafton, Mass., April 20, 1945.
Senator DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: One of our volume users of abrasive refractory grain has contacted us regarding possible effects of bill (H. R. 2652) to extend the authority of the President under section 350 of the Tariff Act of 1930.

We are informed by our customer, who is a manufacturer of vitrified china ware, that this bill carries a provision to allow further cuts in tariff rates on bone china and earthenware items, inter alia, on which tariffs were already greatly reduced in 1939.

Our customer further informs us the wage rate in his industry is 85 cents per hour in the United States, against 25 cents in Great Britain and 7 cents in Japan.

We feel concerned in the matter, as lowering a tariff on our good customers' foreign competitors' chinaware products, to a detrimental extent in view of the wage rates in competing countries, will evidently injure our customers' business and ours equally. We are all vitally concerned to maintain high wage rates for our workers and financial stability for our companies. We submit to you that extreme caution be applied before permitting reduction in a tariff rate such as in this case. To transfer a foreign country's troubles to our own workers in our countryside, by way of international cooperation, is a measure which we do not think will commend itself to you. We, indeed, trust that this and similar measures will have your definite opposition whenever their effect is to impinge on our own ability to pay high wages and maintain our men at work.

Yours very truly,
HOWARD D. WILLIAMS,
Treasurer.

W. H. BAGSHAW CO.,
Lowell, Mass., May 31, 1945.
Hon. DAVID I. WALSH,
United States Senator from Massachusetts,
Senate Building,
Washington, D. C.

DEAR SENATOR: As president of W. H. Bagshaw Co., a Massachusetts corporation, located in Lowell, Mass., I am writing this letter to let you know how this company feels with regard to the so-called foreign-trade-agreements bill recently passed by the House of Representatives and now pending before the Senate.

This company is now, and has been for a great many years, engaged in the business of manufacturing textile pins and other equipment for the textile trade. We feel very strongly that any reduction in the present tariffs would result in substantial injury to small business, so-called, in Massachusetts, and especially to companies engaged in textile pursuits. Many of these companies have already felt substantially the results of war shortages in necessary materials and labor and have also been adversely affected by greatly increased corporate taxes.

The opening of this country, and especially this Commonwealth, at the close of the war to competing materials and merchandise manufactured abroad by cheap labor would have a very serious effect, in our opinion, and cause substantial loss to many concerns which otherwise might at least break even; in fact, some would have to face the necessity of going out of business entirely or seeking some other part of this country where labor and other conditions might not be so oppressive.

I have not the number or exact name of this proposed bill before me, but I am sure you will recognize it as a matter of great importance to this country at large, as well as to the Commonwealth of Massachusetts.

We hope that you will find it possible to oppose the proposed bill and the tariff reductions called for.

Yours respectfully,

JOHN E. EATON,
President.

P. S.—I am sending a similar letter to our other Senator from Massachusetts.

JOHN T. LODGE & CO.,
Watertown, Mass., April 9, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SIR: I wish to register with you my disapproval of bill, H. R. 2652.

The textile business, in my opinion, needs more rather than less protection even as of today.

The wool and worsted manufacturing industry ranks about seventh in the number of workers employed and about fourteenth in the dollar value of its products. From these figures you can readily know the percentage of labor cost to the value of the finished product.

As I understand it, the average wool or worsted textile worker abroad averages about 35 cents per hour and in this country comparable work commands an average of 80 cents per hour.

I believe you will agree that the woolen and worsted industry has done a remarkably efficient job of producing fabrics for the various branches of our armed forces, and in addition have taken good care of the civilian trade.

If we are to have full employment in this country, which to the writer's mind is the first and principal Nation in which we all should have an interest, then how are we going to maintain high hourly wage rates with full-time employment for the 60,000,000 about whom we read and hear so much and face the ruinous competition of low-priced foreign merchandise.

As you well know, Massachusetts is one of the largest producers of woolen and worsted fabrics in this country, and Boston is the principal wool city in the Nation.

I trust you will do all possible toward the defeat of this bill, H. R. 2652.

Very truly yours,

JAMES T. DUGAN.

MERRIMAC HAT CORP.,
Amesbury, Mass., April 16, 1945.

Senator DAVID I. WALSH,
United States Senate,
Washington, D. C.

DEAR SENATOR WALSH: We know you are very much interested in any legislation which might materially act to the detriment of Massachusetts industries.

In the Tariff Act of 1922 Congress placed what is known as the flexible tariff provision, permitting the Tariff Commission to recommend to the President, after prescribed investigation, the adjustment of an existing tariff rate up or down 50 percent. This provision was reenacted in the Tariff Act of 1930 as section 336 and is still in the law.

In 1934 Congress passed what is known as the Reciprocal Trade Agreements Act, suspending section 336 of the Tariff Act of 1930 as to all rates the subject of agreements entered into under the act of 1934. The Reciprocal Trade Agreements Act permits the President through negotiation by the State Department with a foreign country to enter an agreement reducing tariff rates without investigation or limitation other than the 50 percent in any agreement with a foreign power. When promulgated, these rates become effective to all countries of the world regardless of whether we have an agreement with them or not, unless, under the terms of the act, the President finds that a given country is unduly discriminating against our commerce, in which event he may except from the operation of the generalization clause that country. In all of the agreements entered into but one country—Germany—has been so excepted.

Under the operation of this statute, over 1,200 rates have been reduced, the majority of which were reduced 50 percent. A recent study by a well-known economist shows the Tariff Act of 1930, by reason of these reductions, to be on a level with the Free Trade Tariff Act of 1913. Only the war has prevented a demonstration of the great influx of foreign merchandise that these reductions will bring forth. When the war is over, sections of reconquered territory such as northern Italy and most of France will be in a position to immediately start production and shipment of competitive merchandise to the United States. This is particularly true of our own industry, wool felt hat bodies. While there has been no reduction in our rate under the reciprocal trade agreement policy, it is obvious that Italy will require our credit and will seek to place in this market as many wool felt hat bodies as possible. There will also be an incentive on her part through the reciprocal trade policy to secure a lower rate of duty.

Before the war, because of the effect on this industry of foreign competition, it was necessary to have Congress enact remedial legislation, giving us our present protection. We feel very strongly that we cannot, on an economic basis, compete with the pauper labor that we will face immediately after this war.

Since this remedial legislation, Congress has enacted the wage and hour law. Its administration has increased our wages and reduced the hours in a week, thus materially adding to the cost of production of our product in this country.

For the reasons which we have stated on previous renewals of the Reciprocal Trade Agreements Act and for the reason that we feel that this act bestows upon the executive branch of the Government arbitrary power to adjust tariff rates which were specifically reserved to Congress by the Constitution of the United States, this act should not be renewed as is proposed by H. R. 2652.

We are further opposed to the renewal under H. R. 2652 for the reason that it is a further grant of power to the Executive to reduce by an additional 50 percent any existing rate on January 1, 1945. The net result of such an enactment would be that a rate of 50 percent in the Tariff Act of 1930, if reduced 50 percent (to 25 percent) before January 1, 1945, could again be reduced 50 percent (to 12½ percent). As stated above, all of this would be without recourse to Congress, without considering the economic factors and without a legislative yardstick.

The renewal of the Reciprocal Trade Agreements Act by the enactment of H. R. 2652, we feel, would be most unfortunate.

Very truly yours,

E. T. BROWN,
Executive Vice President.

HUNTINGTON, MASS., *May 31, 1945.*

Senator DAVID I. WALSH,
United States Senate Building:

Very much trust you may see your way clear to oppose any bill which will permit altering present tariff on wool and woolens downward. Any such drastic act may seriously affect best interests of woolen textile industries as a whole and particularly in Massachusetts. Both the general public and textile labor particularly are bound to be seriously affected.

DON V. MESSER,
President, Huntington Textile Co., Inc.

NATIONAL ASSOCIATION OF WOOLEN AND WORSTED OVERSEERS,
Holyoke, Mass., June 3, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WALSH: The National Association of Woolen and Worsted Overseers representing at least 500 overseers in Massachusetts alone, wish to express their opposition against H. R. 3240. We feel certain that the illustrious record you have achieved in looking after the interest of the people of our State, will cause you to look with disfavor upon any measure that would tend to lower the standards of the textile workers of this Commonwealth.

May we have the pleasure of hearing from you.

Very truly yours,

JOSEPH D. SCANLON,
Chairman.

TALBOT MILLS, INC.,
North Billerica, Mass., April 18, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WALSH: H. R. 2652, providing for the extension of reciprocal trade treaties and authorizing the President to reduce tariffs by 50 percent or to 25 percent of the original rates, will be fatal to the wool manufacturing industry.

It is inconceivable that competition with British labor, averaging 35 cents per hour, is at all possible.

I appreciate that the reciprocal treaties are part of the general peace program, but there will be no domestic tranquillity if the workers of the seventh largest employing industry in the United States are on the street.

Where would our armed forces now be if we had not had a healthy textile industry and had been obliged to rely on our allies to clothe them? From an unbiased standpoint, I believe that the textile industry is vital to the best interest of the United States in both war and peace.

The reciprocal treaties are no doubt involved in the plan to receive repayment on our foreign debts in kind, the only way they can be repaid in any substantial amount. This plan is only sound as far as the imports are of raw materials or manufactured products not found nor produced in the United States. If the repayment of the principal of these debts involves displacement of manufacturing operations in the United States, it would be far better to forego the repayment of the principal and demand only interest payments, which in itself will undoubtedly present sufficient of a problem.

I sincerely believe that H. R. 2652 should be defeated and I hope that you can conscientiously assist to that end.

Yours very truly,

THOMAS T. CLARK,
Treasurer.

WOOLEN AND WORSTED DISTRICT COUNCIL,
DEPARTMENT OF WOOLEN AND WORSTED WORKERS,
Lawrence, Mass., May 2, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WALSH: At the regular meeting of the Greater Lawrence Textile Council, UTWA-AFL, representing 15,000 textile workers in Lawrence and Lowell, Mass., this communication was unanimously endorsed by the large number of delegates in attendance. The delegates representing the textile workers of our community strongly urge you, as their Senator, to exert your power to the end that the extension of the reciprocal trade agreement as it applies to textiles is defeated.

Senator WALSH, it has taken the workers in the textile industry a long, long time to achieve the gains they have made through collective bargaining in the past few years. These gains, we are confident, would indeed be jeopardized if the protection normally exercised through the protective tariff placed upon textile imports is now eliminated. We cannot too strongly place the case of the textile workers of our community before you and the danger confronting our workers in

their efforts to achieve a real standard of living. We feel we owe this protection to the thousands who have labored through long tedious hours to the end that our fighting forces may be the best clothed army that the world has ever known and to the thousands of boys and girls from our industry who are on the fighting fronts of the entire globe.

Thanking you for any cooperation you may give in this matter, I am,

Sincerely yours,

GEORGE F. DRISCOLL,
Recording Secretary, Greater Lawrence Textile Council, UTWA-AFL.

LAWRENCE CHAMBER OF COMMERCE,
Lawrence, Mass., April 18, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WALSH: The Lawrence Chamber of Commerce requests your earnest consideration to H. R. 2652 and to the possible great threat to the woolen industry of greater Lawrence should the tariff rates and duties on foreign manufactured woolens be further reduced to a 25 percent tariff made possible by the enactment of 2652.

In the Lawrence area, approximately 30,000 workers are employed in the woolen industry and its accessory manufactures. The policy of our Government is to protect our high standard of living from the lower living conditions prevailing in foreign countries and their cheaper labor.

A possible lowered tariff authorized by the administration is not in harmony with the Government policy of sustaining high employment at good wages.

The practical action which should be encouraged by our Congressmen is to protect our industries and our labor from the foreign competition of cheaper labor costs.

Respectfully yours,

JOHN J. O'ROURKE,
Secretary.

STRONG, HEWAT & CO., INC.,
North Adams, Mass., April 17, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: We understand that hearings will start shortly on H. R. 2652 involving reciprocal trade agreements, which bill, if passed, will undoubtedly strike a death blow to many members of the woolen and worsted industries in this country. We, as manufacturers of fine woolen fabrics, strongly urge that you vote against its passage.

This bill not only extends the present reciprocal trade agreements, but provides for a 50-percent reduction in tariff rates. We believe that domestic industries must have the necessary tariff protection if we are to maintain the American standard of living and provide the jobs so essential in the rehabilitation program being outlined for our returning servicemen. Without tariff protection, our company could not possibly compete with British mills, whose wage scales before the war, were three times less than ours.

May we ask that you give this matter your serious consideration and do all within your power to assure the defeat of H. R. 2652.

Yours very truly,

DOUGLAS HEWAT,
Vice President.

MUNRO, KINCAID, EDGEHILL, INC.,
Boston, April 16, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: As you well know, anyone connected with the manufacture of wool has always been favorable to a protective tariff on wool.

If the wages paid by textile manufacturers are to be maintained, cloth must bring a higher price than would obtain on cloth imported from foreign countries where labor is so much below the American standard.

I understand that there is before Congress now a bill, H. R. 2652, regarding a further reduction in tariffs. I hope that you will have the textile industry in mind when this bill is voted on, and that you will not be in favor of it.

Respectfully,

F. L. KENNEDY.

EMERY & CONANT CO., INC.,
Boston, Mass., April 13, 1945.

Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.

DEAR SENATOR WALSH: While we are not directly concerned with the lowering and altering of the tariff in regard to woolen and worsted goods, we are definitely very much concerned in the effect any change in the present tariff might have on manufacturers of wool. Also, we are interested if the duty on wool is to be reduced.

We understand the Ways and Means Committee of the House starts hearings on the Doughton bill (H. R. 2652) on Monday, April 16, and the matter of reciprocal trade agreements is therefore a matter of current business.

The writer is satisfied that the reciprocal trade agreements, so-called, are not in actual practice "reciprocal" trade agreements, but have to date worked out to be lowering of the tariffs. Some manufacturing goods and commodities may be able to stand less protection than at present, but from our close contact with the woolen manufacturing industry (who are our customers), we believe that present rates (which have already been lowered under present reciprocal trade treaties) are not adequate to protect the woolen and worsted manufacturing industries at present. You must also have in mind that these present rates have not been tested, due to the Second World War.

We therefore urgently request that you see to it that the present rates are not lowered in the manufacturing of wool, for the industry cannot stand it.

Yours respectfully,

RALPH W. CONANT,
President.

CHARLTON WOOLEN CO.,
Charlton City, Mass., April 16, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SIR: Hearings will start shortly on H. R. 2652, a bill to extend the State Department's power to reduce tariff rates. The textile industry is very much disturbed by this bill and believes it should be defeated.

Under the present Reciprocal Trade Agreement Act, tariff rates on woolen goods have been substantially reduced. An increase in imports of woolen goods under the new rates began immediately, but was soon stopped by the war or the preparation for war by the exporting countries. We contend that no further reductions should be made until we have had a chance to determine the effect of the present rates under peacetime conditions. We believe that imports under the present rates will show a large increase and that any further reduction of tariff would be disastrous.

It has been said by the supporters of the bill that any loss of business by a particular industry would be more than offset by the increase in business by other types of industry, due to increased export. This is small consolation to the mill operators who face the loss of their investment, and to the workers who face the loss of their jobs. Moreover, the textile industry is such a large industry that a substantial reduction in employment in this industry would throw more people out of work than could be absorbed by the rest of the country.

A strong woolen textile industry is essential to the country from a defense standpoint. This is now being demonstrated by the fact that the tremendous demands of war are being met with a minimum of Government financial assistance. A strong woolen textile industry is also needed to consume our domestic wool and to avoid the necessity of an expensive subsidy to the wool grower.

Most of the arguments for the protection of the textile industry apply with equal force to other industries. We cannot maintain our high wages and high standards of living and compete with low pay and low standards of living in foreign countries. Until the standards of the rest of the world are raised to our level, we will need adequate tariff protection. Let us give the present reduced rates a fair trial under peacetime conditions before we reduce them again.

Yours truly,

ROGER M. GRIMWADE,
Treasurer.

WUSKANUT WORSTED CORP.,
New York City, May 1, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SIR: I am opposed to any reduction in tariff on wool goods because—

1. It is no time to try to adjust tariffs when the world is so upset that there is no accurate way to determine what either foreign or domestic wages will be after this war. Without this information, there is no basis for comparative costs.

2. I do not believe that the State Department is now, or ever has been, equipped to assemble the necessary data upon which to base a sound tariff policy.

3. The splendid job done by the woolen industry during this war was possible only because of the policy of protection in former years, which permitted this great industry to become strong enough to meet these unusual wartime demands.

4. I do not know of any other country which buys from us in normal times that which it already has in abundance. Certainly this country in normal times has more than it can consume of all kinds and varieties of wool textiles.

5. We are blessed with a good quality of labor, which is entitled to steady employment and good wages. This can be assured only under adequate protection. After this war is over, some of the distressed countries will be so eager for export business that their already cheap labor, subsidized by the state, will make competition that no American mill can stand up against.

Very truly yours,

HOWARD R. MERRILL,
Vice President.

DONALDSON & DURIE, INC.,
New York, N. Y., April 17, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

SIR: As representatives of several textile mills, we are writing to respectfully request you to cast your vote against H. R. 2652.

The further reduction of tariff on fabrics would, we are convinced, place countless domestic mills in an impossible competitive position. This, in turn, would adversely affect other segments of our national economy, such as the chemical and dyestuff producers and the raw wool growers. The ultimate result could not help but greatly increase postwar unemployment.

We sincerely believe manufacturers of materials vital to national defense, which the

textile and allied industries have proved to be, should not be jeopardized.

The above considered opinion is based not alone on our experience in representing domestic manufacturers but also through previous connections in the importing trade.

Therefore, we again ask you to use your influence to defeat H. R. 2562.

Respectfully yours,

D. C. DURIE.

AMERICAN WOOLEN CO.,
Lawrence, Mass., April 24, 1945.

Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.

DEAR DAVID I. WALSH: The writer is very much concerned about the bill H. R. 2652 and to the possible threat to the woolen and worsted industries of Lawrenee and vicin'ty and I trust that you will give it the most serious consideration to protect the interests of this community.

In the Lawrence area there are over 25,000 employees in the worsted industries and a further reduction in tariff would most certainly penalize the necessary after-the-war prosperity of our industries and people. I cannot see how a lower tariff, which will slow our industries down, can in any way be consistent with the high wages and high standard of living that is so much promised after the war.

Your favorable consideration I know, will be very much appreciated by the entire community.

Very truly yours,

E. J. SCHULZE,
Resident Manager.

NEW YORK, N. Y., *May 22, 1945.*

Hon. HAROLD KNUTSON,
Member of Congress, House Office Building, Washington, D. C.:

As general president of 450,000 members of the Textile Workers Union of America, CIO, I wish to make my position clear in regard to my testimony before the Ways and Means Committee. The majority report failed to refer to my position in favor of a mandatory quota control. I wish to repeat emphatically the position that I took, which is that we firmly believe that the American textile industry, because of its importance to our own and world economy and for various historical reasons cannot be subjected to indiscriminate international competition. It is our opinion furthermore that the potentially ruinous effect of indiscriminate foreign competition should be barred by quota restriction similar to the quota principle which has been invoked in tariff negotiations with Mexico. Mandatory quota controls, we believe, are imperative and just, and the bill should be amended to provide such mandatory quota controls.

EMIL RIEVE,
General President, Textile Workers Union of America.

TEXTILE WORKERS UNION OF AMERICA,
New York, N. Y., May 17, 1945.

To All Manufacturers Under Contract With the Textile Workers Union of America, CIO

DEAR SIRS: On Thursday, May 10, as spokesman for the Textile Workers Union of America, CIO, I testified before the House Ways and Means Committee in favor of extension of the Reciprocal Trade Agreements Act.

Although the testimony was made available it is probable that the full import of the Union's position was not conveyed to a very large audience.

Believing that it is important that textile manufacturers, especially those working under agreements with our union, understand fully the union's position on the extension of the Reciprocal Trade Agreements Act, I am enclosing a complete copy of my testimony.

By way of explanation, may I point out several salient angles of the testimony?

First, the legislation now being considered by the Congress is merely enabling legislation and does not in any way set up specific tariff rates for specific products.

Second, we propose the establishment of a National Foreign Trade Policy Commission to consider and set up appropriate and specific guides and principles for the conduct of negotiations under the Reciprocal Trade Agreements Act, and we set forth suggested criteria for the consideration of the Commission and the negotiators.

Again, we firmly believe that the American textile industry, because of its importance to our own and world economy, and for various valid historical reasons, cannot be subjected to indiscriminate international competition.

It is our opinion, furthermore, that the potentially ruinous effect of indiscriminate foreign competition should be barred by quota restriction similar to the quota principle which has been invoked in tariff negotiations with Mexico. Mandatory quota controls, we believe, are imperative and just.

I hope you will read the enclosed testimony carefully and I shall be glad to have your comment.

Very truly yours,

EMIL RIEVE,
General President.

BOSTON, MASS., *April 18, 1945.*

Hon. DAVID I. WALSH,
The Senate, Washington, D. C.

DEAR SIR: As an employee of the largest worsted top manufacturer in this country, I feel that H. R. 2652, a bill giving the State Department power to reduce the tariff on wool textiles, must be defeated.

The passage of this bill would seriously affect thousands of textile workers, particularly in New England, where it is one of our main industries.

This bill not only extends the reciprocal trade agreements amendment, but provides that reductions as much as 50 percent may be made, not only in the 1930 rates but also in the rates which have been reduced by agreements existing on January 1, 1945.

If this bill is allowed to pass, thousands of textile workers will be out of jobs. Our boys now overseas expecting to return to their old jobs that have been held open for them, will find the mills closed and they will have to start anew. We cannot compete with mills in England, where textile workers are only paid 35 cents an hour.

Please do all in your power to see that this bill is defeated.

Yours very truly,

M. ALICE MCGINNIS.

BROOKLINE, MASS.

WALTHAM, MASS., *June 14, 1945.*

United States Senator DAVID I. WALSH,
Senate Office Building,
Washington, D. C.:

As usual you have proven that you are an outstanding American. Your vote in the Senate Finance Committee against authority to further reduce existing tariff an additional 50 percent proves you are interested in the American worker and his job opportunities. The employees of a century-old Massachusetts firm, the Waltham Watch Co., are indeed indebted to you for your courageous stand in their behalf to protect their jobs against unfair foreign competition. Your vote is in accord with your many previous votes in favor of the Walsh-Healy Act, the Wagner Act, social security, and the many other pieces of social legislation that you have always voted for during your tenure of office. Reducing tariffs further would destroy the benefits of all the aforementioned legislation to the American workingman. New England industry and American industry and its workers truly have a champion in you. Trust your co-Senator, LEVERETT SALTONSTALL, follows the wisdom of your years of experience.

AMERICAN WATCH WORKERS UNION, No. 6,
WALTER W. CENERAZZO,
National President.

WALTHAM WATCH CO.,
Waltham, June 1, 1945.

The Honorable DAVID I. WALSH,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The Waltham Watch Co., located in your State, is one of four jeweled watch manufacturers in the United States. It has been entirely on production for the military since 1942. It has made its usual complement of timepieces for the Government and in addition thereto other timing mechanisms, fuzes, etc.

We know you, as one of our State Senators, are interested in seeing this old industry of ours, in its ninety-fifth year, continue to give employment to skilled mechanics and be in a position to supply critical timepieces should we or our allies again have to go through another war.

Attached is a copy of the brief of the American watch manufacturing industry in opposition to the passage of the reciprocal tariff bill in its present form. We believe it will aid you in arriving at a formed opinion on the position of the industry.

Despite the fact that foreign producers already had the major share of the domestic market, watch tariffs were reduced in 1936 under the Swiss trade agreement by an average of 34 percent. As a consequence the Swiss, by 1941, were able to capture 60 percent of the domestic market for jeweled watches. Since June 1942 they have enjoyed the whole market inasmuch as the entire domestic industry has been engaged exclusively in the production of timing devices for the war effort. The War and Navy Departments have made public recognition of our contribution to the winning of the war and our only regret is that our industry, due to inadequate tariff protection, did not have greater facilities for handling the very heavy demands placed upon it.

If the domestic watch manufacturing industry is to survive; if it is to be able to keep its skilled workers employed at decent wages in the postwar period; if it is to be available as a vital cog in our national defense should the need again arise—it must have adequate tariff protection. From 70 to 90 percent of the cost of watch movements is represented in the wages paid to labor, and we obviously cannot continue to employ them and at American wage levels if we are forced to compete on virtually a free-trade basis with the cheap labor of other countries.

With the future of the American watch manufacturing industry already jeopardized by drastically reduced tariff rates, a further reduction of 50 percent might well prove disastrous. We, therefore, strongly urge the elimination of this feature of the pending bill or some definite legislation to protect this vital industry. Moreover, in view of the present unsettled conditions, we feel it inadvisable to extend the present act for as long as 3 years.

Very truly yours,

I. E. BOUCHER,
Vice President and Manager.

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 5, 1945.

Hon. DAVID I. WALSH,
United States Senate.
Washington, D. C.

MY DEAR SENATOR: Enclosed herewith you will find an article which I had inserted in the October 6, 1944, CONGRESSIONAL RECORD

in reference to dumping Swiss watches and movements in our American markets.

Any further reduction of tariff rates will create additional hardships in this as well as other industries in Massachusetts, and I hope you will have this in mind when the Senate takes action on this reciprocal trade agreements legislation now pending in the Senate.

Very truly yours,

PEHR G. HOLMES.

BOSTON, MASS., *April 21, 1945.*

United States Senator DAVID I. WALSH,
Senate Office Building,
Washington, D. C.:

Can we count on your support to preserve American jewel-watch industry? We are preparing petitions with over 150,000 names to present to the House Ways and Means Committee protesting House bill 2652, which would reduce import duties an additional 50 percent. Our postwar markets have already been raided by excessive Swiss imports. As the United States Senator from our State, we would like your signature on this petition. May we have it?

WALTER W. CENERAZZO,
National President,
American Watch Workers Union, No. 6.

MILTON BRADLEY CO.,
Springfield, Mass., March 13, 1945.

The Honorable DAVID I. WALSH,
The United States Senate,
Washington, D. C.

DEAR SIR: The Milton Bradley Co. manufactures games and toys. In prewar days our products were sold in competition with those of foreign producers. The postwar period will no doubt bring a return of such competition.

We are concerned about the reported desire of the administration to take tariff making out of the hands of Congress. In the past we have looked to our representatives when foreign competition seriously threatened our continued existence. We fear that similar appeals to the executive branch would not receive the same attention that we have received from you, our representative.

Is it true that such a change is contemplated? What is your attitude in this matter?

It is rumored that the administration will ask power to reduce duties more than the 50 percent now allowed. We are concerned about this as our company, and our industry as a whole, cannot survive without adequate tariff protection. Do you agree that wage trends are upward and seem destined to be even higher in the postwar period?

If our protection is bartered away through trade agreements, American manufacturers will be denied their right to judicial review. In what way could you act in our behalf under such circumstances?

We fear that we cannot participate in the proposed full-employment program if foreign producers are encouraged to invade our markets. Our continued prosperity requires adequate tariff protection.

What can you do about that in our interest?

We would be pleased to have your comment on this matter which is of such vital concern to us.

Very truly yours,

JAMES J. SHEA, *President.*

PITTSBURGH PLATE GLASS CO.,
Pittsburgh, Pa., April 18, 1945.

Senator DAVID I. WALSH,
The United States Senate,
Washington, D. C.

DEAR SIR: I wish to protest against the bill of Congressman DOUGHTON, H. R. 2652, to permit the President to further reduce tariff duties. I understand such proposal would give the President power to reduce by 50 percent any tariff duty in effect on January 1, 1945, which would mean 75 percent from the 1930 schedule.

I am sure that it is proper to extend the emergency powers by 1 year, but not to give power to reduce further. Our great need today is for some form of stabilization. This new tariff proposal means further uncertainty and, I fear, a renewal of the continuous attacks which have been made upon our tariff schedules since the rates of duty therein were originally established by the Congress in the Tariff Act of 1930.

Since the passage of the Tariff Act of 1930 we have had two downward changes in our rates of duty—the first, a reduction of 25 percent by the President under the flexible tariff provisions, and on top of that another reduction of 30 percent of the trade agreement with Czechoslovakia. I believe that is enough tariff tinkering until surveys can be made based on known facts.

Since the last reduction in duties our costs of production have greatly increased. What the costs of production may be in Belgium or Czechoslovakia is, of course, unknown. What the form of government may be, whether the glass plants will be privately operated, and whether the product of such plants will be consumed immediately in European reconstruction or exported to the United States to obtain dollar exchange, are also all unknown factors. This means, of course, that no basis whatever exists for determining any reasonable tariff duties affecting our products.

The domestic plants are equipped to supply all of the American needs of flat glass. They have not increased prices since 1938, despite increased costs. They employ many thousands of highly skilled workmen, receiving high wages. The plants are important economic units in the towns and cities where located. On behalf of all of our workmen, I ask that you actively oppose this additional grant of tariff power.

In view of President Roosevelt's untimely death, with changes in personnel undoubtedly to follow, I believe that provisions of the bill which would reduce the tariff further should be killed at once, and ask you for your opinion.

Yours very truly,

W. R. HARPER, *Manager.*

GUNDERSEN GLASS WORKS, INC.,
New Bedford, Mass., April 4, 1945.

Senator DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: We are amazed and dismayed to learn of the bill introduced by Representative DOUGHTON of North Carolina (House bill 2652) which provides for extension of Reciprocal Trade Agreements Act for a period of 3 years from June 12, 1945, and authorizes tariff reduction of 50 percent below January 1, 1945, level. This means that countries such as Czechoslovakia, which has received a 50-percent reduction from the 60-percent tariff provided by the Tariff Act of 1930 will receive another 50-percent reduction, which will bring their tariff rate down to 15 percent.

This act would be ruinous to all glass concerns in the United States, as they would find it absolutely impossible paying American wages to compete with countries paying 20 to 22 cents per hour, where they work under sweatshop conditions and have a very low standard of living.

We have been told time and again that we must have 60,000,000 jobs after the war. How are we to create these 60,000,000 jobs if we open wide our doors to a flood of foreign-made goods, and how are we to keep our promises to our 11,000,000 boys that they shall have their jobs when they come back from fighting and sacrificing to maintain our American way of life, if we do not protect their jobs against foreign countries' starvation wages and low living standards?

What a disappointment to our brave boys to come home, after all their suffering, to find no jobs, nor any opening for them, but to learn that we have handed through this bill our work to the European and South American countries.

We earnestly urge you to do all you can to defeat this Doughton bill and help to preserve this high art of glass making for our American workers by raising the tariff on hand-made glassware instead of lowering it.

Yours very truly,

R. M. GUNDERSEN,
General Manager.

BOSTON, MASS., *May 18, 1945.*

Senator DAVID I. WALSH,
United States Senate:

You are requested to oppose the provision in H. R. 2652 which authorizes the President to make additional reductions of 50 percent in the tariff rates on commodities specified in future reciprocal trade treaties. The President, following cost studies by Tariff Commission in 1932, reduced tariff rates on window glass and tariff rates on plate glass were also reduced in the Belgian Reciprocal Trade Treaty. Any further reduction in rates on either commodity will be disastrous to continued employment of American glass workers.

WALLACE R. HARPER.

HINGHAM, MASS.

GREENFIELD, MASS., *May 25, 1945.*

Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.:

We wish to register our protest and request that you either vote against the proposed 50-percent decrease in import duties contemplated in House bill 2652 and the proposed time extension of a full 3 years, since any shorter yet reasonable period would be more desirable, or introduce or support an amendment to have firearms and ammunition reciprocally excluded from the application of the proposed trade-extension agreement.

JUREK BROS.

BIGELOW & DOWSE CO.,
Boston, Mass., May 25, 1945.

Senator DAVID I. WAISH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The United States has come to the rescue of civilization twice in the past 30 years, and the only reason we have been strong enough to do so is our policy of protecting home economy through tariff regulations. Tariff based on common sense, has enabled industry to maintain the highest standards of living, erect the finest manufacturing facilities, produce the best products and create the most inventions of any nation on earth.

The arms and ammunition industries, vital in the time of war, should receive all the protection we can give them so that they may continue a healthy existence and expansion. The normal home market is none too large to support this industry, therefore a reduction in tariff rates enabling cheaply made, dangerous to use, foreign firearms and ammunition competition is ridiculous.

We have all worked hard to obtain fair-trade laws to protect our home markets from cut-throat competition within; why then, encourage a worse condition by reducing the tariff on items which need the entire home consumption in order to function in the American way?

We have just had VE-day—we hope and pray for VJ-day. When this happens, we shall need a strong home economy to take care of the jobs that will be needed by the boys and girls discharged from the armed services.

Unless we stop undermining the very foundation of our economy by foolishly reducing tariffs and engineering trade agreements that

will wreck home industry, there will be no decent jobs for anyone.

It is time America began thinking about Americans! Let us help other nations in every way we can to acquire a better standard of living, without ruining our own country.

If we are ever going to reduce the national debt, now over two hundred billion dollars, we had better change our thinking about reducing tariffs that so adversely affect home interests.

Respectfully yours,

R. F. GRANT.

C. E. WALKER & Co.
Holyoke, Mass., June 9, 1945.

The Honorable DAVID I. WALSH.,
Senator from Massachusetts,
Washington, D. C.

DEAR SIR: When the proposed new tariff bill, H. R. 3240, comes before the Senate, we ask you to oppose it for the best interests of our country.

With regard to the sporting arms and ammunition industry in particular we especially oppose it. While we earnestly hope for a lasting peace we do believe, should an emergency arise, there should be trained men in our arms and ammunition plants so that the industry can be expanded with the least possible delay. The record of this industry in this present emergency speaks for itself and we believe that anything that can be done to keep these manufacturers in their present state or to increase their business slightly without increasing the prices of arms and ammunition will be for the best interests of the country as a whole.

In the gun industry where the largest percentage of the cost is labor, it is apparent that wage and living standards are an important factor of the cost. For some time it is obvious that food, clothing, and shelter will be far more important in Europe than living standards.

Past experience has proven that importations of guns increase rapidly when duty is reduced and is therefore detrimental to our own industry.

A reduction in tariff will hamper all American industry as well as the gun industry.

Yours very truly,

ROY G. WALKER.

CHICOPEE FALLS, MASS., *May 25, 1945.*

The Honorable DAVID I. WALSH,
United States Senator,
Senate Office Building,
Washington, D. C.:

Our company is largest manufacturer of bicycle tires and tubes in United States; about one-third company's production is made at this plant, which postwar is expected to provide jobs for about 200 persons at total annual wage of about $520,000, and annual gross value of about $2,500,000. We contributed financially along with others in bicycle industry to promote and create large demand for bicycles in United States prior to war. Foreign competition did not. Bicycle tires are part of and follow the bicycle. We cannot compete for cost with foreign competition plus present tariff rates. We wish to enter strongest objections to any further reduction in tariff rates and to extending 50-percent reduction under reciprocal trade agreement on bicycles which includes tires and tubes.

T. E. Q. CLARK,
Factory Manager, United States Rubber Co., Fisk Tire plant, Chicopee Falls, Mass.

IVER JOHNSON'S ARMS & CYCLE WORKS,
Fitchburg, Mass., May 31, 1945.

Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.

DEAR SENATOR WALSH: We enclose confirmation of telegram sent you this morning. As we understand it, H. R. 3240 is now before the Senate Finance Committee for consideration, and we sincerely hope that this bill will not be reported favorably by your committee.

If the Reciprocal Trade Agreement Act which expires on June 12, 1945, is renewed for a period of 3 years with authority to lower the tariff on bicycles during that time it will seriously affect the bicycle industry. It is a fact that the tariff was previously reduced 50 percent, and this permitted a considerable number of foreign bicycles to enter this market in competition with American manufacturers.

Our industry has spent large sums of money to popularize the use of bicycles as an economical means of transportation as well as a health and recreation medium. Increased demand which resulted from this advertising increased employment in the industry beginning back as far as the year 1936. Manufacturers from Great Britain, with the 50-percent reduction in tariff, were able to enter this market in competition with American industry, and not only enjoyed the benefit of the business available through the regular demand, but were particularly favored because of the money spent by our own industry to create an increased demand.

It is estimated that the bicycle industry in this country provides employment in normal times for approximately 50,000 people from manufacturing to retailing. In some of the smaller communities it is probably the major industry. We think that it can be safely assumed any further reduction in the tariff will have an adverse effect on employment.

We hope that you will oppose favorable consideration of this bill.

Very truly yours,

R. H. MEYER,
Assistant Treasurer.

Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.:

Urge your opposition H. R. 3240. Present tariff bicycles too low. Any further reduction disastrous; this industry employing 50,000 manufacturing for retailing.

IVER JOHNSON'S ARMS & CYCLE WORKS,
Fitchburg, Mass.

WESTFIELD, MASS., *May 16, 1945.*

Hon. DAVID I. WALSH,
The United States Senate,
Washington, D. C.:

I doubt if a layman can be fully conversant with all the phases of the reciprocal treaties. I do know, however, that our company here in Westfield, whose yearly pay roll is a major factor in our town, cannot compete with the importation of foreign bicycles, even at the current tariff rates adopted just prior to the war. I sincerely feel that, if the Doughton bill just reported out by the House Ways and Means Committee becomes effective at a further 50 percent reduction, it will be ruinous to an industry which has taken years of building up, and which provides employment in small communities throughout the United States.

Will you please consider this seriously when this comes before your body, I understand early next week?

N. R. CLARKE,
President, The Westfield Manufacturing Co.

GLOUCESTER, MASS., *May 31, 1945.*

Senator DAVID I. WALSH.

DEAR SIR: The members of Gloucester Seafood Workers Union are most vigorously opposed to the Doughton bill empowering President Truman to lower tariff by 50 percent. Any further reduction in rates on fresh or frozen fish will automatically affect 68 percent of workers of Gloucester. Would appreciate your support in opposition to bill.

JOS. A. WHITE,
Business Agent, Gloucester Seafood Workers Union.

THE ATLANTIC COAST FISHERIES CO.,
Boston, Mass., May 31, 1945.

Hon. DAVID I. WALSH,
United States Senate Office Building,
Washington, D. C.

DEAR SENATOR WALSH: The fishing industry of Massachusetts and, in fact, the domestic North American industry, is faced with most serious competition from Newfoundland, Canada, and Iceland.

These countries produce large quantities of salt fish which they market in Spain, Portugal, South America, and the West Indies. During the war, however, their production has turned to frozen fillets—England in 1944 having purchased 90,000,000 pounds of this new product. England heretofore has refused to use frozen fish. The 1945 quota for England is cut to 75,000,000 pounds and notice has been served on the fishing interests of Canada, Newfoundland, and Iceland that following the war England will rebuild her own fleets sailing from Grimsby and Hull, and produce all of the fish she needs and will no longer be in the market for the production from these three foreign countries.

It is evident that this production will be dumped into our domestic market in competition with the New England fishing industry.

Under the proposed reciprocity tariff arrangement a further cut in duty would be allowed on these frozen fillets.

It is to be noted that while other products had tariffs greatly increased in the 1930 Tariff Act that the fishing industry did not have its tariff rates raised at that time, but changes were interpretive for the coverage of new products. There was no increase in duty rates over the 1922 Tariff Act.

In the reciprocity agreement with Canada, and applying to Newfoundland, the fillet rate of 2½ cents per pound was not disturbed except that a quota was allowed at the reduced rate of 0.0175 cents per pound, the quota to be 15,000,000 pounds or 15 percent of the domestic consumption, whichever was larger. Before the war the imports from Canada, Newfoundland, etc., never reached the figure of 15,000,000 pounds. In 1944, however, approximately 25,000,000 pounds were imported from these countries.

It is most important to note that at the present time skin-off cod fillets from Newfoundland are marketed in Cleveland, Buffalo, and other cities at approximately 20 cents per pound while it costs the domestic producer of the similar product in Boston about 29 cents per pound. It is pertinent to note further that the 20 cents per pound charged to the wholesaler in Cleveland and these other cities is over the current duty rate of at least 0.0175 when within the quota, and 2½ cents on all amounts exceeding the quota. Therefore, the duty rate to protect the domestic industry would necessarily be raised from 5 to 7½ cents per pound above the current rates as provided in the present reciprocity agreement.

I strongly urge that a specific exemption be made when the Senate considers this reciprocity bill.

The fishing industry should be protected to the point of maintaining satisfactory development and promotion of the great North Atlantic fishing banks which constitute a natural resource—great wealth to our people—if we are allowed to bring this wealth to shore.

Canada and Newfoundland will strongly urge the lowered duties, because the fishing industry constitutes a major portion of their industry. It seems ridiculous, however, that our domestic market must absorb all of their fishery production and be charged with the duty of keeping those countries prosperous. If we are to have world planning and world government, why shouldn't England and some of the other countries—sister nations, in fact—assume part of the duty of keeping the fishing industries of Canada and Newfoundland in operation?

I urge your careful consideration of this and should appreciate very much your reactions.

Please note the new letterhead and that I am no longer with the Massachusetts Fisheries Association.

Very truly yours,

E. H. COOLEY, *President.*

THE AMERICAN LEGION,
Gloucester, Mass., June 4, 1945.

Senator DAVID I. WALSH,
United States Senate Building,
Washington, D. C.

MY DEAR SENATOR: On Saturday, June 2, 1945, I forwarded to your office a telegram requesting opposition by you to the Doughton bill, which would authorize the President of the United States to reduce tariff on fish by 50 percent.

I am following up the telegram with this letter in order that I may amplify the information contained therein. A reduction of tariff by any percentage would seriously impair the earning ability of all persons along the Atlantic coast engaged in the catching and processing of the products of the sea. It would have the immediate result of preventing the return to gainful employment at their former vocation of many of the men now in the armed forces who are gradually being released to civilian life.

There is no urgent necessity for such a reduction which might ordinarily come about by reason of lack of production or lack of ability for the sea-food workers and the fishermen to meet the needs of our armed forces and of the civilian population as a whole. Fishermen sailing from Gloucester have brought into port the largest catches in its history and the sea-food workers, by putting forth their energy, have processed these fish in the least possible time, and there appears to be no lack of fish in the public markets or on the tables of the armed forces.

I am sure that if the necessity should arise by reason of the inability of the American sea-food workers to meet the demands of our Nation, the sea-food workers would be the first to endorse any plan by which the needs could be met.

I trust that you will extend every effort to prevent the passage of this piece of legislation by reason of its being at the present time nonessential to the basic needs of our country.

Yours respectfully,

CHESTER H. GRANT,
Past Department Commander,
National Retirement Commission.

GLOUCESTER, MASS., *June 2, 1945.*

Senator DAVID I. WALSH,
United States Senate Building:

The members of the Gloucester Seafood Workers Union are most vigorously opposed to the Doughton bill in empowering President Truman to lower tariff rates on fish by 50 percent. Any further reductions in rates on fresh or frozen fish will automatically affect 68 percent of the workers of Gloucester, Mass., and seriously impair the fishing industry in the entire commonwealth. I personally would appreciate everything that you may be able to do to prevent passage of this bill through the Senate.

CHET GRANT,
Past Department Commander
of the American Legion.

BOSTON, MASS., *June 7, 1945.*

Senator DAVID I. WALSH,
United States Senate Building:

DEAR SIR: The members of the Fishermen and Sea Food Workers of the Atlantic, consisting of 5,000 members, are most vigorously opposed to the bill empowering President Truman to lower tariff by 50 percent. We feel any further reduction in rates on fresh or frozen fish shall greatly affect the fishing industry as a whole, therefore would appreciate your support in opposition to bill.

JOHN CONEGAN,
President, Fishermen and Sea Food Workers Joint Council of the Atlantic.

WARD HILL, MASS., *June 1, 1945.*

Senator DAVID I. WALSH,
United States Senate,
Senate Office Building
Washington, D. C.

DEAR SENATOR WALSH: It is our understanding that within the next few weeks the United States Senate will consider the renewal of the Reciprocal Trade Agreements Act for three more years to June 1948. It is our understanding that this bill would empower the President to authorize further reductions up to 50-percent below existing rates.

This letter is for the purpose of letting you know that this firm is seriously protesting against the latter provision of this measure, whereby the President is authorized to further reduce tariffs up to 50 percent below existing rates. We believe that if tariff rates are allowed to be lowered 50 percent more, that not only the New England Shoe Industry but the employees in this industry will find themselves in an extremely bad competitive position. Such a reduction would mean serious unemployment in New England shoe manufacturing centers as well as serious losses for the shoe manufacturing industry in New England.

We also believe that any changes in tariff rates under trade agreements negotiated in the future under this act should be made subject to congressional approval.

We sincerely hope that your opinion on this matter is in line with the opinion expressed in this letter and that you will vote accordingly.

We are writing this letter in order that you may know what the opinion of your constituents on this matter is.

Thanking you for giving this matter your serious consideration, we remain.

Very truly yours,

KNIPE BROS., INC.,
FREDERIC R. KNIPE,
General Manager.

BOSTON, MASS., *June 13, 1945.*

Hon. DAVID I. WALSH,
Senate Office Building,
Washington D. C.

DEAR SENATOR WALSH: Again referring to the bill to expand the Reciprocal Trade Agreements Act, we trust you will support this bill as reported out by the Senate Finance Committee, which does not give the administration additional authority to make a further reduction in the present tariff rates of 50 percent.

Very truly yours,

HOWES BROS. CO.

BOSTON, MASS., *May 25, 1945.*

Hon. DAVID I. WALSH,
Senate Office Building, Washington, D. C.

DEAR SENATOR WALSH: If reductions in duty in United States tariffs of 50 percent should be authorized—which would be the case if the proposed bill to expand Reciprocal Trade Agreements Act should become a law—we believe its effect on the tanning and leather industries would be more than serious. Among the most important reasons are the following:

1. These industries are already crippled by their devoted response to wartime demands. They are suffering from drastic shortages resulting from output to our armed forces, for which they have been compelled to rely upon our domestic production in order to comply with military specifications; and from lend-lease commitments to our allies. Under these conditions, restrictions upon civilian consumption have been inevitable.

2. Competitively, our position is pathetic compared with that of foreign countries—especially South America—where world conditions have sharply stimulated the tanning of hides and production of leather. Unhandicapped by such regulations and responsibilities as we face, they have outgrown their own domestic requirements, and will be able to seek successfully greater foreign markets after the war, while our situation is the reverse. Prospectively, the span we must cross is further lengthened by the vast differences in wages which must be paid in the United States and those paid in foreign countries.

We are in sympathy with world trade and the strengthening of sound international relations. We do not, however, believe that our industry should now be called upon to bear the burden of further encouraging the expansion of industry in foreign countries when doing so checks our own healthy growth.

We trust you share our views, and will vote against the proposed bill.

Very truly yours,

HOWES BROS. CO.

HAVERHILL, MASS., *June 7, 1945.*

The Honorable DAVID I. WALSH:

Re Reciprocal Trade Agreements Act.

A further reduction of 50 percent in tariff duties would seriously affect the shoe and leather trade. We cannot possibly compete with leather imported from foreign countries and produced at low wages. We trust that you will help protect the American leather industry by keeping the present reciprocal trade agreement.

L. H. HAMEL LEATHER CO.,
LOUIS H. HAMEL,
Treasurer.

BOSTON, MASS., *June 1, 1945.*

Hon. DAVID I. WALSH,
United States Senate:

In behalf of the thousands of shoe workers employed throughout the United States, many of whom are members of the boot and shoe workers union, an American Federation of Labor affiliate, we ask you to use your good offices to oppose the extension of the reciprocal trade treaties. We urge that a limitation be imposed providing that competitive imports be denied entry in American markets when such imports are below American costs of production. Czechoslovakia will flood this country with cheap shoes, resulting in the unemployment of thousands of shoe workers, particularly in New England. We believe in the good-neighbor policy, but not to the extent of starving our own American wage earners.

JOHN J. MARA,
General President.

M. J. WHITTALL ASSOCIATES, INC.,
Worcester, Mass., April 30, 1945.

Hon. DAVID I. WALSH,
The United States Senate,
Washington, D. C.

DEAR SENATOR WALSH: We are enclosing a memorandum which has been signed by most of the carpet and rug manufacturers in the United States and submitted to the Honorable ROBERT L. DOUGHTON, chairman of the Committee on Ways and Means.

We would very much appreciate it if you would read this over so that you might become acquainted with our views and opposition to H. R. 2652.

Very truly yours,

MATTHEW P. WHITTALL,
President.

THE CUNDY-BETTONEY CO., INC.,
Boston, Mass., April 4, 1945.
Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.

DEAR SIR: This refers to the reciprocal trade agreements with foreign countries, which expire on June 12, 1945, and which the President requests be renewed, with permission to reduce tariffs still further—50 percent.

The tariff on woodwind musical instruments (which we manufacture) was reduced by an agreement with France from 40 percent to 30 percent in May 1936. Due to the chaotic conditions in France at that time and the outbreak of war since, we did not suffer, as importations from France (our chief competitor) ceased.

The situation in the future, however, is fraught with great danger. It appears to be the intent of the administration to reduce tariffs, at the same time helping our competitors by lend-lease and materials, to compete with us as soon as this war is over—probably soon after VE-day. At the same time we are restricted from obtaining materials by OPA restrictions.

We greatly fear the future and protest, first, the reduction which took place in May 1936, and the renewal of the trade agreement, with its added danger of a further reduction. We want to be able to employ the veterans who have left us to fight and who we hope will return.

Very truly yours,
HARRY BETTONEY,
President.

GREAT AMERICAN PLASTICS CO.,
Leominster, Mass., April 11, 1945.
The Honorable DAVID I. WALSH,
The Senate Office Building,
Washington, D. C.

DEAR SIR: We understand there are some discussions going on with a view to reducing the tariffs on merchandise such as we make.

We manufacture plastic toys and employ in the neighborhood of 700 people. We have just purchased the former Simonds Saw and Steel North Street plant in Fitchburg, and are fitting this up at present for war work. It will be converted immediately after cessation of hostilities for the manufacture of toys.

Before the war when we had foreign competition, even with the tariffs as they were, it was barely possible for the company to exist.

We, however, feel that with the new improved methods we have devised for manufacturing and economical production, we could go on employing the same number of people, or possibly more than we do now, if the tariffs remain at the same level. If they are reduced it may be impossible for us to continue at all.

We therefore sincerely hope that you will take this into consideration, as it will not only affect us but everyone in the plastic industry as well.

Very truly yours,
IRWIN COHN, *President.*

BOSTON, MASS., *May 28, 1945.*
Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.:

We believe present reciprocal trade agreement legislation should be continued for a year or 18 months and oppose change permitting a 50 percent reduction in duty rates. Manufacturing methods, processes, size, and speed of machines equally available to all manufacturers everywhere in world. Result that only advantage in cost any country can have over another country in pulp and paper industry is in wages in pulp and paper mills, in woods operations, and in production of other raw materials. The country with the lowest wages and lowest standard of living is automatically the lowest-cost producer of paper. Prewar imports of paper and pulp far larger than imports any other commodity. Question of further reduction paper tariffs should be determined by considering if United States wishes become further dependent on foreign countries for one of its prime necessities, and whether it wishes directly to displace United States workers engaged in paper and pulp industry. This is a specific decision to be made by Congress; not decision as part of general determined policy to foster international trade. To mortgage future American industry in advance without knowledge of what may transpire in that time imperils entire financial structure of paper industry. When both wars over known economic developments can permit consideration of tariff problems on realistic basis.

HOLLINGSWORTH & WHITNEY CO.,
JAMES L. MADDEN, *President.*

HOLYOKE, MASS., *May 28, 1945.*
Hon. DAVID I. WALSH,
Senate Office Building:

Because of the serious effect upon the paper industry and the workers we urge you to oppose the extension of the Reciprocal Trade Act proposed under the Doughton bill. However, we do not oppose the extension of the reciprocal trade agreement and the tariff adjustments in effect up to 1945.

W. J. NORTON,
Treasurer, American Writing Paper Corp.

BOSTON, MASS., *June 11, 1945.*
United States Senator DAVID I. WALSH,
Washington, D. C.:

The Boston Allied Printing Trades Council are opposed to any reduction in tariff rates and ask your cooperation toward this end.

JOHN V. CONNOLLY,
Executive Secretary.

EAST WALPOLE, MASS., *May 24, 1945.*
Hon. DAVID I. WALSH,
Senate Office Building:

Imports of paper and pulp into United States already far larger than imports of any other commodity. Believe domestic paper industry would be seriously affected if Reciprocal Trade Agreements Act is changed to allow 50 percent reduction in present duty rates. Could well result in less than full employment particularly in small communities supported by paper industry.

HOLLINGSWORTH & VOCE CO.,
A. K. NICHOLSON.

EAST PEPPERELL, MASS., *May 25, 1945.*
Senator DAVID WALSH,
United States Senate:

Extension Reciprocal Trade Agreement Act authorizing 50-percent reduction in tariffs will seriously affect American paper industry and we therefore urge and hope that you will vote against it.

NASHUA RIVER PAPER CO.

FITCHBURG, MASS., *May 23, 1945.*
Hon. DAVID I. WALSH,
United States Senate:

Ways and Means Committee House of Representatives have reported out favorably extension Reciprocal Trade Agreement Act authorizing 50-percent reduction in tariffs. Action if approved by House may seriously affect production of many grades paper now produced by domestic industry throughout the country and particularly in Massachusetts. Urge opposition to extension this act as further reduction of tariffs to level below that of January 1945 would seriously affect paper industry.

GEORGE R. WALLACE,
State Chairman, Massachusetts Forest Industries Information Committee.

SMITH PAPER, INC.,
Lee, Mass., April 23, 1945.
To Each Member of the House of Representatives Ways and Means Committee,
Washington, D. C.

DEAR CONGRESSMAN: Smith Paper, Inc., located in the towns of Lee and Lenox, Mass., is the manufacturer of a number of high-grade tissues included among which are cigarette, condenser, carbon, Bible printing, pottery, and various specialty papers.

We have from 750 to 800 employees in our several plants which are operated on a schedule of 24 hours daily, 7 days per week.

The above number of employees together with their families makes up the greater portion of the population of the town of Lee approximating some 4,500 persons, a considerable number being also from Pittsfield, Lenox, and other surrounding communities.

It is therefore with grave concern that we view the proposal to extend the reciprocal trade-agreements program for 3 years to which we understand consideration is now being given at a hearing before the House of Representatives Ways and Means Committee.

In view of all the foregoing, we are consequently somewhat alarmed at the possibility of curtailment in the domestic use of any of our products which doubtless would be brought about if H. R. 2652 is approved in its present form, to wit: "To extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes."

Therefore for all these reasons as set forth we most respectfully petition the House of Representatives Ways and Means Committee in its consideration of H. R. 2652, as follows:

1. That extension of the act be limited to a maximum of 1 year.

2. That provision 2 (b) of the act, allowing an additional 50-percent reduction be eliminated.

3. That any new treaties negotiated under the act be made subject to congressional approval.

4. That the original rates established for chinaware in the Tariff Act of 1930 be restored at the earliest possible date, since these latter rates do not nearly compensate for the wage differential in this industry of 85 cents per hour in the United States compared with 26 cents in Great Britain and 7 cents in Japan.

Trusting that we have presented the facts in this case insofar as they concern our company's and employees' interests in such a light as to make apparent to you the basis for our concern over this proposed extension of these agreements, as well as meriting your favorable consideration of our appeal, we are,

Yours very truly,
W. F. TATUM,
Vice President.

BOSTON, MASS, *June 11, 1945.*
Senator DAVID I. WALSH,
United States Senate:

I understand reciprocal tariff bill will be considered by the Senate within next few days. Strongly request your support of action of Finance Committee in striking out section 2 of House bill, H. R. 3240. If fairly administered, bill as amended will offer least threat to the stability of American labor and industry throughout period of conversion from war to domestic economy.

WALLACE R. HARPER.
BINGHAM, MASS.

HAYWARD-SCHUSTER WOOLEN MILLS, INC.,
East Douglas, Mass., April 18, 1945.
Hon. DAVID I. WALSH,
Senate Building, Washington, D. C.

MY DEAR SENATOR: Bill H. R. 2652 now in committee is a most dangerous piece of legislation for Massachusetts and New England.

As you very well know, this bill extends the present power of the State Department to further reduce import duties by as much as 50 percent of the present rates which were drastically reduced a few years ago.

We have never felt the results of the first reduction in tariffs because of the outbreak of the war, and it is a very serious question from both the standpoint of management and labor whether our textile factories would not have been forced to curtail their operations due to the influx of foreign goods.

I recognize the fact that we are in a changing world, and that we can no longer think only in terms of ourselves. I recognize the Reciprocal Trade Treaties Act passed a few years ago may have many meritorious points, but I beseech you to stop further reductions in tariffs until we can determine the effect of the present reductions. It is true that our textile industry is more efficient than in many other nations, but none of us are capable at this moment of determining the competitive position of foreign countries at the conclusion of this war. I believe it is a great deal better to let the present act stand status quo than to take the chance of rendering our own American industry, noncompetitive and nonoperative, due to the ability of foreign countries to send their products over here at such prices that would make it impossible for us to compete in our own American market.

I earnestly solicit your careful consideration.

With kindest personal regards, I am,
Sincerely yours,

C. A. CALLAHAN,
Executive Vice President.

[From CONGRESSIONAL RECORD of May 25, 1945, p. 5066]

The American Federation of Labor submitted to the platform of resolutions committee of the Republican and Democratic political conventions of 1940, presented in person to both committees by President William Green, a set of labor planks for insertion in the political platforms of both parties several proposals.

One, which concerns the legislation now pending, reads as follows:

"PROTECTION OF WAGE AND WORKING STANDARDS

"To protect and safeguard the employment opportunities of America's wage earners against unfair competition of the products of workers of low wage and depressed standards and conditions of employment of foreign countries and with which we are bound to be faced at the end of the present European and Asiatic wars, and in order to hold secure the advanced industrial relations and employment standards secured by America's workers through legislative enactments and collective agreements against competition from products of workers in countries of lower standards, it is essential that adequate and proper legislation be had to obtain these ends. We urge the adoption of this policy and procedure."

[From CONGRESSIONAL RECORD of May 25, 1945, p. 5065]

A survey of the reports of tariff hearings, Committee of Reciprocity hearings, and American Federation of Labor proceedings, shows the following national and international unions affiliated with the American Federation of Labor are affected by the importation of competitive products of workers in foreign countries:

Boot and Shoe Workers Union.
American Flint Glass Workers Union.
National Brotherhood of Operative Potters.
Glass Bottle Blowers Association.
Window Glass Cutters League.
International Typographical Union.
International Printing Pressmen and Assistants' Union.
International Photo-Engravers Union.
Stereotypers and Electrotypers Union.
International Brotherhood of Bookbinders.
Cigar Makers International Union.
United Hatters, Cap, and Milinery Workers.
Painters, Decorators, and Paper Hangers.
United Brotherhood of Carpenters and Joiners.
International Union of United Brewery Workers.
Amalgamated Meat Cutters and Butcher Workmen.
Garment Workers.
United Brick and Clay Workers of America.
Bricklayers, Masons, and Plasterers.
International Association of Marble, Slate, and Stone Polishers.
International Wood Carvers Association of North America.
Coopers' International Union of North America.
International Brotherhood of Paper Makers.
International Brotherhood of Pulp, Sulphite, and Paper Mill Workers.
Metal Polishers, Buffers, Platers, and Helpers' International Union.
United Leather Workers' International Union.
Lithographers' International Protective and Beneficial Association.
Wall Paper Craftsmen and Workers of North America.
American Wire Weavers Protective Association.

The membership of these organizations, 1939, more than 1,500,000.

Among unions directly affiliated with the American Federation of Labor whose membership are also seriously affected are those employed in aluminum, cement, lace, distillery, and other industries.

The metal trades department of the American Federation of Labor, through its president, John Frey, appeared at the hearing on the British trade treaty and opposed any reductions on items in which members of unions in the metal trades department were employed.

M. G. WIGHT & Co.,
Lowell, Mass., April 21, 1945.

Hon. DAVID I. WALSH,
Washington, D. C.:

It seems needless to ask your protection of textile mills in Massachusetts and New England, but I fear our Lowell mills cannot compete with goods made under foreign wage scale, and we do not want to see our wages reduced.

I expect considerable reduction, and possibly we may have to get along on lower scale of living, more in line with the rest of the world.

Respectfully yours,
WILLIAM H. G. WIGHT.

THE LINEN THREAD CO., INC.,
New York, N. Y., January 24, 1945.

Senator DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WALSH: Our company has a plant in Gloucester which is engaged in the manufacture of fish netting for the commercial fisheries. This plant, in addition to cotton seine, pound, and trap netting, also manufactures gill nets and heavy manila trawls as used by the trawlers. Here also are made hand laid tarred lines used for taking bottom fish, such as cod and halibut.

Now, as you know, we are confronted with a 40-hour week, time and one-half for overtime, minimum pays, and the maintenance of differentials; and a time will come when this endeavor cannot survive if our domestic market is thrown open to the world at large on a free trade basis.

We are not inefficient producers at Gloucester or we would not have been in business as long as we have been. But we are relatively high-cost producers insofar as the wage element of cost is reflected in our unit costs. We must have recourse to some equalizing protective device when the countries of the world are retooled and again set up in business. I will concede that this is not an issue at the moment; but the Congress, our duly elected representatives, should take back into their own hands the regulation of international trade. Today, many of us who make mousetraps and meet pay rolls find that our fate is held firmly in the hands of those who have no responsibility to the electorate. This, fundamentally, is all wrong.

I do express the hope that, at the appropriate time, you will vote against any continuance of the Trade Agreements Act. The proponents of free trade are undoubtedly high-minded, idealistic, sincere crusaders; but it is to be regretted that, in the great majority of instances, because of their vocation, they have no right or competence to speak for industry.

Before long, I hope to be in Washington, at which time I would like very much to call at your office. I will promise to make but a very brief trespass on your time.

Apart from the matters in hand, I would very much like to meet one who was a confrere of my brother, the late Senator Warren Barbour.

Very respectfully yours,
F. K. BARBOUR,
President.

MERRIMAC MILLS,
Methuen, Mass., May 31, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR MR. WALSH: * * *. At the Ways and Means hearing the other day, Ralph Flanders, of Vermont, who was testifying, was asked from the bench, if as a good Vermont trader making a trade of a watch for a piece of land—would he then proceed to give a watch to every man in town?

He squirmed, but finally had to say "No." It was then pointed out to him that that is exactly what is happening on this so-called reciprocity. Tariff favors, for instance on rubber, are given to a little country like Peru who gives something in exchange; but these favors are then automatically applied to Great Britain, and the Netherlands, and every one else without them in return giving a single solitary thing.

The set-up is really dishonest and an infiltration of free trade policy under false colors.

You may be interested in copy of letter which I have just written to President Truman.

With kind personal regards,
Yours truly,

ALFRED C. GAUNT.

BOSTON, MASS., *June 7, 1945.*

Senator DAVID I. WALSH,
Senate Office Building,
Washington, D. C.:

I represent, as chairman of the board, the United States Smelting Refining & Mining Co., a large corporation which you will no doubt remember as having had for many years its general office in Boston and as having many Massachusetts stockholders. In behalf of this enterprise, its stockholders, and in the interests of its employees, I am respectfully calling your attention to the proposed changes in the Reciprocal Trade Agreements Act permitting further cutting of tariffs on strategic minerals. We believe that further cutting of these tariffs will not be in the best interests of the country. That it may seriously affect production of certain necessary minerals in this country at a time when it is most important to keep up such production. Cutting of tariffs may also seriously curtail opportunities of men now at work and men who may be returning from service in war and seeking to renew their

civilian jobs in connection with mining operations and mineral production. We know that you will use your usual broadminded and good judgment in this matter.

C. A. HIGHT.

FITCHBURG, MASS., *May 21, 1945.*

Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.

DEAR SENATOR: I thought you might be interested in seeing the enclosed, which is a factual statement made by Mr. D. K. Brown, president of the American Paper and Pulp Association, before the House Ways and Means Committee in Washington on May 8, with reference to H. R. 2652.

While I happen to be in favor of as low tariff as possible, I am also in favor of wage scales which would not make it necessary to subsidize exports. I am afraid there is a tendency in this country to minimize the prices of finished products necessary on account of high wages, and perhaps to get wartime profits confused with our ability to sell our merchandise abroad, or withstand the effects of another 50 percent permissible reduction on the basis of the present tariff.

I am not an expert on any of these things. But I consider this a very well-prepared statement on the condition of the paper industry in this country as a whole.

Cordially,

NORMAN HARROWER.

DEDHAM, MASS., *April 20, 1945.*

The Honorable DAVID I. WALSH,
United States Senate,
Washington, D. C.

DEAR SIR: The record of the woolen and worsted industry in clothing our Army and Navy, our civilian population, and in supplying cloth to our allies has been unexcelled by any other industry in the war effort. All this has been accomplished without great addition in manpower or machinery and none in bricks and mortar.

Due to the war the effect of the 1939 tariff cut on wool cloth has never been felt. By another cut, authority for which is now being asked by the executive department, you would further cripple an industry which has played such a magnificent part in the war effort, and on which you must depend to use the wool produced by our sheep growers.

Very truly yours,

JAMES M. WALKER.

DRAPER CORP., INC.,
Hopedale, Mass., May 3, 1945.

Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.

DEAR SENATOR WALSH: I am enclosing a a copy of letter which I have just written to the Honorable HAROLD KNUTSON and trust you will take the time to peruse the ideas I have expressed.

I feel very strongly that great harm can be done by removing the responsibility from Congress of determining proper tariffs in the best interest of the country. I sincerely hope that you will be interested in combating the urge for free trade which apparently exists in some degree, in order to protect your Massachusetts voters, both employer and employee.

With kindest regards, I am,

Sincerely yours,

B. H. BRISTOW DRAPER, Jr.,
Treasurer.

MILTON, MASS., *April 20, 1945.*

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

SIR: As an employee of the largest worsted top manufacturer in this country, I feel that H. R. 2652, a bill giving the State Department power to reduce the tariff on wool textiles, must be defeated.

The passage of this bill would seriously affect thousands of textile workers, particularly in New England, where it is one of our main industries.

This bill not only extends the reciprocal trade-agreements amendment, but provides that reductions up to as much as 50 percent may be made, but only in the 1930 rates, but also in the rates which have been reduced by agreements existing on January 1, 1945.

If this bill is allowed to pass, thousands of textile workers will be out of jobs. Our boys now overseas, expecting to return to their old jobs which have been held open for them, will find the mills closed and they will have to start anew. We cannot compete with mills in England, where textile workers are paid only 35 cents per hour.

Please do all in your power to see that this bill is defeated.

Respectfully,

JOHN J. RILEY.

BERKSHIRE WOOLEN CO.,
Pittsfield, Mass., May 3, 1945.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: We call your attention to H. R. 2652, a bill to extend the State Department's power to reduce tariff rates, on which we understand hearings will shortly start.

We here in Massachusetts do not quite grasp what this is all about. We are told on one hand to prepare to create more jobs, but this bill would call for a reduction in the tariff rates on woolens, which would make it impossible for us to compete with European and other low-wage-paying countries, which have been producing and selling their product in this country, coming under our manufacturing costs even before the duty was reduced from 60 percent.

We therefore beg of you, as our Senator, to do something for the Massachusetts and other New England mills, as we believe this bill should be defeated.

Very truly yours,

D. T. NOONAN, *President.*

Mr. O'DANIEL. Mr. President, will the Senator from Delaware yield to me?

Mr. TUNNELL. I yield.

Mr. O'DANIEL. Mr. President, I submit an amendment intended to be proposed by me to the pending bill (S. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, and ask that it be printed and lie on the table. I will discuss the amendment at a later date. It is short and reads as follows:

At the end of the bill to insert the following new subsection:

No foreign trade agreement hereafter entered into under this act shall take effect until the Senate of the United States shall have advised and consented to its ratification, two-thirds of the Senators present concurring.

The PRESIDING OFFICER. The amendment submitted by the Senator from Texas will be received, lie on the table, and be printed.

Mr. GEORGE. Mr. President, will the Senator from Delaware yield to me so that I may send to the desk and have read a telegram which I have received?

Mr. TUNNELL. I am glad to yield for that purpose.

Mr. GEORGE. Mr. President, I send to the desk a telegram, which I ask to have read.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The legislative clerk read as follows:

RIO DE JANEIRO, *June 14, 1945.*

Senator WALTER GEORGE,
Chairman, Finance Committee,
United States Senate,
Washington, D. C.:

We look with alarm Finance Committee's action declining extend scope reciprocal trade legislation accordance President's recommendations. After 10 years' practical application here our opinion reciprocal trade treaty with Brazil has been beneficial to American labor, industry, commerce, and at same time has been one of the principal motives for increased mutual trade between two countries. Viewing postwar conditions we believe executive authority should be extended rather than maintained present levels in order to meet contingencies requiring new bargaining situations and changes which have taken place during war period in economy of this and other countries. Any other course now would deprive United States with dealing effectively with any adverse foreign legislation this subject.

AMERICAN CHAMBER COMMERCE, BRAZIL,
GEORGE MARROX, *President.*

Mr. TUNNELL. Mr. President, I have listened with a good deal of interest to the admirable address which has just been delivered by the Senator from Massachusetts [Mr. WALSH]. My criticism is that it is not at all germane to the pending bill. The Senator from Massachusetts, the Senator from Ohio [Mr. TAFT], and the Senator from Wisconsin [Mr. WILEY] have made speeches on the old tariff issue without reference to the bill before the Senate. I think it would be well to read the bill to see what it provides. I read from House bill 3240:

That the period during which the President is authorized to enter into foreign trade agreements under section 350 of the Tariff Act of 1930, as amended and extended, is hereby extended for a further period of 3 years from June 12, 1945.

In other words, the bill authorizes the President to enter into foreign trade agreements. There is not one word in the bill about there being a reduction of the wages of American workingmen.

The second part of the bill, which seems to be that around which the disagreements arise, is section 2 which has been stricken out by the Finance Committee by a vote of 10 to 9, we are told. It is as follows:

SEC. 2. (a) The second sentence of subsection (a) (2) of such section, as amended (U. S. C., 1940 ed., Supp. IV, title 19, sec. 1351 (a) (2)), is amended to read as follows: "No proclamation shall be made increasing or decreasing by more than 50 percent any rate of duty, however established, existing on January 1, 1945 (even though temporarily suspended by act of Congress), or transferring any article between the dutiable and free lists."

It appears that this is the matter about which the main disagreement arises. I call attention to the fact that that section deals with increasing or decreasing by more than 50 percent any rate of duty. There is nothing in it which by itself, as one would gather from the speeches made, would result in a reduction of the wages of United States workingmen.

I was also interested a couple of days ago when the Senator from Wisconsin [Mr. WILEY] speaking along the same lines, and making a general high tariff speech without regard to this bill, called

those who were interested in the bill "cockeyed." I do not know. I presume that almost anyone who is "cockeyed" sees "cockeyed," and believes that all his neighbors are "cockeyed." It seems to be a defect of vision which causes him to believe that everybody else is defective. Whether that is the position of our friend from Wisconsin I do not know.

But let us see who it is who is "cockeyed." The Senator from Wisconsin said that he was afraid of those who might fix the rates—that they might be some of those "cockeyed" persons. The only person who can either reduce or raise rates is the President of the United States. I did not know that he was "cockeyed." I had not heard about it. He sat in this Chamber for many years. He was considered fairly free in his expression, and pretty clear in his thinking. But the Senator from Wisconsin is afraid of "cockeyed" persons making the decisions. As this bill provides for only a 3-year extension, barring death or resignation, the President of the United States is going to be President Truman. Of course, I do not know what might happen after that; but certainly for the 3 years from June 12, 1945, to June 12, 1948, Senator Truman, as we knew him, or President Truman, will be the President of the United States, barring death, resignation, or impeachment. I do not think it is fair to call him "cockeyed." I do not think he is. I do not think the Senator from Wisconsin meant that.

The President, in his letter of recent date, gives his position with reference to these tariff rates. It will be found on page 7 of part I of the hearings before the Committee on Finance of the United States Senate, as to House bill 3240. It is as follows:

MY DEAR MR. SPEAKER: Supplementing our conversation yesterday, I wish to repeat that I regard the pending measure for the renewal and strengthening of the Trade Agreements Act as of the first order of importance for the success of my administration.

I assume there is no doubt that the act will be renewed. The real question is whether the renewal is to be in such form as to make the act effective. For that purpose the enlargement of authority provided by section 2 of the pending bill is essential.

I have had drawn to my attention statements to the effect that this increased authority might be used in such a way as to endanger or "trade out" segments of American industry, American agriculture, or American labor. No such action was taken under President Roosevelt and Cordell Hull, and no such action will take place under my Presidency.

Sincerely yours,

HARRY S. TRUMAN.

There seems to be some doubt as to Mr. Clayton in the State Department. It seems that he has been brought into the situation. Day before yesterday Mr. Clayton was the subject of discussion. The junior Senator from Maine [Mr. BREWSTER], on page 6035 of the RECORD, spoke as follows:

He—

Referring to Mr. Clayton—

said it would be impossible for the United States, under any development he could contemplate, and his knowledge of it, to be permanent participants in the world cotton market, and he anticipated also that the smaller cotton growers of the old South in any event would be eliminated.

We attempted to get this matter cleared up at that time, but I was speaking on the time of another Senator and, therefore, did not complete my discussion.

On the same page of the RECORD is found my interruption of the Senator from Ohio [Mr. TAFT], when I stated:

Mr. TUNNELL. I merely wanted to say, with reference to the interrogation of Mr. Clayton, that Mr. Clayton was very positive in his statement that the American people would have to reduce the cost of production so as to compete with the rest of the world. I was on the committee and heard his testimony; I think all his testimony, but that was his position; that we could not permanently continue to subsidize and compete with the world.

On page 30 of the record before the Finance Committee is the following statement by Mr. Clayton:

Mr. CLAYTON. That is true, Senator BAILEY. I would just like to give as my considered opinion that if the production of cotton were permitted to seek the most efficient lands and most efficient producers, and most efficient means of production in the United States, we can grow cotton in the United States in competition with the rest of the world for the world market.

Farther down on the same page occurs the following:

Mr. CLAYTON. I do not think I have made myself clear. If in the United States the production of cotton is permitted to seek the most efficient land and most efficient producers and most efficient means of production, then I believe that we can grow cotton in the United States in competition with the rest of the world.

That was his statement before the Finance Committee. But before the Foreign Relations Committee, at the time Mr. Clayton's nomination to the State Department was being considered, the following statement was made on page 211 of the record of the testimony:

Senator TUNNELL. Mr. Clayton, I thought perhaps there was an implied criticism in the thought that you had a different philosophy with reference to the production of cotton from some of the others. I understood your position to be that America could not long continue to produce cotton at a price higher than that which its prospective customers could or would pay, without some calamity.

Mr. CLAYTON. That is correct, sir.

Senator TUNNELL. Well, that is not your philosophy; you are not trying to bring this about. That is what you believe to be an economic law; is it not?

Mr. CLAYTON. That is correct.

So, Mr. President, whether we take his statements before the Foreign Relations Committee or whether we take his statements before the Finance Committee, where he plainly said he thought we could grow cotton in competition with the world, there is nothing in the record of Mr. Clayton's testimony to indicate that he does not believe that the cotton industry in the United States should continue. I do not know any reason, as I said, for the suggestion that he holds other views, other than at this time some might think that it might be well to hit at the State Department which is to be one of the advisers of the President with reference to tariff rates.

This much is stated by Mr. Clayton on page 7 of the hearings before the Finance Committee:

Although the Trade Agreements Act has been in effect for 11 years, there are still hundreds of imported commodities on which the rates of duty are unduly restrictive—many rates are in excess of 50 percent, and in this group are many commodities with rates of duty running over 75 percent, and even in excess of 100 percent.

It is essential that the additional authority asked for in section 2 be granted because the full reduction permitted under the original act has already been made in respect of certain commodities supplies by our principal foreign customers. In respect of the United Kingdom and Canada, our two best customers, we have already made reductions under the program on about 90 percent of our total dutiable imports from these countries. In respect of the other western European countries and the principal Latin-American countries, we have also used up the major part of our bargaining power.

In other words, he argues that, having used up a large part of our bargaining power, there should be authority to make further reductions or decreases in order that the President may still have some bargaining authority.

On page 37 of the hearings before the Finance Committee, I find the following:

Mr. CLAYTON. Yes, sir; so far as I know I think that no industry has been able to show, either in its representations to the State Department or in its testimony in hearings on this bill, that it has been seriously injured as the result of anything that has been done under this act.

He states that up to the present time he has not known of any proof that any industry has been injured under this act.

On page 44 of the same record he states something about what they hope to do under this program:

Mr. CLAYTON. What we would hope to do under this program would be to make trades, and particularly if we do decide in the end, as I think we will, that our national policy should be that of assisting these countries to get on their feet again—what we would hope to do under this program is to make deals so we can export a lot more steel than we ever exported before, and take care of some of this expanded productive capacity that has resulted from the war. Certainly, that is the very type of product where we think there is a great opportunity to increase our exports—heavy-industry equipment, machinery, machine tools, and capital and producers' goods, generally, because they will be needed in enormous quantities, simply enormous quantities, after this war, in order to reconstruct and develop. If the Congress does approve Bretton Woods and does approve the trade-agreements program in the form in which we ask, we believe we can handle the two instruments together to give us a very expanded export market in things of that kind.

The claim that a man whose whole life has been devoted to business—and successful business—wishes to eliminate the very source of supply for his business is, to my mind, one of the most absurd arguments I have ever heard. I do not believe there is the slightest ground for such a suggestion. Not only that, but if there should be any such ground, the man upon whom rests the responsibility for the whole machinery for making the decisions is the President of the United States, and upon him must fall the responsibility or the blame, if blame there be.

The reciprocal trade-agreements bill was passed, as we have been told, and became a law on June 12, 1934. That was just after the low-water mark of business in the United States. The junior Senator from Wisconsin [Mr. WILEY] told us that only "cockeyed" people believe there was any connection between the tariff bill under which we were transacting business, or failing to transact it, during that period and the depression. Well, Mr. President, one thing is certain: If the tariff law had nothing to do with bringing on the depression, it certainly did not stop it. I think I can call on former President Hoover and prove by him that there was a depression. I do not know whether I could do so by means of either the Senator from Ohio or the Senator from Wisconsin, but I think I could by ex-President Hoover. I think he would have been delighted to have had the Senator from Wisconsin or anyone else say that the depression through which the country passed at that time, during his administration, was a world-wide depression, and one with which we in this country had nothing to do.

Until that time, from the days of the Civil War down to the date of the enactment of this particular tariff law, we had been told constantly, whenever anything went wrong, that all we had to do was to raise the tariff. Finally, I think the people who were working with President Hoover believed that. So when the depression came on, they raised the tariff. The result was not an improvement, as the Senator from Wisconsin has said, or not a help; but, instead, 37 countries took it upon themselves to try to prevent the importation of American goods and to a very great extent they succeeded because there was no business left in this country from 1929 to 1933 or 1934, when conditions began to improve. They reached their lowest ebb in 1933, as I recall. So the tariff act which was passed in 1930 did not cure the situation.

The Senator from New Jersey [Mr. SMITH] has made a very statesmanlike statement. He said, in effect, that this issue was not a political one, and should not be decided along political lines. That is true. This bill should not be considered as a political measure. That it is not a political measure I can prove by the statement of the Senator from New Hampshire [Mr. TOBEY], who told us only a few days ago that there were five fat lobbyists and a political leader sitting in the lobby outside of this Chamber, and that they were checking up on how Senators would vote. I do not know who those fat lobbyists were. Apparently they were not bothered by the things about which we have heard so much on this floor, because they were still fat. That they were well connected, politically, was proven by the Senator's statement that they had with them a Republican leader. I do not know who that leader was. I have no way of knowing, and I do not particularly care. The fact is that the issue now before the Senate is one which is being lobbied for by at least five fat lobbyists who have been joined by a Republican leader. That is what the Senator from New Hampshire told us, and I think he was correct.

Mr. President, what is the reason for trying to make a political issue out of the power proposed to be given the President to make certain bargaining arrangements with foreign countries? Certainly the arrangements with foreign countries should be made through the Executive. They are now made through the Executive.

I am not particularly disturbed about the argument of the Senator from Wyoming [Mr. O'MAHONEY]. He is very sincere, and I assume that he believes that the pending measure is not constitutional. From 1934 to the present time efforts have been made to establish that the present act is not constitutional. If there were only two roads to New York, one of them being passable and the other not, I believe I would take the one which was passable. I can remember various bills which became law with reference to the tariff. I can remember how business was stagnant during a period when people were trying to ascertain what Congress was going to do. I have a recollection of various kinds of charges with reference to lobbyists, some of them fat and some of them thin, but all looking after the interests of special groups. Perhaps this measure, if adopted, may cut into the employment of certain of those lobbyists. Perhaps it may be one of the instruments used in urging them to greater activity. But the fact of the matter is that the enactment of the tariff acts became such a paralytic influence on the Nation, and a source of such scandal, that everyone, except those who were benefiting by that particular kind of scandal, and that particular kind of activity, felt that it was fortunate when some other method of accomplishing the same result was discovered and used. It has been used fairly satisfactorily ever since.

Mr. President, I heard the Senator from Wisconsin [Mr. WILEY] state that more than 1,200 changes had taken place in the Tariff Act. If that be true, it is a very large number of changes, and for Mr. Clayton, in the position which he occupies, to say that he has not heard or learned of a single business which has been seriously injured is a matter of great satisfaction to the people of the Nation.

On page 8 of the Finance Committee hearings there appear the following statements:

> Section 2 of the bill gives us authority to make agreements involving reductions in our rates up to 50 percent of the tariff rates in effect on January 1, 1945.

I am reading from the testimony of Mr. Clayton, which has not been contradicted.

I continue reading:

> It should be pointed out that in respect of 37 percent of our dutiable imports by value, no reduction whatever has been made so far in import duties under the Reciprocal Trade Agreements Act.
>
> Hence, as to these imports, amounting to 37 percent of the total, the present bill gives no additional authority whatsoever.
>
> In respect of another 21 percent of dutiable imports by value, reductions in duty have been made in varying percentages under 50 percent. Therefore some additional authority is provided in the pending bill in respect of these imports.
>
> As regards the remaining 42 percent of our dutiable imports by value, agreements have been entered into providing for the full 50-percent reduction in duties authorized under the original act. If Congress should grant the authority provided for in section 2 of the pending bill, the President would then have authority to reduce the duties on the commodities constituting this 42 percent of our imports by another 50 percent.

I find on reading in the RECORD the remarks of the Senator from Ohio that while he omitted to state just how high this tariff was, he did state that it had been reduced practically the full 50 percent, and that it was still slightly more than 31 percent. If that is true, the last tariff act was approximately a 62-percent average tariff act. It has been admitted that it was the highest tariff act in the history of the country.

It has been further admitted that during its period of existence there took place one of the greatest panics the Nation ever experienced. The question as to whether the tariff act was the cause of the panic has been disputed, but no one can dispute that it did not cure the panic.

It has been stated, in effect, by both the Senator from Ohio and the Senator from Wisconsin that our foreign commerce is comparatively unimportant. There is some weight to be given to that statement if we compare the figures 5 percent or 7 percent with 93 percent or 95 percent. But I remember an illustration which has been used by our political opponents in reference to this argument. I remember that many years ago a Member of the House of Representatives from the State of Illinois, as I recall, went to Europe and bought a watch for less money than he could have bought it for in the United States. It was an American-made watch. We were told that the reason for his ability to buy the watch for less than he would have had to pay for it in the United States was—the situation was quite widely publicized at the time—that the watch was surplus, and that surplus had to be disposed of. That is a matter which I wish to bring to the attention of the Senate and the country with reference to surplus. If it represents 5 percent, 7 percent, 10 percent, or whatever the figure may be, it nevertheless is something that we cannot use in this country; it is surplus, and, if we do not dispose of it to foreign nations, it will break the market of America. That is what will throw people out of employment; that is the important aspect of this bill, so far as foreign commerce is concerned.

I know there are those who say that foreign commerce amounts to just so many dollars. I heard the Senator from Ohio [Mr. TAFT] figure it out the other day and tell us by how many dollars our foreign commerce would be affected. In other words, we might increase it just so many dollars. Well, Mr. President, there is no human being who can tell with any certainty how many dollars of foreign commerce can be affected by this or any other bill.

There are those who believe in what is known as the static theory of government, who believe that the world is standing still, and there are others who even believe it is going backward. That

seems to be the theory of some of our friends with reference to this bill.

During the early part of this year the Senator from Ohio [Mr. BURTON] and myself were in Europe, Asia, and Africa within a short time. During the course of that trip one thing that greatly impressed me was the wonderful possibility of future trade in the Eastern Hemisphere. If we are not going to develop it, if we are going backward, if we are not going to try to increase our market in those countries, I can see how a person might say, "Yes, we will just continue to be economic isolationists." That is what those people are who want to hold the trade of the United States entirely to our own market and who refuse to make the slightest concession or to give to the President of the United States the power to make any concession.

All countries are not taking that static view or that reactionary view as to world trade. In the Mediterranean area there are to be found the representatives of some of our competitor nations; and they have power to make agreements and power to place their countries in a position to get that trade. Regardless of partisan politics, regardless of fat lobbyists, regardless of special interests that are taking this occasion to talk tariff rather than to talk business, I hope the United States will not be prevented from taking its proper position in world trade.

I say to you, Mr. President, that the United States is under obligation to itself, to its factories, to its farmers, to its laborers, to see to it that we have a part of the business of the world. We will never get it all; neither should we try to build our tariff wall so high that it can not come into this country; neither should we try to arouse the antagonism of other nations of the world to such an extent that they will not deal with us at all. Let not Senators delude themselves into believing that our competitors are asleep. Our competitors are awake, and they are after this business. They are after it not only by radio connections but by airplane connections; they are making their connections. We have an opportunity to do so. We have an opportunity to deal with those nations.

The Senator from Massachusetts [Mr. WALSH] said a while ago that the proponents of this bill are free traders. Well, maybe so. I am not a free trader when I consider the condition of the United States and the fact that our business has been built up artificially under a tariff system. I think that to remove suddenly or perhaps to remove at all some of the tariff pillars would result in unemployment. I think it would result in a depression, but it could not equal and would never equal the terrific depression which was brought on by a high tariff, I care not which high tariff may be considered, whether it is the one which was passed in 1930 or the one which was passed before that time. It became impossible for the world to transact business with the United States. Under the pretense of protecting business, we drove business away until there was no business except the business of feeding our starving people.

Mr. President, this sort of thing had better be looked at from the standpoint of the people of the United States. A reading of the report of the Senator from Ohio and myself when we returned from the Middle East will disclose that we both believe there is a wonderful chance for an increase in business opportunities in the Eastern Hemisphere. Somebody is going to sell these goods; somebody is going to transact business. Are we going to try to follow the plan of making our prices so high that other nations cannot buy from us? Are we going to wall off our factories, our farmers, and our producers so that nobody can buy the products of America? Is that the theory?

When the war is over a situation will arise which many of our reactionary friends, and our static friends, have not contemplated. There is going to be a demand for somebody to transact the business of the world, and I am not sure but that our competitors will even want that business transacted.

Some time ago I made a speech to the captains and vessel owners of the city of Philadelphia. In the preparation of that speech I made a study of the shipping situation, and I shall read a short extract from what I said that night:

> It has been suggested that there will be approximately 57,000,000 tons of shipping belonging to the United States at the time the war is concluded.

We had approximately 11,000,000 tons of shipping at the beginning of the war. We will have 57,000,000 tons.

> Those who have made a study of this situation believe that not more than sixteen millions of tons will be required for the use of the United States for civilian work. It is estimated that the Navy will require 5,000,000 tons, and that at most we can sell to foreign customers twelve millions of tons. This will leave a surplus of 24,000,000 tons of shipping.

At the end of this war we are going to have the ships, 57,000,000 tons of them. We are going to have the money. There is now on deposit in the banks of the United States—I obtained this figure from the office of the Comptroller of the Currency this morning, though it was for January 1—$142,310,824,000 ready for business.

It is not being used. We are going to have the shipping, we are going to have the money, we are going to have the goods to ship. There is no doubt about that. We are producing now more than we can consume. We are producing for ourselves, for our soldiers overseas, for those we are helping to keep from starvation by selling them food. We are in a position, and we are the only nation in the world that is in a position, to take charge of this business. What the President of the United States is asking is that we let him have the bargaining power to try to get this business, or a part of it.

When the Senator from Ohio [Mr. BURTON] and I returned from our trip, I spoke to the State Department and told them that I thought there should be a bargaining agent with the countries of the world who would look out for our interests. I found in Jerusalem a man who was sent there by one of our greatest competitors, and who was there looking after the interests of his country. I found no one who knew what the policy of the United States could be or would be. We do not know what Congress will approve, and, after all, it comes down to that. If the President of the United States, or the State Department, or some responsible agent, is not given the power to make some sort of contracts in as effort to increase the business of the United States, we are not going to be able to dispose of our surpluses.

Oh, it is said, those in foreign countries have not anything with which to pay. That has been something of a problem for many years. I recall when the Government of the United States, between 1920 and 1930, loaned to foreign governments in our own hemisphere billions of dollars. The Senator from Maryland [Mr. TYDINGS] told us yesterday that the loans amounted to $14,000,000,000, that much credit, and we took the bonds of many countries. There is no use in naming the countries, giving the number of them, or the particular amounts. I received a letter from a man today asking if I could not help him to get money for one of his South American bonds. He said he had had it for 14 years, and could not get anything on it. That was the method used at that time in the United States, and governmental agencies aided in floating those bonds. I know where the recommendations came from, and the floating of those bonds did result in the purchase of American goods, and also resulted in Americans losing what they paid for the bonds in this country.

Of course, we have used the metal method of paying since that. We have been taking the gold or the silver of various nations, and we have been selling them goods under that method of credit.

Mr. President, I realize that we do not want to flood our markets with foreign goods, we do not want to throw our people out of employment, nor do we want worthless foreign bonds. If we refuse to take gold or silver or something that is known to have some value, what are we going to take?

There are plans. We have now the plan of Dumbarton Oaks and the plan of Bretton Woods. We are trying to get credits for the nations with which we are dealing, the thought being that their power of consumption and their standard of living will increase from time to time.

Mr. President, I read a book just a few days ago written by a man named Ziff. He says there are 700,000,000 Chinese and approximately 400,000,000 Hindus. Take the list of the populations of Asia, and we find that there are, as nearly as one can figure, between half and two-thirds of the population of the world right there in Asia. The standard of living of those people is low, their wealth is meager, but right there, where the Garden of Eden was supposed to have been, in one pile, is the greatest amount of wealth in the way of merchandise that I know of.

The oil in that section is estimated at 200,000,000,000 barrels. Surely Asia was a place of wealth, and it is a place of wealth. The greatest oil pool is there, and we are going to need some of that oil, though at present our oil producers believe they can meet the requirements

of America, and so long as they can meet them I do not believe in driving American business from oil.

We have the ships, we have the money, we have the brains to solve this problem.

There are those who propose a loan; there are those who believe that the standard of living can be raised and that we can make customers out of this great mass of humanity. Whether we obtain this business or not, some country is going to obtain it, because after the war conditions will be somewhat different from what they were before the war.

I have prepared a short statement respecting conditions in Asia, and I read from it briefly, as follows:

In Asia the great problem of the future will arise. There are those who underestimate the Chinese Nation. We are told that China and the countries surrounding it have a Chinese population of almost 700,000,000. India is supposed to have a population of approximately 400,000,000. In other words, much more than one-half of the population of the globe is found in Asia. They are accustomed to the low standards of living. Will the future see an improvement in these standards?

As a result of this war, we can now see that there are four great nations. Each of these nations is great and powerful. Our own citizens number about 135,000,000. They are accustomed to the highest standard of living on earth. Great Britain has slightly more than one-third as great a population as ourselves. Great Britain is entering a new and different commercial era. Can Great Britain survive as one of the dominating commercial nations? In 1870, 25 percent of the international trade of the world was British trade. In 1938, only 15 percent of the international trade was British trade. In 1920, Great Britain's trade balance was £150,000,000. In 1938, Great Britain had an adverse trade balance of £50,000,000. In 1938, Great Britain's total exports were approximately one-half of her imports. This furnishes a serious problem for any nation. It cannot permanently continue to purchase more than it sells any more than can an individual. In many respects Great Britain will be in a worse position from a commercial standpoint at the conclusion of the present war than it was at the beginning. Its various dominions and commonwealths are now free to seek commercial connections with other nations. Canada, India, Australia, and all others of the British affiliates will be seeking products of countries which can furnish to them the things they need for the least money. Again, we must consider the changed position of the international commercial situation in both Europe and Asia. Two immense populations representing two mighty government will have increased their commercial opportunities at the end of this war. If Japan is defeated, which it must be, China must be reckoned with in Asiatic production and Asiatic commerce. Russia with its tremendous area which will cover a territory reaching from the Baltic Sea to the Bering Strait, and from the Arctic Ocean almost to the Indian Ocean, will be a competitor for world commerce.

Mr. President, we cannot deny facts which are so apparent, and we must consider these three nations, together with the United States, as possible sources for supplying the world trade. I think all the other nations will be glad for the assistance—for the aid which America can give at this crucial time in the history of the world. I do not believe the time will ever come when the United States will again have the opportunity it now has to grasp a sizable portion of that trade. If these people are furnished, by purchase, any considerable amount of goods, it will naturally result in raising their standard of living.

There is more money in the world than we are sometimes inclined to think. The other day we learned that the Germans are paying for the food which they are receiving. They are paying money which they have saved up during the prewar period or perhaps during the early war period, and they are paying in cash for the food they are consuming at this time. We were so told by the military authorities in control.

Mr. President, it seems to me that if at this time we should fail to participate, and should show that we do not want the United States to participate, in this effort toward world trade, if we should refuse to adopt either the Dumbarton Oaks or the Bretton Woods proposals, if we should refuse to furnish credits, or if we should refuse to give the President the power which he has asked, we would be saying to the rest of the world, "We are really not very much interested in this program for world betterment; we are not very much interested in this program for the benefit of the United States"—if we want to put it on a national basis—for, after all, we cannot have prosperity in the United States and have all our industries producing to the full extent unless we are selling the surplus to people in other parts of the world.

What we should consider at this time is the strategic importance of having the world understand that we are going to participate in the commercial era which will follow—that we are going to be a part of the world relations.

Mr. President, I wish to read briefly from a book which I picked up last night and which attracted my attention. The title of the book is "The Gentlemen Talk of Peace." It is by William B. Ziff. I read:

After the war it will be possible for men to live on mountain tops, favored islands, or lake shores hundreds of miles away from their work, running down to the great airline taxi centers in little helicopters or combination airplane runabouts.

Wherever scenery is beautiful or life is favored and invigorated, men will live. Electric power will be cheap and more efficient. Plastics will be abundant and will replace many common materials. Houses will be air-cooled, cities laid out for beauty and efficiency.

The living standards of present-day nations reflect the continuous state of preparation for belligerency in which their national economies are always involved, and the wasteful expenditures consequent on a hopelessly inefficient political organization of the earth's surface.

Not only is there a profligate squandering of wealth on enterprises which bring no return to society, but there results an actual nullification of man's impulse to employ his achievements for the benefit of his kind. The state thinks in terms of deadly competitions and repressions. It considers its environment as a primeval wilderness containing infinite and everpresent menace, a psychology which is imparted to its principal thinkers and most energetic men.

A small part of the effort put to the business of war would wipe out many plagues and pests which now are a recurrent feature of our existence, and would add automatically to the bankable wealth of humanity. Syphilis, crows, rats, and other scourges of mankind could be eradicated. In the United States alone, rats inflict a total damage of over $200,000,000 a year. There are supposed to be more than 800,000,000 cases of malaria in the world, a disease which takes an annual tribute of over 10,000,000 lives. Its economic loss to the United States is estimated at $500,000,000 a year. A fraction of the money spent on war would give the entire world a magnificently unified road and airport system.

The predatory instincts of aggressive men could be sublimated in long-range projects for the taming of nature, which could be attempted only on a hemispheric basis. Engineering works of massive scope could be undertaken, jungles cleared, deserts irrigated, swamps drained, and the forces of natural energy harnessed, as man moved to place his environment under control.

This is a dream and a vision which well could engage the attention of men and turn them from the petty hatreds and mean conceptions to which they addict themselves under the guise of patriotism, local interests, race, and even religion. In such a world the rewards would be great, and from its tranquillity and peace could develop, in addition to animal comfort and security, a true blossoming of the spirit and a creative mind. This would be the first of the golden eras of man, an age far transcending any humankind has ever known.

So all people in the world do not confine themselves to the things which are now in existence. They dream of a future in which there shall be a better life for those who today are poor, who have never known what could be done. They have never known how to live. The opportunity is ours to help bring it about.

Not only that, but this entire debate has shown that the opponents of this measure are suspicious that someone is going to injure the United States. They are suspicious that the President will not be diligent in aiding the United States and its citizens. I believe that we should take a different view. I believe that we should take the view that neither the President of the United States nor his advisers are anxious to bring about the dangerous, dastardly things that have been predicted. Certainly every American citizen wants to see progress and happiness. He wants to see brought about the very things we are told are necessary. We have different views as to how this can be done. I, for one, have no fear as to either the sincerity or the ability of the President of the United States in this or any other matter which comes before him.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TAYLOR in the chair). Does the Senator from Delaware yield to the Senator from Colorado?

Mr. TUNNELL. I yield.

Mr. JOHNSON of Colorado. I agree with many of the sentiments expressed by the Senator from Delaware. I have listened to his very eloquent address. I

agree with much of what he says. But when he comes to the point of saying that this is the responsibility of the President of the United States, I cannot follow him, for this reason: When I first came to the Senate, very frequently the State Department would notify me that it was about to enter into an agreement with a foreign nation. At one time it was with respect to sugar. At another time it was with respect to cattle and other livestock. At another time it was with respect to beans. At other times various metals were involved. I was notified that I would be given an opportunity to be heard with respect to the agreement which the State Department was about to make with a foreign nation.

Of course, my State was tremendously interested in such products. We produce such commodities, and it is important that we be permitted to continue to produce them. So I would go down to the State Department. I did not appear before the President of the United States. I did not even appear before the Secretary of State. I appeared before a board of clerks. That is what they were. I pleaded with them, almost on my knees, not to put the producers of Colorado out of business.

I could not help realizing that I was asking for something which the Congress, without my assistance, had voted out of its hands. In other words, I was pleading for something which should have been in the hands of the Congress of the United States.

The Senator from Delaware knows, as we all know, that the President's task is tremendous. As the present President said not many days ago, "I have so much work to do that I do not know where to begin." That is true of his office. It is a most arduous office, which makes exceedingly great demands upon the man who occupies it. The work it entails is far beyond any man. I know that the Senator from Delaware does not want the country or the Senate, or anyone, to believe that these matters are going to have the personal attention of the President of the United States.

I know that the President communicated with Congress and urged that this power be given to him. I know that he gave us his assurance that he would do the best he could to see that no one was hurt. But I know full well that he is not going to be able to enter into these trades. He is not going to use his good Yankee trading ability in this matter at all. Others are going to do it; and later Members of Congress will have to appear before a group of clerks.

Mr. TUNNELL. Let me ask the Senator from Colorado a question. Does he believe that Harry S. Truman meant what he said when he stated in his letter, "No such action was taken under President Roosevelt and Cordell Hull, and no such action will be taken under my Presidency"? Does the Senator believe that he meant that?

Mr. JOHNSON of Colorado. He undoubtedly meant it. He was stating as his opinion that nothing had been done under the former President to harm any industry. That was his opinion, and he is entitled to that opinion. But that is only a statement of an opinion. That is not a statement of a fact, by any means. He has the right to state his opinion, and I respect his opinion.

Mr. TUNNELL. It is the fact, as set out by some of those who are members of the committee, that there was not brought before the committee any instance of serious injury being inflicted on any business in the United States under this plan.

Mr. JOHNSON of Colorado. Of course, there might be a difference of opinion as to whether there was injury. Take sugar as an example. The tariff on sugar from Cuba was reduced from $2 to $0.75. The Senator says that no one was injured by it. That is true. Why? Because the Congress provided a subsidy plan and made supporting price payments to producers of sugar to compensate for the difference between the former rate and the new rate. So no one was injured.

Mr. TUNNELL. Mr. President——

Mr. JOHNSON of Colorado. If we are going to do the same thing——

Mr. TUNNELL. Mr. President, I shall refuse to yield if the Senator does not let me talk to him at all.

Mr. JOHNSON of Colorado. I want the Senator to talk. He has the floor.

Mr. TUNNELL. Let me say to the Senator that I refuse to go into any schedule, because I believe that is a matter which, under the law at present, should be taken before the particular person who has the duty and responsibility of making the decisions. That is the President of the United States or such persons as he shall designate.

Mr. JOHNSON of Colorado. That is what I am saying—a board of clerks.

Mr. TUNNELL. Would the Senator hesitate to go before the President of the United States if he were confronted by a difficult question?

Mr. JOHNSON of Colorado. No; I would not hesitate to go before the President of the United States. But I am sure I would find that he had so many tasks that he could not give the subject his personal attention. At present he has a multitude of tasks in conducting the war. Of course, the pending bill is a postwar measure, so the war will be out of the way. He will not have that job to do; but he will have plenty of jobs to do, and I know that he will not be able to give the subject his personal attention.

There is another point on which I should like to have the Senator's reaction, if he will be kind enough to yield to me. I do not wish to trespass too much on his time. I refer to the matter of Yankee trading. We think we are pretty good traders; and we are; but here is the difficulty under the whole reciprocal trade agreement plan. We make a trade with Peru; let us say we make a good trade with Peru, one advantageous to the producers. Then we throw that trade wide open to the whole world. Everyone comes in under it. So the effect is, not a unilateral trade with Peru, but a trade with the whole world. That is the reason why the authority which the Congress very generously gave to the President a few years ago, in connection with the reciprocal trade agreements, to make reductions up to 50 percent, has been used up, so that no more of it is left, in the case of 42 percent of dutiable products.

Mr. TUNNELL. But that is not true; 37 percent of the dutiable products have not been touched.

Mr. JOHNSON of Colorado. That is correct, and we do not need any additional legislation in order to give the State Department all the power it needs with respect to them.

Mr. TUNNELL. How about the 42 percent?

Mr. JOHNSON of Colorado. That is what I am talking about.

Mr. TUNNELL. Apparently the Senator is not willing to trust the President of the United States. Apparently the Senator from Colorado would prefer to trust to the corruption and logrolling of a long tariff bill which will not be introduced.

Mr. JOHNSON of Colorado. Of course, the choice is not as the Senator from Delaware has pictured it.

Mr. TUNNELL. No; it is not even that. It is either this plan or nothing.

Mr. JOHNSON of Colorado. Of course, those concerned with the products—the 42 percent—on which the tariff rates have been reduced up to 50 percent are going to continue to make the sacrifice.

Mr. TUNNELL. The Senator heard the chairman of the Finance Committee say there would not be any new tariff bill soon.

Mr. JOHNSON of Colorado. I suppose there will not be a new tariff bill soon. The Hawley-Smoot tariff bill was enacted in 1930, and many people have found fault with it. Many have blamed it for the depression and for everything else on earth.

Mr. TUNNELL. They were hungry when they blamed it.

Mr. JOHNSON of Colorado. That is the old alibi I hear every day—"the Smoot-Hawley tariff bill."

Mr. TUNNELL. I hope it will be a good while before the American people forget it.

Mr. JOHNSON of Colorado. I have no objection to that. The point I am trying to make is that the Senator from Delaware has been in the Senate quite a while. His administration and my administration has been in power for more than 12 years, but it has never brought forth a tariff bill to take the place of the Smoot-Hawley tariff bill.

Mr. TUNNELL. The administration has used the very act we are discussing as a substitute for the corruption, logrolling, lobbying style of changing the tariff which was used before that time. The old procedure did not seem to benefit anyone except the lobbyists, and perhaps it helped raise some campaign funds.

Mr. JOHNSON of Colorado. Of course, Mr. President, that statement is an exaggeration, although there is considerable truth in it.

Mr. TUNNELL. Again it is a matter of opinion whether it is exaggerated.

Mr. JOHNSON of Colorado. I think it is considerably exaggerated. I am not making a defense of the Smoot-Hawley tariff bill. In fact, I am very much opposed to many of its provisions.

Mr. TUNNELL. I am glad of that.

Mr. JOHNSON of Colorado. But the Smoot-Hawley tariff bill, bad as it is, has in it a flexible tariff provision permitting the President of the United States to reduce the tariffs under it by 50 percent.

Mr. TUNNELL. Does the Senator think that is constitutional?

Mr. JOHNSON of Colorado. I do not see why it is not constitutional. The Senator from Wyoming [Mr. O'MAHONEY] stated yesterday, as I understood his argument, that it was constitutional because Congress said those tariff rates would be effective following the President's proclamation, and that provision was placed in the tariff bill.

I am not arguing the constitutionality of the pending proposal because I am not competent to argue it with such a distinguished attorney as my friend the Senator from Dalaware. I am not even a lawyer, and I shall not talk about the constitutionality of any of these provisions.

Mr. TUNNELL. I did not wish to show that it is not constitutional; I was merely asking the opinion of the Senator whether it is or is not constitutional.

Mr. JOHNSON of Colorado. My opinion is that the Senator from Wyoming made a very good point. It sounded very reasonable to me, as a layman. I am not an attorney; I am not a judge of these matters; I am not an expert on the question. But the statement of the Senator from Wyoming sounded very reasonable to me. He said it was entirely constitutional.

However, Mr. President, I shall not interrupt the Senator from Delaware further.

Mr. TUNNELL. Mr. President, I should like to ask the Senator from Colorado another question. Does he believe that the President or any individual or organization should be entitled or authorized to make an attempt to obtain a portion of the world trade, after the war, for our country?

Mr. JOHNSON of Colorado. Yes; I do.

Mr. TUNNELL. Who should it be?

Mr. JOHNSON of Colorado. It should be the President of the United States or his Secretary of State. But after he makes his proposal and after he goes ahead with his plan, the matter should be submitted to the Congress for ratification. Then, the people of the United States could say whether they favored it.

Mr. TUNNELL. Then we could have this whole tariff discussion over and over.

Mr. JOHNSON of Colorado. Not necessarily.

Mr. TUNNELL. Well, we would have it over and over again.

Mr. JOHNSON of Colorado. I do not think that follows at all. I think the Congress probably would ratify without very much difficulty the agreements made between nations.

When we make with one country an agreement whereby we obtain from it a concession relative to having goods from that country come into the United States and having our goods go to that country, we find that the whole thing is thrown wide open to the world. I think Congress might very well object, and should object to that. Such a multiple application of trade agreements is the thing which has caused all the difficulty at this time. I cannot help but feel that the State Department and the administration would be in a much better position today in their capacity to trade and in their capacity to build up American commerce if they had kept the trade agreements on a unilateral basis, instead of a multilateral basis.

Mr. TUNNELL. No matter where the arguments against the pending measure start, they always end in a vote of lack of confidence in the President of the United States. No other conclusion can be reached. Either we decide to give the President the power or we decide not to give him the power. The Senator has said he believes that after the power has been exercised, each agreement should be threshed out before the Senate of the United States. If that occurred, instead of having five fat lobbyists, we would have perhaps 500 of them, and instead of having one leader take action in that connection, 100 leaders would have a hand in the discussion.

So it is just a case whether we wish to do something or do not wish to do anything, whether we wish to go backward, or whether we wish to stand still. Someone should have authority to go ahead. Someone should try to aid the United States in getting its share of the world trade and doing its part to uplift humanity. The standards of living will be raised at the same time that the share of the United States in world trade is increased. I certainly hope the bill will have the support, not only of the people of the United States—which it apparently has—but of the Senate of the United States.

Mr. BUTLER. Mr. President, I attended the hearings which were held by the Committee on Finance in connection with the bill now under consideration. I believe that each Member of the Senate has given a great deal of time to reading and preparing himself in order to formulate his own final decision in regard to the merits of the bill. Up to the present time I believe that very little has been said with reference to what effect the bill might have on the agriculture of America, and I wish to make a few remarks now with reference to what effect the proposal might have on the long-term agricultural policy of the United States.

Mr. President, the view is very widespread that the United States, while willing to cooperate internationally in the political field, is unwilling to do so in the economic sphere. This idea has been built up very elaborately by the proponents in the State Department of the trade-agreements program as an argument in favor of the program. The stronger they make this argument, the better is their chance of selling the program. It is, however, a particularly erroneous and misleading argument in the light of the record of the past.

No nation has ever been more willing than the United States to cooperate with other nations in every field of economic endeavor; more than two-thirds of our total import trade is free from any duty, which gives foreign countries completely free access to the largest market in the world. Moreover, according to the best available studies on the subject, the tariff level on dutiable merchandise is not high in terms of the levels in other countries. Furthermore, we have never resorted to the imposition of the innumerable kinds of barriers to trade that other nations have employed, and in making trade agreements we generalize to all countries equally. This is more than can be said for any other country. There is nothing in our past history to indicate an unwillingness to cooperate, unless a protective tariff can be so construed. But even in this respect, every other industrial nation in the world maintains protective tariffs, and will continue to do so.

Evidence that our tariffs—high though some say they are—have not been in the nature of embargoes on imports or exclusive in nature, as certain people would lead one to believe, is the fact that in the 1920's, and particularly in the latter half of the twenties under the Republican Fordney-McCumber Act, our foreign trade was almost twice as much as it had ever been under the trade-agreements program until the war increased trade abnormally. Imports in this period were generally above the $4,000,000,000 mark, which is also about two times higher than anything experienced since the trade-agreements program became effective. This is not evidence of a policy of unwillingness to trade with the rest of the world. In the light of these figures alone, it should be recognized that the argument that we are unwilling to cooperate in the economic field is raised primarily by proponents of the trade-agreements program in this country as a powerful instrument to shape public opinion. It is not a subject of complaint from foreign countries.

It should be noted that the excess of exports over imports under the Republican Fordney-McCumber Tariff Act was no greater, on the average, than it was under the low Underwood Act. This means basically that it was no more difficult for foreigners to obtain dollar exchange by selling goods to the United States under a relatively higher tariff than under a lower one. Thus it becomes apparent that the argument that our tariff policy has been the cause of unbalance in our foreign trade, and has made it impossible for foreign countries to obtain dollar exchange because they could not sell to us, is without merit. The height of the tariff is not the predominant influence.

The level of the tariff in the United States is now slightly above what it was under the Underwood tariff law of 1913. Further reductions under the additional authority now requested would, according to Chairman Ryder of the United States Tariff Commission, reduce the level to that of the Underwood law or even lower.

In this connection, history provides a valuable lesson. A few years after the last war—in 1921 and 1922—with overstimulated wartime agricultural production seeking markets, and with every industrial country seeking outlets for its products in order to obtain dollar exchange, there was a tremendous flood of products into the United States from all over the world. Regardless of what the Democrats now say, at that time it was almost universally recognized that it was urgently necessary to protect American agricultural and industrial interests from ruin by increasing the tariff. The tariff was increased at that time and it was done with the assistance of a great many Democrats.

While devastation has been infinitely greater in this war than in the last, and while it may take a longer period before the flood begins, the basic situation is identical. There will be a tremendous world demand for American manufactured products following the war, and foreign nations will be under the necessity of selling in this market anything they can produce at any price they can get. Thus, with tariffs at the same or lower levels than the ones which proved to be so inadequate after the last war, there are present the makings of a repetition of this unfortunate experience which occurred a few years after the last war. If this is even a likelihood, caution should be exercised in granting the authority at this time to lower duties below the levels of the Underwood law. This is particularly true of agricultural production which has been so tremendously expanded throughout the world during the war.

The committee for agriculture of the United States Chamber of Commerce, in Report 18 of the two hundred and seventeenth board meeting in May 1945, shows that the possibility of maintaining a large volume of agricultural exports after the war is not very promising. There has been a large increase in production of major agricultural products abroad, and in the so-called backward agricultural countries there has also been substantial increase in production for home consumption and for export.

United States exports of agricultural commodities will have to compete with this overexpanded production throughout the world.

The committee in its report stresses the importance of the American market for the American farmer, and shows that this market is being jeopardized by the lowering of duties on competitive imports of agricultural products. Not only are domestic products being displaced by imports, but the domestic price structure of agricultural products will be governed in a large measure by the price at which imports are available. A quotation from this report is as follows:

> If the farmers of America are to have a standard of living equal to our industrial workers, who are protected by wage-and-hour laws and other legislation; they must be protected in the American market and they must have every opportunity to find new uses for their products. One of these new uses is the production of synthetic rubber made from alcohol made from grain.

According to studies made by the Tariff Commission, 74 percent of all dutiable imports of agricultural products are now subject to duties that have been reduced by trade agreements. This compares with only 55 percent of dutiable imports of nonagricultural imports and shows that a much higher percentage of agricultural products has been affected by reduced duties than the products of industry.

A further analysis of the Tariff Commission study of the effect of the trade-agreements program shows that for all agricultural products there has been an average reduction of existing duties of 44 percent. For industrial products, the duty has been reduced from 10 to the full 50 percent allowed under the law; but the average reduction for all is 44 percent. This means that, on the average, the authority of the original act has been almost used up and that the additional authority requested under the proposed act will in the course of time make substantial further reductions under this level.

Of the more important agricultural products, the duties have been reduced by the following percentages:

Product:	Percentage reduction
Sugar	50
Wool, not finer than 40's	46
Wool, in the grease	46
Cattle, less than 200 pounds	40
Cattle, 200–700 pounds each	40
Cattle, over 700 pounds	50
Tobacco leaf for cigar wrappers	34
Beef, including corned beef, canned	50
Flaxseed	50
Cigar-filler tobacco	50
Long-staple cotton	50
Oats	50
Tomatoes	50
Casein	50
Alfalfa seed	50
Cheddar cheese	40
Dairy cows, 700 pounds or over	50
Grapes	50
Tonka beans	50

Mr. Clayton states that they have used up about 90 percent of their bargaining power, and therefore must ask for more. This 90 percent represents largely the reductions on noncompetitive articles or the taking off of the excess protection. To go further at this point would mean that they would have to cut into the competitive list of products for the first time or to cut under the minimum that is necessary for adequate protection. This is the real significance of the additional 50-percent authority.

If Mr. Clayton agrees that the rest of the world will largely be busily engaged with problems of reconstruction and development and restocking of goods and will not possess surpluses in any considerable volume out of which exports to the United States can be made, then why the urgency of the additional 50-percent cut at this time?

TRADE AGREEMENTS PROGRAM HAS IGNORED ALL OF THE PRINCIPLES OF RECIPROCITY LAID DOWN BY THE GREAT STATESMEN OF THIS NATION PRIOR TO THE LAST DECADE

In order to confuse and mislead the public, the statement is constantly made that the great statesmen of earlier years, including such distinguished men as President McKinley and congressional leaders such as Dingley and Payne were proponents of reciprocal trade agreements, and it is argued that the present Trade Agreements Act is an attempt to carry out the policies which they advocated. Nothing could be further from the truth. The present trade agreements are not reciprocal in any important respects. The great leaders of this Nation who helped to build our country up to the highest levels of prosperity, believed that when the United States had important surpluses of farm products or other raw materials or manufactured articles, and when we desired to export these commodities, it would be sound policy to negotiate a truly reciprocal trade agreement with one or more foreign countries which needed the articles which we produced in surplus, and we in turn made equivalent concessions to them in the case of surpluses which they produced and which we either did not produce or produced in less than the quantities needed in the United States. These were truly reciprocal. In the first place, we always negotiated with the principal foreign supplier. We did not make a concession to a minor supplier and then extend all the benefits to all other countries without some concessions from them. Furthermore, in such agreements as were successfully negotiated—that is, the truly reciprocal trade agreements, illustrated by the treaty with Cuba, for instance—the concessions made by us were not extended to other countries and the concessions which we received from them were not extended to other countries.

The present program of trade agreements is therefore not reciprocal in any respect. When we make a concession in any case we immediately extend that concession to all other countries unless they are specifically discriminating against our foreign trade and we get no consessions from them in return. Furthermore, if a foreign country grants us a concession in a trade agreement, it very often immediately makes the same concessions to all other countries, so that we fail to get the real benefit of the program. The whole program is therefore one of attempting to bring about general tariff revision by the State Department without reference to Congress, and is merely a scheme cloaked under the false definition of reciprocity.

THE TARIFF AS A SOURCE OF REVENUE

During the last year very comprehensive studies have been made, all of which show that practically every foreign nation is largely dependent upon customs

duties or tariffs as the most important or one of the most important sources of revenue for some 60 different countries covered by these investigations. Out of about $20,000,000,000 of revenue collected by these countries from all sources, something like four or five billion dollars came from customs duties or tariffs. That is the reason why foreign countries have not lowered their tariffs in return for concessions granted by us. And they cannot abandon this important source of revenue. The result is that most of their concessions to us consist of either agreeing not to advance tariffs any higher or similar devices.

When most foreign countries find it necessary to regulate their foreign trade, they resort to all sorts of exchange control, currency devaluation, inflationary measures, quotas, or other control devices. In other words, to them tariffs are largely a source of revenue and trade regulation is carried on along other lines. These are matters which will have to be worked out in commercial treaties dealing with unfair methods of competition, foreign discriminations, subsidies, dumping, and related subjects. They are not properly the subject of reciprocal trade agreements.

When we turn to the experience of the United States, we see that these studies show that during the first 75 years of our national existence customs duties provided substantially 90 percent of the total revenue of our own National Government, and during the 50-year period from 1860–1910 customs duties provided or averaged about one-half of all revenue collected by the National Government.

Although rates of duty during the past 25 years, from 1920 to 1945, have been no higher, and generally have been lower than during the 100 years preceding, the volume of imports has steadily increased, not only in proportion to population but so much faster than population that the amount of revenue collected through tariffs by our own National Government averaged about $600,000,000 annually during the 5 years from 1926 to 1930.

In contrast it is important to add that during the recent 5 years under reciprocal trade agreements, revenue from customs duties fell to only slightly more than $300,000,000 by 1939, and have been only slightly above $300,000,000 during the last 5 years of the trade-agreements program.

Thus, under the present scheme of things, there is an attempt not only to upset the revenue policies of practically all important nations of the world but to sacrifice as much as two hundred to three hundred million dollars annually in revenue for our own National Government, just at a time when one of the greatest problems confronting us is to secure revenue required to carry on our own governmental work.

THE FOREIGN TRADE OF THE UNITED STATES INCREASES WITH NATIONAL PROSPERITY AND DECREASES WITH INTERNATIONAL DEPRESSION—OUR SHARE OF WORLD TRADE HAS BEEN LESS UNDER THE TRADE-AGREEMENTS PROGRAM

Without presenting an elaborate exhibit of statistical tables, all of which are available in the Government records, it is well known that the United States has regularly furnished the largest possible market for imports from all over the world during our periods of greatest prosperity, without regard to the rates of duty imposed by tariff acts. During the years before World War I—1911–13—the United States, with less than 6 percent of the world's population, accounted for 8.4 percent of the imports into all importing countries. Thus, on a per capita basis, the United States stood out as one of the great importing nations of the world. After World War I, the Fordney-McCumber Act was passed, increasing many rates of duty above the level of the Underwood Act. It was in full operation during the prosperous period of 1926–30. Yet, during that 5-year period the United States accounted for 12.2 percent of all imports into all nations. In other words, on a per capita basis, the United States had imports twice as high as the average for all importing countries.

At the depth of the recent world-wide depression, in 1934, we were back down to the level of the base period 1911–13—the United States accounted for 8.3 percent of all imports into all countries. But perhaps the more significant fact is that by 1938, after 5 years of reciprocal trade agreements, our percentage of world imports stood at 8.2 percent in terms of dollar value, which was lower than over a long period of years. The trade-agreements program had failed utterly to solve the problem of building up foreign trade for this country, and it had likewise failed to build foreign trade throughout the world. Thus, while total imports into all countries of the world averaged more than $33,000,000,000 during the era of prosperity between 1926 and 1930, world imports in 1938 were considerably less than fifteen billion, or less than one-half what they had been at the earlier period. The real moral of all of this is that we should do those things which will build up domestic prosperity if we would build up world prosperity and if we would build up world trade.

There are those who sneer at these figures, and say that the United States should have a very much larger proportion of world trade. The reason why these percentages do not appear higher is that, in the case of Great Britain and other European nations which have vast colonial empires, they include all trade between the home country and the dominions and colonies under the general classification of foreign trade. Fully one-half and in many cases more than one-half of the so-called foreign trade of European nations consists of trade between the mother country, and her dominions, colonies, possessions, and so forth.

Furthermore, Europe, which before the present World War consisted of 24 separate and distinct nations, regularly accounted for considerably more than 50 percent of the foreign trade of the world, even though Europe had considerably less than 25 percent of the world's population. But the reason for this was that more than half of the trade of Europe consisted of interstate shipments between local units of government, all of which was called foreign trade. This not only included purchases of hams, bacons, and other meat, dairy and poultry products, and vegetables by Great Britain from Holland and Denmark, but even included the so-called imports of these same items by England from Ireland. All of this traffic in the United States would be listed as interstate traffic. When these items are properly segregated, it may be said that the United States was in fact the greatest trading country of the world during the period of prosperity under the Fordney-McCumber Act.

(At this point in Mr. BUTLER's speech the Senate took a short recess, during which the Members of the Senate were presented to Gen. Mark W. Clark, United States Army.)

Mr. BUTLER. Mr. President, just before the recess, during which we all very much enjoyed the opportunity to meet so distinguished and honored a visitor as General Clark, I was speaking of the importance of the percentage that America has of foreign trade, and how we in the United States furnish the greatest outlet, the greatest market for all the other countries of the world. In order to tie in my ideas as to the importance of our domestic trade in the world economy I want to recite for a few minutes the story of an industry in Nebraska which is comparatively new. It is a product of the war, and I believe that it is a most practical illustration of the importance of the building up of our domestic trade, and that by so doing we become the greatest customer for the other countries of the world, and will be a good neighbor to them as well.

In Omaha, Nebr., my home town, there is a grain alcohol plant which was built with Government funds, but is operated by a private company formed by a group of very public-spirited citizens. This plant produces each day more than 80,000 gallons of ethyl alcohol, which is used in making vitally needed synthetic rubber and other top priority war materials.

I think Senators all noticed the statement in the press this morning that the great nation, Russia, has renewed its request for shipments from us of alcohol. I may say that the output of this plant at Omaha, totaling from five to six tank carloads a day, for a long time went exclusively to the Russian Government. At a certain stage the output was shipped elsewhere in our own country for the manufacture of various synthetic products. It appears that in the development of today Russia again needs shipments of alcohol from this country.

To accomplish the output of 80,000 gallons a day this plant extracts starch from 30,000 bushels of grain each day. The starch is converted into alcohol. A number of the byproducts are not being saved. In the course of developments we hope in the near future to save even the carbon dioxide, which now passes off as a waste into the air. From that carbon dioxide we can manufacture enough dry

ice to serve the entire central part of the United States.

Much of the grain that is now being used in the plant, in fact, nearly all of it, is high-moisture corn or otherwise damaged grain, which originates mostly from the farms in Nebraska, Iowa, and adjoining States, and which might spoil if stored and carried over into the heat of the summer.

But this plant does not use corn alone. Last fall, when Texas and Oklahoma and the other States in the southwestern area, had produced such a tremendous crop of sorghum grain, there seemed at first to be no way to handle their crops. Much of the sorghum crop was high in moisture content and storage was impossible. Prices on sorghum grains dropped more than 50 percent in a few weeks. Naturally, prices of other grains sagged proportionately. This price drop was wicked punishment for the farmers who were doing everything possible to feed millions of people and to help win the war.

As soon as the officials of the Omaha alcohol plant became cognizant of the facts, laboratory tests were made to determine if these sorghum grains could be used in making alcohol. The results of these tests proved that this was eminently practicable.

Immediately arrangements were made to ship trainload after trainload of these surplus grains to Omaha. Several other similar alcohol-producing plants did the same thing to save this spoiling grain.

A number of carloads of these sorghum grains arrived in Omaha in such spoiled condition that the grain had to be removed from the cars with pick and shovel. It was much like mining coal. But these sorghums made alcohol, which was desperately needed by industry for war production. And their use, of course, immediately advanced the price of sorghums so that farmers in Texas, Oklahoma, as well as those in Nebraska and adjoining States were paid a fair return for their efforts. The price-depressing effect that the sorghum grain surplus had had on other grains was removed, and grain prices generally advanced to their proper relationships.

I could cite other specific instances to show how effectively these alcohol plants fit into the agricultural price structure and into the American industrial picture of today, and as I hope they will tomorrow. For example, in the great wheat-producing areas it is a frequent thing for rust infection to change in a few hours a prospective high quality wheat crop into a poor quality wheat crop. Damaged offgrade wheat is not very satisfactory for milling purposes, but it works well in manufacturing alcohol. The Omaha plant has used great quantities of low-grade wheat from the fields of neighboring States, including the Pacific Northwest, and even from Canada.

I mention this Omaha plant and its operation both because I am proud that it is in my State and because it is illustrative of a larger opportunity which lies before America. That is the opportunity to look forward toward the coming years and to develop here a greater use in industry of American farm products, notably our great grain crops, which have caused us so much grief through the years because of overproduction, underconsumption, or restricted production, or failure both to produce properly and to consume adequately.

Of course, I am not the first to call for development of an over-all national agricultural policy which will include the full utilization, industrially, of American grains in American factories, but I do believe that now this suggestion is more timely than it ever has been before due to the lessons we have learned in the grim heat of war.

We know now that even with all America on a full and complete diet, plus a sizable legitimate export business, we will still have to find new uses for the products of at least 30,000,000 acres of good agricultural land in the postwar period. By new uses, I mean uses that did not exist at the time our country entered World War II. I emphasize these new uses because our farm production has increased almost miraculously during the past 4 war years, and at the same time that the farmers were increasing yields and production the scientists were finding new uses for agricultural products and industry was putting these uses into practical operation.

This is the traditional way in which America has progressed since our great country was born, and it is the road we must travel if we are to continue to set an example for the peoples of other nations and for our children. Agriculture needs research, as does industry and labor, and as each of these vital groups need each other.

Equally important for the national welfare, these groups must see to it that the new uses which have been found for agricultural products are continued and further expanded in the post-war period. Never again should our country be caught without rubber or a source of supply. Despite our admiration for our allies, the British and the Dutch, who controlled the prewar natural rubber supply and market, they were helpless at the time we most needed rubber.

No matter what Secretary of Commerce Henry A. Wallace and visionaries of his complexion in Government say, we must insist that the synthetic rubber manufacturing plants in this Nation have saved the day for us in this war, and that they should be kept in operation, and not wiped off as having been expended when the war is over. I refer especially to grain alcohol plants. Further, we must see to it that every possible kind of research is carried out to determine whether or not it is possible for these plants to be operated wholly from American grains, grown by American farmers, and efficiently enough to compete favorably with natural rubber from other areas of the world.

At the same time, we must be realists as to the possibility—in the distant future—of our oil supplies eventually drying up.

Where, then, will our liquid fuel supply originate? For a few more years, we might find relief in the oil supplies of South America, Iran, and elsewhere. But here again, should we rely solely on these foreign sources and risk the delay of developing our own fuel supply?

Certainly not, when we have the nucleus of industrial plants around which further to produce, develop, refine, and experiment with one of the most perfect-burning fuels known to man—ethyl alcohol, a product obtainable from many agricultural crops.

In the manufacture of industrial alcohol in the Omaha plant, only the starch in the grain is used. This starch is the material that vegetation makes by taking carbon-dioxide gas out of the air and uniting it with water and heat energy from the sun. The other parts of the grain, mostly protein, come largely from the soil. These products are saved in the making of alcohol, and can be used as feed for poultry and livestock.

By feeding the protein byproducts to livestock and poultry, much of the initial soil energy can be returned to the soil. Thus, the manufacture of alcohol from farm crops does not exhaust our most precious resource—the land.

Indeed from the over-all, long-time national viewpoint, it is much more economical to make and use alcohol for power and fuel than to rely exclusively on our limited and diminishing resources of oil. By so doing, we can easily solve that part of our agricultural problem that has to do with surpluses.

The American farmer, with his highly mechanized equipment, is one of the Nation's biggest oil users, and potentially he can be the Nation's biggest ethyl alcohol user. Some years back he produced his own power by growing feed for horses. Just because Old Dobbin has given way to a tractor, is there any reason why the American farmer should not produce his own power supply? In this way the farmer helps to solve his own surplus problem.

Some people still think that dumping surpluses in foreign markets is the way for the future, while others cling to the idea of requiring farmers to reduce their production. Instead of destroying our good-neighbor relationships by dumping surpluses in foreign markets, or by subsidy, paying foreign nations to use our surpluses, or trying to regulate production in our country precisely in line with estimates of our future needs, we should look forward toward full production of agricultural products in line with good soil-management practices. To do this, we should have a national policy calling for full use of agricultural raw materials in our industrial plants. This will aid in achieving maximum employment of labor. It will result in a well-rounded and complete national diet, and a square deal for the tillers of the soil. Thus far, our farmers have not been treated fairly. Now, as we look to postwar farming when the farm boy comes back from the battle fronts to take over Dad's well-worn shoes, we have the knowledge to give the farmers justice and income equality.

We need a national agricultural policy, planned by Congress on a long-range basis We must plan now so that our farmers, who have done so much in war

and in peace, can look with calmer faith toward a future in a great expanding America. Two billion dollars is a lot of money, and no doubt it is necessary to maintain parity in the postwar years, as we have provided, but it is not a solution of the farm problem. It is merely an expensive stopgap.

We must declare it as a national policy to produce fully, so as to consume properly. We must round out our farm program with positive legislation to assure industrial use of future surplus farm products. In only 3 years out of the past 24 have farm prices been above parity, and those 3 years were 1942, 1943, and 1944, war years, when the farmer could not buy what he needed or wanted, no matter how good his prices or how great his efforts.

I hope and believe that the Senate will soon consider legislation making possible the formation of an adequate national agricultural policy that will be carried out faithfully. I stand ready to join with others of both political parties to sponsor legislation which will emphasize the need for, and point the way to, an expanding use of agricultural raw materials by industry. Such a program, I am sure, will be of tremendous benefit to our entire Nation, and, ultimately, to all the nations of the world. Such a program is closely related to the subject under discussion here today—whether we shall discourage domestic production and domestic industry by a further reduction of tariffs that have been helpful in building here the greatest and best-governed Nation in the world.

Mr. President, immediately following my remarks I should like to have inserted in the body of the RECORD a speech delivered by Wheeler McMillen, editor in chief of the Farm Journal, before the New York Economic Club, on May 23, 1945, dealing with the subject which we have had under discussion.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

RECIPROCAL TRADE TREATIES

Since the reciprocal trade treaty program was instituted in 1934 the duties on 1,225 items have been reduced. A considerable number of items have been bound on the free list. Not one single item has experienced an increase of duty.

Now demanded is not merely renewal of Executive authority to continue the program, but the right to reduce duties by 50 percent below those reductions which already have been made.

No doubt can exist, therefore, about the intent of the proponents of these treaties. Their purpose is to reduce, to reduce again, and if possible to destroy whatever protection the tariff affords to the markets of American farmers, to the jobs of American workers, and to the ability of American business to serve the American people. On the evidence of their acts, and not merely of their words, their objective is that illusive international dream land, the state of free trade among nations.

In behalf of these treaties more than one naive sophism has been advanced. Once they were earnestly recommended to the American people as a preventive of war. Now, with supreme contempt for the intervening history, they are soberly advocated as a preventive of future wars.

Among the other ills which the treaties promised to moderate was unemployment. Six years after the act was passed, and after a dozen other employment nostrums had been tried, until war made a temporary abundance of jobs, unemployment was as prevalent as before. Their contribution to the creation of new jobs during that period was imperceptible if, indeed, they did not decrease employment.

The framing of the first legislation in authorization of the trade agreements was accompanied by a regrettable note of dishonesty. Although not distinguishable from commercial treaties among nations, they are called agreements. This term was written into the legislation for a single purpose, a purpose which I believe no defender of the treaties will attempt to deny. That purpose was to evade any review of their provisions by the congressional representatives of the people. It was to confine all authority with reference to them at the executive department of the Government. If the treaty procedure, therefore, smells a bit with the odor of totalitarianism, those who established the procedure chose the aroma.

A prodigality of propaganda has sought to blind the American people to any doubts about the immaculate virtue of the treaty program. So overwhelming has been this propaganda, so lovingly has every line and syllable been anointed with the unctions of idealism, that whoever remains unconverted can expect to be regarded as one reeking with reaction, as the personification of sordid selfishness, unregenerate with isolationism and steeped in original sin.

The public funds of the nation and the powerful propaganda machinery of Government have enlisted to perfume the treaty program with this fragrant atmosphere of idealism. So effective has been the appeal to unselfishness that philanthropic generosity from many sources has surged forward to contribute money to further the propaganda. Among these sources are such pious idealists as the exporters and importers, the export manufacturers, the marine and shipping corporations, and international bankers. Remarkable as the fact may be, even certain of the foreign industrial and agricultural competitors of the United States have been induced to support the abolition of our tariff duties.

This is a timely moment to review a program for which so much factitious fervor has been aroused. The question comes up at an hour when we face a future filled with unknown and unpredictable quantities. For nearly 6 years the violent forces loosed in a devastating, consuming war have altered the economic conditions of the earth. Allusions to whatever effects may be alleged, pro or con, to have resulted from the trade treaties in the 1930's can have little weight in this discussion tonight. The world's face has changed. One could hardly say with accuracy that the world's face has been lifted; rather it has been bashed in.

This is now a world that has spent most of its savings, destroyed large portions of its capital wealth, and which has profoundly distorted the former relationships among nations. This is now a world in which ancient hatreds have been intensified and new hatreds have flamed into evil existence. We shall hereafter be dealing with nations and peoples who will be striving desperately to recoup their damaged fortunes, to restore their former well-being, to assure their future safety from aggression, and to realize whatever they may of the shining hopes that have been held out to them as promises of the postwar era. Here in the United States we shall be obliged to repair the ravages wrought upon our own economy first by political recklessness and then by war.

Nevertheless we are profoundly and sincerely anxious to help the less fortunate peoples of the earth. Genuine, effective help to others by the United States can be justified on the ground of enlightened selfishness no less than in the cause of humanitarian decency.

As Americans, we crave for every nation the highest possible standard of living that its people can earn. We oppose the exploitation of those who are economically or politically weak. The United States can derive no advantage, either in prosperity or security, because of poverty anywhere else in the world. Prosperity, anywhere in the world is a buttress to prosperity and security everywhere in the world.

According to the precepts taught by the advocates of free trade and parroted by the proponents of the reciprocal trade treaties, mutual international prosperity can be advanced by providing unobstructed access to world markets for those commodities which each nation most readily produces because of natural advantages or developed skills.

If this premise were true, and if it were supported by the evidence of fact, a simple and desirable formula for world welfare would be in our possession. Unfortunately, it is not true; the fundamental error of their own basic theory deludes its advocates.

Building upon the sands of this false premise, the advocates of free trade are certain that the United States can strengthen other countries by constant reduction and eventual abolition of American tariffs and thereby admitting into this, the richest of all national markets, an unrestricted volume of competitive production from the rest of the world.

With no consideration for the moment as to the effect of such policies upon the fortunes of the American people, let us examine their actual effects upon those abroad whom we would like to help to achieve higher standards of living.

Under the Smoot-Hawley Tariff Act of 1930, fully 65 percent of the imports of the United States entered on the free list, without payment of duty, and the free list has not been decreased since that time. It stood at about that figure; also, during the previous decade. Thus for a quarter of a century the United States has admitted approximately two-thirds of its imports without duty. This record certainly affords a substantial basis of experience for estimating the effect of free trade upon the people in other lands who have produced those goods which we have bought freely and in abundance.

Among the products which we bought from abroad was rubber. We are the world's largest consumers. How much did free access to the American market improve the standard of living of the rubber producers in the East Indies? Their wages are variously reported at from 10 to 20 cents a day. Have they in return been able to buy automobiles or tires or even raincoats? Have they been able to exchange their labor for radios and refrigerators or even for the small comforts and conveniences which abound in our stores? Has free access to the American market benefited the people of the East Indies, or has it exploited those people to provide Americans with cheap rubber? Has it, in fact, diverted them from developing production of other goods which they need for themselves?

From the same region the United States has imported annually from three to four hundred million pounds of tropical starches, mostly free of duty. Have those transactions enriched the farmers of the East Indies? Or have they rather served to reduce the opportunities of American farmers?

Free of duty from South American countries we have imported large quantities of

coffee. In addition we have imported, from there and other tropical areas, huge quantities of vegetable oils. Is there evidence that we have thereby built up the standards of living for the producers of those commodities? One answer may be found in the recent statement by a Brazilian economist. He speaks of a country vaster in extent than continental United States, older in discovery, and not inferior in natural resources. The average standard of living in Brazil, he declared, is below that of India and China, where the standard is so notoriously low that an increase of eighteenfold would hardly bring it to the American level.

Have the jute farmers of India overcome their poverty by access to world markets? Have the fellahin of Egypt reveled in prosperity from sending their cotton into the international channels of trade? What benefits are enjoyed by the laborers in the tin mines of Bolivia? Did free access to the American market create either prosperity or peace for the silk workers of Japan?

What is the matter with this picture? According to the principles of free-trade advocates the producers of rubber, of tropical starches, of torrid zone vegetable oils, of coffee and tin and jute and silk ought to be prosperous. They ought not to labor for the world's lowest standards of living.

Before answering that question, it is pertinent to ask another. What are the two most constant problem crops in American agriculture? One is cotton, and the other is wheat. Both depend for a large part of their market upon world demand and foreign ability to buy. Farmers of the United States have relatively little difficulty in finding profitable markets for the poultry and dairy products, the meats and fruits and vegetables which they sell within the United States.

The fact is that the advocates of free trade overlook an important economic law to which the textbooks have given all too little attention. This is the law which seems to condemn to a condition of disadvantage nearly every large group of people who labor as original producers of an abundant raw material which must find its markets through world trade. The people who are forced to concentrate upon such production become the ready victim of exploitation by the ruthless forces of world competition. They are never far from the verge of an economic slavery which they can escape only by developing alternative products and new sources of earning power. The more they concentrate upon their specialty, the more narrow becomes their dependence and the more certain their poverty.

It must be emphasized that production has two functions. One is to create goods; the other is to create purchasing power. Production that does not earn buying power does not fulfill its human purpose.

Here in the United States the American people have built their unprecedentedly high standard of living over a century and a half by achieving a remarkable diversity of production. That diversity promoted where desirable by a fairly continuous policy of protection from excessive foreign competition, has, under freedom, enabled Americans to develop an unequalled variety of sources of earning power. Our national prosperity is not dependent upon a few limited species of economic activity. With so great a variety of means to earn, Americans are in consequence able to buy an overwhelming proportion of the goods produced within the United States. The fact that always more than nine-tenths and sometimes as much as 95 percent of our business is done among our own people, and that so little of it is subjected to the vagaries of world trade, has enabled our people to sustain and steadily to increase their high standard of living.

The prosperity which has resulted from the long American protective policy has enabled Americans to become the world's largest consumers of imported materials and therefore the world's best customers for the products of other lands. Domestic prosperity is the most powerful stimulant of foreign trade. In periods of highest prosperity we import the largest volume of the raw materials which we do not produce, and import the largest quantities of the luxury goods which we can then afford to add to our standard of living. That higher volume of international trade is not the cause but the product of prosperity at home.

A correct system of protective tariffs is a fertilizer for international trade and not, as the propagandists would force us to believe, a barrier. Such a system has enabled Americans to build up the production of the enormous variety of things Americans have wanted. That production has earned them the means to buy other commodities from elsewhere. That system has created diversification and abundance of earning power. We have not limited ourselves to a paucity of means to live, nor restricted ourselves to a few limited varieties of economic activity. Our farmers are not confined to the cotton and wheat and corn fields, but have a hundred other profitable activities. Our workers are not confined to the automotive, business machine, and other industries in which our efficiency may be exceptional. They have a tremendous choice of jobs. Does anyone really want to reduce that choice by limiting American production to a few specialties for world markets with less purchasing power than ours?

The American people are quite generally agreed that their best service to the rest of the world may be to help other populations to help themselves.

That service will not be performed merely by opening our markets to the unrestricted delivery of their products. Such a course would only intensify the exploitation of other peoples to augment our supplies of cheap raw materials and cheap luxury goods. It would only narrow the fields of economic opportunity which they might create for themselves.

A far wiser and far more effective way to help less fortunate peoples to help themselves will be to aid them to produce for themselves the things they need for themselves. That course will be far more enlightened than to reduce their opportunities by exploiting their labor to produce for us the things that we have reasons to need to produce for ourselves.

Neither does it follow that a protective system which has yielded high returns for the United States can be exactly suited to the needs of any other country; nor, certainly, should a great nation like ours, with a large natural capacity for self-containment, be influenced to imitate a policy developed for a small have-not nation, such as England. Free trade, with all its accompaniment of exploitation, may be necessary for a country which can produce neither most of its food nor of its raw materials. In the United States we can produce most of both. We do not need to exploit the cheap human labor of distant lands. On the contrary, our most selfish interest, as well as our most generous good will, will be served if we aid such people to produce for themselves the goods they most need for themselves.

If trade treaties are to be reciprocal, and if they are to create this so-called free trade, the United States must demand that other countries reduce their duties in return for reductions by us. Most of the nations of the world depend upon customs duties for a far higher percentage of their national revenues than does the United States. Whereas the customs provide only about 9 percent of the income of our Government, Brazil, for instance, derives 48 percent of her revenue from customs. Every other Latin-American nation counts upon customs for more than 25 percent of national taxes—ranging up to 88 percent in Guatemala. Sweden and China look to customs for more than half their revenues, and India for nearly 70 percent. The United States may perform a doubtful kindness when it exerts its power of negotiation to upset the already delicate fiscal systems of less secure nations.

Thus far I have indicated that what is called freedom of trade tends to the exploitation of workers and producers in less diversified areas; that it restricts rather than improves the range of their economic opportunities; that it tends to bind them to enterprises of doubtful advantage; that it tends to deprive them of the power to develop diversified sources of earning power; that it puts them at the mercy of conditions beyond their control in world markets and keeps them in the power of their customers.

I do not believe that Americans wish to encourage the exploitation of any foreign people. I refuse to believe that Americans desire to become parties to an ill-conceived program which can only lead to the further pauperization of other nations. I do not believe that the genuine idealists of free trade themselves, if they truly understand the pernicious effects of their doctrine, would continue to be its advocates.

Never yet has it been possible to produce all the goods of all kinds for which human desires exist. There is no limit to the potentials of human consumption except purchasing power. In turn, the only limit upon purchasing power is earning power—the power to produce exchangeable goods.

The policy in every nation, therefore, ought to be to nurture and nourish, to stimulate and expand the capacity of the people to earn. How to maintain such a policy will shortly become the major concern here in our own country.

Let us suppose, for one moment, that the United States succumbed after the war to the extremists in this passing frenzy of internationalism. Let us suppose that we decided to adopt this porous doctrine of free trade, and accepted the theory that we could prosper best by purchasing everything from wherever it might be obtainable most cheaply. After the war nearly every product Americans use might conceivably be offered somewhere, by nations eager for exports, at a price below the level required for profitable production here. What, then, would be the consequence? What could it be except the rapid destruction of American earning power?

The illustration may be fantastic, but the principle is not. The preservation and increase of American economic strength is a first duty of Americans. The United States cannot hope to be a power for peace and stability in a turbulent world, and cannot expect to exert moral force for human good, and at the same time permit ourselves to abandon any kind of production that will improve our national strength. Only the United States will help the United States.

By 1940 our country had not yet emerged from the long depression. Since then the debt, destruction, and distortions of war have been superimposed upon the effects of the depression. We are in no position blithely to assume the costs of vast new theoretical experiments.

The motorcar industry is admired as a triumph of American efficiency. No other country makes so much car for so little money. The free trade theorist therefore reasons that we should export more automobiles, and should reduce tariffs of some less

efficient industry in order to import something to pay for the exported cars.

It so happens that in 1939 the automobile wage earners and the cotton-textile industry's wage earners were approximately equal in number. The value of the output of the automobile worker was three and one-half times the value of the cotton-mill worker's output. Therefore it might seem logical to trade our efficiently made motor cars for cotton products from abroad, especially since several foreign countries have textiles to offer.

Simple arithmetic reveals what the effect would be. To create one job at making motorcars for export we should have to import enough textiles to displace three and one-half cotton workers. Is that the kind of business that will pay our public debt and maintain America strong?

Incidentally, a British mission this year reported to Lancashire that British spinners produce 18 to 49 percent less per man-hour than Americans, and British weavers 56 to 67 percent less. Our textile industry is not so inefficient.

The production of sugar beets in this country has long been scorned by the free traders as an uneconomic business. In any sugar-beet area of the United States an automobile will normally be found for every 4 or 5 persons. In Cuba there is 1 automobile for every 175 people. Which looks like the better way to build an automobile market, to buy some sugar from American beet farmers or to buy all of it from Cuban plantations where the actual workers buy no automobiles at all?

Moreover, when Detroit sells an automobile to an American citizen someone else sells a garage, a highway, a hot-dog stand, tire replacements, gasoline and oil, hotel rooms, and a whole train of goods and services. When an automobile is sold overseas only an automobile is sold.

Does someone complain that every American consumer has to help buy; the sugar-beet farmer's car? That could be. Assuming that the full amount of tariff is reflected in every pound of sugar, the duty adds up to about $1 per person. That kind of a dollar is job insurance for the automobile employee and for many another American worker. With the kind of employment problem that may roll up in a few years, the needless importation of goods Americans can produce will be recognized for what is it—the export of jobs. How many jobs can we afford to export?

Nor for many years will the United States again dare to permit itself to be unprepared for war, for our preparedness will be assurance of peace. We know now that preparedness includes almost everything. Yet we see rising a new breed of isolationists who are willing to see their country isolated from sources of essential supplies. The short-sighted failure to encourage our synthetic-rubber industry years ago has left us in 1941 isolated from rubber. Thanks to a wise protective tariff enacted in the early twenties, we were not also isolated from the indispensable chemicals from which we were cut off once before. The tariff-protected American chemical industry has performed an immeasurable share in the job of saving civilization.

The national defense demands that there shall be produced, in some quantity and at some cost, somewhere within continental United States, every possible essential item for military needs and for maintenance of the civilian economy during war.

The appeal is raised that unless we are willing to cut another 50 percent from our present tariff rates we shall not be able to keep the friendship of other nations. Is it possible that a great nation like ours is going to be dependent upon so small an umbrella of appeasement as that?

The most immense of all the oversights of the free traders is their failure to understand the new American philosophy. For centuries men assumed that the world had only so much wealth, and that if one man or one nation were to obtain more he must take it from others. That was the predatory philosophy.

Here under freedom we have developed something so great and so new that most of the statesmen and economists have not yet discovered its existence. Ours is no longer a predatory philosophy, but a philosophy of production. Through science we learn to obey the laws of nature and to create out of the materials of the earth vast arrays of goods such as never existed before. This is new wealth which we take from no one. We make it out of the soil, out of the air and sea, and even out of the waste heaps of a more ignorant past.

In less than three-fourths of a century we have created 15 major new industries which account for a tremendous share of our employment, of our wealth, and of our standard of living. The rest of the world is welcome to take our tools of production to learn our skills, and to do the best it can to equal our standard of living. That is our best contribution to humanity, not our markets nor our jobs.

The reciprocal trade-treaty program is a narrow, old-fashioned, one-way, downgrade alley that can only lead America and the other participating countries direct to the economic slums.

I have tried here to lay before you a concept of the true seeds of prosperity and the soil in which they will grow, whether that soil is in our part of the earth, or far overseas. When we shall have helped the world's less fortunate peoples to produce for themselves the things they need, we shall then have helped them on the way to genuine and durable prosperity. Foreign trade is the fruit, not the seed, of prosperity. As they grow in welfare and well-being, as they build up their real earning powers, trade over the face of the earth will flourish as never before, discord will decline, and the productive ideals of American freedom will everywhere be called blessed.

VISIT TO THE SENATE OF GEN. MARK W. CLARK, UNITED STATES ARMY

During the delivery of Mr. BUTLER'S speech,

Mr. BARKLEY. Mr. President, will the Senator from Nebraska yield?

Mr. BUTLER. I yield.

Mr. BARKLEY. I am sure that all Members of the Senate would be happy to take advantage of an opportunity to greet one of our great commanders in the European theater of war. The whole American Nation is proud of the accomplishments of the commanding officers of our armed forces, and proud of the team work they have accomplished in the winning of the war on the European side of the Atlantic.

We have with us today one of our outstanding commanders, a man who performed a great preliminary feat before the landing of our troops in north Africa, who has been in command of our troops in that theater, in Sicily, and finally in Italy, who was in command of the American Army in Italy at the time of the surrender of the German forces.

I ask unanimous consent that the Senate may stand in recess for 10 minutes in order that the Members of the Senate may greet Gen. Mark W. Clark, who is now our guest.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Thereupon (at 2 o'clock and 15 minutes p. m.) the Senate took a recess for 10 minutes.

During the recess, Gen. Mark W. Clark, United States Army, was escorted by the Secretary of the Senate (Leslie L. Biffle) to a place in the well of the Senate, amid great applause from the floor and the galleries.

Mr. BARKLEY personally presented the Members of the Senate to General Clark, after which he was escorted from the Chamber amid applause.

At the expiration of the recess the Senate reassembled, and Mr. TAYLOR resumed the Chair.

SALARIES AND WAGES OF FEDERAL EMPLOYEES

Mr. DOWNEY. Mr. President, the House has passed Senate bill 807, the Federal pay bill, with an amendment, and I ask unanimous consent that the Chair lay before the Senate the amendment of the House of Representatives.

There being no objection, the Presiding Officer laid before the Senate the amendment of the House of Representatives to the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes.

Mr. DOWNEY. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. DOWNEY, Mr. MCKELLAR, Mr. BYRD, Mr. LANGER, and Mr. AIKEN conferees on the part of the Senate.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. BARKLEY. Mr. President, it is obvious that we shall not be able to vote on the bill today. It had been my hope that we might vote on the pending committee amendment, but probably that is not possible. It is not contemplated that there shall be a session tomorrow. Therefore I desire to propound a unanimous-consent request.

I ask unanimous consent that, beginning with the session on Monday, and during the pendency of the committee amendment which is now before the Senate, no Senator shall speak more than once or longer than 15 minutes on the bill or the amendment, or any amend-

ment or substitute therefor. That means that when the pending committee amendment shall be disposed of, there will be no limitation of debate until another one is imposed. The limitation would apply only during the pendency of the pending committee amendment.

Mr. WHITE. Mr. President, this debate has continued for practically a week. I think it has been a very thorough discussion of what is involved. I believe that the request made by the Senator from Kentucky is altogether reasonable under the circumstances, and I hope that the Senate will agree to the arrangement which he suggests.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

Mr. HATCH. Mr. President, if I correctly understand the unanimous-consent request, a Senator, by speaking on both the amendment and the bill, if he should care to do so, would have a maximum of 30 minutes.

Mr. BARKLEY. That is true, while this amendment is pending. Of course, when it is disposed of, future arrangements will have to be made if a further limitation of debate is desired. But during the pendency of this amendment any Senator may speak for a total of 30 minutes on the bill and the amendment, if he so desires.

Mr. HATCH. I do not wish to object to the request; but on Tuesday, if the Senate is in session, as soon as I can obtain recognition from the Chair, I desire to present a matter which I am sure will not require longer than 30 minutes, so that even if the limitation of debate is still in effect, I am sure that 30 minutes will be ample time.

Mr. BARKLEY. I fervently hope that we may dispose of the entire bill by that time. If not, we can accommodate the Senator.

Mr. TAFT. Mr. President, did I correctly understand the Senator to say that there would not be a vote on the amendment this afternoon?

Mr. BARKLEY. That is correct.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. MAGNUSON. Mr. President, I have had compiled for me a statement regarding some of the benefits which have come to the State of Washington from reciprocal trade agreements. These agreements have been of great significance to my State and to the products raised or manufactured in it. I ask unanimous consent that the statement be printed in the body of the RECORD following my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

BENEFITS TO WASHINGTON FROM RECIPROCAL TRADE AGREEMENTS

SIGNIFICANCE OF FOREIGN TRADE TO WASHINGTON

Foreign trade is an important factor in the prosperity of Washington. After the First World War virtually all nations, including the United States, increased their barriers against imports. Excessive tariffs, quotas, and a variety of other devices impeded the flow of international commerce. These measures contributed to the break-down of international trade following 1929. Total United States exports between 1929 and 1933 declined from $5,241,000,000 to only $1,675,000,000 and total imports from $4,399,000,000 to $1,323,000,000.

Total exports reported as originating in Washington fell from $127,000,000 to $35,000,000 between 1929 and 1932. As the volume of exports from Washington, and from the United States as a whole, dropped, the demand for Washington products declined, thousands of wage earners lost their jobs, prices fell, and purchasing power throughout the State was reduced. The total income of individuals in Washington fell from $1,103,000,000 in 1929 to $597,000,000 in 1932, and cash farm income declined from $208,000,000 to $88,000,000 between the same 2 years.

Washington's economic development and prosperity are affected, both directly and indirectly, by foreign trade. It needs foreign markets for the products of its mines, its farms, its forests, and its factories. Washington producers also benefit when other sections of the country increase their sales abroad and provide better home markets for Washington products.

RECIPROCAL TRADE AGREEMENTS ACT

For the purpose of restoring our international trade, Congress passed the Trade Agreements Act which approved by the President on June 12, 1934. The act, originally established for a 3-year period, has been extended twice for additional 3-year periods: from June 12, 1937, and from June 12, 1940, and once for a 2-year period; from June 12, 1943.

EFFECTIVENESS OF THE TRADE-AGREEMENTS PROGRAM

Since the Trade Agreements Act was approved, 32 agreements (including supplementary agreements) have been negotiated with 28 countries. The progress made toward restoring international trade under the program before the present war changed the course and character of foreign trade gives evidence of its effectiveness. In the 2-year period 1938–39, when 16 trade agreements were in effect, United States exports to countries covered by these agreements averaged 63 percent greater than in 1934–35, when only 1 agreement was in effect for a year or more; exports to all other countries showed an increase of only 32 percent. While other factors contributed in producing these results, the concessions obtained from other countries in trade agreements on specified American products, and the provisions against discriminatory treatment of United States trade, played an important role. Washington shared in the increased trade.

War conditions so distorted both the character and the volume of our foreign trade that figures subsequent to those for 1939 would not be appropriate.

CONCESSIONS OBTAINED WHICH BENEFIT WASHINGTON

Fruits and vegetables, wheat and wheat flour, fishery products, and lumber and timber are examples of the important products of Washington for which expanded and more stable foreign markets have been obtained in trade agreements.

Washington is one of the leading producers of a variety of fruits and vegetables which enter foreign trade in large volume in either the fresh or processed form. Growers and processors of fruits and vegetables benefit from the concessions obtained in agreements with 26 countries for fruits and preparations and in agreement with 21 countries for vegetables and preparations. Of particular interest to Washington farmers and exporters are the concessions obtained in trade agreements with 21 countries for fresh apples and fresh pears, with 8 countries for dried apples and dried pears and with 18 countries for dried prunes. Thirteen countries reduced the rates of duty or granted other mitigations in tariff treatment on fresh apples and 8 countries bound existing moderate rates of duty or granted other mitigations in tariff treatment on fresh pears and 7 countries bound existing moderate rates against increase.

Among the important groups of concessions on these products are those obtained in the agreements with Canada and the United Kingdom. Canada lowered its duties and removed the 3-percent excise duty on a long list of fresh, canned, and dried fruits and vegetables, reduced the advanced valuations used in calculating regular and special duties, and reduced its in-season charges on fresh vegetables and fruits. The United Kingdom reduced or bound its duties on a wide range of vegetables and fruit products and provided in the agreement for freer access to British colonial markets.

Washington, ranking within the first 5 leading wheat-raising States and one of the largest flour-milling centers in the country, benefits from the concessions obtained in trade agreements facilitating the restoration and expansion of America's export trade in wheat and wheat flour. Concessions were obtained for wheat in agreements with 7 countries and for wheat flour in agreements with 12 countries. Five countries reduced the rates of duty or granted other mitigations in tariff treatment on wheat and 2 countries bound existing moderate duties against increase. On wheat flour, 4 countries reduced the duty and 8 countries gave assurances that existing duties would not be increased. The agreement with the United Kingdom removed the duty on wheat from the United States, thus removing the Empire tariff preference in favor of wheat from Canada and other British Empire sources. The agreement also provided parity of tariff treatment for American wheat with British Empire wheat in 5 British colonial markets.

Since Seattle is the outfitting and distributing center of the great salmon-canning industry of the Northwest, Washington's commercial fishermen, canners, and exporters of fishery products benefit from concessions obtained in agreements with 21 countries. Thirteen countries reduced the rates of duty or granted other mitigations in customs treatment on canned salmon and 12 countries reduced the duty or granted other improved customs treatment on sardines. A variety of other concessions were obtained on canned pilchards, on fresh, chilled, or frozen salmon, halibut, mackerel, oysters, shelled or in the shell, and on many other kinds of fish.

Washington's lumbermen and exporters and manufacturers of wooden articles benefit from expanded foreign markets resulting from concessions obtained in trade agreements with 17 countries. On boards, planks, and scantlings 11 countries reduced the rates of duty or granted other improved customs treatment and 5 countries bound existing duties against increase. On logs, hewn timber, and pilings, 4 countries reduced the rates of duty and 4 countries bound existing duties against increase. In addition, the agreement with the United Kingdom reduced the margin of Empire preference in 9 colonies and bound the existing moderate Empire preference, which is approximately equal to our import tax on lumber, in 18 colonies. A variety of concessions were also obtained in trade agreements with 5 countries on cooperage and with 10 countries on various manufactures of wood.

In addition to the direct concessions obtained, there is a most-favored-nation provision in each trade agreement which automatically extends to American products reductions or other mitigations of tariff rates granted by the agreement country to countries other than the United States. For example, lower tariff rates on some 600 items

formerly extended by Canada to France but not to the United States now apply also to American commodities. Among these Washington benefits from reductions on wheat and wheat flour, on dried fruits, and canned salmon.

WASHINGTON BENEFITS AS THE UNITED STATES BENEFITS

There is a direct relationship between the prosperity of one section of the country and that of the country as a whole. The concessions obtained in trade agreements on American products not produced in Washington expand foreign markets for such products and thereby increase domestic purchasing power for Washington products. Consumers and industries in other sections of the country buy more fruits and vegetables, grains, fishery products, and lumber and timber, and many other products of Washington.

Enlarging the sale of American products to foreign consumers means railroads, steamships, and trucks have greater tonnage to handle. This, in turn, increases the demand for and provides steadier employment in these lines and in related service industries—banking, brokerage, advertising, insurance, and warehousing. The net result is that Washington farmers, workmen, manufacturers, merchants, and professional people benefit.

IMPORTANCE OF TRADE-AGREEMENTS PROGRAM DURING THE WAR AND AFTER THE WAR

Although considerations related to the war effort now dominate the nature and extent of our foreign trade, the trade-agreements program exerts a beneficial influence on that part of our trade which continues to be influenced by economic considerations. It also directly contributes to advancement of our trade relations with friendly countries and of the war effort.

The agreements provide valuable insurance, now, against a repetition of the tidal wave of trade barriers and discriminations that swept over the world after the last war. They provide, now, a solid foundation for resumption of mutually beneficial trade after the war, when so many of our agricultural and industrial producers will need foreign markets if they are to avoid curtailment of production and ruinously low prices, and when American industry and consumers will need imported raw materials and semimanufactured and finished products.

Trade agreements concluded before the outbreak of war in Europe, as well as those concluded since then, help to bring about close economic cooperation between this country and the other United Nations in the joint effort to achieve complete victory. These agreements stand today for economic cooperation in war and in peace—for a world in which men everywhere can produce in accordance with their ability and exchange their goods on a fair and reasonable basis. They inspire confidence that the United States will do its share in creating conditions favorable to prosperity and security after victory.

The trade-agreements program is in line with the economic objectives of the Atlantic Charter, now the United Nations Charter, and article VII of the mutual-aid agreements with our allies.

Mr. WHITE. Mr. President, my colleague the junior Senator from Maine [Mr. BREWSTER] has called my attention to a statement he made yesterday that may be misconstrued without some further clarification. He has asked me to make the necessary clarification.

The Tariff Commission study to which he referred covered only the products the imports of which amounted to $100,000 or more in 1939. Thus, a large number of products were not included in the study, many of which are large export items.

The figures cited, showing the value of domestic production and the estimated decline in United States production due to reductions in duty, thus apply only to a part of United States industry, and do not include the value of our principal export industries, such as automobiles.

Furthermore, Mr. President, let me say that my colleague the junior Senator from Maine asked unanimous consent to have a table inserted in the RECORD, and it was inserted on page 6121. But the footnotes were not printed in the RECORD with the table, and the Senator feels that they are necessary if the table is to be fully understood. Therefore, I ask unanimous consent that the table may be reinserted and that the footnotes appearing at the bottom of the sheet also be included in the extension.

There being no objection, the table, together with the footnotes, was ordered to be printed in the RECORD, as follows:

Summary of 1939 statistics and postwar estimates for all commodities, dutiable and free, covered by the report [1]

	1939	Estimates for postwar long term					
		Per capita income as in 1939			Per capita income 75 percent above 1939		
		Duties as in 1939	Duties reduced by 50 percent	Duties increased by 50 percent	Duties as in 1939	Duties reduced by 50 percent	Duties increased by 50 percent
Production for the domestic market (millions of dollars): [2]							
(a) Gross	41,568	49,949	49,084	50,366	76,531	75,344	77,185
(b) Net (estimated as 75 percent of gross)	31,176	37,462	36,813	37,777	57,398	56,508	57,889
Imports:							
(c) Foreign value (millions of dollars)	2,064	2,186	2,657	1,950	3,628	4,407	3,156
Estimated ratio of landed value to foreign value (percent)	126.4	126.4	119.2	133.6	126.4	119.2	133.6
(d) Landed value, estimated (millions of dollars)	2,609	2,763	3,167	2,605	4,586	5,253	4,216
Ratio of imports to production for domestic market (percent):							
1. Based on (a) and (c)	5.0	4.4	5.4	3.9	4.7	5.8	4.1
2. Based on (b) and (c)	6.6	5.8	7.2	5.2	6.3	7.8	5.5
3. Based on (b) and (d)	8.4	7.4	8.8	6.9	8.0	9.5	7.3
Ratio to 1939 (percent):							
Production for domestic market	100	120	118	121	184	181	186
Imports (foreign value)	100	106	129	94	176	214	153
Ratio to estimates at lower income level (percent):							
Production for domestic market		100	100	100	153	154	153
Imports (foreign value)		100	100	100	166	166	162
Ratio to estimates at unchanged duty level (percent):							
Production for domestic market		100	98	101	100	98	101
Imports (foreign value)		100	122	89	100	121	87

[1] In totalizing the figures for the numerous commodities for which, on account of the many uncertainties involved, estimates were expressed in the form of a range, the middle point of the range has been taken in each case.

[2] Does not include production for export; see text discussion.

Mr. McMAHON. Mr. President, I am very happy that the correction of the RECORD has been made by the Senator from Maine. In concluding his remarks yesterday, based—as I understood—on the premise which is now disclosed to have been unwarranted, the junior Senator from Maine stated:

We read repeatedly in the newspapers about a foreign trade of $5,000,000,000 to $10,000,000,000, and 3,000,000 to 5,000,000 jobs which would be created. If anyone is cherishing such an illusian, which has been held before the people of the United States by the words of so many spokesmen in high places, he may see his dreams dissipated by the cold-blooded testimony of the United States Tariff Commission, whose integrity, I believe, will not be challenged.

It is now apparent from the statement of correction which has been made by the senior Senator from Maine for the junior Senator from Maine that the conclusion which seemingly was to be drawn from the figures which the junior Senator from Maine cited was totally unwarranted, because, as the correction indicates, the statement totally disregarded the matter of exports. Let me point out that when the Senate adopted the resolution calling upon the Tariff Commission for a report, it called only for a study of imports in volume over $100,000 a year. It did not call for any estimate from the Tariff Commission of any corresponding figures for exports, and in its report in accordance with the resolution the Tariff Commission stated very specifically that it was complying with the limitations of the resolution, and was not in any respect estimating the increase in exports; which, of course, would certainly result from the action of our efficient industries in exporting automobiles and other commodities in great volume.

Mr. WHITE. Mr. President, I do not undertake to reply in any respect to what the Senator from Connecticut has said,

for I am neither familiar with the statistical table, nor do I have clearly in mind precisely what my colleague said about it. I leave the matter as it will be when the extensions or corrections which I have requested are made, and I leave the Senator from Connecticut to deal with my colleague when he returns to the Chamber.

Mr. BROOKS. Mr. President, on page 5972 of the RECORD of June 12 there was inserted a table in reference to the domestic production and imports of various selected commodities. I have received a telegram from the Elgin National Watch Co., of Elgin, Ill., which protests this table and says it is grossly misleading, and cites why it is. I ask unanimous consent to have the table reinserted in today's RECORD, and to have the telegram explaining the protest printed immediately following it.

There being no objection, the table and telegram were ordered to be printed in the RECORD, as follows:

Domestic production and imports of selected commodities, showing percentages imports are of domestic production, 1933–39

Product and agreement in which principal concession was made	1933	1935	1937	1939
Woolen manufactures (United Kingdom, effective Jan. 1, 1939):				
Domestic production	$306,281,000	(1)	$540,919,000	$476,787,000
Imports as percent of production	1.4	(1)	1.9	2.0
Cotton manufactures (Switzerland, effective Feb. 15, 1936, and France, effective June 15, 1936):				
Domestic production	$834,207,000	(1)	$1,228,909,000	$1,012,147,000
Imports as percent of production	1.4	(1)	2.3	1.8
Cattle and beef (Canada, effective Jan. 1, 1936, on cattle):				
Argentina (effective Nov. 15, 1941, on canned beef):				
Domestic production (pounds)	7,331,000,000	7,565,000,000	7,906,000,000	8,002,000,000
Imports as percent of production	1.6	4.1	4.8	5.5
Cash farm income from cattle and calves, beef and veal	$599,485,000	$1,062,426,000	$1,23[illegible],924,000	$1,289,658,000
Leather footwear (Czechoslovakia, effective Apr. 16, 1938, to Apr. 22, 1939):				
Domestic production (pairs)	350,400,000	383,800,000	412,000,000	424,100,000
Imports as percent of production	0.6	0.4	1.1	0.6
Elastic fabrics (France, effective June 15, 1936):				
Domestic production	$16,130,000	$15,237,000	$14,924,000	$16,065,000
Imports as percent of production	1.3	1.1	1.7	1.2
Pottery (United Kingdom, effective Jan. 1, 1939):				
Domestic production	$44,024,000	(1)	$97,365,000	$97,861,000
Imports as percent of production	12.4	(1)	10.2	6.9
Watches and clocks and movements (Switzerland, effective Feb. 15, 1936):				
Domestic production	$29,201,000	$62,549,000	$104,446,000	$89,513,000
Imports as percent of production	6.7	8.8	10.3	11.3
Cheddar cheese (Canada, effective Jan. 1, 1396):				
Domestic production (pounds)	415,649,000	475,788,000	497,007,000	541,781,000
Imports as percent of production	0.2	0.2	1.0	1.2
Income of domestic Cheddar cheese producers	$42,396,000	$68,038,000	$79,024,000	$69,348,000

[1] Not available.

JUNE 15, 1945.

Telegram from Elgin National Watch Co., Elgin, Ill.:

"Re H. R. 3240, refer table page 5972, CONGRESSIONAL RECORD, June 12, showing watch imports as percentage American production. This information utterly misleading. Imports consist almost exclusively all kinds jeweled watch movements, and nonjeweled wrist watches. Few clocks and nonjeweled pocket watches imported.

"Dollar values cited in table way high for American watch production. Cited values include American production of clocks, nonjeweled pocket watches, and apparently value added by casers in this country.

"Furthermore cited values of American production based on sales value of finished product. Imports largely from prices of movements only. Although requested we have not been given information by governmental sources as to what cited values actually include. Unit figures only fair method of comparison. Comparison on unit bases reveals Swiss has had 50 to 60 percent of jeweled watch market in this country up to 1942, when American industry was converted to war production.

"Please make this information known in Senate debate."

Mr. BARKLEY. Mr. President, I should like to ask the Senator from Illinois to what table he refers.

Mr. BROOKS. I am referring to the table which was inserted in the RECORD by the majority leader on the 12th of June. Would the Senator like to have me read the telegram?

Mr. BARKLEY. No; I heard the Senator state the contents of the telegram. I did not understand the identity of the table.

Mr. BROOKS. It was the table which was inserted on June 12.

Mr. BARKLEY. The table which I had inserted in the RECORD, and which I obtained from the State Department, contained figures from various governmental departments dealing with the statistics which were set forth in the table.

Mr. BROOKS. I understand.

Mr. BARKLEY. I suppose that the table in which the Elgin Watch Co. is interested is the watch table.

Mr. BROOKS. Yes.

Mr. BARKLEY. There was a category of watches which related to our trade agreement with Switzerland?

Mr. BROOKS. That is correct.

Mr. TAFT. I merely wish to comment on the remarks of the Senator from Connecticut [Mr. MCMAHON]. The suggestion was made that we may increase exports. The whole argument for the pending bill, as I understand it, is that we must have more imports in order to have more exports; that we cannot have exports unless we have imports. So the entire argument involved in this debate is not one of exports, but one of whether or not we can increase our imports. The omission which was made does not directly affect the point made by the Senator with regard to this matter, as I understood it.

Mr. GEORGE. The distinguished Senator from Ohio seems to be laboring under a very grave misapprehension that the whole purpose of the proposed legislation is to increase imports. The expressly declared purpose is to increase foreign trade, which includes both imports and exports. The purpose of the measure is not limited to an increase in imports.

Mr. TAFT. Obviously the only effect of lowering the tariff would be to increase imports, and it has been argued that if imports can be increased exports can also be increased. I think there are other limitations on exports, but the whole argument with reference to a possible danger to our American industries is to increase our imports in order that we may increase our exports. There are other means by which we may increase exports. For example, we may loan billions of dollars abroad. However, I think that method is much less desirable. I am willing that our imports be increased to the extent that they do not interfere with employment. But certainly, the philosophy back of this bill is that we must increase our imports in order thereby to give to foreign nations dollars with which to buy goods which we manufacture.

Mr. FULBRIGHT. Mr. President, I wish to ask the Senator from Ohio if it is not true that during the past years since 1921 and 1922 we have also had an excess of exports over imports.

Mr. TAFT. To some extent the figures which have been used are misleading because they do not include such items as traveling abroad, payment of insurance to Great Britain, and other items which are equivalent to imports into this country for the purpose of balancing imports and exports. The excess of exports over imports during the years preceding the war is due to the fact we were lending money abroad. If we are willing to lend money abroad we can increase our exports. In fact, we must balance the situation either by loans or otherwise.

Mr. FULBRIGHT. The Senator said that he believed it was less desirable to do it by loans than by imports.

Mr. TAFT. Yes. I think it is a mistake to build up an export trade which cannot be based on a fair exchange of goods. If we are bound to have a very large amount of duty-free imports—during the postwar period, in the neighborhood of $4,000,000,000 or $5,000,000,000—we may have imports over our duties. The duties ought not to be so high as to exclude foreign goods, and they should not be so low as to put the American industry out of business.

Mr. AIKEN. Mr. President, when the Senator from Ohio says that the primary purpose of this bill is to enable us to have a greater volume of imports, I think he is putting the cart before the horse. I understand that the primary purpose of the bill is to put into the hands of the State Department an instrument which they may use in securing a reduction of the tariff barriers which most of the other nations of the world have built up against American exports.

During the last 10 years the State Department has succeeded in lowering barriers against our fruit growers, both fresh and dried fruits, machine tools, cereals, and other products of various industries. I think the primary purpose of the bill is to give the State Department the means with which to secure a lowering of the barriers which foreign countries are maintaining against us.

Mr. TAFT. Obviously, the weapon which we would give to the State Department to do what the Senator from Vermont has stated is the ability to increase imports into this country. The only reason they govern the exports is that we give them the power to say, for example, "We will lower our tariffs so that you can ship more goods into the United States." I am surprised to find the advocates of this bill disputing it. It is the very basis of their philosophy. We must agree, as the Senator has said, to increase imports into the United States in order that other nations may take from us our exports. Personally, I believe that in such a deal we would be giving a great many more concessions to other nations by reason of the most-favored-nation clause than we would ever get from them. However, that is a matter of opinion as to which there may be some dispute.

Mr. BARKLEY. Mr. President, the Senator from Ohio seems to think that the advocates of this bill rely solely on the possibility of increasing imports in order to increase exports. That situation could take place only insofar as it might become necessary to pay for exports from this country by imports into this country. What we are seeking to do is to bring about a situation by which we can obtain some concessions from other countries which will permit more of our exports, regardless of the number of imports.

The two things, of course, go together, but without a bargaining power, and without the possibility of obtaining concessions from other countries, we cannot expect to increase our imports sufficiently to pay for all the goods we may want to export on the basis of the present tariff barriers. By negotiation we would not only bring about a larger field for the payment of exports by imports, but we would make it easier for ourselves to get our goods into other countries by lowering the barriers which those countries have erected against us.

Mr. President, I ask unanimous consent that in connection with my present remarks there be inserted in the body of the RECORD several tables which I have before me showing the concessions obtained in reciprocal trade agreements among the 26 nations with which they were negotiated, with respect to the various articles of American production, including agricultural products, fruits, vegetables, canned and raw; meats, meat products, beef and veal; pork and pork products, fresh, frozen, or cured; ham, bacon, sausage, mutton, animal oils, dairy products, raw hides and skins, unmanufactured leaf tobacco, raw cotton, textile manufacturing products such as rayon and synthetic fibers, and so forth; wood and paper products, naval stores, petroleum and petroleum products, glass and glass products, and a miscellaneous assortment of American manufacturing products which have been involved in trade agreements. The information shows the number of nations which have made concessions to us, and the number of products on which concessions have been made.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

The tables are as follows:

DEPARTMENT OF STATE, *August 1, 1944.*

Concessions obtained in reciprocal trade agreements—number of countries [1] granting concessions on important products and groups of products exported from the United States (not including numerous concessions obtained on a wide variety of other products)

AGRICULTURAL PRODUCTS

[Maximum possible: 26 countries]

Major products or groups of products	Number of countries granting— Reduced duties, larger quotas, etc.	Concessions of any kind, including bindings of existing treatment
Fruits, vegetables, and preparations	23	26
Fruits and preparations	23	26
Fresh fuits	17	24
Apples	13	21
Pears	14	21
Oranges	2	2
Grapefruit	6	7
Grapes	7	11
Other fresh fruits	4	9
Canned or prepared fruits	21	24
Applesauce	2	2
Peaches	7	8
Pears	6	7
Grapefruit	3	3
Pineapples	5	5
Fruits for salad	7	7
Fruit juices and sauces	7	8
Jams and preserves	3	3
Other canned fruits	4	4
Dried and evaporated fruits	21	25
Apricots	7	10
Apples	4	8
Plums	13	18
Peaches	6	9
Raisins	11	14
Pears	4	8
Other dried fruits	6	11
Nuts	5	9
Vegetables and preparations	19	21
Fresh vegetables	5	5
Potatoes	4	4
Other fresh vegetables	4	4
Canned vegetables and preparations	18	20
Beans	4	5
Asparagus	12	14
Tomatoes	3	4
Soups	5	6
Vegetable juices, including tomato juice and catsup	5	7
Other canned vegetables and preparations	11	13
Dried vegetables	2	2
Grains and preparations	18	21
Wheat	5	7
Corn	2	4
Oats	2	3
Rye	1	1
Barley	2	2
Wheat flour	4	12
Cornmeal	3	5
Cornstarch	3	8
Oatmeal and rolled oats	10	16
Rice and rice flour	4	10
Prepared breakfast foods and cereals	6	8

[1] The 26 trade-agreement countries covered by this study, in order of signatures of the agreements, are: Cuba, Brazil, Belgium and Luxemburg, Haiti, Sweden, Colombia, Canada, Honduras, the Netherlands, Switzerland, Guatemala, France, Finland, Costa Rica, El Salvador, Ecuador, the United Kingdom, Turkey, Venezuela, Argentina, Peru, Uruguay, Mexico, Iran, and Iceland, Nicaragua and Czechoslovakia are not covered because the reciprocal duty concessions and certain provisions of the agreement with Nicaragua ceased to be effective Mar. 10, 1938, and the operation of the agreement with Czechoslovakia was suspended Apr. 22, 1939.

Concessions obtained in reciprocal trade agreements—Continued

AGRICULTURAL PRODUCTS—continued

Major products or groups of products	Number of countries granting— Reduced duties, larger quotas, etc.	Concessions of any kind including bindings of existing treatment
Fodders and feeds:		
Oil cake and oil cake meal	1	7
Other fodders and feeds	2	2
Meats and meat products	16	18
Beef and veal	4	5
Pork and pork products	15	18
Fresh, frozen, or cured	8	13
Ham	5	9
Bacon	4	7
Lard	10	15
Sausage casings	1	5
Mutton	3	3
Animal oils other than lard	1	4
Other meat and meat products	6	12
Dairy products	8	11
Milk and cream, including dried milk, et cetera	7	9
Malted milk and processed milk preparations	2	4
Cheese	1	3
Butter	3	5
Eggs	1	2
Raw hides and skins, except furs	2	4
Cattle	1	1
Other	1	1
Unmanufactured leaf tobacco	4	11
Raw cotton	0	7

NONAGRICULTURAL PRODUCTS

Fish	19	21
Fresh or frozen fish	2	4
Salmon	1	2
Oysters	2	3
Canned fish	18	20
Salmon	13	15
Sardines, including pilchards	12	16
Shrimp	3	4
Other canned shellfish	7	7
Smoked, salted, or pickled fish	5	5
Leather and leather products	10	22
Leather	9	20
Cattle upper leather	2	6
Patent upper leather	5	14
Other leather	7	13
Leather footwear	4	7
Leather products other than footwear	4	6
Tobacco manufactures	5	11
Cigarettes	5	11
Other tobacco manufactures	1	1
Rubber and rubber products	16	23
Tires and tubes	9	16
Rubberized piece goods	2	4
Belting, hose, and tubing	7	13
Surgical rubber goods	1	2
Other rubber products, including rubber footwear	6	11
Textile manufactures	11	17
Cotton manufactures	8	13
Yarns	2	5
Piece goods	4	7
Shirts	3	5
Other cotton manufactures	6	10
Silk manufactures	9	14
Hosiery	8	13
Rayon and synthetic fibers	4	7
Hosiery	4	7
Wool manufactures	3	4
Wood and paper products	15	18
Paper and paper products	12	14
Wood and wood products	13	18
Lumber and timber	12	17
Logs, including hewn timber, pilings, etc.	4	8
Boards, planks, and scantlings	11	17
Pine (pitch, white, sugar, Ponderosa)	5	7
Douglas fir and western hemlock	4	6
Spruce	2	3
Oak	2	4
Redwood	1	3
Other	5	6
Box shooks	0	2
Wood manufactures	5	11
Cooperage	2	5
Furniture	1	3
Other wood manufactures	4	10
Naval stores	3	9
Turpentine	2	6
Rosin	2	7
Petroleum and petroleum products	5	14
Lubricating oils and greases	3	9
Other petroleum products, including petroleum jelly	3	9

Concessions obtained in reciprocal trade agreements—Continued

NONAGRICULTURAL PRODUCTS—continued

Major products or groups of products	Number of countries granting— Reduced duties, larger quotas, etc.	Concessions of any kind, including bindings of existing treatment
Glass and glass products	3	
Cement		5
Iron and steel products except machinery and vehicles	13	20
Iron and steel plates, sheets, bars, and rods (all iron and steel semimanufactures)	4	5
Structural iron and steel	2	3
Steel furniture	10	12
Iron and manufactures	4	7
Nuts, bolts, nails, et cetera	4	6
Pipes and fittings	2	4
Tools and hardware	6	11
Copper and manufactures	4	8
Lead and manufactures (including solder)	2	2
Zinc and manufactures	4	4
Silver and manufactures	2	2
Aluminum and aluminum products	3	3
Vehicles, parts, and accessories	15	23
Automobiles (including chassis), accessories, and parts	14	23
Passenger automobiles	12	23
Parts	12	15
Accessories	3	9
Trucks and busses (including chassis), accessories and parts	11	20
Trucks and busses	11	19
Parts and accessories	4	8
Other vehicles	3	5
Machinery and parts	19	24
Agricultural machinery and parts	6	16
Cultivating machinery	2	9
Plows	1	6
Other	2	7
Harvesting machinery	3	8
Milking machinery	0	1
Windmills	1	3
Tractors	4	11
Industrial machinery	15	24
Mining machinery	1	3
Metal-working machinery	0	2
Textile, sewing, and shoe machinery	7	13
Printer's machinery and equipment	3	7
Office appliances	13	22
Typewriters	12	22
Calculating machines	9	19
Cash registers	9	15
Other office appliances	9	16
Other industrial machinery	6	14
Electrical machinery and apparatus	16	22
Batteries, storage and dry cell	5	9
Radios and parts	11	15
Radio tubes	10	13
Washing machines	2	2
Vacuum cleaners	1	1
Electric refrigerators and parts and other household appliances	8	17
Electric-light bulbs	3	5
Telephone and telegraph apparatus	6	8
Generators, dynamos, and motors	4	9
Chemicals and related products	19	22
Coal-tar products	0	5
Other industrial chemicals	4	10
Paints, varnishes, and pigments	14	17
Ready-mixed paints	4	7
Medicinal and pharmaceutical preparations	6	12
Soaps and toilet preparations	14	14
Other chemicals and related products	6	10
Films and other photographic equipment	5	14
Surgical implements and appliances	1	3
Musical instruments and parts	5	6

Source: Compiled from Concessions Obtained for United States Exports, by Commodity Groups, in the Trade Agreements (revised), Department of Commerce; and from Concessions Obtained and Granted, by Commodity Groups, in the Trade Agreements With the United Kingdom and Canada; Trade Agreement With Mexico (Publication 1861); Trade Agreement With Iran (Publication 1925); and Trade Agreement With Iceland (Publication 1984), Department of State.

APRIL 1, 1945.

CONCESSIONS OBTAINED BY THE UNITED STATES IN TRADE AGREEMENTS

The United States has obtained from foreign countries with which trade agreements had been concluded prior to April 1, 1945, concessions—including duty reductions, quota increases, and bindings of existing customs treatments—on articles which accounted for 54.4 percent of the total imports of those countries from the United States on the basis of 1937 figures. Concessions have been obtained on 73.5 percent of their imports of agricultural products from the United States and on 47.8 percent of their nonagricultural imports from this country. Further details are given in the following table:

Agreement countries'[1] imports from the United States of concession products as percent of total imports from the United States; on basis of 1937 data

	Agricultural products	Nonagricultural products	All products
Reductions in duty and other mitigations of trade barriers	20.8	26.9	25.3
Bindings at existing levels	52.7	20.9	29.1
Total concessions	73.5	47.8	54.4

[1] Not including Czechoslovakia and Nicaragua for which the reciprocal concessions were terminated on Apr. 22, 1939, and Mar. 10, 1938, respectively. No data are included for trade with the colonies of France and of the Netherlands and for Newfoundland, British non-self-governing colonies and other British territories which are also included in the agreements.

If all the concessions obtained from foreign countries up to April 1, 1945 had been in effect in 1937, 33.5 percent of our total exports, 48 percent of our exports of agricultural products, and 28.9 percent of our exports of nonagricultural products would have been affected in that year. As some of our largest agricultural exports, such as cotton and grains, are subject to little or no duty in several of the agreement countries, the bindings of low-duty or duty-free treatment which we have obtained from such countries on agricultural products constitute a larger share of the total concessions obtained than the duty reductions we have obtained. The reverse is true for nonagricultural products on which concessions were obtained. This is shown by the following table:

Percent of United States exports on which concessions have been obtained; on basis of 1937 data

	Agricultural products	Nonagricultural products	All products
Reductions in duty and other mitigations of trade barriers	13.6	16.3	15.6
Bindings at existing levels	34.4	12.6	17.9
Total concessions	48.0	28.9	33.5

Value of trade-agreement countries' agricultural imports from the United States, classified by types of concessions granted to the United States; on basis of 1937 data

[Thousands of dollars[1]]

Trade-agreement country	Total agricultural imports from the United States	Imports from United States of agricultural products subject to reductions and other mitigations	Imports from United States of agricultural products subject to bindings at existing levels	Percent of total imports from the United States: Reductions and mitigations	Bindings	Total concessions
Argentina[2]	$2,576	$447	$826	17.3	32.1	39.4
Belgium	27,843	6,684	2,085	24.0	7.5	41.5
Brazil[3]	2,369	212	868	9.0	36.6	45.6
Canada	68,015	22,797	27,981	33.5	41.1	74.7
Colombia	3,056	595	198	19.4	6.5	25.9
Costa Rica[2]	918	95	666	10.3	72.6	82.9
Cuba	22,028	12,237	7,293	55.6	33.1	88.7
Ecuador[2]	759	617	16	81.3	2.1	83.4
El Salvador[2]	530	82	209	15.5	39.4	54.9
Finland	6,917	1,048	4,487	15.2	64.8	80.0
France	61,454	7,295	1,787	11.9	2.9	14.8
Guatemala	1,149	45	647	3.9	56.3	60.2
Haiti[3]	1,069	150	26	14.1	2.4	16.5
Honduras[2]	536	148	122	27.6	22.8	50.4
Iceland	7		7		100.0	100.0
Iran	3	1	1	26.2	17.5	43.7
Mexico[3]	6,141	2,179	1,535	35.5	25.0	60.5
Netherlands	30,382	11,888	11,328	39.1	37.3	76.4
Peru	1,549	135	110	8.7	7.1	15.8
Sweden	16,819	1,985	10,571	11.8	62.9	74.7
Switzerland	7,901	2,219	3,789	28.1	47.9	76.0
Turkey	1,274	1,025	None	80.5		80.5
United Kingdom	254,114	34,265	198,865	13.5	78.3	91.8
Uruguay[2]	304	131	91	43.0	30.0	73.0
Venezuela[2]	3,831	2,127	1,159	55.5	30.3	85.8
Total, 25 countries	521,544	108,407	274,667	20.8	52.7	73.5

[1] Converted from foreign countries' currencies into United States dollars at annual average rates of exchange.
[2] Based on United States export data.
[3] Imports of agricultural products from the United States estimated as being of the same proportion to total imports from the United States as agricultural exports to that country are to total United States exports to that country.

Source: Compilations from foreign countries' trade statistics, and, where necessary, Foreign Commerce and Navigation of the United States, U. S. Department of Commerce.

Value of trade-agreement countries' nonagricultural imports from the United States, classified by types of concessions granted to the United States; on basis of 1937 data

[Thousands of dollars [1]]

Trade-agreement country	Total nonagricultural imports from the United States	Imports from United States of nonagricultural products subject to reductions and other mitigations	Imports from United States of nonagricultural products subject to bindings at existing levels	Percent of total imports from the United States		
				Reductions and mitigations	Bindings	Total concessions
Argentina [2]	$91,255	$22,256	$29,873	24.4	32.7	57.1
Belgium	51,320	14,684	1,780	28.6	3.5	32.1
Brazil [3]	74,041	21,016	5,791	28.4	7.8	36.2
Canada	422,507	217,492	89,248	51.5	21.1	72.6
Colombia	41,605	10,846	18,299	26.1	44.0	70.1
Costa Rica [2]	3,515	379	297	10.8	8.4	19.2
Cuba	66,819	28,843	24,370	43.2	36.5	79.7
Ecuador [2]	4,244	492	1,282	11.6	30.2	41.8
El Salvador [2]	3,063	109	115	3.6	3.7	7.3
Finland	11,902	230	5,297	1.9	44.5	46.4
France	100,460	16,240	2,716	16.2	2.6	18.8
Guatemala	6,439	503	928	7.8	14.4	22.2
Haiti [3]	3,767	99	539	2.6	14.3	16.9
Honduras	4,956	55	854	1.1	17.2	18.3
Iceland	151	9	23	6.0	15.5	21.5
Iran	4,973		4,309		86.6	86.6
Mexico [3]	99,620	12,173	17,833	12.2	17.9	30.1
Netherlands	44,670	1,418	8,811	3.2	19.7	22.9
Peru	19,300	5,697	1,821	29.5	9.5	39.0
Sweden	58,112	687	24,929	1.2	42.9	44.1
Switzerland	21,043	9,592	1,589	45.6	7.5	53.1
Turkey	12,584	4,708	None	37.4		37.4
United Kingdom	310,023	32,379	61,450	10.4	19.8	30.2
Uruguay [2]	12,801	4,549	1,408	35.5	11.0	46.5
Venezuela	42,398	2,454	12,652	5.8	29.8	35.6
Total, 25 countries	1,511,568	406,910	316,214	26.9	20.9	47.8

[1] Converted from foreign countries' currencies into United States dollars at annual average rates of exchange.
[2] Based on United States export data.
[3] Imports of nonagricultural products from the United States estimated as being of the same proportion to total imports from the United States as nonagricultural exports to that country are to total United States exports to that country.

Source: Compilations from foreign countries' trade statistics, and, where necessary, Foreign Commerce and Navigation of the United States, U. S. Department of Commerce.

Value of trade-agreement countries' total imports from the United States, classified by types of concessions granted to the United States; on basis of 1937 data

[Thousands of dollars [1]]

Trade-agreement country	Total imports from the United States	Imports from United States of products subject to reductions and other mitigations	Imports from United States of products subject to bindings at existing levels	Percent of total imports from the United States		
				Reductions and mitigations	Bindings	Total concessions
Argentina [2]	$93,831	$22,703	$30,699	24.2	32.7	56.9
Belgium	79,163	21,368	3,865	27.0	4.9	31.9
Brazil	76,410	21,228	6,659	27.8	8.7	36.5
Canada	490,522	240,289	117,229	49.0	23.9	72.9
Colombia	44,661	11,441	18,497	25.6	41.4	67.0
Costa Rica [2]	4,433	474	963	10.7	21.7	32.4
Cuba	88,847	41,080	31,063	46.2	35.6	81.8
Ecuador [2]	5,003	1,109	1,298	22.2	25.9	48.1
El Salvador [2]	3,593	191	324	5.3	9.0	14.3
Finland	18,819	1,278	9,784	6.8	52.0	58.8
France	161,914	23,535	4,603	14.5	2.8	17.3
Guatemala	7,588	548	1,575	7.2	20.8	28.0
Haiti	4,836	249	565	5.1	11.7	16.8
Honduras [2]	5,492	203	976	3.7	17.8	21.5
Iceland	158	9	31	5.8	19.4	25.2
Iran	4,976	1	4,310	(3)	86.6	86.6
Mexico	105,761	14,352	19,368	13.6	18.3	31.9
Netherlands	75,052	13,306	20,139	17.7	26.9	44.6
Peru	20,849	5,832	1,931	28.0	9.2	37.2
Sweden	74,931	2,672	35,500	3.5	47.4	50.9
Switzerland	28,944	11,811	5,378	40.8	18.6	59.4
Turkey	13,858	5,733	None	41.4		41.4
United Kingdom	564,137	66,644	260,315	11.8	46.2	58.0
Uruguay [2]	13,105	4,680	1,499	35.7	11.4	47.1
Venezuela [2]	46,229	4,581	13,811	9.9	29.9	39.8
Total, 25 countries	2,033,112	515,317	590,882	25.3	29.1	54.4

[1] Converted from foreign countries' currencies into United States dollars at annual average rates of exchange.
[2] Based on United States export data.
[3] Less than 0.1 percent.

Source: Compilations from foreign countries' trade statistics, and, where necessary, Foreign Commerce and Navigation of the United States, U. S. Department of Commerce.

Mr. LUCAS. I wish to agree with what the distinguished Senator from Vermont [Mr. AIKEN] has said. Undoubtedly the head of the Farm Bureau, Edward O'Neal; Mr. Patton, of the Farmers' Union; Dan Tobin, of the Teamsters' Union; and the representatives of the CIO—all of whom testified before our committee—were not testifying on the basis of imports. They were testifying on the basis of exports to other countries. I assert here and now that unless the American farmer, whose business—agriculture—is the basic industry of all, can make disposition of surplus products which he produces, such as wheat, cotton, tobacco, and certain kinds of fruit, the entire American economy is bound to suffer. That is one of the bases for the bargaining power the State Department ought to have in order to make disposition of the surplus cotton, the surplus wheat, and the surplus tobacco which this great Nation of ours produces. Unless the surpluses shall be disposed of, there will not be prosperity in America. I care not what kind of a tariff may be in effect; unless there is prosperity at the grass roots of this Nation, or, in other words, in agriculture, there will be none any place.

UNIFORMS OF NAVY AND COAST GUARD ENLISTED PERSONNEL

Mr. LANGER. Mr. President, on June 1, 1945, I introduced Senate bill 1082, "To provide for changing the design of the uniform of enlisted personnel of the Navy and Coast Guard" and to have it conform in basic design to the uniform worn by commissioned and warrant officers of the Navy and Coast Guard.

The response to this bill from the enlisted personnel of the Navy, as well as from their loved ones, has been tremendous. I have received communications from the far corners of the world—wherever our boys are stationed.

It is obvious that the men in the ranks of the Navy desire a more appropriate uniform. I am positive from the replies I have received that our gallant servicemen would be much more satisfied and happier in carrying out the tremendous task assigned to them in helping to bring democracy back to its rightful place on this earth if the Navy Department would consent to give its personnel a uniform on par with that furnished to the men in the Army and in the Marine Corps.

Everyone will agree that the present uniform for the Navy enlisted personnel has been the source of almost continuous complaint and criticism. The rank and file of the enlisted men feel that a uniform based upon British design, commemorating principally British tradition, is completely out of place in our great and powerful American Navy.

Unfortunately, I have noticed a feeling among the enlisted men of our Navy to the effect that the present uniform has been kept intact principally to draw a line of demarcation or to emphasize a subordinate position between the different ranks of the service.

Some of my correspondents—and I shall quote some of their letters later—have explicitly shown a feeling of shame, disgust, and even resentment because of the prevailing uniform.

This resentment is almost universal, and it comes from the enlisted personnel of the Navy—veterans of Pearl Harbor, of Midway Island, of Coral Sea, of Guadalcanal, of Saipan, and of Iwo Jima.

Mr. President, continuing the statement I was making, at this time I desire to call attention of the Congress to the reasons behind the present design of the Navy uniform.

How many Senators know the origin of the black neckerchief which our sailors

wear? Well, Mr. President, the black neckerchief draped about the necks of the enlisted personnel of the Navy men represents, believe it or not, continuous mourning for Lord Nelson the hero of the British Navy.

The 13 trouser buttons—and some suits have 14—commemorate the Thirteen Original Colonies.

The three white collar stripes commemorate the three sea victories of Admiral Nelson, of England.

Mr. President, tradition is important and useful, and it is very well to follow it in the proper place, if it is not overdone. In the present instance the enlisted personnel of the Navy are crying for relief from the tradition of the Navy uniform and from its obnoxious design. They want in its place a uniform of a manly style, and above everything else they want it to be modern and more in harmony with the contours of the human body. [Laughter.]

I submit, and I believe my colleagues will agree with me, that the burden of preserving horse-and-buggy traditions, especially in honor of foreign heroes, should no longer rest solely upon the shoulders of the enlisted men of our Navy. If the brass hats are so determined to retain this apparently ridiculous ensemble, then I believe, in good sportsmanship they themselves should lead and show the way in which a uniform based on the tradition referred to could be worn gracefully, with dignity, and good taste. However, upon close observation of a Navy officer's uniform we find the tradition of bygone days strangely absent.

One sailor wrote me that the worst thing about being in the Navy is wearing a uniform that went out of style when the sail boat was converted to steam. Surely the admirals who are in control of the destiny of our great Navy owe it to the men under them to provide them with a uniform which in summer would make them feel less like a street cleaner and in the winter less like a little boy in a Lord Fauntleroy outfit. [Laughter.]

We are all aware of the fact that the Army modernized its uniform 25 years ago, but that the Navy is still wearing a uniform that was designed—believe it or not—Mr. President, not 25 years ago, not 50 years ago, not 100 years ago, but 170 years ago, and has come down the years with very few changes.

Next to the agony of appearing in public, our sailors undergo other unnecessary indignities inflicted upon them by a set of rules or a code that is as out of date as the uniform itself. Many of the rules or regulations forced upon our enlisted men have been handed down from the British Navy, where for years the officers were lords or aristocrats, while the seamen sprung from the lower classes.

Surely, we in America have outgrown such antiquated ideas. We have taught these men who are now in uniform—who are out there fighting to save our form of government—that the United States is a free country, where everyone is equal so far as life, liberty, and the pursuit of happiness are concerned. It is with deep regret that I read that many of our enlisted Navy personnel are beginning to look upon these high ideals with contempt.

Mr. President, many Army men have told me that they would have preferred to have served in the Navy had it not been for the Navy's uniform. The resentment against the present style of the uniform extends beyond the Navy personnel, and can be found among their families and loved ones.

Even within the naval service itself, I have been informed that the advance to a rating as chief petty officer is a momentous day for a sailor simply because it means the end of what these men term their "monkey suits."

The little blue hat, the one which has been dubbed in Navy publications as the Donald Duck or Little Lord Fauntleroy cap, is dismissed with the comment that whoever designed this headpiece for a man to wear must have had a deep hatred for all mankind. [Laughter.]

Navy men say—and they speak from experience—that their open-neck blouses obviously were not designed to give the best protection against the cold weather. Protection against cold weather should be an important factor in any type of uniform. A scarf would offset some of the disadvantages caused by the open-neck blouse, but due to current regulations, our sailors are not permitted this form of protection. It is of interest to note that our enlisted Navy personnel are the only military personnel in the American armed forces who are not allowed the privilege of wearing a scarf. Chief petty officers and commissioned officers, who do not need this weather protection, are permitted to wear a scarf. Enlisted men, however, may wear a turtle-neck sweater underneath their blouse, but this combination results in a poor appearance and in an overheated condition. Because of these factors few of the men take advantage of wearing the sweater.

We know that the blouse, the white hat, the neckerchief, the blue flat hat are all becoming to a woman, so much so that they have continuously demanded these styles for the personal wear. When this Government inducted women into our armed forces one would have presumed that their style of uniform would have been patterned from the same type of clothes they wore in private life. Instead we see the servicewomen wearing apparel made out of suit coats, shirts, ties, and garrison caps—a man's dress accepted the world over.

Let me call attention to the fact that Navy personnel are taught that their white hat has "life saving qualities," because when held in an inverted position it has a certain degree of buoyancy. Mr. President, in the name of logic, what chance does a seaman have of saving his life with a little white hat?

The white uniforms have been another source of much complaint and criticism. Navy publications have referred to this dress uniform as the Good Humor men, the barbers, or the painters. Aside from the fact that the men claim that they find it extremely difficult to keep clean, and for that reason it is quite a laundry problem in itself, it also has none of the qualities of camouflage, thus making it unsuitable for use during wartime.

I have examined this uniform from every possible angle, and, frankly, I cannot find anything to report that might favor the continuance of this existing costume of the Navy personnel.

We have a great and wonderful Navy. We have constructed the most powerful Navy on earth. This record of accomplishment is a mighty tribute to the foresight and capacity of the American people. Yes, Mr. President, with every reason for pride, the American people have not only designed and built, but they have also manned this mighty fleet of ships. With this background, our Navy has every reason to be in every sense of the word truly representative of the ideals for which our new and modern America stand.

Since we entered this war the Navy has undergone many changes. Yet, in spite of many streamlined changes, the Navy adheres to a style of uniform no longer useful and no longer held in the highest regard by the men in the ranks.

I am positive that this feeling does exist, and I shall now read for the information of my colleagues, a few of the letters which have come from Navy men in all sections of this world. Of course, for obvious reasons, Mr. President, I shall not identify the writers of these letters, but I have received thousands of them, and I have picked out some which I have here upon my desk, and I shall be glad to show the originals, with the signatures, to any Senator who desires to see them.

I have here a letter from the great city of Chicago, dated June 12. It reads:

DEAR SENATOR: Enclosed find a newspaper clipping that may be interesting to you. I have written the Secretary of the Navy about decreasing the size of the collar on a sailor's uniform. The goods from 20 sailors' collars would make a full suit for him. So far no answer. The present uniform is a hand-me-down by tradition from the British Navy. The three stripes on the collar stand for three British naval battles.

Mind you, Mr. President, not American naval battles, but British naval battles.

Why are we so steeped in British tradition? Here is hoping that you can do something about this, too.

Below that the writer says:

Tradition must be worth more than saving money, especially in wartime.

Here is another letter from an enlisted man:

It was with a great deal of appreciation and gratitude that I read your remarks on the uniform for enlisted men in the Navy. It is archaic in every way (13 buttons have to be contended with on the flap of the blue uniform) and is decidedly uncomfortable. Another point, why do we have to wear a uniform that was taken after the British Navy more than 200 years ago, when today even the conservative British have made changes. The idea that men have to roll up their trouser legs to swab decks is the most ridiculous argument ever advanced. Men swab decks dressed in dungarees.

Petty officers, many of them in their thirties and forties, look extremely ludicrous in the tight breeches of the Navy. They have to be tight because they have to be kept up without a belt. There are so many faults

with the uniform that I could go on and on, for example, the absurd flowing silk neckerchief, that excuse of a hat that goes on the head. It is all so ridiculous that it would seem unnecessary to have to point them out. However, naval officers can't bear the thought of seamen and petty officers dressing in suits somewhat similar to their own, although the petty officers in the Coast Guard do wear the jacket and trousers similar to the chief petty officer in the Navy.

Furthermore, the uniform of the Navy makes a man feel inferior to other men who wear regular trousers, shirt, and jacket. The Navy suit, with its huge collar, neckerchief, and funny pants, gives all men the appearance of being dressed in the clothes of a small boy. But the brass hats like this; they have changed their own uniforms again and again, and the Waves have had many changes in their uniform, but the enlisted man in the Navy still gets no regard in any way except to be knocked about. It is time somebody thought of the enlisted man in the Navy.

I now read a letter from San Diego, Calif., from a young man who is serving there:

According to the press you have introduced a bill to change the enlisted man's uniform of the Navy. I want to commend you for your action in this regard and you will certainly be counted as a friend by the enlisted men of the Navy if you can get the uniform changed.

The chief gripe of the enlisted men is the uniform. It seems that the Navy clings too much to tradition, especially regarding the uniform. The present design of the uniform dates back 200 years after the British uniform.

Why not give the enlisted men of the Navy a break by giving them a uniform that is at least practical. The Army uniform has been changed quite a bit since the first World War, but not so with the Navy. Just what's the purpose of the big collar, the neckerchief, and the bell-bottom pants? In the present uniform, a fellow looks like little Lord Fauntleroy, but he's supposed to be a man. I'm not only voicing my sentiments but also the sentiments of thousands of others like myself.

Here is a letter from Seattle:

DEAR MR. SENATOR: Like thousands of other Americans, I am delighted to learn through the newspapers of your efforts to modernize the uniform of the United States Navy sailor by removing the "monkeylike" features of the garb so as to give the man wearing it a feeling of dignity and bearing properly befitting the American sailor. As an ex-Navy man of World War I, I well know how the great majority of the men then felt about their absurd appearance, and the widespread comments at the present time about the outlandish appearance of our sailors, in contrast with that of the United States soldier and marine, indicates very strongly that millions of Americans are disgusted with the stupid type of thinking that clings to a tradition in our Navy uniform that is not American but British, and the Good Lord would not ever expect from them anything in the field of thinking that by any possible chance might lead to progress in the art of modernizing anything.

So, good luck to you in your efforts and I am confident that every ex-Navy man, as well as the millions of future United States sailors, as yet unborn, will be wholeheartedly cheering for you now and mentioning your name in gratitude through the centuries to come.

I read a letter from the District of Columbia:

MY DEAR SENATOR: In response to your recent movement on foot, to reform naval service enrollee's uniforms, I am 100 percent for it, and for you, your honor. As an ex-seaman of 5 years naval service, 4 years at Great Lakes, and a year with the Naval Coast Patrol, Atlantic Division, I am glad to support and I do support your suggestions on this proposition. My letter may be held for the attention and the consideration of the committee membership at such time as hearings are scheduled.

Your honor, all complaints are fully justified in this uniform issue and the Navy bluejackets are quite right.

First. There are no pockets in the present OD uniform. If one carries a comb in the only naval middy or jumper pocket, the commanding personnel may give him a pep talk for looking unmilitary.

Second. The average billfold is too large for trousers. By the way, British sailors are issued a money belt for this purpose.

Third. There is little or no available space for your identification card. Loss of your identification card means at least 30 days restriction to the ship. Someone said, When they take your liberty away it really hurts. When they restrict your freedom of movement, your freedom of action, you feel like a man without a country, or else an orphan.

Fourth. Without pockets a naval man must carry his handkerchief in his neck like a female.

Fifth. The middy or jumper is only a tradition and a man must be a good valet mechanic to put on his pea coat over his middy.

Sixth. Coast Guard enlisted men, naval steward enlisted personnel, naval marines, both WAVES and SPARS, all have the officer's cut coat, so why the discrimination?

Probably a compromise could be reached so sailors on land duty, fully one-third are in shore establishments, could wear the new uniform. The sea-going sailor could have both uniforms, that is, traditional uniform and also the new service uniform for liberty leaves. Your Honor is aware and all gentlemen are aware that the naval marines have two uniforms, as you know the cadet type tailor made uniform, for dress parade and liberty leaves, and the military field uniform. So why not the naval sailors. After all the naval marines, Coast Guard and naval sailors are under one departmental administration.

Mr. President, I have just been informed by the distinguished majority leader, the Senator from Kentucky [Mr. BARKLEY] that he is going to make it his own personal business to see that the Navy uniform is changed. I personally thank him for that statement. I know very well that when the distinguished senior Senator from Kentucky takes the lead in such a battle as this the issue of the battle becomes more favorable to us. When Senators read the letters on the subject, and find what the men themselves have to say, I know they will do what they can to see that the enlisted men in the Navy receive the uniforms to which they are entitled.

In view of what the distinguished majority leader has just told me, I shall read only three or four more letters instead of reading all of them, as I had previously intended.

I read a card from Ventura, Calif., as follows:

Just read about your bill to dress sailors in men's clothes. This is to tell you that I for one am 100 percent for it. It might interest you to know that in a poll conducted by the "Camp Parks, Calif., Log" the Seabees voted 100 percent for a uniform modeled on that of the Navy chief petty officers' uniform.

Here is one from Texas:

Thanks very much for the introduction of the bill regarding sailors' (enlisted) uniforms. This has been needed for well over a century and I can truthfully say that this bill, if passed now, would take away more than 75 percent of the sailors' complaints.

Speaking for myself and the undersigned names also—

Mr. President, there is a list of names attached to the letter, and the signers all come from Cuddihy Field, Corpus Christi, Tex. I continue to read:

I can say that I, or we, would be glad to donate our uniforms that we have now gratis at the time of purchase of a sensible uniform, and probably this would ease the material shortage that the bill's opponents speak of. Also, one of the most strengthening arguments that could be presented for our cause would be to let the opponents of this very intelligent bill try to dress or undress in one of these uniforms before the Senate. At the very least—and this shouldn't be too much—is to give us a dress uniform that has four pockets in the pants and a shirt with two pockets. All we ask is a dress uniform that looks as good as civilians' work clothes. Is this too much? Let the opposing Senators answer this question for publication where the boys from his district will know how sane and sound his argument is. At any rate, if it can be made optional, the 1 percent that likes this "superman ensemble" can retain it, while the others can at least not feel too out of place anywhere except at a 10-cent beer parlor.

This stupid uniform, no doubt you know, has to be turned wrong side out to be pressed and then the creases are opposite from any we've worn in civil life. This present uniform has done more to lower the morale of the men in the Navy than any other one thing, especially of the older men.

I am writing this directly to you knowing that it is absolutely against military procedure to write directly without getting this passed on and O. K.'d by the CO of each department head above this department.

You may use any part or all of this letter, also my name, as I don't care what the consequences are as long as it will further the cause of some much-needed and intelligent legislation along this line.

In other words, "get me out of this uniform or get me out of the Navy."

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a number of letters and telegrams, approximately 47 in all, without the names of the enlisted men or of the persons who sent the letters to me. Some letters come from business concerns, and in the case of those letters I ask that the name of the concern printed at the top of the letter be printed in the RECORD, but not the signature.

I may say, Mr. President, that among them are letters from bankers, from lawyers, and from doctors who have served in the Navy. I have letters here from the mothers of some of the boys and from some of the sweethearts of the boys. I wish I had time to read some of the letters from the sweethearts of these boys. I have a petition also signed by 16 men, who attached their names to it in spite of all the rules and regulations of the service.

I suggest that every Senator read these letters when they are printed in the RECORD, because they make very interesting reading.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEAR SENATOR: Enclosed find a newspaper clipping that may be interesting to you. I have written the Secretary of the Navy about decreasing the size of the collar on a sailors uniform. The goods from 20 sailors collars would make a full suit for him. So far no answer. The present uniform is a hand-me-down by tradition from the British Navy. The three stripes on the collar stand for three British naval battles—the Nile, Trafalgar, and Spanish Armada. Why are we so steeped in tradition anyway?

Here is hoping you can do something about this too. Thanks.

I for one am very much in favor of it. The present uniform, as far as I'm concerned, is entirely impractical, it's hard to keep clean, and it's not in the least comfortable. The collar is useless, and only serves to make the uniform more clumsy, and besides it's a waste of material.

I believe we are entitled to wear a decent modern uniform and not be hamstrung by one that has been out-moded for years.

A change from the "monkey suits" to a more suitable uniform will increase the morale of the men. Enclosed a clipping.

DEAR SIR: The writer is a sailor who is wholeheartedly in favor of your bill to change the design of Navy uniforms for enlisted personnel.

No person more than 8 years old should be required to wear such clothes.

DEAR HONORABLE SIR: Permit me to extend my thanks and sincere congratulations for your fine efforts to liberate the men of the Navy from the hells of the antiquated British uniform. It is a noble effort. Your bill will have the heartfelt sanction of over 3,000,000. men.

It is contrary to Navy Regulation for me to write a letter of this kind. Its context may appear to be of a solicitous nature. I will appreciate your considering it as confidential. I will appreciate much more your consideration of my thought regarding a definite policy toward the discharge of over-age men who are cluttering up the desks both on these shores and at advanced bases of the Navy.

DEAR SENATOR WILLIAM LANGER: Just returning from 18 months overseas' duty; the thing that gripes the fellows most is the Navy's enlisted man's uniform. All the boys want a change.

Giving one example at an important information desk in the Hawaiian Islands where a marine, Army, and Navy enlisted men were on duty the Navy man was in charge but everyone by-passed him because he looked like a child in the silly white uniform, while the marine and Army man in khaki with black ties looked important.

Dungarees and whites and blues jumpers are out of place in office work where one meets the public.

Give us some pocket space.

Thanking you for your interest in the changing of the Navy uniform.

THE UNION NATIONAL BANK,
Houston, Tex., June 6, 1945.

DEAR SIR: I note what you are doing with reference to changing the uniform of the sailors.

Why in God's name anybody would ever punish somebody by dressing him up like that I don't know.

If the Navy had been as backward in everything else as they have been about the uniform, we wouldn't have had any Navy.

THE CITY NATIONAL BANK,
Guymon, Okla., June 7, 1945.

DEAR SENATOR: We want to thank you for introducing legislation which would change the uniform of the United States Navy men. With an organization of such good record as a fighting unit, forced to wear a playboy's uniform, it is a damn shame. If there ever was any justification for such a uniform, it has long since been out. There are no pockets, it looks like the devil on a he-man, and is entirely out of date.

If the officers were forced to wear the same uniform as the gobs, the change would have been made long ago. And if there is any justification for the gobs to wear the present clothes, the same reasons would apply to the officers. I served in the Navy during World War I, so I have some knowledge, first hand, on the matter.

Here's luck to you in your endeavor.

DEAR SIR: If you are successful in swinging the deal described in the enclosed, you will not only endear yourself to several million of my blue-clad colleagues but will also serve to add years of prestige and self-respect to those of us unfortunates bridled with these wholly outdated, outmoded, and thoroughly unsatisfactory drapings.

Yes, your very appropriate gesture should be cause for me to change my residence to North Dakota just so that I can cast a vote for you.

Many thanks for your effort in our behalf.

DEAR SIR: A million thanks for the above. I have many relatives in the service, and every enlisted man objects to the kiddish and outmoded pants.

Best wishes.

DEAR SENATOR LANGER: I read with interest an Associated Press release in which you pointed out "The sailors just don't like 'em" (speaking of Navy enlisted men's uniforms).

Being an enlisted man myself, I can say I don't like the present uniform and think drastic changes should be made now.

I would like to refer you to the June 4, 1945, issue of Life magazine, an article entitled "No More Monkey Suits?" This article was written by the Navy editor of Yank magazine, and letters from Navy personnel indicated that over 90 percent wanted a better uniform. It seems, with this great a percentage wanting another uniform, something should be done.

I am sending a copy of this letter to Florida Senator CLAUDE PEPPER, since he is one of my Senators.

I certainly hope you get action.

OPEN LETTER TO SENATOR LANGER

Bravo! At long last maybe something will be done for the Navy GI. We agree that sailors don't like the flared-skirt trouser, and neither do thousands of civilians. The entire design is not of American origin, so why not change it? All other branches of our armed services have had various changes and additions, so give our sailor boy a break. Popeye belongs only in the funny paper. After all, we have served our apprenticeship at mourning for Lord Nelson; we don't think he would mind and haunt the seven seas.

So keep up the good work, Senator, because we are for it 100 percent. Since we are just Washingtonians, we never have much voice in national matters but enjoy putting our stamp of approval on another's good deeds.

Carry on! Quien sabe?

MY DEAR SENATOR: The enclosed appeared in a copy of Yank. We sailors think that it expresses very well the opinion the majority of us have in regard to our uniform.

We appreciate your efforts in changing our uniform, and, for our own sake, hope you succeed.

DEAR YANK: My bitch is about that outrageous beribboned, becollared, bebuttoned insult to a full-grown man, the Navy uniform.

The pockets aren't big enough, the collar gets in the way, the pants buttons are funny for just so long, the white stripes won't stay clean, the blue dress is too heavy for summer, and the whites are a mess after 20 minutes. The neckerchief is useless as the laces in the back of the pants, and that silly, stupid cry of "tradition, tradition" is ridiculous; not even authorities agree on the origin of the alleged customs. We're like Chinese women who bind their feet because their mothers and grandmothers bound their feet.

I've been in the Navy for 3 years and I'm now on a shore-duty survey, so I'm not a new guy shooting off my mouth. I'm mildly proud of my branch of the service, but I'm intensely angered by the pajamas I have to wear to work.

DEAR SIR: I want to thank you for your timely bill on the Navy uniform. I know the boys deeply resent the "monkey suit." Your bill would give them a uniform of dignified appearance.

DEAR SIR: Speaking for myself and every man that I've talked to, we are for you 100 percent on your bill to change the Navy uniform. We in the Navy think we have the most unhandy and the least liked uniform of all the services. If the Negro messmen can wear a nice uniform why not we?

DEAR SIR: In the Sunday edition of the San Diego Union appeared a news article stating you had introduced a bill to make the Navy get rid of its bell-bottomed trousers. I wish to express a heartfelt thanks for your attention to this matter. I feel, and the feeling is shared by a good many of my friends, that it would boost morale tremendously if we could get rid of a very silly looking outfit. The present sailor outfit is completely out of date and not at all in harmony with our great streamlined Navy.

DEAR SENATOR LANGER: Thanks a million for introducing a bill to make the Navy get rid of its bell-bottom trousers, and, please, how about the jumper? It's too hot in the summertime, yet you can't take it off or you'll be in your underwear. Lots of us fellows have written to the Yank magazine asking for a new uniform, and they have a few new models that would be very practical for us men in the United States Navy. We really appreciate your work for us, Senator, and please keep it up.

SENATOR LANGER: The bill you've introduced to change the Navy uniform is the smartest thing to come out of this conflict. Please push this bill and get it passed. They are the most old-fashioned, ridiculous outfits a country could dream up. It is outrageous that grown men, heroes, fighting for our country are forced to wear a Lord Fauntleroy suit. I really pity them.

Not only do they look ridiculous but they are so impractical and hard to get in and out of. Senator BROOKS said that over 2 years ago; the President and Admiral King agreed to change the outfit, but nothing ever came of it.

The enlisted man in the Army wears a shirt and pants; his low rank isn't marked by a "monkey suit." It's a disgrace to force a grown man from civvies into a middy and so-called pants.

More power to the bill; let's let all Navy men wear chief petty officer uniforms and look like men again. The gals don't like them, either.

DEAR SENATOR: We hope your bill passes. All Americans would like to see our sailors neatly attired.

The tight-drawn trousers around the hips and big flaring bottoms are about as ungainly as human ingenuity can make them.

DEAR SENATOR LANGER: I hope that the bill introduced by you in redesigning the present enlisted man's naval uniform meets with success. I, as well as other fellows wearing the present uniform, feel that it is lacking in many respects and far from being practical.

There are many older fellows in the naval service who feel very much out of place in a pair of tight-fitting pants.

Again wishing you success and letting you know that we appreciate your efforts.

DEAR SIR: I have wondered so much how long it would be before someone in Washington would come to realize the discomfort and unbecomingness of the sailor's uniform.

It is a cute little suit for a 4-year-old, but an insult to a man's intelligence, besides the inconvenience and discomfort. Many a boy or man has lost his savings, railroad tickets, and other possessions out of his keyhole pockets.

Endless money has been spent on all other uniforms for both men and women; let's spend some on the sailors. Give them a coat and shirt that is in keeping with his age and a little comfort, both from a wearing and a dressing standpoint.

Congratulations on your stand, Senator LANGER, and may you win.

DEAR SENATOR: I see from press reports that a special Navy board is considering a change in the uniform of Navy enlisted men, but that they want to put it off until VJ-day. The report also states that you are in favor of doing something about it now.

I trust you will insist on doing something about it now. I am glad that someone is taking the part of the enlisted men. The officers have seen to it that they have an attractive uniform.

Of course, the enlisted men don't like their uniform. I wore it in World War I, so know what I am talking about.

Some months ago I was talking with the mother of a boy who had just enlisted in the Marine Corps. This boy had been working in a navy yard as a machinist. Knowing that the Navy needed machinists, I asked the mother why her son didn't enlist in the Navy. She replied that he preferred the Marine Corps uniform. I imagine this must have been true in hundreds of cases.

With appreciation for your efforts, I am,

DUBOISE, PA., *June 2, 1945.*

DEAR SENATOR LANGER: It was with a great deal of satisfaction that I read in the Courier Express, of which my husband is publisher, that you had introduced a bill to change the design of Navy uniforms. It is most certainly time that someone has shown some interest in the men who form our first line of defense.

Of all the uncomfortable, impractical, ill-fitting, miserable looking garbs, I think the Navy has the worst. I have discussed them with many sailors and they all thoroughly detest them. Those skin-tight bell-bottom trousers with all the buttons, as well as the equally tight blouse look mores like a masquerade costume than a uniform.

My son is six-foot-three and weighs 190 pounds. His studies at the University of Virginia were interrupted by the war. He, at that time, was enjoying the privilege of wearing comfortable, good-looking clothes in which he took great pride. To change to the "monkey suit" of the Navy was certainly not to his liking, as has been the case of thousands of other fellows just like him.

I think the greatest fault to be found in them is that they are so impractical. For instance, several times when my son was home on a short leave he would be in whites, which as you know, provides no coat of any description. By the time he was ready to start back to the South it would have turned very cold. There he was in those sleasy white things with no protection whatever.

In the case of the Army it is so entirely different. They from the lowliest private are well dressed. They are provided with splendid well-fitting uniforms, jackets, splendid raincoat, and always present a fine appearance. The only coat a sailor has is a heavy peajacket which is never to be worn with white. So there you have it.

MY DEAR MR. LANGER: I read an account in our paper with regard to your introducing a bill advocating the change of the enlisted men's uniform for the Navy.

I believe that the present uniform is obsolete and that many of the men, especially those inclined toward obesity, look childish aside from the fact that they are uncomfortable.

I am sure that the enlisted men in the Navy would more than welcome such a change. A blue uniform very much like the Army has and an overseas cap would answer the purpose and improve the appearance of the men.

MY DEAR SENATOR LANGER: I note in today's Washington Times-Herald an article to the effect that you have introduced a bill to reform sailors' trousers. I wish to say that I am heartily in favor of such a reform but hope that, while you are at it, you will do a complete job and reform the whole uniform.

I have a son in the Navy who enlisted on the very day he was 17 and, while I don't know his personal views on the subject, I am sure that he would hardly appreciate anyone referring to him as "Little Lord Fauntleroy" or call it a monkey suit. And neither would I like it.

It seems to me that the whole uniform of the United States sailor is a hangover from a lot of obsolete uses and traditions. For example, I understand that the three stripes on the collar represent the three victories of Lord Nelson. Now, I'd like to ask any red-blooded American, "Why in heaven's name does a Yankee sailor have to go around advertising anything so British as that?"

MY DEAR MR. LANGER: I want to congratulate you on sponsoring a bill to change the Navy enlisted men's uniforms and hope that you may be able to have such legislation passed at an early date.

I don't believe there is any legislation that would directly affect as many of our citizens as I am sure it would bring joy to every enlisted man in the United States Navy. It would also gladden the hearts of all the parents who have sons in the Navy, as every person I have ever heard express themselves detest these uniforms.

I hope you can get this uniform changed to regular trousers and if I may suggest, I hope the blouses can be changed to a sport style which could be worn with or without tie. The blues could have white stars in the collar and the whites blue stars, which would make them easily distinguishable.

Again thanking you for your efforts in this behalf and speaking for all the Navy boys along with their parents, I hope you can get this changed immediately.

MY DEAR CONGRESSMAN: This letter is being written to express the appreciation of the writer and millions of others of the enlisted personnel of the United States Navy for the interest you have shown in securing a decent and suitable uniform for them—for the enlisted personnel below the rating of chief petty officer. The writer feels justified in saying "millions of others," for he feels sure that there are approximately 2,000,000 enlisted men that feel as he does about the present uniform—that it is a reflection on the intelligence of those who are responsible for it and a downright nuisance and source of embarrassment for those that are compelled to wear it.

* * * * *

If there be any among your colleagues who do not agree with you, persuade them to wear one of these uniforms for at least 2 days; everyone that objects to changing the uniform for the enlisted men (below chief) should be compelled to wear one for a week; no stronger argument would be necessary to convince them of the wisdom of changing the same for a better one.

Incidentally, the writer suggests that Congress use its power and influence to have that manufacturer of these uniforms who deliberately cut down the amount of material that should have gone in them so that he could use the excess profitably in the black market, tried for torturing the enlisted men of the Navy. These uniforms are tight enough and uncomfortable enough without being made more so by the lack of the usual amount of material.

DEAR SENATOR: The article in the June 4 issue of Life magazine written by Donald Nugent, Navy editor of Yank, is very much to the point. I am one who passed the armed forces physical examination, but have not been inducted as yet because men over 30 years of age have indefinite deferments for the time being. At the time of passing the physical, my chief dread was that I might be chosen by the Navy and have to wear one of those silly get-ups. Everything else pertaining to Navy life appealed to me more than did Army service. I suppose it is sacrilege to label a uniform of the United States armed forces "silly," but it also is sacrilege to ask a fighting son of the United States of America to wear one of those "silly" outfits. One glance at a WAVE uniform is enough to tell anyone that it is more masculine than the men's uniform. If the naval officers who decree the wearing of those uniforms had to wear them, they would knock down the doors in their haste to resign their commissions.

MY DEAR SENATOR: Under the date line June 1, I find published in the Sun, Baltimore, Md., a news item indicating the introduction, by you, of a bill to modernize the uniform worn by enlisted men in the United States Navy.

May I express to you my thanks for this action and my sincere hope that it will receive the favorable attention of our national legislative bodies. This matter lies very close to my heart, because of three boys who enlisted into the armed forces of the United States. Two of them achieved commissions, one in the Army of the United States and the other in the United States Naval Reserve. One boy was not so fortunate and achieved an aviation machinist's mate, second-class, Navy rating. While nothing has ever been said by the last-named boy of this condition, I know that he feels keenly the great difference in his personal appearance from that of his younger brother. The enlisted men's uniform makes no sense whatever either in appearance, design, convenience, or comfort.

It is a weapon in the hands of those fledgling autocrats of our military forces, who make their evil influence felt far in excess of their numbers or intellectual capabilities. I believe that the persons responsible for this condition are of the same mental stature as those who would plow under edible grains and convert livestock into garbage.

This letter is probably too extensive, but I cannot resist expressing the hope that after correcting this injustice you will devote some

attention to the discrimination in messes, latrines, and quarters as distinguished between enlisted and commissioned personnel of the United States armed forces.

DEAR SIR: We believe this streamline Navy needs streamline uniforms.

We, too, believe it's time for a change, and congratulate you on your effort.

More power to you.

DEAR SENATOR: It is about time the Navy dress its men in as much of men's clothes as it does its Waves. We wear blouses with puckering strings and they have two-piece mannish styled coats and we have the bloomer pants.

In behalf of thousands of men like myself, I thank you. I am just a Seabee, and, as you know, most of us are older fellows.

There are lots of men who do not go out on liberty because they feel so foolish and out of place in the well-named "monkey suit."

Sir, why can't we have something like the Coast Guard's land-based outfit, or the steward branch. A blue serge suit most of us would be willing to buy, and a peaked cap with our own insignia on it, and of course, our rating on our sleeve.

I am sure we all would make a much nicer appearance, plus the fact that we would have pockets and feel human again.

Beside all that, many of us will return home to suits that do not fit and are outmoded as to style. If the uniform was up to date we could remove the stripes and markings and have one suit to wear when we go out looking for a job.

Here's wishing you loads of luck, and thanks a million for your time.

DEAR SIR: In the Navy news we read today of your recent bill regarding a change in the enlisted men's uniform, and it was received with such unanimous approval that I know you will be interested in our reaction.

I know that I express the sentiments of thousands of men in the Navy when I voice my appreciation for your efforts in our behalf. The Navy is largely composed of Reservists who are proud to fight for their country, proud to fight in the world's best navy, but sad to say haven't pride in a "monkey suit" that is uncomfortable, impractical, and antiquated.

I sincerely hope that your efforts meet with immediate success and that you won't be staved off until after the war when those of us who care would be unaffected.

I know that men feel so strongly about this that all but a fraction of 1 percent would be more than willing to provide himself with a new uniform at his own expense. So—

"Here's to the man who does what he can to better the state of his fellow man."

MY DEAR SENATOR LANGER: May I wish you all the success in the world on your bill changing the design of those "monkey suits" the Navy calls a uniform.

No, I'm not a sailor, but I'm a sailor's wife, and though my husband is one of the few who look good in such a uniform we would both welcome a change. I don't think they are at all becoming, and I know there are thousands of Navy wives who agree with me that all summer is nothing but a constant round of washing and ironing whites. There are laundries, sure, but who has enough uniforms to wait for a laundry to return your things?

My husband is in the South Pacific now, and that is one thing I hope to have changed by the time he gets back—decent uniforms. Why can't the men have uniforms like a Navy chief. They are regular suits, but instead of gold buttons like the officers have, let them have plastic buttons, and wear their rating just like a chief. I married my husband after he was in the service, and I sometimes wonder just how he would look in a regular suit.

Senator, stick to your guns. There are thousands of gobs and gobs' wives in Washington alone who will back you to the limit.

Lots of luck, and remember, we're all behind you.

It's good to know that the Navy has a 4.0 man pulling for their side, and if your bill goes through I don't think that you will ever be forgotten.

Once again, I wish you all the success in the world.

The argument has been advanced that a complete change at present might be costly. Then why not authorize the new uniform as optional for dress, that is, let those who desire to wear them buy them from their personal expense account, as some do their tailor-mades.

I am expressing the sentiment of the majority in saying that an immediate change of uniform would do much to morale, as it is only 17- and 18-year-old boys who like the Buster Brown suits.

Today the naval service includes men who, as adults, feel foolish to wear this out-dated kid's regalia.

DEAR SENATOR: Millions of sailors, including myself, are especially interested in your recent bill to provide the Navy enlisted men with some decent, comfortable, and honest-to-goodness American clothes. The present garb may be considered as comfortable to the English Limies but to us they just plain stink.

There is entirely too much distinction shown between the officers and enlisted men in our Navy without making such a marked and inferior distinction in our clothing.

I'd probably be court-martialed if I signed my name to this, so will just say thanks.

DEAR SENATOR LANGER: Your bill introduced in Congress a day or so ago to change the naval uniform of enlisted men was read with deep interest by a host of sailors. We all hope now that you really do something about it and not let the brass hats talk you out of it. That suit has never been received with great joy. I myself am 36, college graduate, businessman before I went into the service, and I can say I am embarrassed when the wisecracks start coming my way about how "cute" I look in my uniform.

Thanking you in advance for taking an interest in us poor "Buster Browns." I know your bill will be read with joy by all Navy enlisted men all over the word.

DEAR SIR: We here at the naval base in Hueneme are with you a 100 percent in hopes your bill to change our uniforms goes through.

But why wait until the end of the war?

We would like a few pockets and decent clothes to wear at present though we're proud to be members of the United States naval forces, and wear whatever uniform they designate us to. We would like the change now if ever.

My thanks and best wishes for your efforts in our behalf.

DEAR SIR: I read about your bill to get rid of the current Navy enlisted man's uniform.

I am very glad someone with authority is finally doing something about the awful thing. I don't have so much against the pants, that are the same as in George Washington's time, but you almost smother removing the jumper, and it's impossible to remove in water. The hat is the most awful, it is said, not to have a visor, as a sailor is always looking up; it takes one hand to hold it on, if you look up, and two hands to put it on at all.

The CO seems to delight in making you wear the white hat with a blue uniform. It doesn't match.

Why should colored stewards be allowed to wear the officer's type uniform and the enlisted man doesn't, especially when they make less money?

My idea is to have all the armed forces uniforms alike in design, such as the regular marine uniform, except have khaki for land forces and navy blue for sea forces. As it is now, I can't tell one serviceman from another, as there are so many different types of uniforms.

You have my best wishes that the bill goes through.

DEAR SENATOR LANGER: I have just read (with much satisfaction) about the present bill you have just introduced to the Congress pertaining to the uniform of naval enlisted men.

All we have to say is, "More power to you."

DEAR SIR: I just read an article in the Stars and Stripes, "our paper," where you had introduced a bill to change our uniforms and I want you to know that every man in our outfit is praising you for this effort. When we put this uniform on we feel more like Junior with his first pair of long pants. We are grown men and like everything but the way the uniform is made, so see if you can't get it changed to coat and pants that don't have 13 buttons on the front. Thanks a lot for trying.

DEAR SIR: I want to thank you profusely for taking the initiative on the bill for a change in the sailors' uniform. It certainly is the source of continuous complaint and does not give the sailor the dignity which he is entitled.

I would like to suggest that, if possible, you wear the sailors' uniform when you present this bill to the Senate so that they will get a good picture of what this uniform does for a man.

Your bill to change Navy uniform considered a great achievement. All naval enlisted personnel would welcome a change to something that feels and looks like something.

DEAR SENATOR LANGER: The Associated Press of June 2 carried an account of your bill to standardize enlisted men's military uniforms. This bill, I want to assure you, is long overdue and will receive the support of the large majority of enlisted Navy men, especially those who have been drafted into the Navy since the war.

For the past 2 years my job has been to interview hundreds of men in the Navy, and I have found reactions pretty much the same. Consequently I'm writing you to present some ammunition which you may be able to use.

1. The Navy enlisted man's uniform contributes much toward the preservation of a traditional caste system, which exists between officers and men on a far greater scale in the Navy than in the Army.

2. The Navy uniform is not conducive to good military bearing. Observation of Army and Navy men will demonstrate this. "Sloppy" habits and posture go along with the uniform. Dignified men (business and professional) who enter the Navy are made to feel like youngsters because of the uniform; it's reaction is the same as that produced by colleges and fraternities who seek to put freshmen in their place by making them wear childlike caps and other clothing. Navy men are constantly embarrassed by their families and friends who comment on their appearance, comparing them to little

boys on their way to Sunday School, etc. The clothes definitely do not flatter other than well-developed figures. (My wife, for instance is always uncomfortable in public because my uniform accentuates features of my anatomy which causes unnecessary comments from others.) The Navy man today has a reputation to live down—a reputation of roughness, devil-may-care attitude, casanova-ism, and strong language. The uniform does not help him much, when its tightness and cut produces a swagger and appearance which tends to support popular concepts about sailors. (Men who have been taken from civilian life and placed in the Navy through arbitrary assignment are particularly aware of this condition; it may not apply so much to the type of man who joins the Navy to "see the world and have a girl in every port.")

3. The Navy uniform is not practical wearing apparel. The tight trousers with buttons and lacings are difficult to get in and out of. Contrary to the Navy's traditional view, a single zipper would make the clothes easier to remove in water. Suspenders or belts are more practical (and certainly better for appearance) for keeping pants up than skin-tight fitting. If these clothes are so good for water rescue why is it that most men on duty at sea wear blue denim shirts and pants cut along civilian style? Uniforms are usually worn only on shore liberty. The jumper (middy) is difficult to manage in dressing and undressing. It's shortness invarably creates a division between itself and the pants when one bends over. Its low cut neck exposes more chest than is commonly considered in good taste for dress. The tie is certainly not masculine attire.

Neither the summer or winter hats are particularly practical. The winter hat is not warm and is extremely difficult to keep on the head in windy weather. The white hat does not protect the head from summer sun, and it lends itself too readily to all kinds of shapes which are anything but military. (Men spend hours twisting the hat into unique shapes for distinctive wearing.)

The pocket situation is especially bad. There is not a good pocket in the entire uniform for wallet, handkerchief, pen, or pencil. What pockets there are are extremely shallow. Necessity has caused sailors to adopt the extremely "masculine" practice of tucking the handkerchief under the jumper at the shoulder.

The overcoat provisions are not practical. There are only two winter or summer styles of dress—with or without overcoat. The soldier has a long, warm overcoat for cold weather; in cool weather he can wear his shirt and blouse; in warm weather he can shed the blouse for just the shirt. The sailor has a waist-length coat which is not adequate for cold weather; this is the only coat he has to wear in cold or cool weather; when he takes it off he has only a jumper.

Summer clothes are impractical. The white uniform is not cool. The material is so closely woven (supposed to be more watertight) that air does not penetrate it. Winter light-weight blue woolen uniforms are frequently cooler to wear. Whites are less neat looking than even the blues; furthermore, they are hard to keep clean, if they are worn all day, a sailor has to wear two on warm days to be clean. This greatly increases his laundry bill or personal washing. Furthermore, the original issue consists of only three suits of whites—insufficient to keep clean; so every enlisted man finds it necessary to buy several more pairs immediately.

Incidentally, would it not be a savings for all military clothes to be cut on the same pattern and material, but over different colored cloth for each branch?

4. While we are discussing uniforms, it might be well to look into the issue of clothing given to Navy men.

Every Navy man is issued a hammock of high-grade canvas. While there are no doubt exceptions, I have never known a sailor to use a hammock in the last year or two. Almost without exception, ship and shore stations have bunks. Latest style ships have been built with bunks. This hammock is relatively expensive and is deducted from the man's clothing allowance. It is argued that the hammock is handy in packing belongings for shipment. It is, if we are to continue to pack our "gear" in the traditional but outmoded fashion. (Drop in a railroad freight depot and look at Navy gear en route, packed seagoing or "cradle" style.) The Army's barracks bag is much more practical and is easier to store. Instead, we are charged for both a sea bag and a hammock as well as a "ditty" bag.

Most Navy men are not issued a raincoat. Army men are. The price of a regulation raincoat is $12, which we may or may not buy—if we can afford it. A raincoat would be preferable to a hammock.

All Navy men are issued mattresses which they carry with them. Yet, aside from recruit training, men seldom use their small, thin, issued mattresses. Most ships and shore stations provide standard single mattresses for the bunks. I used my mattress for 5 weeks in recruit training (a permanent barracks mattress could have been provided instead). For the past 2 years it has been stored, for I have slept on standard-size mattresses supplied wherever I have been billeted. Would it not be more practical to issue hammocks and mattresses on board ships, where they are needed, rather than waste a man's clothing allowance at the time he comes into the Navy?

5. The Army system of replacement of used clothing is far more practical than the Navy's. An Army man turns in his worn-out clothing for new. The Navy man receives quarterly a small cash clothing allowance (added onto his pay), from which he is supposed to buy replacements. Frequently he doesn't use the money for clothes, and hence his appearance suffers. Sometimes the amount does not cover the clothing needed at the time, so he doesn't buy the clothing and can't save the money until the next quarterly allotment. The sailor pays out of his own pocket for all clothes bought between quarter allotments as well.

6. While not exactly classified as clothing, personal items should be considered here. Every recruit in the Navy receives a "flying five" when he enters his second or third week of training. This is his first pay of $5, which he receives in his hand and immediately turns over to a canteen clerk, who gives him a paper bag. In the bag are the following items: Toothbrush, tooth paste, razor blades, shaving cream, soap, comb, sewing kit, thread, scissors, shoe polish, writing paper, and envelopes, 75-cent fountain pen, etc. Most of these items a man will have already—purchased or given to him prior to arriving at the training center. Many of the items are not his brand or do not suit his needs, yet he has to buy them. (In my case, I had my own toothbrush and paste—different from type I received; the blades did not fit my razor; shaving cream was not my preference; I had a sewing kit and thread—so did most of my friends; the fountain pen wouldn't work, besides I had a good one of my own, etc.) It would have been better for the Navy to issue a "must" list to every man and have him buy the kinds of things he needed to complete his list. There would have been less waste, although the canteen would have sold less (after all, it was from the man's pay).

Also from the $5 was subtracted an amount for half-soling of shoes. This would be reasonable except the half-sole is not really needed. In the second week of training every man's shoes are picked up and sent to the cobbler shop (employing civilians). Onto the bottom of the new shoes is tacked a new rubber sole (over the leather) and a new heel. These shoes are used for drilling, and every man pays for this extra sole. It would be cheaper all around if every man were issued one pair of drill shoes made with the sole put on at the factory. The shoe would probably cost no more; the recruit would not have to pay for the sole; and a civilian shoemaker would not have to be paid.

This letter, Senator LANGER, could go on and on, but I believe I have shown how traditionalism has gone rampant in the Navy, how the Navy treats its recruits as though they had sixth-grade mentalities, and dresses them accordingly. It doesn't seem possible that there could be so many divergencies between the branches of the armed services. It doesn't seem fair to take men of intelligence and arbitrarily divide them into two branches of service in which he will be treated so differently. Not only do these differences apply to clothing, but they go all the way down the line (the Navy has only 15 days leave given each man a year; the Navy has not adopted the $10 war bond which the Treasury made available to men in the armed services—adopted by the Army a year ago, etc.).

I wish you luck with your bill. I know you'll have lots of support from men who can't speak up. (Incidentally, I would appreciate your keeping my name in confidence, as the Navy does not approve of this type of correspondence between enlisted men and Congressmen.)

Re bill to change Navy uniforms enlisted men.

DEAR SENATOR LANGER: Twice a veteran of the Navy—1906 and 1918—I heartily support your bill. It will improve appearance, raise self-respect, and conducive to good conduct and efficiency. I know. Ask your opposition, if any, to put on a sailor suit and see how they feel.

Now, I know all the arguments, historical and utilitarian. They are the bunk, with the possible exception of stowage. It is likely the British put this "monkey suit" on their tough tars originally to make them too funny to mutiny or make trouble. If naval officers argue for the present uniform, then propose that all personnel wear the same uniform, and see if they choose the enlisted or officer type of today for themselves. If these comedy suits are so hot, let's put them on the admirals, too, and be democratic and utilitarian all the way. This is important. A man can change his whole feeling and outlook by just turning his hat brim up all around and wearing the hat at a funny angle. What happens, then, to his personality when he puts on all that funny outfit our enlisted men below chief petty officer have to wear? At that our boys look the best of any sailors in the world. But the others look so bad; that isn't enough. Our American boys are the world's best by far. Let's give them a dignified, decent, good-looking uniform worthy of them.

As you know, Senator LANGER, there are no sailors nowadays. The men are technicians, including navigators. Whatever may have done for the salty sailing-ship days and the crews of square-riggers, the specialists on our modern mechanized craft have nothing in common with the story-book swashbucklers and should not be made ridiculous by funny clothes or light-opera stuff of any kind.

Congratulations, Senator, and warmest good wishes, and sincere thanks, too, from myself and so many other old-timers I've talked to on this subject. My classmates at Harvard, BREWSTER, of Maine, and TAFT, of Ohio, will, I hope, help you on this, and you may tell them that I said so and sent them my best.

Mr. LANGER. Mr. President, I also ask to have printed in the RECORD at this point as a part of my remarks the article which appeared in the June 4, 1945, issue

of the magazine Life, entitled "No More Monkey Suits?—Sailors Say They Feel Silly in Present Uniform," by Donald Nugent. I ask that the article be printed in its entirety, with the exception of the cuts of suggested uniforms, which, under the rules, may not be placed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NO MORE MONKEY SUITS?—SAILORS SAY THEY FEEL SILLY IN PRESENT UNIFORM

(By Donald Nugent)

Ninety percent of the 6,000 letters I have received about Navy uniforms plead that something—anything—be done to free sailors of the discomfort and indignity of having to wear a little boy's suit. The letters come from sailors aboard ships in the Atlantic, from stations all over the United States, and from ships and island bases scattered over the Pacific. They all claim a deep satisfaction and pride in serving in the Navy. But they also say they are self-conscious and ill at ease on the street or in mixed company, particularly when their friends refer to their "Fauntleroys," "Buster Browns," or "monkey suits."

The men say there is not enough pocket space in the uniform. They have to carry cigarettes in the socks, a wallet hung over the pants top, and a handkerchief on the shoulder. These things are always getting lost. The jumper, so difficult to put on and take off that it is necessary to brush one's hair after every operation, is another source of inconvenience, while the 13 buttons on the pants cause more consternation than respect for the fact that they are supposed to commemorate the Thirteen Original American Colonies.

It is bad for a man's morale to be so embarrassed by wearing the uniform of his service. Let us take the hypothetical case of Mac, a sailor on shore leave.

Mac's sister says he's cute and his mother is very proud of him. But as he strolls down Main Street his tight suit gives him a feeling of nudity. There is no shore patrol around so he turns up his tight cuffs for relief from the heat and to protect his stripes from dirt and pulls his flowing neckerchief high over his open neck in an attempt to cover the hair on his chest. The wind blows his long collar over his head and it takes two hands to put it back, but that lifts his jumper up over his pants top and exposes his skivvies over his midriff, so he just leaves the collar there, lazily flapping over the little white hat which in itself is the last word in heh-heh.

Now Mac meets an old friend who says, "Hello there, haw-haw, where d'ja get the monkey suit? No foolin', though, you guys are doing a swell job."

Mac grins sheepishly but he's on the defensive now. He sticks out his chin and affects the grim countenance and swagger of a tough old salt. He passes up the hotel dining room with its austere waiters and white linen and joins several other sailors and soldiers in the tavern down back of the tracks.

The stage is now all set. Mac has had a few beers. The immaculate little white hat has popped off onto the floor and is a disreputable sight. The black tie has been floating idly in a puddle of beer on the bar. A well-fried soldier is becoming unpleasantly eloquent about the 13 buttons. The rest is on the police records all over the country.

An explanation of each of the present uniform's eccentricities can be found in some phase of old-time shipboard activity. But these activities have ceased while the uniform designed for them remains. A tight-fitting "monkey suit" was necessary for constant climbing in the ship's rigging. Such things as coat sleeves, belts, big pockets, and pants' flies could get fouled in the lines. But modern sailors don't climb the rigging of sailing ships.

The long collar was a removable affair designed to catch the tar that sailors used on their pigtails. The neckerchief is a perversion of an old black "sweat rag" once used to wipe tar and grease from the hands.

The white hat was designed to use as a bucket to bail out a boat. Today's sailors complain that it only adds to the glare of a tropical sun. The flat hat is just one of those things.

But so strong is the influence of tradition that the Navy Uniform Board in Washington has made only two minor changes in the enlisted man's blues since 1927. The jumper has been shortened and the trousers now have straight legs instead of bell bottoms.

About 10 percent of the sailors who wrote to Yank say they like their uniform. They present two stock arguments for the "monkey suit": (1) A sailor must be distinctive and, above all things, should not be confused with a soldier or marine. (To these diehards the fact that a sailor is dressed in blue and a soldier in brown is not sufficient.) (2) A sailor's outfit must be small and compact so that it can be rolled and stowed in the limited space aboard ship. (A jacket without a flapping collar and a pair of trousers without the 13 buttons and a trap door could conceivably be as easily stowed away in lockers without upsetting life aboard ship.)

But the greatest reason that life aboard ship would not be upset by a change in uniform is that the present uniform is not often worn aboard ship. Usually it's dungarees from the time the ship leaves the United States until it returns.

Strictly speaking, many sailors don't even wear the regulation uniform ashore. They buy out of their own pockets at least one snappy, tailor-made, lightweight, suit of blue serge for shore leave. Most officers are sympathetic and will appear not to notice this violation of regulations. But occasionally the sailor will hit a "hot" ship and his well-fitting new uniform will be forbidden. That gives him the feeling that he is the victim of a calculated plot on the part of the officers to keep him as dowdy as possible, while the officers' own uniforms are constantly revised and kept up to date.

What, then, is the answer to the Navy's uniform problem? The answer comes from the men themselves—they like the battle jacket already authorized in other branches of the armed service. This jacket, with matching, conventional fly-front trousers, could be made up in any material for all uniforms—winter, summer, and work. Great economy and regularity of a sailor's appearance would immediately be attained. The sailor could wear gray shirts for dress and blue chambray shirts for work and a half dozen of these would suffice, eliminating the wasteful practice of wearing out jumpers by daily washing.

The sailor also needs a garrison cap for dress instead of the flat hat which is always in the way. And he needs a billed cap aboard ship in the sun—something like the baseball cap that Admiral Mitscher and Admiral Halsey have found to be just the thing.

The Navy is over 3,000,000 strong today. It will never again shrink to its prewar size. Many reservists say they would like to stay in the Navy if it weren't for the uniform and even Army men say they would transfer to the Navy if it weren't for those "Buster Brown" suits a sailor has to wear.

Mr. LANGER. Mr. President, I may add that some of these letters state that the Senator from Illinois [Mr. BROOKS], the Senator from Ohio [Mr. TAFT], and other Senators have already given assurances, possibly even before I introduced my bill, that they will do all in their power to have the uniform changed.

I may say, in conclusion, that last night a committee of enlisted men of the Navy waited upon me and told me they would be eternally grateful for anything I could possibly do in presenting the bill, arguing in its favor and doing what I could to have Congress finally enact the measure into law.

EXECUTIVE SESSION

Mr. GEORGE. Mr. President, if no other Senator wishes to address the Senate on the pending measure this afternoon, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Finance.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. HATCH, from the Committee on Public Lands and Surveys:

Harry N. Child, of Washington, to be register of the land office at Spokane, Wash. (Reappointment.)

By Mr. GEORGE, from the Committee on Finance:

Several persons to be surgeons in the Regular Corps of the United States Public Health Service.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

RURAL ELECTRIFICATION ADMINISTRATION

The legislative clerk read the nomination of Claude R. Wickard to be Administrator of the Rural Electrification Administration.

Mr. GEORGE. Mr. President, by agreement the nomination of Claude R. Wickard to be Rural Electrification Administrator will go over.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

NATIONAL LABOR RELATIONS BOARD

The legislative clerk read the nomination of Paul M. Herzog to be a member of the National Labor Relations Board for the unexpired term of 5 years from August 27, 1940.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Paul M. Herzog to be a member of the National Labor Relations Board for a term of 5 years from August 27, 1945.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. GEORGE. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc. Without objection, the President will be immediately notified of all nominations confirmed this day. That concludes the calendar.

RECESS TO MONDAY

Mr. GEORGE. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 3 o'clock and 35 minutes p. m.) the Senate took a recess until Monday, June 18, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 15 (legislative day of June 4), 1945:

UNITED STATES PUBLIC HEALTH SERVICE

The following-named officers for promotion in the Regular Corps of the United States Public Health Service:

ASSISTANT SURGEONS TO BE PASSED ASSISTANT SURGEONS EFFECTIVE DATES INDICATED

Harry Leaffer, December 2, 1944.
Roland K. Iverson, December 18, 1944.
Harry J. Schweigert, June 5, 1944.
Paul V. Joliet, April 13, 1945.

SENIOR SURGEON TO BE MEDICAL DIRECTOR EFFECTIVE APRIL 15, 1945

William L. Smith

SURGEON TO BE SENIOR SURGEON EFFECTIVE APRIL 10, 1945

Raymond A. Vonderlehr

SURGEONS TO BE TEMPORARY SENIOR SURGEONS EFFECTIVE DATES INDICATED

Donald J. Hunt, March 1, 1945.
Harry Eagle, April 1, 1945.
Richard C. Arnold, April 1, 1945.
John W. Oliphant, April 1, 1945.
Norman H. Topping, April 1, 1945.
Mason V. Hargett, April 1, 1945.

SENIOR SURGEONS TO BE TEMPORARY MEDICAL DIRECTORS EFFECTIVE APRIL 1, 1945

Ralph D. Lillie
Milton V. Veldee
Paul A. Neal

PASSED ASSISTANT SURGEON TO BE TEMPORARY SURGEON EFFECTIVE FEBRUARY 13, 1945

Will H. Aufranc

ASSISTANT SURGEONS TO BE TEMPORARY PASSED ASSISTANT SURGEONS EFFECTIVE DATES INDICATED

Harold S. Barrett, February 13, 1945.
James L. Hart, February 13, 1945.
John C. Sheehan, February 24, 1945.
C. Merle Bundy, March 1, 1945.
Willoughby J. Rothrock, Jr., March 14, 1945.
Vernon G. Guenther, March 5, 1945.

TEMPORARY DENTAL SURGEON TO BE TEMPORARY SENIOR DENTAL SURGEON EFFECTIVE APRIL 1, 1945

John W. Knutson

SENIOR DENTAL SURGEON TO BE TEMPORARY DENTAL DIRECTOR EFFECTIVE APRIL 1, 1945

H. Trendley Dean

SENIOR SANITARY ENGINEER TO BE TEMPORARY SANITARY ENGINEER DIRECTOR EFFECTIVE MARCH 1, 1945

Mark D. Hollis

CONFIRMATIONS

Executive nominations confirmed by the Senate June 15 (legislative day of June 4), 1945:

NATIONAL LABOR RELATIONS BOARD

Paul M. Herzog to be a member of the National Labor Relations Board for the unexpired term of 5 years from August 27, 1940.

Paul M. Herzog to be a member of the National Labor Relations Board for a term of 5 years from August 27, 1945.

POSTMASTERS

ALABAMA

Hulon McGraw, Anderson.
Charles W. Jordan, Roanoke.

NEW YORK

Florence R. Danowski, East Setauket.
James M. Shay, Kings Park.
William D. Gallagher, Willard.

TENNESSEE

Richard M. Morelock, Persia.
Emma Anderson, Unicoi.

SENATE

MONDAY, JUNE 18, 1945

(Legislative day of Monday, June 4, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, we give Thee thanks that, in spite of the blindness and blundering of Thy wayward children, in every crisis Thou dost raise up leaders to match hours of destiny. Our exultant hearts acclaim the great captain of the hosts of freedom who this day comes in humble triumph to receive the plaudits of the land which gave him to the common cause. We raise our jubilate that by Thy favor the valorous legions which his harmonizing genius helped weld into one irresistible phalanx have battered down the fortress of evil designs and of loathsome brutalities, and that he returns today in glorious victory, leaving behind a refuge of lies in dust and ashes and the arrow of freemen piercing the dragon's heart. It is Thy divine might which has made the glory of humanity's foe to cease and cast his throne down to the ground. May we learn the lesson that our sons and brothers who will never come back fain would teach us, lest we win the fight in the field and lose the peace in the forum. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, June 15, 1945, was dispensed with, and the Journal was approved.

INTERIOR DEPARTMENT APPROPRIATIONS

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HAYDEN. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. HAYDEN, Mr. MCKELLAR, Mr. THOMAS of Oklahoma, Mr. O'MAHONEY, Mr. GREEN, Mr. GURNEY, Mr. BURTON, and Mr. WHERRY conferees on the part of the Senate.

ADDITIONAL COPIES OF HOUSE COMMITTEE HEARINGS ON INVESTIGATION OF FOOD SHORTAGES

The PRESIDENT pro tempore laid before the Senate House Concurrent Resolution 63, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Special Committee of the House of Representatives Designated to Investigate Food Shortages be, and is hereby, authorized and empowered to have printed for its use 5,000 additional copies of parts 1 and 2 of the hearings held before said committee during the current session.

Mr. WHITE. Mr. President, will not the Senator from Arizona tell us what this concurrent resolution provides?

Mr. HAYDEN. The concurrent resolution provides for printing 5,000 additional copies of parts 1 and 2 of the hearings held before the Special Committee of the House of Representatives Designated to Investigate Food Shortages. The House wants 5,000 additional copies, and adoption of the concurrent resolution will be a courtesy to the House.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Guffey	O'Mahoney
Austin	Gurney	Overton
Ball	Hatch	Pepper
Barkley	Hawkes	Radcliffe
Bilbo	Hayden	Reed
Brewster	Hoey	Revercomb
Bridges	Johnson, Calif.	Robertson
Briggs	Johnson, Colo.	Saltonstall
Brooks	Johnston, S. C.	Shipstead
Buck	Kilgore	Smith
Burton	La Follette	Stewart
Bushfield	Langer	Taft
Butler	Lucas	Taylor
Byrd	McCarran	Thomas, Okla.
Capehart	McClellan	Thomas, Utah
Capper	McFarland	Tobey
Chandler	McKellar	Tunnell
Chavez	McMahon	Tydings
Donnell	Mead	Wagner
Downey	Millikin	Walsh
Eastland	Mitchell	Wherry
Ellender	Moore	White
Ferguson	Morse	Wiley
Fulbright	Murdock	Wilson
George	Murray	Young
Gerry	Myers	
Green	O'Daniel	

Mr. BARKLEY. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] and the Senator from North Carolina [Mr. BAILEY] are necessarily absent.

The Senator from Alabama [Mr. BANKHEAD] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from Alabama [Mr. HILL] is absent because of illness in his family.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

Mr. WHERRY. The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The PRESIDENT pro tempore. Seventy-nine Senators having answered to their names, a quorum is present.

JOINT MEETING OF THE TWO HOUSES—VISIT OF GEN. DWIGHT D. EISENHOWER

Mr. BARKLEY. Mr. President, in view of the fact that the House of Representatives has invited the Senate to join them today to do honor to General Eisenhower, and that they want us to be on the floor of the House at quarter after 12, I ask Senators to wait until we return from the House before presenting matters in which they are interested, so that we may proceed immediately to the Chamber of the House of Representatives.

Mr. President, I now move that the Senate stand in recess until the conclusion of the ceremonies in the House Chamber.

The motion was agreed to; and accordingly (at 12 o'clock and 12 minutes p. m.) the Senate took a recess.

During the recess, the Senate, preceded by the Secretary (Leslie L. Biffle), the Sergeant at Arms (Wall Doxey), and headed by the President pro tempore, proceeded to the Hall of the House of Representatives for the purpose of attending the ceremony in connection with the visit and address by Gen. Dwight D. Eisenhower.

(The proceedings in the House of Representatives and the address delivered by General Eisenhower at the joint meeting of the two Houses of Congress appear beginning on p. 6243 of the House proceedings in today's CONGRESSIONAL RECORD.)

The Senate reassembled in its Chamber at 1 o'clock and 4 minutes p. m., the recess having expired and the President pro tempore resumed the chair.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

USE OF PUBLIC DOMAIN LANDS BY KANOSH BAND OF INDIANS, UTAH

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to reserve certain land on the public domain in Utah for addition to the Kanosh Indian Reservation (with an accompanying paper); to the Committee on Indian Affairs.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A telegram in the nature of a petition from Ulric Bell, for Americans United for World Organization; Charles Bolte, for American Veterans' Committee; Rex Stout, for Writers' War Board; Mrs. Norman Der Whitehouse, for Women's Action Committee for Victory and Lasting Peace; Sidney Hillman, for CIO Political Action Committee; Elmer A. Benson, acting chairman, National Citizens' Political Action Committee; and Hannah Dorner, Independent Citizens' Committee of the Arts, Sciences, and Professions, New York City, N. Y., praying that prompt action be taken on the San Francisco postwar peace conference; to the Committee on Foreign Relations.

By Mr. TAFT:

Petitions of sundry citizens of Cincinnati and Hamilton County, Ohio, praying for a fair and just distribution of meat and sugar to the civilian population; to the Committee on Banking and Currency.

By Mr. SALTONSTALL (for himself and Mr. WALSH):

Resolutions of the General Court of the State of Massachusetts; to the Committee on Finance:

"Resolution memorializing the Congress of the United States in favor of the transfer to the several States of the administration of the Federal social-security law so far as it relates to old-age benefits and survivors' insurance

"*Resolved*, That the General Court of Massachusetts respectfully and earnestly urges the Congress of the United States to take appropriate steps toward transferring to the several States the administration of the Federal social-security law so far as it relates to old-age benefits and survivors' insurance; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the State secretary to the Presiding Officer of each branch of Congress and to the Members thereof from this commonwealth."

UNIVERSAL MILITARY TRAINING

Mr. REED. Mr. President, I ask unanimous consent to present for printing in the RECORD, as a part of my remarks, and to have appropriately referred, a resolution adopted by the American Legion Auxiliary, Department of Kansas, in convention assembled at Beloit, Kans., on June 7, 1945, favoring the enactment of legislation providing for universal military training.

There being no objection, the resolution was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the American Legion Auxiliary has since its inception believed in preparedness and adequate national defense, and has advocated as the only effective method of making these ideals operative under our form of government, the adoption of a system of universal military training in the United States; and

Whereas there is now pending in Congress proper legislation to bring about this result: Now, therefore, be it

Resolved, That the American Legion Auxiliary, Department of Kansas, in convention assembled at Beloit, Kans., on this 7th day of June 1945, that we do hereby reaffirm our previous pronouncements upon this matter; that through our national organization and by our own personal efforts we employ every energy to the early passage of this legislation so that universal military training be established in the United States; and be it further

Resolved, That a copy of this resolution be sent to our Kansas Congressmen and Senators at Washington, D. C.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

S. 715. A bill to provide more efficient dental care for the personnel of the United States Navy; with an amendment (Rept. No. 378).

SECOND PROGRESS REPORT ON WAR PLANTS DISPOSAL (PT. 3 OF REPT. NO. 199)

Mr. O'MAHONEY. Mr. President, on behalf of the Committee on Military Affairs I ask unanimous consent to submit the second progress report of the work which is being carried on by a subcommittee of the Special Senate Committee on Postwar Economic Policy and Planning and the subcommittee on Military Affairs Committee on War Contracts with respect to iron and steel plants.

I ask unanimous consent that the report be printed with illustrations, and that the full text of the introduction to the report be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wyoming? The Chair hears none, and the report will be received and printed, with illustrations, and the introduction to the report will be printed in the RECORD.

The introduction to the report submitted by Mr. O'MAHONEY is as follows:

WAR PLANTS DISPOSAL: IRON AND STEEL PLANTS

On April 23 the War Contracts Subcommittee submitted its first progress report on

the preparation of joint hearings with the Industrial Reorganization Subcommittee of the Special Committee on Postwar Economic Policy and Planning, on the disposal of Government-owned iron and steel plants. On the basis of the best information then available, the continued operation of the huge Government-owned Geneva plant seemed assured until at least autumn of this year. Only a few days ago, however, the War Production Board announced that the structural mill of the Geneva plant would be compelled to close down early in June, and that the plate mill had orders on hand to continue operations only until some time in August.

Owing to various circumstances, the report of the Surplus Property Board to Congress, pursuant to section 19 of the Surplus Property Act, outlining the Board's disposal plan for iron and steel plants, has not as yet been received.

If plants become surplus before the submission of the required reports, the development of comprehensive industry-by-industry disposal plans as comprehended by the act will be endangered. Piecemeal disposal of large plant units, even on a temporary lease basis, is likely to result in complete disregard of the long-run objectives of the act.

The committees are not unmindful of the difficulties which have hampered the Surplus Property Board, but they are also aware of the purpose Congress had in mind in passing the Surplus Property Act, of leaving nothing undone to effect the best possible utilization of Government-owned plants for the advancement of a prosperous, free economy. It has been the objective of the committees to gather, so far as possible, all available basic data so that the nature of the issues involved in the disposal of these plants would be clear to the Congress and the public.

This has been particularly true with respect to Government-owned iron and steel plants. The report now being made has been prepared by the staff of the War Contract Subcommittee in cooperation with the staff of the Special Committee on Postwar Economy Policy and Planning.

The maps, charts, and figures included in this statement, unless otherwise indicated, were selected from a report [1] submitted by the Bureau of Foreign and Domestic Commerce, Department of Commerce, in answer to a requestion of the War Contracts Subcommittee.

BASIC DATA

The significant basic data derived from the reports of the Departments of Commerce and the Interior,[2] and other reports and publications, may be summarized as follows:

RELATIVE IMPORTANCE OF THE STEEL INDUSTRY IN THE NATIONAL ECONOMY

1. In 1944 steel was the most important of all processed metallic and nonmetallic basic materials used by manufacturing industries in the United States, accounting on a tonnage basis for about 85 percent of the total, while light metals accounted for only about 1.8 percent.

2. In comparison with other manufacturing industries, the iron and steel industry is first in terms of assets and value added by manufacture, and second to food only in terms of value of product and sales and receipts. Except during the war when planes, ships, and other transportation equipment overtook the steel industry, it employed more workers and paid more wages than any other industry.

3. The United States is by far the largest steel producer in the world, and its predominance has increased vastly during the war.

WARTIME CHANGES IN THE STEEL INDUSTRY

4. Since 1938 steel-ingot capacity has increased between 16 and 17 percent from approximately 82,000,000 net tons to approximately 96,000,000 net tons.

5. The cost of this increase amounted to more than $2,500,000, of which Government-owned facilities account for slightly over 50 percent.

6. Except for extensive conversions from continuous strip mills to the rolling of plates for war demand (easily reconvertible to former products), there has been no marked change in relative product capacity.

CONSUMPTION OF FINISHED STEEL PRODUCTS

7. Over the last 20 years the peacetime demand for steel has shifted from heavy steel products, such as rails, plates, and beams, to light flat-rolled products required by the makers of automobiles, refrigerators, and containers.

USE OF CAPACITY AND GROSS NATIONAL PRODUCT

8. Except for close-to-capacity operations during the two World Wars, the steel industry has operated far below capacity. During the 1930's average utilization of capacity was approximately 50 percent.

9. The volume of steel production has borne a close relationship to the level of the gross national product. Assuming a continuation of this relationship, a gross national product of almost $200,000,000,000 in terms of the 1945 dollar value would be required, according to the Commerce Department calculations, for full utilization of present steel capacity.

ALLOY STEELS AND ELECTRIC FURNACE CAPACITY

10. Alloy-steel production for special war needs increased almost 800 percent between 1939 and 1943, and the capacity of electric furnaces required for high-quality alloy steel rose 287.5 percent. In 1943 alloy-steel output amounted to 15 percent of total steel output in comparison with 5 percent in 1938.

WESTERN STEEL

11. While the over-all ingot capacity of the United States increased by 16.8 percent, the capacity in the 11 Western States increased by about 130 percent. West of the Rocky Mountains, the increase was almost twice as great.

12. The newly constructed western plants were designed to produce steel products needed for shipbuilding, such as plates and structural products. Considering the different demands of a peacetime western economy, the West appears to have excessive capacity to produce plates and structural products while there is little or no rolling capacity in the far West to fill a large demand for light flat-rolled, and tubular products.

13. Before the war, the 3 west coast States consumed over 80 percent of the steel consumed in the 11 Western States. California alone accounted for about 70 percent.

14. A large part of the steel consumed at or near Pacific ports where the major western markets are located, was shipped there by water. This fact indicates that in-bound water shipments will be a major factor in assessing the competitive prospects in these markets of the postwar western steel industry.

15. The present high level of commercial freight rates for steel products from Geneva, Utah, will seriously affect that plant's competitive position in the western markets.

NATURE OF THE ISSUES

In the light of these basic data and the objectives of the Surplus Property Act, a number of questions have been prepared concerning the policy to be developed with respect to the disposal of Government-owned iron and steel plants, which the subcommittees desire to direct to the executive agencies responsible for the administration of the Surplus Property Act.

1. What disposal policy, if any, can achieve fuller utilization of our productive steel capacity?

This issue goes to the heart of the disposal problem.

The following basic data are relevant to its discussion:

(a) During the 10-year period from 1930 to 1940, the utilization of our then-existing capacity averaged about 50 percent, varying from a low of 22 percent in 1932 to a high of 74 percent in 1937.

(b) During the war our capacity has increased by 16.8 percent, or from approximately 82,000,000 to 96,000,000 net tons.

(c) The demand for finished steel products is a derived demand. That means it is derived from the markets which exist for the finished products of numerous steel-consuming industries.

(d) According to Department of Commerce calculations based on a mathematical relationship between the volume of steel production and the level of the gross national product, a gross national product of almost $200,000,000,000 would be required for full utilization of present steel capacity.

What does this imply concerning the effectiveness of any particular disposal policy? Can disposal be made to contribute effectively to a fuller utilization of our present capacity?

2. If any existing trade practices in the industry have prevented such fuller utilization, what disposal policy, if any, will be able to overcome the adverse effects of such practices?

While it must be recognized that the demand for finished steel products depends largely on our general economic well-being, have trade practices in the industry contributed to the industry's history of low-level utilization of its productive capacity? If any practices are found to do so, can any particular disposal policy overcome the adverse effects of such practices?

3. If it develops that our present capacity exceeds the probable postwar demand for steel, what disposal policy shall be adopted with respect to Government-owned steel plants?

4. Notwithstanding possible excess steel capacity, what shall be the disposal policy if it is found that some Government-owned plants can produce steel at a lower cost than industry-owned plants?

Would public policy require that low-cost plants be continued in operation? Should it be a part of disposal policy to assure passing on to the consumers the benefits of such low-cost production? If Government plants are found to be noncompetitive solely because of high wartime capital costs, should the Government in formulating a disposal policy take any compensatory action?

5. What should be the disposal policy if these benefits of lower prices (referred to in the previous question) can be made available only after alterations have been made in any given Government-owned plant?

This issue is closely related to the previous one. If alterations are required for postwar operation of Government-owned plants, what effect should this factor have on Government disposal policy? In order to discuss intelligently the policy with respect to plant alterations, is it not imperative to have specific knowledge of the facilities which are required, the structural alterations necessary, their cost, and the operating cost of the facilities after alterations as compared with the operating cost of competing companies?

6. What disposal policy will carry out most effectively the mandate of the act (1) to discourage monopolistic practices; (2) to foster the development of new independent enterprise; and (3) to strengthen and pre-

[1] The report entitled "The United States Iron and Steel Industry: Wartime Expansion and Postwar Disposal of Government-owned Facilities" was prepared in the Division of Industrial Economy (H. B. McCoy, Chief) by R. M. Weidenhammer, Assistant Chief of the Metals and Minerals Unit, with the assistance of E. Brooks, Jacob Levin, and D. B. Stough of the Commerce Department.

[2] Bureau of Mines, A Pattern for Western Steel Production, March 1945.

serve the competitive position of small business concerns?

7. If in particular marketing areas the expansion of steel-consuming industries is dependent upon the assurance of availability of steel products at low prices, what disposal policy, if any, should be adopted in that regard?

8. In the light of the findings to the above questions, what should be the appropriate instrument of disposal for each particular property?

Will the traditional legal forms of sale or lease fit the needs of each particular case or will special innovations be required in order to achieve our postwar objectives?

CONCLUSIONS

It is apparent that the iron and steel industry occupies a position of great importance in the Nation's economy. Because of its importance it is imperative that a careful analysis be made of the causes of its history of far below capacity operations. On the basis of this analysis it must be determined whether and how the disposal of Government-owned iron and steel plants can contribute to the fuller utilization of the industry's productive capacity.

It is furthermore apparent from the statement of the issues that a great deal more specific information will be required before the problem of fuller utilization can be properly resolved. The first progress report pointed to the imperative need for market studies. We must know much more about likely postwar demand for steel and the relative efficiency of Government-owned plants. Specifically required is information as to the types of steel products required for domestic consumption, for exports, and in particular domestic marketing areas; the need for alterations in particular Government-owned plants to meet postwar demands; the cost of such alterations, the cost of assembled raw materials, cost of operations, and cost of distribution of particular Government-owned plants, as compared with privately owned plants, and the possibility of lowering such costs where necessary in order to be competitive.

If the objectives of the Surplus Property Act are to be achieved, this information, which is costly to secure and which is confined now to the knowledge of several Government agencies and a small number of companies which have first-hand knowledge on the basis of past operations, must be made accessible to all those who might possibly be interested in the utilization of these plants. The securing of this information is the joint responsibility of the Surplus Property Board and the Defense Plant Corporation.

On the basis of such information, it should be possible to formulate a disposal plan for Government-owned iron and steel plants designed to achieve the long-run objectives of the act. This plan must set forth with definiteness what disposal of the key Government-owned plants is recommended. The plan must be prepared in advance of disposal and on the basis of the objectives of the act. It must not be confined to a mere listing of bids which may have been received and then suggest in each instance a choice of the lesser evil.

In order to stimulate the formulation of such plan, the subcommittees are glad to publish some of the basic information not hitherto generally available. It is hoped that this information will facilitate the specific studies designed to point up more adequately the basic issues and to contribute to their early solution.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL:

S. 1157. A bill for the relief of Charles A. Parmiter, Jr.; and

S. 1158. A bill for the relief of Winter Bros. Co.; to the Committee on Claims.

By Mr. STEWART (for himself and Mr. MAYBANK):

S. 1159. A bill to require that military personnel who have served 12 months or more in the European area be returned to the United States for a furlough before being sent to the Pacific or Asiatic area; to the Committee on Military Affairs.

(Mr. PEPPER (for himself, Mr. THOMAS of Utah, Mr. TUNNELL, Mr. HILL, Mr. MURRAY, Mr. LA FOLLETTE, and Mr. AIKEN) introduced Senate bill 1160, which was referred to the Committee on Commerce, and appears under a separate heading.)

By Mr. EASTLAND:

S. 1161. A bill authorizing the conveyance of all right, title, and interest of the United States in and to certain space in the Jackson, Miss., City Hall; to the Committee on Public Buildings and Grounds.

By Mr. O'MAHONEY:

S. 1162. A bill to convey certain lands to the State of Wyoming; to the Committee on Public Lands and Surveys.

NATIONAL NEUROPSYCHIATRIC INSTITUTE

Mr. PEPPER. Mr. President, on behalf of myself, the Senator from Utah [Mr. THOMAS], the Senator from Delaware [Mr. TUNNELL], the Senator from Alabama [Mr. HILL], the Senator from Montana [Mr. MURRAY], the Senator from Wisconsin [Mr. LA FOLLETTE], and the Senator from Vermont [Mr. AIKEN], I ask unanimous consent to introduce for appropriate reference a bill to provide for, foster, and aid in coordinating research relating to neuropsychiatric disorders; to provide for more effective methods of prevention, diagnosis, and treatment of such disorders; to establish the National Neuropsychiatric Institute; and for other purposes, and I ask unanimous consent that an editorial from the Washington (D. C.) Post of June 17, 1945, dealing with the subject of the bill be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred, and the editorial will be printed in the RECORD.

The bill (S. 1160) to provide for, foster, and aid in coordinating research relating to neuropsychiatric disorders; to provide for more effective methods of prevention, diagnosis, and treatment of such disorders; to establish the National Neuropsychiatric Institute; and for other purposes, introduced by Mr. PEPPER (for himself, Mr. THOMAS of Utah, Mr. TUNNELL, Mr. HILL, Mr. MURRAY, Mr. LA FOLLETTE, and Mr. AIKEN), was read twice by its title and referred to the Committee on Commerce.

The editorial presented by Mr. PEPPER is as follows:

PSYCHIATRIC INSTITUTE

The war has had a damaging impact upon the minds as well as upon the bodies of many men who have participated in it. The medical authorities of the armed services have recognized the seriousness of these wounds, classifying them as neuropsychiatric disorders. But they are unable to cope with them on an adequate scale because of a deficiency of trained medical personnel. Similarly, among the civilian population, neuropsychiatric disabilities of varying gravity are no doubt extremely widespread, while the medical specialists qualified to treat them are far too few. The situation creates for the Nation a formidable health problem. In a constructive effort to meet it, Congressman J. PERCY PRIEST, of Tennessee, has introduced in the House a bill to establish a National Neuropsychiatric Institute.

Mr. PRIEST's bill aims at fostering research relating to neuropsychiatric disorders and at the provision of more effective methods of preventing, diagnosing, and treating such disorders. The prime need in this connection, of course, is to increase the number of qualified psychiatrists. It is a lamentable fact that there are at the present time fewer than 4,000 members of the American Psychiatric Association. A majority of these are now in the armed forces. To supplement their services, the Army has given specialized training to a number of doctors with an aptitude for psychiatric work. But fully trained psychiatrists cannot be developed quickly. We can see no long-range remedy for the problem save a major effort to encourage young medical men to enter this relatively new branch of their profession in considerable numbers.

The National Neuropsychiatric Institute proposed by Mr. PRIEST would have this function, operating under the direction of the Surgeon General as a part of the Public Health Service. Its work would have to be supplemented by education at the community level, both as to the nature of neuropsychiatric disorders and as to the community's responsibilities in rehabilitating men whose nervous systems have been wounded in the war. As Mr. PRIEST put it, "I think it is highly important that we realize that a mental or nervous disorder is nothing more or less than a wound that can, with proper treatment, be healed just as surely as an injury left by a bullet to an arm or leg." For the sake of the future mental health of the country, as well as in justice to its veterans, Representative PRIEST's bill deserves prompt congressional consideration.

EXTENSION OF TRADE AGREEMENTS ACT—AMENDMENT

Mr. O'MAHONEY and Mr. McFARLAND each submitted an amendment intended to be proposed by them, respectively, to the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, which were ordered to lie on the table and to be printed.

WASHINGTON PLANNING AND HOUSING NEEDS—ADDRESS BY SENATOR ELLENDER AND EDITORIAL FROM WASHINGTON POST

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address entitled "Suggestions for Washington's Planning and Housing Needs," delivered by Senator ELLENDER under the auspices of the Citizens Council for Community Planning in Washington, D. C., June 15, 1945, and an editorial from the Washington Post on the same subject, which appear in the Appendix.]

ADDRESS BY SENATOR PEPPER BEFORE FLORIDA LEGISLATURE AT MEMORIAL EXERCISES FOR THE LATE PRESIDENT ROOSEVELT

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address delivered by him before a joint session of the Florida legislature holding memorial exercises for the late President Franklin D. Roosevelt, on April 25, 1945, at Tallahassee, Fla., which appears in the Appendix.]

THE EQUAL RIGHTS AMENDMENT—LETTER BY SENATOR GUFFEY

[Mr. TUNNELL asked and obtained leave to have printed in the RECORD a letter of

June 13, 1945, addressed by Senator GUFFEY to Mrs. Thomas F. McAllister, chairman of the National Committee to Defeat the Unequal Rights Amendment, which appears in the Appendix.]

COMPULSORY MILITARY TRAINING—LETTER TO GENERAL EISENHOWER

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a letter addressed by the District of Columbia Department of the Disabled American Veterans to Gen. Dwight D. Eisenhower, relative to compulsory military training in time of peace, which appears in the Appendix.]

THE SOLDIER'S FRANC—EDITORIAL FROM THE STARS AND STRIPES

[Mr. WILSON asked and obtained leave to have printed in the RECORD an editorial entitled "The Soldier's Franc," from the Stars and Stripes of June 10, 1945, which appears in the Appendix.]

THE ROOSEVELT LOAN—EDITORIAL FROM THE STATE

[Mr. JOHNSTON of South Carolina asked and obtained leave to have printed in the RECORD an editorial entitled "The Roosevelt Loan," published in the State, of Columbia, S. C., of the issue of June 15, 1945, which appears in the Appendix.]

UNIVERSAL MILITARY TRAINING—STATEMENT BY NORMAN THOMAS

[Mr. LANGER asked and obtained leave to have printed in the RECORD a statement on universal military training made by Norman Thomas before the Woodrum committee on June 8, 1945, which appears in the Appendix.]

ALLIED AID TO ITALIAN TRANSPORTATION

[Mr. LANGER asked and obtained leave to have printed in the RECORD a letter and attached clipping received by him from an American soldier in Italy, which appear in the Appendix.]

ITHACA COLLEGE COMMENCEMENT ADDRESS BY GEORGE E. STRINGFELLOW AND CITATION TO MR. STRINGFELLOW

[Mr. MORSE asked and obtained leave to have printed in the RECORD a commencement address delivered by George E. Stringfellow, vice president of the Thomas A. Edison Co., at commencement exercises held at Ithaca College on June 1, 1945, and also a citation given to Mr. Stringfellow, which appear in the Appendix.]

OFFICE OF WAR INFORMATION POLICIES IN GERMANY

[Mr. MORSE asked and obtained leave to have printed in the RECORD a release issued by the Office of War Information relative to information in occupied Germany, which appears in the Appendix.]

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. THOMAS of Utah obtained the floor.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Ohio?

Mr. THOMAS of Utah. Mr. President, I would rather not yield.

Mr. TAFT. I withdraw my request because of the time limit.

Mr. THOMAS of Utah. Mr. President, at least this once in the history of the Senate for 156 years a Senator finds himself in a position where he does not understand a unanimous-consent agreement. In order that I may know how to proceed and what to do in regard to interruptions, and in order to avoid the appearance of being rude, if I may use that expression, I shall have to make an inquiry of the Chair. This address was prepared to be delivered at a time when there was no agreement about a limitation of debate, and the address is longer than can be delivered within the time allowed, unless, Mr. President, the agreement is interpreted in such a way that I may count 15 minutes on each of the amendments. I ask the Chair how much time I have?

The PRESIDENT pro tempore. The Senator has 15 minutes on the pending amendment and 15 minutes on the bill, half an hour in all.

Mr. THOMAS of Utah. Mr. President, since I have only 30 minutes and I want to discuss all the amendments which have been presented so far, I will ask not to be interrupted. I also ask unanimous consent that when my time is up, that portion of my address which has been prepared but which I may not be able to deliver may be inserted as a part of my remarks in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. THOMAS of Utah. Mr. President, I know that it is in the heart of every Senator present to speak out if he could, as it is in my heart to speak out if I could and say that it is going to be extremely difficult to overcome the feelings inspired by the memorable event which has just taken place in the joint meeting of the two Houses. We who have taken the oath to support the Constitution of the United States, as he has, have learned from the lips of General Eisenhower how well the Constitution is understood by the people of the United States. To me every word which the General uttered was entitled to great respect and attention, but I was particularly impressed to hear from the lips of a great general, who was introduced to the Congress of the United States and to all the people of the United States as the supreme commander of the Allied forces in the field, the simplest lesson taught to every schoolboy and every schoolgirl who studies American history and the American form of government, that, after all their experience, great American generals who win incomparable victories realize that the philosophy of the American democracy is of supreme worth to all and especially of great worth to all other peoples of the world struggling, as they are, to find a place for the individual man and the dignity of the individual man in the great scheme of things.

Mr. President, the general near the end of his address, probably without consciously knowing it, put forth a thought which carried my mind back to a great wail of one of Sophocles' heroines. The general urged that we unite for peace as we have for war. The Greek heroine wailed, "Oh, why do men unite so well for war and destruction, and refuse to unite for peace and construction."

That, Mr. President, is not a literal translation, but it is a translation of the thought which was understood and was deep-seated in the minds of the great thinkers in ancient times. It is still one of the strivings in the minds and the hearts of men today.

If General Eisenhower's prayer can be attained, and if the unity of peace can be brought about as a result of and coincident with the unity of war, then, indeed, mankind can look forward with enthusiasm and with renewed faith to the coming of the better day and to the consummation of the desire of the common people of all nations since the beginning of time.

Mr. President, I deem that I am not speaking out of bounds when I call attention to the fact that the reciprocal trade agreements have had some little part in the theory and in the fact of making it possible for men and nations to unite for peace. The technique of the trade agreements practiced now and tried for more than 10 years is a technique in which two nations, and then more, unite, not to do hurt to one another as a result of special privilege asked for each, but to discover where each can help the other, and agreement is brought about under the theory and under the ideal which General Eisenhower mentioned and called attention to.

RECIPROCAL TRADE AGREEMENTS ACT SHOULD BE EXTENDED ANOTHER 3 YEARS

Therefore, Mr. President, I think I am justified in saying that the Reciprocal Trade Agreements Act, with some important modifications, which is again before the Senate for extension for another 3 years, should be extended in accordance with the bill now pending, which should be passed as it came from the House, without amendment.

This makes the fifth time that act has been before the Congress for consideration. The act was passed in 1934, extended in 1937, 1940, 1943, and is again before us with a request from the President that it be extended another 3 years. The House has passed the bill, and it is before the Senate for approval. It seems to me that the Senate should without quibbling approve it.

This matter is above party politics. It involves our foreign relations. It is fundamental to the Nation's foreign economic policy of enlightened self-interest based on international cooperation and expanding world trade. Prosperity is naturally desired by all nations of the earth. We can have such world-wide prosperity only by cooperation. This is more evident today than ever before. Wise and liberal trade policies create the basis of friendship and prosperity. Trade barriers and trade discrimination create and encourage hostility and destroy the nations' confidence in each other.

What is needed now, as never before, perhaps, in the history of the world, is that nations find ways to remove prohibitions to trade, to reduce barriers, to prevent the growth of new prohibitions and restrictions, and to agree on standards of fair competition.

The late President Roosevelt and Mr. Cordell Hull, until recently our Secretary of State, have been the leaders of the world in the past 11 years in striving to bring about these very desirable ends in order to promote the prosperity of our own country and of the world. President Truman and Secretary of State

Stettinius have expressed their strong support of these doctrines. From the standpoint of right and sound common sense, as well as loyalty to these great leaders, we should pass this bill extending to the President the authority to continue to negotiate these reciprocal trade agreements with foreign countries.

Since 1934 this instrument of adjusting tariffs to encourage world trade and to promote the prosperity of the people of the United States has been carefully administered by the President and the Secretary of State. Trade has been increased as a result of the reductions that have been made in the United States tariff rates and the concessions that have been won from foreign countries. Few, if any, domestic industries have been injured by the concessions granted by the United States, and many have been greatly benefited.

There have been 28 trade agreements negotiated and put into effect. Two have been suspended—those with Nicaragua and Czechoslovakia, the latter when that country was overrun by Germany. There are in effect agreements with 26 countries, as follows:

Reciprocal trade agreements made—country and effective date

Argentina	Nov. 15, 1941
Belgium (and Luxemburg)	May 1, 1935
Brazil	Jan. 1, 1936
Canada	Jan. 1, 1936
Canada	Jan. 1, 1939
Supplemental	Jan. 1, 1940
Supplemental	Dec. 20, 1940
Colombia	May 20, 1936
Costa Rica	Aug. 2, 1937
Cuba	Sept. 2, 1934
Supplemental	Dec. 23, 1939
Supplemental	Jan. 5, 1942
Czechoslovakia [1]	Apr. 16, 1938
El Salvador	May 31, 1937
Ecuador	Oct. 23, 1938
Finland	Nov. 2, 1936
France	June 15, 1936
Guatemala	June 15, 1936
Haiti	June 3, 1935
Honduras	Mar. 2, 1936
Iceland	Nov. 19, 1943
Iran	June 28, 1944
Mexico	Jan. 30, 1943
Netherlands	Feb. 1, 1936
Nicaragua [1]	Oct. 1, 1936
Peru	July 29, 1942
Sweden	Aug. 5, 1935
Switzerland	Feb. 15, 1936
Turkey	May 5, 1939
United Kingdom	Jan. 1, 1939
Uruguay	Jan. 1, 1943
Venezuela	Dec. 16, 1939

[1] The duty concessions in the agreements with Nicaragua and Czechoslovakia terminated Mar. 10, 1938, and Apr. 22, 1939, respectively.

NUMBER OF TARIFF REDUCTIONS MADE

On January 1, 1945, there were in effect 1,190 reduced tariff rates in the 26 trade agreements. The agreement with the United Kingdom reduced about 430 of these rates, or about a third. One hundred and seventy-three rates were reduced in the Canadian agreement, 91 in the agreement with France; 90 in the agreement with Mexico; 74 in the agreement with Switzerland; 70 in the agreement with Belgium; 54 in the agreement with the Netherlands; 47 in the agreement with Argentina; 41 each in the agreements with Cuba and Sweden; 16 in the agreement with Iran; 15 in the agreement with Peru; and 10 each in the agreements with Iceland and Turkey. These figures are arrived at by counting only once a rate which may have been reduced in different trade agreements. The reduction is credited to the country with which an agreement was made first. For example, rates reduced the same amount in the second Canadian and the United Kingdom agreements, both effective January 1, 1939, have been counted as Canadian reductions. A rate reduced in one agreement and reduced further in a later agreement with another country is counted only once, and credited to the second country to which was granted the greater reduction.

There were 62 rates bound against increases, 28 of which, or about half, being in the agreement with the United Kingdom.

VOLUME OF IMPORTS SUBJECT TO THE LOWER TARIFFS, REDUCED IN TRADE AGREEMENTS

These trade agreements became effective at different dates in the years 1934 and 1944. Consequently, it is not possible to show the effects of all these reductions in any given prewar year. However, we can take some base year like 1939, the last prewar year of about normal trade, and apply to the trade in that year the pre-agreement rates and the post-agreement rates, and thereby approximate the changes that have taken place since the trade agreements became effective. Total imports into the United States in 1939 were valued at $2,276,000,000; of this amount $879,000,000 was the value of dutiable imports. Of the dutiable imports, $552,000,000, or 63 percent, would have been subject to the reduced trade agreement rates in effect January 1, 1945. In other words, the duties have been reduced by trade agreements on 63 percent of total duitable imports; the duties have been reduced on 74 percent of all dutiable agricultural imports and 55 percent on all dutiable non-agricultural imports. On dutiable finished manufactures duties have been reduced on 42 percent of total imports—see report of United States Tariff Commission on trade agreements April 16, 1945.

AVERAGE PERCENTAGE REDUCTION IN TARIFF RATES

Making such adaptations as are necessary for the calculation, the average ad valorem equivalent of the dutiable rates on imports subject to reduced duties before the trade-agreement rates came into effect would have been about 55 percent, and after the trade-agreement rates became effective the average ad valorem equivalent would have been about 32 percent, which is an average reduction of about 23 percent ad valorem or an apparent reduction of 43 percent in the rates as they existed before the agreements were negotiated. To determine the effect on the tariff level of all dutiable imports would require that they be calculated on a different basis including those dutiable imports on which no rates were changed. If no reduced rates of duty had been in effect, the average ad valorem equivalent on all dutiable imports valued at $879,000,000 would have been 48 percent; giving effect to the reduced rates as of January 1, 1943, the average ad valorem equivalent would have been 33 percent, an average difference of 15 percent ad valorem, or an apparent reduction of 31 percent in the average of all rates existing before any trade agreements were negotiated.

These reductions in rates of duty have been effected without any serious injury to domestic industries and with many industries having profited greatly by the extension of their foreign market through the concessions won from the foreign countries on our exports to those countries.

The PRESIDING OFFICER. The Chair informs the Senator from Utah that his time on the amendment has expired.

Mr. THOMAS of Utah. I will take my time on the bill, Mr. President, and without repeating the unanimous-consent request already agreed, I will stop whenever the Chair informs me that my time has expired.

Chairman Oscar B. Ryder, of the Tariff Commission, in his testimony before the Ways and Means Committee of the House, said that in only about 5 cases were strong objections urged by domestic industries against the reduced tariff concessions granted to imports into the United States.

Mr. President, I cannot help but remark that surely this technique is worthy of consideration when we contrast the fact that in but five cases were strong objections urged by domestic industries against reducing tariff rates with the fact that when tariff bills were handled by the Congress numerous lobbies and pressure groups were active in trying to attain their ends. Surely, this one fact alone—and there are many others to consider—should cause us to rejoice that America has moved forward in its way of handling the subject and in its technique, without the pressure groups being aroused and without the advantage-taker pressing his individual claim at all times.

In only two of these five cases was the trade agreements committee convinced, after hearings held, that there had been any injury to domestic industry.

There again, Mr. President, I cannot help but remark that that would seem to be a justification of the technique practiced and a great compliment to the energy, the zeal, and the care which our representatives have taken in negotiating these agreements.

In both cases adjustments were made as provided for in the respective trade agreements. In the case of silver-fox furs a supplemental agreement with Canada was negotiated to relieve that situation and quotas were placed on imports. Mr. Ryder advised the committee that in future agreements, as in the most recent agreements negotiated, it would be an easy matter to provide for the correction of such mistakes by the insertion of clauses for that purpose in any new agreements negotiated.

Thus the technique develops, Mr. President, and thus we learn better by the doing how to continue that which we have started.

This seems a sensible procedure and undoubtedly will be carried out in the future when this act is extended.

How much better it is to make these adjustments in consultation and agreement with our foreign neighbors than it

is to do so unilaterally and have them hate us for it ever afterward. In such negotiations as this we have found foreign countries to be reasonable, and they expect us to be reasonable. If they treat us fairly we ought to be in a position to treat them fairly.

In that connection it may be pointed out that in these agreements with foreign countries they have granted the United States concessions on 54.44 percent of the agreement countries' total imports from the United States, based on 1937 figures.

The evidence therefore is clear that we have been given great benefits to our exports by the concessions we have won from foreign countries in these trade agreements, and we have won such benefits without serious injury to a single American industry. Not only that but because of these concessions on imports to the United States the American consumers have had the advantage of a greater variety of products because of those imports and also undoubtedly have been able to purchase such products and like products of domestic origin at more reasonable prices. In other words, more goods have been available to domestic consumers at lower prices and more of our products have found outlets in foreign markets than would have been true if there had been no trade agreements.

THE AUTHORITY TO CUT PRESENT TARIFFS AN ADDITIONAL 50 PERCENT IS ESSENTIAL TO THE PROGRAM

It is apparent from the number of rates that have been reduced up to now under the reciprocal trade agreements in effect at the present time and from the high percentage of the dutiable imports into this country on which the rates have already been reduced, that it is necessary to grant to the administration the authority for further reductions in the duties, if this reciprocal method of adjusting our foreign commerce is to be of any use and effect in bringing about the kind of conditions in world trade which the administration is firmly convinced are necessary to encourage the prosperity of this country and of the world.

We must trust the administration to utilize this further extension of power with wisdom and caution as it has used the power in the past. No one in this country wants to see domestic industries injured in any way, and certainly everyone wants our own people to be fully employed. We realize that in order for them to be employed our industries must be continued in a high state of productivity. The testimony before the committees of Congress of those who have responsibility for administering the trade-agreement program shows clearly that they are sensible of their responsibility in maintaining this high degree of employment of domestic labor in domestic industries. The Congress may rest assured, therefore, that this further authority extended to President Truman and the Secretary of State will be carefully, wisely, and broadly administered so as to promote full employment in this country at the highest possible wages and in such a way as to maintain the high standard of living that we are accustomed to in this country and that is commensurate with our industrial ability and resources.

TRADE AGREEMENTS WILL BE NECESSARY AFTER THE WAR

During this war international trade, where permitted at all, has been absolutely controlled. Trade with enemy nations has been stopped by the blockade. Trade of enemy nations with neutrals has been controlled as far as possible by the United Nations by preclusive buying, by agreements and special arrangements of all kinds. Trading of United Nations with allies has been controlled by the unusual emergency of war conditions. Both imports and exports have been permitted to move only in such directions and with respect to such commodities, in such quantities, as would contribute to victory for the United Nations, or such as was dictated by the absolute necessity for maintenance of the economy of the cooperating nations.

Now that the war in Europe has come to a close, some of these control measures will undoubtedly be relaxed. In fact, they are now being relaxed. For several years, however, it will be necessary to maintain many of these controls. Certainly as long as the war with Japan lasts all these controls which are essential to carrying on the conflict in the Pacific should and probably will be maintained.

When the war in the Pacific is ended, we will be confronted immediately with the problem of how to relax these extreme emergency controls which have been exerted over foreign trade. The administration should be given this instrument and authority of reciprocal trade agreements to employ in its dealings with other nations to win as far as possible freedom from restrictions on United States exports to all countries of the world. In exchange for obtaining from foreign countries this release of controls on our exports we shall, naturally, have to grant some concessions on our imports from those countries—on their exports to us. This reciprocal trade-agreements program is an especially effective instrument designed almost exactly to meet just such situations as will exist after this war. The Congress, therefore, should by all means give the administration this instrument in order that they might meet the conditions which we are certain to face in international trade in the postwar period.

FOUR REASONS RESULTING FROM THE WAR WHY RECIPROCAL TRADE AGREEMENTS ACT SHOULD BE EXTENDED

There are at least four good specific reasons resulting from the war why we should extend the authority to the President to negotiate reciprocal trade agreements:

First. Because it will be necessary in many cases to act quickly to protect the interests of American exporters in foreign markets to offset or prevent other countries who may discriminate against American export products by changes in their tariffs by Executive decree. The greater the bargaining authority our Executive is given, the stronger his bargaining position will be.

Second. Because American exporters, due to war conditions, have not been able to fully supply their foreign markets, manufacturers abroad in those countries where our prewar products were marketed have built factories to supply their domestic markets. Strong reciprocal trade bargain power is required by the President to prevent further tariff protection for those foreign war industries rising against export of American goods.

Third. Great Britain will, after this war, need to export tremendous quantities of goods in order to finance her requirements of enormous imports. She is likely to do everything in her power therefore to further extend her preference agreements for markets for British goods in other countries, enlarging the so-called sterling area at the expense of American exporting manufacturers. The President needs strong bargaining power to prevent Great Britain and the countries of the sterling bloc from discriminating against American exports to those countries.

Fourth. Many German industrialists have begun operating outside Germany, notably in Spain. It seems certain that many others will be driven from Germany and will start enterprises in other markets. After the war they undoubtedly will demand tariff protection from the United States products exported in competition. This reciprocal trade bargaining power should be granted in order that the President might be in a strong position to prevent such increased protection of foreign countries and such foreign tariff barriers being erected against United States exports.

The PRESIDING OFFICER. The Senator's time has expired. The remainder of his address will be incorporated in the RECORD, as requested.

The remainder of the address of Mr. THOMAS of Utah is as follows:

RECIPROCAL TRADE AGREEMENTS AID PEACE

Much has been said lately about the reciprocal trade agreements in respect to the peace after the war and in regard to their effect upon the making and control of that peace. I do not entertain an exaggerated notion about the importance of reciprocal trade agreements in the making of peace. I do not think such agreements are of paramount importance. I think there are other factors greater and very much more important. However, I wish to point out the fact that in international relations when there comes an era of depreciated currencies, chaos in international affairs, subsidies, dumping, and all the other elements that follow in the wake of controlled currency and totalitarian economics—the bartering system, all the types of national competition which we shall have to meet, but which we shall not be in a position to combat if the world organizes against us, except by using the same techniques as used by others, which we will not use and cannot use because we cannot stoop to that level of international trade—I say when we know from the experience after the last war what we shall have to face because of the resurgence again of peaceful trade and ambition and competition, with dis-

order in practically all countries as the aftermath of a war and the aftermath of a great defeat, we shall find that the greatest thing the United States can do for the world and for itself will be to put forth a restraining hand, for that which makes for stability in the world will in very fact contribute to a better and a lasting peace.

Mr. President, in regard to postwar planning and what we are doing in relation to it, I can only repeat what I have said before on the floor of the Senate, that the time to settle differences between allies is while we are at war and while we are interested in one another, and that every difference we settle between ourselves while we are in the war makes the peace that much easier. We should never get into our minds the thought that in a state of war we have one world and that the next day, when the peace comes, we have another world. It is the same world. Of course, it is true, and everyone who has read the old Greek classics knows it to be true, and it has become proverbial as a part of the literature of mankind, that men unite for war and destruction, but divide for peace and construction. That was wailed back in the days of Greek drama, and it has proved to be true.

When we note those things, Mr. President, it seems to me we should take every opportunity we can to make sure that when there is one element of stability it should be developed, not only for our own sake but for the sake of the world, and it should not be destroyed.

Mr. President, much has been said and will be said to the effect that by this trade-agreements program we are giving the executive department of our Government too much authority and that the President has too much power already and is gaining more additional power all the time.

Mr. President, Congress has not given up its power in regard to reciprocal trade agreements. Congress can repeal the original act. Congress never legislated for all time. The present Congress cannot bind the next Congress. No type of amendment will in any way make it more difficult or less certain that if Congress makes up its mind, and if the people make up their minds, to bring this tariff technique to an end, they can bring it to an end. If we are frightened of our President, we should look back at history. We should remember that the reciprocal trade agreements have not frightened the people of the United States to the extent that one single case has gone to the Supreme Court. Yet, the flexible tariff arrangement and the need for a Tariff Commission came in the evolution and growth of the tariff problem, and caused no misgivings on the part of the American people.

For 11 years we have had this act before us. Three times before it has been reviewed, in addition to the original action by the Congress of the United States. The American people have had an opportunity to judge of that which has been done. They have judged of it, and they have called it good. Since they have called it good, the technique should be continued.

Mr. President, as to the concept of recognizing tariff control—for that is what a tariff act is; it is a control of foreign commerce—throughout the history of the United States the fact of the control of commerce has been predominant in the reasoning of the cases about the tariff which have gone to the Supreme Court. Tariff for revenue only has never been anything but a slogan, which sometimes has been effective, but in practice and in the making of law in actuality never was effective. The tariff has its origin and its end in the control of foreign commerce, and that is the only way in which it should be interpreted. Since it is interpreted in that way and since it is a control of trade, to what fairer, better, or more desirable way can we turn than the way of negotiation and the building up of agreements with foreign nations in such a way that the agreements can be mutually helpful to the countries which enter into them, and can be controlled in such a way that neither country will be hurt by them? Incidentally, under the reciprocal trade agreements the whole world received benefits by the liberal or the unconditional use of the most-favored-nation clause technique.

If after 11 years, when we have had changing conditions, it develops that we have proved a technique which is advantageous to ourselves and which has brought about good feeling on the part of other nations toward us, it seems to me that it is something to which we ought to say "Amen" and ought to continue.

THE RECIPROCAL TRADE AGREEMENTS ARE CONSTITUTIONAL AGREEMENTS AND NOT TREATIES

As I have said before, in 1930 and 1943, these reciprocal trade agreements are not treaties, and their negotiation without Senate approval of each specific agreement is constitutional and according to well-established precedent and procedure. On a previous occasion I said:

> There is another point which arises constantly, and that is the viewpoint which considers the international trade agreements as treaties. Mr. President, I do not consider such agreements as treaties. I do not think they are treaties. Furthermore, I do not want them to be considered as treaties. I should not like to see the time in the United States when an agreement between the United States and Cuba, for example, in regard to control of trade, would become the supreme law of the land. I think we must not lose sight of the fact that while there is a provision in our Constitution in regard to the ratification of treaties, we have not insisted upon using that provision. We have not decided that that is the only way by which we can bring about the equivalent of treaty understanding with nations. We have used other techniques. For us to turn our backs upon them means that we turn our backs upon history.
>
> It will be remembered that back in Polk's time three great international questions faced the Nation—the Oregon question, the Texas question, and the ambition or desire to annex California. President Polk used the technique of coming to the Senate and asking what Washington asked, which should be asked occasionally. He did not come to the Senate for advice and consent in the negotiation of an arrangement with Great Britain in regard to the Oregon Territory. He came to the Senate and asked for advice, and the question of the continuation of negotiations was discussed on the floor of the Senate; and a proper technique, out of the ordinary technique of our constitutional arrangement, was used, to the tremendous advantage of our country.
>
> Mr. President, I do not like to see our Constitution bound in its possibilities. We would never have had peace with Germany after the last war if we had had to go through the ratification of the treaty. The Senate refused to ratify the treaty and peace came by joint resolution. If I remember correctly, the annexation of Texas came not by treaty arrangement but by joint resolution.
>
> For more than 100 years the Supreme Court of the United States has recognized the fact that agreements, treaties, and conventions are different things. From the inception of our present constitutional government the Congress, the courts, and the Executive have recognized that there are several types of international agreements which are not treaties in the constitutional sense. This, of course, is understood by all Senators. I do not wish to enter into an argument about it, because it would be like arguing a case in court, where neither attorney ever convinces the other, and the decision is left to a third party. These distinctions were well pointed out by Chief Justice Taney in *Holmes* v. *Jennison* (1840) (14 Pet. 540, 571):
>
> "The words 'agreement' and 'compact' cannot be * * * held to mean the same thing as the word 'treaty.'"
>
> A treaty was defined as—
>
> "A compact made with a view to the public welfare by the superior power, either for perpetuity or for a considerable time."
>
> The Court further said that—
>
> "The compacts which have temporary matters for their object are called agreements, conventions, and pactions."
>
> Everyone knows that there is a 3-year limit upon the trade treaties, and that they are considered as agreements. The technique which we have allowed to develop follows that line.
>
> It seems almost sure that the writers of the act of 1934 actually had before them this decision, because they put in the time limitation to meet the opinion of a great Supreme Court Justice. This decision may aptly be applied to the Trade Agreements Act, which has been enacted as an emergency measure and which requires that agreements be subject to termination not more than 3 years after they take effect.
>
> That there are compacts not possessing the dignity of a treaty in the constitutional sense which may be authorized by Congress and negotiated and proclaimed by the President was recognized by the Supreme Court in the case of *B. Altman & Co.* v. *United States* (224 U. S. 583, 601), involving an agreement made under the authority of section 3 of the Tariff Act of 1897. And in the case of *United States* v. *Curtiss-Wright* ((1936) 299 U. S. 304), which was cited by the Senator from Georgia [Mr. GEORGE], the Supreme Court made it clear that the Federal Government has as an essential part of its sovereignty "the power to make such international agreements as to not constitute treaties in the constitutional sense."
>
> In *Field* v. *Clark* ((1892) 143 U. S. 649, 694), the contention was made that section 3 of the Tariff Act of 1890 delegated to the President treaty-making power. The Court disposed of this point by holding that the trade agreements authorized by the act were not treaties requiring ratifications.
>
> In that act we have the background for our reciprocal trade technique of today. It was objected to on the ground that the President was given too much power, but the Supreme Court said "No."
>
> The contention of alleged delegation of legislative authority, which has been mentioned several times, may be summed up by citing legal authority.

It has been charged that prior to the enactment of the Trade Agreements Act there were no precedents for changing import duties by Executive action pursuant to international agreement. This position is predicted upon confusion of differences in detail with differences in principle.

The Dingley Tariff Act of 1897, section 3, recognized the appropriateness of changing tariff duties by Executive proclamation pursuant to international agreement entered into under congressional authority. The fact that this law was limited to specified articles, whereas the Trade Agreements Act is not so limited, is a matter of detail rather than of principle. Section 315 of the Tariff Act of 1922 authorized the President to select the articles upon which duties were to be changed. The fact that the initial proceedings under the flexible tariff concerned a cost investigation rather than a trade-agreement negotiation is likewise a difference only in detail and not in principle. Combining the two laws, section 3 of the Dingley Act and the flexible tariff provision, we clearly have precedents for changing duties by Executive agreement and selecting the articles upon which changes are to be made.

The contention has been presented that the case of Field against Clark is no precedent for the Trade Agreements Act. It must be remembered, however, that under the act of 1890 the President did have discretion to find that duties were imposed by foreign countries which were reciprocally unequal and unreasonable, and under the Trade Agreements Act the President is authorized to find that the duties of the United States and of foreign countries are unduly burdening the foreign trade of the United States. Here, again, the difference is one of detail and not of principle.

The fact that during the past 11 years the Court has not been asked to pass upon this question, the fact that treaties or agreements have been negotiated, entered into, and have become a part of our custom, and the fact that in the great general evolution of this idea we have not turned our backs upon it, all seem to me to be an argument—in spite of the argument to the contrary—which can be made in favor of the technique as we have followed it through.

The ruling of the Supreme Court in *Panama Refining Co.* v. *Ryan* (293 U. S. 388) has been presented as authority for requiring a definite standard to be followed by the Executive in carrying out the legislative will. In the *Curtiss-Wright case* (299 U. S. 304), the Panama Refining Co. case was relied on as support for the contention that the arms-embargo law was invalid as a delegation of legislative power; but the Supreme Court rejected the contention, holding that in delegating power to control foreign affairs Congress was not limited to the same degree of exactness as in domestic affairs. On page 320 the following language appears:

"It is quite apparent that if, in the maintenance of our international relations, embarrassment—perhaps serious embarrassment—is to be avoided and success for our aims achieved, congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restriction which would not be admissible were domestic affairs alone involved."

That the tariff act is primarily a regulation of foreign commerce and only, incidentally, a revenue measure, is a point which I have already made, and a point which I think we should keep constantly in mind. It seems to me we should never forget, Mr. President, that the United States customs tariff has been historically a means of commercial trade rather than primarily a source of revenue. That is the first point I have sought to make so far; and that it has been necessary in its historical development to place in the Executive increased Executive control of the tariff.

These are the practical aspects of the situation, Mr. President, and I have given the reasons why we have advanced in our tariff history to the place where we find ourselves today.

Mr. President, the Reciprocal Trade Agreements Act should be extended. The Congress and the President have already approved the act four times, in the original act of 1934, and the two 3-year extensions, in 1937 and 1940, and the 2-year extension in 1943. In my opinion—and it is only my opinion—the Congress should now make this legislation permanent. Of course, that is not what the pending joint resolution provides for, so I am going outside of the sphere of the resolution in saying that, in the history of the evolution of the tariff, we have arrived at the place where we ought to make the legislation permanent.

Mr. President, the record made by the administration during the past 11 years in negotiating reciprocal agreements has proved this method of dealing with the tariff and international trade problems to be fair and practical. It is also, even during the war, a workable method of handling some current foreign-trade problems and will be needed to solve the new and complex conditions of industries and international trade that will certainly exist at the end of the war.

This method should in time, and the sooner the better, become a permanent part of United States foreign-trade policy. It ought not to be a political question any longer. This way of handling some of our foreign-trade problems has come to stay because it is worth keeping.

The reciprocal-trade agreement is a good instrument, and should not be discarded merely because some of us may not agree with every act of the administration under the law. We do not discard hoes for weeding gardens merely because we occasionally hit a tomato or beet plant when we aim at a weed. What we do instead is to be more careful with the hoe—develop more skill in its use as we gain experience. That is what we ought to do with the Trade Agreements Act. We ought to perfect our use of it to the end that it will more effectively promote the general welfare and prosperity, not only of our country but of the world.

EXTENSION OF CONCESSIONS TO ALL NATIONS DOES NOT DESTROY UNITED STATES BARGAINING POWER

Generalizing concessions under most-favored-nation clause does destroy some United States bargaining power but only to a limited extent. This is shown by a report by the United States Tariff Commission dated April 1943 entitled "Analysis of Trade Agreement Concessions."

This report shows that imports into the United States from the particular country or countries to which the concessions were granted amounted to 73.1 percent of the total imports from all countries of those particular items on which the concessions were granted. Furthermore, only 10.9 percent of the imports into the United States of products on which concessions were granted by this country came from other countries with which the United States had negotiated reciprocal trade agreements; and only 16 percent of the imports on which concessions had been granted in any and all of the trade agreements in effect up to that time came from countries with which the United States had not yet at that time negotiated a reciprocal trade agreement; 1.8 percent of this 16 percent came from Germany and 14.2 percent came from other nonagreement countries. In other words, 16 percent of the imports in 1939 of articles on which the United States had granted concessions in trade agreements got the benefit of the concessions granted without giving any quid pro quo concessions whatsoever; but 84 percent of the imports came from countries with which we had reciprocal trade agreements. It is incorrect, therefore, to say that this country does not give away gratis some of its bargaining power by extending to all countries most-favored-nation treatment by generalizing the concession rates to all countries; on the other hand, such claims as have been made of the destruction of the bargaining power of the United States by such generalization of concession rates has been greatly exaggerated.

Without debating the issue or attempting to argue about the fine points to be nicely drawn from arguments pro and con, it is apparent to an ordinary person that the present method of negotiating these trade agreements and generalizing the rates under the most-favored-nation principle—as used by the administration—has proved to be a very practical and sensible method of adjusting tariff rates to meet world situations and that the conservative way in which the concessions have been granted in these negotiations, reserving, as they have, 84 percent of the trade in concession items to trade-agreement countries, has conserved the bargaining power of the United States for the purpose of making good "Yankee trades" in the best interpretation of that phrase.

The administration has not attempted to squeeze the last penny out of these trade agreements. They have attempted to promote good will and cooperation among the nations of the world in foreign trade and economic relations. The evidence indicates that they have been successful in accomplishing this desirable objective.

One other observation in this connection seems pertinent. Of the total United States imports in 1939 on which concessions had been granted in agreements up to and in effect in April 1943, except those from Cuba, 91.1 percent of the imports on the free list that were bound free of duty came from countries with which we had reciprocal trade agreements, 74.2 percent of those imports came from the specified country in the agreement with which the concession was made and 16.9 percent came from countries other than that in the agreement with which the concession was granted. This shows that the binding of imports on the free list lost less bargaining power than did the treatment of items on the dutiable list, as might be reasonably expected.

OTHER COMMON-SENSE HISTORICAL REASONS FOR THE TRADE AGREEMENTS PROGRAM

During this debate you have heard many excellent reasons for the extension of the trade agreements. At the present time I desire to add to this strong body of affirmative arguments certain considerations which are not frequently emphasized but which I regard as of the utmost importance. These considerations relate to the organization of our foreign trade on a rational and common-sense basis. True it is that we de-

sire a strong current of foreign trade. We recognize that the level of foreign trade is one of the indexes of prosperity. But we do not propose to achieve a high level of foreign trade at any cost. We do not wish to repeat the program of the 1920's when heavy exports were attained by upsetting the world's financial equilibrium. No! We want our foreign trade active and expanding, it is true, but, above all, we want it to rest upon secure foundations.

It is our contention that the reciprocal trade agreements make it possible for our foreign trade to be built upon a basis of constructive intelligence. Now, let me hasten to add, I do not have in mind a planned economy here. I think the American people are opposed to such a system. But the success of our arms in Europe has shown us the advantage of a carefully thought out attack on these problems. Our military victory has demonstrated to us that the way of success is a thorough study of our problems by the best ability available and the application to these problems of rational principles and organization. The trade agreements, we assert, permit us to apply to the problem of our foreign trade the same methods that have proved successful in our supreme military victories.

This comparison may sound fanciful to some, but if you will bear with me for a brief period, I believe I can offer convincing proof of the assertion.

Let us for a few moments cast aside our prejudices, whatever they may be, and examine this question of our foreign trade in a dispassionate mood. This we can best do by casting our eyes over a period of time, say, from the First World War. Let us dispassionately examine the course of international trade during the interwar period, that time when were sown the seeds of so many fateful movements for the human race. A study of the trends in that period should show us some of the great difficulties met, and, we believe, will serve to show how the methods of the trade program were the most rational way to meet these difficulties.

Looking, then, at the interwar period, the first striking fact that engages the attention of the investigator is the relative decline of Europe in the world's economy and the rise of the so-called backward countries. The old Victorian era that seemed to rest so nicely upon the so-called economic laws had passed and a new era had dawned, full of dynamic conflicts that failed to settle themselves if only let alone.

According to the League of Nations' world economic survey of 1932, between 1913 and 1925 the industrial production of Europe rose only 2 percent, while the production of the rest of the world rose 25 percent. What did this mean? It meant that during the war Canada, Latin America, South Africa, Oceania, and Asia, long raw-material suppliers of Europe, had made a strong start in the development of their own industries. This, as we shall see later, was only the start of a trend away from the old order. The development of these new industries in outlying countries called for protective tariffs in many cases.

Meanwhile, the peace settlements in Europe could hardly have been better calculated to break up the old economy. Formerly much of the raw material and agricultural products of the world had been absorbed by central Europe, but the war reparations imposed upon these countries destroyed the foreign purchasing power of their currencies, and, after a few years of emergency imports, they were compelled drastically to limit their imports.

Thus, on the one hand we find the outlying countries raising their tariffs against European manufactures, and on the other hand, European countries were raising their tariffs against agricultural products in order to protect their exchange.

What was the result of this mutual tendency? Well, one of the results is shown in a study by the League of Nations published in 1941 and entitled "Europe's Trade." This study shows that between 1925 and 1938, the imports of Continental Europe—excluding Russia—from the outside world shrank from $11,000,000,000 to $4,500,000,000 and the corresponding exports shrank from $7,500,000,000 to $3,500,000,000.

A highly authoritative Italian economist—Mortara Georgeo, Prospettive Economiche, Milano, 1937, page 197—has calculated that between 1913 and 1936, on a constant-price basis, the exports of Germany fell from $4,000,000,000 to $3,000,000,000, those of France from $2,200,000,000 to $1,400,000,000, and those of Italy from $970,000,000 to $628,000,000—with increasing populations, a tremendous fall of trade. Revolutions were being born here.

Now we come to a historic lesson that was given our own country—but not a free lesson by any means. In the twenties we were oblivious of these terrific trends, this revolution of the world's economy. We had our old traditions—Republican traditions, Democratic traditions, instinctive ways of reacting. They were good enough for our fathers. They were good enough for us.

After the German and Austrian and in part French and Italian economies were liquidated in the early twenties by inflation, everything seemed clear. They looked like fine risks for our loans. In the few years prior to 1930, the United States put about $6,000,000,000 into Europe, lending Germany alone about $2,500,000,000. With part of these loans Germany rationalized her manufacturing plants looking to greatly expanded markets.

Meanwhile, world agricultural production had greatly increased, but the principal markets in Europe had been largely cut off. The Europeans had to conserve their foreign exchange and so stimulated their own agricultural production. Agricultural prices slumped, we began to realize that Central Europe's short run of moderate prosperity was purely artificial, kept alive only by the oxygen pump of our loans. To save ourselves we began to call in our European lendings and the world depression was precipitated.

What happened then? Well, nations are a good deal like turtles or porcupines. When danger is near they just withdraw into their shell or roll up into a ball and play dead. That is just what many of the nations of the world did when the crisis struck in 1929. They just drew themselves into a shell of restraints against foreign imports and they not only played dead, but some of them did almost expire in fact so far as economic activity was concerned.

The lesson of all this is that we should endeavor to rise above these instinctive reactions.

We should learn to look upon these problems with a rational mind. How can we attempt to run our own affairs, to say nothing of the business of the world, on old slogans whether they be Democratic or Republican? When Government interest in business was only incidental, when it made little difference what the Government did, it was, indeed, a heart-warming experience, to hear the orators on either side exalt their own traditions and call upon high heaven to witness the iniquities of their opponents. There were no hard feelings. It was all a game.

But now it is different. The welfare of continents hangs upon our decision. Are we not therefore duty bound to use our utmost cool intelligence? To avail ourselves to the utmost of investigation and judgment? To this question I think we will all answer in the affirmative.

Now, what I hereby assert is that the reciprocal trade agreements have offered us and continue to offer us a rational approach to the problems of international trade. In elaborating this point it will again be well to look into recent history.

In 1932 when we were at the bottom of the depression, and millions were without employment, we enjoyed one compensation for our misery. A great many people had time to think. One result of this thinking was the idea that possibly a new appreach to the subject of the tariff would be advisable. In the past some folks had thought that the removal of tariffs was the proper panacea, and others had thought that a multiplication of tariffs was the solution. For several years, however, the thought had been growing that weighing of the rates and of their effects was in order. For this kind of study the Tariff Commission had been constituted in 1916 and by 1932 had accumulated a great amount of information. At the direction of Congress the Commission had endeavored to apply a formula of cost equalization, but this formula had not proved very successful.

Giving careful thought to the tariff question, some of the economists of the Commission concluded that, whereas many of the tariff duties were indispensable for the maintenance of American industry, other rates for one reason or another had no bearing upon any domestic industry, were purely nominal, or were much higher than necessary to furnish adequate protection. The thought emerged that a like situation might prevail in foreign tariffs and a mutual reduction or removal of such barriers that had no bearing upon the industry of the country, but only impeded

trade, would be mutually advisable. It was implicit in this view, that industrialization of former backward countries had proceeded far, that a return to the Victorian system of raw-material-country versus industrial-country trade was impossible. But even with a wide extent of industrialization it seemed possible to carry on a tremendous trade in articles whose production was specially favored in particular countries. It cannot be said that this idea was fully worked out in 1932 but it had been growing.

In accordance with a Senate resolution in 1933 introduced by Senator Costigan, the Tariff Commission made an exhaustive analysis of the foreign trade of the United States in relation to the tariff. The investigation showed in the first place a large number of highly dutiable articles that either were not produced in the United States or of which important classes or grades were not produced in this country. It appeared that the duties could certainly be reduced on these without harm to any domestic industry. The study also showed various heavy or bulky materials that could be economically imported to coastal and border points without substantial effect upon domestic producers located inland.

The study also disclosed many dutiable items which were produced with great efficiency in the United States and exported to various parts of the world. A high duty upon these was manifestly unnecessary.

Some dutiable articles were controlled by monopolies in this country and it seemed highly desirable to lower such duties.

Of course, a good number of commodities were found that suffered natural disadvantages in the United States and the production of which was maintained by the tariff only at considerable cost to the consumer. Some raw materials, especially, fell in this category.

While the several classes just mentioned included a fairly wide range of articles, the largest proportion consisted of items wherein it was felt that the foreign producer could share in the domestic market without adversely affecting domestic production. It was believed that the foreign purchasing power for our exports obtained by thus sharing the domestic market would more than counterbalance any losses in the domestic market experienced by domestic producers.

On the basis of the above findings the administration inaugurated the trade-agreements program. We believe it has achieved a considerable rationalization and liberation of United States foreign trade. Moreover, the concessions accorded us by foreign countries, and usually generalized under most-favored-nation treatment, have helped to stem the trend toward trade restriction and have demonstrated to these countries how their foreign trade may be stimulated without impairment of their infant industries.

Those who understand the trade agreements program do not claim miracles for it. Such claims are a disservice to the movement. Furthermore, the unsettled state of the world since 1934 renders very difficult and subject to dispute a statistical appraisal of the trade agreements. Nevertheless, it is plain that they have been moving in the right direction.

In our own tariff many duties have been reduced on articles not produced in this country to any extent and having very little competitive impact upon domestic products. Examples are vanilla beans, coca leaves, natural perfumes, cobalt oxide, bubble glass, phlogopite mica, manganese, many specialty machines and apparatus, various winter vegetables, oriental rugs, hand-made laces, fine linens, linen table damask. The list can be multiplied indefinitely, especially if we include special grades and classes of goods. Because the production of the United States is of such a universal nature the list of commodities not competitive with our products is not nearly as long as for most other countries. But if we include various raw materials such as jute and antimony ore now free, the list is extensive. And foreign countries are usually willing to grant us considerable concessions for a binding on the free list.

The mutual reduction of duties by countries on noncompetitive articles is an important way of opening up foreign trade. As an illustration of this, a 1940 publication of the United States Chamber of Commerce—Foreign Trade Trends in Items Affected by Trade Agreements, Washington, 1940—shows dozens of important duty concessions by foreign governments on articles they have never tried to produce. They were not protective tariffs. They were just barriers to trade and they were removed by the trade agreement negotiations. For example, various Central American countries imposed substantial duties on United States bacon, lard, condensed milk, butter, canned salmon, wheat, apples, pears, prunes. These countries did not produce these articles. Their tariff on them did the exchequer little good. It was the dictate of reason that they should be removed as far as possible. This was accomplished through the trade agreement. To cite another example among the hundreds that might be chosen, various Latin-American countries, having no basic iron or steel industry of their own, imposed duties upon United States exports of steel plates, structural shapes, tubes, storage batteries, electric motors, radios, cash registers, typewriters, and similar manufactures. Under the trade agreements such duties were reduced or removed. Of course, some of the above duties were for revenue. But the trade agreements gave opportunity for the reexamination of many tariff laws to see if they could not be improved in view of the general economic picture.

The above examples show a tremendous field for the rationalization of world trade whereby the economic position of all countries can be bettered while at the same time promoting a general and economic industrialization of backward countries. The trade agreements are an effective instrument.

We have mentioned a type of uneconomic duty such as that on cement, whose transportation cost is high and which can be supplied in points like Florida more economically from abroad than from central domestic plants. At the same time there is no possibility of the commodity penetrating far inland because of the transportation cost. Examples of duty reductions of articles in this category have been those on brick, lime, low-priced steel, paper clay.

Of course, duties on raw materials are almost universally considered questionable unless necessary for purposes of defense. This is, of course, a consideration of absolute importance under the trade agreements. Duties have been lowered on glass sand, fluor spar, mica, feldspar, zinc, lead, flax, and hemp, to cite a few examples.

One of the ways in which reductions of duties may help the United States economy is by allowing a freer importation into this country of articles subject to monopoly. There has been constant cooperation between the agencies administering this program and the Anti-trust Division of the Department of Justice.

Many of the duty reductions in our tariff have involved articles produced by mass production methods in this country so efficiently that they dominated world trade. Examples of such articles are various types of machinery, refrigerators, washing machines, ranges, vacuum cleaners, felt-base floor covering. At first sight it seems that reductions on such articles have little significance for increased trade. If our superiority in production dominates the world market, how can a reduction in duties have any effect upon imports? In spite of this seeming inconsistency, such duty reductions are of considerable value in promoting trade. In any fairly large class of goods covered by a tariff paragraph there are always various specialties which perhaps we do not make at all but which are covered by the blanket duty. A reduction in the blanket paragraph may, it is true, be of no significance to the bulk of items in that paragraph, but it may give our manufacturers freer access to various machines or goods which we require but do not produce ourselves, and very likely have no desire to produce. Of course, some of these reductions, though not of any extraordinary benefit to our own producers, may be regarded of great importance by foreign countries, for which they are willing to grant considerable concessions.

A very large class of duty reductions includes articles for which the foreign country desires a somewhat greater share of the domestic market, because its present share is extremely small. In many of these cases an investigation of the situation has convinced the negotiators that the increased share of the domestic market may be granted without in any way affecting the domestic output or price level.

In summary, we have endeavored to show that the problems of international trade are now very different from what they were in the Victorian era, when world trade was so much an exchange of raw materials produced by backward countries for manufactures produced by

industrial countries. Then the principle of free trade, with exceptions, seemed to work fairly well. In recent years many former raw material countries have been industrializing and have imposed protective tariffs to stimulate their infant industries. We cannot stop this movement.

The experience of the reciprocal trade agreements has shown, however, that a rational industrialization of many countries is compatible with a high degree of foreign trade. Even with a general progress of industrialization, countries can devote their energies to producing goods for which they are adapted. The trade-agreement program inaugurated by the United States is a method by which a rational development of world-wide industry can be achieved without blocking a normal exchange of goods and services.

Too much should not be expected from this program. It cannot carry the whole burden of world recovery. But it is one of the practical instruments whereby the international economy can be directed toward a fruitful advance.

The trade-agreement program has shown us that we must approach these problems with a comprehensive view; we must weigh the facts dispassionately and work out together with our neighbors the basic elements of a policy that will be good for all.

Mr. O'MAHONEY. Mr. President, I delayed in responding to the glance of the Chair because I thought possibly some other Senator might be moved to address this thronged Chamber on this most important subject. Surely those sitting in the galleries are not oblivious to the fact that at no time during the past half hour, while the distinguished Senator from Utah was addressing the Senate, have there been more than nine Members of the Senate in the Chamber. The Senator from Utah cannot be charged with emptying the Chamber, because the Chamber was empty when he rose, just as it is empty when I rise.

Mr. President, the fact that Democratic and Republican Senators alike have gone about other business while the important subject of reciprocal trade agreements is being discussed is in itself the most emphatic kind of evidence of the terrible pass to which the legislative process has come in this country. We have delegated away our power. We have sacrificed the executive responsibilities which are ours under the Constitution. Therefore, Mr. President, when a Senator rises to speak, there are none to listen.

Mr. DOWNEY Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the distinguished Senator from California.

Mr. DOWNEY. Does the Senator desire to attempt to remedy the present unhappy situation by yielding to me for the purpose of suggesting the absence of a quorum?

Mr. O'MAHONEY. I am very happy to yield for that purpose.

Mr. DOWNEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Guffey	O'Mahoney
Austin	Gurney	Overton
Ball	Hatch	Pepper
Barkley	Hawkes	Radcliffe
Bilbo	Hayden	Reed
Brewster	Hoey	Revercomb
Bridges	Johnson, Calif.	Robertson
Briggs	Johnson, Colo.	Saltonstall
Brooks	Johnston, S. C.	Shipstead
Buck	Kilgore	Smith
Burton	La Follette	Stewart
Bushfield	Langer	Taft
Butler	Lucas	Taylor
Byrd	McCarran	Thomas, Okla.
Capehart	McClellan	Thomas, Utah
Capper	McFarland	Tobey
Chandler	McKellar	Tunnell
Chavez	McMahon	Tydings
Donnell	Mead	Wagner
Downey	Millikin	Walsh
Eastland	Mitchell	Wherry
Ellender	Moore	White
Ferguson	Morse	Wiley
Fulbright	Murdock	Wilson
George	Murray	Young
Gerry	Myers	
Green	O'Daniel	

The PRESIDENT pro tempore. Seventy-nine Senators having answered to their names, a quorum is present.

The Senator from Wyoming [Mr. O'MAHONEY] has the floor.

PERSONAL STATEMENT—DREW PEARSON ARTICLE

Mr. TYDINGS. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. Mr. President, I understand that the Senator from Maryland has asked to speak on a question of a personal privilege. That being the case, I shall be very glad to yield to him, provided the time he consumes will not be counted as a part of my time.

The PRESIDENT pro tempore. Will the Senator from Wyoming yield the floor? If so, the Chair will recognize him when the Senator from Maryland has concluded his remarks.

Mr. O'MAHONEY. Very well.

Mr. TYDINGS. Mr. President, the Washington Post, which is published in this city, is one of the great newspapers of our country. As a reader of its news and editorial columns, I have found it to be enlightened and fair in this world of hurried events and difficult facts. However, it has, as one of its more or less daily columns, I believe, a column called Washington Merry-Go-Round, which is written by an individual who names himself Drew Pearson, but most persons who are familiar with his utterances on a variety of subjects generally call him "Pew Smearson." The column which appeared in the Washington Post of Sunday, June 17, is entitled "Philippines No Place for Visiting." In it I learned for the first time more about the mission which I made to the Philippines than I had known in any other way, and all of which was most inaccurately presented. The article reads:

> Returned members of the Tydings Philippines mission are keeping their mouths tightly shut about the reason for their hurried exit from Manila. They just don't like to talk about it.
>
> When the Maryland Senator arrived in the Philippines he stated publicly that he expected to remain about a month. He planned to make a thorough survey of the entire Philippine economic and political picture for the purpose of making an important report to Congress. The Senators even indicated that it might take 5 weeks instead of 4 to do the job.

The word "Senator" there is spelled in the plural form.

But after TYDINGS conferred with MacArthur, he suddenly told his commission that they would not need to remain more than a few days. Before a week was up, they departed.

While TYDINGS kept mum as to what MacArthur told him which caused such an abrupt reversal of plans, he did tell some of his advisers about MacArthur's remarks regarding another senatorial mission. TYDINGS had informed MacArthur that another group of Senators, chiefly members of his Insular Affairs Committee, were coming to the Philippines later in the summer—BREWSTER, of Maine; ELLENDER, of Louisiana; CHAVEZ, of New Mexico; BUTLER, of Nebraska; and HART, of Connecticut.

MacArthur looked sour when TYDINGS broke this news, and remarked: "Well, if they want to come, I suppose I can't stop them."

However, MacArthur has not hesitated to stop several high-ranking United States generals from even setting foot on Luzon, including Gen. Norman Kirk, Surgeon General of the Army, who wanted to inspect hospitals and study tropical diseases; and, also, Lt. Gen. Edmund B. Gregory, the Quartermaster General. Both were in nearby Leyte, but MacArthur flatly refused to let them set foot on Luzon.

The article continues with further references to General MacArthur, but with no further reference to my trip to the Philippines.

Normally, I would pay no attention to such garbage, but because it affects a very gallant American, General Douglas MacArthur, one of our really great generals, a man who has distinguished himself in an unbelievable manner in connection with two great wars, I am unwilling by silence to see this deliberate lie passed on to the American people without in a humble way attempting to tell the truth about the whole matter.

First of all, there were no Senators on the mission. There was a Senator, only one. The statement that there were Senators on the mission is the first inaccuracy in the article.

The second inaccuracy is that we did not say at any time that we were going to remain 4 or 5 weeks in Manila, or in any other place. All that we said was that we would remain for such time as we felt it was necessary in order to assemble the facts before we departed.

Now, as to General MacArthur. No man could have been more courteous, or could have gone out of his way on more occasions, or could have been more willing than was General MacArthur to throw open to the mission every facility at his command. I had three visits with him. In each case when I called him on the telephone he asked me if I could come instantly. But the first time I went I remained for more than an hour and then left only because I felt I was imposing upon his time, although he told me that he would give me all the time necessary in order to discuss the matter. Other members of the mission had similar experiences. At no time in the Philippine Islands, by any word, act, innuendo, or circumstance, did General MacArthur convey the slightest impression

that either our mission or any other mission would be unwelcome.

What actually happened in regard to the coming senatorial visit of members of the Territories and Insular Affairs Committee, should they desire to go, is this:

I told General MacArthur that I thought it would be a very fine thing if more Members of Congress could see the conditions which existed in the Philippines. He told me that he also thought so. I told him that a small group of Senators from the Committee on Territories and Insular Affairs was planning to visit the islands. He said, "Fine; let them come"—to use his exact words. "However," he said—I have not been at liberty to state this up until the present time—"I hope they will not come while I am away. On the 3d of June I shall go to Borneo to open up the Borneo campaign with the Australians, and I shall be gone for such and such a time. If they were to come while I was away, I would not be able to meet them and to help them in any way. So, therefore, I hope that when they do come I shall be here."

That is the only thing that General MacArthur had to say about any visit by anyone.

No man could have been more hospitable than was General MacArthur. Without any invitation at all, he came to see us several times and to help us. He asked if he could do anything for us. He is a gallant soldier. He has faced the hazards of the battlefield in two great wars, and has performed one of the greatest military exploits in all history, namely, that of leaping from island to island from Australia all the way to the Philippines on his road to the destruction of the Japanese Army. When this man Drew Pearson casts aspersions on such a gallant figure I fail to find within the limits of parliamentary language words to describe this worm masquerading in the physique and the clothing of a supposed man.

In the last war this scoundrel, although away above the minimum draft age, found asylum in an S. A. T. C., and the only powder he ever smelled was in the presence of ladies who might have adorned the windward side of the parade ground. That is the extent of his contribution in blood and sacrifice to the victories we have achieved in that war and in this one; and today, sitting in a comfortable chair, far removed from any danger, without any scintilla of fact or truth to support the statement, this supposed purveyor of information besmirches the character of one of the most gallant soldiers, one of the most brilliant soldiers, and one of the greatest military leaders who has ever walked beneath the flag of our own or any other country.

President Roosevelt referred to this particular "calumnist" as a "chronic liar;" the present occupant of the chair, the President pro tempore of the Senate, referred to him as a "revolving liar." I hope, Mr. President, I may humbly offer an amendment for the consideration of the Presiding Officer and the Senate. I would call him a perpetual, chronic, revolving liar, and a few other things that I cannot add in the presence of this distinguished and rather ethical company. This man has engaged, to my personal knowledge, in the gentle art of blackmail, without any success. He has been guilty of attempting to buy public influence. I have the affidavits and the checks in my possession to substantiate what I am saying. He has been affiliated with one of the great gambling rackets of America, according to one who worked for him and was in the know, who likewise voluntarily made a statement. He kept a safe-deposit box containing thousands of dollars of this money, and it was only after the Internal Revenue Department got on his trail that he sent his confederate to New York and told him to lie low, according to his sworn statement, until it all blew over. That is the man who is attempting to keep the American people advised of what is going on in the bathrooms of the Capital and other places.

In the face of this record, which I shall be glad to exhibit to any newspaper owner or editor in America, I do not know how such stuff can be printed to besmirch the pages of an otherwise very reputable and estimable newspaper.

As I have said, I do not need to answer so far as these lies apply to me, for they are nothing but a complete tissue of lies from beginning to end; but I do resent the aspersion of one who cannot speak for himself, who has been out there in the far Pacific carrying our flag to victory, a gallant soldier, a fine gentleman, an outstanding leader of American rights, and because I was unwilling to see this libel against his good record perpetrated and read by those who might not know the facts and might suppose the statement to be true, I have taken this brief instant in order to set the record straight.

General MacArthur, by no stretch of the imagination, ever accorded our mission anything but a hearty welcome. He did not indicate that we should leave, but let us know that we were welcome as long as we wanted to stay there. He only asked if any mission came to the Philippines from the Congress would not I, so far as I had any say about it, try to get it there when he himself would be present to meet them so he could help them in any effort they wanted to make and afford them any information he had which they desired to obtain.

I hope that this will be an end to the silly, unfounded, lying rumor that General MacArthur did anything except give us the heartiest welcome, bid us stay as long as we pleased, and afforded us every opportunity of courtesy and information that he could.

Of course, I do not look to have any correction of this, because some time ago this same columnist charged me in a public radio address with having built a public road with WPA funds on my private estate, to use his exact words. That was in the heat of a campaign, but when the campaign was over I went to the United States district attorney's office to have him indicted for criminal libel under an act of Congress. The district attorney, Mr. Curran, was glad to let me go before the grand jury, but before I could arrive, lo and behold, the Attorney General of the United States, who now sits on the Supreme Court, Mr. Robert Jackson, wrote in effect that, notwithstanding the law, Mr. Curran was to drop the case. I appeared before this body and aired that matter fully on this floor at the time the nomination of Mr. Jackson to be Associate Justice of the Supreme Court was before the Senate for confirmation.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. TYDINGS. Let me finish. That was Mr. Pearson's way of meeting the issue—to use political pull to call off one who was only asking for a day in court to show up his contemptible lies. I told Mr. Jackson to his face in the presence of a good many what I thought of him—words which, I assure the Senate, would not bear repetition in the CONGRESSIONAL RECORD or in this body. I shall not undertake to tell Mr. Pearson what I think of him, because if I should I should perhaps describe him as lower than the lowest form of animal life in the world.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. O'MAHONEY. Mr. President, I rise to speak for a few moments upon the committee amendment to the reciprocal trade agreements extension bill. The Finance Committee has recommended that there be eliminated from the bill the provision contained in the measure as it came from the House which would enable the Department of State, exercising the authority that is conveyed to it, to make reductions and variations of as much as 50 percent from some tariff rates which have already been subjected to reductions.

Mr. President, I sincerely hope that the Senate of the United States will sustain the committee. I realize that in speaking in favor of the committee amendment I am arguing against an imponderable effort which has been made here to convince Members of the Senate that for the purposes of international cooperation they should convey away and into the hands of the State Department this excessive power to reduce by 50 percent tariff rates which have already in some instances been reduced 50 percent.

The argument is made in general terms that if we are to cooperate internationally we must do this; we must trust the President; we must trust the Department of State. Mr. President, I yield to no person in my willingness to trust the President of the United States. I have every confidence in his patriotism, in his ability, in his skill, but I know that there is not sufficient time in the day to enable the President of the United States to begin to exercise the powers which are conveyed away in the pending bill. I know, therefore, that if we grant this power we are granting it, not to the President, but to subordinate officials of the Department of State who will exercise it.

Mr. President, I say in the utmost solemnity, from the deepest convictions, that if we are to cooperate internation-

ally we had better support the committee amendment. If the Government and the people of the United States are to continue the cooperation which they have demonstrated during the last 4 years, as no people in history have ever demonstrated cooperation before, it will be absolutely essential that they maintain the sound financial foundation of this Nation and its people.

We have given of our substance in order to wage this war. We have contributed the manpower; I am not talking about that now. We have suffered more than a million casualties; I am not talking about that sacrifice of blood now. I am talking about the monetary sacrifice we have made.

Before I enter upon that subject, however, let me say to the Members of the Senate of the United States that the aircraft plant which was built at Willow Run by the money of the people of the United States, contributed in bonds and in taxes, is about to close, and thousands of American workmen are going to lose their jobs. The Willow Run plant, Mr. President, was managed by Mr. Ford, of the Ford Motor Co. I ask the Senate to remember that while the Ford plant at Willow Run is closing, the Ford plant in Cologne, Germany, is opening. Already the Ford plant at Cologne, which did not suffer any damage in this war, has orders to manufacture 500 trucks for the Army of the United States. It may be that German veterans of this war will be finding jobs in the Ford factory in Cologne while American veterans, who are now being discharged at the rate of 100,000 a month, may be looking for jobs in America.

What are we going to do about it? Are we going to grant to the State Department an additional power to fix tariff rates?

Mr. President, is this idle talk? I am asking the Senate of the United States to apply its common sense to this issue. Do not be misled by generalities about international cooperation. We cannot cooperate unless we maintain full employment and full production in the United States of America, and that full employment and that full production cannot possibly be maintained if we permit the limitation of little industries, little businesses, agricultural enterprises, in the United States.

I have in my hand a clipping from yesterday's New York Times, a Washington dispatch dated June 16, quoting from the report of the Secretary of Labor:

> Employment down in May: Secretary of Labor Frances Perkins reported today total employment in nonagricultural establishments was 37,654,000 during May, a decline of 50,000 from April, or more than 1,000,000 from May 1944.

If we turn to the Bureau of Agricultural Economics, Mr. President, we find it reported that agricultural income is fully 4 percent below such income of last year. Agricultural income for April 1945, according to the Bureau of Agricultural Economics, was 4 percent below the agricultural income of April 1944.

I called up the Bureau of Labor Statistics to ascertain what the relationship was with respect to the income of industrial workers. The Chief of the Bureau told me that the income of such workers is down from 5 to 6 percent from what it was a year ago.

Mr. President, we are closing up our plants, we are cutting back war orders. The Senators who have been in Germany will testify that German industry is beginning to revive. Not only is it true that the Ford plant at Cologne is now operating, the Krupp plant has already made application for permission to resume operations, and I understand that a contract has been granted to the Krupp Iron Works of Germany to furnish the materials to build or rebuild a bridge which was destroyed during the war.

International Harvester, another American corporation, with its agencies and plants abroad, is reopening in Germany, affording employment to German people. Mr. President, I do not complain about that. I do not suggest that recovery in Germany should be held back, not at all, but I say that the Senate of the United States should not undertake to reverse the action of the Finance Committee, but should say in the proposed extension of the law, "Your power to reduce tariffs shall remain where it has been, at 50 percent."

Why do I say that? Mr. President, the debt limit of the United States is $300,000,000,000. We are almost at that limit. Will someone tell me what $300,000,000,000 is? Will the Senators who say, "You must trust the State Department," tell me what $300,000,000,000 is? It is beyond the imagination. Yet we are here proposing blindly to convey away our constitutional power to protect employment and production in the United States. Should we do it?

Mr. President, no one knows better than the distinguished occupant of the chair [Mr. McKELLAR], who is the acting chairman of the Committee on Appropriations, the terrific burden that must be carried by the people of the United States to pay off this debt. The report of the Bureau of the Budget, which lies upon the desk of every member of the Appropriations Committee, estimates that it will require $4,500,000,000 to pay the interest on the public debt in the next fiscal year. Senators do not know what $300,000,000,000 is. Do they know what $4 500,000,000 is?

I will tell you, Mr. President. It is almost three times greater than the entire cost of the civil departments and agencies of Government, the Congress of the United States, the courts of the United States, and the executive offices of the President.

How are we going to raise four and one-half billion dollars to apply upon the national debt for the next fiscal year if we pursue a policy which will endanger production and employment in the United States?

Those who advocate restoration of the grant made by the House say "Why, this will create new employment." Mr. President, the testimony of the advocates of the bill proves that it will not. I listened a moment ago to the very scholarly and eloquent words of the senior Senator from Utah [Mr. THOMAS]. He pointed out what is the fact, that 55 percent of all nonagricultural commodities in the United States which are subject to duty have already experienced a cut. He went further. He pointed out that 74 percent of all agricultural commodities in the United States which are subject to duty have already experienced a cut. Why is it that the advocates of restoration of the grant ask for 50 percent more? Assistant Secretary Clayton gave us the reason. The advocates of the act give us the reason. They say our bargaining power has been exhausted. Assistant Secretary Clayton is my authority for the statement that the cuts already made constitute 90 percent of the bargaining power of the United States. And so we are asked to give away the remaining 10 percent. We are asked to say to the farmers in the various States, whether they are raising sugar beets or cotton, whether they are raising cattle or oats or tomatoes, "You have already borne the burden of the reductions during the last 10 years. Now take some more."

Mr. President, can we not think about this question intelligently?

The PRESIDENT pro tempore. The time of the Senator from Wyoming on the amendment has expired.

Mr. O'MAHONEY. I shall proceed on the bill, Mr. President.

Let us consider the case of sugar. The United States of America and the people of the country would have been much worse off with respect to sugar if it had not been for the growers of sugarcane in Florida and Louisiana, if it had not been for the growers of sugar beets in Nebraska, in Utah, in Colorado, and in Wyoming. We have called upon the farmers of the country to produce for the war. They have responded. They have given us the greatest production in all history. Are we to reward them, Mr. President, by granting to the State Department the power to cut away their support?

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Arkansas, though the Senator realizes he is taking up my limited time.

Mr. FULBRIGHT. Is the Senator from Wyoming opposing the measure because he feels it is necessary to maintain production in order to prepare for the next war?

Mr. O'MAHONEY. Not at all. That is typical of the argument, the unthinking argument, I may say, that is made by the advocates of this concession. I am standing for the committee amendment because I believe that to prevent another war it is our duty to make it possible for the people of the United States to be fully employed and to produce everything that they can produce. Mr. President, I say to the Senator from Arkansas that adherence to the procedure to which he seems to be dedicated will deprive workers of employment and reduce production, and by every worker deprived of employment, by every pound of cotton, by every ton of sugar, by whatever number of watches, and of all other products production is reduced, there is correspondingly reduced the ability of the people of America to pay the taxes from which will come the four and one-half billion dollars to apply on the national debt.

I am glad the Senator asked me the question because it goes precisely to the

point involved. If America is to lead the world, America must make sure that it is economically sound, that it has full employment, that it will produce more and more and more.

I will say to the Senator that those who have advocated the enactment of the bill with this additional grant come before us and say uneconomic American industries should be allowed to pass out of existence. Let me read to the Senator the testimony given in the committee. I have here the testimony before the Finance Committee of Dr. Caroline F. Ware, speaking for the American Association of University Women. This testimony is typical. It reveals the thinking. Dr. Ware was responding to a question as to what the effect would be upon laboring men who worked in an industry which cannot compete with a foreign industry. The Senator who asked the question, the distinguished junior Senator from South Dakota [Mr. BUSHFIELD], might have pointed out in his question that the populations of the competing countries for the most part are compelled to receive wages far below those paid to our workmen.

This is what Dr. Ware said:

Dr. WARE. What do you do with the laboring men in the hand process in competition with the machine process, when the machine process comes into this country? What do you do with laboring men in a small firm when a large firm which is more efficient, or in an inefficient firm when a more efficient firm, competes successfully?

The problem of mobility of labor from one occupation to another is a general problem of which this is a very, very, very small part. When you consider the amount of labor mobility and the shifting from job to job which is coming with the cut-back of war industries, the amount of adjustment which is likely to be involved here is negligible.

The point is, Mr. President, will the uneconomic American industries be wiped out? Who is to judge what is an uneconomic industry? We have been told that the raising of sugar beets is an uneconomic industry. Farmers who raise sugar beets in my State, in Colorado, in Nebraska, and in Utah, are operators of family-sized farms. They are rearing families of American children whom they send to American schools and universities, and whom they are bringing up on a high standard. It has been the consistent purpose of those who preach the doctrine of economic and uneconomic industries to destroy the sugar-beet industry in order that we may bring in sugar from the exploited masses of Cuba and other islands.

Mr. President, if America is to pay for the war debt which it incurred to save mankind; if America is to lead the world in peace—as I believe it will—it must undertake to raise the standard of living in other countries rather than to reduce the standard of living in America down to the low level of the exploited masses. Is that an idle fear? Consider the machine-tool industry. Last week members of the Surplus Property Board appeared before a subcommittee of the Committee on Military Affairs and pointed out that we have today in the United States more machine tools than were manufactured by the machine-tool industry in many years previously—an utterely fantastic quantity of machine tools. What are we going to do? We are going to export some of those machine tools. Great Britain is already undertaking to provide a little higher standard for the people of India. We know what has happened to the masses of India. Fortunately and happily, Great Britain is going to pursue a more enlightened policy toward India. But when she does, bear in mind that machine tools will go into India. The textile mills of India will supplant the textiles mills of the South and those of the North. By reducing our tariffs 50 percent more we shall be inviting the output of those exploited masses to come into the United States and add to the unemployment problem.

O Mr. President, let us open our eyes to the facts. There can be no doubt that in the reconversion era it will be necessary for us to find jobs for between 14,000,000 and 18,000,000 people—12,000,000 men in the armed forces and more than 9,000,000 workers in war plants. Of those 9,000,000, the best estimates of the War Manpower Commission indicate that only 3,000,000 will have continuing jobs in civilian industry. With this titanic job of reconversion facing us, we undertake to say to the State Department, "Go ahead and cut 50 percent more off the tariffs."

The distinguished senior Senator from Massachusetts [Mr. WALSH] has always been an outspoken advocate of lower tariffs. I remember very well back in 1922 when the Senator from Massachusetts spoke in my State defending and praising the attitude of the Democratic Party at that time in working for lower tariffs. Let me read his words from his notable address on June 15, a few days ago:

I do not assert this policy—

He means the policy of destroying industry in order to give it away—

would be followed, but, if this theory even remotely prevails among those who will have the power to negotiate trade agreements in secret, without approval by the Congress, it could mean overnight the depletion of the woolen-fabric industry, the cotton-textile industry, the watch industry—which these treaties have already almost completely destroyed—the boot and shoe industry, the fish and jewelry, the paper and plastic industries, the dairy industry—and, in fact, nearly all our industries, except automobile and like major industries.

That is the problem we are confronting. The project of additional reductions in the tariffs will be of great benefit to the huge mass-production industries, such as Ford's, that desire to operate in Cologne, Germany, and elsewhere abroad. It will be of great benefit to the International Harvester Co. While I am referring to the International Harvester Co., let me call attention to the following Associated Press dispatch which came out of Washington yesterday:

To help liberated European countries start raising their own food quickly the United Nations Relief and Rehabilitation Administration announced tonight that it would send 14,500 tractors to be used in planting this fall's crops.

That of course, was perfectly proper. I defend it; I support it; but I point out Mr. President, that if we adopt a policy which is going to export this industry to Europe, we shall be exporting jobs for our returning veterans who have won the great victory for which we cheered General Eisenhower today. Can there be any denial of it?

O Mr. President, it is a matter of applying common sense. It is a matter of looking at the facts, instead of being drawn away from our senses by the unsupported plea that we must risk the destruction of employment in America in order to cooperate with the world.

Mr. President, there will be no question about cooperation. An employed America, a highly producing America, will be of greater advantage to the world than an America which, consciously or unconsciously, endangers the employment of those who are the backbone of our small industries and of our agricultural production. We cannot afford to risk such a disaster. The greatest need of the world, if we are to build securely for peace, is to have a United States of America which is teeming with industry. I submit that we cannot obtain that objective by preventing the recovery of the watch industry or by destroying the woolen fabric industry.

I have seen illustrations of what I mean. Last October in Wyoming the Wyoming Wool Growers' Association called a meeting of everyone interested in the wool industry. Not only the producers were invited to that session——

The PRESIDENT pro tempore. The time of the Senator from Wyoming has expired.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHERRY. If the Chair will recognize me, I shall be glad to extend 15 minutes of my time to the senior Senator from Wyoming.

Mr. GEORGE. Mr. President, I would object; that would be entirely out of order.

Mr. WHERRY. I say that if I am recognized, I shall be glad to extend 15 minutes of my time to the Senator from Wyoming, if that will be in order.

Mr. GEORGE. If the Senator wishes to do so, very well. But we have been debating the amendment for 1 week.

Mr. BALL. Mr. President——

Mr. WHERRY. Mr. President, do I have the floor?

The PRESIDENT pro tempore. The Chair recognized the Senator from Nebraska for a parliamentary inquiry, which has been stated and acted upon.

The Senator from Minnesota [Mr. BALL] is now recognized.

Mr. BALL. Mr. President, I desire to state briefly my reasons for supporting the bill extending the Reciprocal Trade Agreements Act for 3 years, with the President authorized to reduce duties existing on January 1, 1945, 50 percent. I am opposed to the committee amendment, and I am supporting passage of the pending bill (H. R. 3240) in the form in which it passed the other House.

Three reasons impel me to take this position. The first and most important was stated admirably by the chairman of the Finance Committee, the distinguished senior Senator from Georgia, in

opening this debate. All during the 1930's the area of international trade and commerce in which free enterprise and free competition could function completely, free of such artificial restraints as import and export quotas, exchange manipulations, barter deals, and unreasonable tariff barriers, shrank steadily, due to increasing interference of one kind or another by national governments. During the past 6 years of war, the area in which private enterprise and initiative could compete freely with international trade virtually disappeared. It is obvious that as a result of the tremendous destruction and disruption of normal production and distribution caused by the war, all governments will be under strong pressures to maintain strict control of the international trade of their nations.

Reversing that trend and gradually enlarging the area in which private enterprise and free competition operate freely will be a difficult task at the best. The policy adopted by the United States may well determine whether it is successfully accomplished. Many nations look to us for both capital and consumer goods to help them rehabilitate their economies, but they dare not make such purchases here, in good faith, unless they see some reasonable prospect that eventually they can sell us the goods with which to pay for what they buy here.

Passage of the pending measure with the additional bargaining power for the President which would be obtained by defeat of the committee amendment obviously would not guarantee that we would be successful in freeing international trade of artificial restrictions and government control. But, just as clearly, it would give our Government a much better chance to accomplish that result because it would give us much more to offer to those nations which desire, as we do, to return to private initiative and free competition if the economic pressures on them permit it.

If we should fail in accomplishing this objective, and eventually be forced to Government control of our international trade, I think the results would be disastrous. Our economy is so integrated that it would be impossible for the Government to control the segment concerned with international trade without extending a considerable degree of control over the whole economy. At the least, it would make it much more difficult to maintain a really free enterprise system, as we define it in the United States.

I am glad the distinguished senior Senator from Georgia made it clear that passage of this bill will not be any panacea or cure-all guaranteed to increase our foreign trade severalfold. That, it seems to me, will depend much more on other factors, such as the speed with which our own and other national economies recover from the effects of war, rather than the trading possibilities provided for in this bill. But that does not in the least lessen the importance of giving our Government every possible weapon it can use in its negotiations to free international trade from artificial restrictions and once more make it a field in which private enterprise and initiative can compete freely.

Mr. President, my second reason for opposing the committee amendment and supporting the bill as it passed the House is that I am opposed to a high protective tariff. In a reasonably peaceful and stable world, where nations do not have to resort to dumping to achieve economic self-sufficiency, a protective tariff amounts to nothing more or less than a Government subsidy to industries which are inefficient in comparison with their foreign competitors. The Government does not pay the subsidy, but the Nation's consumers do, in terms of higher prices than they would otherwise pay for what they buy.

All of us know that not all of those who give lip service to the principle of free competition really believe in it. The Congress had to pass antitrust laws to break up conspiracies of businessmen to stifle competition. There are bills introduced here at every session which have as their object the protection of some particular group against competition. Although the protective tariff has become a fetish in certain circles, it is in exactly the same category so far as its essential purpose is concerned. The fact that it is designed to block international rather than domestic competition does not alter the economic facts in the slightest.

If there were no other alternative, I would be in favor of a unilateral reduction in our tariff rates, because I am convinced our economy would benefit from that. However, if by trade agreement deals we can make sure of tariff reductions elsewhere and can reduce other kinds of governmental interference with free competition in the field of international trade, it seems to me a much preferable method.

I have noted in my correspondence that a great many people have the idea that high wage levels in America make a high protective tariff necessary in order to keep out products of low-wage producers abroad. Again the facts are just the reverse. What statistics are available indicate that real wages in the United States are higher than those elsewhere in roughly the same proportion as our production per man-hour is higher than it is elsewhere. The statistics also show that wages here in the United States are substantially lower in the highly protected industries than they are in either the exporting and unprotected industries or those which by their nature are not subject to foreign competition. We would expect that to be the case, because generally the industries which need a tariff subsidy are the most inefficient, either because of geographical location or because of special skills or raw materials available abroad and not here. Our whole economy would be the richer if our production of goods competing in foreign commerce were concentrated on the items which we can produce most efficiently.

I admit that the dumping of foreign-produced surpluses in the United States at a loss would create a special problem which we would have to meet. However, from what I have seen and heard of the state of production and consumption needs in the rest of the world, I do not believe there is the slightest danger from that source for the next 3 years. In that connection, one of our large glass companies has expressed great fear of competition with glass produced in Czechoslovakia if this bill becomes law. Mr. President, I ask any of the Senators who have seen the devastation in Europe during the past few months if they believe there is any chance whatever that Europe will not need in its reconstruction all the glass it can produce for years to come? I venture the guess that there is not enough glass left intact in the whole Ruhr Valley in Germany to replace that in one fair-sized American city.

My third and final reason for opposing the committee amendment, which would strike out the provision granting authority to the President to negotiate a further 25 percent reduction in many tariff duties, is that I do not want the United States again to play the role of international Santa Claus.

In the next few years, just as in the 1920's, there will be a tremendous demand in both Europe and Asia for American goods. I take it that our industry wants to fill as much of that demand as it can and still meet domestic needs. In the 1920's, we loaned money to Europe to buy our goods, and all we ever got in return was pieces of paper which turned out to be no good.

In the 1930's, a sizable part of our exports were paid for in gold, which we proceeded to bury at Fort Knox.

Personally, I hope this time we get something a little more useful to the American people in return for the goods which I believe we must supply to Europe and Asia than worthless pieces of paper or gold of which we already have a surplus.

It is true that at first we may have to provide credits to some nations, but eventually the only way by which we can get anything of value for the products which we ship abroad will be to accept goods of one kind or another in payment. Our greatest problem, it seems to me, will be in finding sufficient quantities of goods abroad which we cannot produce more efficiently here at home to import. To continue high tariffs in subsidizing inefficient domestic production in the face of such a situation seems to me the height of folly, and all too likely to lead to a repetition of our experience of the 1920's.

For these reasons, Mr. President, I hope the committee amendment will be defeated and that the bill will be passed by the Senate in the same form as it passed the House.

RELATION OF CORPS OF ARMY ENGINEERS TO CERTAIN GOVERNMENT PROJECTS

Mr. OVERTON. Mr. President, on last Thursday afternoon several distinguished Senators made comments in this Chamber which might be construed as being derogatory to the Corps of Army Engineers. I do not rise for the purpose of criticizing those very able and

distinguished Senators. I merely wish to invite the attention of the Senate to what was said, because I believe that the method of approach was not exactly what it should have been.

The criticism was based on a series of broadcasts by Fulton Lewis, Jr., a well-known commentator. He claimed to have made an investigation into the execution of a contract relating to a portion of the Pan-American Highway. Mr. Lewis supported his criticism with statements of two or three other men who are unknown to me, and probably unknown to the Senators who took occasion to comment upon it.

The statement by Mr. Lewis was an ex parte one. The evidence which he undertook to present in support of his criticism was wholly one-sided. It was not the result of any investigation which had been conducted by any department of our Government, by any committee of Congress, or by any other constituted authority. I do not say this in criticism of Mr. Lewis, although I wish to say en passant that instead of rendering a service to the Federal Government I believe he rendered a distinct disservice.

Mr. Lewis' statement related to the Pan-American Highway, or at least a portion of it. It not only related to the conduct, or supposed conduct, of the engineer or the engineers immediately in charge of that portion of the highway involved, but extended to the entire Corps of Army Engineers, and their complicated activities in furtherance of the war effort. It included all of the Latin-American Highway, the Alaskan Highway, the Canol project, the Pearl Harbor and Hawaiian contracts, and, as he said, a multitude of other contracts as well. It impugns the integrity of the Corps of Army Engineers.

Mr. President, I submit that the proper approach to such a subject would be by an investigation on the part of some accredited authority, which would be fair and full, and in which representatives of the Corps of Engineers and the War Department could be heard, and witnesses on both sides of the question could be subjected to examination and cross-examination.

I do not care to go into the merits of the case. I do not rise for the purpose of making any factual presentation of what took place in respect to the execution of the contracts in connection with the construction of the Pan-American Highway, the Alaskan Highway, the Hawaiian projects, or in connection with the multitudinous other projects to which Mr. Fulton Lewis, Jr., referred. I want—and I am quite sure I voice the sentiment of the Corps of Engineers—a hearing to be held in this matter by the Special Committee to Investigate the National Defense Program. That committee at one time was headed by former Senator Truman, now the President of the United States, in its investigations, according to common repute, and, so far as my knowledge goes, it has always been fair, just, and thorough. That committee is now headed by the junior Senator from New York [Mr. MEAD], in whom we all have implicit confidence. We have implicit confidence in the other members of the committee, as well. Until that committee has made its investigation, I ask the Members of the Senate, and the people of the United States to withhold their judgment and criticism. I ask them to wait until the committee to which I have referred, or some other committee of the Congress, or at least some constituted authority of the Federal Government has made an investigation, at which an opportunity will be afforded for witnesses to be heard on both sides of the case, and the true facts be ascertained after a full and fair hearing has been held.

A moment ago I said that I thought Mr. Fulton Lewis, Jr., instead of rendering a service to his country had rendered a distinct disservice. Mr. President, we are still in the midst of war. We have finished the European war, but we still have the Pacific war on our hands and will be involved in it for some time to come. In the prosecution of the war thus far much of our success has been due to the ability, zeal, patriotism, and fearlessness of the Army engineers. They aided vastly in the prosecution of the African, Sicilian, and Italian campaigns. I do not think we could have ever effected a landing in Normandy had it not been for the skill of the Army engineers. I do not believe we could have kept up our supply lines after our forces had invaded the continent of Europe had it not been for the magnificent work of the Army engineers who preceded the combat troops and paved the way for their march into the continent of Europe. After they had passed by, the Army engineers maintained the lines of supply, built bridges, and repaired roads. They constructed bridge after bridge in order to facilitate the movement of our forces in crossing streams which separated them from the German forces. They are doing equally as good work in the Pacific.

The Engineer Corps of the Army has been in existence, Mr. President, for 170 years. The Corps of Army Engineers came into being before the War of Independence had been won, before the Declaration of Independence had been proclaimed to the world, and before our Government was formed. It was first organized by Gen. George Washington. At the outset, it was composed of a mere handful of men, but today the Corps of Engineers represents 700,000 men in the uniform of their country fighting and building for America, and some 50,000 civilian employees.

In all their history—and I do not think this can be said of any other department or agency of the Government—there never has been one breath of scandal against them or their conduct with one exception, and that was the misconduct of an engineer some half a century ago in the construction of some public works in the Savannah River harbor. He was court-martialed, and received condign punishment. But, with that exception, there is not a single blur upon their escutcheon. They are patriotic, they are earnest, they are nonpolitical, they are fair, they are just, they undertake to do what is right and proper.

Is such an arm of our Government, is such a division of the War Department, to be subjected to public criticism in spite of its long record and the great and heroic work it is now doing toward the successful prosecution of this war and because a broadcaster, forsooth, rends the air with ex parte statements garnered from some two or three men here and there. No, Mr. President, that is not the proper approach.

We would like to see an investigation made by a committee of the Congress, be it the Military Affairs Committee or the special committee to which I have just referred. Let it be a fair hearing and a full hearing, but let not the Corps of Army Engineers be condemned because of the statement of a broadcaster who, perhaps—well I will say no more except that I do not think his statements should have been published in the CONGRESSIONAL RECORD. He got enough publicity through his broadcasts. I hope that those Senators who were rather critical of the Corps of Army Engineers on account of the statements and the supposed findings of Mr. Fulton Lewis will join me, as I understood from their remarks the other day they were perfectly willing to join anybody, in asking that an investigation be made—an investigation by a duly constituted and impartial committee of the Congress which will give to both sides of the issue a full, a fair, an impartial hearing. I hope that will be done.

I am making these observations now because, unfortunately, I was absent from the floor of the Senate on last Thursday afternoon when this matter was brought up, and I did not read the CONGRESSIONAL RECORD of the proceedings which then occurred until last Saturday afternoon, when this matter met my eye. I read the statements of able Senators, whom I am not at all criticizing, and I read the full statements of the several broadcasts of Fulton Lewis which have been incorporated in the RECORD. It is my deliberate conclusion—and in it I think I will be joined by Senators who took part in the discussion the other day and by all other Senators—that we should withhold our judgment, ask the American people to withhold their judgment, and request all interested in the matter of the prosecution of these great projects undertaken by the Corps of Engineers to withhold their judgment until there has been a complete and a fair and an unbiased investigation of the subject matter and an official report made thereon.

Mr. McCLELLAN obtained the floor.

Mr. ROBERTSON. Mr. President, will the Senator from Louisiana yield to me?

Mr. OVERTON. I have yielded the floor.

Mr. McCLELLAN. I yield to the Senator from Wyoming.

Mr. ROBERTSON. I have been much interested in what the distinguished Senator from Louisiana has said. It was I who put the manuscript of the broadcasts of Fulton Lewis into the RECORD, I agree with the Senator that what is needed is a disinterested investigation of the whole matter, and the RECORD will disclose that I suggested that that should be carried out by the Mead committee, or, failing that, by a special committee appointed by the United States Senate.

I differ from the Senator in what he says regarding Mr. Lewis. I consider

that Mr. Lewis has performed a distinct and courageous public service. I hope that the investigation which the Mead committee, I understand, has already started will be nonpartisan, that the hearings will be public, and that the whole matter will be brought to light in a fair manner.

Mr. FERGUSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Michigan?

Mr. McCLELLAN. I yield.

Mr. FERGUSON. I wish to agree with the Senator from Louisiana [Mr. OVERTON] insofar as his remarks relate to an investigation of the Pan-American Highway, the Alcan Highway, and the Canol project. I know there was no intention on the part of anyone to criticize the great work of the Engineer Corps of the United States Army. Criticism has been made, and I think there was sufficient prima facie evidence to justify an investigation both of the Pan-American Highway and the other projects, where there were specific contracts, and I think the investigation should be made by the Mead committee. I am informed by the Mead committee that they have started such an investigation.

No one criticizes the work of the members of the Engineer Corps at the front. They have helped to win the war, and they will continue to help win the war, but if certain contracts have been let which should not have been let, and by them someone has made exorbitant profits, the way to win the war is to expose such contracts, because the very thing our men are fighting for is that we have fair dealing in the United States.

On Saturday of last week the Attorney General sent me a letter, which he gave to the press and asked me to insert in the RECORD. I shall do so at this time. I read an excerpt from Mr. Biddle's letter:

A letter dated June 15, 1943, and addressed to the Attorney General, detailing charges of corruption in the construction of the highway was received by the mail room of the Department and routed in normal course to the Assistant Attorney General in charge of the Criminal Division, without coming to my attention at all. The reply was prepared by Mr. Clark's assistant and signed in his name. I saw neither the letter nor the reply and knew nothing about the matter until Mr. Lewis' broadcasts, when I drew it to Mr. Clark's attention, and he undertook to investigate it at once.

At the end of the letter he requests that I put the letter in the RECORD, and I ask permission that it may be printed in the RECORD in its entirety.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., June 16, 1945.

Hon. HOMER FERGUSON,
United States Senate,
Washington, D. C.

MY DEAR SENATOR FERGUSON: I have read in CONGRESSIONAL RECORD your remarks and the remarks of Senator MOORE, and others in connection with charges of corruption in the construction of the Pan-American Highway. As you know, the Washington Post and other newspapers treated your statement as an attack upon me for inaction in dealing with charges of graft.

The facts in this matter are as follows:

A letter dated June 15, 1943, and addressed to the Attorney General, detailing charges of corruption in the construction of the highway, was received by the mail room of the Department and routed in normal course to the Assistant Attorney General in charge of the Criminal Division, without coming to my attention at all. The reply was prepared by Mr. Clark's assistant and signed in his name. I saw neither the letter nor the reply and knew nothing about the matter until Mr. Lewis' broadcasts, when I drew it to Mr. Clark's attention, and he undertook to investigate it at once.

In the course of your comments in the Senate you said that "this situation had been called to the attention of the Attorney General," and it is this statement, of course, which led to the interpretation of your remarks as a charge that I was derelict in my duty in the premises as head of the Department of Justice. The letter had never been drawn to my attention, and therefore there is no basis for the inference that I had failed to take appropriate action.

Although we have had differences of opinion in the past, I know that you are too fair to wish any improper conclusion to be drawn from the circumstances which I have outlined.

I should appreciate, therefore, if you would insert this letter in the CONGRESSIONAL RECORD.

Sincerely yours,

FRANCIS BIDDLE,
Attorney General.

Mr. FERGUSON. I wish to say, Mr. President, that I am glad to have Mr. Biddle's letter inserted in the RECORD. I take the statement of Mr. Biddle, the Attorney General, that he did not see the letter dated June 15, 1943, as being the fact, but we, as Senators, and the people of the United States must have in mind that the head of the Department is responsible for the conduct of the Department, and although he did not see the letter at the time of its receipt, since it has been called to his attention the thing we are now interested in is what is being done at the present time by the Department of Justice to investigate the serious charges which have been made against these particular contracts.

I know that I, as well as other Senators, await with interest the result of the complete investigation to be made by the Attorney General of the charges, and we hope to have the benefit of the investigation.

Mr. McCLELLAN. Mr. President, I was not present on the Senate floor at the time this matter was discussed last Thursday. That was the day I returned from abroad, and most of my information about the incident was gathered from newspaper accounts. I have not yet had time to read all the RECORD of Thursday. My only interest in the matter is that it occurred to me, from reports, that there had been a blanket indictment or charge made against the Corps of Army Engineers.

Mr. President, I join with the senior Senator from Louisiana [Mr. OVERTON] in his praise of this branch of the Government. I know of no other agency of Government, save possibly the Post Office Department, which has functioned as effectively and rendered as great service to the Nation in the course of years as has the Corps of Army Engineers. I do not defend every act or every contract. I am not familiar with all of them. I have no doubt that in some cases there have been waste and extravagance, that in some isolated instances there may have been some fraud or corruption. In the great magnitude of the problems which have confronted them and the job they have had to do, it would be almost miraculous if some irregularities did not occur.

I am very happy to have heard the remarks of the Senator from Wyoming and the Senator from Michigan to the effect that this controversy is to be investigated by the special committee of the Senate constituted for that purpose. I shall join with the Senator from Louisiana in withholding judgment and condemnation until such time as an appropriate investigation shall have been made and the truth ascertained, and those, if any, who have been guilty of misconduct have been identified.

Mr. President, I merely rose to state that I would not want to see the whole Corps of Army Engineers condemned because of any little isolated instances of fraud that may have occurred. This country has been engaged in a tremendous job. We have fought and are still fighting a terrific war. We have fought it thousands of miles across the sea. We had a stupendous task to organize our forces. We had to act in haste. We had to make these contracts and proceed. We could not delay. There was not time for proper and adequate deliberation. I am sure that in some instances extravagance and waste have occurred, but I do say that I have faith and confidence in the Corps of Army Engineers.

I trust that the investigation will be made, and conducted promptly and impartially, and that the truth may be ascertained. Until the investigation shall have been concluded, I shall withhold condemnation of anyone.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. McFARLAND. Mr. President, I send to the desk an amendment to be proposed to the pending bill, and ask that it be printed and lie on the table.

The PRESIDENT pro tempore. The amendment will be received and printed, and lie on the table.

Mr. REVERCOMB. Mr. President, the last discussions heard before this body have somewhat wandered away from the legislative subject at hand, that is, the bill dealing with the legislation upon reciprocal trade agreements, particularly with the power to be placed in the hands of the President to lower the tariffs by 50 percent.

I desire at this time to address my remarks to the pending bill. I realize that any consideration of this subject must be had in the light of existing circumstances, and in the light of the facts which we now face. However, I do not believe it will be harmful to review, in a brief way, the history of tariffs in this country; in fact, I believe it may be

helpful to us when we consider the result of tariffs and the policy of tariffs under our Government.

The trade policy of the United States, as followed since the end of the Napoleonic wars, in 1815, may be described as protection or protectionism in various degrees of stringency. At that time there was a strong demand for tariffs in the United States to protect the so-called infant industries which had sprung up during the Napoleonic wars. Since then the general trend of American foreign trade policy has been protectionist, although the strength of protection sentiment has occasionally declined.

In 1828 the highest tariff prior to the Civil War was adopted. From 1828 to 1861 the general tendency of America trade policy was toward free trade and lower tariffs. But the outbreak of the Civil War, the War Between the States, put an end to this development. During the Civil War tariff rates were raised to the levels of 1828 and remained generally high until the Underwood tariff of 1913, which provided for a downward revision of rates. I call attention to the fact that the Underwood tariff, with its downward revision of rates, just preceded the First World War. However, the general trend toward lower tariffs which the Underwood Act seemed to promise did not materialize because of the outbreak of the World War in 1914 and the ensuing tendency towards economic nationalism. The tariffs after the war, that is the Emergency Tariff of 1921 and the Fordney-McCumber Act of 1922, were consistently and progressively protectionist.

Turning now to the pending measure as passed by the House of Representatives, and which was introduced in the House of Representatives on March 16, 1945, by the Representative from North Carolina [Mr. DOUGHTON], it proposes to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, for a further period of 3 years from June 12, 1945.

The bill further provides that:

> No proclamation shall be made increasing or decreasing by more than 50 percent any rate of duty * * * existing on January 1, 1945.

And further, that the duties payable "on such an article shall in no case be increased or decreased by more than 50 percent of the duties" payable as of that date, January 1, 1945.

We know that the Committee on Finance of the Senate reported the bill with an amendment deleting the power to lower tariffs below the percentage provided in the existing Reciprocal Trade Agreements Act.

The four main questions which have been debated are:

First. Is a reduction of American tariffs desirable from the point of view of the economic welfare of our country?

Second. What are the advantages and disadvantages of the particular procedure for affecting tariff concessions provided under the program?

Third. Should concessions granted to a country with which the United States makes an agreement be extended to all other countries?

Fourth. Is the act constitutional?

Mr. President, I shall not enter upon a discussion of all those subjects. I expect to discuss today only the wisdom, from my viewpoint, of the Congress granting the power to make reciprocal trade agreements, and in particular the power to reduce the tariffs against foreign-made goods. My specific purpose is to speak in opposition to the pending bill as passed by the House, and to speak in support of the committee amendment. The bill as passed is offered in the guise of an extension of the Trade Agreements Act of 1934, but it is in fact a great deal more than a mere renewal of the act. The Trade Agreements Act at least had the virtue of staying within the limits of allowable change as provided in the act of 1930. But the bill as passed by the House would authorize changes in the tariff rates much greater than were authorized by Congress either in the Tariff Act of 1930 or in the Trade Agreements Act of 1934.

I have always had grave doubt concerning the Trade Agreements Act, not only as being unlawful—that is, unconstitutional—but as being wrong in principle. The bill as recently passed by the House of Representatives makes the defects in the original law even worse, and for that reason I feel compelled to oppose it.

There is a very fundamental point at stake here in the trend from our representative government toward an autocratic government. The method of autocracy is the very enemy against which we are fighting, and yet this measure asks not only that Congress extend further, after 11 years, its temporary grant of authority, but still further to abdicate its responsibility and its duty by increasing the grant of the authority to the Executive. If the extension of the Trade Agreements Act were necessary as a temporary war measure that would be quite a different consideration. But the pending proposal is offered as a part of planning for the future. It is thus offered to forestall some future emergency under conditions which are impossible to predict.

I respectfully submit that the economic system of the United States, the welfare of its citizens, the international trade in which we engage with the rest of the world, and the prospect for durable peace for which we all hope, are subjects of greater importance and complexity than can be well served by the pending proposal. It is time to give up expedients and to prepare for fundamental solutions, and to meet each case and each question and each problem by specific answer and provision for each.

The formula of free trade, as it affects the people of this country, is based upon what may be called a vicious circle of reasoning. What will happen to maximum employment in this country when an unprecedented volume of imported goods reaches our domestic market?

Can we provide maximum employment in jobs which will be noncompetitive or which will compete successfully in our domestic market with exploited labor and low wages in all the rest of the world?

We have talked a great deal on the subject of reemployment in the postwar world, and we have worked hard and diligently to bring it about; but it seems to me to be obvious that if there is to be employment, the mills and the places of employment must be kept open for the American people. How may that be done, I ask the Senate, if the products of American industries are to compete with the cheap labor and the cheap products of other countries?

Some say that we need not fear, because many foreign nations will not soon be able to resume production. We cannot accept that statement. We do not know how soon they will be producing. We do not know how soon with their cheap labor they will dump upon the markets of America their products to close the mills and the factories and the mines of this country, and put countless numbers of our people out of employment.

The proposal now under consideration is offered on the theory that our tariffs must be lowered so as to permit imports of competitive goods in order that exaggerated exports may be paid for. If we lead other nations to believe that we can and will accept such a volume of imports we are dangerously misleading them, and such a course is not conducive to good feeling between nations. We know that we cannot accept great volumes of those goods and wares—we cannot do so without closing our mills and mines and throwing our own people out of work.

The bill as passed by the House of Representatives would strike down many lines of production in which there is a possibility of providing much of the maximum employment we need.

In this connection I think first of my own State. It is natural that any Senator should do so, because he knows the problems of his State and of his people perhaps better than he knows the problems and the people of other States. While we must approach the subject as a national question, from the point of view of what is best for the benefit of our whole Nation, yet we can approach it with greater knowledge, perhaps, when we consider its effect upon the people in the particular States which sent us here.

Many of the people of my State are engaged in the production of glassware, pottery, and coal. The bill as passed by the House, by its very nature, would ruin the glassware and pottery industries of my State; and a reduction in the present rate on fuel oil would greatly reduce the market for bituminous coal, thereby causing unemployment in those great industries. Later I shall refer more specifically to those industries.

Between 1934 and 1939, when United States exports increased in physical volume, as did those of all principal nations, they reached only 80 percent of the peak volume of 1928–29. The total physical volume of imports increased to the peak of 1929, but the increase in agricultural products was greater than that in manufactured goods. This was accounted for by the droughts of 1934, 1935, and 1936. Since the net result of our foreign trade during this period of lowering our tariffs was an increase in imports much greater than that in exports, it is obvious

that the trade agreements did nothing to aid employment in this country. As a matter of fact millions of our people remained unemployed.

I call attention to the fact that just prior to our entrance into the war, it was estimated that we had 10,000,000 unemployed. That was while the trade agreements were in effect. That unemployment was taken up in war production; but, Mr. President, I hope the time will never come again when we must resort to the horrors and grief of war to increase employment in this country.

I disagree with the theory which has been voiced in support of the measure as passed by the House, that an industry is inefficient which needs a tariff to enable it to compete fairly with foreign production. What is really protected is the right of our American people to receive good pay and live well from their work.

In the production of automobiles, which I understand has been used as an outstanding example in this argument, there is not the same percentage of skilled labor per unit of production as there is, for example, in the production of pottery and glassware. The higher the percentage of labor the more jobs will be lost by forcing an industry out of this country. Smaller nations can produce at the same efficiency as we can. The labor of foreign countries is equally skilled; and it is only because it is paid less that it can produce cheaper goods. Our automobile industry is highly mechanized, and is considered superior in efficiency. It enjoys a tremendous domestic market, which makes a high degree of mechanization possible. If we reduce the buying power of America, still the greatest in the world, and destroy the domestic market for the products of any American industry, that industry will become less efficient. Its labor cost per unit will become higher, as will its other costs.

The PRESIDENT pro tempore. The time of the Senator on the amendment has expired.

Mr. REVERCOMB. I will take part of my time on the bill, Mr. President.

The PRESIDENT pro tempore. The Senator may speak only once.

Mr. REVERCOMB. I believe I have 15 minutes on the bill.

The PRESIDENT pro tempore. The Senator has 15 minutes on the bill.

Mr. REVERCOMB. As I have said, the State which I have the honor in part to represent is a large producer of handmade glass, illuminating glassware, table, and ornamental glassware. It is also a large producer of pottery products, such as china. I now propose to discuss the effect of a general reduction in tariffs on those industries. They are two examples. Other industries and places of employment in this country would be affected in like manner. Both industries are vital to the continued prosperity of my State.

A return to the schedule of 1930 is essential in the pottery and glassware industries of the whole country if a large number of skilled workers are to have continuous employment in the postwar period. It must be emphasized that the pottery and some glass industries are still hand-craft industries rather than machine industries. The percentage of skilled workers is much greater than in other industries Pottery and glassware workers are artisans rather than cogs in an industrial machine. They have devoted years to learning their skills. They have established themselves in settled communities and have developed their own particular way of living. If this bill is passed and the authority to reduce tariffs is exercised, those industries will go out of existence in this country. I remember, prior to the war, when the stamp of Czechoslovakia or Japan would be found on the bottom of almost any article of glass purchased from the shelves of stores in this country.

I hold in my hand a statement which was prepared by a man who has distinguished himself as an earnest and fair leader of the laboring people of my section of the country. It sets forth so clearly the workingman's viewpoint on this subject that I am going to read it into the RECORD as a part of my remarks. The statement is far clearer, far more to the point, and sets forth more directly the feelings of those who work in that industry than anything I could say. I shall therefore use his statement. It is the statement of Hud S. Campbell, vice president of the Kanawha Valley Central Labor Union. This is the article which he wrote on the pending question, which means so much to the people of my State and of every other State in the Union—not only the working people, but all the people, because their very living depends upon the maintenance of American industry and the protection of American industry against that of any other country:

POSTWAR EMPLOYMENT—JOBS FOR SIXTY MILLION PEOPLE

Being a workingman and an official of a labor organization, I am naturally very much interested in the outlook for the working people after the war has ended. I feel that I am strictly an American; interested in Americans and what I think to be best for them first, last, and all of the time. From a businessman's or capitalist's viewpoint this Nation, the United States of America, started into business as a government in a financial way on (to use a slang expression in common use today), on a shoestring. By adhering to the principles of the famous document, the Constitution of the United States of America, and administering the affairs of our Government in the interests of the people, we in a very short period of time as compared to the age of other nations built up the most wealthy and prosperous nation ever known to the world; our standard of living is so far above that of the people of all other nations that there has been no comparison. The high rate of wages paid to our working people has enabled them to have in their homes luxuries and household appliances which many of the people of the other nations do not even know exist. If we are to continue to live as we have during the past we must be able to purchase such luxuries, necessities, and conveniences as we will need after the war has ended; and if we find jobs for 60,000,000 people we must purchase the luxuries, necessities, and conveniences which have been made here in the United States of America by our own American workmen. Every foreign-made article sold in this country similar to an article which we make here is just so much work lost by our own working people and, while our theorists in Washington claim to be planning to furnish jobs for 60,000,000 people, they are proposing a drastic lowering of our present tariff rates and they now are far below what they should be for our own protection. In support of this statement I wish to submit the following for your careful consideration. We all know that when Franklin Roosevelt assumed the position as President of the United States of America there was an unheard-of number of people unemployed; he made an appeal to the manufacturers of the country to start up their plants and give employment to as many people as possible. The Libbey-Owens-Ford Glass Co. has a plant here at Charleston, W. Va., in which there are six tanks for making sheet glass, most commonly called window glass; at that time there was but one tank in operation, this operation continues for 24 hours every day and the men were working on three 8-hour shifts. The demand for sheet glass at that time was not very good but in the face of that the company, in compliance with President Roosevelt's request, started operating two more tanks and to further show their spirit of cooperation they placed the operation on four 6-hour shifts, thus giving employment to one-third more workmen than they had been operating with and in addition to the change to 6-hour shifts they even went so far as to pay the workers the same amount of wages for the 6 hours' work as they had been formerly paying for 8 hours' work. I will here let you judge for yourself just to what extent they were complying and cooperating with President Roosevelt's request.

As I stated earlier in this article the demand for sheet glass at this time was not very good; however, the company continued to operate here in this same manner until they had accumulated a stock of 545,000 boxes of glass. This company also operates a plant in Louisiana and there are other plants operated by other companies in Arkansas, Oklahoma, Indiana, Ohio, and Pennsylvania, also plants in Clarksburg, this State. These companies all did practically the same thing as was done here at Charleston. Now, when this large stock of glass had been accumulated what do you think happened? The trade treaties were negotiated with some foreign countries under and by the provisions of which trade treaties sheet glass made in foreign countries was shipped right here to the glass jobbers in Charleston at a price far below what they had to pay for the product manufactured in their own home town and made by their own fellow citizens who were their customers. This same thing of course happened all over the country and if this would have continued for a number of years I leave it to you to form an opinion as to how many of the plants would have had to close down. These trade treaties also permitted glass tableware, novelties, lamps, bottles, etc., to be shipped into this country and it caused a few of the pressed ware and novelty manufacturing plants to close down entirely, a few of which have never been able to resume operations. The raw materials used in the manufacture of glass are sand, salt cake, soda ash and crushed limestone, millions of cubic feet of natural gas is required to melt the raw material, millions of gallons of water is necessary in the cooling systems, much oil and grease, kilowatts of electricity, railroad cars and trucks needed to carry the raw material to the plants and to carry the finished product to market, millions of feet of lumber are necessary to make the boxes or containers for the finished product, nails to make the boxes and containers and a large quantity of paper for packing purposes, so you can see that when a part of the sheet glass industry closes down how far reaching it is as to affecting employment not only in its own industry but other lines as above mentioned. I have before me the report of the United States Tariff Commission comprising eight volumes, the manufactured merchandise shown in these eight volumes

which were permitted to come into this country at prices far below our home manufactured product are entirely too numerous to name in this article and they would all be affected as was the sheet glass industry. The World War started and, of course, that stopped practically all imports and also caused many of our manufacturing plants to be converted to the manufacture of the necessities of war and which, of course, has caused a shortage of many products for which there will be a very great demand once the war has ended—refrigerators, radios, vacuum sweepers, electrical appliances, and others too numerous to mention. I note by the press that our theorists in Washington are proposing a cut in the tariff with these trade treaties of about 75 percent below the rates in effect in 1930. Even if the proposed tariff cut does not become a law and the same rates continued as caused the effect stated above, how can we keep our manufacturing plants in operation and if our plants are not operated to practically full capacity how can we have 60,000,000 jobs and how can the working people purchase the imported products. And remember if the present rates alone are continued such plants as will be able to operate on part time will be forced to reduce the wages of their employees in order to compete with the imported product.

Some of the labor leaders are suggesting that in order to have full-time employment after the war that the worktime week must be reduced to 30 hours; but even should that come about, how could we furnish 60,000,000 jobs with merchandise coming in from foreign countries which could undersell us? Practically every foreign country has some agricultural or fruit product which we do not have in this country, also many raw materials, and I favor the purchase of all of such as we can use and of accumulating a large stock pile of such raw materials so that in another emergency we will not be caught short-handed. If you will take the trouble to look back to the administrations of Grover Cleveland, you will find that the low tariff then put into effect produced just such conditions as I have described and under the administration of Woodrow Wilson the same start in that direction was made, but World War I stopped the imports and saved the day for us, as did this present war. It is true that we now have very prosperous time and plenty of work, but the price is death and injury and crippling of many of our citizens. Now, if any person who reads this article can inform me how we can have prosperous times and jobs for even half of 60,000,000 people under a low tariff, I will be very glad to hear from them.

HERD S. CAMPBELL,
Vice President, the Kanawha Valley Central Labor Union, and member of the Window Glass Cutters League of America.

Mr. President, I hold in my hand a poster published by employees of the Imperial Glass Corp., of Bellaire, Ohio, entitled "Two Little Goblets Went to Market." It affords a simple but striking illustration of the effect of former trade agreements on American pottery and glassware. It will be observed that the poster pictures two identical goblets, one labeled "U. S. made" and the other labeled "Imported." The figures on production cost and sale price are illuminating: Total wages paid to produce American goblet, 60 cents; total wages paid to produce an identical imported goblet, 10½ cents. The American manufacturer got 75 cents for the homemade product, and spent all of the income within the United States. The foreign manufacturer got 13½ for his goblet, and a total of only 7½ cents duty was paid to enter the item. The American-made goblet sold at retail for $1.50, whereas the imported goblet sold at retail for 49 cents. The retailer used the same percentage of mark-up on both goblets.

Surely this situation proves that even in 1937 the tariff was inadequate to protect American handmade glass. Now it is proposed to further reduce duties. To do so would mean the end of the handmade glass industry in the United States.

Mr. President, the effect of reductions in tariff in bringing about immediate repercussions in other allied industries is clearly illustrated in the proposal in connection with the pending bill to reduce by 50 percent the duties on fuel oil. We have been told repeatedly during this war that American resources of petroleum are being depleted and that in order to obtain necessary fuel for sea, highway, and air transport in the postwar period it is necessary to look to foreign sources. It is apparent that the immediate effect of a reduction in duties on fuel oil would be an increase in unemployment in the coal industry.

The present duty on imported fuel oil, according to the information supplied me, is 21 cents a barrel. A reduction of 50 percent in the present tariff would set the new rate at 10½ cents per barrel. This would naturally increase imports of fuel oil; and that, in turn, in a normal economy, would displace a calculated number of tons of domestic oil and also of American produced coal.

Fuel oil and coal compete in the same market. Four barrels of fuel oil, regardless of where it is produced, displace a ton of American coal. A decrease in production of one ton of coal a day is equal to the loss of one man-day of work.

Mr. President, I have read the Campbell correspondence because, although it applies to only one article of manufacture in this country, the same principle applies to every product obtained from the hands of American workingmen and from American industry. In connection with the pending bill we are face to face with the question whether we will protect and keep intact the great American industries which mean places of work for the people of America or whether we will surrender them for the sake of some idealistic theory of sharing the opportunity of furnishing goods to our markets, so as to permit foreign-made goods to enter our markets.

My course on this question is clear. I wish to deal benevolently with other nations, and I intend to do so, but I will not take a course which I believe will lead us into destruction of industry in this country and destruction of places of work for our own people.

I know that many persons feel that we must level off the whole world economically and industrially. If leveling off the whole world economically and industrially will mean the destruction of the standards of living of the people of the United States, I cannot vote to adopt that course.

Mr. President, at this time, when the rest of the world is coming out of the war and is rebuilding its industries, I say to those who wish to lower the tariffs of this country that to adopt such a plan as that, instead of furnishing places of work for the American laboring men, would mean that we in America would have to get ready to hand out the dole and to feed those who would be hungry here.

It seems to me that the time has come to face this problem in a practical way, not to let ourselves be carried away in connection with any plan and not to be unduly touched by the strong feeling which is permeating the world about uplifting other countries. Of course, we want to do that, but that feeling has almost reached the point of hysteria. Hysteria strikes the great mass of people almost like any disease of the body.

I wish to say that the time has come to meet this problem head on and in a practical way. For that reason I think we should not vote to give further power to reduce the tariffs. I think we should see to it that our industries and working places continue to be protected, because in the present era of rebuilding in foreign countries we will need that protection more than ever before.

Some have said that if this power is given to the President he will not abuse it. I have no reason to believe that he would abuse it; but if the power is dangerous, let us not give it to anyone. Then we shall know it will not be exercised to the injury of our country.

Let us protect here and now the people to whom we owe the highest duty—our own people.

Mr. DONNELL. Mr. President, I should like to have 15 minutes on the pending amendment and 15 minutes on the bill itself.

Let me say first that it is proposed by House bill 3240 to extend for a further period of 3 years from June 12, 1945, the period during which the President is authorized to enter into foreign-trade agreements under section 350 of the Tariff Act of 1930, as amended and extended. I favor the extension for a further period of 3 years from June 12, 1945. My reasons for favoring such extension are three:

First. I give great weight to the presumption that Congress acted wisely in granting to the President, by its act approved June 12, 1934, the authority to enter into such trade agreements.

Second. I give great weight to the action of the Committee on Finance in recommending the proposed 3-year period of extension.

Third. It is, in my judgment, wise from the standpoint of international relationship and friendship to continue in effect for the coming 3 years the power now existing in the President to make trade agreements.

As House bill 3240 reached the Senate of the United States it contained, however, a further provision under the terms of which it would be possible for the President to decrease to the further extent of 50 percent any rate of duty existing on January 1, 1945.

As a result of having already applied to the Smoot-Hawley rates, in hundreds of instances, the reductions which by the reciprocal trade-agreement law, the President was entitled to apply, the average ad valorem rate of duty on dutiable articles in 1944 was 31.6 percent. The corresponding average rate under the

operation of the Payne-Aldrich law was 40.8 percent. Under the operation of the Underwood law it was 27 percent. Under the operation of the Fordney-McCumber law it was 38.5 percent.

From a statement by the junior Senator from Maine [Mr. BREWSTER] it appears also that if the President shall see fit to exercise the authority which would be given him under a simple extension of the act, without there being granted to him additional power to make reductions below those authorized by the 1934 act, he could reduce ad valorem rates to the level of the rates of the Underwood law.

If, however, the power to make the proposed additional decrease should be granted to the President, he could reduce the average rate to approximately 16 percent. This 16-percent average rate is lower than three-fifths of the average ad valorem rate on dutiable articles under the Underwood law.

Speaking on June 12, the senior Senator from Georgia [Mr. GEORGE] stated that the United States is "the only great Nation, with the sympathetic support of many of our Latin-American neighbor nations to be sure, on whom it will devolve to maintain a system of free economic enterprise as applied to international trade and commerce." He then said, "That is why it was sought to give to the President of the United States a little more power." Again, in the same address the Senator referred to "slightly increased power given to the President." I do not agree with the Senator that such increase of power to the President as would enable him to reduce rates from the Underwood tariff level to a plane less than three-fifths of the height of the Underwood tariff level is properly characterized as either "a little more power" or "slightly increased power." To my mind, the proposed increase in power is exceedingly large.

Let us inquire into the results which could reasonably be expected to flow from this proposed additional power of reduction of duties.

It is the view of some that the grant to the President of the power of additional reduction in duties will be an aid to the maintenance of world peace. The thought underlying this view seems to be that by such grant the United States would, on the one hand, create additional good will toward herself, and on the other hand make possible increased wages or employment in other nations through the opening of the doors of our country to certain of their products by reciprocal-trade treaties.

I am doubtful of the permanence of good will which is derived by purchase. Moreover, such purchase of good will is likely to be construed as a precedent obligating our Nation to authorize, thereafter, reductions below those for the grant of which an additional authority is now sought. Furthermore, if such future further grant of even greater reductions be not given it may easily follow that not only will good will be, by such omission, diminished but in addition affirmative antagonism on the part of other nations will be created.

It is by no means certain, furthermore, that increased authority to the President of the United States to grant lower tariffs would produce increased wages in other nations. Domestic economy in the respective nations may contain many factors which enter into the determination of wages in such nations. In the CONGRESSIONAL RECORD of Friday last, beginning on page 6186, will be found an informative address by Wheeler McMillen, editor in chief of the Farm Journal. In the course of the address he points out, in substance, that the opening of the American markets to foreign-produced raw materials (rubber, tropical starches, coffee, vegetable oils, and silk being specifically mentioned), has produced little, if any, improvement in wages in connection with the production of those items.

It is doubtless true that the purchase by customers in the United States of articles produced in Great Britain will, by the very fact of giving employment, aid those in Great Britain who are thus employed. Whether this aid will consist of an increase in wages or a mere increase in employment cannot be answered in advance of the occurrence. It is submitted, however, that to aid such persons by enabling them to produce for themselves the things they need for themselves, would be of greater benefit to them than would be the mere opening of our markets to the products which are produced by them. Mr. Wheeler McMillen in his previously mentioned address recognizes the fact that the "American people are quite generally agreed that their best service to the rest of the world may be to help other populations to help themselves." Mr. McMillen points out, however, that that service "will not be performed merely by opening our markets to the unrestricted delivery of their products." Continuing, he says:

> A far wiser and far more effective way to help less fortunate peoples to help themselves will be to aid them to produce for themselves the things they need for themselves. That course will be far more enlightened than to reduce their opportunities by exploiting their labor to produce for us the things that we have reasons to need to produce for ourselves.

It is easy to magnify, unwittingly, the effect which the proposed additional grant of authority would have toward either maintenance of peace or an increase in foreign wages or improvement arising from increased employment. The senior Senator from Georgia very properly said on June 12:

> Bear in mind that I have not, and I do not intend to take the position that the whole peace of mankind depends on this legislation. Not at all. I am thinking of this bill as I think of every other bill, namely, from the standpoint of our American economy, what will happen to us and how it will affect us.

Commercial contacts do not always insure peace between the nations which have those contacts. If it were otherwise, Great Britain and Germany would have remained at peace, for they were large customers of each other. The illustrations presented by Mr. McMillen refute an argument that the grant of authority to the President to reduce further our tariff rates will best solve the problem of producing improved labor conditions in foreign countries.

It is further argued that the grant to the President of the power of reduction in duties below the 50 percent to which he now has the power to reduce them, will decrease the likelihood of the introduction by Great Britain of state control of commerce in substitution for the control by private enterprise of such commerce. It will be recalled that the senior Senator from Georgia quoted the statement by Mr. Churchill that "Britain will not give up its right to safeguard our balance of payments by whatever means are necessary." The Senator stated that "this is the declaration that state control of commerce will be the rule of the future, if it is necessary to go that far to preserve the balance of payments of the British Empire." The Senator's view, as I understand it, is that if the United States reduces its tariff upon commodities produced by Great Britain, the resulting export by Great Britain to the United States of additional quantities of merchandise will contribute toward rendering it possible for Great Britain to maintain its favorable balance of trade, even though British commerce shall be left in the hands of private enterprise.

The argument that there should be made a grant of power to the President of the United States to reduce tariffs further on the ground that such grant will decrease the likelihood of the introduction of state control of commerce in Great Britain, impresses me as unsound. Certainly Great Britain would not, as a part of any trade agreement, contract that its government would not institute state control of commerce. It is possible that a reduction in tariff duties by the United States below the hitherto authorized 50-percent cut would produce a temporary reduction in the pressure in Great Britain for state control of commerce, if such pressure exists or should arise. Clearly, however, such tariff duties could not prevent the coming of state control if political or economic conditions in Great Britain should cause her government to regard such state control to be desirable.

There are two economic advantages which can reasonably be expected by the United States to flow to it from the proposed additional grant of power. They are:

First. Ability on the part of consumers in the United States to purchase some articles at a price lower than if decreased tariff rates had not been established under the proposed additional grant of power.

Second. An increase in exports by the United States.

This increase in exports could be expected, first, because foreign countries, by reason of the fact that the duties required to be paid to the United States by such countries would be lower on some commodities, would be able to sell in the United States commodities which such countries could not otherwise sell in this country; and, second, their additional sales in our Nation would provide such foreign countries with larger credits with which to buy products of the United States.

It is to be noted, however, that the increase in exports should not be estimated to be an exceedingly large percentage of our national income. The Senator from Georgia [Mr. GEORGE] had this to say on that subject:

I shall not make the extravagant statement, and do not intend to be led into any statement that with this measure in force and effect, imports into this country and exports from it may be increased to any arbitrarily high figure. I think I have sufficient judgment to know that the final limitation of imports into this country is fixed by our capacity to receive and to consume them.

The PRESIDENT pro tempore. The Senator's time on the amendment has expired.

Mr. DONNELL. I thank the Chair.

The Senator from Maine [Mr. BREWSTER], on June 14, said:

Assume that our income were our 1939 income. The Tariff Commission estimates that we would have a $571,000,000 increase in imports. If we had a 75-percent increase in our national income over 1939, the Tariff Commission estimates that we would have a $778,000,000 increase in our imports.

The Senator from Ohio [Mr. TAFT] said:

One billion more of imports may be involved. The portion of our total production which we are considering, therefore, in a country with $125,000,000,000 of national income today, is less than 1 percent of our total income. Whether it increases or decreases in the future, it will have a substantially small effect on the actual prosperity of the country.

With an amount of imports involved which bears so small a ratio to aggregate national income, it is clear that the increase in exports will likewise be too small to add materially to the prosperity of the country.

In view of the probable increase in exports, it is of importance, in determining the effect on American labor, to consider what type of commodities it is of which the increased exports would principally consist. Obviously the type of commodities in which an increased export could be reasonably expected from the United States would, in largest part, be commodities in the production of which the labor utilized is comparatively small in quantity. This follows from the fact that, inasmuch as wages are higher in the United States than in other countries, the products which our Nation would be able to sell abroad in competition with the products of other countries would be those into which the labor which has been incorporated is a comparatively small element. Mass production industries, in which the labor which is principally used is machine labor, will be among those in which the additional exports will be largely found, as, for illustration, automobiles and typewriters. The great bulk of commodities which we can successfully export and the quantity of the exports of the United States which will consequently increase most largely from the reduction of tariffs thereon by other nations are those in which labor is comparatively a small element.

Moreover, it is to be noted that Mr. Clayton, of the State Department, especially contemplates that the additional exports will in considerable part consist of production machinery. Such production machinery will in time, of course, be used to produce commodities which will come directly in competition with those produced by us.

I have mentioned two economic advantages which may be expected to come from the additional proposed grant of tariff-reduction authority. Let us turn now to the other side of the balance sheet. Here we find an injury which, after the artificial trade demands of wartime shall have ceased will inevitably result to our Nation from such additional grant to the President. That injury will result from the fact that further lowering of duties will increase the importation into the United States of those foreign commodities the duties on which shall be reduced. Unless such increase in imports shall occur, there would be no reason why it would be of any advantage to foreign nations to have the United States reduce its duties.

There flows directly from this increase of imports into the United States a clear injury to the United States industries by which those commodities are produced.

In view of the fact that the importation of increased quantities of commodities will inevitably injure the industries which are producing those commodities, it is important to determine what type of commodities it is in which increased imports will be likely to occur if the additional power of tariff reduction be granted to and exercised by the President.

In arriving at this determination we must recall that it is those commodities into which the cheap labor of foreign countries enters as an important element of cost which, if duties are lowered or removed, such countries will be best able to sell in the United States in competition with our merchandise. It is, therefore, on that type of commodities that foreign countries will seek reduced tariffs from the United States. If reciprocity is to help such other countries, it is on that type of commodities, namely, those in which labor is an important element, that the reduced duties must be granted by the United States. It will be this type of commodities, namely, those in which labor is an important element, on which the reductions in tariffs imposed by the United States will primarily occur.

In view of the fact that it is inevitable that the additional reduction of duties by the United States will occur primarily in industries in which labor is a large element of cost, it is clear that a further reduction in duties will injuriously affect American labor.

It is argued that escape clauses will permit the United States to withdraw from trade agreements if the operation of them shall be proving injurious to this Nation. It is submitted that the taking advantage by the United States of an escape clause would be an immediate cause of resentment and hard feelings on the part of the other nation, and would go far to overcome and destroy the good will which had been engendered by the entry into the reduced tariff agreement.

If the additional power be given to the President, the United States will be confronted by the situation that (a) United States industries in which comparatively small quantities of labor enter will be those which will be able to increase their exports from the United States, while (b) on the other hand, United States industries in the products of which labor constitutes a large component part, will suffer from additional imports.

This situation was well illustrated and portrayed before the Senate Committee on Finance by Mr. C. B. J. Molitor, of the Amalgamated Lace Operatives of America, as follows, on page 338:

The simple fact on which too little emphasis has been placed is just this:

We export, of manufactured products, competitively, to the markets of the world, only such commodities as involve the utilization of a very minimum of American labor.

On the other hand our imports of manufactured products are most generally those employing a maximum amount of labor in their production.

In conclusion, Mr. President, let me say that I do not believe it to be advisable to procure an increase in prosperity on the part of industries in the products of which human, as distinguished from machine, labor is a comparatively small factor at the expense of American industries in which human labor is a large factor.

True it is that a benefit to United States consumers of some articles may result from the additional proposed reduction in tariffs. Such benefit, however, Mr. President, will be of but little value if a material number of those of our consumers who are embraced in the ranks of American laborers shall be deprived of employment.

The alleged aid which the proposed additional reduction will be toward maintenance of world peace is questionable and, to say the least, highly intangible and subject to being destroyed by the multiplicity of economic and political situations which may develop.

The alleged beneficial results which the additional grant of power to the President would bring to workers in foreign countries is problematical and, in point of merit, inferior to other methods of rendering service to such workers.

The argument that the additional power of reduction of duties should be granted as a means of restraining Great Britain from resorting to state control of commerce is not convincing.

Certainly the combined weight of all the arguments, to which I have referred, in support of the power of additional reduction of duties is not sufficient to justify the United States Senate in taking a step which, in my opinion, will surely affect injuriously the wages, and therefore the standard of living, of many American workers.

By reason of the facts which I have detailed, I oppose the grant to the President of the additional power to reduce tariffs by a further 50 percent of the January 1, 1945, level.

Mr. MORSE. Mr. President, I think it is obvious to every Member of the Senate that the issue before us is not black or white. It is not a case in which all the right is on one side and all the wrong on the other.

I find myself in the unhappy position, because of careful study and deep conviction, of being in disagreement

with a large number of my good friends on the Republican side of the aisle. I do not think that one can listen to the distinguished Senator from Ohio [Mr. TAFT] or to the distinguished Senator from Missouri [Mr. DONNELL], who just made, I think, an excellent speech in support of his point of view, and to the other speeches that have been made by my able Republican colleagues in opposition to extending the Trade Agreements Act, including a greater grant of authority to the President without recognizing that there is great merit in their position.

On the other hand, Mr. President, as I have endeavored to weigh the pros and cons of this great issue, I think the preponderance of the evidence, I think the best interests of the country economically are on the other side. Therefore I intend to vote for the extension of the act and also for giving to the President the additional authority which he seeks.

I am aware, Mr. President, that so far as my own individual political interests are concerned, it may not be the most politic vote that I could cast. But I came to the United States Senate on the basis of one pledge to my constituents. I told them that I was going to vote in accordance with the merits of the issues as I found them when I got here, and on the basis of the evidence as I found it, and let them judge whether or not they wanted to retain in the Senate at the end of 6 years a man who insists on the exercise of independence of judgment irrespective of partisan pressures.

Mr. President, I say that I think there are those in the country—but I have not found them in the Senate—I think there are those in the country who would make this a partisan issue. I say I have not found that spirit of partisanship in the Senate over this issue, because I think that each and every man who has spoken on this issue has recognized that it involves a national issue and not a partisan issue. Each Senator has been expressing himself not from the narrow standard of partisanship but from the standard of what he individually believes will be in the best interests of the country.

I come, however, Mr. President, from a State which is predominantly agricultural, and I would be less than frank and honest if I did not point out that the farmers of my section of the country are very much concerned—very much worried—about the extension of power which is sought under the legislation pending before the Senate. Hence from the standpoint of their interests I have gone to great lengths to make a study of the effects—of the potential and probable effects—of the proposed legislation upon the agricultural interests of the country. I have studied this problem from the angle of the farmers, not only because of my own vital interest in farming and the maintaining of a sound and prosperous agricultural economy in America but also because some of the outstanding agricultural leaders in my State have expressed deep concern over the pending legislation.

I would like the Senate to have the benefit of the views of some of these Oregon agricultural leaders who have written or wired to me about this issue. I know that some Senators are still undecided as to how they are going to vote on this issue, just as I was up until this noon. However, I have finally made up my mind subject to change if, before the close of this debate, some new argument is presented which would justify a reconsideration of my present decision on this legislation.

It is quite possible that some of the following communications which I have received from Oregon may be helpful to other Senators in weighing the pros and cons of this great debate. In any event, I would like to have the communications in the RECORD as a part of my remarks, because although many of them do not support the vote which I presently intend to cast, nevertheless I think they express a very important point of view and one which this administration should give great heed to when it comes to exercising the authority granted to it under the legislation if it passes.

These communications, Mr. President, make very clear that many agricultural groups in my State want some assurances that the President of the United States and the State Department will not so administer the reciprocal trade powers as to destroy or weaken the American agricultural markets for American farmers. I shall have more to say about this problem before I finish my speech, but at this point I wish to emphasize that it is my judgment that the State Department, and indirectly the President, himself, through the State Department, have given assurances to American farmers that under the reciprocal trade policies of the administration this country will not be flooded with cheap agricultural products and livestock products from abroad to the detriment of American agricultural interests. I am satisfied that the President of the United States, Mr. Harry S. Truman, is thoroughly familiar with the State Department's statements on agricultural policies as they relate to the negotiating of trade agreements, and that the State Department representatives appearing before congressional committees on this issue have spoken with the full authority of the President, and that their commitments are also his commitments.

If I thought for one moment, Mr. President, that the State Department and the President of the United States, during the next 3 years would not carry out those agricultural policies, then I would not vote for the extension of the act and the granting of the additional authortiy to the President. I say I would not vote for the legislation, because if I believed that the State Department and the President would enter into a trade agreement or any series of trade agreements which would destroy the American market for American farmers by means of this legislation, I would fight the passage of the legislation. I say that because I think it is perfectly clear that we cannot have a prosperous America unless each and every major segment of our economy is prosperous. There is no part of our economy more basic to economic stability and prosperity than agriculture. However, I think it is perfectly fantastic to assume that President Truman and the members of the State Department who will administer this legislation are not just as aware of the importance of maintaining an economically healthy agriculture in this country as are those of us in the Senate.

Nevertheless, I recognize the importance of fear in causing men sometimes to take a certain stand on an issue which they would not take if that fear could be removed. Throughout my study of our foreign trade problems, which has recently centered itself in the reciprocal trade legislation now before the Senate in this historic debate, I have entertained some of the same fears which have been expressed to me by some of my constituents in the communications which I have received from them. The passage of this legislation is not going to quiet those fears. It may, perchance, intensify them. Time alone will tell. I think that those of us who are voting for the legislation are banking on time to prove that our confidence is not misplaced. I, for one, have not eliminated entirely my fears of this legislation, but I have permitted my faith in the good sense of those charged with the great responsibility of administering the legislation to prevail over my fears. I cannot imagine any official of our Government proposing to the President a trade agreement which will damage the economic welfare of American agriculture or any other segment of our economic life.

I am not so naive as to believe that reciprccal trade agreements can be entered into between this country and other nations with all the benefits flowing in our direction. However, I think it is a clear responsibility of the administration to refuse to enter into any trade agreement which places any basic segment of our national economy at a competitive disadvantage as far as American markets are concerned with the producers of any foreign nation. I serve notice now that if the President of the United States and the State Department should administer the legislation now pending in such a manner as to injure American agriculture I shall join forces with what I know will then be a large majority of the Congress to take away from the President the right to exercise further the trade-agreement authority now sought by him.

In other words, I shall follow the principle that what Congress can give in such matters it can take away, if the trust which it has placed in the administration proves to be ill-founded. When I made that point in a conference this morning with a few of my colleagues who do not agree with me on this issue, one of them said that he thought that my argument on that point amounted to locking the barn door after the horse is stolen.

However, as I told him, I do not think that particular figurative argument is at all applicable, first because I do not believe there is any cause for thinking that those who will be charged with the administration of this legislation are thieves. In fact, I give them credit for being just as concerned about the economic welfare of America as those who are opposed to this legislation. Further, I think the figurative argument is a poor

one because these trade agreements after all are not made in stealth. They are not the product of sneaking intrigue and disreputable international bartering by the President of the United States and the State Department. They are very much in the open and my investigation shows that not only the views but the help of the various economic interests in this country concerned with a particular treaty are sought before a treaty is consummated. I have been informed by officials in the State Department that as the procedures for negotiating reciprocal trade agreements have evolved, the Department and the President have sought more and more the views, not only of the particular industries concerned but of other segments of our economy which may be affected by a given treaty. The records show that Members of Congress have been consulted innumerable times in regard to the problems involved in any potential trade agreement. I just do not think it is fair to let the impression go out to the American people that these reciprocal trade agreements are the product of stealthy, secret negotiations, carried on by diplomatic techniques not based upon the general welfare of the country.

However, Mr. President, I try to be a cool-headed realist, and I think that the realities of the situation are such as to justify my using this medium to say to the President of the United States and to the members of the State Department who will be charged with the responsibility of administering this proposed legislation, "if you fail to take into account the fears of many economic groups in America, especially the agricultural groups, which existed on June 18, 1945, when this legislation was under discussion by the Senate, and if you fail to recognize in administering the legislation that those who voted for it did so upon the belief and trust that you would not negotiate and sign any reciprocal trade agreement which is unfair to any segment of our economy, I shall withdraw my support of favoring further exercise of authority by the President of the United States to negotiate reciprocal trade agreements without submitting such agreements to the Senate for approval."

I have made the foregoing statements, Mr. President, preliminary to introducing into the RECORD the communications previously referred to from some of my constituents because I want to clearly indicate that if I had not entirely satisfied myself that the fears of many of my constituents who have urged me to vote against the proposed legislation are ill-founded, I would have decided to cast a vote against the proposed legislation. I believe that my primary duty as a United States Senator is to vote on the basis of the facts as I find them and believe them to be after an investigation and study here on the job. I stand ready always to give my constituents the reasons for my votes and then let them judge for themselves as to whether or not the exercise of such judgment constitutes the type of statesmanship they want to support, even though they may not always agree with the conclusion I reach on a given issue.

The following telegrams and letters, Mr. President, show very clearly that various groups and leaders in my State from the fields of agriculture as well as business and industry are very, very doubtful as to the wisdom of the proposed legislation. They are just as sincere and just as interested in protecting the economic and political interests of the United States and in preserving peaceful international relations as are the most ardent advocates of this legislation. They, just as the Senators who on the floor of this Senate have argued against this legislation, are sincerely disturbed about possible abuses that may creep into the administration of the legislation. I, for one, do not discount the weight and importance of such arguments, and I think that careful consideration should be given to such arguments by those of us who have reached the conclusion that the greatest good of the country will be served by voting for the legislation. I also submit these communications for the additional reason that I want the RECORD to show the viewpoints of those who do not agree with my position, because I think they are entitled, in all fairness, to have their viewpoints expressed by me even though my present decision is to vote for the legislation. I would like to have the communications in the RECORD for the further reason, Mr. President, that I want them there in black and white so that the State Department and the President of the United States will have full notice of the fears and doubts and questionings that existed in the minds of many citizens when this very important legislation was up for a vote in the Senate of the United States. Here are some of the typical communications I have received from my State against the legislation:

PORTLAND, OREG., *June 13, 1945.*

Senator WAYNE MORSE,
Washington, D. C.:

We are opposed to giving additional authority to the President to cut existing duties; we urge your support against this extension of power.

WILL W. HENRY,
Dairy Cooperative Association.

PACIFIC WOOL GROWERS,
Portland, Oreg., April 12, 1945.

Senator WAYNE L. MORSE,
Washington, D. C.

DEAR SENATOR MORSE: The board of directors of Pacific Wool Growers, at their meeting on April 7, instructed me to write you as follows:

American agriculture and American industry, whose well being is dependent upon reasonable tariff protection, is directly threatened by the pending legislation extending the life of the Reciprocal Trade Act and further adding to the Administration's arbitrary powers. We ask your support in opposing such legislation as contained in H. R. 2652 introduced March 16 by Representative DOUGHTON of North Carolina.

The wool industry of Oregon, Washington, Idaho, California, and Nevada which is served by this association, represents something over 21,000 wool growers. This industry has grown up under a fair degree of tariff protection. For the wool growers, as for thousands of other American producers, the tariff has not served as a barrier against foreign imports but solely as an equalizing agent between production costs based here on American standards of living, and abroad on standards no American producer can be asked to accept. Wool growers have invested many millions of dollars in sheep, land, and equipment. Today more than 84,000 persons in the area mentioned received a substantial portion of their livelihood from the production of sheep and wool. This is one of the American industries soundly conceived under tariff protection, painstakingly developed to an economic importance for which we require safeguards not provided by the devious language and concealed intentions of the Reciprocal Trade Act. As a military precaution for the well being of the United States, it is the announced policy of the Government to encourage the production of wool, yet in spite of this, at the present time, the industry is declining rapidly.

We oppose the extension of this act in its present form. We believe it is essentially misleading both in title and intent. We contend that the title "Reciprocal Trade Agreement" is deliberately misleading on two counts. First, a defensible reciprocal agreement made with one Nation, when extended under the "most favored nation" clause to a score of other nations who have made no concessions, becomes a travesty on reciprocity; a reflection on our good sense; and a potential blow to the American producers of the articles affected. Secondly, we deplore the use of the term agreement as a means of persuading Congress to surrender its right and duty to act as the representative of the people in considering treaties with foreign nations. Vast powers radically to alter fundamental national policy have thus been removed from channels of democratic decision and handed over to agencies pursuing fantastic theories which they dare not advance for honest discussion.

As to the intent, we maintain that the Reciprocal Trade Act in its present form is a tool in the hands of agencies which—without authority to make so drastic a decision—have stated their intention to finance our postwar industrial exports by large-scale acceptance of foreign farm products on a relatively free exchange basis.

Over 1,200 tariff reductions, including 78 reductions in the wool schedule (although only a few on apparel wool) already made under the Reciprocal Trade Act make this intent clear and point to the need for revisions in the act and for congressional inquiry into the extent of our commitments to a "bars down" policy of free trade.

We hold that the national interest cannot be served by stripping the American farmer of tariff protection and demoralizing the domestic market with a flood of cheap imports. Obsessed with their policy of global appeasement, the proponents of such a program forget that America is her own best customer; that 90 percent of our production is home-consumed; that the American farmer is a tremendous market for the products of industry.

As a measure of protection and a means of assuring full democratic discussion before such theories are arbitrarily announced as American policy, we ask your support on these two specific points:

1. That trade agreements be made subject to review by the Tariff Commission, with full public hearings accorded to the affected industries and subject to the final decision of one or both Houses of Congress.

2. The elimination of the devastating possibilities contained in the "most favored nation" clause.

We hold no brief for restrictive tariffs. The broad policy of reciprocal trade for mutual advantage is beyond question. We demand, however, some measure of protection from irresponsible tariff-tempering by agencies promoting policies approved neither by the people nor their representatives in Congress.

Very truly yours,

R. A. WARD,
Vice President and General Manager.

BAKER, OREG. *April 20, 1945.*

Hon. WAYNE E. MORSE,
Senate Office, Washington, D. C.

DEAR SENATOR: I am writing you at this time on the matter of the extension of the reciprocal trade agreement which is up for renewal the 12th of June.

The Doughton bill would be a disastrous blow to agriculture as well as the laboring class and all who would like to maintain a reasonable standard of living. To extend the reciprocal agreement no doubt would be the last straw to put the remaining sheepmen out of business.

In Oregon we have the lowest sheep population since 1886. The most of the reduction has occurred the past 4 years. Reasons are the administration, through its good-neighbor policy and hold-the-line program, has made it impossible for most sheepmen to operate except at a loss. Sheepmen have gone all out in helping the war effort with the result that the OPA and those responsible for ceilings on wool have forced them out. Don't let anyone tell you the sheepmen are making money. Most of them have an investment of from $50,000 to $150,000 in land and equipment, most of which is not suitable for anything except sheep operations. Would they leave their properties lie idle and pay taxes on same if they could break even on the operation?

Had it not been for the war situation and the help which the war caused in prices, matters would be much worse, so let's not get into a postwar period with a program that will ruin our way of life and standards of living. Let's get the house cleaned and get control back into the hands of Congress where it belongs.

The United States, the greatest country in the world, was not built by one-man rule or by Executive orders, but by Congress who are responsible to the people as a whole. If we are to continue to be great let's get back to earth. This is not my personal opinion but the opinion of the masses of people. I hope you may be able to see the matter as we do and fight to the last ditch for our rights, with no thought of compromise. It is something to be whipped when you are right, but much worse to stand by and be trampled on by those who are not responsible to the people or anyone else.

When you break the livestock industry you also break all agriculture in the West as 75 percent of all agricultural products are marketed through livestock and at all times free traders remind them that the largest market the United States has is our home market and must be protected.

With kind personal regards, I remain,

Yours very truly,

F. A. PHILLIPS,
Chairman, Livestock Marketing Committee for Oregon.

OREGON WOOL GROWERS ASSOCIATION,
Dayville, Oreg., April 11, 1945.

Hon. WAYNE L. MORSE,
Washington, D. C.

DEAR SENATOR MORSE: Oregon Stock Growers Associations are deeply concerned over future tariff trends and believe they are one of the major problems facing agriculture today. We recall that following the last war, imports of wool, meat, and farm products were so heavy that Congress passed an emergency tariff to limit them.

The Reciprocal Trade Agreements Act expires on June 12 of this year and the administration-sponsored Doughton bill would not only extend this act for 3 years, but reduce present existing duties another 50 percent on this country's major products.

Your efforts will be greatly appreciated.

Jane joins me in sending our best wishes to you and the family.

Sincerely,

WAYNE STEWART.

NYSSA-NAMPA DISTRICT
BEET GROWERS ASSOCIATION,
Nyssa, Oreg.

Hon. WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I wish to call your attention to House bill 2652, known as Doughton bill, which proposes to allow further decreases in tariff rates on certain commodities, including cane sugar. It is readily to be seen that this decrease in tariff rates will seriously injure western agriculture and mining interests.

The effect upon sugar alone is sufficient reason why you should oppose passage of this bill. The duty on Cuban raws was $2 between June 1930 and June 1934, when it was cut to $1.50, then later to 90 cents, back to $1.50 for a few months in 1939 then back to 90 cents to January 4, 1942 and since January 5, 1942 the rate has been 75 cents. I understand that it cannot be cut below this last-named rate, without an act of Congress and this Doughton bill proposes to allow a further cut of 50 percent in the rates.

With the wide differences in wage rates and in standards of living between the United States and our Latin-American neighbors we in the west cannot continue to grow sugar beets without more protection than this proposal would grant.

Our understanding is that hearings on this bill will be held April 15, and our association desires to go on record as opposed to the bill and to earnestly urge upon you and your associates that you do what you can to defeat the measure. Our association represents about 2,000 members, in the territory served by the Nyssa and Nampa factories of the Amalgamated Sugar Co. We have conducted a campaign to increase the acreage to be planted to sugar beets this year with the result that we have under contract for this season a very substantial increase in acreage, and we feel that it would be very inconsistent for the law makers to pass a law that will result in damage to those who by their superhuman efforts are striving to aid the war efforts.

The total damage will not be confined to sugar, as our livestock men, our wool industry and mining interests will suffer as well.

We are depending upon our Members of Congress to protect us in this respect and strongly urge upon you that this bill be defeated. Your comments and favorable action will be sincerely appreciated.

Yours very truly,

A. L. FLETCHER,
Secretary.

OREGON NUT GROWERS, INC.,
Newberg, Oreg., April 16, 1945.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

MY DEAR MR. MORSE: Your letter of April 9 was very gratifying to me because I had not previously had the opportunity of discussing with you some of the problems of our Northwest filbert and walnut industry. For so many years we always leaned heavily upon Senator McNary when it came to asking for ideas and support in connection with our industry. Senator McNary was a member of this association, and, in fact, the nuts from his estate are still packed and marketed by our organization. The subject of walnuts and filberts was a real pet of Mr. McNary's, and he never lost any opportunity to talk or write about it whenever the occasion presented itself.

When Senator McNary passed on, we, here in the Northwest engaged in the nut industry, felt his loss very keenly. It is for that reason that I am so happy to learn that you are interested in our nut business and willing to give it all thought and consideration.

You and I seem to share very much the same philosophy; namely, that our Nation is going to have to protect our international security by negotiating economic agreements with other nations. On the other hand, we can see nothing gained when the negotiation of such agreements affects adversely the economic welfare of a large share of our people. I don't know what would be gained by our Government negotiating an agreement which would permit large tonnages of foreign grown nuts to come into this country at prices so low that it would be hopeless for our people here to attempt to compete with them.

We are writing a letter to Congressman DOUGHTON, and are enclosing a number of tables which we believe will give quite a clear and complete picture of both our domestic nut production and what we will have to watch in the way of foreign competition. Feeling that you and Senator CORDON and our four Congressmen from Oregon would like to have this information for reference, we are taking the opportunity of making copies of all this material and enclosing it herewith.

There is a lot of other information concerning our industry which can be made available if it seems necessary or desirable. If there is anything of importance that we have omitted, we will be happy to have you wire or write, and we will do our best to try and get further data into your hands.

Please accept our sincere thanks for telling us that we can count on you to do what you can to protect the filbert and walnut industry in Oregon. By doing that, you will also be helping our laboring people, merchants, and all others who might be indirectly connected.

This brings our kind regards.

Very truly yours,

JOHN E. TRUNK,
Manager.

NORTH PACIFIC NUT GROWERS
COOPERATIVE,
Dundee, Oreg., June 6, 1945.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Not a few Oregon farm leaders and editors have lately expressed considerable concern over the inspired and one-sided publicity being fed to the press and radio in favor of legislation renewing and extending the provisions of the Reciprocal Trade Agreements Act.

We tend to share their alarm when we see legislation which may alter an entire course of America's economic history railroaded through the House with a very minimum of debate, while political commentators are encouraged to smear the opponents of the measure with the astonishing claim that any intelligent, businesslike inquiry into America's tariff needs would jeopardize the peace and would be tantamount to war mongering.

We appreciate your interest and understanding of the dangerous situation as evidenced by your letters of April 2 and 23, and sincerely hope that you agree at least in part that the following amendments are needed:

1. The administration of the act should be placed in the hands of a qualified agency, possibly a reorganized Tariff Commission, subject to congressional review. Don't you agree that tariffs should be based on economic factors and not on the State Department's changing views of international politics, especially where the livelihood, jobs, and investments of millions of American producers are directly affected?

2. It is only good sense to eliminate the application of the most-favored-nation clause. There is nothing reciprocal in the exchange of concessions with 1 country if 20 countries are to receive the same concessions from us, giving nothing in return. To call such a deal reciprocal is sheer hypocrisy.

Our views as to the details of the needed amendments are not hard and fast, and we would appreciate hearing from you and having your slant on what can be done to protect Oregon farm interest from unwise tariff tampering. We are confident that your analysis of the legislation has already included an appraisal of its defects and some constructive thoughts as to amendments designed to eliminate the danger points. Scores of other Oregon farm groups and hundreds of individuals with whom we have discussed this matter are generally agreed on the necessity for amendments somewhat similar to those roughly indicated above, and we would like to be able to reassure them as to your feelings along these lines.

Sincerely yours,

A. C. JACOBSON,
General Manager.

PITTSBURGH PLATE GLASS CO.,
Portland, Oreg., April 30, 1945.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I have been discussing with friends here the new proposal which I understand is numbered H. R. 2652, to extend the Reciprocal Tariff Act for 3 more years and to give to the President the right to further reduce tariff duties on the kind of articles we make. We are against this extension, and I hope you will do everything you can to prevent its becoming law.

You know the window glass business in which I am engaged could be very seriously injured by too much foreign competition. They have the same kind of machines in Belgium and Czechoslovakia that we have in the United States, and the workers there do exactly the same job for 20 to 25 cents an hour for which the American workers are paid $1.25 to $1.56 an hour. That is difference enough to justify the continuance of our tariff.

Another reason is that the Tariff Commission recently said that there was no substantial difference between the price of foreign-made window glass and American-made window glass when it was sold in our domestic markets. If that be so, there certainly cannot be any reason for further reducing the duty.

Everything in this business is changing and I do not see how anyone can tell what the cost or transportation is going to be in the United States immediately after the war any more than they can tell what the cost and ocean transportation is going to be from Belgium and Czechoslovakia. If these things are unknown, how can anyone make a sensible tariff rate, and why should anyone want to change an existing rate at this time?

I trust you will keep in mind the fact that Czechoslovakia and Belgium together have greater window-glass capacity than we have, to say nothing of the capacities of Russia and Japan.

I again desire to express the hope that you will actively oppose any extension of this Reciprocity Act, particularly if it is for more than 1 year, and if it contains the power to further reduce tariff rates.

Very truly yours,

W. W. BOONE.

P & C HAND FORGED TOOL CO.,
Portland, Oreg., May 28, 1945.

Hon. WAYNE L. MORSE,
United States Senate,
Washington, D. C.

DEAR MR. MORSE: As a manufacturer in the hand-tool industry employing an estimated 15,000 wage earners, we respectfully ask that you consider the subject of lower tariff rates as a serious danger to American industry.

We invite your interest in reading the enclosed informative statement prepared by the service-tool industry.

I have every confidence that you will use your best judgment in taking action upon this subject of vital importance to postwar reconversion, the maintenance of high wage standards and general welfare of the American people.

Respectfully yours,

J. EARL JONES,
President.

DANGER TO AMERICAN INDUSTRY OF LOWER TARIFF RATES

As one of your constituents, and being responsible for the welfare of our employees, as well as the carrying on of our business, we wish to enlist your support toward the protection of American industry, through adequate tariff rates, against inroads of low-labor-cost foreign merchandise, which seems likely to flood American markets during the postwar period.

The newspapers and magazines of late have been full of thoughtless ideas advanced by shallow thinkers to the effect that during the postwar period tariff rates should be reduced and we should open our American markets to world-wide unbridled competition. This fantastic theory, unless curbed by action of Congress, may well bring about the most serious depresssion and greatest amount of unemployment yet known in this country.

The question of continuing the present trade agreements with various foreign nations at the present tariff rates, or even lower by as much as 50 percent, will be before us in the near future. This certainly will require careful study and action by Congress if this country is to avoid an economic catastrophe.

The basic principle in back of tariff duties is to make it possible for American manufacturers to pay wage rates to labor sufficiently adequate to support the present high standard of living in this country. Unfortunately, the State Department agreements with some other countries, such as Sweden, have caused reductions in the tariff rates by as much as 50 percent. This development, unless promptly curbed, threatens the welfare of American industry and of employment.

The differentials which exist in labor costs in the United States and in other countries must be known in order to arrive at an intelligent conclusion regarding this subject. American labor costs today are at their highest levels in history, and no one knows how much they may increase after the war. Certainly wage rates will not decrease. Conversely no one knows at what extremely low rates foreign labor may be willing to work so as to be able to live and rebuild their own countries. Hence American industry and its employees are in a most vulnerable position.

FIFTEEN THOUSAND EMPLOYEES AFFECTED

The Mechanics' Hand Service Tools Industry, of which our company is a member, is composed of some 65 manufacturers from Maine to California, who employ approximately 15,000 people. This industry produces wrenches, pliers, screw drivers, and other metal-working tools. Mass production in this industry, in the true sense of the word, is not possible because of the wide variety in sizes and types. This industry, during the war period, has been producing tools amounting to approximately $100,000,000 per year. Its normal prewar business was only 25 to 33⅓ percent of this amount. It is estimated that the postwar demand will be somewhat larger than in the prewar period, but still not sufficiently large to keep busy all of the American tool-making facilities. This foreshadows some unemployment, even without the menace of a flood of low-labor-cost foreign tool imports.

The Mechanics' Hand Service Tools Industry employs tool makers, drop forgers, milling machine hands, die sinkers, hardeners, grinders, polishers, etc. In any of these trades the foreign workman can produce as much, if not more, per hour than the American workman. Foreign mechanical equipment and methods are at least equivalent to our own.

COMPARATIVE COSTS

Among our principal foreign competitors in the prewar years were such countries as Sweden and Germany. Based upon prewar information, the average pay of labor in the hand-tool industry in those countries was 25 cents per hour, or only 21.5 percent of the American rate of $1.16 per hour.

We give you herewith a hypothetical case. Let us assume that $1 is the manufacturing cost of a unit in the United States, divided as follows:

Material and supplies	$0.334
Labor	.666
Total	1.000

Also, assuming that the foreign materials cost will be the same as that in the United States (it might be lower), the foreign labor cost, being only 21.5 percent of the American labor cost, would amount to $0.139, as compared with $0.666, the American labor cost for the same item. Thus the per unit cost would be as follows:

	American cost	*Foreign cost*
Material and supplies	$0.334	$0.334
Labor	.666	.139
Total	1.000	.473

Assuming that to the above costs were added 50 percent to provide for overhead, administrative costs, etc., this would result in a total American cost of $1.50 per unit, as compared with a foreign cost of $0.71 per unit.

Under the Tariff Act of 1930, based on an ad valorem rate of 60 percent, on an item valued at $0.71 the duty was $0.426 per unit. Under the Swedish trade agreement this has been decreased by 50 percent, or $0.213 per unit.

On the above basis the foreign tool could be sold in the American market, duty paid, for $0.923 per unit, as compared with the American manufacturers' actual labor and materials cost of $1 per unit. Leaving out his overhead, administrative costs, profit, etc., how could American manufacturers survive this competition?

We trust you will do everything in your power to see that not only this industry, but all American industry, is given adequate tariff protection in order that the American standards of living may be maintained.

HOOD RIVER, OREG., *June 7, 1945.*

Hon. WAYNE MORSE
United States Senate,
Washington, D. C.:

Here are the views of the Apple Growers' Association with respect to the renewal of the Reciprocal Trade Agreement Act now up for consideration in the Senate. We endore renewal of the Reciprocal Trade Act in order to reestablish foreign trade on sound and lasting basis. However we think that some provisions should be included which will insure closer attention by negotiations to some of the realities involved. For example a reduction in the import duty of American applies into Czechoslovakia from $2.50 to $1.50 per box is eyewash and should be recognized as such by our own negotiators as it will not result in increased importation of American apples by Czechoslovakia. There is also another type of evasion which our negotiators appear to be overlooking, namely the reservations and restrictions of which the Canadian dump duty and the Argentine foreign exchange restrictions are typical examples. They

have the effect of giving the foreign government opportunity to nullify the provisions of the reciprocal trade agreement without giving the United States the same privilege. We realize difficulty of incorporating into legislation protection against faulty negotiation. Perhaps this can best be overcome by including some provision which would make it mandatory for the State Department to give industry adequate opportunities for hearings in advance of the completion of negotiations and not after the treaty is drawn up. It is also our observation that the administration of the treaties by our American State Department can be considerably improved. We endorse reciprocity but want something more than empty words in return for our concessions.

APPLE GROWERS ASSOCIATION,
J. E. KLAHRE, *General Manager.*

As I previously said, Mr. President, the foregoing telegrams and letters are only typical of the great number of communications which I have received from my State in opposition to the proposed legislation. I have endeavored to select out of the communications received a cross-section point of view of those which are either opposed to the legislation or feel that at least it should be amended in line with their suggestions.

As far as amendments are concerned, it is perfectly clear to all of us that the issue is going to be drawn for a vote upon the basis of the legislation as it is now pending. If it is passed, I sincerely hope that administratively those charged with the reciprocal trade agreement negotiations will give consideration to some of the suggestions made in the foregoing communications. I particularly want to stress the point made in one of the communications that an opportunity should be given for hearings in advance of the completion of negotiations for any particular agreement so that those in this country who are going to be affected by it may at least have an opportunity to present such evidence and data as they would like to have the State Department consider before the agreement is executed.

Of course, Mr. President, I do not wish to give the impression that I have only heard from those in my State who are opposed to the pending legislation. I have received a great many communications from those who have reached the same conclusion as I have reached in regard to this legislation. As is usually the case, those who are for a particular piece of legislation are not as specific in giving reasons which support their views as are the opponents of legislation. However, I have selected out of the communications which I have received in support of the legislation a few typical ones which I here incorporate as part of my remarks:

PORTLAND, OREG., *June 14, 1945.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Anticipate that you are supporting House bill 2652. At spring district of the Oregon Federation of Women's Clubs, strong sentiment was expressed by the women for the renewal of this act.

Mrs. GEORGE MOOREHEAD,
President, Oregon Federation of Women's Clubs.

PORTLAND, OREG., *June 13, 1945.*
Senator WAYNE L. MORSE,
Senate Office Building:

Urgently request support reciprocal trade agreements with bargaining power to 50 percent present tariff rates.

Mrs. E. W. ST. PIERRE,
President, Portland League of Women Voters.

PORTLAND, OREG., *June 13, 1945.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Urge support reciprocal trade with bargaining power to 50 percent present tariff rates.

Mrs. JOHN STARK EVANS,
President, Oregon League of Women Voters.

WASHINGTON, D. C., *June 13, 1945.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

We strongly favor Reciprocal Trade Agreements Act extension with authority for 50 percent reduction from tariff rates existing on January 1, 1945, and earnestly hope you can so vote.

JAMES G. PATTON,
President, National Farmers Union.

FOREST GROVE, OREG., *June 10, 1945.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Urge strong support executive authority 50 percent. Reduction dutiable items. Postwar employment demands high trade level. World cooperation impossible without it. It must pass.

Mrs. WALTER C. GIERSBACH.

FOREST GROVE, OREG., *June 10, 1945.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Urge strong support executive authority 50 percent reduction dutiable items. Must have bargaining power to preserve upward trend of trade with best customers.

Dr. and Mrs. REX WILSON.

FOREST GROVE, OREG., *June 10, 1945.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Urge strong support executive authority 50 percent reduction dutiable items. San Francisco and Bretton Woods will not prevent war if we hold down foreign trade.

Mrs. ARNOLD E. LUBACH.

FOREST GROVE, OREG., *June 10, 1945.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Urge strong support Executive authority 50 percent reduction dutiable items. United Nations cannot function without basic economic prosperity. High United States tariff will be barrier.

Mr. and Mrs. H. E. SHELTON.

SALEM, OREG., *May 17, 1945.*
Hon. WAYNE MORSE,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I have been informed that our present Trade Agreements Act expires June 12 and that there is now pending in Congress a bill, H. R. 2652, which extends the Trade Agreements Act for a period of 3 years and allows a 50-percent reduction of the January 1945 tariff rates in bargaining with other nations.

After this war is over we are looking forward not only to a permanent peace but to a prosperous world order, in which full employment will be assured all able-bodied men. New trade agreements will increase our foreign trade and help provide full employment. I sincerely believe it will likewise help to overcome economic isolationism and extreme nationalism.

Trusting that you will give H. R. 2652 your careful consideration and support, I remain

Cordially yours,

ELSA O. DEVERS
Mrs. J. M. Devers.

THE NATIONAL BOARD OF THE YOUNG WOMEN'S CHRISTIAN ASSOCIATIONS OF THE UNITED STATES OF AMERICA,
Portland, Oreg., June 7, 1945.
Hon. WAYNE D. MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: The Senate is going to consider soon, if it is not already before them, the renewal of the Reciprocal Trade Agreement Act, with additional powers to the President.

The YWCA national program supports the new act for the valid reasons that it is the only practical way to handle tariff adjustments; and more important, it puts us on record as acting in world relationships on the principle of reciprocal agreements.

There are other values in the plan, but I do not need to record them for you.

In addition, I would like to call to your attention our deep concern in Senate bill 101, the permanent Fair Employment Practice Commission, with enforcement powers. The YWCA has a record of years of experience in building in the field of better democratic practices in securing economic justice for minority groups. This measure is in line with the thinking gleaned from these years of experience.

In conclusion, I am writing as the State chairman of public affairs of the YWCA in Oregon.

With cordial greetings, I am,

Sincerely,

ELIZABETH H. DUSENBERY
(Mrs. Verne Dusenbery),
State Chairman of Public Affairs.

EUGENE, OREG., *May 27, 1945.*
Senator WAYNE MORSE,
Senate Offices, Washington, D. C.

DEAR SENATOR MORSE: As chairman of the department of government and its operation for the Lane County League of Women Voters, I should like to express to you our strong conviction of the very great urgency at this time for the Senate to give its approval to H. R. 2652, the bill extending the Reciprocal Trade Agreements Act for 3 years and allowing additional reductions up to 50 percent in those rates established by agreements negotiated since 1934.

The league believes that the trade agreements are a bridge to peace, one of the most important steps we can take at this critical time toward securing full employment and prosperity at home and aiding in world reconstruction abroad in the postwar years. Over the same period the record shows that the increase in our exports to trade agreement countries was more than twice the increase (62.8 percent against 31.2 percent) to nontrade agreement countries. Such a record proves that both enlightened self-interest as well as international good will dictate extension of the trade-agreements program.

The league feels that it is of the utmost moment that the act be extended for a full 3 years rather than for a shorter period, because it takes time to negotiate agreements and because we need to give other countries

some assurance of a steady policy. The league also feels that the allowance of an additional 50 percent reduction in some rates as provided in the bill is of great importance because we need the additional bargaining power such reductions provide and because experience has already demonstrated that reductions on the commodities involved do help our world trade.

We earnestly urge you to support H. R. 2652 without amendment.

Very truly yours,

ELLEN N. BALDINGER
(Mrs. Wallace S. Baldinger),
Lane County League of Women Voters.

PORTLAND, OREG., *May 27, 1945.*

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SIR: We were heartened by the support given our President by the House in passing the extension of the Reciprocal Trade Agreements Act and providing for administrative reductions from present tariff levels. We hope that the Senate will also strengthen his hand for international negotiations by approving the extension in the form it was passed by the House, or at least without nullifying amendments.

It is our opinion that anything like the Smoot-Hawley Tariff Acts will bring us both depressions and wars in the future as they have in the past. It seems as unwise to isolate ourselves economically as it is to build a wall about us in a political way. With confidence that you believe in the fact we must be of the world rather than against it, I am

Sincerely,

ALVIN HOBART.

Mr. President, I have read or listened to every word that has been spoken in this debate, and it is my honest conviction that the fear which has been aroused among the agricultural interests of the country is a false fear although an understandable one.

After all, as I said before, I think we need to recognize that the President and his officers in the State Department are as anxious as we are to protect the agricultural interests of the country. I for one am going to take their pledge as their bond until they demonstrate to me that their word is not worth my trust.

So after consultation with leaders in the State Department in regard to the fear arguments that have been used against the proposed legislation, I received a letter from W. L. Clayton, Assistant Secretary of State, which I should like to read into the RECORD at this time. The letter is as follows:

ASSISTANT SECRETARY OF STATE,
Washington, June 15, 1945.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Assistant Secretary of State Dean Acheson tells me that you have asked about a certain statement which I made in hearings on the extension of the Reciprocal Trade Agreements Act relative to the inclusion in future agreements of an "escape" clause along the lines of that used in the Mexican Agreement.

The House Ways and Means Committee report of May 18, 1945, on H. R. 3240 contains the following statement:

"It is the understanding of the committee that it is the intention of the trade agreements organization to recommend to the President the inclusion of broad safeguarding provisions along the lines of article XI of the Mexican agreement in future trade agreements".

This statement was made on the basis of assurances by Government witnesses in the course of the House hearings. These assurances were relied upon by the House in passing the bill and they were repeated before the Senate Finance Committee.

The policy of the State Department was stated in my testimony before the Senate Finance Committee (page 179, unrevised committee print) where I said: "In order that there be no possible misunderstanding of the position of the State Department in this matter, I just want to make it clear now to this committee that the Ways and Means Committee statement accurately represents the policy which will be followed in the administration of the Trade Agreements Act."

Hoping the above will be satisfactory, I am

Sincerely yours,

W. L. CLAYTON,
Assistant Secretary.

After receiving Mr. Clayton's letter, Mr. President, I talked with other officials in the State Department and I asked for additional data in regard to the situation concerning such great agricultural industries of my State and the West as the filbert and walnut nut industry, the livestock and dairy industry, as well as about wool, grain, and other agricultural products. On the basis of those conferences, I am satisfied that the President of the United States and the State Department can be relied upon to see to it that the agricultural industry of America is not injured by any future reciprocal trade agreements.

I am satisfied further, Mr. President, that no showing has been made to date in this debate sufficient to convince me that the reciprocal trade practices up to this hour have injured American agriculture.

Why do I think that one reason, above all others, should compel me, in carrying out my convictions, to vote for the pending legislation? I will tell the Senate why, Mr. President. It is because the economic forces in the world are changing at such a rapid rate that we must keep those responsible for negotiating international economic agreements in behalf of America in as strong a position as possible during the coming critical months and years. We must do that so that America will meet her full share of obligations and opportunities in setting up the international machinery necessary for the greatest attempt ever made by America to participate in a world order devoted to the maintenance of permanent peace. I believe that giving the powers sought by the President in this legislation will strengthen his hand in this great hour of history; and I believe that the powers sought under the 50-percent reduction provision will be used wisely by him. If not, then God help us. But if that confidence is warranted, if that trust will be kept—and I believe it will be kept—then I believe that my obligation today is to give a vote of confidence to the President, which I am sure he will respect and protect. I feel that this is a national issue in regard to which there is no room for partisan opposition to the President. I am gratified to see that Republicans and Democrats are to be found in considerable numbers on both sides of this issue. Differences among us are sincere and clear cut. I for one feel that the President is entitled to the strengthening of his hand in international negotiations which this legislation gives to him.

Mr. President, we have heard much in this debate about the effect of the exercise of this power on American wages. It is true that we have been going through a war emergency. It has been suggested that one reason why no one can point to serious injury to any substantial segment of American industry flowing from reciprocal trade policies up to this date may be the fact that the period during which the trade agreements have been in effect has been an abnormal period, and therefore not a good testing period.

I do not know, Mr. President, whether very many of us in the Senate today will live to see the time when this old world will not be going through a very serious emergency period. I think that the adjustments which will have to be made in the international economic scene will be made through a series of emergency periods for many years to come.

The point I wish to make is that, in my judgment, at least those who have advanced the argument that injury will flow to American labor from reciprocal trade agreements have not been able by a preponderance of the evidence to sustain their burden of proof. The evidence on the record to date, based upon the experience which we have had with reciprocal trade agreements, thus far does not show any injury to labor or to farmers as groups. In my judgment, that means that our past President and our Secretary of State constantly kept in mind that the economic interests of America must be given paramount importance in any negotiations over a reciprocal trade agreement. I, for one, have confidence that the same consideration of our national welfare will be given in negotiatiing future trade agreements.

Personally I think it is unsound to argue that reciprocal trade agreements will result in a lowering of wage standards and the standard of living in this country. On the other hand, I think the reciprocal trade agreement policy points the way to maintaining a decent standard of living in this country for American workers and consumers generally. Why do I say that? I say it because I do not think we can have large sections of the world in economic depression and have America prosperous. Unless we are able to negotiate reciprocal trade agreements which will permit of a correct balance of international trade, which will permit nations to buy and sell, I think the inevitable result will be economic depression in the British Commonwealth of Nations, in Europe, in China, in South America and other parts of the world, with resulting depression in America. Let us not again pave the road to the development of high wages and prosperity in America by way of war.

A prosperity built upon the blood money of war is neither a healthy nor a lasting prosperity. We cannot remain prosperous in this country after the war unless we trade with other Nations on a basis which will make it possible for

them to trade with us and with each other. Economic isolationism is as dangerous for the future security of America as is political isolationism. We cannot fence ourselves in politically, economically, or culturally. We are in fact a part of one world and we are a mighty important part of that world. Economic forces, the movement of world economic depressions, the economic effects of the devastation of war will not be respectors of artificial national economic barriers which we may seek to set up through a policy of economic isolationism. We cannot maintain American wages, American prices, American standards of living through a policy of exploiting the trade markets of the world. We must buy as well as sell. We must empower our reciprocal trade negotiators to enter into multiparty trade agreements whereby they will be in a better bargaining position to balance our foreign trade sheet without taking into this country goods which will destroy the American market for American producers.

Let us not again as a nation be parties to an international situation resulting in economic warfare, and finally resulting in military warfare. Such has been the economic background of war. Those who read their history know that the cycle of wars for centuries back has stemmed from international economic warfare; from economic exploitation of weaker peoples; from the unsound policies of nations who have only wanted to sell but not to buy.

Therefore, Mr. President, I am convinced that in casting the vote which I will cast on this issue, I shall be casting a vote for strengthening international economic relationships and reducing the danger of international war.

I close my remarks by saying that I give to those who disagree with me the same respect for possessing motives on the high plane of nonpartisanship as I know those who know me accord to me in appraising the basis and motivation of my vote. I shall vote for the pending legislation because I think the challenge of nonpartisan statesmanship dictates such a vote. I shall cast my vote in the hope and with a prayer that the legislation once enacted will strengthen the position of our Nation in the councils of the world. If it will contribute ever so little toward world economic stability and to some degree help alleviate the economic causes of war I feel that the confidence which we who favor it have placed in those who will administer it will have been deserved.

Mr. MOORE obtained the floor.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. MOORE. I yield.

Mr. GEORGE. I think I should give notice that we will endeavor to reach a vote on the pending committee amendment tonight. I think we can do so, although two or three other Senators have expressed a desire to speak. I do not expect to dispose of the bill tonight; and any argument which is directed to any other feature of the bill, or the bill as a whole, might as well be withheld in the interest—I hope—of obtaining a vote upon the committee amendment before the Senate takes a recess tonight.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MOORE. I yield.

Mr. TAFT. Mr. President, after this long debate, in my view it would be a great mistake to keep the Senate here later than half past 5. There are still a number of Senators to be heard. I suggest to the Senator that it seems to me that it would be much more orderly procedure to agree to vote definitely, say at 1 o'clock tomorrow, dividing the time between the two sides, so that we may have a final summing up speech on each side. Such an arrangement would certainly not delay final disposition of the bill. From what I know of those who wish to speak, I am very much afraid it will be half past 6 or 7 o'clock before we finish, if we try to vote on the pending amendment this evening.

Mr. GEORGE. Mr. President, I should like to accommodate the Senator if I could, but I am under obligation to dispose of the pending committee amendment tonight if it can possibly be disposed of. Two or three Senators wish to be absent tomorrow. At the moment I can do nothing except pursue the course which I have announced. I simply give notice that I shall endeavor to reach a vote this evening.

Mr. WHITE. Mr. President, let me say a word about the request of the Senator from Georgia or the notification he has given. I share, although perhaps not to the same extent, his desire to have the pending amendment disposed of, but I think the usual practice, when it has been desired to hold Senators in the Chamber for a night session, has been to give notice the day before, so that Senators might accommodate the other demands on their time to the necessities imposed by holding a night session.

I regret the giving of notice at half-past four in the afternoon that it is desired to have the Senate remain in session during the evening until the pending amendment is disposed of. It is obvious that the bill cannot be disposed of tonight, and I cannot see that any great accomplishment would be achieved by pressing for a vote on the amendment tonight, regardless of whether it is adopted or rejected.

I have the highest regard for the Senator from Georgia, but, under the circumstances, I think it is a little unkind to request that the Senate stay here during the evening.

Mr. GEORGE. Mr. President, I thank the Senator for his expression of regard. I must say that I have been rather patient in connection with the pending matter. There have been many digressions and many matters which have been injected into the debate.

Inasmuch as any Senator who may wish to speak on the bill will have an opportunity to do so tomorrow, I cannot see why it is not proper to endeavor to dispose of the amendment today, if it is possible to do so. At any rate, I should like to continue for a while, to see whether it will be possible to dispose of the amendment today.

Mr. DONNELL. Mr. President, will the Senator from Oklahoma yield to me, so that I may suggest the absence of a quorum?

Mr. MOORE. I yield.

Mr. GEORGE. Mr. President, if the Senator is going to pursue such tactics, then I will give notice that I shall feel disposed to continue.

Mr. DONNELL. Mr. President, I do not regard the suggestion of the absence of a quorum as the pursuit of any tactics. I believe it is proper to have a quorum present. Therefore I suggest the absence of a quorum.

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield for the purpose of the suggestion of the absence of a quorum?

Mr. MOORE. I yield.

Mr. TAFT. Mr. President, if the Senator will permit me to say a word at this point, I desire to state that I think it is important to have all Senators informed of the present situation, so that they will be present in the Senate Chamber, and will not leave the Senate before finding out that they are supposed to stay. I think it is most desirable that a quorum be present.

The PRESIDENT pro tempore. The Senator from Oklahoma has yielded to the Senator from Missouri, for the purpose of suggesting the absence of a quorum; and the absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Daniel
Austin	Guffey	O'Mahoney
Ball	Gurney	Overton
Barkley	Hayden	Pepper
Bilbo	Hoey	Radcliffe
Brewster	Johnston, S. C.	Reed
Bridges	Kilgore	Revercomb
Briggs	La Follette	Robertson
Brooks	Langer	Saltonstall
Burton	Lucas	Shipstead
Butler	McCarran	Smith
Byrd	McClellan	Stewart
Capehart	McFarland	Taft
Capper	McKellar	Taylor
Chandler	McMahon	Thomas, Utah
Chavez	Magnuson	Tobey
Donnell	Mead	Tunnell
Downey	Millikin	Walsh
Eastland	Mitchell	Wherry
Ellender	Moore	White
Ferguson	Morse	Wiley
Fulbright	Murdock	Wilson
George	Murray	
Gerry	Myers	

The PRESIDENT pro tempore. Seventy Senators having answered to their names, a quorum is present.

The Senator from Oklahoma is recognized.

Mr. MOORE. Mr. President, the pending measure for the further extension of the authority of the President to enter into reciprocal trade agreements with foreign countries embraces one of the most important policies with which we have to deal. Because of its importance in a matter of policy on the part of Congress, I feel impelled to make a brief statement of why I shall vote against it.

Soon after I became a Member of the Senate, more than 2 years ago, this same matter was before us for consideration.

At that time Secretary Hull was vigorously urging the extension of the authority. Secretary Hull was regarded in Congress, and throughout the country, as a great patriot and a great statesman. Other newly elected Senators and myself had several conferences with Secretary Hull, and listened to his persuasive arguments in favor of the extension. I have also listened attentively to the arguments made at this time for and against the treaty. I know Secretary Hull had a deep conviction of the need for such power, just as I know that the distinguished senior Senator from Georgia [Mr. GEORGE] has a deep conviction of its need.

I believe the authority which has been given by the Congress in the matter of reciprocal trade agreements since 1930 has been for periods of 3 years, except in 1943, when it was for a period of 2 years. To begin with, not only is the authority in the law and in subsequent extensions and in the one now requested, but additional authority is asked. Since there has been a limitation in time and authority, Congress must have felt conscious of a need for its reviewing these matters rather than granting an unlimited authority. Congress must have felt, as evidenced by the debates which have occured in these proceedings from time to time, that it was transgressing its constitutional right in the delegation of these powers.

The economic benefits which may be claimed and disputed as a reason for granting the President the power contained in the law have been discussed, and probably all that has been said, for and against, amply covers the subject. It may be conceded that every reasonable man is in accord with the objective of fostering international trade. The fullest prosperity in our country through sound domestic economy no doubt must be supplemented by a healthy foreign trade policy. The products of our manufacturing States, such as the cotton of the South, the corn and wheat of the Middle West, the natural resources of our mineral-producing areas, the cattle, hogs, wools, and farm products of our Nation, must be afforded an outlet to the markets of the world if America's place in the commercial world of the future is to be assured. Likewise, the great consumptive markets of America must be open to the productive resources of the other nations of the world if a healthy international economy so necessary to the future peace and welfare is to be maintained. Thus, the prosperity of our economy at home, the employment of our people, and the continued advance in the standard of living are dependent in a large measure on world trade. I should be the last, knowingly, to thwart the objective which we seek.

The PRESIDENT pro tempore. The Senator's time has expired on the amendment.

Mr. MOORE. I will take time on the bill.

Mr. President, the brilliant history of American progress has been founded on the Constitution. This great document came into being in large part as an economic charter as well as a charter of human rights. The division of governmental powers so clearly defined within the Constitution was set forth in the light of current experiences of the men who framed the Constitution. The powers, duties and obligations imposed upon the Congress were set forth as exclusive powers, and the right to delegate the legislative power or the treaty-making power was denied our discretion. The first section of the first article vested all legislative powers granted by the Constitution in the Congress of the United States. Section 8 of the first article provided that the Congress shall have power to lay and collect taxes, duties, imports and excises. The measure now under consideration proposes that we continue to empower the President to enter into international trade treaties without requiring them to be ratified by the Senate. The proposal empowers the President to reduce import duties of his own volition. The grant of such authority is unquestionably to my mind a clear delegation of the legislative authority which the Constitution has vested exclusively in the Congress. That Congress may not, under the Constitution, delegate its legislative power to the President is not a debatable question. The Supreme Court of the United States has said:

> That Congress cannot delegate legislative power to the President is a principle universally recognized as vital to the integrity and maintenance of the system of government ordained by the Constitution.

The National Recovery Act was struck down by the Supreme Court because the act delegated legislative powers to the Executive.

Mr. President, there is another fundamental constitutional objection to the delegation of power proposed by the pending legislation. Reciprocal trade agreements negotiated by the Executive through the offices of the Secretary of State, and in turn by the various divisions and subdivisions of that department of Government, bind this Nation to certain promises and rules of conduct with respect to imports, and likewise bind other nations to certain agreements and rules of conduct with respect to goods exported to those countries. They constitute, in fact, trade treaties between the United States and the contracting nations. The treaty-making power has been vested in the Senate of the United States by the Constitution, and I am unable to bring myself to the view that the obligation and duties incident to this important function of Government may be delegated to the President of the United States, or to any division of the executive department, or to anyone else.

Ordinarily, we conceive of the Constitution as delegating three classes of power, namely, legislative, executive, and judicial. To these three enumerated powers there should be added a fourth and probably the most important power of all, namely, the treaty-making power of the Senate. No greater power exists in government. Under the treaty-making power it would be the prerogative of the Senate even to cede the territory of any State or States to a foreign power. Under the treaty-making power it would be possible to cede the State of Texas back to Mexico. Under the treaty-making power the Senate could direct or prohibit the shipment or receipts of exports and imports, and limit or otherwise control our international commerce. This power has been so firmly imbedded in the Senate that I, for one, am unwilling to depart from the Constitution as an expediency to the realization of what many claim to be temporary advantages. A treaty has been defined as a "written contract between two governments respecting matters of mutual welfare such as peace, the acquisition of territory, the defining of boundaries, the needs of trade, rights of citizenship, the ownership or inheritance of property, the benefit of copyrights and patents, or any other subject." I know that it will be argued, and the point was forcefully presented by the distinguished Senator from Georgia, that the Congress is not equipped to negotiate the details of a reciprocal-trade agreement, that it would be wholly impractical for the Congress to undertake such details. Certainly this is true. But, the preservation of the constitutional power of the Congress does not require that the Congress impose such obligation upon itself. In fact, the Constitution itself delegates to the President the power to make and negotiate treaties, with the consent and approval of the Senate. Those of us who are resisting this legislation on constitutional grounds are asking only that the constitutional obligation of the Congress in this respect be complied with. I do not believe that any of the Senators who base their objections to the legislation on constitutional grounds feel that the Congress should inject itself into the negotiation of any international trade agreement which the Executive may believe to be proper and advantageous to this Nation. I do not believe that there is any objection to the State Department, the Commerce Department, or any other Department of Government carrying on conversations or negotiations wherever proper with foreign governments. But, as the distinguished Senator from Wyoming [Mr. O'MAHONEY] has pointed out, before such contracts are entered into it is the constitutional duty of the Senate to know the import of the contract; it is the obligation of the representatives of the people to pass upon the efficacy of such agreements. It is proper and right that the people of the States affected, or that segment of our economy which may be subject to the terms of the agreement, be given an opportunity to express their views and point out the advantages or disadvantages of such agreements. In no other way under our democratic form of Government may the people have a voice in their government.

The answer has been made by those who support the legislation and I have no doubt that they speak sincerely and in great earnestness, that the delegation of this power will not result in harmful effects, that the power will be exercised carefully, judiciously, and wisely in the public interest and to our national advantage.

Let us grant, for argument's sake, the truth of this proposition. It follows, then, that there can be no reason why

the Senate should not comply with its constitutional obligation of approving the international contracts negotiated by the Executive. If these agreements were made in the interest of all the people, I feel positive that the Senate would agree with the Executive. One thousand and forty-eight treaties have been submitted to the Senate of the United States for approval. Of that great number of treaties, only 18 have been disapproved. That record, Mr. President, bespeaks a sympathetic attitude of those jointly entrusted with the treaty-making power toward the Executive in the conduct of international negotiations. I cannot believe that there is ground for fear that that attitude will be altered except in the national interest.

The delegation of authority now proposed certainly impairs, and in some cases prohibits, an opportunity of the parties or industry that may be affected to express their views. As a concrete example, I am informed that after months of study of the war's impact on oil and the oil industry's postwar prospects, there is strong sentiment in the Tariff Commission to recommend, first, a restriction upon the export of crude oil and products from the United States; second, removal of all import taxes and the subsidizing of tanker hauls from distant foreign lands as an encouragement to imports; and, third, restriction on domestic production to a quantity only sufficient to supplement imports to meet domestic demands. This program, I am told, has been evolved by the Tariff Commission as a conservation program for the oil industry of the United States.

Without debating the merits of the proposals, with which I am surely not in accord, is it too much to say that the people of Texas, Louisiana, Oklahoma, Kansas, California, Illinois, Pennsylvania, Michigan, Wyoming, and the other oil-producing States of the Nation, be given an opportunity to be heard with respect to such a program? Is it too much to ask that the American petroleum industry be heard? Is it too much to ask that the Senate of the United States be informed before agreements with foreign countries effectuating any such program are entered into?

Mr. President, there seems to be a prevailing psychology, both within and without the Congress, that the people of America are warranted in straining the constitutional powers of government, and in some cases abdicating to a great extent the sovereignty of America, as overtures to the nations of the world in order that a lasting peace may be created. This argument has been made in behalf of the measure which proposes to extend the authority of the President to make reciprocal trade agreements, it has been made in behalf of the Bretton Woods Conference, it was made in behalf of the Mexico Water Treaty, all to the end that the bargaining power of the Executive may be strengthened. It is even now being suggested that whatever plan may come from San Francisco be approved by the Senate without delay, in order that the position of our Government may be strengthened at the coming conference of the representatives of the United States, Great Britain, and Russia. It is urged that action should not be delayed sufficiently for the people of the country to be informed, and a full and free discussion of the San Francisco Charter to be had. I cannot agree with these suggestions.

Mr. President, our constitutional form of government, and the rights and liberties guaranteed to the people under it, have on several occasions been preserved by the bloodshed of our Army and our Navy. We are today engaged in a world conflict to preserve America under the Constitution, and to make safe the rights and liberties guaranteed by our Constitution. Let us not bargain away in peace the rights and liberties for which we fight in war.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GEORGE. Mr. President, if permission can be had to vote definitely tomorrow, say at 2 o'clock, under the same limitations as have already been agreed to, with an equal division of time between the proponents and opponents——

Mr. LANGER. I wish to object to that for the present.

Mr. GEORGE. Very well.

Mr. TAFT. Mr. President——

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. GEORGE. Let us proceed.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. WHERRY. Who has the floor, Mr. President?

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. TAFT. The Senator from North Dakota will withdraw his objection, I think, if the Senator from Georgia will renew his request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia?

Mr. TAFT. If I may have the allocation of time on this side.

Mr. McFARLAND. A parliamentary inquiry. Does the unanimous consent request apply only to the amendment?

The PRESIDING OFFICER. The attempt is to obtain an agreement on a time for a vote on the amendment.

Mr. LANGER. Mr. President, I withdraw my objection, in view of the fact that the distinguished Senator from Ohio says I may have half an hour tomorrow.

Mr. TAFT. The time is to be equally divided, I understand.

Mr. GEORGE. I will agree to fix the hour at 2 o'clock. The Senator suggested 1 o'clock, but I thought perhaps other Senators might wish to speak. I should like to supplement the agreement by making it clear that we are to vote finally on the committee amendment at not later than 2 o'clock, and that the time between 12 o'clock and 2 o'clock shall be equally divided between the opponents and proponents, the time on the other side to be controlled by the Senator from Ohio.

The PRESIDING OFFICER. Hearing no objection, the Senate will vote upon the amendment tomorrow at not later than 2 o'clock, and the time from 12 to 2 o'clock will be equally divided.

Mr. GEORGE. While, of course, I realize that that will not terminate the debate upon the whole bill, I hope that we may have the cooperation of the Senate tomorrow in an effort to bring the bill to a final vote, if possible tomorrow evening, because there are several Senators who are most anxious to be away, for good reasons, and I should like to accommodate them, so far as I am able to do so.

Mr. WHERRY. Mr. President, it was my hope that the distinguished Senator from Wyoming [Mr. O'MAHONEY] would be permitted to address the Senate for a few minutes further relative to the effect the trade agreements already in operation have had on such agricultural products as sugar, and also the effect they have had on wool, and the effect they have had on cattle.

If we permit further reduction of the tariff on sugar beets, it may result in the destruction of large segments of the sugar-beet industry, which is an important economic factor in 14 of the 48 States. Since 1934 there have been four reductions by the executive branch of the Government in the duty on sugar. Today we are suffering for lack of sugar in this country. At this time if a housewife wants to can, she cannot get sugar.

If we examine what has been done by special agreement, we find that already there has been a cut from $2 a hundredweight down to $1.50, in 1934, to 90 cents in 1939, and in 1942 down to 75 cents a hundredweight. If the pending bill, without the committee amendment, shall be enacted and go into effect it will mean a further possible reduction of 50 percent additional, which will mean that sugar will be imported into this country practically tariff free.

In the State of Nebraska there are today five great refineries. Only two of them operated last year. There are thousands of acres of land on which sugar beets can be raised, and the sugar-beet tops can be fed to cattle. In Nebraska a large proportion of the population live on family-sized farms. They have taken great interest in their civic responsibilities in the schools, in the homes, and in the churches, and we need to keep those families on the land, on the farms, and if we do there can be produced the sugar needed in this country today. Yet with the tariff which may be imposed, with further reductions, the sugar-beet producer of Nebraska will be at the mercy of the man who produces sugar in Cuba. He will be at the mercy of people whose standards of living cannot be compared with the standard of living we should be proud to give the people of Nebraska, and which they will not have under further tariff reductions.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LANGER. There are about 300,000 acres of land in the Red River Valley where the farmers have been begging for years for a chance to raise sugar

beets, but because of the quota we formerly had that land has been lying idle, so far as sugar beets are concerned.

Mr. WHERRY. I thank the distinguished Senator for his contribution, and, since he has spoken of the quota, I wish to say that today the only assurance the beet-sugar industry of America has concerning its economic future rests upon the quota system, which expires next year. When the quota system expires the sugar-beet producers of the whole country will be subject to tariff regulations, assuming the present statute is extended and the schedule, amounting to another 50-percent cut, is adopted, which will mean the importation into this country of sugar practically free of duty.

If the Trade Agreements Act is not extended the tariff will be the only safeguard upon which this industry can depend in its fight for survival when competing with sugar produced by what amounts to slave labor in foreign countries.

Mr. President, in the 5-year period during which the law has been in operation there has not been opportunity to prove its efficacy. Therefore I feel we should give more consideration to the subject before we vote that further reductions in tariffs be made against American agricultural products. Every Member of the Senate who is a farmer should give the subject serious consideration before voting for further reductions.

Let us consider the effect upon cattle. There are some who may think that the subject of cattle is a pet subject with me. I come from Nebraska, and 80 percent of the industry of Nebraska is farming and the raising and feeding of livestock. That is really what industry we have in Nebraska. We have practically no mineral supplies in that State. We have very few industries in the State. We do have an industrial city in Omaha, it is true, and we do have some industry in other centers in Nebraska, but in the main we must depend on agricultural production.

Let us now consider the matter of cattle. In the past 5 years the tariff on cattle has been reduced 48 percent. A further reduction of only 2 percent will result in decreasing the tariff to the full limit permitted under the Reciprocal Trade Agreements Act now in force.

I should like to bring to the attention of Members of the Senate the fact that today the subsidy on a 1,200-pound steer is $51.60. I should like to ask members of the Committee on Agriculture and Forestry, who is going to absorb that subsidy when the subsidy is taken off cattle? I should like to ask the milk producer who will assume the subsidy of 3 cents a quart on milk when that subsidy is taken off milk? Of course, the producers will have to absorb the difference with respect to milk. That is exactly what is going to happen in Nebraska when the $51.60 subsidy is taken off the 1,200-pound steer. It will be the producer of the cattle who will have to assume the subsidy of $51.60.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. AIKEN. Does the Senator advocate taking off the subsidies on milk and cattle?

Mr. WHERRY. Mr. President, in answer to the distinguished Senator's inquiry I will say that that is not at all what I have been talking about. I believe in the profit-motive system, and I will say to the Senator that if I had had my way, instead of increasing the subsidy, as was done a year ago, when Charles Holman, the head of the cooperative dairy organization, the Senator's friend, came before the Committee on Agriculture and Forestry and advocated such action, I would rather have taken action based on the profit motive. I would have raised the price of milk to the point where it ought to be, at a time when people can well afford to pay the price they should pay for it. That stops black marketing. If the administration chooses the incentive plan, however, then all that is left is to take the subsidy route. The administration succeeded in obtaining production. I am really glad of that. I would have taken the profit-motive route, however. So now we have the subsidy plan in effect, paying subsidies for dairy products in the Senator's State. If the subsidy is taken off, who will assume the amount represented by the subsidy? The dairy farmer's of Vermont will have to absorb that subsidy. On top of that, when the Senator votes, as I understand he will, to authorize additional cuts in the tariff on milk products, including cheese, he will have added a double burden on his own dairy farmers in Vermont.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. AIKEN. Does the Senator favor taking off the subsidy on cattle and milk?

Mr. WHERRY. I favor taking off the food subsidies just as quickly as it can be done. I am in favor of the profit motive basis, and I am in favor of adopting it as quickly as we can. Does that answer the Senator's question?

Mr. AIKEN. Yes.

Mr. WHERRY. My theory is that if we remove some of the restrictions and do not grant further tariff reductions, we will obtain maximum production, and when we obtain maximum production we will be better able to control inflationary prices than we can now with an economy of scarcity and through subsidies, which have brought into being the black markets.

Recurring to the question of cattle, it is my contention that when the subsidy payments on cattle are removed those who produce the cattle will have to stand the loss as one of the production costs.

The distinguished Senator from Wyoming today spoke of the effect of the operation of the Reciprocal Trade Agreements Act on production of cattle in Wyoming, and what the result to the cattle industry will be if we provide for a further reduction of 50 percent in the tariffs, the subject on which we are asked to vote. Where will the cattlemen be in 2 or 3 years under the proposed plan of a reduction in tariffs of another 50 percent—and at the same time have to absorb $51.60 subsidy on a 1,200-pound steer?

What I have said respecting the cattle producer, Mr. President, applies with equal force to the producer of sugar beets. That was made plain today by the senior Senator from Wyoming who told us the situation which confronts the sugar-beeet producers of Wyoming. Can Senators blame those of us who come from that section of the United States if we stand on the floor of the United States Senate and battle with all our strength in an endeavor to sustain the American economy, and particularly agriculture, which is the basis of our industry in Nebraska and the Middle West? We have no other forum in which to take our stand. When it is proposed to take our farm markets away from us we must take a determined stand here. If we are placed on the same basis as the Argentine farmer in the production of cattle, how long can we continue to pay toward the support of our Government institutions? Who will pay the $300,000,000,000 debt of our country if we do not get agricultural production? Agricultural production is essential, and comes first, and is the basis of everything else. If we do not have a strong agricultural production structure the remainder of our economic structure is not strong. All industry is dependent on agriculture.

If the farmer of the country is penalized, industry of the country is also penalized. Exports must be paid with imports, and if they are paid with agricultural imports, a burden is placed on the farmers which they cannot stand.

Mr. President, I had hoped longer consideration would have been given to this particular matter. What is proposed to be done now would, if done, change the economy of the country. It certainly would change the economy of the State of Nebraska.

Mr. President, during the debate those favoring further reduction in tariff rates on imports have advanced the argument that it would encourage all nations to adopt the peace proposals now being formulated at San Francisco. The Reciprocal Trade Agreements Act was adopted in June 1930. Renewal thereof was proposed in 1934. I remember very distinctly how the proposal was advanced. Renewal of the act was put forward on the representation that it would put 3,000,000 men to work in this country because industries would be able to provide more jobs. Of course it did not result in the employment of 3,000,000 persons, and there is no evidence that it resulted in the employment of anyone at that time.

In 1937, when it was again proposed to renew the act, the employment phase was out the window. Yet the renewal of the act was held up as a great instrument for softening the mind of the world toward peace, and for preserving world peace through world trade. It is not necessary for me to comment on that at this time. We all know what happened in 1937.

In 1940, with a part of the world at war, the renewal of the act was proposed as the one sure method of keeping the United States out of war. Yet, it was said we could keep out of war if we

simply renewed the Reciprocal Trade Agreements Act; that by doing so we could buy our way out. The renewal of the measure failed to keep us out of the greatest war of all time. Our entrance into the war is now history. How can anyone expect it to do any more for the future?

Finally in 1943, when consideration of the measure again came up, its adoption was advocated on the ground that it was one of the best means to achieve a lasting peace. But certainly so far as the act is concerned it failed once again.

The Reciprocal Trade Agreements Act has accomplished none of the things its advocates have said it would accomplish. If I thought rejection of the committee amendment would preserve world peace I would feel entirely different from the way I feel now. I say that from the bottom of my heart. I would feel entirely different concerning renewal of the Trade Agreements Act then. There is no Member of the United States Senate who is more anxious to have a lasting peace than I am. I cannot see, however, how the renewal of the act has anything to do with the peace formula now being framed at San Francisco.

The PRESIDENT pro tempore. The time of the Senator from Nebraska on the amendment has expired.

Mr. WHERRY. I will take time on the bill.

Permit me to say further that whether a peace formula is adopted by the nations of the world or not, and whether the United States Senate accepts that formula or not, it is my humble opinion that the peace and salvation of the nations of the world will depend upon the United States. It rests upon our shoulders to provide leadership; and I believe that leadership can best function by preserving our own American economy. Only through a strong America can we lead the other nations of the world. It could not be more ably put than it was put this afternoon by the distinguished senior Senator from Wyoming [Mr. O'MAHONEY].

Another argument continually advanced on the floor of the Senate is that we shall lose our bargaining power if we do not pass this reciprocal trade-agreements bill. That argument has been ably answered by the distinguished Senator from Ohio [Mr. TAFT]. It was again answered this afternoon by the Senator from Wyoming [Mr. O'MAHONEY]. Those who have made personal visit to the European nations know that today they want American dollars and American goods. Aside from Canada, the other nations of the world would rather have our dollars and our goods than those of any other country. Perhaps that is true even of Canada, because we do business with Canada. Why should we decrease the bargaining power which we already have? As has been so ably stated by other Senators, if by the reciprocal trade agreements we further decrease the bargaining power which we possess, we shall lose bargaining power rather than gain it by such action.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. WHERRY. I do not wish to be in the position of yielding to one Senator and not to another. I wish to accommodate my friend from Arkansas, even though my time is growing short.

Mr. FULBRIGHT. How does the Senator think foreign nations are going to pay for our exports?

Mr. WHERRY. All exports are paid for through imports.

Mr. FULBRIGHT. So we shall have to take some imports.

Mr. WHERRY. I think there is no question about that.

Mr. FULBRIGHT. Is it not the purpose of the bill to increase the flow of trade?

Mr. WHERRY. Let me say in answer to the Senator's question that there are plus and minus effects. I am speaking primarily from the agricultural viewpoint. I believe that agriculture has been penalized. I do not believe that we can operate the Reciprocal Trade Agreements Act, with further reduction in our tariff, without further penalizing the agricultural interests of this country. The agricultural interests do not get the benefits which other industries receive.

Mr. FULBRIGHT. Beef is not the only agricultural industry. Cotton is an agricultural industry.

Mr. WHERRY. I have give three or four examples. Time does not permit me to argue separately as to each item. When all the benefits of the entire program are added together, I believe that agriculture represents a minus quantity so far as benefits are concerned.

Mr. FULBRIGHT. The Senator means agriculture in Nebraska, does he not?

Mr. WHERRY. I would go further than Nebraska. I would include approximately 14 States in which agriculture is a main industry, upon which those States depend. I doubt very much whether we can say that throughout all industry there is an indirect benefit which results in a plus benefit throughout the entire country. However, I am not an expert on that question. I doubt whether any Senator can produce the figures to support such an argument. I know that if we continue to operate the Reciprocal Trade Agreements Act on the present basis, even without further reductions against agriculture, agriculture in this country is going to suffer; and it will suffer to such an extent that industry will become unprofitable. We must have agriculture. If we do not have agriculture, we cannot have production. New wealth must come from the soil. It does not come from bonds or from printing money. It must be dug out of the soil; and after it is dug out of the soil it must be processed. Unless it can be dug out of the soil and processed, we are not working for the best interests of the economy of the United States as a whole.

Mr. FULBRIGHT. The Senator will admit, will he not, that industry is a part of the picture? It is like arguing whether the hen or the egg came first.

Mr. WHERRY. I do not agree with the Senator at all. I believe that we must preserve American agriculture. We are asked to do something that constitutes a direct vote against the economy of this country when we are told that we should import a steer from Argentina to sell in competition in the markets of the United States with a steer from Nebraska. The Senator knows as well as I do that the cost of producing a steer in Nebraska is much greater than the cost of producing a similar animal in Argentina. We are being asked to produce in competition with Argentina.

Mr. FULBRIGHT. In Arkansas we can produce in competition with Argentina. I do not know why Nebraska cannot do the same thing.

Mr. WHERRY. It is wonderful what Arkansas can do. If the Senator will write to any farmer in Arkansas and ask him if he can compete with Argentina beef, I believe the Senator will find that the answer will be in the negative.

Mr. FULBRIGHT. We are very efficient in Arkansas.

Mr. AIKEN. Mr. President——

Mr. WHERRY. And the same statement applies to Vermont.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. AIKEN. Can the Senator tell us how many steers could be imported from Argentina under any trade agreements?

Mr. WHERRY. Because of cattle disease, beef comes from Argentina in the form of canned goods. Practically all the beef we have in cans in this country today comes from Argentina. We cannot sell the Government more than a few pounds—approximately 6 percent, I believe.

Mr. AIKEN. Under the agreement with Canada, 83 percent of the total importation of 225,000 head of cattle a year may be imported into this country from Canada.

Mr. WHERRY. I believe that if the Senator will review his figures he will find that cattle from Canada have been coming into this country at the rate of 30,000 a quarter. My own firm has sent cattle from Canada to the Kansas City market, and sold them in direct competition with cattle sent to the same market from Nebraska. We can raise them in Canada much cheaper than we can raise them in Nebraska.

Mr. AIKEN. The figures which have been mentioned are very small in comparison to our needs.

Mr. WHERRY. We have 10,000,000 more cattle than we have ever had before. We have corn on the farms which we cannot feed. Why can we not feed our own cattle and sell them on our own domestic market, instead of giving the best market in the world to the farmers of Canada or the farmers of Argentina?

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LANGER. Will the Senator switch from cattle to sugar?

Mr. WHERRY. I have already spoken about sugar.

Mr. LANGER. I call the attention of the distinguished Senator from Vermont to the fact that a large sugar company moved its sugar plant into Canada, and there produces sugar without a quota.

Mr. WHERRY. I thank the Senator. Our normal sugar production in Nebraska requires five refineries. There are five refineries located near Scottsbluff.

Last summer two of them were in operation. This year, if they do not get more help, there might be less than even two operating. But sugar will come from Cuba. We shall be short of sugar, and the shortage will be attributed to some directive. We could have 1,000,000 tons more production in this country if we were permitted to produce the sugar.

Our problems today are not political in a partisan sense. Most of the domestic, and more than a few of the foreign, problems presenting themselves to us today arose during the period when too many Members of both Houses of the Congress confused politics and partisanship. They, as in the dictator countries, became pawns of the Chief Executive, forgetting that they had been elected to office to represent the people and not the bureaucrats, and that their first obligation was to their constituents. That situation has changed. I can say the Senate—and this applies equally to the House—cuts across party and State lines in dozens of problems of vital concern to our American economy. There are plenty of measures on which we divide on partisan lines and that is as it should be.

Our American system of government is based upon the fundamental principle of proposal, disagreement, discussion, and compromise. This is the best system man has yet devised for getting at the truth.

I hope that in the years just ahead we may find a way of alining parties according to their principles so we shall know the fundamentals on which a Democrat or a Republican stands. The Republicans and the Democrats who are not overpersuaded by any outside clique—and they constitute the vast majority in both Houses—are preparing to meet the great problems which will, in rapid sequence, come before us as Americans and not as partisans.

This is of the highest importance because of the tremendous pressure that is under way to change the character of our American economy. That pressure comes not because our American way has failed but because it does not conform to or fit in with the schemes of those who would rule or ruin us.

This country was founded by people who wanted to get away from the oppressions, wars, tyrants, the ruling classes, the socialistic, and other experiments in absolutism going on in Europe from the days of the Roman Empire up to 1776, and which have been recurring in cycles ever since. What is happening in Europe today is just what has happened, with changed scenery and individuals, since the beginning of time. Likewise what is happening in the Orient today is only what has been happening there since the beginning of time. The only new feature is the scale on which we have entangled ourselves in conflicts on both sides of the world.

We are the oldest and by far the most successful Republic in the world. We are not a democracy and we have never wanted to be. Our forefathers were completely aware that tyranny may be set up under the guise of democracy and they chose the representative form of government. Today the Congress, and only the Congress, stands between you and a form of bureaucratic, dictated, coupon-rationed life which would combine the worst features of all known social systems which, as failures, litter the trails of history.

I am not talking of any specific ism. I am talking about the various plans now afoot in this country, such as the reciprocal trade agreements which are already in effect. They take from the Congress the power to govern the destinies of this Nation and lodge it in the hands of men holding office by virtue of partisan appointment, and who do not hold themselves responsible to serve the electorate.

These movements turn up in all sorts of disguises. They all look respectable. They all pretend, of course, to have worthy motives. Most of them are now labeled as sure-fire means of attaining peace, prosperity, and full employment, and anyone who questions them is tagged as being unpatriotic and un-American.

It is not without a definite plan and purpose that the Congress is being smeared 24 hours a day, 7 days a week, as a useless hangover from the horse-and-buggy era. It is, however, a little difficult to understand why people do not more generally realize that these attacks on the Congress as an institution are attacks on our representative system; and that unmerited attacks on Members of the Congress as mere self-seeking, horse-trading politicians, because they insist on representing the people in our American way, are in reality attacks on our own ability to exercise suffrage. If the right men are not elected to the Congress, that is the responsibility of the electors and not the fault of the Congress.

We who believe the protection of the American market is a primary consideration, because it is at the foundation of our national life, need your help now, and in the days to come. We need your close cooperation; your information assembled by trained men; your expert analyses of bills; and beyond that we need to inform the public, because those who would misinform the public have been very active through several years and they are more active now, and better financed, than ever.

The protection of American industry and jobs is not a problem to be considered apart and alone. It is of the very warp and woof of our economy. It affects every man, woman, and child in the Nation. Therefore, let us examine the State of our economy and see whether some of the measures which are in effect or which are proposed, will straighten out our economy or merely change it, and further let us see if these changes will be for the better or for the worse.

An abundance of cheap money is now in circulation. Money will continue to get cheaper as long as we practice deficit spending. Whether we like it on not, we shall have to continue deficit spending until the war is ended—and the Budget balanced. There is about $25,000,000,000 of Federal Reserve Bank currency in circulation. This is more than four times the previous high of $5,500,000,000 in 1920.

The end is not yet. This circulation has been increasing recently at a rate of about $600,000,000 per month. In addition, we also have other forms of currency. This total has grown from $3,500,000,000 to approximately $21,000,000,000. This makes a total circulation of money today of more than $46,000,000,000, compared with only $9,000,000,000 in 1919.

To this must be added credit money. Demand deposits now reach $79,500,000,000. Time deposits now total $36,000,000,000. Thus we have in currency and credit money, $161,000,000,000 as compared with $41,000,000,000 in 1919—or an increase of 4 to 1 in dollars of potential purchasing power.

It is mandatory that our national income shall remain high to pay the interest on the debt and the vastly expanded costs of government. Expert economists assert it will take from twenty to thirty billion dollars to pay the increased cost of Federal Government and the interest on the debt for the year 1945. This income must come from newly created wealth—all of which comes from the soil:

First. Agricultural products, approximately 65 percent.

Second. Minerals and oils, approximately 35 percent.

Everything else, including transportation, processing, distribution, and manufacturing, depends on this new wealth from the earth which produces our annual national income.

Let us not be fooled by figures projecting this or that national income or this or that number of jobs. The national income is an effect, and not a cause, and some of those who are loudest in demanding a tremendous national income—say, one hundred and forty or one hundred and fifty billion dollars—and the employment of 60,000,000 or more wage earners, are very much more concerned with breaking down free, voluntary enterprise than they are with building up an expanded prosperity. These advocates assert that, if they do not get an income and jobs at figures they set, the Government must step in and take charge. And they mean to be the Government.

Much deliberate misinformation is being spread concerning the necessary size of our national income and the required number of jobs to create a national condition in which the poorest of our people will still be well above the sustenance level. A lot of well-meaning and patriotic people are being fooled by statistics which do not mean at all what they pretend to mean.

The national income figures are made up out of a large number of estimates, some of which are very wide of the mark, but in any event the national income is not at all in the nature of a national wage. It represents only one side of the picture. If the Government prints and spends $50,000,000,000 in a year, our national money income will be up by that amount or more, when in fact we shall

not have increased our net wealth, because on the other side of the ledger we shall have added to our debt. It would be as though a man took a mortgage on his house and treated the proceeds of the mortgage as money he had earned.

Also let me point out that the national income is expressed in dollars, and thus an increase in prices has exactly the same effect as an increase in the supply of goods. We could have a national money income of $300,000,000,000 a year and still be starving to death for lack of food. In 1923, just before the mark broke, the German national income was in the trillions, but the people were destitute, for their money would not buy anything.

It is the same way with jobs. Full production and full employment—whatever these phrases may mean—are not synonymous. The old WPA provided a great many jobs but very little production. The jobs as provided did not add to the wealth of the Nation. They were a drain upon its wealth, and if any of the several make-work schemes now proposed go into effect, it is entirely possible for us to have fifty-five or sixty million persons employed and yet have a declining standard of living.

There has been created a vast confusion in the public mind as to who provides jobs and where the jobs are located. It is the customers, not the employers, who provide the jobs. I am afraid some of those businessmen and associations now announcing the responsibility of industry to provide jobs are unwittingly backing plans which will break down our American economy.

The trend has been, as far back as the census figures go, for a continually smaller part of our people to be employed in industry and agriculture, and a larger proportion to be employed in distribution services and in governmental service. According to the figures of the 1940 census, out of 45,000,000 people gainfully employed, less than 11,000,000 were employed in industry; if we add to these the approximately 3,000,000 employed in construction and mining, we find that only 30 percent were employed in what might broadly be called industry. About 27 percent of the employed were in retail and wholesale trade, transportation and the public utilities and finance. So business, as it is called, provided only 57 percent of the total employment. The remaining employment was in agriculture, forestry, and fishing, in Government and in the various kinds of service.

All of this employment depends upon the ability of the people to exchange goods and services with one another and this ultimately rests on the ability of the producer of the primary products, as, for instance, the farmers, to exchange satisfactorily with the other sectors of our economy. If our economy be out of balance, then there will be no mutually advantageous exchange. Therefore, the pressure groups, which are seeking abnormally high incomes for themselves, are throwing monkey wrenches into the only machinery that can produce a real prosperity. They are forcing up prices and making normal exchanges ever more difficult.

This is not so apparent now, with the Government as the chief buyer, but it is going to be our great problem, once we go forward as a free nation with a free economy. Everything points to higher prices in the postwar period. The American Federation of Labor says living costs have already risen by 46 percent. There is already before the Education and Labor Committee of the Senate a bill asking for a minimum wage of 65 cents an hour. The recent drive to pay bonuses to war workers—which originated in the White House and is now being advocated by Julius Krug, head of the War Production Board—is a camouflaged, retroactive wage increase. If this plan be put into effect, the policy will have to extend to all factories and to all farms. And still further wage increases by executive fiat are in the offing. In addition to all this, our higher taxes will eventualy find their reflection in higher prices.

Our debt has now reached about $300,000,000,000 and we are spending $260,555,000 daily. Farmers, along with other citizens, will have to pay more taxes. Every American child born today comes into the world owing approximately $2,000. Contrary to the doctrine of some, our public debt—principal as well as interest—will have to be paid. It can be paid only by taxes and other Federal revenue. It cannot be paid by sale of bonds, or the printing of money. This does not reduce the debt, but creates ruinous inflation.

Our whole financial economy is, and must be, based on the fundamental principle that the public debt must be honored, just the same as private debt. And some day, somehow, the Budget will have to be balanced and payments will have to be made on the debt—if we are to have a sound, stabilized economy. That economy governs the baby's bottle of milk and the casket in which the aged goes to his long, last sleep—and all in between.

It is hoped by some the debt may be amortized over a long period, so venture and risk capital may be induced to flow back into private channels.

But, regardless of an amortized debt, and the revision of repeal of certain features of our tax program, the Budget will sometime have to be balanced. The increased costs of Government will have to be met by higher taxation. As President Roosevelt has stated:

> Taxes are paid in the sweat of every man who labors.

If we are to stabilize our national economy and continue to pay high wages to organized labor, economic balance must be maintained for agriculture. Lincoln said:

> I believe this Government cannot endure permanently half slave and half free.

Neither can it survive half broke and half prosperous.

This means full production and fair prices for that production. Anything which retards full production will retard prosperity.

We have an immense pent-up demand for goods in this country. Just the other day in Gage County, Nebr., a tractor was offered for sale at the ceiling price of $800 and each prospective purchaser had to put up a check for that amount. No fewer than 170 farmers put up their checks—which means that $136,000 was available to buy one tractor. That is evidence of the present potential demand by Americans for American goods. The same condition exists with respect to automobiles, refrigerators, washing machines, and a hundred and one other items. But this is also evidence of what is going to happen if the Government, through taxes and other restrictions, bars the way to full production. If we have less than full production; that is, if American citizens are not permitted to exercise to the full their industry and inventive genius, there will be such a bidding for goods that prices will go through the roof and we shall find ourselves in the chaos of inflation.

I want to emphasize this point with all earnestness, because already there is a well-developed movement to continue far into the postwar future Government controls and rationing under the pretense they are necessary to control inflation.

And there is well under way a movement on the "or else" basis to have the Government direct and create reemployment through appropriate deficit spending, if private enterprise cannot or does not absorb the unemployed. Thus, on the one hand we have the Government constantly increasing the costs of production, so that exchange and employment will be made ever more difficult, and on the other hand we have the Government standing by, holding a bottle of bureaucratic control, which it says will cure the disease it is creating.

The Government cannot provide jobs on a self-sustaining basis. It can only create debt to provide jobs on a temporary basis. If the Government creates debt beyond a certain point and we may be at that point now—it must ration the use of money while pretending to ration goods. The rationing of money is repudiation, for, if a dollar cannot be freely spent, it cannot function as a dollar. Therefore these proposals to continue rationing and restrictions are really proposals to repudiate our money and our debt.

I trust you will note that rationing is outside the jurisdiction of the Congress. These proposals to play with money and the debt also propose a supreme board which will manage the debt and the money outside the jurisdiction of the Congress. That would mean that you as citizens would have nothing to say about what kind of Government you got or how it would be managed.

As a part of this new and fancy economic system which is proposed to supplant our American way of managing—a way of managing that made us strong enough, or at least made us think we were strong enough, to take on the guidance of the whole world—we are being told we must change our whole policy with respect to foreign trade and foreign affairs generally and that we must cease to be nationalists.

It is assumed by the Government-controlled propagandists that at some time

in our history we were isolationists. There are many who have been insolent and brazen enough to insist that our actions after the last war brought on the present one, the implication being, of course, that, since we brought on this war, there is no limit to the sacrifices we should make, not only in this war but thereafter. I want to say I have a profound respect for the diplomatic dexterity of those great British nationalists who are able to convince at least a part of our people that whatever is best for Britain is also best for the United States. But I am completely lacking in respect for those American intellects which accept such rubbish and would found American policy upon foreign directives.

We are being told that, if we are to have a full prosperity in this country, we must have a vast export trade. Some of our Government statisticians have figured out that in building up an adequate national income we must have at least $8,000,000,000 of exports. It is interesting and possibly significant that the greatest boomer for a big export trade is Earl Browder. In his book, Teheran, in which he says, in effect, that a new world order was decided on at the meeting in Persia, he wants an export trade of $40,000,000,000 a year.

The prospect of an immense foreign trade is alluring to those of our citizens who live on foreign trade. I would point out to you, however, that the chief advocates of foreign trade are those people who stand to make money out of it. They are so intent on pursuing their selfish interests that they do not see or care to what ends they go in pretending that what they want for themselves is also in the national interest.

The single fact that we need to remember with respect to foreign trade is that exports must be paid for by imports, else we shall give our goods away and be that much poorer. We cannot lend-lease forever. Even those bleeding hearts who would give the whole United States away in order to raise the standards of living all over the world must realize that, even if we did give the United States away, and all were to get on a basis of equality, our people would go very far down, but the rest of the world would not come far up.

It has been calculated by a competent statistician that the United States has about 6 percent of the world's population and about 36 percent of the world's income. Furthermore, if we level off our income, the average man outside the United States would receive only about $30 a year, and it is assumed that we could and would go on producing forever for the privilege of giving our money away. It is absurd to think we can be a force for good in the world by giving away our substance. We can commit national suicide, but that is not going to benefit anyone. If we are going to sell abroad, we must buy abroad. And if we buy from abroad what we can grow or make at home, we are committing national suicide. We are hurting ourselves, but we are not helping anybody. Only a sound, solvent, free America can do anything to help the rest of the world to help herself.

And let me say the charge that this country, by its action after the last war, and before the present one, impeded the recovery of the world by its foreign-trade policies, is an absolute falsehood. It is a lie made out of the whole cloth. The National City Bank of New York can hardly be accused of being isolationist. In its December 1944 bulletin it examines the international balances and the charges that our actions impeded world trade and world prosperity. It finds that our creditor position has been gradually whittled down, and it concludes:

> In any review of the balance of payments experience between the two wars, the disturbing elements that stand out overwhelmingly have been the sudden movements of capital—both American and foreign—and the instability of our internal economy, with consequent wide fluctuations in our imports and other expenditures abroad. In the face of these sweeping movements the influence of American tariff rates upon our over-all balance of payments and upon the supply of dollar exchange seems clearly subordinate.

Yet, in the face of these facts, it is repeated day after day, and year after year, that the United States has been the great barrier to international progress, and that the hope of the world is free trade. The curious part of this propaganda is that free trade, when used by a foreigner, means only the freedom to trade in the American market and not the freedom of Americans to trade in the foreigner's home market.

Certain countries of the world—notably Great Britain—deliberately sacrificed their farmers and their food production in order to sell more manufactured goods abroad. That was an error for which they have paid dearly. It is proposed that we of the United States now alter our economy to conform with England's economy so England may not have to correct her original error.

The advances of science have broken the line between raw material and manufacturing countries. Most countries can now produce much of what they formerly imported, and with the vast shipments of machinery and even whole plants under lend-lease, the self-containment of the different countries of the world has been vastly promoted.

We have, during this war, made ourselves independent of the world in rubber, vegetable fats, and a number of other commodities which we formerly imported. Any program of vast exports and equally vast imports cannot increase the well-being of our citizens, but it can change this Nation from an independent to a dependent nation. We can do nothing for our prosperity, but we can do a great deal in the way of setting the stage for an economic Pearl Harbor.

As to the effect of imports on our economy, you will be interested in the statement made by the Honorable Tom Linder, commissioner of agriculture of Georgia, before a subcommittee of the House Agriculture Committee, on December 5, 1944. Mr. Linder, whose statement was concurred in by the Association of Southern Commissioners of Agriculture, declared that the $9,000,000,000 of agricultural imports in the 4 years 1925–29 reduced our national income by $63,000,000,000 during the same period.

> The stock-market crash of 1919—
>
> Said Mr. Linder—
>
> swept away $15,000,000,000, but during the 4 years prior to the stock-market crash we lost $63,000,000,000 by importing agricultural products.

And, turning to the Roosevelt administration, Mr. Linder said:

> When we imported $10,000,000,000 in agricultural products from 1934 to 1939, we sustained a loss in national income of $70,000,000,000. Only the passage of lend-lease and the spending of mammoth sums of Government money prevented a crash in 1940 equally as bad as the crash in 1930.

That brings me to the reciprocal trade agreements that will come up for renewal in June of this year. This is a cleverly named act, for it has nothing to do with reciprocity, very little to do with trade, and the agreements made under it are not agreements but treaties. The misrepresentation in the title of this act, which is an amendment to the Tariff Act of 1930, characterized the birth of the act and its administration ever since. The act was put forward in 1934 on the representation it would put 3,000,000 men to work by September of that year. Of course it did not result in the employment of 3,000,000 men, and there is no evidence that it resulted in the employment of anyone.

By 1937, when the act came up for renewal, the employment phase was out of the window and it was offered as a great instrument "for softening the mind of the world toward peace" and for preserving world peace through world trade. It is unnecessary for me to comment on that. In 1940, with part of the world at war, the act was offered as the one sure method of keeping the United States out of the war. I shall not comment on that. And finally, in 1943, when the act came up again, it was urged on the ground that it was the one best means to achieve a lasting peace. "By their fruits ye shall know them."

The act has been exactly none of the things it has been represented to be. It is quite amazing how few people have taken the trouble to find out what the act is, much less to examine it as a method of bypassing the Congress and establishing an Executive dictatorship over foreign trade.

The act gives to the President the power to negotiate treaties, falsely called agreements, in which he may lower for trading purposes existing tariff rates by 50 percent, or he may raise them if he sees fit. Of course, the President cannot personally administer such an act. Its administration has been in the hands of a crowd of bureaucrats, heading up to the then Secretary of State, who have taken the act as a mandate to change the economy of the United States through lowering the tariffs.

According to the figures which your league has compiled, these bureaucrats have made 1,226 tariff rate reductions in agreements with 27 countries. These reductions have not been made for trading

purposes, for the reduction made in any one agreement is generalized and amounts to a flat cut in the tariff.

We have, entirely outside of the Congress, been subjected to a more violent revision downward of our tariff rates than any Congress ever undertook, at least during the last 50 years. Although the limit of a cut is supposed to be 50 percent, by some expert finagling, some of the cuts I am informed, are 75 percent of the rates prevailing under the Tariff Act of 1930. Moreover, the control of Congress has been further limited by the practice of agreeing that certain articles will be bound on the free list or the duties on them not changed.

The full force and effect of the Trade Agreements Act have not as yet been felt in this country, because since 1935 or 1936 the world has been principally concerned in getting ready for war; but our tariff protection is down, and we shall find ourselves at the mercy of the world, unless the Congress either scraps this whole program, or requires that the agreements be ratified by both the Senate and the House.

The Trade Agreements Act is primarily a division from Congress that amounts to a diversion from the voters of the right to manage their affairs. If the people desire to manage their affairs, that act must be scrapped or altered.

Mr. President, in conclusion let me say that I feel that the full force and effect of the Trade Agreements Act has not yet been felt in this country. I believe that the advocates of the act would agree that that is true. We do not know what will happen. We have had a war since the Reciprocal Trade Agreements Act went into effect with the existing schedules. We do not know what the future effect will be. The effect of the Reciprocal Trade Agreements Act has not been felt in the United States, because since 1936 the world has been principally concerned in getting ready for war. But our tariff protection is down, and we shall find ourselves at the mercy of the rest of the world unless Congress requires that the agreements be ratified by the Congress of the United States. Why should they not be ratified by the Congress when they involve problems as large as the production of agriculture, or the production of sugar? Why should not the Senate have something to say about the agreements which are made affecting the whole economy of 14 States in the Union?

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WHERRY. If the Senator will permit me to finish, I shall be glad to yield.

Mr. AIKEN. The Senator looked at me when he asked the question. I thought perhaps he desired to have me answer it.

Mr. WHERRY. If the shoe fits the Senator, and if he wishes to say something about it, I will yield.

Mr. AIKEN. I was about to ask the Senator if he thought that any agreement covering 50 or 60 items could ever be ratified by the Senate, or would ever be ratified by the Senate.

Mr. WHERRY. That is not the point. I realize that many schedules would not even need the attention of the Senate; but if we were to preserve the right, when we came to a question as important as that of the sugar industry, affecting 14 States, the agreement would come before the Senate, where it ought to come, before being made effective.

Mr. AIKEN. If 50 or 60 articles were covered by an agreement, the difficulty would be 50 or 60 times as great as it is at present.

Mr. WHERRY. I know that the Senator believes that the administration of the act ought to be turned over to the President. He has a perfect right to that opinion. If I felt the same way about it, I would support the act. But I wish to remind the Senator that any act is just as good as its administration. Any law is just as good as the sanction which is given to it. These 76,000 directives are just as good as their enforcement. If we feel that the Executive should have the power to make deals regarding all these items, then of course the Senate has a perfect right to support the grant of such power.

My contention is that in the case of a problem such as that relating to sugar, of which we have a shortage, not because we are not capable of producing sugar, not because we are not capable of producing all the sugar we need, but because under the administration of the directives we have gotten into the present situation, the Senate of the United States should be called upon to ratify any agreement as far-reaching as one which would apply to the whole sugar industry, involving the agricultural economy of 14 of the States of the Union. What agreement could be more important than that? It would change the entire economy of many parts of our country.

The production of sugar has been shifted from Nebraska to Cuba because of the reciprocal trade agreement. Is that what the Senate wishes to do? If it is, let the Senate discuss it; and if the Senate wishes to ratify that sort of a change in production, it is for the Senate to decide.

But I say it is the prerogative of Congress to decide such questions, and the Congress should not give away or delegate that power. The Congress should not allow anyone else to permit Cuba to handle all our sugar production, unless the Congress wishes to do that. American agriculture should not be supplanted and should not go to other parts of the world, unless the Congress itself votes to have that done.

I say it will have a serious effect upon our country and the ability of our people to pay taxes and the ability to keep our economy stabilized. We hear much said about ability to pay taxes. On the basis of what I saw in Europe, I say to the Senate that unless the United States keeps strong, it will not make any difference whether we are inside or outside the international organization. I think the responsibility for maintaining the peace of the world will fall squarely upon the shoulders of the people of the United States. We now have on our shoulders a $300,000,000,000 debt. We have an unbalanced budget. No one can tell when it will be balanced. When will we stop deficit spending? Who will pay the taxes of the country? Will the Senate continue to give away to Cuba the source of taxes in Nebraska; will it continue to give away to some other country the industry or occupation which will enable our people to pay taxes? If our people are to pay taxes, they must be able to produce. If we are to have a country which will lead the rest of the world in peace, our country must be strong economically, morally, religiously, and in every other way. If we keep America strong, we will more nearly succeed in keeping the world peaceful. A strong America will make that achievement more nearly possible than anything else on earth.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of the Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Maj. Gen. Roy S. Geiger to be a lieutenant general in the Marine Corps for temporary service from June 9, 1945.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

NOMINATION OF ADMINISTRATOR OF RURAL ELECTRIFICATION ADMINISTRATION—VIEWS OF THE MINORITY (EXEC. REPT. NO. 5)

Mr. SHIPSTEAD. Mr. President, from the Committee on Agriculture and Forestry, I ask unanimous consent to submit the views of the minority on the nomination of Claude R. Wickard, of Indiana, to be Administrator of the Rural Electrification Administration for a term of 10 years.

In this connection, I request to have the views of the minority together with editorials from the St. Louis Post-Dispatch and the St. Louis Star-Times, printed at this point in the RECORD.

The PRESIDENT pro tempore. Without objection, the views of the minority submitted by the Senator from Minnesota will be received and printed, and printed in the RECORD, together with the editorials.

The views of the minority submitted by Mr. SHIPSTEAD are as follows:

On June 14, 1945, by a vote of 11 to 6, the Committee on Agriculture and Forestry approved the nomination of Mr. Claude R. Wickard to be Administrator of the Rural Electrification Administration, now a bureau of the Department of Agriculture under

Secretary Wickard. This vote is a complete repudiation of the following four actions of the United States Senate and your committee. These actions as as follows:

Pursuant to Senate Resolution 197, for nearly 1 year, a bipartisan subcommittee of this committee studied the administration of the REA by Mr. Wickard when it was under his general direction in the Department of Agriculture. This committee was composed of the following members: E. D. Smith, G. M. Gillette, Theodore G. Bilbo (Democrats); Henrik Shipstead, George D. Aiken (Republicans). Over 2,000 pages of sworn testimony and documentary evidence was taken of Mr. Wickard's supervision of REA. Without a dissenting vote your subcommittee indicted the administration of REA by Mr. Wickard. Without a dissenting vote it voted that Mr. Wickard's maladministration of REA justified making REA an independent branch of the Federal Government, as it was for nearly 4 years in the beginning, and that this should be done at the earliest possible date.

In response to a practically unanimous request of the 813 REA systems to get out from the maladministration of Mr. Wickard's supervision of REA in the Department of Agriculture, the REA independence bill, S. 309, was combined with S. 89, and by a vote of 13 to 6 your committee voted to take REA out from the maladministration of Mr. Wickard and make it an independent agency. S. 309, like the report of your subcommittee under Senate Resolution 197, was a bipartisan bill.

Under Calendar 235 the REA independence bill was reported unanimously by your full Committee on Agriculture and Forestry to the Senate. Here again this committee concluded after exhaustive investigation that the functions of REA could best be performed as an independent administration. That is to say, by its third successive action, this committee, or its representatives, voted to take REA out from under Mr. Wickard's maladministration of REA.

On May 14, 1945, pursuant to a Nationwide demand of REA systems, the Senate passed unanimously the REA independence bill. Again the Senate was advised in great detail of the maladministration of REA by Mr. Wickard.

Summarizing these four actions of the Senate and its committees and subcommittee, it is clear that the sole reason why REA was to be made an independent agency was to remove it from under the maladministration to Mr. Wickard.

In the June 11–13 hearings before the Committee on Agriculture and Forestry, the Senators in charge of interrogating witnesses, REA board of directors, president, members, managers, and the former Administrator, Mr. Harry Slattery, admitted they were not fully cognizant of the year's investigation of the maladministration of REA by Mr. Wickard. They were asking protesting witnesses for specific facts about the maladministration of REA at a time when a general counsel, an assistant counsel, and a bipartisan committee of five Senators had presided over nearly 1 year's hearings presenting some 2,000 pages of sworn testimony and documentary evidence of such details. This record of Mr. Wickard's maladministration is specific. It is conclusive. That is why Mr. Wickard's maladministration led to four separate actions, including the last one, the unanimous action of the Senate on May 14, 1945, to take REA out from under the bad administration of Mr. Wickard. All these unanimous actions lead to the conclusion that Mr. Wickard's nomination as Administrator of REA should be rejected.

ARTHUR CAPPER.
HENRIK SHIPSTEAD.
HARLAN J. BUSHFIELD.
GUY CORDON.
GEO. A. WILSON.
HUGH BUTLER.

The editorials presented by Mr. SHIPSTEAD are as follows:

[From the St. Louis Post-Dispatch of June 9, 1945]

NEW CHARGES AGAINST WICKARD

At a time when resignation messages from major Government officials were almost automatically made public, the letter from Harry Slattery, REA Administrator, was not. It was clear even then that the purpose was political face-saving. With the Post-Dispatch's discovery of the partial contents, a strong suspicion that Claude Wickard's face needed saving is sadly confirmed.

"Confusion is piled upon confusion," Mr. Slattery wrote, "politics upon politics, and, I might regretfully add, embezzlement upon embezzlement, and waste of public funds under Secretary Wickard." Those are serious charges. Mr. Slattery supported them with instances. Others who had looked into REA, including a Senate agriculture subcommittee, were familiar with similar instances.

Mr. Wickard's face will not save now. Unless he retires meanwhile, he goes next week before the Senate Agriculture Committee to explain his fitness to become REA Administrator. He goes, in effect, on trial. It is the duty of his accusers to appear so that he may answer them. It is just as much the duty of the Senators—a duty to REA patrons, whose money and welfare are at stake, and to the American people, whose taxes make REA possible—to let no extraneous consideration sway their verdict.

Only one verdict seems possible. If Mr. Wickard can bring the evidence to support any other, the more power to him. The prima facie case already built up puts the burden of proof squarely on him.

[From the St. Louis Post-Dispatch of May 25, 1945]

A NEW REA COMPLICATION

Claude R. Wickard is nominated as REA Administrator. A bill to remove REA from the Department of Agriculture has passed the Senate and will probably pass the House. The immediate occasion of that bill is abundant documented evidence that REA was grossly mismanaged with the knowledge, consent, and direction of Claude Wickard as Secretary of Agriculture. The anomaly speaks for itself.

The REA independence bill should proceed on its plain merits, which have been discussed on this page and elsewhere. By virtue of the enlargement of the manager's discretion it provides, however, the independent REA it sets up will need an Administrator equal to and fit for his job. An ideal organization on paper will fail without wise direction.

The record of Claude Wickard as REA overlord sustains no reasonable hope that he would become the kind of manager the Senate called for in approving the Shipstead bill.

The Senate cannot approve this appointment without gravest risk of undoing its own purpose. President Truman, who has shown admirable care in other major appointments, must somehow have been imperfectly informed on this one. Otherwise, he surely would not have put the Senate on this spot—especially a Senate whose Members are trying to cooperate with their former colleague.

Nevertheless, the unfortunate move is made, and the Senate must act. Its only way off the spot with any grace is to turn Mr. Wickard down. That is also the only way to safeguard the public's interest and investment in REA.

[From the St. Louis Post-Dispatch]

MR. WICKARD'S UNPOPULARITY

Someone had the idea, perhaps, that Claude Wickard, a farmer with almost 5 years' service as Secretary of Agriculture, would be acceptable as REA Administrator to the farmers who constitute the majority of electric cooperative membership. If so, that notion is washed away in the flood of complaints from REA-financed co-ops—from Illinois, from Mr. Wickard's own Indiana, from Tennessee, where REA finances and TVA supplies the electricity; from Iowa, Missouri, and many other quarters.

The burden of opposition is that Mr. Wickard is given to "mismanagement" and "political manipulations." Investigators of REA have seen that. With their own investments and the cost of electricity to their homes at stake, REA's borrowers naturally oppose such a man, and their opposition deserves respect.

With this development, Mr. Wickard should have the grace to remove himself from consideration. If he will not, the Senate, which by confirming his appointment, would perpetuate the bad condition it is trying to correct in voting to sever REA from the Department of Agriculture, should vote him down.

[From the St. Louis Star-Times]

CLAUDE WICKARD ON TRIAL

Claude R. Wickard, as Secretary of Agriculture, cannot escape designation as one of the great mistakes of the Roosevelt administration. He distinguished himself solely by an ability to plod back and forth in the narrow furrows of party politics. For all that he contributed in social and economic advancement, the Department of Agriculture has lain as a fallow field. He neither planted nor harvested, and he allowed the weeds of dissension and distrust to grow profusely.

Thus, it is hard to understand why President Truman saw fit to assign him to the job of Rural Electrification Administrator. It is hard, too, to understand why there is such ready acceptance of the appointment among Senators, except as one considers that Mr. Wickard has toiled faithfully as a party politician and has established himself with congressional cliques which have no truck with progressive ideas.

Of all the bungling which can be charged to Wickard as Secretary of Agriculture the most glaring examples are in the very field to which he is now to devote all his time, barring the very unlikely rejection of his nomination in the final Senate vote which is expected today. Time and again it has been shown that Wickard was at the bottom of distressing conditions in REA.

It is remotely possible that Wickard in his new role may rise above his record of ineptness. It is to be hoped that he will. The REA program is too vital to the welfare of millions of Americans for it to continue as a victim of administrative confusion.

It will be well for Mr. Wickard if he comes to his new office in St. Louis solemnly aware that he is on trial, and that public opinion will not be patient with a continuation of his past mistakes.

[From the St. Louis Star-Times of May 24, 1945]

THE CABINET CHANGES

The three Cabinet changes announced yesterday by President Truman are, by all measures which can be applied at this time, generally good. In the Departments involved, new appointments had been expected, and the President's selection of men to fill them reflects proper appreciation of the qualifications for the particular responsibilities.

One questions, however, his decision to keep Claude Wickard in the administration by shifting him to the post of Rural Electrification Administrator. In view of Mr. Wickard's none-too-impressive record as Secretary of Agriculture and his involvement in the distressing troubles which have beset REA as an agency under the jurisdiction of

his Department, it would have seemed advisable that he be retired to his Indiana farm and REA be given a chance to clean the slate.

While Francis Biddle's record as Attorney General is better than some of his critics try to make out, it is probably to Mr. Truman's advantage that he is stepping aside. Biddle's enemies in Congress and elsewhere are numerous, and in many instances extremely bitter. In Tom C. Clark, who will succeed him, the President selected a man with a good record as Assistant Attorney General and one who can be expected to carry on the work of the Department without serious deviation from the policies following during the Roosevelt administration.

Frances Perkins, a member of the original Roosevelt Cabinet, has been a mere figurehead and should have been replaced long ago. The Department has deteriorated to the extent that the new Secretary, former Senator Lewis B. Schwellenbach, of Washington, is faced with the task of overhauling it from top to bottom. Mr. Schwellenbach's friendship for labor and consistent progressivism augur well for his success.

As an auhority on agriculture, Representative CLINTON P. ANDERSON, of New Mexico, successor to Wickard, is admittedly something of an unknown. An insurance man in private life, he is recognized as a competent administrator, and in that respect he should avoid some of the errors of his predecessor. In view of the fact that the Department of Agriculture soon is to take over the duties of War Food Administrator Marvin Jones, the new Secretary's recent experience as chairman of the House committee investigating food shortages should stand him in good stead in handling this phase of his new duties. He has been critical of Jones and others who have struggled with the food problem. Now he can show who is right.

What the President's next Cabinet moves will be is a matter of speculation. He declared firmly that he wishes Secretary Morgenthau to stay with the Treasury and denied any immediate plans to replace Secretary of State Stettinius. Obviously, he would not oust Stettinius in the midst of important international deliberations, and it is unlikely that he is desirous of shifting the War and Navy heads at this time. Because of Secretary Ickes' many duties directly related to the war effort, he probably is in no hurry to make a change in Interior. Henry Wallace, just getting started in Commerce, undoubtedly is safe for a while. The country, however, can take yesterday's three Cabinet appointments as another good sign of Mr. Truman's desire to surround himself with strong advisers.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

RURAL ELECTRIFICATION ADMINISTRATION—NOMINATION PASSED OVER

The legislative clerk read the nomination of Claude R. Wickard, of Indiana, to be Administrator of the Rural Electrification Administration, which nomination had previously been passed over.

Mr. WHITE. Mr. President, I think one or more members of the committee from which the nomination was reported desire to discuss it. Therefore, I ask that the nomination go over at this time.

The PRESIDENT pro tempore. The nomination will be passed over.

Mr. BARKLEY. Mr. President, I hope that at the next executive session the Senate has it may be possible to dispose of the nomination.

REGISTER OF LAND OFFICE

The legislative clerk read the nomination of Harry N. Child to be register of the land office at Spokane, Wash.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Public Health Service be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc; and, without objection, the President will be notified forthwith of the confirmation of the nominations.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc; and, without objection, the President will be immediately notified of the confirmations of the nominations.

Mr. BARKLEY. I also ask unanimous consent that the President be notified forthwith of the confirmation of the nomination of Mr. Harry N. Child.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith of the confirmation of the nomination of Mr. Child.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 28 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 19, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 18 (legislative day of June 4), 1945:

LIBRARY OF CONGRESS

Luther H. Evans, of Texas, to be Librarian of Congress.

DEPARTMENT OF THE NAVY

TO BE UNDER SECRETARY

Artemus L. Gates, of New York, to be Under Secretary of the Navy.

TO BE ASSISTANT SECRETARY FOR AIR

John L. Sullivan, of New Hampshire, to be Assistant Secretary of the Navy for Air.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

To be lieutenant generals

Maj. Gen. Matthew Bunker Ridgway (lieutenant colonel, Infantry), Army of the United States.

Maj. Gen. Alvan Cullom Gillem, Jr. (colonel, Infantry), Army of the United States.

Maj. Gen. Troy Houston Middleton (lieutenant colonel, Infantry), Army of the United States.

Maj. Gen. Willis Dale Crittenberger (colonel, Cavalry), Army of the United States.

Maj. Gen. Nathan Farragut Twining (lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Maj. Gen. Charles Philip Hall (colonel, Infantry), Army of the United States.

Maj. Gen. John Reed Hodge (lieutenant colonel, Infantry), Army of the United States.

Maj. Gen. Raymond Stallings McLain (brigadier general, National Guard of the United States), Army of the United States.

Maj. Gen. LeRoy Lutes (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Maj. Gen. Robert Charlwood Richardson, Jr. (brigadier general, U. S. Army), Army of the United States, now invested with rank and title of lieutenant general by virtue of his assignment to command the Hawaiian Department.

Maj. Gen. John Edwin Hull (lieutenant colonel, Infantry), Army of the United States.

Maj. Gen. Ennis Clement Whitehead (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

To be major generals

Brig. Gen. Ewart Gladstone Plank (lieutenant colonel, Corps of Engineers), Army of the United States.

Brig. Gen. Lauris Norstad (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Brig. Gen. Clovis Ethelbert Byers (lieutenant colonel, Cavalry), Army of the United States.

Brig. Gen. Donald Weldon Brann (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Lawrence Carmel Jaynes (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Ray Tyson Maddocks (lieutenant colonel, Cavalry), Army of the United States.

Brig. Gen. Edward Michael Powers (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Brig. Gen. Stanley Lonzo Scott (colonel, Corps of Engineers), Army of the United States.

Brig. Gen. George Henry Decker (major, Infantry), Army of the United States.

Brig. Gen. Harold Mark McClelland (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Brig. Gen. Edward Peck Curtis (major, Air Corps Reserve; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Brig. Gen. John Merryman Franklin, Army of the United States.

To be brigadier generals

Col. Joseph Pringle Cleland (major, Infantry), Army of the United States.

Col. George Irving Back (lieutenant colonel, Signal Corps), Army of the United States.

Col. Orlando Clarendon Mood (lieutenant colonel, Infantry), Army of the United States.

Col. James Thomas Loome (major, Field Artillery), Army of the United States.

Col. Francis Hill (captain, Field Artillery), Army of the United States.

Col. Robert Quinney Brown (captain, Field Artillery), Army of the United States.

Col. Rinaldo Van Brunt (major, Infantry), Army of the United States.

Col. George William Rice, Medical Corps.

Col. James Clyde Fry (lieutenant colonel, Infantry), Army of the United States.

Col. George Allan Miller (lieutenant colonel, Infantry), Army of the United States.

Col. Harvey Edward (lieutenant colonel, Quartermaster Corps), Army of the United States.

Col. Carl Amandus Brandt (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Edward Haviland Lastayo (lieutenant colonel, Field Artillery), Army of the United States.

Col. Armistead Davis Mead, Jr. (major, Infantry), Army of the United States.

Col. Lawrence Joseph Carr (lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Laurence Knight Ladue (major, Cavalry), Army of the United States.

Col. Eugene McGinley (lieutenant colonel, Field Artillery), Army of the United States.

Col. Frederic Lord Hayden (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Walter Robertson Agee (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel; Army of the United States, Air Corps), Army of the United States.

Col. Louis Wilson Maddox (lieutenant colonel, Finance Department), Army of the United States.

Col. George Stanley Smith (major, Field Artillery), Army of the United States.

Col. Robert Whitney Burns (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. John Henry Woodberry, Ordnance Department.

Col. Vincent Joseph Esposito (major, Corps of Engineers), Army of the United States.

Col. John Forest Goodman, Infantry.

Col. Frank Sayles Bowen, Jr. (major, Infantry), Army of the United States.

Col. Gordon Edmund Textor (major, Corps of Engineers), Army of the United States.

Col. Milton Wylie Arnold (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Edward Lyman Munson, Jr. (major, Infantry), Army of the United States.

Col. Orlen Nelson Thompson (lieutenant colonel, Adjutant General's Department), Army of the United States.

Col. John Simpson Guthrie (captain, Infantry), Army of the United States.

Col. William Wesley Wanamaker (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. Charles Moore Walson, Medical Corps.

Col. William Preston Corderman (major, Signal Corps), Army of the United States.

Col. Harry McKenzie Roper (major, Field Artillery), Army of the United States.

Col. Edwin William Chamberlain (major, Infantry), Army of the United States.

Col. Yantis Halbert Taylor (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Leonard Dickson Weddington (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Col. Andrew Daniel Hopping (lieutenant colonel, Quartermaster Corps), Army of the United States.

Col. Warren Henry McNaught (lieutenant colonel, Field Artillery), Army of the United States.

Col. Woods King, Cavalry, National Guard of the United States.

Col. F. Trubee Davison, Specialist Reserve.

Col. Hugh Meglone Milton 2d (lieutenant colonel, Chemical Warfare Service Reserve), Army of the United States.

Col. Elliott Carr Cutler (lieutenant colonel, Medical Corps Reserve), Army of the United States.

Col. Frank Richard Denton, Army of the United States.

Col. Harold Ross Harris, Army of the United States.

Col. Edward Reynolds, Army of the United States.

Col. Harry H. Vaughan, Army of the United States.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

TO FINANCE DEPARTMENT

Capt. Joseph Cobb Stancook, Infantry (temporary lieutenant colonel), with rank from June 12, 1945.

TO SIGNAL CORPS

Lt. Col. Chester Arthur Carlsten, Infantry (temporary colonel), with rank from August 4, 1944.

TO CAVALRY

First Lt. John Fuller Davis, Jr., Infantry (temporary major), with rank from May 29, 1945.

TO INFANTRY

Lt. Col. William Leonard Ritter, Adjutant General's Department (temporary brigadier general), with rank from August 18, 1940.

First Lt. William Robert Hughes, Field Artillery (temporary captain), with rank from May 29, 1945.

First Lt. Joseph Barry Yost, Coast Artillery Corps (temporary lieutenant colonel), with rank from June 12, 1939.

TO AIR CORPS

Second Lt. David Mortimer Falk, Chemical Warfare Service (temporary first lieutenant), with rank from December 1, 1944.

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

To be second lieutenants with rank from June 5, 1945

AIR CORPS

Elmer Resides Haslett
Bernard Moran James

IN THE NAVY

Capt. Norman C. Gillette, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as chief of staff to commander, Philippine Sea Frontier, and until reporting for other permanent duty.

Capt. Jennings B. Dow, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as director of electronics division, Bureau of Ships, and until reporting for other permanent duty.

Capt. Bernard O. Wills, United States Naval Reserve, to be a commodore in the United States Naval Reserve, for temporary service, to continue while serving as port director, Twelfth Naval District.

Capt. Milton C. Jackson, United States Naval Reserve, to be a commodore in the United States Naval Reserve, for temporary service, to continue while serving as field representative and assistant director, Naval Transportation Service.

Civil Engineer William H. Godson, Jr., to be a civil engineer in the United States Naval Reserve, with the rank of commodore, for temporary service, to continue while serving as officer in charge of a naval construction brigade.

Capt. Herbert J. Ray, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as deputy director, naval division, United States group control council, Task Force 124, and until reporting for other permanent duty.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 18 (legislative day of June 4), 1945:

REGISTER OF LAND OFFICE

Harry N. Child to be register of the land office at Spokane, Wash.

UNITED STATES PUBLIC HEALTH SERVICE

APPOINTMENTS IN THE REGULAR CORPS

To be surgeons effective date of oath of office

Norvin C. Kiefer
George L. Fite
Myron D. Miller
Arthur W. Newitt

POSTMASTERS

ILLINOIS

Earl Allen, Oakford.
Henry W. Roehrkasse, Red Bud.

INDIANA

Joseph T. Patrick, Carbon.

OREGON

William G. Courtney, Lafayette.
Hildred M. Rhoades, Odell.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 18, 1945

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty and most merciful Father, in whose wisdom we were created and before whom we bow in adoration, we praise Thee for this memorable hour, in which we pay tribute to a great leader. We rejoice that under the dispensation of Thy providence America has been established at the gateways of the world; we pray Thee that by her leadership and example all nations may be bound together in fellowship and amity. Our whole land is inspired by the great-souled men of God who marked the battlefields by night and day. With unsullied integrity, with a faith sublime, in a spirit of humility, and with prayer on their lips, they administered power as a sacred trust and preserved for us the heritage of our Republic. May we, as a people, hold fast to that which they secured by the travail of their souls.

God, be merciful unto us and bless us, and cause His face to shine upon us, that Thy way may be known upon earth, Thy saving health among all nations. Let the people praise Thee, O God, let all the people praise Thee. O let the nations be glad and sing for joy: for Thou shalt judge the people righteously and govern the nations upon earth. Let the people praise Thee, O God, let all the people praise Thee. Then shall the earth yield her increase, and God, even our own God, shall bless us. God shall bless us, and all the ends of the earth shall fear Him. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Thursday, June 14, 1945, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 3322. An act to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 206. Joint resolution extending the time for the release of powers of ap-

pointment for the purposes of certain provisions of the Internal Revenue Code.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1080. An act to amend Public Law 347, Sixty-fourth Congress, approved February 23, 1917.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 807) entitled "An act to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. DOWNEY, Mr. MCKELLAR, Mr. BYRD, Mr. LANGER, and Mr. AIKEN to be the conferees on the part of the Senate.

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 5 minutes p. m.) the House stood in recess subject to the call of the Chair.

JOINT SESSION OF THE HOUSE AND SENATE

At 12 o'clock and 17 minutes p. m., the Doorkeeper, Mr. Ralph Roberts, announced the President pro tempore and the Members of the United States Senate.

The Senate, preceded by the President pro tempore of the Senate and its Secretary and Sergeant at Arms, entered the Hall of the House of Representatives.

The President pro tempore of the Senate took the chair at the right of the Speaker, and the Members of the Senate took the seats reserved for them.

The SPEAKER. The Chair appoints on the part of the House as a committee to escort our distinguished visitor into the Chamber the gentleman from Massachusetts [Mr. MCCORMACK], the gentleman from Kentucky [Mr. MAY], and the gentleman from Massachusetts [Mr. MARTIN].

The PRESIDENT pro tempore of the Senate. On behalf of the Senate, the Chair appoints the Senator from Kentucky [Mr. BARKLEY], the Senator from Utah [Mr. THOMAS], and the Senator from Maine [Mr. WHITE] as a committee to escort the distinguished general to the floor of the House.

At 12 o'clock and 22 minutes p. m., the Doorkeeper announced the Chief Justice of the United States and the Associate Justices of the Supreme Court.

The Chief Justice of the United States and the Associate Justices of the Supreme Court entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 12 o'clock and 23 minutes p. m., the Doorkeeper announced the Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 12 o'clock and 28 minutes p. m., the Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 12 o'clock and 31 minutes p. m., the Doorkeeper announced the General of the Army, the Supreme Commander of the Allied Expeditionary Forces, Gen. Dwight D. Eisenhower.

General Eisenhower, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk. [Prolonged applause, the Members rising.]

The SPEAKER. Members of the Congress, it is my great pleasure and my distinct privilege of presenting to you the General of the Army, the Supreme Commander of the Allied Expeditionary Forces, General Eisenhower. [Applause.]

General EISENHOWER. Mr. President, Mr. Speaker, and Members of the Congress, my imagination cannot picture a more dramatic moment than this in the life of an American. I stand before the elected Federal lawmakers of our great Republic, the very core of our political life and the symbol of those things we call the American heritage. To preserve that heritage, 3,000,000 American citizens, at your behest, have faced resolutely every terror the ruthless Nazi could devise. I come before you as the representative of those 3,000,000 people, their commander, because to them you wish this morning to pay the tribtue of a grateful America for military victory. In humble realization that they, who earned your commendation, should properly be here to receive it, I am, nevertheless, proud and honored to be your agent in conveying it to them.

This does not seem to be the moment in which to describe the great campaigns by which the victory in Europe was won. They will become the substance of history, and great accounts they will be. But I think you would want from me some brief estimate of the quality of the sons, relatives, and friends you—all America—have sent to war.

I have seen the American proved on battlegrounds of Africa and Europe over which armies have been fighting for 2,000 years of recorded history. None of those battlefields has seen a more worthy soldier than the trained American.

Willingly, he has suffered hardships. Without a whimper he has made heavy sacrifices. He has endured much, but he has never faltered. His aggressiveness, his readiness to close with the enemy, has become a byword in the embattled armies of Europe. You have read many reports of his individual exploits, but not one-tenth of them ever has been or ever will be told. Any one of them is sufficient to fill a true American with emotion—with an intense pride of his countryman.

Never have soldiers been called upon to endure longer sustained periods of contact with a vicious enemy nor greater punishment from weather and terrain. The American has been harassed by rifle and automatic weapons, pounded by hand grenades, by artillery and rocket shells, attacked by tanks and airplane bombs. He has faced the hazards of countless mines and booby traps and every form of static obstacle. He has conquered them all.

The tempo of battle has increased immeasurably during the span of this conflict. When the Germans launched their blitzkreigs through Poland, the Low Countries, and France, featuring tactical use of air power with mechanized units on the ground, it seemed to a fearful world that at least there had been achieved the ultimate in destructive force—that nothing could stand against the German armies.

When America entered the war arena the arrogant Nazi machine was at the zenith of its power. In 1940 it had overrun practically the whole of western Europe, while, a year later, in the east, it had hammered the great Red Army far back into the reaches of its own territory.

The Allies met this challenge with vision, determination, and a full comprehension of the enormity of the task ahead. America brought forth her effort from every conceivable source. New techniques of war were developed. Of these the most outstanding was the completely coordinated use of ground, air, and sea forces. To his dismay the German found that far from having achieved perfection in the combined employment of all types of destructive power, his skills and methods were daily outmoded and surpassed by the Allies. Through tactical and strategic unification the Allies successfully undertook the greatest amphibious landings yet attempted in warfare. Following each of these, forces were swiftly built on the beaches, and sustained by our naval strength. The next step was always a speedy advance, applying to the astonished enemy an air-ground teamwork that inflicted upon him defeat after defeat. The Services of Supply, by their devotion to duty, performed real miracles in supporting the battle lines. America and her Allies sent finally into Europe such a mighty avalanche of aggressive power of land, by sea, by air, as to make the campaigns of 1939 and 1940 seem tiny in contrast. The result was the unconditional surrender of an arrogant enemy.

All this America and her allies have done.

The real beginning, for us, was in December 1941, when our late great war leader, President Roosevelt, met with his friend and partner, Prime Minister Churchill, and forged a definition of Allied organizational and directional method for the prosecution of the war. During most of my 3 years in Europe these two God-given men were my joint Commanders in Chief. Their insistence on making common cause the key to victory established the keynote of the war

in Europe. To those two all of us recognize our lasting obligation. Because no word of mine could add anything to your appreciation of the man who, until his tragic death, led America in war, I will say nothing other than that from his strength and indomitable spirit I drew constant support and confidence in the solution of my own problems.

In Mr. Churchill, he had a worthy partner, who had led his country through its blackest hour, in 1940. The Prime Minister's rugged determination, his fighting spirit, and his singleness of purpose, were always a spur to action. Never once did he give less than full cooperation in any endeavor necessary to our military objectives. And never did he hesitate to use his magnetic and powerful personality to win cheerful acceptance from his countrymen of the great demands he was forced to make upon them.

It was no small test of the hospitality and generous understanding of the British people to have 2,000,000 strangers moved among their already limited and crowded facilities. The added confusion imposed by the extensive gear of a great army was accepted with a cheerfulness that won the admiration of us Americans. In critical moments Mr. Churchill did not hesitate to cut Britain's already reduced rations to provide more shipping for war purposes. Their overburdened railways had to absorb additional loads until practically all passenger traffic was suspended and even essential goods could be moved only on an emergency basis. For the hospitality the British offered us, for the discomforts they endured on our behalf, for the sacrifices they made for the success of operations, every American acquainted with the facts will always carry for them a warm and grateful place deep within his heart.

Under these two great war leaders were the combined British-American Chiefs of Staff who were my direct military superiors and the channel through whom I received all my orders. Their unwavering support, their expressed and implied confidence, their wise direction, and their friendliness in contact, were things to which I am happy to bear witness. They devised the machinery by which huge Allied forces were put together as a single unit, and through them were implemented the great military purposes that America and Great Britain agreed upon to further the political objectives of the war in Europe.

The spirit of unison that they developed was absorbed by the forces in the field.

In no place was this vital unity more strikingly evidenced than among the individuals that served as my principal commanders and on my staff. British and Americans forgot differences in customs and methods—even national prejudice—in their devotion to a common cause. Often have I thanked a kind providence for these stanch allies, from highest commander to the newest recruit, and for their readiness to serve within the team.

From our first battle associations with the British Air Forces in England, with her Navy in the African invasion, and with the British armies in north Africa, we have measured their quality through many months of war. We well know and respect the fighting heart of the British, Canadian, and French soldiers and their leaders.

This teamwork was equally strong among the several services, air, ground, navy, and supply. The Navy's task in gaining our first European footholds was a staggering one. Without wearying you with tactical details I ask you to take my word for the truth that in all the brilliant achievements of the American Navy, and of her sister service in Great Britain, there is none to excel the record that was written in the great and successful invasions of Africa, Sicily, Italy, and France. With the Navy was always the merchant marine, in which Americans have served with a devotion to duty and a disregard for danger and hardship that defies any attempt to describe.

To the Air Forces, without whose great services all else would have been futile, I—all of us—owe similar debts of gratitude. Perhaps it is best for me merely to say that in every ship, on every plane, in every regiment, was a readiness to give life itself for the common good. And in this statement, I must include the men that have been responsible for the tactics of the battle itself.

As an Allied commander, I have tried in London and in Paris, to record something of the debt the United Nations owe to war leaders of the British Empire and of France. Today as an American, I would like to give you the names of our own officers that will always rank high in any list of those noted for service to their country. But any enumeration would necessarily be incomplete, so I must content myself by saying that, in great number, these battle leaders of the Army, the Navy, and the Air, have served loyally, devotedly, and brilliantly in my commands in Europe and Africa. Particularly I think you would like to know that without exception, their first concern, their constant care, has been the welfare—spiritual and physical—of their men—your sons, relatives, and friends. You have as much right to swell with pride in the quality of the battle commanders you have sent to Europe and Africa as you have in the conduct of the millions they have led so skillfully and devctedly.

I have spoken mostly of Americans and British, because troops from this country and the British Empire always formed the bulk of my own command. But the campaigns of the Red Army, crushing all resistance in the east, played a decisive part in the defeat of Germany.

The abilities of the Soviet leaders and the courage and fortitude of their fighting men and women stir the emotions of anyone who admires soldierly virtues. The Soviet people have been called upon for terrible sacrifices in their own land, ravished by the bestial excesses of the German. Driven back to Stalingrad, their calm refusal to acknowledge the possibility of any other outcome than victory will be honored in history for all time to come. Finally when the Russian armies and ourselves started the great drives that met on the Elbe the end was merely a matter of days—the Allies, east and west, linked up and Nazi Germany was no more.

Here at home you played a very special part in the Soviet victory. Large quantities of American equipment, sent over the Arctic route to Murmansk or up from the Persian Gulf, furnished vital matériel of war to assist the Russians in mounting their great drives. The production of our people has won high praise from the Soviet leaders, as it has from other leaders in the Allied Nations. There is not a battle front in Europe where it has not been of decisive importance.

The liberated countries of Europe have also played a part in fashioning the victory.

Following upon our invasion of Normandy the breakthrough last summer permitted the swift liberation of most of Frace and gave that people an opportunity to begin resumption of normal conduct of their own lives. France's own resistance forces, and some of her combat divisions, took a notable part in driving out the hated enemy.

Every American soldier has seen the toll that war has exacted from France. Towns have been destroyed. Broken bridges make difficult road and river transport. The destruction of rolling stock or its allocation to military needs has denied its use to carry needed civilian goods, particularly food and fuel. Even now, although the guns are silent, the urgent necessities of our redeployment to the Pacific make it impossible to do all that we would wish toward improving the trying conditions in which French people live.

This feeling extends also to Belgium, Holland, and Luxemburg, which endured 4 years of German tyranny, and which supported effective resistance movements. In the Netherlands, during the last few months of conflict, real starvation prevailed in certain sections, where the German garrisons refused assistance. Our sympathy was aroused and tons of food were dropped by parachute to alleviate their suffering. Those countries still need, and deserve, our help.

And now, because this meeting typifies, for me, the spiritual unity of the American home and battle fronts, I address a word to that relationship.

The American fighting man has never failed to recognize his dependence upon you at home. I am grateful for this opportunity to stand before the Congress and express my own and the thanks of every soldier, sailor, and airman to the countrymen who have remained devoted to their tasks. This feeling goes beyond the tangible things—guns, ammunition, tanks, and planes, although in these things you have sent us the most, and the best. It extends to such intangibles as the confidence and sympathetic understanding which have filled the letters written by families and friends to the men up front. For a few moments, simple words of affection and cheer blot out the danger and loneliness and hardship which are the soldier's life. They send him back with renewed vigor and courage to his inexorable task of crushing the enemy.

I hope you realize that all you have done for your soldiers has been truly ap-

preciated. Never have they felt absent from your anxious care and warm affections. The Red Cross—to name just one outstanding organization—stands high in their admiration. The Red Cross with its clubs for recreation, its coffee and doughnuts in the forward areas, its readiness to meet the needs of the well and help minister to the wounded—even more important, the devotion and warmhearted sympathy of the Red Cross girl. The Red Cross has often seemed to be the friendly hand of this Nation, reaching across the sea to sustain its fighting men.

The battle front and the home front; together we have found the victory. But even the banners of triumph cannot hide from our sight the sacrifices in which victory has been bought. The hard task of a commander is to send men into battle knowing some of them—often many—must be killed or wounded in order that necessary missions may be achieved. It is a soul-killing task. My sorrow is not only for the fine young lives lost or broken, but it is equally for the parents, the wives, and the friends who have been bereaved. The price they pay is possibly the greatest for the victory won. The blackness of their grief can be relieved only by the faith that all this shall not happen again. Because I feel this so deeply I hope you will let me attempt to express a thought that I believe is today imbedded deep in the hearts of all fighting men. It is this: The soldier knows how grim and dark was the outlook for the Allies in 1941 and 1942. He is fully aware of the magnificent way the United Nations responded to the threat. To his mind the problems of peace can be no more difficult than the one you had to solve more than 3 years ago, and which, in one battle area, has now been brought to a successful conclusion. He knows that in war the threat of separate annihilation tends to hold allies together; he hopes we can find in peace a nobler incentive to produce the same unity. He passionately believes that, with the same determination, the same optimistic resolution and the same mutual consideration among allies that marshaled in Europe forces capable of crushing what had been the greatest war machine of history, the problems of peace can and must be met. He sees the United Nations strong but considerate; humane and understanding leaders in the world to preserve the peace he is winning.

The genius and power of America have, with her allies, eliminated one menace to our country's freedom, even her very existence. Still another remains to be crushed in the Pacific before peace will be restored. Speaking for the American men and women I have been so honored to command, would, I know, say this to you today: In our minds and hearts there is no slightest doubt that our people's spirit of determination, which has buoyed us up and driven us forward in Europe, will continue to fire this Nation through the ordeals of battle yet to come. Though we dream of return to our loved ones we are ready, as we have always been, to do our duty to our country, no matter what it may be. In this spirit we renew our pledge of service to our Commander in Chief, President Truman, under whose strong leadership we know that final victory is certain.

At 12 o'clock and 54 minutes p. m., the General of the Army, Supreme Commander of the Allied Expeditionary Forces, Dwight D. Eisenhower, retired from the Hall of the House of Representatives.

The members of the President's Cabinet retired from the Hall of the House of Representatives.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments retired from the Hall of the House of Representatives.

The Chief Justice of the United States and the Associate Justices of the Supreme Court retired from the Hall of the House of Representatives.

At 12 o'clock and 56 minutes p. m. the Speaker announced that the joint session was dissolved.

Thereupon the President pro tempore and the Members of the Senate returned to their Chamber.

AFTER RECESS

The recess having expired at 12 o'clock and 58 minutes p. m. the House was called to order by the Speaker.

The SPEAKER. Without objection, the proceedings had during the recess of the House will be printed in the RECORD.

There was no objection.

ADJOURNMENT

The SPEAKER. Without objection, the House will stand adjourned until 12 o'clock noon tomorrow.

There was no objection.

Accordingly (at 12 o'clock and 59 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 19, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS

There will be a meeting of the World War Veterans' Legislation Committee, in open session, on Tuesday, June 19, 1945, at 10 a. m., in the committee room 356, Old House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a hearing at 10:30 a. m. on Tuesday, June 19, 1945 on H. R. 3263.

COMMITTEE ON THE JUDICIARY

The Committee on the Judiciary will begin hearings at 10 a. m. on Thursday, June 21, 1945, on the following bills with respect to Federal administrative procedure: H. R. 184, H. R. 339, H. R. 1117, H. R. 1203, H. R. 1206, and H. R. 2602. The hearings will be held in the Judiciary Committee room, room 346, Old House Office Building.

The hearing previously scheduled by the Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary for Friday, June 15, 1945, will be held on Monday, June 25, 1945, at 10 a. m. The hearing will be on the provisions of the bills (H. R. 33 and H. R. 3338) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto (referees—method of appointing, compensation, etc.), and will be conducted in the Judiciary Committee room 346, Old House Office Building.

There will be a meeting of Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m. on Wednesday, June 27, 1945, to continue hearings on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

573. A communication from the President of the United States, transmitting a proposed appropriation for the Filipino Rehabilitation Commission; to the Committee on Appropriations.

574. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to reserve certain land on the public domain in Utah for addition to the Kanosh Indian Reservation; to the Committee on Indian Affairs.

575. A letter from the Acting Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

576. A letter from the Chairman, Federal Trade Commission, transmitting the report of the Federal Trade Commission, entitled "Distribution Methods and Costs, Part VI, Milk Distribution, Prices, Spreads, and Profits"; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANDOLPH: Committee on the District of Columbia. S. 463. An act to amend section 927 of the Code of Law of the District of Columbia, relating to insane criminals; without amendment (Rept. No. 753). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON of Florida: Committee on the Public Lands. S. 497. An act to amend an act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609); without amendment (Rept. No. 754). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 2995. A bill to amend an act entitled "An act to create a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes," approved June 19, 1878, as amended; with amendment (Rept. No. 755). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3201. A bill to amend the District of Columbia Alley Dwelling Act; approved June 12, 1934, as amended; without amendment (Rept. No. 756). Referred to the Committee of the Whole House on the State of the Union.

Mr. RAMSPECK: Committee on the Civil Service. H. R. 3256. A bill to amend the Civil Service Retirement Act approved May 29, 1930, as amended, in order to protect the retirement rights of persons who leave the service to enter the armed forces of the

United States; with amendment (Rept. No. 757). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3291. A bill to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia; without amendment (Rept. No. 758). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. DOUGHTON of North Carolina:

H. R. 3487. A bill to facilitate reconversion, and for other purposes; to the Committee on Ways and Means.

By Mr. RAMSPECK:

H. R. 3488. A bill to further amend the Classification Act of 1923, as amended; to bring about uniformity and coordination in the allocation of field positions to the grades of the Classification Act of 1923, as amended; and for other purposes; to the Committee on the Civil Service.

By Mr. RANDOLPH:

H. R. 3489. A bill to authorize the Federal Works Administrator to advance discretionary apportionment funds to be used for the purpose of making plans for the National Memorial Stadium as a postwar project; to the Committee on Appropriations.

By Mr. SPENCE:

H. R. 3490. A bill to provide for increasing the lending authority of the Export-Import Bank of Washington and for other purposes; to the Committee on Banking and Currency.

By Mr. RAMSPECK:

H. R. 3491. A bill authorizing the preparation of a medal for presentation to members of the armed forces who participated in the battle for the Philippine Islands in the present war with Japan; to the Committee on Military Affairs.

By Mr. RAMSPECK (by request):

H. R. 3492. A bill to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended; to the Committee on the Civil Service.

By Mr. SCRIVNER:

H. R. 3493. A bill to amend chapter XV, title VI, Servicemen's Readjustment Act of 1944; to the Committee on World War Veterans' Legislation.

By Mr. McDONOUGH:

H. J. Res. 217. Joint resolution to quiet the titles of the respective States and others to lands beneath tidewater and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles; to the Committee on the Judiciary.

By Mr. RANKIN:

H. Res. 293. Resolution inviting Gen. George S. Patton to address the Congress; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States, and the agencies charged with the disposal of surplus war goods, equipment, and materials to return to this country all items of equipment and supply that may be useful and that this material so returned, together with all surplus war goods and equipment in this country, be sold or given to the various political subdivisions of the United States of America under some equitable system of sale or allocation; to the Committee on Expenditures in the Executive Departments.

Also, memorial of the Legislature of the State of Texas, commending the members of the Interstate Commerce Commission for their decision in behalf of freight-rate equality; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. RAMSPECK:

H. R. 3494. A bill for the relief of the J. B. McCrary Co., Inc., and for other purposes; to the Committee on Claims.

By Mr. WILSON:

H. R. 3495. A bill for the relief of Mrs. J. Will Prail, of Columbus, Ind.; to the Committee on Claims.

H. R. 3496. A bill for the relief of Hugo Effinger in behalf of his son, William L. Effinger; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

961. By Mr. RICH: Petition of Mr. and Mrs. William J. Noll and sundry other citizens of Williamsport, Pa., urging the passage of House bill 2082; to the Committee on the Judiciary.

962. By the SPEAKER: Petition of the President, the Florida district of the International Walther League, petitioning consideration of their resolution with reference to prayer for victory in the Pacific theater of operations; to the Committee on Foreign Affairs.

SENATE

TUESDAY, JUNE 19, 1945

(Legislative day of Monday, June 4, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God our Father, we thank Thee for the unquenchable impulse toward Thee Thou hast planted within us. Open our eyes to see Thee, not out on the rim of the universe, in some distant star, but in human love which hallows our own lives, which at its best bears witness to Thee and alone can heal the hurt of the world.

Conscious of Thy overshadowing presence, we pray for fidelity not to shirk the issues of these momentous days. Committing our souls unto Thee who knowest the way we take, bring us forth as gold tried in the fire. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, June 18, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

The PRESIDENT pro tempore. The Chair will make a statement concerning the procedure today. Yesterday the following agreement was entered into:

It is ordered, by unanimous consent, that at not later than 2 o'clock p. m., on Tuesday, June 19, 1945, the Senate will proceed to vote upon the pending committee amendment, the time for debate to be equally divided between and controlled by the senior Senator from Ohio [Mr. TAFT] for the proponents, and the senior Senator from Georgia [Mr. GEORGE] for the opponents.

The Senator from Georgia [Mr. GEORGE] is entitled to the floor.

Mr. HILL. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield to the Senator from Alabama.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Myers
Austin	Guffey	O'Daniel
Bailey	Gurney	O'Mahoney
Ball	Hatch	Overton
Barkley	Hawkes	Pepper
Bilbo	Hayden	Radcliffe
Brewster	Hill	Reed
Bridges	Hoey	Revercomb
Briggs	Johnson, Calif.	Robertson
Brooks	Johnson, Colo.	Saltonstall
Buck	Johnston, S. C.	Shipstead
Burton	Kilgore	Smith
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Byrd	Lucas	Taylor
Capehart	McCarran	Thomas, Okla.
Capper	McClellan	Thomas, Utah
Chandler	McFarland	Tobey
Chavez	McKellar	Tunnell
Donnell	McMahon	Tydings
Downey	Mead	Wagner
Eastland	Millikin	Walsh
Ellender	Mitchell	Wherry
Ferguson	Moore	White
Fulbright	Morse	Wiley
George	Murdock	Wilson
Gerry	Murray	Young

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Alabama [Mr. BANKHEAD], the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

Mr. WHERRY. The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The PRESIDENT pro tempore. Eighty-one Senators having answered to their names, a quorum is present.

Mr. GEORGE. Mr. President, I yield to the Senator from Vermont [Mr. AIKEN] not to exceed 15 minutes.

The PRESIDENT pro tempore. The Senator from Vermont is recognized.

Mr. BUSHFIELD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Vermont yield to the Senator from South Dakota?

Mr. AIKEN. The time is not mine to yield. The Senator from Georgia has graciously given me up to 15 minutes, and I shall require 13 or 14 minutes, so I cannot yield, because the time is mine by courtesy of the Senator from Georgia.

Mr. President, the Reciprocal Trade Agreements Act, now before the Senate, is only one of the many factors which will affect both our national and international economy in the coming years.

We are on the verge of the world's greatest era of progress. New inventions developed as a means of more successfully prosecuting war will be turned to peacetime usage, with the result that production, transportation, distribution, and merchandising methods will be vastly changed.

Stabilization of money and ample means of financing the world's commerce and industry will be necessary to enable us to reap the peacetime benefits of the great improvements in industry.

New developments in air conditioning, quick freezing processing, and malaria control will open the vast expanses of the Tropics to development and production.

Every part of this world, from the subzero Arctic to the lands of tropical humidity and desert heat, will be opened for habitation and development, and in every part of the world we will find new wealth and new riches awaiting only the hand of man to make them available for the benefit of all humanity.

New methods of living will be developed; new kinds of homes; new ways of heating and lighting those homes; new ways of reaching those homes. The inaccessible mountainside of today will take on new value as the development of aviation brings it within a few minutes of the teeming industrial world.

Here in Washington at this minute we are only overnight from Europe or South America. We are 18 hours from the heart of Alaska and only 3 or 4 days from the Antipodes.

Some of our colleagues have recently returned from Europe. It took them about the same length of time to come from the Azores to Washington as it took to come from Baltimore to Washington a century ago.

Yet, in spite of the marvels unfolding before our eyes, we may well say that we are as yet only on the fringe of the future.

As we enter the postwar era, we see a revolution in transportation taking place. Giant air liners as foreseen by Tennyson a hundred years ago will drop down among us, not only with "costly bales," but with fresh fruit picked the day before a thousand miles below the Equator. Some will pass over us to carry their cargoes beyond the Arctic Circle, perhaps over the top of the world to Russia.

By means of air transportation the people of all lands will find quick, cheap, comfortable air liners bearing them with the speed of sound from continent to continent where they will meet, fraternize, and trade with other men who speak a different language or may wear a different colored skin.

Air transportation will bring about readjustments in our national as well as in our international commerce.

Mr. President, I come from a dairy State, the most intensive dairy State in the Union. We supply milk and cream to Boston, New York, and other cities. A few years ago that milk and cream was transported to the city markets wholly by rail.

Then came great refrigerator trucks of 40,000 pounds capacity, which leave the farms in northern New England and in a few hours time deliver the milk in clean, wholesome condition to the city consumer.

Within the next 5 years, it will be possible for giant air freighters to pick up fresh cream in Wisconsin, Minnesota, or Iowa and deliver it in Central America, Panama, or Cuba in less time and in equally as good condition as northern Vermont milk is put upon the Boston market today. It depends upon our foresight whether this and a hundred other great new markets for the products of our farms and factories are realized or not.

The development of the air, however, does not mean that we will reduce or abandon other forms of transportation. We will improve and expand them.

A great merchant marine will ply the seven seas. Refrigerator ships of types never seen before will deliver meats and fruits to any part of the world in perfect condition and at a cost much less than they did in 1940.

These ships will do this in spite of the fact that they will cost twice as much to construct and the seamen will be paid much more than before the war. Modern developments in construction and refrigeration will make this possible.

Railroads, with the exception of a few short lines which may have to be abandoned, will have to expand and improve their facilities to an extent yet undreamed of if they are to do their part in maintaining a one hundred and fifty to two hundred billion dollar peacetime economy in the United States.

Inland waterways must be developed for the transportation of low-cost freight. The expansion of highways and airports for local and domestic purposes must go steadily forward, not only in our country, but all over the world.

Looking on the near horizon, we see the conquest of diseases and new methods of surgery assuring man of his allotted time on earth, provided he does not choose to shorten it by his own folly.

Even now committees of the Senate are considering an expansion of hospital facilities and health improvement and aids to education for the purpose of making life well worth living.

We see revolutionized methods of factory production. We literally see two blades of grass growing where one grew before, thanks to new discoveries in agricultural chemistry and other branches of science.

We see greatly shortened hours of work, leaving more time for the development of the arts, for travel, for recreation, and the happier things of life.

We see new methods of processing and packaging, distribution, and merchandizing, lightening the load of the housewife and the cost of living burdens.

I repeat that today we are only on the fringe of the future, a glorious future where peace and plenty and opportunity will prevail if we do not put up the bars to progress.

Some fear that future. They would avoid it or prevent it if they could. They struggle to hold it back, because its nature is unknown to them.

They cling desperately to the old methods, the old ways, even though deep in their hearts they must know that theirs is a losing fight against progress.

They would erect a wall around themselves. That is why they struggle today to maintain an artificial barrier around their production plants, their methods, their commerce, their pocketbooks, even their country.

The population of the United States is about 135,000,000. There are nearly 2,000,000,000 people in the rest of the world. If we have learned nothing else from this war, we have learned that we alone are not a superior race.

We have learned to respect the ability of people of other races who speak other languages. We cannot ignore their existence either in the social, the geographical, or the economic world of the future.

They will produce. They will transport. They will market their production. They will fight for economic existence, if necessary.

We have depended on artificial protection in this country to an unwarranted degree.

I want no one to infer from that that I would abandon protection for American labor, industry, and agriculture.

The Reciprocal Trade Agreements Act does not do that. It simply provides a scientific and sensible approach to the problem of raising the standards of living of other peoples of the world as well as maintaining those of our own, but I would never carry protection for American industry to such an extent that it would put a premium on obsolescence and inefficiency.

Our protected industries, many of them monopolies with virtually guaranteed incomes, depend on their pressure groups, their lobbyists and their influence on political organizations and politicians to perpetuate the special privileges, protection, and guaranty of profits which they now enjoy. They almost invariably press their demands in the name

of the farmer, the laborer, or the small businessman.

The United States must take the lead in bringing about economic agreements among the nations because today, unravaged by war, we are the only nation in the world that can assume this position. We have the wealth; we have the power to do this. If we do not take the lead now, I fear that the United States will not always occupy its present enviable position.

It will not be economically profitable or politically wise for us to undertake to maintain our dominance in world affairs by might alone.

It will not be possible to protect our American industry and standards of living by a rigid high tariff wall alone.

American industry can take its place and hold its own in the commerce of the world without building a wall around our borders.

We can cut costs of production without cutting wages and incomes or profits.

By installing modern generating equipment, we can cut the cost of power and energy in half. We can greatly reduce the cost of transportation.

We can develop our natural resources so as to reduce the costs of production in this country far more than the value of our present tariff protection. We can finance the industries of America at a fraction of the cost of financing foreign industries.

Yet there are so many who are afraid.

Oh, yes; I know that the skeptics and the timid souls say the Reciprocal Trade Agreements Act could be used to ruin American industry; to ruin American agriculture; that the President might sell us down the river; that the State Department might sell out the President and that the departmental experts might sell out the State Department and some evil influence might get to our unknown experts, and corrupt them.

I agree with all this. It all could happen. The President could sell out America. So could the Congress.

If one follows this line of thought to its logical conclusion, we would not even dare to elect a President or a Congress.

I am not afraid that President Truman or the State Department will sell the country down the river. There has been no proof that President Roosevelt and the State Department did this in the past 10 years.

With the inclusion of the Mexican escape clause in the trade agreements hereafter to be negotiated, as promised by Mr. Clayton, we shall be able to make this measure a cornerstone of expanding world economy, getting all the advantages of free and unhampered private trade with the added protection that any industry that can prove injury on account of excessive imports will obtain redress by the application of the escape clause.

Rich as the traditions of the past may be, we must realize that we no longer live in the days of the oxcart and the toll road.

This is the day of radar, of plastics, of electronics, of light metals, and the rocket plane.

We cannot discuss trade agreements on the level of 1893 or the level of 1930, but must think in terms of the conditions that will prevail in the years ahead of us.

Let us raise our sights to the unknown future, not with fear, but with confidence.

The PRESIDING OFFICER (Mr. HILL in the chair). The Chair is advised that the Senator from Ohio [Mr. TAFT] desires to yield to the Senator from Indiana [Mr. CAPEHART]. The Senator from Indiana is recognized.

Mr. CAPEHART. Mr. President, I should like to make a few brief observations on the subject before the Senate. I am not so certain that we have attacked the problem as it possibly should have been attacked. The greatest asset we have in this Nation is our market. That is just as true for the man who works for his living in industry as it is for the farmer, the manufacturer, or the man engaged in business. My position is that we should protect that market, and that foreign countries should help us protect it.

Mr. President, there is only one reason why foreign countries desire to sell in the United States, and that is because we have the greatest market in the world. I rather suspect that aside from food products, our market consumes more merchandise than all the other markets of the world. Our greatest asset in this Nation at the moment is not our brick and mortar; our greatest asset is our market. It does not do a man any good to build a factory; it does not do a man any good to own a farm, unless he has a market for his products. Imports are in direct competition with our own products.

I have been in the manufacturing business for many years, and I know the hazards to which it is subject. I know the hazards of competition, and I know the merits of competition. We should be interested in protecting our own market. Foreign countries should be willing to pay for the privilege of selling in America. It is very simple for other nations to manufacture products at slave-labor wages and low manufacturing costs, ship them over here, and sell them. Why are they able to sell them? They are able to sell them because of the fact that our people have money. In the United States we have a high standard of living. If we had a low standard, if our people had no money, if our wages were low, there would be no market here, either for the commodities we produce or for those which might be imported.

I repeat that we should protect our market. We should charge foreigners for the privilege of selling in the greatest market in the world in order to protect it. If we permit to come into this country imports which compete with our own manufactures and our own farm products, we shall gradually decrease our own standard of living and set up a standard of living in this Nation which will destroy our market. Either we are going to lift the standard of living of the other peoples of the world up to our level, or they are going to pull down our standard of living to their level.

I believe that we should attack this problem from the standpoint of protecting our market. I cannot for the life of me see how any nation can object to paying for the privilege of doing business in this market. Let me give an example. A firm would make more money if it had the distribution of all radio sets in the city of New York, even though it might receive only one-tenth of 1 percent commission on the net sales, than it would make if it received every dollar from the sale of radio sets in the entire State of South Dakota, or any other State with a small population.

The theory sounds very simple. It is very easy to talk about permitting shoes to come into this country to be sold at $2 a pair. That sounds well. I would have no objection to buying a pair of shoes for $2, and I do not think any one else would. On its face, it sounds like an excellent idea to permit cheap goods to come into this country, because the consumer is enabled to buy for less money. But what will happen after a period of time, with cheap merchandise coming into the United States, and all our people, or a large percentage buying $2 shoes, whereas the selling price of the American product is perhaps two or three times as much? The net result will be in the end that our manufacturers, our farmers, and our businessmen will be forced out of business; our wage rates will be forced down, and our standard of living will be reduced to the level of that of other countries.

I certainly do not agree with the philosophy expressed on the floor yesterday by one Senator, to the effect that any inefficient American institution should go out of business if it is unable to compete with the products of foreign countries. I do not subscribe to the philosophy or theory that in order to avoid a future war we are forced to lower our tariffs to the point where our standard of living will be detrimentally affected.

The fundamentals of distribution and selling have very little relationship to many of the things which were expounded a few moments ago by the able Senator from Vermont [Mr. AIKEN]. Let us protect the greatest market in the world. I am in favor of reciprocal trade agreements in principle; I have no objection to them; but I do object to giving the administrative branch of our Government the power to reduce tariffs by another 50 percent, or down to 25 percent of the original rates. I think we must establish a yardstick.

I do not subscribe to the theory that we can trust the administrative branch of our Government in this matter any more than in other matters. I have the utmost confidence in our President and in our Government; but in this instance the idea is that we should give the administration a blank check, whereas in other instances we must legislate. Why not give the administration a complete blank check? Why have a Senate? Why have a Congress? Why not eliminate Congress entirely? If the executive branch of the Government is qualified to

handle this problem without legislation, why is it not qualified to handle everything else without legislation by Congress?

My plea is to protect against cheap imports the great market which we have. No one is more interested than I in raising the standard of living of the peoples of the world. I have just returned from a trip which took me into 15 countries. I know what the standard of living is over there. I know that those people have no money with which to buy anything. I likewise know that we cannot sell to the people of foreign nations unless we also purchase from them. I know that we cannot expect to do business with other countries unless we buy from them. But I do not subscribe to the theory that we can reduce tariffs and permit cheap merchandise to come into this country, and at the same time maintain our standard of living and preserve the great American market.

Let us analyze the problem, and enact legislation which will protect this great market, not only for the American people, but also for the peoples of the entire world. I do not believe that any other nation, or any firm in any other nation, would ever object to paying for the privilege of doing business in America. Foreign manufacturers can well afford to pay a high price to introduce and sell their merchandise in the greatest market in the world. Therefore, Mr. President, I must vote against granting the administration the power further to reduce tariffs by 50 percent.

Mr. GEORGE. Mr. President, I yield time to the Senator from Florida.

Mr. PEPPER. Mr. President, I advocate the renewal of the Reciprocal Trade Agreements Act with the authority recommended by a minority of the Finance Committee, and as passed by the House of Representatives, to increase the reduction an additional 50 percent below present rates.

One of the considerations which leads me to advocate that policy is because in my opinion it is to the best interest of small business in America. The Foreign Trade Subcommittee of the Senate Committee on Small Business, of which I have the honor to be chairman, has just today issued a second report dealing with the subject of foreign trade for small business. In that report we have used the following language:

> The economic considerations underlying the trade-agreement program are fortified by the contribution the program makes to international economic cooperation and thus to the preservation of world peace. American hospitality to foreign goods, important as it is to American economic interests, has even greater importance to other countries whose dependence on foreign trade is greater than ours. A progressive American tariff policy may well be the precondition for the attainment of a soundly expanded world trade, free from discriminatory trade barriers or other forms of economic warfare. The bargaining power contained in the trade-agreement program may well be the means for negotiating general acceptance of American standards of fair trade. The National Association of Manufacturers told the subcommittee, "If goods cannot cross borders, armies will." The subcommittee firmly believes that small business needs and desires the movement of goods across borders—in both directions. For that reason the subcommittee recommends the enactment of the Reciprocal Trade Agreements Act with provision for authority to reduce tariffs by an additional 50 percent.

Mr. President, in their desire to protect a particular industry, Senators sometimes forget that the tariff is accorded by their Government and that the Government may condition the terms upon which such protection is afforded. They forget that when a given industry is protected by means of a tariff, it means that the consuming public of the Nation has to pay for the protection that industry receives, in the form of paying higher prices for the goods consumed. But, Mr. President, I am in accord with that policy of protection, provided that in the balance of the national interest it is found to be for the national good. Was this reciprocal trade-agreement program does is to condition the award of that protection upon the protection of the national interest as well.

Mr. President, all the bill which is now before the Senate proposes is that the President of the United States shall be delegated by the people's Congress authority to make selective negotiations and agreements with other countries, by which, in return for the consideration they allow respecting our goods going into their countries, we will extend to them the consideration of permitting their goods to come into our country. Unless a Senator doubts the integrity or the responsibility of the President of the United States, he cannot withhold from him authority to progress international peace and preserve free enterprise by having authority to negotiate trade agreements, and even to make further tariff concessions to accomplish those ends, because the President of the United States has given his solemn word to the Congress that he will not let an American industry suffer from the negotiatory power which Congress confers by the Reciprocal Trade Agreements Act.

Mr. President, that is not a promise made out of thin air. It is predicated upon the experience of 11 years which we have had with the late President Roosevelt and with a former Secretary of State, one of the greatest who ever sat in that exalted office—Cordell Hull, of Tennessee. Men may say what they will about President Roosevelt; yet he was given this authority 11 years ago, and today no industry in America can show that it has been made to suffer by its exercise. No American can charge Cordell Hull with being other than a patriot, and that means a man who is devoted not only to the protection of the American people but of her industries and enterprises. Yet Cordell Hull is the father of the Reciprocal Trade Agreements Act, and he said it was not only in the interest of the prosperity but it was in the interest of the peace of America and the world that he promulgated the reciprocal trade policy some 11 years ago.

Mr. President, I have before me several charts which I should like Senators to observe. The charts show that little business in America is the first to suffer from hard times and the first to profit by good times. In other words, the red lines below the black line on this chart [exhibiting] indicate business losses in the period of 1932 and in the year 1941, and the long red line represents small businesses which had a net worth of less than $50,000. They were the ones to suffer the most in 1932. The next red line represents businesses which had a net worth of from $50,000 to $99,000. They suffered next in percentage during that depression.

The red line goes on across the chart until it passes the point of corporations having a net worth of $50,000,000. They were the first units in size which were able to weather the depression without a fiscal loss. In other words, Mr. President, corporations which had a net worth of less than $50,000,000 suffered in the depression, and only corporations which had a net worth of in excess of $50,000,000 were able to weather that terrible economic storm.

The other side of the picture is presented by the white figures which appear above the horizontal line. They show, on the other hand, that the companies which made the least profit during the depression were the small companies, and that the companies which made the most profit were the larger ones.

Another aspect of the chart establishes the certainty of the same principle.

So, Mr. President, when we enact this program we are keeping in mind the welfare of the masses of the people of America, but at the same time we are giving assurance to every industry, not only out of promise but out of experience, that it, too, shall be protected by a solicitous President and it shall not suffer, even for the national interest.

Mr. President, Senators talk about the delegation of power as an abuse of power. That is their concept of the delegation of authority to the agencies of the Government under the President of the United States. Did not we delegate to the President of the United States the power to make war? Did not we, under the War Powers Act, delegate to the President of the United States almost unlimited power over the American economy and the American citizenry? Did not we by the Constitution delegate to the President of the United States the power to negotiate peace? If our President has the power to make war, if he has the power to progress the war, if he has the power to make peace, I am willing to trust him, under the scrutiny of the American Congress and of public opinion, to effect by sensible and honorable negotiations a slight percentage reduction of tariff on commodities produced here in America.

Mr. President, Senators say, "Why should not the Congress exercise that authority? Why do not we negotiate trade agreements? Why do not we fix tariffs?" The answer is that we do not do so because, as the able senior Senator from Georgia pointed out in his very excellent address, the manner in which tariffs were fixed by the Congress became a national scandal, because it is utterly impossible and impracticable for

the American Congress, composed of 96 Senators and 435 Members of the House of Representatives, to sit down and work out so complex a thing as a tariff schedule for the American people. We know that such a procedure degenerates into sheer logrolling.

We know how schedules were fixed upon the Senate floor. I have been told by Senators who were here that when the Smoot-Hawley Act which contributed to world depression and to world war was before the Senate it was hardly possible to develop a quorum in the Senate Chamber. It was a scratch-my-back-and-I-will-scratch-yours kind of a proposition, Mr. President, and there could not be any comparison between the sensibility and intelligence with which tariff rates were fixed by that process, and those by which tariff rates are to be fixed by the process contemplated in the proposed act, namely, that there shall be public hearings held by agencies of the Government, such as the Department of Commerce, the State Department, the War Department, Navy Department, Interior Department, and other departments of the Government, including, for example, the Tariff Commission, the Reciprocal Agreements Committee, with final approval of the President of the United States himself. That is a sensible method.

Mr. President, Senators ask why we do not fix tariff schedules. In turn, I ask the question, Why do we not fix freight rates? We have authority to do so. It is our responsibility. The Interstate Commerce Commission acts only by our delegated authority. We could fix freight rates right here upon the Senate floor. Yet, who would contend that we should dispossess the Interstate Commerce Commission of the power to fix freight rates pursuant to public hearings, and intelligent and careful studies, and fix them ourselves here upon the floor of the United States Senate or in the House of Representatives? It is obvious that the fixing of tariff schedules is a matter of such complications, and such complexities, that it can not be accomplished by the legislative branch of the Government while functioning directly in its legislative capacity. We must delegate such power to some administrative agency, and prescribe the principles upon which the agency shall discharge that great responsibility.

Mr. President, it has been but a short while since a great battle raged in the Congress over the question of, for example, lend-lease. There were able, honorable and patriotic Senators who opposed lend-lease. They thought that it was not in the national interest. They thought it was not in furtherance of international peace and the security of the United States of America. Yet, I believe that at this time those able and honorable Senators will admit that lend-lease was in the interest of the security of the Nation, and of the peace of the world. It was an affirmative attack upon war. So is the pending measure. It is an attack upon war because war is born in the womb of trade conflicts, and trade conflicts are the progeny of international economic chaos. If we are to have peace in the world, if we are to preserve the private enterprise on earth which, God forbid we shall ever lose, we must stimulate private trade between man and man and between company and company, and not allow the Government to be a funnel through which every act of international commerce must pass.

The able Senator from Georgia put the subject on the correct basis the other day when he said that this proposal was the greatest thing we could presently adopt for the preservation of the principle of free enterprise in the world. He said that we should make it possible for trade to flow across oceans, seas, and mountains in order to reach man wherever his needs may be, from those who have the capacity to supply such needs.

Mr. President, at one time isolation fluorished in this country. With all my heart, and with malice and criticism toward none, I believe that political isolationism is a dangerous policy. But it is hardly more dangerous to the security of the Nation, and to the peace of the world than is economic isolation. Able Senators who have formed the spearhead of the assault upon the Reciprocal Trade Agreements Act, have been equally vehement in their opposition to Bretton Woods. No doubt they believe in international collaboration. I am sure they are disposed to aid it, but, they cannot say to their fellow men, "I am doing my part in order to maintain international peace and promote international well being", and emphasize their support of political collaboration with other nations, and leave out the essential ingredient of economic collaboration with other nations of the world. Unless we can have a stable world economy we cannot have that political stability which is essential to the preservation of world peace.

In conclusion, Mr. President, I may say that ever since I became a Member of the Senate until the Reciprocal Trade Agreements Act was reenacted 3 years ago, I voted against such measures. I had yielded to the entreaties of some of the interests of my State who thought they would suffer from the enactment of such a program. I may have been right in yielding, but I think I was wrong. However, Mr. President, 3 years ago the Reciprocal Trade Agreements Act became a part of the peace program of the United States of America. I think that we, as Senators, would not be worthy of the office which we hold, exalted as it is, if we did not give primary consideration to the public interest. I have told the people of my State who do not like the competition of vegetables from Cuba on the American market that I was thinking about a larger American market than the one about which they have in mind. Senators say, "Let us preserve for American enterprise the American market." What does that mean, Mr. President? Does it mean the little segment of the American market which can exist if we have no export trade, or does it mean the American market which is flourishing because of its export and import trade? That is the kind of American market of which I conceive. I conceive of the American market as being as large as the whole American people, and sustained by the purchasing power of them all. Any market less than that in scope is not the American market.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. Assuming we protect that particular segment of the American market which competes with the vegetable growers of Florida and not the American market as a whole, what will ultimately happen to the little segment which would be protected if we do not protect the American economy as a whole?

Mr. PEPPER. The persons involved will lose what they already have. Let us say, for example, that the people in the southern part of my State produce a large quantity of fresh vegetables. They are looking for a market for those vegetables. If they do not look far enough they will say only that Cuba is sending such vegetables into the United States in competition with theirs and that they dislike that situation. But if the same persons will examine into the subject in further detail they will discover that the people of Cuba who receive American money for the vegetables which they sell on the American market, will buy automobiles, radios, and all the other articles which are made in the great factories of America, and the workers in those factories who are employed in those enterprises will be eager to buy on the American market the vegetables of Florida and of every other State in the Union which offers such excellent sustenance.

So, Mr. President, I believe it is not irreverent at this time to say that a long time ago the Master who walked beside the Sea of Galilee gave, along with other great pronouncements, the greatest lesson in enlightened selfishness that has ever been taught. In substance, He said, "He who would save his life must lose it." The hardest thing we have had to convince humanity of during two milleniums is that in sacrifice there is reward. That applies to honesty in business having its own reward, and it applies to the Master who gave His life that humanity might be spared from the dark corrosion of the grave. It applies to those who have given up what may appear to be a small loss, but have given it to secure a richer economy for their country, peace for their fellowmen and for their posterity.

Mr. TAFT. Mr. President, I yield 15 minutes to the junior Senator from Montana [Mr. MURRAY].

Mr. MURRAY. Mr. President, I come from the mining and agricultural State of Montana. We are vitally interested in the pending legislation providing for the extension of the Trade Agreements Act of 1934. Many of our people are interested in raising cattle, wool, sugar beets, and in general farming. In addition to these industries, however, many thousands of our citizens are engaged in, or dependent upon, mining. Our mining activities comprise whole communities which have come into being because of the existence in our State of great ore deposits from which many important and strategic metals are produced. In addition to mines already in operation we have huge deposits of undeveloped

mineral ores which may in the future, because of new technological processes in the course of development, be of tremendous value to the Nation. During the war we opened up huge deposits of chromite and were prepared to furnish the Nation with all the chrome necessary for war-production requirements.

Because of prices some of our operating mines are now struggling to remain in operation in the hope of reaching better grades of ore, and in the hope that improved technological knowledge will be developed and that fair markets in which to sell their products will be opened up so as to permit them to continue in production.

At the outset, I desire to make it clear that I am in favor of the extension of authority to negotiate foreign-trade agreements as provided in the pending bill as reported by the Senate Finance Committee, but I am opposed to any inclusion of authority to further reduce tariffs by 50 percent because of its fatal effect on our Montana economy.

In common with most States producing raw materials, my State of Montana lives only by exports. We export minerals and meals, cattle, wool, sugar, oil, and other natural products. Our markets are the industrial States.

It has been said that the United States can compete with imports because, regardless of our high wage standards, we can maintain lower unit costs. In the case of most raw materials this is not true. Mining machinery and methods are just as up to date in Chile and elsewhere as in the United States; in many other countries cattle and sheep grow just as fast as they do here. Labor is the principal cost item which cheapens the foreign product.

Mr. President, I am willing to go along with the Senate bill as reported, as I feel there is merit to the present methods of negotiation, and I think that a further term of years may show us definitely whether or not we are on the right track. I believe, however, the present authority to reduce rates goes far enough.

There is little use to exchange one set of jobs for another, even where this is practical. In the case of Montana it is not practical. Ours is a raw-material economy solely—destroy that, and our right to exist is destroyed. We would gain nothing by shutting down our mines and moving our labor into factories in other sections of the country. We would lose our raw-material industry, which, for vital defense reasons, should be kept healthy. The Western States cannot exist and grow purely as playgrounds for tourists and health seekers. Give us first an opportunity to industrialize so that if we have to abandon the production of copper, manganese, zinc, wool, sugar, cattle, and other raw materials, we will have something to fall back on.

Mr. President, I believe in expanded foreign trade, and I do not believe in high tariff barriers. I do not think that most of our tariffs are excessive. In fact, an overwhelming number of items are on the free list. I believe, however, that so far as Montana and other Western States are concerned, we must protect our raw-material production, because if we permit it to be destroyed we will face bankruptcy.

Montana, as well as her sister States in the Rocky Mountain region, has many mines producing strategic and critical metals and minerals, and there are vast deposits in those regions as yet undeveloped. I cannot see my way clear to go along with a policy which will place this country in danger in the future as well as do violence to our people and their communities.

In the original Trade Agreements Act of 1934, authority was granted to reduce by 50 percent the rates of duty established under the 1930 Tariff Act. It is a fact that the rates under the 1930 act were in most cases unchanged from those fixed by the 1922 act, and they represent the minimum of protection required by the domestic industry. Reductions in those rates—such as have been made on zinc and cadmium under the Canadian agreement; on zinc, lead, and molybdenum under the Mexican agreement; and on petroleum under the Venezuelan and Mexican agreement—have been of serious consequence to American mines and miners. It is true that to date the effect has largely been obscured by the war, with its unprecedented requirements for metals and minerals, but in the postwar period our domestic industry is due to suffer heavily from the increased competition of low-cost foreign mines, made possible by these reductions in our tariffs. I cannot agree to further legislation permitting these already reduced rates of duties to again be cut in half.

State Department assurances that such an authority would be used wisely and "in such a way as not to disrupt American employment and industry" are not conclusive. The records show that such was certainly not the case in the cut in the zinc duty in the Canadian agreement.

We also hear much of the argument that we should conserve our resources by shutting down our own mines and importing our requirements from abroad. Let me explain that the conserving of mineral resources is not accomplished by shutting down mines, by allowing them to cave and fill with water so that much of the ore can never be recovered, by scrapping the mining plants or treatment facilities or allowing them to deteriorate, by scattering established technical and operating organizations, and by reducing thriving communities to ghost towns. Such a procedure would not conserve but would surely destroy our mineral wealth.

Our mineral reserves are largely developed in the process of mining. Advances in the technique of ore findings and metallurgical treatment are developed by active mining operations. Without such activities and a "going" mining industry, resources in the ground would have no practical value in a national emergency, as it would take too long to bring them into production. We must not put our mines out of business and import our requirements; rather we must create conditions that will permit our mines to operate and afford the incentive needed to justify the application of modern prospecting methods and the heavy expenditures which must be made to find and develop new mines, together with persistent research in devising and developing the processes whereby lower-grade and hitherto worthless deposits may be utilized. This is the way to produce national wealth and well-being.

The policy under the reciprocal trade-agreements program has been largely to cut tariffs on raw-material products of American farms, forests, and mines, and to maintain protection on major manufactured products. The duty on manganese ore, for example, has been cut 50 percent. Manganese is a leading strategic mineral essential to our national security. It is indispensable in the manufacture of steel. There is no substitute for manganese. It is clear, therefore, if authority to further cut tariffs is granted, the tariff on manganese is destined for a further cut, and this would mean the complete disruption of the manganese industry in Montana.

The steel industry, on the other hand, is one of the greatest beneficiaries under the tariff. Duties on major basic steel products have not been cut, and they are not expected to be cut. The best evidence is the fact that no representatives of the big steel industries appeared before either the Ways and Means Committee of the House or the Senate Finance Committee in connection with this proposal. They know that tariffs on major steel products will not be cut. On the other hand, as a result of this trade-treaty policy, they expect to get cheaper imported raw materials.

Little business, which produces our raw materials and minor manufactured products, is being sacrificed for the benefit of big business—the mass-producing industries which supply steel, automobiles, and major manufactured products.

It is important to the life of our Nation that we have a balanced economy—a balanced production of both raw materials and manufactured products. It is also vitally important to our national security that we continue the development of our own mineral resources.

Following the war, one of our major problems will be to provide from fifty to sixty million jobs. We cannot provide jobs by throwing out of work men who develop the wealth and resources of the Nation. All wealth comes from the ground. If we destroy the industries that produce our natural wealth, what do we get in place of it? All the trade in the world does not produce a single dollar of new wealth. All we do is to set up trade-market institutions in the place of wealth-producing raw-material industries. Close down the mines, destroy the cattle industry, the sugar-beet and wool industries, and you impoverish America. A greatly expanded foreign trade may increase business in the industrial centers, but it will destroy the raw-material States. It may produce wealth for those engaged in foreign trade, but the cattlemen and the woolmen and the miners will lose their shirts. We want all the foreign trade we can get consistent with our national economy, but it seems to me that we can increase our foreign trade better by maintaining a healthy, prosperous United States.

Records of the past show that the more we produce and the more general our prosperity is the more we import. If further cuts in our tariffs are needed to stimulate trade, let the cuts be made on major manufactured products which have not yet been touched. This would decrease the cost of living; it would raise the standards of living and spread purchasing power in our country. Let us furnish other countries with machinery and equipment to help them increase their own productive capacity and raise their own standards of living so that they may do away with cheap labor and increase the purchasing power in their own countries.

Mr. President, I am opposed to the amendment proposed by the minority report. It would mean the destruction of our important raw-material industries of the West and be detrimental to the welfare of our country.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks three editorials which are pertinent to the pending bill.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Butte (Mont.) Daily Post of February 12, 1935]

MONTANA LOSES AGAIN

Secretary Hull's outburst against the American manganese industry apparently precludes any possibility that he will agree to rescind the tariff reduction on manganese granted Brazil in the newly signed reciprocal trade agreement. Senator MURRAY, who is chairman of a special committee to consider ways and means of eliminating the duty reduction, had expressed hope that the State Department might be prevailed upon to reconsider its action. The belligerent tone of the Hull statement indicates that there is small likelihood of such a move.

The plea of American manganese producers that the lowered duty—cut in half by the Brazil deal—would be ruinous to their industry is unheeded by the Secretary of State. He terms it "propaganda seeking to kill all efforts to restore normal world trade." As for the effect upon domestic employment of transferring this country's manganese purchases to Brazil, he declares that only a few hundred workmen find jobs in the American mines and they produce less than 10 percent of the ore consumed in the United States.

The statement supports the expressed belief of Senator MURRAY that the State Department is under the impression there is no manganese in the United States. Mr. Hull is not interested in the developing manganese industry in Montana, which holds important promise for this State. Nor does he take account of the claims of other similarly affected mining regions to fair treatment at the hands of the administration.

Mr. Hull's fetish is internationalism. He is committed to a policy of tariff reduction that will throw open American markets to cheaply produced foreign goods in the hope that other countries may thereby be induced to buy more here. He speaks of increased exports in various lines to come as a result of his "Yankee trades." May it be so. But Montana, whose sugar producers suffered by his first deal with Cuba, and whose miners lose heavily by his latest swap with Brazil, rightly protests against being the victim of all of his experiments.

[From the Butte (Mont.) Daily Post of January 24, 1936]

TARIFF DEAL MENACE

The executive committee of the National Wool Growers Association, meeting in Salt Lake City, joins other similar organizations in opposing the reciprocal trade pacts being engineered by President Roosevelt and Secretary Hull. Citing the much-criticized treaty with Canada as an example, President Marshall of the woolmen voices his fear of further treaties of reciprocity. "If similar steps are taken in negotiations with other countries exporting agricultural products," he declares, "it must be expected imports of wool, mutton and lamb, and other agricultural articles may be greatly increased." He also expressed concern over the administration's pending sanitary convention with Argentina as opening the door to animals and meat from a country where the dread hoof-and-mouth disease exists.

Thus another large group of American producers takes up the cudgels against the administration policy which proposes to open home markets to raw materials from abroad. The woolmen have not yet been directly affected by the free-trade program but they recognize that it is probably only a matter of time until their industry will be swapped off in one of the so-called "Yankee trades." They are seeking to protect themselves from the fate that has overtaken the sugar-beet farmers, the cattlemen, the lumbermen, and the manganese miners in the deals already engineered.

A forward step for the protection of the industries whose vital interests are threatened by the foreign trade agreements is the proposed move to test the constitutionality of the Reciprocal Trade Agreements Act. A A national council composed of representatives of the industries affected is being formed to direct the court to test and to demand tariff equality between raw materials and manufactured products. It should command the full support of western producers. Its importance is well stated by President Adkerson of the American Manganese Producers Association as follows:

"Through reciprocal trade agreements, tariffs on American raw materials are being bartered away and advantages given to manufactured products. Products of the farms, mines, and forests generally have been adversely affected by this policy. Unless this practice is checked, all products of the ground, which are produced largely by unskilled labor, will come increasingly from foreign countries. Such a policy can only mean ruin for American enterprise."

[From the New York Journal of Commerce of December 12, 1935]

TRADE PACT POLICY FACES COURT TEST—HEAD OF MANGANESE GROUP PROPOSES PARLEY OF LINES HIT TO CONSIDER STEP

WASHINGTON, December 11.—An early conference of representatives of interested industries to consider proper moves to test constitutionality of the administration's Reciprocal Trade Agreements Act was promised last night by J. Carson Adkerson, president of the American Manganese Producers' Association.

As authoritative sources predicted early consummation of pending trade agreements with the Netherlands and Honduras, and subsequent ratification of the Spanish pact with a substantial reduction in the American duty on quicksilver, Adkerson pressed forward with his fight to have the trading law set aside.

He has bitterly fought agreements in which he alleges that American steel interests have been favored at the expense of domestic manganese producers.

HITS PROTECTION FOR MANUFACTURERS

"Free flow of raw materials and special protection for manufactured products has long been advocated and is now being pressed by a deepseated group of advisers within the administration," Adkerson said today.

"Manufacturers and consumers want raw materials as cheaply as possible. Through reciprocal trade treaties tariffs on American raw materials are being traded away and advantages given to manufactured products. Continuation of this policy will mean that products of the ground, produced largely by unskilled labor, will come increasingly from foreign countries and products of our factories will be exported. It will mean curtailment or destruction of many raw material and agricultural industries of the United States. Pursuant to this policy, tariff reductions have been granted on lumber, limestone, cement, manganese, ferro manganese, ferro silicon, feldspar, talc, firebrick, glass sand, fish, dairy products, furs, poultry, hay, cattle, potatoes, fruits, and many other raw material products of American forests, farms, and mines. Others will follow.

"Reductions in foreign tariffs have been obtained in favor of American steels, automobiles, electrical apparatus, machinery, office furniture and other major manufactured products."

RECALLS 1925 REPORT

"In 1925 a report entitled 'International Control of Minerals' was published by a committee under the chairmanship of Dr. C. K. Leith, formed under the American Institute of Mining and Metallurgical Engineers and the Mining and Metallurgical Society of America. This committee, as evidenced by the report, advocated an 'open door' policy in regard to minerals, and the use of the State and Commerce Departments of the United States Government to bring about further development of certain minerals in foreign countries. The object was for major American concerns approved by the State Department to acquire mining, oil, and other concessions abroad so that these raw materials could be produced with low-priced labor and imported, duty-free, into the United States for the benefit of major American interests.

"The report recommended that the State Department favor individual American companies and 'informally advise the foreign government involved as to which company in the particular case has its support.'

"The report gives special reference to the application of this policy in the development of oil, manganese, tungsten, graphite, chrome, antimony, quicksilver, vanadium, and other minerals in 'backward' countries."

RECOMMENDATIONS ARE CITED

"The report states that political and commercial pressure on these countries therefore seems inevitable.

"The committee further recommended that the State and Commerce Department pay higher salaries for appointees in these Departments to carry out this policy, urging: "* * * The society in every way within its power to press for the increase of the present salaries and allowances, and for the enlargement of the funds available for the work of the departments in connection with minerals abroad.

"Dr. C. K. Leith, chief sponsor of the international control of minerals policy, is now in the key position of 'acting chairman' of the mineral policy committee, serving the administration as adviser on mineral policy. Other members of the international policy group occupy important positions in the administrative departments of the Government.

"The international control of minerals' policy is being extended to include a growing list of raw materials and agricultural products.

"Increasing dependency upon foreign countries for our essential raw materials leads us into increasingly dangerous situations, relative to our economic security, national defense, and neutrality."

Mr. TAFT. Mr. President, I yield 10 minutes to the Senator from New Jersey [Mr. HAWKES].

Mr. HAWKES. Mr. President, I am not going to take up the time of the Senate with a long argument in connection with H. R. 3240, which, if enacted into law, would authorize the President of the United States to empower the State Department to enter into reciprocal trade agreements reducing tariffs 50 percent from the rates current on January 1, 1945.

I voted for the extension of the Reciprocal Trade Agreements Act in 1943, and will again vote for the bill as reported by the Senate Finance Committee, which would renew the Reciprocal Trade Agreements Act as it was prior to the introduction of H. R. 3240.

My personal preference would be to extend the act for 1 or 2 years, but if the amendment to H. R. 3240, as approved by the Senate Finance Committee, is adopted, I shall vote for the extension of the act which expired on June 12, 1945, as recommended by the committee.

There is wide difference of opinion between those in management and in labor with reference to this problem. Many of my constituents and many of the ablest businessmen in the United States, as well as labor leaders, are in favor of the enactment of H. R. 3240.

On the other hand, vast numbers of my constituents and many of the ablest businessmen and labor leaders in the United States are opposed to increasing the authority of the President to reduce tariffs below the point fixed by the act which has recently expired.

No one knows the answer, because we are standing on the brink of an unknown world, and undoubtedly will have to solve the problems which come from a new order of human and economic relations. One or two years will be found to be but the wink of an eye in the postwar period.

Many persons claim that we are a substantial creditor Nation, but no one can prove it, because the question of whether or not we are a creditor Nation will depend upon whether the war loans we have made shall be repaid, and what shall be the final outcome of the lend-lease program in which the United States has been involved during this war. It could easily turn out to be that we would find ourselves a debtor nation.

It is far easier to move forward later into new fields than it is to back up and recover from mistakes we may make in proceeding with too great haste and without known facts. We cannot afford to make any more mistakes and expect to remain a solvent nation or expect to employ all the millions of our own citizens needing and entitled to employment. This includes those who have served the Nation faithfully in war at home, as well as those who will return from abroad after having served on the battle fronts.

It yet remains to be proved that the trade treaties as they exist are in the interest of this country, because it must be recognized that while they have been in effect since 1934, it always takes several years to learn the different reactions from a new procedure such as that authorized by the Reciprocal Trade Agreements Act, and the experience, to be meaningful in peacetime, must be a peacetime experience.

A large part of our experience with the reciprocal trade agreements has been during wartime, and all economic procedures have been adjusted to the war program.

I ask, Why not wait until we come up from the first dive before we take another? Perhaps it may be justified, but why not wait a year or two before we, as the peoples' representatives, cede more power to the executive branch of the Government, even though we have the utmost faith in President Truman.

Let us take an inventory of postwar conditions before abandoning all known practices which have built this country into the condition that enabled it to furnish the materials and men that made possible our victory over the forces of evil.

A year or two will pass almost before we know it. No wise American wants to put barriers in the way of sound and fair international trade and relations, which are vital if we are to have permanent peace, but let us ascertain first what we can afford to do and still hope to give employment to our own people, and keep the Nation strong and virile, so that it can perform efficiently and effectively as a leader in world affairs and in the greatest of all objectives—to build and maintain peace on earth.

I am not in favor of high tariffs for the purpose of creating monopoly, or making some rich at the expense of others who are on the buyer side of the line.

I feel compelled to say that the statement of the senior Senator from Wyoming [Mr. O'MAHONEY] before the Senate Finance Committee, contains words of wisdom and advice which not only the Members of the Senate but the people of the United States, can well consider carefully in connection with where we are to go from here.

I have great confidence in President Truman, but I know something about the problems he will have to solve in the next 2 or 3 years, and it is utterly impossible for him to do all those things and give personal time and thought to the question of reciprocal trade agreements, which are vital to the welfare of our Nation as a whole.

The State Department which inaugurated these trade agreements under the Honorable Cordel Hull and Sumner Welles has now a different personnel. Let us wait for our new State Department to become seasoned in the great problems before it without putting still further burdens upon them which, if improperly or injudiciously handled, can jeopardize the whole American economy.

This is not intended as a criticism of our present State Department, but rather as a word of caution, to suggest that we give them time to become seasoned in the interest and welfare of this country, as well as to become seasoned in the interest and welfare of those things that relate to our international relations.

It is easier to move forward than it is to back up, and I can say, after having seen the conditions in Europe and elsewhere, and having talked to some of the most important businessmen in the world, that there is going to be such a struggle for supremacy in the business and economic world that we must be wise in our own interest if we expect to build and keep the kind of a peace we all desire and hope for.

The Congress is here, and if additional concessions are needed prior to the expiration of any legislation which we enact here and now, then such concessions, if justified and safe, can be granted by special legislation or special authority given to the President without regard to the time of the expiration of the Reciprocal Trade Agreements Act.

There is great conflict of view between eminent and patriotic Americans in both the major political parties of the United States, and throughout business and industry in the United States, as to what is the proper course to take. I cannot possibly say which group is right, but in the situation as I now see it, it is my firm conviction that no man could possibly understand the full meaning of further reductions in our tariff in the face of the world conditions which will confront us in the postwar period. My own judgment, in the interest of all, and in the hope of maximum employment on a fair and decent wage basis, dictates to me that caution at this milestone in our history is wisest, and therefore I shall support the committee amendment which would result in our going along for 3 years on the basis of the expired Reciprocal Trade Agreements Act, rather than take the step provided for in H. R. 3240, which would grant the power to the Chief Executive of the United States to authorize the State Department to reduce by as much as 50 percent the tariff rates in effect on January 1, 1945.

I am thoroughly familiar with the fact that many people argue that enactment of the pending bill, as it came to the Senate from the House would increase employment, but my experience tells me that we must have more than employment; we must have employment at decent wage scales, which will help to maintain the living standards of all our workers throughout the United States.

We cannot afford to take hasty action which will jeopardize maximum employment and the living standard of our people.

Mr. GEORGE. Mr. President, I yield to the Senator from Arkansas [Mr. FULBRIGHT].

Mr. BROOKS. Mr. President, will the Senator yield to me in order that I may place a letter in the RECORD?

Mr. FULBRIGHT. I yield.

Mr. BROOKS. Several days ago I placed in the RECORD a statement from the Elgin Watch Co. Today I have received from that company a letter addressed to it by Donald S. Parris, Acting Chief, Specialties Unit, Bureau of Foreign and Economic Commerce of the Department of Commerce, which gives some recent figures respecting imports of foreign watches. I ask unanimous consent to have the letter printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF COMMERCE,
BUREAU OF FOREIGN AND
DOMESTIC COMMERCE,
Washington, June 16, 1945.

Mr. T. ALBERT POTTER,
President, Elgin National Watch Co.,
Elgin, Ill.

DEAR MR. POTTER: Reference is made to your inquiry of June 8 regarding watch import and production statistics.

We regret that the United States production data do not reflect the actual domestic production, since, for the purposes of the Census of Manufactures, watch assembly has been considered production. This is true not only in the case of watches but as a general rule in the collection and tabulation of production statistics by the Bureau of the Census. The official description of the industry defined as clocks, watches, and materials and parts (except watchcases) is as follows: "This industry embraces establishments engaged primarily in the manufacture of clocks (including electrical), watches, and other devices operated by a clockwork, such as time-recording instruments and stamps, time switches, locks, and so forth, and the manufacture of clock and watch parts and materials (not including watchcases or watch crystals). Establishments that install purchased movements or movements of their own manufacture in purchased cases or those that install purchased movements in purchased cases are classified as manufacturers of watches".

We are completely revising the schedule for reporting production of watches and clocks during 1945. A copy of a very preliminary schedule, with some changes indicated, is being sent to you under separate cover. We should appreciate receiving any comments you might wish to make on this preliminary schedule. We hope to present a more complete picture of the industry's operations in 1945 by the use of a revised schedule.

The figure of 104 establishments in 1937 includes manufacturers and assemblers of clocks and watches and manufacturers of watchcases. A separate figure is available for the industry described as Clocks, Watches, and Materials and Parts (except Watchcases). This figure was: 1937, 75 establishments; 1939, 74 establishments. This figure of 74 establishments for 1939 included, as you indicated, those establishments assembling imported watch movements in imported cases or domestic cases, manufacturers of watch and clock parts, and manufacturers and assemblers of all types of clocks. Because of the disclosure factor in years prior to 1939, jeweled watch production and assembly were reported as one figure. In 1939 the official census statistics show that 1,345,893 jeweled watches valued at $18,163,600 were produced by firms making their own movements and purchasing the cases. The figures given by Mr. Ryder to which you refer represent the value of watches, watch movements, and parts except watchcases, produced for sale separately, both jeweled and nonjeweled, on the basis of the definition of the industry given above. To the unitiated, a comparison of such a figure with imports is confusing since the so-called production figure includes an indeterminate number of watches assembled from imported movements. This results in some duplication of values. I am enclosing a tabulation of United States imports for consumption of watches and watch movements for the first quarter of 1945 tabulated by number of jewels in the movements—see the footnotes. The corresponding figure for the years given in your letter are: 1935, 1,201,626 units ($3,668,645); 1937, 3,137,274 units ($8,183,117). A great deal of confusion could be avoided by reference to number of watches produced and imported rather than to dollar values.

Some of the firms generally considered as the jeweled-watch industry did, we understand, produce a few additional movements which were not cased by these firms. These would be in addition to the figures given above. It is not the policy of the Department of Commerce to disclose the names of firms reporting on their operations to the Department.

I should be most happy to discuss this whole problem with you and show you all the official statistics at the time of the meeting of the WPB Watch Industry Advisory Committee June 19 if it is convenient.

Please feel free to make use of the facilities of this office, or the Chicago Regional Office of the Department located at 357 United States Courthouse, whenever we may be of service.

Cordially,

DONALD S. PARRIS,
Acting Chief, Specialities Unit.

Mr. FULBRIGHT. Mr. President, there have been so many able and informative statements made during the debate on the pending measure that I doubt whether I can add anything in the way of facts, but I should like to make a few observations in connection with remarks which have already been made. I think the most persuasive statement was that made by the senior Senator from Georgia [Mr. GEORGE] that what we are primarily concerned with here is the preservation of a system of private trading among nations. If that be true, as I believe it to be, it would seem to me to outweigh most of the considerations which have been urged by the supporters of the committee amendment. I might state at the outset that I am against the committee amendment and in favor of the bill as it passed the House.

I think this country is now in the process of trying to readjust its relations with the world, both politically and economically. It seems to me there are two policies which we may be able to evolve during the coming years. I consider that we have had no real policy in our foreign relations during the last 25 years. I think it is probable that we will either continue along the road of cooperation, which I think the Senate, the House of Representatives, and the people are in favor of, or we may adopt the opposite course, which is commonly called imperialism, which would mean that we would look primarily to our own individual security and our own individual resources and disavow the idea that in order to have security we must cooperate with the other nations.

This particular program of reciprocal-trade agreements, of course, is not the major consideration in the formation of that policy. However, I think it is one of the important segments, and I feel that the adoption of a program such as is being completed, I think, this week at San Francisco would be an empty and a futile gesture if at the same time we should refuse to cooperate or collaborate with the other nations in the economic field. So I think that is its major significance. I do not think the complaints of the individual manufacturers or farmers or producers have been sustained by the evidence.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MORSE. I wonder if the Senator would agree to add to his definition of imperialism, which I think is inadequate, the comment that of course it also involves the exploitation of the economic resources of weaker nations, and thereby usually paves the way to economic warfare, resulting ultimately in military warfare.

Mr. FULBRIGHT. Does the Senator mean that the promotion of international trade leads to exploitation of the poorer people in other nations?

Mr. MORSE. No; I was commenting on the Senator's definition on imperialism. He pointed out that we have an alternative either to follow the policy which he suggests, with which I find myself in complete agreement, or follow an imperialistic policy, and I would suggest that in discussing the imperialistic policy we recognize that it is based, of course, in essence upon the exploitation of the economic resources of weaker nations.

Mr. FULBRIGHT. Oh, absolutely. I agree. I thank the Senator for that comment.

Mr. President, I was about to speak of the effect of this program upon our internal economy. I have read the reports of the House committee and of the Senate Committee on Finance, and it seems to me that no real evidence has been adduced that there has been substantial injury to our own industry, but only fear that there will be if this added power is given.

That raises one or two further points. The first point I wish to make is that the argument against reciprocal trade agreements sounds very much like the former attitude of the North toward the South, that if the South were permitted to develop industrially, it would injure the North. I believe that purely as a matter of business dollars and cents that attitude was wrong. It is astounding now to note the great difference of views among perfectly rational persons as to the economic effect upon our own economy. Northerners who had always been in favor of the internal tariff, in the form of discriminatory freight rates and other discriminations, were simply wrong. It was to their own advantage to permit the South to develop and become a market for their products. That may entail a certain shifting of specific industries such as textile industry, which has been used as an example; but the net effect has been to increase the economic benefits not only to the North, but also to the South. Furthermore, new markets have been provided. I believe that the same principle applies to a considerable degree in the field of international economics.

The one fairly persuasive argument against such a program is that we are getting ready for the next war, and therefore we must become self-sufficient. That is not an economic matter. That is purely a political or military argument. I do not profess to say that we should reduce the strength of our Army and Navy to an extreme extent—certain-

ly not until we have given our international political organization a greater opportunity to prove its worth. I hope we may be able to do so in the course of a few years. However, that seems to me to be the only persuasive argument on the other side, if we expect another war within a few years. But on strictly economic grounds, I am unable to see how the operation of the reciprocal trade agreements, up to now, has done substantial injury either to American agriculture or American industry, or that it will do such injury in the future. It might, of course, if we assume that the act will be very badly administered. If we assume that the agents of the Executive department have no wisdom, and will not use any judgment in making trade agreements, there may be some force to the argument.

I believe that the argument that the pending proposal is unconstitutional, that it involves too great a delegation of power under the Constitution, reduces itself to a fear of the lack of wisdom of those who will be in control of this program, and who will administer the act. There is certainly no question that under the Constitution we have the power to delegate such authority; but it is argued that the power might not be exercised wisely. I think that argument has already been answered. Congress has not the machinery properly to study and handle such matters. It is perfectly obvious, from the difficulties which Senators are now having in disposing of the policy-making legislation, that we would not be able to perform the administrative task involved in developing the various individual rates on all the articles embraced within this program.

It has been said that the only way we can insure peace in the world is for America to remain strong. I agree that that would contribute a great deal; but I point out that America has been strong. While its strength did not contribute to peace, it did help us to win the war. I believe that with this kind of a program, in connection with the political program which we are attempting to evolve at San Francisco, our strength might well be directed toward the preservation of peace.

That brings us back to the other argument which I mentioned, as to the economic effect. I do not think for a moment that the trade-agreements law has weakened the United States. On the contrary, I believe it has strengthened it as a Nation, regardless of any particular individual situation in any State.

As I stated in the beginning, two points impress me most as controlling arguments. The first is the point made by the Senator from Georgia, that this program is absolutely essential in order to avoid the necessity of State control of international trade after the war. The other point is that this program is consistent with the over-all policy which we are trying to develop, of cooperation with other nations. It would seem to me utterly inconsistent if at this time we should refuse to extend these agreements for 3 years, with the authority to mage a 50-percent additional reduction, just as it would be inconsistent if we should refuse to adopt the Bretton Woods agreement, which is now under consideration by the Committee on Banking and Currency, and which has passed the House of Representatives. We must make up our minds as to our over-all policy, and adopt consistent measures, or our efforts will prove to be completely futile in the realm of international relations.

I have noticed that many of those who oppose this measure are also most critical of the Bretton Woods agreement. They recognize the fundamental inconsistency of being for one and against the other. I believe that the Bretton Woods agreement is designed to promote the stability of exchange, but there is no particular value in going to a great deal of trouble or spending money to promote that object if, on the other hand, we permit obstacles to international trade to continue, or to be reestablished.

So this program is consistent with the over-all policy of trying to promote a better understanding among nations, and to promote political and economic cooperation. It is my view that if we intend to pursue the policies which the Senate has announced in the Connally resolution, we cannot avoid accepting this bill as it passed the House of Representatives.

Mr. TAFT. Mr. President, we are approaching a vote on the pending measure, and I wish to sum up the arguments in favor of the committee's position.

While the question is clearly understood in the Senate, I believe that in the country at large there is absolutely no appreciation of the fact that a 50-percent reduction in tariffs is proposed. So far as those who are writing to me are concerned, they are either for or against the reciprocal trade agreements, and they choose to castigate those who refuse further to reduce the tariffs as being opposed 'o continuing the trade agreements policy at the present rates and as being opposed to all reciprocity and all reduction of tariffs, and as standing out for the Smoot-Hawley tariff.

That is not the issue. The issue is whether we are to permit the President to reduce the tariffs to about 37 percent of the Smoot-Hawley rates, as compared with 74 percent, where they now stand. That is the only issue.

All my life I have said that I am not in favor of high tariffs. I have said that the Smoot-Hawley rates were too high; but when we reduced those rates 50 percent in many cases, and to an average of 74 percent of the Smoot-Hawley rates we certainly could no longer be accused of being in favor of high tariffs. Under this system there would still remain the authority further to reduce the rates from 74 percent to 50 percent of the Smoot-Hawley rates. If that were done, we would reach the level which was reached in the Underwood law of 1913. That act was advanced as a tariff for revenue. The net effect of it was being felt when the First World War came. The act was rapidly repealed wtih the flood of imports produced immediately after the First World War. That led to the emergency tariff of 1920, and later the Fordney-McCumber law of 1922.

The issue is whether we are willing to authorize the President to reduce the tariffs to an average of approximately 16 percent ad valorem, and about 37 or 38 percent of the Smoot-Hawley rates—rates very much lower than the rates under the Underwood law of 1913.

The question which it seems to me can not be answered is this: Why should we undertake to reduce the tariff, change our policy, and subject so many of our industries to uncertaintly and threat of ruin, when there is absolutely no necessity for it, when we have not yet tried the existing rates? The treaty with England, which was the most important one, did not go into effect until 1939, when the world war was already upon us, after Munich, and when the nations were concerned solely with war economy. There was no opportunity to take advantage of the American market. We do not know the effect. Frankly, I do not know the effect of the 50-percent reduction already made. I would be willing to try it for several years. I suspect that it will injure some industries, but certainly the common-sense thing to do is to try those rates before we go on and reduce them 50 percent further, to a figure below any tariff this country has had within the memory of man.

Many of our industries will be destroyed. Some people say monopolists are in favor of renewing the original act. Those who favor it are not monopolists, but they are representatives of industries such as the wool industry, the bicycle industry, the roller-bearing industry, and the textile industry. Most of those who will be hurt are engaged in small industries.

It is said that those who are opposed are inefficient. Mr. President, they are not inefficient. It is true that they are engaged in small industries which do not have the advantages of mass production. The small interests are the ones which will be adversely affected. We hear talk about lobbyists. Mr. President, if there has been lobbying in connection with this bill it has been the weakest lobbying I have observed in connection with any matter in which I have been interested. I receive many more communications and representations from organizations like the CIO, PAC, the League of Women Voters, and others who are interested in the general international situation, spurred on by the propaganda of the State Department than I do from those who are concerned with propaganda designed to help particular industries. Many of the communications I have received on this subject are simple appeals to back up the reciprocal trade agreements, without any understanding of what is in this bill.

Mr. TOBEY. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from New Hampshire?

Mr. TAFT. I am sorry, but I am limited in time, so I cannot yield.

Mr. TOBEY. I think the Senator will miss something good.

Mr. TAFT. I am sorry that I must miss it.

Mr. President, it has been said that no industries have been hurt. We have the

specific example of the zinc industry, just before the war. When the tariff was reduced, the price of zinc immediately fell by from $2 to $7 a ton, and the workmen voluntarily accepted a reduction in wages.

No American manufacturer can compete with a foreign manufacturer who has the same machinery, and approximately the same efficiency, but who is paying his labor from one-half to one-tenth the wages which are paid in this country. Those are the facts which we must consider. It is perfectly easy to destroy American industry. It seems to me that if we reduce the rates by 50 percent to 16 percent ad valorem, the country will be hurt. We have the responsibility of doing all we can to prevent having our people being driven out of work.

What we would obtain in return for the proposed reduction is not at all certain. It is not at all certain that we would have any substantial increase in our export trade. I would say that regardless of whether we adopt this amendment, we shall have six-sevenths or seven-eighths of the same foreign trade. I agree with the Senator from Vermont that we are going to witness a great expansion of international activity. We are going to see an expansion of trade. Most of that trade is on the free list. A considerable proportion can easily surmount the 50-percent tariff reduction without doing irreparable damage to many of our industries. But, Mr. President, why now insist upon a further 50-percent reduction?

The argument seems to be that the State Department has proposed this idea. I do not know of any Member of the Senate who, a moment before it was announced, knew that the State Department was going to propose the further power to reduce. Because it is proposed in connection with the renewal of the trade-agreements program, it is demanded as necessary to the international cooperation program. Because some of us do not favor accepting the further 50 percent reduction, we are accused of being against international cooperation. On the basis of such an argument we would be confronted with the peculiar claim that anything proposed by the State Department must be supported, or else we are not cooperating internationally. Mr. President, we are cooperating internationally if we renew the present power.

There is considerable bargaining power left under the present act, and certainly to renew the trade agreements and to cut our tariffs 50 percent of the statutory rate is reasonable cooperation.

Furthermore, how do we know what conditions will be in the world at large when the war is over? We do not even know what the currency values will be. It makes a tremendous difference to us whether the French franc is worth 1 cent or 2 cents. We cannot tell what the situation relative to the franc will be until we reach some agreement with France. At the present time no currencies have been fixed. If they are fixed low enough, the tariff might be practically zero, or at least 2 or 3 percent. We do not know what conditions in the various countries will be. We do not know what the wage levels will be in those countries. We know that the people and industries of foreign countries are being subjected to tremendous pressure. We know they will have to accept a lower standard of living because of the war through which they have gone. We know that in order to get work at all and in order to make exports at all they will have to take practically whatever wage rates their governments may fix, and they will fix wage rates at a figure which, if possible, will permit them to export to the United States.

This is no time for us to set a policy for 6 years ahead. That is what we would be doing, because there would be 3 years during which agreements might be negotiated, and the agreements themselves would last for 3 years more. We do not have the faintest idea what costs in foreign countries will be. We do not have the faintest idea what goods will come into the United States from foreign countries to compete with goods produced by our industries.

Mr. President, the Senate seems to have been moved by the general argument that we must have international cooperation. Possibly the reason why many of the same Senators who are opposed to this proposed further reduction are also opposed to the Bretton Woods agreement is that both of them have been supported by a kind blurred demand for international cooperation without logic or reasoning.

On the question of political organization, such as that proposed by the San Francisco Conference, I think we may hope to have ideals of justice and freedom and law prevail in the end. But when we come to business, when we come to economic fields, those elements simply do not prevail with most people. So far as economic relationships are concerned, they are business. They are business with every nation in the world except the United States, but we are told to guide our economic policy, not in our own interest, but in favor of international cooperation, if you please. The British are pursuing a very definite policy of doing everything they possibly can for their own trade, for their own business. Lord Keynes was very frank in his statement. He said:

> It is clearly recognized and agreed that during the postwar transitional period of uncertain duration we are entitled, in spite of Bretton Woods, to retain any of those wartime restrictions and special arrangements with the Sterling area and others which are helpful to us, without being open to the charge of acting contrary to any general engagements into which we have entered.

Lord Woolton, the Minister of Reconstruction, said in a speech on January 20, 1945, that Government departments had made studies of economic conditions in 26 countries, that since July 1944, the British Government had granted exit permits to 1,512 businessmen for foreign travel, that some of the restrictions on exports would be lifted soon, and that the Government was prepared to increase its appropriation for the backing of export trade from $300,000,000 to $800,000,000.

Mr. President, the British were very careful in the Atlantic Charter to preserve their definite right to maintain Empire preferences. There was no suggestion that in maintaining the Empire preferences which they have set up to favor their colonies and to make their own colonies take their imports from Britain, not from us, they are acting in opposition to international cooperation. They were very careful to protect those preferential agreements. But we are told that we must make agreements which, as soon as they are made, will, under the most-favored-nation clause, extend to every nation in the world.

It is said that we have no bargaining power left. Mr. President, we have some bargaining power left. We do not have to renew these agreements. We can still reduce the rates 8 percent. The reason why we have no bargaining power left is that when we make an agreement with A country, we give B country, C country, D country, and E country the same thing for nothing, and subsequently when we go to see E country we have to have new bargaining power if we are to get anything from her. If we pursue that policy indefinitely we shall reach the point where we shall have to pay some nation a subsidy on their exports into the United States in order to secure any reductions at all for imports from the United States to them.

The South American countries have been steadily increasing their duties against the United States in spite of our trade agreements. Today those duties are very much higher than they were when the war started.

With regard to Russia, of course we obtain nothing from her. She is outside the field, because her Government does all her buying and selling, and it makes no difference to her what our duties may be. If she wishes to get her imports into this country she can sell them at a price she may choose. They are not in any way affected by our tariffs. Of course, we can obtain no concessions from Russia because, as I have said, she buys all the goods she imports from the United States and she buys at such prices as we may agree upon.

Mr. President, I am in favor of international collaboration, but when we consider the economic field we must look out for our own interests, because no one else will do so for us. We must consider our interests above all others. If we are proposing a policy which will force a reorganization of our industry, and throw many people out of work, we should consider it clearly before we agree to adopt it. Some say that the thousands of employees who will be thrown out of work will seek and find work elsewhere. Perhaps there are employees who will do so. But we should hesitate in agreeing to any policy which will result in upsetting the economy of our country and throwing thousands of men and women out of work while in turn we dispose of exports which will equal only the production in this country which has been destroyed.

Mr. President, it seems to me that we should continue the rates exactly as they are at the present time. I am willing to continue them for the next 3 years and

see what will happen. The idea that because the State Department has evolved the theory that we should reduce our rates 50 percent and invite into our American markets the products of all the nations of the world, who will produce at the lowest wage rate in their history, seems to me to be an example of economic stupidity.

Mr. GEORGE. Mr. President, little time remains, and I do not care to argue the matter further than to say this: Oftentimes a fear has been expressed that under the Trade Agreements Act tariffs will be cut to an ad valorem level of approximately 16 percent, which it is said is about the Underwood rates. In my judgment there is no basis for such an argument. In the first place, there is no assurance that all rates will be cut by 50 percent. More than a full one-third, or 39 percent of all the rates in the tariff act, have not been cut at all during the past 11 long years. Only 42 percent by value have been cut as much as 50 percent. There is no likelihood that all rates will be reduced to the maximum as provided in the pending measure. On the contrary, it is absolutely certain that all of them will not be reduced. Therefore, there would not be a 16 percent ad valorem level as a result of the Trade Agreements Act.

Mr. President, there is constantly being reiterated the theory that at this period in the world's history, when conditions are so uncertain, we should look after our own affairs. I think we should look after our own affairs all the time, not only during this period but during all periods. But of the uncertainties which do exist in the world at the present time, there is one absolute certainty, namely, that every trade nation will be doing its dead level best to create preferential treatment for its trade and for its commerce. If our hands are tied we will not be able to meet that trade. The great value of the Trade Agreements Act, one which is persistently overlooked, is the flexibility which it introduces into our tariff system. It enables our Government to meet a rapidly changing situation. The Trade Agreements Act is flexible both up and down. It is said that we do not expect to use it upward. Perhaps not. But a changed administration might use it upward. Certainly the flexibility is not written out by what may happen in an American political election. Actually the flexibility which is introduced into our tariff making under the Trade Agreements Act is one of its chief values.

So much has been said about expanding the free list that I wonder if our friends have looked at it very closely. The most important of the items on the free list is rubber. Who can say that we are going to make rubber dutiable or not dutiable? Have we yet had much experience with the manufacture of synthetic rubber? Do we know what it will finally cost us?

The free list items of today are led by rubber. In 1939 $181,000,000 worth of rubber came into the United States.

The next largest item is coffee. Are we going to consume greater quantities of coffee than we have consumed in the past?

The next item is silk. The imports of silk had been increasing steadily for many years before the passage of the Trade Agreements Act. The development of synthetics will probably wipe out nearly all the imports which would otherwise come in under the silk items in future years.

Next in importance are paper manufactured out of paper base stocks, and tin. Perhaps some reductions may take place in connection with imports of those articles in the future, but the reductions will not be large.

There is also cane sugar from the Philippines. A fact which is entirely overlooked is that, with the advent of Philippine independence every single article and product of the Philippine Islands will be transferred from the free to the dutiable list, and there will be no increase in the free list imports.

So, Mr. President, at the present time we face a world which is more or less in chaos, as I said in opening this debate, but a world which will not stand still in making its own trade arrangements and agreements.

The PRESIDENT pro tempore. The hour of 2 o'clock having arrived, the time of the Senator from Georgia has expired. All time has expired.

Mr. GEORGE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Myers
Austin	Guffey	O'Daniel
Bailey	Gurney	O'Mahoney
Ball	Hatch	Overton
Barkley	Hawkes	Pepper
Bilbo	Hayden	Radcliffe
Brewster	Hill	Reed
Bridges	Hoey	Revercomb
Briggs	Johnson, Calif.	Robertson
Brooks	Johnson, Colo.	Saltonstall
Buck	Johnston, S. C.	Shipstead
Burton	Kilgore	Smith
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Byrd	Lucas	Taylor
Capehart	McCarran	Thomas, Okla.
Capper	McClellan	Thomas, Utah
Chandler	McFarland	Tobey
Chavez	McKellar	Tunnell
Donnell	McMahon	Tydings
Downey	Mead	Wagner
Eastland	Millikin	Walsh
Ellender	Mitchell	Wherry
Ferguson	Moore	White
Fulbright	Morse	Wiley
George	Murdock	Wilson
Gerry	Murray	Young

The PRESIDENT pro tempore. Eighty-one Senators having answered to their names, a quorum is present.

The question is on agreeing to the committee amendment striking out the House language on page 1, line 8, down to and including line 8, on page 3, and inserting in lieu thereof other words. The amendment will be stated.

The CHIEF CLERK. On page 1, after line 7, it is proposed by the committee to strike out:

SEC. 2. (a) The second sentence of subsection (a) (2) of such section, as amended (U. S. C., 1940 ed., supp. IV, title 19, sec. 1351 (a) (2)), is amended to read as follows: "No proclamation shall be made increasing or decreasing by more than 50 percent any rate of duty, however established, existing on January 1, 1945 (even though temporarily suspended by act of Congress), or transferring any article between the dutiable and free lists."

(b) The proviso of subsection (b) of such section (U. S. C., 1940 ed., sec. 1351 (b)) is amended to read as follows: "*Provided*, That the duties on such an article shall in no case be increased or decreased by more than 50 percent of the duties, however established, existing on January 1, 1945 (even though temporarily suspended by act of Congress)."

SEC. 3. Such section 350 is further amended by adding at the end thereof a new subsection to read as follows:

"(d) (1) When any rate of duty has been increased or decreased for the duration of war or an emergency, by agreement or otherwise, any further increase or decrease shall be computed upon the basis of the postwar or postemergency rate carried in such agreement or otherwise.

"(2) Where under a foreign-trade agreement the United States has reserved the unqualified right to withdraw or modify, after the termination of war or an emergency, a rate on a specific commodity, the rate on such commodity to be considered as 'existing on January 1, 1945,' for the purpose of this section shall be the rate which would have existed if the agreement had not been entered into.

"(3) No proclamation shall be made pursuant to this section for the purpose of carrying out any foreign-trade agreement the proclamation with respect to which has been terminated in whole by the President prior to the date this subsection is enacted."

And in lieu thereof to insert:

SEC. 2. Such section 350 is amended by adding at the end thereof a new subsection to read as follows:

"(d) No proclamation shall be made pursuant to this section for the purpose of carrying out any foreign-trade agreement the proclamation with respect to which has been terminated in whole by the President prior to the date this subsection is enacted."

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. Is it correct to state that those who desire the extension of the Trade Agreements Act practically and substantially as passed by the House will vote against this amendment?

The PRESIDENT pro tempore. It is if the question is a parliamentary one.

Mr. TAFT. On the committee amendment, I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BUTLER (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. BANKHEAD]. If he were present, I understand he would vote "nay." I transfer that pair to the Senator from Idaho [Mr. THOMAS], who if present would vote "yea." I am therefore free to vote. I vote "yea."

Mr. HILL (when his name was called). I have a pair with the junior Senator from Iowa [Mr. HICKENLOOPER]. I transfer that pair to the senior Senator from Washington [Mr. MAGNUSON]. I am advised that if present and voting, the Senator from Washington [Mr. MAGNUSON] would vote "nay," and that the Senator from Iowa [Mr. HICKENLOOPER] would vote "yea." I vote "nay."

Mr. WHITE (when Mr. VANDENBERG'S name was called). Some days since I

received a telegram from the senior Senator from Michigan [Mr. VANDENBERG] advising me that he had a general pair with the senior Senator from Texas [Mr. CONNALLY] on all matters which might come to a vote during their absence from the city. I am not authorized to say how either Senator would vote upon the pending amendment.

The roll call was concluded.

Mr. McCARRAN. On this vote I have a pair with the senior Senator from Florida [Mr. ANDREWS]. If he were present and voting he would vote "nay." If I were permitted to vote, I would vote "yea."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Alabama [Mr. BANKHEAD] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

I further announce that the Senator from Virginia [Mr. GLASS] has a pair with the Senator from Montana [Mr. WHEELER]. If present and voting, the Senator from Virginia would vote "nay" and the Senator from Montana would vote "yea."

The Senator from South Carolina [Mr. MAYBANK] is paired with the Senator from Indiana [Mr. WILLIS]. If present and voting, the Senator from South Carolina would vote "nay"; the Senator from Indiana would vote "yea."

The Senator from Georgia [Mr. RUSSELL] is paired with the Senator from Oregon [Mr. CORDON]. If present and voting, the Senator from Georgia would vote "nay"; the Senator from Oregon would vote "yea."

Mr. WHERRY. The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from Oregon [Mr. CORDON] is paired on this question with the Senator from Georgia [Mr. RUSSELL]. If present, the Senator from Oregon would vote "yea," and I am advised the Senator from Georgia would vote "nay."

The Senator from Indiana [Mr. WILLIS] is paired on this question with the Senator from South Carolina [Mr. MAYBANK]. If present, the Senator from Indiana would vote "yea," and I am advised the Senator from South Carolina would vote "nay."

The result was announced—yeas, 33, nays 47, as follows:

YEAS—33

Brewster	Hawkes	Revercomb
Bridges	Johnson, Calif.	Robertson
Brooks	Johnson, Colo.	Shipstead
Burton	Langer	Taft
Bushfield	McFarland	Thomas, Okla.
Butler	Millikin	Walsh
Capehart	Moore	Wherry
Capper	Murray	White
Donnell	O'Daniel	Wiley
Gerry	O'Mahoney	Wilson
Gurney	Reed	Young

NAYS—47

Aiken	George	Morse
Austin	Green	Murdock
Bailey	Guffey	Myers
Ball	Hatch	Overton
Barkley	Hayden	Pepper
Bilbo	Hill	Radcliffe
Briggs	Hoey	Saltonstall
Buck	Johnston, S. C.	Smith
Byrd	Kilgore	Stewart
Chandler	La Follette	Taylor
Chavez	Lucas	Thomas, Utah
Downey	McClellan	Tobey
Eastland	McKellar	Tunnell
Ellender	McMahon	Tydings
Ferguson	Mead	Wagner
Fulbright	Mitchell	

NOT VOTING—16

Andrews	Hickenlooper	Thomas, Idaho
Bankhead	McCarran	Vandenberg
Connally	Magnuson	Wheeler
Cordon	Maybank	Willis
Glass	Russell	
Hart	Scrugham	

So the amendment of the committee was rejected.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3322) to amend the act entitled "An act to expedite the provisions of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, and it was signed by the President pro tempore.

TRIBUTE TO THE MEMORY OF FRANKLIN D. ROOSEVELT

The PRESIDENT pro tempore laid before the Senate a resolution adopted by the Chamber of Deputies and Senate of the Republic of Nicaragua, paying tribute to the memory of the late President Franklin D. Roosevelt, which was ordered to lie on the table.

REPORT OF FEDERAL TRADE COMMISSION ON DISTRIBUTION METHODS AND COSTS

The PRESIDENT pro tempore laid before the Senate a letter from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, a report of the Commission entitled "Distribution Methods and Costs, Part VI, Milk Distribution, Prices, Spread, and Profits," for the year 1940, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Territories and Insular Affairs:

"Joint resolution requesting the Congress of the United States of America to increase the compensation of certain territorial and Federal officers

"Whereas the compensation now paid to Congressmen, including the Delegate to Congress from the Territory of Hawaii, is utterly inadequate to enable them to provide reasonable maintenance for themselves and their families and to meet the heavy expenses involved in the proper performance of their duties and the maintenance of the services required of them by law or demanded of them by the communities which they represent, particularly in view of the great increase in the cost of living in recent years; and

"Whereas such condition has resulted and will continue to result in deterring or preventing able citizens in moderate financial circumstances from seeking election to the said Congress; and

"Whereas in view of the growth of the Territory and the higher cost of living prevailing therein over many if not most mainland areas and the recent large increases in rates of compensation paid to persons engaged in both public and private employment, the compensation now fixed by Federal laws for circuit judges, supreme court justices, United States district court judges, and the Governor, secretary, and members of the legislature of the Territory, is likewise utterly inadequate: Now, therefore, be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States of America is hereby respectfully requested to increase the compensation of the following officers: Delegate to Congress from the Territory of Hawaii and other Members of the Congress; Governor of the Territory of Hawaii; chief justice and associate justices of the supreme court of said Territory; judges of the United States district court for said Territory; judges of the circuit courts of said Territory; Secretary of said Territory; and members of the legislature of said Territory for each regular session and for any extra session thereof.

"SEC. 2. Duly authenticated copies of this joint resolution shall forthwith be forwarded to the delegate to Congress from the Territory of Hawaii, to the Secretary of the Interior and the Attorney General of the United States, and to each of the two Houses of the Congress of the United States.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 17th day of May A. D. 1945.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

A resolution adopted by the Board of Commissioners of the City of Camden, N. J., favoring the enactment of the joint resolution (S. J. Res. 7) establishing a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history; to the Committee on the Library.

UNIVERSAL MILITARY TRAINING

Mr. CAPPER. Mr. President, I have received resolutions adopted by the American Legion Auxiliary, Department of Kansas, at its annual convention at Beloit, Kans., on June 7, 1945, taking a stand in favor of the adoption of a system of universal military training in the United States. I ask unanimous consent to present the resolutions and that

they be printed in the RECORD and appropriately referred.

There being no objection, the resolutions were received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the American Legion Auxiliary has since its inception believed in preparedness and adequate national defense, and has advocated as the only effective method of making these ideals operative under our form of government, the adoption of a system of universal military training in the United States; and

Whereas there is now pending in Congress proper legislation to bring about this result: Now, therefore, be it

Resolved, That the American Legion Auxiliary, Department of Kansas in convention assembled at Beloit, Kans., on this 7th day of June 1945, that we do hereby reaffirm our previous pronouncements upon this matter; that through our national organization and our own personal efforts we employ every energy to the early passage of this legislation so that universal military training be established in the United States; and be it further

Resolved, That a copy of this resolution be sent to our Kansas Congressmen and Senators at Washington, D. C.

REPORT OF COMMITTEE ON APPROPRIATIONS

Mr. TYDINGS. Mr. President, from the Committee on Appropriations I ask unanimous consent to report favorably with amendments the bill (S. 1125) to increase the compensation of the Speaker of the House of Representatives, the Vice President of the United States, Senators, Representatives in Congress, Delegates from Territories, the Resident Commissioner from Puerto Rico, and Members of the Cabinet, and I submit a report (No. 379) thereon.

The PRESIDENT pro tempore. Without objection, the report will be received and the bill will be placed on the calendar.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a report for the month of May 1945, from the chairman of a certain committee, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

SPECIAL COMMITTEE INVESTIGATING THE NATIONAL DEFENSE PROGRAM

JUNE 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of May, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Joe L. Martinez (investigator)	208 Massachusetts Ave. NE	U. S. Maritime Commission, Commerce Bldg., 14th St. between E St. and Constitution Ave. NW.	$3,800
Franklin N. Parks (investigator)	No. 106, 4021 Benton St. NW	Office of Price Administration, 2d and D Sts. SW	3,800
Brig. Gen. Frank E. Lowe	1316 New Hampshire Ave	Finance Office, Pentagon Bldg	6,000
Maj. James P. Murtagh	808 South Ivy St., Arlington, Va	do	3,600

JAMES M. MEAD, *Chairman.*

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DOWNEY:

S. 1163. A bill to provide for the appointment of two additional district judges for the northern district of California; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 1164. A bill to provide for a statutory award of $10 per month to any war veteran who was wounded, gassed, injured, or disabled by an instrumentality of war in a zone of hostilities, and for other purposes;

S. 1165. A bill to increase the death-compensation rates to World War widows, and for other purposes;

S. 1166. A bill to authorize such procedure as to the adjudication of claims for benefits administered through the Veterans' Administration as is designed to assure an equitable evaluation of all facts and factors pertinent to the claim, and for other purposes; and

S. 1167. A bill to increase the pension payable to war veterans suffering from permanent total non-service-connected disabilities from $50 to $75 per month; to the Committee on Finance.

By Mr. THOMAS of Oklahoma:

S. 1168. A bill for the relief of George A. Hales, doing business as Southern Aviation (with accompanying papers); to the Committee on Claims.

By Mr. BRIDGES:

S. 1169. A bill to provide for vacancy in office of both President and Vice President and other purposes; to the Committee on Privileges and Elections.

By Mr. GEORGE:

S. J. Res. 78. Joint resolution to provide for designation of the Veterans' Administration hospital at Crugers Park, Peekskill, N. Y., as Franklin Delano Roosevelt Hospital (with an accompanying paper); to the Committee on Finance.

COVERAGE OF CERTAIN DRUGS UNDER THE FEDERAL NARCOTIC LAWS—AMENDMENT

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to submit an amendment which I intend to propose to the bill (H. R. 2348) to provide for the coverage of certain drugs under the Federal narcotic laws. I ask that the amendment may be printed and lie on the table, and may also be printed in the CONGRESSIONAL RECORD.

I may say that this amendment has been worked out in conjunction with the millers of hemp and the Treasury Department. It is my understanding that an official communication concerning this amendment will be sent to the able chairman of the Finance Committee, the senior Senator from Georgia [Mr. GEORGE].

The PRESIDENT pro tempore. Without objection, the amendment will be received, printed in the usual form, lie on the table, and be printed in the RECORD.

The amendment is as follows:

On page 5, after line 3, insert the following:

"AMENDMENTS RELATING TO MARIHUANA

"SEC. 10. (a) Exemption for certain transfers to millers: Section 2591 of the Internal Revenue Code is amended by adding at the end thereof a new subsection (e) to read as follows:

"'(e) Exemption for certain transfers to millers: Nothing in this section shall apply to a transfer of the plant Cannabis sativa L. or any parts thereof from any person registered under section 3231 to a person who is also registered under section 3231 as a taxpayer required to pay the tax imposed by section 3230 (a) (6).'

"(b) Special tax on millers: Section 3230 of the Internal Revenue Code is hereby amended by adding at the end of subsection (a) a new subdivision (6) to read as follows:

"'(6) Millers: Any person who at a mill manufactures or produces from the plant Cannabis sativa L. any fiber or fiber products, $ per year, or fraction thereof during which he engages in such activities.'

"(c) Registration of millers: Section 3231 of the Internal Revenue Code is hereby amended by inserting at the beginning thereof, before the word 'any' the following: '(a) In general.—'; and by adding at the end of such section a new subsection to read as follows:

"'(b) Special requirements for millers: The Secretary shall not permit the registration of any person under this section as a person required to pay the tax imposed by section 3230 (a) (6), unless in the opinion of the Secretary such person (or if a corporation, each officer thereof) is a person of good moral character and unless in the opinion of the Secretary such person is a person of suitable financial standing, intends to engage in good faith in the business of manufacturing or producing fiber or fiber products from the plant Cannabis sativa L. on a commercial basis, and is not seeking registration under this section for the purpose of facilitating the unlawful diversion of marihuana. Any person who is registered under this section and has paid the tax imposed by section 3230 (a) (6) shall afford agents of the Bureau of Narcotics ready access at all times to any part of the premises of the mill or other premises of such person and the right to inspect any and all books, papers, records, or documents connected with the activities of such person in dealing in, manufacturing, and processing Cannabis sativa L. and fiber or fiber products thereof, and the handling of marihuana. The Secretary may cancel or may refuse to renew, after notice and opportunity for hearing, the registration of any such person if he finds that such person has not complied or is not complying with the requirements of this subsection, or if he finds that grounds exist which would justify

the refusal to permit the original registration of sueh person under this section.' "

MARY A. MURPHY

Mr. WALSH submitted the following resolution (S. Res. 137), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Mary A. Murphy, widow of Edward V. Murphy, Jr., late clerk on journal work for the CONGRESSIONAL RECORD, a sum equal to 1 year's compensation at the rate he was receiving from the Senate and from the Official Reporters of Debates at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

INVESTIGATION OF LEGISLATION AND ADMINISTRATION OF REGULATIONS RELATING TO WORLD WAR VETERANS

Mr. MITCHELL (for Mr. MAGNUSON) submitted the following resolution (S. Res. 138), which was referred to the Committee on Finance:

Resolved, That a special committee to be composed of seven Senators appointed by the President of the Senate is authorized and directed to make a full and complete study and investigation with respect to the administration of all Federal legislation and departmental administration of regulations pertaining to and relating to the veterans of World War I or World War II. The committee shall report to the Senate at every practical date the results of its study and investigation, together with such recommendations as to legislation as it may deem advisable and make its final report to the Senate within 3 years from date of enactment of this resolution.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-ninth and succeeding Congresses, to employ such experts, and such clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $25,000 per annum shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

CONTINUATION OF AUTHORITY FOR INVESTIGATION OF THE USE OF PUBLIC LANDS

Mr. McCARRAN, by unanimous consent, from the Committee on Public Lands and Surveys, reported an original resolution (S. Res. 139), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the authority conferred by Senate Resolution 241, Seventy-sixth Congress, agreed to May 24, 1940, and Senate Resolution 147, Seventy-seventh Congress, agreed to September 8, 1941, and Senate Resolution 39, Seventy-eighth Congress, agreed to May 23, 1944, and Senate Resolution 18, Seventy-ninth Congress, agreed to January 29, 1945 (relating to the investigation of the use of public lands), is hereby continued during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress.

PUBLIC POLICY IN POSTWAR AVIATION (S. DOC. NO. 56)

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed as a Senate document, with an illustration, a report on Public Policy in Postwar Aviation, by Halford G. Davis, former director of economic development, Aeronautical Chamber of Commerce.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Maine? The Chair hears none, and it is so ordered.

GENERAL MACARTHUR'S ATTITUDE TOWARD THE PHILIPPINE MISSION

Mr. TYDINGS. Mr. President, I should like to read into the RECORD six paragraphs from an Associated Press dispatch from Manila, dated June 19, headed "MacArthur denies report of friction during Tydings' visit":

"There is absolutely no truth in the report of friction during the visit of the Tydings' commission in the Philippines," General MacArthur told the Associated Press today.

His statement was a reply to Columnist Drew Pearson, of the Washington Merry-Go-Round, who hinted that the general opposed the commission.

"I am glad to welcome it (the committee headed by Senator TYDINGS, Democrat, of Maryland). I enjoyed working with it, and I hope it will return. Anything any person can do in solving our problems will be received here with enthusiasm not only by me but by everyone else.

PRESS FREEDOM ABUSED

"Such an unfounded and baseless statement clearly abuses one of the greatest pillars of our form of life—the freedom of the press."

Sources close to General MacArthur said the general heartily recommended the visit of the Tydings' commission—

Which I know to be true—

and as heartily approved a second committee expected to arrive soon.

These sources said General MacArthur told the commission it was free to remain as long as desired and he exercised no influence on its length of stay. They said complete cordiality existed between General MacArthur and the commission and the Commonwealth government.

That statement, Mr. President, is 100 percent correct. I am glad that General MacArthur has presented his side. I have presented mine. I think that good form ought to require the newspapers which have abused their freedom of expression to the general's detriment to make an open apology in the interest of fair play.

CONFERRING OF HONORARY DEGREE OF DOCTOR OF LAWS ON PRESIDENT TRUMAN BY GEORGETOWN UNIVERSITY

[Mr. HATCH asked and obtained leave to have printed in the RECORD an article entitled "Georgetown Citation Extols Truman as a Chosen Son of Destiny," from the Evening Star of June 18, 1945, which appears in the Appendix.]

A MEETING WITH PRESIDENT TRUMAN—EDITORIAL FROM THE CHARLOTTE (N. C.) OBSERVER

[Mr. HOEY asked and obtained leave to have printed in the RECORD an editorial entitled "A Meeting With President Truman," published in the Charlotte Observer of Charlotte, N. C., of the issue of June 15, 1945, which appears in the Appendix.]

MEMORIAL DAY ADDRESS BY HON. CHARLES M. MILLS

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD a Memorial Day address delivered by State Senator Charles M. Mills, of Jaffrey, N. H., at Keene, N. H., which appears in the Appendix.]

GOVERNMENT SUBSIDIES — EDITORIAL FROM THE ATLANTIC NEWS-TELEGRAPH

[Mr. WILSON asked and obtained leave to have printed in the RECORD an editorial entitled "The Subsidy," from the Atlantic News-Telegraph, of Atlantic, Iowa, which appears in the Appendix.]

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses, thereon, and that Mr. RAMSPECK, Mr. RANDOLPH, Mr. JACKSON, Mr. REES of Kansas, and Mr. VURSELL were appointed managers on the part of the House at the conference.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. SHIPSTEAD obtained the floor.

Mr. WHITE. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHITE. Am I right in my understanding that, the committee amendment having been disposed of, there is now no limitation upon debate?

The PRESIDENT pro tempore. The Senator is correct.

Mr. SHIPSTEAD. Mr. President, I have an amendment I wish to offer on behalf of the Senator from Nebraska [Mr. WHERRY], the Senator from Wyoming [Mr. O'MAHONEY], and myself, and which I ask to have stated.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

SEC. —. No foreign trade agreement hereafter entered into under section 350 of the Tariff Act of 1930, as amended, and no modification hereafter made in any such foreign trade agreement, shall provide for any decrease in the rate of duty applicable with respect to any agricultural product imported into the United States which is specified in paragraphs 701 to 783, inclusive, of schedule 7 of such act, as amended, and including casein or lactarene, wools, and mohair.

Mr. SHIPSTEAD. Mr. President, it has been stated in the debate on the pending

bill that no damage has been done to agriculture by the reciprocal trade treaties. I propose to show by the records that the direst damage was done to the agricultural industry, until the war period, when the war purchasing agencies began to affect agricultural prices and the War Food Board and the OPA began to arrange for higher prices in order to promote the production of agricultural commodities. We did have such experience that we could observe the effect of the treaties upon the agricultural production of the United States, and I propose to show by the records what the effect was.

The war years and war purchasing upset all calculations. We cannot appraise what the conditions will be when the war is over and when war purchases cease. But during the years from 1934 to 1940 there was reduction in the tariffs on 150 agricultural products. Past experience tells us that agricultural products are not traded out of the country by reducing tariffs. They are traded into the country instead.

On October 25, 1932, President Roosevelt in a speech delivered at Baltimore said:

> It is absurd to talk of lowering tariff duties on farm products. I declared that all prosperity in the broadest sense springs from the soil. I promised to endeavor to restore the purchasing power of the farm dollar by making the tariff effective for agriculture, and raising the price of farmers' produce. I know of no effective excessively high tariff duties on farm products. I do not intend that such duties shall be lowered. To do so will be inconsistent with my entire farm program, and every farmer knows it and will not be deceived.

However, the Reciprocal Trade Agreements Act placing the authority to fix tariff rates in the hands of the State Department, was passed. What happened to agricultural products? The tariffs on them were reduced. I will name some of the most important products of the farm on which tariffs were reduced in spite of the promises which were made that they would not be reduced. Tariffs were reduced on cattle, beef, wool, pork, milk, butter, cheese, poultry, eggs, potatoes, barley, oats, rye, fruits, cabbages, and other vegetables. That was not trading farm products out of this country as was promised; it was trading farm products into this country in competition with the farmers of the United States.

Mr. President, we are now told, as we have been told down through the years, that the tariff is a local issue. It is a local issue. It hits the man or the region locally that it attacks, and it hits every individual who has to compete with the lower price level of foreign countries. The administration of the Reciprocal Trade Agreements Act was placed in the hands of a different class of officials than we were promised would handle the trade agreements. It was said that these trade agreements were to be handled by experts, and that is true; they were handled by experts, but not by the right kind of experts. The experts who handled and negotiated these treaties were looking out for their own interests and not for the interests of agriculture or the country as a whole. As a result in 1940 representatives of some of the most prosperous industries of the United States came before the Finance Committee in support of the extension of the reciprocal trade treaties—and what were the industries? The most prosperous of all was the automobile industry. Representatives of that industry and of other industries which had benefited in their trade at the expense of the farmer came before the Finance Committee and praised the Reciprocal Trade Agreements Act in that year. They are back of it now.

Let us see what the agreements did to agriculture. I said the experts got busy, but they were not representative of the farmers. They were representative of the typewriter industry, the automobile industry, and the large corporations and large industries connected with international cartels. There were others representing the entrepreneurs, the handlers of imported goods, the processors of dairy products, and particularly the importers of cheese. What was the effect of the work of these experts? The first thing they did was to reduce the tariff on cheddar cheese by 42 percent. That resulted in the cutting of the price of cheese in the United States from 17 cents to 13 cents a pound.

In 1939 there were imported over 60,000,000,000 pounds of cheese. More than half of this cheese was of what are called the Italian varieties. We speak of cheese of an Italian variety, but it is not all imported from Italy. It is an excellent type of cheese, and should require from 6 to 18 months to cure. That costs money. Cheese of the Italian type was imported from various countries. Within a year 300 cheese factories in the State of Wisconsin were closed, and the total closure of cheese factories in the United States was in excess of 800. I shall show in a moment how that affected others than those in the cheese industry.

In 1938, when cheese was bringing 12.6 cents a pound during the whole year, the second Canadian treaty further reduced the tariff on cheese 1 cent a pound. What happened? The most-favored-nation clause of the tariff act was invoked. That opened the portals of the ports of the United States to the importation of cheese from Denmark, from France, from Belgium, from Italy, and from the Argentine on the same ground as it came in from Canada. That ruined the cheese business.

Because of the ruination of the cheese business, the farmers who had been making cheese turned to making butter. What happened to the butter market? The throwing of the extra butter upon the butter market broke the butter market to the American farmer. It reduced the price of butter to 22 cents a pound.

Then, because of the distress to the farmers engaged in the dairy business all over the United States, the Federal Government dipped into the taxpayers' pocket to pay a subsidy to the butter makers and pegged the price of butter at 25½ cents a pound. The Government went into the pockets of the taxpayers to raise millions of dollars to pay for the privilege of having foreign countries ship dairy products into this country and ruining the farmers of the United States. Then it was necessary to give them a dole taken out of the taxpayers' pockets.

In spite of all that, it is said by some that they do not know that these treaties have hurt agriculture. They have hurt agriculture, and they have hurt every other industry, and have hurt particularly the taxpayer because of the dole that has had to be paid.

If the 60,000,000 pounds of cheese imported in 1939, which caused the wreckage of the dairy industry, making it necessary to give the farmer a subsidy, had been made in the United States from American milk, which otherwise had to go into butter, it would have lifted approximately 25,000,000 pounds from the surplus butter of the United States. It is a well known fact that it takes the milk ingredient of 2½ pounds of cheese to make a pound of butter.

The figures of the Department of Agriculture show that as the result of the exports and imports of 1935, 1936, 1937, 1938, and 1939 we lost in exports of agricultural products instead of gaining.

Non-agricultural exports—that is, the products of industry—increased by 79 percent; but agricultural exports shrank. However, there were those who made money out of the lowered tariff and the pauperization of the dairy farmers of America. They made money at the expense of the farmers and the taxpayers, who had to pay for the butter subsidy. It was not the farmers or the taxpayers who made money.

Last week, on the spur of the moment, I attempted from memory to quote some of the profits of those people. I felt far short of actuality. One of the corporations which imported and processed cheese from all over the world helped to drive down the market for American products, both butter and cheese.

The tariff on cheese of 7 cents a pound in 1935 was reduced first to 5 cents, and finally in 1939, in the revision of the agreement with Canada, to 4 cents a pound. The reduction in the cheese duty from 7 to 5 cents a pound caused cheese imports to jump 1,400 percent. That again hit the butter market and the milk market. Then in 1939 came the reduction to 4 cents a pound, and cheese imports rose 300 percent. Again the butter market was attacked, because those who had been producing cheese went into the butter market and broke the butter market. From an average price of 17 cents prevailing before the reciprocal trade years, the price dropped to an average of 13 cents, with a corresponding drop in butter prices, resulting in a reduction of approximately $200,000,000 in the cash income of the dairy farmers engaged in furnishing milk for the production of cheese and butter.

Who benefited from that? The large processors and importers of dairy products became very prosperous. They favored the reduction. Undoubtedly they were the experts consulted by the State Department. To them it makes no difference whether cheese sells for fifteen or 25 cents a pound. That is, it makes little difference to the processor who buys the product from the farmer.

The profit per pound is the same. The capital required is less. The cheaper he can buy the product the more volume he will have, and the greater profits he will receive, because the margin between what he pays for the raw material and the price of the processed cheese on the market is always the same, because he fixes that margin. Of course the processors favor large imports, particularly if their plants are located in foreign countries, as many of them are.

The farm organizations in this country certainly did not ask for this reduction in the tariff on dairy products. Who was it who was so interested in lowering the tariffs on these agricultural products? The ones who were using the imported cheese as raw material for their cheese processing operations, and who are now, and have been for years, the opponents of the farm cooperatives.

To illustrate: One of these corporations owned 54 subsidiary corporations at that time. It had 14 charters in New York, 34 subsidiary corporations in Canada, 2 in Holland, 4 in the United Kingdom, 3 in Australia, and other subsidiaries in Belgium, Argentina, and Germany. This organization was at the time engaged in the importation of dairy products, and at the same time also engaged in the wholesale and retail distribution of dairy products in the United States.

In spite of the fact that through that period the dairy farmers had sustained heavy losses, we can assume that an international corporation dealing with any commodities which are being considered by the experts in the State Department in making their agreements, would also be very much interested in the subsidiary corporations which they own in Canada, Belgium, Holland, Argentina, Australia, France, and Germany. At least, it would be natural that such corporations would be consulted, even though the United States farmers and cooperatives were not.

The expert traders do not seem to be very much concerned with the interests of the farmers of this country, but are evidently much concerned in promoting the interests of international corporations which, through subsidiaries abroad, have promoted production in foreign countries of competitive dairy items, and by means of such subsidiaries send competitive items to the United States in direct competition with the products of American farmers, whose interests the expert traders are flagrantly betraying.

It is quite evident that any corporation owning numerous and powerful corporations in England, Holland, Argentina, Australia, and elsewhere would be deeply interested in promoting reciprocal trade agreements with the countries in which such subsidiaries are located. This is not for the benefit of American agriculture, but solely and exclusively for the benefit of the international operations of such holding companies. If one reads the reports of Poor and Moody concerning their earnings, and how extensively they increased their earnings in the years which followed the conclusion of such trade agreements affecting various farm commodities, he will be surprised at the earnings they have received. Whatever increase in earnings there was, was at the expense of the American farmer. The trade agreements eminently fit into the operation and promotion of such corporations, while they deal severe blows to the American farmer.

In the light of the record of the trade pact law, can we blame the farmer for feeling that he has been deceived? Can we blame him for having misgivings about the future use of this unrestricted power? President Roosevelt's words have proved true. He said, "To reduce tariffs on farm products is ridiculous." I say that it is worse than that. It can be considered almost a criminal attack upon the income of the farmers and the production of American agricultural products.

I have referred to the direct effect which the lowering of the tariff on dairy products had on lowering the price of butter and cheese. I desire to be more specific. In the United States, the flush milk production is in the spring and summer of the year. In the Southern Hemisphere the flush production is in the late fall and winter. In the years prior to the war the price of butter in the United States was always affected in the fall and winter by the volume of production and by the prices of butter in New Zealand and Australia, which are large exporters of this commodity. More than half the cheese which we import into the United States from foreign countries is of the Italian variety and is produced chiefly in Argentina and Italy. In the last year during which we had free trading with Argentina, close to 20,000,000 pounds of that kind of cheese found their way from Argentina to the United States. I am told that a large number of applications for permits to import more, as soon as transportation can be provided, are scheduled.

Huge quantities of cheese in Argentina are in large stocks available for shipment to the United States. I am also informed that, notwithstanding the war, Denmark is ready to invade our cheese market with a very large stock of cheese. Let me repeat that this not only affects the cheese market, but the butter market, the milk market, and the whole dairy industry of the United States.

Let us examine the conditions under which this cheese is manufactured, and what the American farmer has to contend with. What are the conditions under which cheese is produced in Argentina?

A cheese maker in Argentina receives a wage of approximately $350 a year, and his helper receives about $200 a year. The average American cheese maker receives $3,500 a year, and his helpers receive approximately $1,800. The Argentine farmer receives about 18 cents a a pound for the butterfat content of the milk, while the American farmer receives approximately 75 cents a pound for the butterfat used in the production of cheese.

The Argentine dairyman, because of favorable climatic conditions, operates in the open. Because of favorable climatic conditions he does not need substantial barns, costing thousands of dollars. He does not use expensive equipment, and competent herdsmen are not necessary. In Argentina the dairy cow pastures the year round out in the open, and is milked in the open. Cheese factories are not burdened by State or Federal inspection. Only elementary buildings and equipment are necessary in the production of dairy products in Argentina.

We have inspection of our cows for tuberculosis and other diseases. Our cheese factories and butter creameries are carefully inspected under very strict sanitary laws. Such inspection is not found in Argentina. Our pure food law administrator, in the intelligent protection of the health of the American people, makes frequent check on the dairy products which move in interstate commerce. But how do we know under what conditions the cheese which comes to our shores from Argentina is produced? How do we know what kind of cows produce the milk? How do we know what sanitary methods are used in connection with the production of cheese? The average person does not know anything about that.

It is true that the cheese is analyzed, but it is also true that the milk which comes into our metropolitan areas is no different, when analyzed, from milk produced in good, clean, uninspected dairy farms. The chemists or bacteriologists cannot completely determine in their laboratories the conditions under which cheese and butter have been produced.

Here we have a very comprehensive promise made by the administration to the working men and women of the Nation that in the period following the war it shall be the duty of America to provide 60,000,000 jobs to the working people on the farms and in the industries of the United States. On the one hand, we are trying to promote a high standard of working conditions for our people, and on the other hand we are trying to increase the importations of dairy products produced in tremendous quantities in parts of the world where the wage scales are one-tenth of the wage scale for workers in the United States engaged in similar work. How can that be done? What is true as to the dairy products is also true as to the dairy farmers, particularly as compared with those in Argentina. Our average dairy worker receives $1,200 a year and board and lodging. The average Argentine worker engaged in the same work receives approximately $180 a year.

During the hearings on reciprocal trade information which were held in Washington in 1939 and again in 1941, it was established beyond any reasonable doubt that the lowering of the tariff on dairy products would be extremely damaging to the farmers of the United States, because of the fact that the standard of living and all the other cost items affecting the over-all cost of production of dairy products produced abroad are so low. Cheese and butter produced abroad can be imported into the United States from countries such as Argentina, even with the present tariff duties paid, and can be sold here

for less than one-half the cost of production of similar items in the United States.

Let us now consider the situation of the dairy industry in the United States. We are exporting huge quantities of cheese and butter, dried milk, and evaporated milk under lend-lease arrangements, and a huge quantity of such products is supplied to our armed forces. I am told that the production of cheese in the United States this year will probably exceed 1,100,000,000 pounds, and that the production of Cheddar cheese undoubtedly will exceed 900,000,000 pounds. That is nearly twice the average yearly production of cheese in the United States for the 10-year period immediately preceding the present war. What are we going to do with this huge quantity of cheese when most of our soldiers and sailors come home, when living conditions will again be normal, and when—thank God—lend-lease will be ended. It is not possible to increase our per capita consumption of cheese overnight. In addition, if we are required to absorb, not simply 60,000,000 pounds of cheese imported from Argentina and other countries, but twice that amount, what will happen to butter and cheese and all the other dairy products produced in the United States? Will the dairy farmer continue to receive 75 cents a pound for the butterfat which goes into the production of cheese, or will he be forced to cut the price in order to meet the price of cheese and butter imported from foreign countries? If so, the price of milk may have to be cut in half and the wages paid to dairy workers may have to be substantially reduced—and that at a time when we reasonably expect to be able to maintain the highest standard of living and the highest wage levels ever known to the human race.

It is said that the pending bill is a peace bill, an antiwar bill. Do Senators think we can have eternal peace by pauperizing America? Are we going to buy peace—an ephemeral theory—and start out by pauperizing the farmers and other working people of America?

Mr. BARKLEY. Mr. President, will the Senator from Minnesota yield? I wish to ask him a question.

Mr. SHIPSTEAD. I yield.

Mr. BARKLEY. There is no limitation on debate now, and I should like to ask the Senator a question about Cheddar cheese, to which he has referred.

Mr. SHIPSTEAD. Very well.

Mr. BARKLEY. We entered into a trade agreement with Canada, effective January 1, 1936, and in the agreement Cheddar cheese was involved. In 1933, before the trade agreement was entered into, the domestic production of Cheddar cheese was 415,000,000 pounds plus, valued at a little more than $42,000,000.

Mr. SHIPSTEAD. That is the figure for United States production, is it not?

Mr. BARKLEY. It is.

In 1935, the year before we entered into the trade agreement with Canada affecting Cheddar cheese, we produced 475,000,000 pounds plus, valued at $68,000,000. The importations in those 2 years amounted to two-tenths of 1 percent of our domestic production.

In 1937, the year after we entered into the trade agreement, we produced 497,000,000 pounds plus, and the importations amounted to 1 percent of domestic production.

In 1939, which was 3 years after we entered into the trade agreement, our domestic production was 541,000,000 pounds plus, and our imports amounted to 1.2 percent of domestic production. The value of our domestic production was $69,348,000.

I wish to ask the Senator whether he thinks that, under the impetus of a trade agreement, an importation of Cheddar cheese amounting to 1.2 percent of our domestic production, based upon practically a $70,000,000 annual production, was either destructive or injurious to the Cheddar-cheese industry in the United States?

Mr. SHIPSTEAD. I will say to the Senator that the natural conclusion based on his statement would be that it was not particularly injurious. But the Senator forgets that the most-favored-nation clause was invoked, giving other nations the same privilege.

Mr. BARKLEY. I understand that, of course.

Mr. SHIPSTEAD. That is important.

Mr. BARKLEY. Nevertheless, the domestic importations from all countries amounted to only 1.2 percent of our domestic production.

Mr. SHIPSTEAD. It took very little to break the cheese market.

Mr. BARKLEY. It certainly was not that 1 percent.

Mr. SHIPSTEAD. Well, they kept progressively reducing the tariff, and as they progressively reduced it——

Mr. BARKLEY. No; they did not reduce it any more than they did under the trade agreement which applied under the most-favored-nation clause, to all the other Cheddar cheese producing nations of the world. There was not a progressive reduction, but there was an agreement by which, in return for certain concessions which we received, we reduced the tariff on Cheddar cheese. The result was that we had importations amounting to about 1.2 percent of our total production in those years.

Mr. SHIPSTEAD. I am talking about cheese.

Mr. BARKLEY. That is what I am talking about. I am talking about Cheddar cheese.

Mr. SHIPSTEAD. In 1935 the tariff of 7 cents a pound was reduced first to 5 cents, and finally, in 1939, by a revision of the agreement with Canada, to 4 cents a pound.

Mr. BARKLEY. That was not a full 50-percent reduction which could have taken place. It was a reduction only from 5 cents to 4 cents, or a 20-percent reduction.

Mr. SHIPSTEAD. It resulted in the conditions about which I am speaking. I have not obtained my facts from the experts who drafted the reciprocal trade agreement.

Mr. BARKLEY. Of course, there are certain over-all facts to be taken into consideration which may be obtained from the reports. The figures which I read were obtained from the Bureau of Foreign and Domestic Commerce of the United States and the State Department. They are supposed to be accurate.

Mr. SHIPSTEAD. If the Senator will analyze all the figures he will come to the same conclusion I have come to.

Mr. BARKLEY. I doubt it, but I will not argue the point.

Mr. SHIPSTEAD. I do not believe it would be worth while. However, if the Senator will think back to the time when the Federal Government was forced to put a subsidy on butter after the importation of cheese he will come to the conclusion I have come to.

Mr. President, under the conditions which will probably follow the war, what will happen to the price of dairy products? Even if the rates which were fixed in the last agreement prevail, what will happen to dairyland? The provision exists in the pending measure to cut tariffs on dairy products 50 percent or more. If, following this war, the same conditions exist which existed following the First World War, what will happen to our banks? What will happen to cur employment rolls? What will happen to our industry? What will happen to our wages in the United States? Are we going to apply this instrument in another attack upon the farmer and drive him to the point where defaults in mortgages will take place, as well as an exodus of dairy farmers from the countrysides to the cities similar to that which transpired on a previous occasion? This is exactly what will happen unless a provision is included in the pending measure excluding not only dairy products but every other farm commodity from the power of the Chief Executive to reduce tariff rates 50 percent below those which now exist.

I understand that large quantities of dairy products are knocking loudly for admission to the United States under the tariff level now prevailing. It proves that no reduction in tariff is necessary in order to promote or maintain the good will of the nations with which we are now at peace. Putting into the coffers of the farmers of Argentina, New Zealand, and Australia millions of dollars will do us no good and serve only to lower the standard of living of the American farmer and of the American workingman. Let us consider first the American farmer and the American workingman. Their interests in connection with this discussion are diametrically opposed to the granting of authority further to reduce the tariff on agricultural products.

Mr. President, I have before me some statistics which show the general import and export level of agricultural products under the tariff agreement of 1934. They show that in 1937 there was a gain of 9 percent in exports of agricultural products, in 1938 13 percent, and a loss of 11 percent in 1939. In 1940 exports of such products dropped 30 percent and in 1941, 8 percent. It took the war years of 1942 and 1943 to bring the exports of agricultural products up to 183 percent. The figures also show that we did not succeed, as we had been told we would, in exporting a greater quantity of farm products from the United States. But we imported them into the United States at the expense of the economy of the American farmer.

Mr. President, the amendment which I have presented is almost identical with one which was submitted in 1940, the exception being only that it was amended by the Senator from Wyoming in 1940 to include some items of agriculture as, for example, wool. I submitted the amendment in behalf of the Senator from Nebraska [Mr. WHERRY] and myself.

In the beginning of the trade agreements program, it was claimed by its proponents that agriculture would benefit materially. The argument was made that in finding export markets for United States agricultural surpluses, the farmer would become more prosperous. It should be noted that the portion of the national income derived from agriculture was substantially lower in the years the trade agreements program was in operation than it was in earlier years. In the years from 1924 to 1929, agricultural income was in the neighborhood of $7,000,000,000 annually. In the years from 1934 to 1939, during which time the trade agreements program was in operation, agricultural income only once reached $6,000,000,000, and in most other years it was between four and a half and five billion dollars. This is not very conclusive evidence that the trade agreements program has been of material assistance to agricultural interests.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the folowing Senators answered to their names:

Aiken	Green	Myers
Austin	Guffey	O'Daniel
Bailey	Gurney	O'Mahoney
Ball	Hatch	Overton
Barkley	Hawkes	Pepper
Bilbo	Hayden	Radcliffe
Brewster	Hill	Reed
Bridges	Hoey	Revercomb
Briggs	Johnson, Calif.	Robertson
Brooks	Johnson, Colo.	Saltonstall
Buck	Johnston, S. C.	Shipstead
Burton	Kilgore	Smith
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Byrd	Lucas	Taylor
Capehart	McCarran	Thomas, Okla.
Capper	McClellan	Thomas, Utah
Chandler	McFarland	Tobey
Chavez	McKellar	Tunnell
Donnell	McMahon	Tydings
Downey	Mead	Wagner
Eastland	Millikin	Walsh
Ellender	Mitchell	Wherry
Ferguson	Moore	White
Fulbright	Morse	Wiley
George	Murdock	Wilson
Gerry	Murray	Young

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

LT. GEN. SIMON BOLIVAR BUCKNER, JR.

Mr. CHANDLER. Mr. President, Simon Bolivar Buckner, Jr., lieutenant general of the United States Army, a proud son of my native Kentucky, fell on the field of battle before dawn on June 17. Lieutenant General Buckner, after 37 years of soldiering, was killed by enemy shrapnel on Okinawa 2 days ago. This ruddy-faced, white-thatched apostle of the vigorous life had seen the new United States Tenth Army drive deeper and deeper into enemy territory in Okinawa until at last he stood on the threshold of complete victory on that important battlefield. Fate deprived him of seeing the curtain rung down on one of the most important acts that foretells the fall of Japan. It has been said that General Buckner was born for his job.

The son of Simon Bolivar Buckner and Delia (Hayes) Buckner, Lt. Gen. Simon Bolivar Buckner, Jr., was born near Munfordville, Ky., on the 18th day of July 1886. His father, a lieutenant general in the Confederate Army, had won greater honor than glory. When two of his superiors fled he chose to share the fate of his troops at Fort Donelson. That fate happened to be unconditional surrender to his West Point friend, Ulysses S. Grant. Long after the war, when Grant was nearly in the sheriff's hands, it was Buckner who opened his purse to his captor.

After the War Between the States, General Buckner went to his thousand-acre farm near Munfordville, Ky. He became Governor of Kentucky. At the age of 62 he married a 28-year-old bride and fathered Simon Bolivar Buckner, Jr., whose death we now mourn.

I should like to quote a paragraph or two from Time magazine of April 16:

> The youngster grew up in a rugged, outdoor life, its setting the lovely, wooded country or rolling hills known in Kentucky as the "Pennyr'yl."

Mr. President, I was born in the "Pennyr'yl." The familiar scenes of my childhood were in that section, and I know well the countryside in which General Buckner lived as a child. The quotation continues:

> "I went barefooted," Simon Bolivar Buckner, Jr., has written, "hunted, trapped, fished, swam, canoed, raised chickens, fought roosters, rode 5 miles daily for the mail, trained dogs, did odd farm jobs, learned not to eat green persimmons, and occasionally walked 8 miles to Munfordville to broaden my horizon by seeing the train come in, learning the fine points of horse trading, or listening to learned legal and political discussion on county court day."

Mr. President, those scenes are so familiar to me—the county court day in the small town of the "Pennyr'yl" district of western Kentucky, where the words of wisdom fell from the lips of the political orators of the day. The article in Time continues:

> When the time came to tame the colt, school proved easy for Buckner. Glib of tongue and a quick reader, he kept up with his classes without too much effort. He attended various Kentucky schools, then entered Virginia Military Institute a year after the graduation of a football hero named George C. Marshall. Two years later President Theodore Roosevelt awarded Buckner a West Point appointment. He graduated fifty-seventh in a class of 107.

Simon Bolivar Buckner, Jr., leaves behind him a heritage as rich as that he received from his father. It was the will to win that characterized Simon Bolivar Buckner as he met his death on Okinawa. A man who attacked life aggressively, he never asked the men under his command to do a job he would not do himself.

A Japanese shell ended the mortal life of General Buckner on June 17, but the immortal accomplishments of this great Kentuckian will live on in legend as well as in the persons of his sons, Simon Bolivar Buckner III, a captain in the Signal Corps, who aided in the liberation of Europe, and William Claibourne Buckner, a cadet at West Point.

General Buckner will be remembered not only as the successful leader of the Okinawa campaign, but also as the friend and champion of those he led.

It was while he was in command of the troops in Alaska that two types of arctic boots were issued to enlisted men. General Buckner learned for himself which type was the better for his men by wearing one type of boot on one foot and the other type on the other foot and making long hikes over rock and ice.

I may say, Mr. President, that during the time he commanded the American soldiers in Alaska, a Senate committee visited him at Fairbanks, and later at Anchorage, and we learned from him of his intense desire and determination to lead the American soldiers in the war against Japan.

Again, when two types of sleeping bags were issued, he himself spent alternate nights in the sleeping bags at temperatures of 60 degrees below zero so that he could know by experience which was the better.

Yes; he is remembered as a stern, swift disciplinarian at West Point, where he was commandant of cadets from 1932 to 1936. Today, however, those who felt his stern but just hand worship him, realizing that he was developing the discipline so necessary to a good soldier.

And that is a fitting epitaph for the eighteenth general officer of the United States Army to fall in battle in this war. Uncompromising in principle and an aggressive leader, he never forgot the men who served under him.

He leaves, in Louisville, Ky., a widow who mourns his loss. For her I would say, in the words of Albert Kennedy Rowswell:

SHOULD YOU GO FIRST

Should you go first and I remain,
One thing I'd have you do;
Walk slowly down the path of death,
For soon I'll follow you.

I want to know each step you take
That I may walk the same,
For some day down that lonely road
You'll hear me call your name.

Mr. President, there is dead on the field of honor, against perhaps the most vicious enemy the American people have ever had, the Japanese, against whom every campaign in the islands of the Pacific has been a fight to the last man—there is dead on the field of honor this illustrious son of Kentucky, Simon Bolivar Buckner, Jr.

May the perpetual light of God's sunshine be always upon him, and may his soul rest in peace.

Mr. BARKLEY. Mr. President, when I was a schoolboy in the country schools of my native State, Simon Bolivar Buckner was the Governor of the Commonwealth of Kentucky. He had been named in honor of that Spanish-American patriot and hero, Simon Bolivar, who had played such an outstanding and prominent part in the liberation of the

people of Latin America and the establishment of republican forms of government, and in whose honor the Republic of Bolivia was named.

It is a strange thing how events dovetail into one another to make a story, and an interesting story. I admired Governor Buckner as Governor and as a man, and I always was fascinated by the story of his friendship with General Grant. They were students at the Military Academy at West Point at the same time, and the story is that when Grant left West Point he borrowed money from Simon Bolivar Buckner in order to enable him to go home to his family.

Later they became opponents in the War Between the States, but that military antagonism never seemed to interfere with their friendship, and on more than one occasion Simon Bolivar Buckner was the benefactor of Ulysses S. Grant. They came together at Fort Henry and at Fort Donelson, where "unconditional surrender" first got its name, and where U. S. Grant came to be known as Unconditional Surrender Grant instead of Ulysses S. Grant.

In the campaign of 1896 Governor Buckner was a gold-standard adherent. He had been a Democrat all his life, and had been elected Governor of Kentucky as a Democrat, but when Bryan and McKinley were opponents in the presidential campaign of 1896 there were certain gold standard Democrats in the United States who were not willing to support McKinley, and did not wish to support Bryan, so they nominated what they called a gold-standard Democratic ticket. John M. Palmer, of Illinois, was nominated for President, and Simon Bolivar Buckner, of Kentucky, was nominated for Vice President. Of course they had no chance of election, but it is one of those political episodes in which men identify themselves with a cause, though they are hopeless of election and enjoyment of the emoluments of office.

Simon Bolivar Buckner 2d graduated at West Point and spent his mature life in the Army. Several years ago he was located in the War College here, and for a number of years—I do not recall how many—was president of the Kentucky Society of Washington. By his gentlemanly qualities and his personality, his sincerity and his devotion, he endeared himself to all the people who came in contact with him.

This morning as I came to my office in a taxicab in which I was the last passenger, because no one else could get in it, I remarked what a pity it was that General Buckner had lost his life when just on the verge of victory. As he stood on a promontory looking at the retreating Japanese army, with victory almost within his grasp, a shell burst, tore into his left breast, and within a few minutes he was no more. I commented on that fact. A young cadet at the West Point Military Academy was sitting in the rear seat of the taxi—he was catching a train back to West Point—and when he heard me say something about General Buckner he said, "I am a classmate of his son at West Point, and" he said, "he is a swell boy."

Mr. President, I could not help feel what an inheritance it is, what a tradition it is for Simon Bolivar Buckner 3d, as well as William Claibourne Buckner, who will ere long leave the portals of West Point and enter the Army of the United States, to have as their father a graduate of that institution who lost his life in the Pacific fighting for the things in which we believe, and as their grandfather a man who, though an opponent in the War Between the States, was a lifelong and devoted friend of Ulysses S. Grant. Is it not really a wonderful thing to contemplate that, regardless of differences in geography and in political faith, men retain their friendship and their respect for one another?

The morning newspapers announced the fact that 18 of our generals have lost their lives in the war in which we are now engaged. That is a very high percentage. The type of warfare followed in World War I was trench warfare. The conditions under which World War I was fought did not lend themselves to open warfare in which high-ranking officers were expected or required to lead their men on the field of battle. Therefore the proportion of high-ranking officers lost in that war was unusually small. That was not through their fault, but it was because of the kind of warfare then engaged in. But in this war we have lost 18 of our generals.

Mr. President, no one of them had rendered a greater service to his country, no one of them had a greater or more sacred background of military tradition, no one of them will leave a heritage of more glorious memory and accomplishment then Simon Bolivar Buckner 2d.

We in Kentucky especially today feel a deep grief because of his untimely death, and the tragic circumstances of it, but I am sure that all over America, and wherever men love devotion and sacrifice and self-abnegation, they appreciate the fact that, as we plant the grain in the soil to give forth a plentiful harvest in the years to come, we have planted in the soil of democracy the fertile seed which in the years to come will burgeon forth into a bountiful harvest of liberty and democracy and equality among the men of the earth. It is in that spirit that we reconcile ourselves as Kentuckians and as Americans to the death of this great man and outstanding general and soldier, Simon Bolivar Buckner.

Mr. HILL. Mr. President, General Buckner served as the commanding officer at Fort McClellan at Anniston, Ala., for several years. That fort has been in Alabama for 25 or 30 years. It has, of course, in that period of time had a number of commanding officers, but it never had a commanding officer more respected or esteemed or loved by the people of Anniston and of Calhoun County, and of that area in Alabama, than General Buckner. They appreciated him because of his sterling worth, because of the magnificent way in which he administered the affairs of Camp McClellan.

I know that the people of Anniston, of Calhoun County, and all the people of Alabama who knew General Buckner, would have me today join with the distinguished Senators from Kentucky in the beautiful and deserved tributes which they have paid this great soldier, this great patriot, this great American, Gen. Simon Bolivar Buckner, Jr.

Mr. BARKLEY. Mr. President, I thank the Senator from Alabama for his very gracious remarks about the man whom I was happy to call my personal friend.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. BARKLEY. I wish now, Mr. President, in just a word, to discuss the amendment offered by the Senator from Minnesota. It provides—

> No foreign trade agreement hereafter entered into under section 350 of the Tariff Act of 1930, as amended and no modification hereafter made in any such foreign trade agreement, shall provide for any decrease in the rate of duty applicable with respect to any agricultural product imported into the United States which is specified in paragraphs 701 to 783, inclusive, of schedule 7 of such act, as amended, and including casein or lactarene, wools, and mohair.

In other words, Mr. President, there are 83 paragraphs of the Tariff Act of 1930 to which no trade agreement can hereafter apply if this amendment should be adopted. I dare say there is not a Senator on this floor who from memory can give the items and articles included in these paragraphs of section 350 of the Tariff Act of 1930.

The Senator from Minnesota emphasizes casein or lactarene, wools, and mohair. The amendment, if adopted, would exclude all agricultural products except sugar, tobacco, and flax from consideration in trade agreements. In other words, of all the items mentioned in these 83 paragraphs no trade agreement could be entered into with respect to any of them except sugar, tobacco, and flax. Of course if such an amendment as this should be adopted it would not only seriously hamper the program but practically nullify it.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LUCAS. I assume it was simply an oversight that those three agricultural commodities were omitted.

Mr. BARKLEY. I am not certain about that, because I frequently find it difficult to read the mind of the Senator from Minnesota. I do not know whether he intended to exclude those products or whether it was by oversight that they were left out.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. SHIPSTEAD. May I ask the Senator from Kentucky and the Senator from Illinois what they are presently discussing?

Mr. BARKLEY. The Senator from Illinois asked me if it was an oversight on the part of the Senator from Minnesota

that sugar, tobacco, and other agricultural commodities were left out of consideration in the amendment offered by the Senator from Minnesota.

Mr. SHIPSTEAD. The amendment was taken from the tariff act. It was an oversight to leave out sugar.

Mr. BARKLEY. If the amendment of the Senator from Minnesota should be adopqted, of course, under its terms, it would be possible, as I understand, to enter into trade agreements with respect to sugar, tobacco, and flax.

Mr. SHIPSTEAD. Yes.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LUCAS. How many agricultural commodities are affected in paragraphs 701 to 783?

Mr. BARKLEY. Frankly, I do not know.

Mr. LUCAS. Can the Senator from Minnesota tell me how many agricultural products are affected?

Mr. BARKLEY. The entire agricultural schedule of the Tariff Act of 1930 would be affected. No one can remember all the items. It has been 15 years since that law was enacted. No one has ever memorized the agricultural schedules contained in those paragraphs.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. BARKLEY. I yield.

Mr. LUCAS. In other words, if the Senate were to adopt this amendment we would be adopting the rankest type of class legislation.

Mr. BARKLEY. Of course. Implicit in this amendment is the thought that any future reduction of a tariff on any agricultural product is undesirable and harmful, and that past reductions have been undesirable and harmful. The facts do not sustain such a contention.

Mr. AIKEN. Mr. President, will the Senator yield,

Mr. BARKLEY. I yield.

Mr. AIKEN. Upon an examination of the Tariff Act of 1930, I find that there are included in the paragraphs referred to a great many articles which are not commonly grown in the United States, such as cocoa, chocolate, ginger root, spices and spice seed, such as cassia, cloves, and cinnamon, clove stems, mace, and many other things. It would hardly seem practicable to have them included.

Mr. SHIPSTEAD. There is no tariff on those items.

Mr. AIKEN. Yes. The tariffs are given—5 cents a pound, 6 cents a pound, 2 cents a pound, and so forth, for the various items.

It seems to me that one further complication might arise. Under the Trade Agreements Act arrangements have been made with respect to certain commodities used in the border towns, particularly towns on the border between the United States and Canada, whereby a reduction would be made in the tariff on certain items, such as milk or cream, so that the people living on either side of the international border could be supplied at a rate which would not be excessive. For example, I believe that under the trade agreements with Canada 3,000,000 gallons of milk a year are permitted to be sold at the reduced tariff rate. As I understand, that was to take care of the people who lived in towns on the international border. I should not like to see anything done which would raise their cost of living.

Mr. SHIPSTEAD. Would this amendment raise their cost of living?

Mr. AIKEN. It would if no reduction at all were permitted.

Mr. SHIPSTEAD. They would pay what they now pay, if there is a tariff on such milk.

Mr. AIKEN. As I understand the Senator's amendment——

Mr. SHIPSTEAD. It says that the rates shall not be reduced. I do not know what the tariff is on the products to which the Senator refers in speaking of the special reciprocity arrangement.

Mr. AIKEN. Is it the purpose of the Senator's amendment that any rates now prevailing shall continue?

Mr. SHIPSTEAD. Yes.

Mr. AIKEN. As I read the amendment, I did not understand that to be so.

Mr. SHIPSTEAD. It says that the rates shall not be reduced.

Mr. BARKLEY. Mr. President, the amendment provides, in effect, that there shall be no reduction.

Mr. AIKEN. It provides that there shall be no reduction from the tariff rates of 1930.

Mr. BARKLEY. It provides that there shall be no reduction in the rates upon any of the articles in paragraphs 701 to 783 in the act of 1930. However, the effect of it is to exclude from that prohibition sugar, tobacco, and flax. But regardless of that, it seems to me that it would be preposterous for the Senate to adopt an amendment which would prohibit a reduction in any existing tariff rate in 83 paragraphs of the agricultural schedule of the Tariff Act of 1930.

The Senator has specifically mentioned Cheddar cheese and wool. I should like to call attention to those items. We entered into a trade agreement with Canada which was effective January 1, 1936, in regard to Cheddar cheese. In the year 1933 we produced 415,000,000 pounds plus of Cheddar cheese, having a domestic value of slightly in excess of $42,000,000. The amount of importations in that year was only two-tenths of 1 percent, compared with our domestic production. That was not a drop in a millpond. It was not even a drop in the ocean.

Mr. SHIPSTEAD. The increase came in later years. The increase came in 1938, 1939, and 1940.

Mr. BARKLEY. I will give the Senator the figures for those years.

In 1935, which was the year before the trade agreement went into effect, we produced in this country 475,000,000 pounds of Cheddar cheese, the value of which was more than $68,000,000. The percentage of importations compared to domestic production was two-tenths of 1 percent.

In 1937, the year after this agreement went into effect, we produced 497,000,000 pounds in this country, and it was worth $79,000,000, which was $11,000,000 more than the value the year before we made the agreement with Canada. The importations were only 1 percent, notwithstanding the existence of the agreement.

In 1939, 3 years after we entered into this agreement, we produced in the United States practically 542,000,000 pounds, which was worth $69,000,000, and we imported 1.2 percent. Our imports in the last year prior to the war, with the trade agreement in existence, were 1.2 percent. Certainly, such an importation of Cheddar cheese could not materially affect the price or the market for that article in the United States.

I should like to mention the cattle industry, because the Senator includes cattle in his amendment. The cattle industry provides a good illustration of the fact that imports can increase without injury to the domestic industry.

In 1932 the domestic industry supplied 98.7 percent of the domestic market. In 1939 it supplied 94.5 percent, or more than 4 percent less. In 1932, however, the cash farm income of cattle producers was $621,000,000, while in 1939 it was $1,290,000,000, or more than twice as much in 1939, with the trade agreement in existence, as it was in 1933. The small proportion of the market which can be supplied by imports is the important thing to be considered.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LUCAS. I should like to call attention to something which from time to time I have wished to discuss in connection with this debate. The tariff is not the important factor in the importation of cattle. As the Senator says, the important factor is the movement of beef and cattle prices in the domestic market.

For example, in 1935, when we had the tariff, and without any tariff change the importations of dutiable cattle increased 530 percent over the previous year. If that should happen while the trade agreements were in existence, the Senator can readily understand the kind of an argument which would be made against the continuation of the trade agreements. The point I am making is that without any trade agreements, and when we had the tariff duty under the Smoot-Hawley tariff, in 1935, the importations of cattle increased 530 percent over the year before. Under the trade-agreement program we have different cattle quotas.

Even the cattle industry says the only time trade agreements affected them was in 1936. Their claims of serious injury cannot be substantiated when you consider that only 207,732 head came in, or 1.39 percent of the federally inspected domestic slaughter in that year. Mind you, this is the only time they have ever complained.

Mr. BARKLEY. I thank the Senator.

Mr. President, let me say just a word about wool, which is specifically included in the Senator's amendment. We made a trade agreement with the United Kingdom, which was effective January 1, 1939, which means it was effective during all the year 1939. In 1933, under the Smoot-Hawley tariff rates, we produced in the United States $306,000,000 of woolen manufactured goods. In 1933

our imports were 1.4 percent of our domestic production.

In 1937, while we were without a trade agreement, we produced in this country $540,000,000 worth of woolen products, and our imports were 1.9 percent of our domestic production.

As I said the other day in a colloquy with the Senator from Ohio [Mr. TAFT], we have never produced in this country a sufficient quantity of wool to supply our demands. After the Tariff Act of 1930, wool sold for less than the tariff on wool. That shows that the tariff was not a protection to domestic wool, because it did not bring as much on the market as the tariff rate amounted to.

In 1933 we produced $306,000,000 worth of woolen products, and our imports were 1.4 percent of domestic production.

In 1937 we produced $540,000,000 worth of woolen products, and our imports were 1.9 percent of domestic production.

Then we made a trade agreement with the United Kingdom. In 1939 we produced in this country practically $477,000,000 worth of woolen products, and our total imports were 2 percent of our domestic production. In other words, after we entered into a trade agreement with the United Kingdom with respect to woolen products, our imports rose to the enormous extent of one-tenth of 1 percent. Yet, although we do not produce enough wool to supply our own demands, this amendment hereafter would prohibit any trade agreement or any reduction in rates on wool or any woolen products.

Mr. President, it seems to me that the Senate certainly should not adopt this amendment. I hope it will be rejected. I have mentioned only two or three of the items which would be affected, in order to show what seems to me to be the fallacy of the Senator's amendment. But if we apply all the schedules included in the paragraphs without knowing what all of them are, we would enter into a fantastic field into which it seems to me the Senate, both in fairness to itself and to the people, should not desire to enter.

Mr. LANGER. Mr. President, I have become exceedingly interested in this fight. In my opinion the final decision has become a very simple one. On the one hand we have the speech of the distinguished Senator from Georgia [Mr. GEORGE], chairman of the Committee on Finance, who is in favor of having this measure passed. In a moment I shall read a part of the speech he made in support of his position.

Mr. President, in all the newspapers I have seen, as well as in all the pamphlets I have read, the statement was made that we were going to be engaged in a tariff fight, and that has been the thought in the minds of all producers and consumers. What the distinguished majority leader said a moment ago would cause one to believe that statement. But when we read what was said by the distinguished chairman of the Committee on Finance in his remarks on the floor of the Senate on June 12, we find that is not the case at all.

Almost the very first thing which was then said by the distinguished Senator from Georgia is this:

Mr. President, this is not a mere tariff issue any longer, and I am now coming to what I wish to say, and perhaps all I wish to say this afternoon. The world has very steadily moved toward collectivism, and it is still moving in that direction, and regardless of whether any individual or any political party in America grasps the effect of that movement, the movement goes on anyway, relentlessly at this moment.

That is what the distinguished senior Senator from Georgia said. It was he, not I, who was speaking. I read further from his speech:

The world is moving definitely in that direction. All of Europe is moving in that direction. The pressure upon the one single power in Europe, as we associate it with Europe, which might stand against it, is the United Kingdom, the British Empire, and already unmistakable evidences exist that Britain herself is being moved in that direction.

At this juncture we stand face to face with an issue which looms larger than any tariff, that is, whether we are to have trading by private individuals through the channels of world commerce, or whether it is to be a collectivist program.

That, Mr. President, is what I am going to talk about for a few moments today.

I say it is idle for the distinguished majority leader to say the things he said here a few moments ago, because if the distinguished senior Senator from Georgia is correct, if the issue is not the tariff, then in heaven's name why are we talking about the tariff at all? He says the issue is whether the program is to be a collectivist one or whether we are to have trading by private individuals. There is the issue, as stated by the distinguished chairman of the Great Committee on Finance.

In his speech he continued as follows:

In all Europe the movement is toward collectivism. The single influence in the great international trading communities of the earth which would stand against it ordinarily must be the British Empire; yet the British Empire faces facts, not theories.

The Soviet Union may regulate her own trade as she pleases, because her trade is state controlled. It is a matter which concerns the state. They may export at a loss or import at a loss, because it is all washed out in an economy which is completely state owned and state controlled.

The distinguished senior Senator continued:

Mr. President, inevitably the economic system of Soviet Russia will be brought into comparison with the economic system of the United States, a free system for which we have always stood. Who is to defend it?

This is the distinguished Senator from Georgia speaking:

I have been at a loss to understand how men can talk about a reduction in the ad valorem rate on zinc, or on some other article of commerce, in the fact of the fact that this issue is so much greater than that.

He was not talking about wool or mohair then, Mr. President. In the mind of the distinguished senior Senator from Georgia, wool and everything else had shrunken into comparative insignificance. He continued:

Now, what is proposed in that part of the bill which was stricken out in the Committee on Finance by a vote of 11 to 10? It proposes to give assistance to the President of the United States in his fight for a free commerce, not in the sense of free trade, but in the sense of free commerce. Our trade with Russia—

Mr. President, Russia was what was worrying the distinguished Senator at that time—

Our trade with Russia has never amounted to more than about $30,000,000, or some such negligible amount. If their economic system should prevail throughout the earth, our trade could easily shrink everywhere. If we are to have governments controlling trade and commerce of the earth, or if we are to have governments supporting cartels, and imposing restrictions, and monetary regulations, and what not, then the period of free trade in the world, in the sense of free enterprise in trade, may temporarily lapse.

Mr. President, I will digress from the speech of the distinguished Senator from Georgia, but will come back to it later after I have read from a weekly publication entitled "Human Events," published by Felix Morley, Frank C. Hanighen, William Henry Chamberlin, and Hugh Gibson.

I read, particularly, from an article entitled "Russia Takes Over the Balkans." I invite the attention of the Senate to the fact that it was not I, but the distinguished chairman of the Finance Committee, who laid down the issue that this is not a tariff fight at all. I shall presently read what this expert, the author of the article to which I have referred, said. He was talking about the same Russia which the distinguished senior Senator from Georgia talked about on June 12.

The article reads:

The famous Bulgarian Communist, George Demitroff, who for more than two decades was Russia's protégé and agent, has returned from Moscow to Sofia and made himself master of Bulgaria. The even more famous Croatian Communist, Josip Broz-Tito, long resident in Russia, is now master of Yugoslavia. The aggressive Communist, Enver Hoxha, is despot of Albania. The Rumanian Communist, Patrascanu, though not formally premier of Rumania, is master of that country.

Mr. President, no wonder the distinguished senior Senator from Georgia was worried. But I have not begun to mention the countries which the distinguished senior Senator from Georgia was worrying about. The article continues:

Hungary's new government is not yet controlled by Communists, but is unconditionally under the direction of Marshal Stalin. The Balkan Communists, supported by Russia, are exerting pressure to enforce a Communist-led government upon Greece.

That makes six countries, Mr. President.

There are indications that Moscow is planning to set up a partisan regime in Austria—

That makes seven countries—

and also to force Turkey—

That makes eight countries—

to accept new relationships with the Soviet Union. Russia has placed its hands firmly upon the Balkans.

Three aspects of these developments are of vital world importance, namely, Russia's victory over Great Britain, the extinguishment of the last flickers of Balkan democracy, and the sycophancy which this tyranny has aroused in America. Many Americans are vociferously or lyrically or piously calling autocracy democracy and praising prisons as the bulwark of freedom.

Let us look at the first fact, namely, Marshal Stalin's triumph over Great Britain in the Balkans. Every responsible informed person has his own opinion about the British Empire. Some consider it useful, others call it evil, but all well agree that British control of the eastern Mediterranean is essential for its preservation. If Russia should hold all southern Europe, including the shores of the Black Sea, the Adriatic Sea, the Aegean Sea, and the Dardanelles, Britain's imperial life line would be in mortal danger.

So well do the British realize this that they have done everything possible to keep the Russians away from the Straits and the Balkans.

Mr. President, for the sake of contrast I shall for one moment refer to Alaska. I have not heard one word upon this floor in favor of Alaska, which is 45 miles away from Siberia which is a part of Russia. I have heard Senators on the floor of the Senate plead for downtrodden people all over this earth, and not one word about Alaska—Alaska, Mr. President, which we have owned since 1867; Alaska, where, after 75 years—and I say it to our shame—we have not even a department of agriculture.

Mr. President, I am speaking for the Shipstead amendment, because I believe that the Senator from Minnesota is right.

The distinguished senior Senator from Georgia is absolutely right when he says what the issue is. He has defined it. He has defined it a hundred times better than I myself could define it. So compare the farmer in America, the farmer in the Northwest, the farmer in Georgia, with the farmers of Russia. All we have to read is a book entitled "The Soviet Power," by the Dean of Canterbury, of the Church of England, to know that in that kind of competition, unless we are protected, we have not a Chinaman's chance.

To me it is obvious, Mr. President, that we cannot look for much protection in this body when we consider paragraph 3 of the pending measure. Read it. I call the particular attention of the distinguished senior Senator from Georgia to it, to section 3 of the very bill he is sponsoring and advocating. I read it in order to get it into the RECORD:

> SEC. 3. Section of the act entitled "An act to amend the Tariff Act of 1930, approved June 12, 1934 * * * relating to the governmental agencies—

Mind you, Mr. President, "relating to the governmental agencies"—

> from which the President shall seek information and advice with respect to foreign-trade agreements, is amended by inserting after the "Departments of State," the following: "War, Navy."

War and Navy. So, if a question as to protecting the farmers of America arises, whom is the President to see, according to the bill? He is to see the Departments of State, War, and Navy. There is not one word about Agriculture. No, he is not to see the Department of Agriculture; he is going to visit the Army and the Navy, and is going to see the State Department. And who is there? Why, Mr. Clayton, the greatest cotton gambler in the entire United States of America. Where is he doing business?

Mr. President, when President Truman goes to see the Department of State, when he goes over to see Mr. Clayton, he will be talking to a man who, according to his own testimony, printed in the RECORD on the 19th of December last, testified under oath as I shall read. Mr. Clayton was asked as to his connection with Anderson, Clayton & Co., and he said:

> The capital, surplus, and undivided profits of Anderson, Clayton & Co. is now a little over $50,000,000, of which members of my family and I own approximately 40 percent.
>
> * * * * *
>
> Senator CHANDLER. Is this the principal business that you and the other members of your family engage in and rely on, Mr. Clayton, for your income?
>
> Mr. CLAYTON. It is the only business.
>
> Senator CHANDLER. It is the only business?
>
> Mr. CLAYTON. Yes, sir.

I now read from Mr. Clayton's own statement:

> Anderson, Clayton & Co. has offices throughout the Cotton Belt and cotton-consuming centers of the United States, and maintains branch offices or agencies in the principal cotton-consuming countries of the world.
>
> The company also operates through subsidiaries—

This is where Mr. Clayton operates, Senators—

> in the following foreign cotton-producing countries—

He is making his money there, this man whom the President is going to see before he sets these tariff rates. Mr. Clayton's company has offices, according to his own sworn testimony, in—

> Mexico, Peru, Argentina, Paraguay, Brazil, and Egypt. The present book value of the company's fixed assets in these countries is about $10,000,000.
>
> Anderson, Clayton & Co. have never owned any fixed assets or investments of any kind in Japan or Germany, although for many years prior to the war the company maintained sales agencies in both countries. The company also for many years did a very large business with Russia.

This man whom the President is to see, this man who is in this key position, with offices all over the world, says under oath that his company "for many years did a very large business with Russia." Further he said that his company "was one of the first American firms to establish business relations with the Soviet Government after the revolution," and these are his own words; "Long before recognition of that government by the United States Government, and one of the few firms in the world to extend them substantial credits in those early days."

What did the junior Senator from Kentucky [Mr. CHANDLER] say when he spoke upon the floor of the Senate against the confirmation of Mr. Clayton? The distinguished junior Senator from Kentucky said:

> I do not speak for any other Senator; I do not speak for any combination of Senators; I am asked to vote to put in charge of the economic affairs of our State Department this man who will give advice to the President of the United States on economic affairs, Mr. Will Clayton. And much as I regret it, I cannot do it.

Mr. President, that was the cold appraisal by the distinguished junior Senator from Kentucky when Mr. Clayton's nomination was before the Senate.

The senior Senator from Alabama [Mr. BANKHEAD] interrogated Mr. Clayton, and his testimony shows Mr. Clayton's processes of reasoning, it shows what little hope our farmers would have when President Truman would go to see Mr. Clayton. They were talking about cotton when the senior Senator from Alabama interrogated him, and I read from the testimony:

> Senator BANKHEAD. Then, from a money standpoint, would it not be better and provide greater self-respect to the farmer to get his price for his cotton in the market place, than to have to go to the Treasury of the United States and ask for his check to make up the difference?
>
> Mr. CLAYTON. Certainly it would, if he could sell it.
>
> Senator BANKHEAD. Well, he could sell it at some price.
>
> Mr. CLAYTON. Well, at some price.
>
> Senator BANKHEAD. Yes.
>
> Mr. CLAYTON. But not at the parity price.

There we have the process of reasoning of Mr. Clayton. "Sure, sell your cotton, sell your oats and your flax at some price, but," he says here, "not at the parity price."

Now we come to what Mr. Clayton says about the program for the farmers, the program of the New Deal, the program of which the Democratic Party boasted in the last campaign. What did Mr. Clayton say about that? He said:

> I have opposed that program, because it attempts to make the market pay to the cotton farmer what I think the Government owes him; and I think in attempting to make the market pay you destroy not only your export market but now you are going to destroy a certain amount of your domestic market.

So he was opposed to all those things that the Democratic orators orated about from one end of the United States to the other in the campaign that just closed a few short months ago.

I shall not read into the RECORD at this time the remainder of the examination of Mr. Clayton. It is already in the RECORD. It shows Mr. Clayton's absolute opposition to the farmers receiving parity price for cotton, and if he is opposed to the farmer receiving a decent price for cotton, enough to keep body and soul together, then he is opposed to the farmer receiving a decent, equitable price for his wheat and hogs and cattle and any other agricultural products.

Now to come back, Mr. President, to the statement made by the distinguished senior Senator from Georgia. On the 12th day of June, when the debate opened on this measure, he said:

> So, the United States is the only great nation—I am, thank God, happy to feel justified in believing that Canada will be on our side—the United States is the only great

Nation, with the sympathetic support of many of our Latin-American neighbor nations to be sure, on whom it will devolve to maintain a system of free economic enterprise as applied to international trade and commerce.

Mr. President, let us see what reliance the distinguished senior Senator from Georgia can place on the Latin-American countries which he says are going to be with us in this battle. I have in my hand a publication, Human Events, published by the four gentlemen whose names I gave a few minutes ago. In it there is an article entitled "The Pot Boils in Central America," by Carleton Beals. I shall read the first part of it, and from it we will see how much help we are going to receive in this fight which the distinguished senior Senator from Georgia has characterized as being far above any mere tariff fight, but a fight between the collectivist system on the one hand and private enterprise on the other. This is the situation in South America, according to Human Events:

Central America, composed of the five so-called banana republics, is politically and economically sick, and a revolutionary wave is piling up.

These countries which are going to help the United States in this great fight are politically and economically sick.

This is an old story, but the situation has grown unusually acute as a result of conditions arising from the war:

Listen to this, Mr. President:

The loss of overseas markets, the doubling of the cost of living, the lack of consumer goods and the economic dislocation caused by "good-will" projects.

"Good-will" projects which were so well described by the senior Senator from Nebraska [Mr. BUTLER] a few months ago on the floor of the Senate, which have cost us hundreds of millions of dollars which could so well have been spent in our own country.

These harsh realities have been complicated by various international rivalries.

Mr. President, I am talking about the Latin-American countries which the distinguished senior Senator from Georgia said are going to help us in fighting for free enterprise against the collectivist system of Russia. And what do we find in those countries?

Two revolutions have taken place in Guatemala, two in Salvador; unsuccessful attempts at overthrow of the governments have been made in Nicaragua, Honduras, and Costa Rica; and every Central American country has been involved in tension with one or more of its neighbors.

Mr. President, these are the great countries which are going to help us. Within the last few years there have been two revolutions in Guatemala, two in Salvador, unsuccessful attempts have been made to overthrow the government in Nicaragua, Honduras, and Costa Rica, and every Central American country has been involved in tension with one or more of its neighbors.

Before the war all but Costa Rica were governed by dictatorships—

So, apparently, dictatorships are going to help this great democracy of ours—

and the war gave these a fresh hold on life. United States loans—

We always come back, Mr. President, to Uncle Sam and give, give, give—

United States loans and lend-lease provided them with unparalleled revenues and armaments with which to terrorize their peoples and a screen of censorship hid their doings—until economic conditions caught up with them.

The first to crack was the dictator of Salvador, whose lend-lease guns and planes failed to prevent a general strike of peasants—

That is farmers—

workers, and business elements. Civil liberties and a free press were restored, but shortly a new military dictator clamped down and the same lend-lease equipment strafed the rebels into Guatemala. In the latter country, also, President Jorge Ubico had to retire from office. So did his successor. Finally, amid Indian riots for lands, Socialist Juan José Arévalo was elected under the aegis of a revolutionary triumvirate.

The basic factor behind all this unrest is the economic plight of the people. After deducting the cost of government and what must go out of the various countries on foreign loans and investments, the net per capita income ranges from $23 a year in Nicaragua to $114 in Costa Rica.

These are the people who are going to help America against Russia, according to the argument of the distinguished senior Senator from Georgia. We do not know how much help we are going to get from those people down there. The per capita income in Nicaragua is $23 a year, but according to the argument of the distinguished senior Senator from Georgia, they are going to line up with us in the greatest fight that this country has ever entered economically.

Nature also provides a choice collection of tropical diseases which the governments, even if they were so minded, lack revenues to eradicate. The national budget of Honduras is about the normal turnover of the largest American corporation operating in that country.

* * * * *

Since the war, trade between Central America and Mexico has almost tripled. Mexican business now exports shoes, textiles, auto tires, paper, drugs, chemicals, ammunition, cement, petroleum, and gasoline. Along with goods has gone propaganda and pressure against the dictatorships.

Ah, but the distinguished senior Senator from Georgia says that they are lining up with the United States. Listen to this and see with whom they are lining up:

Mexican diplomats arranged the Soviet-Costa Rica resumption of relations, and the Costa Rican representative in Mexico has been Mexican Ambassador Luis Quintanilla.

Costa Rica, Guatemala, Chile, Ecuador, Cuba, and Colombia, reportedly backed Mexican Foreign Minister Ezequiel Padilla at the Mexico City Inter-American parley. They support a democratic solution for the Argentine impasse. With this rule laid down, Padilla has an excuse for demanding electoral purity in the dictator-ruled Nicaragua, Honduras, and Salvador. But it remains a question whether the land of the Eagle and Serpent, for its own nationalistic interests, may find it just as convenient to play with—

To play with whom? Not, as stated by the distinguished senior Senator from Georgia on June 12, when he said, "With the sympathetic support of many of our Latin-American neighbors," and so forth. Instead of that, the answer is:

Costa Rica, Guatemala, Chile, Ecuador, Cuba, and Colombia, reportedly backed Mexican Foreign Minister Ezequiel Padilla at the Mexico City Inter-American parley. They support a democratic solution for the Argentine impasse. With this rule laid down, Padilla has an excuse for demanding electoral purity in the dictator-ruled Nicaragua, Honduras, and Salvador. But it remains a question whether the land of the Eagle and Serpent, for its own nationalistic interests, may find it just as convenient to play with the dictatorships as well as the democracies.

Ah, but we are told, "Turn this power over to the President. He will take care of it. If this bill is passed the President will take all the burden off Congress." This is what happened down in Costa Rica when we gave them $39,000,000 without a string attached to it, when the President could hire all the engineers, experts, and technicians in America if he chose to do so.

Costa Rica still marvels at the way our Army smashed through with the Pan-American Highway, ignoring existing surveys and local engineers, piling up useless costs, fomenting racial discrimination, spending in all about $40,000,000 and finally pulling out without leaving a single mile of usable highway on the southern stretch to Panama. Whimisical abandonment of other projects and of purchases have helped knock Central American economy haywire.

Through all this, the people have been bombarded by official American propaganda about democracy, through the media of radio, movies, glossy print, and even comic strips. As a result, democracy has become hot-shot revolutionary doctrine for Central America.

But whatever the labels and whatever the shifting balance of United States and Mexican influences, the basic economic dislocations point to the further rise and fall of dictators at an increasing pace.

Mr. President, we come back once more to the speech delivered by the distinguished senior Senator from Georgia. He said:

That is why we ought to give to the President of the United States a little more power.

We saw what he did in Costa Rica, but the Senator wants to give him still more power. I submit that he already has ample power. I hold in my hand a copy of the act creating the Tariff Commission. There are six men on that Commission. They are appointed by the President, and the terms are staggered. What are the duties of those six men? Section 1332 reads as follows:

It shall be the duty of the Commission—

That is, the Tariff Commission—

to investigate the administration and fiscal and industrial effects of the customs laws of this country now in force or which may be hereafter enacted, the relations between the rates of duty on raw materials and finished or partly finished products, the effects of ad valorem and specific duties and of compound specific and ad valorem duties, all questions relative to the arrangement of schedules and classification of articles in the several schedules of the customs law, and, in general, to investigate the operation of customs laws, including their relation to the Federal revenues, their effect upon the industries and labor of the country, and to submit reports of its investigations as hereafter provided.

To whom does the Tariff Commission report?

In order that the President and the Congress may secure information and assistance, it shall be the duty of the Commission to—

(1) Ascertain conversion costs and costs of production in the principal growing, producing, or manufacturing centers of the United States of articles of the United States, whenever in the opinion of the Commission it is practicable;

(2) Ascertain conversion costs and costs of production in the principal growing, producing, or manufacturing centers of foreign countries of articles imported into the United States, whenever in the opinion of the Commission such conversion costs or costs of production are necessary for comparison with conversion costs or costs of production in the United States and can be reasonably ascertained;

(3) Select and describe articles which are representative of the classes or kinds of articles imported into the United States and which are similar to or comparable with articles of the United States; select and describe articles of the United States similar to or comparable with such imported articles; and obtain and file samples of articles so selected, whenever the Commission deems it advisable;

(4) Ascertain import costs of such representative articles so selected;

(5) Ascertain the grower's producer's, or manufacturer's selling prices in the principal growing, producing, or manufacturing centers of the United States of the articles of the United States so selected; and

(6) Ascertain all other facts which will show the differences in or which affect competition between articles of the United States and imported articles in the principal markets of the United States.

Then it says:

The Commission shall put at the disposal of the President of the United States, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, whenever requested, all information at its command, and shall make such investigations and reports as may be requested by the President or by either of said committees or by either branch of the Congress, and shall report to the Congress on the first Monday of December of each year after June 17, 1930, a statement of the methods adopted and all expenses incurred, and a summary of all reports made during the year.

So, Mr. President, today we have a Tariff Commission which is responsible to the President and to the Congress. But if this bill is passed and becomes the law, we shall say to the Commission, "You do not need to have anything to do with the Congress; we are waiving all this power; we are giving all of it to the President."

Mr. President, that brings me back again to Alaska and Siberia, with only 45 miles between them. I wish to say that if after 75 years the President of this country, whether a Democrat or a Republican—and during that time we have had almost every imaginable kind of administration—has not been able to establish a department of agriculture in a territory which is one-sixth as large as the entire continental United States, if after 75 years we do not even have a department of agriculture in a territory which is not a State but is being governed practically by the Executive and the Department of the Interior, we are missing a great opportunity. Let us compare the situation in Alaska with the situation in Russia, and then we shall see what the farmers of America will be faced with when the war is over or a short time thereafter.

The distinguished senior Senator from Georgia said at one point in his speech that it would be 100 years before we would need to fear any competition from Russia. Let me tell the distinguished Senator, with all due deference and in all humbleness, that I must respectfully disagree with his judgment.

One day in 1937, when as Governor of the State I set in my office in the capital of North Dakota, my secretary ushered into my presence six Russians. I said to them, "What are you gentlemen doing in the State of North Dakota?"

They said, "We are here, gathering samples of wheat, oats, barley, and flax, and of every kind of flower you have, and of every kind of shrub you have."

I said, "Are you doing that in every State in the United States?"

They said, "We are not only doing it in every State in the United States; we are doing it in every country in the world."

When we read the book written by the Dean of Canterbury of the Church of England, we find that, sure enough, it contains a list of every one of the countries in which the Russians have made investigations. They sent out 60 great expeditions to gather samples from every corner of the earth.

Then what did they do? Mr. President, the man who holds the highest title in Russia is not an admiral, he is not an army man, he is a farmer, the president of the Lenin Academy of Agriculture. He is 38 years old. What did he do for Russia? He had the soil analyzed in every section of Russia. Throughout the tremendous cooperative farming fields in Russia, where as many as 400 tractors do the work on one farm, the Russians know that in some cases they are going to seed all of the area with rice because rice grows wild in that particular soil. On other hundreds of thousands of acres they may seed oats, and in other places wheat, while in the United States the farmer who is farming a piece of land may plant 30 acres in oats, 40 acres in wheat, 20 acres in flax, and 20 acres in rye. Russia does farming on a grand scale. How do the Russians seed their land? They seed by airplane. How can the farmers in America compete with a country which seeds by airplane, 241 acres a minute? The seeding done by the Russians is so well regulated that they can seed just as deeply as our farmers can when they seed by machine. The Russians take the hulls off the seed before it is planted. The seed is placed in a pellet, and a small amount of fertilizer is placed in the pellet with it.

We are told that we shall have a great economic battle with Russia. Let me tell you, Mr. President, that those who say that are correct. I say that the thing to do is to cooperate with Russia in every possible way. We can do so, but we cannot do so the way we are approaching it here.

The Russian to whom I have referred received the highest honor or rank because by crossing and recrossing various strains of wheat he finally obtained a kind of wheat which grows like hay, which does not have to be reseeded each year, which grows as timothy grows in Wisconsin, which grows as the prairie hay and buffalo grass grow on the plains of North Dakota. The Russians have gone as far as the Arctic circle in working with wheat. They have gone into fields covered with three or four feet of snow, and they have put ashes on the snow; and, by means of utilization of the heat of the sun's rays, the snow is melted, and they have seeded those fields to wheat, sometimes when the temperature was 40° below zero. They have wheat which is frost-proof; they have wheat which is rust-proof.

At one time when the commissioners of agriculture met in Washington, at the Raleigh Hotel, I went among them, and I said casually, "How many kinds of wheat have we in the United States of America?" Some guessed that there were 50. The highest guess was 300. But in one room in Russia they have 30,000 kinds of wheat.

When we wish to consider the marketing of wheat we have to go only to an expert in the Department of Agriculture in Washington; we have only to listen to what he will tell us. Today on the average American farm in the Northwest the threshing is done into a grain tank. That is one handling of the wheat. Then the grain is taken to the granary; that is the second handling. From the granary it is taken to the elevator; that is the third handling. From the elevator it is taken to the freight cars; that is the fourth handling. In the freight cars it is taken to Duluth; that is the fifth handling. At Duluth it is taken to the terminal; that is the sixth handling. At the terminal it is loaded onto the ship, and that is the seventh handling. But in Russia, on the great Russian farms, not a human hand touches the grain.

Mr. President, we hear much said about big business in America, but let me point out that the Russians have big rubber-tired vehicles which hold thousands of bushels of grain. They take them out to the fields, fill them with wheat, haul them to an airport, where the wheat is placed in cargo planes, and flown to Norway or to other countries. The American farmer is asked to compete with such a system.

Mr. President, we can easily compete. The distinguished senior Senator from Georgia need have no worries about competing with Russia's collectivist system of farming. We do not have to amend any law which we now have. I have before me a copy of Public Law 475. I read the following from page 12:

The Commodity Credit Corporation may dispose of or cause to be disposed of for cash or its equivalent in goods or for adequately secured credit, for export only, and at competitive world prices, any foreign commodity or product thereof without regard to restrictions with respect to the disposal of commodities imposed upon it by any law.

Instead of giving to the President of the United States all the power which some wish to give to him, all we need to do is to give to the Commodity Credit Corporation more power and more money. Today, for example, if Norway

wishes to buy 10,000,000 bushels of wheat and Russia has a surplus of wheat, and we in the United States wish to compete with her, the American farmer cannot alone bid against her. Even a great corporation possessed of large sums of money, such as General Motors, Standard Oil, and many of the other great corporations, or even all of them combined, cannot bid against Russia. Why? Because, as the distinguished Senator from Georgia has said, Russia can bid anything she wishes to bid. However, the corporations of America must make money in order to continue to exist, so we must compete with Russia through the Commodity Credit Corporation or some other corporation which may be created by Congress. In my opinion, there would not be much competition if the distinguished junior Senator from Nebraska [Mr. WHERRY], as head of that corporation, had power to sit down with those in charge of the exportation of wheat from Russia and say, "Now, we will supply 5,000,000 bushels and you will supply 5,000,000 bushels."

Mr. President, in the pending bill what are we asked to do? Section 4 of the bill provides in effect that the President shall seek information and advice with respect to foreign-trade agreements from the Department of State and the War and the Navy Departments. Well, we have Mr. Stettinius, of the House of Morgan, as the head of our State Department. He is from New York. We also have from New York Mr. Stimson, who, at the present time, is the head of the War Department. We also have another man from New York as the head of the Navy. Mr. President, what do those three men know about walnuts in Norway or about rye in the State of North Dakota? I say, strike out the language and insert a provision that the Tariff Commission shall be responsible to the Congress. Give the Commodity Credit Corporation more money and more power, if necessary, so that it can meet the competition about which we have been hearing. If we wish to avoid war, the best way to do so is to give authority to someone to sit down with the heads of the various States to which I have referred and deal with them across the table. We already have such power through the Commodity Credit Corporation, although it may require a few amendments to make that power more explicit. However, the distinguished senior Senator from Georgia says "No" to such a proposal. He says:

> We will deal with those nations which have been united with us. We have the power—

He might also have said that we have the money which other nations would love to have us give to them. The distinguished senior Senator said:

> We have the power, if we are wise, to give to the executive branch of our Government the authority to sit down and talk matters over. We may have the power to turn Britain from her present course, and even to influence Soviet Russia so far as trade restrictions are concerned.

If the Department of State has such power, certainly the Tariff Commission should have it, even though we must grant it more money and more power. Certainly the Commodity Credit Corporation would be able much more intelligently, much more cooperatively, and much more frankly to handle the situation. I do not have much confidence in the Department of State, and little more in the Tariff Commission. If the Department of State, with an annual appropriation of approximately $39,000,000 cannot do a better job in the future than it has done in the past 3 years, it is not a department which will commend itself to the farmers so far as tariffs are concerned.

I believe the senior Senator from Minnesota [Mr. SHIPSTEAD] is correct when he states that he wants agricultural commodities exempted from the proposed legislation which is now under consideration.

Yesterday, as I recall, the distinguished junior Senator from Oregon [Mr. MORSE] said that he did not know of a single case in which agriculture had been harmed or injured through the means by which the Tariff Act is being administered at the present time. It must be that the distinguished Senator was not present in this Chamber on the occasions when I made speech after speech showing how the interests of agriculture had been injured. The distinguished Senator lives in a State which is located to the west of the State from which I come, but he must travel through North Dakota when he is on his way home. I suggest that the next time he goes through North Dakota, South Dakota, Minnesota, or Montana, he stop off and talk to any farmer whom he meets who raised oats last year. He will learn that when that farmer last year was ready to harvest his oats, Canada suddenly discovered that she had 60,000,000 bushels which she did not need. In Canada there is a board which within a few weeks lowered the export tax from 45 cents a bushel to 2 cents, and the oats were sold to the United States of America.

I read into the RECORD telegram after telegram showing that the farmers said they were going broke. There was one which said, "I have lost a thousand dollars in 1 week because of Canadian oats." I should like to see the distinguished junior Senator from Oregon farm under such conditions. I wish he could have been with me a year ago when I went into 17 counties, where the farmers could not get a binder or a header or machinery of any kind or description.

I went over to a town in Hettinger County, I read into the RECORD what I found there. The tractor of one farmer remained idle in the yard for a month because he could not get a little gear worth 75 cents which he needed in order to enable him to operate his tractor. Another farmer testified he drove 800 miles before he could get a little 25-cent repair part needed on his tractor. But that was not all. In Hettinger County the farmers could not get a repair part for any kind of binder that was more than 15 years old. The county agent, getting a part of his money from the very Government which pays the distinguished junior Senator from Oregon, testified under oath that in Hettinger County, N. Dak., alone in 1943 the poor farmers lost a million dollars in wheat and flax because they did not have the machinery with which to cut and harvest their crops. Where was the machinery? I read into the RECORD an account of where the machinery went, where the State Department was sending it.

Through the little town of Portal, a town of less than a thousand people, a port of entry into Canada, in 6 weeks, during all the month of July and the first 2 weeks in August, there were shipped 655 rubber-tired tractors and 366 rubber-tired combines, and yet a farmer in North Dakota could not buy one for love or money. Those tractors and combines were hauled right by the doors of the farmers in North Dakota, and were shipped into Canada.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. LUCAS. What has that to do with the reciprocal trade agreements?

Mr. LANGER. It has much to do with them. It shows the way the Government has been treating the farmers of the United States. Does the Senator suppose the farmers of this country will get very much from Mr. Clayton, the greatest cotton gambler in the world, who has offices in all the countries I have named? What interest has he in the small farmer in Georgia? What hope has the farmer in North Dakota when the President consults Stimson and Forrestal and Stettinius? The Department of Agriculture is not even mentioned in the bill. The President does not have to consult anyone in the Department of Agriculture.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. GEORGE. The Senator is laboring under a misapprehension. The original Reciprocal Trade Agreements Act required the President to seek information and advice from the Tariff Commission, the State Department, the Commerce Department, and the Department of Agriculture. The pending bill, by amendment made in the House, has added the War and Navy Departments, so that strategic metals and minerals might be protected.

Mr. LANGER. I concede that makes it a little better, but the vote is still 3 to 1.

Mr. GEORGE. I did not want the Senator to think that the Secretary of Agriculture was not one of the Secretaries to be consulted.

Mr. LANGER. I am very glad to know that the original act made that provision.

Mr. President, the distinguished minority leader has asked me how long I should like to continue. I wish to speak a little longer, and to offer some matters for the RECORD. I should like to have unanimous consent to be allowed to conclude tomorrow morning.

Mr. GEORGE. How long will it take the Senator to conclude?

Mr. LANGER. I do not think it will take more than 25 or 30 minutes at the outside.

Mr. GEORGE. I was about to ask unanimous consent that any Senator could speak 20 minutes on any amendment and 20 minutes on the bill if he

desired to do so, so that would give the Senator ample time.

Mr. WHITE. If the unanimous-consent agreement were entered into it would give the Senator from North Dakota 40 additional minutes?

Mr. GEORGE. Yes; if he desired that much. I now submit the unanimous-consent agreement, that during the further consideration of the bill no Senator shall speak more than once or longer than 20 minutes on any amendment or substitute therefore, or more than once or longer than 20 minutes on the bill.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. WHITE. The Senator from Nebraska was asking me a question which he had not quite concluded, and I suggested that he ask it of the Senator from Georgia.

Mr. WHERRY. I should like to inquire of the senior Senator from Georgia whether, if a Senator has already spoken on the amendment which was voted on, he would be restricted in his time because of that?

Mr. GEORGE. No.

Mr. WHERRY. A Senator would still have 20 minutes on any amendment and 20 minutes on the bill?

Mr. WHITE. As I understand it, the agreement will not go into effect until tomorrow.

Mr. GEORGE. Beginning tomorrow at noon.

The PRESIDING OFFICER. Is there objection to the request?

The Chair hearing none, the agreement is entered into, and it is so ordered.

PRESIDENTIAL SUCCESSION

The PRESIDING OFFICER (Mr. MORSE in the chair) laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Privileges and Elections:

To the Congress of the United States:

I think that this is an appropriate time for the Congress to reexamine the question of the Presidential succession.

The question is of great importance now because there will be no elected Vice President for almost 4 years.

The existing statute governing the succession to the office of President was enacted in 1886. Under it, in the event of the death of the elected President and Vice President, members of the Cabinet successively fill the office.

Each of these Cabinet members is appointed by the President with the advice and consent of the Senate. In effect, therefore, by reason of the tragic death of the late President, it now lies within my power to nominate the person who would be my immediate successor in the event of my own death or inability to act.

I do not believe that in a democracy this power should rest with the Chief Executive.

Insofar as possible, the office of the President should be filled by an elective officer. There is no officer in our system of government, besides the President and Vice President, who has been elected by all the voters of the country.

The Speaker of the House of Representatives, who is elected in his own district, is also elected to be the presiding officer of the House by a vote of all the Representatives of all the people of the country. As a result, I believe that the Speaker is the official in the Federal Government, whose selection next to that of the President and Vice President, can be most accurately said to stem from the people themselves.

Under the law of 1792, the President pro tempore of the Senate followed the Vice President in the order of succession.

The President pro tempore is elected as a Senator by his State and then as presiding officer by the Senate. But the Members of the Senate are not as closely tied in by the elective process to the people as are the Members of the House of Representatives. A completely new House is elected every 2 years, and always at the same time as the President and Vice President. Usually it is in agreement politically with the Chief Executive. Only one-third of the Senate, however, is elected with the President and Vice President. The Senate might, therefore, have a majority hostile to the policies of the President, and might conceivably fill the Presidential office with one not in sympathy with the will of the majority of the people.

Some of the events in the impeachment proceedings of President Johnson suggested the possibility of a hostile Congress in the future seeking to oust a Vice President who had become President, in order to have the President pro tempore of the Senate become the President. This was one of the considerations, among several others, which led to the change in 1886.

No matter who succeeds to the Presidency after the death of the elected President and Vice President, it is my opinion he should not serve any longer than until the next congressional election or until a special election called for the purpose of electing a new President and Vice President. This period the Congress should fix. The individuals elected at such general or special election should then serve only to fill the unexpired term of the deceased President and Vice President. In this way there would be no interference with the normal 4-year interval of general national elections.

I recommend, therefore, that the Congress enact legislation placing the Speaker of the House of Representatives first in order of succession in case of the removal, death, resignation, or inability to act of the President and Vice President. Of course, the Speaker should resign as a Representative in the Congress as well as Speaker of the House before he assumes the office of President.

If there is no qualified Speaker, or if the Speaker fails to qualify, then I recommend that the succession pass to the President pro tempore of the Senate, who should hold office until a duly qualified Speaker is elected.

If there be neither Speaker nor President pro tempore qualified to succeed on the creation of the vacancy, then the succession might pass to the members of the Cabinet as now provided, until a duly qualified Speaker is elected.

If the Congress decides that a special election should be held, then I recommend that it provide for such election to be held as soon after the death or disqualification of the President and Vice President as practicable. The method and procedure for holding such special election should be provided now by law, so that the election can be held as expeditiously as possible should the contingency arise.

In the interest of orderly, democratic government, I urge the Congress to give its early consideration to this most important subject.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 19, 1945.*

FULL EMPLOYMENT — STATEMENT BY SENATOR WAGNER AND LETTER FROM RALPH E. FLANDERS

Mr. WAGNER. Mr. President, as chairman of the Banking and Currency Committee, I have just received a letter endorsing the full employment bill (S. 380) from one of America's leading businessmen, Mr. Ralph E. Flanders, head of the Jones & Lamson Machine Tool Co., chairman of the CED Research Committee, and chairman of the Federal Reserve Board of Boston.

In view of the thoughtful and penetrating character of Mr. Flanders' recommendations to Congress, I ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, a statement that I have made with regard to Mr. Flanders' letter, together with a copy of the letter itself.

There being no objection, the statement and letter were ordered to be printed in the RECORD, as follows:

Endorsement of the full employment bill (S. 380) by Ralph E. Flanders, one of America's leading businessmen, was announced today by Senator ROBERT F. WAGNER, Democrat, New York, chairman of the Senate Banking and Currency Committee. In a letter to Senator WAGNER, Mr. Flanders has stated that "the passage of the bill in a satisfactory form is highly important" and that the "right to a job is a right which I myself have come, after much thought, to accept as an objective which our system may attain."

"Mr. Flanders' thoughtful and penetrating letter to the Banking and Currency Committee," stated Senator WAGNER, "merits the most serious study by all American businessmen, both large and small." Senator WAGNER pointed out that Mr. Flanders' endorsement of the full employment bill is particularly significant in view of his position as head of the Jones & Lamson Machine Tool Co., chairman of the CED Research Committee, and chairman of the Federal Reserve Board of Boston.

In his letter, Mr. Flanders lists the following basic responsibilities of the Federal Government in the maintenance of full employment:

"(a) The gathering, organizing, and publishing of full information regarding the conditions that affect production and employment.

"(b) The recognition by Government of the employment-making function of business and a careful consideration as to whether any particular legislative or administrative policy assists or deters the expansion of highly productive and well-paid employment.

"(c) The assumption of the residual responsibility for providing employment when

private employment under favorable conditions has been unable to do so."

Mr. Flanders also discusses in some detail the duties of business, organized labor, and local and State governments in contributing to the maintenance of full employment. "All of these duties, which implement the right to a job," he declares, "and all of the activities which are required by these duties have to be carried on simultaneously. With this done, at any given moment, the number of unemployed to be taken care of by the provisions of the full employment bill, may be brought small enough so that the available useful work will actually meet the need."

Mr. Flanders also suggests that the Banking and Currency Committee improve the full employment bill by "the elimination of the provision for long-range forecasting."

"We cannot prophecy clearly enough to make these advance determinations," he states. "What we can do is to keep currently informed of a situation to which we can adjust current policies. The bill should be amended to this effect."

BOSTON, MASS., *June 14, 1945.*

The Honorable ROBERT F. WAGNER,
Chairman, Banking and Currency Committee, United States Senate, Washington, D. C.

DEAR SENATOR WAGNER: In response to your letter of May 22, I am glad to answer the questions you have raised with regard to the full employment bill of 1945.

1. Among the basic responsibilities of the Federal Government in the maintenance of full employment are the following:

(a) The gathering, organizing, and publishing of full information regarding the conditions that affect production and employment. This should cover the condition of business and credit in general, specific industries of major importance, specific conditions and prospects in agriculture, and the situation as regards fiscal and financial background. This information should be organized on a regional basis as well as on a national basis, and should take account, though in less detail, of foreign conditions and the prospects of international trade.

(b) The recognition by Government of the employment-making function of business and a careful consideration as to whether any particular legislative or administrative policy assists or deters the expansion of highly productive and well-paid employment.

(c) The assumption of the residual responsibility for providing employment when private employment under favorable conditions has been unable to do so.

2. The specific improvement in the bill which should be considered by the Banking and Currency Committee is the elimination of the provision for long-range forecasting called for in section 3 and the procedure called for in paragraph (c) of that section. The most valuable feature of the bill in question is its provision for the current reporting of the conditions which determine the policies which the bill establishes. A dangerous feature of the bill is the proposal that this information be used as the basis for determining what shall be done throughout the following fiscal year. It involves the element of prophecy. I seriously doubt if prophecy is possible. As an example, the question may well be asked whether any administrative body or group of experts in January of 1937 could have predicted the conditions which would prevail for that fiscal year as they actually began to show in the period from June on. We cannot prophesy clearly enough to make these advance determinations. What we can do is to keep currently informed of a situation to which we can adjust current policies. The bill should be amended to this effect.

3. With the important amendment suggested above and with such other changes as may appear wise after further considerations in hearings and by the committee, I would urge that the purposes of this bill be enacted into legislation. It will still be ineffective in producing the results desired, however, unless Government fiscal policy is geared to the program and unless many measures which come under (1) (b) above are also taken care of. Furthermore, there should be a concentrated drive for getting local, State, and Federal projects out of the planning stage into the plans and specifications stage. The "shelf" of Government projects is more of a dream than a reality. There is necessity for both loading the shelf and restraining the temptation to unload it and place contracts for anything except the most necessary projects at times when their initiation would not have the most favorable effect on the maintenance of employment.

4. It is not a question as to whether the necessary cooperation would be obtained. It must be obtained. In other words, the passage of the bill in a satisfactory form is highly important, but it is only the beginning of the process of assuring employment.

Besides the above answers to your specific questions, I would like to add a few remarks on the subject of The Right to Useful Remunerative Regular and Full-Time Employment, set forth in the third and fourth lines of page 2 of the bill.

This right to a job is a right which I myself have come, after much thought, to accept as an objective which our society may attain. It is a right which has to be organized and is not quite comparable in this respect to the rights of free speech and freedom of assembly established in the Bill of Rights.

One of the characteristics of the Bill of Rights is that the privileges it confers come automatically to the citizen unless he is restrained from exercising them. Preserving rights is, therefore, a matter of overcoming resistance.

With these rights go certain duties. In the above case, there is the duty to resist those who seek to restrain, and that duty to resist extends even to suffering wounds and death. This was the extent to which our duties were carried in the War of the Revolution, and to which, in the American view of the conflict, they are being carried in this Second World War.

The right to a job is not clearly established on the same basis. As stated above, it has only recently become clear to me that it is a right, at all. If it is a right, it is so by virtue of the complexity of our modern economy which makes it less and less easy for the individual to find rewarding work than was the case in pioneer days and in the generations immediately following in this country.

If we admit the right to a rewarding job as one of the human rights, we must still note certain differences between it and those set forth in the Bill of Rights. We do not assure ourselves of a job by a simple resistance to some person or some group who is keeping jobs from us, as in the case of those who seek to impede free speech and free assembly. The duties involved in supporting that right are of a completely different sort. They involve constructive action, cooperatively undertaken by many different elements of society in a rather difficult field of operations.

Some of these duties, without which the right cannot be implemented, devolve on the individual. Some devolve on business enterprises, some on organized labor, others on local and State governments, and still others on the Federal Government.

The individual has no right to a job unless he is productive and self-reliant, and energetically seeks employment. To assign the right to individuals who do not possess these qualities is to subsidize idleness and social parasitism.

On business devolves the duty of operating at its best possible efficiency and of thereby making it possible for it to expand production and employment, which it should do to the limit of its capacities for solid, sustained growth. It has no duty to furnish employment at a continued loss, since this would reduce the volume of employment furnished, rather than increase it. Business can likewise properly be curbed in activities which seek to contract employment and expansion by eliminating competition.

Organized labor has serious responsibilities in implementing the right to a job. That right cannot be established without the cooperation of labor unions and the abandonment of practices which in some instances defeat the objective of this bill. Besides specific practices of this sort, there is a general responsibility resting on union negotiators to see to it that wage, hour, and production standards sought by the union do not form parts of a total aggregate which so upsets the wage-cost-price relationship as to decrease the total volume of employment.

Local and State Governments have duties in connection with the wisdom of their tax policies, the effectiveness of their preservation of human and property rights and, in particular, the timing of construction work and any other expenditures which are not on a current basis.

The Federal Government has very large and serious duties to perform if the right to a job is to be made effective. It must do much more than store up work for release when unemployment is large. It must prevent the growth of that unemployment by policies which encourage business to expand and investors to undertake new ventures.

All of the above are prerequisites to the Government's assumption of its final responsibility of furnishing work itself when employment lags.

This list of prerequisites is not to be understood as being a series of hurdles over which the unemployed worker must leap one after another before he becomes eligible to federally provided work. All of these duties which implement the right and all of the activities which are required by these duties have to be carried on simultaneously. With this done, at any given moment the number of unemployed to be taken care of by the provisions of the full-employment bill may be brought small enough so that the available useful work will actually meet the need.

There still remain certain difficulties, both in the amount of Government work which can be provided and in having the required amount of work ready at the time and place at which it is needed.

Some years ago I was one of the authors of a book entitled "Toward Full Employment." The position taken in that book was in favor of the provision of Government employment on productive work when private employment failed. I have since, however, come to the conclusion that it is exceedingly difficult to provide Government work on a large scale. I would, therefore, now emphasize the need for employing every means to reduce the number who must be supported by Government employment. Furthermore, the last few remaining millions of unemployed will be of the problem type and exceedingly difficult to handle by Government employment. There will be concentrated in those last few millions individuals who are problems in themselves; also there will be various localities and industries which present special situations which it will be difficult to meet by any general provision of employment. For instance, the Missouri Valley Authority development could not easily take care of unemployment in southern textile mills. Nevertheless, governmental expenditure, properly proportioned and properly timed, is one of the important weapons in the arsenal for fighting unemployment.

Referring again to the scale on which the Government provides jobs, it is impossible to have this on the enormous scale which would have been required by the great depression, except by controls which approach

the organization of a totalitarian government. We have had such enormous Government employment during the war, but to provide the same volume in peacetime it would be necessary to continue the totalitarian features of wartime control.

The scale on which Government work is to be provided must be kept to a minimum if we are to implement the right to a job. The right to a job is real, but it can never be realized without the careful and intelligent performance of the duties whose performance will alone make it possible to implement the right.

As you doubtless know, the Committee for Economic Development is studying the questions involved in the purposes of this bill. The objective of the CED is the attainment and maintenance of a high level of productive and profitable employment. Earlier in this letter, I spoke of the responsibilities of business. The field work of CED is a definite endeavor on the part of business, regionally and locally, to perform its part in expanding and maintaining private employment.

Furthermore, it is the purpose of the Research Committee, of which I am chairman, to examine and report on all those other factors which make the "climate" in which business operates, so that we may have the best possible conditions for business to operate under in performing its part in the increase and maintenance of employment.

This letter is a personal response to your inquiry and is not at all a CED document. It has been my past experience in the work of the Research Committee that my own opinions have become modified by the rigorous discipline to which we subject ourselves in the joint examination of these problems by businessmen and social scientists. It is, therefore, quite probable that, at a later date, I may see reason for modifying some of the opinions herein expressed.

Sincerely yours,

RALPH E. FLANDERS.

ALLEGED WASTE AND CORRUPTION IN CONNECTION WITH CONSTRUCTION OF THE LATIN-AMERICAN HIGHWAY

Mr. MEAD. Mr. President, on Thursday, June 14, 1945, the Senator from Wyoming [Mr. ROBERTSON] called to the attention of the Senate charges of irregularities in the performance of certain construction contracts let by the Corps of Army Engineers in connection with the construction of the Latin-American Highway. The Senator from Michigan [Mr. FERGUSON], the Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from Oklahoma [Mr. MOORE], the Senator from Wisconsin [Mr. LA FOLLETTE], and the Senator from Vermont [Mr. AIKEN] participated in the debate, which appears on pages 6097 through 6105 of the CONGRESSIONAL RECORD of Thursday, June 14, 1945.

On Monday, June 18, 1945, the Senator from Louisiana [Mr. OVERTON] rose to request that general condemnation of the Corps of Engineers be withheld until a complete investigation of the ex parte charges could be made by a congressional investigating committee. The Senator from Arkansas [Mr. MCCLELLAN] joined in this request. The Senator from Wyoming [Mr. ROBERTSON] and the Senator from Michigan [Mr. FERGUSON] also participated in this debate, which appears on pages 6217 through 6219 of the CONGRESSIONAL RECORD of June 18, 1945.

Most of these Senators indicated a desire that these charges should be thoroughly investigated by the Special Senate Committee Investigating the National Defense Program, of which I have the honor to be chairman.

Immediately upon the presentation of the matter to the Senate, I requested a preliminary inquiry for the purpose of assembling the facts in order to determine whether or not a full investigation should be ordered. I am now satisfied, on the basis of this preliminary inquiry, that the charges are properly within the scope of the Special Committee Investigating the National Defense Program, and that the nature of the charges and the evidence so far presented in support of them warrants a full and complete investigation by the committee.

The committee has for some time been assembling evidence on the construction of the highway in Canada and Alaska known as the Alcan Highway. Much of this evidence was collected in connection with the committee's investigation of the Canol project, on which the committee reported some time ago.

Likewise, the committee has from time to time received complaints concerning other highway construction projects outside the continental limits of the United States, concerning which it has been accumulating evidence. Some of these have been the responsibility of other agencies than the Corps of Army Engineers. The committee proposes to make the investigation of the Latin-American Highway a part of a general investigation of construction projects on foreign soil, which is obviously a subject of inquiry of extremely broad scope and of great importance in assessing the cost of the war and the propriety of war expenditures.

Furthermore, the charges so far presented to the Senate in connection with the Latin-American Highway project have related mainly to improper expenditures on cost-plus contracts, such as equipment rentals, local purchases, and the use of Government labor and materials for construction for private use. The committee, however, does not propose to limit its investigation to these charges alone, but will also inquire into the propriety of the decision to construct the highway in the first place; decisions as to the location of the routes; the preparation of the form of construction contracts, especially the considerations leading to the omission of a clause for the acquisition of title to machinery on which rentals were paid when rentals approximated or exceeded the value of the equipment; the awarding of the contracts; the performance of the contracts, including not only the propriety of allowance of items of cost, but also the character of the construction work done, both as to quality and promptness of performance; arrangements for the disposition of highways located on foreign soil with respect to the protection of United States interests and the realization of the value of United States investments therein; and such other matters as may appear to be of importance to the Senate and to the people of the United States as may develop during the course of these investigations.

The Senate is well familiar with the work of the committee in matters of construction in the continental United States, including camp construction, housing construction, facility and plant construction, on which the committee has reported to the Senate from time to time.

During hostilities, because of its desire to avoid any possibility of its investigations impairing, even in the slightest degree, the effectiveness with which combat operations were conducted, the committee has refrained from extensive investigations in foreign areas. However, in this war, more than ever before, tremendous sums of money and huge amounts of materials have been expended in the construction of installations and projects on foreign soil. Comparatively little is known about them. The committee feels that the Senate and the people of the United States are entitled to full information on these foreign expenditures and proposes to devote a great deal of its attention from now on in investigating and reporting on them. Already, since the beginning of the year, three subcommittees have visited, inspected, and held hearings in foreign areas. Some reports have already been made to the Senate and further reports are in the process of preparation for issuance shortly. The committee well appreciates the scope of our expenditures abroad and fully realizes that each project cannot be subjected to detailed scrutiny. Of necessity, the committee must limit itself to the investigation of a few specific projects, concerning which charges have been made and which, after preliminary investigation, appear to require full investigation.

The committee is aware of the difficulties involved in the prosecution of acts of corruption and fraudulent expenditure of Government funds which occur outside the limits of the United States. However, this is rather a problem of the Department of Justice, since the committee's scope extends far beyond inquiry into alleged criminal acts. The committee, however, is determined that the natural obstacles of distance and inaccessability, the absence of adequate coverage and censorship of the press, and other factors incident to the location of these projects on foreign soil, shall not prevent a full examination of these activities and a full and complete report to the Congress and the people of the United States.

In the event wrongdoing is established, the committee will insist that appropriate disciplinary action or criminal proceedings be taken by the military or civilian agencies responsible therefor.

Mr. President, we will proceed with this investigation as expeditiously as possible and make our report to the Senate as soon as we have completed our task.

Mr. President, I desire now to refer to another subject.

The PRESIDENT pro tempore. The Senator from New York has the floor.

AMERICAN POLICY TOWARD THE NEW ITALY

Mr. MEAD. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Time for a Treaty With Italy," published in the Buffalo Evening News of June 15, 1945.

This editorial concludes with the following statement, in which I heartily concur, as I concur in the entire editorial:

Without waiting for a general peace conference that will meet at a date no one knows as yet, our relations with Italy would be renewed and strengthened by a treaty of friendship and good will.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TIME FOR A TREATY WITH ITALY

Now that a new government is being formed in Italy, it would seem an appropriate time to negotiate a treaty of commerce and friendship with her. The policy of the Big Three Powers thus far has been anything but helpful. Italy surrendered to the United Nations on September 3, 1943, under armistice terms not yet revealed, and declared war on Germany 40 days later. The Italians, dubbed cobelligerents, have been treated as vanquished and friends at the same time. This has led to confusion and frustration.

The consequence has been a succession of regimes under Badoglio and Bonomi that have resulted only in failure. Famine and pestilence have stalked through the peninsula. On top of these ills there have been political quarrels and social disorders, intensified by uncertainty of the future.

The Big Three Powers do not seem to agree on any program to better matters. Moscow may or may not be encouraging the Italian Communist Party; but Great Britain appears to stand on the opposite side, supporting the monarchy and the ultra-conservative elements. The British intervened to prevent Bonomi from naming Count Sforza, an outspoken antimonarchist, as Foreign Minister. Crowds in Rome called Bonomi England's man, and Secretary of State Stettinius took the occasion to tell the press that we had no objection to Sforza and that "the composition of the Italian Government is purely an Italian affair." The count, however, was left out of the cabinet.

The United States appears to be the only one of the Big Three Powers that is disinterested in its attitude toward Italy. It has no wish but to see Italy happy and prosperous under any regime the people may choose. Without waiting for a general peace conference that will meet at a date no one knows as yet, our relations with Italy should be renewed and srengthened by a treaty of friendship and good will.

Mr. MEAD. Following the editorial, I should like to have printed in the RECORD a memorandum on American policy toward the new Italy, presented to the President of the United States on June 12, last, by Mr. Luigi Antonini, president of the Italian-American Labor Council.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

Because of her location with 45,000,000 people in the strategic Mediterranean area and because of her past and potentially great role in the advancement of human progress, democratic Italy is a country of vital world import.

The United States, above all other nations, should be most interested in the development of a vigorous democratic way of life in Italy. Our cultural, economic, and physical bonds with the Italian people are many, varied, and valuable. More than 6,000,000 of our population are of Italian descent. Eleven out of every hundred Americans in military service are of Italian origin. Over 6,000,000 Italians reside in Latin America.

In the difficult terrain of Italy, our own Army under General Clark and the hundreds of thousands of Italian patriots and regulars have shared in the common dangers and victory over the Nazi hordes. Here there were forged new links of friendship and solidarity between the American and Italian peoples—links that will never be broken or forgotten.

Of all the nations, America is most eminently fitted morally and most adequately equipped materially to help the Italian people help themselves in their present tragic plight. We have no demands to make on democratic Italy. We seek no special privileges or spheres of influence in the new Italy. Our hands are clean. The Italian people have high regard for us. They trust our motives. They have placed their highest hopes and faith in us.

Under these circumstances, the United States should lose no time in taking the diplomatic and economic initiative in assuring justice to the reviving democracy of Italy. In this spirit and for this purpose, we herewith suggest that our Government should take the following steps:

1. The Italian people have done everything within their power to hasten our triumph over the German enemy and to secure their own liberation from the Nazi-Fascist yoke. They have displayed real capacity for self-government and democratic administration in spite of more than two decades of Fascist misrule and terror. The international moral and political status of democratic Italy must be basically changed. The new Italy should be granted membership in the United Nations and immediate representation at the San Francisco Conference.

2. The present armistice terms are entirely out of date and utterly unjust. In spirit and substance, these terms were originally conceived and planned for the purpose of suppressing Fascist control and Nazi domination of Italy. But the Italian people themselves have completely extirpated the Fascist regime and dealt heavy and telling blows for the destruction of German military prowess—no less than for their own liberation. Today, the people of Italy should, therefore, be trusted and treated as a liberated ally and friend and not as a hostile conquered country. The present armistice should forthwith be abolished and a just treaty of peace be signed with the new, the democratic Italy.

3. The Italian people are eager and able to help us hasten our day of triumph in the Pacific. When we appealed to them to overthrow Mussolini, break with the Axis, and join our side, they answered courageously and capably. Their fleet can now render yeoman service to the cause of freedom in the Orient. Let us appeal to the Italian people to enter the battle against Japan. They will again answer our call enthusiastically and effectively.

4. Our country has conceived the "four freedoms" and fathered the Atlantic Charter. Italy is the crucible of our international policies based on these lofty ideals. America should now reaffirm her insistence on the preservation of the national integrity of Italy and on the vigorous application of the Atlantic Charter and the "four freedoms" to resurgent Italian democracy.

5. The restoration of private enterprise and the revival of the great cooperative movement in Italy would go a long way toward insuring the return of prosperity in large sections of southern and central Europe. For the sake of enlightened self-interest as well as for humanitarian reasons and sound international policy, the United States should provide the new Italy with the credit and raw materials urgently needed by her industries and rural economy in rebuilding her normal life and stabilizing her social and political relations on a solid genuinely democratic foundation.

6. Our Army has done splendid work in rendering assistance to the hungry and ailing in war-battered Italy. This Army relief effort should be continued and be supplemented by UNRRA.

7. Thousands of Italian former prisoners of war have proved of invaluable help to our country when our manpower problem was most acute. Today we no longer need their services. But their Italian motherland badly needs their skills and service in the reconstruction of her national economic life.

Our country should, therefore, take the lead in returning to Italy the thousands of her ex-soldiers whom we are still detaining.

CONCLUSION

There is mounting anxiety over the plight and future of Italy not only among the millions of Americans of Italian lineage but also among all forward-looking people who desire to see an enduring and endurable peace and a sound world-security order based on justice.

Recent events demand a fundamental revision of Allied policy pursued toward democratic Italy since the armistice was signed with Badoglio. Everybody knows that, to date, the United States has only reluctantly accepted this course. The entire liberty-loving world now looks to America to take the diplomatic initiative and lead in ushering in a more just, more humane, and truly sound approach to the needs of the friendly and peaceful Italian people whose talents and abilities are indispensable to the onward march of our democratic civilization.

For the sake of the ideals which inspired us to victory in Europe and will lead us to victory in the Pacific, and in the interest of an effective world security order, America should act promptly and decisively in guaranteeing democratic Italy the opportunity and possibility of resuming her place of dignity and honor in the world community of free peoples.

EXTENSION OF PRICE CONTROL—RECORD OF VOTE BY SENATOR MEAD

Mr. MEAD. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Extension of Price Control," published in the New York Times of June 18, 1945. This editorial comments on the necessity for continuing price control, and makes especial mention of an amendment offered by the Senator from Nebraska [Mr. WHERRY].

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EXTENDING PRICE CONTROL

The House Banking Committee plans to present the bill to extend the life of the price-control law to the full House early this week. The price-control authority must be extended until the end of the war period, and the extension must be made without crippling changes. It is deeply to be hoped, therefore, that the House will not only refuse to make such changes of its own but will vote to strike out the Wherry amendment.

This amendment was passed in the Senate at the last moment by a narrow vote. It was passed because it took the administration forces by surprise. They had not taken it seriously enough to warn against it. It was passed with virtually no debate. Its full badness can be appreciated only from a full quotation of its text:

"It shall be unlawful to establish or maintain against the producers of any livestock, grain, or any other agricultural commodity a maximum price for such commodity which does not equal all costs and expenses (including all overhead expenses, a return on capital, and an allowance for the labor of the producer and his family) incurred in the production of such commodity, plus a reasonable profit thereon."

Exactly what does this mean? Do the "costs and expenses" referred to mean average costs or expenses? Do they mean the individual costs of each producer, so that each would be entitled to charge a different price? Do they mean the highest costs incurred by the least efficient producer? It would, in fact, be administratively impossible properly to determine any of these costs. But the practical effect of this provision would be to encourage high costs and inefficiency and a further indefinite rise in food and textile prices.

The Wherry amendment is clearly discriminatory. If farmers are to be guaranteed maximum prices that equal all costs and expenses, a return on capital and a reasonable profit, why should not producers of every commodity received an equal guaranty? And what in that case would happen to price control?

The Wherry amendment is merely one more effort to turn the Price Control Act into a political football. It discriminates in favor of the very group of producers who are already most favored. The provisions for so-called parity prices for agricultural products are already imbedded in the Price Control Act. Under those provisions prices received by farmers have more than doubled since 1939, rising from an index number of 92 to one of 203. Farm income has increased even more rapidly.

President Truman has flatly condemned the Wherry amendment. Farm leaders themselves have condemned it, one of them summing it up accurately as unsound, unworkable, and inflationary. Unless the House strikes out this amendment and refuses to insert anything like it, an extension of the Price Control Act will be a mere mockery.

Mr. MEAD. In the same issue of the New York Times, Monday, June 18, 1945, is a record of certain votes in the Senate and House, including the names of Members from the New York, New Jersey, and Connecticut areas. In the record of votes on the Wherry amendment, I am reported as not voting.

Mr. President, I was present on that occasion and voted against the Wherry amendment. I cannot find fault with the New York Times, because a mistake was made in copying the roll call from the Journal into the CONGRESSIONAL RECORD. In copying the roll call my vote, which was recorded against the amendment, was copied as though I were not present and not voting.

As I have heretofore explained to the Senate, I did not bring that fact to the attention of the Senate for the purpose of complaining in any way about the reporting, because I think the reporting in the Senate is probably the best reporting done in any legislative body in the world. I merely wished to make the statement that I was present and voted against the Wherry amendment.

AUTHORIZATION FOR THE STATE OF ALABAMA TO LEASE OR SELL CERTAIN LANDS

Mr. HILL. Mr. President, there is on the Calendar Order of Business 367, House bill 2416, authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1819. The bill was passed unanimously by the House of Representatives and was unanimously reported to the Senate by the Senate Committee on Public Lands and Surveys.

When this particular land was granted to the State of Alabama in 1818, 126 years ago, the Congress placed in the deed of grant a limitation that the land could not be sold, or leased by the State for a longer term than 10 years. The bill on the calendar would remove this limitation. A similar limitation was imposed on land granted by the Congress to certain other States, such as Illinois, Ohio, Michigan, Missouri, and Arkansas. The limitation has been removed with respect to those States. The bill would simply accord to Alabama the same right which has been granted the other States. I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the immediate consideration of House bill 2416.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2416) authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1819.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Alabama for the immediate consideration of the bill?

Mr. WHITE. Mr. President, the Senator from Alabama was good enough to speak to me about this bill. I have made sufficient investigation to satisfy myself that it is in accord with precedent in other States. I have made such inquiry as I could among the minority members of the committee having jurisdiction, and I know of no objection to the passage of the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

NATIONAL NEUROPSYCHIATRIC INSTITUTE—CHANGE OF REFERENCE OF A BILL

Mr. PEPPER. Mr. President, yesterday, joined by several other Senators who are members of the Senate Committee on Education and Labor, I introduced Senate bill 1160, a companion bill to House bill 2550. The title of Senate bill 1160 is, "A bill to provide for, foster, and aid in coordinating research relating to neuropsychiatric disorders; to provide for more effective methods of prevention, diagnosis, and treatment of such disorders; to establish the National Neuropsychiatric Institute; and for other purposes."

Mr. President, I cannot but believe that by some inadvertence, or possibly due to the peculiar reference of the bill in the House, the bill was referred to the Senate Committee on Commerce instead of to the Committee on Education and Labor, which handles health legislation generally. I am not speaking of legislation which requires taxes, such as the social-security legislation. Surely the establishment of such a thing as a national neuropsychiatric institute would come under the jurisdiction of the Committee on Education and Labor.

I have not had an opportunity to bring this matter to the attention of the chairman of the Committee on Commerce, but it is so dissimilar to the ordinary jurisdiction of that committee, and so natural to the jurisdiction of the Senate Committee on Education and Labor, that I am constrained to ask unanimous consent, if necessary, that the Committee on Commerce be discharged from the further consideration of the bill, and that it be referred to the Committee on Education and Labor, which I believe to be the committee having jurisdiction.

The PRESIDENT pro tempore. The Chair will state that the bill was referred to the Acting Parliamentarian, and he examined it and stated that the Committee on Commerce was the proper committee to which to refer the bill, and it was so referred.

The Chair suggests that if any change is to be made in the reference of the bill, it should be made after discussion on the floor, and following action by the Senate, when a reasonable number of Senators are present.

The Chair believes that the Acting Parliamentarian is utterly unbiased. He was unbiased in this matter, and did only that which he believes to be correct. The Chair would not want to have the Acting Parliamentarian overruled unless the Senate, by a vote, should overrule him, as it has a perfect right to do.

Mr. PEPPER. Mr. President, I give notice that tomorrow I shall make such a request. I should like to have the Senate understand that this is not merely the request of a single Member. We have had this question up before. I am simply stating that the Committee on Education and Labor is the proper committee to have jurisdiction over this subject. I am a member of the Senate Committee on Commerce. In the House the bill seems to have been referred to the Committee on Interstate and Foreign Commerce, which may have misled the Acting Parliamentarian. I do not know what the House rules are with respect to reference of bills, but I am sure that the Committee on Commerce in the Senate is not the proper committee to consider the establishment of a national neuropsychiatric institute.

Mr. BARKLEY. Mr. President, in that connection I may say that in the House of Representatives the Committee on Interstate and Foreign Commerce has jurisdiction over Veterans' Administration legislation. That situation grows out of the fact that in World War I that committee sponsored legislation for a War Risk Insurance Act pertaining to ships, and when the House of Representatives subsequently enacted legislation dealing with the rights of veterans it merely amended that act, and the proposed legislation was referred to the Committee on Interstate and Foreign Commerce. In the House of Representatives there is no Committee on Commerce. The House of Representatives has a Committee on Merchant Marine and Fisheries which sometimes corresponds in jurisdiction to the Senate Committee on Commerce.

Mr. PEPPER. That is the explanation, I am sure. But we have no such analogous situation here.

Mr. BARKLEY. I think the Senator from Florida should consult the chairman of the Committee on Commerce before asking unanimous consent that the change be made.

Mr. PEPPER. I shall be glad to do so. Had this not been such a palpable matter, I would have conferred with the chairman of the Committee on Commerce, of course, before bringing it up. I shall be glad to confer with him tomorrow.

Mr. BARKLEY. As a matter of fact, I am not so certain that it should not go to the Committee on Finance, which deals with financial matters generally.

Mr. PEPPER. As I have said I shall bring up the matter tomorrow.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Artemus L. Gates, of New York, to be Under Secretary of the Navy; and

John L. Sullivan, of New Hampshire, to be Assistant Secretary of the Navy for Air.

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

Col. Paul Williams Thompson (captain, Corps of Engineers), for temporary appointment as brigadier general in the Army of the United States; and

Sundry officers for promotion in the Regular Army of the United States, under the provisions of law.

By Mr. GEORGE, from the Committee on Finance:

Sundry officers for promotion in the Regular Corps of the United States Public Health Service.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Several postmasters.

The PRESIDENT pro tempore. If there be no further reports of the committees, the clerk will proceed to state the nominations on the calendar.

RURAL ELECTRIFICATION ADMINISTRATION—NOMINATION PASSED OVER

The legislative clerk read the nomination of Claude R. Wickard, of Indiana, to be administrator of the Rural Electrification Administration, which nomination had previously been passed over.

Mr. BARKLEY. Mr. President, the Senator from Minnesota [Mr. SHIPSTEAD] has advised me that he wishes to discuss this nomination at some reasonable length. I think it would be difficult to take up the nomination at this hour of the day. Therefore I believe it should go over.

The PRESIDENT pro tempore. Without objection, the nomination will be passed over.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters be confirmed en bloc, and that the President be notified forthwith of the confirmation of the nominations.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc; and, without objection, the President will be notified forthwith of the confirmation of the nominations.

THE MARINE CORPS

The legislative clerk read the nomination of Roy S. Geiger to be lieutenant general in the Marine Corps.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed; and, without objection, the President will be immediately notified of the confirmation of the nomination.

That completes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 23 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 20, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate, June 19 (legislative day of June 4), 1945:

DIPLOMATIC AND FOREIGN SERVICE

Henry S. Waterman, of Washington, now a foreign-service officer of class 3 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

Herbert P. Fales, of California, now a foreign-service officer of class 5 and a secretary in the diplomatic service, to be also a consul of the United States of America.

F. Lester Sutton, of New Jersey, now a foreign-service officer, unclassified, and a secretary in the diplomatic service, to be also a consul of the United States of America.

The following-named persons for appointment as foreign-service officers, unclassified, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Charles C. Gidney, Jr., of Texas.
Charles Gilbert, of New York.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 19 (legislative day of June 4), 1945:

IN THE MARINE CORPS

TO BE LIEUTENANT GENERAL

Roy S. Geiger to be a lieutenant general in the Marine Corps for temporary service, from June 9, 1945.

POSTMASTERS

MAINE

George M. Evans, Sherman Mills.

MARYLAND

Laura E. Linkins, Cabin John.

MINNESOTA

Gust A. Oberg, Deerwood.

NEW YORK

Norman Rice, Clintondale.

PENNSYLVANIA

Jessie D. Houck, Cairnbrook.
John C. Dunlap, Cherry Tree.

WEST VIRGINIA

Lula M. Morton, Rand.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 19, 1945

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We thank Thee, eternal God, our Father, for all Thy bountiful blessings, and pray that we may use them for the advancement of good among our fellow men. O Thou who givest all life, with Thee may we know and find the strength of its meaning. Beyond doing good is being good; undergird and uphold our firm belief in its ultimate triumph. Help us to walk in the ways of Thy commandments and keep our expectant eyes toward the rising sun of that hope which is eternal in the human breast.

If we fail, enable us to regain our courage and never neglect the task of the day, and give us grace wisely to ponder all things. Enable us to speak kindly words; remember that charity never faileth; a soft answer turneth away wrath, and a good deed touches the hearts of men. We pray, blessed Lord, that this war-sick world may soon be restored to peace and confidence, purged of cruelty and intolerance, and the dark days of strife and pain shall be no more. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 1, 1945:

H. R. 1566. An act for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co.;

H. R. 2007. An act for the relief of Hattie Bowers; and

H. R. 2383. An act to provide for enlistments in the Regular Army during the period of the war, and for other purposes.

On June 2, 1945:

H. R. 903. An act for the relief of the estate of Myles Perz; and

H. R. 1947. An act to authorize an increase in pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms.

On June 4, 1945:

H. R. 1804. An act to amend the act of Congress entitled "An act for the relief of

the Tlingit and Haida Indians of Alaska," approved June 5, 1942.

On June 8, 1945:

H. R. 2600. An act to amend section 9 of the act entitled "An act to facilitate the construction, extension, or completion of interstate petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended.

On June 9, 1945:

H. R. 209. An act for the relief of David B. Smith; and

H. R. 1527. An act to exempt the members of the Advisory Board appointed under the War Mobilization and Reconversion Act of 1944 from certain provisions of the Criminal Code.

On June 11, 1945:

H. R. 981. An act to authorize payment of certain claims for damage to or loss or destruction of property arising prior to May 27, 1941, out of activities of the War Department or of the Army; and

H. R. 1567. An act for the relief of Katherine Smith.

On June 12, 1945:

H. R. 1307. An act for the relief of Montgomery City Lines, Inc.

H. R. 1711. An act for the relief of Blanche H. Karsch, administratrix of the estate of Kate E. Hamilton;

H. J. Res. 208. Joint resolution making an appropriation for emergency flood-control work and for other purposes; and

H. J. Res. 212. Joint resolution making a supplemental appropriation for the fiscal year ending June 30, 1945, for the Children's Bureau, Department of Labor, and for other purposes.

On June 13, 1945:

H. R. 3109. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes; and

H. R. 3267. An act to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. Con. Res. 63. Concurrent resolution authorizing the Special Committee of the House of Representatives Designated to Investigate Food Shortages to have printed for its use additional copies of parts 1 and 2 of the hearings held before said committee during the current session.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 3024) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. MCKELLAR, Mr. THOMAS of Oklahoma, Mr. O'MAHONEY, Mr. GREEN, Mr. GURNEY, Mr. BURTON, and Mr. WHERRY to be the conferees on the part of the Senate.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of Justice.
4. Department of Labor.
5. Federal Communications Commission.
6. National Archives.
7. Office of Civilian Defense.
8. Office of Defense Transportation.
9. Office of War Information.
10. Selective Service System.
11. War Relocation Authority.

CONGRESS RECOGNIZING AND APPROVING PROVISIONS OF SECTION 29.23 (M)–16 OF TREASURY REGULATIONS 111

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 50, declaring Congress to have recognized the provisions of section 29.23 (m)–16 of Treasury Regulations 111, and for other purposes.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the public interest the Congress hereby declares that by the reenactment, in the various revenue acts beginning with the Revenue Act of 1918, of the provisions of section 23 of the Internal Revenue Code and of the corresponding sections of prior revenue acts allowing a deduction for ordinary and necessary business expenses, and by the enactment of the provisions of section 711 (b) (1) of the Internal Revenue Code relating to the deduction for intangible drilling and development costs in the case of oil and gas wells, the Congress has recognized and approved the provisions of section 29.23 (m)–16 of Treasury Regulations 111 and the corresponding provisions of prior Treasury Regulations granting the option to deduct as expenses such intangible drilling and development costs.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CANNON of Missouri asked and was given permission to extend his remarks in the RECORD by including the proceedings on the occasion of the conferring of the honorary degree of doctor of laws on Marc Sheild, former clerk of the Committee on Appropriations.

CONFERENCE REPORT ON DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. O'NEAL submitted a conference report and statement on the bill H. R. 3306, an act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes.

FEDERAL PAY BILL

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes, insist upon the House amendments and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none and appoints the following conferees; Messrs. RAMSPECK, RANDOLPH, JACKSON, REES of Kansas, and VURSELL.

EXTENSION OF REMARKS

Mrs. WOODHOUSE asked and was given permission to extend her remarks in the RECORD and include therein certain statements by consumer groups regarding the OPA.

Mr. RUSSELL asked and was given permission to extend his remarks in the RECORD and include a statement he made before the Committee on Banking and Currency on the extension of the OPA Act.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an address which he delivered at the commencement exercises at Central Catholic High School in Lawrence, Mass.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an article which appeared in the Boston Herald by Associate Justice Elijah Adlow, of the Municipal Court of Boston.

Mr. DONDERO asked and was given permission to extend his remarks in the Appendix and include therein a letter.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a letter and tables from the Department of Agriculture.

Mr. ELLIS asked and was given permission to extend his own remarks in the RECORD.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include an article written by Cedric Adams in the Minneapolis Journal.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include a list of resolutions from the Federal Farm Mortgage Corporation.

Mr. MCDONOUGH asked and was given permission to extend his remarks in the RECORD and include an article from the Christian Science Monitor.

Mr. MCDONOUGH asked and was given permission to extend his remarks in the RECORD and include an article from the Washington Daily News.

Mr. VURSELL asked and was given permission to extend his remarks in the RECORD and include a telegram and two letters.

Mr. BENNETT of Missouri asked and was given permission to extend his remarks in the RECORD and include an

article from the Independence (Mo.) Examiner.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and include an article by Walter Lippmann.

Mr. HORAN asked and was given permission to extend his remarks in the RECORD and include a column by Lowell Mellett.

Mr. GILLIE asked and was given permission to extend his remarks in the RECORD and include a short article on the Veterans' Administration Facility, Mt. Alto.

OLYMPIA, CAPITAL OF THE STATE OF WASHINGTON

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

[Mr. SAVAGE addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that on tomorrow after the legislative business and any other special orders I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

TEMPORARY INCREASE IN POSTAL RATES ON FIRST-CLASS MATTER

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 184, to continue the temporary increases in postal rates on first class matter, and for other purposes.

The Clerk read the joint resolution, as follows:

Resolved, etc., That section 1001 (a), as amended (relating to temporary increase in first-class postage rate), of the Revenue Act of 1932, and section 2, as amended (authorizing the President to modify certain postage rates), of the act entitled "An act to extend the gasoline tax for one year, to modify postage rates on mail matter, and for other purposes", approved June 16, 1933, are further amended by striking out "July 1, 1945" wherever appearing therein and inserting in lieu thereof "July 1, 1947", and by striking out "June 30, 1945" wherever appearing therein and inserting in lieu thereof "June 30, 1947."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

OVERTIME FOR GOVERNMENT EMPLOYEES

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I have today addressed a letter to President Truman asking that he issue an Executive order to place all Government employees under a 44-hour workweek beginning July 1, 1945, except that in the War and Navy Departments and the Veterans' Administration and services in such other agencies where the extra employment is deemed necessary.

After having made a rather complete investigation of this problem, I am convinced the 4 hours' employment on Saturday afternoon is not really worth its cost to the Government. Those in charge of employment and employees themselves tell me this is a correct statement.

I really believe in view of the manner in which the situation is being handled in our governmental agencies, that as much work will be accomplished during 44 hours as is now being done under 48.

This proposal, I am advised, meets with the approval of a vast majority of Government employees. It is also in line with the suggestion made by President Truman with respect to this matter some time ago. Furthermore, Mr. Speaker, my proposal will save the taxpayers hundreds of millions of dollars now being expended for what is known as overtime work.

DR. JAMES SHERA MONTGOMERY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the Members of the House who have been here throughout the years that Dr. Montgomery has been the distinguished Chaplain of the House have always been inspired by the great example he sets to us on the higher, the nobler, the spiritual things of life. This is so without regard to our religious convictions. We all felt gravely concerned when we heard of his recent illnesses while he was away from us for a number of weeks. But we are all pleased to see our great Chaplain back with us again and I know everybody felt happy when they saw him here yesterday and that his health had improved so he could return to the place he loves so much, the House of Representatives.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MARTIN of Massachusetts. I heartily join in the statement the majority leader has made for I believe he expresses the opinion of the membership on both sides of the aisle.

Mr. McCORMACK. We all have an abiding affection for our Chaplain and we want to convey it to him as strongly as we can in every way possible.

His return is a happy event for the House and all of its Members.

EXTENSION OF REMARKS

Mr. ENGEL of Michigan asked and was given permission to extend his remarks in the RECORD and include a letter from Lieutenant General Campbell pertaining to the disposition of surplus ordnance.

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. ROGERS of Florida asked and was given permission to extend his remarks in the Appendix of the RECORD and include a communication regarding the $5 motor-vehicle use tax.

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a letter and in the other to include brief editorials.

Mr. SPARKMAN asked and was given permission to extend his remarks in the Appendix and include certain newspaper editorials.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include a Gallup poll on the subject of treaty ratification.

Mr. MERROW asked and was given permission to extend his remarks in the Appendix and to include a resolution passed by the New Hampshire-Vermont Bottlers' Association in Manchester, also the recommendation of the Special Committee on Sugar.

Mr. WOODRUFF of Michigan asked and was given permission to extend his remarks in the RECORD and include therein a letter appearing in the Ogemaw County Herald published in West Branch, Mich.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address delivered by Hon. William Bennett, of New York, former Member of the House. I am advised by the Public Printer that it exceeds the limit fixed by the Joint Committee on Printing and will cost $208.

The SPEAKER. Notwithstanding the cost, without objection, the extension may be made.

There was no objection.

Mr. REED of New York asked and was given permission to extend his own remarks in the RECORD and include a newspaper article.

Mr. LARCADE asked and was given permission to extend his remarks in the RECORD and include a telegram from the Governor of the State of Louisiana.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include certain statements by the Chamber of Commerce of Cleveland, Ohio, on the so-called FEPC bill.

REVISION OF JUDICIAL CODE

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, I have just introduced a bill to revise, codify, and enact into positive law part 1 of title 28 of the United States Code, of the Judicial Code. I sincerely hope the membership will carefully study that bill and give to the Committee on Revision of Laws the benefit of any of their reactions.

EFFECT OF WAR SERVICE ON THE VETERANS

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

[Mr. SPARKMAN addressed the House. His remarks appear in the Appendix.]

THE LATE GEN. SIMON BOLIVAR BUCKNER

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, one of the greatest shocks that has come to the American people was the sad news of the death of Gen. Simon Bolivar Buckner, who was killed on Okinawa on yesterday.

General Buckner was one of the great military leaders of his day and one of the outstanding heroes of this war. I know of no man who can really fill his place. In my opinion, Gen. George S. Patton could come nearer than anyone else.

Instead of sending General Patton back to Europe, I hope the administration will send him to the Pacific to inspire our fighting men in that arena and help them to wipe the Japanese Empire from the face of the earth.

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. O'NEAL. Mr. Speaker, Simon Bolivar Buckner, Jr., has fallen in action, at an advanced post in one of the most vicious campaigns in all history. Lt. Gen. Simon Bolivar Buckner, Jr., noted for his bravery, his ability, and his soldierly qualities, will go down in history as one of the greatest soldiers in American history. His service to his country will be a shining example to inspire generations to come with the highest patriotic devotion. He was a scion of a distinguished Kentucky family and the son of Lt. Gen. (C. S. A.) Simon Bolivar Buckner.

All Kentucky and all America are proud of him, and those who knew him are saddened personally at his passing, but they will ever hold his friendship as a cherished possession and rejoice that he lived to receive the acclaim and appreciation of his country.

ADA McCULLOUGH

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 294) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Ada McCullough, wife of Robert McCullough, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount, not to exceed $250, toward defraying the funeral expenses of the said Robert McCullough.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SUCCESSION TO THE OFFICE OF PRESIDENT OF THE UNITED STATES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on the Judiciary and ordered printed:

To the Congress of the United States:

I think that this is an appropriate time for the Congress to reexamine the question of the Presidential succession.

The question is of great importance now because there will be no elected Vice President for almost 4 years.

The existing statute governing the succession to the office of President was enacted in 1886. Under it, in the event of the death of the elected President and Vice President, members of the Cabinet successively fill the office.

Each of these Cabinet members is appointed by the President with the advice and consent of the Senate. In effect, therefore, by reason of the tragic death of the late President, it now lies within my power to nominate the person who would be my immediate successor in the event of my own death or inability to act.

I do not believe that in a democracy this power should rest with the Chief Executive.

Insofar as possible, the office of the President should be filled by an elective officer. There is no officer in our system of government, besides the President and Vice President, who has been elected by all the voters of the country.

The Speaker of the House of Representatives, who is elected in his own district, is also elected to be the presiding officer of the House by a vote of all the Representatives of all the people of the country. As a result, I believe that the Speaker is the official in the Federal Government, whose selection next to that of the President and Vice President, can be most accurately said to stem from the people themselves.

Under the law of 1792, the President pro tempore of the Senate followed the Vice President in the order of succession.

The President pro tempore is elected as a Senator by his State and then as presiding officer by the Senate. But the Members of the Senate are not as closely tied in by the elective process to the people as are the Members of the House of Representatives. A completely new House is elected every 2 years, and always at the same time as the President and Vice President. Usually it is in agreement politically with the Chief Executive. Only one-third of the Senate, however, is elected with the President and Vice President. The Senate might, therefore, have a majority hostile to the policies of the President, and might conceivably fill the Presidential office with one not in sympathy with the will of the majority of the people.

Some of the events in the impeachment proceedings of President Johnson suggested the possibility of a hostile Congress in the future seeking to oust a Vice President who had become President, in order to have the President pro tempore of the Senate become the President. This was one of the considerations, among several others, which led to the change in 1886.

No matter who succeeds to the Presidency after the death of the elected President and Vice President, it is my opinion he should not serve any longer than until the next congressional election or until a special election called for the purpose of electing a new President and Vice President. This period the Congress should fix. The individuals elected at such general or special election should then serve only to fill the unexpired term of the deceased President and Vice President. In this way there would be no interference with the normal 4-year interval of general national elections.

I recommend, therefore, that the Congress enact legislation placing the Speaker of the House of Representatives first in order of succession in case of the removal, death, resignation, or inability to act of the President and Vice President. Of course, the Speaker should resign as a Representative in the Congress as well as Speaker of the House before he assumes the office of President.

If there is no qualified Speaker, or if the Speaker fails to qualify, then I recommend that the succession pass to the President pro tempore of the Senate, who should hold office until a duly qualified Speaker is elected.

If there be neither Speaker nor President pro tempore qualified to succeed on the creation of the vacancy, then the succession might pass to the members of the Cabinet as now provided, until a duly qualified Speaker is elected.

If the Congress decides that a special election should be held, then I recommend that it provide for such election to be held as soon after the death or disqualification of the President and Vice President as practicable. The method and procedure for holding such special election should be provided now by law, so that the election can be held as expeditiously as possible should the contingency arise.

In the interest of orderly, democratic government, I urge the Congress to give its early consideration to this most important subject.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 19, 1945.*

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week be dispensed with.

Mr. RANKIN. Mr. Speaker, reserving the right to object, may I ask the majority leader what we will take up on Wednesday?

Mr. McCORMACK. We are in hopes that the OPA bill will be brought up tomorrow; if not, two other bills will come up for consideration: The amendment to the Nationality Act and S. 511. However, we are hopeful that the OPA bill will be brought up first.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program and following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EXTENSION OF REMARKS

Mr. MURDOCK asked and was given permission to extend his remarks in the RECORD on a bill on the Consent Calendar today.

Mr. CHIPERFIELD asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include an editorial.

PRESIDENTIAL SUCCESSION

Mr. MONRONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MONRONEY. Mr. Speaker, in line with the President's message that we received this morning regarding the very, very important matter of resolving the uncertainties of the line of Presidential succession, I would like to call the attention of the House to H. R. 3206. This bill was introduced by me on May 14. It provides for the line of succession to go through the Speaker of the House, as I believe most of the Members believe it should. There are very, very good and cogent reasons for this, namely, that the House is closest to the people and is the last expression of their opinion. Further, my bill provides for a special commission of 12 members, 4 to be appointed by the President, 4 by the Supreme Court, and 2 each from the House and the Senate, to study the many, many serious defects in our Constitution regarding the line of succession and for probable long-range correction of them.

It is a very important matter, because as the Constitution now stands there is no way and no power vested in Congress or in the courts to determine on the disability of the President of the United States, for example, or to determine when that disability is removed.

Many other uncertainties and defects need to be studied for long-range action and probable correction. This high-grade commission could complete the study on this matter and report back to the Congress for proper action.

But the immediate and pressing need is for action now on the second part of the bill, dealing with the line of Presidential succession. The Judiciary Committee of this House should immediately begin hearings on this important matter and give the Congress a chance to act before the summer recess.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

CRIMES AND CRIMINAL PROCEDURE

The Clerk called the bill (H. R. 2200) to revise, codify, and enact into positive law, title 18 of the United States Code, entitled "Crimes and Criminal Procedure."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEOGH. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

TO DISCONTINUE CERTAIN REPORTS NOW REQUIRED BY LAW

The Clerk called the bill (H. R. 2504) to discontinue certain reports now required by law.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, this bill provides for the discontinuance of certain reports which have been required of the executive branch of the Government by legislative action in the past. It has been on the calendar for some time. The reason it has not been allowed to pass is that we wanted to make certain that all members of the committees having jurisdiction over subject matters covered in this bill are aware of the existence of the bill and the reports which are proposed to be discontinued. Some time ago I assumed to write to all of the ranking minority members of the committees interested in this bill calling their attention to the provisions of the measure and received a reply from but one person, and that was the gentleman from South Dakota, who felt that the reports on Indian affairs should not be discontinued. I have relayed this information to the gentleman from Missouri [Mr. COCHRAN], who is agreeable to having that provision of the bill on page 4, items 9 and 10, stricken from the bill; so, with that explanation, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following reports or statements now required by law are hereby discontinued, and all acts or parts of acts herein cited as requiring the submission of such reports or statements are hereby repealed to the extent of such requirement:

THE QUARTERLY REPORT OF THE HEAD OF EACH EXECUTIVE DEPARTMENT TO THE PRESIDENT

1. The quarterly report of the head of each executive department or other Government establishment at the seat of government not under an executive department as to the condition of the public business in said department or establishment and whether any branch thereof is in arrears (30 Stat. 316).

REPORTS UNDER THE DEPARTMENT OF AGRICULTURE

2. Report to the Congress on forest roads and trials required of the Secretary of Agriculture on or before the first Monday in January of each year, giving a detailed statement of the work done, the status of each project undertaken, the allocation of appropriations, an itemized statement of the expenditures and receipts during the preceding fiscal year, an itemized statement of the travel and other expenses, including a list of employees, their duties, salaries and travel expenses, and his recommendations, if any, for new legislation amending or supplementing existing law (42 Stat. 216; 48 Stat. 995).

3. Annual report to the Congress required of the Secretary of Agriculture of Agricultural Adjustment Administration payments in excess of $1,000, and showing the names of persons to whom payments were made during the preceding year (52 Stat. 68).

REPORTS UNDER THE DEPARTMENT OF COMMERCE

4. Report showing the names for whom work has been performed, the nature of the services rendered, the price charged for services, and the manner in which the money received was deposited or used (49 Stat. 292).

5. Report of the Coast and Geodetic Survey, showing as nearly as possible the configuration of the coasts and showing in lines the probable limits of the Gulf Stream, etc., accompanied by a general chart of the whole coast of the United States (sec. 4690 of the Revised Statutes).

REPORTS UNDER THE DEPARTMENT OF THE INTERIOR

6. Investigation to determine whether any dams, water works, or other projects have been constructed in Clear Lake watershed, in the State of California, in violation of the water rights of the United States in California, and to render a report thereon (49 Stat. 1975).

7. Examinations and surveys, and to locate and construct irrigation works for storage, diversion, and development of waters, including artesian wells, and to report the results of such examinations and surveys, giving estimates of cost of all contemplated works, the quantity and location of the lands which can be irrigated therefrom, and all facts relative to the practicability of each irrigation project; also, the cost of works in process of construction, as well as those which have been completed (32 Stat. 388).

8. Cost account of all moneys expended on each irrigation project (36 Stat. 270; 38 Stat. 583).

9. Statement to the Speaker of the House of Representatives of the fiscal affairs of all Indian tribes for whose benefit expenditures from either public or tribal funds were made (36 Stat. 1077).

10. Report of transactions under the revolving fund for loans to Indians and Indian-chartered corporations (48 Stat. 986).

11. Report of expenditures made during the fiscal year for relief of destitution of natives of Alaska (50 Stat. 584).

12. Annual report of the operations of the Geological Survey (20 Stat. 395).

13. Statement showing amount expended from the appropriation "Mineral leasing (year), Geological Survey," for the benefit of Indian tribes and Indian allottees (44 Stat. 487).

14. Report all temporary details to the District of Columbia of field employees of the Bureau made during each fiscal year (50 Stat. 603).

15. Report of all operations under section 5 of the act of March 2, 1919, including receipts and disbursements (40 Stat. 1272).

16. Detailed information as to projects and expenditures under the "Federal aid to wildlife restoration fund" (50 Stat. 919).

REPORTS UNDER THE DEPARTMENT OF LABOR

17. Reports giving data relating to special statistical studies made by the Department of Labor for others upon payment of the cost thereof (48 Stat. 583; 53 Stat. 531).

18. The Secretary of Labor shall make a report to Congress, at the beginning of each regular session, giving a detailed statement showing (1) the name of every person for whom work has been performed under authority of this statute, (2) the nature of the services rendered to him, (3) the price charged for these services by the Department of Labor, and (4) the manner in which the moneys received were deposited or used (48 Stat. 532; 50 Stat. 259).

REPORTS UNDER THE DEPARTMENTS OF THE NAVY AND WAR

19. Detailed report of the Navy and War Departments' operations under section 10 of the act entitled "An act to provide more effectively for the national defense by increasing the efficiency of the Air Corps of the Army, and for other purposes" (44 Stat. 787).

20. Report required of the Secretary of the Navy or the Secretary of War, as the case may be, of exemptions on account of contracts or subcontracts for scientific equipment used for communication, target detection, navigation, and fire control, under the act of March 27, 1934, as amended, relating to excess profits in connection with the construction of naval vessels or the procurement of aircraft (48 Stat. 505; 49 Stat. 1926; 53 Stat. 560).

21. That part of the report required of the Secretary of the Navy or the Secretary of War with respect to contracts in excess of $150,000 undertaken during the fiscal year for the expenditure of funds appropriated by the Sixth Supplemental National Defense Act, 1942, or any other act requiring the names of the persons who approved the specifications, consummated the making, or concluded the negotiations of any such contract on behalf of the Government, and of all persons who participated in the negotiations on behalf of the contractor, and information in cases where such contract was awarded without competitive bidding as to the principal or controlling reason for the selection of the contractor (55 Stat. 686; 56 Stat. 244).

22. Report required by the Secretary of the Navy or the Secretary of War of persons commissioned from civilian life (56 Stat. 369).

REPORTS UNDER THE DEPARTMENT OF THE NAVY

23. Report of disbursing officers relieved of responsibility on account of loss or deficiency of Government funds, vouchers, records, or papers (41 Stat. 132).

24. Report of expenditures in excess of $450,000 for repairs to any one naval vessel for any 18 consecutive months (49 Stat. 482).

25. Report of all contracts entered into under authority of section 4 of the act approved April 25, 1939, authorizing the Secretary of the Navy to proceed with the construction of certain public works (53 Stat. 590).

26. Report of vessels whose names have been stricken from the Navy Register (22 Stat. 296).

27. Report of the advance payments made to contractors under authority of section 1 of the act of June 28, 1940 (54 Stat. 676).

28. Report of contracts entered into without competition under the authority of section 2 of the act of June 28, 1940 (54 Stat. 676, 677).

29. Report of the cost of special additional equipment and facilities to be borne by the Government under each contract negotiated under authority of section 4 of the act of June 28, 1940 (54 Stat. 678).

30. Report of the contracts entered into under authority of section 8 (b) of the act of June 28, 1940, as amended (54 Stat. 680).

31. Submission to the respective chairmen of the Committees on Naval Affairs of the Senate and House of Repreesntatives of copies of each contract, order, or agreement covering the exchange or other disposition of surplus naval equipment (54 Stat. 681).

32. List of all contracts in excess of $10,000 in value, including contracts for the purchase of land, together with a summary of the subject matter of such contracts, the names of the contractors and of the persons who negotiated any such contract either on behalf of the Government or of the contractor, and, if any such contract was awarded without competitive bidding, a statement of the reasons for the selection of the contractor (55 Stat. 686).

33. Report every 3 months of the contracts entered into under authority, title III, priorities powers, section 2 of the act of March 27, 1942 (56 Stat. 178).

34. Report every 3 months of the contracts entered into under the provisions of section 1 of the act of December 17, 1942 (56 Stat. 1053).

35. Report of designs, aircraft, aircraft parts, and aeronautical accessories purchased by the Navy Department (44 Stat. 787).

REPORTS UNDER THE POST OFFICE DEPARTMENT

36. The report covering data setting forth special contracts with railroad companies (39 Stat. 427).

REPORTS UNDER THE DEPARTMENT OF STATE

37. The Secretary of State shall annually lay before Congress a statement, in a compendious form, of all such changes and modifications in the commercial systems of other nations, whether by treaties, duties on imports and exports, or other regulations, as shall have been communicated to the Department, including all commercial information contained in the official publications of other governments which he shall deem sufficiently important (sec. 208 of the Revised Statutes).

38. The Secretary of State shall annually lay before Congress a synopsis of so much of the information which may have been communicated to him by diplomatic and consular officers during the preceding year as he may deem valuable for public information, specifying the names of any consuls or commercial agents who may have been remiss in transmitting commercial information (sec. 208 of the Revised Statutes).

39. The Secretary of State shall annually lay before Congress a statement of the lists of passengers arriving in the United States from foreign places, returned to him quarter yearly by the collectors of customs (sec. 208 of the Revised Statutes).

40. The Secretary of State shall lay before Congress, within 10 days after the commencement of each regular session, a statement containing an abstract of all the returns made to him pursuant to law, by the collectors of the different ports, of the seamen registered by them, together with an account of such impressments and detentions as shall appear by the protests of the masters to have taken place (sec. 207 of the Revised Statutes).

REPORTS UNDER THE DEPARTMENTS OF THE TREASURY

41. That part of the annual report to the Congress required of the Comptroller of the Currency to exhibit (1) a summary of the state and condition of every national bank from which reports have been received the preceding year, at the several dates to which such reports refer, together with detailed information concerning its resources and liabilities; (2) a statement of the national banks whose business has been closed during the year; (3) proposed amendments to the banking laws; (4) information concerning the resources, liabilities, and condition of the banks organized under the laws of the several States and Territories; and (5) the names and compensation of the clerks employed in the Comptroller's Office and the amount of the expenses of the Bureau; also the requirement that the Comptroller's report to Congress shall be made "at the commencement of its session" (sec. 33 of the Revised Statutes, as amended).

42. Statement to the Speaker of the House of Representatives, required to be included in the Comptroller of the Currency's annual report, of expenses incurred during each year, in liquidation of each failed national bank separately (32 Stat. 138).

43. Report of officers and administrative departments and offices of the Government delinquent in rendering or transmitting accounts to the proper offices in Washington, and such officers as were found upon final settlements of their accounts to have been indebted to the Government and who have failed to pay the amount of such indebtedness into the Treasury of the United States (28 Stat. 209, as amended).

44. Submission of reports which may be made to the Secretary of the Treasury by the officers charged with the examination of the accounts of the Department of War and the Department of the Navy, respectively, showing the application of the money appropriated for those departments for the preceding year (sec. 260 of the Revised Statutes).

45. Tabular statement required of the Secretary of the Treasury showing in detail the receipts and expenditures in the naval service under each appropriation, as made up and determined by the General Accounting Office, upon the accounts of disbursing officers rendered for settlement (20 Stat. 167).

46. Report required of the Secretary of the Treasury to be appended to the tabular statement mentioned above of accounts and balances in the hands of disbursing agents at the close of each fiscal year, and a report of any amounts lost or unaccounted for by voucher (20 Stat. 167).

47. Transmission of accounts kept by certain officials of the Treasury Department of amounts expended under the head of contingent expenses for the several bureaus of the Department, and of all amounts paid for furniture and repairs of furniture and of the disposal of old furniture (sec. 262 of the Revised Statutes).

48. Report required by the Secretary of the Treasury of administration of the functions with which he is charged under the Federal Alcohol Administration Act, which report shall include the names and compensation of all persons employed under the provisions of that act (49 Stat. 977).

49. Report of the number of persons employed, other than workmen and adjusters, and the compensation paid to each, at each mint and assay office, out of appropriations made for wages of workmen, adjusters, and other employees (33 Stat. 657).

50. An abstract, in tabular form, of the separate accounts required to be kept of moneys received from internal duties or taxes in each of the respective States, Territories, and collection districts, and of the amount of each species of duty and tax that shall accrue (secs. 239 and 261 of the Revised Statutes, as amended).

51. Report required of the Secretary of the Treasury relative to leases of unoccupied and unproductive property of the United States under his control, for the leasing of which there is no authority under existing law (20 Stat. 383).

52. Annual report of the Comptroller of the Currency (32 Stat. 138).

REPORTS UNDER THE DEPARTMENT OF WAR

53. Report of all inspections made by the inspection department of the Army as to the necessity, economy, and propriety of all disbursements made by disbursing officers of the Army; also whether the disbursing officers of the Army comply with the law in keeping their accounts and making their deposits (18 Stat. 33).

54. Statement of the cost of all types and experimental manufacture of guns and other articles and the average cost of the several classes of guns and the other articles manufactured by the Government (26 Stat. 320).

55. Report of the activities and expenditures of the Council of National Defense (39 Stat. 650).

56. Statement of expenditures at the Springfield Armory, Mass., and the Rock Island Arsenal, Ill., and of arms, components of arms, and appendages fabricated, altered, and repaired, during the fiscal year ended June 30 (26 Stat. 320).

57. A detailed report of sales of any war supplies, material, lands, factories, or buildings, showing character of articles sold, price received, and purpose for which sold (40 Stat. 850).

58. Hereafter the Secretary of War shall, within the limits of appropriations made from time to time by Congress, and in accordance with reasonable rules and regulations approved by him upon the recommendation of the National Board for the Promotion of Rifle Practice, in connection with the promotion and encouragement of rifle practice, authorize and provide for: Construction work, equipment, maintenance, and operation of rifle ranges: issues of ordnance; sales of arms, procurement of supplies; expenses of the National Board; transportation of certain officials; procurement of badges, prizes, and so forth; and transportation of supplies, and so forth. Full report of all things done hereunder to be made annually to Congress (43 Stat. 510).

59. Submission to the respective chairmen of the Committees on Military Affairs of the Senate and House of Representatives of copies of each contract, order, or agreement (not later than 24 hours after made), covering the exchange or other disposition of military equipment, munitions, or supplies (54 Stat. 681).

60. Report to the Congress each month of the number of men in active training and service in the land forces under section 3 (b) of the Selective Training and Service Act of 1940 (55 Stat. 628).

REPORTS UNDER THE FEDERAL SECURITY AGENCY

61. Annual report at the beginning of each regular session of Congress to be made by the Superintendent of St. Elizabeths Hospital showing in detail the receipts and expenditures for all purposes connected with the hospital for the fiscal year preceding such session (21 Stat. 156; 39 Stat. 309).

62. Annual report of the affairs of Howard University (45 Stat. 1021).

63. Report of all expenditures made by virtue of any appropriations by Congress to the Columbia Institution for the Deaf, including the amounts and rates paid to the superintendent and for teachers (sec. 4867 of the Revised Statutes).

REPORTS UNDER THE GOVERNMENT PRINTING OFFICE

64. Annual report to the Public Printer by the Superintendent of Documents of all sales made by him (28 Stat. 610).

Mr. COCHRAN. Mr. Speaker, I offer an amendment in keeping with the promise made by the gentleman from New York.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN: On page 4, line 1, strike out paragraphs 9 and 10, lines 1 through 7, inclusive.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the Clerk be permitted to renumber the paragraphs in the bill just passed, in view of the fact that paragraphs 9 and 10 have been stricken out.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HEALTH PROGRAM FOR GOVERNMENT EMPLOYEES

The Clerk called the bill (H. R. 2716) to provide for health programs for Government employees.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

JUDGESHIP IN EASTERN AND WESTERN DISTRICTS OF MISSOURI

The Clerk called the bill (H. R. 1196) to make permanent the judgeship provided for by the act entitled "An act to provide for the appointment of an additional district judge for the eastern and western districts of Missouri," approved December 24, 1942.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM, Mr. SPRINGER, and Mr. JENNINGS objected.

GILA RECLAMATION PROJECT

The Clerk called the bill (S. 118) authorizing the Secretary of the Interior to convey certain lands on the Gila reclamation project, Arizona, to the University of Arizona.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, I think it may be worth while if the gentleman from Arizona [Mr. MURDOCK] would explain the purposes of this bill. As I understand it, this would authorize the Reclamation Service to transfer title to certain reclaimed land to the University of Arizona for the purpose of continuing experimental agricultural research activities. I understand that these activities have already been conducted by the university on the land covered by this bill for sometime past. I wonder why it is necessary for the university to have title to the land in order to continue this very worth-while project.

Mr. MURDOCK. Mr. Speaker, the gentleman is correct. The University of Arizona has been for a short time conducting the experimental work. This is a very fine type of work and should be continued. However, this is a piece of new land in the center of a new project. The university has not been conducting this particular work for any great length of time. Some buildings and fences and ditching and things of that sort by way of improvements will be needed. I feel in view of the fact that the Bureau of Reclamation has requested the University of Arizona to do this work and in view of the fact that a considerable outlay of money must be made by the university, title to the land should pass to the University of Arizona as has been done in the case of certain other experimental farms. This all looks toward long continuity of such service in the interest of science.

Mr. COLE of New York. Will the gentleman advise the House as to whether this is the first time the Bureau of Reclamation has turned over a portion of its land to any other public agency or authority for purposes such as this?

Mr. MURDOCK. I cannot advise the gentleman in that respect. This is a new farm and a new area. It is an area in which there will be a good deal of experimental work necessary in order to achieve the best results. I am very anxious that the experimental work be carried on either by the Bureau of Reclamation or by the University of Arizona. This piece of new land is one of a few large areas in the Southwest holding out great promise of benefits to war veterans.

Mr. COLE of New York. Mr. Speaker, having brought out the salient features of this bill by this brief discussion with the gentleman, I see no useful purpose in continuing under the reservation of objection, and if no Member desires to object, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to cause a patent to issue conveying the west half southwest quarter, section 28, township 9 south, range 23 west, Gila and Salt River meridian, Arizona, to the board of regents of the University of Arizona, for use by the University as an agricultural experimental farm; but in said patent there shall be reserved to the United States all oil, coal, and other mineral deposits within said lands and the right to prospect for, mine, and remove the same and a perpetual right-of-way for ditches, canals, laterals, transmission lines, telephone lines, and roadway constructed by or under authority of the United States.

SEC. 2. The conveyance herein authorized shall be made upon the express condition that if the terms of the grant have not been complied with the grant shall be held to be forfeited and the title shall revert to the United States, and the Secretary of the Interior is hereby authorized and empowered to determine the facts and declare such forfeiture and such reversion and restore said land to the public domain, and such order of the Secretary shall be final and conclusive.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OFFICERS' CORPS OF THE REGULAR ARMY

The Clerk called the bill (S. 804) to authorize certain additional appointments in the Officers' Corps of the Regular Army in initial grades not above the grade of captain.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. THOMAS of New Jersey, Mr. KILDAY, and Mr. LYLE objected.

AMENDING NATIONAL DEFENSE ACT

The Clerk called the bill (S. 612) to amend the National Defense Act, as amended, so as to eliminate provisions

for retirement of wing commanders of the Air Corps.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the fourth sentence of section 4c of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes", approved June 3, 1916, as amended by the Act of June 4, 1920 (41 Stat. 762), and as amended by the Act of May 12, 1939 (53 Stat. 740), and as amended by the Act of October 14, 1940 (54 Stat. 1116), is further amended to read as follows: "Any officer who shall have served four years as chief or assistant chief of a branch or as commanding general of the General Headquarters Air Force and who may subsequently be retired, shall be retired with the rank, pay, and allowances authorized by law for the highest grade held by him as such chief, assistant chief, or commanding general: *Provided*, That this provision shall not reduce the rank, pay, or allowances with which such officer would otherwise be entitled to retire."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

READJUSTING FOURTH-CLASS MAIL RATE

The Clerk called the bill (H. R. 3238) readjusting the rates of postage on catalogs and similar printed advertising and other matter of fourth-class mail, and for other purposes.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

SHORE-LINE INVESTIGATIONS

The Clerk called the bill (H. R. 2032) authorizing general shore-line investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in addition to participating in cooperative investigations and studies with agencies of the various States as authorized in section 2 of the River and Harbor Act, approved July 3, 1930, it shall be the duty of the Chief of Engineers, through the Beach Erosion Board, to make general investigations with a view to preventing erosion of the shores of the United States by waves and currents and determining the most suitable methods for the protection, restoration, and development of bathing beaches; and to publish from time to time such useful data and information concerning the erosion and protection of beaches and shore lines as the Board may deem to be of value to the people of the United States. The cost of the general investigations herein authorized shall be borne wholly by the United States. As used in this act, the word "shores" includes the shore lines of the Atlantic and Pacific Oceans, the Gulf of Mexico, the Great Lakes, and estuaries and bays directly connected therewith.

SEC. 2. All provisions of existing law relating to examinations and surveys and to works of improvement of rivers and harbors shall apply, insofar as practicable, to examinations and surveys and to works of improvement relating to shore protection; except that all projects having to do with shore protection shall be referred for consideration and recommendation to the Beach Erosion Board instead of to the Board of Engineers for Rivers and Harbors.

SEC. 3. The Beach Erosion Board, in making its report on any work or project relating to shore protection shall, in addition to any other matters upon which it may be required to report, state its opinion as to (a) the advisability of adopting the project; (b) what public interest, if any, is involved in the proposed improvement; and (c) what share of the expense, if any, should be borne by the United States.

SEC. 4. Any expenses incident and necessary in the undertaking of the investigations and studies authorized herein may be paid from funds hitherto or hereafter appropriated for examinations, surveys, and contingencies for rivers and harbors.

SEC. 5. The act of June 26, 1936 (Public, No. 834, 74th Cong.), is hereby repealed.

With the following committee amendments:

On page 2, line 3, strike out "bathing."

Line 21, strike out "work or project relating to shore protection shall, in", after the word "any", and insert "cooperative investigation and studies under the provisions of section 2 of the River and Harbor Act, approved July 3, 1930, relating to shore-protection work shall, in."

Page 3, line 6, after the word "the", insert the word "general" and strike out the words "and studies" after the word "investigations."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING UNITED STATES CODE

The Clerk called the next bill, H. R. 699, to amend paragraph 682 of title 16 of the United States Code.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph 682 of title 16 of the United States Code, 1940 edition (act of February 28, 1925, ch. 376, 43 Stat. 1091), be, and the same is hereby, amended by striking out the last sentence thereof.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOPS

The Clerk called the bill (S. 427) to repeal section 3 of the act approved April 13, 1938, as amended, relating to hops.

There being no obection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to amend the Agricultural Adjustment Act, as amended, by including hops as a commodity to which orders under such act are applicable," approved April 13, 1938, as amended (U. S. C., 1940 ed., Supp. III, title 7, sec. 608c–1), is hereby repealed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LAND TO SPRINGFIELD TOWNSHIP, MONTGOMERY COUNTY, PA., FOR HIGHWAY AND ORNAMENTAL PARK PURPOSES

The Clerk called the bill (H. R. 2285) to authorize the Secretary of Agriculture to grant and convey to Springfield Township, Montgomery County, Pa., certain lands of the United States in Springfield Township, Montgomery County, Pa., for highway purposes and for ornamental park purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized and directed to grant and convey to Springfield Township, Montgomery County, Pa., upon the conditions and limitations hereinafter expressed, three parcels of land, hereinafter described, which are parts of the property encompassed by Eastern Regional Laboratory, Bureau of Agricultural Chemistry and Engineering, United States Department of Agriculture, parcel 1 and parcel 2 to be held and used by the township for highway purposes, and parcel 3 to be held, used, and maintained as an ornamental park. The three parcels of land are situated in Springfield Township, Montgomery County, Pa., and bounded and described in accordance with a plan and survey thereof prepared for Springfield Township by David W. Bainbridge, registered professional engineer, January 18, 1940, and approved by the Board of Commissioners of Springfield Township, January 22, 1940, as follows to wit:

Parcel 1: Beginning at the point of intersection of the northeasterly line of East Lane (40 feet wide) as opened by the court of quarter sessions of Montgomery County, Pa., in October 1922, with the southeasterly line of Mermaid Avenue (33 feet wide) as opened by the said court of quarter sessions in October 1887; thence extending along the said scutheasterly line of Mermaid Avenue north thirty-seven degrees nine minutes thirty seconds east two hundred and four and thirty-five one-hundredths feet to an angle; thence continuing along the said scutheasterly line of Mermaid Avenue north twelve degrees forty-nine minutes east one hundred and sixty-five and fifteen one-hundredths feet to an angle, a point in the southeasterly line of Mermaid Avenue as opened by the said court of quarter sessions in December 1899; thence north thirty-seven degrees thirty-six minutes east forty and fifty-six one-hundredths feet to the point of intersection with the southeasterly line of Mermaid Avenue as it is proposed to be widened to fifty feet; thence south twelve degrees forty-nine minutes west one hundred and eighty-five and one one-hundredths feet to an angle; thence south thirty-seven degrees nine minutes thirty seconds west two hundred and thirteen and seventy one-hundredths feet to a point of curve; thence extending southwardly and southeastwardly on a curve to the left having a radius of eight feet the arc distance of twelve and sixty-two one-hundredths feet to a point; thence south thirty-six degrees forty-seven minutes thirty seconds west five feet to a point in the aforementioned northeasterly line of East Lane; thence north fifty-three degrees twelve minutes thirty seconds west sixteen and fifty-eight one-hundredths feet to the first-mentioned point and place of beginning.

Parcel 2: Beginning at a point on the southwesterly line of Mermaid Avenue south fifty-two degrees twelve minutes thirty seconds east one hundred and thirty-three and seventy-one one-hundredths feet distant from the angle point of the southeasterly and southwesterly lines of Mermaid Avenue as opened by the court of quarter sessions of Montgomery County, Pa., in December 1899, where the said highway is in juxtaposition to Flourtown Avenue (formerly known as Apple Street) northwest thereof; thence south fifty-two degrees twelve minutes thirty seconds east eighty and thirty-one one-hundredths feet to a point; thence south seventy-six degrees nine minutes thirty seconds west three hundred and eighteen and eighteen one-hundredths feet to a point of curve; thence continuing southwest-

wardly on a curve to the left having a radius of seventy-two feet the arc distance of forty-eight and forty-five one-hundredths feet to a point on the southeasterly line of Mermaid Avenue; thence extending along the southeasterly line of Mermaid Avenue north thirty-seven degrees thirty-six minutes east one hundred and twenty-eighth and twenty-seven one hundredths feet to a point of curve; thence southwardly and southeastwardly on a converse curve to the right having a radius of eight feet the arc distance of nineteen and seventy-five one-hundredths feet to a point; thence extending along the northwesterly line of the proposed relocation of Mermaid Avenue north seventy-six degrees nine minutes thirty seconds east two hundred and one and sixty-five one-hundredths feet to a point of curve; thence continuing northwardly and northwestwardly on a curve to the left having a radius of eight feet the arc distance of seventeen and ninety-two one hundredths feet to the first-mentioned point and place of beginning.

Parcel 3: Beginning at the angle point of the southeasterly and southwesterly lines of Mermaid Avenue as opened by the court of quarter sessions of Montgomery County, Pa., in December 1899, where the said highway is in juxtaposition to Flourtown Avenue (formerly known as Apple Street) northwest thereof; thence extending along the said southwesterly line of Mermaid Avenue south fifty-two degrees twelve minutes thirty seconds east one hundred and thirty-three and seventy-one one-hundrdths feet to a point of curve; thence extending southwardly and southwestwardly on a curve to the right having a radius of eight feet the arc distance of seventeen and nihety-two one-hundredths feet to a point; thence extending along the northwesterly line of the proposed relocation of Mermaid Avenue south seventy-six degrees nine minutes thirty seconds west two hundred and one and sixty-five one-hundredths feet to a point of curve; thence extending westwardly and northwestwardly on a curve to the right having a radius of eight feet and the arc distance of nineteen and seventy-five one-hundredths feet to a point on the southeasterly line of Mermaid Avenue; thence extending along the said southeasterly line of Mermaid Avenue north thirty-seven degrees thirty-six minutes east one hundred and sixty-six and fourteen one-hundredths feet to the first-mentioned point and place of beginning.

The land in parcel 3 is to be granted and conveyed subject to the conditions that Springfield Township, Montgomery County, Pa., shall accept and use such land solely for ornamental-park purposes; that the area shall not be used as a building site; and that if such township shall at any time cease to use such land for oranmental-park purposes, or shall permit the use of such land for any other purposes, or shall alienate, or attempt to alienate the land, the land shall revert to the United States of America.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPLIANCE WITH STATE INSPECTION LAWS

The Clerk called the bill (H. R. 3321) to provide that the several States shall continue effective measures of control and protection against the importation, introduction, and spread of noxious weeds, injurious insects, and animal and plant diseases, and to guarantee that purchasers or recipients of seeds, livestock, and poultry feeds, nursery stocks, fertilizers, and other agricultural chemicals shall have the protection guaranteed them under the laws enacted by the several States.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MOTHERS OF WORLD WAR II

The Clerk called the bill (H. R. 2538) to incorporate The Mothers of World War No. 2, to set forth and establish the purposes and aims of the organization, fixing its corporate powers and establishing the rights of membership, and for other purposes.

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That the following persons, namely: Mrs. Gretta Roush, founder, Indianapolis, Ind.; Mrs. Ruby Dinwoodie, Gary, Ind.; Mrs. Cora Maybaum, Gary, Ind.; Mrs. Ethel Martin, Gary, Ind.; Mrs. Robert Usher, Gary, Ind.; Mrs. J. W. Whitlow, Gary, Ind.; Mrs. Bernice Kewley, Geneseo, Ill.; Mrs. Reta McDonald, Elkhart, Ind.; Mrs. John Lind, Milwaukee, Wisc.; Mrs. W. B. Jones, St. Joseph, Mich.; Mrs. Marian Scott, Wellston, Ohio; Mrs. Lolo M. Agal, Beliflower, Calif.; Mrs. Gertrude Warrick, Valentine, Nebr.; Mrs. B. F. Kinman, Williamstown, Ky.; Mrs. Bertha Clow, Kahoka, Mo.; Mrs. Georgia Kellogg, Hutchinson, Kans.; Mrs. Norah Blakely, Wichita, Tex.; Mrs. Edith Sessions, St. Petersburg, Fla.; Mrs. Nellie Jackson, Toledo, Oreg.; Mrs. Emily Ensley, Phillipsburg, N. J.; Mrs. Irene Webb, Wilmington, Del.; Mrs. Angeline Johnson, Monmouth, Iowa; Mrs. Hannah Rawling, Worcester, Mass.; and Mrs. Vivian Fitch, Syracuse, N. Y.; and their associates and successors duly chosen are hereby incorporated and declared to be a body corporate as a national association of women who are the mothers of the men and wmen who have served, are serving, or will serve in the Army, Navy, or Marine Corps or any auxiliary or branch thereof during World War Number Two, by and under the name of The Mothers of World War Number Two, and by such name shall be known and have perpetual succession with the powers, limitations, and restrictions herein contained.

SEC. 2. The persons named in section 1 of this act, and such other persons as may be selected from among the membership of The Mothers of World War No. 2, an association of women whose sons and daughters served the Allied cause in the Great World War II between the dates of December 7, 1941 and the termination of such war, are hereby authorized to meet and complete the organization of said corporation by the selection of officers, the adoption of a constitution and bylaws, and to do all other things necessary to carry into effect the provisions hereof, at which meeting any person duly accredited as a delegate from any local or State organization of the existing organization known as the Mothers of World War No. 2 shall be permitted to participate in the proceeding thereof.

SEC. 3. The objects and purposes of this corporation shall be as follows:

(a) To perpetuate and keep alive the spirit that prompted our boys and girls to render world service in World War II.

(b) To maintain the ties of fellowship born of that service and to assist and further patriotic work in our country.

(c) To unite fraternally all mothers who have, or have had, or may have, sons or daughters in the service of the military or naval forces of the United States, or its allies, during World War II, who have the will and desire to work with and for those sons and daughters in maintaining both morale and courage, and to aid in fostering and perpetuating the American way of life.

(d) To aid and assist in teaching the advantages of freedom of religion, freedom of speech, and the duties and obligations of citizenship.

(e) To inculcate a sense of individual obligation to the community, State, and Nation.

(f) To aid and assist all those who have suffered injury or disability during World War II, and all wars, and their dependents, and to petrpetuate the memory of those whose lives have been sacrificed in war service.

(g) To foster and promote good will and understanding among the nations of the world.

(h) To maintain true allegiance to the United States of America.

SEC. 4. The corporation shall hold its meetings at such time and place as the incorporators or their successors shall determine.

SEC. 5. The corporation hereby created shall have the following powers: To have succession until the membership, as hereinafter provided, shall become extinct, with power to sue and be sued in courts of law and equity; to receive, own, hold, use, and dispose of such real estate and personal property as shall be necessary for its corporate purposes; to adopt a corporate seal and alter the same at its pleasure; to adopt a constitution, bylaws, and regulations to carry out its purposes, not inconsistent with the laws of the United States or of any State; to use in carrying cut the purposes of the corporation such badges and emblems as it may adopt; to establish and maintain offices for the conduct of its business; to establish State, Territorial, and local subdivisions if it so elects; to publish a magazine or other publications, and generally to do any and all such acts and things as may be proper and necessary to carry into effect the purposes of the corporation.

SEC. 6. All of the real and personal property and funds of the corporation held or used for the purposes hereof, pursuant to the provisions of the act, shall, so long as the same is so used, be exempt from taxes by the United States or any Territory or District thereof. This corporation shall not accept, own, or hold, directly or indirectly, any property, real or personal, except such as may be reasonably necessary for carrying out the purpose of its creation.

SEC. 7. The membership in this organization is limited to women, and no woman shall be or become a member of this corporation unless she is a citizen of the United tates, and unless her son or sons, or daughter or daughters of her blood, or that she stand in the relation of a stepmother to those who serve in this war, or that she is a foster mother, after legal adoption, of a son or daughter, who served in the Army, Navy, or Marine Corps of the United States, or some auxiliary or branch thereof, or in the military or naval service of its allies, during the Great World War II, at some period between the 7th day of December 1941, and the date of the termination of such war, both dates inclusive, he or she having an honorable discharge from such service, or who is still in the service.

SEC. 8. This organizaiton shall be nonpolitical, and as an organization it shall not promote the candidacy of any person seeking public office.

SEC. 9. The corporation shall, on or before the 1st day of January in each year, make and transmit to the Congress a report of its proceedings for the preceding calendar year, including a full and complete report of its receipts and expenditures. Said report shall not be printed as a public document.

SEC. 10. As a condition precedent to the exercise of any power or privilege herein

granted or conferred, the corporation shall file in the office of the secretary of each State the name and post-office address of an authorized agent in such State upon whom local process or demands against The Mothers of World War Number Two may be served.

SEC. 11. This charter shall take effect upon its being accepted by a majority vote of the incorporators named herein, who shall be present at the first meeting of the corporation, due notice of which meeting shall be given to each of the incorporators named herein, and a notice of such acceptance shall be given by said corporation, causing a certificate to that effect, signed by the president and secretary, to be filed with the Clerk of the House of Representatives, in the city of Washington, D. C.

SEC. 12. Congress may from time to time alter, repeal, or modify any and all laws with respect to this incorporation, but no contract or individual right made or acquired shall thereby be divested or impaired.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SCHOOL-LUNCH PROGRAM

The Clerk called the bill (H. R. 3370) to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, the amount of money involved in this bill appears to be entirely too large to justify its consideration on the Consent Calendar.

I therefore ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONVEYANCE OF CERTAIN LAND TO THE CAPTAIN WILLIAM EDMISTON CHAPTER OF THE DAR

The Clerk called the bill (H. R. 1647) to authorize the Secretary of War to convey to the Captain William Edmiston Chapter of the Daughters of the American Revolution a certain building and tract or parcel of land situated in Montgomery County, Tenn.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, I notice that in this bill there is no reversion to the United States if the property is not continually used for the purpose for which it was intended. Does not the gentleman think that the usual provision should be in the bill?

Mr. COURTNEY. May I say to the gentleman that this is a very small tract of land, about a quarter of an acre, with a building on it which is the oldest building in the county. It is to be used as a museum by this patriotic society. The War Department reports that the value of it is not more than $100.

Mr. KEAN. I suppose if it is only for $100, it is not worth taking the time of the House to put in this provision.

I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to grant, donate, and convey to the Captain William Edmiston Chapter of the Daughters of the American Revolution all right, title, and interest of the United States in and to that certain building and tract or parcel of land lying and being situated in the county of Montgomery, in the State of Tennessee, which is more particularly described as follows: Beginning at the intersection of United States Numbered 41W and the State line road, said point being the point of beginning of three hundred and fifteen and seventy nine-one hundredths acre tract as conveyed to R. E. Durrett et ux. as recorded in DB 72 and 78, pages 39 and 497, respectively, in the records of Montgomery County, Tenn., thence with United States Numbered 41W north twenty-three degrees thirty minutes west a distance of two hundred and forty-one and eight-tenths feet to the point of beginning of tract described herein; thence south sixty-nine degrees no minutes west one hundred feet to a stake; thence north twenty-three degrees thirty minutes west one hundred feet to a stake; thence north sixty-nine degrees no minutes east one hundred feet to a point in the center line of United States Numbered 41W; thence with center line of said road south twenty-three degrees thirty minutes east one hundred feet to the point of beginning, containing two hundred and twenty-nine one-thousandths of an acre, and having located thereon one two-room brick structure. Being a part of the same tract as conveyed by R. E. Durrett et ux. to the United States of America as recorded in DB 89, page 1, in the records of Montgomery County, Tenn.

With the following committee amendment:

Page 2, line 2, strike out all down to and including the word "Tennessee" in line 24, and insert "being a part of the same tract as conveyed by R. E. Durrett and wife, to the United States of America as recorded in deed book 89, page 1, in the records of Montgomery County, Tenn."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECOGNITION TO THE MEDICAL CORPS OF THE ARMY

The Clerk called the bill (H. R. 2477) to give recognition to the noncombatant services under enemy fire performed by officers and enlisted men of the Medical Corps of the Army.

The SPEAKER. Is their objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, I reserve the right to object for the purpose of asking some member of the Committee on Military Affairs to explain this bill, which appears to me to be entirely worthy but one in which I am sure the entire membership is interested and would like to have a full understanding. I yield to the gentleman from Indiana [Mr HARNESS].

Mr. HARNESS of Indiana. Mr. Speaker, this bill would place those men serving in the Medical Corps of the Army in the front line with the Infantry troops on a par, as far as pay is concerned, with the infantryman, by giving the man additional $10 per month bonus for that service. The War Department has already awarded those men a distinctive badge that is similar to the badge which the infantrymen receive as expert infantrymen. This legislation therefore rewards and recognizes medical-aid men of the Medical Corps in the same manner that the infantrymen has been recognized.

Mr. COLE of New York. Would the gentleman care to explain why it is necessary to put these medical men on a par with the infantrymen?

Mr. HARNESS of Indiana. Because we felt those men who were serving right in the front line as first-aid men were entitled to recognition. As a matter of fact, we found that some of the infantrymen who draw the extra $10 pay quite frequently would pool their extra pay and award it to the medical-aid men serving with them in the front line. The front line medical-aid men are doing a fine job. They are right up there at the front suffering the same hardships and hazards of the infantryman. These men are noncombatants, they do not carry weapons, and many of them have been wounded and killed while performing their duties of mercy.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. MAY. Many of them are wounded as they carry other wounded men in.

Mr. HARNESS of Indiana. The gentleman is correct.

Mr. MAY. Although they are not combat troops.

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. SPARKMAN. Mr. Speaker, the gentleman from Indiana remembers that when our committee visited with General Eisenhower in France last December he recommended to us that this be done.

Mr. HARNESS of Indiana. I believe everybody who is familiar with this bill heartily favors it.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield.

Mr. THOMAS of New Jersey. This bill was introduced by the gentleman from Pennsylvania [Mr. FENTON]. The gentleman from Pennsylvania finds himself absent today because of a primary election in his State. If he were here he would make a statement concerning the bill. In view of his absence I ask unanimous consent that at this point in the RECORD a statement the gentleman from Pennsylvania has prepared may be inserted.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

(The statement referred to follows:)

Mr. FENTON. Mr. Speaker, it was my privilege as a member of the Military Affairs Committee of the House to visit the European theater of war in November and December of last year. On that inspection tour we had very many conferences with the various commanding officers in England, France, Belgium, Luxemburg, and Italy in which many topics were discussed.

Being a physician and surgeon by profession and having been a battalion surgeon in the Infantry during the last war, I naturally was very much interested particularly in the treatment of our wounded soldiers in the present war. Without exception the com-

manding generals were high in their praise for the work the Medical Department of the Army is doing in this war. They laid great stress on the wonderful work that the battalion aid man is doing. General Eisenhower, General Lee, General Bradley, General Patton, and General Mark Clark, to whom I personally spoke, paid wonderful tribute to the battalion aid men with the Infantry and suggested that legislation be enacted to give recognition to these noncombatant officers and enlisted men of the Medical Corps of the Army serving with the Infantry.

We also spoke with many GI's and doughboys and wounded men in hospitals concerning this phase of the medical treatment afforded them and it was the same story, the same outstanding story, everybody eulogizing to the highest degree the fine work done by the battalion aid men.

General Hawley the chief surgeon in the European theater, General Stayer, the chief surgeon in the Mediterranean theater, and Gen. Joe Martin, chief surgeon for the Fifth Army in Italy, were all anxious to give recognition to the battalion aid men in the Infantry and gave many glowing accounts of these units.

At this point I want to express my appreciation for the courtesy extended me by the chairman of the Military Affairs Committee and its membership in designating me as the one to make the report on our return to the United States to the War Department concerning the medical department of the Army.

On January 4, 1945 I addressed a letter to the Hon. Henry L. Stimson, Secretary of War, as follows:

JANUARY 4, 1945.

Hon. HENRY L. STIMSON,
Secretary, War Department, Pentagon Building, Washington, D. C.

MY DEAR SECRETARY: You will recall that on the return of the Military Affairs Committee from the European trip, I reported on the excellent work being done by battalion medical aid men with the Infantry.

Public Law 393 of the Seventy-eighth Congress, as you know, provides additional pay for enlisted men of the Army assigned to the Infantry who are awarded the expert infantryman badge or the combat infantryman badge. However, the bill further provides that during the present war and for six months thereafter any enlisted man of the combat ground forces of the Army who is entitled under regulations prescribed by the Secretary of War, etc., is entitled to additional pay if entitled to wear the expert or combat infantryman badge.

I am very anxious to place a bill in the legislative hooper to take care of the medical aid men since I am convinced they are an essential part of the Infantry and also realize that the provisions of the Geneva Convention preclude medical aid men being considered as combat troops.

May I ask if any consideration has been given by your staff in this matter and if so I would be very pleased and happy to cooperate.

With kindest personal regards, I am,
Sincerely yours,

IVOR D. FENTON.

On January 16 the Secretary of War in replying to my letter sent the following letter:

WAR DEPARTMENT,
Washington, January 16, 1945.

Hon. IVOR D. FENTON,
House of Representatives, Washington, D. C.

DEAR DR. FENTON: Thank you for again reminding me, by your letter of January 4th, of your interest in our authorizing a separate badge for medical enlisted personnel attached to Infantry regiments.

I know you are aware that on several occasions we have considered the advisability of providing such a badge to medical aid men. Our previous position has been, however, that the authorization of a separate and distinct badge such as this would establish a precedent requiring the creation of other badges in cases equally as worthy as that of the Medical Corps enlisted men. We have felt that while the creation of such a badge might help the morale of certain soldiers, it would be discriminatory in operation and also might nullify much that has been accomplished by the exclusiveness of the Infantryman Badge.

I believe you will recall that General Marshall discussed this situation in some detail in our recent conference with your committee. At that time I was extremely interested in your response to the adequacy and efficiency of our medical installations overseas, as well as in your renewed interest in the recognition of medical enlisted personnel. You will recall that General Marshall pointed out then that the entire subject had recently been reopened. You may find it of interest that General Eisenhower, the Surgeon General of the Army, and General Marshall, himself, have interested themselves personally in this subject.

No decision has been reached as yet as a result of this reconsideration, but I am having your comments brought to the attention of those people concerned with it and share your hope that we can reach a satisfactory solution.

In conclusion I should like to say that I was greatly impressed by your approach to this and other problems during our recent conference and want you to know that this Department desires to cooperate with you and your committee to the fullest possible extent in matters of mutual concern.

Sincerely yours,

HENRY L. STIMSON,
Secretary of War.

After waiting a considerable period of time I introduced H. R. 2477, a bill which sought to give recognition to the noncombatant service under enemy fire performed by officers and enlisted men of the Medical Corps of the Army. I understand that similar bills, at least having the same objective, were introduced also by the gentlewoman from Massachusetts [Mrs. ROGERS], the gentlewoman from Ohio [Mrs. BOLTON], and the gentleman from Alabama [Mr. SPARKMAN]. However, the bill (H. R. 2477) was the one considered by our Military Affairs Committee and under date of April 30, 1945, the chairman of our committee, the gentleman from Kentucky [Mr. MAY] received a report from the War Department recommending enactment of the bill that is before you today with a proposed amendment. This amendment provides for additional compensation for those men who have the right to wear the medical badge.

I might add at this point that during our visit in Europe it was reported to us that in a great many instances those men who were eligible to wear the combat infantryman's badge pooled the extra money that they received and divided it with the battalion aid men, thereby recognizing the very fine work that these battalion aid men were doing.

However, before receiving the report on my bill it had come to my attention that a medical badge had already been provided for the medical aid men without additional legislation and on inquiring from the Secretary of War, Mr. Stimson, concerning the authorization of the medical badge, he wrote to me on May 17, 1945, as follows:

WAR DEPARTMENT,
Washington, May 17, 1945.

Hon. IVOR D. FENTON,
House of Representatives,
Washington, D. C.

DEAR MR. FENTON: I have your letter of May 7 in further regard to the awarding of a separate badge to medical enlisted personnel attached to Infantry regiments.

I am very sorry that your information that the medical badge has been established came to you through sources other than the War Department, for I am well aware of your very deep and abiding interest in this question and should have preferred that this Department notify you when the badge was established. I am sure, however, that your interest is more in the end product of our efforts than in the details of the procedure by which we achieved our goal.

The medical badge was established on March 1 of this year under the general War Department authority to prescribe the uniform and insignia worn by military personnel. This action was the result of the study which I advised you was in progress in my letter of January 16. The badge is a stretcher placed horizontally behind a caduceus with the cross of the Geneva Convention at the conjunction of the wings, all enclosed by an elliptical oak wreath 1 inch in height and 1½ inches in width, of oxidized silver.

I am enclosing a copy of the War Department circular which sets forth the provisions under which the badge is earned and also a copy of the change in the regulations which contains a line drawing of the badge.

Again I extend my appreciation to you for your public-spirited interest in this subject. I hope this information will adequately serve your purposes.

With kindest regards,
Sincerely yours,

HENRY L. STIMSON,
Secretary of War.

This explains in detail a description of the medical badge and demonstrates the War Department's interest in it. The medical badge was authorized by the War Department under date of March 1, 1945, in Circular No. 66. In general the medical badge is authorized for issue and wear in accordance with the provisions and requirements of this circular. This badge is established as a means of recognizing the important role being performed by medical personnel on duty with infantry units, especially infantry battalions. It is intended that this badge shall be awarded only to those who are daily sharing with the infantry the hazards and hardships of combat.

Effective March 1, 1945, the medical badge may be awarded to officers, warrant officers, and enlisted men of the Medical Department assigned to the medical detachment of Infantry regiments, Infantry battalions, and elements thereof designated as Infantry in tables of organization or tables of organization and equipment. In addition to the above, Medical Department officers, warrant officers, and enlisted men who are attached to medical detachments of Infantry regiments, Infantry battalions, or elements thereof, are eligible for the medical badge. In these cases, when the individual concerned is not assigned to the medical detachment of an Infantry regiment or smaller Infantry unit, the award will be made by such commanders and in such orders as the theater commander may designate. Personnel of arms and services other than the Medical Department are not eligible for this award. Officers of field grade and higher, except the regimental surgeon (and battalion surgeon, when appropriate), are not eligible for, and will not be awarded, the medical badge.

Personnel whose eligibility is established under the provisions of paragraph 1 may qualify for award of the medical badge by satisfactory performance of duty under actual combat conditions.

In conclusion I wish to state to the House that I am proud of the work my profession has done and is doing in this present war and I am confident that with this slight token of recognition the War Department and the medical personnel of the Army would be very grateful.

Mr. IZAC. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. IZAC. I am just wondering whether it would not be possible to enlarge this bill to extend it to include the artillerymen who sometimes serve in the front lines as well as the combat infantrymen? In other words, the division today is composed of a large number of Infantry units and one Artillery unit. The Artillery unit is required to serve as a machine-gun section, as infantrymen, and in various categories. I do not see why we should discriminate against anybody who serves in the front line, whether he be artilleryman, infantryman, chaplain, or in this case a medical corpsman. Ido not want to object to this bill, but it does seem to me that we should recognize all arms of the service in the same way when they are engaged in the same type of service.

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. SPARKMAN. In reply to the gentleman from California I may say that we provided by a bill which we discussed on the floor of the House a year or so ago for the making of all combat troops eligible for that recognition. We amended the bill here on the floor in order to make all front-line services eligible for that recognition. It passed both Houses of Congress and became law. It is subject to regulation by the War Department. The medics, however, could not possibly be brought in because of the fact that they were not combat troops. The act that we passed a year or so ago provided for all combat elements subject to such regulations as the War Department might prescribe. For some reason the War Department has not seen fit to extend it beyond the Infantry as among the combat troops. This bill takes care of a noncombat element, the medics, and therefore should not include combat troops.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. ROBSION of Kentucky. I understand this bill takes care of the noncombat medical men who go without arms and cannot shoot and are not supposed to be shot at, but who nevertheless are wounded on the battlefield while they themselves are taking care of the wounded.

Mr. COLE of New York. That is correct.

Mr. Speaker, I withdraw the reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to prescribe regulations providing for the award to officers and enlisted men of the Medical Corps of the Army, for conduct or performance of duty in connection with action against the enemy corresponding in its noncombatant nature with the conduct or performance of duty of a combatant nature which establishes eligibility to wear the combat infantryman badge, of a badge which shall be known as the expert medical corpsman badge. Such badge shall be similar in appearance to the combat infantryman badge, except that it shall have a caduceus thereon.

SEC. 2. The act of June 30, 1944, entitled "An act to provide additional pay for enlisted men of the Army assigned to the Infantry who are awarded the expert infantryman badge or the combat infantryman badge," is amended by inserting at the end thereof a new section reading as follows:

"SEC. 4. During the present war and for 6 months thereafter, any enlisted man in the Medical Corps of the Army who is entitled to wear the expert medical corpsman badge shall be paid additional compensation at the rate of $10 per month."

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That during the present war and for 6 months thereafter, any enlisted man of the Army who is entitled, under regulations prescribed by the Secretary of War, to wear the medical badge shall be paid additional compensation at the rate of $10 per month: *Provided*, That any enlisted men whose right to wear the medical badge has been temporarily suspended may, under regulations prescribed by the Secretary of War, continue to be paid such additional compensation.

"SEC. 2. The appropriations heretofore or hereafter made for 'Finance Service, Army,' shall be available for carrying into effect the provisions of this act.

"SEC. 3. The provisions of this act shall become effective on the first day of the month following its enactment. The additional compensation provided by this act shall not be paid for any retroactive period prior to the date of the actual award of the medical badge."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE SAN CARLOS IRRIGATION PROJECT

The Clerk called the bill (H. R. 3288) to amend section 3 of the San Carlos Act (43 Stat. 475–476), as supplemented, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, will the gentleman from Arizona explain the bill to the House? This legislation, as far as I can see, is quite far-reaching. Beneficiaries of the Roosevelt Dam first had 20 years in which to pay. Then Congress gave them 40, and now this bill seems to be giving them some sort of a sliding scale dependent on the rainfall out in Arizona.

Mr. MURDOCK. The gentleman is mixed up a little bit on the dams in the State of Arizona. This is not the Roosevelt Dam, it is the Coolidge Dam.

Mr. KEAN. I meant the Theodore Roosevelt Dam.

Mr. MURDOCK. The two large dams in Arizona if given a fuller name each, are the Theodore Roosevelt Dam and the Calvin Coolidge Dam. This bill is in answer to a report called for by law so as to make a more systematic arrangement for payment of the cost of the building of the Coolidge Dam. Under the original act there was a fixed payment made which would be unfair to the farmers because a part of the time the reservoir behind the Coolidge Dam was not full. There have been times when it was almost empty. At such times the arbitrarily fixed repayments were too heavy and unjust. This injustice was recognized by Congress and a law was passed granting a moratorium on these repayments until a study could recommend a better method of repayments. In answer to that law this bill provides for a sliding scale of payments so that the payments in each year will be gaged by the amount of water in the reservoir. Nothing is forgiven of any part of indebtedness and all of the indebtedness on this good project will eventually be paid back to the Treasury, but it will be gaged in amount and time according to the amount of water in the reservoir. This is an eminently fair bill to the Government and to the farmers under the project.

Mr. KEAN. As the gentleman for whom the dam was named would have said, they hired the money at that time and made the arrangement when the dam was built for a 25-year period, and it was extended 10 years later to a 40-year period; now it is being extended again.

Mr. MURDOCK. It is a matter of equity to those farmers, both whites and Indians, and I think the gentleman after whom the dam was named, with all of his New England economy, would have approved of this businesslike arrangement provided in this bill. After all, I must say that the passage of this bill will start payments again into the Treasury. Here is an unusual bill in that it brings money into the Treasury immediately on passage.

Mr. COLE of New York. Mr. Speaker, there appears to be some opposition to this bill being passed by unanimous consent and I ask unanimous consent that it be passed over.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SETTLEMENT OF RETURNING VETERANS ON CERTAIN FARMS

The Clerk called the bill (H. R. 520) to facilitate settlement of returning veterans on farms in projects constructed, operated, and maintained by the Bureau of Reclamation.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

REIMBURSING CERTAIN NAVY PERSONNEL

The Clerk called the bill (H. R. 2805) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut occupied by Eighty-third United States Naval Construction Battalion at Camp Rousseau, Port Hueneme, Calif., on December 22, 1944.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I do so to call attention to this bill and the next three to follow. The amount of money in this bill is very small, but it seems to me that there is a principle involved. Although

this is a Navy bill, the Army is involved also in other bills.

This provides for reimbursing Navy personnel for damage to their personal property as the result of a fire. The other three bills are similar.

We have passed some bills of this kind before, including certain bills for the relief of men in the Army. It seems to me that you are picking out what might be termed some isolated cases and you are reimbursing men in the Army and Navy for the full amount of property they have lost as the result of a fire or other reason. If you are going to do that, let me ask you how in all fairness you could deny men on board ship, whose ship is destroyed, the value of their personal effects, or from putting in a claim for reimbursement for their personal property that was lost when the ship went down.

In my opinion, legislation of this type is a mistake. The Naval Affairs Committee and the Committee on Military Affairs of the House should give some attention to this matter. If you are going to provide reimbursement, it should be for all or none.

Mr. McGREGOR. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Ohio.

Mr. McGREGOR. As one of the objectors on the Private Calendar, I concur in the statement made by the distinguished gentleman from Missouri. The Committee on Military Affairs and the Committee on Naval Affairs should recommend a general policy so that we will have some determining factor when these accidents occur.

Mr. COCHRAN. This bill is on the Consent Calendar, not on the Private Calendar. You just cannot reimburse some and deny relief to others. If you are going to make it a general proposition, you are going into the billions of dollars to reimburse the personnel of our Army and Navy who have suffered personal loss through no fault of their own during the period of this war from every conceivable reason.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Kentucky.

Mr. MAY. This bill comes from the Committee on Claims. I do not know about the details of it, but apparently it involves so much that it ought to be passed over.

Mr. COCHRAN. This one only involves $365, but it is principle we should consider.

Mr. MAY. It does set a precedent. What number is this on the calendar?

Mr. COCHRAN. Oh, no. Other bills have been passed. We are now considering Calendar No. 145, then you have 146, 147, and 148.

Mr. McGREGOR. There are also some on the Private Calendar of similar nature.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that these four bills be passed over without prejudice.

The SPEAKER pro tempore (Mr. SPARKMAN). Is there objection to the request of the gentleman from Missouri?

There was no objection.

By unanimous consent the following bills were passed over without prejudice: H. R. 2806, to reimburse certain personnel for personal property lost or damaged in a fire at naval base 2, Rosneath, Scotland, on October 12, 1944; H. R. 2807, to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut E–172 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945; and H. R. 2853, to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944.

EXCHANGE OF LANDS BETWEEN WAR DEPARTMENT AND DEFENSE PLANT CORPORATION

The Clerk called the bill (H. R. 715) to provide the transfer by the Secretary of War of the Roseburg rifle range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, the purpose of this bill apparently is to authorize the transfer to the Defense Plant Corporation of a tract of land now used by the War Department for a rifle range upon the condition that the Defense Plant Corporation obtain an equivalent tract of land for use by the War Department. I raise the question whether it is intended that the cost of this new tract of land to be acquired by the Defense Plant Corporation shall come from the Corporation's funds or from the funds of the United States Treasury. The bill itself is not clear on that point.

Mr. ELLSWORTH. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Oregon.

Mr. ELLSWORTH. Mr. Speaker, the expense of the land will be borne by the Defense Plant Corporation in connection with the construction of a sawmill on this land. As a matter of fact, the sawmill is already constructed, and this bill is merely a clarifying piece of legislation necessary by reason of the fact that an act passed since 1940 prevents the War Department from otherwise disposing of the land without special legislation.

Mr. COLE of New York. I recognize that this bill is necessary in order to effect the transfer from the War Department to the Defense Plant Corporation. However, the bill is not explicit in providing that the cost of this new plant shall be borne by the Corporation rather than from Federal funds.

Would the gentleman have any objection to adding at the end of the bill the words, "without cost to the United States" which would definitely indicate that the money used for the acquisition of this new tract will come from the Corporation's fund and not from Federal funds?

Mr. ELLSWORTH. Yes, Mr. Speaker, I think that is a very desirable amendment to put on the end of the bill. I very definitely approve it.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) the Secretary of War is authorized and directed to transfer to the Defense Plant Corporation, in exchange for the tract of land transferred to the United States under subsection (b), all the right, title, and interest of the United States in and to the military reservation known as the Roseburg Rifle Range, situated in Douglas County, Oreg., and more particularly described as follows:

Beginning at the quarter section corner between sections 17 and 18, township 27 south, range 5 west, of the Wilamette meridian; thence north ten chains; thence east ten chains; thence south ten chains; thence south six degrees and thirty minutes west fourteen and fifty-three one-hundredths chains to northeast corner of lot 8 in First Brookside Addition to Roseburg, Oreg.; thence south thirty-one and thirty one-hundredths chains to the southeast corner of said lot 8, thence west along East Avenue three chains to southwest corner of lot 8, thence north thirty and twenty-five one-hundredths chains to northwest corner; thence south sixty-nine degrees west five and twenty-five one-hundredths chains to a point south from place of beginning; thence north eighteen and forty one-hundredths chains to place of beginning, containing thirty-four and eighteen one-hundredths acres, all in sections 17 and 20, township 27 south, range 5 west, of the Willamette meridian, in Douglas County, State of Oregon.

(b) The Defense Plant Corporation is authorized and directed to (1) acquire, subject to the approval of the National Guard Bureau of the War Department, all right, title, and interest in and to a tract of land in the vicinity of Roseburg, Oreg., suitable for use as a target range by the Roseburg State Guard unit, and (2) transfer all its right, title, and interest in and to such tract of land to the United States.

Mr. COLE of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: Page 2, line 25, after the word "States", strike out the period and insert a comma and the words "without cost to the United States."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING FEDERAL FOOD, DRUG, AND COSMETIC ACT OF JUNE 25, 1938

The Clerk called the bill (H. R. 3266) to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 301 (i) of the Federal Food, Drug, and Cosmetic Act of June 25, 1938 (21 U. S. C. 301 and the following), as amended, is amended by inserting "507" after "506."

SEC. 2. Section 502 of such act, as amended, is amended by adding a new paragraph at the end thereof, as follows:

"(1) If it is, or purports to be, or is represented as a drug composed wholly or partly of any kind of penicillin or any derivative thereof, unless (A) it is from a batch with respect to which a certificate or release has been issued pursuant to section 507, and (B) such certificate or release is in effect with respect to such drug: *Provided*, That this paragraph shall not apply to any drug or class of drugs exempted by regulations promulgated under section 507 (c) or (d)."

SEC. 3. Chapter V of such act, as amended, is amended by adding a new section at the end thereof, as follows:

"CERTIFICATION OF DRUGS CONTAINING PENICILLIN

"SEC. 507. (a) The Federal Security Administrator, pursuant to regulations promulgated by him, shall provide for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof. A batch of any such drug shall be certified if such drug has such characteristics of identity and such batch has such characteristics of strength, quality, and purity, as the Administrator prescribes in such regulations as necessary to adequately insure safety and efficacy of us, but shall not otherwise be certified. Prior to the effective date of such regulations the Administrator, in lieu of certification, shall issue a release for any batch which, in his judgment, may be released without risk as to the safety and efficacy of its use. Such release shall prescribe the date of its expiration and other conditions under which it shall cease to be effective as to such batch and as to portions thereof.

"(b) Regulations providing for such certifications shall contain such provisions as are necessary to carry out the purposes of this section, including provisions prescribing (1) standards of identity and of strength, quality, and purity; (2) tests and methods of assay to determine compliance with such standards; (3) effective periods for certificates, and other conditions under which they shall cease to be effective as to certified batches and as to portions thereof; (4) administration and procedure; and (5) such fees, specified in such regulations, as are necessary to provide, equip, and maintain an adequate certification service. Such regulations shall prescribe only such tests and methods of assay as will provide for certification or rejection within the shortest time consistent with the purposes of this section.

"(c) Whenever in the judgment of the Administrator the requirements of this section and of section 502 (1) with respect to any drug or class of drugs are not necessary to insure safety and efficacy of use, the Administrator shall promulgate regulations exempting such drug or class of drugs from such requirements.

"(d) The Administrator shall promulgate regulations exempting from any requirement of this section and of section 502 (1), (1) drugs which are to be stored, processed, labeled, or repackaged at establishments other than those where manufactured, on condition that such drugs comply with all such requirements upon removal from such establishments; (2) drugs which conform to applicable standards of identity, strength, quality, and purity prescribed by these regulations and are intended for use in manufacturing other drugs; and (3) drugs which are intended solely for investigational use by experts qualified by scientific training and experience to investigate the safety and efficacy of drugs.

"(e) No drug which is subject to section 507 shall be deemed to be subject to any provision of section 505. Compliance of any drug subject to section 502 (1) or 507 with sections 501 (b) and 502 (g) shall be determined by the application of the standards of strength, quality, and purity, the tests and methods of assay, and the requirements of packaging and labeling, respectively, prescribed by regulations promulgated under section 507.

"(f) Any interested person may file with the Administrator a petition proposing the issuance, amendment, or repeal of any regulation contemplated by this section. The petition shall set forth the proposal in general terms and shall state reasonable grounds therefor. The Administrator shall give public notice of the proposal and an opportunity for all interested persons to present their views thereon, orally or in writing, and as soon as practicable thereafter shall make public his action upon such proposal. At any time prior to the thirtieth day after such action is made public any interested person may file objections to such action, specifying with particularity the changes desired, stating reasonable grounds therefor, and requesting a public hearing upon such objections. The Administrator shall thereupon, after due notice, hold such public hearing. As soon as practicable after completion of the hearing, the Administrator shall by order make public his action on such objections. The Administrator shall base his order only on substantial evidence of record at the hearing and shall set forth as part of the order detailed findings of fact on which the order is based. The order shall be subject to the provisions of section 701 (f) and (g)."

With the following committee amendments:

Page 2, line 1, strike out the figure "(1)" and insert the letter "(l)."

Page 2, line 3, strike out "(A)" and insert the figure "(1)."

Page 2, line 5, strike out "(B)" and insert "(2)."

Page 3, line 20, strike out the figure "(1)" and insert the letter "(l)."

Page 4, line 3, strike out "repackaged" and insert "repacked."

Page 4, line 14, strike out the figure "(1)" and insert the letter "(l)."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE RAILROAD UNEMPLOYMENT INSURANCE ACT

The Clerk called the joint resolution (H. J. Res. 116) facilitating the execution of subsection (d) of section 13 of the Railroad Unemployment Insurance Act, as amended.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, this is a very complicated bill, and I think a member of the committee should explain it to the House.

Mr. BATES of Kentucky. Mr. Speaker, I am the author of the bill, and it is merely correcting a condition that exists in the State of Kentucky. Under the Railroad Retirement Act a sum of $1,038,000 was collected from the railroads in that State which the Board directed be paid into the Federal Treasury. Our highest court held that that could not be done. This is an agreement worked out between the Social Security Board and the State Unemployment Compensation Division whereby they have agreed that $1,260,000 would be the equivalent of the $1,038,000 plus interest for the time that it has been running.

Mr. KEAN. Why does the Social Security Board become involved with the Railroad Retirement Board? Those are two separate organizations.

Mr. BATES of Kentucky. I will say to the gentleman that the Railroad Retirement Board agreed with our State legislature that this would be the desire of Congress. The Social Security Act was amended in this respect by the Railroad Unemployment Insurance Act.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. KEAN. I yield.

Mr. ROBSION of Kentucky. May I state to the gentleman from New Jersey, supplementing the statement of the gentleman from Kentucky, that this is entirely right and proper and should be passed. There should be no objection to this bill. There can be no objection. It is just doing justice. They collect the money from the State of Kentucky and the fund is hung up and cannot go to the Federal Government or to the State under the present situation.

Mr. BATES of Kentucky. That is correct.

Mr. KEAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Whereas subsection (d) of section 13 of the Railroad Unemployment Insurance Act, as amended, has been executed with respect to all States other than the State of Kentucky; and

Whereas it is deemed by the public authorities of the State of Kentucky to be more appropriate that in connection with the provision by the State of Kentucky for the execution of the provisions of said subsection there be specified a sum certain as the total amount to be transferred in accordance with the provisions of said subsection; and

Whereas it has been determined that the sum of $1,260,000 is substantially equivalent to the amounts which would after June 30, 1944, be transferred or withheld from the State of Kentucky pursuant to said subsection: Now, therefore, be it

Resolved, etc., That, notwithstanding any provision of law to the contrary, the sum of $1,260,000 shall constitute the total amount remaining after June 30, 1944, to be withheld by the Social Security Board pursuant to subsection (d) of section 13 of the Railroad Unemployment Insurance Act, as amended, from certification to the Secretary of the Treasury for payment for the administration of the Kentucky unemployment compensation law. The provisions of subsection (f) of section 13 of the Railroad Uemployment Insurance Act, as amended, shall apply to such withholding in the same manner as such subsection is applicable in the event of any transfer or withholding in accordance with subsection (d) of such section.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OFFICIAL PAPERS RELATING TO TERRITORIES OF THE UNITED STATES

The Clerk called the bill (H. R. 2522) to authorize the Secretary of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Reserving the right to object, Mr. Speaker, this is another one of those luxuries which would be very nice to have if we had our financial house in order. Mr. Speaker, I would support the bill heartily and will support it heartily as soon as we balance our Budget. In the meantime, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

NAVY MAIL CLERKS

The Clerk called the bill (H. R. 3193) to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the act of August 24, 1912 (37 Stat. 554), as amended (39 U. S. C., Supp. III, sec. 135), is hereby further amended to read as follows: "Every Navy mail clerk and assistant Navy mail clerk and every Coast Guard mail clerk and assistant Coast Guard mail clerk shall give bond to the United States in such penal sum as the Postmaster General may deem sufficient for the faithful performance of his duties as such clerk: *Provided*, That the Secretary of the Navy may waive the giving of bond in the cases of Navy mail clerks and assistant Navy mail clerks. Navy mail clerks and assistant Navy mail clerks whose bonds are so waived shall not be entitled to the extra compensation otherwise authorized to be paid them by law. The Post Office Department shall be reimbursed annually by the Navy Department in an amount equal to funds embezzled by unbonded Navy mail clerks and assistant Navy mail clerks, and funds expended in payment of claims arising from errors, losses, or defalcations by unbonded Navy mail clerks and assistant Navy mail clerks."

SEC. 2. Theer are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NAVAL PETROLEUM AND OIL-SHALE RESERVES

The Clerk called the bill (H. R. 3269) further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the Naval petroleum and oil-shale reserves.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the part of the act of June 4, 1920 (41 Stat. 813), amended by the act of June 30, 1938 (52 Stat. 1252), and further amended by the act of June 17, 1944 (58 Stat. 302; 34 U. S. C. 524), as so amended, is hereby further amended by adding immediately following the sixth paragraph of such amended part the following new paragraph:

"Any lease outstanding on November 13, 1942, which was issued pursuant to the act of February 25, 1920 (41 Stat. 437; 30 U. S. C. 181), or any amendment thereof, embracing lands which were added to Naval Petroleum Reserve No. 1 by Executive Order No. 9257, dated October 15, 1942 (corrected by Executive Order No. 9270, dated November 13, 1942), shall terminate as to any such lands at the expiration of its current term, including any extension heretofore accrued or which may accrue pursuant to the act of February 9, 1933 (47 Stat. 798, 30 U. S. C. 209)."

With the following committee amendments:

On page 1, line 6, strike out "302; 34 U. S. C. 524" and insert "280; U. S. C., 1940 edition, Supp."

On page 2 line 1, insert at the beginning of the line "IV, title 34, sec. 524)."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAY ALLOWANCES AND TRANSPORTATION OF PERSONNEL DISCHARGED FROM NAVY, MARINE CORPS, AND COAST GUARD

The Clerk called the bill (H. R. 3345) to provide for pay and allowances and transportation and subsistence of personnel discharged or released from the Navy, Marine Corps, and Coast Guard because of under age at the time of enlistment, and for other purposes.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

TEMPORARY APPOINTMENT OR ADVANCEMENT OF CERTAIN PERSONNEL OF THE NAVY AND MARINE CORPS

The Clerk called the bill (S. 58) to amend an act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941, as amended, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That an act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941 (Public Law 188, 77th Cong.), as amended (55 Stat. 603; 34 U. S. C., Supp. III, 350 and the following), is hereby amended by inserting before the period at the end of section 11 (a) of said act a colon and the following: *"Provided*, That officers on the retired list of the Naval Reserve with pay pursuant to provisions of the act entitled 'An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes,' approved July 1, 1918, may, while on active duty, be temporarily appointed to ranks or grades in a different branch or corps of the Naval Reserve under the authority of this act without loss of or prejudice to any rights, benefits, privileges, and gratuities enjoyed by them by virtue of their former status."

With the following committee amendment:

Strike out all after the enacting clause and insert "That the act entitled 'An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes,' approved July 24, 1941 (55 Stat. 603), as amended (U. S. C., 1940 ed., Supp. IV, title 34, sec. 350 and the following), is hereby amended by adding the following new subsection (c) to section 2 of said act:

"'(c) Officers on the retired list of the Regular Navy may, while on active duty, be temporarily appointed to ranks or grades in a different branch or corps of the Regular Navy without loss of or prejudice to any rights, benefits, privileges, and gratuities enjoyed by them by virtue of their former status.'

"SEC. 2. Said act of July 24, 1941, as amended, is further amended by striking out the period at the end of section 11 (a) of said act and inserting in lieu thereof a colon and the following: *'Provided*, That officers on the retired list of the Naval Reserve with pay pursuant to provisions of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes," approved July 1, 1918, may, while on active duty, be temporarily appointed to ranks or grades in a different branch or corps of the Naval Reserve under the authority of this act without loss of or prejudice to any rights, benefits, privileges, and gratuities enjoyed by them by virtue of their former status.'"

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRESENTATION OF MEDALS TO MEMBERS OF THE UNITED STATES ANTARCTIC EXPEDITION OF 1939–41

The Clerk called the bill (S. 397) to provide for the presentation of medals to members of the United States Antarctic Expedition of 1939–41.

Mr. ROBSION of Kentucky. Mr. Speaker, reserving the right to object, I wish the gentleman would explain the bill and the nature of the medals that are to be presented.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

ADDITIONAL MIDSHIPMEN ALLOWED FROM THE DISTRICT OF COLUMBIA

The Clerk called the bill (H. R. 319) to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ROBSION of Kentucky. Mr. Speaker, reserving the right to object, I should like to know how many midshipmen the district of Columbia now has.

Mr. MADDEN. For the gentleman's information, I will say they have five.

Mr. ROBSION of Kentucky. I notice in the papers every year nearly a page of pictures of young men who have graduated from the Naval Academy, claiming to be residents of the District of Columbia.

Mr. IZAC. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. IZAC. Of course, that is due to the fact that so many naval and military families are stationed in Washington and they have their children with them.

The papers usually cooperate in presenting the pictures of winners in competitive events as well as graduates of the Academy.

Mr. ROBSION of Kentucky. Are the five mentioned by the gentleman for any one period or five each year?

Mr. IZAC. It is provided that there shall be at no time more than 15.

Mr. ROBSION of Kentucky. So then they are entitled to 15?

Mr. IZAC. That is right.

Mr. ROBSION of Kentucky. That is three times as many as any congressional district in the United States has.

Mr. IZAC. Not in accordance with the population. It is worked out exactly the same, I will say to the gentleman.

Mr. ROBSION of Kentucky. No; I do not think so. Some congressional districts have as many people as reside in the District of Columbia.

Mr. COLE of New York. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. COLE of New York. The comparison between the District of Columbia should not be made with individual congressional districts. But the District of Columbia has been considered as a State. A State having two Senators and one Representative is entitled to 15 appointees in the Academy.

Mr. ROBSION of Kentucky. This bill would give the District of Columbia how many?

Mr. IZAC. Fifteen.

Mr. ROBSION of Kentucky. I thought it already had 15.

Mr. IZAC. No. It only has five at this time.

Mr. ROBSION of Kentucky. It is based on the idea of making the District a State with one Congressman and two Senators?

Mr. IZAC. More comparable with States that have similar population, like Nevada, New Mexico, and Wyoming.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TARVER. Mr. Speaker, reserving the right to object, it seems to me that even if this increase could be justified upon the basis of the present population of the District of Columbia, we ought not to legislate upon the theory that that population is going to remain permanent. In other words, there is a very good chance that the population of the District has been abnormally increased and that it will decrease. I think we should not at this time make permanent provision for the appointment of Annapolis midshipmen, based upon the abnormal population of the District of Columbia during the period of the war. Some increase might be justified, but trebling the number of appointees it seems to me is not justified.

I therefore ask unanimous consent that the bill may be passed over without prejudice, in the hope that some modification of the bill may be agreed upon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

AMENDING SECTION 6 OF THE DEFENSE HIGHWAY ACT OF 1941

The Clerk called the bill (H. R. 2840) to amend section 6 of the Defense Highway Act of 1941, as amended.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, the amount of money involved in this bill is far too high to justify its consideration on the Consent Calendar.

I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDING SECTION 8 OF THE ACT OF JULY 13, 1943

The Clerk called the next bill (H. R. 169), to amend section 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, will the chairman of the Committee on Roads explain what the cost of this bill would be?

Mr. ROBINSON of Utah. As I understand it, and as the hearings show, there is only one bridge involved. Of course, there is no added cost to the Federal Government. It comes out of the pro rata share of the State, from the amount the State gets for public roads. Technically it does not involve any cost to the United States Government.

Mr. KEAN. It actually would be out of the Federal Government, would it not?

The gentleman says there is only one bridge in the country involved. Where is that bridge?

Mr. ROBINSON of Utah. That is in Missouri, in the district of the gentleman from Missouri [Mr. CANNON].

Mr. KEAN. Mr. Speaker, I withdraw my objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the resolution, as follows:

Be it enacted, etc., That section 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes," approved July 13, 1943 (Public Law 146, 78th Cong.), is hereby amended as follows: Strike out the date "January 1, 1945" wherever it occurs and insert in lieu thereof the date "January 1, 1947"; and strike out, where they occur both times, the words "which the Secretary of War and the Secretary of the Navy shall certify to him will contribute to the war effort."

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following committee amendment:

"That in the case of each and every State which, prior to January 1, 1947, shall have constructed or acquired any toll bridges, including interstate toll bridges, serving the approved system of Federal-aid highways, and which has caused or, prior to January 1, 1947, shall cause any such toll bridge or toll bridges to be made free, the Federal Works Administrator shall be, and he is hereby, authorized to pay out of the regular and secondary Federal-aid road funds apportioned to such State not to exceed 50 percent of such amount as may be approved by the Federal Works Administrator as the current reasonable value of the physical property, exclusive of rights-of-way, of any such bridge, or not to exceed 50 percent of the bonds or other obligations created and issued for the construction of such bridge which shall remain unpaid and outstanding, or such percent of the amount by which such outstanding bonds or other obligations shall exceed any funds accumulated or provided for their amortization, on the date such bridge is made free, whichever shall be least: *Provided*, That no payment of Federal funds shall be made on account of any such bridge which was not constructed in accordance with plans and specifications which would meet the standards required under the Federal Highway Act at the time such bridge was constructed: *Provided further*, That no such payment shall be made which will exceed 50 percent of the current reasonable value of the physical properties of any such bridge, nor shall such payment in the case of any bridge which was constructed or acquired with the aid of Federal funds or with the aid of a grant from the Federal Government exceed 50 percent of the current reasonable value of the physical properties of such bridge which remains after deducting therefrom the share of cost or of grant already paid by the Federal Government, or shall not exceed 50 percent of the bonds or other obligations created and issued for the construction of such bridge which shall remain unpaid and outstanding, or such percent of the amount by which such outstanding bonds or other obligations shall exceed any funds accumulated or provided for their amortization, on the date such bridge is made free, whichever shall be least, and any amount so paid on account of any such bridge from regular Federal-aid road funds shall be used for matching unobligated regular Federal-aid road funds available to the State for expenditure in the improvement of highways on the system of Federal-aid highways, and any amount so paid on account of any such bridge from secondary Federal-aid road funds shall be used for matching unobligated secondary Federal-aid road funds available to the State for expenditure in the improvement of secondary or feeder roads."

The committee amendment was agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REIMBURSEMENT OF CERTAIN NAVAL PERSONNEL FOR LOSS IN FIRE AT NORFOLK NAVY YARD

The Clerk called the bill (H. R. 2615) to provide for reimbursement of certain Navy personnel for personal property lost or damaged as a result of a fire at the outlying degaussing branch of the

Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

THE ROYAL C. JOHNSON MEMORIAL VETERANS' HOSPITAL

The Clerk called the bill (H. R. 2860) to name the Veterans' Administration facility to be constructed at Sioux Falls, S. Dak., the Royal C. Johnson Memorial Veterans' Hospital.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the bill (S. 880) to provide for designation of the United States Veterans' Administration hospital at Sioux Falls, S. Dak., as the Royal C. Johnson Veterans' Hospital, an identical bill, be substituted for H. R. 2860.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the proposed United States Veterans' Administration hospital at Sioux Falls, S. Dak., shall be known and designated on the public records as the Royal C. Johnson Veterans' Hospital.

Mr. MUNDT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MUNDT: Page 1, line 5, after "Johnson" strike out "Veterans' Hospital" and insert "Veterans' Memorial Hospital."

Also amend the title so as to read: "Royal C. Johnson Veterans' Memorial Hospital."

Mr. RANKIN. Mr. Speaker, I rise in support of the amendment.

The SPEAKER pro tempore. The gentleman from Mississippi is recognized for 5 minutes.

Mr. RANKIN. Mr. Speaker, of course, I am for this amendment. I am in favor of this bill, which was introduced by the gentleman from South Dakota [Mr. MUNDT]. I reported it from the Committee on Veterans' Legislation.

It is a small tribute to one of America's finest soldiers, citizens, and statesmen, Royal C. Johnson, of South Dakota, who resigned his seat in Congress at the outbreak of the First World War and entered the service. He was badly injured by a gunshot wound in that conflict, and in my opinion, that wound finally caused his death. He was a real war casualty.

He came back to Congress after the war and was the first chairman of the Committee on World War Veterans' Legislation. During most of the time he served as chairman, or at least during a good deal of that time, I was the ranking minority member.

Necessarily we clashed occasionally over legislative policies and procedure, but I want to say now that I have never met a finer, more patriotic representative of the American people than Royal C. Johnson; and I am glad to see this bill passed today, as I said, as a small tribute, a small expression of our respect for him, our confidence in him and our reverence for his memory.

He served his country well, both in war and in peace. His splendid son is now a prisoner of war in Japan, so I am told, having been shot down over Tokyo.

I hope this bill passes without a dissenting vote.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the distinguished gentleman from Massachusetts.

Mr. McCORMACK. Those of us who served with Royal Johnson remember well his charming personality and outstanding ability. Those of us who were then in the minority looked upon him as one of the finest and one of the outstanding Members of the House, a gentleman at all times, and who displayed his ability on many occasions. He has left his imprint in the legislative records of this body. In addition to that, he was a close personal friend of mine; and as I look back through my 17 years of service here I think there is no Member of Congress with whom I have served who had more friends on both sides of the aisle than our late friend, Royal Johnson.

Mr. RANKIN. I thank the gentleman from Massachusetts.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; I yield to the gentleman from South Dakota.

Mr. MUNDT. I certainly appreciate the splendid expressions of tribute both from the chairman of the World War Veterans' Legislative Committee and from the majority leader. Royal C. Johnson is considered one of the fine, outstanding citizens in the all-time history of our State.

When I first introduced the bill to name this hospital in tribute to Royal Johnson, I received many phone calls from former colleagues of his saying they thought this was a splendid gesture. I am grateful for these kind statements.

When I first introduced a bill in the Seventy-sixth Congress back in 1939 calling upon the Veterans' Administration to locate one of its facilities in eastern South Dakota, I included in that legislation that it be named in memory of Royal C. Johnson. The great new veterans' facility now in process of construction in Sioux Falls, S. Dak., was finally authorized by the hospital board and the Veterans' Administration under blanket covering legislation and for that reason on April 9 of this year, I introduced H. R. 2860 providing that this new hospital be named in tribute to Royal C. Johnson. On April 17, Senator BUSHFIELD, of South Dakota, introduced S. 880 in the Senate as a companion bill to achieve the same purpose. We are today approving the purpose of these two bills.

Under the amendment which I have today introduced, this new veterans' facility is to be called the Royal C. Johnson Memorial Veterans' Hospital. It is so named at the suggestion of many South Dakotans and of many veterans who desire in this way both to pay tribute to Royal C. Johnson and to classify this new facility as a memorial hospital to all veterans of all wars.

As a veterans' memorial hospital bearing the name of Royal C. Johnson, the great institution in Sioux Falls will serve in this dual capacity to honor all veterans and to commemorate the name of the former Congressman from South Dakota who did so much for so long a time to help bring health and opportunity to ill and disabled war veterans.

It is altogether fitting and proper that the services of Royal Johnson and the sacrifices of the veterans of all wars be thus jointly immortalized and commemorated. For that reason I feel sure the House will join me in favoring the proposed change in phraseology which is designed to achieve this purpose.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Royal Johnson represented the Second Congressional District of South Dakota when we had three districts, and although I now represent the second district, my district is what was the old third district. The appreciation which has been expressed of Royal Johnson's service in the House of Representatives coincides with the feeling that all of South Dakota had for Royal Johnson. My colleague from South Dakota [Mr. MUNDT], whose district embraces the old second district, properly represented the spirit of the entire State of South Dakota when he offered this bill and the passage of it will be appreciated by all the people of South Dakota regardless of what congressional district they live in.

Mr. RANKIN. I thank the gentleman from South Dakota.

Royal Johnson not only represented that district in South Dakota, but he represented the disabled servicemen of the entire Nation. The work he did for the disabled ex-servicemen, during the time he was chairman of the Committee on World War Veterans' Legislation, trying to see that they received justice at the hands of their Government, will forever stand as a monument to his services in the House of Representatives. And this hospital will be a lasting memorial to his honored name.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from South Dakota [Mr. MUNDT].

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "Royal C. Johnson Veterans' Memorial Hospital."

A similar House bill (H. R. 2860) was laid on the table.

DENTAL CORPS OFFICERS' COMMAND

The Clerk called the bill (S. 916) to remove the limitation on the right to command officers of the Dental Corps of the Army which limits such officers to command in that corps.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the act entitled "An act making appropriation for the support of the Army for the fiscal year ending June 30, 1912," approved March 3, 1911, is amended by striking out from the fourth paragraph under the heading "Medical Department" the sentence which reads: "Their right to command shall be limited to the Dental Corps" (36 Stat. 1054; 10 U. S. C. 130).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXPORTATION OF CERTAIN COMMODITIES

The Clerk called the bill (H. R. 2944) to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the act of July 2, 1940 (54 Stat. 714), as amended by the act of June 30, 1942 (56 Stat. 463), and the act of July 1, 1944 (Public Law 397, 78th Cong.), is hereby further amended by deleting from subsection (d) thereof the words "June 30, 1945" and substituting therefor the words "June 30, 1946."

Mr. HARNESS of Indiana. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARNESS of Indiana: Page 1, line 8, strike out "June 30, 1946" and insert in lieu thereof "December 31, 1945."

Mr. MAY. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, this amendment should not be accepted. This is a bill that authorizes the export control of commodities through a certain system by the State Department. It has been very important in the past, but it is more important today and will continue to be more important as the months go by, in my judgment, for considerably more than the next 6 months. Of course, there is another consideration and that is that the Congress does not want to be entertaining itself every 6 months by an extension of these particular acts.

What has actually happened and what will continue to increase in intensity is the necessity for the control of products that are made available for export, particularly along the line of food. The prostrate nations of Europe will be suffering from starvation during the next year and perhaps more so then than now and unless we can exercise some degree of control over the supplies that we have available for them we are going to have all kinds of confusion; furthermore, it will interfere perhaps very greatly with the war effort. Ordinarily I would not object to a limitation until December 31 of this year, but that is just 6 months from now and the idea is to continue it until the middle of next year, June 30, 1946, so that the nations of Europe and Asia that will be in distress for food supplies may have available next year's crops before we suspend control of these things.

Mr. Speaker, I hope the House will not agree to the amendment that has been offered.

Mr. HARNESS of Indiana. Mr. Speaker, I rise in support of the amendment.

Mr. Speaker, this bill proposes to extend for 1 year from June 30, 1945, section 6 of an act under which the Foreign Economic Administration functions. The Foreign Economic Administration is duplicating work of the War Production Board, the State Department, and the Lend-Lease agency. I see no reason why we should not reexamine the situation 6 months from now. We want to get rid of this kind of control just as quickly as possible when this war is over, and by limiting the life of this agency for 6 more months the Congress may review the activities of the agency next fall to determine whether there is any real necessity for its extension. I hope you will agree to the amendment.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from Louisiana.

Mr. BROOKS. If the amendment is adopted, that would bring this matter up December 15, immediately before Christmas. Maybe the legislation cannot be handled at that time.

Mr. HARNESS of Indiana. Suppose it does come up in November or December; we will at least know then whether we want to extend it for 6 months more. As a matter of fact, Mr. Speaker, I think the agency ought to be abolished now. I think they are just duplicating the work of other agencies of the Government.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from Kentucky.

Mr. MAY. The only thing in the world that the State Department has to do with it is to issue licenses for the products determined necessary.

Mr. HARNESS of Indiana. That is right, but there is not a single item which can be shipped out of this country that the War Production Board does not have control over.

The SPEAKER. The question is on the amendment offered by the gentleman from Indiana [Mr. HARNESS].

The question was taken; and on a division (demanded by Mr. HARNESS) there were—ayes 27, noes 47.

Mr. HOFFMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 122, nays 188; not voting 122, as follows:

[Roll No. 114]

YEAS—122

Adams	Gillespie	Martin, Mass.
Andersen, H. Carl	Gillie	Mason
Anderson, Calif.	Griffiths	Merrow
Andresen, August H.	Gwynne, Iowa	Michener
Angell	Hale	Miller, Nebr.
Arends	Hall, Edwin Arthur	Mott
Arnold	Halleck	O'Hara
Barrett, Wyo.	Hand	O'Konski
Beall	Harness, Ind.	Phillips
Bennet, N. Y.	Hartley	Pittenger
Bennett, Mo.	Henry	Ramey
Bishop	Herter	Reed, Ill.
Blackney	Heselton	Reed, N. Y.
Bolton	Hess	Rees, Kans.
Brehm	Hill	Rizley
Brown, Ohio	Hoeven	Robertson, N. Dak.
Brumbaugh	Hoffman	Robsion, Ky.
Buck	Holmes, Wash.	Rockwell
Buffett	Hope	Schwabe, Mo.
Butler	Horan	Schwabe, Okla.
Byrnes, Wis.	Howell	Scrivner
Carlson	Hull	Simpson, Ill.
Case, N. J.	Jenkins	Smith, Wis.
Case, S. Dak.	Jennings	Springer
Chenoweth	Jensen	Stefan
Chiperfield	Johnson, Ill.	Stockman
Church	Jones	Sumner, Ill.
Clevenger	Jonkman	Sundstrom
Cole, Kans.	Judd	Taber
Cole, Mo.	Kean	Talbot
Crawford	Kearney	Talle
Cunningham	Knutson	Taylor
Dolliver	Latham	Thomas, N. J.
Dondero	LeCompte	Vorys, Ohio
Dworshak	LeFevre	Vursell
Ellis	Lemke	Weichel
Ellsworth	Lewis	Wigglesworth
Elston	McCowen	Wilson
Engel, Mich.	McDonough	Wolcott
Fuller	McGregor	Wolverton, N. J.
	McMillen, Ill.	Woodruff, Mich.

NAYS—188

Abernethy	Fogarty	Mansfield, Tex.
Allen, La.	Folger	May
Andrews, Ala.	Forand	Miller, Calif.
Andrews, N. Y.	Gallagher	Mills
Bailey	Gamble	Monroney
Baldwin, Md.	Gardner	Morrison
Barry	Gary	Mundt
Bates, Ky.	Gathings	Murdock
Bates, Mass.	Gibson	Neely
Beckworth	Gordon	Norrell
Bender	Gossett	O'Brien, Ill.
Biemiller	Granger	O'Neal
Bland	Gregory	Outland
Bonner	Hancock	Pace
Boykin	Hare	Patman
Bradley, Mich.	Harless, Ariz.	Patrick
Bradley, Pa.	Harris	Patterson
Brooks	Havenner	Peterson, Fla.
Brown, Ga.	Healy	Philbin
Bryson	Hébert	Pickett
Bulwinkle	Hedrick	Poage
Bunker	Hendricks	Priest
Burch	Hinshaw	Quinn, N. Y.
Burgin	Hoch	Rabaut
Camp	Hook	Rabin
Canfield	Huber	Ramspeck
Cannon, Mo.	Izac	Rankin
Carnahan	Jackson	Rayfiel
Celler	Johnson, Luther A.	Resa
Chelf	Johnson, Lyndon, B.	Richards
Cochran	Johnson, Okla.	Riley
Cole, N. Y.	Keefe	Rivers
Colmer	Kefauver	Robertson, Va.
Combs	Kelly, Ill.	Robinson, Utah
Cooper	Keogh	Rogers, Fla.
Courtney	Kerr	Rogers, Mass.
Cox	Kilburn	Rogers, N. Y.
Cravens	Kilday	Rowan
Crosser	King	Russell
D'Alesandro	Kirwan	Ryter
Davis	Kopplemann	Sadowski
De Lacy	Lane	Sasscer
Delaney, James J.	Lanham	Savage
Dickstein	Larcade	Shafer
Dingell	Lesinski	Smith, Maine
Domengeaux	Link	Smith, Va.
Doughton, N. C.	Lyle	Sparkman
Douglas, Calif.	Lynch	Spence
Douglas, Ill.	McCormack	Starkey
Doyle	McGehee	Stevenson
Drewry	McKenzie	Stewart
Elliott	Madden	Stigler
Engle, Calif.	Mahon	Sullivan
Ervin	Maloney	Sumners, Tex.
Fallon	Manasco	Tarver
Feighan	Mansfield, Mont.	Thom
Fernandez		Thomas, Tex.
Flannagan		Thomason
		Tolan

Towe	Wadsworth	Wood
Traynor	Wasielewski	Woodhouse
Trimble	Welch	Woodrum, Va.
Vinson	Whittington	Worley
Voorhis, Calif.	Winstead	Zimmerman

NOT VOTING—122

Allen, Ill.	Gifford	Norton
Anderson, N. Mex.	Gillette	O'Brien, Mich.
	Goodwin	O'Toole
Auchincloss	Gore	Peterson, Ga.
Baldwin, N. Y.	Gorski	Pfeifer
Barden	Graham	Ploeser
Barrett, Pa.	Granahan	Plumley
Bell	Grant, Ala.	Powell
Bloom	Grant, Ind.	Powers
Boren	Green	Price, Fla.
Buckley	Gross	Price, Ill.
Byrne, N. Y.	Gwinn, N. Y.	Rains
Campbell	Hagen	Randolph
Cannon, Fla.	Hall,	Reece, Tenn.
Chapman	Leonard W.	Rich
Clark	Hart	Rodgers, Pa.
Clason	Hays	Roe, Md.
Clements	Heffernan	Roe, N. Y.
Coffee	Hobbs	Rooney
Cooley	Holifield	Sabath
Corbett	Holmes, Mass.	Sharp
Curley	Jarman	Sheppard
Curtis	Johnson, Calif.	Sheridan
Daughton, Va.	Johnson, Ind.	Short
Dawson	Kee	Sikes
Delaney, John J.	Kelley, Pa.	Simpson, Pa.
	Kinzer	Slaughter
Dirksen	Kunkel	Smith, Ohio
Durham	LaFollette	Snyder
Earthman	Landis	Somers, N. Y.
Eaton	Lea	Tibbott
Eberharter	Luce	Torrens
Elsaesser	Ludlow	Walter
Fellows	McConnell	Weaver
Fenton	McGlinchey	Weiss
Fisher	McMillan, S. C.	West
Flood	Marcantonio	White
Fulton	Martin, Iowa	Whitten
Gavin	Morgan	Wickersham
Gearhart	Murphy	Winter
Geelan	Murray, Tenn.	Wolfenden, Pa.
Gerlach	Murray, Wis.	

So the amendment was rejected.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Whitten with Mr. Ploeser.

Mr. Holifield with Mr. Martin of Iowa.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Jarman with Mr. Grant of Indiana.

Mr. John J. Delaney with Mr. Allen of Illinois.

Mr. Randolph with Mr. Smith of Ohio.

Mr. Somers of New York with Mr. Baldwin of New York.

Mr. Coffee with Mr. Fulton.

Mr. O'Toole with Mr. Eaton.

Mr. Sikes with Mr. Curtis.

Mr. Marcantonio with Mr. Dirksen.

Mr. Barrett of Pennsylvania with Mr. Kinzer.

Mr. Torrens with Mr. Powers.

Mr. Hobbs with Mr. Rich.

Mr. Byrne of New York with Mr. Short.

Mr. Cooley with Mr. Tibbott.

Mr. Pfeifer with Mr. Holmes of Massachusetts.

Mr. Durham with Mr. Graham.

Mr. Heffernan with Mr. Gifford.

Mr. Curley with Mr. Plumley.

Mr. Powell with Mr. Clason.

Mr. Peterson of Georgia with Mr. Reece of Tennessee.

Mr. Buckley with Mr. Rodgers of Pennsylvania.

Mr. Kee with Mr. Hagen.

Mr. Rooney with Mrs. Luce.

Mr. Bloom with Mr. Leonard W. Hall.

Mr. Green with Mr. Auchincloss.

Mr. McGlinchey with Mr. Simpson of Pennsylvania.

Mr. Roe of New York with Mr. Fellows.

Mr. Sheridan with Mr. Wolfenden of Pennsylvania.

Mr. Price of Illinois with Mr. LaFollette.

Mrs. Norton with Mr. McConnell.

Mr. Hart with Mr. Murray of Wisconsin.

Mr. Gorski with Mr. Corbett.

Mr. Clements with Mr. Fenton.

Mr. West with Mr. Johnson of California.

Mr. Cannon of Florida with Mr. Gillette.

Mr. McMillan of South Carolina with Mr. Winter.

Mr. Ludlow with Mr. Gross.

Mr. Chapman with Mr. Landis.

Mr. Grant of Alabama with Mr. Campbell.

Mr. Kelley of Pennsylvania with Mr. Gearhart.

Mr. Wickersham with Mr. Kunkel.

Mrs. ROGERS of Massachusetts and Mr. SHAFER changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REQUISITION OF PROPERTY DENIED EXPORTATION

The Clerk called the bill H. R. 3232) to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940 (54 Stat. 1090), as amended by the acts of July 2, 1942 (56 Stat. 467, Public Law 643, 77th Cong.), and June 28, 1944 (Public Law 379, 78th Cong.), is amended to read as follows:

"SEC. 3. The authority granted in this act shall remain in force until June 30, 1946, or until such earlier time as the Congress by concurrent resolution or the President by proclamation may designate."

Mr. HARNESS of Indiana. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARNESS of Indiana: Page 2, insert a new paragraph as follows:

"SEC. 4. No property requisitioned pursuant to this act shall be used for lend-lease purposes."

Mr. HARNESS of Indiana. Mr. Speaker, this bill proposes to extend the act of Congress which gave authority to the War Department to requisition certain property and materials; in other words, we provided by law some time ago that the War Department might requisition any material, machinery, or equipment needed to further the war effort. In the event the owner of property so requisitioned fails to reach a settlement with the War Department, we have recognized his right to bring suit in court to have have the fair value of the property established. I see nothing wrong with the act as a wartime emergency measure, but I do think that any property requisitioned from a private owner under this authority should be used solely and directly for the prosecution of the war, and not for lend-lease or any other purpose. The purpose of this amendment is to so limit this extraordinary authority.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from Kentucky.

Mr. MAY. I hope that the gentleman from Indiana understands that there may be cases where the War Department may requisition property that might necessarily be appropriate to lend-lease handling. Is that not true?

Mr. HARNESS of Indiana. Mr. Speaker, we have an agency to handle lend-lease, and that agency certainly has been more than generous in supplying every friendly country with practically anything and everything requested. Now I feel confident that responsible military officials will use this authority wisely and sparingly. So long as the authority remains solely in their hands, I believe they will take no property that they do not absolutely need in the prosecution of the war. I do not have similar confidence, however, in other agencies, which might use this authority indirectly to seize private property for purposes not immediately necessary to the war effort. This amendment would assure that this authority will be used only by military officials, and solely and directly in the prosecution of the war.

Mr. ANDREWS of New York. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield.

Mr. ANDREWS of New York. I think the gentleman will admit and the facts will prove that during the past few years under the provisions of this act nothing has ever been requisitioned by the Army and turned over to lend-lease.

Mr. HARNESS of Indiana. Mr. Speaker, I must correct the gentleman. The gentleman is mistaken.

Mr. ANDREWS of New York. Recourse has been had to this act during the past year in only five cases, one of which involved black pepper, and they had to use the act to get black pepper.

Mr. HARNESS of Indiana. I am sorry, but I must correct the gentleman. He is quoting from General Royal who testified on this bill before the committee. After he had testified that no property had been, so for as he knew, turned over to lend-lease, he called me on the telephone and said he was mistaken, and that a quantity of property had been requisitioned and sent to Russia under the provisions of this act. I think it is entirely wrong to give any agency the right to go into a man's own home or business and take his property for lend-lease purposes. I am perfectly in sympathy with the basic purpose of this act, but I urge that this extraordinary authority must be used only in the direct furtherance of the war effort. Let the lend-lease agency handle any property needed in normal lend-lease operations. But let us insure that this authority be used strictly for the military purposes for which it was intended.

Mr. MAY. Mr. Speaker, I rise in opposition to the amendment.

The effect of this amendment is simply to put a limitation on the power of the War and Navy Departments to exercise their judgment and discretion as to the proper use of any property requisitioned for some particular purpose. The gentleman has made the statement that the Administration under the act has done

a fine job in supplying our allies. It must be understood the war is not over yet. I am sure the gentleman from Indiana knows that as well as any Member of the House. We are now fighting an enemy apparently more desperate and more dangerous than the one we have just defeated. In China we have an ally, a nation without preparation for war. Their vast manpower is untrained. They have no technological achievement of any kind. If the War Department or the Navy Department should happen to requisition something which is needed by Russia, this amendment would prohibit lend-lease from furnishing it to China, or to any other of our allies. Certainly in this bloody war it is costing us so much in proportion and has taken such a heavy toll of the lives of our men in the Pacific battle fronts that we ought not to handicap either one of these services in the disposition of property that they find it necessary to requisition.

I hope the amendment will be defeated.

Mr. HARNESS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. HARNESS of Indiana. I must correct the statement the gentleman just made to the effect that I commended the Administration on the handling of the lend-lease authority. I merely said the lend-lease agency has overgenerously supplied the world's demands upon this Nation. I think many mistakes have been made in this program. I think a considerable portion of our lend-lease activities has contributed little, if anything, to the immediate prosecution of the war. But we have an agency set up to administer the Lend-Lease Act. That agency can handle any necessary gifts or loans that may be necessary or desirable under lend-lease. But this measure before us gives drastic emergency authority for an entirely different purpose. This is a law that gives the military full authority to go into a man's business or home and to seize his private property. I do not believe it should be used for lend-lease purposes.

Mr. MAY. Mr. Speaker, I cannot yield further to the gentleman.

The statement of the gentleman simply emphasizes what I have already said, that if the War and Navy Departments dispose of this property they ought to be unhampered by this amendment because they can determine who needs it.

Mr. BROOKS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the authority granted to the agencies of Government under this bill has not been abused in any case. No showing by anyone whatsoever in the consideration of this bill had been made to the effect that there has been abuse of this authority given the War and Navy Departments. This is certainly the case with reference especially that either department has to lend-lease activities—no abuse of power is shown. There is a definite showing that this is a war power and that this authority is badly needed to properly prosecute aggressively the war against Japan. When a bottleneck appears and we must have some particular little item for use in the war, the authority for obtaining this article by expropriation is contained in this bill. We have a war to fight. It is a bitter and savage war. I for one want to see the authority contained in this act continued and not circumscribed by petty amendments which would cripple our efforts to push the war to an early victory.

I hope that this bill is adopted as originally reported to the House.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. McCORMACK. The gentleman is a member of the Committee on Military Affairs. Is it the opinion of the gentleman, and does the gentleman agree with me that the result of this amendment might limit the needs of the War Department in the war we are conducting in the Far East?

Mr. BROOKS. Why, certainly.

Mr. McCORMACK. It is an amendment by way of limitation and restriction. There has not been shown any abuse of the powers which the War Department has had conferred upon it by this law. The War Department has certainly exercised the provisions of the present law wisely in the European warfare.

Mr. BROOKS. The distinguished majority leader is correct. The War Department is entitled to commendation for the manner in which they have wisely used the provisions of this bill. While I do not question the statement made by my colleague from Indiana [Mr. HARNESS] in reference to the use made of the powers under this bill, I will say that the testimony in the committee shows the authority under this bill has only been used five times. To come in now with an amendment of this sort is to hamstring the authority which we gave the Army and the Navy to use winning this war. It should not be done. The amendment should be defeated.

The SPEAKER. The time of the gentleman has expired.

The question is on agreeing to the amendment.

The amendment was rejected.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GOVERNMENT HOUSING FACILITIES IN THE DISTRICT OF COLUMBIA

The Clerk called the bill (H. R. 3233), to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of any other law (including any laws restricting the occupancy of housing facilities under the jurisdiction of Government departments or agencies by personnel, and dependents of personnel, of the Army, Navy, Marine Corps, and Coast Guard above specified ranks, or by personnel, and dependents of personnel, of the Coast and Geodetic Survey and the Public Health Service), personnel of any of the services mentioned herein and their dependents may be accepted as tenants in and may occupy on a rental basis any such housing facilities, other than public quarters constructed or designated for assignment to and occupancy without charge by such personnel and their dependents if any, and such personnel shall not be deprived by reason of such occupancy of money allowances to which they are otherwise entitled for rental of quarters.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REQUISITION OF PROPERTY FOR NATIONAL DEFENSE

The Clerk called the bill (H. R. 3234) to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first sentence of the first section of the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941 (55 Stat. 742), as amended by the acts of March 27, 1942 (56 Stat. 176, title VI, Public Law 507, 77th Cong.), June 30, 1943 (57 Stat. 271, Public Law 104, 78th Cong.), and June 28, 1944 (Public Law 378, 78th Cong.), is hereby amended by striking out the date "June 30, 1945" and inserting in lieu thereof "June 30, 1946."

SEC. 2. Section 2 of the act of October 16, 1941 (55 Stat. 742), as amended, is hereby amended by striking out the date "December 31, 1945" and inserting in lieu thereof "December 31, 1946."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR MEDAL FOR SERVICE IN THE ARMED FORCES DURING THE PRESENT WAR

The Clerk called the bill (H. R. 3436) providing for a medal for service in the armed forces during the present war.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War and the Secretary of the Navy are authorized and directed to procure, in numbers sufficient for the purpose of this act, a medal (and suitable appurtenances) of design and official designation jointly approved by them, to be awarded to all persons who shall have served on active duty in the armed forces of the United States or of the Government of the Philippine Island at any time during the period beginning December 7, 1941, and ending with the date of the termination of hostilities in the present war, and whose service shall have been honorable. The term "date of the termination of hostilities in the present war" means the date proclaimed by the President as the date of such termination or the date specified in a concurrent resolution of the two Houses of Congress as the date of such termination, whichever is the earlier. The medal may be awarded posthumously and, when so awarded, shall be presented to such representative of the deceased as shall be prescribed in the applicable regulations. Awards shall be made pursuant to regulations prescribed by the Secretary of War and the Secretary of the Navy.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That concludes the call of the Consent Calendar.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. The Clerk will call the first bill on the Private Calendar.

CAPT. EDWARD MACAULEY

The Clerk called the first bill on the Private Calendar, S. 646, to provide for the advancement of Capt. Edward Macauley, United States Navy, retired, to the rank of rear admiral.

Mr. JONES and Mr. HOFFMAN objected, and the bill, under the rule, was recommitted to the Committee on Naval Affairs.

VICE ADM. EMORY S. LAND

The Clerk called the bill (H. R. 2896) to provide for the advancement of Vice Adm. Emory S. Land, Construction Corps, United States Navy, retired, to the rank of admiral.

Mr. HOFFMAN and Mr. JONES objected, and the bill, under the rule, was recommitted to the Committee on Naval Affairs.

HUGH P. GUNNELLS AND MRS. DEZAREE GUNNELLS

The Clerk called the bill (H. R. 2226) for the relief of Hugh P. Gunnells and Mrs. Dezaree Gunnells.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $25,000, to Hugh P. Gunnells and Mrs. Dezaree Gunnells, of Charleston, S. C., in full settlement of all claims against the United States for personal injuries, hospital and medical expenses incident thereto, and as compensation for the death of their daughters, Pamella Ann and Patricia Joyce Gunnells, as the result of a collision with a United States Army staff car at the intersection of Meeting and Columbus Streets, Charleston, S. C., on February 13, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$25,000" and insert "$24,280.96."

Mr. DOLLIVER. Mr. Speaker, I offer an amendment to the committee amendment:

Amendment offered by Mr. DOLLIVER: Page 1, line 6, strike out "$24,280.96" and insert "$21,000."

The amendment to the committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PHILIP KLEINMAN

The Clerk called the bill (S. 311), for the relief of Philip Kleinman.

Mr. McGREGOR and Mr. DOLLIVER objected, and the bill, under the rule, was recommitted to the Committee on Claims.

MR. AND MRS. WALTER M. JOHNSON

The Clerk called the bill (S. 426), for the relief of Mr. and Mrs. Walter M. Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,500, to Mr. and Mrs. Walter M. Johnson, of Redwood Falls, Minn., in full settlement of all claims against the United States for the death of their minor daughter, Myrna Arline Johnson, who was struck by an Army vehicle at the Redwood Falls fairgrounds on August 16, 1943; *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

MRS. RUTH C. STONE

The Clerk called the bill (H. R. 213) for the relief of Mrs. Ruth C. Stone.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Mrs. Ruth C. Stone, of Burbank, Calif., in full settlement of all claims against the United States for the death of her husband, Stanley T. Stone, as the result of a United States Army plane crashing at Lake and Magnolia Streets, Burbank, Calif., on November 16, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUBY H. HUNSUCKER

The Clerk called the bill (H. R. 241) for the relief of Mrs. Ruby H. Hunsucker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, from any money in the Treasury not otherwise appropriated, to Mrs. Ruby H. Hunsucker, the sum of $380.81, in full payment of all damages to her automobile truck sustained as the result of collision with a truck and trailer of the United States Army which occurred on November 17, 1943, on United States Highway No. 41, near Dalton, Ga.

With the following committee amendments:

Line 7, strike out "damages to her automobile truck"; insert in lieu thereof "claims against the United States for property damage."

At the end of the bill add ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF FRANK D. HOWELLS

The Clerk called the bill (H. R. 1067) for the relief of the estate of, and/or the heirs at law of, Frank D. Howells, former treasurer of the city of Richmond, Ind.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Federal Farm Mortgage Corporation is authorized and directed to pay, out of any funds available for the payment of interest on bonds issued by the Federal Farm Mortgage Corporation, to the estate of Frank D. Howells, former treasurer of the city of Richmond, Ind., and/or to the heirs at law of Frank D. Howells, deceased, the sum of $750, for deposit in the municipal bond-redemption account of such city. Such sum represents the value of coupons detached on May 15, 1943, from Federal Farm Mortgage Corporation 3 percent bonds of the 1944–49 issue Nos. 25803–C, 15868–J, 25730–L, 25731–A, and 25732–B and lost prior to deposit.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALBERT CANTALUPO ET AL.

The Clerk called the bill (H. R. 1089) for the relief of Albert Cantalupo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Albert Cantalupo, of East Weymouth, Mass., the sum of $5,000, in full settlement of all claims against the United States for personal injuries sustained by his son, John Cantalupo, as a result of being struck by a

United States Army truck on September 28, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "to", insert "Mr. and Mrs."

Page 1, line 6, after the words "sum of", strike out the bill down to the *"Provided"* on page 1, line 10. Insert in lieu thereof "$2,208.99, in full settlement of all claims against the United States for compensation for the expenses incurred and losses sustained by them by reason of the injuries sustained by their minor son, John Cantalupo, when struck by a United States Army truck on September 28, 1943, and to pay to the legal guardian of John Cantalupo, a minor, the sum of $2,791.01 in full settlement of all claims against the United States for compensation for personal injuries sustained by the said John Cantalupo in said accident."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended so as to read: "A bill for the relief of Mr. and Mrs. Albert Cantalupo and the legal guardian of John Cantalupo, a minor."

GEORGE C. TYLER AND DORIS M. TYLER

The Clerk called the bill (H. R. 1257) for the relief of George C. Tyler and Doris M. Tyler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George C. Tyler and his wife, Doris M. Tyler, Garden Grove, Calif., the sum of $2,280. The payment of such sum shall be in full settlement of all claims of the said George C. Tyler and the said Doris M. Tyler against the United States for damage to certain orange trees owned by them caused by the crash of a United States Navy airplane on September 3, 1944.

With the following committee amendment:

Page 2, line 1, after "1944:" add the following: *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MADELINE WINTER

The Clerk called the bill (H. R. 1301) for the relief of Madeline Winter.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ALASKA D. JENNETTE

The Clerk called the bill (H. R. 1346) for the relief of Alaska D. Jennette.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alaska D. Jennette, of Buxton, N. C., the sum of $480.06, in full satisfaction of all claims against the United States for loss of personal property sustained by him in the fire of the lighthouse station, while employed at the Cobb Point Bar Light Station, on December 7, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

R. L. WHITTINGTON ET AL.

The Clerk called the bill (H. R. 1882) for the relief of R. L. Whittington, Mrs. R. L. Whittington, and Mrs. J. B. Whittington.

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. L. Whittington, of Gloster, Miss., the sum of $970 for the destruction of his automobile, and the sum of $500 for personal injuries; to Mrs. R. L. Whittington the sum of $1,500 for personal injuries; and the sum of $1,250 to Mrs. J. B. Whittington for personal injuries; in full settlement of all claims against the United States on account of personal injuries, received by them on August 19, 1944, when the car of R. L. Whittington was hit by a car of the United States Army at the intersections of Highways 48 and 24 in Amite County, Miss.: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "appropriated" strike out the bill through the word "injuries;" in line 10, page 1. Insert in lieu thereof "to Mrs. Robert L. Whittington the sum of $1,069.10, and to Mrs. J. B. Whittington, both of Gloster, Miss., the sum of $793."

Page 1, line 11, after the word "injuries" insert ", medical and hospital expenses."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended so as to read "A bill for the relief of Mrs. Robert L. Whittington and Mrs. J. B. Whittington."

OWNERS OF LAND AND PERSONAL PROPERTY OF THE FORT KNOX AREA OF HARDIN COUNTY, KY.

The Clerk called the bill (H. R. 2265) for the relief of owners of land and personal property of the Fort Knox area of Hardin County, Ky.

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following persons, or their executors or administrators, the respective sums hereinafter set opposite and immediately following their respective names to compensate them for losses sustained by them by reason of, in some instances, being required to sell their property and remove from it, in other cases by being required so to do and purchasing other property, in others by being required to forego the sowing of cover crops, wheat, barley, and oats, and by being denied the privilege of saving silage and cutting up corn, which resulted from notification to them by the military authorities, representatives of the land acquisition office, and by appraisers sent out for said purpose, representing the United States Government in said capacities, and notifying them that their lands would be taken, that they would be required to move within 30 or 60 days, not to sow cover crops or small grain nor cut up fodder or fill silos, and said property owners in good faith acted on said advice and followed said directions as a direct result of which said damages and loss was sustained by them by reason of a change in plans of said authorities in which they dropped the area, which they had theretofore planned to take, and expanded the military reservation in another direction leaving the said parties with their property, which it had been proposed to take, and in some instances with other properties purchased. Those who sustained such damages and the amounts thereof are as follows:

David L. Ditto, $612.09; J. W. Allen, $585.39; O. O. Hinton, $50; Joseph W. Hinton, $367.35; O T. Allen, $70; Claud Nall, $76.64; Jess Nall, $620; Nellie Wells, $930.05; Ernest D. Payne, $1,350; James W. Ward, $334; James S. Blair, $432; J. H. Atcher, $174; Charles E. Reesor, $115; M. E. Blankenbaker, $578; James Warren, $234; Say-Dee E. Brindle, $200; Buford K. Patterson, $354.42; James H. White, $95.08; Floyd L. Stackhouse, $359; Billie B. Davis, $480; John M. Davis, $100; Alfred O. Hargan, $253.88.

The above amounts being the respective sums recommended to the War Department for payment by a board of officers duly appointed by the Fort Knox post commander and who heard evidence thereon in the summer of 1943, which report and evidence were transmitted by them to the War Department.

The payment when so made, shall be in full settlement of all claims against the United States by reason of said losses and damages resulting to said persons by reason of the above-named facts and which occurred in 1941 and the early part of 1942, and which property was located in Hardin County, Ky.: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to

or received by any agent or attorney on account of services rendered in connection with these respective claims, or any one of them, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPRINGFIELD COOPERATIVE BANK

The Clerk called the bill (H. R. 2321) for the relief of the Springfield Cooperative Bank.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Springfield Cooperative Bank, a corporation of Springfield, Mass., the sum of $5,409.33. Such sum represents the balance of the cost to such corporation of alterations made in a building owned by the corporation in order that the building might be suitable for quarters for the use of the Springfield Ordnance District of the War Department. Such alterations were undertaken at the request of representatives of the War Department and a lease of the premises was entered into between the Government and the corporation. The cost of the alterations was to be amortized over a period of 42 months. The lease was canceled after about 27½ months. The cost of the alterations was in excess of $15,000 and the unamortized portion of these costs is $5,409.33. The alterations were such as to leave the premises in a condition which requires further expenditures to make them suitable for rent to any other occupant. The officials of the corporation entered into a plan of rental which was based upon the period of occupancy by the Government expiring on June 30, 1945. The corporation officials acted in good faith and in reliance upon representations made to them that the War Department would occupy the premises until at least June 30, 1945, although it was further represented that no Government lease could be written under Government regulations which would not provide for a cancellation clause of not more than 90 days. The Government canceled the lease at a time when the period of amortization agreed upon between the parties had not expired. It was the understanding of the representatives of the Government and of the corporation that all of the cost of the alterations would be borne by the Government. While cancellation of the lease was solely for the benefit of the Government and relieved the Government from paying rent for the use of the premises after the date for which the notice was given, the unpaid balance of the cost of alterations to the premises at the Government's request, prior to their occupancy by the War Department, remains unpaid to the corporation.

With the following committee amendment:

Page 1, line 11, after the word "Department" strike out the remainder of the bill and insert in lieu thereof ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PATRICIA M. KACPRZYK AND ALEX D. LEONTIRE

The Clerk called the bill (H. R. 2511) for the relief of Patricia M. Kacprzyk and Alex D. Leontire.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Patricia M. Kacprzyk, of New Bedford, Mass., the sum of $1,465; and to Alex D. Leontire, of New Bedford, Mass., the sum of $2,721. The payment of such sums shall be in full settlement of the claims for damages of the said Patricia M. Kacprzyk and the said Alex D. Leontire against the United States on account of personal injuries suffered by them on April 12, 1944, when the automobile in which they were riding was struck by a truck belonging to the War Department and operated by a sergeant of said Department on Route No. 6 in the town of Marion, Mass.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out $2,721" and insert in lieu thereof "$2,500."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HASELDEN & HUGGINS CO.

The Clerk called the bill (H. R. 2621) for the relief of Haselden & Huggins Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Haselden & Huggins Co., Lake City, S. C., the sum of $418. The payment of such sum shall be in full settlement of all claims against the United States on account of a collision with an Army truck from Camp Lee, Va., on November 1, 1944.

With the following committee amendment:

Page 1, line 9, after "1944", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BETTY JANE RITTER

The Clerk called the next bill (H. R. 852) for the relief of Betty Jane Ritter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Betty Jane Ritter, 3347 Wilder Street, Skokie, Ill., the sum of $60.85, in full settlement of all claims against the United States for reimbursement of the cost of travel from Skokie, Ill., to Sweetwater, Tex., and expenses incident thereto, while under official orders to report for Women's Airforce Service Pilot training, which training was terminated while the claimant was en route to Sweetwater, Tex., as a result of administrative action: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISABEL CARLSON

The Clerk called the bill (H. R. 854) for the relief of Isabel Carlson.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Isabel Carlson, the sum of $10,000, as compensation for and in full settlement of all claims for damages against the United States for injuries sustained by her and expenses incident thereto, as a result of her being struck and injured by a Government vehicle which was driven by an employee of the Post Office Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of any services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "the" and lines 6 to 10 inclusive, and on page 2, in line 1, the word "department" and insert "of Chicago, Ill., the sum of $2,500, in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, sustained as a result of being struck by a United

States Post Office vehicle, on Clark Street, Chicago, Ill., on March 15, 1943."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGAL GUARDIAN OF MARGARET HOCKENBERRY, A MINOR

The Clerk called the bill (H. R. 1057), for the relief of the legal guardian of Margaret Hockenberry, a minor.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Margaret Hockenberry, a minor, Duncannon, Pa., the sum of $5,000. The payment of such sum shall be in full settlement of all claims against the United States on account of personal injuries sustained by the said Margaret Hockenberry on March 23, 1943, when she was struck in Duncannon, Pa., by a United States Army truck.

With the following committee amendment:

Page 2, line 2, after the word "truck", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. CELIA ELLEN ASHCRAFT

The Clerk called the bill (H. R. 1085) for the relief of Mrs. Celia Ellen Ashcraft.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Celia Ellen Ashcraft, of Clinton, Okla., formerly of Gore, Okla., the sum of $10,231.82. The payment of such sum shall be in full settlement of all claims of the said Mrs. Celia Ellen Ashcraft against the United States on account of the death of her husband, Edwin Perry Ashcraft, who died on March 1, 1944, as the result of personal injuries sustained on February 21, 1944, when he was struck by a United States Army truck while walking at a distance of several feet off a highway in Gore, Okla.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$10,231.82" and insert "$5,231.82."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BEN W. COLBURN

The Clerk called the bill (H. R. 1145) for the relief of Ben. W. Colburn.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

WILLIAM W. MADDOX

The Clerk called the bill (H. R. 1564) for the relief of William W. Maddox.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William W. Maddox, Route 3, De Ridder, La., father of Joseph Harold Maddox, David LeRoy Maddox, Donna Sue Maddox, and Saddie Inez Maddox, minors, the sum of $20,396.45, in full settlement of all claims against the United States on account of the death of the minors, Joseph Harold Maddox and David Leroy Maddox, and for expenses incident to personal injuries received by the minors, Donna Sue Maddox and Saddie Inez Maddox, which resulted from rifle range fire from the rifle range at Camp Polk, in the Parish of Vernon, State of Louisiana, on October 8, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said clam. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 8, strike out "$20,396.45 in full" and lines 9 and 10 and on page 2, lines 1 to 5, inclusive, and insert in lieu thereof "$4,000, and to pay the sum of $500 to the legal guardian of Donna Sue Maddox, and to pay the sum of $2,000 to the legal guardian of Saddie Inez Maddox. Such sums are in full settlement of all claims against the United States on account of the deaths of Joseph Harold Maddox and David LeRoy Maddox, who were killed, and for personal injuries, hospital, and medical expenses for Donna Sue Maddox and Saddie Inez Maddox sustained as a result of an explosion of an antitank rocket or a rifle grenade collected from the artillery range at Camp Polk, La., on October 8, 1944."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of William W. Maddox and the legal guardian of Donna Sue Maddox and Saddie Inez Maddox."

DOROTHY M. MOON

The Clerk called the bill (H. R. 1601) for the relief of Dorothy M. Moon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dorothy M. Moon, Detroit, Mich., the sum of $83.91, in full settlement of all claims against the United States for reimbursement of the cost of travel from Detroit, Mich., to Sweetwater, Tex., while under official orders to report for Women's Airforce Service Pilot training, which training was terminated while the claimant was en route to Sweetwater, Tex., as a result of administrative action based on recommendations by Members of the House of Representatives: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ORA R. HUTCHINSON

The Clerk called the next bill (H. R. 1849) for the relief of Mrs. Ora R. Hutchinson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Ora R. Hutchinson, the sum of $8,000 in full settlement of all claims against the Government of the United States for damages for permanent injuries sustained on April 24, 1943, when a passenger bus in which she was riding collided with a United States Army vehicle near Allenhurst, Ga.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$8,000" and insert "$3,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN VISNOVEC, ROSE VISNOVEC, AND HELEN VISNOVEC

The Clerk called the bill (H. R. 2028) for the relief of John Visnovec, Rose Visnovec, and Helen Visnovec.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $600 to John Visnovec; to pay the sum of $300 to Rose Visnovec; to pay the sum of $100 to Helen Visnovec, all of route 1, Savage, Minn., in full settlement of all claims against the United States for personal injuries sustained by the said John Visnovec, Rose Visnovec, and Helen Visnovec, and medical expenses and loss of time incident thereto, as a result of a collision between the car in which they were riding and a United State Coast Guard vehicle, on Highway No. 13, about 4 miles south of Mendota, Minn., on June 9, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "$600" and insert "$232.50."

Page 1, line 6, strike out "$300" and insert "$139.25."

Page 1, line 7, strike out "$100" and insert "$115."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERESA TINE

The Clerk called the bill (H. R. 2163) for the relief of Teresa Tine.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Teresa Tine, Hartford, Conn., the sum of $500. The payment of such sum shall be in full settlement of all claims of the said Teresa Tine against the United States for damages sustained by her as a result of a collision, on June 1, 1943, on Trumbull Street near its intersection with Pratt Street in Hartford, Conn., between the vehicle in which she was riding and a vehicle in the service of the National Youth Administration.

With the following committee amendments:

Page 1, line 8, strike out the word "damages" and insert "personal injuries and medical expenses."

At the end of the bill insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OWNERS OF CERTAIN LAND OF THE FORT KNOX AREA

The Clerk called the bill (H. R. 2266) for relief of land and personal property owners of Fort Knox area of Meade County, Ky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following named persons, or their administrators, executors, or assigns, the sums hereinafter respectively set opposite and following their names, to compensate them and reimburse them for losses sustained by reason of (1) failing to plant crops and sow small grain, grass seeds, and cover crops, and failure to save roughage crops, and fill silos in the years 1941 and 1942, and by reason of sale of their livestock, all because they had been notified by the military authorities of the United States Government and appointees and agents of the Federal land acquisition office, then engaged in acquiring land for addition to the Fort Knox Military Reservation, that their lands were within the area to be taken for the expansion of Fort Knox and would be taken by the Government of the United States for the purpose of extending the area of the Fort Knox Military Reservation and that they would be required to remove therefrom within a very short time, and that upon their failure to so remove they would be evicted therefrom by legal proceedings, and that they should not plant any more crops thereon; and (2) by reason of the impairment of the value of their lands, and the use thereof, by the military authorities and forces of the United States, stationed at Fort Knox, in the training of said military forces of the United States, so using the public roads adjacent to and near said lands and constituting the only means of ingress to, and egress from, said lands as to practically destroy said roads and greatly impair the said means of ingress to, and egress from said lands, and thereby depreciate the value of said lands, all said acts having taken place in the year 1941 and since said year, and no part of said lands having been taken by the United States:

W. M. Ray, $3,025; Roy Norris, $1,700; Joe A. Vowels, $1,700; J. K. Vowels, $2,000; Mrs. W. E. Vowels, $2,000; Joe G. Hinton, $2,350; E. S Hines, $2,500; J C. Hunt, $1,800; George Satterly, $1,175; Smith James, $5,000.

The payments, when so made, shall be in full settlement of all claims against the United States by reason of said alleged losses and damages resulting to said persons named: *Provided*, That no part of the amounts appropriated by this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these respective claims, or any one of them, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 2, line 13, after the word "thereon", strike out the bill through line 24, page 2.

Page 2, line 25, strike out the figures "$3,025" and insert in lieu thereof the figures "$1,025."

Page 2, line 25, strike out the figures "$1,700" and insert in lieu thereof the figures "$165."

Page 3, line 1, strike out the figures "$1,700" and "$2,000," respectively, and insert in lieu thereof the figures "$125" and "$367," respectively.

Page 3, line 2, strike out the figures "$2,000" and "$2,350," respectively, and insert in lieu thereof the figures "$368" and "$350," respectively.

Page 3, line 3, strike out the figures "$2,500," "$1,800," and "$1,175," respectively. Insert in lieu thereof "$340," "$413," and "$375," respectively.

Page 3, line 4, strike out the figures "$5,000" and insert in lieu thereof the figures "$1,423."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRUCE BROS. GRAIN CO.

The Clerk called the bill (H. R. 2450) for the relief of Bruce Bros. Grain Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $279.90 to the Bruce Bros. Grain Co., in full settlement of all claims against the Government of the United States to cover loss sustained by said company on a car of wheat, car No. 96110, Chicago, Burlington & Quincy, shipped from St. Joseph, Mo., July 15, 1921, to Minneapolis, Minn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARLAND BARTHOLOMEW AND ASSOCIATES

The Clerk called the bill (H. R. 2515) for the relief of Harland Bartholomew and associates.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he hereby is, authorized and directed to settle and adjust the claim of Harland Bartholomew and associates, St. Louis, Mo., on account of increased costs incurred by the said firm in the performance of its contract numbered WA-1216, dated January 5, 1942, with the Federal Works Agency, by reason of unavoidable delays on the part of other contractors and the Government in the construction and completion of certain defense housing projects at or near Norfolk, Va., and to allow in full and final settlement of the claim the amount of, not to exceed, $58,700. There is hereby appropriated the sum of $58,700, or so much thereof as may be necessary, for the payment of the said claim.

Mr. DOLLIVER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOLLIVER: At the end of the bill insert "*Provided*, That no part of the amount appropriated in this act

in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRED CRAGO

The Clerk called the bill (H. R. 2763) for the relief of Fred Crago.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fred Crago, Mount Vernon, Ohio, the sum of $135.29. The payment of such sum shall be in full settlement of all claims of the said Fred Crago against the United States for property damage sustained in a collision between an automobile owned and driven by him and a United States Army automobile at the intersection of North Gay and Lamartine Streets in Mount Vernon, Ohio, on April 4, 1944.

With the following committee amendment:

At the end of the bill insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JEANNETTE B. STEDMAN

The Clerk called the bill (H. R. 3388) for the relief of Mrs. Jeannette B. Stedman.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SPRINGER and Mr. McGREGOR objected and, under the rule, the bill was recommitted to the Committee on Claims.

LILY L. CARREN

The Clerk called the bill (H. R. 999) for the relief of Lily L. Carren.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lily L. Carren, Hayward, Calif., the sum of $5,000. The payment of such sum shall be in full settlement of all claims of the said Lily L. Carren against the United States for personal injuries and damage to personal property sustained when she was struck by a United States Navy shore patrol station wagon on November 6, 1943, while walking across the intersection of A and Castro Streets, Hayward, Calif.

With the following committee amendments:

Page 1, line 6, strike out "$5,000" and insert "$3,500."

At the end of the bill insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

G. H. MOORE

The Clerk called the bill (H. R. 1015) for the relief of G. H. Moore, of Butler, Taylor County, Ga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to G. H. Moore, of Butler, Taylor County, Ga., the sum of $4,000. The payment of such sum shall be in full settlement of all claims against the United States arising out of the injury of G. H. Moore when the car in which he was riding was struck by a Government car, operated by an employee of the office of the division engineer, War Department, Atlanta, Ga., on the night of December 4, 1943.

With the following committee amendments:

Page 1, line 6, strike out "$4,000" and insert $1,081.50."

At the end of the bill insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN F. DAVIS

The Clerk called the bill (H. R. 1245) for the relief of John F. Davis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of any laws or orders, regulations or rulings, made thereunder by any department, agency, or officer of the United States, John F. Davis, principal fiscal accounting clerk, naval air station, Tillamook, Oreg., is hereby released from any indebtedness to the United States arising from the claim of the United States for the cost of transportation of household effects of said John F. Davis from Palo Alto, Calif., to Tillamook, Oreg.; it being the intent of this act that the cost of such transportation shall be borne by the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF PETER G. FABIAN

The Clerk called the bill (H. R. 1890) for the relief of the estate of Peter G. Fabian, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $6,000 to the estate of Peter G. Fabian, of Rochester, N. Y., in full settlement of all claims against the United States for his death, hospital, medical, and funeral expenses incident thereto as a result of being struck by a United States Army jeep in Rochester, N. Y., on June 14, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$6,000" and insert "$2,423.75."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWIN F. DANKS

The Clerk called the bill (H. R. 2089) for the relief of Edwin F. Danks.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edwin F. Danks, Lynn, Mass., the sum of $10,000, in full settlement of all claims against the United States for personal injuries, medical, and hospital expenses, consequent suffering and death of his daughter, Edna S. Danks, who was killed as a result of being struck by a United States Government Army staff car at the intersection of Washington Street and Massachusetts Avenue, on December 25, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 1, line 5, after the word "to", strike out the balance of the page down to and including "1944" on page 2, line 2, and insert "Edmund F. Danks, of Lynn, Mass., as administrator of the estate of Edna S. Danks, deceased, the sum of $1,000, in full settlement of all claims against the United States for personal injuries sustained, the medical and hospital expenses incurred, the consequent suffering, if any, and the death of Edna S. Danks, who was killed as a result of being struck by an Army vehicle in Boston, Mass., on December 25, 1944:"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Edmund F. Danks, as administrator of the estate of Edna S. Danks, deceased."

MRS. JAMES ARTHUR WILSON

The Clerk called the bill (H. R. 2219) for the relief of Mrs. James Arthur Wilson.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that a similar bill (S. 592) be substituted for the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of James Arthur Wilson, deceased, the sum of $5,000, in full settlement of all claims against the United States on account of the death of the said James Arthur Wilson, which resulted from an accident involving an Army truck in Greensboro, North Carolina, on July 20, 1944: *Provided*, That no part of the amount appropriated by this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BONNER. Mr. Speaker, I offer an amendment to the Senate bill.

The Clerk read as follows:

Amendment offered by Mr. BONNER: On page 1, line 6, strike out the figure "$5,000" and insert in lieu thereof the figure "$7,000."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar bill (H. R. 2219) was laid on the table.

CAPE & VINEYARD ELECTRIC CO.

The Clerk called the bill (H. R. 2249) for the relief of the Cape & Vineyard Electric Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Cape & Vineyard Electric Co., Hyannis, Mass., the sum of $2,930.62. The payment of such sum shall be in full settlement of all claims against the United States for damage to a power line of said Cape & Vineyard Electric Co., caused on October 9, 1942, by a United States Navy airplane: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK GIEN

The Clerk called the bill (H. R. 2641) for the relief of Frank Gien.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank Gien, of Haverstraw, N. Y., the sum of $5,000, in full satisfaction of all claims against the United States for compensation on account of personal injuries and medical and hospital and other expenses incurred by him as a result thereof, sustained by him when he was struck by a United States post-office truck at Haverstraw, N. Y., on March 14, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$5,000" and insert "$3,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS A BUTLER

The Clerk called the bill H. R. 3046) for the relief of Thomas A. Butler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas A. Butler, of Richmond, Va., the sum of $5,000, in full settlement of all claims against the United States for personal injuries and medical and other expenses sustained by him as the result of a collision of an Army truck with a streetcar on which he was a passenger in Richmond, Va., on November 19, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 1, line 6, strike out "$5,000" and insert "$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT. GEN. SIMON BOLIVAR BUCKNER

Mr. CHELF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CHELF. Mr. Speaker, I rise to pay tribute, homage, and the respects of a grateful State and Nation to the memory of a gallant and noble son of old Kentucky, that great soldier, that fearless leader, that outstanding officer and gentleman, Lt. Gen. Simon Bolivar Buckner.

The son of an illustrious father—also a great general, statesman, and a former Governor of the Commonwealth of Kentucky—General Buckner was born and raised in that fine little town of Munfordville, Hart County, Ky., located in the Fourth Congressional District, which I have the honor and privilege of representing here in Congress.

To have known General Buckner was to have loved and admired him. He commanded the respect of respectable people. He gave his life gladly in the service of our beloved country so that Christianity, liberty, and our American way of life might live forever.

Somewhere back of the sunset,
Where loneliness never lies,
He lives in a land of glory,
'Mid the blue and gold of the skies,

Not dead to those who loved him,
But only gone before,
He lives with us in memory,
And will forever more.

May God bless his loved ones.

HON. MARVIN JONES

Mr. WORLEY. Mr. Speaker, I have asked for this time to pay tribute to two men who have done an outstanding job during the past several wartime years. To them fell in large measure the task of directing our wartime economy and production of food and meat, and I dare say that had all of their recommendations followed the Nation would not now be facing the shortages which we are experiencing today.

The gentlemen to whom I refer, of course, are the present War Food Administrator, Marvin Jones, and his very able assistant, Grover B. Hill, Assistant War Food Administrator and Under Secretary of Agriculture. As a team they worked well together and they've done a most creditable job.

Both men have an ample fund of practical knowledge and an abundance of good common horse sense. Down our way no higher compliment can be paid.

Marvin Jones was my predecessor in Congress from the Eighteenth Congressional District, which is the Texas Panhandle. Born and raised on a farm, Marvin came to Congress and served for 24 years. He was on the House Committee on Agriculture for years and became chairman in 1933. He was the author of practically all of the present-day farm programs calculated to be of value

to the farmers and ranchers all over the Nation. No man in this Nation could have known the price and production matters affecting the American farms and ranches better than he. He tried diligently to bring that wealth of information and experience into play but as we all know, his recommendations were not always followed by some of the Government agencies which also had at least partial jurisdiction over these questions.

His very practical and efficient running mate, Grover Hill, has brought more horse sense to the Washington scene than you will see in the average department, no matter what department it is. He began his Government work as Regional Director in the cattle-buying program for New Mexico, Oklahoma, and Texas during the great drought years. He originated and put into effect the range-conservation program which has been worth millions to the ranches of this Nation. Grover Hill, with two sons and one daughter in the service of our country, contributed in practical fashion to the entire soil-conservation program which remains today one of the most popular of the AAA programs. He has studied poultry raising in the New England States, dairying in Wisconsin, and the Middle West and North Central States, fruits in the Pacific Northwest and the South Atlantic States, and has become an authority on one of the great agricultural crops below the Mason Dixon line, cotton. He knows the cattle business in all its phases and perhaps knows more cowmen and has a personal knowledge of more brands of cattle than any other man.

While Marvin Jones was rendering distinguished service as a member of the Court of Claims, to which he was appointed by the late President Roosevelt, Grover Hill was attending to those matters in the Department of Agriculture calculated to be of benefit to agriculture and the entire population. It is not a matter of common knowledge but he has a number of worth-while discoveries and patents to his credit and is a strong believer in research. A part of this program has contributed greatly to the accomplishment of the synthetic-rubber program and the discovery of one of the most potent insecticide powders known—I know most members of the armed forces who have been overseas are grateful for this particular powder, but it has also been used with great success in killing different kinds of pests and insects on growing crops. The Agriculture Department is in the forefront in the development of penicillin, having effected methods which produced penicillin 150 times faster than it was formerly produced.

In conclusion, may I say that the philosophy of both Marvin Jones and Grover Hill is "There is no place in this big, broad country of ours for a philosophy of scarcity. It only makes good common sense to produce all we can consume at home and sell abroad consistent with good soil practices and an adequate return to the producer."

Marvin will return to the bench and assume the responsibilities he was so ably discharging when the President commanded him to tackle one of the biggest jobs the people ever faced.

A great many of us in Congress hope Grover Hill will see fit to continue with the Government in some suitable capacity. No official in the Department of Agriculture has ever been more popular with his colleagues and associates. The frankness and square dealing which he has displayed, his never failing good humor, his earnest devotion to duty, and his fairness has given everyone who has come in contact with him a feeling of confidence in the man. I have known him for many years and have watched his work. He is my good friend and I feel that when a man has served with honor and distinction to himself and with benefit to his Government he deserves the commendation of his friends.

And it is with very keen regret we see these two men leave the service of the Government; both practical, hardheaded men and who have contributed so very, very much to overcoming the tremendous difficulties we have faced in providing the sinews of war for our men all over the world. To them go much credit for seeing to it that no military operation ever had to be postponed for lack of food. I hope Mr. Hill will continue his services to the Government in some responsible capacity, and I know we all wish them the very best of everything for the future.

JOHN LESINSKI, JR., STOREKEEPER SECOND CLASS, UNITED STATES NAVY

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks at this point in the RECORD and include an article from the Sand Point Static.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the RECORD at this point and include therein an article which appeared in the official publication of the naval air station at Seattle, Wash., relative to the son of our distinguished colleague and my fellow Michiganite, JOHN LESINSKI.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, it is with a great deal of pride that I rise this morning to inform the House of the exploits of a young man from Michigan, John Lesinski, Jr., storekeeper second class, the son of our distinguished colleague. We of Michigan are very proud of this young Navy man. It is the indomitable courage displayed by young men like young Lesinski that will result in the final crushing defeat of Japan. Young Lesinski has served several "hitches" in the Navy, and since the beginning of this war has received the Purple Heart with cluster, as well as the Navy and Marine Corps Medal, having been on continuous duty since the Naval Reserve was called out in 1939.

It is indeed regrettable that it is not possible to place in the CONGRESSIONAL RECORD the several official photographs of the United States Navy which appear in the Sand Point Static, the official publication of the naval air station at Seattle, Wash., one of which shows the handsome young Lesinski, who is more than 6 feet tall, being congratulated by his commanding officer, Lt. Comdr. A. A. McCurdy, of the Carrier Aircraft Service Unit, after receiving the Navy and Marine Corps Medal from Capt. F. J. McKenna, commanding officer of the naval air station at Seattle, and under whom young Lesinski served as a member of the crew on the valiant escort aircraft carrier *St. Lo*, which perished from Jap bombs only after having slugged it out with Jap battleships and cruisers in a sea fight that has won the country's admiration.

The article in the Sand Point Static, volume 3, No. 5, naval air station, Seattle, Wash., Friday, June 8, 1945, relative to young Lesinski's exploits entitled "He Was One of a Gallant Crew," is as follows:

HE WAS ONE OF A GALLANT CREW—RISKED DEATH FOR SHIPMENTS ON THE FANTAIL OF THE "ST. LO"

Of all the decorations Capt. F. J. McKenna has presented to battle veterans since he assumed command of NAS last January, probably none gave him more pleasure to bestow than the one he presented last week to John Lesinski, Jr., storekeeper second class.

For Lesinski was one of the crew of Captain McKenna's own ship—the valiant escort aircraft carrier *St. Lo*, which perished from Jap bombs only after having slugged it out with Jap battleships and cruisers in a sea fight that won the country's admiration.

"Ski" Lesinski's situation is unusual in that he is one of the few sailors who have disobeyed an order and won a decoration instead of the brig.

He saw other men leaving the hopelessly stricken *St. Lo* and he knew the order to abandon ship must have been given. Yet he ignored it and stayed behind.

He stayed, back in his isolated position on the fantail, to help wounded shipmates and make sure they got off, too. He left the *St. Lo* only when an explosion blew him off, wounded, into the sea.

Lesinski, a passer on a 5-inch gun, was still a little groggy from the hours-long battle with the Jap task force, when general quarters sounded again and seconds later a Jap bomb hit. The lights went out, and he groped his way to the fantail of the ship. There were wounded men there. Worst hit was a colored steward's mate named Smith. A big piece of flesh was gone from his left thigh and he was bleeding badly.

"He said, 'Help me, Ski,' " Lesinski related. "I called for a tourniquet, and one of the fellows took off his belt and tossed it over, and another brought a first aid kit. I put on sulpha powder and bandages and tape, and we got him over the side. I attended to a few others. There were several bodies from which I had seen no sign of life. One of the fellows told me he had examined them and they were all dead, and he had gotten their dog tags. I threw over shell cases and anything that would float. About 20 minutes had passed. I went to starboard to throw over another casing and a torpedo or something in the hangar deck exploded and blew me off the ship."

He sustained a wound in the left thigh from a fargment of metal.

Captain McKenna was the last to leave the *St. Lo*. Days later, visiting his wounded men in the hospital at Pearl Harbor, he stopped at Lesinski's bed and told him that he knew

and appreciated what Lesinski had done back on the fantail. Lesinski received the Purple Heart at Pearl Harbor.

After decorating Lesinski here last week with the Navy and Marine Corps medal awarded him by Vice Admiral T. C. Kincaid, commander of the Seventh Fleet, Captain McKenna declared he was particularly happy to be able to make that presentation.

And in the way he grasped Lesinski's hand there was an indication of the bond that will always exist, regardless of rank, among the men who were aboard the *St. Lo* that unforgettable day last October.

EXTENSION OF REMARKS

Mr. RYTER asked and was given permission to extend his remarks in the RECORD and include two resolutions.

PERMANENT PROGRAM OF SCIENTIFIC RESEARCH IN INTEREST OF NATIONAL SECURITY

Mr. MAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3440) authorizing appropriations for a permanent program of scientific research in the interest of national security.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3440, with Mr. ROBINSON of Utah in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Kentucky [Mr. MAY] is recognized for 30 minutes, and the gentleman from New York [Mr. ANDREWS] is recognized for 30 minutes.

Mr. MAY. Mr. Chairman, I yield 6 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Chairman, Fulton Lewis, Jr., the commentator, in a series of broadcasts beginning June 4, 1945, has violently attacked the integrity of the Corps of Engineers of the United States Army in war construction generally and particularly in the Pan American Highway project. Several of these broadcasts were inserted in the proceedings of the Senate in the CONGRESSIONAL RECORD, Thursday, June 14, 1945, pages 6097–6104, inclusive. I do not believe there was any intention in the comments respecting the said broadcasts to reflect upon either the Corps of Engineers or the members of the corps in charge of the said highway project. I was disappointed, however, that apparently Congress and the country were not advised or requested in the other body to withhold final judgment until all material facts were known.

Without reserve the commentator used the novel if not unique broadcasting technique, with pious phrasings of patriotism, employees or former employees of the Corps of Engineers as witnesses in support of his ex parte violent assaults upon the honesty of the Corps of Engineers, with no opportunity for them to reply. As I read the broadcasts I was reminded of the words of Samuel Johnson: "Patriotism is the last refuge of the scoundrel."

The witnesses were among the accountants, engineer auditors, and maintenance superintendents now or formerly in the employment of the Corps of Engineers in Central America. Their statements carry their own condemnation. The witnesses hedge by saying that while they may have approved in their official reports, they were unable to check or verify. Apparently they approved that which they now condemn. In their efforts to hedge it is rather evident that these witnesses have a grudge and that they are disgruntled.

I shall not undertake to go into the merits of the project. It is sufficient to say that following Pearl Harbor Japanese submarine attacks were feared and the Corps of Engineers were instructed to complete the Pan-American Highway to connect the United States with the Panama Canal through Mexico and Central America. Time was of the essence. The work was to be done immediately, regardless of cost. War construction was at its peak. As a matter of common knowledge, equipment was scarce and difficult to obtain. Costs were unprecedentedly high. The highway was in a tropical climate and in a foreign country. Preparation for war in a democracy is often accompanied by waste, and frequently by extravagance, but the job must be done and must be done immediately.

The Corps of Engineers are not the only employers who are frequently subjected to double crossing of former disgruntled employees with grudges, real or fancied, many of them having peculiar mental quirks. Such employees, or those who willfully stoop to use them, resort to quotations from contracts without giving the full context.

Neither the commentator nor his witnesses say that any member of the Corps of Engineers is a crook or grafter, but by malicious innuendo and by hissing insinuation the commentator would undermine the confidence of the country in the Corps of Engineers without according to them the common fairness of a hearing. By implication he charges that the Corps of Engineers have been unfaithful to their trust and that they have connived in the perpetuation of frauds against the Government. It is unfortunate that such ex parte charges should be made at any time, but it is especially unfortunate that they are being made during the Seventh War Loan and when all efforts are being made to crush Japan. I put it mildly when I say that the Army engineers are contributing greatly to victory in the Pacific as they prepared for victory in Europe.

Unfortunately the war profiteer obtains in World War II. Wherever there is fraud and corruption it should be uncovered. Unnecessary waste and extravagance should be disclosed. The guilty should be punished. If there is one more despicable than another, it is the war profiteer who has coined his dollars from the blood of America's best and bravest. There is a difference, however, between fraud and mistakes. The Corps of Engineers are human. They may make mistakes. For 170 years they have expended billions of dollars with an unparalleled record for efficiency and integrity. They pride themselves upon their good name. If there is one organization in the Government dedicated more than another to the high standard of duty, honor, and country it is the Corps of Engineers of the United States Army.

Members of both branches of Congress are familiar with the work and record of the Corps of Engineers. They know, as I know, that the Corps of Engineers is an organization of honorable men of high principle who, during the 170 years of their existence, have cherished their good name and their devotion to the publice welfare.

I believe that the Army engineers would gladly welcome a thorough and impartial investigation into each and every act of theirs to be conducted by whatever agency of the Government may be deemed appropriate. Grave charges have been made by the commenator and his ex parte witnesses. The investigation should be made by the Senate committee appointed to investigate the national defense program. If there is delay in a full investigation, the Committee on Military Affairs of the House of Representatives should give the matter prompt attention and conduct a full, open, and fair hearing. The blessed sunlight of full publicity, with all the facts, in my judgment will vindicate the good name and the fine record of the Corps of Engineers. The American people will not condemn this great organization without a hearing. I believe that a thorough and impartial investigation of any project will disclose that the Corps of Engineers in war as in peace have been true to the highest traditions of their great organization.

I paraphrase the words of Shakespeare:

> Who steals my purse steals trash. But he that filches from me my good name robs me of that which not enriches him, but makes me poor indeed.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Kentucky.

Mr. MAY. I want to observe that the Congress of the United States had so much confidence in the Corps of Engineers of the United States Army that the year before last it took all construction work in all the departments of the War Department and all of its activities and turned that over to the Corps of Engineers.

Mr. WHITTINGTON. And that confidence has never been misplaced.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. MAY. Mr. Chairman, I yield the gentleman one additional minute.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. The gentleman is doing a public service in calling the attention of the House and the country to this situation. May I say to the gentleman that the Deficiency Committee had its early defense program come before that committee and we saw a lot of the Army engineers and the problems they had to go through with; quick

construction without planning and without time to ask for bids; yet with all of those handicaps they have done an outstanding job and under General Reybold that corps has done an excellent job. An impartial investigation by any group will show that to be a fact.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Louisiana.

Mr. BROOKS. I am very glad that the gentleman has taken this time to present this matter in the forceful way in which he has presented it. The Army engineers throughout the years have done a magnificent job for the Nation and enjoys the full confidence and support of the people of the United States. I personally have noticed the type and character of their activities and feel that during this war especially, they are entitled to the gratitude of our Government.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MAY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, lest the able defense of the Army Corps of Engineers, which needs no defense, to which you have just listened, detracts your attention from the bill now under consideration, H. R. 3440, I will say that in my opinion it is one of the most important measures that this House has had presented to it in a great many months. It is a measure which proposes to authorize appropriations for the financing of scientific research and discovery in the postwar period in the interest of the national welfare. The Postwar Military Policy Committee of the House held extended hearings in reference to this matter, following which the House Military Affairs Committee, upon the recommendation of the postwar committee, conducted hearings also. The House Military Affairs Committee is, of course, the legislative committee which drafted and reported the bill now before you, and it is that committee that makes possible the consideration of the bill.

It will be observed from the hearings that there was set up by an act of Congress in 1863 an institution known as the National Academy of Sciences. This institution was organized by the Congress for the purpose of advising governmental agencies and bureaus as to matters on which they might seek information. It has operated from that time on and has made a great record. Its achievements in this war have been remarkable.

The pending measure proposes to authorize appropriations by the Congress direct to the National Academy of Sciences in order that it may continue the investigations it has been making for the past several years, particularly investigations that have been conducted by the new Board of Scientific Research set up by the Secretaries of War and Navy in 1941 pursuant to an Executive order issued by the President.

Mr. Chairman, we undertook in this bill to avoid one thing about which there has been more complaint on this floor than anything else I know of, and I think we have avoided it. That is the possibility of setting up an expended executive agency or bureau that could engage in a thousand and one things, as they usually do. We leave it to the National Academy of Sciences, whose officers and employees receive no compensation whatever from the Government.

They will be authorized to and will utilize the talents and the services of civilian scientists. Nearly every great industry in the country has a research laboratory, and nobody will discount the great work they have done during this war. Nobody who knows about it will question in the slightest the fine job that has been done by the National Academy of Sciences under the Executive order by virtue of which they are now proceeding, so that this is legislation by the Congress to authorize a continuance of their activities. It authorizes an appropriation only to the extent of $8,000,000 per year. We, your committee, placed a limit on the amount of annual appropriations so that we can be use there shall be no unnecessary expenditures.

It might be appropriate here to say that during the period of this war, and on account of the fine work that it had to do and did do, they spent something near $500,000,000. They come to us now frankly and say, "We think $8,000,000 a year will be as much as we need, but if the time comes when they need more they can come back to the Congress and ask for it." The committee limited them to that amount so that we would be sure there was not any mushroom enterprise set up.

Mr. ENGEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Michigan.

Mr. ENGEL of Michigan. There is nothing in this bill to prevent the War Department or the Navy Department subcommittee of the Committee on Appropriations to continue to appropriate money for the War and Navy Departments for research and development in the future as we have done in the past?

Mr. MAY. Not at all. This simply authorizes the National Academy of Sciences to continue the work that it has been doing. The War and Navy Departments will conduct military research and development in connection with the National Academy and also in their own departments.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. Will the gentleman point out the fact that this bill embodies the joint wishes and sentiments of the Army, the Navy, and the National Academy of Sciences? This bill is drawn and is brought here after a careful consultation with them as being the best method and the most favorable auspices under which a real program of national research and development can be conducted in the postwar period, and a program which will more nearly enlist all of the civilian scientific brains in the country in such an undertaking; and furthermore, that all of this work is to be carried on through the established colleges and existing laboratories of this country.

Mr. MAY. That is a clear, clean-cut statement of it, except that I would like to add that the bill was drawn and introduced by me as chairman of the Military Affairs Committee, exactly in conformity with the combined judgment and agreement of the Army, the Navy, and the National Academy of Sciences.

Mr. THOMASON. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Texas.

Mr. THOMASON. Is it not also true that the high officers of both the Army and the Navy testified before the gentleman's committee that this legislation was absolutely necessary in order to carry on the very important work that they have been doing during the war period, and is it not also a fact that this bill came out of the gentleman's committee on Military Affairs with a unanimous report?

Mr. MAY. That is correct. There was no opposition to it, which I am confident resulted almost entirely from the long years of study my committee has made of this and related subjects.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Texas.

Mr. LANHAM. The Army and the Navy have their own research departments and they work in conjunction with the Patent Office. Upon any invention that they discover the Government does not take out patents, but the results of their research are kept secret for purposes of national security. I am the author of a law which is temporary for this war, but it is contemplated it will be made permanent, Public Law 700, to keep secret inventions primarily useful for national defense. The National Inventors Council was established in pursuance of that law, and many thousands of inventions which are helping us to victory have come as a result of that legislation.

I want it very clear from the language in this bill to be understood that there is to be no interference with the operation of our patent laws and that the Government would not have to pay any royalties upon inventions through such research as may be made under this bill, especially in view of the fact that the Government is authorizing an appropriation of $8,000,000 to conduct the research. I think the record should be clear with reference to the patent feature.

Mr. MAY. The record is not only clear but the practice has been to utilize the benefit of these patents and discoveries, and keep them secret, by both the War and Navy Departments and by the National Academy of Sciences, and there is no intention here to interfere with anybody's private property rights in anything. But they will be utilized in case of a national emergency just as they have been in this war for the benefit of the Government.

Mr. LANHAM. But the Government will not under any circumstances have to pay royalties upon the results of any of this research?

Mr. MAY. No; they have not and they will not do it under this bill.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Nebraska.

Mr. STEFAN. I was very much interested in what the gentleman from Texas [Mr. LANHAM] had to say about the Inventors Council.

I happen to be on that subcommittee. I happen to be the ranking minority member of the committee dealing with patents. May I inquire of the distinguished chairman of the Committee on Military Affairs if it is the intention now to liquidate the Inventors' Council?

Mr. MAY. This has nothing whatsoever to do with the Inventors' Council. But it will cover the break between the present set-up under Executive order and when it would automatically expire at the end of the war and enable them to go right ahead with the work they are now doing.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. MAY. Mr. Chairman, I yield myself one additional minute, in order that I may yield further to my distinguished colleague the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. The National Inventors' Council was set up because of Public Law 700, which is a temporary law. Even if that law should be made permanent, the work that has been assigned to it for the period of the war could very likely and very properly be taken up by the agency that you are establishing under this bill?

Mr. MAY. That is correct. Furthermore, much valuable research and development that will greatly enrich the social and economic well-being of all our people, will result from this legislation. It is an effort to have the United States Government participate with private industries and universities and colleges in coordinating and bringing into action the fine talents of all scientists in our country not only for future security in a military way but civilian as well. It is a splendid measure and I am sure it will provide for a permanent institution for great public service. I am proud to be the author of the bill and I hope we may pass the bill without opposition.

Mr. ANDREWS of New York. Mr. Chairman, this bill is the result of the recommendation of the House Committee on Military Affairs and the unanimous vote of the Postwar Military Policy Committee headed by the gentleman from Virginia [Mr. WOODRUM]. If the Members of the House should have an opportunity to read the very voluminous hearings or at least some of the papers before that committee they would have some estimate of the perfectly stupendous job that has been done by this organization during the war.

Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. WADSWORTH], a member of the Committee on Postwar Policy and Planning.

Mr. WADSWORTH. Mr. Chairman, I am in hearty agreement with the gentleman from Kentucky when he says that this is a matter of vital importance to the security of the country.

I do not have to argue at any length in order to persuade Members of the House that scientific research and development in playing an ever greater and more important part in the development of weapons, both offensive and defensive, to be used in war. Perhaps the Members now present will permit me to sketch very briefly the character of the effort that has been made during the present war.

Shortly after its commencement, the President very properly issued an Executive order, establishing an Office of Scientific Research and Development. At the head of that office since that time has been Dr. Vannevar Bush, a most distinguished scientist and administrator, and, incidentally, the president of the Carnegie Institute of Scientific Research. His job and that of his associates has been to mobilize the scientists of the United States in support of the armed services and to enlist their interest and take advantage of their knowledge, their initiative, and their spirit of adventure, if you please, which must to a great extent inspire the successful scientist who is working in the research field. The armed services were more than glad to have the help of the civilian scientists. It is no reflection upon the scientific men in our Army and Navy or in the Air Corps to say that they alone cannot meet the situation as well as the civilian scientists can meet it, provided of course that the civilian scientist is informed as to what the Army or the Navy needs in the way of help of this kind. So the mobilization of the best scientists in the United States was achieved.

In intimate cooperation, in what might be termed a partnership with the best men in the armed services, they have achieved things which if revealed to the public today would astonish our people. Most of their greatest achievements have had to be kept secret, of course. Some of them in the field of medicine have been made public. Those achievements are astonishing. But in the field of electronics, radar, and communications it is difficult to describe the immense and vital importance of their contribution to the victory which we will win in this war. We do not want to let that perish. With the end of hostilities the Office of Scientific Research and Development will disappear because it exists solely by virtue of an Executive order. We want to continue in time of peace at least the nucleus of civilian scientists in intimate partnership with the armed services. We do not have to stop and think more than a minute or two to realize that if we are ever attacked again or forced into war the weapons of war may be even more intricate and deadly than what we have witnessed heretofore. We must be kept up with the procession.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. VORYS of Ohio. Who is now the head man of the National Academy of Sciences, and how are the members of that organization selected?

Mr. WADSWORTH. It is a self-governing body. The president of it is Dr. Jewett, a well-known scientist.

Mr. VORYS of Ohio. I share the gentleman's high esteem of Dr. Bush. I was just wondering whether he was a member.

Mr. WADSWORTH. I am not certain.

Mr. WOODRUM of Virginia. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. WOODRUM of Virginia. The gentleman probably would be interested to know that Dr. Bush is in hearty accord with the substance of this legislation.

Mr. VORYS of Ohio. Yes. I have just read his testimony.

Mr. GALLAGHER. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. GALLAGHER. Under the terms of this bill will any bright individual in any department or any corporation be able to get a patent on the results of this research work?

Mr. WADSWORTH. No.

Now, may I explain briefly the organization that is now at work. In anticipation of legislation of this kind, the Secretary of War and the Secretary of the Navy, in intimate negotiation and conference with civilian scientists, as well as technicians in the armed services, have turned to the National Academy of Sciences while this war is going on, and have asked that Academy to work in close teamwork with the two departments.

Reference is made to an agreement made by the Secretary of War and the Secretary of the Navy with the president of the National Academy. Let me describe that. If this legislation is passed, a committee composed of 40 persons will be formed. Twenty of them will be military personnel—high-ranking technicians in the Army and Navy and Air Corps. Twenty of them will be civilian scientists—not necessarily all of them members of the National Academy but men of outstanding reputation and ability. That joint committee, composed of 40 persons, is intended to set forth the policies to be pursued and the fields to be explored generally in this scientific work. It is the policy-making committee in which the civilian has an equal vote with the military. There is to be an executive committee of that large committee, composed of five members, one from the Army, one from the Navy, and three from civilian life. The chairman of the executive committee is to be one of the three civilians. We wanted to put that into the RECORD as a part of our recommendations, so as to make it perfectly plain that the civilian scientists is to have an equal voice in the matter of scientific research in support of the armed services, with the sailors and soldiers themselves.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. MAY. As a matter of fact, if this bill is passed and the appropriation is made, undoubtedly many of the same men who are members of those groups will be reappointed and continue to work.

Mr. WADSWORTH. Oh, yes. We not only had long hearings on this thing, but we held many conferences behind closed doors and discussed it with the most deeply interested people. I have yet to find a single civilian scientist or a single soldier or a sailor who is not heartily in

favor of the perpetuation of this partnership as between the military and civilian in the field of scientific research.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. VORYS of Ohio. I was wondering why this organization that the gentleman has just described was not set forth in the bill. The bill does not tell anything about the nature of the organization. I wonder why.

Mr. WADSWORTH. I suppose the Committee on Military Affairs, in drafting this bill, thought it wiser not to freeze into the statute itself the exact number which shall compose that committee. We would like this thing to be elastic. You cannot freeze scientific research into a strait-jacket. There must be elasticity. There must be a spirit of adventure, as it were. Forty-nine attempts to solve a problem may fail at great cost and the fiftieth attempt succeed in solving a huge problem and perhaps save thousands and thousands of lives.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. BATES of Massachusetts. The sum of $8,000,000 has been set forth in the bill. Is that the amount that has been recommended by our Military Establishment? How did they arrive at the figure? It seems to me like a small amount for the magnitude of the work that is to be done.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MAY. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. WADSWORTH. The gentleman from Massachusetts just asked about the sum of $8,000,000. The obvious status of the situation is that the Committee on Military Affairs in discussing the matter must have accepted the advice of the military authorities.

Mr. MAY. I can explain that very quickly if the gentleman will yield.

Mr. WADSWORTH. I yield.

Mr. MAY. The testimony before our committee showed that it would require probably not more than $4,500,000 to carry the program for the period of a year. The highest estimate we had was $10,000,000. The committee, I believe, finally agreed that $8,000,000 would be ample, and for that reason we put that ceiling on it with the idea in mind that we would let them develop the thing over the next couple of years at that rate.

Mr. WADSWORTH. A point that comes to my mind as being of great advantage in this legislation is the coordination of effort. Back through the years scientific research has been undertaken by the Army working by itself; and the Army has come to the Subcommittee on Appropriations in charge of the War Department appropriation bill for an appropriation each year for what they call this scientific research. The Navy does the same thing in its own domain and goes to another subcommittee of the Appropriations Committee. There was no teamwork between the two services. During this war under the Office of Scientific Research teamwork appeared and it will be carried on by legislation of this kind for under this the two services plus the civilian scientists will come together to a single committee of the Committee on Appropriations which will get an over-all view of what this is all about and the Congress will know what is going on.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. MAY. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, 170 years have passed into history since June 16, 1775, when Maj. Gen. Thomas Mifflin was made our first Quartermaster General by an act of Congress. In those 170 years an aggregation beginning with a personnel of 2 men has grown to its present size when the fighting quartermasters number nearly 500,000. During those years, 29 men have been entrusted with the supply of our armies, 2 of whom were civilians.

From the very beginning, the story of the Quartermaster Corps is a dramatic one. The struggle of the birth of our infant Republic is sharply reflected in the heartbreaking task of our early quartermasters. Valley Forge will never be forgotten as long as histories are written.

Since that time we have seen six other wars, each presenting a different problem of supply, but none of them even approaching the enigma facing the Quartermaster Corps when we were forced into the present globe-girdling conflict.

None of those preceding experiences afforded precedents upon which procedure for this war could be based, or from which guidance could be gleaned. The road ahead was obscure, and pitfalls abounded on every side.

That complex picture had even begun to form out of the distant rumble of the war in Europe when Lt. Gen. Edmund B. Gregory was appointed the Quartermaster General on April 1, 1940.

At that time the normal duties of the Quartermaster Corps—that of feeding, clothing, and equipping the peacetime Army that began to expand with the first draft on October 16, 1940, the task of providing shelter, also was the responsibility of General Gregory. This responsibility was transferred to the Engineer Corps late in 1941, but by that time 450 projects at 200 different stations in this country, the Canal Zone, Puerto Rico, and Hawaii had been completed.

Another tremendous responsibility, which the Quartermaster Corps bore at that early time was the operation of the Army transport system and some 5,000 harbor boats. Motor transport was likewise a heavy burden. Late in 1942 the Transportation Corps was set up, and the Ordnance Department took over the procurement and assignment of thousands of transport vehicles. By that time we were plunged neck deep into war, and every ounce of the energy of the Quartermaster Corps was needed to prepare and carry out the plans for the greatest and most difficult supply problem the world has ever known.

The year 1942 saw some heartbreaking and soul-searing set-backs in the Pacific. The pendulum of the fortunes of war had swung far in favor of the enemy, and Guadalcanal, Bataan, and Corregidor were entered on the debit side of the ledger, written in the red of American blood. In those now historic spots was born a new appellation for the Quartermaster Corps—the Fighting Quartermasters.

Those days, plus many subsequent ones, have amply justified the procedure, born of this war, to train men to be soldiers first, then Quartermasters afterward. Volumes of stories can be told of how quartermasters have fought side by side with the Infantry and the marines to win and hold precarious toeholds on hard-won beaches, then took time out to bake or cook sustaining food with one hand on a skillet and the other on a machine gun. Stories of kitchen equipment blown to bits by enemy planes, only to have it crop up again from broken and twisted parts salvaged and hammered into improvised equipment by intrepid fighting quartermasters. Stories of quartermaster bakery companies that had to sift the shrapnel from their flour before it could be baked into bread. Thousands of stories like that have now become part of the day's work, but for which awards from Purple Hearts to the Distinguished Service Cross are now worn on the breasts of more than 4,000 members of the Quartermaster Corps.

While those stories—stories of the men who also serve in the midst of the death and destruction of battle, are spectacular, they do not tell of the unsung heroes whose ingenuity, faithfulness, and unremitting toil are responsible for the unfailing supply that is reaching into spots where just a few years ago a white man's foot had never trod.

I have talked with our returning heroes—from the privates up to Army commanders—and every last one of them sing the praise of the Quartermaster. From the far-flung front they tell me that not one single landing—not one victory—not one advance would have been possible without the great job that was done and is still being done by their buddies in the Quartermaster Corps. Those soldiers of every rank are grateful to General Gregory for the magnificent supply job that he and his organization have done for the past 5 years. Not only the families of those men but every American pays him and his men homage on this anniversary and I know that each and every one of my colleagues join me in this tribute.

Therein lies a story of unparalleled organization. The Nation's facilities had to be lined up and harnessed to produce, in ever-increasing quantities, the 70,000 items now on the requirement list of the Quartermaster Corps. Clothing, food, and equipment destined for troops in every latitude had to be designed to withstand the rigors of the Arctic, the searing heat of deserts, and the dripping humidity of tropical jungles.

Raw materials, the sources of which were cut off by the war, had to be replaced by serviceable substitutes equal in quality to the materials they replaced. In this respect, the Quartermaster Corps has covered itself with glory. Spurred by the necessities of war, the scientists and technicians of this Corps have developed materials and devices that not

only have bridged the gap of wartime lack, but which will be of tremendous benefit to our postwar lives. New fabrics that withstand the ravages of mildew—new designs of clothing that more adequately protect the wearer from the rigors of all climates—new insecticides, far more potent than any heretofore known, and a thousand other developments which will bring untold benefits to humanity, but which are now making life better for the men who so rightly deserve it on fighting fronts the world over.

Prior to VE-day our Army numbered more than 8,000,000 men, 66 percent of whom were overseas. The procurement of food for that vast aggregation, even without the world-wide supply lines that have to be traversed, would be a gigantic task in itself. But, in addition to that, the Quartermaster Corps is also responsible for providing large quantities of food for the Navy, the Marine Corps, the Maritime Commission, and other agencies. For our Army alone, more than 40,000,000 pounds of food must be provided every 24 hours. While we are on the subject of food, it should be remembered that the now famous combat rations, designed by the Quartermaster Corps, have played no small part in the successes of our fighting forces.

In World War I, supplies and elaborate equipment were landed from great transports at friendly ports, and field kitchens could be established with comparative ease. In this war, both in Europe and the Pacific, troops have had to storm ashore in the face of withering enemy fire carrying only the most meager equipment, and their combat rations, to be eaten in shallow fox holes to the accompaniment of the whine of bullets and the crash of shells. Their combat rations, scientifically designed by expert nutritionists, and packaged to withstand the most gruelling treatment, provide them with abundant and appetizing nourishment until field kitchens can be brought ashore and set up. Evidence left in the wake of the retreating Japanese show what advantage we have over our Pacific enemy in this respect due to the careful planning of the Quartermaster Corps.

Victories also have their trials, one of which is the problem of feeding the liberated civilian populations of lands that have been overrun by the enemy, their food stocks confiscated, and their sources of supply disrupted. The rapid advance of armies accomplished this liberation at a rate that placed a tremendous additional feeding burden on the Quartermaster Corps, one which we cannot shirk and still live up to the principles for which we are fighting. This task of human decency must continue until those liberated countries can become productive again, or we will fall into the same unspeakable category as our enemies in their treatment of the civilian populations in the territories they so ruthlessly occupied and stripped. This task—the essence of democracy—falls upon the already heavily burdened Quartermaster Corps.

VE-day, instead of easing the task of the Quartermaster Corps, has magnified it. The redeployment of the bulk of our forces to the Pacific is a problem of logistics of astronomic proportions. Its final accomplishment will mean increasing quantities of supplies over longer supply lines than those to Europe, meaning larger quantities in transit, and a greater demand than before.

We know it will be accomplished. Glorious past performances, such as the invasion of north Africa and France, and a score of other D-days, give us the unshaken faith born of confidence, but we cannot help but stand in respectful awe at this miracle of supply and the man at the head of the organization that has made it a reality.

Once General Gregory made this statement:

> Let me make this simple promise to the American people. The Quartermaster Corps will never fail your boys. We will deliver the goods. Wherever they go—to whatever point American fighting men penetrate—the Quartermasters will be by their sides to keep 'em rolling to victory.

How well General Gregory has lived up to that promise is now a glorious fact of history. He has fully justified our utmost confidence that the task of supply that lies ahead will be handled as well and efficiently as the job that lies behind him.

In this scant time it is impossible to do much more than generalize. The record of the achievements of the Quartermaster Corps, since this world-shaking war placed such superhuman demands upon it, would fill volumes. But I cannot overlook one phase of the work under General Gregory that is reflected in the well being of every man, woman, and child in our country. As gigantic as the procurements of the Quartermaster Corps must be, each one is made with a paramount regard to its effect upon civilian economy. Waste has been cut to an unbelievable minimum. The business of war is destruction, but right along with the crews that supply our fighting men with food, clothing, gasoline, and other vital necessities, that have been largely responsible for our steady advances, go Quartermaster Corps salvage and repair companies, saving millions of our dollars and conserving critical materials to the extent that we of all the Allied fighting Nations, have felt the pinch of war the least.

For nearly 5 years stories of our participation in the war has occupied the front pages of the newspapers of the entire world. There is hardly a periodical, of no matter what nature, that does not devote a fair portion of its pages to stories of the war. The Air Forces, Armored Forces, the Infantry, the marines, in fact, every branch of our fighting forces are glorified in news, song, and story on thousands of pages every hour of every day. Do you ever read of the exploits of the Quartermaster Corps? Do you read or hear of the heart-breaking tasks of moving up supplies—food, gasoline, ammunition—through blizzards and bitter cold, or flooding downpours and seas of mud under the constant strafing of enemy planes and artillery fire that have taken grievous toll of quartermaster companies? Do you read stories of the many times when neither truck nor animal could scale the almost perpendicular sides of mountains when quartermaster soldiers strapped hot food, gasoline, and ammunition to their backs and crawled, fly-like, to the heights so that our troops could carry on?

What would have happened on the beaches of Sicily, Salerno, Anzio, and Normandy if the fighting quartermasters had not stormed ashore at the side of the assault troops, fighting too, but keeping alive a continuous stream of vital supplies, the lack of which for even an hour would have meant defeat and annihilation? The picture is not hard to imagine: Vehicles without fuel, guns without ammunition, men without food—impotent metal and flesh. But that did not happen. Those dramatic and glorious stories—historic epics now—would have been dark pages of history now had the Quartermaster supply line failed. But it did not. No matter how tough the enemy opposition, the weather, the terrain, it was always there. Quartermaster soldiers got it there.

Over 19 centuries ago the greatest soldier against the forces of evil the world has ever known said, "The greatest among you is he who serves." How applicable that is to the Quartermaster Corps in this war. Unlauded and unsung, yet, to my mind, directly at the door of this fine organization and Lt. Gen. Edmund B. Gregory can be laid the reason for our successes.

Failure at any point of the vast and complex quartermaster supply line, from its inception here on the production lines right up to the fox holes on the fighting lines, could have meant a different story on this day, which, of all the anniversaries of this time-honored organization, this one, upon the eve of final triumph, is the most glorious.

To sum up, infinite detail, painstaking planning, and an enormously complex organization of industry and transportation to meet the Allied logistical problem, are the basic reasons why our armies reaped their results in Europe, and why they are now faring so well against Japan. The men responsible for this, from General Gregory down to the most obscure private, have covered themselves with glory. Their work, unparalleled in history, has been little short of a miracle.

Let us, therefore, a few days subsequent to this one hundred and seventieth anniversary, pay honor to a great service of the United States Army, one that has always done an excellent job in the past and is doing an excellent job in the present war.

> THE WHITE HOUSE,
> *Washington, June 16, 1945.*
>
> Lt. Gen. E. B. GREGORY,
> *The Quartermaster General,*
> *War Department, Washington, D. C.*
>
> MY DEAR GENERAL GREGORY: On this one hundred and seventieth anniversary of the Quartermaster Corps, I wish to express my congratulations to you and to all Quartermaster personnel, both civilian and military, here and abroad, on the many fine achievements attained during the war years.
>
> The steady flow of food, clothing, gasoline, and other types of equipment to our forces in the European theater represented a new height in Quartermaster supply of our Army. These supplies contributed greatly in the final defeat of Germany.
>
> The Quartermaster Corps has performed very well in its supply job in the Pacific but

it has a great task ahead of it before the final victory is achieved. I know it will be well done.

Sincerely yours,

HARRY S. TRUMAN.

Mr. ANDREWS of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. SHAFER].

WHAT IS ELLIOTT ROOSEVELT'S STATUS UNDER ARMY DEBT CODE?

Mr. SHAFER. Mr. Chairman, I have requested this time to call the attention of the Members of this House to provisions contained in the Official Manual of the United States Army for the cashiering of officers who fail to pay their just debts.

I specifically refer to the ninety-fifth article of war that provides that any officer "convicted of conduct unbecoming an officer and a gentleman shall be dismissed from the service."

The manual explains that instances of violation of this article include "dishonorable neglect to pay debts."

I shall quote from the manual:

The conduct contemplated is action or behavior in an official capacity, which in dishonoring or disgracing the individual as an officer seriously compromises his character and standing as a gentleman for action or behavior in an unofficial or private capacity, which in dishonoring or disgracing the individual personally as a gentleman seriously compromises his position as an officer and exhibits him as morally unworthy to remain a member of the honorable profession of arms.

There are certain moral attributes common to the ideal officer and the perfect gentleman, a lack of which is indicated by acts of dishonesty or unfair dealing of indecency or indecorum or of lawlessness, injustice, or cruelty. Not everyone is or can be expected to meet ideal standards or to possess the attributes in the exact degree demanded by the standards of his own time; but there is a limit of tolerance below which the individual standards in these respects of an officer or cadet cannot follow without his being morally unfit to be an officer or cadet, or to be considered a gentleman. This article contemplates such conduct by an officer or cadet which, taking all the circumstances into consideration, satisfactorily shows such moral unfitness.

In view of the above, Mr. Chairman, I believe it is incumbent upon the War Department to closely follow the investigation now being made into a transaction involving Brig. Gen. Elliott Roosevelt, which has resulted in his failure to pay a loan of some $200,000. Other Army officers have been cashiered for less.

Mr. ANDREWS of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL of Michigan. Mr. Chairman, the bill now before the committee is, in my judgment, one of the most important, if not the most important, national-defense bills that has come before us in many years. I am serving my ninth year as a member of the War Department Subcommittee of the Appropriations Committee of this House. During that time I have been intensely interested in scientific research and development.

I have had during those years three cardinal principles which I have tried to follow: First, research and development; second, industrial mobilization; and third, the educational orders. By "industrial mobilization" I include more than the mobilization of industrial floor space. I mean the mobilization of the industrial brain power and inventive genius of this Nation.

In January 1939, General Arnold, Chief of the Army Air Corps, testified before our subcommittee that we were from 3 to 5 years behind Germany in research and development as far as combat planes were concerned. Our planes did not have self-sealing gasoline tanks. They did not have the pilot protected by armor plate, they did not have the fire power and climbing power and maneuverability they should have had. We made tremendous progress since then. The outstanding work in scientific research, development of the Army and Navy with the cooperation of industry made it possible for us to produce not only the most modern planes but also other weapons that are unsurpassed.

Mr. Chairman, I have before me a statement made by the Chief of Engineers before our subcommittee the other day. This is only one of a number of branches of the War Department. Here is a list of nine items, the names of which I am not permitted to give because they are items that are now being used in combat. We spent $5,533,658 on research and development on those nine items, and the total production of these nine items exceeded $580,000,000.

In 1938, I think it was, I had the privilege of listening to Gen. Malin Craig, then Chief of Staff, as he talked by radio with a pressure-cabin plane 33,000 feet in the air. In my judgment, the pressure-cabin plane was one of the most important inventions in modern aviation. Thirty-three thousand feet is 6 miles. Sound travels at the rate of 1 mile in 5 seconds. It took that sound 30 seconds from the time it left that airplane until it reached the sounding apparatus we were then using for locating planes. A plane that travels 300 miles an hour, travels a mile in 12 seconds. A plane that travels 450 miles an hour, travels a mile in a little over 8 seconds. All we knew when that sound hit the sounding apparatus was that 30 seconds ago, in a little spot in the sky 6 miles away, was an airplane. We also knew that it took 30 seconds for that sound to travel from the plane down to the sounding apparatus. During that 30 seconds it took the sound to travel the 6 miles from the plane to the ground, the plane itself traveled from 2½ to 4 miles from the spot from which the sound came. It was obvious that sounding devices were obsolete as far as locating planes was concerned. That brought about the faster development of radar, and all the things that radar means. It made necessary further development. We had to develop a motor that could operate as efficiently at 30,000 feet as it could operate at 20,000 feet.

This involved many intricate problems of both fundamental and applied research. We had at that time 23 companies who made automobile and airplane engines. We had companies both large and small. Sometimes the genius who may solve a problem is found in one of the smaller factories. He would rather operate his own little plant where he could follow his own plans than to become lost in some corporation like Ford, Chrysler, or General Motors. My thought has always been that we should submit the problems involved to each of the 23 companies manufacturing motors and pay them for the actual work on developing the motor including the making of blueprints. We might, for instance, receive 10 blueprints or plans containing possible solutions. A joint Army-Navy-civilian board could go over these plans and let us say, for instance, that they had selected three companies and asked each of them to make their motor. After these three motors are made they should be tested. One motor might be so far superior to the others that it might be chosen without question. We might, on the other hand, find that one motor was superior in operating under subzero temperatures we find at high altitude, while another might be superior in the rarefied air conditions we find in the substratosphere. We might take parts of one motor, combine it with parts of another motor and thus find the engine which was the solution to our problem of high-altitude flying. When we reached that solution it would be the result of combined inventive genius in the motor field of America. We will have mobilized the industrial inventive genius in that field. I have advocated this system for a number of years believing that if we can utilize the inventive genius of America, America herself is invincible.

My position is that real national defense of our Nation lies in the productive capacity of our industries plus the inventive genius of men both inside and outside those industries and the ability to convert that industrial capacity from peacetime to wartime needs in the shortest possible time. This bill will not be perfect. It will require amendments as time passes on. But it attempts to cover the fundamental principles which will make possible the utilization of the inventive genius, and of the scientific research and development facilities of the entire Nation both inside and outside of our armed forces.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. ANDREWS of New York. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I believe there is little we could do at this moment to reassure the country in the matter of our appreciation of our obligations to ourselves and to the world than to assure constant, well-organized, progressive scientific research. It was my privilege a week or so ago in Cleveland to see the amazing research that is being done there by the National Advisory Committee for Aeronautics. Unbelievable inventions, unimaginable new methods that include jet propulsion, and such. I believe there is nothing that could be of greater value to our whole purpose of protecting our own Nation and to assume our responsibility for the world's peace than for us to further

such a research organization as the National Academy of Sciences as set up by this bill. We must be ahead of the game; we must not be behind it, and we cannot be ahead unless this Congress understands the need and makes possible the work that is so important to do.

Mr. ANDREWS of New York. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I desire to compliment the Committee on Military Affairs for the form of and the thought behind this bill, as it is exactly right. They have provided that the scientific-research program be carried out under contract with educational, scientific, and other types of organizations engaged in scientific research. There is such an organization in my own congressional district, the California Institute of Technology, that has had more than 50 Army and Navy research projects of great importance. One of the most outstanding of these projects has been the so-called rocket program. The present rocket used by the United States Army and the United States Navy was developed in that place under contract with the War and Navy Departments. They not only developed the rocket, but they manufactured it. They set up the pilot plant for manufacture and determined the proper method of manufacture. It may interest the House to know that the device that is used for launching these rockets, sort of a cradle in which they are stacked up and allowed to drop and fire as they drop to the bottom of the cradle, was worked out by a civilian scientist who took the idea from a child's toy that he found in the nursery of his own home. I doubt whether any purely military man would have ever thought of it. This man, in seeking the answer to his problem, found the principle in a child's toy in his home nursery. It has worked out exceedingly satisfactorily and, no doubt, will revolutionize the art of warfare. It is now possible to fire rockets with terrific power from the backs of trucks that carry ammunition or from landing craft that are attacking a beach, or from aircraft in flight. There are several ways of firing these rockets, and more ways are being devised. Likewise the rockets themselves are being improved constantly.

In the next war the use of artillery, as such, will be less of a factor than it has been in the past, and certain types of projectile firing will come directly from the trucks that carry the ammunition, thus eliminating much of the need for guns and their motive power.

The scientists of the Mount Wilson Observatory have likewise contributed mightily to the advancement of the implements and instruments of war. Someday the story will be told, but for the present it must suffice to pay high tribute to the scientists of America for the enormous value of the contributions they have made to the defeat of our enemies.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. ANDREWS of New York. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. McDONOUGH].

Mr. McDONOUGH. Mr. Chairman, now that Germany has been overwhelmed, many of us are prone to forget the tense days before Stalingrad. We forget that the French Army was beaten, though thoroughly trained in the arts of war as understood by the French general staff, and that universal military training existed in that Republic. Yet it was crushed in a few weeks of blitzkreig, while the British Army was compelled to evacuate via Dunkerque. Too many of us have forgotten that when Hitler launched this Second World War nearly 6 years ago the predictions were that Germany was lacking in so many of the materials needed for war that she would be starved into defeat. Nevertheless Hitler nearly succeeded in his projects. And it was our bombs that destroyed her technological war machine, not the scarcity of materials for war.

Hitler's armies came near putting an end to Russia. He probably would have succeeded had it not been for American lend-lease equipment. It was not until America's industrial establishment became geared to war that the tide began to turn. It was not until our production lines began to turn out munitions of war in large quantities that we, slowly at first, began to drive the Axis partners back, and that we were able to proceed to bomb their factories out of existence. Shortly, Italy was out of the war. Then Germany. Now Japan alone remains. And she is tottering.

The superiority of Axis science made possible their victories over the nations of Europe and Asia. And it was the overwhelming superiority of American science that put an end to those victories. It was American technology that made possible the destruction of Germany's factories. After that was done her armies no longer could resist. We are now witnessing the continuation of that process against Japan.

The secret of Hitler's success was the superiority of Germany's industries over those of France, Great Britain, and Soviet Russia. The reason for his defeat was the superiority of our own over that of Germany's. As our production lines began to turn out munitions of war the tide began to turn until German armies were routed one after another.

The secret of the future security and of defense of the United States against foreign aggression lies in the continued superiority of American science over that of the other nations.

Germany recognized from the very beginning the vital part that technicians play in modern war. From the very beginning she exempted her industrial scientists and students from service in the army. Our allies have already learned the lesson. They also have exempted their industrial scientists and students from military service and are straining every effort to increase their numbers for the postwar era. We alone have failed to do this. As a consequence we are expected to suffer severely from a shortage of chemists, engineers, physicists that it will take a long time to ease. It is not too late to prevent this situation from becoming worse by releasing some of our most highly skilled men from the services and making it possible for others to prepare themselves for the job of making America secure against foreign aggression while contributing their share toward the maintenance of full employment in the postwar era.

The immediate enactment of H. R. 2827, which I introduced last April 2, would help meet the twin problems of postwar full employment and national security against foreign aggression.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. JUDD. Mr. Chairman, I want to express my strong approval of this bill, but, at the same time, to register my profound concern lest we imagine that providing this new set-up for scientific investigation and supplying it with money will do the job. The main thing is the scientists themselves and we are making no adequate preparation to make sure we will have them when a possible next war comes along.

In fact we are systematically destroying our potential scientists of tomorrow without the full realization of the Congress and the people, and certainly without their expressed approval or consent, the Selective Service now administers what was intended to be a selective-service law as if it were a universal military service law at least for those from 18 to 26 years of age. We cannot grow overnight or by appropriating money, the scientists we are going to need for the next war if, God forgid, we ever have one. It takes years, even decades, to train them. All our boys from 18 to 26 are now being drafted into straight military service, no matter how extraordinary their scientific abilities and possibilities may be as discovered and reported by their teachers and professors. Nothing is more essential for our future security than scientific brains. It is incredibly shortsighted for us to be sending the geniuses of tomorrow to be killed. One dead is irreplaceable.

Russia is reported to have spent $2,600,000,000 last year for promotion of medical, chemical, physical, and other scientific research and development. England will not permit a youth with special scientific ability to be taken into her armed forces no matter how desperate her military needs. The English rightly regard it not as relieving such a boy from military service as a "special privilege," but rather as assigning him to continue scientific studies as a "special duty," an even more important service to his country than military service.

Now that our pressure for military manpower is somewhat lessened, I hope there will be prompt modification of selective-service practices so that we can preserve and develop to the utmost the few thousand young men each year who alone can furnish the scientific leadership of tomorrow. It is almost criminal, not to them but to our country, to draft a nation's potential scientific geniuses just to carry a gun in the rear rank, important as that is. The time to make sure of our having superiority in science in the decades ahead is right now. The

money is important, the men are far more important.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. MAY. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. MANSFIELD].

Mr. MANSFIELD of Texas. Mr. Chairman, I am for this bill, although I knew very little about it until a few minutes ago, and although I do not know much more about it now. I came in while the gentleman from Mississippi was talking a while ago in regard to the Army engineers. I want to submit a few remarks along that line.

For 28 years I have been a very close observer of the work of the Engineers of the War Department. I have had to do with the hearings and have reported and helped put through Congress hundreds, yes, thousands of river-and-harbor projects authorized and recommended by the Army engineers. I have never known any class of men who rank higher than they do both in my estimation and in the estimation of the public generally. For 170 years they have carried on in that manner in our Government. They celebrated their one hundred and seventieth anniversary just a few evenings ago. Robert E. Lee, Stonewall Jackson, George G. Meade, and Philip Sheridan were all members of the Corps of Engineers of the Army in their day, and they held to the same high standards then as they do now and have ever done.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD of Texas. I yield.

Mr. HINSHAW. Will the gentleman add to that list the name of Gen. Douglas MacArthur, who was likewise a member of the Corps of Engineers, one of the outstanding generals of all time?

Mr. MANSFIELD of Texas. The gentleman is correct. And I could add several more as well.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD of Texas. I yield.

Mr. BREHM. I, too, have the highest regard for the Army engineers and feel that they need no defense by me. However, I personally feel that Fulton Lewis, Jr., rendered a service in that an investigation will in all probability be made wherein the things of which he speaks will either be proved or disproved. In other words, there was attempted by some of those working on the project to have an investigation made, but evidently others did not want an investigation.

Mr. MANSFIELD of Texas. Mr. Chairman, I cannot yield further; I am sorry I only have 3 minutes. I have no objection, and I am sure the engineers have no objection, to a fair and impartial investigation. I do not know Mr. Lewis. I do not think men who have the character and the standing of the Army engineers, however, should be convicted on the statements of a man on the radio.

I know nothing whatever about the matters that have been referred to as having been said. I do not know the engineer involved and never heard the messages over the radio. The feature I object to, and condemn, is that of charges or insinuations being cast upon the organization that has so successfully and faithfully functioned for 170 years. Their work in planning, constructing, and maintaining our river and harbor improvements has certainly been marvelous. During the 170 years of their operation, and in which thousands of men have been engaged, only one charge of misconduct has ever been made, and that case was brought to trial and condemnation at the instance of other members of the Corps. Such a record is without parallel in our history.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ANDREWS of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. PITTENGER].

Mr. PITTENGER. Mr. Chairman, I have listened with a great deal of interest this afternoon to the remarks of the gentleman from Mississippi [Mr. WHITTINGTON], and just now to the remarks of my distinguished chairman of the Rivers and Harbors Committee, the gentleman from Texas [Mr. MANSFIELD]. I can agree with everything they have said about the Army engineers. I have served on the Committee on Rivers and Harbors. The engineers are a grand bunch of men. But I have also listened to the remarks of Fulton Lewis, Jr., on the radio. I do not take those remarks as a reflection on the Army engineers. I take those remarks as coming from a man entirely disinterested, and in whom the American people have implicit confidence. Those radio remarks were calculated to cause an investigation of the alleged expenditure and waste of public funds on a road project down in Central America, as I recall it, that is almost without parallel as far as we know. Fulton Lewis, Jr., needs no defense. We all know him and respect him. He is usually, and I may say as far as I know, always a man who presents his facts accurately to the American public. An investigation is not going to harm anyone unless he ought to be hurt. I do not think the investigation is going to reflect on the Army engineers, but if it is going to expose any man in that branch or any other branch of the Government, then the facts ought to be brought out and the American people ought to be the judges. So I am glad that Fulton Lewis, Jr., took the air. I am proud that we still have the right of free speech and discussion. I am glad that we have men like Fulton Lewis, Jr., who are willing to point out these distasteful problems.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. ANDREWS of New York. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. BREHM].

Mr. BREHM. Mr. Chairman, the gentleman from Minnesota [Mr. PITTENGER] has emphasized the point I attempted to make in my discussion with the gentleman from Texas [Mr. MANSFIELD]. It was impossible for certain employees of the project to get former Attorney General Biddle to order an investigation. If there is nothing to cover up and nothing to conceal, an investigation should be welcomed by anyone. So I personally feel that Fulton Lewis, Jr., has rendered a public service in that the investigation will no doubt be made by the Congress and let the chips fall where they may.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. ANDREWS of New York. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Illinois [Mr. ARENDS], and I ask unanimous consent that he may proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. ARENDS. Mr. Chairman, I am in hearty accord with what has been said in commendation of this bill, and I hope that it does pass. It is essential. It is vital. It is necessary. We must do it if we are to protect ourselves in the future in any emergency that may arise.

It is rather by coincidence that this question of Fulton Lewis, Jr., and his broadcasts have come up, and various Members have stood here and defended the Army engineers. I am not pointing my finger at General Reybold or any of the other men in the Army. However, the fact remains that mistakes have been made, mistakes are being made, and as long as we are human beings, mistakes will be made.

A very grave charge has been made—one demanding our attention. Hundreds of millions of dollars are being systematically stolen from the public funds of the United States Treasury with the connivance of Government officials or through the countenance or tacit consent of these officials, according to evidence offered in a series of Nation-wide radio broadcasts by a highly respected radio commentator, the distinguished Mr. Fulton Lewis, Jr. Graft running even into billions of dollars may be involved in Government contracts hiding under the cloak of military security. I believe that this graft is going on at this moment, and I urge that this charge be made the subject of immediate investigation.

The people of the United States who are footing the bill for this war—and that is all of us—have a right to know whether our bond dollars and tax dollars are being correctly spent or corruptly spent. If there is graft and corruption, as charged, it must be exposed and put down. Practically everyone in this Nation has given his all for the war effort, which is right and proper. We have paid our greatly increased taxes and we have bought more and more war bonds. We have been glad to do this—to support our boys on the battlefields of the world. We are not prepared, however, to let anyone rob the public funds of our tax and bond money through a systematized species of graft.

I understand that documented evidence—phostatic copies of letters and contracts—and eyewitnesses, auditors on the projects involved, can be produced to prove the charge of graft.

Mr. Lewis' amazing story is about the Latin-American Highway in particular, a

highway designed as a military transportation link between the United States and the Panama Canal Zone, but the system of graft on this project seems to be no exception, but rather, the standard practice. Therefore, it appears that the graft extends to endless other projects in other parts of the world. Mr. Lewis' story calls for a reexamination of all the contracts, the work done, the payments, and the financial matters in general of all of these projects.

It appears that the cost-plus-a-fixed-fee contracts have resulted in the contractor receiving not the small fixed fee, but many times that amount. The public was sold the idea that the profits had been taken out of this war, that no one was going to be permitted to be a profiteer this time. In line with this, wages and salaries have been kept down—the wages of laborers, technicians, white-collar workers. Whatever extra he may have received in his pay envelope for overtime work has been taken from him in taxes. But what about the wealthy contractors? Well, it seems that the wealthy contractors are getting away with millions upon millions of dollars.

Let me point out one little contract where it looks as if someone got away with at least $6,000,000. The southern half of the Nicaraguan section of the Latin-American Highway was built by the Nicaraguan Government, under Maj. Warren Ford, of the Army Engineers, for less than $2,000,000, while the northern half was built by an American contracting firm, under one of these cost-plus-fixed-fee contracts, for nearly $8,000,000, or to be exact, $7,750,891. The southern half was just as tough a road-building job as was the northern half. What is more, the southern half was finished; I understand it is a beautiful road. The northern half, on the other hand, was not finished, miles of it are nothing but soft roadbed, miles of it are utterly impassable. As a military highway or any other kind of highway, it is practically worthless. And this northern half is the part that cost us the extra $6,000,000.

There is evidence, too, that in at least one place the part of the road built under a cost-plus-fixed-fee contract was run 5 miles out of the way to add to the value of certain private property—reminiscent of old WPA days.

On one project, according to the story presented by witnesses on Mr. Lewis' broadcasts, there was an item of a million and a half dollars for which there were no records, no receipts, no bookkeeping of any kind. The auditor allowed the amount after helping the contractor fix up some make-shift vouchers.

Where most of the graft comes in, however, is on the equipment rental racket. A contractor rents to the Government his own equipment for use on a project. In a way, he is renting to himself with the Government paying the rental. This is, of course, entirely proper, provided the rental rates on the equipment are fair and provided rental is paid only on usable equipment.

According to the evidence offered, the rental rates are fantastic, almost beyond description. One illustration will suffice: The monthly rental rate on each D–8 caterpillar tractor throughout the life of the contract, whether the tractor is working or not, is $775. That is maximum, and the maximum is always paid under these contracts. A little pencil work will show that one of these tractors under contract since Pearl Harbor day would have drawn from the Government, up to this date, more than $41,000. The OPA ceiling price on that tractor, second hand, is $4,100. Thus it would have paid for itself more than 10 times. If the tractor actually works and puts in more than 240 hours a month, it draws overtime in addition. If it does nothing at all, if it is unable to turn a wheel, if it does not even have an engine, it still draws $775 a month. A 5-ton truck valued at $3,500 pays for itself every 7 months by a monthly rental of $500.

The Government pays all operating costs, such as gasoline, repairs, wages of the driver, and so on, in addition to the fabulous rentals.

Auditors have stated that the rental item amounts to 30 to 35 percent of the total outlay. On a $100,000,000 job, which might have a fixed fee of about $4,000,000, the contractor would actually draw, in addition to the $4,000,000, thirty to thirty-five million dollars from this equipment-rental racket, provided, of course, he owned or could buy the equipment to rent himself—which means that the contractor would draw in cash for himself between thirty-four and thirty-nine million dollars.

Not only are the rental rates highly excessive on usable equipment but much of the so-called equipment on which we are paying this rental is junk—obviously sent to the projects for one purpose only—to draw rent. There is evidence that much of the equipment received on these projects was never used, and was never intended for use. It was dumped and left in junk yards. But each piece of junk drew full rental.

Another feature of these Army engineer contracts that is costing the taxpayers still more millions of dollars through graft is the provision that each piece of equipment is to be returned to the owner in perfect condition, regardless of the condition it was in when received. If a piece of equipment cannot be returned to the owner in perfect condition, then the Government must pay the owner according to the valuation placed on that piece, and these valuation lists represent more graft. For example, a D–8 caterpillar tractor is given a valuation of $8,600, which is more than it ever cost brand new, whereas the OPA ceiling price on that tractor, second-hand, is $4,100, and the actual value on many received on projects is zero. So a piece of junk which was once one of these tractors is sent to a project, draws $775 per month rental while lying in the junk yard, and then at the end of the contract is sold to the Government for $8,600.

Multiply the amount of graft on one piece of equipment by the many such pieces of equipment on one contract, and multiply that by the rest of the contracts on this Latin-American Highway, and multiply that by the number of such projects—Canol, Alcan, the Persian pipe line, the back-door road to Russia, the Panama Canal projects, one single job of which was more than $330,000,000—and we begin to get some idea of the enormity of the graft involved here.

There is no question in my mind that there is graft of hundreds of millions of dollars going on at this moment.

The graft exposed by Mr. Lewis—through the testimony of auditors and others who were on these projects—was first called to the attention of the Justice Department. That Department said it could do nothing because the projects were outside the United States. I wonder if that means that there is no check on the billions upon billions of dollars spent, and to be spent, by us in other countries—if the wild spenders of old WPA days can now transfer their activities to Europe and Asia and Africa and South America—and be immune from prosecution for graft. The Department of Justice referred the charge to the War Department. Apparently the War Department has done exactly nothing—except, perhaps, promote some of the officers responsible. I would like to know.

I urge that the House immediately take up this very serious matter, that a committee of the House hold hearings, call witnesses, and demand the production of documentary evidence from the various departments which may be concerned.

The House Military Affairs Committee, under its resolution to conduct investigations for the war effort, began its inquiries into these charges the first part of June, and is pursuing it diligently at this time. We not only want but intend to get to the bottom of this mess to see what goes on.

The CHAIRMAN. The time of the gentleman from Illinois has expired; all time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That in order to enable the National Academy of Sciences, through a research board for national security consisting of representatives of the Army, representatives of the Navy, and civilians of outstanding accomplishments, established by agreement between the Secretary of War, the Secretary of the Navy, and the President of the National Academy of Sciences, to provide for scientific research and advancement determined by such board to be desirable in the interest of national security, there are authorized to be appropriated from time to time to the National Academy of Sciences such sums as may be necessary, not exceeding $8,000,000 for each fiscal year. All experiments and other projects hereunder shall be carried out pursuant to contracts or other arrangements made by the National Academy of Sciencies with individuals, educational and scientific institutions, industrial organizations, and other public and private agencies, determined by the board to be appropriate.

Mr. ELSTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ELSTON: Page 2, lines 2 and 3, strike out the words "The National Academy of Sciences such sums as may be necessary" and insert in lieu thereof the following: "The War and Navy Departments,

such sums as may be necessary to carry out the purposes of this act."

Mr. ELSTON. Mr. Chairman, I am in hearty accord with the statements made by the chairman of the committee the gentleman from New York [Mr. WADSWORTH] and the others who have spoken in favor of this bill. Regardless of how my amendment may be voted upon I expect to support the bill. I feel that we would be very shortsighted if we did not make every possible provision for research and development.

The amendment which I have offered is not for the purpose of making this measure less effective. It simply provides that appropriations shall be made to the War and Navy Departments rather than to the National Academy of Sciences. I have no complaint whatever against the National Academy of Sciences. I think it has done a magnificent job during this war and will continue to be very useful.

However, it is a private corporation, organized in 1863. I have the charter before me, and its provisions are plain. Among other things is a provision that no compensation is to be paid to any of its members.

This bill proposes to make appropriations directly to the National Academy of Sciences. If that is done, it will be the first time in the history of this country, so far as I can find, that Congress has made appropriations direct to a private corporation.

The gentleman from New York stated that there could not be teamwork if the Army and the Navy have to request appropriations separately. But let me call the attention of the committee to the fact that representatives of the Army and the Navy are on the research board provided for in section 1 of the bill. That being so, there must be teamwork if the bill is to function at all. There has been teamwork in the prosecution of the war, and I know of no reason why it cannot continue. When any agreement is reached between members of the Research Board there is no reason why both the Army and the Navy cannot indicate to the Appropriations Committee the amount each of those services needs to carry out the purposes of this act.

The passage of the bill in its present form will have the effect of setting up another agency when none is needed to accomplish the very desirable objectives of this proposed legislation.

The amendment I have offered will not interfere in the slightest degree with any of the functions that would be performed by the Research Board on the Academy of Sciences. Certainly experiments that are going to be carried on in the development of weapons of war should come under the supervision of the War and Navy Departments. At least, appropriations should clear through those Departments. I do not feel we should take away from the Army and Navy their full responsibility, nor should we establish the very bad precedent of permitting a private corporation to come to the Congress and get appropriations to carry on its work, however beneficial its efforts may be to the country.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio.

Mr. Chairman, if the pending amendment is adopted it will be entirely unnecessary to pass the bill because the amendment would authorize you to appropriate money to the Army and Navy for research and development. We already do that and we shall continue to do that even if this bill is passed.

I would like to review with you very briefly the reason for this legislation, and it is very important legislation. We have for many years appropriated to the Army and the Navy money for research and development. They have done a certain amount of fundamental research. In some instances there has been a slight overlap and a slight duplication, but in the realm of scientific resarch that is not altogether undesirable.

When the war came on, as the gentleman from New York pointed out, it was found absolutely necessary to have an integrating or coordinating influence for this fundamental research that was to be carried on; so the President set up the Office of Scientific Research and Development headed by Dr. Vannevar Bush, which functioned and is functioning during the progress of the war. That office stepped in with civilian scientists and with scientists of the Army and Navy, and the Office of Scientific Research and Development as the integrating and coordinating influence went forward and did a marvelous, magnificent job. However, that is a temporary organization set up under Executive order and it expires at the end of the war. Then we will revert back to the old system.

What will that old system be? It will be the War and Navy Departments compelled to rely entirely and solely upon their departmental and scientific staffs. Without any reflection whatever upon the men in the armed services who would be on those staffs, we know it was pointed out in the long and extensive hearings held by the Postwar Military Policy Committee that it is absolutely necessary to enlist in the postwar period the active, interested service of civilian scientists.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Kentucky.

Mr. MAY. The bill authorizes the National Academy of Sciences to receive appropriations. This amendment would take it entirely away from them, therefore the bill would be unnecessary.

Mr. WOODRUM of Virginia. I stated that. It would be unnecessary to pass the bill in that event.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Ohio.

Mr. ELSTON. Is there any reason at all why the appropriations cannot be made to the Army and Navy and they in turn allocate to this agency the money which it needs? That is the only purpose of the amendment.

Mr. WOODRUM of Virginia. There is a good reason why. It is impracticable, almost impossible, if you are going to have any kind of intensive, vigorous research program for this reason: If you go back to that system, then the Army would come to the subcommittee of the Appropriations Committee having to do with the military requesting funds for research and development. The Navy would go to the subcommittee of the Appropriations Committee having to do with the Navy asking for money for research and development. You would have two separate agencies going to two separate committees, two separate sets of men to handle it, without any integrating influence whatsoever. The purpose of this bill is to tie the thing together.

Let me say to the gentleman that this bill comes here after the most careful consultation with the scientists and the top people in the Army and Navy and in the National Academy of Sciences. After the Committee on Postwar Military Policy concluded its hearings, we gathered around the table and were all of one accord in setting up one agency so that we would be sure that in the postwar period there would be an adequate research and development program. We asked various people to come in, including Dr. Bush, of the Office of Scientific Research and Development. All of these gentlemen came in and we asked them how this thing could best be done, in their judgment. The bill presented today in the composite of their views on the subject.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from California.

Mr. HINSHAW. The gentleman's amendment would destroy the purpose of the bill likewise, because in line 3, page 1, it says in effect that in order to enable the National Academy of Sciences through a research board to do this work, this money shall be appropriated to them. I do not see how you are going to get it back from the Army.

Mr. WOODRUM of Virginia. With the National Academy of Sciences you will have one head of the thing, an integrating influence, and you will be able to enlist the actual support of the civilian scientists which we must have.

Mr. VORYS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, to continue the thought I was just directing to the gentleman from Virginia, the bill provides that this research must be established by agreement between the Secretary of War, the Secretary of the Navy, and the president of the National Academy of Sciences, so that the interests of the service departments are protected.

In opposing this amendment may I read to the Committee the words of Dr. Vannevar Bush who is not himself a member of the National Academy of Sciences, but is head of OSRD. If you will turn to the hearings on page 5 you will find this language, which is in itself a very cogent argument against the amendment offered by my good friend from Ohio:

Industry learned a long time ago that it was fatal to place a research organization under a production department. Research and an operating responsibility, such as production or sales, are incompatible. An oper-

ating group is under the constant urge to produce in a tangible way, to meet existing standards, and existing schedules. An operating group has neither the time nor the inclination for research. An operating group is judged by production standards. Research, however, cannot be judged by production standards. Research is the exploration of the unknown. It is speculative and uncertain. It cannot be standardized. It succeeds, moreover, in virtually direct proportion to its freedom from performance controls, production pressures, and traditional approaches.

It is fundamental, accordingly, that research on military problems should be conducted, in time of peace, as well as in war, in part by civilians independently of the Military Establishment. The armed services exist to fight. It is their primary responsibility to train the men, make available the weapons, and employ the strategy that will bring victory in combat. The armed services cannot be expected to be experts in all of the complicated fields which make it possible for a great nation to fight successfully in total war. There are certain kinds of research—such as research on the improvement of existing weapons—which, of course, can be done best by military men within the Military Establishment. The job, however, of fundamental scientific research should be entrusted to the civilian scientists who are best trained to discharge it thoroughly and successfully. It is essential that both kinds of research go forward. We have just learned, for example, that one of the primary reasons why German science failed to maintain its superiority over the Allies is because in the early stages of the war German scientists were diverted from fundamental research to a concentrated effort toward the improvement of existing weapons.

If this amendment is adopted both kinds of research will not go forward because the purse strings of research control will be in the military department, and you will lose the advantage, that Dr. Bush has so aptly pointed out, of having independent civilian research on military problems in peacetimes as well as in war. Let us remember that the OSRD, because of its independence, has been able to make the great contribution that it has in addition to the military research which has gone on.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Ohio.

Mr. ELSTON. The gentleman knows that a great deal of the scientific research and development which has contributed to the war effort has been done by private industry, and yet no appropriation has even been made directly to private industry.

Mr. VORYS of Ohio. That is true.

Let me read from page 51 just a brief statement by Dr. Jewett, as to just what this National Academy of Sciences is:

This National Academy is not a new agency. It is a corporation which Congress set up. It is an existing agency and it operates under a very simple mandate from Congress, which is meticulously observed. Its normal operations are handled on the request of Government, on an annual basis. Those requests can be modified or discarded at any time. It has no vested interests except that of uncompensated service.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Kentucky.

Mr. MAY. May I say to the gentleman that the witnesses representing the War Department who appeared before the House Committee on Military Affairs said they did not want the appropriations made to them, and they were in harmony with the National Academy of Sciences and the Navy Department.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I do not know that this matter needs to be debated much further. In view of the fact, however, that this concerns appropriation matters that Would be referred to the Subcommittee on Military Appropriations, my experience on that committee leads me to offer an observation.

It is my feeling that if this bill has any fault it is that it ties the research program too closely to the Army and Navy. The Army and Navy have research sections of their own. If we are not seeking to get something which they do not already provide there is no excuse for passing this legislation. Another subcommittee I have served on has been the Independent Offices Subcommittee. That committee handles appropriations for the National Advisory Committee for Aeronautics, which in the field of aviation has been doing some of the things which this proposed program, presumably would do in the general field of research and invention.

The record of the Army and Navy in the field of research is good, yes; but it is not perfect. For example, our people turned down the Christy tank when it was first offered. Our people turned down the parachute when it was first offered to them. The Russians and some other countries developed some things which our professional military and naval people turned down.

What we are seeking here is to capture the spirit of research and invention which cannot be found in its fullest fruitage in something which is organized on a military or naval basis. The National Advisory Committee for Aeronautics has made a contribution to the development of aviation in this country which was not being made by the Army or Navy.

Mr. ENGEL of Michigan. Mr. Chairman, will be gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. ENGEL of Michigan. In 1939, the gentleman will recall I had young Richard du Pont down here and two other gentlemen before our subcommittee who testified, trying to get the Army Air Corps interested in gliders. The Army Air Corps had observers there, but we did not get any gliders. That was in 1939.

Mr. CASE of South Dakota. The gentleman from Michigan understands the situation. There seems to be a sort of professional pride on the part of the man who is in charge of the production of something to say that he knows the last word on the subject. I recall submitting a suggestion on explosives when General Wesson was Chief of Ordnance. He referred me to the chief of the appropriate section. I offered a suggestion which had come from a rather eminent scientist in the field of explosives. I got nowhere, because the chief of that section finally said to me, "We went into that after World War I and finally a man had his arm blown off and so we quit it." Which to me was not conclusive at all because what I supposed we were seeking was to learn something about better explosives or explosives that had a tremendous effect. In this particular instance the chief of the section decided it was too much of an explosive for them and turned it down.

So, I feel, if anything, we ought to free this research from the Army and Navy, rather than place it even more directly under control of those who might have a professional pride in saying, "We know all that is to be known on this subject."

We ought to give this spirit of research opportunity for the freest possible expression. Consequently I question the amendment that has been offered although in general I do not like the idea of making an appropriation to a private corporation.

I yield to the gentleman from Kentucky [Mr. MAY].

Mr. MAY. I suppose that the gentleman understands that under this bill the Army and Navy will participate in that part of research that relates to military matters and that we will profit greatly in this country from a civilian standpoint by the discoveries of the civilian scientists and the National Academy of Sciences which will aid very much in our postwar activities.

Mr. CASE of South Dakota. Certainly that would be my hope. Unless we can bring in something that the Army and Navy do not have there is not any excuse for passing the bill in the first place.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, with all due respect to my good friend from Ohio I think this bill is very well balanced indeed, and that any changes in it would make the program that has been set up by the Committee on Military Affairs rather difficult to accomplish. You have the representatives of the Army and Navy on a committee with the members of the National Academy of Sciences in order to guide the research program, and then you have funds distributed among the educational, scientific, and other institutions for the purpose of carrying on the research. Let it be understood that the type of research which is anticipated under this bill is not necessarily the development of a particular item for its war purposes but the conduct for national defense purposes of basic and fundamental research in the fields of mathematics, electronics and physics and all of the other highly complicated and highly technical sciences that require brains trained in that sort of thing far beyond the training that can be accomplished by an active member of either the Army or Navy. They are busy in the professional aspects of warfare, while the other men such as Dr. Millikan, Dr. Compton, and Dr. Max Farand who recently passed away, and all the rest of those people in the United States are

highly trained and accomplished scientists. I think it would be a mistake to tie this program down too closely. I am aware of the objections of my friend the gentleman from South Dakota that it might be too closely tied to the Army and Navy, but I do not think so. It would seem to me that the Army and Navy could state their fundamental problem and then these people who are trained in scientific work and research and that sort of thing could proceed to work out the problem that is set before them. Consider for example the device that has already been put forth which will log the position of an aircraft in flight without the necessity of sighting the sun, but by measuring the quantity of magnetic lines of force crossed by the airplane in the course of its flight. That is something that requires a brain that one trained in the Military or Naval Academies is liable not to have produced because he has not gone that far in the study of pure science. If you were to take the better scientific brains of the Naval and Military Academies and give them 10 years' training in research in higher mathematics and electronics and such like, then they would be equally as good scientists, as those civilians who have spent a like time at it otherwise. Officers of our Army and Navy are proficient professional fighting men—not professional research technicians. I think the bill is very well balanced as it is, and say so in what professional capacity I may have.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. MAY. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto do now close.

Mr. TABER. Reserving the right to object, I would like to have 5 minutes and I see a couple of other gentlemen standing. I am wondering if we would not have an opportunity to speak on the bill.

Mr. MAY. Could not the gentleman take his time on the next section?

Mr. TABER. No; not very well.

Mr. MAY. I do not want to defeat the conference that the gentleman on the other side have planned for this afternoon. If we run on we will do that. We must finish the bill today.

I ask unanimcus consent that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. ENGEL] for 3½ minutes.

Mr. ENGEL. Mr. Chairman I do not expect to take the entire 3½ minutes, but I just want to point this out: I do not want the War Department and the Navy Department to dominate the fundamental research program. I mentioned the fact a moment ago regarding the glider program. Young Richard du Pont who was killed in action later in a glider, and another gentleman, appeared before the committee. One of those men had spent a year in Germany. He told me how in 1939 Germany was building gliders and storing them. In spite of that fact the War Department took no action. I think the real problem can be stated in the concluding paragraph of the statement by Dr. Bush which was read by the gentleman from Ohio [Mr. VORYS]. I think the most important part of the quotation he failed to read. Dr. Bush made the following statement:

> We have just learned, for example, that one of the primary reasons why German science failed to maintain its superiority over the Allies is because in the early stages of the war German scientists were diverted from fundamental research to a concentrated effort toward improvement of existing weapons.

The War Department and the Navy Department themselves apparently realized that fact. I am informed that by agreement between the War Department and Navy Department and the National Academy of Sciences, this board will consist of 5 members, one from the War Department, one from the Navy Department, and three civilians. The chairman of the board is to be a civilian. The reason for it is the very reason stated in Dr. Bush's statement.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The gentleman from Washington [Mr. SAVAGE] is recognized for 3 minutes.

Mr. SAVAGE. Mr. Chairman, I am very much in favor of the scientific research remaining as this bill provides, with the civilian people on the program. I think when we apply so much sense to our social problems as we apply to our war programs in this bill we will no longer be faced with an unemployment problem.

Members have taken the floor today to defend Fulton Lewis, Jr., and his attack on the Army engineers who have done such a wonderful job in this war. That is only an example of the type of attacks that have been made on different groups of people in America who have been doing a good job in the war, and is destroying the confidence of the people in many groups of people who have been working and producing for the war effort. It is my opinion that in the radio field he stands the same as Westbrook Pegler does in the newspaper field. It was stated here that people have implicit faith in Fulton Lewis, Jr., but I am sure from my experience that the people at large do not have, and I think he is one of the most dishonest reporters the American people have on the radio.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Washington yields back 1 minute.

The gentleman from New York [Mr. TABER] is recognized for 4 minutes.

Mr. TABER. Mr. Chairman, I am not going to talk about Fulton Lewis, Jr., nor about any activities outside of the research situation.

There is not any question but what America should have proper military research. The thing that bothers me about the bill is that you set up a board and place the undertaking under a board, for you provide:

> In order to enable the National Academy of Sciences through a research board for national security consisting of representatives of the Army, the Navy, and civilians of outstanding accomplishment.

The research to be undertaken would be by agreement between the Secretaries of War and Navy and the president of the Academy. That means, if it means anything, that the operations of the Academy shall be carried on through and by the board. Then you provide a little further on in the bill that the appropriations shall be to the Academy. Then you go a little further and provide that the funds appropriated shall be paid out on vouchers signed by or under the direction of the president of the Academy. It is altogether incongruous and you are setting up a plan that could not possibly work out satisfactorily. It is rather difficult to straighten that thing out by amendment. I would like to see the bill passed, but at the same time I would like to see something set up that would work.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MAY. I know, of course, how ardently the gentleman from New York has tried to economize and save money, and abolish bureaus. What we were faced with originally was a bill that would set up a new organization with a director at $15,000 a year, two assistant directors at $10,000 a year, and with the usual phraseology for automobiles, employees without regard to the Classification Act of 1923, et cetera, et cetera. That is the type of bill we had facing us, and we have tried to avoid that very thing so the gentleman's committee would not be faced with an appropriation of millions to establish another bureau.

Mr. TABER. That would be all right, but how is it going to be done? At one place you say it shall be done through a research board. In another place you say that the funds shall be appropriated to the Academy; and in a third place you say that the disbursements shall be made by or under the direction of the president of the Academy.

To my mind if you are going to retain that language beginning with the word "through" on line 4, page 1, you have got the thing all mixed up, and I fear for the successful administration of the act.

Mr. MAY. The board is a noncompensated board make up of representatives from the War and Navy Departments and from civilian life.

Mr. TABER. All right; but it is the board that is required to do the operating under this act.

The CHAIRMAN. The time of the gentleman from New York has expired; all time has expired.

The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

The Clerk read as follows:

> SEC. 2. Funds appropriated pursuant to this act shall be paid out on vouchers signed by or under the direction of the president of the Academy.
>
> SEC. 3. The National Academy of Sciences shall report from time to time (not less frequently than semiannually) to the Committees on Military Affairs and Naval Affairs of the Senate and House of Representatives, respectively, with respect to its expenditures under this act.

Mr. MAY. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROBINSON of Utah, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3440) authorizing appropriations for a permanent program of scientific research in the interest of national security, had directed him to report the same back to the House with the recommendation that the bill do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. MAY. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENDING TIME FOR RELEASE OF POWERS OF APPOINTMENT

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 206, extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code, with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, after line 5, insert:

"SEC. 2. Section 501 (c) of the Revenue Act of 1932 as added by section 502 (b) of the Revenue Act of 1943, relating to certain discretionary trusts, is amended by striking out the words 'on or after January 1, 1939, and' and inserting in lieu thereof the words 'on or after June 7, 1932, and'."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is the request of the gentleman to agree to the Senate amendment?

Mr. DOUGHTON of North Carolina. Yes.

Mr. MARTIN of Massachusetts. Is that satisfactory to the Republican members of the committee?

Mr. DOUGHTON of North Carolina. Yes. It only changes a date to include certain people.

Mr. WOODRUFF of Michigan. I understand that the minority members of the committee have approved of this action?

Mr. DOUGHTON of North Carolina. I have taken the matter up and there has been no objection raised.

Mr. HINSHAW. Did I hear the Clerk reading that the date was changed from 1939 to 1932 or 1942?

Mr. DOUGHTON of North Carolina. 1932.

Mr. HINSHAW. What is the effect of that?

Mr. DOUGHTON of North Carolina. The effect of it is that we will cover certain cases that were not covered by the original date. It was thought, when the bill passed the House, that it covered all the necessary cases, but it was discovered in the Senate that this amendment is necessary in order to cover certain cases that the House bill did not cover.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole this afternoon and to include a copy of a letter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NATIONAL HOUSING

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 291 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3278) to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Public Buildings and Grounds, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, this is a resolution providing for the consideration of a bill, H. R. 3278, continuing certain functions under the Lanham Act which are essential to the war effort in matters of housing, schools, and so forth. There is no controversy on the bill to speak of. At least, there is none on the rule.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, there are no requests for time on this side, and if the gentleman wishes to move the previous question we can proceed to the consideration of the bill immediately.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. LANHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3278) to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3278, with Mr. RABAUT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. LANHAM. Mr. Chairman, this bill provides an authorization for the necessary appropriations for carrying on the services under title II of the so-called Lanham Act with special reference to the schools that are conducted in the war production areas. It has no reference to construction whatever, but simply to a continuation of these necessary war services.

The committee held extensive hearings, which are entirely explanatory of the purposes of and the necessity for the bill. It involves in its ramifications practically every State in the Union. Many Members of the Congress have been very much interested in its early enactment. Its early enactment is necessary by reason of the fact that in carrying on these schools—and the close of the fiscal year is near at hand—contracts must be made and made promptly with the teachers who will look after the additional burden that the Federal Government has placed upon these schools in the respective States.

I now yield to the gentleman from Ohio.

Mr. McGREGOR. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. McMILLEN].

Mr. McMILLEN of Illinois. Mr. Chairman, I want the distinguished chairman of my committee to understand that I am not objecting generally to the provisions of this bill. He has my esteem and my respect as he does the Members of this House.

This bill provides a sum of $30,000,000 for the operation and maintenance of hospitals, schools and child centers that were necessarily built to meet the emergency in congested districts of war plants where those plants brought in an unusual influx of people to work in those factories. There is now some $10,000,000 left from the present fiscal year which can be used in the next fiscal year, and this $30,000,000 is for the necessary

maintenance and operation of these institutions from July 1, 1945, until June 30, 1946. It was necessary to have child centers, and that is the subject that I want to discuss here for just a few minutes.

During the fiscal year just closing there was approximately $25,000,000 spent for child centers. This bill, as the amount has been estimated by General Fleming, the Federal Housing Agency administrator, allocates $21,300,000 of the $40,000,000 as provided for the fiscal year that begins July 1, 1946, or almost as much money.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. McMILLEN of Illinois. I yield to the gentleman from Texas.

Mr. LANHAM. I would just like to say to my distinguished colleague from Illinois that very temporary arrangements are made in reference to these child-care centers, because a number of them are passing out. In the month of May of this year 55 of these child centers were discontinued, and they will be discontinued as time goes on. With reference to the schools, of course, the necessary contracts have to be made upon the basis of the school year for the employment of these teachers. As to these child centers, it is entirely an estimate. They asked for a great deal more money than that, but a reduction has been made and will be further made if we can reduce the number of these child centers.

Mr. McMILLEN of Illinois. Yes; I understand. As far as the hospitals and the schools are concerned, the amount allocated to them is perhaps not too much, because the populations are going to remain there for a considerable period of time. But the point that I want to make here is this: It is for the benefit of these children whose mothers are working in these plants that I want to encourage the return of the mothers to their homes so they will look after their children during the 24-hour period of the day and not only the period of the day that they are unemployed. I think any qualified and experienced social worker will say that even a second-rate home is preferable to a public or quasi-public institution where these young children are looked after.

I want the children looked after better by encouraging the mothers to go back to their homes or discouraging them from remaining in these war plants. The cut-backs we are hearing about every day demonstrate very clearly that many men are being relieved of their jobs. Willow Run has been closed. They have 42,000 employees. The Studebaker Co. in Chicago has been closed because their contract has been canceled.

I noticed a headline in my city of 60,000 that there has been a cut-back of 1,500 in the Sangamon ordnance plant where they had employed about five or six thousand. Those are small in comparison with the cut-backs in the shipyards and the airplane factories all over the country. What I want to say is that I believe we should be very cautious about encouraging these child-care centers beyond the period that they are absolutely necessary. Those jobs belong to men. Many men are being now thrown out of employment and many women because of their seniority are permitted to remain in those plants. I think we should be very cautious about allocating so much money to these child-care centers to make it too available to them so that they will not go back.

I went to the trouble of writing a letter, to which I have received only a few replies, stating my position about these child-care centers. I wrote letters to the presiding judges of a number of juvenile courts of the country. I chose the courts at random, I did not know the names of the judges. I just addressed a letter to the judge of the juvenile court of Los Angeles or Detroit or the city of Flint and asked them what their reaction on it was and what the record showed as to delinquent and dependent children cases in their courts. I would like to read excerpts from some of these letters. Here is one from my home county judge who has charge of the juvenile matters in the county court. He says:

> It is my belief that your position is well taken when you say the continuation of child-care centers on the present basis will encourage mothers to remain in industry where they otherwise would return to their homes and resume the obligation of caring for their family. I also agree that pressure and very effort should be exerted to encourage their return home.
>
> Although I have no exact figures or statistics upon which to base my opinion, I have arrived at the conclusion that delinquency as well as dependency has increased from 25 percent to 50 percent because of mothers being employed.

He furnishes figures on alleged delinquents from 1939 as compared with 1944–45. In 1939 there were 28, and in 1944–45 there were 61, a very substantial increase.

Of declared delinquents there were 13 in 1939 and 31 in 1944–45.

Then there are many alleged delinquencies which the court dismisses, where they send the children out to relatives or friends to be looked after. Of the alleged delinquencies dismissed there were only 6 in 1939 and 30 in 1944–45. Those are delinquents.

Of the alleged dependents there were 45 in 1939 and 124 in 1944–45. Of the alleged dependent cases that were dismissed there were 7 in 1939 and in 1944–45 there were 32, showing an increase of perhaps 30 percent to 40 percent. I have the years in between but I am just giving you the years 1939 and 1944–45 for the purposes of comparison.

I have a letter here from Judge Bronn of the Department of Domestic Relations in Portland, Oreg. Here is what he said:

> There has been an increase in delinquency cases from 900 in 1940 to 3,200 in 1944. Studies conducted in our probation department definitely show that in a number of cases delinquent children had no proper supervision because their parents were working, and we have found this to be the case in about 20 percent of all cases open at the time the studies were made.
>
> For these reasons it is my opinion that child-care centers still should be provided for in the coming fiscal year.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. McGREGOR. Mr. Chairman, I yield the gentleman one additional minute.

Mr. McMILLEN of Illinois. Here is a letter from the judge of the Juvenile Court in Detroit:

> It is my opinion that the more opportunities offered to this group of mothers to leave their homes and children, the more dangerous the situation becomes. I feel that any expansion of a program to encourage mothers of small children to be employed by the expedient of caring for their children while so employed, should be discouraged.
>
> It is not possible to state statistically, with accuracy, whether the increase in delinquency is due directly to the fact that these mothers are employed, but it is evident from my observation that it is a definite contributing factor to both delinquency and neglect and should be curtailed with all possible speed.

I have several letters just like that. My point is that this $21,300,000 is perhaps too much to allocate for that purpose, inasmuch as it is for the next fiscal year and we certainly do not need as much for that year as we have in the past.

I think it is far better for these children to be looked after by their mothers rather than by these quasi-public institutions.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. McGREGOR. Mr. Chairman, I yield 5 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I want to speak for just a few moments about the child-care facilities and the suggestion that they are not needed from this point out in the same ratio that they have been needed up to this point.

There is a great deal that is fallacious in that argument. We want to remember in the first place that there were 11,000,000 women employed in industry before the war. There have been an additional 5,000,000 women who have come in since the war; therefore the situation created is not wholly a war situation. I would be in complete agreement with the eminent gentleman from Illinois [Mr. McMILLEN], did I not know there were going to be a great many instances where women could not return to their homes, instances where they must work. Of course, the ideal situation is for the children to have the constant care of intelligent mothers. The difficulty is that many war widows are going to be compelled to work to support their families. The wives of many men who have been maimed in the war are going to have to continue to work. The problem is not quite as simple as the gentleman suggests.

Mr. LANHAM. Mr. Chairman, will the gentlewoman yield?

Mrs. BOLTON. I yield.

Mr. LANHAM. Is it not also true that many of these places occupied by women cannot readily be replaced by others, because they have received training which has prepared them to do the work?

Mrs. BOLTON. I thank the gentleman very much for bringing out that point.

Mr. LANHAM. I would also like to call attention to the fact that the hear-

ings disclose a letter from the Governor of Michigan. Our friend from Illinois made reference to Michigan. The Governor of Michigan in his letter cites the urgent need for continuation of these centers in that State.

Mrs. BOLTON. I thank the gentleman.

I am very well aware that Detroit, for instance, is in much the same situation as is Cleveland. There will be at least 58 percent of the women now in industry who will not be able to leave production for various reasons. I feel strongly that we must understand clearly the function that these child-care centers have in the whole program. Many women who have gone into industry have done so, during the war particularly, somewhat from patriotic reasons, and their children have been much in need of adequate care during the day. They are not going to be able to leave. As I have already said, they are not going to be able to go to their homes immediately. Certain the time has not come yet.

There is an idea abroad that the labor situation in Cleveland, for instance, has changed. In reality there have been few cut-backs. Women are still in great demand and we are still gate hiring at 26 big plants. As the chairman of our committee has so well stated, in so many instances women have the importance of experience and of the training they have received. Men cannot be put in their places.

In March the applicants for Lanham funds were asked to summarize their activities and make estimates of funds needed for the next fiscal year. It is interesting that the estimate was an increase for 1946 over the total needs of 1945. Those increases were based primarily on an increase in the number of children that would have to be cared for and increased costs of the types of all services, some of them hospitals, some of them recreational programs. I have the break-down of this which I shall insert in the RECORD at this point.

Break-down of estimate shows in round numbers:

School	$18,000,000
Child care	37,000,000
Hospital	1,000,000
Recreation	5,000,000
Other	1,000,000

So it would be exceedingly shortsighted for us to eliminate this form of help and this form of accepting our responsibilities. Whether one is sympathetic to Federal aids or not—and I am not one of those who is—we have asked many of these women to go into war production; we certainly have some responsibility to them in the matter of the care of their children.

The CHAIRMAN. The time of the gentlewoman from Ohio has expired.

Mr. McGREGOR. Mr. Chairman, I yield the gentlewoman from Ohio two additional minutes.

Mrs. BOLTON. Mr. Chairman, it would be impossible for me to consider that the need for child-care facilities will end the day the war is over. The ramifications of the responsibilities in those war areas are many and varied. They will not end overnight. During the testimony before the Committee on Public Buildings and Grounds the FWA, through an official, said that a survey showed that over 50 percent of mothers using the centers are wives of servicemen who must add to their allotments and must, therefore, continue to work. The study by the War Production Council showed that 50 percent of the mothers who used the nursery centers in Los Angeles, for instance, were the heads of families. Some of these now working in war plants will be laid off as cut-backs take place and they will have to take other jobs as soon as they can find them. The survey further shows that in these same areas there is an abundance of jobs necessary to the war-plant operation in restaurants, stores, and laundries where women work. If the mothers take them as they must, children will still have to be cared for.

I feel very much the responsibility that is mine as one of the few women Members of this House to emphasize the need for these child-care centers, a need that is a war need, a need that must be studied in its relationship to the peacetime interests of women on the production lines and women in other essential duties that have to do with our whole economy. I trust very much that this House will see the wisdom of continuing adequate care.

The CHAIRMAN. The time of the gentlewoman from Ohio has again expired.

Mr. McGREGOR. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, coming from the Detroit area, and Detroit, Mich., having been mentioned here several times this afternoon, I feel it incumbent upon myself to state to the House my position on the subject.

I realized at the very beginning of the war that problems which were created by the war should be solved by the Federal Government and the Congress. Among those problems was the providing of child-care centers for mothers who had gone into our war industries to turn out the sinews of war. The other problem was the question of providing school facilities in those areas where the local school districts and school boards could not do so. I know of no spot in the United States where these two problems became more acute and more pressing than in the Detroit area, a part of which I have the honor to represent, because there the very heart and center of the production of the implements of war was established.

Every Member of this House knows that I am unalterably opposed and always have been to any and every attempt on the part of the Federal Government to encroach upon the sovereignty of the States and also upon the public-school system of this country. I am satisfied with the administration of the funds under the Lanham Act, so-called, that that has not taken place, or is taking place only in a very mild degree; and for that reason I have always supported legislation to provide funds for the purposes stated, and I intend to support this bill.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to my distinguished colleague.

Mr. LANHAM. I wish to call to the attention of my good friend from Michigan the fact that the act itself provides that there can be no interference of any character with the school systems. We simply furnish the money to supply the additional teachers necessary to take care of the children brought in by these in-migrant workers; and that is a Federal obligation forced on the local community.

Mr. DONDERO. The gentleman is correct. That provision was written into the law so there would be no interference on the part of the Federal Government with the local public school system.

One question has been raised here and that is the question of continuing the child-care centers when this war is over. To me it seems a very serious question whether or not the Federal Government should continue that policy or whether it is wise for the Federal Government to continue child-care centers in such places where the work of women in industry has no connection whatever with the war effort. I realize that as long as the war continues there is a necessity for it and that it should be continued; but when the war is over and mothers still insist upon remaining in industry which has no connection whatever with national defense, then it becomes, in my judgment, a question for the States and not the Federal Government; and the Federal Government should withdraw from that field.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. Are we not today considering the immediate situation?

When the war is over we will have to consider all these matters from the standpoint of the States and the Federal Government.

Mr. DONDERO. Yes; I agree with the gentlewoman from Ohio.

Mrs. BOLTON. I am very much in agreement with what the gentleman says.

Mr. DONDERO. That is the correct view to take of this problem. I have nothing further to say except that I intend to support this measure and I hope it will pass without a dissenting vote.

Mr. McGREGOR. Mr. Chairman, this bill as written is strictly a war measure. May I say to the Members of the Committee that this department under General Fleming, as well as the Committee on Public Buildings and Grounds, is making a very careful study of postwar planning and I believe we will have something to bring out a little later.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read, as follows:

Be it enacted, etc., That section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, is amended by striking out "$500,000,000" and inserting in lieu thereof "$530,000,000."

SEC. 2. The last proviso of the act entitled "An act to authorize the appropriation of an additional $200,000,000 to carry out the provisions of title II of the act entitled 'An act to expedite the provision of housing in connection with national defense, and for other purposes,' approved October 14, 1940, as amended," approved July 15, 1943, is amended to read as follows: "*Provided further*, That (a) none of the funds authorized herein shall be used to acquire public works already operated by public or private agencies, except where funds are allottted for substantial additions or improvements to such public works and with the consent of the owners thereof, and (b) the total amount allocated for contributions to public and private agencies for the maintenance and operation of public works after July 1, 1943, shall not exceed $120,000,000."

SEC. 3. The paragraph under the head "War public works (community facilities)" in the First Deficiency Appropriation Act, 1945, is amended by striking out "June 30, 1945" and inserting in lieu thereof "June 30, 1946."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RABAUT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3278) to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes, pursuant to House Resolution 291, he reported the bill back to the House.

The SPEAKER. Under the rule the previous question is ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. RICH, for the balance of the week, on account of official business.

EXTENSION OF REMARKS

Mr. OUTLAND (at the request of Mr. DE LACY) was given permission to extend his remarks in the RECORD and include two excerpts from newspapers.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD in two instances and to include newspaper articles.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and include an article that appeared in the Washington Post on June 18, relating to a speech made in Boston, Mass., by the gentleman from Massachusetts, Hon. JOHN W. MCCORMACK, on the veto issue now before the San Francisco Conference.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an article from the Boston American and in the other to include a most eloquent address and sermon delivered by Rev. Francis J. Carroll.

PERMISSION TO ADDRESS THE HOUSE

Mr. CHENOWETH. Mr. Speaker, I ask unanimous consent that on tomorrow, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

ENROLLED BILL SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3322. An act to amend the act entitled "An act to expedite the provisions of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended.

BILL PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 3322. An act to amend the act entitled "An act to expedite the provisions of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 40 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 20, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, Wednesday, June 20, 1945, at 10 a. m., in the committee room, room 356, Old House Office Building.

COMMITTEE ON THE JUDICIARY

The Committee on the Judiciary will begin hearings at 10 a. m. on Thursday, June 21, 1945, on the following bills with respect to Federal administrative procedure: H. R. 184, H. R. 339, H. R. 1117, H. R. 1203, H. R. 1206, and H. R. 2602. The hearings will be held in the Judiciary Committee room, room 346, Old House Office Building.

The hearing previously scheduled by the Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary for Friday, June 15, 1945, will be held on Monday, June 25, 1945, at 10 a. m. The hearing will be on the provisions of the bills (H. R. 33 and H. R. 3338) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto (referees—method of appointing, compensation, etc.), and will be conducted in the Judiciary Committee room, room 346, Old House Office Building.

There will be a meeting of Subcommitte No. 4 of the Committee on the Judiciary, beginning at 10 a. m. on Wednesday, June 27, 1945, to continue hearings on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, report of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COCHRAN: Committee on Accounts. House Resolution 294. Resolution granting 6 months' salary and $250 funeral expenses to Ada McCullough, wife of Robert McCullough, late an employee of the House; without amendment (Rept. No. 760), Referred to the House Calendar.

Mr. DOUGHTON of North Carolina: Committee on Ways and Means. House Concurrent Resolution 50. Concurrent resolution declaring Congress to have recognized and approved the provisions of section 29.23 (m)-16 of Treasury Regulations 111, and for other purposes; without amendment (Rept. No. 761). Referred to the House Calendar.

Mr. POAGE: Committee on Agriculture. S. 660. An act to transfer certain lands situated in Rapides Parish, La., to board of supervisors of Louisiana State University and Agricultural and Mechanical College; without amendment (Rept. No. 762). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Military Affairs. H. R. 1512. A bill to amend section 9 of the Pay Readjustment Act of 1942 (Public Law 607) by providing for the computation of double-time credits awarded between 1898 and 1912 in determining retired pay; with amendment (Rept. No. 763). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. House Joint Resolution 101. Joint resolution extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended; with amendment (Rept. No. 764). Referred to the Committee of the Whole House on the State of the Union.

Mr. SLAUGHTER: Committee on Rules. House Resolution 296. Resolution providing for the consideration of House Joint Resolution 101, extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended; without amendment (Rept. No. 765). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARTLEY:

H. R. 3497. A bill to repeal the automobile-use tax; to the Committee on Ways and Means.

By Mr. KEOGH:

H. R. 3498. A bill to revise, codify, and enact into law, part 1 of title 28 of the United States Code, entitled "Judiciary and Judicial Procedure"; to the Committee on Revision of the Laws.

By Mr. MILLER of California:

H. R. 3499. A bill to increase the monthly rate of pension payable to certain widows and former widows of veterans of the War With Spain, the Philippine Insurrection, or the China Relief Expedition; to the Committee on Pensions.

By Mr. RANDOLPH:

H. R. 3500. A bill to extend the war-risk insurance on seamen to cover death from any marine risk, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. PATRICK:

H. R. 3501. A bill to amend the Rural Electrification Act to provide for rural telephones, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SOMERS of New York:

H. R. 3502. A bill to fix the salary of the Director of the Geological Survey; to the Committee on Mines and Mining.

By Mr. FORAND:

H. R. 3503. A bill to amend the Bankhead-Jones Farm Tenant Act by making loans thereunder available in certain States and Territories; to the Committee on Agriculture.

By Mr. THOMAS of New Jersey:

H. Res. 295. Resolution to authorize the Speaker to appoint a special committee to investigate the sale of merchant ships and scrap iron to Japan during the 10 years prior to December 7, 1941; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of Kansas:

H. R. 3504. A bill for the relief of Mrs. Alan Sells and the estate of Alan Sells; to the Committee on Claims.

By Mr. ELLIOTT:

H. R. 3505. A bill for the relief of Mrs. Edna Smith, widow of one Frank L. Smith; to the Committee on Claims.

By Mr. FOGARTY:

H. R. 3506. A bill for the relief of Mary A. Wallis; to the Committee on Claims.

By Mr. HINSHAW:

H. R. 3507. A bill for the relief of Mrs. Amelia O. Finley; to the Committee on Claims.

By Mr. HORAN:

H. R. 3508. A bill for the relief of the Northern Lumber & Millwork Co., of Spokane, Wash.; to the Committee on Claims.

By Mr. McCORMACK:

H. R. 3509. A bill for the relief of Sabino Cataldo; to the Committee on Immigration and Naturalization.

By Mr. MALONEY:

H. R. 3510. A bill for the relief of Delery Rice Mills, Inc.; to the Committee on Claims.

By Mr. OUTLAND:

H. R. 3511. A bill for the relief of Elias James Walker Kosmopoulos; to the Committee on Immigration and Naturalization.

By Mr. SMITH of Virginia:

H. R. 3512. A bill for the relief of Willie Lamb and Edgar Lamb; to the Committee on Claims.

By Mr. VINSON:

H. R. 3513. A bill for the relief of Braxton B. Folmar, William Ernest Evans, Joseph Thomas Avery, and Roger H. Philipps; to the Committee on Claims.

By Mr. WASIELEWSKI:

H. R. 3514. A bill for the relief of Paul Stanik; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

963. By Mr. ANDREWS of New York: Resolution by the Buffalo Lodge, No. 15, American Federation of the Physically Handicapped, to place testimony of Assistant Attorney General Wendell Berge, before the Labor Subcommittee to Investigate Aid to the Physically Handicapped in the CONGRESSIONAL RECORD to the Committee on Labor.

964. By Mr. COCHRAN: Petition of Sue Kunz and 22 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

965. Also petition of Frank Cilufo and 33 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

966. Also, petition of Adolph Ebenhock and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

967. Also, petition of William Morrow and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

968. Also, petition of Mr. O'Brien and 22 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

969. By Mr. FULLER: Petition of sundry citizens of the city of Utica, N. Y., urging passage of the Pace bill, H. R. 752; to the Committee on Military Affairs.

970. Also, petition of sundry citizens of Utica, N. Y., urging passage of the Bryson bill, H. R. 2082; to the Committee on the Judiciary.

971. By Mr. GWYNNE of Iowa: Petition signed by many residents of Waterloo, Iowa, urging the adoption of House bill 2082, to prohibit the manufacture, sale, or transportation of alcoholic liquors for the duration of the war; to the Committee on the Judiciary.

972. By Mrs. NORTON: Petition of the City Council of the City of Woodbury, N. J. recording its approval of the favorable report to improve the Schuylkill River as made by the district and division engineers, Corps of Engineers, United States Army; to the Committee on Rivers and Harbors.

973. Also, petition of the City Commission of Camden, N. J., recommending the passage of Senate Joint Resolution 7, establishing a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history; to the Committee on the Library.

974. By Mr. SMITH of Wisconsin: Petition of the Wisconsin Baptist State convention on behalf of Wisconsin citizens of Baptist faith; to the Committee on Military Affairs.

975. By Mr. TABER: Petition of residents of the town of Sterling, in his district, and of Penn Yan, N. Y., in his district, requesting the passage of House bill 2082; to the Committee on the Judiciary.

SENATE

WEDNESDAY, JUNE 20, 1945

(Legislative day of Monday, June 4, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all mercy, who art acquainted with our frailties and forgivest even our craven denials of Thyself, Thou knowest that as we pause in penitential devotion at this daily arbor of quiet we hate the sins that make Thee mourn and that draw us from Thy will and the glory of our better selves. While wild winds of hate and fury sweep across seething nations in a desperate day, may we be strengthened for the highest public duty, even as peacemakers for a torn and tortured world, ever keeping inviolate, apart from all the traffic of life's ways:

"A little place of mystic grace,
Of self and sin swept bare,
Where we may look upon Thy face
And talk with Thee in prayer."

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, June 19, 1945, was dispensed with, and the Journal was approved.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PERSONNEL REQUIREMENTS

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, revised estimates of personnel requirements for that Department for the quarter ended June 30, 1945 (with accompanying papers); to the Committee on Civil Service.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITION

The PRESIDENT pro tempore laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Military Affairs:

Senate Joint Resolution 32

Joint resolution relative to memorializing the Congress of the United States to investigate through its appropriate committee the proposed construction by the War Department of an ammunition loading facility in the county of Marin and to demand of the War Department that activities in connection with the said proposal be discontinued pending such investigation.

Whereas the War Department of the United States is contemplating the construction of major ammunition storage and loading depots in the central San Francisco Bay area; and

Whereas it is planned specifically that an ammunition loading depot with facilities for the loading of four large ammunition ships at one time, will be located at California Point in the county of Marin, and that a magazine storage area will be located on 101

highway opposite Hamilton Field Army Air Base in the said county, requiring the condemnation of 3,603 acres of the finest residential sites and 2,299 acres of the most desirable dairying lands in the State; and

Whereas explosions such as occurred at Port Chicago, Halifax, and Calcutta, have demonstrated that such operations should be located as far as possible from major centers of population and industry; and

Whereas the proposed location would be within 2 miles of San Quentin State Prison, within 3½ miles of major gasoline loading docks at Point Richmond, within 4 miles of the Navy's gasoline and oil storage depot at Point Molate, within 6 miles of major shipyards and oil refineries in Richmond, within 9 miles of Treasure Island where are stationed over 70,000 Navy personnel, within 9 miles of the San Francisco-Oakland Bay Bridge, within 5 miles of the Golden Gate Bridge, and within less than 2 miles of the Marin ship plant constructing Navy tankers at Sausalito, and would adjoin two important Navy installations at California City; and

Whereas over 100,000 people reside within a radius of 6 miles of the proposed ammunition loading site, and over 500,000 within 12 miles of the site, in addition to the war plant, transportation and armed forces facilities mentioned above; and

Whereas claims were paid for damage resulting from the Port Chicago disaster involving the explosion of but one ship as far as 24 miles away, and it is plain that a major explosion at the loading sites contemplated would paralyze the Central Bay Area with tremendous property damage and possibly great loss of life; and

Whereas the Marin Municipal Water District, the public agency supplying the only available water for domestic use of the 78,000 population of Marin County, has by official action after thorough study notified the Army that the water necessary for the personnel and other use of such bases cannot be furnished; and

Whereas the appropriation of approximately 10 square miles of residential and potential residential areas in this suburban district would, without considering the hazard involved, constitute a blight upon this area; and

Whereas it has been demonstrated that other more appropriate, more convenient and more practical sites in less hazardous locations are available, and whereas the present facilities at Benicia are accessible to three transcontinental railroads and to deep water channels while the proposal contemplated would involve the transportation of munitions directly past the Benicia facilities and over an additional 50 miles of single-track railway on which are located two tunnels and which involve various lateral railway connections; and

Whereas it is apparent that the construction contemplated cannot be completed in less than 1 year's time and therefore is not essential to the immediate demands of the war in the Pacific and seems to bear closer relationship to the permanent intentions of the War Department upon this subject: Now, therefore, be it

Resolved, by the Senate and the Assembly of California (jointly), That the Congress of the United States is hereby memorialized to cause through its House Committee on Military Affairs, or any other appropriate committee, the immediate investigation of the proposed facilities and the reasons and need therefor and the comparative availability of other sites for the purposes contemplated, whether they be for the immediate prosecution of the war in the Pacific or for a long-term program of Army preparedness; and be it further

Resolved, That the Congress or the California Representatives therein, or the appropriate committee which may undertake such investigation, be and it is hereby requested to make demand upon the Secretary of War that further activity in the matter of the aforementioned ammunition storage and loading facilities be discontinued pending such investigation; and be it further

Resolved, That the secretary of the senate is hereby directed to transmit copies of this resolution to the Speaker of the House of Representatives, the President pro tempore of the Senate, to the Honorable CLARENCE F. LEA, Representative from the First California District, and to every Senator and Representative from California in the Congress of the United States, and to the Honorable ANDREW J. MAY, chairman of the said House Committee on Military Affairs.

SHORTAGE OF BOXCARS

Mr. CAPPER. Mr. President, I wish to call attention to an important telegram I have just received from the Hill City Chamber of Commerce, Hill City, Kans. That section of the Wheat Belt is greatly disturbed over the shortage of boxcars which exists throughout our section of the country. I am appealing to the ODT and to other departments of the Government at Washington to do everything possible to relieve this situation as quickly as possible. Our farmers will suffer great loss unless help comes quickly. I ask unanimous consent to present the telegram and that it be printed in the RECORD and appropriately referred.

There being no objection, the telegram presented by Mr. CAPPER was received, referred to the Committee on Interstate Commerce, and ordered to be printed in the RECORD, as follows:

ARTHUR CAPPER,
Senate Office Building:

Crop experts estimate that Kansas will harvest the second largest wheat crop in history, approximately 215,000,000 bushels, or about one-fifth of all the wheat to be produced in the United States this year. Great numbers of harvest hands are needed as well as meat and other foodstuffs. On top of all this the shortage of boxcars, the most important item of the list, is likely to force farmers to dump millions of bushels of wheat on the ground, where great quantities of it will be in danger of rotting. Is there not some way that you and other members of the Kansas congressional delegation can bring this situation to the attention of those in authority so that some relief can be provided for farmers that are preparing to work day and night to save this crop?

THE HILL CITY CHAMBER OF COMMERCE,
By VIRGIL PEMBLETON, *President*.
HILL CITY, KANS.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McKELLAR, from the Committee on Appropriations:

H. R. 3363. A bill making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes; with amendments (Rept. No. 380).

By Mr. JOHNSTON of South Carolina, from the Committee on Claims:

H. R. 1792. A bill for the relief of the White Van Line, Inc., of South Bend, Ind.; without amendment (Rept. No. 382); and

H. R. 2727. A bill for the relief of the estate of Herschel Adams, deceased, and Pleas Baker; without amendment (Rept. No. 383).

By Mr. TUNNELL, from the Committee on Claims:

H. R. 2158. A bill for the relief of the Cowden Manufacturing Co.; without amendment (Rept. No. 384).

By Mr. WILSON, from the Committee on Claims:

H. R. 1055. A bill for the relief of the Realty Bond & Mortgage Co. and Robert W. Keith; without amendment (Rept. No. 385); and

H. R. 2286. A bill for the relief of Jane Thayer; without amendment (Rept. No. 386).

By Mr. CAPPER, from the Committee on Claims:

H. R. 1668. A bill for the relief of Mrs. Mary Ellen Keegan Herzog, Francis James Keegan, and Sgt. John Keegan; with an amendment (Rept. No. 387).

By Mr. ELLENDER, from the Committee on Claims:

H. R. 1058. A bill for the relief of W. A. Smoot, Inc.; without amendment (Rept. No. 388);

H. R. 1320. A bill for the relief of M. Elizabeth Quay; without amendment (Rept. No. 389);

H. R. 1677. A bill for the relief of Hires Turner Glass Co.; without amendment (Rept. No. 390);

H. R. 1678. A bill for the relief of Mrs. Ada Wert Illinico; without amendment (Rept. No. 391);

H. R. 1891. A bill for the relief of the Grandview Hospital; without amendment (Rept. No. 392); and

H. R. 2002. A bill for the relief of Joseph Wyzynski; without amendment (Rept. No. 393).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GREEN:

S. 1170. A bill to extend the act entitled "An act to authorize the use for war purposes of silver held or owned by the United States," approved July 12, 1943, as amended; to the Committee on Banking and Currency.

(Mr. HATCH (for himself, Mr. BURTON, and Mr. BALL) introduced Senate bill 1171, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

By Mr. LUCAS:

S. 1172. A bill to provide for an appeal to the Supreme Court of the United States from a decision of the Court of Claims in a suit instituted by Alex Ranieri; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 1173. A bill to repeal section 1 (b) (3) of the Mustering-Out Payment Act of 1944; to the Committee on Military Affairs.

By Mr. BILBO (for himself, Mr. BURTON, and Mr. MEAD):

S. 1174. A bill to authorize the Federal Works Administrator to advance discretionary apportionment funds to be used for the purpose of making plans for the National Memorial Stadium as a postwar project; to the Committee on Appropriations.

By Mr. CHAVEZ:

S. 1175. A bill authorizing the United States Employees' Compensation Commission to take jurisdiction over the claim arising from the death of W. P. Sullivan; to the Committee on Claims.

By Mr. PEPPER:

S. 1176. A bill to amend the Servicemen's Readjustment Act of 1944, with respect to the education and training of veterans; to the Committee on Finance.

By Mr. MORSE:

S. 1177. A bill to exempt War Savings bonds from execution, levy, attachment, garnishment, or other legal process; to the Committee on Finance.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT

Mr. CHAVEZ. Mr. President, at the direction of the Committee on Appropriations, I submit the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraphs 1 and 4 of rule XVI for the purpose of proposing to the bill (H. R. 3368), making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, the following amendment, namely: On page 1, after line 8, insert the following:

"COMMITTEE ON FAIR EMPLOYMENT PRACTICE

"Salaries and expenses: For all expenses necessary to enable the Committee on Fair Employment Practice to carry out any functions lawfully vested in it by Executive Orders Nos. 8802 and 9346, including salary of a chairman at not to exceed $8,000 per annum, and six other members at not to exceed $25 per diem when actually engaged; travel expenses (not to exceed $63,800); expenses of witnesses in attendance at committee hearings, when necessary; printing and binding (not to exceed $4,800); purchase of newspapers and periodicals (not to exceed $500); not to exceed $694 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); and the temporary employment of persons, by contract or otherwise, without regard to section 3709 of the Revised Statutes and the civil-service and classification laws (not to exceed $8,900); $446,200: *Provided*, That no part of the funds herein appropriated shall be used to pay the compensation of any person to initiate, investigate, or prosecute any complaint against any defendant where such defendant does not have the same right to appeal an adverse decision of the Committee on Fair Employment Practice to the President of the United States, or to refer said complaint to the President of the United States for final disposition, as is asserted by or allowed the said Committee on Fair Employment Practice in cases where persons complained against refuse to abide by its orders: *Provided further*, That no part of this appropriation shall be used to pay the compensation of any person to initiate, investigate, or prosecute any proceedings against any person, firm, or corporation which seeks to effect the seizure or operation of any plant or other property of such person, firm, or corporation by Federal authority for failure to abide by any rule or regulation of the Committee on Fair Employment Practice, or for failure to abide by any order passed by the Committee on Fair Employment Practice: *Provided further*, That no part of the funds herein appropriated shall be used to pay the compensation of any person employed by said Committee on Fair Employment Practice who issues or attempts to enforce any rule, regulation, or order which repeals, amends, or modifies any law enacted by the Congress."

Mr. CHAVEZ also submitted an amendment intended to be proposed by him to House bill 3368, making appropriation for war agencies for the fiscal year 1946, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

ADDRESS BY SENATOR ELLENDER BEFORE NATIONAL PUBLIC HOUSING CONFERENCE

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD the address delivered by Senator ELLENDER before the National Public Housing Conference in Washington, D. C., June 19, 1945, which appears in the Appendix.]

HARRY HOPKINS' MISSION TO RUSSIA—ARTICLE BY ERNEST LINDLEY

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an article entitled "Moscow Mission—Credit to Hopkins," written by Ernest Lindley and published in the Washington Post of June 15, 1945, which appears in the Appendix.]

J. B. (JACK) HUTSON, THE FARMERS' FRIEND—EDITORIAL FROM NORTH CAROLINA FARM BUREAU NEWS

[Mr. HOEY asked and obtained leave to have printed in the RECORD an editorial entitled "J. B. (Jack) Hutson, the Farmers' Friend," from the North Carolina Farm Bureau News of June 1945, which appears in the Appendix.]

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

The PRESIDENT pro tempore. In accordance with the unanimous-consent agreement entered into yesterday, the Senate is operating under a time limit, which provides that no Senator shall speak more than once or longer than 20 minutes on any amendment or on the bill.

Mr. LANGER obtained the floor.

Mr. HATCH. Mr. President——

Mr. LANGER. I yield to the Senator from New Mexico, with the understanding that it is not to be taken out of my time.

PROPOSED FEDERAL LABOR RELATIONS ACT

Mr. HATCH. Mr. President, I express my thanks and appreciation to the Senator from North Dakota for graciously yielding to me at this particular time when it was understood that he would have the floor.

Mr. President, in a very short time the Senate will have submitted to it for approval a charter of international peace. Our action here upon that charter will be a major event in the history of civilization. Eventually there will be set up through the international organization courts of justice, boards of arbitration and mediation, and machinery of every kind to the end that law and justice may prevail among nations.

In that supreme task which confronts humanity today our own Nation plays a prominent role. Her position and great influence in all matters looking toward the preservation of international peace do not depend alone upon idealism and vision. Those ideals we hold here of a free people with a democratic form of government contribute greatly to the leadership which we must assume in world affairs, yet it must be recognized that one of the strong and vital factors upon which the future peace of the world may well rest is the strength of our great industrial power. This is not said in any spirit of boasting; it is the mere recognition of obvious facts. Equally it is obvious that our own great industrial strength depends, and will continue to depend, in the future upon effective cooperation between management and labor. Therefore, it is no exaggeration to say that international peace and domestic prosperity alike depend upon peaceful labor relations in the United States.

Nevertheless, we do not have today a general Federal law to provide the means for the peaceful and just settlement of labor controversies. Of course, we have statutes of various kinds, but none of them are comprehensive in their terms. Even the Railway Labor Act does not apply to all the transportation industry. It includes steam and electric railroads, allied water transport and air lines, but it does not cover busses, trucks, streetcars, or steamship lines. The wartime measures do not meet our permanent problem, first, because they are wartime measures and are necessarily temporary in nature; second, because they employ methods, persuasions, and orders which will have no force in peacetime; and, third, because they are not grounded on legal rights and duties, which must be the basis of any effective law.

We have an elaborate system of courts to enforce all varieties of contracts except labor contracts. There is no good reason for not making labor contracts legally enforceable. Indeed, to a limited extent they can be enforced by the courts today. But we need new law to provide for complete, sure, and peaceable enforcement. We have thousands of laws and an extensive administration of justice to require men to deal fairly and justly with one another, to prevent and punish the use of force and violence and oppression, and to require men to accept peacefully impartial decisions of their disputes unless these are labor disputes. But, when labor disputes arise we find the Government unprepared and as yet unwilling to provide the means of peaceful settlement and to insist on a rule of law and order and justice instead of a rule of fists and force.

In saying this I am not speaking critically. Many men have been concerned with these problems—men in this Chamber who now listen to me and other men in public and private life. There are Members of this body who have devoted much time and much effort and have sponsored legislation of various kinds insisting upon the rule of law and order instead of the rule of fists and force. But only recently in a national magazine a nationally known labor leader, challenging the lack of governmental policy, had this to say:

> I say to you that any honest analysis proves plainly that responsibility for the plague of industrial unrest traces back directly to politics and politicians.

Those are strong words, but they are challenging words. We who hold official position are responsible for the laws of the land and the formulation of policies which arise through politics and politicians. If there is a lack of Government policy, if there is a lack of adequate laws, if industrial unrest and disputes are due to sure failures, those failures must rest largely upon us in the legislative branch of Government. It is our task to provide the means for peaceful settlement of industrial strife even as we seek to provide the means for peaceful settlement of international disputes.

If the United States is to aid in the preservation of international peace, if the United States is to reconvert its industries from military to civilian production, if the United States is to avoid vast unemployment and a devastating depression in the next few years, it is the imperative obligation of managers and workers in every major industry to use

every reasonable effort to maintain peaceful and just labor relations, and to settle their differences by negotiation, or through arbitration, without resort to coercive measures and stoppages of production by any party.

This obligation should be written into the law of the land, and there should be provided ample means for governmental assistance and impartial tribunals to make it possible for all persons to fulfill this legal obligation without the sacrifice of their just interests or any fundamental liberty. This obligation to the public interest is the underlying principle of the bill which I shall presently introduce on behalf of my associates and myself.

Before outlining the provisions of the measure, let me explain briefly its origin. For more than a year a volunteer committee, composed largely of lawyers and former public officials having long experience with labor relations, has been working on the draft of a comprehensive Federal law to bring about industrial peace. No organization of employers or employees had anything to do with this work. The committee members donated their time, and the out-of-pocket expenses were met through a philanthropic contribution. When a draft was tentatively completed it was brought to a group of Senators who, it was thought, would be particularly concerned because of their interest in international and domestic peace and their lack of any special partisanship for any economic group which may become involved in a labor dispute.

The Senators who are introducing this bill made a great many substantial changes in the original draft. They consulted men of authority in labor problems who were not serving on the volunteer committee. They consulted several of their colleagues. So the bill which will presently be introduced is the product of more than 18 months' work in which a large number of men of long experience with the problems involved have participated. There is not a single provision, not even a word, which has been written in at the suggestion of any partisan of management or labor. On the contrary, every phrase has had to pass the scrutiny of men of different backgrounds and opinions who had only one primary agreement, which was that the public interest must be maintained as dominant over any private interest.

The most important part of this bill is title I, which, first, establishes the legal duty of employers and employees to make every reasonable effort to settle labor-relations controversies by agreement. To meet this obligation there must be at the outset conferences between representatives of both parties for the purpose of making or revising agreements or settling grievances. These conferences must be held between bona fide authorized representatives.

If conferences fail to bring agreement, either party can invoke the services of a national board of mediation called the Federal Labor Relations Board, composed of five impartial persons appointed by the President and confirmed by the Senate. If mediation fails, the mediators will propose arbitration; and an elaborate mechanism to insure a just arbitration is provided.

If arbitration is refused, a fact-finding commission may be appointed if the controversy threatens a serious interruption of commerce. Up to this point those familiar with the Railway Labor Act will realize that the principles and procedures of that act have simply been applied to other industries. Since that act has operated for over 19 years to maintain peaceful labor relations in one of our previously most disturbed industries, we are proposing to move ahead on a road which, we have ample assurance, is a road to peace.

It should be here explained that the labor controversies made subject to the proposed law are only those arising out of employment in enterprises engaged in interstate commerce or which directly and substantially affect interstate commerce. All employments in local businesses and small establishments are specifically excluded, as are employments in agriculture, in domestic service, and Government service. So the act will operate in a narrower field than that covered by the Fair Labor Standards Act, for example.

Mr. THOMAS of Utah. Mr. President, will the Senator yield for just a word or two at that point?

Mr. HATCH. I yield.

Mr. THOMAS of Utah. What I am going to say, Mr. President, is intended to bear out and strengthen the words which are being uttered by the Senator from New Mexico.

I think anyone who reviews industry-labor relations in America and notes that the Federal Government has been able to take action, and, as the Senator suggests, to enact laws to protect rights and privileges, should at least remember that the task was a difficult one. It was not until 1937 that we were able to overcome a dictum of the Supreme Court of the United States, which held that industry, manufacturing, and mining were of purely local concern. So that the Federal Government's interest in the type of labor the Senator has mentioned has come about only since that time, with the exception of matters involving purely interstate commerce, interpreted in a very narrow way.

Furthermore, even the step forward taken at the great industrial-labor conference of 1941, where it was accepted that labor disputes would be settled by peaceful means, was questioned at the time. We have not had universal support for it, and some went to the extent of saying that the motion, which I myself made, had in it the words "during the emergency." It did not contain that phrase at all.

The Senator from New Mexico is suggesting that what he is discussing is almost an international question. Surely peace between neighbors is quite as important as peace between people who are not neighbors. Already in one nation the medium of the strike has been overcome, and is not used in settling labor-industry disputes. So we know that is no longer necessary.

Let me emphasize again what has been said by making two references to history. Of the score or more treaties which the International Labor Office has recommended to the nations of the world, the United States has been able to adopt but seven or eight of them. The reason is that they were not of Federal concern, and we could accept only treaties which were of Federal concern.

Next, I wish to refer to another step that has been taken, the remarkable resolution passed at the International Labor Conference last May, providing for full employment, putting the nations of the world on their mettle, which is in complete harmony with what the Senator from New Mexico and his colleagues are trying to do now, pointing out that problems of unemployment are of world-wide concern, and should be solved as such.

Within a year, almost, two score nations have accepted the theory of the full employment resolution of the convention. If that had not been adopted, probably that which the Senator from New Mexico is suggesting would not be wholly consistent, but he is actually suggesting a step forward which the nations of the world have already taken.

Therefore, I am sure the Senator will forgive me for not calling him a pioneer in this great field. I am sure he will forgive me for emphasizing that the considerable amount of work which has been done and the progress which has been made heretofore will contribute to the success of that which the Senator suggests. In view of the fact that I have struggled with international labor problems since I came to the Senate, I trust that what the Senator from New Mexico is now attempting will not only receive our support but will receive recognition the world over, and that that which must be done to improve industry-labor relations may be done in order that we may have some semblance of real peace at home and abroad.

Mr. HATCH. Mr. President, I was not only glad to yield to the Senator from Utah but I am most happy to have the contribution which he has made to this discussion. As a matter of fact, I know I am not a pioneer in this field.

The PRESIDING OFFICER (Mr. HOEY in the chair). The time of the Senator from New Mexico on the amendment has expired.

Mr. HATCH. I will speak on the bill, Mr. President.

I looked at the Senator from Utah when I mentioned others who had been long in this field of activity, and he was one of those I had in mind along with the Senator from New York [Mr. WAGNER] and others.

But, Mr. President, I must proceed, because I had forgotten that I was speaking under limitation of debate. How much time have I left?

The PRESIDING OFFICER. The Senator has spoken 20 minutes on the amendment. He has 20 minutes remaining on the bill.

Mr. HATCH. Mr. President, it is also provided in the bill I shall introduce, as it is in the Railway Labor Act, that no party to a controversy shall change the conditions out of which the dispute arose by any one-sided action until the procedures for settlement which are provided have been exhausted. With this limita-

tion the right to strike is expressly preserved; but it is assumed, on the basis of railroad experience, that the need for striking will be practically eliminated and strikes will be a rare occurrence. There has not been a major strike on the railroads since the Railway Labor Act was passed.

The bill also provides for the final settlement of all small grievance disputes, which are disputes over the interpretation of a contract or the imposition of discipline. These minor disputes will be decided by awards of adjustment boards which are made enforceable in the courts as they are under the Railway Labor Act.

It is necessary to call attention to one definite addition to Railway Labor Act procedures. The proposed Federal Industrial Relations Act provides that where the Board finds that severe public hardship will be caused by a stoppage of production, such as a public-utility service, then the Board can require the parties either to agree to set up an arbitration board or to submit their controversy to the decision of a fact-finding commission appointed by the Federal Board or by the President.

Normally a fact-finding commission only makes recommendations which the parties are expected, but not required, to adopt. But, in the special instances where it is found that public necessity requires continuing production, the decision of the commission can be given the force of an arbitration award which is made binding on the parties for a period of normally 1 year but not more than 2 years.

Heretofore I have been describing title I of the proposed act. Title II can be explained briefly. It is a revision of the National Labor Relations Act for three main purposes: First, to strengthen and add to the unfair-labor practices condemned in the present act; second to provide the same remedies against unfair practices by employers and by employees; and third to establish a quasi-judicial tribunal to enforce this law entirely separate from the principal board which has the duty of meditating under title I. Also the duty of conducting elections to settle disputes over representation is transferred to the new mediatory board.

Title III of the bill is devoted to definitions and technical provisions and only one section need be noted. That section provides for an investigation and report to Congress on the much discussed question as to whether legislation is needed to insure democratic control and operation of organizations engaged in collective bargaining. There was a strong sentiment among those who worked on this bill that some legislation was needed to insure that organizations which are granted valuable rights and privileges under this and other laws should be required to represent faithfully the interests of their members. But it was felt that more information should precede the draft of legislation than is available at the present time.

There are many more features of the proposed act which I would like to discuss and which I have not covered, simply in order to be brief. But, of course, the bill must be studied in detail before it can be intelligently approved or condemned. I would warn the extreme partisans of all economic groups that none will be satisfied by this bill. It does not offer either to employers or to employees any aid in advancing purely selfish interests at the expense of the other party or at public cost. It does not even insure that consumers will always be well served. It does provide the ways and means whereby any party to a labor controversy can be assured that his interests will be given careful consideration and not disregarded in the brutal exercise of arbitrary power. It assures management and labor representatives a public hearing and public aid in sustaining any well-grounded claim. It offers to disputants in the field of labor relations an opportunity to submit their disputes to the decisions of public tribunals with a prospect of justice equal to that now held forth by the courts in which all citizens are required today to submit to decisions of most vital and far-reaching effect upon their lives, their liberties, and their pursuit of happiness.

In a word we propose that the last surviving field in which civil warfare is tolerated shall be transformed into a field of industrial peace. This will add immeasurably to the economic strength of our country, increase enormously its power as a champion of international peace and promote the enduring prosperity of the American people.

Mr. President, I now ask unanimous consent to introduce the measure of which I have spoken. It is introduced in my own behalf, and also in behalf of the Senator from Ohio [Mr. BURTON] and the Senator from Minnesota [Mr. BALL.] I ask that it be referred to the appropriate committee.

There being no objection, the bill (S. 1171) to protect interstate and foreign commerce by providing for the prompt, peaceful, and just settlement of labor relations controversies between employers and employees, to establish the rights and obligations of the parties thereto, to amend the National Labor Relations Act, and for other purposes, introduced by Mr. HATCH (for himself, Mr. BURTON, and Mr. BALL), was received, read twice by its title, and referred to the Committee on Education and Labor.

Mr. HATCH. Mr. President, I have referred to a committee which has worked on this matter. I have in my hand a printed pamphlet containing the text of the bill and an outline of its program. On its first page appears a list of the sponsors of the proposed Federal Industrial Relations Act. On the next page begins the outline of a program for industrial peace. I ask that the list of sponsors and the outline of program may be published in the body of the RECORD at this point.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

SPONSORS OF PROPOSED FEDERAL INDUSTRIAL RELATIONS ACT

NONPARTISAN SENATORIAL GROUP

Senator CARL A. HATCH, Democrat, New Mexico.

Senator HAROLD H. BURTON, Republican, Ohio.

Senator JOSEPH H. BALL, Republican, Minnesota.

COMMITTEE TO PROMOTE INDUSTRIAL PEACE

George W. Alger.
Harold Evans.
Samuel S. Fels.
Lawrence Hunt.
William Draper Lewis.
Leon C. Marshall.
Charles B. Rugg.
George B. Sjoselius.
Kirk Smith.
Arthur D. Whiteside.
Donald R. Richberg, chairman, 815 Fifteenth Street NW., Washington, D. C.
Jerome J. Rothschild, secretary, 1732 Bankers Securities Building, Philadelphia, Pa.
Frederic P. Lee, drafting counsel.

OUTLINE OF A PROGRAM FOR INDUSTRIAL PEACE

THE NEED FOR NEW LABOR LAW

The solution of almost every economic and political problem depends upon cooperation between management and labor—and government.

But we have no effective national program for maintaining peaceful and sensible labor relations.

It is the responsibility of government to establish the legal rights and obligations of citizens and to organize an administration of justice in order to redress wrongs and to settle conflicts of interest.

But it has been the prevailing policy of State and Federal Governments to permit "industrial combatants to push their struggle to the limits of the justification of self-interest." (Quoting from an opinion of the eminent Justices Brandeis, Holmes, and Clarke.)

Local, State, and Federal Governments have in the main acted only as umpires of a continuing battle royal. Formerly labor fighters were often hamstrung by injunctions. More recently management fighters have been crippled by restrictive laws. But the right of both parties to wage brutal war with little regard for civilized ethics or for the public welfare has been generally accepted. As a result we find that laws otherwise enforced against violence, intimidation, extortion, destruction of property, mayhem, and even murder, are ignored and treated as dead letters in a labor dispute.

This laxity is not the fault of public officials, but of public opinion. This public opinion is in part written into law, as, for example, in the law which exempts a labor organization from prosecution as a monopoly, and thereby legalizes monopolies and restraints of trade by business managers who are willing to conspire with a labor union. This public opinion is also responsible for the unwritten law which restrains policemen, sheriffs, and judges from enforcing the rules of civilized conflict against either employers or employees when they fight out their differences with a brutality and disregard for the public interest which is simply indefensible.

The American people have tolerated industrial warfare with a vague assumption that this was part of the price to be paid for preserving the "freedom of private enterprise"—including in that term the freedom of both management to manage and of labor to refuse to be managed. But in recent years, particularly during the depression and then during the Second World War, many people (perhaps a large majority) have come to realize that we cannot afford to pay the price of lawlessness and also that civil warfare is not a necessary cost of free enterprise.

If, however, freedom of labor and freedom of management are to be preserved there must be established somewhere a machinery of economic justice through which representatives of labor and management can settle peaceably and justly their inevitable and recurring conflicts of interest. It would be

impractical, however, merely to set up industrial courts to decide the economic and social issues which arise in labor relations.

The ordinary courts are concerned with the enforcements of rights and obligations which are defined by law and capable of enforcement. Underlying the claims which are judicially approved or rejected are agreements, either voluntarily made or those included in what has been called the social compact—rights and obligations of a member of society.

But the major issues in a labor dispute involve not: "What are my rights?" but "What should be my rights?" Minor disputes arise over enforcing trade agreements. But major disputes arise over the making of an agreement. It is one thing to submit to a judge the interpretation and enforcement of a contract right. It is quite a different thing to permit another man to make a contract for parties when there is no way of measuring accurately what each should give to and take from the other.

So the problem of a peaceful adjustment of labor relations is much more complex and difficult than the ordinary administration of justice. There are, however, many procedures that have been found effective to settle peacefully and justly the great bulk of labor controversies; and these form the basis of the program now presented. Before explaining that program we should identify its sponsors.

THE COMMITTEE TO PROMOTE INDUSTRIAL PEACE

In the autumn of 1942 a group of men came together to discuss the need for a comprehensive and consistent Federal law that would meet the responsibility of the Federal Government to promote and to maintain labor relations which would not obstruct but would advance interstate and foreign commerce. The need for such a law was clearly evident in the makeshift procedures adopted in the national emergency of war to insure continuous and efficient production and distribution of vital necessities. No organization, no special interest group, promoted this meeting and those attending represented in their views the most important shades of opinion and economic interest.

This group made itself into a committee to urge the American Law Institute to undertake the drafting of a Federal law of industrial relations. In June 1943 the project was presented to the officials of the American Law Institute through its director, Dr. William Draper Lewis. For reasons, which reflected in no way upon the desirability of the project, the institute decided not to undertake it. Thereafter, the volunteer committee which had become deeply impressed with the need for this work, decided to carry out itself the project with funds made available by the generosity of Samuel S. Fels, of Philadelphia.

For over a year meetings have been held and, after extended discussions of fundamental policies and principles, the initial work of draftsmanship was entrusted to Donald R. Richberg, who had been a coauthor of the Railway Labor Act, the Norris-LaGuardia Act, and the National Industrial Recovery Act. Mr. Richberg served as chairman of the committee and as draftsman, without compensation, as did all other committee members.

The committee adopted the name of Committee to Promote Industrial Peace and met from time to time in extended sessions to criticize and revise drafts of the proposed law. In the final stages of the work the services of Frederic P. Lee, former legislative counsel of the United States Senate, were engaged to assist in perfecting the bill and making sure that all technical requirements were observed.

The final approved draft was then submitted to a number of persons of experience in the field of industrial relations for their advice, with an invitation to join in sponsorship of the bill if it met with their approval. In the membership of the committee and in the additional, invited sponsors, it has been the intention to exclude any persons acting as the representatives of groups of special interest. No representatives of employer or employee associations have been included. Some persons are employers, some have served as lawyers for labor organizations or employers, some as government officials dealing with labor problems. Naturally it was necessary to have the counsel and aid of men of experience and of different backgrounds and viewpoints. But it has been the obligation of everyone participating in the work to give dominant consideration to the public interest and to endeavor to give impartial consideration to the legitimate demands of all groups of conflicting and overlapping economic interests—those of employers and employees, of investors and consumers.

SENATORIAL SPONSORSHIP

The approved committee draft was also submitted to a group of Senators who have performed a conspicuous public service by joint, nonpartisian action in support of a program for international peace. It was thought that these Senators would have a special interest in domestic legislation seeking to promote industrial peace in the United States which would be an essential foundation for any effective participation of the United States in efforts to preserve world peace. These Senators are also men who, through varied experiences in private life and public service, are well-informed as to the causes and consequences of labor relations controversies.

After extensive conferences with Members of the Senatorial group the proposed act, as originally drafted, was substantially revised, and we believe in many ways definitely improved. For example, the functions of mediation and of prosecution of unfair labor practices, which had been originally combined in one board, were separated and two independent authorities established. The senatorial revisions were all found acceptable to the committee; and so the draft printed in this pamphlet presents the context of the bill to be introduced in the Senate as the joint product of the sponsoring Senators and of the Committee to Promote Industrial Peace.

THE FEDERAL INDUSTRIAL RELATIONS ACT

The proposed act begins with a declaration of public policy which is, in brief, to facilitate the prompt, peaceful and just settlement of all labor relations controversies that may interrupt interstate and foreign commerce, and to that end—

1. To encourage the making and maintaining of labor agreements.

2. To support genuine collective bargaining.

3. To provide procedures for settling labor controversies in the Federal field.

4. To leave to the States the handling of local labor controversies.

The purposes of the act are declared to be to promote continuity and regularity of employment by maintaining satisfactory labor relations.

The major administration of the act is given to a Federal Labor Relations Board, which is to be substituted for the present National Labor Relations Board, and which will have a comprehensive authority over the peaceful settlement of all labor controversies in the Federal field, except those now handled under the Railway Labor Act, which remains in full force and effect. The enforcement of prohibition of unfair labor practices is lodged in a separate, but cooperating, tribunal.

The act makes it the duty of all employers and employees to exert every reasonable effort to settle controversies by agreement and to avoid any arbitrary, one-sided change of existing conditions while carrying on the settlement procedures provided in the act.

These settlement procedures are:

1. Negotiations between authorized representatives of the parties to a controversy.

2. If negotiations fail, mediation by the Board, in aid of which the functions of the Conciliation Service and of the Secretary of Labor in connection therewith are transferred to the Board. This is necessary to avoid a duplication of services, since now, for the first time, there will be a regularly established Federal Conciliation Service authorized and directed to promote the settlement of labor controversies in accordance with a defined public policy, statutory duties of employers and employees, and legally established procedures.

3. If mediation fails, there is a machinery of voluntary arbitration provided, which is modeled on the Railway Labor Act arbitration process which has worked well for 19 years.

4. If arbitration is refused, provision is made for a hearing and a report by a fact-finding commission—another device successfully employed under the Railway Labor Act, which has served to adjust every major unsettled controversy for 19 years.

There are three questions which may immediately arise in the mind of a well-informed person:

I. Isn't this a cumbersome machinery to settle a great many petty controversies?

II. What happens when a major controversy is not settled by negotiation or mediation, and voluntary arbitration is refused and the recommendations of a fact-finding commission are disregarded?

III. How is the duty to use the settlement procedures going to be enforced so as to stop arbitrary action by employers or employees that will produce strikes or lockouts or some other one-sided change in their relations?

These questions will be answered in order. But, first, it is necessary to understand that the act divides labor relations controversies into four classes and provides different methods of dealing with the different classes.

1. In class 1 are controversies over representation of employees.

In dealing with class 1 controversies the Board investigates and certifies (after a secret ballot, if necessary) what representation the employees themselves desire.

2. In class 2 are controversies over the making of agreements. These are major controversies which can only be settled satisfactorily by having available the full machinery of negotiation, mediation, arbitration, and fact finding.

3. In class 3 are grievance controversies. These include the mass of petty disputes over applying an agreement, figuring wage payments and imposing discipline. In dealing with these controversies, the Board simply requires the parties to submit them to a bipartisan adjustment board, either established by the parties, or, if they cannot agree, appointed by the Board. If the bipartisan adjustment board is deadlocked, the Board appoints an impartial referee.

It has been the law for years under the Railway Labor Act that the awards of adjustment boards are enforceable in the courts. Many trade agreements make the same provision. These cases are like contract cases in the ordinary courts. In fact it is frequently possible, but unduly expensive to bring an action at law to settle a grievance.

There is no more compulsory arbitration in this provision than in the ordinary rule of law that any party to a contract can sue to enforce it. This is quite widely recognized by both large employers and large labor unions.

4. In class 4 is a catch-all of other types of labor controversies, which are to be handled in a manner similar to class 2 controversies.

I. After reviewing the procedures for dealing with these four classes of controversies it should be apparent that the Board will not be overburdened with handling a mass of petty cases. There are other provisions which aid in giving this assurance, and particularly it should be pointed out that:

1. The act specifically excludes controversies arising out of:

(1) Employment by state or federal government or agencies

(2) Employment by an employer of less than 20 employees (unless a substantial interruption of commerce is threatened)

(3) Employment in agricultural labor by farmers

(4) Employment in domestic service.

(5) Employment by a labor organization.

(6) Employments covered by the Railway Labor Act.

Also, controversies predominantly local, that only indirectly affect interstate commerce, are excluded. These are left to the control of State authority.

Controversies where the place of employment is outside United States jurisdiction, are generally exclueded.

2. The act also provides that in the case of class 3 and class 4 controversies the Board will take jurisdiction only if in its opinion a controversy threatens a substantial interruption of commerce. In a word the Board is not expected to deal with every clothesline dispute but to give its attention to matters of serious importance which, of course, may be sometimes small in size but important for the maintenance of a fundamental principle.

II. Returning now to our second question: What happens when a major controversy is not settled by voluntary agreement in the end? First, let it be pointed out that class 1 controversies are settled by a certificate of representation, which is reviewable and enforceable by the courts. Second, class 3 controversies are settled by an enforceable award. Class 4 controversies are handled in the same manner as class 2. So our second question is: What happens when there is no voluntary settlement of a class 2 controversy over making or maintaining an agreement:

Here we reach a novel and vitally important provision of the act. It is provided (in sec. 11) that, when the Board determines that a special fact-finding commission should be created, the Board must also make public a finding of fact and an announcement as to whether it is necessary, in protection of the public interest, because of severe hardship resulting from the deprivation of an essential service, for the parties to the controversy to be required to accept temporarily a compulsory settlement of their relations. For example, the Board would not make such a finding if the controversy involved only one factory and its employees in a highly competitive industry. But the Board would surely make such a finding if a great city were threatened with a stoppage of electric power and light.

If, after such a finding, the parties continue to fail to agree upon a settlement or upon an arbitration, then the Board is authorized to invest the fact-finding commission with all the powers of a board of arbitration. Then its award is made effective as a final settlement of the controversy for a period of normally 1 year but not longer than 2 years, and the award will be enforceable by the courts.

During the war it has been found absolutely necessary for the President to take over certain plants in order to continue essential production. The compulsory use of property and the compulsory service of men is justified by the needs of national security. The public interest is likewise concerned with the maintenance of essential services in time of peace. Certainly property owners, whose property can be expropriated by paying just compensation, cannot complain of injustice in having a Government tribunal determine temporarily the terms of labor relationship when the continued use of their property is a public necessity. Certainly workers cannot complain of a temporary impartial fixation of the terms of their employment when they are unable to reach agreement with their employer and the continued cooperation of labor and management is essential to the general welfare. This governmental action does not impose involuntary servitude because the act specifically preserves the right of any worker to quit his job. Any limitation of concerted action is clearly justified and within the fundamental authority of government to protect the public health, safety and welfare.

It should be noted that this limited provision for compulsory arbitration is only the last resort of government to protect the public, after every opportunity has been given to private industry to meet its public responsibilities. Only persons who have been unreasonable and neglectful of their public obligations would have any reason to fear the result of such an arbitration. Only those who wish to be protected by a government of people whom they are willing to injure for selfish benefit should be expected to oppose such a law.

III. The third question left open is at once the easiest and the hardest to answer. The act provides ample measures for enforcing the duties imposed. But, forever and forever, the question will be asked: How can you make men obey a law? Disobedience can be punished. Fear of punishment may deter many from disobedience. But unless masses of men and women are willing, and indeed anxious to obey a law of good conduct, can any prohibitions of bad conduct, bring about a prevailing good conduct?

In proposing any law to maintain order by giving assurances of the just settlement of controversies it is necessary to rely on the interest of the masses of the people in peace and good order. One must assume that there will be general support of measures reasonably designed to make the use of peaceful means to settle conflicts more advantageous to most people than reliance on private force. Then, in such a law it is necessary to make it costly and dangerous for short-sighted, lawless, ruthless persons to violate the obligations which the great majority will voluntarily fulfill. In this way assurance is given to those who are inclined to be law-abiding that they will not suffer from the law-breaking of those who will evade or violate a law if that course will seem to serve their immediate self-interest.

So this act provides for the enforcement of administrative orders and for judicial proceedings to prevent and punish violations of the rights confirmed and the legal duties imposed by the act. The enforcement provisions may be summarized as follows:

1. The unfair labor practices which are forbidden in the present National Labor Relations Act have been reenacted and expanded to cover unfair practices by either employers or employees which interfere with the essential freedom of labor to bargain collectively or of management to fulfill its obligations to workers, investors, consumers, and the general welfare. The enforcement procedures of the existing law have been retained. A separate and independent agency named, Unfair Labor Practices Tribunal is created to enforce this part of the law. Legal rights and obligations are to be clarified by regulations adopted by the tribunal. (Secs. 23–27.)

2. It is made a violation of the act for any person to fail to perform duties imposed by the act, or to incite or support any such failure. The Board is authorized to proceed in the courts to restrain violations; and the limitations of the Anti-Injunction Act that might hamper relief are removed in such actions. The Board is authorized also to deny its aid to persons engaged in violations of the act.

The proposed act has been divided into three titles, covering subjects which can be summarized as follows:

Title I is the main body of the act which provides for establishing a machinery of conference, mediation, and arbitration for the settlement of labor controversies in accordance with a declared public policy and statutory duties imposed on employers and employees. The total effect of these duties is to require the parties to labor controversies to exert every reasonable effort to settle those controversies peaceably, through the means provided by the act, and to exert the dominant influence of the public interest in avoiding interruptions of commerce through one-sided, coercive action in support of one private interest, regardless of the public welfare involved in continuous employment and production.

Title II is devoted to amendments of the National Labor Relations Act for the purpose of establishing an independent, quasi-judicial agency to enforce prohibitions against unfair labor practices, which include, in addition to those defined in the National Labor Relations Act, further defined unfair practices both by employers against employees and reciprocally those by employees against employers. The enforcement of these requirements is placed in a body named Unfair Labor Practices Tribunal. This quasi-judicial agency is to be entirely independent of the Federal Labor Relations Board, whose principal functions are those of mediation and peaceful, voluntary settlement of controversies. But it is the intention, by including this procedure in the same act, with a provision for cooperation with the Federal Labor Relations Board, to make certain a consistent, coordinated, and economical handling of all labor controversies subject to Federal authority.

Title III provides the definitions of terms used throughout the act, and the technical requirements of a separability clause and fixation of the time when the act shall take effect. It also provides for an investigation and report to Congress as to whether legislation is needed to assure democratic control of organizations engaged in collective bargaining.

There are many other details of the act which require careful study and an understanding of the particular problems which they are intended to meet if one is to render a final judgment as to the merit of the act in every detail. It has been the purpose of this outline only to provide a summary which would give a broad understanding of the principles and methods adopted in this draft of a Federal law designed to promote industrial peace with justice.

If these principles and methods meet with general approval it can be assumed any disagreements as to detail can be ironed out in the slow process of gaining public support and congressional approval of legislation of this importance. If the sponsors of this draft are able to do no more than to set the wheels in motion for the enactment of a Federal law regulating consistently and sensibly labor relations so as to bring to an end legalized civil warfare in the industries of the United States, they will have accomplished a public service in which they can take great satisfaction.

It is in that spirit that this outline and the attached draft of a Federal Industrial Relations Act are submitted for legislaive consideration and public discussion.

DONALD R. RICHBERG,
Chairman.

Mr. HATCH. Mr. President, I wish to say that those of us who have worked on the bill for a considerable time are quite well aware that it may not be perfect. As I have said, we have not conferred with the extreme partisans on either side of this question. But now

that the bill is actually introduced—a measure in which we believe firmly and strongly, and we believe it is a sound basis for the objective we want to accomplish—we welcome the aid and assistance of every Member of this body and every Member of the other branch of the Congress. We welcome the aid and assistance of everyone interested in the measure, no matter to what group he may belong. As a result of the discussion—and we hope to have full and complete hearings before the committee—we are confident that the Congress of the United States can intelligently and wisely enact legislation which will drive from America the curse of industrial strife, even as we hope to drive the curse of war from the world of men.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. HATCH. I yield to the Senator from Connecticut.

Mr. McMAHON. I have been deeply interested in the remarks of the Senator from New Mexico. I think he has spoken about a problem which is one of the most serious facing postwar America. It is a field in which I have been deeply interested, and in which I have had experience for many years.

As I listened to the distinguished Senator's remarks in connection with the bill, I was struck particularly by the proposal in the bill, as I understand it, for compulsory arbitration in certain instances.

Mr. HATCH. In certain limited instances.

Mr. McMAHON. Of course, I have not had time to study the bill, and I shall be glad to do so. I should like to point out to the Senator at this time that his proposal is a distinctly new step in management-labor relations in this country, and it is a step which in my opinion we should take only after due deliberation, because I believe that any impingement upon the right of workers to enforce their demands must, of course, be weighed against the public interest.

I close by congratulating the Senator upon his able address.

Mr. HATCH. Mr. President, in reply to the Senator from Connecticut, let me say that the question which he has raised is one which we have long discussed, and one which ought to be considered. We desire to have it fully considered. But frankly, when he studies the provisions of the bill I believe he will find that that provision relates only to instances in which private interests must give way to the interests of the general public. I hope the Senator will study the bill. Shortly I hope to have for each Member of the Senate a copy of the printed pamphlet to which I have just referred. I shall send a copy to each Member.

Mr. BALL. Mr. President, will the Senator from North Dakota yield to me?

Mr. LANGER. I yield.

Mr. BALL. I wish to express my appreciation to the Senator from North Dakota for giving us this opportunity to introduce the bill which has just been introduced by the Senator from New Mexico. I dislike very much to interrupt the consideration of the pending bill; but when we made our plans it was with the expectation that the bill would have been disposed of by now, and we could not postpone the introduction of the bill when our expectations were not realized.

Mr. President, I desire to comment briefly on the Federal labor relations bill which the distinguished Senator from New Mexico [Mr. HATCH] has just introduced, and of which I am coauthor along with the Senator from Ohio [Mr. BURTON].

The Senator from New Mexico has ably expressed our conviction that a reasonable measure of peace and harmony in our industrial labor relations here in the United States is as essential to the future security and prosperity of the people of America as is world peace and stability.

Personally I have been convinced for many months that the development of a sound and fair Federal labor relations policy is one of our two major postwar problems. The other, I believe, is a postwar tax program that will provide incentives for enterprise and initiative to expand and provide the full employment essential to our prosperity.

My conviction comes not only from my study over many years of labor relations problems, and our Federal Government's handling of this issue during the current war, but also from a great many discussions of the problems ahead with leaders of both management and labor.

Not one, but scores of employees have told me that unless and until there is a clarification of Federal labor relations policy, plainly written into law and applying equally to all, there is scant chance that managers of smaller enterprises will risk much expansion in the reconversion or immediate postwar period. The risks are simply too great. The uncertainty of Federal policy in this vital field, or the lack of any clear policy, makes it impossible for any employer today to do his postwar planning with any degree of assurance that his labor relations are on any kind of a stable and enduring basis. If illegitimate slowdowns, wildcat strikes, and union interference in management functions are to be the order of the day in the postwar period, no small enterpriser in his right senses will dare risk any major expansion. Such tactics could easily wipe out all his capital in a few weeks, and he knows it. He wants desperately to know where he stands in this all-important field of labor relations, and only his Federal Government can tell him with any degree of certainty.

Likewise, I have talked with many leaders of organized labor who are just as fearful that management will repeat after this war the effort which it made after the First World War to destroy unions. I have seen some indications that a few of our large corporations are preparing for some such campaign. That organized labor will fight to the limit such an attempt goes without saying. The makings for a knock-down, drag-out fight to the finish between management and organized labor are at hand, and there will be plenty of incidents in the lay-offs and rehirings of the reconversion process when this tinder can flame into violent controversy.

If that is permitted to happen—and I am convinced it will happen unless the Federal Government steps into the picture with a sound and fair labor relations policy—neither side of the controversy will win. But the members of all organized labor, the owners of industry, and the people of the United States will lose, and lose heavily, and the strength and influence of the United States, and the contribution which we can make to world stability and peace, will also be weakened materially.

The answer to that issue, clearly visible on the horizon of the future, is not to wait until we are in the midst of a crisis to meet it. That kind of procedure simply does not work. In the nearly 5 years in which I have served in the Senate, Congress has legislated on this problem as it affects the war effort only once, and then at the height of a wave of emotional resentment over a national coal-mining strike. Few who supported it would today argue that the legislation resulting was either wise or adequate.

The labor relations structure of this great industrial Nation is a vast and complicated structure. The issues it raises for Government cannot be dealt with wisely or adequately in the course of a few days or weeks of deliberation when tempers are at white heat because of some critical labor dispute. Sound and fair legislation simply is not written under those conditions, and we all know it.

What the Senator from New Mexico, the Senator from Ohio, and I propose in the bill introduced is that Congress proceed now, while it has time to deliberate and study carefully the complex issues and problems involved, to work out a Federal labor relations policy which will minimize to the greatest degree consistent with our free institutions the dangers of destructive strife between management and labor in the postwar period. Even so, I do not think we have too much time.

The Senator from New Mexico has discussed briefly the main provisions of the bill we propose. I urge every Senator interested in this problem to find time in the next few months to read the bill carefully and if possible discuss it with both management and labor. Undoubtedly it can be improved; but, as it stands, the bill represents the best judgment of many men who have thought about and worked on this problem for nearly 2 years. Admittedly, its provisions have not been discussed with representatives of either management or organized labor. The task has been approached primarily from the public interest viewpoint, with the feeling that interested partisans will have ample opportunity to present their viewpoints in committee hearings.

I should like to mention briefly what I believe are some of the outstanding provisions of the bill. First is its complete separation of the Government's mediation function from its quasi-judicial function. Every person with experience in mediation with whom I have discussed it agrees that it is basically wrong to attempt to have the same agency which must decide complaints of unfair labor practices attempt to mediate labor

disputes. A judge's task is to determine the facts and their legal meaning, and to protect legally defined rights of parties. A mediator's task is to get two parties to a dispute, in an area where rights are not defined by law, to reach an amicable agreement. The two functions do not mix, and the bill we have offered separates them completely. It also would consolidate all conciliation and mediation functions of the Federal Government under the proposed Federal Labor Relations Board by transferring the conciliation service of the Department of Labor to the Board. This is an administrative improvement long overdue.

This bill would impose on both employers and employees a clear and legal obligation, when a dispute occurred, to exhaust the procedures for peaceful settlement outlined in the legislation before resorting to other methods. That means that unilateral action by either party to force immediate capitulation by the other party while a dispute was pending before the Board would be a violation of law.

The bill would protect the public against interruption of vital services, such as electricity or gas or milk deliveries, by requiring that disputes involving such industries be settled by compulsory arbitration. This may sound drastic, but actually it only recognizes the realities of actual practice today. No governor in any State today would permit a labor dispute to close down a vital public utility in a large city. He would utilize the National Guard and every other agency at his disposal first. The necessities of the populations of large cities would force him to do so, and both management and labor in these types of industry know it.

Another section of the bill rewrites the unfair labor practices listed in the National Labor Relations Act, so as to make them apply more equitably to both employers and employees, a change which also is long overdue.

Finally, the proviso in the National Labor Relations Act which legalizes the closed shop is rewritten in the bill. We would not outlaw the closed shop, but the bill would provide that the unfair labor practices tribunal established as the quasi-judicial agency, acting on complaint or on its own volition, would deny a closed-shop contract to a union if it found the organization in violation of any one or all of the following four requirements:

First, that the union is the freely chosen representative of at least 75 percent of the employees involved; second, that the closed shop shall be ratified by at least 60 percent of the employees involved; third, that any qualified person is admitted to union membership; and fourth, that no union member may be deprived of membership except on written charges and after a fair hearing.

I think that there are few genuine liberals who would not agree that the closed shop contract is a dangerous instrument, capable in unscrupulous hands of becoming the means by which individuals are deprived of their equal rights and opportunities. The stock union argument that the closed shop is essential to the maintenance of union discipline is hardly borne out by the experience of the Railroad Brotherhoods, which are legally denied such contracts, and yet have managed to organize almost 100 percent and have by all odds the best membership discipline of any major labor organization.

However, the closed-shop contract, in various forms, is deeply imbedded in the whole structure of American labor relations. To tear it out might easily result in chaos. On the other hand, if the Government is to assume the responsibility of seeing to it that job opportunities are open to all who want to work, it cannot in all conscience permit those opportunities to be monopolized by labor organizations whose leadership and policies do not represent at least a substantial majority of their membership, and which deny membership on an arbitrary basis.

The sponsors of the bill therefore chose the middle course, and it is proposed to write into Federal law the principle recently laid down by court in California, insisting that where there is a closed shop contract there must be an open union, with membership available on a fair basis to all qualified individuals. This at least would eliminate the possibility of a monopoly on employment opportunities.

Mr. President, in conclusion let me say that in the fall of 1941 some of us on the Senate Education and Labor Committee were convinced that our national defense effort would be immensely strengthened if a Federal labor relations policy, defining clearly the rights and responsibilities of parties to labor disputes, and applying equally to all, could be written into our statutes. Pearl Harbor came along, the War Labor Board was created, and our effort failed; the bill was shelved. The War Labor Board attempted at first to operate without any policies. When that failed, it began to develop policies which changed so rapidly that neither management nor labor could keep up with the changes. I believe that our war effort would have been strengthened immensely if we had written our wartime labor relations policy into law, where it belongs.

I am just as convinced that reconversion of industry and our efforts to achieve peacetime prosperity and full employment in the postwar period will be handicapped severely unless Congress this time exercises foresight and, while there is time for calm and considered judgment, writes into law a postwar Federal labor relations policy which will reduce to a minimum industrial strife in those difficult years. It is with that purpose that the Senator from New Mexico [Mr. HATCH], the Senator from Ohio [Mr. BURTON], and I introduce this bill.

Mr. BURTON and Mr. LUCAS addressed the Chair.

Mr. LANGER. I yield first to the junior Senator from Ohio.

Mr. BURTON. I thank the Senator from North Dakota for his generosity. I shall be brief in making the concluding remarks in this series of three statements in regards to the bill introduced today.

Mr. President, the Senator from New Mexico [Mr. HATCH] and the Senator from Minnesota [Mr. BALL] have outlined the purpose and terms of a Federal industrial relations bill which we three have jointly introduced today.

I deem it a privilege to share in the sponsorship of this bill. It seeks to contribute substantially to the domestic stability essential to the postwar production, employment, and prosperity for which all America hopes. The issue rises above partisanship and personalities. It is the issue of Nation-wide recovery, employment, and prosperity.

On June 12, I addressed the Senate upon the theme that international stability is not only an international postwar economic and military necessity, but it is a domestic necessity for postwar prosperity in America. I then emphasized the value of the Charter of the United Nations in establishing such stability. I referred also to a score of other foreign and domestic policies which will be helpful to America in establishing international and domestic stability.

Among these I listed the need for the development of a code of fair industrial labor relations. The bill now introduced is intended as a step toward such a code.

When America seeks to establish prosperity at home after the war, it will do so under a handicap greater than any one ever imagined America would face. I refer to the handicap of our national debt. It will be more than 10 times what it was after World War I. It will exceed $300,000,000,000. This national debt, if averaged equally among the 30,000,000 families of America, amounts to a $10,000 first mortgage upon the home of each of such families.

This great debt must be kept in good standing as a primary condition of America's recovery. It is evidenced by the bonds of the United States. These bonds must be kept good if there is to be any semblance of prosperity in America. They are held by every trustee, insurance company, bank, business house, church, and practically every family in America. If anything shall shake their good standing, the collapse of American credit will be so great that our last depression will resemble prosperity in comparison with what we then shall suffer.

In order that America may estbalish postwar prosperity, and in order that there may be Nation-wide employment in America, these bonds must be kept good. That means, at least, that the interest on them, amounting to approximately $6,000,000,000 a year, must be paid.

This interest can be paid only from taxation. The taxes required to pay this interest and to carry on our Federal Government will be far greater than they were before the war. If such taxes are to be raised from the American people, as I believe they can be, it therefore will be necessary for the American people to produce much more real and taxable wealth after the war than they produced before the war.

All America wants such production, employment, and prosperity to be attained. It is of primary interest to labor, to management, to capital, and to the public that we attain it. It is of special importance to our returning veterans. Such production and such prosperity can be attained if, and only if, there is cooperation to that end on the part of industrial labor, management and capital, agriculture and the public, coupled with governmental leadership of a kind entitled to the full confidence of the American people. The problem is how best to secure such cooperation.

Following the war we shall have enough plants, enough machinery, enough skilled labor, enough skilled supervision, enough materials, and enough means of distribution to meet the required high levels of production. We shall have an infinite demand for our products at home and abroad. We shall have great purchasing power at home if we shall produce the high quality and large quantity of useful products that will sustain widespread employment in the production of it. This calls for that high degree of confidence in our industrial investment, management, and labor policies which will justify investment of new capital in the development of those countless new products, new materials, and new methods of production which have been discovered during the war.

The key to such stability and prosperity is a positive assurance of fairness and justice to all parties.

This bill seeks to supply that assurance. It is based upon our available experience under the Railway Labor Act. It preserves the best features of the Wagner Labor Act. It improves those features which experience has shown should be improved in the interests of all concerned.

This bill takes a fresh view of the essential importance to modern civilization of the continuance of industrial employment and production. Without depriving individuals of their rights to withdraw from employment as individuals, it recognizes the high value to individuals and to the public as a whole, that that depends upon the continuance of production, the continuance of earnings and the steady growth of purchasing power to be derived from the continuance of industrial operations in all major fields of national or international commerce, even while disputes and controversies are being adjusted or decided in a manner which commands the confidence and support of all parties in interest. This bill seeks to dispense justice to all parties, without subjecting them to the handicaps which result from industrial warfare accompanied by physical violence, loss of pay, and loss of production. The bill provides for a Federal Labor Relations Board as a dependable public agency for the mediation and decision of controversies of all kinds arising out of industrial relations. It transfers to that Board the conciliation services of the Government, and it establishes a new and separate unfair labor practices tribunal to give relief against unfair labor practices. It recognizes equal obligations to the public and to each other on the part of management and labor. It retains generally to local jurisdictions those disputes which are of a local nature or of a minor size. It excludes from its scope not only controversies which are predominantly local, but also those arising out of employment by State or Federal Governments or agencies; or by employers of less than 20 employees, except where a substantial interruption of commerce is threatened, or from employment in agricultural labor by farmers, or from employment in domestic service, or from employment by a labor organization, or employments covered by the Railway Labor Act.

It provides also for an investigation and a report to be made to Congress by the Unfair Labor Practices Tribunal "as to whether legislation is necessary or desirable for the purpose of assuring democratic control and operation of labor organizations and of employer organizations engaged, directly or indirectly, in collective bargaining or influencing the actions of parties so engaged."

In short, Mr. President, it is the purpose of this bill to set the wheels in motion for the enactment of a Federal law regulating, consistently and sensibly, labor relations in the interests of all concerned, including employers, employees, investors, and the general public.

It is important to the survival of America, of America's standards of living, and of the principles of freedom of opportunity, that we find the road not only to international but to domestic peace. It is important, in our demonstration to the world of the soundness of our form of government, that we demonstrate that under it we attain higher standards of living, greater volumes of production, greater domestic peace, more widespread employment, and greater opportunities for individual advancement, coupled with fairness and justice to all, than is attained under any other system of government.

Not only do we owe a primary duty to our veterans to make as sure as possible that as a result of their victory there shall be a just and lasting peace among all nations, but we also have a duty to secure for them a just and lasting peace among ourselves, filled with that opportunity and guided by that sense of equal justice and equal freedom for which they are now risking their lives that this Nation may live.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. LANGER. Mr. President, I will first take 20 minutes on my amendment, and then 20 minutes on the bill.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Georgia?

Mr. LANGER. I yield to the Senator from Georgia.

Mr. GEORGE. Mr. President, I suppose it would be unfair to charge the Senator from North Dakota with all the time that is being consumed, but it must be charged to someone.

The PRESIDING OFFICER. The Chair understands that it is to be charged to the Senators who have spoken.

Mr. GEORGE. I have no disposition to take the Senator from North Dakota off the floor. I give notice, however, that I shall make every effort to keep the Senate in session until we complete action on the pending bill today. Every single issue with relation to the proposed measure has been debated before the Senate for the past 11 years, and every argument is familiar to every Senator who has been here or who has had an opportunity to examine the RECORD from time to time. There is no new amendment offered. These are the same amendments which were offered when the original act was passed in 1934. I therefore feel justified in giving notice that I shall make every effort I can to keep the Senate in session until we dispose of the bill today.

Mr. LANGER. Mr. President, I shall first take 20 minutes on the amendment and then 20 minutes on the bill. I am sorry I cannot yield, because I need all the time available to me and I am speaking under a limitation of debate.

First I ask unanimous consent in connection with my remarks of yesterday, to introduce into the RECORD figures prepared by the United States Tariff Commission showing the quantities of certain agricultural products imported in the years 1937 and 1944 inclusive. They show that in 1944, 42,000,000 bushels of barley were imported; 80,000,000 bushels of oats; 10,000,000 bushels of flaxseed; nearly $12,000,000 worth of raw cotton; $60,000,000 worth of leaf tobacco; a tremendous amount of dairy products; 341,000 head of cattle in 1944, and 753,000 head of cattle in 1939; and nearly 11,000,000 bushels of rye. All those agricultural commodities were imported.

The PRESIDING OFFICER. Without objection, the table presented by the Senator from North Dakota will be printed in the RECORD.

The tables are as follows:

Barley: United States imports for consumption, 1937–44

Year	Quantity	Value
	Bushels (48 lbs.)	
1937	10,384,108	$9,563,853
1938	125,781	70,77
1939	776,499	334,037
1940	1,406,172	571,840
1941	898,338	520,000
1942	6,387,496	4,276,498
1943 [1]	[2] 44,607,476	[2] 31,366,343
1944 [1]	[2] 42,300,548	[2] 38,992,562

[1] Preliminary.

[2] Includes import entered free of duty under provisions title 34, U. S. Code, sec. 568 and Executive Order 9177—Emergency purchases of war materials abroad by agencies of the U. S. Government, 1,709,578 bushels valued at $878,261 in 1944 and imports entered free of duty under Public Laws 211 and 272 as follows: 13,531 bushels valued at $14,007 in 1943 and 4,770,766 bushels valued at $4,662,086 in 1944.

Source: Compiled from official statistics of the U. S. Department of Commerce.

Oats: United States imports for consumption, 1937–44

Year	Quantity	Value
	Bushel (32 lbs.)	
1937	57,797	$34,462
1938	5,316	3,885
1939	4,290,884	1,505,588
1940	12,150,942	4,464,380
1941	6,021,024	2,251,019
1942	9,269,659	3,924,686
1943 [1]	[2] 76,738,620	[2] 39,761,946
1944 [1]	[2] 80,126,191	[2] 59,261,977

[1] Preliminary.
[2] Includes imports entered free of duty under provision title 34, U. S. C., sec. 568, and Executive Order 9177—Emergency purchases of war materials abroad by agencies of the U. S. Government, 4,814,874 bushels valued at $3,850,233 in 1944, and imports entered free of duty under Public Laws 211 and 272 as follows: 200,832 bushels valued at $153,797 in 1943 and 42,339,395 bushels valued at $34,815,373 in 1944. Also includes 5,381 bushels valued at $4,398 in 1943 imported free of duty for emergencies.

Source: Compiled from official statistics of the U. S. Department of Commerce.

Flaxseed: United States imports for consumption, 1937–44

Year	Quantity	Value
	1,000 bushels	*1,000 dollars*
1937	28,032	35,202
1938	15,364	19,877
1939	16,028	18,424
1940	11,825	14,121
1941	21,121	15,712
1942	13,691	17,790
1943 [1]	[2] 10,624	[2] 23,158
1944 [1]	[2] 10,897	[2] 31,356

[1] Preliminary.
[2] Includes imports entered free of duty under provisions of title 34, U. S. Code, sec. 568, and Executive Order 9177—Emergency purchases of war materials abroad by agencies of the U. S. Government, 3,848,424 bushels valued at $6,547,816 in 1943 and 306,189 bushels valued at $465,071 in 1944. Also includes 5,566,427 bushels valued at $16,283,732 imported free of duty in 1944 under Public Laws 211 and 272.

Source: Compiled from official statistics of the U. S. Department of Commerce.

Raw cotton: United States imports for consumption, calendar years 1938–44

Calendar year	Quantity		Value
	Pounds	Equivalent 500-pound bales	
1938	92,096,561	184,193	$9,287,014
1939	70,934,801	141,870	7,521,870
1940	79,326,163	158,652	9,041,748
1941	157,146,520	314,293	17,084,959
1942	109,394,140	218,788	17,604,722
1943 [1]	68,530,358	137,061	15,210,703
1944 [1]	55,803,470	111,607	11,679,827

[1] Preliminary.

Source: Official statistics of the U. S. Department of Commerce.

Leaf tobacco (including scrap): Imports for consumption in the United States, 1938–44

Year	Quantity	Value
	1,000 pounds	*1,000 dollars*
1938	68,307	35,926
1939	79,092	36,812
1940	74,407	36,669
1941	75,278	37,883
1942	70,261	36,993
1943 [1]	71,398	41,841
1944 [1]	72,382	60,286

[1] Preliminary.

Source: Compiled from official statistics of the U. S. Department of Commerce.

Dairy products: Imports for consumption, 1938–43

Year	Butter	Cheese	Condensed and evaporated milk	Dried whole milk	Dried skim milk
	Quantity (1,000 pounds)				
1938	1,365	54,418	739.5	52.7	3.5
1939	884	59,060	219.6	3.1	864.9
1940	835	32,578	1.6	5.3	7.8
1941	3,200	19,688	.2	18.6	36.4
1942	19,051	23,410	29.2	27.3	2.3
1943	1,336	24,725	43.1	2.0	------
	Value (1,000 dollars)				
1938	366	11,540	68.7	11.8	0.3
1939	224	12,842	12.7	1.4	23.8
1940	195	7,510	.2	2.4	.5
1941	624	3,854	[1]	3.2	2.6
1942	3,009	4,424	6.6	3.6	.3
1943	327	4,296	6.3	.8	------

[1] Less than $100.

Source: Official statistics of the U. S. Department of Commerce.

Live cattle: Imports for consumption, 1938–44 [1]

Year	Cattle weighing less than 200 pounds	Cattle weighing 200 pounds but less than 700 pounds	Cattle weighing 700 pounds or more		Total number	Total value
			Dairy cows	Other cattle		
	Head	*Head*	*Head*	*Head*	*Head*	*1,000 dollars*
1938	47,708	243,831	7,445	125,346	424,330	9,116
1939	115,092	401,874	8,603	228,001	753,570	20,207
1940	104,602	346,289	9,600	169,720	630,211	16,589
1941	102,195	412,312	13,387	204,488	732,382	21,458
1942	66,518	386,495	19,566	180,054	652,633	22,943
1943	14,269	502,909	34,934	67,826	619,938	18,655
1944	5,841	276,297	33,624	25,696	341,458	15,848

[1] Does not include cattle entered free of duty for breeding purposes.

Source: Official statistics of the U. S. Department of Commerce.

Rye: United States imports for consumption, 1938–44

Year	Quantity	Value
	Bushels (56 lbs.)	
1938	2	$3
1939	23	35
1940	59,633	42,004
1941	9,865,730	4,863,569
1942	407,797	274,407
1943 [1]	2,071,115	1,590,992
1944 [1]	[2] 10,848,131	[2] 10,957,890

[1] Preliminary.
[2] Includes 526,284 bushels valued at $515,708 imported free for supplies of certain vessels and aircraft, and 5,166,812 bushels valued at $5,319,202 imported free under Public Law 211.

Source: Compiled from official statistics of the U. S. Department of Commerce.

Mr. LANGER. As part of my remarks of yesterday, I also ask to have printed in the RECORD an article from the Washington Post entitled "Trend to Communism in Europe Found by Senators During Tour." I read an excerpt from the article.

After a tour of the European war zone, a group of Senators has returned here apprehensive, first, that Germany may try to make war again if Allied pressure is relaxed, and, second, that Communist influence may spread on the Continent. * * * All Europe "is sweeping toward communism or state socialism," Senator REVERCOMB told newsmen. "We've destroyed a bad thing in Europe and perhaps are setting up something just as bad."

The PRESIDING OFFICER. Without objection, the article will be printed in the RECORD.

The article is as follows:

TREND TO COMMUNISM IN EUROPE FOUND BY SENATORS DURING TOUR

After a tour of the European war zone, a group of Senators has returned here apprehensive, first, that Germany may try to make war again if Allied pressure is relaxed and, second, that Communist influence may spread on the Continent.

A missing motor on their big Army transport plane forced the senatorial party to turn back to Casablanca, when they were 2 hours out over the Atlantic, according to Senator GURNEY, Republican, of South Dakota, who commented:

"If anyone on that plane says he wasn't scared, he is quite a liar."

TWO STAY IN EUROPE

Other Senators who returned to the Capital yesterday were: STEWART, Democrat, of Tennessee; MCCLELLAN, Democrat, of Arkansas; BYRD, Democrat, of Virginia; REVERCOMB, Republican, of West Virginia; and EASTLAND, Democrat, of Mississippi. Senators RUSSELL, Democrat, of Georgia, and MAYBANK, Democrat, of South Carolina, who were with the party, remained in Europe and probably will visit Berlin. All the touring Senators are members of either the Military or Naval Affairs Committees.

All Europe "is sweeping toward communism or state socialism," Senator REVERCOMB told newsmen. "We've destroyed a bad thing in Europe and perhaps are setting up something just as bad."

Senator GURNEY, in a separate interview, said:

"We found out that the German people definitely know they are whipped, but we also know that if they had the troops, ammunition, and food they would be at our throats again tomorrow."

Senator BYRD confined himself to saying he had "a fine trip," indicating he might have a statement later.

OPPOSES WITHDRAWING YANKS

Senator EASTLAND joined Senator MCCLELLAN in urging that American troops not be drawn back 150 miles in Germany to a line agreed upon with Russia.

The Mississippian said most of the food-producing area of Germany is in the Russian zone and its products are being used by Russia. Asserting that the Soviet Union is getting the larger share of the occupied Reich, he said the Russians "may start to communize everything behind that line."

"The United States must stand firm," he said, declaring that withdrawal of American troops from the Continent would result in "anarchy."

Senator MCCLELLAN warned that Germany could begin within 10 years to build a dangerous new war machine. He said American troops must be kept there until it is certain German war industry is not to be reconstructed and until there is a satisfactory government.

"There is another important reason which cannot with propriety, however, be discussed at this time," he said.

Mr. LANGER. Mr. President, continuing my remarks of yesterday, I showed then that, according to the distinguished chairman of the Committee on Finance,

the senior Senator from Georgia [Mr. GEORGE], this is not a tariff fight at all. The distinguished chairman said it was a fight between collectivist trade and private trade, and that we had to give the President this power in the interest of the San Francisco Conference and in the interests of peace.

Mr. President, when the Congress turned over most of its powers to President Roosevelt we were told that it was because we were engaged in a total global war. The common people—those who do the fighting and the dying—objected, but we gave to the President the power to send our boys to every corner of the globe. If the reports of the Senators who just returned from Europe are to be believed, the Congress made a sorry mistake in divesting itself of its power and turning it over to one man.

Now again we are asked to divest ourself of power and this time turn it over to President Truman. I like the President, and what I say is not to be construed in any sense as derogatory to him.

But, President Truman still has the same Department of State as had President Roosevelt. Stettinius, of the House of Morgan, former chairman of United States Steel, financial czar extraordinary, still rules. On his right hand we have Nelson Rockefeller, who is universally hated by the common people all over Mexico and South America. On his left hand we have Clayton, the greatest cotton gambler in the world, whose interests are not in the United States only but who has branch offices in Mexico, Peru, Argentina, Paraguay, Brazil, and Egypt at the present time, and who testified that the capital surplus and undivided profits of his company were a little over $50,000,000, and that he was doing business in Russia at the very time when our Government did not recognize Russia and that he did business with Germany and Japan before the War.

Then the President also has Secretary of War Stimson, who did everything he could to get us into this war while still a member of one of the largest corporation firms in New York City; and then we have Forrestall, a New Yorker, head of the Navy.

These men who never milked a cow, who never worked a single day with their hands as day laborers, who never knew what it was to try to support a family on $100 a month, and who have no more conception of the sweat and the labor that it takes to produce a dollar than the man in the moon, are to tell the men and women of America what their toil may yield them. To them we who were elected by the people are asked to turn over one of the most vital functions of our Government. As was so well said by the distinguished senior Senator from Wyoming [Mr. O'MAHONEY], we are asked to surrender a part of the sovereignty of the people to this kind of a crowd that has looted and robbed the common people of this country for years and years and years.

It is evident, Mr. President, that a sufficient number of Senators are in favor of turning over this function of Government to them. But I venture the statement that if this body had among its membership 20 or 30 laboring men who had worked in the coal mines and in the fields, digging out the money to run this Government by the sweat of their brow, if it had 20 or 30 actual honest-to-God farmers who know what it is to get up at 4 o'clock in the morning and work until dark, and if there were added to these farmers and laborers some men who were engaged in small business instead of having sitting here 56 lawyers out of 96 Members of this body, we would not be voting this power away from ourselves to the House of Morgan and to Rockefeller and to Dillon, Read & Co.

Every time when the Congress has voted this power away the record stinks to high heaven. The first speech I made upon this Senate floor was in protest against the Alaskan Highway, on which hundreds of millions of dollars were absolutely squandered. I prophesied then that it would be one of the major scandals of this war, but I could get no ear upon the Senate floor. The testimony showed at that time that we could not find out who had ordered the Alaska Highway to be built.

Yesterday I read into the RECORD the scandalous, humiliating record of the road that was attempted to be built by the administration through Costa Rica toward the Panama Canal.

The voices of the five Senators who went to Europe a year and a half ago still resound through this Chamber of the evidences of wanton waste, lack of statesmanship, and incredible inefficiency on the part of the administration. And now, we whom the people selected, we who like to boast of this being a democratic country—a real democracy—vote to turn this power over to the House of Morgan, Dillon, Read & Co., and the Rockefellers, the millionaire autocracy, and to add another shameful page to American history.

Mr. President, what care these men for the poor people in Russia or Greece or the Balkans or the South American countries? The record of the United States Steel Co., the record of the Rockefellers, the record of their cartels and monopolies, their bloody destruction of the rights of labor and poor men shamefully jump out at us from the pages of history.

I, Mr. President, have no patience with the restoration of kings and queens to their thrones. I am one of those people who believe that the people of the United States did not shed their blood to restore King Leopold of Belgium to his throne, nor any of the rest of the kings and queens who fled their country to once again inflict their obnoxious presence and lord it over the poor people of their countries. This bunch of blue bloods who cannot or will not marry a commoner who shed their red blood in their defense, sickens me, and I would have no regrets if there were a revolution in every one of these countries, and these kings and queens and emperors were wiped out from one end of the world to the other, and the common people took charge of their own governments. The common people, Mr. President, are the same everywhere, whatever their nationality, whatever their color, whatever their religion. Their hopes, their ambitions are the same, and here in this country the Daily Worker, the official paper of the Communist Party, stated on the front page of its paper that I was the most dangerous man in the United States Senate for the Communist Party, and for once the Daily Worker is right.

We wiped out the Communist Party in North Dakota while I was Governor, not by force, not by taking their names off the ballot, but by having a government there of the people, for the people and by the people—a government where every man is king and every woman queen; a government where there is no corruption in the ballot, and where the common people are organized; a government where a man digging a ditch has the same to say about the government as the richest banker, and when there is that kind of government, the common people, on the one hand, do not want cartels and monopolies, nor men like Stettinius, Clayton, and Rockefeller in control, any more than they want the Communists on the other hand. It is my belief that in a representative government when a Senator or Representative is elected to Congress and paid $10,000 a year, which is enough for any Representative or Senator, he should stay on the job all the year around and not take a vacation half the time. The farmer, the laborer, and the soldier, do not have 2, 3, and 4 months' vacation a year. They work, and by their toil produce the wealth which the "pay rollers" expend.

Our Supreme Court is going away in June to be gone all the rest of June, all of July, all of August, and all of September. These judges get $20,000 a year, and already we hear that Congress is going to adjourn for 2 months, and we do this at a time, Mr. President, when we have made no provision for social security, no provision for the aged; and we do it at a time when thousands of our boys are bleeding and dying; we do it at a time when we should be working harder than we have worked in our lives to fight and protect the American people.

Mr. President, I am proud of the fact that the Members of the congressional delegation from the State of North Dakota are opposed to the pending bill. I read into the RECORD a portion of the statement of Representative ROBERTSON of North Dakota against this measure, when he said:

> If we find that we produce economic conditions that result from too low a price for our production, it could well destroy our kind of government and bring to us international socialism, and in this process we would be obliged to accept the low standards of peon labor. I say to you, we cannot help the world by reducing our price level to theirs. Our course should be to maintain our level and then through our leadership, take the position of making our price level serve as a sound foundation for world prices and monetary values.

Mr. President, I ask unanimous consent to place the entire speech of Representative ROBERTSON of North Dakota in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit A.)

Mr. LANGER. Mr. President, I also bring to the attention of the Senate the speech of the other Representative from North Dakota, Mr. LEMKE, and I quote a part of his speech against the pending bill. I agree with what he said. He stated:

Mr. LEMKE. Mr. Chairman, we should never forget that our first duty is to our own people. While until recently we have been engaged in two good-sized wars—wars not of our own making—we all rejoice that one of these wars is over. We hope that the other will now be brought to a speedy conclusion. Before the European victory we were moved by emotions rather than deliberations.

We have become a sort of international WPA—an imperialistic Santa Claus for all the world. We have become so internationalistic that when so many of us wanted to take European junkets, our good Speaker had to put a stop to it. This for the fear that there might not be a majority left to look after Uncle Sam's affairs at home.

I have no doubt that the glamour of seeing foreign princes and princesses, foreign kings and kinglets, and smiling queens, queenlets, and Cleopatras had something to do with these junkets. But permit me to suggest that some of us had better see America first. We have better-looking queens, and more gracious ones, in every hamlet, than you will ever find in any foreign land. I am sure that we can get just as good cocktails and dinners in any blind alley, unless it be one of the 70-course dinners abroad.

I hope that the pampering and kowtowing toward you, while strutting around in foreign lands as a representative of Uncle Sam—the Santa Claus—did not affect your better judgment to the extent that you are now willing to sell America down the river. Let us not forget that in 1939 the average net income per farm family in North and South Dakota was $685, and the net income per farm family in all but about four or five States was less than $1,000.

Yet, during that time I saw trainloads of cattle imported from Canada and Mexico. The annual total importation of meat and meat products during those years was equivalent to about 2,000,000 head of cattle. Our farmers and ranchers were compelled to compete with those importations. Again, to my southern friends, may I state that from 1931 to 1941 we imported cotton and cotton substitutes equivalent to 33,000,000 bales.

Then, after we got into the war, I saw trainloads of farm implements going into Canada and Latin Americas—shiploads to Europe—while these same implements were denied to our own farmers. Just last week in the State of Ohio, I saw a train of 72 cars loaded with cargo carriers—trucks—for the U. S. S. R.

Mr. President, I divert to say that last week and this week upon this floor I read the report from Norman Jensen, of Portal, N. Dak., showing that at this very time, when the farmers cannot get machinery, cannot get binders, and cannot get combines, farm machinery is going through Portal, N. Dak., at a tremendous rate into Canada, and is being shipped all over the world, while our own farmers cannot get farm machinery.

Mr. LEMKE continued in his remarks in the House:

These trucks have been, and are still being, denied to our own people. Of course, the exportation of these trucks represent the ideologies of the present State Department—American Steel.

If I were an international banker—one who clips coupons from foreign bonds—then I would vote for this resolution. I would be perfectly willing to sell the domestic market of the farmer, the laborer, and the small businessman to foreign nations. This so that they could sell their products—products that we ought to produce—in our domestic market and get the money with which to pay the coupons.

If I were an international manufacturer, or an international monopolist with cartels, then I, too, would vote for this resolution. I would be perfectly willing to give our domestic market to foreign nations. This to enable them to get the money from our own people with which to pay for these international goods.

I repeat that if I were an international banker, manufacturer, or monopolist, I, too, would be willing to sell America's domestic market to the lowest foreign bidder. I would be willing to bring our American standard of living for the farmer and the laborer down to that of the Latin-American peon, and the Chinese and Japanese coolies.

The PRESIDING OFFICER. The Senator's time on the amendment has expired.

Mr. LANGER. I shall take 20 minutes on the bill. I continue reading from Mr. LEMKE's speech:

Yet, in spite of the fact that these internationalists constitute but a small percentage of our people, they are a powerful group. They control 95 percent of all our avenues of publicity. They control the radio, the theaters, and the metropolitan press; they have saturated this country with false propaganda; they are interested not in the future of our country but in their own enrichment; they recognize no country, nor any flag, except the flag that follows the almighty dollar.

Sooner or later, there will be an end to Uncle Sam playing Santa Claus to all the world. The pendulum—sanity—will return. When that times comes, we will have a $300,000,000,000 Federal debt. We, 135,000,000 people, possessing less than 10 percent of the world's resources and less than 7 percent of the world's population, will owe more than all the other nations together. We will owe more than the other 2,000,000,000 people that possess 90 percent of the world's resources.

Prior to the war 94 percent of our trade was with ourselves. Why not develop our home market—the 94 percent? Why not extend lend-lease to our own people? Then, at least, we will be dealing with ourselves. Our people will make better use of it, and consume more of our products than foreigners. Why sell our farmers' market, and our laborers' energy to other nations who are unable or unwilling to pay unless we give them credit. That policy should be a policy of the past, not of the future.

Because of mechanical inventions, and chemical discoveries coming out of this war, all nations will become more or less self-sufficient. This will be especially true of the United States. Foreign trade will no longer be essential to our welfare. There will be a few things that we cannot successfully produce, but we can always buy them in the world's open market as long as we have the cash.

Let us fortify ourselves by using our common horse sense, with pepper and salt added. Why should we insist upon trading with foreign nations just for the sake of trading? Why should we be foolish enough to loan money to foreign nations—money with which they promise to buy our goods but do not? Our experience tells us that in the end these nations will have both our goods and our money. Then the taxpayers will have to foot the bill.

This law gives the President the right, by agreements with foreign nations, to reduce tariffs 50 percent. It attempts to take the power to advise and consent from the Senate and lodge the entire power with the President. I stated at the time this law was passed that the result would be that our domestic agricultural markets would be traded or sold to foreign nations.

I now oppose the resolution extending the provisions of that law and continuing the sole authority in the hands of the President—the power to reduce tariffs 50 percent—because my apprehensions have been confirmed. The domestic agricultural markets of this Nation have to a large extent been bartered away or sold to foreign nations.

Some of the so-called reciprocal trade agreements made under the provisions of this law would never have been entered into if the advise and consent of the Senators had been required. They have been entered into by the Secretary of State secretly and in star-chamber proceedings with foreign diplomats. No real opportunity to protest was afforded those who were opposed to trading away the American domestic markets to other nations in exchange for foreign importations.

A trade agreement is a treaty, and any attempt to deprive the Senate of the power to advise and consent to such an agreement is in violation of the plain English language of the Constitution. Even if we should attempt to ignore the plain mandate of the Constitution, I doubt the wisdom of this kind of legislation. I do not believe it will serve the best interest of the American people. After all, the 96 Senators, coming from 48 States, are in a better position to protect and safeguard the people of this entire Nation than is the President who comes from one State.

The tariff in all of these agreements has been reduced at the expense of the American farmer and the American laborer. Prior to 1940, the American domestic market had been opened to the peasants, serfs, and peons of other lands. The products of the Tropics had been substituted for those of our temperate zone. We were told that the people knew nothing about the tariff—that their chosen representatives in Congress would not act as wisely as the President and the Secretary of State.

Our experience now convinces us that the people know how to better protect their domestic markets than the Secretary of State. We now know that Congress more truly reflects the sentiment of the people and more truly protects their interest than does the executive branch of the Government.

Under this policy our Department of Agriculture, up to 1940, was still engaged in destroying and restricting American agricultural production. That Department still believes that we should sell our agricultural markets to foreign nations so as "to service the foreign debt." The trouble is that we are getting altogether too internationally minded. We are suffering with an inferior foreign complex.

Prior to 1940, while our Department of Agriculture talked about overproduction and of servicing the foreign debt and curtailing our people from producing all the things we needed, the Department of State was busy selling the farmer and laborer in foreign-market places. That Department is still seeking foreign concessions, still chasing the illusive rainbow, the will-o'-the-wisp of international trade. It is selling our domestic agricultural markets to foreign horse traders.

This is done by means of the so-called reciprocal trade agreements. I repeat, these agreements are largely suggested by the international bankers, who gambled and speculated in foreign debts and who now desire that the American people should pay their foreign investments indirectly. These agreements are also suggested by the international manufacturers, who wish to sell their manufactured products to foreign people at the expense of American agriculture and labor.

So that under this policy we have one department of government engaged in curtailing American production, and the other one entering into trade agreements with

other nations, trading our domestic markets for the benefit of a few international bankers and manufacturers, entering into agreements in which the best interest of this Nation and its people are entirely forgotten.

I have no objection to lowering the tariff in trading with other nations that have the same standard of living as we have. Nations who pay the same wage to labor. But I object to bringing the American farmer and the American laborer down to the low standard of living, or better no standard at all, of the Latin-American peon or the Chinese and Japanese coolie.

These unfortunate people wear a piece of cloth around the middle of their body for dress, and have a piece of leather—sandals for shoes—strapped around their feet. They eat a bowl of rice or beans for their meal. They exist on 5 or 10 cents a day. Surely we do not wish to compel Americans to compete with this class of labor.

As a result of this un-American policy our country, prior to 1940, was flooded with foreign agricultural and manufactured products as never before in its history—products produced and manufactured in foreign countries with the lowest possible standard of living. We restricted the immigration of European races in order to protect our American standard of living. But we imported, under trade agreements and otherwise, hundreds of millions of dollars' worth of manufactured articles from Asiatic nations, articles produced by human slavery and human misery.

We excluded the Asiatic because of his low standard of living, and at the same time we permitted the articles that his labor produced under unsanitary, brutal, and inhuman conditions to be sold in competition with articles manufactured by labor under the American standard of living. In fact, by importing these goods we invited, we imported, the oriental, the lowest standard of living, for Americans.

We will soon have millions unemployed, and yet we are to import the very things that these men and women should be producing under an American standard of living—not under an Asiatic standard. Why prevent our own people, who will be in want, from producing and manufacturing these articles in order to enrich a few importers and international dealers?

We submit that this is the work of madmen. It is the work of men who know not what they are doing and do not understand or know the foundation upon which the greatness of this Nation was built. It is the work of bureaucrats who lack vision and of incompetents. We challenge not only the fallacy of this policy but we challenge its continuation.

Mr. President, we are told that we should ratify the Charter immediately so that the delegates in San Francisco may know that we are in favor of permanent peace. I say we should fight for peace, but peace will not come to us until there is a complete spiritual revival in America. We are told that in San Francisco America is taking the lead, that we are at the head of the peace movement, and that the common people are hypnotized by some radio stations and some newspapers controlled by Americans. But the truth is that at the very time these leaders talk about peace, a permanent peace, they are planning a peacetime conscription to maintain the largest Army and Navy this country ever maintained in its history.

Mr. President, in view of the fact that so much has been said about peace, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks "Appendix A. Twelve Steps to be Taken Between the Ratification of the World Constitution and Its Going Into Effect (10 years later)," which appears in a book entitled "The American Road to Peace: A Constitution for the World", by Mario A. Pei, of Columbia University.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

APPENDIX A. TWELVE STEPS TO BE TAKEN BETWEEN THE RATIFICATION OF THE WORLD CONSTITUTION AND ITS GOING INTO EFFECT (10 YEARS LATER)

1. The preservation of world order by the United States, the British Empire, and the Soviet Union, with the possible addition of China and France.

2. The taking of a literacy census throughout the world.

3. Passing upon the qualifications of the nations that have ratified the constitution.

4. The creation of new nations and the fusion of national groups that wish to merge.

5. The setting of colonial possessions under the World Government.

6. The beginning of financial conversion to the new world currrency.

7. The beginning of tariff revisions.

8. The beginning of immigration revision.

9. The placing of the world's means of communication under the World Government.

10. The creation of the World Education Office.

11. The selection of the first World supreme court justices.

12. The election of a World President.

Mr. LANGER. Mr. President, we will have peace when the American people are willing to make the necessary sacrifices for peace. We will have peace when Congress makes up its mind to abolish cartels and monopolies and to give the small man a real chance to compete without having the dice loaded against him. We will have peace when 400,000 Mexicans in California are not segregated and kept out of the public schools. We will have peace when the Japanese citizens of the west coast, 2,111 of whom have laid down their lives so far in this war, are not terrorized and discriminated against by their fellow citizens. We will have peace when 13,000,000 Negroes have their God-given rights which they are entitled to under the Constitution of this country. We will have peace when the 200,000 Puerto Ricans in New York City are given a chance to make a decent living, and not have to live in want and squalor. We will have peace, Mr. President, when the hundreds of millions in China, India, and Korea, and other countries can look to the United States with the same hope for the poor man that they can now look to Russia. Today we are battling, as we have for 25 years, for equal rights for women. The women have such rights in Russia. We have a Japanese problem in America, but there is no Japanese problem in Russia. We have a Negro problem and other racial problems in America, but there are no such problems in Russia. That is why Russia is strong; because it has a people's government, which at the present time is weaned away from the old communism and has wiped out cartels and monopolies and it is struggling, struggling, struggling, to give the small man the "four freedoms."

That, Mr. President, is what this fight is all about. No wonder the distinguished Senator from Georgia is worried about the collectivist system on one hand battling with free enterprise on the other—this free enterprise under which 1 percent of the people own 99 percent of the wealth; this free enterprise system under which, as was shown before the committee headed by the distinguished Senator from Wisconsin, one man received an income of $5,000,000 a year, clipping coupons from tax-exempt securities, while on the other hand we find farm families in the South, and in other sections of the country, trying to live on $400 or $500 a year, and millions of white people do not even have the right to vote because of the poll-tax requirements.

Mr. President, I agree with all the fine sentiments enunciated yesterday by the distinguished Senator from Vermont [Mr. AIKEN]. I am for planes transporting milk and fruits and all other farm products, but we cannot have social security, freedom from want, and all the other four freedoms unless Congress will do its duty and assume the duties and the powers so ably described for us by the senior Senator from Wyoming [Mr. O'MAHONEY]. The Constitution gave us definite duties to perform. Why not perform them? Why shamefully turn them over to the millionaires, Rockefeller, Stettinius, and Clayton? Why not give to Harry Truman the kind of support he is entitled to? Why not say to him, "Mr. President, we are going to assist you in this battle?" This is a battle to turn the government of every country on earth back into the hands of the common people, as was so gloriously portrayed by the President 2½ years ago in the proposals of the Atlantic Charter. That is what our boys are fighting for, Mr. President. They are fighting to end war forever. They are fighting for the four freedoms, for the right to have the common people rule everywhere on the earth, not to restore kings, not to make arrangements in foreign countries so that the House of Morgan and other millionaires may again establish banks in Paris, in Germany, and in the four corners of the earth.

Mr. President, I venture to predict that when our brave soldiers come home, if the time ever comes when they must make their choice between the system of government which the Senator from Georgia so much fears and government by a group of millionaires who in this World War have made billions where they made millions in World War I, we can be certain that they will join the Mexicans, the Negroes, the millions of poor whites who are now deprived of the vote in the South, the Puerto Ricans in New York, and the Japanese citizens on the west coast to put up a battle in this country which will make all former political fights shrink into insignificance.

Mr. President, there are those of us who believe that Almighty God created all men equal, regardless of race, color of skin, or creed; that Almighty God did

not create any divine kings, either in Europe or elsewhere; who believe that religion is an integral part of our Government, and that without it we are building on sand and ashes. To us the pending measure is of tremendous importance, because it would take from the people, through their representatives elected to Congress, one of the great vital powers which the common people now possess, and would hurt the chances for a permanent peace. If this measure is enacted, it is destined to hurt the chances for a permanent peace, and to be harmful to the efforts to prevent war in this country and everywhere else.

Mr. President, until the day shall come when the people are given rights which Almighty God intended them to have when He placed them on this earth, we shall have war, war, and more war. Why not today make a start toward recapturing from the President the powers granted the Congress by the Constitution, and fight for the common people?

EXHIBIT A

THE CONGRESS SHOULD WRITE THE TARIFF LAWS

Mr. ROBERTSON of North Dakota. Mr. Chairman, as we here consider this legislation known as H. R. 3240 let us not overlook the fact that it goes farther than merely the extension of trade agreements already in existence. By its own provisions, it provides for an enlargement of the program and lays the foundation for a national policy in the postwar period ahead.

I presume there are many Members who would be willing to renew the reciprocal agreements for a period of 1 or 2 years. While on the other hand, there are many who have held from the very outset that this principle of dealing with rate structures with other nations was wrong in principle and had for its purpose the circumventing of the constitutional two-thirds majority required in the making of treaties by a review of the United States Senate.

By indirection, at least, we have heard again and again that while this bill greatly increases the latitude with which the negotiators may work, there is no intent to use it. I am concerned to ask myself the question—If it is not to be used, then why should it be asked for? I come from a State and represent it at large so completely agricultural that I cannot view with favor the conditions in this legislation without feeling that I have neglected my constitutional responsibility to the people who sent me here to represent them. I cannot believe the great North Dakota wheat crops, the largest last year and the second largest this year in the Nation, now supported by a 42-cent tariff should be bargained off under a plan of reciprocal treaties, if a further reduction of 50 percent is allowed to the President. I cannot yield to further encroachment upon dairy products, lamb, beef, and pork, and some grains. And later I shall deal specifically with the question of sugar beets.

The authority granted in this bill to the President, while by chance it may not be used, it leaves the commodities grown in my State exposed to danger entirely too great, and for that reason if this phase of the bill is adhered to I shall be compelled without question to vote against it in its entirety. My duties and my responsibilities to the farm sections which I represent are clear and understandable.

I listened with great interest yesterday to the distinguished gentleman from Tennessee [Mr. COOPER]. I hold, and have always held, great respect and admiration for this distinguished gentleman, and I am glad to say that I think the presentation of his case yesterday was most ably done. I was particularly interested, however, in that section of his address in which he dealt with the question of the most-favored-nation policy, and if my memory serves me correctly he alleged that this practice came into being under the direction of Secretary of State Charles Evans Hughes, and I should like here to clarify, if I can, the position I believe prevailed in the mind of Charles Evans Hughes and other men of his time as to their views on this all-important question of the favored-nations clause.

I accept the statement of the distinguished gentleman from Tennessee when he says that this came to us from the then Secretary of State, Charles Evans Hughes. I should like to say that many of the leading statesmen in the Republican Party of that time, including Hughes, Elihu Root, Kellogg, and others, were then doing as many men are doing today—contributing toward a better world understanding through what is known as the most-favored-nation treatment. I am impressed with the fact that I believe they had rather a different approach in mind than now practiced in our reciprocal treaties under this administration. The thought of the leaders of that day was directed in the writing of treaties, especially commercial treaties, and it had largely to do with the treatment of Americans traveling in foreign countries, and in the treatment of American vessels in world ports. It dealt specifically with matters of port duties and fees, travel visas, and treatment of American investments in foreign lands, and perhaps other things similar in character. But at no time were matters of tariff rates included either in general treaties with other nations or in commercial treaties.

In other words, it was never the intent of such men as Dingley, McKinley, and other tariff leaders of that generation to think in terms of the favored-nations clause as applying to the general exchange of goods between nations. In all such cases all conditions were provided for within the treaties themselves and ratified under the constitutional provision by two-thirds of the United States Senate. Under this administration, and in the practice of their reciprocal treaties they have incorporated the spirit applied by Mr. Hughes on these other points, to all commodities involved in the reciprocal treaty program.

In this debate there has been considerable effort expended to indicate that the farmers of the Nation were favorable to this legislation. I have gone to considerable lengths to ascertain the views of farmers. That is my particular business as a Representative in Congress, and I have read with great interest the statement of Mr. Fred Brenckman, made before the Ways and Means Committee. Mr. Brenckman spoke in the interest of and for the National Grange, one of the great farm organizations of the United States.

I have on my desk at this time letters from different sections of the country, expressing the views of the Farm Bureau in disapproval of this legislation. I concede, however, that there may be some sections where the Farm Bureau is on record as approving it. I have on my desk telegrams from the different sections of my State in which the Farmers Union is the major farm organization, and I read you here one single telegram which symbolizes the general view of one of the locals of the Farmers Union in the State of North Dakota, and I quote you the telegram:

KENMARE, N. DAK., *May 24, 1945.*

Congressman CHARLES R. ROBERTSON,
Washington, D. C.:

The board of directors of the Farmers Union Creamery of Kenmare, representing 1,040 patrons, went on record at their regular monthly meeting, May 24, 1945, as opposing the passage of Doughton bill, H. R. 2652. They feel that if this bill passes it will work a definite hardship against the dairy industry and the producer of other agricultural products following the war.

FARMERS UNION CREAMERY,
G. W. ORNESS, *Manager.*

The advantage in tariffs can be ascertained by the operation of our economy, and the study of our record with the tariff as part of our Federal economy in a little over 150 years. The United States has grown from a small group of colonies scattered on the Atlantic seaboard until at the present time we do half or more of the dollar business of the world within our own borders. Now, let us compare this condition to India and China, both of which have populations vastly in excess of ours and both of which are older nations. They operate on a free-trade philosophy. And with these disturbing facts before us, we still persist in turning our back on the most dynamic economy in the world because of a theory that is expressed here in this legislation that has never brought freedom to a nation and that has never helped to preserve world peace, and if followed to its conclusion, will drive us into bankruptcy.

If we find that we produce economic conditions that result from too low a price for our production, it could well destroy our kind of government and bring to us international socialism, and in this process we would be obliged to accept the low standards of peon labor. I say to you, we cannot help the world by reducing our price level to theirs. Our course should be to maintain our level and then through our leadership, take the position of making our price level serve as a sound foundation for world prices and monetary values.

We find ourselves today approaching the goal of distress so far as sugar is concerned, and yet had we given due consideration to this situation in time, we should have an adequate supply of sugar at a reasonable price.

An adequate supply of sugar for domestic consumption is dependent upon production in the United States of a substantial percentage of our consumptive needs. After World War I our stock of sugar dropped to a low point and shippers of foreign sugar immediately took advantage of the situation, with sugar prices at retail reaching 25 cents per pound and remaining high until domestic beet sugar came on the market in the fall of 1920. In the early days of World War II the German submarines so interfered with shipping that Cuban sugar could not be delivered and we again became almost entirely dependent on our supply of domestic cane and beet sugar. Experience therefore dictates that we should produce in the continental United States, at least the quantity of sugar necessary to meet our minimum domestic requirements.

Land in the United States is as productive as land anywhere in the world where sugar is produced. Our refineries and processing plants are the most efficient sugar-producing plants in the world. The cost of sugar produced locally as compared with cost of foreign sugar therefore is dependent, almost entirely, upon relative costs of labor. The duty on foreign sugar per hundred pounds therefore should equal the difference in cost of labor to produce a hundred pounds of sugar in the United States over cost of labor to produce a hundred pounds of foreign sugar. Official Government figures to indicate the present cost of producing a hundred pounds of sugar in Cuba with costs at American standard labor prices are not available.

However, it is worth noting that the United States Tariff Commission completed an investigation in 1934 and indicated that the difference in cost of production was $1.50 per hundred pounds. In view of rapid increase in wage rates in the United States in the last 10 years, it is safe to say that the labor cost for growing and producing 100 pounds of sugar in the United States is at least $1.50 over costs in Cuba. In 1934 the

duty on Cuban sugar was fixed at $1.50 per hundred pounds and has since been reduced under reciprocal trade agreements to 75 cents per hundred pounds. The provisions of the proposed bill H. R. 3240 would permit a further reduction of 37½ cents per hundred pounds, definitely assuring the destruction of our domestic sugar industry and leaving the people of the United States dependent in times of peace and war on the philanthropic attitude of foreign producers, and our ability to keep open sea lanes under every condition.

We have been led to believe in this debate that organized labor stands defiantly in favor of this legislation. I take pleasure in quoting here the remarks of I. M. Ornburn, secretary-treasurer of the Union Label Trades Department of the American Federation of Labor:

"After the war one of the greatest difficulties organized labor will have to face is the maintenance of American labor union standards. Our general policy should be to attempt to raise the standards of workers in other countries to our level. We should not be a part of any scheme to lower American standards to those of the workers in various foreign lands.

"In order to carry on world commerce there is always a tendency among internationalists to urge a leveling process for prices of goods in all nations throughout the world. Of course, lowered prices mean lowered wages.

"Eventually, through an orderly tapering-off method, tariffs and other trade barriers might be reduced but it would be a terrific economic shock to the American way of life if our protective walls were demolished overnight in order to create a dribbling exchange of goods between our Nation and other countries of the world.

"Compared with wages of American workers, wages of foreign workers are extremely low. One must always take into consideration, however, that the workers in other lands are not as efficient as those in the United States and Canada. With the use of modern machinery, however, they will go a long way toward equalling the production of the average worker in our country. Just before the war in China, coolie or common labor received only $5 (in United States money) each month, and carpenters received about $10 a month.

"In India the present wage in the textile industry for a week of 54 hours is $2.60 (in our money) and bricklayers receive only $2.40 each week. In the coal-mining industry miners receive $1 for a 60-hour week. These potentially industrial nations that 'experts' on global affairs desire to make competitors of the United States are now being furnished with American machinery and it is well worth our time to consider the fact that when they have supplied domestic needs that their goods will be used to bid down American-made products.

"When we study the difference in wages between America and other countries, it is impossible to understand how we can maintain American standards on a 'free trade' basis with the rest of the world. It is possible that over a long period of time tariffs can be gradually lowered to create a greater exchange of goods but a sudden shift to open markets right after the war would spell ruin for America. The internationalists would sell America short. The foundation for labor's postwar international policy should depend on economies rather than politics. The basis for our international economy should be the American labor standard."

The PRESIDING OFFICER (Mr. BRIGGS in the chair). The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. SHIPSTEAD].

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Guffey	O'Mahoney
Austin	Gurney	Overton
Bailey	Hatch	Pepper
Ball	Hawkes	Radcliffe
Barkley	Hayden	Reed
Bilbo	Hill	Revercomb
Brewster	Hoey	Robertson
Bridges	Johnson, Calif.	Saltonstall
Briggs	Johnson, Colo.	Shipstead
Brooks	Johnston, S. C.	Smith
Burton	Kilgore	Stewart
Bushfield	La Follette	Taft
Butler	Langer	Taylor
Byrd	Lucas	Thomas, Okla.
Capehart	McCarran	Thomas, Utah
Capper	McClellan	Tobey
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Donnell	McMahon	Wagner
Downey	Mead	Walsh
Eastland	Millikin	Wherry
Ellender	Mitchell	White
Ferguson	Moore	Wiley
Fulbright	Morse	Wilson
George	Murdock	Young
Gerry	Myers	
Green	O'Daniel	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Alabama [Mr. BANKHEAD] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe, visiting battlefields.

The Senator from Montana [Mr. MURRAY] is absent on official business.

Mr. WHERRY. The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from Delaware [Mr. BUCK] is necessarily absent.

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

Mr. BILBO obtained the floor.

Mr. GEORGE. Mr. President, will the Senator yield to me?

Mr. BILBO. Is it the Senator's purpose to regain the floor?

Mr. GEORGE. No; I am not endeavoring to take the Senator off the floor. I merely wish to ask him whether he will yield to me long enough to permit me to ascertain whether there is a possibility of obtaining a vote at this time on the pending amendment. If the Senator will yield for that purpose, I should like to ask whether there is to be any further discussion of the pending amendment.

Mr. BILBO. I yield.

Mr. WHITE. Mr. President, so far as I am informed, I know of no Senator on this side of the aisle, except one, who desires to speak on the pending amendment. There is one Senator on this side of the aisle who desires to speak on the amendment.

Mr. GEORGE. Very well.

Mr. WHITE. But other than that one Senator, I know of no other on this side of the aisle who desires to speak on the pending amendment.

Mr. GEORGE. I thought that perhaps the Senator from Mississippi would permit us to have a vote on the pending amendment, if no other Senators desired to speak on it. However, I judge that there is to be further discussion of the amendment.

Mr. WHERRY. That is correct.

Mr. GEORGE. Very well, Mr. President. I thank the Senator from Mississippi for yielding to me for this length of time.

THE FAIR EMPLOYMENT PRACTICE COMMISSION BILL

Mr. BILBO. Mr. President, I wish to call the attention of the Senate to a petition which I received yesterday. It is one of the most remarkable petitions which has come to my attention during my service in the Congress. It came from Atlanta, Ga. I shall read first the letter which accompanied the petition:

ATLANTA, GA., *June 19, 1945.*

Senator THEODORE G. BILBO,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: We believe you will be interested to know that the accompanying petition was circulated in Georgia during the brief period of 4 days. Notwithstanding this limited time, all sections of the State are represented by the signers.

As you will note the petition is in regard to the pending legislation to establish a permanent Fair Employment Practice Commission. We had thought for some time there was widespread misunderstanding of the provisions of this bill, and therefore we ourselves have been agreeably surprised by the response to the petition and by the eagerness with which it has been signed.

Sincerely yours,

ARMAND MAY.
WILLIAM HOLMES BORDERS.
M. ASHBY JONES.

Now I wish to read my reply to the petition and letter. In my reply I point out that the document is a most extraordinary one. My letter reads as follows:

UNITED STATES SENATE,
June 19, 1945.

Rev. WILLIAM HOLMES BORDERS,
Dr. M. ASHBY JONES, and
ARMAND MAY,
Atlanta, Ga.

DEAR GEORGIANS: Your letter of June 19, enclosing an alleged petition from the citizens of the State of Georgia addressed to the Members of the Congress of the United States and a list of the national groups supporting a permanent Fair Employment Practice Commission, was received today.

I note that you state that your petition was circulated for a period of only 4 days, but it is strange and mystifying that you did

not give the address of any petitioner; so it is natural to presume that the great majority of these petitioners, representing Negroes, Quislings of the white race, and other racial minorities hail from the city of Atlanta, the hotbed of Southern Negro intelligentsia, Communists, pinks, Reds, and other offbrands of American citizenship in the South.

If representatives of Georgia resent that characterization of their capital city, they are at liberty to reply.

My letter continues as follows:

In your letter you make the following statement: "We had thought for some time there was widespread misunderstanding of the provisions of this bill." You never uttered a greater truth than you have in these words. If the American people—North, South, East, and West—really understood the provisions of the so-called FEPC bill, there would be a Nation-wide revolution against its perpetuation.

You, or someone for you, have drafted a petition that contains more misinformation—or shall I say downright misrepresentations—erroneous conclusions, and mischievous impressions than I have seen in any one document in a lifetime. I am sure that persons of really intelligent, informed, and analytical minds would not have signed this petition because it is wholly fraudulent on its face.

I note with special interest the incomplete list of national groups supporting the so-called permanent Fair Employment Practice Commission. The names of these groups unquestionably reveal the two outstanding groups of American citizens who are urging the passage of this most communistic legislative monstrosity ever presented to the Congress. Of course, there are many good, well-meaning citizens who are members of the organizations that you list, but those who control the policies of these minority groups are totally and wholly unmindful of the definite provisions of the Constitution of the United States, the rights of the American people, and in general the American way of life.

You state in your petition "Today two schools of thought are in conflict: Democracy with its philosophy of individual rights and dignity; fascism, with its ideology of force built on discrimination against racial and religious minorities."

The whole conception of the proposed FEPC legislation is most certainly in violation of the American doctrine of individual rights and dignity. The whole scheme of this communistic conception of government is to use force instead of education, training, and culture to attain the evident ends and purposes of the sponsors of this un-American and unconstitutional legislative monstrosity.

This legislation is entirely foreign to the principles of American democracy and philosophy of the dual system of our great scheme of constitutional government. This proposed legislation is a studied and planned scheme of the communistic minds of this country to drive the entering wedge that will eventually split and destroy the unity that should obtain in every part of our country and with our American people regardless of race, color, creed, or national origin.

I did not mean to refer in this statement to our late lamented President Roosevelt who issued his directive No. 8802 under the threat and force of the "On to Washington movement" of 200,000 Negroes who, under the leadership of A. Phillip Randolph, threatened to overrun Washington in the midst of our war preparation with these 200,000 Negroes. The President had to do something to avert this tragic scene and disruption at the time.

Mr. President, permit me to digress long enough to state that if Senators will read a recent book by a Negro named Logan, entitled "What the Negro Wants," they will find that he explains the conditions under which President Roosevelt issued the famous directive No. 8802. Four Negroes, including A. Philip Randolph, as well as Aubrey Williams and one member of the Cabinet, wrestled with the President all of one day in persuading him to issue the directive and thereby avert the calamity which they stated would otherwise overtake Washington.

I continue reading from my letter:

The purposes and results of the FEPC will be discontent, dissatisfaction, and innumerable race conflicts not alone in the South but in every community and State of our Nation. The principles of equality, justice, fair dealings, and guaranty of the rights of the individual citizen regardless of race, creed, color, religion, or national origin must be brought about by the processes of education, training, and culture.

Many of the sponsors of this "damnphool" legislation have been led to believe that by its enforcement they will break down the social, cultural, and color lines that are naturally drawn because of the traits, creeds, peculiarities, and nationalities of our cosmopolitan population. These wild, pink-eyed liberals or socialistic dreamers, knowing that by nature water and oil will not mix, propose by force and through an act of Congress to do the impossible.

The intelligentsia of the Negro race believes that through the FEPC they will hasten the day of destroying the color line and bring about social equality between the white man and the black man by which the wise ones hope eventually, by the process of miscegenation and mongrelization, to destroy both the white and black races.

No good citizen wants to deny equal and exac. justice to any citizen because of race, creed, color, religion, or national origin. Neither does a good citizen want to rob other citizens of an equal opportunity to live and to make a living for themselves and their loved ones, but when the unthinking and uninformed minority leaders think that by a mere act of the Congress they can rob free American citizens of the right to employ such labor as best suits their businesses and their environments and their customers, we have forgotten the American ideals and ways and adopted the communistic concepts of totally un-American and foreign ideologies.

I am reading from the letter which I have written to Reverend Borders.

You do the Democratic Party a great injustice when you charge that in its platform of 1944 it pledged the support of the party to a permanent Fair Employment Practice Committee or Commission There is not one word in the Democratic platform of 1944 that would justify any such unreasonable conclusion.

Mr. President, I have before me a copy of the Democratic platform. Senators may read it until Judgment Day arrives and they will not find anything in it to justify this unreasonable monstrosity called the permanent FEPC.

I conclude the reading of my letter.

The right-thinking people of the United States everywhere, as they begin to understand the meaning of the FEPC legislation and its invasion of the individual rights of the American citizen and American businessman are now registering their opposition to this fantastic and communistic un-American and unconstitutional ideology.

A few States have been driven by threats and intimidation of pinkish minorities to enact laws along these un-American lines but I think I am safe in saying that in the fields of trial these States will regret and repent of their error and gradually drift back to the good old free American way of life.

Speaking for myself, I will leave nothing undone this side of heaven or hell to defeat this damnable legislative scheme.

Yours truly,

THEO. G. BILBO.

In this connection, Mr. President, I invite the attention of the Senate to a copy of a letter which I have received from the Southern Hardware Jobbers' Association. The association is composed of a group of businessmen. Their comments on the Fair Employment Practice Act are as follows:

The Southern Hardware Jobbers Association is the trade organization of the Wholesale Hardware Dealers of the States of Virginia, North Carolina, South Carolina, Georgia, Florida, West Virginia, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, and Texas. The purpose of this letter is to register with you the opposition of the national affairs committee of the Southern Hardware Jobbers Association to the proposed Fair Employment Practice Act. We object to the enactment of this for the following reasons:

Only last week I introduced a bill suggested by the National Small Business Organization, the headquarters of which are at Akron, Ohio. At the same time I gave a limited list of business persons who object to this proposed fool legislation. Now I speak with reference to the remainder of the country.

I continue reading:

First. The act reverses American tradition of employment as a contractual relationship and makes employment a property right, thus eliminating those fine distinctions of personal fitness for a job upon which the total business efficiency is based.

Mr. President, the other day I was talking to a leading businessman who is one of the largest wholesalers in my State. He said, "I told my board of directors that they should reduce my salary because I am not doing anything. The Government is now undertaking to tell me whom I shall hire, when I shall hire him, and when I shall fire him. Moreover, the OPA tells me what I shall pay him, how long he shall be worked, and also how much I am to buy, how much I shall pay for it, where I shall buy it, to whom I shall sell, and to whom I shall make charges. There is nothing for me to do except to get money for the pay roll."

The letter continues:

Second. Delegation of authority by the Congress to a Government bureau of power to enact legislation (make laws) and to try citizens for any breach thereof is a dangerous practice. This delegation of authority vitiates the constitutional rights of the Congress and places in jeopardy the property of a citizen without right of trial by court and jury. Transferring a wartime bureau to a permanent status would be a doubtful and unwise act. Sentiment back home is definitely opposed to further extension of bureaus and to the enlargement of Federal pay rolls.

Third. This act is supposed to benefit the Negro race in the United States. Actually, it will have the opposite effect because laws which do not have almost 100 percent public acceptance always prove controversial and provocative of disrespect of law and authority. The northern Democrats and Republicans who are pushing this legislation have not given careful consideration to the

fact that the worst racial disturbances in recent years have occurred in northern industrial cities. It might make them doubtful of their judgment if they would picture the riots and violence which can arise on racial issues out of wide unemployment in industrial areas. The increasing percentage of Negro population in areas outside of the Southern States, while creating an attractive voting bloc for the office holder, is inevitably bringing about the same problems which have plagued the South since the Civil War.

I notice from a report coming from Detroit that that city today is a seething mass of people who have already been discharged from employment. If there are Senators who wish to have the opportunity of witnessing a great deal of trouble in this country, let them continue their support of this damn-fool FEPC legislation, and when the war shall have come to an end they will have all they are looking for.

The letter concludes as follows:

Fourth. The enactment of this act will expose business, Nation-wide, to widened opportunities for legalized blackmailers and professional trouble makers. Not only "color" but race, creed (religion), national origin (Germany, Italy, Japan), and ancestry may be used to pry fees from employers. Imagine the chaos resulting should the employer—and he may be compelled to—have to give consideration to all these factors in building up a working force. The orderly reemployment of men in the armed forces is a sufficient problem for employers without being harassed by the problems brought up by legislation of this character.

The above sentiments are brought to you hopefully, with the request that you do those things which are honorably possible to prevent the enactment of this act.

Yours respectfully,

H. H. TUCKER,
Chairman, National Affairs Committee, Southern Hardware Jobbers' Association.

Members of committee: Frank Hereford, Murray-Brooks Hardware Co., Lake Charles, La.; W. D. Stuart, Richmond Hardware Co., Richmond, Va.; L. D. Nichols, American Hardware & Equipment Co., Charlotte, N. C.; A. C. Cade, Allen & Jemison Co., Tuscaloosa, Ala.; D. D. Peden, Peden Iron & Steel Co., Houston, Tex.; H. H. Tucker, Fones Bros. Hardware Co., Little Rock, Ark.

A few days ago I called the attention of the Senate to a situation that occurred in the State of New York. An industrial plant had a cut-back in its orders, and the proprietor had to dismiss from the plant between 75 and 100 women. He had Jewish women, Negro women, and white Christian women in his employ. So when the time came to dismiss 75, he discharged the Christian white women and retained in his employ the Negro women and the Jewish women. When inquiry was made of him concerning this procedure, he said "I could not do anything else. Suppose I had dismissed just one Negro woman; she would have filed a complaint that I discharged her because of her color; if I discharged a Jewish lady she would have said she had been discharged because of her religion. I did not propose to take any chances, and I just let the white Christian women go, and kept the Negroes and the Jewish women on the job." So it appears that there is no one to look out for the white Christian women. I merely bring that to the attention of the Senate at this time.

The facts I have recited come from business people from different sections of our Nation. It is not a southern question. We will soon be face to face with an attempt to put into an appropriation bill providing for war agencies money to perpetuate the FEPC for another year as an experiment. The regrettable thing about this proposed scheme to provide money in the appropriation bill is that the FEPC is grouped with about half a dozen war agencies necessary to carry on the war, and those who are sponsoring the FEPC have an idea that its opponents cannot afford to talk at length against it because of the other war agencies.

FAIR EMPLOYMENT PRACTICE—ADDRESS BY SENATOR CHAVEZ

Mr. CHAVEZ. Mr. President, along with the notice to suspend the rule given by me earlier today, I ask permission of the Senate to place in the body of the RECORD an address delivered by me last night at Town Hall, New York City, entitled "Fair Employment Practice—A Cornerstone to Foreign Policy."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, distinguished guests, ladies, and gentlemen, first of all, I want to take this opportunity to express my congratulations to the people of the State of New York who have so recently enacted a Fair Employment Practice Act. Not only do I congratulate you, but I also congratulate our Federal Government, since your interest in helping us pass Federal legislation must be heightened by your own success.

It is significant that a number of delegations participating in the San Francisco Conference for world security brought with them resolutions aimed at helping the Conference recognize that world peace cannot become a reality unless men are able to exercise their basic rights without discrimination because of race or creed. This is no new problem to come before international conferences in which this Nation is a participant. Only a few months ago, the final act of the Inter-American Conference on Problems of War and Peace held in Mexico City, was the adoption of the following resolution:

"Whereas world peace cannot be consolidated until men are able to exercise their basic rights without distinction as to race or religion the Inter-American Conference on Problems of War and Peace resolves:

"1. To reaffirm the principle, recognized by all the American States, of equality of rights and opportunities for all men, regardless of race or religion.

"2. To recommend that the Governments of the American republics, without jeopardizing freedom of expression, either oral or written, make every effort to prevent in their respective countries all acts which may provoke discrimination among individuals because of race or religion."

This resolution carries the signatures of the delegations of all the countries participating in the Conference of which the United States was one. Among the signers for this country are Secretary of State Stettinius; Nelson Rockefeller, Assistant Secretary of State; Senator Warren R. Austin, of Vermont; Senator Tom Connally, of Texas; Eric A. Johnston, president of the United States Chamber of Commerce; Julius Luhrsen, secretary of the railroad brotherhoods; George Meany, of the American Federation of Labor, etc.

This question of discrimination based upon the accident of birth, or because of beliefs, can no longer be ignored either here or in our relationships abroad. We all know that there have been elements in Latin America that for their own reasons seek to cast doubt on the motives of the United States in its dealings with nations south of the border. Acts of discrimination against Spanish-Americans are played up in the Latin-American press more than some of us realize. What can the common man, the rank and file of the people on the other side of the Rio Grande, think when they learn that Americans of their own racial strain, of their own religious strain, brothers and sisters and fathers and mothers, who have sent many Americans of the same racial strain to every battlefield, cannot get a position in certain areas of this country on account of discrimination? What good will resolutions and conferences do in that regard, unless implemented by legislation prohibiting discrimination in employment?

The Honorable Sumner Welles, former Under Secretary of State, recently declared:

"Discriminations of this character inevitably cut deep. They create lasting resentments, which no eloquent speeches by Government officials, nor governmental policies, however wise, can ever hope to remove. They exist only in a few places. They are regarded as detestable, and as wholly un-American, by every thinking United States citizen. But so long as they continue anywhere in the United States they are bound to undermine the foundations which the two governments have laid for those cooperative ties which are so greatly to the interest of both countries, and they will, in the wider sense, impair that inter-American relationship which is today more necessary than ever before. Unless these discriminations are obliterated, and obliterated soon, the term 'good-neighbor policy' will lose much of its real meaning."

The archbishop of San Antonio, the Most Reverend Robert E. Lucey, put his finger on the international aspects of economic discrimination against sections of our own citizenry. Speaking of the treatment of minorities in the United States, he declared:

"During the past quarter of a century many good citizens of our country sincerely believed that the race question might well be let alone to work itself out to a happy conclusion by the slow, sure formula of peaceful evolution and patient progress. It was a comfortable philosophy, and if not very hopeful to the minority groups, it largely satisfied the master race.

"But the present world-wide and devastating conflict has disturbed peaceful consciences, opened unseeing eyes and posed stubborn questions that simply will not be downed without direct and adequate answers. Some of these questions sound like this: Why did the Burmese natives refuse to fight for England? What truth is there in the Japanese contention that the white races despise the yellow man? Can we keep our self-respect if we demand that the colored American fight for freedom in Africa and deny him freedom at home? Can we condemn our Latin-Americans to starvation wages, bad housing, and tuberculosis, and then expect them to be strong, robust soldiers of Uncle Sam? Can we tell our Spanish-speaking soldiers that dishonorable discharge from the Army will deprive them of civil rights when they never had any civil rights? In a word, can we, the greatest nation on earth, assume the moral leadership of the world when race riots and murder, political crimes and economic injustices disgrace the very name of America?

"These sharp questions are getting under the skin of every decent American and all are agreed that something has got to be done about it."

A Purple Heart veteran, back from 3 years of fighting in the Southwest Pacific is denied a job with the Chicago streetcar company, which desperately needs operators, and seeks deferments for those it has, because he is of Spanish-American ancestry. That sort of thing is beginning to happen all over the country. The enemy did not discriminate

between this boy and other boys of Anglo-Saxon or Swedish or German ancestry. The Japs and the Germans did not discriminate when they shot our boys. What are these boys going to think as they come home from a victorious war against barbarians with master-race delusions and find that back home in the Nation they fought for, they must belong to a master race in order to get a job.

We have all seen the photographs and posters that show the raising of the Stars and Stripes on Mount Suribachi on Iwo Jima. Three American servicemen took part in that flag raising and lived to tell the tale. One of them was of north European ancestry, one of them was of Latin ancestry, the third was a full-blooded Pima Indian from Arizona. They fought side by side. One hand helped the other. What kind of country have these boys come back to if any one of them can be denied the right to work? Shall we say to any of these boys, "You have the right to die for your country, but not the right to live?" We have drafted our citizens to fight without discrimination as to race, creed, color, national origin, or ancestry. We must guarantee these same citizens the right to work without discrimination.

Millions of our boys of every race, color, and creed have fought and are fighting on the battlefields of all the world to vindicate the principles of democracy and the freedom and dignity of the individual against the challenge of a new barbarism based on race hatred and intolerance. Thousands of them have already made the supreme sacrifice in that struggle. The cause of democracy has been consecrated on the soil of the Philippines and on the islands of the Pacific, in north Africa, and throughout Europe, on soil drenched with American blood. The soil on which that blood was shed does not know whether the skin that was broken was white, or black, or brown, or red. It is for us, the living, here at home, to root out all vestiges in our own economic and social structure of the racial barbarism against which our armies have battled. It would be a national disaster and humiliation if those who have fought valiantly abroad to defend the freedom and dignity of the individual against racial barbarism should come home to find that the bringing of peace meant a termination of the antidiscrimination policy that we have achieved in wartime and a renewal of practices based on false doctrines of racial superiority, doctrines whose hideous consequences in the concentration camps of Germany have become manifest in recent months to millions of Americans who never before gave much thought to the problem. Today, we stand embarked upon the task of reconversion for peace. Shall we reconvert to racial prejudice, national bigotry, and religious discrimination or shall we reconvert to full peacetime employment based on the American principle of equality of human rights?

It was my privilege to serve as chairman of the subcommittee which held hearings on S. 101, the bill to establish a permanent Fair Employment Practice Commission with enforcement powers. Representatives of every faith, every race, every walk of life testified on this measure. I think I lean to the side of conservatism when I estimate that 60,000,000 Americans were represented in those hearings. That is an amazing expression of popular interest in any legislation. Our hearings were widely publicized and continued for 3 days, and in all that array of witnesses there was not one who opposed the enactment of S. 101 or who had any substantial change to suggest in its terms. This is a most impressive demonstration that it would be counter to the will of the people to suspend the activities of the present temporary FEPC until the bill for a permanent commission is enacted.

To me, the most encouraging thing that was developed at these hearings was that the representatives of all the different faiths of our American people—Protestant, Catholic, and Jewish—have been unanimous in coming before the Senate committee to express their opinions on the importance of enacting this bill. The position of the churches on this question is very clear.

Representatives of labor and of capital, men high in the council of both political parties, men and women from all sections of our country—the most eloquent of them, I think, came from the South—came together to give common expression to a common purpose. And let me say that those expressions were not in terms of vague generalities. They came to support legislation with enforcement powers and to speak out very emphatically against any substitute measure that does not include enforcement powers.

They want this legislation or something better, if legal talents can improve on the effectiveness of this measure.

Some of the critics of the bill have claimed it is a measure directed against a particular section of the country. I know that if there is one section of this country that has suffered more from economic discrimination than any other section, it has been the South. For generations, we of the South have suffered under a national pattern of industry and finance that left out vast resources unused or made them reservoirs for the enrichment of other sections of the country. The result has been that our people, whether they trace their ancestry to England, Spain, France, or Africa, have, all together, suffered more than our share of poverty. If our States have had less money to spend on education and hospitals and highways than is the case in some other parts of the Union, that has been the inevitable consequence of economic discrimination directed against the South. I would be the last man in the Senate to rise in support of any bill which sought to cast a new burden on the South.

The president of the Southern Conference for Human Welfare, Dr. Clark Foreman, of Atlanta, Ga., testified to the effect that greater earnings by Negroes, admitted into war industry during the past few years, have brought about an increase of from 50 to more than 100 percent in the average per capita income in every Southern State with the result that merchants and small businessmen throughout the South are doing a more prosperous business than ever before in history and are coming to realize that much of this prosperity is the result of the greater opportunities and greater earnings afforded to the colored people of the South. Putting it in simple language, the white merchant at the corner store can sell more to a man who earns $60 a month than to one who is earning $15 a month.

From the standpoint of dollars and cents, discrimination is not merely a wrong against the minority group that suffers it but just as much a wrong against the employer who is forced to practice discrimination and against the public that ultimately bears the tremendous economic cost of discrimination. I do not know of anyone who has put the businessman's point of view on this question as succinctly as the president of the United States Chamber of Commerce, Eric Johnston, who said:

"The withholding of jobs and business opportunities from some people does not make more jobs and business opportunities for others. Such a policy merely tends to drag down the whole economic level. You can't sell an electric refrigerator to a family that can't afford electricity. Perpetuating poverty for some merely guarantees stagnation for all. True economic progress demands that the whole Nation move forward at the same time. It demands that all artificial barriers erected by ignorance and intolerance be removed. To put it in the simplest terms, we are all in business together. Intolerance is a species of boycott and any business or job boycott is a cancer in the economic body of the Nation. I repeat, intolerance is destructive; prejudice produces no wealth; discrimination is a fool's economy."

To sum up, a law to prohibit economic discrimination as provided in S. 101, is consistent with our religious precepts, our Declaration of Independence, our Constitution, and the needs of our national economy. I am confident that the merits of this bill will carry it through to enactment.

One further thought I would leave with you. When divine providence, in Its infinite wisdom, took from us our great former President, Franklin Delano Roosevelt, the torch of hope he held for all the little peoples of the world did not fall. Safely aloft in the hand of President Harry S. Truman, its beacon light shines unwavering. Let me assure you that as far as his powers can be properly exerted, they are now being exerted in the interest of FEPC.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 118. An act authorizing the Secretary of the Interior to convey certain lands on the Gila reclamation project, Arizona, to the University of Arizona;

S. 426. An act for the relief of Mr. and Mrs. Walter M. Johnson;

S. 427. An act to repeal section 3 of the act approved April 13, 1938, as amended, relating to hops;

S. 612. An act to amend the National Defense Act, as amended, so as to eliminate provisions for retirement of wing commanders of the Air Corps; and

S. 916. An act to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 53. An act to amend an act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941, as amended, and for other purposes; and

S. 592. An act for the relief of the estate of James Arthur Wilson, deceased.

The message further announced that the House had passed the bill (S. 880) to provide for designation of the United States Veterans' Administration hospital at Sioux Falls, S. Dak., as the Royal C. Johnson Veterans' Hospital, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 206) extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 169. An act to amend section 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended

and supplemented, and for other purposes," approved July 13, 1943;

H. R. 213. An act for the relief of Mrs. Ruth C. Stone;

H. R. 241. An act for the relief of Mrs. Ruby H. Hunsucker;

H. R. 699. An act to amend paragraph 682 of title 16 of the United States Code;

H.R. 715. An act to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes;

H. R. 852. An act for the relief of Betty Jane Ritter;

H. R. 854. An act for the relief of Isabel Carlson;

H. R. 999. An act for the relief of Lily L. Carren;

H. R. 1015. An act for the relief of G. H. Moore, of Butler, Taylor County, Ga.;

H. R. 1057. An act for the relief of the legal guardian of Margaret Hockenberry, a minor;

H. R. 1067. An act for the relief of the estate of and/or the heirs at law of, Frank D. Howells, former treasurer of the city of Richmond, Ind.;

H. R. 1085. An act for the relief of Mrs. Celia Ellen Ashcraft;

H. R. 1089. An act for the relief of Albert Cantalupo;

H. R. 1245. An act for the relief of John F. Davis;

H. R. 1257. An act for the relief of George C. Tyler and Doris M. Tyler;

H. R. 1346. An act for the relief of Alaska D. Jennette;

H. R. 1564. An act for the relief of William W. Maddox and the legal guardian of Donna Sue Maddox and Saddie Inez Maddox;

H. R. 1601. An act for the relief of Dorothy M. Moon;

H. R. 1647. An act to authorize the Secretary of War to convey to the Captain William Edmiston Chapter of the Daughters of the American Revolution a certain building and tract or parcel of land situated in Montgomery County, Tenn;

H. R. 1849. An act for the relief of Mrs. Ora R. Hutchinson;

H. R. 1882. An act for the relief of R. L. Whittington, Mrs. R. L. Whittington, and Mrs. J. B. Whittington;

H. R. 1890. An act for the relief of the estate of Peter G. Fabian, deceased;

H. R. 2028. An act for the relief of John Visnovec, Rose Visnovec, and Helen Visnovec;

H. R. 2032. An act authorizing the general shore-line investigations at Federal expense and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936;

H. R. 2089. An act for the relief of Edmund F. Danks, as administrator of the estate of Edna S. Danks, deceased;

H. R. 2163. An act for the relief of Teresa Tine;

H. R. 2226. An act for the relief of Hugh P. Gunnells and Mrs. Dezaree Gunnells;

H. R. 2249. An act for the relief of the Cape & Vineyard Electric Co.;

H. R. 2265. An act for the relief of owners of land and personal property of the Fort Knox area of Hardin County, Ky.;

H. R. 2266. An act for the relief of land and personal property owners of Fort Knox area of Meade County, Ky.;

H. R. 2285. An act to authorize the Secretary of Agriculture to grant and convey to Springfield Township, Montgomery County, Pa., for tain lands of the United States in Springfield Township, Mongomery County, Pa., for highway purposes and for ornamental-park purposes;

H. R. 2321. An act for the relief of the Springfield Cooperative Bank;

H. R. 2450. An act for the relief of Bruce Bros. Grain Co.;

H. R. 2477. An act to give recognition to the noncombatant services under enemy fire performed by officers and enlisted men of the Medical Corps of the Army;

H. R. 2504. An act to discontinue certain reports now required by law;

H. R. 2511. An act for the relief of Patricia M. Kacprzyk and Alex D. Leontire;

H. R. 2515. An act for the relief of Harland Bartholomew & Associates;

H. R. 2538. An act to incorporate the Mothers of World War II, to set forth and establish the purposes and aims of the organization, fixing its corporate powers and establishing the rights of membership, and for other purposes;

H. R. 2621. An act for the relief of Haselden & Huggins Co.;

H. R. 2641. An act for the relief of Frank Glen;

H. R. 2763. An act for the relief of Fred Crago;

H. R. 2944. An act to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities;

H. R. 3046. An act for the relief of Thomas A. Butler;

H. R. 3193. An act to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes;

H. R. 3232. An act to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect;

H. R. 3233. An act to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances;

H. R. 3234. An act to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect;

H. R. 3266. An act to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes;

H. R. 3269. An act further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves;

H. R. 3278. An act to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes, approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes;

H. R. 3436. An act providing for a medal for service in the armed forces during the present war;

H. R. 3440. An act authorizing appropriations for a permanent program of scientific research in the interest of national security;

H. J. Res. 116. Joint resolution to facilitate the execution of subsection (d) of section 13 of the Railroad Unemployment Insurance Act, as amended; and

H. J. Res. 184. Joint resolution to continue the temporary increases in postal rates on first-class matter, and for other purposes.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 50) declaring Congress to have recognized and approved the provisions of section 29.23 (m)–16 of Treasury Regulations 111, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED OR PLACED ON THE CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 169. An act to amend section 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes," approved July 13, 1943; to the Committee on Post Offices and Post Roads.

H. R. 213. An act for the relief of Mrs. Ruth C. Stone;

H. R. 241. An act for the relief of Mrs. Ruby H. Hunsucker;

H. R. 852. An act for the relief of Betty Jane Ritter;

H. R. 854. An act for the relief of Isabel Carlson;

H. R. 999. An act for the relief of Lily L. Carren;

H. R. 1015. An act for the relief of G. H. Moore, of Butler, Taylor County, Ga.;

H. R. 1057. An act for the relief of the legal guardian of Margaret Hockenberry, a minor;

H. R. 1067. An act for the relief of the estate of, and/or the heirs at law of, Frank D. Howells, former treasurer of the city of Richmond, Ind.;

H. R. 1085. An act for the relief of Mrs. Celia Ellen Ashcraft;

H. R. 1089. An act for the relief of Albert Cantalupo;

H. R. 1245. An act for the relief of John F. Davis;

H. R. 1257. An act for the relief of George C. Tyler and Doris M. Tyler;

H. R. 1346. An act for the relief of Alaska D. Jennette;

H. R. 1564. An act for the relief of William W. Maddox and the legal guardian of Donna Sue Maddox and Saddie Inez Maddox;

H. R. 1601. An act for the relief of Dorothy M. Moon;

H. R. 1849. An act for the relief of Mrs. Ora R. Hutchinson;

H. R. 1882. An act for the relief of R. L. Whittington, Mrs. R. L. Whittington, and Mrs. J. B. Whittington;

H. R. 1890. An act for the relief of the estate of Peter G. Fabian, deceased;

H. R. 2028. An act for the relief of John Visnovec, Rose Visnovec, and Helen Visnovec;

H. R. 2089. An act for the relief of Edmund F. Danks, as administrator of the estate of Edna S. Danks, deceased;

H. R. 2163. An act for the relief of Teresa Tine;

H. R. 2226. An act for the relief of Hugh P. Gunnells and Mrs. Dezaree Gunnells;

H. R. 2249. An act for the relief of the Cape & Vineyard Electric Co.

H. R. 2265. An act for the relief of owners of land and personal property of the Fort Knox area of Hardin County, Ky.;

H. R. 2266. An act for the relief of land and personal property owners of Fort Knox area of Meade County, Ky.;

H. R. 2321. An act for the relief of the Springfield Co-operative Bank;

H. R. 2450. An act for the relief of Bruce Brothers Grain Co.;

H. R. 2511. An act for the relief of Patricia M. Kacprzyk and Alex D. Leontire;

H. R. 2515. An act for the relief of Harland Bartholomew & Associates;

H. R. 2621. An act for the relief of Haselden & Huggins Co.;

H. R. 2641. An act for the relief of Frank Glen;

H. R. 2763. An act for the relief of Fred Crago; and

H. R. 3046. An act for the relief of Thomas A. Butler; to the Committee on Claims.

H. R. 3266. An act to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes; to the Committee on Commerce.

H. R. 3278. An act to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes; to the Committee on Education and Labor.

H. R. 699. An act to amend paragraph 682 of title 16 of the United States Code; and

H. R. 2285. An act to authorize the Secretary of Agriculture to grant and convey to Springfield Township, Montgomery County, Pa., certain lands of the United States in Springfield Township, Montgomery County, Pa., for highway purposes and for ornamental park purposes; to the Committee on Agriculture and Forestry.

H. R. 715. An act to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes;

H. R. 1647. An act to authorize the Secretary of War to convey to the Captain William Edmiston Chapter of the Daughters of the American Revolution a certain building and tract or parcel of land situated in Montgomery County, Tenn.;

H. R. 2477. An act to give recognition to the noncombatant services under enemy fire performed by officers and enlisted men of the Medical Corps of the Army; and

H. R. 3436. An act providing for a medal for service in the armed forces during the present war; to the Committee on Military Affairs.

H. R. 2032. An act authorizing the general shore-line investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936; to the Committee on Commerce.

H. R. 2504. An act to discontinue certain reports now required by law; to the Committee on Expenditures in the Executive Departments.

H. R. 2538. An act to incorporate The Mothers of World War II, to set forth and establish the purposes and aims of the organization, fixing its corporate powers and establishing the rights of membership, and for other purposes; to the Committee on the Judiciary.

H. R. 3269. An act further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; to the Committee on Naval Affairs.

H. J. Res. 116. Joint resolution to facilitate the execution of subsection (d) of section 13 of the Railroad Unemployment Insurance Act, as amended; to the Committee on Interstate Commerce.

H. J. Res. 184. Joint resolution to continue the temporary increases in postal rates on first-class matter, and for other purposes; to the Committee on Finance.

H. R. 2944. An act to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities;

H. R. 3193. An act to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes;

H. R. 3232. An act to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect;

H. R. 3233. An act to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances; and

H. R. 3234. An act to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect; ordered to be placed on the calendar.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 50) declaring Congress to have recognized and approved the provisions of section 29.23 (m)–16 of Treasury Regulations 111, and for other purposes, was referred to the Committee on Finance.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. WHERRY. Mr. President, returning to the pending measure before the Senate, there has been much discussion to the effect that imports of agricultural products into the United States comprise such a small percentage in the general over-all picture that it makes very little difference whether or not the reciprocal trade agreements are entered into and enforced. Yesterday the distinguished majority leader the Senator from Kentucky [Mr. BARKLEY] engaged in a colloquy with the senior Senator from Minnesota [Mr. SHIPSTEAD]. In his statement to the distinguished Senator from Minnesota the most distinguished majority leader said that it did not make any difference about the importation of wool because we consume more wool in this country than we produce, and therefore the operation of reciprocal trade agreements would not have any effect on the domestic production of wool.

I wish respectfully to call the attention of Members of the Senate to the hearings held before the Ways and Means Committee of the House of Representatives on H. R. 2652 on May 3 and 4, 1945. On page 1632 appears the testimony of J. B. Wilson on behalf of the National Woolgrowers' Association. Mr. Wilson in qualifying himself as a witness able and willing to testify states:

> I am chairman of the legislative committee of the National Woolgrowers' Association, and am, and have been for over a quarter of a century, secretary of the Wyoming Woolgrowers' Association.

I think that qualifies him to speak. He has been here; I have talked to him personally and I think other Members of the Senate who are interested in the agricultural aspects of the reciprocal trade-agreements program have also talked to him.

On page 1634 Mr. Wilson said—and he was not challenged by any member of the committee or questioned about his statement:

> The most prosperous years our industry has had, within 30 years, was the period 1922 to 1928.

He says further:

> I do not think it is exactly a fair comparison, but wool prices were higher during the 1924–33 period than they were during the 1934–41 period.

That testimony is unchallenged. He goes on further, and I think makes a very fair statement:

> Only two wool duties have been reduced under the Reciprocal Trade Agreements Act. In the treaty made with Argentina in 1941 the duty on wool grading 40's and below was reduced from 24 cents to 13 cents, a reduction of 45.8.

That is nearly a full 50-percent reduction.

> In the same treaty the duty-wool grading 44's and below was reduced from 24 cents to 17 cents, a reduction of 41.3 percent.
>
> In fairness it should be stated—

He says—and I want to quote him correctly—

> that we do not produce many of those particular grades of wool in this country. The danger would be with the increased importations, that they would be used in substitution for wools of higher grade.

I think that is the answer to the contention of the majority leader that we consume more wool than is grown here, and that trade agreements do not affect the domestic wool industry. I think that the possibility of substitution for higher grades of wool suggest a very important argument why the reciprocal trade agreements should not be made applicable to wool produced in this country, particularly if an additional 50-percent reduction may be made in the present rates.

I desire to continue further to quote from Mr. Wilson's statement in answer to the most distinguished Senator from Kentucky. I think the statement of Mr. Wilson is very pertinent and I wish to draw it to the attention of the Senator from Kentucky. Mr. Wilson referred to the treaty with the United Kingdom, effective January 1, 1939, which was discussed both by the president of the Wool Growers Association and another witness on that date.

Mr. Wilson then said:

> The full impact of the duty reductions under the Reciprocal Trade Agreements Act, as was pointed out by Mr. Besse (the president of the National Wool Growers' Association) has not been felt.
>
> However, you will find that the wool rags on which the duty was reduced from 18 cents to 9 cents, which is a cut of 50 percent, the full amount allowed by the act, did increase, in 1939 and 1940—materially increased.

As I understand—and I am not a textile operator—wool rags are what shoddy is made from.

> It is not fair to take the increase from the year 1938, because in that year we imported an abnormally small quantity of rags, but taking the increase of the average period, imports, from 1932 to 1938, inclusive—that was before any trade agreement with Great Britain—we find that the importation of rags increased 214 percent in volume and 204 percent in value.

I ask some of those who say that importations do not affect the domestic

market, what is the answer to that particular statement of Mr. Wilson? He says further:

The amount of rags imported during the 1940–41 period, or 1939–40 period, was equivalent to about 20,000,000 pounds of grease wool.

During the same period the imports of woolen and worsted goods—

This is a point which has not been brought out. The question is asked, What is the difference if we do permit importations; they have not hurt us any? But not a word was said about the importation of yard goods into this country.

During the same period the imports of woolen and worsted good, on a square-yard basis, increased 81.2 percent under the reciprocal trade agreement with the United Kingdom, in yardage, and 63.5 percent in value.

These are official figures furnished by Mr. Wilson. Here we have an increase of upward of 100 percent in the importation of woolen goods. On that point I wish to turn to page 1636, where Representative CURTIS, of Nebraska, interrogated Mr. Wilson.

Mr. CURTIS, in considering the tariff it is quite necessary to consider the tariff on manufactured woolens as well as raw woolens * * *?

Mr. CURTIS. They cannot be separated, because they are our only market.

Whether it comes in yard goods or raw material, it all comes into the market.

Mr. Wilson said further:

We cannot produce wool to compete with Argentina, Uruguay, Australia, the Cape, which is South Africa, or any other country of the world that I know of. So our only market is the domestic manufacturer.

Here is another question by Mr. CURTIS:

If the tariff were reduced or done away with entirely on raw wool, the manufacturer still could import some wool and perhaps go on. But on the other hand, if the duties were done away with on manufactured woolens, and you not being an exporter of raw wool, the foreign wool growers could take your market that way, could they not?

This is Mr. Wilson's reply:

Yes; they would not only take it that way, Mr. CURTIS, but they would also put the woolen manufacturer out of business, with the reduction on manufactured goods.

So, Mr. President, it does not make any difference whether it comes in as yard goods or raw wool, it has its impact on the market just the same, and for the distinguished majority leader to say that we consume all we have of wool is not borne out because the market is being taken from the wool producer of this country through the importation of yard goods.

Mr. AIKEN. Mr. President——

The PRESIDING OFFICER (Mr. MCMAHON in the chair). Does the Senator from Nebraska yield to the Senator from Vermont?

Mr. WHERRY. I yield.

Mr. AIKEN. Was it not necessary greatly to increase our importations of wool and woolen rags because we did not have production in this country of anywhere near the amount necessary to keep our mills running?

Mr. WHERRY. The testimony on that point from Mr. Wilson is as follows:

Let me say in that connection that we have in this country today the largest stocks of wool that have ever been in the country, and that is true throughout the world.

He is fearful of everything in the market after the war is over.

It is estimated that the world stocks are somewhere over 6,000,000,000 pounds.

We have today in this country over 1,000,000,000 pounds, and even during the war 1,100,000,000 pounds was our highest consumption, slightly over that. We have enough, without the new clip, without any imports that are coming in all the time, to supply the present demand for 1 year.

Mr. AIKEN. How would the Senator explain the fact that the price per pound received by our wool growers was 19.1 cents in 1938 and 41.6 cents in 1943? Would that indicate any great injury from the increased importations? The increase was about two and a third times.

Mr. WHERRY. Of course, if the Senator is going into the economics of the matter and put in the figures applying during the war and in anticipation of the war, there is no argument. The same thing could be said about cattle. When a Senator stands on the floor of the Senate and tries to prove that because of the war economy we have had price increases, then he is using blood to prove his point, and I am not going that far. We have a debt of $300,000,000,000 on our shoulders, and anyone can make money today with a Government contract certainly, but if we take the over-all period, the importations of wool into this country will hurt the wool producers of our country. That is the testimony of Mr. Wilson, a man who has had 25 years' experience as the secretary of the Wyoming Wool Growers Association, and a man who has grown wool himself. That testimony appears in the record.

I suggest to the distinguished Senator that I have accommodated him each and every time when there has been a limitation of debate, I have never refused him, but I am limited today to 20 minutes on the amendment and 20 minutes on the bill, and I should like to have the Senator permit me to put my statement in the RECORD, and at the conclusion, if I have any time, I shall be glad to answer any question he may desire to ask.

Mr. AIKEN. I assure the Senator I shall not embarrass him by any more questions.

Mr. WHERRY. I desire to be courteous, and should be glad to answer the Senator's questions. I do not want the Senator for one moment to get in his mind the impression that I would not be glad to have him ask me questions. I shall be glad to answer them any time, but I think the Senator has asked the same privilege I am asking more than once, that is, to be permitted to make his statement during a limitation of debate.

Mr. AIKEN. I shall not ask any more questions for another reason, namely, that every time I ask the Senator from Nebraska a question he makes a speech on another subject.

Mr. WHERRY. If it is a good speech on another subject, what is the difference? Perhaps we can finally get the Senator from Vermont on the beam, and if we do, it will be of interest to all Members of the Senate. Perhaps it takes a speech on another subject to get him on the beam.

Mr. President, in connection with the subject of wool, I ask unanimous consent to have placed in the RECORD at the end of my remarks a statement by Mr. Besse, president of the National Association of Wool Manufacturers.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. WHERRY. Mr. President, I should now like to call attention to the testimony relative to cheese. I think this subject was covered thoroughly by the distinguished Senator from Minnesota, who has joined with me in offering the pending amendment to the bill, but I think there is one thing which the majority leader passed over rather lightly which does have a tremendous effect on the marketing of all agricultural products. I do not mean to say that the majority leader's argument did not have full force and effect——

Mr. BARKLEY. The Senator means it had full force but no effect on the Senator from Nebraska.

Mr. WHERRY. Of course, I cannot speak for other Senators, but I should like to say to the distinguished majority leader, whom I greatly admire, that it really did not have any effect on me, because too many times I have been in the market and I have seen how the importation of just a few carloads of Canadian steers broke the American market $1.50 a hundred, and I had to stand and hold on to the fence boards, so that I could figure up, when I had losses, whether I could get back home or not. I can say that an importation of 1 or 2 percent of cheese would be important. A carload of 50,000 pounds of cheese has a tremendous effect on depressing the market.

If we take the over-all picture in relation to cheese, we find there is an importation of about 2 percent. That means everything to the man who is producing cheese. Many times it means the difference between a profit and a loss. That is what I wanted to bring to the attention of the Senate.

I agree with the distinguished Senator from Kentucky—I think his figures are correct—that when we look at the figures and compare them with the over-all picture, we might say the importations are small. Yet a sale in the market place has an effect upon the whole situation that day, and many days that follow.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WHERRY. I just refused to yield to the distinguished Senator from Vermont because I would like to complete my statement, and I should not like to accord a favor to one Senator I refuse to another. There is no Member of the Senate to whom I would rather yield

than the majority leader, and if he will give me some of his time, when I have finished my statement, I shall be glad to yield to him for a question.

Mr. BARKLEY. I should be glad to give the Senator some of my time, but I do not have any.

Mr. WHERRY. Then I suggest to the Senator that he ask for time, and he can then in his time ask me any questions he desires and I shall endeavor to answer. Of course, I cannot tell the majority leader to do anything. He is one of the smartest men I know. He is a past master concerning procedure. I would not pretend to tell the majority leader what to do. I would not want to do such a thing. I love that man, Mr. President. I traveled with him for 3 weeks in Europe. He is one of the finest men I have ever known. He has courage; he has everything it takes. He can make you think black is white. [Laughter.] That is what he did yesterday afternoon. I am trying to get into the RECORD some white things, that are not black, some of the things that really affect us of the agricultural West, and what is needed for protection of that agriculture.

Mr. President, I wish to continue the discussion of the subject of cheese, because I think it is very important. Mr. Holman is a great friend of the Senator from Vermont. The Senator introduced me to him when he wanted the 3-cent subsidy placed on milk last year. Mr. Holman is a hard worker in the interest of the dairyman. The full name is Charles W. Holman. He is secretary of the National Cooperative Milk Producers' Federation. He says that federation is a Nation-wide organization with a membership of approximately 350,000 farm families. He says that the number of producing dairymen in the country is 2,500,000. I have talked to Mr. Holman, and I have talked to his able assistant, a Miss Taylor, as I recall her name, who also is interested in the dairy industry of the country. I met her once or twice when the subcommittee was holding hearings on the question of subsidy for milk which was advocated by the Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. Was the Senator from New Hampshire [Mr. TOBEY] there?

Mr. WHERRY. I believe the Senator from New Hampshire was there, if I am not mistaken; yes. I think Mr. Holman is a friend of the Senator from New Hampshire. I think both the Senator from Vermont and the Senator from New Hampshire are good friends of Mr. Holman; that is they are good friends of his when they want certain proposed legislation in which they are interested passed, but they are not so friendly when they do not want legislation in which Mr. Holman is interested, but in which the Senator from Vermont and the Senator from New Hampshire are not interested.

Respecting the subject of cheese, I wish to read from the testimony given by Mr. Holman. He is talking about the importation of cheese into this country:

> Confronted with this outlook, we must now face the possibility of losing what protection has been afforded by the Tariff Act of 1930.
>
> This prospect is fraught with dire consequences to our domestic markets. It is not even necessary to reduce the tariff on butter below 14 cents for the Doughton bill to affect the price of butter. An amendment to the Canadian trade agreement reducing the price of imported Cheddar cheese to 2 cents per pound would immediately throw out of gear—

I want Senators to get this—

> throw out of gear the customary price relationship between cheese and butter in the United States. Larger quantities of Cheddar type cheese would flow into the United States from Canada and other countries. This would cause diversions from butter to cheese manufacture in foreign countries, thereby raising the world price of butter. As the world price of butter rises, opportunity of coming over our tariff wall increases. With the price of butter adversely affected domestically, prices of all other dairy products containing fat will suffer similar declines.

Mr. President, I ask unanimous consent to have the next two paragraphs of Mr. Holman's testimony appearing on page 1880 of the hearings before the Committee on Ways and Means of the House on H. R. 2652, from May 5 to May 7, printed at this point in the RECORD as a part of my remarks.

There being no objection, the paragraphs were ordered to be printed in the RECORD, as follows:

> Under such conditions American prices for dairy products can only be maintained by continuing indefinitely some form of governmental subsidy. Even then, dairy farmers will suffer in competition for per volume outlet, a most important factor in preservation of the dairy industry.
>
> Restoration of the duties embodied in the act of 1930 would make it possible for dairy farmers gradually to recover and enlarge commercial channels of distribution and take care of their own affairs. Should surpluses arise, and they were permitted to export, a mechanism similar to the Dairy Products Marketing Association could easily stabilize prices, remove temporary surpluses from the markets, and place them either into foreign channels of trade or into new uses with the losses on such an operation sustained by the dairy farmers without cost to the Government.

Mr. WHERRY. This testimony has to do with the very point to which the Senator from Minnesota [Mr. SHIPSTEAD] called our attention, namely, that only a small importation is required in order to upset the market. The importation of a few thousand pounds of cheese can have a tremendous effect upon the market in America. It is not simply a question of the quantity alone. It is necessary to figure the price adjustment which is to follow. Whenever the market for American-produced cheese is upset, the farmers turn to the manufacture of butter. Importation of dairy products may cause direct competition with everything our dairymen produce in America.

Finally I should like to say something about cattle, because the subject of cattle was brought up in the discussion had day before yesterday.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). The time of the Senator on the amendment has expired.

Mr. WHERRY. Mr. President, I will take 20 minutes on the bill.

Mr. Mollin, who is secretary of the American National Livestock Association, testified, and his testimony is almost identical with the argument made by the senior Senator from Minnesota relative to the impact on the market by the importation of cattle on different days and at different times and at different periods, and he speaks of how the shipment of only a few cattle will tremendously affect the marketing of cattle. I read from his testimony on page 1114 of the hearings on House bill 2652, before the Ways and Means Committee of the House on April 30, 1945. This is what Mr. Mollin says:

> We hear a lot about the small percentage being not important because of the smallness, but in the livestock industry we have a particularly extensive market.

Some Senators feel that it can be controlled by quotas, and they will make that argument; indeed they have already made the argument that it can be controlled by quotas. But that does not make any difference. I continue to read from Mr. Mollin's statement:

> But in the livestock industry, we have a particularly extensive market. Anybody that has seen the girations of the markets under the Government controls, realizes that. They have been upset constantly by numerous orders, no doubt issued with the best of intentions, but yet they do confuse and upset this market, and it is the small surplus above the needs that determines the price for the entire product.

That is the same thing we said about cheese and it is the same thing we said about wool.

Mr. Mollin's testimony continues:

> I have been on the market many times myself with cattle, and when we would get to Chicago and look up the board—I remember one Monday morning—

And I have had the same experience—

> one Monday morning when they had 38,000 cattle and your heart just kind of sinks because you know what is going to happen to you that day.

Let a few Canadian steers come in on top of the 38,000 head of cattle and see what the market will do. Mr. President, I want to testify personally that I was in Kansas City one day within the past few years with a shipment of five carloads of steers which were fat to the heart, of the very best grade, AA cattle, and that very day, because of an influx of several trainloads of Canadian steers the market broke $1.50 a hundred. And we had to take the loss. That is how the market works. It is not the over-all picture in quantity. It is the effect that a few pounds of surplus will have; it is the effect that surplus cattle will have upon the whole market at times. When an influx of cattle is permitted even on the quota basis the situation cannot be controlled, because whenever there is a surplus it has a terrific effect by way of depressing the market. All Senators from Midwestern States know what I am talking about. Hog and livestock men who feed hogs and cattle every day in the year have had this experience. They know what we are talking about when we say that it is not the quantity, but it is the surplus that breaks the market, and guides the market, and makes the market in this country.

I quote further from Mr. Mollin:

Now there might be a demand for the beef some place but there are just too many of them there in one day—

He is speaking about 38,000 head—

And the price goes down. Even as short as beef was last year—

He is referring to 1944—

there were times when cows sold very cheap because there was such a tremendous run of cows, and the market declined to the point, in California, that actually they could not get the packers to buy steers in many parts of that State.

That is Mr. Mollin's testimony, which is to be found on page 1114 of the hearings before the Committee on Ways and Means of the House of Representatives. I continue to read from his testimony:

They were buying cows and they would not even bid on the steers. The demand for meat was there; it was just the fact there was a temporary surplus on the market.

So, we know, when the war is over, if we have conditions anything like those today with regard to livestock numbers, that we are going to be producing more beef than this country can consume, at prices that are anything in line with what we hoped to get, and we do not want, at that time, to have inducements given to Canada or Mexico or Argentina with its canned beef, or anybody else, to increase the supply on a market that will already be overloaded.

Mr. Mollin is speaking for the cattlemen of the United States. Continuing relative to what Mr. Mollin predicted with respect to Canada, this is what he said:

Now, we happened to learn recently that Canada is actively planning to get ready to come back to this market. I understand that a speech made in January by a Mr. McLean—I have had copies of his speeches befor, I forget his official title—but he spoke at this packers' convention in Canada in January and he suggested that Canada ought to be preparing to apply for an increase in the quota on cattle from 225,000 head to 500,000 head.

That is what we are going to get with the extension of this act. I should like to place in the RECORD some figures with respect to the cattle population. I obtained these figures only today. I think they will clarify some of the statements which have been made.

In the United States, the cattle population as of January 1945 was 81,760,000 head. The average we had on hand in the years 1934 to 1943 was 70,237,000 head. The excess of 1945 over the average of the 1934 to 1943 period is 11,000,000 head of cattle; yet we are proposing to extend the Reciprocal Trade Agreements Act and further reduce the tariff. If advantage is taken of the full amount of the reduction on cattle importations into this country, cattle men will have a protection of only 75 cents a hundred.

At this point I should like to place in the RECORD the effect of the reciprocal trade agreements since they have been in operation. There has been some dispute as to how much of a reduction has been made with respect to cattle under the reciprocal trade agreements.

With regard to Mexico, the tariff on cattle weighing between 200 pounds and 700 pounds has been reduced from 2½ cents a pound, or $2.50 a hundred, to 1½ cents a pound, or $1.50 a hundred. On cattle weighing more than 700 pounds, the tariff has been reduced from 3 cents to 1½ cents. That is the full reduction allowed under the Reciprocal Trade Agreements Act. The quotas from Mexico have been increased from 125,000 head to 400,000 head of grown cattle, and 100,000 head of calves weighing less than 200 pounds. That means half a million head of cattle coming into this country under a 50-percent reduction prior to this time; and if this bill should be enacted, a further reduction of 50 percent would mean that we would have a protection of only 75 cents a hundred in competition with cattle grown in Mexico, Canada, and the Argentine.

With respect to Canada, the reduction is the same—from 3 cents to 1½ cents a pound, or from $3 to $1.50 a hundred The quotas have been increased from 155,000 head to 225,000 head. The other day I stated that 30,000 head a quarter were coming in. The figure of 225,000 head refers to cattle weighing 700 pounds or more. The quota of those weighing less than 700 pounds has been increased from 59,000 head to 100,000 head.

Adding the figures together, we have more than 800,000 head of cattle coming into this country; and under the terms of the provision which we adopted yesterday, the protection to the American cattle man is only 75 cents a hundred.

Last night I clipped from the Washington Evening Star an article dealing with this subject. I ask unanimous consent to have the article printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star of June 19, 1945]

CATTLE SURPLUS FAILS TO END MEAT FAMINE; RANCHERS FEAR RUIN

(By Ray Sprigle)

BELL RANCH, N. MEX., June 18.—Spring calf round-up is on down here at the great Bell Ranch which sprawls nearly 600 square miles across New Mexico.

Bell vaqueros will sweat it out in the dust of the branding grounds and the smoke of the branding fires for the next 40 or 50 days. When they have finished, Bell will have stamped its iron on more than 8,000 Hereford calves. Some years the round-up brands close to 10,000 calves. Besides having the Bell turned into their flanks, the calves will be vaccinated against blackleg, and will be dehorned. Then they'll be on their way to become beefsteaks. But they won't hit your dining room table for a year.

This June—as it has every June for nearly a hundred years—the old chuck wagon rolled out of headquarters. In the wake of the chuck wagon rumbles the equally ancient hoodlum wagon laden with provender and water casks and feed for horses and men. In the chuck wagon ride the bed rolls of the branding crew. For Bell still works cattle in the way of the Old West. Only concessions to luxury are the pup tents that will keep off the rain, if there is any rain. For this Southwest range country sure needs rain right now and needs it bad.

Twenty cowboys make up the branding crew.

ROUND-UP DESCRIBED

Boss of the round-up is Mark Woods, hard-riding foreman of the outfit, veteran of 22 years' service with the Bell. This year again Juan Maldeonado is horse wrangler on the round-up with 200 top cow horses in his remuda, part of the herd of 800 that keep Bell cowboys on the move. He'll herd them along the 200 or more miles the outfit will cover before it gets back to bunkhouse and headquarters corrals. At night he throws them into the legendary rope corral that holds them as securely as would an 8-foot fence. Each cowboy has 10 or 11 horses in his string. He'll wear down at least 3 a day.

When the trail-worn hands and the remuda come down out of the canyon breaks with the calf branding done, they'll not have long to wait before they start out behind the chuck and hoodlum wagons again. This time it will be the fall round-up when the cattle are gathered for shipment beginning in September.

The crews will be out for 2 months. When the round-up is over, Bell will have gathered in its holding pastures 10,000 beef cattle, mostly calves weighing 325 to 425 pounds, some yearling steers and the worn-out bulls and cows that have come to the end of the trail.

Bell, great as it is, is just one of the ranches that stretch from Texas to California and north through Colorado, Wyoming, and Montana, the Dakotas, to the Canadian border. Bell, of course, is one of the biggest, second, probably, only to the King ranch in Texas. Bell covers nearly 500,000 acres. Once it boasted three-quarters of a million acres, comprised by the Montoya and Baca location grants from the Republic of Mexico to old Don Pablo Montoya, who probably never even saw his broad acres. It is owned now by the Red River Co., controlled by eastern stockholders, most of them from New England.

TWENTY-FOUR THOUSAND CATTLE ON RANGE

At the peak, after the spring calf drop, Bell will carry 24,000 cattle on its range. Each year it markets 10,000 head.

And right now, it appears, is as good a place as any to get some figures into the record. You don't have to like them, but you'll take them.

Bell's 24,000 beef cattle, big and little, are a fraction of the 31,348,000 beef cattle reported by the Agriculture Department on the ranges and feed lots west of the Mississippi as of January 1 this year.

Incidentally, the nearly 82,000,000 cattle in the United States in this season of meat famine aren't by any means all beef cattle. About half of them are dairy cattle. The 1945 count for all cattle is 81,760,000, an all-time peak except for last year, when this year's figures were topped by 600,000, a mere 1 percent.

Of these, 41,222,000 are beef cattle and 40,538,000 are dairy cattle. But don't for a moment overlook the fact that dairy cattle numbers very emphatically enter into the beef picture.

Millions of dairy cattle go to slaughter every year—the worn-out cows and bulls, the nonfertile heifers, and more millions of bull calves. So it's fair enough and accurate enough to deal with the total cattle population of nearly 82,000,000 when you're talking about meat.

FIGURES CITED

And that 82,000,000 cattle, while it isn't enough apparently to put beef on your table, is 13,000,000 over the 1930 to 1939 average and 10,000,000 over the 1941 cattle population. And on beef cattle alone, this year's population is 10,000,000 over the 9-year average up to 1939.

Those are the figures that, while they mean no meat to you, are a nightmare to the cattleman. If the war ends suddenly or the demand drops before that 10,000,000 excess is liquidated, banks all over the West are going to find themselves in the cattle business, and a lot of ranchers are going to be broke,

anyway; that's the way the cattlemen have it figured out.

So much for the figures for now. There'll be more. But tomorrow let's get back to our beefsteak on the hoof at the Bell.

Mr. WHERRY. This article was written by a man named Ray Sprigle. It is dated Bell Ranch, N. Mex., June 18. Mr. Sprigle is making a study of the cattle business. He was in Texas the day before, and in Oklahoma the day before that. I understand that he is on his way to California. I wish to bring this information to the attention of the Senate, because this man gives the picture as he sees it. Because of the limitation of time, I shall not read the first part of the article. Mr. Sprigle says:

At the peak, after the spring calf drop, Bell will carry 24,000 cattle on its range. Each year it markets 10,000 head.

And right now, it appears, is as good a place as any to get some figures into the record. You don't have to like them, but you'll take them.

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Incidentally, the nearly 82,000,000 cattle in the United States in this season of meat famine aren't by any means all beef cattle.

We hear a great deal of talk to the effect that dairy cattle do not affect the beef market.

About half of them are dairy cattle. The 1945 count for all cattle is 81,760,000—an all-time peak except for last year, when this year's figures were topped by 600,000, a mere 1 percent.

Of these, 41,222,000 are beef cattle and 40,538,000 are dairy cattle. But don't for a moment overlook the fact that dairy-cattle numbers very emphatically enter into the beef picture.

Millions of dairy cattle go to slaughter every year—the worn-out cows and bulls, the nonfertile heifers, and more millions of bull calves. So it's fair enough and accurate enough to deal with the total cattle population of nearly 82,000,000 when you're talking about meat.

I agree with him.

And that 82,000,000 cattle, while it isn't enough apparently to put beef on your table, is 13,000,000 over the 1930–39 average and 10,000,000 over the 1941 cattle population. And on beef cattle alone, this year's population is 10,000,000 over the 9-year average up to 1939.

Those are the figures that, while they mean no meat to you, are a nightmare to the cattleman.

Let me repeat that:

Those are the figures that, while they mean no meat to you—

He is speaking to the public—

are a nightmare to the cattleman.

If the war ends suddenly or the demand drops before that 10,000,000 excess is liquidated, banks all over the West are going to find themselves in the cattle business, and a lot of ranchers are going to be broke anyway, that's the way the cattlemen have figured it out.

The title of the news release is "Cattle Surplus Fails To End Meat Famine; Ranchers Fear Ruin."

That is the picture today with respect to cattle in the great State of Texas and the 14 other States which I mentioned.

In addition to the 10,000,000 surplus we have here, which we want to market here, we are faced with a further tariff reduction of 50 percent. The full amount of reduction under the old Reciprocal Trade Agreements Act has been in effect; and under the quotas 825,000 head of cattle will come into competition with the 10,000,000 head surplus which we already have.

That is the reason why consumers are not getting meat. The cattlemen do not know what to do with the cattle. They are afraid of orders. They are afraid of what is going to happen if they continue to produce. That applies not only to cattle growers, but also to cattle feeders. I ask the majority leader, for whom I have the highest regard, if he expects a cattle feeder to put cattle into the feed lot with the uncertainty which now confronts him. If he will answer in his own time, I should like to have him answer that question.

The cattle feeder will be confronted with the same problem that confronts the producer. Is he to be asked to borrow $13.50 a hundred to buy feeders, put more money into labor and corn, and sell the cattle for $16.50? There is no guaranty. It may be said that the cattle feeders will receive parity. I ask any Member of the Senate if the farmer received parity for his hogs last year when the floor price of $12.75 was broken down to less than $9 a hundred. Can anyone from any State defend that? I tell the Senate that the administration of this act has been anything but conducive to the maximum production which we should have been obtaining by having cattle and hogs brought into the feed lots in this country.

So I say to the Senate in defense of the Shipstead amendment, of which I am a joint sponsor, that we could talk about quotas from now to doomsday, but with 825,000 cattle coming in under the quota basis there will be a tremendous effect upon the feeders who normally would be putting cattle in the feed lots at this time. As the situation is today, the feeders are afraid to put the cattle and hogs in the feed lots. They are afraid of what subsequent Government orders will be. They are afraid they will not obtain a return on their investments.

So when we try to write into the statute what the officials tell us they can do administratively, they say to us, "Oh, you cannot do it in that way. You can guarantee it to the manufacturer and the processor, but you cannot guarantee it to the farmer."

That is why we are having more black markets in meat and, now today, a black market in eggs. I know a man in this city who told me that the only way he could buy eggs was to pay more than the legal price for them. They cost him more than 60 cents a dozen. The black market thrives with these bootleggers. They do not want any change made in the OPA law. When Senators say the OPA law should not be amended and should not be made workable, they are doing the very thing the black market operators wish to have done. The black market operators wish to have the prices stabilized at their present level, and they wish to have the country operate on the basis of an economy of scarcity. The black market operators grow fat on the system which has been employed by the OPA. We are getting more black market operators every day, and we will get more every day, and we will get less meat every day.

The proper explanation of the present situation is the one given by the man in New Mexico who said that the cattle growers are confronted with a nightmare, and are afraid that the surplus of 10,000,000 cattle will be wiped out at a loss. These cattlemen are afraid to produce, and the cattle feeders are afraid to put cattle in the feed lots because they do not know what the Government is going to do.

Mr. President, if the pending bill is passed without the Shipstead amendment included as a part of it as a protection to agricultural production, it is my judgment that it will have a most adverse effect on agricultural production in this country, and instead of obtaining maximum production, we will still be pursuing an economy of scarcity; and, with an economy of scarcity, black markets will increase; and food riots will be in the making—all to the tremendous disadvantage of the consumers all over our land.

Mr. President, if I have any time remaining, I shall yield to the several Senators who have asked me to yield.

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. WHERRY. Very well; I yield to the distinguished junior Senator from Vermont.

Mr. AIKEN. Mr. President, I had not planned to ask any question of the Senator from Nebraska at this time. I know perfectly well that if he has only 2 minutes remaining he would not be able to answer my questions in that length of time.

Mr. WHERRY. Very well; I yield the floor.

EXHIBIT A

BRIEF IN OPPOSITION TO A RENEWAL OF THE RECIPROCAL TRADE AGREEMENTS ACT PREPARED FOR SUBMISSION TO THE FINANCE COMMITTEE OF THE UNITED STATES SENATE BY ARTHUR BESSE, PRESIDENT, NATIONAL ASSOCIATION OF WOOL MANUFACTURERS, JUNE 1945

The reciprocal trade-agreements program is not to the best interests of the United States. It should not be continued.

No other measure has been promoted with a comparable amount of propaganda nor with such emotional appeals calculated to mislead and deceive millions of people who can scarcely be assumed to understand the economic factors involved in the program they are asked to support.

The growing resistance to the program is due in part to the fact that its sponsors have overreached themselves. They have promised so much; they have used so many arguments—many of which are inconsistent, one with the other—that people are beginning to realize that whatever the program may be, it cannot be what its adherents claim.

INCONSISTENCIES IN THE PROGRAM

Let me briefly mention some of the inconsistencies of the trade-agreements program as outlined by its sponsors.

1. It is completely inconsistent to talk about "economic peace" while supporting a

program to grab all the neutral markets to which other nations must look for their trade.

2. It is inconsistent to talk about increased employment when the program contemplates a shift of employment from the production of products with a high labor content to assembly lines where to a large extent the machine has replaced the man.

3. It is inconsistent to talk about financing huge exports—large enough to make the entire country prosperous—by increasing dutiable imports so slightly that "no important American industry will be damaged."

4. It is inconsistent to ask for "increased bargaining power" when the bargaining power previously accorded has been dissipated by generalizing concessions to all nations.

5. It is inconsistent to claim that our exports will necessarily promote the economic welfare of other nations when exports are not selected with that aim in mind but determined by whatever surplus happens to embarrass us at the moment—a surplus which we dump into whatever markets we can find.

It is enlightening to examine some of the statements made in connection with these particular inconsistencies.

THE PEACE ARGUMENT

It seems a waste of time to argue as to whether or not the present war proves or disproves the thesis that the reciprocal trade-agreements program is an influence for peace. The program has not been proved, one way or the other, but certainly there is no proof that it has been or will be of help in restraining any aggressors.

On the other hand, those who have engaged in trade of any kind realize only too well that economic competition is not always conducive to good relations. Proponents of an enlarged foreign trade assume that the world is eager for any and all of the products we may choose to send abroad. They forget that to the extent that foreign nations have certain barriers against our goods, the barriers usually represent an attempt to protect some of their own producers. If we bargain with a foreign country and get barriers removed, we then offer destructive competition to the producers in that country who formerly had some protection against our efficiently produced assembly line products. In find myself completely unable to understand how this is "economic nonaggression" or how it promotes peace.

Those who espouse the peace argument also overlook the likelihood of conflict in what are sometimes called the neutral markets. Great Britain looks to South America and to South Africa as offering postwar markets for her products and sources of supply for things she cannot produce herself. But what is she to do if we gobble up those markets for United States volume producers?

Here is what the Honorable William B. Phillips, president of the American Chamber of Commerce of London, says:

"Great Britain must face a very stiff fight, and it is not difficult to foresee a period a few years after the war when international relationships may be strained. On the one hand American industry is wholly desirous of helping Britain technically, but when it comes to competition in neutral markets American industry is going to get all the business it possibly can."

Does that sound as though he thought that international trade promotes peace?

One of the proponents of the trade-agreements program said on the floor of the House:

"The situation of some of our chief competitors has been greatly impaired as a result of the war, and we are in a favorable position of leadership. We can assume an aggressive and positive role in world trade."

He went on to say that "the passage of this measure will indicate * * * that we are willing to sit down and talk over trade problems. The spirit of trade rivalry * * * will be greatly lessened by such measures." It is possible that trade rivalry might be lessened perhaps, not by reciprocal agreements, but by our action in agressively rushing in and grabbing markets while our chief competitors are flat on their backs. England has already accused us of doing just that. How this contributes to world peace eludes me.

Mr. Bernard B. Smith and John A. Kouwenhoven, writing in "Harpers" (Feb. 1945) said that "this country is moving into a campaign backed by all our industrial and financial might to capture as large a share of the world's markets as possible." They go on to say that this "will inevitably bring us head on into conflict first with Britain and later with most of the other nations of the world."

Whether we ever receive payment either in goods or in gold is doubtful, but certainly we would be repaid in ill will.

This program of expanding exports, in my opinion, will not promote peace; it will prevent it.

THE ARGUMENT OF FULL EMPLOYMENT

The idea that we can achieve increased employment by concentrating on exports and by importing certain products which we now make here is completely fallacious. It is based on a stubborn insistence on looking at only one side of the ledger.

The trade-agreements program involves financing increased exports by accepting additional imports of products now protected by import duties. These imports must of necessity replace an equivalent quantity of domestic production. The net effect is to transfer employment from the so-called "protected industries" to what may be called the exporting industries.

But the protected industries are industries where employment per dollar of sales is high; indeed that is the primary reason they need protection against lower paid foreign labor. The exporting industries on the other hand employ relatively little labor per dollar of sales; that is why they are efficient according to Mr. Clayton's and Mr. Wallace's definitions and can compete in the international market. Accordingly, if you transfer activity from the protected industries to the assembly-line industries where the machine has largely replaced the man, you actually decrease employment.

A comparison involving an industry of each type will illustrate the point.

Mr. Irving Richter, legislative representative of the United Automobile and Aircraft Workers, has presented an estimate which indicates that automotive exports in 1950 should reach 1,500,000 units, which would provide jobs for 150,000 workers. I do not know what the postwar export value of cars and trucks might be but probably it would be in excess of $1,000 a unit. To be conservative we might figure it as $750. On this basis 1,500,000 units would have an export value of $1,125,000,000.

Now it happens that the wool textile industry employs approximately 150,000 workers. The foreign value of its annual product is under $500,000,000. Suppose we gave foreign countries our entire market for wool textiles. This would provide them with less than half of the dollars needed to buy the 1,500,000 cars and trucks which Mr. Richter says would provide employment for 150,000 people in the automotive industry. Thus, if we were to finance the export of automobiles by the importation of wool textiles, we would lose two jobs 'n textiles for every one we gained in automotive products.

This is exactly what will happen throughout the nation if we pursue a policy of transferring labor from the production of products which require much labor to those which require relatively less.

Perhaps the least profound remark on this subject was made by Mr. Clayton before the Committee on Ways and Means of the House. He said:

"The additional labor that you would employ in producing and exporting this $10,000,000,000 worth of goods would far offset any small amount of labor that might have been employed on making the goods that you import."

Exactly the reverse would be the case.

THE FALLACY OF EXPANDING EXPORTS

Mr. DOUGHTON says that "The whole idea of the Reciprocal Trade Agreements Act is to find a better market for our surplus products in a world free from economic barriers." He has the cart before the horse. Mr. R. S. Hudson, British Minister of Agriculture, says, "Exports are not, as some people tend to think, an aim in themselves. They are a means to an end—that is, to enable us to import the things which we need. To say, as some people do, that we must import some things, whether we need them or not, in order that we may export, is nonsense."

I have sought enlightenment on the matter of expanding exports from the State Department. The Department's logic has not filled me with confidence concerning its qualifications to direct our foreign trade.

Mr. Clayton and others in the Department are constantly saying that we cannot consume all of our own production. Mr. Clayton's words were, "Our productive capacity in respect to many types of goods is going to be far and away beyond any consumptive power domestically." The State Department has written me that, while this is true, "the size of the United States market for all goods—nationally produced and imported—has no practical limits." Since the Department has said that there is a limit to what we can consume of our own goods, this is tantamount to saying that although we can consume our own goods in restricted quantities, we can utilize foreign products without limit. A more ridiculous assertion would be hard to find.

Not only is our ability to export limited by what we are willing to import, but it is limited also by the willingness of other nations to accept our goods. Our feeling that there are certain things we want to produce ourselves is an attitude which is found also in many other countries.

Mr. Lorwin in his review of the postwar plans of the United Nations, says that "most, if not all (postwar), plans state explicitly or imply that 'full employment' and higher living standards depend, to a large extent on the capacity of the respective countries to reserve as much of the home market as possible for domestic industries."

We cannot, of course, expect to develop an enlarged export business if foreign countries seek to reserve an increasing percentage of their home markets for their own producers. Nor can we very well quarrel with other countries for so doing.

THE REQUEST FOR ADDITIONAL BARGAINING POWER

The request for additional bargaining power brings up two questions. First, was the "bargaining power which has been largely used up" properly conserved? and, second, do we need to bargain at all?

There can be only one answer to the first question. While the most-favored-nation clause has much to commend it, the clause is responsible for the fact that the bargaining power is largely used up. Concessions for which a country might normally give something in return are handed that country automatically if the concessions are made in an agreement with another nation. To get anywhere at all with this bargaining, we need 75 times as much so-called bargaining power as we would if it were not for the most-favored-nation clause. It is utterly inconsistent to ask for more bargaining power while insisting on retaining the most-favored-nation clause which acts to com-

pletely dissipate whatever bargaining power we have.

Apparently there is no such thing as enough bargaining power. Mr. Clayton says that, in his opinion, if the State Department does not get this added power it seeks, "other countries would probably raise their rates on products not listed in the agreements and adopt measures which would militate greatly against our export trade, and they might even give notice terminating the agreements." In other words, they won't play ball unless we are content continually to give them more and more. Obviously we have gone far enough along this road.

The second question—Why bargain at all?—has been brought into focus by the testimony of the proponents of the amendment themselves. The testimony indicates that most of the backers of this program believe that the real impediment to our exports is the inability of foreign nations to obtain dollar credits and this should be corrected by our purchase of additional foreign goods. Obviously, then we don't need concessions from foreign countries; we merely need to supply them with dollar credits. If we get concessions from foreign countries which further increase our exports, we are probably inducing foreign peoples to overbuy in our market, which is precisely what has happened before.

If there are items we should import in larger volume, why not arrange to do so on our own hook. Why do it as a result of international haggle. If our tariff needs revision, let's revise it. Why should it be done through indirection by a trade agreement with Ethiopia? The whole idea of fixing tariff rates by bargaining is absurd. The reason the State Department wants to continue the procedure is because, when the lace industry, for example, says, "You have ruined us by your trade-agreement policy," it can reply, "Well, that's unfortunate, of course, but we got a concession on evaporated fruits to offset it."

A "bargain" in trade can arise only when one party has too much of something, and too little of something else. Even Mr. Charles F. Taft, the State Department's anchor man who appeared before the Ways and Means Committee to pick up the pieces left by the other witnesses, was unable to suggest dutiable items of which we had too little. The State Department is strangely silent as to the items it wants to import in greater volume, but obviously must have something reasonably definite in mind. What are these products the Department wants us to import? And why do we want to import them when we are already making them here? Where does the bargain come in if we merely swap our shoe industry for a larger production of radios, for example.

PROMOTING THE WELFARE OF OTHER NATIONS

Americans would like to believe that our exports represent a contribution to the welfare of foreign countries. We appear to believe that a profit can be made out of charity.

What do foreign countries need the most? Obviously most of them need the means of production and the know-how to enable them properly to employ the machinery of production. But these are not continuing exports. When we assist in the industrialization of other nations, we in part limit our future export market. I believe we should help other countries to help themselves, but at the moment the process appears to be more a labor of love than a stable element of international commerce.

What have we that may represent continuing exports to the rest of the world? The world does not want most of our staple agricultural products at prices which we believe should be maintained here. After the war, other parts of the world will be in a better position to furnish petroleum products than we are. What of our manufactured products, such as airplanes, automobiles, radios, refrigerators, business machines, etc.? All of these are made in many other parts of the world. Many other nations are planning to expand their production of these items—and planning to export them. Other countries of the world do not enrich themselves by buying such products from us, but by making them themselves. They achieve prosperity, just as we do, by increasing their own productivity. Except to the extent that a country is the recipient of charity, no country in the long run can consume more than it is able to produce. The way to help other nations is not to become a permanent supplier of their current needs, but to help them to supply more of their own. What has at long last started our own South on the road to economic recovery? It is not trading with the North, but an increased productivity in the South itself.

No part of the propaganda which has accompanied this program is more pernicious or harmful than the attempt to mislead people into the belief that our efforts to grab the best overseas markets are motivated not by the self-interest of those who have surplus products to sell but motivated rather by an unselfish desire to help the rest of the world.

THE ARGUMENT OVER EFFICIENCY

Industries which express doubt of their ability to compete under reduced tariffs rates are lectured about American efficiency. We are told that an efficient industry does not need protection.

Mr. Clayton defines an efficient industry as one that can meet competition from abroad. We have some that can. The automobile industry is one. When I first learned to drive a car those who wanted a really good motorcar bought one abroad. Our domestic industry, however, has become so efficient that there have been no imports for many years. Does Mr. Clayton not realize that the vaunted efficiency of the automobile trade has been a far greater barrier to imports into this country than has the tariff on pottery? The single most restrictive barrier on our imports is American efficiency. This efficiency is much more effective in keeping imports out than is the tariff, and if we could all achieve a like measure of efficiency—meaning the replacement of hand labor by the machine—we would not need any tariff at all. Who would then keep the world at peace through world trade? I will be accused of making a ridiculous argument and it is ridiculous in that nobody would think of finding fault with General Motors because its efficiency keeps out foreign motorcars. But we are being told that tariffs are pernicious because they restrict imports. I am merely saying that American efficiency keeps out a greater dollar volume of goods than does the tariff.

COMPARATIVE EFFICIENCY

Mr. Wallace believes the wool textile industry is not efficient because it cannot, like the automobile industry, compete with foreign products unless protected by a tariff. It is not possible to compare our wool textile industry with the automobile industry or the washing-machine industry, for example. If you would inquire into our relative efficiency, you should compare us with the wool textile industry in Britain.

Figures on production furnished by the British Government and figures compiled by our own Government indicate that it takes the wool textile industry in Britain approximately 130 hours to produce the same yardage we produce here in 100 hours. You will agree with me, I am sure, that some such comparison as this is the only way to judge the efficiency of our industries. And on this basis nearly all industries in the United States are more efficient than the corresponding industries abroad.

The only basis for saying that we are less efficient than the English is that we pay more per hour for our labor—which is not a matter of efficiency at all but of wage rates. Our average rate is 85 cents per hour; the English average is 30 cents at the exchange rate of $4.035. If we take 85 cents as 130 percent (in line with the figures in the preceding paragraph), we find that wage costs on a comparable volume of production figure 65.4 here as against 30 in Great Britain.

The actual comparison on hourly rates is 85 to 30, but by reason of superior efficiency we reduce the ratio to 65.4 to 30. Unfortunately we do not know of any way we can incur a labor cost per yard which is double that of our English competitors unless we continue to have tariff protection.

If the State Department's attitude was that a cut in tariff was to be made in an attempt to promote increased manufacturing efficiency in this country, we might rise to the challenge. Unfortunately, however, the State Department's avowed purpose is to increase imports, and that it proposes to do by lowering tariff rates until certain American industries are unable to meet the resulting competition. The program involves the necessity of placing a substantial number of domestic producers in a position where they must fail in their efforts to meet foreign competition.

ASSURANCES TO DOMESTIC PRODUCERS

In view of the obvious necessity of vastly increased imports, if we are to achieve the colossal goal of exports indicated, no industry now dependent upon the tariff can take the assurances of the State Department at their face value. Mr. Clayton, Mr. Vinson, Mr. Acheson, Mr. Ryder, Mr. Wickard, all say that no essential domestic industry will be injured. But these industries must be injured if the program of an enlarged foreign trade is to be put through.

Professor Condliffe of the University of California (America's Foreign Trade Policy) is more honest than most. He says "some industries must be impaired and some employment must be taken away," but he, like many others, refuses to try to balance the ledger and insists that what you lose in one place is small compared with what you gain in another.

Judge Vinson also admits the possibility of some damage and he advises us to get into those "lines of production that can stand on their own feet without heavy protection or subsidies." He has perhaps forgotten that those particular industries already produce so much that this program has been designed primarily to help them dispose of their surpluses. It would not appear that there was room for displaced textile workers in those fields.

The State Department has prepared long and meaningless monographs showing what the trade agreements program has done for each State in the Union. The fact is that no real test has been made of the effect of the cuts which we have made nor of the so-called concessions we have obtained from other countries. But the objective of the program has been stated again and again and this is far more persuasive than any listing of figures which purport to show the effect of the program to date. The objective is more exports through more imports.

These assurances on the part of the State Department are either insincere or they are an indication that the Department itself does not understand the implications of its own trade agreements program.

CONCLUSION

I am not an economic isolationist, but I do believe we should decide for ourselves what we should produce and what we should buy abroad. I am definitely not in favor of appeasing other nations by inviting them to dictate what we should import, nor do I believe we should force our products on any one who doesn't want them. We cannot have our cake and eat it too. We must decide whether or not we want a diversified economy as a means of developing diversified skills to assure us the ability to meet a crisis such as we faced in December 1941. Perhaps we don't care about a diversification and

are content to make this country into a glorified assembly line. If we want the diversified economy, we should decide what elements we have to preserve to assure it—and should preserve them and not bargain them away in a futile quest for an indefinite expansion of general exports.

I sincerely hope the Congress will not delegate this power to tinker with the tariff to the State Department. We should sit tight until we know more of what the postwar world will be like. No new agreements should be even thought of for at least 2 years. Congress can well postpone until then the decision as to whether or not it is competent to continue jurisdiction of our tariff structure. If at that time you decide you want to delegate your authority, it should be delegated only after you have enumerated certain definite principles and defined specific fields within which that delegated authority may be exercised.

Mr. LUCAS obtained the floor.

Mr. GEORGE. Mr. President, if the Senator will yield to me for a moment, I should like to ask whether the yeas and nays have been ordered on the pending amendment.

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. SHIPSTEAD. Mr. President, I ask for the yeas and nays.

Mr. LUCAS. Mr. President, I wish to make a brief statement on the amendment, before the vote is taken.

As I view the amendment offered by the distinguished senior Senator from Minnesota [Mr. SHIPSTEAD], it really goes to the heart of the reciprocal trade-agreement program. When it is even asked to consider freezing the rates on all agricultural commodities specified in paragraphs 701 to 783, inclusive, of schedule 7 of the original Tariff Act, without a hearing, it seems that the Senate should stop, look, and listen before it even debates such an amendment, inasmuch as it knows nothing about what is contained in the schedules.

Overnight I had occasion to speak to a member of the Tariff Commission regarding the agricultural products which are covered by those paragraphs. Schedule 7 represents 540 statistical classes, and paragraph 19, involving casein, represents one statistical class. Paragraph 1101—wool—represents 20 classes. Paragraph 1102—wool—represents 50 statistical classes. In other words, 610 different classifications of agricultural products are covered by the Shipstead amendment, and I dare say not a single classification has been adequately explained on the floor of the Senate by any Senator who is a sponsor of this iniquitous amendment. I doubt if it sponsors know what the real effect of the amendment would be, other than its destructive power.

Mr. President, just to show how long it would take the Senate of the United States intelligently to undersand what is covered by the amendment, I point out that we have only to consider the days the Senate took to debate these very classifications in connection with the Smoot-Hawley Tariff Act. Is any Senator willing to be so static upon questions of this character as to vote to have those classifications remain at the same tariff rates at which they were placed when the Smoot-Hawley tariff bill was passed about 15 years ago? Just think, Mr. President, what some Senators are willing to do with an important question of this kind, without the slightest evidence before them upon which they can base an intelligent vote.

For instance, I caused the Tariff Commission to obtain for me some information regarding the time consumed in the Senate during the debates upon the sections involved in this amendment. While it is impossible during the length of time now available for me definitely and specifically to ascertain the number of days which were consumed in debate upon these particular schedules, the Tariff Commission has given me some information, and I pass it on to the Senate for whatever it may be worth. For instance, the amendments involving agriculture products were debated by the Senate from November 14, 1929, to December 16, in the Committee of the Whole, and again on various days from February 19 to March 21, 1930, after the Committee of the Whole had completed its considerations. In other words, there was practically 2 months' consideration in the Senate of these various classifications, before the Senate finally decided what would be the proper rate of tariff to be placed upon each one of the classifications; and, in addition, during that time there were many night sessions. Just to indicate what was being done in those days, and to show how futile and useless it is for the Senate to attempt to make tariff rates, as formerly was done. I point out the time taken on two of the many days of debate. On November 14, 1929, the Senate met at 10 a. m. and recessed at 10: 28 p. m., and on the next day, November 15, the Senate met at 10 a. m. and recessed at 10:30 p. m. I confess that this may be the traditional way to handle tariff rates, but the practical thing is to do just what we are doing by means of the trade agreements.

Those are just samples of what was happening in the Senate during those tiresome days. Yet there are Members of the Senate who are still living in the dead limbo of the past, and who wish to go back to the unwholesome log-rolling procedure followed during the Smoot-Hawley tariff debates.

Mr. President, the pending amendment would start us on the road to economic isolation. It would frustrate the application of the forward-looking theory of international trade as the great majority of the people of this country would like to see it applied. It is an amendment of negation and obstruction. If the amendment shall be agreed to our trade program will be destroyed. It is just this kind of an amendment which the opponents of the trade program seek to use in defeating the whole program.

Mr. President, I hope the Senate will reject the amendment.

Mr. GEORGE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. GEORGE. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Myers
Austin	Guffey	O'Daniel
Bailey	Gurney	O'Mahoney
Ball	Hatch	Overton
Barkley	Hawkes	Radcliffe
Bilbo	Hayden	Reed
Brewster	Hill	Revercomb
Bridges	Hoey	Robertson
Briggs	Johnson, Calif.	Saltonstall
Brooks	Johnson, Colo.	Shipstead
Burton	Johnston, S. C.	Smith
Bushfield	Kilgore	Stewart
Butler	La Follette	Taft
Byrd	Langer	Taylor
Capehart	Lucas	Thomas, Okla.
Capper	McCarran	Thomas, Utah
Chandler	McClellan	Tobey
Chavez	McFarland	Tunnell
Donnell	McKellar	Tydings
Downey	McMahon	Wagner
Eastland	Mead	Walsh
Ellender	Millikin	Wherry
Ferguson	Mitchell	White
Fulbright	Moore	Wiley
George	Morse	Wilson
Gerry	Murdock	Young

The PRESIDING OFFICER. Seventy-eight Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. SHIPSTEAD] on behalf of himself, the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Nebraska [Mr. WHERRY]. On this question the yeas and nays have been demanded and ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BUTLER (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. BANKHEAD]. I transfer that pair to the senior Senator from Idaho [Mr. THOMAS] who, I am informed, if present would vote "yea." I am therefore at liberty to vote. I vote "yea."

Mr. HILL (when his name was called). I have a pair with the junior Senator from Iowa [Mr. HICKENLOOPER]. I transfer that pair to the senior Senator from Washington [Mr. MAGNUSON] who, if present, would vote "nay." I am therefore at liberty to vote. I vote "nay."

Mr. McCARRAN (when his name was called). On this question I have a pair with the senior Senator from Florida [Mr. ANDREWS]. If he were present he would vote "nay." If I were at liberty to vote I should vote "yea."

Mr. WHITE (when Mr. VANDENBERG's name was called). The senior Senator from Michigan [Mr. VANDENBERG] has a general pair with the senior Senator from Texas [Mr. CONNALLY] on this question as well as others which may arise during their absence.

The roll call was concluded.

Mr. THOMAS of Utah. I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the Senator from Florida [Mr. PEPPER] and vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Alabama [Mr. BANKHEAD] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from Montana [Mr. MURRAY] is absent on official business.

The Senator from Florida [Mr. PEPPER] is detained in one of the Government departments. If present and voting he would vote "nay."

I further announce that the Senator from Montana [Mr. WHEELER] has a pair with the Senator from Virginia [Mr. GLASS]. If present and voting, the Senator from Montana would vote "yea" and the Senator from Virginia would vote "nay."

The Senator from South Carolina [Mr. MAYBANK] has a general pair with the Senator from Indiana [Mr. WILLIS].

The Senator from Georgia [Mr. RUSSELL] has a general pair with the Senator from Oregon [Mr. CORDON].

Mr. WHERRY. The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from Delaware [Mr. BUCK] is necessarily absent.

The Senator from Oregon [Mr. CORDON] has a pair with the Senator from Georgia [Mr. RUSSELL].

The Senator from Iowa [Mr. HICKENLOOPER] has a pair with the Senator from Alabama [Mr. HILL].

The Senator from Indiana [Mr. WILLIS] has a pair with the Senator from South Carolina [Mr. MAYBANK].

The result was announced—yeas 27, nays 49, as follows:

YEAS—27

Brewster	Hawkes	Revercomb
Brooks	Johnson, Calif.	Robertson
Burton	Johnson, Colo.	Shipstead
Bushfield	Langer	Taft
Butler	Millikin	Wherry
Capehart	Moore	White
Capper	O'Daniel	Wiley
Donnell	O'Mahoney	Wilson
Gurney	Reed	Young

NAYS—49

Aiken	Chavez	Guffey
Austin	Downey	Hatch
Bailey	Eastland	Hayden
Ball	Ellender	Hill
Barkley	Ferguson	Hoey
Bilbo	Fulbright	Johnston, S. C.
Briggs	George	Kilgore
Byrd	Gerry	La Follette
Chandler	Green	Lucas
McClellan	Myers	Thomas, Utah
McFarland	Overton	Tobey
McKellar	Radcliffe	Tunnell
McMahon	Saltonstall	Tydings
Mead	Smith	Wagner
Mitchell	Stewart	Walsh
Morse	Taylor	
Murdock	Thomas, Okla.	

NOT VOTING—20

Andrews	Hart	Russell
Bankhead	Hickenlooper	Scrugham
Bridges	McCarran	Thomas, Idaho
Buck	Magnuson	Vandenberg
Connally	Maybank	Wheeler
Cordon	Murray	Willis
Glass	Pepper	

So the amendment offered by Mr. SHIPSTEAD on behalf of himself, Mr. O'MAHONEY, and Mr. WHERRY was rejected.

The PRESIDENT pro tempore. The bill is still before the Senate and open to amendment.

Mr. O'MAHONEY. Mr. President, I send forward an amendment and ask that it be read.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following:

No foreign-trade agreement hereafter entered into under the authority delegated to the President by such section 350, as amended, no amendatory or supplementary agreement hereafter entered into under such section, and no duties or other import restrictions specified in a proclamation issued by the President to carry out any such amendatory or supplementary agreement, shall take effect until the Congress by law has specifically approved such agreement and the duties and other import restrictions so specified to carry out such agreement.

Mr. CHANDLER. Mr. President, I should like to inquire of the Senator if this is a new amendment or is it one of those heretofore submitted by the Senator?

Mr. O'MAHONEY. It is an amendment which I have offered on numerous occasions in the past when the Reciprocal Trade Agreements Act has been under consideration. This is the first time it has been offered in connection with the pending bill.

Mr. CHANDLER. I wanted to inquire whether it is one of the Senator's printed amendments. I could not tell from the reading whether it is one of the three amendments which he has heretofore submitted and printed.

Mr. O'MAHONEY. This is an amendment providing for congressional review. It is a reassertion, I will say to the Senator from Kentucky, of a fundamental Democratic doctrine, a doctrine to which the Democratic Party has adhered throughout its history until it fell upon the evil days when it began to imitate the policies of the Republican Party.

A very extraordinary situation, I will say to my Democratic colleagues, now exists. The great Democratic Party, which all through its history has believed in local self-government, in the rights of the individual, in the greatest independence of the citizen in his local community and in his State, is now adopting the historic doctrine of Alexander Hamilton and is leaving to the present representatives of the Republican Party the great privilege of defending Democratic doctrine.

Mr. President, it distresses me beyond words——

Mr. HATCH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from New Mexico.

Mr. HATCH. Does the Senator mean to say that the Republican Party is abandoning its ancient doctrines.

Mr. O'MAHONEY. Yes; the Republican Party is abandoning the ancient doctrine of central power. The Republican Party has gained seats in the House of Representatives and in the Senate, and I predict it will gain seats in the next House of Representatives and in the next Senate if the Democratic Party does not return to its fundamental position.

Mr. LANGER. Amen. [Laughter.]

Mr. O'MAHONEY. Mr. President, I have in my hand the text of the last Democratic tariff, known as the Underwood tariff, sponsored in the House of Representatives by a great Democratic leader from the State of Alabama, the residents of which still take pride in the fact that at the great Democratic convention in the city of New York on ballot after ballot the echo rang out "Twenty-four votes for Oscar W. Underwood," the leader of the Democratic Party in the House of Representatives, who became a Member of the Senate, and here became the leader of the Democratic majority.

The Underwood Tariff Act became a law on July 26, 1911. I wish to read into the RECORD section 3 of that act:

That for the purpose of further readjusting the duties on importations into the United States of article or articles of growth, product, or manufacture of the Dominion of Canada, and of the exportation into the Dominion of Canada of article or articles the growth, product, or manufacture of the United States, the President of the United States is authorized and requested to negotiate trade agreements with the Dominion of Canada wherein mutual concessions are made looking toward freer trade relations and the further reciprocal expansion of trade and commerce: *Provided, however,* That said trade agreements before becoming operative shall be submitted to the Congress of the United States for ratification or rejection.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the distinguished Senator from Rhode Island.

Mr. GERRY. I should like to state, in addition to what the Senator from Wyoming has said, that Senator Underwood was the only man to be leader on the Democratic side in both Houses.

Mr. O'MAHONEY. I thank the Senator. Majority Leader Underwood was one of the most distinguished Democrats this Nation has ever produced. I think that as Democrats we can take satisfaction in the fact that throughout his life he remained true to the democratic doctrine of popular government and the sovereignty of the people, and the sovereignty of the people's Congress to pass upon tariff rates and tax rates. His was not the theory that the Congress of the United States could lightly delegate away its powers and its authority to the executive arm of the Government, and preserve the democratic system.

Mr. President, I say that was the theory of Oscar Underwood. It was the theory of Cordell Hull. I have here the CONGRESSIONAL RECORD for May 19, 1932, volume 75, where, beginning on page 10637, Cordell Hull, then a Member of the House of Representatives, was discussing the so-called flexible-tariff clause of the Smoot-Hawley bill.

Mr. BARKLEY. Mr. President, the Senator is mistaken about Mr. Hull being a Member of the House of Representatives at that time. He was then a Senator.

Mr. O'MAHONEY. I beg pardon; if I said he was a Member of the House, I was in error. He was a Member of the Senate.

Mr. GEORGE. Mr. President, if the Senator will permit me, I happened to be out of the Chamber, but I am told the Senator was reading from the act of 1911, and describing it as the Underwood Act. What the Senator was really reading was the Reciprocity Act with Canada, which was very largely inspired and sponsored by President Taft. The Underwood tariff came into effect in 1913.

Mr. O'MAHONEY. The Senator is quite right. I sent for the Underwood Tariff Act, and I find what was handed me was the Canadian Reciprocity Act. But the Underwood Act of 1913, as I recall, contained the same provision.

Mr. GEORGE. Oh, no; the Underwood Act did not contain it.

Mr. BREWSTER. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. BREWSTER. I have before me the Underwood Act of 1913, in case the Senator is interested in the provision.

Mr. O'MAHONEY. I should be very glad to have the Senator read the provision.

Mr. BREWSTER. This is section 4, chapter 16, of the laws of 1913, Sixty-third Congress, first session, being the Underwood Tariff Act:

SEC. 4. (a) That for the purpose of readjusting the present duties on importations into the United States and at the same time to encourage the export trade of this country, the President of the United States is authorized and empowered to negotiate trade agreements with foreign nations wherein mutual concessions are made looking toward freer trade relations and further reciprocal expansion of trade and commerce: *Provided, however,* That said trade agreements before becoming operative shall be submitted to the Congress of the United States for ratification or rejection.

Mr. O'MAHONEY. Mr. President, that is precisely the proviso I read a moment ago. I was reading from the act of 1911 instead of the act of 1913, but in both the act of 1911—the reciprocity agreement with Canada—and in the Underwood Tariff Act of 1913, there is a specific proviso for congressional review. The Underwood Tariff Act was sponsored by Senator Underwood. That great Democratic statesman was the advocate of congressional review, and I stand here today begging my Democratic colleagues not to backslide from Democratic doctrine, because I say if the Democrats backslide from Democratic doctrine, we shall be in a very difficult position when we have to rely upon our Republican colleagues to carry our doctrine to the people, and thereby regain control of the Congress.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. The Senator spoke a moment ago about the Honorable Cordell Hull having been against the delegation of power to the President in connection with the negotiation of trade treaties.

Mr. WHERRY. Mr. President, may we have order, or will the Senator speak a little louder? We cannot hear him on this side.

Mr. LUCAS. The Senator from Wyoming knows that Cordell Hull changed his mind later.

Mr. O'MAHONEY. Certainly I know he changed his mind.

Mr. LUCAS. I wanted to bring that out.

Mr. O'MAHONEY. There is no doubt about that.

Mr. LUCAS. And he is still a pretty good Democrat.

Mr. O'MAHONEY. He is still a pretty good Democrat, and I love him. I think he is a great statesman. I nevertheless believe that the Democratic Party and the people of the United States make a great mistake when they surrender the fundamental doctrine of popular government by conveying away to the executive arm of the Government duties and responsibilities which belong to the Congress.

Mr. President, I was about to read from the speech of Cordell Hull of May 19, 1932, when he was a member of the Senate. He said:

The President goes further and refers to the retention of the flexible-tariff clause. At the time this clause was enacted I called attention in a speech in the House to the significance of this flexible-tariff policy and the effect of the proposed enactment of the present law in the following language.

This is Senator Hull quoting Representative Hull:

I am unalterably opposed to section 315 of the Tariff Act and demand its speedy repeal. I strongly condemn the proposed course of the Republican Party which contemplates the enlargement and retention of this provision with such additional authority to the President as to practically vest in him the supreme taxing power of the Nation, contrary to the plainest and most fundamental provisions of the Constitution—a vast and uncontrolled power, larger than had been surrendered by one great coordinate department of Government to another since the British House of Commons wrenched the taxing power from an autocratic king.

That, Mr. President, was good democratic doctrine; that, Mr. President, was good popular doctrine; that, Mr. President, was the doctrine of a leader who believed that the people had the power to control themselves.

My only complaint is that we are surrendering because we say the tasks before us are too great, because we say Congress can no longer perform these tasks.

Mr. President, I shall not take up my time fanning the breezes here. I merely want the record to show that the Senate of the United States, if it refuses congressional review, is only adding another chapter to the destruction of parliamentary government. Senators, you are writing yourselves out of government. When you pass a law that transfers from you a power that the founding fathers gave you and hand it over to the executive arm of the Government you are writing off the legislative branch of the Government.

Parliamentary government is tottering all over the world. Look at what is transpiring in Europe. We know that parliamentary government is disappearing. We know that in all of Europe, save only in England, there is now very little resemblance to anything like a popular assembly with authority. Senators, you have authority if you do not give it away. Nobody is going to burn the Capitol of the United States as Hitler burned the parliament building in Berlin in order to take over power. But you can destroy the foundations when you give up your power.

So I say to my Democratic colleagues: Do not desert the fundamental doctrines of parliamentary government. I say to all Members of the Senate: Do not give up parliamentary government. Do no surrender your power. If it is difficult for you to transact this business, then have the good sense to make appropriations by which this body can be staffed so that you can do the work.

How idle it is to talk about turning the legislative function over to the State Department when all we have to do is to pass an appropriation bill that will enable us to hire the experts and have the work done as the constitutional fathers intended it should be done by the representatives of the people.

Do I need to tell you again, Mr. President, that the appropriation for the legislative branch in the next fiscal year will be less than $30,000,000? The appropriations for the civil departments and the executive agencies, exclusive of the war agencies, will be about $1,087,000,000. We can forget the $1,000,000,000, and the $87,000,000 will be almost three times the amount appropriated for Congress.

Who is building up the Executive at the expense of Congress? It is the Congress. Oh, I am not a partisan, but I know what Democratic principle is. I know what made the Democratic Party great from the days of Thomas Jefferson. I know the danger that threatens us and all the world. It is the expansion of managerial power in the Executive arm. If you expand it by giving up your powers, then do not be heard again to complain about what the Executive does.

The PRESIDING OFFICER. The time of the Senator from Wyoming on the amendment has expired.

Mr. O'MAHONEY. Mr. President, I shall not burden the Senate further. I rose because I am profoundly convinced that if parliamentary government is not sustained in America it will totter all over the world.

I make the plea that the Senate of the United States adopt this amendment.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield before he takes his seat?

Mr. O'MAHONEY. Yes; I yield.

Mr. JOHNSON of Colorado. The argument is often made on the floor of the Senate that if such a provision as the Senator from Wyoming sponsors should be adopted, the reciprocal trade agreements would be injured, that is, they would be nullified, they would not become effective. I am sure that is not the case. I go along entirely with the Senator from Wyoming in his arguments from the constitutional angle and from the angle of delegation of power; but I have more confidence in Congress than to believe that if a trade agreement were submitted to the Congress, the Congress would act arbitrarily about it. I believe Congress would cause hearings to be held; that it would consider the issue on its merits, and in the case of a certain commodity, such as sugar, Congress might work out some sort of a payment compensation so that the particular commodity would not be seriously injured. There are other ways by which the producer can be compensated besides the tariff. When a trade agreement came back to the Congress all angles and all proposals could be considered, and if Congress in its wisdom decided that it did not want to put a certain producing group out of business, it could compensate the group in other ways.

I wish to ask the Senator from Wyoming if he does not join me in believing that Congress could intelligently handle such matters if they were submitted to the Congress, without injury to the country and without injury to the producers of certain commodities?

Mr. O'MAHONEY. I have not the slightest doubt of it. As I envision the reciprocal trade program I would have the State Department conduct the negotiations and submit the agreement to the Senate and the House. I believe that a good agreement would receive approval. I do not believe it would be possible to arouse, by logrolling or any other device, sufficient opposition to defeat a wise and beneficial trade agreement.

In this era, when no one knows what the trade of the world will be, when, as the distinguished chairman of the Finance Committee, the Senator from Georgia said upon the floor the other day, the march of collectivism is on, I do not believe that the representatives of the people should surrender their power to the executive branch of the Government to have that power exercised in secret, as it is exercised.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. I should like to ask the Senator a question in regard to the interpretation of his amendment. The amendment provides that—

> No foreign trade agreement hereafter entered into—

And so forth.

> And no duties or other import restrictions specified in a proclamation issued by the President * * * shall take effect until the Congress by law has specifically approved such agreement and the duties and other import restrictions.

Does the Senator interpret his amendment to mean that under its terms Congress would be required to pass specifically and separately on each item in the agreement, each reduction carried in the agreement, before it could become effective?

Mr. O'MAHONEY. Mr. President, it was not my intention to require such specific action upon each specific item, and in order that there may be no doubt about the matter I now modify my amendment by striking out the provision about specific duties, so that the amendment would require merely the approval of the agreement. I am glad the Senator from Kentucky called my attention to that.

Mr. BARKLEY. As originally offered, the amendment provides that not only the agreement but each reduction of duty proclaimed by the President would have to be passed upon by the Congress before it became effective.

Mr. O'MAHONEY. The Senator is quite right, I believe, in his interpretation. But in order that we may get this issue down to its fundamentals so that there may be no doubt, I shall reduce my amendment to the minimum, that is, that the agreement shall be approved by Congress.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. Even with the modification, the Senator's amendment would not prohibit the Senate from taking up each article upon which a duty had been decreased or increased, if the Senate wished to do so.

Mr. O'MAHONEY. I think the Senate and House should each have authority to look into the duties. It might be that with respect to a particular duty, in the future as in the past, those affected might be denied the opportunity of knowing what was being done to them.

Mr. LUCAS. Under the terms of the Senator's amendment, there would be no reason why each article involved in a particular agreement could not be taken up independently by the Senate.

Mr. O'MAHONEY. It could be examined.

Mr. LUCAS. It could be debated, and a yea-and-nay vote could be had upon each and every article upon which the tariff rate was changed, if we wanted to go that far.

Mr. O'MAHONEY. Yes.

Mr. LUCAS. Let me ask the Senator a further question. Assume that that were done, and that material changes were made; it would then be necessary for the trade agreement to go back to the President, and the President would have to submit it to the country with which the agreement was being made, and that country would either have to agree or disagree.

Mr. O'MAHONEY. That is correct.

Mr. LUCAS. So if certain changes were made, and the agreement were sent back, it would have to be returned to us to be settled.

Mr. O'MAHONEY. But the Senator from Illinois is utterly overlooking the fact that with respect to all the trade agreements which we have entered into under the Reciprocal Trade Agreements Act, the parliamentary bodies of practically all the countries with which we have made them have had to approve them first. Aside from two or three other countries, the United States of America is the only country which completely and abjectly hands over the legislative power to the Executive.

The PRESIDING OFFICER. Will the Senator state his amendment, as modified?

Mr. O'MAHONEY. At the proper place in the bill I propose to insert the following:

> No foreign trade agreement hereafter entered into under the authority delegated to the President by such section 350, as amended, no amendatory or supplementary agreement hereafter entered into under such section, and no duties or other import restrictions specified in a proclamation issued by the President to carry out any such amendatory or supplementary agreement, shall take effect until the Congress by law has specifically approved such agreement.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. The Senator's amendment provides that the Congress—that is, the two Houses—shall approve reciprocal trade agreements.

Mr. O'MAHONEY. That is correct.

Mr. BARKLEY. And, of course, every act of Congress must be signed by the President.

Mr. O'MAHONEY. That is correct.

Mr. BARKLEY. If a measure covering such an agreement were vetoed by him, a two-thirds vote of the two Houses would be required to override the veto.

Mr. O'MAHONEY. That is correct.

Mr. BARKLEY. Then the agreements would not be placed upon the basis of a treaty which must be ratified by the Senate.

Mr. O'MAHONEY. That is correct.

Mr. BARKLEY. Under the constitutional provision that all revenue legislation must originate in the House of Representatives, is it the Senator's view that any such proclamation or agreement would first have to go to the House and be acted upon there before the Senate could act upon it?

Mr. O'MAHONEY. Yes. For the sake of preserving the form, both the original Reciprocal Trade Agreements Act and the proposed extension have been permitted to be initiated in the House before coming to the Senate.

Mr. BARKLEY. Such a measure would take the same course as though it were an original revenue bill.

Mr. O'MAHONEY. Exactly.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILEY. I always listen to the distinguished Senator from Wyoming with a great deal of pleasure, and I receive considerable help from him in straightening out some of the befuddled thinking which goes on in this sacred Chamber.

I believe that the Senator from Wyoming is doing a great service to his country. He speaks on fundamental issues. I do not wish to go as far as

he goes, and say that what he is saying is a democratic doctrine. I say that it is a fundamental constitutional doctrine, an American doctrine.

What all Americans want from the Congress of the United States is the assurance that there exists in the Capital of this great country an adequate Executive, an adequate legislative branch, and an adequate judicial branch. I fully agree with the distinguished Senator from Wyoming that when we "pass the buck," so to speak, and attempt to delegate, and do delegate away constitutional power, we are not adequate, as the founding fathers intended that we should be.

I realize that it is primarily the function of the Congress to enact tarif laws, but when we delegate to the Executive the absolute right to negotiate a reciprocal trade agreement and ask that it be submitted to us for confirmation, that is a reasonable thing.

I fully agree with the suggestion of the distinguished Senator from Wyoming that we should become adequate here in the Senate. We should appropriate the necessary funds so that this great legislative branch of Government could have agencies from which it could obtain knowledge and information. I distinctly remember that the other day the distinguished Senator from Maine [Mr. BREWSTER] stated that there are only three governments in the world besides the United States which do not require reciprocal trade agreements to be submitted to the legislative branch.

It seems to me, Mr. President, as the distinguished Senator from Wyoming has said, that collectivism is on the march. A country becomes collectivist when one of its branches of government becomes inadequate and another branch becomes superadequate and takes over the weaker branch. That is history. That is what has been going on here for many years. The executive department has become "super" at the expense of the legislative branch. It is time to stop this process. Look at Europe and you have reason enough.

Mr. HATCH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATCH. Is the Senator from Wisconsin speaking in his own time, or in the time of the Senator from Wyoming? The reason I ask is that the Senator from Wyoming is trying to find out how much time he has.

Mr. WILEY. I shall be happy to speak in my own time.

Mr. GEORGE. Mr. President, the Senator is speaking in the time of the Senator from Wyoming, because the Senator from Wyoming has the floor.

Mr. O'MAHONEY. Mr. President, I should like to conclude by reading another paragraph from the speech of Senator Hull on May 19, 1932. He was speaking about a statement of the Republican President, and he said:

> He proceeds a little farther by the Smoot-Hawley Act; and I want to say that if I had my way, I would offer a bill to abolish the present rather partisan Tariff Commission and seek the installment of a broad, impartial, fact-finding organization.

My Democratic colleagues, listen to this next sentence:

> I would repeal the flexible provision and restore to the Congress its rightful authority in tariff making.

Mr. President, I stand where Cordell Hull stood in 1932. I stand where the Democratic Party has always stood. I stand for the preservation of congressional power to represent the people.

Mr. GEORGE. Mr. President, it should be wholly unnecessary to argue this proposal. When the Reciprocal Trade Agreements Act was first introduced, it was met by the assertion that trade agreements were treaties and must be ratified by a two-thirds vote of the Senate, or, if not, at least that Congress, by a majority vote in each House, should approve each agreement. The question was debated at great length. The Senator from Wyoming says he stands where Cordell Hull stood when the flexible provision of the Tariff Act was under consideration. I do not think Mr. Hull has changed his position at all. The Senator from Wyoming is simply taking the place at which he thought Cordell Hull was standing, by Cordell Hull was moving and he has been moving ever since. Unfortunately, the Senator from Wyoming has been very vigilant in maintaining his position, at least since 1934. The truth is, Mr. President, that the Senator sets up a straw man and then proceeds to knock it down. That is one of the easiest and oldest tricks known to the law, at least.

The Reciprocal Trade Agreements Act is not a step toward totalitarianism, nor is it any abdication by the Congress of the United States of its Constitutional rights and powers. The only question which can arise here is whether the Congress makes a proper delegation of its power when it provides for the application of making of a trade-agreements act. The so-called flexible provisions of our tariff laws were written as a part of the Fordney-McCumber Tariff Act. It was a Republican measure; it was not a Democratic measure at all. The flexible provision was continued in the Smoot-Hawley Tariff Act, another Republican measure. The flexible provision of the Tariff Act gave to the President of the United States, upon the recommendation of the Tariff Commission he appointed, the power to reduce every rate in the Act by 50 percent or to increase every rate in the Act by 50 percent. The Democrats said that was an unlawful delegation of legislative power, and they argued that point. The Supreme Court of the United States, speaking through its then Chief Justice Taft, said it was not a delegation of legislative power, and that the Congress was not abdicating its power and authority, because Congress had laid down an understandable formula, and it merely empowered the President to carry it into execution.

The Democrats divided on that issue. We said there was no formula; we said the formula was too nebulous, that it was impossible of application, that it really called for the exercise of legislative judgment in making application of the formula. But no one doubted that the Congress could, by laying down a proper formula, give to the President the power to reduce or increase a tariff rate. That is precisely and exactly what was done in both the Fordney-McCumber Tariff Act and the Smoot-Hawley Tariff Act, according to the decision of the Supreme Court of the United States in the Hampton case.

If there has been any abandonment of Constitutional power, Congress did it back in the days of the Fordney-McCumber Tariff Act.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. O'MAHONEY. The Senator will recall that in the Hampton case the Court found there was an intelligible formula.

Mr. GEORGE. That is what I have said. That was the only question involved in it.

Mr. O'MAHONEY. The Senator will also recall that that formula was the difference between the cost of production at home and abroad.

Mr. GEORGE. Oh, yes; I recall what the formula was.

Mr. O'MAHONEY. Of course, I know the Senator does; the Senator is better informed on the subject than almost any other Senator is.

Mr. GEORGE. Mr. President, I am speaking under a limitation of time. I yielded to the Senator for a question.

Mr. O'MAHONEY. I am sorry; I yielded to every Senator who sought to interrupt me.

Mr. GEORGE. I am glad to yield to the Senator; but I am saying precisely what the formula was.

Mr. O'MAHONEY. Of course; but I ask the Senator to describe the formula which is contained in this bill.

Mr. GEORGE. Mr. President, that goes to the question whether there has been a proper delegation of power; that is all.

Mr. O'MAHONEY. Certainly.

Mr. GEORGE. But the Senator has said we are departing from democracy, and that the Democratic Party is being moved from its foundations, simply because the act gives to the President the authority to apply a congressional formula. Bear in mind that it is one thing whether the formula prescribed is in itself sufficient. If it is sufficient, the Democratic Party is not abandoning any doctrine for which it has ever stood, nor is the Republican Party abandoning any doctrine for which it has ever stood, because the doctrine came in under the flexible provision of the Fordney-McCumber Tariff Act, and it continued during the Smoot-Hawley Tariff Act, and it exists in the law today, and the Reciprocal Trade Agreements Act is nothing but an evolution from the flexible provision of the Tariff Act. Under that provision the President was required to find certain facts; but when he found them he could reduce tariffs by 50 percent or he could raise them by 50 percent. Under the Trade Agreements Act the President is required to find certain facts, as facts. When he finds them he may modify the tariffs by 50 percent, either up or down.

There was serious doubt in the minds of many of us whether the formula laid down under the old flexible provision was sufficient or whether the President was called upon to exercise legislative power and legislative judgment in applying it. But the Supreme Court settled that question. We have simply accepted the decision of the Supreme Court and the doctrine of the Supreme Court, and we have said that we do not want to continue the old, unilateral method of making tariffs, to wit, making the tariff and applying it to all the world, with no power or authority anywhere to negotiate with any other country with respect to its tariffs against our exports. The Congress selected the only branch of the Government which had any authority under the Constitution to negotiate or to carry on any conversations with a foreign power. The President of the United States is the only organ of this Government, under our system, which can negotiate with a foreign country, which can talk to another nation about its tariff duties, and which can insist that "Your duties are too high on our imports; we are willing to make some concessions on duties against your imports into our country, provided we can reach an agreement as to our exports." There is no abandonment of democracy; there is no abandonment of the fundamental principles of the Democratic Party—not one whit on this earth.

It has always been recognized that the Congress, as the legislative branch of the Government, could lay down rules which could be applied and formulas which could be adopted by any agency it might choose. If that rule or formula were an intelligible one which could be administered, there was no delegation of legislative power.

Then, Mr. President, how supremely fantastic is the thought that under the Trade Agreements Act Congress is abdicating its power, when it only gives to the President, as the agency of the Congress, so far as the question of fixing a tariff rate is concerned, the right to apply a formula for 3 years, and it requires him to come back to the Congress every 3 years. This is the fourth time, I believe, that the Reciprocal Trade Agreements Act has been before the Congress in the short space of 11 years. Is there any destruction of the basic principles of democracy and free government so long as the Congress says to the President, as our Republican friends said in the Fordney-McCumber Act, "We will give you a tariff commission; you appoint it. It can advise you. You can disregard its advice if you wish to do so, or you can follow its advice if you wish to do so; and you can raise every duty by 50 percent or you can reduce every duty by 50 percent."

All we are saying here is that in lieu of the Tariff Commission, which throughout its entire record demonstrated the difficulty of ascertaining costs of production of very many articles, we are giving to the President of the United States, through his executive officers, the authority to negotiate with foreign nations. If he is able to reach what he believes to be a reciprocal beneficial arrangement with any foreign nation, he will then promulgate it as a trade agreement, which may not last more than 2 years at the most, and may according to the terms of the agreement, possibly last no longer than a year. The entire authority of the President can always be swept out from under him by the Congress of the United States. In any event he must come back to the Congress at the expiration of the act and ask for its continuance if he wishes it to be continued. How can there be any loss of free government under that kind of Congressional control of a Presidential act?

Mr. President, some of my friends on this as well as on the other side of the Chamber may think the statement to be untrue, but I assert that we have passed the day of tariffs which were made by logrolling, and written too often by the interests in America which sought particular duties. We shall never return to that day under either a Democratic or a Republican President. If those who oppose the Trade Agreements Act had been diligent in trying to lay down a reasonable direction to the President, or a formula which would not too rigidly have bound him, and at the same time would have continued legislative control, they might have accomplished something. But we are not going back to the logrolling days in the making of tariffs because, if human experience is worth anything, we know that in nearly every case great protected interests of this country wrote their own tariffs. If it takes place again, America will not stand for it. Whoever thinks differently is addressing an audience dead these 30 years in America, and especially during the past 15 years.

Here is a delegation of authority to the President. As the Supreme Court said in the Hampton case, it is a valid delegation because the legislative power remains in the Congress. The power to apply the rule is merely given to the President. It may not be given to anybody except the President alone. The executive branch of the Government alone can carry on conversations and negotiations with foreign countries. We want to abandon the old unilateral method of making the tariff, and approach it on the basis of reciprocal benefits to all countries which are willing to meet us half way.

We may have grave misapprehensions as to whether our interests will be properly protected. But there is no danger here to democracy, and there is no danger to free government if the system is flexible enough to enable us to meet the high responsibility which we must meet from day to day, and even from hour to hour in the world in which we now live.

Mr. President, there are many special products in the United States which can justify a protective tariff. I have never said or thought otherwise. There are many which are afforded protection, at the moment, beyond necessity, some of which do not need it at all. But why cannot we in the legislative branch rely upon the executive branch of government, which functions in this matter through the State Department, with information and advice from the Tariff Commission, the every agency which was set up by our Republican friends as the sole and solitary source of advice to the President, from the Department of Commerce, the Department of Agriculture, the OPA, and, under the terms of the pending bill, the Army, and the Navy?

Mr. President, the proposal of my distinguished friend from Wyoming is that the President, after going through all this detail of negotiating and treaty making with country X, must submit the treaty to the Senate for independent legislative action. We would ask him to negotiate a trade treaty. It would then come back here and become an independent legislative proceeding, subject to everything to which any bill is subject. It would be subject to committee consideration, and subject to favorable and unfavorable reports of the committee to the Senate. Not only that, Mr. President, but it would be subject to amendment in every single particular, subject even to amendment by attaching wholly unrelated and extraneous matter, as is done on legislative bills, for the Senate has no rule of germaneness or relevancy.

Mr. President, I say to my friends on the other side of the aisle that it was from legislation enacted by them that this whole method and scheme was conceived of adding flexibility to our tariff making, and lifting it out of the logrolling processes into which it had fallen. There have always been far-visioned men on the other side of the aisle who believed in protection, but who, nevertheless, wanted to adopt a more scientific, and a more flexible method in connection with the making of our tariffs.

I very well remember hearing a former distinguished Senator from Iowa, Senator Albert Cummins, shortly after I entered the Senate——

The PRESIDING OFFICER. The Senator's time on the amendment has expired.

Mr. GEORGE. I shall take just a little time on the bill. Shortly after I entered the Senate I heard Senator Cummins, of Iowa, standing in the aisle, in a memorable address against the then pending Republican tariff bill, framed by his own colleagues, say, "Mr. President, all of my life I have believed in the protective tariff, and I yet believe in it; but during all of my long service in the Senate or in the Congress I have never been able to vote for a single tariff measure framed by my party."

He recognized that tariff-making should be lifted out of the logrolling process, that it should be given scientific treatment, that there should be some flexibility in tariff-making, that our country should be able to act promptly and swiftly when the occasion demanded. What he meant was, when the tariff bill finally reached this floor and he looked at it, there were unconscionable rates written into it by special interests which followed it like a baby from the hour of its birth until it finally reached the President for his signature, and that under his conscience as a great American statesman he had never been able to vote for a single tariff measure which had been framed by his party and brought to this floor.

Mr. President, what is proposed is not an attack on free government, it is not an attack on democracy, it is not an

attack on our constitutional system, because we are merely laying down a formula, telling the President to administer it, and asking him to bring his handiwork back here and promulgate it under a Trade Agreements Act.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. O'MAHONEY. The Senator says we are asking the President to bring it back here and promulgate it.

Mr. GEORGE. Yes; promulgate it.

Mr. O'MAHONEY. Not here. It is promulgated in the executive offices, and not here. It is not brought back. I am asking the Senator to join me in having it brought back here before it becomes effective.

Mr. GEORGE. Mr. President, I did not mean here in the Senate Chamber; I meant here in our Government.

I am sorry I cannot join the Senator in his amendment. I cannot join him because I do not believe in the old method of tariff making, but I do profoundly believe that the present approach is immeasurably better than anything we have had up to now. It is not perfect; it can be improved, and I have often hoped that those who really opposed it would come forward with some additional directive to the President which might safeguard any interests which would be in the slightest danger of being overlooked in the making of a trade agreement.

Mr. AIKEN. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield.

Mr. AIKEN. I should simply like to remind the Senator that under the Tariff Act of 1897 there was specific authorization to the Executive to negotiate with foreign countries reciprocity treaties which would then have to be submitted to the Congress for approval. Under section 4 of the Tariff Act of 1897 12 treaties were negotiated by Mr. Kasson, the administration's special reciprocity commissioner, but neither President McKinley nor President Theodore Roosevelt was ever able to get 1 of those 12 treaties to a vote in the Senate. They could not even get them through the committee to the floor of the Senate for a vote. From the time our country had its birth, there is no record of the Congress ever having approved a reciprocity agreement or treaty, except in three instances. One of those was with Canada in 1854, one with Hawaii in 1875, and one with Cuba in 1902, an average of one every 50 years.

Mr. GEORGE. The Senator is quite correct, and all those were countries with which we had very close relations.

Mr. AIKEN. There was some very special reason.

Mr. GEORGE. A very special reason.

Mr. AIKEN. In no other instance has there been a reciprocity agreement or treaty approved by the Congress, although a great many of them have been submitted to the Congress. Ten treaties were submitted between 1844 and 1902, but none of them was ever put into effect.

Mr. GEORGE. The Senator is quite correct. It is for that reason, as well as all the other reasons I have pointed out, that I cannot go along with the Senator from Wyoming in his amendment.

Perhaps this is not a question directly involved—I do not take it to be at this moment—but under the Trade Agreements Act the President of the United States is expressly required to find as a fact:

> That any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared—

That is, of extending our trade and commerce—

> will be promoted by the means hereinafter specified.

Mr. BREWSTER. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield.

Mr. BREWSTER. I wish to point out that on the Senator's side of the aisle, in connection both with the Fordney-McCumber bill and the Smoot-Hawley bill, serious question was raised as to the adequacy of the formula which rested upon cost of production, indicating that on the Senator's side at least there was serious doubt as to whether that was adequate. With the decision of the Supreme Court in mind, would the Senator argue that the question of unduly burdening and restricting our foreign trade is in any sense an adequate formula which approaches in any degree the cost-of-production formula?

Mr. GEORGE. It is not the cost-of-production formula necessarily, but it is a formula under which, if the President finds certain facts, he is authorized to proceed.

Mr. BREWSTER. The Senator speaks of a finding that an import duty unduly burdens and restricts our foreign trade. Can he conceive of any import duty which does not restrict our foreign trade?

Mr. GEORGE. Yes; I can conceive of some.

Mr. BREWSTER. Is not that the concept of all duties that they restrict our foreign rade?

Mr. GEORGE. Not necessarily, I would say, because we might not be producing the same thing the other country was producing. But the word "unduly" is the word to keep in mind—not that there may not be some restrictions, but whether the restrictions are unduly burdensome.

Mr. BREWSTER. Does the Senator feel that in the decision in the case to which he referred the Supreme Court rendered a decision which would indicate that the word "unduly" would be considered an adequate formula by which to exercise this extraordinary legislative power?

Mr. GEORGE. The Supreme Court in that case was not dealing with that qualifying word. The Hampton case, of course, recognized the power of Congress to lay down a formula, and to permit its application by any agency which it might use, and they held that the formula prescribed in the flexible tariff provision was capable of administration.

Mr. BREWSTER. And that was the one which laid down the cost of production, was it not?

Mr. GEORGE. Yes; it did lay down the cost of production, but it laid down cost of production in foreign countries as compared with cost of production in the United States, and there were many people who thought it was impossible to ascertain exactly the cost of production in foreign countries, and the Supreme Court said it was not necessary that we be able to determine to a mathematical or exact certainty the cost of producing in foreign countries, so long as it was a practicable rule that was laid down, capable of administration. The Supreme Court itself practically admitted that there could not to a mathematical certainty be determined the cost of production in every instance in the foreign country or country of origin of every article or every product. The Court nevertheless said it was an intelligible rule and one capable of application.

Mr. BREWSTER. I am glad the Court paid tribute to the Republican side of the Chamber as being able to write an adequate rule which was challenged on the other side as being inadequate.

It seems to me, Mr. President——

Mr. GEORGE. Mr. President, my time is very limited. Let me answer the Senator by another Supreme Court decision. I know the Senator says the rule is too loose. That is not the question involved in this amendment. It is involved only incidentally. I wish to read from the case of *United States* v. *Curtiss-Wright Corporation* (299 U. S.). This decision was made long subsequent to the decision in the Hampton case. An act of Congress was under consideration, a joint resolution passed May 28, 1934, which provided:

> That if the President finds that the prohibition of the sale of arms and munitions of war in the United States to those countries now engaged in armed conflict in the Chaco may contribute to the reestablishment of peace between those countries, and if after consultation with the governments of other American Republics and with their cooperation, as well as that of such other governments as he may deem necessary, he makes proclamation to that effect, it shall be unlawful to sell—

And export, and a penalty was prescribed. Under that law the Curtiss-Wright Corp. was convicted.

What was the President required to find in that case?

> If the President finds that the prohibition of the sale of arms and munitions of war in the United States to those countries now engaged in armed conflict—

In South America—

> may contribute to the reestablishment of peace between those countries.

He can issue his proclamation. Could there be any broader authority? The decision in that case was written by Mr. Justice Sutherland, who was in no sense a New Dealer, but who was a lawyer very firmly grounded in the past traditions of American law.

In the case now before us the President is required to find "as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States."

It may be a difficult task, as the Supreme Court in the Hampton case said. Nevertheless it is an intelligible rule and one that can actually be administered by the President of the United States.

So, Mr. President, I think there can be no question whatever that the delegation of authority involved is ample. But that is not the precise question here involved. The question here involved is whether we are going to abandon all the progress which has been made through great trade struggles over many years toward the solution of the tariff problem in a scientific manner, and return to the old methods with which many of us were acquainted when we became Members of Congress.

Mr. O'MAHONEY. Mr. President, will the Senator from Georgia yield? I understand he has 5 minutes left.

Mr. GEORGE. I yield to the Senator for a question.

Mr. O'MAHONEY. Does the Senator not recall that in practically every announcement that has been made of an intention to negotiate a reciprocal trade agreement under this act the State Department listed every article of commerce between the nations so that it was clear from the moment the announcement of an intention to negotiate such an agreement was made that the plan of the State Department was to cover the whole scope of trade between the United States and the nation with which the agreement was to be negotiated, and make it——

Mr. GEORGE. No; if the Senator will permit me, I do not understand that to be true. I have not examined the matter recently, but my information is that the Department or the departmental committee has not usually submitted all articles that might be exchanged between the countries, but only specified articles which were enumerated, and that in many instances the trade agreement itself actually cut down that number by one-third or one-half before it was finally concluded.

Mr. O'MAHONEY. I have a distinct recollection, I may say to the Senator, that in at least some instances practically every article was listed. I cite that because it seems to me to be a clear rebuttal of the Senator's argument that the provision in the Reciprocal Trade Agreements Act that the President must find "as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade," constitutes an intelligible formula. The fact of the matter, it seems to me, is that that is clearly an exercise of judgment and not a finding of fact. Under the flexible provision of tariff law the Tariff Commission was required to find the difference between the cost of production at home and abroad.

Mr. GEORGE. But what was the President required to find in the case where he was merely required to find that the prohibition against the sale of arms in the United States would be conducive to peace?

Mr. O'MAHONEY. The Senator, if he would read all that decision——

Mr. GEORGE. I have read it all.

Mr. O'MAHONEY. I mean if he would read it to the Senate; he does not have the time. I will tell the Senate what is in that decision. That decision is based upon the contention, properly so, that this was a matter of foreign arrangements.

Mr. GEORGE. This is also a matter of foreign arrangements that I am trying to argue.

Mr. O'MAHONEY. Mr. President——

Mr. GEORGE. Let me answer, please. This is a matter of foreign arrangements.

Mr. O'MAHONEY. Certainly.

Mr. GEORGE. And we are dealing through the only organ of the Government that can deal with a foreign country. It is more than a mere tariff program; it is a tariff program based upon obtaining reciprocal benefits, and we must deal with foreign countries. I recognize that what the Senator says about the particular case is true.

Mr. O'MAHONEY. Certainly.

Mr. GEORGE. But in that instance there was a delegation of power to the President in far more general terms than under the Trade Agreements Act.

Mr. O'MAHONEY. The Senator falls back upon the power of the President to negotiate treaties when the argument puts him in difficulty about tariff rates, and then when anyone suggests that these be handled as treaties and ratified the Senator abandons the ground that they are treaties; they become trade agreements.

Mr. GEORGE. Oh, I am not talking about treaties at all.

Mr. O'MAHONEY. But I am.

Mr. GEORGE. Yes; but trade agreements are not treaties.

Mr. O'MAHONEY. That is precisely what I said the Senator would say. If they are not treaties, they are not then in the domain with which the Constitution deals.

Mr. GEORGE. Oh, yes, Mr. President. Of course, they are all agreements with foreign countries.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BARKLEY. Assuming that the President in negotiating one of these treaties is not within the realm in which the Constitution gave him exclusive power to negotiate treaties with other nations, then it results simply in a regulation of commerce with foreign nations in which Congress can authorize the President to act as its agent if he has no other authority.

Mr. GEORGE. Mr. President, I yield the floor.

REPORT OF COMMITTEE ON POST OFFICES AND POST ROADS—RECLASSIFICATION OF SALARIES OF POSTMASTERS, AND SO FORTH

Mr. McKELLAR. Mr. President, from the Committee on Post Offices and Post Roads, I ask unanimous consent to report favorably with amendments the bill (H. R. 3035) to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes, and I submit a report (No. 381) thereon.

The bill was ordered reported favorably by the committee, and I shall call it up at the earliest opportunity.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Without objection, the report will be received and the bill will be placed on the calendar.

EXTENSION OF TRADE AGREEMENTS ACT

The Senate resumed the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. BREWSTER. Mr. President, in connection with the discussion of whether or not the formula is adequate, which simply says that the President shall find as a fact that a certain duty, either in this country or abroad, is unduly burdening our foreign commerce, I would have much more confidence in the judgment of those on the other side if they were ready to acccept the flexible provision of the flexible tariff law and let the question be determined by the courts. Throughout the entire history of the reciprocal trade agreements legislation there has been the absolute determination that there should not be any provision by which the constitutionality of any determination could ever be submitted for court determination, in spite of the eloquence with which it is argued that the formula is entirely adequate and well within the bounds of the existing decisions of the courts.

The suggestion of special interest is always heard when the tariff is under consideration. So far as my own observation goes, much more of special interest has been manifested in behalf of the extension of this law than in behalf of its rejection. It is always unfortunate when considerations of that character are introduced, and I regret it. I think that any such suggestion is a reflection upon the integrity of the Members of this body or upon their intelligence. I think there might as well be suggestions of reciprocal trading for and against this measure; but I repel the suggestion that anything of that character has influenced the action of Members of the Congress.

It seems to me that not only within the grounds of the constitutional question presented by the Senator from Wyoming, but also within the grounds of policy, one may well question whether or not, with the further 50 percent reduction now proposed in existing tariffs, the tariff schedule may be carried not only to the level of the Underwood tariff, the lowest known in modern history, but far below the Underwood tariff, to an average rate of 16 percent ad valorem. It may well be that the question of carrying our tariff schedules to any such extent might, not as a matter of law, but as a matter of policy, be referred back to Congress for its determination.

When it is suggested that only 3 out of 12 reciprocal trade agreements have been ratified by this body, am I to assume that omniscience is attributed exclusively to the President in the consideration of this question, and that every one of these trade agreements was a good trade agreement simply because it was submitted by a President, no matter what his name might have been?

Or is it a fact that the Members of this body might also have had some measure of wisdom in refusing to consider or adopt the proposals which were made? Certainly, without a further showing than has been presented here by any Senator who has referred to this question, one is not warranted in convicting the Members of Congress of not knowing where the welfare of the country resides.

It has been suggested that some of the rates in former bills were unconscionable. I think with equal justice it might be said that some of the reductions which have been made under the reciprocal trade agreements seem to some of us to be unconscionable, particularly when they affect industries and interests with which we are vitally concerned—not the special interests of the great corporations, because they do not reside within my State, but the interests of the little men in agriculture, who have seen the rates upon their products reduced to the point where, under any normal conditions which may prevail, they will inevitably find their standard of living reduced. It is of them that I would speak. I find 16 schedules affecting the welfare of my State. Certainly there is as much warrant on this side as there is on the other to talk about unconscionable rates.

Some question was raised the other day regarding certain schedules which I introduced into the RECORD, and whether or not they correctly represented the case. Whether or not those were fully informative, specifying as they did that they referred to domestic production, may be a matter of argument; but certainly it is not a matter of argument that the point which I sought to make in my presentation of those schedules has not been in any way questioned.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. McMAHON. I am rather surprised to hear the last statement of the Senator, that the point which he made has not been questioned, because I understood the statement which was made by the Senator from Maine [Mr. WHITE] to have been a correction of the table which was inserted in the RECORD by the Senator who is now speaking, and of the deductions which he attempted to draw from it.

Mr. BREWSTER. With respect to the deductions which I attempted to draw from it, the only question was whether or not the omission of two footnotes from that schedule, which was entirely inadvertent and due to an error in printing, was calculated to leave the question in doubt. That might be arguable. However, the schedule which I introduced clearly specified domestic production. The Senator from Connecticut pointed out that there might be production for export, which was entirely correct. The point which I am now seeking to make is that the reason for the introduction of those schedules, as I believe those who heard me on that day will recall, was to answer the representations, here and elsewhere, that by a reduction in our tariff schedules we might bring in more imports to this country and by that means build up American dollars abroad so that foreign countries might buy more of our exports. That has been the siren song which has been sung throughout this country. We have heard constantly of $5,000,000,000 to $10,000,000,000 in foreign trade, which was going to provide from 3,000,000 to 5,000,000 jobs in America.

Mr. President, I think there is no doubt that that argument has been drilled into the minds of the American people. What I sought to point out by those schedules, as I think my discussion clearly indicated, was that the report of the Tariff Commission in response to my resolution made it abundantly clear that we could not anticipate any such glittering results as were claimed, since the Tariff Commission made it entirely clear that even under the most favorable circumstances, with an increase in our national income of 75 percent over that of 1939, a reduction of 50 percent in every tariff schedule on the books would result in an increase in our imports of less than $1,000,000,000. Therefore the most that we could expect to get in exports, for which we should be paid, would be less than $1,000,000,000. As I pointed out, meanwhile we would have eliminated the production at home of the $1,000,000,000 which we might import from abroad.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. McMAHON. It strikes me that the Senator is still persisting in his error.

Mr. BREWSTER. I am certainly persisting in my statement.

Mr. McMAHON. When the Senator asked the Tariff Commission for a study of imports, and when he asked that they be related to domestic production, without taking into account any increase in exports, I believe that therein the Senator was in error, because, as I see it, we cannot under any circumstances view the import situation without considering exports which arise from international trade.

Mr. BREWSTER. Those of us who have raised a question regarding the wisdom of some proposals have been under the constant charge that we did not understand foreign trade. It has been charged that all we wish to do is to sell products abroad, and that we are not willing to take anything in return. That has been alleged to be the fundamental fallacy under which we were laboring. So I asked the Tariff Commission to furnish an estimate of the imports which we could expect if we did certain things. The Tariff Commisison estimates that they would be less than $1,000,000,000. I have no quarrel with those who desire to bring imports into the State of Connecticut under a 50-percent reduction in the tariff, no matter what may be the impact; but I insist that if that is the maximum we can anticipate, we certainly cannot expect an increase in our exports of more than $1,000,000,000 without lending the money or in some other way extending credit to the peoples with whom we do business, if we accept the whole principle upon which this argument has been based.

Mr. McMAHON. Mr. President, will the Senator further yield?

Mr. BREWSTER. I yield.

Mr. McMAHON. In conclusion I should like to point out to the Senator that he very carefully excluded from the Tariff Commission's study and consideration of exports. I still say to the Senator that the table which he inserted in the RECORD, and the conclusions which he attempted to draw therefrom, are not warranted by the indisputable fact that we should not consider imports without considering exports. If the Senator wishes to look at only half the picture, he can draw any conclusion he wishes to draw from it.

Mr. BREWSTER. I do not think we need to labor the point further. I believe that the position of each of us is entirely clear. I have stated repeatedly the premise upon which I have proceeded, and it has been based upon the argument we have constantly heard.

I do not hear the Senator from Connecticut suggesting in any way how we are ever going to export unless we import. If we increase our imports by $1,000,000,000, I trust that the Senator from Connecticut will agree with me that we cannot increase our exports by more than $1,000,000,000. That is the only conclusion I draw; and I think it is fully warranted, not only by the facts in the RECORD but also by the entire course of this discussion.

Mr. WILEY. Mr. President, when I listened to the eloquent remarks of the distinguished senior Senator from Georgia [Mr. GEORGE], I was reminded of what Festus said to Paul. I paraphrase that statement by saying, "Thou almost persuadeth me to be a Democratic Christian."

I have heard what the distinguished junior Senator from Maine has said in relation to the subject of special interests, and I fully agree with what he said. In the last 6 years the experience of Senators has been that in the various departments and agencies they have found men who serve special interests.

The position I was taking when I was requested to yield was simply that the American people expect Congress to recapture its constitutional powers, instead of delegating more of them. I fully agree with the conclusion of the Senator from Georgia that in the mechanism set up in the act—the trade agreements and the other means provided for in the measure—provision is made for the determination of tariff matters by facilities or agencies far more able than the Congress to handle such matters.

But, Mr. President, the power to tax is the power to destroy. That power is a congressional constitutional power. In a large measure we are delegating that power. I can see no objection to the amendment of the distinguished senior Senator from Wyoming, which merely proposes that the Congress shall have the right to review. That is all the amendment provides.

It has been suggested that the President has the power to make treaties, anyway. Of course the President does have the power to negotiate treaties, by and with the consent of the Senate. Perhaps a fairly good way of handling the situation would be to let the President negotiate a bilateral treaty in relation to matters of this kind, and that should be

tried. However, the country at large has been fed up on the suggestion that a change should be made in regard to the constitutional requirement that treaties must be approved by a two-thirds majority of the Senate, and the suggestion that only a majority of both Houses of Congress should pass upon treaties or agreements in the nature of treaties.

Mr. President, that suggestion is embodied in the pending measure. In it provision is made for agreements, instead of treaties, and the Congress would pass upon the matter by a majority vote. At this particular time, when we are in doubt regarding so many matters, it is questionable whether we should continue this delegation of congressional power which might result in the paralysis of large segments of our economy.

Mr. President, when I previously yielded I was making a statement in regard to cheese. The duty on Cheddar cheese has been reduced by various reciprocal agreements from 7 cents to 5 cents and then to 4 cents. Cheddar cheese is the main cheese commodity produced in my State.

We have added to the pending measure the power to reduce the tariff on cheese an additional 2 cents a pound. If we had the yardstick which was mentioned by the Senator from Georgia, namely, the difference in the cost of production—and it is a reasonable yardstick—and if that yardstick would be utilized by the agencies in Washington in the negotiation of future agreements, I do not think anyone would complain. But let me state what would happen if the rate were reduced 2 cents a pound. We know the difference which exists between wages paid in this country and those paid in Denmark, in New Zealand, and in South America. And we know how much greater the cost of production is in this country. Yesterday I heard the argument that a comparatively small amount of cheese has been imported into the United States, as compared with the total amount which is produced here. Well, Mr. President, we are all just common-sense folks. If a man down the street sells an article for $1.50 and if I am required to sell it for $2, the man down the street will get the buyers, and pretty soon I will have to sell my article for the price for which he sells his, or else I will not sell at all. It is just common sense that if the market is broken by the importation of an article which can break the price, the buyer will go where he can buy the article the cheapest.

We are not discussing the question of policy, so to speak. We know it is an American policy. All we are asking is that this distinguished body recapture part of its constitutional powers. That is all the O'Mahoney amendment is, as I see it.

Mr. LUCAS. Mr. President, I am tremendously interested in the amendment which is now pending before the Senate. I am interested in seeing the amendment defeated, because I am vitally concerned with the continuation of the trade agreements into which we have heretofore entered, and I realize that we expect to enter into many more of them in the future.

The question before the Senate is not whether trade agreements are constitutional or unconstitutional. In my humble opinion that question was settled long ago by the Supreme Court of the United States. At every session of Congress at which the trade-agreement program has been considered, the question of constitutionality has been discussed over and over again. It seems to me that question is not now before the Senate of the United States in connection with the pending measure.

The sole question is one of policy. The policy which the Senator from Wyoming wishes to have the Senate adopt is one which would definitely defeat the trade-agreement program for all time to come and force resort to the old method of fixing tariff rates. Everyone who knows anything at all about what transpired in the past in respect to the making of tariffs must recall the log-rolling practices which then prevailed in their most pernicious form. The Senator from Georgia has ably described them. Certainly, in view of the arguments which have been made on the floor of the Senate in behalf of certain special industries, we can understand what the Senate would be faced with if a trade treaty involving a number of agricultural commodities should come before it.

Back in 1937, when this question was being debated by the Senate, the late Senator Norris said:

> As to the particular amendment new pending, I can see how any one could support it if he wants the joint resolution defeated. As I see it, if the pending amendment should be adopted, we might just as well reject the whole proposal. As I look at it, the adoption of the pending amendment would be the death knell of the joint resolution.

Of course, what the then able and distinguished Senator from Nebraska said at that time is true today.

Mr. President, we must take one or the other of the two horns of the dilemma. We must either admit we have no faith in the present administration to carry on in the American way and protect the industries of the United States, as the President said he would do, or we must admit that by agreeing to the pending amendment we oppose trade agreements. A subtle way to scuttle the trade agreement program is to talk about the delegation of power from the legislative branch of the Government to the executive branch. That, Mr. President, is not the issue at all. It is one of the arguments which is constantly being used by special interests which are represented on the floor of the Senate in connection with the pending measure. I submit that the question of the delegation of power has been decided over and over again. When the Senator from Wyoming talks about this program as being of totalitarian design, I must respectfully disagree with him. In my humble judgment, if we should not continue the trade agreement program as proposed by the pending bill, and the Senate of the United States should be so foolish as to adopt the O'Mahoney amendment and require trade agreements to be submitted to the Senate of the United States for ratification, we would move back toward economic isolation. That is the direction in which we will be going if we vote affirmatively on the amendment. We will be telling the American people, as well as the people of the nations of the world with whom we must trade, that we believe we can economically support ourselves without the aid of other nations. This is a dangerous and ruinous doctrine.

Mr. President, if the amendment of the Senator from Wyoming shall be agreed to, and it becomes law, we will see Great Britain, for instance, with whom we trade more than with any other country, instead of releasing her wartime controls, instead of eliminating discrimination and bilateral agreements, tightening them in her own interest. She will follow, in my humble opinion, the same path which she followed immediately after the enactment of the Smoot-Hawley Tariff Act.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HAWKES. Does the Senator realize that Britain has already acted, and has put back her tariff on steel, iron, and other articles? She did so day before yesterday.

Mr. LUCAS. Yes; and she will do more. If the Senate agrees to the O'Mahoney amendment and it becomes the law of the land, Britain will continue to raise her tariffs. I undertake to say that Great Britain and other nations are now waiting to find out what the Senate of the United States will do with respect to reciprocal trade agreements. I am not afraid to deal with Great Britain through power to be given to the President of the United States to negotiate trade agreements with her, or with any other country in the world.

Only last week I read an article by Mark Sullivan in connection with what the President is doing in his dealing with foreign problems. Mark Sullivan said:

> Mr. Truman has grasped the Russian problem and the whole international problem of which Russia is a part; he has accepted fully the responsibility which the United States and its President must have in this field, and goes forward sure-footedly. When he expresses confidence that progress is being made, it is really confidence, not merely a wish or hope. Mr. Truman's conclusions are the result of intellectual processes, not modified by temperament or emotion.

Mr. President, that is a real tribute paid by Mark Sullivan to the President of the United States. It ought to strengthen the vacillating, who apparently have no confidence in the great man who is now in the White House.

Mr. President, this is not an assault on free government, but as surely as this amendment is adopted, we move in the direction of totalitarianism.

I am one who does not like to talk about communism, totalitarianism, or a Fascist form of government, because, in my humble opinion, none of those forms will come to America, irrespective of what else may happen. I believe the liberty which has been ingrained in the fiber of the American people over a long period of centuries is such that it will take more than talk and internal problems to take away from us the basic right of freedom and liberty which we now enjoy. But, Mr. President, if any of these

forms of government to which I have referred shall ever come to this country, it will be when we revert to the era when we believed we were self-sufficient and self-supporting. That is exactly what the pending amendment would bring about.

Mr. President, this is the most dangerous amendment that could be presented. It would definitely kill the trade agreements program. It is a far more dangerous amendment than the one which was offered the other day providing for power to be given to the President to increase tariffs 50 percent. So far as I am concerned, I recognize that the traditional method of making tariffs is through the Congress of the United States. I recognize also that as we move forward in this world, conditions change. The individual who does stand at a dead level never gets very far. He must move with the current. As I look at the international picture at the present time I am confident that the trade agreements program is the only program by which we can exchange our goods for the goods of the rest of the world, and maintain our present economic standards of living. I admit it is not a panacea for all our economic ills, but it is a necessary and constructive step in the march of time.

As I said previously, the pending amendment is a very dangerous one. The method of dealing with the tariff, as provided in the amendment, is a dangerous method. Even if there were no bargaining power in the trade agreements program and it was left solely to the Senate to revise tariff schedules, I would not vote for it. I base my determination on my knowledge of what took place in connection with the Smoot-Hawley Act. At that time, log-rolling prevailed in its most pernicious form. It was a case of you scratch my back and I will scratch yours. The Congress of the United States is not the body to lower or raise tariffs, because of the interests which are involved.

Even if that were all there was to it, I should want to delegate the power to some agency to do that very thing. I am convinced the present procedure is in keeping with the best interests of free commerce upon an international basis.

For some 13 years we have had trade agreements in effect, and the bill to extend the Trade Agreements Act has been before the Congress each and every time it expired, and the amendment which is now offered by the distinguished Senator from Wyoming has been offered and passed upon by roll-call vote each time. It has been decisively defeated by the Senate each time, and I am sure it will be defeated when we vote on it today.

Mr. BARKLEY. Mr. President, I express the hope that we may vote on the pending amendment at this time.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] as modified.

Mr. WHERRY. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Guffey	O'Mahoney
Austin	Gurney	Overton
Bailey	Hatch	Pepper
Ball	Hawkes	Radcliffe
Barkley	Hayden	Reed
Bilbo	Hill	Revercomb
Brewster	Hoey	Robertson
Bridges	Johnson, Calif.	Saltonstall
Briggs	Johnson, Colo.	Shipstead
Brooks	Johnston, S. C.	Smith
Burton	Kilgore	Stewart
Bushfield	La Follette	Taft
Butler	Langer	Taylor
Byrd	Lucas	Thomas, Okla.
Capehart	McCarran	Thomas, Utah
Capper	McClellan	Tobey
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Donnell	McMahon	Wagner
Downey	Mead	Walsh
Eastland	Millikin	Wherry
Ellender	Mitchell	White
Ferguson	Moore	Wiley
Fulbright	Morse	Wilson
George	Murdock	Young
Gerry	Myers	
Green	O'Daniel	

The PRESIDENT pro tempore. Seventy-nine Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY], as modified. The amendment as modified will be stated.

The CHIEF CLERK. It is proposed to insert at the proper place in the bill the following:

No foreign trade agreement hereafter entered into under the authority delegated to the President by such section 350, as amended, no amendatory or supplementary agreement hereafter entered into under such section, and no duties or other import restriction specified in a proclamation issued by the President to carry out any such amendatory or supplementary agreement, shall take effect until the Congress by law has specifically approved such agreement.

The PRESIDENT pro tempore. The yeas and nays have been ordered, and the Clerk will call the roll.

The Legislative Clerk proceeded to call the roll.

Mr. BUTLER (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. BANKHEAD]. I transfer that pair to the senior Senator from Idaho [Mr. THOMAS], who would vote as I intend to vote. I am therefore free to vote. I vote "yea."

Mr. HILL (when his name was called). I have a pair with the junior Senator from Iowa [Mr. HICKENLOOPER]. I transfer that pair to the senior Senator from Washington [Mr. MAGNUSON], who I am advised, if present and voting, would vote "nay." Being at liberty to vote, I vote "nay."

Mr. McCARRAN (when his name was called). On this vote I have a pair with the senior Senator from Florida [Mr. ANDREWS]. I transfer that pair to the senior Senator from Montana [Mr. WHEELER], who would vote as I intend to vote. I am therefore free to vote. I vote "yea."

Mr. THOMAS of Utah (when his name was called). I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the Senator from Florida [Mr. PEPPER] and will vote. I vote "nay."

Mr. WHITE (when Mr. VANDENBERG'S name was called). I again announce that the Senator from Michigan [Mr. VANDENBERG] has a general pair with the Senator from Texas [Mr. CONNALLY]. I am not authorized to announce how either Senator would vote on the pending amendment.

I announce that the Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Alabama [Mr. BANKHEAD] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Montana [Mr. MURRAY] is absent on official business.

The Senator from Florida [Mr. PEPPER] is detained in one of the Government departments. If present and voting he would vote "nay."

I further announce that the Senator from South Carolina [Mr. MAYBANK] has a general pair with the Senator from Indiana [Mr. WILLIS].

The Senator from Georgia [Mr. RUSSELL] has a general pair with the Senator from Oregon [Mr. CORDON].

Mr. WHERRY. The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from Delaware [Mr. BUCK] is necessarily absent.

The Senator from Oregon [Mr. CORDON] has a pair with the Senator from Georgia [Mr. RUSSELL].

The Senator from Iowa [Mr. HICKENLOOPER] has a pair with the Senator from Alabama [Mr. HILL].

The Senator from Indiana [Mr. WILLIS] has a pair with the Senator from South Carolina [Mr. MAYBANK].

The Senator from New Hampshire [Mr. BRIDGES] is detained on official business.

The result was announced—yeas 27, nays 49, as follows:

YEAS—27

Brewster	Johnson, Colo.	Revercomb
Brooks	Langer	Robertson
Butler	McCarran	Shipstead
Capehart	McClellan	Taft
Capper	Millikin	Walsh
Gerry	Moore	Wherry
Gurney	O'Daniel	White
Hawkes	O'Mahoney	Wiley
Johnson, Calif.	Reed	Young

NAYS—49

Aiken	George	Murdock
Austin	Green	Myers
Bailey	Guffey	Overton
Ball	Hatch	Radcliffe
Barkley	Hayden	Saltonstall
Bilbo	Hill	Smith
Briggs	Hoey	Stewart
Burton	Johnston, S. C.	Taylor
Byrd	Kilgore	Thomas, Okla.
Chandler	La Follette	Thomas, Utah
Chavez	Lucas	Tobey
Donnell	McFarland	Tunnell
Downey	McKellar	Tydings
Eastland	McMahon	Wagner
Ellender	Mead	Wilson
Ferguson	Mitchell	
Fulbright	Morse	

NOT VOTING—20

Andrews	Glass	Russell
Bankhead	Hart	Scrugham
Bridges	Hickenlooper	Thomas, Idaho
Buck	Magnuson	Vandenberg
Bushfield	Maybank	Wheeler
Connally	Murray	Willis
Cordon	Pepper	

So Mr. O'MAHONEY's amendment, as modified, was rejected.

The PRESIDENT pro tempore. The bill is still before the Senate and open to amendment.

Mr. ROBERTSON. I send to the desk an amendment, which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, after line 22, it is proposed to insert the following new paragraph:

SEC. 4. In the case of manufactured textiles and the raw materials thereof which have been found by the Chiefs of Staff of the Army and the Navy to be strategic and critical textiles and raw materials which are essential to our national defense in time of war, no foreign trade agreement, under section 350 of the Tariff Act of 1930, as amended by this act, shall be entered into unless the importation of such textiles and raw materials thereof are established on a quota system, based on the average imports of such textiles and raw materials of which they are composed over a 20-year period prior to September 16, 1940. Such a quota shall be prorated among the exporting countries of such textile and raw materials over the same period and shall be increased from time to time only after investigation by the Tariff Commission reveals that such increased quotas will not reduce production, employment, and wage rates in such a manner as to threaten the economic stability of the industries affected and will not reduce production of raw materials or manufactured textiles to such degrees as to threaten our self-sufficiency for national defense in time of war.

Mr. BARKLEY. Mr. President, will the Senator from Wyoming yield to me for a moment?

Mr. ROBERTSON. I yield.

Mr. BARKLEY. I merely wish to request that Senators remain in the Senate Chamber. It is very desirable that we finish action on the bill this afternoon, and we can do it by remaining here and avoiding quorum calls on any amendments that may be offered.

Mr. ROBERTSON. Mr. President, the amendment which bears my name and which is in effect a mandatory quota provision, it seems to me, becomes necessary if we are to preserve one of the great basic industries of our Nation.

The mandatory quota basis is not a new provision. There are numerous examples of control of imports by quotas, such as scrap tobacco from Cuba; cattle from Canada and Mexico; flour, cotton, crude petroleum, boots, and shoes from Czechoslovakia, and sugar from Cuba. My amendment simply provides that wool imports shall be restricted to the average importations over a 20-year period prior to 1941.

Wool and wool textiles are commodities of critical and strategical importance, absolutely necessary for our defense in time of war and essential to the health of the people in time of peace. The United States is the second largest grower of apparel wool in the world, with an annual production of from 400,000,000 to 450,000,000 pounds. The American wool and textile industry is the seventh most important industry in the country in terms of employment and the twelfth in dollar value of product. It ranks among the highest in percentage of labor required to convert raw materials into finished products.

Wool is grown in 37 States of the country, but 70 percent or more of the industry is centered in the western range States and Texas. Sheep raising is bound up with livestock raising. In 13 Western States livestock raising and wool growing range from the first to the fourth most important industry in each State. In this region are raised 29,000,000 of the 41,000,000 sheep in the country.

These sheep produce in excess of 300,000,000 pounds of wool, worth at present values approximately $140,000,000, and 1,000,000,000 pounds of meat, worth $150,000,000, or a total of $290,000,000. Investment in sheep, land, buildings, and other equipment in this area is estimated at between $800,000,000 and $1,000,000,000.

The following table gives the relative position of the livestock and wool-growing industries in these States as of 1943. I shall not take the time of the Senate to read the table, but I ask that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Cash income of various products and relative importance in Western States for 1943 [1]

Products	Cash income	Percent of total	Rank of importance
Petroleum	$887,404,000	15	1
Fruit crops	709,082,000	12	2
Cattle and calves	697,399,000	11	3
Vegetable crops	262,161,000	10	4
Dairy products	409,272,000	7	5
Food grains	334,684,000	5	6
Hogs	301,778,000	5	7
Sheep, lambs, and wool	289,589,000	5	8
Copper	266,689,000	4	9
Chickens	84,671,000	1	10
Turkeys	72,033,000	1	11
Gold	43,786,000	.7	12
Sugar beets	41,638,000	.6	13
Silver	29,213,000	.5	14
Total livestock and wool	$1,288,766,000		
Dairy products	409,272,000		
Other agricultural products	1,868,269,000		
Total agricultural ventures	3,566,307,000		
Total minerals and petroleum	2,539,604,000		
Total cash income	6,105,911,000		

[1] Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, South Dakota, Texas, Utah, Washington and Wyoming.

Mr. ROBERTSON. Since the outbreak of the World War, Great Britain has purchased the entire output of British dominion wools, which represent nearly 75 percent of the world's supply of apparel wools. This agreement will extend for at least a year after the war, and most probably for several years thereafter.

Within the past week representatives of British dominion growers concluded arrangements for disposing of British dominion wool surplus, estimated at approximately 5,000,000,000 pounds. This agreement will include the disposition of the annual Australasian clip of approximately 1,125,000,000 pounds of wool. The Government of Australia has already enacted a wool-promotion bill under which the Government, jointly with Australian wool growers, established a fund of $1,800,000 to be expended annually for the next 5 years to increase markets for wool throughout the world by experiment, research, and promotion. An office will be established by this group in the United States; and its frankly admitted purpose is to increase the sale of foreign wool and foreign wool textiles in this country.

No one can predict the prices at which foreign wool will be sold in this country in the postwar period. The price at which it is being sold in the United States lands it here at 7 cents a pound under the existing ceiling prices of comparable domestic wool. This is depriving American-grown wool of its only market—the American market.

Mr. President, the United States annual production of wool ranges from 400,000,000 to 450,000,000 pounds. This is roughly about two-thirds of the normal wool requirements of the country, which can be placed at from six hundred to six hundred and fifty million pounds—which means that we have to import some 200,000,000 pounds of wool to satisfy our domestic requirements. It is this 200,000,000 pounds, or whatever the average would be in the 20 years prior to 1941, that this amendment seeks to establish as a quota.

The establishment of such a quota would stabilize not only the wool-growing industry, but also the textile manufactures of New England, and it is heartily endorsed by the Textile Workers' Union of America. At this point I read into the RECORD a telegram which was received by Representative BARRETT, of Wyoming, during the House discussion on this bill:

As general president of 450,000 members of the Textile Workers' Union of America, CIO, I wish to make my position clear in regard to my testimony before the Ways and Means Committee. The majority report failed to refer to my position in favor of a mandatory quota control. I wish to repeat emphatically

the position that I took which is that we firmly believe that the American textile industry, because of its importance to our own and world economy and for various valid historical reasons, cannot be subjected to indiscriminate international competition. It is our opinion, furthermore, that the potentially ruinous effect of indiscriminate foreign competition should be barred by quota restrictions similar to the quota principle which has been invoked in tariff negotiations with Mexico. Mandatory quota controls, we believe, are imperative and just, and the bill should be amended to provide such mandatory quota controls.

EMIL RIEVE,
General President, Textile Workers' Union of America.

Domestic wool is selling today at a ceiling price of $1.16—scoured basis—which a recent study by the United States Tariff Commission declares is 10.8 percent below average costs of production. As a result of this differential in price in favor of the foreign producer, a condition of chaos in the domestic market has been prevented only by a year-to-year agreement whereby the Commodity Credit Corporation is purchasing the United States domestic wool clip. It is holding approximately 300,000,000 pounds in storage—a surplus which is increasing as the balance of the 1945 clip comes into the market.

The only market for this wool is the dwindling military market, and even here domestic wool is used only when the Quartermaster General of the Army or the Paymaster General of the Navy specifies it. Its use is not legally required. Virtually every yard of fabric produced for civilian use is being manufactured of foreign wool. The War Production Board is expediting imports from Australasia and the Argentine by issuance of import licenses and reservation of shipping space.

For 4 years past, because of the war effort, our wool textile manufacturing has been operating at the highest production rate in our history. Since 1941 wool consumption has averaged 1,000,000,000 pounds a year. Imports have exceeded 600,000,000 pounds a year, or more than the amount we normally consume in an average peacetime year. As a result of the discouraging conditions outlined, sheep raising in this country is showing an unprecedented decline. In 1942 the sheep population of the United States was approximately 50,000,000. At the present it numbers but 41,000,000, a falling off of 17 percent. The sheep population today is the lowest since 1929. Sheep ranches throughout the range country are being offered for sale at sacrifice prices, with few takers.

It is hard to imagine a livestock industry that requires a greater and more constant effort to preserve the numbers of livestock than does the sheep industry. The average ewe—and in case this record is read by the OPA, I will state that a ewe is a female sheep—is limited to 3½ years of production. As a ewe lamb, this animal produces nothing until it is 1 year old, and then it produces a limited wool crop. At 2 years old, the ewe produces a 12-month crop of wool and a lamb. At least about 70 percent of them produce a lamb. As a 3-year-old and 4-year-old ewe, under the best possible conditions, she will produce a lamb and a 12-month crop of wool each year. When a ewe goes into the fifth year, she becomes a liability, as she is not able to make a living for herself. So, unless the flockmaster prepares to put from 25 percent to 33 percent replacements into his flocks every year, he can be out of the business in a short time.

The experience of the American wool-growing and wool textile industries under existing trade treaty agreements is an indication of what can occur in the post-war period, even though present tariff rates are not reduced below existing levels. It is becoming more and more apparent that the competition of foreign wool growers and textile manufacturers will be the competition of controlled economies in which distribution of products will be more important than the ordinary profits of private industry.

Effective in 1939, concessions were made in the trade agreement with the United Kingdom on wool wastes, rags, and wool textiles. Although the treaty was only fully effective in 1939, the increase in imports during the first 8 months of that year is significant as indicating what the future may hold. Here are a few examples:

Imports of noils, or short wool fibers, for first 8 months of 1938, amounted to 1,586,998 pounds. For the corresponding period of 1939 they amounted to 4,266,225 pounds—an increase of more than 168 percent.

Imports of wool wastes, used as replacements of new wool fibers, amounted to 483,532 pounds in 1938. In 1939 they amounted to 2,375,533 pounds—an increase of 391 percent.

Rag imports for the first 8 months of 1938 amounted to 492,195 pounds. For the same period in 1939 they amounted to 5,461,292 pounds—an increase of 1,009 percent. The duty on rags which are reprocessed into reused wool was cut from 18 to 9 cents.

The PRESIDENT pro tempore. The time of the Senator on the amendment has expired.

Mr. ROBERTSON. I will take a little time on the bill.

Mr. President, imports of manufactured worsted and woolen fabrics during the first 8 months of 1939 increased variously from 79 to 241 percent in different categories. In many instances these textiles were landed here below domestic costs of production.

Foreign wool growers and those in big countries having large wool textile industries, especially Great Britain, from which comes approximately 85 percent of our wool textile imports, all depend largely on world markets for disposing of their output.

The position of the American wool grower and the American textile manufacturer is exactly opposite. Due to higher costs of production, higher wages, and higher living standards, the American wool grower has only the American wool textile manufacturer as a customer. The American wool textile manufacturer has only the American public for a customer. Neither the American wool grower nor the American wool textile manufacturer can compete in any foreign market against any foreign competitor, who shares in the American market, because of the higher cost of production in this country. Therefore, the protection of the American wool grower and the protection of the American wool textile manufacturer are inextricably bound together.

Foreign producers now share generously in the American market. Under a quota system such as is envisioned in this amendment they can continue to do so, but with safeguards that will prevent them from completely dominating this great basic industry essential to our national defense in wartime and the health of our population in peacetime.

Mr. President, this amendment calls for no reduction in tariff rates; it calls for no increase in tariff rates. It does not affect the question of the relinquishment of congressional power to the Chief Executive. It has nothing to do with Bretton Woods, Dumbarton Oaks, or the San Francisco agreement. It is merely a safeguard provision for one of our great, basic industries. I urge the inclusion of this mandatory quota provision in House bill 3240.

Mr. BARKLEY. Mr. President, I do not wish to detain the Senate by discussing the amendment for more than a brief moment. What the Senator from Wyoming is attempting to do by his amendment is to freeze the importations of wool or of the products of wool. His amendment really covers all textiles, but I suppose he is emphasizing wool. Insofar as the amendment may apply to cotton, of course, the importations of cotton textiles offer no serious threat to the American cotton industry. Only from France and Belgium, if at all, can come the finer grades of laces which may be produced from cotton, and those countries import most of the cotton they use from the United States. It will be a period longer than the life of this Trade Agreement Act before Japan will be able to revive or recover to such an extent that she will be able to offer serious competition in connection with the sale of cotton fabrics in the United States.

So the amendment really relates to wool. It seeks to freeze the imports of wool by providing a mandatory quota based upon the average for the 20-year period from 1920 to 1940. We all know, and the Senator from Wyoming has stated, that in this country we do not produce enough wool to supply our demands.

The Tariff Act of 1930 provides a basic duty of 34 cents a pound, clean content, on apparel wools finer than 44 in grade. That is the quality. In the Tariff Act of 1922 the rate was fixed at 31 cents a pound.

The amendment offered by the Senator from Wyoming seems to be based upon the needs of the Army and the Navy. From that standpoint the amendment is unwise, because it would be mandatory. The amendment provides that under no trade agreement covering these fabrics can any reduction be made, unless a mandatory quota based on the 20-year average is fixed. The amendment would so bind the hands of

the Government in negotiating any sort of agreement with any other country that even if the quota were found by the War Department and Navy Department to be contrary to the best military interests of this country, it would still have to be imposed.

If we are going to make an exception in this Trade Agreement Extension Act by providing a mandatory quota on wool and wool products it will open wide the door for exceptions in the act with respect to any other product in the United States. During the present war emergency the amount of apparel wool necessary for the United States has been, I believe, approximately 2,000,000,000 pounds per annum. It has been necessary, of course, to import a larger quantity of wool in order to meet the demand than was required during normal times.

Certainly the wool industry, whether in relation to raw wool or manufactured wool, is not in such a status as to justify the Senate in singling it out and providing that there shall be no trade agreement respecting the industry except that which is based upon a 20-year average quota. Under the Trade Agreement Act the President has wide discretion in regard to quotas. He can provide in the agreement that there shall, under certain circumstances, be quotas. In our trade agreement with Mexico there is what is called an escape clause by which if importations of certain commodities reach a proportion which threaten the industries in the United States dealing in similar products, the President may reduce the importations and impose a quota. He may do the same respecting any other commodity, although I hope the committee as well as the Senate would feel it to be unwise to insert in this extension act mandatory provisions requiring quotas to be included.

Mr. President, for that reason, and for other reasons which I could state, I hope the amendment of the Senator from Wyoming will be rejected.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Wyoming [Mr. ROBERTSON].

Mr. ROBERTSON. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BUTLER (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. BANKHEAD]. I transfer that pair to the senior Senator from Idaho [Mr. THOMAS] who, if present, would vote as I shall vote. I am therefore at liberty to vote. I vote "yea."

Mr. HILL (when his name was called). I have a pair with the junior Senator from Iowa [Mr. HICKENLOOPER]. I transfer that pair to the senior Senator from Washington [Mr. MAGNUSON] who, if present, would vote "nay." I am therefore at liberty to vote. I vote "nay."

Mr. McCARRAN (when his name was called). On this vote I have a pair with the senior Senator from Florida [Mr. ANDREWS]. I transfer that pair to the senior Senator from Montana [Mr. WHEELER] who, if present, would vote as I shall vote. I am therefore at liberty to vote. I vote "yea."

Mr. WHITE (when Mr. VANDENBERG's name was called). I again announce that the senior Senator from Michigan [Mr. VANDENBERG] has a general pair with the senior Senator from Texas [Mr. CONNALLY].

Mr. WILEY (when his name was called). A few moments ago the senior Senator from Maryland [Mr. TYDINGS] asked me to pair with him on this particular question, and I told him that I would do so. I believe that if he were present he would vote as I would vote. If I were at liberty to vote, I would vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The Senator from Alabama [Mr. BANKHEAD] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Montana [Mr. MURRAY] and the Senator from Oklahoma [Mr. THOMAS] are absent on official business.

I further announce that the Senator from South Carolina [Mr. MAYBANK] has a general pair with the Senator from Indiana [Mr. WILLIS].

The Senator from Georgia [Mr. RUSSELL] has a general pair with the Senator from Oregon [Mr. CORDON].

Mr. THOMAS of Utah. I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the Senator from Virginia [Mr. GLASS] and vote "nay."

Mr. WHERRY. The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from Delaware [Mr. BUCK] is necessarily absent.

The Senator from Oregon [Mr. CORDON] has a general pair with the Senator from Georgia [Mr. RUSSELL].

The Senator from Iowa [Mr. HICKENLOOPER] has a general pair with the Senator from Alabama [Mr. HILL].

The Senator from Indiana [Mr. WILLIS] has a general pair with the Senator from South Carolina [Mr. MAYBANK].

The Senator from Michigan [Mr. VANDENBERG] has a general pair with the Senator from Texas [Mr. CONNALLY].

The result was announced—yeas 23, nays 51, as follows:

YEAS—23

Brewster	McCarran	Shipstead
Brooks	Millikin	Walsh
Butler	Moore	Wherry
Capper	O'Daniel	White
Gurney	O'Mahoney	Wiley
Hawkes	Reed	Wilson
Johnson, Colo.	Revercomb	Young
Langer	Robertson	

NAYS—51

Aiken	George	Mitchell
Austin	Gerry	Morse
Bailey	Green	Murdock
Ball	Guffey	Myers
Barkley	Hatch	Overton
Bilbo	Hayden	Pepper
Briggs	Hill	Radcliffe
Burton	Hoey	Saltonstall
Byrd	Johnston, S. C.	Smith
Chandler	Kilgore	Stewart
Chavez	La Follette	Taft
Donnell	Lucas	Taylor
Downey	McClellan	Thomas, Utah
Eastland	McFarland	Tobey
Ellender	McKellar	Tunnell
Ferguson	McMahon	Tydings
Fulbright	Mead	Wagner

NOT VOTING—22

Andrews	Glass	Scrugham
Bankhead	Hart	Thomas, Idaho
Bridges	Hickenlooper	Thomas, Okla.
Buck	Johnson, Calif.	Vandenberg
Bushfield	Magnuson	Wheeler
Capehart	Maybank	Willis
Connally	Murray	
Cordon	Russell	

So Mr. ROBERTSON's amendment was rejected.

Mr. O'DANIEL obtained the floor.

Mr. PEPPER. Mr. President, will the Senator yield to me to make an explanation to accompany the yea-and-nay votes taken this afternoon?

Mr. O'DANIEL. I yield.

Mr. PEPPER. Mr. President, I regret very much that I was compelled to absent myself this afternoon, in the company of one of the Representatives from Florida and some Florida citizens, to call at the Department of Commerce, so that I was not present to vote on the Shipstead amendment and the O'Mahoney amendment. I should like to announce that had I been present I would have voted "nay" on each of those amendments. I regret my absence.

Mr. O'DANIEL. Mr. President, I send to the desk an amendment which has been printed and is lying on the table. I hope Senators will remain to vote on the amendment. I do not intend to take up much time in discussing it.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to add at the end of the bill the following:

No foreign-trade agreement hereafter entered into under this act shall take effect until the Senate of the United States shall have advised and consented to its ratification, two-thirds of the Senators present concurring.

Mr. O'DANIEL. Mr. President, this amendment does not presume to change the manner in which trade agreements

are now negotiated. Neither does it presume that the Chief Executive and his assistants lack ability to negotiate treaties for the best interests of our people. It merely seeks to have trade agreements, after they are negotiated, submitted to the Senate to be ratified by the Senate, as provided in the Constitution of the United States.

An identical amendment was offered 2 years ago when the Reciprocal Trade Agreements Act was renewed, and the argument for the amendment was very beautifully and logically presented by my good friend, the late Senator Francis Maloney. At that time the yeas and nays were requested and granted, and I should like to have the yeas and nays on the amendment at this time.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BUTLER (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. BANKHEAD], which I transfer to the senior Senator from Idaho [Mr. THOMAS], who would vote as I intend to vote. I am, therefore, free to vote, and I vote "yea."

Mr. HILL (when his name was called). I have a pair with the Senator from Iowa [Mr. HICKENLOOPER] which I transfer to the senior Senator from Washington [Mr. MAGNUSON]. I am advised that if present and voting, the Senator from Washington [Mr. MAGNUSON] would vote "nay." Being at liberty to vote, I vote "nay."

The roll call was concluded.

Mr. McCARRAN. On this vote I have a pair with the senior Senator from Florida [Mr. ANDREWS], which I transfer to the senior Senator from Montana [Mr. WHEELER], who would vote as I intend to vote. I am, therefore, at liberty to vote. I vote "yea."

Mr. RADCLIFFE. My colleague, the senior Senator from Maryland [Mr. TYDINGS], is necessarily absent. If present he would vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Alabama [Mr. BANKHEAD] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from Montana [Mr. MURRAY] is absent on official business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

I further announce that the Senator from South Carolina [Mr. MAYBANK] has a general pair with the Senator from Indiana [Mr. WILLIS].

The Senator from Georgia [Mr. RUSSELL] has a general pair with the Senator from Oregon [Mr. CORDON].

Mr. THOMAS of Utah. I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the Senator from Virginia [Mr. GLASS] and vote "nay."

Mr. WHERRY. The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from Delaware [Mr. BUCK] is necessarily absent.

The Senator from Oregon [Mr. CORDON] has a general pair with the Senator from Georgia [Mr. RUSSELL].

The Senator from Iowa [Mr. HICKENLOOPER] has a general pair with the Senator from Alabama [Mr. HILL].

The Senator from Indiana [Mr. WILLIS] has a general pair with the Senator from South Carolina [Mr. MAYBANK].

The Senator from Michigan [Mr. VANDENBERG] has a general pair with the Senator from Texas [Mr. CONNALLY].

The result was announced—yeas 20, nays 55, as follows:

YEAS—20

Brooks	Langer	Robertson
Butler	McCarran	Shipstead
Capehart	McClellan	Taft
Capper	Moore	Wherry
Gurney	O'Daniel	White
Hawkes	O'Mahoney	Young
Johnson, Colo.	Revercomb	

NAYS—55

Aiken	Gerry	Myers
Austin	Green	Overton
Bailey	Guffey	Pepper
Ball	Hatch	Radcliffe
Barkley	Hayden	Reed
Bilbo	Hill	Saltonstall
Brewster	Hoey	Smith
Briggs	Johnston, S. C.	Stewart
Burton	Kilgore	Taylor
Byrd	La Follette	Thomas, Okla.
Chandler	Lucas	Thomas, Utah
Chavez	McFarland	Tobey
Donnell	McKellar	Tunnell
Downey	McMahon	Wagner
Eastland	Mead	Walsh
Ellender	Millikin	Wiley
Ferguson	Mitchell	Wilson
Fulbright	Morse	
George	Murdock	

NOT VOTING—21

Andrews	Glass	Russell
Bankhead	Hart	Scrugham
Bridges	Hickenlooper	Thomas, Idaho
Buck	Johnson, Calif.	Tydings
Bushfield	Magnuson	Vandenberg
Connally	Maybank	Wheeler
Cordon	Murray	Willis

So Mr. O'DANIEL's amendment was rejected.

Mr. McFARLAND. Mr. President, I wish to call up the amendment which I have at the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following new section:

SEC. —. No proclamation shall be made under the authority delegated to the President by such section 350, as amended, providing for the application of any decreased rate of duty or excise on any raw material, including agricultural products, wool, and livestock, metals, minerals, ores, and concentrates (but excluding any processed commodity) during any period in which the market price of such raw material or agricultural product in the United States is less than the parity price thereof, and the rates specified in any such proclamation shall be subject to adjustment from time to time to carry out the intent of the foregoing provision. In the case of all commodities except metals, minerals, ores, and concentrates the parity price shall be determined in the manner provided by the Agricultural Adjustment Act in the case of all agricultural commodities; and in the case of metals, minerals, ores, and concentrates the parity price shall be determined in the same manner except that the base period for the determination of the price shall be the years 1925 to 1929, inclusive.

Mr. McFARLAND. Mr. President, that the world is in a most unsettled condition is beyond dispute. We are still engaged in a bitter war with Japan. No one can foretell just what conditions will be in the postwar world. It was for this reason that I voted against the change in the bill providing for extension of the Reciprocal Trade Agreements Act. I personally feel that we should carefully weigh every proposal that is made until we can foresee the effect of such proposed change. We cannot afford to take chances while the whole world seethes with unrest. But when we grant additional powers, as was done by the vote of the Senate yesterday, we should set up a formula as a guide for the State Department to follow in making reductions in tariffs. The question was raised on the floor of the Senate this afternoon whether the present law provides a sufficient formula.

The amendment which I propose sets forth such a formula. It would give to the administrative branch of our Government authority to reduce tariffs when raw materials, including agricultural products, wool, mohair, livestock, minerals, ores, and concentrates, are selling at parity or above. This is just and equitable. No one can justly complain about reductions so long as he is receiving a fair price for his product. The amendment provides the same method for determining parity as is provided in the Agricultural Adjustment Act for agriculture and livestock. For minerals and metals the formula is the same except the years chosen for parity determination is the period 1925 to 1929. These are not the high-price years for those minerals. For instance, the average price of copper during that period was 14 cents.

I do not want to take the time of the Senate to discuss this amendment in detail. I feel that it is self-explanatory. I merely want to say that in proposing the amendment I do not feel that I am showing a lack of confidence in our President, Harry Truman. I do not feel that this is a matter of confidence. It is a question of principle. We should not pass legislation and give authority merely because we have great confidence in one individual, as I have in President Harry Truman. We should give to him, and we should give particularly to the State Department, which all of us know is the Department which will administer this

law, a formula to guide them in the administration of the law.

There are different schools of thought as to how much protection should be given to any one product. There are those who contend that we should raise only agricultural products with which we are able to compete with the world market and should buy the others from other countries. There are those who contend that we should conserve our precious metals, leave them in the ground until we have exhausted the supplies in other nations.

So, Mr. President, I feel that at this time, when the farmers and livestock men of our Nation have done so much toward feeding the world, they are entitled to know just what they can count on. I feel that the mining men who have struggled and given us the strategic metals needed in this war should also have the protection which they have earned, namely, to get a fair price for their product before metals which are mined by cheap labor are shipped in.

The other day I made it a point to go out into the agricultural districts in Egypt. There I saw men working from dawn to dark for the sum of 28 cents a day, much less than we pay a man for a single hour's labor. They were living under conditions worse than those under which our dogs and cats live.

We talk about raising the standards of living in other nations. No one wishes more than I that these poor wrecks of humanity shall have a better standard of livelihood. Mr. President, vast wealth has been made in Egypt, but that wealth goes into the hands of only a few individuals. Lower our tariffs, put their products into competition with ours, and those poor people will not get one cent more than they are receiving today. Reforms must come from within and not from without. They could have provided better standards of living in the past for their poor people by taking less profit for themselves.

So Mr. President, while I feel that the present law should have been continued without change at least for the duration of the war and 6 months thereafter, I feel that inasmuch as the Senate has voted the change we should set up some guide for its administration, and for this reason I am asking Senators to vote for the pending amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. MCFARLAND].

Mr. BARKLEY. Mr. President, just a word about this amendment. If the Senate adopts the amendment and it is included in the law it will constitute a third effort in regard to parity. We provided for parity in the Agricultural Act. In the Stabilization Act we provided that farm prices may not have a ceiling until they have reached parity. This amendment would tie the President's hands so that he could not in any way exercise any bargaining power with respect to any of the articles or commodities covered by the Senator's amendment. If we are to give the President the power to bargain with other nations, we ought not to give him that power with one hand and take it away with the other. That is what this amendment would do, and I hope it will be rejected.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. MCFARLAND].

The amendment was rejected.

Mr. MCCLELLAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Arkansas will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following new section:

SEC. —. No foreign trade agreement hereafter entered into under such section 350, as amended, shall take effect until the Senate of the United States shall have advised and consented to its ratification, a majority of the Senators present concurring.

Mr. MCCLELLAN. Mr. President, the hour is growing late, and I know that the desire of the Senate is to vote on the final passage of the pending measure. Therefore I shall not make any extended remarks.

I simply wish to say that in the final vote I shall support the bill. I shall do so with some reluctance; I shall do so with some doubt; but I shall do so to support the present administration, and because I realize that it is impossible for Congress always to legislate on tariff issues.

I believe that it is imperative that we delegate some power to the President and to the State Department to enter into trade agreements, but I believe that under the Constitution the final responsibility rests with the United States Senate. We can delegate all that power away; but I doubt the wisdom of doing so.

I have no doubt that the President, the State Department, and those to whom this authority is being delegated will conscientiously endeavor to negotiate such agreements as will be in the interest of this country under existing world conditions. But, Mr. President, in my judgment, under the Constitution we in the United States Senate must assume the ultimate and final responsibility for whatever the consequences are.

We have voted down an amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to retain in the Congress the power to approve by legislation any trade agreements entered into. We have voted down an amendment offered by the Senator from Texas [Mr. O'DANIEL] to require ratification by two-thirds of the Senate of any treaty or agreement entered into.

The amendment which I have offered would require concurrence by only a majority of the Senate.. Therefore, as I see it, the amendment which I have offered in the closing hour of this session, and immediately preceding the final vote, is the last opportunity for the Congress, or one branch of the Congress, to retain any supervision or control over trade agreements. I believe that we ought to retain some control. I believe that under the Constitution the final responsibility is vested in the United States Senate. My amendment is a compromise. It goes at least halfway.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MCCLELLAN. I yield.

Mr. BARKLEY. If the Senate is to exercise exclusive jurisdiction over a certain subject, it must be on the basis that it is a treaty; and if it is a treaty, the vote of two-thirds of the Senators present is necessary to ratify it. We cannot amend the Constitution by inserting an amendment in a tariff bill. We have already voted down the proposal that such agreements should be considered as treaties, and be ratified by the constitutional two-thirds vote of the Senate. We have already voted down the proposal that both Houses shall pass upon the question by a majority vote.

If a trade agreement is not a treaty, and Congress is to have any hand in it, it must be by legislative act, which requires passage by both Houses. Neither House alone can enact a law. Does not the Senator find that his amendment occupies a rather anomalous position with regard to the jurisdiction of the Senate, by a majority vote, to ratify a treaty or agreement of this sort? It would be equivalent to amending the Constitution by the act of the Senate alone.

Mr. MCCLELLAN. The Senator may be wholly satisfied that trade agreements are not treaties. I am not satisfied.

Mr. BARKLEY. If they are treaties, how does the Senator propose to ratify what he thinks is a treaty by a majority vote of the Senate.

Mr. MCCLELLAN. I supported the amendment which was offered to require ratification by a two-thirds vote of the Senate.

Mr. BARKLEY. I understand that; but that does not change the legal situation.

Mr. MCCLELLAN. Assuming that a trade agreement is not a treaty, and does not require a two-thirds vote, then I assume that the Congress certainly retains the power to say that it shall be ratified by one House or both, or by a majority, or by two-thirds. I think we can say that. I do not think anyone can deny it. We certainly can legislate now on that question.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. MCCLELLAN. I yield.

Mr. CHANDLER. The amendment would have to be agreed to by the House.

Mr. MCCLELLAN. The amendment would have to be agreed to by the House. It would constitute legislation. I think the Congress has a right to legislate on the subject. We are legislating on it. I think the amendment is pertinent. We may not like it. We may not vote for it. We may disagree with it. Nevertheless, Mr. President, I offer it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MCCLELLAN. I yield.

Mr. BARKLEY. Does the Senator believe that the House would agree to any proposal that we deprive it of its original jurisdiction in connection with revenue legislation?

Mr. MCCLELLAN. Regardless of what I think, that is a House responsibility. I do what I think is my duty. I believe

that the Senate will do its duty. I assume that the House will do what it believes to be its duty.

Mr. President, this is the last opportunity for the Congress, or either branch of the Congress, to retain any semblance of supervision, jurisdiction, or final voice in connection with these treaties. We can delegate away all our power; and I am going to vote to do so, but I sincerely doubt the wisdom of it. I hope we are not making a mistake. That is my judgment, after having listened to the debate day in and day out.

Mr. President, we are delegating a power that could be used as a dangerous instrumentality against the economy of America. Make no mistake about it. I trust that the law will be wisely administered. If it is, no harm will be done. If it is not, then the Congress must take the final responsibility. I have faith in our President and in our Secretary of State. I do not believe that the law will be wrongly administered. I hope not. If it is not to be wrongly administered, and if the Senate does not believe that it will be wrongly administered, then there should be no serious objection to my amendment, which provides that the Senate must approve a treaty or agreement by a majority vote.

Mr. President, I have stated my position. I am going along on the passage of the bill as it is now, but I could not vote for it without first having at least made the last plea to retain some authority in the United States Senate or the Congress.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arkansas.

The amendment was rejected.

The PRESIDENT pro tempore. The bill is still before the Senate and is open to amendment.

If there be no further amendment to be proposed, the question is on the third reading of the bill.

The bill was read the third time.

The PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

Mr. OVERTON. On this question I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BUTLER (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. BANKHEAD], I transfer that pair to the senior Senator from Idaho [Mr. THOMAS], who I understand would vote "nay" if he were present. Having transferred my pair, I am at liberty to vote. I vote "nay."

Mr. McCARRAN (when his name was called). On this vote I have a pair with the senior Senator from Florida [Mr. ANDREWS]. If he were present he would vote "yea." If I were permitted to vote, I would vote "nay."

Mr. REVERCOMB (when his name was called). On this vote on the final passage of the bill, I have a pair with the senior Senator from Maryland [Mr. TYDINGS], who, I am advised, if present, would vote "yea." I transfer that pair to the Senator from South Dakota [Mr. BUSHFIELD], who, I understand, would vote as I intend to vote. Therefore, having transferred my pair, I am at liberty to vote. I vote "nay."

Mr. WHITE (when Mr. VANDENBERG'S name was called). I announce that the senior Senator from Michigan [Mr. VANDENBERG] has a general pair with the senior Senator from Texas [Mr. CONNALLY]. I am not authorized to announce how either Senator would vote on this question.

The roll call was concluded.

Mr. HILL. On this vote I have a pair with the junior Senator from Iowa [Mr. HICKENLOOPER]. I transfer that pair to the senior Senator from Washington [Mr. MAGNUSON]. I am advised that if the Senator from Washington were present and voting, he would vote "yea"; and if the Senator from Iowa were present and voting, he would vote "nay." Having transferred my pair, I am at liberty to vote. I vote "yea."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Alabama [Mr. BANKHEAD] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe, visiting battlefields.

The Senator from Montana [Mr. MURRAY] and the Senator from Maryland [Mr. TYDINGS] are absent on official business.

I further announce that the Senator from South Carolina [Mr. MAYBANK] has a pair with the Senator from Indiana [Mr. WILLIS]. If present and voting, the Senator from South Carolina would vote "yea."

The Senator from Georgia [Mr. RUSSELL] has a pair with the Senator from Oregon [Mr. CORDON]. If present and voting, the Senator from Georgia would vote "yea."

The Senator from Montana [Mr. WHEELER] has a pair with the Senator from Virginia [Mr. GLASS]. If present and voting, the Senator from Montana would vote "nay" and the Senator from Virginia would vote "yea."

Mr. WHERRY. The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from Delaware [Mr. BUCK] is necessarily absent.

The Senator from Oregon [Mr. CORDON], who would vote "nay", has a pair on this question with the Senator from Georgia [Mr. RUSSELL], who would vote "yea."

The Senator from Iowa [Mr. HICKENLOOPER], who would vote "nay," has been paired by the transfer stated by the Senator from Alabama [Mr. HILL].

The Senator from Indiana [Mr. WILLIS], who would vote "nay", has a pair on this question with the Senator from South Carolina [Mr. MAYBANK], who would vote "yea."

The Senator from Michigan [Mr. VANDENBERG] has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from South Dakota [Mr. BUSHFIELD] is detained on official business.

The result was announced—yeas 54, nays 21, as follows:

YEAS—54

Aiken	Ferguson	Mitchell
Austin	Fulbright	Morse
Bailey	George	Murdock
Ball	Green	Myers
Barkley	Guffey	Overton
Bilbo	Hatch	Pepper
Bridges	Hayden	Radcliffe
Briggs	Hill	Reed
Brooks	Hoey	Saltonstall
Burton	Johnston, S. C.	Smith
Byrd	Kilgore	Stewart
Capehart	La Follette	Taylor
Chandler	Lucas	Thomas, Okla.
Chavez	McClellan	Thomas, Utah
Donnell	McFarland	Tobey
Downey	McKellar	Tunnell
Eastland	McMahon	Wagner
Ellender	Mead	Wilson

NAYS—21

Brewster	Langer	Shipstead
Butler	Millikin	Taft
Capper	Moore	Walsh
Gerry	O'Daniel	Wherry
Gurney	O'Mahoney	White
Hawkes	Revercomb	Wiley
Johnson, Colo.	Robertson	Young

NOT VOTING—21

Andrews	Hart	Russell
Bankhead	Hickenlooper	Scrugham
Buck	Johnson, Calif.	Thomas, Idaho
Bushfield	McCarran	Tydings
Connally	Magnuson	Vandenberg
Cordon	Maybank	Wheeler
Glass	Murray	Willis

So the bill (H. R. 3240) was passed.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 118. An act authorizing the Secretary of the Interior to convey certain lands on the Gila reclamation project, Arizona, to the University of Arizona;

S. 426. An act for the relief of Mr. and Mrs. Walter M. Johnson;

S. 427. An act to repeal section 3 of the act approved April 13, 1938, as amended, relating to hops;

S. 612. An act to amend the National Defense Act, as amended, so as to eliminate provisions for retirement of wing commanders of the Air Corps;

S. 916. An act to remove the limitation on the right to command of officers of the

Dental Corps of the Army which limits such officers to command in that corps.

H. R. 2416. An act authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1819; and

H. J. Res. 206. Joint resolution extending the time for the release of power of appointment for the purposes of certain provisions of the Internal Revenue Code.

PERMANENT PROGRAM OF SCIENTIFIC RESEARCH—REFERENCE OF HOUSE BILL 3440

Mr. JOHNSON of Colorado. Mr. President, today House bill 3440, authorizing appropriations for a permanent program of scientific research in the interest of national security, came over from the House. I understand the presiding officer is about to refer the bill to the Senate Naval Affairs Committee.

The PRESIDENT pro tempore. Yes; the Chair is about to refer the bill to the Naval Affairs Committee. The Acting Parliamentarian advises the Chair that the bill should be referred to that committee.

Mr. JOHNSON of Colorado. The Senate Military Affairs Committee has for many months been considering the subject matter contained in the bill. I should like to ask unanimous consent that when the Senate Naval Affairs Committee has acted on the bill and has prepared its recommendations, the bill be referred to the Committee on Military Affairs for further study.

Mr. WALSH. Mr. President, I wish to say that the Senate Naval Affairs Committee is in complete accord with the suggestion made by the Senator from Colorado.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the bill will be referred to the Naval Affairs Committee, and when that committee has completed action on it, the bill will be referred to the Military Affairs Committee.

The bill (H. R. 3440) authorizing appropriations for a permanent program of scientific research in the interest of national security was read twice by its title and referred to the Committee on Naval Affairs.

JAMES ARTHUR WILSON, DECEASED

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 592) for the relief of the estate of James Arthur Wilson, deceased.

Mr. ELLENDER. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. ELLENDER, Mr. TUNNELL, and Mr. WHERRY conferees on the part of the Senate.

LEGISLATIVE PROGRAM

Mr. BARKLEY. I announce that it is expected that tomorrow the Senate will take up the calendar, for the consideration of bills to which there is no objection, and also will take up the appropriation bill for the war agencies, which was reported today by the Committee on Appropriations. If it is possible to complete that program tomorrow, we shall be able to adjourn until Monday. I hope we may be able to do so.

I should also state that we hope to begin an executive session tomorrow early enough to be able to consider the nomination of Mr. Wickard to be Administrator of the Rural Electrification Administration.

Mr. LANGER. Mr. President, I did not understand what appropriation bill the Senator stated would be considered tomorrow.

Mr. BARKLEY. The war agencies appropriation bill.

Mr. LANGER. I thank the Senator.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Elvas V. Shove, to be postmaster at Biloxi, Miss., in place of J. R. Meunier, retired.

FEDERAL POWER COMMISSION—NOMINATION REPORTED AND CONFIRMED

Mr. TOBEY. Mr. President, I ask unanimous consent to report, from the Committee on Interstate Commerce, the nomination of Nelson Lee Smith, of New Hampshire, to be a member of the Federal Power Commission for the term expiring June 22, 1950. The nomination is a reappointment. In view of the fact that it has been difficult to have a meeting of the committee, because of the absence of its chairman, who was in Europe, and now is ill, it has been agreed by the committee, under the signatures of its members, to report the nomination and to request unanimous consent to have it considered and disposed of at this time.

The PRESIDENT pro tempore. Without objection, the report is received.

Mr. TOBEY. I now ask unanimous consent that the Senate proceed to the consideration of the nomination.

The PRESIDENT pro tempore. Is there objection to the unanimous consent request of the Senator from New Hampshire? The Chair hears none, and the clerk will state the nomination.

The legislative clerk read the nomination of Nelson Lee Smith to be a member of the Federal Power Commission for the term expiring June 22, 1950.

Mr. TOBEY. Mr. President, Mr. Smith was appointed for the short term expiring on June 22, 1950.

During the absence of the chairman of the committee [Mr. WHEELER], who has been in Europe, no meeting of the committee were held. However, during the past 48 hours the members of the committee have expressed themselves as being unanimously in favor of the nomination.

I ask unanimous consent that the nomination be confirmed.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask unanimous consent that the President be immediately notified.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

RURAL ELECTRIFICATION ADMINISTRATION—NOMINATION PASSED OVER

The legislative clerk read the nomination of Claude R. Wickard to be Administrator of the Rural Electrification Administration for a term of 10 years.

Mr. BARKLEY. Due to the lateness of the hour, I ask that the nomination be passed over.

The PRESIDENT pro tempore. Without objection, the nomination is passed over.

The clerk will state the next nomination on the calendar.

NAVY DEPARTMENT

The legislative clerk read the nomination of Artemus L. Gates to be Under Secretary of the Navy.

Mr. WALSH. I ask unanimous consent that the nomination be confirmed, and that the President be notified.

The PRESIDENT pro tempore. Without objection the nomination is confirmed, and, without objection, the President will be notified forthwith.

The legislative clerk read the nomination of John L. Sullivan to be Assistant Secretary of the Navy for Air.

Mr. WALSH. I ask unanimous consent that the nomination be confirmed, and that the President be notified.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed, and, without objection, the President will be notified forthwith.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the postmaster nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the postmaster nominations are confirmed en bloc.

PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Public Health Service be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Public Health Service are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Army be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Army are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed today.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

ADJOURNMENT

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 23 minutes p. m.) the Senate adjourned until Thursday, June 21, 1945, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 20 (legislative day of June 4), 1945:

FEDERAL POWER COMMISSION

Nelson Lee Smith to be a member of the Federal Power Commission for the term expiring June 22, 1950.

NAVY DEPARTMENT

TO BE UNDER SECRETARY OF THE NAVY

Artemus L. Gates

TO BE ASSISTANT SECRETARY OF THE NAVY FOR AIR

John L. Sullivan

UNITED STATES PUBLIC HEALTH SERVICE

PROMOTIONS IN THE REGULAR CORPS

To be passed assistant surgeons, effective date indicated

Harry Leaffer, December 2, 1944.
Roland K. Iverson, December 18, 1944.
Harry J. Schweigert, June 5, 1944.
Paul V. Joliet, April 13, 1945.

To be medical director, effective April 15, 1945

William L. Smith

To be senior surgeon, effective April 10, 1945

Raymond A. Vonderlehr

To be temporary senior surgeons, effective date indicated

Donald J. Hunt, March 1, 1945.
Harry Eagle, April 1, 1945.
Richard C. Arnold, April 1, 1945.
John W. Oliphant, April 1, 1945.
Norman H. Topping, April 1, 1945.
Mason V. Hargett, April 1, 1945.

To be temporary medical directors, effective April 1, 1945

Ralph D. Lillie
Milton V. Veldee
Paul A. Neal

To be temporary surgeon, effective February 13, 1945

Will H. Aufranc

To be temporary passed assistant surgeons, effective dates indicated

Harold S. Barrett, February 13, 1945.
James L. Hart, February 13, 1945.
John C. Sheehan, February 24, 1945.
C. Merle Bundy, March 1, 1945.
Willoughby J. Rothrock, Jr., March 14, 1945.
Vernon G. Guenther, March 5, 1945.

To be temporary senior dental surgeon, effective April 1, 1945

John W. Knutson

To be temporary dental director, effective April 1, 1945

H. Trendley Dean

To be temporary sanitary engineer director, effective March 1, 1945

Mark D. Hollis

IN THE ARMY

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

To be brigadier general

Paul Williams Thompson

PROMOTIONS IN THE REGULAR ARMY

Henry Stevens Blesse to be colonel, Medical Corps.
Tom French Whayne to be major, Medical Corps.
Erling Severre Fugelso, to be major, Medical Corps.
Joseph Garber Cocke to be major, Medical Corps.
Alfonso Michael Libasci to be major, Medical Corps.
Ralph Torrey Stevenson to be major, Medical Corps.
Frank Owings Alexander to be major, Medical Corps.
John Benson Grow to be major, Medical Corps.
Daniel John Waligora to be major, Medical Corps.
Dell Fred Dullum to be major, Medical Corps, subject to examination required by law.
Byron Ludwig Steger to be major, Medical Corps.
Louie Render Braswell to be major, Medical Corps.
John Mark McIver to be captain, Medical Corps.
George Thomas Kelleher to be captain, Medical Corps.
Samuel Hope Sandifer to be captain, Medical Corps.
John Charles Cressler to be captain, Medical Corps.
Francis William Lanard to be captain, Medical Corps.
Louis Axelrod to be captain, Medical Corps.
Keith Duane Heuser to be captain, Medical Corps.
Thomas Lewis Ozment to be captain, Medical Corps, subject to examination required by law.
Chaplain Elmer Emil Tiedt to be major, United States Army.
Clarence Ralph Huebner to be colonel, Infantry.
Frederick McCabe to be colonel, Infantry.
William M. Cravens to be colonel, Coast Artillery Corps.
Frederick Joseph de Rohan to be colonel, Infantry.
Frederick Schoenfeld to be colonel, Quartermaster Corps.
Arthur Paul Thayer to be colonel, Cavalry.
Paul Joseph McDonnell to be colonel, Infantry.
Eustis Leland Poland to be colonel, Infantry.

POSTMASTERS

MISSISSIPPI

Annie B. McKay, Dossville.

NEVADA

Ruth L. Adair, Panaca.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 20, 1945

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our everlasting Lord and Father, in the secret of Thy holy presence, we pray for the spirit of wisdom to touch our understanding. Do Thou guard all tempted minds and lift them above bewilderment and uncertainty that clear thought and reverent speech may prevail. Guide us where we cannot see; sustain us when we are threatened; and when in the presence of the strongholds of sin help us to throw down the challenge.

Thou who art the brightest and the best among the sons of morning, do Thou reveal in us a goodly measure of Thy love and grace, and flood in our souls those rich emotions which come from the joy of the Lord. Help us to live out our Master's definition of a good life, blending it with our daily conduct. While the tragedies of human experience go on in their pulsing pain, we praise Thee for the sweet richness of life and for its vast outlooks. In the name of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 2416. An act authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1819.

RESIGNATION OF UNDER SECRETARY OF AGRICULTURE GROVER HILL

Mr. GRANGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

[Mr. GRANGER addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. McKENZIE asked and was given permission to extend his remarks in the RECORD and include two editorials.

PROVIDING FOR INDUSTRIAL WORKERS DURING RECONVERSION PERIOD

Mr. DE LACY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DE LACY. Mr. Speaker, a serious crisis is developing in our great industrial areas. In the war plants across the country, every worker is wondering when he will be laid off.

Thousands are already unemployed, and with the loosening of manpower controls, many more thousands are going from a 48-hour week to a 40-hour week. That means a cut-back of 23 percent in take-home wages.

Another great depression will overtake this country unless Congress acts and acts quickly to fix the pattern for reconversion, to guarantee our patriotic war workers against loss of essential purchasing power, just as Congress has guaranteed the farmer a 2-year price level, the big-business man a 2-year profit through tremendous tax refunds, and the returning service man and woman jobs and a new start.

It has been more than a month since President Truman sent a plain and courageous message to this House urging action on a Nation-wide system of unemployment payments, of at least $25 for 26 weeks, to assist the States in meeting

the great burden that will be theirs as in-migrant war workers are dropped from war jobs.

This House has just voted itself a badly needed expense account, which I supported.

We are now talking about taking a 2 months' recess, which I feel the need of as much as anyone else.

But we have not even held hearings on any of the full employment bills that have been introduced. We have not held hearings on the Wagner-Murray-Dingell bill to extend health and insurance benefits to every American. And none of our major committees nor any of those to whom us newer Members look for leadership have even introduced a bill embodying President Truman's recommendation to provide a Nation-wide cushion to workers and their families against the inevitable shocks and economic dislocations of the, as yet, uncharted, period of reconversion.

I cannot see how we can recess and go home without beginning hearings on these vital measures. They mean bread and butter for our people, purchasing power for business, and interim protection for our national economy during the transition to peacetime production which is already partly under way.

EXTENSION OF REMARKS

Mr. BELL asked and was given permission to extend his remarks in the RECORD and include a colloquy between James Coy, headline-edition correspondent, Kansas City, Mo., and Roger T. Sermon, mayor of Independence, Mo.

PERMISSION TO ADDRESS THE HOUSE

Mr. MURPHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MURPHY. Mr. Speaker, in connection with my remarks, I ask leave to make part of the RECORD an editorial from the New York Times, the Philadelphia Record, and the Washington Post, all of said editorials approving the recommendation of the President.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. MURPHY addressed the House. His remarks appear in the Appendix.]

THE OPA

Mr. STEWART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a letter from Mr. Frank Thornton Barber of the Farmers' Produce, McAlester, Okla.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

[Mr. STEWART addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BLAND asked and was given permission to extend his remarks in the RECORD and include a statement from the Maritime Commission on ship construction.

Mr. HENDRICKS asked and was given permission to extend his remarks in the RECORD and include a brief editorial from the Miami Herald.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include a short resolution.

Mr. WASIELEWSKI asked and was given permission to extend his own remarks in the RECORD on the subject of the trial of the 16 Poles in Moscow.

THE FOOD SHORTAGE

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[Mr. PHILBIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that in connection with the remarks I shall make hereafter in the consideration of the extension of the Price Control and Stabilization Acts that I may have the privilege of inserting in those remarks the report of the Committee on Banking and Currency on the Stabilization and Price Control Act. I also desire to include in my remarks certain statistics furnished by the Federal Reserve, and also an editorial from the New York Times.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. TALLE asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

Mr. O'HARA asked and was given permission to extend his remarks and include a soldier's poem.

Mr. RAMEY asked and was given permission to extend his remarks and include a letter and resolutions from the Toledo and Northwestern Ohio Restaurant Association; also a letter from Dyers, a leading restaurant in northwestern Ohio.

THE OPA

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to read from a portion of a letter and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. RAMEY. Mr. Speaker, I would not read from this letter, as I have received hundreds of the same kind, if it was not from the sister of a man who lost his life in World War I, and the wife of northern Ohio's most profound thinker:

Personally, I think it is about time we Americans began to value life a little more than we do. My nephew, trained to fly a Corsair and the heavier planes, has been transferred to Quantico to fly one of those crates which spy on artillery. They are slow, couldn't get away from a Jap on a bet, have no means of defending themselves. As one high-up officer said to me when I told him what had happened, "Oh, my God; that is nothing more than an American suicide plane comparable to the Jap idea."

I am not speaking for my nephew alone. I am interested in any boy or man who is sent against such odds. I say again it is about time we put some value on other people's sons.

And is this rationing getting the women? If it continues, you can bet your bottom dollar that you Congressmen will be looking for other means of livelihood, and I mean it. I stand in line with the rest of them for meat for a purpose and I know what they say and what they intend to do. So, beware! It's a bad situation and it does seem something could be done about it—something besides talk and excuses.

I have written that I intend to support the continuance of the Office of Price Administration, but it must be used to control prices only, and that the maladministration must cease.

The SPEAKER. The time of the gentleman from Ohio has expired.

EXTENSION OF REMARKS

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in two instances, in one to include a set of resolutions from the North Dakota Stockmen's Association and in the second to include a bulletin dealing with the question of fuel and winter clothing in association with the OPA.

Mr. MASON asked and was given permission to extend his own remarks in the RECORD and include therein an article by David Lawrence.

Mr. HAND asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. CARLSON asked and was given permission to extend his remarks in the RECORD and include a letter from Under Secretary of War Patterson.

Mrs. BOLTON asked and was given permission to extend her remarks in the RECORD and include an article.

Mr. COX asked and was given permission to extend his remarks in the RECORD and include a statement.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that I may address the House today for 15 minutes following the regular business of the day and special orders heretofore granted.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

LET THE GOVERNMENT SET THE EXAMPLE IN SAVING PAPER

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, the war has drawn extremely heavy on our natural resources, but on none more heavily than on our forests. It is a fine thing that the children over this country are out gathering paper everywhere, but why should not the Government encourage them and give an example of economy. I hold here in my hands a poster sent out by the War Department 4 feet in size. It serves no purpose. Four of these were sent to one man. This is why the printing house here uses more than 25 carloads of paper daily. It is waste like this that destroys our forests, that wastes the taxpayers' dollars. The time has come to conserve our resources or we will all be poor not only in building materials but in paper and every other thing.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

REPEAL THE $5 AUTOMOBILE USE TAX

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWARD ARTHUR HALL. Mr. Speaker, several years ago, Congress passed a tax bill, destined to become one of the most unpopular measures in American history. It included the levying of $5 upon every automobile owner in the land. Upon the windshield of each car, a use stamp must be pasted before the car could be driven.

This use stamp has been on sale a long time at post offices all over America. Some people purchase it and put it on their cars and some do not. It is the duty of the Internal Revenue Bureau to enforce the law and make everybody buy a stamp. According to reports which have come to me, however, they are not meeting with much success because open defiance meets them on all sides.

There are OPA regulations and WPB decrees which the average citizen does not like. In fact there is a rising tide of resentment against a lot of these bureaucratic rulings. But Congress gets the prize for passing the most unpopular law of our day, that of forcing auto owners to buy a use stamp for an automobile they are not allowed to use very much.

I talked with one man when I was last home and he protested violently about the whole affair. "The idea" he exclaimed, "of my being curtailed in driving my car so that it is practically useless and then forced to pay $5 for permission to run it for such a short distance. It is like adding insult to injury."

With this, I thoroughly agree. In a last-minute attempt to get action, I introduced a bill to repeal this unreasonable law just as soon as possible.

Congress will be smart to take immediate steps to abolish this $5 use stamp. As I mentioned before, only half the car owners are buying them. The other half get away without paying this tax and general dissatisfaction is resulting thereby.

There is only one conclusion, then, and this is that anybody who buys one of these stamps is a sucker. At least, that's what I think as I step up to the post-office window and buy mine.

The auto use stamp is a "sucker badge." The people ought to protest more loudly than they do. The law must be repealed and I want you folks to know I stand ready to vote for its repeal.

It is hard enough to get gasoline to drive a car, nowadays. Certainly it should not be made more annoying by forcing the owner to pay tribute to operate one.

The SPEAKER. The time of the gentleman from New York has expired.

COLONEL BLANCHFIELD

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that in my remarks on Colonel Blanchfield I may include the citation and Colonel Blanchfield's statement.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the gentleman from Washington [Mr. DE LACY] a moment ago was demanding a higher wage for all these loyal war workers who were in the war plants. I understood him to say that they ought to have a guaranteed wage and a higher wage, that we were doing enough for the farmers and for the businessman so they are going to get a guaranteed profit for 2 years.

I should like to know where the gentleman has been living and where he gets the idea that there is any such thing in existence in this country. He should know that many a farmer and his wife both are working 70 hours a week for a fraction of what the industrial worker in a war plant gets, that many a businessman has been ruined.

I cannot understand why it is that the gentlemen who represent or speak for the men who work in factories are always and forever kicking the man, the farmer, who feeds the workers, and the man, the industrialist and businessman, who provides them with jobs and pay checks every week, or every 2 weeks the year around.

The SPEAKER. The time of the gentleman from Michigan has expired.

READJUSTMENT COMPENSATION FOR EX-SERVICEMEN

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I may not agree with everything the gentleman from Michigan [Mr. HOFFMAN] said in reply to the gentleman from Washington [Mr. DE LACY] but I am a great deal more in favor of doing something to help these ex-servicemen get readjusted into their usual avocations than I am in paying a pension to these war workers who have been on the pay roll at these various war plants, receiving high wages while these servicemen were doing the fighting.

I have a bill pending to pay these ex-servicemen $20 a week readjustment compensation or adjusted compensation, if you want to call it that, for 1 year, in order to enable them to get back into their usual avocations when they return home. That would be much more just than paying $25 a week to a man who has been drawing four or five times as much money around a war plant as the serviceman has been drawing at the battle front.

Again I want to say that I do not want to see ex-servicemen held up or charged exorbitant fees for permission to work for their daily bread.

The SPEAKER. The time of the gentleman from Mississippi has expired.

EXTENSION OF REMARKS

Mr. THOM asked and was given permission to extend his remarks in the RECORD and to include therein a letter and editorial.

Mr. SLAUGHTER asked and was given permission to extend his remarks in the RECORD and to include a letter from the Brotherhood of Boilermakers, Iron Ship Builders and Helpers, in reference to the FEPC matter.

EXTENDING PRICE CONTROL AND STABILIZATION ACTS

Mr. SLAUGHTER. Mr. Speaker, I call up House Resolution 296 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 101) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 2 days to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Banking and Currency, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on

the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SLAUGHTER. Mr. Speaker, House Resolution 296, when adopted, will make in order consideration of the OPA extension bill which, under the terms of the resolution, provides for two full days of debate. It seems to me that we have not had a bill before the Congress this year that is as vital and as crucial in its general aspects as the continuation of the OPA. I can say that with a certain degree of impartiality, because no one has been more critical of the OPA from time to time than I have. Like every other Member of the House I have had cases in my district where I thought the OPA was unfair and unjust, but in the great majority of instances it has turned out that the OPA has been willing to admit its mistakes; to back up and try to do justice to the people concerned.

Be that as it may, the fact remains that without some sort of stabilization the money in our pockets would be worth mighty little today. Continuation of this act boils itself down to certain basic essentials. In the first place, we want to try to keep the dollars in our pockets and the dollars that we have saved reasonably stable. We cannot be entirely successful in that endeavor, but the least we can do is to try to hold the line to as great a degree as possible. We would like, of course, to have the value of our war bonds which we have bought out of savings held at something like the value of those bonds when they were purchased. We would like to stave off the dire effects of inflation which, if it descends on us, will leave this country a desolate place indeed. Most of all, we want to maintain a general stability that will aid in the reconversion period, and that will aid in the reemployment not only of the veterans, the men and women who return, but which will also aid in the readjustment of workers who have shifted from one part of the country to the other during the war effort.

Mr. Speaker, the Congress never gave a harder assignment to any agency than it gave to the OPA. There were those of us who doubted whether the Stabilization Act could succeed when it was first enacted.

From time immemorial the various countries of the world have tried to stabilize prices, and without exception they have failed. No one can say, of course, that the OPA has been a complete success. No one can deny that black markets have sprung up outside the legitimate channels of trade. But the fact remains that by and large this agency has done a remarkably good job. We know that those commodities which we buy every day are selling for far less than they did at the end of the last World War.

In this connection I want to say just a word in tribute to Mr. Chester Bowles. I will say in all frankness that I have never met Mr. Bowles, but I do think that he has carried on the most thankless job that a man could have with a degree of effectiveness that very few people could have achieved. I know of no one who could have done a better job than Mr. Bowles and few who could have done so well.

There is a feeling abroad in the country at this time, a sort of a let-down feeling, if you please, which is very unfortunate. We feel that half of the war, perhaps the bigger half of the war, has been won, and it is this very feeling, this let-down feeling that constitutes our greatest danger. Within the next 12 months we are going to spend $70,000,000,000 in the Japanese war alone, and the inflationary effect of that $70,000,000,000 dwarfs all imagination. During the last World War we only spent $32,000,000,000, and yet you will remember that after the armistice and during 1919 and 1920 prices rose far faster than they did during the war itself. To take a concrete example, in the spring of 1920, when the war had been over 18 months, sugar rose to 3 pounds for $1. Unless we maintain some sort of control during the closing days of this war, as well as in the days immediately following the end of the war we can look forward to a violent upsurge of prices that will completely wreck our domestic economy.

The members of the Committee on Banking and Currency, of course, during debate will explain the bill and will discuss it and will defend it. I do not go so far as to say that no amendment should be adopted, but I do urge, so far as I am individually concerned, that the House adopt the present act virtually intact.

I yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, I am taking this time at this particular moment to get into the RECORD an amendment which I propose to offer under the 5-minute rule. It has to do with section 2 (a) of the act, and the language I shall now read is the new language to be inserted as title I, section 2 (a):

Title I, section 2 (a): Whenever in the judgment of the Price Administrator (provided for in sec. 201) the price or prices of a commodity or commodities have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this act, he may be regulation or order establish such maximum price or maximum prices as in his judgment will be generally fair and equitable and will effectuate the purposes of this act.

No maximum price for any product or service shall be deemed generally fair and equitable, unless it shall cover all current costs incurred by representative producers in the industry affected in the production and distribution of the specific product or service; and, in addition thereto, the average percentage profit mark-up over such costs earned under competitive conditions by such representative producers during a normal prewar base period. The current costs shall include all costs allowable as business expenses under the Internal Revenue Act and Regulations. The base period shall be determined by the Administrator to be the calendar year 1939, or the calendar year 1940, or a period covered by both said calendar years. No regulation or order involving the determination of costs or profit mark-up shall contain any provision requiring the determination of costs otherwise than in accordance with established accounting methods.

Every regulation or order issued under the foregoing provisions of this subsection shall be accompanied by a statement of the considerations involved in the issuance of such regulation or order. As used in the foregoing provisions of this subsection, the term "regulation or order" means a regulation or order of general applicability and effect. Before issuing any regulation or order under the foregoing provisions of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order, and shall give consideration to their recommendations. In the case of any commodity for which a maximum price has been established, the Administrator shall, at the request of any substantial portion of the industry subject to such maximum price, regulation, or order of the Administrator, appoint an industry advisory committee, or committees, either national or regional, or both, consisting of such number of representatives of the industry as may be necessary in order to constitute a committee truly representative of the industry, or of the industry in such region, as the case may be. The committee shall select a chairman from its members and shall meet at the call of the chairman. The Administrator shall from time to time, at the request of the committee, advise and consult with the committee with respect to the regulation or order and with respect to the form thereof, and classifications, differentiations, and adjustments therein. The committee may make such recommendations to the Administrator as it deems advisable, and such recommendations shall be considered by the Administrator. Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he may, without regard to the foregoing provisions of this subsection, issue temporary regulations or orders establishing as a maximum price or maximum prices the price or prices prevailing with respect to any commodity or commodities within 5 days prior to the date of issuance of such temporary regulations or orders; but any such temporary regulation or order shall be effective for not more than 60 days, and may be replaced by a regulation or order issued under the foregoing provisions of this subsection.

Mr. Speaker, this amendment will be offered by me because based upon the testimony which has been submitted to the committee and which appears in the printed hearings, and upon facts which are ascertainable by anyone who wishes to contact the manufacturing processors of this country, the present OPA price control program might work very well if the economy were already reconverted to peacetime production. Under those conditions everyone would be going at full blast. The program would not under such a set of conditions be needed.

Because the program is based on the assumption of unit cost and profit ratios that will be applicable at best only under conditions of full production, it is really a postreconversion program which is now being enforced on the manufacturing industries of this country as we attempt to shift to civilian production. During the reconversion period civilian production in industries which have been engaged in war production for 3 years or more will begin on a limited scale. In many, if not most cases, production will accelerate slowly while plants are reequipped, personnel reorganized, and markets are being reestablished. Unit costs and overhead in the critical period

will be higher than those assumed by OPA at the present time. These inelastic price ceilings which OPA is now imposing upon industry are unquestionably deterring employment and the reconversion program generally. If that program is continued by OPA as at present there is no question but that that agency of Government will be directly responsible for the bankruptcy of many units of industry throughout the United States. It will also be responsible for holding down the national income. It will be responsible for increased unemployment and it will be directly responsible for a direct drop in the revenues flowing to the Federal Government which would come as the result of high employment, high production, and high national income.

During the general debate I shall present actual cases. I have the names and the facts from the firms involved where this economic guillotining is taking place.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from New York.

Mr. TABER. Is it not a fact that if they go on the way they have been operating there will be nothing to eat and the prices will be pushed up as a result of that fact?

The SPEAKER pro tempore (Mr. RAMSPECK). The time of the gentleman from Michigan has expired.

Mr. MICHENER. Mr. Speaker, I yield three additional minutes to the gentleman from Michigan.

Mr. CRAWFORD. Mr. Speaker, I sincerely believe that that direct result will come in many instances, to which the gentleman from New York refers. The supply of many commodities will decrease. I am not going to propose the killing of the OPA Act as of next December 31. But I do believe that this Congress should take the position at this moment of not extending the act beyond that date with the strict understanding between the Congress and the public that between now and next December 31 the OPA must make an additional showing and the country people are to be given a chance to make an additional showing so that as of that date we can extend the act to fit the economy of the United States and prevent the things to which the gentleman from New York has referred.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Indiana.

Mr. HALLECK. I am glad to know the gentleman is offering the amendment he has just read. I agree with him that price control must be maintained. But I also know, as I am sure every other Member of the House knows, from personal contact and experience that certain of the pricing policies of the OPA have brought about unconscionable price squeezes on big and small business in this country. While we believe in price control and want to see price control maintained, there is certainly no one of us who would insist that people and businesses shall be required to do business at a loss. If we insist or permit the OPA to insist on that sort of policy, then I am afraid the whole matter of scarcity of supply will continue on down through the years. Certainly that is one thing we do not want to see. I do not believe it is fair or right or in the best interests of the Nation that great segments of our producing and distributing economy shall have taken out of them all of the capital and all of the resources which they need if they are to carry on the business of the country.

Mr. CRAWFORD. I appreciate the remarks of the gentleman from Indiana and I concur in them.

Mr. Speaker, I ask unanimous consent to insert in the RECORD the exact language of the amendment which I propose to offer to section 2 (a) of the act.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

WEST VIRGINIA OBSERVES A BIRTHDAY

Mr. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker and my colleagues, June 20, 1863, 82 years ago, was the beginning of our beloved State of West Virginia. No matter where our paths may lead we always keep our hearts attuned to this section of America which means so much. In a song which we mountaineers like to sing, and do sing lustily, we close with these words:

Oh, the West Virginia hills
I must bid you now adieu.
In my home beyond the mountains
I shall ever dream of you.
In the evening time of life
If my Father only wills,
I shall still behold the vision
Of those West Virginia hills.

Our hill country is a beautiful setting for hardy folk. I speak today this word of commendation for those individuals who are my constituents, and those residents of other sections of the State, who have contributed so much, under the impact of war and also in the days of peace, to the welfare of our Nation as a whole.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RIZLEY. Mr. Speaker, of course I am going to support the rule. All of us realize that we need some sort of stabilization program, but certainly I shall not vote for an extension of the OPA for 1 year unless some amendments which every man in this Congress knows should be incorporated in the bill are put in the bill. I am not going to be a party to building up the greatest black-market system that has ever been known in this country and out of items of which we have a surplus.

Mr. Speaker, I did not request the time primarily to talk about OPA. My purpose is to call attention to what I think is one of the most shocking situations I have ever heard of. Mr. Speaker, we have heard many stories of the destruction of various critical materials, such as lumber, kegs of nails, and various and sundry other material, where a surplus of these critical materials was left over from construction jobs, and also where Army camps were being abandoned. But the latest and almost unbelievable story of destruction of an item which is perhaps more critical and needed than any other for civilian use was called to my attention by the Sunday, June 17, edition of the Blackwell Daily Journal-Tribune, one of the leading newspapers in my congressional district. It is so shocking that I take this time to call it to the attention of some of the various and sundry invesigating committees that have been set up, and I hope and insist that they do something about it. Here is the story:

A BAD TIRE SITUATION IS MADE WORSE WITH HACKSAW

Tires might now be keeping Kay County cars and trucks rolling except that they have been pretty effectively doctored to prevent their use.

Here is the story:

A huge number of tires, manufactured principally for the Army, have been rejected at the factories because of minor defects.

A Detroit salvage dealer who bought a stock of the "rejects" presumably for the purpose of selling them for rubber reclamation, sold a carload to a Perryton, Tex., dealer who figured they were salable as tires.

Seven hundred of the tires were examined by a Medford service station operator who also figured he could pick usable stock.

The Medford man told the Journal-Tribune that of the 700 he examined, fully 20 percent would have given good road service with minor repairs—except that—in the case of every tire, the bead had been cut with a hacksaw.

The bead is that circle of steel cable that runs around the inner edges of the tire to keep the tire in shape, corresponding roughly to a man's backbone.

With the bead cut, it involves considerable work to make a tire even acceptable for emergency use, for the steel must be welded again.

The Medford man bought 200 of the tires from the 700 shown him.

A Blackwell firm, in turn, purchased a number, and those shown above are from the tires which found their way here.

A few tire manufacturers buff off their names from factory rejects and sell the tires as seconds, but these tires are from manufacturers who do not follow that practice.

Included in the list of makers represented here are several of the tire industry's leaders.

At harvest time, when farmers are clamoring for truck and passenger tires, it is hard to understand what seems to be tragic waste in the light of the current situation as explained by the local ration board.

Saturday the ration board had tire applications on hand from 156 persons eligible to buy new tires.

An additional 50 applications were expected before July 1, but to meet the demand, there are only 75 tires available—and that includes an extra allotment granted by the district OPA for June.

The situation is even worse for truck tires.

There are 45 applications from eligibles on hand and only 15 tires.

When the ration board has no tires to allot truck owners the trucks go off the road.

According to the board, the truck applications in most cases show emergencies—it's either a new tire or a truck becomes idle.

One of the tires has been shipped by the Journal-Tribune to Congressman Ross RIZLEY, together with original photographs, in the belief that a Federal agency can take action to check a practice which makes a bad tire situation in the Nation even worse.

The SPEAKER pro tempore. The time of the gentleman from Oklahoma has expired.

Mr. SLAUGHTER. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, this is an open rule providing for 2 days of general debate. There was some discussion as to whether there should be but 1 day's debate, but at the risk of boring the House we concluded in the Rules Committee to allow 2 days of general debate because so many Members wish to speak on the bill.

The bill itself, as you notice, carries only one change in one section of the act and that changes the date of expiration. The understanding before the Committee on Rules was that the parliamentary ruling on that subject would be that notwithstanding the fact this was only one amendment to one section, nevertheless it would be regarded as a general amendatory bill and therefore germane amendments would be in order to any section of the bill.

As to the merits of the bill itself, there have been, of course, wide differences of opinion and will continue to be; but it seems to me that we really had this fight a year ago. A year ago after exhaustive investigation the committee of which I happen to be chairman on executive agencies recommended to the Congress numerous minor changes in this act which we thought would—to use the expression of the street—take some of the bugs out of it. At that time there was great complaint over the country, and our committee thought we could anticipate and prevent some of the hardships that have occurred in the last year. That report was submitted and a bill containing the amendments was submitted. I learned from the grapevine at that time that my friends on the Republican side of the aisle held a caucus on that subject and decided not to go along with those amendments; and when they were presented on the floor there was not any aid, assistance, or comfort given to us in the adoption of those amendments. They were voted down.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. Not at this time.

Mr. Speaker, I believe the time to have done something about this was then, before the disturbance and trouble occurred but we could not get any help to do it.

I have just as many faults to find with the OPA as the rest of the Members; but after all of our fussing and quarreling is over I believe we all realize that price control and rationing are utterly essential, and that we have got to have them. We want the best we can have. If we cannot get what we think is the best, we have got to take what the majority of our Members think is the best thing to do about it. I am not averse to some amendments to this act of a minor character. I have always favored those amendments which would prevent some of the hardships and injustices to which the citizens of this Nation have been subjected unnecessarily without any rhyme, reason, or excuse. For instance, a concern was in my office just a day or two ago which right at this moment is being persecuted by the OPA on this sort of situation: The OPA wanted to determine what would be the proper price of a certain article and they decided to make a spot check of different concerns in this country. They picked this concern as one of those upon which this spot check would be made using it for a guinea pig. This concern received their agents and talked with them but said: "Now, we do not make that article at all." OPA said: "Well, we want to find out what it would cost you to have made it if you had made it."

And so for months investigation has been going on with that concern which is engaged in manufacturing essential materials, an investigation to find out what it would have cost them to have made a certain article which they never had made, if they had made it. Even now that situation is continuing, and complaint comes to our committee about it and we are about to investigate it. Yet this concern was never accused of violating any regulation of the price control or rationing program.

That sort of annoyance and the minor petty things the OPA does to annoy the American people whose time can be better used on more essential and more important matters. These are the things the general public complains about and these are the things that ought to be stopped.

For instance, a constituent of mine wrote the OPA to know how he could kill the fatted calf and distribute it amongst his prodigal sons. The OPA was good enough to send me a copy of the letter as to how that feat could be accomplished. All this man wanted to do was to butcher one calf that he had raised and distribute it amongst his children.

The letter to which I refer, is as follows:

Mr. THOMAS R. PAYNE,
Dahlgren, Va.

MY DEAR MR. PAYNE: The Honorable HOWARD W. SMITH, Member of Congress, has asked this office to give you information as to the subject outlined in your letter of May 2, addressed to him. You have explained that you are going to slaughter a calf owned by you and would like to give some of the meat produced from the slaughter to members of your family, and you wish to know whether this is permissible under the Office of Price Administration regulations.

You may consume meat derived from this slaughter without surrender of points, only if you operate a farm on which you live more than 6 months of the year, or have supervised the raising of the calf and were on the premises operated by you on which it was being raised, at least one-third of the days in one of the following periods.

1. From its birth to the moment of slaughter, or

2. In a 60-day period immediately preceding slaughter, or

3. In a period preceding slaughter during which the calf's weight increased 35 percent.

You may not, however, sell or transfer any of the resultant meat to any person unless you have registered at your local war price and rationing board and have been assigned a quota and permit to sell or transfer meat under Meat Control Order No. 1.

Under rationing regulations, you may transfer meat to members of your family not living on the premises where the livestock was raised, only if they surrender to you red points in the correct point value of the meat transferred.

You must report your sales or transfers to your local board on Form R–1609, which form is available there, surrendering all points which you have received for meat sold or transferred during the preceding calendar month.

I hope that this information will correct any confusion respecting this most important part of the meat rationing program.

Sincerely yours,

IRVIN L. RICE,
Acting Chief, Meat Branch, Food Rationing Division.

I read this letter for the information of the Members and for the information of those who may own a calf and who may want to kill it for the "prodigal son's" return to show just how that feat can be accomplished.

That letter illustrates the thought that the OPA might well spend its time in attending to the more important features of prices control instead of bedeviling our people with minor things which lead them to violations of the law.

Mr. Speaker, there is another feature of this bill to which I wish to address myself briefly and in reference to which I appeared before the Banking and Currency Committee. That is the fact that we are also renewing or extending the Stabilization Act which has control of wages. I have introduced a bill which is now pending before the Banking and Currency Committee to amend this act. The bill simply takes from under the control of the Federal bureau the right to pay wages not in excess of 75 cents per hour.

We have a large mass of unorganized common labor, unorganized employees of various kinds and the great force of clerical help, many of whom are suffering intensely from the wage structure that governs them. If you have one clerk in a store and want to raise his wages, you cannot do it without applying to the War Manpower Commission. It seems to me that we could well relieve the War Manpower Commission and War Labor Board of that burden and give relief to these people who are in the very low wage scale.

I will give an example. In Washington we have a prevailing wage rate fixed by the Department of Labor and that prevailing wage rate is 87½ cents an hour. Does it appear to you like some other agency ought to determine whether a man can get 87½ cents an hour when the Department of Labor has already said that that is the prevailing wage?

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired.

Mr. SLAUGHTER. Mr. Speaker, I yield the gentleman from Virginia three additional minutes.

Mr. SMITH of Virginia. Mr. Speaker, that is exactly the situation. Now, we

have for common labor in this area a price of either 50 or 55 cents an hour, yet the Labor Department says the prevailing wage is 87½ cents an hour. No one can pay 87½ cents an hour unless he goes to the War Labor Board and gets permission. The smaller concerns, the smaller and unorganized masses of labor have had the unfortunate experience, and I have seen many of them, of having made those requests merely to have them turned down.

Let me refer to the fertilizer industry here. In this area during the past spring the farmers were in such need of fertilizer that they appealed to me because the War Labor Board had fixed a price of 50 cents an hour on labor for loading fertilizer in this area. In Baltimore it was 20 cents an hour higher; yet the prevailing wage here was 87½ cents. No one, of course, was going to work at that wage if they could help it. The result was the farmers could not get their fertilizer.

My suggestion has been that we amend the Stabilization Act so as to make it lawful to increase wages up to the Little Steel formula without any reference or application to the War Labor Board, or that we permit it to be raised to what the Labor Department has declared to be the prevailing wage within the area without having to go to some other agency and ask them to determine whether it is the prevailing wage or not. That seems to me to be a very reasonable suggestion and I know it would be of immense relief to a large proportion of our very low-paid employees. I do hope the House will be willing to do something about that when the subject comes up for amendment.

The SPEAKER pro tempore. The time of the gentleman from Virginia has again expired.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, it has been my privilege to be on the committee headed by the gentleman from Virginia, Mr. HOWARD SMITH, to have listened to testimony produced before that committee, and to have watched the chairman in action. I know of no man in this House for whom I have greater respect and admiration. I think he is just one of the wisest, foxiest, smoothest, soundest operators that ever came to Congress in my time. I have no doubt about that. The way he has handled the bunch that he has on his committee is marvelous, and you know who the members of that committee are. I agree with his conclusions, and I think the OPA is rotten, and you cannot any more fix it than you can an apple that is rotten from the core clear out to the skin and the stem and the blossom ends. But I just do not get his viewpoint. I am just wondering, did he not vote for the continuation of the OPA? And why should he come up here when they have on that side a majority of 50, a good clear majority of 50, and talk about the Republicans not coming across? About Republicans running out. The gentleman from Virginia knows that I have shouted my head off and cried my eyes out trying to get votes on this side for his amendments, but the Committee on Banking and Currency representatives from our side just sat down on me until I was flatter than the proverbial pancake. I have voted with the gentleman from Virginia and have tried to coax Members on this side to go along, but on his side he did not get any help. So I have reached the conclusion that this thing being what it is is all wrong. I am not going to take it any more—if I can help it. I do not think I voted for it the last time; I doubt, unless I was asleep, I ever voted for it, for I had no such intention. I made a mistake the other day and voted for Bretton Woods, but I am going to give you some day my confession and tell you I want to repent and ask to be forgiven for having gone along and voted for Bretton Woods, and I want my name listed with those 16 or 18 who stood pat. What the gentleman says about the OPA is only too true. We are told we should fix it, but the only way to fix it is to cut its head off and start over.

I recall at one hearing before the Smith committee just before Congress adjourned more than a year ago Chester Bowles was there and I was going home for the holidays. I have a son who is in the Navy, and he has a couple of children, boys aged 11 and 6. And, they get hungry occasionally; yes, they want to eat. Now granddad had a farm and it was passed on to father and he gave it to me with a couple of pigs and a steer or two. When speaking to Bowles I owned a steer that was fit for food. So I said to Chester, "Can I kill that steer and give it to my grandchildren to eat? Their dad is in the Navy. Can I kill that steer and give it to them?" "Of course," he said, "you can kill that steer and give it to them. Nobody would be fool enough to send out a regulation prohibiting that."

That statement was made while the Smith committee was in session so I said to Chet, "Write me a letter to that effect because I am going home and will want to butcher that steer." Well, the next week I got a letter from Chet, all right, but among other things he wrote:

> Persons who have farms that they do not operate by their own personal efforts would be privileged to consume point-free foods produced on their farm through the efforts of tenants, renters, or sharecroppers, were it not for the strong barriers in the regulations to discourage it.

So it seems that Bowles has not the slightest idea of the extent of the foolishness in which his young men indulge. I will not tell you what happened to the steer or who got it. I will not confess my way into jail. But surely there are a lot of people in this country who have sons in the Army, and they and their children must have and they will have something to eat. Then they grow or raise it themselves.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Does the gentleman want to vote for the OPA? If the gentleman intends to vote for the OPA I cannot yield.

Mr. MASON. I am not.

Mr. HOFFMAN. Then I yield.

Mr. MASON. Will the gentleman agree with this thesis concerning the OPA? As long as we have the OPA we will have scarcity and as long as we have scarcities we must have the OPA?

Mr. HOFFMAN. That may be right.

Mr. MASON. And the OPA policies will keep continuing to have scarcities and therefore we will always have the OPA.

Mr. HOFFMAN. Well, they have so far; there is no question about that.

Now I make a final appeal to my friend from Virginia. I want to repeat, and I know that this coming from me will not be acceptable—he does not want any praise from the CIO, the PAC, or any Republican, but may I ask that you get some of your Democrats to do something about this OPA and vote for your amendments.

Mr. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Speaker, I think there is a lot more to the problem of scarcities than the gentleman from Illinois has indicated. I will vote for the OPA because I think we have to have this machinery. The basic reason being that under circumstances where we have a much greater active demand for goods than ever before and the necessity of supplying the needs of the Nation to carry on the war, a condition is created where those who control the supplies of commodities are in a position to exact very high prices from consumers unless some protection is given.

But I have asked for this time in order to read to the House the text of an amendment which I propose to offer to the bill at the proper time. I may be able to improve this language a little but substantially it will be as follows:

> *Provided*, That the Administrator shall follow the general policy of removing price ceilings on any particular commodity whenever there is substantial evidence that the supply of such commodity in the United States is and can reasonably be expected to remain equal to or in excess of the demand for such commodity: *Provided further, however*, That so long as there exists monopolistic control of such supply of any commodity, price ceilings shall not be removed as to such commodity under the terms of this section.

I have two reasons for offering this amendment. In the first place, when the supply of a commodity is adequate to meet the demand, then the basic reason for OPA no longer exists with regard to that particular commodity, unless there exists a monopolistic control of the supply, in which case, of course, in view of the high level of demand, a person controlling the supplies is in a position to take undue advantage of all the rest of the economy.

My second reason is that many people are beginning to talk about the time when the war shall be over and when we shall be endeavoring to get rid of wartime controls. Some move may be made one of these days to sweep away the entire structure of price control, let us say, before the right time to do it. I believe that if that were done prior to the time that supplies are adequate to meet the demand, a great deal of injustice would be done.

In my judgment, my amendment provides the right formula for the removal of price ceilings. I believe that if as a

matter of stated policy it were included in the bill it would be not only a constructive step for the gradual removal of price ceilings but it would serve notice that we are not going to sweep it all away at once and prematurely.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. SLAUGHTER. Mr. Speaker, I yield one additional minute to the gentleman from California.

Mr. VOORHIS of California. I thank the gentleman.

Mr. MASON. I agree with your theory entirely, sir. But I want to point out that some of the policies of the OPA have been policies such as to discourage increased production. Increased production is one thing we must have in order to get away from price ceilings and so forth.

Mr. VOORHIS of California. All through the administration of the OPA program it has been necessary to try to balance the possibility of increased production by virtue of higher prices on the one hand and the injustice to many elements in our population, particularly those living on a fixed income, as a result of permitting those prices to increase. The OPA has had a most difficult task to try to resolve those two factors. I have a great degree of sympathy with them. I think there is something in what the gentleman says in certain instances. I do not think there could help being something in what he says. And for my part I would like to see increasing consideration given to increasing production as our primary concern.

The SPEAKER pro tempore. The time of the gentleman from California has again expired.

Mr. MICHENER. Mr. Speaker, I yield such time as he may require to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Speaker, we are considering in the House the matter of the extension of OPA. I believe it pertinent to call the attention of the House to a letter which I recently received from one of my constituents, Mr. D. S. DeWitt, who is assistant general manager of the Holt Hardwood Co., of Oconto, Wis.:

Congressman JOHN W. BYRNES,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN BYRNES: I have your letter of the 29th, together with the report of the special committee of the House on the matter of meat shortage. I want to thank you very much for this report which I have read with interest.

Frankly, I cannot agree with the methods that have been followed to date to relieve the meat shortage, and I question very much that it will furnish any relief.

To begin with, I think that Congress is making a mistake in the use of subsidies rather than a direct increase in price. As you and I both know, the people are being kidded when they think the price of meat has not gone up because the price at the market is not increased. Why the public should be continually coddled and mislead by agencies such as OPA, we do not know. In talking it over with our employees we find that uniformly they feel that they should be told the truth and that it would be better to pay the freight as they go along than to conceal it in the form of hidden taxes such as subsidies.

Personally, I cannot see that there is going to be any relief or any decrease in the black market until such time as OPA recognizes that the only way that black market can be done away with is to allow the legitimate trade sources from the producer right straight through to the retailer a reasonable profit. If this results in a higher price, let's admit it, and we will at least have business done through legitimate channels, and if someone along the line makes an excessive profit the Government will recoup in income taxes.

As it stands at present the consumers have the money and they are not going to go without meat as long as they can go out and buy it, and we are simply building up the same sort of deal that we had back during prohibition, which you and I very well remember. As long as there is meat to be had, when people have the money to buy it with they are going to buy it, and if they can't do it from a legitimate retailer they will do it from the black marketer.

Why the OPA should be allowed by Congress to take the attitude they do in the matter of profits, I, as a businessman, cannot understand. In our own business, and apparently in all others, their theories are wrong from the start.

The producers who are producing their normal line of business will certainly eliminate the products that OPA will not allow them a profit on and will concentrate on the products that they can make a profit on. OPA's theory that if the manufacturer makes an over-all profit he is not entitled to an increase on any specific item is basically wrong.

Personally, from the standpoint of the country as a whole, it is better for the country to have a pair of $1.65 blue jeans at $2 than to have a manufacturer discontinue the line because he cannot make a profit on it and come out with a higher-priced, little fancier pair of blue jeans which costs the customer $4. In effect, that is what OPA is forcing us and all other manufacturers to do and, we feel, is largely responsible for a good many of the shortages. We know that in our own business, due to this attitude on OPA's part, we have had to concentrate on the higher-priced items that we make in order to stay in business. OPA has repeatedly said that as long as we make a dollar on the over-all business that it was none of their concern as to whether we discontinued our lower-priced lines. As a result, we in our business, and practically every business in the country today, have no more low-priced lines. Until such time as Congress insists that OPA allow a manufacturer a reasonable profit on all of the items that he produces there is going to continue to exist a black market on the items that are short because of this attitude on the part of OPA.

Frankly, I think it is time that you men in Congress took over the control of the operation of the Government and run the country, rather than allowing it to be run by a bunch of theorists who are trying to prove certain theories that they have developed God only knows where.

Control of prices may be necessary to prevent run-away inflation, but when it develops black markets it does more harm than good.

Yours very truly,

DONALD S. DEWITT.

As can be seen by the reading of this letter, Mr. DeWitt does not swallow all this Government propaganda that is handed out by OPA and other agencies in an effort to fool the people into believing that they are being "saved" by these bureaucrats. If one is to read all of the press releases and pamphlets put out by some of these agencies, one would wonder how this country ever got along without them in the past and certainly would come to the conclusion that the future of this country without them would be chaos.

I believe, Mr. Speaker, that it is about time that the people are told the actual truth about the operations and actual accomplishments of these agencies without dressing them up in white lace and satin.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, House Resolution 296 makes in order House Joint Resolution 101 from the Committee on Banking and Currency, which provides but two simple amendments to present laws. It strikes out the wording "June 30, 1945" from the Emergency Price Control Act of 1942, and inserts in lieu thereof the words "June 30, 1946." It also strikes out the same wording of "June 30, 1945" from the Stabilization Act of 1942 and inserts in lieu thereof the wording "June 30, 1946." So, in effect, the only thing that this House joint resolution does is to extend the present Price Control Act and the present Stabilization Act for 1 year. However, as the gentleman from Virginia [Mr. SMITH], a distinguished member of the Rules Committee, explained a few minutes ago, the Rules Committee, in considering this rule, was informed that inasmuch as these two amendments apply to the entire subject matter of these two acts, both acts would be subject to amendment in any of their sections or provisions. Therefore, in effect, this is a wide-open rule that permits amendments to any or all sections or provisions of both the Emergency Price Control Act and the Stabilization Act.

I think we can all agree that price control in a war emergency is desirable. However, there has been, and there still is, grave doubt just how much price control we actually have here in America just now. I am convinced there is very little price control, very little prevention of inflation, to be found in the black market, or in black-market prices. Yet we have testimony that has been obtained by a committee of this House, headed by a distinguished gentleman whose service has been recognized by his appointment as the new Secretary of Agriculture, which discloses, if you please, that in some of the larger cities of the East as much as 90 or 95 percent of the meat and poultry sold in those cities are sold through the black market at prices from two to three times the legitimate ceiling prices fixed by the OPA.

So I say to you that, while it is desirous to have price control in this emergency to prevent inflation, as a matter of fact the administration of OPA has been such that we have not had real price control, and that OPA has not, and is not now, preventing inflation.

I regret very much the Committee on Banking and Currency did not, in its

wisdom, see fit in its report to go into the detail of its reasons why it does not believe any amendments are needed to these acts, other than the direct time extension, I have been informed by various members of the committee, in conversation with them, the reason why there have been no amendments, other than the extension of time, submitted in this legislation is because, in their opinion, the present law is all right.

They seemingly believe the present Price Control Act is practically perfect, and that it is unnecessary to amend this law because there is nothing that can be added to it. They say the trouble is not with the Price Control Act, but that the trouble is with the administration thereof. Well, maybe that is so, but I am reminded that we still amend the Constitution of the United States now and then. But still this Price Control Act, according to the Committee on Banking and Currency, is a practically perfect document.

For the sake of argument let us accept the statement made by the committee that there is nothing wrong with the Price Control Act. Of course, I do not believe it. I think there are amendments that can be written into this law that will help it, and that should be written into it. I expect to support them, and perhaps I shall offer some amendments myself. But, suppose the argument of the committee is true. Then it is hard for me to understand why the committee did not point out the maladministration and the bungling failure of this agency of government to enforce and carry out the provisions of the Price Control Act, if it be such a perfect measure. Why not place the responsibility where it belongs, on the Office of Price Administration, if that be true. Why not call those in charge to account for their failure to administer this law as it has been written by the Congress, if it is such a perfect instrumentality to carry out the will of the Congress and the people? There are many things, in my opinion, that might have been written in the committee report on this resolution; many criticisms that might have been made. Every American citizen knows that today we are in the midst of a great food shortage, and one that promises to become worse before it grows better. Who is responsible? Why did not the Congress of the United States place that responsibility where it belongs? Has it been the failure of OPA? If so, why not say so, plainly and frankly? Why has not a committee report been filed that will point out these weaknesses and discrepancies and failures to carry out the laws as passed by the Congress? For instance, I can suggest some things that might have been included in such a report. There might have been mentioned in this report, if someone had wanted to be just a little critical, the fact that during last September and October, during a great political campaign for the Presidency of the United States and for the election of a new Congress, practically all rationing restrictions were taken off of food.

There has not been much food produced in this country since that time, Mr. Speaker—very little, if any—and yet less than 30 days after that election the restrictions and the rationing were put back on food again; and a short time later an order was issued by the Office of Price Administration, through Mr. Bowles, its Chief, canceling most of the outstanding red stamps and blue stamps—the very stamps that the housewives of America, if you please, had been promised by the Government would be good indefinitely. Yes, there might have been a little bit of criticism about that; and there might have been something said about the present sugar shortage, and the fact that OPA last year rationed 800,000 tons more sugar than was allotted it for rationing purposes, and now are cutting down sugar rations, until in my own State, the people on the farms are allowed only 5 pounds per person of sugar, in the coming season, for canning purposes as against 25 pounds per person for the same purpose last year—a cut of 80 percent. Yes; you of the committee might have also mentioned some of the other weaknesses and discrepancies that exist down in OPA. You might have inquired into some of the activities and backgrounds of the men who make up the OPA, who make and administer its regulations and restrictions.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. CRAWFORD. The gentleman has had some experience in raising money, and in contact with the public. How much would the gentleman say of the present shortage in buying savings bonds is caused by the ill feeling of the public against OPA on account of some of the very things the gentleman is talking about.

Mr. BROWN of Ohio. It certainly has not been helpful, to say the least.

Everybody in the country with any sense or judgment at all knows of the rush which started on the shoe stores immediately after the food-rationing stamps were canceled. It started simply because the people of the United States had lost faith and confidence in the Office of Price Administration and those who head it, and because they were afraid their shoe coupons might be canceled without notice.

I say to you, if this committee of the Congress had wanted to so something about this matter they could have very easily and very readily served notice there would be no extension of this act until, and unless, the house was first cleaned down at OPA. That is what is needed more than anything else down there; a thorough house cleaning; and it will come sooner or later.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. MICHENER. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska [Mr. MILLER].

Mr. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska [Mr. MILLER].

The SPEAKER pro tempore. The gentleman from Nebraska is recognized for 2 minutes.

Mr. MILLER of Nebraska. Mr. Speaker, the morning paper carries a statement from the Department of Agriculture to the effect that there will be from 120 to 125 pounds of meat per person available this year as against 150 pounds last year; that no improvements in fats and oils can be expected before next summer.

The job of the OPA is to ration and price articles that are scarce. The Agriculture Department declares there are about 125 pounds of meat for each person. The OPA allocates 50 red points per person each month. The average cut of meat requires 12½ points per pound. If my arithmetic is right, you could buy about 4½ pounds each month or about 52 pounds a year if you use all of your red points for meat. Out of these 50 red points a month, the housewife must buy her butter, which is 24 points a pound, cooking fats, 12 points a pound, and cheese, which varies in point value. Now, Mr. Speaker, the OPA must be in error if there is 120 pounds of meat available for each civilian and they permit only 50 points a month to buy meat, butter, fats and cheese. Their arithmetic is out of joint. They issue instead rules, regulations, and statistics which people cannot eat.

I have just returned from a visit to Nebraska—the great cattle country of the Nation. There are many fine cattle on the ranges. The cattle growers have published some resolutions condemning the OPA and subsidies. I expect, later, to include them in the CONGRESSIONAL RECORD. The Government agencies fail to understand that cattle plus feed plus a reasonable price means good beef.

Certainly, if the Agriculture Department is right in claiming that 120 pounds of meat was available to each person, then the OPA's regulation of 50 red points a month for meat, butter, fats, and cheese is all wrong. It is time for the Government agencies to get together.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. KNUTSON. The failure of the minority members of the Committee on Banking and Currency to bring in a report should not be construed by the country at large as an endorsement by the Republican Party of the policy that has been followed by the OPA.

The SPEAKER pro tempore. The time of the gentleman from Nebraska has expired.

Mr. MICHENER. Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore. The gentleman from Michigan has 1 minute remaining; the gentleman from Missouri 4.

Mr. MICHENER. Mr. Speaker, in that 1 minute I want to say that there is no opposition so far as I know to this rule; the entire Congress feels that this resolution should be considered at this time. Just as sure as day follows night OPA will be continued. It has made many mistakes, many of which are inexcusable. I voted for it in the beginning, because I thought it was necessary to implement the war effort and to protect the average man. I voted to continue it with all its

faults for the same reason, and I shall vote to continue it now for the same reason. I am not in any way condoning the mistakes that have been made. I have yielded all of my time to others, but shall speak in the general debate.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. MICHENER asked and was given permission to extend his remarks and to include certain statements he made when this matter was before the House for consideration on the last occasion.

Mr. SLAUGHTER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 101) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 101, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, today a very solemn responsibility rests upon every Member of this House. The dangers of inflation, the economic pressures that bring about the spiral of inflation, are growing daily. It seems to me it is obvious that the control of prices and the stabilization of wages are absolutely essential.

I realize that the Office of Price Administration has made mistakes. I realize that you can cite instance after instance of some imposition upon your constituents. I have no doubt that in the debate you will do that. I have no doubt that the Members will be regaled with the many supposed injustices that came from the administration of this law, but after it is all over, if you know what is good for yourselves, if you know what is good for your constituents, if you know what is good for your country, you are going to vote for continuation of this law. It has been stated that the Banking and Currency Committee maintains the act is perfect. Nobody that I am aware of ever claimed that. We have approached this matter in the only way it could be approached.

The matter of the administration of price control and the stabilization of wages are not a matter of legislation, nor can they be administered by the harsh and unyielding law. It is a matter of administration. You cannot administer and you cannot direct the administration of this act by a law enacted by the Congress.

The law is general in its application. It is inflexible and unyielding. That is the reason equity was established. Equity was established to remedy the defects wherein the law by reason of its universality was deficient. We do not claim that this act is perfect, but we claim it is the only way you can approach this subject. If you attempt to write into the law administrative proceedings that must be met from day to day and hour to hour by the Administrator, you will have an unworkable law, one that would not be understood by the Administrator or could be construed by the courts; that is our position. To say that we should remedy the various defects of administration that have been made and put the remedy into the law is perfectly ridiculous. We have given the Administrator the powers that are necessary to administer this law. The courts have said that if the Congress delegates to an agency all the powers it has, those are legislative powers and they should not be delegated; but if the Congress delegates the powers limited and defined, that is an administrative delegation and that is what we have granted to the Administrator of the Price Control and Stabilization Acts. We are criticized for that, but if that is not the right way to approach it, then some Member tell us how otherwise it could be approached and how otherwise it could be administered.

We have heard a great deal of talk about the Committee on Banking and Currency directing the administration of price control and stabilization, as to the various actions they should take from day to day and hour to hour. How ridiculous that is. All we have done by this act is to continue the Office of Price Administration, the Emergency Price Control Act, and the Stabilization Act for 1 year.

Long before we went into the war the President realized the necessity of control of prices and the stabilization of wages, and in April 1941, he created the Office of Price Administration and Civilian Supplies, and he put in charge of that Administration Leon Henderson. On January 30, 1942, the Emergency Price Control Act became a law. On October 2, 1942, the Stabilization Act was passed which continued the Price Control and Stabilization Acts until 1944. In 1944 this matter was again considered by the Congress and again these acts were continued. It is again considered, and this is the fourth time the Members of the House have considered these acts.

Mr. WHITE. Mr. Chairman, if the gentleman will yield, as a matter of fact, if we had had the OPA in the inflationary period of the last war, the people of the United States would have been spared a good deal of the effects of the last depression.

Mr. SPENCE. Yes; I think so. They have done a pretty good job. We have held prices down when you consider the economic pressures that have prevailed, the great increase in the purchasing power of the people and the lack of production of consumer goods by reason of the fact that all of our efforts were directed to war materials. I think they have done a pretty good job.

It may have been oppressive to some people. My constituents write to me that they have been oppressed and have been the victims of inequalities and injustices just as your constituents have written to you. Some have written that they want it repealed. I know when they wrote this they did it thoughtlessly, because repeal would mean their economic destruction. If you want to commit economic suicide at this time in our Nation's crisis, just repeal this act. I know that when the vote comes you will not do that. The increase in the purchasing power of the American people has risen to astronomic figures.

The production of consumer goods has been decreased naturally because we have been the arsenal of the free peoples of the world and most of our production has gone to win the war and to help the war effort of our allies. But those pressures are growing greater all the time.

After the last war the great rise in prices occurred long after hostilities were over. The pressures of the last war were very, very small. You might say they were very inconsequential as compared with the pressures as the result of this war. We will have expended over $300,000,000,000 in this war. In the last war our expenditures were only $32,000,000,000.

What other remedy do we have? I realize one of the great forces that might prevent inflation is production. I realize that the Office of Price Administration should in every way stimulate production if it does not interfere materially with the holding down of prices. When production equals the demand price control will no longer be necessary, and even if it is not formally lifted it will no longer have any effect. But to say we must have in view nothing but production at this time would mean we should take from under price control the industries which produce. I think there should be a happy medium between those two objectives and that the Office of Price Control should see that prices and wages are stabilized. Insofar as it is possible, they should give every incentive and every opportunity to production of consumer goods.

You have heard a good deal said about the administration of the law. It has been my impression that Mr. Bowles has a high sense of obligation and that he wants to administer this law in accordance with the wishes and best interests of the American people. I think he is trying to do that. It is a most difficult job. It is a job that will always be subject to a good deal of criticism by the people.

I cannot conceive how it could be administered without meeting with much disapproval. The American people are natural lovers of constitutional rights and liberty. It is seldom their rights or liberties are restrained. Their liberties are guaranteed to them by the Constitution. Those liberties are inalienable and ought to be protected. They ought always to be protected except when the interest of the individual conflicts with the interest of his country. When that conflict occurs, the individual must relinquish even his constitutional rights in favor of the interest of his country. I

know some of these things are oppressive. I know many of them have created a bitter feeling in the hearts and minds of the people. But it is necessarily so. We cannot administer this law without such a reaction. I know that many of the orders and regulations might have been simplified and made plain and unambiguous. I know gentlemen can pick out an order here and there and hold it up to the derision of the House and there may have been little justification for the order. But you must remember that a good many of these orders are written by subordinates and that those who administer the law cannot look over or prepare all the orders and regulations which are made. I have seen many orders. I have seen some that were so complicated that they were difficult to understand. I believe it is the purpose of the administration to simplify the orders and simplify the administration of the law as much as possible.

The Banking and Currency Committee held 2 weeks' hearings on this bill. We did not select the witnesses. We let the people be heard who wanted to be heard. When men want to be heard and are willing to travel across the continent to be heard, they are usually men with grievances. We heard a hundred witnesses. In all of that hearing the representatives of the OPA were present and heard the complaints. I think much good will come from that hearing. We asked the representatives to be present so they could hear and possibly remedy the complaints that were made.

The CHAIRMAN. The gentleman has consumed 15 minutes.

Mr. SPENCE. Mr. Chairman, I yield myself two additional minutes.

I think much good will come from that hearing. I believe that all of the complaints which we heard can be remedied by administrative control. I do not believe any of the complaints we heard can be remedied by law. I do not think you can pass any amendment that will meet defects in administration or remedy complaints that were made. We have a law that is ample in scope; a law that gives to the Administrator all the powers that are necessary for proper administration. Any hard and fast direction by law as to his conduct and as to his administration would only weaken the law. If you admit it is an administrative matter, then you absolutely disarm yourself in making the argument that the law should be amended to direct the Administrator as to what action he shall take from day to day and from hour to hour. Regulations and orders may necessarily be changed from time to time in order to make effective administration.

Mr. MOTT. Will the gentleman yield?

Mr. SPENCE. I yield.

Mr. MOTT. Would the gentleman object to an amendment, the purpose of which was to require the Administrator to keep within the provisions of the law?

Mr. SPENCE. Now, that is a fair sample of the questions that are asked.

Mr. MOTT. I would like an answer.

Mr. SPENCE. When we pass a law, the law determines the powers and duties of those who act under it. Then to pass another act to say that we have passed an act, and you must keep within the scope of the act, would be senseless and futile.

Mr. MOTT. There is a difference of opinion on that, and I am going to try to offer an amendment that will make them stay within the provisions of the law.

Mr. SPENCE. I do not understand just how an amendment of that kind could have the effect that the gentleman suggests.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. NEELY. Mr. Chairman, will the gentleman yield himself two additional minutes and in them permit me to discuss with him an amendment which was proposed to his committee by Mr. James W. Haley in behalf of the National Coal Association?

Mr. SPENCE. Mr. Chairman, I yield myself two additional minutes.

Mr. NEELY. The gentleman doubtless knows that formerly the Office of Price Administration considered percentage depletion in the important matter of determining the cost of producing bituminous coal, but that on or about the 1st of January 1945, without statutory mandate or any apparent justification, it modified its procedure to the manifest prejudice of the proprietors of the entire bituminous-coal industry by providing that percentage depletion would thenceforth be ignored as a factor in the ascertainment of production cost.

Mr. SPENCE. I may say that the OPA has the authority under the law to make the regulation which the gentleman suggests.

Mr. NEELY. Does the gentleman share my belief that the present law authorizes the OPA to consider percentage depletion as a factor in determining the cost of producing coal?

Mr. SPENCE. The Administrator, under the law, has very broad powers, and in my opinion has the authority to make the regulations suggested by the gentleman from West Virginia. This is essentially an administrative matter. The committee report on this bill approves the position taken by the Senate in regard to depletion allowance to coal producers.

Mr. NEELY. On page 5 of your report you say, among other things:

> We believe, however, that the criticisms which are well taken can be satisfied within the framework of the present laws, and the committee is confident that administrative action will suffice to overcome the difficulties which may be encountered during the course of the coming year.

Is not the confidence thus expressed the result of the committee's belief that existing law requires the OPA to give proper consideration, for example, to such a vital element as that of percentage depletion in fixing the price of coal?

Mr. SPENCE. The Administrator should take into consideration all elements by costs and all other pertinent factors in fixing price ceiling.

Mr. NEELY. Then the gentleman evidently believes that regardless of specific requirement the Administrator has the undoubted right to consider percentage depletion as a part of production cost?

Mr. SPENCE. I do not think there is any doubt about that. Under leave granted to extend my remarks, I herewith insert the report of the Banking and Currency Committee on the bill and certain statistics furnished by the Federal Reserve System and an editorial from the New York Times of June 18, 1945:

EXTENDING PRICE CONTROL AND STABILIZATION ACTS

Mr. SPENCE, from the Committee on Banking and Currency, submitted the following report:

The Committee on Banking and Currency, to whom was referred the joint resolution (H. J. Res. 101) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, having considered the same, report favorably thereon with amendments and recommend that the joint resolution, as amended, do pass.

The amendments are as follows:

Page 1, line 5, strike out "December 31, 1946" and insert "June 30, 1946."

Page 1, line 8, strike out "December 31, 1946" and insert "June 30, 1946."

GENERAL STATEMENT

The Emergency Price Control Act of 1942 and the Stabilization Act of 1942 will expire on June 30, 1945, unless their operation is extended.

As introduced, the joint resolution here being reported proposed to extend the operation of these acts for a period of 18 months. With the amendments proposed by the committee, the period of extension will be 12 months. This extension is subject, of course, to the provisions of present law as to the authority of the President by proclamation, or the Congress by concurrent resolution, to terminate these acts prior to the expiration of the 12-month period.

These acts come before the Congress for renewal at a critical time of readjustment. One war has come to an end, freeing some of the Nation's productive resources to meet long-deferred civilian needs. But another war is being waged relentlessly and on a rapidly expanding scale. The committee cannot tell when the shooting will stop, but it does know that unwise action at this time on the home front could soon destroy all that has been gained by more than 3 years of rigorous self-discipline and restraint. Accordingly, the committee has inquired into the basic economic situation with care before formulating its recommendations.

The past year has witnessed the continued outpouring of war materials and civilian goods by American industry and agriculture which is without paralled in the world's history. In 1944 our expenditures for war purposes reached the gigantic total of $91,000,000,000 and those expenditures are still continuing at about the same rate. Although war expenditures in 1944 were greater than the national income had ever been in peacetime, nevertheless a still greater volume of consumer goods and services, totaling $97,500,000,000 was produced in the same year. Civilian production continues, moreover, at approximately the same peak rate.

The committee believes that these facts show indisputably that high production is compatible with stabilization. But the same facts point clearly to the inflationary hazards which have been accumulating. To purchase the $97,500,000,000 of consumer goods which were made in 1944, the public, after the payment of all taxes, had $137,500,000,000 in income. A $40,000,000,000 gap existed between consumer goods and consumer income.

But the danger of run-away prices which comes when forty billion more dollars are looking for things to buy than there are things on which to spend them is multiplied by the vast accumulation of savings which overhangs the market. Because their high wartime earnings have not been siphoned away by rising prices, the American people

have added over $118,000,000,000 to their savings since Pearl Harbor, and they are continuing to save at a rate of over $3,000,000,000 every month.

With our national debt more than five times its prewar maximum, with public income one-third greater than even our record-breaking civilian production, with war bonds, savings accounts, currency in circulation, and checking accounts in banks, all many times their peacetime levels, the committee cannot believe that the time to relax our vigilance has come.

The committee welcomes the rapid withdrawal of production controls as military cut-backs make this possible, but it has kept in mind the fact that the rate of spending for the Japanese war, even in the 6 months following January 1, 1946, is estimated by the War Production Board to continue at an annual rate of $73,000,000,000. That amount takes on added significance when it is recalled that the entire First World War cost us only $32,000,000,000.

Yet the inflationary impact of World War I was serious. The collapse of prices which followed the inflationary boom culminating in the spring of 1920 brought a train of business bankruptcies, farm foreclosures, and unemployment in its wake. Almost one-half of the total price inflation of World War I took place after the armistice. A deceptive lessening of price pressures for a few months and an immediate abandonment of price controls were soon followed by a scramble for inventories which pushed wages and prices far above their 1918 level.

Since the committee is convinced of the need to maintain stabilization at this time, it is gratifying to find that, despite the annoyances and irritations accompanying the imposition of abnormal restraints on free enterprise, the American economy has prospered well under price control. While we have learned of isolated, and usually temporary, instances of hardship, the data as to business profits, for both large and small business, as to take-home pay and net farm income, as to landlord's income, and as to business failures, all are reassuring.

Thus corporate profits, after all taxes, maintained in 1944 a level 150 percent higher than in 1939. The profits of unincorporated business rose over 1940 levels 83 percent for manufacturers, 87 percent for wholesalers, 94 percent for retailers, and 39 percent for service trades.

Take-home pay for factory workers climbed 83 percent from 1939 to 1944, a figure which, of course, reflects longer hours and more regular employment, since wage rates have risen by a far smaller percent. In 1944 the farmers' net income reached a level almost 170 percent above 1939. In the same period landlord's net operating income (before interest and depreciation) rose 35 percent for apartment houses, covered in a 16-city survey, and 48.6 percent for small rental structures in 15 cities. Business failures, which stood at 22,909 in 1929 and at 13,619 in 1940, fell to a mere 1,222 in 1944 and today are running at a rate of less than 1,000 per year.

While these striking gains in dollar income have been registered, they have not been rendered meaningless by a corresponding rise in prices. On the contrary, the price level has been held in substantial balance during the past year, as it was held the year before.

For 2 years of unremitting and accelerating inflationary pressures, beginning in May 1943 and ending in May of this year, the stabilization agencies of the Government have succeeded in keeping to only 1.6 percent the rise in the cost of living. Industrial prices in the same period crept up only 2.6 percent.

In a world in which nation after nation is succumbing to the ravages of inflation, the record of our stabilization agencies is one which the committee views with genuine satisfaction.

PERIOD OF EXTENSION

As explained above, the joint resolution, as introduced, provided for an 18-months' extension of the stabilization laws. The committee amendments reduce this period to 1 year. A proposal to extend the laws for only 6 months was considered and decisively rejected by the committee.

A practice of annual reexamination of the stabilization laws has now been established. The majority of the committee are convinced that this practice ought not now to be changed, either by lengthening or by shortening the period of extension.

These wartime controls should be continued as long as the need for them continues and no longer. They will come to an end in two ways: First, by the selective termination of price control for particular commodities, or of rent control in particular defense rental areas; and, second, by the general termination of all authority to fix maximum prices for any commodities or maximum rents in any rental areas.

The first type of selective decontrol must be done administratively. The general principles to be applied are clear and unquestioned. Control should cease for particular commodities or rental areas just as soon as it ceases to serve the purposes of the stabilization laws. Primarily, this means just as soon as the supply of the commodity, or of rental accommodations within the area, comes into reasonable balance with demand. Obviously, the Congress cannot make this kind of judgment, commodity by commodity, or rental area by rental area. It can neither make forecasts now nor can it make the determinations when the time for decontrol comes. The responsibility must be that of the Price Administrator to carry out the plainly stated purposes of the laws.

The decision to terminate all authority to control prices and rents must be made by the Congress unless the President exercises his authority to terminate it by proclamation. The time for this decision will not come until inflationary pressures have subsided generally. Exactly when this will happen no one can now foretell. Plainly it will happen within a reasonable period after the end of the war with Japan. Plainly it will not happen before the war ends. To attempt to predict now when the war will end, or what the economic conditions will be at that time, would be folly.

Any departure by the Congress from the settled practice of annual review of the stabilization laws would inevitably be construed as implying some judgment as to the duration of the need for control. To extend the laws for as long as 18 months would be justifiable only if this were expected to be the last round of continuance so that the regular annual review could be dispensed with. To extend the laws for a shorter period than a year would be justifiable only if, in the judgment of Congress, there will be need to consider in the near future a major change in legislative policy.

Any judgment now as to what changes the future will require would be unwarranted. A mistaken judgment, or the appearance of such a judgment, would be disastrous. Buying and selling are based upon expectations. Production depends upon the ability of producers to anticipate costs and selling prices with a reasonable degree of confidence. If the Congress reassures the country that its determination to maintain the value of the dollar is unshaken, production, and buying and selling, can proceed normally. If the Congress creates doubt about the value of the dollar, healthy business will be at an end.

The people of the country know that the danger of inflation will not have passed 6 months from now. In the event of an extension for only 6 months, therefore, they would know that the Congress was in doubt about the wisdom of maintaining the present stabilization policy even while the danger of inflation continued. Farmers, manufacturers, distributors, laborers, and consumers all are fully aware of the demands for higher prices that are being pressed upon both the Office of Price Administration and Members of Congress. A 6-months' extension would serve notice that these demands are making headway. From then on, fear and speculation would be rampant.

In self-protection, businessmen would begin to scramble to build up inventories of goods and materials at present prices. In self-protection, consumers would strip the shelves of retail stores to build up reserves of scarce goods they do not now need. In self-protection also, businessmen who could withhold goods from sale would do so, thus intensifying shortages and creating enormous pressure upon legal ceilings. In self-protection, likewise, labor would refuse to make long-term contracts at present wage rates and would demand higher wages on short-term contracts.

Black marketeers under such conditions would flourish. The position of the Office of Price Administration in attempting to hold its staff to a thankless task and in dealing with business groups who looked forward to its dissolution or the drastic limitation of its authority, would become all but hopeless. All but hopeless, too, would be the position of the Congress in attempting to restore economic order and stability as the period of uncertainty drew to a close.

Uncertainty and fear are the most dangerous of emotions in a time of potential inflation.

The committee has become convinced that there is no sound justification for running the risk of generating these emotions by a hesitant, short-term extension. The present stabilization laws have served well in the period of total war. The majority believe that if these laws are wisely administered, they will still serve well as conditions change and civilian goods come back on the market in ever-increasing volume. Thus, the only danger is the danger of unwise administration.

To guard against this danger, however, it is not necessary to create doubts as to the continuance of stabilization and the soundness of the dollar.

The committee proposes to keep in close touch with the operations of the Office of Price Administration and to meet with the Administrator to discus its problems. Should conditions change, or serious administrative shortcomings appear which are not promptly corrected by administrative action, the committee can and will reappraise the law before the time for renewal comes and propose such legislative correction as may be needed. The Members of the House are reminded that pursuant to existing law the Office of Price Administration makes reports to Congress every 90 days as to its operations. These reports are available as public documents.

ADEQUACY OF PRESENT LAWS

The committee's conviction that the stabilization law should be extended without amendment does not reflect our unvarying endorsement of the manner in which they have been administered. We believe, however, that the criticisms which are well taken can be satisfied within the framework of the present laws, and the committee is confident that administrative action will suffice to overcome the difficulties which may be encountered during the course of the coming year. This confidence springs in large measure from its conviction that the present laws possess the necessary breadth and flexibility to permit the stabilization agencies to meet the demands of the transition period. Further amendments to the statutes are neither necessary nor wise.

In the committee's judgment it is especially important that, at this time, no effort be made to substitute rigid rules for the

existing statutory standards. Those standards have been tested in experience; they have worked well. They have been challenged and upheld in the courts. Business has become familiar with them and with the body of regulations which has been built upon them. For the Congress now to inject new and necessarily experimental requirements into an intricate pattern of controls would inevitably mean confusion to the administering agencies and still more to American business.

The committee has come to this conclusion only after a thorough consideration of the problems which representatives of business, agriculture, labor, and consumers have brought to its attention. In comments on such problems in the succeeding pages of this report the committee has indicated why it does not believe that legislative solutions are called for.

PRODUCTION AND PROFITS

Perhaps the most serious issue of policy before the committee in its consideration of the renewal legislation was whether price stabilization has been so administered as to jeopardize production. Agreement is general that there can be no more effective weapon against inflation than a high level of production, but some witnesses have insisted that the policies pursued by the stabilization agencies have denied to industry the production incentive of adequate profits.

The committee cannot reconcile these charges with the facts as to both production and profits which were spread on the record before us. Both are at an all-time high. But the committee also recognizes that, in the changing conditions of the transition from total war to peace, the policies which have hitherto permitted high levels of both production and profit will not necessarily continue to operate as successfully as heretofore. Accordingly, the committee made the problem the subject of searching inquiry.

The committee has been reassured by the testimony of the officials responsible for the administration of the price stabilization program, by the Director of War Mobilization and Reconversion, Judge Fred M. Vinson; by the Director of Economic Stabilization, William H. Davis; and by the Price Administrator, Chester Bowles. They were unanimous in stressing the importance of production in the formulation of price policies. As Judge Vinson declared:

"The guiding principle of price control is to provide conditions that encourage production. One of the most essential of these conditions is an adequate profit margin—an adequate spread between cost and selling price. That condition has been met for war production, and that condition will be met for reconversion peace production.

"An adequate profit," Judge Vinson pointed out, "can be assured only by stabilization of the general price level, which assures stabilization of costs. With this as a basis, special adjustments can be given to prices here and there which do not afford an adequate profit."

This view was reiterated in the recommendation to the committee by the Committee for Economic Development in its recent policy statement on postwar employment and the renewal of wartime controls, which was submitted to the committee. In a passage from this recommendation, characterized by the Director of Economic Stabilization, Mr. Davis, as "excellent," it was stated:

"General price advances should be resisted but prompt adjustment should be permitted prices which deter production because they do not bear a reasonable relation to cost at normal levels of production."

The committee believes that, in the recently formulated reconversion pricing program, the Office of Price Administration has shown an awareness of the need to remove all price impediments to the prompt return by reconverting manufacturers to civilian production. The program provides for the adjustment of existing ceilings, by industry-wide as well as individual action, where necessary to reflect significant increases in basic wage rates and materials prices over 1941 levels.

Price Administrator Bowles and Economic Stabilization Director Davis have declared emphatically that should this program fail to realize the expectations entertained for it, they will undertake its revision promptly.

The committee further notes that in OPA's "industry earnings standard" which permits to every industry at least its peacetime level of earnings, in its "supply standard" which provides for price increases above the minimum required by law wherever maximum prices are found to impede essential supply, in its recognition of an obligation to protect the profitability of specially situated segments of industries, and in its policy of granting individual price adjustments to relieve hardship threatening the supply of needed commodities and services, the Office of Price Administration has utilized the wide range of administrative flexibility afforded under the present laws to preserve profit as a stimulus to production.

The committee fears, however, that administrative delays may at times have detracted from the practical value of soundly conceived policies. The committee considers time of the essence in cases of price adjustments and urges upon OPA the necessity of providing within its organization for their expeditious handling. Red tape cannot be tolerated.

Production, the committee realizes, cannot be increased by indiscriminate raising of prices. One seller's price is another seller's cost, and stability of costs is essential to high-volume production. A price increase to protect a margin of profit is of value only if the profit margin can continue to be protected from rising costs. This can be done only if costs generally are stabilized, and price increases are selective.

The committee therefore does not favor incorporating into the statute rigid cost-plus formulas which would compel the granting of price increases on a broad scale and without regard to special production needs. However, the committee expects the stabilization agencies to be alert in the development of price policies which will be sufficiently flexible to meet the changing needs of the transition period and which will facilitate the rapid expansion of civilian production to the maximum extent consistent with the demands of the war.

THE MEAT SUPPLY PROBLEM

The committee has given particular consideration to the problem of the supply and distribution of meat. Although only the price aspects of this many-sided problem are within the purview of the legislation before the committee, it has nevertheless seemed desirable to appraise the entire meat situation.

It is generally agreed that the heart of the problem is the application of measures designed to encourage the feeding of cattle, which are abundant, and the distribution of meat fairly throughout the country.

The Office of Price Administration has recommended a number of measures to correct the meat shortage, most of which have or soon will be put into effect. They fall generally into two categories—price or subsidy adjustments to encourage the feeding and slaughter of cattle and hogs, the matters with which this committee is concerned, and controls upon the distribution of live animals and meat.

These major steps by way of price or subsidy adjustments were taken commencing in January of this year. The feeding of cattle was made more attractive at that time by additional subsidies of $1 per hundredweight on choice cattle and 50 cents on good grade with accompanying ceiling increases in order to widen the spread between low-grade and high-grade animals. As it appeared that direct inducement to the feedlot operator was required to produce greater numbers of the top grades, a direct subsidy to feeders of 50 cents per hundredweight has been provided. This action, together with the further increase in the differential between high and low grades, the withdrawal of the announced July decrease in subsidy, and the assurance that there will be no downward revision of maximum prices without at least 6 months' notice, has made cattle feeding an operation which has always been highly speculative, far more attractive.

The support program for hogs has been broadened, the level increased and assurance given to the growers that there will be no withdrawal of support for a period ending September 1, 1946.

A series of changes has been made in the ceilings and subsidies on both beef and pork. In no instance has the price to the civilian consumer been increased. Government procurement prices have been raised and subsidy adjustments made.

The problem of determining the proper amount of adjustment has been a peculiarly difficult one. The complex structure of the packing industry has made it hard both for business and the Government to determine accurately the subsidy and price changes which are needed in order to procure the maximum slaughter of both cattle and hogs. Fluctuations in live-animal prices are characteristic of the industry and that too adds to the difficulty of exact treatment. One of the great dangers of increasing subsidies is the risk of dissipation through the bidding up of live-animal prices.

However, recognizing the greater importance of prompt action in an acute situation with all the risks which go with such action, the Office of Price Administration has taken drastic remedial steps to assure the profitability of beef, pork, and lamb and mutton operations, each considered separately. The price-subsidy structure now permits the average slaughterer a profit on each species where cattle prices are at the ceiling and an increasing profit as these prices decline. Since, in times of extreme shortage, high-cost slaughterers who have a previous record of profitable operation must be kept in production, they are now protected against over-all loss.

Whatout detailing the progressive liberalization of the price-subsidy program, this committee believes that the Office of Price Administration has displayed a readiness to deal administratively with the acute meat situation which has developed in the last few months. It would be impossible for Congress to follow from day to day the rapidly changing conditions in the meat industry which require the accumulation of representative information throughout the country and the application of flexible administrative remedies.

While it is true that an amendment might incorporate in the price-control legislation the present administrative policy reached in the solution of the meat-supply problem, there is strong reason for leaving the problem for administrative solution. There are few industries in this country which have not been faced at one time or another during the war with a major crisis. Often it is impossible for either business or government to foresee the approach of the crisis until it is imminent. The Congress cannot legislate to cope with the unknown. This committee concludes that the general standards of the present law afford the necessary guidance to the Price Administrator in meeting new problems as they occur and that an amendment is superfluous as to meat and obviously inappropriate in more general form because of the impossibility of predicting all the special problems which may arise in the next few months.

It is equally clear that the abandonment at this time of the carefully developed standards of the law for the protection of the

farmers of the country is unwise. The parity formula as perfected and applied during the war years has, with the splendid labors of the farmers, wrought a miracle of production.

There have been proper criticisms of the break-down of distribution which has caused severe shortages of meat, principally in some of the important centers of population. Vigorous measures have been applied to channel more live animals into federally inspected plants and to direct the distribution of meat in normal proportions throughout the country. The slaughter-control program which is now operating is bound to require adjustments here and there to meet the local problems of particular localities. The Office of Price Administration is adapting its program to correct inequities and to secure maximum production.

This week packers will become subject to control in the distribution of meat on a plan which has as its objective the restoration of more normal patterns of meat delivery.

Government procurement is being tailored to achieve a greater balance in favor of the civilian consumer. The Army is seeking to expand its sources of supply to cover plants not previously selling meat to the Government.

Through an increased appropriation for enforcement, the hand of the Office of Price Administration is strengthened in dealing with the black market. Every effort is concentrated on maintaining the cattle ceilings, and eradicating the fly-by-night slaughterer who has drawn supplies away from legitimate concerns.

While the housewife will still be unable to purchase on every occasion all the meat which her family would like to eat, the combined effect of the meat program should make her task easier. It has not yet taken full effect. This committee recommends that the program should be given a trial and that the law should not be amended to apply special rules to the meat industry.

COTTON TEXTILES

The committee has given consideration to the operation of the Bankhead-Brown amendment, relating to the pricing of cotton textiles. The committee is in agreement with the conclusion of the Senate Banking and Currency Committee, expressed in its report on Senate Joint Resolution 30, that the purpose of this amendment will not be carried out "unless the maximum price for each major cotton textile item is fixed and maintained at not less than the sum of the following:

"1. The cotton cost (which must be computed at not less than the landed mill parity equivalent for the grade and staple of cotton used; except that, after the initial adjustments required under the amendment have been made, the amendment does not require the continued use of a cotton cost figure which is, and for a representative period has been, above or below the actual cotton cost);

"2. A weighted average of mill conversion costs; and

"3. A reasonable profit."

The committee has been advised by the Price Administrator that the policy which he intends to follow in administering the amendment will be in full accord with this opinion as to its requirements.

OTHER QUESTIONS OF ADMINISTRATION

The committee has considered the questions of reconversion pricing, depletion allowances for coal, notice of agricultural prices, evasive changes in brand names, use of specifications and standards and quality deterioration which are discussed in the report of the Senate Banking and Currency Committee on Senate Joint Resolution 30. The committee is in agreement with the views of the Senate committee as expressed in that report.

RENT CONTROL

Rent control has effectively stabilized rents throughout the country. The committee is mindful that rent is second only to food in the budget of the average family. The continued success of rent control is obviously essential to the stabilization program. The amendments added to the act last June have remedied much of the rigidity in the original administrative standards for individual rent adjustments. Recognizing that some hardships are inherent in any program involving 15,000,000 rental units, the committee nonetheless feels that any avoidable inequities can be handled administratively and that further amendment to the law is not required.

The Administrator's practice of making surveys of rental property should be broadened and extended. The Administrator should be increasingly vigilant to determine areas and localities in which rising costs have affected the earning position of rental properties. In any areas in which such surveys indicate that cost increases have resulted in rental ceilings which are no longer generally fair and equitable under present administrative standards, the Administrator should take prompt action to grant appropriate relief.

Witnesses have testified that the Administrator has taken the position that a property, to be eligible for an adjustment under the substantial hardship provision of the act, must require at least a 5-percent increase in its maximum rents. The Administrator has assured the committee that this standard is not an absolute test but is used as a working guide. The committee is in accord that this rule should not be inflexible, particularly in the case of multiunit structures where its strict application might prove too severe.

Complaints have been received, which appear to the committee justifiable, that in some instances delays in processing petitions for adjustment based on increased services, furniture, furnishing, and equipment, supplied at the tenant's request, have deprived landlords of revenue to which they are entitled. The committee feels that the Administrator should at once take steps to permit landlords to receive immediate compensation for increases in services, furniture, furnishings, and equipment supplied at the request of the tenant.

The committee recognizes that a proper administration of the rent program must depend on its operation at the area level. It is apparent that a wide degree of discretion must be vested in the area rent director in view of the varying rental practices and conditions throughout the country. Authority should be delegated to area offices to the greatest extent possible consistent with uniform administration.

The committee's concern that the rent-control program be administered so as to assure landlords generally fair and equitable rentals for their properties does not mean that it wishes the Office of Price Administration to relax its vigilance for the protection of tenants. The success of the rent-control program has done much to safeguard the standard of living of millions of families with limited incomes which would have suffered severely had rental been allowed to reflect the soaring demand for housing in war-congested areas.

COMPLIANCE AND BLACK MARKETS

Regulations of prices and rents are futile in combating inflation unless they are generally understood and accepted by the majority of persons subject to them and vigorously enforced against those who recognize only compulsion. The Office of Price Administration has made considerable progress in the simplification of its regulations and in promoting voluntary compliance, but there is still much room for improvement, particularly so far as the regulations affecting the small businessmen are concerned.

The enforcement task is the most gigantic one ever undertaken by a Government agency, and the success of OPA's enforcement efforts must be measured by the magnitude of the job to be done and the size of the enforcement staff. Much has been accomplished, but it is nevertheless true that in some fields black-market operations have grown to alarming proportions.

The committee feels that too great a proportion of OPA's enforcement energies have been devoted to comparatively trivial violations. It is true that the big black-market operators are skillful in covering up their violations, but it is imperative that every effort be made to bring to justice those who are deliberately taking advantage of wartime shortages to make illegal profits. The success of the fight against the black market is dependent also upon the willingness of the courts to impose sentences commensurate with the offense.

The committee is of the opinion that the enforcement provisions of the law should not be further modified. The changes made last year have worked well and have fulfilled the objective of Congress to protect the individual against injustice without impairing the effectiveness of enforcement.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

"SECTION 1 (B) OF EMERGENCY PRICE CONTROL ACT OF 1942

"(b) The provisions of this Act, and all regulations, orders, price schedules, and requirements thereunder, shall terminate on [June 30, 1945] *December 31, 1946*, or upon the date of a proclamation by the President, or upon the date specified in a concurrent resolution by the two Houses of the Congress, declaring that the further continuance of the authority granted by this Act is not necessary in the interest of the national defense and security, whichever date is the earlier; except that as to offenses committed, or rights or liabilities incurred, prior to such termination date, the provisions of this Act and such regulations, orders, price schedules, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

"SECTION 6 OF STABILIZATION ACT OF 1942

"SEC. 6. The provisions of this Act (except sections 8 and 9), and all regulations thereunder, shall terminate on [June 30, 1945] *December 31, 1946*, or on such earlier date as the Congress by concurrent resolution, or the President by proclamation, may prescribe."

During the war years the total output of the American economy has increased enormously—from $120,000,000,000 in 1941 to nearly $200,000,000,000 in 1944. This has meant a vast increase in the income which the people receive. Since the increase in production went into war materials, however, no additional consumers' goods were available which the people could purchase with their increased incomes. This has been and still is the essence of the inflation problem.

If the people had tried to spend all of their greatly increased incomes for the same amount of goods as they had before, a drastic price inflation would have been inevitable. Because we have held the price increase within reasonable limits, and because we have

raised taxes sharply, and because the people have been willing to set aside the major part of their increased incomes in additional savings, this danger has been avoided. Thus, income received by the people in 1944 was nearly $65,000,000,000 above the 1941 level. While personal taxes were increased drastically, the amount available after tax payments was still $50,000,000,000 above 1941 levels. People thus were in a position to spend $50,000,000,000 more than in 1941, but they preferred to increase their savings by $26,000,000,000, so that only $24,000,000,000 went into increased consumers' expenditures. Since the supply of all available consumers' goods remained about the same, this increase in consumers' expenditures about reflects the price rise that has occurred.

Large savings have been accumulated not only by individuals but also by business. These savings have been mostly in the form of currency, deposits, and bonds. Total currency and deposits held by individuals and by businesses (except financial businesses, such as banks and insurance companies) increased from $65,000,000,000 in December 1941 to about $117,000,000,000 at the end of last year. If holdings of Government securities by these groups are included, the increase is from $82,000,000,000 to $194,000,000,000. By June 30 of this year, holdings may have risen to $215,000,000,000, including about $45,000,000,000 of savings bonds held by individuals. A break-down of these assets by types of holders is shown in table 2.

Because these assets have been accumulated in the past, the need for maintaining price stability now is greater than ever before. The people will continue to save and to hold onto their savings only if they have faith that the Congress will preserve the value of the dollar and therewith the purchasing power of their savings. This means that effective price control must be maintained during the remainder of the war and the transition period, when many civilian items will still be in short supply. Price control must remain intact until the supply of civilian goods has increased to meet the level of demand.

Liquid asset holdings of business and individuals [1]

[In billions of dollars]

	Dec. 31, 1941	Dec. 31, 1944	June 30, 1945 [2]
All groups	82.1	193.6	(215.0)
Currency	9.4	23.3	(25.0)
Demand deposits	28.3	54.7	(62.0)
Time deposits	26.9	38.9	(44.0)
U. S. Government securities	17.5	76.7	(85.0)
Corporations:			
Total	17.5	47.1	(53.0)
Currency	.6	.9	.....
Demand deposits	12.7	22.4	.....
Time deposits	.7	.7	.....
U. S. Government securities	3.5	23.1	.....
Unincorporated business:			
Total	6.7	18.9	(21.0)
Currency	.3	.6	.....
Demand deposits	4.6	9.1	.....
Time deposits	.2	.2	.....
U. S. Government securities	1.6	9.0	.....
Personal:			
Total	57.9	127.6	(141.0)
Currency	8.5	21.8	.....
Demand deposits	11.0	23.2	.....
Time deposits	26.0	38.0	.....
U. S. Government securities	12.4	44.6	.....

[1] Excludes holdings by Government trust funds, State and local governments, savings banks, savings and loan associations, insurance companies, and foreign holdings.
[2] Projected on the basis of estimates.

Production and income

[Billions of dollars]

	1939	1940	1941	1942	1943	1944
Gross national product	88.6	97.1	120.5	151.5	187.8	198.7
National income [1]	70.8	77.6	96.9	122.2	149.4	160.7
Employees	48.1	52.3	64.5	84.1	106.3	116.0
Proprietors	11.2	12.0	15.8	20.6	23.5	24.1
Interest and rent	7.4	7.5	8.0	8.8	9.7	10.6
Corporation profits	4.2	5.8	8.5	8.7	9.8	9.9
Income of individuals before payment of taxes [2]	70.8	76.2	92.7	117.3	143.1	156.8
Less: Taxes	3.1	3.3	4.0	6.7	18.5	19.3
Equals—						
Spendable income	67.7	72.9	88.7	110.6	124.6	137.5
Consumer purchases	61.7	65.7	74.6	81.9	90.9	97.6
Savings	6.0	7.3	14.2	28.8	33.7	39.9

[1] Differs from gross national product because of the exclusion of depreciation and business taxes.
[2] Differs from national income because of the exclusion of corporate savings and social security payments and the inclusion of Government transfer payments.

[From New York Times of June 18, 1945]

EXTENDING PRICE CONTROL

The House Banking Committee plans to present the bill to extend the life of the price-control law to the full House early this week. The price-control authority must be extended until the end of the war period, and the extension must be made without crippling changes. It is deeply to be hoped, therefore, that the House will not only refuse to make such changes of its own but will vote to strike out the Wherry amendment.

This amendment was passed in the Senate at the last moment by a narrow vote. It was passed because it took the administration forces by surprise. They had not taken it seriously enough to warn against it. It was passed with virtually no debate. Its full badness can be appreciated only from a full quotation of its text:

"It shall be unlawful to establish or maintain against the producers of any livestock, grain, or any other agricultural commodity a maximum price for such commodity which does not equal all costs and expenses (including all overhead expenses, a return on capital, and an allowance for the labor of the producer and his family) incurred in the production of such commodity, plus a reasonable profit thereon."

Exactly what does this mean? Do the "costs and expenses" referred to mean average costs or expenses? Do they mean the individual costs of each producer, so that each would be entitled to charge a different price? Do they mean the highest costs incurred by the least efficient producer? It would, in fact, be administratively impossible properly to determine any of these costs. But the practical effect of this provision would be to encourage high costs and inefficiency and a further indefinite rise in food and textile prices.

The Wherry amendment is clearly discriminatory. If farmers are to be guaranteed maximum prices that equal all costs and expenses, a return on capital and a reasonable profit, why should not producers of every commodity receive an equal guaranty? And what in that case would happen to price control?

The Wherry amendment is merely one more effort to turn the Price Control Act into a political football. It discriminates in favor of the very group of producers who are already most favored. The provisions for so-called parity prices for agricultural products are already embedded in the Price Control Act. Under those provisions prices received by farmers have more than doubled since 1939, rising from an index number of 92 to one of 203. Farm income has increased even more rapidly.

President Truman has flatly condemned the Wherry amendment. Farm leaders themselves have condemned it, one of them summing it up accurately as "unsound, unworkable, and inflationary." Unless the House strikes out this amendment and refuses to insert anything like it, an extension of the Price Control Act will be a mere mockery.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Michigan is recognized for 15 minutes.

Mr. WOLCOTT. Mr. Chairman, I believe we should start out in the consideration of this resolution with a very definite idea that price control should be continued. As far as I know, none of the committee nor the Members of Congress, in whom is vested the responsibility for reporting this legislation, is there any desire—and there will be no such desire in any of the amendments—to prevent the control of prices.

I believe the objections to the administration of the Price Control Act can be placed in three categories, the first being that in the administration of the Price Control Act the Administration has assumed in many instances to have much more power than was vested in them by the act and that they have broadened the scope of their activities far beyond that which was intended by the Congress. The Office of Price Administration should confine its efforts under the acts to the control of prices and leave to Congress the management of our economy, provided the Congress ever decides as a matter of governmental policy that we should have a managed economy.

In the second category we can put complaints in respect to the use of the powers of the OPA so to attempt to manage our economy that shortages in many essential lines have been created. In order that there may be no question about the attitude of some of us in this respect I want to say, and I think it can be said without fear of successful contradiction, that the food shortages today which are expected to contribute with increasing intensity in the weeks to come are directly traceable to the mismanagement of prices and rationing by the Office of Price Administration and the War Food Administration.

In the third category may be placed those complaints which have to do with our reconversion program. I wish labor would pay particular attention to this problem because they can be of great help to the Congress in solving the problem of unemployment following the cutbacks in war production.

These complaints are justified from the experience we have had with OPA up to the present time. We know of innumerable cases where, by the manipulation of prices without using good judgment in the exercise of the power which is vested in the Administration, the Administration has prevented the orderly and expeditious reconversion from war production to the production of civilian goods.

A case came to my attention the other day, which is perhaps typical, of a concern which had been making a particular line of goods before the war. They have a price history. They converted to war production and now want to convert back to civilian production. The industry employs a good many thousands of people. But the Office of Price Administration says that notwithstanding the increases in production costs, notwithstanding the increases in labor costs and the cost of raw material this concern must sell its product for the same price it sold it in 1941. Now, of course, unless the industry was making an exorbitant profit on its product in 1941, it could not afford to convert under those conditions and many thousands are prevented from getting jobs.

A significant thing has happened in that industry. Three thousand new units of the industry have sprung up during the war and these new industries, making about the same product, on application to the Office of Price Administration were given a price which took into consideration the cost of production plus a reasonable profit. So the 3,000 concerns which have started in the manufacture of this particular product since the war can continue to manufacture that product, and meet the demand, but the concern which converted to war production, an old established concern, cannot open its doors today.

That is why I say I want particularly to call to the attention of labor the part which OPA might play in negativing any reconversion program which the Congress or management-labor collectively might evolve. Therefore, because of these constant changes in our economic conditions, not only from day to day and from week to week, but from hour to hour, it is our duty to reappraise the use to which OPA is putting its powers in the reconversion program within the next six months. I do not accept in lieu of that any guaranty that this Congress is going to definitely have an opportunity to review the part which OPA is taking in our reconversion program by the wishy-washy language which has been written into the committee report.

That report indicates that the committee will meet sometime in the future and will take another look at OPA without anything in the nature of remedial legislation before it, without any assurance to labor, to agriculture, and to industry that we can do anything about it effectively. The only way that we can effectively look at OPA and fit into the OPA structure new formulas for its guidance is to continue this act for only 6 months.

We have not had an opportunity to adequately go into all of the phases of OPA in the short period of time which we have had to consider it. It was not expected that we would. We are up against the date line of June 30. It has got to be continued, and no amendment offered to cut the date down from a year to 6 months should be interpreted on the part of anybody as a desire to stop price control. It is offered purely and simply for the purpose of guaranteeing to the Congress, to labor, agriculture, industry, and business that we shall have an effective look at OPA next fall so that if OPA continues to use poor judgment in respect to shortages and in respect to getting industry back on its feet so that the 60,000,000 jobs possibly can be given, then we will be able to do something about it. The 2 weeks which we have had to consider this in committee was not adequate to give full consideration to all of the problems which confront every Member of Congress in respect to OPA. Next fall we will have a great deal more time. We will not have the pressure of a date line because, according to the majority report, we are going to start hearings later this fall or early next year, some time anyway, and adequate time will be given for a full, complete, and adequate review of the OPA Act and the manner in which it is being administered, so that we can do our job and do it efficiently, effectively, and intelligently.

We cannot do it at this particular time. It is not anything new that we pass a simple resolution continuing an agency for a matter of a few days, even a few weeks. We have done it twice before now in continuing the Commodity Credit Corporation. In view of the action taken by the President in vetoing the bill and the fact that the veto was sustained we found it advisable to continue it on one occasion for only 90 days. Nobody charged that the Congress was going to discontinue the Commodity Credit Corporation merely because we continued it for 90 days. Nobody can any more successfully charge that we are going to destroy price control merely because we ask for a limited continuance to assure an opportunity to do an intelligent job in price control.

Now, what do we find in that respect? We do not have law now and we will not have law if the majority carries through its program to defeat all amendments regardless of the merits, which gives a reasonable assurance that the mistakes in the administration of the OPA will be corrected.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 10 additional minutes.

We will have only a promise on the part of Mr. Chester Bowles to be good. In that respect I want to read you what Mr. Bowles had to say within the last week, and balance what he has to say now against the operation of OPA in the last year, and see if perhaps you do not owe a duty to agriculture and business and labor to write his promises into very definite language so that even he, who has defied on repeated occasions the clear language of the law and the intent of the Congress, can understand what we mean.

Is the matter of these shortages a question of prices? Many think that the shortages are due to a lack of judgment in setting and adjusting prices. The law specifically says, if it is a question of prices, what the Administrator is to do about it. I say that he has deliberately refused to carry out the very understandable and definite mandate of the Congress in that respect.

Let me read to you from section 3 of the Stabilization Act passed in October 1942. This is still the law and has been ever since its enactment:

Provided further, That modifications shall be made in maximum prices established for any agricultural commodity and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, under regulations to be prescribed by the President, in any case where it appears that such modification is necessary to increase the production of such commodity for war purposes, or where by any reason of increased labor or other costs to the producers of such agricultural commodity incurred since January 1, 1941, the maximum prices so established will not reflect such increased costs: *Provided further*, That in the fixing of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing.

How can you write language which is any more specific than that in respect to the food industry? So we have a right to criticize the fact that Mr. Bowles in the administration of this act has defied the Congress, has refused to carry out the dictates of Congress in respect of food, and it is up to him to answer to the people why he has not administered the law in accordance with the very letter of the law. There is no need for any language in any committee report to interpret that language which I have read.

Now this is what Mr. Bowles said on June 16, in a letter addressed to me which I think was sent to all members of the committee. He was kind enough to send me a copy of the speech which he made before the Hartford (Conn.) Chamber of Commerce on June 15, 1945. The letter in part is as follows:

In this speech I have emphasized two points: First, we are determined that OPA pricing policy shall not stand in the way of all-out production of civilian goods and services which is the only final answer to tremendous inflationary pressures now threatening our economy. I place particular emphasis upon the need for individual price adjustment to get every ounce of production we can and to relieve hardships wherever possible. We have taken special steps to eliminate red tape for small business.

Those are the things we want Mr. Bowles to do, and the only assurance we have that Mr. Bowles is going to carry them out is for us to continue this law for 6 months only and make sure that he does not play the trick which you and I in public life are sometimes charged with playing, around election time, namely, making a lot of promises before we get the votes and then after we are elected forgetting about the promises which we have made. It is alleged sometimes that that is what some people in public life do.

Is Mr. Bowles making these promises to be good in order to get this law extended?

Is he going to be any more sympathetic with the problems of small business and with the problems of the American housewife, who we think is charged with the duty of doing everything she can to keep her family fed? If he is sincere about it, why has he not been doing it in the past? Our files are full of examples of instances where he has not done it in the past. Our files are full of letters in which Mr. Bowles has answered our protests to the effect that he could not make individual adjustments, although it has always been contended that he could, giving as his reason that the prices must be generally fair and equitable.

Now, Mr. Field, the counsel for OPA, told us in committee the other day, "Why, certainly we can make individual adjustments." Then, why has not OPA made individual adjustments to keep these thousands of small industries and businesses from going out of business with the attendant unemployment problem which will become increasingly acute and important from now on?

The second point that he makes in his letter is this:

Price controls were developed solely to meet wartime conditions. We are pledged to remove these controls just as soon as the production of civilian goods and services eliminate the inflationary dangers and permits our return to a free market.

To whom has he made the pledge? He has never pledged it to the Congress and the Congress has never written any definite formula into any of the acts we have passed to compel this bureau to do what Mr. Bowles says should be done. It is our job to do it.

What has Mr. Bowles to say about what he is going to do in the future? He wrote a letter to Senator THOMAS. I want to read that letter to you:

DEAR SENATOR THOMAS: You have asked for a statement of the policy which the Office of Price Administration will follow in pricing the products of the various species of livestock. Recognizing the critical shortage of meat and the imperative need of avoiding any impediment to maximum production and even distribution, this Office in addition to satisfying all of the various mandatory requirements of the present law will see that the products of each of the three main groups of livestock: cows and calves; hogs and lambs; and sheep, are each separately considered on a profitable basis. To the fullest practicable extent the Office will see that each of these groups of products is separately profitable at all times regardless of live animal prices. It will at all events see that each group is separately profitable on an annual basis.

I have discussed this letter with Judge Vinson and Mr. Davis, and they authorized me to say that they concur in it.

There probably are a majority of the people in the United States today who believe that if Mr. Bowles and those who are administering his office had done those things that he promises now to do 6 months or a year ago there would have been no food shortage and that there will be no food shortages in the future if he does the things that he promises. But it is our duty not to take him at his word because he has not heretofore carried out this program as we told him to carry it out.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself five additional minutes.

We should not continue this program any longer than 6 months and thus assure the House of Representatives that we will have an opportunity to review it in the light of the changes which he suggests should be made in the administration of the program.

Our attention has been called to the fact that we are not getting textiles because of labor problems in the textile industry. Of course, nothing to the contrary notwithstanding, the reason why we have not had adequate textiles since July 1, 1944, is because of the so-called Bankhead amendment. At 1:30 o'clock in the morning the conferees broke up and left this Capitol with full assurance from the other side of the Capitol that they had the votes with which to recede from their position with respect to textiles. At 1:30 o'clock in the morning the police escorted us from this building, after having been assured that the Senate would recede on the textile amendment. The next morning we reconvened at 10 o'clock with the idea of signing the conference report and submitting it, only to have them ask for a delay. They asked for a delay and they delayed until 2 o'clock that afternoon. The reason why you have not had sufficient textiles since the continuance of OPA last year was because OPA found it necessary to scratch somebody's back and in the back-scratching process they left the backs of many of the American people bare of shirts and underwear. That is the reason why you have not had underwear, sheeting, toweling and all of the other textiles.

While I am on that subject I want to call your attention to something which came to my office this morning from a good merchandiser in my district. I want to read it to you:

I am attaching herewith three exhibits. (A) Sales slip of goods purchased in London, Ontario, June 16, 1945, for pillowcases and sheets.

(B) The guaranty slip taken from the pillowcases.

(C) Guaranty slip from the sheets.

These goods were stacked in piles in the windows and the counters and bore a placard "Imported from the United States." This at a time when these goods are not available in the United States of America. You will also please note the prices. Pillowcases when available in Detroit were 79 cents each and not $1.07 per pair.

I would also be interested to know if those goods should carry a duty—

And so forth. Here is the slip which was taken from the pillowcases of the Pepperell Mills, Biddeford, Maine. Here is the guarantee slip on the sheets from the Nashua Manufacturing Co., post office Box 507, Nashua, N. H. Here is the sales slip "one pair of sheets, $5; one pair of pillowcases, $1.07" against a price in Detroit of twice 79 cents, or $1.58.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself one additional minute.

I think that is indicative of the fact that somebody has failed somewhere down the line in doing the job which we should expect OPA to do.

The gentleman from Michigan [Mr. CRAWFORD] will offer an amendment which I think will be helpful.

I hope this House will insist on taking another look at this OPA in the light of the constantly changing economic conditions, within the next 6 months.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SPENCE. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. PATMAN].

FULL HEARINGS ON OPA

Mr. PATMAN. Mr. Chairman, in reply to the gentleman from Michigan about the hearings and about the desire to have the act extended for 6 months only in order that he can take another look at the administration of this act, I wish to invite your attention to the fact that hearings on this proposal were conducted for more than 2 weeks. More than 100 witnesses were heard. Every member of the committee who desired interrogated every witness as long as he wanted to interrogate him. Every person who wanted to be heard was heard by the committee. So where would anything be gained by extending it for 6 months only simply in order to ask additional witnesses to come in? Every witness was heard who wanted to be heard; every member of the committee interrogated every witness just as long as he wanted to interrogate him. The chairman has been absolutely fair. He stayed there late in the evening, even into the night in order to accommodate witnesses coming from a distance to Washington to be heard about this proposal. So in view of that fact what could be gained? I say that that proposal if adopted, if enacted into law, would be devastating to the price control and stabilization program; it would be destroying the good things that have been built up over a period of time.

The gentleman from Michigan [Mr. CRAWFORD], when the 6 months' extension was first mentioned, immediately courageously came out against it. He said: "No; I will not be for it." I am not attempting to quote his words verbatim, but I could. He said in substance: "If you want to extend it for only 6 months the personnel would leave; it would be disrupting to the organization." I believe the gentleman from Michigan was exactly right. I think it would be disrupting to the organization. It would be a vote of no confidence in the administration of the Office of Price Administration. It would be weakening to the morale of the personnel in that great organization. There is no organization that is taking more abuse in the public interest than the people who are working for the Office of Price Administration. I do not know of any organization that is more public-spirited, civic-minded, or has more patriotic American citizens working in it than the Office of Price Administration. I wonder why some of them stay there and take all of that abuse. There cannot be any reason except the patriotic one of wanting to do something to help their country in time of war. I do not know of any organization that has worked harder and tried harder to be of public service during this

war than the people who are working for the OPA.

THREE DEPARTMENTS OF GOVERNMENT

The framers of our Constitution very wisely said that we should have three departments of Government: the legislative, the executive, and the judicial. They very wisely pointed out to us that the Congress should only enact laws, that the executive should enforce or administer those laws. It was never intended that the Congress would try to write regulations and directions in a law as to how it should be executed or administered; it was never contemplated, and I think Congress is getting into the work of the executive when it attempts to put the executive into a straitjacket to the extent that a law cannot be fairly or properly administered. The Executive is elected by the people every 4 years just exactly as Members of the House are elected every 2 years and Members of the United States Senate every 6 years. So we have a fine system of government: the Congress will make the laws, the Executive has the responsibility of enforcing or administering those laws. We could not have a better plan. As to whether a law is a good or a bad law oftentimes depends almost entirely upon the type of the administration of the law. A good law can be a failure if not properly administered, and a bad law can be a good one if administered in a good way. So we must trust the Executive. Under our form of Government we are required to trust the Executive.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I am sorry; I cannot yield just now.

The people expect us to trust the Executive. We cannot interpret the law as we write the law; it is not our duty to do that.

I know these attacks on OPA, on the Office of Price Administration, come from a lot of good, serious-minded, public-spirited citizens, many of them—and I do not impugn their motives or question their intentions in the least. Many of them are uninformed as to the overall picture. They look at their own particular problem and how it affects them without reference to the entire country or to its effect upon the international situation sometimes. I do not criticize them for it. They just do not have all the information.

INFLATIONIST

However, we do have a lot of people in this country who would like to see inflation take hold; they would like to sit by and happily and cheerfully see prices go up to see how high they would go. Many of them have enough of this world's goods so that they are in the position that they would not suffer any discomfort or inconvenience. They could afford to see the prices shoot upward, upward, and upward, and they would get a lot of pleasure, even fun, out of it. But what about the plain people of this country? What would they do? What would happen to them? They would be crushed. They would be the first to be the victims of such inflation.

I want to tell you about some of those people. When we voted to send 13,000,000 men to the armed services we did that with the understanding, whether it was written into the law or not, that while we were sending them off to the battlefields to fight our battles and win the war upon the battlefield against our enemies, we would protect their loved ones, their dependents here at home. We passed a law providing that each wife would get $50, and so much additional for each child, so much for each dependent father and mother, and so much for other dependents. Why? In order to let those boys know that while they were off fighting our battles and winning this war against our enemies we were going to provide for their loved ones a decent standard of living at home. All right. We want to do that.

Now, by fixing prices and stabilizing prices we have provided for the families and dependents of these servicemen enough money to give to them a decent standard of living. We owe them the duty and the obligation of keeping that standard where it is or raising the amount to those dependents, one or the other, and people who come upon this floor every day and advocate amendment after amendment that would have a tendency to and necessarily cause an increase in prices should at the same time say: "Now, I am asking for a price increase, but I am going to stand up for an increase to the dependents of our soldiers. It is my duty to do that." They should do that at the same time. You cannot advocate one without the other.

We have in this country more than 2,634,000 people who are drawing public assistance of various kinds. These are mainly in the form of small checks. They would be the first to suffer from an increase in prices. We also have 5,431,000 drawing salaries of $1,200 to $1,400 a year and on up to $4,000, $5,000, or $6,000 from the Government. They would be affected. We have military allotments to 8,500,000 people. There are veterans' pensions being paid to 1,443,000, due principally to the First World War. They, too, would be affected by this. Then we have railroad retirement and civil-service pensions.

Any time you raise prices or permit prices to be raised or cause prices to be raised, you immediately put those classes in a squeeze. They cannot exist with the fixed salaries, fixed wages, fixed pensions, and fixed retirement benefits that they are now receiving. So when you advocate an increased price you should, in order to be just and fair to these millions of people, say, "As I vote for increasing prices, I will also vote to increase all these checks that are going out to these people who would suffer first by reason of it."

EIGHT MILLION PRICES

The OPA has a tremendous task. I do not know of any organization that ever existed on earth that had a greater task to perform. There are 8,000,000 different prices. Do you expect everything to be perfect in the fixing of 8,000,000 prices? Certainly you do not. You know that as long as laws are administered by human beings mistakes will be made.

MR. BOWLES PRAISED

Mr. Chairman, I want to say here that Mr. Bowles has made a wonderful Administrator, an excellent Administrator, and we owe him a debt of gratitude. He has been trying to correct these mistakes just as quickly as they were discovered. All of them, no; probably all of them will never be corrected, but compare the number of mistakes to the millions and billions of transactions that occur in this country every year and they are insignificant compared with the good that they have done. Most of the employees of OPA are voluntary employees; more than 71 percent. We are not giving that organization the support that it deserves. It is not a Democratic Party organization. It is not just a few people running it and trying to regiment the other people of the country. It belongs to this Congress. It belongs to the people. We should cooperate with them, encourage them, and make constructive suggestions. It is easy to criticize but it is difficult to construct, and instead of the Members of Congress getting on this floor every day and picking out one isolated incident out of billions that happen in a year and just condemn the whole Administration, why can they not say a few words of praise now and then for the good work that has been done?

COMPARE PRICES THIS WAR WITH LAST

I can point out some things that you can praise the OPA for, and we have some very definite reasons in support of this information. May I invite your attention to the fact that during the First World War prices were not fixed; they were not controlled. They went up and up and up. It is true that the greatest inflation was just after the other war and not during the war, and that is our most serious time here just after this war. But during this war we have controlled prices. The First World War commenced in August 1914. Twenty-five years and one month later, September 1939, the Second World War commenced. Let us compare the price situation then and the price situation during this war. All right. During the first war prices went up on steel and everything that went in the great war machine; everything. They went on up and up and up. During this war steel, plate glass, cement, and many other commodities going principally into the war machine, have not increased one penny a ton from the time the war started until the end of 1944. So let us compare the prices. Suppose we had paid the same price during this war for our planes, tanks, guns, and battleships and other things going into this war machine that we paid during the First World War during the same length of time. Figure it out for yourselves with your own pencil on your own book. You can determine that for yourselves. If we had paid the same prices during this war up until the end of 1944, our national debt would have been $80,000,000,000 more than it was at that time. Is that a good job or a bad job? Is $80,000,000,000 worth saving? Of course

it is. We have something to point to there that no one can contradict and say that it is not logical or reasonable to assume; that the figures would have been exactly as I have stated.

In addition to that the cost of living would have been $57,000,000,000 more to the American people. That would have meant we would have had to increase wages in order to buy higher priced goods; then we would have had to increase the price of the goods; then we would have had a race between wages and prices, and the first thing you know our money would be practically worthless. So I think we owe a great debt of gratitude to the Price Administration and the director of economic stabilization for holding this line as well as it has, although it has not been perfect. I do not claim that it was perfect.

WHEN CONTROLS OFF?

How long will these controls last? Many people are saying that Mr. Bowles ought to give us some assurance as to when he will take the controls off. Why should you have any assurance from Mr. Bowles? The very minute that enough of a certain commodity is produced to where the demand will be supplied and people can buy all of that particular commodity that they want, and prices begin to go just below that ceiling 1 cent or less, and merchants competing with one another, Mr. Bowles will not have to take off the controls; they are already off. You do not have any controls except where the maximum price is charged all time. When you have adequate production of a commodity and prices begin to go down you do not have any maximum; you do not need any maximum prices; you do not need any rationing and you do not need any price control. So we do not have to ask Mr. Bowles. You could pass this law as a permanent measure or make it operative for 25 years. Yet it would be absolutely meaningless when we have adequate production because that will take care of it. Therefore there is no reason why anyone should fear that we will have permanent regimentation.

STATEMENT ON AMENDMENTS TO THE STABILIZATION EXTENSION ACT WHICH PROPOSE TO GUARANTEE PROFITS

Most of the proposed amendments to price-control legislation are designed to guarantee a profit to producers. Some propose to assure all producers costs plus a reasonable profit. Others go further and are designed to assure profits to all producers on all products.

Perhaps the most significant facts in relation to these proposals are derived from income-tax returns:

	Percent
Percent of corporations making a profit in 1936–39	40
Percent not making a profit	60
Percent of goods sold at a profit in 1936–39	76
Percent of goods not sold at a profit	24

These facts also are significant:

Business failures

1929	22,909
1932	31,822
1939	14,768
1940	13,619
1941	11,848

Business failures—Continued

PRICE-CONTROL YEARS

1942	9,405
1943	3,221
1944	1,222

Corporation profits

	Before taxes	After taxes
1929	$9,300,000,000	$8,100,000,000
1939	5,300,000,000	4,000,000,000
1940	7,300,000,000	4,800,000,000
1941	14,400,000,000	7,300,000,000
1942 [1]	19,400,000,000	8,300,000,000
1943 [1]	24,200,000,000	9,900,000,000
1944 [1]	24,800,000,000	10,000,000,000

[1] Price-control years.

That prosperity has not been confined to large businesses is proved by these facts:

Profits of unincorporated manufacturing establishments before taxes

1929	$418,000,000
1939	315,000,000
1940	385,000,000
1941	576,000,000

PRICE-CONTROL YEARS

1942	$663,000,000
1943	712,000,000
1944	712,000,000

These facts show clearly:

First. The three price-control war years have been years of extraordinary prosperity.

Second. Business hardship has been at an all-time low during the three price-control years.

Third. Never in the years before the war did all producers earn a profit.

Fourth. It is clear that should Congress require that prices be fixed to guarantee every producer a profit it would deal more generously with business than it ever was dealt with under competition before the war. Then when a business failed it was considered incompetent. Now when one fails it is "driven into bankruptcy by OPA."

Fifth. Never in the years before the war did every product yield its makers a profit.

Sixth. If Congress required that prices be fixed to yield producers a profit on every item manufactured, it would deal with business far more generously than it ever was dealt with under competitive pricing before the war. Then when products failed to yield a profit they were known as loss leaders or advertising models or discontinued models. Many times goods were discontinued to provide prices under competitors. Now goods made at no profit are known as goods OPA is driving off the market.

Most persistent claimants to hardship under OPA policies have been the textile mills, and the meat packers. It may be well to see how they have fared:

Profits before taxes of 199 textile mills

	Amount	Percent of net sales	Percent gain in 1944 over 1936–39
Average 1936–39	$27,274,000	4.17	
1944 actual	205,952,000	12.10	760
1944 (without inventory profits)	120,310,000	7.4	445

Profits before taxes of 16 meat packers

	Amount	Percent of net sales	Percent of net worth
Average 1936–39	$10,393,000	0.84	3.82
1944	[1] 73,789,000	2.90	18.05

[1] After subsidies.

Profits before taxes of 41 meat packers

	Amount	Percent of net sales	Percent of net worth
1944	$91,875,000	3.00	18.00

Certainly there are no evidences of hardship in these figures.

We hear, however, that producers of gray goods—the first step in textile production—have suffered hardship and that nonprocessing meat packers have also lost money because of the OPA prices. Let us look at profits of these groups:

Profits before taxes of textile mills producing "gray goods"

	Amount	Percent on sales	Percent gains, 1944 over 1936–39
1936–39	$16,266,000	4.56	
1944 [1]	75,187,000	5.5	470

[1] Not including inventory profits.

Profits before taxes of 23 nonprocessing meat packers

	Amount	Percent of net sales	Percent of net worth
Average 1936–39	$90,957	0.27	2.93
1944	2,572,751	3.73	54.60

Profits before taxes of 46 nonprocessing meat packers

	Amount	Percent of net sales	38 firms showing net worth
1944	$3,563,000	3.70	60.70

One of the claims is that price control interferes with production. In the light of this claim it is interesting to note what happened to production in this war with price control and in the last war without it:

Percentage gain

	World War I	World War II
Farm production	5	25
Industrial production	25	116

While we are looking at these figures it may be well to view what happened to prices:

Percentage gain

	World War I	World War II
Retail food prices	104	46
Industrial prices	88	21

Certainly there is no evidence in these basic facts to sustain the claims that

price control interferes with production. By making it needless for manufacturers to hoard materials in advance of price rises or to continually worry about material markets, price control, many industrialists agree, has positively aided production.

There are, of course, many shortages of civilian goods which many blame on price control. The facts are, however, that these shortages are almost never due to a lessened production, since in practically every field production has risen substantially. The shortages are due to two things:

First. Large military demand.

Second. Vastly enlarged civilian demand.

Here are facts which give one an idea of how large are the goods demands of war:

	For war	For civilians
	Percent	*Percent*
Butter	16	84
Sugar	18	82
Meat	30	70
Gasoline	39	61
Canned goods	41	59
Leather	42	58
Cheese	39	61
Cotton textiles	[1]47	53
Wool textiles	[1]32	68

[1] Includes industrial, export, and agricultural use.

When one remembers that only one-tenth of our population is in the military forces it is clear how great is the "take" of the armed services and supply agencies out of the total supplies.

Another fact of great importance in the supply situation is the enormous gain in civilian purchasing power. Here are the astounding figures:

Median family income

Average 1936–39	$1,300
Average 1944	2,600

This creates a vast demand for goods that never existed before, when people lacked the buying power to satisfy their wants. For example: fluid milk production is up 30 percent; meat consumption last year, when the hog "glut" gave civilians almost as much meat as they wanted to buy, rose 17 percent above prewar levels. Now it is below prewar levels although meat production—believe it or not—is running 38 percent above average 1935–39 production.

Seekers after higher prices have taken advantage of the civilian shortages created by large war "take" and the greatly enlarged demand to blame OPA for hampering production. The packers sold the Nation on the fact that the butcher shops would fill up with meat if only OPA would give them a price increase. Actually not a steer or a hog lacked a buyer, or a slaughtering house for the kill. It was not true but it was so skillfully presented it convinced many editors and millions of average citizens.

Actually production gains in this war far outran those of the last war, and price control in the face of far more powerful inflationary pressures has been a phenomenal achievement on the home front. Many special business interests, however, are asking in the name of production and to remove claimed hardships that price control legislation be amended to guarantee every producer a profit on every product.

To put such a policy into effect would require one of two things:

First. That OPA determine each individual's costs of production of each product and add a profit. Since there are 184,000 manufacturing establishments making millions of items this obviously would be an impossibility. Especially would it be an impossibility since very few manufacturers making multiple products are able to isolate the cost of making each product. OPA's accounting department reports that not over 5 percent of the Nation's manufacturing concerns can provide individual product costs.

Second. That ceiling prices be fixed high enough in each industry to cover the costs of and to yield a profit to the highest cost producer. If that were the program we might as well abandon any pretense of price control, for prices would be so high they would have no restraining influence whatsoever upon other than highest cost producers. Such a policy guarantees inflation instead of controlling prices.

FARM PRODUCTS

The Nation's three leading farm organizations are recommending extension of price-control legislation without amendment, but certain Members of Congress, claiming to be friends of the farmers, have sought special concessions for them.

In viewing these proposals it is worth noting what has happened to farmers during the war. Over-all farm prices have advanced 122 percent, compared with a gain of 23.8 percent in industrial prices and a gain of 42 percent in the prices of things farmers buy. In the last war farm prices rose 130 percent, but the things farmers bought rose 98 percent. Then the excess in the gain for things farmers sold over the things farmers bought was only 32 percent. This time it is 80 percent. There is no question but that price control has greatly benefited farmers.

Farm prices were at 73 percent of parity in August 1939 when the war broke out in Europe. Today they are at 116 percent of parity.

Farm production costs have risen 89 percent over 1936–39 averages; but farm prices have risen 122 percent. The result has been a large increase in net farm operator income. Here are the facts:

Net income of farm operators

1939	$4,566,000,000
1940	4,699,000,000
1941	6,694,000,000
PRICE-CONTROL YEARS	
1942	$10,116,000,000
1943	12,306,000,000
1944	12,300,000,000

Further evidence of the financial condition of our farmers is found in, first, gain in balances in checking accounts in country banks, second, in reduction in distress sales of farms. Here are the facts:

Balances in checking accounts in banks in places of 15,000 or less population

At start of war in Europe	$1,793,000,000
May 31, 1945	$7,064,000,000
Percent of increase	294

Distress sales of farms per 1,000 farms

1929	19.5
1933	54.1
1939	17.0
1940	15.9
1941	13.9
PRICE-CONTROL YEARS	
1942	9.3
1943	6.6
1944	4.4

There have been claims that price control has discouraged food production and caused food shortages. Evidently it has not discouraged an increase in farm livestock.

On farms

	Average, 1935–39	1944 average	Up
			Pct.
Beef cattle	41,814,000	54,585,000	31
Dairy cattle	25,000,000	27,607,000	10
Sheep and lambs	51,344,000	51,718,000	1
Hogs	43,932,000	83,756,000	91
Chickens	405,108,000	572,460,000	41

There is nothing in these figures to show producer discouragement. This year the hog population is down 29 percent, but remains 54 percent above prewar levels.

Why did it go down?

Because feed production only went up 39 percent. You cannot maintain a hog population up 91 percent on feed production up 39 percent. The hogs had to go to market and the population came down.

The War Food Administration asked that the hog number be cut 16 percent. Prices dropped when the glut was on to $12.50—the ceiling has been $14.75. Farmers got discouraged and cut the hog population 29 percent. Now it is growing again.

OPA ceiling prices helped by maintaining a better corn-hog ratio while liquidation was under way. Hog ceilings were well above market prices of hogs. OPA ceilings did not hold down hog prices; but corn pressed against the ceiling all the time while the glut was on. They held down corn prices.

Incidentally, feed production up 39 percent shows no discouragement in feed production.

We hear a great deal about 80,000,000 cattle on the ranges which will not come to market because of OPA prices. The first fact worth noting is that 27,000,000 of the 80,000,000 are dairy cattle that no one wants to come to market.

The second fact is that cattle are coming to market as they never came before in the history of the Nation. Beef production last year reached an all-time high—36 percent above average 1935–39 production. This year it is up a little more.

We are told of empty feed lots due to OPA prices. Here are the Department of Agriculture figures on cattle in feed lots on January 1 each year:

Average, 1930–39	2,980,000
1940	3,633,000
1941	4,065,000
1942	4,185,000
1943	4,445,000
1944	3,967,000
1945	4,173,000

There were more cattle in feed lots this year than in any prewar year. Only

in 1942 and 1943 did we have more in feed lots and in those years we used up 20,000,000 tons of feed reserves. Yet on April 1 of this year the number in feed lots increased 8 percent. Since then a 50-cent-per-hundredweight subsidy to feeders has given them still more encouragement.

All told, food production is up 30 percent.

In spite of these marvelous production records and unprecedented and almost universal farm prosperity and the recommendation of the three leading farm organizations that the price-control bill be extended without amendment, certain Members of the other body have sought to give farmers additional benefits by requiring that all farm products be priced at cost, investment return and labor return, including that of the farmer and his family, and a profit. There are almost as many farm costs as there are farms, but few farmers keep cost records and have any idea what their various crops cost to produce. Yield is a major factor in cost and it often is not known until most of a crop has been marketed. What farmer keeps a time record of the time his children work on the farm? What wages are to be charged for children? No wonder the plan has been labeled unworkable by the farm organizations themselves.

Another reason why the farm organizations rejected this proposal is that the farmers have much to lose if the price line should be broken. Farmers have not forgotten the price collapse following the last war when this happened.

Drop in farm prices from peak of inflation to bottom of collapse

	Percent
Milk (wholesale)	32
Poultry	36
Oranges	41
Butter	56
Beef cattle	58
Lambs	61
Wheat	64
Hogs	69
Peanuts	70
Oats	71
Eggs	72
Cotton	75
Corn	77
Rice	79
Potatoes	85

As a result, average farm income dropped from $1,360 to $460 in 2 years and in the next 5 years 453,000 farmers lost their farms, their jobs, and homes through mortgage foreclosures.

The big job of the Nation's farmers is not to force prices still higher but to work and plan to prevent another such collapse. In this the Office of Price Administration can be their firm ally. It is not to be wondered that farmers' organizations are asking extension of price-control legislation without amendment.

These persons have endorsed renewal of the Stabilization Extension Act without amendment:

Eric Johnston, president, United States Chamber of Commerce.

Raymond Rubican, Committee on Economic Development.

Edward O'Neal, president, American Farm Bureau Federation.

James Patton, president, National Farmers Union.

Albert S. Goss, master, National Grange.

William Green, president, American Federation of Labor.

Philip Murray, president, CIO.

And the heads of consumer groups with 11,000,000 members.

Against it are only a handful of men most of whom have been making more money than they ever made before.

RECONVERSION

The latest attack is centered about the claim that while tight price control was all right when the Nation was harnessed wholly for war, the only real cure for inflation is production and price control admittedly is only a stop-gap until civilian production gets rolling again. War production cut-backs are starting reconversion, the claim runs, and price control will stand in the way of production. So let us begin now, it is said, to apply the only permanent cure for inflation—volume production of civilian goods. Get price control out of the way.

OPA is committed not to stand in the way of production in the reconversion period; has announced a program of reconversion pricing procedures aimed to aid concerns which now are enabled to renew some civilian production. Any idea, however, that civilian production can possibly produce enough civilian goods to end inflationary pressures before the Japanese war ends is wholly unjustified.

Even after presently contemplated cut-backs have been carried out, the Japanese war will remain the most inflationary single war in our history. Here are the facts:

Total war cost 1944	$92,000,000,000
Annual Jap war cost after cut-backs	73,000,000,000
Total cost World War I	32,000,000,000
Annual rate of war expenditures when Congress passed the Price Control Act	30,000,000,000
Excess of public income over available goods and services:	
1944	40,000,000,000
1918	10,000,000,000
First year Jap war	30,000,000,000
Total public savings since Pearl Harbor	118,000,000,000
Largest national income in peak prewar year	84,000,000,000

In view of these facts, proposals that we now relax controls and set out to remove inflation dangers by civilian goods production are thoroughly unsound. Inflationary pressures are powerful and cumulative. They will continue so.

Claims for relaxation are based primarily upon an alleged contention that, first, OPA prices make industry unprofitable, and, second, it will therefore stop production.

OPA pricing standards, set up under price-control legislation, assure that prices will be raised at any time if an industry's profits fall below peacetime earnings. This in a sense writes a floor under each industry's profits without placing a ceiling on them. That floor will remain there if and when volume drops. Actually, accumulated demand for most reconversion goods is very great. Volume should be large and selling easy and inexpensive for some time after full reconversion takes place.

OPA pricing standards also assure that no industry with multiple products will be out of its out-of-pocket costs in production of individual products or groups of products, even when over-all profits exceed peacetime profits. In view of the fact that 24 percent of all goods produced in 1936–39 were produced at a loss, this is believed to be as generous a standard as business imposed upon itself in prewar years.

Finally, to take care of companies which have been out of civilian production during the war, OPA has adopted a three-way program to aid rapid reconversion:

First. It assures to each such industry its pre-Pearl Harbor costs—usually last quarter 1941 costs—plus legal increases in materials prices, plus legal increases in basic factory wage rates, plus the 1936–39 profit margin.

Second. It provides adjustments for individual firms which cannot operate profitably under industry price standards. These permit establishment of prices based upon the individual firm's costs.

Third. It provides self-pricing under a formula for any producer who did not do over $200,000 business before the war and which does not expect to exceed that amount in the first year after reconversion.

With a floor under each industry's profits at prewar levels—a guaranteed price increase if they fall below such levels—and with these other provisions, there is every reason to believe reconverting industries will be able to operate profitably.

RETAIL PRICES

Retailers have complained that price increases granted to manufacturers have not been passed along to consumers; but that they have been required to absorb them; thus reducing their profit margins. This is true.

From the start of price control, OPA took the position that an increase in certain costs did not justify an increase in the ceiling price; so long as increased volume and reductions in other costs left the industry with earnings at least as good as it earned before the war—usually the 1936–39 average—and so long as on individual products or groups of products it recovered at least its out-of-pocket expenses. This policy in the face of wartime volume has reduced the profit margins of many industries.

When under these standards the prices of manufacturers have been increased, the rise becomes an increase in costs to wholesalers and retailers. Following the same basic policies OPA has required the trades to absorb these increases in costs so long as their profits equaled or exceeded their peacetime profits and so long as their profit margin on individual products exceeded the expense rate.

The Emergency Court of Appeals in passing upon this policy in December 1944 said, after referring to occasional need for increases in producers' prices:

When such increases are permitted it is the duty of the Administrator, so far as possible, to require them to be absorbed at

some appropriate intermediate stage in the process of production or distribution at which there may be an existing margin of profit reasonably sufficient to absorb them.

This policy has required a certain amount of cost absorption by retailers and reduced their margin of profit, just as that of the manufacturer was reduced before his price was increased.

Obviously it would be discriminatory if we required cost absorption by industries without requiring it of the trades. And abolition of the policy of requiring cost absorption would raise prices so much that stabilization would be ended. Living costs would rise, wages would follow; that would increase costs again, and we would be in a spiral of inflation that, in view of the tremendous accumulated inflationary pressures, would have disastrous results.

Congress may be very certain that an end to cost absorption would bring an end to stabilization.

That the trades have not suffered from these policies during the war is clear.

Percent gain in profits before taxes, 1943 over average 1936–39

	Percent
Hardware retailers	365
Small furniture stores	168
Variety chain stores	249
Small apparel stores (men)	299
Department and specialty stores	1,038
Chain grocery stores	137
Independent grocery stores (includes management returns), over 1941	101
Music stores, over 1939 profits	210
Hardware wholesalers	179
Drygoods wholesalers	639
Grocery wholesalers, over 1941 profits	30

The claim is that when volume drops off—if it does—the narrower margins resulting from cost absorption will result in hardship. This overlooks the fact that if there is no "existing margin of profit reasonably sufficient to absorb them," manufacturers' price increases will not have to be absorbed by the trades.

It is believed that OPA's pricing standards are sufficiently flexible to meet the problems even after VJ-day, when full reconversion can take place.

There is no more reason for hardship resulting from OPA ceiling prices then than there is now, and now there is more widespread prosperity and less business hardship than ever before in the Nation's history.

With these conditions existing and with inflationary pressures at a peak and still accumulating at an alarming rate, there is not the slightest reason for breaking down the law that has served the Nation so well.

Although the OPA has such a difficult job of dealing with 184,000 manufacturing establishments, 200,000 wholesale establishments, 1,770,000 retail establishments, 1,000,000 service establishments, 15,000,000 rented living quarters, 500,000 hotels, and has to fix 8,000,000 prices, do you not think they have done a pretty good job?

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I cannot yield just now.

Mr. GROSS. Do you want me to call a quorum for you?

Mr. PATMAN. I hope the gentleman will not insist.

Mr. GROSS. Do you want me to call a quorum for you?

Mr. PATMAN. You cannot threaten me that way. You cannot get anywhere with that. If you want to call a quorum, call a quorum, but I cannot yield just now.

Mr. GROSS. Mr. Chairman, I suggest the absence of a quorum.

The CHAIRMAN. Does the gentleman make the point of order that a quorum is not present?

Mr. GROSS. I do, Mr. Chairman.

The CHAIRMAN. The Chair will count. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 115]

Anderson, Calif.	Engle, Calif.	May
Anderson, N. Mex.	Ervin	Murray, Tenn.
Andrews, N. Y.	Fellows	Norton
Arends	Fogarty	O'Toole
Arnold	Fuller	Peterson, Ga.
Baldwin, N. Y.	Gavin	Pfeifer.
Barrett, Pa.	Gifford	Ploeser
Barrett, Wyo.	Gorski	Powell
Bates, Mass.	Grant, Ala.	Price, Ill.
Bland	Grant, Ind.	Quinn, N. Y.
Bloom	Gwinn, N. Y.	Resa
Boren	Hall, Leonard W.	Rich
Boykin	Harris	Robinson, Utah
Bradley, Mich.	Hart	Rodgers, Pa.
Brehm	Hartley	Roe, N. Y.
Buckley	Havenner	Sabath
Burgin	Hébert	Sharp
Cannon, Fla.	Hedrick	Sheppard
Celler	Heffernan	Sheridan
Chapman	Hendricks	Short
Clark	Herter	Sikes
Clason	Hobbs	Simpson, Pa.
Clements	Holifield	Snyder
Coffee	Jarman	Sparkman
Cole, Kans.	Johnson, Calif.	Starkey
Cooley	Johnson, Ind.	Stewart
Corbett	Judd	Stockman
Crosser	Kee	Tarver
Curley	Kelley, Pa.	Thomas, Tex.
Curtis	LaFollette	Traynor
Daughton, Va.	LeFevre	Vinson
Davis	Luce	Welch
Dawson	Ludlow	White
Douglas, Calif.	McKenzie	Whitten
Durham	Madden	Wilson
Earthman	Maloney	Winter
Eaton	Martin, Iowa	Wood
Elsaesser	Mason	Worley

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRIEST, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution, House Joint Resolution 101, and finding itself without a quorum, he had directed the roll to be called, when 319 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Texas may proceed.

Mr. PATMAN. Mr. Chairman, so today, June 20, 1945, our national debt is about $100,000,000,000 less than it would be if we had not had price control; in other words, if we had paid the same prices during this war for what the Government purchased with the taxpayers' money that we paid during the last war over the same period of time from the beginning of the war our national debt today would be approximately $100,000,000,000 more. We can show that it would have been $80,000,000,000 more at the end of 1944, so it would be about one hundred billion less now, so I do not know of any investment that this Government has ever made that was more in the interest of the war effort and the interest of the people generally than has been the investment in the Office of Price Administration and Economic Stabilization. Why, the interest at Government rates on the amount of money that has been saved for 1 year is more money than the total cost of these agencies since war was declared. Who has ever heard of a greater investment than that?

Let us see what kind of handicaps they have undergone in accomplishing these wonders—I will call them. In this Nation we have 77,800 firemen protecting the Nation against fire. We have 171,000 policemen, sheriffs, and marshals protecting the lives and property of the people of this Nation. We have 212,200 guards protecting property. We have 16,300 watchmen guarding crossings and bridges. Now how many do you think we have that are protecting the Nation through OPA against price chiselers, hoarders, and blackmarketeers? We have 3,069. We have one to every county in the United States, handicapped in that way, with 8,000,000 prices to enforce.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman 15 additional minutes.

Mr. PATMAN. An organization that has accomplished so much is entitled to the support of this Congress and to the support of the people of this country.

I recognize that these laws cannot be enforced without proper support. No law can be properly enforced without public sentiment being behind the law. We need public sentiment and it should commence right here in Congress where we know about the accomplishments of the price-control agency and the Office of Economic Stabilization.

The distinguished gentleman from Michigan [Mr. WOLCOTT] made the statement that we had failed in the production of food. I want to give that as an outstanding example of the unjust criticisms that are being offered against this administration.

In 1943 the farmers of this country had 10 percent less people on the farms to do the work than they had during World War I. They were handicapped by reason of high wages, lack of machinery, and in many other ways. But despite that, the farmers of this country in 1943 produced 32 percent more food than they did during the prewar year of 1939.

In 1944 that was increased to the point where it was 38 percent more food than during the prewar year.

Remember this, with 10 percent fewer farmers and with 30 percent greater population to feed, the farmers of this country during this war have produced 50 percent more food than they produced during the First World War. Is that failure? No; that is success. If it is that kind of mismanagement and bungling they are talking about, we need more of it, because we get production that way.

In 1918 the farmers increased production during the war only 5 percent. During this war they have increased it 25

percent. Is that failure? No, that is success. So we are proud of it. We are not ashamed of it. I want you to read a speech by a recognized authority on food.

WAR FOOD FACTS

I am inserting herewith a talk by the War Food Administrator, the Honorable Marvin Jones, over the Columbia Broadcasting System network, Saturday, June 16, 1945:

During the last few weeks we have had a great deal of discussion about food—food that we eat three times a day, food that is as necessary as the air we breathe, food that we take for granted except when some item we want and like comes up short. Then we become alarmed and there are predictions that famine is just around the corner. These fears arise because it is not generally understood that the end of the war in Europe has not reduced the demand on our food supplies. In fact, the demands now are greater than at any other time during the period of the war. As a result, American civilians will have smaller supplies of some of our most favorite foods than during any other year of the war. At the same time, on an over-all basis, we have the greatest food supply of any nation in the world. We have had this supply all through the war years. We have consumed a greater amount of food per capita than in peacetime. People have accepted many shortages such as gasoline, electric irons, heaters, automobiles, refrigerators, clothing, and many other things we desire. But let anything interfere with our food and we immediately speak up, since we eat it three times a day and it touches our very lives.

Only those engaged in the production of food realize how many problems are involved in the producing, processing, storing, handling, and transportation of the things we eat.

One might gain the impression from some of the comments that have been going the rounds that the farmers had failed to produce the food which the Nation needs. Some of these statements have been made without due regard for the facts.

Let's not jump at conclusions; let's take a look at the record. Let's find out the facts. In 1943 the American farmers produced 32 percent more food than this or any other nation ever produced before the war.

In 1944 they exceeded even this by 5 percent, making an all-time record increase of 38 percent above prewar production.

This year they are planting an even greater acreage of food crops.

This record has been made in spite of the handicaps of war.

This is far in excess of what was done in the First World War.

Again, let us look at the record—

The United States has produced 50 percent more food annually in this war than in World War I.

Up to the first of this year we had already supplied three times as much food for our armed services and for overseas shipment as was furnished for the same purposes during the last war. This is true despite the fact that the job of feeding the liberated areas has hardly begun and we still have to supply food in the war against Japan.

With 10 percent fewer workers on farms and with total national population 30 percent greater, our civilian population has had about 10 percent more food per capita during this war than in the 1917–18 period. True, some items have come up short at times. Distribution has not always been on a fair basis, but we can always buy some kind of wholesome food. This is not true in many other lands in this war-torn world. Do you know of anyone here who has actually gone hungry? We rarely pause to think how fortunate we have been in this free and fruitful land.

From the beginning, the War Food Administration has sought prices that would enable farmers to secure all-out production, believing as we do that full production is the only way to assure stabilization and to prevent inflation. This is the best possible aid to successful rationing. For this reason we have at all times urged the fullest possible production. Without production no one can hold the price line. One of the first steps I took as War Food Administrator was to remove all restrictions on acreage and production of food crops, and to call for the greatest possible production of food all along the line.

Naturally, the demand for food has been terrific. For the first time in our history all our people were working harder, needed more food, and have had the income with which to buy it. This is as it should be.

We have the best-fed army that ever marched and the best-fed navy that ever sailed the seas. Naturally they have first call on our food. In the other World War we had only 2,000,000 soldiers abroad. We have several times that number now.

The statement is as true today as it was when first uttered more than 100 years ago that "An army, like a serpent, travels on its belly." In this war we have 12,500,000 citizens in the armed services. In addition to feeding this vast military force, we have helped feed several hundred thousand Fighting French soldiers, 19,000 Brazilian soldiers, 300,000 Italians in service units, and 335,000 Filipino guerrillas who have greatly helped us in our Pacific warfare. We have considerably larger numbers of our troops outside of this country than in 1944, and more food is needed to protect these long supply lines. Our Army has to feed millions of prisoners of war and to supply the relief needs of liberated people for a period of at least 6 months.

Early in the war the great wheat fields and the most productive part of Russia was overrun. It became necessary to ship more than a million tons of food to the hard-pressed Russian Army. Russian officials have told us that but for American food they could not have turned back the German hordes at Stalingrad and Leningrad and carried forward as they did. This perhaps saved a million American lives. When gallant old England was standing practically alone between civilization and the Nazi monsters, it was American food that helped turn the balance in that dark hour.

If we have been profligate in the use of food as well as all other supplies, it is because we deliberately chose to spend materials instead of men.

In this war we have been building planes at the rate of more than 75,000 per year. Unbelievable quantities of all kinds of weapons and munitions have been built and shipped. This war has been fought on a gigantic scale. Thus the shortage in some of the key items of food has not been a lack of production, but of greatly increased demand. For example, we are producing meat this year at the rate of more than 22,000,000,000 pounds, which is 6,000,000,000 pounds greater than the 1935–39 production. Comparing prewar with our wartime production, chicken-meat production has been stepped up nearly 40 percent, but the demand is even greater. Egg production is up about 50 percent, milk production is up 17 percent and is now at record levels, corn is up 35 percent, wheat production up 43 percent, potato production, 10 percent, all far above prewar levels.

While there are some inequities in distribution, the food problem is not a lack of production, but the greatly increased demand that is being made on American food from all over the world.

The food supplies that have been required have been enough to stagger credulity. To produce, store, and channel to the battle front these vast quantities of food has been a tremendous task. You cannot produce food by waving a magic wand. It takes hard work and long hours. We must not censure the farmers if they are unable to produce enough of all kinds of food to meet an unlimited world demand.

I want to tell you something about the difficulties that the War Food Administration has faced.

We began by holding farm meetings in every State, in each of the 3,000 counties, and in each of the several thousand communities that make up this broad, big country. We told the farmers of the food needs and asked them to set the goals they thought they could meet and do their best. They voluntarily set goals that no one thought they could reach but which they reached, and in many instances surpassed. We were met with tremendous transportation, storage, and manufacturing problems. Tank and gun plants and shipyards have necessarily channeled much of the labor away from the farm, and at the same time came into direct conflict with farm machinery which was badly needed to replace the lost manpower.

The War Food Administration has bought an average of more than $5,000,000 worth of food every day. Most of it was perishable. We dealt with 1,488 warehouses. Many times these warehouses were crowded and food had to be stored where the facilities were inadequate. Packaging materials were short. Labor was short. Materials were being used for war purposes. Farm machinery was short. It takes the same sort of materials to build a machine gun that it does to build a plow. No one wanted a machine gun to be taken out of the hands of one of the soldier boys to make a plow, so we did the best we could with the tools at hand.

It is impossible to keep a constant supply of all foods available for the home front when fighting a global war. From time to time changes in military plans required us to divert large quantities of food into the manufacture of war materials. At the beginning of 1944, I was called into conference and told that it was necessary to take 900,000 tons from our sugar supplies and 160,000,000 bushels of wheat to make industrial alcohol for synthetic rubber; that several hundred thousand trucks and landing craft were needed at once and these would require rubber. They were to be used in the invasion of France. It was a severe drain on our food program because both sugar and wheat were then in short supply. The Philippines, which had furnished us as much as a million tons of sugar per year, were in the hands of the Japs. Some other producing areas were overrun and out of production.

Difficulties arose as to many other commodities. These problems had to be met and faced. There are hundreds of food commodities, all involving problems. In addition to all these difficulties, we have undertaken to hold the price line. The Office of Price Administration had a very difficult assignment. We have worked with them in endeavoring to stabilize prices. Notwithstanding the purchasing power of the American people and notwithstanding some of the items that were in short supply, we have sought to keep the situation as well-balanced as the uncertainties of seasons and changing war needs would permit. In one period of a year in which the feed supplies were scarce, we brought in 176,000,000 bushels of wheat and barley from Canada for feed. Even with this importation there was a tremendous shortage of feed for hogs, beef and dairy cattle, sheep, and poultry. Lack of feed is the nightmare of the livestock producer. A surplus of anything is usually followed by a shortage.

Let's see what happened to hogs. There was a tremendous production in the winter of 1943. Sufficient feed simply could not be had. We asked farmers all over the country to increase feed production in every possible way and to grow all the livestock that

we could possibly produce and secure feed for. The goals were set on the basis of securing the greatest possible production all along the line.

At that very time in the spring of 1944 when the supply of corn and wheat was insufficient to feed our supply of hogs, cattle, sheep, and milk cows, it became necessary to set aside for the Army 70,000,000 bushels of corn, already desperately short, to make penicillin, explosives, chemicals, castings for airplane engines, and other items needed for strictly war purposes. It therefore became necessary to freeze the movement of corn for a period of 60 days. This was a necessary war measure, but its enforcement discouraged farmers in their hog production and perhaps contributed to their inability to meet the goals which had been set for hog production.

The Office of Price Administration has had many difficulties in securing fair distribution. It was necessary to ration at one time or another the food items which could not be produced in quantities sufficient to meet all the demands.

This was naturally irritating to the American public who have been traditionally accustomed to buying what they want, at any time they want it, at such price as they are willing to pay, and in such quantities as their hearts desire. This could naturally not be in wartime.

Today we have another great problem—that of helping to provide food for millions of hungry and some starving peoples in the numerous liberated countries in Europe. It is in our own interest to make contributions to this cause. Otherwise, the fruits of the war will be lost and chaos might result. Permanent peace cannot be had in a hungry world. The relief needs in this war are far greater than in the First World War. They cover a much greater area and many more millions of people are involved. Only Belgium, which has a small area, and a portion of France were overrun in the last war. Practically all of Europe, a portion of north Africa, and about half of Russia and China, besides the Philippines and Pacific islands, have been overrun in this war.

This Nation has had the job of providing food for two major wars at the same time—a vast Army in Europe, another in the Pacific, and feeding American soldiers fighting all over the world.

It will be impossible for anyone, no matter how capable he may be, or any group of men, however efficient, to handle all these vast problems without making some mistakes. We must rely upon whatever satisfaction may come in knowing that along with the farmers and all other people in this country, we have worked long hours under difficult circumstances in an effort to secure the best possible results. Fortunately, most of the American people have caught the spirit. They are willing to make whatever small sacrifices they may be called upon to make in using substitute foods and thus contributing their part to the war effort, realizing at all times that whatever sacrifices they may make will be but faintly typical of the hardships that our heroic soldiers, sailors, and marines have endured.

In spite of the difficulties our armed forces must continue to be well fed. We will continue to help our fighting allies. Our own people must continue to have enough wholesome food, and we will continue to contribute our part to the relief of hungry and starving people. This is a practical matter and a part of the war itself.

The primary purpose of the War Food Administration is to aid in securing production of food. We are proud of the all-time production in each of the three war years. Credit for this goes primarily to the American producer. Anyone who sells the American farmer short makes a mistake.

These are but a few of the many problems that our organization has faced. We will continue to carry on. The thousands of men in our organization who have worked without recognition and who have accepted criticism uncomplainingly will continue to carry on. The production, handling, storing, transporting, loading, unloading, and preserving of our perishable food supply is and will continue to be a gigantic task. It must be handled with speed. It must go forward each day. It must be kept flowing to the war fronts. Our farmers and ranchmen must continue their all-out production effort until the end of the war in all its phases.

American food, like other materials of war, must go forward with our armies until the Japanese Empire is crushed, until our victory is complete, and a free world has a chance to build itself anew.

The gentleman mentioned textiles and about why we should not have a shortage. There are certain things you will have a shortage in and there is no way to avoid it. For instance, take meat. You could turn the cattle producers of this country loose with no restrictions whatsoever and it would be impossible for them to produce enough meat. Why? Because everybody has money. The people of this country have purchasing power. They are eating beefsteaks where before they did not eat beefsteaks. The demand is too great. You could not possibly produce enough. Furthermore, the men in the service need twice as many calories per day as the average civilian. So we have increased our population by the number of people in the armed services. In addition to that, we must send food to our allies under lend-lease. It pays big dividends because more of our soldiers come back safely when we furnish food to our allies and they use that food to go out and kill our common enemies. In that way more of our American boys will return safely to American shores.

You cannot produce enough beef. It is not possible to do it with this unlimited purchasing power and the big demands made upon us.

I want to mention textiles. Yes, we have plenty of cotton. There is no shortage of cotton. Where is the shortage? It is in manpower. It also arises because we are furnishing so much to the armed services and to lend-lease. There is also a shortage in machinery. It has been said here that if you let them pay enough wages you will have all of the textiles you want. But if you raise wages to that extent you will take the wage-earners away from the munitions plants where they are needed worse than they are in the textile mills. These problems are connected up in such a way that you cannot solve just one problem and say, "Well, that is solved." You have to solve hundreds and thousands of other problems at the same time. Therefore, it is not as simple as all that.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman.

Mr. PATRICK. Did the hearings show that the civilian population alone in America is consuming more meat now than they ever have in the history of the Nation?

Mr. PATMAN. Absolutely, they are. More people are able to buy meat and more people are buying the best of everything today. Since Pearl Harbor the people of this Nation have saved up and now have in their pockets and in the banks and in savings $118,000,000,000.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I am glad to yield to the distinguished gentleman from Pennsylvania to ask me a question but not to make a speech.

Mr. GROSS. Since you are telling about what the farmers have done, should the farmers not be given relief from oppression of the OPA so that they can continue their work?

Mr. PATMAN. What relief does the gentleman mean?

Mr. GROSS. You have pointed out that everybody was squeezed. You pointed out that the farmer has not been squeezed.

Mr. PATMAN. I did not say that the farmer has not been squeezed.

Mr. GROSS. You are talking about the OPA. Show it has been well administered, if you can.

Mr. PATMAN. Notwithstanding the fact that the farmers have been squeezed by reason of a lack of manpower and in other ways, they have made great increases in production.

Mr. GROSS. You justify the closing up of little businesses and the killing of businesses all over the country and closing them up.

Mr. PATMAN. I yield to the gentleman for a question, but I am not yielding for a speech. If the gentleman wants to ask me a question I shall be glad to answer it.

Mr. GROSS. I have asked several of them; you answer them.

Mr. PATMAN. The farmer has been injured in many ways. He has been squeezed. But as Mr. Edward A. O'Neal, president, American Farm Bureau Federation, testified before our committee, while the farmer has been getting less during this war for the things he has been selling, he has been paying less. The relationship between what he gets for what he produces and what he is compelled to pay is more favorable to the farmer than it has ever been in the history of this country. Today we have fewer business failures than we have ever had. Last year only 1,224 business failures in this country, the lowest in the history of the entire Nation. Profits are high. Everybody today, I presume, is not getting all the food they would like to have and of the kind they would like to have, but no one is going hungry. You do not see anyone going hungry. Whenever you can fight two wars like we have been fighting, and feed not only our own people but send a lot to lend-lease, and feed our men in the armed services the best and finest food on earth, I think we have been doing a pretty good job—thanks to the farmers. I think the people who have been administering this law are entitled to be commended rather than criticized or condemned. I do not say that no one should criticize OPA and the Office of Economic Stabilization. It is all right to criticize constructively; but let us give credit, too, where credit is due.

So the question that is facing us today is this, is it better extend OPA or just have no OPA at all? In other words,

are the good things sufficient to overcome the bad things in OPA? You are bound to have bad things in any great organization like this. You cannot expect exact justice. Too many people want exact justice. Equal justice is all we are entitled to under the law. Certainly in wartimes we can afford to inconvenience ourselves and submit to things we would not submit to in times of peace, in order to protect the families of those men who are fighting our battles upon the battle fronts of the world, in order that those families may have sufficient to purchase for themselves a decent and comfortable standard of living. We owe them that duty.

SIX MONTHS' EXTENSION IS SABOTAGE

I hope that no crippling amendments will be adopted on this bill. I hope the amendment providing for 6 months certainly is not accepted. How can OPA be expected to do a good job if they spend all their time up here on the Hill testifying before congressional committees in the House and Senate? We are taking up too much of their time when we extend it for only 1 year. Certainly 6 months will not only be crippling, but it will be scuttling. It will be sabotaging the Price Administration and the Office of Economic Stabilization. So that amendment should be defeated. We should give them plenty of power to administer the law properly. We should hold the executive branch of the Government responsible, where the Constitution says the responsibility lies. It is not our duty to administer or interpret the law. So I hope the House will stand by the committee.

The gentleman from Kentucky, Chairman SPENCE, has heard every witness before the committee who made application to be heard. Every one; not all except one, but every one. I repeat that every member of the 28-member committee was privileged to ask as many questions as he desired and to ask as long as he desired. Did you ever hear of any proposal being given more adequate and careful consideration than has been given by the Banking and Currency Committee under the leadership of Chairman SPENCE? He has been fair. It is our duty as Members of this House to stand by him and put this bill through, and I hope you will do it.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. CRAWFORD. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, I think it is well recognized that ex-President Hoover is the outstanding food authority of the world. This is established by the fact of his broad national and international experience, both as Food Administrator and as Chief Executive of the Nation.

It is also well recognized that next to winning the war, the most important problem confronting the American people is the problem of food production and distribution. The food situation is deplorable and from all indications it will get worse and worse.

With a full realization of the seriousness of the food problem in our country and of Mr. Hoover's knowledge and interest in this important problem, I, as chairman of the Republican Congressional Food Study Committee, wrote to Mr. Hoover on June 11. I shall not take the time to read my letter but will ask permission to insert it in the RECORD at this point:

JUNE 11, 1945.

Hon. HERBERT HOOVER,
Waldorf Astoria Tower,
New York, N. Y.

DEAR MR. HOOVER: Because of your wide and successful experience with national and international food problems during and following World War I, the people of the world recognize you as the greatest living authority on food matters. And because of your well-known sympathy for the hungry people wherever they may be, I feel free to write to you for help. Our people and the people of the world need your assistance to work out the deplorable food situation that now confronts us.

More than 2 years ago some of us, Members of Congress, sought to convince the administration that its food policies were fallacious and its methods were unwise and unfair, and that they would inevitably bring disaster. The administration stoutly maintained that it had the food situation well in hand. This error brought on the worst economic confusion that our country has ever suffered.

In order to prevent that impending disaster, if possible, the Republicans in Congress set up the Republican Congressional Food Study Committee. This committee, operating free of any expense to the Government, has made an exhaustive study of the food problem and has offered a number of constructive suggestions. Some of these have been accepted in principle by the administration and with very good results. But the administration still stubbornly clings to most of its policies and practices in spite of the fact that the situation is getting worse and worse.

In view of the above recitals, I am moved to ask you on behalf of our committee and for the benefit of the American people and the people of the world if you would outline for us how best to organize the animal products industry of the Nation so as to relieve the terrible meat situation. Likewise, the situation as to fats and oils is fast becoming distressing since it involves the production of baked products, such as bread, and sanitary products, such as soap.

If you will give us your views and suggestions, I am sure the country will be your grateful beneficiary.

With assurances of respect, I am
Sincerely yours,
THOMAS A. JENKINS,
Chairman, Republican Congressional
Food Study Committee.

In my letter you will see that I asked Mr. Hoover to give to me and to the country his views with reference to the solution of the problems arising from the shortage of animal food products.

Mr. Hoover has replied in his usual thorough and lucid manner. With your indulgence I should like to read what he has to say:

LETTER FROM HERBERT HOOVER ON THE ORGANIZATION AND ADMINISTRATION OF ANIMAL PRODUCTS TO CONGRESSMAN THOMAS A. JENKINS

NEW YORK, N. Y., *June 20, 1945.*

Congressman THOMAS A. JENKINS,
House of Representatives,
Washington, D. C.

MY DEAR MR. CONGRESSMAN: I have your request for my views upon the situation and the method of organizing the administration of animal food products. I have expressed my views many times in the last 4 years, and particularly my recommendations of 2 years ago have been proved valid by all the experience since.

Let me say at once that this is not a partisan question either domestically or internationally. Not only does the well-being of our own people rest upon successful handling, but at least for the present we are unable to furnish the volume of meats and fats required for the restoration of undernourished children in the liberated countries of Europe. Therefore, we need full cooperation on all sides in finding solutions.

There can be no doubt that President Truman and the new Secretary of Agriculture, Mr. Anderson, have inherited a muddle in the production and distribution of animal products. We have an abundance of breadstuffs. Although we have not yet recovered the cultivated acreage of 1932, an unparalleled sequence of abundant yields have protected us and enabled us to supply these commodities for relief abroad. The meats and fats, however, are another story and chiefly due to bad organization.

I have read the debate in the Senate and the amendments proposed to the OPA act. I suggest, however, that what the Senate is endeavoring to secure in the conduct of that agency, so as to increase production and more equitable distribution, can be more workably brought about by an administrative revolution.

The Anderson committee and the Senate Agricultural Committee have amply ventilated the faulty organization of the OPA, but for clearer understanding of my suggestions, I may summarize the consequences of these failures.

(a) Altogether the meat and fat production will show a considerable decline in 1945—and this in the face of a starving world. While hogs are our greatest source of fats and fats rank equally with bread as a food necessity, yet despite abundant feed, the hog population was decreased from about eighty-one million to about sixty-one million between January 1, 1944, and January 1, 1945, or about 35 percent. In consequence, the production of pork products during 1945 seems destined to be over 3,000,000,000 pounds less than in 1944. The number of sheep as of January 1, 1945, shows a decrease of about 15 percent in 2 years. Chickens have decreased about 12 percent. The number of cattle has decreased about 1 percent in 1944 and the number of calves being saved for dairy purposes has decreased about 7 percent.

(b) Certainly something is wrong with distribution. Even after deducting military and other governmental requirements there should still be over 70 percent of prewar meats and fats available to the civil population. Yet the people of New York and many other large cities are getting less than one-half of this proportion of available supplies.

The Department of Labor reports that in April, 55 to 80 percent of the retail stores dealing in meats and fats in 56 large cities had no supplies.

(c) The existence of black markets in meats and fats (except milk) in every city of the country is sufficient evidence of a break-down in control of both distribution and price. A large part of the civilian consumption is in fact being dealt with at prices up to 100 percent above the supposed ceiling prices A survey within a week by the New York Board of Trade states that from 50 to 85 percent of the meat and fat supplies in this city are in effect black-market operations. An economic force like that cannot be caught by a policeman.

(d) In frantic efforts to hold the supposed ceiling prices, subsidies are being given to processors and farmers amounting to millions of dollars. As these subsidies come out of the taxpayer's pocket, who is also the consumer,

they do not alleviate anything. If they increase the debt, our veterans of this war will be required to pay part of our food bills after they have come home from war.

(e) And in addition to all these considerations is our inability to provide meats and fats so necessary to the recuperation of minds and bodies of children abroad.

To sum up, our animal products are:

1. Diminishing in supply.
2. Affected by maldistribution which produces local famines in the cities.
3. Surrounded with black markets with all their fraud and corruption.
4. In reality selling at prices far above the so-called ceilings.

WHERE THE FAULT LIES

It is not the fault of the farmer for he has done an extraordinary job. Despite a drain of fully 35 percent of the effective agricultural manpower into the military forces and the shops and a reduction of about 75 percent in new farm machinery, he steadily lifted agricultural production up to 1943.

The fault does not lie in the Department of Agriculture (except perhaps in the hog program), for the controlling factors of production—that is prices, labor, and machinery—have not been within the authority of that department.

The causes of all this lie broadly in the method of organization where the control of food has been divided over six or seven agencies, and where the whole price control machinery is based upon ill-advised concepts and where the organization has considered coercion more useful than cooperation with producers, distributors and consumers.

Price control is necessary in times of scarcity and of inflation pressure. The question is one of method. The original method in this war was to fix prices at the retail outlets and then work backward through the retailer, commission man, and processor toward the farmer and to use subsidies and constantly changing prices to open the multitude of bottle necks.

THE METHOD OF THE LAST WAR

The method in the last war was to fix prices as near the farmer as possible and to work forward to the consumer by additions of normal trade differentials and without subsidies. The method in this war leads logically to ridiculous actions such as the attempt of a year ago to standardize the hundreds of meat and fat items on the retailer's shelves by the 40,000-word Presidential order as to how to cut up a cow.

Under the method of administration of animal products used in the last war we had:

a. No black markets.
b. No local famines.
c. No card-rationing system.
d. Prices advancing less rapidly than now, taking into account black-market prices and subsidies.
e. Less consumption per capita by the civilian population than that which was had in the year 1944.
f. Constantly increasing production of all animal products.
g. An enormous surplus which saved the children of Europe without privation to the American people.

Therefore, it would seem worth while now to reconstruct the whole method of organization and administration, taking advantage of the experience of the last war and the lessons from this war and adopting them to the present situation.

Without going into exhaustive economic discussion, I will simply suggest the form of reorganization that I believe should be done now.

1. The Secretary of Agriculture should be not only Food Administrator as the President has already announced, but in my view the Secretary of Agriculture should also have physically transferred to him all of the price and other powers and staff of the OPA which are concerned in any way with animals and animal products, including feed, except the mechanical job of rationing. That the OPA should continue.

2. He should also have transferred to him the control of all allocation and buying of major animal products for the armed forces, lend-lease, and relief.

3. The Secretary should appoint an administrator of animal products.

4. In order to coordinate official buying, the Secretary should have an advisory committee representing the Army, Navy, lend-lease, and relief allocation and buying, except for purely local purchases. The present methods not only result in competition among various agencies for supplies, but they also result in the piling up of unnecessary stocks by the separate agencies eventuating in dislocation, waste, and spoilage. There should be in effect one national food pool under the direction of the Secretary of Agriculture and upon which the armed forces should have the first call.

5. There should be genuine organized cooperation with the farmers and the legitimate trades. They have the know how. The trades do not want black markets. Their sons are in this war. To bring this about they should be asked to create from their own organizations—

(a) a national war committee of livestock growers;
(b) a national war committee of packers;
(c) a national war committee of commission men; and
(d) a national war committee of animal products retailers.

These committees should not be fifth-wheel, occasional advisory boards, but should have definite responsibilities. There should be assurance given to these committees that so long as they follow the directions of the Secretary of Agriculture they will be immune from prosecution under the antitrust laws. For instance, by combined action they can secure distribution which will stop local famines.

6. If not already done, all of the legitimate packers, commission men, and retailers should be licensed and be required under that license to deal only with other licensed dealers and to carry out certain other policies. The railroads and trucking concerns should be required to transport these products only for licensed processors and dealers.

7. The Secretary of Agriculture by agreement with the Livestock War Committee should set ceiling and floor prices, with some tolerances, upon various grades of cattle, hogs, poultry, eggs, and dairy products to be paid to the farmers at the nearest point to production. That is, for instance, for hogs, cattle, and sheep at the stockyards, the commission centers, etc. These prices must express the differentials between different qualities of animals or products and different markets, and must take into account a proper profit to the farmer, the cost of his labor, feed, etc., and must be so directed as to increase and not decrease production. If done properly no subsidies will be required.

8. The packers and commission men should be directed to pay no more than these agreed ceilings and no less than the agreed floors. The packers and commission men can be protected against gluts by the Government purchasing.

9. The packers should be given an overriding mark-up over their cost of animals to cover their costs and a proper profit. This mark-up should be averaged over a year's business as they must carry their stocks over long periods. If this average is exceeded, the difference should be paid into the Treasury. No subsidies need to be paid.

10. The commission men and the wholesale dealers should be given their usual trade commissions or a mark-up over prices paid by them. Where a mark-up is used it should probably be averaged over a month's business or a fair period, depending on the trade.

11. The retailers should be given their usual mark-up over cost of their commodities to cover rent, labor, and profit, and this too should probably be averaged over 1 month's business.

Under this simplified method, the retailer can charge what he pleases for luxury meat, but he would be compelled to reduce the price correspondingly on necessity meat in order to keep within his average monthly mark-up covering all products in which he deals.

12. The Secretary of Agriculture should instruct these national war committees that it is their responsibility to police their own trades. They can largely do this themselves, although a countercheck by Government agencies will be necessary.

The committees of the different stages of processing and distribution at once will know what the other stages are doing. A minor part of the present Government inspectors will be necessary to assure compliance.

As a consequence under such a plan—

(a) The people will get their animal products for lower prices than they are paying today if black market and subsidies are taken into account.
(b) Trade will flow in normal channels, for the dealers can vary the prices between products depending upon the demand for each so long as they do not exceed their average mark-up.
(c) The national war committees can see to it that there are no local famines.
(d) There will be no need for subsidies.
(e) Production will increase.
(f) It will require a minimum of policing by the Government.

That this plan of organization and administration works was shown by the experience of the last war. That the plan now in use has failed requires no demonstration.

Without reform our domestic difficulties will increase, and the hope of aid on meats and fats to women and children abroad becomes hopeless.

Mr. Chairman, I am sure that Mr. Hoover's views will be respected by the people generally.

Occasionally we hear it said that food prices were much higher in World War I than they are now. I think the facts show the contrary. At the present time there is no relation maintained between price and quality. Quality is a big factor in values.

Two or three years after World War I there were increases in the price of some commodities, but these were not the result of any failure of those who had the responsibility for food distribution during World War I.

I hope that those responsible for securing an abundant food supply and an efficient system for its distribution will give consideration to Mr. Hoover's suggestions.

Mr. SHAFER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to my distinguished colleague from Michigan.

Mr. SHAFER. Could the gentleman tell the House the cost of the Food Administration in the First World War or at least give a comparison of the cost of the successful Food Administration of the First World War with that of the present war?

Mr. JENKINS. I do not know whether I have the time to give the figures. I would be glad to give them to you, but my time is about up.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. WOLCOTT. I yield two additional minutes to the gentleman from Ohio.

Mr. JENKINS. I shall use a part of these 2 minutes to say to the gentleman from Michigan that the cost in the First World War was many millions less than the cost in this war. Mr. Hoover only employed about 20,000 people and only had a few dozen prosecutions, while this New Deal administration has employed nearly 200,000 and has had thousands upon thousands of prosecutions. The New Deal has 8,000,000 price schedules and its expense has been terrific.

At the close of the First World War we had abundant supplies to send to the starving children of other countries, and all this with little expense, but today we find our food activities in a terrible fix with everything getting worse and worse. We have not enough food for our own people. If Chester Bowles and his crew do not realize the temper of the people, they may see violence in the country. Already the food authorities have been forced to call the United States Army in its attempt to stop black-market activities. This should not be necessary. The black market is a result and not a cause. It is the result of the people securing what they should be able to get fairly, and what they need, and of which there is a supply which is denied to them by unwise regulations.

Mr. SHAFER. That is correct.

Mr. JENKINS. I think what I have said proves that the methods employed in these days are faulty. They must be. It cannot be possible that everybody is wrong—and when I say "everybody" I mean everybody in this country—is dissatisfied with the present food situation. The gentleman knows that. The Republican Food Study Committee, of which I chance to be chairman, has been actively interested in this food problem for more than 2 years. We have advocated that the food situation should be considered from a four-point program—the producers, the processors, the distributors, and the consumers. The best way to solve the food problem would be to encourage the producers. At present the producer is stalled by threatening regulations. The canners and packers should be encouraged, and the grocers and butchers are not a lot of criminals. The consumer is the most important individual of all.

Mr. SHAFER. As was pointed out in the letter which the gentleman read, we did not pay subsidies during the First World War. Subsidies, of course, have taken the curse off this present OPA administration. Is it not true that the original appropriation set aside for the first World War Food Administration was entirely returned to the Treasury of the United States?

Mr. JENKINS. I think the gentleman is right. While commenting on that I should say I think the subsidies now paid on food alone under this New Deal program run between $1,500,000,000 and $2,000,000,000. That is a tremendous sum of money; I am sorry that I do not have the exact figures.

Mr. SHAFER. That is correct.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I am glad to yield to my colleague from Ohio.

Mr. BROWN of Ohio. I wish to congratulate the gentleman for a very constructive statement. May I ask the gentleman if Mr. Hoover has not been recognized by all parties and by all nations as one of the greatest and perhaps the greatest food expert in modern history?

Mr. JENKINS. Yes; I think that any impartial historian will accord Mr. Hoover that distinction. I want to say in that respect that regardless of any political prejudices that the people may have had against him there is almost universal approval of his work as Food Administrator during the First World War. I am also sure that the people of the country would be glad if President Truman would call Mr. Hoover into his administration and place him in charge of this confused food situation. The people would feel safe once more. It is time for the New Dealers who cry "politics" every time their numerous mistakes are pointed out to them to take an appraisal of their own failure and have courage to confess their inability to handle this serious situation.

Mr. SHAFER. If the gentleman will yield to me for just a moment to follow up my previous question, is it not true that Mr. Hoover returned some $50,000,000 more to the Treasury of the United States than he received as the original appropriation for handling food in the First World War?

Mr. JENKINS. I hope the gentleman is correct in his figures. He is usually very accurate and I have no doubt that he is correct.

Mr. SHAFER. That is the record.

Mr. JENKINS. I am glad the gentleman made that statement. If it is a fact, it is a profound fact. When we contemplate the almost scandalous practices of some of these OPA authorities it is a wholesome thought to contemplate this fact that the gentleman announces.

Mr. CHENOWETH. Mr. Chairman, I also want to commend the gentleman for producing the statement of Mr. Hoover because I consider him an authority on foodstuffs in this country. I wonder if the gentleman would not elaborate a little on the procedures he has mentioned here, that we should have more cooperation and not so much coercion?

Mr. JENKINS. Absolutely. I do not know how much time I have, but if I have the time I would like to go into that. Cooperation is what we need, but coercion is what we get. Just think of the hundreds and thousands of small operators of all kinds that have been put out of business. This has been done under the slogans, "Hold the line" and "Prevent inflation." How terribly the workingmen of the country are being fooled by these slogans.

It has been said here on the floor time and time again by Members on both sides of the aisle that the only antidote to inflation, and it is elementary, the only real antidote to inflation is abundance. No economist can challenge that statement. You never have known anyone going hungry on a surplus. Inflation comes when too many people want the same article and have plenty of money to bid it up. When there is an abundance of commodities and the people have money to buy them everybody is prosperous. I repeat that what we need is not killing little pigs but producing in abundance. Then processing in freedom. Then selling in the good old-fashioned way when the groceryman was anxious to please his customers and the customers reciprocated the same kindly feeling. Hasten the day when the American housewife will again buy food freely.

Mr. SPENCE. Mr. Chairman, I yield 30 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, the purchasing power of the money invested in Government bonds by our loyal sons and daughters of the armed forces of our country, as well as by their families and civilians generally, must be maintained. We owe it as a duty to see that the hard-earned savings of these devoted boys are protected. Should we let them down in this respect we will lose the war on the home front because of inflation. We are now in the midst of the greatest fight against inflation. Mr. Chairman, that fight against inflation will be a continuing fight. Inflation must be curbed. I am told by our military and naval commanders that the war in the Pacific is going to be tedious and long, and that many of our boys will fall before the battle is completed in final victory. While they are fighting on the battle fronts, let us put safeguards around our economy so that ruinous inflation will be prevented.

I well remember that following World War I it took the farmers of America 20 years to recover from the losses they sustained by the cruel deflation that followed inflation in the years 1920 and 1921. Deflation follows inflation in every period. Those who are benefited for the time being by inflation are badly crippled by the deflation that follows. Those who are hurt by inflation are hurt all the time.

I well remember that 435,000 farmers lost their homes and their farm property by foreclosures in the period 1920 to 1921. I remember the national income of the farmer in 1920 was approximately $9,000,000,000 and in 1921 it had been reduced to less than $3,000,000,000. I remember that cotton prices in that period were reduced 75 percent; corn 77 percent; wheat 64 percent; peanuts 70 percent; hogs 69 percent; potatoes 85 percent; butter 56 percent; cattle 58 percent; oranges 41 percent; poultry 36 percent. That is an answer to my distinguished friend from Ohio [Mr. JENKINS] who just preceded me. Now, that followed the period of inflation during the first World War and broke the country. Can you not offer something better than that? Unless we had some type of control the dollar today would not have the purchasing power of a dime. Are we here to write ceilings on more than 8,000,000 items? It would take the Congress all its time looking after ceilings. There are thousands and thousands of commodities. Shall the Congress undertake to write ceilings on each one? No.

It is impossible. It is impractical. Then what is the remedy? We have set out certain standards by which the people engaged in agriculture, people engaged in industry are entitled to a fair profit. My answer to the gentleman who just preceded me [Mr. JENKINS] is that in World War I we spent $32,000,000,000 and in this war we have now spent nearly $300,000,000,000. That means that we spent ten times as much, and that means that taxes are ten times as high today as they were during World War I and the period following.

I can tell you another thing. What brings on inflation? It is the scarcity of commodities and articles. What prevents inflation? It is the abundance of production. In wartimes such as we are experiencing now, with more than one-third of our food products and our clothing going to our boys and to our allies, it simply means that you have a scarcity of those articles and scarcity means higher prices. Unless we do have some kind of control we would probably be paying a dollar a pound for meat.

I want to tell the gentleman who preceded me that it is possible that his committee, the Ways and Means, might help out in the meat situation. We had hearings day after day. Many testified relative to meat. I told one of the witnesses that we had given under the RFC bill all the subsidies they claimed to be necessary to produce a sufficient quantity of meat. I asked him then, "Did that help?" and he said, "Yes." He said the trouble was the lack of profits to the feeders. I said we would try to get the OPA to increase their prices if the subsidies were not sufficient. One of the best witnesses who represented the consumers was my good friend, Congressman BATES from Massachusetts. He said, "We do not mind how much we pay for meat, we want meat." That took place Saturday afternoon. A man followed me out in the hall and he said, "Mr. BROWN, you have got to think about getting meat on the consumers' table." He said the trouble is not the OPA. The little fellow is forced to sell. Perhaps he is selling to the feeders and he gets the benefit of the subsidy. But the large cattle producers—and there are thousands of them in this country—were able to hold their cattle and keep them off the market. He said, "As long as they take all of our profit in taxes I expect to hold mine," and those in the same business will hold theirs.

So the Ways and Means Committee might help a little in getting meat on the American table, instead of laying all the blame on the OPA. However, I think these large cattle raisers should be made to pay taxes like everybody else.

I merely relate this to show you one of the chief causes why you are not going to get sufficient meat on the tables of the American people, and the OPA cannot be blamed for this because it has no authority to force these large cattle raisers to sell their cattle. So I say to the gentleman from Ohio [Mr. JENKINS], "It is possible that your committee can do as much as or more than the Banking and Currency Committee to bring meats to the consumer's table.

What have we done for the farmer? I led the fight against subsidies to the consumer. I voted twice to override the President's veto. We got licked. A war was going on. Then the only way we could increase the production of food and clothing was to give subsidies. That is now our policy. Let us not change policies every 3 or 4 months. That is the policy we have now, that is the policy we are pursuing at the present time. The American Congress has said to the farmer: "We guarantee you parity on all the basic commodities." The American Congress said to those growing nonbasic crops: "Under the Steagall Act we guarantee you parity." We said to these groups: "You can borrow from 90 to 95 percent of parity to hold your crops off the market if you desire." When we passed the OPA bill we made it definite and certain that those parity provisions would be preserved; and they cannot put any ceiling on any agricultural commodity that would impair or change these parity provisions. That is our policy. We must not change it now, especially after the promise we made to the farmers this year in the Commodity Corporation bill and the RFC bill to pay subsidies for the production of sufficient food and clothing. We promised the farmers these subsidies on this year's crops. To change now and go to some other policy, where would we be? We have followed the parity policy for the farmer for many years. That was our policy when we were plunged into war. This was our policy when the war victoriously ended in Europe. It is now our policy when we have Japan by the throat. Parity for our agricultural commodities will increase the production of food for our armed forces and civilians.

I do not believe there is a single man within the sound of my voice who wants to see prices so inflated as to cause deflation in the years to come. Every man who speculates or undertakes to make money on inflated prices will have the same experience that those who tried that had following World War I—he will lose everything he has. We people on the home front will certainly be at fault if we do not undertake to curb inflation. Whose responsibility is it to keep down inflation? It is the responsibility of the American Congress. If that is done and we do produce sufficient food and clothing, then we can say "Well done," and everybody is satisfied.

This country is so large and the interests of its people so varied that frequently a law that will help a man in distress in one section of the country will often cripple the struggling energies in another section. Congress in the last few years has passed a series of laws to help all as much as possible. When this war came on the farmers were fairly satisfied with the parity prices guaranteed. Industry was satisfied because it was making a profit. The OPA Act, which we are trying to extend today, guarantees a man in industry a fair profit—a fair profit after all his high taxes have been paid, and his employees maintained at the highest standard of living ever experienced in the history of the United States.

To the farmer let me repeat: The OPA, under existing law, cannot fix ceilings which do not reflect parity on the commodity grown. It has not carried out the law in all respects, but the law is plain that all producers of agriculture, both basic and nonbasic commodities, are entitled to have ceilings fixed high enough to give them parity, and the OPA officials say that in all instances from now on no ceiling will be placed on any agricultural commodity that does not reflect parity.

We need to be on guard against giving mere lip service to price stabilization and wage stabilization, and against seemingly innocent proposals which—on their face—appear to have some meritorious objectives, but in their practical operation would open a gap in the dike and let the flood waters of inflation engulf us. To unleash these forces would be particularly disastrous, because of the enormous inflationary pressures that have been built up during 4 years of war—the pressures of tremendous accumulated savings and the enormous backlog of unfilled orders for goods and services.

If anyone has a better plan or an amendment to offer, let him offer it, but at the same time let it be reasonable enough to bring production so that we can go ahead and end this war in the Pacific as quickly as possible. No one has dared offer a constructive amendment. I know certain people are irritated. They have always been irritated.

The most critical period for price control lies ahead of us, because of these enormous inflationary pressures which have unavoidably accumulated. We must not make the mistake we made during World War I, when price controls were lifted too soon and the wild forces of inflation were let loose before adequate supplies of goods had become available. Let us not forget that prices reached their highest level approximately 18 months after the close of World War I, and that the general price level rose 45 points between November 1918 and May 1920.

The situation today is fraught with much greater danger than it was when the armistice was signed in November 1918. We still have a long, hard war ahead of us with Japan, and the inflationary pressures on our economy today far exceed those which existed at the end of hostilities in November 1918. Then, our national debt was exceedingly small compared with our national debt today. As of June 30, 1918, we had a national debt of about $12,000,000,000 and more than $24,000,000,000 a year later. But this was only about one-tenth of our present national debt of more than $234,000,000,000.

The total war costs of World War I to its end amounted to $32,000,000,000; whereas World War II, from July 1940 through December 1944, has already had an aggregate cost of approximately $398,000,000,000. In 1918 the public's income, after taxes, totaled $56,000,000,000; compared with one hundred and thirty-seven and one one-half billions in 1944. During World War I the actual currency

in circulation increased from $3,100,000,000 to four and nine-tenths billions from the start of the war until the armistice, 52 months later; whereas, in World War II, it has increased from $7,200,000,000 at the start, until it reached $25,300,000,000, 64 months later. Checking accounts in banks increased from $10,000,000,000 in June 1914 to fourteen and eight-tenths billions on June 30, 1918; but during World War II they increased from $27,300,000,000 on June 30, 1939, to sixty billions on June 30, 1944.

At the end of World War I we did not have anything like as large liquid assets available, which now total (including cash, Government bonds, and savings) approximately $150,000,000,000, in the hands of individuals. While we are fortunate to have these large resources, nevertheless, the existence of these enormous accumulated savings, under present conditions—when we have such an enormous backlog of unfilled needs for almost every kind of goods, most of which are in short supply—constitutes a potential threat of violent inflation in the United States if price control should be cast aside or emasculated.

It is therefore vitally important to continue effective controls over prices and wages. The continuation of existing price-control legislation does not mean that we approve of everything that has been done by the OPA. It has made many mistakes. It would be strange, indeed, if an agency of this nature, charged with complicated and difficult problems assigned to it, did not make some mistakes. As one member of the Banking and Currency Committee, I have not always agreed with all of the policies and procedures of the OPA, and I have actively and aggressively labored to get these weaknesses and mistakes corrected.

I want to appeal to my colleagues in the House, however, not to allow their judgment to be warped because of irritations over specific complaints or mistakes of administration. It would be foolish to burn down a house because there may be some leaky spots in the roof. Despite the mistakes that have been made, I believe that, under the administration of Chester Bowles, there has been a very substantial improvement in the attitude and methods of administration of the OPA. There is still room for further improvement in its administration, and Mr. Bowles has publicly pledged to take appropriate steps to correct various situations which have been complained of.

With all its faults, and despite all of the criticisms that have been made, anyone who is willing to be fair, I think, will have to concede, when he looks at the over-all picture, that OPA has done a pretty effective job in holding the line against inflation, particularly since the passage of the Stabilization Act of October 2, 1942.

What are the facts? Wholesale prices from the outbreak of World War I to the end of hostilities in November 1918, increased 114.7 percent; but during World War II, as a result of price control, wholesale prices have increased only 38.7 percent from the outbreak of the war until the end of 1944.

Living costs increased 84.4 percent from the outbreak of World War I until November 1918, but as a result of price controls living costs from the outbreak of World War II until the end of December 1944 increased only 28.8 percent.

From the time the hold-the-line order was issued in May 1943 until December 1944 wholesale prices remained almost at a constant level—varying only one-tenth of 1 percent on these two dates; and living costs during the same period increased only 1.9 percent.

When we consider these facts in their true perspective it is obvious that every citizen has an important stake in holding in check the disastrous forces of inflation. Let us never forget what happened when the collapse came following the inflation, much of which occurred following the end of hostilities in November 1918. Within 13 months from May 1920 to June 1921 wholesale prices took a nose dive of 109 percent from July 1914 prices. This brought ruin to industry and agriculture and tragic suffering to millions of our people. Corporation profits shrank from earnings aggregating $6,400,000 in 1918 to losses of $55,000,000 in 1921. In the 5 years following the World War I price collapse, 105,996 businesses failed. Factory employment decreased 31 percent, and factory pay rolls decreased 44 percent. Unemployment increased by 5,624,000. No one suffered more than agriculture from this postwar collapse following World War I.

The fact is farmers have as much or more at stake at this time in maintaining effective controls to prevent inflation than any other group, because they stand to lose as much if not more than any other group from the deflation which inevitably follows inflation. Farm prices generally drop faster and further than other prices in times of depression. Furthermore, there is not anything like as large a backlog of unfilled demands for food as exists for so many industrial commodities, the manufacture of which has been virtually suspended throughout most of the war. There is such an accumulation of unfilled demands for industrial goods that it will take years to fill up this gap, even after the war ends. In agriculture just the reverse situation will confront many commodities and the old surplus problem will be troubling us again and, in fact, it is here now so far as cotton is concerned. In the case of a number of important agricultural commodities from here on out we are probably going to be more concerned with how to prevent disastrous declines in farm prices; whereas the prices of most things farmers have to buy would soon skyrocket to terrificly high levels if controls were to be removed or emasculated at this time when supplies are so short. Thus the farmer would be caught in a double squeeze just like he was at the end of World War I, when price controls were removed too soon and the farmer was caught between falling farm prices, on the one hand, and much higher prices for almost everything he had to buy, on the other.

There are some who are urging the continuation of price control for a period of only 6 months. This would be a great mistake. We all know price control cannot be removed now, or 6 months from now, without opening the floodgates of inflation. Even if the war were to end tomorrow, there is no reason to assume that sufficient supplies of commodities would be available within a 6-month period to remove the dangerous threat of runaway inflation. Therefore, it is just common sense to recognize the realities confronting us and to make our plans accordingly in a sensible and prudent manner by continuing the present price-control legislation for at least another year.

Someone has referred to and advocated a 6-month extension. To show you that the OPA will consult Congress, this language is found in the report of the committee, which I think will meet the objection of those who are uneasy about the OPA officials going wild within the next 20 months. Here is what the committee wrote:

> The committee proposes to keep in close touch with the operations of the Office of Price Administration and to meet with the Administrator to discuss its problems. Should conditions change, or serious administrative shortcomings appear which are not promptly corrected by administrative action, the committee can and will reappraise the law before the time for renewal comes and propose such legislative correction as may be needed. The Members of the House are reminded that pursuant to existing law the Office of Price Administration makes reports to Congress every 90 days as to its operations. These reports are available as public documents.

Now that is stated in writing by your committee, the very committee which presented the pending bill. It puts you on notice and guarantees to you that if the act is not carried out according to the intention of Congress, we will introduce other measures and do our best to remedy the mistakes that are made. That ought to take care of those who are afraid to trust the OPA for another 12 months.

To renew the act for the short period of only 6 months would leave the entire country in a state of great uncertainty and confusion as to the future policies of the country with respect to prices and wages, and doubtless would be interpreted by the country as casting serious doubt as to whether Congress intended to exercise effective control to prevent inflation until its dangers are past. It would be an open invitation to selfish individuals who are looking too much for short-term profits rather than for the welfare of the Nation as a whole and the long-term welfare of all its citizens—a temptation to them to increase their pressures to destroy or emasculate the control of inflation.

It has required many weeks of consideration and discussion to bring the current bill this far toward enactment. We have no reason to assume that the next bill will require any less time for discussion and consideration. Hence the obvious outcome of renewal of the present laws for only 6 months would be to keep the whole Nation in a state of turmoil and uncertainty.

An important reason for the delay in the enactment of legislation continuing price control has been the diligent efforts by members of the Senate and House

Banking and Currency Committees and others to thoroughly investigate the various complaints against OPA, and to bring about an equitable adjustment of policies and regulations of the OPA.

I cannot emphasize too strongly that we do not need new legislation to correct these complaints with respect to the administration of the OPA. There is ample authority and existing legislation to correct all of these complaints. Nine-tenths of the difficulties complained about lie in the field of administration. Therefore, I can see nothing to be gained by cluttering up the existing laws with new legislative provisions and mandates which are unnecessary, and which might complicate and jeopardize the effectiveness of the many safeguards which have already been written into the act as a result of extended consideration given to this matter over a period of years.

For example, as I have stated before, take the provisions specifically affecting agriculture. There are many very specific and mandatory provisions in the law which I believe fully safeguard agriculture, if properly interpreted and administered.

What are some of these provisions? Let us deal with the facts, and not theories and generalities. Section 3 of the Stabilization Act of October 2, 1942, specifically prohibits the imposition or maintenance of a price ceiling on any agricultural commodity or any major product thereof "below a price which will reflect to producers of agricultural commodities the higher of the following prices"—parity price or the highest price received by such producers for such commodity between January 1, 1942, and September 15, 1942—adjusted, when necessary, for gross inequities.

This same section contains a further mandate reading as follows:

That modifications shall be made in maximum prices established for any agricultural commodity or for commodities processed or manufactured in whole or substantial part from any agricultural commodity, under regulations to be prescribed by the President, in any case where it appears that such modification is necessary to increase the production of such commodity for war purposes, or where by reason of increased labor or other costs to the producers of such agricultural commodity incurred since January 1, 1941, the maximum prices so established will not reflect such increased costs.

This section also requires:

That in fixing price maximums for agricultural commodities and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, as provided for by this act, adequate weighting shall be given to farm labor.

When this act was under consideration in the House, I offered an amendment which required the adjustment of price ceilings so as to offset farmers' increased labor costs in addition to the requirement prohibiting placing ceilings below parity prices. This was approved by the House.

When the bill went to the Senate, a revised amendment, designed to accomplish a similar objective, was adopted, and the language which I have quoted represents the final agreement of the conference committee.

In the original Price Control Act of January 29, 1942, there is a provision which is still in effect, as follows:

(e) Notwithstanding any other provision of this or any other law, no action shall be taken under this act by the Administrator or any other person with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture; except that the Administrator may take such action as may be necessary under section 202 and section 205 (a) and (b) to enforce compliance with any regulation, order, price schedule or other requirement with respect to an agricultural commodity which has been previously approved by the Secretary of Agriculture.

In the Stabilization Extension Act of 1944 many additional safeguards with respect to the administration of price control were included in the measure as finally enacted. One of the important additional safeguards was the Bankhead-Brown amendment, which reads as follows:

On and after the date of the enactment of this paragraph, it shall be unlawful to establish, or maintain, any maximum price for any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity which will reflect to the producers of such agricultural commodity a price below the highest applicable price standard (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) of this act.

The President, acting through any department, agency, or office of the Government, shall take all lawful action to assure that the farm producer of any of the basic agricultural commodities (cotton, corn, wheat, rice, tobacco, and peanuts) and of any agricultural commodity with respect to which a public announcement has been made under section 4 (a) of the act entitled 'An act to extend the life and increase the credit resources of the Commodity Credit Corporation, and for other purposes," approved July 1, 1941, as amended (relating to supporting the prices of nonbasic agricultural commodities), receives not less than the higher of the two prices specified in clauses (1) and (2) of this section (the latter price as adjusted for gross inequity).

The method that is now used for the purposes of loans under section 8 of this act for determining the parity price or its equivalent for seven-eighths-inch Middling cotton at the average location used in fixing the base loan rate for cotton shall also be used for determining the parity price for seven-eighths-inch Middling cotton at such average location for the purposes of this section; and any adjustments made by the Secretary of Agriculture or the War Food Administrator for grade, location, or seasonal differentials for the purposes of this section shall be made on the basis of the parity price so determined.

This amendment contains several important provisions. First, it strengthens the previous mandate from Congress with respect to parity prices by making it unlawful to establish or maintain a maximum price for any agricultural commodity or major product thereof which would reflect a price to producers below the highest applicable price standard in the law. Secondly, it requires price ceilings to be applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn. Third, the President is required to take all lawful action to assure that the farm producers of any basic agricultural commodity or any commodity covered by section 4 (a) of the Steagall act receives not less than parity prices or the highest price January 1 to September 1, 1942, whichever is higher. It is important to note that this particular provision goes much further than any previous congressional act in protecting agriculture, as this particular mandate is given to the President of the United States, and is a sweeping directive requiring the use of all appropriate laws at his disposal to assure that farm producers of these commodities receive not less than the prices specified therein. The agricultural commodities included under this mandate represent a large percentage of the total agricultural income.

Special protection was given to producers of fresh fruits and fresh vegetables by the adoption of an amendment to section 3 of the Emergency Price Control Act of 1942, requiring that the adjustment of maximum prices from time to time in order to make appropriate allowances for losses resulting from unavoidable crop disasters.

Under the present law, basic and nonbasic commodity loans are protected for a period of 2 years after the President, by proclamation, or Congress, by concurrent resolution, determines that the present emergency has ended.

In addition, under section 4 (b) of the Steagall Act, Congress has established the policy as a directive to the Secretary of Agriculture, that lending and purchase operations of the Department shall be carried out so as to bring the price and income of producers of such commodities to a fair parity relationship with the basic commodities; and the Steagall commodities, to the extent that funds for such operations are available, and taking into consideration operations with respect to basic commodities and Steagall commodities, and the ability of producers to bring supplies into line with demand.

Furthermore, the Commodity Credit Corporation has broad authority in its charter to purchase, to make loans upon, and engage in other operations with respect to agricultural commodities.

With respect to consumer subsidies, some concern has been expressed as to what will happen to farm producers' prices if and when such subsidies are withdrawn.

I think it is pretty well recognized that it is now too late to change that basic policy at this time. It is more important from here on out to develop a constructive and equitable policy for the gradual withdrawal of consumer subsidies on a basis that will be fair to producers as well as consumers. I am advised that definite assurances have been given by OPA Administrator Bowles—with the concurrence of the Director of Economic Stabilization—that it will be the policy to withdraw so-called consumer subsidies as rapidly as possible, consistently with the purposes of the stabilization laws and without disruptions of the production and marketing of the

commodities involved; and that when such subsidies are withdrawn in whole or in part, maximum price ceilings will be increased to the extent necessary to prevent such ceilings from depressing returns to producers below levels that existed prior to the removal of such subsidies excepting only in cases where agencies responsible for production find that an oversupply requires a downward adjustment of price supports in order to avoid excessive supplies, and except in certain cases where the ceiling prices involved are on the processed commodities, and where upward adjustments would not be effective in keeping producer returns at the appropriate level.

With respect to the livestock and meat situation, various corrective measures have already been taken and assurances have been given by Mr. Bowles and other responsible officials that further action will be taken to the extent necessary to adequately correct the present situation. One weakness in the past has been the failure to issue price policies sufficiently far in advance to enable farmers to plan their operations accordingly. In order to correct this situation, Mr. Bowles and Judge Jones, with the concurrence of the Director of Economic Stabilization, have agreed to follow a practice of announcing price ceilings and price supports for a specified period and far enough in advance to permit livestock producers and other farm producers to plan their operations accordingly, and that price ceilings and price floors will not be lowered during such period excepting only for some great emergency situation which cannot be forseen and which might jeopardize the stabilization program. These assurances are contained in the report of the Senate Banking and Currency Committee as a result of the exchange of correspondence between Senator BUTLER, of Nebraska and these officials to whom I have referred.

OPA has been criticized in the past because it has not given sufficient attention to encouraging maximum production. Mr. Bowles frankly recognizes this criticism and definitely pledged in his statement to our committee that from here on the OPA will not stand in the way of production. The following is quoted from his statement:

> Under the laws that exist today, prices can be adjusted wherever such adjustments are needed. On several occasions I have expressed the emphatic opinion that it is production—the huge production for which America is famous—that alone can furnish the final answer to inflation.
>
> We must in no event stand in the way of production.

As far as the specific details of the livestock and meat program are concerned, this is an intricate subject which I do not have time to go into in detail at this time, but I wish to point out that many steps have already been taken designed to encourage greater meat production; and to make available larger supplies for the civilian population, without depleting needed supplies for our armed services.

I believe the actions taken with respect to hogs are generally satisfactory to hog producers. Representatives of the cattle producers, I understand, are still dissatisfied with what has been done with respect to beef cattle. They believe the present incentives for production are not adequate. Most informed students of this problem agree that the most important thing to be done is to provide a sufficient incentive to get more cattle put in the feed lots, so that more pounds of meat are produced before the cattle go to slaughter. But again I want to emphasize this is an administrative problem and not a legislative problem. I know of no way this can be accomplished by legislation. We cannot write into law price ceilings for each individual commodity or group of commodities. We would quickly destroy the price control program by such an approach.

We are assured by the appropriate officials that every proper action will be taken to provide the necessary incentive to get maximum production of meat, and if the present measures prove to be inadequate that further steps will be taken—that no effort will be spared to accomplish this objective. In this connection I wish to call attention to the fact that the present law is very specific and mandatory in requiring the adjustment of maximum prices to whatever extent necessary to secure adequate production of agricultural commodities. I wish to call attention to the fact that the Stabilization Act of October 2, 1942, contains the following mandatory language:

> This is adequate to give every reasonable protection to processors if properly interpreted and applied.

Frankly, I think Congress has given too much consideration to the demands of the meat packers in this whole matter. The fact is that the meat-packing industry as a whole has enjoyed handsome profits, and industry as a whole has enjoyed handsome profits.

It is very significant that the great economic organizations that speak for large segments of our population, who necessarily must look at the over-all picture, have joined almost unanimously in support of the enactment of the existing price and wage stabilization laws without amendment. One of the strongest statements made before our committee was presented by Mr. Edward A. O'Neal, president of the American Farm Bureau Federation, in which he reviewed the progress of price and wage stabilization to date, the various complaints with respect to OPA, and the assurances that have been given that these complaints, wherever merited, will be corrected, and strongly urged the extension of the price-control laws without amendment. Mr. O'Neal pointed out that this did not mean that his organization approved of everything that had been done by OPA in the past, but that the welfare of agriculture and the welfare of the Nation as a whole make it imperative to continue price control and wage control.

When a similar bill was under consideration by the Senate, Mr. O'Neal sent a letter to Senator BARKLEY urging the enactment of the bill without amendment, from which I quote:

> Despite the mistakes that have been made, a great majority of farmers feel that it is imperative to continue price control and wage control at this time. The alternative would be disastrous inflation, which would wreck our entire economy.
>
> We therefore hope that the Senate will pass Senate Joint Resolution 30, as reported by the Banking and Currency Committee.

At a recent meeting of the advisory board of the Office of War Mobilization and Reconversion, which is composed of representatives of the major economic groups, including the heads of the major organizations in industry, labor, and agriculture, it adopted a resolution—with only one dissenting vote—in favor of the passage of the extension of price control legislation without amendment.

This is a matter too important for the welfare of every group and every citizen of our Nation to become involved in partisan politics. We can easily destroy our economy if we do not hold in leash the terrific inflationary forces that are present at this time. Let us do our part here on the home front to keep our economy strong and secure for our boys when they come home.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I have asked for this time that I might follow the gentleman from Georgia [Mr. BROWN], because I think he has discussed certain phases of the fight against inflation very forcibly and well. I have such a very high regard for his knowledge and judgment on farm matters and farm prices that I often look to him for guidance. He has always wanted substantial justice done for farmers, as that in turn means substantial justice done to the national economy.

When the gentleman appeals for action to protect all for which our sons died, there can be no doubt of the absolute sincerity of his appeal. By our folly we could bring on an inflation which would mean an accompanying deflation severe enough to render valueless the financial investments in bonds of our soldier sons in this war. Oh, yes; the returning soldiers' bonds and those of their loved ones could be rendered practically worthless. As for the glory of the sacrifices of our soldier dead, that cannot suffer diminution so long as history is written and the human mind can ponder it, but their costly efforts may be nullified by our lack of judgment in this law-making body.

When the gentleman from Georgia points out the stake which farmers have in our fight to hold the line against runaway inflation, he but shows his good common sense and judgment based on a knowledge of and no doubt bitter experience growing out of the period following the First World War. I take to heart what the gentleman has said, and it appeals to me powerfully, although it may not today seem so appealing to the farmers throughout the country. The gentleman is saying that deflation follows inflation as night follows day, and that whatever degree of inflation has given our farmers a boom of hope has often before been and will again be equalled in reaction for them in deflation and despair.

What the gentleman from Georgia says appeals to me not only because of its logic and the mathematical accuracy

behind it, but because the gentleman from Georgia is a sincere friend of the American farmer. If what he says does not now seem pleasing to the farmer, I know it is said for the farmer's good, and I believe as firmly as I believe anything under the sun that the gentleman from Georgia, Congressman PAUL BROWN, is right in saying, in effect, to the American farmer:

If you reach for and obtain any such inflated prices as we had following the other war, in the fond hope that it will mean prosperity, you must inevitably expect a crash and a fall more disastrous than that which you experienced in the decade following the last war.

I know that the gentleman from Georgia has been regarded by the farmers of this country as one of their champions in these legislative halls. Many times I have received letters and telegrams from farmers in Arizona, insisting that I vote for this or that Brown amendment in some pending bill. If I have ever failed to do so, I have been sharply checked up on it by farmers who wonder whether I am friendly to my rural constituencies.

The gentleman has led the fight in behalf of farmers long before the war crisis for the establishment of agricultural parity, and on the whole he has been quite successful—he and a handful of other champions of our farmers—in obtaining a reasonable formula of parity on basis crops written into the law. And now as I understand the gentleman from Georgia, he would like American farmers to be reasonably contented with established parity, with such logical improvements as justice demands, and not insist on breaking all lines of price control for something far beyond parity. In other words, we must not drop the substance to grab for an elusive shadow which will bring only disappointment and calamity in the end.

Mr. Chairman, I have asked for this brief time, not to analyze Congressman BROWN'S remarkable statement, but to call attention to the significance of what he said, especially in relation to farm prices. It is trite to congratulate him upon this speech, for, in my judgment, he said exactly the thing he ought to have said. The meaning of it is to me that he is not inconsistent in supporting the OPA program and in leading this desperate fight to hold the line, although at the same time—as we all know—he has never let slip an opportunity to improve farm prices in every safe and legitimate way.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. SMITH].

Mr. SMITH of Wisconsin. Mr. Chairman, OPA has started a prairie fire in the "grass roots," which is sweeping the Nation. Nothing like it has ever occurred in this country and, I am sure, Members of the Congress realize the seriousness of the situation, regradless of party. A few years ago the people were outraged by conditions which resulted from national prohibition, and it was one of the major issues in the 1932 political campaign. Today OPA is responsible for a condition which is more explosive than the prohibition issue; it is a real threat to every Member in the Congress.

Mr. Chairman, the people are aroused; yes, they are alarmed over the fact that adequate food supplies are not available for men and women who are working long hours in war plants. A few days ago I received a telegram from the secretary of a large CIO council, as follows:

The United Auto Workers District Council, No. 8, of Racine, Wis., some 15,000 members and their families, seriously request you use your every effort to alleviate the meat-shortage situation in Racine area. These war workers, especially in our heavy foundries industry, are sorely in need of this substance.

HAROLD J. THOMPSON, *Secretary.*

Not only is there a meat shortage but other vital food items cannot be purchased. This morning I received an urgent appeal from a prominent citizen in my own city. In fact, he is president of the Wisconsin Chapter of War Dads. I will quote part of his letter:

Many of us at home are quite concerned about rationing of food. Let's be frank about it—the OPA has completely lost control and the black market is getting so powerful because the OPA plays right into the hands of the racketeers every time they announce new items that will be rationed. Just now there is not a potato to buy in Racine. Eggs are off the regular markets and again the black market is in control.

AUGIE ALSTAD.

Racine, Wis., is a very important war plant center and if it is to continue to produce weapons of war then the workers must have food. These are just samples of complaints that I am receiving every day from constituents, Mr. Chairman. The first protests came from the business men calling attention to the threat of black-market operations unless OPA corrected administrative abuses, and they pointed out the dangers confronting the Nation; but their warnings have been ignored and now the conditions warned of have actually engulfed us, because of bull-headed bureaucracy.

Mr. Chairman, I now call attention to a personal experience, and trust I may be pardoned for so doing. On last Sunday I had occasion to call my mother on the telephone and to inquire as to her health. In the course of my conversation with her she said that my son—a soldier for 4½ years with 34 months in the Southwest Pacific—was on furlough and had called to visit her. Apologetically, and to my surprise, she said:

I was awfully sorry that I could not ask Jack to stay and have supper with us, but honestly we have hardly enough food for ourselves.

The working people are in revolt, Mr. Chairman, and they have fixed the responsibility upon Congress. Is this the kind of welcome our fighting men are going to get from us? Is this what they have been fighting for? The time for excuses, nice words and promises has passed. Action is demanded—now. In spite of propaganda broadcasts by OPA in an effort to keep it alive, the people are not being fooled.

The propaganda, Mr. Chairman, is that OPA has kept the lid on inflation; that the cost of living is lower than it was in the last war; that OPA is necessary in the postwar period in order to prevent a repetition of the inflationary spiral similar to the one after the last war. There may be some grounds for this last contention, but hardly any justification for the first two arguments.

There is only one way to prevent inflation in wartime, Mr. Chairman, and that is by increased production. OPA policies today are designed to hinder and reduce normal production methods. Its policy of fixing ceilings has become a fetish with this agency; it is a negative program, not a positive one such as is needed today and its obvious result is to create shortages.

Further, Mr. Chairman, OPA is responsible for a highly inflationary trend existing today. Its advocacy of subsidies for most items in the cost-of-living index has added billions to the inflationary reservoir. I repeat again that its pricing policies have created food shortages and this has led to alarming black market operations in every food item. On a national radio program Sunday night the announcer urged all listeners, at the request of OPA to refrain from paying more than ceiling prices, "for," said he, "consumers are spending more than a billion dollars a year in the black market." And this, I submit, Mr. Chairman, is inflation of the worst kind. Black-market spending, plus billions of subsidy dollars, plus shortages, constitute the real threat of inflation, and not a slight increase in the price of food commodities. OPA is straining at a gnat and ignoring the real cause for the present situation. I repeat my charge, Mr. Chairman, that OPA is promoting and producing inflation, by its price-fixing policies which are creating shortages which result in black market operations. This plus a vicious subsidy program constitute a menace to our economy. Surely with such a record OPA should be brought under congressional control and the people expect us to do something about it. There must be other ways to accomplish the intent of Congress and we should be at work on that task. OPA is thoroughly discredited.

OPA asserts that it has successfully stabilized prices and that propaganda is handed the American people who have no way of determining the truth or falsity of the statement. I charge here and now that such is not the fact. Its claim is based upon figures produced by the Bureau of Labor Statistics, which governmental agency fails to consider in its statistical information a highly important item in today's cost of living, to wit, black-market operations. It is reliably reported that in New York City 75 percent of the food transactions are in the black market. OPA admits that there are at least a billion dollars a year spent in over-ceiling prices, but BLS ignores that fact. Secondly, anybody who goes to a market today or who buys clothing of any kind must know that prices have not been stabilized. The identical hat which I bought for $5 three years ago now costs $10, and it is a lot less hat. No; the claim for stabilization of prices is pure fiction.

Another situation demands attention. The enforcement practices of OPA, Mr.

Chairman, are a disgrace to this great Nation. Honest, reputable merchants are harassed daily by "snoopers." They enter their places of business and check prices and when slight overcharges are discovered the investigator gives him the option of paying a voluntary settlement, "or else." We have a local case in point, and it is refreshing, Mr. Chairman, to see some businessmen who dare to stand up and fight the Gestapo methods of OPA. Raley Bros., Calvert Street grocers, were assessed a $1,200 penalty or settlement by a neighborhood panel for alleged overcharges totaling $1.96. Legal action is now pending which threatens the whole national price panel program. Mr. Bowles says that panel members can only accept offers of settlements, but here is what happened in the Raley Bros. case: A letter was written to the alleged offenders, as follows:

Failure to comply with these directives will result in your case being delivered to our enforcement division for vigorous action.

Yet, Mr. Bowles has the audacity to say that this kind of settlement is voluntary. It is comparable to a confession under a third degree.

Take a look at an actual case of a small merchant in my own city. He was checked by an investigator who found 15 grocery items over and 5 fresh fruit and vegetable items also over, ranging from 1 to 2 cents. When Mr. Investigator was about to leave he handed the merchant a copy of a list showing the overcharges and on the reverse side was the following notation, and I quote it verbatim:

Advise M. J. Sullivan, room 7185, Plankinton Building, 161 West Wisconsin Avenue, Milwaukee, Wis., by no later than Wednesday, February 28, 1945, as to whether or not you decide to offer a settlement of $150. This offer can be made in form of a certified check made payable to Treasurer of the United States.

Would any sane person contend this to be a voluntary offer of settlement? Yet, Mr. Chairman, the head of OPA encourages this kind of conduct on the part of his enforcement division. He may deny it but here is the proof of aggressive action by that agency. In a news letter issued by his Chicago office on March 19, 1945 appears an article, Price Panels in Action, and it goes on to speak of "high-powered action" and "the handsome sum of $4,883.37, resulting from 38 Administrator's claims," and so forth. One local board member was incensed by this kind of action and wrote me as follows:

Nobody wants inflation. But it is beginning to look as though control has ceased to have an economic purpose. It is despotic, political, and bureaucratic and so defeats its purpose. In the food merchant group there are undoubtedly more small independent merchants than in any other group. The irony of this situation is that they have no protection.

Here is a panel member crying out against the injustices to small businessmen. I shall not pursue this thought further for no good purpose will be served in piling up additional evidence.

Mr. Chairman, there is but one conclusion to be reached in considering the abuses I have referred to, and I charge now that OPA is seriously affecting the war effort. If present conditions are permitted to continue, winning the war against Japan may drag out indefinitely at a great cost in lives of our men. Congress must act and now is the time.

Mr. WOLCOTT. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, the Price Control Act is now before us for extension for a period of 1 year. I voted for price control at the beginning of the war and for its continuance up to the present time. I believe it has been of benefit to the American people. I realize its necessity in time of a great national crisis such as the present war and, therefore, intend to vote for the continuance of the act.

The vast majority of the American people have submitted to the spirit and intent of price control. It is not the law against which the people have expressed resentment, but the maladministration of the law, and that has grown steadily worse as time passed, until today the people of the Nation are on the verge of open revolt against the persecution, injustice, senseless rules and regulations imposed upon them by the agency administering the act.

For the purpose of calling attention to OPA itself, to its shortcomings which are little less than crimes against our people, and for the purpose of making a record here in the halls of Congress for posterity to view, I direct my remarks. I desire to place on record what can happen when bureaucracies run amuck. When a Government agency arrogates to itself power to impose additional conditions amounting to persecution instead of prosecution upon a population who are God fearing and law abiding. We have just crushed with military might despotism, arrogance, injustice, intolerance, and persecution imposed upon defenseless people by the Nazi regime. While we were doing it, the same conditions were budding and blooming in this land that has always boasted of freedom and tolerance.

We prided ourselves on justice as one of the bedrocks upon which the Nation was built. The Goddess of Justice adorns nearly every courthouse in the land. We have chiseled it in marble, and it emblazons the front entrance of the Supreme Court of the United States, "Equal justice under law."

But where is this thing called justice, when OPA officials make public statement that they do not care what the law is, they make their own regulations?

Yesterday I included in the Appendix of the RECORD, and you will find it on page A2929, an incident of the eagerness with which the OPA desires, not to prevent trouble, but to create trouble. A little grocery store in Plymouth, Mich., in the congressional district which I represent, was notified to appear before an OPA price panel. The wife of the proprietor complied and was informed that an OPA agent had found one price out of line; namely, on Old Dutch Cleanser, which was marked 11 cents when the OPA price was 9 cents. No customer had complained. The woman was forced to sign a violation admission under threat to have the case sent to Detroit for action. When she returned to the store, it was discovered that no Dutch Cleanser had been sold and no violation had been committed.

Simple decency and justice on the part of the OPA agent would have required attention to be called to the error and nothing more.

My district includes a part of the city of Detroit, but a short mile from the Canadian border. Among people in my district and in the Detroit area have been many who have gone without meat and many essential foods. They flocked to Windsor, Canada, to obtain needed supplies. One does not feel very proud as an American to personally visit a Canadian city, as I did, and find there ample meat of all kinds and other foods in abundance, unrationed and in sufficient amount to provide the needs of the people. Such was my own experience. Only butter, sugar, and jams are rationed in Canada. From people in Detroit and its metropolitan area have come bitter denunciations of the OPA administration and its bungling, confusion, and persecution.

On the question of meat shortage and especially beef, the regulation of OPA is directly responsible. The producers of cattle and the processors of beef warned the OPA more than a year ago what would happen if their theoretical and statistical conclusions were put into effect instead of taking the advice of men of long experience who knew the business of producing and processing meat. Their advice was ignored, resulting in the unnecessary hardship imposed upon our people by this agency. Warning, common sense, and the benefit of experience of many years are not accepted by the OPA. It follows a high handed, arbitrary, and arrogant course which smacks more of the Gestapo than of simple American justice.

What was the regulation that has caused meat shortage, and especially beef? Selling prices were fixed by OPA below the cost of production and processing. Packing plants cannot operate at a loss. Our whole economy is founded on the profit motive and a reasonable profit should not be denied by government. Many packing plants have closed because of that regulation.

A further regulation by OPA provided that if the plant showed a profit on its total processing of different types of meat, even though it showed a loss on one particular kind, such as beef or pork, nevertheless that met the objective of price control. But thousands of packing plants in this country processed but one kind of meat, for instance one nothing but beef and another only pork. If the selling price on either one were less than the cost of processing, the plant closed its doors. The OPA either did not know that such was the nature of the industry or, if it did know it, arbitrarily ignored the fact. The result has been dire shortage of meat and in a land that has always boasted of plenty.

Let me give the House a few illustrations of what our people are enduring. From a school principal, I quote:

Until you try shopping, you wouldn't believe the United States would ever be in such a mess. The land of plenty, too—I can't imagine it. Sometimes whole weeks go by with no meat at all. If you have a friend back of the counter, you get it once in a while.

From a professional man, I quote:

The confusion in the OPA seems to be getting worse rather than better, and I cannot believe it is because of honest poor judgment. There has been no beef or pork in the Detroit stores for weeks. One reason given is that the price of grain is so high that farmers cannot afford to feed it to cattle. OPA is releasing it for the manufacture of whisky rather than food.

From a housewife, I quote:

This whole food situation is no longer a joking matter and is no longer a situation to be blamed on the war. The whole essence of the shortages lies right in Washington. There is talk and proof of black markets. Who is to blame for the black markets but the solons in Washington who dictate the use and quantity of consumption of our foods?

From a citizen in Ferndale, Mich., I quote:

I merely wish briefly to state in my estimation this meat situation here in Ferndale and also in Detroit has become intolerable. What are we to feed our children, war bonds? My few trips to the butcher of late have disclosed nothing in his showcases but bare bones, and people were buying them even though they were entirely lacking of any meat. I cannot understand that across the river the Canadians have ample and are willing to sell and for some unaccountable reason we on this side are now not permitted to bring it cross, even though we surrender points for it. Something is "screwy" and it looks to me as if the Canadian administration has the ability to look after their people while we on this side get the short end of about everything. People whom I come in contact with are very much agitated about this condition.

Honest confession is good for the soul, and I rather admire the frankness with which one OPA official admitted that the administration of this law which we are asked to continue is "a mess" and everything is "all balled up."

I now want to call attention to an example of the Gestapo methods employed by OPA in forcing its rule upon the people. In my home city of Royal Oak, Mich., the owner of a little neighborhood grocery store was arrested under a city ordinance for violation of a selling price. My information is that the amount was insignificant. The city ordinance is similar to the OPA Act.

He was fined $25 in the municipal court and paid it. As he left the courtroom, he was accosted in the hallway by two OPA agents from Detroit and an attorney, who demanded that he pay them $50 more or they would begin another suit against him in the Federal court at Detroit. Placed in fear and threatened with prosecution, which I designate as persecution, he paid this amount.

The judge of the municipal court who fined him, the Honorable John E. Brondige, an able magistrate who has served many years, wrote the mayor and city commission of my home city in protest when he learned of this high-handed procedure. I shall not include the entire letter in my remarks, but I desire to call to the attention of the House one sentence in that letter, and I quote:

It is repugnant to the sensibility of any person who believes in justice and fair play to find that any person has been penalized twice for the same offense.

I took this matter up with the OPA on April 16 and demanded that the $50 highjacked from this grocer be returned to him. To this day, I have never had a satisfactory answer and, so far as I know, the extortion practiced upon this man has never been corrected nor has restitution ever been made. I have written two letters this month to Chester Bowles about this matter, to which no reply has been received.

In yesterday's Times-Herald appeared a statement to the effect that a food store in this capital city of the Nation which had collected overcharges on some articles of food amounting to $1.96, was fined $1,200 and that the check from the defendant for the amount after the Office of Price Administration apparently learned of an action being lodged against it to restrain the payment of the check, returned the check to the owner. One thousand two hundred-dollar fine over an item of $1.96.

We wonder whether or not the OPA ever heard of the protection thrown around the people of the Nation and afforded them by the Constitution of the United States. We wonder whether or not those who administer the Price Control Act ever heard of the eighth amendment to the Constitution, which provides that excessive fines shall not be imposed nor unusual punishments inflicted.

There is a black market in the United States and the Price Administration is responsible for it. The people of the United States should know that Congress can pass the laws but it cannot administer them, and the unnecessary hardships, shortages of food, distress, inconvenience, and persecution are directly the fault of the OPA. It seems to me that Chester Bowles and his subordinates could better serve the people by employing those who have had some experience in their field and by substituting common sense and decency for theory, arrogance, and stupidity.

Of course, we are going to vote to extend the Price Control Act, but let us hope and pray that the people of this Nation will obtain some relief from the maladministration of this act. If they do not, and the people in my county feel as they do now, I believe they will revolt against the injustices being practiced upon them.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Colorado.

Mr. CHENOWETH. I join with the gentleman in expressing the hope that we may receive some relief; but how are we going to obtain that relief when the administration is demanding no amendments be agreed to? Where are you going to get the relief?

Mr. DONDERO. There will be no relief unless the administration is changed and a different attitude shown.

Mr. CHENOWETH. Does not the gentleman think there is a duty resting on the Congress of the United States to take some action in this matter?

Mr. DONDERO. There is, and we should do it.

Mr. CHENOWETH. We should not let this go on indefinitely.

Mr. DONDERO. We do not want to cripple the operation of the law by offering amendments, but correcting amendments should be agreed to which will prohibit a repetition of the things I have cited here today. These amendments should be added to the act so that our people might have some relief.

Mr. CHENOWETH. Does the gentleman contend we should vote to perpetuate a situation which he has described and just sit idly by and let that continue indefinitely?

Mr. DONDERO. If all the amendments are voted down that is the position we are placed in.

Mr. CHENOWETH. And we should perpetuate that thing?

Mr. DONDERO. I do not think we have any choice.

Mr. CHENOWETH. I think we should have a choice. The responsibility rests upon us to do something about the matter.

Mr. DONDERO. The choice rests on the majority of this House. They have charge of the administration of the act. The people of this Nation have a right to expect some relief.

Mr. CHENOWETH. The people are looking to the Congress of the United States for relief.

Mr. DONDERO. There is no way to do that because the Congress cannot administer the laws it passes except by agreeing to correcting amendments.

Mr. CHENOWETH. Let us do that then.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman has made a powerful statement in a very dignified manner. He has cited specific cases.

When Judge Vinson appeared before our committee last Friday afternoon he made a very strong statement to the effect that if this act is extended for only 6 months, it will be very cruel treatment on the part of Congress against the administrators of the law. I took note of that observation the judge made. I think the gentleman from Michigan has made a very valuable contribution by pointing out some of the cruelties imposed upon the citizens of this country by the administrative officials in charge of this particular statute, and I congratulate the gentleman for that.

It is cruel to take a man's business away from him; it is cruel to destroy his capital structure; it is cruel to deprive a man's family of the income which he earns through that business, and, as I pointed out to Judge Vinson, there are two sides to this cruelty proposition. If Congress passes a law which imposes such cruelty upon an administrator that he cannot stand it, let him leave the job. If the criticism of the public against a

Member of Congress is so great he cannot stand it, and if his hide is so thin that he cannot take the criticism, let him leave the job of representative of the people. I have no patience with the argument that it is cruel to the Administrator for the Congress to pass laws and to say in those laws something which protects the people of the United States.

Mr. DONDERO. After all, that is not half as cruel as denying to the American people essential foods when this country has always boasted of being a land of plenty. There is food here but the distribution of it is faulty. The reason for that faulty distribution rests in the administration of this law and not in Congress.

Mr. CHENOWETH. Is not the greatest element in this whole situation today the item of production? In time of war we must produce. We are winning the war because we have produced more than any other nation. Now, we face a food shortage. The OPA system has been in effect for 2 years or more now, as I recall it. Would the gentleman say that that system has been a success or failure from the results as we now see them?

Mr. DONDERO. I think the administration of the law has been a failure to a large extent because of the conditions existing in my district, and I am sure they exist in other districts as well.

Mr. CHENOWETH. Would the gentleman say there is something inherently wrong in the policies being pursued when we now find a shortage in almost every item of food in this country? Reports are coming to the gentleman's desk as they are coming to mine complaining about shortages of this, that, and the other thing. The food allotment is being reduced every day. There must be something inherently wrong with a system that produces this result.

Mr. DONDERO. There is no doubt about that. If they are operating on the theory of scarcity that may be the reason for bringing about this condition.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 15 minutes to the gentleman from Nebraska [Mr. BUFFETT].

Mr BUFFETT. Mr. Chairman, when the extension of the OPA hearings began I approached them with a feeling that OPA should be continued with perhaps only minor changes, perhaps in the form of suggestions, for administrative improvement. That was my view, not because I believed that the OPA was stopping inflation but because I felt that price restraints were essential until the pressure of war demands had tapered off and reconversion had commenced in earnest.

I have been under no serious deception about price control as an antidote for inflation. I knew that it served only as a drug to conceal the pains of deficit spending and the issuance of an irredeemable paper currency on a reckless basis. Nevertheless, I have been convinced that price control is helpful and necessary during war like an anesthetic during an emergency operation. So up to this time I have supported the necessity of price control and I still believe in its use on a temporary basis in constantly lessening amounts.

However, from the facts brought out at the hearings just ended I have reached this conclusion: That unless this Congress is able to change the methods now being used by the OPA it will destroy the economic and personal liberty of the American people more surely than any foreign foe. It is a greater threat to the future of America than the evaporating military power of Japan and, unless this Congress takes that fact into proper consideration, and into proper focus, government by the consent of the governed will disappear at home regardless of our military achievements abroad.

In the time allotted to me I cannot begin to discuss the entire situation so I am going to devote my remarks to the food crises, brought about by the OPA, and I want you to consider this situation. On the basis of the conditions existing today large segments of the food industry from the cattle feeder to the corner store have three choices open to them.

First. They can operate honestly at a loss until they go broke;

Second. They can close up and go out of business.

Third. They can join the growing army of black-market operators, and by living outside of the law continue to make a profit. Gentlemen, that is a sickening choice that many must make, all the way from the cattle feeder at the one end to the corner merchant at the other. They can continue doing business honestly at a loss until they go broke or they can go out of business or they can become a black-market operator. Now that is a very serious charge, and it should have some proof, and I have the proof.

I have the profit-and-loss figures for a steer fed for 120 days at Springfield, Nebr., in my district, and retailed in Washington on June 4, 1945. The figures are from operations by the Safeway Stores, one of the most efficient merchandising organizations in the world. They were patriotic enough to bring to the committee this information, and what I point out from their operations applies to the food industry generally. In these operations they had, first, a loss of $5.88 on the feeding of this steer; in other words, when that steer was placed in the feed lot and fed and sold to their own packinghouse, according to OPA regulations, they had a loss of $5.88. Second, when Safeway took that steer into their own packing plant in Omaha and slaughtered it, they had another loss of $3.68 on each steer before they brought it to Washington. Now, it is true they had a profit on the retailing of that steer. The retail mark-up brought them out in the clear on the whole transaction to the total of 23 cents on the 1,200-pound steer. But they had a loss on the feeding and they had a loss on the slaughtering.

What does that mean? That means that out in my district the man who feeds corn to cattle today is losing money, so he has three choices again: He can quit feeding, which means less meat in this country in a time of crisis; he can feed at a loss until he goes broke; or he can feed and sell to somebody in the black market. That is the choice before him. You may say, "Well, they have new regulations and new subsidies." Here is what Safeway says in their statement to the committee:

> Even under the latest subsidies to feeders and packing plants the feeder's loss on a steer fed 120 days will be $5.88 and the slaughterer's loss $3.68.

The only way that they can make a profit on this transaction, that is, a normal profit, minus the processing loss is if they can find enough feeders who are willing to sell cattle to the Safeway Co. at a loss of $5.88 per animal.

Now, what is this situation leading to? I read a few days ago about Henry Wallace's interest in small business. I earnestly hope he will give his attention to this situation affecting small business, because small business is today, under the direction of the OPA, steadily being destroyed. Up until this time small business did well because of high volume and low cost inventories but today the whole situation has been reversed.

What have Safeway Stores, a great food merchandising organization, done? They have bought eight small packing plants throughout the country. Why? Not because they desired of their own accord to go into the packing business. They bought them because they had to have these plants in order to have meat for their stores. So what are we doing today to the food industry, all the way from the cattle in the feed lot, to the final sale before it gets on your plate, on your table, in your home? The OPA is deliberately forcing the great merchandising corporations to take over every step in that process. The little fellow in the cattle-feeding business; the little fellow in the meat-packing industry; the little fellow in the corner store is being squeezed out by the OPA—not by the chains. Great numbers of the little fellows have closed their doors. Others have gone black market. Others, losing money and hope, are pleading with this Congress for relief.

The Safeway Stores state very plainly they would rather buy their requirements of finished cattle from established feeders, but under the price controls this has not been possible. The Safeway have had to do this feeding for themselves. A few weeks ago the field buyers for Safeway, on May 22, offered to make feeding contracts with commercial feeders in Nebraska, California, and Texas. Certainly that is a wide spread over the country. The terms offered were to purchase fed cattle at the completion of the necessary feeding period at the maximum permissible paying price on a drove basis permitted under the new subsidy regulations. Each of the feeders that they approached declined to make such a contract because of inability to purchase feeder cattle at prices which would return them a profit.

Now, should this Congress sit here and watch these feeders go out of business, and watch these small slaughterers go out of business, and the corner merchants go out of business, because of maladministration by the OPA? That is

exactly what we are doing unless we take some positive action about this situation.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield at that point?

Mr. BUFFETT. Yes.

Mr. CRAWFORD. Can the gentleman think of any step the Government could take which is more conducive to monopolies in that particular field than to have a situation where these chains go out and acquire these various units of production and throw them into an integrated system and leave the little corner fellow and the little slaughterer out of business?

Mr. BUFFETT. There is no method that the Government could adopt which is more certain to bring about monopoly in the food industry than the method now being used. The gentleman is absolutely right. The little man is being squeezed out, either deliberately or stupidly, and it does not make any difference which, by the operation of the rules which make it impossible for them to live and work honestly and stay in business.

Now you say, "Well, maybe the OPA will change those things." Well, look at the record. Last August people began to lose money on hogs. Mr. Cooney, vice president of Wilson & Co., said before the committee a few days ago:

> It is also established that OPA knew that commencing in August 1944 a packer who slaughtered hogs only lost several dollars per head on every hog purchased if the pork products were sold at legal prices. Notwithstanding this knowledge, the OPA persistently and stubbornly refused to adjust this inadequate margin, and it was not until the committees of the Congress developed these facts that the OPA undertook to grant any relief. When the OPA was compelled to act, the relief given was wholly inadequate. I think it is fair to say that it was known by the OPA to be inadequate.

Now, there was the situation. If the OPA was going to get production, there was the time to start getting it, last August, in hogs. But they deliberately refused to do it, even though they knew the price was inadequate, according to the vice president of Wilson & Co.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield.

Mr. VORYS of Ohio. How does the OPA explain this sort of thing? Here are reputable businessmen testifying before your committee and giving chapter and verse and all the facts. How do they explain it? I have looked through the committee report, and I do not find any explanation for such an outrageous, idiotic procedure as the gentleman has just been describing from very reputable witnesses.

Mr. BUFFETT. There is no explanation. I was hopeful, and I think some other Members were hopeful, after we had witnesses from industries, businesses, and from the farms, that the OPA would again come before us. But the hearings were rushed, and we did not get that opportunity. But there is the situation that exists. The OPA knows about it. They have known about it for months, and they have done little or nothing constructive voluntarily.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield.

Mr. CRAWFORD. I would like to make this observation, and it is not in any way a criticism of the chairman of the committee. But the OPA Administrator did open the hearing. Then there was something of an understanding that the Administrators would be called back for cross-examination after we had heard the complaints.

Mr. BUFFETT. Yes.

Mr. CRAWFORD. So many people were interested in this, and the time between the opening of the hearings and June 30 was so short that there was no reasonable opportunity to bring the Administrators back to be cross-examined. Therefore, the gentleman from Ohio [Mr. VORYS] does not have their answers to these complaints and we did not get them. We might just as well be plain about it, because this is a matter which affects millions of people. The country is in an uproar about the situation and they might as well know what is going on.

Mr. BUFFETT. The committee had before it the secretary of the New York State Food Merchants Association, representing 4,527 dealers. He made a survey of the stores in New York on the meat situation specifically. Fifty-seven percent of the answers he got back showed that the merchants were unable to get their meat legitimately. The amount of meat they bought through tie-ins, side payments, and so forth, varied from 1 percent to 100 percent, or an average of 53 percent.

Mr. Chairman, when 53 percent of the meat going through these retail stores in New York is tinged with the black market, we have reached a situation where normal and honest economic processes of this country are fast approaching destruction. For Congress to give the OPA a clean bill of health under those situations would be betraying our responsibility to the people.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield.

Mr. CHENOWETH. The OPA now has slaughtering quotas on nonfederally inspected packing plants on beef as well as other animals.

Mr. BUFFETT. That is correct.

Mr. CHENOWETH. There is a surplus of cattle in this country. The meat shelves in the stores are empty. The processors are ready to process those cattle. There is a surplus of cattle. People are demanding meat. What is the explanation of that situation?

Mr. BUFFETT. There is no rational explanation. In Omaha a constituent of mine a few days ago took some cattle to the yards. He went into the livestock building to get something to eat. They had no meat. He went out to see if his cattle had been sold and the commission broker had been unable to sell them because of quotas. So that he was in the position of having thousands of pounds of beef for sale in a pen 200 feet from where he was trying to get meat to eat and he could not get it nor could he sell his cattle. Now, that adds up to a fantastic situation.

Mr. CHENOWETH. I wonder if the Administrator testified before the gentleman's committee on this point. As I understand it, his philosophy is that if there is any part of the country that has not meat, no other part of the country should have meat, no matter what the surplus is.

Mr. BUFFETT. I am unable to fathom the mind of the OPA on many of their theories, except I know that their procedures are destroying the free economic system of America under the current policies. For example, you are told there is a quota of 115 pounds of meat per person in this country. Yet, I am told that if you would use half your red points to buy meat today, you could buy but 50 pounds a year, or less than one-half of the OPA statistical pork chops and mathematical beef roasts that are available to you.

There are other sobering evidences of centralization of the food industry. The papers reported in the last 2 or 3 days that the great Burlington Railroad, in order to have chickens for their dining cars, is going into the farming business out in Nebraska and raising chickens.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. BUFFETT. So that the farmers who normally supplied the Burlington Railroad with chickens have lost that market and have the railroad as a competitor in the raising of poultry.

Here again, the business of supplying food to the Nation is passing from the small business operator because of the operations of the OPA. This chance is not limited to the Burlington Railroad or to chain stores. Here in Washington local restaurants are buying farms so that they can have meat for their tables. The same thing has happened in the wholesale grocery business.

In the last 18 months, the gigantic wholesale firms like Sprague-Warner in Chicago have bought small firms like Marshalltown Canning Co. and other moderate-sized firms; so that the food industry of the Nation is being concentrated into fewer and fewer giant firms. What does that mean? If you control the food of the Nation you control the destiny of the Nation. If the food industry is placed in the hands of a few great concerns, that sets up a situation of made-to-order control for fascist or communistic planners.

Mr. Chairman, we had a lot of witnesses before our committee but there was one great army of witnesses that was conspicuous by its absence. That is the growing mob of black-market operators, bootleggers, chiselers, robbers, and thieves that are operating in food in this country today and getting rich because of the bungling methods of OPA. That situation exists. It is getting worse every day. It is a situation under which the people of this country cannot get the necessities of life by normal conduct of their affairs.

In the stores, this kind of practice has sprung up: You have to have a clerk that you slip some side money to each week and then they will save scarce merchandise for you. And if you have not made

such an arrangement with somebody in the store you will find it very difficult to get merchandise. That situation, now rapidly spreading, has more ominous aspects than the economic side of the problem. It strikes at the moral foundations of the country, and if it continues unchecked, will demoralize all business.

However, until this Congress has the courage to bring under control Federal spending, neither competent administration of the OPA or other economic sedative will solve our problems. The heart of the whole problem is the Federal Budget.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON of Virginia. Mr. Chairman, in 1942 we wrote into the law what is generally called the disaster clause, and it reads as follows:

> Whenever a maximum price has been established, under this act or otherwise, with respect to any fresh fruit or any fresh vegetable, the Administrator from time to time shall adjust such maximum price in order to make appropriate allowances for substantial reductions in merchantable crop yields, unusual increases in costs of production, and other factors which result from hazards occurring in connection with the production and marketing of such commodity.

This year we have had a disaster from New England throughout the entire Atlantic coast in our apple crop, and the apple growers expect when ceiling prices are fixed this year to ask OPA for relief under this disaster clause. But there was very little, if any, discussion of the meaning of this clause when it was written into the act, and OPA seems to be in doubt as to how it should be interpreted.

The West has what is generally considered a good crop of apples this year. The eastern seaboard, including the New England States, area has perhaps 25 percent of a normal crop. The North Central and South Central States also have a very short crop, but more than the eastern seaboard. This shortage was occasioned by a series of unprecedented freezes.

The OPA official, who has charge of the disaster clause interpretation, stated on June 19, "The disaster clause legislative history is scanty—does not indicate what Congress wants us to do, and gives only a general idea."

It is the contention of the apple producers that it was the intention of Congress to permit a higher ceiling for the much-reduced production of an area that is affected by disaster, such as has occurred throughout the eastern seaboard and the central part of the country, and that the higher price be permitted to partly offset the losses sustained because of such disaster. However, the setting of a higher ceiling price, is in no wise a guaranty that the affected producing area can get the higher price. It merely permits the producers to sell at the higher prices, providing the consuming public sees fit to pay them.

The past interpretation of OPA of the disaster clause has been that it applies to the total crop, including the produce coming from an area not affected by disaster. The result has been that the former gets more than it is entitled to and the disaster area gets less, and the total dollars paid by the consuming public is greater than would be the case if the increased prices due to disaster were applicable only for the muchly reduced produce coming from an area which had suffered disaster.

OPA seems to be in doubt whether Congress intended that the producing area affected by disaster is to be permitted to sell the remaining produce at a higher price to partly compensate for the loss or the marketing area concept is to control.

On the question of different prices for different producing areas, that principle has already been established and used by OPA in the application of community ceilings. In the marketing of last year's apple crop community ceilings were set up with different prices for western apples and eastern apples; and also different prices under community ceilings were set up for different groups of apple varieties.

In the large crop year of 1944, western apples ceiling in eastern markets were permitted a higher retail ceiling than eastern apples selling in the same markets, due to higher freight costs.

When we wrote this disaster clause into the act I was very definitely of the opinion that we intended to give relief to the producing area and I believe that was the intention of Congress. I ask the distinguished chairman of the committee if that is not his interpretation of the meaning of that disaster clause.

Mr. SPENCE. I believe the disaster refers to the growers, and it seems to me the relief should be afforded to the area affected. I see no reason, if there were a disaster to the growers in a certain area why the ceiling price of the crop should be raised generally. It is my view that the grower who is the victim of the disaster should be given a higher price. He should be given a higher ceiling.

Mr. ROBERTSON of Virginia. I am glad to have that expression from the distinguished chairman of the Banking and Currency Committee because I feel sure no amendment will be necessary with this expression in the RECORD. OPA will give the relief where it intended it to be, in the producing areas where the disaster occurs.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Chairman, I wish to call attention to the serious and critical shortage with reference to fats and oils that is now facing the American people. Fats and oils include such everyday commodities as lard, butter, shortening, soap, and many other household products.

On last Saturday, June 16, the OPA announced another 2-point increase in ration values for lard, shortening and salad and cooking oils effective immediately. The announcement raised the value of these fats and oils to 12 points a pound. It was the second rise in a month and the fifth since the start of the year.

Industrial fats and oils allotments are being reduced for the July-September quarter, according to OPA.

This growing shortage of fats and oils is reflected in the steady rise of consumer point values during the past 6 months. It is interesting to note that at the start of this year lard, shortening and these oils were point free. They received a value of 2 points a pound January 28, went to 4 points on February 25 and now command a value of 12 points according to the latest order.

Mr. Chairman, I believe it is in order for us to look at the record and ascertain the reasons for this growing shortage of fats and oils. I submit that Congress has a responsibility in this matter to fix the blame and correct the situation if a solution can be found by legislative action. It is appropriate that we should assume this obligation just at this time when we are considering the extension of the Price Control Act. I strenuously disagree with those who contend that OPA is a sacred agency and cannot be touched by amendments to the present act. Mr. Chairman, it is the duty of this House to act promptly and effectively in providing food for the American people, and for the starving people of Europe.

The production of fats and oils has been cluttered up with the usual large number of Federal agencies following diverse and in some instances contradictory policies. The Department of Agriculture admits that there will be no relief from this intolerable situation until the late spring or summer of 1946.

Investigation discloses that while the primary responsibility has rested with the War Food Administration, authority has been divided between the usual large number of other Federal agencies involved in the whole food picture, with the added complication that in the case of fats and oils there is an interlocking of the problems relating to edible and nonedible fats and oils. This has brought the all-powerful War Production Board more directly into the picture as a claimant for industrial users.

The principal domestic sources of edible fats and oils have been lard, butter, cottonseed oil, and peanut oil. Since the beginning of the war soybean production has been stepped up many times to provide a substitute, but this has not been sufficient to make up the deficiency. Tallow has been used for both edible and nonedible purposes.

The principal foreign source has been copra imported from the Philippines and South Pacific, two-thirds to three-fourths of which was used for the manufacture of soap.

In normal times the United States has been a net importing nation of fats and oils. Because the South Pacific supplies of copra, with the exception of a small amount from Ceylon, were cut off at the outset of the war, the United States has been called upon to supply all of the

Allied countries with these highly important commodities. Russia and the whole of Europe, according to reports reaching the Republican Congressional Food Study Committee, have a most critical shortage, and the United States is expected to secure and deliver fats and oils and soap so badly needed to combat disease. Because our Federal food authorities failed at the outset to coordinate our own policy and build up supplies from every possible source, our own stocks have reached a low level in trying to meet these foreign demands. Our public officials continue to commit the United States to furnish fats and oils, making the domestic situation much worse.

According to Department of Agriculture statistics, butter production in 1945 will be about 23 percent less than in 1941; lard production, while about the same as 1941, will be 28 percent less than 1944; edible tallow will be 16 percent less than 1941; cottonseed oil will be 6 percent less than in 1941; olive oil will be 50 percent less than in 1941; peanut oil will be 40 percent less than in 1941. Only corn oil and soybean oil will show increases over 1941, the former 11 percent and the latter 113 percent. These figures eloquently show the failure of the Administration to increase production of these necessary items of food. This intolerable situation can only be explained by the failure of Government agencies to work together, by the lack of confidence they have created on the part of producers and processors in Government-sponsored programs and by the utter stupidity of Government officials.

The Administration blundering in the whole meat problem, so scathingly denounced by both Republican and Democratic congressional leaders, has directly contributed in great measure to the shortage of lard and tallow. Because the Office of Price Administration with its unstable theories refused to recognize the price relationship between corn and hogs, hog production materially decreased. Lard cannot be produced without hogs. Likewise, their utter failure to rectify unwise policies on cattle forced feed-lot operators out of business, reduced the tallow supply to a dangerously low level, and placed a greater demand on other critically low fat and oil supplies. Tallow is produced from fat cattle. This fat is put on in the feed lots. The failure of OPA to encourage feeders has resulted in the loss of millions of pounds of meat and fats.

When there was a surplus of hog production, to relieve the fat situation, 50,000,000 pounds of lard were diverted to the production of soap. Lard is not now available for such purposes, with the result that there is such a serious shortage of laundry soap in this country that not only can housewives not find it on store shelves, but it has also been reported that the Army cannot purchase adequate supplies. The situation is growing steadily worse, but soap is a commodity that the Office of Price Administration dare not ration because it has a greater number of distribution outlets than any other commodity. The break-down of rationing and the huge black markets created by OPA blundering in our commodities with far fewer retail distribution outlets makes them fearful that soap rationing would be "the straw that broke the camel's back."

As already pointed out, butter production in 1945 is expected by the Department of Agriculture to be 23 percent below production in 1941, and this is at a time when whole-milk production will be at an all-time high. Why should this situation exist? Simply because it is far more profitable for farmers to dispose of milk for other purposes because of established price controls on milk and its related products. The OPA could substantially increase the production of butter in this country by making the necessary price adjustments.

Members of Congress have been receiving telegraphic pleas from bakers asking aid in securing shortening with which to bake bread. In some sections of the country the shortening situation is so acute that bakeries will be forced to close down. Housewives cannot find shortening on storekeepers' shelves. Retail dealers tell us that they are not getting more than 5 percent of their requirements for retail sale to housewives. In 1938 and 1939, 68 and 69 percent of our cottonseed oil was used for vegetable shortening. In 1943 this was reduced to 40 percent, and 1944 figures are not yet available. Indeed, because of the increasing demand for other purposes, there has been an annual decrease in the percentage of all fats and oils entering into vegetable shortening from 1938 when it was 33 percent to 1943 when it was only 23 percent. As long ago as March 15, 1945, in a survey made by the Bureau of Labor Statistics in 56 large cities in the United States, it was found that 35 percent of the food stores did not have any shortening on their shelves. The situation is growing steadily worse and we are told there is no relief in sight until next year.

American housewives are responsible for the one bright ray shining through this whole sordid picture of Government mismanagement. They are now saving kitchen grease at the rate of twelve to fourteen million pounds per month. This campaign started by the War Production Board has been nobly supported by industry and the general public. About 8 months ago jurisdiction over this campaign was transferred to the War Food Administration. I am reliably informed that the present Chairman of the Fats and Oils Committee of the Requirements and Allocations Committee, which represents the United States on the Combined Food Board, and who now supervises this program, some months ago recommended that the campaign be discontinued since it was no longer necessary.

Fundamentally, the causes which have brought about this situation are identical with those which have created the continuing critical meat shortage, the critical poultry shortage, the critical sugar shortage—failure of the administration to centralize all problems of food in a single agency with authority and responsibility to coordinate a practical and realistic policy that will meet the needs of the Nation. No relief can be expected until that situation is remedied and theorists are replaced by practical businessmen in administrative Government positions.

I express the sincere hope that the necessary amendments to provide some relief from OPA policies may be adopted by the House in extending the Price Control Act. Otherwise, these shortages will continue and become more acute.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, when mothers go into my Lowell office and cry because their sons have gone back to duty after they had come home on furlough because they could not get fed at home, it is a very tragic situation. These mothers and fathers have not seen the soldiers for a long time; yet they begged the men to go back where they could be fed.

Mr. Chairman, it does not seem to me that legislation is going to be the solution of this whole food problem if the distribution of that food is not properly handled. I have talked with various officials in numerous departments of Government handling the food situation, and I have asked them not to give me statistics, not what they are going to do some months from now, 6 months or a year or even 3 months from now, but I want action. I want food distributed to my district and to New England immediately. It is generally conceded that New England has been unfairly dealt with as far as the proper distribution of food is concerned. The people of Massachusetts are very bitter and they are very rebellious.

Mr. Chairman, I want to read part of a letter that came to me today, which is a sample of other letters I am receiving. In part this letter states as follows:

> Last night a young dairy herd in Groton was stolen, and evidently loaded into trucks and spirited away, and 2 days ago six beef steers in this vicinity were stolen and taken away. Tonight and from now on the dairy herds in this vicinity will be protected by armed guards. The shooting will start at any moment now.

There is stated something to the effect that it was planned. I am not going to say anything on that subject because I cannot think a rebellion has been planned. But people will have food. The people realize that in Canada you can buy meat, and all the meat you want, oil, fats, fish, and all the products that are needed to sustain life, while in our own country, in Lowell, Mass., in my district, that cannot be done. For instance, my secretary told me that he went to a combined butcher-grocery shop and tried to secure meat. He asked for eggs and for poultry, but could not get them. He tried to get fish and oil and butter and other fats. He could not get any of these commodities in that shop or in other shops. He could not get any sugar either. Then he thought he would have plain boiled potatoes. He could not secure potatoes to boil.

I am informed that there were a thousand persons in a small shop in Lowell recently trying to secure food.

In Canada they have all they want when our people are going hungry. England has taken better care of her people in distribution than has the United States, and Canada has done much better. There is no excuse for the faulty distribution of food in the United States. It must be corrected, and corrected at once.

We are prohibited, I understand, from importing food from Canada while we are exporting or have been exporting meat to other countries. I understand that for 3 months now they are going to stop the exportation of meat. Why not bring in meat from Canada? I am told that in London I would be horrified—and this comes from our own Americans who are there—if I could see the quantity and kind of food that is being sent over there. Canada is sending great quantities to UNRRA, and UNRRA does not function properly. We want to help the starving people of Europe, but I do not feel that it is our responsibility alone. Certainly we must prevent the people in our own country from starving. In my own district the people working in industry are becoming weakened because they are not receiving the proper kind of food. Certainly legislation will not help if the bungling in reference to the distribution of food continues.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. O'KONSKI].

Mr. O'KONSKI. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. O'KONSKI. Mr. Chairman, perhaps just as important as holding the line and holding down the cost of living in our own country is the occurrence of events throughout the world. I have in mind particularly the trial of the Polish underground leaders in Moscow, which is going on at the present time. A great deal of newspaper comment has been published and news articles released from the Soviet Union which give only one side of the story, and I think that since the combined Chiefs of Staff of the United States and England do not see fit to do so, it is time that the other side of the story is told.

Spearheading the trial at Moscow at the present time is a leader of the Polish underground, a general by the name of Okulicki. The news emanating from Moscow does not tell the true but disturbing fact that Okulicki, who was accused of double-crossing the Allies and double-crossing the Soviet Union as a leader of the Polish underground, was acting under direct orders worked out by the combined Chiefs of Staff right here in Washington. By that I mean that before General Okulicki was landed by parachute from Allied planes into Poland to carry on his underground work he was given special training in that work by the Allied Supreme Command in England, which was approved and worked out here by the combined Chiefs of Staff in Washington. Many similar missions were sent to practically every occupied country, and the mission that was led by General Okulicki was just one of the many that was trained for that special purpose and approved by the combined Chiefs of Staff here in Washington. The men were trained in England only after the combined Chiefs of Staff here in Washington gave their O. K. Okulicki's was only one of many such missions. All the work that Okulicki did was done with the approval of the Allied Supreme Command as worked out and approved by the combined Chiefs of Staff here in Washington. Orders were given to sabotage and destroy communications, railroads, and other facilities in the rear of the eastern front. That they accomplished. The irony of the whole situation is that General Okulicki was arrested for possessing short-wave radio equipment. The equipment for which General Okulicki was arrested by the NKVD was radio equipment that was given General Okulicki by the combined Chiefs of Staff and the Allied Supreme Command in order to carry on his work and to keep in direct contact with the Allied Command; in other words, Okulicki was only one of General Eisenhower's emissaries representing the underground movement in the various countries in Europe. What disturbs me is this: Here is a man who was selected by the combined Chiefs of Staff to carry out the underground work. He is on trial for doing that work today, and the combined Chiefs of Staff here in Washington do not rise to his defense. Each and every one of those statements I have made are true statements. They are statements on record with our War Department. I am just wondering if this silence on the part of the combined Chiefs of Staff of the United States of America is not merely another policy of appeasement of the Soviet Union in the solution of the European problem.

POLISH NATIONAL LEADERS ON TRIAL IN MOSCOW

In March 1945 a group of the prominent leaders of the Polish underground, in fact, members of the Polish Government and legislative bodies in Poland, were arrested by the NKVD, after they had revealed themselves to the Russian authorities, in order to discuss the creation of a new Polish Government. The group included the Deputy Premier in Poland, Mr. Jan Jankowski, former commander of the home army; Maj. Gen. L. Okulicki; and 13 others.

In June 1945 the Soviet Government proclaimed that the Polish high officials will be tried by a Soviet military tribunal on charges of espionage and sabotage against the Soviet Army in Poland.

A foremost question must be asked, "What right does the Soviet Government have to try, before a Russian military tribunal, the citizens of an Allied country?" If Allied troops are present on other Allies' territory and if any of the latter's citizens commits an offense against the other army, he can be tried only by the courts of his own country. But the fact is that the 15 Polish leaders have committed no offense against the Soviet Army, nor are they ordinary Polish citizens. They are the members of the supreme Polish authorities which for 5 years directed the resistance of Poland against Germany and led the Polish war effort at home, including extensive open military operations of the home army against the Germans in 1943 and 1944, which have been of great help to the Soviet Army itself.

Messrs. Jankowski, Okulicki, and others are put to trial because the Soviet Government expects to achieve by this trial specific political aims.

One purpose of the trials is to discredit in the eyes of public opinion in America and in Great Britain not only the Polish Government in London, but the whole contribution of Poland to the war, and especially to belittle, besmirch, and ridicule the heroic record of the Polish Underground. This the Soviets want to achieve by presenting to the world the leaders of this underground as ordinary criminals, saboteurs, and German agents.

If the Soviet Government succeeds, it will gain more than the discredit of the Polish war effort. It will abase, if not destroy, the values for which the record of the Polish underground stands in the eyes of many peoples of the world.

The Soviet mock trial in Moscow strikes at the very concept of freedom, truth, justice, and democracy as they are understood in this country. If American public opinion accepts the Soviet charges and the treatment of the Polish underground leaders, without a vigorous protest and without branding the criminal character of Soviet political justice, it will subscribe to the repudiation of those principles that form the basis of our own social and political life. It will then help to forge the weapon of destruction of present principles of justice and freedom for whose preservation this country has already paid the price of a million casualties among men and women of its armed forces.

There appears to be a distinct immediate political gain which the Moscow trial is designed to achieve. By discrediting the heads of the Polish underground, the Soviets are eliminating precisely those Polish democratic leaders who were to form the new Polish Government of national unity—as agreed between the Three Powers in the Yalta formula.

It should be noted that simultaneously with the Moscow trial the Soviet press is reporting a wave of the "attacks and sabotage" against the Soviet Army in Poland, allegedly conducted by units of the Polish underground forces. We can see a typical Soviet pattern of provocation which, together with the trial, is a help the Soviet Government to sabotage the agreement reached at Yalta. If fear of American and British reaction will compel the Soviets to fulfill the Yalta formula in its letter, by elimination of real Polish democratic leaders and by creation of a state of alleged insecurity in Poland, the Russian Government will be able to avoid carrying out the agreement in spirit—and instead of a free Polish Government—to create another puppet administration, controlled by the trained agents of the Comintern.

The 3 months that elapsed between the arrest of the Polish officials and their appearance at the trial, must have given the NKVD enough time to prepare the scenario of the proceedings to the fullest extent. Details of propaganda as well as

of political maneuvers assigned to Soviet diplomacy could have been carefully weighed.

Dispatches from Moscow to the American press have already reported on June 18, that Maj. Gen. B. Okulicki and the others of the 16 Polish leaders had confessed to a long list of charges, including the killing of 594 Russian officers, anti-Soviet espionage and conferring with the Germans.

If that is the case, it can only prove that the NKVD once more has succeeded in the "processing" of prisoners entrusted to its care. For a better effect, some of the accused admit only "part of the guilt."

It should be observed that Polish sources reported from the beginning the arrest by the Soviet police of only 15 members of the former Polish underground administration, including an interpreter. On the other hand, Soviet sources persistently refer to the figure of 16 arrested. The mysterious sixteenth prisoner, whose name so far has not been mentioned, may well be a Polish leader of Soviet making, an agent provocateur, planted among the group as the main actor of the prosecution.

The press dispatches also report that "the trials were held in the same blue-walled hall where the Trotskyist purge trials were held in 1937. The same judge, Vasily V. Ulrich, presided."

The technical side of the Soviet production remains unchanged.

The documentary part of the accusation reveals political trends which deserve the attention of the American public; in an Associated Press dispatch from Moscow of June 18, General Okulicki is reported to be accused of "possessing—at the time of his arrest—a document in which he declared that in the event of a Soviet victory over Germany, England would have to form a western European bloc to combat the Russians, that Poland would play a part in an anti-Russian coalition," and so forth.

A charge of this sort is false in its very concept. For those, however, who are unaware of the nature of the Polish underground and may lend credence to the Soviet allegation, it may be added that General Okulicki, like the rest of the group, was arrested after he proceeded voluntarily to a rendezvous point with the Russians; the likelihood, therefore, of the General taking with him any compromising documents does not occur. The fake nature of the document is beyond doubt.

But the charge of an alleged plot against the Soviet Union with British instigation is directed not only against the Polish veteran general but against the Allied high command. General Okulicki was sent to Poland in 1944, by a decision of Premier Mikolajczyk's government, but since the operations of the Polish home army were directed by the over-all strategy of the Allied command, General Okulicki went to Poland as a subordinate of the commander in chief of the European theater, Gen. D. Eisenhower, and was conveyed to Poland in Allied aircraft of a special squadron, operating as part of the Allied Strategical Air Forces, under plans approved in detail by the combined chiefs of staff in Washington.

Although the status of General Okulicki, as of a subordinate to the Allied commander in chief in Europe is tactfully ignored by the Soviet authorities, the charges implied in the Soviet accusation are undoubtedly part of the political background of the trial and are calculated to produce a concrete political effect.

The Soviet Government presumably hopes to intimidate the public opinion and the governments of free countries, in Europe and America, to prove that no influence of the British and American Governments, not even the prestige of the Allied commander in chief, can induce a change in policy of the Soviet Union; that the Soviet power, once committed to a decision, must and shall always prevail.

To the nations of central and southeastern Europe, where the direct control of the Red army extends now over 125,000,000 non-Russian people, the Moscow trials are designed to demonstrate with convincing clarity that that part of the world is irrevocably in Soviet possession and that the western allies are denied forever any power of interference in the Soviet-controlled areas. Since the Polish underground army, and its last commander, General Okulicki, with all their record of 5 years' struggle were representing in the eyes of the Czechs, Yugoslavs, Hungarians, Rumanians, and so forth, the spirit of the western allies and were considered part of the Allied armed forces, no better case for the discrediting of Allied prestige in Europe could have been built.

But it may well be that the accusations of the Polish leaders of conspiracy with England, against the Soviet Union, are part of a far-reaching plan of the Soviet government to create a psychological background for a possibility of a new conflict. Anti-Allied propaganda is known to have been carried out in recent months among the Red army and in the Soviet occupied countries. Although we cannot appraise sufficiently the scope of this propaganda, the anti-British theme in the Soviet accusation must be judged significant.

It may be said in conclusion, that the Polish group in Moscow are being tried, not for the crimes which are imputed to them by official Soviet propaganda, but for their record as untiring leaders of the Polish underground, for the 5 years of unrelenting struggle against Nazi Germany, for their faithful and loyal stand for the cause of freedom, justice, and democracy, as represented in the ideals of their American and British allies.

The Polish leaders are dangerous to the Soviet imperialistic and revolutionary design, not only as members of the highest authorities of a free nation, but because they became, in the eyes of the people of Europe, a symbol of the free and democratic ideals which the Soviet Union repudiates.

Whether the Polish leaders are condemned to death or convicted to some other punishment, by an act of leniency on the part of the Soviet authorities, by putting these men on trial, by their humiliation, the Soviet Government aims a deadly blow at the ideals of freedom, justice, and democracy in Europe.

SOVIET SHOW TRIALS

Fifteen Polish underground leaders are being tried in Moscow by the supreme collegium of the Soviet military tribunal. The circumstances and political background accompanying the proceedings reveal the features characteristic of a Soviet show trial—a manifestation of Soviet justice of a kind unknown in any other country in the world. Show trials—the "Pokazatielnyj proces"—have ranked in the Soviet terroristic machinery as events of a particular political significance. First resorted to in 1922, the "Pokazatielnyj proces" was employed in subsequent years and assumed an important part in Stalin's action against the opposition within the Communist Party in the great purges of 1936–37.

It appears that by staging open trials of political personalities, the Soviet Government desires to explain and justify, in the eyes of public opinion in Russia and abroad, such purges as could not be concealed and accepted without provoking embarrassing reaction.

The background of the great purges of 1936 and 1937 is best exposed in Mr. D. J. Dallin's work, The Real Soviet Russia—pages 238 and 239:

> Intellectuals in officers' uniform, even active members of the Communist Party or old Bolsheviks assigned to military posts, often used to become infected with the spirit of opposition after some years of work; at times they joined various opposition groups—in most cases of the right opposition of the party—and then they were frequently subject to punishment. One of the most talented of Soviet military leaders, Marshal Tukhachevsky, at one time joined the right oppositionist circles of the Communist Party. He was executed in 1937, when a conflict arose over the restoration of the hated commissars of the army.

In 1936 Stalin, according to Mr. Dallin, decided to eliminate the opposition that was shaping among the Russian intelligentsia and the Communist Party itself against his dictatorship. It was generally agreed among American observers of Russian affairs that men liquidated in the years 1936 and 1937 were too well known to the Russian and foreign public, and too devoted to the Communist cause and to Russia to become victims of firing squads and concentration camps without their liquidation being explained to the public.

The leaders of the opposition were therefore put on trial under the accusation of connivance against the Soviet Union with "the agents of Fascist and capitalistic countries" and ultimately condemned to death or forced labor and branded as the enemies of the toiling class, foreign spies, and saboteurs.

Presumably the Soviet Government believes that if only a fraction of the official accusation is accepted by the public, the show trials achieve their purpose.

The propaganda trials are staged with a view to public opinion not only at the time of the trial, but also in the future. And it can be said, to some extent, this policy succeeds. Although at the time of

the great purges the charges of sabotage and fascism hurled against prominent Communists and leading Russian generals were received with incredulousness, in later years some of the accusations were revived by bona fide writers in Britain and America, when it was politically desirable to justify the policies of the Soviet Union.

Mr. Dallin writes on this subject in 1944:

> More recently the American press has shown an inclination to accept the official Kremlin version concerning the alleged treason of Marshal Tukhachevsky and his colleagues and to believe in their negotiations with Germany. Some rather dubious "experts" from Paris and Prague have strenuously propagated this legend.

The most important feature of a Soviet "show trial" scenario, is the unqualified admission of guilt by all accused, on every charge and in every trial, which fact alone has puzzled foreign observers.

The history of the Soviet open political trials begins in 1922 with the appearance before a Soviet tribunal of the Catholic Archibishop Cieplak, Prelate Budkiewicz and 14 Catholic priests. The statement of the tribunal, accompanying the final sentence, reveals dramatically the political background of Soviet justice. The sentence proclaimed that "the accused are tried not only for the crimes they have committed, but for the crimes they would commit or would be able to commit."

In August 1936 a group of well-known Bolsheviks were put on trial; the list was headed by Zinovieff and Kamienieff, two of the most prominent members of the Communist Party. The editor of Pravda, dean of Soviet Communist journalism, Karl Radek, tried in the company of Gregory Sokolnikoff, G. L. Piatakoff and 14 others—in January 1937, admitted his guilt in a vocabulary and fashion indescribable in the English language.

Foreign observers present at the trial described the proceedings in the court as a dance macabre, which turned the courtroom into a chamber of utmost horror and abomination, defying all established principles of justice and human dignity. The accused, in a condition of exhaustion, act and speak like automatons. At the end of his confession Radek declared in court:

> I admit my guilt and the charges of sabotage and the participations in plots on Comrade Stalin's life, even those I don't know about. I request a severe sentence.

In February 1937 a Soviet citizen by the name of Navachine was murdered in Paris in mysterious circumstances. The authors of the murder were not discovered. It was revealed, however, that Navachine, a former member of the Ogpu, fugitive from Russia, was well informed about the methods employed by the Soviet secret police in the purge trials and had contemplated the publication of his knowledge in the French press.

In May 1937 purges among the high ranking officers of the Red army were begun.

Marshal I. G. Gamarnik, Vice Commissar of War, one of the Bolsheviks of the Old Guard, was reported to have committed suicide.

In June 1937 the Tukhachevsky and associates trial got under way. Tukhachevsky was condemned to death and executed by a firing squad. Generals Putna, Kork, Jakir, Eideman, Uborevitch, Feldman, and Primakoff shared his fate.

It is estimated that altogether, in the period between the years 1937 and 1939, the purges have resulted in the deaths of 3 marshals of the Soviet Union, out of 5; 7 generals of the general staff; 75 high-ranking officers, members of the Supreme Council of War, out of 80; 13 army commanders, out of 19; 15 corps commanders, out of 85; 110 divisional commanders, out of 195; 202 brigade commanders, out of 406.

In Soviet aviation, two political commissars of the General Air Staffs, three field commanders, and the commander of the air district in Moscow, A. N. Toupoleff, the creator of the Red air force, disappeared together with a group of close friends.

In the Soviet Navy, 12 high-ranking officers.

THE TECHNIQUE OF THE OPEN POLITICAL TRIALS

Political motives behind the show trials and the inhumanity of the process can best be exposed by an analysis of the technique employed in the trials by the Soviet secret police. These methods are highly elaborate and pervaded by a spirit typical of the Soviet Russian system, while at the same time, as do many features of the Soviet revolutionary machinery, follow the same pattern likely to be repeated in similar circumstances.

The story of the behind-the-scenes activity accompanying a "show trial," on the basis of evidence supplied by the few former functionaries of the Ogpu and the NKVD who escaped from Russia, and of some victims miraculously saved from Soviet prisons—can be pieced together to reveal the following picture:

The first stage of proceedings consists in the arrests of the selected individuals. This is usually accomplished in a series of quick raids so that no warning to victims can be given. Usually, in order to provide suitable witnesses or hostages whose safety may have an effect on the morale of the main "actors," relatives, friends, and collaborators of the accused are also arraigned.

Simultaneously with the arrests, the Soviet press begins a propaganda campaign, presumably designed to produce in public opinion a desired political "climate" which would assist the Kremlin to justify eventually in the eyes of the people the accusations and conviction of the prisoners.

During the great purge trials it was persistently repeated in the Soviet press that Soviet Russia was in immediate danger of attack by capitalist powers or that the democratic liberties involving a free press—that is, freedom of criticism of Stalin's government—are a direct menace to the security of the Union.

There is no doubt that the trials are conducted according to a precise scenario, which is carefully prepared in advance and includes such details as the sequence and wording of every statement made during the public hearing, confessions, and behavior of the accused, and so forth. Documents allegedly proving the guilt of the victims are produced in desired quantity and contents. The scenario does not overlook a spontaneous reaction of the people, which is to follow the trials, in the form of mass meetings in most distant parts of the Soviet Union, where resolutions are passed unanimously and telegrams sent to Stalin demanding that a stern punishment be meted out to the traitors and enemies of the people.

A show trial is an interdepartment affair, and many Commissariats are concerned with its preparations. But the most important part, the processing of the prisoners, is a monopoly of the NKVD—Narodnyi Kommissariat Wnutrennich Diel—Commissariat of Internal Affairs.

The method employed in this respect is a Soviet State secret. Developed by the rich experience of the Czeka, Ogpu, and the NKVD, perfected by such experts of the Russian secret police as Yagoda and Jezoff, it may be responsible for the incredible phenomenon that, as a rule, all of the accused admit their guilt without reservation. Although the exact formulas of the Soviet methods have not been fully discovered, what is known suffices to appreciate the scope of the preparations reserved for the prisoner before he is led to an open trial.

Each of the candidates on trial, as with every important prisoner of the NKVD, is, to begin with, put into isolated confinement, in conditions presumably calculated to produce in him the impression that the doors to the world are irrevocably shut behind him. The prisoner is subject to prolonged interrogation during which the investigating officers constantly invoke the theme that the prisoner is an outcast of society, has been repudiated by his nation, friends and relatives, that by his offences he has deprived himself of the protection of the law and that his only salvation may lie in gaining the good graces of the officers of the prosecution by docile conduct and readiness to confess his crimes. This is the background of the psychological part of the processing.

The psychological process then continues with the application of some technical devices of a mild character reserved for prize prisoners. This constitutes the first degree of the actual preparation. The prisoner is confined in a dark-silent cell (bezshoumnuye koridory). The cell is kept in darkness so that no night or day is distinguishable. The prison corridors are lined with a thick carpet. Complete silence prevails, interrupted perhaps, by an occasional shriek from a victim. From his dark cell the prisoner is periodically conducted to the interrogation, where, under blinding floodlights, he remains for several hours surrounded by a group of polite but insistent inquisitors whose theme, at this stage, is usually an insidious invitation to the prisoner to supplement by a few statements the list of his charges, otherwise well-known to the prosecution. Outright confession is suggested as the best means to alleviate the prisoner's punishment.

When the processing does not produce the desired results during the mild treatment, the psychological preparation assumes a more morbid character.

The second degree begins; the prisoner, though himself not subject to physical punishment, is made to witness the most horrible and elaborate torture performed on a selected victim of the NKVD, usually some prisoner of no political importance, a casual guinea pig of Soviet criminal procedure; the prize prisoner is thus forewarned what treatment would be reserved for him if he fails in playing up to the part assigned to him in the scenario of the trial.

Maintained in a condition conscious of his suffering by stimulative injections and, if necessary, revived by expert medical treatment, the victim is subjected to a variety of tortures. Electric current is applied to his eyeballs or other tender parts of the body; his fingernails are ripped apart; water is pumped into his stomach; or "glove-taking," one of the classic ancient Asiatic tortures, is performed, consisting of tearing off parts of the victim's skin.

If the behavior of the prisoner, even after this nerve-shattering spectacle, does not guarantee, in the eyes of the NKVD, his complete docility at the critical moment of appearance in the trial, the second degree is supplemented by the physical torturing of the prize prisoner himself. This, however, is done with extreme care, so that no traces would be left on his body. This can be achieved by such devices as beating with a steel rod over a thin wooden board. This—the Guitare—results in serious internal injuries, leaving the skin intact. A similar effect is achieved by tightening a steel band around the prisoner's head.

Supreme importance is, however, attached to the third degree of the preparation. This assures the final result—of changing the physically and mentally broken prisoner into a living automaton.

The patent procedure at this stage—according to available evidence—is to put the prisoner in a cell equipped with loudspeakers over which, after the prisoner was given injections of drugs designed to paralyze his cerebral centers—gramophone records repeat over and over, apparently for several nights and days, fragments of his accusation and his answers to be made during the trial.

The prisoner, when finally led to the court, is a living corpse, an automaton, incapable of normal human reactions.

Only the Soviet methods of processing prisoners can produce a phenomenon, repeated over many years and in numerous trials, when political personalities, not infrequently statesmen known for their vigor and the strength of their convictions, unanimously admit their guilt, praise Stalin, denounce themselves in profuse, base self-accusations, finally plead for a stern punishment.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration House Joint Resolution 101 extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. PATMAN (at the request of Mr. SPENCE) received permission to insert certain excerpts, statistics, and charts in the remarks he made today in the Committee of the Whole.

Mr. PITTENGER (at the request of Mr. WOLCOTT) was given permission to extend his remarks in two particulars in the Appendix of the RECORD and insert in each an editorial.

Mr. POWERS (at the request of Mr. WOLCOTT) was given permission to extend his remarks in the Appendix of the RECORD and include a speech by William Jackman on the investoric system.

Mr. JENKINS asked and was given permission to revise and extend the remarks he made this afternoon in Committee of the Whole and include therewith copy of a letter he had written to Mr. Hoover.

Mr. CUNNINGHAM asked and was given permission to extend his remarks in the RECORD and include therein an editorial from the Des Moines Register.

Mr. BUTLER asked and was given permission to extend his own remarks in the RECORD and include a clipping from a Buffalo paper.

HOUR OF MEETING TOMORROW

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. AUGUSTINE B. KELLY (at the request of Mr. EBERHARTER), for an indefinite period, on account of death in the family.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1080. An act to amend Public Law 347, Sixty-fourth Congress, approved February 23, 1917; to the Committee on Education.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2416. An act authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1819; and

H. J. Res. 206. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 118. An act authorizing the Secretary of the Interior to convey certain lands on the Gila reclamation project, Arizona, to the University of Arizona;

S. 426. An act for the relief of Mr. and Mrs. Walter M. Johnson;

S. 427. An act to repeal section 3 of the act approved April 13, 1938, as amended, relating to hops;

S. 612. An act to amend the National Defense Act, as amended, so as to eliminate provisions for retirement of wing commanders of the Air Corps; and

S. 916. An act to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, June 21, 1945, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Thursday, June 21, 1945, at 10 o'clock a. m., in the committee room, room 356, Old House Office Building.

COMMITTEE ON THE JUDICIARY

The Committee on the Judiciary will begin hearings at 10 a. m. on Thursday, June 21, 1945, on the following bills with respect to Federal administrative procedure: H. R. 184, H. R. 339, H. R. 1117, H. R. 1203, H. R. 1206, and H. R. 2602. The hearings will be held in the Judiciary Committee room, room 346, Old House Office Building.

The hearing previously scheduled by the Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary for Friday, June 15, 1945, will be held on Monday, June 25, 1945, at 10 a. m. The hearing will be on the provisions of the bills (H. R. 33 and H. R. 3338) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto (referees—method of appointing, compensation, etc.), and will be conducted in the Judiciary Committee room, room 346, Old House Office Building.

There will be a meeting of Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m. on Wednesday, June 27, 1945, to continue hearings on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

577. A letter from the Attorney General, transmitting a report stating all of the facts

and pertinent provisions of law in the cases of 77 individuals whose deportation has been suspended for more than 6 months under the authority vested in him, together with a statement of the reason for such suspension; to the Committee on Immigration and Naturalization.

578. A letter from the Acting Secretary of the Treasury, transmitting copies of communications from the Treasury Department to the Director of the Bureau of the Budget relating to personnel ceilings of various bureaus and offices of this Department; to the Committee on the Civil Service.

579. A letter from the Acting Secretary, Department of State, transmitting a draft of a proposed bill, to enable the United States to participate in the work of the Intergovernmental Committee on Refugees, and to pay its share of the expenses of the Committee; to the Committee on Foreign Affairs.

580. A letter from the assistant secretary, National Institute of Arts and Letters, transmitting the official report of the National Institute of Arts and Letters for the year ending December 31, 1944; to the Committee on the Library.

581. A letter from the assistant to the President, the American Academy of Arts and Letters, transmitting the official report of the American Academy of Arts and Letters for the year ending December 31, 1944; to the Committee on the Library.

582. A letter from the Acting Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

583. A letter from the President, United States Civil Service Commission, transmitting the twenty-fourth annual report of the Board of Actuaries of the Civil Service Retirement and Disability Fund for the fiscal year ended June 30, 1944; to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGEHEE: Committee on Claims. H. R. 3437. A bill conferring jurisdiction upon the Court of Claims of the United States to consider certain claims arising after January 1, 1926, out of the Tariff Act of 1922; without amendment (Rept. No. 775). Referred to the Committee of the Whole House on the State of the Union.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 2613. A bill to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain so-called Sebastian Martin grant lands, in the State of New Mexico; without amendment (Rept. No. 776). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FERNANDEZ: Committee on Claims. H. R. 786. A bill for the relief of D. T. George; with amendment (Rept. No. 766). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on Claims. H. R. 799. A bill for the relief of Pauline Smallwood; with amendment (Rept. No. 767). Referred to the Committee of the Whole House.

Mr. GRANAHAN: Committee on Claims. H. R. 1456. A bill for the relief of George E. Baker; with amendment (Rept. No. 768). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. H. R. 2398. A bill for the relief of William J. Debler; with amendment (Rept. No. 769). Referred to the Committee of the Whole House.

Mr. GRANAHAN: Committee on Claims. H. R. 2737. A bill for the relief of Clara Black; with amendment (Rept. No. 770). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3363. A bill for the relief of Paul W. Mankin; without amendment (Rept. No. 771). Referred to the Committee of the Whole House.

Mr. HOOK: Committee on Claims. H. R. 3419. A bill for the relief of the estate of Mrs. Mary Karalis; without amendment (Rept. No. 772). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3443. A bill for the relief of Otto Kraus, receiver of the Neafie and Levy Ship & Engine Building Co.; without amendment (Rept. No. 773). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 3453. A bill for the relief of John W. Farrell; without amendment (Rept. No. 774). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H. R. 3515. A bill to provide for vacancy in office of both President and Vice President, and for other purposes; to the Committee on the Judiciary.

By Mr. McGLINCHEY:

H. R. 3516. A bill relating to evictions from defense-area housing accommodations; to the Committee on Banking and Currency.

By Mr. CELLER:

H. R. 3517. A bill to authorize the admission into the United States of persons of races indigenous to India, to make them racially eligible for naturalization, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. FARRINGTON:

H. R. 3518. A bill to increase the number of midshipmen at the United States Naval Academy allowed for Delegates in Congress; to the Committee on Naval Affairs.

H. R. 3519. A bill to increase the number of cadets at the United States Military Academy allowed for Delegates in Congress; to the Committee on Military Affairs.

By Mrs. ROGERS of Massachusetts:

H. R. 3520. A bill to increase the death compensation rates to widows of veterans of World War I or World War II who were receiving or entitled to receive compensation, pension, or retirement pay; to the Committee on World War Veterans' Legislation.

By Mr. VURSELL:

H. R. 3521. A bill authorizing the city of St. Francisville, Ill., to construct, maintain, and operate a toll bridge across the Wabash River at or near St. Francisville, Ill.; to the Committee on Interstate and Foreign Commerce.

By Mr. RANKIN:

H. R. 3522. A bill to liberalize and clarify the laws pertaining to hospital treatment, medical care, domiciliary care, and related services, and for other purposes; to the Committee on World War Veterans' Legislation.

H. J. Res. 218. Joint resolution to provide for designation of the Veterans' Administration Hospital at Crugers Park, Peekskill, N. Y., as "Franklin Delano Roosevelt Hospital"; to the Committee on World War Veterans' Legislation.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to increase the compensation of certain Territorial and Federal officers; to the Committee on the Territories.

Also, memorial of the Parliament of Norway, expressing to the people of the United States its feelings of gratitude and admiration for the wonderful assistance rendered and for the tremendous war effort; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States in favor of the transfer to the several States of the administration of the Federal social security law so far as it relates to old-age benefits and survivors' insurance; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to investigate through its appropriate committee the proposed construction by the War Department of an ammunition-loading facility in the county of Marin and to demand of the War Department that activities in connection with the said proposal be discontinued pending such investigation; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to endorsing and urging the passage of H. R. 2081, to permit the use of live decoys in the taking of ducks; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to maintain the existing gold-reserve ratios and to enact legislation to increase the monetary value of gold; to the Committee on Coinage, Weights, and Measures.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Louisiana:

H. R. 3523. A bill for the relief of Sam Damico and Clint Hamm, operating as the D & H Grocery; to the Committee on Claims.

By Mr. CASE of South Dakota:

H. R. 3524. A bill for the relief of L. A. Johnson; to the Committee on Claims.

By Mr. TOWE:

H. R. 3525. A bill for the relief of Owen Young; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

976. By Mr. ANDREWS of New York: Petition on child care submitted by group of citizens sponsored by the Council of CIO Women of Buffalo, N. Y., stressing the need for continuance of nursery schools and child-care centers as provided by the Lanham Act through the Federal Works Agency, and protesting the proposed cut of $14,000,000 from the $36,000,000 budget, requesting that the appropriation be passed in full by July 1; to the Committee on Appropriations.

977. By Mr. COCHRAN: Petition of J. W. Lawrence and 295 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

978. Also, petition of Henry L. Schnellmann and 333 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

979. By Mr. HART: Memorial of the Società Di Mutuo Soccorso "La Giovine-Sicilia" of Hoboken, N. J., urging that the United States Government and other Allied Nations recognize Italy as an ally; to the Committee on Foreign Affairs.

980. Also, memorial of North Arlington Regular Democratic Club, of North Arlington, N. J., urging that January 31 be designated as a national holiday, in honor of the late President Franklin Delano Roosevelt; to the Committee on the Judiciary.

981. By Mr. HESS: Petition of sundry citizens of Hamilton County, Ohio, urging the enactment of legislation for the renewal of the Price Control Act without weakening amendments, and the appropriation of sufficient funds to permit the OPA to function effectively; to the Committee on Banking and Currency.

982. By Mr. LYNCH: Petition of Bronx County Bar Association, urging enactment of House bill 2181 to increase the compensation of Federal judges; to the Committee on the Judiciary.

983. By Mrs. ROGERS of Massachusetts: Petition of the General Court of Massachusetts in favor of the transfer to the several States of the administration of the Federal social security law so far as it relates to old-age benefits and survivors' insurance; to the Committee on Ways and Means.

984. By Mr. WELCH: Petition of California Legislature concerning Senate Joint Resolution 32, relative to memorializing the Congress of the United States to investigate through its appropriate committee the proposed construction by the War Department of an ammunition loading facility in the county of Marin and to demand of the War Department that activities in connection with said proposal be discontinued pending such investigation; to the Committee on Military Affairs.

985. Also, petition of the California Legislature concerning Senate Joint Resolution 20, relative to endorsing and urging the passage of House bill 2081, to permit the use of live decoys in the taking of ducks; to the Committee on Agriculture.

986. By the SPEAKER: Petition of the president, women's Bible class, Methodist Church, Marion, S. C., petitioning consideration of their resolution with reference to their request for legislation providing that the supply of sugar now being allocated to distillers for the making of alcoholic beverages of all kinds be henceforth terminated, and that such supply be equitably apportioned among those who desire its use for the purpose of canning and preserving our perishable fruits and vegetables; to the Committee on Banking and Currency.

987. Also, petition of the Secretary, United States-Mexico Border Public Health Association, petitioning consideration of their resolution with reference to their endorsement of House bill 592; to the Committee on Rivers and Harbors.

988. Also, petition of Armand May and various citizens of the State of Georgia, petitioning consideration of their resolution with reference to the pending legislation to establish a permanent Fair Employment Practice Commission; to the Committee on Labor.

SENATE

THURSDAY, JUNE 21, 1945

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of our fathers, above all the commotion and confusion of the busy present with its bewildering demands, we would now turn aside to seek the quietness of Thy presence. Following the example of the Nation's founders, we pause at midday to lift our thoughts above all pressing cares and public concerns into the contemplation of Thy infinite calm. In the secret of Thy pavilion we take refuge from the strife of tongues. By tasks too difficult for us we are driven unto Thee for strength to endure and wisdom to rightly interpret the signs of trying times.

In these hallowed Halls may we serve with fidelity the cause of our country and of our common humanity and so help to build the city of God on the ruined wastes of this disturbed and disordered world. We ask it through riches of grace in Christ Jesus our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, June 20, 1945, was dispensed with, and the Journal was approved.

DEATH OF LT. COMDR. THOMAS C. HART

Mr. McMAHON. Mr. President, I announce to the Senate with very deep regret the death of Lt. Comdr. Thomas C. Hart, United States Navy, the son of our colleague the junior Senator from Connecticut [Mr. HART]. Lieutenant Commander Hart died as the result of an illness contracted in the South Pacific.

I wish to advise Senators that funeral services will be held in the chapel at Fort Myer at 1 p. m., Saturday, June 23, and interment will follow at the Arlington National Cemetery. The lieutenant commander will be buried with full military honors.

PETITIONS

Petitions were laid before the Senate by the President pro tempore and referred as indicated:

A resolution adopted by the women's Bible class of the Methodist Church of Marion, S. C., favoring the enactment of legislation providing that the supply of sugar now being allocated to distillers for the making of alcoholic beverages be terminated and that it be apportioned to citizens for the purpose of canning fruits and vegetables; to the Committee on Agriculture and Forestry.

The petition of James D. Burns, of Tucson, Ariz., praying for the enactment of House bill 3035, providing for an increase in the wages of postal employees; ordered to lie on the table.

TRIBUTE TO FRANKLIN D. ROOSEVELT

Mr. WAGNER. Mr. President, I present a resolution adopted by a meeting of the executive committee of the board of trustees of the American Foundation for the Blind paying an eloquent tribute to our late President, Franklin D. Roosevelt, which I ask may be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the life of Franklin Delano Roosevelt was characterized by a magnificent and unswerving devotion to the service of his fellowmen; and

Whereas his compassion embraced all mankind, and especially the poor, the weak, the sick, and the afflicted—the subject of our special concern; and

Whereas in his release from earthly bounds the American Foundation for the Blind has suffered grieviously in the loss of its beloved honorary president, and the blind of America have lost an ardent and devoted champion of every measure designed to enrich their lives; and

Whereas his unfaltering and indomitable courage in the face of every adversity has been and will continue to be an unexampled inspiration to every human soul: Now, therefore, be it

Resolved, That profoundly conscious of our own great loss and of the loss of the entire world which mourns him, we reaffirm our faith in his philanthropic works and rededicate ourselves to services for the handicapped which he so nobly consecrated, believing this to be the one sure way in which he would have us justify his faith in us; and be it further

Resolved, That we convey to Mrs. Franklin Delano Roosevelt and to the other members of his family our deepest sympathy in their tragic bereavement and our eternal gratitude for the inspiration of his noble life.

M. C. MIGEL,
President.
GABRIEL FARRELL,
Secretary.

COMPULSORY MILITARY TRAINING

Mr. CAPPER. Mr. President, I have received a letter from Dr. Nelson P. Horn, president of Baker University, Baldwin, Kans., in which he offers a strong argument in opposition to compulsory military training in peacetime. I ask unanimous consent to have it printed in the RECORD and appropriately referred.

There being no objection, the letter was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

BAKER UNIVERSITY,
Baldwin, Kans., June 14, 1945.

Senator ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAPPER: I am writing to express my opposition to the present proposal for compulsory military training in peacetime. It is no pacifist protest that I make. The issue demands the calm, unprejudiced thinking of every freedom-loving American. The real conflict of thought is not the extremes of pacifism and militarism. It is between the basic ideologies of democracy on the one hand and those of totalitarianism on the other.

The question does not demand a choice between disarmament and continued compulsory military training, as some would have us think. I am altogether in favor of America taking her part—on a voluntary basis for the individual—along with all of our allies who will join in providing adequate world police forces. America can keep a million trained men under arms as part of such a provision without becoming a military nation. Such a force can be prepared to say immediately to a Hitler, a Mussolini, or a

Tojo, "You can't behave like that in a civilized world."

If we are to have peace in the world, however, the dominant preparation of the masses of our young men must be for peace and not for war. "But we must see to it that there are no future Buchenwalds, Nordhausens, and Dachaus. That will be worth any price that compulsory military training in time of peace may impose." Thus spoke a good friend to me the other day. I advised him not to overlook the fact that it has been the mind of Germany and Japan, steeped in decades of militarist propaganda through programs of training which have involved all of their young men, that has produced individuals capable of such atrocities. Give us time and the same training and we will be capable of the same atrocities. You can't consistently teach all of our young men the various methods of killing with bare hands, knives, grenades, bombs, and all the rest, without everlastingly impressing on the minds of many that human life is very, very cheap and insignificant.

Furthermore, we have had enough experience now to know that such a policy does not keep nations out of war. Nations that have followed that program have been the ones that have started world wars; Japan against Russia in 1904; Germany and Austria in 1914; Japan against China in 1935; and Germany again in 1939. On the other hand the democratic, noncompulsory training nations have been the dominant forces in winning world wars; the United States and Great Britain in 1914–18, and again in 1939—. Boys who grow up in the free atmosphere of a democracy where individual rights and responsibilities and freedoms are emphasized, when they must fight, have the courage, the versatility, the determination, and know-how to win. Surely, if continuous, compulsory military training would keep nations out of war or guarantee that they would win wars, Central Europe should be the most peaceful or the most victorious place in all the world. They have had compulsory military training for nearly 150 years.

This war has also demonstrated that men can be trained for war as rapidly as up-to-date fighting equipment can be produced. And there is no economy that can produce continuously, adequate equipment for all-out war on a world basis. Furthermore, if there were, the equipment, for the most part, would be obsolete when war came.

I am opposed to this thing as a citizen in a democracy for it is altogether inconsistent with everything democracy implies. A democracy in her policies of education encourages youth to ask questions, to think for themselves, to seek the truth. A dictatorship with its esseential compulsory military training, tells youth what to think and not to ask why. I am opposed to it as a father who has three sons and a son-in-law in this war and three little grandsons growing up. I am opposed to it because I am opposed to the dictatorial mind from which my boys and my neighbor's boys are fighting to help set the world free.

Isn't it strange and tragic that we kill and maim a million and more of our finest young men in order to defeat enemies who have forfeited their rights to participate as nations in the affairs of the world, and then turn around to propose that we ourselves adopt the very practices which, more than any others, made them what they were? If there is any one thing that was "made in Germany" it is this military program we now propose to take over and make our own.

Let us be Americans. History has adequately demonstrated that we can fight when it is necessary. But let us continue to do our fighting from the starting point of democracy and not of dictatorship. If we would endure there is no other way. "He that taketh up the sword shall perish by the sword," is not just a nice saying. It is an indestructible law of human life. It has proved true in every ancient civilization. It has just been demonstrated in Italy and in Germany and soon will be proved in Japan. It will be true of us in the end just as certain as we put our basic trust in armed might and the militarizing of the entire American mind.

Sincerely yours,

NELSON P. HORN, *President.*

NATURALIZATION OF FILIPINOS

Mr. BUTLER. Mr. President, I present for appropriate reference a resolution adopted by the delegates of the Filipino Territorial Council of Hawaii and the Washington representative of the Inter-Filipino Community Organizations of the Western States, favoring the enactment of House bill 776, to authorize the naturalization of Filipinos, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

Resolution petitioning the honorable members of the Senate Committee on Immigration for prompt consideration of the pending bill which seeks to naturalize citizens of the Philippines

Whereas for almost half a century citizens of the Philippines who have been lawfully admitted to the United States for permanent residence have been treated "neither citizen nor aliens" of the United States; and

Whereas these law-abiding citizens of the Philippines who are now residing in continental United States, Alaska, and Hawaii proved themselves to be industrious, and have devoted their utmost efforts to the prosecution of the war, either by joining in the armed forces or in working in essential industries for the production of food or ammunitions; and

Whereas today, as for many years, Filipinos are adopting American ideas on all phases of their lives—economic, cultural, social, and political, and a great many of them have raised respectable American families by virtue of their marriage with the Americans; and

Whereas on April 17, 1945, the House of Representatives unanimously approved a bill (H. R. 776) to authorize the naturalization of Filipinos who have been lawfully admitted to the United States for permanent residence; and

Whereas the said bill (H. R. 776) is now in the hands of the Senate Committee on Immigration for consideration: Now, therefore, be it

Resolved by the delegates of the Filipino Territorial Council of Hawaii and the Washington Representative of the Inter-Filipino Community Organizations of the Western States, That the members of the Senate Committee on Immigration be respectfully requested, as it is hereby requested, for prompt consideration of the bill (H. R. 776) to authorize the naturalization of Filipinos; and be it further

Resolved, That copies of this resolution be forwarded to the chairman, Senate Committee on Immigration and to all the members of his committee, to the President of the United States Senate, to the President of the United States.

Adopted this 18th day of June 1945 in the city of Washington, District of Columbia.

Respectfully submitted by:

Delegates, Filipino Territorial Council, Hawaii: Philip P. Gamponia, Chairman, Committee on Political Status of Filipinos; Cayetano R. Ligot, Chairman, Committee on Economics; Juan S. Regala, Chairman, Committee on Labor; Fortunato G. Teho, Chairman, Committee on Education; Josephine E. Gamponia, Chairman, Committee on Welfare; Filipino Inter-Community Organizations of the Western States; Diosdado M. Yap, Washington Representative.

PROTECTION OF RIGHTS OF SERVICE MEN AND WOMEN UNDER FEDERAL FARM MORTGAGE ACT

Mr. YOUNG. Mr. President, I present for appropriate reference and printing in the RECORD a resolution adopted by the boards of directors of the Wahpeton National Farm Loan Association and the Silver Lake National Farm Loan Association at Lidgerwood, N. Dak., favoring an amendment to the Federal Farm Mortgage Act so as to protect the rights of returning service men and women.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

Whereas a great number of young men and women from the State of North Dakota now engaged in the armed services of the United States will soon be returned to their homes; and

Whereas it is known that the great majority of such returning servicemen will return to their own State to engage in their former occupation; and

Whereas North Dakota is chiefly an agricultural State, depending almost exclusively upon farming to give employment to such returning servicemen; and

Whereas a great majority of these men have indicated their desire to own and operate their own farms and have a right to expect that such opportunities will be available to them; and

Whereas a soldier's pay is not sufficient to permit accumulation of funds with which to purchase farms; and

Whereas it is the duty of the Congress of the United States, and of every man and woman within its borders, to assist all such returning servicemen; and

Whereas it is necessary that funds be made available to assist such returning servicemen in purchasing their own farms and to help them rehabilitate themselves; and

Whereas there is now no lending agency operating in the State of North Dakota offering to lend money on real-estate security, with the exception of a few private individual lenders; and

Whereas such private funds are loaned at an interest rate greater than our men now in the armed services can afford to pay; and

Whereas the Federal Land Bank of St. Paul has funds on hand for such purpose, which it urgently desires to lend on such security; and

Whereas the laws of the State of North Dakota conflict with the Federal Farm Loan Act in that they do not recognize any personal liability on the part of the borrower; and

Whereas it is not possible at this time to amend the present State laws of North Dakota: Now, therefore, be it

Resolved, That the boards of directors hereinafter named adopt a resolution recom-

mending and urgently requesting that the Federal Farm Mortgage Act be amended as to any and all features now in conflict with the laws of the State of North Dakota to protect the rights of such returning servicemen, and to make available to them first-mortgage farm loans through the medium of the Federal Land Bank System; be it further

Resolved, That this resolution be mailed to the Governor of the Farm Credit Administration, with copies to all Members of Congress from this State.

L. O. KRETCHMAN,
Secretary-Treasurer, National Farm Loan Associations.
A. W. LUICK,
President, Wahpeton National Farm Loan Asociation.
JESSE B. OLSON,
President, Silver Lake National Farm Loan Association.
LIDGERWOOD, N. DAK.

APPEAL OF HELLENIC AMERICAN RIGHT CLAIMS ASSOCIATION TO ALLIED REPRESENTATIVES AT SAN FRANCISCO CONFERENCE

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a brief letter addressed to me by the Hellenic American Right Claims Association, of Mobile, Ala., together with an appeal to the Allied representatives at the San Francisco Conference, relating to the prosperity and happiness of Greece.

There being no objection, the letter and appeal were ordered to be printed in the RECORD, as follows:

HELLENIC AMERICAN RIGHT CLAIMS ASSOCIATION,
Mobile, Ala., May 25, 1945.

Hon. LISTER HILL,
Senator from Alabama,
Washington, D. C.

YOUR HONOR: Enclosed you will find an official copy of our appeal to the allied representatives at the San Francisco Conference.

We like to believe that you will bring the same to the Senate at your first opportunity with your own extension of remarks.

Although most of the subjects are not ripe for discussion at the present time, our desire is to have the case entered into the CONGRESSIONAL RECORD.

Thanking you sincerely,

Very truly yours,
H. A. R. C. A. SPECIAL COMMITTEE,
HARRY SCOUFOS, *Chairman,*
GEORGE PAPAGEORGE, *Secretary.*
ASTERIOS ASTERIOU,
Special Legal Adviser.

THE GRECIAN CASE—AN APPEAL

To the Chairman of the San Francisco Allied Conference, the President of the United States and Secretary of State, the Prime Minister of Great Britain and Foreign Minister, the Prime Minister of Russia and Foreign Minister, the Prime Minister of France and Foreign Minister:

We, the undersigned special committee and the members of the organization we represent, as American citizens from Grecian descent, living in the State of Alabama, having a general meeting especially for the purpose with the cooperation of many other Greek-Americans of all the neighboring communities, met this 4th day of April 1945, at 8 p. m., in Mobile, Ala.

After an extensive discussion, begun by Mr. A. Asteriou, introducing the case concerning freed Greece, old country of ours and fatherland of the free democracy, it was resolved that the following appeal be made to the great powers of the world to establish the prosperity and happiness of Greece by the adaptation and immediate application of these fundamental and radical needs:

1. To be immediately liberated from the invaders, the districts of Grecian lands where such invaders are still remaining, like in the Dodecanese, Crete, and any place else, by the combined Allied forces and established Greek administration.

2. To be permitted to the Greek forces to occupy the Grecian soils of northern Epirus (so-called southern Albania) recognized by many treaties and the United States Congress, and to establish a Greek administration from Chimara to Korytsa included.

3. To be annexed to Greece from now on all Provinces of Macedonia and Thrace, including the so-called east Roumelia, which Provinces before the last century's wars used to be inhabited by a majority of Greek population, chased away by the invaders, especially the Provinces of Monastir (Bitolia), Stroumnitsa, Philippopol, Pyrgos (Bourgas), etc., and all the intermediate districts.

4. To be conceded to Greece from now on the isle of Cyprus by Great Britain, which may keep any naval base necessary for the preservation of peace in the future.

5. To be established immediately to all such Provinces and islands an administration imposed by the Greek Government.

6. To be adjusted immediately the national boundaries in the Balkans from the Adriatic to the Black Sea in favor of the Greek State, which adjustment may insure the security of Greece from sudden attack in the future by any enemy.

7. All neighboring countries in which had been previously, during the past century, Greek populations as their normal inhabitants, chased forcibly or by forced treaties, especially in Bulgaria before the annexation of eastern Roumelia and in Turkey before the catastrophe of Asia Minor, all such neighbors to be forced to accept back in their old homeland all such refugee populations and their descendants and legal successors.

8. All neighboring countries which still have old Greek colonies, especially like in Sicily and southern Italy, to be forced to give the permission to the residents of such colonies to restore their Greek language by schools and teachers imposed by the Greek Government; to restore their old Greek religion of the Greek Orthodox Church by priests and theologists sent by the Oecumenical Patriarchate of Constantinople and the Church of Greece; to restore their old individual and social habits and community administration, which all such colonies were forced to quit by the nationalistic Fascist system of Mussolini and his previous predecessors or anyone else.

9. To be given back by the Turkish Government to the head of the Greek Orthodox Church, the Oecumenical Patriarch of Constantinople and his clergy, the old rights—racial, religious, and administrative—which the Greek Church had even from its first contact with the Moslem Government, with the first successor of Mohammed, the founder of the Moslem religion state, and from Mohammed the Conqueror. Such racial and religious rights were abolished unilaterally by Turkish Government decrees or by forced treaties (1922).

10. To be returned immediately and right now, by the Government of Italy, Germany, and Bulgaria to their former owners and inhabitants of the invaded Greek provinces any property seized or pseudo-bought by false money, or in case of wreckage and destruction of such properties to be restored by the same kind of articles, animals, and commodities, especially immediately by Bulgaria to the inhabitants of invaded Macedonia and Thrace.

11. To be returned to their homes those who have been dislodged as hostages, prisoners, war workers, or for other military or political reasons and especially those retained in Egypt and the Jewish Greeks who are sent in Poland and elsewhere; and for those who are lost or killed, their families or their communities to be paid indemnities, pro rata to their social and business status.

12. To be annexed to Greece the ancient Greek colonial country Cyrenaica (Libya) for the purpose of habilitating the overabundance of the Greek mainland, so they may earn their livelihood.

13. The Allied relief of the UNRRA to be distributed by the United States officers in Greece, since this is almost all American donations and to be given to all needed people without any discrimination in regards to their political and social ideals, or race or religious differences.

The four great powers, the United States of America, Great Britain, Russia, and France, to undertake together, without permitting to any one of them alone, the immediate appliance of these just and most needed claims to show that the real democracy shall exist in this land, the mother of democracy and civilization.

Having utmost faith and trust that our Government of the United States will intervene for the successful execution of said claims, we remain,

Very truly yours,
H. A. R. A. ORGANIZATION
SPECIAL COMMITTEE,
HARRY SCOUFOS,
President.
GEORGE PAPAGEORGE,
Secretary.
ASTERIOS ASTERIOU,
Special Legal Adviser.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. WILSON, from the Committee on Claims:

S. 573. A bill for the relief of Lee D. Horseley; with an amendment (Rept. No. 394).

By Mr. ELLENDER, from the Committee on Claims:

S. 136. A bill for the relief of the Oregon Caves Resort; without amendment (Rept. No. 395); and

S. 929. A bill for the relief of Mrs. Marie J. Huffman; with amendments (Rept. No. 396).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PEPPER (for himself and Mr. MORSE):

S. 1178. A bill providing equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. BUSHFIELD:

S. 1179. A bill to provide for the enforcement of the penal laws of the States on Indian reservations, and for other purposes; to the Committee on Indian Affairs.

By Mr. LANGER:

S. 1180. A bill for the relief of John H. Sigloh; to the Committee on Claims.

(Mr. WAGNER introduced Senate bill 1181, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

INCREASE IN LENDING AUTHORITY OF EXPORT-IMPORT BANK OF WASHINGTON

Mr. WAGNER. Mr. President, I introduce for appropriate reference a bill

to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, and ask unanimous consent that the bill together with an explanatory statement be printed in the RECORD.

The PRESIDENT pro tempore. The bill introduced by the Senator from New York will be received and appropriately referred, and, without objection, the bill together with an explanatory statement will be printed in the RECORD.

The bill (S. 1181) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency, as follows:

Be it enacted, etc., That section 9 of the act of January 31, 1935 (49 Stat. 4, ch. 2), as amended, is further amended to read as follows:

"SEC. 9. Notwithstanding any other provision of law, the Export-Import Bank of Washington, D. C., a banking corporation organized under the laws of the District of Columbia as an agency of the United States, pursuant to Executive order of the President, shall continue, until the close of business on January 22, 1957, or such earlier date as may be fixed by the President by Executive order, to be an agency of the United States, and in addition to existing charter powers, and without limitation as to the total amount of obligations thereto of any borrower, endorser, acceptor, obligor, or guarantor at any time outstanding, said banking corporation is hereby authorized and empowered to discount notes, drafts, bills of exchange, and other evidences of debt for the purpose of aiding in the financing and facilitating exports and imports and the exchange of commodities between the United States and any of its Territories and insular possessions and any foreign country or the agencies or nationals thereof, and to borrow money and rediscount notes, drafts, bills of exchange, and other evidences of debt for the purposes aforesaid. During the continuance of such agency, it is hereby authorized to use all of its assets, including capital and net earnings therefrom, and to use all moneys which have been or may hereafter be allocated to or borrowed by it, in the exercise of its functions as such agency."

SEC. 2. Export-Import Bank of Washington shall have a capital stock of $1,000,000,000 subscribed by the United States of America, payment for which shall be subject to call at any time in whole or in part by the board of trustees of the bank. Payment for $1,000,000,000 of such capital stock shall be made by the surrender to the bank for cancellation of the common stock heretofore issued by the bank and purchased by the United States of America. For the purpose of making the balance of the payments, including the payment to Reconstruction Finance Corporation provided for in section 3 of this act, the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Payment under this section of the subscription of the United States to the bank and repayments thereof shall be treated as public debt transactions of the United States. Certificates evidencing stock ownership of the United States of America shall be issued by the bank to the President of the United States or to such other person or persons as he may designate from time to time to the extent of payments by the United States of America and for the surrender of common stock heretofore issued.

SEC. 3. All of the common stock and all of the preferred stock heretofore issued by Export-Import Bank of Washington shall be transferred by whomsoever held to the Secretary of the Treasury. The Secretary of the Treasury shall pay to Reconstruction Finance Corporation the par value of the preferred stock, such payment to constitute a payment to the bank under the provision of section 2 of this act. Any dividends on the preferred stock accumulated and unpaid to the date of its surrender to the Secretary of the Treasury shall be paid to Reconstruction Finance Corporation by the bank. The Secretary of the Treasury shall surrender all common and preferred stock to the bank for cancellation and the bank shall issue to the President of the United States or to such person or persons as he may designate a certificate as provided for in the foregoing section, which shall evidence stock ownership of the United States of America to the aggregate amount of the par value of the common and preferred stock so surrendered.

SEC. 4. Export-Import Bank of Washington is authorized to issue from time to time for purchase by the Secretary of the Treasury its notes, debentures, bonds, or such other obligations: *Provided, however*, That the aggregate amount of such obligations outstanding at any one time shall not exceed two and one-half times the subscribed capital stock of the bank. Such obligations shall be redeemable at the option of the bank before maturity in such manner as may be stipulated in such obligations and shall have such maturity and bear such rate of interest as may be determined by the board of trustees of the bank with the approval of the Secretary of the Treasury. Such obligations may mature subsequent to January 22, 1957. The Secretary of the Treasury is hereby authorized and directed to purchase any obligations of the bank issued hereunder and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Payment under this section of the purchase price of such obligations of the bank and repayments thereof by the bank shall be treated as public-debt transactions of the United States.

SEC. 5. Export-Import Bank of Washington shall not have outstanding at any one time loans and guaranties in an aggregate amount in excess of three and one-half times the subscribed capital stock of the bank.

SEC. 6. The provisions of the existing charter of Export-Import Bank of Washington relating to capital stock are superseded by the provisions of this act and the bank shall be exempt from compliance with any provisions of law relating to the retirement or increase of stock of District of Columbia corporations and from the payment of any fee or tax to the Recorder of Deeds of the District of Columbia determined upon the value or amount of capital stock of the bank or any increase thereof. Except as they may be in conflict with the provisions of this act, the provisions of all acts with respect to Export-Import Bank of Washington shall remain in full force and effect.

SEC. 7. The Export-Import Bank of Washington shall transmit to the Congress semiannually a complete and detailed report of operations under this act. The report shall be as of the close of business on June 30 and December 31 of each year.

SEC. 8. The act of April 13, 1934 (48 Stat. 574, ch. 112), is hereby repealed.

The explanatory statement presented by Mr. WAGNER is as follows:

I have today introduced a bill which will increase the lending authority of Export-Import Bank of Washington to $3,500,000,000. At present the bank is authorized to have not in excess of $700,000,000 of loans outstanding at any one time, which amount is for the most part now loaned or committed.

In addition the bill provides that the life of the bank shall be extended for a period of 10 years; that it shall make semiannual reports to the Congress with regard to its activities; and that the Johnson Act shall be repealed. Further, it is provided that the bank shall obtain its funds through the sale of stock directly to the Treasury and through loans from the Treasury instead of the present method of obtaining funds through the medium of Reconstruction Finance Corporation.

Since its inception I have observed the development of Export-Import Bank. In its early years it cooperated with our commercial banks and exporters in financing the shipment of our raw materials and finished products to many countries on terms not otherwise available. Following the advent of war in Europe the activities of Export-Import Bank were limited principally to the Western Hemisphere and to China. It made loans to United States firms with respect to specific foreign orders and it extended credit to the foreign purchaser to enable it to purchase United States products. During the war it has assisted in the development abroad of sources of strategic materials required by our war industries and has, to the extent possible under wartime conditions, attempted to keep open established trade channels. The operations of the bank have at all times been self-sustaining.

With the end of the war in Europe the United States is met with an unprecedented demand for the products of its farms and factories. Faced with this opportunity the Export-Import Bank should be placed in a position to continue, as in the past, to assist in the continuous development of our foreign trade. In carrying out this policy of enlightened self-interest, the United States will promote permanent and fundamental trade relationships in a world which we hope will be drawn closer together through the operation of machinery for international cooperation so insistently demanded by the American people.

EDUCATIONAL BENEFITS FOR VETERANS—SUMMARY OF SENATE BILL 1176

Mr. PEPPER. Mr. President, yesterday I introduced Senate bill 1176, to amend Public Law 346, to bring about, if enacted, certain changes in the GI law. I ask that there be incorporated immediately following my remarks a summary of what that bill, if enacted, would do in relation to the GI law.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The summary is as follows:

S. 1176, the bill to amend Public Law 346, would effect the following changes in educational benefits:

1. The bill removes reference to interruption of education and makes benefits available regardless of whether or not education was impeded, interfered with, etc., by reason of induction into the service.

2. The bill removes the requirement that the educational course shall be initiated not later than 2 years after discharge or termination of the war. The reason for removing this provision is that veterans may wish to take jobs when they first come back in order to earn some money. It is just as desirable to have education available 2, 3, and 4 years after the war as during the first 2 years.

3. The provision limiting the period during which benefits can be obtained to 7 years after the termination of the war is removed.

4. The distinction between veterans over 25 years at the time of induction and those under this age is removed. It has no further meaning when the provision regarding interruption of education is taken out.

5. Reference to "refresher or retraining course" is removed in line 8, paragraph 2,

part VIII. The phrase seems to have no meaning, and only creates confusion. A veteran should be entitled to benefits regardless of whether the course he wants is labeled education, training, retraining, or refreshing.

6. The 4-year limitation on educational benefits is removed and veterans are given entitlement to 1 year of education plus a period equivalent to the length of service.

7. Special provision is made in this bill for qualified veterans who wish to complete preprofessional and professional courses of education. For such veterans, the maximum benefit is increased to 7 years, regardless of length of service. The purpose of this provision is to encourage professional training which is so important to the future of the country.

8. Monetary dependency benefits to veterans obtaining education are increased by this bill. It provides $100 for two dependents, $125 for three, and $150 for four or more.

9. This bill requires that the Administrator shall arrange for educational and vocational guidance for veterans. According to the present law the Administrator is empowered to do so if he sees fit. This bill also stipulates that the Administrator shall obtain a list of counseling agencies from the States, and that the Administrator shall make information on the need for trained personnel available semiannually instead of as he deems necessary.

10. Section 1505 is changed so as to make it clear that educational benefits will not be deducted from any future benefits the veteran may obtain.

HEALTH ASPECTS OF SENATE BILL 1176

Mr. PEPPER. Mr. President, immediately following the summary I have just had printed in the RECORD I should like to insert a statement as to how Senate bill 1176 would affect the health aspects of the GI bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement is as follows:

HEALTH ASPECTS OF S. 1176, A BILL TO AMEND GI BILL OF RIGHTS, PUBLIC LAW 346, THE SERVICEMEN'S READJUSTMENT ACT OF 1944

In view of my interest in health as chairman of the Senate Subcommittee on Wartime Health and Education, I wish to submit the following summary of what I feel are some health aspects of the proposed bill to amend the GI bill of rights. It is not primarily a health bill, but its effects on health could be far-reaching, and I feel they are worth pointing out.

1. It would make a medical or dental education available to many who otherwise would not be able to afford it.

The provision in the amendment which allows continuance of qualified veterans in professional or preprofessional work up to 7 years will allow many veterans to undertake medical and dental courses who otherwise could not afford the long, expensive training necessary in these fields. During the war many Medical Corps enlisted men have acquired both invaluable experience and a deep interest in medicine. The amendment would enable them to obtain the full professional training they so deeply desire. The same is true for the many premedical and predental students whose training was interrupted by the war. It is certainly in the interest of the Nation that such veterans get full medical or dental training. Yet, unless the benefits provided under the present GI bill are extended, many will not be able to obtain it.

2. It would enable many medical veterans to take advantage of the educational benefits of the GI bill of rights who would otherwise not be able to do so.

A. The vast majority of armed forces doctors and dentists are over 25 years of age, or will be at the time of their discharge. Under the GI bill of rights as it is interpreted now, all are entitled to 1 year of education at Government expense, but in order to obtain more those over 25 must prove their education was interrupted. Since many over 25 years old did not have their education interrupted, or would have a hard time proving it, the present act limits most of them to 1 year.

B. While taking this postgraduate education, the veteran would, under the present bill, receive a subsistence allowance of $50 a month if single, or $75 a month if he has one or more dependents. Most doctors are married, are over 30, and have children. It is hard to see how the current subsistence allowance of $75 a month ($900 a year) would be adequate for such men. It would appear to be more of a "malnutrition allowance." The current average net income of civilian doctors is $9,000 per year, the prewar average $4,500. As a result of the low allowance in the current GI bill, many medical veterans, especially those with families, would have to forego postgraduate training. Many of them have undergone considerable financial hardships during the war and would not be able to continue this sacrifice much longer. The proposed amendment would increase the subsistence allowances to $125 a month ($1,200 a year) for a veteran with three dependents, and to $150 a month ($1,800 a year) if there were four or more dependents. This is certainly a modest increase.

3. It would encourage training of auxiliary medical personnel.

By requiring the Administrator to arrange for educational and vocational guidance, a chance is created for channeling promising veterans into vitally needed auxiliary medical fields. Examples of such fields are physical therapy, dietetics, psychology, medical social work, public health nursing, medical and hospital administration, and the like. In this connection it should be recalled that many thousands of veterans will be women. Certain of the auxiliary medical fields have been traditionally staffed by women, and the amendment would be most valuable in this regard.

The amendment requires the Administrator to make available information on the need for trained personnel twice yearly instead of "as he deems necessary." Thus, the need for personnel in the medical shortage fields would necessarily be brought to the attention of the public and of the Veterans' Administration.

4. The vast majority of armed forces doctors want further training after their discharge.

The American Medical Association and the armed forces cooperated recently in sending a questionnaire to each medical officer on duty with the Army, Navy, United States Public Health Service, and Veterans' Administration. Over 21,000 replies were received representing 35 percent of all medical officers on duty in September 1944.[1] The returns showed that 81.3 percent of the total wanted some postgraduate medical training. Nearly 60 percent (12,534) wanted courses of 6 months or longer; the other 21 percent (4,563) courses of 6 months or less duration.

The results of a smaller pilot questionnaire under the same auspices (1,000 returns) showed that of the 53 percent requesting long courses, 32 percent wanted 2 years of training and an additional 21 percent wanted 3 years or more.[2] This means that 28 percent of all men replying wanted 2 years or more training. Similar breakdowns are not available on the larger sample, but they would almost certainly be in the same range.

Thus, we can conclude that the returning medical veterans want considerable further education. If it is made readily available to them, they are almost certain to take advantage of it.

Unfortunately, we cannot be quite so confident they will automatically select the fields where the need for personnel is greatest. The questionnaire showed that very few men in proportion to the need signified their desire for courses in psychiatry, public health, industrial medicine, hospital administration, and certain other shortage fields. This is another problem—that of making these fields attractive to the returning medical veteran.

5. The broadening of educational benefits of the GI bill is necessary to meet the health needs of the Nation.

A. The Nation's supply of medical personnel is not adequate. Veterans should be attracted into the medical and allied professions, and educational benefits are necessary to accomplish this.

B. A maximum number of medical veterans (doctors, dentists, etc.) should receive postgraduate medical training. Many have been in jobs completely different from their civilian practices and need refresher and retraining courses. Medical officers are continually calling this matter to my attention.

C. Personnel is needed acutely in certain fields requiring extensive postgraduate training. Psychiatry, orthopedics, pediatrics, public health, physical therapy, and medical administration are a few examples. Such training takes from months to years, depending on the individual's qualifications, and non-Government funds are not adequate to finance the long periods necessary. The proposed amendment would help meet this need.

D. The whole educational level of the medical and allied professions should be raised. Those practitioners who have lost contact with the main stream of modern, scientific medicine should have an opportunity for liberal postgraduate and refresher training opportunities.

E. The acute civilian need for doctors should not dictate the restriction of postgraduate medical training courses. It might be said that the civilian need for doctors and other medical personnel is so great that we should not divert any into postgraduate medical courses. It would be very shortsighted, however, to say this. The ultimate good obtained from the training courses will greatly outweigh the temporary continued loss of these men to the civilian population.

In addition, it should be remembered that most postgraduate medical training such as hospital internships, residencies, fellowships, clinical refresher courses, and the like, all involve examination and treatment of patients, so the personnel is not really lost to the civilian population.

In addition, the proposed amendments would minimize the continued withdrawal of medical personnel from civilian life by allowing men to take advantage of the educational provisions of the GI bill later than 2 years after their discharge. Thus, the withdrawal would be spread out over a period of time and the load on educational institutions eased.

To summarize, it is my opinion that the proposed amendment would help meet some of the major health problems in the reconversion period through its educational provisions.

[1] Lt. Col. Harold Lueth, Postgraduate Wishes of Medical Officers, Final Report on 21,029 Questionnaires, Journal of the A. M. A., v. 127, p. 759, March 1945.

[2] Victor Johnson & F. H. Arestad, Educational Facilities Required for Returning Medical Officers, ibid., v. 126, p. 253, September 23, 1944.

ALL-NAVY BASEBALL GAME AT GRIFFITH STADIUM

Mr. CHANDLER. Mr. President, I wish to make an announcement, which I believe will be of interest to all Members of the Senate.

On the evening of June 27, 1945, at 8:30 o'clock there will be held an all-Navy baseball game at Griffith Stadium. No charge will be made. The boys are anxious to have as many Members of the Senate and of the House of Representatives attend as possible. The game will be played primarily for the benefit of disabled soldiers. It will be participated in by the Bainbridge Commodores and the Bureau of Supplies and Accounts. Many former big-league stars will be present.

Mr. Biffle, Secretary of the Senate, will have the necessary tickets, and Senators may take their wives and other members of their family, as well as the members of their office staffs. Seats will be reserved for Senators, who will indicate to Mr. Biffle how many tickets they will need. As I have already said, no charge will be made for the tickets.

I may say that a similar announcement is being made today in the House of Representatives.

THE MEAT SHORTAGE—LETTER FROM ASSISTANT DEPUTY ADMINISTRATOR FOR RATIONING

Mr. GREEN. Mr. President, I present and ask unanimous consent to have printed in the RECORD a letter addressed to me by Mr. John J. Madigan, Assistant Deputy Administrator for Rationing, Office of Price Administration. The letter relates to the meat shortage, with especial reference to the situation in Rhode Island, but it applies to the country generally and will, I think, be of widespread interest.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., June 21, 1945.

The Honorable T. F. GREEN,
United States Senate.

DEAR SENATOR GREEN: I appreciate the opportunity of talking with you at length on the meat situation in Rhode Island in our conference this morning. I should like to outline briefly to you the action that has been taken by the Office of Price Administration to deal with the meat situation not only in Rhode Island, but in many other sections of the country.

We have issued control order No. 1 which was effective April 30, 1945, and which sets restriction percentages upon the slaughter of livestock by all non-federally inspected slaughters and by farmers. The purpose of this order is to force a reasonably normal percentage of the civilian meat supply into the hands of federally inspected slaughterers who are the only slaughterers who are permitted by law to ship meat across State lines. These are, of course, the slaughterers who supply the bulk of the meat for deficiency areas such as Rhode Island. It was apparent that the first step in any correction of the maldistribution of meat was to place a reasonably normal percentage of the supply in the hands of those slaughterers who normally ship to deficiency areas.

A second step in dealing with this problem was the issuance of amendment 8 to control order No. 1, which requires that all slaughterers in the United States resume the same geographical pattern of distribution as they followed during the first three months of 1944. During those three months there was a flush production of meat and we feel, in general, that there was a reasonably equitable geographical distribution of meat at that time. Even though the total civilian supply currently is substantially lower than the supply during those three months, the resumption of the same pattern will go a long way toward bringing about an equitable distribution of a short supply. This same order requires slaughterers to file with the Office of Price Administration reports showing their pattern of distribution. These reports when analyzed will provide this office with the information necessary to make sound supply determinations for any area of the country.

We are confident that these steps will show considerable improvement in the distribution of meat. We would like to point out, however, that even after these orders have their full effect the meat supply for civilians will still be relatively short, both in relation to what it was last year and in relation to what the consumer would like to purchase with his current high level of earnings.

Sincerely,

JOHN J. MADIGAN,
Assistant Deputy Administrator for Rationing.

DECLARATION OF PEACE FUNDAMENTALS

Mr. THOMAS of Utah. Mr. President, an outstanding contribution toward creating support for a proper international organization for peace was carried through by Judge Ewing Cockrell. Mr. President, I ask unanimous consent that the declaration of peace fundamentals which Judge Cockrell worked out and which were accepted as objectives by many persons be printed in the RECORD with the names of the persons who allowed their names to be signed to the objectives.

The PRESIDENT pro tempore. Without objection, it is so ordered. The declaration, with the names signed thereto, is as follows:

DECLARATION OF 10 PEACE FUNDAMENTALS

We approve in substance the following 10 fundamental policies or foundations for postwar peace. They are, expressly, only policies, do not include the forms of international organization to carry them out nor exclude our support of other policies or measures:

1. Disarmament of Axis or aggressor nations.

2. Maintenance of international authority with power to prevent aggression and to preserve the peace of the world.

3. Fair treatment of Axis or aggressor nations.

4. A body or procedures to secure peaceful settlement of any international dispute.

5. Victorious allies to hold armaments and decrease them as they feel secure.

6. The peace to bring more freedom to peoples.

7. Mutual aid between nations, especially to the weak.

8. International cooperation for betterments in all fields of human life.

9. Special postwar cooperation by the United States, Great Britain, Russia, and China, with the other United Nations.

10. International organization on a wide and voluntary basis.

Senator Warren R. Austin, member, Senate Committee on Foreign Relations; joint author Mackinac Declaration of Republican Postwar Advisory Council.

Senator Joseph H. Ball, joint author of Four Senators' Resolution on Postwar International Cooperation; member bipartisan campaign committee 1943 for international cooperation.

Senator Harold H. Burton, joint author same resolution and member same bipartisan campaign committee.

Senator Theodore Francis Green, member, Senate Committee on Foreign Relations; United States delegate to International Red Cross Convention, 1912.

Senator James F. Guffey, member, Senate Committee on Foreign Relations.

Senator Carl A. Hatch, joint author Four Senators Resolution and member bipartisan campaign committee.

Senator Lister Hill, joint author same resolution and member bipartisan committee; Democratic whip, United States Senate.

Senator Burnet R. Maybank, member same bipartisan committee.

Senator Richard B. Russell, chairman, Senate Overseas Committee.

Senator Elbert D. Thomas, of Utah, member Senate Committee on Foreign Relations, chairman, Senate Committee on Education and Labor; vice president, American Society of International Law; member, Committee on Intellectual Cooperation of Interparliamentary Union.

Senator Harry S. Truman, chairman, Special Committee to Investigate the National Defense Program; member, bipartisan campaign committee for international cooperation, 1943.

Senator Robert F. Wagner, member, Senate Committee on Foreign Relations; former justice, New York Supreme Court.

Senator Wallace A. White, Jr., member, Senate Committee on Foreign Relations; assistant Republican leader, United States Senate.

Former Senator George W. Norris (Independent), former chairman, Senate Committee on the Judiciary.

Representative Charles A. Eaton, ranking Republican member, House Committee on Foreign Affairs.

Representative Richard P. Gale, member, bipartisan campaign committee.

Representative Robert Hale, member, bipartisan committee (M. A., Oxford).

Representative Christian A. Herter, member, bipartisan campaign committee; member, United States Embassy staff in Berlin and Belgium, 1916; secretary, American Peace Commission, 1918.

Representative Walter H. Judd, member, bipartisan campaign committee; China medical missionary and superintendent of hospitals, 1925–38; speaker against Japanese military menace, 1939–40.

Representative Charles M. LaFollette, member, bipartisan campaign committee.

Representative Clare Boothe Luce, former foreign correspondent.

Representative Howard J. McMurray, member, bipartisan committee.

Representative Robert Ramspeck, member, bipartisan committee; Democratic whip, House of Representatives.

Representative James A. Wadsworth, member, Committee on Foreign Affairs; former United States Senator from New York

Justice Owen J. Roberts, United States Supreme Court; chairman of board that investigated Pearl Harbor disaster.

Chief Justice D. Lawrence Groner, United States Court of Appeals for the District of Columbia.

Judge Calvert Magruder, Boston, senior (presiding) judge, United States Circuit Court of Appeals, First Judicial Circuit; former professor and vice dean Harvard Law School.

Judge John J. Parker, Charlotte, N. C., senior (presiding) judge, Fourth Judicial Circuit Court of Appeals; medalist American Bar Association 1943 for conspicuous service in the cause of American jurisprudence.

Judge Orie L. Phillips, Denver, senior (presiding) judge, Tenth Judicial Circuit Court of Appeals.

Judge Herbert F. Goodrich, Philadelphia, United States Court of Appeals, Third Judicial Circuit; former president American Association of Law Schools.

Judge Justin Miller, United States Court of Appeals for the District of Columbia.

Judge John C. Knox, senior (presiding) judge, United States District Court, Southern District of New York; chairman Federal

Courts Committee on Jury Selection, appointed by Chief Justice of the Supreme Court.

Judge Albert L. Reeves, senior judge, United States District Court for the Western District of Missouri.

Gov. E. P. Carville, Nevada.

Gov. Prentice Cooper, Tennessee.

Gov. Colgate W. Darden, Virginia.

Gov. Sam C. Ford, Montana.

Acting Gov. Walter S. Goodland, Wisconsin.

Gov. Bourke B. Hickenlooper, Kansas.

Gov. John Moses, North Dakota.

Gov. Henry F. Schricker, Indiana.

Gov. Sumner Sewall, Maine.

Gov. Edward J. Thye, Minnesota.

Joseph E. Davies, former Ambassador to Russia.

John W. Davis, former Ambassador to Great Britain, Democratic Presidential nominee, 1924.

Admiral William H. Standley (retired), former Ambassador to Russia, United States Delegate to Disarmament Conference, London 1934.

Ferdinand Q. Blanchard, moderator, Congregational Christian Churches.

Chancelor Harry Woodburn Chase, New York University.

President Frederic R. Coudert, American Society of International Law; commander, French Legion d'Honneur; officer, Crown of Belgium; former chairman, New York League of Nations Association.

George Creel, former editor, Denver Post and Rocky Mountain News; chairman, Committee on Public Information, First World War; former chairman, San Francisco Regional Labor Board.

President Frank P. Graham, University of North Carolina; chairman, National Advisory Committee on Social Security; public member, War Labor Board.

President William Green, American Federation of Labor; former member, governing board of the International Labor Organization.

Dean A. J. Harno, University of Illinois College of Law; former president, American Association of Law Schools, and director, Illinois Association for Criminal Justice.

Most Rev. Robert E. Lucey, archbishop of San Antonio; former president, California Conference of Social Work, and director, Catholic Welfare Bureau of Los Angeles; organizer of Welfare Bureau of San Antonio.

Chairman Robert A. Millikan, California Institute of Technology; former president, American Academy of Arts and Sciences and American Physical Society; Nobel Prize winner; member, League of Nations Committee on Intellectual Cooperation, Order of the Jade, of China, and Chevalier de l'Ordre National de la Legion d'Honneur, of France.

President Julian Morgenstern, the Hebrew Union College, Cincinnati, Ohio.

President John L. Newcomb, University of Virginia.

Rev. Frederick E. Reissig, executive secretary, Washington Federation of Churches.

Chester H. Rowell, delegate, International Labor Conference, Geneva, 1939; delegate, International Congress Penal Affairs, 1924; former member, National Crime Commission, and president, California Conference on Social Work; former teacher, Illinois University; and editor, San Francisco Chronicle.

Rt. Rev. Msgr. John A. Ryan, former professor sociology and economics, Catholic University and Trinity College; director, social action department of National Catholic Welfare Conference.

Bishop P. A. Wallace, African Methodist Episcopal Zion Churches, Brooklyn.

Robert J. Watt, international representative, American Federation of Labor; American Workers' delegate to Geneva, 1936–40; member, National Labor Relations Board; chairman, Labor Advisory Committee, Federal Communications Commission.

Dr. Mary E. Woolley, president emeritus, Mount Holyoke College; delegate, Conference for the Reduction and Limitations of Armaments; former honorary moderator, Congregational-Christian General Council; former president, American Association of University Women, and chairman of its committee on international relations.

RECONVERSION PRICING PROGRAM—LETTER FROM AND ADDRESS BY CHESTER BOWLES

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a letter addressed to him by Hon. Chester Bowles, Administrator of the Office of Price Administration, with reference to the reconversion pricing program, and an address delivered by Mr. Bowles, which appear in the Appendix.]

ADDRESS BY SENATOR WAGNER BEFORE NATIONAL PUBLIC HOUSING CONFERENCE

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address delivered by him at the fourteenth annual meeting of the National Public Housing Conference, June 19, 1945, at the Mayflower Hotel, Washington, D. C., which appears in the Appendix.]

DUMBARTON OAKS—ADDRESS BY SENATOR BUSHFIELD

[Mr. BUSHFIELD asked and obtained leave to have printed in the RECORD an address on "Dumbarton Oaks," delivered by him before the Sons of the American Revolution at Harrisburg, Pa., June 14, 1945, which appears in the Appendix.]

WORK OF SUBCOMMITTEE ON EDUCATION AND LABOR IN CONNECTION WITH WARTIME HEALTH

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an editorial from the Wisconsin Medical Journal relative to the work of the Committee on Education and Labor in connection with wartime health and also on editorial entitled "No More 'Patchwork' Medicine" from the same journal, which appear in the Appendix.]

COLUMBIA RIVER AUTHORITY—EDITORIAL AND EXPLANATION OF A BILL

[Mr. MITCHELL asked and obtained leave to have printed in the RECORD an editorial on the subject of the Columbia River Authority from the Wenatchee Daily World, and an explanation of Senate bill 460, which appear in the Appendix.]

PEACETIME MILITARY CONSCRIPTION—EDITORIAL FROM THE JAMESTOWN (N. DAK.) SUN

[Mr. YOUNG asked and obtained leave to have printed in the RECORD an editorial entitled "Let's Go Slow on Peace-Time Draft," from the Jamestown (N. Dak.) Sun, which appears in the Appendix.]

The PRESIDENT pro tempore. The routine morning business is concluded.

ORDER FOR CONSIDERATION OF THE CALENDAR

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the calendar for bills to which there is no objection, beginning where we left off at the last call, which is Calendar No. 280.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

LIVING CONDITIONS UNDER OPA REGULATIONS

Mr. WILEY. Mr. President, I received in the mail today a few communications from my constituents that cause me to pause and wonder if we in the Congress are meeting four-square the obligations upon us.

A few moments ago the distinguished majority leader put something into the RECORD from Mr. Bowles, the Price Administrator. I have a letter here from a union in Milwaukee. I have another letter from a businessman. I desire to read only two of the paragraphs merely to show the sentiments and thoughts not simply of one group of our people, but of many, for apparently the views expressed are quite generally held. Here is a letter from the secretary of a prominent union in Milwaukee:

At a recent meeting of this council, the delegates representing the union carpenters of Milwaukee, Waukesha, Ozaukee and Washington Counties really "let loose" and took their "flings" on living conditions forced on them through no fault of their own by the point system of OPA.

They agreed to protest to their Congressmen and Senators requesting them to use their influence and vote to immediately displace the yoke forced on the citizens by the OPA regulations so they may again be able to live and act as free American citizens and not be compelled to feast on jelly bread sandwiches morning, noon, and evening.

The letter proceeds. Listen to this paragraph:

Unless Congress takes a firm stand and immediately remedies this situation, don't be surprised if something will take place among the workers that will not to the best interest of our citizens and the "good old U. S. A."

Expecting your immediate cooperation in this very urgent matter we remain—

It is signed by the Carpenters' District Council of Milwaukee County and Vicinity by its secretary.

In the same mail this morning I received a letter from a businessman who says:

I realize that OPA is a necessary war evil and am not, as Walter Winchell says of all who think as I do, trying to sabotage the whole program. However, it could be done more simply. There is hardly a day—

Listen to this. It portrays the condition of the average little-business man.

There is hardly a day I do not receive one ceiling or amendment from OPA. I can't make head or tail of the things and neither can the local OPA offices give me any information. I haven't the time to study them or comply with them. I haven't the help to keep the records they require or the filing equipment to file them, and you can't buy it. As a result, I am constantly under the fear that the enforcement division will fine me and put me out of business. I have never willfully violated a ceiling, and get mighty sick of watching business go to competitors who pay more for eggs or have chickens to sell because they are paying over ceiling prices. Yet I am in the same jeopardy they are only because of the physical impossibility to keep up with all the ceilings and I am working about 100 hours per week.

The PRESIDENT pro tempore. As the Senate is now proceeding under the 5-minute rule, the Senator's time has expired.

Mr. WILEY. Mr. President, I ask unanimous consent to speak for 3 minutes longer. I merely want to finish this letter.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. WILEY. Listen to this:

If our economy isn't soon taken out of the hands of the bureaucrats and returned to those who know how to run it, we are likely to face an uprising. In a retail store, you learn the temper of the people. You must know the facts so it is not necessary to go into further detail.

Mr. President, that is a letter from a businessman.

In the same mail today there came to me a clipping from an article written by Cedric Adams' column, In This Corner, discussing the situation in Canada. I ask that the article by Cedric Adams be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN THIS CORNER

(By Cedric Adams)

Let's talk about the meat situation as an opener today. A group of eastern butchers, who, like most butchers, have been unable to obtain meat, decided to pool their funds and send two representatives up to Canada just to see what they could buy. Before going to Canada, the pair went to Washington to learn the lay of the land. They were told by the Department of Agriculture it had no objection to the deal. The Department even went so far as to say it would inspect the meat they might buy for free. The Canadian Embassy even gave its O. K. to the proposed plan. An attaché of the Canadian Embassy said, "Yes, we have plenty of meat. All you have to do is find it. If the Canadian Government doesn't need it, you may get a permit to ship it to the United States." The Americans went to Montreal and purchased 10 cars of prime dressed beef and veal and 6 cars of livestock—a total of 640,000 pounds. The meat cost 19 cents a pound—2½ cents less than the OPA ceiling price in this country.

The Montreal packers said they're anxious to do business with Americans. They explained the price they get from the British is 3 cents less than the American butchers paid them. After the meat was sealed in refrigerator cars the whole deal was canceled by a high Canadian food official who told the buyers he acted at the request of the United States State Department. When the butchers returned to the United States they were told by the State Department the deal was held up by the War Food Administration. These men, however, brought back some other interesting information from Canada that might interest you and the OPA: They saw huge quantities of cheese with a 21-cent-a-pound price tag against a 45-cent ceiling here. Butter up there was 36 cents a pound compared to our 51 cents a pound. There are more than 56,000,000 pounds of butter in storage for Canada's 11,500,000 population.

Eggs in Canada sell from 20 to 24 cents a dozen compared with a retail ceiling here of 49 cents. And in Canada the supply is so great farmers are killing off laying hens to prevent a further price drop. Chickens are so abundant across the border that you can buy all you want at any price you're willing to pay. Here chickens are almost unobtainable except in the black market. One more item that should interest you in this little comparison is this: The only two major items that are rationed up there are gasoline and butter and the Canadians expect gasoline rationing to be entirely removed on or before July 1. * * * There may be a thousand and one reasons behind, shall we say, this maladjustment. I hope the OPA doesn't think we're needling the Office. We're simply reporting what two butchers found in Canada. Don't you think the facts are interesting?

Mr. WILEY. Mr. President, in the same mail there came a clipping under the headline "Says meat cut to force cafe closings."

I merely bring this to the attention of the Senate because we cannot become irresponsive to the present condition, apparently a pretty dangerous one, which is becoming apparent to people who have eyes to see and ears to hear.

Mr. President, in the same mail came a clipping from a newspaper with the headline "WLB defied by Higgins' ship workers," and at the top is typewritten "Montgomery Ward was taken over by the Government, but Lewis got away with it."

I ask that this clipping be printed in the RECORD in full.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WLB DEFIED BY HIGGINS' SHIP WORKERS

NEW ORLEANS.—A labor-management controversy which paralyzed activities in at least two plants of Higgins Industries, Inc., which built invasion boats and other war material, continued deadlocked today despite a War Labor Board directive ordering the approximately 5,000 workers back to their jobs.

The men, affiliated with the New Orleans Metal and Building Trades Council (AFL) voted yesterday to disregard the WLB order and the next move appeared to be up to the Government.

Officials previously hinted there was a possibility of the Government taking over and operating the plants.

The men failed to report Monday as the result of the cancellation of a closed-shop agreement by the company. The shipbuilding commission of the WLB upheld the cancellation. The contract was negotiated in 1940 and was to expire September 13, 1945.

In announcing the union's vote yesterday not to return to work, C. E. Alexander, Jr., secretary-treasurer of the trades council, said "our position is unchanged. No agreement—no work."

Andrew J. Higgins, company president, said the controversy resulted because "I am giving returning servicemen jobs without forcing them to join any union."

Alexander declared Higgins was using the servicemen factor "as a smoke screen to block out the union," and asserted that negotiations toward a new contract broke down when the company refused even to consider a clause providing benefits for returning servicemen.

OFFICE OF WAR INFORMATION—ARTICLE BY MAJ. GEORGE FIELDING ELIOT

Mr. MEAD. Mr. President, yesterday, very wisely, the Committee on Appropriations reported the appropriation bill covering the OWI and recommended an increase in the appropriation for that agency.

In that connection, I quote the following statement from Maj. George Fielding Eliot:

OWI TERMED VITAL AT PRESENT

(By Maj. George Fielding Eliot)

It is to be hoped that the Senate will restore the appropriation for the European and domestic activities of the Office of War Information eliminated by the House.

This is not a plea for the perpetuation of OWI. It is a war agency, and as the war draws to a close arrangements should be made for transferring such of its activities as may be needed in the post-war period to other departments of the Government. But the sudden chopping off of the appropriations before such arrangements for transfer of needed work have been made simply means that the work will stop, and it should not stop.

As to the necessity of most of what the OWI now is doing, especially in Europe, there is very little room for doubt. The late President Roosevelt emphasized on many occasions that this is a war where ideas are weapons, and where the stakes are the minds of men. America has a message for the world. The OWI is the agency by which that message is transmitted—by which the American story is told. We can, if we desire, silence the voice of America in Europe. But we shall do so at the risk of losing all influence with peoples who, in millions, look to us for guidance and hope, and of losing all influence in the vital task of reshaping the German mind.

To be specific, here is a telegram sent to OWI Chief Elmer Davis by Brig. Gen. Robert A. McClure, Chief of the Psychological Warfare Division of Supreme Allied Headquarters (referred to in the message as PWD SHAEF), and now designated to serve in the American zone of occupation in Germany:

"In view of the recent publications of some rather conflicting articles concerning the relationship between the civilian agencies and the PWD SHAEF, I tried to clarify these relationships at a recent press conference.

"I stressed the fact that on the United States side the State Department developed the basic political policies and that the OWI developed the propaganda policies which stem from these political policies. Also, that the policy guidance which OWI sent to PWD SHAEF comes through military channels. At the time when the United States group control council becomes operative this same relationship will continue.

"It is obvious that as long as information controls operate in Germany it will be necessary to have United States Government policy guidance. Also, PWD SHAEF for the remainder of the SHAEF period and information control services of the United States group control council will depend on OWI for civilian specialists, technicians, and special supplies and equipment for the operations of information control. OWI will be expected to continue to furnish the following:

"1. Special newsreel compilations and documentary films. * * *

"2. Magazines and booklets, specially prepared, for distribution in Germany as approved by United States or requested by United States. The atrocities pamphlet KZ is an example.

"3. Radio programs from the Voice of America and from such large continental transmitters outside of Germany which come under United States control. * * *

"4. To make available world news for the newspapers which are published in Germany by us. Some time later, when German papers are licensed, a course of world news will be needed until a German news agency is organized. * * *

"5. Photographic exhibits and such other services as may be needed. The information control section, United States group control council and PWD SHAEF are depending on OWI for these United States services and hopes that OWI will be able to continue to supply them."

This message has not heretofore been made public, though there is obviously no reason why it should not. In fact, it must be admitted that Director Davis seems to have leaned over backward to avoid making his own case and that of his agency in the court of public opinion. This is, I think, a mistake.

At all events, General McClure's message speaks for itself. It states the job which OWI is expected to do. A job which must be

done. The State Department feels the same way about it.

Until other agencies are ready to take up this burden, it is the OWI's job to carry on. The voice of America must not be silenced.

CALL OF THE ROLL

Mr. BARKLEY. Mr. President, the Senate is about to proceed to consider measures on the calendar, and I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Myers
Austin	Guffey	O'Daniel
Bailey	Gurney	O'Mahoney
Ball	Hatch	Overton
Barkley	Hawkes	Pepper
Bilbo	Hayden	Reed
Brewster	Hill	Revercomb
Bridges	Hoey	Robertson
Briggs	Johnson, Calif.	Saltonstall
Brooks	Johnson, Colo.	Shipstead
Burton	Johnston, S. C.	Smith
Bushfield	Kilgore	Stewart
Butler	La Follette	Taft
Byrd	Langer	Taylor
Capehart	Lucas	Thomas, Okla.
Capper	McCarran	Thomas, Utah
Chandler	McClellan	Tobey
Chavez	McFarland	Tunnell
Donnell	McKellar	Wagner
Downey	McMahon	Walsh
Eastland	Mead	Wherry
Ellender	Millikin	White
Ferguson	Mitchell	Wiley
Fulbright	Moore	Wilson
George	Morse	Young
Gerry	Murdock	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Alabama [Mr. BANKHEAD], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Maryland [Mr. RADCLIFFE] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Montana [Mr. MURRAY] and the Senator from Maryland [Mr. TYDINGS] are absent on official business.

Mr. WHERRY. The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent by leave of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from Delaware [Mr. BUCK] is necessarily absent.

The PRESIDENT pro tempore. Seventy-seven Senators having answered to their names, a quorum is present. The clerk will call the first measure on the calendar.

Mr. TAFT subsequently said: Mr. President, I wish to have the RECORD show that the Senator from New York [Mr. WAGNER], the Senator from Colorado [Mr. MILLIKIN], the Senator from Utah [Mr. MURDOCK], the Senator from Idaho [Mr. TAYLOR], the Senator from Arkansas [Mr. FULBRIGHT], and I have been attending a meeting of the Committee on Banking and Currency, and some of us were unable to respond to the quorum call.

LEAVE OF ABSENCE

Mr. FERGUSON. Mr. President, I ask unanimous consent to be absent from the Senate during the remainder of the day.

The PRESIDENT pro tempore. Without objection, the request is granted.

NATIONAL CEMETERIES

The PRESIDENT pro tempore. The clerk will proceed to call the calendar.

The Senate proceeded to consider the bill (S. 524) to provide for one national cemetery in every State and Territory and such other national cemeteries in the States, Territories, and possessions as may be needed for the burial of war veterans, which had been reported with an amendment, on page 2, line 21, to strike out sections 5, 6, and 7, as follows:

SEC. 5. The establishment, care, maintenance, administratoin, and operation of the national cemeteries herein and hereafter provided for and all existing national cemeteries shall be a function of the Quartermaster General directly under the Secretary of War.

SEC. 6. The provisions of United States Code, page 24, section 275 (sec. 4874, Revised Statutes), are amended to read as follows: "The superintendents and assistant superintendents of the national cemeteries shall be selected from meritorious and trustworthy soldiers, sailors, and marines, either commissioned officers or enlisted men who have been honorably mustered out or discharged from the service of the United States, and who may have been disabled for active field service in the line of duty."

SEC. 7. The act entitled "An act to provide for a national cemetery in every State," approved June 29, 1938 (U. S. C., 1940 ed., title 24, sec. 271a), is hereby repealed.

And to insert in lieu thereof the following:

SEC. 5. The Secretary of War is authorized to prescribe such regulations, not in conflict with the provisions hereof, for the administration of this act as he may deem necessary.

SEC. 6. Section 4874 of the Revised Statutes (24 U. S. C. 275) is amended to read as follows:

"The superintendents of national cemeteries shall hereafter be selected from meritorious and trustworthy officers, warrant officers, or enlisted men of the Army, Navy, Marine Corps, or Coast Guard, who have been honorably discharged, relieved from active duty, or transferred to a reserve component, and who may have been disabled for active service in line of duty. Personnel engaged in the administration and operation of national cemeteries (other than superintendents) shall hereafter be selected, when available, from meritorious and trustworthy officers, warrant officers, or enlisted men of the Army, Navy, Marine Corps, or Coast Guard, who have been honorably discharged, relieved from active duty, or transferred to a reserve component."

SEC. 7. The act entitled "An act to provide for a national cemetery in every State," approved June 19, 1938 (52 Stat. 1233; 24 U. S. C. 271a), and the act entitled "An act to authorize an appropriation for the purpose of establishing a national cemetery at Honolulu, T. H," approved November 21, 1941 (55 Stat. 772), are hereby repealed.

Mr. HILL. Mr. President, I offer an amendment to the committee amendment on page 3, line 16, after the word "Act", to insert the words "by the Quartermaster General", so to make it clear that the administration of the act would be in the Secretary of War though the work would be performed by the Quartermaster General, who has charge of this work and who has prepared the program.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Alabama to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to acquire, by donation, purchase, condemnation, or otherwise, in each State and Territory of the United States in which there is not situated on the date of enactment of this act a national cemetery, a suitable site wherever practicable within such State or Territory for the establishment thereon of a national cemetery.

SEC. 2. The Secretary of War is authorized to acquire, by donation, purchase, condemnation, or otherwise, in States (including the District of Columbia) having a population of 500,000 or more, and in the Territories and possessions of the United States, (1) suitable sites for the establishment thereon of such additional national cemeteries, and (2) land adjoining existing national cemeteries for the extension of such national cemeteries, as the Secretary of War may determine to be needed for the burial of war veterans.

SEC. 3. Upon the acquisition of such land by the United States, the Secretary of War is authorized and directed to establish thereon national cemeteries, and to provide for the care and maintenance of such national cemeteries.

SEC. 4. Before any design and building material is accepted for use in any national cemetery, the Secretary of War shall obtain with respect thereto the advice of the Commission of Fine Arts.

SEC. 5. The Secretary of War is authorized to prescribe such regulations, not in conflict with the provisions hereof, for the administration of this act by the Quartermaster General as he may deem necessary.

SEC. 6. Section 4874 of the Revised Statutes (24 U. S. C. 275) is amended to read as follows:

"The superintendents of national cemeteries shall hereafter be selected from meritorious and trustworthy officers, warrant officers, or enlisted men of the Army, Navy, Marine Corps, or Coast Guard, who have been honorably discharged, relieved from active duty, or transferred to a reserve component, and who may have been disabled for active service in line of duty. Personnel engaged in the administration and operation of national cemeteries (other than superintendents) shall hereafter be selected, when

available, from meritorious and trustworthy officers, warrant officers, or enlisted men of the Army, Navy, Marine Corps, or Coast Guard, who have been honorably discharged, relieved from active duty, or transferred to a reserve component."

SEC. 7. The act entitled "An act to provide for a national cemetery in every State," approved June 29, 1938 (52 Stat. 1233; 24 U. S. C. 271a), and the act entitled "An act to authorize an appropriation for the purpose of establishing a national cemetery at Honolulu, Territory of Hawaii," approved November 21, 1941 (55 Stat. 772), are hereby repealed.

INCREASE OF SALARY OF EXECUTIVE SECRETARY OF NURSES' EXAMINING BOARD, DISTRICT OF COLUMBIA

The bill (H. R. 2839) to increase the salary of the executive secretary of the Nurses' Examining Board of the District of Columbia, was considered, ordered to a third reading, read the third time, and passed.

SALARIES OF METROPOLITAN POLICE FORCE AND FIRE DEPARTMENTS, DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 2875) to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police Force and the Fire Department of the District of Columbia," which had been reported from the Committee on the District of Columbia with amendments, on page 2, line 7, after the word "pilots", to strike out "$3,000" and insert "$3,400", and in line 8, after the word "engineers", to strike out "$3,000" and insert "$3,400."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (S. 101) to prohibit discrimination in employment because of race, creed, color, national origin or ancestry, was announced as next in order.

Mr. HILL and Mr. McCLELLAN. Over.

The PRESIDENT pro tempore. The bill will be passed over.

WAIVING OF BONDS OF NAVY MAIL CLERKS AND OTHERS

The bill (S. 984) to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes, was announced as next in order.

Mr. WALSH. The House has passed an identical bill, which is on the calendar, order No. 375, House bill 3193. I ask unanimous consent that the Senate proceed to consider the House bill.

There being no objection, the bill (H. R. 3193) to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. WALSH. I ask that the Senate bill be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, the Senate bill will be indefinitely postponed.

BILL PASSED OVER

The bill (S. 130) to increase the number of midshipmen allowed at the United States Academy from the District of Columbia, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. WALSH subsequently said: Mr. President, I should like to inquire what became of Calendar No. 288, Senate bill 130, to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia?

The PRESIDENT pro tempore. The bill was passed over on objection by the Senator from North Dakota [Mr. LANGER].

Mr. WALSH. Will the Senator from North Dakota permit me briefly to explain the bill?

Mr. LANGER. Mr. President, I objected to consideration of the bill, because I want to find out why a boy from North Dakota nominated for West Point—and the rule is the same there as at Annapolis—was dismissed, because they said he was one-half inch too short. He was captain of his football team, the head of his class, and they would not let him take an examination because he was one-half inch too short, and no one knew that he was not going to grow some more. That is the reason I objected.

Mr. WALSH. That has nothing to do with the pending bill. The pending bill seeks to equalize the number of midshipmen from the District of Columbia, because of the increase in population in the District of Columbia. The bill would change no law. The Senator, of course, is within his rights in objecting.

OCCUPATION OF CERTAIN PUBLIC HOUSING BY MEN IN VARIOUS SERVICES AND THEIR DEPENDENTS

The bill (S. 1003) to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowance, was announced as next in order.

Mr. WALSH. Mr. President, the House has passed a similar bill, which is on the Senate Calendar, Order No. 377, House bill 3233. I ask unanimous consent that the House bill be substituted for the Senate bill, and that the House bill be now considered.

The PRESIDENT pro tempore. Is there obection?

There being no objection, the bill (H. R. 3233) to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances was considered, ordered to a third reading, read the third time, and passed.

Mr. WALSH. I ask that the Senate bill be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, the Senate bill will be indefinitely postponed.

REIMBURSEMENT OF CERTAIN NAVY PERSONNEL FOR LOSS FROM FIRE AT PORTSMOUTH, VA.

The bill (S. 716) to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $1,884.69, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged in a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ENSIGN ELMER H. BECKMANN, UNITED STATES NAVAL RESERVE

The bill (S. 732) for the relief of Ensign Elmer H. Beckmann, United States Naval Reserve, was announced as next in order.

Mr. REVERCOMB. Mr. President, may we have an explanation of the bill?

Mr. WALSH. The purpose of the bill is to authorize and direct the Secretary of the Treasury to pay to the claimant named in the bill the sum of $409.05 for the value of personal property lost in a fire in the junior bachelor officers' quarters at the United States naval air station, Brunswick, Maine, on August 4, 1944.

Similar claims have been paid in the past. This was one claim which was not filed until lately because of the absence of the ensign. It is a claim which has been examined by a board of the Navy Department and approved by the board, and also approved by the Committee on Naval Affairs.

Mr. REVERCOMB. I thank the Senator from Massachusetts. I think his explanation is completely satisfactory.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $409.05 to reimburse Ensign Elmer H. Beckmann, United States Naval Reserve, for the value of personal property lost in the first in the junior bachelor officers' quarters at the United States naval air station, Brunswick, Maine, on August 4, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed

guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

REIMBURSEMENT OF CERTAIN NAVY PERSONNEL FOR LOSS BY FIRE AT CAMP ROSSEAU, CALIF.

The bill (S. 761) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset Hut occupied by Eighty-third United States Naval Construction Battalion at Camp Rosseau, Port Hueneme, Calif., on December 22, 1944, was announced as next in order.

Mr. WALSH. Mr. President, Senate bill 761 and several bills on the calendar immediately following, are of the same type. The bills provide for reimbursement of certain naval personnel for losses of their personal property caused by fire for which they were not in any way responsible.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $365, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of a fire in Quonset Hut occupied by the Eighty-third United States Naval Construction Battalion at Camp Rosseau, Port Hueneme, Calif., on December 22, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

REIMBURSEMENT OF CERTAIN NAVY PERSONNEL FOR LOSS BY FIRE AT ROSNEATH, SCOTLAND

The bill (S. 822) to reimburse certain Navy personnel for personal property lost or damaged in a fire at Naval Base Two, Rosneath, Scotland, on October 12, 1944, was considered, ordered to be engrossed for a third reading, read the third time, and passed. as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $426.65, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel for the value of personal property lost or damaged as the result of a fire at Naval Base Two, Rosneath, Scotland, on October 12, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

REIMBURSEMENT OF CERTAIN NAVY PERSONNEL FOR LOSS BY FIRE AT SEATTLE, WASH.

The bill (S. 823) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944, was considered, ordered to be engrcssed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $1,381.45, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

REIMBURSEMENT OF CERTAIN NAVY PERSONNEL FOR LOSS BY FIRE AT NORFOLK, VA.

The bill (S. 824) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut E–172 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums amounting to, in the aggregate, not to exceed $981.30, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of a fire in Quonset hut E–172 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

WILLIAM D. WARREN

The bill (S. 626) for the relief of William D. Warren, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army, William D. Warren (C–2426987), of Boulder, Colo., shall be held and considered to have served 90 days in the First Territorial Regiment, United States Volunteer Infantry, during the War with Spain and to have been honorably discharged from such service; but no pension, increase of pension, pay, or bounty shall be held to have accrued by reason of this act, prior to its enactment.

REQUISITION OF PROPERTY FOR NATIONAL DEFENSE

The bill (S. 1009) to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect, was announced as next in order.

Mr. WHITE. Mr. President, may I ask the Senator from Utah [Mr. THOMAS] if this bill would do any more than extend the present authority of law for a year?

Mr. THOMAS of Utah. It would do no more than extend the authority for a year.

Mr. WHITE. And the same is true with respect to Calendar No. 298, Senate bill 1010?

Mr. THOMAS of Utah. That is true.

The PRESIDENT pro tempore. The Chair will state that Senate bill 1009 is identical to a House bill on the calendar, order No. 378, House bill 3234. Without objection, the House bill will be substituted for the Senate bill. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 3234) to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, the Senate bill 1009 will be indefinitely postponed.

REQUISITION OF CERTAIN ARTICLES AND MATERIALS

The bill (S. 1010) to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect, was announced as next in order.

The PRESIDENT pro tempore. The Chair will state that the House has passed an identical bill, which is on the calendar, Order No. 376. Is there objection to the substitution of the House bill for the Senate bill, and present consideration of the House bill?

There being no objection, the bill (H. R. 3232) to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 1010 is indefinitely postponed.

AWARD OF MERIT FOR CERTAIN SELECTIVE SERVICE SYSTEM PERSONNEL

The bill (H. R. 1812) to authorize an award of merit for uncompensated personnel of the Selective Service System was considered, ordered to a third reading, read the third time, and passed.

MEXICAN BORDER SERVICE MEDAL

The bill (H. R. 2322) to provide for the issuance of the Mexican Border Service Medal to certain members of the Reserve forces of the Army on active duty in 1916 and 1917 was considered, ordered to a third reading, read the third time, and passed.

KERMIT ROOSEVELT FUND

The joint resolution (H. J. Res. 136) to provide for the establishment, management, and perpetuation of the Kermit Roosevelt fund was considered, ordered to a third reading, read the third time, and passed.

MARLIN-ROCKWELL CORP.

The bill (H. R. 1044) for the relief of Marlin-Rockwell Corp. with respect to the jurisdiction of The Tax Court of the United States to redetermine its excessive profits for its fiscal year ending December 31, 1942, subject to renegotiation under the Renegotiation Act, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF CANAL ZONE CODE—RETIREMENT PROVISIONS

The bill (H. R. 2125) to amend the Canal Zone Code, was announced as next in order.

Mr. REVERCOMB. Mr. President, may we have an explanation of the bill?

Mr. STEWART. Mr. President, may the bill be passed over for the present and called up after I have obtained certain data?

The PRESIDENT pro tempore. The bill will be passed over temporarily.

Mr. STEWART subsequently said: Mr. President, a few minutes ago Calendar No. 303, House bill 2125, to amend the Canal Zone Code, was passed over at my request.

The PRESIDENT pro tempore. An explanation of the bill was requested and, on request of the Senator from Tennessee, the bill was passed over.

Mr. STEWART. When the bill was reached on the calendar the Senator from West Virginia [Mr. REVERCOMB] asked for an explanation of it. I had just entered the Chamber. A similar bill had been introduced by the Senator from Wisconsin [Mr. LA FOLLETTE]. I believe the House bill was later substituted for the Senate bill.

At any rate, Mr. President, the purposes of the two bills are similar, and are set forth very clearly, much better than I could set them forth, in the report of the Committee on Interoceanic Canals, from which I read a paragraph:

PURPOSE OF THE BILL

The purpose of the bill is to bring the Canal Zone retirement provisions in line with the civil-service retirement provisions.

Section 1 (d) of the Civil Service Retirement Act provides for voluntary retirement upon attaining the age of 55 years with 30 years of service, on an annuity having a value equal to the present worth of a deferred annuity at the age of 60 years. The present bill adds a provision to the Canal Zone Retirement Act to permit voluntary retirement on an immediate annuity having a value equal to the present worth of a deferred annuity beginning at the age of 60 years, providing the employee retiring has attained the age of 55 years and has at least 30 years of service, 15 years of which shall have been spent on the Isthmus of Panama.

Under the existing provisions of paragraph (a), section 93 of title 2 of the Canal Zone Code, an employee serving thereunder who shall have attained the age of 55 and rendered at least 25 years of service, of which not less than 15 years shall have been rendered on the Isthmus of Panama, may voluntarily retire on an immediate annuity having a value equal to the present worth of a deferred annuity beginning at the age of 62. The proposed legislation would amend this provision by stipulating that the annuity of an employee retiring thereunder with at least 30 years of service shall have a value equal to the present worth of a deferred annuity beginning at the age of 60 years.

Mr. President, as I understand, the bill would not increase the amount of pension or annuity which the employee would receive, but would entitle him to receive it 5 years earlier, and the entire value of the annuity would be spread over a longer period of years than would be the case under existing law. During the hearing which was held on the matter we became involved in a great deal of arithmetic, and I was advised that no additional cost or expense to the Government would be involved by reason of the provisions of the bill.

Mr. REVERCOMB. As I understand, the bill applies only to civilian employees in the Canal Zone.

Mr. STEWART. It applies to civilian employees in the Panama Canal Zone.

Mr. REVERCOMB. And brings the retirement provisions in line with the retirement provisions under civil service.

Mr. STEWART. It places such employees under existing civil-service law. I believe no further purpose than that is intended by the bill.

The author of the Senate bill is the senior Senator from Wisconsin [Mr. LA FOLLETTE]. However, when the matter was considered by the Committee on Interoceanic Canals, the House bill was substituted for the Senate bill.

Mr. REVERCOMB. I thank the Senator.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2125) to amend the Canal Zone Code was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF COMMISSIONED OFFICERS OF U. S. S. *ST. LOUIS* DURING THE SPANISH WAR

The bill (S. 727) for the relief of the commissioned officers of the U. S. S. *St. Louis* during the Spanish-American War, May 18 to September 2, 1898, was announced as next in order.

Mr. REVERCOMB. Mr. President, may we have an explanation of the bill?

Mr. WALSH. Mr. President, this bill provides that in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States naval or military forces, the commissioned officers of the *St. Louis* shall be held and considered to have served in the naval forces of the United States between May 18 and September 2, 1898.

The bill also authorizes and directs the Secretary of the Navy to correct the records of the Navy Department to coincide with the dates of the appointments of such officers as shown on their respective commissions and discharges, in order that the commissioned officers of the *St. Louis* will be on a lawful parity with their brothers officers of the U. S. S. *Harvard* and U. S. S. *Yale*, who served during the same period.

At the outbreak of the Spanish-American War three merchant vessels of the United States, the *Harvard*, the *Yale*, and the *St. Louis* were incorporated directly into the naval service, placed under the command of naval officers, and assigned to duty in the scouting forces of the Atlantic Fleet. They operated continuously therein until the close of hostilities when they were immediately returned to owners in order to resume their regular mercantile voyages. The dates these vessels were placed in commission as vessels of the Navy were, respectively, *Harvard*, April 26, 1898; *Yale*, May 2, 1898; and *St. Louis*, April 24, 1898. All three vessels were placed out of commission on September 2, 1898, and thus were operating with the Navy for a period of 4 months or more.

The personnel of the *Harvard*, *Yale*, and *St. Louis* were not, however, enrolled in the Navy at the time of the commissioning of the vessels. The officers and crew of the *Harvard* were enrolled on June 22, 1898, and were discharged on September 2 of that year; those of the *Yale* were enrolled during the period June 10 to 15, 1898, and were discharged on September 2, 1898. Members of the crew of the *St. Louis* were never actually enrolled in the Navy but were paid and subsisted by the American Steamship Co. under a special form of contract; the officers of that vessel were enrolled in the service on July 23, 1898, and were discharged on September 2 following.

By virtue of section 3 of the act of June 2, 1930 (46 Stat. 492), the officers and crews of the *Harvard* and *Yale* are now entitled to pensions. The officers of the *St. Louis*, not having actually served under an enrollment in the Navy for a period of 70 days or more, are not now entitled to pensions. Further, the members of the crew of that vessel are not entitled to pensions since, as stated above, they were never enrolled in the naval service.

All three vessels did, however, serve during practically their entire time of commission and the *St. Louis* was in the engagement off Santiago wherein the cable landing at that point was cut.

Mr. Michael J. McGinn, formerly an assistant engineer on the steamship *St. Louis*, was inducted into the naval service of the United States as an assistant

engineer officer with the rank of ensign. He appeared before the committee, when hearings were held on a similar bill (S. 714 of the 78th Cong.) and presented evidence showing that he was actually on board the vessel during the period in question and that he and the other officers were not free to leave their employment on the *St. Louis*. Excerpts from his evidence are as follows:

The record of the U. S. S. *St. Louis* during that period will indicate that it was impossible to leave my employment, even if I had so desired. On April 30, 1898, the *St. Louis* sailed from New York for the West Indies to join Admiral Sampson's fleet, then in those waters. On May 20, 1898, while cutting the telegraph cables at Guantanamo, Cuba, it was necessary to withdraw because of the heavier armament of a Spanish gunboat. On May 22, 1898, the admiral ordered the *St. Louis* to New York to mount heavier guns and to recoal. It arrived in New York May 25, 1898. Engineers were not allowed shore leave, remaining on board supervising the recoaling of the ship and assisting in installing heavier guns. On June 1, 1898, the U. S. S. *St. Louis* sailed from New York for Guantanamo, Cuba. On July 5, 1898, the *St. Louis* left Cuban waters with the Spanish admiral, Cervera, his officers, and some 500 Spanish sailors as prisoners of war, arriving at Portsmouth, N. H., on July 10, 1898. On July 17, 1898, the *St. Louis* arrived in New York.

It is apparent, therefore, that it was impossible to leave my employment between April 30 and July 17, 1898, inasmuch as the ship was at sea during that entire period, with the exception of the period of May 25 to May 30, 1898, when the ship was docked at New York for the reasons stated above, and shore leave could not be granted.

From the evidence available it appears that the personnel on the *St. Louis* actually served for a longer period of time than the personnel of the *Harvard* and *Yale*, and that they were also in actual combat with the enemy, although the crew of the vessel was never actually enrolled in the naval service and the officers were not commissioned until several months after they began actual naval service.

The committee are of the opinion that the personnel of this vessel should be in the same status as the personnel of the *Harvard* and *Yale* as regard pensions and recommended therefore that the bill be enacted.

A similar bill passed the Senate of the Seventy-eighth Congress on October 12, 1943.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. REVERCOMB. Let me ask the able Senator from Massachusetts whether any ships, other than the *Harvard*, *Yale*, and *St. Louis*, are in the same category?

Mr. WALSH. There are no others.

Mr. REVERCOMB. Is it the view of the chairman of the Naval Affairs Committee that there will be no other ships in the same category?

Mr. WALSH. None whatever. It is only an accident that the date of the commissioning of this crew was postponed, because we were at war.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 727) for the relief of the commissioned officers of the U. S. S. *St. Louis* during the Spanish-American War, May 18, 1898, to September 2, 1898, which had been reported from the Committee on Naval Affairs with an amendment on page 2, at the beginning of line 8, to insert "U. S. S. *Harvard* and", so as to make the bill read:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States naval or military forces, the commissioned officers of the U. S. S. *St. Louis* shall be held and considered to have served in the naval forces of the United States between May 18, 1898, and September 2, 1898.

SEC. 2. The Secretary of the Navy is authorized and directed to correct the records of the Navy Department to coincide with the dates of their appointments as shown on their respective commissions and discharges.

SEC. 3. This correction is authorized so that the commissioned officers of the U. S. S. *St. Louis* will be on a lawful parity with their brother officers of the U. S. S. *Harvard* and U. S. S. *Yale*, who served during the same period.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIM OF NORFOLK-PORTSMOUTH BRIDGE, INC.

The bill (H. R. 1599) to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc., was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 57, Calendar No. 209, which is identical with the bill just passed, will be indefinitely postponed.

PARTITION OF CERTAIN LANDS IN CLEVELAND COUNTY, OKLA.

The bill (S. 438) authorizing the Secretary of the Interior to partition certain lands in Cleveland County, Okla., and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That B. H. Goodin, his heirs or assigns, may maintain a suit to partition the northeast quarter of section 33, township 9 north, range 1 east, Indian meridian, in Cleveland County, Okla., against any restricted Indian who is a part owner of said lands in the United States District Court for the Western District of Oklahoma in accordance with the law governing partitions in the State of Oklahoma. The United States shall be made a party to such action, and jurisdiction is hereby conferred upon such court to hear and determine such cause, and service may be had on the United States by serving one copy of the petition or bill in equity on the United States attorney for the Western District of Oklahoma not less than 41 days before said cause is set for trial, and any conveyance ordered made by said court, in such proceedings, shall operate to remove all restrictions on the lands conveyed to the grantee therein, except where such grantee is a restricted Indian.

PAYMENT OF OPERATION AND MAINTENANCE CHARGES ON CERTAIN PUEBLO INDIAN LANDS

The bill (S. 718) to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of the act of August 27, 1935 (49 Stat. 837), as amended by section 5 of the act of June 20, 1938 (52 Stat. 779), authorizing the Secretary of the Interior to provide by agreement with the Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, for the payment of operation and maintenance charges on newly reclaimed Pueblo Indian lands and lands purchased by the United States by virtue of the act of June 7, 1924 (43 Stat. 636), as amended, for certain Pueblo Indians, are hereby extended for an additional period of 10 years to 1955.

EXPORTATION OF CERTAIN COMMODITIES

The bill (S. 935) to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities was announced as next in order.

The PRESIDENT pro tempore. House bill 2944, Calendar 374, as an identical bill, Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 2944) to continue in effect section 6 of the act of July 2, 1940, as amended, relating to the exportation of certain commodities, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 935 will be indefinitely postponed.

CLAIMS OF CERTAIN ENROLLED SIOUX INDIANS

The bill (H. R. 378) authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

LAND PATENT TO PETER A. CONDELARIO

The bill (S. 709) authorizing and directing the Secretary of the Interior to issue to Peter A. Condelario a patent in fee to certain land, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Peter A. Condelario, a Sioux Indian of the Pine Ridge Indian Reservation, S. Dak., a patent in fee to the northeast quarter of section 31, in township 40 north, range 35 west, of the sixth principal meridian, South Dakota.

PAY AND ALLOWANCES, ETC., FOR CERTAIN UNDER-AGE NAVAL PERSONNEL DISCHARGED

The bill (S. 1045) to provide for pay and allowances and transportation and subsistence of personnel discharged or released from the Navy, Marine Corps, and Coast Guard because of under age

at the time of enlistment, and for other purposes, was announced as next in order.

Mr. WALSH. Mr. President, I anticipated an inquiry with respect to this bill. It is a rather interesting bill, because it shows the extreme patriotism of some very young boys in this country.

A number of young men have falsified their age, stating that they were 17 years of age when they were not. In fact, as many as 6,000 have enlisted in the Navy under age. Some of them had been in the Navy 4 months, and even a year, before they were detected as having entered the Navy under age.

Under the regulations of the Navy they must be discharged if they are under 17. The result has been that some of these boys far away from home have been stranded after being discharged with no funds and no means of getting home. This bill authorizes the Secretary of the Navy to reimburse them, to pay their traveling expenses, and in certain cases to give them the allotment to which they would be entitled if they had entered the Navy duly and properly, and within the legal age.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. REVERCOMB. I approve the purpose of the bill. The thought I have in mind is that it extends these benefits only to naval personnel. What provision has been made for the boys who, prior to the discontinuance of enlistments in the Army, entered the Army under age and were discharged? There have been quite a number of them. We occasionally hear of such cases. This bill pertains only to those in the Navy.

Mr. WALSH. This bill deals only with naval personnel. I am under the impression that there is a similar law with reference to Army personnel. Perhaps the chairman of the Committee on Military Affairs can inform us.

Mr. REVERCOMB. There certainly should be.

Mr. WALSH. I agree with the Senator. In any event, it is my job to take care of the Navy.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1045) to provide for pay and allowances and transportation and subsistence of personnel discharged or released from the Navy, Marine Corps, and Coast Guard because of under age at the time of enlistment, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That the Secretary of the Navy, under such regulations as he may prescribe, may discharge or release from the Navy, Marine Corps, and the reserve components thereof, with pay and allowances and discharge certificate found appropriate for their service after enlistment, enlisted persons who heretofore have secured or hereafter may secure enlistment by reason of false statement of age on their applications for enlistment and have therefore been enlisted while under the minimum statutory or administrative age limit. When so discharged or released such enlisted persons shall be furnished transportation in kind and subsistence from the place of discharge to their home.

SEC. 2. Whenever the Coast Guard is operating as a part of the Navy the provisions of this act shall be applicable to personnel of the Coast Guard, exclusive of temporary members of the Coast Guard Reserve on active duty without full military pay and allowances. When the Coast Guard is operating under the Treasury Department, the powers conferred upon the Secretary of the Navy in section 1 of this act shall be vested in the Secretary of the Treasury.

SEC. 3. Appropriations available for pay and allowances, subsistence, and transportation of enlisted personnel of the Navy, Marine Corps, and Coast Guard shall be available for the payment of pay and allowances, subsistence, and transportation authorized by this act.

SEC. 4. All payments heretofore made of a character authorized under the provisions of this act, if otherwise correct, are hereby validated.

SEC. 5. The act approved July 1, 1944 (Public Law 398, 78th Cong.), entitled "An act to provide for the transportation to their homes of persons discharged from the naval service because of under age at the time of enlistment," is hereby repealed.

MEMORIAL TO GUSTAV BECKER AT SPRINGERVILLE, ARIZ.

The Senate proceeded to consider the joint resolution (S. J. Res. 4) authorizing the erection on public grounds in Springerville, Ariz., of a memorial to Gustav Becker, which had been reported from the Committee on Public Buildings and Grounds with amendments, on page 1, line 7, after the word "site", to insert "at any time within 2 years after the date of approval of this joint resolution;" on page 2, line 1, after the word "That", to strike out "the site chosen and"; and in line 2, after the words "approved by the", to strike out "National Commission of Fine Arts" and insert "Commissioner of Public Buildings", so as to make the joint resolution read:

Resolved, etc., That the Commissioner of Public Buildings is authorized and directed to select a suitable site on the grounds of the Federal Building in Springerville, Ariz., and to grant permission to any association or committee organized for that purpose to erect upon such site at any time within 2 years after the date of approval of this joint resolution, as a gift to the people of the United States, a memorial to the late Gustav Becker: *Provided*, That the design of such memorial shall be approved by the Commissioner of Public Buildings, and that the United States shall be put to no expense in or by the erection of such memorial.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 31) relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes, was announced as next in order.

Mr. BARKLEY. Mr. President, may we have an explanation of the joint resolution?

The PRESIDENT pro tempore. The joint resolution was reported by the Senator from Rhode Island [Mr. GREEN].

Mr. BARKLEY. Mr. President, I ask that the joint resolution be passed over temporarily.

The PRESIDENT pro tempore. The joint resolution will be passed over temporarily.

BETTY ELLEN EDWARDS

The bill (H. R. 2001) for the relief of Betty Ellen Edwards was considered, ordered to a third reading, read the third time, and passed.

HEIRS OF HENRY B. TUCKER

The bill (H. R. 3074) for the relief of the heirs of Henry B. Tucker, deceased, was considered, ordered to a third reading, read the third time, and passed.

CONSTRUCTION CHARGES ON NON-INDIAN LANDS IN SAN CARLOS FEDERAL IRRIGATION PROJECT

The bill (S. 812), to amend section 3 of the San Carlos Act (43 Stat. 475–476), as supplemented and amended, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 3 of the San Carlos Act, approved June 7, 1924 (43 Stat. 475–476), as amended and supplemented, be, and it is hereby, amended so as to provide that the construction charges on account of non-Indian lands in the San Carlos Federal irrigation project shall be repaid in variable annual payments, to be determined by the number of acre-feet of water stored in the San Carlos Reservoir on March 1 each year beginning on the 1st day of March 1945; the amount of each such annual payment shall be fixed and determined in accordance with the following schedule:

When stored water (other than dead storage) in the San Carlos Reservoir on Mar. 1 of each year is—	The annual construction charge payment due Dec. 1 of the following year shall be—
0 to 100,000 acre-feet	$12,500
Over 100,000 but not over 200,000 acre-feet	25,000
Over 200,000 but not over 250,000 acre-feet	37,500
Over 250,000 but not over 300,000 acre-feet	50,000
Over 300,000 but not over 350,000 acre-feet	75,000
Over 350,000 but not over 400,000 acre-feet	100,000
Over 400,000 acre-feet	125,000

SEC. 2. The variable repayment schedule provided for in section 1 hereof shall go into effect for the fiscal year beginning July 1, 1945, and ending June 30, 1946, and the first such annual payment shall become due and payable December 1, 1946.

SEC. 3. The term "construction charges" shall mean the unpaid balance of the principal obligations due the United States under the terms of the repayment contract dated June 8, 1931, between the United States and the San Carlos Irrigation and Drainage District, as amended, including all annual installments deferred in whole or in part: *Provided*, That the sum of $25,000 shall be paid December 1, 1945, on the deferred installment due December 1, 1945, under the amended repayment contract: *Provided further*, That none of the deferred installments shall bear interest during the periods deferred.

SEC. 4. The Secretary of the Interior is hereby authorized and directed to enter into a supplemental agreement with the San Carlos Irrigation and Drainage District modifying the repayment provisions of the existing repayment contract, as amended, in accordance herewith.

FELIX FREDERICKSON

The Senate proceeded to consider the bill (S. 543) for the relief of Felix Fred-

erickson, which had been reported from the Committee on Claims, with an amendment, on page 1, in line 6, after the words "sum of", to strike out "$9,500" and insert "$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Felix Frederickson, of Seattle, Wash., the sum of $5,000, in full satisfaction of his claims against the United States (1) for compensation for personal injuries sustained by him when he was struck by a United States mail truck at the intersection of Westlake Avenue and Virginia Street in Seattle, Wash., on January 4, 1944, and (2) for reimbursement of medical, hospital, and other expenses incurred by him as a result of such injuries: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OSBORNE E. McKAY

The Senate proceeded to consider the bill (H. R. 2336) for the relief of Osborne E. McKay, which had been reported from the Committee on Claims, with amendments, on page 1, in line 6, after the word "reserve", to insert "retired"; in line 9, after the word "McKay", to insert "and his wife"; and in line 10, after the word "sustained", to strike out "on November 10, 1942, when certain personal effects owned by him were destroyed by fire and water in the hold of the United States Army transport *James Parker* at pier 60, Cristobal, C. Z.", and insert "by them as the result of a fire which occurred in the hold of the United States Army transport *James Parker* at pier 6, Cristobal, C. Z., on November 10, 1942."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

DANIEL B. JOHNSON

The bill (H. R. 1038) for the relief of Daniel B. Johnson was considered, ordered to a third reading, read the third time, and passed.

CAMP NO. 1, ALASKA NATIVE BROTHERHOOD

The bill (H. R. 802) for the relief of camp No. 1, Alaska Native Brotherhood, Sitka, Alaska, was announced as next in order.

Mr. REVERCOMB. Mr. President, may we have an explanation of the bill?

Mr. O'DANIEL. It is for the relief of camp No. 1, Alaska Native Brotherhood. In this case a camp owned by the Alaska Native Brotherhood at Sitka, Alaska, was taken over by the Government. After the Government took it over there was, because of negligence on the part of the Government, a fire which destroyed the greater part of the camp. The bill is for the purpose of reimbursing the association which owned the building and the camp.

Mr. REVERCOMB. In what amount is reimbursement proposed?

Mr. O'DANIEL. In the amount of $6,000. The bill has been approved by the Government officials, who recognized the liability.

Mr. REVERCOMB. Let me ask the Senator if the camp was occupied by the armed forces?

Mr. O'DANIEL. Yes; it was occupied by the Army.

Mr. REVERCOMB. I take it that the bill has come to us because the amount of $6,000 is in excess of the authority had by the Army, under the $5,000 property-damage allowance limit; is that correct?

Mr. O'DANIEL. That is correct. There is an itemized statement showing the amount of loss. It amounts to $3,500; and it has been approved by the Army, reduced to $6,000.

Mr. REVERCOMB. Very well.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

WILLIAM H. SHULTZ

The bill (H. R. 912) for the relief of William H. Shultz was considered, ordered to a third reading, read the third time, and passed.

LEONARD D. JACKSON AND ELSIE FOWKES JACKSON

The bill (H. R. 1059) for the relief of Leonard D. Jackson and Elsie Fowkes Jackson was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF DEMETRIO CAQUÍAS

The bill (H. R. 1756) for the relief of the estate of the late Demetrio Caquías was considered, ordered to a third reading, read the third time, and passed.

MRS. ELLEN C. BURNETT

The bill (H. R. 993) for the relief of Mrs. Ellen C. Burnett was considered, ordered to a third reading, read the third time, and passed.

AUSTIN BRUCE BOWEN

The bill (H. R. 1488) for the relief of Austin Bruce Bowen was considered, ordered to a third reading, read the third time, and passed.

HUGH M. GREGORY

The bill (H. R. 1617) for the relief of Hugh M. Gregory was considered, ordered to a third reading, read the third time, and passed.

LEGAL GUARDIAN OF SAM WADFORD

The bill (H. R. 1482) for the relief of the legal guardian of Sam Wadford was considered, ordered to a third reading, read the third time, and passed.

ERNEST L. FUHRMANN

The Senate proceeded to consider the bill (S. 711) for the relief of Ernest L. Fuhrmann, which had been reported from the Committee on Claims, with an amendment, on page 1, in line 6, after the words "sum of", to strike out "$15,000" and insert "$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ernest L. Fuhrmann, of Bogalusa, La., the sum of $5,000, in full satisfaction of his claims against the United States (1) for compensation for personal injuries sustained by him when he was struck by a block of ice thrown from a moving troop train, at Elton, Miss., on May 24, 1943; and (2) for reimbursement of medical, hospital, and other expenses incurred by him as a result of such injuries: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EDITH M. POWELL

The bill (H. R. 1453) for the relief of Edith M. Powell was considered, ordered to a third reading, read the third time, and passed.

NELSON R. PARK

The bill (H. R. 2925) for the relief of Nelson R. Park was considered, ordered to a third reading, read the third time, and passed.

ETHEL FARKAS

The bill (H. R. 1606) for the relief of Ethel Farkas, Julius Farkas, and legal guardian of Terez Farkas was considered, ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "An act for the relief of Mrs. Ethel Farkas."

MRS. SADIE L. DANCE AND OTHERS

The Senate proceeded to consider the bill (H. R. 842) for the relief of Mrs. Sadie L. Dance, Michigan Millers Mutual Fire Insurance Co., and State Farm Fire Insurance Co., which had been reported from the Committee on Claims, with an amendment, on page 1, in line 6, after the figure "$982", to strike out "to Michigan Millers Mutual Fire Insurance Co., of Lansing, Mich., the sum of $1,363.81; and to State Farm Fire Insurance Co., of Bloomington, Ill., the sum of $200. The payment of such sums shall be in full settlement of all claims against the United States for real and personal property damages sustained by the said Mrs. Sadie L. Dance on June 18, 1944, when a United States Navy airplane crashed on her property in South Boston, Va. The payment herein authorized to the said Mrs. Sadie L. Dance shall be in full settlement of damages resulting from such crash to her fence, driveway, rose garden, shrubbery, and lawn, and the payments herein authorized to such insurance companies shall be in full settlement of all claims of such companies by reason of their being required by the

terms of policies issued to the said Mrs. Sadie L. Dance, to pay such sums to her upon damage by fire resulting from such airplane crash to real and personal property belonging to her" and insert "for compensation for damages (not covered by insurance) to her fence, driveway, rose garden, shrubbery, and lawn, as the result of a United States Navy airplane crashing on her property in South Boston, Va., on June 18, 1944."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act for the relief of Mrs. Sadie L. Dance."

CAFFEY ROBERTSON-SMITH, INC.

The bill (S. 489) for the relief of Caffey Robertson-Smith, Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized and directed to pay, out of any funds available for carrying out the provisions of section 32 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935, as amended, the sum of $9,448.86, to Caffey Robertson-Smith, Inc., of Memphis, Tenn., in full satisfaction of its claims against the United States for payments for the exportation of certain quantities of cotton at the rates in effect at the time of the sales thereof for export, notices of such sales having been given prior to December 6, 1939, but the payments therefor having been withheld for the reason that the said Caffey Robertson-Smith, Inc., did not promptly file a bond supporting the agreement of compliance, dated August 1, 1939, which it entered into in connection with the cotton and cotton products export program of the Department of Agriculture for the fiscal year 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ALICE WALKER

The bill (H. R. 2700) for the relief of Alice Walker was considered, ordered to a third reading, read the third time, and passed.

MRS. JANE STRANG

The bill (H. R. 2730) for the relief of Mrs. Jane Strang was considered, ordered to a third reading, read the third time, and passed.

CHARLES E. SURMONT

The bill (H. R. 1611) for the relief of Charles E. Surmont was considered, ordered to a third reading, read the third time, and passed.

LEGAL GUARDIAN OF STEWART MARTIN, JR., A MINOR

The bill (H. R. 2003) for the relief of the legal guardian of Stewart Martin, Jr., a minor, was considered, ordered to a third reading, read the third time, and passed.

HAROLD J. GRIM

The bill (H. R. 1091) for the relief of Harold J. Grim was considered, ordered to a third reading, read the third time, and passed.

MRS. CECILIA M. TONNER

The bill (H. R. 1328) for the relief of Mrs. Cecilia M. Tonner was considered, ordered to a third reading, read the third time, and passed.

MRS. C. J. RHEA, SR.

The bill (H. R. 1243) for the relief of Mrs. C. J. Rhea, Sr., was considered, ordered to a third reading, read the third time, and passed.

TOBEY HOSPITAL

The bill (H. R. 2721) for the relief of Tobey Hospital was considered, ordered to a third reading, read the third time, and passed.

INTERCHANGEABLE USE OF POST-OFFICE CLERKS AND CITY LETTER CARRIERS

The bill (H. R. 3059) authorizing the Postmaster General to continue to use post-office clerks and city letter carriers interchangeably was considered, ordered to a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (H. J. Res. 145) providing for membership of the United States in the Food and Agriculture Organization of the United Nations was announced as next in order.

Mr. REVERCOMB. Let the joint resolution be passed over.

Mr. BARKLEY. Mr. President, it is very important that the joint resolution be considered as soon as possible. I do not know what the Senator's objection is.

Mr. REVERCOMB. I do not think a measure of this kind should be passed on the call of the calendar.

Mr. BARKLEY. I will not argue that matter with the Senator.

The PRESIDENT pro tempore. Objection being heard, the joint resolution will be passed over.

MADELINE J. MAC DONALD

The bill (H. R. 892) for the relief of Madeline J. MacDonald was considered, ordered to a third reading, read the third time, and passed.

AUTHORIZATION TO ACCEPT MEDALS FROM CANADA

The joint resolution (S. J. Res. 51) granting permission to Charles Rex Marchant, Lorne E. Sasseen, and Jack Veniss Bassett to accept certain medals tendered them by the Government of Canada in the name of His Britannic Majesty, King George VI, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That Charles Rex Marchant, Lorne E. Sasseen, and Jack Veniss Bassett, employees of the Civil Aeronautics Administration, Department of Commerce, be authorized to accept and wear British Empire medals, Civilian Division, tendered by the Government of Canada in the name of His Britannic Majesty, King George VI, in recognition of their gallant services in rescuing four crew members from a crashed and burning Canadian bomber in September 1942, and that the Department of State is hereby authorized and permitted to deliver the above medals to Charles Rex Marchant, Lorne E. Sasseen, and Jack Veniss Bassett.

POWER PLANT AT SAN CARLOS IRRIGATION PROJECT

The Senate proceeded to consider the bill (H. R. 1656) to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project, which had been reported from the Committee on Indian Affairs with an amendment, on page 1, after line 4, to strike out "modify the provisions of the contract entered into on June 19, 1942, whereby the United States agreed to purchase the Diesel electric generating plant of the said corporation for use in connection with the San Carlos irrigation project for the sum of $27,000 in cash and electric power of the value of $33,000 to be delivered to and accepted by the said corporation prior to December 31, 1944, so as to provide for either (1) the payment to the said corporation, in addition to amounts heretofore paid and electric power heretofore delivered of the sum of $18,700 (the appropriation of which is hereby authorized), or (2) the delivery to the said company, during the 3-year period beginning on January 1, 1945, of the equivalent thereof in electric power at the rates established by the general rate schedule for the San Carlos project power system, the said company having been unable, because of circumstances beyond its control, to utilize the amount of electric power which it agreed to accept under the provisions of such contract within the period therein prescribed" and insert "extend to December 31, 1946, the provisions of the contract entered into on June 19, 1942, whereby the United States agreed to purchase the Diesel electric-generating plant of said corporation for use in connection with the San Carlos Indian irrigation project, and whereby said corporation agreed to accept delivery of electric energy from the United States prior to December 31, 1944, in partial payment for such plant; to modify the contract thus extended so as to require that electric energy delivered to said corporation during the period beginning January 1, 1945, be paid for by credit under the contract at the rates established by the general rates schedule for the San Carlos Indian irrigation project system in effect at the time of delivery; and to delete from the contract the provision reserving a first right to said corporation to use 750 kilowatts of power. The terms of the contract thus extended shall be subject to the right of the United States to remove the Diesel plant from its present location or to sell or otherwise dispose of it, which action may be taken in the discretion of the Secretary of the Interior. In the event of such removal or disposition of the Diesel plant, any remaining balance of the purchase price shall be liquidated and discharged prior to December 31, 1946, in the same man-

ner as though such plant had not been disposed of or removed."

Mr. REVERCOMB. Mr. President, may we have an explanation?

Mr. McFARLAND. Mr. President, the bill provides for the modification of the provisions of a contract made by the Indian Service with the Christmas Copper Corp. in connection with the purchase of a power plant located at Christmas, Ariz. Payment was to be made to the Christmas Corp. in electrical energy. On account of the fact that the Christmas Copper Corp. was unable to obtain certain materials because of rulings of the War Production Board, it was not able to use the electricity as fast as it had anticipated. So the bill merely would extend the time within which the corporation can receive payment by means of the use of electricity, as provided for in the original contract.

Mr. REVERCOMB. I thank the Senator.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TITLES TO LANDS CONVEYED BY THE FIVE CIVILIZED TRIBES

The bill (H. R. 2754) to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes and to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma," approved January 27, 1933, and to validate State court judgments in Oklahoma and judgments of the United States District Courts of the State of Oklahoma, was considered, ordered to a third reading, read the third time, and passed.

EXPEDITION OF FEDERAL FARM LOANS

The bill (H. R. 2113) to amend the Federal Farm Loan Act was announced as next in order.

Mr. REVERCOMB. Mr. President, this measure is very important. I should like to be informed in what respect the bill would amend the Federal Farm Loan Act.

The PRESIDENT pro tempore. The Senator from Utah [Mr. MURDOCK], who is in charge of the bill, is not now in the Chamber.

Mr. BUSHFIELD. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. MURDOCK subsequently said: Mr. President, I ask unanimous consent to recur to Calendar No. 359, House bill 2113, to amend the Federal Farm Loan Act.

I understand, Mr. President, the bill was passed over because no Senator was here to explain it at the time.

The PRESIDENT pro tempore. The Senator from South Dakota [Mr. BUSHFIELD] objected, and the bill was passed over under the rule.

Mr. MURDOCK. I hope the Senator from South Dakota will withdraw his objection. The bill was unanimously reported by the Senate Banking and Currency Committee, and it was passed by the House without any opposition whatsoever.

The purpose of the bill is to improve procedure so as to expedite loans for the convenience of borrowers. There are one or two substantive changes in the Federal Farm Loan Act, which I shall be very glad to explain.

The PRESIDENT pro tempore. Does the Senator from South Dakota withdraw his objection?

Mr. BUSHFIELD. Mr. President, I probably will have no objection to the bill, but I have not seen it, and it is a very important bill to my section of the country. I should like to have an opportunity to confer with the Senator from Utah, and for that reason I ask that it go over.

Mr. MURDOCK. If that is the Senator's attitude, very well; but it is quite essential that the bill be passed before June 30, and I do not know if we will have another opportunity to consider the calendar. Could the Senator confer with me at this time about it?

Mr. BUSHFIELD. Not until we finish the calendar.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. BUSHFIELD subsequently said: Mr. President, during the call of the calendar, when Calendar No. 359, House bill 2113, a bill sponsored by the Senator from Utah [Mr. MURDOCK] was reached, I asked that the bill be passed over. I have since satisfied my objection to the bill, and I now withdraw my objection to present consideration of the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2113) to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Service Men's Readjustment Act of 1944, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF 5-YEAR-LEVEL-PREMIUM-TERM POLICIES

The bill (H. R. 2949) to extend 5-year-level-premium-term policies for an additional 3 years was announced as next in order.

Mr. REVERCOMB. Mr. President, may we have an explanation of the bill.

The PRESIDENT pro tempore. The Senator from Colorado [Mr. JOHNSON] is in charge of the bill.

Mr. JOHNSON of Colorado. Mr. President, enactment of the proposed legislation is necessary in view of the fact that it would extend the time during which insurance might be converted. The bill would extend the application of a provision in the National Service Life Insurance Act of 1940 which makes it possible for veterans to convert their insurance. The bill would merely extend the time during which veterans could make the conversion.

Mr. WALSH. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. WALSH. Is it not a fact that there are a large number of persons in the armed services who are veterans of the First World War and are away from the United States and are not in a position to convert their insurance at this time, so that unless the provisions of the act are continued in effect for 3 years, they may be deprived of the opportunity to convert their insurance?

Mr. JOHNSON of Colorado. That is true. It is difficult to get in touch with them. It may be possible to do so, but they are on the various battle fronts. It is not possible for the War Department or the Veterans' Administration to discuss the matter with them and ascertain what they wish to do about it. The bill merely extends the period in which they may exercise the right which was afforded them by the act of 1940.

Mr. REVERCOMB. I thank the Senator from Colorado.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

REDUCTION OF INTEREST RATE ON LOANS SECURED BY GOVERNMENT LIFE INSURANCE

The Senate proceeded to consider the bill (S. 447) to reduce the rate of interest on loans secured by United States Government life insurance to 3 percent per annum, which had been reported from the Committee on Finance with an amendment to strike out all after the enacting clause and insert:

That section 7 of Public Law 198, Seventy-sixth Congress, approved July 19, 1939, is hereby amended to read as follows:

"SEC. 7. On and after July 1, 1945, the rate of interest charged on any loan secured by a lien on United States Government life (converted) insurance shall not exceed 4 percent."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to reduce the rate of interest on loans secured by United States Government life insurance to 4 percent per annum."

PRIORITY OF VETERANS' ADMINISTRATION IN EMPLOYMENT OF PERSONNEL, ETC.

The Senate proceeded to consider the bill (H. R. 3118) to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes, which had been reported from the Committee on Finance with amendments.

The first amendment was on page 2, line 8, after the word "necessary" to strike out: "to procure and employ additional personnel on a full- or part-time basis without regard to section 3709 of

the Revised Statutes (41 U. S. C. 5), and the civil-service laws and the Classification Act of 1923, as amended, but with full regard to veterans' preference, and to fix and pay the compensation of such personnel not to exceed the maximum provided for comparable classified positions under such laws, and."

Mr. LUCAS. Mr. President, as a member of the subcommittee of the Finance Committee which reported favorably House bill 3118, I should like to invite attention briefly to the language which was stricken out by the subcommittee on page 2 of the bill.

The provision which the committee struck out deals with the Civil Service Act. Originally, as the bill was passed by the House, it permitted the Veterans' Administration to employ additional personnel on a part-time basis without regard to section 3709 of the Revised Statutes, but with full regard to veterans' preference.

I merely call this to the attention of the Senate because it is my understanding that the House may insist upon the language as it came from the House to the Senate.

The testimony before our committee was that the Veterans' Administration has been severely criticized and condemned in certain sections of the country. One of the reasons for the criticism and condemnation, according to witnesses appearing before the committee, is that the Veterans' Administration is unable to employ the personnel which is necessary in order to carry on its administrative work. Mr. President, I am a believer in civil service. However, on several separate occasions during the present great emergency, the Congress has passed measures of this character and ignored civil service. The present volume of administrative work will increase by leaps and bounds as our veterans return. The officials of the Veterans' Administration assert definitely that they can employ men every day if they do not have to clear them through the Civil Service Commission. They state that they can employ this or that person who is looking for work, but the moment he is told that he has to be cleared through the Civil Service Commission, in 9 times out of 10 he never returns. The question involved is not one of violating the civil-service laws; it is a question of obtaining sufficient help to administer the law.

While I went along with this amendment, I merely call attention to the facts. I did not hear the recent testimony of the representative of the Veterans' Administration before the subcommittee, but did hear him before the full committee.

Then there was involved the question whether this was not a matter to be considered by the Civil Service Committee and whether the Finance Committee had jurisdiction to include in the bill language of this kind. I do again call attention, however, to the fact that if in the immediate days to come, we are to have a really efficient administration, which will be subject to the least possible amount of criticism, we will have to make it possible for those in charge of the Veterans' Administration to get the type and kind of personnel they require. They need doctors; they need surgeons; they need all types and kinds of assistants to help administer that great agency of the Government. I say to you, Mr. President, they are desperate for the type and kind of help they absolutely require.

It takes some time to process employees through the Civil Service Commission. I am only speaking now from the standpoint of the emergency. The same situation has arisen from time to time during the war in regard to other agencies. For instance, we have absolutely eliminated the civil-service requirements in order to give the Army and the Navy and the Marine Corps and a number of other agencies of the Government the kind of employees they need in order that they may function efficiently and properly.

Mr. JOHNSON of Colorado. Mr. President, the Senator from Illinois has stated one viewpoint concerning the elimination of the House provision. The other viewpoint is that all agencies of the Government would like to get out from under the restrictions of the civil-service law. The argument is that, instead of being handicapped by the civil-service provisions now in force, the Veterans' Bureau would be definitely assisted if they used the processes of the Civil Service Commission to augment their necessary personnel.

Mr. President, as I have said, there is violent opposition to the House provision eliminating the personnel from the requirements of the civil-service law. But the Veterans' Bureau is very anxious to have the other provisions of the proposed legislation enacted and put into effect, because they need it badly and they are perfectly willing to forego this one provision with respect to civil-service personnel. That is the reason our committee eliminated it. It was a highly controversial matter. The bill, with that provision eliminated, was not controversial in any respect, and I hope it may be passed with the amendments reported by the committee.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee beginning in line 8, page 2.

The amendment was agreed to.

The PRESIDENT pro tempore. The Clerk will state the next amendment.

The next amendment was, on page 2, line 18, after the word "existing", to strike out "statutes: *Provided*, That any personnel so employed shall have the right to qualify by prescribed competitive examination for civil-service status and the employment of any person not receiving a civil-service appointment shall be terminated not later than 1 year after the end of the war", and insert "statutes."

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to amend section 100 of Public Law Numbered 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, and for other purposes."

Mr. JOHNSON of Colorado subsequently said: Mr. President, today in legislative session the Senate passed, during the call of the Calendar, House bill 3118, relating to employment in the Veterans' Administration, with an amendment. There was a brief discussion of the measure, and I ask unanimous consent to insert in the RECORD at that point a letter which I have received from Mr. Harry B. Mitchell, President of the United States Civil Service Commission, with respect to the amendment which the Senate adopted.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES CIVIL
SERVICE COMMISSION,
Washington, D. C., June 15, 1945.

Hon. EDWIN C. JOHNSON,
United States Senate.

DEAR SENATOR JOHNSON: The Commission's attention has been directed to the provisions in your bill S. 971, to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration.

This Commission is fully aware of the serious situation which confronts the Veterans' Administration insofar as personnel matters are concerned. It has done everything it possibly can to place all of its resources at the disposal of the Veterans' Administration and to see to it that those resources are pooled with the resources which the Veterans' Administration has available for recruiting purposes.

If the bill as proposed should become law, it would have the effect of removing the positions in the Veterans' Administration from the classified service for the duration of the war. Consequently, the Civil Service Commission would be unable to utilize its resources in an effort to assist the Veterans' Administration in meeting its personnel needs. It is clear that this would have the effect of retarding rather than facilitating the filling of vacancies in the Veterans' Administration.

Unless it is desired to circumvent the provisions of the Veterans' Preference Act of 1944 by this bill, it will not introduce any more flexibility into the recruiting program of the Veterans' Administration than exists now under the war service regulations. All war agencies have been staffed without recourse to legislation of this kind.

The provision of the bill which would authorize the Veterans' Administration to hire persons at the maximum rather than the minimum of the schedule for a particular grade under the Classification Act is an example of the kind of a piecemeal approach to pay matters which gives to one agency of the Federal Government an unfair advantage over the other agencies of Government. If such legislation should pass, it would be difficult for Government, as an employer, to explain to an employee in one agency why that employee, although placed in the same grade as an employee in the Veterans' Administration, is, nevertheless, receiving less pay. Important as the duties and responsibilities of the Veterans' Administration are, there are other agencies of Government which are likewise discharging important responsibilities.

The Senate has just passed, and there is now pending before the House of Representatives, a pay bill which, if passed by the Congress and approved by the President, will improve the pay structure of the entire Government. It is clear that any other approach to a problem of this nature is unsound and unfair.

Measures such as those proposed in this bill never provide a real solution for per-

sonnel problems. The Commission believes that more can be done than has been done in the direction of delegating authority to act in connection with personnel problems to field officers of the Veterans' Administration, in the direction of giving the field administrative officers of the Veterans' Administration staff help in the personnel field, in the direction of providing better housing conditions for persons required to live at veterans' facilities, and in the direction of providng more adequate transportation facilities for persons who are required to travel a considerable distance in order to work at the veterans' facilities.

Two bills have been introduced, S. 971, your bill, and H. R. 3118, the bill which passed the House Monday. As explained in the above, it is the Commission's view that this proposed legislation is unnecessary and undesirable, and it urges that the bill be not given favorable consideration.

The Bureau of the Budget advises there is no objection to the presentation of this report as the enactment of the legislation as introduced in S. 971 and the companion bill, H. R. 3118, would not be in accord with the program of the President.

By direction of the Commission.

Very sincerely,

HARRY B. MITCHELL,
President.

INTER-AMERICAN STATISTICAL INSTITUTE

The Senate proceeded to consider the bill (H. R. 688) to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute, which had been reported from the Committee on Foreign Relations with amendments.

Mr. REVERCOMB. Mr. President, may we have an explanation of the bill and a statement of what it means?

Mr. GEORGE. Mr. President, this bill is simply to correct certain errors in the original joint resolution which has already passed and is the law. Certain difficulties developed in the administration of the law. The pending bill is intended simply to clarify the original measure.

Mr. REVERCOMB. What is the Inter-American Statistical Institute?

Mr. GEORGE. It is an institute to which the various nations of this hemisphere have subscribed for the purpose of gathering and disseminating information. There is a small cost involved of course. In the original joint resolution the cost was based on approximately 20 cents per thousand population, but there were some other provisions which had the effect of cutting down the contribution of the United States to about 15 cents per thousand population. The pending bill in the nature of an amendment to the original law is to correct the language of the joint resolution passed on January 27, 1942, by which we subscribed to this institute and became a participating member in it.

Mr. REVERCOMB. Is the United States required to pay a greater expense per capita than the other countries by participating?

Mr. GEORGE. No; actually, as the joint resolution was worded, it placed upon other countries in the Western Hemisphere a little larger cost than it did on the United States.

Mr. REVERCOMB. But the pending bill does not place a greater expense on this Government per capita?

Mr. GEORGE. No; it is limited in any event to not to exceed $35,000.

Mr. REVERCOMB. May I ask the able Senator just what is the purpose and the work of this statistical institute? Is it to gather information and furnish information to the several governments and to the public?

Mr. GEORGE. It has been some time, of course, since the resolution was passed. In its administration the difficulty was encountered to which I have just called attention. My recollection is that it is designed to gather information and pertinent facts with respect to the resources of the several countries in the Western Hemisphere, including Canada, and to distribute the information to the agencies of government which wish to obtain it; but I do not recall the terms of the original joint resolution which, as I have said, was passed some time ago.

Mr. REVERCOMB. What does it cost a year?

Mr. GEORGE. I may say there is a unanimous report from the committee. Further amendments to the joint resolution relate only to the language of the measure. An amendment was offered by the Senator from Vermont [Mr. AUSTIN].

Mr. REVERCOMB. Is the cost $35,000 a year?

Mr. GEORGE. It cannot exceed $35,000 a year.

Mr. REVERCOMB. I thank the Senator.

The PRESIDENT pro tempore. The clerk will state the amendment of the committee.

The CHIEF CLERK. On page 2, line 3, after the word "unless", it is proposed to strike out "the dues paid by" and to insert "at least eight of."

The amendment was agreed to.

The CHIEF CLERK. On page 2, line 6, after the words "shall have", it is proposed to insert "paid dues which."

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

EXCHANGE OF LANDS IN ROCKY MOUNTAIN NATIONAL PARK, COLO.

The bill (S. 100) to authorize an exchange of certain lands with William W. Kiskadden in connection with the Rocky Mountain National Park, Colo., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That upon submission of satisfactory evidence of title the Secretary of the Interior is hereby authorized, in his discretion, to accept title on behalf of the United States to the following-described land conveyed to William W. Kiskadden by warranty deed No. 174403 from Mrs. Arah Chapman, recorded August 24, 1916, in book 339, page 231, records of Larimer County, Colo.: Beginning at the northeast corner of the southwest quarter of section 31, township 5 north, range 73 west, sixth principal meridian, Colorado; thence south four hundred and eighty feet; thence west two hundred feet; thence north 27 degrees 30 minutes west five hundred and forty-one feet; thence east four hundred and fifty feet to the place of beginning, containing approximately three and fifty-eight one-hundredths acres, and in exchange therefor to issue a patent for that portion of the northeast quarter of the southwest quarter and that portion of the southeast quarter of the northwest quarter of section 31, township 5 north, range 73 west, sixth principal meridian, Colorado, more particularly described as follows: Beginning at a point from whence the center quarter-section corner of section 31 bears south 79 degrees no minutes east, three hundred and sixty and nine-tenths feet; thence south four hundred and eighty feet to a point from whence the east quarter corner of section 31 bears north 79 degrees 22 minutes east, two thousand six hundred and seventy-three and six-tenths feet; thence west two hundred feet; thence north 27 degrees 30 minutes west, five hundred and forty-one feet; thence east four hundred and fifty feet to the point of beginning, containing approximately three and five-tenths acres: *Provided*, That the land conveyed to the United States, other than the land to be patented, shall, upon acceptance of title thereto, become a part of the Rocky Mountain National Park, Colo., and become subject to all laws and regulations applicable to said park.

EXCHANGE OF LAND IN MINNESOTA FOR PARK AND OTHER PURPOSES

The Senate proceeded to consider the bill (S. 199) to authorize the conveyance of certain public lands in the State of Minnesota to such State for use for park, territorial, or wildlife refuge purposes, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 2, line 20, after the word "such", to strike out "occupation or use" and to insert "occupation, use, or flooding", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed, upon payment of a reasonable price set by him, through appraisal or otherwise, to convey to the State of Minnesota the following-described lands located in Morrison County, Minn.: Lot 6, section 10; lots 1, 14, 15, and 16, section 14; lots 9, 10, 11, and 12, section 15; lot 1, section 22; lot 9, section 23; and lots 1 and 5, section 25, township 42 north, range 32 west, fourth principal meridian; lot 4, section 4; and lot 3, section 9, township 130 north, range 29 west, fifth principal meridian; lot 5, section 18; and lots 4, 5, 6, and 7, section 32, township 131 north, range 29 west, fifth principal meridian.

SEC. 2. The lands authorized to be conveyed by the first section of this act shall be conveyed to the grantee for use for park, recreational, or wildlife-refuge purposes. The patent conveying such lands shall provide (1) that such lands or any part thereof may, with the approval of the Commissioner of Conservation of the State of Minnesota, be used by the United States for such military purposes as do not conflict with or are not incompatible with the use thereof for park, recreational, or wildlife-refuge purposes; (2) that the United States and its permittees or licensees shall have the right to occupy, use, or flood any or all of the lands for power development, transmission-line purposes, navigation, flood control or other allied purposes, under any law applicable to the use of the public lands for such purposes and that no claim or right to compensation shall accrue from such occupation, use, or flooding; (3) that all minerals, including oil and gas, shall be reserved to the United States together with the right to prospect for, mine, and remove the same, under regulations to be prescribed by the Secretary of the Interior; (4) that the title to the lands shall revert to the United States if the State shall cease to use the lands for parks, recreational,

or wildlife-refuge purposes, or if the State shall alienate or attempt to alienate the lands: *Provided*, That nothing herein contained shall interfere with existing grazing privileges enjoyed by persons prior to the passage of the act, but such privileges shall not extend beyond the lifetime of persons now exercising the same and no such grazing privilege shall be exercised by any person during any period of time when such islands are being actually used for military training or maneuvers.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALE OF SALT SPRINGS LAND, ALABAMA

The bill (S. 708) authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1819, was announced as next in order.

Mr. HILL. Mr. President, an identical House bill having passed the Senate day before yesterday, I ask that the Senate bill be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, the Senate bill will be indefinitely postponed.

SALE OF ALLOTMENT OF HENRY KEISER ON CROW INDIAN RESERVATION, MONT.

The bill (S. 480) to authorize the sale of the allotment of Henry Keiser on the Crow Indian Reservation, Mont., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized, upon the application of Henry Keiser in writing, to offer for sale to the highest bidder, under such terms and conditions as the Secretary may prescribe, the allotment of Henry Keiser, Crow Indian allottee No. 3313, described as lots 11 and 12 of section 3, west half of section 10, township 2 south, range 30 east, and southwest quarter northwest quarter, northwest quarter souhwest quarter, south half southwest quarter, and southeast quarter of section 1, township 8 south, range 37 east, principal meridian, Big Horn County, Mont., containing seven hundred and eighteen and seventy-five one hundredths acres: *Provided*, That such part of the proceeds received from the sale of said land as the Secretary of the Interior may deem advisable shall be reinvested in other lands selected by said Henry Keiser, and such land so selected and purchase shall not be alienated or encumbered without the approval of the Secretary of the Interior and shall be nontaxable and such restrictions shall appear in the conveyance. The balance of such proceeds, if any, shall be deposited to the credit of Henry Keiser and shall be expended under individual Indian money regulations of the Department of the Interior.

FORT PECK PROJECT, MONTANA

The Senate proceeded to consider the bill (S. 486) for the acquisition of Indian lands required in connection with the construction, operation, and maintenance of electric transmission lines and other works, Fort Peck project, Montana, which had been reported from the Committee on Indian Affairs with an amendment, on page 3, to add a new section at the end of the bill, so as to make the bill read:

Be it enacted, etc., That in aid of the construction of the Fort Peck project, there is hereby granted to the United States, subject to the provisions of this act, such right, title, and interest of the Indians as may be required in and to such tribal and allotted lands as may be designated by the Secretary of the Interior from time to time for the construction, operation, and maintenance of electric transmission lines and other works of the project or for the relocation or reconstruction of properties made necessary by the construction of the project.

SEC. 2. As lands or interests in lands are designated from time to time under this act, the Secretary of the Interior shall determine the amount of money to be paid to the Indians as just and equitable compensation therefor. The amounts due the tribe and the individual allottees or their heirs or devisees shall be paid from funds now or hereafter made available to the Department of the Interior for the Fort Peck project to the superintendent of the appropriate Indian agency, or such other officer as may be designated by the Secretary of the Interior, for credit on the books of such agency to the accounts of the tribe and the individuals concerned.

SEC. 3. Funds deposited to the credit of allottees, their heirs, or devisees may be used, in the discretion of the Secretary of the Interior, for the acquisition of other lands and improvements, or the relocation of existing improvements or construction of new improvements on the lands so acquired for the allottees or heirs whose lands and improvements are acquired under the provisions of this act. Lands so acquired shall be held in the same status as those from which the funds were derived, and shall be nontaxable until otherwise provided by Congress.

SEC. 4. The Secretary of the Interior is hereby authorized to perform any and all acts and to prescribe such regulations as he may deem appropriate to carry out the provisions of this act.

SEC. 5. All designations of Indian lands pursuant to this act shall be made subject to the condition that in the event any such lands shall no longer be required for the purposes for which they were designated, then the right, title, or interest so acquired in lands so designated shall revert to the United States in trust for the Fort Peck Indian Tribes.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONVEYANCE OF LANDS TO THE CITY OF CHEYENNE, WYO.

The bill (S. 911) authorizing the conveyance of certain lands to the city of Cheyenne, Wyo., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to convey to the city of Cheyenne, Wyo., subject to any and all valid existing rights or claims, for use in connection with the water supply system of the city, and for the protection of its reservoirs, the following-described lands: The north half of section 2, township 13 north, range 70 west, containing three hundred and twenty-six and eighty-six one-hundredths acres, more or less; the northwest quarter of section 4, township 13 north, range 70 west, containing one hundred and sixty-one and twenty-nine one-hundredths acres, more or less; the south half of the north half, the northeast quarter of the northeast quarter, the south half of the southeast quarter, and the southeast quarter of the southwest quarter of section 22, township 14 north, range 70 west, aggregating three hundred and twenty acres, more or less; the west half of the northwest quarter, the southeast quarter of the northeast quarter, and the north half of the south half of section 26, township 14 north, range 70 west, aggregating two hundred and eighty acres, more or less; the southeast quarter of the southwest quarter of section 30, township 15 north, range 70 west, containing forty acres, more or less; and the southeast quarter of the northwest quarter of section 30, township 15 north, range 70 west, containing forty acres, more or less, sixth principal meridian, Wyoming, upon condition that the city shall make payment for the said lands at their appraised price as fixed by the Secretary of the Interior, but at not less than $1.25 per acre, within six months after the approval of this act: *Provided*, That there shall be reserved to the United States all oil, gas, coal, or other mineral deposits in the lands, together with the right to prospect for, mine, and remove the same under regulations to be issued by the Secretary of the Interior.

SEC. 2. The lands granted pursuant to this act shall be used by the city of Cheyenne, Wyo., for the purposes of its water supply system and the protection of its reservoirs, and for no other purpose, and if said lands or any part thereof shall be abandoned for such use, said lands or such parts shall revert to the United States. The Secretary of the Interior is hereby authorized and empowered to declare a forfeiture of the grant if at any time he shall determine that the city has for more than 1 year abandoned the lands for the use herein indicated, and such order of the Secretary shall be final and conclusive, and thereupon and thereby the lands shall be restored to the public domain free from the operation of this act.

DENTAL CARE FOR NAVAL PERSONNEL

The Senate proceeded to consider the bill (S. 715) to provide more efficient dental care for the personnel of the United States Navy, which had been reported from the Committee on Naval Affairs with an amendment, to strike out all after the enacting clause and insert:

That within 6 months after the date of enactment of this act the Bureau of Medicine and Surgery shall be reorganized so as to provide for greater integrity of the Dental Service in accordance with the provisions hereof.

SEC. 2. The dental functions of such Bureau shall be defined and prescribed by appropriate directives of such Bureau, and by any necessary regulations of the Secretary of the Navy, to the end that the Dental Division of such Bureau shall study, plan, and direct all matters coming within the cognizance of such Division, as hereinafter prescribed, and all matters relating to dentistry shall be referred to the Dental Division.

SEC. 3. The Dental Division shall (1) establish professional standards and policies for dental practice; (2) conduct inspections and surveys for maintenance of such standards; (3) initiate and recommend action pertaining to complements, appointments, advancement, training assignment, and transfer of dental personnel; and (4) serve as the advisory agency for the Bureau of Medicine and Surgery on all matters relating directly to dentistry. An officer of the Dental Corps of the Navy shall be detailed as the Chief of the Dental Division. Such officer, while so serving, shall have the rank, pay, and allowances of a rear admiral.

SEC. 4. The Secretary of the Navy shall provide by regulations for establishing on ships and on shore stations dental services to be under the senior dental officer who shall be responsible to the commanding officer of such ship or shore station for all professional, technical, and administrative matters in connection therewith: *Provided*, That this section shall not be construed to impose any administrative requirements which would interfere with the proper functioning of battle organizations.

All laws and parts of laws in conflict herewith are hereby repealed, and nothing con-

tained herein shall act to reduce the grade or rank of any person.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. WALSH. Mr. President, I ask that the report accompanying Senate bill 715, Calendar No. 371, be printed in the RECORD.

There being no objection, the report (No. 378) was ordered to be printed in the RECORD, as follows:

The Committee on Naval Affairs, to whom was referred the bill (S. 715) to provide more efficient dental care for the personnel of the United States Navy, having considered the same, report favorably thereon with an amendment and recommend that the bill, as amended, do pass.

The purpose of the bill is to reorganize the Bureau of Medicine and Surgery so as to provide for greater integrity of the dental service of the United States Navy.

Section 1 of the bill directs that this reorganization shall be made within 6 months after the date of the enactment of the act.

Section 2 provides that the dental functions of the Bureau of Medicine and Surgery shall be defined and prescribed by appropriate directives of such Bureau and by any necessary regulations of the Secretary of the Navy. It provides also that the Dental Division of such Bureau shall study, plan, and direct all matters coming within the cognizance of the Dental Division and that all matters relating to dentistry shall be referred to the newly created Division.

Section 3 sets up a Dental Division in the Bureau of Medicine and Surgery and directs that this Division shall (1) establish professional standards and policies for dental practice; (2) conduct inspections and surveys for maintenance of such standards; (3) initiate and recommend action pertaining to complements, appointments, advancement, training, assignment, and transfer of dental personnel; and (4) serve as the advisory agency for the Bureau of Medicine and Surgery on all matters relating directly to dentistry. This section also provides that an officer of the Dental Corps of the Navy shall be detailed as the Chief of the Dental Division and that such officer, while so serving, shall have the rank, pay, and allowances of a rear admiral.

Section 4 directs that the Secretary of the Navy shall provide by regulations that on shore stations and on ships all dental services shall be under the senior dental officer. The proviso to this section directs that this section shall not be construed to impose any administrative requirements which would interfere with the proper functioning of battle organizations.

The bill as originally introduced was sponsored by the American Dental Association. Officials of this organization appeared before the committee and stated that, in their opinion, enactment of the bill would increase the morale of naval dental officers and make the dental service rendered to naval personnel more efficient and effective.

Vice Admiral McIntire, Chief of the Bureau of Medicine and Surgery of the Navy Department, appeared before the committee and stated that, in his opinion, the original bill, if enacted, would not improve the efficiency of the Dental Department of the Navy but, on the contrary, the efficiency of the Medical Department as a whole would be lowered.

Vice Admiral Jacobs, Chief of Naval Personnel, informed the committee that the enactment of the bill as introduced would interfere with the efficient operation of the naval service.

The committee amendment is a compromise between the views as expressed by the Chief of the Bureau of Medicine and Surgery and the officials of the American Dental Association.

The committee are of the opinion that the proposed substitute will give the Navy Dental Corps considerably more autonomy and that this will increase the morale of dental officers. The committee believe the proviso in section 4, which states that this section shall not be construed to impose any administrative requirements which would interfere with the proper functioning of battle organizations, will insure that the reorganization directed by the bill will not interfere with the war effort.

BILLS PASSED OVER

The bill (S. 1125) to increase the compensation of the Speaker of the House of Representatives, the Vice President of the United States, Senators, Representatives in Congress, Delegates from Territories, the Resident Commissioner from Puerto Rico, and members of the Cabinet was announced as next in order.

Mr. BARKLEY. Mr. President, I doubt whether that bill should be passed on this call of the calendar, and I ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. Obviously, that bill cannot be taken up under the 5-minute rule, and, without objection, it will be passed over.

WHITE VAN LINE, INC.

The Senate proceeded to consider the bill (H. R. 1792) for the relief of the White Van Line, Inc., of South Bend, Ind.

Mr. REVERCOMB. Mr. President, is this the next bill in order on the calendar?

Mr. BARKLEY. Several House bills preceding the one just stated were substituted for Senate bills and passed a while ago.

The PRESIDENT pro tempore. The question is on the third reading of House bill 1792.

The bill was ordered to a third reading, read the third time, and passed.

ESTATE OF HERSCHEL ADAMS AND PLEAS BAKER

The bill (H. R. 2727) for the relief of the estate of Herschel Adams, deceased, and Pleas Baker was considered, ordered to a third reading, read the third time, and passed.

COWDEN MANUFACTURING CO.

The bill (H. R. 2158) for the relief of the Cowden Manufacturing Co. was considered, ordered to a third reading, read the third time, and passed.

REALTY BOND & MORTGAGE CO. AND ROBERT W. KEITH

The bill (H. R. 1055) for the relief of the Realty Bond & Mortgage Co. and Robert W. Keith was considered, ordered to a third reading, read the third time, and passed.

JANE THAYER

The bill (H. R. 2286) for the relief of Jane Thayer, was considered, ordered to a third reading, read the third time, and passed.

MRS. MARY ELLEN KEEGAN HERZOG AND OTHERS

The Senate proceeded to consider the bill (H. R. 1668) for the relief of Mrs. Mary Ellen Keegan Herzog and others, which has been reported from the Committee on Claims with an amendment, on page 1, line 12, to strike out "supervision of the Forest Service" and insert "the jurisdiction of the National Park Service, Department of the Interior" and a comma.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

HIRES-TURNER GLASS CO.

The bill (H. R. 1677) for the relief of Hires-Turner Glass Co., was considered, ordered to a third reading, read the third time, and passed.

W. A. SMOOT, INC.

The bill (H. R. 1058) for the relief of W. A. Smoot, Inc., was considered, ordered to a third reading, read the third time, and passed.

MRS. ADA WERT ILLINICO

The bill (H. R. 1678) for the relief of Mrs. Ada Wert Illinico, was considered, ordered to a third reading, read the third time, and passed.

GRANDVIEW HOSPITAL

The bill (H. R. 1891) for the relief of the Grandview Hospital, was considered, ordered to a third reading, read the third time, and passed.

M. ELIZABETH QUAY

The bill (H. R. 1320) for the relief of M. Elizabeth Quay, was considered, ordered to a third reading, read the third time, and passed.

JOSEPH WYZYNSKI

The bill (H. R. 2002) for the relief of Joseph Wyzynski, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 3035) to reclassify the salaries of postmasters, officers, and employees of the postal service to establish uniform procedures for computing compensation, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. This bill cannot be considered under the 5-minute rule, and the Chair asks that it go over, and, without objection, it will go over.

That completes the call of the calendar.

PREVENTION OF DISCLOSURE OF INFORMATION

Mr. THOMAS of Utah. Mr. President, on a previous call of the calendar, away back in April, the Senate passed Senate bill 805, to insure further the military security of the United States by preventing disclosures of information secured through official sources.

On the 11th of April 1945, the Senator from Michigan [Mr. FERGUSON] entered a motion to reconsider the vote by which the bill was passed.

The PRESIDENT pro tempore. Is the bill on the calendar?

Mr. THOMAS of Utah. It appears on page 14 of the calendar, under the heading "Motions for reconsideration." The Senator from Michigan [Mr. FERGUSON] has gone over the matter with the State and Navy Departments, and has suggested two or three amendments, and with the amendments he now has no objection to the passage of the bill. I ask that the clerk report the amendments, to see if we cannot pass the bill at this time.

Mr. BARKLEY. Mr. President, will it not be necessary to reconsider the vote by which the bill was ordered to be engrossed for a third reading and passed?

Mr. THOMAS of Utah. That probably would be the proper motion.

Mr. BARKLEY. I ask unanimous consent that the votes by which the bill was ordered to be engrossed for a third reading, read the third time, and passed, be reconsidered.

The PRESIDENT pro tempore. Without objection, the votes are reconsidered. The clerk will state the amendments suggested by the Senator from Michigan.

The amendments were on page 2, line 15, after the word "shall", to insert "willfully"; on page 3, line 17, after the word "shall", to insert "willfully"; on page 4, after line 5, to strike out:

SEC. 4. (a) The term "cryptographic" as used herein includes any code, cipher, secret writing, deception, mechanical or electrical device, or other method used to disguise or conceal the meaning of any communication.

(b) The term "cryptanalytic" as used herein includes all methods of interception and all methods of obtaining information of the contents of cryptographic communication.

And insert:

SEC. 4. (a) The terms "code," "cipher," and "cryptographic" as used herein include any secret writing, deception, mechanical or electrical device or other method used for the purpose of disguising or concealing the meaning of any communication.

(b) The term "cryptanalytic" as used herein includes all methods of interception and all methods of obtaining information of the contents of cryptographic communication.

And after the amendment just above stated to insert:

SEC. 5. Nothing in this act shall prohibit the furnishing, upon lawful demand, of information to any regularly constituted committee of the Senate or House of Representatives of the United States of America.

So as to make the bill read:

Be it enacted, etc., That whoever, by virtue of his employment by or performance of services for the United States or by virtue of his employment by any person, firm, or corporation performing services for the United States or by virtue of his service in the armed forces of the United States, having obtained, or having had custody of, access to, or knowledge of (1) any information concerning the nature, preparation, or use of any code, cipher, or cryptographic or cryptanalytical system of the United States or any foreign government, or (2) any information concerning the design, construction, use, maintenance, or repair of any device, apparatus, or appliance used or prepared or planned for use by the United States or any foreign government for cryptographic or cryptanalytic purposes, or (3) any material which has been, or purports to have been, prepared or transmitted in or by the use of any code, cipher, or cryptographic system of the United States or any foreign government, or (4) any information concerning the cryptographic or cryptanalytic activities of the United States or any foreign government, or (5) any information which has been or purports to have been derived from cryptanalysis of messages transmitted by the United States or any foreign government, shall willfully, without authorization by the head of the department or agency by which such person was employed or in which he performed services at the time when he had custody of or access to or obtained knowledge of the above-described information or material, communicate, furnish, or transmit to another or publish any such information or material, shall be fined not more than $10,000, or imprisoned not more than 10 years, or both. Authorizations, as herein provided, shall be granted only in accordance with regulations prescribed by the President.

SEC. 2. Whoever, by virtue of his employment by or performance of services for any foreign government or by virtue of his service in the armed forces of any foreign government, having obtained, or having had custody of, access to, or knowledge of (1) any information concerning the nature, preparation, or use of any code, cipher, or cryptographic or cryptanalytical system of the United States, or (2) any information concerning the design, construction, use, maintenance, or repair of any device, apparatus, or appliance used or prepared or planned for use by the United States for cryptographic or cryptanalytic purpose, or (3) any material which has been, or purports to have been, prepared or transmitted in or by the use of any code, cipher, or cryptographic system of the United States, or (4) any information concerning the cryptographic or cryptanalytic activities of the United States, or (5) any information which has been or purports to have been derived from cryptanalysis of messages transmitted by the United States, shall willfully, without joint authorization by the Secretary of State, the Secretary of War, and the Secretary of the Navy communicate, furnish, or transmit to another or publish any such information or material, shall be fined not more than $10,000, or imprisoned not more than 10 years, or both.

SEC. 3. The term "foreign government" as used herein includes any person or persons acting or purporting to act for or on behalf of any military or naval force, faction, party, department, agency, or bureau of or within a foreign country, or for or on behalf of any government or any person or persons purporting to act as a government within a foreign country, whether or not such government is recognized by the United States.

SEC. 4. (a) The terms "code," "cipher," and "cryptographic" as used herein include any secret writing, deception, mechanical or electrical device or other method used for the purpose of disguising or concealing the meaning of any communication.

(b) The term "cryptanalytic" as used herein includes all methods of interception and all methods of obtaining information of the contents of cryptographic communication.

SEC. 5. Nothing in this act shall prohibit the furnishing, upon lawful demand, of information to any regularly constituted committee of the Senate or House of Representatives of the United States of America.

The amendments were agreed to.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. THOMAS of Utah. Mr. President, I now ask unanimous consent that there be inserted in the RECORD as part of my remarks a statement which I have prepared in regard to the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This bill (S. 805) has been the subject of vicious attacks in the press. It has been used as a vehicle for attacks upon the Army and Navy, for criticism of the Committee on Military Affairs, and for attacks upon the Senate itself.

Perhaps the most charitable view we can take of these wild alarms is that their authors do not understand the provisions of the bill or its purposes, and do not realize the necessity for its enactment. Surely they would not knowingly contend that employees of the Government have an unrestricted license to disclose secret military information, and that this licenses must be protected at the expense of the military security of the United States. But their opposition to this bill amounts to just such a contention.

Everyone knows that an army and a navy have highly secret information, which should not be publicly disclosed. In transmitting this information from place to place, highly secret methods of communication must be used. It is inevitable that in carrying on operations all over the world, many different individuals must participate in the transmission of this information and learn something of its contents and the method of its transmission.

Now, the question involved in the present bill is this: Is each of these individuals to be permitted to determine for himself how much of this information is to be kept secret, and when and where to whom it should be disclosed? It seems perfectly plain that persons who have obtained secret information in a confidential capacity should not violate their trust by making improper use of that information or disclosing it to others without proper authority. The very idea that they should do so is reprehensible. Yet that is what this bill seeks to prevent. This bill, which has been so viciously attacked, merely seeks to enforce a rule of conduct which all honorable men would agree should be observed. And it seeks to enforce this rule, because it is extremely vital to the military security of the United States that it should be observed.

The bill is intended to provide needed protection for a particular class of information. Specific legislation of this nature is nothing unique in our law. The act of June 10, 1933, which protects diplomatic codes, is a direct precedent for the present bill. I shall refer to that act at some length in a moment. There are also numerous other statutes preventing Government employees from disclosing specific types of information acquired in the course of their work. The present bill is no more objectionable than these laws, which affect such Federal agencies as the Census Office, the Bureau of Internal Revenue, the Department of Agriculture, and the Office of Price Administration.

S. 805 is a very simple bill, straightforward in its intent. It has no sinister implications. It was originated in the working ranks of the Army and Navy by officers familiar with the inherent dangers of the present situation. Some of these officers are in the Regular Army and Navy, but most of them are temporary officers in service for the duration of the war only. They are the persons who would be most directly affected by the bill after they have returned to civilian life.

The sole purpose of the measure is to fill a serious gap in our existing laws to protect not only the military security of the United States, but the lives of countless thousands of American boys overseas. It is not too much to say that our very national existence might well some day be dependent on the protection afforded by the passage of this act.

The private citizen of this Nation and the Government alike are afforded protection from interference with their simplest communications through the United States mail and their communications both by telephone and telegraph. The purpose of this bill is to provide similar protection for the highly secret communications of the armed forces which are transmitted in code or cipher and upon the security of which may depend our destiny as a Nation.

The act of June 10, 1933 (48 Stat. 122), makes it a crime punishable by $10,000 fine or 10 years in jail, or both, to disclose any diplomatic codes or any matters transmitted in such codes. That law affords a high degree of protection to the secret communications of the United States in the field of diplomacy, that is, communications of the State Department, but there is no comparable protection provided for the highly secret messages transmitted by the armed forces in their world-wide operations or for the codes and ciphers used in transmitting such messages.

The bill provides the essential degree of protection for military messages by making unlawful the unauthorized willful disclosure of the processes by which the messages are encoded as well as the contents of the messages. In order to come within the prohibition of the bill, the information must have been obtained by virtue of employment by the Government, or by virtue of service in the armed forces of the United States, or by virtue of employment by a person, firm, or corporation rendering services to the Government in connection with the processes involved. The prohibitions mentioned above apply also to persons who acquire information about such processes of the United States by virtue of their employment by or service in the armed forces of a foreign government. No other classes of persons are affected by the bill. Under no circumstances could any prosecution be brought under this act against any member of the press for any disclosure except as to information received by him while employed or in service as stated above.

The bill seeks to protect the secret processes used by the Government in encoding and decoding messages. Provision is included to prevent willful disclosure, without proper authority, of "any material which has been, or purports to have been, prepared or transmitted in or by the use of any code, cipher, or cryptographic system of the United States or any foreign government." This portion of the bill is identical for all practical purposes with the 1933 act protecting diplomatic codes. That act reads as follows:

"Whoever, by virtue of his employment by the United States, shall obtain from another or shall have custody of or access to, or shall have had custody of or access to, any official diplomatic code or any matter prepared in any such code, or which purports to have been prepared in any such code, and shall willfully, without authorization or competent authority, publish or furnish to another any such code or matter, or any matter which was obtained while in the process of transmission between any foreign government and its diplomatic mission in the United States, shall be fined not more than $10,000 or imprisoned not more than 10 years, or both."

The 1933 act was passed after thorough consideration in both the House and the Senate of the free speech issue, which was fully appreciated by the Members of Congress and thoroughly discussed by the press. The 1933 bill was carefully limited so as not to restrict in any way the freedom of members of the public or of the press. The present bill was carefully drafted to contain the same provisions. The only difference in substance is that the present bill provides for United States military coded communications the essential protection now provided for the "diplomatic" codes. It does not seem possible that any responsible person, fully cognizant of the facts, could contend that the encoded communications of our Army and Navy, involving the lives of our soldiers, sailors, and marines overseas, the plans for our future military operations, our troop movements and our military dispositions, are not entitled to the same protection afforded the encoded communications of the State Department.

During the 12 years that the 1933 act has been on the books, there has been no suggestion that it has had any tendency to restrict in any way freedom of speech or freedom of the press. It has only served its intended purpose of preventing disloyal acts on the part of Government employees or former Government employees entrusted with the secret coded communications of our Government. There is no reason except that the present bill will have any other or different effect.

The bill applies to any matter which has been or "purports to have been prepared" in any code or cryptographic system. The similar provision in the 1933 act was clearly explained by the then chairman of the Committee on Foreign Relations, Senator Pittman, in the Senate on May 10, 1933. Senator Pittman said:

"There has been some objection to the words 'or which purports to have been prepared in any such code on line 9, page 3. The reason for that is this: If a message purports to be a code message between some foreign government and our Government, or between two foreign governments, and it is obtained by one through virtue of his office, or through his ability to crack a code which he has been taught by our Government, it might be found almost impossible to prove that it was a code of the foreign government without placing the representatives of that foreign government on the witness stand. But if a man is in a position of trust and confidence, and the message purports to be a code message, whether it is a code message or not a code message, he still would be violating his trust if he deliberately and willfully published it or deliberately and willfully gave it to another to be published without competent authority, as provided in the bill."

Certainly, if in 1933 the secrecy of our diplomatic encoded communications required protection by specific legislation, world history in the past 12 years should make it evident that such secrecy is essential and that it must include also the communications of our armed forces. It will always remain within the power of Congress to prevent the use of this secrecy for improper purposes in the unlikely event such action should be attempted.

Freedom of speech does not mean license for every Government employee to steal or give away the contents of our Government's secret encoded communications. This was brought out by the following remarks of Senator Robinson, of Arkansas, on the 1933 act:

"It is not intended to interfere with the legitimate freedom of the press. It is only intended to penalize a practice which has become too common in many countries; that is, of selling alleged Government secrets. When one publishes what he claims to be a code he puts upon the Government the burden of making a denial and of proving what the actual code is. This legislation is for the protection of the code, and it is a fair proposition."

The Senator from Texas [Mr. CONNALLY] participated actively in the consideration of the 1933 act. The remarks he made in the Senate at that time are so appropriate in their application to the present bill that I wish to quote from them at some length. On May 10, 1933, the Senator said:

"My contention is that any citizen, whether white or black, male or female, big or little, lean or fat, who is in the employ of the Government and having access to confidential papers and records, disloyally and improperly uses knowledge so obtained for private gain or private profit ought to be punished.

"Suppose an employee does not get such knowledge from his own Government, but by reason of the knowledge that he gains in the Government's service gets information from the codes of other governments and then publishes that material, when he knows that it is apt to involve his own Government in war or in diplomaic difficulties, he is as much a traitor to his country as one who deserts his general on the field of battle.

"Mr. President, what is there so wrong about this measure? What is there so terrible about it? Where is the Senator who approved pilfering private records? If there be such, let him rise. Senators who became outraged because of a man's stealing a spotted calf and want to put him in the penitentiary would seem to entertain the idea that a man could steal a public record or a public document and sell it for money to the newspapers and that that would be an act of patriotism and public service. I do not so regard it.

"The newspapermen have a code of their own; they respect confidences. When they are told something in confidence they will not publish it; it is a violation of their highest ethics for them to violate a confidence; and yet because the Government asks those who are in its employ and who are receiving its compensation that they be loyal and not divulge information obtained in their confidential capacity Senators rise and say that we are interfering with a free press.

"We are interfering with free thieving and free betrayal of trust; that is what we are interfering with. We are interfering with free treachery to their employer and to their Government; that is all."

Mr. President, I believe in free speech and in freedom of the press. But I also believe in responsibility in government. There is no effort here to cover up information which should be made public. There is nothing in this bill which will prevent information from being given out by competent officials in any proper case. There is nothing in this bill which will prevent information from being obtained from responsible sources. The issue is whether responsible officers of the Government shall determine, in a proper manner, the time and circumstances under which information is to be disclosed, or whether every officer, enlisted man, clerk, or other individual who has obtained military information in the course of his work is to be free to disclose it whenever and wherever he wishes.

I think the bill has a proper purpose. I do not believe we should be frightened by the broadside charges of people who read into the bill evil things which aren't there. I think the legislation is necessary and should be passed.

Here are examples of types of information which Federal employees obtain by virtue of their employment and which provisions of existing law make it a criminal offense for them to disclose without proper authorization. References are given to the places where these provisions may be found in the United States Code. The list does not purport to be exhaustive:

1. Information relating to the census (U. S. Code, title 13, sec. 208).

2. Information relating to cotton statistics (U. S. Code, title 13, sec. 73).

3. Information relating to cottonseed statistics (U. S. Code, title 13, sec. 82).

4. Information relating to crop reports (U. S. Code, title 18, sec. 214).

5. Information relating to operations of manufacturers or income-tax returns (U. S. Code, title 18, sec. 216).

6. Information obtained under the Emergency Price Control Act (U. S. Code, title 50, Appendix, sec. 904).

7. Information obtained under title III of the Second War Powers Act (U. S. Code, title 50, Appendix, sec. 633 (5)).

LAND EXCHANGE NEAR PENTAGON BUILDING

Mr. THOMAS of Utah. Mr. President, on a former call of the calender when Calendar No. 277, Senate bill 888 was reached, the Senator from Ohio asked that the bill be passed over. The Senator no longer has objection to consideration of the bill. Therefore I ask for the present consideration of Senate bill 888.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 888) to authorize the Secretary of War to exchange with the Rosslyn Connecting Railroad Co. certain lands in the vicinity of the War Department Pentagon Building, in Arlington, Va., which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert the following:

That the Secretary of War be, and he is hereby, authorized, under such terms and conditions as he may prescribe, to convey to the Rosslyn Connecting Railroad Co., its successors and/or assigns, all right, title, and interest of the United States of America in and to a parcel of land located within the boundaries of the War Department Pentagon grounds in Arlington, Va., aggregating four and three hundred and twenty-five one-thousandths acres, more or less; that the Federal Works Administrator be, and he is hereby, authorized, under such terms and conditions as he may prescribe, to convey to the Rosslyn Connecting Railroad Co., its successors and/or assigns, all right, title, and interest of the United States of America in and to a parcel of land, aggregating one hundred and fifty-nine one-thousandths acre, more or less, immediately adjacent to the above-described parcel of land, and that the Commissioners of the District of Columbia be, and they are hereby, authorized, under such terms and conditions as they may prescribe, to convey to the Rosslyn Connecting Railroad Co., its successors and/or assigns, all right, title, and interest of the United States of America in and to a parcel of land, aggregating seven hundred and ninety-four ten-thousandths acre, more or less, being a portion of the abandoned approach to the Highway Bridge, otherwise known as the Fourteenth Street Bridge (U. S. Highway No. 1), immediately adjacent to the next above described parcel of land, and that in exchange therefor, the United States of America accept all right, title, and interest of the Rosslyn Connecting Railroad Co. in twelve and two hundred and twenty-five one-thousandths acres of land, more or less, situate in the same vicinity.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the exchange of certain lands in the vicinity of the War Department Pentagon Building in Arlington, Va."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3306) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes, and that the House had receded from its disagreement to the amendments of the Senate numbered 17, 27, 29, and 32 to the bill, and concurred therein.

TEMPORARY APPOINTMENT OR ADVANCEMENT OF CERTAIN PERSONNEL OF THE NAVY AND MARINE CORPS

The PRESIDENT pro tempore laid befor the Senate the amendment of the House of Representatives to the bill (S. 58) to amend an act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941, as amended, and for other purposes, which was to strike out all after the enacting clause and insert:

That the act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941 (55 Stat. 603), as amended (U. S. C., 1940 ed., Supp. IV, title 34, sec. 350, and the following), is hereby amended by adding the following new subsection (c) to section 2 of said act:

"(c) Officers on the retired list of the Regular Navy may, while on active duty, be temporarily appointed to ranks or grades in a different branch or corps of the Regular Navy without loss of or prejudice to any rights, benefits, privileges, and gratuities enjoyed by them by virtue of their former status."

SEC. 2. Said act of July 24, 1941, as amended, is further amended by striking out the period at the end of section 11 (a) of said act and inserting in lieu thereof a colon and the following: *"Provided,* That officers on the retired list of the Naval Reserve with pay pursuant to provisions of the act entitled 'An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes,' approved July 1, 1918, may, while on active duty, be temporarily appointed to ranks or grades in a different branch or corps of the Naval Reserve under the authority of this act without loss of or prejudice to any rights, benefits, privileges, and gratuities enjoyed by them by virtue of their former status."

Mr. WALSH. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

VETERANS HOSPITAL AT SIOUX FALLS, S. DAK.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 880) to provide for designation of the United States Veterans' Administration hospital at Sioux Falls, S. Dak., as the Royal C. Johnson Veterans Hospital," which were, in line 5, to strike out "Veterans Hospital" and insert "Veterans Memorial Hospital", and to amend the title so as to read: "An act to provide for designation of the United States Veterans' Administration Hospital at Sioux Falls, S. Dak., as the Royal C. Johnson Veterans Memorial Hospital."

Mr. BUSHFIELD. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

LEAVE OF ABSENCE

Mr. CAPEHART. Mr. President, I ask unanimous consent that I may be permitted to be absent from the Senate on next Monday, Tuesday, and Wednesday.

The PRESIDENT pro tempore. Without objection, leave of absence granted the Senator from Indiana..

ORDER FOR CONSIDERATION OF EXECUTIVE BUSINESS

Mr. BARKLEY. Mr. President, I understand the Senator from Oregon [Mr. MORSE] desires to address the Senate at this time. I ask unanimous consent that at the conclusion of his address the Senate proceed to the consideration of executive business. I wish to say in that connection that it is desired that we take up the nomination of Mr. Wickard to be Administrator of the Rural Electrification Administration.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

THE OFFICE OF WAR INFORMATION

Mr. MORSE. Mr. President, I am sure that many Members of the Senate were deeply disturbed by the recent criticism leveled against OWI in certain sections of the press and during the debate in the House on the war agencies appropriation bill.

Certainly the OWI is not above criticism. In fact, not so long ago, I criticized the publicly announced policy of the OWI to keep American newspapers and periodicals from free circulation in Europe.

In my statement of criticism at that time I said:

The circulation of American newspapers and periodicals would be a great demonstration to the German people of the vigor and strength of democracy in action. I am opposed to the adoption of fascist devices in governing conquered fascist countries. I favor very firm controls over Germany, but not the adoption of dictatorial methods which violate the principles in defense of which we are fighting this war.

The widest possible circulation of American newspapers and periodicals provides one of the best ways of demonstrating to the German people how deeply we resent their ruthless disregard of the laws of morality and human decency. At the same time the circulation of an American free press in Germany would be one of the most effective ways of informing the German people of and educating them to a better understanding of the determination of the American people to maintain permanent world peace in keeping with the democratic ideals of the Atlantic Charter.

I was very happy to read in the newspapers a few days thereafter that President Truman had reversed the policy of OWI in regard to the free circulation of American newspapers and periodicals in Germany. So I say that OWI certainly is not above criticism.

Wherever OWI has fallen short, it should be subjected to public censure, and, if necessary, to congressional investigation, and made to correct its failings.

But what disturbs me—and what, I am sure, disturbs every Member of the Senate who knows how OWI has told the American story abroad—is that the criticisms of OWI's appropriation requests do not appear to be sound or justified. What further disturbs me, I must confess, is that some of this criticism seems to be inspired by partisanship. To anyone who cares deeply about the future of American foreign relations—and what Member of the Senate does not?—this is disturbing and disheartening.

The Overseas Branch of the OWI has had two principal responsibilities. Under the direction of the Chiefs of Staff, it was largely responsible for psychological warfare operations against the enemy. Under the supervision of the Department of State, it was responsible for an information program in Allied and neutral countries which would present official American policy on problems relating to the war and peace. As part of its information work, the OWI also had the task of creating a wider understanding of the American people, their contribution to the Allied war effort, the genius and working of their Government, their achievements in science, industry, art, and education.

I suppose only the most biased critic of the OWI would now dispute the testimony of our highest military authorities that psychological warfare has undermined the will of the enemy and has saved American lives. Very few have been so unthinking or callous as to propose that psychological warfare against the Japanese should be abandoned or curtailed.

Mr. BRIDGES. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Oregon yield to the Senator from New Hampshire?

Mr. MORSE. I yield.

Mr. BRIDGES. I agree with the statement the Senator has made relative to the value of psychological warfare, but I ask the Senator, in fairness to the subject he is discussing, if the fanatical opposition of the Germans to the end and the present fanatical opposition of the Japanese indicates that psychological warfare has had much effect.

Mr. MORSE. I can only rely, of course, upon high military and Government authorities, and it is their testimony that it has been very helpful.

Mr. BRIDGES. Of course, I realize that the Senator is relying on them, but other authorities would indicate the reverse. I agree with the Senator in his statement that psychological warfare should help. The only question in my mind is whether it has helped.

Mr. MORSE. It is my judgment, Mr. President, on the basis of the testimony I have read and the reports that have been issued by our Chiefs of Staff, that it has been very helpful in the prosecution of the war in Europe. I understand that the same view is held by our leaders who are operating in the Pacific.

Mr. AIKEN. If the Senator will permit a question?

Mr. MORSE. I yield.

Mr. AIKEN. Is it not a fact that the psychological warfare had a very valuable effect on the civilian populations of the occupied and enemy nations, as well as friendly nations?

Mr. MORSE. That is what the authorities report.

Mr. AIKEN. Even though it might not have affected the armies. I suppose we cannot tell to what extent it affected the armies.

Mr. MORSE. That is what the testimony, letters, and reports from our officials state. I understand that is one of the reasons why General Eisenhower wishes to have OWI's work in Europe continued.

Mr. AIKEN. I understand that the effect on the civilian population has been considerable.

Mr. MORSE. Mr. President, as I stated before I was interrupted, very few have been so unthinking or callous as to propose that psychological warfare against the Japanese should be abandoned or curtailed, though, to be sure, the drastic cut in appropriations voted by the House would hamper Pacific operations of this agency.

Because the testimony of the military leaders in the field cannot be successfully disputed and cannot be ignored, these critics have concentrated their attack against the continued operation of the OWI information program abroad. Here their argument is that the information program is one part fact, one part boondoggle, and one part do-goodism. If there ever was any justification for this program, they maintain, it ceased with the end of the European war. The one part fact, in their opinion, can be left in the able hands of the American press agencies. The boondoggle can be eliminated. And the do-goodism, considerably reduced in scale, can be shifted to the cultural attachés of State Department missions.

This would be admirable—except that it reveals a complete misunderstanding of OWI's information program, the reason behind it, the material it deals in, the way it works, and the results it has achieved.

The idea behind the OWI information program is not do-goodism. It is not even the promotion of good will as such. Quite simply and realistically it is this: In their relations with one another, nations are motivated by self-interest. Enlightened self-interest requires that they compose and adjust their differences. Such adjustment proceeds more easily where there is mutual understanding of the history and institutions which determine national character and aims. Understanding depends on information—complete and factual.

If foreign peoples are not fully aware of the extent of the American contribution in this war, they should be told. If there are misunderstandings about lend-lease, they should be cleared up. If there is resentment because food shipments are not larger, then the real story of the demands upon our shipping and food resources, of American rationing, of the limit of the American larder should be told.

If there is any doubt about the American attitude toward war criminals, the full text of Justice Jackson's report should be available to foreign officials and editors. When Mr. Vinson reports on The War: Phase Two, Allied and liberated countries should know the magnitude of the job still ahead for American arms. When the American Secretary of State makes a full-dress statement of this country's aims—as Secretary Hull did on several occasions in 1943 and 1944—the complete text of that statement should be at hand in the world's capitals. When this Chamber passes a Connally resolution or hears a report from the President on the Crimea Conference, the official texts should quickly be placed in the hands of foreign news editors and editorial writers. It can make a good deal of difference in the formation of foreign opinion and the course of foreign relations, whether an editorial writer of a great paper has 100 words, or the full text, of a statement or document before him when he writes his piece. This is especially true in Europe where much more attention is paid to editorial opinion than here in the United States.

This is the kind of material which forms a substantial part of the information output of OWI abroad. It is quite useless to argue that this job could be left to the news agencies, or could be undertaken by the State Department. The fact is that the private American wire services have as their first interest the bringing of foreign news into this country, not to send American news overseas. As yet the State Department is not equipped to take over the job.

Mr. President, I invite the attention of the Senate to a report on the free press tour. A summary of that report has been prepared by the board of directors of the American Society of Newspaper Editors. It is a report of the trip of its World News Freedom Committee. I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks this summary report of the committee because I think it contains information which every Senator should have. It is good supporting evidence of the need of keeping OWI active in Europe for some time in the future.

The PRESIDING OFFICER. Without objection, the report will be printed as requested.

(See exhibit A.)

Mr. MORSE. Mr. President, I should like to read briefly from the report of the editors, dealing with the type of news being sent from this country abroad by news agencies, and which is circulated abroad by foreign newspapers which bring the news in:

> Tass brings in about 13,000 words a day from America, but it is screened politically and does not give any real picture of America. * * * In fact, one of the chief complaints we found from our diplomats and information officers was that our own news services, such as AP, UP, and INS, were doing the same thing, sending out items they thought would be used and displayed in an effort to build up their services without regard to whether people of foreign countries were getting a picture of America and its news Too often it is race riots, murders, Hollywood loves,

divorces, and so on which contribute to a distorted picture of America.

Senators may reasonably ask whether any of OWI's material ever sees the light of day; and, if so, whether it makes any impact on representative officials in other countries or the people at large. I speak of the type of factual material which OWI sends over to Europe. If Senators would refer to the testimony of our ambassadors and ministers contained in hearings on OWI, or if they would examine the files of foreign newspapers, or ask to see the huge books of clippings from newspapers all over the world in the OWI office, they would be satisfied on this score.

Let us take Britain as an example. Members may question the need or value of an information program in an Allied country which enjoys a great and free press and which has its own correspondents in the United States. But sections of the British press can be a breeding ground for false rumors and misinformation about America, just as sections of our own press can be a breeding ground for anti-British sentiment. Furthermore, the coverage of American news in many British papers before the war was notorious for its fullness on the folkways of high life in Hollywood and low life in American crime, and for its almost total neglect of the United States.

The principal metropolitan dailies in Britain today, despite the fact that they are limited to four pages, carry generous excerpts of major American policy statements, and often full texts of speeches by the President and the Secretary of State. These are supplied by OWI. Currently the British newspapers are running lengthy background pieces on the Pacific war. The material for most of these pieces is supplied either in London by the British division of the OWI, or through the help of the OWI to British correspondents in this country. In addition the OWI sends by cable-wireless factual reports on the Pacific fighting by United States admirals and generals.

After much effort and long negotiation, OWI officials in London persuaded the government printing office in Britain—His Majesty's Stationery Office—to reprint at its own expense and sell at a nominal fee in its bookstalls all over England the texts of official American reports and documents which would be of interest to the British public. As a result—and without a single penny of expense to the American taxpayer—HMSO has published the reports of General Marshall and Admiral King, Target Germany, the story of the American Eighth Air Force, the Baruch-Hancock report, the first report to the President and the Congress of Justice Byrnes as Director of War Mobilization and Reconversion, and other official American papers.

Recently HMSO has published, at a shilling, an illustrated history of the Pacific war from 1941 to 1944. It is entitled "Ocean Front." For it the OWI supplied much of the material. Incidentally, in my judgment, it is a much better job than any which has appeared in this country, for the price. I repeat, Mr. President, that through the efforts of OWI the British Government is printing American documents and histories without any cost to the American taxpayers.

This story can be multiplied again and again, not only in Britain but in other countries. In Turkey, for example, 58 percent of all foreign news in the Turkish press comes from American sources via OWI. In the Middle East and Near East—a critical area for world peace, I think we will all agree—OWI is the principal supplier of foreign news. Even if any private news agencies dealt largely in the kind of material the OWI furnishes the press—but they do not—the foreign newspapers could not afford to subscribe to the service.

I have touched on only a part of the information program. I have said nothing of the news reels by which OWI reaches untold thousands with the American story, or the small, portable exhibits which have been seen by hundreds of thousands of persons, or of the magazines which have been prepared and sold by the OWI, many of them at a profit to the United States Treasury.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BRIDGES. How long does the distinguished Senator from Oregon believe the OWI should be carried on? Let me say by way of background that Elmer Davis testified that when the war was over, OWI would stop. Of course, my understanding is that the war in Europe is over. The greater part of the funds carried in the current appropriation for OWI are for European activities. I am not telling the Senate that everything about the OWI is bad. It has done many fine things.

But the question in my mind is, How much longer should it be continued, and cannot some other agency, such as the War Department or the State Department, take over its activities, and should not the OWI be gradually liquidated in that way?

Mr. MORSE. I think that is an exceedingly fair question, and I shall be glad to discuss it at some length. I think the OWI and the services it is now rendering should be continued, certainly until the Allied Nations reach a settlement as to the peace and rehabilitation policies which should prevail in Europe. I think the OWI is doing a fine job of informing the populations of the European countries in which it is now operating about the problems which confront America, the principles of our Government, and, for example, the reasons why we cannot give them all the relief they think they need now by way of food and other supplies. I think OWI is a very important arm of this Government for the dissemination of information to the civilian populations of the liberated and conquered countries of Europe. I cannot say to the Senator how long I think it should continue, in terms of the calendar; but my best judgment is that certainly it should continue until we have reached a settlement of European affairs growing out of this war insofar as the peace settlement is concerned. I fear that is going to be a period of at least a year, and possibly longer. It will be for at least as long as we maintain troops in Europe.

Mr. BRIDGES. The Senator will be interested to know, if he will yield further, that the Assistant Director of OWI made a statement that certain functions of the OWI would have to be continued as a perpetual matter. I intend to speak on that point later. I was rather amazed to have that statement made by the Assistant Director of the OWI.

Mr. MORSE. I would agree with him that certain functions of the OWI should be continued as long as we maintain an army of occupation in Europe.

Mr. BRIDGES. I would agree with that, too. My only question is whether some other agency which will be a permanent agency of Government should not be gradually taking over the activities of OWI, and whether the OWI, which was purely a war activity, should not be gradually retiring from the field.

Mr. MORSE. I should be very glad to have that suggestion pass in review before me and the other Members of the Senate at a later date, but I do not think it is germaine to the problem which I now wish to emphasize, namely, that in this period of emergency, in this period in which we are trying to make the necessary settlements in Europe which we think will make possible a permanent peace we should not cripple OWI's program in Europe by taking away any considerable amount of the OWI's budget at this time. It is doing a vital job which no other agency of the Government is as well equipped to do.

Let me comment on another point the Senator made in his remarks, namely, whether in my judgment the activities of OWI should be taken over by some permanent agency of the Government such as the State Department or by the military. I think it would be most unfortunate to have OWI taken over by the military—for psychological reasons, if none other. I say that because I think that, after all, the OWI should serve as America's civilian voice to the civilian of Europe. In other words, it should be a conduit of people's opinion. It should be the instrumentality of the people of this country for spreading information and the factual data which we wish the people of Europe to have concerning the people of America and the governmental processes of America.

I think that psychologically it would be very unwise to have that information given to them through the military. Europeans are accustomed to the military—in fact, too much accustomed to it. I wish to have them see democracy in action; I wish to have them see that here is a government in which the civilians are supreme and in which the military, after all, is but subject to the will of the civilians. I think it would be most unfortunate to have the information service now carried on by OWI handled by the military.. I wish to leave military affairs to the military, but I shall always raise my voice in protest whenever the military seeks to carry on what I think is a proper civilian function. I think this happens to be a proper

civilian function and should be carried on by a civilian agency working in full cooperation with the military and the State Department. Such has been its record to date and I am sure such will be its record in the future.

Mr. BRIDGES. Mr. President, will the Senator yield further.

Mr. MORSE. I yield.

Mr. BRIDGES. I spent more time on the OWI and in examining and exploring its activities than perhaps any other member of our committee did.

Mr. MORSE. I am sure that is so; probably the Senator has given more consideration to OWI budget matters than any other Member of the Senate.

Mr. BRIDGES. I try to look at this thing in a fair way. To start with, the Senator will understand that I am not questioning in any way the activities of the OWI on the Pacific front. I think that is necessary; I wish the OWI to have all the funds it needs for that purpose.

The only two reasons about which I am raising a question are, first, the activities of the OWI in Europe, now that the war there is over, and, second, some of the OWI's activities here at home. Those are the only two points about which I raise questions.

The Senator spoke of the efforts of the OWI in some of the other countries of Europe. I wish to ask the Senator if he has made an examination of any of the individuals who are directing the OWI's activities—for instance, in certain countries. Does the Senator know about the type of material which has been put out relative to Poland by the OWI's Polish desk, or does the Senator know the background or character of the persons doing it?

Mr. MORSE. The answer is "No." Let me say for the RECORD that I have checked into the type of material which is sent out by the OWI. I have read, for example, reports such as the one I now hold in my hand, which is entitled "OWI in the ETO—A Report on the Activities of the Office of War Information in the European Theater of Operations, January 1944–January 1945."

The reading of such material convinces me that it is essential, not only from the standpoint of our national security but from the standpoint of maintaining and developing sound foreign relations with Europe, that we do not cripple the OWI at this stage of our international program.

Mr. BRIDGES. The Senator is indefinite as to how long he thinks that situation should continue.

Mr. MORSE. I do not mean to be indefinite. I said that it should continue until the peace settlement and the policies of occupation have been determined. It should continue as long as we maintain in Europe an army of occupation. I am not saying that it should continue after the next fiscal year at the same level of expenditure as is being proposed in the pending appropriation request of OWI. I should want the agency representatives to come each year to us and demonstrate that the amount of money which they are requesting is necessary in order to carry on the projected year's work and to demonstrate further, as I think they are doing this year, that the program is an essential one. I am convinced, and I hope to be able to persuade the Senator from New Hampshire before I shall have finished with my remarks, that in order to do its very vitally important work the agency needs the money which it is asking for in the present year's budget.

Mr. BRIDGES. I should like to point out to the Senator that he is an even more ardent exponent of the OWI than its Director, Mr. Elmer Davis, who stated flatly before the committee that when the war is over he favors the discontinuance of OWI. I gather that the Senator is much more enthusiastic about the perpetuation of the OWI than is its Director.

Mr. MORSE. I am not only enthusiastic about it, but I think it is of great importance to this country that we continue to tell the American story abroad after the peace settlement has been accomplished, and so long as we maintain an army of occupation in Europe. I respectfully suggest, however, that the Senator from New Hampshire is placing a very limited and strict interpretation upon Mr. Elmer Davis' testimony. I am satisfied that when he spoke of discontinuing OWI when the war is over Mr. Davis did not mean that OWI should be withdrawn from Europe during the very critical period of American negotiations for a just and lasting peace and during the period that our boys have to remain there in an army of occupation.

Mr. BRIDGES. I agree with the Senator that we must do something about the matter, but I do not agree with him that the OWI is the arm of Government service which should do the work. I hope to see the State Department strengthened and acting as our permanent agency in dealing with international affairs. It should have a greater voice than it has had in the past in spreading the American policy.

Mr. MORSE. I do not believe the Senator and I will find ourselves in disagreement at all on the question of what vehicle should be employed in doing the work, unless the Senator proposes that it shall be done by the Army. I oppose that selection for reasons which I have already expressed. So far as next year is concerned, the State Department will be in no position to do the work. We certainly should continue the OWI for the next year, and give it the necessary funds to do the type of work which it is doing. If, after next year, the Senator can suggest some other agency to do the same work, and do it as well as the OWI can do it, I will not quarrel with him over his selection. However, the State Department is in favor of OWI continuing with its important work, and it has not asked to be given OWI's job. I am not convinced, but that is a matter for future debate, that our State Department should ever be assigned this particular type of public-relations work.

Mr. BRIDGES. How much money does the Senator believe it will require for the OWI to do the minimum work which the Senator thinks should be done?

Mr. MORSE. I think the amount of money which the OWI has asked for is the minimum amount which they should be granted. The Appropriations Committee reduced the $42,000,000 which the OWI requested to approximately $39,000,000. I think the OWI has made out a case for $42,000,000.

Mr. BRIDGES. I may point out to the Senator that he is probably aware that the OWI requested $42,000,000, that the House committee reported $35,000,000, and then the House reduced it to $18,000,000. Representatives of the OWI came before our committee and asked for a restoration to $42,000,000 which they said they needed. They stated that they might get along on $35,000,000. The Committee first recommended $40,000,000, and on a secondary vote the figure was reduced to $39,750,000. On some minor issue the appropriation was then sliced a few more thousand. I make that statement to show that there exists a difference of opinion with regard to the matter.

Mr. MORSE. I shall certainly vote for the full $39,000,000, but I think a case was made out for $42,000,000.

Mr. WILEY. Mr. President, will the Senator yield.

Mr. MORSE. I yield.

Mr. WILEY. I am very much interested in the discussion which has been taking place. I wish to compliment the Senator from Oregon for the position which he has taken.

The other night General Eisenhower said that there was no antagonism between idealism and practicality. I thought the statement to be a very remarkable one to be made, as it was, during the period in which we are now living. We need to understand what he was shooting at.

With respect to the OWI, I agree fully with the statement of the distinguished Senator that the idealistic function of selling to the world what is America is a tremendous task for us to undertake. The question which I have in my mind is how to translate that purpose into the practicality of getting results on the European front. I do not need to tell the Senator that in most European countries the press is not free. Even in so-called Republican countries the press is controlled. The problem is to get our bill of goods before the consumers of the European countries.

Another problem with which we are confronted is that of making sure that the bill of goods, as suggested by the distinguished Senator from New Hampshire [Mr. BRIDGES], is an American-type bill of goods and not an American-communistic or an American-Fascist type. Of course, in that connection it is our responsibility to see that the administrators of the agency to which we give money are composed of the American type of men who can sell the bill of goods to which I refer, and achieve results, and not merely fritter away money.

I thank the Senator for what he has said, but I hope he will go into the subject further. He is always thorough and illuminating in his remarks. What is the practical aspect with regard to getting the American bill of goods into those countries?

Mr. MORSE. I will discuss the subject at some length in my prepared statement. I agree with the premise of the

Senator from Wisconsin; but I think the fact that we do not find freedom of the press in Europe today is all the greater reason why we should do everything possible to see to it that we keep open our channels of information to Europe.

Mr. WILEY. Will the Senator discuss how we are to keep those channels open? Only the other day I read a comment in the press relating to country A. I will not name it. The statement was made definitely that in country A a certain great news agency—I will not call it by its name—was not giving to country A the facts with regard to America's part in winning the war, but was maximizing the effort of other nations in winning the European war. That is the practical thing about which I am thinking.

Mr. MORSE. The Senator from Wisconsin is correct. Let me give an instance of a situation about which I have learned from OWI officials and from reading their reports and from hearing about the kind of information they have sent over to Europe.

The situation involves southern France. I think it is pretty clear from the record that there are thousands of people in southern France who are not aware of the great part which America has played in liberating France. Certain groups in southern France are, of course, putting out information to the effect that France was liberated not by the Allied troops but by the French underground and by the Russian Army pressure upon Germany. After all, the people in southern France are isolated. Keep in mind the fact that they do not even know——

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. MORSE. Let me finish my statement, and then I shall be glad to yield to the Senator from South Dakota.

I was about to say that the people of southern France do not know what is taking place even in the northern part of their country. They have not been well informed concerning the great job whic America has done in liberating France. I think it is important that the OWI channels of information be kept open so that information may be taken into southern France—using that territory as an example—concerning the American story. I use "American story" as a general term to cover the various types of news, information, and exhibits which OWI uses in Europe to inform the people there about America.

Let us consider other parts of Europe as, for example, the Balkans. I think as of the present moment the best channel we have, in fact the only effective channel we have bringing American news to those people is the OWI service, I think it is very important to see to it that OWT continues to have the funds which are necessary to make American news and official information as available as it can on a continent which the Senator from Wisconsin says—and I agree with him—does not understand the great virtues and value of a truly free press such as we have in America.

Mr. WILEY. Mr. President, the Senator led up to a concrete instance in southern France. He reached the point of suggesting that he thought it was a virtue to sell the American story to southern France, but the Senator did not tell me how to get it to the people of southern France.

Mr. MORSE. The OWI officers in southern France are disseminating information there daily and in quantity.

Mr. WILEY. What do they use to disseminate it? They have no newspaper there, have they, and they are certainly not in a position to go among the French and issue a paper of their own, are they? What are they doing? That is what I wish to know. I am seeking information. I am not speaking in a critical sense.

Mr. MORSE. I know the Senator is not. I appreciate his questions which are very fair and helpful to this discussion.

The OWI informs me that they are making available the type of services I have enumerated. News-reel services, various types of exhibits and demonstrations, leaflets, the text of American statements and American daily news all are made available to the people and to such French newspapers as are published. Of course, not all of the material in the form of news items is used by French editors, but the records show that those editors who have supplied to them OWI information use a good deal of it and appreciate getting our point of view of many occupation problems. The responsibility of the OWI is to see to it that a good public relations program is developed between OWI and French newspaper editors and other foreign editors. Only through such a vehicle is it possible to have this information disseminated in Europe and that is why it is necessary to keep OWI there on the job. The OWI is doing it and doing it well. I am sure the Senator and I would be in complete agreement that much of the information which we would like to have accepted by foreign editors is not accepted; but none of it will be accepted if we cut OWI off so that there is no source of supply for American news made available to the citizens of European countries and to their editors.

Mr. WILEY. Can the Senator tell me whether we are buying space in the French newspapers?

Mr. MORSE. No; I cannot tell the Senator whether we are buying space, but that information certainly can be obtained, and I shall be glad to obtain it for the Senator and make it available to him.

Mr. WILEY. The Senator knows, does he not, that other governments have been buying space?

Mr. MORSE. That is one of my major points. I know that British information and Russian information and French information are going to be disseminated through their news sources in great quantities, and I think it would be most unfortunate if America should cut off one of her important channels for sending information to Europe.

Mr. BUSHFIELD. Mr. President——

Mr. MORSE. I yield to the Senator from South Dakota.

Mr. BUSHFIELD. I thank the Senator.

Mr. President, I spent an evening very recently with a returned war correspondent who had been for a year and a half in Russia. What I am about to say is right along the line of the question the distinguished Senator from Wisconsin was asking. As I recall, he said that there were about 150 war correspondents in Moscow but they had not been permitted to leave Moscow except to take a little train trip to a rural area, a very quiet rural area, which the Senator from Arizona [Mr. MCFARLAND] suggests to me was only 40 miles from Moscow. Except for what the Russian Government issued to them that was all the opportunity they had to obtain information. Will the Senator from Oregon tell me, if he can, how the OWI is going to disseminate the word he wants to have reach Russia?

Mr. MORSE. In view of the Russian press policies, I do not think that OWI is going to be able to broadcast any great amount of information in Russia, but nevertheless I think it very important that we keep the OWI in Moscow. My information, again to use a specific example, is that the OWI does release each day in Moscow mimeographed sheets of American news, and those sheets go to all foreigners in Moscow, to all members of the diplomatic corps, and to all embassies, and to the Russian high officials.

Mr. BUSHFIELD. Are they published in any Russian newspapers?

Mr. MORSE. The sheets go to Russian officials.

Mr. BUSHFIELD. But they are not published in the Russian newspapers, are they?

Mr. MORSE. Excerpts occasionally are published, I am informed.

Mr. BUSHFIELD. Did the Senator ever read any of those excerpts?

Mr. MORSE. No; I do not read Russian.

Mr. BUSHFIELD. Nobody in Russia knows anything about the United States being in this war, except government officials and military officers and perhaps a few others.

Mr. MORSE. I think the Senator is to a large degree correct about it; and so it is all the more important, I say, that we keep in Moscow at least some source for American news, because I am one who hopes and prays that better understandings will develop between this country and Russia. I fear that unless we reach agreement on some of the things about which the Senator complains, cooperative international relations will be difficult to accomplish.

Mr. BUSHFIELD. Mr. President, will the Senator yield further?

Mr. MORSE. I am very glad to yield.

Mr. BUSHFIELD. I agree with the Senator in his objectives, but, from the standpoint of the practicality of the situation in Russia, I am wondering whether OWI or any other agency will get any of this needed information into Russia. I think the Senator will agree with me that there is some doubt about it.

Mr. MORSE. I have no doubt, however, about the fact that the money we spend in an attempt to keep Russia supplied with at least one reliable source of American news is money well spent.

Mr. BUSHFIELD. Will the Senator yield for one more question?

Mr. MORSE. I am glad to yield.

Mr. BUSHFIELD. For more than a year I have been noticing as I have attended the moving-picture theaters

around Washington that whenever I go to a show, before the program is finished, some form of propaganda is presented on the screen. Is the OWI money spent for that sort of thing?

Mr. MORSE. I do not know whether the Senator and I would agree on the definition of propaganda when applied to the specific news releases he may have in mind. I would say that, of course, propaganda based upon a distortion of facts should not be issued by any Government agency; but I have no evidence before me that OWI disseminates propaganda in that sense.

Mr. BUSHFIELD. I thank the Senator.

Mr. BRIDGES. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I am very glad to yield to the Senator from New Hampshire.

Mr. BRIDGES. If the Senator's theory is correct and if proper information could be disseminated abroad, as I think it should be—I only question the vehicle—he will admit, will he not, that it is important to know the individuals who carry on the work?

Before the Senator votes on this question finally may I ask if he will not make a study of the records and background of some of the personnel who are formulating the American policy, who are the interpreters—perhaps I should use that word—and who disseminate the information according to their interpretation, to ascertain whether he is satisfied with those individuals and with their background and whether they are the type of people he wants to put out such information for America?

Mr. MORSE. I can assure the Senator——

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. MORSE. If the Senator from Connecticut will permit me to answer the Senator from New Hampshire, I shall be glad to yield to him. I can assure the Senator from New Hampshire that I will follow in this instance, as I do in every instance, the procedure of hearing any evidence and obtaining any material available to me on the point under discussion; but I may say to the Senator from New Hampshire that if there is a problem of personnel in OWI, the solution is not to cut off OWI funds, so as to make impossible the rendering of the service which I think the Senator and I are in agreement should be rendered. If the Senator's real objection to giving OWI adequate funds is an objection to the qualifications of some of the OWI personnel then I think the Senate should proceed to investigate the qualifications of Mr. Davis' staff to which the Senator alludes, and if he has personnel which is incompetent, because of some ideology, to do the job or for any other reason, we ought to see that the personnel is changed.

However, I think the Senator will agree with me that we can bring about changes in personnel without destroying OWI and cutting it off from needed appropriations. It is for the objectives of OWI and for the continuation of its much needed information channels to Europe and the Pacific that I am pleading today. I imagine that Mr. Davis himself would admit that some of his help could be more competent. That is true of every Government agency. However, I know of no evidence which supports any contention that OWI is doing an incompetent job. To the contrary I think that Davis is doing a very competent job on the whole. Granted that he and his staff make mistakes now and then, their over-all record is excellent and they deserve our continued confidence and support.

Mr. McMAHON. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. McMAHON. The suggestion made by the Senator from New Hampshire to the effect that the Senator from Oregon study the personnel records of the personnel putting out this material would undoubtedly entail a good deal of work by the Senator. Does not the Senator believe that he can better judge the situation by looking at the material they do put out? It would seem to me that a man should be known by his works. I presume that material is available to any Senator who desires to look at it, and I should like to ask the Senator from New Hampshire whether he has reference to any particular material which would seem to indicate that these people are misusing their office.

Mr. BRIDGES. Will the Senator from Oregon yield?

Mr. MORSE. I am glad to yield so that the Senator may answer the question.

Mr. BRIDGES. I did not ask that they bring before the Committee on Appropriations for a check all foreign broadcasts the OWI had put out, realizing what they have issued has been in such vast numbers that it would be unfair to ask for what they have issued over any period of time, but I did ask for the broadcasts from the first week in November 1944 to the last week in November. Those were in 28 different languages. I do not boast of having mastered more than one language, English, and probably am somewhat imperfect in that at times, but I have asked various persons representing me to study some of these things, and I am in the process of studying them now.

I might say that to date some of the broadcasts I think are fine, others are questionable. But I am not in a position yet either to approve or condemn. Therefore I would have some question about some of the focal points of dissemination, while as to others I have nothing but praise.

Mr. McMAHON. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield further.

Mr. McMAHON. I shall be very much interested in seeing what the Senator from New Hampshires comes up with after he has completed his analysis. Frankly, I have never seen one of these foreign broadcasts by the OWI, but I wish to state that this is no time for the voice of America to be muted throughout the world. It strikes me that what we have to be concerned with is the exportation of democracy. There may be some defects in this instrumentality, I do not know, but I say to the Senator from Oregon that in my opinion never before was there such a necessity to put before the people of the world the truth about this country, what we stand for, and what we have done.

Mr. MORSE. I thank the Senator; he expresses exactly my point of view.

I wish to say to the Senator from New Hampshire that I should be very much surprised if we took a quantity of OWI releases and found that we were in agreement with OWI, that all the releases were perhaps the most wise that could have been issued at the time. Nevertheless, I am sure the Senator from New Hampshire and I would find ourselves in disagreement as we examined a large quantity of releases as to whether or not, qualitatively speaking, a certain release should or should not have been released. We would probably agree for the most part, but the point I make is that OWI is better able to judge such matters on the facts it has at the time than we are now. It is my understanding that at least while hostilities were on, and I believe the procedure still prevails, the so-called OWI releases—and I judge this from the report of General McClure, which I inserted in the RECORD a few days ago, and from statements made to me by OWI—do first receive approval from a board, or a committee, or a commission, of officials representing this Government, and performing coordinated functions in the European area. These boards in the various areas are made up of representatives of the General Staff, the State Department, and the OWI. Thus, OWI works in cooperation with and coordination with the other American sources for the dissemination of news in Europe. Whereas the Army and State Department issue their official communiqués, the OWI releases so-called civilian news, but the other arms of the Government have full knowledge of OWI's program and give it their approval and support.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BRIDGES. The Senator from Oregon and I agree sometimes and disagree at other times, but whether it is the Senator from Kentucky [Mr. CHANDLER], or the Senator from Vermont [Mr. AIKEN], or the four of us who happen to be in this small group here at the moment, we disagree and we agree, but does the Senator think it would be proper for OWI or any other official agency, in disseminating American news, to censor or black-out speeches of any Senator, no matter who he was?

Mr. MORSE. Not censor in the sense in which I am sure the Senator uses the term. But I think the Senator will agree with me——

Mr. BRIDGES. If they used excerpts they approved and left out excerpts they disapproved, would the Senator approve of that?

Mr. MORSE. I shall discuss in a very short time the policy OWI followed, for example, in the last political campaign, and I shall insert in the RECORD the instructions OWI sent to their officers all around the world at the time of that campaign. I have reached the conclusion—and I think the Senator from New Hampshire will reach the same conclusion—that those instructions were impartial, that they were fair, and that they

made possible the dissemination of a fair account of that great campaign of last fall. They very carefully avoided censoring the speeches of the candidates. Obviously OWI cannot carry in its releases verbatim accounts of all speeches made by candidates for office or by Senators elected to office. However, I am satisfied that OWI did not censor speeches in that campaign nor were its releases subject to the criticism of playing politics through favoritism in selecting certain excerpts from any particular speech in order to help or injure a particular candidate.

Mr. CHANDLER. Mr. President, will the Senator from Oregon yield a moment?

Mr. MORSE. I am delighted to yield to my good friend the Senator from Kentucky.

Mr. CHANDLER. I am tremendously interested in the statement made by the Senator from Connecticut. Is it proposed that we shall spend money to export democracy to these other countries? That intrigues me, because if it is so, then we should have no objection if they spend money to export communism to the United States.

Mr. MORSE. The Senator from Connecticut can speak for himself, but because I agree with him, I should like to make this statement. I judge that what he meant was that we should maintain OWI as a source of information with regard to American news, American problems, and American democracy in action.

Mr. CHANDLER. We in this country believe in democracy, and have a right to. I want to keep democracy for America. I have no objection to communism in Russia if that is what Russians want. They have no right to object to our having democracy here.

Mr. MORSE. I think I know what the Senator has in mind.

Mr. CHANDLER. There are millions of people all over the world who will not understand anything we say, and a lot of news releases will not mean anything to them. If they get the idea that we are sending propaganda, that is paid for, to induce them to set aside the form of Government they have or are living under, even if they like another, we are going to try to substitute our form, such procedure will probably be very objectionable to them. I would not vote a cent to try to export democracy to unwilling people, or to Russia, and then at the same time complain, as we hear bitter complaints, about what they are trying to do with the international comintern and other things to communize this country.

Mr. MORSE. Let me make myself clear, and then I shall be glad to yield to the Senator from Connecticut to make whatever comment he cares to make on the point raised by the Senator from Kentucky.

I think the Senator should keep this in mind. I do not think it falls within our province or our right to seek to democratize Russia by way of American propaganda, and I do not think it falls within Russia's right or prerogative to seek to communize America. But speaking of realities and practicalities, as referred to by the Senator from Wisconsin a few minutes ago, if we are to be cool-headed realists, we have to realize that on the Continent of Europe at this very hour there are millions of people in liberated and conquered countries who are being bombarded by information, much of which, I think, is distorted and misleading as to governmental ideologies.

I believe in the principle of self-determination when it comes to selecting a government which any people will have over them. I do not believe that a principle of self-determination can ilve in an atmosphere in which the people are being bombarded with information from only one source. I think it is highly desirable, in the interest of the future peace of the world, that we make available to the peoples of the earth what I have referred to in this speech as the American story.

It is not our job to say to them "You should set up a democratic form of government "or" you must set up a democratic form of government." But I think we would be amiss if we do not take advantage of the great opportunity we have to give them an education through unbiased, factual news information as to what we mean by democracy in action. I am willing to spend more money than OWI asks for to make the American story known to the peoples of Europe.

Mr. CHANDLER. Mr. President, let me proceed for a moment on that theory. Assuming the peoples referred to are going to be bombarded by the Russians or some others—and I assume they are—then the plan is to have every one bombard them. In visiting some of the countries in question I was impressed with the fact that the people who have heretofore been considered generally to be subject people, want to be educated, and if we educate them they will have some opportunity, after becoming educated, to make their choice and to make that self-determination which my friend the Senator from Oregon said he would like to have them make. Of course I would like to have them make that self-determination also.

In visiting with the Arabs I saw thousands and thousands of them diseased and in distress. We asked El Glali in what way we could help Arab hospitals. His reply was direct: "Unless you educate us let us die."

I believe the money could be better spent if the American people would take schools to those people and educate them, and in that way give them our ideas of government, rather than to spend millions of dollars in what sometimes seems to be foolish propaganda and certainly selected propaganda. If someone selects the propaganda, certain matter will be selected and other matter left out. I am certain that I have seen releases which have gone across the seas which seem to be rather foolish and stupid and which would not really accomplish any good purpose. I think it would be just as well for us and for those for whom it was intended, if it remained at home.

Of course, mistakes will be made. I had no idea other than that much of what has been sent over has been very good and helpful. But I do not believe we should continue to spend millions of dollars simply to send broadcasts and releases across the ocean to bombard and perhaps confuse people because others are going to confuse them and bombard them. Those to whom it is sent do not understand much of it. Someone will try to explain it to them. Would we not be engaging in much better business if we considered doing what this rather simple man suggested—I do not mean that he is simple in the sense that he is not smart because he is well educated and devoted to his people—when he said "Senator, if you are not going to educate our people, let us die."

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. McMAHON. The Senator from Oregon has so well stated in his explanation what I meant when I said we must export democracy, that I hesitate to gild the lily, because I think his explanation a fine one.

Mr. MORSE. I thank the Senator.

Mr. McMAHON. But I say to the Senator from Kentucky that if the continent of Europe adopts the ideology of communism, and if it is adopted in South America, and if it surrounds the borders of this country, then I would fear that our system would be endangered. I say, to adopt the Senator's expression, that we should give every legitimate aid to the self-determination of these peoples; if we can aid them to wish for and to determine to adopt our system, instead of the other system, then we are not only helping them, in my opinion, but we are aiding the system which we love and with which we abide.

Mr. MORSE. I thank the Senator from Connecticut for his contribution.

Mr. CHANDLER. Mr. President, will the Senator again yield?

Mr. MORSE. I shall yield in a moment if the Senator will permit me first to make a statement respecting his remarks. I think I find myself in complete agreement with the point of the Senator from Kentucky when he speaks about the need for education. I have great confidence and faith in the force and power of education, and I hope we are going to perform in Europe a great many educational services over and above the OWI services. But I want to point out to the Senator that OWI is a great educational force in Europe today. It is one of the best educational avenues we have for telling the American story to the peoples of Europe. I agree that we must do many other things over and above supporting OWI in Europe. I think the humanitarian relief program that our country will carry out in Europe will greatly impress the peoples of Europe with the strength of democracy.

Will the Senator permit me to add to that point this other point, because I should like to have the Senator know my views as to what I think, after all, is a very fundamental foundation rock of democracy. I know of no governmental form in the world in which the individual has the rights that he has in a democracy. I should like to put it this way, that after all under our form of government the dignity of the individual is supreme. Under our form of government there is a sacred recognition of the spiritual value of human life. Under our form of government those individual

liberties and civil liberties that we refer to under the Bill of Rights are protected. I know of no form of government existing in the world that protects those sacred human rights to the extent that our form of government does. I believe that if we can tell that story to the people of Europe, they are going to see the strength of democracy in protecting the human rights of the individual.

There is no such protection in communism. There is no such protection in fascism. Both forms are the same so far as suppression of individual human rights is concerned. They substitute for individual human rights a master state. It is a foreign concept to their ideology that after all the state is the servant of the people. Their view is that the people are servants of the state. And so I say to the Senator from Kentucky that I think it is very important that at least we make available to those nations, the peoples of which are going to have to make a great decision in the critical period ahead, the American story, that we make available to them news and information which tells them of the strength of democracy based on this foundation rock of individual rights.

Mr. CHANDLER. Of course, Mr. President, there is no disagreement between the Senator from Oregon and me with respect to the importance of democracy here and the importance and substantial soundness of the American position. What I fear is that what is sent will be labeled as being propaganda; that it will be accepted by those who receive it as propaganda. It will be paid for by the American people, and as my friend the Senator from Connecticut said, exported across the seas, and they will take it as an export, as an exporting of propaganda. I question the wisdom of spending so many millions of dollars for that purpose. It may be that some money ought to be spent for the purpose, but I question the wisdom of spending so many millions of dollars which perhaps could be best spent by way of education, and in the long run putting those people in a position where they can understand what is involved.

William L. White in his story about Russia told of the apparent poverty of the Russian people. Our people should understand that a Russian compares his present situation with something which happened in the past. He compares it with his life under the czars. The old timers of course realize that their present situation is so much better than their former situation that there is nothing in their experience which does not tell them, "I am getting along so much better now than I ever did before. Why should I look for something else?"

We must give such people something more than propaganda which is paid for and exported and labeled as such, which the leaders and heads of governments can speak of and do speak of as "propaganda from the United States. This propaganda is calculated to have you become dissatisfied with what you have and embrace something they have which you know nothing of. Then they show some terrible event which has taken place in America, portrayed in a picture, which can undo all that was done before.

I am anxious to accomplish the same objective that my friend from Oregon has in mind. However, we must not get into the position of trying to inflict democracy on other countries if they do not want it. I object to their trying to inflict communism or any other ideology or form of government on us if we do not want it. The thing we must remember is that in the long run, if we are to accomplish anything we must place the peoples of other countries in a position to choose for themselves, if they are able, the kind of government under which they are to live. In the long run, that is the only way in which we can avoid unrest and trouble.

Mr. MORSE. The Senator's last statement coincides with the principle of self-determination which I express. However, I do not think there can be intelligent self-determination without the educational facts about America made available to the masses in Europe which today are highly ignorant of the American story, and are misinformed as to our form of government.

Mr. CHANDLER. The question is, are we informing them with OWI messages? Is it worth what we are paying for it? To what extent is it accomplishing the over-all purpose which the Senator and I have in mind?

Mr. MORSE. I say that it is one educational channel which should be kept open. I do not think it is costing too much. I believe that the money is well spent. As I stated a while ago, I would be willing to spend more money through that channel, because I think the job which needs to be done is so very critical to our future foreign relations program.

Mr. CHANDLER. Does the Senator believe that the job is being done well enough under the circumstances? That is the question which I am anxious to have answered.

Mr. MORSE. I believe that an excellent job is being done when we consider the various handicaps under which the agency has had to work, and the problems with which it has been confronted.

After all, there comes a time when we must give some weight, at least, to expert testimony. When our military officials, our chiefs of staff, and our State Department officials approve the job which is being done by OWI and express the view that the work should be continued, I give some weight to those expressions. They are not conclusive. As I stated to the Senator from New Hampshire a while ago, I shall be glad to go with him into what I know must be some weaknesses and defects in OWI. There are weaknesses and defects in any other organization operated by human beings. But I do not intend to vote to destroy the objectives and program of OWI merely because there may be some defects and weaknesses which need correcting.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BRIDGES. Of course, the Senator does not believe for a moment that all the testimonals and endorsements with respect to OWI have come without solicitation on the part of OWI, does he?

Mr. MORSE. I should not be a bit surprised if many of them were in response to requests for an evaluation of the work of OWI. But I am satisfied that the fact that perhaps a particular communication received from the Chief of Staff was in response to a request for an evaluation of OWI's work does not make that an unsound, distorted, or untrue evaluation from the Chief of Staff. I accept the reports and statements about OWI made by the authorities at their face value. When the reports tell us that the work has been well done and that it should be continued, I intend to accept them as true unless the Senator can demonstrate that they are false.

Mr. BRIDGES. I am obliged to leave the Chamber to attend a committee meeting. Before I go I extend a very cordial invitation to the Senator from Oregon to join me in examining some of the foreign broadcasts. I have a great many thousand of them. Whenever the Senator has the time and the opportunity, I shall be glad to have him examine them.

Mr. MORSE. I assure the Senator from New Hampshire that it will be a pleasure; and if he will call me when he is ready, I shall be glad to sit down with him and examine them.

To return to my formal statement, Mr. President, I do not consider the OWI service to which I have been referring as boondoggling. I do not call it do-goodism. I call it an honest, straightforward telling of the American story. I think it is a story eminently worth telling, and one—without jingoism—that we should be proud to tell. I think most Americans who have contributed their share to the fighting, working, and paying for this war do not want the next generation to do it all over again. They want the story told.

That is why I find it difficult to understand the opposition to OWI's information program. I cannot believe that this is opposition for opposition's sake. I cannot believe that it is economy for economy's sake—not in a matter which so closely affects our relations with other countries. I cannot believe that these critics are willing to have America's story go untold while Britain and Russia tell theirs—and ours too, but from their viewpoint. Yet this is just what would happen if OWI pulls out of Europe. And it will have to pull out if the cut in appropriations voted by the House is not restored.

I have tried to find a plausible reason for this opposition, and I believe—if these critics ever put it into words—it would go something like this: "We agree," they might say, "that psychological warfare has proved effective and must be continued. We are even prepared to admit that while we were fighting in Europe, there was good reason for an information program which would constantly reassure our allies of our singleness of purpose by telling them of the American war effort."

"But," they might say, "the voice of America, which is truly a united voice in war, is not necessarily a single voice on domestic issues, nor even on many details of foreign policy. It is a composite voice, made of many parts and divisions, but principally of two, because the United States politically is divided into two great

parties. How can we be sure that the OWI, under a democratic administration, will not over-simplify the Voice of America, or even, on issues where there are wide divergencies of opinion, identify it with the voice of the Democratic administration?"

This seems to me a reasonable suspicion—especially in men who of necessity live and have their being in an atmosphere charged with politics.

Let us take a prime example of political division in this country—a national campaign with all the partisan feeling it engenders—and see how it was handled by the OWI. If there was any disposition to distort, suppress, misrepresent, or edit with partisan eye, here certainly was the time to do it.

How did the OWI go about presenting the men and measures of last November's campaign?

This is what Elmer Davis and Robert Sherwood, then director of the Overseas Branch, told Congress:

> Every attempt should be made to create the best possible impression of both (Presidential) candidates, with absolute impartiality, because one or the other of them will become President of the United States; and it will then be our duty to convince the world of his good faith, his statesmanship, and his wisdom in handling of all the manifold problems of the war and beyond the war.

I believe that the first instruction strikes pretty much the spirit of the entire document. This is what OWI said by way of instructions to its branches all around the world on April 1, 1944, in a directive on the handling of campaign speeches:

> 1. It must never be forgotten that our function is not to further the candidacy of any person either for nomination or for election. Our continuing task in this connection is to show constantly that the United States is wholeheartedly in this war, that our people, regardless of party, are determined to see it through to complete victory, and that however much they may disagree on domestic and even on certain phases of foreign issues, they are resolved to accept their responsibilities in the postwar world. Our authority for this is the voice of Congress representing the American people, as expressed in the Fulbright and Connally resolutions. Campaign speeches from whatever source should be drawn upon just as we draw upon other material to hammer these points home.
>
> 2. Although some Europeans may be puzzled by the fact of our holding an election in wartime, we take pride in it. Our democratic Constitution prescribes it, and our ability to hold such an election in the midst of our greatest war demonstrates the vitality and strength of our democratic institutions. Millions in Germany, Japan, and the occupied countries wish that they, too, could hold a free election now. Other Allied countries—Australia, New Zealand, and South Africa—have held elections in wartime and have felt their war efforts strengthened thereby. We, too, shall be in better position to cope with the giant problems of the next few years if our people have had a chance to speak their minds and choose their leaders in free, American fashion.
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> 3. We do not use our facilities to give publicity to anyone. We broadcast or cable speeches, or excerpts of speeches, solely because their content is useful in the war job which has been assigned to us. Since we are not in the business of publicity we cannot lay down a 50–50 mathematical ratio in the use of Democratic or Republican speeches; instead, we should continue to use the widest possible selection in the personalities whom we quote, and to quote whatever there is in their statements that serves our assigned purposes.
>
> 4. Straight domestic controversies, such as attacks upon one party by the candidates or spokesmen of another are usually unsuitable for our use. The same generally applies to intraparty attacks, such as those of Mr. Willkie against other Republicans, or of Democratic Senator EDWIN JOHNSON against the administration.
>
> 5. In excerpting any campaign speech we must be careful to place the excerpt accurately in its context. For example, if we quote a useful passage from a campaign speech by Governor Bricker, we must always state, preferably in the lead, that the speech was otherwise critical of the administration on domestic issues or in other pertinent respects, if such was the case. Similarly, if we excerpt a portion of a speech by Vice President Wallace, its general domestic flavor must be stated if it is not apparent in the excerpt. Outposts are to be instructed to follow this rule in any release that they may make of excerpts from speeches.
>
> 6. The fact that a given candidate is not particularly well known in Europe should not deter us from making use of his speeches. The office he holds, such as Governor of a State, is ample warrant for us to use his statements if they are helpful to us overseas.

In other words, Mr. President, the instructions were to make clear that it was the intention of OWI to see to it that impartiality, fairness, and an equal break in the news were accorded to the two great political parties during that campaign. So far I have not found any evidence or data demonstrating that OWI did not live up to the spirit or purpose of those instructions.

That is how OWI viewed its job abroad as a reporter of an American election. If some Members of the Senate have any doubt about how thoroughly or exactingly the operating bureaus of OWI carried out these directives, I invite them to look at OWI's cable-wireless files during this period, to leaf through OWI's magazines, and to view OWI news reels. They will then understand how their party's leading candidates become familiar to people all over the world.

If my colleagues will examine the cable-wireless file, they will see that every one of Governor Dewey's speeches went in full to London—as did those of President Roosevelt. They will also see that they went in full to every principal OWI outpost.

If they will examine the bound file of the London Times in the Library of Congress, they will discover that that leading British daily published the full text of the Republican Party platform. If a British paper has ever before published the full text of an American party platform, if an American news agency has ever cabled the full text abroad, then I do not know of it. The London Times got the text from the OWI.

It is possible that some may regard it as boondoggling to send abroad the full text of speeches by their party's Presidential candidate. It is possible they may regard it as a waste of the taxpayer's money to cable the text of their party platform so that officials and editors in a foreign capital may know on what ground their party takes its stand. But I think it would be unseemly if those same people harbored suspicions of partisanship against the agency which has judged these speeches and documents of transcendent importance for foreign audiences.

One more point, Mr. President, and I shall have finished with this subject. I believe my party owes a special debt of gratitude to the OWI, and I should like to acknowledge it.

Whether we like it or not, whether we think it an oversimplification or not, the fact remains that the Republican Party was long regarded abroad as the party of isolation, and the possibility of its accession to office last November was at first regarded with a good deal of apprehension by foreign officials and in the foreign press. The leaders of the party gave tacit recognition to this fact as early as September 1943, when they met at Mackinac Island and there threshed out a foreign-policy statement which was everywhere interpreted as the first public step in a metamorphosis of the party's position on foreign affairs. Thereafter, through the Republican votes for the Fulbright and Connally resolutions, through the party platform, through the speeches of the party's spokesmen, by meetings with Secretary Hull, through constructive thinking and contributions to the Nation's constructive thinking, by distinguished Republican statesmen of the Senate—not the least of whom is now at San Francisco, Senator VANDENBERG, where his thinking has brought forth excellent fruit—in these many ways the Republican Party made clear that American participation in postwar cooperation was not the special prerogative and trust of the Democratic Party.

If the party made this clear to voters at home, it was largely through the efforts of the OWI that it became clear abroad. A special guidance of the OWI reads:

> We should not lose sight of the fact that the American people, the major American political parties, and the outstanding political leaders are generally in agreement on international collaboration. We should recall the Mackinac, Fulbright, and Connally resolutions and use quotations from leaders in both parties to back up Mr. Hull's statement on this subject.

Mr. President, so successful was OWI in carrying out this task that, whatever the personal predilections of foreign editors and officials might have been, most of them were prepared to agree with the editor of one of the world's most distinguished journals, The Economist of London, that isolationism was no longer a significant issue in America party politics.

This complete impartiality of OWI was not merely a campaign manifestation because they knew the agency would be under extra-close scrutiny, nor was it undertaken in an effort to reassure our allies. It still continues. I note that on the afternoon when the Senator from Michigan [Mr. VANDENBERG] made his now justly famous speech of January 10, although the OWI did not have an advance text, the agency hurriedly dispatched a thousand word excerpt to London. Later the complete text was mailed to all OWI outposts.

Let me make one thing very clear. The men and women in OWI do not want or expect that agency to continue long after peace. But they do want the American story to live and flourish. They do not want it to die because no regular peacetime agency is yet ready with the personnel and experience to take up the work they have begun.

In view of the vital and disinterested job that OWI has done and is doing in presenting America abroad during these critical times, I think the appropriation for this agency should be restored.

Mr. President, I sincerely hope that the Senate will so vote, when the appropriation is before it, on next Monday, I understand. I also trust that the House of Representatives will accede to the restoration of OWI funds, so that its job, so vital to our foreign-relations program, can be continued without impairment.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CAPEHART. Will the Senator tell us exactly what OWI does in Europe and how it goes about sending out the information?

Mr. MORSE. I wish to assure the Senator that I should be very glad to take the time required for that discussion, but most of the points I would cover in answer to the Senator's question have been covered in the speech I have just finished making. If the Senator will not think me discourteous, I would suggest that the Senator read the speech in the RECORD when it reaches his desk tomorrow. He was not in the Chamber when I made it, and I would not wish to take the time of the Senate to answer his questions by repeating things I have already said in the speech that I just concluded.

Mr. CAPEHART. The Senator covered the election of last year, but my point is that I should like to know just exactly what the OWI is doing today, how it is getting out its information, and so forth, whether it is broadcasting it or whether it is printing circulars.

Mr. MORSE. The OWI uses the radio, it uses the newspapers, it uses mimeograph material, it uses news reels. It uses every information source which it can make available to itself in the countries in which it has offices, to tell what I have called throughout my speech the American story.

Mr. CAPEHART. I have just returned from Europe. The reason why I rise to ask these questions is that while I was abroad I was unable to find much net result from what the OWI was doing. We visited the broadcasting station the OWI has in Algiers. The OWI broadcasts there a few hours each day. We asked a number of OWI men, as we went around Europe, exactly what they were doing. Very seldom were they able to tell us specifically.

In other words, I should like to know how the OWI is spending its money and what it is doing. I have not been able to obtain a clear picture of it. I am a little hazy as to just what the OWI is doing and how it is doing it?

Mr. McMAHON. Mr. President, will the Senator yield to me?

Mr. MORSE. I will yield to the Senator in just a minute. First, I should like to say to the Senator from Indiana that if he will check into the OWI's files here in Washington, where he will find copies and exhibits of the type of information which the OWI is making available in the European theater, he will find that a tremendous amount of information is being disseminated.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. McMAHON. Does the Senator know whether the news which we received pertaining to the trip which the Senator from Indiana [Mr. CAPEHART] and his party recently made came to us through the OWI, or through the regular press channels?

Mr. MORSE. I do not know.

Mr. CAPEHART. I believe I am in position to answer the question. It was the work of the Signal Corps.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. FULBRIGHT. I wish to compliment the Senator from Oregon on his speech. I am in agreement with his views. A few days ago I discussed this matter with Representative DIRKSEN, of Illinois, who had recently returned from a trip around the world. I believe he testified before our Committee on Appropriations. I think that most of us are familiar with his reputation and background. He certainly would not entertain a prejudice in favor of the OWI. He told us, however, that he was amazed at the extent of its activities and the importance of the work which it had done.

I believe the Senator from Oregon will agree that, as a Nation, we have been inclined to belittle the influence of ideas and education throughout our country. I believe that our support of the OWI is one way by which we can help remedy the situation.

Mr. MORSE. I completely agree with the Senator from Arkansas. I thank him for his contribution. I may say that I was dumfounded but, however, very much pleased, when I checked into the quantity and quality of information which the OWI has already disseminated in Europe. It has done a magnificent job under very difficult circumstances. It deserves the full appropriation which it seeks and I trust that the Congress will give it at least the amount now approved by the Senate appropriation committee. It really deserves the $42,000,000 originally requested because that amount of money would be well spent in telling the American story to the peoples of Europe and the Pacific. It is a story the telling of which is vital to our foreign relations program. Its telling is essential if we are to create a better understanding throughout the world of America and her policies.

EXHIBIT A

REPORT ON FREE PRESS TOUR

A historic 50,000 words was approved and given to the world today by directors of the American Society of Newspaper Editors, meeting in the Hotel Statler under President John S. Knight. It is the report of three American newspaper editorial figures who, from January to April, went 40,000 miles around the world to test and discuss freedom of the press and of communications in the postwar world.

The report was filed by Wilbur Forrest, chairman, who is assistant editor of the New York Herald Tribune and first vice president of the society; Ralph McGill, editor of "The Atlanta Constitution," and Dean Carl W. Ackerman, of the Graduate School of Journalism of Columbia University.

This is the first time recorded by history that such a mission was undertaken, its main objective being a pledge in the peace treaties "* * * of governments not to censor news at the source; not to use the press as an instrument of national policy, and to permit a free flow of news in and out of signatory countries."

OBTAINED MANY PLEDGES

The three editorial writers say they did not find much press freedom under wartime conditions. They got many pledges from Government leaders for postwar, some of them described as "lip service," and discovered in editors of most nations a real desire for more freedom of the press than most nations have heretofore enjoyed or permitted.

Also for the first time in history three American journalists invaded Moscow and achieved with top Soviet newspaper editors and government press controllers a full and frank mutual survey of their different problems and conceptions.

This they did at two banquets and visits to the two largest Soviet daily newspaper plants and a call on Soviet communications officials.

The Russians were both extremely curious and challenging of the United States conceptions of free press. At the same time, the American envoys got from the Vice Commissar of Foreign Affairs an expresison of willingness to seek a common ground in the matter of freer exchange of news and more fair and adequate mutual writing and reporting.

A diplomatic ten-strike by Ambassador W. Averell Harriman is described in the report—a banquet at the United States Embassy in Moscow where, apparently for the first time, the full panoply of Soviet Russian news chiefs appeared to help welcome the visitors and to engage in extremely candid talks about their and the American press and information objectives.

RUSSIAN EDITORS LISTED

The Russian editors at the Embassy dinner described in the report were P. W. Pospelov, of Pravda; N. C. Talensky, of Red Star; B. S. Burkov, of Komsolnoskaya Pravda; M. M. Barodin, of Moscow News; L. F. Ilyichev, of Izvestia; A. Danilov, of War and the Working Class; K. K. Olmenchenko, of Trud; P. G. Palgunov, of Tass service; K. E. Zinchenko, foreign office press chief, and U. S. Okov, of the Soviet Information Bureau. Ambassador Harriman was host.

Ambassador Harriman, said the report, sounded the keynote with a description of the United States emergence from its own provincial and isolationist newspaper era and urged both nations' editors not to take everything in print too seriously.

Mr. Lazovsky (L. A. Lazovsky, Vice Commissar of Foreign Affairs) replied, the report continued. He said the chief thing the Soviet peoples and papers couldn't understand was the constant criticism of an ally by some of the American press * * * he toasted * * * the future peace of the world depending on a close alliance between Russia and the United States.

"Chairman Forrest responded first, closing with the Calvin Coolidge story of the Washington Monument at the time of a book criticizing Washington—the story closing, 'The Monument is still there.' "

RUSSIAN POINT OF VIEW

"Editors Prospelov, of Pravda (the paper of the Communist Party), and Ilyichev, of Izvestia (the paper of the Supreme Council of Soviets), declared in almost identical speeches their system was most representative of the wishes of the people and was a free press because it represented only the people.

"They insisted American papers did not always represent the wishes of the people, using the Roosevelt elections and opposition to many Roosevelt policies which had been adopted by the people as examples.

"They also said that many of the critical items about the Soviets in the American press were revealed to be untrue, but papers which had carried them prominently never took the trouble to admit the untruths when revealed.

"Their own articles, they said, were tested for truth and accuracy and always represented the will of the people. They could not understand why American papers took so many ludicrous positions, for example, the charge that the Russians, while waiting to bring up men and materials for the attack on Budapest, had quit fighting for political reasons. When the Red Army later demonstrated these widely circulated charges to be untrue, no paper came out and admitted the error.

"The third talk of any length was by General Talensky, of the Red Army. He praised the American Army and said the Red soldiers had a great respect for the American soldier. He believed the two nations must be friends and were friends, but, as an old hunter, he knew the worst enemy a hunter had was mosquitoes. He said the Soviets sincerely wanted friendship, but it was difficult to smile and be friendly when there were so many mosquitoes about.

CAN'T FATHOM UNITED STATES SYSTEM

"It was brought out forcefully that the Soviet newspapermen are without exception the product of the revolution or men who were in exile or underground in other countries editing clandestine papers. They don't know any other system. They can't understand the American system wherein a reader will continue to buy a paper even though he disagrees with its politics.

"It is not good sense to oversimplify the Soviet with generalities. The Russians said this was the chief fault of the W. L. White book. * * * We were asked if we believed it ethical and possible for him to come in classified as a military expert, stay 6 weeks and then go out and write more than 300 pages on Russia which would tell a true story.

"Some American officials said one of the problems in Russia has been correspondents who came with a chip on their shoulders and went about hunting up items which could be found to justify their dislikes. They dealt in irritations instead of presenting a balanced picture of Russia.

"Harriman was delighted with the meeting. It was the first time there had been such a discussion between these editors and those of any other country. They had pledged consultation and cooperation."

VISITED "IZVESTIA" PLANT

The United States editors visited the "Izvestia" plant and news room and found it outwardly much like an American newspaper—with newsprint likewise scarce, reporters covering "runs," the papers gloating in print over scoops, each paper paying rent and amortization to the owner government. Advertising is confined to theater and amusement display, the report said.

"We stated," the report said of this visit, "the position of the American papers—that they were newspapers and not organs of a party; that advertisers did not control them and did not want to do so; that if they did they could not 'get away with it.' " We told them the people in America were very inquisitive about their papers, who owned them and what interests there were behind them.

We said that the test was the man with the 3 cents or the nickel. If he had no confidence in the paper he did not buy it.

They had read Sinclair's Brass Check, Seldes' Lords of the Press, and one or two other such books. They see very few American newspapers, the New York Herald Tribune and Times and some of the Hearst papers being their only contact.

Tass brings in about 13,000 words a day from America, but it is screened politically and does not give any real picture of America. In fact, one of the chief complaints we found from our diplomats and information officers was that our own news services, such as AP, UP, and INS, were doing the same thing, sending out items they thought would be used and displayed in an effort to build up their services without regard to whether people of foreign countries were getting a picture of America and its news. Too often it is race riots, murders, Hollywood loves, divorces, and so on which contribute to a distorted picture of America.

KREMLIN OPENED TO VISITORS

"The Izvestia editors," the report said, "declared the Russian Army generals would not have United States correspondents with their forces because the Americans had too often broken their word about releasing news and information."

The Kremlin was opened to the three visitors as a special courtesy. Then they visited Pravda, with its top circulation of 3,000,000, where the military editor, General Galaktionov, asked them why Hanson Baldwin, of the New York Times, had said the Reds did not have good generals and used masses of men to win by sheer weight and why Mark Sullivan, of the New York Herald Tribune, had written last October that for political reasons the Russians were not pushing their offensive in Romania. The report indicated the visitors conceded that subsequent events had proved both wrong, but declared the freedom with which they might express such opinions was fundamental with the American press freedom.

Then the Soviet editors gave the trio a dinner, at which Ilya Ehrenburg, described in the reports as "essayist" for the Government, demanded why Americans didn't freely marry Negroes and Jews and "would hear no other argument but that we were Fascist as heart," "He also said," the report added, "the Hearst press trust was dripping Fascist poison into the soul of America and that we could not escape a Fascist future.

"To all this we replied vigorously. We learned later that the Government had reprimanded him for another extreme statement."

HOW EDITORS ARE CHOSEN

The Russian editor is appointed or elected by the Supreme Soviet Council, the Communist Party, labor, and so on, adds the report. It quotes Vice Commissar Lazovsky as asking whether and how all shades of opinion in newspapers could be represented in a single editors' society, how an editors' society could have a policy when owners made the policy, and whether the society had supported the Yalta Conference. But Lazovsky finally said, "I do not see why we cannot find a common ground."

Among other foreign press and governmental leaders interviewed and heard by the American trio were these, and their commitments in conversation or letter as to free press and communications aims:

President Edouard Benes, of Czechoslovakia, who said his nation would stand for and assume freedom of public opinion, expression, and press.

Davadas Gandhi, son of Mohandas K. Gandhi, who addressed a meeting to welcome the visitors to Delhi, declared the cause of press freedom implicit in India's flight for freedom and published in his Hindustan Times an editorial warning the United States editors against mere lip service.

Generalissimo Chiang Kai-shek, who promised abolition of China's censorship when her war was won—which he predicted for the end of 1946.

T. V. SOONG INTERVIEWED

Premier T. V. Soong, who echoed the same promise of ending censorship.

Prime Minister Nygaardsvold of Norway, who asserted Norway's press freedom had been constitutional since 1814 and would continue.

Brendan Bracken, Minister of Information of the United Kingdom, who, the report said, thought metropolitan editors of today were "office boys" and asserted his opinion that people were increasingly skeptical of news as printed.

Christopher Chancellor, director of Reuters, who said that service had been completely divorced from all British Foreign Office direction.

Barrington Ward, London Times editor, who said the British papers had "voluntarily" withheld the news of King Edward's engagement to Mrs. Wallis Simpson in order to give him opportunity to change his mind.

Col. J. J. Astor, Viscount Rothermere, and Sir Walter Leighton, London publishers, who volunteered full support of A. S. N. E. press-freedom campaign.

Gen. Dwight Eisenhower, who declared, "Every soldier in this war has a right to expect a free press."

Gen. George Patton, who declared, "I've always believed in the value of the fullest sort of publicity about all matters—especially controversial ones."

FIFTY FRENCH EDITORS

Andre La Guerre, press-radio director for the French Ministry of Information, who said that "unfortunately" government loans were temporarily needed to keep the new French news service in operation. "No man works for the A. F. P.," notes the report, "until he has been investigated by the French Government and has a card from the investigating commission. In this matter they hope to screen out the collaborationists."

Fifty French editors, led by M. Albert Bayet, hero of the underground press, who gave the visitors an emphatic pledge of accord for treaty declaration of free news from all governments and press freedom.

Forty-five Belgian editors, who were said to be pessimistic about the free-press ideal.

Thirty Greek editors, from whom came the first proposal to the travelers for a world-press conference.

Armando Rossini, director of the Italian Government press, from whom there was a cautious commitment only.

His Holiness Pope Pius whose interest was sincere and natural and who gave us his unqualified support.

IDEALISTIC BUT IMPOSSIBLE

Archbishop Damaskinos, Premier of Greece, who promised complete support and asked that the American press take more interest in Greece.

King Farouk of Egypt, who said he believed in a free press and news flow, but whose Cabinet regularly interfered with both.

The late and assassinated Dr. Ahmed Mahrer Pasha, Egyptian Premier, who considered the visitors' mission "idealistic but impossible."

Sir Edward Griff, British Minister Resident of Egypt, who admitted the censorship at Cairo has been severe but believed it justified.

Egyptian fright of the Russian influence was noted in the report.

Prime Minister Sukru Saracoglu, of Turkey, who said in a good-natured way he favored freedom of the press ("we didn't believe him, but we liked him," the report added), but whose Government had just suspended three Turkish papers for political reasons.

Sir Keith Murdock and 17 other Australian publishers and editors of newspapers and news services, who have won, some 12 months ago, a great victory over army censorship which had reached into the political news—a magnificent victory.

The three Americans carried letters of recommendation from the late President Roosevelt, Secretary of State Edward R. Stettinius, Jr., Senator Tom Connally, and Representative Sol Bloom. They traveled by Army transport planes.

At Chungking Dean Ackerman conferred with the faculty of the Columbia School of Journalism and returned via the Philippines, while Forrest and McGill went by way of Australia.

General findings included these:

"It was evident * * * that many governments were controlling the press politically under the guise of war security.

"These people (in Italy and Germany) emerge today from the ruin of war knowing little or nothing of the world around them" because of the prewar years of the controlled propagandist Nazi and Fascist press.

"Some editors abroad are under the impression that the American press is dominated by the advertiser, and that much of American thinking is directed toward undemocratic policies by so-called newspaper 'trusts' or chains."

The committee proposed support for a world press-freedom conference in Australia and recommended studying a system of bringing young foreign journalists to American papers to widen their journalistic horizon.

"Perhaps," the report concludes, "the seeds sown by your committee will grow and flourish."

The board of the editors' society adopted a resolution of support for the world press freedom conference, the time to be arranged when conditions permit, which had been proposed to the three editorial visitors by the Australian press leaders.

The board today also adopted a resolution commending Secretary of State Edward R. Stettinius, Jr., for his help on freedom of the press, notably at the United Nations Conference in San Francisco.

The board also adopted a resolution looking with apprehension on any merger of transmission facilities which would eliminate competition. Other newspaper organizations had adopted similar sentiments as result of a proposal of 2 months ago by the Navy Department that all United States-operated international communication facilities be combined or jointly operated after the war.

EXECUTIVE SESSION

The PRESIDENT pro tempore. Under the order entered prior to the speech of the Senator from Oregon, the Senate will now proceed to the consideration of executive business.

Accordingly, the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

Harry M. Durning, of New York, to be collector of customs for customs collection district No. 10, with headquarters at New York, N. Y. (Reappointment).

By Mr. WALSH, from the Committee on Naval Affairs:

Sundry officers to be commodores, for temporary service, in the Navy.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Several postmasters.

ADVERSE REPORT OF NOMINATION

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported adversely the nomination of Rollin M. Meisenbach, to be postmaster at Pearl, Illinois.

The PRESIDENT pro tempore. If there be no further reports from committees, the clerk will state the first nomination on the calendar.

RURAL ELECTRIFICATION ADMINISTRATION

The Chief Clerk read the nomination of Claude R. Wickard to be Administrator of the Rural Electrification Administration for a term of ten years.

Mr. SHIPSTEAD. Mr. President, we have now come to the close of a period of more than a year and a half of almost continuous investigation and discussion with regard to the fitness of Mr. Wickard as Secretary of Agriculture, and as head of the Rural Electrification Administration while he was Secretary of Agriculture. His nomination to be Administrator of the Rural Electrification Administration is now before the Senate for confirmation.

I have no objection to Mr. Wickard because he is a Democrat. I have no personal feeling against him. As an individual, I wish him well. My opposition to him is based upon the evidence which has been gathered over a long period of time, based upon sworn testimony, and passed upon by various committees of the Senate.

1. THE SENATE CONTRADICTS ITSELF

Mr. President, the nomination of Mr. Wickard to be Administrator of the REA presents a strange contradiction to the action of the Senate and its committees. By a vote of 11 to 6, the Committee on Agriculture and Forestry has recommended that Mr. Wickard, the former Secretary of Agriculture, be made Administrator of REA. Now observe how this action completely contradicts the previous actions of the Senate and its committees on practically the same subjects. To refresh the memory of Senators, let me say that on June 23, 1944, pursuant to Senate Resolution 197, a subcommittee of the Committee on Agriculture and Forestry made its report to the Senate on the administration of the REA under the Department of Agriculture. The report was made by a bipartisan committee. It was issued without a dissenting vote. It condemned the administration of REA under Mr. Wickard in the Department of Agriculture. It also recommended that REA be made independent at the earliest possible date.

This bipartisan report was the result of nearly 1 year's study and more than 2,000 pages of sworn testimony and documentary evidence. It all centered around the maladministration of REA by Mr. Wickard. The recommendation by the subcommittee for the independence of the REA was designed solely to get it away from what was Mr. Wickard's incompetence and inefficient administration while he was Secretary of Agriculture.

On April 16, 1945, Calendar No. 235, the Committee on Agriculture and Forestry unanimously recommended to the Senate the following:

> Your committee, after exhaustive consideration of the matter, has concluded that the functions of the Administration can be performed better if it is reestablished as an independent agency of the Government.

Mr. President, why did this committee recommend unanimously that REA be made independent? It did so for the same reason that the previous committee recommended that REA be taken out of the Department of Agriculture, because of the bad administration and hopeless political muddle which Mr. Wickard had made out of the REA.

On May 14, 1944, when approximately 70 Senators were present, the Senate passed unanimously without a single dissenting vote the bill to make REA independent. Why did the Senate take this unanimous action? It did so because of the bad administration of Mr. Wickard in the REA and it wanted to take REA out of the Department of Agriculture. We may conclude, accordingly, that the 11-to-6 vote to report favorably the nomination of Mr. Wickard repudiates completely the 1-year Senate investigation of the REA, the unanimous action of this committee in recommending independence for REA, and the unanimous action of the Senate in approving the recommendations of its 2 committees.

2. SENATORS HAVE NOT READ TESTIMONY OR WERE NOT PRESENT AT HEARINGS

Due to the vast labors that confront each Senator, due to the exigencies of the war, and due to their preoccupation which made it impossible for them to attend the recent hearings on the nomination of Secretary Wickard, many Senators are not familiar with the facts of their own committees. Likewise, the Senators in charge of the nomination of Mr. Wickard frankly admitted they had not read the testimony of their own Senate committee condemning, after investigation, Mr. Wickard's bad administration of REA.

It is important, therefore, that Senators get the facts which their own committees have supplied, in order to pass fair judgment upon the qualifications of Mr. Wickard to be Administrator of the REA.

3. NATION-WIDE PROTESTS OF REA SYSTEMS AGAINST MR. WICKARD TO BE ADMINISTRATOR OF REA

We are living in a democracy. The people's opinion should be determining. In this case, the opinions of the REA cooperatives and members should be the principal thing to determine what the REA systems want. They have to borrow money, they have to organize; they have to do the construction work, let the contracts, and pay the bills. Their testimony should have very great weight with the Senate of the United States.

First a word as to the views of the REA systems on the independence of REA. As Senators know, there are some 800 REA systems in 46 States. When the bill for the independence of REA

came up, I did not receive a single objection from any cooperative. None asked that REA be permanently retained in the Department of Agriculture. On the contrary, the opinion was unanimous that they wanted REA to be independent. There likewise was no difference of opinion as to why they wanted it to be independent. This desire for independence was due primarily to the bad bungling, and inefficient administration of REA in the Department of Agriculture by Mr. Wickard.

When Mr. Wickard's resignation was requested as Secretary of Agriculture, his appointment as Administrator of REA was about the last thing in the world that any of the REA systems expected. It took them completely by surprise. As we all know, farms are many miles apart. The meetings of the Board of Directors of REA systems are very seldom. Consequently, it was extremely difficult for them to mobilize their opinions and make their views known in Washington in a few days. They previously had established an informal small committee for the independence of REA. They had no funds and they likewise had no quarters set up here like those of the usual high-powered lobbyists. The farmer is a very independent citizen. What he reads he reads with understanding; if he is told anything he listens with discrimination, and whenever he puts his name to a document he knows for what purpose he signs the document and what it means.

I now want to introduce into the RECORD telegrams and letters from many sections of the United States which poured into my office within a few days after it was learned that the nomination of Mr. Wickard to be Administrator of REA had been submitted to the Senate. An examination of them will disclose that they do not correspond to any pattern. They are different. They represent the sincere convictions of these farm people in their determined opposition to Mr. Wickard. The Secretary of Agriculture, through the local agency in every community and village of this country, has a powerful political machine. Likewise his political appointees in the REA assist him materially. All types of pressure were placed upon REA systems to favor Mr. Wickard, and when this was not possible, to prevent them from taking sides against him.

An examination of the testimony of the witnesses who recently appeared before the committee on the nomination of Mr. Wickard, will make these facts unmistakably clear. In some States, that were practically unanimously opposed to Mr. Wickard, secret ballots were taken. In the case of Iowa, they were opened by a notary public. Here they were free from Wickard's political friends so they could not intimidate the REA systems, as no one knew how anyone voted. I say, accordingly, it is a remarkable tribute to the courage of these REA systems that I am able to present as many letters and telegrams of opposition as I will now indicate to the Senate.

It proves conclusively that the vast majority of the REA systems are opposed to Mr. Wickard and do not want him as Administrator of REA. I shall read only the important portions of these communications without including any unnecessary details.

The letters and telegrams I have received have come from boards of directors and officers of cooperatives. Mr. Wickard's nomination was submitted to the Senate on May 24. Within 2 days, and certainly without any suggestion from any quarter, letters and telegrams began to pour in to me. The first letter came on the 26th of May. The farmers get their news either by the radio or their local newspapers. Within 2 days letters and telegrams started pouring into my office from various sections of the country.

With the indulgence of the Senate, I desire to read extracts from some of the letters and telegrams. In some cases the letters are two pages long and in others one page. After I finish reading the extracts from the letters and telegrams I ask that they be printed in the RECORD as a part of my remarks.

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). Without objection, it is so ordered.

(See exhibit A.)

Mr. SHIPSTEAD. Here is a telegram from Florida representing 14 REA cooperatives in that State, and signed by the Florida State REA Superintendents Association, Ernest G. Smith, secretary:

Florida REA superintendents went on record today at their quarterly conference opposing appointment of Wickard as Administrator of Rural Electrification. We urge quick settlement of this issue in a just and fair manner. We only ask for a capable administration.

Here is one from Illinois:

We, the directors of the Edgar Electric Cooperative, Paris, Ill., oppose appointment of Claude Wickard for REA Administrator.

I read another one from Illinois:

The board of directors are on record opposing the appointment of Claude Wickard as REA Administrator because of his past record.

Here is another telegram from Illinois:

This cooperative serving 4,000 members is flatly opposed to the confirmation of Claude R. Wickard as Administrator of REA.

Another one from Illinois:

In behalf rural electrification beg rejection Wickard as Administrator REA. Individual unsympathetic with program as shown in hearing Lucas bill S. 89.

Here is another one from Illinois dated May 26 which was the morning after the news went to the press that Wickard had been nominated for this position, or the day after it came to the Senate. I read a few lines of this letter:

We have noticed a serious blunder has again been made by our esteemed President of the United States since you have directed your letter to us of May 15.

It is indeed most regrettable that President Truman should have taken the action he has in appointing Mr. Wickard Administrator of Rural Electrification.

I can put myself in sympathy with the President. This happens to be one of the unfortunate incidents that occur in all political families whether Republican or Democratic.

He says:

In view of the complete failure which Mr. Wickard has made in administering Rural Electrification for the post 4 or 5 years and in view of the type of men he has selected for REA, we cannot help but feel that some of our enemies in Congress and other places are endeavoring to completely ruin this wonderful program.

Here are several communications from Indiana. I understand the Senator from Oklahoma received some telegrams from Indiana taking the opposite view, in favor of Wickard, which were placed in the record of the hearings before the committee. Here is one from Indiana:

Steuben County directors feel a new man should be appointed outside of present controversy that has existed in REA. Too much opposition against Wickard for things to run smoothly.

Here is one from Rochester, Ind. Here is another:

The REMC oppose confirmation of Claude R. Wickard as Administrator of REA. Believe him incompetent. Think him released as Secretary of Agriculture for poor administration. This REMC represents 1,930 farmers and families. Each REA independent agency free from politics. Your assistance appreciated.

That is from the Fulton County REMC of Indiana. It is signed by Fulton R. Murray, superintendent for board of directors.

There are several others here from the same source. I do not mean to say that all the REA cooperatives of Indiana take the same position. There is a difference of opinion there.

Here is a long letter from Iowa. Some one there who evidently had a great many ideas about the matter wrote this. He says:

Mr. Wickard lacks our confidence. We judge individuals by their past record. Cooperatives are built upon confidence.

* * * * *

On our own system, under Administrator John M. Carmody, we know what the private utilities do. They built spite lines and attempted to destroy our system and cut up our good territory.

* * * * *

REA got action under Carmody. In contrast to this loose inefficient joint operation of REA under Mr. Wickard, I recall the results and action we got when REA was an independent agency. The Administrator, Mr. Carmody, could say "Yes" or "No," and he meant it.

These are the specific reasons why we feel that the past record of Mr. Wickard indicates he is not qualified to be Administrator of REA.

Here is a telegram from Iowa:

Claude R. Wickard appointment not satisfactory to vast majority of REA borrowers. We want a man of proven ability and one who believes in cooperative electricity. Utilities will not serve farms without competition. Confirmation of Wickard would be contradiction of Senate passage of Lucas bill with Shipstead-Aiken-Wheeler amendment for independence. Use this wire in any way to prevent confirmation.

Here is another one from Iowa, a telegram to the Senator from Oklahoma [Mr. THOMAS], a copy of which was sent to me:

The board of directors of this cooperative serving 2,300 farmers wish to go on record as opposing the appointment. It is felt that Mr. Wickard's statement and record do not indicate that he would be successful and capable. You may use this telegram in any way you wish to oppose appointment of Mr. Wickard.

There are several letters and telegrams from Iowa. The cooperatives of Iowa sent a delegation here consisting of something like 8 or 10 men. They had taken a secret ballot of all the cooperatives of Iowa. The ballots were opened under the authority of a notary public. It was not a case of one going out to see how they would vote. A letter was written to them and they were asked what they thought about it, and all but two voted in opposition to Wickard.

Here is one from Kansas:

As president of the Butler Rural Electric Cooperative Association, I am opposed to the confirmation of Mr. Claude R. Wickard as superintendent of the REA, as from his testimony and hearings had and held it appears that he is opposed to continuous and progressive activity of the REA and appears favorable to the utilities. I think it would be a great mistake to deliver over the REA and its future to those unfavorable to its progress and success.

Here is one from Kentucky:

Our association is on record and is convinced that an independent Rural Electrification Administration responsible only to the President and Congress can best carry out the original intention of the Rural Electrification Act. Because of past controversies and remarks made before subcommittee of Agriculture and Forestry pursuant to Senate bill 89, April 2, 1945, we definitely oppose the approval of the Honorable Claude R. Wickard as the Administrator of the REA.

There is one from Louisiana:

I have noted the record of general confusion and dissension arising both within and without ranks of REA, which apparently means that the transfer of REA to the Department of Agriculture, of which Department Mr. Wickard is Secretary—

And so forth.

Here is another one from Louisiana, and here is one from Maine. This was sent to the Senator from Oklahoma [Mr. THOMAS] and a copy sent to me:

Please advise your committee that we are opposed to the confirmation of Claude R. Wickard as REA Administrator. We consider his policies in the past have been detrimental to the best interests of REA.

Here is one from Michigan:

The REA, as conceived and administered in its early years, was generally favored by everyone, Republicans and Democrats alike. Since coming under Wickard's hand in the Department of Agriculture its reputation has suffered tremendously and public opinion is skeptical. REA needs a fresh start with an Administrator of unquestioned ability and purpose. The appointment of Claude Wickard will keep alive the strife and turmoil in and about REA and severely handicap a once fine organization.

Here is one from Minnesota:

As president of the P. K. M. Electric Cooperative and the Minnkota Power Cooperative, I am authorized by resolutions unanimously adopted to protest the nomination of Mr. Claude R. Wickard to serve as Administrator of the Rural Electrification Administration.

This cooperative is partly in Minnesota and partly in North Dakota.

In our opinion Mr. Claude R. Wickard is unqualified to hold this important job. The fact that he was not considered good enough to be retained as Secretary of Agriculture, head of the War Food Administration, the Commodity Credit Corporation, and other Government agencies is indicative of the opinions widely held concerning his administrative ability. Nowhere in his biography as it appears on page 377 of the Congressional Directory is there listed accomplishments including his political achievements that would indicate he is in possession of the qualifications which should allow him to be entrusted with this highly important administrative post.

Here is one from Minnesota:

Subcommittee investigation reveals Wickard attempted to use REA in party politics contrary to intent of act; and our cooperative opposes his confirmation as Administrator. We want Administrator who is appointed on basis of ability not some incompetent who must be taken care of politically.

I read a letter from the Farmers Union of Badger, Minn.:

DEAR SENATOR: At a meeting of the delegates of the Farmers Union representing 800 members (men and wives), a resolution was unanimously adopted going on record as opposed to the appointment of Claude R. Wickard as Administrator of the REA, and you are so advised.

I received one communication from Minnesota favoring the confirmation of Mr. Wickard, and the chairman of the committee received a telegram from another cooperative in Minnesota favoring the confirmation of Mr. Wickard. In all fairness I think that fact should be noted in the RECORD.

I have a telegram from the Farmers Union at Wisner, Nebr., as follows:

At the quarterly meeting of the Farmers' Union of Cuming County, of which there are about 1,000 members, the following resolution was unanimously adopted:

"Resolved, That we the members of the Farmers Union of Cuming County, go on record as being definitely opposed to the appointment of Claude R. Wickard as REA Administrator."

Signed by Harold G. Dinklage, secretary of the Cuming County Farmers Union.

I have another one from Minnesota as follows:

Resolved, That the Board of Directors of the Douglas County Cooperative Light and Power Association assembled in special session the 9th day of June 1945, do oppose the appointment of Claude R. Wickard as Administrator of REA.

In order to save the time of the Senate I shall continue to read only extracts from letters and telegrams.

Here is another from Minnesota:

We do not believe the best interests of REA will be served with the appointment of Claude Wickard as Administrator. Your support solicited.

HERMAN GRAUPMAANN,
President, McLeod Co-op Power Association, Glencoe, Minn.

Another one from Halstad, Minn.:

The board of the Red River Valley Cooperative Power Association wishes to impress on you and the rest of the Committee on Agriculture that they are strongly opposed to the appointment of Claude R. Wickard as REA Administrator. We are convinced that the best interests of REA cannot be served by this man.

GEORGE AAMODT, *Secretary.*

Another from Worthington, Minn.:

Do not favor Wickard for REA Administrator.

NOBLES COOPERATIVE ELECTRIC ASSOCIATION,
CHARLES A. BARNES.

From Mankato, Minn.:

We, as a board of directors for the Blue Earth Nicollet Cooperative Electric Association, representing a cooperative having a thousand miles of electric distribution line serving 2,200 consumers, do not believe that Mr. Wickard is the proper man for Administrator.

And so forth. These men have had to work during the years with various administrators, and Mr. Wickard is the first individual concerning whom I have had any serious complaints.

Here is another from Rochester, Minn.:

More than 2,200 members of the People's Cooperative Power Association serving southeastern Minnesota desire to record their objection to the appointment of Mr. Wickard as Administrator of REA, as his record in the past is anything but good for the future of the REA movement.

Here is a letter addressed to me:

The following is a copy of a telegram sent to President Harry Truman, Senator Harold Knutsen, Congressman Dr. Walter Judd, Congressman Wm. Pittenger, and to Senator Elmer Thomas.

The Carlton County Cooperative Power Association is opposed to the appointment of Secretary Wickard as REA Administrator.

There are more letters and telegrams from Minnesota, but in order to save the time of the Senate I shall not read them all. I have received many communications from Missouri.

I have here a copy of a letter sent to the President of the United States. A copy was also sent to Hon. Claude Wickard and to the Minnesota delegation. This is one of the letters from Minnesota which I mentioned which favor the confirmation of Mr. Wickard. In all fairness I shall read a few extracts, and will ask to have the whole letter printed in the RECORD:

As the direct result of action taken by the board of directors of the Kandiyohi Cooperative Electric Power Association, I have been asked to address this letter of commendation to you, expressing to you our complete confidence in your appointment of the Honorable Claude Wickard to act as Administrator of Rural Electrification Administration.

I ask that this copy of letter addressed to the President of the United States be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 1, 1945.

HON. HARRY S. TRUMAN,
President of the United States,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: As the direct result of action taken by the board of directors of the Kandiyohi Cooperative Electric Power Association, I have been asked to address this

letter of commendation to you, expressing to you our complete confidence in your appointment of the Honorable Claude Wickard to act as Administrator of the Rural Electrification Administration.

We feel very strongly that Mr. Wickard has all of the desirable qualities of leadership, foresight, and progressive spirit so necessary in a position of this kind; we feel that his confirmation by the Senate to act in this capacity will be a signal victory for rural America. He has always had the best interests of the farmers of this Nation at heart, and we know that he will carry to his new position those qualities which will make for a progressive and useful administration.

Although this cooperative has felt, unofficially, that the REA should remain as a unit of the Department of Agriculture, we realize that the issue is debatable. In the final analysis, a strong administration, in any event, is necessary to produce the good effect the original bill creating the REA was designed to foster. In this regard, we reiterate our sincere feeling that you have appointed a man who will do his best to foster that salutary end.

Respectfully yours,

KANDIYOHI COOPERATIVE ELECTRIC POWER ASSOCIATION,
O. N. GRAVGAARD, *President*.

Mr. SHIPSTEAD. I read from another communication from Missouri:

We feel that our President is not on the right track in appointing Mr. Claude R. Wickard as Administrator of REA, and all of the presidents of the local cooperatives in Missouri that we have talked to, feel the same way about this appointment.

We would like to ask you that you protest the appointment of Mr. Wickard as Administrator, due to the past record that he has made as Secretary of Agriculture.

I read another one from Canton, Mo.:

It is the opinion of my board of directors and our membership that the REA should be an independent agency free of politics and we believe this can only be accomplished if headed with leadership who would work to that end.

I have received many letters, Mr. President, from Missouri. Some are quite long, and set forth many reasons why the writers of the letters are opposed to the confirmation of Mr. Wickard. I shall not take time to read them all. I have letters from various parts of the country.

Here is one from Ravalli County Electric Cooperative, Inc., Corvallis, Mont.:

We favor restoration of REA as an independent agency to keep REA out of politics. Wickard's policies indicate otherwise. We sternly oppose Wickard's appointment as REA Administrator.

Also another one from Montana setting forth various reasons for opposition to Mr. Wickard. It is quite lengthy. It sets forth 15 reasons why opposition is voiced to Mr. Wickard. The last reason is as follows:

Fifteenth. That confidence in the present agricultural REA is at such a low ebb that many people feel that the supervision of the REA is under the control of the power interests.

Here is another one from Montana:

At our meeting June 6, 1945, the incorporated members of our REA project, respectfully went on record favoring the Lucas-Shipstead-Aiken-Wheeler bill separating the REA from Department of Agriculture and consistently therewith we likewise emphatically protest the confirmation of Mr. Wickard as Administrator.

I have 12 or 15 letters and telegrams from Montana to the same effect. That, however, Mr. President, is only the half of it. The writers of these letters are those most interested, and their voice is entitled to be heard. That is why, instead of rehashing a great deal of the testimony which has been brought before the committees, I am reading the views expressed in these communications for the RECORD and for the benefit of the Senate.

Mr. President, I have read many letters from Missouri. I ask that I be excused from continuing reading communications from Missouri because there are so many cooperatives in that State opposed to Mr. Wickard. The cooperatives of Nebraska are on record in telegrams and letters as being opposed to the confirmation of Mr. Wickard. I read from a Nebraska cooperative:

We sincerely hope that our legislative bodies will see fit to reject the nomination of Mr. Wickard and that a capable and strong leader as Administrator will be approved.

These letters are all from Nebraska. All the systems in Nebraska except one are opposed to the confirmation of the nomination of Mr. Wickard. I have information that one of the cooperatives is for him.

Mr. WHERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BRIGGS in the chair). Does the Senator from Minnesota yield to the Senator from Nebraska?

Mr. SHIPSTEAD. I yield.

Mr. WHERRY. When the Senator says that all the systems are opposed, he means the public power districts, does he not?

Mr. SHIPSTEAD. Yes.

Mr. WHERRY. Has the Senator read into the RECORD yet the letter from Mr. Harold Kramer, secretary and general manager of the Loup River public power district, or does he wish to make any comment on that letter? The letter was addressed to the Senator.

Mr. SHIPSTEAD. I have received several such communications, requesting that I present a copy to each member of the Committee on Agriculture and Forestry.

Mr. WHEERY. The letter was directed to the Senator. The writer asks that the letter be referred to the proper Senate committee. In the first paragraph on page 2 he makes the same statement which the Senator has just made:

I have written to the project superintendents of the rural public power districts in Nebraska as to how they felt about the appointment of Mr. Wickard as Administrator. Only one of them replied that he was in favor of Mr. Wickard, and his reason was that he thought Mr. Neal would continue to be the deputy and it is his opinion Mr. Neal is a good man.

The rest of the districts are all opposed.

I ask also, if the Senator received a copy of an editorial by Edgar Howard? I know that the Senator is personally acquainted with him.

Mr. SHIPSTEAD. Yes. He served for many years in Congress.

Mr. WHERRY. Has the Senator seen a copy of his editorial?

Mr. SHIPSTEAD. I have not a copy of it.

Mr. WHERRY. I will hand a copy of it to the Senator. It explains the attitude of the public power districts. In the editorial he calls upon both Senators from Nebraska to oppose the nomination of Mr. Wickard.

Mr. SHIPSTEAD. Mr. President, in conjunction with these letters and telegrams, I ask unanimous consent that the editorial by former Representative Howard of Nebraska be printed in the RECORD at this point as a part of my remarks.

Mr. WHERRY. Mr. Howard is one of the most prominent editorial writers in the Middle West. He is a lifelong Democrat, and for many years he served in the House.

Mr. SHIPSTEAD. I thank the Senator from Nebraska for his contribution.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Columbus (Nebr.) Daily Telegram June 15, 1945]

TRUTH AND OTHER THINGS

One of the strangest moves ever made in affairs of Government occurred recently in Washington. Claude Wickard, Secretary of Agriculture, resigned "by request," and was immediately appointed to an inferior post. Why did President Truman request Wickard to resign? Why appoint him to a post in which he will have large powers in solving rural-electrification problems? The best answers to these questions will be to express opinion that President Truman has been woefully deceived by elements which desired Wickard in a post where he will be in position to harm, rather than help the cause of rural electrification. Why should that element seek injury to the cause of rural electrification? The answer is easy: The owners of gigantic private power plants do not like to see the farm folks secure electric energy for their farms through district power projects of their own. Here in Nebraska the opposition of Power Trust to rural electrification of the farms by public district power projects has been cunning and brutal. That opposition suffered a body blow when Nebraska provided legislation under terms of which public-owned power districts became able to function. Wickard's record is the record of a man who sees things through Power Trust eyes. I call upon Senators BUTLER and WHERRY to oppose the confirmation of Wickard as top authority in rural-electrification affairs. In that position he will, if following his natural course, work injury to the greatest boon enjoyed by folks on the farm. I call upon Senators BUTLER and WHERRY to visit President Truman, tell him the story of the trials and troubles of the farm folks in Nebraska in their long fight with the enemies of public ownership of rural-electrification lines. I am confident the president has been deceived by the cunning angels of the mighty Power Trust, just as that monster deceived public officials in Nebraska until public sentiment drove Power Trust out of any part or parcel in the governing business in this agricultural commonwealth. Delay may be dangerous, Senators. Please do not delay.

EDGAR HOWARD.

Mr. SHIPSTEAD. Those who write to me do not say whether they are Republicans or Democrats. They write what they think about Mr. Wickard and REA.

Both Republicans and Democrats are opposed to the nomination.

Here is another communication from Nebraska, from the president of the Nebraska REA:

The President's appointment of Claude R. Wickard as REA Administrator came as a surprise to me, and if the Senate has not confirmed this appointment before this letter reaches you, I am asking that you give very careful consideration before casting your vote of confirmation.

This letter is dated May 28. The writer further states:

I deem it very important that the REA be removed from the Department of Agriculture and returned to an independent agency. Thanks to you and all Senators who have worked to that end. But just as important and more so, it is necessary that the proper man be selected as Administrator.

Regardless of Wickard's qualifications, I do not believe he is the proper man for that position. It was during his management of REA under the Department of Agriculture that much discord, confusion, and criticism arose. With that in mind, I do not see how Wickard could have the coordination necessary for the most harmonious administration of the REA.

There are many telegrams. Here is one from Goldsboro, N. C.:

Due to his record against REA I disapprove Mr. Wickard's appointment as Rural Electrification Administrator.

FREELY SMITH.

Here is another one from North Carolina:

ENFIELD, N. C., *June 4, 1945.*

Hon. HENRIK SHIPSTEAD,
United States Senate, Washington, D. C.:

Due past record we are opposed to confirmation Wickard Administrator REA. Our opinion confirmation would fail to give relief desired by establishment REA independent agency. We urgently request disapproval by committee of nomination.

HALIFAX ELECTRIC
MEMBERSHIP CORP.,
BALFOUR DUNN, *President.*

Here is one from Ohio:

NAPOLEON, OHIO, *June 9, 1945.*

The Honorable HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.:

To assure confidence of the public and REA borrowers in the Rural Electrification Administration program must be headed by a forceful personality, the man with experience in finance and/or the power business. Mr. Wickard does not appear to possess such qualification, therefore we urge rejection of his nomination as REA Administrator.

TRICOUNTY RURAL ELECTRIC CO-OP, INC.

There are 25 cooperative organizations in Ohio. All are on record as opposed to the confirmation of the nomination of Mr. Wickard. They have sent joint telegrams and they have sent individual telegrams.

Here is one from the Farm Bureau Council of Amanda, Ohio:

We the undersigned members of the Farm Bureau Adult Council, No. 3, of Fairfield County, Ohio, as consumers of REA current wish to express our disapproval of the appointment of Claude Wickard as head of the REA.

There are several more from Ohio. I think there could not possibly be any more cooperatives in Ohio than are represented by the number of telegrams which I have received.

Here is one from Oregon, representing all 12 REA cooperatives in Oregon:

CORVALLIS, OREG.

Senator HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.:

The following telegram sent to Senators CORDON and MORSE and to Representatives JAMES W. MOTT, HOMER D. ANGELL, LOWELL STOCKMAN, and HARRIS ELLSWORTH: "It is the opinion of the Oregon State Rural Electric Cooperative Association, Inc., that the testimony before the committee investigating REA in the Congress shows that Wickard is not a proper person to head REA as an independent organization. Reference, CONGRESSIONAL RECORD, April 2, 1945, pages 31, 32, and 55. A letter he sent to Andrews shows that he strongly favors REA be retained in the Department of Agriculture."

GEORGE W. HENDRIX, *President.*
OREGON RURAL ELECTRIC COOPERATIVE ASSOCIATION, INC.,

By the way, the organizations in Oregon sent a very fine lady all the way across the continent to testify before the Committee on Agriculture and Forestry. She said she could not obtain reservations, but she made up her mind that she was coming anyway, and she traveled all the way from Oregon.

Here is one from South Carolina:

GREENVILLE, S. C., *June 8, 1945.*

Hon. HENRIK SHIPSTEAD,
United States Senate:

Following resolution unanimously adopted in closed session South Carolina Managers Conference: *Resolved*, That the South Caroline REA cooperative managers oppose the confirmation of nomination of Claude R. Wickard as Administrator of Rural Electrification Administration.

H. E. ROBERTS, *Secretary.*

Here is another one from South Carolina:

MONCKSCORNER, S. C., *June 7, 1945.*

Senator HENRIK SHIPSTEAD,
United States Senator,
Washington, D. C.:

Members in annual meeting voted unanimously against confirmation of Wickard.

C. H. WILSON,
Secretary, Berkeley Electric Cooperative.

Here is another one from South Carolina:

Hon. ELMER THOMAS,
United States Senator,
Chairman, Agricultural Committee,
Senate Office Building,
Washington, D. C.:

By approving Wickard as Administrator for REA this and many other cooperatives are going to default because they will not be able to expand enough to pay their debts.

That is putting it pretty strong. At any rate, that is their opinion.

Many rural homes will be left without service because the power companies will not go into the thinner territories to serve those people. Wickard has never shown that he was for REA, therefore we feel that he will be a hindrance to our development and success and to the rural farm electrification, which is our goal. We will thank you very kindly for doing everything in your power to prevent Wickard's appointment.

GEORGE R. PARK,
President, Fairfield Electric Cooperative, Inc.

Here is another one from South Carolina:

We feel that the appointment of Mr. Wickard as REA Administrator is contrary to the best interests of the program, and respectfully urge that you withraw his appointment.

In the letter to me is incorporated a copy of the telegram sent to the Senator from Oklahoma [Mr. THOMAS]:

I now read part of a letter which I have received from the Santee Electric Cooperative, Inc., at Kingstree, S. C.:

SANTEE ELECTRIC COOPERATIVE, INC.,
Kingstree, S. C., May 30, 1945.

Hon. HENRIK SHIPSTEAD,
United States Senate, Washington, D. C.

DEAR SENATOR: In review of progress made in making Rural Electrification Administration an independent agency, I wish to express to you our thoughts and appreciation of your efforts and wish further to commend you for objecting to the appointment of Wickard as Administrator, as it seems that all the trouble started in Rural Electrification Administration after it was put under the Department of Agriculture of which Wickard was in charge and our cooperative appreciates your efforts in trying to keep him from dominating the independence of REA. We feel that Mr. John M. Carmody would make a wonderful Administrator, as his records show its success during the time he was Administrator while Rural Electrification was an independent agency.

For your information our cooperative is in financial shape where we do not have to take the things forced on us by Mr. Wickard and Mr. Neal, as we have met all our obligations and have paid over $100,000 more than is due on our $690,000 allotment. We are now serving over 900 miles of distribution line and 3,000 members, and each member is 100 percent for Rural Electrification Administration, which they think and feel is the greatest achievement that the Government has sponsored for the rural people. Please accept the above as suggestion only, and if you have any other in mind we would take your nomination and support it to the fullest, but we do not feel that Wickard or Neal either one is qualified to be Administrator of this great program.

Yours very truly,

J. W. WALLACE,
Project Superintendent.

Here is a telegram from North Dakota:

GRAND FORKS, N. DAK., *June 7, 1495.*

Hon. H. M. SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

In our opinion imperative that Wickard be defeated as REA Administrator. Please vote against his confirmation.

ANTON ENGE,
Secretary, Electric Cooperative, Inc.

Here is a letter from South Dakota:

LINCOLN-UNION ELECTRIC CO.,
Alcester, S. Dak., June 8, 1495.

Hon. HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

DEAR MR. SHIPSTEAD: Enclosed we are sending a copy of a telegram which was recently wired to the chairman of the Agriculture Committee, the Honorable ELMER THOMAS.

Yours respectfully,

OSMOND T. TWEDT,
Secretary.

The attached telegram reads, as follows:

Hon. ELMER THOMAS,
Chairman of the Agriculture Committee,
Washington, D. C.

At a regular meeting of the Board of Directors of Lincoln-Union Electric Co. of Alcester, S. Dak., an REA project, held June 6, 1945, the following resolution was adopted:

Whereas our attention has been called to the fact that Claude Wickard is now being

considered for the office of Administrator of Rural Electrification Administration, and

Whereas the past record and attitude on the part of Mr. Wickard is such that his appointment will undoubtedly be detrimental to entire REA program: Now, therefore, be it

Resolved, That the board of directors register its protest and opposition to the appointment of Mr. Wickard as Administrator of REA; be it further

Resolved, That the board hereby definitely go on record as favoring the REA as a separate and independent agency; be it further

Resolved, That the secretary forward this resolution by wire to chairman of Agriculture Committee and copies thereof to all congressional Members from South Dakota, to the President of the United States, and to such persons having shown a special interest in this matter.

LINCOLN-UNION ELECTRIC CO.,
OSMOND T. TWEDT, *Secretary*.

Here is another letter from South Dakota:

BLACK HILLS ELECTRIC ASSOCIATION, INC.,
Custer, S. Dak., June 5, 1945.

Hon. HENRIK SHIPSTEAD,
Senate Office Building, Washington, D. C.:

DEAR SIR: Enclosed find copy of telegram stating our views of the confirmation of Mr Wickard as Administrator of REA.

Yours truly,
BLACK HILLS ELECTRIC ASSOCIATION, INC.

JUNE 5, 1945.

Hon. HENRIK SHIPSTEAD,
Senate Office Building, Washington, D. C.

This association is opposed to the confirmation of Mr. Wickard as Administrator and feel that he is very incompetent and does not understand the problems of REA.

BLACK HILLS ELECTRIC ASSOCIATION.

Mr. President, I have received a statement by Dr. K. T. Hutchinson, president of the Tennessee Rural Electric Cooperative Association, at Murfreesboro, Tenn. His statement is too long for me to take the time to read at this point, but I submit it for the RECORD, and ask unanimous consent that it be printed.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

We oppose the confirmation of Secretary Wickard exclusively on the basis of his record as Secretary of Agriculture.

If he has been a success as head of the Department of Agriculture, why is he now being replaced by President Truman?

If he was a success as head of the Department of Agriculture why did President Roosevelt strip him of all administrative responsibility in connection with the agricultural program during the early war period?

Is it because he is incompetent and unable to perform the duties of Secretary of Agriculture that he is being replaced as Secretary of Agriculture?

Should a man of proven incompetency be selected to administer an organization which has $600,000,000 of the taxpayers money under its jurisdiction?

What assurance do the people have that Mr. Wickard is sufficiently competent to administer this program after he has failed in his previous assignment. If for some particular reason he is entitled to a sinecure for favors done surely there should be another suitable appointment rather than as administrator of a program which will soon have jurisdiction of over a billion dollars of Government funds and a program which directly affects the lives of 7,000,000 rural families.

We feel that shortly after the REA was placed under the Department of Agriculture that administration of the REA program was more and more concentrated and centralized. We feel that as the 800 cooperatives acquire experience that they should day by day be permitted to make more and more of their own decisions and assume more responsibility for handling their own affairs.

At the present time we as trustees and directors of a cooperative organization having over $1,250,000 of assets, about $300,000 of it is our own money, we do not have the right to hire our own manager. The man we hire to manage our local affairs must be approved by the REA headquarters in St. Louis, 400 miles away by a man who knows nothing about our local problems. That is the kind of supervision and centralized control which exists today under Mr. Wickard's and under Mr. Neal's administration.

This is only one of many examples which could be cited showing the tendency to centralize administrative responsibility within the REA rather than within the local cooperative which in reality has the major responsibility for the success of the program.

The method used by Secretary Wickard in the liquidation of the former Administrator, Harry Slattery (his subordinate after the reorganization), was not only administratively unethical but actually disgraceful.

If Mr. Slattery was incompetent, as Secretary Wickard contended in the Budget hearings, why was he not dismissed rather than retained on the public pay roll for 2 or 3 years at an annual salary of $10,000 with no duties, authority, or responsibilities?

Both the Budget hearings and the REA investigation hearings will show that Secretary Wickard actually, by a written memorandum, withdrew all major administrative responsibilities from Mr. Slattery, and transferred them to a man who up to the present time has not shown that he is as competent as the previous Administrator he replaced. Is this the kind of administrative techniques Secretary Wickard will continue to use if he is confirmed as REA Administrator? It is because we are afraid of that, that we oppose his confirmation.

We feel that it was poor administration to replace a man of proven administrative ability who was doing a good job with an inexperienced unknown, whose only outward qualification was that he was a defeated candidate for Governor of a backward Eastern State.

We feel that the REA is or should be a business organization, and the $600,000,000 of the taxpayers' money which has been loaned to the 825 cooperatives, private utilities, and public-power districts will be repaid in full, if the administrative affairs of the REA are kept under the control of qualified competent persons. The future of this program, however, is doubtful if incompetent, politically minded, and inexperienced leaders are placed in control of this great organization which serves farm people.

Surely a more competent and better qualified appointee than Secretary Wickard should be available, and we respectfully request that his appointment be withdrawn and a more capable and better qualified person be selected in his stead.

We not only oppose Mr. Wickard's appointment because of his past record as Secretary of Agriculture, but also because of his recorded statement that he believes the REA should remain a part of the Department of Agriculture. Upon this point of view we who are familiar with the implications are in basic disagreement.

We do not believe that the REA program can ever function satisfactorily as a part of the Department of Agriculture. The layers and layers of authority, the red tape, and political alliances existing within the Department of Agriculture will bog down any Administrator who tries to operate an action program such as the REA program as part of the Department of Agriculture. It is an impossible situation. We believe that all action programs such as the REA program should be separate and distinct from routine supervisory and education programs, such as the programs now being administered by the Department.

Not until the REA is again established as an independent agency can it properly fulfill its destiny as a service organization capable and qualified to meet the demands and aspirations of rural people seeking electric service to illuminate their homes and their lives toward a higher living standard, a permanent agricultural economy, and a better rural America.

K. T. HUTCHINSON,
President, Tennessee Rural Electric Cooperative Association.

Mr. SHIPSTEAD. Here is a telegram from Tennessee:

DECATUR, TENN., *June 8, 1945.*

We do not believe confirmation of Hon. Claude Wickard as Administrator of Rural Electrification Administration is to best interest of rural electrification program, because of past controversies, we believe appointment of someone not involved in them would be better. We urge that Rural Electrification Administration be restored to its independent status.

VOLUNTEER ELECTRIC COOPERATIVE,
J. W. LILLARD, *President.*
W. S. BATES, *Manager.*

Here is another telegram from Tennessee:

TRENTON, TENN., *May 28, 1945.*

Senator HENRIK SHIPSTEAD,
Senate Building:

We render electric service to 20,000 farm people; many thousand yet unserved. Do not think that Hon. Claude Wickard should be confirmed as REA Administrator. We urge you vote against confirmation.

FLOYD JONES, *Manager.*
GIBSON CO. EMC.

Here is another telegram from Tennessee:

DECATUR, TENN., *May 28, 1945.*

Senator HENRIK SHIPSTEAD,
Washington, D. C.:

Because of past controversies we do not believe appointment of Hon. Claude R. Wickard as Administrator of Rural Electrification Administration will accomplish desired results in restoration of that agency to independent status. We believe appointment of someone not involved in controversies would be better.

VOLUNTEER ELECTRIC COOPERATIVE,
J. W. LILLARD, *President.*
W. S. BATES, *Manager.*

There are a great many more communications from Tennessee. In order to save time, I will turn them over to the Reporter, and I ask unanimous consent that the telegrams and letters be printed in the RECORD.

There being no objection, the letters and telegrams were ordered to be printed in the RECORD, as follows:

TENNESSEE RURAL ELECTRIC COOPERATIVE ASSOCIATION,
Decatur, Tenn., May 28, 1945.

Senator HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

DEAR SIR: At the request of Dr. K. T. Hutchinson, our president, we quote below a copy of telegram we sent May 26 to all rural-electrification projects which purchase power from the Tennessee Valley Authority:

"Our association has gone on record as favoring restoration of Rural Electrification Administration to its former status as an independent Government agency. Because of past controversies we do not believe appointment of Hon. Claude Wickard as Ad-

ministrator will be to best interest of rural-electrification program. If you favor freeing Rural Electrification Administration, we urge that you and others immediately wire your protest to your Senators."

We also attach copies of telegrams we have sent by our association and Volunteer Electric Cooperative, of which the writer is manager, to the following: Senator K. D. MCKELLAR, Senator TOM STEWART, Senator WALTER GEORGE, Senator RICHARD B. RUSSELL, Senator HENRIK SHIPSTEAD, Hon. ESTES KEFAUVER.

Yours truly,

W. S. BATES, *Secretary.*

MAY 28, 1945.

Senator K. D. MCKELLAR,
Senator TOM STEWART,
Senator WALTER GEORGE,
Senator RICHARD B. RUSSELL,
Senator HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.
Hon. ESTES KEFAUVER,
House Office Building,
Washington, D. C.:

Because of past controversies we do not believe appointment of Hon. Claude R. Wickard as Administrator of Rural Electrification Administration will accomplish desired results in restoration of that agency to independent status. We believe appointment of someone not involved in controversies would be better.

VOLUNTEER ELECTRIC COOPERATIVE.
J. W. LILLARD, *President.*
W. S. BATES, *Manager.*

DECATUR, TENN., *May 28, 1945.*
Senator HENRIK SHIPSTEAD,
Washington, D. C.:

We are distressed because we do not believe appointment of Hon. Claude R. Wickard as Administrator of Rural Electrification Administration will free that Agency from effects of past controversies and restore it to its independent status. We believe appointment of someone not involved in past controversies would be better.

TENNESSEE RURAL ELECTRIC
COOPERATIVE ASSOCIATION,
Dr. K. T. HUTCHINSON, *President.*
W. S. BATES, *Secretary.*

MURFREESBORO, TENN., *May 28, 1945.*
Senator HENRIK SHIPSTEAD:

We, the board of trustees of the Middle Tennessee Electric Membership Corp., serving 7,000 families, oppose the confirmation of Wickard's appointment as REA Administrator. This cooperative wants REA free from Wickard and Department of Agriculture. Wickard's statement before subcommittee of the Committee on Agriculture and Forestry of Senate on April 2 indicates that he would make a weak Administrator for all-out rural electrification. REA needs a strong Administrator at this time let us have your support in securing a strong Administrator for reason that the postwar rural-electrification program will not be hampered.

THE BOARD OF TRUSTEES OF THE MIDDLE
TENNESSEE ELECTRIC MEMBERSHIP
CORP.,
K. T. HUTCHINSON, *President,*
J. W. ODOM, *Treasurer.*

MILTON, TENN., *May 30, 1945.*
Senator SHIPSTEAD.

DEAR SIR: In regard to Wickard's appointments of the Administration, I believe if he is elected it will weaken the Rural Electrification Administration's position. We do not want that to happen. Will you please help us with a good man.

Many thanks, yours,

S. E. MCELROY,
Trustee of the Middle Tennessee
Electric Membership Corp.

MURFREESBORO, TENN., *May 29, 1945.*
Senator HENRIK SHIPSTEAD.

DEAR SENATOR: We wish you would take a stand against the confirmation of Wickard as REA Administrator, as he is not sold, according to speeches or remarks he made before the subcommittee on Forestry and Agriculture as of April 2, 1945, on the co-op plan of service as we now have. We believe that under his administration the postwar REA plans would be jeopardized.

Respectfully,

J. W. ODOM,
Secretary-Treasurer Middle
Tennessee Electric Membership Corp.

MURFREESBORO, TENN., *May 28, 1945.*
Senator HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

Tennessee State Grange feels Wickard unsuited, unsafe to become Administrator of REA. We fought to remove REA from Department of Agriculture to get it away from Wickard's influence.

PAUL B. DYKES,
Master, Tennessee State Grange.
K. T. HUTCHISON,
Chairman, Executive Committee,
Tennessee State Grange.

FRANKLIN, TENN., *May 30, 1945.*
Senator HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

I am opposed to the confirmation of Wickard's appointment as REA Administrator. I prefer to see REA free from Wickard and Department of Agriculture. Wickard's past record indicates he would make a weak Administrator for all-out rural electrification. REA needs a strong Administrator at this time. Let us have your support in securing a strong Administrator for REA so that the postwar rural-electrification program will not be hampered.

J. T. TRICE.

Mr. SHIPSTEAD. Here is a letter from Texas, reading as follows:

FARMERS ELECTRIC COOPERATIVE, INC.
Greenville, Tex., June 4, 1945.
Senator HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SHIPSTEAD: I am in receipt of your telegram of June 1, in which you state "Hearing on Wickard nomination for Administrator REA, June 11." Within an hour and a half, I received a telephone call from Earl Murley, of Indiana; 40 Knox, Vincennes, Ind., relative to this hearing and a request that I be in Washington June 11 to testify in the hearing. Unfortunately it seems highly improbable that I can be gone from here at that time.

It seems that Mr. Murley, along with other officials of various REA cooperatives over the Nation, has learned of the considerable difficulties experienced by this cooperative (the Farmers Electric Cooperative, Inc. of Greenville, Tex.), and its two subsidiaries the Farmers Electric Refrigeration Cooperative, Inc., of Emory, Tex., and the Collin County Refrigeration Cooperative, Inc., of Wylie, Tex. Resulting from the muddled and chaotic condition now prevailing in REA, which has taken more than a year's lapse of time between the receipt of allotment for the construction of the refrigeration cooperatives, and the actual letting of contracts for their construction; and during which time we have had to contend with every type of obstructionary tactics that REA could put in our way. We were forced to let the Emory job the fourth time, and each time at a higher cost, before getting the Administrator's approval of a contract, and only after appealing to Speaker SAM RAYBURN (in whose congressional district it is located) for help. On the Wylie job we were blocked, at first, by REA's Legal Division on title to a building being purchased, by their refusing to permit the only procedure by which title could be cleared. Costing us our option which forced us to re-option at a higher figure, we were then blocked by Designs and Construction Division, headed by Guy Thaxton, because we furnished our plans and specifications and refused to pay a fee to the only architect which they had approved in Texas (an incompetent). This situation had all the earmarks of the old Copper-Weld deal as revealed in Senate Resolution 198. Again we had to appeal to Senator CONNALLY and Mr. RAYBURN. At this time corporal punishment was being administered to the electric cooperatives through the refusal of approval of our U–1C construction work orders from August 1944 through May 1945.

In January 1945, a $20,000 allotment was made the electric cooperative with which to purchase and remodel an office building. When the loan papers were received it was found that an amendment to our loan contract was incorporated in it, affecting the previous $912,000 borrowed. This amendment is an abortive thing and would deprive the cooperatives of every right of control and management previously granted it.

I am enclosing a copy of the amended loan contract as submitted with provisions of section 29. I think you will agree with me that the Congress never intended when passing the act creating REA, that a bunch of bureaucratic administrators of REA should perpetrate such a crime on the cooperatives.

The board of directors of this cooperative refused execution of this document, and was later furnished an acceptable one, but since which time REA has been trying to get back the 42 copies which we had of the abortive one. The tragedy of this situation is that scores of other cooperatives executed the abortive contract.

During all the time that this scandalous situation has prevailed in REA, Mr. Wickard as Secretary of Agriculture, has possessed full power of removing the rotten apples from REA's barrel. Yet he had done nothing about it and I think this sums up the general situation, regarding Mr. Wickard's case and qualifications as Administrator for REA.

We feel that it is imperative that someone with the right attitude, executive ability, and purity and honesty of purpose, should administer the affairs of REA, and we feel that Mr. Wickard measures short of that requirement.

Yours very truly,

CHARLES M. CURFMAN, *Manager.*

P. S.—Copies of the loan contract with comment have been furnished Congressmen PACE of Georgia and POAGE of Texas.

Here is a letter from Baltimore, Md.:

BALTIMORE, *June 2, 1945.*
Senator HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SHIPSTEAD: I have a letter from Fred Brenckman, Washington representative of the National Grange, reading in part as follows: "If you know of any specific charges that can be brought against him and for which we would be able to present satisfactory proof, I wish you would let us have them." This was in reply to my letter to him, and also letter to National Master A. S. Gess, asking them to do everything possible to defeat Wickard. I am writing Mr. Brenckman that I am asking you to contact him and give him the facts as to why Wickard must be defeated if we are to save REA. Please give him the information you deem best and I sincerely hope the National Grange will help you in this fight.

Before the vote to set REA free again came up in the Senate I was able to get Senator BYRD to agree to support our cause even though he is fighting more bureaus. He agreed that REA should be freed from Wickard. He has been away from Washington with a Naval Affairs Committee group since

Wickard was appointed. His secretary assures me that my letters of protest against Wickard will be handed him the minute he returns. I believe he will help and if he can obtain a few Democratic Senators' support (as I think he may be willing and able to do) it will be of great help to you.

I have written Senator THOMAS and lodged my protest before the Agricultural Committee. If you know of anything else I can do please let me know.

Thanking you with all my heart for the grand fight you have made to save REA and praying that you may be able to defeat Wickard, I am,

Sincerely yours,

JAMES H. ROGERS.

Here is a telegram from Wisconsin:

JUNE 7, 1945.

Hon. ELMER THOMAS,
Senate Office Building,
Washington, D. C.:

In behalf of our cooperative be advised that we desire harmony in REA which cannot be obtained with Claude Wickard as Administrator, who in our opinion is in large part responsible for the present and past discord in REA. We are also definitely for independency for REA.

ST. CROIX COUNTY ELECTRIC COOPERATIVE.
N. C. ANDERSON, *President.*
WILLIAM RUTZEN, *Manager.*

Here is a letter from Wisconsin:

CHIPPEWA VALLEY
ELECTRIC COOPERATIVE,
Cornell, Wis., June 7, 1945.

Senator HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SHIPSTEAD: We are enclosing copy of the telegram which was sent to the Agricultural Committee regarding our stand in the appointment of Claude Wickard as Rural Electrification Administration Administrator.

All the farmers want is an able Administrator and it is our sincere belief that any appointment outside of Wickard would have been O. K. The farmers are interested only in a capable, conscientious Administrator and we believe that if such an appointment can finally be made that REA will again show the Nation that it can again become one of the best managed and capable Government agencies.

REA itself has suffered severely from personnel change due to its present political condition and we hesitate to think what would happen to a number of the capable executives remaining if Wickard is allowed to become Administrator.

Mr. Ludwig Anderson, manager of Head of the Lakes Electric Cooperative, Superior, Wis., if conditions permit will represent the cooperatives from the State of Wisconsin at the hearing Monday, June 11, in Washington, and we trust that his presence will be of assistance in this vital matter.

It is anticipated that necessary action on his representation will be taken here today or tomorrow at a meeting of the Wisconsin REA managers at Wautoma, Wis.

Please rest assured that all REA cooperatives appreciate your fight in seeing that REA gets a square deal.

Yours very truly,

R. L. CLEAVES,
Manager.

Senators ELMER THOMAS, HENRIK SHIPSTEAD, GEORGE E. AIKEN, RICHARD B. RUSSELL, CHARLES TOBEY, SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

Board of directors of this cooperative feel it would be a great mistake to approve appointment of Wickard as REA Administrator.

CHIPPEWA VALLEY ELECTRIC
COOPERATIVE,
H. E. GRAPE, *President,*

Here is another telegram from Wisconsin:

CORNELL, WIS., *May 31, 1945.*

Hon. HENRIK SHIPSTEAD:

Board of directors of the cooperative feel it would be great mistake to approve appointment of Wickard as REA Administrator.

H. E. GRAPE, *President,*
Chippewa Valley Electric Cooperative.

Here is a letter from Superior, Wis. It was written on May 26, two days after the nomination of Mr. Wickard came to the Senate. It reads as follows:

HEAD OF THE LAKES COOPERATIVE
ELECTRIC ASSOCIATION,
Superior, Wis., May 26, 1945.

Senator HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.

DEAR SIR: I notice by the morning paper that you intend to oppose the confirmation of Claude Wickard as REA Administrator. I feel that if there were time enough you would be able to obtain a strong sentiment on the part of managers, and executive force and members of the various REA cooperatives endorsing your stand just as they endorsed your stand of independence of REA from the Department of Agriculture.

I am sure this appointment by President Truman is a mistake. I would not have been more amazed if the President had appointed Steven Tate or Bob Craig, and I am sure I do not speak for myself alone. I doubt if there is anything we can do in this situation except hope for the best, and to congratulate you on this stand.

Yours very truly,

LUDWIG ANDERSON, *Manager.*

Here is another telegram from Wisconsin:

SUPERIOR, WIS., *May 28, 1945.*

Hon. HENRICK SHIPSTEAD,
United States Senate,
Washington, D. C.:

Appointment of Wickard to head REA would be serious mistake. Advise you review evidence bearing on this lately obtained by your own subcommittee.

RAY CLEAVES,
LUDWIG ANDERSON,
Directors for Wisconsin Committee for Independence of REA.

Here is a copy of a letter which was sent to the Senator from Oklahoma, and a copy was sent to me. It reads as follows:

CLARK ELECTRIC COOPERATIVE,
Greenwood, Wis., June 5, 1945.

Chairman Hon. ELMER THOMAS,
Senate Office Building,
Washington, D. C.

MY DEAR MR. THOMAS: I had intended to send you a wire, but I believe a personal letter will include more of what I have in mind.

At the present time our cooperative consists of approximately 3,000 members and in their behalf I am appealing to you to reject the nomination of Mr. Wickard as Administrator of the REA. As far as we are concerned, Mr. Wickard has definitely proven to us that he is not the man to head REA for the 10 years. Just a glimpse at any of the testimony of Mr. Wickard or his group at the Senate investigation of REA certainly bears out our opinion. His testimony on the Lucas bill leaves no doubt in the mind of any cooperator as to whether or not he is an enemy of REA cooperatives. During the time REA was under the jurisdiction of the Agriculture Department there has developed two factions. One for Mr. Wickard and his group. The other definitely opposed to them and their tactics. To again get REA to operate smoothly an absolute stranger will have to be appointed. He cannot belong to either faction and expect to straighten REA out.

We are interested only in the welfare and future of rural electrification, From that standpoint we feel there are two things which must take place in REA or it will not continue to function for the benefit of the rural people of America.

First. It must be independent.

Second. It must be wisely guided by an Administrator who belongs to none of the factions as they exist at present in REA and who is not bound to any political group.

I hope you will consider this letter in the same light as it was written.

Cooperatively yours,

W. A. DALLMAN,
Manager.

Mr. President, in addition to submitting these telegrams and letters, I ask unanimous consent to have printed in the RECORD the statement made by Ludwig Anderson, of Superior, Wis., who appeared at the committee as a representative of a Wisconsin cooperative.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

My name is Ludwig Anderson. I am the manager of the Head of the Lakes Cooperative Electric Association at Superior, Wis. I am here to represent my organization and under direction of my board of directors. I am another paid employee, just as you Senators are our paid employees. I am trying to represent my constituents here, just as we citizens expect you to represent us in the United States Senate. While I can only speak with authority for my own cooperative organization, I assure you that I am convinced that if there could be a referendum of individual members of REA cooperatives in Wisconsin, a secret ballot such as that held in Iowa, you would have close to unanimous opposition to Mr. Wickard's confirmation.

I shall not attempt to discuss Mr. Wickard personally. I do not know the man well enough. I shall only attempt to deal with the record which he has made as the official who assumed authority over REA. Incidentally, there is no politics in my presentation. I am an independent in politics, but I voted for Mr. Roosevelt and Mr. Truman, and I have the most sincere wish that Mr. Truman's administration will be successful. I think he has made a fine start. I believe the only serious mistake he has made up to this point is his nomination of Mr. Wickard. And I sincerely believe that in opposing Mr. Wickard here we are doing the greatest possible service to President Truman and to the cause of good government.

I have prepared this statement because I wanted the privilege of presenting an orderly statement of opposition without being confused or diverted as was the case when Mr. Moore was prevented from telling a very important story here last Monday morning. He wanted to tell how REA regional chiefs were unable to attend an important annual meeting of the Missouri State-wide Association, at which they were scheduled to speak because someone had spitefully cut off their travel allowance for that trip. Perhaps you Senators will believe it was only a coincidence that this happened immediately after the State-wide had rejected a bid for Mr. Wickard to speak at that meeting. Well, gentlemen, farmers are suspicious folk; we're inclined to believe that is the sort of thing that would happen during every political campaign for the next 10 years if Mr. Wickard's appointment is confirmed.

The REA program must be kept entirely free from partisan political influences, from the influences of the material supply companies, from bureaucratic political influences, from the influences of those who dare to declare that they will run REA from outside if they cannot run it from the inside.

If this REA program is now destroyed because of vicious and selfish political influences, then the country will be denied the opportunity to develop a sound pattern to apply to other similar cooperative programs. We must be eternally vigilant against the selfish political influences and we are trying here with our limited resources and limited experience to be vigilant. That is our obligation to REA and to our country and as citizens we are trying to perform our obligation and we have no apologies to anyone for doing so.

I have heard quite a bit of gossip expressing fear of reprisals because of our testimony here. I believe the gossip is well-founded because it is reasonable. The gossip is that cautious leaders of REA cooperatives back home are saying that "Wickard cannot be defeated, he is going to be Administrator of REA for ten years and you had better go along with him now and not stick your neck out." But I believe we have a duty here and that we are just beginning to organize to perform that duty and to save REA. Regardless of what this committee recommends, I believe we have to take this fight back to the country and to never let up in our vigilance to protect REA cooperatives.

I had thought, and so had my associates, that every Senator would give proper weight to the testimony given to the Senate subcommittee which investigated the REA. We thought the record made there of sworn testimony was so conclusive in support of REA independence and in opposition to Mr. Wickard that the two issues were inseparable, and that the Senators would instinctively recoil at the possibility of placing him in charge for the next ten years. We hope the Senators will still justify our belief.

The farmers of my part of the country have long understood that President Roosevelt had lost confidence in Mr. Wickard's ability as Secretary of Agriculture. President Roosevelt, apparently, stripped Mr. Wickard of most of his authority as Secretary. Then President Truman confirmed this lack of confidence by accepting his resignation as Secretary of Agriculture. What possible justification can there be for shoving Mr. Wickard off onto the REA program?

Mr. Wickard would begin as Administrator of REA with very serious lack of confidence in him on the part of a large number of cooperatives. The REA organization is in bad shape right now, or all the stories we hear in the field are in error. Right now, the REA needs help, it needs confidence in the Administrator, it needs a house-cleaning! Once there was complete confidence, tremendous enthusiasm and high morale. All that has been badly injured, in many places destroyed since Mr. Wickard has been in control. Now let's take a look at the record on which I am basing my opposition to Mr. Wickard.

First, the Becker memorandum. It was prepared by Mr. John Becker, of Wisconsin, and was given to John M. Carmody after Mr. Carmody had retired from REA. The memorandum is in the printed hearings of the Senate subcommittee. It tells a story of a base political conspiracy to milk REA and REA cooperatives. If the story can be confirmed, then no one can vote approval of Mr. Wickard because he became involved in the conspiracy and became intimately associated with the conspirators.

Robert B. Craig was Deputy Administrator of REA. He told Mr. Becker how he proposed to control REA from inside or from the outside, how he would build a most powerful political farm organization to influence the Congress, how the organization would collect 10 cents a year from each family in the REA cooperatives and how this would give the organization $100,000 a year, how the organization would organize subsidiary organizations to manufacture electrical appliances and give other service and how this would give it additional funds and tremendous additional power.

In the face of the wish and the hope of Senator George W. Norris to keep REA out of politics, in the face of the realization on the part of every member of long-established cooperatives that partisan political influences will wreck cooperatives, in the face of the testimony of Mr. Carmody denouncing the proposal I insist that if these charges can be confirmed, everyone associated with that effort must be condemned.

What is the record? Read the testimony. An organization similar in practically every detail to Mr. Craig's proposals to Mr. Becker was formed and Mr. Craig was the guiding hand in forming that organization. Mr. Craig denied talking with Mr. Becker but I do not believe anyone who will read the record will believe Mr. Craig. The testimony shows that finally Mr. Craig said Mr. Becker's memorandum was the result of divination.

The organization was formed. It became known as the National Rural Electric Cooperative Association. I think most of my associates here became members of it. We believe in a national organization but our REA did not join. We were suspicious of a cooperative being built from the top down. Our fears were justified. The record shows that Mr. Craig finally admitted that he formed the organization, that the first group of REA cooperative leaders who met to set up the organization were handpicked. Mr. Clyde Ellis, a former Member of Congress, was chosen as the manager. Mr. Tate, a big marble producer from Georgia, became the president.

The record shows that apparently Mr. Harry A. Slattery, then Administrator of REA, went along with the organization at the start. The break came when Ellis and Tate incorporated two insurance companies in Maryland and reached out to take Government money to finance the insurance companies. The testimony is clear that Slattery presented his doubts to Mr. Wickard and asked for a legal opinion. The testimony is clear that finally Mr. Slattery had to put out what is known as "the stop, look, and listen letter" to cooperatives, to warn them to beware of the proposal. Ellis and Tate and other members of the board of the organization were conferring with Mr. Wickard and Mr. Carl Hamilton, assistant to Mr. Wickard. Slattery halted the very questionable enterprise and Ellis and Tate called for his scalp. They threatened to drive him out of REA.

He was eventually driven out by Mr. Wickard. We must remember that until this incident developed, Mr. Slattery was applauded by Ellis and Tate and by Wickard. The minute Slattery stopped the insurance enterprise, the fight for his scalp began. They finally got Slattery. The National Rural Electric Cooperative Association and Wickard were successful. I do not see how anyone who will read that story can vote to confirm Mr. Wickard. Why did he not strike out at this insurance scheme? Why did not he and Mr. Hamilton advise us of what was going on and warn us? The least that can be said for Mr. Slattery was that he risked the displeasure of these men by doing what he thought was his duty.

The failure of Mr. Wickard to be concerned, even alarmed, by what was divulged in the Becker memorandum disqualifies him for a vote of confidence now. Let him retire and prove his worth and then return. We cannot build a real organization of Government employees if we refuse to hold public servants responsible for their failures. Certainly we should not reward failure.

This record goes from bad to worse.

Some employees of REA who had won their spurs under Mr. Carmody apparently became alarmed because of the influence in REA by a material supply company, the Copperweld Co. They urged that an investigation be made of REA. Just where the investigations began and ended is not entirely clear from the testimony, but that is not necessary. An investigation was made. It was made by investigators of the Department of Agriculture. The investigators were not subject to Mr. Slattery but to Mr. Wickard. The National Cooperative Rural Electric Association, which was demanding Mr. Slattery's scalp, also was denouncing so-called deadwood in the organization and was demanding an investigation. This investigation was also made.

The Senators who read that report know that it verified some of the worst suspicions. The friendship of then Deputy Administrator Robert Craig with Copperweld Co. representatives, the wining and dining and entertaining of REA employees by Copperweld Co. The story is one of the dirty stories we back in the "sticks" hear about these Washington lobbyists who prey upon Government employees. The other investigation repudiated the attacks on the "deadwood" employees.

Witnesses later told the subcommittee of how the Copperweld Co. exerted influence of various kinds and degree to compel them to buy materials from this company. It all ties together, dovetails into a story which I think should have caused Mr. Wickard to whip everyone involved in that story out of office. I cannot see how any responsible official of government can sit complacently by with that kind of a dirty mess spread before him.

What did Mr. Wickard do? He buried the report. It only became exposed when the subcommittee of the Senate revealed it. Mr. Slattery testifies that had he known what the report revealed he would have fired some of the employees. But Mr. Slattery, who was willing to act, was denied knowledge about the report. Why? Mr. Wickard testifies that he could see no good that could have been accomplished by showing Mr. Slattery the report. A request on the House of Representatives to begin impeachment proceedings against Mr. Wickard would not have been too much to ask unless he could satisfactorily explain his actions. Why was Mr. Wickard concealing the report? Could it be that Mr. Wickard did not learn of it until the subcommittee exposed it? If he did not, who did the job in Mr. Wickard's organization? Has he fired his subordinates who buried the report? He cannot escape guilt from the record already made in this sworn testimony.

It is not unfair to say that Mr. Wickard and Mr. Hamilton had, by this time, become very friendly with Mr. Ellis and Mr. Tate and others in the NRECA. They were tied together, with Mr. Craig, in the job of getting Slattery out of their way. The story is that in the buried report the employees of REA who are criticized were the friends and assistants of Mr. Craig. About this time the Copperweld Co. became openly associated with the conspiracy. Mr. Craig resigned from REA and went to become, immediately, the vice president of the Copperweld Co. and at a high salary. These men were all out to get Slattery.

Now, I ask you, as our Representatives in the Congress, if you are going to confirm Mr. Wickard and approve Mr. Hamilton and justify their conduct? Are you thus going to become partners in this conspiracy? The REA must be kept clean. As one representative of one REA cooperative, I demand of my representatives that they shall not put the seal of approval on that kind of conduct in government.

To continue with the record. A Deputy Administrator was to be appointed in REA. Mr. Wickard appointed Mr. William Neal of New Hampshire. Who was Mr. Neal? He had been the Democratic candidate for governor in New Hampshire. He was the president of the one REA cooperative in New Hampshire. Here and there I have heard many stories about that cooperative. I have heard that the responsible officials in REA,

in the planning division, went to New Hampshire and proposed to organize three cooperatives there. When they returned, Mr. Craig vetoed their plans and insisted on having only one, a State-wide, and Mr. Neal was president of that board. I have heard that money was dumped into that cooperative at that time until it became a matter of scandalous gossip in REA. We suspicious farmers believe that money was being dumped into that cooperative to help Mr. Neal's candidacy for governor.

Mr. Neal's friend, a Mr. Huntress was named manager of that cooperative. Lines were built at extremely high exorbitant costs. I think an investigation will prove that what I have been told is true, that REA auditors were constantly warning Mr. Neal of the bad condition in the cooperative. Finally, we got to the point where the cooperative that money was dumped into is now about $160,000 in the red—if the latest reports are true—defalcations of about $14,000 were discovered, the manager had his wife on the pay roll, had the office in his home, furnishings for the house were bought with the cooperative borrowed money. It is classed today as the worst REA cooperative of all REA cooperatives.

Yet Mr. Wickard appointed Mr. Neal Deputy Administrator. Then he retired Mr. Slattery by taking away all of his authority. Finally forces Slattery to resign. The gang of conspirators are now inside REA and in complete command. Craig was with Copperweld which grew fat off REA business. Craig's henchmen who were exposed in the investigation by the Department are in the saddle. Neal is in charge. Wickard sits in supreme command. Craig and Ellis and Wickard and the Copperweld Co. are tied together.

I ask you again, what is there in the record to justify any REA cooperative having any confidence in Mr. Wickard?

Now, I know there will be objections to the following statement but I think it must be made. Late last summer, the REA began to issue publicity about an REA postwar planning bill. It was true that an election campaign was coming on. The bill was finally introduced in the Senate. Mr. Wickard suddenly pitched into the political campaign. Mr. Wickard appeared in the doubtful States. He appeared in my State. He appeared at REA meetings. He did not go into the sure States of the South, however, he went into the doubtful States upon which the election might hinge. Now I too wanted to see Mr. Roosevelt and Mr. Truman elected. But I resent this kind of association of REA and REA cooperatives with a political campaign. I say it violates the spirit of this law. And if there were no law, I still insist that anyone who was really interested in REA would have been scrupulous to refrain from activity in the political campaign, would have been careful to avoid mixing the REA cooperatives up with a political campaign.

There is the record as I see it. You can vote to become a party to this conduct if you wish. We can do no more here as citizens. But I love REA and the cooperative movement so much, that I, for one, will not stop here. The fight will then have just begun as far as I am concerned.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. SHIPSTEAD. I yield.

Mr. LUCAS. The Senator has just finished reading a number of telegrams and letters from various cooperatives, and they deal with the nomination of Mr. Claude Wickard to be Administrator of the Rural Electrification Administration.

Mr. SHIPSTEAD. Yes.

Mr. LUCAS. Has the Senator determined the total number of cooperatives from which he has received telegrams and letters opposing the confirmation of the nomination of Mr. Wickard?

Mr. SHIPSTEAD. They have come from approximately 36 States. There are about 300 of them. I have not read them all.

Mr. LUCAS. Does the Senator mean that 300 cooperatives in the entire United States——

Mr. SHIPSTEAD. No; altogether. I do not have all of them here. They are still coming in, every day.

Mr. LUCAS. Of course, the Senator knows that the testimony before the committee was that there were only a small number of cooperatives at that time, as I recall, opposing the nomination.

Mr. SHIPSTEAD. At what time?

Mr. LUCAS. When we had the hearing before the Committee on Agriculture and Forestry, there were only a small percentage of the 850 cooperatives in the 48 States of the Union which had made any protest.

Mr. SHIPSTEAD. That is true.

Mr. LUCAS. There were only a few which made any direct objection, and they gave no reasons whatsoever, other than that they did not think Mr. Wickard would be a good Administrator.

Mr. SHIPSTEAD. Of course, I have received letters and telegrams from more than 500 of the 850 cooperatives.

Mr. President, I call attention to the fact that the letters and telegrams began to come in within 2 days after the nomination of Mr. Wickard was submitted to the Senate, and they have continued to come in. However, most of them came before the committee held the hearing; I received more than 400 of them before the committee hearing was held.

Mr. LUCAS. The Senator knows that a propaganda campaign was organized and was carried on right here in Washington, and that those engaged in that campaign contacted every cooperative in the United States. The Senator knows that the present controversy grows out of the old fight that Harry Slattery had with Claude Wickard. Slattery has resigned, and he is not now in any way connected with the Rural Electrification Administration. I dare say that if it had not been for the group that was organized in Washington for the sole purpost of sending letters and telegrams to every cooperative in the United States, the Senator from Minnesota would not have received one-tenth of 1 percent of the telegrams and letters he has received. The Senator knows what organized propaganda is; he gets it every day.

Mr. SHIPSTEAD. I know that very well, and I know of the organized political propaganda which has been brought to bear on the cooperatives, in an effort to make them retract their statements of opposition to the nomination.

I wish to say in regard to the group which came to Washington that it was many days after the nomination was submitted to the Senate that I received a call from a person who was interested in the matter. He wished to know if I was going to be in the city on a certain day. Thereafter, seven or eight persons from various States called on me and wished to know whether they could have a hearing held by the committee on the nomination. They said, "We want to oppose the confirmation of the nomination of Mr. Wickard. Can we obtain a hearing?"

At that time I was able to show them approximately 150 or 200 telegrams which I had received up to then.

I said, "Well, I do not know whether it will do you any good, but I will ask for a hearing for you if you wish to be heard."

Those men met together in Washington that night—I do not know where, but I believe it was in one of the hotels. With the aid of friends in various places, they decided to start a campaign against Mr. Wickard. They had been selected by the board of directors of an organization to come to Washington and see if they could not obtain a hearing. I did not ask them to come, or to send any letters. The letters to which I have referred came to me unsolicited, and at least half of them were received before anyone had come to me with regard to obtaining a hearing.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. I yield.

Mr. LUCAS. Has a single cooperative which protested against the confirmation of the nomination of Mr. Wickard, charged that he has interfered with it in any way from the standpoint of its efficiency or from the standpoint of politics?

Mr. SHIPSTEAD. Trouble has occurred whenever business was done with the St. Louis office.

Mr. LUCAS. That hardly answers the question. The Senator knows that not a single person who testified before the committee said that Wickard had interfered in any way whatever with the particular cooperative in which he, the witness, was interested; but, on the contrary, the testimony was that the cooperative was in good condition, and that Wickard had not interfered with its management.

Mr. SHIPSTEAD. The Senator was not present all the time while testimony was taken.

Mr. LUCAS. No; but I have read the testimony.

Mr. SHIPSTEAD. I think the Senator should read all the testimony. He should read the sworn testimony covering approximately 2,000 pages, on which my statement is based.

Mr. LUCAS. It is the old story of the difference between Wickard and Slattery. The Senator apparently wishes to renew that controversy which has existed for the past 2 years. Slattery is no longer in office and he wishes to vindicate himself.

Mr. SHIPSTEAD. The Senator from Illinois may have his own opinion with regard to that matter. The opinion of those representing the cooperatives is not in agreement with that of the Senator.

Mr. President, as the evidence before the committees disclosed, the top man in REA today is Mr. William J. Neal. Most of the REA systems throughout the United States are very successful. They owe the Government no default money on their loans. There has been good management of their systems. They have generally paid substantial amounts

to the Government in advance payments on their loans.

Mr. Neal is Mr. Wickard's top man. He is Acting Administrator. He is the man whom Mr. Wickard sent out illegally to replace the lawful Administrator of REA. Mr. Wickard did not have the decency to prefer charges against Mr. Slattery, a 10-year Presidential appointee, who had an outstanding record as a successful Administrator of REA.

Who was Mr. Neal? He was the former president of the worst-managed of all the REA systems. As the testimony in connection with the nomination of Mr. Wickard discloses, Mr. Neal was intimately connected with all the illegal activities of the manager of his former cooperative, New Hampshire 4 Merrimack. Under Mr. Neal's loose policies, approximately $15,000 in Federal funds were stolen. That system is $180,000 in the red, in its operations, and it is in default nearly $40,000 in back payments on its Government loan. This is the top man whom Mr. Wickard has in REA today. His was a political appointment of a very low order.

Who is the next man who Mr. Wickard has in a top position in REA? He is Mr. O'Shaughnessy. He is now the head of the important Design and Construction Division. If we turn to the sworn testimony which the Senate investigation committee took pursuant to Senate Resolution 197, and particularly to part 1, pages 104 and 105 and following, and part 2, page 201, we will find that the man who changed plans and specifications and forced REA systems to use copper material, is now the key official in that Division. The present Acting Chief of the Design and Construction Division is Mr. O'Shaughnessy, the very man who is accused of these practices. Mr. Wickard did nothing in regard to such practices. It illustrates the character of the persons who are in the top key positions in the REA. How can the REA co-op members have any confidence in such an organization?

4. THE KINDS OF REA MEMBERS THAT PROTESTED AGAINST THE NOMINATION OF MR. WICKARD

I wish Senators would turn to the five volumes of testimony which were taken before the Agriculture Committee from June 11 to June 13, 1945, and note the kind of persons that testified against Mr. Wickard from various parts of the United States. Those persons were composed of busy farmers and others. They left their important work and came themselves to the Government in order to object personally to Mr. Wickard. They were solid, substantial citizens, presidents of boards of directors, presidents of REA power cooperatives, as well as board members, and managers of REA systems. With courage and specific facts they gave a picture of obstruction, confusion, and delay inside the REA. They were honest in their views that the confusion about which they were complaining would exist as long as Mr. Wickard continued in office and was surrounded by the Deputy Administrator, Mr. Neal, division heads, and others who were indicted for their corruption and bad administration of REA today.

The REA cooperative movement is based upon confidence. The vast majority of REA systems, according to the testimony, do not have any confidence in Mr. Wickard. Therefore, he cannot serve as a successful Administrator of REA with a group of such obviously prejudiced and incompetent people about him.

5. MR. WICKARD'S VIEWS OF PRIVATE UTILITIES

If we examine the testimony of the witnesses who appeared against him, it will be seen that they are particularly bitter against Mr. Wickard's weak and inefficient stand in regard to private utilities. For nearly 30 years the private utilities have had an opportunity to provide rural electrification at rates which the farmers could afford to pay. They did nothing but "skim" off the cream. They went down the main highways and left the vast majority of the farms in pockets in the adjoining areas. They demanded high cash contributions. They demanded high minimum bills. In short, their rates and charges were prohibitive. That is why REA was necessary. To speak at this late date about private utilities furnishing service upon an area coverage basis, displays a complete lack of understanding of why the REA movement was born and prospered. A man entertaining such a fallacious idea has no place in the REA where courage and vision are needed every day in dealing with the private utilities for power contracts, adequate wholesale rates, competition in adjoining territory, and in preventing spite-line construction. Mr. Wickard is not the man who should sit in such an administrative position.

6. DEMORALIZATION OF THE STAFF INSIDE OF REA

The evidence at the recent Wickard hearing disclosed that complete demoralization exists inside the REA today. Division is placed against division. Loyal REA employees who helped build this magnificent organization now find themselves helpless. It is small wonder that the representatives of the REA cooperatives testified that delay, confusion, and run-arounds are the rule in REA. It is a hopeless political muddle. If Mr. Wickard becomes chief, he will bring in more "deadwood", and the real people who made REA will be driven out, just as many loyal employees have already been driven out or, have resigned in disgust. Mr. Wickard's appointment will only perpetuate this confusion.

7. DISREGARD OF CIVIL SERVICE

I desire to read just one paragraph from the testimony of the former Administrator of REA, Harry Slattery, showing how Mr. Wickard has completely wrecked the civil-service procedure in REA. As Senators know, most REA employees, with the exception of the lawyers, and experts and consultants, are under civil service. However, by the mere device of abolishing an employee's job it is possible to discharge him. The Civil Service Commission will not question it. Here are the facts:

> The difference between politics and civil service is the former pays no attention to the law, while the latter follows the acts of Congress. I want to take you inside my office and show you how Mr. Wickard completely destroyed my staff, which I contend is illegal and should be enough to remove him from public office. The position of every single professional assistant in my office was abolished. Veterans from the World War; some of our finest staff who helped build REA; men with the REA from the beginning; some with 9 years of REA service; with a rating of excellent, were given 30 days' notice and fired by Mr. Wickard.
>
> The so-called reason was economy. In view of the fact that the same functions were transferred to other offices and other people were hired—some 200, I was advised, can only mean one thing, politics and a complete disregard for civil-service law.

That was the testimony in volume III of the hearings before the Committee on Agriculture and Forestry on the nomination of Claude R. Wickard to be Administrator of the REA. It will be found on pages 277 and 278.

This makes a mockery and a joke out of the Civil Service. It means that politics will reign free in the REA if Mr. Wickard continues control.

8. RETALIATION ON WITNESSES

The men who came before the committee to testify against Mr. Wickard were the courageous few. On each of their systems they were doing a good job. They had no complaint to make about the management of their own REA system. Their objection was to their dealings with REA headquarters under Mr. Wickard. I want to make this public statement now: These men are American citizens. They testified honestly and in good faith. They gave us the facts. The members of the committee listened to them with great respect and courtesy. No one doubted their veracity. As one member of the Senate Agriculture and Forestry Committee, I want to assure these gentlemen that they need have no fear of retaliation. They will be accorded the full protection that all other citizens are accorded by law when they come before this committee and testify to the facts, as they have done so well in this case.

9. IF YOU CONFIRM MR. WICKARD, YOU SUPPORT THESE EVILS

This is one of the most amazing nominations I have ever known during my 23 years in the Senate. In effect, it is a complete repudiation of everything two Senate committees have found. It is also a complete repudiation of the actions of the United States Senate. All the difficulties in REA are to be attributed directly to the bad administration of Mr. Wickard. If he is confirmed, Senators are voting against their own recommendations and those of their nonpartisan committee. Mr. Wickard should not be confirmed as Administrator of REA.

EXHIBIT A

MISSOURI STATE RURAL ELECTRIFICATION ASSOCIATION,
Poplar Bluff, Mo., May 30, 1945.

Hon. HENRIK SHIPSTEAD,
United States Senate Office Building, Washington, D. C.

DEAR SENATOR SHIPSTEAD: Greater problems and developments have occurred since our trip to Washington during the week of May 6. Our committee's visit to Washington during that week was most pleasant. The splendid interest and earnest sponsorship by you was a real accomplishment, and all our people are extremely well pleased.

However, more obstacles have been thrown in our path that are creating more difficulty

than before. I wish to express my appreciation for the excellent cooperation and assistance given our committee, composed of Dr. K. T. Hutchinson, Tennessee, Mr. Earl Murley, Indiana, and Mr. Darwin Kindler, Ohio, during their trip to Washington last week. I believe your inspiration has brought about a determination for our committee to proceed with all vigilance toward the end that Wickard be not confirmed by the United States Senate as Administrator of REA. If we should allow this confirmation to be made, REA would suffer the most critical about-face in its intention that it has ever realized in the past, which would spell the doom of efficiency and far-sighted planning required in the administration of our REA program. This is my sincere conviction, not biased, or based on any thought of the future for myself.

It is my thought that we are dependent on your leadership, as United States Senator, in leading the fight in our battle at this time. We have complete confidence in your ability and sincere belief in this cause. The plan, as outlined and agreed to by our committee while in your counsel, meets with my entire satisfaction. We shall pursue the course accordingly. Please advise me further of any developments or of any information we should possess. If you are successful in your request for a hearing on Wickard's confirmation before the Agricultural Committee of the Senate, please advise immediately the time and place of such hearing.

Enclosed is list of the State committeemen for Committee for Independence of REA elected at our meeting in St. Louis on April 14.

Very truly yours,

ANSEL I. MOORE,
Chairman.

POLK COUNTY RURAL
PUBLIC POWER DISTRICT,
Stromsburg, Nebr., June 5, 1945.

Hon. HENRIK SHIPSTEAD,
United States Senate, Washington, D. C.

DEAR SENATOR: We are extremely disappointed at the appointment of Claude Wickard as Administrator of REA. We are definitely not in favor of Mr. Wickard's appointment because of the statements made by him in the testimony on the Lucas bill (S. 89). There is no question but what it will be the "end of a good beginning" if private utilities are permitted to reach out and adversely effect REA expansion. The private utilities have always definitely operated for as much profit as possible. The REA is for rural service without profit, thereby making it available to long-forgotten rural areas. Rural communities cannot afford the benefits of electricity unless it is conducted on a "nonprofit basis." If Mr. Wickard's line of thinking becomes a reality, he certainly will defeat the purpose for which REA originally was set up and has so far functioned. To endanger REA to private utilities, to say the least, is a very serious matter. Therefore, we definitely recommend the appointment of a man who stands firmly for the principles of REA; and we furthermore recommend that REA be restored to an independent status.

Very respectfully yours,

M. G. LINDBURG,
President.
NELLIE G. BENSON,
Vice President.
GEORGE H. BOND,
Treasurer.
GEORGE F. BUCHTA,
Member.
MERWIN D. CARLSON,
Member.
WILLIAM KOSCH,
Member.

CUMING COUNTY RURAL
PUBLIC POWER DISTRICT,
West Point, Nebr., June 6, 1945.

Senator HENRIK SHIPSTEAD,
Washington, D. C.

DEAR SIR: The appointment of Mr. Wickard as Administrator of the Rural Electrification Administration was a great surprise and disappointment to our people and undoubtedly to many more throughout the Nation.

A copy of our resolution favoring independence of REA was forwarded to you under date of May 3, 1945. We now believe more than ever before in the need for REA independence and that the REA must be headed by a strong and capable leader.

Mr. Wickard's past record relative to his connection and policies with REA, as was brought out so clearly in the subcommittee's hearing, as well as his testimony on the Lucas bill (S. 89), clearly indicates that he does not even believe in the Rural Electrification Administration and its fine power districts and co-ops throughout this great Nation. These facts make Mr. Wickard, without a doubt, a very undesirable Administrator and one that would possibly put the REA and its fine program to ruination at the earliest opportunity.

We sincerely hope that our legislative bodies will see fit to reject Mr. Wickard's nomination and that an independent REA and a strong and capable leader as Administrator will soon be approved.

Yours very truly,

R. CHESTER GRAFF,
President.

BAYARD, NEBR., *June 9, 1945.*

Hon. HENRIK SHIPSTEAD,
Senator, Washington, D. C.:

Our board of directors is very much opposed to the appointment of Mr. Wickard as REA Administrator; will appreciate all opposition to his appointment.

H. C. MORANVILLE,
Manager, Chimney Rock Public Power District.

LOUP RIVER PUBLIC POWER DISTRICT,
Columbus, Nebr., June 8, 1945.

Hon. HENRIK SHIPSTEAD,
United States Senator, Washington, D. C.

DEAR SENATOR SHIPSTEAD: * * * As you may or may not know, Nebraska has a public power district law, and practically all of the rural electrification development has taken place under this law rather than under the cooperative law. We have approximately 25 rural public power districts blanketing the State. They are unanimously in favor of an independent Rural Electrification Administration directly under the control of Congress rather than a department within one of the large governmental bureaus. While independent under Morris L. Cook and John Carmody, the REA made its magnificent strides. Since it was placed under the Department of Agriculture it became involved in strife, conniving, bickering, and intrigue. The blight of bureaucracy dated from its subordinate status.

It is very important to note that Mr. Wickard was the Secretary of Agriculture during this period. Perhaps the fighting within the organization (and I think everyone in and out of the organization will admit that there has been internecine warfare) is the result of the REA being subordinate to the Department of Agriculture. However, Mr. Wickard knew of the condition and was unable to rise above it and slash through the red tape created by his own Department. I do not believe that he has demonstrated himself to be the right man as Administrator of the REA.

I have written to the project superintendents of the rural public power districts in Nebraska as to how they felt about the appointment of Mr. Wickard as Administrator. Only one of them replied that he was in favor of Mr. Wickard, and his reason was that he thought Mr. Neal would continue to be the deputy and it is his opinion that Mr. Neal is a good man. His business relations with Mr. Neal have been favorable and, therefore, he wants Wickard as Administrator. All of the other replies have expressed displeasure and opposition to the appointment of Mr. Wickard and hopes that the Senate will not confirm him.

There are two reasons why these superintendents hesitate to express themselves. First, they fear reprisals from the REA if Mr. Wickard actually assumes the helm. Second, they dislike to oppose President Truman, especially while he is on his "honeymoon" period. The facts remain, however, that this is the one outstanding case in which they fear Mr. Truman has resorted to politics rather than getting the best man for the job. Nevertheless, some of them are willing boldly to take the position which their conscience dictates. Following are excerpts from some of the letters:

"The appointment of Mr. Wickard startled me, considering the detrimental factual evidence against him in the congressional investigation hearings. This move, of course, is purely and simply the spoils system in action and, of course, from President Truman's standpoint good politics. My personal opinion is that if REA is to be independent with Wickard as Administrator we are in a worse mess than before. Ninety-nine percent of the trouble with the Administration now is the stooges he has planted in the organization who know nothing and care less about the program. What will result if he has full control of the Administration? I feel that we have been a political football long enough. I am taking a bull in the china shop attitude in voicing my opinion to Senators WHERRY, BUTLER, etc. I am certain that you will find this opinion prevalent among the managers in Nebraska."

Another project superintendent: "It is my opinion that since Mr. Wickard has been involved in the REA already as Secretary of Agriculture, and the majority wish is for an independent REA because REA has become a political football, the new Administrator should be a man who has no political connections and who can administrate the program as it should be."

Another writes: "I was very disappointed to hear of Mr. Wickard's appointment. It is my belief that he has used the REA as a political football and is largely responsible for the chaos within the REA. If he is confirmed we will be out of the frying pan into the fire. I am surprised that he would consent to acceptance of a subordinate position after being the top man in the Department of Agriculture. There is a "nigger in the wood pile" some place. There must be some scheming in mind because men do not ordinarily in the prime of their life leave the head job for a lower one.

There are others, but no need of burdening you nor the record with these.

The Nebraska Senators and Congressmen are aware that this district, the Loup River public power district, of which I am the general manager, is a part of the Nebraska Public Power System which sells electricity at wholesale to practically all of the rural public power districts. We cooperated and aided all of them coming into existence, dating back with the start of the REA. We have a sliding scale rate for this, with a bottom of 7½ mills per kilowatt-hour, which most of them earn at this time. This is not as low as in the TVA or Bonneville areas, but we on the plains of Nebraska do not have the great Tennessee and Columbia River sys-

tems and are just as far removed from coal and natural gas as you can get in the United States.

We are very much interested in the Rural Electrification Administration program and the future of rural electrification. I believe that President Truman has made the first, or at least the outstanding mistake of his entrance into the Presidency. I believe you Senators will be doing him a favor if you reject the nomination of Mr. Wickard, which will require him to give a little more study to the problem.

Thank you, Senator SHIPSTEAD, for the splendid and courageous battle which you have fought on behalf of the rural electrification program. We in Nebraska have, perhaps, more of an interest in it than any place else in the United States for the reason that our Senator Norris was the father of the original bill. I am confident that if Senator Norris were alive at this time he would be fighting alongside you in your present efforts.

Yours very respectfully,
HAROLD KRAMER,
Secretary-General Manager.

COLUMBUS, NEBR., *June 8, 1945.*
Senator HENRIK SHIPSTEAD,
Washington, D. C.:

Am sending you air-mail special delivery letter of opposition to Mr. Wickard's confirmation. Requesting you to file same with proper committee.

HAROLD KRAMER.

TEXAMAH, NEBR., *May 28, 1945.*
Senator HENRIK SHIPSTEAD:

Wickard unsatisfactory. Don't fence us in. Vote "no."

E. D. BECK,
REA Manager.

GOLDSBORO, N. C., *June 9, 1945.*
Honorable HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

Due to his record against REA, I disapprove Mr. Wickard's appointment as Rural Electrification Administrator.

FREELY SMITH.

GOLDSBORO, N. C., *June 5, 1945.*
Honorable HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

Due to past record of Mr. Wickard, this cooperative opposes his appointment as Rural Electrification Administrator.

W. L. JONES,
Manager, Tri-County Electrical Corp.

SPRING VALLEY STOCK FARM,
Bancroft, Nebr., May 28, 1945.
Senator HUGH BUTLER,
Washington, D. C.

DEAR SENATOR: The President's appointment of Claude R. Wickard as REA Administrator came as a surprise to me, and if the Senate has not confirmed this appointment before this letter reaches you, I am asking that you give very careful consideration before casting your vote of confirmation.

As president of a successful REA and a past president of the Nebraska State Association of REA Districts, I have naturally taken an active part in the development of the REA and am deeply interested in the success of the REA at large.

I deem it very important that the REA be removed from the Department of Agriculture and returned to an independent agency. Thanks to you and all Senators who have worked to that end. But just as important and more so, it is necessary that the proper man be selected as Administrator.

Regardless of Wickard's qualifications, I do not believe he is the proper man for that position. It was during his management of REA under the Department of Agriculture that much discord, confusion, and criticism arose. With that in mind, I do not see how Wickard could have the coordination necessary for the most harmonious administration of the REA.

Yours very respectfully,
R. CHESTER GRAFF.

AMANDA, OHIO, *May 29, 1945.*
Mr. HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

DEAR SIR: We the undersigned members of Farm Bureau Adult Council No. 3 of Fairfield County, Ohio, as consumers of REA current, wish to express our disapproval of the appointment of Claude Wickard as head of the REA.

R. C. Riegel, Amanda, Ohio; Fred J. Salt, Amanda, Ohio; Marion Rubb, Lancaster, Ohio; Wilbur Allen, Amanda, Ohio; Howard Peters, Lancaster, Ohio; Harold E. Hughes, Lancaster, Ohio; Fred D. Bates, Lancaster, Ohio; Gene Bates, Lancaster, Ohio; Minnie Riegel, Amanda, Ohio; Edna Peters, Lancaster, Ohio; Mildred Salt, Amanda, Ohio; Viola B. Hughes, Lancaster, Ohio; Velma Rose, Lancaster, Ohio; Lola B. Davies, Amanda, Ohio; Loretta Ruff, Amanda, Ohio; Dorothy Allen, Amanda, Ohio; Beatrice Ruhle, Lancaster, Ohio; Herbert N. Ruff, Amanda, Ohio; Norman P. Davis, Amanda, Ohio.

ATTICA, OHIO, *June 10, 1945.*
Hon. HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

Hon. HENRIK SHIPSTEAD: We appreciate your efforts to date for behalf of an independent REA. Our board of directors approve your efforts to prevent Wickard's confirmation. Have wire your Senators.

NORTH CENTRAL ELECTRIC COOPERATIVE, INC.,
R. J. WILLIAMS, *Manager.*

OHIO RURAL ELECTRIC COOPERATIVES, INC.,
June 4, 1945.
Hon. Senator SHIPSTEAD,
United States Senate, Senate Office Building, Washington, D. C.

MY DEAR SENATOR SHIPSTEAD: The following is an excerpt taken from the minutes of a special meeting of the Ohio projects which was held at Ives Hall, Ohio State University, Columbus, Ohio, Friday, June 1, 1945, at 10 a. m.

C. F. Hesler, president of the Statewide, presided and the following personnel from the Ohio projects was present: W. R. Joslin, Ohio 1A Miami; George Hefferline, Ohio 31 Holmes; E. H. Dye, Ohio 94 Adams; H. E. Carter, Ohio 29 Pike; Powers Luse, Ohio 87; Carl Jenny, Ohio 50 Union; L. E. Beuhler, Ohio 55 Coshocton; C. D. Dunlap, Ohio 41 Licking; A. E. Steinbrecker, Ohio 68 Fulton; Walter William, Ohio 56 Logan; Thomas R. Kern, Ohio 33 Auglaize; P. L. De Bolt, Ohio 59 Morrow; A. E. Halterman, Ohio 1A Miami; Darwin Kindler, Ohio 65 Fairfield; C. R. Breckenridge, Ohio 65 Fairfield; H. K. Monroe, Ohio 39 Paulding; R. J. Williams, Ohio 60 Seneca; W. O. Ziegler, Ohio 24 Delaware; C. L. Cogsil, Ohio 84 Carroll; E. A. Mizer, Ohio 32 Belmont; Harry McAlister, Ohio 32 Belmont; F. S. Brown, Ohio 84 Carroll; Harry Bovard, Ohio 56 Lorain; Ray H. High, Ohio 33 Auglaize; C. F. Helser, Ohio 65 Fairfield.

Several discussions concerning the separation of REA from Agriculture were conducted by those present and the subject of the approval of Claude Wickard as administrator of REA was brought up. After considerable reporting of information, and discussions of the possibilities of approval, it was moved by Mr. Luse, and seconded by Mr. Kindler, that we take a poll of this group to determine the feeling of the group on the approval of Mr. Wickard as Administrator of REA.

After further discussion the chairman called for a vote and declared the motion carried.

It was moved by Mr. Joslin, and seconded by Mr. Kern, that the meeting be polled to determine the stand of the individuals and projects for or against Mr. Wickard as Administrator of REA. All of the above persons voted "No" on the roll call, against the approval of Mr. Wickard. In addition, certain ones voted for their boards of directors who had previously taken action.

They were as follows: Ohio 31 Holmes, Ohio 1A Miami, Ohio 56 Lorain.

It was understood that the result of this poll should be sent to Senators Shipstead, Taft, Burton, Elmer Thomas, and to President Truman.

Your consideration of this action will be greatly appreciated.

Respectfully yours,
A. E. HALTERMAN,
Secretary-Treasurer.

BRIDGEPORT, OHIO, *June 4, 1945.*
Senator SHIPSTEAD,
Senate Office Building:

Opposed to Wickard as REA Administrator, want REA kept independent and out of politics.

D. G. THEAKER,
Director, Belmont Electric Cooperative,
St. Clairsville, Ohio.

BELMONT, OHIO, *June 1, 1945.*
Senator HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

Please sustain the Senate's action in making REA independent; as a board member of Belmont 32 I don't want to see Mr. Claude Wickard approved as REA Administrator for many reasons. First, he is not the man for the job; second, no cooperative should be politically dominated and under Wickard it has been. His appointment of Mr. Neal as Acting Administrator of REA indicates favoritism on the part of Wickard.

E. A. DUNFEE, *Secretary.*

LANCASTER, OHIO, *May 31, 1945.*
Senator HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

Request right to be heard by Senate Agricultural and Forestry Committee in opposition to confirmation of Wickard as REA Administrator will testify as to waste of time and money by REA personnel; use of REA personnel and funds for political purposes; lack of organization in REA under domination Secretary Wickard. Date of June 11 preferred.

DARWIN KINDLER,
Member REA Independent Committee.

CIRCLEVILLE, OHIO, *May 28, 1945.*
Mr. HENRIK SHIPSTEAD,
Washington, D. C.

DEAR MR. SHIPSTEAD: As an incorporator and organizer of South Central Rural Electric Cooperative, Lancaster, Ohio, I know what is means for farm folks to have electric service brought to them regardless of whether they happen to be located right to mean profit to the power as was naturally the case when private utilities had control.

REA has been doing a good job and should be continued and encouraged, but must have a man as administrator who is sold on the idea; Claude Wickard is not such a man as he has made definite statements to the effect that he would favor returning the whole job to private utilities if they did the job which we know they would not do with only profit motive in mind. Please use every effort to prevent his appointment.

Respectfully,

M. G. STEELY.

ST. CLAIRSVILLE, OHIO, *June 2, 1945.*

Senator HENRIK SHIPSTEAD,
Senator Office Building:

As a member of REA I do not want Wickard for Administrator for REA. The members of REA want a clean administration.

HAROLD WILKINSON.

FULDA, MINN., *May 27, 1945.*

Hon. HENRIK SHIPSTEAD.

DEAR SENATOR SHIPSTEAD: First I wish to congratulate you on your victorious fight, for the REA. First the investigation you brought about, that showed up the coruptness that had been going on within the business of the REA while under the Department of Agriculture and with Claude R. Wickard at the head of that Department. It is difficult to understand, why the President should consider Wickard for any appointment, considering his deplorable administration as Secretary of Agriculture.

I hope you will win your fight in preventing Claude R. Wickard from getting the appointment as administrator of the REA.

It seems to me that Harry Slattery, would be the proper man, his ability and honesty cannot be questioned, that has been proven.

Well here is hoping for more power to you.

Respectfully yours,

NELS P. RADICK.

MAY 31, 1945.

Hon. HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

HONORABLE SIR: In a very short time we are going to be a new consumer of electricity on an REA line.

We disapprove of Mr. Claude A. Wickard as head of the REA.

We have tried to get electricity for 10 years from a company, less than 4 miles from our farm, which charged from $5 to $10 minimum, and now it is possible for the farmers to have electricity at a minimum of $2.50 per month.

Very truly yours,

LUTHER SMITH.
SOUTH BLOOMINGVILLE, OHIO.

BELLAIRE, OHIO, *June 1, 1945.*

Senator SHIPSTEAD,
Senate Office Building:

Members for REA independence; against Wickard for Administrator.

A. C. NIPPERT,
Director, Belmont Electric Co-op.

ST. CLAIRSVILLE, OHIO, *May 29, 1945.*

Senator HENRIK SHIPSTEAD,
Senate Office Building:

Am very much surprised to learn of the political manhandling of REA as a member I want the business run in a businesslike manner and absolutely free from politics. Keep up the good fight. Our project has 3,100 members, and I am sure they all feel as I do.

T. A. JOHNSON.

ST. CLAIRSVILLE, OHIO, *May 29, 1945.*

Senator HENRIK SHIPSTEAD,
Senate Office Building:

As a member of the Belmont Electric Cooperative, I am very much interested in the welfare of REA. Please do all you can to get REA out of political influence and made independent. I want you to oppose Wickard's appointment.

HENRY DANIEL.

NORTH BALTIMORE, OHIO, *May 28, 1495.*

Senator HENRIK SHIPSTEAD:

We seriously question advisability of Wickard appointment as REA Administrator.

HANCOCK WOOD ELECTRIC COOP.

ST. CLAIRSVILLE, OHIO, *May 26, 1945.*

Senator HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

I have read your statement of May 25 concerning appointment of REA Administrator. Our project of 3,100 members wants a nonpolitical Administration and, above all, independence as a member of Board. I certainly want the REA mess cleared up. Keep up the fight.

BELMONT ELECTRIC COOPERATIVE,
J. MELVIN WATSON.

LANCASTER, OHIO, *May 28, 1945.*

HENRIK SHIPSTEAD,
United States Senator:

I oppose the appointment of Claude R. Wickard as REA Administrator. REA has brought and must continue to bring great benefits to the American farmer, give us John Carmody or a man of his type.

JOHN W. EAKIN,
Director of South Central Rural Electric.

GRAND FORKS, N. DAK., *May 25, 1945.*

Senator HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.:

Wickard is undesirable as REA Administrator in the opinion of our cooperative for many obvious reasons. Please vote and work hard to defeat him decisively. This telegram has been sent to all Senators on Agriculture Committee and LANGER. If we can help further contact Freeman.

VICTOR M. EDMAN,
Minkota Power Cooperative.

LANCASTER, OHIO, *May 26, 1945.*

Hon. Senator HENRIK SHIPSTEAD:

As member of REA I vigorously oppose confirmation of Wickard as REA Administrator.

BUY BELT,
Member and Trustee of South Central Rural Electric.

LANCASTER, OHIO, *May 26, 1945.*

HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

Bitterly oppose confirmation of Wickard as REA Administrator. Give us an honest nonpolitical head who will not wreck REA.

GEORGE RUBLE.

MILLERSBURG, OHIO, *May 28, 1945.*

Hon. Senator HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

We favor Senate bill 2034, Rural Electrification Administration, an independent agency. We also favor the appointment of an independent administrator not heretofore connected with the Agricultural Department. Unanimous vote of directors March 15, 1945.

LLOYD ALEXANDER, *President.*

LANCASTER, OHIO, *May 25, 1945.*

Hon. HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.:

South Central Rural Electric Cooperative serving 10,000 families and approximately 50,000 people bitterly opposes the confirmation of Wickard's appointment as REA Administrator. Since REA has been under Wickard's domination our experience proves that Wickard's administration has been poor. Confusion and indecision within REA has become increasingly bad. REA has been used as political football by Wickard and associates. Malfeasance and misuse of REA by Wickard is apparent. Evidently Wickard has been removed as Secretary of Agriculture because of poor administration. This cooperative wants REA free from Wickard and Department of Agriculture. It is apparent from Wickards' testimony before Agricultural and Forestry Committee of Senate on April 2, 1945, that he has sold out to private utilities. He testified "If private utilities will do the job of electrifying rural America let's fold up right now." He further said he would like to see that happen and be relieved of the responsibility. Sound administration of REA must be secured. Rural electric cooperatives all over the country will most certainly oppose that type of man for REA Administrator.

H. NEWELL STEVENSON,
President, South Central
Rural Electric Cooperative.

NORTH BALTIMORE, OHIO, *May 28, 1945.*

Hon. HENRIK SHIPSTEAD,
United States Senate:

Survey of Ohio co-op managers indicates general and serious doubt as to Wickard's ability as REA Administrator why not a man of Carmody's type and qualifications.

R. P. LUSE,
President, Ohio Electric
Cooperatives Managers Association.

CORVALLIS, OREG., *June 10, 1945.*

Hon. HENRICK SHIPSTEAD,
United States Senator,
United States Senate,
Washington, D. C.:

The following resolution adopted by our board of directors this date:

"*Be it resolved,* That it is the will of this cooperative that the Rural Electrification Administration be divorced from the Agricultural Department and all other departments of Government and set up as an independent agency; and be it further

"*Resolved,* That it is the will and wish of this cooperative that Mr. Wickard be rejected as Administrator of the Rural Electrification Administration, and that a man be named to said Administration on his merits as an Administrator, and that all political considerations be rejected by the Senate as an element of consideration in said appointment.

"I move the adoption of this resolution.

"Said resolution adopted by the board of directors of the Benton Lincoln Electric Cooperative, Inc., this 9th day of June 1945.

"GEORGE W. HENDRIX,
"Chairman.

"Attest:

"GEORGE C. WINTERS,
"Secretary."

May we solicit your support.

GEORGE W. HENDRIX,
President, Project Oregon 4, Lincoln.

ROSEBURG, OREG., *May 28 1945.*

Hon. Senator HENRICK SHIPSTEAD:

Feel advancement of REA in future depends on unity within the organization. Strongly urge disapproval of appointment on Wickard or Neal.

DOUGLAS ELECTRIC COOPERATIVE, INC.,
GEORGE CORDRAY, *Manager.*

FAIRFIELD ELECTRIC COOPERATIVE, INC.,
Winnsboro, S. C., June 5, 1945.
PRESIDENT OF THE UNITED STATES,
Washington, D. C.
Hon. BURNET R. MAYBANK,
United States Senator,
Washington, D. C.
Hon. OLIN D. JOHNSTON,
United States Senator,
Washington, D. C.
Hon. J. P. RICHARDS,
United States Congressman,
Washington, D. C.:

Attached is a copy of telegram sent to Hon. ELMER THOMAS, chairman of the Agricultural Committee, regarding Mr. Wickard's appointment as Administrator of REA for the next 10 years. I feel that you are familiar with the fact that Mr. Wickard is very much in favor of the power companies finishing the job that we have started out to do after they would not do it themselves. We certainly thank you most kindly for your cooperation with us in using your influence to keep Mr. Wickard from being appointed as Administrator of REA.

Yours very truly,
GEORGE R. PARK, *President.*

BLACK RIVER ELECTRIC
COOPERATIVE, INC.,
Sumter, S. C., June 5, 1945.
Senator HENRIK SHIPSTEAD,
Washington, D. C.

DEAR SENATOR SHIPSTEAD: Below are copies of telegrams we have sent to the White House and to Senator ELMER THOMAS urging Mr. Wickard's appointment as REA Administrator be rescinded and disapproved:

"President HARRY S. TRUMAN,
"The White House, Washington, D. C.:

"We feel that the appointment of Mr. Wickard as REA Administrator is contrary to the best interests of the program and respectfully urge that you withdraw his appointment.

"Hon. ELMER THOMAS,
"Senate Office Building,
"Washington, D. C.:

"In view Mr. Wickard's record, we urge disapproval of appointment as REA Administrator. Feel that on basis of record he does not have interest of REA program at heart."

We feel that in view of Mr. Wickard's record as brought out at the hearings in the REA investigation proves him to be unqualified for the Administratorship, and does not have the interest of REA at heart.

Any effort you may exert toward preventing Mr. Wickard's approval will, we believe, be to the best interest of the REA program and the existing cooperatives.

Yours very truly,
P. M. BROWN, *President.*

JACKSONVILLE, FLA., *June 14, 1945.*
Senator HENRIK SHIPSTEAD,
Senate Office Building:

Florida REA superintendents went on record today at their quarterly conference opposing appointment of Wickard as Administrator of Rural Electrification. We urge quick settlement this issue in a just and fair manner. We only ask for a capable Administration.

FLORIDA STATE REA SUPERINTENDENTS,
ERNEST G. SMITH, *Secretary.*

PARIS, ILL., *June 12, 1945.*
Senator HENRIK SHIPSTEAD:

We, the directors of the Edgar Electric Cooperative, Paris, Ill., oppose the appointment of Claude Wickard for REA Administrator.

CLAYTON PERISHO, *President.*

STEELEVILLE, ILL., *June 8, 1945.*
Senator SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

The board of directors are on record opposing the appointment of Claude Wickard as REA Administrator because of his past record.

EGYPTIAN ELECTRIC
COOPERATIVE ASSOCIATION.

HARRISBURG, ILL., *May 31, 1945.*
Hon. HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.:

This cooperative, serving over 4,000 members, is flatly opposed to confirmation of Claude R. Wickard as Administrator of REA. We would appreciate your efforts against this appointment before the Agriculture Committee as well as in the Senate.

SOUTHEASTERN ILLINOIS
ELECTRIC COOPERATIVE,
A. F. LENTZ, *Manager.*

DONGOLA, ILL., *May 31, 1945.*
HENRIK SHIPSTEAD,
Senate Agricultural Committee,
Washington, D. C.:

In behalf Rural Electrification beg rejection Wickard as Administrator REA. Individual unsympathetic with program as shown in hearing Lucas bill, S. 89.

SOUTHERN ILLINOIS ELECTRIC COOPERATIVE.

WAYNE-WHITE COUNTIES ELECTRIC
COOPERATIVE,
Fairfield, Ill., May 25, 1945.
Hon. HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.

DEAR SIR: This will acknowledge receipt of the letter which you have directed to president, board of directors, managers, and members of REA systems as of May 15, 1945, wherein you have advised with regard to Senate action in approving REA as and to be an independent agency.

We have noticed a serious blunder has again been made by our esteemed President of the United States since you have directed your letter to us of May 15.

It is indeed most regretful that President Truman should have taken the action he has in appointing Mr. Wickard Administrator of Rural Electrification.

We out here in the field who have the direct responsibility of causing these cooperatives to follow a successful and prosperous path cannot for the life of us understand why we, the people, have not been able to make it clear to our Presidents that we most desire and need a good, clean, strong, honest man to head what we feel is one of the finest Government agencies in existence today.

We admire the splendid work and the tremendous effort you and your colleagues have put forth in our endeavor. Words cannot express our sincere appreciation for the splendid fight you have put up for us and for our cause.

In view of the complete failure which Mr. Wickard has made in administering Rural Electrification for the past 4 or 5 years, and in view of the type of men he has selected for REA, we cannot help but feel that some of our enemies in Congress and other places are endeavoring to completely ruin this wonderful program.

While we dislike very much to have to lean so heavily on someone's shoulder, still we have no alternative than to respectfully and urgently request you to roll up your sleeves still further and to spit on your hands some more and take a new hold on the REA matter and endeavor to cause President Truman's selection of REA Administrator to fall by the wayside the same as Mr. Williams did.

It is our opinion we need a man at the head of Rural Electrification who we are certain will have the complete confidence of our United States Senators and Congress, the President of the United States, and the more than 800 REA cooperatives who are going to rely more and more on good administration. This man should not be hand-tied in any way. He should not be politically obligated to any individual, group, or faction. He should have a clear conscience and should be able to administer REA in a way which he thinks is for the best benefits of the American farmers and to help and assist all cooperatives in the big undertaking they have obligated themselves to.

It is most discouraging to us, who have the responsibility of working out our problems, when our President is persuaded to select such men as they have to administer such an important agency.

Without doubt, I am expressing your sentiments in this letter. However, we want you to know how we think and believe about this matter and we are certain the committee for independent REA will again get into motion at an early date and endeavor to prevent Mr. Wickard from being approved by either or both the Senate and the House, and speaking for our 4,200 members and for the 9,000 prospective members, who will be served by this cooperative as rapidly as reconversion will permit, making a total of 12,000 or 13,000 members in the area this cooperative serves, we will support you and the committee for independent REA and others in our endeavor to have the right man installed as our Administrator.

No doubt you have already taken action to head this thing off. However, anything that we can do to help will be done.

We will write a letter to our Senators and Congressmen of this State requesting them to vote against confirming confirmation of Mr. Wickard's appointment.

Yours very truly,
F. A. TANNAHILL, *Manager.*

P. S.: We are enclosing a copy of a letter similar to the letters we have written to all our Senators and Representatives.

WAYNE-WHITE COUNTIES
ELECTRIC COOPERATIVE,
Fairfield, Ill., May 25, 1945.
Hon. C. W. BROOKS,
United States Senate,
Washington, D. C.

DEAR MR. BROOKS: This is to advise we have just learned of President Truman's action in selecting Mr. Wickard, former Secretary of Agriculture, to be Administrator of REA.

You are, of course, very familiar with the whole REA matter and we are, therefore, not attempting to rehash or review any of the past regarding same.

In view of the President's late action a new problem has been created and we are again forced to request your support in the matter.

We who have the direct responsibility of causing our cooperative to pay out and to be successful, so that we can assure you men who have so kindly approved appropriations so that we can extend service to your constituents in this area, feel that our opinion should be given consideration even by the President of the United States, and we regret more than words can say that the President has taken such unexpected steps as to select and appoint Mr. Wickard as Administrator of REA. We do not understand nor can we see through why such a step was taken by the President.

It certainly must have been apparent to the President of the complete failure Mr. Wickard has made of Rural Electrification in the more than 4 years that he had charge of that Department, and why the President insists on cramming Mr. Wickard down our throat is beyond us.

In view of this, we respectfully and strongly urge your support in vetoing the President's

action, as we definitely do not want Mr. Wickard to head REA.

Rural electrification is only in its infancy. For example, this cooperative serves an area which extends into 10 counties, but we serve all of Wayne, White, Edwards, and Hamilton Counties. In 1941 we completed the "D" section or the fourth section, which allowed this cooperative to put in operation approximately 1,000 miles of line. Today we have 1,018 miles of line in operation, and we are serving 4,200 members. Our future program when we have ecompleted all extensions will involve more than 3,000 miles of line, and we will be serving in the neighborhood of 12,000 members. From this you can readily see that we anticipate considerable growth and that we are about one-third expanded. From this you can readily see that Congress is going to be requested to support appropriations for REA expansion programs for several years to come, and we think we should have a man at the head of REA who has the respect and the confidence of our Senators and our Congressmen, and you are not to be criticized in any way for insisting that you have a man of confidence heading so important an agency as REA is today and as REA will be in the future, and to know that this man's whole interest is to accomplish the thing which you are vitally interested in and that is to extend rural electric service to your constituents in the State of Illinois.

As indicated, we regret very much to have to bother you with this matter, but we think that so long as the pot is boiling we should not take it off the fire until it is ready. In other words, we think that so long as there is not an Administrator approved as yet, that we should not accept any Tom, Dick, or Harry, but that we should select the man who can best administer our affairs and install him so that as the program gains momentum in the postwar era we will all have confidence that we are receiving the best administration possible.

It is the sentiment of the board of trustees of this cooperative that our Senators and Congressmen insist that the right man be installed to administer REA, and we therefore respectfully request Mr. Wickard's appointment be vetoed, and, if necessary, the Senate and Congress select the proper man for the job.

You are in a much better position to select the proper man, and we are going to rely on you to do this for us. Therefore, will you kindly give this matter your serious consideration when the bill comes before the Senate. Your past cooperation and interest in our program has been greatly appreciated by this Board of Trustees, and your efforts will not go unnoticed. We thank you in advance for anything and everything that you can do for our cause.

Yours very truly,

F. A. TANNAHILL,
Manager.

P. S.: We wish to add that we are not thinking in terms of politics in any way, shape, form, or fashion in requesting your support. In other words, we are very indifferent as to the politics of the man who is selected as Administrator of REA. We are, however, vitally interested in the man's qualifications. We thought it well to bring this point out because we do not think rural electrification can at any time ever stand to be accused of being a political proposition.

JUNE 9, 1945.

RUSSELL J. RINEHART,
Indiana Statewide Rural Electric Cooperative, Inc., Indianapolis, Ind.:

Steuben County directors feel a new man should be appointed outside of present controversy that has existed in REA. Too much opposition against Wickard for things to run smoothly.

RALPH A. BAKER.

ROCHESTER, IND., *May 26, 1945.*

Senator HENRIK SHIPSTEAD:

The REMC opposes confirmation of Claude R. Wickard as Administrator of REA. Believe him incompetent. Think him released as Secretary of Agriculture for poor administration. This REMC represents 1,930 farmers and families. Wish REA independent agency, free from politics. Your assistance appreciated.

FULTON COUNTY REMC, IDLANAN 29,
FULTON R. MURRAY,
Superintendent for Board of Directors.

MAY 26, 1945.

Senator HOMER E. CAPEHART,
Washington, D. C.:

Steuben County REMC board members feel that Claude R. Wickard is not the man for REA Administrator considering the fact that he has been the main figure in REA strife. Strongly recommend well-qualified man outside of present REA set-up.

DANIEL C. OURY,
President, Steuben County REMC.

MAY 26, 1945.

Senator WILLIS,
Washington, D. C.:

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DANIEL C. OURY,
President, Steuben County REMC.

JUNE 5, 1945.

Hon. ELMER THOMAS,
Senate Office Building,
Washington, D. C.:

The following telegram was sent to Senator WILLIS and Senator CAPEHART on May 26, 1945:

"Steuben County REMC board members feel that Claude R. Wickard is not the man for REA Administrator, considering fact that he has been the main figure in REA strife. Strongly recommend well-qualified man outside of present REA set-up."

DANIEL C. OURY,
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DANIEL C. OURY,
President, Steuben County REMC.

ANGOLA, IND., *June 5, 1945.*

Senator SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

The following telegram was sent to Senator WILLIS and Senator CAPEHART on May 26, 1945:

"Steuben County REMC board members feel that Claude R. Wickard is not the man for REA Administrator, considering fact that he has been the main figure in REA strife. Strongly recommend well-qualified man outside of present REA set-up."

DANIEL C. OURY,
President, Steuben County REMC.

VINCENNES, IND., *May 28, 1945.*

Hon. HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR SHIPSTEAD: On behalf of the representatives of the National Committee for the Independence of REA, permit us to take this opportunity of expressing our appreciation for the splendid cooperation and assistance you have given us to date, especially your recent opposition to the confirmation of Secretary Wickard as the proposed Administrator of REA.

As the letters in your file disclose, and amply supplemented by advice from REA systems in practically all parts of the United States, the main reason this committee was established was to get out from under the domination of the Department of Agriculture, and particularly Mr. Wickard. After canvassing the situation fully, we would like to request that you ask the chairman of the Senate Committee on Agriculture and Forestry to give representative members of REA systems an opportunity to be heard and express their views in opposition to the nomination of Mr. Wickard as Administrator of REA.

In view of the fact that our systems are located in 46 States of the Union, some of them as remote as 3,000 miles or more from this city, we would request that you obtain as much time as possible so that these members of REA systems may have an opportunity to come to Washington to testify.

We would appreciate your early views hereon.

Yours sincerely,

EARL MURLEY,
Vice President, National Association, Committee for Independence of REA.

LAGRANGE, IND., *May 28, 1945.*

Senator HENRIK SHIPSTEAD,
Washington, D. C.:

We wish to inform you the Lagrange County Indiana REMC is opposed to the appointment of Claude Wickard as Administrator of REA. We have so informed our two Senators from Indiana.

LESTER WEIR,
President of Board.

OAKTOWN, IND., *May 26, 1945.*

Senator HOMER CAPEHART,
Senate Office Building,
Washington, D. C.:

As director of Knox County REMC, serving 10,500 rural residents, I oppose Wickard's nomination as administrator of REA. Made hopeless botch as Secretary of Agriculture.

WILBUR ASHLEY.

VINCENNES, IND., *May 26, 1945.*

Senator HOMER CAPEHART,
Senate Office Building,
Washington, D. C.:

As director of Knox County REMC, serving 10,500 rural residents, I oppose nomination of Wickard because he used REA as a political football while Secretary of Agriculture.

VERNIE MCNEAL.

WHEATLAND, IND., *May 26, 1945.*

Senator HOMER CAPEHART,
Senate Office Building,
Washington, D. C.:

As director of Knox County REMC, serving 10,500 rural residents, I oppose Wickard's nomination as administrator. Want REA free of political domination.

A. BERT CLARK.

RUSHVILLE, IND., *May 26, 1945.*

Hon. HENRIK SHIPSTEAD,
United States Senator,
Washington, D. C.:

Just wired Senators CAPEHART and WILLIS as follows:

"This corporation's 1,700 members urge you oppose confirmation Claude R. Wickard for REA administrator as unqualified and type that would use rural electrification in politics. We want REA independent."

RUSH COUNTY REMC.

VINCENNES, IND., *May 26, 1945.*
Senator HOMER CAPEHART,
Senate Office Building,
Washington, D. C.:
As director of Knox County REMC, serving 10,500 rural residents, I oppose Wickard's nomination as Administrator. His confirmation would prolong present existing political muddle of REA.

RILEY OSBORNE.

FRANCISCO, IND., *May 26, 1945.*
Senator HOMER CAPEHART,
Senate Office Building,
Washington, D. C.:
As director of Knox County REMC, serving 10,500 rural residents, I oppose Wickard's nomination. Believe him to be incompetent. Want REA free of political domination.

Mrs. ROSS MCELLHINEY,
Treasurer, Board of Directors.

JASPER, IND., *May 26, 1945.*
Hon. HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:
We are opposed to Wickard as REA Administrator. Believe present condition of REA due to his political manipulations. Urge that you use your vote and influence to prevent his confirmation.

L. B. WHITE,
Superintendent, DuBois Rural Electric Cooperative, Inc.

POSEYVILLE, IND., *May 26, 1945.*
Senator HOMER CAPEHART,
Senate Office Building,
Washington, D. C.:
As director of Knox County REMC, serving 10,500 rural residents, I oppose confirmation of nomination of Wickard. His unfitness for job proven by political mess made of REA during his regime as Secretary of Agriculture.

WILLIAM F. BAUTZ.

PATOKA, IND., *May 26, 1945.*
Senator HOMER CAPEHART,
Senate Office Building,
Washington, D. C.:
As director of Knox County REMC serving 10,500 residents I oppose confirmation of Wickard's nomination as Administrator. Incompetency proven by present political and economic muddle of REA.

LAWRENCE CARITHERS.

PETERSBURG, IND., *May 26, 1945.*
Senator HOMER CAPEHART,
Senate Office Building,
Washington, D. C.:
As director of Knox County REMC serving 10,500 residents, I oppose confirmation of Wickard's nomination as Administrator. Want REA an independent agency free of political influence.

LOUIS L. LAMB,
Vice President Board of Directors.

BICKNELL, IND., *May 26, 1945.*
Senator HOMER CAPEHART,
Senate Office Building,
Washington, D. C.:
As director of Knox County REMC serving 10,500 rural residents, I oppose nomination of Wickard. Believe he favors private utilities.

Mrs. CHARLES E. WAMPLER,
Secretary.

JASPER, IND., *May 26, 1945.*
Hon. HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:
We are opposed to Wickard as REA Administrator. Believe present condition of REA due to his political manipulations. Urge that you use your vote and influence to prevent his confirmation.

PETER L. FRIEDMAN,
President Dubois Rural Electric Cooperative, Inc.

BICKNELL, IND., *May 26, 1945.*
Senator HOMER CAPEHART,
Senate Office Building,
Washington, D. C.:
As director of Knox County REMC, serving 10,500 rural residents, I oppose Wickard's nomination as Administrator because he played politics with REA as Secretary of Agriculture.

ERNEST B. MILLER,
President, Board of Directors.

OWENSVILLE, IND., *May 26, 1945.*
Senator HOMER CAPEHART,
Senate Office Building,
Washington, D. C.:
As director of Knox County REMC, serving 10,500 residents I oppose confirmation of Wickard's nomination as Administrator. Unfit for job. Believe he favors private utilities.

LUTHER ARMSTRONG.

STATEMENT OF JOHN H. HENDRICKS, PRESIDENT, EASTERN IOWA LIGHT & POWER COOPERATIVE, DAVENPORT, IOWA

(He also has a farm at West Liberty, Iowa, established with this REA cooperative since its establishment in 1935. This system is the ninth REA cooperative established in the United States. It has approximately 5,400 members and has 2,200 miles of line at the present time.)

I am opposed to the confirmation of the former Secretary of Agriculture, Mr. Claude R. Wickard, to be Administrator of REA. I have had an opportunity to observe the operation of REA when it was an independent agency of the National Government. I have also had a fine opportunity to examine the function of REA since it has been under Mr. Wickard in the Department of Agriculture.

We farm people are simple and direct. We do not waste too many words or make long speeches. I could fill up a volume on why Mr. Wickard should not be Administrator of REA. I merely want to tell a few of the main reasons:

(1) Mr. Wickard lacks our confidence. We judge individuals by their past record. Cooperatives are built upon confidence. Under oath, Mr. Wickard testified he would be willing to turn over the REA cooperatives to the utilities if they could do a good job. We know how the private utilities have operated in the past. This is a statement that no man would make if he had any knowledge of their practices. The utilities never showed any type of concessions that was favorable to the farm areas until after the REA got started.

On our own system, under Administrator John M. Carmody, we know what the private utilities do. They built spike lines and attempted to destroy our system and cut up our good territory.

If we had had a man of Mr. Wickard's point of view, our cooperatives and most of the others would not be alive today, according to my judgment.

It took the cooperatives to furnish service to all at a rate the farmer could afford to pay. Thus, in my own case, the private utilities wanted $1,000 to serve me. Contrast that with the rate on our system where a member pays out no cash and the minimum monthly bill is only $3.

This statement of Mr. Wickard's is a giveaway. We cannot rely upon a man with that point of view for Administrator. He is too weak.

(2) We have no confidence in Mr. Wickard's appointments. He has selected as the Acting Administrator today, Mr. William J. Neal. As the testimony discloses, he was president of the poorest managed cooperative in the United States. His manager got away with $15,000 in cash. The cooperative owes the REA $38,000 on its line, and in operations it is $180,000 in the red. This is the man whom Mr. Wickard said was a good choice. We can have no confidence in appointments like this and those of a similar nature which will no doubt continue under Mr. Wickard.

(3) REA got action under Carmody. In contrast to this loose, inefficient, joint operation of REA under Mr. Wickard, I recall the results and action we got when REA was an independent agency. The Administrator, Mr. Carmody, could say "yes" and "no," and he meant it.

These are the specific reasons why we feel that the past record of Mr. Wickard indicates he is not qualified to be Administrator of REA.

Respectfully submitted.

JOHN H. HENDRICKS.

GARNER, IOWA, *June 8, 1945.*
Honorable HENRIK SHIPSTEAD,
Washington, D. C.:
Claude R. Wickard appointment not satisfactory to vast majority of REA borrowers. We want a man of proven ability and one who believes in cooperative electricity. Utilities will not serve farms without competition. Confirmation of Wickard would be contradiction of Senate passage of Lucas bill with Shipstead-Aiken-Wheeler amendment for independence. Use this wire in any way to prevent confirmation.

M. C. JAMES,
President, Hancock County REA.

POCAHONTAS COUNTY RURAL ELECTRIC COOPERATIVE,
Pocahontas, Iowa, June 7, 1945.
Senator SHIPSTEAD,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SHIPSTEAD: The following is a copy of the telegram sent today to the Honorable ELMER THOMAS, chairman of the Senate Committee on Agriculture, relative to the appointment of Mr. Wickard as Administrator of the Rural Electrification Administration:

"Hearing to consider the appointment of Wickard as REA Administrator is set for June 11. The board of directors of this Cooperative serving 2,300 farmers wish to go on record as opposing the appointment. It is felt that Mr. Wickard's statements and record do not indicate that he would be sincere and capable."

You may use this telegram in any way you wish to oppose the appointment of Mr. Wickard as Administrator. We appreciate the good work which you are doing.

Yours truly,

R. R. CEJKA,
President.

THOMPSON, IOWA, *June 8, 1945.*
Senator SHIPSTEAD,
United States Senate:
We are not in favor of Wickard. His background is not satisfactory—we are in favor of Gillette.

WINNEBAGO REA,
ELMER O. BEGLAND.

SIBLEY, IOWA, *June 8, 1945.*
Senator HENRIK SHIPSTEAD,
Senate Office Building:
We oppose the Wickard appointment as Administrator of REA. REA inefficiently handled under Secretary of Agriculture. We favor the Shipstead-Aiken-Wheeler bill for independence of REA, with able Administrator free of politics.

OSCEOLA ELECTRIC COOPERATIVE, INC.

POCAHONTAS, IOWA, *June 7, 1945.*
Hon. HENRIK SHIPSTEAD,
United States Senate Office Building,
Washington, D. C.:
The board of directors of Central Electric Federated Cooperative of Pocahontas, Iowa,

unanimously adopted the following resolution at their regular meeting June 6, 1945: *Resolved*, That this cooperative, serving 8,000 farmers in eight Iowa counties, vigorously protest the appointment of Wickard as REA Administrator and we recommend that the United States Senate refuse to confirm the appointment, and that we recommend the appointment and confirmation of an administrator who has a record of sincerity and ability.

CENTRAL ELECTRIC FEDERATED COOPERATIVE.

HUMBOLDT, IOWA, *May 28, 1945.*

Hon. HENRIK SHIPSTEAD,
Washington, D. C.:

In executive session our board of directors unanimously and vigorously opposes confirming Wickard as REA Administrator because of past record of incompetence and bungling in REA affairs. Now that REA is on the way to becoming independent, we hope that it will not be used as a political football. We would heartily endorse the appointment of Guy Gillette as Administrator.

HUMBOLDT COUNTY RURAL
ELECTRIC CORP.
H. F. KRAMER, *President,*

GREENFIELD, IOWA, *May 29, 1945.*

Senator HENRIK SHIPSTEAD,
Washington, D. C.:

We feel that it would be very detrimental to the prosperity and development of rural electrification to have Claude Wickard appointed as Administrator of the Rural Electrification Administration and we request that you oppose his appointment as such and support the appointment of Guy Gillette for that office.

FARMERS ELECTRIC COOPERATIVE, INC.,
ALBERT RAY, *President.*

MARION, IOWA, *May 29, 1945.*

HENRIK SHIPSTEAD,
Senate Office Building:

After reviewing Senate investigation REA and Secretary Wickard's statement during hearing Lucas bill, S. 89, April 2, 1945, can Congress conscientiously approve his appointment as REA Administrator. This cooperative thinks differently. Letter from board following.

LINN COUNTY RURAL ELECTRIC
COOPERATIVE ASSOCIATION,
R. D. PALMER, *Manager.*

GLIDDEN, IOWA, *June 6, 1945.*

Hon. HENRIK SHIPSTEAD:

We respectfully urge you to oppose the confirmation of Claude R. Wickard as Administrator of the REA, account of his previous attitude toward the REA.

GLIDDEN RURAL ELECTRIC COOPERATIVE,
W. H. REEVER, *President.*

ESTHERVILLE, IOWA, *May 25, 1945.*

Senator SHIPSTEAD.

DEAR SIR: I wish to thank you for your fight on REA and for the victory you obtained in getting it taken away from the Department of Agriculture. Personally I don't like the President's appointment of Wickard as Administrator. He proved to be a flop as Secretary of Agriculture and I believe he also appointed Neal as Deputy Administrator of REA. While we are changing why not get someone of proven ability. Again I wish to thank you for your efforts.

Very truly yours,

MAX M. SOETH.

STORM LAKE, IOWA, *May 29, 1945.*

Senator HENRIK SHIPSTEAD,
Senate Office Building:

We favor independence of REA and passage of the Lucas bill. We oppose giving the Administratorship to Wickard or anyone else as a political reward.

BUENA VISTA COUNTY RURAL ELECTRIC COOPERATIVE,
O. J. GRAU, *President.*

CRESCO, IOWA, *May 28, 1945.*

Senator HENRIK SHIPSTEAD,
United States Senate, Washington, D. C.:

We disapprove the appointment of Wickard as REA Administrator very strongly. Would appreciate your handling the matter accordingly.

C. E. CHRISTENSEN,
Hawkeye Tri County Electric Cooperative.

SIOUX FALLS, S. DAK., *May 20, 1945.*

Senator HENRIK SHIPSTEAD,
Agricultural Committee,
Washington, D. C.:

The Lyon Rural Electric Cooperative, of Rock Rapids, Iowa, is opposed to the appointment and confirmation of Claude Wickard as REA Administrator.

EMIEL SCHUTTLOFFEL, *President.*

PLEASANT, IOWA, *May 28, 1945.*

Senator HENRIK SHIPSTEAD,
Senate Office Building:

This REA cooperative serving 1,125 farms with a large expansion program ahead feels that the selection of Claude Wickard as Administrator was most unfortunate.

PARKE F. CORNICK,
Southeast Iowa Cooperative Electric Association.

HAMPTON, IOWA, *May 28, 1945.*

HENRIK SHIPSTEAD,
Senate Agricultural Committee:

Please be advised that our cooperative, Iowa 30 Franklin, of 1,700 members, is 100 percent against the appointment of Claude Wickard as REA Administrator.

A. G. RUST, *President.*

STANTON, IOWA., *May 28, 1945.*

HENRIK SHIPSTEAD,
Senate Agricultural Committee:

This is to inform you that the board and personnel representing 700 rural members of the Nyman Electric Cooperative in Iowa strongly oppose the appointment of Mr. Wickard and are unanimously for Mr. Gillette.

L. C. PETERSON,
President, Nyman Electric Cooperative.

MARION, IOWA, *May 28, 1945.*

Hon. HENRIK SHIPSTEAD,
Senate Agricultural Committee,
Washington, D. C.

DEAR SENATOR: We, the undersigned directors of the Linn County Rural Electric Cooperative Association, earnestly request that you oppose the nomination of Claude R. Wickard as Administrator of the Rural Electrification Administration because we believe he is not impartial. This is borne out by his own statement during a hearing on the Lucas bill, S. 89, conducted by the Senate Agricultural Subcommittee on April 2, 1945. As set out on page 14 of said hearing, he said:

"If the private utilities will do the job of electrifying rural America, let them do it. That is what I would like to see. If they will go in and take the whole area and give everybody electricity at a reasonable cost, let's help them in every way we can to do it, because that relieves us of the responsibility of doing it and of advancing those funds."

The present unsatisfactory status of the Rural Electrification Administration has developed while under the Agricultural Department which he has headed for the last 4 years. This appointment, according to the REA Act, is not to be made on the basis of political activity.

Yours truly,

H. A. W. KOCH.
J. C. FUHRMEISTER.
L. L. RANDAU.
WALLACE K. ROGERS.
A. D. BRENNAMAN.

GARNER, IOWA, *May 26, 1945.*

Hon. HENRIK SHIPSTEAD,
United States Senate:

Appointment of Wickard Administrator cancels co-ops desires in obtaining independent agency.

M. C. JAMES,
President, Hancock County REA Co-op.

BUTLER RURAL ELECTRIC
COOPERATIVE ASSOCIATION, INC.,
El Dorado, Kans., June 7, 1945.

Hon. ELMER THOMAS,
Senate Office Building,
Washington, D. C.

DEAR SIR: As president of the Butler Rural Electric Cooperative Association, I am opopposed to the confirmation of Mr. Claude R. Wickard as Superintendent of the REA, as from his testimony in hearings had and held it appears that he is opposed to continuous and progressive activity of the REA and appears favorable to the utilities. I think it would be a great mistake to deliver over the REA and its future to those unfavorable to its progress and success.

Yours very truly,

A. H. GISH, *President.*

HOPKINSVILLE, KY., *June 7, 1945.*

Hon. HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

Our association is on record and is convinced that an independent Rural Electrification Administration, responsible only to the President and Congress, can best carry out the original intention of the Rural Electrification Act. Because of past controversies and remarks made before subcommittee of Agriculture and Forestry, pursuant to S. 89, April 2, 1945, we definitely oppose the approval of the Honorable Claude Wickard as Administrator of REA.

PENNYRILE RURAL ELECTRIC
COOPERATIVE CORPORATION,
E. LACY, *President.*

HOMER, LA., *June 8, 1945.*

Hon. HARRY S. TRUMAN,
President of the United States,
White House, Washington, D. C.

DEAR MR. TRUMAN: As a member of an REA electric cooperative in Louisiana receiving service on its lines for the past several years, I am vitally interested in the welfare of these REA cooperatives and eagerly desire to see electricity made available to all farmers who do not have it.

There has recently come to my attention the appointment of the Honorable Claude R. Wickard as Administrator of Rural Electrification Administration. I have noted with regret the general confusion and dissention arising both within and without the ranks of REA which apparently began with the transfer of REA to the Department of Agriculture of which Department Mr. Wickard is Secretary. There is little doubt in my mind but that this dissention may become even greater and more dangerous to the future of REA if Mr. Wickard is confirmed as Administrator of that organization. For this reason, if it is possible, I would be most grateful if the appointment of Mr. Wickard could be retracted and some other person appointed Administrator of the Rural Electrification Administration who has not been included in or connected with so much

trouble and confusion as that mentioned above and someone who has the welfare of REA at heart and the sincere desire to see the complete and unhampered expansion of its program.

Your kind consideration to the above matter will be greatly appreciated.

With my very best personal wishes to you, I am,

Respectfully yours,
Rev. A. E. BROWN,
Chairman,
Louisiana Primitive Baptist Association.

KINGMAN, MAINE, *June 6, 1945.*

Hon. ELMER THOMAS,
Senate Office Building,
Washington, D. C.:

Please advise your committee that we are opposed to the confirmation of Claude R. Wickard as REA Administrator. We consider his policies in the past have been detrimental to the best interests of REA.

KINGMAN ELECTRIC CO.,
PALMER A. GRIFFIN,
President.

CLAIBORNE ELECTRIC COOPERATIVE, INC.,
Homer, La., June 6, 1945.

President HARRY TRUMAN,
White House, Washington, D. C.

DEAR PRESIDENT TRUMAN: The president of our cooperative called a special meeting of the board of directors to discuss the question concerning the appointment of the Honorable Claude R. Wickard as Administrator of REA. The board realizes that harmony has not existed within and without REA since it was established under the Department of Agriculture.

We believe that your appointment of Mr. Wickard as Administrator of REA was in good faith. However, after all of the controversy that has existed before and since the Senate investigating committee investigated REA and from the testimony that is in the record it appears that if Mr. Wickard is confirmed as Administrator of REA there may be very little harmony.

Our cooperative would like to see harmony again exist in REA as it did when Mr. John M. Carmody was Administrator. We feel that under such an administration we could completely do the job that Congress intended for us to do when they passed the REA Act.

We realize that you are very busy and are burdened with many problems of our Nation, however, we would greatly appreciate your giving our wishes some consideration if possible.

With kindest regards and best wishes to you and yours, we are,

Sincerely yours,
THOMAS E. STEVENSON,
System Manager.

CLAIBORNE ELECTRIC COOPERATIVE, INC.,
Homer, La., June 6, 1945.

Hon. ELMER THOMAS,
United States Senator,
Washington, D. C.

DEAR SENATOR THOMAS: In view of the considerable dissension that exists within the cooperatives by the appointment of Secretary Claude R. Wickard as Administrator of REA. The President of this cooperative called a special meeting of the Board of directors, to discuss the question and it was unanimously decided that in view of the dissension that exists within and without REA, that the Honorable Claude Wickard should not be confirmed as Administrator for REA. The board realizes that harmony has not existed since REA was established under the Department of Agriculture and they feel that Mr. Wickard himself is greatly responsible for this, inasmuch as the Senate investigating committee of REA secured testimony that the Administrator of REA was bypassed by Mr. Wickard in carrying out policy.

Our cooperatives feel that the President should appoint someone for Administrator of REA that has not been involved in all of the controversy that has been going on for some time and still exists within and without REA. Our board of directors feel that if REA could have an Administrator of the John M. Carmody type within a few days harmony would again exist.

I can assure you that our cooperative will appreciate anything that you may be in a position to do that will contribute to the improvement of relations with all of those that are concerned.

With kindest regards and best wishes, I am,

Sincerely yours,
THOS. E. STEVENSON,
System Manager.

CLAIBORNE ELECTRIC COOPERATIVE, INC.,
Homer, La., June 6, 1945.

Hon. ALLEN J. ELLENDER,
United States Senator,
Washington, D. C.

DEAR SENATOR ELLENDER: In view of the considerable dissension that exists within the cooperatives by the appointment of Secretary Claude R. Wickard as Administrator of REA. The president of this cooperative called a special meeting of the board of directors to discuss the question and it was unanimously decided that in view of the dissension that exists within and without REA that the Honorable Claude Wickard should not be confirmed as Administrator for REA. The board realizes that harmony has not existed since REA was established under the Department of Agriculture and they feel that Mr. Wickard himself is greatly responsible for this, inasmuch as the Senate Investigating Committee of REA secured testimony that the Administrator of REA was bypassed by Mr. Wickard in carrying out policy.

Our cooperative feels that the President should appoint someone for Administrator of REA that has not been involved in all of the controversy that has been going on for some time and still exists within and without REA. Our board of directors feels that if REA could have an Administrator of the John M. Carmody type within a few days harmony would again exist.

I can assure you that our cooperative will appreciate anything that you may be in a position to do that will contribute to the improvement of relations with all of those that are concerned.

Sincerely yours,
THOS. E. STEVENSON,
System Manager.

HOMER, LA., *June 6, 1945.*

Hon. TOM CONNALLY,
United States Senator,
Washington, D. C.

DEAR SENATOR CONNALLY: I am a member of a rural electric cooperative and realize the great benefits that the rural people receive from REA electricity. I am interested in the further advancement of these REA lines into the rural areas that will eventually serve all of our people.

I am aware that for some time there has been considerable dissension within and within and without REA and the evidence that has been submitted to the Senate investigating committee, investigating REA, clearly indicates that Secretary Wickard of the Department of Agriculture bypassed the Administrator of REA and it is quite evident that he is responsible for a large portion of this dissension.

Our President has appointed him as Administrator of REA. I believe he did this in good faith, however, I feel that Secretary Wickard should not be confirmed for this position as it appears that harmony would not exist under his administration.

I and others feel that the President should appoint someone as Administrator of REA that has not been involved in this controversy that has existed within and without REA for a period of time.

With kindest regards and best wishes to you, I am,

Sincerely yours,
A. E. BROWN,
Chairman, Louisiana Primitive Baptist Association.

P. S.—I feel sure you remember me, as the Texas boy minister back in 1911, Lamar and Fannin Counties, and chairman of Red River Association, 1914 to 1915, and always your supporter.

HOMER, LA., *June 6, 1945.*

Hon. SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN RAYBURN: I am a member of a rural electric cooperative and realize the great benefits that the rural people receive from REA electricity. I am interested in the further advancement of these REA lines into the rural areas that will eventually serve all of the people.

I am aware that for some time there has been considerable dissension within and without REA and the evidence that has been submitted to the Senate investigating committee investigating REA clearly indicates that Secretary Wickard of the Agriculture Department bypassed the Administrator of REA, and it is quite evident that he is responsible for a large portion of this dissension.

Our President has appointed him as Administrator of REA. I believe he did this in good faith; however, I feel that Secretary Wickard should not be confirmed for this position as it appears that harmony would not exist under his administration.

I and others feel that the President should appoint someone as Administrator of REA that has not been involved in this controversy that has existed within and without REA for a period of time.

With kindest regards and best wishes to you, I am,

Sincerely yours,
A. E. BROWN,
Chairman, Louisiana Primitive Baptist Association.

P. S.—You, I am sure, remember me, from 1911 as the Texas boy minister from Lamar County. I married a Honey Grove girl, daughter of M. J. McDow, was chairman of Red River Association from 1914 to 1915. Many thanks for any consideration.

CLAIBORNE ELECTRIC COOPERATIVE, INC.,
Homer, La., June 6, 1945.

Hon. JOHN H. OVERTON,
United States Senator,
Washington, D. C.

DEAR SENATOR OVERTON: In view of the considerable dissension that exists within the cooperatives by the appointment of Secretary Claude R. Wickard as Administrator of REA, the president of this cooperative called a special meeting of the board of directors, to discuss the question and it was unanimously decided that in view of the dissension that exists within and without REA, that the Honorable Claude Wickard should not be confirmed as Administrator for REA. The board realizes that harmony has not existed since REA was established under the Department of Agriculture and they feel that Mr. Wickard himself is greatly responsible for this, inasmuch as the Senate Investigating Committee of REA secured testimony that the Administrator of REA was bypassed by Mr. Wickard in carrying out policy.

Our cooperative feels that the President should appoint someone for Administrator of

REA that has not been involved in all of the controversy that has been going on for some time and still exists within and without REA. Our board of directors feels that if REA could have an Administrator of the John M. Carmody type within a few days harmony would again exist.

I can assure you that our cooperative will appreciate anything that you may be in a position to do that will contribute to the improvement of relations with all of those that are concerned.

With kindest regards and best wishes, I am,

Sincerely yours,

THOS. E. STEVENSON,
System Manager.

CLAIBORNE ELECTRIC COOPERATIVE, INC.,
Homer, La., June 2, 1945.

Hon. HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.

DEAR SENATOR SHIPSTEAD: We have been informed that hearings on the appointment of the Honorable Claude Wickard before a Senate committee will begin on June 11, 1945.

The president of our board of directors has called a special meeting of our board for June 5 to consider the action, if any, our cooperative will take in this matter. The president informed me that any action taken regardless, he desired that it be legal and democratic. At the same time he informed me that I had better make reservations to go to Washington for this hearing. However, it is possible for the board not to favor this suggestion that he made.

We are now in a heavy construction period on our project, and it seems to me that I have been absent for one thing or another, which always keeps me back with my work. Talking with Ansil Moore over the telephone today, he suggested that under the circumstances you may be able to get me a priority by plane from Shreveport to Washington. If this is possible, the best routing appears over the Chicago Southern to Memphis, Tenn., transferring at Memphis, Tenn., to the American Airlines to Washington. I would desire to leave Saturday morning, inasmuch as I understand there will be some discussion of the subject with various other cooperatives on Sunday, as they are making provisions to arrive on that day. If it is possible for you to secure me a priority by plane return trip from Shreveport, La., I will appreciate your doing so and advising me Western Union collect.

The president of our board has wired both of our Senators requesting that Mr. Wickard not be confirmed as Administrator of REA in view of the confusion that now exists within and without REA.

With kindest personal regards, I am,

Sincerely yours,

THOS. E. STEVENSON,
System Manager.

JUNE 9, 1945.

Hon. ELMER THOMAS,
United States Senator,
Washington, D. C.:

The REA as conceived and administered in its early years was generally favored by everyone, Republicans and Democrats alike. Since coming under Wickard's hand in the Department of Agriculture its reputation has suffered tremendously and public opinion is skeptical.

REA needs a fresh start with an administrator of unquestioned ability and purpose.

The appointment of Claude Wickard will keep alive the strife and turmoil in and about REA and severely handicap a once fine organization.

CLOVERLAND ELECTRIC COOPERATIVE,
ED. DOLL, *President.*

ALVARADO, MINN., *June 9, 1945.*

Senator HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.

DEAR SENATOR SHIPSTEAD: As president of the PKM Electric Cooperative and the Minnkota Power Cooperative, I am authorized by resolutions unanimously adopted to protest the nomination of Mr Claude R Wickard to serve as Administrator of the Rural Electrification Administration

Briefly, our reasons for opposing this nomination are as follows:

1. In our opinion Mr. Claude R. Wickard is unqualified to hold this important job. The fact that he was not considered good enough to be retained as Secretary of Agriculture, head of the War Food Administration, the Commodity Credit Corporation and other Government agencies is indicative of the opinions widely held concerning his administrative ability. Nowhere in his biography as it appears on page 377 of the Congressional Directory is there listed accomplishments including his political achievements that would indicate he is in possession of the qualifications which should allow him to be trusted with this highly important administrative post.

2. His nomination constitutes a political appointment contrary to section 9 of the Rural Electrification Act. The success of the act is highly dependent upon strict adherence to this section of the law and the Senate should seize this opportunity to tell the Nation that politics have no place in this fine farm agency which has had the practically united support of both major parties since its original enactment into law.

3. The nomination of Mr. Claude R. Wickard to serve as Administrator of REA is merely an attempt to use the Rural Electrification Administration as a political burying ground for a faithful contributing party worker to whom a moral obligation is owed but who has otherwise indicated he is a liability. Such a move constitutes an insult to the intelligence of farm men and women everywhere who want to see this agency run as a clean show above board and one beyond the realm of party politics.

4. The Rural Electrification Administration has paid heavily for its "shotgun wedding" with the Department of Agriculture that was carried out without too much forethought on the part of its parents.

It lost one of the best administrators it could ever hope to have when it lost Mr. John M. Carmody who quit the minute it went into the Department of Agriculture simply because he refused to become a politician.

It lost a man with more than 30 years of hitherto unquestioned public service when Harry Slattery resigned because he could no longer tolerate the politics his superior officer, Mr. Claude R. Wickard, approved of and was responsible for.

It lost a competent engineer who had worked in REA for more than 7 years when Ward Freeman took the opportunity to get out because things were getting so bad he could not see fit to continue further as a part of this political machine that was in the making.

How many more quit outright, how many more had their jobs abolished, how many more were relegated to jobs of minor importance, and how many more quit to join the Navy in the hopes that this mess would be all cleaned up when they come back, I have no way of knowing. I do know, however, that REA no longer functions as it used to and noticeably so which is not hard to understand when you fit your own pieces of evidence available to the evidence contained in the 2,000 pages of testimony and sworn facts collected by the subcommittee which made a partial investigation concerning the administration of REA while under the Department of Agriculture.

5. The men that man more than 600 of the 813 REA-financed co-ops all agree that REA has not been as it should or as they want it under Mr. Claude R. Wickard and the Department of Agriculture. They say this regardless of their political party affiliations simply because they recognize things are not right and because they feel politics have no place in this important farm agency which serves one and all alike, or is supposed to. They say things are not as they should be because of their results obtained from dealing with REA after it went into the Department of Agriculture indicate that the agency is no longer run on a business basis as a business institution should be.

Co-op board members and co-op managers are just plain sick and disguested and it is their desire as it is the desire of the whole Nation to see REA set up as an independent agency under the guidance of a powerful and capable manager who will see to it that REA is run as it should be.

Surely you and the members of your committee will agree that the voices of the people in the field who actually direct and run this great program must be granted an audience in the decision of a matter so vitally important to the work which they are charged with doing.

6. Under the present set-up in REA, it is considered doubtful if the large-scale construction program necessary to electrify rural America could be undertaken and carried through to a successful conclusion with things as they are. Things are so balled up and employees of REA are so confused that no one dares to stick out his neck far enough to make anything that resembles a commitment. It is getting to be common knowledge that the only sure way of getting an answer on anything is for the manager and his board to make a trip to St. Louis. Telegrams and letters have ceased to be of avail as any co-op manager will tell you. In my opinion, that would only continue to exist if the appointment of Mr. Claude R. Wickard is confirmed since it is a known fact he has been the Administrator of REA in fact for quite some time due to his usurping of powers and functions legally assigned to another man.

7. In my own cooperative, the P. K. M. Electric Coop, I have evidence that indicates our project was delayed and portions of it never built simply because funds intended for its construction were transferred to another State to help some politician who was in need of votes. At least I was told by a responsible regional head he understood we got a dirty deal and was, therefore, anxious to rectify the mistake by helping us all he could. Such kind of practices have no place in REA and had it been an independent agency under the guidance of a powerful and capable man free from the influence of votes, I am sure it would never have happened.

8. In another instance we were further delayed because we were told it was against the policy of the Secretary of Agriculture to install poles where conductor was not available. This policy was declared and held to despite the fact our line was staked, we had the poles, the contractor and the engineer were willing to proceed and recommended that we do so. Ironically, it later developed that had these poles been installed as only common sense would dictate they be, we could have received authorization from WPB to complete this line. Instead, the cooperative has been forced to carry over $80,000 in inventory from that day until this and the 300 or 400 farmers affected still milk by hand. This isn't as a result from any ruling on the part of the War Production Board. It comes directly from the Secretary of Agriculture's office, according to REA field personnel who said they had tried to get

this ruling changed but could not simply because Claude R. Wickard could not be budged. That is the kind of results you get when you put some politician in charge of an important job instead of a hard-hitting, practical-headed businessman.

9. The generating cooperative of which I am also president has had about equal experience in dealing with the present administration, now under the control of Mr. Wickard's policies.

In December 1943 REA was notified of the need for additional generating capacity. In March 1944 the cooperative and the engine company signed a contract and subsequently filed a priority application. In August 1944 the priority was granted. In January 1945 REA finally approved the engine contract, and on March 12, 1945, we were notified the allotment had been made. As I write this on June 9, REA legal red tape has not cleared sufficiently to enable us to request an advance on these funds, and as a result incoming orders cannot be paid. Worse than this is the fact that REA's failure to expedite this in anything even resembling a business fashion has caused the co-op to write an endless amount of letters, make numerous trips to St. Louis and elsewhere, only to find out now that delivery of the engine will not be made in time for us to meet our impending fall loads. What has all this got to do with Mr. Wickard's nomination for the post of REA Administrator? Well, I can assure you such a thing would never happen if Mr. Wickard had not permitted his ambitious-minded political pupils to regionalize REA and place the important generating-plant section in the hands of men who are line engineers with no concept of what a power plant consists of. However, it is in line with the policies of Mr. Wickard and a part of his scheme to get the organization into the hands of the men who were willing to cooperate with him in building the agency into a tight-fitting political bulwark.

There is other evidence and plenty of it that REA is not functioning as it should; 2,000 pages of it and material for thousands more if Congress would make the money available to really investigate REA since it has been under Mr. Claude Wickard.

Evidence which indicates impending disaster for this fine farm agency if Congress and the President fail to recognize their responsibilities and insist on REA being run as a clean show with a nonpartisan administration. If they will do so, REA can be expected to do a good job and thousands of American farm homes will be assured of electricity at the earliest date possible. If they don't, then thousands of farm folks will be delayed on receiving the benefit of electricity, thousands of others will never get it and REA will be relegated to the position of that of "just another Government agency."

In conclusion, may I explain my position. Personally, I have nothing at stake in this matter. I have REA electricity on my farm which I am sure they won't take away from me and money enough of my own to buy my own plant in case they do.

I do, however, have 3,000 farm neighbors in my home territory and 35,000 more in the area served by the Minnkota who do not have it and no other way than REA to get it. As long as I am continued as president of these two cooperatives I intend to fight and work for those people in a manner which I believe will insure them getting this service as quickly and as cheaply as possible. However, from what I have read and seen of REA since it has been in the Department of Agriculture under the direction of Mr. Claude R. Wickard, I cannot do other than ask for the decisive rejection of his nomination and I so ask you to work toward that end at this time.

Yours very truly,

VICTOR M. EDMAN.

ZUMBROTA, MINN., *June 13, 1945.*

Hon. HENRIK SHIPSTEAD,
United States Senate:

Subcommittee investigation revealed Wickard attempt to use REA in party politics contrary to intent of act and our cooperative opposes his confirmation as Administrator. We want Administrator who is appointed on basis of ability, not some incompetent who must be taken care of politically.

GOODHUE COUNTY COOPERATIVE
ELECTRIC ASSOCIATION.

MINNESOTA FARMERS UNION,
Badger, Minn., June 12, 1945.

Senator SHIPSTEAD,
Washington, D. C.

DEAR SENATOR: At a meeting of delegates of the Farmers Union, representing 800 members (men and wives), a resolution was unanimously adopted going on record as opposed to the appointment of Claude R. Wickard as Administrator of REA, and you are so advised.

JALMAR WELLEN, *Chairman.*

WISNER, NEBR., *June 15, 1945.*

Hon. HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.

DEAR SENATOR SHIPSTEAD: At the quarterly meeting of the Farmers Union of Cuming County, of which there are about 1,000 members, the following resolution was unanimously adopted:

"Resolved, That we, the members of the Farmers Union of Cuming County, go on record as being definitely opposed to the appointment of Claude R. Wickard as the REA Administrator."

Very truly yours,

HAROLD H. DINKLAGE,
Secretary, Cuming County Farmers Union.

DOUGLAS COUNTY COOPERATIVE
LIGHT AND POWER ASSOCIATION,
Alexandria, Minn., June 11, 1945.

Senator HENRIK SHIPSTEAD,
Washington, D. C.

DEAR SENATOR SHIPSTEAD: In confirmation of telegram sent you this morning we are setting forth below the resolution adopted at the special meeting of the board of directors of the Douglas County Cooperative Light and Power Association held in Alexandria, Minn., on June 9, 1945:

"Resolved, That the board of directors of the Douglas County Cooperative Light and Power Association assembled in special session on the 9th day of June 1945 do oppose the appointment of Claude Wickard as Administrator of the REA. If Mr. Wickard was sincere when he gave the testimony on the Lucas bill (S. 89) as reported on page 31 of the stenographer's typewritten transcript of the hearing, and the board believes that he was sincere when he made that statement and do hereby very emphatically oppose his selection as REA Administrator and believe that he should by all means be relieved of the responsibility of being Administrator of the REA; and be it further

"Resolved, That the secretary be directed to send a copy of the resolution to the Senate Agriculture Committee and the Committee for the Independence of the REA."

Very truly yours,

CLIFFORD R. HOVE,
Manager.

ALEXANDRIA, MINN., *June 11, 1945.*

Hon. HENRIK SHIPSTEAD,
Washington, D. C.:

Resolved, That the board of directors of the Douglas County Cooperative Light and Power Association assembled in special session on the 9th day of June 1945 do oppose the appointment of Claude Wickard as Administrator of the REA. If Mr. Wickard was sincere when he gave the testimony on the Lucas bill (S. 89) as reported on page 31 of the stenographer's typewritten transcript of the hearing, and the board believes that he was sincere when he made that statement and do hereby very emphatically oppose his selection as REA Administrator and believe that he should by all means be relieved of the responsibility of being Administrator of the REA.

DOUGLAS COUNTY COOPERATIVE
LIGHT AND POWER ASSOCIATION.

GLENCOE, MINN., *June 8, 1945.*

Senator HENRIK SHIPSTEAD,
Senate Chamber, Washington, D. C.:

We do not believe the best interests of REA will be served with the appointment of Claude Wickard as Administrator. Your support solicited.

HERMAN GRAUPMAANN,
President, McLeod Cooperative Power Association.

HALSTAD, MINN., *June 8, 1945.*

Hon. HENRIK SHIPSTEAD,
Care Senate Office Building:

The board of the Red River Valley Cooperative Power Association wishes to impress on you and the rest of the Committee on Agriculture, that they are strongly opposed to the appointment of Claude A. Wickard as REA Administrator. We are convinced that the best interests of REA cannot be served by this man.

GEO. AAMODT, *Secretary.*

WORTHINGTON, MINN., *June 7, 1945.*

HENRIK SHIPSTEAD,
Washington, D. C.:

Do not favor Wickard for REA Administrator.

NOBLES COOPERATIVE ELECTRIC,
CHAS. A. BARNES.

CENTRAL MINNESOTA COOPERATIVE
POWER ASSOCIATION OF REDWOOD COUNT,
Clements, Minn., June 5, 1945.

Hon. HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.

DEAR MR. SHIPSTEAD: This is a copy of a telegram sent to Hon. ELMER THOMAS, Senate Office Building, Washington, D. C.:

"Mr. Wickard has never been a supporter of REA, so we would not like to have him appointed Administrator."

L. B. FREDERICKSON,
President.
C. H. SONNENBERG,
Manager.

BLUE EARTH-NICOLLET
COOPERATIVE ELECTRIC ASSOCIATION,
Mankato, Minn., June 5, 1945.

The Honorable HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

DEAR SIR: I am informed that the Senate Committee on Agriculture will have a committee meeting on Monday, June 11, at 10 a. m., for the purpose of considering Mr. Wickard as Administrator of the Rural Electrification Administration.

We, as a board of directors for the Blue Earth-Nicollet Cooperative Electric Association, representing a cooperative have a thousand miles of electric distribution line serving 2,200 consumers, do not believe that Mr. Wickard is the proper man for Administrator.

After having read the hearings of the investigation committee, it seems quite evident that Mr. Wickard was not particularly concerned about the welfare of the Rural Electrification Administration while he was Secretary of Agriculture. I also note that in Mr. Wickard's testimony on the Lucas bill (S. 89),

as reported on page 31 of the stenographer's typewritten script of the hearing, that he seems very much in favor of having the private utilities take over the task that the Rural Electrification cooperatives have done so well and that the utilities had failed to do.

I hope that you might find it convenient to convey our opinions to the committee at the hearing.

Cooperatively yours,

L. P. KRAUS,
President.
C. L. PALMERSTON,
Manager.

RED LAKE FALLS, MINN., *June 9, 1945.*

Hon. HENRIK SHIPSTEAD,
United States Senator,
Washington, D. C.:

Board of directors feel Wickard's appointment definite threat to welfare of REA. Urge you to expend every effort to defeat his confirmation.

CARL SWANSON,
President, Red Lake Electric Cooperative.

ALEXANDRIA, MINN., *May 28, 1945.*

Hon. HENRIK SHIPSTEAD,
Agriculture and Forestry Committee:

Request you oppose Wickard as Administrator REA. Appreciate your vote to make REA independent. Let's keep it that way.

C. R. HOVE,
Minnesota Representative, Independent REA.

ROCHESTER, MINN., *June 5, 1945.*

HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

More than 2,200 members of the Peoples Cooperative Power Association, serving southeastern Minnesota, desire to record their objection to the appointment of Mr. Wickard as Administrator of REA, as his record in the past is anything but good for the future of the REA movement.

H. C. BLUMENTRITT,
President, Peoples Cooperative Power Association.

CARLTON COUNTY COOPERATIVE
POWER ASSOCIATION,
Kettle River, Minn., June 5, 1945.

Hon. HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

DEAR SIR: The following is a copy of a telegram sent to President Harry Truman, Senator Harold Knutsen, Congressman Dr. Walter Judd, Congressman William Pittenger, and to Senator Elmer Thomas.

"The Carlton County Cooperative Power Association is opposed to the appointment of Secretary Wickard as REA Administrator."

Yours very respectfully,

A. A. GOODWIN,
Manager.

MONTEVIDEO, MINN., *June 1, 1945.*

Hon. HENRIK SHIPSTEAD,
United States Senate.

DEAR MR. SHIPSTEAD: The great work you have been doing in behalf of REA which was so much needed at this time, in fact it has been necessary ever since the association was thrown into the hands of Agriculture, making it a political football. The way it looks to me and hundreds of others that practically ever since the grand old Administrator, John M. Carmody, left his post with us. And more especially since Mr. Wickard took over the job, in fact in my estimation if he were allowed to continue it would ruin all we have did up to now as you well know. I have been at the job ever since the REA came into being and can speak from experience, ever since we lost Mr. Carmody there has been uncertainty and unrest as to where we were going to end up at. When they started to get rid of Mr. Slattery things began slipping badly and has gradually gotten worse until now it must be put on its own as we started and really went along fine, thanks to Mr. Carmody.

In fact I am not sure that there is any place in the Government set-up for Mr. Wickard he is too closely allied with public utilities for to work with farm set-up, especially the REA. It must be a separate set-up if expected to go ahead as should and can if separated from any other association at once. And there must be some more house cleaning in REA. There are too many in it for selfish interests that as you know will ruin any thing, even a church.

Now friend SHIPSTEAD, I want to thank you for your attitude and good work in behalf of the REA, the best thing ever did for the farmers. Just keep on going. These are my own views of the situation, not speaking for the association.

Yours truly,

C. A. WINSLOW,
President, Minnesota Valley Cooperative Light & Power Association.

CENTRAL MINNESOTA
COOPERATIVE POWER ASSOCIATION
OF REDWOOD COUNTY,
Springfield, Minn., May 31, 1945.

Hon. HENRIK SHIPSTEAD,
United States Senator,
Washington, D. C.

DEAR SENATOR SHIPSTEAD: Yesterday afternoon I received a telegram from Mr. Earl Murley, vice president of National Association for Independence REA, asking that I notify him as to whether I can go to Washington and testify as a witness before the United States committee on the Wickard appointment.

I regret to inform you that because of the accumulated work while I was serving in the Minnesota State Senate, I have been very busy and will not be able to go to Washington for that purpose no matter how much I believe in the justice of the cause and no matter how much I believe that Mr. Wickard is an unfit person to be in charge of the REA.

I called our president on the telephone this morning and asked him concerning this proposed trip and he does feel while this is a worthy cause and should be supported in every respect, nevertheless, he is fearful if the local cooperative sticks out its neck, that we will be punished later on if the proposed move does not succeed. It is a pitiful thing to make such a statement but such things have been done in the past and no one can tell what the future may be until we get good trusted men into this office.

If there is anything else I can do to help this cause along, I shall be happy and glad to do it.

Sincerely yours,

ALEXANDER SEIFERT,
Attorney for Association.

BLACK RIVER ELECTRIC COOPERATIVE,
Ironton, Mo., June 5, 1945.

Hon. HENRIK SHIPSTEAD,
United States Senator,
Washington, D. C.

DEAR SENATOR SHIPSTEAD: In reply to your letter of May 15, 1945. We wish to thank you for the good work that you have done in getting the approval of the Shipstead-Wheeler-Aiken amendment to the Lucas bill to make REA an independent agency.

We feel that our President is not on the right track in appointing Mr. Claude R. Wickard as Administrator of REA, and all of the presidents of the local cooperatives in Missouri that we have talked to, feel the same way about this appointment.

We would like to ask that you protest the appointment of Mr. Wickard as Administrator, due to the past records that he has made as Secretary of Agriculture.

Thanking you for the good work that you have done toward REA and assuring you of our cooperation, we are

Yours very truly,

E. W. FRITZ, *President.*

CANTON, MO., *June 7, 1945.*

Senator SHIPSTEAD,
Senate Chamber.

DEAR SENATOR: It is the opinion of my board of directors and our membership that the REA should be an independent agency free of politicis and we believe this can only be accomplished if headed with leadership who would work to that end.

B. L. ANDERSON,
President, Board No. 23, Lewis County.

TRENTON, MO., *June 5, 1945.*

Senator SHIPSTEAD,
Senate Office, Washington, D. C.:

We are a cooperative of 1,500 active members and an additional sign-up of 1,000 members all wanting electric service and feel that for the good of REA that it must be an independent agency with an administrator with cooperative ideas and business ability and do not feel that Mr. Wickard is the man for this position.

GRUNDY ELECTRIC COOPERATIVE, INC.

MARYVILLE, MO., *June 6, 1945.*

Hon. HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

In view of the fact that Mr. Wickard has never taken interest in REA and that he expressed his desire for the utilities to build rural lines instead of REA and for the general welfare of REA we request your protest to the appointment of Mr. Wickard as administrator of REA.

NODAWAY WORTH ELECTRIC COOPERATIVE.

CHILLICOTHE, MO., *June 6, 1945.*

Hon. HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.:

We hereby wish to protest confirmation of Claude Wickard as administrator of REA. His maladministration of REA since 1939 and political manipulations as revealed by the recent Senate investigation of REA and his recently stated "if the private utilities will do the job of electrifying rural America lets fold up right now" make him thoroughly objectionable. Withdrawal of REA would permit utilities to resume old practices of high rates and minimums. Our Cooperative now serves approximately 1,500 consumers construction is under way to 820 additional members and 3,100 applications are on file for postwar construction. Your support in behalf of this protest is earnestly solicited.

J. S. HOPPER,
President, Farmers Electric Cooperative.

BOURBON, MO., *May 31, 1945.*

Senator HENRIK SHIPSTEAD:

The board of directors of Crawford Electric Cooperative, Bourbon, Mo., oppose the confirmation of Claude Wickard as Rural Electrification Administrator. We ask your assistance when the matter comes before the Senate.

A. M. PRITCHETT,
President.

IRONTON, MO., *May 28, 1945.*

HENRIK SHIPSTEAD,
United States Senator:

We would like to ask that you protest the appointment of Claude R. Wickard for Administrator of REA.

BLACK RIVER ELECTRIC COOPERATIVE,
E. W. FITZ, *President.*

RAVALLI COUNTY ELECTRIC COOPERATIVE, INC.,
Corvallis, Mont., June 13, 1945.
Hon. HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.

DEAR SENATOR SHIPSTEAD: The following telegram was sent to chairman, Hon. ELMER THOMAS, expressing our honest belief regarding the appointment of Claude R. Wickard as REA Administrator. His appointment, we feel, will destroy the benefits we hoped to gain by having REA restored as an independent agency.

"We favor restoration of REA as an independent agency to keep REA out of politics. Wickard's policies indicate otherwise. We sternly oppose Wickard's appointment as REA Administrator."

We hope you can understand our point of view and will act accordingly.

Thanking you kindly.

THOMAS J. MICKA, *Manager.*

GLASGOW, MONT., *June 8, 1945.*
Senator HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

MY DEAR FRIEND SENATOR SHIPSTEAD: First, I sincerely extend my personal congratulations to you for the excellent services you are rendering to rural America in your loyal efforts to save the REA.

It would have been a personal favor to meet with you again in your office about the REA as we did 2 years ago. In such a meeting we could cover matters which cannot be adequately covered in this letter. Further, you will please notice that in my association with this group of REA projects that I am both on a confidential status and subject to persecution if I reveal publicly the delay, confusion, and bureaucratic control caused by various rules and overrules of regulations.

But irrespective of the circumstances, I trust that this brief letter may contribute toward assisting you in your good work. I respectfully submit to wit:

1. That the progress of many prospective projects have been retarded and killed because of dictatorial interferences by the representatives of the Department of Agriculture.

2. That the public in many areas have made surveys at considerable expense with expectations that lines would eventually be constructed but resulted in loss of both time, money, and hope.

3. That the impractical surveys have been so misleading that progress has been retarded and the rural areas have been denied electricity.

4. That Department of Agriculture representatives have ordered legally elected trustees of REA projects ousted without respect to law and order.

5. That legally established REA project trustees and officers have, virtually under threats or duress and intimidation, been impelled to fall in line with the arbitrary policies of the Department of Agriculture and even then failed to get results.

6. That REA project trustees are evidently expected to be rubber stamps for the Department of Agriculture.

7. That the wishes of the prospective REA consumers are being denied by the veto power of the Department of Agriculture.

8. That the REA under Agriculture and Mr. Wickard threaten to deny electricity to areas where the people want American home rule in selecting centrally located home office.

9. That REA projects professional personnel are in cases under pressure threatened with dismissal by the Department of Agriculture's REA dictatorial policies.

10. That allocations will be denied to projects is cunningly used as a whip to bring REA project offices to obedience of bureaucratic dictatorship irrespective of the wishes of the people to be served with electricity.

11. That the Agricultural Department's supervision over REA under Mr. Wickard was a mismanagement and incompetency and a disgraceful waste of public funds.

12. That local REA projects better understand their own local conditions and would do better without the costly bureaucratic interference.

13. That the bureaucratic interference with local projects has caused dissension and disrupted the public peace and delayed progress of prospective REA lines.

14. Public sentiment recognizes that indications are that REA under Mr. Wickard's Department of Agriculture supervision was to surrender REA to the private power interests.

15. That confidence in the present agricultural REA is at such a low ebb that many people feel that the supervision of the REA is under the control of the power interests.

The above facts I can assure you are the sentiments of the bona fide REA prospective project consumers and most of the consumers. These free-born American people only want fair play and a right to enjoy their God-given right to freedom. Out here we breathe the air of liberty. These rights must not be denied. Therefore we earnestly appreciate your honest support on behalf of rural America. Our appeal is "let there be more light in all rural America by an REA free from the colored shadow of the Department of Agriculture and Mr. Wickard."

Fraternally,

OSCAR NESVIG.

NORTHERN ELECTRIC COOPERATIVE INC.,
Opheim, Mont., June 7, 1945.
Senator ELMER THOMAS,
Chairman, Senate Committee on Agriculture, Senate Office Building, Washington, D. C.:

At our meeting June 6, 1945, of the Incorporator members of our REA project, we respectfully went on record favoring the Lucas-Shipstead-Aiken-Wheeler bill separating the REA from the Department of Agriculture and consistently therewith we likewise emphatically protest the confirmation of Mr. Wickard as Administrator.

MRS. JOHN ROGENES,
Secretary-Treasurer.

WOLF POINT, MONT., *June 8, 1945.*
Senator SHIPSTEAD,
Senate Office Building,
Washington, D. C.

DEAR SIR: Please note below a copy of a telegram sent to Hon. ELMER THOMAS by the board of directors of the Union Service Association Cooperative store of Wolf Point, Mont.

Sincerely,

MRS. ALICE THOMAS, *Secretary.*

"Hon. ELMER THOMAS,
"Senate Office Building,
"Washington, D. C.:

"Oppose confirmation of Wickard appointment on account of his views on progress of REA already developed and in process of development."

SCOBEY, MONT., *June 8, 1945.*
Senator SHIPSTEAD,
United States Senate,
Washington, D. C.:

We emphatically protest the confirmation of Wickard as Administrator of REA. For reason of antagonism toward REA.

SCOBEY FEDERAL CREDIT UNION,
RUBEN BROWN,
Acting Secretary.

CHOTEAU, MONT., *June 9, 1945.*
Senator HENRIK SHIPSTEAD,
Washington, D. C.:

Resolved, That we are unalterably opposed to the appointment of Claude Wickard as REA Administrator. We do not believe he has the broad knowledge nor the required sympathy for the REA program to properly administer post of this magnitude. I commend you for your splendid interest in REA.

BOARD OF DIRECTORS SUN RIVER ELECTRIC COOPERATIVE, INC.

MCCONE COUNTY ELECTRIC CO-OP. INC.,
Circle, Mont., June 6, 1945.
Senator ELMER THOMAS,
Chairman Senate Committee on Agriculture, Senate Office Building,
Washington, D. C.:

We are anxiously desirous to see our 3-year-old well organized REA completed. Our project can avail itself of current from the Federal Fort Peck Dam at Glasgow, Mont. In our earnest appeal for early construction of REA lines in our area. We feel that construction will come sooner if REA is an independent agency and in that connection we believe Mr. Wickard should not be the Administrator.

E. R. MERRIMAN,
Secretary-Treasurer, Vida, Mont.

JUNE 5, 1945.
Hon. ELMER THOMAS,
Senate Office Building,
Washington, D. C.:

Information requested by National Independence Committee for REA regarding power company spite lines built to stop REA construction are as follows: While red tape and staying within WPB regulations held us up, Montana Power has built five lines across areas we have memberships for under what is known as our B allotment. Two of these in the last 90 days and three more staked with construction started. Spite lines about 2 miles apart serve only immediate customers; others left without service, because Montana Power's added charge for construction of extensions over 1,000 feet are prohibitive to farmers. We are opposed to confirmation of anyone as Administrator who is opposed to area coverage by the REA.

CHAS. E. JEWETT,
Manager, Park Electric Cooperative, Inc.

HUNTLEY, MONT., *May 24, 1945.*
Senator HENRIK SHIPSTEAD,
United States Senate,
Washington, D. C.:

Vigorously opposed to appointment of Wickard as REA Administrator.

YELLOWSTONE VALLEY ELECTRIC COOPERATIVE, INC.,
LOUIS HEIDEMA, *President.*

PARK ELECTRIC COOPERATIVE, INC.,
Livingston, Mont., June 5, 1945.
Hon. Senator SHIPSTEAD,
Senate Building, Washington, D. C.

DEAR SENATOR: Enclosed please find a copy of telegram sent Hon. ELMER THOMAS at Washington, D. C., regarding opposition to confirmation of Administrator.

Very truly yours,

CHAS. E. JEWETT,
Manager.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Claude R. Wickard to be Administrator of the Rural Electrification Administration?

Mr. ELLENDER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Briggs	Capehart
Bailey	Brooks	Chandler
Ball	Burton	Chavez
Barkley	Bushfield	Donnell
Bilbo	Butler	Downey
Brewster	Byrd	Eastland

Ellender	La Follette	Overton
Fulbright	Langer	Pepper
George	Lucas	Saltonstall
Gerry	McCarran	Shipstead
Green	McClellan	Smith
Guffey	McFarland	Taft
Gurney	McKellar	Taylor
Hatch	McMahon	Thomas, Okla.
Hawkes	Mead	Thomas, Utah
Hayden	Millikin	Tunnell
Hill	Mitchell	Wagner
Hoey	Morse	Walsh
Johnson, Colo.	Murdock	Wherry
Johnston, S. C.	O'Daniel	White
Kilgore	O'Mahoney	Young

The PRESIDING OFFICER. Sixty-three Senators having answered to their names, a quorum is present.

Mr. THOMAS of Oklahoma. Mr. President, I will occupy but a few moments to make reply to the argument made by the Senator from Minnesota against the confirmation of Claude R. Wickard to be Director of Rural Electrification Administration.

The nomination was sent to the Senate, and by the Senate referred to the Committee on Agriculture and Forestry for consideration and report. As soon as the nomination reached the committee a meeting was held, at which time a request was made for hearings. The committee was agreeable to granting the request, and inasmuch as the persons who asked for the hearings lived in western States—I think one in Indiana and one in Missouri—the committee decided to set a date for the hearings about a week later, and the hearings were begun, according to the agreement, on the 11th day of June.

Mr. President, a great many telegrams came to the committee, and a number of letters also came to the committee, as well as to its various members. Some protested the appointment of Mr. Wickard, and others were favorable to confirmation of his nomination.

After listening to the testimony and reading the telegrams and the letters, it was my conviction that the opposition to this nomination is very largely, if not wholly, inspired. I am not prepared to place my finger upon the influence or the group or the individual that inspired this opposition, but I desire to call the attention of the Senate to a letter which was sent out quite generally. On page 62 of the hearings there is recorded a copy of a letter which was sent out from Indiana. May 25, 1945, is the date. It is headed "Daviess-Martin County REMC."

I read:

"If private utilities will do the job of electrifying rural America, let's fold up right now. That is what I would like to say. Let's help them in every way we can to do it." Claude R. Wickard's statement before Agricultural and Forestry Committee, April 2, 1945.

If you believe Wickard is not the man for Administrator, have each of your board members wire your Senators, opposing his confirmation. Indicate numbers of members in such message. Multiply by four size of each family. Reasons: Bad political administration of REA. REA Act prohibits politics. Wickard released as Secretary because he was poor administrator. Want REA free from Wickard because he is believed to be private utility man. State your own reason. Send copy of telegram to Senator HENRIK SHIPSTEAD. Urgent. Confirmation may come up Monday.

It is signed:

COMMITTEE FOR INDEPENDENT REA,
EARL MURLEY, *Vice President.*

Mr. President, I do not know who inspired that letter, but the letter was sent out to a great number of cooperatives throughout the country by Earl Murley. That is not the only letter that was sent out requesting REA cooperatives and members to protest the confirmation of Wickard.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. SHIPSTEAD. I believe Mr. Murley testified that letter was sent to the REA cooperatives in Indiana only.

Mr. THOMAS of Oklahoma. Yes; and when we asked him about the other notices which went out he said that some of the other people were smarter than he was. He said, in effect, that he was so ignorant of these matters that he used the mails. He said the others were smarter; they used the telephone.

Mr. SHIPSTEAD. Mr. President, will the Senator again yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. SHIPSTEAD. Will the Senator give me the date of that letter?

Mr. THOMAS of Oklahoma. The first letter was dated May 25. The second letter is found on page 77 of the record. It is headed:

VINCENNES, IND., *June 3, 1945.*

To all Indiana REA Cooperatives:

On May 25 and 26, we sent each Indiana REA cooperative the following telegram:

"'If private utilities will do the job of electrifying rural America, let's fold up right now. That is what I would like to see. Let's help them in every way we can to do it.' Claude R. Wickard's statement before Agricultural and Forestry Committee, April 2, 1945. If you believe Wickard is not the man for Administrator have each of your board members wire your Senators opposing his confirmation. Indicate number of members in each message. Multiply by four size of each family. Reasons: bad political administration of REA; REA Act prohibits politics; Wickard released as Secretary because he was poor administrator; want REA free from Wickard because he is believed to be public-utility man. State your own reasons. Send copy of telegrams to Senator SHIPSTEAD. Urgent. Confirmation may come up Monday."

Some of these messages were sent from Bicknell, Ind., over the signature of Earl Murley. Others were sent from Vincennes, Ind., over the signature of Ernest B. Miller.

That is from the record showing that the cooperatives throughout the country were contacted and urged to send telegrams to the Senator from Minnesota [Mr. SHIPSTEAD], to their own Senators, and to members of the Committee on Agriculture and Forestry protesting against the confirmation of Mr. Wickard's nomination.

Mr. President, the two letters just read contain only garbled statements from Mr. Wickard's testimony. Later, when this was called to the attention of the writer, he wrote another letter and apologized.

I wish to place in the RECORD at this point a portion of the testimony of Claude Wickard before the Lucas subcommittee in connection with the hearings on the bill to divorce REA from the Department of Agriculture.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. LUCAS. Will the Senator explain briefly to the Senate Mr. Wickard's position? I think it is important, in view of the distorted position taken by the writer of the letter with respect to Claude Wickard's attitude concerning public utilities.

Mr. THOMAS of Oklahoma. The following is from the record before the Lucas subcommittee. Mr. Wickard appeared before the committee, and inquiry was made as to his attitude toward the REA, and toward private utility companies. The Senator from Illinois asked Mr. Wickard for a statement of his position. Mr. Wickard made the following statement:

Maybe I want to qualify my answer.

He had been giving some explanations, but this is his real explanation:

If it means that you are going to have the private utilities go down the main highways and only take out the densely populated areas and then leave the less densely populated areas and the areas which don't pay in quite so much money, then I think we ought to say to all the people in that territory, "Are you going to permit the private utilities to skim off the cream and let the rest of the territory go unserved because they can't be served economically?" If the private utilities will do the job of electrifying rural America, let them do it. That is what I would like to see. If they will go in and take the whole area and give everybody electricity in that area at a reasonable cost, let's help them in every way we can to do it, because that relieves us of the responsibility and it relieves us of advancing those funds.

That is the statement of Mr. Wickard's position with respect to private utilities.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. SHIPSTEAD. Will the Senator also read the testimony of Mr. Nicholson and one other person in REA, who discussed in a friendly way the loan of $400,000 to a private utility?

Mr. THOMAS of Oklahoma. When the REA was first created the money was so appropriated that the REA could lend to private utility companies, and some moneys were so loaned to private utility companies to make extensions to serve the rural areas. However, that situation lasted only a very short time, and as soon as the REA became an active, going concern loans to private utilities were stopped, and from that point on the cooperatives were organized and secured their funds directly from the fund provided by the Federal Government.

Mr. President, as I previously stated, in my opinion this opposition was largely inspired. When the hearings were held a number of persons came to Washington, some from great distances. The basis of the testimony given by the witnesses was that they were fearful that Mr. Wickard would play too much politics. They were fearful that he was not

imbued with the cooperative program, as he should be. They seemed to be fearful that he would turn the program back to the private utilities and would deprive areas not presently being served of the service which the law provides.

When a vote was taken in the committee after the testimony was concluded, the vote stood 11 for confirmation and 6 against confirmation. Three members were absent. However, I am advised that if they had been present their votes would have been favorable to confirmation. If the entire committee had been polled, or if all the members had been present and voting, the vote would have stood 14 for confirmation and only 6 against confirmation.

One further element was introduced into the hearings. One witness was very positive that because Mr. Wickard was the Secretary of Agriculture, and because the REA was a branch or department of his administration, he must be held for the acts performed by his subordinate, the Director of the REA.

Mr. President, if that principle should be followed, this would be the logical result: Mr. Slattery was the first Director of the REA to be subjected to criticism. Then Mr. Slattery resigned, and Mr. Neal was appointed as Acting Director. Mr. Neal is still Acting Director. If Mr. Wickard is to be held strictly to account for the acts of Mr. Neal and Mr. Slattery, if we are to hold him responsible for all things done and said by both Neal and Slattery, we must go a step further and hold the President of the United States responsible for Mr. Wickard. It is not enough to hold Mr. Wickard responsible for Slattery and Neal. That does not go far enough. The President of the United States is the direct representative of the major party at the time he serves. So we must hold the Democratic Party responsible for the acts of the President. The Democratic Party nominated the President, and the people elected him, so we must hold the majority of the people of the country directly responsible for the President, hold the President directly responsible for the acts of Mr. Wickard, and hold Mr. Wickard responsible for the acts of Slattery and Neal. The majority of the people are the Government, so the criticism gets back to the Government of the United States.

Mr. President, that is the situation as the committee views it. That is all I have to say in reply to the Senator from Minnesota.

The committee recommends that the nomination of Claude R. Wickard be confirmed.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of Claude R. Wickard to be Administrator of the Rural Electrification Administration?

Mr. LUCAS. Mr. President, the distinguished Senator from Oklahoma has presented the substance of the testimony which was given before our committee in connection with the letters which were sent out by a certain small group of individuals to various cooperatives throughout the country. I am convinced that had those letters stated to the cooperatives all the facts with respect to Mr. Wickard's position in regard to private utilities, rather than selecting one sentence and using that to lead the members of the cooperatives to believe that Claude Wickard was a private utility man, the Senator from Minnesota and the Senator from Oklahoma would not have received 10 percent of the telegrams which they received from various cooperatives.

The truth of the matter is that this is only a continuation of the long-standing feud which existed between Harry Slattery, Administrator, and the Secretary of Agriculture. It is being continued in connection with the consideration of the nomination of Mr. Wickard to be Administrator of the REA.

Another strange thing is that nearly all the individuals who testified before the committee were employees of the cooperatives, and not a group representing the cooperatives. There seemed to be a group of employees throughout the country—managers of cooperatives—who were carrying on this fight against Mr. Wickard's confirmation. I presume that is within their rights; but one of the things which we constantly stressed before the Committee on Agriculture and Forestry when the bill which I introduced was proposed, and when the Secretary of Agriculture, Mr. Wickard, Mr. Neal, and Mr. Nicholson were being interrogated, was that under no circumstances should they attempt to tell a cooperative in any State in the Union what it could or could not do. We were all agreed on that. Thus the Democratic and Republican members of the committee agreed that the Government should not interfere with the business of the cooperatives.

But now we have the reverse; we have employees of cooperatives coming here and practically telling the President of the United States and the Senate what they should do in regard to an appointment to this important position. It does not make sense. I dare say that if there were no feud between Slattery and Neal and Wickard, there would not be a single telegram here from any cooperative objecting to confirmation of the nomination. When we examined the managers of the cooperatives we found that not one of them said Claude Wickard was interfering in any way whatever with the proper management of the cooperatives. The manager of every cooperative testified that it was in good shape and was being carried on efficiently and was receiving the kind of cooperation for postwar planning that was necessary.

The whole matter goes right back to the prejudice and bitterness and rancor which grew out of the fight between Slattery and Wickard and Neal, and it seems to me that the United States Senate is no place in which to continue that political feud.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. LUCAS. I yield.

Mr. BARKLEY. The Senator from Minnesota called attention during his remarks to the attitude of the Ohio cooperatives which were expressing their opinion about Mr. Wickard. I wish to state that evidently that attitude does not represent the attitude of the cooperatives in the country as a whole. In my State the State-wide cooperative association, which represents approximately 46,000 members of cooperatives in Kentucky, has gone on record endorsing Mr. Wickard; and its secretary who was sent to Washington, testified in behalf of Mr. Wickard before the committee. The Farm Bureau Federation in my State has unanimously endorsed the confirmation of the nomination of Mr. Wickard. Certainly, I do not know what actuated the expressions from persons in Ohio or any other State, and I do not think their expressions represent the general feeling.

I agree with the Senator from Illinois that the present situation dates back to the time when in the Department of Agriculture and the Rural Electrification Administration there were differences between Mr. Slattery and the Department, and those differences resulted in the resignation of Mr. Slattery. When Mr. Neal was appointed Acting Administrator, many of the same cooperatives were in favor of having his appointment made permanent. Others objected. When Aubrey Williams was nominated to be head of the Rural Electrification Administration, objections were made by some, not because of any objections to Mr. Williams but because they wanted Mr. Neal appointed.

Since Mr. Slattery's resignation, there does not seem to have been very much friction between the Secretary of Agriculture and the acting head of the Rural Electrification Administration in Washington, and the cooperatives apparently have been satisfied since then.

Mr. LUCAS. Mr. President, I thank the Senator from Kentucky for his statement.

I wish to emphasize the fact, which was brought out in the hearings on the bill which I introduced some time ago, that there is not a loaning agency of Government which has been more efficiently operated than has the REA. The truth of the matter is that when we analyze the record we find there was no difference between the operation of the REA as an agency or branch of the Department of Agriculture and the operation of the REA as an independent agency. There is no proof that Mr. Wickard or anyone serving under him was interfering with the efficiency of the management of any particular cooperative. It is all much ado about nothing.

Mr. CHANDLER. Mr. President, will the Senator yield to me?

Mr. LUCAS. I yield.

Mr. CHANDLER. I wish to say that when the nomination of Aubrey Williams was pending the Kentucky Farm Bureau Federation and the rural cooperatives protested vigorously against the confirmation of his nomination. That was one of the reasons why I did not cast my vote for the confirmation of the nomination of Mr. Williams to serve in that position.

I am now very much pleased that the President has sent to the Senate the nomination of Claude Wickard. I wish to say, with the permission of the Senator from Illinois, that I think Claude

Wickard is a farmer himself and a first-class man, who is sincerely interested in the problems of the rural population, I think he has been a good Secretary of Agriculture, and I think he will devote his entire energies and attention to doing a good job for those whom the REA affects. One of the most important jobs the Government undertakes is the furnishing of electric energy to the rural homes of America.

Mr. Wickard is a man who is not a convert to the REA principle, and he is not trying to organize for his own purposes at all; but he is sincerely interested in those who live in the country, and in such a position as the one to which he has been nominated he wishes to do whatever he can do to help them. I am certain that Mr. Wickard would not step down from a Cabinet office and take a lesser position in the Government if he did not see in it an opportunity to serve his people.

I wish to testify on my own account about my feeling in regard to Claude Wickard. I think he is a fine American citizen and a fine public official, and in the job to which he has been nominated I confidently hope and expect he will do fine work.

Mr. LUCAS. I thank the junior Senator from Kentucky for his contribution.

Mr. President, of course the whole situation stems from Washington, D. C., and a man by the name of Judson King, who interested himself in REA and is one of the persons who is responsible for it all. These men from the field met in Washington. I do not know whether they came voluntarily or otherwise, but a strange combination met here and got out letters to every cooperative in the country.

The point I make, I repeat, is that if they had told the truth to the cooperatives in the letters they sent out, we would not have had all the telegrams coming from the cooperatives in protest against the confirmation of the nomination of Mr. Wickard. They deliberately made it appear that Mr. Wickard is a private utility man. That is the main reason why all these cooperatives have sent telegrams in protest.

Mr. CHANDLER. Mr. President, if the Senator will further yield to me, let me say that it is significant that they gave each person an opportunity to assign his own reasons for being against Mr. Wickard.

Mr. LUCAS. Oh, yes; they did that, and they asked them to contact four or five other persons in each community.

Mr. President, the propaganda was well organized. We are all familiar with propaganda. It does not mean very much to an independent Senator; we do not pay much attention when we receive letters or telegrams of the same type or kind from every branch of an organization which is carrying on such work.

That is about all I have to say, Mr. President. I am satisfied that Claude Wickard will make an excellent Administrator of the Rural Electrification Administration. Mr. President, he is a member of a cooperative in Indiana; his farm has electricity which is furnished under this program at the present time.

The man who created the most stir, and who came before the committee, one of these pious fellows, Hurley, from Indiana, represented only three or four cooperatives in the whole State where he is best known. The president of the Indiana REA testified before our committee in behalf of Mr. Wickard. Hurley is just an employee of a cooperative; he is not a director. He and a man by the name of Ansel Moore, from Missouri—another manager of a cooperative—were the ones who stirred up most of that trouble.

Mr. President, the employees are attempting to take over, and they wish to tell the President of the United States whom to appoint to this important post. Remember this is a Presidential appointment. There is no challenge to the integrity, the character, or fitness of Mr. Wickard. The opposition is based solely upon a controversy that was settled when Slattery resigned. The Senate should not dignify that personal quarrel by voting against Claude Wickard.

Mr. SHIPSTEAD. Mr. President, it is true that the men to whom reference has been made came to Washington in their representative capacities as employees of the cooperatives. Cooperatives are composed of farmers. The farmers were busy at the time with corn planting. Some of the men who came to Washington came as representatives of the cooperatives to the same extent that the Members of the Senate come here as representatives of their respective States. The mere fact that a man is an employee, and has been sent by his employers to someone with a message does not necessarily indicate any wrongdoing on the part of anyone.

My friend the Senator from Oklahoma [Mr. THOMAS] stated that if we could hold Wickard responsible for what took place in the REA it would also be logical to hold responsible the President of the United States. However, the President of the United States was not the Administrator of the REA. The attention of the Administrator of the REA had been directed to what was taking place within that agency. The committee which was composed of various Senators—there were three Democrats and two Republicans—sat as a committee and considered the evidence which was presented. Mr. Wickard could not have been ignorant of what the committee was doing. Therefore, he must have been responsible for the conditions about which there had been complaints or he would have tried to correct them.

It has been said that the telegrams which were sent by a few small groups must have been sponsored by those groups alone, and that the officers of the cooperatives involved did not know what was being said. I cannot believe that the action of the persons who sent long telegrams and letters giving their personal views could have been unknown to the officers of the cooperatives. They were officers and farmers themselves. They were not dupes of sinister men. A desire was being expressed to take control of the cooperatives from the administration of Wickard, because it was felt that he was surrounded by many men who should not be a part of his organization.

Mr. President, I do not want to consume any unnecessary time, but I should like to say a few words with reference to the so-called feud between Slattery and Wickard.

I am under no obligation to Slattery. It has been said that Wickard deprived Slattery of his authority. I do not know as to that; but I do know that I never asked Mr. Slattery to employ any particular person. I am not and have not been obligated to him in any way. For a great many years I have known him in a personal way. However, all this talk about a feud between Slattery and Wickard was started by Craig, who organized the National Rural Electrification Association because he wanted to control the REA. He learned his policies from Dougherty, who said he would run the REA either from the inside or from the outside. I think he has run it from the outside.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of Claude R. Wickard to be Administrator of the Rural Electrification Administration for a term of 10 years?

Mr. SHIPSTEAD. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BUTLER (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. BANKHEAD]. Not knowing how he would vote if present, I withhold my vote.

Mr. WHITE (when Mr. VANDENBERG's name was called). I announce that the senior Senator from Michigan [Mr. VANDENBERG] has a general pair with the senior Senator from Texas [Mr. CONNALLY]. I am not able to announce how either Senator would vote.

Mr. WAGNER (when his name was called). I have a pair with the junior Senator from Kansas [Mr. REED], which I transfer to the junior Senator from Maryland [Mr. RADCLIFFE], which gives me the right to vote. I vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent. If present and voting he would vote "yea."

The Senator from Alabama [Mr. BANKHEAD], the Senator from Washington [Mr. MAGNUSON], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Tennesseee [Mr. STEWART] are absent on public business. I am informed that if present and voting these Senators would vote "yea."

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields. If present

and voting I am informed the Senator from South Carolina would vote "yea."

The Senator from Pennsylvania [Mr. MYERS] is absent on public business pertaining to his State.

The Senator from Montana [Mr. MURRAY] and the Senator from Maryland [Mr. TYDINGS] are absent on official business. If present and voting they would vote "yea."

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN] is absent on official business. He is paired on this question with the Senator from Idaho [Mr. THOMAS]. If present the Senator from Vermont would vote "yea" and the Senator from Idaho would vote "nay."

The Senator from Oregon [Mr. CORDON] is absent on official business of the Committee on Public Lands and Surveys. If present he would vote "nay."

The Senator from Iowa [Mr. WILSON] is absent on official business. If present he would vote "nay."

The Senator from Iowa [Mr. HICKENLOOPER] is absent by consent of the Senate. If present, he would vote "nay."

The Senator from Delaware [Mr. BUCK] is necessarily absent.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from New Hampshire [Mr. BRIDGES], the Senators from Kansas [Mr. CAPPER and Mr. REED], the Senator from Michigan [Mr. FERGUSON], the Senator from Oklahoma [Mr. MOORE], the Senator from West Virginia [Mr. REVERCOMB], the Senator from Wyoming [Mr. ROBERTSON], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The Senator from Indiana [Mr. WILLIS] is absent by consent of the Senate.

The result was announced—yeas 56, nays 6, as follows:

YEAS—56

Aiken	Guffey	Millikin
Bailey	Gurney	Mitchell
Barkley	Hatch	Morse
Bilbo	Hawkes	Murdock
Brewster	Hayden	O'Daniel
Briggs	Hill	O'Mahoney
Brooks	Hoey	Overton
Byrd	Johnson, Colo.	Pepper
Capehart	Johnston, S. C.	Saltonstall
Chandler	Kilgore	Smith
Chavez	La Follette	Taylor
Donnell	Langer	Thomas, Okla.
Downey	Lucas	Thomas, Utah
Eastland	McCarran	Tunnell
Ellender	McClellan	Wagner
Fulbright	McFarland	Walsh
George	McKellar	White
Gerry	McMahon	Young
Green	Mead	

NAYS—6

Ball	Bushfield	Taft
Burton	Shipstead	Wherry

NOT VOTING—34

Andrews	Hickenlooper	Scrugham
Austin	Johnson, Calif.	Stewart
Bankhead	Magnuson	Thomas, Idaho
Bridges	Maybank	Tobey
Buck	Moore	Tydings
Butler	Murray	Vandenberg
Capper	Myers	Wheeler
Connally	Radcliffe	Wiley
Cordon	Reed	Willis
Ferguson	Revercomb	Wilson
Glass	Robertson	
Hart	Russell	

So the nomination of Claude R. Wickard to be Administrator of the Rural Electrification Administration was confirmed.

Mr. BARKLEY. I ask that the President be immediately notified of the confirmation.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

The clerk will state the next nomination on the calendar.

POSTMASTER

The legislative clerk read the nomination of Elvas V. Shove to be postmaster at Biloxi, Miss.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed, and without objection, the President will be notified forthwith. That completes the calendar.

AUTHORIZATION FOR COMMITTEE ON FINANCE TO FILE REPORTS

The Senate resumed the consideration of legislative business.

Mr. GEORGE. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to make reports during the adjournment of the Senate following today's session.

The PRESIDENT pro tempore. Is there objection? Without objection, the committee is so authorized.

AUTHORIZATION FOR COMMITTEE ON COMMERCE TO SUBMIT REPORTS

Mr. BARKLEY. Mr. President, I ask unanimous consent that during the adjournment of the Senate following today's session the Committee on Commerce be authorized to file reports on measures which may be pending before it.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEAVE OF ABSENCE

Mr. LA FOLLETTE. Mr. President, it may be necessary for me to be absent from the Senate for several days, and I ask unanimous consent that I may be.

The PRESIDENT pro tempore. Without objection, leave of absence is granted the Senator from Wisconsin.

AUTHORIZATION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORTS

The PRESIDENT pro tempore. The Chair asks unanimous consent of the Senate to be allowed to submit reports of the Committee on Appropriations during the adjournment if any are ready. The Chair hears no objection.

The senior Senator from Nevada [Mr. MCCARRAN] was to make the request, but not seeing him in the Chamber, the Chair has made the request himself. The Chair notes that the Senator from Nevada has just entered the Chamber, and informs him that the Senate has consented that reports may be made by the Committee on Appropriations during the adjournment.

Mr. MCCARRAN. There is no necessity for repeating the request.

RECONSTRUCTION OF SENATE AND HOUSE ROOFS AND SKYLIGHTS

Mr. BARKLEY. Mr. President, during the call of the calendar today I asked that Senate Joint Resolution 31, providing for an investigation in regard to the reconstruction of the roofs and skylights over the Senate and House wings of the Capitol, go over in order that I might obtain some information about the matter, the chairman of the Committee on Public Buildings and Grounds being at the moment absent. I have obtained the necessary information, and I now ask that the joint resolution be considered.

Mr. WHITE. Has the joint resolution anything to do with the membership of the Senate?

Mr. BARKLEY. The joint resolution has nothing to do with the membership of the Senate, but it will have something to do with the ability of Senators to be heard better after the work is completed.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 31) relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes, which had been reported from the Committee on Public Buildings and Grounds with amendments.

The first amendment of the committee was, on page 1, line 9, after the word "for", to strike out "replacement of the skylight over the Senate Chamber with reinforced concrete roof slab" and to insert "the substitution of reinforced concrete roof slab for the skylight over the Senate Chamber."

The amendment was agreed to.

The next amendment was, on page 2, line 15, after the words "to be", to strike out "designated" and insert "appointed."

The amendment was agreed to.

The next amendment was, on page 2, line 16, to strike out the words "Vice President" and insert "President of the Senate."

Mr. GREEN. Mr. President, I move to amend the amendment of the committee by inserting, after the word "President", the words "pro tempore", so that it will read: "President pro tempore of the Senate."

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the appropriation of $585,000 provided in the Second Deficiency Appropriation Act, approved June 27, 1940, as amended and carried forward by the act of June 8, 1942, for the reconstruction of the roofs and skylights over the Senate and House wings of the United States Capitol, together with such additional amounts as may be provided hereafter for such purpose, shall be available also for the substitution of reinforced concrete roof slab for the skylight over the Senate Chamber, reconstruction of ceiling, redecoration, acoustical treatment, improved lighting, and other alterations, changes, and improvements in such Chamber: *Provided further*, That there is hereby authorized to be appropriated, to be merged with, and to be available for the same purposes and for expenditure in the same manner as the appropriation heretofore made, such additional amounts as may be necessary for the additional improvements herein authorized: *Provided further*, That the project, insofar as it affects the Senate wing of the Capitol, shall be carried forward by the Architect of the Capitol in accordance with plans to be approved by a committee of five Senators, to be appointed by the President pro

tempore of the Senate, upon recommendation of the chairman of the Senate Committee on Public Buildings and Grounds.

ADJOURNMENT TO MONDAY

Mr. BARKLEY. I move that the Senate adjourn until Monday next.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate adjourned until Monday, June 25, 1945, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 21, 1945:

RURAL ELECTRIFICATION ADMINISTRATION

Claude R. Wickard, to be Administrator of the Rural Electrification Administration for a term of 10 years.

POSTMASTERS

MISSISSIPPI

Elvas V. Shove, Biloxi.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 21, 1945

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art the light of the world, whose glory shines forth in the life of our Saviour, we would be faithful stewards of Thy bounty. From the evil of ourselves we would be free and by the sacrificial cross prove our discipleship. Grant that our affections and desires may be ennobled and devoted to the living realities of Thy truth that others may come into its joy and freedom.

Thy gentleness and tenderness, blessed Lord, are such that the bruised reed Thou wilt not crush and the smoldering flax Thou wilt not quench. We bless Thee for Him who, beholding the multitudes, had compassion and pointed to the unseen battlements of the heavenly world. Enter Thou the deep recesses of our natures, purify and hallow the elements there, soften all that is harsh and sweeten all that is bitter. Thou who weighest the motives of men, grant that we may be moved by the remembrance of Thy countless mercies and do generous deeds for our country. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 3240. An act to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 592) entitled "An act for the relief of the estate of James Wilson, deceased," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. TUNNELL, and Mr. WHERRY to be the conferees on the part of the Senate.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Commerce.
2. Post Office Department.
3. National Archives.
4. National Housing Agency.
5. Office of Civilian Defense.
6. Railroad Retirement Board.
7. United States Maritime Commission.
8. War Manpower Commission.
9. War Relocation Authority.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

Mr. BLAND. Mr. Speaker, I ask unanimous consent that during the period of general debate this afternoon the Committee on the Merchant Marine and Fisheries may consider legislation.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. CHURCH. Mr. Speaker, reserving the right to object, I regret very much to be placed in this position. The committee is now in session. Attending that session when I left it a few minutes ago for the floor were every Republican member and not a single Democratic member except the gentleman who is acting as chairman.

Mr. Speaker, on last Tuesday afternoon I, with other members of the committee, had to come to the floor; and during that Tuesday afternoon session of the committee, while the House was in session, things happened in the committee which I think makes the bill under consideration there a monstrosity until it is changed. I believe that in order to report out a good bill—and this is no criticism to our good chairman—I must object. Other members of the committee, including myself, want to be on the floor this afternoon. It is in an effort to help our good chairman get out a good bill that I must object.

EXTENSION OF REMARKS

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent to include in the remarks I shall make in Committee of the Whole today certain correspondence dealing with price control.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD on the subject Opposition to the Sale of Nazi Films by Alien Property Custodian.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an editorial which appeared recently in the Boston Post, Boston, Mass.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include a tribute paid by the majority leader, Hon. JOHN W. MCCORMACK, to Hon. JAMES M. CURLEY on the anniversary of his birthday in January 1945.

Mr. LARCADE asked and was given permission to extend his remarks in the RECORD on four different subjects and to include therein newspaper articles in each instance.

Mr. SLAUGHTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement by the International Brotherhood of Boilermakers, Iron Shipbuilders and Helpers. This statement, according to an estimate from the Printing Office, will run about $416. I think it is of sufficient importance that it be extended in the RECORD notwithstanding the cost.

The SPEAKER. Notwithstanding the cost, without objection, the extension may be made.

There was no objection.

Mr. BENNETT of Missouri asked and was given permission to extend his remarks in the Appendix of the RECORD and include a brief letter.

Mr. STEFAN asked and was given permission to extend his remarks in the Appendix on the OPA and include therein a letter and a newspaper article.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in two instances in the Appendix and to include therein a letter and a radio address.

Mr. DOLLIVER asked and was given permission to extend his remarks in the RECORD and include therein an editorial from the Freeman Journal, a daily newspaper in Webster City, Iowa.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1946—CONFERENCE REPORT

Mr. O'NEAL. Mr. Speaker, I call up the conference report on the bill (H. R. 3306) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes; and I ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk began the reading of the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3306) "making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 15, 18, and 19.

That the House recede from its disagreements to the amendments of the Senate numbered 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 16, 21, 22, 23, 24, 25, 26, 30, 31, 33, and 34, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$225,400"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: ", but obligations for expenditure to be made during the fiscal year 1946 shall not be incurred for any or all of the foregoing projects which would result in a total obligation in excess of such $2,126,560"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,788,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$444,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 17, 27, 29, and 32.

THOMAS J. O'BRIEN,
EMMET O'NEAL,
BEN F. JENSEN,
WALT HORAN,
Managers on the Part of the House.

JOSEPH C. O'MAHONEY,
JOHN H. OVERTON,
ELMER THOMAS,
THEO. G. BILBO,
HAROLD H. BURTON,
JOSEPH H. BALL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3306), making appropriations for the government of the District of Columbia for the fiscal year ending June 30, 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

No. 1, relating to the Auditor's Office: Appropriates $225,400, instead of $227,200 as proposed by the Senate and $220,000 as proposed by the House. The added amount will provide for the salaries of two additional clerks and for the purchase of a bookkeeping machine.

No. 2, relating to the Department of Weights, Measures, and Markets: Reappropriates $6,000 of the current year's appropriation for repairs to Eastern Market, as proposed by the Senate.

No. 3, relating to the Office of Recorder of Deeds: Appropriates $148,700 as proposed by the Senate, instead of $145,300 as proposed by the House.

No. 4, relating to general supervision and instruction, public schools: Eliminates language inserted by the Senate to reappropriate $25,000 of the current year's appropriation for payment to the National Symphony Orchestra Association.

Nos. 5 and 6, relating to general supervision and instruction, public schools: Amendments clarify provision relating to legally adopted children.

Nos. 7 and 8, relating to construction, public schools: Provides for an additional amount of $60,000 for the construction of an addition to the Kimball School and for the amount of $430,000 for the construction of a school building in the vicinity of Fifty-third and Blaine Streets, NE., as proposed by the Senate.

Nos. 9, 10, and 11, relating to construction, public schools: Provides for the preparation of plans and specifications for three elementary schools and appropriates $28,560 for such purpose, as proposed by the Senate.

Nos. 12, 13, and 14, relating to construction, public schools: Corrects total in conformity with added amounts appropriated for construction under preceding amendments, limits the crediting of the appropriation account of the Office of Municipal Architect, as proposed by the Senate, and restores, with modification, the original House provision regarding the limiting of expenditures for construction purposes.

No. 15, relating to the public library: Appropriates $679,000 as proposed by the House, instead of $682,900 as proposed by the Senate.

No. 16, relating to the public library: Appropriates $17,800 for the preparation of plans and specifications for branch library buildings, as proposed by the Senate.

Nos. 18 and 19, relating to Gallinger Municipal Hospital: Eliminates Senate provisions providing for a statutory position of chief steward.

No. 20, relating to Gallinger Municipal Hospital: Appropriates $1,788,000, instead of $1,828,300 as proposed by the Senate, and $1,750,000 as proposed by the House. The conferees are agreed that the additional positions requested for this institution are not denied by the reduction in conference of the total amount provided by the Senate amendment. The reduction effected is purely a monetary one, based on current and anticipated total expenditures. The conferees are of the opinion that the additional positions proposed by the Senate, especially those needed to staff the kitchen and the psychiatric ward, can be established within the limit of the funds provided.

No. 21, relating to Gallinger Municipal Hospital: Broadens restrictive provision to include certain other necessary services, as proposed by the Senate.

Nos. 22, 23, and 24, relating to Family Welfare Service: Increases the number of foster homes from four to eight, and, in consequence thereof, appropriates $557,680 as proposed by the Senate, instead of $556,000 as proposed by the House.

No. 25, relating to Juvenile Correctional Service: Appropriates $385,740 as proposed by the Senate, instead of $390,000 as proposed by the House.

No. 26, relating to Department of Inspections: Appropriates $346,900 as proposed by the Senate, instead of $340,000 as proposed by the House.

No. 28, relating to Department of Vehicles and Traffic: Appropriates $444,000, instead of $465,600 as proposed by the Senate and $396,200 as proposed by the House. The added amount covers $26,000 for parking meters, $16,000 for pedestrian traffic lights, and $5,800 for personal services.

No. 30, relating to National Capital Parks: Appropriates $948,300 as proposed by the Senate, instead of $936,000 as proposed by the House.

No. 31, relating to National Zoological Park: Limits the purchase of passenger-carrying vehicles to one, as proposed by the Senate.

No. 33, relating to the purchase of automobiles for the government of the District of Columbia: Limits such purchases, with exceptions, to used or Federal surplus motor vehicles.

No. 34: Corrects section number.

AMENDMENTS IN DISAGREEMENT

No. 17, relating to the municipal court: Provides for advancements to the clerk of court of sums of money in order to facilitate payment of witness fees. The managers will move to recede and concur.

No. 27, relating to Department of Vehicles and Traffic: Exempts the expenditure of $20,000 for traffic safety education from provisions of any other law. The managers will move to recede and concur.

No. 29, relating to Department of Vehicles and Traffic: Clarifies intent of original House provision. The managers will move to recede and concur.

No. 32: Provides for retroactive payments made necessary by reallocation of positions by Civil Service Commission. The managers will move to recede and concur.

THOMAS J. O'BRIEN,
EMMET O'NEAL,
BEN F. JENSEN,
WALT HORAN,
Managers on the Part of the House.

Mr. O'NEAL (interrupting the reading of the statement). Mr. Speaker, inasmuch as there is nothing controversial, I ask unanimous consent that further reading of the statement may be dispensed with.

Mr. STEFAN. Mr. Speaker, reserving the right to object, I was not present during the conference on the bill making appropriations for the District of Columbia because I was in San Francisco on official work in connection with the United Nations Conference.

I am seriously worried regarding the situation that exists in Gallinger Hospital. A new kitchen has been constructed there and additional help is badly needed. The situation in the psychiatric ward or hospital is also serious. The fact of the matter is that the entire health situation in the District of Columbia is facing a crisis due to the fact that many experienced and key people are leaving and the officials in charge are having a tremendous task in securing efficient help for the taking care of the ill and suffering in the institutions of the District. The committee has been very sympathetic to the needs of the institutions. The committee is on record as requesting the officials to add additional efficient help in the kitchen at Gallinger and securing additional psychiatrists for the psychiatric ward. The committee has been told that sufficient funds are on hand for the payment of salaries for these additional people, but after several conferences the officials have told me that there is not sufficient money to pay these additional people. They are now, therefore, in the predicament of having to follow the instructions of Congress and employ these additional people, but may have no money with which to pay them.

The information I received is to the effect that the Civil Service Commission will soon allow a new allocation of salaries for certain nurses and other key people in Gallinger. That may take up much of the funds provided in the new appropriation for the next fiscal year.

There is an item for the purchase of fuel and other things which I fear will deplete the funds they have or will have on hand.

I am also informed that the officials fear that if they hope for a deficiency to pay these people which the committee

insists they employ, they will be up against a ruling of the Comptroller General and the Bureau of the Budget which may preclude them from asking for a deficiency if and when they find no funds on hand with which to pay salaries for these additional employees which Congress now says they must put on the pay roll.

Mr. O'NEAL. Mr. Speaker, I may say to the gentleman, if he will permit an interruption, that the conferees went into that very carefully and are deeply sympathetic with the position that the gentleman from Nebraska takes. They feel there is no change of those positions by this agreement; that there is sufficient money to take care of the positions; and, further, we have had conferences with officials of the Bureau of the Budget, and they have agreed with the position the conferees have taken.

Mr. STEFAN. Am I to understand the gentleman had a conference with the Bureau of the Budget?

Mr. O'NEAL. There was only a $40,000 reduction under the $1,800,000 appropriation.

Mr. STEFAN. But practically all that reduction has come from Gallinger Hospital where the situation is so critical that Dr. Ruhland and other health officers are very much worried. The record today must show that Congress has been put on notice of this serious health situation. But if the gentleman assures me that the Bureau of the Budget indicates that there are sufficient funds on hand, and if the District institutional officials are assured of sufficient funds if forced to ask for a deficiency, it may clear up this serious problem. I feel that we are now assured of the employment of these additional people at Gallinger Hospital, and also the funds for the payment of their salaries.

Under those assurances I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky that further reading of the conference report be dispensed with?

There was no objection.

Mr. O'NEAL. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

Mr. O'NEAL. Mr. Speaker, there is no question that I know of in the mind of anyone as to the four Senate amendments, and I therefore ask unanimous consent that they be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read as follows:

Senate No. 17: Page 27, line 2, insert ": *Provided further*, That hereafter the disbursing officer of the District of Columbia is authorized to advance to the clerk of the court, upon requisition previously approved by the Auditor of the District of Columbia, sums of money not exceeding $500 at any one time, to be used for the payment of witness fees."

Senate amendment No. 27: Page 49, line 20, insert "without reference to any other law."

Senate amendment No. 29: Page 40, line 17, after the word "shall", insert the word "hereafter."

Senate amendment No. 32: Page 62, line 25, after the word "Columbia", insert ": *Provided further*, That officers and employees whose positions were reallocated by the Civil Service Commission during the period January 1, 1945, to July 1, 1945, who have not received such reallocation increases shall be entitled to receive them retroactively to the date they would otherwise have been effective except for the provisions of said section 7, but in no case prior to January 1, 1945."

Mr. O'NEAL. Mr. Speaker, I move that the House recede and concur in the Senate amendments.

The motion was agreed to.

A motion to reconsider the vote by which action was taken on the motion was laid on the table.

EXTENDING PRICE CONTROL AND STABILIZATION ACTS

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution (H. J. Res. 101) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of House Joint Resolution 101, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. OUTLAND].

Mr. OUTLAND. Mr. Chairman, I do not propose to use this time trying to go into a defense of price control or the need for price control. It seems to me that that is rather generally recognized not only by the Members of this House but by the American people as a whole. The importance of holding the line against inflation is such an obvious part of the war effort here on the home front that I am very much surprised to see any objection entered to the principle itself. I think that the place where the problems arise is in trying to iron out the undoubted inequities and injustices that have crept into the administration of the act. That there have been injustices and that there have been inequities is not open to question. Such are bound to occur in a program of this magnitude. The question is what can we in this House do to help iron out those problems and at the same time hold the line in general.

The Banking and Currency Committee thought that the best thing to do was to pass out a simple renewal of the Price Control Act, believing that it is possible under the act as it now exists to correct the inequities. One of the most difficult problems that we face is the one dealing with rent control and I have asked for this time today to try to point out some of the problems that have surrounded the rent control phases of the whole price control program. This has been one of the most difficult things to administer.

Millions upon millions of rentals have had to be adjusted all over the United States. More than 15,000,000 units have been so affected. It has been very difficult to pass a law and to establish a policy which would apply equally well to the many diverse regions in the country where rent control has had to be instituted. The problems of rent adjustment in New York City and in Ventura, Calif., are not identical by any means. I may say first of all that Federal rent control does not go into a community until congestion in that community is such that prices skyrocket and in order to hold the general inflation line controls must be imposed. Generally the War Department or the Navy Department, sometimes both request that such control be established. If efforts at local control prove satisfactory, the Federal Government does not step into the picture. Unfortunately, many such attempts at local control have failed; they have failed because a small minority of property owners and landlords have not cooperated in keeping rentals within reasonable bounds. It has been my experience that most landlords are willing and anxious to cooperate; they are as patriotic as other citizens, and most of them realize the importance of price control in relation to the war effort. It is unfortunate indeed that the actions of this small minority has made it essential for controls to be established.

All of us will be very glad to see the time come when rent control as well as other types of wartime controls can be removed. I will be among the first to advocate such removal at the earliest possible moment.

In that connection I think it is only fair to point out that already some 12 or 15 areas in this country have been removed from rent control. They have been removed because the conditions which originally caused them to be established have been now changed. Unfortunately for those of us who live on the Pacific coast our section will probably be one of the last to have the controls removed. Because of the fact that the war in the Pacific will be going on for a while yet, it will be necessary that those controls be maintained.

Mr. Chairman, at this point in the record I wish to insert in the RECORD excerpts from a letter to me by the National Price Control Administrator, Mr. Chester Bowles, written June 11, 1945, stating policy in regard to the removal of rent control from areas where it is no longer deemed necessary. I should like to also insert a letter to me from the National Rent Control Director, Mr. Ivan Carson, touching upon this same point, as well as a momorandum from his office to regional, district, and areas directors. I believe that this correspondence and this memorandum will give encouragement to all of us who are anxious that rent control be removed from as many areas as possible and as soon as possible:

EXCERPT FROM LETTER OF CHESTER BOWLES

There is another phase of the rent-control program upon which I should like to comment, namely, our policies, plans, and progress to date in the removal of rent control.

When the Price Act was renewed last spring, Congress passed an amendment which reads as follows:

"Whenever the Administrator shall find that, in any defense-rental area or any por-

tion thereof specified by him, the availability of adequate rental housing accommodations and other relevant factors are such as to make rent control unnecessary for the purpose of eliminating speculative, unwarranted, and abnormal increases in rents and of preventing profiteering and speculative and other disruptive practices resulting from abnormal market conditions caused by congestion, the controls imposed upon rents by authority of this act in such defense-rental area or portion thereof shall be forthwith abolished; but whenever in the judgment of the Administrator it is necessary or proper, in order to effectuate the purpose of this act, to reestablish the regulation of rents in any such defense-rental area or portion thereof, he may forthwith by regulation or order reestablish maximum rents for housing accommcdations therein in accordance with the standards set forth in this act."

This amendment is really a statement of our policy with respect to the removal of rent control adopted prior to passage of the amendment. In fact, rent control had been removed from some areas prior to the date of the amendment.

We are watching the situation very closely so that rent control can be removed from areas as soon as it is shown that the need for control has passed. In April we furnished to the Secretary of War and the Secretary of the Navy a list of some 235 areas where rent control had been instituted as a result of the location of a camp or training station or an ordnance plant in the locality. We asked the 2 Secretaries to give us their estimate of the number of areas where service activities would be discontinued during the next year. The reply from the Navy indicated that there would be no reduction in activities in the areas where rent control had been instituted because of naval activities. The Army furnished us with a list of the installations which will not be used by the War Department during the redeployment period of approximately the next year. In a number of these areas the Army activity was not the sole cause of the housing shortage leading to rent control and the discontinuance of the activities have had little or no effect upon the situation. The balance of the list containing approximately 16 installations in 9 areas is being studied to determine whether or not controls can be removed.

As of May 31 rent control has been removed from eight areas. In one of these, Malvern, Ark., it was necessary to reestablish rent control on January 1, 1945. The areas which have been decontrolled and the date control was removed are as follows:

1. A portion of Stuttgart area, Arkansas, July 1, 1943.
2. Malvern area, Arkansas, December 1, 1943; reestablished January 1, 1945.
3. Sault Ste. Marie area, Michigan, June 1, 1944.
4. Crab Orchard area, Illinois, June 1, 1944.
5. A portion of the Cheyenne area, Wyoming, March 1, 1945.
6. Leadville area, Colorado, May 1, 1945.
7. Paris, Tenn., area, May 15, 1945.
8. Clarksville area, Arkansas, May 15, 1945.

Rent control has been established in approximately 235 areas primarily and almost wholly as a result of the location of Army or Navy establishments or ordnance plants in the communities. This group of areas represents the best prospect for decontrol during the coming year. I am sure you understand this problem is complicated, however, by the fact that it is necessary for the Army to reactivate a number of establishments originally put on a stand-by basis for use as redistribution centers, hospitals, or convalescent centers or for other purposes. It has not followed, therefore, that as soon as a camp is put on a stand-by basis rent control can be removed.

I would like to point out in this connection that the areas included in this group are generally small and do not involve very much personnel. The bulk of our operations from a volume standpoint is located in larger industrial centers where service activities as such are only a small part of the picture. The removal of rent control from these areas presents a much more complicated problem and is directly connected with the severe housing shortage existant in all of our larger cities.

The chances are that in certain areas the housing shortage will remain for a considerable time even after VJ-day. The problem in these cities, is quite different from the smaller communities I have just discussed. At some point after the war ends Congress will have to determine whether Federal rent control should be discontinued even though pressures continue.

Sincerely,

CHESTER BOWLES,
Administrator.

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., May 31, 1945.

The Honorable GEORGE E. OUTLAND,
House of Representatives,
Washington, D. C.

DEAR GEORGE: In line with our conversation of this morning, I am enclosing copy of instructions on the removal of rent control, which were sent to the field very recently. I am planning a series of "Decontrol" memoranda of which this is No. 1.

This memorandum lays down the policy to be followed in accordance with the amendment passed by the Congress last year. In fact, as I am sure you know, we really followed this policy before the amendment was adopted.

The memorandum contains the results of our review with the Army and Navy of areas where control was put in for service reasons, about 230 in number. I believe I mentioned this to you in our talk this morning. Also contained in the memorandum is a list of the areas from which control has been removed. This is up to date and contains a list of three areas removed during May.

I am sure I mentioned this morning that we are going out of four areas in May. The number is three, instead of four, Leadville, Colo., Paris, Tenn., and Clarksville, Ark. The fourth I had in mind was Greenville, Miss., but just about the time we were ready to remove control we got word from the field that the air base, which caused the control to be put in, had been reactivated. In spite of the fact that rent control stays, I understand that the town is overjoyed. I mention this because it illustrates some of the difficulties we are up against. Another similar case recently was Blytheville, Ark.

The memorandum also includes a list of 31 cities which we have surveyed for decontrol purposes since last July, or are now being surveyed for us by the Bureau of Labor Statistics. In some of the places included on the list, for example Colorado Springs, recent developments have clearly shown that rent control cannot as yet be removed. In Colorado Springs the reason for this was the conversion of Camp Carson to a hospital. In addition we now have our field people looking at a number of other areas.

We are sincerely trying to keep abreast of the changing picture with respect to removal of rent control and are hoping that things will square around during the year so that we will be able to get out of a goodly number of smaller communities where Army camps and air bases have been discontinued.

If you have any suggestions as to the approach we are taking please pass them on to me.

With kind personal regards, I am

Sincerely yours,

IVAN D. CARSON,
Deputy Administrator.

DECONTROL MEMORANDUM NO. 1

MAY 23, 1945.

To all Regional Rent Executives, Regional Rent Attorneys, District Rent Executives, District Rent Attorneys, Area Rent Directors, Area Rent Attorneys.

From: Ivan D. Carson, Deputy Administrator for Rent.

Subject: Decontrol of defense-rental areas.

This is the first of a series of memoranda which will discuss our policies and procedures with respect to the decontrol of defense-rental areas.

1. STANDARDS FOR DECONTROL OF DEFENSE-RENTAL AREAS

The policy of OPA, which was written into the Emergency Price Control Act by the Stabilization Extension Act of 1944, is to remove rent control as quickly as possible from every defense-rental area in which it is no longer needed. The Office has already removed rent control from eight defense-rental areas or portions of areas (see exhibit A). In the case of one of these eight areas, Malvern, Ark., control had to be reestablished.

The consideration of an area for possible decontrol involves a study of three groups of related factors: (1) The war activities which affect the area, (2) the trend of rents, and (3) housing vacancies. These groups of factors are studied in order to arrive at a judgment as to (a) the extent to which pressures upon the rental housing market of the area have been reduced and (b) the probable future trend of rents if rent control should be removed.

A decline in war activity is the primary indication that an area may be decontrolled. Before control can be removed, however, it should be clear that the decline in war activity is not temporary and that it is not offset by an expansion of other war activities either within the area or in nearby areas, as a result of revisions of war-production schedules.

In the case of military establishments, there is a great deal of shifting of troops and change in the use of establishments going on at the present time. A number of Army camps have been converted into hospitals and recuperation and redistribution centers. Frequently this conversion is preceded by a short period of inactive status for the establishment. Sufficient time should be allowed to elapse after the establishment has been declared inactive for the War Department to consider the possible uses which might lead to reactivation. It must be recognized that the War Department's plans are necessarily fluid and are modified from day to day to meet changing war needs, that information on plans to reactivate certain establishments may not become available until after some areas have been decontrolled, and that in some cases reactivation may necessitate the reestablishment of rent control.

The extent to which a decline in war activity has reduced the pressures upon the rental housing market of an area will be reflected in the trend of rents and housing vacancies. These two factors will also serve as a basis for judging the probable future trend of rents if an area were to be decontrolled. It is not possible to specify a vacancy rate which would indicate the existence of a normal housing market for every area. The vacancy rate required to give tenants enough choice to prevent a substantial rise in rents will vary from city to city depending on the population and economic character of the area, the nature of the area's housing, the extent of home ownership, the frequency with which tenants move, and other similar factors. The current vacancy rate must also be considered against the background of the prewar vacancy rate and the trend of vacancies since the beginning of the war. In judging the future trend of rents, certain types of vacancies must be discounted because they can exercise little or no restraining influence on an upsurge of rents. Among these types are vacancies in

dwellings in very poor condition, vacancies in temporary public war housing scheduled for removal from the area, and dwelling units in public war housing being held vacant to make possible extensive recruiting of labor for critical war production.

2. PROCEDURE FOR DECONTROL OF DEFENSE-RENTAL AREAS

Indications that an area has had a decline in war activity which may make decontrol possible are obtained from a number of sources. Among these are the reports, both published and unpublished, of the War and Navy Departments, the War Production Board, and other Government agencies; the recommendations of local organizations and officials; and the reports of regional, district, and area rent officials. As soon as a report of a decline in war activity is received, a preliminary study of the area is made. This preliminary study, which will in most instances involve a report from the field,[1] may reveal that the activity which has declined or has been discontinued constitutes only a minor portion of the war activity of the area. Obviously, where this is true control cannot be removed. On the other hand, the preliminary study may indicate that all war activity has ceased in the area or has declined to such an extent that rent control is no longer necessary. In such a case, the rent regulations will immediately be revoked. In most instances we believe that a special survey by the Bureau of Labor Statistics will be required before a decision can be reached. These surveys will provide data on housing vacancies, rental trends, and other information on the effect of the decline in war activity on the rental housing market. Arrangements have already been made for the streamlining of these surveys so that wherever possible decontrol action may be taken expeditiously. We shall always keep in close touch with field on decontrol studies. No areas or portions of areas will be decontrolled before the proposed action has been cleared with the field through the regional rent executive.

The War Department distinguishes several different types of inactive command installations (Circular No. 89, March 20, 1945). A "command installation is any unit of real estate under the administration and control of the War Department primarily used or useful for activities of the Army other than the production of matériel, munitions, or supplies." According to the War Department, "an inactive installation is one in which all military operations have ceased and the classification may be applied to that portion of an active installation in which all military operations have ceased." "A surplus installation is one which has been determined to be no longer necessary to fulfill the requirements of the War Department." Furthermore, the "using service under the direction of the commanding general of a major force * * * may place an active installation temporarily in an inactive status and remove it from such temporary status without approval by higher authority where a future need is still contemplated."

It is important to distinguish "temporarily inactive," "inactive," and "surplus" establishments because facilities in the first two categories are frequently reactivated after short periods of inactivity. Whenever a military establishment which constitutes the principal war activity in an area becomes temporarily inactive, inactive, or surplus, a preliminary study of the area will be made immediately. If the establishment is surplus and the preliminary study and field reports are not conclusive but indicate that decontrol may be possible, the Bureau of Labor Statistics will be requested to conduct a decontrol survey. In the case of temporarily inactive and inactive establishments, however, further action will be delayed until 60 days have elapsed after the establishment was declared inactive. If at the end of the 60-day waiting period, the War Department reports that there are no current plans for reactivation, the survey will be ordered or the area will be decontrolled, depending upon the circumstances.

3. PROSPECTS FOR DECONTROL

It is exceedingly difficult at this time to estimate the number of areas which may be decontrolled before the end of the war. It is clear that many war activities will continue through VJ-day. These include, to mention only a few, the work of navy yards and ship repair facilities, particularly on the Pacific coast; railroad activity, particularly in western railroad centers; oil and coal production; Army, Navy, and Veterans' Administration hospitals, and recuperation and rehabilitation centers; and certain types of basic war production. Current war plans are reported to call for a smaller cut-back in war production between VE-day and VJ-day than was previously anticipated. One major factor which will determine the number of areas which can be decontrolled is the exact nature of these cut-backs. Regardless of the amount of the cut-back in total war production, it is clear that the number of areas which can be decontrolled depends less upon the over-all percentage than upon the distribution of the cut among individual areas and plants. A given over-all cutback may be made in such a way that almost all war plants close down in 25 areas. Or the same cut-back may mean that a single war plant closes down in each of 100 large industrial centers. In the former case, it may be possible to decontrol 25 areas. In the latter case, the housing pressure may be eased slightly in 100 areas, but it may not be possible to decontrol a single area.

The possibilities for decontrol during the next 6 months appear to be greatest for those areas in which the primary reason for rent control is the existence of Army or Navy facilities. A list of 230 such areas was submitted to the War and Navy Departments with a request for information on the extent to which the deactivation or discontinuance of military and naval facilities during the year after VE-day might make possible the removal of rent control from these areas. The reply received from the Navy Department indicated that there is little likelihood of the removal of rent control during the year after VE-day from areas affected primarily by naval facilities. The War Department reported that no industrial installations (such as ordnance plants) in the 230 areas would be closed or discontinued according to present plans for post VE-day operations. The War Department also furnished this Office with a list of 137 surplus command installations which comprise all the installations which will not be used by the War Department during the redeployment period of approximately the next year.

Of the total of 137 installations to be surplus during the redeployment period, 38 are in areas not under rent control at the present time, 80 constitute only a minor portion of the war activities in their respective areas, and 3 are in two areas from which rent control has already been removed. The remaining 16 installations are in nine areas from which it may be possible to remove rent control, and studies are now being made of these areas to determine whether they can be decontrolled.

This Office has requested the Bureau of Labor Statistics to conduct decontrol surveys in 31 cities in 13 areas since July 1, 1944 (see exhibit B). Two areas have already been decontrolled as a result of these surveys.

In addition to the decontrol of areas affected by military establishments, it may be possible to remove rent control from some of the smaller industrial areas as cut-backs are put into effect.

EXHIBIT A

EIGHT DEFENSE RENTAL AREAS OR PORTIONS OF AREAS FROM WHICH RENT CONTROL HAS BEEN REMOVED

1. Sault Ste. Marie area, Michigan (Chippewa County), was decontrolled on June 1, 1944. Two Army airfields in the area were declared inactive in March 1944 and Fort Brady was declared surplus in April 1944. A survey made in November 1944 indicated that rents had risen somewhat since rent control was removed, but the increases did not warrant the reestablishment of control. The area had 2,341 occupied rental dwellings and a population of 27,807 in 1940.

2. Crab Orchard area, Illinois (Jackson and Williamson Counties), was decontrolled on June 1, 1944. A sharp decline in employment at the Illinois ordnance plant was reflected in a drop in rents below the maximum rent date level in the four principal cities in the area. Rents have risen since control was removed, but are still below the maximum rent level. The area had 8,706 occupied rental dwellings and a population of 89,344 in 1940.

3. A portion of the Stuttgart area, Arkansas, consisting of the northern district of Prairie County, was decontrolled on July 1, 1943. Control was removed because it was found that this portion of the area was not seriously affected by war activities. The decontrolled portion of the area had 359 occupied rental dwellings and a population of 7,124 in 1940.

4. Malvern area, Arkansas (Hot Springs County), was decontrolled on December 1, 1943. Easing of the pressure on the housing market was shown by a decline in the rent level by October 1943 below the level on the maximum rent date. A survey in June 1944 indicated that rents had skyrocketed after control was removed. Between October 1943 and June 1944 about one out of every four rented homes in Malvern had rent increases and the general level of rents rose more than 7 percent, to a level higher than it was when rent control was first established. Rent control was reestablished in the area on January 1, 1945. The area had 1,411 occupied rental dwellings and a population of 18,916 in 1940.

5. A portion of the Cheyenne area, Wyoming, consisting of the portion of Laramie County outside the city of Cheyenne and its immediate vicinity, was decontrolled on March 1, 1945. Control was removed because it was found that this portion of the area was not seriously affected by war activities. The decontrolled portion of the area had approximately 400 occupied rental dwellings and a population of about 11,000 in 1940.

6. Leadville area, Colorado (Eagle, Lake, and Summit Counties), was decontrolled on May 1, 1945. The major war activity affecting the area was Camp Hale, at Pando, 20 miles from Leadville. Camp Hale was declared surplus in September 1944. A survey conducted in February 1945 indicated that the level of rents had declined to approximately the level on the maximum rent date, March 1, 1942. The gross vacancy rate in February 1945 was found to be 15.8 percent, as compared with a rate of 12.2 percent in April 1940. The area had 1,819 occupied rental dwellings and a population of 13,998 in 1940.

7. Paris area, Tennessee (Henry County), was decontrolled on May 15, 1945. The major war activity in the area was Camp Tyson, a barrage balloon training center. Camp Tyson was declared surplus in August 1944. A survey conducted in February 1945 indicated that the gross vacancy rate in Paris was 6.2 percent, the general rent level was 1.4 percent below that of March 1, 1942, and 27 percent of the rental dwellings registered with the area rent office were renting for less than

[1] The next decontrol memorandum, which will be issued in the near future, will discuss the types of information to be included in these fields reports.

their maximum rents. The area had 1,954 occupied rental dwellings and a population of 25,877 in 1940.

8. Clarksville area, Arkansas (Johnson County), was decontrolled on May 15, 1945. The major war activity in the area was a naval radar training school at the College of the Ozarks. The Navy began moving its personnel out of Clarksville on April 1, 1945, and on April 20, 1945, the training program was officially discontinued. Decontrol was recommended by the mayor of Clarksville, a representative of the College of the Ozarks, the acting area rent director, the district director, the district rent executive, and the regional rent executive. The area had 1,305 occupied rental dwellings and a population of 18,795 in 1940.

EXHIBIT B

LIST OF 31 CITIES IN 13 DEFENSE-RENTAL AREAS FOR WHICH BUREAU OF LABOR STATISTICS DECONTROL SURVEYS HAVE BEEN ORDERED SINCE JULY 1, 1944

DEFENSE-RENTAL AREA AND CITY TO BE SURVEYED

Newport-Walnut Ridge, Ark.: Batesville, Newport, Walnut Ridge.

Colorado Springs, Colo.: Colorado Springs.

Leadville-Salida, Colo.[1]: Leadville, Glenwood Springs, Salida, Rifle.

Americus, Ga.: Americus.

Toccoa, Ga.: Toccoa.

Grenada, Miss.: Grenada; Carrollton and Vaiden, comb.; Greenwood; Winona; Bruce and Calhoun, comb.; Water Valley.

Fairbury-York, Nebr.: Exeter Village, Geneva, and Fairmont, comb.; Fairbury; Bruning, Hebron, and Deshler, comb.; York.

Corvallis, Oreg.: Corvallis, Albany.

Medford, Oreg.: Medford.

Clarksville, Tenn.[2]: Paris.

Tullahoma, Tenn.: Shelbyville, Tullahoma, Winchester, Fayetteville, Lynchburg.

Sherman-Denison, Tex.: Bonham.

Salt Lake City, Utah.: Tooele.

One of the points that I think should be emphasized is the need for absolute fairness and absolute impartiality in the administration of all types of wartime controls. Rent control is especially important in this connection. The Administrator is in certain respects in the position of being an umpire. His decisions are not going to meet with uniform satisfaction from all of those that are affected. If he has to make a decision which affects a landlord adversely, there is going to be criticism from that source. If he has to make a decision that affects a tenant adversely, there is bound to be a certain amount of dissatisfaction there. I would like to say this, however: That in the administration of this very difficult part of the Price Control Act I think, in all fairness, it should be stated that Mr. Carson, the Rent Control Administrator, has done an excellent job. I have found that his office is always available when I want to go there and take up particular cases. He has shown himself to be fair-minded in the adjustment of complaints that have come up. Sometimes in regional or area offices the same attitude, unfortunately, has not been found. Wherever a biased attitude is discovered it should and must be eliminated from the program.

Looking at the picture over the entire United States, I think we can say that a good job has been done in holding the line on rent. Part of that is due to the fact that last year this House made certain amendments to the Price Control Act which affected the rental picture. We tried to add language at that time which would clarify the situation. We made provision for peculiar circumstances which sometimes come into the relationship between landlord and tenant. We made certain provisions for types of hardship cases which had undoubtedly arisen in many parts of the United States.

The people who testified before the House Committee on Banking and Currency pointed out that the amendments which we added last year have definitely been helpful in correcting many of these injustices. Mr. Eugene P. Conser, who most ably represents the National Apartment Owners Association, stated on June 11 that "an amendment adopted last year providing for adjustment of rents which had been affected by 'peculiar circumstances' has proven most useful in adjusting many inequities, and we sincerely appreciate your action in adopting it."

Those witnesses, including Mr. Conser, also pointed out, however, that there were some problems which still exist and where additional corrections in administration should be made. I am anxious that wherever possible these adjustments should be made. As I mentioned earlier, the committee thought it best not to make amendments to the act but to try to take care of those conditions by language in the report which accompanies the act. Through this report the intent of Congress is specifically stated and should be so interpreted.

On page 10 of the report is a section dealing with rent control, and it is my opinion that the statements made here are going to help iron out an additional number of injustices in the future. I may say that I personally submitted to the committee definite recommendations in this connection, some of which form the basis for these statements. Certain ones, however, were not included, and these I shall comment upon later in my remarks. I would like to comment very briefly on some of the particular problems that are being faced in the general field of rent control.

The first problem has to do with the overall community picture, and especially with the date when rentals are frozen, the so-called freeze date. If a community has been in a depressed economic condition at that time the freezing may work an injustice on large groups throughout the community. I have seen areas in the United States where I think this probably occurred, and the necessity then arises for the Administrator to review the community picture on rents as a whole rather than to take them up case by case. If you will turn to the language on page 10 of the committee report, the second paragraph, I think you will find that the committee has made excellent suggestions in this connection:

> The Administrator's practice of making surveys of rental property should be broadened and extended. The Administrator should be increasingly vigilant to determine areas and localities in which rising costs have affected the earning position of rental properties. In any areas in which such surveys indicate that cost increases have resulted in rental ceilings which are no longer generally fair and equitable under present administrative standards, the Administrator should take prompt action to grant appropriate relief.

It seems to me that in that language the committee is very definitely stating its position to the Administrator in regard to granting relief on a community-wide basis. Knowing the Administrator as I do, I have little doubt but that he will be open to suggestions which Members of this House wish to make regarding the particular communities that may be applicable under this point in the report. I repeat, I have always found Mr. Carson eager for constructive suggestions, and anxious to improve the administering of this most complex part of the price-control law.

Before leaving this part of my discussion I might mention that my own recommendations on this point differed slightly with that finally included in the report. It was my thought that some statement such as the following might accomplish the most good: "It is consistent with the purposes of the act that the Administrator investigate periodically the income and expenses of operation of housing properties. If there is evidence that housing properties generally in any defense rental area are not earning a fair and equitable rent, the Administrator is authorized to take such steps as will bring about this condition." I believe, however, that the intent of the committee as finally expressed in the language in the report already cited is clear indication to the Administrator that Congress expects direct action when surveys show that rent ceilings in any community are no longer fair and equitable. I intend to call to his attention certain cases where I think such surveys should be made. I hope the other Members of the House likewise will take advantage of that situation and point out to him communities where they believe rents may not be generally fair and equitable. It is only through such cooperation that community rental problems can be alleviated. That, however, is only one of the problems that arise in the whole field of rent control.

As I mentioned a moment ago, we added last year certain clarifying language dealing with adjustments for hardships and adjustments where classes of cases could be listed as peculiar circumstances. I should like to discuss this just briefly.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. Yes; briefly. I do not have very much time. There are some other points I want to go into, but I yield to the gentleman.

Mr. MILLER of Nebraska. I was interested in the gentleman's statement on rent control which I think is a very good

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[1] On May 1, 1945 the Leadville-Salida area was divided into the following three areas: (1) Leadville area consisting of Eagle, Lake, and Summit Counties; (2) Salida area consisting of Chaffee County; and (3) Glenwood Springs area consisting of Garfield County. Rent control was removed on the same date from the Leadville area.

[2] On May 14, 1945, Henry County was removed from the Clarksville, Tenn., area and established as a separate Paris, Tenn., area. Rent control was removed from the Paris, Tenn., area on May 15, 1945.

statement. Would the gentleman advocate extending rent control to every community and every little town and hamlet in the United States?

Mr. OUTLAND. Certainly not. I would advocate extending rent control only to those communities which are so congested because of war conditions that rental prices have risen out of all reason. I certainly would not advocate extending it to every town and hamlet in the United States. On the contrary, I would like to state to the gentleman from Nebraska that I would advocate taking away rent control wherever it proved possible and feasible to do so. I think we want to get rid of it but I am afraid the time has not yet come to remove such control in many congested areas in this country.

Mr. MILLER of Nebraska. I might state to the gentleman that in Nebraska they are extending rent control to areas which are not congested but only because one or two people have complained to the OPA. Many small towns and hamlets far removed and hundreds of miles from areas of congestion are now being brought under rent control simply for the sake of control.

Mr. OUTLAND. In response to that statement, I would like to say two things. In the first place, I have tried to study this problem rather carefully. It has been my conclusion that rent control has not been extended to communities except where congestion does exist. Secondly, I would suggest that the gentleman call those particular cases to the attention of the Rent Control Administrator and I can almost assure him myself they will not only receive serious consideration but that in all probability a survey of those conditions will be made.

It seems to me the whole problem of adjustment for individual hardship cases and adjustment for cases involving peculiar circumstances ought to be gone into very thoroughly. One of the points that has been raised has been that the classes of cases involving peculiar circumstances should be listed in the regulations themselves. I have had some correspondence with the Rent Control Director on that point and I have asked permission to include in my remarks correspondence as to the point of view of his office on that score.

My own thought on this matter was summarized in the following language which I submitted to the committee:

Adjustment for hardship: If the net operating income of any property has been reduced by more than 5 percent in comparison with the net operating income on the freeze date, then a substantial hardship exists which should be subject to adjustment, provided that that decline in net income is due to a substantial and unavoidable increase in property taxes or operating costs.

Peculiar circumstances: The classes of cases of peculiar circumstances which are such as to justify an amendment should be included in the regulations themselves. The Administrator has been prompt and his action praiseworthy in following out the mandate of Congress in connection with this amendment of last year, but the inclusion of these classes of cases in the regulations themselves would have a wholesome effect. Moreover, it is recommended that as much discretion as is possible consistent with the purposes of the act should be given to the regional and area directors in providing for additional classes of cases coming under this provision.

I have discussed this matter at considerable length with the Administrator; I include here as part of my remarks a letter from him written June 15, 1945, as well as copies of memoranda sent out to regional and area offices outlining policy on this part of the program. I feel confident that the National Administrator, in this as well as in other particulars, will do everything possible to make such adjustments as will reduce inequities and improve the over-all administration of the program.

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., June 15, 1945.

The Honorable GEORGE E. OUTLAND,
House of Representatives,
Washington, D. C.

DEAR GEORGE: During the hearings before the House Banking and Currency Committee on the renewal of the Price Control Act witnesses representing the real-estate industry criticized the rent department for not including in the peculiar circumstance amendment all of the classes of cases which have been included in official interpretations issued to our field offices and to the public.

To date we have set up several classes of cases where circumstances are such as to justify an adjustment under the peculiar circumstance amendment providing the rent is substantially lower than comparable rents. These have not been included in the regulations because to do so would make the amendment very unwieldy and would require new amendments every time additional classes of cases were established. This method obviously brings to the regulations a much higher degree of flexibility than would be the case if they were subscribed to a definite list of cases.

I am sure that the method we are following is more in the interest of landlords generally. Particularly is this true since we have instructed our field offices that adjustments need not be limited to types of cases listed in the interpretations issued. For example, in November after the amendment had been in effect about 4 months we issued to our field offices a memorandum of instructions pointing up this fact. This memorandum was written after we had reviewed a large number of petitions filed under the new amendment. Our review embraced petitions which had been granted as well as those which had been denied. The following is quoted from this memorandum:

"On the whole the decisions have been in accordance with the general principles stated by the national office. However, there has been a tendency in some offices to construe 'peculiar circumstances' more strictly than we intend. We note, for example, some tendency to deny adjustment in cases which seem meritorious, apparently because they do not fall within one of the general categories described in Rent Memorandum 5 (a) (11)-I. (Issued July 15, 1944 prior to the effective date of the amendment.) As is stated in that memorandum, these groups of cases were not intended to be definitive. We fully expected that additional types of cases would be brought to the attention of the area offices in which adjustments would be proper. * * * It is not possible or appropriate for us to attempt to furnish an answer to every problem which may arise. Considerable discretion rests in the area office, to be exercised in accordance with the general standards which we have outlined."

Our original instructions to the field also embodied this principle. The following is quoted from the original instructions issued July 15, 1944:

"This interpretation is not intended to be definitive. It is based upon cases which have come to our attention and which apparently are not uncommon. No doubt there will be other cases, not coming within the general categories described in the Interpretation, in which adjustments properly may be made."

In the instructions issued to our field offices last November the following comment was made in consideration of cases submitted under the peculiar circumstance amendment in relation to the extent of the variation of the rent from comparable rents:

"The extent of the variation from comparability is significant evidence, both on the issue of peculiar circumstances and on the question whether the peculiar circumstances caused the low rent. It is quite proper to require less evidence on these issues where the rent is extremely low than is required where the variation is less extreme. It must be recognized that there are real difficulties of proof under section 5 (a) (11), since in most instances we are attempting to ascertain facts on and prior to maximum rent date, a period usually some distance in the past. Where an extremely low rent appears, this in itself is a fairly strong indication that it was the result of unusual circumstances. In other words, the extent and extremity of the variation from comparable rents may be indicative that the rent was established under 'peculiar circumstances' and an adjustment under 5 (a) (11) would be proper."

We shall continue to review cases submitted under the peculiar circumstance amendment and additional classes of cases will be added to the official interpretations issued as they present themselves. This is a very flexible method of treatment and places discretionary authority in the hands of local area rent directors to approve adjustments under the amendment even though the circumstances of the particular cases do not fall within the classes of cases included in the official interpretations.

With my best regards, I am

Sincerely yours,

IVAN D. CARSON,
Deputy Administrator for Rent.

P. S.—Enclosed are copies of the rent memorandum and interpretations issued in connection with the peculiar circumstance amendment. The portions I have quoted above are taken from this material.

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C.

MEMORANDUM

To: All regional rent executives, regional rent attorneys, area rent directors, and area rent attorneys.

From: Eugene Swigart, Associate General Counsel for Rent.

Subject: Interpretation 5 (a) (11)-I. Adjustments for peculiar circumstances.

By amendment to the rent regulations effective July 17, 1944, adjustments are provided under section 5 (a) (11) of the housing regulation in cases where the rent on the date determining the maximum rent "was materially affected by peculiar circumstances." An adjustment will be made only where, because of these circumstances, the rent was substantially lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date. A similar provision was added to the hotel regulation as section 5 (a) (8).

The rent regulations fix maximum rents upon the basis of the rent bargained for on the maximum rent date, a date on which the housing market was relatively unaffected by

war activities.[1] Prior to the amendment which added section 5 (a) (11), the rent regulations contained a number of grounds for adjustment in classes of cases in which the rent on the date determining the maximum rent was not the result of the normal process of economic bargaining. One of the principal purposes of the ground for adjustment contained in section 5 (a) (11) is to give relief in additional types of cases in which factors not present in the normal rental transaction materially influenced the amount of rent received by the landlord, resulting in the fixing of a rent substantially below the rents generally prevailing for comparable units.

There are three prerequisites to an adjustment under section 5 (a) (11). First, the rent on the date determining the maximum rent must have been substantially below the rent generally prevailing in the area for comparable accommodations on the maximum rent date. Second, it must appear that there were "peculiar circumstances" in connection with the renting. Third, it must appear that the low rent actually was caused by these peculiar circumstances.

ILLUSTRATIONS

A. Renting under unusual pressure or necessity

1. X learned that her husband, who had been overseas in military service, had returned to this country and was at least temporarily stationed in another city. She immediately made plans to join her husband and rented her home for $50 a month. The rent generally prevailing in the defense-rental area for comparable houses on the maximum rent date was $75 a month. X was inexperienced in business matters and handled the renting of the house personally rather than through an agent. The rental transaction was entered into hurriedly and under circumstances indicating that insufficient consideration was given by X to obtaining a proper rent. The renting occurred after the effective date of the regulation and the maximum rent, therefore, is $50 a month under section 4 (e) of the housing regulation.

2. Two months prior to the maximum rent date the owner of a house received notice from his employer of his transfer to a South American branch office and had only 3 days to settle his personal affairs before sailing. In order to dispose of his home, he rented it to the first applicant for an amount very substantially below the prevailing rent for comparable accommodations in the area and the house was so rented on the maximum rent date.

In the above cases, an adjustment may be made on petition of the landlord on the ground that the rent was materially affected by peculiar circumstances.

B. Factors with respect to management

1. On the maximum rent date a house was owned and managed by a landlord who was mentally incompetent. Being incapable of normal business judgment he rented the accommodations on the maximum rent date for an amount very substantially below the prevailing level of rent for comparable houses.

2. For more than 4 years prior to the maximum rent date, an elderly owner of a two-family dwelling had been bedridden. Althought not mentally incompetent, her age and physical condition prevented her from exercising normal business judgment. During this period rental values increased and on maximum rent date, the rent for subject property was substantially lower than that for comparable accommodations in the area. Subsequent to the maximum rent date the property changed hands and the new owner petitions for an adjustment under this section.

3. Approximately 1 year prior to maximum rent date the owner of a house which was then rented for $40 a month died and a dispute arose concerning title to the house. This dispute was not settled until after maximum rent date, and during the intervening period the tenant continued to occupy the house paying $40 a month. This rent was substantially below the rent generally prevailing in the area for comparable accommodations on maximum rent date. However, because of the title dispute, no one assumed responsibility for the active management of the property and the rent was not raised. Shortly after the maximum rent date the title dispute was settled and the house sold. The new purchaser promptly raised the rent to $60 a month, that being the rent generally prevailing in the area on maximum rent date for comparable accommodations.

4. For 7 years prior to December 1, 1941, a house was rented for $35 per month. X, the owner, began an extended business trip on that date and asked his daughter to collect the rent and to take care of the property while he was away. On January 31, 1942, the tenant moved and the landlord's daughter rented the house to a friend of hers for $25 per month. This was the rent on March 1, 1942, the maximum rent date. The rent is substantially lower than prevailing rents for comparable accommodations.

5. Six months prior to maximum rent date, a house had been forfeited to the city for nonpayment of taxes. Under local law, a temporary tax receiver was appointed to collect rents and pay taxes until the property was either redeemed or sold. The property was rented by the tax receiver on the maximum rent date for an amount very substantially below the prevailing rent for comparable accommodations in the area. Subsequently the premises were sold, and the new owner petitions for an adjustment under section 5 (a) (11).

6. A nonresident landlord entirely unfamiliar with local conditions inherited a house prior to the maximum rent date. She arranged with a local bank to act as her agent and supposed that the bank was acting in the capacity of a management agent, whereas the bank construed its function as merely an agent for collection of rentals under the existing rental agreement. As a consequence of this misunderstanding there was a total absence of management resulting in a freeze date rent 25 percent below prevailing rents for comparable accommodations in the area.

In the cases cited in the above paragraphs adjustments may be granted under section 5 (a) (11). In these instances the peculiar circumstances which substantially affected the rent on the maximum rent date consisted of factors which related to the management of the property. In all six cases there was either an absence of proper management or abnormally indifferent management.

These cases should be differentiated from those involving simple mismanagement or poor business judgment on the part of either the landlord or the landlord's agent. Normally under the rules of agency, the acts of the agent within the scope of his authority are the acts of the principal and the latter may not base his claim for relief on the ground that the agent made a poor bargain. However, in extreme cases, as where the agent has been guilty of actual dishonesty in renting at a low rent, adjustments may be proper.

C. Renting for temporary occupancy

1. Prior to maximum-rent date a suit was brought by a city to condemn a house owned by L in order to obtain a right-of-way for a street. The tenant then occupying the premises vacated and L rented the house to another tenant. Due to the uncertainy of the period of occupancy L rented the house to the new tenant for a rent lower than he previously had been receiving and substantially lower than the rent generally prevailing in the area for comparable accommodations. After maximum-rent date the condemnation proceeding was abandoned.

2. On maximum-rent date L was operating an apartment house containing some three- and some four-room units. The standard rent maintained by L for the three-room units was $50 a month and for the four-room units was $65 a month. Shortly before the maximum-rent date T sought to rent from L a three-room unit but none was then available. However, L expected to have such a unit available within 2 months. An agreement was reached between L and T whereby T was to occupy one of the four-room units for this 2-month period until a three-room unit became available. As a consequence, T paid $50 a month for the four-room unit on the maximum-rent date although the remainder of such units were rented for $65 a month. The maximum rent for that unit, therefore, was fixed at $50 a month under section 4 (a) of the regulation.

3. The owner of a house located in a Northern State customarily spent his winters in the South. For the period of his absence in the winter of 1941–42, which included the maximum-rent date, he rented his home fully furnished at $75 per month, with the explicit agreement that the tenant's occupancy was to be limited to a term of 3 months, at the end of which time he intended to return and reoccupy the house himself. The prevailing rent for similar accommodations in the area on the maximum-rent date was $150 per month.

Adjustments are proper in cases illustrated by examples 1 to 3 under section 5 (a) (11). In each of these cases the rent on the date determining the maximum rent was substantially below prevailing rents because the landlord contemplated occupancy for a very short period. Obviously, where the landlord customarily rented for short terms, as for example in a resort area or where he normally rented to tenants temporarily in the area, no adjustment would be granted.

D. Mistake

After the effective date of the regulation, L moved to another city and authorized an agent to rent the house in which he had been living. He instructed the agent in writing to rent the house for not less than $100 a month but, through a mistake which occurred in the office of the agent, it was rented for $80 a month. The rent generally prevailing in the defense-rental area for comparable accommodations on maximum rent date was $100 a month. The error was not disclosed to the owner until several months after the rental.

The maximum rent is $80 a month, the first rent obtained for the house, but an adjustment may be made under section 5 (a) (11) on petition of the landlord. In such case, however, it should appear that the landlord took immediate steps to correct the error when he discovered it. It should not appear that the mistake of the agent was later ratified by the landlord.

E. Bad reputation of property on date determining maximum rent

1 For over 2 years prior to the maximum rent date L had been unable to secure a tenant for a rental house owned by him due to the fact that the former tenant committed suicide and the house had acquired the reputation of being haunted. Shortly prior to the maximum rent date L secured a tenant

[1] As the Emergency Court of Appeals has said, rents are frozen under this method "at levels which landlords and tenants had worked out for themselves by free bargaining in a competitive market, prior to the time when defense activities had injected into the market an abnormal factor resulting, or threatening to result, in rent increases inconsistent with the purposes of the act." *Chatlos* v. *Brown*, OPA Service, 612: 1, 5.

at a rent well below those of comparable houses.

2. Prior to the maximum-rent date an apartment building was notorious in the community as a criminal hang-out. All of the apartments were rented to persons of questionable character, and building was frequently the scene of police raids. Four months before the maximum-rent date the property was sold and the new owner evicted all of the occupants, replacing them with desirable tenants. Because of its bad reputation, he had difficulty in renting the apartments and leased them for rents substantially below the rents for comparable apartments in the area.

In illustrations 1 and 2 adjustments may be granted under section 5 (a) (11) because the rent on the date determining the maximum rent was materially affected by the fact that the particular units had acquired a bad reputation in the community in which they were located.

F. Prepayment of rent

For some time before the maximum-rent date L had been renting a house to T under a month-to-month lease for $40 per month. Shortly prior to that date a principal payment of $360 on the mortgage on the premises became due, and the mortgage holder threatened foreclosure. Being without funds and unable to borrow this amount, L approached T and offered to accept $360 as payment in full for the next year's rent. As a consequence, the maximum rent was established at $30 per month, which was substantially below the generally prevailing rent for comparable houses in the area. An adjustment is appropriate under section 5 (a) (11). The mere fact that rent was paid in advance for a period of months on the maximum-rent date will not, however, of itself constitute a peculiar circumstance.

G. Rent increases delayed until after maximum rent date

1. The maximum rent date is March 1, 1942. January 15, 1942 T, who was paying $35 a month rent, gave L written notice terminating the tenancy on February 15, 1942. Relying on this, L rented the house to X for $45 per month commencing February 15, 1942.

On February 10, 1942, T notified L that circumstances beyond his control prevented him from moving before March 5, 1942, and that if L insisted on his removal before that date he would contest an eviction action in the local courts. In order to avoid expense and possible further delay L and X agreed to allow T to remain in possession until that time paying rent on a pro-rata basis, based upon $35 per month rental. T moved March 5, 1942, and X took possession of the apartment and paid $45 per month until the effective date, when L was obliged to revert to the $35 per month rent. This rent is substantially below comparability. An adjustment would be proper under Section 5 (a) (11).

2. The maximum rent date is March 1, 1942. On February 1, 1942, L gave T a notice that his rent would be increased from $35 to $40 per month, effective April 1, 1942. On April 1, 1942, and thereafter T paid the rent as increased. The maximum legal rent is $35 and L has no ground for adjustment under Section 5 (a) (11) even if the rent is substantially below comparability. The low rent was not caused by peculiar circumstances existing on the date determining the maximum rent.

H. Intermittent occupancy

On the maximum rent date L rented a room in his residence to T, a commercial traveler for $3 a week. T traveled all week, only occupying the room on Saturday and Sunday nights, and the room was rented to him on such understanding. T has now vacated and L has rented the room to X and his wife for full-time occupancy. The generally prevailing rent for comparable rooms on the maximum rent date was $7.50 per week. An adjustment may be made under section 5 (a) (11).

I. Miscellaneous cases

1. T was a professional singer and annoyed other tenants with her constant practicing. L moved T to a more secluded but more expensive apartment for the balance of her lease but permitted her to continue to pay $75 per month which was the rent for the apartment she formerly occupied. The move was necessary to keep other tenants from vacating. The rent paid by T for superior apartment on the maximum rent date was substantially below comparability. An adjustment would be proper under section 5 (a) (11).

2. L purchased an apartment house after the maximum rent date but before the effective date of the regulation. The rent had been raised shortly after the maximum rent rate but before the effective date on half of the apartments. L seeks an adjustment in the rent on these apartments alleging that the purchase price was based upon the rentals as increased. L's petition for adjustment under section 5 (a) (11) would be denied even though these rentals were below comparability. The alleged peculiar circumstances arose subsequent to the date determining the maximum rent and did not affect the rents on that date.

3. The tenant on maximum rent date had been in possession for many years. Although the prevailing rent for comparable accommodations in the area on maximum rent date was $30 per month, the landlord had not raised the tenant's rent of $25 per month because he was a tenant of long standing. No adjustment is authorized under section 5 (a) (11) simply because the occupant on maximum rent date was an old and desirable tenant.

(Issued July 5, 1944; revised August 11, 1944; revised May 15, 1945.)

OFFICE OF PRICE ADMINISTRATION,
Washington 25, D. C.

MEMORANDUM

To: All regional rent executives, regional rent attorneys, area rent directors, and area rent attorneys.

From: Ivan D. Carson, Deputy Administrator; George E. Palmer, Associate General Counsel for Rent.

Subject: Rent memorandum 5 (a) (11)–I. Adjustments for peculiar circumstances—comments on interpretation 5 (a) (11)–I.

Amendment 29 to the housing regulation adds a new ground for adjustment, as Section 5 (a) (11), where "the rent on the date determining the maximum rent was materially affected by peculiar circumstances and as a result was substantially lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date."

A similar change is made in the hotel regulations by amendment 25.

These amendments are made in conformity with that portion of the amendment to section 2 (c) of the Emergency Price Control Act, made by the Stabilization Extension Act of 1944, which provides as follows:

"Under regulations to be prescribed by the administrator, he shall provide for the making of individual adjustments in those classes of cases where the rent on the maximum rent date for any housing accommodations is, due to peculiar circumstances, substantially higher or lower than the rents generally prevailing in the defense-rental area for comparable housing accommodations."

In interpretation 5 (a) (11)–I we have set out certain types of cases in which adjustments may be made based upon "peculiar circumstances." This interpretation is not intended to be definitive. It is based upon cases which have come to our attention and which apparently are not uncommon. No doubt there will be other cases, not coming within the general categories described in the interpretation, in which adjustments properly may be made. In making decisions in those cases the general approach should rest upon the principles inherent in the maximum rent date method of controlling rents.

As the Emergency Court of Appeals has said, rents are frozen under this method "at levels which landlords and tenants had worked out for themselves by free bargaining in a competitive market, prior to the time when defense activities had injected into the market an abnormal factor resulting, or threatening to result, in rent increases inconsistent with the purposes of the act." *Chatlos* v. *Brown*, OPA Service 612:1, 5. In determining whether there are peculiar circumstances, consideration usually should be directed to whether the circumstances relied upon by the landlord are abnormal, that is, not usually present in the normal bargain. If there is some abnormal variation which actually caused the setting of a rent substantially below comparability, an adjustment may be made. Most of the examples given in the interpretation fall within this general category.

There are three prerequisites to an adjustment under section 5 (a) (11). First, the rent on the date determining the maximum rent must have been substantially below the rent generally prevailing in the area for comparable accommodations on maximum rent date. Second, it must appear that there were "peculiar circumstances" in connection with the renting. Third, it must appear that the low rent actually was caused by these peculiar circumstances. This is similar to the approach already well established under section 5 (a) (4).

1. Renting under unusual pressure or necessity: Paragraph 1 of interpretation 5 (a) (11)–I illustrates a group of cases in which the landlord rented for a figure substantially below comparability because of unusual pressure or necessity or under other circumstances which clearly indicate that he did not make an ordinary business bargain. In the particular case treated in paragraph 1, the low rent was in part the result of unusual pressure. Somewhat similar cases have been brought to our attention in which the renting occurred under unusual emotional stress, as where the husband died and the wife, in order to get her affairs settled immediately and move to another city, rented for a low figure at a time when she was in no state of mind to make a fair bargain. An adjustment properly could be made in such a case. Similarly, an adjustment would be proper where the transaction was the result of extreme economic necessity. In one case presented to an area office the landlord alleged that, shortly before maximum rent date, he rented at an admittedly low rent in order to obtain sufficient money to buy food for his family. Granted such facts, an adjustment would be appropriate.

In the case discussed in paragraph 1 of the interpretation the renting occurred after effective date and the maximum rent therefore was established on the basis of the "first rent." As a consequence, the landlord had no opportunity to remedy the situation by subsequently increasing the rent. But where such a renting occurs before the effective date, particularly before the maximum rent date in a section 4 (a) case, it will be pertinent to ascertain whether the landlord subsequently remedied the initial situation by raising the rent. If the renting in the case described in paragraph 1 of the interpretation had occurred 6 months before maximum rent date, and the landlord had failed to raise the rent by maximum rent date, this would be an indication, though not decisive, that the low rent was not caused (i. e., "mate-

rially affected" by the abnormal circumstances surrounding the renting.

The District of Columbia Emergency Rent Act provides for adjustment where a maximum rent "is, due to peculiar circumstances affecting such housing accommodations, substantially higher or lower than the rent generally prevailing for comparable housing accommodations." In *Read* v. *Gerstenfeld*, decided on April 13, 1944 by the Municipal Court of the District of Columbia, the court had before it the meaning of this adjustment provision. On May 18, 1938, the owner of the house, Mrs. Read, rented it for a short term ending in September 1938 at $250 a month, after her husband, an officer in the United States Navy, was ordered to sea duty. In September 1938 the owner rented the house to a new tenant, Gerstenfeld, for a 1-year term at the same rent, that is, $250 a month. Thereafter this lease was renewed in 1939, 1940, and 1941 at the same figure. The maximum rent date in the District of Columbia is January 1, 1941, and on that date the house was rented for $250 a month. The landlord alleged that this rent was substantially below comparable rents and sought an adjustment based upon peculiar circumstances. The court held that the case did not involve "peculiar circumstances" within the meaning of the District of Columbia Act. It discussed the theory underlying the maximum rent date method of rent control as enunciated by the Emergency Court of Appeals and concluded that the phrase "peculiar circumstances" means "unusual or special circumstances which keep the landlord and tenant from bargaining freely." It emphasized the fact that successive leases had been made at the rent originally fixed by the landlord.

We would reach the same conclusion under section 5 (a) (11). Possibly the original renting was influenced by peculiar circumstances, but in any event it seems clear that these circumstances had ceased to operate on maximum rent date. The bargain in effect on that date was an ordinary business bargain.

It might be noted also that the court placed some emphasis upon the fact that the original renting was made "upon the basis of a recommendation of the landlord's own experienced real-estate agent, who, naturally, would obtain the highest rental possible." This fact would be significant in a case such as that set out in paragraph 1 of the interpretation. In most of the cases similar to the case there discussed which have come to our attention, and in which an adjustment appears to be warranted, the rental transaction was made by the wife personally. In such cases it may be fair to conclude that the transaction was influenced by the unusual necessity or emotional stress or other factor to which the wife was subjected.

2. Factors with respect to management: The cases discussed in paragraph 2 of interpretation 5 (a) (11)–I are illustrative of a group of cases in which the rent on the date determining the maximum rent was materially affected by unusual circumstances connected with the management of the property.

Paragraph 2 (a) of the interpretation represents a rather extreme case of absence of proper management. Other cases involving this same factor will be less clear-cut but, nonetheless, may sometimes present a basis for adjustment. Instances occur in which the low rent was the result of abnormally indifferent management; for example, where the accommodations were owned on maximum rent date by an elderly person who, because of his age, did not take sufficient interest in the property to obtain a reasonable rent. Adjustments will be proper in such cases if the facts are clearly established.

A related group of cases involves mismanagement by an agent or other fiduciary, rather than mismanagement resulting from the peculiarities of the owner. Considerable care must be used in making adjustments in this class of cases. Certainly it will be unwise to open the door to claims that the agent did not follow proper management policies. Care must be taken not to give relief merely because the agent made a poor bargain for his principal. However, in extreme cases, as where the agent has been guilty of actual dishonesty in renting at a low rent, adjustments may be proper.

The cases discussed in paragraph 2 (c) of the interpretation appears to represent one of the largest groups of cases which has come to our attention involving what we consider to be peculiar circumstances. A number of cases have been presented where, on the date determining the maximum rent, the property was in the hands of a mortgagee, receiver, or trustee who rented it for an amount substantially below comparable rents. To some extent this may have resulted from the fact that the fiudciary was unable to assure any extended period of occupancy; hence these cases overlap those discussed in paragraph 3 of the interpretation. In the main, however, the low rent received by the fiduciary appears to result from the fact that he was concerned primarily with keeping the property occupied until certain matters were settled or until sale of the property could be made. In general, where it appears that the low rent occurred because the landlord's primary purpose was to obtain occupancy so as to prevent vandalism and other deterioration of the property, an adjustment may be made.

A similar situation is where a State or other governing body has taken over property on tax foreclosure. Again it appears to be common for the State to rent the property for an amount substantially below comparability. The State is not engaged in the business of renting property but presumably is concerned primarily with selling the property so that it may be returned to the tax rolls. In all probability the officials concerned are under a legal duty to sell the property; this would be frequently true also where property is held by a trustee, receiver, or other fiduciary.

To some extent the tax foreclosure cases are covered by other adjustment provisions of the regulation. We have held that where the State rents the property to the former owner there may be a special relationship warranting an adjustment under section 5 (a) (4). Where the State rents the property to a third person, the case may be covered by section 5 (a) (9) since the property presumably wil be tax exempt while title is in the State. Regardless of the adjustment provision used, it is likely that in most of these cases involving tax foreclosure an adjustment may be made if the State actually was renting the property on the date determining the maximum rent for an amount substantially below comparability.

3. Temporary occupancy: The cases discussed in paragraph 3 of the interpretation are illustrative of a group of cases in which a rent substantially below comparability is received because of the temporary character of the renting. Another example, not set out in the interpretation, is as follows:

Two months prior to the maximum rent date L rented for a 3-month period the house in which he was living. L was leaving the city for 3 months, and the house was rented with an express understanding that the tenant would vacate upon L's return. The house was rented for $75 a month, whereas the rent generally prevailing in the area for comparable accommodations was $125 a month. Under the rental conditions then prevailing in the community, such a transaction was unusual and normally would not have enabled the landlord to collect as high a rent as he could in a typical renting.

An adjustment may be made in this case under section 5 (a) (11). We do not propose to make adjustments simply because the renting was under one type of rental agreement rather than another; for example, under a 1-year lease rather than on a month-to-month basis. However, where the lease or other rental agreement was for an unusually short period of occupancy, and it is clear that this fact resulted in a rent substantially below comparability, an adjustment is proper. The significant fact is not so much the term of the lease as that it was clearly understood that this was to be the maximum period of occupancy. While a renting on a month-to-month basis might legally constitute a renting for a single month, it is clear that there is no basis for adjustment because of that fact.

Nor is the above example intended to authorize adjustments simply because the landlord may be renting to tenants for a short period of occupancy. In many areas housing accommodations are rented for periods as short as 6 weeks because of the fact that persons in military service are in training in the community for that period. Such a renting is in the regular course of the landlord's business and affords no basis for adjustment. A fact essential to adjustment in the above example is that the particular transaction constituted a material variation from the normal type of renting; if it did not, for reasons such as those just described, no adjustment should be made.

Many short-term arrangements will involve subletting. For example, L leases a house to T, unfurnished, for $100 a month under a 1-year lease. Three months before expiration of the lease T sublets the house to S, furnished, for the balance of the term at $100 a month. This subletting comes within the provisions of section 4 (j), and therefore the maximum rent on a furnished basis is the same as that on an unfurnished basis. If the maximum rent on a furnished basis is substantially below comparability—and the fact that the house rented for $100 a month unfurnished furnishes some evidence that it is—a clear case for adjustment is presented. In these cases there is likely to be another factor in addition to the short term which bears upon "peculiar circumstances." Cases presented to us indicate that the tenant, in subletting, may be concerned primarily with obtaining sufficient rent to cover what he is obligated to pay the owner. If this additional circumstance appears, an adjustment may be warranted where the term of the subletting is longer than would be considered a "peculiar circumstance" in a case involving no subletting.

4. Mistake: Paragraph 4 of the interpretation illustrates a group of cases in which a rent substantially below comparable rents resulted from a clear mistake. Probably there will be relatively few cases in which adjustment will be warranted on this ground. Nonetheless, if a mistake in connection with the making of the rental agreement is clearly proved, an adjustment may be appropriate.

5. Nuisance and similar conditions: The case in paragraph 5 of the interpretation is representative of a group which may roughly be described as "nuisance" cases, although it should be understood that the work is not being used in its legal sense. A relatively clear case for adjustment is presented, since the actual reduction in rents because of the temporary nuisance demonstrates that the rents on maximum rent date were affected by the nuisance. Under some circumstances an actual reduction in the rents need not appear as indicated by the following illustration:

Illustration 1: Prior to maximum-rent date L began construction of a housing project containing 500 units. The mortgage on the project was insured by Federal Housing Administration, which approved a schedule of rents for the units (in the project). (The accommodations were not built with priorities

and do not come under section 4 (f) of the housing regulation.) Some units were completed and rented on maximum-rent date, while others were still under construction. Thereafter, as units were completed they were rented while construction continued on other parts of the project. This construction subjected the tenants to considerable annoyance and inconvenience. Because of this, L rented the units for amounts substantially lower than the scheduled rents, expecting to raise the rents upon completion of the project. There initial rents were substantially below comparability. The units were rented on a month-to-month basis, and when the project was completed, prior to the effective date of the regulation, L raised the rents on all units which had been rented during the course of construction. The maximum rents, of course, are the rents for the units on maximum-rent date, or, where units were not rented until after that date, the first rents thereafter.

An adjustment is authorized under section 5 (a) (11). This situation differs from the case set out in paragraph 5 of the interpretation in that the units were first rented while the temporary nuisance was present, whereas, in paragraph 5 of the interpretation, the units had been rented before the nuisance commenced, and the rents actually were reduced during its continuance. The reduction is convincing evidence that the nuisance materially affected the rents on maximum rent date. Where, as in illustration 1, no such evidence is available, extreme care should be used in determining whether the rent on the date determining the maximum rent was affected materially by the temporary nuisance. No adjustment should be made in illustration 1 if it appears that the rents actually were fixed on the basis of the completed project.

Illustration 1, above, and paragraph 5 of the interpretation represent a rather limited group of cases in which the rent on the date determining the maximum rent was materially affected by conditions of a temporary character. In determining whether the maximum rent is below comparability the temporary condition, since removed, should be disregarded.

There is an analogous group of cases in which adjustments, if any, should be made under section 5 (a) (3) rather than 5 (a) (11). These are cases in which a condition of relatively long standing materially affected the rent on the maximum rent date. The removal of this condition after maximum rent date may furnish a basis for adjustment under section 5 (a) (3), as indicated by the following illustrations:

Illustration 2: On maximum rent date L was renting a second-floor apartment located immediately above premises which were used as a night club and had been so used for some years past. The night club caused considerable noise and confusion which was disturbing to the tenant of the second-floor apartment. Since the maximum rent date the night club has been removed and the space is now used for dwelling purposes. The elimination of the noise and disturbance caused by the night club has materially increased the rental value of the second-floor apartment. L petitions for an adjustment under section 5 (a) (3).

An adjustment is authorized based upon an increase in services. It should be made in such a case only where the facts indicate that the change in question is relatively permanent. In the present case the space formerly used as a night club now is being used for dwelling purposes, and it is a fair inference that the new use has some degree of permanence. On the other hand, if the use as a night club has ceased and the space has not been put to any other use, an adjustment generally would not be proper. There is no assurance that the landlord may not immediately use the space in some manner as objectionable as the former use.

It may be that the space is now being used in another business rather than as housing accommodations. An adjustment should be made only if it is clear that there has been a material increase in rental value by reason of the elimination of the disturbances connected with the night club. In many instances the change from one business use to another may have little effect on rental value, even though the former disturbances have been eliminated. Nonetheless, it will be proper to give an adjustment in clear cases where the landlord has eliminated really objectionable conditions such as noise.

Illustration 3: On maximum rent date a house was located in a low place and water accumulated on the lot after every rain. After that date the county authorities built a short drainage ditch which thereafter eliminated the accumulations of water on the property in question and a small group of properties in the vicinity. By reason of this change the rental value of the house was materially increased. The drainage ditch was built out of county funds with no special assessment against the property in question or other properties benefited thereby. L petitions for an adjustment under section 5 (a) (3). An adjustment is authorized based upon an increase in services.

Illustration 4: On maximum rent date L was renting a house which was located close to a slum area. Since maximum rent date properties in this slum area have been razed and replaced by a public-housing project. As a result the character of the neighborhood has improved and the rental value of L's house has increased L petitions for adjustment under section 5 (a) (3). Under these circumstances an adjustment should not be made.

In illustrations 2 and 3 an adjustment should be made under section 5 (a) (3) rather than 5 (a) (11). Section 5 (a) (11) is scarcely appropriate (to these cases) since it authorizes an adjustment only where the rent on the date determining the maximum rent is substantially below comparable rents, and any determination of comparability properly should take into account the actual condition of the property on that date. However, we do consider section 5 (a) (3) appropriate; that is, we regard the subsequent removal of the condition which affected rental value as constituting an increase in services.

Illustrations 2 and 3 differ from the case stated in paragraph 5 of the interpretation in that the condition which existed on maximum rent date was of long standing rather than temporary. Under such circumstances it cannot reasonably be required that the landlord show that he has actually reduced the rent because of this condition. No precise line, in terms of time, can be drawn between conditions which were temporary and those which were not. In the last analysis the decision turns on whether the rent on the date determining the maximum rent was in fact substantially affected by the condition since removed, or whether the condition was of such temporary character that it had not affected that rent. For example, in illustration 2, if the night club had been installed shortly before maximum rent date, and the rent for the second-floor apartment had not been reduced because of its presence, no adjustment should be made on this account even though the second-floor rent was substantially below comparability.

Apart from the requirement that the rent was materially affected by the factors which have since been eliminated, great caution should be used in granting adjustments in the group of cases discussed in illustrations 2 and 3. To a large extent, the question is one for the good judgment of the Rent Director, although there are certain general considerations which are important.

Adjustments generally should not be made because of changes which affect a great many properties, and which have no special significance for the particular property involved. An important group of cases falling in this category is where there have been changes in the general character of the neighborhood, of which the case discussed in illustration 4 is an example. There will be many neighborhood changes which ultimately might materially increase the rental value of housing accommodations but for which an adjustment nonetheless should not be made. An example would be the construction of new industries resulting in an increase in rental value of neighboring houses because of their proximity to such industries. Closely related are changes made in various types of public services. For example, a city improves fire protection for properties in the city or a certain section of the city. An adjustment should not be made because certain groups of housing accommodations are benefited by this change. Similarly, an adjustment should not be made because the city installs or extends bus or streetcar service, even though that may increase the rental value of particular groups of houses.

The distinction between the examples just given and the case discussed in illustration 3 lies partly in the fact that the overflow of water, in the latter case, was an unusual condition which in a real sense depressed rental value on maximum rent date, whereas the absence of adequate fire protection or bus service for a certain group of housing accommodations is not abnormal and the improvement of fire protection or bus service is part of the normal development of a community. In addition, fire protection and bus service is given to properties generally, whereas the building of the drainage ditch had special significance for a small group of properties. Had the drainage ditch been part of a flood-control project which benefited all or most of the properties in the community, no adjustments should be made unless part or all of the cost of this project was borne by special assessment against the properties.

While it undoubtedly is true that many neighborhood changes ultimately will result in an increase in rental value, this will be a gradual process, and we do not believe that this type of change should be taken into account. In illustration 4, for example, involving the removal of a slum area, it is not likely that the effect on rental value of surrounding accommodations would be immediate. Ultimately, of course, the removal of the slum area might well result in a substantial change in the general character of the neighborhood and a corresponding increase in rental value. This type of natural development of a community is clearly a factor which it is not feasible to consider in the administration of the rent program. It should be noted also that in many instances it would not be clear what sort of effect a neighborhood change would have on rental value. The construction of a new plant doubtless would make neighboring accommodations less attractive to some tenants and more attractive to others. The effects on rental value, therefore, could not be determined immediately but only after a relatively long period. Much the same considerations apply to more particular conditions of long standing such as those described in illustration 3. Whether the removal of such conditions would have an immediate effect on rental value would depend upon the extent to which the general character of the neighborhood had been affected by those conditions. The effect might have been such that the removal of the condition would make no appreciable difference in the rental value of the accommodations until long after the "blight" had disappeared. Under such circumstances, no adjustment should be made.

6. Comparibility: The requirement of section 5 (a) (11) limiting adjustments to those cases where the rent is substantially below comparability is the same as that contained in section 5 (a) (4) and the general approach

heretofore developed on the question of comparability usually should be applied. However, there will be some situations in which it will be proper to make an adjustment even though the rent on the date determining the maximum rent was not below the range of comparable rents. Assume, for example, that in the case described in paragraph 5 of the interpretation, the rents for the apartment units had been $60 a month and were reduced to $55 a month during the continuance of the temporary nuisance. An adjustment would be proper even though the $55 rents were not below the range of comparability.

This more precise application of the comparability standard is proper in those cases where the effect of the particular circumstances upon the rent can be clearly demonstrated by reference to another rent for the unit. In the usual case, a substantial variation is required under sections 5 (a) (4) and 5 (a) (11) as a means of establishing that the rent actually was affected by the special relationship or peculiar circumstances. Such a test is unnecessary in the case stated in paragraph 5 of the interpretation and an adjustment therefore is warranted on the basis of a smaller variation.

The mistake cases sometimes will furnish illustrations of the same principle For example, a shelter rent of $40 a month was approved for a house under section 4 (f) and an additional amount of $2 50 was approved for certain services. Through a mistake of someone in the office of the managing agent, the house was first rented for $40 a month including services in the belief that this was required by the priorities approval. In these circumstances an adjustment would be proper even though the $40 rent is not below the range of comparability.

(Issued July 15, 1944.)

OFFICE OF PRICE ADMINISTRATION,
Washington 25, D. C.

MEMORANDUM

To: All regional rent executives, regional rent attorneys, area rent directors, and area rent attorneys.

From: Ivan D. Carson, Deputy Administrator; George E. Palmer, Associate General Counsel for Rent.

Subject: Rent Memorandum 5 (a) (11)–II—Adjustments for Peculiar Circumstances

This memorandum elaborates on the problem of "peculiar circumstances" based upon the operating experience which we have been able to gather from reports to us by the regional offices. On the whole the decisions have been in accordance with the general principles stated by the national office. However, there has been a tendency in some offices to construe "peculiar circumstances" more strictly than we intend. We note, for example, some tendency to deny adjustment in cases which seem meritorious, apparently because they do not fall within one of the general categories described in Rent Memorandum 5 (a) (11)–I. As is stated in that memorandum, these groups of cases were not intended to be definitive. We fully expected that additional types of cases would be brought to the attention of the area offices in which adjustments would be proper. This has in fact occurred, and the present memorandum describes some of these additional groups of cases. Again, however, it is clear that they are not exhaustive.

The main purpose of the memoranda from this office is to furnish the area and regional offices with general standards to be used in the administration of section 5 (a) (11). It is not possible or appropriate for us to attempt to furnish an answer to every problem which may arise. Considerable discretion rests in the area office, to be exercised in accordance with the general standards which we have outlined.

The discussion which follows is based upon cases which have been reported to us by the regional offices. Our comments are general, and although they sometimes indicate disagreement with the field offices on the approach taken to the cases, we do not necessarily intend to suggest that the decisions were incorrect. In many instances the facts reported to us are not sufficient to warrant any definite conclusion. In others the decision may have been correct because the rent was not substantially below comparability; nonetheless, we are commenting on the case in the belief that our views on the peculiar circumstance issue may be helpful.

I. GENERAL COMMENTS

1. Substantiality of the variation from comparability: The extent of the variation from comparability is significant evidence, both on the issue of peculiar circumstances and on the question whether the peculiar circumstances caused the low rent. It is quite proper to require less evidence on these issues where the rent is extremely low than is required where the variation is less extreme. It must be recognized that there are real difficulties of proof under section 5 (a) (11), since in most instances we are attempting to ascertain facts on and prior to maximum-rent date, a period usually some distance in the past. Where an extremely low rent appears, this in itself is a fairly strong indication that it was the result of unusual circumstances. In other words, the extent and extremity of the variation from comparable rents may be indicative that the rent was established under "peculiar circumstances" and an adjustment under 5 (a) (11) will be proper.

2. Causation: On the issue of causation, that is, whether the low rent was caused by the peculiar circumstances, a distinction needs to be drawn between cases in which the landlord actually reduced the rent because of the peculiar circumstances and those in which he alleges that he failed to raise the rent because of those circumstances. Obviously, the former situation presents a clearer case for adjustment. The actual rent reduction is significant evidence that the peculiar circumstances affected the rent. Stronger evidence will be needed where the claim is based on a failure to raise the rent. In the last analysis, the Rent Director must determine whether in all probability the rent would have been raised except for the unusual circumstances. Evidence bearing on whether the situation is one in which the landlord normally would have raised the rent is pertinent. For example, if the subject unit is in a multiple-unit structure and prior to maximum-rent date the landlord raised the rents on all units in the structure except the subject unit, this tends to indicate that peculiar circumstances connected with that unit, if there were such, were the cause of the failure to raise the rent.

3. Comparability range: Some of the reports indicate that meritorious petitions probably are being denied because of the use of too wide a comparability range. As an example, in one case it was reported that the range was $18 to $30 and an adjustment was denied solely on the ground that the maximum rent was within the range. We feel that the range of comparability must be much narrower than this in order to avoid unjust results. It is obvious that if there is a peculiar circumstance present the grant or denial of the petition may depend upon how wide a range is used. The comparability range should be kept within reasonable limits in order to avoid results which are clearly undesirable.

4. Processing 5 (a) (11) petitions on another ground: The reports indicate that in some regions petitions under section 5 (a) (11) are being denied even though a case is presented under section 5 (a) (4). One regional report described a case in which an adjustment was made by the area office under section 5 (a) (11). The regional office found no peculiar circumstances, and instructed the area office to revoke the order. However, it noted that there may have been a special relationship and suggested that the case should be investigated further on that ground. This is much too technical a procedure to follow. Frequently if the petition under 5 (a) (11) states or strongly suggests a case for adjustment on some other 5 (a) ground, the case should be processed on that ground without requiring the filing of a new petition. We recognize that there must be discretion in the area office in this regard, particularly where the ground for adjustment indicated by the landlord's petition is wholly dissimilar to section 5 (a) (11). In those instances it may be more expeditious for the landlord to file a new petition setting out the full facts appropriate to the other ground. This is true certainly where the 5 (a) (11) petitions suggest the possibility of an adjustment under 5 (a) (12). However, where a ground for adjustment is indicated under section 5 (a) (4), the 5 (a) (11) petition, almost without exception, should be processed without requiring the filing of a new petition. Certainly where an order has been entered by the area office it should not be revoked simply because it was entered on the wrong ground if the landlord is entitled to an adjustment on some other ground.

II. CASES WITHIN THE GENERAL CATEGORIES OUTLINED IN RENT MEMORANDUM 5 (A) (11)–I

1. Renting under unusual pressure or similar circumstances: (a) The landlord made the following claim:

"Called into service and moved on short notice due to pregnancy in family and accepted amount of rent now paid to tenants without children and immediate occupancy. House is new and below rental standards of surrounding property. We were unable to remain longer to rent property because of circumstances * * *. The house was rented originally also because it was winter and we did not want it empty."

The regional office report stated simply that the petition was denied. It is of course impossible for us to say whether this action was proper since there is insufficient evidence on the question of comparability. Apart from that issue, the quoted statemen suggests a case for adjustment. The facts indicate rather strongly that the house was rented under circumstances which did not enable the landlord to make an ordinary business bargain. However, more specific facts should be obtained, particularly concerning the length of time that the landlord had in which to settle his affairs and rent the house.

(b) The owner became insane prior to maximum rent date and was taken to an asylum. The owner's wife left town hurriedly and in renting the property told the tenant "to pay enough to take care of the notes at bank which were $18.81 per month." An adjustment was properly given in this case.

In addition to the factor of unusual pressure in connection with the renting, the rent apparently was fixed primarily in order to meet certain obligations of the owner. This factor is significant and when added to the unusual pressure, presents a strong case for giving relief. Emphasis is placed upon the same factor in paragraph 3 of Rent Memorandum 5 (a) (11)–I in connection with subletting. We pointed out the significance of the fact that the tenant who is renting to a subtenant may be concerned primarily with obtaining sufficient rent to cover what he is obligated to pay the owner. In general, peculiar circumstances are apt to be present where it appears that in fixing the rent the landlord was motivated primarily by some reason other than obtaining the market rent for the property.

2. Factors with respect to management: Some of the offices appear to be using standards which are too strict in connection with this group of cases.

(a) In a case presented to one regional office it appeared that the landlord recently had been declared mentally incompetent. The report from the region is scant but indicates that too much emphasis may have been placed upon the fact that the declaration of incompetence occurred sometime after the freeze date renting. Despite this, it might still be true that the landlord was legally incompetent on the maximum rent date. Moreover, there may well be ground for adjustment under 5 (a) (11) although the landlord was not legally incompetent at the time of the freeze date renting. If the landlord's state of mind at that time was such that he did not possess normal bargaining ability, a peculiar circumstance might be found, even though he was not legally incompetent.

Another case from the same region indicates the same tendency to require an actual showing of incompetence as of maximum rent date. The present owner claimed that the property was owned and rented by her mother on maximum rent date and that she was "old and unable to make a contract." The adjustment was denied and the regional office commented that there was "nothing to show her incapacity to make the lease." In Rent Memorandum 5 (a) (11)-I it is pointed out that the adjustments may be made not only on a showing of incompetence but also on a showing of "abnormally indifferent management," one example being where the accommodations were rented by an elderly person who might not have been able to make the usual business bargain.

The same approach appears in the report of a case from another region in which the present owner alleged that the property was owned and managed on maximum rent date by his father, then 96 years old. A doctor's statement was submitted that "for the last 8 or 10 years he did not think that the prior landlord was able to successfully transact his own business due to his advanced age and senility." The regional office recognized that there might be a case for adjustment but indicated that it believed the landlord had failed to establish a case. This seems too strict an application of section 5 (a) (11). In view of the difficulties of proof which occur in this type of case, we do not believe that the area office should reasonably require more evidence than was submitted here, unless there are other facts which show the need of additional evidence to support the landlord's case. Of course, it must appear also that the rent was substantially below comparability.

(b) In some cases it has been claimed that the low freeze date rent was a result of the landlord's illness which prevented him from giving normal care to the property. The problem is almost wholly one of fact. If it is established that the illness was the cause of the low rent, an adjustment should be made. While it is difficult to tell from the reports which have been given to us, it appears that some offices may be following a contrary policy. For example, in one case it appeared that an estate presumably including the subject property was in process of administration for a 4-year period overlapping maximum rent date. It was stated that the low rent was "due to illness of the executrix." The regional office commented that there were "no peculiar circumstances." We recognize that the decision may have been correct, since the report does not contain sufficient facts bearing on the nature and length of the illness and its effect upon the rent. However, such a claim should not be disposed of in this manner without further investigation of the facts.

3. Temporary occupancy. In one case an adjustment was properly given under the following circumstances: An apartment was rented a few weeks prior to maximum rent date on a temporary basis for an amount substantially below comparable rents. The tenant was a widow whose husband had just been lost in service and the landlord rented to her for a short period until she could find cheaper accommodations.

The same region, however, approved denial of an adjustment in a case where the owner had furnished a house for his parents to live in and, pending the arrival of the parents, rented to a Navy officer who agreed to vacate when the parents arrived. The petition was properly denied because the rent was not below comparability; however, we are doubtful whether the regional office was correct in its conclusion that "no peculiar circumstances were shown. The facts are not sufficient to warrant a categorical answer, but if it appears that at the time of the renting the parties expected the arrival of the parents within a short time, so that the renting was intended to be for a relatively short period, we would consider that the case involves peculiar circumstances.

A case presenting a problem which is the converse of temporary occupancy is as follows: L acquired title in 1935, part of the consideration for the conveyance being the grant of a life interest to T. T agreed to pay for the use of the property at the rate of $200 a year, payable in equal monthly installments. This agreement was in effect on maximum rent date, but since that date T has vacated and the property is rented to another tenant. The rent on maximum rent date was substantially below comparability. We approve the action of the area office in granting an adjustment. The transaction constituted an extreme variation from the normal rental transaction and in our opinion presents a case of peculiar circumstance.

III. ADDITIONAL TYPES OF CASES UNDER SECTION 5 A (11)

1. Bad reputation of property on date determining maximum rent: Several cases have arisen in which it appeared that the rent was substantially below comparability because of a bad reputation the property had acquired prior to maximum rent date which landlord had been unable to eliminate by that date.

(a) Prior to maximum rent date, the accommodations were owned by a physician who carried on a doubtful practice, and the accommodations "acquired a reputation connected with malpractice, criminal practice, and abortions." The present owner acquired the property 6 months before maximum rent date and converted it into a multiple apartment structure. In offering the units for rent prior to maximum rent date, the landlord discovered that prospective tenants refused to rent them because of their former reputation and consequently he was forced to accept low rents.

In this situation adjustments should be made provided the rents are substantially below comparability.

(b) In a somewhat similar situation a building containing a substantial number of units had, over a period of years, acquired a bad reputation because it was occupied largely by prostitutes. The present landlord purchased the property approximately a year prior to maximum rent date and apparently attempted to correct these conditions by elimination of the undesirable tenants. However, he asserted that, due to the reputation of the property, he could get desirable tenants only by renting below comparability. At the present time the condition is corrected and the report of the regional office states that the property has acquired a good name. While the petitions apparently were properly denied because the rents were not substantially below comparability, we do not agree with the comment of the regional office that no peculiar circumstances were involved. In our opinion an adjustment should be made on these facts if the comparability test is met.

(c) Two cases have been presented in which the occupant of the property had committed suicide prior to maximum rent date. In one of these cases the property was vacant for 4 months thereafter, following which the landlord rented it at a reduced rent in order to obtain a tenant. An adjustment might be proper in such a case. Of course, it must appear that the suicide materially affected the rent. This would generally be true only if the suicide were well known and did in fact influence prospective tenants.

While the foregoing cases somewhat parallel the "nuisance" cases discussed in rent memorandum 5 (a) (3)-II, the factors which influenced rental value on the date determining the maximum rent were of an intangible character and it would be difficult to measure the difference in rental value resulting from the disappearance of these intangible factors. In our opinion section 5 (a) (11), with the use of the comparability test, is a more appropriate ground for adjustment.

2. Prepayment of rent: Adjustments may be made where a rent substantially below comparability is fixed because of a substantial prepayment of rent by the freeze date tenant. If, for example, a year's rent is paid in advance, it is not unlikely that the landlord has accepted a lower rent than he would have obtained under the usual method of rent payment.

However, it also must appear that this method of rent payment was unusual. If it was the landlord's practice to collect rent in advance there would be no basis for adjustment. The cases warranting adjustment usually will present some other unusual circumstances, such as a need on the part of the landlord for cash. An adjustment would be proper, as an example, in the following case reported to us: "Jones was in both marital and martial difficulties and just before joining the Army sold his furniture and rented to the tenant at an allegedly low rent, because the tenant would pay 6 months' rent in advance * * *."

Where an adjustment is made in a situation of this sort, we suggest that the order fix two maximum rents with the freeze date rent applicable should the landlord again rent under the same prepayment arrangement.

3. Rent increases delayed until after maximum rent date: Under some circumstances it will be proper to grant an adjustment where a rent increase was made shortly after maximum rent date which, but for unusual circumstances, would have become effective prior to that date.

(a) The maximum rent date is March 1, 1942. In January 1942 T gave L written notice terminating the tenancy on February 10, 1941. Relying on this, L rented the house to X for $45 per month commencing February 15, 1942. On February 1, 1942 T notified L that circumstances beyond his control prevented him moving before March 5, 1942. It was agreeable to L and X that T remain in possession until that time, which he did, paying rent on a prorata basis, based upon a $35 per month rental. L moved on March 5, 1942 and X took possession of the apartment and paid $45 per month until the effective date when L was obliged to revert to the $35 per month rent. This rent is substantially below comparability.

In our opinion an adjustment should be made in this case. But for unusual circumstances the higher rent which L obtained immediately after maximum rent date would have been in effect on that date.

(b) Numerous adjustments have been sought on the ground that a notice was given prior to maximum rent date which was effective to raise the rent shortly after that date. For example, in an area with a March 1, 1942 maximum rent date, a 30-day notice was given in February 1942 which was ef-

fective to raise the rent on April 1, 1942. We see no basis for adjustment in such a case.

IV. SPECIAL RELATIONSHIP

A study of the cases reported by the regional offices indicates that many of the problems presented by petitions under section 5 (a) (11) raise questions of special relationship. While it is difficult to reach any definite conclusion because of the frequent inadequacy of the facts presented, there is some indication that petitions are being denied which probably should be granted under section 5 (a) (4).

(a) There have been several cases in which the landlord alleged that a low rent was given because the freeze-date tenant was a good friend. Apparently there is some tendency to overlook the fact that section 5 (a) (4) applies to instances of "personal relationship." If in fact a rent substantially below comparability has been given because of a friendship between landlord and tenant, an adjustment should be made.

(b) In a number of cases the landlord claimed that he gave a low rent out of consideration for a tenant who was in bad financial circumstances; for example, the tenant was unemployed on maximum rent date. Some offices apparently are not considering these cases under section 5 (a) (4). If a land lord has in fact rented substantially below comparability out of consideration for a tenant who is having financial difficulties, an adjustment should be made under section 5 (a) (4).

(c) In a few cases landlords have alleged that low rents were given because of special factors applying to a particular class of tenants. For example, a landlord stated that accommodations were rented substantially below comparability to needy persons because of the landlord's "close affiliation to a charitable organization (the Salvation Army)." In a somewhat similar case the landlord stated that, in view of the low pay of Army privates, he gave a lower rent to those who wished to have their families with them. We consider section 5 (a) (4) appropriate for these cases.

V. MISCELLANEOUS CASES

In the following cases which have been brought to our attention we consider that an adjustment may be appropriate under section 5 (a) (11):

1. The tenant on maximum-rent date was the supervisor of the landlord's brother at his place of employment. Both the landlord and his brother contributed to the support of the mother and the landlord therefore felt that he had a special interest in his brother's work. The landlord stated that he did not raise the rent although it was substantially below comparability because he "did not wish to do anything which might cause unpleasant relations between his brother and his superior." While a case of this character probably calls for more than the usual care, an adjustment is in order if the facts are established.

2. On maximum rent date the tenant was subletting a substantial portion of the accommodations without the knowledge of the landlord. The landlord was seriously ill on that date, and for this reason was not paying close attention to the property and was unaware of the subletting. The rent was substantially lower than comparability for accommodations being similarly used. The subletting is presently being continued by the tenant. There is no ground for adjustment under section 5 (a) (8) since the present subletting is no different than on maximum-rent date. However, the case may fall under section 5 (a) (11) since the unusual circumstances present on maximum-rent date resulted in the landlord's failure to know of the subletting. Adjustments should be confined to instances in which the subletting is so extensive that it is reasonably clear the landlord would have raised the rent had he known of it.

In the following cases we approve the denial of an adjustment under section 5 (a) (11):

3. After maximum rent date, but prior to effective date, a landlord purchased a house on which the rent had been increased shortly after maximum rent date. The landlord seeks adjustment on the ground that he bought in reliance upon the higher rent. We are unable to see that this is a case involving peculiar circumstances within the meaning of section 5 (a) (11). A contrary result would mean, in effect, that adjustments would be given where rent increases were made after maximum rent date, solely by reason of the fact that there had been a purchase of the property at a time when the higher rent was being collected.

In a somewhat analogous case, the landlord claimed that he purchased after effective date in reliance upon statements by both the tenant and the agent of the seller that the maximum rent was $30 a month. In fact, the maximum rent was $20 a month and the property had not been registered. Again we believe there is no ground for adjustment under section 5 (a) (11).

4. Some landlords have sought adjustment because they did not raise rents due to the persuasion of a fair rent committee which was functioning in the area on maximum rent date. In our opinion an adjustment should not be made. We realize that in areas where fair rent committees were functioning some landlords did not raise rents because of the pleas of the committee, while others ignored such pleas. We feel compelled to conclude that this cannot be differentiated from one of the normal results of the freeze date method; that is, the advantage which is gained under the rent regulation by landlords who raised rents at the earliest opportuntiy as defense activities appeared in the area. This is one of the consequences of the freeze date method of controlling rents which we feel cannot be eliminated by upward adjustments under section 5 (a) (11). In general, to the extent that there is any inequity, the inequity could only be eliminated consistently with the objectives of rent control by reducing those rents which had been raised as a result of early pressures in the area. The opposite course would be likely to result in a fairly general increase in the rent level in a number of areas.

(Issued November 25, 1944.)

There is one further thought that should be mentioned in the class of cases of peculiar circumstances, however, and that is that in my judgment there should be additional authority granted to the local area director to determine additional cases of peculiar circumstances. On that point I have discussed the matter with the National Director and he is sympathetic to the need for additional authority in the local area office in order to determine additional types of cases of that nature.

Another rental problem which has caused considerable difficulty has been that involving retroactivity. By retroactivity I mean those cases where the landlord and tenant have mutually agreed that additional services or additional equipment should be furnished. Now, because of the tremendous volume that is entailed in processing these petitions, and because of the fact that has been a shortage of manpower which has been manifest in the OPA offices as well as elsewhere in the country, there has been a considerable lag in adjusting such petitions. It has been my contention that when a petition is agreed to by the Office of Price Administration, any adjustments, either upward or downward, should be made retroactive to the time that the additional equipment or additional services were furnished. I think that is only fair.

On that point too I have had correspondence with the Administrator asking that he clarify that. He has done so again in language which I shall include in my remarks:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., June 9, 1945.

The Honorable GEORGE E. OUTLAND,
House of Representatives,
Washington, D. C.

DEAR MR. OUTLAND: Various industry groups have suggested that orders entered on landlord petitions increasing maximum allowable rents because of an increase of services provided the tenant should be retroactive to the date of the filing of the petition. Such orders presently only authorize the receipt of the higher rent allowed from the date of the order. While most of our areas are reasonably current in processing petitions, and the great majority of rent increases are granted in a period of less than 1 month from the date on which the petition is filed, there have been occasional instances of delay which have deprived landlords of the opportunity of collecting a higher rent for a period of several months.

The pressure of work in area offices during the initial stages of the program, and the rather tight personnel situation, prevented this office from establishing procedures for separate handling of landlord petitions based on increases in services, furniture, furnishings and equipment. We believe the time has come, however, when such petitions can be segregated and given special handling. Specifically, we propose that if a petition is filed involving an increase in services, furniture, furnishings, and equipment, the increased rental value of which is easily ascertainable, and the petition is accompanied by a letter from the tenant acknowledging that the particular item has been provided, a final order will be entered immediately granting the increase, after a cursory check supplementing the facts stated in the petition where necessary. Under these circumstances, retroactivity to the date of the filing of the petition will be unnecessary since the order will be entered within a day or two of the filing of the petition and prior to the next rent-payment period. For example, if a garage is furnished with a particular rental unit, which was not previously provided it should be easy for the Rent Director to determine the rental value of the garage from the facts stated in the petition. Similarly, if a mechanical refrigerator is provided, no difficulty should be experienced in granting an immediate adjustment. We believe that these procedures will obviate in the future any justifiable complaints that landlords have been deprived of the increased rental value attributed to additional items of services or equipment during the period presently required to process landlord petitions.

We expect to follow the practical workings of these procedures carefully and if they do not accomplish the results we expect, we will be glad to give consideration to making Rent Director's orders on petitions based on an increase in service, furnishings, or equipment retroactive to the date of the filing of the petition. It should be recognized that even under the proposed procedures there will be a minority of cases in which the facts will be in dispute or involving more than a cursory investigation in which summary handling will not be possible.

There are two vital reasons why, in general, the Administrator has given prospective effect to orders entered in rent proceedings.

One is the necessity, in a program of the size and complexity of rent control of having at all times a fixed and ascertainable maximum rent not subject to retroactive change, on which both landlord and tenant can rely. The other, and even more important reason, is the obvious difficulty inherent in enforcing rent ceilings and prosecuting overcharges if all rents are subject to retroactive change either by the area rent office itself or at one of the review levels established by the act and the procedural regulations. These objections apply with somewhat less force to making orders entered on petitions based on increased services, furniture, furnishings, and equipment retroactive to the date of the filing of the petition, if restricted to the area level. They are nonetheless present and we would consequently prefer taking all administrative steps possible to cure the objections raised before changing our present position on orders of this character.

With best regards, I am

Sincerely yours,

IVAN D. CARSON,
Deputy Administrator for Rent.

I might point out further in regard to retroactivity that the committee recognized that point and attempted to cover it in the language of the report on page 11. Again I should like to quote from the report:

Complaints have been received, which appear to the committee justifiable, that in some instances delays in processing petitions for adjustment based on increased services, furniture, furnishing, and equipment, supplied at the tenant's request, have deprived landlords of revenue to which they are entitled. The committee feels that the Administrator should at once take steps to permit landlords to receive immediate compensation for increases in services, furniture, furnishings, and equipment supplied at the request of the tenant.

I think I can assure the membership of the House that such steps are being taken. I hope that very soon the mass of petitions involving retroactivity which have been accumulating will be ironed out. I already have evidence that in certain communities that is now taking place. I personally have called to the attention of the Administrator several examples of problems involving delayed action on petitions, and his office has requested of the regional office that immediate action be taken. Prompt and efficient action on petitions of retroactivity will be concrete proof to landlord and tenant alike that those administering the rent control program are anxious to be fair, impartial, and efficient in that administration. I expect to ask the Administrator to check whenever requests of this nature are called to my attention, and I suggest to the other members of this House that they take similar action. This is extremely important, and undue delays in area or regional offices cause just complaint.

It is my opinion that the National Administrator will take every step to carry out the intent of Congress in this connection, as that intent is outlined in the report.

There has been another problem in connection with rent control which we have found to be especially acute on the Pacific coast. That is in the matter of allowing additional rent where additional people are occupying the apartment or the house. In other words, the problem of increased occupancy.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. OUTLAND. In sections like the Pacific coast and other areas where, due to the influx of war workers, there is a high degree of congestion, it is very important that every possible housing accommodation be taken advantage of. It is also advisable that both to stimulate the use of that additional housing space and to provide for fair income to the person who is renting it, that additional rental be made available for such increased occupancy.

I had hoped there might be included in the committee report a statement covering that problem. I may say in view of the fact it is not, it is another point which I have been trying to iron out with the Administrator. He is writing me in connection with that, and I am hoping that a statement of policy will soon be forthcoming.

I suggested originally the following language which I think is very fair:

It is consistent with the purposes of the act that the Administrator provide for the granting of additional rent for additional occupants in excess of the number occupying the property on the date determining the maximum rent, in such amounts as will fully compensate for the services and facilities and provide an incentive for the maximum use of available housing facilities. Such provision does not appply to children born to tenants in possession.

There are two other points which I will have to touch upon lightly because I do not have time to go into them in detail. I should like to emphasize again the need for additional authority in both the interpretation and in policy making on the local level. It is next to impossible to pass a law in this Congress on such a complex subject as rents which will apply with equal justice to New York City and to the small communities in Nebraska which the gentleman mentioned a moment ago. Because of that difficulty it is important that the regional and area directors have authority to take care of situations as they arise. On this point the committee tried to include language in the report which would indicate the intent of Congress as to the need for more authority on the local level. The third paragraph on page 11 of the report concerns this problem.

There is another point that should be mentioned. That is that the OPA has not been able in all cases to meet these problems as speedily as it could wish, because of the lack of adequate finances to secure competent personnel. I think it is the responsibility of the Members of this House to study this problem very carefully, and rather than to simply criticize OPA without getting the facts, to find out the reasons why certain charges are made. I feel quite certain that there is need, especially in the rent control division, for additional funds for enforcement, for processing petitions and for carrying out all of the various functions of that division. I hope the membership of the House will consider that particular point carefully.

I would like to conclude by repeating a point I tried to make in the beginning. That is, that all divisions of the OPA have a definite responsibility to be fair to all parties concerned. The Rent Division is not just for the tenant. It is not just for the landlord. It is there to try to hold the line, and in holding that line to do justice and to do equity to the greatest extent possible to all parties concerned. I think the National Administrator and members of his staff have attempted to do that. I have found certain instances in area offices where there may seem to be some bias. Where such bias has been indicated, corrective action is necessary and that action should be taken either by properly instructing the persons who do not have a fair attitude or by seeing that they are removed and other persons put in. That, too, is a definite responsibility which falls on the shoulders of the Administrator.

I join with the Members of the House who have criticized this act in hoping that at the earliest possible moment we can remove not only the rent-control provisions but others which have proven so difficult during these wartime years. I will say, and this affects very definitely the section of the country from which I come, that many of the controls will have to be continued not only for the duration of the war but for a period thereafter.

I repeat, that in my judgment, rent control has been pretty successful in holding the line against inflation in its own particular field. I repeat also that in a program of this scope inequities and injustices have occurred. For my part I shall continue to fight to hold the line; I shall also continue to fight to iron out every single injustice and inequity that is called to my attention by either tenant or landlord. We are all Americans, engaged together in this fight on the home front. We have landlords and we have tenants who have been unfair, unscrupulous, and unwise; fortunately these have been in the minority. The great mass of the American people, including the great majority of both tenants and landlords want to play fair. It is up to us in this Congress to help; even more so, I believe, it is a solemn responsibility upon those who administer this act to help. We can pass the law; they must carry it through. The job is not an easy one, but with a maximum of patience, cooperation and mutual understanding, and a minmium of selfishness, ignorance, and friction I believe it can be done.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, at the very outset of my remarks I desire to say that in my humble opinion the pending Resolution 101 is of outstanding importance to the people of this country. Too much emphasis cannot be placed upon the importance of this resolution, because it strikes at the very heart of every kind and type of business and it strikes at the very heart of the home of every American citizen. The Price Control and Stabilization Acts were

passed for the express purpose of preventing increased prices during the present war, and to prevent the vast increases that were experienced during and following World War I. Many people have a vivid recollection of those days—and it was the intent of Congress to prevent a recurrence of those days of extremely high prices in many of the essential commodities used and consumed by the general public. That act has, in some respects, accomplished the purpose for which it was intended. There have been many abuses, however, and these have arisen by and through the administration of the law. That is a tragic commentary, may I say, because the people of this Nation have made a contribution unequaled in history to the winning of this war—they have given so much, they have worked, they have produced and they have given—they have had but one goal, and that was the goal of victory.

Mr. Chairman, when I speak of the people who have thus made the outstanding contribution to our victory, I speak of our farmers, and their families, and of manufacturers, and every employee in every factory, mill and plant, and every worker everywhere, and I speak of the merchant, the small-town and country store, and the small crossroads merchants throughout the length and breadth of our country. I speak of the average American citizen, who is trying to work and earn a living, and who is trying to save in order that bonds may be purchased, and that contributions may be made to every agency which promotes our war effort, and is aiding our soldiers and sailors in every possible way during their titanic struggle for victory. We are making progress, but we may have a long way to go before that happy day comes when ultimate victory will be ours.

When the Price Control Act was passed, it was the hope of all that the legislation would be so administered, in fairness to all, that the true intent and purpose of that law would be accomplished, and that prices would be controlled in an equitable manner so that all groups of our people would profit thereby. That was the hope of the people throughout our country. The people hoped that prices would be controlled, and that a fair margin would be recognized between the cost of production and the price fixed by the ceiling so that losses would not be sustained by the ceilings established. It is impossible for us to positively fix the blame, in that huge agency, for the inequitable ceilings established—because with the thousands and thousands of employees, in that agency, no one will admit that any error was made by him—each one defends himself and herself—but those errors have been made, they are still being made, and they will be made as long as this agency is in existence. By reason of many of the ceilings established, by the OPA, black markets have sprung up, and I am very confident that the OPA is entirely, and alone, responsible for these black markets and their continuance. That is the result of the bungling and maladministration of this very law, by those in charge of the administration of it.

Mr. Chairman, the present shortage of beef and pork, and other essential commodities, which affects every home in our country, may be traced, in large part, to the OPA. The ceilings established bear directly upon every producer in the country, and it is an impossibility to expect the people to produce when they must do so at a loss. The OPA should have recognized the problem of the producer, as well as that of the consumer, when the many and various price ceilings were fixed and established. But the net result has been, after the producer was forced to operate at a loss, he was soon driven out of business and he was forced to cease to operate. Untold thousands of our people, in every manner and kind of business, have been forced to discontinue their businesses by the inequitable price ceilings established by the OPA. That is a very sad indictment in time of war, when the complete cooperation of every class of business, and the people, is so essential for victory.

Mr. Chairman, I have in mind certain cases which have developed in the district which I have the honor to represent, in Indiana, wherein the general attitude of the snoopers, or investigators, of the OPA have demonstrated their general attitude toward the people of our country. They want to get a case against the people, so the people may be penalized, it appears. One case to which I refer was that of a poor man, who had a very small repair shop for automobiles; he was trying to earn a living for himself and family; a young man who owned an Austin automobile was involved in a wreck, and he sold the wrecked car to this repairman. Before the repairman would place the car in repair, he first sought advice from the chief clerk of the OPA, in his own county, and that chief clerk advised this repairman that he could repair the Austin car, and sell it, and there was no ceiling price upon such a car. That in such a sale there would be no violation of ceiling prices, because there were no ceiling prices upon a second-hand Austin car. This poor man made the repairs, putting $70 of new parts upon it, and acting upon the advice of the chief clerk of OPA, he sold the Austin car for $180, and the parts placed upon the car for $70, making a total sum of $250. He did just as the chief clerk of the OPA advised him.

Very soon after this sale an OPA investigator came and placed a charge against this repairman, and the result was that this man was penalized in the sum of $210 because he made that sale, which the chief clerk had advised the seller to make, and which sale he was instructed would not violate any rule, regulation, or order of the OPA. I have attempted to secure redress from the OPA on this unjust penalty imposed, but that agency has refused to readjust this miscarriage of justice. This poor repairman did just what the OPA advised him to do, and then the OPA penalized him $210 for doing just as they advised him to do. That is just one of the untold thousands of cases recorded against this agency wherein a great injustice has been imposed. I can cite many others, but time prevents. Yet, that agency holds the whip hand, and the people have to obey its mandates or suffer severe punishment. Many of the cases in which the OPA has imposed penalties amount to very large sums of money and in those cases great injustices have been done. What the people want is fair play. They want justice—and when the people speak upon this subject they will speak with authority.

Mr. Chairman, some of those engaged in the work of the OPA give but very little consideration to the people or to their maintenance of their businesses. Recently a businessman from Indiana interviewed one of the agents rather high in authority in the OPA regarding the question of ceilings in selling prices, the increased cost of labor and materials in production, and of the certainty of losses being sustained in the event the business should be continued, and he was very frankly told by that OPA official "that it really made no difference whether that plant had to close up or not." This same official further stated "they realize that their pricing policies would cause some 'marginal' manufacturers in every industry to operate at a loss and possibly close their doors." Yet the OPA continues its policy, and that policy has wrecked so many businesses, and it will continue to wreck businesses as long as that unjust and inequitable policy is followed.

Mr. Chairman, it is my considered judgment that that some stabilization of prices are necessary. We do not want an unrestrained inflation in this country. That must be prevented, and restrained. However, this agency can, should and must reform its lines in order that the people in this Nation may go forward and operate at some profit in their businesses. They cannot continue to operate at a loss. Bankruptcy faces many of them now—and that phase of the law will be resorted to in many instances if the administration of OPA is continued along the lines now followed.

May I say that the people of this country want food, and they want meats; they want the essential things which are necessary in order to work and make progress. Our laboring people who are producing the implements of war need meat, and if they are undernourished they cannot produce. The OPA can and should help, with the assistance of the War Food Administrator, and other agencies; the necessary food can be distributed so that our people will have what they need—and they do not want more than their bodies require. This bunglin$_g$ and improper handling of food, and other essentials, must be stopped. The people demand it, and our victory in this last phase of this war requires it. The OPA must meet the exigencies of the situation equitably, in the interest of all of the people of this Nation. The plan of scarcity—which appears to be the policy of the OPA, and other agencies—must be liberalized in the interest of the people at home. Those civilians in foreign lands have no first claim upon the food which our own people need. We want our soldiers to have everything they need and desire, but when those agencies of our Government give precedence to the civilian population of foreign countries, and some of which have not been involved in this war,

over our own people—of every class—then it is time for complaint.

It is my hope that this agency may be entirely abolished at the very earliest opportunity. For the sake of reducing the confusion existing in our country, for the elimination of the so-called black markets, and for the extension of opportunity to the people to go forward again and to aid in the war effort as they desire, the abolition of this agency should be accomplished at the very earliest moment.

Mr. Chairman, it was recently disclosed that in the unsuccessful scramble in the OPA to control the meat shortage, which was, in my opinion, largely caused by the OPA and the War Food Administration, the OPA issued 75 over-all regulations, which were very confusing, and that agency thereafter sought to amend those regulations and 1,300 amendments were incorporated therein, which required some 400,000 words. I wonder how any merchant handling meats can read and interpret those major regulations, with the 1,300 amendments, and conduct his business? Of course, if the merchant does not follow those regulations he is subject to prosecution and penalty, and the army of investigators roaming over the country are certain to discover any trivial error which may have been committed in extreme good faith, yet the citizen is subject to the penalty clauses provided. This agency has been bungled and mishandled from the very outset, and that condition continues to exist. The people are sick and tired of this program, and the utter lack of business judgment exercised in the administration of this agency.

I am certain amendments will be offered to this pending measure, and while it will doubtless be impossible to abolish this agency at this time, I will support every worth-while amendment offered, and I call upon those in charge of the administration of this agency to resort to approved business methods hereafter, in the interest of the people of this country, and to continue the operation of this agency, if it is to be continued for a short time, in fairness to the people of this country. All to the end that our own people will have the opportunity to go forward in the future as Americans, unhampered and unfettered by confusing rules and regulations, and unafraid of investigators who seek to prosecute and penalize our good American citizens for harmless matters, all of which hamper and strangle those who attempt to make some progress in our country.

Mr. WOLCOTT. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. KILBURN].

Mr. KILBURN. Mr. Chairman, I believe in price-control legislation. We have to have it in this country until after the surrender of the Japanese and probably for some months after that. All Congress can do is pass a general Price Control Act. We, as Congress, cannot fix prices—cannot administer the act.

I realize that the administration of price control in this country is terribly difficult and regardless of how competent the administrators are it is bound to result in a great many criticisms.

Nevertheless, I feel that the administration of the Price Control Act so far has been badly done. I gathered this from my country district up in northern New York where we have good American citizens trying to help control prices. We have good honest, straight men up there on the ration boards trying to do the best they can, but they find that Albany tells them everything to do so that they are in effect rubber stamps and cannot exercise their judgment as to the individual cases effecting our community.

I do not believe that price control should be run by either party. I do not think it is a party measure. It is an American measure and I believe that the local boards, composed of good, decent, upstanding Americans should say what should happen in individual cases in their community.

It is almost impossible for Congress to write a Price Control Act, which will guarantee good and fair administration. Realizing that and because I feel so strongly that price control is necessary in this country, I am in favor of this bill, but I did want to register my protest on parts of its administraiton.

Mr. WOLCOTT. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, each day it becomes more and more evident that our people are undergoing severe food shortages. While our Nation certainly wants to do its best in providing as much food as possible for the suffering and hungry nations of the world, nevertheless it appears to me that unless better administration and more careful handling of our present food supplies is had we will find America facing such pronounced food shortages as to cause a decline in national health.

To emphasize how severe this whole matter is, let me read to you a letter I have just received from one of my acquaintances and constituents. This sets forth rather boldly just how difficult it already is for people to secure necessary foods in order to maintain a suitable diet:

> This is an S O S. I have never been so near to starving as now. I am not joking. We have had one soup bone, all the red meat we've had in about 6 weeks. All our canned stuff is gone, and I'm told we can't buy potatoes. I have about 2 pounds in store. I suspect all the supplies for the Army have been left in Europe and the new Army, bound for the Pacific, is being supplied from here. If the food in Europe is being given away to the people who brought on this war, I think you, our protectors, are uninformed. We can't can fruit enough on account of sugar—but, of course, whisky must be made. People must have liquors, but we can get along without food. I'm plain mad.

While any reasonable person can understand the huge task that confronts the OPA and WFA in handling the questions that come before them, it does seem that too many mistakes have been and are presently being made. In other words, there should be some housecleaning in these agencies and more competent and efficient personnel used in order to obtain as much relief as possible from the chaotic and disturbing dilemma in which we find ourselves at the present time.

It seems necessary that the life of OPA must be extended, but I stand for as short an extension as possible in order to make OPA come before the Congress at short intervals and lay their cards on the table, not only to defend the rules and regulations they put into effect but also to make a declaration as to future policy. The people of this country are getting sick and tired of some of the needless messes in which we become involved. Let us have these matters properly attended.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, this is the time of year when we indulge in what has now become a habit, a custom every year since it became necessary in the almost unanimous opinion of the Congress to establish emergency price control and enact a stabilization law.

Mr. Chairman, I do not believe we will find many Members of the Congress, either in the House or in the Senate, who do not agree that these acts ought to be and must be—even putting it that strong—must be maintained. The only trouble we find is one of various sorts of agitation, that people get impatient with some of the regulatory habits, one might say, or instances rather where people become impatient and a little bit peeved and they write to their Congressman and the Congressman, concerned with trying to see what he could do about it himself sometimes gets out of humor. But I am sure that with all these observations, with all these harassing things that must take place in an agency that is chargeable with such manifold responsibilities as the Price Administration a great degree of concession will be yielded and given to these men as human beings who do not conceive themselves to be—and we must not expect any man to be—perfect in all the manner in which they perform the duties of their several positions constituting this very important and very large organization.

I am sure there would not be a Member of the House, and if I may be privileged to refer to the Senate, not a Member of the Senate who would, because he had become agitated, had become impatient and felt that he or a constituent had suffered some inconvenience that was unnecessary or even a hardship that should not have been visited upon him, permit anything of that kind to control or alter his vote upon the very important proposition of continuing price control until it shall be found to be no longer necessary.

Mr. Chairman, I heard the colloquy a minute ago between two gentlemen of the House with respect to rent control. There must be some misunderstanding as to rent control obtaining in any area here, yonder, or just anywhere, because the act itself says:

> Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he shall issue a declaration setting forth the necessity for and recommendations with reference tc the stabilization or reduction of rents for any defense area.

It must have been declared a defense area by the President under authority

given him before the Price Administrator or any other agency can inaugurate rent control. This is a defense area proposition and this cannot be made applicable to any community, village or town until there has been such declaration.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. May I say to the gentleman that Chadron, Nebr., is not a defense area, there was no authority setting it up as a defense area, yet the Rent Control Director came in and set up offices there without the folks in Washington knowing about it. I think it is merely a matter of extending their control and regimentation over an area for which there was no justification at all.

Mr. FOLGER. May I ask the gentleman if he made inquiry at the Office of Price Control about the matter?

Mr. MILLER of Nebraska. Yes, and they did not even know about it. The office in the State of Nebraska took it upon itself to set up an office in that area without any authority from anyone else, to create more jobs for the bureaucrats out there.

Mr. FOLGER. There was probably a mistake of some kind made that should have been corrected by the authorities here.

Mr. Chairman, there was a proposal and probably some thought of extending the Price Administration or Emergency Control Act together with the Stabilization Act for a period of 6 months. I confess to you, after consideration of the matter, after hearing the evidence and all there was to be said about it, that I myself, if I may be pardoned for referring to my own opinion, came to the conclusion that it would be exceedingly dangerous to limit to 6 months the life of this agency, not only on account of the disruption it would cause in administration and in the personnel of the Price Control Act, men scattering here, yonder, and everywhere, to get back home or to get some other kind of work, but also on account of the danger of getting it out over the country generally that price control was on its way out.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from Pennsylvania.

Mr. GROSS. Since the gentleman thinks that is a dangerous thing, and that it will disturb them, how much has it disturbed the personnel to know that on the 1st of July they may go out? How many of the 46,000 employees have left and gone to defense plants or elsewhere? I am interested to know how many have left.

Mr. FOLGER. I think I can answer the gentleman both as to the personnel and as to the country generally. They had confidence in the Congress and believed there was no reasonable doubt, legalistically speaking, but what the Congress would extend the price control law together with the Emergency Price Control Act for 12 months; so that the people of the country were not uneasy and the people in the offices were not under any doubt as to whether they would remain. But if you had changed it to 6 months, the people in the country and the people in the offices might conclude that we are getting ready to push it out of the door.

Mr. MILLER of Nebraska. Would the gentleman agree with me that the economic situation of the country is changing rapidly now from day to day and that perhaps a short extension might be wise in order for them to justify the things they are doing because the economic situation is changing rapidly from day to day?

Mr. FOLGER. I cannot agree with that thought at all. I disagree with the gentleman very definitely about that. In the Senate report it is provided that every 90 days an investigation will be made and the picture will be looked at. Substantially the same thing appears in the House report. However, much that might be desired it would be, to my mind, a great disaster to keep it less than 12 months, but I do not think it ought to go 18 months.

Mr. MILLER of Nebraska. Mr. Chairman, if the gentleman will yield further, does the gentleman think there is any one in the Office of Price Administration that ever intends to cut off the administration of that department?

Mr. FOLGER. Why, I think it is the definite purpose and must be known to them and everybody else that as soon as it will be allowable in the judgment of the Congress of the United States there will not be a price control nor any such sort of claimed regimentation.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from Michigan.

Mr. HOOK. Does not the gentleman feel that because of the changing and unstable economic situation in the country that we should have price control for at least 1 year?

Mr. FOLGER. I think we are bound to have it during the war and probably 6 months thereafter and maybe even longer.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Chairman, I feel that this OPA law is essentially a good law and quite obviously must be continued. I feel that the Congress in passing this law and in revising it from time to time has put together a very good statute, and that if it were administered properly and had been administered properly, with the proper motive behind it, we would not have the deluge of complaints, honest complaints, that we are getting from the people of the country today.

Just this morning I received a letter from a small merchant in my district, and I want to read you some of his comments because I believe they are typical of situations all over the United States. This man says:

I cannot see how merchants are going to be able, or want to remain in business, when they are in constant fear of being closed up some morning because of an unintentional mistake in pricing an item or items. Also, if OPA is permitted to make one error after another, the merchant should be entitled to a small margin, whereas today, they are getting absolutely none.

The district office in Portland made three errors in making out their notice to revoke my license if another violation turned up in the future. They spelled my name incorrectly, wrong initials and wrong store name. When the first notice came for a violation, I was unintentionally wrong on butter. They had a violation on eggs, which was incorrect on their part, as I rechecked carefully and the inspector stated our egg price was O. K. and to finish it off, the notice was directed to Negley's Market. My notice to appear before the board was incorrect on their part, inasmuch as the violation was for a quart of Purex and they had it on the notice as Clorax.

Then he goes on to say at another point:

Frankly I feel the OPA is a wonderful operation, but today it is fast losing the confidence of the general public. Many of our finest people will go out of their way to black market and break OPA rules because of the bungling OPA has done. OPA is a big thing and should be operated on a more sound and respectable basis.

Then here is the real essence of the thing:

We had one small store close because of OPA rulings and I understand one of the larger ones would sell out because of OPA. If it is lack of cooperation on the merchants part, he should be punished, but, OPA should be considerate if a merchant does try to cooperate, however, they are not.

This war can turn to victory for us all if we work in greater harmony. The merchant would prefer to see the OPA assist as a helper rather than an annoyer.

That is the end of the quotation from this man's letter. May I say in conclusion that what the OPA is doing is attempting to drive honest and patriotic people to that, people engaged in the war effort in which they are successfully participating. This OPA governmental organization is operating under the philosophy of driving and forcing, and it is therefore not succeeding in achieving the cooperation of the people of this country. I think it is a fair statement to say that you can lead the people of America to do anything. The people of this country are 100 percent patriotic. They can be led to cooperate with OPA, with the Price Control Act, or any other act passed by this Congress, but I submit to you, Mr. Chairman, that the people of America cannot successfully be driven into doing anything.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. CANFIELD. I agree substantially with what the gentleman has said and with the statement which his constituent directed to him. It is my feeling that the great fault with OPA lies in its administration. I think that many of the administrators downtown today are punch-drunk.

Mr. ELLSWORTH. I agree with the gentleman.

Mr. CANFIELD. They do not care what happens.

Mr. ELLSWORTH. I agree with the gentleman. As the gentleman from New Jersey well knows, this Congress cannot possibly write administrative detail into the law of the land. That is impossible. And yet there is no help for the situation unless the administrative policy

downtown changes. We can pass a good act. But it still is not good if it is administered poorly.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, in looking over the RECORD of yesterday we find that the chairman of the committee, the gentleman from Kentucky [Mr. SPENCE], the gentleman from Georgia [Mr. BROWN], and the gentleman from Texas [Mr. PATMAN] spoke in excellent defense of the OPA. They need someone to defend them. I notice in their remarks that they go into much detail as to what happened after the last World War. They call attention to the number of businesses that failed and what happened to prices. I am wondering whether those same gentlemen would dare to hazard a guess as to what will happen after this war, even with the OPA in operation. I would suggest that the collapse following the last war may seem like a dew compared with the cloudburst after this war if the OPA continues with their present line of administering price and rationing controls. It is an unfair comparison to state what happened after the last war and try to compare it with what is happening at the present time. I believe an economic explosion is in the making because of the maladministration in the OPA. Too much price control over a long period of time will destroy business. The American people are getting tired of regulations and red tape. When this war ends, if regulations continue, there will either be a complete disregard of the regulations or a revolt.

Congress must direct OPA and correct its many present abuses. I submit that the Office of Price Administration is fouling the spark plugs of recovery. They are making every businessman who wants to go back into manufacturing, if he needs higher prices than he had before he reconverted, come to Washington and stand with hat in hand begging for a price which insures a profit.

There are thousands of manufacturing plants trying to get a price so that they may go back to making things that people need. John Q. Public has $120,000,000,000 in his pockets which he wants to spend. The Office of Price Administration is stymieing and holding up the reconversion of industry in this country. I submit to the members of this committee that if the Office of Price Administration is not more lenient in permitting business to go back to work, many factories which are open and have the material and the manpower will not be able to operate because they cannot get a price reflecting a profit.

Let me cite you an example of a broom plant at Deshler, Nebr. It is the largest broom factory in the United States. They have supplied brooms to the military. Their war contract was canceled. They want to reconvert and make brooms for the civilian population. At what price? At the 1941 level. For 4 months they have been trying to get a price from OPA which reflects a reasonable profit. The price of straw, wire, wood, and labor have so advanced that they cannot make the brooms and bring them to market and sell them at the OPA price. But the OPA lets brooms in from Mexico which are inferior in quality and they are selling to the people of this country at a much higher price than the industry in Nebraska has been trying to get from the OPA. Similar cases could be submitted by the thousand. Continued actions of that type will certainly foul the spark plug of recovery in this country.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. CRAWFORD. I am informed by a broom manufacturer in Colorado of conditions which they have to contend with. The gentleman has spoken of the particular company which he has made reference to. This company has informed me of a proposed order for pricing brooms now under consideration by the OPA. This order, which will be issued in spite of objections registered by the OPA's own Industrial Advisory Committee on broom prices, classifies and grades brooms in accordance with standards not known or used previously by the industry. The result of the order, according to the industry, will:

First. Result in the upgrading of many low-quality brooms, primarily those imported from foreign countries, and thereby increase production of foreign brooms for the United States market; and

Second. Cause the abandonment by many manufacturers of the production of better quality brooms, with the consequent nonuse of domestically produced broom corn.

That illustrates how the present policies move in the direction of destroying American business.

Mr. MILLER of Nebraska. The gentleman is absolutely right. If the OPA continues their present policies of preventing these small businesses from reconverting and going back to making civilian goods at a profit, many of them are going to close their factories and go fishing.

Mr. BROWN of Georgia. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. RILEY].

Mr. RILEY. Mr. Chairman, when I think of the OPA I think of the old colored woman who walked into the office of the rationing board down in my town and made this request, "I want one of them books that you can't get nothing without." She revealed in her rather vividly worded request a new chapter in American economy, the limiting both as to the use and the cost of food, clothing, and shelter—the necessities of life; commodities and services heretofore restricted only by the ability to purchase or the ability to obtain credit, thus creating a condition that touches every living soul in this Nation. Not only was it without precedent, but Americans, accustomed to breathing the free air of liberty, did not like it, except for the other fellow. It was considered a trespass upon individual rights and liberties from its very beginning, and it was reluctantly accepted only because it was an emergency measure designed to aid in the prosecution of the Great War.

Those who have been entrusted with the administration of this new economy had to blaze a new trail, had to make experiments, had to do things for which there was no precedent. Naturally they committed errors. Any other human beings under like circumstances wolud have made either similar mistakes or the same mistakes.

I can think of and say just as many critical things about OPA as anyone in this Chamber. There are many irritating problems connected with it; but they are individual problems, small problems. I could say some nasty things about some of the personnel, if I wished. I might say that some of them are arbitrary and indifferent and even discourteous at times. But the vast majority of them are conscientious and sincere in their efforts to render our country a great and needed service in one of her most critical hours.

I have come to the conclusion that I would like to see a different attitude adopted toward OPA. I have an idea that if we could help create a more comfortable atmosphere for them their dispositions would be better and their thinking would be clearer. I just wonder if conditions would not improve if the various organizations that come before that office, instead of jockeying for preferred positions, would try, instead, to make as many concessions as possible until this emergency is cleared up. I wonder if we could not get a majority of the folks to start thinking of OPA not as a restrictive organization, but as an "Opportunity for People to Assist" in keeping the home front.

I remember when I had the privilege of serving for a short time in the armed forces during the last World War. I received my discharge just in time to get out and be deflated. It took me many years to get over that experience, if I ever have. I can think of no greater punishment, no greater disillusionment to our boys, than to bring them home in a period of inflation and then prick the bubble.

As the gentleman from Georgia [Mr. BROWN] so ably brought out yesterday, the value of our E bonds, the type that most individuals buy, is fixed. The cash value for each is printed on the face of the bond. If prices generally go up the purchasing power of those bonds must, of necessity, decline. If that should happen, I could not, with clear conscience, say that we had kept the faith with those to whom we are most obligated, the boys who are returning home.

It has been stated frequently here by our friends across the aisle that they know price control is necessary, but they are willing to extend it for only 6 months. All of my life I have heard businessmen squawk about legislatures and the Congress changing the laws so frequently that they could not make proper plans. One of the chief criticisms that I have heard of the Price Administration is that it has gotten out too many directives, always changing something, never giving a person a chance to map out his program; and now we have a proposal to add to that confusion by renewing

this legislation for only 6 months. Here is a proposal to end the present price-control regulations right after Christmas, the strongest buying period in the whole year—a period when goods are scarce, even in normal times. If that is not inviting trouble, I should like to know what it is. About the only consolation I can find in this 6 months' proposal is that if it passes—and I do not believe it will—it will probably cause the manufacturers to start withholding their products until after the expiration of the act so that very little goods, if any, would be available for Christmas. If that is done, the responsibility for the tragedy will be definitely fixed upon those proposing this measure.

I admit that numerous individual adjustments need to be made, but they are administrative in character. In the letter from Mr. Hoover that was read yesterday by the gentleman from Ohio [Mr. JENKINS], even Mr. Hoover considers the trouble administrative. Personally, I believe more authority should be given to the regional and district boards; that more attention should be paid to their advice and counsel. I also feel, however, that the administration is making necessary adjustments to meet this ever-changing problem. The law that was passed last year provides that the Administrator shall render a report every 90 days. That provision makes it possible for the 6 months' advocates to check up on the proposition twice every 6 months instead of once. If the report is not satisfactory, then Congress can do whatever is necessary to correct the situation. The procedure as now set up is more flexible, more direct, and provides for quicker action than would be possible by extending the bill every 6 months. Under the law as it is written, we are able to meet the ever-changing picture of business as various problems arise.

In the meantime, the over-all picture shows, according to Judge Vinson, Director of War Mobilization and Reconversion—and he should be in a position to know—that business earnings before taxes are the highest in the history of this country, that business failures are at an all-time low, with a high level of wages and a good price for farm crops. The American dollar is the soundest and most-desired exchange in the world. I think it is a very good picture.

I now yield to the gentleman from Nebraska.

Mr. BUFFETT. I wanted to ask the gentleman if the OPA is stopping inflation.

Mr. RILEY. Inflation is a whole lot less than it was during the last war; and I speak from experience, not statistics.

Mr. BUFFETT. The Chairman of the Board of the Federal Reserve System, who should be the highest economic authority in the administration, says that inflation is caused from appropriations beyond tax collections. Price rises are simply an effect of earlier deficit spending.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. SPENCE. Mr. Chairman, I yield three additional minutes to the gentleman from South Carolina.

Mr. RILEY. Is the gentleman from Nebraska making an observation or asking a question?

Mr. BUFFETT. I am making an observation.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. RILEY. I yield.

Mr. KEEFE. I have been interested in the gentleman's statement. He makes the same statement that has been reiterated time and time again, that business failures are at an all-time low and that profits are up.

Mr. RILEY. Over-all profits.

Mr. KEEFE. Over-all profits are up. But the gentleman does not say anything about the number of people who have been forced out of business to the number of some 300,000 who have been forced to suspend business; where they have not been actually forced by bankruptcy to suspend business they have been forced to go out of business. Would the gentleman care to discuss that feature at all?

Mr. RILEY. I do not know where the gentleman got his figures. It is quite possible that some of those people have retired after having made considerable profits.

Mr. PATMAN. Mr. Chairman, will gentleman yield?

Mr. RILEY. I yield.

Mr. PATMAN. Is it not a fact that a large number of businesses closed up because their owners and employees could go into nearby war plants and defense plants and make a lot more money? I do not know of any business that has been squeezed out. Even the small grocery man, the one-man grocery store in many cities are making $8,000 and $10,000 a year. They have small overhead, they do not have to spend much money to get the business, they sell every commodity at maximum price, and they are making a lot more than they ever did before. They are making more money than they ever made before and I do not know of anybody who has been squeezed out.

Mr. KEEFE. The gentleman from Texas is chairman of the Small Business Committee and should know about this matter. Does the gentleman mean to say he has no knowledge whatever of any small business that has been forced to cease operations except on account of a desire to enter a war plant or because they have made a lot of money and want to retire?

Mr. PATMAN. I do not know of a single business that has been forced out because of the regulations of OPA or WPB. If the gentleman knows of any, he should put the names in the RECORD.

Mr. KEEFE. I have plenty of them. I have on my deask any number of them today that have stopped operations, including retail meat stores in my district that have gone out of business and small processing plants that have actually gone out of business because of the situation that has arisen in the meat business. That is a ridiculous statement for the gentleman to make because it is not in accord with the facts.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. CRAWFORD. Mr. Chairman, I yield 30 minutes to the gentleman from Iowa [Mr. TALLE].

Mr. MILLER of Nebraska. Mr. Chairman, I make the point of order a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-one Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 116]

Anderson, N. Mex.	Elsaesser	Merrow
Baldwin, N. Y.	Fellows	Murray, Tenn.
Barrett, Wyo.	Gardner	Murray, Wis.
Barry	Gathings	O'Brien, Mich.
Bell	Gavin	Peterson, Ga.
Bennet, N. Y.	Gearhart	Pfeifer
Blackney	Geelan	Ploeser
Bloom	Gifford	Price, Ill.
Boren	Gorski	Rains
Bradley, Mich.	Grant, Ala.	Reece, Tenn.
Buckley	Grant, Ind.	Rich
Cannon, Fla.	Halleck	Rodgers, Pa.
Clark	Hancock	Roe, N. Y.
Clason	Hart	Rowan
Clements	Havenner	Sabath
Coffee	Hays	Sasscer
Cooley	Hébert	Sharp
Corbett	Heffernan	Sheppard
Cravens	Hobbs	Sheridan
Crosser	Holifield	Short
Curley	Jarman	Sikes
Daughton, Va.	Johnson, Calif.	Simpson, Pa.
Davis	Johnson, Ind.	Smith, Va.
Dawson	Kee	Starkey
Delaney, John J.	Kelley, Pa.	Torrens
Dickstein	Keogh	Vinson
Domengeaux	King	Weaver
Dondero	LeCompte	White
Durham	Ludlow	Whitten
Earthman	Lynch	Winter
Eaton	Mansfield, Tex.	Wood
	Martin, Iowa	Worley
	May	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration House Joint Resolution 101, and finding itself without a quorum, he had directed the roll to be called, when 334 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. CRAWFORD. Mr. Chairman, I yield 30 minutes to the gentleman from Iowa [Mr. TALLE].

Mr. TALLE. Mr. Chairman, from where I stand I can see one of the two clocks that do service in this Chamber. If the clock before me had been set to run on the eve when Christ was born and had been ticking off time from then until the dawn of this century, it would not have ticked off quite 1,000,000,000 minutes. Figure it out. Nineteen hundred years, multiplied by 365, then by 24, then by 60, and you have a result that is less than 1,000,000,000 minutes.

The Treasury report I saw yesterday showed that our Federal debt is hovering around $245,000,000,000. Remember that our means of payment grow out of our Federal debt and when you look at the debt figure on the Treasury statement you have a pretty accurate index

of the potential inflation which threatens our country. This being so, I think it is proper to pay a little attention to what happened in Germany within the memory of most of the Members of this House.

I have before me some figures presented by Philip G. Wright in his book entitled "Inflation and After," published in 1934 with special reference to Germany. In August 1922 the circulating medium in Germany was 252 billion marks. Six months later it was 2 trillion marks and 8 months still later it was 28 quadrillion marks. By the end of 1923, 4 months later, it was 497 quintillion marks, or M497,000,000,000,000,000,000 when expressed in the form of figures.

What were the effects in Germany? Mr. Wright says:

> The German savings banks lost 99.9 percent of their deposits as a result of inflation. Depositors (who left their money in the bank) lost virtually 100 percent of their savings. * * * As inflation progressed it became necessary to readjust all paper money wages periodically. The adjustments were first made every month, then every week; later, some companies changed the rates of pay every day, and finally twice a day. At the zenith of the inflationary period of few establishments (which had resorted to paying their employees twice a day) allowed them extra time off at noon in order that they might spend their money before it depreciated further.

You may say, "Well, that was Germany. It cannot happen here." I say to you in all solemnity that it has happened here. Let me quote briefly what James Truslow Adams says in his book America's Tragedy concerning inflation in the Confederate States, 1863–65:

> Scarcity and impossible prices were wearing down not the courage but the will of the South. Moreover, as prices had risen the government had found it necessary, even in the preceding year (1863), to pass laws impressing property from farmers and others, setting the Government's own price on what it took. This had aroused a storm of opposition and created a new host of enemies and of disaffection on the score of States' rights. In the last months of the war, however, prices became so high and the government so impoverished that it could not even give Confederate money for the lower prices at which it impressed goods but merely receipts and promises to pay, until at the end it owed those from whom it had taken property $600,000,000.

Let me give you some of the prices that were charged in 1864–65, as noted by Mrs. Jefferson Davis in her Memoir concerning her husband, the President of the Confederacy:

> In February, 1863: Bacon, $6 per pound; ham, $7 per pound; turkeys, $60 each; lighting gas, $6 per thousand feet; firewood, $35 per cord; board for a horse at the Richmond livery stable, $300 per month, $15 per day, $5 per single feed. In March, flour was $300 per barrel; fish, $5 per pound. April 1, 1864, beans sold at $75 per bushel; tea, $22 per pound; coffee, $12; brown sugar, $10; milk, $4 per quart. During March and April, 1865, the acme was reached. Hair cut and shave, $10; an ordinary suit of clothes, $2,700; pair of cavalry boots, $450; 6 yards of linen, $1,200; 1 ounce of quinine, $1,700; a penknife, $125; one cake of brown Windsor soap, $50.

Here is an interesting extract from a Rebel's Recollections (1875), written by George Cary Eggleston:

> The prices which obtained (1863–64) were almost fabulous, and singularly enough there seemed to be no sort of ratio existing between the values of different articles. I bought coffee at $40 and tea at $30 a pound on the same day.
>
> My dinner at a hotel cost me $20, while $5 gained me a seat in the dress circle of the theater. I paid $1 the next morning for a copy of the Examiner, but I might have got the Whig, Dispatch, Enquirer, or Sentinel for half that sum. For some wretched tallow candles I paid $10 a pound.
>
> I believe the highest price, relatively, I ever saw paid was for a pair of boots. A cavalry officer entering a little country store found there one pair of boots which fitted him. He inquired the price. "Two hundred dollars," said the merchant. A $500 bill was offered, but the merchant, having no smaller bills, could not change it "Never mind," said the cavalier, "I'll take the boots anyhow. Keep the change; I never let a little matter of $300 stand in the way of a trade."
>
> That was on the day before Lee's surrender, but it would not have been an impossible occurrence at any time during the preceding year. The money was of so little value that we parted with it gladly whenever it would purchase anything at all desirable. I cheerfully paid $5 for a little salt at Petersburg in August 1864, and being thirsty, drank my last $2 in a half pint of cider.

How could this fantastic condition come to pass, do you say? Here is the answer: As President of the Confederacy, Jefferson Davis had other things to do in wartime than to write his name on pieces of paper designed to serve as money. So, high school girls were hired to sit in Richmond and write Jefferson Davis, Jefferson Davis all day long on pieces of paper which served as means of payment. As these means of payment increased in amount, prices rose; as prices rose, the demand grew for more means of payment, an endless chain that sent prices spiraling upward until in some places a barrel of flour cost more than $1,500 and any paper money in denominations of less than $5 was considered as small change.

Well, what has all of this to do with us? Let us see. I talked with Governor Eccles of the Federal Reserve Board late yesterday afternoon and asked for some figures. I found that the quantity of our circulating medium now stands at something over $25,000,000,000. That is five times as much as we used on an average during the 20 years prior to 1940, when we began our large military expenditures. I found that demand deposits stand at $132,000,000,000. Then I found that Government securities which may be readily cashed and used as means of payment amount to $91,200,000,000. By Government securities I mean those held by individuals, nonincorporated businesses, and corporations, but excluding those held by commercial banks, mutual savings banks, trust companies, and building and loan associations on the assumption that they will be held as income-producing investments. When you add the $25,000,000,000, the $132,000,000,000, and the $91,200,000,000, you get a grand total of $248,000,000,000 plus. That is about the amount of our Federal debt today.

Up to 1940, when our military expenditures became large, the total of these same items was $77,100,000,000. In other words, since 1940 our potential inflation has increased by something more than 300 percent. That is why I said at the outset that this is a very solemn and dismal subject indeed.

What are we going to do about it? Certainly the way out is not to deal with the effect alone. That is what we are doing in the bill before us. We are dealing with the effect only. We have put a lot of prices in a big kettle. We have built a hot fire under that kettle. Everytime we appropriate the billions of dollars which pass so easily in this chamber we add more firewood and fan the flames under that kettle. We put the OPA on top of that kettle to keep the lid down. The prices inside the kettle are seething now. Is it any wonder that there are some puffs of steam here and there in the form of black markets. Is not this the time to consider whether the lid may be blown off unless we deal with the cause, not the effect only?

Once more I say the bill before us deals with effect and not with cause. My plea is that very quickly, in fact immediately, the most searching and intelligent attention be given to the cause of this serious problem.

The answer is increased production of civilian goods—increased production spelled with capital letters—so much production of civilian goods that the supply of those goods will make ceiling prices unnecessary.

Hand in hand with that, if we want to dampen the heat of the fire that is burning under the price kettle, it is high time that we begin to think about cutting down expenditures. To repeat: We must increase production and decrease expenditures. Those methods, if properly pursued, will deal with the cause of our trouble. When the cause of the trouble is removed, the effect will disappear.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I am glad to yield to the gentleman from Michigan.

Mr. CRAWFORD. In support of what the gentleman just said, I want to read from a press release dated June 15, issued by Fred Vinson, Director of the Office of War Mobilization and Reconversion. This is his statement before our committee on this subject. He said:

> The expenditures which will be required before we have finished the job in the Pacific are staggeringly large. But I venture to say that at no stage of our war in the Pacific will the annual expeditures fall below $60,000,000,000, and that is twice what we spent to fight the whole of World War I, as you know. In particular fields the needs of the armed forces are biting more deeply into our supplies than at any time during the past 4 years. And I would be less than frank if I did not say that the situation will, in many areas, get worse before it gets better.
>
> Beyond the actual requirements for war, we must not lose sight of the enormous needs of our Allies throughout the world. They are desperately in need of food and clothing, as well as raw materials, machinery, and transportation equipment. Many of them have very substantial balances in this coun-

try with which to pay for the things that they need.

So the gentleman is entirely correct when he says more production is the only answer to this. That is the reason we take the position against OPA for interfering with production on any line.

Mr. TALLE. I thank the gentleman from Michigan, whose keen mind is a most valuable asset to the Committee on Banking and Currency and to the Congress.

Mr. Chairman, it is my belief that our country needs price control now more than at any other time in its history. But price control cannot be effective unless it is administered with common sense. I will leave it to the judgment of the American people whether common sense has been exercised.

The OPA is called an emergency, a temporary Government agency. An agency of this sort is unique in that it expires if it does its job well. However discouraging that fact may be to the OPA hierarchy, certainly the acclaim of a grateful people should be a considerable incentive to doing a good job.

In conclusion, Mr. Chairman, I want to say that the American people are willing to be led, but not to be driven. They are patriotic, industrious, and reasonable. The price-control law enacted by the Congress could not have been enforced for 5 minutes had it not been for the fact that our people are ready and willing to do what is right and reasonable.

My final plea is that which I made at the close of our hearings on the current bill: That price controls be administered with a view to getting maximum production, and that these controls be removed as soon as increased supplies of civilian goods and services make removal feasible. By all means, such controls must not be permitted to remain so long that the American people give up hope. If there is any one thing that has won the war for us down to now, it is the spirit of the American soldier and sailor; and if there is any one thing that has brought arms and equipment to that soldier and sailor, it is the spirit of American enterprise. I do not want the OPA or any other Government agency to destroy that spirit, for that is the soul of America.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back 9 minutes.

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from Rhode Island [Mr. FOGARTY] such time as he may desire.

Mr. FOGARTY. Mr. Chairman, no one would advocate inflation as a cure to the problems which beset our domestic economy, yet restricting the operation of the Office of Price Administration would most certainly be a very dangerous step in that direction.

I have heard most of the criticisms which have been directed at OPA, and, to be perfectly honest, I have to admit I have agreed at least in part with some of those criticisms. However, the continuance of OPA is more vital now than its existence was at the time this legislation first came before the House.

Everyone knows there is not enough of anything to satisfy the civilian demand. To take the controls off now, I am convinced, would be disastrous. To permit crippling amendments to the Price Control Act to become law would be opening the door for all sorts of abuses of price control and would be but the first step in a spiral we would find ourselves powerless to control.

Because we have borne the strain of restrictions that were imposed when we became involved in war, it is only natural to grow impatient and long for the removal of all these regulations. We grow tired and impatient and restless under the controls which we all acknowledge are a necessary part of the battle for complete victory over our enemies.

It is not possible for any of us to say when the war in the Pacific will be over. We pray God it might be tomorrow, but until that war is at an end and we have successfully put our civilian economy on a sound footing, some of these restrictions will be necessary. More vital than all the rest is price control.

The Office of Price Administration must be continued in operation, and it is folly to think we can restrict its life to a period of 6 months. This agency of the Government reaches into the homes of all the people of the country. It must be given the authority to carry on its job, and it should be given whatever additional authority is necessary to stamp out the illegal operations which are today sucking the life out of the unity of effort which has up to now characterized our war effort.

Black-market operators are today a curse that is threatening the home front to as great a degree as the Jap once threatened in the Pacific. With Germany destroyed and our brave fighting men driving the Japs down into oblivion the worst affliction we suffer from at home—the greatest danger we face—is the sneaky, thieving operators of the black market.

They should be stamped out and the campaign against them should be waged with relentless vigor. Whatever authority the OPA needs to accomplish this purpose should be given that agency—and OPA should be held strictly accountable for success. If you do not give the authority—then you cannot complain if they do not do the job.

In my State there is an acute shortage of food. People have put up with many difficulties and they have not complained about the absence of meat and other substantial items as long as they could get substitutes. Now the substitutes are disappearing and the wives and mothers of servicemen who have children to feed are growing angry at shortages they are convinced could have been avoided.

OPA has been guilty of some blunders, I am convinced. Their orders which restricted the production of pork are in great measure responsible for the present scarcity. Those responsible in OPA should be cleaned out before they have an opportunity to cause more damage.

I am today inserting in the RECORD three letters to the editor which have been published in the Providence Evening Bulletin. I have no doubt this newspaper has received many such letters. I have received a great many—some of these letters are violent in tone. Others drive me to the verge of distraction because I know they come from mothers of servicemen who are struggling to keep a family fed. They come from the wives of soldiers and sailors and marines—wives who are trying valiantly to hold a home together and feed little children on the pitifully small amount of pigs ears and tails that find their way to the market.

We all know the meat situation is deplorable. I am not speaking for myself, though Heaven knows I would give almost anything to get a look at a well-stocked meat counter again.

I have hesitated before bringing this matter up because I did not want it to appear that I was sniping at those who are honestly trying to solve the problem. However, the time has come for action. Something must be done and done fast.

Anyone can see from the tone of these letters I have inserted in the RECORD, that all our efforts at international cooperation are seriously threatened. There is a growing bitterness—and I say this advisedly—among the people I have talked to at home. The bitterness is directed in large part at the shipment of food abroad, while our own people go without. Let me tell you this—the newspaper which published these letters from its subscribers was one of the first papers in the country to champion our entry into the war to save Britain. The Journal and Bulletin were all out for aid to England long before that became the Nation's policy. Yet this newspaper now asks why we must ship food to England while Canada wallows in an over-abundance of food which we cannot get. To me the present attitude of these newspapers is the best possible evidence that our program of international cooperation is threatened by the failure of those responsible to produce and distribute sufficient food for our own people.

I can understand the natural desire to prevent starvation abroad. I can understand the idea behind the policy of providing food to the peoples of Europe in order to win them over to our way of life and to guarantee the success of democratic governments. I agree we should be willing to make sacrifices in order to accomplish such a laudable purpose. However, there is one fact that seems to be generally overlooked. We cannot have any spirit of good will toward our stricken brethren in Europe unless that good will actually lives and breathes in the breast of the ordinary man and woman in America.

Our effort to keep the war machinery rolling is constant. Day in and day out we keep our minds on the job of keeping the industrial machinery of the country under a full head of steam. We worry about reconversion so that there will not be a slump in our economic life. But all that machinery, all the industrial strength we possess cannot function

without the human element and the men and women who have to make it tick are entitled to a little consideration—once in a while. Men cannot worry about food for their families and still have enough enthusiasm left, or energy left—to do a good day's work at a machine that is grinding out the tools that will destroy Japan.

These people—the American people—the decent people who do not patronize the black market need some attention. Their lives need a little overhauling.

If it is necessary to call a temporary halt in the shipment of food to European people, then a halt must be made. The shipments can be resumed when distribution at home has returned to something like enough to provide our own people with enough to eat.

I am not trying to arouse passions that are best left sleeping. I am not trying to infer that we are going hungry. I am saying—positively—the people at home, our own people, are entitled to some attention and they are demanding that they get it.

In spite of all the shortages there are the people in my State who still demonstrate their strong support of the war effort. Rhode Island was the first State to go over the top in the seventh war loan drive. But these patriotic people are not getting enough to eat.

I have thought this thing over a long time. I am fed up and I can be still no longer. Under normal operations you know as well as I do that we cannot expect any improvement in the present situation for many months. It will be winter before there is even a trickle to show. That is why I insist on some unusual measures now—it will have to be done and done soon. We cannot afford to wait until winter.

[From the Providence (R. I.) Evening Bulletin of June 11, 1945]

ON SHARING OUR FOOD

EDITOR: I have been quite interested in reading the views expressed in your column regarding the scarcity of meat in these New England States—and there is, no doubt, the same condition existing all throughout our country, according to the newspapers. Some few sections near the meat packing and slaughtering vicinities may be able to secure a source of meat supply and, if so, they are fortunate, but we have no doubt that they are being deprived of other supplies even as we.

I have the greatest difficulty in securing meat for my table, and, in fact, have been unable to place fresh meat before my family for weeks at a time, I am somewhat handicapped in shopping for when supplies are available during the day I am employed and cannot get to the market, but I am informed that the meat platters are just as bare during the early part of the day as later on.

I would not gripe about going without meat or any other food and using substitutes, if we could get them, were I assured that our supplies were going to the men and women in the services, but I writhe knowing it is being sent to countries having a source of supply, or to the people of countries who have warred against us and slaughtered our men. If we must feed them, give them the substitutes and let us have the food to which we are accustomed and entitled.

Would you offer the bounty of your home to a person who entered it with intent to rob and kill? I would not, and I doubt if any normal person would. Then why should we deprive ourselves to give these individuals who have committed the atrocities of this war—be they the gun handlers of the families back of the gun handlers? I believe in the charity of Christianity and I realize we must give aid to these people, but not to the extent of taking awa. from those who have given their men, their money and their happiness to break up that tribe of murderers and their breeders. I say, give them the food substitutes and not the cream of our bounty.

We have butter lines, meat lines, egg lines, coal lines, and before many months are past we shall have more lines. Is America to be the land of food lines after the years of labor spent to make it a prosperous and proud country? This was America, the land of plenty. Now we are America, the land of plenty for foreigners. Our Government should bear in mind that charity begins at home and not among the trouble-makers of Europe.

NORWOOD. H. M.

EDITOR: Judging from the letter in the issue of May 31 signed Frank T. Hancock, seaman, first class. I think that F. T. H. has missed the point entirely.

I believe that I speak for the majority of the people here in the North when I say that we are not indifferent to the needs of the people in the war-torn countries of Europe. But I don't believe that we are solving the problem by depriving the people in our own country. On the contrary, I believe that we are creating a bigger problem. With the shortage of doctors here on the home front, it is that much more important that we should guard our own health. We cannot do that without sufficient amount of protein, of which meat is the chief source.

MARILYN L. JACKSON.

PROVIDENCE.

EDITOR: A 13-year-old private school pupil may safely judge conditions only in his own sheltered corner. A mother is not "squawking" when she writes of conditions as she is finding them. Even in the States, one-quarter little knows how the remaining three-quarters live.

MRS. E. G. COLMAN.

PROVIDENCE.

Mr. SPENCE. Mr. Chairman, I yield 20 minutes to the gentlewoman from Connecticut [Mrs. WOODHOUSE].

Mrs. WOODHOUSE. Mr. Chairman, much of the discussion concerning proposed changes in the operation of OPA grows out of the fact that it is difficult for us to remember all the time that we are still in a world war. The Pacific is a long way off. We have given an enthusiastic reception to our heroes returning from their victories on the European front and domestic news and the San Francisco Conference have cut down the headlines on the Pacific war. It is not that we are less determined to see the war to a victorious finish. It is only that other things, especially our deep desire to be again at peace, to get to the business of building a peacetime world, have made the war a bit less ever-present in our minds. We want reconversion, so we hope it is here in full.

But Japan is still to be defeated. And how mony months or years it will take to achieve victory on her lands nobody knows and no one would thinkingly dare gamble with the lives of our fighting men and the welfare of their families by acting on a guess.

OPA still has a wartime job to do. It was given the task of holding back the tide of inflation, of maintaining price stabilization, and it has done a good job.

In World War I the price of industrial goods rose 88 percent. In this war we have held industrial prices to a rise of only 23 percent. The last war cost $32,000,000,000. Without inflation it would have cost $18,500,000,000. Had prices advanced in this war as they did in the last war, the war would have cost, up to January 1, 1945, $325,000,000,000. It actually cost with price control, $245,000,000,000. The difference is $80,000,000,000. The restrictions of OPA upon industrial prices have been a small amount to pay for that difference in our war debt.

But more than that, price control has held down wartime rises in the cost of living and has thus saved economic suffering for millions of families of our fighting men living on their fixed and small allotments and allowances. In the past 2 years living costs have been held to a 1.4 percent advance. To the end of 1944 wholesale prices have risen 38.7 percent; in a like period in World War I they rose 114.7 percent. The cost of living has risen 28.8 percent; in World War I it rose 84.4 percent.

The seemingly impossible has been accomplished—cost of living and prices have been held down, production and profits have reached an all-time high. If we will forget the individual limitations which wartime conditions cause, if we will weigh the mistakes which have been made in running a war economy imposed on a civilian economy against the achievements, what do we see? We see our country keeping the two economies going at the same time, having the best fed, best clothed, and best equipped army in the world and the civilian population maintaining its standard of living during the war with civilian goods and services in 1944 exceeding the average quality available in 1935–37. If we weigh the mistakes and achievements, we will see the true picture and look with pride on what the OPA, with the aid of 188,048 volunteer citizen workers in our home communities, has accomplished. The functioning has not been perfect, but it has been surprisingly good.

We have held back inflation. But the inflationary pressures are still here. It was at this comparable period in the last war that we took off control with the results you all know. During the two subsequent years 453,000 farmers lost their farms through foreclosure; there were 106,000 business failures; corporation profits fell from a net gain of $6,000,000,000 to a net loss of $55,000,000. In a period of 12 months following the crash of 1920 American business took a loss of $11,000,000,000 in inventory alone. Farmers had their income cut by two-thirds.

And it would happen again. The Pacific war after cut-backs will require sixty to seventy-three billion dollars a year. The total cost of World War I was $32,000,000,000. In the last war only 25 percent of our total production went to war, 75 percent remained for civilian consumption. In 1944, the war took 44 percent of our total production, leaving only 56 percent for civilian consumption. After cut-backs now contemplated, the Pacific war will take 36 per-

cent of all production, leaving 64 percent for civilians. In 1944, the people of this country had $40,000,000,000 income in excess of goods and services available. It is estimated that this excess will be $34,000,000,000 in this first year of the Pacific war. At the end of World War I, balances in checking accounts totaled $14,843,000,000. At present they are $75,100,000,000—a gain of almost $44,000,000,000 during the war years which the people of this country can draw out and spend. In addition, there is $27,000,000,000 in E war bonds which are readily cashable. The inflationary potential is staggering.

Our obligation to the families of our fighting men living on their small, fixed allowances and allotments, to the purchasers of war bonds, to those living on pensions and on social-security benefits, to recipients of war insurance, to the white-collar worker and others living on fixed income, make it necessary to prevent inflation, which means to extend the Price Control and Stabilization Acts without changes which will make its administration still more difficult. And the extension must be for a period of time—12 months—which would permit stability for the administrative staff and for production. No one act could delay reconversion more in those lines where it is now possible than giving the producer the hope that prices might be uncontrolled or at least might go up in some 6 months. There would be a run on materials in anticipation of the expected price rise and a delay in turning out finished goods for the market.

As the Committee on Economic Development—made up of outstanding businessmen—points out, price control has a greater and not a lesser importance now that production controls are beginning to be relaxed. From now until production is in volume great enough to balance demand, price control will be our chief protection against inflationary pressure.

Even after the war in the Pacific ends, there will be a transition period before sufficient goods are produced to meet the pent-up demand of our own people and the demands of commodity hungry peoples abroad.

Of course, it is correct to say that increased civilian production is the only real cure for the type of inflation we have been and still are facing. In time of peace it is the only sound cure. But in time of war materials and labor priorities must go to war demands. We could have imposed higher taxes, we could have drafted all production and avoided inflation in that way; but we did not. To continue price control, or permit inflation, are our only alternatives today and if we choose price control, as we will, it must be price control on a basis upon which the administration can operate. It must be price control right across the board. You cannot lift prices for this group or that group. You cannot have a little inflation. You can have only price control or inflation.

Criticism leveled against OPA and used as a basis for suggested changes fall under three main heads:

First. That OPA has regulated profits, and attempted to change our economic systems;

Second. That OPA has created shortages;

Third. That OPA pricing policies will hinder reconversion. None of the three types of charges can be sustained. Mistakes and irritations in the administration? Yes; the personnel is human. OPA has had a thankless job and I marvel at the Administrator, who might have been in uniform on one of his beloved boats; I marvel at his patience, tolerance, and continued good will under the barrage of unthinking and often uninformed abuse heaped upon him.

As to profits: Over-all profits of business are higher than ever before in our history. Corporation profits before taxes are five times what they were before the war; after taxes they are twice what they were in 1939.

Corporation profits after taxes were in millions—$8,100 in 1929, $4,000 in 1939, $7,300 in 1941, $8,300 in 1942, $9,900 in 1943, and $10,000 in 1944. The last 3 years were under price control.

Of course, critics point out that these are over-all figures; not every firm shows the same picture. But that is true always. According to tax reports, only 40 percent of prewar corporations were operating at a net profit. And even allowing for a decrease in the number of new small businesses and of businesses closed when the owner went to the war or to a war plant, figures on business failures are noteworthy. In 1929 there were 22,909 failures; in 1939, 14,768; in 1942, 9,405; in 1943, 3,221; and in 1944, 1,222.

Nor has the little fellow suffered. Profits before taxes for unincorporated manufacturing establishments were $418,000,000 in 1929, $315,000,000 in 1939, $663,000,000 in 1942, $712,000,000 in 1944; for wholesalers, $723,000,000 in 1939, $1,507,000,000 in 1944; for retailers, $1,517,000,000 in 1939, $3,416,000,000 in 1944; for service establishments, $2,296,000,000 in 1939; $3,427,000,000 in 1944.

Present increases in profits before taxes as of 1943 over 1936–39 are illuminating. Hardware retailers, 365 percent; variety chain stores, 249 percent; department and specialty stores, 1,038 percent; dry-goods wholesalers, 639 percent.

As to production, in the last war our industrial production increased by 25 percent, farm production by 5 percent. In this war industrial production has more than doubled, increasing 116 percent, and farm production has gone up 25 percent. The volume increase in 1944 over 1935–39 is notable: Machinery, 344 percent; manufactured food products, 52 percent; textiles and products, 47 percent; lumber and products, 27 percent, to name only a few at random.

Even the much-discussed beef cattle show an increase—total federally inspected production of beef during the first quarter of 1945 was 9 percent more than in 1944 and 28 percent more than the average for 1941–43. Cattle on feed in April 1945 numbered 8 percent more than on April 1, 1944.

Production has been increased; but the military demand and the enlarged civilian demand have pushed against supply. A good deal of the story on food and especially meat lies in the fact that median family income for 1936–39 was $1,300, whereas in 1944 it was $2,600. Of course, families with, at long last, a decent income want more and better food.

As to reconversion: There has been some lack of understanding of OPA price policies, which accounts for the fear that OPA will hinder reconversion and delay the flow of a great volume of consumer goods. This fear is not justified. It is, in fact, not so much a fear of actual OPA pricing policies as a fear of the future, the fear of the unknown. This fear on the part of certain business groups is contrary to our American business tradition of adventure and risk taking. War weariness perhaps explains the desire of some for security and curiously enough for security provided by the Government.

The individual producer who cannot produce profitably at ceilings which are adequate to bring out goods from the rest of the industry should, of course, be afforded relief when his product is needed; but the price level of the industry should not be fixed for him. And to determine costs for each of the 184,000 manufacturing establishments would be only less impossible than to try to determine cost of production for each farmer.

But the OPA policy has shown increasing flexibility as the situation has permitted. And the expressed policy of the Administrator is to continue and increase flexibility to aid reconversion. Any individual or firm may sell a product at the existing ceiling. In the case of products which have been out of civilian production the OPA assures to each such industry its pre-Pearl Harbor costs, usually the last quarter of 1941, plus legal increases in materials prices, and in basic industry wage rates, plus the 1936–39 profit margin. There is provision for adjustment for individual firms which cannot operate profitably under industry price standards. For small firms, who do not do over $200,000 business, there is a self-pricing formula which may be used in establishing initial reconversion production prices and later checked.

As to the policy of price increase absorption by the distributors, the increased profits of retailers and wholesalers give the answer. They have not suffered. And in individual cases the OPA pricing policy provides that if there is "no existing margin of profit reasonably sufficient to absorb them," manufacturing price increases will not have to be absorbed by distributors. There is no cost absorption required beyond the point where current earnings fall to peacetime earnings. Of course, where the complaints arise is in this phrase "peacetime earnings," because 1943 or 1944 would provide a much higher base in the great majority of cases.

Cost absorption of necessary manufactured goods price increases has been essential to price stabilization. The Emergency Court of Appeals recognized this when in December 1943 it stated:

> When such increases are permitted it is the duty of the Administrator, as far as possible, to require them to be absorbed at some appropriate intermediate stage in the process of production or distribution at which there may be an existing margin of profit reasonably sufficent to absorb them.

The OPA pricing policy is to develop greater flexibility, to speed up reconversion, and, while aimed as it must be, at an industry level, it does make provision for individual hardship cases. OPA has never reduced prices because profits were high. Nor does it place ceilings on profits. But even more important, it did not start the war nor did it create war conditions or war demands.

No one in the United States likes price control. But we would like inflation less. Full employment at home and peace abroad are the goals of the great majority of us here in America. Inflation would destroy the road to both those goals. The only way ahead is via the extension for the coming year of the price control and stabilization acts as at present written.

Mr. CRAWFORD. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I might make one or two observations that may be helpful to some of the Members. My position on this bill has been that we have so woven OPA into our economy that it is practically impossible to eliminate it at the present time, because so long as we accept the philosophy that a Government agency shall be retained for the purpose of preventing our people from shifting away from the ownership of dollars and credits in their favor to the ownership of things, we will have to accept a concept, I should say, similar to that which OPA operates under at the present time. I should also say that that control will undoubtedly, if we continue to accept that philosophy, extend for a period of anywhere from 5 to 10 years and maybe 25 years. So taking the general attitude of the public of the United States into consideration, I have no idea that the public will do away with the OPA next December 31 or next June 30 or December 1946, or December 1950. So, personally I am prepared to accept the proposition that the OPA or some similar agency will be in operation in this country for a very indefinite period. And moving in that general direction I have endeavored as a member of the committee to gear this procedure down to a point where Congress can look at it as often as possible and where the OPA would be forced to come before the Congress and make its report, and where the people of this country would have an opportunity to come before Congress and present their complaints and thereby bring about as harmonious a situation as is possible in dealing with such forces and elements. Therefore, I think what we should do is to extend this act for 6 months at a time. In other words, we should presently extend it from now until next December 31, and serve notice on the country in doing so that between now and next December 31 we will again have hearings before the Committee on Banking and Currency and give the people a chance to present their grievances and show the facts as to how they are being persecuted by the agency, if that is the case, and give the Congress a chance to modify the act as Congress deems it should be modified at the moment. We would also make it very clear that Congress does not intend to let the agency die at the end of the 6 months period and call for its liquidation at the end of this coming 6-month period, but that Congress itself proposes to assume the responsibility of asking for an accounting from time to time and when the act is again extended make this act as bearable to the people of this country as it is possible to do through legislative procedure.

Now, that is just about as clear and brief as I can state my position on this question.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Texas.

Mr. PATMAN. Is it not a fact that before the committee the gentleman opposed this 6-month extension and made a good argument in his opposition to the 6-month extension and in favor of the 12-month extension?

Mr. CRAWFORD. I am not now opposing or recommending a 6-month extension of this act. If the gentleman wants to be fair—he is continuously bringing up this proposition, and I yielded to him because I was sure he would bring it up again. If he wants to be fair, he will now admit that at no time have I contended for the killing of this agency next December 31. I refuse to yield any further, because I am growing tired of the gentleman's unfair approach to this proposition.

Mr. PATMAN. A point of order, Mr. Chairman.

Mr. CRAWFORD. I do call it unfair, and I do not propose to strike it out of the RECORD.

Mr. PATMAN. Mr. Chairman, I make the point of order against the statement about unfair tactics.

The CHAIRMAN. Does the gentleman from Texas request that the gentleman's words be taken down?

Mr. PATMAN. I hope the gentleman will withdraw them.

Mr. CRAWFORD. Mr. Chairman, I refuse to withdraw them. If this body wants to strike the words from the RECORD, that will be all right with me.

Mr. PATMAN. The gentleman knows I have never been unfair with him. That is a very unfair statement to make.

Mr. Chairman, I withdraw the point of order and will insert the gentleman's exact statement in the RECORD and leave it to the Members to decide who is unfair.

The CHAIRMAN. The gentleman withdraws his point of order.

Mr. CRAWFORD. The gentleman from Iowa [Mr. TALLE] presented some very factual matter here a while ago. I want to further support that because we have to recognize these facts. We know what the Government expenditures are. Anybody who wants to look at the Treasury statement can find out. We know how the deficit is running. We know how the Government bonds are being sold. If you want to get an eyeful of information obtain from the Treasury and from the Federal Reserve Bank in Chicago, New York, Dallas, and other cities, their statements, and see what is occurring in the cashing of savings bonds in this country. You analyze very carefully what is taking place at this very moment in connection with the Seventh War Loan drive. I unhesitatingly make the charge that the dissatisfaction of the people with the administration of OPA has a tremendous influence on the fact that people are not buying bonds today as they would otherwise if this agency's activities were more acceptable to the general public.

I do not think there is any question about that. But you have got to sell bonds to somebody. Our people hold over $43,000,000,000 of these savings bonds at the present time, which they can mature any time they desire, 60 days after acquisition of the bonds. There is $43,000,000,000 of potential buying power, and if the present loan should succeed there will be approximately $50,000,000,000 of these bonds within the next 60-day period which they can cash on a moment's call. The Treasury has to turn out currency as currency is demanded. Furthermore, the Treasury has to refund these issues if that payment is made.

Here is Mr. Vinson's statement, which I put in the RECORD a few moments ago, where he states the minimum expenditures are going to run $60,000,000,000 a year in connection with the Japanese war. So you are going to continue to run a deficit of around $3,000,000,000 to $4,000,000,000 a month, which means we will file one inflationary force on top of another inflationary force. Our people are saving at the rate of $44,000,000,000 a year, net savings. Within a 4-year war period they have saved over $120,000,000,000, which is a call for goods when they wish to exercise the call.

Bank deposits were referred to by Dr. TALLE. Mr. Vinson, in his statement, talks about the hundreds of billions of dollars of buying power. Mr. Vinson talks about the needs of other parts of the world for everything we produce. It is certainly the intention of the administration to send those goods from this country to those people in other countries of the world. When and where will you ever catch up so that supplies will equal demands? As long as you have a situation of that kind, as long as you participate in deficit financing, wherein will you ever find one single reason to justify the elimination of OPA, if you accept the philosophy that a Government agency must always stand guard to prevent my friend from Illinois, for instance, shifting from ownership of dollars and credits into ownership of goods? It is a peculiar philosophy we have accepted in this country, but every woman's organization I know of, every business organization in the country—church organizations, professional people, labor organizations, and farm groups—come here and demand that this agency be kept in power; demand that we increase appropriations for its use.

On that point, let me say that, if we are to retain this agency, then by all means let us give this agency the necessary personnel to remove bottlenecks, so that if my friend from New York makes application for his plant, with respect to a price formula so that he can go out and solicit business and then convert the raw material into goods and sell those goods, he may do so. He cannot do it now unless he gets from the OPA a permit. So let us not have a shortage of person-

nel down there that forces him to keep out of business until the OPA gets a chance to issue a permit as to prices. Therefore, you will be called upon to support $92,000,000 of appropriation for the coming 6 months, July 1 to December 31, and about $91,500,000 OPA appropriation for the last 6 months, as near as we can see it at the moment, giving them 1,200 additional experts to process price formulas. If you can imagine that, you can readily see what kind of a mess we are getting into on this question of reconversion.

For instance, I am completely satisfied that the agency is now tremendously interfering with the production program of this country and with reconversion. One case was referred to a while ago by the gentleman from Nebraska, Dr. MILLER. I think we could bring to this floor a thousand cases if we wanted to do so. I will give you a few of them. These are specific cases, and we have the names of the firms. There is nothing confidential about it. One of them is the Jantzen Co., that produces what we used to have, those wonderful bathing suits, along with sweaters. Here is a company in Los Angeles, Calif., the Virtue Bros. Manufacturing Co. Their telegram says:

Dilatory tactics of OPA have delayed us 30 to 90 days in reconversion to civilian production. Disastrous questions certain unless prices are approved promptly and reasonable profits allowed. Urge law be amended to correct these evils, otherwise unemployment inevitable.

Here is a company located out in Michigan, a textile manufacturer of about average size. They are at the moment wrestling with OPA Order SO–108, known as minimum average price order, which provides, in essence, that the manufacturer's average prices in 1945 shall not be greater than they were in the same categories during 1943.

In 1943 this company was obliged to use, in certain categories, materials that were available, most of them substitutes for goods unavailable because of the war. As in the case with most substitutes, they proved to be both cheap and unsatisfactory. In the interest of progress, this company changed the basic materials as opportunity was afforded them. In consequence, with the material now available, they find themselves in the position of manufacturing an article at a cost of $2 and selling it for $1 simply because 2 years ago they had a $1 article of different nature, quality, and design in their catalog. Appeals to OPA on this problem have been fruitless. The reply was that no useful purpose is being served by such appeals because the OPA officials are simply standing by the rules.

Another business is the manufacturer of shoe dressing and shoe dyes.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAWFORD. Mr. Chairman, I yield myself five additional minutes.

This concern is located in Massachusetts.

Company B is a manufacturer of shoe polishes, shoe dressings, and shoe dyes, which is located in Massachusetts.

As you may know, the basic ingredient of shoe polish is carnauba wax, available through imports from Brazil, and not available domestically.

I am informed that an estimated 60 to 75 manufacturers in the Greater Boston area alone are faced with the problem of going out of business before the end of the year because this year's crop of carnauba wax has been contracted for by foreign countries at a higher price than can be offered legitimately by any United States importer.

At the moment these companies are attempting an appeal for relief. OPA has been informed time and time again that there is absolutely no usable substitute.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. AUGUST H. ANDRESEN. Did I understand the gentleman to say that buyers of the merchandise in this country had to go to foreign countries to buy the merchandise because of OPA action?

Mr. CRAWFORD. Oh, no; the buyers of this country cannot pay a sufficiently high price to compete with bidders from other countries because the price ceiling is squeezed down to the point where the American manufacturer cannot compete in the open market on raw materials in foreign countries.

Mr. AUGUST H. ANDRESEN. The product is available then in foreign countries at a price.

Mr. CRAWFORD. Yes; it is available at a price, but under the conditions imposed upon the business in this country they cannot meet that price to get the one absolutely essential ingredient of their product. Why approve such a performance as that and at the same time vote for Bretton Woods, for instance? There is a sample of how perfectly silly we can become when we get into the field of international relationships.

Company C manufactures house cleaning items, principally brooms, and it is located in Colorado.

This company has informed me of a proposed order for pricing brooms now under consideration by OPA. This order, which will be issued in spite of objections registered by OPA's own industry advisory committee on broom pricing, classifies and grades brooms in accordance with standards not known or used previously by the industry.

The results of the order, according to the industry, will:

First. Result in the upgrading of many low-quality brooms, primarily those imported from foreign countries, and thereby increase production of foreign brooms for the United States market; and

Second. Cause the abandonment by many manufacturers of the production of better quality brooms, with a consequent nonuse of domestically produced broom corn.

Company D is a chemical manufacturing plant located in California.

For some time this company had been in the process of manufacturing and selling a low-grade chemical at the OPA established price of $35 a ton, a price based on their maximum selling price as of given date. Upon analysis, the company determined that it was costing them $38 per ton in production costs alone, excluding all overhead and other administrative charges properly attributable to this particular chemical.

The principal competitor on this particular commodity had been selling and producing it at $45 per ton during the period chosen by OPA to fix prices. As a consequence, company D found itself with a tremendous number of orders—the filling of which meant a net loss of $3 per ton.

As is usual in such cases, an appeal for a more equitable price was denied by OPA. The officials of that agency refused to credit statements from company D that they intended to cease production on the commodity in question.

The final outcome is precisely this: Company D has ceased production, and OPA found itself in the position of having to certify to the War Production Board that an increase in the facilities of company D's competitor to take care of the additional demand is essential in the interest of the war. These facilities have been increased—company D's identical facilities remain idle. The company is going out of business. The $45 cost fellow is being promoted. In war production the Government pays the additional price and the more American enterprise is destroyed.

I am just not going to have any patience with that kind of performance. If such criticism is cruel to OPA I ask what kind of cruelty is being imposed upon the men who put their savings in company D? What kind of cruelty is being imposed upon their families being denied the right to go ahead and make their own way independent of the Federal Treasury? As I pointed out to Judge Vinson the other day there are two sides to this thing. He was making a great appeal not to criticize OPA. Public servants are subject to criticism. That is the only way we can maintain representative Government: To permit criticism and criticize where the thing is not operating propertly. And criticize is what we shall do. The new facilities have been certified, the new facilities have gone into operation and company D passes out of the picture.

Here is a telegram from Edson Moore & Co., of Detroit, Mich., one of the largest wholesale houses in the country, an old established firm:

DETROIT, MICH.

Complaints of mothers this fall and winter because of lack of underwear for their children will be more severe than any caused by cigarettes, etc. The maximum average price regulation will be largely the cause. Unless this impossible regulation is canceled or drastically-revised an already acute situation will become a serious health hazard. There is no substitute for warm clothing. The same difficulties will appear with many other textile items.

EDSON MOORE & CO.,
G. W. GILLIS, *President*.

I have before me a statement from the Jantzen Knitting Mills, by Mr. J. A. Zehntbauer, to the effect that that company is being pushed to the wall and finds it impossible to operate under the regulations of the OPA. The public will

be denied the fine products which that company produces.

Here is a letter from the Tobin Packing Co., general offices, Rochester, N. Y., a paragraph of which reads as follows:

Last month OPA allowed us 40 cents per hundredweight additional subsidy on hogs retroactive to April 1. However, we are still losing 60 cents per hundredweight and they will not do anything about it. We need this amendment to force them, or our industry is going to be in very bad shape. It took them over 2½ years to finally allow us enough subsidy on cattle to make a small profit on beef.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAWFORD. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, I hold in my hand a statement from the Louisville Bedding Co., Louisville, Ky., and they send with it their cost sheets, taken right from their accounting records. They show that the ceiling price on pillows makes it impossible for them to operate. They state:

You may also be very positive in the fact that the cost sheets that we have run cannot be questioned from labor costs or raw materials, for the case we are making is actual, and not estimated.

They break down the costs in detail, showing the cost of the ticking, the feathers, both down and the regular feathers, the thread, labels, cartons, gum tape and stamps.

These are not theoretical propositions. These are people who have been up against this act.

Mr. AUGUST H. ANDRESEN. Can the gentleman explain to us why it is that the OPA refuses to grant relief to old established firms but it permits new concerns to start up in competitive lines of business and lets them operate at a profit?

Mr. CRAWFORD. I do not know of any reason why they should do it, but in the absence of a statement from the OPA as to why it allows that, I can let my imagination run wild. Any agency which is so created as the OPA and operated under such a program can, if the inner circle wants to, promote the interests of certain people and kill the rights of others. It can, if it wants to do so, confer proprietary rights upon one company and economically guillotine another company. Take the companies I referred to a while ago, including the $45 cost operator as against the $38 cost operator. Why is it that the $45 fellow is permitted to go ahead and the $38 man killed? I cannot answer the question. I can imagine it but I cannot answer it satisfactorily.

Mr. AUGUST H. ANDRESEN. The gentleman recalls that a manufacturer of pancake flour sold a package for 6 cents and asked for an increase to 7 cents. The OPA granted another new concern the right to make pancake flour and gave that concern a increase from 20 to 25 cents, while the old-line people went out of business.

Mr. RAMEY. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Ohio.

Mr. RAMEY. I may say that in the city of Toledo, Ohio, a man has been in business for about 30 years. His son is in the armed forces. He has had to go out of business and was told by a man representing the OPA:

We must have casualties among you folks who have been in business too long and let folks get into business who have certain philosophies.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Colorado.

Mr. CHENOWETH. The gentleman from Michigan is bringing indictment after indictment against this agency. Do I now understand his position to be, and he is recommending to us that our position be, that this child we have created has now become a monster over which we have no control whatsoever, yet it should be perpetuated?

Mr. CRAWFORD. That is the position we are in if we accept a philosophy that a Government agency must stand guard over the actions of our people.

Mr. CHENOWETH. Do we not as individual Members of Congress have some responsibility to correct this situation?

Mr. CRAWFORD. We do have a responsibility and that is the reason I contend that under no circumstances should we extend the life of this agency beyond 6 months, and in that extension we should serve notice that we will take a look at the picture and between now and the 6-month expiration date we will further amend this law, in addition to the amendments we may put in at the present time based on known facts, to make it endurable and acceptable to the people of the United States, because if the people repudiate this thing where will the law be anyway? You will have the same situation you had in connection with the eighteenth amendment.

Mr. CHENOWETH. The time to do the operating is now?

Mr. CRAWFORD. The time to do the operating is now and that is the reason amendments are to be offered.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. If the 6-month amendment is not adopted, which the gentleman says is so necessary, what then? In other words, if that amendment is not accepted, is defeated, then what will we do?

Mr. CRAWFORD. We will have no relief if the law is extended in its present form other than such as the agency may grant on its own initiative.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRAWFORD. Mr. Chairman, I yield myself seven additional minutes.

I would like to cover something that you do not find in the hearings. Here is the testimony of Judge Vinson and Mr. Davis before our committee. This whole matter moved so fast so that there was no chance to print it.

Judge Vinson takes this position in his statement before the committee, and here is his exact language in answer to my question:

Mr. CRAWFORD. Now, going to the last paragraph on page 1, you touched on an awfully important phase of this proposition. That is, if we change the statutes to permit higher prices, we are opening the door to inflation.

Would you care to say whether or not there is under consideration by your division of government and the other agencies with which you collaborate, a proposal to increase the hourly wages and decrease the hours per week as we move into the reconversion or postwar civilian production period?

Mr. VINSON. The wage policy in the reconversion period is under consideration, Fred; Mr. George Taylor, Chairman of the War Labor Board, and Mr. Will Davis and I, have had several huddles with regard to it. As a matter of fact, George Taylor and I were discussing it this morning, and we are going to do our dead level best to come up with a wage policy that will not cause the fires of inflation to burn too brightly and the flood of deflation to drown us.

It is a rather difficult situation as you know, we have got the inflationary forces and the deflationary forces. I am thoroughly sold on the idea that postwar we have got to have a high national income, and by that I mean I feel we have got to have high wages and high prices for raw materials and high profits. I made that statement earlier.

We are going to have a tremendous debt, and it has got to be taken care of, and the present policies are not static.

In that connection I interrogated Judge Vinson as you will find it here in this record. I said, "I am not going to press you for an answer but I want to know what you men are doing down there with respect to increasing this wage level, and if you increase the wage level, what are you going to do about increasing the price level?" He came back with a reply in substance, that increased production would take care of the increased wages with no increase in price.

Let me get this point clear to you. Suppose my friend here from Wisconsin has a factory that is running to capacity, and he knows what his costs are on capacity production. You come along and force him to increase the wage.

You say to him, "You must not increase your price level." His irreducible cost based on maximum production is higher than his selling price, because the selling price cannot be raised. What is he going to do? He will do one of three things: He will not produce, or he will produce at a loss and exhaust his profit previously accumulated, or he will produce at a loss until he finally faces bankruptcy. There is the testimony of Judge Vinson. I put the case squarely up to him because I know of scores of cases where maximum production and the irreducible cost has been greater than the selling price, and if you have a situation like that, the more you produce the faster you go broke financially. If that is the concept of Judge Vinson and Mr. Davis and OPA that the price ceiling shall not be advanced and that wages shall be increased, where the devil do you think we are going to be 6 months from now? We just cannot afford to go along with those things and not protest. We must not bring about universal unemployment in this country through OPA.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Wisconsin.

Mr. KEEFE. In line with what the gentleman is now stating, this situation has been brought to my attention repeatedly, and I have had repeated conferences with people in the OPA about it. You take the situation that some people have talked about so glibly about concerns making money. They are making money. I will take one of those concerns. It is making money performing war contracts. It is making war material. It formerly made a line of mill work, doors, and sash in its regular manufacturing capacity. Now the war work is being cut back and they want to go into the manufacture of a line of doors to absorb the labor that is being carried in that plant and to put on some additional help to take care of the 60,000,000 jobs. They go to OPA and ask for a price upon that door that they are to manufacture. OPA fixes a price on that door on the basis of profit of the whole profit picture of all the items which they are making.

Mr. CRAWFORD. Over-all profit.

Mr. KEEFE. Over-all profit picture, and says to them, "You are making a profit in your business. You are making a profit today. Therefore we will fix a price on that door which will not permit you to make a profit on the manufacture of that item."

The manufacturer says, "The price which you put on this door will compel me to make that door not at a profit but at a loss, and it will cause my stockholders $100,000 a year loss in this particular plant if I run full production on the manufacture of those doors." The OPA comes back and says, "You charge that $100,000 loss against the profit which you have been making on your war material or your regular line, whatever it may be." The manufacturer comes back and says, "That is unfair to me; it is unfair to my stockholders and therefore I refuse to make doors and I am closing down that part of my plant and my business."

Mr. CRAWFORD. And it leaves the country without doors.

Mr. KEEFE. Under those circumstances, how in the world are you going to put 60,000,000 people to work unless you can preserve this profit motive and profit incentive all down the line to encourage this risk capital to go into the business of manufacturing in order to put people to work?

Mr. CRAWFORD. You will not put them to work.

Mr. KEEFE. May I say further, in all due respect to the OPA, I have taken the matter up with the OPA and I find a disposition on their part to do something about that particular individual case and give some relief to that company. But the process is going to be so slow that we will not get conversion and we will not get back into production for months and months and months unless we can have a definite policy established in the OPA that will be all inclusive and will do away with this policy which they themselves admit is causing them interminable trouble and difficulty at the present time.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. CRAWFORD. Mr. Chairman, I yield myself two more minutes.

The gentleman from Wisconsin has made a powerful statement right straight down the line. Now I will close by saying this, because I know what some of the Members are up against on this proposition: The argument is made that a 6-month extension would cause a black market to develop and for the personnel of the OPA to disintegrate, and other arguments are made along that line. If the argument held water then it would be true for the last 6 months that the act might be in force, whenever that might be. I take no stock in that argument as being of any consequence, because this law is not going to die next December 31. It makes little difference what we do here today in amending this bill; this law will be extended indefinitely from time to time. Get that clearly in your minds because every day we set the forces in that direction, and we are going to have to do that until a sore public rebels and revolts and kills the thing by common practice.

What we should do and it is a responsibility that we cannot avoid, is to make this proposition as bearable to the American people as we can. If we extend it 6 months and at the same time have it fully understood another extension will be made, and have another accounting at the end of this year and thus put our forces together as best we can and get the public to cooperate with it we will get along and work out some way. But to jump over a 12-month and 18-month period is somewhat of an insult to the people of this country and especially those who are being crucified by the policies being followed.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. WHITE. The Federal Reserve banks are issuing a million dollars every 30 days. What is going to become of that $30,000,000 of additional new currency?

Mr. CRAWFORD. Well, that is an addition to the inflationary forces.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

ANSWERING UNFAIR CHARGE

Mr. PATMAN. Mr. Chairman, I was very much surprised a while ago when I asked the gentleman from Michigan [Mr. CRAWFORD] if he did not advocate at least a 12-month extension of OPA in the Committee on Banking and Currency when the bill was being considered, and he accused me of being unfair, a charge I do not like to have made against me. I have never been unfair to a Member of this House knowingly and never expect to be. So I will just leave to the Members of this House, in view of the facts, as to whether or not I was unfair to the gentleman from Michigan, who is next on the committee to the ranking Republican member the gentleman from Michigan [Mr. WOLCOTT].

This question came up in the Banking and Currency Committee and the gentleman from Michigan [Mr. CRAWFORD] made a very courageous statement against it. I complimented him for it at the time. When I asked the question a while ago when he was taking a different position, advocating a 6-month extension instead of 12 months as he advocated in the committee, instead of saying that he had advocated at least a 12-month extension in the committee, he accused me of being unfair.

On June 8, just a few days ago, before the Committee on Banking and Currency of the House we were hearing the testimony of a witness. This is to be found on page 212 of part 3 of that testimony. I will quote exactly what the gentleman from Michigan said, as recorded on page 212 of the testimony:

Mr. CRAWFORD. If the act was extended for only 6 months, the law would cease to operate entirely at the end of that time, but if extended a year, in my opinion, it gives much greater strength to the whole structure for everybody concerned, and still leaves the Administrator in a position to exempt your industry if it is advisable. What would you think about that?

Mr. Palmer, the witness, made a reply, and then the gentleman from Michigan [Mr. CRAWFORD] said further on page 212:

Mr. CRAWFORD. Of course, the Administrator has the problem on his hands of holding or obtaining personnel on a 3-, or 6-, or 9-month basis, which would be very difficult, whereas if he has a year's approach he might be able to get some pretty good personnel.

Further in the testimony the gentleman from Michigan [Mr. CRAWFORD] said—and I wish the Members would remember this now and see whether or not I was unfair to the gentleman in asking him that very appropriate question—the record of the hearings shows the following on page 212:

Mr. CRAWFORD. Personally, I am unfriendly to a 3- or 6-month extension and to an 18-month extension. I think we should extend it for a year, because everybody will have in mind, on both sides of the fence, the problems of the progress of the war and the shifts in our general economic structure, and we will have passed through another crop year, and it seems to me that it would be fair to everyone for us to come back here next spring, next May or June, and consider this matter.

Now, in view of that testimony, which I have repeated word for word, I leave it to the Members of this House whether or not I was unfair when I asked the gentleman if he did not take a different position in the committee. I was not criticizing him for it. I thought he had some logical reason for changing his position. I wanted to have the benefit of it.

SIX-MONTH EXTENSION WOULD SABOTAGE OPA

The parliamentary situation is that when this resolution is read the chairman of our committee will offer an amendment to extend it for 1 year. It is now 18 months in the resolution. If it is amended to 6 months, it goes back to the House and we will only vote on one thing, whether we will accept it with the 6-month provision, or not. Then if that is voted down it goes back to the 18 months as provided in the original resolution. If the 6-month provision is adopted I certainly hope we vote it down in the House and vote for the 18-month extension. For the very reason that the gentleman from Michigan [Mr. CRAWFORD] gave to the House committee, it

should be extended for at least 18 months. I insist that to extend this law for only 6 months would be tantamount to sabotaging price control and stabilization.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. JONKMAN].

Mr. JONKMAN. Mr. Chairman, it seems to me that we are all agreed that price control or the Office of Price Administration must be continued. Especially is this true in the food supply. To do away with price fixing and rationing all at once would produce a condition of chaos.

On the other hand, OPA in their price fixing and rationing have not accomplished and will not accomplish what a great many people ascribe to it. It is also true that their operation has created practically as much, if not more, chaos than has been avoided. I receive many letters in which constituents seem to have the impression that the continuation of the Office of Price Administration will increase their food supply or at least enlarge it over what that supply would be without OPA. Nothing could be further from the truth.

OPA is not at all interested in seeing to it that the consumer is supplied with food. Its only objectives are to fix the price of foods or freeze them as nearly as possible, and to see that under that price whatever food is on hand is given equal distribution. OPA has demonstrated time and again its conviction that if it succeeds in these objectives, its full mission is being accomplished regardless of what happens to the consumer or the producer.

Other agencies have their individual objectives. The Foreign Economic Administration, for instance, has been concerned only with acquiring its requirements for foreign consumption with total disregard for restrictions as to the needs of home consumption.

The Commodity Credit Corporation and the War Food Administration have the problems of securing production to meet the foreign and domestic demands. They, however, are hamstrung by the above recited objective of OPA, which prevents price increases as an incentive to production, and must rely principally on subsidies to stimulate production. The same independence and individuality of action is true of all other agencies connected with civilian production, and especially the production and distribution of food. There is no correlated and organized effort to a common end. It is a good deal like roping a number of wild horses, who with a loop around their neck and the other end of the rope tied to a wagon, are pulling in every direction instead of trained horses in the harness under the direction of a driver who controls the reins.

This analysis of the situation was admitted to me by a man who has occupied high places up to the present time in all of the Government agencies concerned with the production and distribution of food. He said it is absolutely true that each agency has its objective isolated and independent from every other agency and there will never be improvement until there is organization from the top down.

This need for the correlation of these various agencies under a single head is something I began to work for as early as September of 1942, almost 3 years ago, when I said:

> I do not think it can be shown in the history of any nation that the imposition of price ceilings alone has worked out successfully. The inevitable result has been to strangle production, create further shortages, black markets, and final chaos in which the wealthy survive and the poor perish.

In another speech the same month I said.

> Sure, we are all in favor of keeping down the price of foodstuffs to a reasonable level and after the Army is well fed we want decent food to be within the reach of all civilians alike. But unless we make getting the required production of necessary farm production our first consideration, with due regard for such elements as anti-inflation measures, we may be in danger of a food famine just as we are now experiencing or facing at least, a rubber famine. I make these observations with a consciousness that some of them may be founded on over-cautiousness, but with Mr. Baruch I still say, "better be safe than sorry," and I would like to see a competent administrator with a proper organization invested with over-all power and responsibility to insure that our food problem does not meet with the same negligent disaster that overtook our rubber problem.

A year or so after I began making these speeches the Republican Congressional Food Study Committee, with THOMAS A. JENKINS as chairman, was organized, under the direction of the minority leader, JOSEPH W. MARTIN, Jr. This committee recognized the crying need of a single administrator with a competent organization to take charge of our over-all food problem. It introduced legislation for this purpose and hammered on this need until the Agriculture Committee recognized it and virtually took over the Jenkins bill which was reported out of committee but thereafter killed through administration obstructionists.

Now, as a result of what I, in September 1942, described as the administration's trusting our food supply to the haphazard results of cross-purpose effort, conflict of authority, clashing of personalities, delays and duplications of the Department of Agriculture, the Food Requirements Committee, the War Production Board, and several other alphabetical agencies and bureaucracies, our food situation is indeed critical, especially in such articles of food as sugar, meat, fats and oils, and other commodities.

It is true that in some commodities we have a sufficient supply, and yet in these oftentimes consumption is frustrated by lack of others. For instance, what real good is an abundance of wheat without sufficient shortening and sugar for bakers to bake? This pathetic and tragic situation in our food supply is clearly caused, as above stated, by the administration having neither organization nor a program. The organization, as I have said before, has made a fetish of price control, which it has distorted into price freezing, and thereby, of course, the natural incentive to production, namely increased prices, is cut off entirely, and naturally we must expect a stifling of and decrease of production.

The administration, in lieu of and substitute for this method of increasing production, resorted to the policy of subsidies. While I am not in favor of subsidies, with proper organization and plenty of appropriation for subsidies, production probably could be maintained by the use of them in the absence of price increases. However, it seems to me that here the administration is again playing politics and is afraid to use the necessary moneys in the form of subsidies to insure food for our people.

Let me give an illustration. Michigan, I understand, produces about 90 percent of the navy or white beans consumed by our people. Last year bean production in Michigan was down about 15 or 20 percent. The price of beans, including a small subsidy, is $6.75 per hundredweight. This year the acreage is still lower, and a few weeks ago representative bean growers and processors came to Washington to see the War Food Administrator about an additional 75 cents subsidy to bring the price up to $7.50. The theory stated to the War Food Administrator was that other crops were more profitable and therefore beans had been neglected by the growers, that Michigan had a rainy season up to that time, and many acreages would have to be replanted, and that if the price was raised to $7.50 per hundredweight, it would materially increase the bean production of our State, and that beans, being of high protein content, and a good substitute for meat, constituted a necessary crop.

Along with other Michigan Members of Congress, I accompanied the delegation to the War Food Administrator's office and we had a favorable reception and apparently his approval. He said, however, that it would have to be submitted to certain other individuals, which was done. When we came back the next day it was thumbs down on the argument that to grant the increase would necessitate an increase all across the board which would take eight to twelve million dollars and was not justifiable.

I called his attention to the fact that the cost was not the first consideration, that three-fourths cent a pound increase in price would easily be absorbed by the consuming public without any undue burden, and without injury to our economy; that the only question was, assuming that he wanted the beans, which he did, whether he would get them without the subsidy, and that he either did not care about them or he gambled that he would get them without a subsidy. He intimated the latter was probably the situation, and I retorted that if he lost, of course there would be no beans and that would be the reason. Yet, if I may borrow New Deal terminology, this involved only eight or twelve million dollars.

That, Mr. Chairman, gives in a nutshell the cause of our present chaotic food conditions. Orderly and sufficient food production can be secured only by paying the cost of that production, and unless the cost is paid, it just cannot be produced. If the administration is committed to freezing of prices and will not

substitute what should be accomplished by price increase with subsidies, the people will go hungry and be without food. It will not help them that the price of sugar is 6 cents a pound if there is no sugar to be had.

It is true that the use of subsidies is going to require a considerable outlay of money. For instance, we consume 7,000,000,000 tons of sugar a year, and if in order to secure the necessary sugar, producers were to be subsidized in the amount of 1 cent a pound, that would cost $140,000,000 in subsidies. We consume annually 24,000,000,000 pounds of meat, of which 9,000,000,000 is beef. And, if as certain processors testified some time ago, it would require 4- or 5-cent subsidies to cover the cost of production, this subsidy at 5 cents a pound for the 9,000,000,000 pounds of beef, would amount to $450,000,000, and so we could go on. But the cold fact is that if the administration accepts the sudsidy theory as a substitute for the price increase theory to secure production, it will take instead of the present one to two billion dollars, many billions of dollars.

To spend billions of dollars for subsidies at the present time is just as unpopular as a general increase in the price structure, and so the administration finds itself on the horns of a dilemma. I repeat, it is unpopular to increase prices and it is unpopular to spend billions in subsidies. Agencies responsible for price freezing refuse to increase prices, of course, and agencies responsible for the use of subsidies refuse to assume the responsibility that is theirs. The simple but irrefutable result is that nothing is done to secure the necessary production, and the people starve and go hungry at least as to certain commodities. And this situation is only in the beginning. We will see much worse conditions before the end of the year. Already in one city in my State I have read in the newspapers of food riots. Already we are reading in the newspapers reports that child nutrition is deleteriously affected by our food situation.

The exasperating thing is that the division of authority in various agencies, which, of course, carries with it responsibility, makes it difficult to lay the blame for our deplorable condition on any particular agency or person. Furthermore, I quite agree with the statement made by the chairman of the Banking and Currency Committee yesterday when he said, "When we pass a law, the law determines the powers and duties of those who act under it. Then to pass another act to say that we have passed an act, and you must keep within the scope of the act, would be senseless and futile." Nevertheless, the various agencies have flagrantly and grossly transcended their powers and failed in their responsibilities as prescribed in price-control legislatioin. In this they have, up to the present time, enjoyed the indulgence and protection of the administration in defiance of Congress. Officials ostensibly clothed with authority for policy making have, in many instances, been nothing more than public-relation officials put forth or removed as the situation warranted, while the originators of the blunders and failures carry on incognito.

The only relief in sight lies in the appointment of CLINTON P. ANDERSON to the now combined offices of Secretary of Agriculture and War Food Administrator. The present law invests him in that capacity with authority to remedy many of the evils now existing and it is to be hoped that the administration will carry out the will of Congress, for then and then only can we eventually find relief from the present deplorable and dangerous state of our economy and food supply.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Chairman, I have just introduced an amendment to the Selective Service Act to define by legislation just what are the employment seniority rights of men and women who are being honorably discharged from the armed forces. I believe the situation is so confused in connection with this matter, with the added burden of unemployment facing many of our returned veterans in several large industrial centers, that I hope the Military Affairs Committee will give this measure consideration before the Congress recesses next month.

As most of you know, employment seniority rights are vital to an individual seeking employment in this country today when so many employers are under contract with labor unions. There seems to have developed differences of opinion as to just what seniority rights a veteran of this war should have for the time spent in the armed services, and I am sure it is the will of Congress to clear up any such confusion and misunderstandings and give the men and women who are taking off the uniforms of their country every possible right. We can pass GI benefit bills and perhaps bonus bills, but unless the Congress meets the issue of clarifying employment seniority rights we are still falling far short in discharging our obligation to these men and women.

I do not believe there need be long or extensive hearings on my proposed amendment to the Selective Service Act. It can and should be expedited. By way of explanation, I propose we establish the veterans' seniority rights by law, notwithstanding any general employment policy or contrary provisions of any employment contract entered into, amended, or renewed by any employer after September 16, 1940, when the original act was approved by which a member of the armed forces is entitled to a prior right to his or her old job. I think it is only fair that the veterans, in connection with seniority rights, should be given the same treatment war workers were given as to work hours under the Executive order covering that subject. This would allow time and a half for more than 40 hours in any 1 week, double time for the seventh consecutive workday, as well as double time for the six legal holidays recognized in that particular Executive order.

Another feature of my bill is that this seniority would apply whether a man or woman had previously worked for a given employer or not. This seems to be a matter on which there is great confusion, and the same can be said for a veteran returning to a job he or she previously held and which may have been reclassified as to seniority rights during the veteran's absence. In this case, the veteran is entitled to his or her old job, regardless of any seniority rights held by an employee who was not a member of the armed forces.

Concluding this brief summary, the same penalties now fixed for violating the Selective Service Act would be provided for violations of this new section, and the criminal provisions would also cover anyone conspiring to violate or nullify these new provisions.

Mr. SPENCE. Mr. Chairman, I yield 20 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I would appreciate it if you would indulge me, for the first part of my talk, the unique privilege of letting me talk to you not as a Democratic Member of Congress, not as a member of the Banking and Currency Committee, but as one of a large number, many thousands, of small businessmen throughout this country, because I want to assure you that above and beyond my political affiliations, my desire to see this country's small businesses prosper exceeds any partisan interest that I may have.

MANY MISTAKES MADE

I should like first to say that we should rationalize a little bit on the matter of price control. I will stand here and frankly admit that OPA has made a thousand mistakes; yes, ten thousand mistakes; but I say that is a pretty good batting average in the matter of price control, in time of war, over 8,000,000 prices.

When the Banking and Currency Committee took up the matter of price control we who were in business knew, and any thinking Member of Congress knew, we were embarking on an impossible job. It was a job that you and I as legislators, or that every businessman, knew was impossible.

We knew from history that it was impossible to adequately, equitably, and perfectly fix and control prices. That was one of the main reasons that you and I have never favored the Government running business; but we had another problem of greatest moment with the war coming on. We saw that the problem of trying in our best way to stabilize our economy even though we could not reach perfection was a necessary war measure. We could do a better job for the Nation as a whole, yes; and for business and for consumers by trying to do our best at an impossible job to effect stabilization, even making the thousand or the ten thousand mistakes, that in making the one greatest of all mistakes, that of not doing anything whatever about inflation.

POLICY IS EFFECTIVE

So we embarked on this policy 3 years ago. We passed a bill through this Congress that I was very doubtful and dubious of; and I stand here before you today to say that it has worked far better than the most sanguine hopes I had for it; and I believe if you search your hearts you will be forced to admit that it is working better than the best hopes that you had for it.

Yes; there have been business difficulties under OPA, troublesome business difficulties under OPA these past 3 years; and there will be more business difficulties under OPA; but in all fairness I want to ask you as a small businessman: Have you ever seen the time in normal business that we have not had difficulties; that we have not had hardships and almost insurmountable problems? Why, Mr. Chairman, that is the reason for the profit system; that is why business, big and little, is entitled to make a profit and does make a profit, because it must find ways of resolving and solving these difficulties.

PROBLEMS HAVE SHIFTED

Yes; I went through about 10 years of inventory problems in small business. I do not have inventory problems any more; I do not go to the market and find that the value of the goods that I might have, $50,000 or $60,000 worth of goods, has slipped 15 percent overnight as the new market opens, because my inventory is firm due to stabilization.

Yes; I know we now have trouble with priorities. So the accent has shifted from inventory to the problem of getting the goods. And would it be unreasonable to assume that we can correct the one problem absolutely and not have any difficulty on the other side of the picture?

Yes; I have had trouble with manpower. I had trouble for 10 years through the depression with manpower as many, many employees looked to my small store for their only livelihood, and I kept them on and did manage some way to get through the depression. I still have a manpower problem today but it is because I cannot get enough people to work for me.

Yes; I have trouble now with prices, but I had trouble with prices all through the depression and all through the period of recovery because I had a price ceiling on my merchandise. Retailers, wholesalers, and manufacturers have always had price ceilings on their merchandise. They were the price ceilings put on them by their competitors hungry for business, by the A. & P. Grocery Co., by Sears Roebuck and by Montgomery Ward; and I am telling you as a small retailer here today that the ceilings allowed me today are far more liberal and far more equitable than the ceilings that were imposed on business by the A. & P. Tea Co., and by Sears Roebuck Co., and by Montgomery Ward.

CANNOT EXPECT UTOPIA

I believe the people of this country appreciate and will admit that you cannot expect Utopia in wartime. But you are going to have complaints now against OPA from your retailers, from your manufacturers, and from your jobbers just the same as there have always been the self-same complaints in business, because the basic problems have always been there and always will be there. But let us look at the over-all result of price control

THE OPA IS THE NEW "WHIPPING BOY" FOR ALL BUSINESS ILLS

When we set up the Office of Price Administration we knew it was a near impossible job, but we set up an umpire, we created him here in this Congress to call according to the baseball rules that were laid down by this Congress, these decisions. Some of them were pretty easy decisions because the picture was obvious. Some of them were pretty difficult because there was a lot of dust around second base as the umpire called the man out.

You know enough about baseball to know that the umpire, no matter how fair he is, no matter how hard he tries, must in a close decision decide in favor of one team and against the other team, because that is the way the picture is. This umpire is going to make some people mad. He is going to make one team very happy and make the other team very sore. That is the reason for the shower of pop bottles at times.

Mr. CANFIELD. Will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. No umpire can wait 6 months before he makes a decision, and I can present evidence of such a situation in my district.

Mr. MONRONEY. I think that is a very good point the gentleman has mentioned. I think the difficult job that lies ahead is speed on these reconversion prices. I do not disagree with the gentleman for a minute. I am completely in his corner on that proposition and I say to the gentleman that Chester Bowles is in his corner on that, too. When you understand the reconversion pricing policies that have been put into effect, when you examine them, you will agree with me, and I will come to that a little later in my statement.

UMPIRE IS CUSSED

I say that the umpire is bound to get cussed sometimes and I think the umpires expect it, but as rational thinking men must realize that complaints are going to come to our desks, on these close decisions, and they are close decisions, are going to favor one team, often it is the consumers' team, oftentimes the manufacturers' team. When a manufacturer talks about his raw materials, he may be in the OPA corner. When they turn down an advance in his finished product, they are going to be against the umpire. Let us be rational and reasonable on this thing and realize that these kicks must come in and will come in.

NO POPULARITY CONTEST

The OPA umpire was not set up to win a popularity contest. We did not expect him to be voted the most popular gentleman in Washington because we knew he had the most terrific job that had ever been wished on any human being in government activity. I say let us not choose on the basis of a popularity contest.

Let us look at the net results and the purposes of the Stabilization Act to stabilize wages and prices as near as practicable, bearing in mind the date of October 1, 1942.

Has that been done? Follow the line and you will see that within almost 1 percent this has been performed. You may ask, but at what cost? Yes, of course, there has been some cost, there has been some suffering and some hardship, but every man within the sound of my voice knows that the profits of big business and little business, rich business and poor business, production, jobbing, wholesaling, distribution, are at an all-time high figure. You know that industrial and farm production are at an all-time high figure.

Yet you will have the line held to within 1 percent of the price that existed when we passed that great piece of legislation through this Congress, in the form of the Stabilization Act of October 1, 1942, which directed the President to stabilize wages and prices. I am proud of the fight I made years ago with my colleague from Tennessee [Mr. GORE] for that principle, a year before the administration was able to see the necessity for it.

DON'T FUMBLE NOW

Mr. Chairman, we have gone a long way. Yes, business has suffered a lot. This has been a hard game, it has been a hard drag, but let us not fumble the ball now that we are on the 1-yard line. Let us not nullify all of the progress that has been made during three long years of self-denial and self-control now that we approach the goal when we can see daylight ahead and see many prices coming out from under control of the OPA.

Mr. Chairman, when you have an act coming before this Congress, and you find men like Eric Johnston, head of the United States Chamber of Commerce; when you have men like Marriner Eccles, head of the Federal Reserve Board; when you have men like Phil Murray, head of the CIO, and Bill Green, head of the A. F. of L.; when you have that great farm leader, Ed O'Neal, president of the American Farm Bureau Federation; and when you have Mr. Patton, head of the Farmers Union, coming in and agreeing with Mr. Albert Goss, of the National Grange; when you have the Committee on Economic Development, a great organization composed of businessmen, coming down and saying, "More than ever before we need to continue price control because we are getting close to the goal," when you get these elements of labor, farmer, and businessmen saying, "Please, now that we are so near home, let us not wreck this thing that we have gone through for 3 years and tear it apart," I believe that is advice this Congress should and must follow because it is sound advice.

DO NOT TINKER NOW

Yes; we can tinker with the law a little bit and that is an argument that will be urged here today. But, Mr. Chairman, as I have studied this law through 3 years, may I say there is not a single thing that anybody who wants to amend this law is seeking that cannot be done

under the present law. The law is much better than the committee originally believed when it was passed, because the act gives this flexible power, this flexible right, to adjust to changing conditions that is the picture of American business life.

I know it will also be said that the administration of the law is to blame, and I say again they have made thousands of mistakes, but you are not going to improve the administration of the act by writing a hundred amendments into the law. No law in the world is better than the administration of it. You will only create added confusion.

WE MUST HELP

It takes careful, consistent, considerate administration. It takes the help on the part of the Members of Congress to call to the attention of this administration the shortcomings in the administration of that act. You will not improve the administration of the act by writing any amendments to it.

You merely make it more difficult for Mr. Bowles to get the things done that he is trying his dead level best to do. He is trying to run a very difficult operation, an organization dealing with 8,000,000 prices, and I say that this is the time to help him and not to hurt him.

Now Members of Congress in all good faith will introduce amendments that they think are well thought out and carefully considered. Many of these amendments, not to their knowledge, will be placed in here and supported outside by propaganda agencies, by pressure groups that are expressly out to wreck price control.

DO NOT BE DUPED

The Members of Congress must not be duped into such action. Yes; I know some of the amendments that are to be offered, and after a 3-year study I can say that many of these amendments will absolutely wreck price control.

Oh, yes; there is no question whether the act will be extended. Congress will pass the Price Control Act. But I beg of you today, let us not pass the Price Control Act in name only. Let us not have the people of this country go through three long, hard years under the act and then hand them at the end a fire extinguisher labeled "to put out the fires of inflation," and when they attempt to use it they find it filled with gasoline.

Yes; that is what is apt to happen with some of these amendments that are liable to be put in.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Indiana.

Mr. HARNESS of Indiana. If that is the gentleman's theory how does he expect to get some common-sense administration of the law?

Mr. MONRONEY. May I say to the gentleman that the act, I feel, has had common-sense administration. I believe there have been, as I say again, 10,000 or more mistakes made, and it is your job and my job as Congressmen to call the attention of the OPA to these shortcomings and urge that they do everything within the limits of human reason and judgment to solve them.

NOT ALWAYS MY TEAM

And again I say to you that the umpire cannot always call the plays in favor of my team. Sometimes he will call the plays in favor of the other team.

Mr. HARNESS of Indiana. In answer to the gentleman may I say that I have for 3 years been trying to urge them to correct the mistakes, but they pay no attention to you and you get no relief. The people are suffering.

Mr. MONRONEY. I think, with all of the experience of the gentleman, if he takes it over a period of 12 months, he will find that many, many of the things that he has called the attention of the OPA to, with all due candor, when justice was on his side, that he secured a reasonable adjustment for his constituents.

They cannot do it 100 percent of the time, because you cannot call the plays always in favor of my team.

Mr. HARNESS of Indiana. There just has not been any relief given by OPA.

Mr. MONRONEY. The gentleman is badly misinformed.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentlemen yield?

Mr. MONRONEY. I yield to the gentleman from Massachusetts.

FOOD SHORTAGE

Mr. BATES of Massachusetts. Perhaps one of the most pressing situations facing the people of our part of the country, namely, New England, is the question of getting food. I discussed that question before the committee, as the gentleman knows, last Saturday. We have received many letters and many telephone calls stating, "We cannot get beef; we cannot get poultry." We have received long-distance telephone calls saying, "We cannot even get eggs." Now when is the gentleman going to be able to tell the Members of the House who represent the great industrial part of this country, where the population exists in such large numbers, about the relief they are going to get? They are not getting it and something is stopping them from getting it. Now what is the answer to it?

Mr. MONRONEY. That is a very good question, and I would like to say that the gentleman made a very able presentation to our committee.

Mr. BATES of Massachusetts. It is an A, B, C question, is it not?

Mr. MONRONEY. That is so.

Mr. BATES of Massachusetts. We have the money and we want to buy but we cannot get the things to buy.

Mr. MONRONEY. Unfortunately, and I know the gentleman is more aware of this than I am because he serves ably on the Committee on Naval Affairs.

Mr. BATES of Massachusetts. I am fully informed also that on the farms and on the ranges of this country practically without exception we have more cattle on the hoof than in any other period in the history of this country.

Mr. MONRONEY. That is true.

Mr. BATES of Massachusetts. And we have the money to buy it if we can only get it to the table. What is the answer to it?

PRODUCTION IS UP

Mr. MONRONEY. The gentleman also realizes that the kill of beef is up over 35 percent beyond what it was in ordinary prewar years. The farmers of this country have produced over 40 percent more food for the tables of America than they have in any prewar time. Unfortunately that production is not enough to meet the increased demand for food because many, many people now have moved to industrial centers and are requiring more food in connection with the work that they do in those centers.

The Army and Navy take 65 percent of the meat that formerly went into interstate commerce.

The meat processing is running in my own State, and I think in most States, about 40 percent above what it ran in the previous war year. Unfortunately, the gentleman in New England receives his meat through federally inspected plants because a law passed by Congress will not let any meat move across State lines that has not been killed in federally inspected plants.

The Army is taking, along with the Navy, 65 percent of the beef out of the plants that the gentleman's people must look to for their meat supply.

Now, the OPA has lately, I will admit, moved to try and solve this very difficult situation. I am hearing from my little independent slaughterers from nonfederally inspected slaughterers in Oklahoma claiming this is dictatorship to order this meat into channels of national distribution so that the gentleman far away from the cattle ranges can get beef.

That should have been done earlier. But it was the desire of the OPA, I sincerely believe, to avoid any possible dislocation of normal business channels which led them away from channeling this meat through sources which would enfore this channeling to reach into national distribution.

Mr. BATES of Massachusetts. The most pertinent question I would like to ask the gentleman is this: With the tremendous record number of cattle on the hoof in the country, why is the slaughter this year estimated to be only 3 percent above what it was last year, with the slaughter of hogs 24 percent below? What is the answer?

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPENCE. Mr. Chairman, I yield 10 additional minutes to the gentleman from Oklahoma.

Mr. MONRONEY. I do not have those figures at my finger tips, but I think you will find if you check into the 3-percent figure, that that includes the decrease in the hog slaughter as well as the increase in the cattle slaughter.

Mr. BATES of Massachusetts. No; the figure is 3-percent increase on the beef alone and 24-percent decrease on hogs. That is the estimate.

Mr. MONRONEY. I regret that I have not that figure at my finger tips. I know my own State is running better than 35 percent ahead.

SHORTAGE OF STOCK FEED

If I may proceed just a bit further, the OPA has been blamed in this House almost daily because of the decrease in the

supply of pork. The action which happened occurred in the winter of 1943. At that time we had the most tremendous abundance of pork on the farms in this country. But, my friend, you and I remember that the Governor of New York threatened an embargo after the war against all western products if Iowa and Illinois did not send corn to keep the dairy cattle of New York alive.

That is how critical the corn shortage was that year. The hogs had to be sent to market. It was after the harvest in the next year before we could be sure of what the corn supply was and whether we would have enough feed to maintain a larger quantity of livestock on the farm. The effort was then made to push up the support prices and the ceiling prices to get pork production back on the farms.

SHORTAGES IN PORK

Stripping down the meat shortage to its bare essentials, you will find it is the shortage of pork that has thrown pressure on beef, with the result that the present beef shortage is directly attributable to the fact that the production of livestock outran the production of feedstuffs on the farm. I cannot see any use in criticizing or crucifying the OPA for its failure to have adequate feedstuffs on the farms of this country.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. HARNESS of Indiana. I would like to make the observation that the committee of this House which investigated the food shortage reported that because of the War Food Administration and because of the OPA the farmers who used to feed the range cattle and put on 400 or 500 pounds of extra beef are no longer able to do it at a profit. The result is we are getting a poorer grade of beef and a less quantity of beef.

Mr. MONRONEY. That is a very good question, Mr. HARNESS. In my part of the country we produce those cattle that go into the feeder's lot. I know three different times that the OPA have tried to broaden the spread. We need the feeders in the feed lots.

INCREASED PRICE ABSORBED

But each time help has been designed to reach the feeder the price has gone up for the cattle before the feeder buys them. So his spread has been thus absorbed. You have to have the cattle in the feed lots. The last time the 50-cent increase was put on, if you will check the price on the ranges in Oklahoma and Texas you will find that even though the feeder had to put a certain number of pounds on the animal before he could get a direct 50-cent subsidy from the Government through the AAA the price of the feeder stock absorbed much of that 50 cents.

I would like to proceed at this time with reference to the specific amendments that may be offered.

One of the principal extension amendments that will be offered will be the limitation of the OPA for a 6 months' duration. The gentleman from Michigan [Mr. CRAWFORD] has made an able argument for the extension of only 6 months.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. POAGE. In connection with what the gentleman from Massachusetts said there, it seems to me that we ought to go just a little further, and honestly I want an explanation of it. The gentleman explained that now there was an effort being made to move meat through federally inspected plants. Of course, the purpose of it is to get meat to centers in the East from your country and mine.

Mr. MONRONEY. And to the Army and Navy as well.

Mr. POAGE. And to the Army and Navy also. But from what little observation I have had of it, they put an order in, the effect of which was simply to close all the local slaughterers in my part of the country that were feeding my people in central Texas and that were killing beef. There is plenty of beef there for them. They were killing it. They were feeding the people there. They were not feeding anybody here, over in New England. They were feeding the people down there. They closed most of those plants with an order about 6 weeks ago. How did that add any meat in Boston, Mass., or in Washington, D. C.? How did that put an extra pound of meat on the tables in those cities?

INTERSTATE SUPPLY INCREASED

Mr. MONRONEY. It increased the runs in meat that came in the federally inspected plants by that percentage.

Now, I have yielded so long on this food question that I must go on. I will tell you how you gentlemen can correct this whole thing, if you will allow me.

If the great Committee on Agriculture of this House will bring out tomorrow morning a temporary suspension of Federal inspection of meat and then order the big packer, the little packer, the small-sized packer, and every other slaughterhouse in this country to set aside a certain percentage for the Army and the Navy and lend-lease supplies, under adequate local inspection, you will do a great deal to correct this shortage of meat throughout the entire country. You will move cattle from the ranges, and you will see this meat blockade broken.

But you cannot break up the bottleneck elements of meat that must go to war and to two-thirds of the industrial sections of this country by bottlenecking them through federally inspected plants. Let the Committee on Agriculture bring in that suspension order. The law which the Committee on Agriculture has on the statute books for inspection of meat is the bottleneck. Oh, you will say that sanitary reasons are demanded. Probably so. But I say that if we can ship fish—the most highly perishable commodity known in foodstuffs—across the country without Federal inspection, if we can ship poultry from one end of this country to the other without Federal inspection, we can take a few chances on meat or substitute adequate local inspection of meat for the present rigid Federal rules on interstate shipment.

Mr. PATMAN. Will the gentleman yield?

Mr. MONRONEY. I yield.

ALL SLAUGHTERERS CAN REOPEN

Mr. PATMAN. Is it not a fact that if the Committee on Agriculture will get that bill passed all these slaughterhouses can reopen, and there will be no quotas on them?

Mr. MONRONEY. Only a few set-aside quotas for the Army and the Navy.

Mr. POAGE. Will the gentleman yield again?

Mr. MONRONEY. Yes; I yield.

Mr. POAGE. This is the first time that has been suggested, that our committee do any of these things. Possibly the gentleman's suggestion is good. It appeals to me. It may be a step in the right direction, but before we do that we should have some explanation here. The very question I asked a moment ago, which has not been answered, is when we closed the small slaughtering plants over the country it unquestionably stopped the flow of meat to the local communities, but how did it add any meat to the cities in Massachusetts or in New York?

The gentleman from Oklahoma has said it added to the available meat for the large packers to handle. That obviously could not be the situation because there is a surplus of meat now, and any packer who wants it can have it right in central Texas today, but the packers have got all the meat they can handle. It is a question of bottleneck in the packinghouses; not a shortage of meat on the range.

GET PREWAR QUOTAS

Mr. MONRONEY. Well, I would like to have a beefsteak, too. I would like to say they did not close all these small packers. Most of the little packers who could prove that they had been collecting points which they should have collected were licensed and allowed to kill 75 percent of the amount of beef they killed last year, which is the normal average kill for all prewar years.

Mr. POAGE. The gentleman just said the Committee on Agriculture should bring in a bill allowing all these people to slaughter, and now he tells us that they have only closed those which are a menace to public health.

Mr. MONRONEY. I beg the gentleman's pardon. I did not say a menace to public health. The people who were menacing ration control and operating in the black market were closed. Most of those have gone by the board. This quota is based on the number of ration points that the packer collected last year. If he was in the black market he has not got any points collected, and a lot of those boys are out of business.

But the legitimate small packer is still allowed to kill 75 percent of all the beef he killed last year, which is about his average prewar kill; and he is allowed to kill 50 percent of the hogs he killed last year, which figures out pretty close to the normal prewar kill. But you are not going to correct it all until you do what I was talking about by suspending temporarily this Federal inspection control.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. SPENCE. I yield the gentleman 10 additional minutes, Mr. Chairman.

Mr. WHITE. Will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. WHITE. In the first place, they cannot ship meat in interstate commerce unless it is inspected.

Mr. MONRONEY. That is right.

Mr. WHITE. In the second place, they have a system which shuts off the little packers.

Mr. MONRONEY. They have a quota. If they did not collect meat points, they are out of business.

Now, I would like to talk about some other things in this price-control bill, because they are important. I have taken too much of your time, and I apologize sincerely for it. However, there are some amendments that I think attention should be called to.

SIX-MONTH EXTENSION

For instance, the amendment with reference to continuing OPA for 6 months. I do not think you can have adequate enforcement if you are going to end OPA in 6 months, thus violating the normal policy that the House has always had, of giving it a 12-month extension. Suddenly it is proposed to cut this extension in half.

I think you will find that enforcement will go by the boards and, instead of having less black markets, you will have more black markets. In the old days, if you announced that prohibition was going to expire on January 1, 1946, I think you would find a lot more bootleggers setting up business to get in ahead of that dead line.

So I believe this 6-month extension will cripple enforcement and lead to the stimulation of black markets. I think you will cripple business itself, because if you give OPA a 6-month extension you are not going to get the flexibility in adjustments of sound complaints and needed price increases. If the men in that agency know they are going out of business 6 months from now, necessary adjustments will lag. You are doing business a grave injustice; you are doing a grave injustice to all business that you represent.

I do not know of any smart manufacturer who is building up for reconversion who is going to ship a single order before January 1, 1946, if he thinks he might get a 20 or 30 percent increase after that.

MERCHANDISE WITHHELD

They may build up a stock in the factory, they may build up a stock in the warehouse, but the goods are not going to get into the channels of trade now when we need these various products so badly.

It is going to demoralize the operation of the Price Control Act. Extend the life of this act for only 6 months, and you will find that all the good men left in OPA are going to get into private business or into other Government agencies.

No man who is well qualified is going to sit there and wait to get scooped with a lingering death. There will be nothing efficient left of OPA. Pass the 6-month extension, and it would be unreasonalbe to expect these goods to flow into the market in adequate quantity, if OPA has a chance of dying at the end of 6 months.

COMMITTEE WILL STUDY ACT

The committee has promised, and I stand before you today to promise, if I have anything to do with it, that the committee will carefully examine OPA not later than January of this coming year.

You know and I know we are going into a condition ahead that no man can foresee, and it is absolutely necessary to have the act not expire at that time but to examine the existing act in the light of conditions that will be current then.

I would like to have the House indulge me a moment as I speak about the Wherry cost-of-production amendment. I have called it the "cost of disruption" amendment. You will find that there are no firm figures in the United States in any agricultural college, in the Department of Agriculture, or elsewhere that agree within 30 percent of what a farmer's cost of production is.

CONDEMNED BY FARM LEADERS

The farm leaders of this country I believe are better qualified to answer just what this means, to give their judgment, because they have dealt with this problem a long time.

I should like first of all to call your attention to a statement made by Mr. O'Neill, head of the Farm Bureau Federation, one of the leading farm organizations of the country, representing 6,000,000 farmers. Mr. O'Neill says about the Wherry amendment:

> It is unsound, unworkable. It would be impossible to administer such a provision applying to more than 6,000,000 farms, no two of which are exactly alike. It is simply impossible to obtain complete cost of production figures for producers of farm commodities. Even if it were possible to secure such figures it would be impossible to apply a cost-of-production formula to the producer of any commodity.

Let us see what Mr. James G. Patton, head of the Farmers Union, said Mr. Patton's organization happens to be the one farm organization that has always advocated real cost of production. That has been their battle cry through the years, and yet Mr. Patton says:

FARMERS UNION OPPOSED

> The Wherry amendment is silly on the face of it. The National Farmers' Union has for many years fought for cost of production for farmers. The Wherry amendment is a legislative fraud and will not give any farmer any more income than he is making now.

Those are the farm leaders speaking. What does Mr. Albert Goss, president of the National Grange, say about it? He says:

> No one could quarrel with the objective but we do not believe the OPA could administer the provisions of the amendment and maintain any appreciable control over food prices.

You cannot get firm figures—but the best figure we could get was that if this were applied in the closest and truest sense of the statistics available it would run the Nation's food bill up $3,000,000,000. You raise the costs across the board about 10 percent on all foodstuffs and some will run as high as 50 percent.

LOOK AT PRICE RAISES

Let us examine the best figures we can get. Mr. LEMKE appeared before our committee and gave us some farm figures on the Lemke cost of production, so I guess we can take those figures for comparison.

Choice beef, Mr. LEMKE says, $22.61. Choice beef today is selling, with subsidy included, for $17 a hundred, an increase of 33⅓ percent on beef.

His cost of production on veal calves is $19.20. The price now is $18, up only 7 percent.

Mr. LEMKE's cost of production on lambs is $22 a hundred. Today's price is $15.50; an increase of 40 percent on lambs.

Mr. LEMKE's cost of production on hogs is $22.25. Today's price is $14.75; up 50 percent.

Mr. LEMKE's figure on milk is $5 a hundred. Today's average price is about $3 a hundred, up 66⅔ percent.

RULES OUT SUBSIDIES

On top of that, I believe any lawyer who studies the Wherry amendment will agree that it not only raises the price but rules out the entire subsidy program that this Congress only a few weeks ago passed by an overwhelming vote. That is the way the amendment reads. It does not include the subsidies at all. It says it is unlawful to fix or maintain any producer's price that does not give him cost of production plus a profit. A most careful study of this amendment will convince any reasonable man that out the window goes the subsidy program.

In addition to these big increases enumerated above, then you can add to those prices I have just given you on round steak 10.7 cents a pound, because that is the effect of the subsidy operation. You can add 5.9 cents a pound on the cost of a pork chop. You can add 6.6 cents a pound on sliced ham. You can add 17.7 cents a pound on butter. And 13.5 cents on a pound of cheese. That is what your Wherry cost-of-production amendment will add in addition to these other increases. You cannot have a sensible, sane operation if you go to that kind of an amendment.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from New York.

Mr. TABER. Did I understand the gentleman to say that the operation of that amendment would increase food prices $3,000,000,000?

Mr. MONRONEY. That is the nearest figure anyone can give.

Mr. TABER. And the subsidy at present is $6,000,000,000.

Mr. MONRONEY. How much?

Mr. TABER. Six billion dollars.

Mr. MONRONEY. Not on food. The gentleman is including oil, steel, lead, zinc, and all those others.

Mr. TABER. I am only stating what Mr. Bowles told us.

Mr. MONRONEY. The gentleman is speaking about the whole subsidy program.

FARMERS STAND TO LOSE

Mr. Chairman, what is this going to do to the farmers? It is going to build

the farmer up to a position where he is going to be blamed for this devastating rise in prices. The farm leaders know that farm prices have already reached about as far as they are going to reach, judging by past events. We know that in the last war, after the armistice, farm prices rose without control only 12 percent before they hit the skids. The cost of living rose 43 percent.

Then after the big drop came farm prices, within about 6 months, went down one-half of what they were, but farm costs went down only one-sixth. So you are building the farmer up on a plateau and you leave him there.

This Congress, in its wisdom, has not been unmindful of the welfare of the farmer. In the consideration of the first Price Control Act, of the Stabilization Act of October 1, 1942, and in subsequent acts, we have consistently written into the act the safeguards demanded by the real farmers of this Nation.

ELEVEN FARM SAFEGUARDS

They came to our committee and to this Congress and asked for safeguards based on their time-honored policy of parity. This was their policy and this was what the committee and the Congress gladly gave them. This is still the yardstick by which the real friends of the farmer, their duly elected representatives who head their principal farm organizations, wish to apply against all prices involving farm commodities.

Let us look at these safeguards that have been written into the act to protect the farmers. There are not 1 nor 2, but 11 basic safeguards to farm prices—all based on the farmers' own yardstick, parity.

To enumerate briefly they are as follows:

First. No price below parity or comparable price to parity on nonbasic commodities.

Second. No price below highest price for farm commodities below levels existing between January 1, 1942, and September 15, 1942.

Third. Prices must be increased to farmers if producers' costs increase after January 1, 1941.

Fourth. Prices must be modified upward where necessary to secure maximum production. Under this all farm products average 16 percent above parity.

Fifth. Price increase must be granted in case of disaster to farm production in area. Fifty-two adjustments made under this clause.

Sixth. No price set on processed foods or goods from agricultural commodities which do not reflect to farm producer all of price-provision guarantees.

Seventh. No reduction in ceiling prices to be made without giving farmers at least 15 days' notice before start of planting season. Assurance also given for longer periods of time on many agricultural products.

Eighth. No price adjustment to be made without prior approval of War Food Administrator. OPA has also added provision to consult War Food Administrator on all food processed from agricultural commodities.

Ninth. Provision for adequate consultation with farm producers before changes made in prices. Under this 1,220 members from farms serve on 61 district agricultural advisory committees. Also, 357 farmers serve on 45 industry committees.

Tenth. In addition to prohibition against ceilings below parity, OPA is directed to help support agricultural products to reach parity. Producer loans provided in companion act guaranteeing support prices for 2 years after the war.

Eleventh. Provision in Stabilization Act for extraordinary adjustment upward of farm prices to correct gross inequities.

CHESTER BOWLES' LETTER

To further supplement this information, I submit herewith a letter to me from Mr. Chester Bowles, Administrator of the OPA, fully describing these 11 provisions of the act that protects the farmers.

Mr. Bowles' letter follows:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., June 20, 1945.

Hon. A. S. MIKE MONRONEY,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN MONRONEY: You have asked for a summary of the provisions of the present stabilization laws which protect farm producers. I am glad to give you this. The number and scope of these provisions, I think, are not always fully appreciated.

The principal provisions protecting farm producers fall into several distinct classes:

I. PROVISIONS CONCERNING THE LEVEL OF MAXIMUM PRICES FOR AGRICULTURAL COMMODITIES

There are four basic provisions or groups of provisions which lay down minimum standards below which no maximum price can be established or maintained for any agricultural commodity. Each of these four requirements must be satisfied in the case of every agricultural commodity for which a maximum price is fixed.

First. The "parity or comparable price" requirement: Maximum prices for agricultural commodities must reflect parity to producers or, in case a comparable price has been determined as provided by law, the comparable price. The parity or comparable price is to be determined and published by the War Food Administrator and may be adjusted by him for grade, location, and seasonal differentials. Maximum prices must reflect any such adjustments that have been so determined and published.

Second. The "highest price" requirement: Maximum prices for agricultural commodities must reflect the highest price received by the producers of the commodity between January 1, 1942, and September 15, 1942, as determined and published by the War Food Administrator, and as adjusted by him for grade, location and seasonal differentials. This second minimum requirement must be adjusted, upward or downward, by the Economic Stabilization Director, as the President's delegate, to the extent that he finds necessary to correct gross inequities. To date very few downward adjustments have been made. Upward adjustments are ordinarily unnecessary because of other provisions of law—particularly the maximum production requirement.

Third. The increased costs and farm labor requirements: Maximum prices for agricultural commodities must be modified where necessary to reflect increased labor or other costs incurred by producers of the commodity since January 1, 1941, or where necessary to give adequate weighting to farm labor. A substantial number of upward adjustments have been made under these provisions.

Fourth. The maximum production requirement: Maximum prices for agricultural commodities must be modified where necessary to secure maximum production of the commodity for war purposes. This has proved to be the most important basis for upward adjustment in maximum prices for agricultural commodities. The actual prices received by farmers for farm products today, according to the most recent United States Department of Agriculture reports, average 16 percent higher than current parity. While a good many prices are fixed at above-parity levels in order to comply with the second and third requirements, just mentioned, the majority of prices which are above parity have been established at such levels because of the maximum production requirement.

This maximum production requirement will continue to be applicable so long as the price control law is in effect. The overall record demonstrates, I think, that this office, as well as the War Food Administration—which has primary responsibility for making recommendations concerning production needs—and the Office of Economic Stabilization—which makes the final decision concerning prices necessary to secure maximum production—have carried it out faithfully. You know my own conviction that an avalanche of production is the only final answer to inflation. You can be assured that, believing this, I shall be more than ever alert in the crucial transition period that lies ahead to see that this office continues to play its part in fulfilling the spirit and purpose of this provision.

In addition to the four special requirements which I have discussed, maximum prices for agricultural commodities must, of course, satisfy the basic requirement of the law, applicable to all commodities, that maximum prices shall be generally fair and equitable and such as will, in the judgment of the Administrator, effectuate the purposes of the act.

Finally, I should note a fifth special requirement applicable to fresh fruits and vegetables which the Congress added to the law last June. Maximum prices for these commodities must be adjusted from time to time "to make appropriate allowances for substantial reductions in merchantable crop yields, unusual increases in costs of production, and other factors which result from hazards occurring in connection with the production and marketing of such commodity." Our records show that thus far no less than 52 price adjustments have been made under this provision.

II. PROVISIONS CONCERNING THE LEVEL OF MAXIMUM PRICES FOR THE PRODUCTS OF AGRICULTURAL COMMODITIES

The present law further protects the farm producer by requiring that maximum prices for commodities which are processed in whole or in substantial part from agricultural commodities must not be below a price which will reflect to the producers of the agricultural commodity involved the highest of the applicable price standards of the law. In the case of products made in whole or major part from cotton or cotton yarn, this requirement must be satisfied separately for each major item. The maximum production requirement of the law also applies directly to commodities made in whole or substantial part from agricultural commodities as well as to the agricultural commodities themselves.

The Stabilization Act, in addition, expressly requires that a generally fair and equitable margin must be allowed for the processing of agricultural commodities.

III. PROVISIONS FOR NOTICE OF MAXIMUM PRICES FOR AGRICULTURAL COMMODITIES

The Congress last June added to the law a requirement that, "before growers maximum prices are established or lowered for any agricultural commodity which is the product of annual or seasonal planting, the Price Administrator shall give to such growers, not less than 15 days prior to the normal plant-

ing season in each major producing area affected, notice of the maximum prices he proposes to establish therefor."

At the time of the hearings on the present extension resolution before the Senate Banking and Currency Committee, the question was raised of giving comparable protection in the somewhat different case of commodities which are not the product of annual or seasonal planting. In a letter to Senator BUTLER which is quoted in the report of the Senate committee, I outlined the policy which I proposed to follow in this regard. The Senate committee accepted my assurance that prices would be announced for a specified period and sufficiently in advance of the normal production and marketing period to permit farmers to plan their operations accordingly, and would not be lowered during such period, "subject only to such adjustments as may be found necessary in order to meet unforeseen and substantial changes in economic conditions which require action under the stabilization and price support policies enacted by Congress or where market price adjustments are needed to correct gross inequities in differentials for grades or markets."

As you know, the House Banking and Currency Committee has expressly concurred in this portion of the Senate committee's report.

I should like to add that all the responsible officials of the Government are keenly aware of the importance of maximum notice and stability in connection with ceilings for farm commodities, so as to enable farmers to plan their production. The accumulated experience of more than 3 years now makes possible much better administration in this regard than was possible, or achieved, while the price-control program was being developed.

IV. PROVISION REQUIRING PRIOR APPROVAL OF WAR FOOD ADMINISTRATOR OF ANY ACTION WITH RESPECT TO AN AGRICULTURAL COMMODITY

The price-control law from the beginning has required that no action shall be taken with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture—now by Executive order, the War Food Administrator. When disagreements occur between this office and the War Food Administration, they are resolved on behalf of the President by the Economic Stabilization Director or the Director of War Mobilization and Reconversion.

I should add that, while the statute does not expressly so require, this office consults with the War Food Administration in matters relating to the pricing of processed commodities which may have a bearing on agricultural production. Moreover, any action by this office with respect to a processed commodity which the War Food Administration believes will affect agricultural production may be submitted by the War Food Administrator to the Economic Stabilization Director for final decision.

V. PROVISIONS REQUIRING CONSULTATION WITH PRODUCERS

The law requires the Administrator before issuing a price regulation to consult so far as practicable with representative members of the industry affected. In the administration of the regulation, it requires him to consult with an industry advisory committee when such a committee has been appointed under the law.

In the last year particularly we have made great strides toward taking better advantage of the immensely valuable assistance of farmers and farmers' representatives in the administration of the price-control program. We now have established and functioning 45 industry advisory committees for farm commodities, with 357 farmer members. There are now 61 district agricultural advisory committees, with 1,220 members. Our agricultural relations adviser, aided by seven regional agricultural relations advisers, are in daily contact with farmers and farm organizations. In addition, the agricultural relations adviser and I join with the War Food Administrator in monthly meetings to exchange views with farm leaders.

The record of this war will show no more patriotic and farsighted service on the home front than that which has been given by the farm leaders of this country in supporting and improving the price-control program. This office is pledged to do its utmost to see that this service comes to its full fruition in the continued well-being of farm producers and in protection to them and to the whole Nation against disaster and stagnation such as followed the last war.

VI. PROVISIONS IN AID OF PRICE-SUPPORT PROGRAMS

While this office does not institute or administer programs supporting the level of farm prices, the Stabilization Act of 1942, as amended, contains important provisions relating to such programs.

Section 3 requires the President, through any agency of the Government, to take all lawful action to assure the producers of any of the basic agricultural commodities (cotton, corn, wheat, rice, tobacco, and peanuts) and certain nonbasic agricultural commodities not less than the higher of the two prices specified in the first two requirements for farm price ceilings listed in the first section of this letter.

In addition, section 8 (a) provides that farm prices of the basic commodities shall be supported by producer loans at 90 percent of parity in the case of corn, wheat, tobacco, rice, and peanuts, and 92½ percent of parity in the case of cotton. (For cotton harvested after 1943 but planted before 1945, the Surplus Property Act of 1944 increased the loan rate to 95 percent.) These loans must be continued for at least 2 years after the war.

Finally, section 9 (a) amends section 4 (a) of the Commodity Credit Corporation Act of 1941, by increasing the loan rate for commodities supported under that section and extending the support obligations also for at least 2 years after the war.

VII. OTHER PROVISIONS

Among other provisions of the present law which protect farm producers, to which attention should be called, are sections 2 (e), 2 (f), 2 (m), and 3 (d) of the Emergency Price Control Act of 1942, as amended, and the general provision of section 1 of the Stabilization Act of 1942 which authorizes the Economic Stabilization Director, as the President's delegate, to adjust maximum prices where necessary to aid in the effective prosecution of the war or to correct gross inequities.

It seems to me plain, from the enumeration I have given, that the provisions of the present stabilization laws are ample to afford protection to farm producers and to make possible the maximum production we so vitally need. The Office of Price Administration is committed to the prompt, fair, and effective use of its authority so as to accomplish those great ends.

Sincerely,

CHESTER BOWLES, *Administrator.*

THE TASK OF CONGRESS

In conclusion, I would like to point out that there will continue to be kicks coming in. We, as Members of Congress, have our choice to try to adjust these kicks by sensible and fair administration of the act, or to wreck the Price Control Act that has served the great majority of the Nation so well. We can take the few kicks, or we can turn the Nation over to its biggest heartache, a wreck of economic collapse, of inflation, unemployment, decimated savings, and a repudiation of the dollar purchasing power of the bonds we have sold to the people of this country.

Surely the men who have fought on the beaches of Normandy, on Iwo Jima, and Okinawa, and on the Rhine are entitled to better treatment than to return to find the Nation they have sacrificed so much for now rewards them with inflation and economic chaos on the home front. Surely the wives and widows of these men can be spared this cruel end. Surely the farmers who have worked 18 and 20 hours a day to turn in a miracle of production from the land are entitled to a fairer deal than uncontrolled inflation.

Businessmen and industrialists, workers in factories, veterans, and their families look to Congress for us to do our part in holding the line. We dare not fail them. We dare not trick them with a bill that is riddled with price-increasing amendments.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, probably what I have to say will answer with facts a good many of the statements that have been made by the speaker who just preceded me.

Mr. Chairman, again we have the Price Control Act under the administration of the OPA up for extension. This act has had almost unanimous support from its inception by the Republicans and the Democrats. Without regard to partisan politics we have all generally agreed that it was necessary to ration food among the people by reason of the fact that there was a greater demand for food than there was food to supply the demand.

We wrote into the act the power to control prices to prevent inflation because we knew if the supply was not equal to the demand the people would bid the prices up to inflation levels.

Mr. Chairman, the Republicans and some independent Democrats have insisted each year when the act was up for extension that we try to correct some of the gross inequities which have been brought about by reason of bad administration. Generally, I regret to say, through the pressure of the Administration in power, the leaders of the Administration from the President down, have insisted that the act be extended practically without amendments which we, on our side of the aisle and some Democrats, have offered in an effort to correct the abuses and maladministration of those in charge of the enforcement of OPA. We have never sought to destroy the purposes of OPA, but we have always sought to improve its workability, and today we offer amendments and still seek to improve the administration of the act in the interest of the people, the war effort, and the Government. Today, running true to form, those in charge of handling this bill for the Administration insist on perpetuating the glaring mistakes that are being made against millions of people and insist that this holy

thing, as they seem to regard it, must be driven through without amendments.

The Price Control Act was brought into being in 1942. We started the war in earnest after the Pearl Harbor attack in December 1941, and were wholly unprepared. Business leaders, through their efforts and in cooperation with the laboring men of this country, and by the use of American ingenuity, engineering science and research, developed the use of radar, the finest air force in the world, the duck boats, amphibious landing boats of designs never dreamed of, the great B–29s that are now bombing and burning off the cities of Japan, the greatest navy with the newest and finest ships in the world with the greatest fire power, and lately the rocket guns, the most deadly and powerful military instrument in the world, with hundreds of other inventions due to science and engineering. This because they changed, discarded outmoded equipment and improved and progressed. We overtook and surpassed the Axis technicians and surpassed the world. The result is that we have won the war in Europe, and are far on the road to winning the war against Japan.

The point and the parallel I wish to draw is that we have not improved and changed the OPA. We have not progressed on the home front in perfecting the price control and rationing. Every chance to improve this act has been opposed by the administration. If we had adopted such tactics in our war program the war would have been lost.

Mr. Chairman, can it be possible that those who have prevented improving price control are right? We know they are wrong. The American people all over this country know they have been wrong. Our people have patriotically attempted to comply with price control notwithstanding all of its abuses. The farmers, the businessmen, and the consumers today, who are short on food, know those who have opposed such improvement have been wrong, and they want us as their representatives to cast out the evils of administration and improve rationing and price control. Yet, today, the administration says "No," and today, as a year ago the Republican Members, almost unanimously, seek to improve the administration of this act in the interest of the people. I regret to use the term "Republicans," yet I think the people ought to know the truth.

When the Congress passed this act, the reading of it was plain and understandable. Those who have administered it have gone beyond the power given to them under the act. By going beyond this power they have brought abuses of regimentation and control against the people that were never intended. We have pointed this out time and again and sought to compel the administrators to follow the intent of the law. They have refused and continue to refuse. We have sought to write in amendments that would make it unlawful for them to continue these abuses. A year ago, with almost a solid vote of the Republicans and some independent Democrats, who refused to be controlled by the administration, we were able to correct some of its abuses.

There are amendments which will be offered later which would correct these abuses but it is very doubtful if we will be able to secure enough votes for their adoption because the orders are to extend it again without amendment.

The OPA backed up by a great propaganda machine for the purpose of influencing the thought of the people have run roughshod over the Congress and the American people. They have not told the people the whole truth. The OPA has taken advantage of the war situation and had added to price control profit control which never was written into the act. The results are that by the bungling of the Administration by the OPA officials and the War Food Administration they have brought about a wholly unnecessary sugar shortage, and a meat famine throughout the Nation. The results are that undernourishment and starvation of women and children in Europe is abroad in the liberated countries to which our President made commitments we would help feed their people as the countries were liberated.

The results are that we have a food famine here in our own country, a shortage of meat, eggs, poultry, and sugar, wholly because of the bungling and maladministration of price control, wholly unnecessary and easily preventable had the right policies been followed.

The sugar shortage was caused because the Administration set prices on beet sugar, cane sugar produced in the United States and on import sugar from Cuba and Puerto Rico at less than the cost of production and a small profit. You cannot get full production without allowing a profit for the investment and for the labor that goes into that production.

No one can successfully deny the charge that the War Food Administration and OPA are wholly responsible for this unnecessary sugar shortage. We tried to prevent it a year ago but those in power would not listen. Millions of pounds of fruit will not be canned because of the lack of sugar.

Mr. Chairman, now let me refer to the meat shortage. In 1942, we asked the farmers to increase their hog, poultry, and egg production. Notwithstanding the fact that 35 percent of the farm boys of military age had been taken into the Army and that the farmers were short 65 percent in farm machinery as compared with normal times. The farmers, their wives, and children worked unthinkable hours to keep faith with their Government in its request for greater production. They were guaranteed certain prices for hogs, poultry, and eggs.

In 1943 they increased hog production to an all-time high by raising 121,000,000 pigs. You will recall in 1944, the Government needed 80,000,000 bushels of corn for the war effort over a period of 6 months. What did they do? They froze 360,000,000 bushels of corn in the great corn-producing States and the farmers were left without feed to finish out these pigs. The farmers' hogs could starve or be thrown on the market. They threw them on the market and truckloads of hogs were backed up for miles waiting to be delivered to the stockyards all over the Nation, which were glutted. The Government then reduced the price it had solemnly promised the farmers and made matters worse. The farmers lost faith in the word of the Government, sold off their brood stock, and reduced their output.

Pork constitutes over 50 percent of the meat and fats of this Nation. The next year, in 1944, the pig crop dropped in this country to 86,000,000 head, 35,000,000 less than were produced in 1943. There is 50 percent of your meat shortage. The WFA and the OPA did it. No one can deny these figures or what I have said. The War Food Administration and the Office of Price Administration are directly and solely responsible for the shortage of bacon and pork throughout the land today.

Now, let us take a look at the beef problem. We now have on foot 81,000,000 head of cattle, 10,000,000 more than we had when the war began. Yet we have very little beef. Why is this? Let me give you the answer and the reasons.

Last year, in 1944, we killed 33,700,000 head of cows, calves, and cattle of all kinds. The beef shortage has been caused by several different mistakes of the War Food Administration and particularly the OPA. They have set prices on all types of beef that are too low considering the cost of production. While these prices may seem high to some, you must take into consideration that farm labor will cost you today from five to six to seven dollars a day as compared with farm labor before the war began at less than half that amount.

To make matters worse, they have compelled the processors—meaning the small packing houses—to sell much of their meat to the Government at a loss. When a packer is compelled to sell meat at a loss, he naturally buys the cattle as low as he can, which depresses the market to the farmer. One of the worst mistakes in handling the meat problem has been that on prime cattle the price was set so low that the cattle feeders of the Nation had to go out of business, and here is what happened: They closed their feed lots.

These prices set by the OPA have forced the farmer and the cattleman, in an effort to make a little profit, to throw his calves and young cattle on the market from veal calves up to six- and eight-hundred-pound cattle off of the grass mostly before they were finished out to around twelve hundred pounds. The quickest profit a farmer can make, if any, is to sell a veal calf or a baby beef. He cannot sell yearlings and 2-year-olds to the cattle feeders, because they have quit business because they cannot make a profit. The OPA put them out of business. A 600-pound steer off of the grass, if he goes into the feed lot, within a few months will take on 250 to 300 pounds, and you will get prime beef. If millions of young cattle weighing from six to eight hundred pounds are slaughtered rather than being fed out in the feed lots, you lose the additional 250 to 300 pounds. Over 500,000,000 pounds of beef were denied the American people in 1944 because

the cattle feeders went out of business because of the prices set by OPA. These are some of the reasons for the beef shortage.

Following this thought, let me show you, by figures, what really happened that has brought about this meat shortage.

In 1943 we slaughtered 9,900,000 head of calves, and that was too many.

In 1944 the figure jumped to 13,600,000 calves—an increase of over 3,000,000. If prices had been set that were fair and equitable, doubtless 5,000,000 of these calves would have been finished out into ten- to twelve-hundred-pound steers. Many of them should have gone to the feed lots. They could not because OPA has done away with cattle feeding. Millions of head of grass-fed, half-grown, and half-finished cattle have been thrown on the market.

Now, let us look at the sheep situation.

In 1943, according to the Department of Agriculture statistics, and all of these figures I have quoted are Government figures, there were 49,900,000 head of breeding sheep.

In 1944 there was a drop to 45,170,000 head of breeding sheep. And, as of June 1, 1945, it has come down and down to 41,000,000 head of breeding sheep. That is what has caused your shortage of mutton, and the War Food Administration and the OPA are directly responsible for this situation—no profitless mutton. Farmers have been going out of the sheep business because when they keep books on them and know what they cost they are losing money. Without some profit you cannot get full production in any line.

With the shortage of wool on the market and with sheep being depleted in this country, the price of lambs and wool is being held down today by the War Food Administration and OPA at less than the price of production. I speak from some personal experience because I have a big flock of sheep on which I am losing money.

Now, let us take a look at poultry. You will recall that in 1943 the farmers were asked to produce poultry and eggs as never before. They responded as never before with a bumper crop, and what happened? The Government failed to keep its price commitment on poultry and eggs that it had solemnly pledged the farmers when it asked them to overproduce. And, during 1944, the Government bought and allowed to spoil that we know of, according to their own records, which, in my judgment is only a part of the facts, 5,000,000 cases of eggs, and today eggs are rationed six to the customer. And today there is a shortage of beef, pork, mutton, poultry, and eggs throughout the Nation. Yet they ask us to extend this act again without amendments.

Mr. Chairman, they shout, "Hold the line; keep price control"; yet they have not held the line, but in fact their maladministration of this act has made it impossible to hold the line. The facts are that if you will add and average these food prices of meat and poultry bought at OPA prices and bought in the black markets, you will discover that prices have risen beyond the imagination of the people.

The Congressional Food Committee which has toured the country and held hearings in many of the big cities, and the Republican Food Study Committee which has held hearings all over the Nation, constantly seeking information as to prices say that over 60 percent of the meat and poultry being sold in America today is sold at the very high prices charged in the black market. We have forced the people in most walks of life among the farmers, the businessmen, and the citizens who sought meat, to break and violate the regulations of OPA in order to obtain what they were always able to obtain in America before the OPA took charge of price control and rationing.

During the days of the eighteenth amendment, bootlegging in beverages spread all over the Nation. Today, because of mistakes of OPA, we are bootlegging in the black market much of the eggs, poultry, butter, milk, cream, beef, mutton, and pork. This condition is a crime against the integrity and morale of the American people which has been forced upon them against their will and desire.

Yet, they say extend price control without any amendments. Do not disturb this holy thing.

How can we change and improve it now if we have enough votes in this body? And, we can change it if you of the majority will join with us.

We should amend the act to give to the new Secretary of Agriculture all of the powers now held by the War Food Administration, by the Director of Economic Stabilization and by the Office of Price Administration, to set the price and control the entire food set-up rather than to allow it to be continued and bungled by a half dozen different bureaus. Such an amendment will be offered by the gentleman from Ohio, Congressman JENKINS, chairman of the Republican Food Study Committee.

We should reverse the policy of the War Food Administration and the Office of Price Administration and start from the bottom up rather than from the top down as they have done. Start with the farmer and producer by giving him a small and reasonable profit, giving the processor, who is the little and big packer, a small and reasonable profit, give the cattle feeder a small and reasonable profit and give the retail distributor a small and reasonable profit. Profit only will get production.

America has grown and developed as no other nation in the world on such a policy. On the policy of giving a reasonable profit to all men from the bottom to the top who are engaged in agriculture, business activities, labor, or industry. This policy, if adhered to, with responsibility and control invested in the Department of Agriculture under the able leadership of former Congressman Clinton Anderson, will get production and get it started in a hurry. It will make it possible to hold the line when the line is established in its proper place. Nothing will successfully fight inflation except greater production. This change will get greater production.

There are other amendments in the interest of the little businessmen, the processors, and the big businessmen that should be adopted in the extension of this act which is the just right of these American people, a right that has been denied them constantly by the Office of Price Administration.

There will be an amendment offered to help take care of the great peach crop in southern Illinois and over the Nation. This amendment will compel OPA to take the ceiling off of peaches when there is a normal or greater than a normal crop. Why do we want it?

We want it because peaches are perishable, and we know if you set the price of No. 1 peaches at $3.65 a bushel, those handling peaches in the big cities and elsewhere at retail will add their profit to that, which will be O. K.'d by the OPA, and the top No. 1 price will be the price of peaches. The result will be that this price will be so high on the lower grades that only the high grades will sell, the producer will be prevented from buying peaches at a lower price, and the hard-working farmers and orchardists, with their millions invested, will have millions of bushels of peaches left to rot in the orchards because the delivery of these highly perishable peaches to the market in the interest of the consumer and producer will be slowed down until this tremendous loss in food to the consumer and this loss of millions of bushels of peaches to the farmer will be the net result.

And, have they held the line? When you add the black-market prices to legitimate prices and divide the results they have not begun to protect the consumer and hold the line. And, when you add possibly $2,500,000,000 that the Government has paid out in subsidies which must come out of the pockets of you tax payers—I say, when you have added this to the combined legitimate and black-market prices too, you begin to get the real picture.

This administration has tried to make you believe that your food costs are what you pay over the legitimate counters. They have not stressed or pointed out to you that you have to pay back to the Government in taxes enough money to retire these subsidies of over a billion dollars to date. They want to extend OPA another year without amendments.

The Illinois Agricultural Association and many of the great organizations of the country say that the act should not be extended more than for 6 months because of the rapid changing conditions due to our success in the European war, to reconversion and many other factors.

We Republicans and a few independent Democrats have pleaded for corrective and enabling amendments that will remove these abuses and make the act more workable.

In this great Nation, of which we are so proud, we have often said with pride, "It cannot happen here", but this thing has happened, which is beyond the imagination of the American people at any time since they landed on Plymouth Rock.

You can go from butcher shop to butcher shop, from store to store, throughout the length and breadth of

this country and seldom can you buy meat in this great agricultural Nation. The ice boxes are empty, yet the housewives are armed with red points from the OPA. The OPA has found itself long on rationing orders and points but short on meat, poultry, butter, cream, and eggs.

The proverbial old rhyme of Old Mother Hubbard's cupboard being bare has happened here in America, in this land of plenty, by the bungling and mismanagement of the War Food Administration and the Office of Price Administration.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. THOM].

Mr. THOM. Mr. Chairman, when unconditional surrender came in Europe, there was an immediate feeling that we should start the march back to normal in our civilian activities. Restrictions of all kinds, necessary, we must all admit, to the successful prosecution of the war had been irksome, and many felt that release from their enforcement should immediately follow the termination of the European phase of the war.

Some segments of our people have been fundamentally opposed to the interference of price control with the processes of business, and, while they lost their original fight to let the law of supply and demand fix the prices, they were ready at the end of the European war to agitate for immediate scrapping of the price-control system. Propaganda was set in motion to discredit the OPA in the eyes of the public. In the midst of a meat and sugar shortage, there was a fertile field in which to work.

However, it was not long until the public began to understand that the great evils of inflation following World War I descended upon the American people after the end of that war. In fact, for a time after the armistice, rising prices were held in check. But inflation resumed its course in March 1919, and in the ensuing scramble for the purchase of goods to restock, there came the explosion that was so disastrous. Business suffered an $11,000,000,000 loss in inventory. Corporation profits fell from a net of more than $6,000,000,000 to a net loss of $55,000,000.

It, therefore, became suddenly clear to those who looked at the over-all economic picture of the country, and not merely at their own grievances against price control, that the stage is set for a similar economic upset if at this moment the price-control program were scuttled.

Consequently, the forces of assault soon took to cover, and during the hearings before the Banking and Currency Committee of the House of Representatives, not a single witness to my recollection, openly recommended the discontinuance of price control.

Furthermore, business, farm, and labor organizations, despite their divergencies of opinion on other matters, joined in the demand for the extension of the life of this Government activity. Representatives of the United States Chamber of Commerce, the National Manufacturers Association, the Farm Bureau, the National Grange, the CIO, and the American Federation of Labor all took the position that price controls should not be lifted.

Individual grievances against the administration of the act have been plentiful. Hardly a segment of business that appeared through spokesmen before the committee could endorse the program unqualifiedly. Each urged suggestions for amendment of the law. If all the proposed amendments had been written into the law, however, I fear that its primary purpose would have been transformed from that of controlling inflation to promoting inflation.

When the European war came to an end, there was another widespread feeling that seized upon the ordinary businessman as well as the laborer in the factory. Both were stricken by a similar fear. The factory owner saw his war orders being cut back, and instantly he began thinking and planning about reconverting his factory to the manufacture of the product that he ordinarily produced before the war summoned him to the fabrication of war supplies. The laborer knew that until the reconversion process was completed, he would probably be faced by unemployment, and he began to think about unemployment insurance and other things that would protect his status when the working forces were reduced. These are substantial fears, and I believe the Banking and Currency Committee fully realize their gravity. The Office of Price Administration has adopted a conversion policy, having as its basic cornerstone the purpose of increasing production by suitable price adjustments. Perhaps, experience will suggest changes in this policy. At least, the administrators should hardly be held to an inflexible policy written into the law on this subject, for each time they encountered difficulties they would have to appeal for amendments, thus throwing the whole law again into interminable dispute.

We are, of course, hoping that the administrators of the law, will revise their policy through administrative action whenever results are unsatisfactory. However, it is to be pointed out that if they are continually occupied with defending the law before investigating committees they will find little time for constructive study of their administrative practices. Incidentally, the responsible staff in the OPA have duties few men would care to assume. I asked a number of witnesses before the Banking and Currency Committee whether they would accept the job of Administrator, and their replies were such that Mr. Bowles, the present Administrator, can feel certain that not many top-ranking businessmen want to offer themselves to become martyrs in the field of price control. Privately, they marvel that Mr. Bowles, considering his own business future, would care to hazard it by remaining as Administrator.

When Mr. Eric Johnston, president of the United States Chamber of Commerce, appeared as a witness, I asked him as a businessman, this question:

I take it from your testimony that you have had quite a bit of worry advising the Government on the fixing of a price for sardines. How would you like to have the Bowles job of arriving at a price on thousands and thousands of articles?

Mr. JOHNSTON. I would not want it for all the tea in China.

On the House floor yesterday afternoon, a number of Members were insistent upon knowing something about the shortage of meat. In the examination of witnesses who appeared before the Banking and Currency Committee, I undertook to examine a number of them on this subject. Not having any basic knowledge of the livestock industry, I confess that the inquiry I made would not fairly permit me to say that I have got at the bottom of the problem. But I have uncovered some facts that you may wish to hear, and from them you may be able to draw some conclusions.

We should not forget, at the very outset, that food production of all kinds was affected in volume, by the drafting of farm workers into the Army, and by the attraction of others into war industry by reason of high wage rates.

Everybody is agreed that one of the chief items of the food supply, pork, is down in production at least 40 percent. I have not examined the basic orders of the War Food Administration to which are attributed this decline. Therefore, I am not able to appraise blame. It is asserted that a dwindling food supply for livestock caused the War Food Administration to take certain steps for the reduction of hog numbers, and that such steps instead of producing a decrease of 10 percent, so frightened the hog raisers that they let the production drop 40 percent.

With the hog market at low ebb, it is obvious that the demand for cattle would increase.

What mystifies the city consumer of meat, and myself, included, is why with the ranges full of cattle there is not a larger supply of meat available. There can seemingly be no question about the size of the cattle population. A news writer, Ray Sprigle, is now contributing a series of articles in newspapers on the meat shortage subject, and on the basis of his interrogation of Albert K. Mitchell, a large cattle owner, he writes:

While the whole Nation is in the grip of a meat shortage, the cattle-producing rancher of the West is doing some earnest worrying about the threat of an oversupply of meat on the hoof. Ten million cattle above normal constitute a real danger to the western cattle industry. The western cattlemen want to see those 10,000,000 excess cattle liquidated as soon as possible. And if they get their way, there's an end to your meat famine.

Turning now to the population of the so-called feed lots, I have listened to some Members of the House discuss this question almost daily, and I had come to the conclusion that the feed yard is entirely desolate and unoccupied. But this does not match up with the statement of the Senator from Louisiana [Mr. ELLENDER], who in recent debate, said:

Our committee heard considerable testimony with respect to the number of cattle now being fed in contrast with prior years. Judging from some of the testimony which our committee heard, one would assume that in many instances no cattle were being fed, that cattle feeders had quit the business and

that they did not intend to reenter it. But here are the figures:

Cattle and calves on feed as of January 1 of each of the following years was: Year 1930, 3,113,000; 1935, lowest year, 2,215,000.

The average from 1930 to 1939 was 2,980,000 head; in 1940 the aggregate was 3,633,000 head; in 1941 it was 4,065,000 head; in 1942, it was 4,185,000 head; in 1943, which was the banner year, it was 4,445,000 head; in 1944, it was 3,967,000 head, and the estimate for the year 1945 is 4,173,000 head.

Just let me remark that the banner year of 1943 was made possible because Henry Wallace's ever normal granary was unloading the corn and wheat that had been stored from surplus years.

Now, if there are such number of cattle on the range and in the feeding lots, why do they not move to market?

I tried my best to find out from the attorney of the Texas and Southwestern Cattle Raisers Association, Mr. Joe G. Montague, why the people of the cities in my congressional district cannot get the benefit of shipments of cattle to our territory from Texas, and this was his answer:

When ceiling prices are established, one effect of ceiling prices is to eliminate the competitive angle in markets; there is no reason why the grower, if he knows that he is going to get the same price, say, in Fort Worth, Tex., that he would get at Canton, Ohio, under ceiling regulations, the only differential being the freight rate, why should we shippers, when we have plenty of market there at Fort Worth—they will take our cattle—why should we shippers ship to Canton, Ohio, when the only thing that ever brought cattle to Canton, Ohio, to start with, was differential in prices? And that is eliminated when you have fixed firm ceilings.

May I continue the questions and answers between myself and Mr. Montague?

Mr. THOM. Well, now, of course, that is getting back to the question that the cattle will stop in the region of production and are fed to the people who live there, and we in Ohio are deprived of meat. The power of government ought to be sufficient in the midst of war to see that some of these cattle go to the sections where there is a shortage in cattle, whether you like it or not.

Mr. MONTAGUE. No; I do not. I do not like that. I do not want the Government stepping in.

Mr. THOM. Well, we are not going to let the people starve in this country. We are going to put the cattle where they are needed.

Mr. MONTAGUE. They won't starve.

Mr. THOM. You are satisfied with the prices you are getting for cattle?

Mr. MONTAGUE. Yes, sir.

About the time of this colloquy, the Office of Price Administration issued what was denominated an area distribution order that compels every packer to distribute in the same counties which he served in 1944 a proportionate amount of meat this year. That, in effect, accomplishes with dressed meat what I said ought to be done, although it does not compel the cattle grower to sell.

Having been a newspaper reporter in my time, I began interrogating some cattle raisers, both inside and outside of the House of Representatives, to obtain from them under the well-known rule that a reporter never divulges the source of his information, come what may, and I uncovered some alleged reasons why the cattle are not moving. Many herds being on grass at this time of the year, the owner is loath to sell them until they reach their maximum weight, especially when he knows there is a ready market that may last a long time, and so long as drought does not kill off the pasture. Secondly, the ordinary cattle owner is in excellent condition financially, and not harassed by bank loans that compel him to sell. Thirdly, if the OPA is abolished, higher prices will immediately follow.

Senator LUCAS, of Illinois, whose State deals heavily in livestock, in debate a few weeks ago in the Senate said:

I note the statement that some incentive should be given in order to get the cattle to market. What is the incentive? It has to be another subsidy, I take it, although the producers in the South and Southwest are getting far above the parity price, yet they want more.

There is one reason, I presume, why they are not sending the cattle to market; they are holding them for higher prices. Some day, as the Senator from Louisiana says, when hogs again glut the market, they will wish they had sold their cattle instead of holding them for higher prices.

All I know, repeating a well-known phrase, is what I read in the newspapers, and under date of June 9 the Associated Press said:

Spurred by higher steer prices, producers increased cattle shipments this week and the run to Chicago yards reached approximately 50,000 head, the largest since midwinter. Handlers also noted an increase in salable hogs as farmers began marketing the first of last fall's pig crop.

Maybe this is a sign that what Senator ELLENDER predicted may come true.

As one of the means of helping the so-called feeder of cattle, the OPA agreed to give him direct a subsidy of 50 cents per hundredweight for cattle fed.

The Safeway Stores, in a brief submitted to the Banking and Currency Committee, said of the subsidy offered to cattle feeders:

A check of markets in Texas, Nebraska, and on the Pacific slope showed that asking prices for feeder stock advanced from 25 to 50 cents per hundredweight within 5 days after the announcement of the Vinson directive.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield at that point?

Mr. THOM. I yield.

Mr. AUGUST H. ANDRESEN. When our special food committee was investigating the situation in Ohio we found that the producer was very well satisfied with his price but that there had been a break-down in the process of distribution. The packer, to whom the gentleman referred, should be required to make an allocation. He has first the set-aside order from 60 to 80 percent for Government purposes which leaves him very little. But during the time that he has been working under these orders he has been losing money on the animal itself and, naturally, he has not built up the quantity slaughtered that would supply these areas such as the gentleman has in his section.

Mr. THOM. Yes; but I want to know why the cattle do not come off the ranges. That is the question.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. HARNESS].

Mr. HARNESS of Indiana. Mr. Chairman, it is apparent here today, as it has always been apparent, that a continuation of firm, effective inflation controls is necessary. It is obvious that this Congress, and the country at large, understands that necessity. In fact, no thinking person to my knowledge argues that existing price-control legislation should be permitted to lapse, or that we should knock down our defenses against the inflationary flood which constantly threatens us until that threat has definitely been removed.

The question before this House is not whether we should fight against inflation or give up the battle. We are determining here whether we shall make justice, decency, and common sense mandatory in the administration of this extraordinary authority, or whether we shall sanction another period of the glaring maladministration, yes, even deliberate misinterpretation and perversion of law which has characterized OPA's stewardship of this authority to date.

No agency of this Government has ever been so universally and bitterly criticized, and I am sure none has ever so richly deserved criticism as the Office of Price Administration. It has seemed to blunder and bungle its way into one shortage after another. It has created shortages where none need ever have occurred. It has deprived us one by one of beef, poultry, pork, sugar, and practically every basic food until this richest of all nations is sinking rapidly to hunger levels, with certainty that conditions will become worse in months ahead. It has aggravated and magnified scarcities into real crises. And its one unfailing solution to every specific emergency is to threaten, bulldoze, coerce, and deceive. No housewife will soon forget how OPA campaigned for the administration by easing up on her supplies last summer and fall, and then a little later double-crossed her and canceled her reserves of meat, sugar, and canned-goods points. The lame explanation was merely that they had made a bad guess about our supplies.

It has wrecked or crippled thousands of businesses and industries and it has brought about the most serious dislocations in our machinery of civilian production and distribution at the very time that we most desperately need the full potential of our national resources and facilities.

When I said a moment ago that OPA seems to have blundered and bungled this richest of all countries into the sorry situation in which we find ourselves today, I used the term carefully and intentionally. Like most Americans, I went along for months with the theory that OPA's endless parade of mistakes resulted from the fact that the agency just did not have the brains, the practical business experience and the administrative skill on the staff to cope with the

tremendous responsibilities thrust upon it.

But looking at the OPA record, it is simply impossible to believe that such a complete and colossal failure could have resulted from mere incompetence. When you look at the basic problem in its simplest terms, you are bound to admit that high school children on their first exposure to elementary economics could readily have grasped the simple verities which the OPA seems to have missed entirely. The first of these is that the only firm and lasting cure for shortages and the resulting inflationary pressures is production of a supply adequate to meet demand. It makes no particle of difference how many storm troopers OPA marshals into its Gestapo to beat down that simple fact of economic life, it still remains to haunt us.

The second simple fact is that you cannot force an American farmer, businessman, or manufacturer to produce and distribute the things we must have at prices which will bankrupt him if he continues the operation. Yet my files are loaded with evidence in case after case where OPA price ceilings and other restrictions simply force the individual or company to cease operations, or work his way into bankruptcy.

There is nothing in the Price Control Act which authorizes OPA to control profits, but everyone of you here knows that that is exactly what OPA has been and is trying to do. Why? To head off inflation? You may still think so. I think it is solely for the primary purpose of promoting scarcities, which, in turn, will make it necessary to continue inflation controls and thus to keep OPA alive. But beyond this, I think there is a secondary but more important long-range purpose. Deep behind the scenes in OPA and throughout the rest of this administration, in fact, is a group, a force, a school of thought that assiduously works to remodel the whole American system.

If we extend this authority here without definite provisions which will at least attempt to remove this destructionist philosophy, you will be writing a death sentence for thousands of American enterprises, and a guaranty that we will plunge deeper into crisis and chaos in the coming year. It is argued that our new President can be depended upon to get us back to common sense, that he is conducting a thorough house cleaning and reorganization that will insure a more intelligent, more American administration of price controls. I merely point out that he has made not a single change in the OPA picture in his 60-day tenure. I would like to report the significant fact that I appealed directly to Mr. Truman shortly after he went into the White House to look personally into this critical situation and to make the complete house cleaning that is necessary. I wrote him as follows on May 19, 1945:

Hon. HARRY S. TRUMAN,
President of the United States,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: Your attention is respectfully called to the attached statement of account of the purchase, processing, and sale of a single beef animal by an independent packing company.

This statement is offered with no thought that it will add anything to the vast fund of authentic information regarding the Nation's critical meat shortage which I know you already possess. Rather, it is offered because it seems to me to be so perfectly typical in the present critical situation.

The processor in this instance is a small packer doing business on a comparatively modest scale within a comparatively limited area of distribution. In every respect, he is not unlike thousands of other smaller independent packers who have normally operated throughout the country to provide a large percentage of the Nation's meat supply.

Note that the processor here actually paid $2.70 more for the live animal than he received for the finished meat and all salable byproducts. You will note, too, that no account is taken of the packer's normal costs of processing, which must also be added to his losses in this transaction.

If this report is typical for the processing industry generally, as I believe we must agree that it is, I am sure you have already seen the necessity for prompt remedial action. I have full confidence, therefore, in the reports current that you are moving to correct the critical food situation as rapidly as possible.

May I suggest, however, that among the steps to be takin to insure prompt and effective relief you go beyond mere physical reorganization. I believe it will be necessary to force sweeping changes in the policies and philosophy within the responsible emergency agencies which have led us into this present crisis.

We would agree, I feel sure, that the legislation which Congress has provided for price and inflation control is sound and adequate for the purpose. It must follow, then, that the faults and weaknesses are administrative.

Primarily responsible for the present crisis, in my opinion, is the fact that the emergency agencies have perverted the clear purpose of the laws to control prices; and have used this emergency authority all too frequently to control profits and thus to alter the whole fabric of American business and industry.

May I urge you, therefore, to deal summarily with this insidious philosophy, and with all those in whatever administrative capacity who have been responsible for the perversion of the basic authority which Congress has granted.

If I may offer my own observations, I would suggest that mere physical reorganization and redelegation of authority at the top will not cure the present ills. I believe effective and lasting relief will come only through sweeping changes in personnel down to the lowest levels of administrative authority.

Respectfully yours,

FOREST A. HARNESS.

A mere acknowledgment from a Presidential secretary constitutes the only visible response to this appeal to date.

If the Democratic majority here wishes to acquiesce in that sort of administration, if it refuses to support amendments which are the only means by which this Congress can force a fair, effective administration of this authority in conformity with American principles, then I must reserve the right to withhold my support of this legislation on final passage.

I say that with the utmost reluctance, for I sincerely believe, as I know each of you here believes, that the original price-control law as we wrote it is perfectly sound and entirely adequate if it were only administered honestly as it was written. Because some people may still not fully understand where the trouble lies, I want to repeat with all possible emphasis that the fault is not at all with the basic law which Congress has provided, but solely with the administrators who have deliberately misinterpreted and preverted that law to suit their own devious purposes.

I shall not oppose this legislation, even in the unamended form in which the administration desires, for I know that to do so would be to invite unbridled inflation and chaos. Continuation of price administration, even in its present sorry form, is preferable to the alternative of no control whatever, for we can at least hope that we may somehow in the future kill this long-range threat to the American way of life before it has completely wrecked our free-enterprise system. But if it comes to a question of choosing the lesser of two serious evils, I shall report to my people back home that I have not willingly been a party to this wrecking program. If we must accept a continuation of the OPA program in its present form, let us make it clear that the administration majority leaves us no alternative.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, of course it is an easy matter for someone to take the position or attempt to take the position that anyone who opposes extension of the present Price Control Act without the changing of an "i" or the crossing of a "t" is opposed to price control. We can expect some people who want to cloud the issue to make such statements. As the gentleman from Indiana just said, anyone with common intelligence believes that there ought to be price control during times like these, and some sensible sort of stabilization act, but that does not necessarily mean that we must take a particular bill and without amending it in any respect be charged with being opposed to price control because we are opposed to that particular law. I am going to take just a little bit different attitude toward the OPA than did my distinguished friend from Oklahoma and some other gentlemen who have spoken here. I am not going to charge OPA with all of the responsibility of this thing. I know there has been many silly things done in administration of it, but, after all, this law is the responsibility of the Congress.

Mr. Chairman, we have witnessed an amazing parade of the Members of Congress on both sides of the aisle speaking intensely, passionately, and apparently in all sincerety in respect to the shortcomings of OPA, and painting picture after picture of business after business that has been completely destroyed and forced to close because of rules, orders, regulations, and directives that have been prescribed and enforced by the administrators of this agency, and which these speaking Members of the Congress say is without authority of law and not contained in the law. Yesterday's RECORD is full of citations by the brave men of this House who point out the Gestapo methods that the administrators and their agents of these agencies have used against their constituents and the people of this country.

Yes; they hold up their hands in holy horror as they describe food shortages

and thriving black markets all over the country. They compare the situation with the balmy days of Al Capone. But when they have concluded, they finally say that this "sacred cow" is not our responsibility. It is untouchable. We must not do anything about it. They say we must vote for its continuance as is; that we must not adopt a single amendment; that we must not change the dotting of an "i" or the crossing of a "t."

Rumor has it that word has gone down that the House must pass this bill without a single amendment. That immediately after it is passed it will be suggested that the bill from the other body be deleted, except as to the acting clause, and the House bill without amendment substituted; and that the conferees from the other body will agree to take their own baby, stripped and divested beyond recognition, and embrace and take to their own bosoms our child that we have substituted as their own.

Mr. Chairman, I do not believe that we can shake off and shun our responsibility to the people of this country in any such fashion. If we have a law which either in the law itself or in its interpretation and administration is closing the doors of thousands of merchants in this country, then it is our duty to remedy that law. If our people are being subjected to prosecution and humiliation by the Gestapo methods that many of these gentlemen have described here in the last few hours, it is our duty as their representatives to put a stop to it. If we have a law that is creating shortages of food and fiber where we have a surplus of the food and fiber of which there is a shortage in this country, it is our duty to remedy the situation. In my humble judgment, the people of this country are not going to take "Yes, but" for an answer.

It is claimed by those who are in a position to know that we have 10,000,000 more cattle in this country than we have had before, but we have no meat. A representative of the OPA told me no longer than last evening that restrictions that had been imposed by the Congress in respect to Federal inspection of slaughtering had played a large part in their inability to supply meat under OPA regulations. If that is true, we ought to do something about it. It is the primary responsibility first of the Banking and Currency Committee and then the whole membership of this House to do something or at least attempt to do something in respect to the situation.

Mr. Chairman, several months ago I had occasion to address the House on the subject of regimentation by bureaucracy. At that time I called to the attention of the House conditions that existed in my own congressional district, and, after making a very careful survey, some of the things that I found to be uppermost in the thinking of the people whom I have the honor to represent. I shall not burden you again with that speech, but, among other things, I said:

After appearing before most of the civic clubs in my district, after speaking before various church organizations of many different creeds and beliefs, and after visiting many farms and places of business and talking to hundreds of people in their homes throughout the district and my State, the question which was most propounded to me was: "Will we be able to recapture and return to the people their rights, freedoms, and liberties after the war? Will we be able to untangle and release the web of regimentation and control that has been so thoroughly woven over and around them by the hundred or more agencies and bureaus that have come into being under the New Deal during the past decade? Will we be able to return to the people's Government back to the people?"

Admitting that when our country is at war, necessarily we must give the executive branch of the Government vast and almost abritrary power in many respects, nevertheless the question remains, "Just how far are we to let these agencies go to which that power has been delegated? Just how long are we going to permit these agencies to prescribe rules, directives and procedures that clearly violate the authority given the executive branch of the Government in the laws which we have enacted?"

By no stretch of the imagination can some of these agencies justify the extent to which they have gone in the construction of the laws that they are set up to administer, and the rules they have promulgated and are enforcing in the administration of these laws. From day to day I am receiving letters from my constituents giving me examples of the arbitrary and nonsensical rules and regulations that have been made effective by various of these agencies, and which they are using with the force of law against our citizens. The limits of time, of course, prohibit my calling to your attention any great number, the ridiculous things that some of these agencies are doing under the guise of administering the law which Congress enacted for the guidance of such agencies. At this point, I wish to call your attention to a letter which I recently received from a substantial business concern in one of the cities of my district:

NICHOLS-KITCHENS MOTOR CO.,
Enid, Okla., June 13, 1945.

Hon. ROSS RIZLEY,
House Office Building, Washington, D. C.

DEAR SIR: We submitted the following ad to our local newspaper, namely, the Enid Morning News, to be run as a classified ad on June 8:

"WANTED: ESSENTIAL TRANSPORTATION WORKERS

"Permanent jobs with excellent postwar future in an essential industry. Top wages and the best of equipment and working conditions.

"Five automobile mechanics, one parts manager, one lubrication man.

"NICHOLS-KITCHENS MOTOR CO.,
"415 East Broadway, Enid, Okla."

The advertising manager of the aforementioned paper called me upon my arrival back at my office after having submitted the ad and informed me that the local War Manpower Commission objected to the words "permanent" and "postwar future," and for that reason they could not run my ad as submitted. We rewrote the ad, leaving out "permanent" and "postwar" and anything that might be suggestive of such and they ran as rewritten.

The following Sunday, June 10, the enclosed ad was in the Daily Oklahoman, and has been in the paper several days since. You will note that it includes both the words "permanent" and "postwar future":

"AUTO AND TRUCK MECHANICS

"Permanent positions in essential industry. Excellent salary, desirable hours and working conditions. Sick and accident insurance furnished. Excellent postwar future. See Mr. Cavnar.

"DENISON MOTOR CO.,
"Dodge-Plymouth Distributor,
"Fifth and Robinson."

I would appreciate hearing from you regarding the War Manpower Commission's authority in this matter in rejecting my ad in Enid and accepting an ad in Oklahoma City that is almost identical. I might mention that in the Oklahoma City paper there are numerous other advertisements in the help-wanted column that include the words "permanent" and "postwar," as well as some of them quoting salaries. This appears to be discrimination against either an individual or a community and does not seem to follow the line of democratic reasoning.

We are attempting to operate a Dodge and Plymouth dealership in Enid, which normally employs six mechanics, and we find ourselves at this time in a position of having no mechanics and no parts man, having supplied the various aircraft factories, ship yards, local air field, and the Army and Navy with some 20 employees in the past 3 years. For that reason we feel that we should be entitled to insert an advertisement in the newspaper that would have some appeal to veterans who have been discharged from the Army, or an aircraft worker who has been laid off because of cancellation of contract, or a mechanic in some category who is looking for a permanent job with a postwar future.

We will greatly appreciate any assistance that your office can render us regarding this matter.

Respectfully yours,
NICHOLS-KITCHENS MOTOR CO.,
By E. E. KITCHENS, *Partner.*

Now I am sure no one in the Congress presumed that the Manpower Commission would, by any stretch of the imagination, prescribe any such nonsensical regulation as is described by my constituent. Have we reached a place in this country where two cities, only 90 miles distant from each other, similarly situated with similar business institutions, are, by virtue of Government regulations, required to have different standards and different regulations in respect to their business enterprises? Now please, do not someone jump up and say "Do not you know there is a war on?" Certainly I know it. In my opinion, the boys who are doing the fighting believe that, among other things, what they are fighting for is the right to be free to run such an ad as is suggested herein. Certainly they think they are fighting to keep the citizens in one community from discriminating against citizens in an adjacent community, and one newspaper from having preferred privileges over another newspaper.

This week we are to determine whether we are to continue the Office of Price Administration and, if so, for how long. I just received through the mail from one of my constitutents a form of affidavit which she says the OPA official said she would have to sign before they would issue to her a certificate authorizing her to pursue her remedy by law for the eviction of a tenant living in one of her houses. This lady and her good family were residents of my district for many, many years. A few years ago she moved to California and bought a home. Her father back in Oklahoma was in ill health, and so she came back to Oklahoma for a while to be with him. She later returned to California, and under

the contract she had with a tenant, whom she had permitted to move into her property when she went back to Oklahoma, she endeavored to give notice as provided by the laws of California so that she might obtain possession of her dwelling house. She sent me a copy of the affidavit which the OPA agent told her she must sign. Did anyone who voted for the original Price Control Act or the Stabilization Act or the continuance of price control contemplate they were giving some Government bureaucrat the right to promulgate a rule that would prohibit the sale of real property? It so happens that in this particular case, according to the good lady, she had no thought of offering the house for sale, but she was reluctant to sign an affidavit which precluded her from selling her property if she wanted to. One of the things in this affidavit that strikes me as perhaps more significant than any other thing which it contains is this statement:

Warning: Any false statement on this form is a crime, subject to heavy penalties.

I include herein as a part of my remarks a complete copy of the affidavit referred to.

Form 8-R-LA-53 Docket No. E-36548
12-12-44

OFFICE OF PRICE ADMINISTRATION,
LOS ANGELES DEFENSE-RENTAL AREA,
1037 South Broadway,
Los Angeles 15, Calif., May 17, 1945.

AFFIDAVIT OF PETITIONER

I, _____, being duly sworn, depose and state as follows:

I have filed a petition requesting the area rent director of the Los Angeles defense-rental area to issue a certificate authorizing me to pursue my remedies at local law for the eviction of _____, tenant of housing accommodations situated at _____.

My sole purpose in thus seeking possession of this property is to obtain it for immediate use and occupancy as a permanent dwelling for a member of my immediate family. The name of this member is_____, who is related to me in that (he) (she) is my_____.

This relative (has) (has not) customarily lived with me as a member of my immediate household. (Strike out inapplicable word.)

If I obtain possession, I expect to charge this member of my family rent in the amount of $_____ per_____.

The reason why I must have possession of this property for the use of this member of my family is _____

_____

_____

I became owner of this property on_____ 19____.

I do not intend or contemplate the sale, or any attempt to sell the above described premises, nor do I intend or contemplate any attempt to rent such premises to any person except the above-named member of my family.

_____
(Signature of petitioner)

Subscribed and sworn to in my presence by_____ personally known to me, this_____ day of_____, 194__.

[SEAL] _____
(Signature of officer administering oath)

Warning: Any false statement on this form is a crime, subject to heavy penalties.

My State of Oklahoma is a great meat-producing State. My own congressional district is rich in the production of beef, of pork, and in the production of wheat. Wheat harvest is now under way. We have a huge surplus of wheat in this country. The graneries, the terminal elevators, and all available places for storage are filled to the brim and overflowing, and millions of bushels of wheat are being piled on the ground because of unavailable storage space.

Many farmers with their sons in the service are having a tremendous problem in obtaining sufficient harvest hands to harvest the crop. I recently had a telegram signed by all the members of the chamber of commerce in one of my counties. I want to read it to you:

Harper County is facing an emergency which will restrict procurement of outside labor to harvest one of its largest wheat crops. To relieve the situation the undersigned chambers of commerce were called together by the county organization to meet with the local meat slaughterers and restaurant operators which are this week threatened with closing for want of meat. On a basis of last years' statistics harvest laborers will increase the county population at least 20 percent. Slaughtering has been reduced 25 percent on beef and 50 percent on pork. With this unreasonable predicament it will be impossible for the harvest crews to be fed. Harper County has a surplus of Medium to Good grade beef cattle. Grant us permission to process our local meat and we will need no packing-house products. We face no harvester shortage but these men must be fed if we save our wheat. We beg your assistance in this crisis.

Incidentally, I might throw in at this point the fact that recently, notwithstanding this huge surplus of wheat, the Congress appropriated $190,000,000 in subsidies to the flour mills so that they could make flour.

If Congress does not reassert itself and do something about some of these silly, fantasitc things that are being done by some of these agencies, the people will. I am warning you now that we had better write some common-sense amendments into this Price Control Act if we are to continue it, or we will be facing situations here in this great country of ours that will indeed be hard to cope with. My people in Oklahoma will never bow or subscribe to these totalitarian ideologies.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from New York.

Mr. REED of New York. Right on that point, this might be interesting. In 1941 there were 3,341,000 industries in this country under the various classifications of small business, but in 1942 there were only 3,071,300. In 1943 they had dropped to 2,833,900, or a total small-business mortality of 507,100.

Mr. RIZLEY. I thank the gentleman for that contribution.

Mr. REED of New York. That does not cover the year 1944, which was even more disastrous.

Mr. RIZLEY. I am sure those are the facts. I was surprised when the distinguished gentleman from Texas, who is the head of the committee dealing with small business in this country, a committee set up by this Congress, said that he did not think anyone could point out a single business in the United States that has been closed because of the OPA.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman for a question.

Mr. PATMAN. Is it not a fact that I said on account of not receiving sufficient profits by reason of orders of the OPA?

Mr. RIZLEY. No; I am sorry I cannot agree with the distinguished gentleman; that is not what he said. He said nothing about receiving sufficient profits. The gentleman challenged the gentleman from Wisconsin to point out a single business that had been closed in this country because of the methods of the OPA or WPB.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from New York.

Mr. TABER. A shoe factory employing 500 people has just been closed up in my territory because of the OPA operations.

Mr. RIZLEY. Of course; and we could stand here all afternoon and point out case after case. We all know about it. But that is not the thing I am talking about. Of course, we know about it. But who is responsible for it? Are we going to wash our hands of the thing completely and say, "Yes; it is going on; but we must not do a thing on earth about it"?

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Colorado.

Mr. CHENOWETH. May I suggest to the distinguished gentleman from Oklahoma that if the OPA will rescind the slaughter quota order they will get all the meat they want in these areas tomorrow.

Mr. RIZLEY. There is no question about it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I yield five additional minutes to the gentleman.

Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. WOLCOTT. An order was recently promulgated which restricts the slaughtering of farm cattle for commercial use to 400 pounds. It is true that the farmer can slaughter all the beef he wants to eat himself, but he can slaughter only 400 pounds to sell.

Mr. RIZLEY. May I say to my distinguished friend that because of that order, and by reason of various and sundry other orders, just as ridiculous, let us amend the law and tell them they cannot do any such thing. Let us take some of this responsibility ourselves and not try to put it all on the OPA.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. BROWN of Ohio. I would like to inform the gentleman that I have a letter in my office which I received within the week from a farmer in Ohio who had a herd of dairy cows break through a fence and get on a railroad track. Two of the cows had their legs broken. He

was told by the OPA that he could not butcher those cows and use the meat, nor could he sell the meat, nor could he even sell the carcasses to a fertilizer works. He was compelled to bury the cattle. Now if that makes common sense I am very much surprised.

Mr. RIZLEY. I am not surprised. I want to say to my good friend from Ohio that my people in Oklahoma would not have paid any attention to such a foolish requirement as that.

Mr. BROWN of Ohio. May I say to the gentleman in reply that I advised the man he had only himself to blame and that he should have taken a good-sized hickory club and knocked the OPA official in the head with it and buried him along with the cattle.

Mr. RIZLEY. I am glad that you did. We can show irritation after irritation and mutiplied examples of nonsensical orders and directives. They might be called small instances, but there is something more basic in back of the whole thing than that, apparently. We have a law here that has caused these situations that they have been talking about for the past few days. Yet, they say we must not amend it, that it is too sacred, that we must not touch it. My friend from Oklahoma says we are going to have uncontrolled inflation if we change a single letter of this law. That is what he would have me believe.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. Yes.

Mr. AUGUST H. ANDRESEN. I do not think you will find so much trouble with the law that was passed as with the administration of it and the interpretation placed upon it by the New Deal blueprinters down here in the OPA, Mr. RIZLEY. Yes; I agree with my friend but I say to him, let us take some of the responsibility ourselves.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Delaware [Mr. TRAYNOR].

Mr. TRAYNOR. Mr. Chairman, I am strongly supporting the pending resolution, House Joint Resolution 101, and would like to invite attention to the following communication to the chairman of the Banking and Currency Committee from a large number of splendid citizens of Delaware:

WILMINGTON, DEL., *June 21, 1945.*

Hon. BRENT SPENCE,
Chairman, House Banking and Currency Committee, House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN SPENCE: A delegation composed of representatives of 40,000 members of the American Federation of Labor and Congress of Industrial Organizations in the State of Delaware are in Washington today in the interest of effective price control to prevent inflation and to maintain prices at their existing levels.

We urge the passage by Congress of the joint resolution (H. J. Res. 101) to extend the activities of the Office of Price Administration without any amendments that may hamper the effective control of prices in this Nation. We believe that the OPA should be extended for the full fiscal year. We are opposed to amendments that would permit a raise in rentals. We are opposed to amendments, similar to the Wherry amendment which passed the United States Senate, that would guarantee profit on each commodity before the price ceiling can be fixed.

The workers of this Nation have limited earnings, frozen by the Little Steel formula Their standard of living is lower than it should be in this period of our economic development. Permitting increases in prices and rentals would burden them with undue hardships. We cannot repeat the fiasco that occurred after World War I when prices of basic commodities were allowed to rise so high that inflation set in and millions of our citizens were unable to buy the bare necessities of life.

We urge the House of Representatives to face the period ahead with a realistic understanding of the needs and problems of all the American people. We urge the House of Representatives to accept the recommendations of the Banking and Currency Commitee and pass the joint resolution extending price control for the coming year without any amendments.

Joint Labor Legislative Committee of Delaware: Gilbert Lewis, President, Delaware CIO Council; Marie Hitchen, Teachers Union, AFL, Local 762; Otis W. Swartz, Vice President, CIO Council; Mabel Johnson, Local 840, UAW, CIO; John W. Tyno, Delaware State Federation of Labor; G. Ranzer, ILGWU, AFL; Leslie Davis, CIO, USWA; H. P. Heller, IUMSWA, No. 40; George F. Schlor, Local 36; Charles Quinn, IUMSWA, No. 3; Michael F. Caffrey; Ben Stahl, Executive Secretary, CIO Council, Lee R. Vickus, IUMSWA, Local 3; Walter J. Turoczy, IUMSWA, CIO; Michael Kowalski, Local 201, IFLGWU; Leroy H. Weatherly, Local 2618, NSA; Ada Rose, ILGWU, AFL.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Chairman, I am going to talk about a number of things and I have brought a little proof to prove my point. I am going to lay these potatoes out so that you Members from agricultural areas can see what I mean when I start talking on that phase of the subject.

At the very beginning of the setting up of the Office of Price Administration, knowing agriculture as I do, I could not feel I was doing justice to my people and vote for the OPA. I felt that the policing of agriculture would cause less food eventually to be placed on the table. So I wrote many letters to my congressional district to people explaining my position in regard to the Office of Price Administration. It was not long until this shortage of food was being felt. As the very able gentleman from Oklahoma [Mr. RIZLEY] just said, I am not going to blame the OPA entirely. I feel it is the duty of this Congress and our duty as Representatives to correct the evil that now exists. We all know that is a great deal.

I was somewhat surprised when I appeared before the Committee on Banking and Currency last Friday. I intended to discuss several subjects and finally stopped on two. That was 1 of the 2 days that were set aside for Members of the House to testify. I think I spoke about 10 or 15 minutes and I left and went back to my office. On arriving at my office I found a telephone call from my colleague the gentleman from California [Mr. OUTLAND], who is a member of the Committee on Banking and Currency, asking if I could go along on the Price Control Act, without any amendment, for one more year. I said I could not.

This is why I was disappointed. I took my time, hoping that through my explanation I might be able to convince the members of the Committee on Banking and Currency that amendments should be offered by the committee and brought to the floor of the House of Representatives, where we might vote on the legislation. It looked to me like they wanted to have assurance of the extension of the program far in advance without any amendments.

If I have sufficient time this afternoon, I am going to attempt to point out why I believe we should have some adjustments. If it cannot be done by Mr. Bowles and his assistants, then we as Congressmen should provide amendments to the bill to make it possible that working conditions can be altered in the OPA to the point of giving relief to the people who are in trouble.

I am just going to take a minute to cite one specific case, in Lindsay, Calif., in my Congressional district, a district rich in citrus, grapes, and olives, 85 percent of the olives produced in the United States are produced in that community. Olive oil has been very essential to our war effort. We talk about people not being put out of business. There were two bakeries in that community when the quota was set up for sugar. There was a severe frost and freeze. About 2,500 men and their families who came to that community annually to help harvest the crops did not come on account of this freeze. The quota was put on that time. Later when they came back to normal operating conditions the sugar was not there for the bakeries. So one bakery was closed and now the sugar shortage has affected the second bakery. It can only operate part time. It is operated by a man who has been in business many years. Why do we want these little businesses in each community? Mr. Chairman, these small businesses are the backbone of our communities; they are the people who own their own property and work the business themselves with their families. Yet, the bakers in Los Angeles are supplied with all the sugar they need and they come daily into my Congressional district, a distance of over 400 miles, round trip, to deliver bread, and one of our bakeries in Lindsay is out of business and the second is about ready to close his doors. I think that is the kind of a situation which needs adjusting.

I went to Lindsay, Calif., this spring and held a hearing and invited the people from OPA in the Frenso office in the San Joaquin Valley, to attend and also the San Francisco regional office. After they went over the files of the man who is still operating on part time trying to keep his doors open, to provide jobs for people whom he had employed for several years, and to furnish the community with bakery products, those people representing the Office of Price Administration from Fresno and San Francisco

recommended an increase. But what happened? The case had to be sent back to Washington because it was out of the ordinary, and the office in Washington turned that bakery down. So, little by little they are forcing that man out of business. Here is a letter by the owner to prove my statement:

LINDSAY BAKERY,
Lindsay, Calif., May 25, 1945.

The Honorable ALFRED J. ELLIOTT,
House of Representatives,
Washington, D. C.

DEAR MR. ELLIOTT: We received your letter and also the copy of the OPA and certainly do appreciate all your are doing for us, the community of Lindsay.

For the past 3 months we have been operating half days trying our best to keep the bakery open. Unfortunately we are about out of sugar, having 8 days' supply left. Will be obliged to close our doors again until our next quota of sugar which is July 1. Then the quota is so low we can only operate about half of our period. Of course, we lose our employees when we close and are driving our customers away; in other words, gradually being forced out of business. I cannot see how the OPA can say this community is being adequately supplied when it's denied the privilege of a retail bakery.

Thanking you very kindly, I am,
Respectfully yours,

M. R. FULKER.

I am not complaining to the Committee on Banking and Currency, but if I were a member of that committee I would demand that this kind of condition be changed. I believe we owe it to the American people. That little community has bought bonds and stamps, and time and time again has gone over the top early in the campaign while other communities were not doing their share, and yet one of their businesses is already closed up and a second is at the point of being closed. That is item No. 1.

I read in the Washington Post this morning that a potato famine is feared in 1945. How are you going to get away from these famines in potatoes, meat, and other foods? You cannot do it by the point system; you have to do it by the production method. If you have not enough water in your jug and you need more water, you have to put more in; you cannot stand outside and say, "You have only so many points; that is why you cannot get more in your jug."

I hold in my hand here potatoes that are being produced in Kern County, Calif., by the W. B. Camp farms. This county is now shipping potatoes at the rate of about 625 carloads a day. The Office of Price Administration should have listened to those farmers who certainly know their business—and by the way, these potatoes are not fully grown yet; they are just little wee ones, even though they are 8 inches long. We picked them to show you what they are like when they are just starting. I want to show you what a little adjustment, what a little business sense would mean. The price for these potatoes on June 1 was $2.80 a hundredweight. The price was reduced on June 1 to $2.40. It was a late season. They had to continue to irrigate to keep the potatoes growing in the San Joaquin Valley. They had to maintain an irrigation system with water trickling through the rows day and night.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. ELLIOTT. So these farmers said: "If you will give us 20 cents more a hundredweight, permit the potatoes to stay in the ground and grow, we can increase the tonnage per acre, keep them growing another 15 days, and let these potatoes reach full size." This telegram from one of the prominent potato growers in my district will throw some light on the subject:

ARVIN, CALIF., *May 29, 1945.*

Honorable Congressman A. J. ELLIOTT,
Washington, D. C.:

Impossible to meet conditions resulting from price cut of 40 cents per sack of potatoes to go into operation June 1. Poor weather retarded normal rate of growth this year resulting in unsatisfactory crop. Proposed measurement will work unbearable hardship on both grower and consumer. Request May price level remains unchanged.

R. L. STOCKTON, Jr.

I tell you, it is nothing to see a potato 12 and 13 inches long in the San Joaquin Valley with irrigation. If we are going to have a potato famine let us tell those farmers to get busy, for they can produce another crop of potatoes this year; not a continuation of the spring crop, but those farmers can plant the land in August and on the 15th day of November produce another large crop of potatoes. That is what I mean by using business methods and adjustments. Permit the farmer to know in advance what he is going to receive in price. Let us not wait until we are in the midst of a crop and then start juggling the figures.

We should criticize nobody but ourselves. We talk about fair business, I will show you another example. Mr. Chairman, let me point out to you what happened in the grape industry last year, and I am sorry the gentleman from California [Mr. GEARHART] is not present. Our districts adjoin and we produce the bulk of the raisins grown in the United States in these two congressional districts. Our raisin people were told that the War Food Administration needed raisins. They were not so much interested in wine grapes or table grapes, so a ceiling was placed on them. They told the farmers, to produce more raisins.

What happened? It takes 4 tons of green grapes to make 1 ton of dried raisins. The man who complied with the Government program and did what the Government wanted him to do got approximately $200 a ton for his raisins; but the man across the road who did not adhere to the Government program, who waited to see what was going to happen, received what? The Office of Price Administration took off the ceiling, so the man across the road who did not dry his grapes and sold his grapes for juice got as much as $100 and $160 a ton for his grapes, or about $400 to $600 for the same amount of grapes that the raisin grower received $200 per ton.

Mr. Chairman, how do those farmers feel? How would you feel if you had complied with the Government program and for 4 tons of grapes received $200 while your neighbor across the road, who moved around with the OPA and its shuffling and juggling of prices, rules, and regulations, which in many instances made the farmers dizzy trying to keep up with them, received $100 to $160 a ton for the grapes.

That is why I say we need some adjustment, we need some amendments to the Price Control Act for clarification. How many of you have read the regulations relating to fresh fruits and vegetables? There were about 50 rules and regulations. At the present time there are 72. No wonder there are so many eyes in these potatoes. They need them in order to keep up with the rules and regulations of the OPA at the present time.

Mr. Chairman, I want to quote from the executive secretary of the Kern County Potato Growers Association, Mr. Sid Carnine, of Bakersfield, Calif., just three lines:

The sooner that we can get rid of the OPA control of fruits and vegetables the sooner we will get rid of the black market and a lot of other aches and pains.

That remark comes from people residing in a county where 55,000 acres of potatoes are being harvested.

Now, Mr. Chairman, let me refer to the lumber situation. We have had a bad condition in that field in connection with the mishandling of lumber and the pricing of lumber. At this time I want to read a wire from Bernard B. Barber, secretary-manager, Lumber Merchants Association of Northern California:

FRESNO, CALIF., *June 20, 1945.*

Congressman A. J. ELLIOTT,
House Office Building,
Washington, D. C.:

The present policy of OPA forcing retail distributors to absorb all increases in cost from the manufacturer is getting progressively worse. Because of this policy many products including grape stakes and fence posts, etc., normally handled by retail lumber dealers are moving exclusively through black market. The lumber dealers of northern California, of which there are more than 400, urgently request your support of amendments now under consideration in the House which will permit the retail dealer to use the normal mark-up on the merchandise they distribute.

BERNARD B. BARBER,
Secretary-Manager, Lumber Merchants Association of Northern California.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from California.

Mr. PHILLIPS. This is an extremely important matter for the people in all parts of the United States, because 15 percent of the vegetables in the United States come from this district that has these problems, and in the case of spring vegetables about 30 percent.

Mr. ELLIOTT. Mr. Chairman, I want to read a short telegram from H. C. Legg, who ran for Governor of the State of

California some years ago on the Democratic ticket. He states, as follows:

WHITTIER, CALIF., *June 20, 1945.*

Hon. ALFRED ELLIOTT,
Member of Congress,
House of Representatives:

The entire house-construction industry is at a standstill on the west coast due to a shortage of gypsum board for plastering. Manufacturers advise OPA ceiling on this product does not permit its manufacture except at a loss. In view of urgent need for house-construction program to continue uninterrupted, may I suggest you have this matter investigated and request OPA act promptly on any action deemed necessary.

Thanks.

HERBERT C. LEGG.

Mr. Chairman, I have three letters here that I will place in the RECORD which show the situation in reference to rent:

BAKERSFIELD, CALIF., *June 16, 1945.*

Hon. ALFRED J. ELLIOTT,
Congressman, House of Representatives,
Washington, D. C.

DEAR MR. ELLIOTT: I am taking the liberty of writing you as a Kern County citizen, and property holder of Kern County. I think that a rank injustice has been done to me as well as other property holders in Kern County by establishing a rent-control office here, where you receive not only discourteous but unjust treatment.

I purchased my rental property in question in April of 1944. It was in a deplorable condition—was part of an old estate being settled. I immediately started repairs and renovation of all rentals at a considerable expense, and have continued these improvements to date. I had every article of furniture reconditioned, besides adding five rooms of my own furniture, together with numerous new articles. I had modern electrical wiring installed and the inside of the rentals repaired. It would take ages to tell what I have done in the past year, yet Mr. Broad, of the local rent control board, tells me that I must revert to the 1943 rentals, and to refund the difference in rentals to my tenants, all of which I have done.

The former owner, who fell heir to this property, had her interests in Mojave, Calif., and allowed one of the tenants to carry on, and it unquestionably showed the result of that lack of interest. There were seven children living there, besides the adults, so you can imagine the state it was in. Even the yard was disgraceful to the community, yet I am not to be compensated in any way for all my improvements at a considerable cost of money; also my own efforts and time over a period of a year or more.

I was born and reared in Bakersfield, Calif., and have numerous friends here who are property owners, and I do not think rents are unreasonable except perhaps in a very few instances, but why should I be made to suffer for these unscrupulous few.

The repairs and upkeep of rental property is tremendous—it cost $66 to have a refrigerator repaired, when the ceiling price was $67.50, but I had to have the appliance, so paid the bill—that is only one item of dozens which come up every month. The tenants have no consideration for the landlord, neither has the rent control board, so what must we do? I am really on the verge of a nervous break-down as a result of the whole thing—I have to work outside my home to make ends meet, and I am seriously thinking of locking up my rentals, so that I can do justice to my employment—I think it will pay me.

I sincerely hope you will pardon me if I seem to unload my burdens upon you, as I know you must have many, but I don't know whom else to appeal to.

Please give us favorable consideration when the matter is brought up in the House—spare us the expense of financing a rent-control office here—we are not in a defense zone, and don't need them, nor their insults. I took time off from my office to go down and register, thinking I would be away about a half hour—I was from 1:30 p. m. until 6 p. m. in the rent-control office, being yelled and screamed at by Mr. Broad—you would think I was a convict asking for an early parole. It just isn't right.

I want to thank you in advance for your kind consideration, of my case, and those of many others in Kern County, and may God give you strength to carry on in your ministration of your duties to the people of this great State of California.

Yours very truly,

(MRS.) HAZEL K. DUNN.

BAKERSFIELD, CALIF., *May 12, 1945.*

Hon. ALFRED J. ELLIOTT,
Washington, D. C.

DEAR MR. CONGRESSMAN: As a property owner and one who is suffering because of the rent control established by the OPA in Kern County on May 1, 1945, I am writing to ask if you as our Representative in Washington will use your efforts to see that the allocation of funds to carry on this particular office is not granted as we do not need rent control here since all defense work has been completed here.

I shall consider this a personal favor if you will help me and other property owners out in this effort to give the property back to the rightful owners that we may handle our rentals as we did in the past.

Sincerely yours,

YVON C. MORLEY.

BAKERSFIELD, CALIF., *June 5, 1945.*

Hon. ALFRED J. ELLIOTT,
Washington, D. C.

DEAR MR. ELLIOTT: I wonder if you realize the injustice that is being done by the OPA rent control in California? The maximum rent date on their reports were set back nearly a year and a half in order to pick out a year when the rents were low. Individuals most of them elderly people or widows are slow to raise their rents in following the trend of the times, especially if they like their tenants. These tenants which they like are usually people with a pride in their home. With a large amount of homes for sale and easy money, they have given up their rented places to move to homes of their own. Landlords have raised the rent when the tenants are changing and the result is that these widows and elderly people now find themselves forced to back up for nearly a year and a half on the amount of rent they will receive. Everything else has greatly increased. Their tenants are getting higher wages than they did before and landlords are forced to pay twice as much for everything that they use as well as the repairs on the houses which they rent although the moderate increases which they have added to their rents are now being taken away from them by the OPA.

Some landlords have undoubtedly been very bad, but they will get away with their high prices in spite of the OPA and it will only be the law abiding, docile citizens who try to obey the law that will be hurt.

Your help in abolishing the OPA and its unjust rules at the first opportunity, will be appreciated by all of us.

Very truly yours,

CLAUDE R. BLODGET.

The cut in sugar during the canning season where thousands of tons of fruits that families could can for next winter will not be utilized due to the fact that the rationing of sugar is at such a point those people have no sugar to can the fruit. Consideration is not given to people 30 miles from towns. Those people have to bake their own bread. When a person in the city gets the same allotment as a person far away from the city there is something wrong, because the conditions are vastly different. Those people grow berries and fruits to can and when they cannot get the sugar the food goes to waste. I read a letter from the housewives of Badger, Calif.:

BADGER, TULARE COUNTY, CALIF.,
June 11, 1945.

ALFRED J. ELLIOTT,
Washington, D. C.

DEAR MR. ELLIOTT: We housewives are very much upset over the drastic cut in canning sugar to 10 pounds per person. We have tried to cooperate with the OPA and are willing to do without foods if it will contribute to the war effort or relieve the suffering in Europe, but we do object to huge truckloads of sugar going to wineries, breweries, and distilleries while our good California fruits rot because we have no sugar to put them up.

Why can't manufacture of all beverages, including soft drinks, be stopped until our canning season is over? Canned fruits supply vitamins essential to our diet. In all probability there are enough beverages on hand to quench the public thirst during the summer.

If Congress would stop the wholesale delivery of drinks to Nazi prisoners it would help some. We know for a fact that several hundred cases of soft drinks at a time have been delivered to one work camp in this county employing German prisoners, and as many as 1,500 cases of beer have gone to the same group in 1 day. If these men would put out any work it would be different, but it burns us up for them to live off the fat of the land while you take away our sugar necessary to the good health of our children.

In our mountain community we can't run to town often for baked goods and other foods, as we are 30 miles from the nearest shopping center, and gasoline is rationed. So we are all raising berries and other fruits. We can't use them this season as we can't get to first base on 10 pounds a person.

You aren't afraid to speak your mind and seem to get things done. The women in your district are looking to you to get us more sugar.

Sincerely,

HOUSEWIVES OF BADGER.

Mr. Chairman, I am trying to point out to the membership that we need some kind of adjustment to protect the food after the farmer has produced it.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, I believe one of the great issues to come before the Congress in the future will be the question of suppressing in some way the propaganda machine that is now operating in practically every bureau of the Government. You have on your desks a pamphlet entitled "Renewal of the Stabilization and Extension Act. Office of Price Administration. Chester Bowles, Administrator."

I think the time has come when the Congress will have to assert itself and not arm these propaganda bureaucrats with taxpayers' money to bend the will of the people to this and other un-American philosophies.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Ohio.

Mr. JENKINS. I wish to state that I have read several articles put out by Mr. Bowles, but this is the most ridiculous of all.

Mr. REED of New York. I agree with the gentleman.

This document to which I have referred, issued from the Office of Price Administration by Chester Bowles, Administrator, is an insult to the taxpayers of this country. It is issued for no other purpose than to prostitue the thinking of the public and to create class pressure in support of a law that has not been administered according to the letter, spirit, or intent of the Congress of the United States. I know of no centralized mechanism now in operation more insidious, more dangerous to free institutions and our form of government than the type of propaganda emanating from Government agencies such as the OPA financed by the taxpayers of this country.

This Price Control and Stabilization Act has already worked irreparable harm to industry and to the farmers and to the consumers. The purpose and intent of the law was to increase production for war purposes and to see that prices for products should reflect the increased cost of production. The OPA has failed in these objectives. It has created a shortage in fat which is a most important food product. The unwise regulations of the OPA have caused a great decline in hogs available for food. There has been a marked decline and a dangerous one in the number of sheep in this country, and every housewife knows the situation so far as poultry, eggs, and beef are concerned.

There is no one who is familiar with the cattle business who does not realize that there are more beef cattle on the hoof than heretofore, yet meat is not available and the black market in meat flourishes because of the inept actions of the OPA.

We hear so much clamor on the question of inflation. I agree that an uncontrolled inflation is the most devastating calamity outside of war itself that can befall a people. Black markets are the natural consequence of inflation; one form of inflation, as everybody knows, is in the field of food shortage. There is plenty of money with which to buy food, but only a limited amount of food is available, thus the consumer not being able to get it by bidding up the price in the legitimate market, turns to the black market. The failure of the OPA to permit the cost of production has created inflation of price of beef, ham, poultry, eggs, vegetables, fruit, and many other commodities. There is only one answer to the problem of inflation and that has been repeatedly pointed out on this floor and that is adequate production. The OPA has thrown every obstacle in the way of production by its rules and regulations which have violated every rule of sound economics that might make for greater production.

I dare say that practically the entire population of 130,000,000 persons in this country would be against the extension of this act based upon their own experiences in attempting to purchase the food they require were it not for the propaganda that has gone out in the form of tons of printed pamphlets to mislead and deceive the public into believing that the OPA has prevented a skyrocketing increase in the price of foodstuffs and other necessities. I want to call attention to the fact that the OPA has had on its pay rolls on May 1 of this year 63,873 persons. The first appropriation which it requested was $4,500,000. It received in 1944, $171,500,000. This year, 1945, the OPA is asking for $192,000,000. This vast army is on the increase and the larger the army of agents to snoop into everybody's affairs the greater will be the cost in millions which the taxpayers will have to pay. We hear the OPA officials and their cohorts urging the extension of this act as essential to insure rapid reconversion. It might be well to see just what has happened to small business consisting of manufacturers, wholesalers, retailers, and service establishments under the OPA rules and regulations. The Bureau of Foreign and Domestic Commerce estimated that in the prewar year, 1941, there were more than 2,750,000 small business establishments in the United States, which constituted more than 90 percent of the total business concerns. And these 2,750,000 small-business establishments employed more than 8,350,000 workers. This number does not include agriculture, mining, forestry, fishing, transportation, communication, utilities, and the professions. I might add further that all of the concerns in operation in 1941 totaled 3,041,000. After the enactment of the OPA law in 1942 the number of business concerns in the United States numbered 3,071,300. The number of business concerns in 1943 had dropped to 2,833,900. In other words, you could say that there has been a mortality among business concerns amounting to 507,100 from 1941 to 1943, inclusive.

There is no doubt whatever that this destruction of private enterprise has been far more rapid during 1944, and under the domination of the OPA, if this act is extended, business mortality will be even more tragic than what our private-enterprise system has already suffered.

It must be remembered that behind each one of these destroyed or suspended small business concerns a pay roll is lost. The real purpose of reconversion is to create pay rolls to absorb the unemployed. Put as many business enterprises into production as possible, then an abundant supply of goods and foods will be available to meet the demand of the public and thus keep the price of foods and goods down. I would be willing to guarantee and to stake my reputation, such as it may be, on the prophecy that had the OPA carried out the law and permitted the cost of production, the black markets would have disappeared; the people would have had an adequate supply of the necessities of life, and without curtailing the essential needs of our Army and Navy, nor preventing our fulfilling our food commitments to the people of the liberated countries.

I am for price control, but I know that it cannot be brought about by hamstringing the producers whether in the factory or on the farm. There has been so many illustrations given of the iniquitous character and effects of the regulations formulated by the OPA that I do not need to furnish a bill of particulars. The people whom I have the honor to represent know that they are paying high prices for such food as they are able to obtain and that they are unable to procure meat and many other things they might have in abundance were it not for the bureaucratic tyranny imposed upon them. I know also that the farmers in my district find it difficult to plan when the OPA refuses to fix the ceiling price for the 1945 crops. The farmers have suffered from the hazards such as late snows, late frosts, continuous heavy rains, and, among other things, the huge draft of labor that has been made upon their farm labor. They cannot plan without knowing what price they are going to receive for their farm products such as grapes, apples, and peaches. They know that their crops are short. The OPA knows just as well now as they can possibly know later that there is a provision in the law with reference to fixing a maximum price with respect to fresh fruit or fresh vegetables as follows:

> Whenever a maximum price has been established, under this act or otherwise, with respect to any fresh fruit or any fresh vegetable, the Administrator from time to time shall adjust such maximum price in order to make appropriate allowances for substantial reductions in merchantable crop yields, unusual increases in costs of production, and other factors which result from hazards occurring in connection with the production and marketing of such commodity.

The Congress could have had no other purpose than to permit a price ceiling for a product that had suffered from any one of the hazards interfering with production. The hazard did not have to be country-wide, but only local in character, to warrant the OPA in lifting the price ceiling in the locality or the area where the hazard occurred. The law has been so badly administered and has caused such devastating consequences to the people that I cannot see any reason whatever for permitting more than 60,000 agents to torment, harass, and bedevil the producers and consumers of this country in utter defiance of the plain mandate of the land.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from North Dakota [Mr. ROBERTSON].

Mr. ROBERTSON of North Dakota. Mr. Chairman, this legislation should be amended to compel reorganization of OPA.

The question before us today is the extension of the Price Control Act under which the Office of Price Administration operates. It can well be said that the efforts of OPA are a noble experiment, noble in purpose, and no one can deny that in many respects it has worked to "hold the line" against inflation.

The errors of judgment of the past few months have produced a veritable revolution throughout the country. People are becoming alarmed as to the short-

age of various foods, particularly meats and butter, also sugar. The question of cotton and woolen fabrics for ordinary clothing purposes is becoming daily alarming. Whether this is entirely chargeable to the Office of Price Administration, or in part to the Office of War Food Administration, I do not propose to say here. At least it is our understanding that they work in close collaboration, including the War Production Board.

If these extreme shortages are justified beyond doubt, it is the duty of the Office of Price Administration to advise us of all the facts. If they occur as a result of errors of judgment, it is equally the duty of the Office of Price Administration to advise us of the facts. The people are demanding that Congress act. We are holding the bag.

This, under no stretch of imagination, should become a partisan question. All of us must serve in the capacity of patriots here, and ours is a solemn duty to attempt to hold the line against inflation. But the duty of the Office of Price Administration is no less solemn than is ours. There is every indication to me that there is need for a house cleaning of personnel in many places in this organization. Such errors as have occurred could not occur were men there with practical experience and with creditable business careers. There are in some instances men possessed of these qualities and my contact with them revealed to me beyond a doubt that they are making a great contribution to the cause, but there still linger on this staff men possessed of an ideal altogether un-American. Men who believe that it is their duty to chart a new course for American citizens to change the plan of American life. That the system so long in vogue has failed and that by some ingenious qualities they possess they can make for American citizens a better place in life. All regulations of OPA should be subject to the review of the courts.

This has been unfortunately one of the bad qualities of the New Deal in many of its branches. The resentment that is taking place today throughout the country against the edict of the Office of Price Administration is refreshing indeed because it indicates that the people of these United States of America will not yield to governmental regimentation, that they propose to cling steadfastly to the practices and the habits of the past. They want no regimentation. They are willing to face competition in its severest form and they believe that with open competition the best plan yet evolved will prevail.

It is the duty of the Office of Price Administration to attempt to hold the price line, but in doing this they need only to adhere to the language in the law under which was created and under which it operates. It is plain and understandable. We must never forget the fact that in America we live under a profit system.

There is nothing unworthy about this system except in cases where undue profits are taken. Certainly there was no disposition on the part of the War Department, when we were laying plans for war, to ignore the stimulus of the profit motive. It is for this reason that so many of our early contracts were placed on the cost-plus basis, and while it is true that this Congress at a later date felt obliged to pass legislation providing for a review and renegotiation against excessive profits, nevertheless the outstanding accomplishment in the production of war equipment is a great tribute to the profit system in these United States of America.

If it can be proven that things cannot be accomplished if profits have been removed by a so-called planned economy, then it becomes the simple duty of the Department to replace the profit system in order that it may stimulate men to go further to accomplish greater things. Regardless of character or size no business should be forced to quit.

It is reasonable to assume that if we are short of beef and pork and cotton and woolens, that some place along the line the rules are not working. Men are rebelling and as a result the population suffers. This is a human question in which we are all agreed that we must try to save our country from inflation, but it is likewise one in which we are all agreed that only the best and most practical minds can make it work. We should not hesitate to adopt amendments irrespective of the side from which they come, if they are offered in the spirit of helpfulness, with a sincere desire to make the Office of Price Administration work. If they are given with a desire to destroy the effectiveness, they should be rejected. Surely we can meet this situation on a common ground. Businesses that have operated successfully both for their owners and with a service to the public that has been approved for many years should not be disturbed by OPA only so far as price is concerned. The system should not be forced to change.

Mr. SPENCE. Mr. Chairman, I yield 13 minutes to the gentleman from Illinois [Mr. KELLY].

Mr. KELLY of Illinois. Mr. Chairman, a great deal has been said about the fine job done by the Office of Price Administration, by holding in line prices on consumer commodities, with which we all agree and give praise where praise is due. And after hearing many fine speeches of this type, one would think they were free from any charges of maladministration or of criticism. Criticism used for constructive thought is an essential factor in a democracy.

We are all familiar with some inequalities prevailing in the administration of the Price Control Act. While it has done a good job of holding in line certain price levels, it has failed in others.

I listened to the gentleman from Texas [Mr. PATMAN] yesterday, who made a fine statement, extending praise for the good job done by the Office of Price Administration, and I have a profound respect for his knowledge of same, and I believe all of us will agree.

He stated, however, that in 1944 there were less failures in business than any previous years, and we all recognize that fact, because over a given number of years the most failures in business are people who are engaged in new business, and we are all familiar with the facts that there were no new businesses established since 1942, because they could not be established unless they were connected with the war effort.

But he has not stated how many places of business were put out of business by the OPA, and I do not mean those that violated any portion of the act.

I have always supported price-control legislation, and I intend to support this bill, but if this agency is to be immune from criticism, based upon maladministration, I do not think all of the people, including ourselves, who have encountered the abuse that many citizens of America have been subjected to by those in authority not using common sense in the administration of the act are going to take this abuse sitting down.

I may state, from my own experience, that I tried numerous times to contact Mr. Bowles, personally, but was never accorded the privilege of talking to him.

I also contacted the local OPA director in the city of Chicago, Mr. Isbell, to call his attention to some of the inequities that I, myself, encountered, and after numerous attempts to make an appointment, by telephone, received no consideration, as he was always in a conference, no matter what time of the day I called. I then wrote him a letter, but never received any reply.

When the Price Control Act was passed by Congress, the citizens of this Nation were requested to assist the Government, through the OPA agency, in holding prices in line by reporting violations, but when a Member of Congress could not even have the privilege of reaching the proper authority, how could a citizen be heard?

I called Mr. Isbell's attention to inequities that were occurring in the large restaurants, with regard to the tremendously increased price of food in the hotels, and named one hotel that was, in my opinion, violating the OPA regulation, but I have never heard from him to this day, and I would not expect to hear from him because he represents the large restaurant men's association in the city of Chicago.

Therefore, people were driven from their homes to the restaurants, in order to get substantial food.

I think the American people are most charitable in extending aid and sharing their food products with the starving people of the world, but unless we start to take care of the American people, and, particularly, of our growing children, in giving them the proper food required for their bodies, the coming generation will suffer from malnutrition.

I think the OPA should wake up and that all agencies of this Government that are directly involved in the handling of food of all kinds should get men of ability and who have some conception of the problems involved.

One thing is certain. There is one cold, hard fact that must be faced: That is, black marketing cannot be controlled by price ceiling manipulation.

I have talked to many small packers, who say: "OPA controls force legitimate slaughterers to operate at a loss." Packers all over the country report that they are unable to purchase cattle at prices

less than OPA ceiling prices on live cattle. Of course, legitimate slaughterers are compelled to sell the dressed beef at OPA ceiling prices, and on all grades of cattle legitimate slaughterers are losing money. The losses being sustained by the slaughterers operating in the Chicago area may be illustrated as follows:

A Chicago slaughterer pays for a 1,000-pound AA cattle at ceiling prices $17 per hundred, or a total cost of $170 for the cattle. If he is nonprocessing slaughterer, he will eventually receive a subsidy payment of $2.80 a hundred or $28 on the cattle, reducing his net cost to $142. Present experience is that this cattle yields 60 percent dressed beef, or 600 pounds, which he sells at the ceiling price of 20½ cents per pound. He, therefore, obtains for the dressed beef $123, and in addition gets $17.50 for the "drop," giving him a total yield from the cattle of $140.50, or a net actual loss on the cattle, without figuring expenses, of $1.50. The average slaughterer's overhead costs approximate between 90 cents and $1 per hundred pounds. Figuring the average slaughterer's overhead at 94 cents per hundred, or $9.40 on this 1,000 pound cattle, and adding this $9.40 to the loss on the cattle itself of $1.50, makes the slaughterer's net loss on this 1,000-pound cattle at OPA ceiling prices $10.90 after taking all factors, including subsidy, into consideration.

Using a similar method of computation the same slaughterer has a loss of $10.75 on cattle grading A, a loss of $9.65 on cattle grading B, a loss of $7.75 on cattle grading C, and a loss of $5.52 on cutters and canners, and a loss of $5.20 on bulls.

In order to operate at a profit and still sell at OPA ceiling prices, a slaughterer would have to purchase AA cattle at approximately $15.50 per 100 pounds, A cattle at approximately $14.25 per 100 pounds, B cattle at approximately $11.50 per 100 pounds, C cattle at approximately $9.50 per 100 pounds, cutters and canners at approximately $6.75 per 100 pounds, and bulls at approximately $8.50 per 100 pounds. These prices are approximate in all cases and are computed on the basis of the slaughterer's reselling at OPA ceiling prices. In some instances, it would be possible for the slaughterer to pay up to 75 cents additional per 100 pounds and still operate at a profit, but in order to accomplish this, the cattle would have to dress out at the percentages indicated in the OPA regulations and the slaughterers' experience is that cattle is presently dressing out at somewhat less than the percentages indicated by the OPA regulations. If slaughterers are to continue to operate legitimately, it is quite apparent that either the OPA ceiling prices at which the slaughterer must sell must be raised or the subsidies to slaughterers must be increased.

But to increase prices would create further hardship upon the consuming public. The present price controls are obviously forcing meat into the black market, and that is the reason why when the workingman's wife goes to the butcher shop on Saturday afternoon, she finds the shop closed with a sign on it "Open on Tuesday." The workingman thus is unable to buy meat for home consumption, while the man with time on his hands and money in his pocket goes to a restaurant and pays from $3 to $5 for a meal with plenty of meat, and the restaurant operator selling at such prices does not have to worry too much about what he pays for the meat, and the whole system leads to black-market operations and inequitable distribution of the meat supply.

For the past several months the OPA in Chicago has been sending its investigators into meat markets throughout the city to make purchases and otherwise attempt to get evidence of violations. When the investigator makes his report, it is referred to one of a staff of attorneys and a form notice is sent to the retailer to come into the OPA office for an interview at a time stated in the notice. When the retailer arrives, he finds himself huddled up with a lot of other retailers in the same fix, and despite the time indicated in his notice, he has to wait for his turn to be interviewed.

He is then interviewed, usually by a woman attorney who has had neither experience in the meat business, nor much, if any, experience in the actual practice of law. He is immediately informed that he has violated the price regulations and given to understand that the processes of the law are about to be brought down on his head. He is told, however, that if he will pay an amount stated, usually $50, even though the alleged violation might have been a matter of a few cents, plus about $23.50 in court costs, and sign a stipulation for the issuance of an injunction, the matter will be taken care of without him coming to court.

Scores of butchers not fully understanding their rights and being unfamiliar with the consequences of operating under an injunction, and being in fear of what will happen to them if they do not go along with the suggested program, have signed these stipulations and paid the $50 plus the $23.50 in costs. When they do this, a suit is eventually prepared and filed in court, the appearance and consent of the defendant to the issuance of the injunction filed, and the injunction issued. The OPA then has the retailer in the position of having consented to an injunction, and if he violates the regulations in any respect in the future, he can be subject to summary punishment for the violation of the injunction and might even find himself incarcerated in the county jail for contempt of court.

None of these features are explained to the retailer when it is suggested to him that he consent to the injunction and, of course, it is not suggested to him that he seek counsel and be advised of his rights. The Chicago office of the OPA is merely trying to make a record without regard to the consequences affecting the retailer.

Over 200 suits have been filed in which this procedure has been followed and scores of other retailers have been threatened and are being threatened daily with similar suits.

Another agency of the Government is the War Food Administration.

Under War Food Act No. 1, which was solely under the supervision of the OPA, it messed up the whole marketing situation, and it was so messed up that the Honorable Marvin Jones, a former Member of this House and a man who understood the cattle situation, was called on to clear up this mess.

Under his leadership, War Food Act No. 2 was created. He, with his fine wisdom and knowledge, that all of us know and appreciate, cleared up much of this mess, and cases of inequities were rectified, where specific cases were brought to his attention.

Under the set-up of the War Food Administration, the armed forces entered into agreements with the slaughterers, originally on the basis that for every five cattle slaughtered three would go to the armed forces and two would go to domestic markets.

The inspectors making the selections of these carcasses, hanging in the coolers, would only take what they deemed grade A–1 meat and in many cases, out of 100 carcasses, would only select 10 or 20, therefore leaving the balance to the descretion of the slaughterer. Their knowledge of prime beef differed from the slaughterer's and left him holding the bag. What was he to do with the 90 or 80 carcasses of beef? Destroy it, by sending it to the rendering vats, or sell it in the domestic markets? And, naturally, he had to sell it in the domestic market in order to keep himself in business, and in doing so, he became a violator of the War Food Act No. 1 and the OPA Act.

Reports were filed with both agencies that he failed to live up to his agreement with the armed forces, yet it was not his fault, because in purchasing cattle the little fellow has to take what is left of the run to market of beef on the hoof, and because he was honest in his purchase of live cattle, in his mind, at least, believing he was purchasing grade A steers. Those who made the inspection after the slaughter, held they were not, and, therefore, he became a violator of an agreement between the armed forces and himself.

He was punished by a suspension of his license and put out of business, while the armed forces and civilians were crying for meat. Criminal information was filed against him to further embarrass his reputation and that of his family.

Then the Defense Supplies Corporation stepped in and demanded that reimbusements be made of the subsidies they received, which put many reputable slaughterers, after many years of hard toil, out of business.

Under an order in 1944 licenses were issued to all packers, or any meat distributor who called himself a packer—and in many cases small packers never slaughtered anything, but they had to have the license nevertheless.

Under the recommendation of the War Food Administration to the Defense Supplies Corporation, under the innocent violations of these small packers, subsidies were disallowed and, in the set-aside order, many were compelled to set aside more than others, which, naturally, took away local markets from these small operators and will put them out of busi-

ness in normal times, for the big packers have been helped by this Government, crushing the little packer by allowing them to supply these local markets.

There are cases before the Defense Supplies Corporation that are denied subsidies and there are others, although they have been fined for violations in court, had their subsidies paid them, together with the amount withheld. You figure that out.

I hope that the President of the United States cleans out some of the incompetent people who are making the public live in a government by injunction.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. AUCHINCLOSS].

Mr. AUCHINCLOSS. Mr. Chairman, I am in favor of the continuation of the OPA Act because I believe it is necessary to carry on with the machinery of price control and regulation. Everything must be done to curb the devastating effects of inflation and the destruction of all values that inevitably follow in its wake. The best and only way to control inflation is by greater production, and everything should be done to stimulate the manufacture of civilian goods as long as it does not interfere with our war effort. The some holds true of food. The present food crisis presumably would not be upon us, it certainly would not be so acute, if the economy of scarcity had not been so ardently preached and practiced in recent years. Tinkering with the inexorable laws of nature can bring only chaos.

So, while I am in favor of the continuation of the OPA for a reasonable period of time, I am at the same time in favor of greater intelligence, greater human understanding, greater plain, common sense being exhibited in its administration. Stupidity and obstinacy have been the great drawbacks in the execution of the functions of this organization and any number of amendments to the bill before the House cannot correct that deficiency. As a matter of fact, in my judgment, the OPA Act could be continued as it is at present if there was the slightest assurance that it would be administered with common sense and some show of confidence in the patriotic honestly of the American people. The mess of black markets is a national scandal, and this curse can never be corrected by more regulations and more policemen.

To illustrate what I have in mind, I want to tell you a little of history which is probably unknown to many of you. About a year or 18 months ago the Fish Committee of the Republican Congressional Food Study Committee met with a group of party boat fishermen who came to Washington from New Jersey, New York, and Virginia—Mr. BLAND of Virginia, and Mr. PETERSON of Florida were among those present—to discuss securing additional gasoline so they could carry on their trade and produce food fish for the American dinner table. These men submitted data which showed that in Cape May County, N. J., in the year 1941, there were 162 party fishing boats with a capacity of 4,271 people which carried 170,000 passengers during the season. These boats brought in 6,050,000 pounds of food fish and every one of these fish was used for food. The people took them home, gave them away or sold them in the open market, nothing was wasted—nothing was thrown away. Although the OPA representative was present at that meeting and heard this story and although a black market in gasoline was flourishing then, indicating that there was plenty of gasoline, the additional gasoline was allotted at that time to Victory gardeners to raise food which would take from 3 weeks to 2 months to produce while no encouragement was given to those who could secure good protein food which was swimming around in the ocean waiting to be caught. It did not make sense. The OPA did nothing to encourage the production of food so badly needed.

Then again this year on April 27 and 28 last, the Fish Subcommittee of the Republican Food Study Committee held meetings at Atlantic City and Toms River, N. J., on the same subject. Each of these meetings was attended by about 70 party boat fishermen who were unable to continue their business because they were allowed only 125 gallons of gasoline for 3 months. Their testimony revealed that a really enormous amount of food could be produced by them if the OPA would give their pleas for additional gas more serious consideration. On the facts and figures submitted, it was pointed out that 50 pounds of food fish were produced on half a gallon of motor fuel and that the entire catch of the 471 boats operating along the New Jersey coast during the season would run into impressive figures—estimated to be about 20,000,000 pounds of food fish. Add this to the catch of the party boatmen working off the Virginia, Florida, New York and Maine coasts, not to mention the Gulf and Pacific coasts and the Great Lakes, a great deal of food fish would be made available for the hungry citizens of this country.

On the committee's return to Washington it addressed a letter to Mr. Bowles, Administrator of the OPA, dated May 16, calling this state of affairs to his attention and offering to meet with him or his representatives to discuss the matter. We waited over 2 weeks and not hearing a word from him, I telephoned Mr. James G. Rogers, who, I believe, is Mr. Bowles' assistant, and asked what they were going to do about it. The next day, June 5, we met with Mr. Youngblood of the OPA and he stated it was the first he had heard of the matter. Such is the efficiency of the OPA.

On June 20 the OPA released a ruling revising the formula for gas for party boatmen which ought to relieve the situation considerably. This time, thanks to our efforts, the OPA is not too late but to complete the fantastic handling of this matter, I received a letter yesterday, dated June 18, acknowledging our letter to Mr. Bowles of May 16, and the letter is unsigned. Such messy muddling and inattention is to be condemned—it is a disgrace to Government service.

So, while I believe we must endure this Government agency for a while longer, I wish the Chief Executive would bring about a good house cleaning and throw out the incompetents, replacing them with people who are not interested in making over our American way of life and who have had some real experience and common sense in the management of large affairs.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, perhaps nothing so completely shows the inefficiency and bungling by the whole bureaucracy that is engaged in controlling the production and rationing of food as the existent shortage of beef and pork.

In 1918, with a population of roundly 103,000,000, the total number of cattle on the farms in the United States was 73,040,000.

On January 1, 1945, with a population of roundly 134,000,000, the total number of cattle on all farms in the United States was 81,760,000.

So that the increase in the number of cattle on all farms in 1945 over that of 1918 is about 11 percent, while the population has increased about 30 percent.

There were actually fewer hogs on all farms on January 1, 1945, than in 1918.

These are the facts, notwithstanding the greatly increased facilities for farming now as compared with 1918.

Yet OPA and other Government agencies continue to boast that they have caused a phenomenal increase in the production of food.

The bare truth is that if none of the bureaucratic controls of farming had been instituted we would in all likelihood have much more food than now exists. The meat situation should be conclusive evidence of this.

The public is fully justified in the severe criticism it is now leveling against OPA and Congress for the grave meat shortage that prevails. Personally, I would lay the entire blame for the mess the OPA has made of things upon Congress, for, after all, OPA is but a creature of this body.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. BUFFETT. Does not the gentleman feel that one of the most disappointing and discouraging aspects of this whole problem has been the willingness of OPA to present to Congress and to the people carefully selected statistics to prove their point without regard to presenting a cross-section of the general picture that would accurately reflect the problem and the situation that we are up against.

Mr. SMITH of Ohio. The gentleman means synthetic statistics? Yes; that is correct.

Mr. BUFFETT. That is a good characterization.

Mr. SMITH of Ohio. That is correct.

The meat situation alone should be a warning to the country of what may be in store for it in the future. If actual starvation does not in time intervene it surely will not be the fault of the Federal bureaucracy.

I have heard the statement made several times in connection with this debate

that the only real way to prevent price inflation is to increase production. Only by offsetting the great increase in currency and bank deposits with increased production is it possible to avert price inflation, so the argument runs.

Standing by itself this is the grossest fallacy. The only true preventative of price inflation is to avoid the creation of fiat currency and bank credit. This is so clearly written into history that it would seem to require no special mentioning.

We have in the United States at present well in excess of $100,000,000,000 of fiat currency and bank money, and almost daily we add more such fiat to the existing stock. Here is the real threat of price inflation.

Of course, we must finance the war, which will compel us to increase still further the volume of fiat and consequently the forces of inflation, also. But this Congress could, if it would, do something to limit the amount of fiat to be produced in the future and thus correspondingly limit the dangers of price inflation. It could do this by cutting to the bone all really needed Government costs, and eliminating altogether unnecessary ones. The Congress is woefully neglectful of this most important problem.

Mr. PATMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. SAVAGE].

Mr. SAVAGE. Mr. Chairman, I have seen something that has not been discussed yet in the House in connection with this bill. I was in Europe last month, and I saw what the real effect of price control could be. In England, for instance, where they have a very rigid price and rationing control, they have a small amount of food, but it is well divided. You cannot even stay in the hotel or eat at a restaurant more than 3 days without producing your ration book. They have avoided some of the leaks because they have been more strict in some instances than we have. But over in France you may see what we could have in America if we did not have price control and rationing. They are short of food there, as they are in England, yet there is no price control.

I would like to give you three or four examples of prices. I heard there was inflation in France, and I think many of us have, but it is hard to conceive. It passes over without realizing just what the inflation really is. In the first place, there is very little men's clothing, but I can give you some prices on women's clothing in France. There is one item of men's clothing that I can give. A wool sweater sells for $90. That was the regular price of a wool sweater in France on May 15. A woman's ordinary blouse runs from $50 to $70. A woman's ordinary nightgown sells for $86.14. Those are the prices in France. I have some others that I will not bother to quote at this time.

There are some fur coats over there but they run into the thousands of dollars. It is difficult for people to believe those prices unless they see them first hand. If we had to fight a war and pay the prices that they have in France for materials our debt, instead of being $300,000,000,000 before the end of the war, would be $1,000,000,000,000. A Ford truck, for instance, sells for from $5,000 to $7,000. That is for an ordinary little Ford truck. Our armed services use thousands of trucks.

Mr. Chairman, I have heard some very wonderful speeches made on the floor by Members who support and give excellent reasons for the existence of OPA, and I want to congratulate the gentlemen for the very fine presentations they have made. Those men and women are the patriots of this war. Many of them who made these fine speeches on the floor at this time were Members when the bill was first enacted into law and every time it has been renewed they have taken the position that they were going to do the thing that was best for the country. However, they were able to sell the idea to the people of their districts and, in my opinion, the people in their districts get along better and have a better time under OPA, and the whole thing operates more smoothly than in some other districts where certain people are sniping OPA all the time, trying to stir up trouble and getting the local people to stir up trouble. It would have been much easier for those patriots to have taken a different position in order to win political favor. They might have taken the position: "Let us destroy this because it restricts your privileges." But they have done the thing they knew was good for the people and I am proud to be associated with those Members of Congress who have taken such a fine position when it was so badly needed.

It is absurd to say that the OPA causes shortages, without giving specific examples. Occasionally that will happen, but it very often happens due to the individual that is being controlled. I am convinced that with all the cattle we have in the feeding yards now, they are holding cattle, waiting and hoping to see the OPA Act killed immediately or the term shortened to the point where they can hold their cattle and sell later at a higher price. If this act is extended for a year more I think they will have to loosen up because they cannot hold their beef for a year waiting for a higher price.

The OPA, as I stated before, does not cause shortages. It did not cause the war. It has been brought into existence to help win the war. Let us take sugar for an example. We have a shortage of sugar, but it was not the OPA that caused the drought in the Caribbean area last year and this year, depriving us of over a million tons of sugar and it may deprive us this year of another million and a quarter tons of sugar. It was not the fault of the OPA that we lost the sugar that we used to get from the Philippine Islands, over a million tons a year that we do not get now. Those are shortages that have to be made up. We have lost some of our beet-sugar production on account of a shortage of labor. Beets require a lot of labor to grow, consequently the farmers with less help have gone into the growing of other commodities that take somewhat less labor. I think we are fortunate that we have been able to supply our home front as well as we have with the great amount of sugar that is used in explosives and in alcohol, synthetic rubber, and so forth.

The administrators of this law can change certain regulations without the law being changed. The implication has been given in debate that if we do not change it here we have to go on with every regulation as it is. But the administration has the authority to change the regulations as experience shows they can be changed for betterment and they have the authority to amend and improve the regulations, which we know they will do.

They cannot do a perfect job of administration unless they deal with perfect people. If the 140,000,000 of the United States were perfect it would be easy to do a perfect job of administration, but there are leaks, there are individuals who will take advantage of every opportunity to make money and so forth and no one can do a perfect job of administration as long as we have so many individuals who can think of so many different angles from which to make money.

Grant it that small concerns have gone out of business. I know of many small businesses that have gone out where the owner went into a war industry or he closed up shop and went to war; so it was not the OPA that threw out all the small businesses.

The gentleman from Indiana brought politics into the picture and said that the Republicans had been trying to throw this out or amend it for a long time. It is not really a political matter. It should not be. I think it is a war program and we should all be supporting it and we should support it wholeheartedly and subsequent to the war, if that is necessary. Let us not kick about it and object, but let us go forward and make it operate. All the people have to cooperate to make it operate efficiently. If politics must be brought into it, certainly we can say that the voters had it brought to their attention last fall, and they were not convinced that the Democrats could not administer this law as well as the Republicans, and they returned those to office who had administered it with confidence and they knew themselves that this should be continued. I have a great many letters supporting this legislation and asking for its extension and I am surprised to find that most of the letters came from women, women who do the buying, who appreciate what price control has done for the home economy. They want it continued. I congratulate those people throughout the country that have been writing to their Congressman and telling them to continue this important legislation.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. MARTIN].

OPA BUNGLING

Mr. MARTIN of Massachusetts. Mr. Chairman, the Committee on Banking and Currency in its report urging the continuance of the OPA, says all criticism can well be satisfied within the framework of the present laws. This statement clearly establishes the responsibility of all the confusion, chaos, and

distress. If the law is all right as the Democratic-dominated committee declares, then the people have no alternative but to place the blame squarely upon those who are administering the law.

The committee confirms the allegations that bungling and inefficiency have brought the American people an acute shortage of food and to the brink of want.

The OPA, with its vast army of employees, easily submits statistics and tables about ceiling prices. The American people are learning you cannot eat either statistics or ceiling prices. These are poor substitutes for meat and sugar.

The public relations experts of OPA have often called our attention to the privations endured by other countries. They have compared the rationed allotments here with some of those of our allies. Let me point out a fact that the women of America have discovered. In England the rations are smaller but the people get them. Over here we get OPA points, but not necessarily the food. Paper coupons are not recommended as a diet either for infants or adults. Many of our people are finding this out, and when our food diet is compared to that in effect in Canada, there is no occasion to cheer the OPA.

If the law is all right, then I have a right to demand that we put into its administration men who are practical enough to make it work.

In case there is any doubt about the efficiency of the present administration, let me recite a few well-known facts.

Right from the very beginning this agency has been run by crack-pot theorists, and I am not referring to the head man. You cannot feed people on theories and paper points. Nature—and not political experimenters—produces food.

The meat shortage has been placed right on the door step of this agency and has been called one of the outstandingly disgraceful failures of this war. The OPA says there is no food shortage; they say there is only an increase in demand. What a silly and preposterous fraud that statement is. Who cares what it is called? The fact remains that when a housewife goes to a butcher shop to buy meat, there is no meat. The situation is such that instances have been reported of people tipping to get a place in line for the privilege of buying the little meat available. If the OPA public relations prefer, I will say that there is no shortage. There just is not meat for all.

Wives who must feed their husbands, mothers who must feed their growing children want to know why. They will not be put off by trick arguments. I say that the OPA is responsible for this condition and they cannot dodge it with catchy comebacks. They did it.

Everybody knows by now that the OPA pricing policies on feed and livestock have stopped the flow of beef and hogs from the feeder lots and pens to the butcher shops.

The OPA says there is plenty of beef on the hoof. It is futile to talk about meat on the hoof. It is meat in the stomach that counts.

If there is plenty of meat, as the OPA says, where is it?

It is on the hoof. While families all over the United States are deprived of meat, cattlemen in the West are worried about an excess of 10,000,000 head on the hoof. These cattle should have been fattened and slaughtered and sent to the butcher shops. The trouble is that the OPA tried to set aside the laws of nature, the laws of supply and demand, and substitute illusory reform theories. We needed and still need intelligent price control, but OPA gave us price paralysis. Price does not propagate cattle but certainly moves them to market.

But it isn't meat alone. Take the handling of the blue and red points. Late last summer and early fall the OPA promised to release the rigors of rationing. I might, in passing, remark that an election was in prospect at that time.

Then the OPA announced that blue and red points would be good indefinitely. Many people saved their points—saved them, in many cases, so they might buy extra delicacies and meat for their men in the service, when they came home. Suddenly, without any warning, the OPA announced around Christmas time that these accumulated points were to be rescinded.

This bald and shameless reversal in a matter concerning the necessities of life did more to undermine faith in this Government than any other act in recent years.

Governments cannot wantonly play with the lives of citizens. The American people do not live at the mercy of some visionary bureaucrat. They do not depend for their existence upon his whim or fancy. They have voluntarily subjected themselves to controls which will enable the military leaders of this Nation to win the war. They will continue to give full support and make every necessary sacrifice to win the Pacific war, but they have a right to insist their government gives them a square deal.

I certainly am not opposed to wartime rationing. Rationing and price controls are necessary in wartime, but to be effective they must be administered with the cooperation of the public. If we continue to allow these crack-pot experimenters to bungle the job, the whole purpose of rationing and price control may be defeated in a wave of public indignation.

For example, houeswives are complaining bitterly all over the country about the sugar shortage. We lack sugar now because last year the OPA blithely permitted the people to use canning sugar for any purpose. Naturally, the people took the sugar. Many of them did not use it for canning. They had no idea they were using up reserves of sugar that could not be replaced. They had no way of knowing. The OPA did not tell them. So now the War Food Administration is urging everybody to do an extra amount of canning this summer and housewives cannot get the sugar to do it.

How can we expect the people to believe that what the OPA says today will be true tomorrow?

See how they have handled red points. They lumped together butter, condensed milk, oils, fats, and cheese altogether with meat. This is a fine system for those in the OPA who would confuse the public, but where does this leave the housewife? She must struggle in a sea of uncertainty.

Everybody is familiar with the tremendous confusion under which the rationing of individuals has been conducted. Everybody is familiar with the harassments and the problems of local rationing boards—powerless as they have been to conform with all the red tape and the countless changes issued from Washington. Everybody knows what great injustices have been perpetrated by this bungling policy in the cases of the aged, the infirm, the urgently sick, and in the emergencies which will arise in normal life both with children and adults.

Basically the men in the OPA seemed to have no other idea but to increase their own personal powers regardless of the consequences to the public. They always reach out for more, just as they would have rationed clothing, if Donald Nelson of the WPB had not blocked it by public statement that rationing of clothing was unnecessary.

Yet as they reach out for more and more power, the controls which they exercise become more and more confused. They issue hundreds and hundreds of lengthy and confused regulations which confound the small businessmen of America. These small businessmen are forced to file inventory reports, and price reports, and dozens of other complicated reports. They do not have the staff to handle all this bookkeeping with the result that small business owners devote most of their time to reports and little to their businesses.

Price controls are set up in a manner so badly coordinated that prices within the same industry may be set by different units of OPA, none of which know what the other units are doing. The result is that price ceilings on some products allow a profit for the manufacturer. The price ceilings on others made by this same manufacturer are so low that he cannot afford to produce them.

The public suffers from this confusion. Storekeepers serve their customers. If they must devote most of their time to red tape, they cannot run their businesses in the best interests of those customers. Manufacturers make products for the people to use. If the manufacturers cannot afford to make these products, the people cannot get them.

I have no intention of reciting case after case after case of mismanagement, bungling, and confusion which have so consistently characterized this agency from the moment it began. I will say this, however, the situation has gone far enough. Congress has permitted this agency a free hand in the adoption of its regulations. The OPA—and not Congress—has been responsible for the details of regulations. We have given it every opportunity to order its affairs and to create a stable and sane method of operation which would guarantee to our

people at least a minimum of the necessities of life. If the agency will not function the right way the people do expect Congress to provide sensible directions. We know our men on the battle fronts have faced far greater privations than we can ever imagine here at home. We are not idly complaining about minor discomforts of war. We are not softening on the home front. No sacrifice is too great and every sacrifice will be willingly made, but let us not overlook our responsibilities to coming generations. There are small children in these United States who must grow to manhood and womanhood in health and vigor. It takes food—and nutritious food—for these growing children. It is time that we in this Congress took the proper steps to insure the fact that the children of America—for whom our servicemen now fight—are properly fed.

Mr. BROWN of Georgia. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. STEWART].

Mr. STEWART. Mr. Chairman, first I want to say I believe that price control is necessary, but I think in view of present-day conditions Congress should take the responsibility and see that justice and equity prevail.

I have some first-hand experience which was not taken from statistics. Neither was it acquired from the committee which deals with the meat control in the OPA as to the cattle business.

Last fall when I sold my small calves I kept an average calf out to feed 150 days. I sold them for $42 a head. This calf was put on feed immediately for 150 days. He ate $118 worth of feed; or 78 cents a day. This did not include the labor in the cost of feeding him and the attention he received otherwise. But when he was rounded out I could have sold him at a ceiling price of $144. Taking the $42 I could have sold him for and the $118 feed bill makes $160. Therefore, there was a loss of $16, with added transportation to Oklahoma City stockyards plus the livestock commission merchant's commission for handling. That would have been the loss on feeding out this calf on protein feed.

Take the loss on protein feeds in rounding out the best beef and compare it with processed feed that has no ceiling price. You can see why the farmer of America has failed to round out beef for the American table. He cannot stand the loss.

The group that figures ceilings on meat and ceilings on feed should get together.

To add confusion to existing conditions, recently I am told the OPA canceled 26,000 slaughtering permits.

I live in an agricultural county, where cattle go to the market every day by the truckload. During my last week there, there was only one day when there was any meat on any of the meat counters or butcher shops or markets, when we were sending possibly 25 to 50 head to the market for every head that we consumed.

Just how long the public will put up with such regulations without open defiance is not known, but there is an end to such abuses. If this had happened in an industrial plant, there would have been a strike, but the farmer has no way of striking. Usually he has a mortgage to pay; and if he does not go to market in season, the man who holds the lien forecloses. I am going to support an amendment that will guarantee a profit to the producer. I do not believe Congress should bypass taking the responsibility of guaranteeing a profit to the producer when OPA has miserably failed; yet we cannot let things go wild. We must have price control. But we should sit down here as we would operate our own private business and work out a system whereby we could guarantee the same profit to the producer and the farmer as we guarantee to everyone else. The Government thinks it is good business that the utilities receive a reasonable return upon their investment; organized labor sees to it, themselves, that they receive a reasonable return upon their labor. Agriculture is an entirely different problem when it comes to the statisticians and the actuaries in OPA and certain other groups here in Washington.

Too much time is lost by the average person in buying the necessities of life. If OPA would use some of the time it spends piling up rules and regulations to doing a little simplification whereby there could be proper distribution of that which each one of us has coming to us, we would save millions of hours of valuable time which is now spent standing in line only to be disappointed in the end.

A system should be devised whereby every individual receives what he is allotted whether he uses it in his home or in a restaurant, or wherever it may be. It should be regulated in this respect, but as we go down the line, we find they have regulated just such things as apparently suit their fancy.

What we need is to get rid of the ideology that gave birth to OPA—I mean the first head of OPA—and get some two-fisted businessmen in who have some practical sense who are not hobbled and hog-tied by a bunch of—whatever you call them—a little group of professors from Harvard who tell the heads of the OPA organizations what they have to do. I will not let you name them, since they have so many appellations I cannot keep up with them.

For 78 days I have been absent from Congress. I went home on the 28th of March, during the Easter recess. On the 12th of April my town was blown away by a tornado and I did not return until last Sunday; so I am fresh from the arms of the people. Not only does the businessman have a grievance, but every individual you meet on the street and on the roadside has a common complaint. They are all fed up with the cancellation of all the local slaughterers' licenses which compels them to send their cattle to market and pay transportation to market on them and a commission to the livestock merchant, the Government having to pay a subsidy, and then the consumer having to pay transportation back home to get their own meat to eat. Why crowd transportation on our highly congested facilities throughout the Nation?

Mr. SCHWABE of Oklahoma. And getting no meat.

Mr. STEWART. And then getting no meat.

A law is no stronger than the police power to enforce it. The OPA should have an organization with the money they spend in each county sufficient to check a slaughtering plant in short order without any extra appropriation from Congress. It is simple to the average citizen. But, no, Washington speaks; then you have to go through the State and purify and cleanse some previously bad records which some fellow has made in another State and the entire burden is to put on all the people. Of course, I am going to vote for the amendments to guarantee a profit to the producers. We are willing to divide our livestock, hogs and cattle, with the rest of the United States of America, but we should be treated right. We want to be brought in the same category of justice that big business and organized labor of America enjoy. We are going to vote for any sensible amendments which are proposed, such as the Thomas amendment which was presented in the Senate. I am for guaranteeing cost of production to the farmers of America, which, in my opinion, will cost less than the subsidy to the packers we now pay.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Chairman, full production is the major weapon for controlling inflation. The program of the administration to limit and control production has never worked, and in my judgment will never work. The law of supply and demand cannot be supplanted by the rules and regulations of an arbitrary OPA. If the supply is limited, the demand simply increases and as a result the black market flourishes.

Most everyone agrees that price control is necessary during the war emergency. The intent of the original law was that there might be a fair and equitable distribution of civilian commodities. However, we have all learned to our sorrow that often the regulations under which OPA has been operating are unfair and poorly administered and that a fair distribution of commodities is not always being made.

For instance, it has been well established by testimony before the House Food Investigating Committee that the regulations on meat have not been fairly and equitably written and also that the enforcement and administration of the regulations have not been equitable or impartial in practical application.

Practically all of the criticism of OPA has been against the administration of its regulations and the failure of those in authority to listen to sound advice and suggestions from consultant groups of producers and processors. People in business throughout the country have cooperated wholeheartedly with OPA. They feel that the fundamental theories upon which the Price Control Act are based are sound and they realize that it is for the best interests of the country that the act be extended until the war emergency ends. They do, however, plead for the elimination of the aggravating, silly, and stupid things which are done in administering the act. Certainly

they cannot be criticized for asking for common-sense administration.

Many suggestions for the improvement in the administration of the Price Control Act have been made during the course of this debate. It is hoped that Chester Bowles and his assistants will lend an attentive ear and that the many abuses pointed out in the administration of the act will be remedied without delay. The people of the country are patriotic and are cooperating in every way to end the war. They will wholeheartedly obey any law which is fairly administered, and this is particularly true as far as the Price Control Act is concerned. They can be led but cannot be driven. If the Price Control Act is to bring about the results which it was intended it should do, it will have to be administered in such a way as to gain the confidence and support of the people. The criticism of the law which is prevalent throughout the country today is not the fault of the law itself but of the way in which it has been administered.

Mr. WOLCOTT. Mr. Chairman, I yield 20 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, this is not a partisan issue. It is an American issue. We are dealing here with an octopus whose tentacles reach into the very heart of the people in every part of the Nation. We are dealing with an octopus that has no conscience, and whose prey has been millions, with an octopus that has been guilty of every conceivable omission and commission.

Mr. Chairman, I am for the Senate resolution with Barkley and Wherry amendments. If the Senate resolution is substituted for the House resolution, then the small processor will be able to remain in business under the Barkley amendment, and the farmer will get cost of production under the Wherry amendment. No honest person wants the processors of livestock to do business at less than cost. No honest person wants to eat that which the farmer produces for less than cost.

Few Members of Congress know the hardships through which the farmers have gone. Their sons, and other irreplaceable and essential help have been drafted into the armed forces. Old men and women, as well as children in the teen years, have to work from 14 to 18 hours a day to feed our Nation and our armies. In addition, they help feed the civilians and armies of the United Nations.

There is no 48-hour week on the farm. It is a 14- to 18-hour day. Children, who it would be unlawful to permit to work in cities under the child labor laws, are working in the fields to keep the Nation's food supply lines going. This without sufficient farm implements and equipment, and without sufficient wearing apparel—denied to them, but allotted by the OPA and other alphabetical set-ups to foreign civilians.

These old men and women, and these children, have done a remarkable job. They are entitled to the everlasting gratitude of our Nation. Surely under these conditions, we, who know the facts, should be willing from now on to give them the Wherry amendment—cost of production.

How much longer will the farmer be discriminated against? Let us discuss the much misrepresented Senator Wherry amendment to the OPA. This amendment in language is similar to Senator BARKLEY'S amendment. The Barkley amendment provides a profit for the processing industry. The Wherry amendment gives to the farmer that which the Barkley amendment gives to the processor.

Just why we should be so forgetful of the farmer and so solicitous of the processor I cannot understand. I am for both amendments, together they do justice to the processor and the producer. The Wherry amendment reads:

> It shall be unlawful to establish or maintain against the producers of any livestock, grain, or any other agricultural commodity a maximum price for such commodity which does not equal all cost and expenses (including all overhead expenses, a return on capital, and an allowance for the labor of the producer and his family) incurred in the production of such commodity, plus a reasonable profit thereon.

The Barkley amendment reads:

> *Provided further,* That on and after the day of the enactment of this proviso, no maximum prices shall be established or maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species.

While nothing has been said against the Barkley amendment, a howl has gone up that the Wherry amendment is unworkable. If that is true, then the Barkley amendment is also unworkable. The statements made that under the Wherry amendment you would have to find the cost of production of every individual farm and every farm product are inaccurate and false. The amendment says "of such commodity."

A commodity means not individual units of a product, such as cattle, sheep, hogs, apples, or grain. It means these individual items taken together as a whole. All the apples together are a commodity. All the cattle taken together are a commodity. All the hogs taken together are a commodity, and so forth.

Let us consider the cost of production of beef. Under the Wherry amendment the farmer would get for choice and prime finished beef steers $22.61 per hundred pounds, for veal calves $19.20, for lambs $22, hogs $22.25, milk $5, and so forth. There is nothing confusing about this. That does not mean a different price for individual farms or individual steers. It means cost plus a reasonable profit on cattle as a whole. A choice steer is a choice steer in Texas, North Dakota, or Ohio. The price is the same, plus freight differentials.

The same is true of processors under the Barkley amendment. But no one contends under that amendment that you would have to make a different price for every processor. Therefore, only those who are misinformed will contend that it is necessary under the Wherry amendment.

The Wherry amendment does not affect at all products that are now selling for cost of production. It affects only those that fall below. Why not meet the issue honestly and say that you are against the farmer getting what it costs him to feed you? Then add that, for some strange reason, you are trying to wreck the Nation's food supply and bring about chaos.

Ninety percent of the farmers of this Nation want the Wherry amendment. While the heads of two farm organizations are opposed to the Wherry amendment, they do not necessarily represent the membership of their organizations. That is their personal opposition. On the other hand, the heads of other farm organizations are for the amendment.

A few of these are the Ohio Marketing Quota Protest Association with some 20,000 members, the Farmers Guild with membership in a number of States, the United Farmers of Illinois, and the United Dairymen.

It is equally untrue to say that the heads of all labor organizations are against this amendment. The United Railway Brotherhood's paper Labor says:

> The Shipstead-Wherry proposal, as has been stated, gives farmers something politicians have long been promising but never delivered.

The United Mine Workers, District No. 50, have gone on record favoring cost of production for the farmer.

Let us keep the record straight. Honest and intelligent laboring men and women do not wish to consume the farmer's products for less than it cost him to produce. Honest and intelligent business and professional men and women do not wish to have the farmer feed them for less than cost.

The Senate resolution, if it is substituted for the House resolution, will save the OPA from many headaches. It will again restore to the OPA confidence and respectability.

We are talking today about a system of government—government by bureaucracy. I am not interested in individuals. I shall not criticize persons, but institutions. Scores of bureaucratic institutions that have been brought into existence in the name of war, but that do not assist in the war effort, but hinder it. Government by bureaucracy must be abolished if our Republic is to survive.

Today the question is: Should the OPA be continued without change? My answer is that it never should have been created. It is an un-American, illegitimate child. It was born of foreign parentage. It was adopted by an official clique here in Washington that thinks more of foreign institutions than of our own. It is only one of scores of alphabetical set-ups of foreign origin. It is incompatible with our American way of life.

Let us become realistic and deal with the situation as we find it. Of course, we should never have created this octopus—the OPA—that is sucking the lifeblood

out of our liberty. In place of it, Congress should have fixed a ceiling and a floor on all commodities on the day that war was declared. It should then have appointed a committee to make adjustments where it was necessary. But since Congress failed to do that, let us now pass the Senate resolution. Let us protect the Nation's food supply that has been all but wrecked by the OPA and other alphabetical set-ups.

Let us stop the growth of this octopus. The first appropriation in 1942 for the OPA was four and a half million dollars. By May 1944 there were 63,873 employees on the OPA pay roll. In that year it spent $171,500,000. It is now asking $192,000,000 for 1945. It has used some of these funds illegally.

It has printed self-serving books and pamphlets and distributed them to Members of Congress to influence their vote. It has distributed them to the people of this Nation in order to fool them. I challenge the accuracy of a great majority of the statements made in those books and pamphlets. It is a deliberate attempt to fool the people and make them believe that the OPA is not only necessary but essential.

I feel that Congress should put a stop to this false propaganda and make it a felony for any bureau to put out self-serving, false statements with the taxpayers' money. That practice has become altogether too prevalent not only in the Federal Government but in State governments. It is dishonest and inconsistent with our system of government. Its object is to perpetuate unworthy officials in office.

The OPA got off on the wrong foot to start with. Its first Administrator lost his head. Like all bureaucrats, he started out by bluffing and blustering. He threatened to "crack down" on the people—to get tough. "When there are no tigers in the mountains, even monkeys proclaim themselves kings"—Confucius. This OPA Administrator had his picture taken riding through Washington on a bicycle with a lady sitting on the handlebars. The people smiled in astonishment at such childlike pranks.

The object was to make the public believe that the Administrator of the OPA was conserving gasoline and manpower—if not lady power. The truth is, that the OPA has not conserved, and is not conserving, either manpower or gasoline. It has, and is, wasting both. The trouble with the OPA is that it is top-heavy with book knowledge—crammed full of inexperienced, book-wise New York youngsters—who do not know whether they are coming or going.

It has spent millions of dollars of the taxpayers' money without any real accomplishments. It employs hundreds of supersnoopers chasing around the country spying on and interfering with the people who transact the Nation's business, and who do the Nation's work. It insults the small businessman and challenges the farmer and the workingman's integrity. It adds confusion upon confusion, issues edict after edict, each one contradicting the other.

It takes a Philadelphia lawyer to figure out what it is all about. It may truly be said that the right hand of the OPA never knows what the left hand is doing. The people are bewildered and angered.

Any businessman can tell you that, at least, one-fifth of his time is wasted in trying to keep up with the red tape and confusion of the OPA. Any farmer can tell you that a great deal of his time is wasted in trying to comply with the contradictory rules and regulations of the OPA. He can tell you he has made countless trips, burned up gas, and wore out his old tires trying to get a new inner tube or other necessary farm equipment.

Go into any store and purchase a few cents' worth of goods and you will stand in a line and wait while the seller and the purchaser count points—wasted manpower—losing tempers and wrecking nerves. Then I think of the thousands of employees of the OPA wasting not only their own time but our time. Some of these pencil pushers lie awake nights figuring out new rules and regulations—more red tape and confusion.

Others are just plain loafers—with a pull—who do not earn their salt. About a year ago a casual walk through the Federal Office Building No. 1, a few blocks from the Nation's Capital, would have confirmed this statement. There you would have observed women knitting and making dresses—men and women gathered in groups playing games and discussing the topics of the day while others were engaged in an attempt to write poetry. Then think of the thousands of dollars of paper and material wasted in printing and manufacturing and distributing regulations and points. I repeat the OPA has not aided the war effort, but, has hampered it. It has wasted manpower, interfered with production, and caused disunity.

The OPA has not decreased the cost of living but increased it. It has muddled production and caused shortages. It has been guilty of gross discrimination in ceiling prices. It sets a ceiling price on a loaf of bread in one city and a lower ceiling price on the same loaf in an adjoining city. It has a ceiling price on eggs in one locality and a lower ceiling price in another locality. In many cases it fixed the ceiling price on fruit and vegetables below the cost of harvesting so that the producer was compelled to plow under, or permit to rot, millions of dollars' worth of fruit and vegetables. It has created shortages and boosted prices.

In the fall of 1942 the farmers in North Dakota sold their potatoes for $1 per hundred pounds. Less than 6 months later potatoes that were unfit for human consumption cost $10 a hundred in Washington. Who got the other $9? Surely not the farmer, nor the consumer who paid the $10. Is it possible that there was a leak by someone in the OPA to the potato brokers? Later it developed that there never was a shortage of potatoes. Millions of bushels were later dumped into gutters and permitted to rot.

When this matter was brought to the attention of the OPA they informed us that the ceiling prices on potatoes in Washington was $3.50 a hundred, but they immediately qualified that statement and said that there was no ceiling price at all on Maryland, Pennsylvania, or Virginia potatoes. Is it possible that the OPA officials did not know that under these conditions all potatoes in the Nation would overnight become citizens of these three States?

Again, in the fall of 1943, the farmers in my State were urged to harvest their onions in August and September. They were threatened by the OPA with lower prices if they did not comply. Of course, the OPA did not know that these onions should have been harvested in late October. For these onions the farmer received about $1.70 a hundred pounds. Then a few months later there were no onions in many of the Eastern States. In some markets they sold as high as $15 a hundred. The consumer paid $15; the farmer got $1.70. Who, we repeat, got the other $13.30?

Then the OPA began to muddle the hog market. It plastered its points and ceilings all over pork. But it forgot to fix a floor. The farmer and consumer again took the rap. The farmer was docked for overweight and for underweight. He received from 7 to 13½ cents a pound. In many cases he was not able to sell his hogs at any price.

He was compelled to feed these hogs long after they should have been slaughtered. Every pound of feed they consumed after they were ready for market was wasted. This at a time when the Eastern States were in great want of feed. The farmer, of course, cannot be blamed when now there is a pork shortage. He could not be expected to continue to produce pork at a loss.

Then, in the spring and summer of 1944, we had an egg crisis. The farmer in the midwestern States received as low as 14 cents a dozen, while in Washington the ceiling was still 50 cents a dozen. Where was the OPA? A ceiling of 50 cents a dozen in one place, a market of 14 cents a dozen in another place.

Another example is the berry and fruit industry. In 1943 the OPA fixed a ceiling of 18 cents a quart on raspberries. It cost the growers about 22 cents to get them picked and crated. The result was that they plowed them under. Then, after they were destroyed, there was a shortage. The ceiling went up and you could not buy raspberries for any price.

We come now to the sugar headache. A few years ago, under the Sugar Act, our sugar producers were limited to 27 percent of the domestic consumption. The other 73 percent was given to foreign producers. That was part of the "good neighbor" scheme, and of "the abundant life by scarcity."

Last year the OPA, and other alphabetical set-ups, tried to get the Cuban producers to raise sugar for us below cost of production. They offered the Cubans less than 3 cents a pound. The Cubans refused to produce sugar for us at a loss, and what sugar they had they sold to other nations. The American housewives and the American manufacturers are now left to hold the bag because of this bureaucratic blundering. The OPA now tells you that it is short of sugar, but it is too dishonest to tell you why.

The beef shortage has been ignorantly or deliberately created by the OPA. There are more beef cattle in the country than ever before. Why is there a shortage? Here again, as with the hog

situation over a year ago, the OPA is preventing the slaughtering of cattle. It is attempting to destroy the No. 2 slaughterers so that the big packers may have a complete monopoly.

It has a $1-a-year man in the meat division—a big packer. This $1-a-year man, by allotment, prevents the small processor from slaughtering cattle, but for the big packers the sky is the limit. By this method he has already put out of business 90 percent of the small processors—enough said.

The OPA has set a ceiling of 18 cents a pound on prime beef. Under the present prices of corn and other feed, a feeder loses $29 on every 800-pound steer that he buys and feeds until it weighs 1,200. Tht result is that most of the cattle are slaughtered at 800 pounds in place of 1,200 to 1,400 pounds. At 800 pounds a steer produces only 45 percent edible meat. At 1,200 to 1,400 pounds that same steer dresses or produces 60 percent edible meat. So here is a loss not only of 600 pounds in live weight, but 15 percent more edible meat.

In Dayton, Ohio, where there were 20 No. 2 slaughterers, only two survived. Every Congressman knows that that is equally true in the cities and towns of his own State. Now that the OPA has wrecked the beef market, the same as the hog market, it is going to put a ceiling and rationing on chickens and eggs. First, it compels the people to eat the chicken with the egg, and after the chicken is gone it raises the price and rations it.

How much longer will Congress permit this un-American institution to destroy the initiative—the will to do—that has made us the most powerful nation on earth. The time for action is here. Let us at least get a toehold by substituting the Senate resolution for the House resolution.

What is true of food products is true of many other products. President Philip Murray of the CIO recently shocked the committee by showing that, under the OPA regulations, profits were ranging as high as 5,404 percent. He set the items forth in detail on which extortion profiteering prices were charged to the consumer. The time has arrived when Congress must not permit the governmental agencies to use the taxpayers' money in preparing false propaganda with which to deceive not only Congress but the people of the Nation.

My colleague the gentleman from California [Mr. OUTLAND] was so carried away with this false propaganda that the other night he stated over the radio that there was little if any black marketing in California. To set the gentleman right, let me quote here briefly from a reprint from the California Independent:

"We have to eat out two or three times a week if we are to get meat" is heard on every hand. The ridiculous part of it is that while you can't get meat to feed your family at home, you can get all you wish by going to any of a dozen different restaurants. The 11 meat points a week allowed each person would not pay for the single steak you buy in many restaurants.

Two-thirds or more of the butchers cannot get meat to supply the people who have points. But a few markets seem to have all the meat they can sell. In some localities evidence has been shown that 90 percent of all meat goes through the black market.

Butchers tell us they can only get meat and poultry providing they pay black-market prices. Now eggs are hard to find. You can get cigarettes if you know the right people and pay 40 percent to 100 percent extra for them. Gasoline stamps can be had in any quantity at 20 cents a stamp.

We are told by the OPA that prices have been held down much better than they were during and after World War I. That is true as far as published prices are concerned, but who pays published prices today?

These are just a few of the hundreds of blunders of the OPA. Just a few of the unnecessary hardships placed upon us. Just a few examples of the confusion caused by the OPA. It should be abolished, and its worth-while functions transferred to the Department of Agriculture and the WPB, and the enforcement thereof to the Department of Justice where it belongs.

The people are getting tired of being bossed and bulldozed by the little autocrats in the various set-ups throughout the Nation. Many of these act not only without authority of law, but, in violation of the law and the Constitution. Unfortunately, the OPA refused to trust the people—to have confidence in them. In turn, the people have not only lost confidence but also respect for the OPA and its bureaucrats. The result has been black markets galore.

We all know that in time of war the military arm must have full and complete control of military operations, but, a declaration of war does not abolish Congress—nor abrogate the Nation's laws. Congress should still shape the policies that govern the civilian population. The people demand that Congress accept its responsibilities—that it once more write the Nation's laws.

I repeat that in place of creating the OPA, Congress should have, on the day that it declared war, fixed a floor and a ceiling price on all commercial commodities. Then, it should have appointed a committee to make adjustments where adjustments were necessary. Congress can and should still do this.

It is not necessary to further surrender our intellect in order to win the war with Japan. It is not necessary to become regimented serfs in order to win. We must forever be on our guard. The greed for power—bureaucracy—is more dangerous than the greed for money. We must never surrender the right to think out loud. In spite of the fact that all of our avenues of publicity are now more or lese under the control of official Washington, we must insist upon freedom of speech and press—freedom of conscience. We must give constructive criticism whenever and wherever it is needed.

There has been too much concentration of power in Washington. The bureaucrats not only wish to control the Nation's industrial activities, but insist upon doing the thinking for all of us. Many of these are incompetent to do their own thinking, let alone the Nation's. Congress must stop this nonsense—it is dangerous.

Congress has given too many blank checks to the bureaucracy. The chickens of this legislation have now come home to roost. The one-man made laws made under these blank checks by administrative edicts far exceed the number enacted by Congress for the same period. The time has arrived for this Congress to abolish this unconstitutional method of government.

This is not a partisan issue. It is an American issue. We are dealing here with an octopus whose tentacles have reached into the very heart of our people in every part of the Nation. We are dealing with an octopus that has no conscience, and whose prey have been millions—with an octopus that has been guilty of every conceivable omission and commission.

We have now witnessed 3 years of law defiance by the OPA. Congress now knows that the trouble in the OPA is the personnel. We know that no change in the law can overcome deliberate insubordination and law violation unless there is a change in the personnel.

Now that the question of continuing the OPA is up, Members of Congress who have made complaints on behalf of their constituents are suddenly called up and told that a ruling had been or would be made to satisfy these constituents. If that is not the cheapest kind of bribery to get votes to pass the resolutions, then I do not know the meaning of bribery.

Even Chester Bowles wrote us a letter enclosing a copy of a speech he made. I want to be fair to Chester Bowles, but I am informed that he is just a puppet in the OPA, that he himself is being manipulated by a little clique in the OPA—the same clique that finally railroaded Prentiss Brown out of that organization. I am informed that this same clique has the skids ready for Chester Bowles if he becomes too independent. There is only one solution for Chester, and that is to clean house and let the world know that the abuses of the past have ended and that they will not be revived.

GRANITE CITY, ILL., *June 16, 1945.*

Hon. WILLIAM LEMKE,
House Office Building, Washington, D. C.:

Please accept this wire in support of the Senate bill with the Wherry amendment. Without a profit to farmers our grocery shelves and meat counters cannot be supplied. Our Nation cannot remain prosperous without a prosperous agriculture.

MICHEL BROS. GROCERY,
ALBERT MICHEL.

GRANITE CITY, ILL., *June 16, 1945.*

Hon. WILLIAM LEMKE,
House Office Building, Washington, D. C.:

Hon. CONGRESSMAN LEMKE, I have read in the papers where Ed O'Neal, president of the Farm Bureau, and Albert Goss, master of the Grange, are opposing the Wherry amendment which gives the farmer cost for their products. As a member in good standing of the Farm Bureau for the past 20 years, I can say that we as farmers and members of the Farm Bureau and Grange do want a better price for our products so as to cover our present costs. We cannot pay 1945 expenses and taxes with 1909–14 income and remain in business. Your support of this Senate bill with the Wherry amendment will be appreciated by myself and my neighbors who will produce if they can be assured of a profit.

Yours sincerely,

EDWARD T. WEIN.

RURAL ROUTE NO. 1.

COLLINSVILLE, ILL., *June 16, 1945.*
Congressman WILLIAM LEMKE,
House Office Building, Washington, D. C.:

The farmers desire fair and equitable return for their products, labor, and investment. Time will come when farm account books shall tell the truth. Crop reduction and restrictions of the AAA have augmented and supplemented the destructive forces of drought. Let's get away from this economic fallacy. The interest on our three hundred billion will have to be paid. This cannot be done unless the basic industry, agriculture, is prosperous. Already twenty-two billion of new currency has been printed, and deflation and destructive forces will bring about another collapse. The commonly known "cost of production" bill is up for consideration in the House of Representatives which will provide a permanent farm income for future and will taper off inflation. A supplement bill known as Wherry-Shipstead amendment has passed in Senate and your support on this vital measure we ask. I am secretary of farm cooperative of 3,200 members in 10 counties of southern Illinois, and again ask for your cooperation. You know above bill was passed by both Houses in 1928. Twice the judgment of so many men surely must be sound.

HARRY KLEINERT.

ST. JACOB, ILL.

SHELBY, OHIO, *June 13, 1945.*
To the Honorable Members of Congress, Washington, D. C.:

We have within the past week observed with much concern the progress of legislation now pending before the Congress of the United States pertaining to the continuance of the OPA for another year, and are vitally interested in the final analysis of the same.

It is our opinion that the Barkley and Wherry amendments as applied to this legislation in the Senate are very practicable and beneficial to not only the farmer and producer, but to the entire population of our entire Nation for the reason it will have a tendency to eventually create a more stable and equitable supply of vitally needed food; also to have a tendency to eliminate the black market.

We have been informed over the radio and Associated Press that Mr. O'Neal, representing the Farm Bureau, and Mr. Goss, representing the National Grange, have made the joint statement that the legislation as passed by the Senate with the above amendments would be impracticable and would have a tendency to hinder and disrupt the progress of the OPA.

We sincerely and earnestly disapprove and disagree with this statement. It is our sincere opinion that these men do not speak for the majority of their membership.

In our daily contact and association with our membership locally we can very conscientiously say that it is the unanimous opinion of every member, as well as every good, honest, American farmer, that this legislation as recently passed by the Senate with above-referred-to amendments should be earnestly and conscientiously considered and passed by the Congress of the United States.

CHAS G. WALKER.
Master, Olivesburg Grange No. 2461 (Members 67).

SAM BERTSCH,
Master, Roseland Grange 2668 (Members 278).

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. BRUMBAUGH].

Mr. BRUMBAUGH. Mr. Chairman, serious consideration should be given to the recommendation of the House Banking and Currency Committee that in extending the Price Control Act for the period of 1 year, the administration of the law should be made more flexible by OPA officials so that manufacturers may be permitted to sell their products at a price above the cost of production and administrative expenses thus assuring a reasonable profit so essential to the preservation of American business and industry.

At the present time there are thousands of small business concerns engaged in production of consumer goods. These firms have no war contracts and must depend wholly on the civilian market for disposal of their commodities. As a result of being forced to operate at a loss these firms are traveling down the road to certain ruin and bankruptcy. This appalling situation principally affects the smaller industries which are recognized as the lifeblood of American business life.

Many of the larger industries are enjoying war contracts and at the same time are manufacturing their products for civilian consumption. It was admitted during the hearings on the extension of the OPA that the profits on war contracts were used as a cushion in absorbing the losses on items channeled to the civilian market.

You will recall the testimony of Mr. Eric Johnston, president of the Chamber of Commerce of the United States on this particular point. Mr. Johnston is revealed as being president of four industries engaged in the manufacture of clay products. He stated that his firms suffered a loss of $2.50 per thousand on building bricks because of the prevailing price schedules on that particular item. However, his firms were able to show an over-all profit due to the fact that a percentage of their business represented war contracts and to use a trite expression they "robbed Peter to pay Paul." Without the war contracts it is evident that these firms could not continue operation. It is not difficult in the light of Mr. Johnston's testimony to realize the serious plight of smaller firms that are without the benefit of profit income from war contracts.

This week I had a forcible example of the distress faced by small businessmen in my congressional district when a small manufacturer visited my office seeking relief from a situation that has caused him to operate at a loss of $130,000 the past 11 months. On March 1 this firm was granted permission for an 11-percent increase in the sale price of their product only to find that its competitor with war contracts elected to sell his products at the previous price by using the profits from war contracts to absorb the difference and informing purchasers that he was a generous soul and passing on his earnings to the benefit of the buying public.

My constituent is faced with bankruptcy unless he can secure price relief and operate his business at a profit. He is dependent at this moment upon approval of an application for an RFC loan which naturally will not be granted to a firm whose losses totaled $130,000 the past 11 months.

Some industries are reported to be manufacturing items at a distinct loss and using the profit from other commodities to offset the loss. This practice is not a healthy index of business conditions and is certain to prove disastrous to the economy of business and industry. It is a policy that cannot be followed by small businessmen thousands of whom manufacture only one item and for whom it is sounding the death knell. We are going to face insurmountable obstacles to an orderly reconversion of industry unless OPA officials move promptly to assure business and industry of a legitimate profit because if such action is not promptly taken I fear to contemplate the disastrous results that are bound to follow and which are certain to prove the ruination of small business enterprises.

Another compelling thought that confronts us in considering extension of the OPA law is the realization of the imperative need for immediate and practical relief as a result of the acute meat shortage.

I am unable to agree with the rosy predictions voiced concerning the beneficial results that are expected to flow from the OPA Control Order No. 1 on the subject of meat. I am firmly of the opinion that this directive penalizes the farmers and small slaughterers and defeats its intended purpose to increase the supply of meat products.

For example, in my congressional district where there are approximately 300,000 people we have a fine farming area and many modern farms that are models of efficiency and correct management. In addition my district is composed of diversified industries employing thousands of workmen who perform manual tasks that exact the ultimate in strength and endurance.

There are no federally inspected meat plants in my congressional district and a farmer in order to slaughter meat must secure a license and unless he slaughtered for sale last year and took red points for the meat he is restricted to slaughtering only 400 pounds of meat this year, an amount that does not meet the annual requirements of the average farm family.

The local packers are reduced to 75 percent of the amount they slaughtered in 1944 and for which they received red points. Thus we have the spectacle of meat on the hoof but no available market for its disposal because the slaughterers are restricted by quota from purchasing it.

This condition could be corrected by placing Federal inspectors in our local meat plants and thus permit the purchase of meat that is available but cannot be purchased for slaughter under the present OPA restrictions.

The irony of the situation lies in the fact that federally inspected meat must be shipped into my district thus depriving other sections of the country of a larger quota if we were enabled to correct conditions and slaughter meat that is available in our own backyard.

How long OPA officials will pursue this senseless policy is hard to estimate but I am hopeful that the fallacy of the present policy will be forcibly brought to mind during the discussion of this bill and that prompt action will be taken to provide a sane and sensible solution to the meat problem of the Nation which has become a national disgrace.

Mr. GAMBLE. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. GOODWIN].

Mr. GOODWIN. Mr. Chairman, from letters which are coming to my desk in every mail, editorials in the independent newspapers in my district, and from many conversations with constituents when I have recently been back home, I am convinced that one theme is uppermost in the thinking of the people today, and that is dissatisfaction with the operation of OPA.

I could fill many pages of the CONGRESSIONAL RECORD with letters from responsible and patriotic citizens giving eloquent expression to the contempt in which the current administration of price control is held. When the operation of a law has proved to be so unpopular with the most sensible and patriotic elements of every community, then certainly something is wrong. My people cannot get enough meat, eggs, sugar, and some other food products to satisfy the minimum requirements of health. They believe the present food shortage might have been avoided if OPA had exercised ordinary judgment and common sense in the administration of the act.

I am repeatedly asked "What are you going to do about it?" This is a clear indication that my constitutents, either justifiably or otherwise, feel that Congress is responsible for the continued mistakes of OPA. I am satisfied that unless Congress is willing to be held responsible by an outraged and rebellious constituency, Congress must act and act now and act vigorously.

I have deliberated long and earnestly on my duty to my people. I believe some measure of price control is necessary, but I am also convinced that the administration of price control has been most atrociously handled.

There are two things I can do: I can keep on bringing to the attention of OPA by letter or personal contact with officials, specific cases of injustice, unfairness, or otherwise which affect my constituents. There is one other thing "I can do about it" and that is to vote today for amendments which I believe are in the interests of an improved administration of this law.

I will vote for an amendment to take away from OPA all control over food and place it in the Department of Agriculture which is shortly to be presided over by the distinguished gentleman from New Mexico [Mr. ANDERSON], whose personal familiarity with all phases of the food situation, especially production and distribution, will certainly be a refreshing and encouraging variation from the distressing lack of expert knowledge thus far evidenced by OPA officials on the subject. If Congress will do no more than to authorize and empower at this time, a single food administrator, I am sure this action would be hailed with delight and encouragement by a harassed and confused public.

I will vote for an amendment to extend the law for 6 months. Within that period OPA will have an opportunity to demonstrate whether it will seriously attempt to put into effect policies calculated to increase production, improve distribution, and put in force a more intelligent system of point allocation.

I will vote for an amendment which will make it plain by declaration that Congress never intended that OPA should have the power to fix profits as well as prices. One of the many tragic consequences of the bungled administration of price control is the long list of firms and individuals forced out of business because OPA decreed that it was all right to expect businessmen and farmers to operate at a loss.

Congress being responsible for passing the price-control law, has a responsibility to demand that the act be efficiently administered. Up to now administration has been anything but efficient. It has been disastrous to the businessman, to the farmer, and to the consumer; it has caused confusion and chaos for everybody. It has brought about a food shortage which is rapidly bringing our people to actual want.

Contempt for one law tends to breed contempt for all law. Unless OPA can so act in the early future that confidence in price-control procedure and practice may be restored, then something will be destroyed in the spirit of the people which will be increasingly essential to American living in the critical years ahead.

Mr. GAMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. HAND].

Mr. HAND. Mr. Chairman, the prevention of serious inflation is necessary for the welfare of all classes in this country. The laboring man, with his wages frozen, the office worker, and those on fixed incomes are united in their need to prevent unreasonable price advances. I shall, therefore, vote for a 1-year extension of price control, with the hope that the time is near when this artificial and extra-legal act can be repealed.

This is not to say that I approve of the administration of this agency. Too many serious mistakes are being made, and those mistakes are imposing unnecessary hardships on the American people. The agency has lost sight of some of the fundamental purposes of the act of Congress under which it operates.

An examination of the act reveals that Congress sought to prevent abnormal increases in prices, not any increase; "to prevent hardships to persons engaged in business,"; not to ruin business; and "to assist—adequate production—," not to stifle it.

It is abundantly evident that the intent of the law has not been obeyed.

In section 2 (a) of the original act, it is provided that the Administrator shall establish such maximum prices as will be "generally fair and equitable." To this we should add a guaranty of fair and reasonable profits. Production and distribution must be encouraged, if Americans are to be fed and clothed.

I select just a few of many cases in my district, evidencing the ruinous effect of the present Administration:

First. A dairy jobber in Atlantic City buys butter free on board that city at 44¾ cents per pound. Its sales ceiling is 45½ cents. Its gross profit is three-quarters cent per pound. Is it remarkable that there is no butter?

Second. Strawberry growers in New Jersey were producing this season at an estimated cost of $10.94 per crate plus. At a ceiling price of $7.80 per crate, are you surprised that strawberries are not being grown?

Third. An owner of real estate, facing rising costs and rising taxes, is held to a rental of $21 per month. Does OPA relieve him? He is summoned to explain why he does not make elaborate repairs.

Fourth. A baker is unable to get a fraction of his needs because his predecessor in business producing a third as much, did not need it.

Fifth. The Atlantic City Restaurant Association, and other restaurants in South Jersey, preparing to feed hundreds of thousands of summer residents, are hampered by price squeezes and cut allotments.

Manifestly, OPA has a difficult job. Manifestly they have not been equal to it.

Amendments will be offered, some of which should greatly improve this black picture. I call on the majority party to help pass them. If they are not passed, let the blame for our troubles fall where it belongs.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXPLANATION OF COLLOQUY DURING SPEECH OF THE GENTLEMAN FROM SOUTH CAROLINA [MR. RILEY] CONCERNING BUSINESSES CLOSING BECAUSE PRICES TOO LOW

Mr. PATMAN. Mr. Chairman, in the colloquy with the gentleman from Wisconsin [Mr. KEEFE] in the time of the gentleman from South Carolina [Mr. RILEY] the inference in my statement was to the effect that I did not know of any businesses closing because of OPA or WPB order and regulations. That was not exactly what I had in mind. The subject being discussed was profits to business, and I had in mind that no OPA or WPB orders had closed any businesses because the businesses were being prohibited from making sufficient profits by reason of such orders.

Certainly many businesses, especially slaughterers, have closed because of the meat situation during this war, and it cannot be denied that OPA orders and regulations along with WFA orders have contributed to their closing. However, they were not closed because they did not have a sufficient maximum price on their products.

Most businesses have closed during this war for the following reasons:

First. Because the owner or operator has gone to war. About 13,000,000 men have entered the armed services, and necessarily many of them closed their businesses.

Second. Many owners and operators closed places of business in order to accept high-paid jobs in war and other defense plants.

Third. Many businesses were closed because they were engaged in wholly

nonessential business and it was impossible to get the materials and employees to operate them. These included businesses dependent upon motor-vehicle transportation and they could get neither the tires nor the gasoline to operate such wholly unnecessary and nonessential businesses.

Fourth. Some have gone into bankruptcy. The number of such failures, however, for the year 1944 at an all-time low was only 1,224, which shows that very few closed because of anything connected with a failure to get a sufficient profit.

Oftentimes in debate in view of limited time we do not elaborate on our answers sufficiently to make clear what we have in mind.

This is what occurred in this colloquy. I was presuming that the question of profits for business was the subject and I failed to state specifically that my reference to closing businessses because of Government agency orders related to profits only.

The gentleman from Wisconsin [Mr. KEEFE] did not understand my statement as I intended it, therefore I cannot change my remarks without causing his remarks to appear unresponsive and different from what he intended which would be unfair to him.

Therefore I have used this method of stating and making plain what I really meant.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. RAMEY].

Mr. RAMEY. Mr. Chairman, the people of these United States should be respected, not inspected. I want to be as dispassionate as possible. Let us have things confirmed by the facts. A great many in the OPA are doing good work and many of the best workers are the volunteers. Approximately 15,000 veterans returning to our district are going to be assisted by voluntary workers. Voluntary workers for soldiers' rationing will be recruited by the Lucas County Council of American Legion auxiliaries. Chairman of the project is Mrs. Helen R. McNeil, council president.

A great many in the district OPA should be commended. However, certain remarks that have been made in this debate are indeed disheartening. I do not like the words "for the future." "We made blunders in the OPA and we intend to continue, but we will continue to do so."

Mr. Chairman, can you not say we have made mistakes and that we will replace competent men in place of those who blunder? Let us replace the incompetent folks who have blundered with the people's money and who stabbed every boy at the fighting front in the back to get out of there and we will put honest men in the places of those who have blundered and insulted the people, the fathers, mothers, and veterans, again and again.

Mr. Chairman, this law is all right. I regret that the gentleman from Washington made two statements today. He used the word "sniper." The constructive criticism of men trying to correct wrongs is not sniping. I regret another statement he made. He stated that we have the OPA and the people at the last election said it was all right. During the last election you will remember they released rationing. If you should buy votes with your own money you would go to the penitentiary, as you should, but, by this act when you buy the votes of the American people by betraying them it is worse.

How much worse it is to buy votes with the taxpayers' money than it would be to buy them out of your own pocket. When our conquering heroes come home and the weakling, Mr. Biddle, is thrown out of the Attorney General's office and a new Attorney General is appointed, they are going to demand that each one of these folks who had a part in that vote-buying shall be headed toward Leavenworth and Atlanta where they belong. Yes; the law is all right. But it is not sniping when you criticize and condemn the corruption that bought your last election. Is it sniping to call attention to gross betrayal? To the good men in the OPA I have nothing but the greatest of praise, but there is an opportunity here to correct evil with constructive criticism and today you have the power, acting in good faith, to demand that these culprits be punished. Do not brag about an election that was bought.

Mr. HOOK. Will the gentleman yield.

Mr. RAMEY. Certainly.

Mr. HOOK. I am surprised at the gentleman's statement. Burkett Williams is a Republican.

Mr. RAMEY. Burkett Williams lives in Cleveland, Ohio, and for Mr. Williams I have the highest regard. Mr. Williams was not the man who took off rationing points temporarily to betray the American people and later to deceive every housewife in the United States of America. That was not Burkett Williams.

Mr. HOOK. Burkett Williams was the man who played politics with the OPA in every section of Michigan.

Mr. RAMEY. That is a gross misstatement of the facts.

Mr. HOOK. It certainly is not. I know it by personal experience.

Mr. RAMEY. That is a gross misstatement of the facts.

Mr. HOOK. He has; in practically every section of Michigan.

Mr. RAMEY. You will concede that it is the function of the Attorney General of the United States to see that those folks are punished. I agree with this and agree with everyone that the law is all right, as it states there shall be correct adjustments as to food, but those who have gone beyond the law with an imperious voice and have cruelly put people out of work and out of business, the fathers of our veterans, are the culprits that must be punished. This law is going to pass, and it is your duty and it is mine to call attention to each and every wrong you see right here in the well of this House if the Attorney General or the law enforcement offices of our country will not do it, with a view that proper punishment will be meted out. I believe you agree to that. If there was any specific act of wrongdoing on the part of Mr. Williams, I would be the first one to see him brought to justice. I know him to be very fair. I know of men that worked under him in certain places that put good men out of business, fathers with sons in the armed services, veterans. I know of a case on Monroe Street not so long ago where one of these men went to a certain slaughterhouse and said, "Because they did not slaughter last year, you cannot slaughter this year," and he said it in an imperious voice. I think Mr. Williams should see that that man is summarily dismissed.

I believe it is our duty to offer constructive criticism. You are not slow to criticize the Congress—and by you, I mean the public. Why do we not have the right to criticize wrongs?

Mr. HOOK. Does the gentleman think that this man carried out Mr. Williams' orders?

Mr. RAMEY. No.

Mr. HOOK. Is he still on the pay roll?

Mr. RAMEY. He is today, but he will not likely be by the 1st of July. The results of this debate has brought the light of day to many of these dark wrongs and from now on those who work for OPA must serve the purpose of the law. They must treat the American public as the Member of Congress treats a constituent. Serve them—not master them.

What would happen to a Member of Congress if he ordered a constituent around? What would happen to a Member of Congress if he required constituents to fill out form after form and gave the constituent the "Washington push around" or the Washington "refer to?"

Mr. HOOK. If Mr. Williams knew that, and he knew it to be done wrongfully, why has he not been removed?

Mr. RAMEY. He is trying to correct the mistakes and will no doubt remove those who willfully mistreat or exploit those whom they should help. The wrongs are done as much by voice as anything else. Think of the folks that abuse it. You have seen some of the abuse, that imperiousness of voice, when women having broken arches come down standing in line and then some inspector comes in and gives them a lecture. You know it is done just the same in northern Michigan as it is done in Ohio. Those are things that should be corrected. I will go along with you and support the law. I will do everything to prevent skyrocketing inflation, but in God's name when we try to correct an evil, do not call that sniping. Several folks have said that. I have never called a man a sniper in my life, and I do not believe there is a sniper in the entire House of Representatives.

Mr. HOOK. Mr. Chairman, if the gentleman will yield further, may I say to the gentleman that I have never heard him snipe about anything, and when he criticizes something he criticizes it honestly.

Mr. RAMEY. I thank the gentleman, and I will say the same for him.

Mr. HOOK. May I say this further that I have griped against the OPA. I think we all have legitimate gripes against it, but when we charge the whole OPA with a program of buying votes, I just cannot see it, because some of the finest Republicans in this country are some of the Administrators of the OPA.

Mr. RAMEY. We are not charging the whole OPA. We do say that the action last fall in regard to ration vote buying, then the about-face point betrayal after the election, was the greatest fraud ever perpetrated on the people of our country. And to do it at the time of a world blood bath is the most outrageous public crime by those holding positions of trust that is known in the history of our country.

Again let me say as I have said in nearly every public utterance: The American people must be respected by their Government—not inspected. You can trust our people. Let every public official—appointive as well as elective—set an example. We all represent and must serve and not master "We the people."

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BROWN of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WEISS].

"TRIFLING WITH INFLATION"

Mr. WEISS. Mr. Chairman, we may not know it, but in debating this vital issue, the extension of the price-control law, we are trifling with inflation.

Since I first came to Congress in 1941 I have supported the OPA program. It is a good law, I might say a necessary evil in time of war. While it has not prevented black markets, it has controlled inflation.

All we have to do is compare the present-day prices with prices in World War I and one readily is convinced of the value and need for OPA now.

There have been isolated instances of maladministration, but Members of Congress know that we are not going to indict the whole OPA administration because of an isolated instance or two of bad administration any more than we would indict the entire law profession because of a few shysters, or any more than we would indict the medical profession because of a few quacks. The job for Congress is to strengthen and perfect the legislation. The press of the Nation is unanimous in its condemnation that the Wherry amendment would skyrocket the cost of living in America by guaranteeing farmers a profit above all production costs. The parade of the veterans of World War I to Washington for their bonus would be nothing compared to the parade of housewives—wives of soldiers—if we were to reenact the present bill with the Wherry inflationary amendment tacked on.

It appears to me to be another instance where the well-organized pressure groups are getting away with murder at the expense of the bulk of the people who naively expect their Representatives rather than lobbyists to look after their interests.

It is surprising but the major farm organizations in the Nation are unalterably opposed to the Wherry amendment. There is no denying the fact that over a period of years the farmers had a grievance. Their income did not keep pace with that of many other sectors of the population. That resulted in the farm parity legislation which seemed to meet the situation and the demands of the farm bloc. This new amendment to the Price Control Act would change the whole basis of fixing farmers' price ceilings from parity levels to a cost-of-production basis. The farmers have been doing rather well of late, according to their own statistics. If there is any justification for reexamining their position, it should be done only after careful study, analysis, and debate and not by haphazard, ill-considered, and impulsive action as was evidenced in the debate on this measure in the Senate. Many of the Senators do not like the OPA and neither do many Members of the House. These Senators felt this was the golden opportunity to show this agency where to head in. But the blow will not fall on the OPA, even though it may have been aimed in that direction.

OPA is the most thankless job in the war effort. It catches hell if it does and hell if it does not. It steps on more toes and draws more screams of "murder" than any other agency.

But OPA—or at least the principle for which it stands—has done an immense amount of good in this war.

If it had not been for OPA, we already would have been in the throes of tragic inflation. That is made plain by what has happened in instances where OPA was not on the job, either because it lacked authority, or of its own shortcomings.

We do not like the way OPA has done, or failed to do, a lot of things either. But the answer lies in improving it, not in weakening it, or getting rid of it.

This game of chipping away at price controls and encouraging the inflationary spiral is highly dangerous. It is not yet too late to let loose the hounds of inflation. If OPA, or a program like it, is not continued until the postwar period of adjustment is ended, inflation will be on us, and it will be worse than anything that happened after the last war. The answer then is not to abolish OPA or to reenact it with crippling and inflationary amendments but to make it work, to give it a law which will enable it to operate effectively.

The day will come when OPA should be abolished. But that day is not here. Until then, I urge the House today to rise to its responsibility by keeping a firm hand on inflationary controls, and that can be fully accomplished by deleting the Wherry provisions and defeating all crippling amendments offered, and by reenacting this vital measure for another year.

Mr. WOLCOTT. Mr. Chairman, I yield 15 minutes to the gentleman from New Jersey [Mr. HARTLEY].

Mr. HARTLEY. Mr. Chairman, as Price Administrator, Mr. Chester Bowles has proved he is a great advertising agent and a fine public-relations man.

Anyone who has read this book containing the charts and arguments in defense of OPA would obtain the impression that OPA has done a remarkably efficient job in the administration of price control and rationing.

However, anyone who has had an opportunity to examine the facts knows that there is much inefficiency and much incompetence in the administration of the entire program.

I recognize there are some of the officials in OPA who are trying to do a good job, but, on the other hand, there are many who are totally incompetent and others who are using their position to try to change our economy and who, in my opinion, should have no place on the pay rolls of the Government of the United States.

It has been proved beyond any doubt that the chaotic food situation, particularly as it pertains to meats, is the result of maladministration, primarily on the part of OPA but also contributed to by WFA.

We have a meat famine and we all know that there is a tremendous black market in that product. I am now going to predict that unless we tie the hands of these meddlers and muddlers in OPA a similar condition will prevail with reference to textiles. The same shortage that we have in meats will be matched by a similar shortage in clothing.

The black market in meats is already being rivaled by the black market in garments.

I wish to address myself particularly to the textile field. At the outset, I want to say that any regulation or any price ceiling which has the effect of curtailing production is just as inflationary, if not more so, than an increase in prices.

The Price Administrator, by using regulations which provide no incentive whatsoever to producers, processors and manufacturers, has forced low-priced goods off the market, forced deterioration of quality and has caused an unwarranted increase in the cost of living, particularly in the case of consumers of the moderate and low-income groups.

The purpose of the Emergency Price Control Act is defined clearly as an act to stabilize prices and to prevent abnormal increases. Nowhere in the act is the word "freeze" used, nor do I believe Congress ever intended that certain parts of our economy be frozen. Further, it is quite obvious that it would be completely impossible to freeze the price of an item and not freee the cost of its component parts.

Nevertheless, the Price Administrator, particularly since the issuance of the "hold the line" order, has arbitrarily, stubbornly and unreasonably made sort of a fetish of the freeze technique, and by so doing has caused immeasurable harm to our production and to our economy in general. This type of action on their part has literally caused black markets to exist, and has enabled many thousands of unscrupulous and illegitimate operators to enter manufacturing and distributive channels.

To be specific, a legitimate producer or manufacturer cannot, because of the hold-the-line "freeze" policy, obtain an increase in his price sufficient to enable him to pay increased cost in raw materials or an increased cost in labor. OPA officials tell him that under their mandate they are not permitted to grant such an increase, and they quote the hold-the-line order, or the decision of the Emergency Court of Appeals in the case of the Philadelphia Coke Co., and they stand their ground arbitrarily and unreasonably even though they know

that by doing so they are forcing a legitimate manufacturer to discontinue production of an essential item.

At the same time, any unscrupulous fly-by-night operator can go into Washington with a completely phony set of figures and obtain from a thoroughly inexperienced section head, who quite likely knows nothing whatever about the product, just about any price he wants.

Every retailer in the country knows this is happening in the case of countless thousands of items all the time. The retailer, unable to buy his essential requirements from his legitimate resources, is forced to deal with the illegitimate profiteers that OPA legalizes.

Price indices, as we all know, are completely meaningless in that they fail to give any consideration whatsoever to changes in construction or deterioration of quality of the products involved. But notwithstanding this, OPA is much more concerned with a price index number than in what the consumer will have to pay for a specific article.

Unless the Administrator is forced immediately to give adequate consideration to the increased costs of material and labor, which have been incurred by producers in establishing selling prices, we are bound to experience the continuance of the unsatisfactory situation which has existed during recent years, i. e., an abundance of production of high-priced, high-profit items and a diverting of the bulk of low-priced essentials into illegitimate channels. It is extremely important that immediate action be taken on this matter. As we all know, increased production is the real answer to price stabilization. It is well known at the moment that at least four of the largest producers of knitted cotton and woolen underwear have gone definitely on record that they cannot possibly operate under the recent MAP order and that they are immediately discontinuing civilian production completely.

In this connection, I read the following newspaper article:

UNDERWEAR MILLS TO CUT OPERATIONS—FOUR TO DROP HEAVY-WEIGHT LINES FOR CIVILIANS, CHENEY SAYS—TO CONTINUE WAR ORDERS

Four of the largest mills producing men's heavy-weight underwear will discontinue civilian production of that item by June 1, Roy Cheney, president of the Underwear Institute, announced yesterday. The stoppage will mean a loss of 8,500,000 garments annually, or 25 percent of production in 1944.

Each of the mills reached a decision independently, Mr. Cheney said, that they could not continue to produce the garments under present ceiling prices in face of the wage increase recently granted textile and underwear mills. Cost figures on the item, computed on the basis of the old wage scales, indicate that the mills do not break even, and with the wage increase the four mills in question would stand to lose close to $1,000,000 annually, he said.

The mills will continue to make heavy-weight garments for the Army and Navy, it was emphasized, and will also produce for the Treasury Department and other Government agencies to the full extent of their capacity.

Questioned as to why the mills had not applied for relief under the Vinson formula, Mr. Cheney said that operation at 2 percent gross was unfeasible, as the mills were not permitted to include such items as overhead and sales costs.

With light-weight underwear ceiling prices giving little more margin than the heavy-weight category, the production of men's athletic shirts and knitted shorts will also fall off, it was predicted. Requests for price relief on both light-weight and heavy-weight garments to compensate for wage increases have been unavailing, Mr. Cheney said.

While a 5-cent per hour rise to bring minimum wages to 55 cents might have been handled, the increase actually raises labor costs to a much greater extent, it was indicated. In computing overtime, vacations with pay, and rises all along the line, the mills have reached the conclusion that the loss was too great to be absorbed on items which provided no margin of profit, according to Mr. Cheney.

It is a fine thing to have a low price on underwear, but it would be a whole lot better to have a slightly higher price of underwear and have some underwear. I want to read what a very impartial observer, the business editor of the New York Times, Mr. C. F. Hughes, had to say. This order, incidentally, is part of a combination of orders: MAP from the OPA and M-388 from the War Production Board.

Here is what Mr. Hughes had to say about this combination of order:

THE MERCHANT'S POINT OF VIEW

(By C. F. Hughes)

Across the line in Canada last week a big Montreal store opened its season with hundreds of women's wash dresses on sale at $3.94 each. A retiring merchant said that style, fabric, and size ranges were as comprehensive as anything he had seen in prewar days. The fabrics were made, of course, by American mills. In the same store were sheets and pillow cases galore and men's shirts and shorts in profusion. And at the butcher's there was meat and plenty of steak.

In contrast, the meat shortage here grows more serious daily and on top of this the textile and apparel shortage may soon keep it company on the front pages of newspapers.

What will put it there in the end, trade interests are convinced, is the stubborn decision of WPB and OPA to carry out the low-cost textile-apparel program inaugurated some weeks ago with the issuing of M-388 and MAP (maximum average price) regulations. These devices for curing the scarcities of low-price apparel are represented as little more than "jumping from the fying pan into the fire."

To relieve shortages caused by artificial upgrading and use of the other loopholes in the original price order, MPR, the war agencies seem determined to run smack into reduced production and price chaos all along the line, if reliable authorities are to be believed.

Having launched the program, however, and thereby piled mountains of paper work upon affected industries, the textile bureau of WPB is described as unwilling to scrap the plan because it would mean so much lost work. In short, the Bureau appears to prefer having two black eyes instead of one. What the industries hope is that high administration officials (and Messrs. Vinson and Davis have already interested themselves in the matter) will countermand the order for a full black-out and keep the apparel crisis from joining the meat crisis on the front pages. Meat stores are closing now and the same fate is held to be in store for clothiers and apparel shops within a few months.

M-388 channels cotton goods, rayons, and woolens to apparel manufacturers on the basis of certain percentages of supplies they used in 1943. With the filing of the required reports they automatically receive priorities upon what is left of the fabric supply after military and other essential needs are filled. These priorities have been called "hunting licenses," and, while the apparel manufacturer is required to distribute his product equitably among his 1943 customers, there is no obligation upon fabric suppliers to do the same thing.

MAP, the maximum average price regulation, is the roll-back feature of apparel control and presents a complicated scheme for marketing goods at the 1943 averages. If the manufacturer exceeds his average, he will be given 30 days to get back into balance on his deliveries. His pricing records must be acknowledged by OPA by June 18 or his deliveries are stopped.

To these complicated and confusing means of attempting to deal with low-cost apparel shortages, trade leaders have repeatedly offered an alternative ever since M-388 and MAP were first unveiled as pseudo-masterpieces of war agency planning and manufacturers called in "to look but not to touch." The suggestion was merely that "set aside" orders be invoked similar to M-328B, which was issued last fall on snow suits and other children's garments. So much fabric was earmarked for so many items and everything was taken in stride. Industry cooperated to a man, according to all reports.

The notion that scheduled production of essential and low-cost items might accelerate price inflation in the "free market" is one to which merchants and manufacturers alike offer sharp objection. They point out that prices on "scheduled products" will in fact serve as a yardstick for other values. There cannot be wide spreads between price ranges, they add, unless retailers want their customers to draw some obvious conclusions.

At the close of the week Harold Boeschenstein, WPB vice chairman in charge of operations, asserted that agency officials had no intention of abandoning the program and that it was "making good progress." In trade quarters it was indicated that the direction and extent of this "progress" can already be observed, and it is all backward and toward reduced rather than expanded production, with all signs pointing clearly to further deterioration and crisis.

Once high administration officials come to grips with the growing emergency and review the facts put before them by men who want to see the right solution applied, then perhaps set-aside orders will be substituted for the present tangle, to the great relief of the industries involved and to the welfare of the public at large.

In the past these officials may have been impressed by the "united front" of the war agencies as against the jumbled criticism and numerous objections of industry representatives. This is always a natural reaction. But if they don't step in, barring an immediate and drastic reduction in military requirements, stores will close next autumn and public clamor mount. This is the considered judgment of trade leaders who don't usually go wrong in their forecasts and are not trying now to manufacture a phony emergency.

In order to understand the Maximum Average Price Order SO 108, recently issued by the Office of Price Administration, and known in the trade as MAP, it is necessary to go into the background just a bit. OPA issues, generally, three types of orders in the garment-manufacturing industry's field.

First. General price-freeze orders.

Second. Marginal freeze orders.

Third. Specific dollar-and-cents prices on specific commodities.

The first type provides that any article which is the same or similar to an article which was sold in March 1942, or any other base period, must be sold currently at the same price. This is gen-

erally conceded to be a very loose form of price control, as it is a relatively simple matter for a manufacturer to price his product in a manner advantageous to him through a judicious choice of a same or similar article manufactured by a competitor.

Type 2, the marginal freeze, may take various forms. One of the best known regulations of this kind is Revised Maximum Price Regulation 287, under which all manufacturers of women's, misses', girls', and toddlers' outerwear garments must operate. RMPR 287 provides that a manufacturer may add his historical margin of mark-up to the current cost of materials and to the direct labor cost figured on the basis of 1942 labor rates. It is necessary, here, to call attention to the fact that, in this regulation, OPA not only defines those labor operations which may be considered direct labor, but requires that the manufacturer include them in his cost calculation at the rate he would have paid in 1942; he is not permitted to use the rate he must pay currently. All operations and expenses not listed by OPA as direct labor must be paid by the manufacturer from his allowable margin of mark-up.

The third broad type of regulation, the dollars-and-cents type, is thought by many to be the tightest form of price control. Its use has been very limited, and OPA has put it on very few apparel items.

The MAP order cuts across the entire garment manufacturing field and all these types of regulations, with very few exceptions. It provides that all garments shall be classified into groups, or categories, as set up by the OPA. Each manufacturer must examine his complete records for the year 1943, and determine what his total dollar sales were in each group. Then he finds the total number of garments he sold in each group. For each category, then, he divides the total dollar sales by the total number of pieces sold, in order to find his average price for the category. This figure then becomes his maximum average price for the category. The manufacturer is required by SO 108 to so schedule his production in each quarter of the year that the total dollar sales divided by the total number of pieces sold in a specific category does not exceed his "maximum average price" for the category, as outlined before.

In the event that the manufacturer exceeds his MAP at the end of the quarter, the maximum average price for the category automatically becomes the highest price at which he may sell any garment in the category, or he is subject to a fine of three times the amount by which he exceeds the maximum average price.

The Office of Price Administration realized that manufacturers could not comply with this regulation at once, because they allowed them the period June through October as the period for the first quarter.

It is my contention that the MAP order will not work at all. Instead of reducing the prices of apparel, it may even cause them to increase.

In order for MAP to work, three things are necessary:

First. Materials must be available in the same supply, and at the same prices, as in 1943.

Second. Labor rates must be the same as in 1943.

Third. The sales volume of the manufacturer must be relatively the same as in 1943.

Not one of these conditions can be met currently. Materials are in the shortest supply in the history of the needle industry and those materials which are available are much higher in price. The Bureau of Labor Statistics figures on labor rates and take-home pay in the women's and children's outerwear apparel industries, alone, show an increase of roughly 35 percent since 1943. No one is quarreling about that, but the condition does exist and should be recognized. As far as volume of sales is concerned, with the textile supply situation as critical as it is, it stands to reason that a manufacturer cannot currently produce as many garments as he did in 1943, because he does not have the fabric with which to make them.

It is my intention tomorrow, when we read the bill under the 5-minute rule, to offer an amendment which will prohibit the continuation of present MAP orders or the issuance of any such orders in the future.

I also propose to offer an amendment which will permit the industry the right to the same percentage mark-up that it had during the 12 months prior to price control. I can readily understand that opponents of this proposal are going to harp about profits, but in answer let me say that OPA has no business in using its powers to control a man's profits.

We have tax laws to take care of that situation.

I noticed in the morning paper that Mr. Davis, Director of Economic Stabilization, recognizing the need for increased production in textiles, has urged an increase in wages. I challenge anyone to tell me how the textile industry can increase wages and increase production, particularly in the low-priced garments, when OPA by regulation prohibits consideration of increased wages since 1942 in determining price ceilings.

In my humble opinion the way to get those increased wages and to provide the incentive for increased production will be by the adoption of an amendment such as I propose to offer.

You and I know that no agency of the Government has stirred up anywhere near the criticism, and, may I add, justifiable criticism, as the OPA.

We have an obligation to do more than merely talk about it; it is our duty to act.

Let us amend this bill to make price control a fact and not a fancy. Let us put an end to the administrative muscle dancing that we have been witnessing, to the end that your constituents and mine may be relieved of the hardships and inefficiency by blundering bureaucrats.

The two amendments I will propose follow:

No maximum price order shall be issued or continued in effect requiring any seller to limit his sales by any weighted average price limitation based on his previous sales.

No maximum price shall be established or maintained for any commodity (other than agricultural commodities, the price of which is governed by section 3 (a) of the Emergency Price Act of 1942, as amended) below a price which returns to the producer, miner, processor, manufacturer, or distributor thereof a percentage margin over cost less than he received with respect to such commodities during the 12 months immediately preceding the passage of the Emergency Price Control Act of 1942. For the purpose of determining such margin, "cost" shall include all expenses allowed as deductions by the Federal income-tax laws.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, throughout this debate it has been repeatedly stated by Members, Republicans and Democrats alike, that so far as legislation is concerned, the Emergency Price Control Act of 1942, as amended, is a good law. Some have expressed the opinion that the Emergency Price Control Act, as it now stands, provided it is properly administered, is perhaps as good a law as could be written on the subject of price control. This seems to be the almost universal opinion of everyone who has studied it.

Under the Price Control Act the Administrator has been given all the authority he needs, and all he has ever suggested to enable him effectively to control prices of commodities and to effectuate the plain and simple purposes of the act. He has been given all the money he has ever asked for, and the personnel of his organization has been increased until it is one of the largest and most far-reaching regulatory establishments of our Government.

Why, in the face of all this, then, has this organization made one of the worst jobs of any of our governmental agencies? Why has it been unable to satisfy any of our producers or any of our processors? Why has it been unable to keep down costs? Why has its administration resulted in putting thousands of people out of business, in bringing about scarcities to consumers in commodities of which there is a proven abundance? Why is it the most criticized of all our agencies, and why is it held by our people in the least respect of any of them?

That these statements, which I have made in the form of questions, are true, no Member can possibly doubt, because every Member has ample evidence of it from every portion of his constituency. A large part of our daily mail is comprised of letters from people who have been injured, damaged, confused, and confounded by orders and regulations from OPA which directly affects their lives and businesses, orders and regulations which in many cases are without rhyme or reason, and which are so inconsistent with ordinary common business sense as to indicate that those who made them were either completely incompetent or deliberately destructive of the rights and interest of the sane and patriotic people of our county.

I believe, and I have repeatedly so stated, that all this injustice, confusion, worry, and hardship brought about by the administration of OPA is not due to

incompetence on the part of the Administrator or his policy makers, and it is not accidental. It comes about, rather, as the result of a deliberate policy on the part of OPA to ignore and to violate the plain provisions of the law, and to make orders and regulations affecting the very lives of our people, in many cases, without any authority of law at all.

From its beginning, OPA has followed a philosophy and a policy which is alien to our American ideas of government, and many of the principal policy makers in that agency for years have been men whose known records and official actions prove them to be adherents to a governmental philosophy imported from other countries and which has nothing in common with our own philosophy of government.

Theirs has been a philosophy and a policy of complete regimentation of the people. Their aim has been to confuse, hamper, and bewilder those over whom they exert their control. This plainly has been a communistic-Fascist technique which has been used for years by every totalitarian government in the world, and its objective has always been complete regimentation, and not only during the war, but for all time thereafter, or as long as they can remain in power.

This policy and philosophy was first put into effect in OPA by Ginsberg and his associates, and the real policy makers of that agency have in large part been adherents to the system of regimentation which he put into practice. This has always been the case, no matter who happened to be the Administrator. The Administrators have never actually had anything to do with making the basic policy of OPA. They have always simply followed out the orders of this continuous crowd of policy makers who still infest the organization and who will continue to infest it with their alien ideas until the President of the United States, who is responsible for their continuance in office, replaces them with honest, capable, sane, American citizens who have some respect for our system of Government and who have some knowledge of the production, both business and agriculture, which they regulate and control.

It would, of course, have been impossible for these people to create the confusion, the hardships, and the bankruptcies for which they are responsible had they kept within the jurisdiction and authority which the Price Control Act gives them. They have never done this. They have obeyed the law only when it suited their purpose. Every Member of this House could cite literally hundreds of cases where this agency has deliberately ignored the law, where it has thumbed its nose at it, where it has asserted that its authority over price control was derived not from the law itself, but from some other law like the Second War Powers Act or from some vague portion of one or more of the hundreds of Executive orders and directives which have been issued over the past few years, and which were never intended by the Congress to give any authority whatever to OPA to regulate prices of commodities.

The jurisdiction and authority of the Price Administrator, so far as control of prices is concerned, is contained wholly within the Emergency Price Control Act of 1942, as amended. It has no other authority. The solution then, if the thing is capable of solution at all, is to amend the Price Control Act so as to compel those who administer it to obey it and to keep within it.

When this bill is read under the 5-minute rule tomorrow or Saturday, I shall offer an amendment which I think will at least help to do this. The amendment simply provides that the Administrator in making an order or a regulation controlling prices of commodities must not go outside the plain provisions of the Price Control Act, and it contains a section which I believe, if adopted, will go a long ways toward preventing him from doing this.

Let us see in the first place what the purposes of the Price Control Act really are. OPA, since 1942, has so confused the people through its propaganda and its totalitarian actions in matters entirely outside the scope and purposes of this act that most people have forgotten what those purposes really are. They are all contained in subdivision A of section 1 of the original Emergency Price Control Act of 1942. They are simple, unambiguous, and brief. This is the language of that section:

SECTION 1. (a) It is hereby declared to be in the interest of the national defense and security and necessary to the effective prosecution of the present war, and the purposes of this act are to stabilize prices and to prevent speculative, unwarranted, and abnormal increases in prices and rents; to eliminate and prevent profiteering, hoarding, manipulation, speculation, and other disruptive practices resulting from abnormal market conditions, or scarcities caused by or contributing to the national emergency; to assure that defense appropriations are not dissipated by excessive prices; to protect persons with relatively fixed and limited incomes, consumers, wage earners, investors, and persons dependent on life insurance, annuities, and pensions, from undue impairment of their standard of living; to prevent hardships to persons engaged in business, to schools, universities, and other institutions, and to the Federal, State, and local governments, which would result from abnormal increases in prices; to assist in securing adequate production of commodities and facilities; to prevent a post-emergency collapse of values; to stabilize agricultural prices in the manner provided in section 3; and to permit voluntary cooperation between the Government and producers, processors, and others to accomplish aforesaid purposes.

Most of the remainder of that act is devoted to declarations of what are not the purposes of the act and what power is not conferred by the act upon the Administrator. In other words, the great bulk of the original act consists of restrictive language, and that has been the case with each amendment to the first Price Control Act. Nothing could be more plain than that the Congress intended the Administrator to carry out only the enumerated purposes of the act, and that it did not intend him or authorize him to make orders or regulations for any other purposes.

Now, when and in what circumstances, is the Administrator permitted to make a regulation or an order to effectuate the purposes of the act? That permission and authority is contained in section 2A of the Emergency Price Control Act of 1942, as amended, which is cited as the "Stabilization Extension Act of 1944." Here is the language of that section:

SEC. 2. (a) Whenever in the judgment of the Price Administrator (provided for in sec. 201) the price or prices of a commodity or commodities have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this act, he may by regulation or order establish such maximum price or maximum prices as in his judgment will be generally fair and equitable and will effectuate the purposes of this act. So far as practicable, in establishing any maximum price, the Administrator shall ascertain and give due consideration to the prices prevailing between October 1 and October 15, 1941 (or if, in the case of any commodity, there are no prevailing prices between such dates, or the prevailing prices between such dates are not generally representative because of abnormal or seasonable market conditions or other cause, then to the prices prevailing during the nearest 2-week period in which, in the judgment of the Administrator, the prices for such commodity are generally representative), for the commodity or commodities included under such regulation or order, and shall make adjustments for such relevant factors as he may determine and deem to be of general applicability, including the following: Speculative fluctuations, general increases or decreases in costs of production, distribution, and transportation, and general increases or decreases in profits earned by sellers of the commodity or commodities, during and subsequent to the year ended October 1, 1941: *Provided*, That no such regulation or order shall contain any provision requiring the determination of costs otherwise than in accordance with established accounting methods.

That is the entire statutory jurisdiction and authority of the Administrator to control prices of commodities and I repeat that if the Administrator is once compelled by law to stay within that jurisdiction and authority we will have heard the last of the senseless, damaging, inconsistent, and ridiculous orders which OPA has been enforcing upon the decent, patriotic, law-abiding people of this country, and concerning which we are receiving hundreds of protests daily from a justly indignant and outraged public which is now on the very verge of complete, hopeless, and illegal regimentation.

My amendment is, I think, a simple one, if there can be any simple approach at all to a problem which OPA policymakers have done their alien best to complicate. This is the amendment:

On page 1, line 9, after the period, add two new sections, as follows:

"SECTION —. (a) Notwithstanding the provisions of any other law or Executive order or directive, the jurisdiction and authority of the Administrator to regulate or control prices of commodities shall be limited to the jurisdiction and authority specifically provided therefor in the Emergency Price Control Act of January 30, 1942, and acts amendatory thereto.

"(b) In making any order or regulation establishing maximum prices or otherwise regulating or controlling prices, the Administrator shall state in such order, and as a part thereof, the particular purpose or purposes for the effectuation of which the order or regulation is made, and such purpose or purposes so stated shall be limited to those specifically enumerated in section 1 (a) of

title I of the Emergency Price Control Act of January 30, 1942.

"(c) In making any such order or regulation the Price Administrator shall declare therein, and as a part thereof, and in compliance with the language of section 2 (a) of title I of the Price Control Act of 1942, as amended (Stabilization Extension Act of 1944) that in his judgment the price or prices of the commodity or commodities included in such order or regulation have risen or threatened to rise to an extent or in a manner inconsistent with the particular purpose or purposes of the act as so stated and enumerated in the order.

"SEC. —. Subsection (a) of section 203 of the Emergency Price Control Act of 1942, as amended, is further amended by inserting after the period at the end of the first sentence the following: Such objections may include the objection that the order or regulation was not made in compliance with the provisions and limitations of section — (the preceding section)."

The purpose of the second section of this amendment is to give a person injured or aggrieved by an OPA order unlawfully made the right to include in his objections to the order the further objection that the order or regulation was not made in compliance with the provisions and limitations of the first section of this amendment. This gives the aggrieved person the legal right, which he does not now possess, to assert and to show not only that the order objected to was unjust, inequitable, and discriminatory, but also that it was illegal, and that, I believe, is a part of the teeth of the amendment, and the part of it which will help most to compel the Administrator see to it in the first place that those who actually make the orders and regulations which he signs keep within the law.

My own considered judgment, after very long and patient and thorough study of the whole problem, is that this amendment, if adopted, will come more nearly bringing order out of confusion, justice out of injustice, and sanity out of insanity, than any of the scores of restrictive amendments we have made to the Price Control Act since 1942. It will in nowise hamper the legitimate administration of the act, and on that ground I think it could not be objected to even by the most ardent defenders of the OPA administration, provided those defenders admit that ours is supposed to be a government of law and not of men. It cannot possibly do harm, even if it should fail to accomplish its purpose of compelling the law violators in OPA to obey the law. On the other hand, there is every reasonable prospect it will accomplish that purpose, and if it does, the problem will be solved. At least, it goes to the root of a situation which nearly all agree has been the main cause of the over-all failure of OPA, and that is the refusal of that agency to operate within the law. This amendment undertakes to compel OPA to do just that, and its adoption will be welcomed by the people as an evidence that the Congress intends, insofar as it has jurisdiction to do so, to stop this agency from operating further under a pretended authority which does not exist, which neither the Congress nor the people would never think of giving to OPA, and which never has been given to it.

Mr. BROWN of Georgia. Mr. Chairman, I ask that the Clerk read.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Resolved, etc., That section 1 (b) of the Emergency Price Control Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "December 31, 1946."

Mr. BROWN of Georgia. Mr. Chairman, I ask unanimous consent that sections 1 and 2 may be considered together and that amendments may be in order under the general rules of the House to any part of the resolution.

Mr. WOLCOTT. Mr. Chairman, reserving the right to object, I do so for the purpose of propounding a parliamentary inquiry. If the unanimous consent of the gentleman from Georgia is adopted will amendments to the amendments to both the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, be in order after the reading of section 2?

The CHAIRMAN. Yes.

Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. Section 6 of the Stabilization Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "December 31, 1946."

With the following committee amendments:

Page 1, line 5, strike out "December 31, 1946" and insert "June 30, 1946."

Page 1, line 9, strike out "December 31, 1946," and insert "June 30, 1946."

Mr. BROWN of Georgia. Mr. Chairman, I ask unanimous consent that the committee amendments may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BROWN of Georgia. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration House Joint Resolution 101, had come to no resolution thereon.

HOUR OF MEETING TOMORROW

Mr. COOPER. Mr. Speaker, at the request of the majority leader and pursuant to an agreement reached, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON ECONOMIC DEVELOPMENT

Mr. HOOK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOOK. Mr. Speaker, the Committee on Economic Development has done a very remarkable job in presenting not only to the people of the Nation but even some of our lawmakers a program purporting to chastise themselves by controls over business that to them seems just and proper. There is no doubt in my mind, Mr. Speaker, that they are sincere as far as their own business and their own philosophy is concerned. However, it just so happens that this is a nation that is made up of labor, industry, agriculture, and other segments that put together, spells America. No one group can speak for all—when attempting to speak only for themselves. The retail merchants of this country represent basically a small business minority. The Retail Credit Institute of America is a very important factor in keeping the retail merchant firmly in the economic structure of this Nation. The Committee on Economic Development has completely ignored the suggestions and the program of the Retail Credit Institute of America.

If I understand the program and plan of the Committee on Economic Development, it speaks for those who have the fat bank rolls and the savings that represents about $118,000,000,000 of purchasing power in this Nation. I fully realize that if this $118,000,000,000 were let loose today without controls, we would have a period of inflation. I fully realize also that if we, without any controls over this $118,000,000,000 of purchasing power, authorized installment buying we will have added additional purchasing power. Far be it from me in addressing my remarks here today, to open this Nation to inflation. I do believe, however, that purchasing power of installment credit is far more important to the Nation than the purchasing power of those with the bank rolls. Therefore, I believe that I am speaking today for the average laborer, white-collar worker, and those of the middle and low income groups who have not had the opportunity to save large bank-rolls but who at the beginning of this war, yes, even at the beginning of the national-defense program—let me say in other words at the time that we had to convert from peacetime to wartime economy—did not have the real necessities of life, such as new refrigerators, sewing machines, washing machines, watches, and many other necessary things that are used for the purpose of relieving the back-breaking drudgery of the housewife. Those who could afford those things, bought them on installment credit. Those commodities have now been worn out and these people are in need of them. They cannot buy them today, nor will they be able to buy them in the immediate postwar program, because of the fact that they do not have the immediate cash outlay. Therefore, I believe that in order to give a buying opportunity to those who most need these necessities, we must have installment buying. This means that we

must have control over the $118,000,000,000 of purchasing power now held by those with big savings and the bank rolls.

Recently the Committee for Economic Development set forth, published and distributed in great quantity a plan purporting to be the platform of American business respecting the method of eliminating present wartime controls upon business and industry, as part of peacetime reconversion. The CED is familiar to you all. It is an organization of some of the most powerful industrialists in the United States and a measure of the influential advertising executives and some bankers.

These industrialists have undertaken to speak about the control of the use of credit by consumers after the war. What they say amazes me. It would never have reached my attention, and possibly yours, were it not for an attack upon CED's policy by the Retail Credit Institute of America. The Institute's director, W. J. Cheyney, charges the CED with the adoption of policies vitally affecting millions of consumers and hundreds of thousands of retail merchants, without conferring with or asking the opinion of any responsible spokesmen of either of the affected groups. I want to repeat to you the charge made by the Credit Institute:

> The Committee for Economic Development issues a national policy statement which will be misunderstood as the policy of American business respecting how consumers should be regulated by law as they use their credit. With apparent complete misunderstanding of the way business is done with consumers in this country, it has advocated the division of the people in two classes. CED unthinkingly offers to the first group, to those who have plenty of cash, the unrestricted opportunity to buy anything and everything that can be found in the markets of the country. With respect to the purchases of this class of Americans, CED has nothing whatever to say about the evils or dangers of inflation. Into another class it huddles together even more American citizens than in the first. Purchases by this second group, according to the CED would be inflationary, dangerous. These less prosperous Americans, industry would deny the purchase of all the more important products of their choice until, in the words of the CED itself, "the production of durable goods has reached a peak and started to decline." The people of the second group are America's working classes.

Gentlemen, in the period after the war so long as the plants owned by these gentlemen of the Committee for Economic Development are running at full blast they do not need, they do not want the patronage of the poor man, the everyday worker in this country. By their own words these giants of industry are content to sell their products first to the more fortunate group of those who have savings and wealth.

It is only after these more affluent purchasers no longer demand as much as these mill owners can make that they begin to look for further markets. Then they would allow the poor man to buy. Then they would extend credit so that he can buy.

The CED industrialists would encourage purchasing by those with ready cash. They would take restrictions off the charge account, the credit mechanism of the socially elite and economically prosperous, but only if at the same time the working class can still be drastically restricted in the things it can buy. Gentlemen, I think that it is high time the Congress should consider this matter.

I say to you that if there are refrigerators, washing machines, watches, and other major necessities manufactured in limited quantities after the war it should not be the rich who are solely able, by our laws, to buy these things. It is ridiculous that a washing machine is needed more by the family with plenty of cash than by the family of a workingman yet under the present regulation of consumer credit and even under the national policy of the industrialists of the CED this is exactly the sort of allocation of our postwar production that lies ahead.

In speaking of the CED's policy Mr. Cheyney of the Credit Institute quotes from a leading university professor:

> Control of credit is a means of rationing indirectly what you haven't the guts to ration directly.

But I have not finished: To cap the climax the CED industrialists have the affrontery to openly say in their policy that when the mills can no longer prosper because they have saturated the rich man's market then they would presume to say to your constituents and mine, the workingmen of the country, the farmers and the white-collar workers, "now to bolster our falling production, now to save us from unemployment, now to guarantee us the continuation of our profit system, we are going to let you have some of the products from which by our own policy we have restricted you heretofore: Now you who need credit can go ahead and buy and enjoy and incidentally as you do so you will be saving our industrial skins."

Gentlemen, I believe the smaller businessman of the country will stand for no such policy. I congratulate the Retail Credit Institute of America for having locked horns with the Committee for Economic Development to shake it loose from any such short-sighted antisocial, un-American economic policy for the future. As the Credit Institute aptly says:

> Is the prosperity of America so fickle that it can be maintained in no other way than at such cost to the people?

EXTENSION OF REMARKS

Mr. GRANGER (at the request of Mr. HOOK) was granted permission to extend his remarks in the RECORD and include therein a table.

Mr. MONRONEY asked and was granted permission to include in the remarks he made in Committee of the Whole certain letters and tables.

Mr. PITTENGER (at the request of Mr. GAMBLE) was granted permission to extend his own remarks in the RECORD.

Mr. BUFFETT (at the request of Mr. GAMBLE) was granted permission to extend his remarks in the Appendix of the RECORD.

Mr. LEMKE (at the request of Mr. GAMBLE) was given permission to revise and extend the remarks he made in Committee of the Whole and include various telegrams and statements.

Mr. BEALL (at the request of Mr. GAMBLE) was granted permission to extend his remarks in the RECORD and include an article appearing in the Cumberland (Md.) News of June 18, 1945.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD in three instances and to include therewith two articles by Dorothy Dunbar Bromley and a letter from Snider Bros.

Mr. MOTT asked and was granted permission to extend the remarks he made in Committee and to include therewith an amendment which he proposed to offer.

Mr. CRAWFORD asked and was given permission to extend the remarks he made in Committee of the Whole and to include a statement by the Industrial Conference Board.

PERMISSION TO ADDRESS THE HOUSE

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent that on Monday next, after the legislative business of the day and all special orders heretofore entered, I may address the House for 45 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. HOEVEN. Mr. Speaker, I have a special order for today. I ask unanimous consent that it may be vacated as of today and transferred to next Monday at the conclusion of all other business and special orders.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LYNCH (at the request of Mr. QUINN of New York), indefinitely, on account of illness.

ENROLLED BILL SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3240. An act to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other p poses.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H. R. 2416. An act authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1919; and

H. J. Res. 206. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 4 minutes p. m.) under

its previous order, the House adjourned until tomorrow, Friday, June 22, 1945, at 10 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

There will be a meeting of the Committee on the Judiciary at 10:30 a. m., Friday, June 22, 1945, to continue hearings on the following bills with respect to Federal administrative procedure: H. R. 184; H. R. 339; H. R. 1117; H. R. 1203; H. R. 1206; and H. R. 2602. The hearings will be held in the Judiciary Committee room 346, Old House Office Building.

The hearing previously scheduled by the Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary for Friday, June 15, 1945, will be held on Monday, June 25, 1945, at 10 a. m. The hearing will be on the provisions of the bills (H. R. 33 and H. R. 3338) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto (referees—method of appointing, compensation, etc.), and will be conducted in the Judiciary Committee room 346, Old House Office Building.

There will be a meeting of Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m. on Wednesday, June 27, 1945, to continue hearings on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MANSFIELD: Committee on Rivers and Harbors. H. R. 2690. A bill to amend the Bonneville Project Act, with amendment (Rept. No. 777) Referred to the Committee of the Whole House on the State of the Union.

Mr. MURDOCK: Committee on Irrigation and Reclamation. S. 24. An act for the relief of the Truckee-Carson irrigation district, without amendment (Rept No. 778). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Naval Affairs. House Joint Resolution 215. Joint resolution authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1; without amendment (Rept. No. 779). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H. R. 3526. A bill to extend certain benefits of the Servicemen's Readjustment Act of 1944 to widows of veterans and to wives of certain totally and permanently disabled veterans; to the Committee on World War Veterans' Legislation.

By Mr. COLE of Missouri:

H. R. 3527. A bill to provide for the settlement of claims against the United States for damage to crops caused by wild fowl in the vicinity of national wildlife refuges; to the Committee on Claims.

By Mr FARRINGTON:

H. R. 3528. A bill to confer United States citizenship upon certain inhabitants of the island of Guam; to the Committee on Immigration and Naturalization.

By Mr. SPARKMAN:

H. R. 3529. A bill to amend the Pay Readjustment Act of 1942; to the Committee on Military Affairs.

By Mr. KNUTSON:

H. R. 3530. A bill relating to seniority rights of veterans; to the Committee on Military Affairs.

By Mr. BROOKS (by request):

H. R. 3531. A bill to amend the Servicemen's Readjustment Act of 1944 so as to provide readjustment insurance for those persons who served in the armed forces of the United States during the present war, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. EBERHARTER:

H. R. 3532. A bill amending the act of October 14, 1940, entitled "An act to record the lawful admission to the United States for permanent residence of Nicholas G. Karas"; to the Committee on Immigration and Naturalization.

By Mr. HOCH:

H. R. 3533. A bill to authorize revisions in the boundary of the Hopewell Village national historic site, Pennsylvania, and for other purposes; to the Committee on the Public Lands.

By Mr. MURDOCK:

H. R. 3534. A bill to clarify the applicability of section 10 of the act of June 17, 1902 (32 Stat. 388), section 15 of the act of August 13, 1914 (38 Stat. 686), and of section 15 of the act of August 4, 1939 (53 Stat. 1187), with respect to the availability of funds appropriated to the Bureau of Reclamation, Department of the Interior, for the performance of acts necessary and proper in connection with the investigation, construction, operation, or maintenance of Federal reclamation projects; to the Committee on Irrigation and Reclamation.

By Mr. PLUMLEY:

H. R. 3535. A bill to amend the act entitled "An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended," approved January 24, 1942, and for other purposes; to the Committee on the Civil Service.

By Mr. RANKIN:

H. R. 3536. A bill to amend the Servicemen's Readjustment Act of 1944 to provide for a readjustment allowance for all veterans of World War II; to the Committee on World War Veterans' Legislation.

By Mr. RANKIN (by request):

H. R. 3537. A bill to amend the Servicemen's Readjustment Act of 1944 so as to provide readjustment insurance for those persons who served in the armed forces of the United States during the present war, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. BROOKS:

H. R. 3538. A bill to officially name the dam authorized by act of June 28, 1938 (52 Stat. 1219) on Red River near Denison, Tex., the "Rayburn Dam"; to the Committee on Flood Control.

By Mr. BRADLEY of Pennsylvania:

H. Res. 297. Resolution providing additional compensation for certain messengers in the Office of the Doorkeeper; to the Committee on Accounts.

By Mr. BIEMILLER:

H. Res. 298. Resolution to provide for the investigation by the Attorney General of the proceedings surrounding the condemnation of the Milwaukee County House of Correction; to the Committee on the Judiciary.

By Mr. PLUMLEY:

H. Res. 299. Resolution providing an order of business for the consideration of the bill H. R. 2408; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GROSS:

H.R. 3539. A bill for the relief of A. G. Crunkleton, trading as A. G. Crunkleton Electric Co., of Greencastle, Pa.; to the Committee on Claims.

By Mr. LANE:

H. R. 3540. A bill for the relief of Nicholas Mortatos; to the Committee on Immigration and Naturalization.

By Mr. LARCADE:

H. R. 3541. A bill authorizing the President of the United States to award a Congressional Medal of Honor to Gen. John J. Pershing, United States Army; to the Committee on Military Affairs.

H. R. 3542. A bill authorizing the President of the United States to award a Congressional Medal of Honor to Gen. Dwight David Eisenhower, United States Army; to the Committee on Military Affairs.

By Mr. SPARKMAN:

H. R. 3543. A bill for the relief of Elmer D. Thompson; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

989. By Mr. COCHRAN: Petition of Joe Bob Hawkins and 298 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

990. Also, petition of E. E. Blockberger and 310 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 22, 1945

The House met at 10 a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O patient and loving Father, at whose footstool the morning stars sing together, and in whom there is perfect harmony forevermore, Thy providence has brought us to the beginning of another day. How much more intelligently and bravely we can serve our fellow men with Thy truth to guide us and Thy spirit to inspire us; bestow upon us the mercy of these blessings. Life's limitations would be bitter indeed were it not for the assurance that this is God's earth, with its testimony of Thy presence and care.

We pray Thee to deliver us from the unrest of life with its recurring anxiety. Make every weakness a strength and every hindrance an inspiration. Lead us with fatherly care and help us to live simple, contented, and trustful lives. The Lord God be with our country, and may our citizens ever be wise that the

strength of a nation is in its happy, well-ordered homes, where faith, hope, and love allow nothing to disturb. In our Saviour's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 378. An act authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes;

H. R. 802. An act for the relief of camp No. 1, Alaska Native Brotherhood, Sitka, Alaska;

H. R. 892. An act for the relief of Madeline J. MacDonald;

H. R. 912. An act for the relief of William H. Shultz;

H. R. 993. An act for the relief of Mrs. Ellen C. Burnett;

H. R. 1038. An act for the relief of Daniel B. Johnson;

H. R. 1044. An act for the relief of Marlin-Rockwell Corp. with respect to the jurisdiction of The Tax Court of the United States to redetermine its excessive profits for its fiscal year ending December 31, 1942, subject to renegotiation under the Renegotiation Act;

H. R. 1055. An act for the relief of the Realty Bond & Mortgage Co. and Robert W. Keith;

H. R. 1058. An act for the relief of W. A. Smoot, Inc.;

H. R. 1059. An act for the relief of Leonard D. Jackson and Elsie Fowkes Jackson;

H. R. 1091. An act for the relief of Harold J. Grim;

H. R. 1243. An act for the relief of Mrs. C. J. Rhea, Sr.;

H. R. 1320. An act for the relief of M. Elizabeth Quay;

H. R. 1328. An act for the relief of Mrs. Cecilia M. Tonner;

H. R. 1453. An act for the relief of Edith M. Powell;

H. R. 1482. An act for the relief of the legal guardian of Samuel Wadford;

H. R. 1488. An act for the relief of Austin Bruce Bowen;

H. R. 1599. An act to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc.;

H. R. 1611. An act for the relief of Charles E. Surmont;

H. R. 1617. An act for the relief of Hugh M. Gregory;

H. R. 1677. An act for the relief of Hires Turner Glass Co.;

H. R. 1678. An act for the relief of Mrs. Ada Wert Illinico;

H. R. 1756. An act for the relief of the estate of the late Demetrio Caquías;

H. R. 1792. An act for the relief of the White Van Line, Inc., of South Bend, Ind.;

H. R. 1812. An act to authorize an award of merit for uncompensated personnel of the Selective Service System;

H. R. 1891. An act for the relief of the Grandview Hospital;

H. R. 2001. An act for the relief of Betty Ellen Edwards;

H. R. 2002. An act for the relief of Joseph Wyzynski;

H. R. 2003. An act for the relief of the legal guardian of Stewart Martin, Jr., a minor;

H. R. 2113. An act to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes;

H. R. 2125. An act to amend the Canal Zone Code;

H. R. 2158. An act for the relief of the Cowden Manufacturing Co.;

H. R. 2286. An act for the relief of Jane Thayer;

H. R. 2322. An act to provide for the issuance of the Mexican Border Service Medal to certain members of the Reserve forces of the Army on active duty in 1916 and 1917;

H. R. 2700. An act for the relief of Alice Walker;

H. R. 2721. An act for the relief of the Tobey Hospital;

H. R. 2727. An act for the relief of the estate of Herschel Adams, deceased, and Pleas Baker;

H. R. 2730. An act for the relief of Mrs. Jane Strang;

H. R. 2754. An act to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes and to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma," approved January 27, 1933, and to validate State court judgments in Oklahoma and judgments of the United States District Courts of the State of Oklahoma;

H. R. 2839. An act to increase the salary of the executive secretary of the Nurses' Examining Board of the District of Columbia;

H. R. 2925. An act for the relief of Nelson R. Park;

H. R. 2944. An act to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities;

H. R. 2949. An act to extend 5-year-level-premium-term policies for an additional 3 years;

H. R. 3059. An act authorizing the Postmaster General to continue to use post-office clerks and city letter carriers interchangeably;

H. R. 3074. An act for the relief of the heirs of Henry B. Tucker, deceased;

H. R. 3193. An act to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes;

H. R. 3232. An act to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect;

H. R. 3233. An act to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances;

H. R. 3234. An act to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect; and

H. J. Res. 136. Joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt Fund.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 688. An act to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute";

H. R. 842. An act for the relief of Mrs. Sadie L. Dance, Michigan Millers Mutual Fire Insurance Co., and State Farm Fire Insurance Co.;

H. R. 1606. An act for the relief of Ethel Farkas, Julius Farkas, and legal guardian of Terez Farkas;

H. R. 1656. An act to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project;

H. R. 1668. An act for the relief of Mrs. Mary Ellen Keegan Herzog, Francis James Keegan, and Sgt. John Keegan;

H. R. 2336. An act for the relief of Osborne E. McKay;

H. R. 2875. An act to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia"; and

H. R. 3118. An act to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 100. An act to authorize an exchange of certain lands with William W. Kiskadden in connection with the Rocky Mountain National Park, Colo.;

S. 199. An act to authorize the conveyance of certain public lands in the State of Minnesota to such State for use for park, recreational, or wildlife-refuge purposes;

S. 438. An act authorizing the Secretary of the Interior to partition certain lands in Cleveland County, Okla., and for other purposes;

S. 447. An act to reduce the rate of interest on loans secured by United States Government life insurance to 4 percent per annum;

S. 480. An act to authorize the sale of the allotment of Henry Keiser on the Crow Indian Reservation, Mont.;

S. 486. An act for the acquisition of Indian lands required in connection with the construction, operation, and maintenance of electric transmission lines and other works, Fort Peck project, Montana;

S. 489. An act for the relief of Caffey Robertson-Smith, Inc.;

S. 524. An act to provide for one national cemetery in every State and Territory and such other national cemeteries in the States, Territories, and possessions as may be needed for the burial of war veterans;

S. 543. An act for the relief of Felix Frederickson;

S. 626. An act for the relief of William D. Warren;

S. 709. An act authorizing and directing the Secretary of the Interior to issue to Peter A. Condelario a patent in fee to certain land;

S. 711. An act for the relief of Ernest L. Fuhrmann;

S. 715. An act to provide more efficient dental care for the personnel of the United States Navy;

S. 716. An act to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942;

S. 718. An act to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indián lands;

S. 727. An act for the relief of the commissioned officers of the U. S. S. *St. Louis* during the Spanish-American War, May 18 to September 2, 1898;

S. 732. An act for the relief of Ensign Elmer H. Beckmann, United States Naval Reserve;

S. 761. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut occupied by Eighty-

third United States Naval Construction Battalion at Camp Rosseau, Port Hueneme, Calif., on December 22, 1944;

S. 805. An act to insure further the military security of the United States by preventing disclosures of information secured through official sources;

S. 812. An act to amend section 3 of the San Carlos Act (43 Stat. 475–476), as supplemented and amended, and for other purposes;

S. 822. An act to reimburse certain Navy personnel for personal property loss or damaged in a fire at Naval Base 2, Rosneath, Scotland, on October 12, 1944;

S. 823. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944;

S. 824. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut E–172 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945;

S. 888. An act to authorize the exchange of certain lands in the vicinity of the War Department Pentagon Building in Arlington, Va.;

S. 1045. An act to provide for pay and allowances and transportation and subsistence of personnel discharged or released from the Navy, Marine Corps, and Coast Guard because of under age at the time of enlistment, and for other purposes;

S. J. Res. 4. Joint resolution authorizing the erection on public grounds in Springerville, Ariz., of a memorial to Gustav Becker;

S. J. Res. 31. Joint resolution authorizing the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes; and

S. J. Res. 51. Joint resolution granting permission to Charles Rex Marchant, Lorne E. Sasseen, and Jack Veniss Bassett to accept certain medals tendered them by the Government of Canada in the name of His Britannic Majesty King George VI.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 58. An act to amend an act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941, as amended, and for other purposes; and

S. 880. An act to provide for designation of the United States Veterans' Administration hospital at Sioux Falls, S. Dak., as the Royal C. Johnson Veterans' Hospital.

EXTENSION OF REMARKS

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial from the Jefferson Gazette of Jefferson, Ohio, entitled "Putting the Screws on Country Butchers." I wish to recommend it to the reading of the Members of Congress and especially to Mr. Chester Bowles and other officials of the Office of Price Administration.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENNETT of Missouri asked and was given permission to extend his remarks in the RECORD.

Mr. ENGEL of Michigan asked and was given permission to extend his remarks and include two prayers by Rev. Dr. Joseph F. Thorning, the invocation and benediction given at the seventy-sixth annual convention of the National University.

Mr. SPARKMAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein excerpts from an address of Bishop Oliver James Hart.

Mr. LANE asked and was given permission to extend his remarks in two instances, in one to include an article which appeared in the Postmaster's Gazette and in the other to include a letter from one of his constituents.

LEAVE OF ABSENCE

Mr. BURCH. Mr. Speaker, I ask unanimous consent that leave of absence may be granted to the gentleman from Virginia [Mr. FLANNAGAN] for the remainder of the week on account of death in family.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

CALL OF THE HOUSE

Mr. BROWN of Ohio. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 117]

Anderson, N. Mex.	Gavin	Reed, Ill.
Andrews, N.Y.	Gearhart	Rich
Baldwin, N. Y.	Gifford	Rodgers, Pa.
Bell	Grant, Ind.	Roe, Md.
Bland	Hall, Edwin Arthur	Roe, N. Y.
Bloom	Hart	Russell
Boren	Healy	Sabath
Camp	Heffernan	Sadowski
Cannon, Fla.	Hobbs	Sasscer
Cannon, Mo.	Holifield	Shafer
Clark	Hope	Sharp
Clason	Jarman	Sheppard
Coffee	Johnson, Calif.	Sheridan
Cooley	Johnson, Ind.	Short
Cox	Kee	Sikes
Crosser	Latham	Simpson, Pa.
Curley	Lynch	Slaughter
Curtis	Martin, Iowa	Smith, Maine
Daughton, Va.	May	Smith, Va.
Davis	Merrow	Somers, N. Y.
Dawson	Morrison	Sumner, Ill.
Dirksen	Murray, Tenn.	Traynor
Durham	Norton	White
Earthman	Peterson, Ga.	Whitten
Eaton	Pfeifer	Winter
Elsaesser	Ploeser	Wolfenden, Pa.
Fellows	Price, Fla.	Wood
Flannagan	Price, Ill.	Worley
Gardner	Reece, Tenn.	

The SPEAKER. Three hundred and thirty Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENDING PRICE CONTROL AND STABILIZATION ACTS

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of House Joint Resolution 101, extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of House Joint Resolution 101, with Mr. COOPER in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. When the Committee rose on yesterday general debate had been concluded and the committee amendments had been read and are now pending.

The Chair recognizes the gentleman from Kentucky.

Mr. SPENCE. Mr. Chairman, I have sought recognition for the purpose of saying that while we have had no requests from Members to speak out of order I am sure we all realize that in order to expedite final action on this bill it will be necessary for Members to confine their remarks to the bill. I shall therefore insist that the rule be complied with and that Members confine their remarks to the bill and not speak out of order today.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. MASON. And could we not also have an agreement that there would be no extensions of time beyond the 5 minutes allowed under the rule?

Mr. SPENCE. I am sure that will meet with the approval of the committee. I shall also insist that Members be confined to the 5-minute rule.

Mr. BROWN of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROWN of Ohio. The insistence of the gentleman means nothing, does it? It will have to be done either by unanimous consent or a motion.

The CHAIRMAN. The gentleman is correct.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 1, amend the committee amendment by striking out "June 30, 1946" wherever it appears and substituting "December 31, 1945."

Mr. WOLCOTT. Mr. Chairman, before discussing the amendment, the attention of the Committee should be called to the fact that just before the Committee rose last evening it was decided to read the whole bill, then by unanimous consent all amendments to the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, which would otherwise be in order are in order to the bill.

Mr. Chairman, the amendment which I have just offered merely reduces the time to December 31, 1945. The bill as originally introduced provided that the OPA should be extended to December 31, 1946. The committee cut that down and the committee amendment provides that the OPA shall be continued to June 30, 1946. My amendment simply reduces that time further to December 31, 1945.

Mr. Chairman, the reasons why it is essential that the life of the OPA should be continued for only 6 months have been discussed and made quite clear in general debate. Summarizing, we should have in mind that the basic objections to OPA are, first, the failure of OPA to administer the law in such manner that the people of the United States, including the armed forces, might have reasonable assurances of adequate foodstuffs. It has been brought out that the reason why the American people are not getting adequate foodstuffs is because of the mismanagement in OPA and the War Food Administration, but perhaps even more important than that is the fact that in the brief time we have had to consider the OPA, and the fact it would otherwise expire on June 30, we have had no time and no opportunity, as a matter of fact we have little knowledge of the part which OPA 6 months from now must play in the reconversion effort. Every Member of Congress has innumerable cases in his files wherein OPA has interfered materially in the reconversion effort, resulting in keeping a good many thousands of people unemployed.

In Detroit, for example, the so-called arsenal of democracy, because of cutbacks in war contracts they are facing an unemployment problem, and at the same time OPA is preventing the orderly reconversion of the factories, not only in Detroit but all over the United States, which would give adequate employment in order that we may support this economy of ours. It is going to be a tremendous burden, and the people of the United States expect us to formulate rules under which OPA will be compelled to work to encourage reconversion and to encourage employment during the transition period.

We have no assurance whatever that if we continue OPA for a year they are going to use any better judgment than they have in respect to food or that they are going to use any better judgment than they have in connection with the reconversion program. The only assurances we have, and the only assurances which the American people have, that OPA is not going to continue to prevent orderly reconversion to give adequate employment is to continue this for 6 months in order, and only in order, that we may have another look at OPA within the next 6 months and write the formulae which are necessary to make OPA effective in the reconversion program. I dare say if we do not adopt the amendment, we shall not have an opportunity to give it adequate consideration.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

Mr. Chairman, granting all that has been said about the OPA, conceding for the argument the truth of the criticisms, the question is whether you want an effective or ineffective Office of Price Administration. How are you going to stabilize prices and wages with an unstable agency. Each time that this question has been presented to the Congress it has continued these agencies for a year or more. Now, at the period when the greatest stresses are upon the economy of America to create an increase in prices, to create the evils of inflation, comes an amendment to limit the continuation of this agency to 6 months.

In my opinion this amendment would materially weaken the Office of Price Administration. It would cause probably many of its employees to leave. Whatever you may say about them, many of them are able men who have left private employment at a great sacrifice to come to Washington and perform what they think is a patriotic duty to their country. Many of these people seeing that the agency itself was about to be sabotaged, would leave their present employment and it would weaken the organization and destroy the effectiveness of its operation. They tell you that producers would not keep their goods off the market because they would have to take advantage of the regular marketing periods, otherwise they would lose their market. But there is no danger of that because the present markets are so strong and prices if uncontrolled would be so high that the producer could well afford to refuse to put his goods on the market until he knew the fate of OPA.

You all know, after all the shouting and the tumult has died, after all the criticisms have been heard, that there is not a man or woman in this House who does not know that the Office of Price Administration should be continued. If we are to prevent a major disaster, one that would be as great almost as would ensue from an invading army, we have to control prices and wages. Why do anything at this time to lessen the effectiveness of the agency that is charged with that control?

When this bill was introduced it provided for an 18 months' extension. We reduced that time in the committee to comply with the previous extensions of the act and made it a year. There seems to be a tendency in the House to believe that the Congress is going to administer these rules and regulations and these acts. The framers of our Constitution never intended that Congress should execute the laws. They wisely divided the Government into three coordinate and separate branches: the legislative, which enacts the laws; the judiciary, which interprets and construes them; and the executive, which enforces them. The OPA is in the executive department of the Government. The executive department of the Government is charged with the law enforcement. To say that the committee should meet every 3 months or every 6 months to see that the law is properly administered is pure balderdash, in my opinion, and contrary to every conception of the founders of our Government, and contrary to the best interests of the American people. Congress has enough to do to consider and enact the legislation that is necessary to meet the conditions that confront the people of America.

I ask that the amendment be defeated.

Mr. PITTENGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and Members of the House, I hope that the amendment offered by the distinguished and able gentleman from the great State of Michigan [Mr. WOLCOTT] prevails, and I do not want anybody to take my distinguished friend from Kentucky [Mr. SPENCE] too seriously.

This is a day that I have looked forward to for some time. There is no other Government agency, not even among the vast thousands that have been created under one pretext and another, that has treated the Congress of the United States and the American people, the farmers, the small businessmen, and everyone else that they can approach, with more studied and deliberate contempt than this bunch of policymakers who occupy high positions in the Office of Price Administration. I think that the 6 months limitation is entirely too long. If I understood the President of the United States correctly in his interview yesterday, he is going to get rid of this bunch anyhow, and probably as fast as he can, and if he is getting the same word from the American people that I am getting he is doing himself a great favor to heed that voice of the folks throughout the great length and breadth of America who are sick and tired of these mistakes that our friends from the majority side of the House are so freely admitting. Then they come in here with a death-bed repentance idea that you are to overlook these things because you cannot get along without OPA. I have never seen an indispensable man or an indispensable agency yet.

Why, even my distinguished and able colleague, the gentleman from Minnesota, says I am doing all right, and it must be so.

Mr. Chairman, in all sericusness, I think every Member on the floor of this House recognizes the need for price control. In the same breath I want to say that we do not want the evils of inflation. Now we can have price control under some other agency and under the direction of this great President of ours without having to perpetuate the OPA. We can get rid of inflation and prevent any further inflation, we already have some, without keeping the OPA.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. PITTENGER. I yield.

Mr. KNUTSON. Mr. Hoover did a better job 25 years ago for $8,000,000 and with less than 300 employees.

Mr. PITTENGER. Mr. Chairman, that is ancient history. Now I am discussing modern history. I am discussing the mistakes that Moses is making down in the OPA.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. PITTENGER. I yield.

Mr. VORYS of Ohio. I see where our great President yesterday said that we are going to start getting enough food in a month when they start to reorganize the Department of Agriculture. Does the gentleman know any reason why we should wait to correct administrative abuses for a month in order to get enough food?

Mr. PITTENGER. The gentleman's question answers itself. I think the President of the United States is over-

optimistic. I want to say that when he came out in an interview some time ago with the statement that the grand old OPA was doing a good job, some of these boys were pulling the blind bridle over his eyes. I hope no Member of this House is guilty of misleading the distinguished man from Missouri, who is trying to do a good job. He will do a good job if you fellows do not advise him wrongly and if you let him alone and give him good advice, because the newspapers said that he consults the party leaders up here. Let me tell you the responsibility comes right back here.

I talked with the people back home during the Easter recess. They looked at me with contempt when I said that it is the administration running it. They said, "You cannot do anything?" Well, today is where I hope to do "something."

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. BROWN of Georgia. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I know every Member of this House will be satisfied if the OPA carries out the intention of Congress. That is what we want. We all realize that we will not be considering the OPA legislation every 3 or 4 months if the intention of Congress is carried out. We now have a policy. We have said to the OPA, "If you do not carry out our intention we will convene the committee every 3 or 4 months or at any other time that it is necessary. We will go further than that. We will amend the law. This is our challenge to you. Unless you carry out the intentions of Congress we will meet in open session and amend the law."

What more can we do? The bill extends the life of the OPA for 12 months. When we issue a policy and warn them that unless they carry out the intention of Congress we will meet and amend the law, that will bring across good administration. Your committee has promised in its report to do that. What is the promise of the Congress? It is in writing. It is as follows:

> The committee proposes to keep in close touch with operations of the Office of Price Administration and to meet with the Administrator to discuss its problems. Should conditions change, or serious administrative shortcomings appear which are not promptly corrected by administrative action, the committee can and will reappraise the law before the time for renewal comes and propose such legislative correction as may be needed.

What more do you want? That is a warning in writing by the committee that handles this legislation. That committee can meet in 3 months or 4 months or at any other time.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I decline to yield, Mr. Chairman. The gentleman can get 5 minutes and address the Committee.

To extend the life of this agency for less than 12 months would be unfortunate in many ways and the public would not know how to plan for production of food and clothing.

The report of the committee states further:

> The Members of the House are reminded that pursuant to existing law the Office of Price Administration makes reports to Congress every 90 days as to its operations. These reports are available as public documents.

What more can we do? We have authority to confer every 2 or 3 months. We say in the report "You must carry out the intention of Congress. We can meet and amend this law and we can make any correction of mistakes or do away with price control if it is not administered according to the intention of Congress." I do not believe the OPA would hesitate to carry out the intention of Congress since we have put them on notice that we are checking on them all the time and we mean to have the intent of Congress carried out. A majority of those who vote for this amendment are against price control anyway.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. OUTLAND. Mr. Chairman, I rise in opposition to the amendment.

Mr. OUTLAND. Mr. Chairman, the gentleman from Minnesota [Mr. PITTENGER] who spoke a few moments ago and brought forth a great deal of laughter as we are debating a very serious measure, said he was for price control. We are going to hear a great many speeches on the floor today which will start out something like this, "I am for price control, but"; and that "but" is going to be in the way of an amendment which in this way or in that way is going to seriously endanger continuing the Price Control Act. "Price control, but" really means no price control at all.

I want to see every injustice and every inequity that has crept into the administration of the law ironed out. I shall do everything I can to help correct them. As a member of the committee, I have listened to the testimony that has been made by those who have criticized, and as the gentleman from Georgia [Mr. BROWN] who preceded me so well stated, we have tried to put into the report language clarifying the intent of Congress in this connection. But if we on this floor today add amendments of the nature of the one now under discussion and other amendments which I imagine will be offered, the American people a couple of years from now are not going to thank us for breaking the line as we will be breaking it here today. We cannot have "price control, but." We have the responsibility here today of doing something that may not be very popular in certain quarters. Price control is not popular. No kind of war control is popular, but we have to put up with it just as we have to put up with other things that accompany war. It will take courage to really hold the line. I trust that the Members of this House will demonstrate such courage here today.

Tomorrow we will be taking up the War Department appropriation bill. Is any member of the minority going to come here and move that we appropriate funds for 6 months only because they do not know how the war will be going in 6 months from now? It would be exactly the same thing to do that as to attempt to do it for an agency that is fighting the war on the home front. I think the two have to be placed in the same category.

Mr. Chairman, this should not be a partisan issue any more than other aspects of the war are partisan issues. I would deplore very much if either Members on the minority or the majority attempted to bring partisan politics into this discussion. We have got to keep it on a plane much above that, or the American people are not going to like what we do here. We do not talk about Democratic and Republican politics on the battle front, and we should not bring them into our fight on the home front, either. Anyone doing so is hurting the war effort. We have the responsibility of correcting every mistake that comes up, but we do not have the responsibility of making additional mistakes in this Congress. If we attempt to amend this bill so that it can be renewed for only 6 months, we will be making one of the most serious mistakes that we could possibly make. Mr. Bowles has said if that step were taken he would have a very difficult time holding the key people on his staff. If we start off a breakdown in the agency such as will be encouraged by this action, we simply cannot hold the price-control front.

Mr. Chairman, I hope we will rise above any partisanship, rise above any prejudice today, and defeat this and other amendments which would cripple the price-control law.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I rise in support of the amendment.

Mr. MASON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MASON. I wish to know whether under our rules more than one person can speak for an amendment and more than one can speak in opposition to an amendment for 5 minutes. As I understand the rules, gentlemen, in order to obtain the floor, will have to move to strike out some number of words. Is that true?

The CHAIRMAN. The gentleman is correct. Under the rules of the House, 5 minutes for an amendment and 5 minutes in opposition to it are permitted. Other Members gain the floor either by offering pro forma amendments to strike out a word and thereby get recognition on their amendment, or in opposition to the pro forma amendment.

Mr. MILLER of Nebraska. Mr. Chairman, I move to strike out a sufficient number of words in order to speak for 5 minutes.

The CHAIRMAN. The gentleman from Nebraska is recognized for 5 minutes.

Mr. MILLER of Nebraska. Mr. Chairman, there is an old adage which runs: "Spare the rod and spoil the child." Some of us have heard that adage. Congress created this child, the OPA. It has grown pretty large, it has gotten out of hand. This Frankenstein monster is larger than Congress. Does anyone here,

particularly on the Democratic side of the aisle, say that this OPA, this baby of ours, has not gone far beyond the original intent of Congress? I can look over on the right-hand side of the aisle and see gentlemen here who were thrown out of a meeting of OPA when they went down to try to talk with OPA officials about the ceiling prices on fresh fruit. Do you think that this baby we have created should have thrown you out? We are the father of this child, bastard though it is, conceived perhaps from necessity. I ask you gentlemen who were thrown out of that meeting down at the OPA: How did you feel? Did you expect that type of treatment from your own child? You said some pretty hard words about OPA. It rather surprises me that today you come in here and say: "Now don't chastize this agency; don't adopt any amendments which might make them carry out the intent of the law." The amendment of the gentleman from Michigan would make the OPA come back in 6 months for a review of its activities. What is wrong with that? It says: "Now, Mr. OPA, you are our baby. We named you OPA, whatever that means." It means Office of Price Administration to some people, and to others it means something else. "Now, you come back in 6 months and let us have another look at you. If you are doing all right you can proceed; if not we will write some changes in the law to make you carry out the intent of Congress."

We want to control prices; we must control inflation, but many of OPA rules and regulations have not controlled inflation; they have instead created scarcity and black market in meat and food. Look at the quality of clothing the laboring people have to buy at exorbitant prices. The chickens you buy in Washington and the meat you buy is mostly at increased prices. So what is wrong with the amendment offered by the gentleman from Michigan which would extend OPA for 6 months? You give this agency an unrestricted green light, and more Members of Congress will be thrown out of conferences held by OPA. You will not be able to represent your constituents at these meetings.

I wish to read into the RECORD a telegram I received this morning from one of my constituents, a substantial man in Kearney, Nebr. It reads as follows:

> This OPA that Congress creates has turned out to be a Franktenstein monster of the theoretical miscarriage and ouija-board decisions and is more damaging and dangerous to the American way of life than anything this country has ever faced. OPA must be stripped of its own law-making powers and a general weeding of its personnel. What is to keep them from staying on after the war claiming they must put a floor under prices.

They have issued many rules and regulations that they do not understand. Lou Maxim, when he went out of the OPA as chief enforcement officer, had this to say about their regulations:

> Our young lawyers have OPA so bound up in legalistic red tape that Houdini himself couldn't untangle it.

I do not know how many hours they spent on their classic order on fruit, but it is 6 pages of fine print.

They issued another order of 13,860 words regulating feather pillows. If they had not rescinded that order effective the 27th of June, 22,000 retailers in this country handling 30 different types of pillows would have had to send a sample of each one of them to the OPA pillow section. They just rescinded that order 2 days ago.

I hope this House will pass this amendment. I am one of those folks who believe you must have price control, but if OPA will not respect and follow the law as passed by Congress we should have the right to call them before us every 6 months for review.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. PATMAN rose.

The CHAIRMAN. Is the gentleman from Texas seeking recognition?

Mr. PATMAN. Yes; I move to strike out the last three words.

The CHAIRMAN. The gentleman from Texas is recognized for 5 minutes.

Mr. PATMAN. Mr. Chairman, no one in this House agrees 100 percent with all that the Office of Price Administration has done. It is a matter, however, that is entirely too serious and too important to be facetious about.

It is my opinion that it is the duty of a Member of Congress to compromise, to give and take, sometimes sacrifice his views, sometimes take something bad to keep from taking something worse. When you talk about the OPA, think of what the alternative would be if we did not have it; think of what the consequences would be. I doubt if any major law ever passes this Congress that does not represent a sacrifice of view or a compromise of opinion on the part of practically every Member of this House and of the other body. We have got to give and take, otherwise there will be no legislation. Suppose each of 435 Members here say: "Yes; I am for price control, but I want it done my way. If you do not do it my way I am not for it." That means we will have no price control. We would never pass any major law. It is necessary in a democracy that we sacrifice our views sometimes in order to get a better thing done.

The effect of the pending amendment is very inflationary. The chairman of our committee stated the effect in one sentence more clearly and with greater force than any statement I have heard, when he said here in the beginning that you cannot stabilize prices with an unstable agency. We have been creating this agency for a year at a time. If we were to reduce it now to 6 months, that would be a vote of lack of confidence in that agency and it becomes an unstable one. Can an unstable agency stabilize prices? Of course, it cannot. Do not adopt or vote for an amendment that will cause this agency to be an unstable agency, because you cannot get the best results that way.

We should try to hold up the hand of this organization that is trying to fight the battles, not for the people in OPA, not for the Members of Congress, but for the people all over America. The passage of this amendment will be inflationary to the extent that it will almost immediately make higher the high cost of living. It will punish millions of people who are living upon fixed incomes, fixed salaries, pensions, old-age assistance, retirement benefits and veterans benefits, if you please.

What are you going to tell these boys when they come back? Are you going to say that while you were off on a foreign battlefield fighting our battles and winning the war that I as a Member of Congress did everything within my power to prevent our country being destroyed at home by inflation? Are you going to tell them when they come back home, maybe minus an eye or a leg, "You are going to get Government compensation. I tried to hold that line so that your money would buy as much as before. I tried to prevent inflation. I tried to make it possible for those checks that were sent to your wife and children to buy just as much of the comforts and necessities of life as possible."

Do you not think we will have a better feeling if we are able to look the servicemen in the eye and tell them that we have done everything in our power to save this country from inflation?

Mr. Chairman, the vote on this amendment is a serious matter. Inflation can happen here. It has happened in France, it has happened in Greece, it has happened in India, it has happened in China, and it has happened in Mexico to the south of us where you pay $120 for the same kind of an automobile tire that you pay $16 for here. So vote down this amendment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Miss SUMNER of Illinois. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as far as I could see, the hearings on this bill were being held merely in order to be able to say that hearings had been held. It was obvious in advance that the committee was going to vote for this OPA bill regardless of what might be developed at the hearings. There was a carefully pruned list of witnesses who testified for the bill. Most of them were heads of pressure groups. But it ought to be obvious by this time that the people who control our Government also in effect control most of the pressure groups, including the Republican Party. And most of the press and the radio.

I rather hoped that the Republican Member who was heard to warn OPA officials that he is opposing the OPA bill this time only because Republicans in his district were no longer getting any OPA jobs would get up here and say so in public. It might serve to open the eyes of the American people.

Instead of attending the hearings, I interviewed in my office complainants who were not going to be heard at the hearings. Here are some of the complaints I noted down:

That the only line Mr. Bowles has succeeded in holding is the headline in the newspapers. He uses doctored-up statistics to prove his statements. Recently he summoned down a lot of busy businessmen who supposed he wanted them for a business conference. All he wanted apparently was to make a speech with charts and statistics so doctored up that finally one of them got up and told Mr. Bowles what businessmen think of his phony statistics.

That the reason the price index looks as if it had not increased is because OPA changes the base and method of computation. He forgets about the time when OPA was first in operation. He pays no attention to quality deterioration. The price index is so weighted as not to be influenced much by articles which have risen greatly. Prices have risen enormously. Women's dresses, for example, have really risen about 100 percent. By putting a flower or different design on a dress, the same dress can be sold for more than 100 percent of the former price. Under the new regulations regarding refrigerators, requiring the average price, you will probably be lucky to get any of the gadgets which make a refrigerator useful. Underwear is going out of production.

In fact there are wide and increasing shortages of all kinds of necessities to living, which are ordinarily cheap in price which our people might just as well have except for OPA. The reason is because the manufacturer or producer of low price necessities operates normally under a small margin of profit. His costs have now bumped the ceiling. Regardless of how much he might be making in some sideline he is not apt to go on forever producing for nothing—that would be slavery. But under the OPA program he can sell out his factory to some new man who can manufacture a slightly different article at a high price. Result flight by nights are coming in manufacturing slightly altered articles at high prices. For example you cannot find a man's ordinary white shirt in Washington shops today. The ordinary $2.50 Arrow shirt now cannot be manufactured at that price. So manufacturers are making figured white shirts, called white-on-white shirts or colored shirts and OPA enables them to sell them for as high as $4.50. The same thing has happened in all kinds of necessities as you should have known all the time it would, since you cannot outlaw the law of supply and demand. The food shortage is inexcusable. Farmers can and should and would be feeding enough cattle and hogs to give the American people all they want except for OPA ceilings which prevent getting a profit.

The CHAIRMAN. The time of the gentlewoman from Illinois has expired.

Miss SUMNER of Illinois. Mr. Chairman, I ask unanimous consent to proceed for five aditional minutes.

Mr. GALLAGHER. Mr. Chairman, I object.

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, the most serious charge that can be brought against the OPA is the existence of black markets. There may be two reasons for black markets. I think in some cases the reason for it is that the price ceilings have been set too low to allow for reasonable costs. But another reason certainly is lack of enforcement personnel, and for that, to some degree, the Congress is responsible. If we want to do away with black markets, as we certainly do, the way to accomplish that purpose is not to adopt the Wolcott amendment. For if we are going to put an agency of this kind in so perilous a situation as to be extended for only 6 months, it seems to me evident that the kind of people who have been willing to operate in black markets in this war period will be encouraged to do so rather than discouraged.

On the other hand, I believe there is something in what the gentleman from Michigan said about the importance of OPA adjusting its policy to a period in which there are cut backs in war production and in which it is necessary for us to recognize the problem of reconversion. I am going to vote against the gentleman's amendment, but I believe that it is correct that we ought to attempt to outline a policy for the OPA to follow in the transition period. For that reason the other day I read to the House a brief amendment which I propose to offer which I think is a far better approach to the problem than the amendment offered by the gentleman from Michigan. My amendment says:

> The Administrator shall follow the general policy of removing price ceilings on any particular commodity wherever there is substantial evidence that the supply of such commodity in the United States is and can reasonably be expected to remain equal to or in excess of the demand for such commodity: *Provided further, however,* That so long as there exists monopolistic control of such supply of any commodity, price ceilings need not be removed as to such commodity under the terms of this section.

It seems to me if we are concerned about this problem of reconversion, the way to get at it is to adopt an amendment to this bill which will set forth a policy which is in accord with those needs rather than to put this agency on so unstable a basis as it would be put upon by the adoption of the amendment offered by the gentleman from Michigan.

Mr. HOFFMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. When can I get recognition on a preferential motion I have to offer?

The CHAIRMAN. Whenever the gentleman makes such preferential motion he will be recognized.

Mr. HOFFMAN. I have made it, Mr. Chairman. It is filed.

The CHAIRMAN. The gentleman has not offered his preferential motion yet.

Mr. HOFFMAN. I make the motion now, Mr. Chairman, if I may be recognized.

The CHAIRMAN. The gentleman from Michigan [Mr. HOFFMAN] offers a preferential motion which the Clerk will report.

The Clerk read as follows:

> Mr. HOFFMAN moves that the committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. HOFFMAN. Mr. Chairman, the old steam roller is back—the rubber-stamp boys and the "yessers" are again on the job. But all their threats do not make the impression they used to make. I recall very clearly that we were told unless we had UNRRA we and all the rest of the world were going to go to heck in a basket. Well, we have it, and the stench of it can now be smelled anywhere in the United States and over most of Europe. Its administration is a scandal and Russia will have none of it.

I remember just a few weeks ago the leaders on the other side came down on the floor and told us that unless we passed the work-or-fight bill we would never win the war, or at least the winning of the war would be delayed and we would lose hundreds of thousands of American boys. So the House leadership jammed it through. It went over to the other body—there it died.

Then along came the bill to draft nurses. Once more the leaders of the House took the floor and in substance told us we were unpatriotic, and this, that, and the other, if we did not fall in line and adopt that bill. The "draft nurses" bill was forced through the House as a necessary war measure. It went to the Senate and there it died. It has been only a few weeks since the hue and cry that we must draft nurses and now the Army tells us they do not need any more nurses. The majority leaders play Punch and Judy with the House Members but they have yelled wolf so often that more and more Members refuse to be frightened into voting for unnecessary legislation.

So you see we cannot rely upon the advice they give us from the other side.

Yes; I see the majority leader going up to the Chairman's desk to get time to make an explanation. I hope he has a better one than he has ever made before here on the floor.

Let us see. Someone said we are "Yes, but—" boys. Not me. Here is a little something. I am sick and tired of this OPA. As the gentleman said, "We fathered this bill, but what is it?" Let me give you a typical example.

Now, from this newspaper—and this is the Philadelphia Inquirer, not the Chicago Tribune or the Washington Times-Herald, or any of that kind of American newspaper. This is the Philadelphia Inquirer. Now, listen to this. You boys all love chickens—I mean the feathered chickens. You like them when you cannot get your meat or your beef. Under date of June 20, the paper states that at Milford, Del., there are 9,000 chickens on trucks, that 5,000 of them died because since last Monday Government officials would not let them be moved.

How would you like a little chicken for dinner tonight? Imagine, there were 9,000 of them and 5,000 dead. Of course

they might not be so good now. But there they were, and 5,000 of them starved to death because a Government agency would not let them be moved, and the processing plants would not take them.

Over in an adjoining column I find this:

No chickens in the Philadelphia market for civilians yesterday. Extreme shortage of eggs—

And so on. Eggs are 55 cents a dozen. The OPA? What has it been doing? Go down to the market now. Housewives will get six eggs. It has been only a few months when they had 1,440,000,000 eggs which went to the processing plants. You got 60 eggs for a cent if you wanted to make them into hog feed, poultry feed, or use them for fertilizer. That is the result of OPA regulation.

A fellow said, "What are you going to do?" I would cut its head off and start over again. Don't we realize that people all over the country are sick and tired of the OPA and its unnecessary restrictions? I will say to the gentleman from Texas [Mr. PATMAN] who is always an administration supporter, "We offered new legislation." "We have offered amendments trying to remedy this maladministration." We did it a year ago. Again today we do it. But the OPA did not—it will not—pay any attention at all. Chester Bowles comes before the various committees. He says, "Well, what of it if business is destroyed—it is just a war casualty."

What of it? Well, what of it? Our people are going to be hungry and without clothing, some time the folks are going to make their wishes known and express them at the polls, I hope.

The newspaper articles from which I quoted, are as follows:

FIVE THOUSAND CHICKS DIE; WFA IS BLAMED

MILFORD, DEL., June 20.—Bureaucratic bungling by the War Food Administration in Washington was blamed today for the destruction of more than 5,000 chickens purchased by Harry Pack, a poultry buyer, of Dagsboro, Del.

The fowl were part of 9,000 chickens which have been on a truck in Milford since Monday, and all soon will be dead from starvation, Mr. Pack said, because the Government officials declared they can't be moved.

REFUSED BY PLANTS

The chickens, Mr. Pack said, were offered to three processing plants, in accordance with the WFA regulations, but were refused. Then, Mr. Pack declared, he asked for the release of the poultry for civilian use.

"At this point," Mr. Pack continued, "Washington stepped in and said we couldn't move the chickens and gave no reason for such a maneuver. No one seems to want to assume any responsibility, and it is a crime that this food is going to waste. It is just another case of bureaucratic bungling."

Clifford Shed, Deputy War Food Administrator for Delaware, could not be reached for comment.

POULTRY SHORTAGE GROWS MORE ACUTE

There were no chickens in the wholesale market for civilians in Philadelphia yesterday, and there was an extreme shortage of eggs, W. B. S. Woodward, market research director for the War Food Administration, announced. He predicted no relief in the poultry situation over the coming week end.

Only 2,289 cases of eggs, with 30 dozens per case, were received in the market yesterday for both the Army and civilians, he said, and the supply will diminish steadily this week. The OPA announced that for the next 2 weeks, the retail ceiling price on extra large grade A eggs would be 55 cents a dozen. From now until July 4, for large grade B eggs, it will be 44 cents, with 2 cents extra if sold by the carton.

Inasmuch as even OPA's friends admit that it has been arbitrary and unreasonable, why not insist that it repent and reform before—not after—we extend its life Why trust it again, when it has always let us down.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the motion offered by the gentleman from Michigan [Mr. HOFFMAN].

Mr. Chairman, if the motion offered by the gentleman from Michigan [Mr. HOFFMAN] is adopted, of course it will effectively destroy price control. I think I speak for a large majority when I say that it is not the purpose of any of the amendments which have been offered to destroy price control. These amendments are offered in an endeavor to more effectively control prices and to prevent the OPA from using the powers which it has to control prices to negative any program which the Congress might set up for reconversion.

The committee report on page 5 contains some very interesting statements. It says:

The present stabilization laws have served well in the period of total war.

I think everybody agrees that if the Price Control Administration had confined its efforts and the power which was given to it to the control of prices, there would have been no criticism of OPA whatsoever.

The report goes on:

The majority believe that if these laws are wisely administered, they will still serve well as conditions change and civilian goods come back on the market in ever-increasing volume. Thus, the only danger is the danger of unwise administration.

Now, if we continue this law for a year and there is unwise administration, the Congress will not have an opportunity to effectively correct the evils of unwise administration until the termination of the year.

The reason why this amendment is offered and why I hope the motion to strike out the enacting clause is defeated, is to allow Congress to effectively look at this Administration late next fall and, because of the changes in our economic condition between now and then, determine whether it is necessary not only to further prevent unwise administration but to more effectively provide the manner in which OPA will function in the reconversion effort.

The report goes on to say:

To guard against this danger, however, it is not necessary to create doubts as to the continuance of stabilization and the soundness of the dollar.

There should not be any doubt in anybody's mind as to whether OPA will be continued as long as it is necessary to control prices. But if the argument which is made that we unstabilize the administration of the OPA law by voting for a continuance of only 6 months is tenable, on the ground that many of its employees will leave, then why are not the employees leaving by the thousands today? They do not have any positive assurance that the law will be continued beyond June 30, 1945. Next March they will have no positive assurance that OPA will be continued beyond June 30, 1946. So if their argument that by the adoption of the amendment we do something to the stability of the administration of OPA is tenable, then we might expect employees to be leaving OPA in droves today, and we may expect in March that employees of OPA will likewise leave in droves. Of course, there is not any sense to any such argument whatsoever, but there is sense to the argument that the American people expect Congress to keep its hand on this act and on the administration of it. If we do continue it for a longer period than 6 months, then we have the responsibility of saying to our constituents, "We have voted away the only effective control that we have over an agency which has the power to negative any conversion program."

I hope the motion offered by the gentleman from Michigan to strike out the enacting clause will be defeated.

The CHAIRMAN. All time has expired on the pending motion.

The question is on the motion of the gentleman from Michigan to strike out the enacting clause.

The motion was rejected.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, it is very easy to take the floor and be a critic. It is very easy for anyone to be a critic. But viewing the legislation, the extension of which we are now considering, the fact remains that unless legislation of this kind had been enacted into law and extended from time to time, and extended now, some other type of legislation would have to be enacted by the Congress to meet the situation and to prevent uncontrolled inflation.

There are many things about OPA that I am not friendly to or in support of, but we have to view this agency from the over-all picture. As we view the over-all picture of the OPA in its relationship to the conduct of the war, it has done an outstanding job. Mr. Bowles, in my opinion, has evidenced leadership which places him as one of the outstanding public officials of this time.

Now, confining myself to the amendment offered by the gentleman from Michigan [Mr. WOLCOTT]. If that amendment is adopted, then the Committee on Banking and Currency would have to start hearings immediately, in any event within a month or two, on the question of the extension of OPA and the present law from December 31 of this year.

It seems to me that the committee's report extending it 1 year is a sound recommendation for the House to follow. I have here before me copies of the hearings of the committee. On page 212, of part 3, I notice a colloquy that took place between a Mr. Palmer, who was a witness, and the distinguished gentleman from Michigan [Mr. CRAWFORD]. The

gentleman from Michigan is an outstanding Member of the House, and a Republican. He is a member of the Committee on Banking and Currency. In that colloquy the gentleman from Michigan [Mr. CRAWFORD] said, in part:

Now, if the act was extended for only 6 months the law would cease to operate entirely at the end of that time, but if extended a year, in my opinion, it gives much greater strength to the whole structure for everybody concerned and still leaves the Administrator in a position to exempt your industry if it is advisable. What do you think about that?

He asked that witness, and Mr. Palmer said:

Speaking personally, I think you are right. Personally, I believe that a 6-month limitation might be injurious to price control during that time.

Further, Mr. CRAWFORD said:

Personally, I am unfriendly to a 3- or 6-month extension and to an 18-month extension. I think we should extend it for a year, because everybody will have in mind on both sides of the fence the problems of the progress of the war and the shifts in our general economic structure, and we will have passed through another crop year; and it seems to me it would be fair to every one of us for us to come back here next spring, next May or June, and consider this matter.

Then he continues a little further on:

Of course, the Administrator has the problem on his hands of holding or retaining personnel on a 3-, 6-, or 9-month basis, which would be very difficult; whereas, if he had a year's approach he might be able to get some pretty good personnel.

That is the statement not of the gentleman from Massachusetts [Mr. MCCORMACK] who as a Member of this House is a Democrat, but the statement of the gentleman from Michigan [Mr. CRAWFORD] who as a Member of this House is a Republican. Yet, here we have our Republican friends offering this amendment to reduce the period from 1 year to 6 months.

It seems to me, without regard to political considerations, addressing myself to the Members of the House as such, not one side or the other, that the common-sense proposition for us no matter how we feel on other amendments is as far as this amendment is concerned that it should be defeated. One thing is certain if it is not defeated the committee will have to start hearings in the near future on the question of the extension of the law after December of this year. Such a situation would be bad for business as well as the consumer.

I hope the amendment is defeated.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. SPENCE. Mr. Chairman, I wonder if we could not agree to a time limit on debate on this amendment and all amendments thereto.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in an hour, the committee to have the last 5 minutes.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that all debate on the committee amendment and all amendments thereto close in not to exceed 1 hour, the committee to have the last 5 minutes.

Is there objection?

Mr. GROSS. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I move that all debate on this amendment and all amendments thereto conclude in 1 hour, the last 5 minutes being reserved to the committee.

The CHAIRMAN. The gentleman from Kentucky moves that all debate on the committee amendment and all amendments thereto close in 1 hour, the committee to have the last 5 minutes.

The question is on the motion.

The question was taken; and on a division (demanded by Mr. DIRKSEN) there were—ayes 116, noes 81.

So the motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I listened today and yesterday to the debate, and I learned this one thing, that the principal worry of the Administration's standard bearers who are fighting to maintain the OPA "as is," is that they are afraid that their help will stray away; that they will lose many of their 46,000 employees.

A few days ago when we raised the salaries of the Federal employees, which pay roll is more than $10,000,000,000 annually, many Members said nothing would be better than if we could fire a million of these Federal employees. The floor leader on the Democratic side said a few moments ago that there is too much criticism about the OPA.

Mr. Chairman, the whole problem can be solved by production. Generous supplies of food as well as manufactured goods will supply our needs as well as kill the threat of inflation. If this horde of employees of the OPA were putting the same effort into production as they are putting into the regimentation of industry and people's lives we would not have hungry people and gigantic black markets.

The farmers of the country have the answer to this problem if they were only permitted or, if it were made possible, for them to go ahead.

I am sorry that the President put himself into a hole yesterday by promising the people meat in the near future. He knows better. Meat comes out of the feed lots of the country, and the cattle are not in the feed lots. Getting beef to the consumer is not a matter of 1 or 2 months. It will require 6 months to a year. It is a slow process.

I listened to one of the gentlemen from California who said there are no black markets on the Pacific coast. He was followed by another gentleman from the same State who complained of the black markets and exorbitant prices.

All this confusion is caused by an arbitrary group downtown in the OPA who know nothing, and care less, and are hindering production. It was the squabble between the OPA and WFA that caused 5,000 chickens to starve and suffocate on trucks, over in Delaware the other day. Their greatest worry is about their jobs. They should get to producing. They have interfered with every business, both large and small, and are now making it impossible for food to flow in generous quantities through legitimate channels of trade.

The gentleman from Texas [Mr. PATMAN] said a little while ago: "What are you going to say to the soldiers when they come back home?" He had better prick up his ears and get ready to listen to what the soldiers are going to say to him and his kind.

I am not wondering what the soldiers are going to say. It is already evident what they are going to say and how they are going to act in the face of the situation as it is being muddled by the OPA. The OPA has betrayed the confidence of everyone who has even dealt with them. They have asked for wholesale price schedules and advertised them publicly. This was a matter which did not concern the public and should have been handled in confidence as income-tax matters are handled

There is a saw manufacturing concern in business for 52 years in my home town that asked the OPA 2 years ago for an increased price for their saws in order that they might raise the wages of their employees. This was refused and dragged around until recently when the workers became dissatisfied and joined the CIO. Through the CIO the War Labor Board granted the pay increase and made it retroactive for 2 years. This cost the company more than $60,000. The OPA refused to grant an increased ceiling on their saws and the result was that the banks immediately called in their loan, and it now appears another well-established industry will be compelled to fold up. When this is called to the attention of the OPA, their reply would simply be: Of course, there are some casualties.

Of all the contemptible and ridiculous things the OPA has ever done nothing smells so bad as the fact that they will fine an employer or an individual—it may be a large or small amount—and settle for what they can get. And there are many cases on record to prove that they have settled for less than one-fourth of what they originally demanded. This sounds like highjacking or blackmail.

I hold in my hand two checks which were paid in settlement for exactly one-half of what they demanded. Now if the court was justified in demanding $50 damage then they could have justified the collecting of more than $25.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Chairman, the purpose for which I rise is to clear up an erroneous construction of the OPA. The provision included in the act reads:

No maximum price shall be established for any fishery commodity below the average price of such commodity in the year 1942.

The following is the definition of the word "commodity" appearing in the Emergency Price Control Act of 1942 as amended: "(c) The term 'Commodity' means, commodities, articles, products, and materials," and so forth.

In its construction the OPA has construed this as not to cover fish when the heads or tails are cut off or when they are processed, or when the intestines are

taken out or dressed in any way, filleted or steaked. I am sure that was the intent of Congress.

May I ask the chairman in charge of the bill at this time with reference to that particular provision?

Mr. HAYS. May I say to the gentleman from Florida that the chairman was just called from the Chamber for a minute, but I know from informal conversation with other members of the committee that it was not our construction of this language to preclude fish that had the heads and tails removed. It is not limited, in other words, to what I believe is called "round" fish, in the commercial terminology.

Mr. PETERSON of Florida. Then there is no intention to limit it to round fish and the definition of commodity is as set forth in section 302 of the act. I thank my distinguished colleague for his statement.

Mr. HAYS. I am sure I can speak with the authority of the chairman in that regard.

Mr. DE LACY. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I yield to the gentleman from Washington.

Mr. DE LACY. I want to commend the gentleman from Florida for his fine contribution by making it plain what the real intent of Congress is.

Mr. PETERSON of Florida. I thank the gentleman very much. The gentleman has the same problem in his State, and I wanted it cleared up.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. I would like to ask my distinguished colleague if it would be possible for him to so arrange the matter as to take care of our cheese business the way he has his fish?

Mr. PETERSON of Florida. I do not know as much about cheese as I do fish, but I do know, I think what the intent of Congress is. I assisted in the preparation and the terminology of this language, and the words "fishery commodities" mean more than round fish. It also means processed fish through the various channels.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, for 2 days we have been engaged in general debate on the proposal for the extension of the OPA. The primary purpose of this agency is the stabilization of prices and the prevention of inflation. We are still in the midst of a great war and our primary objective in any such legislation is the successful prosecution of the war and the ending of the conflict at the earliest time so that we may save the lives of our fighting men in the far Pacific. By reason of these facts I have supported this agency in the past, as most of you have, and I am sure no one of us wants to take any action that will open the floodgates to inflation or a price stampede which will wreck not only the war program but our civilian economy.

I am one who believes that the legislation already on the statute books is sufficient to give the needed power to the officials of the OPA to enforce price control adequately, and eliminate the indefensible practices that have been followed by it in the administration of the act. The trouble with the OPA is due, not to basic legislation or lack of legislation, but to faulty and inefficient administration. We have had many heads of this department during its tempestuous existence, but the injustices visited upon our people by this agency have continued unabated. I am sure that the Administrator, Chester Bowles, is as anxious as you or I that his administration shall be successful, but unfortunately there is retained in the Administration in key positions where policies are formulated and put into effect officials who are utterly inefficient and who lack technical and practical knowledge of the operations which they are seeking to administer and control. If a thorough housecleaning were had, not only of top officials, but of policy-making and administrative officials all down the line, OPA would achieve the results Congress intended that it should without further legislation.

It is conceded by all fair-minded persons who are familiar with the facts that the whole administration of OPA is a mess and has been bungled from the outset. By reason of these facts, I believe it would be good judgment on the part of the Congress not to make a long-time extension of the Price Control Act but rather to extend it for a short period, so that the Congress could keep complete control over the problem, and if, within that time, order is not brought out of chaos and some sense injected into the administration of the act, action could be taken by legislative enactment to compel the agency to follow the mandate of the Congress. In the past the clear intent of the Congress has been ignored. The intent of the Congress was evidenced not alone by the legislation enacted, but by the interpretation given to it by our committees and by the discussion of the measure on the floor.

Mr. Chairman, I want to call attention to some of the operations of OPA which show the absurd regulations and procedures it has put into effect, resulting in great hardship not only to our civilian population, but hampering the securing of the necessary supplies for our fighting forces and our allies. These operations have resulted in the reduction of food production.

A glaring maladministration has been the whole meat program. In 1942 farmers were urged by the Government to increase their hog, poultry, and egg production. This they did, notwithstanding over a third of the farm boys of military age had been called into military service and the farmers were allowed only 65 percent of the essential machinery for carrying on their work. The farmers were guaranteed ceiling prices for hogs, poultry, and eggs. In 1943 they increased the hog production to 121,000,000 pigs. Likewise they increased the flocks of poultry and egg production. In the face of this our Government froze over 360,000,000 bushels of corn and left the farmers without any feed for this immense hog and poultry crop. As a result the hogs were butchered or allowed to starve and the market was glutted—and now we are suffering under an immense shortage of hogs, poultry, and eggs. It should not be overlooked that hundreds of carloads of eggs were destroyed or sent to the factories to be turned into fertilizer or other nonedible products and hundreds of thousands of pounds of lard was turned into soap. In 1944 the new crop of pigs was reduced to 86,000,000 head, and while pork constitutes 50 percent of the meat and fat of the Nation, we are now facing a great shortage, with increased rations on fats and with no pork available for civilian population. Bacon and ham have been off the civilain markets for months except to a few favored individuals.

Mr. Chairman, I note in the Washington Post today a news item showing that more than 4,000 chickens recently died in the Wilmington, Del., area because of the failure of the War Food Administration to allow sales to civilian outlets. The article goes on to state:

> Clifford W. Shedd, deputy WFA administrator for area 1, said two processing plants had offered to buy the poultry, but Pack refused to sell under OPA regulations.
>
> Pack said the chickens were not wanted by military officials and that they died in crates at a Milford poultry house while he attempted to get WFA permission for civilian sales.
>
> "He had a chance to sell them last Monday," Shedd said, "but he wants farm weight while OPA regulations say he must sell at receiver's weight." Shedd said farm weight is the weight at which the chickens are bought and receiver's weight is the weight at which they are sold.

The same bungling process has been put into effect with reference to beef. The prices set on beef are below the cost of production, and while we have on the hoof as many or more cattle than in previous years, the butcher shops are standing idle with no meat for sale to the civilian population. The administrative agencies refused to permit prices that would justify feeders to bring the stock from the fields to feeding pens and as a result there is no beef. This has led to the slaughtering of large numbers of calves—9,900,000 in 1943 and 13,600,000 in 1944. A large proportion of these could have been fed and developed into steers, which would have increased the beef supply manyfold. In my part of the country in the far West and also in the Middle West, many thousands of head of grass-fed cattle are being slaughtered with resulting loss of many thousands of pounds of beef. These cattle should be taken to the feed lots and fattened instead of being slaughtered when only partially conditioned for Prime beef. In the face of this sorry mess of administration, the Office of Price Administration has now issued directives requiring the grading of all slaughtered meats in freezer lockers, even that placed there by individual farmers or other citizens for their personal use, which only complicates an already desperate problem.

I am just in receipt of a letter today from the Office of Price Administration in answer to an inquiry with respect to this new order, which I want to call to your attention. The letter is as follows:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., June 21, 1945.
The Honorable HOMER D. ANGELL,
House of Representatives,
Washington, D. C.

DEAR MR. ANGELL: Confirming our recent telephone conversation regarding the storage of farm-slaughtered meats in freezer lockers, we are pleased to submit a summary of the regulations governing the grading requirements and the motives which prompted these regulations as you required.

The regulation is very specific in stating that "no person shall sell, offer to sell, ship, deliver, store, or retain in his possession any beef, veal, lamb, or mutton unless such beef, veal, lamb, or mutton has been graded."

The regulation further provides that "no person shall * * * break any beef carcass or wholesale cut unless such carcass and wholesale cut has been identified by grade."

However, the regulation makes an exception with respect to grading in the case of a farm slaughterer who slaughters beef and breaks the carcass and wholesale cuts for his own consumption. A farm slaughterer is one who is the resident operator of a farm and who does not deliver meat in excess of 6,000 pounds a year. In all cases where farm slaughterers slaughter beef, veal, lamb, or mutton which is sold to others, the meat must be graded. If it is not to be sold to others it need not be graded if the farmer will do the processing (i. e. the cutting, grinding, etc.) himself. But if he delivers the carcass to another person who processes it for a fee (usually a freezer locker operator) than the meat must be graded.

It might be well to point out that a farm slaughterer does not have to apply for official Department of Agriculture grading service but is privileged to do his own grading by placing the appropriate grade letters on the carcass in the manner prescribed. Complete instructions with respect to grading may be secured from any market news and grading service office of the Office of Distribution (Department of Agriculture).

The Office of Price Administration recently has recommended to the Office of Economic Stabilization that the grading regulations be amended to permit the farm slaughterer to delegate authority to the freezer locker operator to grade meat for him. If this recommendation is approved it will relieve the farmer of this task but it will not necessarily relieve him of the responsibility to see that the meat is graded if it is not broken or processed by him. The responsibility for the grading is that of the owner of the meat.

In most instances farmers do not use the entire carcass of the slaughtered animal. They use a part for themselves and sell the remainder. Quite often there are exchanges made in the freezer lockers of quarters or wholesale cuts of beef, veal, and lamb. It would not be advisable to permit such exchanges or sales and deliveries of parts of the carcass without having these cuts graded. Furthermore, it has come to our attention that a large number of freezer plants recently have been built in connection with retail markets. The meat which is sold over the counter is processed in the same cutting room as the meat which goes into storage. Obviously, there would be danger here of ungraded meat getting into commercial channels. In such instances there would be no basis in which to establish the amount of overcharges for damage suits. We have positive evidence of freezer locker plants being used as a camouflage for many black market activities by unscrupulous persons storing meats in these plants.

It is with the intention of correcting such practices and maintaining better price control on the meager supply of meats that the Office of Price Administration has asked its enforcement division for a stricter enforcement of the grading regulations issued by the Office of Economic Stabilization. It is not with any desire to cause a hardship for the farmer that the OPA has initiated this enforcement drive but, rather, to protect the consuming public from flagrant overcharges on meats sold in freezer lockers and often by freezer locker operators.

Sincerely yours,
THOMAS R. BRADLEY,
Head, Beef and Small Stock Section, Food Price Division, Office of Price Administration.

In the Northwest, and particularly in the area including and surrounding my district in Oregon, are grown large flocks of sheep. Last year when the lamb crop was ready for the market, Government regulations were put into effect that prevented the marketing of these lambs, resulting in great loss not only to the producers but to the consumers as well, who were in dire need of meat products. It has come to my attention that this year's crop of 250,000 lambs in the Northwest is being held, awaiting the lifting of restrictions so they may be marketed. Mr. R. L. Clark, an outstanding livestock operator in my district, recently said as reported in the Oregon Journal, "If OPA restrictions are not withdrawn these lambs will be wasted just as they have been for the last 2 years. The WFA announcement on the acceptance of all top grade lambs by the Army is mathematically absurd since no provision is made for federally inspected packers to increase their kill."

This calls to attention one deficiency in Federal administration which has resulted in depriving consumers of meat which they otherwise might get. Such rigid inspections are required, with inspectors unavailable, that many thousands of farmers with stock ready for the market are unable to slaughter and market them by reason of the lack of proper inspection facilities.

Similar conditions with reference to meat supply obtain in the Seattle area as well as my own. The following news item appearing in the Oregon Journal June 14 last discloses the deplorable situation existing there.

NORTHWEST MEAT DEALERS READY TO CALL STRIKE

SEATTLE, June 14.—Strike threats by Seattle and Bremerton independent retail meat dealers brought both cities to the verge of complete meat famine today, with 90 Bremerton independents prepared to walk out within 2 weeks unless meat supplies are increased.

The strike threat, issued by B. T. Renard, president of the Bremerton-Kitsap Meat Dealers Association, at Bremerton, was approved by the majority of 150 Seattle independent meat dealers here.

"We are ready to cut off the Bremerton meat supply—and not an ounce will get through—until we get some relief," Renard said.

The strike threat came a few hours before the House Investigating Committee on Food Supplies met here under the chairmanship of CLINTON P. ANDERSON, Democrat, of New Mexico, newly appointed Secretary of Agriculture.

SEVEN-POINT PROGRAM

A seven-point program for relieving the meat shortage will be presented to ANDERSON, William W. Ringer, secretary of the Seattle Meat Dealers Association, said.

Other spokesmen for Seattle dealers indicated they were prepared to follow any Bremerton strike action "if we are going to be forced to operate at a loss."

A butcher's walk-out in Bremerton, big naval dockyard site, would affect an estimated 90 markets and a population of about 90,000.

"Since June 1 our meat problem has been beyond the point of endurance," Renard said. "If a shop gets 100 pounds of meat in 10 days it is doing well. We face absolute closure for lack of supply."

DEMANDS PRESENTED

Seattle recommendations to be presented to the House Investigating Committee included: Demands for drastic slash in black-market operations, reduction of Government-allotted meat supplies, appointment of a single Government official to head the Nation's food production and distribution, correction of alleged OPA inequities, and a fair profit margin.

Other demands asked that enforcement proceedings against black markets be placed in the hands of the Justice Department, and the supplying of aircraft and other big war plants with meat from Government stocks.

A seventh recommendation demanded that the OPA be prevented from creation of packinghouse monopolies.

Further instance of the maladministration with respect to slaughtering was brought to the attention of the House during the discussion of this bill by the gentleman from Virginia [Mr. SMITH], when he offered for the RECORD the following letter:

Mr. THOMAS R. PAYNE,
Dahlgren, Va.

Mr. DEAR MR. PAYNE: The Honorable HOWARD W. SMITH, Member of Congress, has asked this office to give you information as to the subject outlined in your letter of May 2, addressed to him. You have explained that you are going to slaughter a calf owned by you and would like to give some of the meat produced from the slaughter to members of your family, and you wish to know whether this is permissible under the Office of Price Administration regulations.

You may consume meat derived from this slaughter without surrender of points, only if you operate a farm on which you live more than 6 months of the year or have supervised the raising of the calf and were on the premises operated by you on which it was being raised, at least one-third of the days in one of the following periods:

1. From its birth to the moment of slaughter, or

2. In a 60-day period immediately preceding slaughter, or

3. In a period preceding slaughter during which the calf's weight increased 35 percent.

You may not, however, sell or transfer any of the resultant meat to any person unless you have registered at your local war price and rationing board and have been assigned a quota and permit to sell or transfer meat under Meat Control Order No. 1.

Under rationing regulations, you may transfer meat to members of your family not living on the premises where the livestock was raised, only if they surrender to you red points in the correct point value of the meat transferred.

You must report your sales or transfers to your local board on Form R-1609, which form is available there, surrendering all points which you have received for meat sold or transferred during the preceding calendar month.

I hope that this information will correct any confusion respecting this most important part of the meat rationing program.

Sincerely yours,
IRVIN L. RICE,
Acting Chief, Meat Branch, Food Rationing Division.

Mr. Chairman, the administration of the sugar program has been bungled even worse than the meat problem. Two years ago and more I urged upon the Federal officials the granting of authority to sugar-beet growers in my State the opopportunity to plant additional acreage. We have under irrigation large areas in Oregon admirably adapted to the growing of sugar beets. The same conditions exist in many other of the western States where lands have been reclaimed by irrigation. Many of the Representatives of these districts made similar appeals to the authorities and in fact a group of Representatives from such districts, of which I was one, called upon the Secretary of Agriculture, urging the lifting of the ban against the additional planting of sugar beets. Our appeals fell upon deaf ears and we were denied the right or opportunity to increase our sugar-beet acreage. Now we find ourselves in the throes of a sugar shortage. Regulations have been issued which make drastic cuts in the sugar allotment to civilians for canning purposes during the coming season, and we are advised that we will face a sugar shortage for several years. Much of the fruit crop will be lost for lack of sugar. In the face of this great shortage in sugar the Government officials have consistently failed to take any steps to secure the immense Cuban supply.

This problem that affects Oregon particularly was recently discussed in the Oregon Daily Journal in an editorial under date of June 7, 1945, and also in the guest editorial in the same publication, which I include as a part of these remarks:

WE COULD HAVE SUGAR

Oregon grows no sugarcane. Oregon, in such irrigated districts as Owyhee, in Malheur County, grows sugar beets. But Oregon, because of arbitrary and artificial restrictions, grows sugar beets far below its potential contribution to Oregon's needs and the Nation's needs for sugar.

Read, with care, the guest editorial by Frank T. Morgan, secretary of the Owyhee Irrigation district, on this page today. What he says, in essence, is that Oregon housewives who want to preserve fruit and the products of victory gardens could have more than a 10-pound sugar allowance if the lid were lifted from sugar beet production. He utters a criticism—"stupid policy." He submits a proposal:

"If the Government really wants sugar, it should allow and encourage the building of more refineries, encourage acreage so that all the old plants will operate to full capacity and provide labor for production of suar beets in a more satisfactory manner than at present."

You may ask, Does Oregon grow good sugar beets? The sugar content of Oregon-grown beets is at the top. Is beet sugar equal to cane sugar? The sugar refined from beets and from cane is exactly the same. Does Frank Morgan know what he is talking about? Former president of the Oregon Reclamation Congress, leader for many years in irrigation farming, thoroughly informed, a practical farmer himself, Frank Morgan has high standing not only in his own community but throughout the State. At Nyssa, and in the Snake River Valley, where he lives, sugar beet production has been so successful that a $2,000,000 sugar refinery was built. In the war emergency the beet-sugar industry should not be hamstrung merely to please Cuba.

TODAY'S GUEST EDITORIAL—SUGAR POLICY STUPID

(By Frank T. Morgan, secretary, Owyhee irrigation district)

The sugar shortage that faces the United States today is due to the stupid policy the sugar section of the United States Department of Agriculture has followed during the last 10 years. They have done all they could to throttle our sugar-beet industry. I know because I have raised sugar beets for 10 years. Acreage was rationed out so that we would not produce more than 30 percent of the sugar consumed in the continental United States, thereby allowing import of 70 percent of consumption from Cuba and other producing sections.

On trips I made to Chicago and Washington, D. C., for the purpose of securing enough acreage to operate the Nyssa factory economically I was met with argument that the sugar-beet industry was an inefficient industry; that if we did not buy sugar from Cuba we could not sell her lard and hams, and that the Philippine Islands belonged to the United States, so we just had to take her sugar.

I am one who believes in the principle—often enunciated by the late Senator William E. Borah, that the American market belongs to the American farmer, and if the sugar-beet industry is inefficient it has been demonstrated repeatedly that 1 pound of beet sugar can be produced here in the United States for as few hours as 1 pound of cane sugar is produced in either Cuba or the Philippines. I will concede that 1 pound of sugar, with a wage scale of 40 to 50 cents per day, has been produced for less money in Cuba and the Philippines than here, but not for fewer man-hours.

Henry A. Wallace, when he was Secretary of Agriculture, told a group of us who met with him in Caldwell, Idaho, that we just did not understand the sugar situation; so for 10 years there was planned curtailment of the industry. In 1944, for the first time, the administration attempted to increase production of sugar beets. It raised the price of beets and offered a bonus to beet growers of 25 pounds of sugar per member of the family, in addition to the regular sugar allotment. The Nyssa factory district has the largest acreage of its history today. However, I am informed that most other districts have not increased their beet acreage noticeably, because of labor shortage.

The sugar-beet industry should be encouraged to expand. Beets are one of the most satisfactory crops to grow in the whole category of agriculture. The grower knows, at the time of planting, about what his net income from them will be. The industry means a big pay roll, which means good towns. Tops, pulp, and molasses are all valuable byproducts, being equal, in feeding value, to the best grain crops grown in Oregon. The sugar-beet industry goes hand in hand with any phase of livestock production.

If the Government really wants sugar, it should allow and encourage the building of more refineries, encourage acreage so that all the old plants will operate to full capacity, and provide labor for production of sugar beets in a more satisfactory manner than at present.

The following news item from Habana, under date of June 21, appearing in the Times-Herald of today discloses the acute condition existing with reference to the source of sugar for the United States. The article is as follows:

BLAME UNITED STATES SUGAR POLICY FOR CHAOS IN CUBAN INDUSTRY

(By Russ Symontowne)

HABANA, June 21.—The Cuban sugar industry is thoroughly frightened for its future. It finds itself helpless to combat two powerful forces.

On the one side is Cuban labor, under strong Communist leadership, demanding and receiving higher and higher wages, and on the other side is the United States Government, Cuba's only sugar customer, steadfastly refusing to tell cane growers and grinders how much sugar the United States will buy and what it will pay until a few months before each harvest.

As a result of Uncle Sam's behavior, the sugar people declare they never know far enough in advance how much cane to plant or how much they can safely pay labor.

I have been unable to find anyone in the sugar industry, either Cuban or American, or any neutral expert or economist who does not agree that our policy is definitely bad neighbor, and that in addition we are biting off our own noses.

SUGAR BUNGLED

The bungle of 1943 in which we refused to buy all the sugar Cuba could raise when everyone knew we needed all we could get so frightened and discouraged the planters that they have not planted full crops since. Although we are suffering badly now from that mistake, even last year the Commodity Credit Corporation refused the Cuban plea to be told 2 years in advance how much sugar we wanted.

And this year, if reports current in Habana sugar circles are correct, we are about to commit another blunder. Sugar negotiations for the crop of 1946 are just starting. Now it is reported that Washington is planning to let die next year the Sugar Act of 1937, which is the basic law under which we do our buying. If this legislation dies and none to replace it is passed, we will have no legal way to tell Cuba how much sugar we want even a year in advance.

CHAOS PREDICTED

With the certainty of a world-wide sugar shortage for a number of years to come, experts here predict a chaotic situation. Once sugar-control measures lapse and the OPA ceiling is removed, no one here is willing to predict what sugar in American grocery stores might cost. Sugar now costs $5.50 per 100 pounds. Without controls, it might easily be twice or even four times as much and still be hard to get.

American sugar magnates I have talked to here in Habana, rugged individualists of the old school who have been fighting Government meddling in business for as long as 25 years, are now secretly crying that the Government must stay in the sugar business.

Mr. Chairman, in the face of the inefficient and bungling administration of our food supplies, there has grown up a huge black market which has virtually taken the place of price control and has become so entrenched that in the large centers we are informed that from 80 to 90 percent of the meat, poultry, and other food supplies are marketed through the black market at exorbitant prices far in excess of the OPA ceilings, with the result that none of these products are available for sale in the regular butcher shops and other marketing places. A fair sample of this operation as it applies to poultry and eggs is shown by the following quotation from a dealer in one of our Middle Western States:

I will refer to my poultry business. I have always handled a large volume of poultry. On account of the many restrictions, the volume is now so low that it is evident that I will be compelled to close this business unless some relief is forthcoming. I will gladly sign an affidavit and my records will

verify the same, that I have not bought one single spring chicken since February 1, 1945. This is due to the ceiling price which I am allowed to pay the producer which is 30½ cents per pound. All the producers here are selling by the head at prices from $1 to $1.50 each for springs weighing as little as 1½ pounds. This is no secret, as it is generally known by everyone who patronizes the producers, including merchants, cafes, honky-tonks, and individual consumers.

The meat situation. My retail business in the two stores is gradually going down in favor of the few stores here who are able to keep meat. Excessive prices are being paid to the one and only licensed slaughterer here and unless one is willing to pay black-market prices and resort to black-market practices, he is on the way out. There are only about 3 markets out of approximately 70 in the town, who have meat in any quantity.

In conclusion, I wish to ask these questions: Why does not the OPA investigate such violations here when they are so evident that a schoolboy could detect them? Why doesn't the OPA offer some protection to the taxpaying businessman who tries to live up to its requirements?

Will this lack of enforcement force honest men to resort to black-market methods to protect the business which they have spent years in establishing? Is the OPA law good or bad? Or, is the administration or enforcement good or bad?

Just a little food for thought, gentlemen, and I will appreciate hearing from you.

Very truly yours,

FRANK THORNTON.

There are no poultry products for sale in the Washington area except in the black market. There chickens sell from $1.50 to $5 apiece, regardless of size.

These black markets thrive with very little interference from Federal officials. It is true occasional arrests are made, but that the greater portion of these products are being marketed through the black market. It now is true that the Federal controls are practically nonexistent as to many products in many areas.

Mr. Chairman, during the war we must lodge immense powers in administrative officials. Congress cannot supervise and administer the operations of the war agencies. I have voted to extend to them ample powers for this purpose. I insist, however, that these powers be exercised efficiently and effectively. Furthermore, I feel that we should at as early a date as possible take back these delegated powers so that the Congress itself may assume the controls, the authority, and the powers vested in it by the Constitution.

Mr. Chairman, the following letter I received through the mails today is of interest on this question we are discussing:

DALLAS COUNTY DEMOCRATIC
EXECUTIVE COMMITTEE,
OFFICE OF THE CHAIRMAN.

THEN AND NOW

To the Members of the Congress:

"The obvious definition of a monarchy seems to be that of a state in which a single person, by whatever name he may be distinguished, is entrusted with the execution of the laws, the management of the revenue and the command of the army. But unless public liberty is protected by intrepid and vigilant guardians, the authority of so formidable a magistrate will soon degenerate into despotism." (Gibbon's History of Rome, vol. I, ch. 3.)

Of which passage we are reminded as we envision the thousands of pages of meticulous rules and regulations formulated by the countless alphabetical agencies of the Federal Government and of their vast control over the property and personal activities of the citizen; their prodigal use of the purse, and the seeming complacency of the Congress.

And looking down the corridors of our history with an ear attuned we hear the choleric Gardinier, a Member of the Congress from New York, speaking as with prophetic vision of our day when he said:

"I see effects, but I can trace them to no cause. I fear there is an unknown hand guiding us to the most dreadful destinies, unseen because it cannot endure the light. Darkness and mystery overshadow this house, and the whole Nation. We know nothing, we are permitted to know nothing. We sit here as mere automata. We legislate without knowing, yea without wishing to know, why or wherefore. We are told what to do and we do it. We are put in motion; but how, I for one cannot tell. We are permitted to know nothing and are execrated because we do not approve of measures the origin and tendency of which are carefully concealed from us." (Hildreth, History of the United States, VI, pp. 54, 55.)

We do not subscribe to the conception that a representative democracy with a citizenship like ours cannot fight a war without first becoming an absolutism, governmentally speaking. We still have a Constitution in this country, or did have.

When will the Congress recapture and vigorously resume an exercise of the sovereign powers entrusted to it? When?

Yours truly,

W. S. BRAMLETT,
Chairman of the Committee.

DALLAS, TEX., *June 18, 1945.*

Mr. Chairman, in my State of Oregon we have the largest stand of merchant timber in the United States. It has made a great contribution to the prosecution of the war. It, of course, is subject to many of these controls about which we have been talking during the discussion of this bill. The supply of lumber needed by the Government, not only for the prosecution of the war in the Pacific but in the postwar period following, will be greatly curtailed unless the Government enacts regulations that will permit the industry to go forward unhampered. I want to call attention to the statement recently made by Col. W. B. Greeley, secretary-manager of the West Coast Lumberman's Association, in which he calls attention to the need for relief in Government controls in this great industry. This article appeared in the Timber Operator, issue of June 16, 1945, and is as follows:

"Due to manpower losses, our lumber production is 11 percent below that of last year," Colonel Greeley said. "Meanwhile, our quota remains the same. We can't make that quota under present circumstances any more than the Israelites could make bricks without straw.

"The War Department has announced the Pacific war will require more lumber than previously was used by the Pacific war and the European war combined. Out there we have no docks, warehouses, hospitals, or bases such as were provided by England.

"In addition, there are increasing demands for lumber here at home as well as lumber for reconstruction in Europe. There just isn't going to be that much lumber."

Greeley charged that responsibility for the shortage rested squarely with Government agencies.

"Although constantly citing the critical shortage of lumber, these agencies have made no effective effort to provide men for this industry," Greeley continued.

"Their lack of help has run through the drafting of key workers by selective service; the low rating given lumber, until very recently, in employment priorities; and the constant refusal to release skilled loggers on furlough from the armed forces."

Greeley said there had been "complete failure" on the part of the Government to enforce its own orders on wage stabilization. As a result, he said, operators who observed the regulations were penalized by loss of their workers.

"These wage violations could have been stopped 6 months ago by handing down a few clear-cut penalties. As things stand, no one believes that the Government means what it says."

Mr. Greeley further called attention to the fact that 1,000 experienced loggers should be discharged or furloughed from Army camps in the United States at once to work in this area. He estimated that 7,000 woods and mill employees have gone into the armed services from the Pacific Northwest, and that an equal number have been drawn into shipyards and other war industries. He estimated the industry is short 20 percent of its manpower in the saw mills and 25 percent in the woods. This is a condition requiring immediate attention on the part of the Federal officials and I urge that attention be given to the problem so that this great industry may be properly manned to the end that the needed lumber supplies for the Pacific operations be made available.

Mr. Chairman, another administrative problem of the OPA has arisen in connection with rentals. All of us want to see rent schedules maintained at a fair level and not skyrocketed so as to impose upon workers and others living in rented properties exorbitant rent schedules. However, there are many thousands of people of moderate means with their frugal savings invested in properties which they have for rent for residential purposes. Many of these owners are retired Federal employees, many are school teachers, farmers, and others, and they have been in many instances prevented from charging a fair rental which will take care of overhead expenses in the operation of the properties and bring them a small return on their investments. The OPA in its rental program has refused to afford any relief in practically all of these hardship cases. We in the Congress have from time to time made modifications to the law designed to permit adjustments of rentals so as to bring the rentals in such cases on a parity with other operations. The Rent Division of the OPA, however, has in my territory refused to grant relief. There has come under my own observation instances where prices are permitted to be charged of $125 per month for a one-room apartment where other owners with a three-room apartment of the same character are restricted to $25 a month and a modern five-room apartment from

$50 to $60 a month. These glaring inequalities should not be permitted, and owners of properties for rent should be permitted to charge a fair rental which will show some return on their investment and at the same time protect the rights of tenants who must live in rented premises.

Mr. Chairman, I trust that amendments will be made to the bill under discussion which will require those in charge of the administration of the OPA to eliminate the injustices to which I and my colleagues have referred so that this agency may perform the functions assigned to it, namely, stabilization of prices and the prevention of inflation.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, I have the highest regard for the patriotic disposition and for the judgment of the gentleman from Michigan. He has a right to his opinion as I do to mine, but I am afraid that he has offered an amendment that is a very, very dangerous proposition. You cannot keep the people in this country from feeling, whatever you may say, that if an amendment of this character is adopted, there is a disposition on the part of Congress to stop price control and it will throw this act and everything else out of the window. They will feel that immediately if such an act is passed. You can talk here or anywhere else you please, but they will say that your actions speak louder than your words. It is a fact that within the organization itself there would likely be a very serious disruption that might go further than that and probably would have disastrous results. The Committees on Banking and Currency in the Senate and the House have both set forth in their reports that they expect within 3 months to go over the situation again and see how things are operating. Not everybody in OPA by a long sight needs to be turned out and somebody else gotten in. Maybe some say that Congress has not the authority; that it belongs to somebody else. Congress can repeal—even the act—anytime. On the whole, I believe, Mr. Chairman, that it would be a most egregious blunder and a dangerous mistake for us to change the custom that we have had all the time since we found that emergency price control was necessary to limit the life of it to 6 months when it has been our habit to make it 12.

I very definitely said I opposed the extension for 18 months because it might have the effect of saying to the people in the Office of Price Administration, "We are so delighted with all that you are doing that we will not extend it just for 6 months to compliment you, but 18 months." We did not propose that. We have our hands upon the strings. We could pull them tomorrow or next month or the month after that so far as an amendment or repeal of the act or anything else is concerned.

May I say in this connection that I hope nobody will hurt the country on account of little piques or harassments. You cannot hurt anybody in the OPA half as bad as you would hurt the men and women at home and the boys and girls at the front by voting for this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, it has been pointed out there are those who favor price control but—. There are those who favor increase in production so as to answer the inflationary pressure but—. They are unwilling for OPA to adjust their program to the point where production will proceed. So this "but" proposition could be argued from both sides of the question. Get that clearly in your mind.

Mr. Vinson said in his statement before the committee:

> The OPA is in business to prevent wartime scarcities from generating the far worse evils of runaway inflation. It is in business to distribute scarce consumer supplies fairly and equitably.

Is there anything in this statement by Judge Vinson which has to do with increased production? Let someone answer that.

Now going further, Mr. Vinson states:

> Let us face the fact that the cash balances and other liquid assets of our own citizens, accumulated in considerable part during the war, run to hundreds of billions of dollars.

Why, the savings of our people are now approximating the total market value of all the real wealth accumulated in the United States. You talk about closing the OPA next December 31 or next June 30. Of course you are not going to close it down at that time. But the gentleman from Texas [Mr. PATMAN] and the majority leader, the gentleman from Massachusetts [Mr. MCCORMACK] have both left unsaid from 50 percent to 75 percent of the words I did say. There is not another man on the Democratic side or on the Republican side who will face this situation as realistically as I do and take the position that OPA has to be extended as far into the future as I say. If any such man is on the floor of this House, let him get time and take that position. Under no circumstances have I advocated that this law die next December 31. Continually I have advocated, as I now advocate, that we extend it from time to time. The personnel know they are going to have jobs down there. They know that this inflationary force will continue perhaps for decades, and it will grow worse as production is retarded or prevented in this country. More production is the thing I am fighting for. That is the only thing I am fighting for in this contest. Without production in a big way, OPA must necessarily fail.

Now Judge Vinson continues. Listen to this:

> The guiding principle of price control is to provide conditions that encourage production.

But why OPA is in business is something else, as the Judge said. Let us change the business of OPA before unemployment swings across this country and before we prevent production from opening up as cut-backs occur in war production. More production is what I am contending for.

Any man who wants to be realistic about this and fair about it will support the Wolcott amendment, to the end that we might regear this control to our economy during the coming months. The majority leader takes the position we would have to start hearings immediately. He knows that statement cannot be maintained because we do not have to start hearings immediately. We can have hearings in October or November. It is important to do this. We can afford to stay here all through December and start operating on the 1st of January instead of letting January go by as we generally do without doing anything, rather than have a short production and great unemployment.

To continue, Mr. Vinson said:

> One of the most essential of these conditions is an adequate profit margin—an adequate spread between cost and selling price. That condition has been met for war production.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. HARNESS].

Mr. HARNESS of Indiana. Mr. Chairman, I am in favor of this amendment because I believe it will force a more common-sense administration of this law. The distinguished gentleman from Michigan [Mr. CRAWFORD] has just made a most forceful argument in favor of the amendment, and I yield to him for his further observations.

Mr. CRAWFORD. Continuing, Mr. Vinson said:

> That condition has been met for war production, and that condition will be met for reconversion peace production.

Mr. PATMAN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. PATMAN. Mr. Chairman, I am not objecting to the gentleman's talking, but I want to know what the policy will be. Can one Member yield another Member this time?

The CHAIRMAN. The gentleman from Indiana [Mr. HARNESS] was recognized and he yielded to the gentleman from Michigan [Mr. CRAWFORD], which is certainly permissible.

Mr. PATMAN. That is all right with me, Mr. Chairman, but I just wanted to know what the policy is.

The CHAIRMAN. Any Member can yield to another Member, or decline to yield, as he desires.

Mr. CRAWFORD. When will that condition be met? That is the only question of consequence I raised in the hearings. That is the only question I raise at the present time. When are these changing conditions to be met?

Judge Vinson said further:

> An adequate profit can be assured only by stabilization of the general price level, which assures stabilization of costs. With this as a basis, special adjustments can be given to prices here and there which do not afford an adequate profit.

When will those special adjustments be made? A manufacturer in Illinois called me a few moments ago on the telephone. I never heard of the man before. He said his company was being squeezed out of operation because they

have set his price at $12.61 per article. This has to do with these large sliding rollers that accommodate heavy barn doors. His competitor's price was set at $15.40 and $15.37. How do you expect him to operate? This is one of the special adjustments to which Mr. Vinson refers. But does OPA make these special adjustments so as to encourage production of civilian goods as we move out of war production? That is the proposition I am contending for. When will these things be done?

The price policies of OPA at the moment are based on four propositions:

First. Continued prevention of inflation as best that agency can do such a thing.

Second. To obtain full production.

Third. Provide full employment.

Fourth. Relax price control.

Now, that is the theory, but the practice is in the complaint filed by the telephone call a few moments ago and in the cases which I cited yesterday.

Let me remind you of this: We have in this country at the moment need for these civilian goods and employment. We have the money with which to buy them. We have the machines with which to produce them. Certainly we will have the labor to produce them as we demobilize, if the OPA will let that labor perform. But when the OPA goes out and says to manufacturer A, "You shall not solicit an order for one class of goods until we give you a price formula," and when the OPA places a price formula which forces that man to sell below cost of production, you are putting him out of business.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from Alabama [Mr. PATRICK] is recognized.

Mr. PATRICK. Mr. Chairman, I have a little inside information perhaps on this thing. Two years ago at this time I was one of the bureaucrats. I was one of Donald Nelson's consultants under Maury Maverick. One of my jobs involved occasional contacts with the OPA. I dealt with a number of you gentlemen here down at that WPB office. I was with WPB when Prentiss Brown went out and Chester Bowles took over the OPA. A very eager man to perform well, Chester Bowles.

Let me tell you this, that we found, and the OPA found, one of the most difficult things is to get and keep in sufficient number men of character, responsibility, and ability to perform these services. If you continue this only for 6 months you will dissuade many good men you may be able otherwise to get to serve your Nation in time of war, by having authority that only continues for 6 months. This OPA is the child of Congress. There is nothing that can keep this Congress from taking any action it wants to take 6 months hence. No matter what we do now, we can do anything we want to 6 months from this day. I admire and love the gentleman from Michigan [Mr. WOLCOTT]. I think he knows my genuine affection for him, but do believe, with all his energy and sincerity, that he would not help this Nation or this program one bit if his amendment were to obtain. The OPA job is one of administration. That is the most important thing. Price control is a matter of administration. You cannot administer right an agency like this unless you can get men who are able to do the job and who are calibered to do it. This we are trying to do. The success of this amendment would weaken that effort.

I yield back the balance of my time.

Mr. JENNINGS. Mr. Chairman, the Office of Price Administration is the child of Congress. The Emergency Price Control Act of 1942 as amended has been the law of the land for almost 3½ years. The joint resolution reported by the majority of the Committee on Banking and Currency will turn it loose on the people of this country for an additional 12 months. Before this resolution is passed it should be amended to prevent the threatened famine and further maladministration by the OPA.

Today while we are debating this measure 80 cattle raisers, "fighting mad" representing the little cattle men from Virginia, Maryland, Texas, North and South Carolina have Chester Bowles, OPA chief, on the carpet and are telling him in no uncertain terms that he has wrecked their business and brought the American people face to face with starvation. And today while we are debating the further extension of this sprawling bureaucracy the governors of 13 northeastern States are meeting in New York in an effort to avert the food disaster that threatens their people due to the bungling, incompetency, stupidity, and stubbornness of those who for three and a half years have continuously made it more and more difficult for the people of this country to obtain food and clothing. The sponsors of the measure to continue in force the price control law are opposing each and every amendment that is proposed to make the act more workable and to compel those who are in charge of its administration to carry out its terms and to administer in its compliance with the letter and spirit of the law. Amendments will be proposed to prevent inflation and to make it certain the people get necessary food and clothing. The attitude of those who by the use of the party lash and the full power of the administration are seeking to defeat necessary amendments to the Price Control Act is a remarkable exhibition of partisan blindness and is in utter disregard of the cold, brutal facts of the situation with which we are confronted. They are taking this stand in the face of the following undisputed facts:

First. The people of our towns and cities are getting less than 35 percent of a normal, prewar supply of meats and fats.

Second. From 55 to 100 percent of the retail stores dealing in meats and fats in 56 large cities have no meats and fats for sale to their customers.

Third. Black markets exist in every part of the land. From 50 to 100 percent of the meat and fat supplies in this country are today being sold through black-market operations.

Fourth. There are today in the hands of the growers of livestock in this country more than 82,000,000 head of cattle.

Fifth. Through the bungling of bureaucrats the supply of hogs is more than 22,000,000 less than what it should be.

Sixth. The arbitrary price ceilings fixed by the OPA have made it impossible for the men who feed and fatten range cattle to continue in business and supply the demands of the people for prime beef.

Seventh. The ceiling prices placed upon dressed beef and pork and other unworkable regulations promulgated by this agency have forced the packers of the country to process cattle and hogs at a loss and have driven thousands of little packers all over the country out of business, as a result of which thousands upon thousands of meat shops have closed their doors.

In the face of these facts majority Members of this House tell us, and tell the people of this country, that the OPA is a sort of "sacred cow," and that we must approach it like Moses approached the burning bush, with our shoes off. They say that if this act is so amended as to compel the men who are daily violating it by disregarding its plain mandates, and are guilty of its maladministration, resulting in a meat famine in this country, that we will have runaway inflation and the country will go to the "dimnation bow-wows." They also indulge in other wild prophecies. All the prophets of whom I have ever heard or read were bearded. The persons who make these dire predictions are all clean shaven; and they are neither prophets nor the sons nor the daughters of prophets.

This Congress cannot dodge its responsibility in this matter. We cannot pass the buck. This question is on our doorstep and in our hands.

This act is the creature of the Congress. If we again surrender to a bunch of bureaucrats the vast powers conferred by this act for a period of 1 year, in the face of a threatened food famine, we cannot escape responsibility for what has occurred under the act and what may hereafter take place under it. Now, today, is the time to correct the injustices that have been inflicted upon the American people by the officials of OPA.

My good friend, DEAN GILLESPIE, has just said to me, "We ought not to let the same bee sting us twice."

As a boy I had a good friend in the town where I grew up, Cal Keeney, who was a lawyer and a State senator. After he had suffered a defeat for renomination at the hands of men he told me should have been his friends, and to whom he had always been loyal, he said a thing to me which I have never forgotten: "Fool me once, shame to you. Fool me twice, shame to me." Will we again trust those who have been weighed in the balances and found wanting? Will we again place confidence in those who are so wise in their own conceit that they continue to chain the American people to a policy that has made it impossible for the mothers of our children and the wives of our workingmen to buy the meats and fats which hold soul and body together and enable the working people of this country to keep the wheels of industry rolling? The women of this country have walked thousands of unnecessary miles in search of food; and have stood on their feet until they have fallen arches and rising tempers. Those

in charge of OPA issue a food edict, an ill-considered fiat, expressed in thousands of words that are so void of meaning that their directives must be followed up with explanations and interpretations, all of which are as clear as mud. By these senseless orders our bureaucrats have brough hunger and want to the American people. But by an edict or an order they cannot undo the confusion and privation they have brought upon the people. They may make an effort to call up fat cattle and hogs—but will they come?

Representatives of the majority of the House tell us if we cut the extension of this act down to 6 months these boys down there in the OPA will all quit. Let me disabuse their minds of that illusion. The mortality of the bureaucrats is low. Few die and none resign. Wrapped up in power which they have arrogated to themselves, they have continually committed such fantastic acts before high heaven as have emptied the cupboards and iceboxes of the American housewives. They love their new-found power. None of them will resign. They think too much of their jobs and too little of the American people to do that. You could not pull one of them out of the OPA with a caterpillar tractor. It is easier to separate a sinner from his sins that to separate a bureaucrat from his job.

The people who are without food and clothing today, the people who are unable to buy meat and sugar, have no power over the OPA. It continually tramples their rights and interests under its feet. The OPA bureaucrats are as callous and deaf to the needs and interests of the people as the French queen who, when she was told that the starving people who were surging through the streets of Paris were crying for bread, replied, "Let them eat cake."

Today the OPA, which is the creature of this Congress, comes back to its creator and asks for a year's extension of the act under which it, for 3½ years, has been abusing the patience of our people. The farmers, the housewives, the working people of this country, and the children of this country can exercise no control over this governmental agency. Congress alone can control it. If we give them 1 year's extension of time, we give them a year's license to further harass and abuse the people. If we extend this act for 6 months, then these bureaucrats will know that they must come back to Congress at the end of 6 months. Such a provision will likely have a tendency to put them on their good behavior.

Bobbie Burns was right when he said:

It is the fear of hell and the hangman's noose that keeps the wretch in order.

Only the fear of Congress can keep these OPA officials in order and compel them to comply with the plain letter and spirit of the price-control law.

I am a member of the Methodist Church. Many times when we take a fellow into the church who has a bad record but professes to repent of his evil ways, we do not admit him to full fellowship. We put him on probation for about 6 months to see if he has genuinely repented and if he intends honestly to mend his ways. Then at the end of this probation, if he has made a good record, we admit him into full fellowship. The thing to do is to keep this crowd on probation and then, if at the end of 6 months they bring forth fruits "meet for repentance," we can give them another 6 months' lease on life.

Twelve months is a long time. It will afford these bureaucrats, if unchecked, the opportunity to make the confusion they have brought upon the American people "worse confounded." The report of the majority members of the Committee on Banking and Currency is in the nature of what lawyers call "a plea of confession and avoidance." It confesses the wrongdoing of OPA but holds out to the American people the vain hope that those who have brought them face to face with famine will hereafter reform and do better. On page 6 of this committee report they use this language:

The committee has been reassured by the testimony of the officials responsible for the administration of the price stabilization program by the Director of War Mobilization and Reconversion, Judge Fred M. Vinson; by the Director of Economic Stabilization, William H. Davis; and by the Price Administrator Chester Bowles. They were unanimous in stressing the importance of production in the formulation of price policies.

Thus it is seen that the committee recognizes the failure of Chester Bowles and his satellites in OPA to comply with the law. Before a person can be reassured, he must first have been apprehensive. The committee evidently knows what the everybody else in this country knows. If they do not know what the OPA has been doing, they are negligently ignorant; and negligent ignorance is the equivalent of knowledge. But the eminent majority members of the committee on Banking and Currency are not ignorant—they are able and well informed men. They, therefore, are charged with knowledge that the OPA has been guilty of arbitrarily fixing it price ceilings, of snooping and incompetency in price inforcement.

This agency is solely responsible for our meat shortages. Those who raise cattle, and those who slaughter cattle and prepare them for food, have repeatedly stated that, although the number of cattle on the ranges is greater than at any time heretofore, OPA too low ceiling prices are preventing the cattle from reaching legitimate markets. The members of this Congress know, just as the people of this country know, that those who feed cattle have been squeezed out, which means that cattle are being slaughtered without first being fattened—at a loss of thousands of tons of beef. The members of the Banking and Currency Committee know, just as the people of this country know, that when cattle leave the ranges and the ordinary farm they are not ready for slaughter. Those who grow these cattle do not have the feed to fatten them for market.

The growers of cattle do not raise them for ornamental purposes. They raise them to sell and when these cattle weigh from six to eight hundred pounds, the owners take them to the stockyards of the country where they are sold. Feeders go to these stockyards to buy cattle to fatten in their feed lots. When these cattle are sold, under present conditions, the operators of black markets, who intend to butcher them and sell them to the people, even though they are not ready to be slaughtered, pay a higher price for the cattle than the farmers in the Middle West can afford to pay for them because the feeder, the man who produces the corn and other feeds with which cattle are fattened, cannot afford to buy them and fatten them at the price which the OPA permits him to sell them for when he has fattened them. And thus the beef cattle of the country are kept out of the legitimate market and are forced into the black market. These facts evidently led the Democratic majority of the committee to say that it "has been reassured" by the testimony of Mr. Bowles and others.

Let us take a step further and demonstrate that these are the facts, and that these facts are known to the members of the committee who ask us to pass the measure extending the Price Control Act without amendment for a further period of 1 year. Here is the undisputed evidence. And I now quote the testimony of Judge Vinson set out in the report of the committee. Judge Vinson testified before the committee as follows:

The guiding principle of price control is to provide conditions that encourage production. One of the most essential of these conditions is an adequate profit margin—an adequate spread between cost and selling price. That condition has been met for war production, and that condition will be met for reconversion peace production.

An adequate profit—

Judge Vinson pointed out—

can be assured only by stabilization of the general price level, which assures stabilization of costs. With this as a basis, special adjustments can be given to prices here and there which do not afford an adequate profit.

Thus it is seen that Judge Vinson and the majority members of the Committee on Banking and Currency knew when this measure was being considered by the committee that the reason the people of this country cannot buy beef is because the Office of Price Administration has prevented the feeders of cattle from selling a fat steer at a price that will return to them the cost of the steer, the value of the feed he has eaten, and the labor cost that the feeders had to put into the steer in order to fatten him, plus a reasonable profit. The committee further, in its report on page 6, quoted from Mr. Davis:

Prompt adjustment should be permitted prices which deter production because they do not bear a reasonable relation to cost at normal levels of production.

And then on page 7 of its report the majority of the committee further confesses the shortcomings of Mr. Bowles in his administration of the price-control law. These are the words of the committee report, and I now quote them:

The committee fears, however, that administrative delays may at times have detracted from the practical value of soundly conceived policies. The committee considers time of the essence in cases of price adjustments and urges upon OPA the necessity of pro-

viding within its organization for their expeditious handling. Red tape cannot be tolerated.

The committee's fears are fully justified by the miserable record of the OPA in driving from 50 to 100 percent of the meat supplies of this country into the black market. This fear is based upon the fact that, to use its own language, "Time [is] of the essence in cases of price adjustments." And evidently it was for this reason that the committee report "urges upon OPA the necessity of providing within its organization for their expeditious handling. Red tape cannot be tolerated." A workman, or any other man, woman, or child, in this country can become desperately hungry in 24 hours, and in 1 year's time we can see in this land of plenty "the pale lips of hunger and the withered hand of famine."

Then on page 7 the majority of the committee, on behalf of themselves and on behalf of the OPA, make this deathbed confession:

It is generally agreed that the heart of the problem is the application of measures designed to encourage the feeding of cattle, which are abundant, and the distribution of meat fairly throughout the country.

Then on page 8 the committee, in a further realization of the desperate and intolerable conditions existing in this Nation, says:

The Office of Price Administration has recommended a number of measures to correct the meat shortage, most of which have or soon will be put into effect.

Why in the exercise of common sense on their part, and in the name of justice to the hungry people in this land, did not the Office of Price Administration and Mr. Bowles more than a year ago adopt a measure "to encourage the feeding of cattle which are abundant, and the distribution of meat fairly throughout the country"?

On page 8 of its report the committee says:

In no instance has the price to the civilian consumer been increased.

The committee cannot escape the undisputed fact that from 50 to 100 percent of purchases of meat and poultry is now being made in the black market and that each and every purchase of meat, poultry, and eggs in the black market by the people "the price to the civilian consumer" [has] been increased.

And on page 9 of the committee's report it uses this language:

While it is true that an amendment might incorporate in the price control legislation the present administrative policy reached in the solution of the meat supply problem, there is strong reason for leaving the problem for administrative solution.

This House cannot afford to further trust the OPA which for 3½ years has repeatedly violated the Price Control Act and refused to take steps to see to it that the people of this country have an adequate supply of meat.

The committee on page 9 then further confesses the shortcomings of the OPA in these words:

There have been proper criticisms of the break-down of distribution which has caused severe shortages of meat, principally in some of the important centers of population.

The fact is, the OPA has not adopted any slaughter control program designed to meet the local problems of particular localities. Nor has the Office of Price Administration adapted its program to correct inequities and to secure maximum production.

In June 1943 the representatives of more than 4,000 meat processors and meat dealers from the States of New Jersey and New York appeared before the select committee to investigate executive agencies and in sworn and undisputed testimony stated that they had lost their legitimate business to the black market; that they had appealed to the Office of Price Administration to permit them to purchase from the packers meat at an increase of 2½ cents per pound, and also agreed to resell the meat thus purchased to their customers at the ceiling price set by the OPA, and that the OPA refused to permit them to do this. In undertaking to execuse the Office of Price Administration for this arbitrary refusal to permit these meat dealers to thus obtain meat for their customers, Mr. C. M. Ellington, price executive in the Food Division, in the Office of Price Administration, testified that if this application of the meat dealers was granted the farmers would immediately increase their price of live cattle.

As pointed out by former President Hoover in his reply to the letter of Hon. Thomas A. Jenkins, chairman of the Republican Congressional Food Study Committee, there was no meat shortage and no black market during the First World War. During that war the policy of the administration, and it was the administration of Woodrow Wilson, was "to fix prices as near the farmer as possible and to work forward to the consumer by additions of normal trade differentials and without subsidies." Former President Hoover pointed out that the method in this war under the OPA leads to ridiculous actions such as the attempt of a year ago by the OPA to standardize the hundreds of meat and fat items on the retailers' shelves by a 40,000-word order as to how to cut up a cow. During the First World War there were no black markets; no local famines; no card-rationing system; and there was a constantly increased production of all animals; and last but not least, at the close of the last war this country had a surplus of meat so great that it was able to save the lives of the starving children of Europe without cutting the meat rations of the American people.

Again I say, the OPA has been weighed in the balances and found wanting. It has created the black market. It has driven legitimate meat from the grocery stores and butcher shops of the country.

Canada is a part of the British Commonwealth of Nations. In Canada there is no OPA. Meat is not rationed. And meat in Canada is selling at prices far below what it can be bought for in this country and there is an abundance of meat of all kinds, poultry, eggs, and butter in every part of Canada.

I was in Windsor, Canada, on June 11 of this year. I went over to see for myself what they had to eat. I crossed the river from Detroit, Mich., and went into the meat markets of Windsor. It has been a long time since I have seen as much beef, lamb, pork, bacon, ham, butter, poultry, and eggs.

Certainly the majority Members of this House will not repudiate their new President. He realizes the terrible condition which he inherited from the OPA. In Olympia, Wash., on June 21, the President in an interview recognized the terrible fix into which the OPA has gotten the country and he predicted improvement in the food situation as soon as the new Food Administrator, Representative CLINTON ANDERSON of New Mexico, takes over. The President stated to his news conference that he thought the situation would straighten out automatically when ANDERSON begins functioning as Secretary of Agriculture next month. If the President could realize in the short time he has been in office the necessity for giving the people something to eat, why could not this truth percolate into the craniums and find lodgment in the brains of those who have been administering the Price Control Act for 3½ years. The duty placed upon the officials of the OPA by the Price Control Act is so plain that "a wayfaring man, though a fool, could not err therein."

The people know the failure OPA has made as is evidenced by the thousands of complaints that have been lodged by them with this Congress. The Members of this House know about it at first hand. As a member of a committee of this House I have heard complaints from every section of the country against the manner in which the officials of the OPA have used the law under which they are acting to commit mayhem upon the American people. I now read you from a letter which I have just received from one of my constituents, a merchant in the town of Clinton, Tenn., a town which is within 6 miles of the secret war plant in which more than 40,000 men and women are engaged in a vital war project and in a community where there is a shortage of all foodstuffs and wearing apparel, and in a community that has not escaped abouse at the hands of the OPA. It and other governmental agencies set up by the New Deal are guilty under the charge which the author of the Declaration of Independence brought against King George when he said:

He has erected a multitude of new offices and sent hither swarms of new officers to harass our people and eat out our substance.

This Clinton merchant said:

I am wondering how much longer the OPA is going to run the country, I was visited yesterday by two big, well-dressed men in a big automobile.

He then stated that after he complained of what was being done to him and his customers they said to him:

The OPA did not force anybody in business.

And then he said:

I have been in the merchandise business for 25 years and I am wondering now how long it will be until I am forced out.

I have before me a letter from a retired nurse who is undertaking to run

and operate a farm with but little help in Knox County, Tenn. She recites how she has been discriminated against by the OPA and then says:

As taxpayers and voters we resent this discrimination.

My seven nephews are fighting in vain for freedom if farmers as a class cannot have a decent living. We cannot be slaves.

The OPA turns a deaf ear to all arguments. Just who are we, anyway? Do farmers not feed the world?

Why do we have to be judged by men and women that know so little about our business that we are not even treated with courtesy? They seem to think that we are ignorant and the feeling is mutual.

I also ask you to use your influence to curb the power of OPA, for in my opinion, they are now intoxicated with power.

She then recites how she was fined $15 by the OPA and forced to pay it from money she could ill afford to pay simply because she sold a chicken at a price a few cents above what the OPA thought she ought to sell it for.

In a letter dated June 17, from a good citizen of Roane County, Tenn., he states to me that there are about 500 families in his community who are without canning sugar at a time when it is most urgently needed. And he states that the people have come to a bad point when no sugar can be secured legitimately for canning the abundant crop of fruit and berries that will be lost for food for the lack of sugar. He further states that if this condition is Nation-wide the people will welcome action at the hands of Congress.

I have before me a statement from the East Tennessee Packing Co., of Knoxville, Tenn. The normal kill of this concern is 3,500 hogs, 700 cattle, and 1,000 calves and lambs weekly. Its annual business is approximately $7,000,000. Its products are distributed within a radius of 200 miles. Under the regulations of OPA this concern is losing money on each hog and steer killed by it. These losses are also sustained by the Lay Packing Co. of the same city.

I also have another letter from Mr. Arthur M. Fowler, a democratic lawyer of Loudon, Tenn. He represents two farmers that have produced on their own farm 33 head of livestock ready for the butcher. These two little guys own and operate a meat shop in the town of Loudon. They have not been able to sell to their customers a bite of meat for more than 6 weeks. These men cannot purchase meat from the packers nor from anyone else. They asked for a permit from the OPA to butcher and sell their own animals in their own meat shop. They were denied a permit to kill and sell their own animals. The population of Loudon has doubled within the last 4 years because it is in a war area. The same condition prevails in Lenoir City, the largest town in Loudon County. There were two or three persons who had slaughter permits in the vicinity of Lenoir City but these have been revoked by OPA. The restaurants of that town are unable to get any meats either to serve to their customers or for the preparation of lunches for the great number of workers employed on the secret Clinton engineer war project. These two little farmers who are undertaking to aid the war effort were turned down by the local OPA officials, and also by the OPA officials here in Washington. And the people of those communities, 80 percent of whom are engaged in the war effort, are unable to buy meat. I have another letter from a Knoxville, Tenn., merchant. Knoxville is a city which together with its suburbs has a population of 200,000 people, a great majority of whom are engaged in war work in the great plants being operated in the city, at the Aluminum Co.'s plant at Alcoa, 12 miles away in Blount County, and in the Clinton engineer project, 25 miles from Knox County. This merchant writes me in regard to the lard and meat situation in Knoxville and he asks: "Why can't we get something to season our food with. I am in the grocery business and it has been about 4 weeks since I have had a pound of lard in my store and no seasoning meat. Why do we have to get in this position in this great country of ours? Do you know the cause of the condition, and is there anything you can do about it? If so, we would greatly appreciate it. There should be something done about this at once where there are so many war workers going hungry for the everyday necessities of life. It is hurting the sale of farm products because the consumer has nothing to season with."

The late Governor Bob Taylor, of Tennessee, once said:

The Mason and Dixon's line divides the land of hot biscuits from the land of cold light-bread.

It does more than this—it divides the section of our country where they cook their beans and potatoes with seasoning meat, and that means pork or bacon, and the land where they cook their beans in water without the use of meat.

The OPA has also brought about a shortage of work clothing. I have before me a statement issued by a mass meeting of the work clothing manufacturers from all parts of the United States in which they appeal to Congress for such a modification of the Price Control Act as will enable them to use the millions of yards of chambray and denim being released because of Navy cut-backs, in making much-needed work garments. They state that if the OPA will permit them to use this cloth in the manufacture of work shirts they can produce and sell at a reasonable profit a better work shirt for $1.10 than the workers of the country are now forced to pay $2 for. They then state:

That is our problem, which is the most serious problem that has yet confronted our industry. Here we are face to face with reconversion. Here are millions of yards of denim and chambray available for the first time in about 2 years that can be made into badly needed overalls and work shirts, provided we can do so at a reasonable profit, for certainly we cannot be expected to carry the burden of other groups whose position is much stronger than ours.

These men are the owners and operators of relatively small manufacturing plants yet they employ over 100,000 employees who are dependent upon them for a livelihood.

The other night I heard the testimony of a young man from Dayton, Ohio, who was the owner of a small packing plant in that great industrial city. This young man started from scratch. He was urged by Washington officials to increase the capacity of his packing plant. He borrowed $30,000 from friends who believed in him and enlarged his plant. He disposed of the major portion of its products through six retail stores which he owned to war workers in Dayton. As a result of the enlargement of his plant he was killing 1,200 cattle per month, grown and fattened in the vicinity of Dayton by Ohio farmers. The OPA clamped down on him. It cut his quota to such an extent that he cannot kill any more cattle until November of this year. When he cmplained to the officials of the OPA they said to him—"You are just another war casualty."

I heard the testimony of a man from Wisconsin who had moved to Dayton. He put his life savings into the purchase of a butcher shop. In order to carry on his business he borrowed $8,000, purchased a 12-acre farm near Dayton on which he built a slaughter house. The OPA put him out of business. He is in a fair way to lose the savings of a lifetime and to have his property sold under foreclosure proceedings by his creditors who have mortgages on all he owns. Mark up another war casualty for OPA. It will soon have the scalps of both of these good American citizens at its belt. But few men in business who have, up to this time, been able to run under their own power have escaped persecution at the hands of this agency.

About a month ago in the city of Knoxville the OPA took after a citizen who is the operator of a great industrial plant upon the continued operation of which hundreds of men and women depend for a living. The OPA demanded that he turn over to them all of his books and records and office files in order, as they said, to enable them to determine the cost of an article that he did not even manufacture in his mill. He is a veteran of the First World War. His only son of military age is now a marine fighting for his country in the war against Japan—if he is yet alive. This man, being a red-blooded, two-fisted American citizen, declined to permit the OPA to trample his rights under its feet. He was familiar with the fourth amendment to the Constitution of this country which provides——

The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated.

He also knew what his rights are under the Price Control Act. He declined to let the OPA cart away from his place of business the records of his company. They hailed him into the Federal court on a hearing. The able and fearless judge of the court said in effect to the OPA, "You are not entitled under the law to take from this law-abiding citizen, and from this company which he heads, its papers and effects. You cannot subject it to this illegal search and seizure."

In the face of cases like these I have cited, which are well nigh as numberless

as the sands of the seashore, the Republican Members of this House were joined by a sufficient number of Democratic colleagues to enable us to write into the Price Control Act amendments that the Committee on Banking and Currency suggested should be its administrative policy, and translated into law the pious hope of the majority members of the Committee on Banking and Currency that these things might and should be done by those who have heretofore made a mockery of the Price Control Act. The act was amended so as to empower the incoming Secretary of Agriculture, the Honorable CLINTON P. ANDERSON, a distinguished Member of this House who on July 1 will become the Secretary of Agriculture and War Food Administrator, to grant permits to the operators of small slaughter plants to butcher meat animals when he finds that their slaughter plant is operating under sanitary conditions and that the meat produced therein is clean, wholesome, and suitable for human consumption. While it is provided that these plants may be required to make available to the armed services of the United States or for Government purchases such percentage of the meat slaughtered and processed as the Government may deem necessary or advisable, the effect of this amendment will be to increase the meat supply of the civilian population throughout the country. This amendment was offered by a member of the committee, Mr. PATMAN, and with reference to it, Mr. REES of Kansas, a distinguished Republican, said on the floor of the House, and no one challenged his statement:

The provisions of this amendment are the very things that I and other Members on this side of the aisle (the Republicans) have been trying to accomplish for the past several months. It may be that what we needed was a litle more pressure than we have had.

Of course, it was wrong for the OPA to close down the small packing plants of this country and thereby further the meat shortage. We have known that for a long time. I have always insisted that the small packing plants be kept open and be permitted to run in regular order. Mr. Bowles, Administrator of the OPA, in reply to my protest on that very problem, gave me to understand that to permit the smaller packing plants to remain open and to carry on at regular capacity would not be for the best interests of the people of this country.

Mr. REES of Kansas further stated that we must go still further and provide a price on finished cattle that will encourage the livestock men of this country to feed and finish beef cattle and not let them go to market without being fattened as they are doing now, and that we are losing from 200 to 400 pounds on each of thousands of animals because the OPA will not permit a sufficient price so that our livestock can be properly finished. He further pointed out that the OPA had penalized hog growers because they permitted their hogs to be grown and fattened beyond a certain limit of pounds and that as a result of this policy we now have a dangerous shortage of pork.

Mr. JENSEN, an able Republican Member from Iowa, pointed out in his remarks that there are millions upon millions of bushels of corn lying in the cribs that should be fed to cattle and hogs. And he then addressed the following question to Mr. ANDERSON of New Mexico:

May I ask our very able and honored colleague, the gentleman from New Mexico, our new Secretary of Agriculture, what do you intend to do regarding this margin that has stopped us from getting three to four hundred pounds more of good beef on every carcass?

To this, Mr. ANDERSON of New Mexico replied:

I can only say to my distinguished friend from Iowa that on Thursday of this week I attended a meeting at Chicago of the National Livestock Meat Board and asked them specifically to come in with a recommendation as to feeder cattle. On Wednesday I met with a group in the stockyards at Kansas City and asked them to come in with a special recommendation as to feeder cattle. I am going to keep on asking every group until we find a solution that will take care of the feeder-cattle problem.

Mr. JENSEN asked Mr. ANDERSON of New Mexico the pointed question:

Is the gentleman going to give us a margin that is wide enough and broad enough so that we can feed cattle?

To this question Mr. ANDERSON of New Mexico replied:

As matters now stand, I have no possibility of control over that margin, but I shall continue to recommend that there be a margin sufficient to take care of feeder cattle.

Mr. BATES of Massachusetts, a distinguished Republican Member of this House, then offered, and the House adopted, an amendment to the Price Control Act which provides that—

No maximum prices shall be established and maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species.

This amendment means that those who slaughter and prepare for market live animals will not be forced to kill and prepare them for food at a loss as they have heretofore been compelled to do by the OPA.

Each of these amendments was adopted on a roll call of the House. The amendment offered by Mr. PATMAN was adopted by a solid Republican vote. Only two Democrats, one from Tennessee, one from New York, and the American Labor Party Representative from New York voted against this amendment. The amendment offered by Mr. BATES of Massachusetts was adopted by a solid Republican vote and a large number of Democrats who joined with us. The amendment offered by Mr. AUGUST H. ANDRESEN, a distinguished member of the Committee on Agriculture from Minnesota, prevents the OPA from taking any action with respect to fixing the price of any agricultural product, including livestock, or for any food product processed in whole or substantial part from any agricultural commodity without first securing the approval, in writing, by the Secretary of Agriculture. This amendment requires that the Secretary of Agriculture shall approve OPA orders with reference to agricultural products. All Republicans who voted voted in favor of this amendment, and they were joined by a sufficient number of Democats to carry it by a vote of 211 to 155. No Republican voted against it.

The Dirksen amendment, giving the right to persons aggrieved by any adverse decision of OPA to appeal first to the Emergency Court of Appeals or to the appropriate district court, and the right to petition the Supreme Court of the United States for a final hearing by writ of certiorari. This amendment carried by a vote of 200 to a vote of 164. It received almost a solid Republican vote and the votes of many Democrats.

The CHAIRMAN. The gentleman from Arkansas [Mr. HAYS] is recognized.

Mr. HAYS. Mr. Chairman, there are two compelling reasons why I hope to see this amendment defeated; one is a reason advanced by the gentleman from Oklahoma [Mr. MONRONEY] on yesterday that action of this kind would afford no relief but would simply add to the black-market operations since it would create uncertainty as to the continuation of OPA. The second reason is that this is an administrative rather than a legislative problem and we would greatly complicate the situation by such a brief extension. Mr. Chester Bowles said to our committee when the matter was first approached, and it was approached with a judicial attitude, I think, on the part of the membership of the committee pretty generally, that this would be a great misfortune.

Mr. Fred Vinson, who holds the esteem of this House, also stated that it would be a very unfortunate thing for the Congress to do. He said:

Yes; I will go even further; it would be a cruel thing to do.

These are patriotic men who are heading up the key positions in the Office of Price Administration. The chairman of our committee knows one man who made $125,000 a year who now works for $9,000 a year in OPA. We would not lose all of them, of course not, but some of the men are not so fortunately situated and would be affected by a brief extension.

Six months' lease of life is not an extension, it is an annihilation. I therefore ask the Committee to listen to the counsel of these men who are in responsible positions.

Mr. Eric Johnston, who surely knows the point of view of businessmen generally, said to our committee in a very eloquent plea for an extension without amendment that we needed a full year.

Mr. Edward O'Neal said when I asked him, in committee hearings, if the farmers want a 6-month extension:

The gentleman ought to know; he comes from a farming district. The farmers always think in terms of a year.

A full year's extension, then, is the judgment of the administrative representatives whom we heard—Mr. Vinson, Mr. Davis, Mr. Bowles; and it is the counsel of Mr. Johnston, and the counsel of Mr. O'Neal, these who urged the committee to give an extension of not less than 1 year.

I believe, therefore, that the question of uncertainty as to the time element would make it very difficult for Mr. Bowles to hold his organization together. Certainly, the Congress will not be in position to hold him to strict accountability if we limit the time in this fashion and encourage the loss of staff members who are entitled to think in terms of some personal security, because many of them are making a real sacrifice to be here to help the country in this emergency.

The CHAIRMAN. The time of the gentleman from Arkansas has expired. The Chair recognizes the gentleman from Maryland [Mr. ROE].

Mr. ROE of Maryland. Mr. Chairman, I strongly support this amendment. I think perhaps it would make the OPA realize that we do not approve what they have been doing and maybe they would clean house, maybe they would use more common sense.

There are two or three fundamental things I would like to say. Every time OPA is mentioned it is said, "We must not do anything to the OPA because it means inflation." The only inflation I am afraid of is the inflation that we get from the Federal Government becoming unsound financially. The time when we get inflation is when we have too much paper money in circulation without anything back of it that is substantially worth while. The inflation I am afraid of is such as that we had after the War Between the States and the inflation we had in Germany after the First World War when marks were shoveled off the ground by the bushel. That is the kind of inflation I am afraid of. I am not afraid of merchandise being worth the cost of production.

Mr. Chairman, the OPA has to realize that the farmers of this country and the businessmen of this country must receive enough money to pay them to produce and to pay them to manufacture or we are going to have a calamity in this country. I received a letter from Mr. Bowles yesterday and he wrote me apparently with pride that they had instituted suits against 1,200 people engaged in the meat business in the United States in the first 3 weeks of May. That is at the rate of 20,000 people a year. Who are these 20,000 people? Are they German spies? Are they Japs? Or are they red-blooded American citizens with sons and daughters in the Army just as you and I have?

What is going to happen to the business of this country if we continue to castigate every businessman and accuse them of violating laws of which they are ignorant and which the OPA cannot explain to them in many instances? When the boys come back, when the unemployment problem reaches the acute stage, when the OPA has put thousands and thousands of people out of business, how are we going to have employment and how is our economy going to function? I sincerely hope the pending amendment will be agreed to and that it will result in putting the fear of God into OPA, that it will result in their realizing that the Congress has control over the OPA. We made it and we can destroy it and I hope it will make them realize that unless they use common sense, unless they permit the business people of this country to function, unless they stop making rules and regulations that are not understandable, we will have to abolish it. I make the statement that there is not a businessman in the United States doing $10,000 worth of business a year who has not violated some rule or regulation of the OPA without knowing he had done it.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

The Chair recognizes the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, this is not a question of how long we are going to have the OPA or how long we are going to need the OPA. The only purpose of the pending amendment, as I see it, and the reason I am supporting it, is that if adopted, it will give us a chance to review the OPA within 6 months.

Our constituents are holding us responsible for the mistakes of the OPA. At least mine are. They write me that they are, and I know your constituents are taking the same view of the matter. Congress is responsible, they say. Our people are perhaps unreasonable sometimes. They expect us to go out and correct the mistakes that the OPA makes. We cannot do that. But we can require the OPA to come before the Congress for a renewal of its life at fairly frequent intervals. I do not think that 6 months is too short a time. By that method we can compel OPA to administer the law according to the intent of Congress.

The gentleman from Georgia [Mr. BROWN] pointed out awhile ago that the committee, apparently taking the same view, has stated in the report that the activities of the OPA would be reviewed frequently and that if legislation is necessary it would be passed. But I call your attention to the fact that such legislation is subject to a veto. It would take a two-thirds majority to pass it over a veto, and when you consider that the President just recently gave a blanket endorsement of the OPA and said it was doing fine work, I am rather doubtful as to whether or not any amendments that we might pass to the OPA Act would get past a veto. However, if we require the OPA to come before Congress in 6 months we can amend the act and the act cannot be vetoed if the OPA is to continue. It will have to be signed, and we can in that way impose our will upon the OPA and compel it to carry out the intent of Congress.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Each time this act has come before Congress for renewal we have had all sorts of statements and pledges made as to reforms down in that agency of government, but the reforms have never come about, and conditions have grown worse from year to year; is that not true?

Mr. HOPE. I agree with the gentleman 100 percent.

Mr. HENRY. Mr. Chairman, will the gentleman yield,

Mr. HOPE. I yield.

Mr. HENRY. Does the gentleman feel that by extending it for a year rather than 6 months the OPA will be able to get better qualified men than they would be by extending it for 6 months only?

Mr. HOPE. No; I do not take that position at all. As I said in the beginning, this is not a question of how long we are going to have the OPA. We will have it as long as Congress decides we need it. We are not deciding that question today. We cannot decide it today, because it depends upon circumstances. But the question of whether or not we are going to have a review of it within the next 6 months does not, in my opinion, have anything to do with the permanency of the personnel.

The CHAIRMAN. The chair recognizes the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman, I agree that there have been some basic faults in the plan and policy of the OPA, and in its administration. In their zeal and, as I see it, in their short-sighted policy in important respects, in trying to hold down prices, they have reduced production, have been unnecessarily oppressive, have contributed towards the opening up of black markets, and have made consumers pay more than they would have paid if a less dictatorial and a more practical common-sense policy had been pursued.

Under present administration, it seems to me that there are indications of substantial improvement. I am glad to be able to make that statement. I agree fully that Congress has the duty to hold this agency, to which has been assigned these extraordinary powers, within its constant power to control. I make that statement not as a reflection upon this particular agency, but that sort of control should accompany all grants of such extraordinary power as has been given to OPA. It should be a control more constant than a statutory limitation upon the period of authorized existence of 1 year as is carried in this pending bill, or as is proposed by the pending amendment that the period of authorized existence be limited to 6 months. It should be a control which can be exercised by the majority of the two Houses of Congress at any time free from the necessity to have a two-thirds vote to do it, in the event of a Presidential veto. That two-thirds vote requirement is a bad thing in the mechanics of legislation.

To avoid that handicap upon the legislative will, indicated by the judgment of the majority of the Houses of Congress, this bill, if enacted as drawn, gives to the two Houses of Congress now engaged in considering this bill, independent of any power on the part of the President by reason of his veto, the power to control the period of existence of OPA.

Let me read you the language which is in the bill now proposed to be amended. I quote:

The provisions of this act and all regulations, orders, schedules, and requirements thereunder shall terminate on June 30, 1945, or upon the date of a proclamation by the President, or upon the date specified in a concurrent resolution by the two Houses of the Congress declaring that the further con-

tinuance of the authority granted by this act is not necessary in the interest of the national defense and security, whichever date is the earliest, except as to certain offenses committed—

And so forth. This bill proposes to strike out the figures "1945" in the provisions just read and substitute therefor the figures "1946," so that this provision of the law would read:

The provisions of this act and all regulations, orders, prices, schedules, and requirements thereunder shall terminate on June 30, 1946, or upon the date of proclamation by the President, or upon the date specified in a concurrent resolution by the two Houses of Congress, declaring that the further continuance of the authority granted by this act is not necessary in the interest of the national defense and security, whichever is the earliest—

And so forth. That language establishes power and control of the two Houses of Congress over OPA. The two Houses of Congress by concurrent resolution which does not have to go to the White House can cut the head off of OPA at any time.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. WOLCOTT. May I call the gentleman's attention to this fact, that the concurrent resolution has to do only with the repeal of the act. It has nothing to do with the amendments to the act, and we could not effectively amend the act without having the matter go to the White House for the President's consideration.

Mr. SUMNERS of Texas. It is true the concurrent resolution has only to do with the termination of the act, but the gentleman's amendment has only to do with the termination of the act, also. This power to terminate by concurrent resolution is in existing law and as I understand the gentleman he is proposing now to continue this power to terminate by concurrent resolution.

Mr. WOLCOTT. Right.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Minnesota.

Mr. JUDD. But that leaves us with only one alternative. If we believe the OPA is not doing a proper job of price control and getting maximum production, all we can do is to terminate price control. But nobody is against price control. What we want is not less, but more and better price control. I believe proper price control is needed now more than at any time in our Nation's history. It is just because I want to be sure we get maximum production and effective price control, which no one who will look around can claim the OPA is now providing, that I favor this 6 months' extension so that when we extend the act again next December, as it is absolutely certain we will, we can make such adjustments as the situation then requires. I repeat that we favor this 6 months' extension because we want better price control and not because we do not want less price control. That is all we want, and the 6 months' extension gives us a chance to review it. There is no question but that it will be extended.

Mr. SUMNERS of Texas. But under the provision to which I have referred there is the constant day by day power to review the action of OPA and to terminate its existence by a concurrent resolution which does not have to go to the White House. We would not have to wait 1 year or 6 months to terminate the agency.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. GILLESPIE].

Mr. GILLESPIE. Mr. Chairman, I rise in support of this amendment. The objection that OPA cannot operate with only a 6 months' extension does not sound reasonable to me. The OPA is already organized. Why should they claim they cannot go ahead? They have been going ahead. They had only 6 months on January 1 and they have been operating right along. Why then can they not continue to operate for 6 months? Is there a businessman here who would under similar circumstances in his own business give any department of his business a longer period of time under similar circumstances? We have been talking here about the OPA making special adjustment so that business can go ahead and reconvert and get ready for millions of postwar jobs and to produce an abundance of goods which will insure against inflation. It seems reasonable to me that if OPA is extended for one whole year with no amendments we will be in effect endorsing all the mistakes and bungling they have been doing.

We all know that ill advised, complicated, bureaucratic, arbitrary rules made by inexperienced officials are making it almost impossible for business to operate. Why not extend OPA for 6 months, so that at the end of that period we can decide what to do in light of changes so rapidly taking place.

I believe that if OPA has a 6 months' extension, we can expect a better and more reasonable administration of its affairs. I hope the amendment is agreed to.

The CHAIRMAN. The gentleman from Indiana [Mr. LAFOLLETTE] is recognized.

Mr. LAFOLLETTE. Mr. Chairman, I am supporting this amendment. I am supporting the amendment for certain basic reasons and three definite personal reasons which I shall discuss.

I thought, and still think, that the Congress of the United States was intended to be a check upon the action of administrative bodies of the United States. If we had the British parliamentary system we would expect members of the party in this House, who also belong to the party which is in control of the organization of the Government, to completely go along with it. I was told this morning by the gentleman from California [Mr. OUTLAND] that I should be patriotic. I am very tired of being patriotic by direction. I am capable of determining my own capacity for patriotism. All patriotism and nonpartisan statesmanship is not found only on the Democratic side of this Chamber.

I sat here and voted for subsidies the first time. I voted for them the second time. I voted on the veto for subsidies. I have voted against every crippling amendment that I could think of, but I know this, I have no confidence that the majority members of this committee will police the OPA. I have no confidence that you will police them to get some prices down which I think are ridiculous. The price of clothing has gone away out of line, and as far as I know this committee has done nothing about it. The price of furniture has gone out of line, and so far as I know this committee has done nothing about it. It has been the policy to talk about food. It has been the policy to attempt to create dissension between farmers and workers by holding farmers up to city people as extortionists and profiteers. I want to know what has happened to the retail price and the wholesale price of clothing that people put on their backs, which have gone out of line compared with any cost of food.

You tell me you have a provision in your report and you say, "The committee will investigate." I will show you why I do not think you will. A few months ago when the Bretton Woods matter was considered, a member of the State Department or a member of the Treasury Department said he thought the administration could go along with the recommendations for amendments to Bretton Woods offered by the Committee for Economic Development. On the very same day the chairman of this committee issued a statement and said he was not in favor of any amendments. Of course he was not. He had not been told yet, directly, that it was all right to agree to amendments.

Mr. SPENCE. Will the gentleman yield?

Mr. LAFOLLETTE. I am sorry. I do not have but 2½ minutes.

Mr. SPENCE. The gentleman mentioned me.

Mr. LAFOLLETTE. Very well. I will yield.

Mr. SPENCE. I want to say that nobody has directed me what action I should take on any legislation since I have been chairman of this committee, and they never will.

Mr. LAFOLLETTE. I am glad to hear the gentleman say that, but I can still read between the lines and draw my own conclusions. The fact remains that about 6 weeks after the chairman of this committee, in a statement to the press, said he was against any amendment, and at the same time that a spokesman for the Treasury Department said the Administration would take certain amendments along the line of the Committee for Economic Development proposals. The chairman then brought in a bill containing the very amendments that the Treasury spokesman had said the Administration would accept. The chairman has said that no one had directed him as to what action he should take on any legislation since he had been chairman. His statement is entitled to be accepted on its face. Nevertheless, the coincidence which I have just brought out is also entitled to be considered in connection with that statement.

The dominant figure on this committee is the gentleman from Texas [Mr. PATMAN]. Let us see what he says about congressional power. I was not here in

1941 but I am informed that when the gentleman from Oklahoma [Mr. MONRONEY], and the gentleman from Tennessee [Mr. GORE], were here trying to hold the line, through what was known as the Gore bill, during the debate in the House on that bill, the gentleman from Texas said the Monroney-Gore legislation could not be any good; it was written down here in Congress; that the Members had to have something written by the Administration if they wanted good legislation.

Mr. PATMAN. Will the gentleman yield?

Mr. LAFOLLETTE. Surely.

Mr. PATMAN. That is not true.

Mr. LAFOLLETTE. That is interesting. I will ask the gentleman from Oklahoma some day to discuss that with you.

Now the only way that I have of judging what this committee will do in the future is by observing what it has done in the past. From that observation I conclude that the only way of getting any examination into the outlandish rise in prices that has taken place to date in clothing and in furniture is to limit the extension of OPA for 6 months and make its further extension depend upon a record of accomplishment in reducing the inflation which has taken place in practically every article that enters into the cost of living, except food and rents.

The committee argues that it says in its report that it will continue to police OPA. Since I have been here it has had 2½ years within which to require OPA to control the unconscionable profits and outlandish prices in clothing and furniture and has not done so. Therefore I have no confidence that the committee will do so if OPA is extended for a year; but, perhaps, if we make its extension for a further period of 6 months depend upon a record of doing something about these prices, the Congress can do the job which the committee has demonstrated its unwillingness to do, and by its action today, serve notice on OPA that we intend to force prices down to a reasonable level in these commodities.

As far as I am concerned, enforcement of OPA has resulted in price controls being rigidly enforced upon producers and processors of food, where the administration did not expect any votes, anyhow, while at the same time the producers, brokers, and wholesalers and retailers of women's and men's clothing, cotton goods of all kinds, and furniture, who were the people from whom the administration gets its votes, have been permitted to do what they please. This is not the kind of enforcement that the workers of America are entiled to receive.

I understand that the CIO governing body has taken the position against this 6-month extension. From my point of view they evidence a confidence in the willingness of OPA to correct the inflations arising out of high prices and shoddy materials in clothing and furniture and a confidence in the willingness of this Democratic-controlled committee to force OPA to do something about it, which I do not have. I further find that among the rank-and-file workers of America and quite a few of the local and regional officers of the CIO and other labor groups that I know the dismal record of this administration to enforce price controls against its political friends is a well-known and muchly disapproved record and practice. I can see no relief for laboring men, farmers, or white-collar workers, or their families, from this kind of political enforcement if the administration is given an extension of a full year on the face of a record which shows that for 2 years, under yearly extensions, they have done nothing to curb the profiteering of the group who comprise a great bulk of their political support, both financially and as voters.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

The gentleman from Oklahoma [Mr. MONRONEY] is recognized.

Mr. MONRONEY. Mr. Chairman, I would like to make only one point in the 2½ minutes at my disposal. I do not know what type of farmers the Members on the Republican side of the House represent. I have heard a lot of speeches yesterday about wanting to do something for the farmer. We have heard a lot of awfully good speeches and expressions of a deep and abiding love for the farmer. But here with this amendment extending price control only from July 1 to December 31 of this year I think you are going to play about the meanest trick that could be played upon the American farmer. Do any of your people, I ask the gentleman from Wisconsin [Mr. KEEFE], do you know any farmer who is able to hold the products he produces on his farm much beyond December 31 of this year?

FARM PRICE CONTROLLED BUT NOT SPECULATORS

Of course the farmers' products are going to move out of the farmers' hands under the limitation of price control. Where will they move? They will move into the hands of the speculators, they will move into the hands of the middlemen, they will move into the hands of the processors.

Everybody knows that if we extend this for only 6 months that there will then be weakening and crippling amendments to allow a little bit bigger profits for these middlemen and these processors. So you are going to put your farmer under price control for 6 months' time, he is going to sell under price ceilings, but those who take the farmers' products are going to be able to reap a landslide of profits. I do not know of anything that could be done that would more greatly weaken the final effectiveness of price control or that would be more unfair to the Nation's farmers.

Mr. RAMEY. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I cannot; I have but 2 minutes.

FARMERS WILL SEE THROUGH THIS MOVE

But I say that the farmer is going to see through this trick and he is going to realize what Congress is doing to him that would allow the middleman to make unconscionable profits at his expense.

This is also going to work havoc with reconversion. The man who holds raw materials, the intermediate processor is going to hold back his items for 6 months of production until he can get out from under price control. The man who holds raw materials is going to be able to hold them for 2 months, 3 months, 4 months, until he can get the price rise.

If the Congress passes this 6-months' extension you will find the greatest shortages, you will find the greatest withholding of products and raw materials and intermediate parts that are needed in reconversion in large amounts. You will stop the normal flow of goods for 6 months.

These very processors, these men who make these finished products will be apt in many instances to hold back and wait until January 1 to see what will happen to price ceilings at the end of the 6 months. It will be nothing but an aid to the speculative forces in this country and will put a stop to effective reconversion.

If Congress extends this act for only 6 months it will be the greatest national lottery in the history of this country. Everybody will be thus invited to hold back goods to gamble on a big price raise after January 1. That is, everybody but the farmer. He must still sell on a controlled market.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

The gentleman from Kentucky [Mr. SPENCE] is recognized for the remaining 5 minutes.

Mr. SPENCE. Mr. Chairman, I yield the last 5 minutes to the gentleman from Texas, the Speaker of the House [Mr. RAYBURN].

The CHAIRMAN. The gentleman from Texas is recognized to close the debate.

Mr. RAYBURN. Mr. Chairman, I hardly think it is necessary to say anything else on this amendment.

Frankly, I was amazed when I heard the other day that the gentleman from Michigan [Mr. WOLCOTT] was going to make his main fight on the bill on the matter of reducing the 12-month period to 6 months. Usually he is very sound on legislative matters, and I cannot think that he has been pushed around by partisan folks and induced to do this. I am sure he believes in this amendment or he would not have offered it; and that is one of the amazing things to me—that he could believe in this amendment.

There is enough confusion, there is enough confusion in the whole situation in reference to food, enough confusion with reference to price control and price fixing without throwing in this additional factor. These people have a hard enough time administering this law at best. They must have a period of time in which they can work out a program. I represent a district that is entirely agricultural. Every interest that I have is in the land or things that grow out of the land or grow on the land. I would dislike very much to see the 1st of January next approach and I not be able to determine what my program was going to be for the 6 months following, what I could plant at a profit, or whether or not I would have any planting program at all, or grazing program or feeding program.

Those who would extend this program for only 6 months may cause those who administered the law to think that is the end of it, and instead of broadening and

liberalizing the programs, as many of us want them to do and believe they will do if given time, they would think they were up against the proposition of liquidating the whole Office of Price Administration. Everyone here who has spoken said he is in favor of OPA, he is in favor of price control. This amendment reminds me of the poor devil who got killed. The question was whether or not it was murder or manslaughter. Well, it did not make any difference to the fellow who was dead whether he was murdered or manslaughtered.

So, in this case the killing of OPA by little, friendly, innocent amendments is just as bad for the people of the country, who know that we must have some kind of control or we will have runaway inflation and many of the people of the country will be unable to eat and wear in the days that lie ahead of us, if it is killed one way or another. If I felt like some Members here seem to feel about the OPA and everything that has been done by it, I would have joined the gentleman from Michigan [Mr. HOFFMAN] and voted in favor of striking the enacting clause from the bill.

I think we had better go along with this agency for another 12 months. We are always here, we will be here, and if things do not run along as we think they should why, then, we can take another stitch. In the meantime, I believe that this is a confusing, destructive amendment that the House in it second thought and in its usual wisdom will not adopt.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT] to the committee amendment.

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were—ayes 92, noes 153.

Mr. WOLCOTT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BROWN of Georgia and Mr. WOLCOTT.

The Committee again divided; and the tellers reported that there were—ayes 126, noes 177.

So the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. CRAWFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: On page 1, after line 9, insert a new section, as follows:

"SEC. 3. Whenever in the judgment of the Price Administrator (provided for in sec. 201) the price or prices of a commodity or commodities have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this act, he may by regulation or order establish such maximum price or maximum prices as in his judgment will be generally fair and equitable and will effectuate the purposes of this act.

"No maximum price for any product or service shall be deemed generally fair and equitable, unless it shall cover all current costs incurred by representative producers in the industry affected in the production and distribution of the specific product or service; and, in addition thereto, the average percentage profit mark-up over such costs earned under competitive conditions by such representative producers during a normal prewar base period. The current costs shall include all costs allowable as business expenses under the Internal Revenue Act and Regulations. The base period shall be determined by the Administrator to be the calendar year 1939, or the calendar year 1940, or a period covered by both said calendar years. No regulation or order involving the determination of costs or profit mark-up shall contain any provision requiring the determination of costs otherwise than in accordance with established accounting methods.

"Every regulation or order issued under the foregoing provisions of this subsection shall be accompanied by a statement of the considerations involved in the issuance of such regulation or order. As used in the foregoing provisions of this subsection, the term "regulaton or order" means a regulation or order of general applicability and effect. Before issuing any regulation or order under the foregoing provisions of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order, and shall give consideration to their recommendations. In the case of any commodity for which a maximum price has been established, the administrator shall, at the request of any substantial portion of the industry subject to such maximum price, regulation, or order of the Administrator, appoint an industry advisory committee, or committees, either national or regional, or both, consisting of such number of representatives of the industry as may be necessary in order to constitute a committee truly representative of the industry, or of the industry in such region, as the case may be. The committee shall select a chairman from its members and shall meet at the call of the chairman. The Administrator shall from time to time, at the request of the committee, advise and consult with the committee with respect to the regulaion or order and with respect to the form thereof, and classifications, differentiations, and adjustments therein. The committee may make such recommendations to the Administrator as it deems advisable and such recommendations shall be considered by the Administrator. Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he may, without regard to the foregoing provisions of this subsection, issue temporary regulations or orders establishing as a maximum price or maximum prices the price or prices prevailing with respect to any commodity or commodities within 5 days prior to the date of issuance of such temporary regulations or orders; but any such temporary regulation or order shall be effective for not more than 60 days, and may be replaced by a regulation or order issued under the foregoing provisions of this subsection."

Mr. CRAWFORD (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that the reading of the balance of the amendment be dispensed with because it is simply the law at the present time.

Mr. PATMAN. Reserving the right to object, Mr. Chairman, may I ask the gentleman from Michigan if this is like the Wherry amendment in the Senate.

Mr. CRAWFORD. As far as I know, it has nothing to do with the Wherry amendment.

Mr. PATMAN. How can we refer to something that will contain the text of the gentleman's amendment, inasmuch as it is not to be read?

Mr. CRAWFORD. I had it printed in the RECORD day before yesterday when the rule was under discussion so that the House would have the very information to which the gentleman refers.

Mr. PATMAN. Was it presented to the Banking and Currency Committee in the consideration of the bill?

Mr. CRAWFORD. It was.

Mr. PATMAN. The entire amendment?

Mr. CRAWFORD. Yes.

Mr. PATMAN. As it is here now?

Mr. CRAWFORD. Yes.

Mr. PATMAN. Was it voted on?

Mr. CRAWFORD. Yes.

Mr. PATMAN. What was the vote?

Mr. CRAWFORD. I do not recall. I made no notation of it.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Michigan [Mr. CRAWFORD] is recognized for 5 minutes in support of his amendment.

Mr. CRAWFORD. Mr. Chairman, the present law provides that the Price Administrator may, in his judgment, set prices by regulation or order, as in his judgment will be generally fair and equitable. The language which I propose to be added to this law is this:

No maximum price for any product or service shall be deemed generally fair and equitable, unless it shall cover all current costs incurred by representative producers in the industry affected in the production and distribution of the specific product or service; and, in addition thereto, the average percentage profit mark-up over such costs earned under competitive conditions by such representative producers during a normal prewar base period. The current costs shall include all costs allowable as business expenses under the Internal Revenue Act and Regulations. The base period shall be determined by the Administrator to be the calendar year 1939, or the calendar year 1940, or a period covered by both said calendar years. No regulation or order involving the determination of costs or profit mark-up shall contain any provision requiring the determination of costs otherwise than in accordance with established accounting methods.

Anyone who believes in the profit system, anyone who believes in private enterprise, anyone who wants to bring back full employment as we move out of war production, would, in my opinion, have to approve such an approach to price control.

For instance, take the case of a manufacturer in Muskegon, who wires and points out that he cannot proceed with his industry because his product must be priced at a higher price on one job than on another job. A large selective latitude to customers causes fluctuation costs from job to job. The engineering and technical skill which is necessary to the shipping and setting in proper place of the product which he ships are factors that must be considered. For instance, suppose a unit of government, a county, calls for a product from him of a certain size, and a city buys the same product which varies in size by 18 inches as to height or width; the State then buys the product to go into a capitol building, which might be double the size which was purchased by the first customer; how are you going to set a price ceiling on a proposition of that kind and squeeze

it down to a standardized formula and permit that man to do business? Variations of as much as from 15 to 40 percent of fair sale price may result from factors not related to actual production costs.

We also have in Michigan about 60 to 75 percent of the furniture industry which under the present pricing procedure will be forced to cut the quality of the product and move into the production of high-cost items only, in order to survive under the present procedure. Some will say, "Well, this amendment is a guaranty of profit." It is no such a thing. Primarily you have three kinds of producers in this country. You have the high-cost or marginal producer; you have the representative cost producer; you have the fellow who is very efficient and who produces at a very low price. This amendment has to do with the representative producers in an industry. If you do not keep the representative producers in business then you simply do not keep up production. As production goes down inflationary forces become greater and pressure becomes greater until no agency can do anything about controlling prices.

In a seller's market the marginal operator gets into the picture and successfully operates. In a buyer's market he passes out of the picture through being unable to meet competition. This amendment will let the old-established producer of the country operate because this does not protect the marginal or high-cost producer. It does not protect the low-cost producer, because he always protects himself and you do not have to worry about the low-cost producer. He is economically sound and he meets the market at all times and he gets along. You generally find him operating regardless of conditions. This lets the OPA Administrator select the best year or years—1939 and 1940 do not run into the war period. So that you have a base period mentioned here which answers the argument which some would make if you have a base period running into the war period beginning in 1941 and later years.

Mr. CRAWFORD. Mr. Chairman, under permission previously obtained, I now submit for the RECORD a special release of Wednesday, June 20, 1945, made by the National Industrial Conference Board:

OPA PRICING POLICY SEEN THREAT TO SPEEDY RECONVERSION—WISDOM OF IMPOSING CEILINGS BASED ON FULL-PRODUCTION COST RATIOS DURING LOW-PRODUCTION PERIOD OF RECONVERSION QUESTION—MORE SATISFACTORY PROFIT INCENTIVE HELD NEEDED TO STIMULATE PRODUCTION AND THEREFORE REEMPLOYMENT

NEW YORK.—OPA's reconversion price-control program as announced shows every indication of hampering the speedy expansion of civilian production which the agency itself concedes to be the best control of inflation, according to a detailed study of the program and its probable consequences just made by the staff of the National Industrial Conference Board.

"The OPA's price-control program," declares the study, "might work very well if the economy were already reconverted to peacetime production and going at full blast. Then, of course, it wouldn't be needed. Because it is based upon assumptions about unit costs and profit ratios that would be applicable at best only under conditions of full production, it is really a postreconversion program. But during the reconversion period, civilian production in industries that have been engaged in war production for 3 years or more will begin on a limited scale. In many if not most cases production will accelerate slowly while plants are reequipped, personnel is recognized, and markets are being reestablished. Unit costs and overhead in this critical period will be higher than those assumed by OPA.

"Under the inelastic ceiling-price system it has announced there will be no margin of profit between these costs and the ceilings for many prime producers and manufacturers. A great many of them will be driven to the wall or discouraged, and, unless more realistic pricing formulas are adopted, the program promises to defeat or seriously delay reconversion and full production."

In general, the study points out, price ceilings are set at the level of March 1942; exceptions, where allowed, are to be based on 1941 industry-wide costs, plus adjustment for lawful wage and material increases up to May 11, 1945, plus the representative profit margin of 1936–39.

OPA'S BASIC ASSUMPTIONS

The agency's policy is found to rest upon three major assumptions. First, OPA believes that labor productivity has so increased that current wage rates are justified or desirable, and are to be incorporated, without change, in reconversion prices.

Secondly, a volume of production greater than in 1941 will make possible reduced selling expenses for many manufacturers.

Thirdly, it appears that the amount of profit per unit in 1936–39 is deemed representative for purposes of reconversion pricing.

The conference board's study finds all three of these assumptions questionable as a basis for pricing during reconversion. It observes that drastic changes in the character of production during the war have upset the conventional indexes of productivity per worker, but points out that output per man hour in many civilian industries was lower in 1943 and 1944 than it was in 1939 according to studies by the National Industrial Conference Board and the Bureau of Labor Statistics. Meanwhile, unit labor costs have risen sharply.

"OPA has overemphasized increased physical productivity and played down increased unit labor costs. Profits are still tied to 1936–39 relationships, while labor costs are moved forward to May 1945."

As to the second assumption, relating to volume production, the board's study says: "The pertinent question here is whether high production will be achieved in the months immediately ahead for which the reconversion pricing program is designed." Reference is made to recent estimates by WPB that full-scale reconversion in many industries will take much longer than was first expected. The important automobile industry, for example, will not reach the break-even point until 8 months after the cancellation of military orders, and full production for 15 months. The lags for mechanical refrigerators will be 6 months to break-even and 12 months to capacity.

The OPA's third assumption, adequacy of profit margins in 1936–39, is questioned on three grounds: Failure to allow for increased costs outside labor and materials, such as making good deferred maintenance, rebuilding depleted inventories and reestablishing civilian markets after selling entire output to the Government for several years; the fact that more than 50 percent of manufacturing corporations failed to make a profit in the base period; and OPA's policy of refusing relief to individual firms where industry-wide earnings are adequate in relation to the base period, a policy at variance with that of Congress in providing relief under the excess-profits tax for concerns able to prove that their operations were not normal in the period 1936–39.

PROGRAM POSES PLANNING PROBLEM

Uncertainty about the duration of price controls is seen as another deterrent to energetic reconversion. "The criteria and time schedule for the relaxation of controls may well become the center of bitter dispute. OPA has simply promised that controls will be relaxed just as soon as they possibly can or when supply and demand are brought into equilibrium, or 'as fast as the need for them ends.'"

The board's study considers that "these open-end promises of relaxation form a poor basis for forward planning by American business. Prices are too significant a determinant of business activity and of production for market to be dismissed without more specific assurance of future policy. Administrative decisions regarding relaxation 'on a selective basis' may not make for confidence in the course of future prices."

PROFIT INCENTIVE NEEDED

"After the war," concludes the study, "it will again be necessary to rely upon the profit incentive to obtain an adequate supply of goods. Motives that impelled all-out production during the war, despite a relatively low return on sales, will be absent. It is questionable whether OPA in its formula has found an acceptable substitute, particularly in its insistence upon tight margins and its use of 1936–39 as a 'normal' period. Demands for relaxation or cessation of controls are bound to arise if material and human resources, freed for civilian production, remain unemployed because ceilings discourage production."

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. PATMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment that was offered by the gentleman from Michigan in the committee was decisively defeated. This amendment is very far-reaching. It would not be a price control amendment. It would be an amendment to take the lid off of all prices; let the sky be the limit. It is more of an amendment to guarantee profits, regardless of the prices that would be fixed or that would be required of the consumers.

This amendment, of course, is also being presented in the name of the farmers. Naturally I am interested in small farmers; I am interested in all farmers.

The farmers of this country have good leaders, the farmers are well-read, the farmers have done a wonderful job in this war; they have increased their production 25 percent. During the First World War they increased it only 5 percent. While this amendment is offered in the name of the farmers it would help industry and the processors more than it would the farmers. While it is presented in their name let it be said that the Farm Bureau is against this amendment. That is a rather large organization. The Farmers Union is against it. All the farm organizations I know of are opposed to it, because the farmers know what inflation will do to them. They have had some experiences in the recent past, immediately after the last war.

All the labor organizations are against this amendment because they know how ruinous inflation is and how destructive and devastating to this country inflation will be. That is the reason the labor or-

ganizations are against it. Every consumer organization is against it. They know what inflation will do to the consumer.

Mr. THOM. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. THOM. What does the term "representative producers" mean in this amendment?

Mr. PATMAN. I do not know. I do not understand the amendment. It was not given much consideration in the committee, I will admit, because the committee did not seem to be inclined to favor an amendment that would do what this one would. We did not therefore try to analyze it or evaluate it.

Mr. THOM. Would not the doubt created by trying to interpret "representative producers" cause great confusion?

Mr. PATMAN. It occurs to me that it is a phrase that is loosely drawn. It would doubtless cause confusion.

So this amendment is opposed not only by the farmers and the labor organizations, but the Committee on Economic Development, a fine organization which is doing splendid work, an organization composed of businessmen throughout this country.

The amendment is opposed by the Chamber of Commerce of the United States and all other business groups about which the committee knows anything. So we hope that as it was decisively defeated in the committee it will be decisively defeated here on the floor of this House in the Committee of the Whole.

This is not an amendment to hold down prices but to guarantee profits, to take the lid off prices, and would cause us to join those countries that are now suffering from ruinous runaway inflation, like China, France, Greece, and other countries that are suffering from inflation. So I hope the amendment is defeated.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ALLEN of Illinois. Mr. Chairman, I move to strike out the last word.

I expect to vote for the extension of the OPA. In my opinion, its purposes, its objectives, make it mandatory for all of us to vote for the extension. Even an obtuse person, using but an iota of energy, could well imagine the future for this country, the next 6 months at least, with our scarcity of food and other products if prices were uncontrolled. Even with ceiling prices, there is considerable black marketing on those prices. Yes; considerable black marketing by concerns, especially newly organized concerns, who are in business for the duration and who are taking advantage of every situation. In the main, the businesses that were organized immediately before our entrance in the war, formulated after the outbreak of war in Europe, with the knowledge that eventually we would become involved, are having less difficulty with Washington red tape, rules, and regulations than old, reliable, established firms. It would not require a Knutson, a Wrigley, or a Weyrauch to know that.

Before our entrance in the present war there were tens of thousands of manufacturers extending in every one of our districts. They were old and well established. In most instances they conceived and improved many items. They were selling direct to retailers and had been doing so for many years. These factories were managed with the greatest efficiency. Most of the employers, the management, the labor had been working together for many years. They were functioning most efficiently by reason of this long association and as a result they could sell their articles with a reasonable profit, considerably lower than newly organized concerns. Even before we entered the war there was such a shortage of material, the demand exceeded the supply to such an extent that many concerns, even though selling inferior articles at higher prices, were able to operate.

The old, established concerns could have raised their prices before the inauguration of ceiling prices, making them on a par with many of their competitors, but they were rightfully following their conscience. They were satisfied with this reasonable profit from their clients of many years.

Then came war and ceiling prices. Both old, established concerns and newly organized firms witnessed the departure of their help. With less efficiency in both types of factories as a result of new faces, naturally both suffered, but the competitor who had a higher ceiling price on his competitive product suffered less. So today, for the past few years the less efficient concerns who were given higher ceiling prices on the same item, or an inferior item are gradually driving these old, established firms out of business. I am certain that all present do not want this to happen.

The able gentleman from Michigan [Mr. CRAWFORD], a member of the Banking and Currency Committee having jurisdiction over the measure now before us, at my request, has presently offered an amendment which will remedy the present unjustifiable situation.

Under the present law, there is not any provision for the OPA for individual price adjustment. Even if the OPA felt an injustice was being done after a thorough investigation, they, under the present law, could do nothing about it.

For example, my past statement, given generally, applies to an old-established business in my district manufacturing hinges and other hardware products. I have cited their experience. I have every reason to believe that the OPA believes in the soundness of their position. On many items this establishment are receiving under ceiling prices as much as 25 percent less than their competitors, and their competitors are producing an inferior article. None would be compelled to soar in the realm of relativity to be convinced that this is raw discrimination. One with the slightest business experience knows that this cannot long endure.

I would call your attention to this and respectfully request your fair interest. By adopting this amendment we are not ordering the OPA to raise ceiling prices of every individual making application. We are merely providing that when an individual makes application for price adjustment that the OPA, after thorough investigation, can raise the ceiling price, not exceeding the price of the competitor, but on a par with competitors, if the OPA feels the individual is rightfully entitled to the adjustment. There certainly is not anything wrong in doing that. It seems asinine to me for us to write a law not permitting the OPA, those charged with the responsibility of fairly administering ceiling prices, to give redress to an individual, when after careful scrutiny, the OPA is of the opinion the individual is entitled to redress. I hasten to assure you that I do not want any constituent of mine, nor do I believe that you want any constituent of yours, to receive higher prices than competitors, but I do believe we should pass a law placing them on a par with their competitors if they can show proper cause in their presentation to the OPA officials.

Of course, I am aware that the final determination in this amendment is in the hands of you Democrats who have a majority of 50 votes. The Republican leadership has advised me that the Republicans will support this amendment unanimously, and I know they will. I have served here many, many years. There is not a Democrat here that would call me a partisan. So let us put partisanship aside and adopt this sound and needed amendment, not in the cause of Democratic or Republicanism but in the cause of thousands of established firms which have contributed so much during both war and peace, in order that our splendid heritages given to us by our fathers and mothers will be handed down to our children and their children.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman from Texas [Mr. PATMAN] has left the idea here generally that the committee gave no consideration to this amendment. Let me say very emphatically and categorically that the committee gave no particular consideration to any amendment that was offered by the minority while we were in executive session. Here is what I mean by "particular attention": I mean, taking the amendment up, discussing it, and delving into it so that the gentleman from Texas might have understood the amendment when he came in here instead of claiming on the floor of the House that he does not understand the language. If he will refer to the law he will find that representative types of industries are referred to and "representative" in my amendment ties in with the law and its general language.

Mr. ALLEN of Illinois. I do not know whether the gentleman from Texas [Mr. PATMAN] has old-established business concerns down in his district or not, but I do know if he did have them down there he would know those old-established firms are objecting to other concerns coming in and selling inferior articles and being permitted a greater price

than the old-established firms that have to sell their particular articles for less. They are selling items now at prices lower than those of promoters who have come in and taken over the prices and are selling inferior articles.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Texas.

Mr. PATMAN. In answer to the gentleman from Michigan [Mr. CRAWFORD], the committee sat and listened to every person who wanted to offer an amendment just as long as he wanted to talk. The best evidence we did consider amendments is the fact we did adopt an amendment extending the time for 1 year only instead of 18 months.

Mr. ALLEN of Illinois. If an old-established firm comes down to the OPA and asks permission to sell their items on a par with other people who are selling the same item at the same price, what would be wrong with that? If the gentleman were forced to sell manufactured items cheaper than others who are selling an inferior article, how could he expect to do business?

Mr. PATMAN. There are 8,000,000 different prices. The gentleman will have to be more specific than he has been, I will say to the gentleman from Illinois.

Mr. ALLEN of Illinois. I think I have been sufficiently specific to all who desire to heed.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. FOLGER. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from Michigan [Mr. CRAWFORD].

The Clerk read as follows:

Amendment offered by Mr. FOLGER as a substitute for the amendment offered by Mr. CRAWFORD: On page 1, after line 9, insert the following new section:

"SEC. 3. That for the purpose of restating and clarifying the policy of Congress with respect to the prices of agricultural commodities, as set forth in section 3 of the Emergency Price Control Act of 1942, as amended by section 2 of Public Law 729, Seventy-seventh Congress, approved October 2, 1942, and as further amended by section 201 of the Stabilization Act of 1942, it shall be unlawful to establish or maintain against any processor a maximum price for any major product (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) resulting from the processing of any agricultural commodity, or maximum prices for the products of any species of livestock (such as cattle, hogs, or sheep) (the products of each species of livestock to be taken as a group in establishing or maintaining such maximum prices) which does or do not equal all costs and expenses (including all overhead, administrative, and selling expenses allowed as expense deductions in computing Federal income and excess profits tax liability) incurred in the acquisition of the commodity or species of livestock and in the production and distribution of such product or products plus a reasonable profit thereon, not less than the profit earned thereon by such processor during a representative base period."

Mr. FOLGER. Mr. Chairman, I received a telegram this morning which I presume every Member of the House received asking me to vote renewal of price control for 1 year without amendment:

Lemke, Crawford, Hartley, Folger amendments and many others seek to break the line and turn inflation loose.

Mr. Chairman, I do not know how careful the author of that telegram is about the use of his language, but if he intends or means to say to me or about me that I seek to accomplish those results, I resent the accusation because it is more of an accusation than it is in imputation.

Mr. Chairman, I want to tell the members of the Committee what this amendment does and how it will operate. If it becomes law, the OPA can and probably will proceed, as it has in the past, with industry-wide ceilings. If any processor objects to the ceiling on the ground that the margin allowed him is not fair, he, the processor, must protest and produce his own books and establish to the satisfaction of the OPA or upon an appeal convince the Emergency Court of Appeals that the industry-wide ceiling does not return all of his costs plus a reasonable profit.

Mr. Chairman, we are at a period between two great wars when we are justified in insisting that it is highly important that we have production and have production in the largest degree possible. We understand and we appreciate the fact that it is highly desirable to see to it that there is no unemployment in this country. We can stand on the floor of this House or we can stand on any forum or in the streets and upon the highways and preach increased production and full employment and yet do very little about it unless we give business the green light to go ahead in a fair and reasonable way. This amendment, Mr. Chairman, does no more than to give to a man who is in business and who has been, or may be the soldier who comes back and wants to go into business instead of seeking employment as an employee, a chance at a reasonable profit. This country has never been hurt by reasonable profit. It has been hurt by unreasonable profits.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from North Carolina.

Mr. DOUGHTON of North Carolina. What difference is there in the gentleman's amendment and the intent of the present law if it were carried out? What changes would it make in the present law if that law were carried out according to the intent of Congress?

Mr. FOLGER. It is intended to clarify the intent of Congress with respect to this very subject.

Mr. DOUGHTON of North Carolina. In other words, to carry out the intent of Congress as implied in the present law.

Mr. FOLGER. That is what it is intended to do. It is intended to clarify and make it clear, for the reason that the Court of Appeals has decided that the policy of using an industry-wide ceiling without giving consideration to the small manufacturer, the man who may be down in my town or my county, let him live, sink or die, has to abide by that industry-wide ceiling or he goes out of business. It gives him an opportunity, as a matter of law, under this clarifying amendment to come to the Office of Price Administration and say, "I cannot get along under that industry-wide ceiling." He may be a brick manufacturer or a plug tobacco manufacturer. "I cannot operate under it and I want to lay before you my costs and the figures relating to my business, and will you say what is a reasonable and fair profit, taking into consideration these things which were intended to be taken in by the original law?"

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from Kentucky.

Mr. SPENCE. The OPA has the power now to make those very individual adjustments in each specific industry that the gentleman wants them to have under his amendment. I had a meeting with some of them yesterday along that very line with reference to small tobacco manufacturers, in which the gentleman is interested, and that very subject was discussed.

Mr. FOLGER. May I say that one of the witnesses who appeared before the Committee on Banking and Currency, a man interested in the meat business, appeared before that committee and read a letter from Mr. Bowles which permits him to do this very thing for the industry and the witness stated that if the rest of us could get such a letter we would be all right, but he was sorry for the other men.

There are many considerations and questions of the highest importance involved in a restricted industry-wide ceiling. It is perfectly capable of creating, by Government activity, monopoly in every line of industry, and very particularly agriculture. It is necessary in order that agricultural products may enjoy a continued satisfactory return that it do not fall into the hands of monopoly for processing. No one has ever complained of reasonable profits. What has been harmful to us in the years past has been unreasonable profits by monopolistic control.

This amendment does not guarantee anybody one thing, but it does provide that while an industry-wide ceiling may be, and is, the general rule under which OPA operates, in order that the widest production may be had, it will be competent for one who is not a manufacturer or processor of a great number of articles, some of which he may lose on and yet make an over-all profit, may have the right to present to the OPA his costs, including, of course, purchase of agricultural commodities, and other legitimate expenses in manufacture, and then have the agency say what is a reasonable profit. We must live through the war and after the war, and I am convinced that unless such an amendment as I have offered is adopted, or OPA gives consideration to the desirability of full production with full employment by consideration of small industry, we shall find that

a few manufacturing establishments in this country have secured absolute control of the processed market of all foods and livestock.

One of the great troubles in the scarcity of foods and clothing is that too many what we call small businesses have been frozen out. The Safeway Stores, composed of perhaps thousands of stores, has been able to purchase slaughtering houses, meat-packing establishments, and having started on this program will no doubt purchase and operate for their own benefit these meat slaughtering and packing houses, which, if adopted by other chains, will probably put out of business all of the small slaughtering plants and meat-packing houses in the country. Of course, they cannot work destruction to Swift & Co., Armour & Co., and such large establishments as these.

When our boys come home hundreds of thousands of them—yes; millions of them—will want jobs. They cannot all go to Safeway stores, or A. & P., or the largest manufacturing companies. They would prefer to live where they used to live. But if this monopolistic influence is carried on when they come home they will not find prosperous local enterprises where they may secure employment and, indeed, in which they may become part owners. A few big units in any industry may be making enough profit to offset the deficiencies below normal in the profits of many little units—a situation perfectly set to guarantee elimination or grievous weakening of small units, to weaken competition, and to effect a Government-enforced monopoly.

This amendment does not guarantee anything. It only makes it possible for business in every section of the country to go forward with nothing more than a reasonable profit; this not guaranteed but allowed if the industry—that is, the factory or the distributor—can pay good wages, pay for his commodities, and make just a reasonable profit. The industry-wide ceiling policy can have no effect except to drive out medium and small-sized enterprise. We are right now at the time when full production and full employment is beginning. Our first concern today is the winning of the war, and the next is the concern of the boys and men who have been fortunate enough to live in spite of the dangers through which they have passed, come home and want to have an opportunity to take their part, either in employment or in industry, without being foreclosed by developed monopolies. The food situation has become acute. Black markets have flourished, but people of medium means are not able to patronize black markets long. In the garments we have to buy, the ceiling prices have been such that a practice has developed of manufacturing goods of poor quality to meet the ceiling prices, so that a man buys three pairs of shoes during the year at $3.50 a pair, perhaps, when he could with $5 buy a pair of shoes that would last him during the year. The same thing with garments of every sort, and especially those grades which we call work clothes.

I have seen in the set-up we have the perfectly set opportunity for monopolistic control of the business of this country. I see it developing fast, and woe unto all of us if it becomes powerful, as it will, no doubt, unless something is done to meet such a contingency. We want to maintain good markets for our agricultural products and good wages for our employees, and we want to maintain also a well-distributed manufacturing power throughout the country, as well as to maintain the integrity and the welfare of all business, yielding to none a monopoly on anything. People want honest goods at honest prices. With that they are satisfied. This we should strive to obtain and maintain.

Mr. BROWN of Georgia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am sorry that the gentleman from North Carolina [Mr. FOLGER], offered this amendment. We had long discussions on an amendment known as the Bankhead-Brown amendment. The main purpose of the Bankhead-Brown amendment was to obtain parity for those agricultural commodities selling below parity. At the time the Bankhead-Brown amendment was introduced all agricultural commodities, except cotton, were bringing parity and above parity. There is no ceiling on cotton. There cannot be, because there are more than 600 different staples and grades of cotton. Another thing is that there is an overproduction of cotton but there is not an overproduction of cotton goods. Therefore we undertook in this amendment to bring cotton prices to parity. The OPA, instead of placing ceilings on all cotton textiles, put them on certain ones to reflect parity while on others it did not reflect parity. This arrangement kept cotton below parity all the time. The Bankhead-Brown amendment required that on all major textile items the ceiling price should be high enough to reflect parity on cotton. The gentleman from Michigan [Mr. CRAWFORD] and other Members on that side joined me in that amendment. Everyone knows that the regulations on textile items were unfair to cotton and kept it below parity. Many textile items did not reflect parity on cotton and most of these items consisted of low-cost clothing which the people of the country need most. Therefore, the amendment would and did not only help the cotton producer but it was intended to bring more low-cost clothing, such as work shirts, overalls, and so forth, on the market.

I received a telegram from the president of the American Cotton Manufacturers Association immediately after the Bankhead-Brown amendment was passed, to the effect that a great deal had been accomplished and if the law was properly administered, satisfactory results should be obtained for the growers as well as the manufacturers of cotton. The complaint is OPA did not carry out the law. They did not carry it out because Mr. Bowles did not construe the amendment according to the purposes and intention of Congress. Recently he has stated that his interpretation was wrong. He has written a letter to this effect and that he will carry out the intention of the amendment as construed by the authors of the amendment as well as many other Members of Congress. Our report on this bill fully sets forth the intention of the amendment now accepted by Mr. Bowles. Let me read the report:

> The committee has given consideration to the operation of the Bankhead-Brown amendment, relating to the pricing of cotton textiles. The committee is in agreement with the conclusion of the Senate Banking and Currency Committee, expressed in its report on Senate Joint Resolution 30, that the purpose of this amendment will not be carried out "unless the maximum price for each major cotton textile item is fixed and maintained at not less than the sum of the following:
>
> "1. The cotton cost (which must be computed at not less than the landed mill parity equivalent for the grade and staple of cotton used; except that, after the initial adjustments required under the amendment have been made, the amendment does not require the continued use of a cotton cost figure which is, and for a representative period has been, above or below the actual cotton cost);
>
> "2. A weighted average of mill conversion costs; and
>
> "3. A reasonable profit."

To many of us the law was plain. Many manufacturers made too much money and others made too little, but under the Bankhead-Brown amendment this injustice would be corrected, the consumer would not have to pay any more in the long run, and low-cost garments would be brought on the market by lowering the ceiling on some textile items and raising the ceiling on others. Now we are asking them to carry out the law. OPA officials testified before the committee in the Senate and before our committee. In the report we say the intention of Congress is thus and so and the OPA officials agree with our construction of the amendment. We do not need the amendment offered by the gentleman from North Carolina.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield.

Mr. DOUGHTON of North Carolina. Suppose they do not comply with the report; what redress will those have who have had difficulty as they have had in the past?

Mr. BROWN of Georgia. May I say to the gentleman we have placed in a committee report the intention of Congress. The officials of the OPA have agreed to our construction of the amendment. They agree with us that we are correct about it. As I have stated before, the law was plain to me, and the amendment offered by the gentleman from North Carolina would not be worth anything unless it was carried out. There can be no doubt about the intention of Congress being carried out now because Congress has interpreted the amendment and the OPA officials agree that the interpretation is correct. If they do not carry it out, do you think that the President would for a moment leave Mr. Bowles as head of the OPA? You and everybody else in this Chamber think the law is all right but the complaint of your constituents, mine and

others, is that it is not being administered according to law. In my opinion there would be no doubt about the intention of the Bankhead-Brown amendment being carried out now. Certainly further law on this subject would not aid any in carrying out the intention of Congress.

Mr. DOUGHTON of North Carolina. What Member of Congress has not had bitter experience in trying to get them to obey the plain intent of the law that nobody can misunderstand?

Mr. BROWN of Georgia. The intent of Congress is expressed in the committee report. Does not your committee express its intention every time the Ways and Means Committee makes a report? Does it not express the intention of the bill which is brought to the floor and passed?

Mr. DOUGHTON of North Carolina. If it is ambiguous, it should be made clear.

Mr. BROWN of Georgia. If the Folger amendment is adopted, hundreds of similar amendments would be offered, some of which might be calculated to nullify the bill. I know the gentleman does not desire to do that, as I am satisfied he is just like I am and wants the intention of Congress to be carried out. I sincerely believe the Folger amendment would not be any more effective in carrying out the intention of Congress than what we have done.

Miss SUMNER of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I advocate the adoption of the Crawford amendment. I thought I had heard everything when I heard the members of our committee say that because this slippery outfit had violated the plain language of the law which we have made as clear as crystal, they were going to try to reform them by putting a statement in the report saying what the law was. I think that is the ultimate. There is a point, I have noticed since I have been in politics, where people are so dumb that they cannot be that dumb and still be honest. The people who do the real planning for this OPA program I think have reached that point. They know better than you and I that they are the cause of many of the shortages which are causing price increases. We would not have as much food as we have today except for the black market. If we did not have the black market in every industry, such as we have today, plenty of people, producers, distributors, and manufacturers would go out of business. You know it and the OPA knows it. So what do they do? The OPA have now started a drive to end the black market. They have already been using intimidation to drive people out of business. You know when they drive people out of business some of the favored caste always get in to buy the business and manufacture things or articles with higher ceilings so that they can make a profit.

The OPA has been using this shakedown, this so-called voluntary contribution, by which they go into a processor or manufacturer or distributor and tell him they are going to take him into court unless he pays a volntary contribution, which may be ruinous and which oftentimes, so I am told, the circumstances is that the offender would not have violated the regulation except that it was written in such obviously complicated language that he could not possibly understand it and did not know he was guilty.

I tell you this is not an honest program. It is too much like Russia. At best, the OPA has only succeeded in driving inflation underground by causing shortages; increasing shortages. The OPA is supposed to cure inflation. But the proof that they do not want to control inflation lies in the fact that they are putting price ceilings to cut down prices on Government surplus property. You all know that the cause of inflation is Government deficit financing, which dilutes the value of the dollar. Letting Government property be sold free of price ceilings would decrease inflation by decreasing the debt. The fact that they have price ceilings on surplus Government property shows they are not acting in good faith. The OPA is the major control in the communistic control our Government is exercising over the people, and you know, if you only stop to think about it, that there is only the difference between the concentration camp and tightening of the belt and this type of control that Hitler and Stalin have. The Government says it intends to keep control as long as there are shortages. It has said that and said that, yet at the same time it causes shortages. I warn you, unless you get rid of OPA now you may never be able to get rid of OPA.

The CHAIRMAN. The time of the gentlewoman from Illinois has expired.

Mr. HOOK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the words of the gentlewoman from Illinois [Miss SUMNER], I thought I had heard everything. She says that OPA is either dumb or dishonest. Dumbness is not always confined to the OPA. I am just wondering whether or not some of those who are opposing the OPA really know what would actually happen if price controls were lifted. I believe they do know, and in the words of the gentlewoman from Illinois, "If they are not that dumb, then they must be dishonest."

It has been reiterated many times on the floor in the last couple of days what happened after the last World War and what will probably happen after this war if price controls are actually lifted. The last World War cost us in the neighborhood of $32,000,000,000. This World War is costing us in the neighborhood of $245,000,000,000. The people of the country in 1918 had, after taxes were deducted, a purchasing power of about $58,000,000,000. In 1944 the buying power of the public was approximately one hundred and thirty-five billion dollars. You see what this means. The people of this country now have about 80 billion more dollars to spend than they had in 1918 and fewer items on which to spend it.

The stage is set for a much more severe depression following it if we relax our control of prices in the face of this tremendous reserve of buying power.

From the outbreak of World War II to the end of 1944 wholesale prices rose 38.7 percent. In a like period after the outbreak of World War I wholesale prices rose 114.7 percent.

Living costs in the same period in World War II rose approximately 28.8 percent. In the First World War, according to an estimate by the same agencies over the same given time, there was an increase of 84.4 percent. That was when there was $58,000,000,000 of purchasing power, whereas we now have $135,000,000,000 of purchasing power, with less goods to be purchased at this time than there were after the First World War.

If price controls were lifted this country would go into such an inflationary period that it would mean actual chaos. Within 5 years after the First World War 105,000 businesses went into bankruptcy; unemployment increased over 5,000,000 persons before the end of 1921; the weekly pay checks of those who kept their jobs dropped 44 percent; more than 450,000 farm mortgages were foreclosed before 1925; all this within 5 years after price collapse. Talk about dumbness. Anyone who wants that to happen is not dishonest but plain dumb.

It could happen again and with greater impact.

Do you want that to happen again? It will happen again unless we have price control, unless we have real, honest-to-goodness price control. I have been one of those who have railed and have criticized, and have griped about OPA; but I am also one of those who thank God that OPA has been with us. Are we going to repeal it and present a gift of—no, the spectre of—inflation to the boys who have fought on the battlefields? Are we going to say to them when they come back here: "You went to fight for $50 a month, you tried to feed your families back home on $50 a month while you were in the service, but now that you come back you will pay three, four, or five times for the things you want to buy." Is that what we are going to give them? Is that the kind of thing you want to give to the soldiers, sailors, marines, and the families of the returning servicemen? I cannot lead myself to believe that any American is dumb enough to believe that the returning servicemen will stand for it.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. COLE of New York. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, in time of war or any prolonged national emergency, it is imperative that government exercise its authority in the control of prices and wages for the purpose of obtaining an equitable distribution of the Nation's goods and products to the rich and poor alike. In the very early days of this war, many of us urged the adoption of a measure which would regulate not only the distribution and prices of things but also wages and salaries. Eventually, the job was half done and it is that measure which is now sought to be extended for an additional period of 12 months or until July 1, 1946.

Even when wisely administered, price control and rationing are unpleasant and distasteful to the American people, they being so completely repugnant to

the American philosophy of freedom of action. But when we have a task which is of its very nature disagreeable placed in the hands of incompetent, inexperienced, and impractical administrators, we have a situation which is well nigh intolerable. It is a tribute to the fortitude and patience of our people that they have not protested more audibly against the mismanagement of the OPA.

Under present OPA management, food shortages of recent months are expected to continue and become worse. Unreasonable and arbitrary limitations against the owners of rentable property will be carried forward. More and more small grocers and businessmen will be forced to close their doors. Some groups of businessmen will be given preferential treatment and others will be driven to the wall. The whole list of OPA bad practices and policies will not be terminated by the pasage of this bill and the regret is that there is nothing that the Congress can do to make it otherwise.

Even a good law is not workable when administered by incompetent hands. The basic price-control law is not defective but has become so only because of faulty administration. It was never intended by the Congress that the producer, processor, or marketer of goods should be denied a reasonable profit for his work. It was never intended that the law would be used to discourage and stop production of essential commodities. It was never intended that the act would be used to prefer certain individual businessmen and to intimidate or destroy others who are not favored.

The issue before us today, sir, is not whether there should be a continuance of the control of prices by our Government. It is imperative that some measure of control be continued. Our choice is whether there shall be no control at all or a control which, under present management, will continue to be unwise, unfair and, in many respects, obnoxious. The choice is not pleasant but I am convinced that, with all its faults, OPA must be continued for a limited period in the future. We can only hope that through the new hand which is at the helm of Government we may soon have a change in the personnel of OPA which will bring seasoned and impartial judgment to deal with the difficult and complex problems connected with the regimentation of our business economy.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes.

Mr. DIRKSEN. Reserving the right to object, the gentleman's request relates only to the pending amendment?

The CHAIRMAN. The request applies to the amendment offered by the gentleman from Michigan [Mr. CRAWFORD] and all amendments to that amendment.

Is there objection?

There was no objection.

The CHAIRMAN. Under the limitation of time the Chair will recognize those Members who were on their feet indicating a desire to be heard on this amendment.

The gentleman from Ohio [Mr. VORYS] is recognized for 5 minutes.

Mr. VORYS of Ohio. Mr. Chairman, the Crawford amendment will increase production of the things we need in the only way you can increase production in America, by guaranteeing costs and a reasonable profit; not a war profit but a representative prewar profit. The gentleman from Texas [Mr. PATMAN] has said that the Crawford amendment means that the sky is the limit. That is not true. Price control still applies above the Crawford minimum, but minimum costs and profit are necessary. Even OPA has no power to force a man to plant a certain crop or make a certain article, on penalty of going to jail. The majority report of the committee; Mr. Davis, Economic Stabilizer; Mr. Vinson, the reconversion czar; and Mr. Bowles, head of OPA, have all approved of the principle in the Crawford amendment. Look at your committee report, the democratic majority report, page 6. This is what the majority report quotes, with approval, from Judge Vinson:

> The guiding principle of price control is to provide conditions that encourage production. One of the most essential of these conditions is an adequate profit margin—an adequate spread between cost and selling price. That condition has been met for war production, and that condition will be met for reconversion peace production.

You will find similar expressions of the principle in the Crawford amendment made by Mr. Bowles and by Mr. Davis. You will find this principle expressed in the majority report. They do not say what the gentleman from Texas [Mr. PATMAN] says, that this is an inflationary amendment. They give lip service to the principle which the Crawford amendment would write into law.

Now, what is the proposition that the committee suggests to carry out this principle? It is that instead of writing this principle into law you write it into the committee report. We have the revolutionary proposition put up to us here that the way for Congress to legislate is to have some committee state the intent of Congress in their report.

We have further the proposition that we do not need the legislation because Messrs. Vinson, Bowles, and the others have promised they are going to carry out the policy of the Crawford amendment. I want to make two suggestions to that: One is that after Mr. Bowles' broken promises on red points to the housewives of America after election last year, his promises are unfortunately not very reliable, and when he asks for flexibility in the law it means power to break promises. The other suggestion is that flexibility in this case means uncertainty and is just the opposite of the stability that we claim we want in a stabilization and price law in order to encourage production.

The way for Congress to express its intent is not through the contemptuous method of dodging an expression of intent because some bureaucrat says he is going to do what Congress intends whether it says so or not. The way for Congress to express an intent upon which all are agreed, a noninflationary intent, an intent to carry out the one thing necessary to combat inflation and guarantee production, is to write it into the law.

There is a grave danger that the bureaucrats who administer this will not carry it out because they are too busy. For 3 days I have been trying to get hold of Mr. Bowles or Mr. Madigan to simply ask a question about a meatpacking situation in my district. I cannot get hold of them. When I called yesterday I said, "Will you please get somebody, anybody, to please talk to me on the phone about this matter?" I have not in 3 days been able to get hold of anybody. I had to write them a letter and I am hoping that some day they will get around to attending to it. You know where they are. They were up here day before yesterday, running a dummy scrimmage and signal practice with a a pressure group organized for action on the floor of the Congress to combat any and all amendments, however important and however necessary. That is what the OPA officials are doing. If we will get them out of the halls of Congress and get them down on the job for awhile, and we write the policy instead of letting them write the policy, then perhaps they will carry out the policies that Vinson, Davis, Bowles, and the majority have said is their policy.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, this amendment simply provides what the Congress thought it was expressing when writing the Price Control Act, the blueprint by which it hoped the OPA would operate and the Congress thought it would operate within the confines of the intent and the clear construction of the law. This the OPA has not done, and that is the reason we seek to bring relief to the people who are being abused and driven out of business because the OPA officials have refused to follow the intent of the Congress.

The only change in this amendment is that it inserts the base period and ties these gentlemen who alibi and excuse themselves down to a base period of 1939 or 1940, so that they cannot have an excuse for violating the intent of the law covering price control as given to them by the Congress. That is one point.

The next point is that we who support this amendment still believe that even in time of war men who go into business, who put their life saving into business, who have put their time, effort, and talent into business in these United States of ours still have the right to expect that they may receive the cost of operating that business plus a reasonable profit. This is a continuation of the idea of protection of the profit system, protection of the business people of this country, the laboring people in their jobs, and the promotion and continuance of free enterprise.

You who vote against this are voting against a policy that has been found to work wonderfully well in this country for the past 150 or 200 years. You Democrats who vote against it should have

some trouble in explaining to the businessmen of your district why you did it.

Mr. Chairman, I have received a great many telegrams and letters today, and I have written one stock reply, very brief and very short. I said, "I have received recommendations with regard to this and other amendments seeking to protect the business interests and the interests of all the people of this country against the abuses of the OPA. My answer to you is that we Republicans generally are with you and voting with you in trying to protect the legitimate interests of all the people, from the farmer and the little man up to the top; and when you read the result of what has gone on in Congress, I think you will find that those on the Democratic side of the House have followed the orders of the administration leaders and are voting down all of these amendments."

I also suggest that "this may be food for thought for you in the future."

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. RAMEY].

Mr. RAMEY. Mr. Chairman, as I stated yesterday, the people of these United States of America should be respected and not inspected by the Government. This question is neither a Republican nor a Democratic issue.

Saturday evening a great many of the restaurant owners of the city of Toledo and some adjacent territory spent the evening at our home in Toledo, Ohio. They were ready to quit. I asked them not to quit. I told them that I was going to support the continuance of OPA because I had a definite promise that the law would be followed; that no longer would they use the law in order to exploit people, or for inspection, but for the purpose of preventing inflation only.

This morning I received a telegram, which is in the following words and figures, to wit:

> Representing 7,000 employees Electric Auto Lite Co., Toledo, Ohio, who are engaged vital war production, we urge immediate lifting restrictions regulating slaughter of meat to enable caterers to supply food to war workers to maintain production.
>
> JOHN BEGG, *Chairman*,
> R. D. BACHER, *Secretary*,
> *Auto Lite Unit Local 12 UAW, CIO.*

This message comes from war workers, the fathers and sons of the men in the armed service. This group is in favor of continuance of the act but they demand the freedom from exploitation.

They are saying to you, "Help our Member of Congress in order that this act be carried out fairly. They are saying to you, "Help our Member, a minority member, to see that justice is done."

Since receiving this telegram may I say to the gentleman from Ohio [Mr. VORYS] that I likewise telephoned Mr. Bowles, but I contacted Mr. Lee, speaking for Mr. Bowles, who promised that he would see to it that this condition is corrected. He promised the slaughterers and the good men put out of business would be returned to their righteous activity and that he would notify them at once.

This is a serious day for me. It is a day when I will know, may I say to the gentleman from Ohio [Mr. VORYS], whether these folks have told the truth. I believe they will not betray our ninth district people. They have promised that that inspection condition shall no longer go on and that the act will be used to prevent inflation only.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RAMEY. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. They promised the housewives of America last fall that the red points would be good, too, did they not?

Mr. RAMEY. Yes. That was the most gross betrayal of the American people in the annals of our history. Read my address on page 6528 of the CONGRESSIONAL RECORD of yesterday. They won an election through their deception, however they ruined their party for all time. Their party will never be believed again. They realize this and the political rich exploiters who also controlled counterfeit propaganda have been kicked out. Just a few moments ago a definite commitment was made to me that it is no longer a New Deal political organization at public expense and will be administered on a new partisan basis for the prevention of inflation only.

Mr. DONDERO. Will the gentleman tell the House the experiences that his people are having about getting meat?

Mr. RAMEY. Yes; and the gentleman from Ohio [Mr. VORYS], is familiar with this situation. In the Ninth Ohio District there are a group of islands in American waters. The elder citizens, whose sons are in the armed forces, have to do the work, but they cannot get sufficient food. They cannot get supplies. Over in the Pelee Islands, just a short distance north of the Bass Islands, which are in American waters, the situation is different. It is the same situation as you have in Detroit, Mich., United States of America, and Windsor, Ontario Province, in Canada.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RAMEY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Just who was it put out this order in the first place that took the meat away from the workers that you are talking about?

Mr. RAMEY. Most of our OPA are good officials, are good men and women. We have many noble volunteer workers. However a few have had a zeal to oppress honest merchants, restaurant men, meat men, farmers, and so forth. They are the smooth, clever, cunning, eel-like political sadists who placed on counterfeit inspection to put honest, hard working citizens in mental fetters and shackles. But a new day is dawning today. The law will no longer be used for inspection but to prevent inflation. The American people will be served, not exploited. Again I say, the American people must be respected by their Government—not inspected.

The CHAIRMAN. The gentleman from Oklahoma [Mr. MONRONEY] is recognized.

Mr. MONRONEY. Mr. Chairman and members of the committee, you are tinkering with two pieces of dynamite on both of these amendments. I do not believe any man in the House, and I am sure no member of the committee, could reasonably state or assure the House or the people of this country what the adoption of either or both of these amendments would do to prices.

First. All manufactured and industrial commodities would be affected by the amendment offered by the gentleman from Michigan [Mr. CRAWFORD].

Second. In the case of agricultural and food commodities all would be affected by the amendment offered by the gentleman from North Carolina [Mr. FOLGER].

These two amendments are highly dangerous. The Crawford amendment is a superduper edition of the Taft amendment which was defeated in the Senate. It guarantees an individual profit on each item in each manufacturer's line of goods.

I do not think I need to tell intelligent men that you have never had a time in the history of business where any business concern made a specific and individual, and get this, average industry profit on each single item that he manufactures. The use of the words "average industry profit" indicates that some must have been higher than the average and some surely have been lower.

WOULD BOOST AVERAGE

So Mr. CRAWFORD'S amendment will raise every single ceiling on every item in a manufacturer's catalog up to the average industry-wide profit. When you raise that level up to the average then your average would go up a little bit higher.

Let us take a look to see what these industry-wide minimum profits are that the gentleman from Michigan [Mr. CRAWFORD] advocates. In 1939 they were 9.2 percent of the dollar volume of all manufacturing. In 1940 they were 11.7 percent. But in 1944 they had dropped two-tenths of 1 percent down to 11.5 percent of their dollar volume.

Yet these firm statistics show and I know each one of you know that manufacturing industry profits on the overall operation went up by billions of dollars, up over 200 percent between those 2 years, although the dollar-and-cents profits per item had gone down. Yet Mr. CRAWFORD'S amendment would provide that each particular specific item in a manufacturer's catalog would carry an industry-wide general average price. Now that is what you are asked to do.

You are doing a little bit more, let me tell you, on reconversion. The National Association of Manufacturers were before us, and when they were talking about getting into the market their representative said this in substance, "I do not expect to cover my costs at first. My costs are going to be double, almost triple, while I market my goods in the first 6 or 9 months because of priority restrictions on quantity of production. I know my volume is going to be low. I know my costs are going to be high. I do not expect to recover those costs. It would be senseless to expect it."

FORCE HIGHER PRICES

Yet Mr. CRAWFORD's amendment provides no ceiling can be put on any of these items in the reconversion period that would not reflect this abnormal cost that the representative of the National Association of Manufacturers said that industry was willing and glad to absorb to get first into the market and get their share of the trade.

Let us look at another little joker in this thing about carrying over into pricing the depreciation allowance. That is a honey. The Congress wanted to help industry, and to help ourselves get rapid production of war materials and allowed a 5-year write-off, if you please, on all plants built by industry for war production.

FOUR TIMES NORMAL DEPRECIATION

We gave them four times the normal depreciation. Now they come in here with this amendment and ask us to incorporate into their price schedule four times normal depreciation because the Congress had been so liberal as to give them a chance to build those plants with excess profit dollars.

Let us look for just a moment at the Folger amendment. Mr. FOLGER has been one of the greatest supporters of price control that this House has had. He has fought this battle. I deeply regret that I must emphatically disagree with him on his amendment. I am sure the committee did not study this out carefully. I want to say that the Folger amendment will guarantee every processor of food products an individual profit on every single item he manufactures.

Mr. FOLGER. Mr Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. FOLGER. If the gentleman will look at the amendment, it does not guarantee anybody anything.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from North Carolina [Mr. FOLGER] as a substitute for the amendment offered by the gentleman from Michigan [Mr. CRAWFORD].

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the two amendments may again be reported.

Mr. SPENCE. Mr. Chairman, I dislike very much to object, but we dispensed with reading the amendment because of its extreme length.

Mr. RANKIN. I was not here when it was read, I would say to the gentleman.

Mr. SPENCE. Under the circumstances, Mr. Chairman, I am constrained to object.

The CHAIRMAN. Objection is heard.

The question is on the substitute offered by the gentleman from North Carolina [Mr. FOLGER].

The substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Michigan [Mr. CRAWFORD].

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were ayes 101 and noes 129.

Mr. CRAWFORD. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. BROWN of Georgia and Mr. CRAWFORD to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 122, noes 144.

So the amendment was rejected.

Mr. BUFFETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUFFETT: Page 1, after line 9, insert a new section, as follows:

"SEC. 3. Whenever in the judgment of the Price Administrator (provided for in sec. 201) the price or prices of a commodity or commodities have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this act, he may by regulation or order establish such maximum price or maximum prices as in his judgment will be generally fair and equitable and will effectuate the purposes of this act.

"No maximum price for any product or service shall be deemed generally fair and equitable unless it shall cover all current costs incurred by representative producers in the industry affected in the production and distribution of the specific product or service. The current costs shall include all costs allowable as business expenses under the Internal Revenue Act and regulations. No regulation or order involving the determination of costs shall contain any provision requiring the determination of costs otherwise than in accordance with established accounting methods. Every regulation or order issued under the foregoing provisions of this subsection shall be accompanied by a statement of the considerations involved in the issuance of such regulation or order. As used in the foregoing provisions of this subsection, the term "regulation or order" means a regulation or order of general applicability and effect. Before issuing any regulation or order under the foregoing provisions of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order, and shall give consideration to their recommendations. In the case of any commodity for which a maximum price has been established, the Administrator shall, at the request of any substantial portion of the industry subject to such maximum price, regulation, or order of the Administrator, appoint an industry advisory committee, or committees, either national or regional or both, consisting of such a number of representatives of the industry as may be necessary in order to constitute a committee truly representative of the industry, or of the industry in such region, as the case may be. The committee shall select a chairman from its members and shall meet at the call of the chairman. The Administrator shall from time to time, at the request of the committee, advise and consult with the committee with respect to the regulation or order and with respect to the form thereof, and classifications, differentiations, and adjustments therein. The committee may make such recommendations to the Administrator as it deems advisable, and such recommendations shall be considered by the Administrator. Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he may, without regard to the foregoing provisions of this subsection, issue temporary regulations or orders establishing as a maximum price or maximum prices the price or prices prevailing with respect to any commodity or commodities within 5 days prior to the date of issuance of such temporary regulations or orders; but any such temporary regulation or order shall be effective for not more than 60 days, and may be replaced by a regulation or order issued under the foregoing provisions of this subsection.

Mr. BUFFETT (interrupting the reading of the amendment). Mr. Chairman, the balance of the amendment is the same as the Crawford amendment exactly except there is left out all reference to profits. This amendment would simply assure manufacturers, processors, businessmen, and farmers of this country a maximum price.

Mr. PATMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PATMAN. Has the Clerk finished the reading of the amendment?

The CHAIRMAN. He has not. I thought the gentleman was going to ask unanimous consent to dispense with the further reading of the amendment.

Mr. BUFFETT. Mr. Chairman, in the interest of saving time I would just as soon dispense with the reading of the balance of the amendment and I propound such unanimous-consent request.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

Mr. PATMAN. Mr. Chairman, reserving the right to object, is that exactly the same amendment as that offered in the committee?

Mr. BUFFETT. No.

Mr. PATMAN. It is changed?

Mr. BUFFETT. It is the same amendment that the gentleman from Michigan [Mr. CRAWFORD] offered in the committee and offered here except it eliminates all reference to profit in this pricing procedure.

Mr. PATMAN. Mr. Chairman, I think it should be read in view of the confusion and I hope the gentleman will not insist on his unanimous-consent request.

The CHAIRMAN. Does the gentleman object to dispensing with the further reading of the amendment?

Mr. PATMAN. Mr. Chairman, I object.

The Clerk concluded the reading of the amendment.

Mr. SPENCE. Mr. Chairman, this amendment seems to be very similar to the Crawford amendment. I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. BUFFETT. Mr. Chairman, I regret that the chairman of the Committee on Banking and Currency stated this amendment is about the same as the Crawford amendment. The pending amendment strikes out all reference to profit. Instead it simply tells every efficient producer in this country that the OPA must establish prices by which he can get back his costs when and if he sells his products. The amendment does not assure him of a penny of profit.

It declares that if you should start the manufacture of stoves tomorrow, the price fixed on stoves must be a price not lower than the costs of an efficient producer of stoves. If the administrator wants to include a profit in the price, he can do so. But the amendment says to all who are trying to start their production that they will have a chance to get their costs back if their costs are representative and they can find a buyer for their product.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. In other words, all this does is to permit them to break even?

Mr. BUFFETT. The gentleman is right. All this amendment seeks to do is to assure the representative producers, agricultural and industrial, that prices must be established on which they can at least break even. Certainly this Congress ought to be willing to send out this message of hope to the producers of this country. This provision would assure them that they have a chance to get their money back when they create production promptly and courageously.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Indiana.

Mr. HALLECK. As far as I am concerned, I cannot see any reason why we should not write a provision into the law requiring that a man be given a fair profit. I stand on that. But as far as the gentleman's amendment is concerned, it seems to me that if the membership of the House refuses to accept it, then the membership so refusing goes on record as saying that they do not want the price fixed even at the point which will give a man a fair return for the money which he has spent to do a given job.

Mr. BUFFETT. The gentleman from Indiana is exactly correct. This amendment would send out the message to the producers of this country that if they are efficient producers they will be allowed prices giving them a chance to get their costs back. If this Congress is not willing to extend this olive branch of encouragement to producers, we may see our reconversion problems multiply in the months ahead.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Tennessee.

Mr. JENNINGS. The gentleman is exactly right on that. I have two packing houses in my city. For more than a year each of them has been losing money on cattle and hogs sold by them, but when about put out of business and when they complain, the OPA says to them, "Why, you ought not to kick. You are just another war casualty."

Mr. BUFFETT. I thank the gentleman for his contribution.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Ohio.

Mr. BREHM. Would not the gentleman's amendment further increase employment and be a great benefit to labor, because the cost naturally includes the labor cost, and this amendment, if adopted, would provide more jobs?

Mr. BUFFETT. This amendment would be immensely beneficial to labor. It means jobs now. There are hundreds of plants in this country that could complete their reconversion plans promptly if they were assured that this Congress would direct OPA to have pricing policies that would give them a gambler's chance to get their money back. While they are entitled to fair profits, this provision in the law would give them the negative yet helpful assurance that if they get busy they may at least get back the cost of production. This means jobs to the working people. It means reduced unemployment.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Ohio.

Mr. LEWIS. Is it not also a fact that with the gentleman's amendment it would encourage the production of the essentials of life in this country in quantity production which will be one of our best assurances against run-away inflation?

Mr. BUFFET. The gentleman is correct. Here is an assurance that will accelerate production because it tells the producers of this country that they can get their cost of production if they are efficient. It guarantees no one or no article cost of production unless they are efficient. But it gives to the manufacturer, the farmer, and producer generally a pledge that survival is possible. We are now in the early stages of reconversion, and the bungling to date should impel Congress to send this message out. Here is your chance to assure the producers that they are going to get a price that will pay them for fair costs of production. Personally I believe profits are the final key to recovery, but the committee has voted down a proposal assuring reasonable margins.

In the absence of that assurance to the producers of America, this amendment would furnish the minimum incentive necessary for enthusiastic production.

Failure to pass this amendment will indicate to the producers of America that Congress is now endorsing the production-restricting policies of the OPA—policies that are making a shamble out of both the economy and the morale of the Nation.

Mr. MONRONEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as admitted by its author, this amendment is practically identical with the Crawford amendment except that it strikes out the guarantee of average industrial profit price. It still retains one of the greatest defects of the Crawford amendment in that every one of a manufacturer's 200 or 500 or 5,000 individual items that might be manufactured in the plant would have to show at least a break-even position. I do not believe there are enough accountants in the United States that would be able to determine with any degree of certainty at this time whether any manufacturer has his costs all absolutely and adequately covered on each of the hundreds of items he manufactures. You cannot have a price control that way, because the records of business—and I am rather familiar with many of them—are not kept on these individual, specific items.

Business is naturally interested in its over-all profit position. It has always manufactured some items that probably carry less than all cost of production, advertising, selling, and all other administrative costs. Business has also made others that carry a tremendously long profit. By and large, most of these low-profit items, wherever they could, have been dropped, and the manufacturer is now operating on the high-profit items.

That is a good deal of the reason for the increased cost of living that the average fellow has to pay, even though it is within compliance with price control. Thus your low-priced goods have disappeared. This amendment is an invitation by Congress to tell every manufacturer of low-cost goods that, "We do not want you to make it any more; make all high-cost goods and we will give you an extremely good profit position on every single item."

INCOME-TAX EXEMPTIONS

Furthermore, this carries into the law again the specific item of income tax accounting procedure carried over onto the pricing side. It will again give the opportunity for the manufacturer to write off a plant at five times its normal depreciation where that plant had been built for war purposes.

There are many, many other phases of this income-tax law, and I am sure the Members of the House are beginning to see this little foot in the door coming in to try to force the OPA to give every manufacturer every advantage that the House has given on income tax and allow him to count it in for pricing purposes.

For example, the question of processed foods was raised. The OPA has assured the Senate committee and the House committee that hogs, cattle, and sheep are going to be considered separately. It is a good rule to follow, I think, in other broad lines of production, but I do not believe the Members of this House would want us to write into the law that every manufacturer and every processor had to get absolutely his cost of production and all overhead expenses covered on a can of Spam or a tin of weenies or a can of chicken livers.

But under this law every specific item in a manufacturer's catalog and the millions of things that are manufactured must be carried at a price to give him the cost of production plus all administrative expenses.

The OPA cannot find for certain what this cost is, individual industry cannot find it, and you will be throwing a monkey wrench into this law so that it could not possibly work. The thing that business must look at is its profit after its over-all operation. That is the important thing. Industry has improved its position. The manufacturing industry has improved its position by over 200 percent over the 1936–1939 level.

Now, if you are going to try to figure the specific individual cost of production

on a can of Spam, and if you are going to differentiate between pink salmon and red salmon, as to which one is in a profit position and which one does not cover all overhead, and bring the one that might happen to be in a bad position on the basis of a new method of accounting up in price, you are going to create more confusion and you could never get your price figured out.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from Nebraska [Mr. BUFFETT].

The question was taken; and on a division (demanded by Mr. BUFFETT) there were—ayes 91, noes 111.

So the amendment was rejected.

Mr. KUNKEL. Mr. Chairman, I offer an amendment, which I sent to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. KUNKEL: Insert a new section to be known as section 3: "That section 3 of the Emergency Price Control Act of 1942, as amended, is amended by adding to the end thereof a new subsection as follows:

"'(h) The Administrator, prior to the marketing season for each perishable fruit and vegetable, shall determine on the basis of Department of Agriculture estimates whether the national supply of such perishable fruit or such perishable vegetable will be in balance or whether supply will exceed demand during such marketing season, and if it is determined that such supply will be in balance or that supply will exceed demand at the ceiling price during such season, the Administrator shall suspend during such season all maximum prices established under this act with respect to such perishable fruit or perishable vegetable.'"

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. VURSELL. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that the debate close in 20 minutes.

Mr. VURSELL. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. The motion is not in order until there has been some debate.

The gentleman from Pennsylvania [Mr. KUNKEL] is recognized for 5 minutes in support of his amendment.

Mr. KUNKEL. Mr. Chairman, in the first place, it is generally admitted by all points of view on the question of price control that it can safely be abolished at such time as supply and demand are in adjustment.

There has been a great deal of debate today on just how long the present extension act should operate, but the OPA officials themselves unanimously say that price control on any particular item can safely be taken off and abolished at such time as the supply of that item is in reasonable adjustment to its demand.

The Price Control Act, by amendment added on June 30, 1944, recognized that fresh vegetables and fresh fruits and perishables are placed in a slightly different category and treated a little differently than other commodities because of their nature. I call your attention to section 3 of the Emergency Price Control Act of 1942, as amended, subsection (g), which takes appropriate action in regard to fresh fruits and vegetables.

Rigid ceiling prices have worked out badly during the past year and have caused a loss to the people who raise fresh and perishable fruits and vegetables, and they have also hurt the consumer.

In that connection I would like to read from a letter written to me by the executive secretary of the Pennsylvania State Horticultural Association with reference to the apple crop of last year:

The members of the Pennsylvania State Horticultural Association, who represent most of the fruit growers of your State, suffered considerable loss during the past season as a result of price ceilings on apples.

Strange to say, this was not because the price was kept down by the act, but because many retailers and other handlers kept the price up with the result that the free movement of apples was curtailed and many thousands of bushels of small and below-grade apples remained in storage at the end of the season. Many retailers and dealers consider price ceilings as price fixing and do not bother to fix their price in accordance with the age-old law of supply and demand. Our growers did not expect to receive ceiling price for the apples just mentioned, but by the time they reached the retailers' bins they were priced at ceiling and the consumers quite naturally refused to pay the price.

Now, the result was inexcusable waste. Food that might have been eaten was lost. There was a loss to the consumer as well as to the producer. This could have been avoided if ceilings had been removed and the law of supply and demand permitted to operate, so as to draw these perishables into the channels of trade promptly and at a lower price than the ceiling.

I would like to read a statement from another letter received from a fruit grower of Lebanon County in my own district, in which he sets out some of the difficulties that imposing rigid ceilings on perishable fruits and vegetables have caused:

Results of price ceilings when the crop is large are: (1) Prices too high to move fast enough the required big volume, with highly perishable peaches; which dams up the fruit at orchard or shipping point, with wastage and loss to the grower; and the consumer deprived of needed food supplies; (2) ceilings encourage retailers to sell only the highest-priced. As his 33 percent mark-up on $1 peaches is 33 cents, on $3 peaches is 99 cents. Also when the retailer gets down into the low-price grades, he faces sharp loss in getting back into the higher-priced grades. So he simply lays off the lower-priced fruit. It wastes. Consumers and growers alike lose.

Price ceilings are for protection of consumers. With large crops of perishables, ceilings do not protect; they deprive. Under ample supplies, then, ceilings should be suspended.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. KUNKEL. I decline to yield.

I submit to you at this time that the adoption of this amendment would be of benefit in carrying out the purpose of the Price Control Act insofar as it relates to the protection of the consumer and that it will make more fruit available at lower prices. It will enable the producer to have a market. It will avoid needless waste.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Kentucky is recognized for 5 minutes in opposition to the amendment.

Mr. SPENCE. Mr. Chairman, the amendment as I understand it provides that 30 days before the marketing season, if the Office of Price Administration finds that the supply will equal the demand in perishable fresh fruits and vegetables, the ceiling shall be removed.

What is the marketing season?

There are various marketing seasons in the United States. To adopt this amendment would mean that on the same commodity a ceiling would be removed in some sections while in other sections it would be applied. It seems to me this is perfectly impossible of administration.

The gentleman is a member of the committee but he never offered the amendment in the committee. There would be no method by which the information could be obtained 30 days before the marketing season as whether or not the supply would equal the demand and justify the removal of price ceilings. I ask that the House vote down the amendment.

Mr. DIRKSEN. I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. DIRKSEN. Mr. Chairman——

Mr. SPENCE. Mr. Chairman, will the gentleman yield for a consent request?

Mr. DIRKSEN. I yield.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The gentleman from Illinois having been recognized before the request was made may proceed for 5 minutes. The last 5 minutes of the time will be reserved to the Committee and the balance divided among those seeking recognition on the amendment.

Mr. DIRKSEN. Mr. Chairman, I rather apprehend that the amendment now pending will be similar to other amendments that will be offered with respect to specific commodities or items in the hope of procuring relief. I think I will object to the amendment for that reason. I think I apprehend also that we are going to have to deal with this whole matter of food scarcities.

That old saying "Fifty million Frenchmen can't be wrong" probably applies. Fifty million American consumers, farmers, industrialists just "can't" be wrong. OPA by its own testimony—and

here is the alphabet book of OPA, if you carefully examine it—indicates that there have been 338,000 violations in 1944. There may have been 3,338,000, but whatever the number, it is indicative of the fact that something is wrong. We started from the broad premise that we needed OPA—and we need it now, but probably we ought to add that we need some modification to make it a better OPA. The thing that distresses me most, of course, are the scarcities, evidences of which march across every congressional desk from morning until night.

I drafted an amendment to meet this growing problem, but I do not know that I am going to offer it. As a matter of fact, it looks like all the wisdom is on the left side of the aisle, and all the unregenerate sinners are over on the other side, but you have votes. Little headway has been made today in amending the OPA Act. But I drew a general amendment that I thought probably would cover this situation, and I hope you will lend a willing ear for a moment as I read it to you. It reads as follows:

Notwithstanding any other provision of this or any other act, and in addition to all other powers herein conferred upon the Administrator, he is hereby empowered and directed forthwith to so adjust, and modify, and alter any and all price ceilings, policies, rules, and regulations in respect of production and distribution on the sale of beef, pork, veal, mutton, fish, butter, sugar, and fresh fruits as to bring about an adequate supply of such commodities.

It says nothing about costs, it says nothing about profits; it simply directs the OPA Administrator, who is charged in section 1 of the original act with supplying adequate commodities and to prevent and to eliminate scarcities, to get results forthwith.

Mr. Bowles has been heralded on this floor today as one of the great administrators of the age and for aught I know he is, but I realize that the attack upon OPA and the protests that have been manifested here today are getting nowhere. We are not recognizing the real problem and that is scarcity. So why not say to Mr. Bowles, "Very well. You say you can do it. Here is the needed power with which to do it. Now we expect results." If he says that some other authority in Government is frustrating his efforts, this amendment says that notwithstanding the provisions of this or any other act, it puts upon him squarely the direct and centralized responsibility for supplying food in adequate quantities. If they say this is an attempt to torpedo OPA, may I point out there are only six or seven specific items and those are the items that are so very obviously in a critical short supply today. Mr. Bowles says we must hold the line, while 50,000,000 people are holding in their waistlines. It is like Old Mother Hubbard who went to the cupboard. He goes to the cupboard to get the poor dog a bone and finds none.

Let us give OPA no excuse for failure. "We give you the power, we give you all the authority, we will make everything possible to you, we centralize authority for these scarcities in your hands. Now it becomes your responsibility to carry out the recited objectives of the original act of 1942."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. If the gentleman's amendment were agreed to, it would produce an abundance; there would be no need for the OPA and the people would get food at reasonable prices.

Mr. DIRKSEN. Let us hope for such a happy result.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, I rise in support of the pending amendment, introduced by the gentleman from Pennsylvania, which particularly affects peaches, as far as I am concerned. We are short of canning sugar, and it looks like we are going to have more than the normal crop of peaches. You Congressmen on the Democratic side of the House like peaches, you like them fresh, you can eat them without sugar. We want to get the fresh peaches to you, and this is the way to do it. May I say that the head of the national peach organization of the United States, Mr. Dove Perrine, of Centralia, Ill., comes from my county. These farmers and orchardists are busy trying to thin the peaches out so that they can produce the best there is in that crop. We know that there will be more than the normal peach crop.

What do we want to do? We simply want supply and demand to be allowed to operate, not when there is a scarcity but when there is more than a normal crop. If you set the peach ceiling which the OPA says they are going to do this year, as it was last year, then the price in Chicago and to the people, the representatives of the CIO, the laboring people, and the consumers will be $3.60 possibly to the grower in my county and maybe $6.50 when they reach the consumer in the cities. The result will be millions of bushels of peaches that do not hit top grade in my county and in various counties all over the United States will rot in the field and will be a loss to the orchardist, with people hungry throughout the country, wanting peaches. If you will give us this amendment then the price will start at the top for the No. 1 grade and it will operate down. It will give the consumer an opportunity to have peaches in those centers where peaches are not grown and it will give the peach grower an opportunity to get this very perishable fruit out of his orchard swiftly on to the market at a profit to him to help pay those who picked the peaches, and it will work absolutely in the interests of the consumers and of the producers.

We ought to give OPA—yes, we ought to compel them to lift the ceiling prices when in the judgment of the OPA, and they have the statistics, these two purposes will be served. I hope the committee will agree to the amendment.

Those who vote against this amendment are voting against the consumers and against the producers. Let me suggest to you on the majority side that you join with us and serve your people instead of your administration bosses.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Rhode Island [Mr. FORAND].

Mr. FORAND. Mr. Chairman, I am going to vote for this bill to extend the life of the OPA and against all amendments that would have a crippling effect upon its operation.

I do so because I am convinced that failure to extend the operation of this law would result in confusion and uncontrolled inflation. I do not for a moment contend that the administration of this law has been perfect. It has not been by a long shot, and I am one of those who has on several occasions been critical of its activities.

I have brought many protests to the attention of the OPA authorities. On some occasions my complaints brought remedies. On other occasions, such as the meat shortage, I was promised that everything possible will be done to relieve the situation as promptly as possible. It was pointed out that new regulations, recently put into effect, would compel packers to ship meats in proportion to what they did in the first quarter of 1944 into the same areas it served during that period.

This I am told will bring into Rhode Island within the next few days an increase in the amount of meat that has been coming into the State in recent weeks.

The food situation in Rhode Island, Mr. Chairman, is deplorable, not only with respect to meat but also with respect to eggs and fats of all kinds. We realize that meat, poultry, and eggs are in short supply, but we maintain that the people of Rhode Island are entitled to their fair share of what is available.

This is only fair and we expect that OPA will take immediate steps and assure us of our share.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, about a week ago I introduced an amendment to the Emergency Price Control Act. Just 1 week ago today I testified before the Banking and Currency Committee about the amendment. That amendment was very similar to this one now before the House, so the amendment that has been read to you this afternoon has been properly brought to the attention of the committee. This amendment is intended to apply particularly to those highly perishable stone fruits and fresh vegetables which have to find a home and have to be consumed within a few weeks after they are taken from the fields. May I point out that this amendment introduced by the gentleman from Pennsylvania [Mr. KUNKEL] leaves the matter wholly at the discretion of the administration. It leaves to the Secretary of Agriculture to determine if there is apt to be an oversupply of any crop, and to me I think it is a safeguard. I believe that it adds to the power of those who have the responsibility of making the administration of price control a success or a failure. I think it is a valuable amendment and a valuable accessory in

our attempt to function in this difficult field.

I hope the amendment is adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, we can pass all the amendments that we want to to the OPA Act. There is nothing in any amendment that I have seen that the OPA could not do now if they wanted to, and if they have the disposition to let the people in this country have food.

I think President Truman is right. I think within a period of 30 days we could have meat on the counters of this country. I have felt we could for several weeks. We cannot get it if we do not let the people produce it and we cannot get it if we do not let the people process it. The only reason in the world the people are hungry in the cities today is because the OPA and its allied agencies have not followed the spirit and the purpose of the laws enacted. If Government figures are correct, and I have no reason to doubt them, there is no reason in the world why adequate meat cannot be provided for the people of America. I want to repeat that it can be done at any time it appears advisable to do it.

Mr. MASON. Mr. Chairman, will the gentleman yield

Mr. MURRAY of Wisconsin. I yield to the gentleman from Illinois.

Mr. MASON. You cannot get the meat because they will not let the man who has it in his ice box sell it.

Mr. MURRAY of Wisconsin. We cannot get it if we will not let the fellow process it, nor can we get it unless we let the man produce it, nor if we completely curb the sales.

Mr. MASON. Even though it is in the ice box they will not let you sell it.

Mr. MURRAY of Wisconsin. We started off altogether wrong with this OPA. We have one group of people at the top, including those in OPA, that we see being defended here from time to time, even those getting anywhere from three to five, seven and twelve thousand dollars a year receive an additional $628.32 cost of living bonus. When we find these same people going around the country prosecuting and persecuting, sueing and fining people that are getting 43 cents an hour. Right here in sight of the Capitol they are allowing commodities to be sold above OPA ceilings, and they must or should know it. They allow certain food products to be sold one-third over OPA ceilings. It is about time that we put an end to it and ask them to sweep their own doorsteps and not spend all their time in persecuting the little fellows in the hinterland. The time has come to call a halt to the kind of operation that sues one group for getting one-quarter cent per quart too much for skim milk, but allows other groups to sell dairy products for one-third above OPA ceilings.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Pennsylvania [Mr. KUNKEL]. It is the simplest and sanest and most practical amendment that has been offered today. It simply says this, that when there is a great big crop of fresh fruit, apples, peaches, or what not, normal or more than normal, restrictions shall be lifted; in other words, it would mean that the consumer would get his food cheaper and there would not be so much loss. This year there were about 4,000,000 bushels of apples dumped right here in the Appalachian apple region just because of the silly, asinine OPA regulations; 4,000,000 bushels of apples spoiled; many of them had been put in storage, and some have been in storage so long that they are no good, which will ultimately mean a big loss to the growers. These apples could have been sold on the fruit stands of Washington and nearby cities. Yet the people here in the city of Washington have walked up to a fruit stand and seen small-sized apples at 10 cents apiece and have shied off as if it was a basketful of snakes. By adopting this amendment it would mean that the consumer would have bought these kinds of apples for three for a dime. Thus they would have been moving through the legitimate channels of trade, been consumed by the public that wanted and needed them, would have paid their way instead of being a total loss to the growers.

There is no reason for this except the OPA regulations and the OPA snoopers that are out after every little merchant, throwing the fear of God into every one of them. They are just like some of the dog law enforcement officers in my State. When a dog tears a sheep and you report it, the officers go out to get a dog, not the dog. That is the way with the OPA snoopers. They go out to get somebody and they do get somebody, too, but they do not get the big fellow. He goes scot free. Your refrigerator is empty; you have no meat on the table, and you can blame no one but the OPA.

I trust that you Members on this side will be big enough to go along with this amendment. Your own farmers and growers of produce will profit, the public will profit, and all of us will profit.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. KUNKEL. I would like to call to the attention of the gentleman again the fact that Congress has already recognized that perishable fruits and vegetables should be treated differently than the ordinary commodity and it is essential that they should be so treated.

Mr. GROSS. I thank the gentleman.

So far as losses are concerned, Chester Bowles made a speech in Hartford, Conn., last week in which he said there would shortly be an order issued which would guarantee that no manufacturer in this country would have to operate at an out-of-pocket loss.

Those fellows down there are thinking about these things now. If you are going to let them go by extending this act for a long period, a lot of these promises may be forgotten. It is up to us to discharge our responsibility to the people and see that this waste and extravagance and reckless manipulation by a bunch of irresponsible fellows is stopped and stopped once and for all.

Recently the OPA agents brought charges against several local butchers in my community. One was charged with having paid $5.50 more per head for 25 fat cattle which he slaughtered than the regulations permitted. Another was charged with paying $3.15 per head for 46 head. A third was charged with paying $16.50 a head for 70 head of highly finished steers. A fourth had paid 24 cents per head on 70. Still another had paid 90 cents per head too much for 39 head of cattle.

Now these butchers were not charged with selling meat above ceiling prices, they were charged with paying too much to the farmers for these fat cattle when the OPA full well knew that the cattle were not paying their way in the feed lots. In other words, these butchers were absorbing this extra cost of these fat cattle themselves. Now frankly speaking, whose business was it if they wanted to spend their money this way?

Recently the OPA closed two gas stations in York Pa., and the order from the court read as follows:

> Although no willful violations have been proven against the respondent it appears that the respondent has been careless.

So they closed him up. God help us when the judges in these kangaroo courts hand down decisions like this, but I never thought I would live to see the day in America when a judge would say to a defendant: "You are innocent but careless, so I'll put you out of business."

I am thinking of another case where a furniture manufacturer was producing bedroom suites and who had been in business for more than 50 years asked for an increase on his merchandise which he was manufacturing at a loss. This was refused. And from the letter denying him the increase I read these words:

> We are aware of the fact that your cost of lumber and other materials have increased since the base period. However, increases in costs do not automatically mean increases in the price of the industry affected.

Certainly there is no rhyme or reason in this.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, the argument was made at one time that we should not place a maximum price on strawberries or watermelons on the theory that they were luxuries, and that we should not have prices fixed on luxuries. We investigated that and decided if we required the OPA to take the prices off strawberries and watermelons people would quit growing cabbages, potatoes, and other essential crops and begin growing nonessential crops and luxuries. All of these things are related and you cannot consider one without considering the other.

This amendment says that 30 days before the marketing season if it is determined through the facts in the possession of the Secretary of Agriculture

that there is a certain supply of perishable commodities then there should not be any maximum price fixed.

May I inquire of the gentleman from Pennsylvania [Mr. KUNKEL] whether his amendment does not say 30 days before the marketing season?

Mr. KUNKEL. There is no 30 days mentioned in the act.

Mr. PATMAN. Then, what time does it say?

Mr. KUNKEL. It says prior to the marketing season.

Mr. PATMAN. Then, if that is the case, when is the marketing season? Lettuce and tomatoes are grown the year round. When would your marketing season begin?

Mr. KUNKEL. If the OPA cannot determine the marketing season on a fruit or vegetable in a particular area, then I think they do not know enough to administer the act and should be abolished.

Mr. PATMAN. When would the marketing season on strawberries begin? In some places they begin to market strawberries several months before marketing them in other sections of the United States. Let us consider the harvesting of the wheat crop, for example. It is not a perishable product, but it makes a good illustration. I followed the wheat harvest at one time. You know it starts in south Texas along about the latter part of April or the first of May. I followed the harvest up to north Texas and then through Oklahoma, Kansas, Minnesota, and Wisconsin. There would be several months, then, from the time the harvest started in south Texas to where they were finished in the northern part of the United States. When was the marketing season in that case? How are you going to determine what the marketing season is going to be? That shows how confusing this would be in determining the marketing seasoning for things like potatoes, strawberries, onions, and especially lettuce and tomatoes, where the marketing season is all year round, because lettuce and tomatoes are grown in this country in every month and every day and every week of the entire year.

That shows how unworkable this amendment would be. Furthermore, if it were workable and there is a sufficient supply, you do not need any maximum price because competition will take care of it. You can pass a permanent OPA law and yet when there is enough of a supply to meet the demand it would be inoperative and would not amount to a thing. The very minute a commodity begins to sell for one cent less than the maximum price all controls are off because there is a sufficient supply to meet the demand. So the gentleman's argument fails because, if there is a sufficient supply to meet the demand, price control will be unnecessary.

In talking about the enforcement by the OPA, in this Nation we have 77,800 firemen protecting the Nation against fire. We have 171,000 policemen, sheriffs, marshals, and so forth, protecting the lives and property of the people of the United States. We have 212,000 guards protecting property; we have 16,300 watchmen guarding crossings and bridges; yet to protect this Nation against ruinous, run-away inflation that enters into the living cost of 140,000,000 people, we have 1 enforcement officer for OPA in each of the 3,070 counties of the United States. Now, who is to blame for that? This Congress is to blame. We have not provided them with sufficient money to do a good job. Yet we come on this floor and we abuse them and criticize them because they have not done a better job. We are responsible for it. We have given them the biggest job that has ever been attempted on earth, and they have done the best work of any agency I know by saving $80,000,000,000 on the cost of the war alone. We have not protected them as we should. We have not furnished them with the money to enforce the law. Yet they are abused.

I hope this amendment is voted down.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. KUNKEL].

The question was taken; and on a division (demanded by Mr. KUNKEL) there were—ayes 94, noes 117.

So the amendment was rejected.

Mr. JENKINS. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. JENKINS: Page 1, after section 2, insert the following section:

"SEC. 3. All powers of the Price Administrator or the Director of Economic Stabilization, with respect to food, granted by or exercised pursuant to a delegation of authority under the Emergency Price Control Act of 1942, the Stabilization Act of 1942, or title III of the Second War Powers Act, as such acts were originally enacted or as they have been amended, except rationing, are hereby transferred to the Secretary of Agriculture; and in any case where, under authority of any such provision of law, powers with respect to food are hereafter delegated, such powers, except rationing, shall be delegated only to the Secretary of Agriculture."

Mr. SPENCE. Mr. Chairman, I reserve a point of order against the amendment.

I wonder if we cannot agree on time for debate on this amendment. I suggest that the debate on this amendment and all amendments thereto conclude in 1 hour.

Mr. WOLCOTT. Reserving the right to object, I do not see how we can agree on an hour when there has been no debate, and, in the second place, the gentleman made a point of order.

Mr. SPENCE. I have reserved the point of order.

Mr. WOLCOTT. Is the gentleman going to reserve it for an hour?

Mr. SPENCE. If we can agree on time I will waive the point of order.

The CHAIRMAN. Does the gentleman ask unanimous consent that the debate conclude in 1 hour?

Mr. SPENCE. Yes; in 1 hour.

Mr. WOLCOTT. Do I understand the gentleman withdraws his point of order?

Mr. SPENCE. Yes. I will withdraw the point of order. I will withdraw the point of order if we can agree on 1 hour of debate.

Mr. WOLCOTT. We cannot argue that way.

Mr. SPENCE. All right.

Mr. WOLCOTT. So, temporarily, I object.

The CHAIRMAN. Objection is heard.

Mr. JENKINS. Mr. Chairman, the gentleman withdrew the point of order.

Mr. SPENCE. Mr. Chairman, I reserve the point of order to the gentleman's amendment.

The CHAIRMAN. The gentleman from Ohio is recognized for 5 minutes.

Mr. JENKINS. Mr. Chairman, up to this time the amendments that have been offered today have been more or less fiscal, involving accounting and various other complicated features; but this amendment which I propose is a simple, easily understood amendment. While it is of tremendous importance to the country it is easily understood. What this amendment does is to transfer food out from the authority of OPA over into the Department of Agriculture. It applies to all foods of every kind and to all food activities except rationing. Rationing is more or less of a routine mechanical work, and rationing is somewhat tied up with various other commercial commodities besides food; but this amendment deals only with food. It takes away from Chester Bowles and his wrecking crew the control over the very lives of our people, for whoever controls our food supply has a great responsibility which he should assume with a full sense of honesty and fairness.

Mr. Chairman, there is no doubt that the most important question before the American people now is food. There is no question about it, next to winning the war, food is by far the most burning question. Let us consider this amendment in the attitude of fairness and in the attitude of what is best for our people over the whole country. Those of you who feel a loyalty to this bill which we have under consideration so strong that you cannot permit any amendment such as those that have been offered heretofore, I wish to appeal to you to do what you think your constituents would want you to do. There is no reason in the world why you should permit that loyalty to cause you to vote against this amendment, because this is an amendment that has no political aspect, has no political implication whatever. This is an amendment that the people of the Nation are calling for. It is not a new matter. More than 2 years ago I introduced a bill to exactly the same import and there is now pending in this Congress a bill in exactly the same language as my first bill. At about the same time that I introduced my first bill the gentleman from South Carolina [Mr. FULMER], a prominent and highly respected Democrat, introduced a very similar bill. He was the chairman of the Committee on Agriculture of the House, and he took his bill up for consideration in his committee, and that committee recommended its passage. As I remember, his committee was almost unanimously for it—both Democrats and Republicans. I cite these facts so that nobody can honestly claim that the authorship of this amendment is with anyone other than myself, and without boasting and in all candor I

claim to have been the first to propose legislation to place all food activities under one central activity.

I wish to ask in all seriousness and as dramatically as I can, Is there any Member on this floor today who is absolutely satisfied with the food situation? Nobody. I repeat and emphasize that nobody admits that he is satisfied. You cannot find anybody in your home town, you cannot find anybody among your acquaintances, you cannot find anybody among your neighbors who is satisfied with the food situation. If, Mr. Chairman, everybody here and everywhere is dissatisfied with the food situation something should be done about it; and should be done now. The people are looking today to this Congress for relief. You know from the heavy mail you get that your constituents are looking to you and they are looking to this Congress to do something. This is the day for action and tomorrow will be too late. What are you going to do? If you do not give them this amendment or something similar, legislative recognition, you will not heed their call. I repeat, what are you going to give them? You are going to give them this little piece of paper which I hold in my hand—this little bill that we are considering; this little paper does not say a thing in the world but that you extend the law for 1 year.

The Banking and Currency Committee started out with the proposition in this bill extending the OPA for 18 months. But you voluntarily reduce it to 1 year. You yourselves changed your minds and reduced the time of extension by 6 months, yet several of you have shouted loud and long about a further reduction of 6 months. Again I ask you in all seriousness, Is this all you have to offer the people of this great country? Is that all you have got to take home with you? When you meet one of your constituents at the courthouse or on the public square of your home town and he asks you what you have done for him, will you by way of relieving this food situation give him one of these little sheets of paper and say, "Here is what I have done"? Will you give him a stone when he asks for bread? You should not deceive him with a shilly-shally argument about inflation. You should not do like these gentlemen who bore us with their constant harangues about inflation. No, sir; I say that those of you who speak the longest and in the most stentorian tones, you have no right to say you have done one single thing for him in this Congress if you say that his interests will be taken care of better by the OPA than by what ought to be an honest Secretary of Agriculture.

Let me repeat, this amendment will transfer from the discredited OPA all control over food. I am sorry that I do not have time to give the OPA the treatment that it deserves. As chairman of the Republican Food Study Committee I am in contact with the producers and processors of food all over the country. I know how they regard this outfit. I know how the housewives of the country feel about the terrible conditions with which they must contend in order to get food for their families. Many of the Democrats who have spoken on this bill have apologized for OPA. Not one single speaker in these extensive debates has shown any pride in the OPA. Operating through the process of nature, God has given us a new President. That President has said that he is going to select, in fact he has selected, one of our own Members, a distinguished man, to be Secretary of Agriculture; and, if you please, the President has indicated that he is going to give to this Secretary of Agriculture the power he ought to have, but at the same time he has said he is eminently satisfied with Chester Bowles. I tell you, you cannot give the gentleman from New Mexico [CLINTON ANDERSON] what he ought to have and still pay allegiance to Chester Bowles. Chester Bowles and his crowd have a philosophy that if followed will not relieve the food situation; a program of scarcity, of subsidies, of coercion will not succeed. Abundance is the only sure prevention of inflation. It is the only sure guaranty against hunger.

Where should we put food control? It ought to be with the Secretary of Agriculture. Practically all food commodities are agricultural in origin. The Secretary of Agriculture is a member of the Cabinet and he should appreciate his responsibility to the people and rid the food service of these thousands and thousands of incompetents that have abused the American people. Some comment has been made that one Ed O'Neal is in favor of extending the OPA. It is not right to assume from that fact that he is opposed to the only sensible plan yet proposed to relieve the country from the most distressing economic situation in its history. I feel sure that Mr. O'Neal and his group will not willingly fly in the face of the wishes of a patient people who are unanimous in their condemnation of the methods employed by the OPA.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. SPENCE. Mr. Chairman, I desire to waive the point of order.

The CHAIRMAN. The gentleman from Kentucky withdraws the point of order.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in not to exceed 1 hour.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. SPENCE. Mr. Chairman, I desire to include in the request that the committee have the last 5 minutes to conclude.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. DIRKSEN. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in not to exceed 1 hour.

The question was taken; and on a division (demanded by Mr. SPENCE) there were—ayes 103, noes 97.

Mr. DIRKSEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. BROWN of Georgia and Mr. DIRKSEN to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 125, noes 114.

So the motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Chairman, the gentleman from Ohio [Mr. JENKINS] has offered an amendment, which is "the Hoover amendment." It separates the control of rationing from price control and enforcement and places the latter function in the Department of Agriculture. It leaves rationing with the OPA. This separation would be harmful to both business and to the consumer. It would result in two agencies having jurisdiction over matters that properly should rest with one agency, and that agency is the OPA. It would harass businessmen by having two agencies with their investigators looking for two different types of violations of the law and result in duplication of work for businessmen, as well as duplication of work on the part of Federal agencies. The adoption of this amendment would operate against the best interests of business and also of the consumer.

Between January 1, 1914, and January 1, 1919, animals on farms increased as follows: All cattle, 21 percent; chickens, 7 percent; hogs, 22 percent. During the same period of this war, the Government food program which former President Hoover makes so free to criticize resulted in an increase of 25 percent for cattle, 38 percent for chickens, and 28 percent for hogs.

During the period from 1914 through 1918 corn production actually decreased 3 percent and wheat production increased only 1 percent. During the 5 years from 1939 to 1944, on the other hand, the food authorities which Mr. Hoover makes so free to belabor increased the production of corn by no less than 24 percent and of wheat by the phenomenal figure of 44 percent.

Let us see what was done for the farmer and his equipment, the fertilizer, and the materials he needed in order to produce during the last war? Let us see what happened to the farmer to protect him from being gouged by the critic of the present program?

In World War I the price of a two-cart, riding cultivator increased by 110 percent. In World War II this has been held down to an increase of 19 percent.

In the last war the cost of a sulky hay rake increased by 85 percent. In this war it increased 17 percent.

In the last war the price of a bag of cement went up 69 percent. In this war it has gone up by 1 percent.

In the last war the price of hoes jumped by 83 percent, as compared with an increase this time of only 19 percent.

In World War I the price of gasoline increased 71 percent; in this war, 4 percent.

The story is the same all the way down. While prices that farmers receive went up by about the same percentage in the

two wars, the increase in prices that farmers pay—the increase in their cost of production—has been held in this war to less than half the increase of World War I. That is why the farmer's net income—what he has left after expenses—has increased so much more than it did last time. And that is why farm production in this war has increased five times as much as it did in World War I.

But, Mr. Chairman, perhaps Mr. Hoover was too busy worrying about the postwar position of farmers to give much thought to what happened to them during the war itself.

Let us look at that record. When the shooting in Europe stopped, the people responsible for the price and production controls asked that these controls be abolished. And they were. What happened?

The result you all know. Almost half the total inflation of World War I took place after the controls were stripped off the books. Finally, in 1920, the bubble burst and this country went into one of the most hellish deflations in all our history. Everybody went through the wringer, but it was the farmer who was really wrung dry.

Beef cattle dropped 58 percent, hogs 69 percent, peanuts 70 percent, eggs 72 percent, cotton 75 percent, corn 77 percent, potatoes 83 percent. Average farm income fell by two-thirds, and within 5 years 450,000 farmers lost their farms through foreclosures.

Mr. Chairman, it is to the everlasting credit of this administration that it has already taken measures to assure the farmer a solid floor under his prices for at least 2 years after the war. This time there is going to be no collapse in farm prices. This time there are going to be no foreclosures and bankruptcies. Because this time, Mr. Chairman, there is going to be no Hoover plan.

Let me turn in another direction and see what happened to the consumer in the last war and in this one. What did he accomplish on the cost-of-living front? What did he do to insure consumers a fair share of available supplies? Here again the record is black.

In 68 months since the outbreak of the war, the cost of living has increased 28.9 percent. During the same period in World War I, the cost of living increased 96.7 percent. Even at the time that the Armistice was signed in 1918, the cost of living in World War I stood 61.8 percent above the level when the war broke out. All of us who lived through World War I remember what happened to the cost of living, when butter sold for $1 a pound and sugar for 30 cents a pound. Everybody remembers the real sugar famine we had at that time.

The amendment offered by the gentleman from Ohio [Mr. JENKINS] is a step in the wrong direction. It will produce harm and result in no good being accomplished. It should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, the amendment proposed by the gentleman from Ohio was reported out of the Committee on Agriculture of the House by a majority of the members 2 years ago. So action was taken by a legislative committee of this House endorsing the principle that the Secretary of Agriculture should have the power over food—its production, distribution, and pricing. Therefore, the gentleman from Massachusetts is mistaken when he states that this amendment is one proposed by former President Hoover. We are happy that former President Hoover concurs in the idea which the Democrats and Republicans on the committee agree to.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. CANFIELD. Is it not true that yesterday the President of the United States publicly thanked Mr. Hoover for the aid and assistance he has given him in this matter?

Mr. AUGUST H. ANDRESEN. That is correct.

Mr. HOFFMAN. That is the same Hoover that the majority leader was talking about, is it not?

Mr. AUGUST H. ANDRESEN. I assume it is, because I do not know of any other former President Hoover that he would refer to.

I favor the amendment offered by the gentleman from Ohio because it brings about a coordination of activity as far as the handling of food is concerned. At the present time there are 22 agencies in the Government that have the restraining or veto power over the handling of food problems. The multiplicity of agencies that have been handling food has caused delay and bickering and in my opinion are largely responsible for the policies which have brought about these serious shortages of food in the United States today.

As a member of the special House committee directed to investigate the food situation, I am frank to state that our committee is unanimous in its opinion that the present nation-wide food shortages is due to lack of coordination and planning between the many agencies now in charge of food problems. I am convinced that we must make a fresh start in the handling of food to bring a return of confidence to producers and a restoration of the flow of vital food products, now largely in the black market, to consumers through the normal processing and distribution channels. I am satisfied that the new Secretary of Agriculture, the gentleman from New Mexico, Mr. CLINTON ANDERSON, is thoroughly familiar with the causes for the present break-down in the normal channels of distribution of food. He is willing to undertake the superhuman job of straightening out the mess in which the country now finds itself. To do so, he must be clothed with full authority, and therefore I urge the adoption of this amendment which will give him the necessary power to function without interference from the economic planners who know little or nothing about food production and its distribution.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. MCGREGOR].

Mr. McGREGOR. Mr. Chairman, we have debated the Price Control Act for several days and I think we all agree that the law authorizing OPA is satisfactory. This being the fact, the people then can rightfully blame the bungling and inefficiency of the administration of OPA for the chaos and distress that we find ourselves in—actually an acute food shortage. This record leaves no doubt about the inefficiency of the present administration.

We must have some sort of a stabilization program, but certainly it was not the intent of Congress to force upon the people the inconsistent rules, regulations and directives that they are now being forced to live under. We all agree that we need price control in a war emergency—but this control should represent sound thinking and sound judgment.

I am going to vote to continue OPA but certainly am not condoning the mistakes that have been made. We cannot legislate efficiency of administration—that is up to the Administrator.

The CHAIRMAN. The gentleman from Illinois [Mr. DIRKSEN] is recognized.

Mr. DIRKSEN. Mr. Chairman, this I know and this you know, that you cannot quarrel successfully with hunger. There is a critical food shortage. The OPA under the policy written in the original act, had the power to deal with scarcities and to prevent and eliminate scarcities and provide an adequate food supply. It has not been done. It certainly had not been for want of power. You have got to adopt either one of these amendments and give Mr. Bowles the power, or transfer it to the Department of Agriculture. On that I prefer the pending amendment.

But let us see how confused this thing is. OPA came before the deficiency committee recently and told us that in 1944 they had issued 44,255 official documents of all kinds, including new regulations, new field regulations, and amendments to regulations. Thus, failure on food is not for want of rules and orders. They have plenty of personnel with which to do this job. They testified they had 65,220 paid employees on the rolls and 205,000 volunteers. They have their own ration banking system. They have their own police force. They have their own enforcement agents. They have their own court of law, so to speak, because it is an emergency court especially created to handle OPA appeals. They do have the tools with which to work. Yet notwithstanding 3 years of endeavor and an expenditure around $165,000,000 a year, with this personnel, there is now, in this year of our Lord, an acute scarcity of some of the basic foods. Is it not time that either the OPA be directed to meet the food problem or this whole business be transferred? I, for one, prefer the new Secretary of Agriculture. I have high confidence and the utmost faith that he, who comes from the soil and has had broad experience in the field of producing and distributing food, can meet this situation, and meet it successfully.

The CHAIRMAN. The gentleman from Michigan [Mr. HOOK] is recognized.

Mr. HOOK. Mr. Chairman, in the first place the gentleman who will be Secretary of Agriculture, the very fine and outstanding gentleman from New Mexico [Mr. ANDERSON] has not asked for this amendment. In the second place, the OPA is not a production agency. The Office of Price Administration is a rationing and price-control agency. The Department of Agriculture has the responsibility of bringing about production. If the Department of Agriculture brings production to such an extent that there is no scarcity of any article, then you do not need rationing. You only need rationing when there is a scarcity of articles. It is the scarcity of articles plus an overabundance of purchasing power that makes OPA necessary to avoid inflation and chaos. So, therefore, I see no reason for this amendment. Let the Department of Agriculture do its job, which I know it will under the direction of the able gentleman from New Mexico, who is now a Member of this body; and let the Office of Price Administration do its job. The OPA, I say to you, has done a job. It has done a job in keeping the farmers from bankruptcy. I do not know of any farmers who are losing money today. The farmers are in better condition today than they have been at any time in the history of this Nation. The farmers are getting better prices today than they did during the last World War. They are getting better prices than they have ever received. The farmers of this Nation admit they are in the best condition they have ever been. If they are able to produce at a profit, and the records show they are, I see no reason for them not producing, as the gentleman from Minnesota said they were not producing, because they were not getting good prices. I do not believe any farmer wants to profiteer at the expense of the war.

Mr. H. CARL ANDERSEN. Will the gentleman yield?

Mr. HOOK. I yield.

Mr. H. CARL ANDERSEN. The price of butterfat during World War I was 70 cents, and today it is 54 cents.

Mr. HOOK. But you will not deny they are getting a good price for it and are making a profit on it today especially with the subsidy they now receive.

Mr. H. CARL ANDERSEN. Not on butterfat.

The CHAIRMAN. The gentleman from North Carolina [Mr. BARDEN] is recognized.

Mr. BARDEN. Mr. Chairman, all of us have some aches about the OPA, but to discuss them would not be any contribution on this occasion.

I have voted against a lot of amendments today. I believe the committee has done a pretty good job and I have tried to support the Committee. But over a period of months and months I have been confronted with this situation: And that is that I represent an agricultural district, one that is 95-percent agricultural. Never in my life have I experienced so many occasions when I had to discuss problems with people who had authority without one bit of knowledge or information on the subject that I had to discuss with them. That is an unfortunate situation.

The Department of Agriculture is one of the old-established departments of this Government. It is composed moreover of men who not only are interested in but experienced in agriculture and the production of agricultural commodities. The OPA has been hit on the personnel problem like other businesses. Just recently the Committee on Agriculture appointed a subcommittee before whom we brought the head men in one of the food branches of OPA. We were astounded to learn that there was not one single human being in that entire set-up that had had 1 minute's experience in the production, management, or marketing of that agricultural commodity. That is a most unfortunate situation.

I sincerely hope that the new Secretary of Agriculture, who is an able, fine gentleman, will not be so boxed in and fenced out as the last Secretary of Agriculture, the Honorable Claude Wickard was to where he will not be able either to protect, promote, aid, or assist agriculture in the production of the much needed agricultural products. I have faith in the new Secretary.

I think this amendment should be adopted; I sincerely hope it will be adopted.

The CHAIRMAN. The gentleman from Kentucky [Mr. ROBSION] is recognized.

Mr. ROBSION of Kentucky. Mr. Chairman, the OPA with the generous use of the taxpayer's money has engaged in a very extensive propaganda program in which it has told the American people what a very splendid and effective organization it has set up and what a wonderful job it has done in the production, processing, and distribution of food, and it insists that the Price Control and Stabilization Acts of 1942 be extended without any amendment whatsoever. In other words, after 3 years of experience, and in the face of the almost universal disapproval of the OPA and the bungling of the food situation, we must extend the life of this organization for 1 year, without changing the crossing of a "t" or the dotting of an "i"; and they have induced some organizations and some individuals to write and wire Members of Congress that there must be no amendments.

The purposes of the Price Control and Stabilization Acts of 1942 were to aid in winning the war, to insure ample food for our armed forces and to aid our allies, and to provide ample food for our civilian population, and an equitable distribution thereof among the civilians of our country, and to maintain fair and reasonable prices and prevent uncontrolled inflation. These are still the great objectives of the Congress and the American people. These objectives challenge the very best thought and the highest statesmanship and patriotic purposes of each and every Member of Congress and each and every loyal American citizen. This is not a partisan or political matter. We must consider this matter solely and only in the light of the best interests and welfare of our country.

The OPA and some twenty or more affiliated and related organizations dealing with food and other commodities, do have tremendous powers. The OPA admits that it really has control of 3,000,000 large and small business concerns. It has approximately 70,000 officeholders and more than 200,000 volunteers. It deals with and directly affects more than 6,000,000 farmers, and in fact it directly affects the 138,000,000 people of this country.

The OPA admits that in 1945 it issued and promulgated approximately 45,000 regulations, forms, and various amendments to regulations and rules. Of course, these 45,000 rules and regulations and the amendments thereto affected all of the millions of small and large business concerns, the millions of farms, and the tens of millions of American citizens. Many of the regulations and rules are in direct conflict with the Price Control and Stabilization Acts. These have led to endless confusion. While they say Congress must not amend the law or restrict their powers, the OPA had no hesitation in amending the laws and adding to their powers.

For 3 days of general debate we heard many speeches from the administration and defenders of the OPA that we must not amend these laws or restrict in any way the OPA. We must continue to permit them to go their own way for 12 months, although I have not heard anyone yet contend that the OPA has not failed in many respects, and overstepped the powers granted to it by the acts of Congress. During my years in Congress I have never yet known of any law affecting so many people in so many ways as the OPA has, that experience did not prove that there could be amendments and improvements that would be helpful to the American people. The important question that confronts me and other Members of Congress is, in the light of 3 years of experience is there not something that can be done to improve the food situation in this country. We do know that tens of thousands of large and small businesses have been put out of business. We do know that between January 1, 1943, and January 1, 1945, the number of pigs has dropped from 81,000,000 to 61,000,000. This represents a loss of approximately 3,000,000,000 pounds of pork and pork products. There has been a drop in sheep production of 15 percent and of poultry of 12 percent and drops in other food products.

From the many telegrams and letters that I have received from my district and from Kentucky, we know that some coal mines have closed down and other business enterprises have been affected by lack of food, and and we find a great shortage of food in the cities, towns, villages, and also in the rural communities. Great groups of producers of foods, groups of processors and groups of distributors have held meetings throughout this land and appealed to Congress for relief. This condition not only threatens the home front but is threatening our war efforts.

Black markets and their activities have increased by leaps and bounds in the cities, towns, villages, and rural communities throughout the Nation. It is now generally admitted that 95 percent

of the meat and meat products in the great city of New York is handled, one way or another, through the black markets. The black markets have broken down price control and at the same time have thwarted the purposes of Congress to provide for a fair and equitable distribution of available food products, keep down prices and prevent inflation.

This black picture has been brought about by the unwise policies and muddling of the OPA. Yet the administration and its friends in the House and the proponents of H. J. Res. 101 and other groups have been urging me and the other Members of the House and Senate to accept this resolution and extend the time of the OPA 1 year without any amendment and without any change whatsoever.

The OPA and its related agencies have been given unlimited authority and in various ways been provided with billions of dollars of subsidies, to stabilize prices and prevent black markets. It is responsible for these conditions. There must be a change. Meats, fats, sugar, and other food products are decreasing every day and there is a corresponding increase in black markets. The American people are not only being denied the actual and necessary foods to maintain health but through the black markets and unlawful conditions growing out of the food situation, the moral fiber of the Nation is being broken down.

There is no relief in the courts against the use of unlimited and arbitrary powers assumed unto itself by the OPA. Congress should and must look at this situation in a realistic manner. We must not look on the OPA as a "sacred cow," or "untouchable."

The American people are demanding and must have some relief against these intolerable conditions. The OPA has failed to realize the high purposes and objectives of the Congress in the Emergency Price Control and Stabilization Acts of 1942. The purposes of those acts were not to destroy American business, create black markets, and produce a famine in this country. I wonder what the American people will say when they fully appreciate that this joint resolution contains six lines and merely extends the life of the Emergency Price Control Act from June 30, 1945 to June 30, 1946? This resolution no doubt will add more officeholders, it will add to the 45,000 regulations, rules and amendments thereto, it will add to the black markets; but it will not put meat, lard, butter, sugar, and other necessary food products on the tables of the American people.

THE JENKINS AMENDMENT

About 2 years ago Mr. Fulmer, chairman of the Agriculture Committee of the House, and one of the leading Democrats, and the Hon. TOM JENKINS of Ohio introduced bills in the House, which were referred to the Agriculture Committee of the House, to transfer all food activities except rationing from the OPA to the Department of Agriculture. That committee of the House by an overwhelming majority reported favorably one of these bills; but the administration was wedded to the OPA and no action was ever had in the House on either the Fulmer or the Jenkins bill; and about that time the Hon. JOE MARTIN, Republican leader of the House, appointed a committee of Republicans to make a careful study of the problems of food production, processing, and distribution. This committee was made up of men who were acquainted with the problems of foods, and of course they made a study of the consumers' side of the question also. They visited many cities, held hearings; persons in all walks of life were invited to appear and give their views on these matters. This committee agreed that there should be a centralized authority and that this authority should be centered in the Department of Agriculture. The Republican conferences of the House from time to time have approved the action of the Jenkins committee and have urged that authority be centralized in the Department of Agriculture.

A few months ago the House, by resolution, authorized the Speaker to appoint a committee of Democrats and Republicans to make similar studies, and the gentleman from New Mexico, the Honorable CLINTON ANDERSON, who was recently appointed and confirmed as Secretary of Agriculture, was made chairman of that committee. This committee also held hearings from coast to coast and made a number of constructive recommendations. Furthermore, President Hoover, who had successful experience with the food problem for 5 years during and following World War I, also recently urged that food matters go to the Department of Agriculture. Today it was announced over the radio that President Truman predicted a new set-up that will give the Nation more food.

The matter before us now for consideration is the amendment proposed by the gentleman from Ohio [Mr. JENKINS] which proposes to amend House Joint Resolution 101 and the Price Control Act by transferring food activities of the OPA to the Secretary of Agriculture. I strongly favor this amendment and trust that it will be adopted, although it is meeting with the active opposition of the administration leaders and the OPA defenders in the House. The whip and lash of the administration is being used freely. I am pleased to say, however, that every Republican in the House favors this proposal as do quite a number of Democrats; but the word has gone out from the administration leaders that they must hold the line and there must be no amendments. The sacred cow of the OPA must not be touched..

Of course, I have nothing politically or personally against the OPA. I know there is such a scarcity of food in this country that it threatens our war efforts and it is also a real threat to our domestic front. We have approximately 81,000,000 head of cattle on the farms of the Nation today. This is about the highest number that the farms have ever had. Under the unwise and bungling policies of the OPA there are hundreds of millions of bushels of wheat and corn piled up and deteriorating. These grains should be used to fatten cattle and hogs and these cattle and hogs should be turned into the market. But there has been so much regulation, unfair prices, so much red tape, and so much of discouragement to producers of farm products that this source of meat and fats has not been made available to the people.

The OPA and affiliated agencies have put out of business every small packer and slaughterer in my district, and practically every small slaughterer and packer in the United States. These small packers encouraged production in their immediate sections, and they slaughtered cattle, hogs, and sheep and distributed them to the people; but they have been forced out of business through the many unwise and unnecessary regulations and requirements, and now cattle, and so forth, must be funneled through the great packers located in Chicago, St. Louis, and Kansas City and other large packing centers, and the price for these cattle, hogs, and sheep have been such as to discourage production of them.

We now know that the shortage of sugar can be laid at the door of the OPA and other agencies here in Washington. There is only about half as much beet and cane sugar produced in this country as we produced a year ago. Our supply of sugar from Cuba was greatly cut, because of lack of action on the part of the OPA and other Federal agencies. Less than a year ago it was reported that we had such an oversupply of eggs in the hands of the Government that carloads of eggs owned by the Government were being sold for one-sixth of a cent a dozen and turned into hog feed and fertilizer. Now it is almost impossible to get an egg. It is only on rare occasions that a person in the city can buy a chicken, and in order to get any of these foods the wives, mothers, and daughters must stand in lines one or two blocks long for hours, not at one store but in practically every store where food is sold in cities. Yet the proponents of this resolution insist that the only thing they can offer is six lines of House Joint Resolution 101, giving an extension of life to OPA without any restrictions and without any amendments. I wonder how much meat and lard, butter, sugar, canned vegetables, and canned fruits the housewife could get with House Joint Resolution 101.

There was a film shown about a year ago entitled "Fifty Million Frenchmen Can't Be Wrong." There are 138,000,000 Americans who are not wanting in patriotism who are complaining and denouncing the fumbling and muddling of the OPA and its related agencies in the production, processing, and distribution of food, clothing—especially work clothing and children's clothing—and so forth. Can 138,000,000 Americans be wrong?

If continuation of the OPA without modification would aid the objectives for which the Price Control and Stabilization Acts were passed by Congress, I certainly would follow that course.

THE SECRETARY OF AGRICULTURE AND THE OPA

The Jenkins amendment places all the food activities except rationing—which is merely mechanical—in the hands of the Secretary of Agriculture. This is but reasonable and natural. The OPA

is a new organization and one of the great complaints against it is that they do not have people in charge of the various activities who are familiar with the matters on which they pass judgment. It is more or less of a political organization. Thousands of persons are given positions because of their service to the New Deal cause, and not because of their training and experience in this particular work. On the other hand, the Department of Agriculture is an old, established Department of the Government. Its personnel is made up largely of civil service or career men and women, who got their positions in the Department because of their special training and experience. In other words, the Department of Agriculture is one of the experienced agencies of the Government which has dealt through the years, and still is dealing, especially with problems of agriculture, the production and processing and distribution of food. The new Secretary of Agriculture will be Hon. CLINTON ANDERSON, an able and respected Member of this House. He has had actual experience in the field of production of cattle and sheep. The transfer of food activities to the Department of Agriculture is bound, in my opinion, to bring substantial relief in the near future; while on the other hand, leaving these important food activities in the hands of the OPA means that we go from bad to worse. The American people are entitled to and should have relief.

OTHER AMENDMENTS

The Republicans of the House, aided by a number of Democrats, will insist on other amendments.

The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] a member of the Committee on Agriculture and who has served in the House and on that committee for many years, will likely propose an amendment which will authorize the Secretary of Agriculture to review, within 90 days, any of the OPA orders that have been issued, relating to the production, processing and distribution of foods, so that in the future none of the 22 agencies of the Government dealing with food activities could issue any order or regulation without the approval of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]. Of course the purpose of this is to centralize control of these food activities in the Secretary of Agriculture. This will avoid delays and confusion brought about by the rules, regulations, orders and amendments issued by these various Federal agencies many of which contradict each other.

There will be another amendment offered the House which will provide that the Secretary of Agriculture may license the small slaughterer and small processors and butchers of meat, to slaughter animals, provided of course these slaughter houses and processors observe proper sanitary conditions and slaughter animals that are in good health and suitable for meat, and to permit this meat to flow in interstate commerce; and the Secretary of Agriculture may accept inspections made by State and city and municipal inspectors. Now the OPA inspection must be made by Federal inspectors. This amendment will encourage the production of meat products and will make the meat available to the people in communities and States where the meat is produced and processed. This should bring immediate and substantial relief in the meat shortage throughout the country.

Another amendment will be proposed by the Republicans providing for a just and equitable profit to producers of meat animals and other food products. This was proposed by Senator BARKLEY and adopted by the Senate. We cannot hope to increase our meat and other food products if the producers lose money in producing them.

LEND-LEASE

It is only fair to say that a part of our food shortage is due to the large shipments of lend-lease to Great Britain, Russia, and other allied countries. The administration has not furnished Congress or the country with a breakdown of these lend-lease shipments for the years 1943, 1944, and 1945. We do have a report, however, on food furnished to the Allied countries and lend-lease for the year 1942, and these reports indicate that we sent Great Britain, Russia, and other Allied countries billions of pounds of beef, pork products, lamb and mutton, fish, eggs, poultry, butter, cheese, fruits, vegetables, flour, oatmeal, and other food products. The amount of these food products sent under lend-lease in 1943, 1944, and 1945 greatly exceeded the amounts sent in 1942. Some of these countries receiving lend-lease have not furnished any men nor materials to help carry on the war in Europe or in the Pacific.

The average Russian used oleomargarine instead of butter, but they declined to accept oleo from us and insisted on receiving our butter and we sent millions of pounds of butter to Russia. It is reported that we will send Russia this year 40,000,000 pounds of butter.

Our lend-lease articles of various kinds to Great Britain and Russia and other Allied countries up to January 1, 1945, exceeded $40,000,000,000.

Every American has been willing to aid those allies who were contributing to our war efforts. The law expressly provides that lend-lease can be extended only to those who aid us in our war effort. I regret to say that lend-lease has gone to many countries who have sat in the cheering section but contributed neither men, money, materials nor arms to aid in either defeating Germany, Italy, or Japan. Announcement has been made that the administration will continue to send lend-lease to Russia and some other nations. The war in Europe is over. We must still win the war against Japan. While the administration announces that Russia and some other countries will continue to receive lend-lease, we have no intimation from Russia that she will help us fight Japan. Holland, Russia, Great Britain, and France have quite as much at stake in the Pacific as the United States. We have been furnishing 95 percent of the men and materials in the Pacific war. The President has announced that we must build up an army and a navy strength in the Pacific of 10,000,000 Americans. I am one who opposes sending great quantities of food and other materials to Russia or the other countries unless they help us fight Japan. If we are to continue to shoulder the big load of fighting and whipping Japan, our people should not be called upon to strip themselves of the necessary food products and give them to countries who fail and refuse to help us.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

The Chair recognizes the gentleman from California [Mr. OUTLAND].

Mr. OUTLAND. Mr. Chairman, a few moments ago the gentleman from Massachusetts, our distinguished majority leader, told us about the effects of this amendment upon the businessmen and consumers of America. If we are going to pass an amendment in this Congress dealing with farming or the control of agricultural products it might be well to see what the representatives of the farmers in the United States have to say about it.

I received today a telegram, which I am sure many of you did, signed by Edward O'Neal, president, American Farm Bureau Federation. The House should realize the importance of the statement made by this gentleman. The telegram reads as follows:

> Our board of directors, elected by farmers from all regions of the Nation, recently voted to support renewal of OPA legislation without amendment. We believe existing laws are adequate if properly administered. OPA Administrator Bowles has specifically assured that mistakes will be corrected and that provisions of law safeguarding farm prices and encouraging production will be fully carried out. We view with concern proposed inflationary amendments which would generate dangerous inflationary spiral. Farmers remember it took 20 years to recover from disastrous inflation following World War I. Let us not commit economic suicide now by yielding to inflationary pressures. Respectfully urge your support of House Joint Resolution 101 as reported by committee.

Mr. Chairman, that is the position taken by the president of the leading farm organization of America. If you are going to make changes in the administrative procedure involving farm products it is very wise to consider the words which he gives us. Leaders of our other great farm organizations also have taken the stand for a renewal of a strong and firm price-control policy.

I join with the other Members of the House in paying tribute to our new Secretary of Agriculture. I can imagine no man in the United States better qualified to assume the difficult duties which fall to this particular position. Our colleague is eminently qualified for it. I only hope that during the months ahead when he faces pretty big tasks they will stand behind him as they do today. I suspect, however, that many of the minority Members of this House who today praise the gentleman from New Mexico, CLINTON ANDERSON, will be among the first to criticize and condemn him when troubles arise. They have criticized the other members of our Cabinet, frequently on partisan grounds. What reason do we have to believe that they will not jump

on the gentleman from New Mexico [Mr. ANDERSON] in the same spirit?

Mr. Chairman, the Department of Agriculture is not organized to deal with the difficult problems of price control; the Office of Price Administration is so organized. It would take months for a new division of the Department to make the necessary arrangements to assume the extra responsibilities which this amendment would entail. The gentleman from Michigan [Mr. ANDERSON] has not asked for these extra duties; I doubt that anyone can authoritatively state that it is his desire to assume them. I greatly fear that this amendment is but another smoke screen, masking an attack on our whole price-control program.

Price control is not limited to food; it includes all essential commodities. What logic is there in taking from the Price Control Administration a single group of items and setting them up in a special category? One of the gentlemen who preceded me said that this move was designed to better coordinate price control. I can imagine nothing which would tend more to have exactly the opposite effect. If we adopt this amendment, we will soon be faced with other amendments designed to take this commodity or that commodity also away from OPA and place it in a special category. I can think of nothing which would tend more effectively to break down our whole price-control and rationing structure.

One final word. The gentleman from Illinois [Mr. DIRKSEN], to whom I always listen with the greatest respect, mentioned how much we would all love to have succulent pork chops. Certainly we would; I have not tasted pork chops for several weeks. However, I would prefer not to taste them for another several weeks or several months rather than vote for an amendmment which I am convinced would have a tremendously inflationary effect on our wartime economy. Are pork chops worth that much, my friends?

The scarcities which we face today have been occasioned not by price control but by the tremendous demands of a wartime economy; by the necessity for equipping the greatest Army and Navy in our history, and by the demand for requirements for our allies in this war. We have done a magnificent job of production on all fronts, especially the food front, but in this war it has been inevitable that we must make some sacrifice here at home Let us not break the line now. I urge that this amendment be voted down.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, this amendment offers a new method of procedure. We have no meat on the counter, we have no butter on our tables, and prices are up anywhere from 50 to 300 percent. There is no use kidding ourselves about it. That is true of everything except wheat products or things of that kind. Potatoes are up 75 percent, fruits are up from 75 to 200 percent since 1942.

The OPA has made a failure of this situation and it has not done a single thing except stifle production. The farmers in my territory who raised hogs last winter lost an average of 3 cents a pound. The people who are raising cattle are unable to fatten them and bring them in because of the price situation.

We have a confused subsidy proposition which will run to a total of $2,000,000,000 next year in direct cash at a time when we ought to be stopping inflation. This is $2,000,000,000 in cash to be added to the debt, which means 37½ percent more because the least you can figure is 15 years average payment. At 2½ percent, it means 37½ percent added. Add 37½ percent to $2,000,000,000, and you have $750,000,000 more. The highest estimate of increase that the members of the Committee on Banking and Currency have set out here is $3,000,000,000 increase in food costs to the consumer. Why do we not pay our bills as we go? Why do we not do something about this scarcity?

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GROSS].

Mr. GROSS. Mr. Chairman, the gentleman from California who just spoke and read a telegram from Mr. O'Neal and declared that the American Farm Bureau Federation was the leading farm organization in America surely does not know his farmers. I have known every important farm leader in America for the last 30 years, and Ed O'Neal has sold his farmers down the river for a mess of personal pottage. He has sold his organization out to the New Deal, and they are going to push him out sooner or later for he is not speaking for his farmers. For the gentleman's information may I say that the Grange is the leading farm organization, whose recommendations have always been sound and they are against the OPA "as is." The majority floor leader read you statistics covering a period of 14 years which had to do with increases and decreases and quantities of farm products. That was only half of the story, and it was given with that intent. Had he quoted the prices during that time, he would have made it known, and made it plain that quantities of food products produced during that period increased and decreased as prices rose and fell. When the prices rose supplies increased and vice versa. This proves that the farmer knows how to run his own business.

During the period the gentleman from Massachusetts [Mr. MCCORMACK] referred to, the farmers got along fairly well and food was abundant.

So far as meat is concerned our troubles began when the OPA put an 18-cent ceiling on cattle without establishing a grade. At that price it is not profitable to make beef.

I have fattened cattle for 40 years and I have a remedy for this meat situation and let no one dispute that my plan will not supply the country with good beef. It is this: Put a price, not a ceiling nor a floor, I mean a price, on all cattle dressing above 58 pounds per hundredweight. That will put cattle into the feed lots. Then give the killers the green light. In other words, raise their slaughtering quotas to meet the needs of the consumers. Someone may say, How much higher will that make beef? Well, I have inquired of the packers and they told me that the better grades of beef or the beef coming from these 20-cent cattle would have to sell for about 3 cents a pound more on the present market. They assured me the increase would not be over 4 cents a pound.

Now, would it not be a lot better to have all the meat we need even at an increase of 3 cents a pound and no subsidy than to be spending many millions of the taxpayers' dollars in subsidies, having only half as much meat as we need and having to purchase it in the black market at prices far above anything we have ever heard of?

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, somebody has said that there are only "nine meals between man and revolution," also that a "man is what he eats," and that an "army marches on its stomach."

I am convinced that in the 3 years in which the Office of Price Administration has been trying to handle the food problem they have made a miserable failure. I am sure no one in this House admits that the OPA has been a success in handling the food problem. We have heard the folks on the administration side uphold the OPA this afternoon, but they must have done it with their tongues in their cheeks.

The majority leader spoke about statistics and charts and formulas put out by the OPA trying to convince us that everything was all right. Unfortunately, we cannot eat statistics and charts and formulas. With all the manipulations by the OPA, we are short of food. I would warn the folks supporting the OPA that unless they make some changes in their policies there might be some hungry people in their districts this next year.

Mr. ANDERSON, the new Secretary of Agriculture, is a capable gentleman, but I said to him a few days ago on a radio program, "Unless you have the authority, Mr. ANDERSON, to carry out the responsibilities that are given to you, the authority to carry out the recommendations that you made in your report to this House in your recent food study, then you can expect to go the same way that Wickard and Davis and Jones have gone before you." Chester Davis quit the Agriculture Department because the OPA did not consult him before the rollback was placed on the livestock industry.

I think we ought to give to the Secretary of Agriculture, in all fairness, the responsibility of handling the food problem of the Nation. If that is done many of our difficulties will be eliminated. Place responsibility and authority in one man, not in a score of agencies as at present.

I have a letter here from the Chamber of Commerce in Chadron, Nebr. I will read part of it:

The citizenry have patiently awaited an improvement in the administration of the

OPA. Their hopes fade as each day brings new and startling procedures which the OPA instigates in its futile and desperate efforts to enforce some of its many useless edicts.

Recently in our city members of the OPA swooped down on a couple of our merchants who have operated many years and have established themselves as honest businessmen. Their self-made kangaroo court went through the motion of a regularly established court. A couple of carloads of young attorneys and the judge arrived and held a so-called hearing. These merchants were fined. I beg of you, support the Jenkins amendment and put an end to the confusion and maladministration which now exists.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I rise in support of the amendment.

Yesterday, the gentleman from Iowa [Mr. TALLE] made an effective plea for the continuation of the Price Control Act and in conclusion warned the OPA not to kill the spirit of the men and women of America on the fighting front and on the home front, because, he said, that spirit is the soul of America.

Is OPA destroying the soul of America? Let us see. This week I received a letter from a woman who stated that she had rented a room in her home to help her earn her livelihood. She registered it at $30 per month. The tenant moved out. She cleaned and papered the room and rented it to a war worker for the same price. But the war worker preferred to pay by the week, so he paid $7 per week. After a year he moved out. She received a notice to appear before the Rent Control Board. She was not treated kindly and she was ordered by the Rent Control Board to find the man and refund $4, because 7 times 52 is $364 while 12 times 30 is only $360. She does not know where to locate her former tenant to refund him the $4.

She said in her letter, "Am I a criminal? What have I done wrong?"

Now the pathetic part of the letter was the last sentence which reads: "I am 84 years old."

This week the wife of a laboring man came into my office and protested against the continuation of OPA. I said, "But we must continue it to prevent inflation."

"Why," she said, "we have inflation now."

I said, "What do you mean?"

She said, "Take this shirtwaist of mine. Today it costs three times as much in the same store at it did 2 years ago. The only difference is that 2 years ago it had three buttons and today it has four buttons. It is the same shirtwaist. The OPA is allowing them to get by with that by the addition of one button."

I took this up with a former official of the OPA, together with many other things of a similar character, like cigars, where an increase in price is allowed by changing the name or brand of the cigar.

He said, "That is true, but Congress will not give us the money to hire enough people to check all such violations."

Mr. Chairman, is it not strange that OPA has enough money to persecute an 84-year-old woman, but not enough to prevent inflation?

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, this amendment is not new. As has already been said in the course of this debate, the Committee on Agriculture about 2 years ago reported a bill embracing all the important parts of this amendment. At that particular time the gentleman from Ohio [Mr. JENKINS] introduced a bill embodying these provisions. The gentleman from South Carolina, our late distinguished chairman of the Committee on Agriculture [Mr. FULMER], introduced a similar bill. It has been a bipartisan measure all the way through. I sincerely hope it will be considered as such in the discussion of the matter here today.

There is not any doubt in the minds of any of us who have been studying this food situation for the last 2 or 3 years but what one of the things and perhaps the most important thing that has brought about this sad situation, in which we are now, is the fact that there have been conflicts in authority between the Office of Price Administration and the War Food Administrator and the Secretary of Agriculture. In almost every one of those cases those conflicts have finally been resolved in the Office of the Director of Price Stabilization, and in practically every case these conflicts have been decided in favor of the Office of Price Administration and against the views and opinion of the War Food Administrator.

Now those are the things that have brought about the situation in which we find ourselves today, so far as food is concerned. The two offices exercising authority in that way are incompatible because one of them is going in one direction, that of holding down prices, and the other is going in the other direction of securing production, which to a very large extent is dependent upon prices. They cannot be reconciled. Unless we adopt this amendment we are going to have a continuation of the same situation and food conditions will go from bad to worse.

The CHAIRMAN. The gentleman from Massachusetts [Mr. HERTER] is recognized.

Mr. HERTER. Mr. Chairman, I rise in support of this amendment because I feel it is the key to the food situation in this country at the present time. Having served for the last 4 months with the distinguished Member who is about to become Secretary of Agriculture, having studied this food picture in nearly every State of the Union, where we have held hearings, I know that as far as the morale of the American people is concerned nothing could be more helpful than to secure unified responsibility and control over food. Until we have this, existing chaos and existing shortages will continue.

You have the ridiculous situation today where the OPA fixes ceiling prices and where the War Food Administration fixes support prices. You have the ridiculous situation where the War Food Administration issues slaughtering permits and the OPA today is withdrawing slaughtering permits. You have a situation such as occurred in the State of Washington where we were last week, where the entire cherry crop of the State was about to move, some of it had already moved, and not yet had they been told what price they could charge for them. The same was true of the citrus crop in California.

Over and over again testimony has come to us that the conflict between these agencies has been responsible for many of the bungled situations that have occurred in the food picture. There is no doubt as far as that testimony is concerned.

If the gentlemen on the Democratic side of this House want to give the new Secretary of Agriculture a chance to cope with this problem they will adopt this amendment. It is not a partisan matter. I think if the gentleman were here himself he would tell us so.

Let me cite one instance of the foolishness of what is going on. I hope my good friend, the gentleman from Oklahoma [Mr. MONRONEY], is listening. Ceiling prices were fixed on eggs. Beginning in the spring they were put on a variable basis, going higher and higher until October, with a spread of 17 cents between May and October. It was an open invitation to every speculator in the country to put eggs in cold storage, because there was an absolutely certain profit of 10 cents a dozen in holding the eggs purchased at ceiling price, through until October. Did they go into cold storage? No. Why? Because they were all in the black market. There was not anybody who could buy eggs for speculative purposes or for any other purpose at ceiling price. Hence a scandal was saved. This amendment is the only remedy for the consumer. My district is 100-percent consumer. I know it would, as would the country, welcome a single and responsible control over food.

The CHAIRMAN. The gentleman from South Dakota [Mr. CASE] is recognized.

Mr. CASE of South Dakota. Mr. Chairman, either the power for the Secretary of Agriculture proposed in this amendment will be given him, or the Secretary of Agriculture will fail in the job he is being asked to take on.

After reading the papers last night and this morning, I really expected to see this amendment come from the Democratic side of this House, for I read in the report from Olympia, Wash., yesterday that President Truman said—and I quote:

> The meat situation would be straightened out as soon as Representative ANDERSON, a Democrat, takes over as Secretary of Agriculture and War Food Administrator.

And then the President said:

> The administration is working toward a plan of single control over prices and food.

That is what this amendment proposes. This amendment proposes to give the man who will have the responsibility of getting food the power to produce food and to insure that the food is properly distributed.

The attitude that is being taken by the majority party this afternoon reminds me of a story which the gentleman from Michigan [Mr. HOFFMAN] told

on the floor one day about some people who acquired a cow. They were going to be very saving and ration the milk that came from this cow. So they milked her only when they wanted a drink of milk. They fed her only when it was convenient to feed her, and before long the cow dried up, of course.

The position of the majority Members this afternoon is that we will give the gentleman from New Mexico [Mr. ANDERSON] the responsibility of getting milk from the cow, but will keep in the hands of the OPA the power to determine when she is to be fed and how she is to be fed and how the milk is to be distributed.

The fundamental fallacy in the approach of the OPA-as-is supporters to this food problem is that they see the food problem as merely a problem of price, and they fail to see any relationship between price and production. The thing that needs to be corrected is to centralize this responsibility over the relationship between production and price; the relationship between what you give the machinery of production and what you take from it. To charge WFA with the job of getting food and to set up OPA to work at cross purposes means a mess.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mrs. ROGERS of Massachusetts. The gentleman said "price and production." The gentleman means price, production, and distribution?

Mr. CASE of South Dakota. Yes. I would go further and say that the one person should have control over price, production, and rationing, which includes distribution. So my plea is that you give the gentleman from New Mexico [Mr. ANDERSON] the authority to handle the problem for which you are going to hold him to account.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Texas [Mr. PATMAN].

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from Texas the 5 minutes that were reserved for the committee.

The CHAIRMAN. The gentleman from Texas is recognized for 7½ minutes.

Mr. PATMAN. Mr. Chairman, this Hoover amendment that is proposed by the gentleman from Ohio [Mr. JENKINS] is not new. The Committee on Banking and Currency has consistently turned down this proposal at least three times after full, fair, and careful consideration.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I cannot yield; my time is limited.

On its face it sounds very reasonable and you can make a very fine logical argument in support of it, but on careful analysis you will see that you would be putting the Executive in a strait-jacket. It is true that Mr. Truman, our President, has stated that certain changes should be made; but do not compel him by law to make these changes 100 percent. It is possible he will want to leave some power in the OPA that is now there relating to food and will want to take some away. It is possible that he might want to say something about how these boards will function throughout the country in the enforcement of this law. But if you just say that everything relating to food goes over to the Secretary of Agriculture and everything else stays in OPA, where now you have confusion, you then would have twice as much confusion. Instead of having one board, you would have two boards; instead of having one enforcement officer, you would have two enforcement officers; instead of having one officer go into a store to harass the merchant—if that is harassment and annoyance—under this amendment one enforcement officer would go in on everything except food; and after he left, another officer would go in and say: "I have nothing to do with the jurisdiction of that fellow who just left here. My duties are solely with food and you have got to give me the same information." So if you divide these responsibilities and duties now, you will really be setting up two entirely different, separate, and distinct outfits.

We might just as well get ready to increase the cost of enforcement 100 percent. Instead of having a certain number of officers as we have now, we would have to have double that number. It would take twice the amount of money in order to take care of it.

The gentleman from Ohio [Mr. JENKINS] said that President Truman made some reference about this. He was not pleased with what the President said. He therefore wants to compel him to do certain things. He does not want to leave it to the President to carry them out. I think we should give broad powers to the Executive, because this is an administrative job. It is impossible to write language that it plain enough and definite enough to administer a law through a legislative act. It is not possible; it was never contemplated. So let us leave this to our new President. Instead of trying to put him in a strait-jacket, let him have a little leeway.

Now, you say everything relating to food will go to Agriculture. What is food? Take one commodity, corn. From corn, 250 different commodities are made. Some will be listed as food, some as industrial products. Are you going to have the Secretary of Agriculture and the OPA always in a fight and a scramble as to which one is going to have control and charge of certain commodities where they cannot agree whether it is an industrial product or a food? Scientific research has brought to us much knowledge, possessed for the first time only recently, to the extent that we now see food even made from industrial products, even fiber from mineral products. At what stage of the proceedings will you say and who will say, "Mr. Secretary of Agriculture, you take this part of the commodity as food; the other part goes to OPA." There will be all kinds of confusion.

Furthermore, there was a good reason why certain authority should be divided. One was that if you put all factors affecting food under one person, including price, he would not be thinking about inflation and stabilization much; that is not his duty. His duty is production and distribution of food, and he is going to do everything, increase price and everything else, to bring that about. But in our set-up now the OPA will fix the price, the War Food Administration must agree to it. If the War Food Administration does not agree to it, then the Office of Economic Stabilization must settle the dispute, must be the umpire.

Mr. ANDERSON of New Mexico. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I am delighted to yield to the distinguished gentleman from New Mexico, who will be our next Secretary of Agriculture.

Mr. ANDERSON of New Mexico. Does this amendment vest in the Secretary of Agriculture complete authority over the food situation? Or does it go beyond pricing?

Mr. PATMAN. Complete authority on everything relating to food.

Mr. ANDERSON of New Mexico. I want to say to the gentleman that if it permits the Secretary of Agriculture to state something about agricultural processes he is not going to run away from that responsibility, but he does not want to be a policeman as well.

Mr. PATMAN. Mr. Chairman, the gentleman from New Mexico who just made the statement should know more about it than anybody in this House, because not only will he be Secretary of Agriculture after July 1 but he has been chairman of a food committee that has investigated this thing all over the Nation. He knows what it is all about and he knows how difficult it will be and how impossible of enforcement it will be, how confusing it will be between different departments. They will not know where the jurisdiction of one department ends and the jurisdiction of the other one commences.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. JENKINS].

Mr. TABER. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk reread the Jenkins amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. JENKINS].

The question was taken; and on a division (demanded by Mr. JENKINS) there were—ayes 121, noes 113.

Mr. SPENCE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. BROWN of Georgia and Mr. JENKINS.

The Committee again divided; and the tellers reported there were—ayes 145, noes 142.

So the amendment was agreed to.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The question was taken; and on a division (demanded by Mr. MARTIN of Massachusetts) there were—ayes 132, noes 126.

Mr. MARTIN of Massachusetts. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BROWN of Georgia and Mr. MARTIN of Massachusetts.

The Committee again divided; and the tellers reported that there were—ayes 154, noes 132.

So the motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration House Joint Resolution 101, extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. KELLEY of Pennsylvania asked and was given permission to extend his remarks in the RECORD and include a letter from Capt. Samuel R. Pitetti.

Mr. GARDNER and Mr. WHITE asked and were given permission to extend their own remarks in the RECORD.

Mr. JAMES J. DELANEY asked and was given permission to extend his own remarks in the RECORD and include editorials relative to recommendations made by the Honorable James A. Farley concerning Presidential succession.

Mr. KEOGH asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein a statement issued by Mr. Farley and six editorials.

Mr. ROBERTSON of Virginia asked and was given permission to extend his remarks in the RECORD and include an article by Maj. George Fielding Eliot entitled "Soldierly Devotion."

Mr. GRANGER asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. KOPPLEMANN asked and was given permission to extend his remarks and include an editorial on a statement made by James Farley.

Mr. HOLIFIELD (at the request of Mr. OUTLAND) was given permission to extend his remarks in the Appendix of the RECORD.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the Appendix and include an editorial from the China Lantern.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD and include two quotations.

Mr. CELLER asked and was given permission to extend his remarks in two instances, in one to include a newspaper quotation.

Mr. DINGELL asked and was given permission to extend his remarks in the RECORD and include a brief editorial from the Flint Journal dated June 15, entitled "A Flaw."

WAR DEPARTMENT APPROPRIATION BILL, 1946

Mr. SNYDER, from the Committee on Appropriations, reported the bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes (Rept. No. 782), which was read a first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. POWERS reserved all points of order on the bill.

CORRECTION OF ROLL CALL

Mr. GERLACH. Mr. Speaker, on roll call 106, in the daily RECORD of June 11, I am shown as being absent. I was present and voted "yea." I ask unanimous consent that the RECORD and the Journal may be corrected accordingly.

The SPEAKER. Without objection, the RECORD and the Journal will be corrected accordingly.

There was no objection.

EXTENSION OF REMARKS

Mr. ROBSION of Kentucky. Mr. Speaker, this afternoon after I addressed the committee in reference to House Joint Resolution 101, I was granted permission to extend my remarks. I wish to ask unanimous consent now to include certain letters and excerpts from letters in those remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ANGELL asked and was given permission to extend the remarks he made in the Committee of the Whole today and to include certain excerpts.

Mr. SCRIVNER asked and was given permission to extend his remarks in the RECORD and to include a proposed amendment to the Emergency Price Control Act of 1942.

Mr. GILLIE asked and was given permission to extend his remarks in two instances and to include a resolution of the Allen County Veterans' Organization.

Mr. JENKINS asked and was given permission to revise and extend the remarks he made in committee this afternoon and to include some figures.

Mr. CUNNINGHAM asked and was given permission to extend his remarks in the RECORD and include a radio address.

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD on the pending bill.

Mr. McDONOUGH asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. JENNINGS asked and was given permission to revise and extend the remarks he made in the Committee of the Whole today and to include excerpts from certain letters, telegrams, and other pertinent documents.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the Appendix of the RECORD and to include certain letters, telegrams, and quotations.

Mr. JUDD asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an editorial.

Mr. LAFOLLETTE asked and was given permission to extend his own remarks in the Appendix of the RECORD and to include an address.

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD in two instances and to include a newspaper article.

Mr. CHENOWETH asked and was given permission to extend his remarks in the RECORD on the meat shortage and to include a telegram.

Mr. KNUTSON asked and was given permission to extend his remarks in the RECORD and to include two newspaper articles.

Mr. PITTENGER (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD and to include an article by Marquis Childs.

Mr. SAVAGE asked and was given permission to extend his remarks in the RECORD and to include an editorial.

Mr. SPENCE asked and was given permission to extend his remarks in the RECORD and to include a letter.

Mr. RANKIN (at the request of Mr. MCCORMACK) was given permission to extend his remarks in the Appendix of the RECORD and to include a letter from a veteran.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for as long a time as I may desire today after disposition of the other special orders.

The SPEAKER. It will not be to exceed 1 hour?

Mrs. ROGERS of Massachusetts. It will not exceed 1 hour.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS].

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. MARTIN]?

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, may I inquire of the majority leader if he is ready to inform the Members of the House as to the program for next week?

Mr. McCORMACK. Tomorrow we will continue consideration of the bill that we had up today.

Monday next is District day.

Mr. MARTIN of Massachusetts. If we do not get through with this bill tomorrow, it will go over until Monday?

Mr. McCORMACK. I am hopeful we will get through with it tomorrow. Of course, if we do not, it will have to go over until Monday.

Mr. MARTIN of Massachusetts. We will have to work a little later than 4:30 if we are going to get the legislation through.

Mr. McCORMACK. I want to say to the Members of the House that I had an agreement with the gentleman from Massachusetts [Mr. MARTIN] to continue until 5 or 5:30. An honest mistake has been made, and I want to assure the gentleman that an honest mistake has been made. When I make an agreement I keep it. The chairman of the committee

did not understand that there was an agreement, and no matter what the result may be, I want the situation clarified.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Kentucky.

Mr. SPENCE. May I say that while the gentleman from Massachusetts [Mr. McCORMACK] did tell me he thought we might continue until 5 or 5:30, I knew nothing about any agreement.

Mr. MARTIN of Massachusetts. May I ask the gentleman a question?

Mr. SPENCE. Yes.

Mr. MARTIN of Massachusetts. Why did the gentleman discontinue consideration of the bill when he met his first reverse of this afternoon?

Mr. SPENCE. We do not like reverses.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

COMMITTEE ACTION

The SPEAKER. The Chair desires to make a statement. Hereafter when bills are being read under the 5-minute rule any action taken by committees of the House at meetings during that time will be invalid, and any hearings that they may conduct will not be printed.

PROGRAM FOR NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I might say in answer to the frank statement made by the gentleman from Kentucky and the observation made by the gentleman from Massachusetts, that it was one of those honest mistakes that sometimes take place, and that occur from time to time, and there was no intent involved.

Mr. MARTIN of Massachusetts. I may say to the gentleman from Massachusetts that he has always kept his agreement with me.

Mr. McCORMACK. I thank the gentleman. I want to assure the gentleman that I asked the distinguished chairman of the Committee on Banking and Currency to continue until 5 or 5:30, but he did not realize we had an agreement.

Mr. MARTIN of Massachusetts. He frankly admitted the answer, so we have nothing further to say.

Mr. McCORMACK. Monday is District day. There are several bills on the calendar, namely, H. R. 3201, 2552, 2995, 3291, 2856, 2874, and S. 463.

On Tuesday we will take up the second deficiency appropriation bill. We are hopeful that the War Department appropriation bill will be disposed of tomorrow; if not, that will have priority after District day.

On Wednesday, Thursday, Friday, and Saturday there will come up for consideration: H. R. 511, an amendment to the Nationality Act of 1940; House Joint Resolution 215, authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1; H. R. 3238, readjusting the rates of postage on catalogs and similar printed advertising; H. R. 1270, a bill providing an appeal to the Supreme Court of the United States from the decision of the Court of Claims, known as the Carden claim bill.

Conference reports will also be considered.

Mr. MARTIN of Massachusetts. And the gentleman has read them in the order in which they will probably be called?

Mr. McCORMACK. Yes.

KOREA

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SHAFER. Mr. Speaker, I have requested this time to inquire into our relations or lack of relations with a friendly people—the 30,000,000 people of Korea.

They are the oldest enemies of the Japanese and we, among all western powers, are supposed to be Korea's oldest friend.

It has long been puzzling to me why a mantle of silence—diplomatic silence—should becloud the future of this ancient people.

It is completely beyond my comprehension why, ever since Pearl Harbor, Korea's democratically conceived government, born of the blood of patriots in revolution against the Japs, and Korea's great apostle of democracy, Dr. Syngman Rhee, should be continuously rebuffed by our State Department.

The Korean people love freedom and have shown their willingness to die for it.

The hope of human liberty has been their one candle in the darkness of Japan's long oppression. And all during those 40 years the one man who has tended its flame and held it aloft is Dr. Syngman Rhee.

Is it not singular that this great patriot should knock in vain for the admission of his Government and his country to the Conference in San Francisco of the United Nations?

Perhaps the State Department will answer, forthrightly and honestly, the questions I shall now address to it.

We are all aware of the flurry of rumors about what happened at Yalta.

One of the secrets—the granting of three votes to Russia—has since come out.

Among the other reports circulated was one concerning Korea. You have seen some of these reports in the newspapers or heard them over the radio.

Emboldened by our new Secretary of State's announced policy of frankness to the American people, and his promise that letters of inquiry would be answered honestly and promptly, a citizen of the United States, known to me, wrote Mr. Stettinius on March 23 of this year and asked him whether at Yalta, which he had attended, the United States had assented to Soviet domination and control of Korea.

Sixty days later, this citizen received a reply from one J. M. Colton Hand, Chief, Public Views and Inquiries Section, Division of Public Liaison, Department of State.

This gentleman apologized for the delay in the reply, attributing it to work in preparation for the San Francisco Conference, and said:

> In answer to your question concerning a possible discussion of Korea at the Crimea Conference, I am enclosing a copy of the report on the conference which indicates the subjects discussed there. You will notice that no questions in regard to the Far East are included.

Now, I contend that what Mr. J. M. Colton Hand put down on paper is not an honest answer. It is completely evasive. It is diplomatic double-talk.

Therefore, I come to my first question to the Secretary of State. This is it:

Was Korea discussed at the Crimean Conference at Yalta?

The gallant efforts of Dr. Rhee at San Francisco have caused others to inquire whether some secret agreement was made at Yalta between the United States, Great Britain, and Soviet Russia that involved Korea.

Mr. Winston Churchill, in response to an inquiry in the House of Commons about Yalta secret agreements, said there had been only one—the three-vote present to Russia. Pressed for a frank exposition of what really did occur, Mr. Churchill took refuge in the admission that there were a lot of intimate conversations that he could hardly talk about then and there.

Well, there are more than 1,000,000 American men dead, wounded, and missing, and I am sure their battle cry was not built around the preservation of intimate conversations where liberty, human freedom, and justice are concerned.

Therefore, I come to my second question to the Secretary of State. This is it:

Was there an agreement, a penciled note, a typewritten note, an initialed note, a memorandum, a deal verbally or otherwise, a compact, a pledge, a promise, an arrangement, or even a portion of an intimate conversation by and between Messrs. Roosevelt, Churchill, and Stalin which had as its essence the following:

> Great Britain and the United States agree with Russia that Korea shall remain in the orbit of influence of the Union of Soviet Socialist Republics until after the end of the Japanese war. It is further agreed that no commitments whatever shall be made to Korea by the United States and Great Britain until after the end of the Japanese war.

I have mentioned how an American citizen, asking a simple question about Korea on March 23, had to wait 2 months, or until May 22, for a reply from the Department of State.

I now wish to cite the much prompter service given a noncitizen—a Korean who addressed an identical inquiry to the Secretary of State and to Mr. Anthony Eden, Britain's Foreign Minister.

This Korean, writing on May 8, called these gentlemen's attention to the Cairo declaration of Messrs. Roosevelt, Churchill, and Chiang Kai-shek that Korea would be free and independent in due course. And this Korean asked if anything had occurred at Yalta which would interfere with this pledge.

Now, in all honesty, that Cairo pledge is one of the most dubious sentences ever evolved.

"In due course" may mean any time within the next 2 years or the next 200 years.

Mr. Joseph W. Ballantine, Director of the Office of Far Eastern Affairs of the Department of State, answered the Korean's inquiry just 9 days later. He wrote on May 17 as follows:

In reply to your letter of May 8, 1945, in which you refer to reported Yalta Conference commitments in regard to Korea on the part of the United States inconsistent with commitments of the Cairo declaration, I desire to inform you that there is no basis of fact for the reports in question.

Practically, Mr. Ballantine's reply means exactly nothing. It is on a par with the country weather forecaster who says with mock wisdom, "I see nothing in today's clear weather that would indicate it will snow severely in December."

The British were almost as prompt as our State Department. They conveyed a similar answer under date of May 19.

Neither communication, however, is an answer to my two questions of today. It can be inferred, however, from our State Department's reply that Korea was discussed at Yalta. I drew the same inference from the statement by Acting Secretary of State Grew on June 8.

I want to know the truth, and I know that the Members of this Congress also want to know the truth.

Why, when we were a little Nation of 3,000,000, scattered in sparse settlements along only the Atlantic coast, our love of liberty was such as to command the admiration and respect of the entire world.

Turn back the pages of history. Any man or woman, dedicated to human freedom, found a welcome here in America.

Lafayette was the first. His illustrious successors have been legion. O'Connell, John Boyle O'Reilly, Parnell, are among the company of freedom loving Irishmen. Kossuth, the Hungarian, not only was liberated by us, but was brought to this country aboard an American man-of-war.

Is that spirit dead in our State Department? Does it not realize that the priceless liberty we enjoy constitutes an obligation to assist others?

Why, in days gone by, Americans equipped expeditions to rescue patriots of other nations, and they were acclaimed by our entire people when they reached these friendly shores.

But Syngman Rhee is unnoticed, unaided and rebuffed. The door upon which he knocked at San Francisco was opened for the Argentine, but slammed in the face of this great man.

Is this cold and ruthless treatment in accord with the desires of the 250,000 young American men who have already been killed on foreign soil in defense of American ideals of human freedom?

Is this cold and ruthless treatment in tune with the cheers and tears of the million who have just acclaimed our defenders from overseas—Eisenhower, Patton, Jimmy Doolittle, Spaatz, Omar Bradley and other recently welcomed heroes of liberty?

Is this the flowering heritage of democracy which took root at Runnymede 730 years ago?

I call upon the American people to demand the Americanization of their State Department.

I call upon the State Department not only to answer my questions but to make a living reality of the San Francisco Charter.

Here are some of its vibrant sentences, pulsing with the warm blood of heroes:

To reaffirm faith in fundamental human rights, in the dignity and value of the human person, in the equal rights of men and women and of nations large and small.

All right; what about Korea?

And here's another:

Membership of the organization is open to all peace-loving states.

All right; what about Korea?

One more:

All members * * * shall refrain in their international relations from the threat or the use of force against the territorial integrity or political independence of any member or state or in any other manner inconsistent with the purposes of the organization.

And I ask again, What about Korea?

Are we, for the second time in this century, going to betray the Korean people?

Are we going to forsake them and shatter their dream of democracy?

Are we going to sell them down the river to communism?

I believe the answer to these questions is "No." I believe the churches—Protestant and Catholic—will rise to preserve the worship of Christ, for more than a million Koreans believe His words.

I believe the answer "No" will roar eventually from the 11,000,000 of our men who have engaged in battle on 45 fronts the world over.

I believe they will answer for their comrades who lie at the bottom of the seven seas, on the blood-drenched fields of Europe, in Africa, Asia, the cold and wind-swept Aleutians, and those countless islands of the vast Pacific where the struggle still goes on.

I believe that their answer will be swelled by the answer of the folks at home.

In the security we enjoy because of the virility and courage of our fighting men, backed up by our genius for production and our willingness to work, we have achieved for this Nation a citadel of freedom.

Along the darkened road without, a stranger comes. He knocks and says: "I, too, believe in human liberty and have fought and suffered for it. Will you help me?"

God forbid that door ever remain unopened.

Mr. Speaker, what about Korea?

EXTENSION OF REMARKS

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD in two instances and include a newspaper article.

The SPEAKER. Under a previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for such time as she may desire, not to exceed 1 hour.

THE FOOD SHORTAGE

Mrs. ROGERS of Massachusetts. Mr. Speaker, there has been real suffering because of the shortage of food in my district in Massachusetts and in fact all over the east coast. I am very much interested in talking with different persons in the Government departments to find that man after man and woman after woman has hoped that something would be done to settle this food shortage in order that they might secure food for their own families.

I find a very sympathetic interest in the personnel of the War Food Administration, the OPA, and everybody who is handling food questions, in trying to bring about a better distribution of food. They, too, have great difficulty in securing food for their wives and children. In my opinion, distribution is one of the most necessary things in settling this whole question.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the distinguished lady yield?

Mrs. ROGERS of Massachusetts. I am very glad to yield to the gentleman.

Mr. MURRAY of Wisconsin. I would like to know the real facts as to this food shortage. Is it only local or is there really a food shortage in the East?

Mrs. ROGERS of Massachusetts. Oh, there is a very great shortage.

I told the Congress only yesterday about the situation which incidentally happened to my own secretary who tried in the Lowell shops first to secure meat and then fish or canned meat or eggs or oil or butter and the different fats and sugar, but could secure none of these commodities. Then he thought he could secure some potatoes and have some cold boiled potatoes or hot baked potatoes. He could not get potatoes in any of the shops.

I understand in one of the shops a woman was so anxious to get food for her hungry children she broke the glass, and the other women went into the ice chest to see whether the butcher had any meat. He had no meat and therefore they got no meat.

I am going to read into the RECORD in a moment an editorial from the Lowell Sun entitled "The Cupboard Is Still Bare." Tomorrow I am introducing an amendment to the OPA bill which will provide that no agency or rationing officer shall require any disabled service man or woman to give ration points for food. We talk a great deal about the care of our disabled service men and women. We are giving them enough food and meat and so forth in the various Government hospitals. But when they are discharged from the Army and Navy hospitals or from the Veterans' Administration hospitals they go home to an empty cupboard. We talk frequently how grateful we are to our disabled who have fought so nobly for us, but it is only lip service if we do not provide food in order to keep up the strength and build up the strength of our disabled service men and women. But certainly

we could secure the passage of an amendment which would provide food, what there is of it anyway, for our disabled service men and women.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentlewoman yield further?

Mrs. ROGERS of Massachusetts. Yes, I would be very glad to yield.

Mr. MURRAY of Wisconsin. I can see where there might be some commodity where there would be a shortage but I cannot understand how so many commodities could be short.

Mrs. ROGERS of Massachusetts. It is due to faulty distribution in my opinion.

I understand that there is butter in a great many areas in the United States. Yet it is not distributed and people have not the ration points. I feel that if these service men and women were not required to give points they could at least get the fats and oils when distributed. I have always claimed the OPA should have one set of ration points for meat and another set of ration points for the fats. I felt yesterday when I read the President's statement regarding the new Secretary of Agriculture, our former colleague, Mr. ANDERSON, when he said everything would automatically be all right when he is made Secretary of Agriculture, that he will give him backing. The Jenkins amendment as it was carried today, if it still stands when it goes before the House, will be very helpful. Mr. ANDERSON should be given the added authority which will be very helpful. Certainly, after the President's statement he must and will give him backing. I am telegraphing the President and requesting urgently to place Mr. ANDERSON in office as Secretary of Agriculture immediately and, as he states, thereby end the difficulties in the food situation.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I am glad to yield.

Mr. MURRAY of Wisconsin. I personally think President Truman is right. From my own observation any study of the subject I think that this food could be made available, and that includes meat. If our Government's figures are right and I surely have no reason to question them as to the number of cattle in the United States I think that it could be done.

Mrs. ROGERS of Massachusetts. Yes; I am told there is plenty of food in the country, but it is not being distributed properly.

Mr. MURRAY of Wisconsin. But we cannot do it if you will not let the people kill the livestock and get it to the people to eat. They have to kill the animals.

Mrs. ROGERS of Massachusetts. In some areas they receive no meat and in other areas they have plenty of meat.

Mr. MURRAY of Wisconsin. You cannot expect to get meat in those cities if you do not let the processors kill the animals. You have to let the processors kill the animals.

Mrs. ROGERS of Massachusetts. It is a question of production and slaughtering and distribution. It is not all in the marketing end. Perhaps the Secretary of Agriculture can get it right. I certainly hope so. Members of Congress have a lot of confidence in him.

Mr. MURRAY of Wisconsin. I hope he gets it done.

Mrs. ROGERS of Massachusetts. We gave him additional authority in adopting the so-called Jenkins amendment.

I am going to read an editorial from the Lowell Sun as further evidence of what I have stated regarding the bare cupboard in my district and throughout Massachusetts. From what Washington persons tell me about sending their children away in an effort to secure food I believe it applies to Washington. But I believe there is more suffering in my particular area than in some others in the East. We have a good many war workers who are working in the textile plants making textiles for war purposes, and cottons, woolens, boots, shoes, leather, and wire and many of the very essential materials of war. There are 1,500 persons in Boston & Maine Railroad repair shops to mention just a few of the industries. We must keep up the strength of those people if they are to produce.

The Lowell Sun of Monday, June 18, states in its editorial entitled "The Cupboard Is Still Bare":

THE CUPBOARD IS STILL BARE

Having made a merry mess of things, the War Food Administration may as well admit its uselessness and voluntarily go out of existence, thereby saving taxpayers the considerable cost of maintenance. And the same holds for all other Federal agencies that have dabbled in the food problem and failed to prevent the current critical shortages.

If the United States was not the greatest food-producing Nation in the world, there might be some excuse for this alarming condition. But, since it holds that distinction, there is little excuse for prevailing hardships.

The average American housewife is not only fighting mad; she is thoroughly disgusted. She now begins to realize that these alphabetical bureaus in Washington have been fiddling while the burning question of food has been developing. Now, since most of these agencies have run out of excuses and have cried "There's a war on!" once too often, they apparently expect the people to accept this mild form of starvation meekly and with patriotic resignation.

The American housewife is patient; she is willing to cooperate. She is willing to stand in line, to accept substitutes, and to use leftovers to create new dishes from what is available. But when the time comes that her brood is not able to get enough dietary sustenance, then her patience is exhausted, and she pointedly asks, "Why?"

Her frame of mind is not chastened when she realizes that she has been fooled by a patronizing bureaucracy for several years and that now she must pay the penalty for the plain and fancy bungling by the food experts and political incompetents who have time and again covered their trail of inefficiency by repeated calls upon her patriotic spirit.

As each new shortage developed, she spent longer hours planning, devising, and studying cookbooks and market lists, trying to get maximum nourishment from substitutes, and simultaneously trying to reconcile fluctuating point values with practical home conditions.

There was some satisfaction to it, it is true, for she was confident that her son in uniform and other mothers' sons were enjoying an abundance of the very finest of foods, which was all to her liking.

Then she was dumbfounded to learn that the fare in all domestic Army and Navy camps was not the fabulous variation of food that had been pictured. Still she consoled herself with the thought that probably the choice foods were being shipped to our fighting men overseas.

Again she was wrong. The boys coming home are well fed, it is true, but they have enjoyed no lavish fare that would force the home front down to the bottom of the barrel. They frankly admit that they are aware of no reason for many of the domestic shortages.

Now she is told that the family must pull its belt tighter while the backsliding and high-paid thinkers in the Federal food service think up new excuses for the shortages and new places to send the foods that Americans need and must have.

Silly circulars extolling the dietary virtues of ersatz foods leave her cold—now; sob stories of the plight of this or that country raise slight interest and no wonder.

She feels that she has been fooled once too often by this and that pretext and is no longer willing to accept the words of the Washington prophets on their face value.

She realizes that America could have and should have produced enough so that her family and other families could eat properly. She knows that bungling actually reduced the amount of meat available in the United States and that more bungling allowed one section to live better than another.

She knows that poor planning ended the pork supply and that ineptitude permitted the poultry supply to disappear; she knows that eggs, which ordinarily are available in sufficient quantities to get her by a bad spot or two on her program, have followed other items into the column of scarcities. And now New Englanders are facing a potato shortage.

Fairly, she has reason to be displeased. And she is in no mood to accept smooth explanations and patriotic appeals designed to absolve the incompetents.

When her sons come home on leave from the fighting forces and they must go out to eat because the cupboards are bare, that is the last straw. Many mothers in Lowell have already had that disappointing experience.

So it is time for President Truman and others in Washington to take hold of the situation by giving the heave-ho to the high-paid bunglers and their long retinues of assistants who have so thoroughly jammed up America's food supply program.

Just so long as these bureaus are allowed to function, the food supply will be awry. They may talk of crop spoilage, of the black market, and other reasons, but these are incidental to the principle defect, which is simply the incompetent Federal control system.

Mr. BATES of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MEAT SHORTAGE

Mr. BATES of Massachusetts. Mr. Speaker, in connection with an amendments which I have offered to the Price Control Act, and which is now on the Speaker's desk for consideration of the House, it is unnecessary for me to impress upon the Members of the House the very critical food situation existing in the country, particularly in the heavily populated areas of the East.

Members of Congress are deluged with complaints about the shortage of meat, poultry, and eggs. The governors of the 13 Northeastern States are meeting in New York today in order that they

may discuss this serious situation and what possible remedies may be applied.

We all have a clear understanding of the food needs of our military forces. The shortage of meat for our civilian population, however, demands our immediate attention while this bill is under consideration. In the final analysis Members of Congress are to be held responsible by the people for whatever conditions exist in respect to the food supply.

Are we to stand idly by and permit the present conditions to continue? Or are we going to accept our responsibility and place in the law directives from Congress that we believe will be helpful in improving this situation. It is a critical situation when Members of Congress receive letters of complaints and telephone calls from people enraged because they are unable to get neither meat nor eggs, which are necessary if our people are to retain their health and vigor.

I read in part a letter I received from a man occupying an official position of great responsibility in one of our defense plants. His statement typifies the general feeling which exists in my part of the country. I quote:

I wish to acquaint you with the scandalous condition of the food market in your constituency. Saturday afternoon I tried at seven different stores to buy an egg for the Sunday morning breakfast. There were no eggs. I realize that it is one thing to complain about a situation and that it is something else to act effectively about that situation. I suspect that the food situation is directly the result of stupidity and gross mismanagement on the part of certain members of the Government, and I hope that you will forward my opinion to the responsible parties with the fervent wish that they are as hungry as I. I am of the opinion that people are getting downright angry and thoroughly disgusted and that this situation is definitely reacting against the Government's efforts to sell war bonds.

This statement conveys the true feeling of the people in the populated areas of the East. It is difficult for them to understand why the Government ordered a cut-back of 15 percent in hogs last year and which actually turned out to be 29 percent. The official answer we are getting is that there was a shortage of grain feed. Yet the records from the Department of Agriculture shows 1944 to be one of the record producing years. The cut-back in the hog-raising program, we are told, will result in 24 percent less pork this year than a year ago. We are also told that there will be approximately 11 percent less lamb available this year.

If we are to make up these meat deficiencies, there is only one place we can turn to for relief, and that is by increasing the beef supply. The records show that on January 1 of this year there was nearly a record-breaking number of cattle roaming the ranges and the farms of this country, and only three-fourths of 1 percent under the all-time record of last year. Despite such a tremendous amount of beef available on the hoof, we are informed that the slaughter of cattle this year will only be 5 percent more than what it was a year ago. In the light of what we know to be almost famine conditions in meat in the populated areas of our country, why do we not do something about it and increase this 5 percent to 10 or 15 percent? Why procrastinate and jeopardize the health and well-being of our people? As Members of Congress, why do we not meet this problem head-on and demand that something be done about it? It is our duty and responsibility as representatives of the people to take this matter in hand ourselves and be advised by those who have made an intensive study of this over-all problem.

We are told, and it is admitted, that the shortage of beef is directly due to the fact that those in authority failed to recognize the cost of producing and processing meats. The evidence is clear that hundreds of producers and processors all over the country have gone out of business rather than face bankruptcy because they were held down to a selling or ceiling price which did not permit them to receive the cost of production—and therein, gentlemen, lies the real trouble.

It is well known and generally recognized, and even those in charge in the Administration admit it, but nothing is being done about it. We are just muddling along while the people of our communities go hungry. The question is, What are we going to do about it? Well, we should recognize the philosophy that a man is entitled to the cost which he has paid out in producing meat. Certainly, nobody can find fault with that. The cost should be determined by the OPA. They now have the authority, but are not recognizing it in a way that will produce the volume of meats we need.

We should amend this bill, making it mandatory that those in charge of this administration recognize the elements of cost. To that end, I am in favor of the amendment Senator BARKLEY offered in the Senate. He is the administration leader in that body, and I feel sure he offered the amendment in good faith, feeling it would help to relieve the meat situation in this country. Otherwise, he would not have offered it.

The Barkley amendment to the Price Control Act simply provides that the Price Administrator must maintain fair prices upon beef and fair prices upon pork. It will prevent the Administrator from continuing a policy which OPA has followed from the beginning of price control of insisting that unprofitable prices on beef are justified and should be maintained because the packing industry as a whole was making adequate profits from other products. The Barkley amendment, passed by the Senate with the administration Senators firmly behind it and voting for it, reads as follows:

Provided further, That on and after the date of the enactment of this proviso, no maximum prices shall be established or maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species.

The Office of Price Administration emphasizes that our national supply of meat for civilians equals or exceeds the supply available in the years before the war. The figures of the Department of Agriculture show that at the beginning of this year there were on the ranges and farms of our country over 81,000,000 head of cattle. And yet the supply of meat in our cities has been reduced to famine levels.

What relation does the Barkley amendment have to this problem? Will it aid in correcting this situation? The answers to these questions is that the principle of fair prices for each class of livestock, imposed in the Barkley amendment, is an essential keystone to increased supplies of meat and a fair distribution of the available supplies. Our consumers are dependent upon the packing industry for the processing of meat animals and the distribution of those supplies to our civilians. The inadequate supplies at the present time and the maldistribution of the available supplies can be traced in substantial part to the refusal of OPA to provide fair prices. How can we expect the meat-packing industry to increase its production and to distribute the supplies uniformly throughout the country at heavy losses? The Senate Committee on Agriculture heard the testimony of the meat-packing industry and, incidentally, also that offered by the OPA, and on basis of this testimony made the following finding in an interim report issued May 15:

The committee are convinced from the testimony that at the present time substantial losses are being incurred by processors on both beef and pork operations. Many small packers have been forced to close, curtail their operations, go broke, or go "black," because of their inability to continue to take these losses. The Office of Price Administration officials have assured this committee from time to time that they would correct these inequities administratively. In the case of pork an announcement was made which purported to make pork operations profitable. The Office of Price Administration has since admitted that such relief was inadequate. Later they announced their 10-point program for beef which they said made beef operations profitable. Testimony produced before this committee clearly established that this program causes packers greater losses than they were sustaining under the program it superseded. This committee believes processors should have a margin of profit for processing of each species of livestock. In view of the recent court decisions, Congress must amend the Emergency Price Control Act so that it will be unmistakably construed in that manner. This committee, therefore, recommends that the Banking and Currency Committee of the Senate, which now has before it a bill to extend the Price Control Act, incorporate in that bill an amendment that will accomplish this result.

The present meat situation is not surprising in view of OPA pricing policies which have required the packing industry to produce meat at a loss. In order to get relief the packing industry brought this matter to court. In one of the cases, the court specifically found that the OPA prices on fresh beef had constituted a substantial impediment to the slaughtering of cattle. The Court said:

It seems clear that the established maximum prices during the period now in question constituted a substantial impediment to the slaughtering of animals yielding carcasses of the grades required by the Government contracts. With results so unfavorable in the better grades, the natural consequence was a greater concentration on the slaughter

of the lower and less expensive grades yielding the type of meat found in sausage, hamburger, canned meats, and other processed products.

There can be no question that OPA has followed for the industry generally a pricing policy on beef which for most of the industry has required the production and sale of meat below the cost of production. This was, in effect, admitted by OPA when they found it necessary to pay a subsidy of $8 per head to those companies which had no other sources of income; and the Court found that this subsidy payment was inadequate to cover the costs of production on beef slaughter.

Beginning in January of this year, OPA has taken some steps to eliminate the heavy losses to the wholesale meatpacking industry in the production of fresh beef. Subsidies to slaughterers were increased in January. The losses, while reduced somewhat, continued. Effective May 1 additional subsidies were paid on beef, but heavy losses continued. This was the so-called "10-point program" announced by OPA and the Office of Economic Stabilization which purported to straighten out the matter and place the packing industry on a fair and proper basis. The Senate committee found that the 10-point program was wholly inadequate, and the Food Investigation Committee of the House, headed by the gentleman from New Mexico, Representative ANDERSON, made the following finding regarding it in its report dated May 1:

> The program will not restore confidence among producers, and under it legitimate producers and distributors are still required to lose substantial sums in order to comply with ceiling prices. It will take more than half-way measures to secure additional meat for the people and stop black-market operations.

The record of OPA is one of establishing and maintaining on essential meat products prices below the cost of production. This policy produces its inevitable result of shortages and maldistribution. An essential part of any program to increase meat production is to correct the below-cost price policy of OPA. The Barkley amendment makes this policy mandatory on OPA. Price Administrator Bowles in a letter to Senator THOMAS has, at this late date, stated his willingness to establish fair prices on the products obtained from each species of live animals as would be required by the Barkley amendment. In view of the OPA record, there can be no assurance that this policy will be followed unless the Barkley amendment is written into the Price Control Act and made mandatory.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BATES of Massachusetts. I yield.

Mr. MURRAY of Wisconsin. It is a serious situation but I just wonder whether we have taken all factors into consideration. We must remember that 1942 was the first year for 30 years that this country furnished its own beef with the exception of possibly a short time during World War I. So we started at scratch. We have been fortunate that this has not happened before this; and I might say that if the Tydings amendment had not been more respected during the last 3 years than it has during the last 3 months we would have had this shortage many months ago. I ask the gentleman if he does not believe that.

Mr. BATES of Massachusetts. I think there is a great deal in what the gentleman says.

Mr. MURRAY of Wisconsin. You just cannot get food by wanting it; you must produce it.

Mr. BATES of Massachusetts. The gentleman is right. But we must also realize that there are a greater number of cattle on the hoof today than ever in the history of this country, yet they are only going to permit a slaughterer 5 percent above that of last year. At the same time there is going to be a 24-percent reduction in the slaughter of pork.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 100. An act to authorize an exchange of certain lands with William W. Kiskadden in connection with the Rocky Mountain National Park, Colo.; to the Committee on Public Lands.

S. 199. An act to authorize the conveyance of certain public lands in the State of Minnesota to such State for use for park, recreational, or wildlife-refuge purposes; to the Committee on Public Lands.

S. 438. An act authorizing the Secretary of the Interior to partition certain lands in Cleveland County, Okla., and for other purposes; to the Committee on Indian Affairs.

S. 447. An act to reduce the rate of interest on loans secured by United States Government life insurance to 4 percent per annum; to the Committee on World War Veterans' Legislation.

S. 480. An act to authorize the sale of the allotment of Henry Keiser on the Crow Indian Reservation, Mont.; to the Committee on Indian Affairs.

S. 489. An act for the relief of Caffey Robertson-Smith, Inc.; to the Committee on Claims.

S. 524. An act to provide for one national cemetery in every State and Territory and such other national cemeteries in the States, Territories, and possessions as may be needed for the burial of war veterans; to the Committee on Military Affairs.

S. 543. An act for the relief of Felix Frederickson; to the Committee on Claims.

S. 626. An act for the relief of William D. Warren; to the Committee on Military Affairs.

S. 709. An act authorizing and directing the Secretary of the Interior to issue to Peter A. Condelario a patent in fee to certain land; to the Committee on Indian Affairs.

S. 711. An act for the relief of Ernest L. Fuhrmann, to the Committee on Claims.

S. 715. An act to provide more efficient dental care for the personnel of the United States Navy; to the Committee on Naval Affairs.

S. 716. An act to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942; to the Committee on Claims.

S. 727. An act for the relief of the commissioned officers of the U. S. S. *Saint Louis* during the Spanish-American War, May 18, 1898, to September 2, 1898; to the Committee on Naval Affairs.

S. 732. An act for the relief of Ensign Elmer H. Beckmann, United States Naval Reserve; to the Committee on Claims.

S. 805. An act to insure further the military security of the United States by preventing disclosures of information secured through official sources; to the Committee of the Judiciary.

S. 888. An act to authorize the exchange of certain lands in the vicinity of the War Department Pentagon Building in Arlington, Va.; to the Committee on Military Affairs.

S. J. Res. 4. Joint resolution authorizing the erection on public grounds in Springerville, Ariz., of a memorial to Gustav Becker; to the Committee on Public Buildings and Grounds.

S. J. Res. 31. Joint resolution relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes; to the Committee on Public Buildings and Grounds.

S. J. Res. 51. Joint resolution granting permission to Charles Rex Marchant, Lorne E. Sasseen, and Jack Veniss Bassett to accept certain medals tendered them by the Government of Canada in the name of His Britannic Majesty, King George VI; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock and 2 minutes p. m.) the House adjourned until tomorrow, Saturday, June 23, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

There will be a meeting of the Committee on the Judiciary at 10 a. m. on Monday, June 25, 1945, to continue hearings on the following bills with respect to Federal administrative procedure: H. R. 184, H. R. 339, H. R. 1117, H. R. 1203, H. R. 1206, and H. R. 2602. The meeting will be held in the Judiciary Committee room, 346 Old House Office Building.

The hearing previously scheduled by the Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary for Friday, June 15, 1945, will be held on Monday, June 25, 1945, at 10 a. m. The hearing will be on the provisions of the bills (H. R. 33 and H. R. 3338) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto (referees—method of appointing, compensation, etc.), and will be conducted in the Judiciary Committee room, 346 Old House Office Building.

There will be a meeting of Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m. on Wednesday, June 27, 1945, to continue hearings on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

584. Under clause 2 of rule XXIV, a letter from the Secretary of War, transmitting a draft of a proposed bill to authorize payment of certain claims for

damage to or loss or destruction of property arising from activities of the War Department or of the Army, was taken from the Speaker's table and referred to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GOSSETT: Committee on Immigration and Naturalization. H. R. 3466. A bill to amend the Nationality Act of 1940 to preserve the nationality of citizens residing abroad; without amendment (Rept. No. 780). Referred to the House Calendar.

Mr. SNYDER: Committee on Appropriations. H. R. 3550. A bill making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes; without amendment (Rept. No. 782). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, a report of a committee was delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LUTHER A. JOHNSON: Committee on Foreign Affairs. H. R. 3417. A bill for the relief of Clarence J. Spiker and Fred W. Jandrey; without amendment (Rept. No. 781). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Missouri:

H. R. 3544. A bill to repeal the Federal use tax; to the Committee on Ways and Means.

By Mr. BRADLEY of Michigan:

H. R. 3545. A bill to repeal the automobile-use tax; to the Committee on Ways and Means.

By Mr. FARRINGTON:

H. R. 3546. A bill to confer United States citizenship upon certain inhabitants of American Samoa; to the Committee on Immigration and Naturalization.

By Mr. DE LACY:

H. R. 3547. A bill to authorize the location and construction of a highway to Alaska; to the Committee on Foreign Affairs.

By Mr. BARTLETT:

H. R. 3548. A bill to authorize the location and construction of a highway to Alaska; to the Committee on Foreign Affairs.

By Mr. PLUMLEY:

H. R. 3549. A bill to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.; to the Committee on Agriculture.

By Mr. HARTLEY:

H. R. 3551. A bill to provide for a postage rate on books identical with the rate enjoyed by newspapers and magazines under second-class privileges; to the Committee on the Post Office and Post Roads.

By Mr. JACKSON (by request):

H. R. 3552. A bill to reserve certain land on the public domain in Utah for addition to the Kanosh Indian Reservation; to the Committee on Indian Affairs.

By Mr. RANDOLPH:

H. Con. Res. 64. Concurrent resolution to express approval of expansion of the air transportation system in the United States to include the smaller cities and towns; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON:

H. Res. 300. Resolution providing for the consideration of House Joint Resolution 215, a resolution authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of New York:

H. R. 3553. A bill for the relief of John Tatko; to the Committee on Military Affairs.

By Mr. BENNETT of Missouri:

H. R. 3554. A bill for the relief of Fred C. Liter; to the Committee on Claims.

By Mr. BENNET of New York:

H. R. 3555. A bill for the relief of Joseph T. Kemmerer; to the Committee on Claims.

By Mr. CARLSON:

H. R. 3556. A bill for the relief of Mr. and Mrs. Glen Rothenberger; to the Committee on Claims.

By Mr. CRAWFORD:

H. R. 3557. A bill granting a pension to Eleanor R. Gage; to the Committee on Invalid Pensions.

By Mr. HAND:

H. R. 3558. A bill for the relief of the Anchor Insurance Co., the National Union Fire Insurance Co., and the Seaboard Fire Insurance Underwriters; to the Committee on Claims.

PETITIONS, ETC.

Under clause I of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

991. By Mr. COCHRAN: Petition of Herbert Dieckhaus and 301 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

992. Also, petition of H. C. Logan and 320 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

993. By the SPEAKER: Petition of president, American Marketing Association, petitioning consideration of their resolution with reference to the statistical program of the Bureau of the Census; to the Committee on the Census.

HOUSE OF REPRESENTATIVES

SATURDAY, JUNE 23, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord God, who art the light behind earth's shadows and hearest those of a contrite heart, we humbly pray Thee to lift us above the promptings of self. Clothe us with that high integrity of purpose that shall be a spiritual reserve sufficient to bear all strain. We praise Thee that Thou art our Father, and the silver cord that binds us to Thy throne cannot be broken.

In the discipline of life, which is so often severe, give us strength to be patient and tolerant; in this school of experience, comfort us in the truth that we are guarded and sheltered in the folds of divine care. Through faith and perseverance lead us on to devise ways and means that shall inspire devotion and shall give patriotic incentive to our fellow citizens everywhere. In the name of our blessed Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

FAIR COMPENSATION FOR USE OF BUILDING BY THE UNITED STATES

Mr. LANHAM. Mr. Speaker, I ask unanimous consent that the bill (H. R. 3416) to provide fair and just compensation for the use of any building, as defined in this act, by the United States and to provide for mutual cancellation rights between the lessor and the lessee, for the use of such building where governed by a written lease executed after December 7, 1941, which was referred to the Committee on Public Buildings and Grounds, be rereferred to the Committee on Military Affairs. It is evidently a substitute for H. R. 2982, which was referred to the Committee on Military Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. McKENZIE asked and was given permission to extend his remarks in the RECORD.

Mr. BROWN of Georgia asked and was given permission to revise and extend his remarks and include a statement from the United States Department of Agriculture showing a comparison of cost of production, parity price, and average price received by farmers for certain basic commodities.

Mrs. DOUGLAS of Illinois asked and was given permission to extend her own remarks in the RECORD and to include a proclamation by Mayor Edward J. Kelly, of Chicago, designating next Monday, June 25, 1945, as Fair Employment Day in Chicago.

Mr. DOYLE asked and was given permission to extend his own remarks in the RECORD.

Mr. TRAYNOR asked and was given permission to extend his remarks in the RECORD and to include an editorial.

Mr. CRAWFORD asked and was given permission to extend his remarks on the pending bill and to include a letter received by him from Chester Bowles, Administrator of OPA, and Mr. CRAWFORD'S reply thereto, and excerpts from certain other letters.

Mr. TIBBOTT asked and was given permission to extend his own remarks in the RECORD and to include two editorials.

Mr. MILLER of Nebraska asked and was given permission to extend his own remarks in the Appendix of the RECORD and to include resolutions adopted by the Nebraska Stock Growers' Association.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and to include a statement by William J. Murphy, dairy commissioner of the State of North Dakota.

Mr. WELCH asked and was given permission to extend his own remarks in the RECORD and to include a statement made by him before the War Labor Board with reference to wage differentials on the Pacific coast.

Mr. HORAN asked and was given permission to extend his remarks in the RECORD and to include an article on Wartime Performance of the Western Pine Industry.

Mrs. LUCE asked and was given permission to extend her own remarks in the Appendix of the RECORD.

Mr. FARRINGTON asked and was given permission to extend his remarks in the RECORD and to include two separate statements on two bills introduced in the House and also to include a speech by the Governor of Hawaii.

Mr. McDONOUGH asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an article from the Christian Science Monitor.

PERMISSION TO ADDRESS THE HOUSE

Mr. MURPHY. Mr. Speaker, I ask unanimous consent that on Thursday next, after disposition of business on the Speaker's desk, and at the conclusion of any special orders heretofore entered, I may address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REINSTATEMENT OF H. R. 1953 ON PRIVATE CALENDAR

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent that the bill, H. R. 1953, be reinstated on the Private Calendar. This bill was objected to some weeks ago. I have conferred with the other objectors and they are in accord with this request.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that on Wednesday next after disposition of business on the Speaker's desk and at the conclusion of any special orders heretofore entered I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

REPORT ON S. 807

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that I may have until midnight to file a report on the bill S. 807.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. LARCADE asked and was given permission to extend his remarks in the RECORD.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include a statement by Mr. Chester J. Nicklas before the Select Committee on Postwar Military Policy.

CALL OF THE HOUSE

Mr. LANE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 118]

Allen, Ill.	Gibson	Price, Ill.
Andrews, N. Y.	Gifford	Reed, N. Y.
Baldwin, N. Y.	Granger	Rivers
Barden	Grant, Ind.	Rodgers, Pa.
Bell	Gwinn, N. Y.	Roe, Md.
Bloom	Hancock	Roe, N. Y.
Boren	Hébert	Sabath
Bradley, Mich.	Hobbs	Sadowski
Cannon, Fla.	Holifield	Sasscer
Case, S. Dak.	Hook	Sharp
Clark	Jarman	Sheppard
Clason	Johnson, Calif.	Sheridan
Coffee	Johnson, Ind.	Short
Cooley	Kilburn	Sikes
Crosser	Lynch	Simpson, Pa.
Curley	Mansfield, Tex.	Smith, Maine
Dawson	Martin, Iowa	Whitten
Durham	May	Wilson
Earthman	Mott	Winter
Eaton	Peterson, Ga.	Wolfenden, Pa.
Elsaesser	Ploesser	Woodrum, Va.
Fellows	Plumley	Worley
Flannagan	Powers	

The SPEAKER. On this roll call 360 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENDING PRICE CONTROL AND STABILIZATION ACTS

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of House Joint Resolution 101, extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of House Joint Resolution 101, with Mr. COOPER in the chair.

The Clerk read the title of the joint resolution.

Mr. SPENCE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SPENCE. Mr. Chairman, I would like to know how many amendments are now on the Clerk's desk.

The CHAIRMAN. There are now 17 amendments on the Clerk's desk.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California: Page 1, line 9, insert the following new section:

"SEC. 4. The Administrator shall follow the general policy of removing price ceilings on any particular commodity wherever there is substantial evidence that the supply of such commodity in the United States is and can reasonably be expected to remain equal to or in excess of the demand for such commodity: *Provided further, however,* That so long as there exists monopolistic control of such supply of any commodity, price ceilings need not be removed as to such commodity under the terms of this section."

Mr. VOORHIS of California. Mr. Chairman, I want to appeal in connection with this amendment to both sides of the House, to those Members who are concerned about the gearing in of the price-control program to the problems of reconversion, and likewise to those people who are concerned lest some day the whole price-control program might suddenly be abolished, or not continued, with disastrous consequences if that were done at too early a date. This amendment goes to the very heart of the price-control problem and the reconversion problem.

My amendment says, in effect, to any industry or to any group of producers: To the extent that you bring your production up equal to the needs of this Nation for your particular commodity, then and at that point price controls will be lifted as to that particular commodity. A number of Members have spoken of encouraging increased production. Certainly this amendment is the most direct possible way to contribute to that end.

Now, what is the theory of price control? The theory of price control is that in war times there exists an inordinately high level of effective demand for goods, and with that inordinately high demand a short supply, because a large amount of production has to go to the war, and as to the balance of that production there are many people entering the market as buyers that could not enter it before. I have read statements by Mr. Chester Bowles and others about the problems of price control, and I do not think I am doing violence to the basic principle enunciated by them when I say that that basic principle is to prevent a situation where people controlling a short supply relative to the demand for goods will not be able to take unfair advantage of the situation. The general point of view expressed has been that the time to remove these controls is when the supply equals the demand or exceeds it. If my amendment is adopted, Congress will be simply saying that as to abundant commodities price ceilings shall be gradually removed. This can be done without danger to consumers. For under those circumstances we would have effective competitive conditions to keep prices down and an abundant supply relative to demand. On the other hand, Congress will be laying down the fundamental principle that so long as the supplies of any commodities remain short, or so long as monopolistic control of that supply exists, price control shall be maintained. Thus we would be taking an important step in protecting the Nation against the danger of a sharp, sudden destruction of the price-control structure at a time when it was premature.

I believe, Mr. Chairman—and if I did not believe it, I would not have offered the amendment—that this amendment will be helpful both as a reconversion measure and to the basic integrity of the

price-control program as long as it is needed, because I think that with this amendment put into operation we would be giving the most important assurance of all to the producers of this Nation as to what future course to expect. They would know that increased production is the key to working our way out from under price-control regulations. I believe this also would make it much easier to effect the enforcement of the law as time goes on.

Someone may say in arguing against my amendment, "But it would be very difficult to determine whether the supply was equivalent to the demand." Now that is not true. I have been sitting on the Committee to Investigate Executive Agencies in the past few weeks, and we have had an abundance of testimony in regard to textiles, for example, which indicates that the Government agencies know precisely how much, or within a very small possible margin of error how much is going to be required for normal civilian requirements. Such figures are widely available as to most important commodities throughout the Government.

Nor would my amendment result in increased prices. I believe the opposite would be the case. For as long as ceiling prices are in effect everyone handling the commodity in question will seek to get and usually will get the ceiling price. Under my amendment prices of abundant commodities would be allowed to find their natural level, which might well be somewhat below the ceiling in at least many cases.

Mr. Chairman, I appeal to the House to consider the basic soundness of the amendment which I offer. The addition of this amendment to the resolution will give us the one sound method of reconversion from over-all price control to a continuance of it only in those cases where actually necessary in the future. It will give us a program which will be more readily enforceable by OPA perhaps, than the present program is, since it will be progressively simpler. It will enunciate the basic principle of price control. Above all, perhaps, it will offer encouragement to increasing production, which, together with taxes, is the one basic solution to the inflation problem.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment. This is a highly involved and controversial amendment. It has never been submitted to the Committee. I ask for an immedite vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. VOORHIS].

The amendment was rejected.

Mr. HARTLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARTLEY: At the end of the resolution add a new section as follows:

"No maximum price order shall be issued or continued in effect requiring any seller to limit his sales by any weighted average price limitation based on his previous sales."

Mr. HARTLEY. Mr. Chairman, this amendment would prohibit orders of the type of MAP, which stands for maximum average price. MAP is the super-duper of all price regulations which OPA has put out. It provides that all garments shall be classified into groups or categories as set up by the OPA. Each manufacturer must examine his records for the year 1943 and determine what his total dollar sales were in each group. Then he finds the total number of garments that he sold in each group. Then for each category he divides the total dollar sales by the total number of pieces sold in order to find his maximum average price for each category. The manufacturer is required by SO–108, which is the first of these MAP orders, to so schedule his production in each quarter of the year that the total dollar sales divided by the total number of pieces sold in each specific category does not exceed his maximum average price for that category. In the event that the manufacturer exceeds his MAP at the end of the quarter, then the maximum average price for the category automatically becomes his highest price at which he may sell any garment in the category or he is subject to a fine of three times the amount by which he exceeds the maximum average price.

In order for MAP to work, three things are necessary:

First. Materials must be available in the same supply as they were in 1943 and at the same price.

Second. Labor rates must be the same as they were in 1943.

Third. And the sales volume of the manufacturer must be relatively the same.

Not one of these conditions can be met currently. Materials are in the shortest supply of the history of the needle industry, and those materials which are available are at the highest prices. The Bureau of Labor Statistics figures on labor rates and take-home pay in the women's and children's outerwear apparel industries alone show an increase of roughly 35 percent since 1943.

Now, no one is quarreling with that. But the condition does exist and should be recognized. As far as volume is concerned, with the textile supply situation as critical as it is, it stands to reason that the manufacturer cannot currently produce as many garments as he did in 1943 because he does not have the fabric to make them.

We have heard a lot during this debate about the black market in meats. We have heard a great deal about the meat famine. Let me read to you from an article by the distinguished business editor of the New York Times, Mr. Hughes, in which he says:

Keep apparel prices from joining meat prices on the front page. Meat stores are closing now. The same is held to be in store for clothing and apparel shops within a few months.

So I say to you, unless you want the same condition to prevail in the needle industry, then do something about it and vote for this amendment which I have offered.

I would like to call the attention of the committee to another thing. I have here a wire from J. B. Bachofer, of the Donnelly Garment Co., which reads, as follows:

At Industry Advisory Committee meeting held May 2, 1945, with OPA for house dresses $24 and above, Mr. Levitties, presiding official, transcript of conversation was taken. In this meeting Industry pointed out we could not operate under MAP and asked to have it revoked. Also asked tolerance adjustments, etc. After 6 weeks nothing has been done. Levitties admitted we could not operate under MAP with the materials that are available but stated MAP would not be revoked because word had come down from above that it would not be revoked. If this order is not changed by October 31, which is 1 month after the first quarter ends, we believe most of the people in our industry will either have to operate in violation of the order or quit business.

Mr. Levitties is the assistant chief of the textile division.

My amendment is not only supported by the entire textile industry but by the labor group as well; over 1,000,000 workers in the textile industry are supporting this amendment.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 30 minutes and that the last 5 minutes be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ELLIS. Mr. Chairman, I move to strike out the last word.

Mr. ELLIS. Mr. Chairman, I wish to emphasize the fact that most of us believe in the wisdom and necessity of price control during the war emergency, and we further believe in fair and equitable rationing of scarce commodities as long as the scarcity exists.

Many of the OPA officials are trying to do a good job, but there are too many in there who are plainly hostile to private property and free enterprise. They like the totalitarian way of doing things. As has been said, "They are trying to put over a secret and economic revolution while our attention is diverted by the war."

There is no question in anyone's mind but what the food shortage, particularly in meat and sugar, is now an accomplished fact—brought about by the bureaucratic bungling and maladministration of the Emergency Price Control Act and the Stabilization Act by the OPA. The sooner public indignation compels the President to get these communistic lice out of Uncle Sam's beard, the greater will be our war production and the less inflation we will have.

Statistics disclose that during the past 4 years there has been 507,100 mortalities in the various classifications of small business. On all of our desks are appeals from American citizens pleading for the relief that will save them from destruction.

This week there was a manufacturer from my home town here on this very mission. The plant employs 200 people and will be closed if some adjustment in

price ceiling is not granted. There are thousands like him, and we hear them talk about 60,000,000 jobs.

The daily shopping experience of the average American housewife is, indeed, very trying. She stands all day in line for a pittance of meat, if any at all, and is frequently told she can go into the black market and get what she wants if she is willing to pay four or five times the ceiling price. It is difficult for us to believe this has happened in this great country of ours.

Few people are having beef with any degree of regularity. Our meat fare is confined largely to hot dogs and soupbones. Thus, we are reaching the climax of the food shortage of which we have been warned for 2 years. This condition cannot improve before next spring. Not even our new Secretary of Agriculture can remedy the accumulation of errors in judgment, which are being brought to fruition, in time to do any good this year.

The headlines in the papers of yesterday and today should impress all of us that something is wrong.

Eighty cattlemen from Southern States denounce regulations on slaughtering. Their spokesman, our distinguished colleague from Virginia, said:

> There is plenty of meat. It's just that these complicated OPA rules are making it more and more impossible to get it on the people's plates.

All we are trying to do now is to correct the rules so that these conditions will be alleviated. The Government simply made every possible mistake in the management of the production of food for the last 18 months. A better management cannot bring results before 1946.

What has happened to cattle to make beef practically extinct is typical. The cattlemen came to Washington last winter and pleaded that the ceiling price had been fixed so low as to make the production of beef unprofitable all along the line. Yet not until a few weeks ago did the OPA raise the ceiling prices. Meanwhile, the regulations had caused the destruction or failure of production of a great quantity of our normal supply of beef.

Ordinarily, the range cattle from the West are taken by feeders in the Central States and these men put 200 to 500 pounds on the cattle, feeding them corn, silage, meals, and such. But the obstinacy of the OPA in retaining low ceiling prices served notice on these feeders that they could not make enough money to make their part of meat production worth while. Incidentally no ceiling was put on the cost of feed which they had to buy and the rise in feed prices further hampered their operation. Their labor was drafted and they could not get machinery replacements, so the cattle went to market without further feeding and millions of pounds of beef was lost to the consumer.

The grass-fed steers give only about 40 percent usable meat whereas lot feeding gives 60 to 65 percent. The same mistake has been made in hogs and poultry.

The Government foolishly expected an overproduction. They urged farmers to sell their sows instead of producing pigs, and this cut all production 30 percent this year. They urged poultry producers to sell chickens and many hatcheries closed. What we need is good management but there is no evidence that we will get it.

Facts and cases have been recited on this floor for 3 days and could be recited for many days to come. The facts are before us and it seems that the situation has gone far enough.

The Congress hoping for intelligent management has permitted this agency a free hand in the adoption of its regulations. The OPA Administration and not Congress has been responsible for the details of these regulations. It has had every opportunity to put its affairs in order and create a suitable and sane method of operation. But it has failed and now the people are expecting the Congress to provide sensible direction.

We do not forget for a moment our men on the battle fronts who have faced dangers and great privations. It is for them we have the greatest concern. We are not complaining about minor discomforts—and every sacrifice will be made—but we cannot overlook our responsibility to our country and the coming generations.

It is the duty of this Congress to take the necessary steps now to insure our people at home, and our soldiers abroad, good food and plenty of it.

Mr. HAYS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the maximum average price order must be considered in connection with War Production Order M–388. The purpose of these two orders, which were issued about the same time, is to assure those who cannot buy high-priced garments of a supply.

The Congress concluded last year in adopting the Hartley amendment against the highest-priced-line order that such action would not threaten the supply of reasonably priced clothing. This was an effort on the part of the War Production Board and the Price Administration to meet that situation. I know it is not the intention of this House to deprive our consumer groups of reasonably priced apparel. Here then is a reasonable effort, an effective effort, on the part of two responsible agencies to assure that continuation.

I have here a telegram from the National Congress of Parents and Teachers' legislative committee. This organization has been in close touch with the problem. The telegram is addressed to the chairman of our committee, and I quote from it:

> The National Congress of Parents and Teachers, which with its nearly three and a half million members is one of largest consumer groups in country, urges defeat of Hartley amendment to Price Control Act. * * * Our organization has worked hard to keep materials which should be used for children's clothes, women's medium-priced dresses, and men's work clothes from being diverted into production of luxury upgraded items.
>
> MRS. MALCOLM MCELLAN,
> *Chairman, Legislative Committee.*
> JACKSONVILLE, FLA.

Yet these orders would not deprive the manufacturer of a reasonable profit. The moment any manufacturer's price falls below 102 percent of his cost the price must go up.

You have two controls. First, the War Production Board order which allocates these goods to the lower-grade items, which means there will be a supply of low-priced garments, and, secondly, the OPA order which protects both the consumer and the manufacturer. But you say the order is holding down production. The moment you change that what happens? You get lower-quality goods going into the higher-priced items, so that you have high-priced beach pajamas and evening clothes where you should have overalls and ordinary garments.

That is the sole purpose of these two orders. If anyone is worried that price control is adversely affecting the profits of textile manufacturers, let me give you the record. The average annual profits for 199 textile mills in the 1936–39 period were $27,274,000. In the 1944 period the total profits were $205,952,000, or a gain in profits of 764 percent. But it might be urged that that was an inventory profit. All right. Take out the inventory profit in 1944 and you had an increase from the 4-year average which I mentioned to $120,310,000, or a 444-percent increase.

Now, Mr. Chairman, this is a simple question we are deciding in passing upon the amendment submitted by the gentleman from New Jersey [Mr. HARTLEY].

Mr. HARTLEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield.

Mr. HARTLEY. We all recognize that the purpose of those combined regulations, 388 and MAP, are to get lower priced goods on the market, but does not the gentleman know that WPB has answered that in its order 328–B, which has always worked well and which the industry is willing to accept?

Mr. HAYS. The gentleman is honestly mistaken. The industry is willing to accept this. I have not found the evidence that the gentleman has found, that the industry is complaining. The report of this committee shows that the formula for price is determined by the cost of the goods plus a reasonable profit, and that is going to protect them.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. BARRETT of Wyoming. Mr. Chairman, I move to strike out the last word.

Mr. BARRETT of Wyoming. I rise, Mr. Chairman, in support of this amendment. Wyoming is the second largest wool-producing State in the Union. The wool growing and the wool textile industry is the third largest industry in the United States. We produce 450,000,000 pounds of wool a year in this country. During the war we consumed over a billion pounds of wool each year.

Now, you would think the wool grower would be prosperous under those conditions. Precisely the contrary is true. The greater part of the wool consumed during the war is foreign wool. About the only market for our domestic wool has been the Army and Navy. The balance has been stored in warehouses. The

wool growers of this country have been forced out of business because the OPA set a ceiling on wool in 1942 which the United States Tariff Commission in its report of January of this year declares is 10 cents a pound less than the cost of production. The OPA refuses to adjust the ceiling price according to the clear mandate of the law. It has about ruined our wool industry. Our stock sheep population was 49,000,000 head in 1943. On January 1, 1944, it had dropped to 45,000,000 head; and on January 1, 1945, it had dropped to 41,000,000 head, the lowest since 1928. The effect is not only to decrease wool production but lamb as well. And this at a time when the meat markets of the country are empty.

This MAP order in effect moves prices back to the 1943 level.

Mr. HARTLEY. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the distinguished gentleman from New Jersey.

Mr. HARTLEY. Is it not a fact that in 1943 they were using adulterated goods in the woolen field in particular?

Mr. BARRETT of Wyoming. Exactly. I will show that during that year the manufacturers were forced to the widespread adulteration of fabrics. In 1943 there was a shortage of wool in this country. The use of wool by the mills was restricted to 20 percent of the amount used in 1941 for worsteds and 5 percent of the amount used in 1941 in woolens. So the effect was that the mills were forced to use reprocessed wool, reused wool, and waste woolen fibers. Now this MAP order sets the mills back to the very same situation that prevailed in 1943. That means that the people of this country are going to have to use fabrics of inferior quality.

What was the effect on the fabrics produced in 1943? The product was so inferior in quality, construction, wear, and service that the American public would not buy it. They produced from 25,000,000 to 30,000,000 yards of fabric they could not sell, and the mills carried it as stock for over a year until December of last year when UNRRA bought them and relieved the mills.

I think this amendment is a wise amendment. It is going to save the OPA and the War Production Board from an utterly foolish order. The American people want quality in clothing. They know it is cheaper in the long run. I predict that if this order is not superseded by this amendment that the mills will be producing a quality of goods that the American people will not buy. The most immediate and far-reaching effect will be a standardization in styles and a marked reduction in the quality, wear, and service values of wool textiles, because mills must not exceed the average maximum prices of 1943 and must, therefore, return to fabric qualities and prices of that period, which was one of widespread adulteration.

Mr. HARTLEY. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. Gladly.

Mr. HARTLEY. And let me say to the gentleman that this is only the start. This is going to ruin the textile industry. It will not stop with the textile industry but will be applied to other industries.

Let me call the gentleman's attention to a statement here by a WPB official on the recent announcement that refrigerators were going to come back. He said that average prices are going to be established which will result in what they call stripped models. In other words, they are going to maintain the price, but you are not going to get anywhere near as good a product.

Mr. BARRETT of Wyoming. The gentleman is exactly right.

Let me say further that while OPA is forcing the woolen mills to produce these inferior goods, Great Britain and France are preparing to come in and take the market away by producing quality goods. Mr. Chairman, this amendment should be adopted.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

The gentleman from New York [Mr. EDWIN ARTHUR HALL] is recognized.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I expect to support the Hartley amendment.

As a witness and one who has had the opportunity to go to the stores and know just exactly what the clothing situation is, let me say that children's clothing is deteriorating very much in quality. That is the case with boys' suits and pants, and anything I have been able to get hold of if I am lucky to find any at all, is about as poor grade as one can imagine.

I am for any step that can be taken to build up the quality of the clothing that is put on the American market.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. HOFFMAN. What does the gentleman know about clothing? How many children does the gentleman have?

Mr. EDWIN ARTHUR HALL. I ought to know a little about it since I have four boys and two girls. I am buying clothing for them all the time and believe I can qualify as a witness who knows the terrible state that exists in children's clothing today. For instance, not long ago, I went to Sears, Roebuck's to buy a pair of trousers for one of my boys. He had worn out a pair that I had bought for him 2 weeks previously and I was faced with the necessity of having to buy another pair of trousers. Within 2 weeks more he had them worn out. So I am frank to say I do not know how I am going to continue to clothe them.

Mr. HOFFMAN. Is that the fault of the clothing or the boy?

Mr. EDWIN ARTHUR HALL. I do not believe my boys are any harder on clothes than other boys.

Mr. HOFFMAN. They are probably better.

Mr. EDWIN ARTHUR HALL. The children of the entire Nation are in the same boat.

Mr. HOFFMAN. The gentleman cannot get enough pants of good quality to keep them going?

Mr. EDWIN ARTHUR HALL. No. Now, let me tell you something about panties. I have a little girl 8 years old and I have tried to provide her with suitable clothing. There is very little elastic in any of the girls' clothing that you can buy today that is of practical value. I am especially interested in seeing that she has the kind and quality of clothing so that she will be able to go to school and present herself as the other little girls throughout the country want to do.

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Minnesota.

Mr. GALLAGHER. Did the gentleman personally buy those panties?

Mr. EDWIN ARTHUR HALL. Yes; I did. I will say to the gentleman that of course he has approached the stage where that problem is out of his category. Perhaps, though, he may have a number of grandchildren he has to provide for.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman.

Mr. HAND. If the gentleman will forget his charming family a moment, will he advise me where I may buy an undershirt either at Sears, Roebuck or anywhere else?

Mr. EDWIN ARTHUR HALL. I tried to at Sears, Roebuck and other places and I could not get more than a poor grade of under trousers. I did not get the undershirt.

Mr. PLUMLEY. I have orders in for some 40 pairs.

Mr. EDWIN ARTHUR HALL. I am afraid the gentleman is faced with the same difficulty I am.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I do not know anyone who has been more critical than I have of the OPA. It is only fair to say that during the last 24 hours I have received letters from four different manufacturers who were before our committee last week and the week before, and they tell me that as the result of those hearings OPA has modified regulations as to prices and are permitting them to go ahead with some of these low-priced articles.

Mr. EDWIN ARTHUR HALL. I thank the gentleman. I am for the Hartley amendment; I am for anything that can be done to improve the clothing situation for the children of the Nation.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Chairman, price control and the rationing of available commodities for civilian use have given the Nation the biggest headache it has had in years. Yet, despite the headache, the vast majority of our people have come to the conclusion that the purpose being served by OPA, the control of inflationary price rises, must be reaffirmed. There is certainly one highly valuable lesson the country has learned from its experience in this field. Any vast increase in governmental authority inevitably brings in its train a tremendous amount of inefficient, bureaucratic, petty autocracy.

It has been the contention of OPA officials that their policies and regulations have been made in consultation with industry, business, management, labor, and property owners. This may have been the theory, but in practice the regulations established have not been sufficiently flexible to permit the alterations to meet changing circumstances. It is utterly meaningless for rationing officials to tell the people of one State that there is a great shortage of butter when butter distributors simultaneously point to crowded warehouses bursting with butter. Perhaps the over-all national picture justifies the OPA's conclusion, but local considerations must be studied on perishable products of this nature if any real faith is to be established in OPA's intelligence. Similarly, it is ridiculous for OPA to reiterate its policies on rent control, maintaining that nothing has changed since the first establishment of a rental-freeze date to increase costs of property in the face of obvious increases in repair costs, fuel supplies, and maintenance charges.

What is necessary to meet the problem adequately is the establishment of basic price ceilings for all commodities and services covered with the provision that honest and legitimate circumstances justifying alterations within the framework of the antiinflation program may be duly considered and promptly acted upon by responsible officials, who are not automatically hostile to every fair request.

The people of the Nation recognize that the control of prices and the proper rationing of existing supplies are necessary to meet the threat of inflation. They object strenuously, however, to the administration of the Office of Price Administration and rationing agencies in such a manner as to discourage honest compliance. There has been too large a disposition on the part of those in charge of those organizations to regard every manufacturer, distributor, property owner, or food producer as a saboteur of the entire program. Too many officials entrusted with the making of policy have adopted the attitude that they are protecting an unsuspecting public from those who seek to exploit them unmercifully. I urge the continuance of price control and rationing for the duration and for such a time thereafter as may be necessary to prevent disastrous price rises and waste of our supplies; but I strongly protest the unreasoning attitude of those who have thus far refused to listen to legitimate and thoroughly honest requests of genuinely distressed Americans who have found it increasingly difficult to continue their business or to meet increased maintenance costs under existing regulations. Congress should provide relief in hardship cases where those cases can be demonstrated to rest upon factors beyond the individual's control and where strict adherence to present regulations work a definite injustice.

Mr. SPENCE. Mr. Chairman, I yield the 5 minutes reserved to the committee to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I know the House appreciated the very interested byplay that took place between the gentleman from New York and the gentleman from Minnesota. But to disabuse your minds and to keep this thing from getting more confused, to rave about the high price and scarcity situation that textiles and clothing are in today is to talk about the wrong thing. This order that the gentleman from New Jersey [Mr. HARTLEY] is seeking to prohibit the OPA from enforcing has only very recently gone into effect—April 19, 1945, is the date of the order. It becomes effective only on the first quarter of shipments from that recent date.

So OPA is trying to correct the very situation—that of high clothing prices—that the gentleman on the floor of the House, particularly on the Republican side, have been complaining about.

Let us see what that situation is. Clothing has gone up 44 percent since 1939. It has led all oi the items in the cost index in which the use of consumer goods is of vital importance.

Since May 1943 clothing has gone up 13 percent. We all know, every housewife knows, and everyone who has bought a piece of goods knows that the clothing situation is the weakest spot in the price-control picture.

Now, the OPA comes in with a carefully considered plan, not to cripple industry, not to regulate their profits but only to say to them: You resume and continue your own historic selling pattern and shipments for the year 1943. We are not asking you to live up to any average industry record or anything else. We say, take your own pattern of shipments for 1943 and continue that price-line average.

For instance, on women's dresses: If you manufactured three lines of women's dresses at $4, $6, and $8, under the highest priced line control you are, by the Hartly amendment permitted to concentrate production only on the $8 line and the $4 and $6 line disappears. Such practices of manufacturers making only their highest price numbers is directly responsible for the present high price of all clothing.

This OPA order that Mr. HARTLEY seeks to void says, "You go back to your own shipments of 1943 and you continue to make and ship the same quantities in those price lines that you did then." Ordinarily competition forces caused these price lines to be established. Without this power, the higher priced goods a manufacturer can make, the more profit he makes. That is why the manufacturers of $3 women's hats have gone up to $20. That is why two and three dollar shirts have disappeared, because the manufacturer, having a limited quantity of fabrics is going to make all of his production at the higher priced line.

The gentleman from New Jersey said that all labor is in favor of his amendment. I have here letters and telegrams from Mr. Phil Murray and from Mr. William Green and from farm leaders insisting that this MAP order is too soft; that it is denying to the people enough production of low-cost goods. Now Mr. Hartley says it is too severe.

Mr. HARTLEY. Mr. Chairman, will the gentleman yield for a correction?

Mr. MONRONEY. I yield to the gentleman from New Jersey.

Mr. HARTLEY. I said all labor in the textile field.

Mr. MONRONEY. I am glad the gentleman brought that up. I wish we could have an electric sign in the House of Representatives that could be changed every day to show the source of thousands of telegrams that the Members are receiving from pressure groups that day. Those I am sure that arrived yesterday and today are by courtesy of the associated textile industry. I think it would help out so that the Members could make these decisions without this pressure that they continually have every time a bill comes up involving price control.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. May I say to the gentleman that I have more textile cotton mills in my county than any county in the United States and yet I have not heard from a single one. I want to say to the gentleman that the OPA has not dealt fairly with the textile industry.

Mr. MONRONEY. Let the record speak for itself on what is happening to clothing. Women's dresses below $2.25, according to the War Production Board's own figures, have decreased in the market 42 percent below the amount available in 1943, but women's dresses above $6.01 have increased 123 percent in that time. That shows what is happening.

It is happening in every line of clothing. If you want to give the consumers of this country a chance, just a little chance to shop for low-priced goods instead of getting all these overfinished superpriced additions put onto the textiles, then you should vote down this Hartley amendment. Give America a chance to buy the kind of clothing that they have historically been in the habit of receiving.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired. All time has expired.

The question is on the amendment offered by the gentleman from New Jersey [Mr. HARTLEY].

The question was taken; and on a division (demanded by Mr. HARTLEY) there were—ayes 112, noes 131.

Mr. HARTLEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BROWN of Georgia and Mr. HARTLEY.

The Committee again divided; and the tellers reported there were—ayes 160, noes 164.

So the amendment was rejected.

Mr. WELCH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I voted for the amendment of the gentleman from Ohio [Mr. JENKINS] and other amendments because of numerous complaints I have received from reputable people in my district who are disgusted with the self-centered, self-satisfied, and autocratic attitude of the Office of Price Administration.

I have supported every legislative act establishing price control, and I expect to continue to do so, but I am unalterably opposed to the methods and interpretations the OPA has placed upon congressional action.

I do not wish to clutter up the CONGRESSIONAL RECORD with all of these complaints, but simply present this single letter from a very fine lady who is one of my constituents. There is a great community need for the reestablishment of the bakery she refers to, which is completely ignored by the Office of Price Administration:

SAN FRANCISCO, CALIF., *June 18, 1945.*
The Honorable RICHARD WELCH,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR MR. WELCH: My attention has been called to a ruling of the Office of Price Administration of this city, which is so unjust that it cannot be permitted to pass unchallenged by any person who cherishes his future freedom.

It is the case of the Ocean View Bakery at Plymouth Avenue and Broad Street. I believe the entire facts have been presented to you, the inability of the owner to rent the store to someone who will reopen the bakery because of the OPA's ruling that no sugar ration would be granted. The store has been lying vacant for the past 10 months, causing considerable hardship to the people of that area, as no other bakery is within a mile or two of it.

As one who has always been a staunch supporter of yours, I appeal to you to call this injustice to the attention of the proper officials at Washington. I think it's time San Francisco made it clear to the set of bureaucrats that has been wished upon it here in this city that although a patient people, we can be pushed a little too far.

Your earnest efforts in righting a serious wrong will be much appreciated by all thinking people in this city.

Very sincerely yours,

MARY WALSH.

Mr. PATMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: Page 1, after line 9, insert the following section:

"SEC. 3. The Stabilization Act of 1942, as amended, is amended by inserting after Section 3 thereof a new section as follows:

"'Section 3A. (a) While this act is in effect, no quota or other slaughtering limitation shall be imposed upon any slaughterer of animals, under authority of this or any other law, if the Secretary of Agriculture has certified that the slaughtering plant is operated under sanitary conditions and that the meat produced therein is clean, wholesome, and suitable for human consumption.

"'(b) As a condition of making certification in the case of any such slaughterer, the Secretary of Agriculture may require that such slaughterer make available to the armed services of the United States, or for Government purchase, such percentage of the meat slaughtered and processed as he may deem necessary or advisable.

"'(c) In order that he may make the certifications provided for under subsection (a), the Secretary of Agriculture may provide for inspection in such manner and by such persons as he may deem advisable.

"'(d) Nothwithstanding any law to the contrary, meat which is produced under the circumstances specified in this section shall be permitted to be transported in interstate or foreign commerce.

"'(e) The Secretary of Agriculture may refuse certification in any case when he is not satisfied that the meat made available hereunder will be disposed of in legitimate trade channels in accordance with law.

"'(f) The Secretary of Agriculture may revoke any such certification if it is found at any time that the slaughterer does not meet any of the conditions required under this section."

"'(g) *Provided,* That nothing herein shall prevent the termination, suspension, or limitation of the right to slaughter of any person who fails to comply with the price, rationing, or slaughter control requirements imposed under the authority of this or any other law.'"

MEAT PROBLEM

Mr. PATMAN. Mr. Chairman, the Committee on Small Business has spent about 2 years on the meat problem. We came to the conclusion—I believe all the members did, I know I did—came to the conclusion that the problem was inspection, Federal inspection. We believe in the Federal inspection law, but in time of war if it is necessary to relax just a little bit in order to furnish plenty of meat for the armed services and for the civilian supply and it will not be of any permanent injury to the Federal inspection laws, we feel like it should be changed. Here is the change that is proposed. As it is now these small slaughterhouses have a quota that is putting them out of business; they just cannot operate under this quota. Under present law the Office of Price Administration is compelled to require that quota. Why? Because in the case of these small slaughterhouses not federally inspected, the armed services cannot take any of their meat at all. The OPA therefore must put quotas on these little fellows in order to force a lot more of the animals into the federally inspected plants where the armed services can get a chance at taking them.

This amendment merely permits the Secretary of Agriculture, if he will certify that a plant is sanitary, that the meat is being processed under sanitary, clean conditions, and that the meat is wholesome and not diseased, that he may permit that meat to go into interstate commerce, if he desires, with the understanding that the slaughterer who gets that permit must first agree if the Secretary requires it that he will deliver a certain percentage of his meat to the armed forces or for Government purchase. It does not require the armed service to take it nor the Government purchase agents to take it, but it makes it available.

I have talked to—I will not say I got the approval of all these gentlemen—but I have talked to everyone in the Government who has studied this meat problem, including the Honorable Fred Vinson, the Honorable Marvin Jones, the Honorable Chester Bowles, and others. This morning after talking to all of them I conferred with the gentleman from New Mexico [Mr. ANDERSON] who will be the next Secretary of Agriculture. He approved the bill by making suggestions that caused the last three subsections which I think are great improvements. These improvements having been made, I believe I can say that he favors the bill.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. AUGUST H. ANDRESEN. As I understand it, the last three sections of the bill give the Secretary the power to close up any slaughtering plant that is engaged in black-market operations.

Mr. PATMAN. If they are violating the law, sure; you would not have it any other way. But at the same time it permits the Secretary of Agriculture to use these local inspectors, local veterinaries and inspection services, city and county inspection services. As things are they cannot be used.

Mr. AUGUST H. ANDRESEN. Will the gentleman explain the last three paragraphs?

Mr. PATMAN. In other words, the Secretary may refuse certification if he believes that the meat will go in the black market. The gentleman should not want it otherwise and I know he would not. In other words, if it is going into illegal channels he has a right to revoke the certification.

Mr. BATES of Massachusetts. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. Does the gentleman think this will provide additional meat?

Mr. PATMAN. I do.

Mr. BATES of Massachusetts. If that is so, let me ask the gentleman, has the Committee on Banking and Currency in session approved this amendment?

Mr. PATMAN. No.

Mr. BATES of Massachusetts. Why has not that been done, or is this a belated effort?

Mr. PATMAN. Do not feel so badly about the committee. We have worked for years on this price-control problem and there are new problems arising every day in reference to slaughtering and packing houses. There are 8,000,000 prices. This happens to be one of the problems. The committee has not been in session the last few days, but I have worked with the members of that committee. It is not a question of blaming someone, it is simply making available all of these inspection services to make sure that the meat will be clean, sanitary, and not diseased, and can be shipped anywhere in the United States.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think we can all be very pleased that the gentleman from Texas has introduced this amendment. It is what the Republican Members have been wanting all through these debates. As I understand it, the effect of the certification has to do with the movement of meat in interstate and foreign commerce. Under the law as it exists today meat cannot move in interstate and foreign commerce unless it is federally inspected.

The so-called 10-point program formulated by OPA within the last 2 weeks provided that no farmer could slaughter more than 400 pounds of beef for sale off the farm. He could slaughter as much as he wanted for his own use, but if he

wanted to sell any he could not slaughter more than 400 pounds. In other words, he could slaughter only part of a beef critter, which might be rather embarrassing for the farmer.

As I interpret this amendment it will nullify that very unfortunate ruling and should, if it is sympathetically administered, guarantee to the farmer and small slaughterer that meat can move into domestic channels and into the commissaries of the armed forces more freely. There is no danger of contaminated meat under this amendment being sold to our civilian population or to our armed forces because it must be inspected under such conditions as the Secretary of Agriculture might prescribe.

This should have been done as far as possible by regulation months ago, because although there is a prohibition against the movement of meat in interstate commerce which has not been federally inspected, there is no prohibition that I know of wherein the meat slaughtered in any particular State could not be consumed in that State, thereby making available much more meat for the large centers, such as New York, Chicago, Pittsburgh, Detroit, and other places, which cities perhaps have to import their meat from other States.

Mr. Chairman, I am glad the gentleman from Texas has introduced this amendment, and I hope it will be unanimously agreed to. Then if the American people do not get meat they cannot say that the Congress has not made it possible at least for the meat to be shipped in interstate commerce, and that is what the OPA has been hiding behind for the last year or so.

Mr. SUNDSTROM. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from New Jersey.

Mr. SUNDSTROM. The gentleman will remember when Mr. Brownlee of the OPA appeared before our committee just before they put on their 10-point program, I asked him why this was not feasible and why they did not allow these nonfederally inspected plants to operate so that we would have more meat for the Army and the civilians. He said, "I think it is a good idea," but they went right ahead with their 10-point program without doing that.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The reason they did not go ahead, I think, is that it does not coincide with what has been the OPA philosophy of complete control and regimentation. I venture that they will not like this amendment because it does not compel the Army and the Navy to buy this noninspected meat. Their theory has been that they had to make meat flow through federally inspected plants, so that they could direct the distribution of the balance after the set-aside for the Army and the Navy. But I think the amendment is in the right direction. It has never made sense to me to require that livestock be shipped hundreds of miles to be slaughtered and then shipped back to the area where it was grown. That places a burden on transportation. And it tends to create a packers' monopoly. This amendment will help to put meat on the tables of the people and it should be adopted.

Mr. WOLCOTT. I might say that the Republicans on the committee took the general attitude that if the OPA found there were any deficiencies in the act under which they found it difficult to operate, we would be very glad to consider them. They made no recommendations for any changes in the act. I understand this is an administration-sponsored amendment, and we should be pleased to adopt it so there will not be any prohibition against meat being produced, processed, and distributed to satisfy all military and civilian needs.

Mr. ANDERSON of New Mexico. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not desire to detain the House, but I do want to put one thing into the RECORD in order that the amendment, if adopted by the House, can be properly interpreted by the new Secretary of Agriculture. I think it ought to be cleary understood that this amendment, which seems to have control over all types of slaughterers, does not apply to federally inspected slaughtering establishments. It does apply to the smaller plants. Obviously, if the Army would say, "We want 60 percent of beef set aside" it would not be proper for the Secretary of Agriculture to say, "Pay no attention to that; take 40 percent."

This resolution, I am quite sure, will improve the general situation. The gentleman from Michigan inferred that this had been supported by the Republicans throughout the country. As to that I only say that light is good in whatever lamp it is burning, and I think that this is a good sugegstion, and I am glad to have it.

I want you to realize that there is a peculiar situation existing in this country today. There are slaughtering plants in this country that work 1 day a week as federally inspected plants and 5 days as nonfederally inspected plants. That is a ridiculous situation. If the plant is clean, if it has the proper sanitary facilities to slaughter meat for the American public, there is no reason why we could not make that meat available to move in interstate commerce at any time. There is no reason, if there is a surplus of meat in one part of the country, why arrangements cannot be made to take care of those in need in another part of the country. There is no reason for the situation which exists in Virginia, which the gentleman from Virginia [Mr. ROBERTSON] has pointed out, and there is no reason why it should not be corrected if we have an abundance of animals and a shortage of transportation, so that those people might be taken care of. Remember that when the tremendous traffic jam comes on in this country this fall, we will be in dire straits as far as railroad transportation is concerned, and when that situation arises there ought to be sufficient flexibility in the way animals are slaughtered so that we can consume them within one area and not have to ship them back and forth across the country tying up railroad trains when they are badly needed for the military services.

I only want to say that I was looking at a little picture that appeared in a newspaper today that showed a man with his fists down on the desk and sweat pouring all over him. I saw nothing funny in that picture. It may be funny to some of the rest of you, but it is not funny to me, because it suggests the possibility that people will be expecting a great improvement in the meat situation shortly after the 1st of July. We must not expect that. No miracles will happen. It will take time and increased production to improve our supplies. I merely hope that I may have this amendment because I think with this amendment I can be somewhat useful in trying to relieve the situation after the 1st of July.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. Would this amendment allow the local slaughterer the same subsidy that the larger slaughterer gets?

Mr. ANDERSON of New Mexico. When it comes to an interpretation of the law, I will have an attorney down there to pass on that.

Mr. THOM. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, this amendment will cure a bad situation. It will give to the local packer an opportunity to buy all the cattle and hogs that are offered to him, and will kill off the most widespread opinion now existing that the national administration in Washington seeks to favor the large packer as against the small packer. That has been the universal complaint. By the action of the House and by the agreement of the administration to this amendment, that argument from now on falls flat.

The newspapers carry information today that the demands of the Army for beef and pork will be reduced materially very shortly. Of course, that means a greater supply of the slaughter to be devoted to civilian purposes.

I do not happen to be a livestock producer and I do not profess any knowledge about the industry. But I have been wondering about some things we have heard in the hearings before the Committee on Banking and Currency. Now, get these two facts in your mind. First of all, the representatives of the cattle industry say that the price being paid for cattle on the hoof is fair and satisfactory. That is the testimony of Mr. Montague, who represents one of the large cattle-growing organizations of Texas. The evidence is indisputable that there are 10,000,000 more cattle on the ranges than in normal times. If there is an abundance of cattle on the ranges, if the prices for cattle is satisfactory, why do the cattle not come to market? That is a question of great importance. It is my judgment when the OPA bill is passed and the feeling and understanding is apparent that there are not going to be any increases in the prices of meat the cattle will start to come and will rush into Chicago.

Mr. CARLSON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Kansas is recognized for 5 minutes.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that debate on this amendment, which is already practically agreed to by all, shall close in 10 minutes.

Mr. ROBERTSON of Virginia. Reserving the right to object, Mr. Chairman, I would like to have a half a minute of the time.

Mr. SPENCE. I will give the gentleman the time that is allotted to the committee.

Mr. ROBERTSON of Virginia. I do not want that but just want a half a minute.

Mr. SPENCE. I will give the gentleman all the time he wants.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. REES of Kansas and Mr. CHENOWETH objected.

Mr. SPENCE. Mr. Chairman, I move that debate on this amendment and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. CARLSON. Mr. Chairman, I had not intended to use the 5 minutes, and I do not expect to, but I do want to say I am very pleased to support this amendment.

I think the OPA should have done this by regulation a long time ago. It has been my contention that it was unfortunate the way we were proceeding here in the last 2 or 3 days when it looked as though we would not be permitted to vote approval of any amendment to this bill. We will render a real service to the Nation and we are going to do it by writing this into law. Just think of it. There are hundreds of small slaughterers closed all over the Nation. The men are there and they are qualified slaughterers. Everyone must agree that these plants should be used. We have to ship our cattle from central Kansas to Denver, Omaha, and Kansas City. We have to transport it back, which of course they do not do, and therefore we do not have any meat. We produce the meat. We need it. We have it. Therefore, I am pleased the Committee seems willing to accept this amendment.

Yesterday everyone was so careful to mention the telegram from the American Farm Bureau Federation opposing any amendment to this bill. I am very much in sympathy with the Farm Bureau, but it seems to me they are out on a limb when they oppose an amendment of this type. I do not believe the farmers of Kansas or our citizens generally are opposed to an amendment that would open local slaughterhouses and provide for State inspection.

I have just returned from a 3 weeks' stay in Kansas and want to advise the House that our people are greatly concerned about the OPA regulations and the general shortage of food. We are approaching a harvest season and now we find there is no meat, only limited quantities of sugar, and many restaurants are closing because of lack of points or inability to operate under OPA price ceilings at a time when Kansas must use 20,000 to 50,000 additional people for harvest help.

The meat situation is especially bad. Large numbers of local slaughterers have been closed or their quotas so greatly reduced that they can furnish practically no meat for our people. Regardless of explanations by officials of the OPA the handling of the meat situation does not make sense. For instance, we have the slaughtering houses, the help experienced in slaughtering, the livestock to kill, and the need for meat. Under existing regulations our slaughtering houses stand idle and cattle, hogs, and other livestock must be shipped to Kansas City, Omaha, or Denver for slaughter, and if we are to receive any meat, which we do not, the processed meat must then be shipped back to our State. Our people resent very much the channeling of all meat to the big packers of our Nation. If it is the intention of the OPA to destroy all small private business then I will say they are proceeding on the right track.

My thought is that we should get our own cattle into our own packing plants and back to our own people. Now our Kansas cattle go to the large packing plants and no meat ever returns. Our stores and merchants have empty coolers and refrigerator show cases. The people who produce the meat should certainly have an opportunity to share in its consumption.

At Salina, Kans., we have one packing plant under State inspection capable of slaughtering 14,000 head of cattle and 40,000 head of hogs per year. In 1942 they slaughtered 28,420 hogs, in 1944 they were cut to 19,910, and their quota for 1945 has been reduced to 9,950 hogs, or about one-third of their 1942 kill and less than one-fourth of their capacity. They killed 6,490 cattle in 1942, were cut to 5,402 in 1944, and their quota for 1945 is 4,050.

There are two other smaller plants in this same community which have been treated similarly. It is my contention that State inspection is as good as Federal inspection. Certainly our people have been eating the meat that is State inspected and are willing to continue doing so. The situation became so serious at Salina that Mayor J. H. Moore wired the Governor urging him to use the powers of the State to relieve the meat situation. It is my contention that the OPA has power to issue regulations that will care for the meat situation in our State and every other State, and I sincerely hope they are doing so.

Yesterday I received a wire from Mr. W. N. Preisker, mayor of Ellsworth, Kans., expressing the views of citizens of that community on the meat situation. It reads as follows:

> The people of Ellsworth favor the recent action taken by Mayor J. H. Moore, Jr., of Salina. This Ellsworth area is a part of the Salina trading area and we are experiencing the meat shortage in all its seriousness. In the interests of the citizens of Ellsworth, I am asking that you follow such procedure as suggested by Mayor Moore to stop the regulations that cause this chaotic condition. Our merchants are suffering extreme hardships, and the feeding problem is very serious at this harvest time.

I yield to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. I agree with what the gentleman has said. I am for this amendment. But I do not think we should be too optimistic about its effect, because any time any of these packers wanted to ship in interstate commerce they could have gotten Federal inspection. They have chosen not to have Federal inspection because they do not want to have to set aside a part of their production for the Army. If they come in under this program, they will still be compelled to set aside part of their production for the Army. So I do not believe the effect is going to be as far-reaching as has been indicated by what has been said here on the floor.

Mr. CARLSON. It is my hope that the State inspection and other inspections will be permitted and that it will increase the supply of meat. This amendment, if enacted into law, would permit the Secretary of Agriculture to open local slaughterhouses and help solve our meat problem. The Army and Navy are protected in the amendment and it should give us more meat.

Mr. HINSHAW. Will the gentleman yield?

Mr. CARLSON. I yield.

Mr. HINSHAW. I would like to suggest to the gentleman and have his comment on the fact if we are going to slaughter and get rid of these 10,000,000 extra animals you will have to increase the number of red points so that people can buy them, or else take them off the rationed list.

Mr. CARLSON. That is an interesting fact. I hope the number of red points will be increased.

Mr. HARNESS of Indiana. Will the gentleman yield?

Mr. CARLSON. I yield.

Mr. HARNESS of Indiana. I would like to call attention to this fact, that unless there is some adjustment made in the price that the slaughterer may get for the animals that he processes, this is not going to help the flow of beef or pork because many of those small slaughterers are operating at a loss, including the Federal subsidy.

Mr. CARLSON. It is my hope that we may offer an amendment this afternoon that will take care of some of the prices that require production at a loss. There is no question but what some people are feeding cattle at a loss. I have had some experience and I know what I am talking about. It is my thought that the Secretary of Agriculture should give consideration to margins in cattle feeding.

Mr. MURDOCK. Will the gentleman yield?

Mr. CARLSON. I yield.

Mr. MURDOCK. The gentleman from California thinks there should and must be more red points under the Patman amendment. Perhaps so. I have on my desk some telegrams saying "We have the red points but not the meat." On the other hand, some say, "meat is available, but our red points for July and August

are cut too low." I think this amendment will give them the meat from proper local sources. The red points can be adjusted.

Mr. CARLSON. I certainly hope they get more meat.

Mr. ROBERTSON of Virginia. Mr. Chairman, a precious right in the Constitution is the right to petition and the right of a citizen to be heard. Yesterday I took some 75 cattle producers from the States of Maryland, Virginia, North Carolina, South Carolina, and Texas to a Government agent, Mr. Chester Bowles, of OPA, and for 2 hours we argued over the point that is covered by this amendment. We told him, "We have the cattle, but you are not letting us kill them. Permit us to open up the slaughterhouses, and we can sell our cattle and the people shall have meat."

Mr. HINSHAW. Will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield.

Mr. HINSHAW. Does the gentleman realize that in order to dispose of this meat we have to have the number of red points per pound reduced or the amount of red points increased? Otherwise it will not matter how many you slaughter.

Mr. ROBERTSON of Virginia. We told Mr. Bowles that we did not demand, in the midst of a war emergency, the right to eat more beef than we had eaten in normal times. We want our boys in military service to be given priority and to be fully and adequately provided for.

Mr. BATES of Massachusetts. Will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield.

Mr. BATES of Massachusetts. Along with this amendment would you say that the men you conferred with yesterday and about which we read in the newspapers, had any complaint whatever about the price they were permitted to charge within the ceiling, and the cost of producing? There is a widespread complaint from the processors that they are not permitted to charge prices sufficiently high to cover the cost of processing.

Mr. ROBERTSON of Virginia. There was some complaint about what they call the equalizing ceiling price that gave an incentive to the slaughterer or the purchaser from the farmer, to buy at depressed prices the lower grades to equalize the price they paid for prime steers selling from 16 to 18 cents a pound.

Mr. BATES of Massachusetts. Many of those slaughterers have been forced to close down throughout the country.

Mr. ROBERTSON of Virginia. But removing restrictions on slaughter was our main demand, and this amendment will accomplish the purpose, and it will be a great thing for the cattle people and for the consumers.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield.

Mrs. ROGERS of Massachusetts. I have telegraphed the President to have the gentleman from New Mexico [Mr. ANDERSON] take office at once. Does not the gentleman think that will be helpful?

Mr. ROBERTSON of Virginia. I have a high regard for the gentleman from New Mexico [Mr. ANDERSON]. He told me that with this amendment he can open most of these slaughterhouses in 24 hours.

Mrs. ROGERS of Massachusetts. And he should take office at once.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. CHENOWETH. Mr. Chairman, I offer a substitute amendment, which is at the desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Colorado.

The Clerk read as follows:

Amendment offered by Mr. CHENOWETH as a substitute for the amendment offered by Mr. PATMAN: "That section 3 of the Price Control Act of October 2, 1942, as amended, be amended by adding at the end thereof the following new paragraph:

"'On and after the date of the enactment of this paragraph it shall be unlawful to establish slaughter quotas in any licensed packing plant in this country.'"

Mr. CHENOWETH. Mr. Chairman, my amendment has been on the Speaker's desk for the past 2 days. In three lines it accomplishes the same purpose as the long and complicated amendment offered by the gentleman from Texas [Mr. PATMAN]. You have just heard our colleague the gentleman from New Mexico [Mr. ANDERSON], who is going to be the new Secretary of Agriculture, tell you that what he wants to do is to keep this meat in the areas where it is produced. This can be accomplished by removing the slaughter quotas on the nonfederally inspected packing plants.

Mr. PATMAN. Will the gentleman yield?

Mr. CHENOWETH. I yield.

Mr. PATMAN. There is nothing to permit interstate commerce in your amendment?

Mr. CHENOWETH. No; and I do not think there should be. It is not necessary in this situation.

Mr. PATMAN. There is nothing to make any of it go to the armed services?

Mr. CHENOWETH. The War Department will not buy meat unless it is federally inspected. All we want to do is to get these small packing plants operating at the earliest possible moment, which will provide meat for the local communities over the country. There will be plenty of meat moving in interstate commerce from the federally inspected plants.

Mr. PATMAN. They could have diseased animals, under your amendment.

Mr. CHENOWETH. The different States have their own sanitary and meat-inspection laws. I am sure the public will be protected. Let us get these packing plants opened. I have been urging the OPA for several months to remove these quotas so these plants can process the livestock that is available. By the adoption of my amendment you will open the small packing plants of this country and they will soon produce sufficient meat to meet the present demands. There are plenty of cattle and these packers are ready to process them.

Mr. RANKIN. Will the gentleman yield?

Mr. CHENOWETH. I yield.

Mr. RANKIN. Will not the amendment offered by the gentleman from Texas [Mr. PATMAN] also open the small slaughtering plants?

Mr. CHENOWETH. It provides restrictions and conditions for the operation of the small nonfederally inspected plants. I do not know how these small packers would look upon such regulations. If my amendment, which is a substitute for the amendment offered by the gentleman from Texas, is adopted there is no doubt of the results. You will see the meat markets filled with meat, and without delay.

I am in favor of removing these slaughtering quotas at once. They are directly responsible for much of the meat shortage that now exists.

Mr. RANKIN. I understand his amendment will open up all the small slaughtering plants in the country.

Mr. CHENOWETH. It permits them to open up but surrounds them with a lot of restrictions. I know the War Department and the Navy Department will not buy any meat except federally inspected meat. They will not purchase meat from these slaughtering plants that have only State inspection. I want to open up these small packing plants in this country which now are going out of business. My amendment will do this. If you want to put this meat in interstate commerce, the War Department and the Navy Department will not take it. Our armed forces are now getting all of the meat they can use as it is, and they will not take any of this meat from State-inspected plants even if you adopt the gentleman's amendment.

Mr. RANKIN. His amendment also further provides that the Army can get a certain quantity of it if it desires to do so.

Mr. CHENOWETH. But I tell you they will not take this meat, and there is no use arguing the point. I have discussed this matter several times with the Quartermaster General of the United States Army, and the only meat he buys is from federally inspected packing plants. That is their rule, and they will not change it even if you adopt the Patman amendment.

Mr. RANKIN. This provides for operating clean slaughtering plants.

Mr. CHENOWETH. We want to get meat for civilians. The Army and Navy now get all they want. We are talking here about meat for the table of people all over this country who are now unable to buy meat of any kind. The Governors of 13 States met yesterday in New York, and report that meat markets are closing, while the public is clamoring for meat, and at a time when there is a surplus of cattle; these small packers are ready to process them, customers have the red points to buy meat, but still no meat is to be had. Adopt my amendment, and the meat shortage will soon disappear. Since the OPA refuses to remove these slaughter quotas, it is imperative that Congress act. I hope my amendment will be adopted.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

The gentleman from Michigan [Mr. JONKMAN] is recognized for 2½ minutes.

Mr. JONKMAN. Mr. Chairman, I am especially happy to support this amend-

ment. I am very much pleased that it comes from the gentlemen from Texas, a majority member of the committee. Up to the present time I think the position of the majority has been well stated by the chairman of the Committee on Banking and Currency when he said in the debate of yesterday:

The executive department of the Government is charged with the law enforcement. To say that the committee should meet every 3 months or every 6 months to see that the law is properly administered is pure balderdash, in my opinion, and contrary to every conception of the founders of our Government, and contrary to the best interests of the American people. Congress has enough to do to consider and enact the legislation that is necessary to meet the conditions that confront the people of America.

I believe in this amendment by the gentleman from Texas. It shows at least some reversal of the foregoing position and some acceptance of the responsibility that rests upon Congress as a check on the executive branch of the Government. It is high time that the House recognize this responsibility. It is the lack of this recognition that has made OPA and affiliated agencies not only a failure as to the purposes and aims of legislation passed by the Congress in this field, but permitted them to exercise methods and powers which are destroying our form of government.

In the same debate of yesterday and a few moments after the above statement by the chairman of the Banking and Currency Committee, our esteemed and distinguished Speaker made the following statement:

There is enough confusion, there is enough confusion in the whole situation in reference to food, enough confusion with reference to price control and price fixing without throwing in this additional factor. These people have a hard enough time administering this law at best. They must have a period of time in which they can work out a program.

Just think of it. The Speaker confirms what I said on the preceding day in this debate that after nearly 3 years OPA and related agencies have no organization and no program to affect the purposes of the act. The Speaker says that at this late time—

They must have a period of time in which they can work out a program.

Again as the Speaker said:

There is enough confusion in reference to food, enough confusion with reference to price control and price fixing without throwing in this additional factor.

And what a confusion. We have only to take one newspaper of yesterday and read the headlines to form an idea as to the confusion and chaos throughout the entire country under the mismanagement of OPA and associated agencies:

Eighty cattle raisers denounce regulations on slaughtering.

"Little men" call on Bowles for aid; shortage of meat laid to bungling.

Another headline says:

Seven-percent drop in pig production darkens fall meat picture.

Also the following:

Twenty-two local dealers face suspension in ration overdraft.

Another:

OPA clears mix-up on canning sugar.

District OPA Director Robert K. Thompson issued a statement yesterday aimed at clearing up confusion over canning sugar allowances.

On another page:

Lack of meat causes one of four job walkouts. Four new work stoppages, one over lack of meat in lunch sandwiches, boosted the total of workers idle in labor controversies to more than 85,000 yesterday.

Such is the voice of the people all over the country over the confusion and chaos existing in the food, price control, rationing, and production situation. I wonder if the din of protest has finally reached the ears of the majority party and overcome the noise made by the bureaucrats, for I do not think it can be denied that up to this time the Democratic Party has paid little attention to the general welfare of the people, but has hearkened to and followed the dictation of the bureaucrats.

The crying need of the country right now is to return to constitutional government which need not interfere with war demands. The fact that the bureaucrats have no program to carry out the will of Congress is not because the law is unworkable—although we admit it has its difficulties. It is because instead of seeking a program, they have for several years and especially during the last 3 years, been too busy with carrying out their own ideologies and attempting to perpetuate themselves in power through taking over our economy. Such program as they have is concerned only with these objectives. To effectuate this purpose they must, of course, discredit and destroy our present economy.

We have already been told by an administration leader in another body that price control and rationing would extend beyond the year 1950. I make the statement that the bureaucrats have a program to effectuate that purpose. To accomplish this objective they must maintain a condition of scarcity, for where there is plenty, rationing and price control are superfluous. In other words, instead of effectuating the purposes of the Price Control Act and the Stabilization Act, they are doing just the opposite to bring about Government ownership, collectivism or communism, whatever you wish to call it.

As early as March 19, 1943, I called attention to information that had come to me from reliable sources that the bureaucrats, using OPA as one of their principal instruments, had a five-point program to bring our economy under their absolute domination after the war. The five-point program was stated to be as follows:

First. Point system of rationing.

Second. Centralization of plants.

Third. Regionalization of business.

Fourth. Inventory and sales control.

Fifth. Victory labels and grade labeling.

All of this with the exception of grade labeling is already fait accompli.

It is obvious to everyone how during the last year OPA has destroyed small business, not only the packers but all civilian enterprise. In saying this I am not criticizing Chester Bowles. In all instances I have found him willing to be helpful, but in a strait jacket. My last complaint was from a small manufacturer who wanted to return to civilian production. When he submitted his schedule of prices, OPA cut them about 20 percent, which put some of the articles below cost of production, and he writes:

OPA wanted us to take orders at the price we asked for saying we could fill those orders at our price. They would hold up action for 3 weeks then give us the price they had decided upon which is about 20 percent lower. Can you imagine an honorable business concern attempting anything like that?

This is only one of a number of firms who have written me and are, through this squeeze of price levels, being forced out of business. Congressmen from every district I know receive similar complaints.

Then supposing we look at rent control. The following is a copy of a letter I received today from a constituent:

I am an aged Grand Rapids landlord in a small way and wish to express myself on the renewal of the OPA.

I have from the beginning been in favor of price control as a means of preventing inflation, but am very much dissatisfied with the way it has been applied and administered.

In my opinion, if one thing is to be controlled everything should be controlled.

All the income I have is from rents and they are frozen very low and cannot be changed while the expense of keeping the property up and also my living costs have more than doubled.

All this is water under the bridge but as regards renewing the law it seems there are some modifications that should be made, especially as to flexibility of rent control.

I have watched the application of rent control closely and know of various cases where the rent is frozen very low and cannot be changed, but perhaps the very next house was never rented until after the freezing date, is called a D registration, and the owner is able to establish a ceiling a great deal higher in proportion to value than that of the first.

For instance, a house I can show you is worth $7,000 and is frozen at $25 per month, another I can show you was bought for $600, fixed up a little, and is now being offered for $2,300, a D registration with a ceiling established at $25.

I have one house only that I rent and it is being treated in the same way.

In my opinion a 6 months' extension of this act is an abundance and some flexibility should certainly be added.

I have received many similar complaints.

Throughout the country there are over 6,000,000, constituting over 60 percent of what we choose to call landlords, who own one or two dwelling homes or flats, the rent of which constitutes the sole income in their advancing years. Many have invested their life savings in these little one- or two-dwelling flats or homes. That they are the victims of mass starvation is clinched by the fact that statistics show that while such articles as foods have gone up 44 percent, clothing, 41 percent; household furnishings, 39 percent; wages, 36 percent; rents, from 1939 on, have advanced only 3.7 percent. While the sources of these statistics may vary somewhat as to the former, all of

them are agreed that rents have gone up only three and a fraction percent.

Nothing could drive home more forcefully the existence of a collectivist or Communist plan to liquidate small business and property owners, in other words to liquidate the middle classes. It may surprise some Members of Congress and the American people if I quote verbatim from the manifesto of the Communist Party written by Karl Marx in 1847, in which he says:

> In one word, you reproach us with intending to do away with your property. Precisely so; that is just what we intend.
>
> From the moment when labor can no longer be converted into capital, money, or rent, into a social power capable of being monopolized, i. e., from the moment when individual property can no longer be transformed into bourgeois property, into capital, from that moment, you say, individuality vanishes.
>
> You must, therefore, confess that by "individual" you mean no other person than the bourgeois, than the middle-class owner of property. This person must, indeed, be swept out of the way, and made impossible.

That is just what has been going on in the last several years, but especially since the beginning of OPA and related agencies. In 2 years it will be a century ago that Karl Marx wrote his manifesto. In the past 2 years more has been accomplished in the United States toward the attainment of the objectives of Karl Marx than in the preceding 96 years. Unless Congress wakes up to the trust reposed in it as the people's representative, in 2 more years his objective may be fait accompli in America.

It is indeed the responsibility of Congress to do more than pass legislation and then forget about it. It is the responsibility of Congress to keep diligent check upon the executive branch of the Government. We all know that the administration is honeycombed with bureaucrats whom we have endowed with tremendous powers. We know that power breeds power and brooks no opposition.

There will be several constructive amendments to effectuate the curbing of unbridled power, to offer remedies to those who claim to have been wronged under the Price Control Act, and to effectuate the aims and purposes of the Price Control Act.

I shall support and vote for the amendment offered by the gentleman from Texas now under consideration. And now that the majority has recognized the need of legislation which acts as a check on bureaucratic power and abuse, I hope the majority will support these other amendments offered to accomplish and effectuate the same purposes.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The gentleman from Kansas [Mr. REES] is recognized for 2½ minutes.

Mr. REES of Kansas. Mr. Chairman, it is indeed interesting that the gentleman from Texas [Mr. PATMAN], who has at all times insisted that the OPA could do no wrong and that any amendments to this bill would injure the OPA and its activities and would thereby be injurious to the people of this country. During the last 3 days of this debate he has opposed practically every amendment offered on the floor of the House and insisted any amendments would cripple the OPA. The provisions of this amendment are the very things that I, and other Members on this side of the aisle, have been trying to accomplish for the past several months. It may be that what we needed was a little more pressure than we have had.

Of course, it was wrong for the OPA to close down the small packing plants of this country and thereby further the meat shortage. We have known that for a long time. I have always insisted that the small packing plants be kept open and be permitted to run in regular order. Mr. Bowles, Administrator of the OPA, in reply to my protest on that very problem gave me to understand that to permit the smaller packing plants to remain open and to carry on at regular capacity would not be for the best interests of the people of this country.

This amendment will go far in relieving the situation, but this is not enough, Mr. Chairman. We must go still further and provide a price on finished cattle that will encourage the livestock men of this country to feed and finish beef cattle and not let them go to market without being fattened as they are doing now. We are losing from 200 to 400 pounds on each of thousands of animals because the OPA will not permit a sufficient price so that our livestock can be properly finished.

The OPA has bungled this thing long enough. Only 2 years ago hog producers were penalized because they permitted their hogs to be grown and fattened beyond a certain limit of pounds. Hog producers became discouraged; so today we have a dire shortage of pork.

Let me say again with respect to the cattle industry that we have 10,000,000 more cattle than are ordinarily produced in this country, and yet no meat on the family table. We have millions of bushels of corn in storage that ought to be fed to these cattle, and yet the OPA and other agencies have discouraged that very thing so we have a near famine in this country.

Mr. Chairman, we all understand that the demand for meat is greater than it has ever been, and everyone wants the armed forces to have every bit of meat they need, but even at that, Mr. Chairman, there is no excuse for having a meat shortage such as we have right now. In my judgment, most of our trouble is the result of poor management on the part of those who have been entrusted and empowered to handle this most important problem. It ought to be noted right here that agencies are permitting several million bushels of corn to be used for making liquor that ought to have been fed to livestock.

Mr. Chairman, if we permit our small packing concerns to go back into operation as they should, and let our corn be fed to the livestock so we can produce more meat, and then give the Secretary of Agriculture control over the production and distribution of meat, we will go a long way in solving the problem. It just does not make sense that we have large numbers of cattle in this country and a supply of grain in our bins and elevators, and yet a shortage of meat on the shelves and on the family tables and black markets growing bigger every day.

Mr. Chairman, the people of this country are entitled to a fairer deal than they have received at the hands of our governmental agencies. If the country could or would not produce, there might be some excuse. That is not the picture at all. Our farmers and producers have done a magnificent job. They have done it under handicaps of all kinds. Too many agencies, many times working at cross purposes, have mismanaged and bungled the situation. The agencies have failed to take a practical and farsighted view of the problem.

Mr. Chairman, we should put the management and distribution of food under one head who will seek advice from the producers and processors; we should cut red tape and regulations as far as can be done, and put emphasis on production of more and more food. We should offer more encouragement to those who produce. Confidence and cooperation should be instilled in all affected by this problem. Then make it tough for the black markets, and you will go a long way in solving a situation that is growing worse every day. We need a maximum of production and a minimum of regulation.

The CHAIRMAN. The time of the gentleman from Kansas has expired. All time has expired.

Mr. JENSEN. Mr. Chairman, I ask unanimous consent to proceed for 2 minutes. I have been in conference as a member of the Interior Subcommittee for 5 days. I would like to have just 2 minutes to speak on the bill. I have to go back into committee again at half-past 2. I come from Iowa and I would like to say something about what is causing the meat shortage.

The CHAIRMAN. The time has been fixed.

Mr. JENSEN. Mr. Chairman, I ask unanimous consent to proceed for 2½ minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Chairman, I am entirely in favor of this amendment and I am glad it has been offered. However, unless and until the present margin of profit is broadened as between the price of feeder cattle and finished cattle, we are going to have a beef shortage. The fact of the matter is that the feeders in the Corn Belt, of which Iowa is a large part, cannot buy the stockers or feeders, take them into their lots, feed them corn and other necessary feeds, return them to market and come out even under present price regulations.

There are millions upon millions of bushels of corn laying in the cribs that should be fed to cattle and hogs, and so forth, to produce the necessary food—good food.

May I ask our very able and honored colleague, the gentleman from New Mexico, our new Secretary of Agriculture, what do you intend to do regarding this margin that has stopped us from getting three to four hundred pounds more of good beef on every carcass?

Mr. ANDERSON of New Mexico. I can only say to my distinguished friend from

Iowa that on Thursday of this week I attended a meeting at Chicago of the National Livestock Meat Board and asked them specifically to come in with a recommendation as to feeder cattle. On Wednesday I met with a group in the stockyards at Kansas City and asked them to come in with a special recommendation as to feeder cattle. I am going to keep on asking every group until we find a solution that will take care of the feeder-cattle problem.

Mr. JENSEN. Is the gentleman going to give us a margin that is wide enough and broad enough so that we can feed cattle?

Mr. ANDERSON of New Mexico. As matters now stand, I have no possibility of control over that margin, but I shall continue to recommend that there be a margin sufficient to take care of feeder cattle. May I only add that if the gentleman will read, as I know he has, the recommendations of the House committee created to investigate food shortages, he will know that a long time ago this distinguished group of men with which I have had the privilege of serving made that recommendation as to feeder cattle.

The CHAIRMAN. The time of the gentleman from Iowa has expired. All time has expired.

The question is on the amendment offered by the gentleman from Colorado [Mr. CHENOWETH] as a substitute for the amendment offered by the gentleman from Texas [Mr. PATMAN].

The question was taken; and on a division (demanded by Mr. CHENOWETH) there were—ayes 86, noes 162.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. PATMAN].

The amendment was agreed to.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Insert a new section after section 2 to read as follows:

"The Secretary of Agriculture shall confer with the Secretary of War and the Secretary of the Navy from time to time on the supplies of meat, sugar, poultry, dairy and vegetable products available in continental United States for military and civilian needs and said Secretary of Agriculture is authorized and directed to borrow or divert from military channels for critical civilian needs such stocks or supplies as he finds can be spared by the military and in such amounts as he can certify to the Secretary of War or the Secretary of the Navy can and will be restored by the time they are needed."

Mr. CASE of South Dakota. Mr. Chairman, this amendment proposes——

Mr. SPENCE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. SPENCE. Mr. Chairman, I make the point of order that the amendment is not germane to the bill; that it includes matters not contemplated by the bill, and it goes far beyond the scope of the bill.

Mr. CASE of South Dakota. Mr. Chairman, I think the gentleman's point of order comes too late, because I had been recognized and started to debate the amendment.

The CHAIRMAN. The gentleman from Kentucky was on his feet, and the point of order does not come too late. Does the gentleman from South Dakota desire to be heard on the point of order?

Mr. CASE of South Dakota. Mr. Chairman, I wonder if the gentleman would first withhold his point of order and let me explain the amendment.

Mr. SPENCE. I reserve the point of order, Mr. Chairman.

Mr. CASE of South Dakota. Mr. Chairman, my purpose in asking the gentleman to withhold his point of order was that after the gentleman had read the amendment and heard the explanation, I think, he would not care to press it. I believe he would agree that it is germane and does not broaden the scope of what is involved in the bill before us. I certainly would not take any more time in explaining the amendment than I would in arguing the point of order, so we will not lose any time doing it this way.

I will merely say that this amendment does not go any further than other amendments that have been offered and have been accepted so far. All are concerned with solving the food problem, and involve allocations of food as well as prices.

Now, then, if the members of the committee and the membership of the Committee of the Whole here today will listen carefully as I reread the amendment, placing emphasis on the important words therein, I think that you will see the value that this amendment would have in helping to meet the food situation of the country today. This amendment makes it possible for the Secretary of Agriculture to go to the Army and Navy and say, "The stocks you have on hand are more than you need for your present needs here in the United States. Let us have some of those or let us place some of those into commercial channels, or let us reduce the set-aside for your purposes for a little while, and we can replace them 60 days from now, and you will have just as much, and we will have met the critical situation we have today."

This amendment, I may say, grows out of a discussion of the meat situation with gentlemen in the Office of Price Administration. It grows out of a statement to me to the effect that the only thing that could be done to put meat on the American tables immediately was to do something of this sort; to have an arrangement whereby the stocks of the Army and the Navy might be made available for immediate use under sort of a lend-lease basis, you might say. I shall reread the amendment, and I hope you will follow me carefully so that you can get its exact meaning.

The amendment states:

The Secretary of Agriculture shall confer with the Secretary of War and the Secretary of the Navy from time to time on the supplies of meat, sugar, poultry, dairy, and vegetable products available in continental United States for military and civilian needs and said Secretary of Agriculture is authorized and directed to borrow or divert from military channels for critical civilian needs such stocks or supplies as he finds can be spared by the military and any such amount that he can certify to the Secretary of War or the Secretary of the Navy can and will be restored by the time they are needed.

All this really does is to give the Secretary of Agriculture some real bargaining power when he deals with the Secretary of War and the Secretary of the Navy. It does not permit him to take anything or divert anything or to reduce the set-aside unless he can certify to the Army and the Navy that the stocks can be replenished by the time they are needed. It will prevent any hoarding by the Army or the Navy, if such exists. It will make it possible to get immediate relief not merely with respect to meat, but as to sugar and the other stocks enumerated, poultry, dairy, and vegetable products.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Would not the effect of this amendment be to permit the Secretary of Agriculture to substitute his judgment for the judgment of the Secretary of War and the Secretary of the Navy on the question of the needs of their respective establishments?

Mr. CASE of South Dakota. Not as to the question of their needs, but as to how much is required to be in storage here on a given date. The Secretary of Agriculture knows how much new crop is coming on and when; the Army and Navy do not. As a matter of fact, under existing law the Secretary of Agriculture is supposed to make such a determination now. But the law is not specific on how to make his judgment effective. Under the amendment stocks could be borrowed or the set aside for Government buying can be reduced. If the gentleman will consult opinions given by the Solicitor of the Department of Agriculture, he will find that today the Secretary of Agriculture is the one who is supposed to determine allocations to various groups or purposes. This amendment really seeks to put teeth into present provisions of law.

We have huge stocks of some lines in the hands of the Army and the Navy in this country today. They can be used in some degree to meet the critical situation in meat and can be replenished in August and September when cattle move to the slaughter yards. It is the considered judgment of men in the Office of Price Administration and War Food Administration today that immediate relief can be obtained only in this way.

No harm can come from this amendment. The Secretary of Agriculture can use this method only if he can certify that the stocks borrowed can be replenished before they are needed. This plan offers a chance to put meat on dinner tables at once.

Mr. SPENCE. Mr. Chairman, I insist on the point of order.

The CHAIRMAN. The gentleman from Kentucky insists on his point of order. The gentleman from South Dakota [Mr. CASE] offers an amendment against which the gentleman from Kentucky makes a point of order on the grounds which he has stated. The Chair

has rather hurriedly but he feels with sufficient care examined the amendment. The amendment confers certain discretionary authority on the Secretary of Agriculture to make certain findings and to receive certain information from the Secretary of War and the Secretary of the Navy. The pending bill, especially since the adoption of the amendment on yesterday which was offered by the gentleman from Ohio [Mr. JENKINS], not only confers certain discretionary authority upon the Secretary of Agriculture but imposes certain definite duties and responsibilities upon the Secretary of Agriculture to make certain findings. Therefore the Chair is of the opinion that the amendment is in order especially in view of the present form of the pending bill at this stage. The Chair overrules the point of order.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment was never submitted to the Committee on Banking and Currency. It not only grants discretion to the Secretary of Agriculture but it is mandatory that he shall consult with the Secretary of War and the Secretary of the Navy. We have had no opportunity to consider it. I ask that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota.

The question was taken; and on a division (demanded by Mr. CASE of South Dakota) there were—ayes 64, noes 113.

So the amendment was rejected.

Mr. BATES of Massachusetts. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BATES of Massachusetts: Insert a new section:

"Section 2a of the Emergency Price Control Act of 1942 and Stabilization Act of 1942, as amended by Stabilization Extension Act of 1944 is hereby amended as follows:

"'In the second sentence after the words "accounting methods," strike out th period, insert a colon, and add the following:

"'"*Provided further*, That on and after the date of the enactment of this proviso, no maximum prices shall be established and maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species."'"

Mr. BATES of Massachusetts. Mr. Chairman, let me repeat this is the so-called Barkley amendment, identical with the amendment that was offered by Senator BARKLEY in the Senate and approved by that body.

It is unnecessary for me to impress upon the Members of the House the very critical food situation existing in the country, particularly in the heavily populated areas of the East.

Members of Congress are deluged with complaints about the shortage of meat, poultry, and eggs. The Governors of the 13 Northeastern States are meeting in New York today in order that they may discuss this serious situation and what possible remedies may be applied.

We all have a clear understanding of the food needs of our military forces. The shortage of meat to our civilian population, however, demands our immediate attention while this bill is under consideration. In the final analysis, the Members of Congress are to be held responsible by the people for whatever conditions exist in respect to the food supply. Are we to stand idly by and permit the present conditions to continue? Or are we going to accept our responsibility and place in the law, directives from Congress which we believe will be helpful in improving this situation. It is a pretty tough situation when Members of Congress receive letters of complaints and telephone calls from people enraged because they are unable to get meat, poultry, or eggs which are necessary if our people are to retain their health and vigor.

We are told, and it is admitted, that the shortage of beef is directly due to the fact that those in authority failed to recognize the cost of producing and processing meats. The evidence is clear that hundreds of producers and processors all over the country have gone out of business rather than face bankruptcy because they are held down to a selling or ceiling price which does not permit them to receive the cost of production—and therein, gentlemen, lies the real trouble.

This situation is well known and generally recognized even by those in charge of the administration, but nothing is being done about it. We are just muddling along while the people of our communities go hungry. The question is, What are we going to do about it? Well, first, we should recognize the philosophy that a man is entitled to the cost which he has paid out in producing meat. Certainly nobody can find fault with that. The cost should be determined by the OPA. They now have the authority, but are not recognizing it in a way that will produce the volume of meats we need.

We should amend this bill, making it mandatory that those in charge of this Administration recognize the elements of cost. To that end, I have offered this amendment which is identical with the Barkley amendment that already has passed the Senate. Senator BARKLEY is the administration leader in that body, and I feel sure he offered the amendment in good faith, feeling it would help to relieve the meat situation in this country. Otherwise, he would not have offered it.

This amendment to the Price Control Act simply provides that the Price Administrator must maintain fair prices upon beef and fair prices upon pork. It will prevent the Administrator from continuing a policy which OPA has followed from the beginning of price control of insisting that unprofitable prices on beef are justified and should be maintained because the packing industry as a whole was making adequate profits from other products.

The Senate Committee on Agriculture heard the testimony of the meat packing industry and, incidentally, also that offered by the OPA, and on the basis of this testimony made the following finding in an interim report issued May 15:

The committee is convinced from the testimony that at the present time substantial losses are being incurred by processors on both beef and pork operations. Many small packers have been forced to close, curtail their operations, go broke, or go "black," because of their inability to continue to take these losses.

The present meat situation is not surprising in view of OPA pricing policies which have required the processors to produce meat at a loss. This policy produces its inevitable result of shortages and maldistribution. An essential part of any program to increase meat production is to correct the below-cost-price policy of OPA. The amendment I have offered makes this policy mandatory on OPA. Price Administrator Bowles in a letter to Senator THOMAS has, at this late date, stated his willingness to establish fair prices on the products obtained from each species of live animals as would be required by the Barkley amendment. In view of the OPA record, there can be no assurance that this policy will be followed unless the Barkley amendment is written into the Price Control Act and made mandatory.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. BATES of Massachusetts. I yield.

Mr. AUGUST H. ANDRESEN. I want to get the gentleman's opinion on his amendment. Is it the intent of your amendment that a reasonable margin of profit is to be computed after allowing for all reasonable costs and expenses incurred in the buying and slaughtering of the livestock and the processing and distribution of the products, including overhead and selling expenses?

Mr. BATES of Massachusetts. That is exactly so and that is also the intent of the Barkley amendment, which has already passed the Senate.

Mr. Chairman, I very sincerely hope that along with the Patman amendment which has just been approved by the House and which will do much toward opening of the independent slaughterhouses, we will recognize the real serious situation that prevents meat from coming into the heavily populated areas of the country and give those who process the meat what it costs to deliver the meat to the wholesaler and to the retailer in this country. I hope we will follow the advice of the Senate that adopted this amendment so that when the bill goes to conference this so-called Bates amendment which is identical with the Barkley amendment will be kept in the bill that will be up for consideration.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. SPENCE. Mr. Chairman, this amendment is one that was passed by the Senate. I think it is an inflationary amendment. It will cause an increase in the price of food products.

Mr. Chairman, I ask for an immediate vote.

Mr. KEFAUVER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Tennessee is recognized for 5 minutes.

Mr. KEFAUVER. Mr. Chairman, I wish to speak in support of this amendment. I had intended to offer this amendment, which is known as the

Barkley amendment in the Senate. If I did not think it was definitely in the interest of price control I would not support it. We all know that the big trouble the OPA has had is in connection with meat products. This amendment was offered in the Senate by the majority leader of the Senate. He thought it was in the interest of price control or he would not have offered it. He must have thought it would be of benefit to the OPA.

A very unhealthy situation has developed in this country which is not in the public interest. That situation is that rather rapidly all of the independent meat processors are being forced out of business. So the next thing we know we are going to have the "big four" plus the black-market operators as the chief source of meat supply to the Nation. This situation is causing prices to be high because the meat dealer has to pay exorbitant prices to get his meat which comes through the black market. If dealers could buy from the independent meat producers they would be able to have their usual source of supply, they would pay a less price, and the consumer would pay a less price for his meat. As matters stand now, in my city, for instance, we used to have five independent meat processors; now we have but one and this one that we have left is on the verge of being put out of business. What is going to happen when that occurs? Meat dealers in my district are either going to have to get their meat from the "big four" packers who, because of outside income can stay in business, or they are going to have to get it from the black market; and when they get it from the black market it is going to cost the consumer, the people, more. So this amendment will benefit the consumer.

I feel, Mr. Chairman, that if we can solve this problem so we can get these independent meat producers back into business, get them producing, that we are going to strengthen the OPA and make the law more easy of enforcement.

May I also say that Mr. Bowles has recommended and says he is going to do this very thing but he cannot do it I am afraid because of an opinion of the Emergency Court of Appeals in the Armour case. He has written Senator Thomas a letter saying he wanted to do exactly what Senator Barkley wrote into the bill in the Senate; and since he is willing to do that I cannot see any reason why we should not write it into this law. I have great confidence in Mr. Bowles. I think he has done a great job. I would be willing to trust this matter to him if it were not for the Emergency Court of Appeals opinions.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. AUGUST H. ANDRESEN. I know the gentleman has studied this amendment with great care. I want to ask him this question: Is it the gentleman's understanding that the amendment will provide for a reasonable profit margin to be computed after allowing for all reasonable costs and expenses incurred in the buying and selling of livestock, and the processing and distribution of the products, including overhead and selling expenses?

Mr. KEFAUVER. Those items are the usual factors that are considered in calculating profit and I think they are included; that is my understanding; that is my definite intention.

Mr. AUGUST H. ANDRESEN. And the expenses should be calculated according to the way I have mentioned.

Mr. KEFAUVER. The expenses should be calculated just the way the gentleman has stated. I fully agree with the gentleman's interpretation.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman.

Mr. SUMNERS of Texas. Another thought that suggests itself to my mind is that in the black market business there is no sanitary protection at all.

Mr. KEFAUVER. That is exactly right, and a lot of people are rightfully complaining about it. The people would be better off and the Price Control Administration would be better off if they could get these independent packing houses in operation. The sanitation protection is of much importance as the gentleman has suggested.

Mr. MANSFIELD of Montana. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. MANSFIELD of Montana. The amendment offered by the gentleman from Massachusetts is the same as the so-called Barkley amendment in the Senate.

Mr. KEFAUVER. The gentleman from Massachusetts introduced the amendment. It is identical with the Barkley amendment.

Mr. BATES of Massachusetts. It is identical, word for word.

Mr. MANSFIELD of Montana. And the idea is to give to the independent and small packers a break so that they can not only stay in business but also to help alleviate the meat situation?

Mr. KEFAUVER. Yes; to reopen the independent packing plants. It is an attempt to do something to keep the small fellow in business, to enable the independent processor to carry on.

Mr. MANSFIELD of Montana. I want to tell the gentleman I am very much in favor of the amendment.

I will say to the gentleman that I am in receipt of many communications from the small packers, the miners, the housewives, and many others concerning this particular situation. After considering this matter carefully, I have come to the conclusion that the best way to grant relief to these people and still hold the line is to support the so-called Barkley amendment.

It is quite evident that because of the losses sustained by the small packers in processing livestock of all kinds they have been to that extent handicapped in paying to the farmer the price which the farmer should receive.

Mr. KELLY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. KELLY of Illinois. I wish to state to the gentleman from Tennessee that my view is this will aid in the stabilization of prices. It is an important amendment.

Mr. KEFAUVER. I am sure that Senator BARKLEY, the majority leader of the Senate, would not have offered the amendment or supported it if he had not felt it would have been an aid in price control. It will help solve some of their problems and be of distinct advantage in the matter of price control.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. HOOK. I am concerned to know what the difference is between the Patman amendment, which was just adopted, and this amendment.

Mr. KEFAUVER. They deal with different matters. The Patman amendment was to take off certain restrictions, as I understand it. The two taken together will just about straighten out our meat trouble.

Mr. BATES. The Patman amendment had nothing to do with price.

Mr. KEFAUVER. This amendment has to do with price.

Mr. HOOK. I understood the Patman amendment was to take care of this situation.

Mr. KEFAUVER. I do not believe it will unless this amendment is added as a corollary.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. WICKERSHAM. I wish to say, Mr. Chairman, that I believe the gentleman's amendment is a good amendment and should be adopted.

Mr. KEFAUVER. I thank the gentleman. Unless I believed this amendment would actually reduce the cost of living by eliminating the black market operations in meat, I would not support it.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. CRAWFORD. Mr. Chairman, reserving the right to object, I hope the chairman of the Committee on Banking and Currency will give us a little more time on this amendment. This meat situation is about as hot an issue as we will ever get in this country. Why can he not give us 5 minutes apiece?

Mr. SPENCE. We want to conclude consideration of this bill today. Most members of the committee know now how they will vote on the amendment. I hope the gentleman will agree to limit debate. There are many amendments on the Clerk's desk that will have to be considered.

Mr. STEFAN. Mr. Chairman, reserving the right to object, how much time would that give each Member?

The CHAIRMAN. The Chair does not know. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that the committee

may have the final 5 minutes of that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, empty shelves and empty counters promote the black market and greatly add to inflation tendencies. The OPA and related agencies have failed to make full production of food, clothing, and other essentials the first objective. They have been arrogant and have refused to accept constructive criticism.

For the last 2 or 3 years those of us coming from agricultural areas have pointed out that ever-changing programs and unbalanced prices were producing empty feed lots, a reduction in hog raising, and other food shortages. The minority in this House have repeatedly warned of the divided authority in reference to food. These criticisms of the administration of price control were not heeded. In fact, the Government propaganda and certain eastern metropolitan newspapers attempted to ridicule the Congressmen who spoke out. The farm bloc was held up as a selfish, ruthless group of men who were prompted by greed, all of which was false. Today we face empty meat counters and shortages of many types of food that coal miners, railroaders, industrial workers, farmers, growing children, and almost everyone need. The Office of Price Control and the War Food Administration and the administration, generally, cannot escape the blame. They have always had just the type of price-control law that they demanded of the Congress.

The Office of Price Control have made their job harder by persecuting law-abiding businessmen over "penny" transactions. They have proven that they have no conception of fair play, of business practices, or of simple justice. They have lost the respect of many splendid citizens.

In order to perpetuate themselves in office, the OPA would like to stay on in the postwar days. These controls were not established to reform everybody. They were established to help win the war. As soon as the war is over they should all be abolished.

The planned economy of this administration, with its hundreds of boards and bureaus and its 3,000,000 employees, are right now sowing the seeds for postwar unemployment. I will give you one simple illustration. Before a manufacturer can resume the manufacture of his civilian products, he must apply to the OPA for a price ceiling for each article he makes. In one case, a manufacturer that I know spent about 30 days filling out such an application. About 5 months after he filed it, the OPA made their decision, giving him a price on the article that he was going to resume manufacturing. This particular article cost the manufacturer $77.42 to produce. Of this, $12.30 was selling and administration expense; the net material and labor costs being $65.12. The OPA required him to price it at $61.50. How can that manufacturer operate on such a price? How can he secure capital to reconvert his plant. He cannot make plans that will result in jobs for returning veterans and others. The administration through the OPA have destroyed his plans before they have started. Many concerns make a number of different articles, some concerns make hundreds of different articles.

Again I say that all of these wartime controls must be totally abolished when peace comes. America cannot carry 3,000,000 Government employees on the pay roll. Their obstructive regulations will make for constant unemployment. If there were no unemployment, we would not need so many Government agencies and employees. Can that be the reason that the bureaucrats in Washington, realizing that our heroic Army and Navy are rapidly winning the war, are lying awake at night to figure out control schemes to interfere with and retard everything that produces jobs?

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I favored the Patman amendment which was adopted a little while ago. Getting no time to speak on it, I voted for it, believing it will have the effect of furnishing meat to those communities where the small packing plant could produce the meat if the present restrictions were removed or relaxed. There are such in my State, especially in isolated parts. In some of the mining camps of Arizona located in the mountains it is difficult to get meat to them from the big cities because of transportation distances and the like. They must today depend upon local slaughterers.

We do not want the people to be forced to depend upon black market to get their food. In peacetime we can and must be careful about inspection of meats and such food and we do take some chances by admitting less rigid inspection, but in war conditions such risk may be preferable to the other alternative. As soon as the emergency is over, we must safeguard the standards of inspection for the safety of the public health.

As for the Bates amendment under discussion, which I understand is the same as the Barkley amendment in the Senate, I do not favor its general principle applied in other lines of production in general, but the small meat producers should have a break, and I shall vote for this amendment. It seeks to help the small packer instead of the big fellow and that appeals to me in this situation. Therefore I shall vote for it.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, as I understand it, this amendment is identical in every way with an amendment introduced in the Senate by the distinguished majority floor leader of that body, Senator BARKLEY, of Kentucky, and adopted by a heavy majority in the Senate. I understood the chairman of the Committee on Banking and Currency of the House, the gentleman from Kentucky [Mr. SPENCE], to say that this is an inflationary amendment. I rather regret that statement because I am fearful it might interfere with the comity which exists between the House and the Senate. The statement that the Barkley amendment is inflationary is an unfair one, for in effect it charges the disguished senior Senator from Kentucky, the majority leader of the Senate, with being an inflationist.

Can it be that the gentleman from Kentucky [Mr. SPENCE] believes Senator BARKLEY to be an inflationist and that his amendment is inflationary, or there is anything inflationary about establishing maximum prices and maintaining them on products resulting from the processing of cattle, calves, lambs, sheep, and hogs so that a reasonable and only a reasonable margin of profit to the processing industry is permitted on each of such items? If he does, then he is certainly out of step with the Democratic leadership of the Senate, his party, and his State.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I will disagree with the chairman of our committee to the effect that this amendment is inflationary. If you have reached the point where protecting American industry is inflationary, what are you going to do about production; about employment and the Federal debt? As I understand this amendment, it simply permits a man to live economically in his own business. Some day we shall again find it is quite necessary to have production, goods, and jobs in this country.

In this connection, meat is positively the biggest issue today in my State, particularly Detroit. I have here a statement issued June 20, where one of our Federal judges out there, Judge Picard, is blaming the farmers of this country as being responsible for most of the black-market operations. He says:

> Bring in the farmers who start the thing. That's what you'll have to do if you want to stop it.

The judge is also suggesting:

> You farmers live higher than anyone else. You're getting the highest prices in history and still you're not satisfied. And you can grow your own meat in unlimited amounts. There are men working in Detroit plants who haven't had a good piece of meat for weeks.

Well, this is the first time I knew that present prices were the highest in all times, but there you have it from Judge Picard, in my own district. He seems to think that the farmers of this country are rolling in wealth and charges them with most black-market operations. With the judge I must disagree. We should support something that will at least take such terrible blame and such unfair charges off of the farmers of the United States. Of all people, why should a Federal judge show such bias? The judge knows farmers are not to blame for most black-market operations.

Mr. Chairman, June 16, Administrator Bowles wrote me a letter. To it I re-

plied June 18. For the RECORD I submit the two letters. First, that of Mr. Bowles:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., June 16, 1945.

The Honorable FRED L. CRAWFORD,
House of Representatives,
Washington, D. C.

DEAR MR. CRAWFORD: In view of the many questions which have been raised about our reconversion pricing policy, I am sending you a copy of a speech which I made to the Hartford Chamber of Commerce on June 15. In this speech I have emphasized two points:

1. We are determined that OPA pricing policies shall not stand in the way of the all-out production of civilian goods and services, which is the only final answer to the tremendous inflationary pressures now threatening our economy. I have placed particular emphasis upon the need for individual price adjustments to get every ounce of production we can and to relieve hardship wherever possible. We have taken special steps to eliminate red tape for small business.

2. Price controls were developed solely to meet wartime conditions. We are pledged to remove these controls just as soon as the production of civilian goods and services eliminates the inflationary dangers and permits our return to a free market.

Sincerely,

CHESTER BOWLES,
Administrator.

Secondly, my reply to Mr. Bowles:

JUNE 18, 1945.

Hon. CHESTER BOWLES,
Administrator, Office of Price Administration, Washington 25, D. C.

DEAR MR. BOWLES: With all the respect at my command I accept your letter of June 16 and the statements contained therein.

But, as you will no doubt hear of a statement which I made in executive session this morning about OPA pricing policies as they affect production in this country, I feel it is my duty to say that it is extremely difficult for me to believe that your organization will proceed and follow the course set forth in your letter of June 16. There are too many evidences contrary to what you say you propose to do.

You and Judge Vinson and Mr. Davis and others continually emphasize that production is the only answer to this question of inflation. If you are sincere in this, why is it so utterly impossible for you and others in a position somewhat similar to yours, to effectuate a program which will let production proceed in this country—and when I say production I mean with a capital P? My patience has already expired in waiting for the green light on production. Sweeping unemployment, a severe drop in the national income, a great decline in the flow of revenue to the Treasury by reason of income drastically dropping would at this time prove such a catastrophe to our people that it is utterly impossible for me to conceive that activity would be continued in any Government agency which interferes with production on a wide scale in this country.

My correspondence indicates there is a growing bitterness against the Office of Price Administration, and it is because so many millions of people today are having to unnecessarily waste their time and effort in attempting to purchase goods which you and others know good and well can be produced here in the United States. And under present conditions.

You know what you have had to say about having been able to hold down the price of the commodities the people buy. But there are millions of instances where a person goes to a store and spends as much time in purchasing an article or articles as it would require to earn the wages to pay for that article if the time spent in making the purchase was capitalized at the real wage rate which a person can earn who made the purchase. This, I remind you, is not reflected in the price quoted which constitutes your price level. And the people of this country are growing tired of their time being wasted in any such manner.

You talk about the great margins of profit which companies are earning today, but you say little publicly about how much these profits are enhanced by reason of the fact that the retail stores making those sales carry such a small personnel of clerks on their pay roll, that the time of the customer, to which I have referred to above, is wasted through constantly having to spend so much time to make the purchase, and all because of an insufficient clerical staff in the stores where the purchases are made.

In closing your letter you say: "Price controls were developed solely to meet wartime conditions. We are pledged to remove these controls just as soon as the production of civilian goods and services elminates the inflationary dangers and permits our return to a free market."

If the production of civilian goods and services is delayed—and I charge that it has been delayed—the inflationary dangers will continue, and we will thus be prevented from returning to a free market. If, during the first 12 months following the cessation of major hostilities in Asia, the civilian output rises to $140,000,000,000, that added to the present purchasing power of no less than $120,000,000,000, would give a total buying power of $260,000,000,000. Anyone schooled in simple arithmetic could calculate the percentage by which the price level would likely advance.

Herein we find the difficulty of removing these so-called controls. If these controls are to be continued as long as there is a potential buying power over and above production of goods and services, I see little hope during the next decade for the removal of these "booby traps" which the American people have thus far willingly gone along with.

Some day, as goods become scarcer and scarcer and scarcer—and I am convinced we will have less of certain basic commodities 6 months from now than we have today—millions of our people will be forced to inquire "why these scarcities?"

Now the Congress is going to renew the OPA act for another 12 to 18 months.

It will be up to you and your organization to prove to the people of this country that "pricing policies shall not stand in the way of the all-out production of civilian goods and services which is the only final answer to the tremendous inflationary pressures now threatening our economy."

Sincerely yours,

FRED L. CRAWFORD.

Furthermore, Mr. Chairman, a great buying agency in New York informs its customer store owners they will get practically no knit underwear or hosiery for next winter for manufacturers are finding it impossible to operate under SO 108 commonly known as MAP. The agency points out the people of Europe will be able to get the necessary merchandise, through purchase orders from the Federal Treasury, with the retailers of this country going along with bare shelves and empty stockrooms. Some day our people will grow tired of such a policy and a change will have to come.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I shall support this amendment and other amendments that will help promote the production of food in this country. As I said a few minutes ago, we are facing a most serious situation with respect to food supplies, and that situation at this moment is not growing any better. Too many governmental agencies have been attempting to regulate the food problem, and have thereby bungled the whole thing. The flourishing black markets are a disgrace to our democracy.

There are no more loyal Americans than the producers of our food. They have done a marvelous job, and will continue to do it when encourage to do so. What we need now is to reduce controls to the very minimum, cut out a lot of red tape and regulation. Controls that are necessary ought to be placed under one head assisted by men who are qualified by broad experience to do the job.

Mr. Chairman, a great deal has been said about our obligation to help feed the distressed and destitute people of Europe. Of course, we want to do our share in that respect, but we are not going to get very far with it unless we straighten out some of these things at home. It can be done if we are realistic and willing to attack the problem in a businesslike manner and use a little common sense and good judgment along with it.

If we handle the thing right, we can have plenty of food for our armed forces and for our civilians, and still be in position to share with people abroad where the situation is becoming desperate and where people are on the verge of starvation.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, I rise to support the amendment of the gentleman from Massachusetts [Mr. BATES]. The resolution which we are considering today is House Joint Resolution 101 which extends the Emergency Price Control Act and section 6 of the Stabilization Act for a period of 1 year. I have not spoken a great deal on this resolution, but I have listened to practically every word of the debate during the past 3 or 4 days. No piece of legislation is being watched by the general public today as is this far-reaching OPA resolution. I have voted for amendments which, in my opinion, would strengthen the act so that it would help to eliminate the terrible confusion and inefficiencies which now exist. These amendments include the Jenkins amendment; the Andresen amendment; both of which would give the Secretary of Agriculture more authority, and aid in more production; the Dirksen amendment which would give the people court review and now, the Bates amendment which in my opinion would go far toward solving the meat situation; eliminate the black marketeering, and surely would give the independent packing plants and independent processors some chance to survive. It will, in my opinion, give the producers of cattle and hogs a chance to continue operating. I do not agree with the gentleman from New York, who states that the farmers are the favored class during

these days of crisis and price control. The farmers have done a splendid job of production in the face of tremendous handicaps. At some other time I shall discuss again the miracle of production performed by our farmers in the days of great crisis.

I believe that the people in the Third District of Nebraska are opposed to runaway inflation. They believe in sensible price control which will in some measure put the brakes on inflation and runaway prices. What they want to do, if they are given real encouragement, is to cooperate in a program to stop inflation, if that can be done. They want to produce and get food to our armed forces and also to our civilians. They want prices to be controlled, but they do not want their entire economy controlled. They want the inefficiencies of the enforcement branch of the OPA removed and some common sense brought out of the chaos that now exists.

Many of the small businesses in my district and over the Middle West have closed down. Many of our small processors have quite business. Some of the small independent packing plants are now being threatened with liquidation. There is much black marketing of our food supply. There is much reason for amendments to bring about an end to present confusion.

The amendment for which I am now speaking would provide that the Price Administrator would be required to maintain fair prices upon beef and pork. It would prevent the Administrator from continuing a policy which OPA has followed from the beginning of price control of insisting that unprofitable prices on beef are justified and should be maintained because the packing industry as a whole was making adequate profits from other products.

I feel that the independent packers and processors have done a remarkable job and rendered a great service when the big packers concentrated most of their supplies of meat to our armed forces. It was during those days that these independent packers were called upon to feed our civilian population. This amendment will help these independents to survive. That is only one reason why I am supporting it.

I call your attention to the interim report of May 15 by the Senate committee on agriculture after hearing the testimony of the meat-packing industry and, incidentally, also that offered by OPA:

The committee is convinced from the testimony that at the present time substantial losses are being incurred by processors on both beef and pork operations. Many small packers have been forced to close, curtail their operations, go broke, or go "black," because of their inability to continue to take these losses. The Office of Price Administration officials have assured this committee from time to time that they would correct these inequities administratively. In the case of pork an announcement was made which purported to make pork operations profitable. The Office of Price Administration has since admitted that such relief was inadequate. Later they announced their 10-point program for beef which they said made beef operations profitable. Testimony produced before this committee clearly established that this program causes packers greater losses than they were sustaining under the program it superseded. This committee believes processors should have a margin of profit for processing of each species of livestock. In view of the recent court decisions, Congress must amend the Emergency Price Control Act so that it will be unmistakably construed in that manner. This committee, therefore, recommends that the Banking and Currency Committee of the Senate, which now has before it a bill to extend the Price Control Act, incorporate in that bill an amendment that will accomplish this result.

Mr. Chairman, I urge the adoption of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, this amendment is the so-called Barkley amendment which was adopted in the Senate. It should be adopted in the House. I say it should be adopted because the OPA officials have assured this committee from time to time that they would correct the inequities now existing in slaughterhouses. The OPA has done nothing.

The OPA's price policy, the over-all industry earning test, and through its persistent refusal to correct destructive orders, clearly indicated that it cannot be relied upon to avoid destructiveness or to correct substantial inequities. In view of the OPA's price policies which have recently been approved by the Emergency Court of Appeals, it is obvious that the only relief for the citizen and the only protection for the Congress against responsibility for results it did not intend is to be had through the adoption of this Barkley amendment.

Chester Bowles, in his testimony before the Banking and Currency Committee, admitted that there were 11,000 processors of meat in the black market. His estimate is probably far too small. Why are they in the black market? They are there because the small fellow who has cattle to sell cannot find a market because OPA has restricted the slaughter quotas of many small slaughterers and packing houses. They must sell to the black market or turn the cattle out to grass. The ODT refuses them gasoline to haul four or five cattle sometimes several hundred miles to a large licensed packing plant.

The price of meat permitted by the OPA causes the packing house to either operate at a loss and thus go into bankruptcy, close his plant entirely or go into the black market. This amendment would correct the present difficulty in the law.

The over-all industry earning test is an impossible yardstick for industry or food processors to follow. The small units of industry under their yardstick will either disappear, go into bankruptcy or to the black market.

The destructive effect of the OPA's adopted price policy is clear and the danger for the postwar period is perfectly obvious on the face of OPA's own statement when they say:

OPA considers maximum prices to be generally fair and equitable (1) so long as they yield an industry or trade as a whole at least its peacetime profits: (2) in a case of a multiproduction industry, so long as they cover the out-of-pocket costs, there is generally for each particular product or line of products.

This statement makes it perfectly clear that there can be no relief for the individual unit or small groups that are not making normal profits until actual losses appear.

The small packing plants are not able to utilize everything in the animal. They cannot use the offal and the black-market fellows even throw away the hide.

Many of these small packing houses have been losing money on each head they process. For a time they were making money on hogs which offset the loss on beef. Now that has changed. There is a further loss on both pork and beef. We have attempted to make this up in subsidies. We pay as high as $3.40 subsidy to a packer, yet the subsidy, the roll-backs, the quotas, the price freezing, and other orders has forced the meat off our table. The OPA's price policy, even with the near record number of cattle on our ranches and farms, has caused a shortage of beef. Beef in the East cannot be obtained at legal prices.

Members of Congress have heard many complaints from the small creameries, cheese factories, cotton mills, sugar-beet processors, grain mills, poultry and egg plants that they are being forced to operate at a loss by price regulations and they have appealed in vain to OPA for relief. If this condition continues many of these small processors will be forced out of business and the business will be concentrated in the hands of a few big companies.

Congress has asked that the price be generally fair and equitable. The OPA has taken unto themselves the power to regulate, control, or prevent profits. This was not intended by Congress.

This amendment would eliminate the necessity of the Treasury Department having 10,000 additional agents to track down black-market operators so the Government could collect their share of illicit profits. The number of commercial license slaughterers above the farm and retail level before price control were about 2,000. Mr. Bowles admitted, May 14, 1945, that this had increased to 26,436. He is thus confessing that because of OPA's regulations which prohibited the legitimate meat packer to recover his cost and a reasonable profit that they have encouraged 11,000 black marketeers in meat to grow up.

The Barkley amendment will drive the black markets out of existence. It will prevent run-away black-market inflation which is now a disgrace and demoralizing to our people.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, I am glad to see the House in the temper where they are going to do something about the meat-shortage situation. The other day I received a letter from a lady in my district which was inserted in the RECORD on Thursday, and I want to again read just a few lines thereof:

This is an S O S. I have never been so near to starving as now. I am not joking.

We have had one soup bone, all the red meat we've had in about 6 weeks.

Apparently these same shortages prevail all over the country, because on yesterday I received the following telegram from Richmond, Va. It says:

Advise where S O S caller got soup bone.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Chairman, I favor this amendment. Certainly any person in the United States who engages in business is entitled to do so at a profit. When the Price Control Act was first passed Congress did not intend that anyone in business would have to operate at a loss. This idea originated with some of the planners in OPA and does not belong in our American way of life.

I have always contended that it is unconstitutional for any agency of the Federal Government to issue orders and regulations that prevent any legitimate business from doing business at a reasonable profit. However, in the meat industry and many others we have observed for many months where the OPA was compelling packers to process meat at a loss. It is hard to believe that such an amendment as this would be necessary. I am sure there is no constitutional or statutory authority for the attitude assumed by OPA in denying citizens of this country the right to engage in business. We are guaranteed life, liberty, and the pursuit of happiness. However, it apparently means little to the OPA to force people out of business and thus remove their only source of income.

Congress should have acted in this situation long ago. It was our duty to correct this abuse when it first appeared. However, we have let the OPA go along without interruption and as a result we see the long list of business casualties along the road. There is no doubt that many more will follow unless we adopt this amendment. I cannot conceive of anyone voting against the proposition of permitting our people to make a profit. I realize there are enemies of free enterprise in this country who perhaps have been responsible for this attitude of OPA, and I cannot believe any true American would tolerate such a totalitarian doctrine. I am confident the House will repudiate the OPA regulations that have brought about the closing of many packing plants in this country and will adopt this amendment by a decisive vote.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, this amendment, if adopted and properly administered, will do more to destroy the black market in this country and to bring meat back into legitimate channels of trade for civilian consumption than anything heretofore proposed.

I asked the author of the bill what his understanding was with reference to the amendment as far as costs and allowances were concerned, and he said that it was his understanding that the amendment provided that a reasonable margin of profit should be computed after allowing for all reasonable costs and expenses incurred in the buying and slaughtering of the livestock, and the processing and distribution of the products, including overhead and selling expenses. This interpretation of the amendment clearly states the intent of Congress. If the law is administered in that respect, there will be no difficulty. Black markets will be destroyed. Meat will go back into legitimate channels, and the people will get the food that they are looking for.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from New York.

Mr. HANCOCK. If the House adopts this amendment which has already been adopted by the Senate it cannot be removed in conference, can it?

Mr. AUGUST H. ANDRESEN. No; that is correct.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. BUFFETT. Is it not true that this amendment will actually encourage production whereas the amendment adopted earlier does not create an additional pound of meat but simply removes a road block which already exists? Is it not true this amendment would actually encourage production?

Mr. AUGUST H. ANDRESEN. It would encourage production, and remove the squeeze, and permit people to buy meat at reasonable prices rather than compel them to patronize the black market and pay skyrocketing prices.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Chairman, I yield to the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Chairman, I think the amendment is good and I intend to vote for it.

Mr. WICKERSHAM. Mr. Chairman, I shall support the Bates-Kefauver amendment. I think that the small slaughterers need immediate aid. I propounded a question to the gentleman from Texas [Mr. PATTON] a while ago to inquire if the small packers would receive the same rate of subsidy for meat killed by them as that killed by the large packers, and he said they would under his amendment. I am glad to know that. This will save freight from the producing areas to the large cities and back. It will also save an extra commission fee. It will allow the larger cities in the nonproducing areas and the armed forces to get the federally inspected meat. It will allow smaller cities to retain the meat that they should get locally. This Bates amendment, coupled with the Patman amendment, should relieve the meat shortage and allow folks to secure plenty of meat. I talked to a small meat slaughterer from my district over the telephone just a few minutes ago, and he said the folks there in Oklahoma were wondering why there are so many cattle around there and yet they could not get any meat there at home.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. ELSTON].

Mr. ELSTON. Mr. Chairman, I am in favor of this amendment, and believe the pending resolution will be greatly improved if it is adopted. Perhaps no industry has suffered more from the maladministration of the Price Control Act than the small meat packer. In my congressional district some meat-packing houses have already closed. Others are bound to follow if some relief similar to that sought by this amendment is not soon extended.

Mr. Chairman, I do not know of a single instance in which a small packer has been able to operate at a profit where his operations have been confined to the processing of meat, although it certainly was the intention of Congress in passing the basic law that they be assured a fair and equitable margin of profit. Not only have meat packers been forced out of business by the impossible regulations and edicts of the Office of Price Administration, but scores of retail stores have likewise given up in despair.

In these days when the scarcity of meat is assuming alarming proportions something must be done by Congress. While this amendment may not be a complete answer to the problem, it will go a long way toward preserving one of the oldest and greatest industries in the country. In addition to helping the independent meat packer to remain in business this amendment will greatly aid in discouraging the black-market operations in meat which are giving the Nation so much concern. So I am glad, Mr. Chairman, to add my approval to this amendment and urge its adoption.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Chairman, I rise in support of this amendment, which is known as the Barkley amendment. Congress has an opportunity today to write legislation that will at least relieve us of some complaints being made regarding the administration of the OPA. For instance, it has been definitely proved that cattle cannot be full fed under existing price ceilings without a loss; secondly, the OPA has subjected our meat processors to grossly unfair price policies. Under existing regulations, the OPA tends to force processors to produce a part of their products at a loss while making a profit on the balance. In other words, they place their prices on the average profits of the corporation. In other words, a meat-packing concern that makes money on hogs might be forced to slaughter cattle at a loss. No one with common sense and business experience would expect the packing companies to slaughter cattle on this basis. It is necessary that they be given a fair margin of profit for processing each specie of livestock, such as beef cattle, hogs, sheep, and so forth. As I understand the objective of the Barkley amendment, which was adopted by the Senate, it is to require by law a fair profit margin for the processing of such species of live animals for the industry as a whole.

Now, I understand that Mr. Bowles, Director of the OPA, states that he expects to do this by regulation. Let us not take any chances; let us write it into law.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, yesterday I discussed the meat problem, which is little less than a national scandal. We have more meat animals in the United States today than we have had for many years. We are supplying all war demands, and there remains more than enough livestock on the hoof to supply all our civilian demands. In the face of this, the meat shops are empty and housewives are unable to secure meat of any kind. Poultry and eggs have disappeared from the markets. Black markets thrive in the shadow of the Capitol, almost in sound of my voice, and all over the Nation. The OPA has miserably failed to take any steps to relieve the situation. Fabulous prices prevail in the black markets. The entire blame for the meat scarcity rests squarely upon the OPA. This agency has refused to follow the mandates of the Congress. I call your attention to the normal conditions which prevail across the Canadian line, where the OPA does not exist. The following article by Cedric Adams shows how the meat problem is met in Canada:

IN THIS CORNER

(By Cedric Adams)

Let's talk about the meat situation as an opener today. A group of eastern butchers, who, like most butchers, have been unable to obtain meat, decided to pool their funds and send two representatives up to Canada just to see what they could buy. Before going to Canada the pair went to Washington to learn the lay of the land. They were told by the Department of Agriculture it had no objection to the deal. The Department even went so far as to say it would inspect the meat they might buy for free. The Canadian Embassy even gave its O. K. to the proposed plan. An attaché of the Canadian Embassy said, "Yes; we have plenty of meat. All you have to do is find it. If the Canadian Government doesn't need it, you may get a permit to ship it to the United States." The Americans went to Montreal and purchased 10 cars of prime dressed beef and veal and 6 cars of livestock—a total of 640,000 pounds. The meat cost 19 cents a pound—2½ cents less than the OPA ceiling price in this country.

The Montreal packers said they're anxious to do business with Americans. They explained the price they get from the British is 3 cents less than the American butchers paid them. After the meat was sealed in refrigerator cars, the whole deal was canceled by a high Canadian food official, who told the buyers he acted at the request of the United States State Department. When the butchers returned to the United States, they were told by the State Department the deal was held up by the War Food Administration. These men, however, brought back some other interesting information from Canada that might interest you and the OPA. They saw huge quantities of cheese with a 21-cent-a-pound price tag, against a 45-cent ceiling here. Butter up there was 36 cents a pound, compared to our 51 cents a pound. There are more than 56,000,000 pounds of butter in storage for Canada's 11,500,000 population.

Eggs in Canada sell from 20 to 24 cents a dozen, compared with a retail ceiling here of 49 cents. And in Canada the supply is so great farmers are killing off laying hens to prevent a further price drop. Chickens are so abundant across the border that you can buy all you want at any price you're willing to pay. Here chickens are almost unobtainable, except in the black market. One more item that should interest you in this little comparison is this: The only two major items that are rationed up there are gasoline and butter, and the Canadians expect gasoline rationing to be entirely removed on or before July 1. * * * There may be a thousand and one reasons behind, shall we say, this maladjustment. I hope the OPA doesn't think we're needling the Office. We're simply reporting what two butchers found in Canada. Don't you think the facts are interesting?

Mr. Chairman, the OPA has the power and authority to maintain in the United States meat supplies on a parity with Canadian supplies. Bungled administration alone is responsible for the want of meat in the United States.

Mr. Chairman, we must maintain price controls. We must prevent inflaton. We must keep food prices from skyrocketing. We must have, however, efficient and effective administration of price and inflation controls. We must see to it that the civilians of our Nation be allowed to secure food. We have the food. OPA is keeping the food from our people.

Mr. Chairman, the following news release appearing in the Washington Post today shows the white heat that exists with reference to the OPA's bungling of the meat problem:

"LITTLE MEN" ASK BOWLES FOR RELIEF—SHORTAGE OF MEAT DUE TO BUNGLING, SAY DELEGATIONS FROM FIVE STATES

(By Gloria Lubar)

Sharply castigating the Office of Price Administration's regulations on cattle slaughtering, 80 "fighting mad" cattle raisers, representing the "little men" from Virginia, Maryland, Texas, and North and South Carolina, descended on Washington yesterday and pleaded with Chester Bowles, OPA chief, to "take a personal hand in things so that people can have more meat."

At the stormy hearing, punctuated with cheers, applause, growls and mutterings, the farmers, led by Representative WILLIS ROBERTSON, Democrat, of Virginia, insisted there were approximately as many head of cattle—82,000,000—this year as last, but that "bungling by the men under Chester Bowles, not Bowles, himself, had caused the meat shortage."

BLAMES COMPLICATED RULES

"There's plenty of meat," declared Congressman ROBERTSON. "It's just that these complicated OPA rules are making it more and more impossible to get it on people's plates."

Closing of local slaughterhouses, diversion of all cattle to be slaughtered by a few large federally inspected packers, inept Federal inspectors "who don't know a grade A steer when they see one," and unequal pricing for different brands of cattle have caused the meat shortage, the men insisted.

"We're heading straight for a cattle panic like the one we had with hogs in 1943," warned Judge Joe Montague, representing the Texas cattlemen.

"We've all got plenty of cattle, but the OPA has placed slaughter quotas on us little men, closed our local slaughterhouses, and what are we going to do with these huge herds of cattle?

"If something isn't done soon we're going to have to sell our herd to the black market or dump them on the open market, all at once, like the hog panic of 1943," he continued. "If we dump everything, including breeders, which he panicky farmers will do, then we wipe out future herds."

Bowles answered that local houses had been closed to divert all cattle to the federally inspected companies so that the Army and then the big cities could be supplied.

Another cattleman cried out: "It's a shame I can't do anything about making meat out of the cattle on my land. My local slaughterhouse is closed. The Office of Defense Transportation won't let me ship to a big house because I don't have the minimum amount of cattle. So the cattle stay on my land, a loss to me, and absent from people's tables."

WALKER FLAYS GRADERS

L. M. Walker, commissioner of agriculture for Virginia, next flayed Federal meat graders or inspectors.

"Too many of them know nothing about meat," he accused. "Why, they'll take two sides of beef, both from the same animal, and mark one side good beef and the other 'utility.'

"I know the OPA and the War Food Administration have a problem in trying to hire 26,000 excellent graders with this manpower situation. But it shouldn't be a problem," he continued. "Let the States take care of their own inspecting, with local men overseeing the small slaughterhouses that should be reopened immediately, and then we'll all have more meat."

The session ended with a promise from the OPA and WFA men that further discussions will be held.

PIG CROP BELOW GOAL

The Agriculture Department reported yesterday that the 1945 spring pig crop totaled about 51,687,000 head.

This was far short of the Government's goal of 57,500,000 head.

The spring pig crop will move to market for slaughter next fall and winter.

The Department said the combined spring and fall pig crops of 1945 was expected to be only a little larger than last year's small wartime crop.

A survey of farmers' plans indicate, the Department said, a fall crop of about 39,300,000 head. The Government goal for the fall crop is 37,000,000 head.

Thus if Government estimates turn out to be correct, the 1945 production of hogs would total about 87,000,000 head compared with 86,753,000 in 1944 and with 121,706,000 in 1943.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. GAMBLE].

Mr. GAMBLE. Mr. Chairman, this amendment as has been previously stated is the so-called Barkley amendment, which was introduced in the Senate by Senator BARKLEY and adopted by the Senate during its consideration of this bill. I offered the so-called Barkley amendment when the Committee on Banking and Currency in the House had this bill under consideration and it was unfortunately defeated. The purpose of the amendment and the necessity for it has been thoroughly explained and I will not repeat the argument. This amendment simply writes into law what OPA has announced would be its policy from now on to accord separate price margins for the processing of different species of live animals. Producers and processors should not have to rely in this critical situation on an order or regulation of OPA which can be changed tomorrow. It should be written into the law. The purpose and objective is to require by law a fair profit margin for the processing of each species of live animals for the in-

dustry as a whole. In my opinion it strengthens price control; otherwise I would not vote for it. I hope that the amendment will be adopted by the Committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. BATES].

The amendment was agreed to.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment, which is at the Speaker's desk.

Mr. SPENCE. Mr. Chairman, will the gentleman yield to me for the purpose of making a unanimous-consent request?

Mr. AUGUST H. ANDRESEN. I will be glad to yield to the gentleman.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto conclude at 4 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. Mr. Chairman, I could not hear what was going on, but if debate closes at 4 o'clock, how much time does each Member who is recognized get?

The CHAIRMAN. The Chair is not prepared to state that now. There are quite a number of amendments at the Clerk's desk. The Chair has no way of knowing how many amendments may be offered.

Mr. MARTIN of Massachusetts. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARTIN of Massachusetts. How many amendments are pending at the Clerk's desk at the present moment?

The CHAIRMAN. There are 16 amendments on the Clerk's desk now.

Mr. MARTIN of Massachusetts. Is it the purpose of the Chairman to recognize those who have offered their amendments first and give them the preference?

The CHAIRMAN. It is the purpose of the Chair to recognize Members requesting recognition to offer amendments.

Mr. MARTIN of Massachusetts. I would say that is cutting the boloney pretty thin.

The CHAIRMAN. Of course, the gentleman from Massachusetts well knows that Members sometimes place amendments on the Clerk's desk and never do rise to offer the amendments which they have placed on the Clerk's desk.

Mr. MARTIN of Massachusetts. Some Members may have amendments which they have not placed on the Clerk's desk.

The CHAIRMAN. The gentleman also knows that other Members may have amendments in their pockets which they may never place on the Clerk's desk but which they do rise to offer. The Chair therefore is unable to know how many of these amendments may be offered or how many other amendments may be offered which have not been placed on the Clerk's desk.

Mr. MICHENER. My parliamentary inquiry was based on the fact that everyone whom the Chair recognizes, under the circumstances we now find ourselves in, will be recognized for 5 minutes.

The CHAIRMAN. The gentleman from Michigan is correct.

Mr. MICHENER. It does seem that there should be some allocation of time among the Members who desire to address the Committee. This thing went through in a hurry and no one heard it.

The CHAIRMAN. The gentleman from Minnesota has offered an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: Page 1, after section 2, insert the following new section:

"SEC. 3. Subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"(e) Notwithstanding any provision of this act or any other law or Executive order no regulation, order, directive, or allocation shall be issued or made, or any other action taken (including directives for distribution or price schedules), with respect to any agricultural commodity, including livestock or for any food product processed in whole or in substantial part from any agricultural commodity, including livestock, by the Administrator or by any agency of the Government or the head thereof, without prior written approval of the Secretary of Agriculture, and no regulation, order, directive, allocation, price schedule, or distribution order with respect to any agricultural commodity, including livestock, or for any food product processed in whole or in substantial part from any agricultural commodity, including livestock, heretofore issued or made by the Administrator or any agency of the Government or head thereof, shall be valid or binding unless approved in writing by the Secretary of Agriculture within 90 days after the enactment of this amendment; except that necessary action, authorized by law, may be taken to enforce compliance with any regulation, order, directive, allocation, price schedule, or other requirement with respect to an agricultural commodity which has been previously approved by the Secretary of Agriculture."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, this amendment simply spells out existing law which requires, as provided in paragraph (e) of section 3, that the Secretary of Agriculture shall approve orders with reference to agricultural commodities.

We have found in our Special Food Investigating Committee that the Secretary of Agriculture and the War Food Administrator have been repeatedly bypassed by the OPA and other agencies, which is contrary to existing law. Our special House committee, of which there is a majority on the Democratic side and a minority on the Republican side, are unanimous in the idea embodied in this amendment. I cannot say how the new Secretary of Agriculture will stand on it, but if he is present I would like to have him answer the question.

Mr. STEFAN. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. STEFAN. I have been told unofficially that the new Secretary of Agriculture is very much in favor of the gentleman's amendment.

Mr. AUGUST H. ANDRESEN. I understand that he is very much in favor of this amendment and that it will be helpful to him in getting the meat and food situation straightened out in this country.

Furthermore, it gives him the authority to pass upon all regulations with reference to food, so that he can see that they are right and in harmony with our economy and in accordance with law before they are put into operation.

Mr. STEFAN. I think if we can do anything at all at this time to make the path smoother for our colleague who is about to assume this important office, we should do it.

Mr. AUGUST H. ANDRESEN. I agree with the gentleman. Let me call attention to this fact: The President of the United States is placing the responsibility upon our colleague to do a job down in the Department of Agriculture. In the first place, to secure adequate production and in abundance, and, in the second place, to restore distribution of meat and other vital foods to normal, legitimate channels at fair prices to the people of the country. We should help him carry out that objective so that he can make good.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. ROBSION of Kentucky. The gentleman's amendment would supplement the Patman amendment, would it not?

Mr. AUGUST H. ANDRESEN. No. Of course, my amendment aids the Patman amendment. It does not interfere with it, but instead of having numerous agencies write regulations and schedules, before they can go into operation they must be submitted to the Secretary of Agriculture for approval.

Mr. ROBSION of Kentucky. The gentleman's amendment would cover all food?

Mr. AUGUST H. ANDRESEN. All food, that is right.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. REES of Kansas. In other words, the gentleman's amendment would put the control under the Secretary of Agriculture with respect to all foods, as it affects production and distribution?

Mr. AUGUST H. ANDRESEN. It would put it under the Secretary of Agriculture, insofar as any agency issuing food orders must follow the law and go to the Secretary of Agriculture to secure approval of all orders to be issued in future and also those issued in the past.

Mr. REES of Kansas. I am in favor of the gentleman's amendment and will support it.

Mr. THOM. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. THOM. The Office of Price Administration has declared an area distribution order under which every packer must ship to each county in the United States a proportionate amount of the meat products that he shipped last year. Does the gentleman's amendment destroy that order?

Mr. AUGUST H. ANDRESEN. My amendment does not destroy any order; it only requires the OPA to take their

proposals to the Secretary of Agriculture as provided in section 3 of the existing law to secure approval from him so that they may work in harmony both on production and distribution. It does not remove any of the existing machinery but it ties in and coordinates the activities of the executive department in trying to bring order out of chaos.

Mr. THOM. I do not want to see the area distribution order destroyed because it has been a good policy.

Mr. AUGUST H. ANDRESEN. It simply requires submission to the Secretary of Agriculture for his approval. That is what the law requires today. It is only in the interest of the more effective distribution of food to the people. The passage of this amendment will go far in restoring confidence amongst producers and bringing about an increased supply of food for the people. Abundance in the production of food is the only weapon to stop inflation and provide the people with food at reasonable prices.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

The gentleman from New York [Mr. BARRY] is recognized for 5 minutes.

Mr. BARRY. Mr. Chairman, when the OPA bill first came up in 1941 you will remember that we at the insistance of the so-called agricultural group adopted a provision which prohibited the Price Administrator from setting a ceiling below 110 percent of parity. At that time agricultural prices were about 81 to 85 percent of parity. When the country learned what happened through the newspapers, the President of the United States called this committee back into session and we eliminated that provision and inserted a ceiling of 100 percent of parity which has always been the desirable goal for the farmer. That was in 1941 when prices were from 81 to 85 percent of parity.

Last year when Judge Jones, who was formerly chairman of the House Committee on Agriculture, testified before the Committee on Banking and Currency of the House I asked him a few questions. I read the colloquy as follows:

Mr. BARRY. Production has increased according to your statement today 32 percent since the 5-year prewar period.

My question is, Have the farmers, or when before in our history have the farmers been in a better position than they are today with respect to income?

Mr. JONES. Well, in respect to income, the income is higher now than at any time in our history. Of course, the farmers have worked pretty long hours.

Mr. BARRY. I appreciate that.

Mr. JONES. Even the women and children have gone to the farm and worked. They have pretty well gone to town. They have not asked for anything extra in the long hours.

Mr. BARRY. I appreciate their working, Judge.

Mr. JONES. But so far as the income is concerned, the farmers' income now, his total income and his net income are higher than they have ever been.

Mr. BARRY. And his purchasing power? As I understand it, parity is supposed to be the formula, 100 percent of parity, to give the farmer a desirable income, and today it is at least 17 percent above parity on the average.

Mr. JONES. Between 15 and 17.

So, Mr. Chairman, for the last 3 years the farmer starting out at 81 to 85 percent of parity has now reached 17 percent above parity under this terrible OPA. His prices have increased about 40 percent and production has increased 32 percent. In view of those facts, which are true, I cannot understand how you justify the amendment that was adopted yesterday or justify the amendment that is presented here now.

Mr. AUGUST H. ANDRESEN. There is nothing in my amendment that affects price. It just requires the approval of the Secretary of Agriculture before these orders are placed into effect.

Mr. BARRY. The amendment adopted yesterday gives the price-fixing power to the Secretary of Agriculture. The effect of that will be that you will have one agency competing with another agency; one agency working for increases in farm prices against another agency seeking to hold down prices on other commodities. It will take about 6 months to build up an organization under the Secretary of Agriculture. That which has happened so far under OPA has made the farmers the most favored group in this country today; and the gentleman knows it. Tell me any other group that has fared so well? No other group has received more than a 15-percent increase under the Little Steel formula, yet the farmer has had a 40-percent increase in his price.

Mr. AUGUST H. ANDRESEN. Again I say this amendment has nothing to do with price, but only requires reference to the Secretary of Agriculture.

Mr. BARRY. It has relation to the Secretary of Agriculture and takes power from the OPA administrator.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MICHENER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall support this Andresen amendment and the bill, as amended. When the resolution continuing the OPA for another year was before the House on June 13, 1944, I said in debate:

I think there is general unanimity of opinion as to these conclusions:

First. The over-all effect of the OPA law has been of value to our people.

Second. Price control must be continued throughout the war.

Third. Price control, regimentation, and incident regulation must be discontinued just as soon as the economy of the country will permit.

Fourth. The bill now before us is far from perfect, but is better than the law as now written.

Fifth. It is practically impossible to embody in any law all of the desires of the 435 Members of Congress. We each come from different constituencies and our problems are consequently varied. Therefore, most legislation in its final draft is a compromise or a give-and-take proposition. Since I have been in Congress I have voted for few bills that suited me exactly. The same is true of the other Members.

Now, if we are all agreed that price control should be temporarily continued, then two options are open to us:

(a) Extend existing law without any change at all, or

(b) Amend existing law to make it more workable.

There should be no choice between the two alternatives.

The value of any law depends upon the manner in which it is administered. The real trouble with the price-control law is the way it has been administered.

Mr. Chairman, people must realize that without some kind of price control there would be run-away inflation, and no one would suffer more than the middle closs, to which most of our people belong. We spent only $26,000,000,000 in the First World War. Prices went sky high. Before this war is over we will have spent $300,000,000,000. Turning this amount of purchasing power loose in the country would bring unthought-of inflation. Therefore, there must be price control. It is silly to say that the law has been so well administered that it should not be amended. It is just as silly to say that the law can be made perfect. The Congress is not equipped to write all the rules and regulations covering the thousands of items on which ceiling prices must be placed. Rigid, fixed rules written into law would lack the flexibility necessary to accomplish the purpose of the law.

In short, Mr. Chairman, we should be realists here today. Price control must not be destroyed now.

Many small-business men, many farmers, many consumers, and people in all walks of life in my community have suffered personal inconvenience from the effects of price control and rationing. I hail the day when this terrible war will be behind us. I sincerely believe that when that day does come the people's representatives in Congress will see to it that unnecessary regulation, control, and regimentation are removed and that we revert to a Government of law made by the Congress rather than a law of men by executive and bureaucratic fiats. For one, I am prepared to make that fight, because if this course is not pursued the freedoms and liberty, and the type of Government we have always enjoyed, will be but a memory. God save the day.

Mr. Chairman, in all particulars that speech is just as applicable as it was a year ago. The principal difference between then and now is that there is less food and less consumers goods for the civilian population. However, there is more black market and greater maladministration on the part of the OPA.

It has been repeatedly stated here that the present law is flexible enough to permit its administration in a way that will secure more food for more people at less cost to all the people and with a fair incentive profit to the producers. If the law does contain this flexibility, then why is the country in the predicament in which it finds itself at the moment, especially concerning food and food products?

The debate has shown beyond peradventure that the fault primarily lies with the way in which those charged with carrying out the intent of the Congress, as expressed in the law, have performed their duty. The result of this has brought about a justifiable resentment on the part of patriotic and sincere people that will eventually lead to defiance, riots, and probable rebellion unless relief is given.

Our country is able to produce enough food and clothing for all, if not circumscribed and prevented by impracticable, unrealistic, and tom-fool rules and regulations made by intolerant, know-it-all, theoretical planners, who adhere more to blueprints than to the commonsense

advice of experienced agriculture and industry.

It is not enough that the OPA should see to it that the present supply of the necessities of life are equitably distributed to our people, and at a fair price. The course that the OPA has been pursuing evidently contemplates that end only. It is more meat, more butter, more eggs, more clothing, and more food that our people must have. These bureaucrats entirely miss the point if they do not base their objective on increased production and adequate supply.

To cite the mistakes, the errors, and the idiosyncrasies of administration is only valuable to the extent that these errors are taken advantage of in mapping the course for the future. For four long days the representatives of the people, coming from the consuming centers and the producing centers, have recited to us the appalling conditions obtaining throughout the entire country. The case has been thoroughly diagnosed and we should change the prescription or insist on the law being interpreted pursuant to the intent of the Congress. Reading complaints from constituents and vociferous protestations on the part of members standing alone are of no value. It is action that is demanded. Now, just what should this action be? Should we discontinue the OPA entirely or should there be a change in the law or in its execution? Common sense would indicate, that if the law has been, or can be beneficial, then it should be continued so long as the necessities require. Even though the law is broad enough to permit beneficial administration, yet if the OPA flagrantly violates the intent of Congress, then more specific language should be written into the law.

The bill now before us does just one thing, and that is to continue the law as now written. For my part I shall support all amendments the purpose of which are to compel proper administration. I have no sympathy with those who insist that the law is perfect and that it must not be changed. It can be improved in a way that will bring more food to our people without destroying the law.

On yesterday I voted to extend the law for a period of 6 months with clarifying mandates to the OPA. In voting for these amendments I am not expressing hostility to the objective of the law; I am trying to make it better.

There are those among us who have opposed any kind of price control or rationing from the beginning. They can see no good in it. I respect their views, and if I were like minded I should courageously vote against this continuation. On the other hand, feeling as I do about the matter, I believe it to be my duty to assist in writing clear, more definite, and unmistakable directions in the statute. I may be in error, yet the most careful appraisement I have been able to make leads me to but one conclusion, and that is that the best interest of the average man requires a continuation of OPA for the time being, and I shall so vote.

Mr. Chairman, the country is indeed fortunate in having as its new Secretary of Agriculture our very practical, experienced, and sincere colleague from Oklahoma, CLINT ANDERSON. If the Jenkins amendment is permitted to remain in the bill, he will take over the administration of this law. We who know him best trust him most, and as chairman of the Special Meat-Investigating Committee he has demonstrated that he knows what it is all about. Under his direction it is fair to assume that the law will be interpreted and administered as intended by the Congress. The remarks he made a moment ago, and the nonpartisan ovation he received, plus what he said augurs well for the future of all of our people.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 30 minutes, reserving the last 5 minutes to the committee.

The CHAIRMAN. The Chair will put the gentleman's request of course, but there are 15 other amendments pending on the desk. Time has been limited to 4 o'clock.

The gentleman from Kentucky asks unanimous consent that all debate on this amendment and all amendments thereto close in not to exceed 30 minutes. Is there objection?

Mr. DIRKSEN. Mr. Chairman, reserving the right to object, may I suggest to the gentleman from Kentucky that there are 15 or 16 amendments at the desk. If we are going to take this much time, with the total time limited to 4 o'clock, we cannot cover all of the amendments.

Mr. SPENCE. I am willing to accede to the wishes of the committee.

Mr. DIRKSEN. I suggest that the chairman of the Committee on Banking and Currency make some arrangement with the Chairman of the Committee of the Whole whereby there will be a minute or two at least for the amendments now on the desk.

Mr. SPENCE. I am willing to accede to the wishes of the Committee.

Mr. DIRKSEN. I suggest the gentleman make such a motion.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. HALLECK. Mr. Chairman, reserving the right to object, it seems to me, recognizing the importance of this amendment and the fact that numerous Members want to speak, that is too long a time, having regard for the other amendments that are to be considered and the limitation of time to 4 o'clock. I would suggest that the chairman of the Committee on Banking and Currency revise his request and further limit the time on the pending amendment in order that those following may have a few minutes to speak on their amendments.

Mr. SPENCE. That is satisfactory to me. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto be limited to 10 minutes, 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. WALTER and Mr. STEFAN objected.

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. Mr. Chairman, there have been used 5 minutes for and 5 minutes against the pending amendment. Outside of pro forma amendments there can be no more debate if the Chair so rules. Am I correct?

The CHAIRMAN. The gentleman is correct, unless someone offers an amendment to the amendment and, of course, a pro forma amendment is an amendment to the amendment.

Mr. PACE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I shall not consume 5 minutes because I think the others are entitled to be heard on their amendments.

I merely want to say that I hope this amendment will receive the approval of the House. I see no possible way to bring about the coordination which we need so badly, which the special Committee on Food has recommended, which the President has assured he will give us, unless this amendment is agreed to. The amendment is in most part a reenactment of the present law, section 103, which states that the orders relating to food must be approved by the Secretary of Agriculture.

This amendment provides that, and, further, provides that in order to clarify the existing situation the Secretary must give his written approval of the orders now in effect within 90 days from this date. I think it should have your cordial and the sympathetic support and I hope very much it will be acceptable to the committee.

Mr. WALTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I trust that the amendment just offered will be adopted, and I say that because under a headline in one of the leading papers in the East on yesterday entitled "Truman Vows To Increase Meat Supply" the President is reported to have said:

> The President spoke reassuringly of the food situation and said the Administration was at work on a plan for single control over prices and food. He did not disclose how it would function.
>
> He said the meat shortage would automatically be straightened out as soon as Representative CLINTON P. ANDERSON takes office as his new Secretary of Agriculture and War Food Administrator.

Certainly no man has even been put on the spot any more than has CLINTON ANDERSON and we ought not to make it possible to tie his hands in his position by permitting agencies over which he has no control to write the rules under which he must operate.

Mr. HOPE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I shall not take 5 minutes in view of the prevailing situation. I am heartily in favor of this amendment.

A short time ago we heard our distinguished colleague, the new Secretary of Agriculture, tell about the efforts which he was making to solve the meat situation. Unless you pass this amendment or finally adopt on roll call the Jenkins amendment which we adopted yesterday, you are going to tie the hands of the Secretary of Agriculture. He will have no opportunity to do what he told you awhile ago he wanted to do. Marvin Jones has not been able to do it. He does not have the authority. His predecessor, Chester Davis, did not have the authority, and our new Secretary will not be able to do the job he wants to do and that we want him to do unless we give him this authority now.

I hope the amendment will be adopted.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I just wanted to say that this amendment is not inconsistent or incompatible with the amendment offered by the gentleman from Ohio [Mr. JENKINS] that was adopted yesterday.

Mr. HOPE. That is true.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Ohio.

Mr. JENKINS. Is it not also true that my amendment places all this administration in the Department of Agriculture and that every other amendment spoken of this afternoon will do the same thing?

Mr. HOPE. They are all consistent with the gentleman's amendment.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I am glad to see that our distinguished colleague the gentleman from New Mexico is for this amendment. I think that CLINTON ANDERSON will go after the black markets.

May I briefly quote from a New Jersey Farm Bureau News Letter of the current week on the food crisis today?

> Flagrant deals in meats and poultry, to some extent in eggs and butter, are making bootlegging operations of the 1920's pea-size by comparison. The profit take is bigger, the market blacker, more potential customers per thousand people, the risk not too great.

I, too, think that the gentleman from New Mexico, CLINTON ANDERSON, will attack the problem of distribution. Along that line let me tell you a little story. Last night I talked with two housewives domiciled here in the District of Columbia. They were talking about eggs. One of them said she had not been able to buy eggs in a store in Washington, D. C., in the last 2 weeks. The other said this:

> I took the situation in my own hands. With my husband I drove down into the Old Dominion State of Virginia yesterday, we went to a farm reasonably near Washington, and we bought 55 dozen of fresh grade A big-sized eggs at 40 cents per dozen. The farmer told us we could have 55 dozen more if we wanted them.

Gentlemen of the House, distribution has broken down and the picture is not a pretty one.

Mr. MUNDT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the Andresen amendment which has for its obvious purpose the bringing of some semblance of order out of the carnival of chaos existing among the conflicting and contradictory administrative authorities now handling OPA regulations.

Mr. Chairman, to anybody except a New Deal bureaucrat, who seems to think that a plethora of food can be produced from a parade of authoratarian directives, it should be entirely apparent that since food is the product which is so badly needed in increased quantity in this country the place to fix responsibility for procuring more food is with the Department of Agriculture. Mr. ANDRESEN'S amendment, together with the so-called Hoover amendment which was offered by Congressman JENKINS and approved by us yesterday, will fix this responsibility where it belongs. It should be adopted by this House today and I plea for its adoption.

This amendment will put an end to buck passing among bureaucrats and it will open up a new era of opportunity for passing platters laden with food across the nearly bare tables of American homes.

This amendment will give the new Secretary of Agriculture, the gentleman from New Mexico, Mr. CLINT ANDERSON, who was appointed from among the membership of this House, an opportunity to carry out the recommendations he has already made public and it will fix upon him the responsibility for implementing those amendments. To fail to pass this amendment would be to tie his hands even before he assumes his new office.

This amendment may have no effect upon the prices fixed for American food stuffs but it will provide an administrative setup whereby additional food can be produced so that there will be something besides vacant store shelves behind the price tags posted in the shops and stores of this country.

This amendment will put an end to the great bureaucratic shell game which the OPA has been playing with the American public thru its machinations in refusing to let the people know under whose skull cap the bean of responsibility for the acute food shortage is actually to be found.

Let us pass this amendment so that one authority, the Secretary of Agriculture, shall have the power to validate and develop directives affecting food production and so that upon him shall be placed the full responsibility for evolving and executing a sane, sound, and sensible program of food production, pricing, and distribution.

Our present food shortage is manmade Mr. Chairman, and it carrys the imprint, "Made in New Deal Washington." This amendment will at least cut one clean swath in this red tape so that America and all the world can look hopefully through it to an era of greater food production, more effective food distribution, and a more efficient administration of the OPA.

Mr. MONRONEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. MONRONEY. Mr. Chairman and Members of the House, I ask in these last few minutes of debate on price control that you will just slow down a little bit and look carefully at the language of this amendment. This amendment says:

> Notwithstanding any provisions of this act or any other law or Executive order—

In other words, we are giving the Secretary of Agriculture not only the right to veto and to nullify any decision by the Office of Stabilization, but we also give him the right to nullify and veto an Executive order of the President of the United States if it pertains to food.

If that is what the Members on the Republican side of the aisle wish to do, if that is where the applause came from, I let the RECORD speak for itself.

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman.

Mr. OUTLAND. Mr. Chairman, I think the RECORD should show at this point that there was considerable applause in the Chamber and that it all came from the minority side.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. MICHENER. Mr. Chairman, the gentleman who just spoke was looking only in one direction and did not see all the applause that came from his own side. The real answer is that the House knows CLINTON ANDERSON, and they are willing to trust him rather than any of these bureaucrats in the Office of Price Administration.

Mr. MONRONEY. Mr. Chairman, this is an important and vital amendment. It is a destructive one to inflation control. If the House wishes to do this, it is very bad legislative policy. You are going to nullify by this amendment the greatest act that the Congress has passed to control inflation, the act of October 1, 1942. That is the act which directed the President to stabilize as nearly as practicable the cost of living in effect on that date.

One other thing which I do not think even the author of this amendment took into consideration: Every single regulation or order coming out of the Office of Price Administration and which has to go out for the regulation of raw agricultural commodities or every item manufactured in whole or substantial part from agricultural commodities and every regulation dealing with any of the many-sided operations of food-price control must—and get this now, because it is important; you may hoot later if you wish—must be signed by the Secretary of Agriculture.

The gentleman from New Mexico, CLINTON ANDERSON, cannot do anything to promote more food production if he has to sign personally every single one of thousands of regulations dealing with all of the agricultural commodities which are produced in this great country.

It is an impossible, unworkable, and impractical amendment. You probably are going to pass it, but you will live to regret it because you are going to destroy the first chance this House has had

in years to have a distinguished and able Member of the Congress function as Secretary of Agriculture in the way that he should function. All he is going to be able to do is to personally sign his name to thousands of orders he cannot possibly have time to read or understand.

POWER GIVEN TO CABINET OFFICER TO VETO PRESIDENT'S ORDER

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask for this time to ask the author of the amendment this question: Does this amendment authorize the Secretary of Agriculture to veto a Presidential order?

Mr. AUGUST H. ANDRESEN. It does not authorize him to veto anything. It follows existing law where the Secretary of Agriculture now is required to approve orders on agricultural commodities. This amendment spells it out and leaves it in his hands to approve those orders according as the law originally intended.

Mr. PATMAN. Under existing law he is compelled to approve food prices, is he not?

Mr. AUGUST H. ANDRESEN. Certainly.

Mr. PATMAN. But under existing law, if such prices are inflationary the Director of Economic Stabilization could veto it, could he not? In other words, the Director of Economic Stabilization is the umpire over all the agencies. They can agree. But if the price is inflationary he may veto it and prevent the price from going into effect.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. AUGUST H. ANDRESEN. I will say to the gentleman that the President of the United States has enough confidence in selecting Mr. ANDERSON to be Secretary of Agriculture and I feel we should give him the proper authority so that he can carry out the function that the people and the President expect him to carry out to get food.

Mr. PATMAN. The gentleman surely does not think the President contemplated that Congress would give one of his subordinates, one of his appointees, the power to cancel an order of the President of the United States?

Mr. AUGUST H. ANDRESEN. I would not be a bit surprised but what some of these orders should be canceled which were initiated some time ago.

Mr. PATMAN. The gentleman admits, then, that this would give the Secretary of Agriculture the authority to cancel the Executive order of his Chief?

Mr. AUGUST H. ANDRESEN. I do not admit that.

Mr. PATMAN. I read the gentleman's amendment. It says:

Notwithstanding any provision of this act or any other law or Executive order, no regulation, order, directive, or allocation shall be issued or made without prior written approval of the Secretary of Agriculture—

And so forth.

Mr. AUGUST H. ANDRESEN. That is virtually the same as existing law.

Mr. PATMAN. This gives the President's subordinate or appointee the power to cancel and veto an order of the President of the United States; it goes much further than existing law.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. PATMAN. Yes, I yield.

Mr. AUGUST H. ANDRESEN. Does the gentleman feel that Executive orders are above the law?

Mr. PATMAN. No, but at the same time no subordinate should be allowed to veto the orders of his chief.

Mr. AUGUST H. ANDRESEN. We have one man to handle this food proposition. I think the President and the new Secretary of Agriculture will get together on that.

Mr. PATMAN. There is another provision here, "notwithstanding any provision of this act or any other law." What other law would come in conflict with this?

Mr. AUGUST H. ANDRESEN. Any other law that might have been passed that relates to food production and the distribution of food.

Mr. PATMAN. Does not the gentleman think we are voting rather in the dark, not knowing what those laws are?

Mr. AUGUST H. ANDRESEN. We might have been voting in the dark when we passed the original act, because it is the same language that is in the original act that is now the law of the land.

Mr. PATMAN. He can veto that and he can veto the order of the President.

Mr. AUGUST H. ANDRESEN. The gentleman can construe it that way, but I do not.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The question is on the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

The question was taken; and on a division (demand by Mr. AUGUST H. ANDRESEN) there were—ayes 128, noes 122.

Mr. SPENCE. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed to act as tellers Mr. BROWN of Georgia and Mr. AUGUST H. ANDRESEN.

The Committee again divided; and the tellers reported that there were—ayes 154, noes 146.

So the amendment was agreed to.

Mr. BALDWIN of Maryland. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

Mr. MONRONEY. Mr. Chairman, I ask unanimous consent that the reading of the amendment be confined to the new language in the amendment. It simply reenacts a great part of existing law and only the last part of the amendment is new language.

Mr. PATMAN. I hope the gentleman will not insist on that. This is a very important amendment.

Mr. MONRONEY. It is only for the purpose of saving time.

Mr. PATMAN. I hope the gentleman will not insist on his request or I will have to object.

Mr. MONRONEY. I will insist on it. It can be very easily explained. It reenacts existing law except for one paragraph.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. WOLCOTT. Mr. Chairman, what is the request?

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that only that part of the amendment which is new language be read. Is there objection?

There was no objection.

The complete amendment is as follows:

Amendment offered by Mr. BALDWIN of Maryland: Page 1, after line 9, insert a new section, as follows:

"SEC. 3. Section 2 (b) of the Emergency Price Control Act of 1942, as amended, is hereby amended to read as follows:

"'2. (b) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he shall issue a declaration setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for any defense-area housing accommodations within a particular defense-rental area. If within 60 days after the issuance of any such recommendations rents for any such accommodations within such defense-rental area have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations with reference to, the stabilization or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of this act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about April 1, 1941 (or if, prior or subsequent to April 1, 1941, defense activities shall have resulted or threatened to result in increases in rents for housing accommodations in such area inconsistent with the purposes of this act, then on or about a date (not earlier than April 1, 1940), which in the judgment of the Administrator does not reflect such increases), and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs within such defense-rental area. In designating defense-rental areas, in prescribing regulations and orders establishing maximum rents for such accommodations, and in selecting persons to administer such regulations and orders, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area. Whenever the Administrator shall find that, in any defense-rental area or any portion thereof specified by him, the availability of adequate rental housing accommodations and other relevant factors are such as to make rent control unnecessary for the purpose of eliminating speculative, unwarranted, and abnormal increases in rents and of preventing profiteering, and speculative and other disruptive practices resulting from abnormal market conditions caused by congestion, the controls imposed upon rents by authority of this act in such defense-rental area or portion thereof shall be forthwith abolished; but whenever in the judgment of the Administrator it is necessary or proper, in order to effectuate the purpose of this act, to reestablish the regulation of rents in any such defense-rental area or portion thereof, he may forthwith by regulation or order reestablish maximum rents for housing accommodations therein in accordance with the standards set forth in this act. Before issuing any regulation or order under the foregoing

provision of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order, and shall give consideration to their recommendations. The Administrator shall, at the request of any substantial portion of the industry subject to such regulation or order of the Administrator, appoint an industry advisory committee, or committees, either national, regional, or area-wide, or all of them, in the same manner and form and with the same powers and duties as provided in subsection (a) for industry advisory committees relating to price.'"

Mr. BALDWIN of Maryland. Mr. Chairman, all this amendment does is to establish in the Rent Control Division the same advisory council or at least give it a legal status, that they have in the food, textile, and other divisions of the Price Control Administration. They have given legal status to these other divisions, but not as far as rent control goes. This makes it mandatory for the Administrator when these regulations are promulgated and rents established to call in members of the real-estate boards, real-estate people, and others to consult with them in establishing these regulations and ceilings.

This was not taken up before the committee, but I have talked with most of the members of the committee, and I do not think there is any objection. I know Mr. Carson, in charge of the Rent Control Division, has no objection to the amendment. It is an amendment that gives a legal status to the rent people which other industries have, and I hope it will be agreed to.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN of Maryland. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. I do not know of any objection from members of the committee or on this side. I do not know about the members on the Republican side.

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN of Maryland. I yield to the gentleman from California.

Mr. OUTLAND. It seems to me this particular amendment introduced by the gentleman will put the advisory committee on rents in somewhat the same status as those in the various industrial groups, and, as the gentleman has stated, he has consulted with the National Rent Control Administrator, who thinks it is advisable to have this amendment.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN of Maryland. I yield to the gentleman from Michigan.

Mr. WOLCOTT. I understand the purpose of this amendment is to create an advisory council for rent control comparable to the councils which have been set up for price control for all other parts of the price-control machinery?

Mr. BALDWIN of Maryland. Exactly.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. HOOK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment, like many other amendments, may possibly be a good amendment; I do not know. It was never taken up before the committee. It was never discussed in the committee. I feel, however, that this is a real-estate move to open the door to increased rents. I think that amendments brought in here on such an important bill as this should have at least been brought before the committee when the committee had this bill under consideration. Several amendments have been adopted to this bill, and there is not a doubt in the mind of anybody who has studied price control or knows anything about price control that these amendments will bring about inflation. I want it strictly understood that I have had no part in it and no part of it. I want the Nation to know that when the boys come marching back home again—yes, you Republicans can hoot and howl—but when the boys come marching home again and are forced to pay four or five times what they should for their commodities, you will hoot and howl the other way; when their families at home, who are living on the allotment they are getting from their soldier sons or husbands, go hungry because of the increase in prices; when their children start crying for food; when their children are forced to go cold for lack of clothing, because they will not have the money to pay for food and clothing; when the veteran walks up and down the streets of this Nation unemployed as we did after the last World War, 5,000,000 of us, I want them to know that it was the Republican Party and the leadership of the Republican Party that is responsible for their plight. Let them not forget that the leaders of the Republican Party were responsible for the increase in the cost of living. When the wages of the men who work in the mines, in the mills, and in the factories are cut again by about 44 percent, as they were after the last World War, when their families get to the point where their dollar will buy little or no food, and when that dollar, because of the inflationary amendments to this bill, will no longer buy sufficient food, where it will bring those families to a state of starvation as they were in 1929, I want them to turn their memories back and place the blame where it belongs, and that is on the Republican Party, because that is where it belongs. When the business organizations of this Nation—and there were 105,000 of them after the last war who went bankrupt when prices got beyond control—go into bankruptcy because of the inflationary amendments that you Republicans put on this bill so far by voting en bloc to the man for inflation, I want the housewives of the Nation, the servicemen's families, and the returning servicemen to know the Republican Party is responsible. After the last World War 450,000 farm mortgages were foreclosed, and when that same condition occurs again because of the inflationary votes of the Republican Party, I want the farmers to know that you of the Republican Party must take the responsibility for it.

It is very nice for you of the Republican Party to laugh about this while you sit complacently here while the boys in the fox holes are wondering about how their families back home are going to get by on the meager allotment, but you will not laugh when they return and say to you, "Why did you cut down the food allotted to my wife and baby by raising prices while I was away fighting for my country?" What will your answer be then?

When the housewives of this Nation have to pay higher prices because of your action here today, what will your answer be?

Think it over. You will have to meet those questions if you keep sabotaging price control.

The blame is on the Republicans. The people should know.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I think the RECORD should be clarified somewhat after the remarks made by the gentleman from Michigan [Mr. HOOK]. The Republicans have been trying to cooperate to the best of their ability to get a bill which would give the people of America, the civilians and the armed forces, sufficient food and to correct some of the inefficiencies which have existed in the enforcement and the administration of the price-control law.

We were pleased to support the amendment offered by the gentleman from Texas [Mr. PATMAN], a Democrat. We were pleased to support the amendment offered by the gentleman from Massachusetts [Mr. BATES], a Republican, who offered the same language that had been offered by the Democratic leader in the Senate, Senator BARKLEY, because we felt that those two amendments would be helpful.

The only other amendments which have been adopted here for which the Republicans have any responsibility whatsoever are the Andresen amendment, which has nothing whatsoever to do with the price to be charged for any commodity, and the Jenkins amendment, which has nothing whatsoever to do with the price to be charged for any commodity. It merely corrects certain situations in the administration of the act which apparently the majority of this Congress feels are essential for the orderly and efficient operation or administration of this act.

Last year, it will be recalled, we established the Republican policy in this respect. That policy was that we desired price control. We desire that prices be controlled. We desire and insist that the authority given to the Price Control Administration be used for the purpose of controlling prices but not for the purpose of controlling or managing our economy in such a manner as it has been managed but so that our soldiers and sailors coming back from the fighting front desiring jobs will get jobs.

If the gentleman from Michigan [Mr. HOOK] were as solicitous of our returning soldiers and their jobs as he says he is, he should have gone along with the amendment which I offered earlier to assure that none of the powers under the Price Control Act would be used to prevent our returning soldiers and sailors from get-

ting jobs or prevent the reconversion of our industries from wartime to peacetime operation.

Mr. JENKINS. Is it not true that these four amendments, the Bates amendment, known as the Barkley amendment, the Patman amendment, the Andresen amendment, and the other amendment, all line up into one picture and that there is no conflict between them but they are all going in the same direction to give better service?

Mr. WOLCOTT. That is correct. I am speaking for myself, but I think that a great majority of the Members on this side of the aisle are trying to keep partisanship out of this very controversial matter as much as they can and somewhat resent the fact that partisanship has entered into the discussion of the price-control bill.

Mr. BARRY. Did not the Republican side almost in a bloc support the so-called Hoover amendment the purpose of which is to raise the ceiling on agricultural commodities?

Mr. WOLCOTT. No, it was not for the purpose of raising ceilings at all. It has to do with the administration of the act and has nothing whatsoever to do with raising the ceiling on agricultural commodities.

Mr. BENDER. How many more Republicans are there in this House than there are Democrats?

Mr. WOLCOTT. I can put it the other way. I am told that according to the last count there are 53 more Democrats in the House than there are Republicans.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. MURRAY of Wisconsin. Just so that the membership will know the facts about the Hoover amendment, I call attention to the fact that this legislation was passed by the Committee on Agriculture 2 years ago tomorrow.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. DE LACY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendment that should be offered to the rent-control provisions of the act is one to extend OPA's power to regulate the rents in commercial properties.

SMALL BUSINESSES SUFFER

The businessman who is a tenant as well as a businessman is already absorbing costs which he cannot pass along. Many of these he has absorbed willingly, knowing that no businessman can long exist in a land of uncontrolled prices and controlled production—knowing that inflation ruined thousands of businessmen after the last war.

But, when landlords continue to raise the rents these businesses pay, continue to reach into the merchant's till and extract more and more of his profits, there is no alternative. Either he must go out of business, be forced into the black market, or insist on relaxing price control at the retail level. He has no alternative.

NEED COMMERCIAL RENT CEILINGS

It is for this reason that I regret that the committee did not include in this measure a suitable provision bringing commercial rents under ceilings.

I am now informed, however, that a bill is being prepared to plug this break in the rent-control dam by bringing commercial rents under OPA control.

I hope that our great Banking and Currency Committee will give full hearings and full considerations to this vital legislation.

I have just received a letter, the latest among many, informing me that one large drug concern in my district, in the city of Seattle, was forced to leave its old location at Second and James Streets because of a demand for an extra $100 a month rental. The writer of this letter, long established in Seattle, is now being asked to pay 6 percent of its gross income—not 6 percent of its profits, mind you—but 6 percent of its entire income, as rent with a guaranteed minimum of $300.

TESTIMONY BEFORE COMMITTEE

Since this condition is so widespread, and since I detailed it in my testimony before the committee, I ask permission to include at this point, a portion of my testimony before the committee, bearing on this subject, as follows:

I particularly desire to lay before your committee this morning the earnest petition of the businessmen and women of Seattle and other parts of the State of Washington for relief from outrageous overcharges by the landlords owning commercial buildings.

I have here a copy of a lease, which I ask to be made a part of the record, at the conclusion of my statement. This lease was peremptorily handed to a small furniture company which under its previous lease had been paying $60 a month. Now $140 a month rent is demanded, which is almost 150 percent greater than before. And that is not all. The $140 a month is just the minimum that must be paid under the new lease. Whenever the lessee's sales rise to the point where 5 percent of his gross is more than $140 a month, he must pay the landlord not only the greatly inflated base rent, but an additional amount that will bring the total rent up to a sum equal to 5 percent of gross business.

RACKETEERING LANDLORDS

There are five other business establishments in this same building, each being "socked" with a large base rent increase plus a percentage of the gross that varies from 5 to 10 percent. An apparel store must pay 7½ percent and a small photographic store 10 percent.

Mr. Chairman, this is plain racketeering.

This landlord increases his rent by nearly 150 percent and still demands the privilege of muscling in on the profits of a business into which he puts no capital, concerning which he takes no risk, to which he contributes no labor.

When I recently visited my district I met with Mr. H. E. Henderson, among others. He is the capable executive secretary of the Washington State Pharmaceutical Association. He told me that landlords in commercial buildings are beginning to demand partnerships in the businesses of their tenants in order to be able to evade any commercial rent regulations that Congress might authorize OPA to make and enforce.

Of course, this new form of racketeering is not the practice of all landlords in my district, nor is it restricted to the State of Washington.

MANY LANDLORDS RESENT RACKETEERS

Many of the better landlords resent the practice as much as any of the businessmen who are the victims of it. Yet, the Federal Government is now powerless to halt the racketeering landlord and his gouging tactics.

That the racketeering landlord is no particular Pacific Northwest phenomenon is demonstrated by testimony offered several months ago before the Senate Banking and Currency Committee, when New York manufacturers told of the bonus system of renewing leases. Instead of a percentage, the New York landlords asked for a special fee for the signing of new leases. These fees, according to the lengthy testimony, ran from $1,000 to $5,000. All this on top of inexcusable rent increases.

This sharp practice, this racketeering by landlords in commercial buildings must stop. It endangers the integrity of tenant businesses, particularly of small businesses. It will make it impossible to hold price lines on commodities. It will shut out opportunity for returning servicemen, who have previously been in business or who desire to enter some business.

I can see only one remedy. I urge upon your committee which has found relief for so many other difficult problems developing for business and for the people out of this war, to give favorable consideration to the request of businessmen, of the OPA, and of interested Members like myself, for continuation of the agency's over-all powers, without crippling amendments, and with the new and badly needed authority to make and enforce rent regulations against racketeering commercial landlords.

Mr. Chairman, in view of this situation, I say that Congress must act. We cannot sit here while businesses in our communities are being robbed by a system which says that the prices they charge are fixed, but that Congress refuses to give them relief from the landlord who holds life and death control over their very right to stay in business.

When the commercial rent control measure is introduced, I trust that the committee will give it full and speedy hearings and I urge upon this House the most earnest consideration of such a vital measure.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. BALDWIN].

The amendment was agreed to.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. ROGERS of Massachusetts: Add a new section, as follows:

"In the exercise of the powers granted by law with respect to allocation or rationing no officer or agency shall require that disabled service men and women give ration points in connection with the purchase of food."

Mr. SPENCE. Mr. Chairman, I reserve a point of order against the amendment.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have been asked by disabled veterans to introduce this new section to this bill. One veteran writes me in part:

I cannot conceive of anyone refusing a disabled veteran food enough to live on. You will get 100 percent vote and signed by President Truman, a veteran himself.

I am profoundly shocked that disabled veterans who are coming from hospitals are required to give points in order to secure food. We take care of the men in the hospitals. We give them food in the Army, the Navy, and veteran hospitals, yet when they come home, sick and disabled, they cannot get food because they

do not have points. It is shocking to believe that the same interest and care of our disabled should cease when they are discharged from service hospitals, that our care should cease when the service men and women take off their uniforms. Our debt to the disabled continues on through the years.

I will take one case of a disabled Navy man as an example, and it is like thousands of others. This serviceman was discharged from a hospital, had no points for meat, no points for sugar, no points for butter. He was able to secure horse meat.

I think it is shocking, Mr. Chairman, that our disabled veterans should come home and in order to get any meat at all in many cases should be obliged to eat horse meat. I would say also, Mr. Chairman, that in some communities even horse meat is unavailable. It is shocking that we send good meat abroad to other countries and only give our own men horse meat. If you will exempt them from giving ration points, then if there is any meat, sugar, butter or other rationed products available, perhaps they will be able to get well and be strong enough to secure some sort of employment. Otherwise they may not live or they will have to go back into the hospitals and take the places needed for critically ill and disabled men and women. The disabled have a right to expect something besides lip service.

The letter I have referred to is as follows:

AUBURN, MASS., *June 21, 1945.*

MRS. EDITH NOURSE ROGERS,
Representative from Massachusetts,
Washington, D. C.

DEAR MRS. ROGERS: I read your article which appeared in this morning's Worcester Telegram relative to GI's hustling back to camp to get good food, due to the lack of it in this here section of the country.

How true; and is it necessary to have this shortage of meat, etc.?

My nephew, a sailor in the United States Navy, who had seen action at Tarawa, and thank God escaped from that terrible place uninjured, but who later was injured on duty, somewhere in the Pacific, has had similar experiences to the GI's. He, up to 2 weeks ago, was a patient first in the Seattle Naval Hospital, and then the Chelsea Naval Hospital, where the food was wonderful. He received a convalescence furlough of 30 days, which he spent at home. He applied to the ration board in Worcester for the allotment of stamps, which were nil, compared with all you need nowadays to buy food.

At any rate, this is my story. As there is just my sister and her husband in the family, you can see how difficult it was for them to buy meat for Eddie when he was on furlough. They would purchase a quart of cream (if you would call it cream) and try to tip it back and forth and back and forth to churn it into a tiny pat of butter for Eddie, as they haven't the points to buy butter.

Home-cooked pastries were definitely "out" as they didn't have points for shortening or sugar; what points they had, they tried to get some sort of meat. And Eddie, home from a hospital, on furlough, the first time home in over 18 months, was obliged to eat horse meat. Please understand, he didn't complain about the horse meat, as it was meat, and if he was to eat meat, then it had to be horse meat, as they had no points for anything else, and, as you well know, it is most difficult to get any other kind of meat.

Eddie is now at a receiving station in Boston, ready to go back to duty, and at least while there he is getting good food, plenty of meat and butter. But my sister racks her brain all week, wondering what she will have for the week-end to eat when Eddie is home. He gets week-end passes, and that is her problem.

My brother-in-law works very hard in a defense plant and requires food for energy but has to content himself with eggs, frankfurts, occasional hamburg, and a beef kidney now and then. To me there is something radically wrong with this rationing business, when honest people cannot buy food, but black markets are doing a thriving business and are not being brought to justice either.

Hope you can do something for your friends in Massachusetts, and please try to check the sugar situation. What shall we do with fruit, berries, and the like, with no sugar?

I admire you, Mrs. ROGERS, and good luck to you in your ventures.

Sincerely,

C. JULIA MAGUDER.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mr. SPENCE. Mr. Chairman, I withdraw my point of order.

Mr. PATMAN. Mr. Chairman, I rise in opposition to the amendment.

I do not know that I will be against the amendment, but I want to ask the gentlewoman from Massachusetts some questions about it. The amendment says "In the exercise of the powers granted by law with respect to allocation or rationing no officer or agency shall require that disabled service men and women give ration points in connection with the purchase of food." Does that mean sugar and all kinds of food?

Mrs. ROGERS of Massachusetts. Yes. It means that they should not be required to give ration points. It is tragic and shocking that disabled veterans cannot get food.

Mr. PATMAN. Of course, he can acquire that food for his own personal consumption; he can acquire it for his own consumption, and the consumption of his family, or for consumption by himself and his family and friends. Another use is for use in business. Suppose a serviceman has a bakery and he wants to get sugar and different materials with which to operate the bakery, would he be unrestricted in his purchases?

Mrs. ROGERS of Massachusetts. Oh, it would be for the purchase of food, as I stated it.

Mr. PATMAN. But you do not limit the use of that to food.

Mrs. ROGERS of Massachusetts. It says for food. I beg your pardon, if you will read the amendment it says for food.

Mr. PATMAN. In connection with the purchase of food.

Mrs. ROGERS of Massachusetts. For food; yes.

Mr. PATMAN. But would they be restricted in the use of that?

Mrs. ROGERS of Massachusetts. Naturally they would, because for food you do not put it into newspapers.

Mr. PATMAN. Sugar is food.

Mrs. ROGERS of Massachusetts. I do not think any grocer would sell it for that purpose.

Mr. PATMAN. I want the service men and women to have everything on earth we can give them, but I was wondering if the authority was restricted.

Mrs. ROGERS of Massachusetts. It is restricted for food and nothing else.

Mr. MONRONEY. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. MONRONEY. As much in sympathy as I am with the idea that no returning veteran be denied adequate food, how would a groceryman, who must account for all the food he sells, account for the points? How would he be able to replenish his supply? On gasoline or anything that is rationed on the point system, the grocer must account in ration points for everything he sells.

Mrs. ROGERS of Massachusetts. Just as it is done today. That can be very easily arranged by the OPA.

Mr. MONRONEY. I think they would be glad to arrange it, but under the gentlewoman's amendment it would destroy the rationing system.

Mr. FOLGER. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. FOLGER. Is it not true that under this proposed amendment a returning veteran might trade in these points or buy enough food to supply a whole community without any points in the world?

Mrs. ROGERS of Massachusetts. I would say if you can trust these men to fight and die, you can trust them not to cheat.

The CHAIRMAN. The time of the gentleman from Texas [Mr. PATMAN] has expired.

Mr. FOLGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have spent my time since I have been here working for the veterans, trying to get as many of them back to this country alive as possible. I would lay my life down at any time to bring back the number of boys who could be saved who would not come back if I did not die, but there is no use for us to equivocate about this matter.

Under this amendment as I have twice heard it read, if there should be a single veteran in each community who was disposed to traffic in this privilege he could go to every store in any city, town, and hamlet and buy food and they would have to let him have it and then he could peddle it at will all over the United States.

The cherished, fine, honest, and honorable veterans, who would not abuse any privilege would or could be denied because one out of a hundred who was disposed to do so could be made the purchasing agent of a hundred grasping people who could buy the food these deserving soldiers should have for themselves and families. It would make 99 good soldiers suffer for the wrongs of 1.

The men, "over there," are coming home, and I hope soon. We must be sure that they are allowed to take the high place in life to which they are entitled. And not open a door for one to bring reproach and likely want on the whole body of these good upstanding citizens whom all honor and love. Do not legislate

against a hundred to give one a wide open opportunity to bring reproach on all. Our soldiers will be provided means of securing food and the things they need.

And worse still, every old black market in the country, when called on for points, could hand over a few and say the remainder of these large sales, not accounted for, went to soldiers, true or untrue.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I observe that in 4½ minutes it will be 4 o'clock and that will be the end of the discussion on OPA.

First, with respect to the pending amendment offered by the gentlewoman from Massachusetts [Mrs. ROGERS], may I say it appeals to me. I recognize its mechanical difficulties, but those can be cured. The latitude of the amendment is such that when it goes to conference the conferees can spell out the difficulties, and I am going to vote for it.

Let me add that there are at this time 16 amendments on the desk that will not be discussed. I have two or three up there. I had hoped that perhaps in the course of this session we could consider once more this whole question of court review. There is an amendment on the desk to restore review power to the Federal district courts of the United States concurrent, of course, with the powers of emergency court of appeals that is set up under this bill. Just let me present this one matter to you.

When OPA came before our deficiency subcommittee recently they admitted in response to questioning by the gentleman from Massachusetts [Mr. WIGGLESWORTH] that today they control 3,000,000 establishments, 135,000,000 people, and 6,000,000 farmers. They admitted that they had 65,220 paid employees on the pay roll, and in addition 205,000 volunteers. They have their own banking system, they have their own regulatory system, they have their own court and legal system. They testified that during the fiscal year 1944 they issued over 44,000 regulations, forms, and amendments to regulations. Is there a person of finite comprehension anywhere in the United States who can spell out some of these things and know what it is all about?

There is, of course, a remedy when you get supergovernment within your Government—and that is what you have got—and that is the same remedy that has been available to the people of this country since the Republic was founded. The court system has been good enough for more than 150 years, and if it is not good enough now for OPA and every other emergency agency of the Government, then I say to you there is something wrong with the agency. The time has come to give the average citizen a chance to walk into the most accessible Federal courthouse in the land and say to an impartial man there who has been selected by the President of the United States: "Mr. Judge, can this agency do this to me?" and let there be a fair and impartial determination of the matter as to whether or not he has a grievance against his Government.

I know of no other answer, with such an overwhelming number of regulations issuing all the time by this tremendous super-government, which according to one responsible Senator, who is not without influence in this Government, may be in existence until 1950. Now, Mr. Brownlee testified before our subcommittee that we are going to sort of dissipate OPA over a period of time by a piecemeal process; just as soon as supply balances demand then you can take off the control, a little at a time. How long is it going to take? Maybe longer than 1950; and for the people of this country I want an opportunity to go into the Federal courts and get a judicial determination of their grievances against their Government. Every generation before this, in peace and in war, has enjoyed that right. Why should the right of review in an accessible court be denied now?

That amendment will be read. It was adopted in the House by a record vote a year ago. It went to conference. There it was taken out by the conferees.

This thing is fundamental. I want to be on record on this because it is a part of that whole fabric of freedom for which youngsters are dying in every corner of the world. That is being said all the time in this Congress and has been said in the Congress during this debate. I have stood in some of these cemeteries and wondered why they died. It was for the Republic, and protection of a citizen by judicial determination is an essential part of this great Republic. There ought to be a review in a district court which is reasonably accessible to the citizen who is aggrieved by governmental action.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HORAN. Mr. Chairman, since the time for debate has been rather arbitrarily limited, it is apparent that I shall not be permitted to explain or discuss the three amendments which I had hoped to present. I shall, however, ask that they be read and voted upon.

We have today made some far-reaching changes in the administrative pattern of OPA. I believe they are sound. We also have obviously expressed our confidence in the colleague who will take office as Secretary of Agriculture July 1. The making available of regular court protection is also of great fundamental importance.

However, it is what is in the heart and purpose of the administration itself that is important. How often we have heard it said, "the Price Control Act is sound; it is the way that it is administered that causes the trouble."

Food shortages are with us. The black market flourishes. In this dilemma the administration can follow one of two policies. The first of these would be for them to increase their compliance division and through penal force attempt to wipe out the black market. Thus would we get a gestapo. There is much indication of a dangerous trend in this direction on the part of the present administration of OPA.

I feel that it is bad. It destroys faith in government. It discourages production. We have been repeatedly told that only production, in the end, can defeat inflation.

The three amendments which I had hoped to discuss and which will be read and voted upon, are designed to create a better relationship between Price Control Administration and productive industry. I believe that they will go a long way toward restoring faith in government. I believe that they will make the work of price control easier. I believe that they will encourage production. And finally I believe that they are just as necessary if the Jenkins or the Andresen amendments carry as they are under the present administrative pattern for which they were designed.

One amendment simply requires that the Administrator explain in writing to the chairman of the Industry Advisory Committee in any case where a proposed amendment was contrary to the conclusions reached by that committee in consultation with OPA.

Another amendment would clarify the term "usual business practices" and thus would assure that no strange or foreign ideologies creep into the pressure of price control upon the American system.

Another would give the producer or distributor a basis of defense against being caught short because of varying interpretations of procedure by differing levels of OPA administration.

The report put out by the Banking and Currency Committee indicates that there is plenty wrong with the present administration. Despite this, they have reluctantly allowed amendments. They have preferred to point to the report. I say let us amend and have these corrections written in ink instead of in water.

Mr. CHENOWETH. Mr. Chairman, I have an amendment pending at the desk in connection with which I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CHENOWETH. Mr. Chairman, it is most unfortunate that the time for ending debate and discussion on this important measure has arrived, and there are still many amendments on the Speaker's desk that have not been read. I do not know what impelled the chairman of the committee to ask that debate be limited. I know of no more important business before the House at this time, and I regret we have not been given the time to fully discuss the amendments that have been proposed. We should have taken another day on this bill, or a week if necessary, as the American people are looking to this Congress to adopt amendments to the Price Control Act that will prevent some of the injustices tha are now being suffered.

I have an amendment pending, and I had hoped to explain it to the House. My amendment provides that any person who is accused of violating any regulation, order, or price schedule issued by the OPA shall have the rights that are guaranteed to him by the Constitution. Under the present law the OPA is taking many merchants all over the country before price panels and compelling them to pay a fine of $25 on any trivial or technical violation. In the civil law a defendant is presumed to be innocent

until proven guilty beyond all reasonable doubt. Under OPA regulations the defendant is presumed to be guilty, is still guilty after he proves his innocence, and then is forced to pay at least $25 or be branded as a law violator. I want to call a halt to such operations, and the adoption of my amendment will guarantee to every person accused of OPA violations the same rights a defendant now enjoys in court. Surely this is not asking too much.

My amendment will be read, but I fear it will not be properly understood, and it is most regrettable that time has not been allowed for a full discussion of the same. I will not read the full amendment now, but wish to call your attention to the changes I propose to make in the present law, which reads as follows:

Provided, however, That such amount—

Referring to the fine—

shall be the amount of the overcharge or overcharges or $25, whichever is greater, if the defendant proves that the violation of the regulation, order, or price schedule in question was neither wilful nor the result of failure to take practicable precautions against the occurrence of the violation.

In other words, we now say to a merchant, who inadvertently marks a can of peaches at 29 cents instead of 28 cents, "You are innocent of any intention to violate the law, but you must pay $25 regardless." I cannot believe that any Member of Congress wants to take such an attitude.

In my amendment the above language is changed as follows:

Provided, however, That if the defendant proves that the violation of the regulation, order, or price schedule in question was neither wilfull nor the result of failure to take practicable precautions against the occurrence of the violation, then no damages shall be assessed, and in all cases the burden shall rest upon the Administrator to prove that the violation was wilfull and deliberate.

Mr. Chairman, I am confident every Member of this House wants to see justice done and I hope you will vote for my amendment when it is read.

Mr. O'HARA. Mr. Chairman, I rise in support of the Dirksen amendment. It is not my belief that the efficacy of the OPA depends upon how many people are sent to jail, how many fines are collected, how many people are suspended from doing business. Many of the OPA regulations and amendments that are drawn up are so worded that no one, no matter how intelligent or how well trained, could possibly interpret the meaning thereof.

A recent report shows that for the first 4 months of 1945, penalties were imposed on more than 28,500 violators, of which 480 were sent to jail and over $8,000,000 was exacted in payment of fines and damages from 12,087; in addition, 4,349 were suspended from business for varying periods of time and 7,296 were placed under court injunctions.

You can multiply those figures by three or more to get something of a yearly record. That is certainly an impressive record.

Now permit me to call your attention to MPR 280, particularly sections 1351.805, 805a. This portion of the regulation applies to fluid milk and cream. Then I ask you to read amendment 49 dated October 31, 1944, and then read amendment 54; and I challenge any of you to figure out what the farmer can charge for milk, or what the average farmer who is subject to fine, jail, or other penalties for violation of the regulation could possibly be expected to decipher from such bureaucratic dream.

Under the decision of the United States Supreme Court in *Yakus* v. *United States* (Mar. 27, 1944, 321 U. S. 414), no person assailed under one of these very lengthy and complex price orders can question any part of the order or the price structure set-up therein, unless he incurs the expense of a proceeding before the Emergency Price Court, which is set-up in Washington and sits only there.

Why do these bureaus want to avoid the democratic process of our Government, to wit, the courts?

How would you like to be sitting in the position of the thousands and hundreds of thousands of persons who cannot possibly keep up with all of the rules, regulations, and promulgations, and who are trying to produce necessities of life for public and wartime consumption or who are engaged in a business, and are subject to being charged with violation of the provisions of these price orders, without an opportunity to a fair trial, and are convicted under the present practices?

Is there any reason why, under this price-control program, the citizen of this country should not have restored to him his rights which are guaranteed him under the Constitution but which have been taken away by acts of Congress, acts given the judicial blessing of our court of last resort?

Mr. LEMKE. Mr. Chairman, I ask unanimous consent to extend my remarks in connection with the Wherry amendment at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. LEMKE. Mr. Chairman, on behalf of myself and at least 20 Members on the Democratic and Republican sides of the aisle, I had intended to offer the Wherry amendment, as passed by the Senate, to the resolution extending the OPA for another year. The amendment is on the Clerk's desk. But I shall not offer it because of the unreasonable action taken by the chairman of the Banking and Currency Committee, the gentleman from Kentucky [Mr. SPENCE]. In a voice that was not audible to at least half of the Members, he succeeded in limiting the time for debate to one and a half hours for some sixteen amendments.

I withdraw the amendment for the reason that I do not believe that the House is sufficiently informed on the amendment. They cannot do justice to it simply by having it read by the Clerk, all debate on it being shut off, and all the time allotted by the chairman being taken up by other amendments. There were at least a dozen Members of Congress who wanted to speak on this amendment and were precluded from doing so by the chairman's action.

I hope that in the future the chairman of the Banking and Currency Committee will not again abuse his privilege as chairman to that extent. I hope that he will at least make a motion in a voice loud enough so that all the Members of the House who are listening can hear. I do not suggest that the chairman did this knowingly, but knowingly or otherwise, it resulted in the same thing. As this amendment is the Senate amendment, the House has had no opportunity to express its views on it because of the action of the chairman of the Banking and Currency Committee.

Mr. SCRIVNER. Mr. Chairman, I have an amendment at the desk which I had hoped to explain, but under the limitation of time will not have this opportunity. I therefore ask unanimous consent to extend my own remarks at that point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. LEWIS. Mr. Chairman, I have two amendments at the desk which I shall ask to have read and submitted. I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LEWIS. Mr. Chairman, I have offered two amendments to this bill for the purpose of giving the OPA Administrator authority which he says he does not possess under existing law to enable him to "take into consideration all the facts of each case of alleged violation of any order or regulation and adjust, modify, or suspend the penalty in accordance therewith," and also to authorize him to adjust authorized prices where the business affected thereby was unable because of change of management or other business uncertainty to charge fair and reasonable prices for its commodities or services at the effective date of any order or regulation.

You should understand that both of these amendments give the Administrator of OPA additional authority and do not cut down any authority he now has. Certainly it is in the public interest that he have sufficient authority to deal justly and fairly with the multitudes of different cases he must decide. I sincerely trust that both of these amendments will be adopted.

Mr. Chairman, I know that there has been bungling and ineptitude on the part of those charged with the administration of this law and that the result has been the unnecessary harassment of those engaged in furnishing the necessities of life to the people of this country. Many of the orders, regulations, and interpretations handed down by OPA—and they run into the thousands—tend to defeat the very purposes of the act.

Nevertheless it is absolutely necessary that we have some agency of Government to prevent prices skyrocketing to unreasonable heights. The danger of a runaway inflation of prices that would put the common necessities of life out of reach of the average person is a real one.

In support of this statement I need only recall to your minds the fact that the war has brought about a situation in which we find that the Treasury has issued and has in circulation more than $25,000,000,000, while in normal times this amount is only about $5,000,000,000. The war, with its expenditure of more than $250,000,000,000 by the Government in the short space of less than 4 years has resulted in accumulation of savings amounting to something over $100,000,000,000. On the other hand, the necessity of turning a large part of our productive capacity to war purposes has decreased our supplies of goods that people use and consume in the daily business of living until there are actual shortages of many so-called consumer goods, including many articles of food.

In other words, on one hand we have an immense piled-up buying power in the hands of the people seeking goods to purchase, while on the other hand we have a greatly lessened supply of goods to be sold, including food.

The result of this abnormal situation is a perfect set-up for a disastrous inflation of prices if there were not some agency of government to hold prices down.

It is for this reason that we must extend the life of OPA in spite of its bungling and ineptitude, until such time as we can safely do without it.

And, Mr. Chairman, we can safely do without OPA, in my judgment, when we have reconverted our factories to peacetime uses and have produced peacetime goods, including food, in such quantities that there is no possibility of a scarcity.

Until that time comes we must endure OPA as a necessary wartime agency.

Mr. Chairman, I have supported certain amendments to this bill. In each of them I have felt that we were strengthening the fight against inflation I do not know what other amendments are yet to be offered here this afternoon. If any other amendment is offered which I think will strengthen the power of the OPA or any other agency of the Government to prevent inflation, I shall support it. If, however, I feel that it weakens the power of the Government or of OPA to prevent inflation, I shall vote against it.

Mr. WOODRUFF of Michigan. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Chairman, the complacency with which the OPA seems to regard the weaknesses, the derelictions of its administrative activity, and the operations of the black markets is shocking. Officials of that agency give lip service to prosecution of the black marketeers—but black markets go right on—at the expense of the people.

Black markets approach treason against the Nation. Every citizen suffers from their operations. Those working in factory and shipyard, in mill, and on farm, to keep the supplies of machines and matériel of war flowing to the fighting fronts are victims. The fathers, mothers, brothers, sisters, wives, and children of the fighting men and women also are victims. The black marketeer is no respecter of persons. Nothing is sacred to him. He has no patriotism. He is the lowest, meanest, most despicable criminal imaginable, because he preys on the whole Nation, on the families of the fighting forces, and the families of the munitions workers, without the slightest compunction.

"Do not patronize the black markets," is a slogan used by OPA to cover its failure to hunt down and prosecute black marketeers. When the black markets flourish day after day, how can we expect citizens, who want to be law abiding, to go on doing without meat, butter, poultry, cheese, eggs, while they see others who patronize the black market get what they want?

Citizens wonder why it is that in first-class hotels and restaurants no meat—or very little—and no butter can be served; yet, a block or so away other restaurants have lines of people half a block long in front of them because they are serving meat and butter in copious quantities.

Citizens wonder how decent, law-abiding hotels and restaurants can be expected to maintain their integrity, and stare ruin in the face, as they see their trade diverted to restaurants or hotels which serve meat and butter when law-abiding firms cannot secure those foodstuffs.

Citizens wonder why it is that while everybody else in town knows where meat and butter and other short-food items, are being served in large quantities the OPA enforcement section cannot seem to detect these places at all.

The OPA does not have to look outside of Washington to find restaurants serving meat and butter day after day, when such commodities are not to be had in any of the first-class hotels, and are not to be found in the Senate or House of Representatives restaurants.

If some restaurants can go on day after day serving foods which are denied other hotels and restaurants, there must be some explanation for it. If restaurants serving the short items of food are getting their supplies legitimately, something is wrong with the first-class hotels and restaurants, and with the management of the Senate and House restaurants, that they cannot get at least some small share of the short meats and butter and poultry. If there is nothing wrong with the management of hotels and restaurants which cannot serve meats and butter, then there certainly must be something wrong about the restaurants—the few restaurants—which can and do serve meat and butter and other items of short supply week in and week out.

The general public has never been able to understand why it has been, and continues to be, that thousands of private individuals can know where to secure supplies of illegal gasoline, while the thousands of OPA enforcement agents are unable to discover these illegal sources.

People have long wondered why it is that counterfeiting of gasoline ration tickets and food points can go on day after day, as reported in the press from time to time, and enforcement agencies of OPA and other branches of the Government are unable to run down the sources of these illegal and traitorous activities.

Obviously there is little or no difference between the counterfeiting of paper or silver currency and the counterfeiting of red point tokens, or gasoline ration points. All are equally illegal; each is a crime against the Government and an injustice to every citizen; and in these piping days of bureaucratic control and regimentation points are of the same value—insofar as procurement of food, clothing, gasoline, tires, and so on, are concerned—as money itself.

If we are to concede that it is impossible for the Government to protect the people by apprehending these criminals, then we must concede that our free government has failed, and that the country the fighting forces are now battling abroad to protect cannot protect itself at home.

No citizen, especially those with loved ones in the service, will concede any such thing. Of course the Government can, if the enforcement agencies of the bureaus really want to do it, apprehend these traitorous criminals. Every black marketeer in this country could be run down and sent to prison. As soon as some of the bigger fellows were apprehended and convicted the little ones would quit.

England for hundreds of years kept herself reasonably free from crime because she made certain that criminals were caught and punished. So certain was apprehension and punishment under British law enforcement crime was kept to the minimum.

It has been the other way during the last 12 years in the United States. The Government has been flouted, and the flaunting of lawlessness has been winked at, or even condoned, from the White House down through the Department of Justice and other departments. Favoritism figured in this flouting of the Government's authority. We are now reaping the very fruits many of us warned the country would be reaped if respect for the law was not restored, and principles and justice put back above personalities and political expediency.

It is frightening—and provocative of loss of respect for government as an institution for these black markets to flourish; and for Communists striving for the armed revolutionary overthrow of our free government, our free economy, and our free society, to be allowed to gnaw away at the very pillars of our free government and free society, not only without condemnation by the proper departments of the Government, but with the actual condonement and encouragement of some of those departments. I sincerely hope, and believe, that under the present occupant of the White House, and under the Attorney General he has

chosen, condoning of crime by the Department of Justice will come to an end.

It is no argument for enforcement agencies of government to cry that black markets exist everywhere, in every country, even on the fringes of the fighting forces. The fact is that in the confusion of front-line action it is easier for black markets to exist than in the comparatively peaceful conditions in the United States. Certainly if war is to mean that we cannot enforce the laws at home to protect the families of the fighting men and women, how can we, in all conscience, draft men and women, tear them from their families, away from their businesses or their jobs, put them into the service for $50 a month, and then leave their families exposed to the depredations of black marketeers? Of course, we can protect the citizens against such depredations and such lawlessness—if the bureaus really want to do the job. Those bureaus know that if they can show diligence and efficiency in running down such traitorous malefactors, they can get all the appropriations necessary to do the job completely. The trouble for the last dozen years has been that the bureaus, failing to do their duty, falling down on their jobs of enforcement, come to the Congress demanding more and more appropriations. Having repeatedly been granted additional funds, the bureaus repeatedly failed efficiently to enforce the laws. Congress, realizing it was throwing away the people's money on inefficient administrators, tightened up on the funds.

Neither laws nor appropriations will alone do the job of maintaining the law, and of stopping black markets, revolutionary Communists, and other elements preying on the Nation under the cover and confusions of war. The real effectiveness of the statutes and the appropriations lies in intelligent and honest administration. No law could be passed, and no appropriation could be granted by the Congress, that could not be rendered inefficient by the wrong kind of administration. It has been well said by someone that a good law can be made to work badly, if the will to make the law work well is not present.

The citizens have left enforcement of the law entirely to the Federal Government. State and lesser authorities have rightly felt that Federal enforcement, especially in time of war, should point the way. Federal enforcement agencies have not done that, yet have complained that State and lesser enforcement agencies have not done their part. It is a conclusion shared by every thinking citizen that, except in the rarest instances, any call by the Federal authorities upon the State and lesser authorities for help in stamping out black markets, revolutionary activities, and other crimes, would receive, and always has received, the promptest kind of response.

The job of stamping out black markets and revolutionary elements in the Nation is distinctly up to the Federal authorities. The first tightening up of enforcement must come in the Government bureau enforcement sections. It is to be hoped President Truman will move further in this direction, as he has moved in replacing the incredibly lax Francis Biddle by a new Attorney General. If the new head of the Justice Department moves in to put a stop to the racketeering so long tolerated by Biddle, he will receive the plaudits of the Nation. If he does not do so within a reasonable time, the country will become aroused. The black markets, the racketeers, the gangsters, and the revolutionaries must not be allowed to sabotage the victory our brave fighting men and women are dying and undergoing unspeakable hardships and horrors to achieve. The American people must demand that black markets be ended; that racketeering and profiteering be held in check; that revolutionaries be deported if they are aliens, as many of them are, or sent to prison if they are native or naturalized Americans. Unless this is done, we can lose the peace after the hard-bought victory at arms is won.

Black markets are a great cause of inflation. Inflation will ruin any nation in which it is permitted to get out of hand. It will ruin America if it is not controlled.

The citizens of this Nation should demand of their Congress that action be taken at once to remedy the conditions which have resulted in shameful and inexcusable black marketeering which has been and now is rampant in this Nation.

Mr. VORYS of Ohio. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VORYS of Ohio. Mr. Chairman, for 4 days we have been debating OPA here in the House, and we are nearing the final vote. The administration has asked for extension of price control and the stabilization law without change, and pressure groups have insisted there should be no amendments. The administration says they have all the power they need to stabilize and control prices, insure sufficient production at a profit, and to ration fairly. We all know they have failed to do all three; bureaucratic bungling has permitted certain prices to go too high; they are trying to force farmers, industry, and others to produce and deliver needed commodities and services at a loss, and rationing has broken down to where a ration stamp is a souvenir of futility rather than a right to your share of scarce commodities. In spite of OPA propaganda and distorted statistics telling how wonderful they are, we know from our own experience, from letters from home, and from the papers that OPA has fallen down on the job.

In this situation the House has refused to give a vote of confidence where we have no confidence. We have adopted amendments to the OPA law to get rid of red tape in meat distribution, to encourage meat production, to center authority and responsibility for food production and distribution in one official, instead of 22 different agencies and bureaus, as at present. We have provided every citizen a chance for his day in court, when he is accused of violating the maze of complicated OPA regulations, instead of being at the mercy of bureaucratic penalties. These amendments were adopted by both Republican and Democratic votes, in spite of New Deal high pressure on the Democrats for a no-amendment steamroller whitewash of OPA.

This bill is not perfect. There were other amendments I supported which were defeated. For instance, I believe that everyone who produces things or furnishes services we need, should have a price that includes his actual cost and a reasonable profit; not a war profit, but a prewar average profit for the product or service. The Crawford amendment, which provided for this, was defeated, even though Judge Vinson, the reconversion czar, and Chester Bowles, head of OPA, have approved the principle. They admit that increased production is absolutely necessary to defeat inflation, and that in America you cannot force people to produce at a loss, and that, as Judge Vinson said, "One of the most essential of these conditions is an adequate profit margin." The excuse for not writing this into the law was that they have promised to do this, anyhow. I have little confidence in the promises of the crowd who eased up on rationing before election and then, after the election, canceled the red points they had promised American housewives to honor. Watch for the same tactics next year. I think we should write sound principles into law, not rely upon bureaucratic promises to carry them out at politically convenient times, to be canceled later.

On the other hand, certain amendments were offered which I helped to defeat, which would have crippled sound administration and enforcement. Favored treatment, or exemptions, for certain business or consumer groups will break down price control and rationing.

On final passage of this bill we face this situation: There is a war on, certain things are scarce, we must have price control and rationing in order to prevent inflation, and we need laws to do this. The administration of these laws has been a mess, confusing and burdensome. The home front is willing to make any necessary wartime sacrifices, but the present acute shortages of butter and eggs, beef and pork, sugar and shirts, to mention a few, are needless, caused by maladministration not by war necessities. As a result, we have a black market, with sky-high prices for those who patronize it, causing increased shortages for law-abiding citizens. We know that Congress cannot make bad administration into good administration by merely passing a law. Still, we need an OPA law in order to have any controls at all on prices and distribution.

I know that thousands of OPA volunteers and field workers are struggling bravely to carry out the avalanche of puzzling, complicated orders and regulations that pour out of Washington, and millions of businessmen and housewives are struggling to obey them. I would hesitate to discourage them, or to encourage the small, shortsighted, selfish minority who want no control at all, by voting against any continuation of the price-control law.

I am therefore voting for this amended bill on final passage, not as a vote of confidence in OPA, but with the hope that we will see an improvement, and with the intention of calling public attention to every new mistake they make, every new promise they break.

One thing is clear. From now on the Administration has all the power it needs to make a reduction of needless shortages, an improvement in the rationing of necessarily scarce commodities, to give us practical price control, and to eliminate the black market.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to extend my own remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Chairman, during the years I have been here in the House I have observed that the most lobbying that goes on here comes from the various departments and independent agencies of government in their efforts to perpetuate themselves.

The Government is spending $300,000,000 annually of the taxpayers' money to keep itself sold to the American people through its domestic propaganda methods. It costs the Post Office Department $19,717,348 a year to mail this propaganda.

No other lobbying has been more subtle or carried on to a greater extent or been so costly to the taxpayers of the country as the pressure now being applied by the OPA to perpetuate itself with more than 335,000 employees. One of the principal arguments of the OPA is that it has held back the forces of inflation, which is definitely not true. It has presented many silly and ridiculous arguments in its efforts to be able to carry on.

I was amazed by the Speaker a few days ago when he said in defense of the OPA—and I quote:

> Every interest that I have is in the land or things that grow out of the land or grow on the land. I would dislike very much to see the 1st of January next approach and I not be able to determine what my program was going to be for the 6 months following—what I could plant at a profit or whether or not I would have a planting program at all, or a grazing program, or a feeding program.

No, gentlemen; I refuse to believe that our Speaker is permitting the OPA to run his broad acres down in Texas. The very looks of the gentleman and his actions since I have known him convince me that he is a man of good judgment who follows his own mind; who will not permit the Government to come in and operate his farm, tell him how many cattle he shall raise, how he shall brand them, or how much feed he may produce. I think he does on his farm just like I do on mine, namely, runs it to suit himself; and I imagine that when selling time comes he, like the remainder of us, would fare far better if there never had been an OPA.

Again, we all heard the Democratic leader, Mr. MCCORMACK, give food-production figures covering a period of 14 years before the World War. But he told only half the story, and he did that intentionally. Had he told the whole story and given prices, you would have observed that production rose and fell as prices rose and fell through the years, which indicates very clearly that the farmer understands his business. And if these prices were operative today, you would find production figures at a much higher level than you do by having ceilings on everything, ceilings which are too often below the cost of production.

Many of the arguments of the OPA to justify its existence, to get the many millions it needs to carry on, are in a little booklet entitled "Farmers in the War," which is full of misleading statements. I notice that on page 47 of the booklet it tells us that the farmers have saved money; they always do when there is any to save; that at the start of the war in Europe they had a checking account in country banks of $1,793,000,000. Then it goes on to say that on May 31, 1944, that checking account had increased to $5,369,000,000. Now, that does not sound so bad; but how dumb they are when they fail to realize that the Federal Government has handed to the farmers for curtailing production, for soil conservation and numerous other reasons, a sum just about equal to that checking account they now have. So, if the OPA statement is correct, the farmer is worse off today than he was; and the fact that the Department of Agriculture quoted this $5,369,000,000 as farm income shows just how dishonest they are in their efforts to mislead the people of the country.

The OPA goes on at great length in its little booklet, issued by Mr. Chester Bowles, and tells us how the OPA has held the line; how they have held the price on overalls, leather shoes, children's clothing, and other articles down; but let them tell the country what good it does anybody to have low prices for things one cannot get, things not available, commodities not on the market. If they want to know whether they have held the line or not, let them consult the housewife and the mothers about the things they buy.

True, there are some things on the market today that are lower in price than heretofore, but get them if you can. The quest for them makes crystal clear the fact that they are not available. Food, clothing, furniture, feed, machinery, automobiles, tractors, fence-building materials, seed, and miscellaneous articles that the farmer needs are not cheap when one has to buy them. On the other hand, the figures clearly indicate that the farmer was infinitely better off in 1937, before we had the OPA, than he is today. To substantiate that assertion, let me quote prices. In 1937 wheat was $1.35 a bushel; today it is $1.57 a bushel. Corn was $1.17; today it is $1.25 a bushel. Oats were 55 cents a bushel, against 70 cents today. Barley was 95 cents a bushel, against $1.20 today. Rye was 92 cents a bushel; today it is $1.25 a bushel.

Now, would the OPA tell us and expect us to believe that those prices are right? Either the prices of 1937 were entirely too high or the prices of 1945 are ridiculously low. Would the OPA try to justify its existence by having wheat at $1.57 a bushel now, after 4 years of war, with the world hungry and clamoring for bread, with wheat only 22 cents a bushel higher than it was in 1937?

The same applies to all the remainder of the grain prices.

Now, let us take the egg market. In 1937 eggs were 30 cents a dozen; and that was before the OPA and the War Food Administration and the Department of Agriculture asked for less production. Today, after 4 years of war and with a hungry world asking for eggs, they are selling for only 40 cents a dozen. Many, many times before the war, eggs sold for prices much above what they are selling for today, and the people did not complain.

Take butter—in 1937 butter sold for 41 cents a pound; today butter is so scarce on many markets that it is not even quoted, and where it is quoted it is quoted at 42 cents a pound. But what good does it do to have butter quoted at 42 cents a pound when nobody has more than a very little butter for sale, and the small quantity on the market lies around and spoils because of the OPA high point value?

Many times since 1921 butter has sold for 60 cents per pound when wages were only 50 percent of the present scale. At those times the consumers did not complain. They ate butter three times a day. Does the butter situation today justify the existence of the OPA?

The meat situation is a red-hot one; but let us for a moment look at the cattle market. In 1937, when Mr. Wallace was urging a meat strike to break the cattle market for the farmer, top cattle sold for $20 a hundredweight on the Chicago market. Today, after 4 years of war and with the wide world clamoring for meat, those same cattle are selling on the Chicago market for $18 a hundred. During the same period feeder cattle cost the farmer $9 a hundred; while today the farmer has to pay $16.50 a hundred for the same feeder cattle and sell them for $18 or less a hundred. This is the reason we have no beef today. Is the OPA proud of the fact that we have more cattle in the country today than ever before, yet no meat?

Hogs in 1937 sold for $12 a hundred, while today, with no lard or pork on the market, they are bringing only $14.75 a hundred.

Certainly some of these prices are wrong and cannot be justified. Either the prices in 1937 were wrong, or the prices today are fixed in error.

Of all the muddling by OPA, the War Food Administration, and the Department of Agriculture, none is worse than the handling of the meat situation. They have even messed it up to the point where today pigs bring more than hogs. What I mean to say is that a 60-pound shoat is bringing more today at the farm than a prime 180-pound hog brings when it is taken to market. This is just about as ridiculous as anything can possibly be.

It should be remembered that in the production of poultry, eggs, milk, and meat we do not just feed grain, which is not quoted so high on the market today, but we use the concentrated protein feeds and mashes. These are costing the

farmers about 100 percent more today than they did in 1937.

Let us look at the poultry market. In 1937 fowls were bringing 28 cents a pound; today those same fowls are quoted at 30 cents a pound. Lamb sold in 1937 at $10.50 a hundred, against $16.25 today. Hay sold for $21 a ton in those days; today it is $30 a ton, being one of the few things that have appreciably advanced in price.

Flour is a commodity that is not influenced by the price of wheat. It sold for $6 a barrel in 1937, when wheat was worth $1.35, but today, with wheat worth $1.57 a bushel, flour is selling for $3.50 a barrel.

Certainly, if those at the head of the OPA and some of these other agencies knew anything or cared at all, they would be ashamed to come before the Congress and ask to be continued by public funds. Had this horde of employees put the same efforts into production that they have put into the hindrance of production, we would not have a hungry world on our hands.

The OPA says we must hold the line. Oh, yes; they are holding the line and 50,000,000 of us are holding our waistlines.

The refusal of the administration to pass the Kunkel amendment confirms my belief that every emergency agency set up by the Government will, if it has its way, become a permanent agency of government. That amendment simply provides that when the Secretary of Agriculture shall declare that there is a normal or above-normal supply of perishable fruits, restrictions on that commodity shall cease. Nothing could have been simpler; nothing could have been easier of application; nothing would have been more beneficial to the people, yet the administration refused to adopt it. It would insure a free and open market, the free flow of perishable fruits in the market when we had a full supply or more. Would they dare to tell me or anybody else that they intend ever to let go when they will not yield that much?

Had the restriction been lifted on our apple crop last fall it would not have been necessary to dump 4,000,000 bushels of apples right here in our eastern territory. They would have been flowing through the ordinary channels of trade at prices that would have been attractive to the people who needed them and wanted them, and at prices that would have at least paid their way to the growers who lost them.

The OPA has used millions of public money to misrepresent the facts. The OPA tried to fool the people into believing that the cost of living during this war is lower than was the cost of living during the first World War. Facts prove this to be downright dishonesty.

Let us consider the sugar situation for a moment. Back in 1940, when war was raging in Europe, the Department of Agriculture issued a statement to the effect that there was too much beet sugar being produced in the United States and urged that the acreage of sugar beets be curtailed. During the last few years, seven Government agencies went to Puerto Rico with expert advice and management for the sugar producers there, with the result that they have had lockouts, strikes, embargoes, and everything else that hinders production; therefore, at this very moment we are short 700,000 tons of sugar from Puerto Rico alone. The most unfortunate thing is the fact that with all this expert advice and management they failed to plant the cane for next year's crop. Therefore, we shall not be short 700,000 tons of sugar next year from Puerto Rico but shall be short 1,500,000 tons.

Until recently the Government was spending the taxpayers' money to curtail the production of beet sugar in the United States. Now the very fact that sugar is so short is going to have a very, very serious effect upon our standard of living in the next year or two.

In the first place, the Government has asked everybody to plant a victory garden, and how the people did respond. Now those who planted the gardens find they have no sugar with which to can their products, which means that next winter they will be going to the grocery store more and more. It works a hardship both ways, first, in the cost of living, and, secondly, much food will be wasted which we sorely need.

There are many reasons why food is going to be scarce, and that scarcity will not be due simply to the lack of sugar. Let me quote from a letter I received only this morning about what is going on out in the country by reason of this scarcity of sugar. A housewife writes:

> We have all been asked to put out victory gardens which I think has been at least some help in food production. But what have I gained this year? I have worked every day, tended to my truck patches after work in the evening, working as late as 9 o'clock. Now because I cannot get sugar for canning purposes I have lost 3 bushels of peas, about 10 quarts of raspberries, at least 2 bushels of cherries, and at least 20 quarts of strawberries. This is not much fun, and what am I going to eat in the fruit and berry line? And besides, I put in a lot of hard work all for nothing.

Then there is a lot of food that would go to market if marketing conditions were eased up a little bit. For instance, in certain cities in the East the unions are demanding that if a farmer sends his hired hand to market with a truckload of produce he must take out a membership in the union, ranging from $30 to $60. This is keeping many, many truckloads of produce out of the markets. And then, too, we are hearing stories, and know that they are correct, that there is an unloading charge in some of these cities of from $25 to $40, and the hiring of a checker at the rate of $6 for each 15 minutes or part thereof. Farmers just will not pay it. They cannot afford to pay it. This is keeping much food from the consumers which now is being wasted.

Even cotton yard goods is now rationed. Just ordinary dress goods cannot be had but feed is being shipped in cotton bags having a variety of prints. Today, with more cotton on hand than ever before, hundreds of thousands of women and children are wearing dresses made out of feed bags.

For these reasons and many others, I just could not justify voting for the continuance of the OPA. It should be cleaned out, root and branch, and control centered in one man of good judgment who would recognize the fact that here in America everything produced must make a legitimate profit so that production will be high, for production is our only guaranty against inflation.

Now we find the OPA going into the refrigerated food lockers to see how much food the people have. I am dead against this. It was always considered good housekeeping to provide for the future, and it still is good housekeeping.

Mr. BARRETT of Wyoming. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. BARRETT of Wyoming. Mr. Chairman, according to the Department of Agriculture there are 81,000,000 head of cattle on the farms and ranches of America as of January 1. This is an all-time high for cattle production. Since 1941, the cattle population has increased 10,000,000 head. Last year we slaughtered 33,700,000 head of cattle and calves in this country. That is the highest slaughter in the history of the country. In fact, we slaughtered 6,000,000 more cattle last year than in any previous year. According to the May issue of the Monthly Labor Review of the United States Department of Labor in surveys made by that Department of independent retail stores in 56 large cities on February 13 and March 13 of this year, nearly half the stores were without meat of any kind on those days.

In 1944 we slaughtered 13,600,000 head of calves as against 9,900,000 head in 1943. In other words, we slaughtered 3,700,000 more calves last year than the year before. Now the fact of the matter is that it was unprofitable to put those calves on feed and that is the reason that they were slaughtered. Those calves averaged around 200 pounds live weight. If these 3,700,000 calves had been put on feed for 8 months, they would have gained 600 pounds. In other words, increased their live weight by two and one-quarter billion pounds and we would have had an additional billion and one-quarter pounds of dressed beef for the market.

John R. Jirdon, one of the big feeders of Nebraska, made this statement a month ago to the Anderson committee:

> For almost 30 years I have been a feeder of livestock—not a producer, but a feeder of both lambs and cattle.
>
> I continued to fatten cattle for market up to the spring of 1943. During the fall of 1942 I had more than 2,000 head of cattle on feed, which were finished for market in March, April, and May 1943. These cattle feeding yards have been idle since that time because during the past 2 years it would have been unprofitable for me to have purchased feeder cattle and fattened them for market.

Thousands upon thousands of feeders like Mr. Jirdon have been out of business. Checks made by cattlemen indicate there is far less feeding than the OPA's report would indicate. In arriving at the number of cattle on feed the OPA presumes those cattle to be on feed which have

moved out of a market to be shipped into the Corn Belt States on the feeder rail rate, which is lower than the rate on cattle shipped for slaughter. No effort is made to determine whether these cattle have in fact been moved to feed lots, and many are diverted for local slaughter or the shipment broken and cattle returned to the market for sale to a slaughterer. There is no accurate check made on the actual number of cattle in feed lots. On this question the Anderson committee report states:

The committee realizes that statistics from the Department of Agriculture show the movement of many feeder cattle to feed lots, but no facts are brought into the picture to describe the length or type of feeding the cattle will receive there. With prices of feeder cattle high and with the cost of corn, protein meal, and hay at relatively high figures in relation to the value of their conversion into meat, it has been the universal testimony of actual feeders before the committee that they dare not undertake the dangers of prolonged feeding with present margins. Most feeders feel that they would not be able to recover their costs and none will estimate that there would be a profit in the operation. It is only when the farmer has a surplus of high-moisture content corn that will not keep and which is worth more to him fed to a steer than rotting in the field that he goes to one of the river markets and buys a few feeder cattle in competition with the packers and with the black-market operators.

One of the best ways of securing the much needed supply of good beef is to make it possible for the producer, feeder, processor, and retailer to secure a fair price for their goods and services.

Our food producers do not want a 10-percent-plus for their commodities, neither do they consider it reasonable to try and operate on a 10-percent-minus basis. This is shown by the reduction of 15.5 percent, or 8,790,000 head of sheep in the last 3 years.

There was a decrease in income per head of sheep from 1942 to 1944 of 91 cents or 12 percent according to the United States Tariff Commission. Costs increased during the same period $1.53 or 29½ percent per head of sheep. The average farm value of sheep dropped from $9.68 on January 1, 1943 to $8.58 on January 1, 1945, or $1.10 per head over a 2-year period. The United States Tariff Commission report shows that the wool growers of this country are losing 10 cents per pound on each pound of wool they produce.

The restrictions placed on hog production in 1944 has resulted in a terrific reduction of pork during the present year.

The pig crop in 1944 was 29 percent lower than 1943—it dropped from 121,000,000 pigs in 1943 to 86,000,000 head in 1944.

Pork production dropped 500,000,000 pounds in 1944 and the Department of Agriculture estimates a drop of two and one-half billion pounds in 1945.

The New Jersey Department of Agriculture in a report published on June 7 last states that the farmers of that State were paid $18.93 per hundred for hogs during May. This was over $4 over the ceiling price and the meat was sold in the black market.

Meat for the armed services and other Government uses is taken only from federally inspected packers. During the first 3 months of 1945, federally inspected plants produced a total of 4,000,000,000 pounds of meat. Of this, the Government took almost exactly half. This left only 2,000,000,000 pounds of meat for the civilian population from federally inspected plants—exactly 16 pounds per capita for those 3 months—less than 1 pound a week, and this had to supply restaurants, hotels, and hamburger stands, as well as retail markets. In areas largely dependent on federally inspected packers, 1 pound a week obviously does not go very far. The situation would be bad enough in such areas if the packers without Federal inspection were encouraged to operate at top capacity. The Patman amendment will correct that situation.

Meat processors have long been subjected to grossly unfair price policies by the OPA. For the past 2 years the OPA has insisted on requiring that certain kinds of meat be produced without profit if the industry as a while could show a profit from processing all kinds of meat animals. The OPA held that it has the right to require beef to be produced without any profit margin, and even at a loss, if the packing industry as a whole could show a profit margin for precessing all types of animals. There are hundreds of beef processors who process no pork, and likewise, many pork processors who handle no beef. Mr. Chester Bowles recently addressed a letter to Senator ELMER THOMAS in which he announced that henceforth the OPA would accord separate price margins for the processing of different species of live animals. The Bates amendment will correct this by providing for a reasonable margin of profit for the processing of each species of livestock. The present statute requires generally fair and equitable margins on livestock, but Mr. Bowles took the position that that did not require him to grant a fair profit for the processing of each species of livestock. Certainly it is sound public policy to require a fair and reasonable margin for each type of live animal. This will help the producers as well as the processors. That is the purpose of the amendment offered by my colleague from Massachusetts [Mr. BATES] which was adopted by the committee.

Mr. Chairman, the working people of this country cannot understand why they cannot buy red meat. The reason is obvious. The OPA has adopted policies that discourage production in the first instance and drive the limited supply into the black market in the second instance. By any standard the record of the OPA on the production and distribution of meat and other foods is terrible. The people expect Congress to correct this intolerable condition. I hope these amendments adopted in the committee are approved by the House.

Mr. THOMAS of New Jersey. Mr. Chairman, as the amendment which the gentlewoman from Massachusetts [Mrs. ROGERS] offered is a very important one, I ask unanimous consent that the Clerk reread the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. GALLAGHER. Mr. Chairman, I object.

The CHAIRMAN. The question is on the amendment offered by the gentlewomen from Massachusetts [Mrs. ROGERS].

The question was taken, and on a division (demanded by Mrs. ROGERS of Massachusetts) there were—ayes 41, noes 172.

So the amendment was rejected.

The CHAIRMAN. Permit the Chair to say that all time for debate on the pending bill has been exhausted. The only opportunity there will be to know what an amendment is will be through its reading by the Clerk. There will be no opportunity to explain the amendments.

Are there any other amendments to be offered to the pending bill?

Mr. DIRKSEN. Mr. Chairman, I have an amendment at the desk which I offer.

The Clerk read, as follows:

Amendment by Mr. DIRKSEN: Page 1, after line 9,, insert the following:

"SEC. (a) The first sentence of section 204 (a) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows: 'Any person who is aggrieved by the denial or partial denial of his protest may, within 30 days after such denial, file a complaint with the Emergency Court of Appeals, created pursuant to subsection (c), or with the appropriate district court, specifying his objections and praying that the regulation, order, or price schedule protested be enjoined or set aside in whole or in part.'

"(b) The fourth sentence of section 204 (c) of such act, as amended, is amended to read as follows: 'The court shall have the powers of a district court with respect to the jurisdiction conferred on it by this act.'

"(c) The first two sentences of section 204 (d) of such act, as amended, are amended to read as follows: 'Within 30 days after entry of a judgment or order, interlocutory or final, by the district court provided for in subsection (a) or the Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a circuit court of appeals as provided in section 240 of the Judicial Code, as amended (U. S. C., 1940 ed., title 28, sec. 347). The Supreme Court shall advance on the docket and expedite the disposition of all causes filed therein pursuant to this subsection. The district court provided for in subsection (a), the Emergency Court of Appeals, the appropriate circuit court of appeals upon review of judgments and orders such district court, and the Supreme Court upon review of judgments and orders of the Emergency Court of Appeals and of such district court or circuit court of appeals, shall have exclusive jurisdiction to determine the validity of any regulation or order issued under section 2, of any price schedule effective in accordance with the provisions of section 206, and of any provision of any such regulation, order, or price schedule.'"

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The question was taken; and on a division (demanded by Mr. SPENCE) there were—ayes 146, noes 132.

Mr. SPENCE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BROWN of Georgia and Mr. DIRKSEN.

The Committee again divided; and the tellers reported that there were—ayes 163, noes 158.

So the amendment was agreed to.

The CHAIRMAN. Are there any other amendments to be offered to the bill?

Mr. WOLCOTT. Mr. Chairman, I have two amendments to offer, one on behalf of the gentleman from Oregon [Mr. MOTT] and one for myself.

The CHAIRMAN. The gentleman from Michigan offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 1, after line 9, insert a new section, as follows:

"SEC. 3. Section 2 (b) of the Emergency Price Control Act of 1942, as amended, is hereby amended to read as follows:

"'2 (b) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he shall issue a declaration setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for any defense-area housing accommodations within a particular defense-rental area. If within 60 days after the issuance of any such recommendations rents for any such accommodations within such defense-rental area have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations, the Administrator may be regulation or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of this act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about April 1, 1941 (or if, prior or subsequent to April 1, 1941, defense activities shall have resulted or threatened to result in increases in rents for housing accommodations in such area inconsistent with the purposes of this act, then on or about a date (not earlier than April 1, 1940), which in the judgment of the Administrator, does not reflect such increases), and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs within such defense-rental area. *Provided, however,* that maximum rents generally established for housing accommodations in any defense-rental area shall be generally fair and equitable only if they cover all current costs and, in addition thereto, a reasonable percentage return on the invested capital. Accounting surveys for this purpose shall be conducted by the Administrator upon application by any owner or owners of housing accommodations in the defense-rental area. The current costs shall include all costs allowable as business expenses under the Internal Revenue Act and regulations. In designating defense-rental areas, in prescribing regulations and orders establishing maximum rents for such accommodations, and in selecting persons to administer such regulations and orders, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area. Whenever the Administrator shall find that, in any defense-rental area or any portion thereof specified by him, the availability of adequate rental housing accommodations and other relevant factors are such as to make rent control unnecessary for the purpose of eliminating speculative, unwarranted, and abnormal increases in rents and of preventing profiteering, and speculative and other disruptive practices resulting from abnormal market conditions caused by congestion, the controls imposed upon rents by authority of this act in such defense-rental area or portion thereof shall be forthwith abolished; but whenever in the judgment of the Administrator it is necessary or proper, in order to effectuate the purpose of this act, to reestablish the regulation of rent in any such defense-rental area or portion thereof, he may forthwith by regulation or order reestablish maximum rents for housing accommodations therein in accordance with the standards set forth in this act.'"

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

The amendment was rejected.

Mr. WOLCOTT. Mr. Chairman, at the request of the gentleman from Oregon, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT (at the request of Mr. MOTT): On page 1, line 9, after the period, add two new sections as follows:

"Section — (a). Notwithstanding the provisions of any other law or Executive order or directive, the jurisdiction and authority of the Administrator to regulate or control prices of commodities shall be limited to the jurisdiction and authority specifically provided therefor in the Emergency Price Control Act of January 30, 1942, and acts amendatory thereto.

"(b) In making any order or regulation establishing maximum prices or otherwise regulating or controlling prices, the Administrator shall state in such order, and as a part thereof, the particular purpose or purposes for the effectuation of which the order or regulation is made, and such purpose or purposes so stated shall be limited to those specifically enumerated in section 1 (a) of title I of the Emergency Price Control Act of January 30, 1942.

"(c) In making any such order or regulation the Price Administrator shall declare therein, and as a part thereof, and in compliance with the language of Section 2 (a) of title I of the Price Control Act of 1942, as amended (Stabilization Extension Act of 1944) that in his judgment the price or prices of the commodity or commodities included in such order or regulation have risen or threatened to rise to an extent or in a manner inconsistent with the particular purpose or purposes of the act as so stated and enumerated in the order.

"Section —, subsection (a) of section 203 of the Emergency Price Control Act of 1942, as amended, is further amended by inserting after the period at the end of the first sentence the following: Such objections may include the objection that the order or regulation was not made in compliance with the provisions and limitations of section — (the preceding section)."

Mr. MCCORMACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MCCORMACK. I would like to inquire whether the amendment is offered by the gentleman from Oregon [Mr. MOTT] or by the gentleman from Michigan [Mr. WOLCOTT] for the gentleman from Oregon.

The CHAIRMAN. The amendment must be offered by the gentleman from Michigan.

Mr. WOLCOTT. I announced I offered it at the request of the gentleman from Oregon [Mr. MOTT].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

The amendment was rejected.

The CHAIRMAN. Are there any other amendments to the bill?

Mr. HORAN. Mr. Chairman, I have three short amendments and I ask ask unanimous consent that they may be offered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. HORAN: At the end of the resolution insert the following as a new section:

"SEC. 3. Section 205 of the Emergency Price Control Act of 1942, as amended, is amended by inserting at the end thereof a new subsection as follows:

"'(h) In any case where any regional administrator or office engaged in the administration of this act has placed an interpretation upon any regulation or order, or part thereof, issued under this act, which interpretation differs from that placed thereon by one or more other such regional administrators or offices, any industry advisory committee for, or representative member of, the industry affected by such regulation or order, or part thereof, may present to the Administrator proof of such facts. In any prosecution or other proceeding under this section based upon alleged violation of the regulation or order, or part thereof, in the case of which such difference of interpretation exists, establishment of the fact that proof has been presented to the Administrator as provided above with respect to such regulation or order, or part thereof, shall constitute an adequate defense unless, prior to commission of the alleged violation, the Administrator has acted so as to bring about uniformity, in all regions, in the interpretation of the regulation or order, or part thereof, in question.'"

Amendment offered by Mr. HORAN: At the end of the resolution insert the following as a new section:

"Subsection (h) of section 2 of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"'(h) The powers granted by this section shall not be used or made to operate to compel changes in the cost practices or methods established in any industry, or changes in established rental practices, except where such action is affirmatively found by the Administrator to be necessary to prevent circumvention or evasion of any regulation, order, price schedule, or requirement under this act; and such powers shall not be used or made to operate to compel changes in any other business practices, or in means or aids to distribution, established in any industry.'"

Amendment offered by Mr. HORAN: At the end of the resolution insert the following as a new section: "That subsection (a) of section 2 of the Emergency Price Control Act of 1942, as amended, is amended by inserting before the last sentence thereof a new sentence as follows: 'In any case where the Administrator proposes to take action which is contrary to recommendations of the committee, he shall, before taking such action, furnish to the chairman of the committee a statement in writing setting forth in full detail his reasons for taking action contrary to such recommendations; and such chairman may make available, to members of the industry concerned, both the recommenda-

tions of the committee and such statement of the Administrator.'"

Mr. MASON (interrupting the reading of the amendments). Mr. Chairman, I ask unanimous consent that further reading of the amendments be dispensed with, that they be printed in the RECORD, and that we proceed to vote.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. VORYS of Ohio. Mr. Chairman, I object.

(The Clerk concluded the reading of the amendments.)

The CHAIRMAN. The question is on the amendments offered by the gentleman from Washington.

The question was taken; and on a division (demanded by Mr HORAN) there were—ayes 83, noes 159.

So the amendments were rejected.

Mr. CHENOWETH. Mr. Chairman, I offer an amendment and ask unanimous consent that the amendment be read down to the proviso. It is the same language as is now contained in the act. If the Clerk reads the proviso I think it contains the amendment that I am offering.

The CHAIRMAN. The gentleman from Colorado asks unanimous consent that the part of the amendment indicated by him be read and that the entire amendment be printed in the RECORD. Is there objection?

There was no objection.

The complete amendment is as follows:

Amendment offered by Mr. CHENOWETH: Add a new section as follows:

"That Subsection (e) of Section 205 of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"'(e) If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, the person who buys such commodity for use or consumption other than in the course of trade or business may, within 1 year from the date of the occurrence of the violation, except as hereinafter provided, bring an action against the seller on account of the overcharge. In such action, the seller shall be liable for reasonable attorney's fees and costs as determined by the court, plus whichever of the following sums is the greater: (1) Such amount not more than three times the amount of the overcharge, or overcharges, upon which the action is based as the court in its discretion may determine, or (2) an amount not less than $25 nor more than $50, as the court in its discretion may determine: *Provided, however*, That if the defendant proves that the violation of the regulation, order, or price schedule in question was neither willfull nor the result of failure to take practical precautions against the occurrence of the violation, then no damages shall be assessed, and in all cases the burden shall rest upon the Administrator to prove that the violation was willful and deliberate. For the purposes of this section the payment or receipt of rent for defense area housing accommodations shall be deemed the buying or selling of a commodity, as the case may be; and the word "overcharge" shall mean the amount by which the consideartion exceeds the applicable maximum price. If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, and the buyer either fails to institue an action under this subsection within 30 days from the date of the occurrence of the violation or is not entitled for any reason to bring action, the Administrator may institute such action on behalf of the United States within such 1-year period. If such action is instituted by the Administrator, the buyer shall thereafter be barred from bringing an action for the same violation or violations. Any action under this subsection by either the buyer or the Administrator, as the case may be, may be brought in any court of competent jurisdiction. A judgment in an action for damages under this subsection shall be a bar to the recovery under this subsection of any damages in any other action against the same seller on account of sales made to the same purchaser prior to the institution of the action in which the judgment was rendered.'"

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. CHENOWETH].

The question was taken; and on a division (demanded by Mr. CHENOWETH) there were—ayes 61, noes 173.

So the amendment was rejected.

Mr. LYLE. Mr. Chairman, I offer an amendment and I ask unanimous consent that the reading of the amendment be dispensed with. It takes verbatim the report of the Smith committee which that committee made to the House more than a year ago, it is printed, it is in the form of a bill and the amendment provides for a court review.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the reading of his amendment be dispensed with and that it be printed in the RECORD. It there objection?

Mr. BARRY. Mr. Chairman, I object.

The Clerk read as follows:

Amendment offered by Mr. LYLE: Add a new section as follows:

"(a) After the issuance of any regulation, order, or price schedule, whether issued prior or subsequent to the effective date of this act, any person subject to any provision of such regulation, order, or price schedule may, at any time, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections. Statements in support of or in opposition to any such regulation, order, or price schedule, shall be received and incorporated in the transcript of the proceedings at such times and in accordance with such regulations as may be prescribed by the Administrator. Within a reasonable time after the filing of any protest under this act, but in no event more than 60 days after such filing (in the case of highly perishable commodities, such as fruits and vegetables, 10 days), unless by written stipulation the protestant consents to an extension of time, the Administrator shall either grant or deny such protest in whole or in part. In the event that the Administrator denies any such protest in whole or in part, he shall inform the protestant of the grounds upon which such decision is based, and of any economic data and other facts of which the Administrator has taken official notice.

"(b) Any person who is aggrieved by the denial or partial denial of his protest may, within 30 days after such denial, file a complaint with the Emergency Court of Appeals, created pursuant to subsection (d) or in the United States district court for the district in which the protestant resides or conducts his business or in the United States District Court for the District of Columbia, specifying his objections and praying that the regulation, order, or price schedule protested be enjoined or set aside in whole or in part. A copy of such complaint shall forthwith be served on the Administrator, who shall certify and file with such court a transcript of such portions of the proceedings in connection with the protest as are material under the complaint. Such transcript shall include a statement setting forth, so far as practicable, the economic data and other facts of which the Administrator has taken official notice. Upon the filing of such complaint the court shall have jurisdiction to set aside such regulation, order, or price schedule, in whole or in part, to dismiss the complaint, or to remand the proceeding: *Provided*, That the regulation, order, or price schedule may be modified or rescinded by the Administrator at any time notwithstanding the pendency of such complaint. No objection to such regulation, order, or price schedule, and no evidence in support of any objection thereto, shall be considered by the court unless such objection shall have been set forth by the complainant in the protest or such evidence shal be contained in the transcript. If application is made to the court by either party for leave to introduce additional evidence which was either offered to the Administrator and not admitted, or which could not reasonably have been offered to the Administrator or included by the Administrator in such proceedings, and the court determines that such evidence should be admitted, the court shall order the evidence to be presented to the Administrator. The Administrator shall promptly receive the same, and such other evidence as he deems necessary or proper, and thereupon he shall certify and file with the court a transcript thereof and any modification made in the regulation, order, or price schedule as a result thereof; except that on request by the Administrator, any such evidence shall be presented directly to the court.

"(c) No such regulation, order, or price schedule shall be enjoined or set aside, in whole or in part, unless the complainant establishes to the satisfaction of the court that the regulation, order, or price schedule is not in accordance with the law or is arbitrary or capricious. In the event that the person aggrieved by the denial or partial denial of his protest elects to file a complaint in a district court, then the effectiveness of a judgment of the court enjoining or setting aside, in whole or in part, any such regulation, order, or price schedule shall be postponed until the expiration of 30 days from the entry thereof, except that if the judgment is appealed within such 30 days to the Emergency Court of Appeals, the effectiveness of such judgment shall be postponed until an order of the Emergency Court of Appeals disposing of the appeal becomes final, and no judgment of the Emergency Court of Appeals rendered in a suit under this section or under the enforcement section enjoining or setting aside in whole or in part any regulation, order, or price schedule shall become final or effective until the expiration of 30 days from its entry except that if a petition for a writ of certiorari is filed with the Supreme Court under subsection (e) within such 30 days, the effectiveness of such judgment shall be postponed until an order of the Supreme Court denying such petition becomes final, or until other final disposition of the case by the Supreme Court.

"(d) There is hereby created a court of the United States to be known as the Emergency Court of Appeals, which shall consist of three or more judges to be designated by the Chief Justice of the United States from judges of the United States district courts and circuit courts of appeals. The Chief Justice of the United States shall designate one of such judges as chief judge of the Emergency Court of Appeals, and may, from time to time, designate additional judges for such court and revoke previous designations. The chief judge may, from time to time, divide the court into divisions of three or more members, and any such division may render judgment as the judgment of the court. The court shall have the powers of a district court with respect to the jurisdiction conferred on it by this act and shall

exercise appellate jurisdiction to review decisions of district courts made under authority of subsection (c) of this section, and enforcement section of this act; except that neither court shall have power to issue any temporary restraining order or interlocutory decree staying or restraining, in whole or in part, the effectiveness of any regulation or order issued under rents—renting practices section, or any price schedule effective in accordance with the provisions of solvency section. The court shall exercise its powers and prescribe rules governing its procedure in such manner as to expedite the determination of cases of which it has jurisdiction under this act. The court may fix and establish a table of costs and fees to be approved by the Supreme Court of the United States, but the costs and fees so fixed shall not exceed with respect to any item the costs and fees charged in the Supreme Court of the United States. The court shall have a seal, hold sessions at such places as it may specify, and appoint a clerk and such other employees as it deems necessary or proper.

"(e) Within 30 days after entry of a judgment or order, interlocutory or final, by the Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a circuit court of appeals as provided in section 240 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, sec. 347). The United States district courts, the Emergency Court of Appeals, and the Supreme Court shall advance on their respective dockets and expedite the disposition of all causes filed therein pursuant to this section."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

Mr. LEWIS. Mr. Chairman, I offer two amendments, and I ask that they be read and voted on separately.

The Clerk read as follows:

Amendment offered by Mr. LEWIS: Page 1, line 6, after the period, insert *"Provided,* That the Price Administrator shall have authority to and shall take into consideration all the facts of each case of alleged violation of any order or regulation and adjust, modify, or suspend the penalty in accordance therewith."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

The Clerk read as follows:

Amendment offered by Mr. LEWIS: Page 1, line 9, after the period, insert *"Provided,* That the Administrator shall have authority to and shall adjust authorized prices where the particular business affected by any order or regulation with respect thereto was, by reason of change of management or other business uncertainty, prevented from charging fair and reasonable prices for its commodities or services at the effective date of such order or regulation."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

Mr. VURSELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VURSELL: Insert:

"SEC. 2 (a) of the Emergency Price Control Act of 1942, as amended, is further amended by adding at the end thereof the following:

"'*And provided further,* That the Administrator, in establishing a maximum price for any commodity or product, singly or through the application of the product standard formula, shall include, as allowable costs, direct labor, materials, factory overhead, selling and advertising expenses, general and administrative costs, taxes other than Federal taxes, depletion, depreciation, and all other expenses allowed as deductions by the Federal income-tax laws.'"

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was rejected.

Mr. SCRIVNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCRIVNER: Add a new section, as follows:

"The Emergency Control Act of 1942, as amended, is amended by adding a new section as follows:

"'(a) Before any proposed regulation or order to carry out the purposes of this act shall be issued by any governmental agency exercising authority conferred hereunder, other than intraagency administrative rules or orders governing the conduct of its activities or interagency rules governing relations with other agencies of the Government, a draft thereof shall be submitted to the President of the Senate for the Senate of the United States and to the Speaker of the House for the House of Representatives.

"'(b) The draft of such proposed regulation or order shall be immediately assigned to the Committee on Banking and Currency in the Senate and to the Committee on Banking and Currency in the House of Representatives, for study, to consider whether such rule or regulation is made in conformity with the spirit, letter, intent, and purpose of this act, and that no unusual or unexpected use of powers herein granted is proposed. Such regulation or order may be approved or disapproved by the Committee on Banking and Currency of the Senate or by the Committee on Banking and Currency of the House of Representatives, or a duly authorized subcommittee of either. In the absence of action by either committee approving or disapproving such regulation or order, it may go into effect not earlier than the 15th day following, but not including the date of the receipt of the draft of such proposed regulation or order by the President of the Senate and the Speaker of the House of Representatives. If sooner approved by either committee, it may go into effect immediately upon such approval. Disapproval of such regulation or order by either committee shall suspend its issuance: *Provided,* That in the event of conflicting committee actions the earlier action shall govern.

"'(c) For the purposes of this section the Committee on Banking and Currency of the Senate and the Committee on Banking and Currency of the House of Representatives, or any duly authorized subcommittees thereof, are authorized to sit and act during the sessions, recesses, and adjourned periods of Congress.

"'(d) This section shall be effective from the date of its approval.'"

Mr. SCRIVNER. Mr. Chairman, had not debate been limited I would have made, in substance, the following remarks:

Throughout these 4 days of debate, not one approving word has been said about the administration of the Emergency Price Control Act we are asked to extend. The most ardent advocates of extension without change or amendment openly and freely admit inexcusably bad administration of what they claim is a Government law.

If the law is good and its principles sound, how do we happen to have such bad administration? This law is administered through regulations. Hence, if the law is good, it must be the regulations that are bad.

Yet these regulations are promulgated by virtue of legislative power delegated by Congress. Congress has retained no power over them at all, and yet they are recognized as laws by the courts.

If Congress can delegate its legislative power to an agency, it certainly can prescribe the conditions under which that power shall be exercised.

This amendment merely imposes a condition or control over that legislative power to see that it is not misused or abused. Its operation would be simple.

A good regulation can be speedily approved—a bad one should not be—and with this check, 90 percent of the regulations—experimental and dictatorial as many are—will not be presented. The other 10 percent will have to run the test. If they are good, they will be approved. If bad, they will get the well-deserved ax.

Work for the committee? Yes, but it is merely the resumption of its legal, legislative duty which it should never have abrogated. It is the resumption of their duty to guard the rights, liberties, and freedom of the American people and their way of life. It is merely the restoration, in part, of government by laws and not by men—American Government by the people's chosen Representatives rather than by power-obsessed bureaucrats.

Mr. Chairman, I firmly believe this amendment offers a solution to many of our present-day troubles.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The amendment was rejected.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: Insert a new section, as follows:

"SEC. 3. Section 2 of the Emergency Price Control Act of 1942, as amended, is further amended by adding at the end thereof a new subsection, as follows:

"'(j) The Price Administrator shall submit to the Congress a copy of every order, form, rule, or regulation which has general applicability and legal effect, and such order, form, rule, or regulation shall be referred to the Committee on Banking and Currency of the House and Senate. The date of such submission shall be stamped thereon, and no such order, form, rule, or regulation shall take effect until the expiration of 10 calendar days.

"'The Committee on Banking and Currency of either House shall determine whether such order, form, rule, or regulation runs counter to the intent of Congress as expressed in this act. Whenever either of the aforesaid committees indicate objection to the Administrator, no such order, form, rule, or regulation shall become effective until the expiration of 40 calendar days.'"

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The amendment was rejected.

The CHAIRMAN. Are there other amendments to be offered to the bill?

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the joint resolution (H. J. Res. 101) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, pursuant to House Resolution 296, he reported the joint resolution back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. SPENCE. Mr. Speaker, I demand a separate vote on the Jenkins amendment, the Andresen amendment, and the Dirksen amendment.

Mr. WOLCOTT. Mr. Speaker, I demand a separate vote on the Patman amendment and the Bates amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. JENKINS: Page 1, after section 2, insert the following section:

"SEC. 3. All powers of the Price Administrator or the Director of Economic Stabilization, with respect to food, granted by or exercised pursuant to a delegation of authority under the Emergency Price Control Act of 1942, the Stabilization Act of 1942, or title III of the Second War Powers Act, as such acts were originally enacted or as they have been amended, except rationing, are hereby transferred to the Secretary of Agriculture; and in any case where, under authority of any such provision of law, powers with respect to food are hereafter delegated, such powers, except rationing, shall be delegated only to the Secretary of Agriculture."

The SPEAKER. The question is on the amendment offered by the gentleman from Ohio [Mr. JENKINS].

Mr. SPENCE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 178, nays 198, not voting 56, as follows:

[Roll No. 119]

YEAS—178

Adams	Brehm	Cunningham
Allen, Ill.	Brown, Ohio	Curtis
Andersen, H. Carl	Brumbaugh	Dirksen
	Buck	Dolliver
Anderson, Calif.	Buffett	Dondero
Andresen, August H.	Butler	Dworshak
	Byrnes, Wis.	Elliott
Angell	Campbell	Ellis
Arends	Canfield	Ellsworth
Arnold	Carlson	Elston
Auchincloss	Case, N. J.	Engel, Mich.
Barrett, Wyo.	Case, S. Dak.	Ervin
Bates, Mass.	Chenoweth	Fenton
Beall	Chiperfield	Fuller
Bender	Church	Gamble
Bennet, N. Y.	Clevenger	Gathings
Bennett, Mo.	Cole, Kans.	Gavin
Bishop	Cole, Mo.	Gearhart
Blackney	Cole, N. Y.	Gerlach
Bolton	Corbett	Gillespie
Bradley, Mich.	Crawford	Gillette
Cillie	Keefe	Reed, Ill.
Goodwin	Kelly, Ill.	Rees, Kans.
Graham	Kinzer	Rich
Griffiths	Knutson	Rizley
Gross	Kunkel	Robertson, N. Dak.
Gwynne, Iowa	LaFollette	
Hagen	Landis	Robsion, Ky.
Hale	Lanham	Rockwell
Hall, Edwin Arthur	Larcade	Rogers, Mass.
	Latham	Schwabe, Mo.
Hall, Leonard W.	LeCompte	Schwabe, Okla.
	LeFevre	Scrivner
Halleck	Lemke	Shafer
Hancock	Lewis	Simpson, Ill.
Hand	Luce	Smith, Ohio
Harness, Ind.	McConnell	Smith, Wis.
Hartley	McCowen	Springer
Hébert	McDonough	Stefan
Henry	McGregor	Stevenson
Herter	McKenzie	Stewart
Heselton	McMillen, Ill.	Stockman
Hess	Martin, Mass.	Sumner, Ill.
Hill	Mason	Sundstrom
Hinshaw	Merrow	Taber
Hoeven	Michener	Talbot
Hoffman	Miller, Nebr.	Talle
Holmes, Mass.	Morrison	Taylor
Holmes, Wash.	Mundt	Thomas, N. J.
Hope	Murray, Wis.	Tibbott
Horan	O'Hara	Towe
Howell	O'Konski	Vorys, Ohio
Jenkins	Philbin	Vursell
Jennings	Phillips	Wadsworth
Jensen	Pickett	Weichel
Johnson, Ill.	Pittenger	Welch
Jones	Plumley	West
Jonkman	Powers	Wigglesworth
Judd	Ramey	Wolcott
Kean	Rankin	Wolverton, N. J.
Kearney	Reece, Tenn.	Woodruff, Mich.

NAYS—198

Abernethy	Forand	Mills
Allen, La.	Fulton	Monroney
Andrews, Ala.	Gallagher	Morgan
Bailey	Gardner	Murdock
Baldwin, Md.	Gary	Murphy
Barrett, Pa.	Geelan	Murray, Tenn.
Barry	Gordon	Neely
Bates, Ky.	Gore	Norrell
Beckworth	Gorski	Norton
Bell	Gossett	O'Brien, Ill.
Biemiller	Granahan	O'Brien, Mich.
Bland	Granger	O'Neal
Bonner	Grant, Ala.	O'Toole
Boykin	Green	Outland
Bradley, Pa.	Gregory	Pace
Brooks	Hare	Patman
Brown, Ga.	Harless, Ariz.	Patrick
Bryson	Harris	Patterson
Buckley	Hart	Peterson, Fla.
Bulwinkle	Havenner	Pfeifer
Bunker	Hays	Poage
Burch	Healy	Powell
Burgin	Hedrick	Price, Fla.
Byrne, N. Y.	Heffernan	Priest
Camp	Hendricks	Quinn, N. Y.
Cannon, Mo.	Hoch	Rabaut
Carnahan	Hook	Rabin
Celler	Huber	Rains
Chapman	Hull	Ramspeck
Chelf	Izac	Randolph
Clements	Jackson	Rayfiel
Cochran	Johnson, Luther A.	Resa
Colmer		Richards
Combs	Johnson, Lyndon B.	Riley
Cooper		Robertson, Va.
Courtney	Johnson, Okla.	Robinson, Utah
Cox	Kee	Rogers, Fla.
Cravens	Kefauver	Rogers, N. Y.
D'Alesandro	Kelley, Pa.	Rooney
Daughton, Va.	Keogh	Rowan
Davis	Kerr	Russell
Dawson	Kilday	Ryter
De Lacy	King	Sadowski
Delaney, James J.	Kirwan	Savage
	Kopplemann	Slaughter
Delaney, John J.	Lane	Smith, Va.
	Lea	Snyder
Dickstein	Lesinski	Somers, N. Y.
Dingell	Link	Sparkman
Domengeaux	Ludlow	Spence
Doughton, N. C.	Lyle	Starkey
Douglas, Calif.	McCormack	Stigler
Douglas, Ill.	McGehee	Sullivan
Doyle	McGlinchey	Sumners, Tex.
Drewry	McMillan, S. C.	Tarver
Eberharter	Madden	Thom
Engle, Calif.	Mahon	Thomas, Tex.
Fallon	Maloney	Thomason
Feighan	Manasco	Tolan
Fernandez	Mansfield, Mont.	Torrens
Fisher		Traynor
Flood	Mansfield, Tex.	Trimble
Fogarty	Marcantonio	Vinson
Folger	Miller, Calif.	Voorhis, Calif.
Walter	White	Wood
Wasielewski	Whittington	Woodhouse
Weaver	Wickersham	Zimmerman
Weiss	Winstead	

NOT VOTING—56

Anderson, N. Mex.	Flannagan	Rivers
	Gibson	Rodgers, Pa.
Andrews, N. Y.	Gifford	Roe, Md.
Baldwin, N. Y.	Grant, Ind.	Roe, N. Y.
Barden	Gwinn, N. Y.	Sabath
Bloom	Hobbs	Sasscer
Boren	Holifield	Sharp
Cannon, Fla.	Jarman	Sheppard
Clark	Johnson, Calif.	Sheridan
Clason	Johnson, Ind.	Short
Coffee	Kilburn	Sikes
Cooley	Lynch	Simpson, Pa.
Crosser	Martin, Iowa	Smith, Maine
Curley	May	Whitten
Durham	Mott	Wilson
Earthman	Peterson, Ga.	Winter
Eaton	Ploeser	Wolfenden, Pa.
Elsaesser	Price, Ill.	Woodrum, Va.
Fellows	Reed, N. Y.	Worley

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mrs. Smith of Maine for, with Mr. Hobbs against.

Mr. Mott for, with Mr. Coffee against.

Mr. Barden for, with Mr. Sasscer against.

Mr. Rodgers of Pennsylvania for, with Mr. Lynch against.

Mr. Short for, with Mr. Flannagan against.

Mr. Andrews of New York for, with Mr. Bloom against.

Mr. Martin of Iowa for, with Mr. Holifield against.

Mr. Reed of New York for, with Mr. May against.

Mr. Wolfenden of Pennsylvania for, with Mr. Curley against.

General pairs until further notice:

Mr. Whitten with Mr. Ploeser.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Jarman with Mr. Grant of Indiana.

Mr. Woodrum of Virginia with Mr. Wilson.

Mr. Cooley with Mr. Gifford.

Mr. Durham with Mr. Kilburn.

Mr. Sikes with Mr. Clason.

Mr. Price of Illinois with Mr. Eaton.

Mr. Sheridan with Mr. Simpson of Pennsylvania.

Mr. Cannon of Florida with Mr. Fellows.

Mr. Gibson with Mr. Sharp.

Mr. Crosser with Mr. Winter.

Mr. Peterson of Georgia with Mr. Johnson of California.

Mr. Sabath with Mr. Gwinn of New York.

Mr. Roe of New York with Mr. Elsaesser.

Mr. Worley with Mr. Baldwin of New York.

Mr. HARE changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment on which a separate vote is demanded. The amendments will be reported in the order in which they were adopted in the Committee of the Whole.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: Page 1, after line 9, insert the following section:

"SEC. 3. The Stabilization Act of 1942, as amended, is amended by inserting after section 3 thereof a new section as follows:

"'SEC. 3A. (a) While this act is in effect, no quota or other slaughtering limitation shall be imposed upon any slaughterer of animals, under authority of this or any other law, if the Secretary of Agriculture has certified that the slaughtering plant is operated under sanitary conditions and that the meat produced therein is clean, wholesome, and suitable for human consumption.

"'(b) As a condition of making certification in the case of any such slaughterer, the

Secretary of Agriculture may require that such slaughterer make available to the armed services of the United States, or for Government purchase, such percentage of the meat slaughtered and processed as he may deem necessary or advisable.

"'(c) In order that he may make the certifications provided for under subsection (a), the Secretary of Agriculture may provide for inspection in such manner and by such persons as he may deem advisable.

"'(d) Notwithstanding any law to the contrary, meat which is produced under the circumstances specified in this section shall be permitted to be transported in interstate or foreign commerce.

"'(e) The Secretary of Agriculture may refuse certification in any case when he is not satisfied that the meat made available hereunder will be disposed of in legitimate trade channels in accordance with law.

"'(f) The Secretary of Agriculture may revoke any such certification if it is found at any time that the slaughterer does not meet any of the conditions required under this section.

"'(g) *Provided*, That nothing herein shall prevent the termination, suspension, or limitation of the right to slaughter of any person who fails to comply with the price, rationing, or slaughter control requirements imposed under the authority of this or any other law.'"

The SPEAKER. The question is on agreeing to the amendment.

Mr. WOLCOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 372, nays 3, not voting 57, as follows:

[Roll No. 120]

YEAS—372

Abernethy	Campbell	Ellsworth
Adams	Canfield	Elston
Allen, Ill.	Cannon, Mo.	Engel, Mich.
Allen, La.	Carlson	Engle, Calif.
Andersen, H. Carl	Carnahan	Ervin
Anderson, Calif.	Case, N. J.	Fallon
Andresen, August H.	Case, S. Dak.	Feighan
Andrews, Ala.	Celler	Fenton
Angell	Chapman	Fernandez
Arends	Chelf	Fisher
Arnold	Chenoweth	Flood
Auchincloss	Chiperfield	Fogarty
Bailey	Church	Folger
Baldwin, Md.	Clements	Forand
Barrett, Pa.	Clevenger	Fuller
Barrett, Wyo.	Cochran	Fulton
Barry	Cole, Kans.	Gallagher
Bates, Ky.	Cole, Mo.	Gamble
Bates, Mass.	Cole, N. Y.	Gardner
Beall	Colmer	Gary
Beckworth	Combs	Gathings
Bell	Cooper	Gavin
Bender	Corbett	Gearhart
Bennet, N. Y.	Courtney	Geelan
Bennett, Mo.	Cox	Gerlach
Biemiller	Cravens	Gillespie
Bishop	Crawford	Gillette
Blackney	Cunningham	Gillie
Bland	Curtis	Goodwin
Bolton	D'Alesandro	Gordon
Bonner	Daughton, Va.	Gorski
Boykin	Davis	Gossett
Bradley, Mich.	Dawson	Graham
Bradley, Pa.	De Lacy	Granahan
Brehm	Delaney, James J.	Granger
Brooks	Delaney, John J.	Grant, Ala.
Brown, Ga.	Dickstein	Green
Brown, Ohio	Dingell	Gregory
Brumbaugh	Dirksen	Griffiths
Bryson	Dolliver	Gross
Buck	Domengeaux	Gwynne, Iowa
Buckley	Dondero	Hagen
Buffett	Doughton, N. C.	Hale
Bulwinkle	Douglas, Calif.	Hall, Edwin Arthur
Bunker	Douglas, Ill.	Hall, Leonard W.
Burch	Doyle	Halleck
Burgin	Drewry	Hancock
Butler	Dworshak	Hand
Byrne, N. Y.	Eberharter	Hare
Byrnes, Wis.	Elliott	Harless, Ariz.
Camp	Ellis	Harness, Ind.
Harris	McCowen	Robinson, Utah
Hart	McDonough	Robsion, Ky.
Hartley	McGehee	Rockwell
Havenner	McGlinchey	Rogers, Fla.
Hays	McGregor	Rogers, Mass.
Healy	McKenzie	Rogers, N. Y.
Hébert	McMillan, S. C.	Rooney
Hedrick	McMillen, Ill.	Rowan
Heffernan	Madden	Russell
Hendricks	Mahon	Ryter
Henry	Maloney	Sadowski
Herter	Manasco	Savage
Heselton	Mansfield, Mont.	Schwabe, Mo.
Hess	Mansfield, Tex.	Schwabe, Okla.
Hill	Martin, Mass.	Scrivner
Hinshaw	Mason	Shafer
Hoch	Merrow	Simpson, Ill.
Hoeven	Michener	Slaughter
Hoffman	Miller, Calif.	Smith, Ohio
Holmes, Mass.	Miller, Nebr.	Smith, Va.
Holmes, Wash.	Mills	Smith, Wis.
Hook	Monroney	Snyder
Hope	Morgan	Somers, N. Y.
Horan	Morrison	Sparkman
Howell	Mundt	Spence
Huber	Murdock	Springer
Hull	Murphy	Starkey
Izac	Murray, Tenn.	Stefan
Jackson	Murray, Wis.	Stevenson
Jenkins	Neely	Stewart
Jennings	Norrell	Stigler
Jensen	Norton	Stockman
Johnson, Ill.	O'Brien, Ill.	Sullivan
Johnson, Luther A.	O'Brien, Mich.	Sumner, Ill.
Johnson, Lyndon B.	O'Hara	Sumners, Tex.
Johnson, Okla.	O'Konski	Sundstrom
Jones	O'Neal	Taber
Jonkman	O'Toole	Talbot
Judd	Outland	Talle
Kean	Pace	Tarver
Kearney	Patman	Taylor
Kee	Patrick	Thom
Keefe	Patterson	Thomas, N. J.
Kefauver	Peterson, Fla.	Thomas, Tex.
Kelley, Pa.	Pfeifer	Thomason
Kelly, Ill.	Philbin	Tibbott
Keogh	Phillips	Tolan
Kerr	Pickett	Torrens
Kilday	Pittenger	Towe
King	Plumley	Traynor
Kinzer	Poage	Trimble
Kirwan	Powers	Vinson
Knutson	Price, Fla.	Voorhis, Calif.
Kopplemann	Priest	Vorys, Ohio
Kunkel	Quinn, N. Y.	Vursell
LaFollette	Rabaut	Wadsworth
Landis	Rabin	Walter
Lane	Rains	Wasielewski
Lanham	Ramey	Weaver
Larcade	Ramspeck	Welchel
Latham	Randolph	Weiss
Lea	Rankin	Welch
LeCompte	Rayfiel	West
LeFevre	Reece, Tenn.	White
Lemke	Reed, Ill.	Whittington
Lesinski	Rees, Kans.	Wickersham
Lewis	Resa	Wigglesworth
Link	Rich	Winstead
Luce	Richards	Wolcott
Ludlow	Riley	Wolverton, N. J.
Lyle	Rizley	Wood
McConnell	Robertson, N. Dak.	Woodhouse
McCormack	Robertson, Va.	Woodruff, Mich

NAYS—3

Gore	Marcantonio	Powell

NOT VOTING—57

Anderson, N. Mex.	Gibson	Roe, Md.
Andrews, N. Y.	Gifford	Roe, N. Y.
Baldwin, N. Y.	Grant, Ind.	Sabath
Barden	Gwinn, N. Y.	Sasscer
Bloom	Hobbs	Sharp
Boren	Holifield	Sheppard
Cannon, Fla.	Jarman	Sheridan
Clark	Johnson, Calif.	Short
Clason	Johnson, Ind.	Sikes
Coffee	Kilburn	Simpson, Pa.
Cooley	Lynch	Smith, Maine
Crosser	Martin, Iowa	Whitten
Curley	May	Wilson
Durham	Mott	Winter
Earthman	Peterson, Ga.	Wolfenden, Pa.
Eaton	Ploeser	Woodrum, Va.
Elsaesser	Price, Ill.	Worley
Fellows	Reed, N. Y.	Zimmerman
Flannagan	Rivers	
	Rodgers, Pa.	

So the amendment was agreed to.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Hobbs with Mrs. Smith of Maine.

Mr. Coffee with Mr. Mott.

Mr. Lynch with Mr. Rodgers of Pennsylvania.

Mr. Flannagan with Mr. Short.

Mr. Bloom with Mr. Andrews of New York.

Mr. Holifield with Mr. Martin of Iowa.

Mr. May with Mr. Reed of New York.

Mr. Curley with Mr. Wolfenden of Pennsylvania.

Mr. Barden with Mr. Sasscer.

Mr. HART changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment offered by Mr. BATES of Massachusetts: Insert a new section:

"Section 2A of the Emergency Price Control Act of 1942 and Stabilization Act of 1942, as amended by Stabilization Extension Act of 1944 is hereby amended as follows: In the second sentence after the words 'accounting methods', strike out the period, insert a colon, and add the following: '*Provided further*, That on and after the date of the enactment of this proviso, no maximum prices shall be established or maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species.'"

The SPEAKER. The question is on the amendment offered by the gentleman from Massachusetts [Mr. BATES].

Mr. WOLCOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 249, nays 123, answered "present" 2, not voting 58, as follows:

[Roll No. 121]

YEAS—249

Abernethy	Chelf	Gavin
Adams	Chenoweth	Gearhart
Allen, Ill.	Chiperfield	Gerlach
Allen, La.	Church	Gillespie
Andersen, H. Carl	Clements	Gillette
Anderson, Calif.	Clevenger	Gillie
Andresen, August H.	Cochran	Goodwin
Angell	Cole, Kans.	Gorski
Arends	Cole, Mo.	Gossett
Arnold	Cole, N. Y.	Graham
Auchincloss	Colmer	Granger
Barrett, Wyo.	Cooper	Gregory
Bates, Mass.	Corbett	Griffiths
Beall	Courtney	Gross
Bell	Cox	Gwynne, Iowa
Bender	Cravens	Hagen
Bennet, N. Y.	Cunningham	Hale
Bennett, Mo.	Curtis	Hall, Edwin Arthur
Bishop	Davis	Hall, Leonard W.
Blackney	Dirksen	Halleck
Bland	Dolliver	Hancock
Bolton	Domengeaux	Hand
Bradley, Mich.	Dondero	Harless, Ariz.
Brehm	Dworshak	Harness, Ind.
Brooks	Elliott	Hartley
Brown, Ohio	Ellis	Hébert
Brumbaugh	Ellsworth	Hedrick
Buck	Elston	Hendricks
Buffett	Engel, Mich.	Henry
Bunker	Engle, Calif.	Herter
Butler	Ervin	Heselton
Byrnes, Wis.	Fallon	Hess
Campbell	Feighan	Hill
Canfield	Fenton	Hinshaw
Carlson	Fernandez	Hoeven
Carnahan	Fisher	Hoffman
Case, N. J.	Fogarty	Holmes, Mass.
Case, S. Dak.	Fuller	Holmes, Wash.
Chapman	Gamble	Hope
	Gardner	
	Gathings	

Horan	Mansfield,	Scrivner
Howell	Mont.	Shafer
Huber	Martin, Mass.	Simpson, Ill.
Hull	Mason	Slaughter
Jenkins	Merrow	Smith, Ohio
Jennings	Michener	Smith, Wis.
Jensen	Miller, Nebr.	Springer
Johnson, Ill.	Morrison	Stefan
Johnson,	Mundt	Stevenson
Luther A.	Murdock	Stewart
Johnson, Okla.	Murray, Tenn.	Stigler
Jones	Murray, Wis.	Stockman
Jonkman	Norrell	Sullivan
Judd	O'Hara	Sumner, Ill.
Kean	O'Konski	Sumners, Tex.
Kearney	O'Neal	Sundstrom
Keefe	Pace	Taber
Kefauver	Peterson, Fla.	Talbot
Kelly, Ill.	Philbin	Talle
Kilday	Phillips	Tarver
Kinzer	Pickett	Taylor
Kirwan	Pittenger	Thom
Kunkel	Plumley	Thomas, N. J.
LaFollette	Poage	Tibbott
Landis	Powers	Towe
Lane	Price, Fla.	Traynor
Lanham	Priest	Voorhis, Calif.
Larcade	Ramey	Vorys, Ohio
Latham	Randolph	Vursell
Lea	Rankin	Wadsworth
LeCompte	Reece, Tenn.	Walter
LeFevre	Reed, Ill.	Weichel
Lemke	Rees, Kans.	Welch
Lewis	Rich	West
Luce	Richards	White
Ludlow	Rizley	Whittington
McConnell	Robertson,	Wickersham
McCowen	N. Dak.	Wigglesworth
McDonough	Robsion, Ky.	Winstead
McGehee	Rockwell	Wolcott
McGregor	Rogers, Fla.	Wolverton, N. J.
McKenzie	Rogers, Mass.	Wood
McMillan, S. C.	Russell	Zimmerman
McMillen, Ill.	Schwabe, Mo.	
Manasco	Schwabe, Okla.	

NAYS—123

Andrews, Ala.	Gallagher	Norton
Bailey	Gary	O'Brien, Ill.
Baldwin, Md.	Geelan	O'Brien, Mich.
Barrett, Pa.	Gordon	O'Toole
Barry	Gore	Outland
Bates, Ky.	Granahan	Patman
Beckworth	Grant, Ala.	Patrick
Biemiller	Green	Patterson
Bonner	Hare	Pfeifer
Boykin	Harris	Powell
Bradley, Pa.	Hart	Quinn, N. Y.
Brown, Ga.	Havenner	Rabaut
Bryson	Hays	Rabin
Buckley	Healy	Rains
Bulwinkle	Heffernan	Ramspeck
Burch	Hoch	Rayfiel
Burgin	Hook	Resa
Byrne, N. Y.	Izac	Riley
Camp	Jackson	Robertson, Va.
Cannon, Mo.	Johnson,	Robinson, Utah
Celler	Lyndon B.	Rogers, N. Y.
Combs	Kee	Rooney
Crawford	Kelley, Pa.	Rowan
Daughton, Va.	Keogh	Ryter
D'Alesandro	Kerr	Sadowski
Dawson	King	Savage
De Lacy	Kopplemann	Smith, Va.
Delaney,	Lesinski	Snyder
James J.	Link	Somers, N. Y.
Delaney,	Lyle	Sparkman
John J.	McCormack	Spence
Dickstein	McGlinchey	Starkey
Doughton, N. C.	Madden	Thomas, Tex.
Douglas, Calif.	Mahon	Thomason
Douglas, Ill.	Maloney	Tolan
Doyle	Mansfield, Tex.	Torrens
Drewry	Marcantonio	Trimble
Eberharter	Miller, Calif.	Vinson
Flood	Monroney	Wasielewski
Folger	Morgan	Weaver
Forand	Murphy	Weiss
Fulton	Neely	Woodhouse

ANSWERED "PRESENT"—2

Dingell	Mills

NOT VOTING—58

Anderson,	Crosser	Hobbs
N. Mex.	Curley	Holifield
Andrews, N. Y.	Durham	Jarman
Baldwin, N. Y.	Earthman	Johnson, Calif.
Barden	Eaton	Johnson, Ind.
Bloom	Elsaesser	Kilburn
Boren	Fellows	Knutson
Cannon, Fla.	Flannagan	Lynch
Clark	Gibson	Martin, Iowa
Clason	Gifford	May
Coffee	Grant, Ind.	Mott
Cooley	Gwinn, N. Y.	Peterson, Ga.
Ploeser	Sasscer	Whitten
Price, Ill.	Sharp	Wilson
Reed, N. Y.	Sheppard	Winter
Rivers	Sheridan	Wolfenden, Pa.
Rodgers, Pa.	Short	Woodruff, Mich.
Roe, Md.	Sikes	Woodrum, Va.
Roe, N. Y.	Simpson, Pa.	Worley
Sabath	Smith, Maine	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Knutson for, with Mr. Dingell against.

Mr. Woodruff of Michigan for, with Mr. Miles against.

Mr. Kilburn for, with Mr. Coffee against.

Mr. Sharp for, with Mr. Flannagan against.

Mr. Elsaesser for, with Mr. Sasscer against.

Mr. Martin of Iowa for, with Mr. Holifield against.

Mr. Mott for, with Mr. Roe of New York against.

Mr. BUNKER changed his vote from "nay" to "yea."

Mr. DINGELL. Mr. Speaker, on this vote I have a live pair with the gentleman from Minnesota, Mr. KNUTSON. If he were present, he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. MILLS. Mr. Speaker, I have a live pair with the gentleman from Michigan, Mr. WOODRUFF. If he were present, he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: Page 1, after section 2, insert the following new section:

"SEC. 3. Subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"'(e) Notwithstanding any provision of this act or any other law or Executive order, no regulation, order, directive, or allocation shall be issued or made, or any other action taken (including directives for distribution or price schedules), with respect to any agricultural commodity, including livestock or for any food product processed in whole or in substantial part from any agricultural commodity, including livestock, by the Administrator or by any agency of the Government or the head thereof, without prior written approval of the Secretary of Agriculture, and no regulation, order, directive, allocation, price schedule or distribution order with respect to any agricultural commodity, including livestock, or for any food product processed in whole or in substantial part from any agricultural commodity, including livestock, heretofore issued or made by the Administrator or any agency of the Government or head thereof, shall be valid or binding unless approved in writing by the Secretary of Agriculture within 90 days after the enactment of this amendment; except that necessary action, authorized by law, may be taken to enforce compliance with any regulation, order, directive, allocation, price schedule or other requirement with respect to an agricultural commodity which has been previously approved by the Secretary of Agriculture.'"

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. SPENCE. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 211, nays 155, answered "present" 2, not voting 64, as follows:

[Roll No. 122]

YEAS—211

Abernethy	Gerlach	Mason
Adams	Gillespie	Merrow
Allen, Ill.	Gillette	Michener
Andersen,	Gillie	Miller, Nebr.
H. Carl	Goodwin	Morrison
Anderson, Calif.	Gossett	Mundt
Andresen,	Graham	Murray, Tenn.
August H.	Grant, Ala.	Murray, Wis.
Angell	Griffiths	Norrell
Arends	Gross	O'Hara
Arnold	Gwynne, Iowa	O'Konski
Auchincloss	Hagen	Pace
Barrett, Wyo.	Hale	Peterson, Fla.
Bates, Mass.	Hall,	Philbin
Beall	Edwin Arthur	Phillips
Bender	Hall,	Pickett
Bennet, N. Y.	Leonard W.	Pittenger
Bennett, Mo.	Halleck	Plumley
Bishop	Hancock	Poage
Blackney	Hand	Powers
Bolton	Harness, Ind.	Price, Fla.
Bradley, Mich.	Hartley	Ramey
Brehm	Hébert	Rankin
Brown, Ohio	Hendricks	Reece, Tenn.
Brumbaugh	Henry	Reed, Ill.
Buck	Herter	Rees, Kans.
Buffett	Heselton	Rich
Butler	Hess	Rizley
Byrnes, Wis.	Hill	Robertson,
Campbell	Hinshaw	N. Dak.
Canfield	Hoeven	Robertson, Va.
Carlson	Hoffman	Robsion, Ky.
Case, N. J.	Holmes, Mass.	Rockwell
Case, S. Dak.	Holmes, Wash.	Rogers, Fla
Chelf	Hope	Rogers, Mass.
Chenoweth	Horan	Russell
Chiperfield	Howell	Schwabe, Mo.
Church	Hull	Schwabe, Okla.
Clements	Jenkins	Scrivner
Clevenger	Jennings	Shafer
Cole, Kans.	Jensen	Simpson, Ill.
Cole, Mo.	Johnson, Ill.	Smith, Va.
Cole, N. Y.	Johnson, Okla.	Smith, Wis.
Colmer	Jones	Springer
Combs	Jonkman	Stefan
Corbett	Judd	Stevenson
Cox	Kean	Stewart
Cravens	Kearney	Stigler
Crawford	Keefe	Stockman
Cunningham	Kinzer	Sumner, Ill
Curtis	Kunkel	Sundstrom
Dirksen	LaFollette	Taber
Dolliver	Landis	Talbot
Dondero	Lanham	Talle
Dworshak	Larcade	Tarver
Elliott	Latham	Taylor
Ellis	Lea	Thomas, N. J.
Ellsworth	LeCompte	Tibbott
Elston	LeFevre	Towe
Engel, Mich.	Lemke	Vorys, Ohio
Engle, Calif.	Lewis	Vursell
Ervin	Luce	Wadsworth
Fallon	Lyle	Walter
Fenton	McConnell	Weichel
Fernandez	McCowen	Welch
Fisher	McDonough	West
Fuller	McGehee	Wickersham
Fulton	McGregor	Wigglesworth
Gamble	McKenzie	Winstead
Gathings	McMillen, Ill.	Wolcott
Gavin	Manasco	Wolverton, N. J.
Gearhart	Martin, Mass.	Wood

NAYS—155

Allen, La.	Celler	Folger
Andrews, Ala.	Chapman	Forand
Bailey	Cochran	Gallagher
Baldwin, Md.	Cooper	Gardner
Barrett, Pa.	Courtney	Gary
Barry	D'Alesandro	Geelan
Bates, Ky.	Daughton, Va.	Gordon
Beckworth	Davis	Gore
Bell	Dawson	Gorski
Biemiller	De Lacy	Granahan
Bland	Delaney,	Granger
Bonner	James J.	Green
Bradley, Pa.	Delaney,	Gregory
Brooks	John J.	Hare
Brown, Ga.	Dickstein	Harless, Ariz.
Bryson	Domengeaux	Harris
Buckley	Doughton, N. C.	Hart
Bulwinkle	Douglas, Calif.	Havenner
Bunker	Douglas, Ill.	Hays
Burch	Doyle	Healy
Burgin	Drewry	Hedrick
Byrne, N. Y.	Eberharter	Heffernan
Camp	Feighan	Hoch
Cannon, Mo.	Flood	Hook
Carnahan	Fogarty	Huber

Izac	Miller, Calif.	Rogers, N. Y.
Jackson	Monroney	Rooney
Johnson, Luther A.	Morgan	Rowan
	Murdock	Ryter
Johnson, Lyndon B.	Murphy	Sadowski
	Neely	Savage
Kee	Norton	Snyder
Kelley, Pa.	O'Brien, Ill.	Somers, N. Y.
Kelly, Ill.	O'Brien, Mich.	Sparkman
Keogh	O'Neal	Spence
Kerr	O'Toole	Starkey
Kilday	Outland	Sullivan
King	Patman	Sumners, Tex.
Kirwan	Patrick	Thom
Kopplemann	Patterson	Thomas, Tex.
Lane	Pfeifer	Thomason
Lesinski	Powell	Tolan
Link	Priest	Torrens
Ludlow	Quinn, N. Y.	Traynor
McCormack	Rabaut	Trimble
McGlinchey	Rabin	Voorhis, Calif.
McMillan, S. C.	Rains	Wasielewski
Madden	Ramspeck	Weiss
Mahon	Randolph	White
Maloney	Rayfiel	Whittington
Mansfield, Mont.	Resa	Woodhouse
	Richards	Zimmerman
Mansfield, Tex.	Riley	
Marcantonio	Robinson, Utah	

ANSWERED "PRESENT"—2

Dingell	Mills

NOT VOTING—64

Anderson, N. Mex.	Gifford	Roe, N. Y.
	Grant, Ind.	Sabath
Andrews, N. Y.	Gwinn, N. Y.	Sasscer
Baldwin, N. Y.	Hobbs	Sharp
Barden	Holifield	Sheppard
Bloom	Jarman	Sheridan
Boren	Johnson, Calif.	Short
Boykin	Johnson, Ind.	Sikes
Cannon, Fla.	Kefauver	Simpson, Pa.
Clark	Kilburn	Slaughter
Clason	Knutson	Smith, Maine
Coffee	Lynch	Smith, Ohio
Cooley	Martin, Iowa	Vinson
Crosser	May	Weaver
Curley	Mott	Whitten
Durham	Peterson, Ga.	Wilson
Earthman	Ploeser	Winter
Eaton	Price, Ill.	Wolfenden, Pa.
Elsaesser	Reed, N. Y.	Woodruff, Mich.
Fellows	Rivers	Woodrum, Va.
Flannagan	Rodgers, Pa.	Worley
Gibson	Roe, Md.	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Knutson for, with Mr. Dingell against.

Mr. Woodruff of Michigan for, with Mr. Mills against.

Mr. Kilburn for, with Mr. Coffee against.

Mr. Sharp for, with Mr. Flannagan against.

Mr. Mott for, with Mr. Vinson of Georgia against.

Mr. Gifford for, with Mr. Curley against.

Mr. Martin of Iowa for, with Mr. Holifield against.

Mr. Elsaesser for, with Mr. Sasscer against.

Mr. Rodgers of Pennsylvania for, with Mr. Lynch against.

Mr. Andrews of New York for, with Mr. Roe of New York against.

Mr. Wolfenden of Pennsylvania for, with Mr. Sabath against.

Mr. Reed of New York for, with Mr. May against.

Additional general pairs:

Mr. Kefauver with Mr. Smith of Ohio.

Mr. Slaughter with Mr. Short.

Mr. Whitten with Mr. Ploeser.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Jarman with Mr. Grant of Indiana.

Mr. Hobbs with Mrs. Smith of Maine.

Mr. Cannon of Florida with Mr. Baldwin of New York.

Mr. MILLS. Mr. Speaker, I have a live pair with the gentleman from Michigan, Mr. WOODRUFF. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. DINGELL. Mr. Speaker, on this vote I have a live pair with the gentleman from Minnesota, Mr. KNUTSON. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment by Mr. DIRKSEN: Page 1, after line 9, insert the following:

"SEC. — (a). The first sentence of section 204 (a) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows: 'Any person who is aggrieved by the denial or partial denial of his protest may, within 30 days after such denial, file a complaint with the Emergency Court of Appeals, created pursuant to subsection (c), or with the appropriate district court, specifying his objections and praying that the regulation, order, or price schedule protested be enjoined or set aside in whole or in part.'

"(b) The fourth sentence of section 204 (c) of such act, as amended, is amended to read as follows: 'The court shall have the powers of a district court with respect to the jurisdiction conferred on it by this act.'

"(c) The first two sentences of section 204 (d) of such act, as amended, are amended to read as follows: 'Within 30 days after entry of a judgment or order, interlocutory or final, by the district court provided for in subsection (a) or the Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a circuit court of appeals as provided in section 240 of the Judicial Code, as amended (U. S. C., 1940 ed., title 28, sec. 347). The Supreme Court shall advance on the docket and expedite the disposition of all causes filed therein pursuant to this subsection. The district court provided for in subsection (a), the Emergency Court of Appeals, the appropriate circuit court of appeals upon review of judgments and orders of such district court, and the Supreme Court upon review of judgments and orders of the Emergency Court of Appeals and of such district court or circuit court of appeals, shall have exclusive jurisdiction to determine the validity of any regulation or order issued under section 2, of any price schedule effective in accordance with the provisions of section 206, and of any provision of any such regulation, order, or price schedule."

The SPEAKER. The question is on agreeing to the amendment.

Mr. SPENCE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 200, nays 164, answered "present" 3, not voting 65, as follows:

[Roll No. 123]

YEAS—200

Abernethy	Bennett, Mo.	Case, S. Dak.
Adams	Bishop	Chenoweth
Allen, Ill.	Blackney	Chiperfield
Allen, La.	Bland	Church
Andersen, H. Carl.	Bolton	Clevenger
	Boykin	Cole, Kans.
Anderson, Calif.	Bradley, Mich.	Cole, Mo.
Andresen, August H.	Brehm	Cole, N. Y.
	Brooks	Corbett
Andrews, Ala.	Brown, Ohio	Cox
Angell	Brumbaugh	Cravens
Arends	Bryson	Cunningham
Arnold	Buck	Curtis
Auchincloss	Buffett	Dirksen
Barrett, Wyo.	Butler	Dolliver
Bates, Mass.	Byrnes, Wis.	Domengeaux
Beall	Campbell	Dondero
Bell	Canfield	Dworshak
Bender	Carlson	Elliott
Bennet, N. Y.	Case, N. J.	Ellis
Ellsworth	Horan	Powers
Elston	Howell	Price, Fla.
Engel, Mich.	Jenkins	Ramey
Ervin	Jennings	Rankin
Fenton	Jensen	Reece, Tenn.
Fernandez	Johnson, Ill.	Reed, Ill.
Fisher	Jones	Rees, Kans.
Fuller	Jonkman	Rich
Fulton	Judd	Rizley
Gardner	Kearney	Robertson, N. Dak.
Gathings	Keefe	
Gavin	Kilday	Robsion, Ky.
Gearhart	Kinzer	Rockwell
Gerlach	Landis	Rogers, Fla.
Gillespie	Lanham	Rogers, Mass.
Gillette	Larcade	Rogers, N. Y.
Gillie	Latham	Schwabe, Mo.
Goodwin	LeFevre	Schwabe, Okla.
Gossett	Lemke	Scrivner
Graham	Lewis	Shafer
Grant, Ala.	Luce	Simpson, Ill.
Griffiths	Lyle	Smith, Ohio
Gross	McConnell	Smith, Wis.
Gwynne, Iowa	McCowen	Springer
Hagen	McDonough	Stefan
Hall, Edwin Arthur	McGehee	Stewart
	McGregor	Stockman
Hall, Leonard W.	McKenzie	Sumner, Ill.
	McMillan, S. C.	Sundstrom
Halleck	McMillen, Ill.	Taber
Hancock	Manasco	Talbot
Hand	Martin, Mass.	Talle
Hare	Mason	Tarver
Harness, Ind.	Merrow	Taylor
Harris	Michener	Thomas, N. J.
Hartley	Miller, Nebr.	Tibbott
Hébert	Morrison	Towe
Hendricks	Mundt	Vorys, Ohio
Henry	Murray, Tenn.	Vursell
Herter	Murray, Wis.	Welchel
Heselton	Norrell	Welch
Hess	O'Hara	West
Hill	O'Konski	White
Hinshaw	Philbin	Wickersham
Hoeven	Phillips	Wigglesworth
Hoffman	Pickett	Winstead
Holmes, Mass.	Pittenger	Wolverton, N. J.
Holmes, Wash.	Plumley	
Hope	Poage	

NAYS—164

Bailey	Geelan	Monroney
Baldwin, Md.	Gordon	Morgan
Barrett, Pa.	Gore	Murphy
Barry	Gorski	Neely
Bates, Ky.	Granahan	Norton
Beckworth	Green	O'Brien, Ill.
Biemiller	Gregory	O'Brien, Mich.
Bonner	Hale	O'Neal
Bradley, Pa.	Harless, Ariz.	O'Toole
Brown, Ga.	Hart	Outland
Buckley	Havenner	Pace
Bulwinkle	Hays	Patman
Bunker	Healy	Patrick
Burch	Hedrick	Patterson
Burgin	Heffernan	Peterson, Fla.
Byrne, N. Y.	Hoch	Pfeifer
Camp	Hook	Powell
Cannon, Mo.	Huber	Priest
Carnahan	Hull	Quinn, N. Y.
Celler	Izac	Rabaut
Chapman	Jackson	Rabin
Chelf	Johnson, Luther A.	Rains
Clements		Ramspeck
Cochran	Johnson, Lyndon B.	Randolph
Combs		Rayfiel
Cooper	Johnson, Okla.	Resa
Courtney	Kean	Richards
Crawford	Kee	Riley
D'Alesandro	Kefauver	Robertson, Va.
Daughton, Va.	Kelley, Pa.	Robinson, Utah
Davis	Kelly, Ill.	Rooney
Dawson	Keogh	Rowan
De Lacy	Kerr	Ryter
Delaney, James J.	King	Sadowski
	Kirwan	Savage
Delaney, John J.	Kopplemann	Smith, Va.
	Kunkel	Snyder
Dickstein	LaFollette	Somers, N. Y.
Doughton, N. C.	Lane	Sparkman
Douglas, Calif.	Lea	Spence
Douglas, Ill.	LeCompte	Starkey
Doyle	Lesinski	Stigler
Drewry	Link	Sullivan
Eberharter	Ludlow	Sumners, Tex.
Engle, Calif.	McCormack	Thom
Fallon	McGlinchey	Thomas, Tex.
Feighan	Madden	Thomason
Flood	Mahon	Tolan
Fogarty	Maloney	Torrens
Folger	Mansfield, Mont.	Traynor
Forand		Trimble
Gallagher	Mansfield, Tex.	Voorhis, Calif.
Gamble	Marcantonio	Walter
Gary	Miller, Calif.	Wasielewski

Weaver	Wolcott	Zimmerman
Weiss	Wood	
Whittington	Woodhouse	

ANSWERED "PRESENT"—3

Dingell	Mills	Russell

NOT VOTING—65

Anderson, N. Mex.	Gifford	Roe, Md.
Andrews, N. Y.	Granger	Roe, N. Y.
Baldwin, N. Y.	Grant, Ind.	Sabath
Barden	Gwinn, N. Y.	Sasscer
Bloom	Hobbs	Sharp
Boren	Holifield	Sheppard
Cannon, Fla.	Jarman	Sheridan
Clark	Johnson, Calif.	Short
Clason	Johnson, Ind.	Sikes
Coffee	Kilburn	Simpson, Pa.
Colmer	Knutson	Slaughter
Cooley	Lynch	Smith, Maine
Crosser	Martin, Iowa	Stevenson
Curley	May	Vinson
Durham	Mott	Wadsworth
Earthman	Murdock	Whitten
Eaton	Peterson, Ga.	Wilson
Elsaesser	Ploeser	Winter
Fellows	Price, Ill.	Wolfenden, Pa.
Flannagan	Reed, N. Y.	Woodruff, Mich.
Gibson	Rivers	Woodrum, Va.
	Rodgers, Pa.	Worley

So the amendment was agreed to.

On this vote:

Mr. Russell for, with Mr. Granger against.

Mr. Knutson for, with Mr. Dingell against.

Mr. Woodruff of Michigan for, with Mr. Mills, against.

Mr. Kilburn for, with Mr. Coffee against.

Mr. Short for, with Mr. Flannagan against.

Mr. Mott for, with Mr. Vinson of Georgia, against.

Mr. Gifford for, with Mr. Curley against.

Mr. Martin of Iowa for, with Mr. Holifield against.

Mr. Elsaesser for, with Mr. Sasscer against.

Mr. Rodgers of Pennsylvania for, with Mr. Lynch against.

Mr. Andrews of New York for, with Mr. Roe of New York, against.

Mr. Wolfenden of Pennsylvania for, with Mr. Sabath against.

Mr. Reed of New York for, with Mr. May against.

Additional general pair:

Mr. Murdock with Mr. Stevenson.

Mr. RUSSELL. Mr. Speaker, I have a live pair with the gentleman from Utah, Mr. GRANGER. If he were present, he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. MILLS. Mr. Speaker, I have a live pair with the gentleman from Michigan, Mr. WOODRUFF. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. DINGELL. Mr. Speaker, on this vote I have a live pair with the gentleman from Minnesota, Mr. KNUTSON. If he were present, he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote wa announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

Mr. CLEVENGER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the joint resolution?

Mr. CLEVENGER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CLEVENGER moves to recommit the bill (H. J. Res. 101) to the Committee on Banking and Currency.

Mr. SPENCE. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. WOLCOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 356, nays 12, answered "present" 1, not voting 63, as follows:

[Roll No. 124]

YEAS—356

Abernethy	Cox	Hancock
Adams	Cravens	Hand
Allen, Ill.	Crawford	Hare
Allen, La.	Cunningham	Harless, Ariz.
Andersen, H. Carl	Curtis	Harness, Ind.
Anderson Calif.	D'Alesandro	Harris
Andresen, August H.	Daughton, Va.	Hart
Andrews, Ala.	Davis	Hartley
Angell	Dawson	Havenner
Arends	De Lacy	Hays
Arnold	Delaney, James J.	Healy
Auchincloss	Delaney, John J.	Hébert
Bailey	Dickstein	Hedrick
Baldwin Md.	Dirksen	Heffernan
Barrett, Pa.	Dolliver	Hendricks
Barrett, Wyo.	Domengeaux	Henry
Barry	Dondero	Herter
Bates, Ky.	Doughton, N. C.	Heselton
Bates, Mass.	Douglas, Calif.	Hess
Beall	Douglas, Ill.	Hill
Beckworth	Doyle	Hinshaw
Bell	Drewry	Hoch
Bender	Dworshak	Hoeven
Bennet, N. Y.	Eberharter	Holmes, Mass.
Bennett, Mo.	Elliott	Holmes, Wash.
Biemiller	Ellis	Hook
Bishop	Ellsworth	Hope
Blackney	Elston	Horan
Bland	Engel, Mich.	Howell
Bolton	Engle, Calif.	Huber
Bonner	Ervin	Hull
Boykin	Fallon	Izac
Bradley, Mich.	Feighan	Jackson
Bradley, Pa.	Fenton	Jenkins
Brehm	Fernandez	Jennings
Brooks	Fisher	Jensen
Brown, Ga.	Flood	Johnson, Ill.
Brown, Ohio	Fogarty	Johnson, Luther A.
Brumbaugh	Folger	Johnson, Lyndon B.
Bryson	Forand	Johnson, Okla.
Buck	Fuller	Jonkman
Buckley	Fulton	Judd
Buffett	Gallagher	Kean
Bulwinkle	Gamble	Kearney
Bunker	Gardner	Kee
Burch	Gary	Keefe
Burgin	Gathings	Kefauver
Butler	Gavin	Kelley, Pa.
Byrne, N. Y.	Gearhart	Kelly, Ill.
Byrnes, Wis.	Geelan	Keogh
Camp	Gerlach	Kerr
Campbell	Gillespie	Kilday
Canfield	Gillette	King
Cannon, Mo.	Gillie	Kinzer
Carlson	Goodwin	Kirwan
Carnahan	Gordon	Kopplemann
Case, N. J.	Gore	Kunkel
Case, S. Dak.	Gorski	LaFollette
Celler	Gossett	Landis
Chapman	Graham	Lane
Cheif	Granahan	Lanham
Chenoweth	Grant, Ala.	Latham
Chiperfield	Green	Lea
Church	Gregory	Le Compte
Clements	Griffiths	LeFevre
Cochran	Gross	Lesinski
Cole, Kans.	Gwynne, Iowa	Lewis
Cole, Mo.	Hagen	Link
Cole, N. Y.	Hale	Luce
Colmer	Hall, Edwin Arthur	Ludlow
Combs	Hall, Leonard W.	Lyle
Cooper	Halleck	McConnell
Corbett		McCormack
Courtney		McCowen
McDonough	Phillips	Somers, N. Y.
McGehee	Pickett	Sparkman
McGlinchey	Plumley	Spence
McGregor	Poage	Springer
McKenzie	Powell	Starkey
McMillan, S. C.	Powers	Stefan
McMillen, Ill.	Price, Fla.	Stevenson
Madden	Priest	Stewart
Mahon	Quinn, N. Y.	Stigler
Maloney	Rabaut	Stockman
Manasco	Rabin	Sullivan
Mansfield, Mont.	Rains	Sumners, Tex.
Mansfield, Tex.	Ramey	Sundstrom
Marcantonio	Ramspeck	Taber
Martin, Mass.	Randolph	Talbot
Mason	Rankin	Talle
Merrow	Rayfiel	Tarver
Michener	Reece, Tenn.	Taylor
Miller, Calif.	Reed, Ill.	Thom
Mills	Rees, Kans.	Thomas, N. J.
Monroney	Resa	Thomas, Tex.
Morgan	Rich	Thomason
Morrison	Richards	Tibbott
Mundt	Riley	Tolan
Murdock	Rizley	Torrens
Murphy	Robertson, N. Dak.	Towe
Murray, Tenn.	Robertson, Va.	Traynor
Murray, Wis.	Robinson, Utah	Trimble
Neely	Robsion, Ky.	Voorhis, Calif.
Norrell	Rockwell	Vorys, Ohio
Norton	Rogers, Fla.	Vursell
O'Brien, Ill.	Rogers, Mass.	Walter
O'Brien, Mich.	Rogers, N. Y.	Wasielewski
O'Hara	Rooney	Weichel
O'Konski	Rowan	Weiss
O'Neal	Russell	Welch
O'Toole	Ryter	White
Outland	Sadowski	Whittington
Pace	Savage	Wickersham
Patman	Scrivner	Wigglesworth
Patrick	Simpson, Ill.	Winstead
Patterson	Slaughter	Wolcott
Peterson, Fla.	Smith Va.	Wolverton, N. J.
Pfeifer	Smith, Wis.	Wood
Philbin	Snyder	Woodhouse
		Zimmerman

NAYS—12

Clevenger	Miller, Nebr.	Shafer
Hoffman	Pittenger	Smith, Ohio
Jones	Schwabe, Mo.	Sumner, Ill.
Lemke	Schwabe, Okla.	West

ANSWERED "PRESENT"—1

Dingell

NOT VOTING—63

Anderson, N. Mex.	Granger	Roe, N. Y.
Andrews, N. Y.	Grant, Ind.	Sabath
Baldwin, N. Y.	Gwinn, N. Y.	Sasscer
Barden	Hobbs	Sharp
Bloom	Holifield	Sheppard
Boren	Jarman	Sheridan
Cannon, Fla	Johnson, Calif.	Short
Clark	Johnson, Ind.	Sikes
Clason	Kilburn	Simpson, Pa.
Coffee	Knutson	Smith, Maine
Cooley	Larcade	Vinson
Crosser	Lynch	Wadsworth
Curley	Martin, Iowa	Weaver
Durham	May	Whitten
Earthman	Mott	Wilson
Eaton	Peterson, Ga.	Winter
Elsaesser	Ploeser	Wolfenden, Pa.
Fellows	Price, Ill.	Woodruff, Mich.
Flannagan	Reed, N. Y.	Woodrum, Va.
Gibson	Rivers	Worley
Gifford	Rodgers, Pa.	
	Roe, Md.	

So the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. May for, with Mr. Reed of New York against.

Mr. Wadsworth for, with Mr. Roe of Maryland against.

Mr. Dingell for, with Mr. Knutson against.

General pairs:

Mr. Whitten with Mr. Ploeser.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Woodrum of Virginia with Mr. Wilson.

Mr. Jarman with Mr. Grant of Indiana.

Mr. Cooley with Mr. Gifford.

Mr. Durham with Mr. Kilburn.

Mr. Sikes with Mr. Clason.

Mr. Price of Illinois with Mr. Eaton.

Mr. Sheridan with Mr. Simpson of Pennsylvania.

Mr. Cannon of Florida with Mr. Fellows.
Mr. Gibson with Mr. Sharp.
Mr. Crosser with Mr. Winter.
Mr. Peterson of Georgia with Mr. Johnson of California.
Mr. Sabath with Mr. Gwinn of New York.
Mr. Roe of New York with Mr. Elsaesser.
Mr. Worley with Mr. Baldwin of New York.
Mr. Hobbs with Mrs. Smith of Maine.
Mr. Coffee with Mr. Mott.
Mr. Barden with Mr. Sasscer.
Mr. Lynch with Mr. Rodgers of Pennsylvania.
Mr. Flannagan with Mr. Short.
Mr. Bloom with Mr. Andrews of New York.
Mr. Holifield with Mr. Martin of Iowa.
Mr. Curley with Mr. Wolfenden of Pennsylvania.
Mr. Vinson of Georgia with Mr. Woodruff of Michigan.

Mr. O'KONSKI changed his vote from "present" to "yea."

Mr. DINGELL. Mr. Speaker, I have a live pair with my colleague from Minnesota, Mr. KNUTSON. Were he present he would have voted "nay," therefore I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. Without objection, the Clerk will be authorized to correct the section numbers.

There was no objection.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that Senate Joint Resolution 30, extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, be taken from the Speaker's table, that all after the enacting clause be stricken out and the provisions of House Joint Resolution 101, as amended, be inserted in the Senate bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky.

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Resolved, etc., That section 1 (b) of the Emergency Price Control Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "June 30, 1946."

SEC. 2. Section 6 of the Stabilization Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "June 30, 1946."

SEC. 3. That section 3 of the Stabilization Act of 1942, as amended, is further amended by inserting at the end thereof the following: "*Provided further*, That on and after the date of the enactment of this proviso, no maximum prices shall be established or maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species."

SEC. 4. It shall be unlawful to establish or maintain against the producers of any livestock, grain, or any other agricultural commodity a maximum price for such commodity which does not equal all costs and expenses (including all overhead expenses, a return on capital, and an allowance for the labor of the producer and his family) incurred in the production of such commodity, plus a reasonable profit thereon.

SEC. 5. Section 2 of the Emergency Price Control Act of 1942, as amended, is amended by inserting at the end of such section a new subsection as follows:

"(n) In establishing or maintaining maximum prices under this act or otherwise in the case of collect-on-delivery sales of any commodity where under established practices of the seller a uniform charge is added to the price to cover mailing costs, an increase in maximum prices shall be allowed equivalent to any increase in such costs heretofore or hereafter resulting from increased postal rates or charges."

With the following amendment offered by Mr. SPENCE:

Strike out all after the resolving clause and insert: That section 1 (b) of the Emergency Price Control Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "June 30, 1946."

SEC. 2. Section 6 of the Stabilization Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "June 30, 1946."

SEC. 3. The Stabilization Act of 1942, as amended, is amended by inserting after section 3 thereof a new section as follows:

"SEC. 3A. (a) While this act is in effect, no quota or other slaughtering limitation shall be imposed upon any slaughterer of animals, under authority of this or any other law, if the Secretary of Agriculture has certified that the slaughtering plant is operated under sanitary conditions and that the meat produced therein is clean, wholesome, and suitable for human consumption.

"(b) As a condition of making certification in the case of any such slaughterer, the Secretary of Agriculture may require that such slaughterer make available to the armed services of the United States, or for Government purchase, such percentage of the meat slaughtered and processed as he may deem necessary or advisable.

"(c) In order that he may make the certifications provided for under subsection (a), the Secretary of Agriculture may provide for inspection in such manner and by such persons as he may deem advisable.

"(d) Notwithstanding any law to the contrary, meat which is produced under the circumstances specified in this section shall be permitted to be transported in interstate or foreign commerce.

"(e) The Secretary of Agriculture may refuse certification in any case when he is not satisfied that the meat made available hereunder will be disposed of in legitimate trade channels in accordance with law.

"(f) The Secretary of Agriculture may revoke any such certification if it is found at any time that the slaughterer does not meet any of the conditions required under this section.

"(g) Provided, That nothing herein shall prevent the termination, suspension, or limitation of the right to slaughter of any person who fails to comply with the price, rationing, or slaughter control requirements imposed under the authority of this or any other law."

SEC. 4. Section 2A of the Emergency Price Control Act of 1942 and Stabilization Act of 1942 as amended by Stabilization Extension Act of 1944 is hereby amended as follows: In the second sentence after the words, accounting methods, strike out the period, insert a colon and add the following: "Provided further, That on and after the date of the enactment of this proviso, no maximum prices shall be established or maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species."

SEC. 5. Subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"(e) Notwithstanding any provision of this act or any other law or Executive order, no regulation, order, directive or allocation shall be issued or made, or any other action taken (including directives for distribution or price schedules), with respect to any agricultural commodity, including livestock, or for any food product processed in whole or in substantial part from any agricultural commodity, including livestock, by the Administrator or by any agency of the Government or the head thereof, without prior written approval of the Secretary of Agriculture, and no regulation, order, directive, allocation, price schedule or distribution order with respect to any agricultural commodity, including livestock, or for any food product processed in whole or in substantial part from any agricultural commodity, including livestock, heretofore issued or made by the Administrator or any agency of the Government or head thereof, shall be valid or binding unless approved in writing by the Secretary of Agriculture within ninety days after the enactment of this amendment; except that necessary action, authorized by law, may be taken to enforce compliance with any regulation, order, directive, allocation, price schedule or other requirement with respect to an agricultural commodity which has been previously approved by the Secretary of Agriculture."

SEC. 6. Section 2 (b) of the Emergency Price Control Act of 1942, as amended, is hereby amended to read as follows:

"SEC. 2. (b) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he shall issue a declaration setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for any defense-area housing accommodations within a particular defense-rental area. If within sixty days after the issuance of any such recommendations rents for any such accommodations within such defense-rental area have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations, the Administrator may by regulation or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of this act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about April 1, 1941 (or if, prior or subsequent to April 1, 1941, defense activities shall have resulted or threatened to result in increases in rents for housing accommodations in such area inconsistent with the purposes of this act, then on or about a date (not earlier than April 1, 1940), which in the judgment of the Administrator, does not reflect such increases), and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs within such defense-rental area. In designating defense-rental areas, in prescribing regulations and orders establishing maximum rents for such accommodations, and in selecting persons to administer such regulations and orders, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area. Whenever the Administrator shall find that, in any defense-rental area or any portion thereof specified by him, the availability of adequate rental housing accommodations

and other relevant factors are such as to make rent control unnecessary for the purpose of eliminating speculative, unwarranted, and abnormal increases in rents and of preventing profiteering, and speculative and other disruptive practices resulting from abnormal market conditions caused by congestion, the controls imposed upon rents by authority of this act in such defense-rental area or portion thereof shall be forthwith abolished; but whenever in the judgment of the Administrator it is necessary or proper, in order to effectuate the purpose of this act, to reestablish the regulation of rents in any such defense-rental area or portion thereof, he may forthwith by regulation or order reestablish maximum rents for housing accommodations therein in accordance with the standards set forth in this act. Before issuing any regulation or order under the foregoing provision of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order, and shall give consideration to their recommendations. The Administrator shall, at the request of any substantial portion of the industry subject to such regulation or order of the Administrator, appoint an industry advisory committee, or committees, either national, regional or area-wide, or all of them, in the same manner and form and with the same powers and duties as provided in subsection (a) for industry advisory committees relating to price."

SEC. 7. (a) The first sentence of section 204 (a) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows: "Any person who is aggrieved by the denial or partial denial of his protest may, within thirty days after such denial, file a complaint with the Emergency Court of Appeals, created pursuant to subsection (c), or with the appropriate district court, specifying his objections and praying that the regulation, order, or price schedule protested be enjoined or set aside in whole or in part."

(b) The fourth sentence of section 204 (c) of such act, as amended, is amended to read as follows: "The court shall have the powers of a district court with respect to the jurisdiction conferred on it by this act."

(c) The first two sentences of section 204 (d) of such act, as amended, are amended to read as follows: "Within thirty days after entry of a judgment or order, interlocutory or final, by the district court provided for in subsection (a) or the Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a circuit court of appeals as provided in section 240 of the Judicial Code, as amended (U. S. C., 1940 edition, title 28, sec. 347). The Supreme Court shall advance on the docket and expedite the disposition of all causes filed therein pursuant to this subsection. The district court provided for in subsection (a), the Emergency Court of Appeals, the appropriate circuit court of appeals upon review of judgments and orders of such district court, and the Supreme Court upon review of judgments and orders of the Emergency Court of Appeals and of such district court or circuit court of appeals, shall have exclusive jurisdiction to determine the validity of any regulation or order issued under section 2, of any price schedule effective in accordance with the provisions of section 206, and of any provision of any such regulation, order, or price schedule."

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House joint resolution (H. J. Res. 101) was laid on the table.

APPOINTMENT OF CONFEREES

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the House insist upon its amendment and ask for a conference with the Senate and that conferees be appointed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection, and the Speaker appointed the following conferees on the part of the House: Messrs. SPENCE, BROWN of Georgia, PATMAN, MONRONEY, WOLCOTT, CRAWFORD, and GAMBLE.

GENERAL LEAVE TO EXTEND REMARKS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. CANFIELD (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his own remarks in the RECORD and to include a newspaper article.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and to include a thought-provoking editorial which appeared in the Rochester Times-Union.

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD on two subjects.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a letter from a serviceman.

PROGRAM FOR MONDAY

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I inquire of the majority leader as to the program for Monday?

Mr. McCORMACK. Mr. Speaker, Monday is District day and there are several District bills to be considered.

Immediately after that, time permitting, we will take up the War Department appropriation bill and try to dispose of it on Monday. That bill has to be passed before the following Saturday, otherwise a continuing resolution will have to be agreed to which we hope to avert.

If the situation on Monday is such that the War Department bill cannot be considered, then I will confer with my distinguished friend the gentleman from Massachusetts [Mr. MARTIN] relative to meeting on Tuesday at 10 or 11 o'clock in the hope that the War Department appropriation bill and a deficiency bill may both be disposed of on that day.

Mr. MARTIN of Massachusetts. We would like to get both of those appropriation bills over to the Senate so that we can conclude that part of our business before July 1.

Mr. McCORMACK. Yes. The fiscal year ends on June 30. We would like to get them through by the end of next week.

Mr. MARTIN of Massachusetts. I understand the membership had better be around all of next week because at any time a conference report may be called up?

Mr. McCORMACK. I think it is very important that the Members be here all of next week, because there are appropriation bills and conference reports to be disposed of and they will be given priority.

EXTENSION OF REMARKS

Mr. HANCOCK asked and was given permission to extend his own remarks in the RECORD.

FOOD FOR VETERANS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am confident the OPA will not allow the disabled veterans to go on suffering because they have no rationing points. Mr. Speaker, I ask unanimous consent to extend my remarks and to include as a part of them a letter from the relative of a veteran who has had to eat horse meat because he does not have ration points.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. WHITE asked and was given permission to extend his own remarks in the RECORD in two instances and to include certain communications and excerpts.

Mr. DAWSON asked and was given permission to extend his own remarks in the Appendix of the RECORD and to include a speech he made.

Mr. THOM asked and was given permission to extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. REED of Illinois. Mr. Speaker, I ask unanimous consent that on Wednesday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 45 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SUSPENSION OF THE RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that during next week it may be in order for the Speaker to recognize Members for suspension of the rules.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. OUTLAND (at the request of Mr. MCCORMACK) was given permission to extend his remarks in the RECORD and include an article.

Mr. SABATH asked and was given permission to extend his remarks in the RECORD in two instances.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. WORLEY (at the request of Mr. THOMASON), for yesterday, today, and next week, on account of illness in his family.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 37 minutes p. m.) the House adjourned until Monday, June 25, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

There will be a meeting of the Committee on the Judiciary at 10 a. m. on Monday, June 25, 1945, to continue hearings on the following bills with respect to Federal administrative procedure: H. R. 184, H. R. 339, H. R. 1117, H. R. 1203, H. R. 1206, and H. R. 2602. The meeting will be held in the Judiciary Committee room, 346 Old House Office Building.

The hearing previously scheduled by the Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary for Friday, June 15, 1945, will be held on Monday, June 25, 1945, at 10 a. m. The hearing will be on the provisions of the bills (H. R. 33 and H. R. 3338) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto (referees—method of appointing, compensation, etc.), and will be conducted in the Judiciary Committee room, 246 Old House Office Building.

There will be a meeting of the Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m. on Wednesday, June 27, 1945, to continue hearings on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CASE of New Jersey: Committee on Claims. H. R. 1953. A bill for the relief of Adolph Pfannenstiehl; with amendment (Rept. No. 783). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Public Buildings and Grounds was discharged from the consideration of the bill (H. R. 3416) to provide fair and just compensation for the use of any building, as defined in this act, by the United States and to provide for mutual cancelation rights between the lessor and the lessee, for the use of such building where governed by a written lease executed after December 7, 1941, and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRUMBAUGH:

H. R. 3559. A bill to amend title III of the Servicemen's Readjustment Act of 1944; to the Committee on World War Veterans' Legislation.

By Mr. CELLER:

H. R. 3560. A bill to provide for the garnishment, execution, or trustee process of wages and salaries of civil officers and employees of the United States; to the Committee on the Judiciary.

By Mr. PRIEST:

H. R. 3561. A bill to amend the Public Health Service Act to authorize grants to the States for surveying their hospitals and public health centers and for planning construction of additional facilities, and to authorize grants to assist in such construction; to the Committee on Interstate and Foreign Commerce.

By Mr. WEISS:

H. R. 3562. A bill to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended; to the Committee on the Civil Service.

By Mr. CASE of South Dakota:

H. R. 3563. A bill to provide for exclusion from gross income for income-tax purposes certain amounts received as retirement pay by retired military personnel; to the Committee on Ways and Means.

By Mr. WEISS:

H. R. 3564. A bill to amend section 11 of Public Law 144, Seventy-eighth Congress, approved July 13, 1943; to the Committee on World War Veterans' Legislation.

By Mr. HAVENNER:

H. R. 3565. A bill to authorize the charging of tolls for the passage or transit of Government traffic over the San Francisco-Oakland Bay Bridge; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLER of California:

H. R. 3566. A bill to authorize the charging of tolls for the passage or transit of Government traffic over the San Francisco-Oakland Bay Bridge; to the Committee on Interstate and Foreign Commerce.

By Mr. TOLAN:

H. R. 3567. A bill to authorize the charging of tolls for the passage or transit of Government traffic over the San Francisco-Oakland Bay Bridge; to the Committee on Interstate and Foreign Commerce.

By Mr. WELCH:

H. R. 3568. A bill to authorize the charging of tolls for the passage or transit of Government traffic over the San Francisco-Oakland Bay Bridge; to the Committee on Interstate and Foreign Commerce.

By Mr. WALTER:

H. R. 3569. A bill to provide for the punishment of certain hostile acts against the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. WICKERSHAM:

H. R. 3570. A bill to provide Federal pensions for all individuals not covered by title II of the Social Security Act, and to repeal title I of said act, and for other purposes; to the Committee on Ways and Means.

By Mr. POWELL:

H. R. 3571. A bill to provide for the payment of interest on amounts payable under section 501 of the World War Adjusted Compensation Act; to the Committee on Ways and Means.

By Mr. EDWIN ARTHUR HALL:

H. R. 3572. A bill to repeal the automobile-use tax; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT of Pennsylvania:

H. R. 3573. A bill for the relief of George Pathy; to the Committee on Immigration and Naturalization.

By Mr. COLE of Missouri:

H. R. 3574. A bill for the relief of certain claimants who suffered loss by flood in, at, or near Bean Lake in Platte County, in the State of Missouri, during the month of March 1934; to the Committee on Claims.

By Mr. SADOWSKI:

H. R. 3575. A bill for the relief of Giovanni (John) Vitale; to the Committee on Immigration and Naturalization.

H. R. 3576. A bill for the relief of Vincenzo or James Bolcgna; to the Committee on Immigration and Naturalization.

H. R. 3577. A bill for the relief of Orlando Portale; to the Committee on Immigration and Naturalization.

By Mr. SPARKMAN:

H. R. 3578. A bill for the relief of Mrs. Marion Hill; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

994. By Mr. CANNON of Missouri: Petition of T. E. Schneider, president Ozark Protective Association, and 548 other citizens protesting against the construction of a dam over Big River; to the Committee on Flood Control.

995. By Mr. COCHRAN: Petition of S. Reagan and 315 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

996. Also, petition of Orville C. Martin and 329 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

SENATE

MONDAY, JUNE 25, 1945

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, whose presence is our shield in the stillness of the night and our strength in the struggles of the day, we pray that Thou wilt illumine our minds with a clearer understanding of Thy truth and our hearts with a richer experience of Thy love.

Grant that this may be a day of sincere quest for Thy divine will and of complete conquest over everything that hinders us from surrendering ourselves

to it. May our lives be transformed from what they are to what they ought to be.

We pray that we may have the courage to believe that Thy kingdom of justice and peace is surely emerging and that it will be gloriously triumphant even in our day. May our vision of its splendor be so real and commanding that everything that is noble within us shall rise up to seek its coming and hasten its victory.

We thank Thee for all Thy servants whose names are now enshrined in the book of everlasting remembrance, and who are dwelling with Thee in heavenly blessedness, having received the reward of their faith, even the salvation of their souls. Grant that we also may live out our days in faith and in faithfulness.

To Thy name we ascribe the glory. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 21, 1945, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, with an amendment; insisted upon its amendment to the joint resolution, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. MONRONEY, Mr. WOLCOTT, Mr. CRAWFORD, and Mr. GAMBLE were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 58. An act to amend an act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941, as amended, and for other purposes;

S. 880. An act to provide for designation of the United States Veterans' Administration hospital at Sioux Falls, S. Dak., as the Royal C. Johnson Veterans' Memorial Hospital; and

H. R. 3240. An act to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

REPORTS OF COMMITTEES FILED DURING ADJOURNMENT

Under authority of the order of the 21st instant,

The following reports of committees were submitted:

On June 22, 1945:

By Mr. GEORGE, from the Committee on Finance:

S. J. Res. 78. A joint resolution to provide for designation of the Veterans' Administration hospital at Crugers Park, Peekskill, N. Y., as "Franklin Delano Roosevelt Hospital"; without amendment (Rept. No. 397);

H. J. Res. 184. A joint resolution to continue the temporary increases in postal rates on first-class matter, and for other purposes; with amendments (Rept. No. 399); and

H. Con. Res. 50. Concurrent resolution declaring Congress to have recognized and approved the provisions of section 29.23 (m)-16 of Treasury Regulations 111, and for other purposes; without amendment (Rept. No. 398).

On June 23, 1945:

By Mr. GEORGE, from the Committee on Finance:

H. R. 3295. A bill to extend through December 31, 1945, the termination date under the Renegotiation Act; without amendment (Rept. No. 400).

By Mr. McCARRAN, from the Committee on Appropriations:

H. R. 3199. A bill making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes; with amendments (Rept. No. 401).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on June 21, 1945, he presented to the President of the United States the following enrolled bills:

S. 118. An act authorizing the Secretary of the Interior to convey certain lands on the Gila reclamation project, Arizona, to the University of Arizona;

S. 426. An act for the relief of Mr. and Mrs. Walter M Johnson;

S. 427. To repeal section 3 of the act approved April 13, 1938, as amended, relating to hops;

S. 612. An act to amend the National Defense Act, as amended, so as to eliminate provisions for retirement of wing commanders of the Air Corps; and

S. 916. An act to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACT OF 1942

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives insisting upon its amendment to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WAGNER. Mr. President, I move that the Senate disagree to the House amendment, agree to the request of the House of Representatives for a conference on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. WAGNER, Mr. BARKLEY, Mr. BANKHEAD, Mr. RADCLIFFE, Mr. TOBEY, Mr. TAFT, and Mr. BUTLER conferees on the part of the Senate.

Mr. WAGNER. Mr. President, I ask that the bill showing the amendment made by the House of Representatives be printed.

The PRESIDENT pro tempore. Without objection, the bill showing the House amendment will be printed.

MEMORIAL SERVICES OF THE CONGRESS OF VENEZUELA ON THE LATE PRESIDENT ROOSEVELT

The PRESIDENT pro tempore laid before the Senate a copy of the proceedings of a session of the National Congress of Venezuela, memorializing the life and character of the late President Franklin Delano Roosevelt, which was referred to the Committee on Foreign Relations.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PARTICIPATION BY UNITED STATES IN WORK OF INTERGOVERNMENTAL COMMITTEE ON REFUGEES

A letter from the Acting Secretary of State, transmitting a draft of proposed legislation to enable the United States to participate in the work of the Intergovernmental Committee on Refugees, and to pay its share of the expenses of the committee (with an accompanying paper); to the Committee on Foreign Relations.

READJUSTMENTS OF GRAZING SERVICE EXTERIOR BOUNDARIES, ARIZONA

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to readjust the exterior boundaries of the Kaibab National Forest, the Grand Canyon National Game Preserve, and Arizona Grazing District No. 1, State of Arizona, and for other purposes (with an accompanying paper); to the Committee on Public Lands and Surveys.

AMENDMENT TO VETERANS' PREFERENCE ACT OF 1944

A letter from the President of the United States Civil Service Commission, transmitting a draft of proposed legislation to amend Section 2 of the Veterans' Preference Act of 1944, Public Law 359, Seventy-eighth Congress, approved June 27, 1944 (with an accompanying paper); to the Committee on Civil Service.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, and so forth, were laid before the Senate, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Alabama; to the Committee on the Judiciary:

"Whereas in 1943 the Legislature of Alabama adopted House Joint Resolution No.

66, petitioning the Congress of the United States to call a convention for the purpose of proposing an amendment to the Constitution of the United States which would place limitations on taxes which Congress may levy on incomes and on taxes, duties, and levies which Congress may levy on transfers of property in contemplation of, at, or after death or by way of gift, except in time of war, and directed that copies of the joint resolution be sent by the secretary of state of Alabama to the Senate and House of Representatives of the Congress; and

"Whereas the Legislature of Alabama now considers that the amendment to the Constitution of the United States contemplated by the aforementioned House Joint Resolution No. 66 would be an arbitrary and unwise restriction of the rights which the Congress requires to perform its constitutional duty of providing for the general welfare of the United States: Now, therefore, be it

"Resolved by the House of Representatives of the State of Alabama (the senate concurring), That the Legislature of Alabama hereby rescinds the action of the legislature during 1943 in adopting House Joint Resolution No. 66; be it further

"Resolved, That the secretary of state of Alabama is directed hereby to transmit copies of this house joint resolution, rescinding House Joint Resolution No. 66 of 1943, to the Senate and House of Representatives of the Congress of the United States.

"Approved June 16, 1945."

A resolution adopted by the American Marketing Association, Philadelphia, Pa., favoring a statistical program by the Bureau of the Census; to the Committee on Commerce.

A resolution adopted by the Common Council of the City of Lincoln Park, Mich., favoring the enactment of the so-called postal employees' salary bill; ordered to lie on the table.

A resolution adopted by Local 10, United Federal Workers of America, CIO, Washington, D. C., favoring an appropriation to continue the Fair Employment Practice Committee; ordered to lie on the table.

A resolution adopted by Local 209 of Hotel and Restaurant Employees International Alliance and Bartenders International League of America, AFL, of Washington, D. C., favoring an appropriation to continue the Fair Employment Practice Committee; ordered to lie on the table.

A resolution adopted by the Vermont Political Action Committee, Barre, Vt., favoring an appropriation to carry out the recommendations of the President so that the National Labor Relations Board may effectively perform the duties assigned to it under the National Labor Relations Act; ordered to lie on the table.

PROTEST AGAINST ST. LAWRENCE SEAWAY AND POWER PROJECT

Mr. ELLENDER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a statement prepared by Charles L. Raper, chairman, Syracuse Regional Committee of the New York State Conference, in opposition to the St. Lawrence Seaway and Power Project.

There being no objection, the statement was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

1. GREAT COST

The actual construction cost to the United States for a 27-foot channel would be about $800,000,000—nearly three times the estimated, as many experiences have clearly proven—and at least $200,000,000 more must be invested in the deepening and enlargement of the harbors on the United States side of the Great Lakes—to make it possible for ocean-going vessels, of large or moderate size, to use them.

2. NO NEED FOR MORE TRANSPORTATION

For at least 12 years (1930–42) we had a surplus of transportation in the region of the Great Lakes and between Chicago and the Eastern seaboard ports. During the global war years of 1943–44, our existing carriers have met our enormously expanded needs.

3. NO NEED FOR SHIPYARDS IN GREAT LAKES

The Great Lakes ports are not needed for the construction of large oceangoing vessels. The figures of ship tonnage built in our other ports during 1941–44 and in process are most impressive. The total volume is greater than ever in the United States or in any other country in the world. Little of this has been constructed in the Hudson River, which is 30 feet in depth from sea to Albany; and no great tonnage in the Mississippi River, which is 30 feet from sea to Memphis.

4. POWER OUTPUT NOT NEEDED

The estimated 2,200,000 horsepower of electric energy which might be produced by a hydroplant located in the international section of the St. Lawrence—one-half for the United States—might be needed in the distant future. The additional electric plants, which may be needed by us in the near future, should be scattered in several locations, all of them fairly near our coal mines and our centers of workers. Within the past 5 years, two high-pressure, high-temperature steam plants of 107,000 horsepower each, have been constructed at Oswego, N. Y.—each completed within 20 months. These new units consume from one-fourth to one-third of the coal, per unit of power, required by the best plant of 18 years ago. The steam plant has had a continuous decrease in the cost per unit of energy delivered; the hydroplant has had little or no decrease. In many steam plants the production cost amounts to only 25 percent of the total cost of the electric energy delivered; transmission, distribution and taxes, 75 percent.

5. TRAFFIC ON THE SEAWAY SMALL

The traffic on the seaway would be far less than estimated, as many experiences in this country and in Europe have proven. At least 18 years ago, the wheat-producing center of the United States moved from the Northwest to Kansas and her neighbors to the south; and no Kansas wheat would move to Europe over the St. Lawrence seaway. Most of the higher-speed ocean vessels would not find it profitable to move above Montreal, because of the hazards of navigation for large oceangoing vessels in the international section. The out-bound traffic would come from an area now well supplied with transportation facilities, private and public. Any serious diversion of this traffic would bring irreparable damage to the existing investments in the railroads, highways, and waterways of this region.

6. NO GAINS FOR OUR FARMERS

The claims of large benefits to our corn, oats, and wheat farmers rest on fancy, not on fact. The exports of our corn range from one-half to 1 percent; and most of this moves to Canada, Mexico, etc. The seaway would bring no benefit to our corn farmers. Very little of our oats crop is exported; the seaway would bring little benefit to our oats farmers. The world price of wheat has been made in Liverpool, England. Within recent years only 4 percent of our wheat crop has been exported; 82 percent of Canada's, 62 percent of Argentina's, 61 percent of Australia's. The exports of these three great wheat-producing countries control the Liverpool price. Our wheat farmers would, therefore, receive only a few coppers out of the seaway.

7. TOTAL COST OF TRANSPORTATION OR OF POWER

The real cost of transportation should be the combination of the interest on the investment in the seaway and cost of its maintenance and operation and the water carrier's charge for haulage—the total cost. The total cost of power must also include any loss from the transportation part of the seaway as well as all the items directly involved in the production of hydro. Many experiences in this country and Europe clearly show that the actual traffic on improved inland waterways has been generally far less than the estimated.

8. GAINS OR LOSSES

The St. Lawrence section would gain from the vast investment of taxpayers' money, but the gains would come from Buffalo, Syracuse, New York City, and other cities in the State. If the out-bound traffic on the seaway should be large, the loss to New York State and other northeastern States would be very important; much of the traffic and its attendant business would be diverted from their long-established channels. The seaway, no tolls being allowed, would bring into our midst cheap foreign goods at low-ballast transportation rates, and pull down our prices, our wages, and our standard of living.

9. GROWTH OF DULUTH, CHICAGO, DETROIT

That the lack of the seaway has not handicapped the three important Great Lakes cities, Duluth, Chicago, and Detroit, is unmistakably proven by the fact that during the first 30 years of this century Duluth and Chicago had a growth of population of about 100 percent, and Detroit about 500 percent, while the increase for the country as a whole was about 62 percent.

10. PERMANENT BURDEN ON THE TAXPAYERS

We can see no facts in the record or in the prospects to convince us that the project would ever become self-sustaining and self-liquidating. We are convinced that it would bring a permanent burden upon the taxpayers Our tax burdens are heavy now. By 1950 they will be crushing.

11. WHAT THE GLOBAL WAR YEARS OF 1943–44 HAVE PROVEN

(*a*) *Use of the newer and larger cargo vessels*

A 27-foot seaway through the St. Lawrence River would have excluded, in 1929–30, 85 percent of the faster cargo vessels entering the North American ports and 87 percent of the tonnage moved on regular schedule to Quebec and Montreal. The global war years of 1943–44 have produced for us many larger cargo vessels, Liberty ships or Victory ships, than operated on the seas in 1929–30. The consequences are that less than 10 percent of the faster cargo vessels and less than 10 percent of the tonnage moving on regular schedules to Quebec and Montreal could move through the St. Lawrence River section of the proposed seaway. This would mean that the seaway vessels could only be shallow-draft tramp ships, owned by nationals who pay lower wages than our standards permit us to pay This would mean a loss of traffic for our cargo ships, which would come into New York, Boston, and other eastern ports, and important loss to our owners of ships and to their workers.

(*b*) *Shipbuilding*

The President said, in June 1941: "The Great Lakes have many shipyards and drydocks bottled up because we have delayed completing the seaway."

The Navy Department announced August 30, 1944, that 65,000 Navy ships had been added to the United States Fleet during the last 5 years; and that this had made the United States the greatest naval power in the world. We have built 100,000 vessels since the attack on Pearl Harbor December 7, 1941.

The global war years of 1943–44 have proven beyond a shadow of a doubt that the seaway is not at all essential for our shipbuilding and ship conditioning.

(c) Production of aluminum

The President in 1941 was thinking largely of the production of aluminum—and magnesium—metals of vast importance, especially in airplane production.

By the beginning of November 1943, aluminum production was in excess of the needs of war and civilian uses. On August 29, 1944, WPB cut aluminum production 30,000,000 pounds a month.

The lack of the St. Lawrence power project has been, therefore, of no vital importance.

(d) Production of transportation service

The President, in June 1941, said: "Bottlenecks in transportation are as serious as shortages of power."

The global war years of 1943–44 have proven that our existing carriers—railroad, motor, air, inland water, and pipeline—can do a phenomental job of transporting people and materials and products over the vast distances of the United States—the largest transportation task at any time in the world's history. Our railroad and motor carriers, our air carriers, our pipe-line carriers, and some of our inland water carriers have performed in a wonderful way since this global war began.

(e) Production of electric energy

The President said, in June 1941: "No steam plants can provide the large blocks of low-cost electric energy required for certain essential defense industries."

On August 24, 1942, WPB ordered the stoppage of electric projects to produce 2,000,000 kilowatts in order to divert labor and critical materials to more important uses for the war effort.

At the end of 1943 new hydro plants in Canada, located not far from the proposed St. Lawrence power project, totaled 1,002,273 horsepower; and the total of existing Canadian plants amounted to 10,034,513 horsepower.

During 1939–41, two steam turbine electric plants in Oswego, N. Y., proved to the world that a unit of electric energy could be produced out of about one-quarter as much coal as was required 18 years earlier. By the beginning of 1944 the Diesel turbine was proving that it could do wonderful things, as over the older engine. Both the new steam plant and the new Diesel turbine can be located near the point of the consumption of their electric energy, and thereby save greatly in the transmission costs, which are high for a long distance transmission.

Our production of electric energy has been sufficient for the vast needs during the global war years of 1943–44. The new steam turbine and the new Diesel turbine will play a very significant part in the years to come.

(f) Vulnerability of the St. Lawrence power project

This vast plant would be within 225 air miles of our sea coast. It would have a dozen locks and a number of canals. Each would be vulnerable to air attack or sabotage. Many airplanes can now travel 1,500 to 2,000 miles without refueling. Damage to or destruction of any of the units of the proposed 2,200,000 horsepower electric plant would destroy its usefulness for a long period. The B–29 Fortress, with its 2,200 horsepower, could easily render such a concentrated plant useless for many months. Why not build many small and scattered plants, if more plants are needed?

REGULATIONS GOVERNING DEDUCTIONS FOR INTANGIBLE DRILLING, ETC., OIL AND GAS WELLS

Mr. CAPPER. Mr. President, I have received a telegram from Gerald Gordon, Secretary, Associated Industries of Kansas, urging favorable action by the Senate on House Concurrent Resolution 50 relating to Treasury Department regulations confronting deductions for intangible drilling and investment costs for oil and gas wells. I am in full accord with the action taken by the Associated Industries of Kansas.

I ask unanimous consent that Mr. Gordon's telegram be printed in the RECORD and appropriately referred.

There being no objection, the telegram was ordered to lie on the table and to be printed in the RECORD, as follows:

TOPEKA, KANS., *June 22, 1945.*

Senator ARTHUR CAPPER,
United States Senate, Washington, D. C.:

Understand House Concurrent Resolution 50 relating to Treasury Department regulations confronting deductions for intangible drilling and investment costs for oil and gas wells was reported favorably by Senate Finance Committee yesterday and may come up for action on Senate floor early next week. Urge your full and active support of this measure so that doubts which have been raised as to validity of these regulations will not further retard exploration for their production of crude oil and so that independent producers may be fully assured of proper tax treatment in respect to their drilling operations.

GERALD GORDON,
Secretary, Associated Industries of Kansas.

STATEMENT BY A. S. GOSS ON PROPOSED CHARTER FOR FOOD AND AGRICULTURE ORGANIZATION

Mr. CAPPER. Mr. President, I send to the desk and ask unanimous consent to have printed in the RECORD, as part of my remarks, a summary of a recent statement by A. S. Goss, master of the National Grange, when he appeared before the House Committee on Foreign Affairs, which was then hearing testimony relative to House Joint Resolution 145. I feel that this statement by Mr. Goss on the proposed charter for the Food and Agriculture Organization, is worthy of the careful and thorough consideration of all Members of the Congress.

There being no objection, the summary presented by Mr. CAPPER was ordered to be printed in the RECORD, as follows:

THE NATIONAL GRANGE,
Washington, D. C., June 20, 1945.

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR CAPPER: The Senate Foreign Relations Committee has reported out favorably House Joint Resolution 145 providing for our adherence to the Food and Agricultural Organization. As reported out it contains an amendment which we recommended to the Foreign Affairs Committee of the House. Although we feel that there are a number of points in which the charter for the Food and Agricultural Organization could be improved, we favor its passage in its present form rather than making reservations which would greatly complicate the situation, because we believe the corrections can be made after the organization is set in motion.

The amendment which we proposed had to do with integrating the work and organization of the International Institute of Agriculture with the FAO. We felt quite critical that the institute had been ignored. When we pointed this out after the interim committee had rendered its report, the various governmental departments which had been responsible for it attempted to justify their position by belittling the work of the institute. If you had opportunity to read through my testimony, you probably noted that I took them quite strongly to task for this attitude. I appended to my testimony an appendix which gave a brief summary of the work of the institute. The committee printed my testimony but omitted the summary in the appendix.

I think this summary should be a matter of record because in the program for integrating the FAO and the institute, the officials may continue to take the stand that they expect to absorb the institute. I think the record should show what the institute has done, what its status is, and why it is necessary to carry out the program for integrating the affairs of the two organizations in a legal manner. * * *

It would seem appropriate to me for you to explain that the original House Joint Resolution 145 had been amended to provide for the legal integration of the FAO and the International Institute; that the amendment providing integration had been suggested by the master of the National Grange who presented convincing reasons for its inclusion; that the direct testimony of the master of the National Grange had been incorporated in the hearings of the House, but that part of his testimony being a brief description of the set up of the International Institute and the steps necessary for its integration had been omitted from the testimony; and that you felt it should be a matter of record and were presenting it for that purpose.

I am enclosing copy of my testimony and the appendix for your convenience.

Yours sincerely,

A. S. GOSS,
Master, The National Grange.

FAIR COMPENSATION BILL

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter I have received from the Miami Beach Hotel Owners' Association, signed by Bruno Weil, president, in favor of Senate bill 1130, to provide fair and just compensation for the use of any building, as defined in this act, by the United States and to provide for mutual cancellation rights between the lessor and the lessee, for the use of such building where governed by a written lease executed after December 7, 1941, together with an article which appeared in the Miami (Fla.) Daily News on June 10, 1945.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

MIAMI BEACH HOTEL OWNERS' ASSOCIATION,
Miami Beach, Fla., June 19, 1945.

The Honorable WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR: It will take 4 minutes of your valuable time to read this letter and the enclosed reprint from the Miami Daily News of June 10, 1945, being a brief summary of a 12-page report rendered by the former Truman Senate investigating committee

(78th Cong., 2d sess., Rept. 10, pt. 16, pp. 121–132).

The actual testimony which inspired this report would prove shocking to you as an American citizen and high representative of our Government.

We feel that the above-captioned bill, which has been presented to your distinguished body, by Senator CLAUDE PEPPER, meets the requirements necessary to correct the injustices which have been done in the name of our Government to its citizens.

We are writing you to ask that consideration be given to the merits of this bill, and we trust that it may have your support.

Thank you for your indulgence in reviewing this matter.

Yours very truly,

BRUNO WEIL, *President.*

[From the Miami (Fla.) Daily News of June 10, 1945]

HOTEL OWNERS' SIDE OF IT—REPORT SHOWS ARMY AS HORSE TRADER—FUTURE MAY REVEAL OWNERS DIDN'T GET FAIR TREATMENT

When the history of this war is finally and fairly written, a new portrait of the Miami Beach hotel owner may emerge which will show him not as a bloated money-grubber but as a wide-eyed yokel boy outsmarted by a shrewd horse trader acting for Uncle Sam.

The new portrait, in direct contrast to the highly colored pictures in recent issues of national magazines, was painted by a special Senate committee in the concise and factual report of its investigation of the national defense program.

The word "horse trader" is written into a chapter dealing with the acquisition of Miami Beach hotels by Army Air Forces representatives, and was used after a frank rehearsal of a remarkable story which even now cannot be told completely.

It is the story of the Army's occupation of some 350 Miami Beach hotels and it is prefaced with this statement: "At the peak, Miami Beach alone accommodated 82,000 men in 349 hotels and apartment houses. The total annual cost, including rent, of these accommodations was $20,000,000. Construction of a cantonment to accommodate this many men would have required at least 6 months and would have cost a minimum of $100,000,000."

FIRST NEWS

The story begins back in January 1942. In Miami Beach, as in every American community, the anger engendered by Pearl Harbor was running high. The exciting news that the Air Corps might come to Miami Beach seeped out of an Army request for a list of facilities available in Dade County. A month later the news became official. Then, during the week beginning February 14, Air Corps representatives conferred with the hotel owners and found them willing to cooperate.

From a practical standpoint the hotel owner was in a ticklish position. His hotel was full of guests with folding money in their pockets. On the other hand the war might blow the tourist business higher than a kite, and Army rental might come in handy, indeed. Some of the owners frankly said that the financial difference between March 15 as an occupation date and April 1 was the difference between being in the red and in the black. But the Air Corps men said that notice would be given and that, anyway, the first stages of their program would be gradual.

Figuratively biting their nails, the hotel owners waited for the notice. But, according to the report of the Senate investigating committee, they waited in vain until March 14 "when the persons in charge of the Army real-estate program began efforts to acquire accommodations for 4,000 men by March 22 and 10,000 by April 15."

LEASE SIGNED

This, to the hotel owner, was somewhat more than gradual, but negotiations got off to a brisk start. Within 6 days, 10 out of the 16 desired hotels were leased. Negotiations with the other 6 were slower. One hotel owner couldn't accept the price offered by the Army because it wouldn't cover obligations. Two hinted that April 1 would be a better date to vacate than March 20. Three expressed a desire to negotiate further as to price.

At this point the Senate record states that the Miami Beach atmosphere became hurried. And in this hurried atmosphere the Army completed negotiations for 349 hotels and apartment buildings.

It is in this hurried atmosphere that Uncle Sam, as embodied in Army representatives, emerges as a horse trader without peer. The dry and factual record, duly set down in a book entitled "Additional Report of the Special Committee Investigating the National Defense Program," states that the Army Air Forces took the position that because a few owners had attempted to negotiate with them, the training program was being thwarted.

MILITARY SECRECY

Army appraisers did their appraising on the basis that rental values would be lowered by the war. They took off for furnishings; they subtracted for public space, like lobbies. They calculated on a yearly basis in spite of the fact that the Army had a 30-day cancellation clause.

Army representatives refused to discuss with owners the basis of their rental offers. They talked to flustered owners about military secrecy. They talked glibly of blocking roads to hotels that did't cooperate, they hinted of long delays and pointed out that claims from the First World War were still pending. They negotiated for a fixed number of occupants, and then doubled the number * * * and hence the wear and tear. They were free with the harsh word "unpatriotic," for instance. The report states that "in general, they conducted their negotiations in a manner that was overbearing and inconsistent with fair dealing."

The report adds flatly that the negotiations were one-sided. "At best," it reads, "they represented the result of horse trading in which one of the parties was at a serious disadvantage."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WALSH from the Committee on Naval Affairs:

S. 902. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in a Quonset hut at Harrowbeer Airport, Yelverton, South Devon, England, on December 26, 1944; without amendment (Rept. No. 402);

S. 985. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fires occurring at various shore activities; without amendment (Rept. No. 403);

S. 986. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in administration building at the naval air station, Bunker Hill, Ind., on December 28, 1944; without amendment (Rept. No. 404);

S. 996. A bill for the relief of Lt. (jg) William Augustus White, United States Naval Reserve; without amendment (Rept. No. 405);

S. 1062. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the naval auxiliary air station, Pungo, Norfolk, Va., on February 13, 1945; without amendment (Rept. No. 407); and

H. R. 2685. A bill to reimburse certain naval personnel and former naval personnel for personal property lost or damaged as a result of a fire in the bachelor officers' quarters known as Macqueripe Annex, located at the United States naval operating base, Trinidad, British West Indies, on June 11, 1944; without amendment (Rept. No. 406).

By Mr. REVERCOMB, from the Committee on Military Affairs:

S. 936. A bill to amend the act approved January 2, 1942, as amended by the act approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries"; without amendment (Rept. No. 408).

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a report for the month of May 1945, from the chairman of the Committee on Interstate Commerce, in response to Senate resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMITTEE

MAY 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of person employed by the committee who is not a full-time employee of the Senate or of the committee for the month of May, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Mrs. Alma B. Kidwell	113 Park Blvd. SE	Federal Communications Commission	$1,800

B. K. WHEELER, *Chairman.*

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McMAHON:

S. 1182. A bill relating to the Board of Parole; to the Committee on the Judiciary.

By Mr. THOMAS of Utah:

S. 1183. A bill to authorize payment of certain claims for damage to or loss or destruction of property arising from activities of the War Department or of the Army; to the Committee on Claims.

By Mr. CAPPER:

S. 1184. A bill for the relief of A. L. Clem and Ida M. Bryant; to the Committee on Claims.

By Mr. WHEELER:

S. 1185. A bill to change the designation of Custer Battlefield National Cemetery, in the State of Montana, to "Custer Battlefield National Monument," and for other purposes; to the Committee on Military Affairs.

By Mr. STEWART:

S. 1186. A bill to amend the Canal Zone Code; to the Committee on Interoceanic Canals.

(Mr. WHITE (for Mr. SHIPSTEAD) introduced Senate bill 1187, which was referred to the Committee on Finance, and appears under a separate heading.)

(Mr. GREEN introduced Senate bill 1188, which was referred to the Committee on Finance, and appears under a separate heading.)

MEDICAL CARE AND HOSPITALIZATION FOR VETERANS

Mr. WHITE. Mr. President, on behalf of the senior Senator from Minnesota [Mr. SHIPSTEAD] who is unavoidably absent from the Senate, I introduce a bill for appropriate reference.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 1187) authorizing the appointment of an advisory committee of outstanding members of the medical and related professions to advise the President with respect to the formulation of programs to provide medical care and hospitalization for veterans, was read twice by its title and referred to the Committee on Finance.

Mr. WHITE. Mr. President, I ask unanimous consent that there be inserted at this point in the RECORD a brief statement by the Senator from Minnesota [Mr. SHIPSTEAD] descriptive of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MEDICAL CARE FOR VETERANS

There is one point on which all Americans will agree, and that is that the medical service provided our returning veterans should be the best. Nothing short of this will be acceptable. Unfortunately the people have reason to believe that this is not the case. Charges have been made by a variety of investigators which lead to the belief that medical care provided by the Veterans' Administration is on a standard far lower than that prevailing in ordinary practice in the United States. According to the Journal of the American Medical Association, "The deteriorated service seems especially poor when contrasted with the high quality of medical care rendered to those in the armed forces."

Recently the Senate subcommittee on Wartime Health and Education of the Committee on Education and Labor issued a report on the health needs of veterans. This report reveals that the number of veterans who will incur disabilities in the present war can be only roughly estimated, but probably will not be less than 1,500,000 and maybe not less than 2,500,000. There are at present 350,000 veterans of World War I who are receiving compensation for disabilities incurred while in service.

In addition to the veterans who have been disabled in this and previous wars, there will be those who have not incurred injuries in the service but for whose health the Nation will undoubtedly feel responsible. The number, according to the Senate subcommittee's report, may well be 20,000,000, or one in every seven of the total population. Veterans with their families may comprise from one-third to one-half of our total population.

In 1942 the Veterans' Administration operated 92 institutions in 45 States. The bed capacity was about 62,500, not including 18,400 in domiciliary facilities. More than 93 percent of the patients admitted to Veterans' Administration facilities in 1942 were treated for ailments not connected with the service. Since June 7, 1924, when hospitalization was first authorized for veterans of all wars without regard to origin of their disabilities, subject to certain limitations in the treatment of non-service-connected disabilities, more than 79 percent of all admissions have been for treatment of such disabilities. The feeling has been strong in many quarters that there should be no change in this policy and that veterans should be entitled to treatment of any condition from which they suffer whatever the origin. However, the chief concern at the present moment is for the care of injured veterans and those with service-connected disabilities.

According to the Administrator of Veterans' Affairs, ultimately 275,000 to 302,000 beds must be provided. There are now 101,275 beds available or authorized, including 15,685 for domiciliary care. Appropriations of $500,000,000, authorized in the G. I. bill of rights, will make it possible for the construction of an additional 100,000 beds and an equal number may be obtained from the armed services.

Peak demand for hospitalization is expected by the Veterans' Administration in 1945. The addition of about 16,000 beds during the next 3 years is recommended by the administration, bringing the total number of hospital beds, excluding domiciliary, to 101,540 by 1947.

The subcommittee proposes to continue its investigation, which it says will be conducted with the help of recognized authorities in the various medical specialties of veterans organizations and of professional groups.

Aside from the charge that the medical service is of poor quality, criticisms leveled at the Veterans' Administration are that salaries for physicians, nurses, and social workers are not sufficiently high to attract the best practitioners and workers, and that funds are inadequate to obtain the services of the highest quality of consultation and the part-time services of physicians.

Again quoting the Journal: "Perhaps the time is ripe for a really authoritative, independent investigation of the administration of medical service to veterans, made by a committee directly responsible to the executive office of the President." It would seem that whatever body is designated to make such a study, it should certainly be qualified to do so. It should include top-flight physicians, administrators of hospitals, and other experts in the health field who are competent to determine the adequacy of the service given our veterans. Until such a body makes an investigation independent of political influence, a true picture will not be obtained.

It is my opinion that an advisory committee should be established and consulted about a hospitalization and medical-care program that can give to the veterans the very best hospital facilities and medical care that the best trained men of the medical profession can give them.

There is not merely a matter of medical care and treatment involved, but also the expert management of hospitals.

I believe that the highest and most experienced men in the field of medicine and hospitalization should be consulted, with the view of having their wide knowledge and long experience in all parts of the country available for consultation and advice, to the end that the best possible facilities can be issued for the care of these returning victims of the war.

We have men possessing a high degree of patriotism and knowledge who can render a great service to the country and the veterans, if their knowledge and experience is made available in an advisory capacity, in the formulation of a program to furnish the best possible medical care and hospitalization for the veterans. I have in mind such men as Irvin Abell, M. D., and Malcolm T. McEachern, M. D., of the American College of Surgeons; Sterling V. Mead, D. D. S., and Harold Hillenbrand, D. D. S., of the American Dental Association; Peter D. Ward, M. D., and Basil C. MacLean, M. D., of the American Hospital Association; Roger I. Lee, M. D., and Victor E. Johnson, M. D., of the American Medical Association; Katharine J. Densford, R. N., and Ruth Sleeper, R. N., of the American Nurses Association; Alphonse M. Schwitalla, S. J., and Rt. Rev. Msgr. Maurice Griffin, of the Catholic Hospital Association of America; and Mr. Harry J. Harwick, Mayo Clinic, and Mr. James A. Hamilton, New Haven Hospital.

AMENDMENT TO SOCIAL SECURITY ACT

Mr. GREEN. Mr. President, in January 1943, I introduced Senate bill 281, to amend the Social Security Act in certain particulars. My purpose at that time was to make this act a more effective instrument for providing basic security for the majority of our people, and at the same time to assist in stabilizing our war economy. As we begin to adjust to a peacetime basis, the second purpose is less important, but the first becomes increasingly urgent.

I now introduce a new bill and ask that it be referred to the Committee on Finance.

The bill (S. 1188) to amend and extend the provisions of the Social Security Act; to extend the coverage of Federal old-age and survivors' insurance; to provide insurance benefits for disabled workers; to provide hospitalization benefits; to provide special Federal aid to States for public assistance; to provide Federal grants to States for general public assistance; to provide Federal grants to States for compensation for unemployment and temporary disability; to amend the provision for Federal grants to States for old-age assistance, aid to dependent children, and aid to the blind; to amend the Internal Revenue Code; and for other purposes, was read twice

by its title, and referred to the Committee on Finance.

I have prepared a statement which I had expected to deliver at this time explaining the difference between Senate bill 281 and other bills which have been introduced. I do not like to take the time today, and I ask unanimous consent that the statement may be printed in the body of the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I am sure it is generally agreed that the Social Security Act as it stands, is not adequate to provide the basic protection which the people of this country have a right to expect in the postwar years. Between fifteen and twenty million gainfully employed persons are not covered by the insurance programs at all. Unemployment compensation is generally provided only for employees of the larger firms. Thousands of young men who had protection for themselves and their families when they went into the service have lost it while serving their country. I am told by the Social Security Board that almost every day they receive claims from families of men who died in the service or after returning to civilian employment, and they are compelled to deny these claims because the man's insurance has lapsed while in the service. All of these matters need attention at the earliest possible moment, and I am today introducing a bill which deals with the more urgent matters, and in addition makes some minor changes which will remedy administrative difficulties which have come to light in recent years.

I am aware that my distinguished colleagues, Senators WAGNER and MURRAY, have introduced a bill which is much more comprehensive than mine. In order that my position with respect to this broad field of social security may not be misunderstood, I think I should explain briefly my approach to this matter. Whereas Senator WAGNER'S bill proposes a comprehensive rewriting of the main body of social-security legislation and the addition of important new features, such as medical care insurance, which in the past have proved highly controversial, I have limited my proposal to those modifications and additions on which I think there may be fairly ready agreement. I have done this, not because I am opposed to the broader objectives, I am not; in fact I am strongly in favor of some, if not all of those objectives. But some of them are of such a nature and of such importance that they involve more extended study than we are prepared to give them at this time. On the other hand, there are important amendments, such as the protection of veterans' insurance rights, extension of coverage, and the addition of benefits for disability, which could well be acted upon at once. Both extension of coverage and addition of disability benefits were recommended in 1939 by the advisory council which was set up as a result of action by the Senate. This council was made up of leaders of business and labor organizations, and outstanding citizens. They spent a year or more studying the social-security program and finally made far-reaching recommendations. Some of these were embodied in the amendments of 1939, but the important recommendations on disability benefits and extension of coverage have not yet been acted upon by Congress. I am convinced that if Congress will consider these matters apart from the more controversial issues, there will be little difficulty in reaching agreement on certain steps which should be taken now.

My bill represents what I consider a feasible plan for immediate action without prejudicing other, larger issues, which are involved in the Wagner bill. My bill deals only with those provisions of the Social Security Act which are administered by the Social Security Board—public assistance, old-age and survivors insurance, and unemployment compensation. It makes substantial changes in each of these programs. I should like to outline these changes briefly so that they may be readily understood.

In public assistance I am suggesting three important amendments. Under the present provisions the Federal Government matches State payments for any individual only up to $40. We all know that thousands of persons who need nursing care or other special attention require much more than $40 a month, but the State must either ignore their need or take the money out of its own revenues. I am suggesting that the Federal Government match the payments as made by a State, not only up to $40, but up to the full amount, if properly paid. Then again, the Federal Government matches State payments only for certain groups—the aged, over 65, and blind persons, and dependent children. We all know there are many destitute persons under 65 who are not blind. These must now be supported by the State or local communities alone. No Federal funds are available for them. I am proposing that Federal matching be made available on the same basis for all needy persons, not only for special groups.

As a third change I am proposing that the Federal Government make additional funds available to the poorer States so needy persons in those States can be cared for more adequately. As it is now the poorer States, because they have little money of their own to spend, can get very little Federal money, while the more prosperous States which can pay higher benefits get much more Federal money. The Social Security Board has long recommended that some special Federal aid be given, at least to any State whose per capita income is below the average for the Nation. I am proposing that the richest State get 50 percent matching, as now, in other words, one dollar of Federal money for each dollar of State money; and the poorest State get 75 percent Federal matching, in other words $3 of Federal money for each dollar of State money, with the other States receiving proportions between these extremes, according to their per capita incomes.

These then are the changes I am proposing in public assistance:

1. Matching the full payment as made by the State.

2. Matching payments to all needy persons, not only to certain groups.

3. Variable grants to give proportionately higher matching to the poorer States.

In the old-age and survivors insurance provisions I am proposing four major changes. First, I propose that the same benefits be paid to a person who is totally disabled as to one who has retired. Disability in most cases is really premature retirement. As it is now, if a man lives to retirement age, he can get benefits; or if he dies, his survivors get benefits; but if he is totally disabled, neither he nor his dependents get any benefits. Every other country in the world which has a social-insurance system has provided for such disability benefits, and there seems to be wide agreement that they should be added to our system.

Second, I propose that protection for old age, survivorship, and disability be extended to all gainfully employed persons, including farmers and other self-employed persons. This would add some 20,000,000 to the insured population, and in addition it would help to resolve many embarrassing situations which arise now because people are continuously shifting from covered to noncovered employment, and back again. As I said before, the advisory council recommended both disability insurance and extension of coverage back in 1939, and it seems to me high time these changes were made.

The third amendment I am recommending is the addition of insurance for hospital care. None of the perplexing problems which arise in connection with medical care are serious in this matter of hospital insurance. I am aware that some 15,000,000 or 20,000,000 persons already have some provision for prepayment of hospital care, but this still leaves the large majority of workers and their dependents unprotected. Under my proposal Blue Cross plans and other private plans would not be interfered with. The Social Security Board would be instructed to cooperate with these agencies and institutions and use their organization in paying the benefits. I am proposing merely that an amount equal to 1 percent of pay rolls be set aside in a hospitalization fund and used to pay for hospital care, either directly or through some of the private organizations that are already in the field.

I have not included in my bill any provision for hospital construction. It seems to me that this is a separate problem. I am inclined to think that if provision is made for paying for hospital bills the necessary hospitals will be constructed in most places. If the Congress wishes to make special provision for hospital construction, there is a separate bill, the pending Hill-Burton bill, S. 191, on which hearings have already been held and action can readily be taken.

The fourth change I propose has to do with the financing of the social-insurance system. Under the original law we would be now have been collecting 2 percent each from employers and workers for retirement benefits alone. You will remember that Congress has repeatedly voted to hold contributions at 1 percent each. Unless we take similar action this year the rate will go to 2½ percent each on January 1. I am proposing that the rate be fixed, temporarily, at 2 percent each to cover retirement benefits, survivors' benefits, disability benefits, and hospital benefits. I want to add the warning that this will not be sufficient to finance the benefits in the long run. It will be sufficient for some years, long enough to enable Congress to decide upon a permanent policy. If, as a result of the study now under way, a policy is agreed upon before action is taken on this bill, the rate agreed upon would naturally be substituted for the 2 percent mentioned in this bill. I want to emphasize, however, that it is high time that we give more attention to the long-run costs of the benefits we are promising. For my own part, I would prefer to see the rates above, rather than below, the 2 percent each which I am proposing.

The bill also includes a provision for giving every person in the armed forces a wage credit of $160 a month or more for every month spent in the service. This is to make sure that these young men and women will not be left out of the social-insurance system because they are serving their country; or, worse still, so they won't lose protection which they had before they went into the service—as thousands do now.

In connection with the unemployment compensation system I am suggesting an entirely new start. When the present law was passed it was admittedly an experiment and it hasn't worked out as well as we had hoped. It did stimulate all of the States to pass unemployment compensation laws, and millions of persons have received benefits when they were unemployed. But neither the Social Security Board nor the State officials have been entirely satisfied with the laws as they stand. There is much criticism to the effect that benefits are inadequate, both in amount and duration, to meet the unemployment we may face in the years ahead. State officials, on the other hand, feel that the Federal people have been

unduly critical, and have been too much interested in replacing the Federal-State system with a single national system. We should resolve this dilemma.

Senator WAGNER, in his bill, provides for the establishment of a single national system. This seems to me a drastic step to propose at this time and one on which there will be much debate. We have all heard much opposition to this idea, and it appears that practically all State officials will vigorously oppose it. This is one of those controversial issues which I should like to avoid, but since it is important that we get a smoothly functioning unemployment compensation system in operation before we face the full impact of postwar adjustments, I am suggesting a new Federal-State arrangement which I believe will remove many of the present difficulties.

My proposal is that unemployment compensation be put on a grant-in-aid or matching basis, similar to public assistance. We are familiar with this arrangement in connection with the aged, the blind, dependent children, and various other Federal-State programs, and it seems to work well there. I suggest that we use this same matching provision in unemployment compensation. The 3-percent employer's tax with the 90 percent offset for State payments would be repealed, and replaced by a contribution of one-half percent each on workers and employers. The Federal Government would collect these along with other pay-roll contributions and the money would be put in a special fund. This fund would be used to match payments which the States make under their unemployment compensation law, both benefit payments and administrative expenditures. The State agencies would get their appropriations from the State legislatures, just as public assistance agencies do now.

Reserve funds which the States have accumulated would remain State funds just as they are now. Since the Federal Government has not been collecting contributions for benefit purposes, it should not be expected to match payments immediately. State reserve funds would enable States to carry on for some time without Federal aid and without undue burden. My proposal in this connection is that when the State has used one-half of what is in its reserve fund when this act is passed, then Federal Government will begin meeting one-half of the costs. One-half of the State's reserve would be as adequate to meet its future obligations under this arrangement as the full reserve is now. In the meantime the State could collect as much or as little as it wished. It could get its part of the funds from a tax on employers alone, or on employers and workers, or from any other source. A number of States probably would have sufficient reserves so they would need to collect only minimum contributions for sometime. Others, anticipating heavy unemployment, might well collect substantial amounts and they would be assured a proportionate amount of Federal money during future periods of unemployment.

While such a grant-in-aid program for unemployment compensation would not satisfy the extremists on either side, I do feel that it would go far toward solving the dilemma with which we are confronted. At present, with the Federal Government meeting the entire costs of administering State unemployment compensation laws, the Federal Government must necessarily exercise considerable control over such State expenditures. Yet, this is irksome to the State officials. If the State and Federal Government share expenditures equally, for administration as well as for benefits, there will be less need for detailed control. State legislatures rather than Federal officials will be passing on administrative expenditures by State agencies. Also, with the tax offset provisions removed, the Federal officials would have no responsibility for the States' contribution provisions, including the knotty problems connected with so-called experience rating. States would be entirely free in these matters. And there would be an incentive to every State to provide fairly liberal benefits, since employers and workers everywhere would contribute to the Federal fund and each State would share in the benefits of this fund only to the extent that the State paid benefits under its own law. And, obviously, the State which has the most unemployment, and provides most adequately for the unemployed workers, would get the most help from the Federal Government. On the whole, I am convinced that such a grant-in-aid system would be a great improvement over what we have now.

I am proposing, also, that under this system the Federal Government match State payments not only to persons who are unemployed, in the usual sense of the term, but also to persons who are temporarily unable to work. We have such a system in my State of Rhode Island. We call it "cash sickness benefits." But we have to keep the costs separate, because the Federal administrative funds can be used only to cover costs connected with unemployment of people who are able to work. It has never seemed to me very logical to pay benefits to a man if he is unemployed and able to work, but deny him benefits if he happens to become sick. I am proposing, therefore, that States be free to provide benefits for unemployment, as we have it now, and also for temporary disability, and the Federal Government would meet half the total costs.

To summarize the whole bill briefly, it would provide that the Federal Government match all State payments for needy persons, and would give additional funds to poorer States. It would provide disability benefits and hospital benefits in addition to old-age and survivors' benefits, and extend the coverage of this system to practically all gainfully employed persons. And it would treat service in the armed forces as a service in covered employment, with the Federal Government making the necessary contributions. In addition it would replace the present unemployment compensation provisions by a grant-in-aid system under which the Federal Government would meet one-half the amount spent by the State in providing benefits for unemployment and for temporary disability.

The bill also contains some less important provisions, all of which are designed to simplify and clarify the law and make it operate more equitably. May I repeat that I am not offering this as the final or the ideal social-security program. I doubt that we are prepared to act on such a program now. I am offering this more limited bill in the hope that it may serve as a basis for action in the near future, and that consideration of the more controversial matters will proceed, so that we may before many years have in this country a social-security program which will really guarantee to every individual freedom from want.

APPROPRIATIONS FOR WAR AGENCIES—AMENDMENTS

Mr. McMAHON submitted an amendment intended to be proposed by him to the bill (H. R. 3368) making appropriation for war agencies for the fiscal year ending June 30, 1946, and for other purposes, which was ordered to lie on the table and to be printed, as follows:

On page 4, line 18, in the item under the Office of Alien Property Custodian, to strike out "$2,500,000" and insert "$3,370,000."

MARGARET M. ROSS—CHANGE OF REFERENCE

Mr. ELLENDER. Mr. President, the bill (S. 1149) for the relief of Margaret M. Ross, was inadvertently referred to the Committee on Claims. I have consulted with the Senator from Oklahoma [Mr. THOMAS], the author of the bill, and he is willing that the Committee on Claims be discharged from the further consideration of the bill and that it be referred to the Committee on Public Lands and Surveys. I therefore ask unanimous consent for that action by the Senate.

There being no objection, the Committee on Claims was discharged from further consideration of the bill (S. 1149) for the relief of Margaret M. Ross, and it was referred to the Committee on Public Lands and Surveys.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENTS

Mr. McCARRAN submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes, the following amendments, namely:

On page 22, after line 11, insert the following:

"Venereal diseases (national defense): For the operation and maintenance of centers for the diagnosis, treatment, support, and clothing of persons afflicted with venereal diseases, including travel; printing and binding; transportation and subsistence of such persons and their attendants to and from the place of treatment or allowance in lieu thereof; diagnosis and treatment (including emergency treatment for other illnesses) of such persons through contracts with physicians and hospitals and other appropriate institutions without regard to section 3709 of the Revised Statutes; fees for case finding and referral to such centers of voluntary patients; reasonable expenses of preparing remains or burial of deceased patients; furnishing and laundering of uniforms and other distinctive wearing apparel necessary for employees in the performance of their official duties; recreational supplies and equipment; leasing of facilities and repair and alteration of Government-owned or leased facilities without regard to section 3709 of the Revised Statutes and section 322 of the act of June 30, 1932, as amended (40 U. S. C. 278a); purchase of 20 passenger automobiles; and for grants of money, services, supplies, equipment, and use of facilities to States, as defined in the act, and with the approval of the respective State health authorities, to counties, health districts, and other political subdivisions of the States, for the foregoing purposes, in such amounts and upon such terms and conditions as the Surgeon General may determine; $4,644,000: *Provided*, That the Administrator of the Federal Works Agency shall, without transfer of funds by the Federal Security Agency, transfer to the Federal Security Agency all records, equipment, furnishings, and supplies under the jurisdiction of the Federal Works Agency which have been used primarily in the treatment of venereal diseases: *Provided further*, That funds may be transferred with the approval of the Bureau of the Budget to this appropriation from the appropriation "Control of venereal diseases, Public Health Service," in an amount not exceeding $356,000, and shall be consolidated with this appropriation and the whole administered and accounted for as one fund."

On page 38, after line 16, insert the following:

"Community War Services: For all expenses necessary to enable the Federal Security Administrator to carry out the functions transferred from the Office of Defense Health and Welfare Services by Executive Order 9338, dated April 29, 1943, including personal services in the District of Columbia and elsewhere; not to exceed $15,000 for the temporary employment of persons by contract or otherwise without regard to section 3709 of the Revised Statutes and the civil-service and classification laws; acceptance and utilization of voluntary and uncompensated services; printing and binding; maintenance, operation, and repair of passenger-carrying motor-propelled vehicles; and traveling expenses, including expenses, when specifically authorized by the Administrator, of attendance at meetings concerned with the purposes of this appropriation; $900,000."

On page 55, after line 2, insert the following:

"Training Within Industry Service, War Manpower Commission (national defense): For all expenses necessary to enable the Chairman of the War Manpower Commission to promote and facilitate on-the-job training and maximum utilization of workers by industries and activities essential to the war by affording training to supervisory personnel; including the temporary employment of persons by contract or otherwise without regard to section 3709 of the Revised Statutes and the civil-service and classification laws; reimbursement, at not to exceed 3 cents per mile, for official travel performed by employees in privately owned automobiles within the limits of their official stations; printing and binding (not to exceed $3,500); and travel expenses (not to exceed $200,000); $1,200,000."

On page 55, after line 2, insert the following:

"Migration of workers: To enable the War Manpower Commission to provide, in accordance with regulations prescribed by the Chairman of said Commission for the temporary migration of workers from foreign countries within the Western Hemisphere (pursuant to agreements between the United States and such foreign countries), for employment in the continental United States with industries and services essential to the war effort, including the transportation of such workers from points outside the United States to points of entry or reception centers in the United States and return (including transportation from place of employment in the United States to reception centers or point of departure from the United States in any case of default by an employer to provide such transportation to a worker, in which event the employer shall be liable to the United States for the cost thereof); cost of temporary maintenance of workers in reception centers in foreign countries and in the United States, including transportation of workers in connection therewith when necessary; reasonable subsistence and emergency medical care of such workers from the time of reporting for transportation to the United States or return to the country of origin until arrival at the destination; necessary assistance to meet emergency health and welfare problems while in the United States, when such assistance is not otherwise available to such persons; expenses (not to exceed $125 in any one case) of preparation of remains and burial of workers dying in the United States; and guaranties of employment while in the United States to the extent agreed upon with the foreign country from which the workers are imported; $1,600,000, of which not to exceed $91,000 shall be available for all administrative expenses necessary for the foregoing, including payment for the rental of office space and utility services outside the continental United States without regard to section 3648, Revised Statutes (31 U. S. C. 529); not to exceed $20,000 for temporary employment of administrative personnel outside continental United States; not to exceed $2,000 for printing and binding outside continental United States without regard to section 3709 of the Revised Statutes and section 11 of the act of March 1, 1919 (44 U. S. C. 111); and not to exceed $18,800 for travel expenses: *Provided*, That no transportation of workers shall be allowed hereunder unless the employer and the worker have entered into a contract for employment approved by said Chairman or his designee, and unless said Chairman certifies that reasonably adequate use is being made of local labor supply: *Provided further*, That this appropriation shall remain available after June 30, 1946, for the purpose of fulfilling guaranties and other obligations theretofore incurred with respect to such foreign workers and for all other purposes connected with the protection and ultimate return of any workers theretofore transported: *Provided further*, That no part of this appropriation shall be available for the recruitment or transportation of workers for employment in agriculture (act of June 28, 1944, Public Law 373)."

Mr. McCARRAN also submitted four amendments intended to be proposed by him to House bill 3199, making appropriations for the Department of Labor, and so forth, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notice.)

ADDRESS BY SENATOR PEPPER ON PRESENTING THE CHURCHMAN'S AWARD TO HENRY A. WALLACE

[Mr. PEPPER asked and obtained leave to have printed in the RECORD the address delivered by him in presenting the Churchman's award to Hon. Henry A. Wallace, Secretary of Commerce, on June 4, 1945, which appears in the Appendix.]

OFFICE OF WAR INFORMATION—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a radio address on the Office of War Information, delivered by him on June 22, 1945, which appears in the Appendix.]

THE SAN FRANCISCO CONFERENCE—ARTICLES BY FOUR SENATORS

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD four articles discussing the San Francisco Conference, published in the June 1945 issue of the Free World, and written, respectively, by Senator PEPPER, Senator AIKEN, Senator SMITH, and himself, which appear in the Appendix.]

COMMEMORATION OF TWENTY-FIFTH ANNIVERSARY IN PRIESTHOOD OF BISHOP OF SALT LAKE—ADDRESS BY HON. JAMES A. FARLEY

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD the address delivered by Hon. James A. Farley at the banquet commemorating the twenty-fifth anniversary in the priesthood of the Most Reverend Duanne G. Hunt, Bishop of Salt Lake, Utah, which appears in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD a radio discussion of the proposed Federal Labor Relations Act, participated in on June 21, 1945, by Senator HATCH, Senator BURTON, and Senator BALL, authors of the bill, and Donald R. Richberg, chairman of the committee which helped draft the bill, which appears in the Appendix.]

GEN. GEORGE C. MARSHALL—ARTICLE BY MAJ. GEORGE FIELDING ELIOT

[Mr. HILL asked and obtained leave to have printed in the RECORD an article entitled "Army's Able Leadership Traced to Executive Skill of Marshall," written by Maj. George Fielding Eliot, and published in the New York Herald Tribune, of June 21, 1945, which appears in the Appendix.]

PEACETIME CONSCRIPTION—ADDRESS BY WALTER H. UPHOFF

[Mr. LANGER asked and obtained leave to have printed in the RECORD a radio address against peacetime conscription, delivered by Walter H. Uphoff, on June 17, 1945, from Madison, Wis., which appears in the Appendix.]

POLAND'S REBIRTH—EDITORIAL FROM THE NEW YORK TIMES

[Mr. MEAD asked and obtained leave to have printed in the RECORD an editorial entitled "Poland's Rebirth," from the New York Times, of June 25, 1945, which appears in the Appendix.]

HELP PRESIDENT TRUMAN MAKE GOOD—EDITORIAL FROM THE PHOENIX GAZETTE

[Mr. MCFARLAND asked and obtained leave to have printed in the RECORD a "guest editorial" entitled "Help President Truman Make Good," by John L. Irvin, from the Phoenix (Ariz.) Gazette, of June 2, 1945, which appears in the Appendix.]

INTEGRITY, MAN'S GREATEST ASSET—EDITORIAL FROM THE DAILY HOME NEWS

[Mr. MORSE asked and obtained leave to have printed in the RECORD an editorial entitled "Integrity, Man's Greatest Asset," from the Daily Home News, of New Brunswick, N. J., commenting on the commencement address delivered by George S. Stringfellow at Ithaca College which appears in the Appendix.]

GIVE OPA THE GREEN LIGHT FOR RECONVERSION—STATEMENT BY SENATOR GUFFEY.

Mr. GUFFEY. Mr. President, I have prepared a statement I had intended to read on the floor today with reference to price control. I do not wish to interfere with the memorial service or delay it in any way, and I ask permission that the statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

It is time we had some straight thinking and plain speaking on the question of price control.

All of us are for price control, and all of us recognize the tremendous job the Office of Price Administration has done. But there are a number of things about the program we in the Congress do not like and want changed.

We do not like the black market, which is costing the consumers of this country billions of dollars, which is squeezing thousands of legitimate small businessmen to death with the black marketeers grow fat.

We do not like red tape and delay. The best decision in the world is not good enough if it comes too late.

We do not like the cases of individual business hardship which are brought to our attention. The industry-wide regulations of the Office of Price Administration are fair and equitable to most firms. There is no doubt about that. Business generally is more prosperous than it has ever been before. There is no doubt about that either.

Nonetheless, we all have constituents who are suffering hardship.

And all of us are worried about reconversion. Nobody wants inflation. That goes without saying. But the surest way to fight inflation, as Mr. Bowles has said, is to smother it under an avalanche of production. We want to be sure that OPA prices give the manufacturer the green light to get the production which is the best answer to inflation, and which means jobs for our returning veterans, our war workers, and everybody else who wants an opportunity to earn an honest living.

Let us be honest. Where does the fault lie? I say it does not lie in the price-control statutes. They are good statutes. I say it does not lie in Mr. Bowles, Mr. Bowles is doing a wonderful job with the manpower and money at his disposal. The fault lies right here in the Congress. I speak before the Senate today because the appropriation bill for the Office of Price Administration is now pending before Congress. We have not appropriated enough money for the Office of Price Administration. We have held them down to a miserably small staff to do the enormously big job we have asked them to do—less than one inspector to a county. Just compare that to the number of firemen, or policemen, or the number of dogcatchers, for that matter.

As a former businessman, I have learned that no one can get more than he is willing to pay for. So long as we keep pinching pennies, we are going to have to put up with the black market, with individual business hardships, with businessmen lining up before the desks where the price decisions are made. In the times that lie ahead of us, long lines of businessmen waiting for decisions will mean long lines of workers waiting for jobs. None of us want that.

But if we want to get rid of these evils, it is up to us to provide the means with which to do it. We have got to vote adequate money to do the job and do it right.

The OPA appropriation bill will soon be coming up. It will be the natural instinct to slash and slash some more. We must fight against that.

Statesmanship calls not for cutting the OPA appropriation in half, it calls for doubling it.

For we must never lose sight of the fact that if we cut the appropriation we are not hurting the OPA, we are hurting the country. While if we are sensible in our appropriation, we are not helping the OPA, we are helping the country. It is a matter of helping the OPA help everybody.

Mr. Bowles said in a recent speech: "The Nation will face many bottlenecks as it moves toward full reconversion. I am determined that OPA price policy shall not be one of them."

We on the legislative side should be equally determined not to allow our policy on appropriations to become a bottleneck to reconversion. Let us give the OPA a green light on its program so that the OPA can give the country a green light on production.

COMPARISON BETWEEN VETERAN AND NONVETERAN STUDENTS

Mr. WILEY. Mr. President, there came to my desk a few days ago a comparison of World War II veterans and nonveterans in the matter of social and personal adjustment. The question has been asked—and it is a very important one—Is the World War II veteran the social and emotional problem we have been led to believe?

An investigation has been made by Norman Alexandroff, president of Columbia College. The conclusion of his report reads:

Contrary to popular opinion that World War II veterans are socially and emotionally maladjusted, we at Columbia College find them to be not only better students, but better employment risks that nonveterans. Their army experiences seem to give them more social maturity and poise than nonveterans of similar age. They are more serious minded and apply themselves more diligently than even our prewar students. They have a capacity for striking up friendships and putting themselves at ease in a group that belies the pessimistic predictions made for them. They display a capacity for, and understanding of, team work that augurs well for their success in occupations where cooperation and team work are indispensable.

They have lived under discipline and know the importance of following orders. They have learned to take criticism for their own protection and have learned persistence through gruelling experience with hazardous and dissouraging obstacles.

Mr. President, I ask unanimous consent that a comparison, as shown by the figures in the pamphlet to which I have referred, be printed following my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

A comparison of a group of World War II veterans with a group of present nonveteran students and with a group of prewar students on the psychological adjustment inventory

	Group I, veterans' averages	Group II, student's 1938-39 averages	Group III, present nonveterans' averages	Group I minus group II	Group I minus group III	Group II minus group III
SUMMARY OF MAJOR DIVISIONS						
Mental traits	65.9	65.5	60.1	0.4	5.8	5.4
Social traits	66.9	62.8	60.7	4.1	6.2	2.1
Personality traits	64.8	65.1	57.8	.3	7.0	7.3
Academic traits	69.5	68.3	61.4	1.2	8.1	6.9
TRAITS IN DETAIL						
Mental traits:						
Memory	70.2	68.2	64.4	2.0	5.8	3.8
Reasoning ability	71.4	68.8	65.4	2.6	6.0	3.4
Vocabulary	58.9	63.9	56.1	5.0	2.8	7.8
Word fluency	62.0	64.0	55.9	2.0	6.1	8.1
Quickness of thought	67.0	62.6	59.5	4.4	7.5	3.1
Social traits:						
Social poise	64.0	61.2	59.3	2.8	4.7	1.9
Sociability	72.1	65.2	63.0	6.9	9.1	2.2
Tactfulness	67.3	59.8	60.0	7.5	7.3	−.2
Leadership	61.0	56.0	53.0	5.0	8.0	3.0
Courtesy	73.0	69.2	66.2	3.8	6.8	3.0
Personal care	64.0	65.6	62.8	−1.6	1.2	2.8
Personality traits:						
Self-assurance	63.3	62.8	58.3	.5	5.0	4.5
Emotional stability	63.6	66.5	57.6	−2.9	6.0	8.9
Sense of humor	66.6	64.0	59.3	2.6	7.3	4.7
Personality appeal	65.7	67.1	56.1	−1.4	9.6	11.0
Academic traits:						
Ability to learn	72.3	72.0	64.0	.3	8.3	8.0
Ability to concentrate	71.3	71.7	62.9	−.4	8.4	8.8
Persistence	71.4	71.3	67.0	.1	4.4	4.3
Carefulness	70.1	68.9	62.1	1.2	8.0	6.8
Enthusiasm	69.0	67.2	61.6	1.8	7.4	5.6
Originality	63.0	58.8	50.5	4.2	12.5	8.3

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Naval Affairs.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

John E. Sloan, of Pennsylvania, to be United States marshal for the western district of Pennsylvania;

Henry Robert Bell, of Tennessee, to be United States marshal for the eastern district of Tennessee; and

John S. Denise, Sr., of Washington, to be United States marshal for the western district of Washington, vice Herbert W. Algeo, resigned.

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

John B. Hutson, of Maryland, to be Under Secretary of Agriculture.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

MEMORIAL SERVICES FOR DECEASED SENATORS

The PRESIDENT pro tempore. The routine morning business is concluded.

On May 17 last the Senate adopted Senate resolution 126, submitted by the senior Senator from Kentucky [Mr. BARKLEY], as follows:

Resolved, That on Monday, June 25, 1945, at the conclusion of the morning business, the legislative business of the Senate be suspended for the purpose of permitting memorial addresses to be delivered on the life, character, and public service of the Honorable W. WARREN BARBOUR, late a Senator from the State of New Jersey; the Honorable ELLISON D. SMITH, late a Senator from the State of South Carolina, the Honorable FREDERICK VAN NUYS, late a Senator from the State of Indiana; the Honorable FRANCIS MALONEY, late a Senator from the State of Connecticut; and the Honorable JOHN MOSES, late a Senator from the State of North Dakota.

The first Senator to be recognized is the senior Senator from New Jersey [Mr. HAWKES].

W. WARREN BARBOUR OF NEW JERSEY

Mr. HAWKES. Mr. President, I send to the desk a resolution which I ask to have read.

The PRESIDENT pro tempore. The clerk will read the resolution.

The Chief Clerk read the resolution (S. Res. 140) as follows:

Resolved, That the Senate has heard with profound sorrow of the death of Hon. W. WARREN BARBOUR, late a Senator from the State of New Jersey.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public service.

Resolved, That the secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to his memory the Senate at the conclusion of these exercises shall take a recess until 12 o'clock noon tomorrow.

Mr. HAWKES. Mr. President, it is fitting that this great body, the United States Senate, should hold this memorial service in honor of those who have served their country and recognized that "Duty is the sublimest word in the English language."

On Memorial Day, May 30, I happened to be at Anzio Beach, in Italy, and participated in the most impressive memorial service I have ever attended—just at the entrance of a little cemetery where 6,200 of our fine American boys who gave their life to duty are buried.

Today, on this occasion I wish to pay my respects and tribute to my friend and colleague, the late United States Senator W. WARREN BAREOUR.

Senator BARBOUR was appointed to the United States Senate by Governor Morgan F. Larson on December 1, 1931, to fill the unexpired term of Senator Dwight W. Morrow, who likewise, had passed on while on duty in the Senate. At the succeeding election Senator BARBOUR ran for office, was elected and served almost continuously as United States Senator from New Jersey until his death in November 1943.

He had a quiet, peaceful, loving nature, yet he had courage and determination to win, as was evidenced in his career as a champion amateur boxer.

Senator BARBOUR was deeply interested in fair play and fair opportunity for all people in our Nation, and I believe I am safe in saying, all people in the world, regardless of color, race, or creed.

In a great body such as the United States Senate some men make their greatest contribution through oratory and argument on the floor of the Senate, some make their greatest contribution by quiet, constructive work in the committees, and some make a contribution which it is difficult to define but which is vitally needed. The contribution I refer to comes from the ability to bring men together and help to find a meeting of the minds on difficult problems which cannot be solved except through adjustment in ways, rather than the abandonment of principle.

Senator BARBOUR was the author of constructive legislation, and, I am told, did valuable work in committee, but I would say his ability to make friends and to help them reason calmly among themselves was his greatest and most valuable quality.

While it is a fact that WARREN BARBOUR was born in affluence, yet he had understanding which never permitted him to forget the problems of those seeking to better their own conditions of life, nor did he forget the problems of minority groups. He rather felt it was the duty of the majority to be considerate in their treatment of the minority.

United States Senator W. WARREN BARBOUR had a multitude of friends in the State of New Jersey who believed in him and his honesty of purpose as their representative. His kindliness to all people was demonstrated to me when I came into the Senate.

The Jewish people of New Jersey, as an evidence of their appreciation and gratitude for the services rendered by Senator BARBOUR to them as a minority group, have, since his death, collected a fund from their people to plant a forest in Palestine, which will be named the Barbour Forest.

Death is no respecter of persons—"No man knoweth the day or the hour when the Son of Man cometh." This was illustrated in the passing of our beloved friend, WARREN BARBOUR, as it has been illustrated in the passing of other distinguished Senators.

Life is not worth much unless those who remain behind to carry on always remember the work they have done with those who have gone on before. Therefore, it is fitting that we should pause this day in recognition of our friends and loved ones who have preceded us in their march into the great beyond, behind the mystic veil where we all hope some day to meet.

Mr. AUSTIN. Mr. President, the Honorable W. WARREN BARBOUR, during his active service in the first session of the Seventy-eighth Congress as senior Senator from the State of New Jersey, died at his home in Washington on November 22, 1943.

On the following day his colleague [Mr. HAWKES], announced to the Senate the sad news of his passing; and a resolution expressing the profound sorrow and deep regret of the Senate was unanimously adopted.

After consideration of that resolution, the Senator from Vermont addressed the Senate memorializing Senator BARBOUR'S distinguished service to his country, and commemorating the great personal friendship that began with the joint service of Senator BARBOUR and the Senator from Vermont in this body.

Since that time, tremendous events, advancing the achievement of victory in Europe, stepping up the prosecution of the war in the Pacific, and preparing the foundation for security and peace, have occupied the attention of the Senate. Nevertheless, my awareness of the absence of my old friend and colleague has persisted. Moreover, I know that many of us who were here with him miss the stalwart figure, the quiet, dignified, but determined character, and, above all, the humane and benevolent spirit, which illuminated the personality of WARREN BARBOUR.

This occasion affords a welcome opportunity to record a brief eulogy, and to gain inspiration from a review of some of his deeds.

I think that one of the most characteristic of his deeds was in connection with George Gordon Battle and William Allen White in initiating a Council Against Intolerance in America. At an Independence Day ceremony in 1939, a declaration entitled "'American Declaration of Tolerance and Equality" was made, and because I believe it reveals the heart of our distinguished friend, I should like to read it here:

This has ever been a free country. It was founded by men and women who fled from persecution and oppression; it was founded upon religious liberty and human equality. The signers of the Declaration of Independence built their hopes for America on these principles. Succeeding generations have cherished them. They are the most precious heritage of the American people.

In 1776 these principles were embodied in the Declaration of Independence. In 1789 they were written into the Constitution and into the Bill of Rights; George Washington, as the first President of the United States, swore to defend them; Abraham Lincoln upheld them in the Emancipation Proclamation.

Today these principles of freedom for all are threatened. Our American institutions are attacked by those who would destroy liberty through bigotry. They assail the equal justice guaranteed by our Constitution and seek to set race against race, creed against creed.

Now, therefore, on this 4th day of July 1939 we Americans, assembled throughout the United States, again take the oath of our forefathers. Descended from those who came from all lands to live here in peace and brotherhood, we who together have made America great, repudiate all doctrines of inequality, and condemn intolerance in every form. We reaffirm our devoted loyalty to the basic principle of the Declaration of Independence, that all men are created equal, and in defense of this we, as did the founders of these United States of America, mutually pledge to each other our lives, our fortunes, and our sacred honor.

Reviewing his public service relating to American institutions, national defense, labor and liberalism, home ownership, business and economic policy, agriculture, social security, veterans, racial problems, and other subjects, it is apparent that Senator BARBOUR was guided by the fundamental principles stated in that declaration.

Senator BARBOUR never claimed or practiced the arts of oratory. His effectiveness in committees and on the floor of the Senate flowed from his deep conviction in the cause to which he committed his efforts, and from the deliberation and determination with which he pursued them. I believe that his successes depended, in part, upon the employment of persuasion and friendly approach to points of difference between him and his vis-a-vis, in our complex and often difficult differences.

In concluding this brief and heartfelt remembrance, I like to believe, as I do, that the practice of the civic virtues which we recall as characterizing WARREN BARBOUR, will help us in performing our part as legislators in the suppression

of intolerance and tyranny, in the establishment of new and better sanctions for peace, and in developing greater opportunity for mankind to enjoy freedom and justice.

Mr. SMITH. Mr. President, I rise to add a word to the inspiring words of my distinguished colleague [Mr. HAWKES], and those of the distinguished Senator from Vermont [Mr. AUSTIN] in memory of my dear personal friend, WARREN BARBOUR, whom I have the honor to succeed in this great body.

In preparing my few remarks, Mr. President, it seemed to me that it would be interesting to the Senate to add to the record of public service, which we have heard recounted, some of the little personal touches in his life with which I was familiar. I have been able to learn some of these incidents because I have the privilege of knowing his brother, Mr. Frederick Barbour, who is now the highly respected president of the Linen Thread Co., of New York, the great corporation of which Senator BARBOUR himself was president before he entered public life.

One very interesting thing in WARREN BARBOUR'S early life about which I did not know until recently was that when he was 19 years old he was threatened with tuberculosis. Because of that fact he was taken to the Adirondacks for the winter of 1907 and 1908, where a complete cure resulted. Having to rest for a year, and with this appetite whetted by the keen mountain air, he put on a great deal of weight, and became a magnificent physical specimen, as Senators know.

At his mother's suggestion he took boxing lessons, with the result that in his early twenties he became one of the most talented boxers in America. We all knew of that before, but I did not know that the origin of his boxing training was the fact that he was threatened with tuberculosis.

His interest in boxing was aroused, and he went into this sport so wholeheartedly that in the fall of 1910 he won the national amateur heavyweight championship. On this point his brother writes me:

> He was so outstanding as an amateur that he was subject to a good deal of pressure to challenge Jack Johnson, the then colored heavyweight champion. At this point our mother stepped in and said, in effect, "Nothing doing." As you know, Warren was most kindly and humane; but, when he stepped into the ring, he became imbued with the killer instinct. He was very fast, a very short, hard puncher, and I do not think any opponent ever came up to answer the bell for the third round.

What the outcome of such a contest might have been we do not know, but it was probably a wise decision that the contest was never brought about because as it later developed, Senator BARBOUR during his whole public life was one of the best friends the colored people ever had. Even the friendly sportsmanship that sound boxing brings about might have been misunderstood and might have prevented the later constructive work that he did for the colored race in his State and in the Nation.

Senator BARBOUR was entered at Princeton in the class of 1910. Therefore there is another bond of sympathy between him and me, because I met him at about that time. I had graduated from Princeton a little earlier. We were both Princeton men in spirit, although he never actually attended Princeton. It so happened that about the time he would have entered college, there was a vacancy in the Linen Thread Co., of which his father was president, and his father felt that this presented an opportunity for his son which he could not afford to ignore.

When Senator BARBOUR entered the company's employ he was the fifth generation of Barbours to engage in the ancestral business of flax spinning. When his father died in 1917, Warren became president of the company, which position he held until the time of his resignation on entering the Senate.

Warren was very fond of outdoor sports. He was a good horseman. He played polo in his youth. We was a keen fowler, and particularly enjoyed deer hunting in the fall of the year. He was an extraordinary good shot at running game, no doubt due to the excellent coordination developed in the days of his boxing career.

For many years Senator BARBOUR was a trustee of the Central Hanover Bank & Trust Co. and a director of the United Shoe Machinery Corp. Also for many years he was president of the American Tariff League, as was his father before him, a position which his brother, Frederick Barbour, now holds.

If I were to sum up the things which have impressed me about Warren's life—and I speak as one who knew him as a personal friend, and one who was associated with him in public affairs in the State of New Jersey—I should say that two things motivated him. The first was his fine sportsmanship. The other, to which I have already referred, was the deep interest he had for the underprivileged among our people.

In addition to the brief statement which I have made about his boxing career, let me relate a little story further illustrating his sportsmanship. In 1923, Warren ran for the first time for a State office in New Jersey. He had been mayor of Rumson before that. He ran for the State senate. There was a hot primary campaign, and he was defeated in the primary by a man who later became one of his most intimate friends. After the primary he immediately took the finance chairmanship of his opponent's campaign. He not only contributed to the campaign himself, but took the finance chairmanship and assisted in electing to the State senate that year his opponent in the primary.

That was the first recognition by the party in our State of the kind of sportsmanship displayed by this great man, even in his early career. That spirit persisted throughout his life. It was so striking that in 1931, when Governor Larson was confronted with the problem of appointing a Senator to take the place of the late lamented Senator Dwight Morrow, he asked WARREN BARBOUR to take the appointment. Thereafter he served for many useful years as you, his colleagues here, well know.

Both at the time of his death and today, in the remarks of his distinguished colleagues, and especially his colleague from New Jersey [Mr. HAWKES] and the Senator from Vermont [Mr. AUSTIN], we have had a review of WARREN BARBOUR'S public activities and political philosophy; his belief in American institutions; his championship of the underprivileged; his belief in a strong national defense, as evidenced by his work on the Committee on Naval Affairs; and his belief in sound labor legislation. He sponsored the wage-and-hour legislation. He sponsored the National Labor Relations Act, the anti-injunction bill, and similar measures.

With his liberal views, and with the consideration which he even had for those who were less fortunate, he threw himself wholeheartedly into such causes as the Council Against Intolerance, of which he was one of the most active members. The Senator from Vermont has referred to his interest in that movement. And as I stated previously, he worked tirelessly for the advancement of the colored people.

Senator HAWKES has referred to the high regard in which the Jewish people held him, and I could add a long list of minority groups in our State of New Jersey, and especially our Polish, Italian, and Ukranian citizens.

At the same time, combined with his deep interest in social welfare, he was an ardent advocate of a sound national economy. He believed in sound money and curtailed Federal spending. He believed in the adoption of Government policies designed to encourage rather than punish business, and to stimulate private initiative and investment.

So if I were to summarize Warren's interests, as evidenced by his good works, I would stress, as I have tried to do, his sportsmanship, his interest in other people, especially poorer people, and his abhorrence of anything that savored of discrimination.

I should also like to point out his interest in boys. From 1927 until the time of his death he was one of the most active members in the national Boy Scout movement, being a member of the executive board of the national council. He was a member and directing head of the Boy Scout council in his own county. He was presented with the Silver Beaver Award by the National Council in 1933 for outstanding service to boyhood in his own county of Monmouth, N. J., and at the time of his death he was honored by a special memorial resolution because of that wonderful service.

Such is the outline of an all-too-brief, but distinguished, career, which has been spoken of many times in this body.

In closing these few remarks, Mr. President, I wish to touch on a very personal relationship. Warren and I were colleagues in our work for our party, our State, and our Nation. We thought together through many of the social, political, and economic problems of our day. We had many and deep convictions as to the "why" of human frailties and the eternal struggle to find the solutions. Ours was an intimacy which went far beyond the ordinary.

And so to me his passing was a deep personal loss. In succeeding him in the United States Senate, I have been challenged to reflect that fullness of human friendship and affection which was his, and which opens the door to real human understanding.

We can well pause at this time to pay tribute to the memory of a great soul who, above all else, loved his fellow men.

The PRESIDENT pro tempore. The question is on agreeing to the resolution submitted by the Senator from New Jersey [Mr. HAWKES].

The resolution was unanimously agreed to.

FREDERICK VAN NUYS, OF INDIANA

Mr. WILLIS. Mr. President, I send to the desk a resolution which I offer and ask to have read.

The resolution (S. Res. 141) was read, as follows:

Resolved, That the Senate has heard with profound sorrow of the death of Hon. FREDERICK VAN NUYS, late a Senator from the State of Indiana.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public service.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to his memory the Senate at the conclusion of these exercises shall take a recess until 12 o'clock noon tomorrow.

Mr. WILLIS. Mr. President, it is now 1 year and 5 months to the day since our heads were bowed under unsupportable sorrow in the loss of my late colleague from Indiana, the Honorable FREDERICK VAN NUYS.

On this occasion, when our hearts are as one in paying tribute to our fellow men who have fallen on the highway of life, there come to my mind the immortal words of Alfred Tennyson, who wrote:

Break, break, break,
On thy cold gray stones, O sea!
And I would that my tongue could utter,
The thoughts that arise in me.

O, well for the fisherman's boy,
That he shouts with his sister at play!
O, well for the sailor lad,
That he sings in his boats on the bay!

And the stately ships go on,
To their haven under the hill;
But O for the touch of a vanished hand,
And the sound of a voice that is still!

Since the untimely passing of FRED VAN NUYS, many pages of history have been written in this room, where he served with such distinction. Our country, which he loved so well, has achieved, has rejoiced, and has sorrowed again. Yet those of us who knew this true and steadfast character well remember with sadness the bleak January day that brought us the news of our colleague's death. He was born on April 16, 1874, and so the sands of three score and ten years had not yet run out on January 25, 1944, when his Creator took him away to the larger life.

This son of Dr. David H. and Katherine (Custer) Van Nuys was born in the little village of Falmouth, in Indiana. He attended the public school there, and then went on to Earlham College, receiving the degree of Bachelor of Philosophy in 1898.

Years later, in 1938, as an honored Member of the Senate, he returned to be rewarded by his alma mater for great public service, with the degree of doctor of laws. His schoolmate and friend of college days, Dr. William C. Dennis, who presided on that occasion as president of the college from which they had graduated, quotes a remark by Senator VAN NUYS which sheds revealing light upon the character of our departed friend:

I may have made many mistakes, but I assure you they were mistakes of the head, not of the heart.

Born of sturdy, conscientious Quaker stock, his formative mind nutured in the atmosphere and ideals of that splendid Quaker college, FREDERICK VAN NUYS faithfully projected his early background upon the screen of State and National service. In 1900 he became a graduate of Indiana Law School, in Indianapolis, and immediately began the practice of his profession in nearby Shelbyville. From 1906 through 1910 he was prosecuting attorney of Madison County, Ind., at Anderson; and from 1913 through 1916 he was a member of the Indiana State Assembly, serving in the year 1915 as president pro tempore in the senate of that body.

The law firm of which our late colleague was a member has given other illustrious names to history. They are those of the late Honorable Samuel B. Ralston, Governor of Indiana and United States Senator; the late Raymond Walker, an able and distinguished attorney, and Hon. George M. Barnard, now a member of the Interstate Commerce Commission.

FREDERICK VAN NUYS first served his Nation as United States Attorney for the district of Indiana, from 1920 through 1922, under the judgeship of the late Albert B. Anderson, of high fame in the annals of Federal judiciary. Ten years later, in an effort to mend its fortunes, the Democratic Party sought a widely respected and capable man to nominate for the high office of United States Senator. It was natural that the mantle should fall upon FRED VAN NUYS. In the historical Democratic landslide of November 8, 1932, he was elected to the Senate by a majority of 208,303, popularly believed to be the largest vote ever given an Indiana Senator. He took his seat in this Chamber on March 3, 1933, and was reelected to the United States Senate in 1938. He had served 5 years of his second term when death overtook him in the night, at his suburban Washington home in Vienna, Va.

During his lifetime in Indiana, and in the 11 years of his exemplary service in this body, Senator VAN NUYS was noted for his integrity and impartiality. This independence of judgment, Mr. President, revealed to his political friends and to his political opponents that this man, nurtured in the soil and traditions of the great Middle West, could never put personal advantage above political principle. It revealed that he had within him that hard core of Americanism which has been our Nation's bulwark against tyranny in every generation, and which again will save us from the trials peculiar to these times.

FREDERICK VAN NUYS made a memorable record in the United States Senate. At the time of his unexpected death he was chairman of the important Judiciary Committee, and he was serving with distinction on the Committee on Foreign Relations, the Committee on Indian Affairs, and the Committee on Expenditures in the Executive Departments. As chairman and as committee member, his colleagues testify today, as they did at his death, that he was utterly impartial, showed extraordinary judgment, and, withal, carried out to the highest degree the noblest traditions of his office.

Indiana's legislators—Republicans and Democrats alike—who came to Washington to serve during FREDERICK VAN NUYS' tenure, remember the impartiality he showed in his friendships and in his service to the people of the great State of Indiana. On his death, Congressman after Congressman testified to the many services that he had rendered to his people in carrying out his duties as a United States Senator.

Senator VAN NUYS was what we call nowadays a fundamental Democrat, because he always firmly supported the basic tenets upon which his party was founded and the fundamental principles of integrity. For no reason would he swerve from that course. He firmly and steadfastly believed in the principles of Jefferson, of Jackson, of Cleveland, and of Woodrow Wilson. It was never difficult to foretell his stand on any of the questions which have challenged and confused his party in late years. In 1937, when an effort was made to enlarge the membership of the Supreme Court, with the evident intention of liberalizing its interpretations of basic law, Senator VAN NUYS took his political life in his hands and fought courageously and unequivocally for the fundamental protection which he cherished for the Constitution. Neither the lash of party whip nor the threats of party bosses swayed his decision. His reelection in 1938 was saved because that course met with the approval of thinking people in the State of Indiana.

How well those who knew him best recall that then, and on many another occasion when his principles were tested, a tiny twinkle would creep into his eyes and he would say, "I guess I'm just a simple old horse-and-buggy Democrat."

In spite of Senator VAN NUYS' virtual austerity of purpose when affairs of Government were concerned, he had a saving sense of humor. His repartee as a toastmaster or after-dinner speaker was delicious. He had a large fund of good wholesome stories. This sense of humor was a bulwark for him in times when political and legal storms raged about him.

My personal acquaintance with the man who was to become my colleague began in 1940, when I came to Washington. Although I was his opponent in the hard-fought campaign of 1938, in which charges of political corruption were freely made, it was with great sat-

isfaction that I realized then, and recall now, that no thought or charge of criminal knowledge of any such alleged irregularity was ever recorded in connection with FREDERICK VAN NUYS.

My associations with him were always pleasant. From our first meeting until the end, I had no better friend. He was helpful during my freshman days in this body, and a high degree of cooperation existed between our offices which were situated as close neighbors. I think there could be no more practical tribute today than my happy recollection of this pleasant fraternity which we enjoyed, and to which I strove, of course, to contribute a share. We worked together as friends whenever our principles permitted it, and each honored the other's convictions when the inevitable divisions of opinion arose.

FREDERICK VAN NUYS was a worthy successor in this body of Senators, which has contained in its membership at various times such men as Senators Hendricks, Fairbanks, New, Beveridge, Ralston, Watson, and other illustrious Hoosiers.

Now, Mr. President, FREDERICK VAN NUYS is gone. He is with us no more in the flesh. But his spirit is not dead, Mr. President. The very fact that we here today remember him—his smile, his manly bearing, his firm handclasp, his senatorial elegance—makes it apparent that his spirit is not dead and that it shall not die. He is alive not only in the hearts of his family, his friends, and his colleagues, but his influence is alive in this great America. We are all better men for having known him in the flesh, and because he lives on, with us.

As the poet Shelley wrote in Adonais:

Peace, peace! he is not dead, he doth not sleep—
He hath awakened from the dream of life—
* * * * *
He has outsoared the shadow of our night;
Envy and calumny and hate and pain,
And that unrest which men miscall delight,
Can touch him not and torture not again;
From the contagion of the world's slow stain
He is secure, and now can never mourn
A heart grown cold, a head grown gray in vain;
* * * * *
He lives, he wakes—'tis Death is dead, not he.

FREDERICK VAN NUYS was buried in the city of Anderson, Ind., in the late, deep twilight of a winter's day amid the tears of thousands of his friends who went to pay him last tribute. There too, were his widow, the former Marie Krug, and their son William of the United States Navy. They are his worthy survivors. In their hearts, as in ours, is enshrined the image of this good husband and father, this splendid Senator of honored memory.

Mr. HATCH. Mr. President, shortly after I became a member of this body in the fall of 1933, I made the acquaintance of the late Senator from Indiana, Mr. VAN NUYS. Soon thereafter I was assigned membership on the Senate Committee on the Judiciary, of which committee Senator VAN NUYS was already a member, and later became its chairman.

During the years of our service together on the Judiciary Committee many interesting problems involving legislation of great importance were considered by the committee. I can truthfully say that during all that period of time—and more than once they were troublesome times—I have never known one who was more considerate, kind, and fair in all of his dealings with his fellow Senators, and with his associates on the committee, than was Senator VAN NUYS. If he possessed a temper, he restrained it well. In fact, he kept it to himself. If he disagreed as to either men or measures, he did so with strength, firmness, and conviction in his own views, but always he was fair, and recognized the right of others to opinions which might differ from his own. He was strong and firm in his views on all important problems. Senator "Van" was a man of deep and sincere convictions, yet he did not form opinions hastily, nor did he assume a position lightly. Once, however, after due and careful deliberation his position was taken, he followed the course in which he believed, regardless of opposition, and without regard to what consequence, personal or political, might follow. Indeed, he was an able man—a good man to have in the Senate of the United States. Possessed of real judicial temperament, of calm repose and sound judgment, his labors in this body were of genuine effect, and they carried weight. The Senate lost an able Member when he was taken from our midst.

Mr. President, these are not mere idle words said at a time when he is gone and no longer with us; they are simple descriptive words, born of impressions made and opinions formed from years of close, if not intimate, contact and association. They are intended to describe a man of character, of courage, and one with a deep sense of fair play, for such a man was Senator VAN NUYS.

Mr. President, today I gladly join in the expression of every kind sentiment which has been or which will be said of him. I also join in expressing to the members of his family and to his vast number of friends my own personal sense of loss at his passing, and I also express, Mr. President, my gratitude that I was permitted to serve in this great body with a man of the character, the ability and integrity, of our late friend and colleague, the departed Senator from Indiana, Mr. VAN NUYS.

Mr. CHAVEZ. Mr. President, the junior Senator from Indiana [Mr. CAPEHART] is absent from the Chamber. He has prepared a statement paying tribute to the late Senator FREDERICK VAN NUYS. He asked me to read the statement to the Senate, and on his behalf, I now do so. The statement is as follows:

It is my most honored privilege to say a few words of tribute to the memory of Hon. FREDERICK VAN NUYS, who was elected to the Senate of the United States on November 8, 1932, and in which body he so ably and soundly served his country until the date of his untimely death, which occurred on January 15, 1944.

Senator VAN NUYS, like Abraham Lincoln, Andrew Jackson, Thomas Jefferson, and scores of others of the stalwart characters of American history, was born of humble but worthy parentage, starting life in total obscurity, and rising to the high pinnacle of honor and fame to which he attained by the sheer force of character, energy, and perseverance.

Beginning on the bottom round, he climbed the ladder of attainment through the positions of prosecuting attorney for Madison County, member of the Indiana Senate, and United States District Attorney, each of which positions he filled with such efficiency as to lead him to the climax of his useful and eventful career in the Senate of the United States. It is not unfitting to say that his high ideals of government for the good of all the people were still further strengthened by his long and intimate association with Hon. Samuel Ralston—former Governor of Indiana and for a brief period of time a member of this august body—with whom he was associated while in the private practice of law in Indianapolis.

Senator VAN NUYS was always a strong party man, believing firmly in the two-party system of government; but like the vast majority of his colleagues and the leaders of this assemblage of all times, party allegiance was always subordinate to his country's welfare when in his judgment there was conflict between the best interests of his country and the policies advanced by the leaders of his party, he did not falter or hesitate to cast his influence and might in support of those principles which he believed most likely to best promote the common weal.

When our country became embroiled in foreign war he took his stand under the slogan "The United States and the United Nations must win," and, looking to this end and the attainment of this result, he forcefully supported every measure and cause which had for its purpose the building up on the land, on the sea, and particularly in the air of the most powerful war machine the world has ever known. He believed that this course was necessary in order that our sons and daughters might have all the assurance that was possible under war conditions, and might enjoy the security of peace, prosperity, and freedom from the insidious philosophy and doctrines of our adversaries of the Old World.

His sound judgment and fearless adherance to his high ideals at an early stage of his Senatorial career promoted him to a position among the leaders of this, the highest law-making assemblage in the world, and this position of leadership he continued to maintain and enjoy to the end of his able and useful career.

Looking at the more personal side of his life, he was a friend to every man who merited his friendship. In the way of serving his constituency in their personal matters, no constituent who had a worthy cause was ever too humble or obscure to receive his helping hand, and often at the sacrifice and expense of his own physical endurance.

He was a man of true domestic devotion. He loved his family and inner circle of friends unfalteringly, and down through the annals of Senatorial time and history, as a synonym for truth, integrity, courageous conviction, and devotion to his country's welfare, will stand the name of Hon. FREDERICK VAN NUYS, Senator from Indiana.

The PRESIDING OFFICER (Mr. HOEY in the chair). The question is on agreeing to the resolution offered by the Senator from Indiana [Mr. WILLIS].

The resolution was unanimously agreed to.

ELLISON D. SMITH, OF SOUTH CAROLINA

Mr. McKELLAR. Mr. President, I offer the resolution which I ask the clerk to read to the Senate.

The PRESIDING OFFICER. The resolution will be read.

The legislative clerk read the resolution (S. Res. 142) as follows:

Resolved, That the Senate has heard with profound sorrow of the death of Hon. ELLISON D. SMITH, late a Senator from the State of South Carolina.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public service.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to his memory the Senate at the conclusion of these exercises shall take a recess until 12 o'clock noon tomorrow.

Mr. McKELLAR. Mr. President, I regret to say that owing to my duties in connection with the Appropriations Committee of the Senate in the closing days before June 30 I have found it absolutely impossible to prepare a suitable address for this occasion. I literally have not had the time to do it. It is with a feeling of melancholy satisfaction, however, that I can express to my brother Senators the sentiments of regard and affection which I entertained for Senator SMITH, of South Carolina.

I first met him in Memphis, Tenn., as I recall, in the late fall of 1908. He had been nominated as Senator from South Carolina; but had not been actually elected. The nomination at that time, as it still is, I believe, was equivalent to election in that State, and he took his seat in the Senate on March 4, 1909.

He was comparatively a young man at the time, and visited Memphis for the purpose of making a speech at a cotton convention. I heard the speech. It was an excellent and able one, for he was gifted with all the graces and attractions of the orator and advocate, and he knew as much about cotton, I believe, as any man who ever lived.

Later on, before I was elected to the Senate, I was a Member of the House of Representatives in which I took my seat on November 9, 1911. Senator SMITH and I soon became friends, and we remained friends all of his life. I recall that when the question of the development of Muscle Shoals first arose, I offered an amendment in the Military Affairs Commitee of the House, which the committee adopted. It was a very imperfect one. When that amendment reached the House floor it was made even more imperfect. But when it reached the Senate I enlisted the interest of Senator SMITH in the fertilizer aspects of the proposal and he offered a most effective amendment, which is to be found in section 124 of the act. His amendment was a real contribution to the upbuilding of my State and of the surrounding States.

Senator SMITH was an exceedingly able man. He was a member of the Committee on Agriculture and Forestry throughout his service in the Senate and for a long time was chairman of that committee, in which office he served with ability and vigor.

There is another thing about Senator SMITH's career that I desire to recall to Senators. I do not know whether they realize it, but Senator SMITH served continuously in this body longer than any other Senator who ever became a Member of it. It is true that Senator Francis E. Warren, of Wyoming, with whom I also served for a long time, taking all his service, served longer than any other Senator, but his service was a divided and not a continuous one. Back in 1893 the Legislature of Wyoming failed to elect him for one session, and he was out of the Senate for 2 years. Therefore, his continuous service was not as long as that of Senator SMITH's, the latter having been continuously a Member of the Senate longer than any other.

Next to Senator SMITH in length of service was Senator William B. Allison, of Iowa. I did not know Senator Allison personally, though I remember seeing him when I visited Washington. But I am now looking into the face of my friend, the senior Senator from Maine [Mr. WHITE], who is one of my dearest friends and who was officially connected with the Senate when Senator Allison was a Member of this body, and knew him, and I have often heard him speak in the highest terms of Senator Allison.

It is of interest to compare the service of these two Senators. Senator ELLISON D. SMITH, of South Carolina, served continuously 35 years 8 months and 13 days. Senator William B. Allison, of Iowa, the next in length of service, served 35 years and 5 months. It seems to me very interesting that Senator SMITH, vigorous, determined, manly, forthright, unafraid, outspoken to the *n*th degree, could have served in this body continuously longer than any other Senator.

His was a remarkable service throughout. He was very independent. He did not bow to the will of anyone. We all recall when, in the early days of the administration of the late lamented President Franklin Delano Roosevelt, for whom we all had the greatest admiration, the President, misguidedly as I then thought, undertook to purge Senator SMITH from the Senate, but when the election was held, instead of Senator SMITH being purged, he was reelected by an overwhelming majority, showing the love, respect, esteem, and admiration of the people of South Carolina for him. They loved, admired, and respected President Roosevelt, but that did not prevent their reelecting Senator SMITH, whom they knew and had known for all those years.

Senator SMITH was indeed a great character. He was kind to his friends and very much disliked by his enemies. He was affable and pleasant unless he believed he was being taken advantage of. He did not like to be given the "run-around" by anyone.

There was another attribute Senator SMITH possessed to which I must call attention, and I know all Senators who knew him will agree with me in what I say. So far as I was able to tell, from a long association with him, he never had a dishonest thought, and never was guilty of a dishonest act. That cannot be said about all men. We know Senator SMITH had his peculiarities; who has not? We all have them. We know he had strong views on all subjects to which he devoted himself, but throughout it all he was an honest-minded man and an honest-acting man. He was an honest-minded Senator and an honest-acting Senator, and no one, from the highest to the lowest, could influence him when he made up his mind that his course was right.

Senator SMITH was a remarkable man, and a remarkable career he had in this body. Possibly I was attracted to him somewhat by the fact that he was born just a few miles from where my father was born, near Sumter, S. C., in the same county. I met Senator SMITH in Memphis, at a time when I had never dreamed of getting into public life. I met him as a private individual and not as a Senator. I was not in public office, and at that time had never thought of being. It was the fact that both he and his father were born in the county where my father was born that brought us together.

Throughout the years Senator SMITH and I served in the Senate together—and we were Members of this body together for 27 years or more—I was about to say we never had a difference. We did differ frequently, of course, but I never had a misunderstanding with Senator SMITH. If I would say to him that I was greatly interested in a bill, if he was in favor of it, he was delighted to help with it, but if he was against it, nothing on earth could make him favor it. No persuasion, no cajolery, no influence, express or implied, could ever make ED SMITH change his mind when he had studied a question and thought he was right, and that was one of his admirable qualities. I admired him because of his genuine forthright honesty, which characterized him throughout, and made his life what it was.

Senator SMITH had a lovely and attractive wife and splendid children, and those whom he left may always look back with pride upon the life of the husband and father. He never did that which was dishonest or dishonorable.

As I stated in the beginning of these remarks, I am just speaking out my recollections and my thoughts about ED SMITH. He was a farmer, an actual farmer, a dirt farmer. He looked after his own farm. He looked after the farmers. His life was devoted to the farmers of this Nation.

There was another thing about Senator SMITH that marked him. As much as any man I ever knew he loved the Constitution of the United States. What a wonderful heritage, especially in these days, when we reflect that our country, just 156 years old has come, under this Constitution, from the lowest rung of the ladder to the highest. How has it got-

ten to that point—through vagaries, dreams, notions, and airy ideas? Oh, no; it has not gotten there in that way. It has gotten there because its people have followed the Constitution and the laws of the United States. Adherence to the Constitution has brought us from the lowest rung of the ladder to the highest rung of the ladder, to that point where it is admitted we are the greatest Nation on earth.

Do we want to change that document? No man was ever more opposed to a change being made in our Constitution than was Senator ELLISON D. SMITH. On this I agreed with him 100 percent. He loved that instrument. He abided by that instrument. He followed that instrument. He voted against any bill which he thought was not authorized by that great instrument. What a heritage to leave to his sons and daughters, to his family. What a splendid heritage he left them by thus upholding the Constitution he had taken an oath to support and defend on all occasions.

Senator SMITH received much criticism, it is true, but criticism did not hurt him. He was a true representative of his people because he loved his people. He was a true Senator because he loved the Senate. He was a delightful man personally. He was honest. When he gave his word one could always accept it and know that it would be fulfilled.

Mr. President, I have been in the Senate a long time and have known many Senators, and I say that ELLISON D. SMITH was one of the best Senators who ever served in this body. I lament his passing. I regret we do not have more men who are so outspoken and forthright and honest and able, and who love their country and their country's Government, and their country's Constitution as did ELLISON D. SMITH.

[On June 25, 1945 the Senator from South Carolina [Mr .MAYBANK] was in Europe as a member of the subcommittee of the Military Affairs Committee. On his return to this country he delivered the following address on the floor of the Senate.]

Mr. MAYBANK. Mr. President, during my absence in Europe as a member of the subcommittee of the Military Affairs Committee of the Senate, memorial services were held for several distinguished former Members of this body. Among them was the late senior Senator from South Carolina, my former colleague, with whom I served for many years in this body. Several years ago when I became a Member of the Senate, Senator Smith escorted me to the rostrum of this Chamber where I took my oath as a Senator.

Mr. President, Ellison DuRant Smith was born and he died on the South Carolina plantation which has passed in direct line from father to son for 7 generations.

His father was a Methodist minister of pure English ancestry, and his mother was of equally pure Scottish descent. He was the youngest of nine children.

Two of his brothers were Methodist ministers, one of whom became a bishop; and two of his sisters married Methodist ministers.

In his youth he absorbed the Bible and many of the classics. They became a part of him. He could quote by the page, and was profoundly influenced by the mighty words of deeply thinking men. He never feared thought nor the bare face of truth. He set honor above ambition, and integrity above gain. He was of the old line who considered the position of a statesman a stern and sacred obligation. He would not deviate from whatever he considered to be in the best interest of his country. Himself a complete individualist, he struggled for the preservation of individualism for Americans. To him any threat to individual liberty was a threat to America.

His favorite poet was Robert Burns. His favorite quotation is from Burn's To a Young Friend:

> The fear o' hell's a hangman's whip
> To haud the wretch in order;
> But where ye feel your honor grip,
> Let ay that be your border:
> Its slightest touches, instant pause—
> Debar a' side pretences;
> And resolutely keep its laws,
> Uncaring consequences.

His favorite author was Charles Dickens. He never tired of quoting from Pickwick Papers and laughing at Dickens' matchless humor. He himself had a great wit and his most salient remarks were often clothed in jest, but the impact of his meaning was always felt.

He attended Furman University, the University of South Carolina, and Wofford College. He took post graduate work at Vanderbilt University. He graduated from Wofford with honors and received during his years there many medals for writing and for oratory. In later years that college bestowed upon him the honorary degree of doctor of laws and made him an honorary member of Phi Beta Kappa.

During his tenure of office he was chairman of the Immigration Committee, chairman of the Interstate Commerce Committee, and chairman of the Committee on Agriculture and Forestry.

He was elected to the Senate as representative of the cotton farmers of the South, and when he was made chairman of the Committee on Agriculture and Forestry he was therefore more pleased than at any time during his career. Noted for his fiery tongue and implacable anger, he was nevertheless also a notably just chairman. He never allowed a witness before his committee to be harassed. Every witness was given a just and equitable hearing regardless of views, for along with honor he loved justice.

He broke two precedents while in the Senate. He served longer continuously than any man in the history of the United States Senate. He was elected chairman of the Interstate Commerce Committee during a Republican administration.

He was internationally known as Cotton Ed. That name came to be a symbol of fearless thought and speech, and he was recognized for those qualities as well as for a profound knowledge of agriculture.

He founded his political and personal beliefs on the Constitution and the Bill of Rights. It caused him no egotistical pangs to admit that the inspired minds who formulated those tremendous corner stones were brilliant enough to enlighten his own mind, and had built a lasting foundation for America and for his own convictions. He was a passionate individual, but as are all great men, he was humble before words of flame and was willing, in fact, was determined to walk in their glow.

He kept a framed copy of the Constitution on the wall of his private office, and his first question of any visiting group of school children was whether they had read that document. He was of the belief that memorizing the Constitution should be made a part of every school curriculum in the United States.

He was a man of deep sentiment. He loved the South and his plantation with an overwhelming devotion. He was completely attached to his family. America was his life.

And so he lived studying, reading, thinking, striving—led always by the light of honor in his own mind, fearless of consequences. He was ever seeking to help the farmer. He believed that America owed much to the land, and was greatly dependent upon it for prosperity. He loved the ground under his feet.

When he lay at last in the parlor of his old home one of the colored men who lived on the place asked to see him. He stood smiling down at the face which in death was still strong, undaunted, and portentous with the deeply-carved lines of thought—thought that would never die, thought which the Negro, with his deeply intuitive wisdom, understood and admired. He knew that he stood by the bier, not of an opportunist but of a friend.

Six Negroes living on the land were his pall bearers. They laid him to rest, knowing that no hope for betterment of himself but respect and understanding had always inspired his happy association with them.

Say of him that he always did and said what he thought to be honorable. Say of him that he despised hypocrisy, opportunism, and rationalizing of greed. Say of him that when he was elected to the United States Senate he believed that he had been given a sacred trust, and that no thought of self must swerve him from the duty which he felt toward his native land not only for the span of his life, but for all the ages to come.

Mr. CAPPER. Mr. President, looking back over my service in the Senate for more than a quarter of a century, I have many memories arising from association with him in committee rooms, in the Senate Chamber, in the amenities of social life, of our late colleague, ELLISON D. SMITH, of South Carolina.

It was my privilege to attend the impressive funeral services held at the farm of the late Senator SMITH, near Lynchburg, S. C. The services were attended by a great number of his old friends, including farmers and people of all walks of life in the State of South Carolina. I never saw a group of people more sincere in their expressions of love for and appreciation of a devoted friend. Six

faithful colored men who had worked for the Senator many years on his farm served as pallbearers.

Mr. President, neither the Senate Chamber nor the meetings of the Committee on Agriculture and Forestry will seem the same without Senator ELLISON D. SMITH, of South Carolina. I served on that committee with him for more than a quarter of a century, a few months short of 26 years. He had been here a full decade when I was sworn in as a Senator from Kansas.

The word "unique" is often misused, but I would say it applied to Senator SMITH. He was unique in my experience. I never have known, nor do I expect to know, anyone like him. "Cotton Ed," as he liked to be called, and as he was known over the Nation, was close to the soil; he never forgot that he was a farmer, and never tried to forget it. He never forgot he was from the South, from South Carolina; that he represented the State of South Carolina; that he represented the farmers of South Carolina.

ELLISON D. SMITH was an individualist; he was a fighter; he was positive in his convictions, his beliefs, and his actions. There was little if any of compromise in his make-up. If he was for something, he was for it 100 percent. If he was against something, he was against it—well, generally considerably more than 100 percent.

We shall miss his homely humor; his pungent statements; his keen characterizations of programs he did not approve, back of all of which was a broad streak of kindly regard for those he castigated.

Mr. President, ELLISON D. SMITH'S loyalty to what he believed in was a fighting loyalty to his State, to his neighbors, to his friends, to the farmers—a fighting loyalty that neither gave nor expected quarter in any contest. In the course of nearly 26 years I came to have a great admiration for his many strong and likeable qualities, and I also had a great liking for 'COTTON ED" SMITH as a man and as a colleague. He was a strong character, and we miss him.

Mr. AIKEN. Mr. President, I first met "COTTON ED" SMITH at a Lincoln Day banquet in Pittsburg in 1939. Neither of us knew the other was to speak.

Fortunately for me, I was called on first and unwittingly appropriated most of the material he had carefully incorporated in his prepared speech. As a result, he discarded his own speech and spoke extemporaneously to a keenly interested audience.

I have often thought how fortunate it was for both of us that I was called on first because I could not have spoken extemporaneously and it was not the nature of Senator SMITH to adhere to carefully prepared material in conveying a message to his audience.

From that time on I enjoyed a firm friendship with him which lasted until his death.

Although he was an entertaining and effective extemporaneous speaker and was often extemporaneous even to an unexpected degree, I am satisfied that all through his life he followed a determined course leading to a definite and noble objective—that of improving the lot of the American farmer and establishing agriculture on an income basis comparable to that of more favored groups.

When I came to the Senate it was my good fortune to be assigned to the Committee on Agriculture and Forestry, of which Senator Smith was chairman, and to have the opportunity, not only of working with him closely on many matters of legislation, but to become more fully acquainted with ELLISON D. SMITH, the man.

I went on many fishing trips with him. I believe that one way really to know a man is to go fishing with him and on these trips the human qualities of ELLISON D. SMITH became truly apparent.

He was a gifted and inveterate story teller with a keen sense of humor.

He liked to sing, too, and frequently raised his voice to Rock of Ages, Lead Kindly Light, Nearer My God to Thee, and a hundred other gospel hymns and Negro spirituals which he knew and loved so well.

Once I went hunting with him down in his native State of South Carolina.

Skillfully imitating the call of the wild turkey, he called one up to about a hundred feet from me. I did not dare shoot it because I was not quite sure whether it was a gobbler or not. Later in the day he insisted upon crediting me with one wild turkey gobbler, which I really did kill, although Senator SMITH'S unerring aim had previously reduced its speed to a very, very slow pace.

Wherever he was or whatever he was doing, however, his mind was constantly reverting to the soil and to the needs of American farmers.

An operator of a large plantation himself, he knew those needs and he was determined that they should be met so far as it lay within his power to do so.

For nearly 36 years he fought in the United States Senate to improve the lot of the American farmer. He sometimes won and he sometimes lost his battles, but he never quit fighting.

On November 19, at Lynchburg, S. C., I attended the funeral of a truly great champion of the American farmer.

He was borne from his ancestral plantation home for the last time by six grief-stricken colored employees. A white hound dog trailed behind the coffin.

In an old cemetery, miles from town, "COTTON ED" SMITH now sleeps under a live oak tree, a traveler who has returned to the soil from which he sprang and which he loved, but all over the United States millions of farm families today are living happier, richer lives because of the many battles he fought and won for them.

Besides the loss to American agriculture, I feel a great personal loss in his passing.

No one was more kind to me; no one gave me greater opportunity to take part in the work of the Senate than he did.

In the future, when the struggle and strife of this world war is over, I hope to return to visit my friends in South Carolina and although he will not be there, I will always see him as I have so many times before—fishing, hunting, directing the work on the plantation or listening to the help sing spirituals after supper.

I am glad I could call him my friend.

The PRESIDING OFFICER. The question is on agreeing to the resolution offered by the senior Senator from Tennessee [Mr. MCKELLAR].

The resolution was unanimously agreed to.

FRANCIS MALONEY, OF CONNECTICUT

Mr. McMAHON. Mr. President, I send to the desk a resolution, which I offer and ask to have read.

The resolution (S. Res. 143) was read, as follows:

Resolved, That the Senate has heard with profound sorrow of the death of Hon. FRANCIS MALONEY, late a Senator from the State of Connecticut.

Resolved, That as a mark of respect to the memory of the deceased, the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public service.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to his memory the Senate at the conclusion of these exercises shall take a recess until 12 o'clock noon tomorrow.

Mr. McMAHON. Mr. President, we are met here today to honor the memory of those Members of the United States Senate who have been taken from us through the inevitable visitation of the grim reaper. Through the inexorable laws of nature six of the Members of this distinguished body have been taken from our midst, and we mourn their loss, conscious always that to each of us the angel of death shall come in his own appointed time.

Leaves have their time to fall,
And flowers to wither at the north wind's breath;
And stars to set,
But thou hast all seasons for thine own, oh death!

And so, on this day of memory, we recall with deep and tender emotion those colleagues whom we have "loved and lost awhile."

This solemn service must impress all of us with the inevitable certainty of time, fast moving hands of the clock, the pages which drop from the calendar upon the wall, the stooped form, the faltering touch, the slowing step. These tell us that time marches on and takes its passing toll.

We cannot complain when death takes from our midst a man whose duty is done, whose valiant efforts have been completed, whose work has become part of history and who has retired to await the final bang of the President's gavel and the stern announcement, "The Senator's time has expired."

But, Mr. President, we shall never be able to master our grief or conceal the shock when one of our Members, in the full vigor of manhood, with his achievements still being unfolded before us, is taken suddenly from us. We mourn not only the man but we mourn too the irreparable loss which his departure means, because we know full well how

much more we could have expected from him.

FRANCIS MALONEY, of Connecticut, was such a man, Mr. President. He left this body at the Christmas recess last winter strong, vigorous, alert, his mind busy with a score of obligations and tasks which he contemplated for the new session. He had served in this body for 10 years, 10 busy and fruitful years. He was engaged in many pursuits, pursuits whose accomplishment would have been beneficial to all the people of our great country. A few short days later he was stricken, and soon the flag over the Senate Office Building floated at half-staff in memory of one of the most faithful of public servants.

There is no more honorable mission than to be chosen to represent in the United States Senate a State in the American Union. It is an honor that may well be coveted by our fellow citizens. The Congress is the most distinctly representative legislative body in the world. Here we literally and actually find a cross-section of the American people. Every school of thought, every political philosophy has its representative in these Halls.

From time to time we hear criticism about this body. Some who visit the galleries notice that there are but a few Members on the floor, and form erroneous judgments about the Senate. They cannot be aware that the legislation being considered has been the subject of intensive study and careful thought. They cannot appreciate the many long, tedious hours spent in committee room, the wearisome hours spent studying documents, and examining every shred of evidence possible in order that a fair report may be made.

It is in that connection that my late colleague, Senator MALONEY, shone. When he was not on the floor he was busily engaged in the exhaustive detail work connected with the Senate. His colleagues who has served here through the years with him came to know him well and to evaluate his worth.

They knew his industry, his perseverance, and his ability to unraval a difficult problem. They were qualities which aided materially in the work of this great body. They knew, too, that his true merit was not always visible from the galleries, and that therefore he might be unappreciated by the general public, which does not have the opportunity to scrutinize a man and his work closely as do his colleagues.

FRANCIS MALONEY devoted the major part of his adult life to public service. He became a public servant at a time of crisis, being elected mayor of Meriden, Conn., at about the time the great depression arrived to disrupt the American economic system. It is a tribute to his leadership in those difficult days of depression that he was chosen, in 1932, to represent the Third Congressional District of Connecticut in the House of Representatives. From there FRANCIS MALONEY was elevated to this Chamber in the elections of 1934.

Through the years FRANCIS MALONEY stood in this Chamber and spoke, worked, and fought for the things he thought were right. He was not always on the winning side. There were many times when I and many others found ourselves in disagreement with his views or his spoken words. But those were passing things, and with each passing day he grew in stature.

He was a man of determination and decided views, but he was ever susceptible to the persuasion of the logical argument, the mighty array of irrefutable facts. He could be stubborn, but his stubbornness was born of the conviction of his faith, the unswerving belief in the final truths.

It is an unquestioned fact that the days following the treacherous bombing of Pearl Harbor were difficult and strenuous days for every Member of this body. The responsibilities placed upon every Member were tremendous, and I know that every Member of this body endeavored to meet them to the very best of his ability.

There were some who refused to delegate a portion of this tremendous burden, who endeavored to continue with the duties which were already theirs and to handle the greatly augmented work as well. Such a Member was FRANCIS MALONEY. While our sons and brothers were preparing for the bitter agony of actual combat and were facing the deadly fire of the enemy, he could not permit himself the luxury of relaxation. He felt that to do this would be to confess weakness, to let the boys down. He was only too conscious of the stern task which confronted all of us, and he wanted to do his full part, and more too.

And so, because he refused to take it easy, because he refused to confess that human frailty could not measure up to his lofty ideal of what his duty was, he is gone from us.

There is little comfort in the coldness of words. Our efforts to find solace cannot match the aching loss which we feel.

Standing here today, we can remember that in the passing of FRANCIS MALONEY the State of Connecticut and our beloved Nation lost a valuable and energetic citizen, a man whose capabilities would have stood us in good stead in these difficult days.

We can remember, too, that FRANCIS MALONEY was a fine statesman, a man of breadth of vision and courage, a man who did his duty as he saw it, a man who braved all criticism unflinchingly, believing in his heart that his course was correct.

He was a man of sagacity and ability, a man who knew how to utilize the mechanisms of government in order to help the people of his State and of the Nation.

Just as every soldier's earthly remains are put to final rest cloaked in the sacred fabric of the American flag, so should FRANCIS MALONEY'S, for he was just as much a casualty of this great global conflict as any man who gives his all in combat.

FRANCIS MALONEY could have taken the easy way. But he was a true American. He could not shirk when his country was endangered. He met the challenge and it costs him his life.

And for that, Mr. President, we of Connecticut who knew FRANCIS MALONEY and who worked with him must always cherish his memory.

Mr. WAGNER. Mr. President, it is with a saddened heart that I rise to pay tribute to the memory of our beloved colleague, FRANCIS MALONEY, who was suddenly taken from our midst less than 6 months ago.

We all loved and admired FRANCIS MALONEY. He was loved because he was warm hearted, sympathetic, sincere, loyal, and intensely human. His common sense, his clear judgment, and his genial personality drew men to him.

Early in his career he demonstrated an interest in the public welfare and a deep sense of social justice. Looking for leadership in the dark days of the depression, his neighbors in his native city of Meriden elected him mayor for two successive terms. The wisdom and ability which he demonstrated in the affairs of his city led to his election first to the House of Representatives and then to the Senate of the United States.

Here in the Senate he devoted himself completely to the welfare of the Nation. His was a deep-sighted and burning desire for progress and the betterment of his fellow countrymen. He had a deep conviction that public office is a public trust, and in that spirit he dedicated all his energies and abilities to the performance of his duties. Hard working, intelligent, clear thinking, he contributed much to the deliberations of this body. His advice was sought and his views were respected even by those who disagreed with him.

It was my great privilege to be associated with him intimately on the Banking and Currency Committee. He had no specialized knowledge of banking or financial matters. But he had an amazing ability to cut through technicalities and to grasp the essential meaning and effect of the difficult and varied proposals considered by the committee. In committee sessions his common sense and intelligent appraisal of basic issues were extremely helpful to his colleagues; and his views, which he stated modestly and gently, were always accorded great weight. His genius for fair compromise often enabled us to reach agreement on controversial legislation.

FRANCIS MALONEY never spared himself. He was deeply concerned with the many problems which confronted the Nation, and he wished to do his full share to help solve them. The long hours of hard work which he devoted to his duties undoubtedly hastened his untimely death. But it is only the mortal flesh of Senator MALONEY that is dead.

He still lives in the record of his unselfish and distinguished service to his fellow men, to his State, and to the Nation.

Mr. WALSH. Mr. President, one cannot sit for several years side by side with a fellow Senator, jointly listening to the proceedings of this august body, listening daily to the call of the roll on momentous public questions, without acquiring an understanding of the political philosophy and the ideals his associate entertains toward the public service. It was my high privilege to have had this relationship with FRANCIS MALONEY, whom we are memorializing today. It is

what I have learned from this association that has inspired the sentiments of this brief tribute.

I recently read an essay on distinction, and the writer's definition of "distinction" seemed to me to be synonymous with my opinion of FRANCIS MALONEY when he said:

> There can be no "distinction" in life, art, or manners, worth speaking of, which is not the outcome of singular courage, integrity and generosity, and I need scarcely add "intellectual vigour" which is usually the combination of these qualities habitually exercised.

Senator MALONEY to a very marked degree possessed singular courage, integrity, and generosity, together with "intellectual vigour." His very presence, his every act, his directness of speech emphasized these qualities. These were some of the characteristics of our departed friend that challenged your and my admiration of him.

He had other charms—simplicity, sincerity, and modesty, for there was in his person a complete absence of that spirit of pride which often accompanies the qualities that make for distinction.

FRANCIS MALONEY inherited neither wealth nor family prestige, yet he was richly endowed with mental and spiritual qualities which he generously gave to his fellow men and which were far more valuable than monetary generosity. He never attended college, yet he was learned. He never studied law, yet he was surprisingly analytical in his approach to and in his analysis of public questions. He never attended divinity school, yet he was deeply spiritual, possessing also that other quality that is usually associated with the spiritual, namely, humility.

I will not reiterate the several and important public offices to which he was elected or even the many years of his honorable public service. What matters after the book of life is closed is not that he was elected and held important offices, for success in politics is often accidental—the result of political tides that come and go. What is alone of consequence is the manner and the qualities he exercised in the performance of the trust which his fellow men placed in his keeping.

To FRANCIS MALONEY public office was far more than a post of honor. It was an opportunity for service—unlimited, momentous, and exalted service to his fellow men. His record of service in every instance is one of faithful, conscientious, and patriotic endeavor. As I sensed his concept of duty, public office to him was a burden, a heavy burden, a continuing and trying effort to do his duty. It could be truly said of him that he never wore the prison uniform of excessive partisanship. Indeed, it was his devotion to duty, guided by conscience, that gave him predominance among his fellow citizens and made him dear to their hearts.

As the years have rolled by and I have seen friends and associates in political life come and go, I have concluded that there is no higher or more impressive tribute can be paid to a public man than that paid in the New Testament to one of the great characters associated with the life of the Nazarene. The New Testament says very little about Joseph. Joseph, we know, was a carpenter, and we know his race, but the details of his life are hidden from us. There is one sentence written about him, a sentence of four words, a brief but superb tribute, "He was a just man."

To whom can that tribute be more fittingly paid than to him whose memory we honor today. Senator MALONEY was a just man—just to his Creator, just to his family, just to his fellow men.

May the lasting memory that he has left behind be an inspiration to us to give back to our fellow men and to the world what mankind everywhere is longing for today—justice. May his life and good works inspire us to do and to give justice.

I know of no more appropriate ending for this altogether inadequate tribute than a recital of the ancient prayer sung as Senator MALONEY's body was carried to the grave.

> May the angels lead thee into paradise, may the martyrs receive thee at thy coming, and lead thee into the holy city of Jerusalem. May the choir of angels receive thee, and mayest thou have eternal rest with Lazarus, who once was poor.

Mr. WHITE. Mr. President, the junior Senator from Connecticut [Mr. HART] is absent from the Chamber today because of the recent tragic death of his lamented son. In expectation of being present and speaking on this occasion, he prepared his tribute to his predecessor, the late FRANCIS MALONEY. On behalf of the junior Senator from Connecticut and in order that it may be made a part of the permanent record of the Senate, I desire at this time to read what he would have said had he been permitted to be present. His tribute is as follows:

Mr. President, I would feel remiss if I let this opportunity pass without saying a few words of tribute to my predecessor, the late Senator FRANCIS MALONEY.

I was not privileged, as were most of my colleagues, to know Senator MALONEY. However, like most of the people of Connecticut, I recognized his sterling character and the generous, wholehearted spirit with which he discharged the duties of his public office. His passing was a tragedy—a loss not only to his family and to his native State but to the country as a whole.

He was a humble man, humble in the true sense of the word. His rise from lowly surroundings to a place in the United States Senate reads like American fiction. It is the kind of success story which proves once again that America is still a land of opportunity for those with the industry, initiative, courage, and perseverance to forge ahead.

Without formal education, he was able to meet on equal ground the products of our great universities and graduate schools. Without the boon of inheritance or privilege he made a success in business. In public life, Senator MALONEY was imbued with a great desire for social justice. Greater opportunity for all was his dearest wish. While going about the business of routine work and occupied with immediate demands of government in wartime America, he was always concerned with hopes and plans for the betterment of his fellow citizens.

To honor that paramount ambition, a perpetual memorial has been established in his native city of Meriden, Conn. It is the Francis Maloney Scholarship, which is awarded annually to a member of the class which graduates from the public high school. Each year it provides a 4-year scholarship to college for some boy or girl who would not otherwise be able to attend. I believe that the people of Meriden could choose no more fitting tribute to one of their outstanding citizens. It is a living memorial to his personality and ideals.

FRANCIS MALONEY was elected mayor of Meriden in 1930 and reelected in 1932. No city official faced more difficult problems than those with which he was confronted in those years. He met the situation resourcefully and created projects to give men work, thereby saving many needy families from the indignity of charity. That Maloney program was one of the foundations upon which the Federal relief program was later built.

I need not review his work in the House of Representatives, and in the Senate to which he was elected in 1934 and again in 1940. Senators are familiar with his record in Congress; with the part he played in connection with the Securities and Exchange Commission Act, the Public Utilities Holding Company Act, and the Selective Service Act, to mention but a few. There was also his reorganizing resolution, which paved the way for Congressional reform, and his valuable work as Chairman of the Special Committee to Investigate Gasoline and Fuel-Oil Shortages.

All Senators know, too, of the esteem in which he was held by his colleagues. His opinions were respected even by those who disagreed with him, and his advice was sought on many important questions. As was once said of him, "He was diligent and intelligent, sane and sound in his principles. He had a genius to see things through to their ultimate conclusion." He helped to clarify issues on more than one important occasion, and to bring order out of confusion. It was he who offered a practical solution to many a perplexing problem, and frequently suggested a constructive compromise when sharp disagreement arose.

In addition to his mental abilities and his capacity for hard work, FRANCIS MALONEY possessed a devotion to duty and a tireless zeal in the public interest. He loved people, and his work in their behalf was a labor of love.

In conclusion, perhaps I can do no better than to quote from the eulogy of Bishop Henry J. O'Brien of the Diocese of Hartford, Conn., who knew him well: "His life was indeed an inspiration to those who had the good fortune to know him."

Mr. MEAD. Mr. President, I wish to make a brief observation with reference to the life and service of FRANCIS MALONEY. His name is one which will always live in the hearts of Americans.

FRANCIS MALONEY was born in Meriden, Conn. Economic circumstances made it necessary for his formal education to be limited. Yet he rose to be an eminent

public servant by the sheer force of his tireless ambition and his boundless energy.

His life story stands as a real tribute to the greatness of democracy in the United States. He was elected mayor of his home town of Meriden in 1930, and 2 years later the people of the Third Congressional District of Connecticut sent him to represent them in Washington. In 1934 he was elected to the United States Senate. In 1940 he was reelected as Senator, and served with rare distinction until his untimely death on January 16 of this year.

FRANCIS MALONEY was my friend. We served together in the House of Representatives and later, as Members of the Senate, we occupied adjoining offices in the Senate Office Building. We served together on several Senate committees, and throughout the years he gave unsparingly of his valuable advice and assistance in connection with the many problems which arose in our neighboring States.

FRANCIS MALONEY was not only a true friend and a fine neighbor, but he was a great American. He was tireless in dispatching his duties as legislator. He was forceful in debate, and courageous in his determination. He was always courteous and considerate of his colleagues, and respected their views. While he was a loyal member of his party and devoted to the welfare of the State which he represented, he never allowed partisan considerations to temporize his beliefs. FRANCIS MALONEY was fearless in defense of the causes which he believed to be right.

FRANCIS MALONEY possessed a deep and abiding sense of social justice. Circumstances brought him into constant touch with the poor, and he had a profound sympathy and understanding of the problems of the working man. Later, in his political life, the welfare of the masses was ever uppermost in his mind when advocating the legislative policies in which he believed.

Much of the legislation which passed the Congress during his tenure of office felt the impact of his efforts and influence. We recall his leadership in more recent times of the Senate Special Committee to Investigate Gasoline and Fuel-Oil Shortages, and his forthright sponsorship of the resolution calling for a reorganization of Congress.

He was a big man—big in heart and in mind. He was a humble man—humble with becoming dignity.

He was a man with broad vision, and was truly tolerant. He had dedicated his life to upholding the civil and religious guarantees of our Constitution. He was a relentless foe of racial and religious persecution, of sham, and of pretense.

In his passing, Connecticut has lost an exemplary citizen, a forceful leader, and the Nation mourns a splendid statesman.

We will miss him here in the halls of Congress. We grieve for his wife and children, for he was a devoted husband and a loving father.

We lament the passing of FRANCIS MALONEY and pray that he has found the peace he always strived so earnestly to achieve.

The PRESIDING OFFICER. The question is on agreeing to the resolution offered by the senior Senator from Connecticut [Mr. MCMAHON]

The resolution was unanimously agreed to.

JOHN MOSES, OF NORTH DAKOTA

Mr. YOUNG. Mr. President, I tender a resolution relating to the death of the late Senator JOHN MOSES, of North Dakota, and ask that it may be read.

The PRESIDING OFFICER. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 144), as follows:

Resolved, That the Senate has heard with profound sorrow of the death of Hon. JOHN MOSES, late a Senator from the State of North Dakota.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public service.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to his memory the Senate at the conclusion of these exercises shall take a recess until 12 o'clock noon tomorrow.

Mr. YOUNG. Mr. President, when the late Senator JOHN MOSES, of North Dakota, passed away the newspapers of America published the fact that he was the first Democrat to be elected to the United States Senate from the State of North Dakota, which normally votes about 75 percent Republican. This in itself, Mr. President, is perhaps of not so much significance. Of far greater significance are the reasons why Senator MOSES was elected.

He was a great leader, a man of extraordinary personality, kindly, intelligent, honorable, and honest. He was a natural human being.

It was my privilege to have worked, perhaps as much as or more than that of anyone else in North Dakota, with Senator MOSES. During the time he was Governor, I was a member of the senate. On many occasions, in fact during sessions of the legislature almost daily, I met him in his office or in his home and discussed legislation with him. During that time I was also a member of a governmental survey commission representing the State senate and was also a member of the State budget board representing the State senate. I found that in these meetings Senator MOSES demonstrated unusual ability and the sterling integrity and the kindly feelings toward the people of North Dakota for which he was noted. These, I believe, Mr. President, are the most salient facts and reasons why Senator MOSES was elected the first Democratic Senator from the State of North Dakota. His personality was such that he would naturally cut across party lines.

Twice during the time he was Governor and a candidate for the United States Senate I was unfortunate enough to be placed in the position of being campaign manager for the Republican candidates. I think I used every honorable means at my command to elect the Republican, and I believe Senator JOHN MOSES used every honorable means to be elected himself; and Senator JOHN MOSES won.

Many times when I sit back in the seat that should be occupied by the late Senator JOHN MOSES my mind goes back to the meetings to which I have referred when I was privileged to sit with and work with him. Invariably after our work was over Senator MOSES would ask me to stay, and at which time he would have coffee and a little lunch brought to his office, and we would discuss State affairs and situations in North Dakota politics. As far back as 4 years ago he expressed his ambition to become a United States Senator. I told him frankly that I did not think he could be elected, because no Democrat from North Dakota had ever been elected to the Senate of the United States; but Senator Moses had so conducted his life in North Dakota that the people of the State would not turn him down because he was a Democrat or for any other reason.

He came to the United States as an immigrant from the great freedom-loving nation of Norway. A poor man, he worked at first as a section hand on the railroad by day and studied by night. Gradually he rose to one of the highest offices to which any man in the United States can aspire.

Mr. President, I ask unanimous consent to have printed in the RECORD an oration delivered by Hon. Fred G. Aandahl, Governor of North Dakota, at the funeral of the late Senator MOSES, and also a sermon delivered by Rev. Dr. T. F. Gullixson, vice president of the Norwegian Lutheran Church of America. These men, Mr. President, ably state much which I find myself unable to express.

There being no objection, the oration and sermon were ordered to be printed in the RECORD, as follows:

ORATION BY HON. FRED G. AANDAHL, GOVERNOR OF NORTH DAKOTA

Today we are joined in sadness. A great leader has been called from our midst, JOHN MOSES, in whom the people of North Dakota had infinite confidence now rests in eternal sleep. We have paused this afternoon to express our personal devotion and admiration and to measure again in our minds his tireless contribution to civic order and to humble honesty in public office.

JOHN MOSES came into the spotlight of public life with the election of 1939, when he was named Governor of North Dakota. That was a difficult period in which to assume those responsibilities. For 10 years North Dakota had been in economic depression. Taxes were not and could not be paid. The revenue of the State and many political subdivisions was not sufficient to keep the wheels of government properly moving. During the 1939 session of the legislature, JOHN MOSES counseled constantly with the leaders of that body and when they failed to give the answer that was needed he called what the leaders would do, but that is not the answer. Now what would you do?"

This little incident indicates that, even in the lives of great men, there are perplexing moments and times of grave uncertainly. Under those conditions JOHN MOSES had the restraint to move slowly; the capacity to weigh divergent ideas; and the fortitude to

move forcibly forward when he saw the light.

His aptitude to meet the responsibilities that were placed upon him did not come easily. He came to this country, alone, in his youth, from across the ocean and in a new and strange land, by hard work and sheer determination, made a place for himself. When he bacame Governor of North Dakota his efforts were only intensified. By long hours and diligent application to the many tasks that were his, he learned to understand the wishes of the people. I don't think any Governor has ever had a greater correspondence and personally answered more letters with specific and detailed information than he did. He was constantly joining with people in their local communities in public functions throughout the State. He performed the duties of his office and watched the departments over which he had appointive power with ardent vigilance. There grew in the minds of the people of North Dakota a renewed confidence in the integrity of public officials because of his conduct. That is why the people of North Dakota twice reelected him as Governor and then sent him to the United States Senate.

Last December it was my privilege to sit at board meetings and to observe JOHN MOSES in his closing days as Governor. I marveled at his capacity and his complete understanding of the problems of State, and his ability to decide and enact the wishes of his associates. During the 15 days that he was in Washington as our Senator, I received perhaps a dozen letters from him explaining problems of state that would come to my attention and giving me the benefit of his experience together with touches of personal friendship.

Through years of constant devotion and unfaltering work almost to the very end, he qualified as a truly great statesman.

North Dakota was most fortunate to have had his leadership during the troublesome economic and political period when he came into office. He guided the State into a frame of mind and into a course of conduct that took full advantage of the prosperity of the last few years. It is most unfortunate for the people of the State and of the Nation that his ripe and judicious thinking cannot be an active part to the postwar reconstruction period. The influence of his constructive work and his profound and indefatigable personality will carry far into the future.

Today the people of North Dakota extend their deep sympathy to the family; bow their heads in prayer and sadness and build in their minds an enduring devotion to the memory of the sterling qualities of a capable, courageous and dauntless statesman, JOHN MOSES.

DR. GULLIXSON'S FUNERAL TRIBUTE TO SENATOR MOSES

Father, we thank Thee for the Kingdom of grace and truth and life everlasting whose portals are in Thy Church, in Sacrament and living Word.

We thank Thee for peace and joy in believing even when death lays her icy hand upon our loved ones, Thy children.

Come Thou Lord Jesus, knock and enter in at the heart's door of bereaved wife and children that their hearts and minds may be kept by Thee in this bitter hour.

God of nations we thank Thee for what has been and still can be in this blest land America through the sincerities of an enlightened citizenship and by highminded, faithful leadership.

Lead our leaders by Thy spirit through these years of crises; lead them in the way of righteousness.

For our souls as for our Nation grant righteousness that peace may come and abide, through Jesus Christ our Savior, Amen.

It is a far reach of thought from that June day in the Norway of 1885 to this service of farewell in the capitol city of North Dakota, a far reach from the cradle in a quiet manse in a parish of the Church of Norway to a restingplace this evening among the hills of the Missouri River.

Though none may know it in that war-ridden homeland today, the end of a biography which began with the writing of the name JOHN MOSES in the birth and baptism record of that parish church, has brought a vacancy in the Senate of the United States and has brought an emptiness that is a heartache among the people of the State which he knew so well and served so faithfully.

A State mourns today, a State that knew him well and trusted him so long and all the more as his public services unfolded, a State which at the end, trusting him so, laid upon him the great responsibility which he could carry only a little way.

The Norwegian Lutheran Church of America, close in kinship and blood and of faith to the church in which JOHN MOSES was born and baptized, through its president, Dr. J. A. Aasgaard, whom I have the responsibility of representing today, sends greeting of sympathy to the family circle whose husband and father no longer is in this land of the living and to this congregation which has lost a valued and most distinguished member.

The words of the Apostle Paul written to his spiritual child and fellow-worker, St. Timothy, I would submit, not as a text for exposition, but rather as a greeting from the fatherland, from the old home, from the lips of a pastor-father in the long ago, echoing up along the pathway of a son whose journey is done.

"But continue thou in the things which thou hast learned and hast been assured of, knowing of whom thou hast learned them, and that from a child thou hast known the Holy Scriptures, which are able to make thee wise unto salvation through faith which is in Christ Jesus."

True, these words are of special interest to parents, to pastors, to churches and their leaders revealing as they do, how the succession of an apostolic faith lives on; but they do apply as well to lay as to clerical members of the church.

Knowing the earnestness of that older generation across the sea in the matter of teaching their children, knowing the anxieties of the farewells and the admonitions of parents who sent their young men and maidens away to be for a season strangers in a new strange land, I know how well these words of St. Paul lend themselves as a summary of the prayers and counsels accompanying an immigrant boy.

It is good that a youth setting his face toward the future at the prow of a west-bound ship could say "The Lord is my shepherd, I shall not want."

It is good that in young manhood with its life and labor one could say, "He leadeth me beside the still waters."

It is blessed that a man in the turmoil and conflicts of life knows the way to God's mercy seat and can say, "He restoreth my soul."

It is well for the leader, and well for the people he leads, when a man, knowing the burden of his responsibility, can say "He leadeth me in the paths of righteousness."

But thrice blessed is the man who, when the day with its work is done, can say with an unfaltering trust in Christ the Saviour, "Yea though I walk through the valley of the shadow of death I will fear no evil; for Thou art with me."

Such was his soul's confidence as attested to me by the pastor who had stood by the deathbed at Rochester.

The responsibilities and the pressures of public life are in themselves temptations to neglect God and the things of the soul.

Not all men who walk the high places have learned to bow the head as America's noblest soul, Abraham Lincoln, so frequently did, and to say with him, "O why should the spirit of mortal be proud?"

Many a man has lost both faith and godliness across the wide sweeps of the range country of the West; but neither the Missouri brakes nor the wide prairies, neither the droughts on the plains nor the floods along the Knife River and Antelope Creek need bear the blame for canceling out the lessons learned and the faith confessed by this boy who came there in young manhood.

"Storied urn and animated bust cannot call back the fleeting breath."

Medals, diplomas, and certificates of election are not passports into the gracious presence of the Almighty. Admissions to that holy Presence are on His terms, and these are not subject to referendum vote.

Jesus says, "I am the good shepherd: the good shepherd giveth his life for the sheep" * * * "By me, if any man enter in he shall be saved."

We of the church are thankful that the end of this distinguished life attests the Christian faith and hope which the Holy Scriptures open to us all.

But the law and the gospel of God learned by the lad who was to be the man North Dakota has known and loved, carried not only promise for the life that is to be, but light and guidance for every day of the journey here.

He who says "My Lord the Shepherd leadeth me" will also say "Thou, Lord, seest me."

He who says "God restores my soul" will also say, "God knows the inmost tendencies of my being."

He who says, "I shall dwell in the house of the Lord forever", will know that his own comings and goings in the house of this life are as an open book before the eye of Him. There is no conference or executive session where God is not the unseen Member.

Forever a fundamental of godliness is integrity—integrity, which means honesty, sincerity, trustworthiness.

The world has need of brainy men, of skilled men, of courageous men, but with all these qualities and above them all, the world needs men who can be trusted.

Men come to know each other well, not in crowds and milling masses, but where contacts are few and personal.

Siftings of personal integrity and tests of character were found everywhere during the drought-depression years of the West; and I am sure such siftings and testings were plentifully at hand across the river in Mercer County when JOHN MOSES was attorney and banker there; but people who knew him made him Governor.

No doubt testings of character and integrity were many during reconstruction days here; but folks who knew and knew him made him Governor again and again. And then the Senatorship. Folks must have trusted him.

"Continue thou in the things which thou hast learned and hast been assured of, knowing of whom thou hast learned them."

A word this for the grandsons and granddaughters of the North Dakota pioneers of yesterday.

Good leaders can do but little unless they are sustained by an enlightened and high-minded citizenship.

No one State, no one nation or people have exclusive access to his heritage, as the blessings which have come into American life and ideals with the people from many European lands will show.

Wherever true liberty has come to stay the impact of God upon human conscience and will through His Word has gone before.

It still remains to be seen whether nations whose people have been taught to "thwart and bilk the inward must" and rely instead upon the machine guns and bayonets of a host of policemen, can maintain liberty for the common people.

There was little time for wider circles in America to know the junior Senator from North Dakota; but that need not curtail the

impact of his life upon the folks young and old of his home State.

He has come back now to rest where the prairie grasses will rustle to the west wind blowing just as another tall man came home to rest where Illinois breezes wave the tasseled corn.

I do not know why, in the narrower sphere of one of the smaller States, as populations go, the name Honest JOHN MOSES should not live on, even as in the wider sphere of Nation and of the world, the name Honest Abe lives on as an inspiration to free people everywhere.

"For when a good man dies
For years beyond our ken
The light he lives behind him
Lies across the paths of men."

God bless the memory of our former Governor and your former United States Senator, JOHN MOSES.

Mr. SALTONSTALL. Mr. President, JOHN MOSES served as Governor of North Dakota for the same 6 years that I served in a like position in Massachusetts. He and I attended together the six conferences of governors held during those years. As our acquaintance developed into friendship, we corresponded on subjects of mutual interest to our States. While we were of different political parties, our ideas on many of the problems confronting us were the same. I found in him a man who was conscientious to his duties, aware of his responsibilities, and alive to the problems of the day. He was thoughtful and sympathetic in his understanding of human nature. He was intensely loyal to our system of government and proud of his part in it.

Born in Norway, he came to the United States in his early youth. He worked hard to acquire an education and become a lawyer. Thus he came to know well the principles upon which our country has been built. He was determined to do his part to maintain and improve under those principles the lot of the people within his jurisdiction. He loved people in a quiet way and liked to be with them. He was a leader in one of our great social organizations. People far beyond the confines of his own State came to know him and to respect him.

I had looked forward to serving with him in this great body, and feel I have lost a real friend. I know we would have all enjoyed his personality and respected his judgment on the many difficult questions that daily face us. I am certain his great State and our entire Nation lost, when he died, the service of a true statesman.

Mr. LANGER. Mr. President, I desire to pay my tribute of respect to the memory of my dear friend, the late Senator JOHN MOSES, a man distinguished by his loyalty to the people of North Dakota and of the great Northwest.

Among the many men who have come from Norway to build this Republic the name of JOHN MOSES will always loom large. The son of a Norwegian Lutheran minister, he came to America before he was 21 years of age. Tall and strong, he secured a job working by the day for the Great Northern Railroad Co. in the State of Minnesota, laying rails and maintaining the right-of-way. Having earned enough money to enter school, he worked his way through the lower grades until he was able to attend Teachers College at Valley City, N. Dak. Later he became registrar at that school. Upon graduating there he entered the University of North Dakota, where he was graduated with the degree of LL. B., and shortly thereafter he entered on the practice of the law.

He first located at Hope, N. Dak., where he married one of the finest young ladies of the State, Miss Ethel L. Joslyn, the daughter of one of North Dakota's grand old pioneer families.

Later he moved from the eastern part of the State to the west, locating at Hazen, N. Dak. Shortly after his arrival at Hazen he was elected state's attorney of Mercer County, which office he held repeatedly, being elected and reelected time and again. At that time I was engaged in the practice of law myself, and I made many trips to Mercer County, where I had several cases with Senator MOSES and many against him, for respective clients. He was one of the very best lawyers within the borders of our State and it was a pleasure to work with him.

Politically he was very tenacious, and possessed a determined will, with the result that after he was defeated, first for attorney general, and then later, having been defeated once for Governor, he became a candidiate again for the governorship, and in 1938 was elected Governor of the State, and made a splendid record as Governor from 1939 to 1944, inclusive. As Governor he had the complete confidence of the people.

As all Senators know, in the fall of 1944 he was elected to this body; and although he served here only 2 months, even in that short time, Mr. President, he impressed the Members of the Senate with his many sterling qualities.

Handicapped as Senator MOSES was by an incurable illness when he arrived here, nevertheless, he attended the meetings of his committees regularly, and whenever his health permitted he was present at the daily sessions of the Senate.

Senator MOSES was a kind husband, a good father, and a typical Christian family man, symbolizing the solid family ties which caused so many North Dakotans to have such pride in him and in his accomplishments. He was able and knew the problems of the poor man.

His chief interest after his arrival in the Senate was the establishment of the Missouri Valley Authority, and it was his dream that the almost inexhaustible resources of western North Dakota and the Missouri River and its tributaries should be utilized to furnish light and power to every farm home at cost.

He was also a very good friend of irrigation, and realized from his experience as Governor that the State of North Dakota could not develop its resources alone; that in order to get the greatest benefit for the greatest number the State had to act jointly with the other true Missouri Valley Basin States.

Mr. President, Senator MOSES was a true friend of mankind, and his untimely death was mourned from one end of the State of North Dakota to the other, and the State of North Dakota and the Nation, as was so well expressed at his funeral by the present Governor, Gov. Fred G. Aandahl, have suffered a tremendous loss.

The people of the State, especially the Norwegians, realized, and not without good cause, that by having Senator MOSES in the Senate they would have an apostle of peace to whom their fellow countrymen, both in the United States and in Norway, could look for assistance and guidance.

This man, Mr. President, three times elected Governor of North Dakota, and each time by an increased majority, and then elected to the high office of United States Senator, set an example which the youth of this country, I believe, will strive to emulate for many, many years to come.

He was a plain-spoken, kindly gentleman, an upright man, one who lived a Christian life, such a man as Gray might well have had in mind had he lived at the time when the poet wrote those beautiful lines:

The boast of heraldry, the pomp of power,
And all that beauty, all that wealth e'er gave,
Awaits alike the inevitable hour:
The paths of glory lead but to the grave.

The PRESIDENT pro tempore. The question is on agreeing to the resolution offered by the junior Senator from North Dakota [Mr. YOUNG].

The resolution was unanimously agreed to.

DEATH OF SENATOR JAMES G. SCRUGHAM

Mr. McCARRAN. Mr. President, it is my sad duty to announce to the Members the death of my colleague, Senator JAMES G. SCRUGHAM of Nevada. In my public life I have never had occasion to make an announcement which so impressed me with sadness as the one which I am called upon to make to the Senate this afternoon.

Senator JAMES G. SCRUGHAM, as a young man, a graduate of the University of Kentucky, his native State, was called by my alma mater, the University of Nevada, to take the chair of electrical engineering in the University of Nevada. He was with us in Nevada only a short time when he was made dean of that institution.

As a teacher in engineering he was, as he has been found ever since, a persistent, persevering, sympathetic man. The boys who took the course under him loved him from the day they entered his classes until his death, and throughout the length and breadth of the earth his boys are today mourning the passing of their old teacher and adviser.

He had an unusual approach in guiding those who enrolled in his classes. If he saw that a new student seemed to lack aptitude for the particular line of work he taught, he took him into his counsel and tried to search into his very being in order to ascertain whether he was capable of carrying on that profession successfully as his life's activity. If he found that a boy was not suited to that calling and did not have the aptitude for that particular line of work, he counseled with him and found another place where the boy's natural inclination would have opportunity for greater success. So, when his boys graduated, everyone in his

classes was called for by some of the great electrical engineering concerns of the country, and found immediate employment, and they are standing today at the head of their particular line of work.

Mr. President, the First World War found Senator SCRUGHAM putting on the uniform of his country. He was commissioned a major and sent into the Ordnance Department where his bent naturally led him. Senators will recall that at that time, we were called upon to mechanize our Army in order to meet a mechanized army abroad. So JIM SCRUGHAM, the engineer, the man who had trained engineers, was called into the Army to be an engineer in Ordnance. And there he rose rapidly. When the war was over and he retired to private life he did so as a colonel. His work in the Army was outstanding. His Army record is marked by his inventive genius and the persistency with which he worked to accomplish things.

Returning to the State of his adoption he resumed classroom work, but he was in the classroom only a short time when the Governor of Nevada appointed him to be State engineer of the State of Nevada, a position of signal importance in Nevada, because the State engineer has charge of the adjudication of all water rights in the State, and, water being such a scarce commodity in that State, every drop of it is sacred. JIM SCRUGHAM had placed upon his shoulders the obligation of adjudicating differences between men concerning water rights. There is no more contentious thing in all the world than the subject of water—water which sustains life in the arid and semiarid States.

JIM SCRUGHAM, as was his custom, revolutionized the work of the engineer's office. Instead of calling to his office those who were in dispute, instead of adjudicating simply by looking over papers, SCRUGHAM went out into the field, out to the little streams, to the little water holes, to the springs, to the rivers, and there sat down on the river bank perhaps, or in the meadow, or on the rancher's bench with the contestants, and there on the scene decided the dispute, settled the trouble. His decisions were so wise and fair that there is not a farmer or a water user in all the length and breadth of Nevada who does not today love the name of JAMES G. SCRUGHAM.

Then, Mr. President, the people of the State of Nevada, recognizing JIM SCRUGHAM'S ability, called him to the Governor's chair. He served for one term as Governor with outstanding credit to himself. To be Governor in Nevada is a task of no mean magnitude, for it is a State containing 110,000 square miles, and since only 110,000 people live in those 110,000 square miles, the Governor practically has to touch the individual in order to solve the problems which are common to the people of a sparsely settled State. JIM SCRUGHAM became affectionately known as the Governor on wheels, because he traveled over the 110,000 square miles day in and day out, and met men in the little canyons, in the little draws, on the desert, and on the mountainside. Wherever there were men to meet, there the Governor of Nevada rode and rode and rode until he met them. He talked over with them their troubles and their problems, and then returned to his office to continue his work.

I have known him to spend a day in his office busily engaged in the work of the Governorship, and then at nightfall take the car and drive to Las Vegas, Nev., 550 miles distant, and arrive there at sunup the next day. That was a common occurrence with Gov. JIM SCRUGHAM. So every man, woman, and child in that broad State grew to know him, to speak his name with affection, and to love him.

I have heard it said with what I believe to be absolute candor that JIM SCRUGHAM could call more men in the State of Nevada by their given names than any other man in that State. I believe that to be true.

Then, Mr. President, having concluded a term in the Governor's office, a change of administration took place, and he returned to private life, to become editor of the Nevada State Journal.

In 1932 the now senior Senator from Nevada and JIM SCRUGHAM held a conference, and then it was agreed that he would seek election to the House of Representatives on the Democratic ticket and that I would seek election to the Senate. We had worked together in private life. I had worked with him when I occupied a place on the court of last resort. We had worked together when he was in public life. We had grown to know and to love each other. We had grown to have confidence in each other, and that means much between men.

So in 1933, on the 4th of March, JIM SCRUGHAM became a Member of the House of Representatives. He served there for term after term with outstanding distinction. Early in his service he became the chairman of the Subcommittee of the Committee on Appropriations having to do with naval appropriations. He became known all over the country for his zeal, for his diligence, for his application to duty. Again, as was his custom, he traveled much. He visited many places. He found the cause of many troubles and solved many of them.

Then in 1942 the people of his State elected him to the Senate of the United States. In the 12 years I have served here I have never known a more happy period than the period during which my beloved colleague, JAMES G. SCRUGHAM, served with me in the Senate. We saw eye to eye on public matters. We were close in counsel. We were one in ambition to do for our State and for our country as best we could.

Last November he came to the State of Nevada to stand at my side in a bitter battle until the ballots were counted. Late in November he was stricken with a heart ailment. He went to the hospital at Bethesda, where he spent many weeks. This spring he went to the hospital at San Diego.

He suffered much during those months; but through it all he displayed the attitude of mind which has always characterized him. He was always going to do this or that tomorrow. The last time I saw him was at the Bethesda Hospital, the day before he was to fly to the West. He said, "I am leaving tomorrow. I will be back in just 1 month, and I will be with you on the floor of the Senate." He never thought of death. To him life was everlasting. He was always going to do something "tomorrow," even though he was stricken and sorely sick.

Mr. President, it comes about that today I must announce his passing. I do so with a heavy heart. He was a teacher, soldier, engineer, Governor, and statesman, all par excellence. We bid farewell to a great Nevadan, a great American, and a much-loved colleague.

Mr. President, I send to the desk a resolution, for which I ask immediate consideration.

The PRESIDENT pro tempore. The resolution will be read.

The resolution (S. Res. 145) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. JAMES G. SCRUGHAM, late a Senator from the State of Nevada.

Resolved, That a committee of five Senators be appointed by the President pro tempore of the Senate to take order for superintending the funeral of the deceased Senator.

Resolved, That the secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Under the second resolving clause, the President pro tempore appointed Mr. MCCARRAN, Mr. MURDOCK, Mr. WHERRY, Mr. ROBERTSON, and Mr. TAYLOR the committee on the part of the Senate to attend the funeral of the deceased Senator.

RECESS

Mr. McCARRAN. Mr. President, as a further mark of respect to the memory of the late Senator JAMES G. SCRUGHAM and all other deceased Senators who have been memorialized here today, I move that the Senate now take a recess until 12 o'clock noon tomorrow.

The motion was unanimously agreed to; and (at 2 o'clock and 33 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 26, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 25, 1945:

PROMOTIONS IN THE MARINE CORPS

The below-named naval aviators of the Marine Corps Reserve to be second lieutenants in the Regular Marine Corps in accordance with the provisions of the Naval Aviation Personnel Act of 1940, as amended, to rank from the dates shown:

James E. Johnson, from the 14th day of March 1942.

Julian Willcox, from the 16th day of September 1942.

The below-named citizens to be second lieutenants in the Marine Corps from the 7th day of August 1943:

Henry Brzezinski, a citizen of Michigan.

Ross V. Swain, a citizen of Illinois.

John D. McLaughlin, a citizen of California.

The below-named citizens to be second lieutenants in the Marine Corps from the 29th day of October 1943:

Theophilus A. Pierce, a citizen of New Jersey.

Albert E. Bailey, a citizen of California.

George S. Walz, a citizen of Florida, to be a second lieutenant in the Marine Corps from the 2d day of May 1944.

The below-named citizens to be second lieutenants in the Marine Corps from the 8th day of August 1944:

Keigler E. Flake, a citizen of South Carolina.

Bruce G. Warren, a citizen of Wisconsin.

Welby W. Cronk, a citizen of Virginia.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 25, 1945

The House met at 12 o'clock noon.

Rev. Malcolm N. Twiss, rector, St. Alban's Episcopal Church, El Paso, Tex., offered the following prayer:

Almighty God, our Heavenly Father, grant us strength for today; clearness of thought that, amid the rapid and bewildering changes of this age, we may perceive the needs of our country; courage that we may face the task of bringing into reality the vision of a new world where men are partners and justice prevails.

Drive far from our hearts envy, conceit, greed, and ignorance, which are the enemies of liberty, and fill us, we beseech Thee, with alertness to defend our liberties and thereby show the grace of our manhood.

And may we ever stand with grateful hearts, acknowledging Thy gracious help in our past victories, and endeavoring, not merely with our lips but in our hearts, to be worthy of the trust Thou hast given us today. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Saturday, June 23, was read and approved.

SWEARING IN OF MEMBER

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that Mr. D'EWART, of Montana, be allowed to take the oath of office now, notwithstanding the fact that his papers which have been issued by the secretary of state of Montana have not arrived. There is no contest with reference to his election.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WESLEY A. D'EWART presented himself at the bar of the House and took the oath of office.

INTER-AMERICAN STATISTICAL INSTITUTE

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 688) to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute," with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 2, strike out "the dues paid by" and insert "at least eight."

Page 2, line 4, after "have", insert "paid dues which."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SNYDER asked and was given permission to extend his remarks in two instances and to include a memorial address delivered at the dedication of a memorial for soldiers by General Clark and one by himself.

HON. JOHN K. KERR

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SNYDER. Mr. Speaker, 50 years ago this June the authorities of Wake Forest College, North Carolina, conferred the A. B. degree upon one of North Carolina's brilliant and forward-looking young men.

Just a few weeks ago the same college called this same man back to participate in the annual commencement exercises of the college, and bestowed upon him the degree of doctor of laws.

Mr. Speaker, I am sure every Member of this body agrees with me when I say that no more appropriate recognition of service rendered his State and Nation could be bestowed upon Judge JOHN H. KERR, of North Carolina. Judge KERR has served his people in elective office for more than 39 years; for 8 years he was solicitor of his district; for 11 years he presided as judge of the superior court; and since November 1923 he has ably represented his district in the Congress of the United States.

Mr. Speaker, it is a privilege and an honor to know Judge KERR; his judicial temperament and high character add prestige to any undertaking to which he may be assigned. It has been my privilege to serve with Judge KERR on the Military Establishment Appropriation Committee for a number of years, and his advice and counsel is eagerly sought. No man is held in higher respect.

HON. ROBERT L. DOUGHTON

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Speaker, the gentleman to whom the gentleman from Pennsylvania referred is not the only Member of this body to be signally honored. On tomorrow the University of North Carolina will confer the degree of doctor of laws upon our beloved, able, and distinguished colleague, Hon. ROBERT L. DOUGHTON, chairman of Ways and Means Committee.

EXTENSION OF REMARKS

Mr. VOORHIS of California asked and was given permission to extend his own remarks in the RECORD.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD and include a short article.

RETIREMENT RIGHTS OF PERSONS WHO LEAVE THE SERVICE TO ENTER THE ARMED FORCES

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3256) to amend the Civil Service Retirement Act approved May 29, 1930, as amended, in order to protect the retirement rights of persons who leave the service to enter the armed forces of the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, will the gentleman make a statement regarding the need and purpose of this bill, for the benefit of the House? This is one of the most important pieces of legislation that has come to the attention of the gentleman from Massachusetts, and the members of the Civil Service Committee and I believe a statement from the chairman of the committee should be placed in the RECORD.

Mr. RAMSPECK. Mr. Speaker, the purpose of this bill is to cure a situation that has developed in a few cases where veterans have come back from service in the armed forces and have been unable to return to their positions.

Under the Retirement Act, in such cases they are not entitled to disability retirement; whereas if they could go to work for 1 day, they would be entitled to it.

The Civil Service Commission has recommended this bill. The committee has passed it unanimously, feeling that it is not right or fair to deprive these men who have suffered grave injury because of their service in the armed forces—to deprive them of their disability retirement rights simply because of the technicality that they cannot return to their former jobs for as much as 1 day. Some of the disabled cases are mental cases who could not be restored to their positions. If they came back with some other disability under which they could go back to work for even as much as a day, they could get the disability retirement.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the distinguished gentleman from Kansas.

Mr. REES of Kansas. I merely want to say that this legislation was properly considered in our committee and has the unanimous approval of all the members of the committee. It is good legislation and ought to be passed.

Mr. BROOKS. Mr. Speaker, reserving the right to object, I think the legislation is very fine and very much needed, but I wish to ask the gentleman this question: Suppose a veteran returns with a disability which is compensable under the veterans' laws; is he entitled to retirement and to the pension both?

Mr. RAMSPECK. This legislation would not change that situation; it

simply remedies the defect where the returned soldier cannot be restored to duty and therefore is not entitled to disability retirement.

Just what the situation would be as between disability retirement and compensation under the Veterans Act I am unable to say at this moment; but certainly he ought not to be denied his right under the Retirement Act simply because he has suffered in the armed services.

Mr. PHILLIPS. Mr. Speaker, reserving the right to object, will the gentleman from Georgia explain whether it would be possible to meet this situation by saying that returned soldiers with a certain amount of disability shall be entitled to retirement under the Retirement Act?

Mr. RAMSPECK. This legislation deals only with those former Government employees who enlisted in the armed services and suffered as a result of their service disability to the extent that they cannot go back to work even for a day; it holds that they have never been separated from the service so far as the Retirement Act is concerned.

Mr. PHILLIPS. Then, Mr. Speaker, how about compensation under the veterans laws as well as retirement benefits?

Mr. RAMSPECK. I just stated that I was not able to answer that question. This legislation would not change that situation; it simply protects their rights under the disability retirement provision of the Civil Service Retirement Act.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. RANKIN. But it does not insure that they will get their jobs back.

Mr. RAMSPECK. It deals only with the cases of men who are unable to go back to work. As I stated, cases have come to our attention of mental disability where they could not go back to work for even a minute. If they could go back to work for a day then, of course, they could get their benefits under the retirement law.

Mr. McCORMACK. In other words, the purpose of this legislation is to say that a man who was working for the Federal Government and left that employment to enter the armed services, either the Army, Navy, Marines, or Coast Guard, was wounded and disabled while in the service to the point that he cannot go back to his former Federal job or any other Federal job, that such person will not be denied the benefits he would otherwise be entitled to under the Federal Employees Retirement Act.

Mr. RAMSPECK. That is correct.

Mr. McMORMACK. In other words, that service in the war is not going to penalize him.

Mr. RAMSPECK. That is correct.

Mr. HOFFMAN. Mr. Speaker, reserving the right to object, can the gentleman tell me whether his committee or any other committee has under consideration any legislation that will give the disabled veterans who return an opportunity to get their jobs back even though they do not belong to a union, or will they have to join up and pay dues before they can get a job?

Mr. RAMSPECK. No Federal employee has to join any union.

Mr. HOFFMAN. I am thinking about the jobs in the war industries.

Mr. RAMSPECK. This bill does not deal with that; the Committee on the Civil Service has nothing to do with that.

Mr. HOFFMAN. Has the gentleman's committee, or anybody on the Majority side any legislation to help the veteran get a job without paying union dues?

Mr. McCORMACK. I hope we will not confuse a very meritorious piece of legislation with other issues.

Mr. HOFFMAN. I know it is a hot proposition.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That section 5 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding after the second paragraph thereof a new paragraph as follows:

"During the period of any war, or of any national emergency as proclaimed by the President or declared by the Congress, no officer or employee to whom this act applies who has left or leaves his position to enter the armed forces of the United States shall be considered as separated from such position for the purposes of this act by reason of his service with the armed forces of the United States. This paragraph shall not be so construed as to prevent the payment of refunds as provided by section 7 (a) or 12 (b) of this act."

SEC. 2. There are hereby authorized to be appropriated annually to the civil-service retirement and disability fund such sums as may be necessary to meet the cost of this amendment.

SEC. 3. The amendment made by the first section of this act shall become effective as of September 8, 1939.

With the following committee amendments:

Page 1, strike out all of lines 6 and 7 and the words "the Congress" in line 8.

Page 1, line 9, after the word "who", insert "during the period of any war, or any national emergency as proclaimed by the President or declared by the Congress."

Mr. RANKIN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this bill is a very laudable, but a very feeble, gesture.

The gentleman from Michigan [Mr. HOFFMAN] raised an issue a moment ago that is disturbing the servicemen all over the country, and that is whether or not they are going to have to get down on their knees and pay tribute to some racketeer or pay an exorbitant fee for joining a union before they are permitted to work for their daily bread.

I have a bill before the Committee on World War Veterans' Legislation to prevent that very thing. Many of these boys write me that they are unable to go back to work because of their inability to pay the exorbitant charges that are demanded of them.

We told them before they went to war that they could have their jobs back, that they could come back and work unmolested in a free country of free enterprise. Before the Congress recesses for the summer I am going to try to bring that legislation to the floor of the House, in order that we may protect these veterans who have been protecting us, in order that those men who have served on the firing line may come home and work without paying tribute for the privilege of doing so.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. When is the gentleman going to bring that legislation in?

Mr. RANKIN. I intend to bring it in between now and this time next week, if possible, and I hope it will have the unqualified support of the gentleman from Massachusetts.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Michigan.

Mr. HOFFMAN. I hope the veterans will be given the right to work without being required to pay tribute to anyone.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. RICH rose.

Mr. RAMSPECK. Mr. Speaker, I withdraw my request temporarily.

Mr. RANKIN. Mr. Speaker, a point of order. He cannot withdraw it now because unanimous consent has already been given.

The SPEAKER. The gentleman can withdraw his request by unanimous consent. Is there objection to the request of the gentleman from Georgia?

There was no objection.

ANNOUNCEMENT

Mr. KNUTSON. Mr. Speaker, on Saturday the gentleman from Michigan [Mr. WOODRUFF] and myself took part in a national radio discussion. We were not here on the final roll call. I find that the gentleman from Michigan [Mr. DINGELL], with whom I had a pair on the amendments, also carried it on to the final vote. In view of the very beneficial manner in which the bill was finally amended, I wish to announce that had I been present I would have voted for the bill.

EXTENSION OF REMARKS

Mr. STEWART asked and was given permission to extend his remarks in the RECORD and to include a news story which appeared in the Oklahoma and Washington papers by Robert Taylor, entitled, "Farmers Ask Congress to Probe Farm-to-Market Trucker Fees."

Mr. TRAYNOR asked and was given permission to extend his remarks in the RECORD and to include a newspaper article.

Mr. SASSCER asked and was given permission to extend his remarks in the RECORD and to include an article which appeared in the Stars and Stripes.

CORRECTION OF ROLL CALL

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that the roll call on the final passage of the bill on Saturday be corrected so that the gentleman from Michigan [Mr. DINGELL] will be recorded as having voted.

The SPEAKER. The gentleman has already announced that if he had been here he would have voted for the bill.

Mr. KNUTSON. I am asking that the gentleman from Michigan be so recorded.

The SPEAKER. The gentleman from Michigan voted, then withdrew his vote because he stated he had a pair.

Mr. KNUTSON. Mr. Speaker, I am not asking the Chair to stretch his conscience. I withdraw the request.

EXTENSION OF REMARKS

Mr. FEIGHAN asked and was given permission to extend his own remarks in the RECORD and to include a resolution of representatives of American Slovak organizations united in the Slovak League of America.

Mr. BROOKS asked and was given permission to revise and extend his remarks and include an editorial from the Shreveport Times, entitled "Rest These Divisions."

RETURNING VETERANS' VIEWS

Mr. GALLAGHER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. GALLAGHER. Mr. Speaker, in reference to the remarks made by the gentleman from Mississippi regarding the returning veterans, may I say that I have investigated this matter also. I have talked to many discharged veterans, and they all tell me that they can take care of the question of unionism or otherwise when the time comes; that they are going to control the situation and have their say on any question presented; that they desire and want the same wages that the civilians received while the boys were on the fighting lines. They do not ask anybody to help them. If the unions do not take care of them, they will take care of the unions.

EXTENSION OF REMARKS

Mr. GWYNNE of Iowa asked and was given permission to extend his remarks in the RECORD and include tables.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include three short newspaper articles published in his district to the effect that the operation of the OPA in the meat and sugar program is bringing famine to the people in his district.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington Post on treaty ratification.

Mr. HORAN asked and was given permission to extend his remarks in the RECORD and include an article from this morning's Washington Post.

LEAVE OF ABSENCE

Mr. MASON. Mr. Speaker, my colleague the gentleman from Iowa [Mr. DOLLIVER] is away on official business in connection with the Committee on Immigration. I ask unanimous consent that he be granted leave of absence for 4 days beginning today.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PRICE OF CHERRIES—WHEN

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. WEICHEL. Mr. Speaker, the War Food Administration has had nearly a year to establish the price of cherries to growers. The crop in Ohio is now ready for market, and the War Food Administration has not put forth the price. On behalf of the growers I have continually requested this information, and today I received the following telegram from a grower:

Sour cherries ready for market tomorrow. WFA has not named price to growers; immediate action necessary.

Mr. Speaker, I would ask the War Food Administration how much longer it intends to wait to establish the price for the 1945 cherry crop.

CIO PROCEDURE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include newspaper articles.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. HOFFMAN addressed the House. His remarks appear in the Appendix.]

CANADIAN MINING PROSPECTUSES

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, a week or so ago I mentioned the fact that the schemes conducted by the stock salesmen representing mining interests in Canada were very detrimental to the welfare of the pocketbook of the citizens of this country. The State Department ought to insist that the agreement made between the United States and Canada regarding the selling of these worthless mining stocks should be agreed to. I hold in my hand three or four letters that have been received in my home town from these Canadian get-rich mining schemes, and they all say how much money can be made "If you will invest in them." I do not want to advertise them or I would read them to this House. I expect to get telephone calls like other people have received asking me to invest in these stocks. I will say "No," and for the good of all investors they would be wise to do likewise. We are going to have the people of this country hoodwinked to buy these mining stocks until the State Department will insist that Canada protect our citizens and approve the treaty prohibiting Canadian swindling stock mining salesmen from selling such worthless stocks by mail, by personal visits, or by telephone calls urging our citizens of the United States of America to invest in worthless stocks. It is a racket, and I am in hopes that our State Department will insist on the treaty being ratified between the United States and Canada.

OFFICE OF PRICE ADMINISTRATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include as part of my remarks an editorial on the OPA entitled "New Thought on Food" and certain excerpts from letters regarding the OPA.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. CRAWFORD asked and was given permission to extend his own remarks and include a radio address on a very heroic lieutenant nurse from his district who was killed in action.

THE OFFICE OF PRICE ADMINISTRATION

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, the action taken by this House last week with reference to the OPA marks an epoch in the political and economic life of the Nation.

By a solid Republican vote, supported by a large number of patriotic Democrats and by a militant public sentiment, the strangle hold of New Deal bureaucracy at its worst was broken and its forces scattered in wild retreat.

Adamant they stood against any amendments to their puny proposals which in effect would give the people a stone when they were so persistently and patiently asking for meat and bread.

In establishing this beachhead the House has regained much of the prestige and power that it had so abjectedly surrendered to the Executive and the bureaus during the past 12 years.

This action is a healthy sign.

The people enthusiastically approve it.

The House conferees when they meet with the Senate conferees to compose the differences in the House and Senate bills should properly appreciate the action of the House. Any proposed conferee who feels he cannot conscientiously defend the House vote should not accept appointment as a conferee.

The people are on the march. No arrogance or bureaucratic bigotry in any government can long resist the demands of the people whose patience has become exhausted.

EXTENSION OF REMARKS

Mr. BLACKNEY asked and was given permission to extend his remarks in the RECORD and include a newspaper clipping.

Mr. WOODRUFF of Michigan asked and was given permission to extend his

remarks in the RECORD and include a letter from a constituent.

PERMISSION TO ADDRESS THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that on tomorrow I may be permitted to address the House for 10 minutes after the disposition of business on the Speaker's desk and following any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. JENSEN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Atlantic Telegraph on the meat problem, and also an open letter to the OPA relative to poultry ceilings and OPA regulations by Kenneth Robinson, editor of the Bayard (Iowa) News.

THE MEAT SITUATION

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I was interested in what the gentlewoman from Massachusetts had to say about the possibilities immediately after CLINTON ANDERSON takes office as Secretary of Agriculture. But I do not think we should put Mr. ANDERSON in an impossible position by assuming that just because he steps into office meat is then going to start to pour into the markets in unlimited quantities. It takes more than that. So far as I am concerned, if this meat situation can show any change for the better in 3 months' time, that will be very good, and we should not expect any more of our colleague in this House. It takes labor, it takes feed, and it takes a lot of work in the farmyards before that meat will be available to the Nation. So let us not put CLINTON ANDERSON in an impossible position and expect the millennium.

THE LATE EUGENE OCTAVE SYKES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I am sure it was a distinct shock to the membership of the House of Representatives to learn of the passing away of Judge Eugene Octave Sykes, a former member of the Federal Communications Commission, who passed away at his home here in Washington on last Thursday and was laid to rest at Aberdeen, Miss., his boyhood home, on yesterday.

Judge Sykes was one of the most popular, as well as one of the ablest, men who ever served on that Commission.

The son of a very distinguished jurist, he was an able lawyer himself. He was educated at St. Johns College, the Naval Academy, and the University of Mississippi.

He early became one of the leading lawyers of our State and for many years served on the supreme court of that great Commonwealth.

In 1927 he was appointed a member of the Federal Radio Commission by President Coolidge, and was reappointed by both President Hoover and President Roosevelt.

Mississippi has sustained a great loss in the passing of this distinguished son, and the Nation has sustained a loss in the passing of one of its most patriotic and useful citizens.

Personally, I feel his loss most keenly, for he was one of the best friends I ever had.

His life was gentle, and the elements
So mix'd in him that Nature might stand up
And say to all the world, "This was a man."

CONFERENCE REPORT ON INTERIOR DEPARTMENT APPROPRIATION BILL, 1946

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to have until midnight tonight to file a conference report and statement on H. R. 3024, the Interior Department Appropriation bill for the fiscal year 1946.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Gatling, its enrolling clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 911. An act authorizing the conveyance of certain lands to the city of Cheyenne, Wyo.

The message also announced that the Senate disagrees to the amendment of the House to the joint resolution (S. J. Res. 30) entitled "Joint resolution extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended"; and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WAGNER, Mr. BARKLEY, Mr. BANKHEAD, Mr. RADCLIFFE, Mr. TOBEY, Mr. TAFT, and Mr. BUTLER to be the conferees on the part of the Senate.

DISTRICT OF COLUMBIA LEGISLATION—AMENDING SECTION 927 OF THE CODE RELATING TO INSANE CRIMINALS

Mr. RANDOLPH. Mr. Speaker, I call up the bill (S. 463) to amend section 927 of the Code of Law of the District of Columbia relating to insane criminals, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That section 927 of an act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended, relating to insane criminals, be, and the same is hereby amended to read as follows:

"SEC. 927. Insane Criminals: When any person tried upon an indictment or information for an offense or tried in the juvenile court of the District of Columbia for an offense, is acquitted on the sole ground that he was insane at the time of its commission, that fact shall be set forth by the jury in their verdict; and whenever a person is indicted or is charged by an information for an offense, or is charged in the juvenile court of the District of Columbia with an offense, and before trial or after a verdict of guilty, it shall appear to the court, from prima facie evidence submitted to the court or from the evidence adduced at the trial, that the accused is then of unsound mind, the court may order the accused committed to the Gallinger Municipal Hospital for a period not exceeding 30 days, which period may be extended by the court for good cause shown, for examination and observation by the psychiatric staff of said hospital. If, after examination and observation, the said psychiatric staff shall report that in their opinion the accused is insane, the court may cause a jury to be impaneled from the jurors then in attendance on the court or, if the regular jurors have been discharged, may cause a sufficient number of jurors to be drawn to inquire into the sanity of the accused, and said inquiry shall be conducted in the presence and under the direction of the court. If the jury shall find the accused to be then insane, or if an accused person shall be acquitted by the jury solely on the ground of insanity, the court may certify the fact to the Federal Security Administrator, who may order such person to be confined in the hospital for the insane, and said person and his estate shall be charged with the expense of his support in the said hospital. The person whose sanity is in question shall be entitled to his bill of exceptions and an appeal as in other cases."

Mr. RANDOLPH. Mr. Speaker, this legislation has passed the Senate. The District Committee gave it most careful consideration and reported the bill unanimously.

It would empower the courts to commit for examination and observation any defendant in a criminal case where the police or the Juvenile Court feels from the prima facie evidence before it that the defendant is of unsound mind. The commitment shall be to Gallinger Municipal Hospital for a period not exceeding 30 days.

We have had certain cases of so-called indecent exposures and in connection with the jurisdiction of the court this legislation is necessary to take care of those people.

The Senate and House District Committees feel that the legislation is meritorious and should be passed.

I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the passage of the bill.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE DISTRICT OF COLUMBIA TRAFFIC ACT

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2552) to amend paragraph (c) of section 6 of the District of Columbia Traffic Act, as amended by the act approved February

27, 1931, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, strike out lines 1 to 4, inclusive.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. JENSEN. Reserving the right to object, Mr. Speaker, I would like to have an explanation of this bill.

Mr. RANDOLPH. I will explain this, and I will explain each and every bill that is on the calendar today. This legislation has to do with the congressional tags.

Mr. JENSEN. The particular bill in which I am interested, I understand, is coming up today and is a bill which would transfer from the District of Columbia appropriation bill the pay for the Park Police and transfer it to the Interior Department appropriation bill.

Mr. RANDOLPH. That is not the bill in question.

Mr. JENSEN. I realize that.

Mr. RANDOLPH. I realize the gentleman's zealousness, and he will be protected at the time that bill is called.

Mr. RICH. Reserving the right to object, we would like to hear what this bill is.

Mr. RANDOLPH. This legislation has passed the House and has passed the Senate. There was simply a clarification of the legislation desired by the Senate, to which the District of Columbia Committee of the House agreed. It is simply striking out three lines in the bill which were covered earlier in the bill. We are attempting to protect the Congressional tags that have expired and prevent them from being used by unauthorized persons.

Mr. RICH. I think you are doing a good piece of work when you eliminate those tags.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA ALLEY DWELLING ACT

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 3201) to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 4 (b) of the act known as the "District of Columbia Alley Dwelling Act", approved June 12, 1934, as amended, be amended further to read as follows:

"(b) On and after July 1, 1946, it shall be unlawful to use or occupy any alley building or structure as a dwelling in the District of Columbia."

Sec. 2. That section 6 of such act, as amended, be further amended by striking "1945" and inserting in lieu thereof "1946."

Mr. RANDOLPH. Mr. Speaker, the purpose of this legislation is to postpone until July 1, 1946, the date on which it will become unlawful to use or occupy any alley dwelling, building, or structure as a place of habitation in the District. Under the impact of war we have not had an opportunity to eliminate these so-called slums by the construction of better habitations for the people of the District of Columbia. This merely provides for a postponement of the effective date.

Mr. RICH. Will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. RICH. We have some alley dwellings in the District of Columbia and it is a shame for people to live in them. I hope that soon we can get rid of them, because they are not fit for people to live in.

Mr. RANDOLPH. That opinion is shared by many Members of Congress on the District Committee and by other Members of the House.

Mr. GAVIN. Mr. Speaker, I move to strike out the last word, ask unanimous consent to proceed out of order, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, I thank the distinguished gentleman from West Virginia [Mr. RANDOLPH] for allowing me to proceed out of order at this time.

Mr. Speaker, much as I hesitate to add additional worry to the American parents who may feel after hearing this story that such conditions exist in various Army camps throughout the country where their sons may be training, nevertheless I feel obliged to tell this story with the hope that if similar conditions exist it will bring them to light and that outrageous and almost unbelievable conduct such as described in this story on the part of the personnel directing our camps and our training will be definitely eliminated and properly handled by the military authorities.

Recently I noted from press reports that the testimony given by the distinguished and very able and greatly respected Gen. George C. Marshall before the Woodrum committee would evidence that he favors the youth draft or universal military training or compulsory military training or whatever you care to call it. However, I want to call to the attention of General Marshall that if the gestapo type of training that was dished out at Lincoln Army Air Base under Major General Duncan is what he has in mind in the way of training for the American youth, I would suggest that the War Department had better get their house in order or there will be but few votes for military training of any kind if it is to be of the character as carried on up to some months ago at Lincoln Army Air Base.

The War Department now has this story and has had it for the past 4 months, so it will not be new to them. The Secretary of War has had ample time for a complete investigation, so there is nothing that might be said now that might prove to be a difficulty in securing facts and information as to its accuracy.

This is a story of a boy from my district in Pennsylvania. A fine boy with a fine civilian record. A young fellow about 6 feet 3 inches, weighing about 190 pounds, and to me, a typical American boy and a typical American soldier.

Now I might advise the Members of Congress that evidently this was not an isolated case and after the Subcommittee of the Military Affairs Committee under Representative DURHAM's direction delved into the matter a number of other cases were uncovered. This ring at Lincoln Army Air Base had been operating for some time and those involved are privates, noncommissioned officers, commissioned officers, and even a chaplain has been mentioned.

Last February this young man came to my office and told me this story. That a year ago—1944—while stationed as an air cadet at Lincoln Army air base he was standing at attention in morning formation during subzero weather with his hands in his pockets. It might be said that he had been issued gloves which he also had on at the time. His corporal called his attention to this infraction of the regulations. And several days later he was again found with his hands in his pockets during formation. His corporal reported him and he was court-martialed and sentenced to 3 months in the guardhouse. In the guardhouse he was given a can detail of flattening cans. He was reported for not working fast enough and also talking to the guard. He was again court-martialed and sentenced to 24 hours on the rock pile, to break rocks with a short-handled sledge at a cadence of 120 blows per minute. After 4 or 5 minutes the guard told him to work faster, that he was not working fast enough. And he could not work any faster as 120 blows per minute would be 2 blows a second and no human could possibly carry on at that speed.

The private then, as I recall his story, dismissed the guard and commanded the boy to stand at attention with the sledge at his side, which he did. He was then smashed across the jaw with an MP's club, which raised a welt on the left side of his face as big as a fist, which knocked the fillings out of his teeth, was knocked down and upon arising he was again knocked down and smashed into unconsciousness and beaten around the shoulders, arms, and legs. He was then dragged off to the guardhouse and placed in solitary confinement, which was a room with a concrete floor, his clothes taken from him, and he had no outside communication except a slot in the door to pass in food.

He bled profusely through the mouth and nose and by the boy's statement it might be interesting to know that he testified a captain and a lieutenant stood by and observed this performance.

While in solitary confinement another boy from Shreveport, La., who had witnessed the performance and who was brought back from overseas to testify, and I might say he was a fine soldier with a chestful of ribbons and the Purple Heart and I gloried in so fine and courageous an American, and said he saw

this beating and when the boy was placed in solitary confinement he reported the matter to the officer of the day who investigated the case and removed the boy to the hospital where he remained for 16 days. And while in the hospital his mother was denied permission to see him.

He was asked during his testimony if he offered any resistance and he said he offered no resistance whatever. And when asked if he said anything, he said he told the private who had given him the beating when he fell the first time that God would punish him for doing this to him.

I talked with the boy after he had made his statement and he was quite calm. I said, "Son, I suppose you are quite disillusioned about the service." He said that he was not, but he just did not want it to happen to any other boy. And I think the Members of Congress will quite agree with that statement.

It might be said that after this boy was released from the guardhouse, where he served 48 days of a 3 months' sentence, he reported the matter to a lieutenant colonel at the Lincoln Army Air Base who was, in his opinion, the base administrator. The lieutenant colonel's secretary took his complete statement. However, no action was taken. And as I recall it, he was later transferred to Pope Field, N. C., where he again reported the incident, and no action was taken. Later, at Fort Bragg, the incident was again reported, and no satisfaction was given him, and then someone suggested he see his Congressman, which he did.

When I recovered from my amazement at his story, I sought out Chairman MAY of the Military Affairs Committee but who was out of town at the time on official business. I then talked with Representative THOMASON, of Texas, as acting chairman of the committee, and he referred me to Representative DURHAM, the able gentleman from North Carolina, who was leaving at that time to return to his district on official business, and he suggested that the boy make his statement to the legal counsel of the Military Affairs Committee, Mr. H. Ralph Burton, which was done in the presence of Representative IVOR D. FENTON, able Pennsylvania member of the Military Affairs Committee, and whose counsel, cooperation, and direction were most helpful in this matter.

A week or so later the boy was recalled and again made his statement to the Subcommittee of the Military Affairs Committee and they immediately subpenaed the hospital records, froze all witnesses as the boy had taken names and serial numbers of the witnesses; and his story has been substantiated. The hospital records, I understand, show contusions of the jaw, shoulders, arms, and legs.

Secretary of War Stimson was informed at the time through General Reber and Colonel Kyle of his staff. They related the story to the Secretary of War who then called me on the telephone, at my request, and advised me he had the full story. The War Department now has the matter in their charge.

The only disciplinary action that has been taken, that I know of, is that Major General Duncan, commanding officer up until April 15, 1944, has been transferred to the Aleutians. This is a factual case and the matter rests entirely with the War Department.

I think every camp in the United States should have an investigation to ascertain whether or not similar conditions exist elsewhere. I do not know how such investigations could be made, but I think it is important enough that the Military Affairs Committee give some attention to this matter.

In conclusion I want to pay my compliments to Representative DURHAM of the Subcommittee of the Military Affairs Committee. He went into action immediately with the legal counsel, Mr. H. Ralph Burton, subpenaed the hospital records, froze the witnesses, brought witnesses back from overseas and handled the whole matter in a very satisfactory manner.

It might be said that one of the witnesses the boy mentioned in his testimony was reported by the legal counsel as being dead, and I understand that upon further investigation he was reported to have committed suicide.

The committee secured the facts and investigated the case thoroughly and completely so the War Department would have full information under which to proceed.

We have heard recently a lot of talk about educating the people in other countries so as to give them the proper line of reasoning and tell them about democracy in action. Well, I think it is about time we spent a little money in our own backyard doing a little educational work to teach some of our own members of the armed forces what this great Republic of our represents and stands for.

The War Department has given assurance in this and other cases that proper disciplinary action will be taken, looking to proper punishment of officers and enlisted men who stood by and took no action for protection of this boy.

Mr. RANDOLPH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsier was laid on the table.

AMENDING CODE OF LAWS FOR THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 2874) to amend the Code of Laws for the District of Columbia to authorize any corporation formed under authority of subchapter 3 of chapter 18 of such code to specify in its bylaws that a less number than a majority of its trustees may constitute a quorum for the transaction of the business of the corporation, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That section 601 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, 1940 edition, sec. 29–603), is amended to read as follows:

"SEC. 601. Trustees: Such incorporated society may elect its trustees, directors, or managers at such time and place and in such manner as may be specified in its bylaws who shall have the control and management of the affairs and funds of the society, and a majority of whom shall be a quorum for the transaction of business, unless a less number be specified as a quorum in the bylaws; and whenever any vacancy shall happen in such board of trustees, directors, or managers the vacancies shall be filled in such manner as shall be provided by the bylaws of the society."

Mr. RANDOLPH. Mr. Speaker, this bill was called up by the District Committee on an earlier occasion. The gentleman from Pennsylvania [Mr. RICH] objected at that time. He is not on the floor at the moment, having been called from the Chamber, but I have spoken to the gentleman and he is agreeable to passage of the legislation at this time.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTROL OF RABIES IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 2995) to amend an act entitled "An act to creat a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes," approved June 19, 1878, as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the act entitled "an act to create a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes", approved June 19, 1878, as amended, be and the same is hereby further amended as follows:

Section 3 of said act is hereby amended by adding thereto the following proviso: "*Provided*, That no owner shall be permitted to redeem any dog seized and impounded as aforesaid, nor shall the Poundmaster deliver any dog to a purchaser unless such owner, or purchaser shall first satisfy the Poundmaster that he has obtained for such dog the tax tag provided for in section 2 of this Act, and if at such time there shall be in force a proclamation of the Commissioners requiring dogs to be vaccinated against rabies, such owner or purchaser shall also satisfy the Poundmaster that such dog has been vaccinated against rabies in accordance with such proclamation."

SEC. 2. Section 7 of said Act is hereby amended to read as follows:

"SEC. 7. Whenever it shall be made to appear to the Commissioners that any dog or other animal within the District is afflicted with rabies, or is suspected of being rabid, or whenever said Commissioners shall be notified by the Health Officer of the District of Columbia that rabies may spread within said District, said Commissioners are hereby empowered to issue proclamations re-

quiring such of the following measures as said Commissioners may deem necessary with respect to all dogs or other animals within said District: (1) Muzzling; (2) leashing; (3) confinement or quarantine; (4) vaccination against rabies. Such measure or measures shall be required for such periods or at such times as the Commissioners may designate in any such proclamation. The Commissioners are hereby authorized to prescribe in any such proclamation such regulations as may be necessary to carry out the measure or measures required.

"Any person violating any provision of any such proclamation shall be punished by a fine of not more than $300 or imprisonment for not more than 90 days."

With the following committee amendments:

Page 1, line 8, insert:

"Section 1 of said act is hereby amended to read as follows: 'That there shall be levied a tax of $3 each per annum upon all dogs owned or kept in the District of Columbia; said tax to be collected as other taxes in said District are or may be colleced.' "

Page 2, line 6, after the word "owner" insert "keeper, or purchaser."

Page 2, line 8, strike out the word "a" and insert "an owner, keeper, or."

Page 2, line 9, after the word "owner" insert "keeper."

Page 2, line 14, after the word "owner" insert "keeper."

Page 2, line 17, strike out "2" and insert "3."

Page 3, line 2, after the word "to" insert "any or."

Page 3, line 11, insert:

"Whenever the Commissioners shall by proclamation require dogs or other animals in the District to be vaccinated against rabies, the owners or keepers of such dogs or other animals may have such vaccination done at their own expense by private veterinarians or at the expense of the District of Columbia by veterinarians designated for that purpose by the Commissioners. For the purposes of this section, the Commissioners are authorized and directed to provide the necessary personnel and facilities, including vaccine tags and vaccine."

Mr. RANDOLPH. Mr. Speaker, there are approximately 50,000 dogs in the District of Columbia. In the calendar year 1944 at least three known deaths from hydrophobia were recorded in Washington, D. C. Virginia and Maryland and nearby sections have a control of rabies which is operating on a very splendid basis. The Commissioners' power under the act of June 19, 1878, has been found inadequate for several reasons. In acting under that statute, the Commissioners are restricted to issuing proclamations requiring muzzling. Muzzling alone is ineffective. Muzzles slip off, are removed by children, are stolen, and are worked off by the animals themselves. Moreover, difficulty in procuring substantial muzzles is reported, due to the shortage of materials. Further, many owners of animals, apparently ignorant of or indifferent to the dread nature of rabies in animals and hydrophobia in man, are careless about obeying the muzzling requirement. Under present law, an unmuzzled dog is seized and impounded if found running at large. The owner may, however, redeem such dog upon payment of $2, even though he has never taken the trouble to obtain a tax tag for the animal. The poundmaster reports instances where an owner has called at the pound on more than one occasion to redeem his dog, found at large unmuzzled in violation of the Commissioners' proclamation. That is all I have to say on the bill. It is very necessary. We have had adequate hearings before the subcommittee, and the full committee gave its unanimous approval to the legislation.

Mr. DIRKSEN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I take this time only to direct the attention of the Members who are here this morning on the nature and type of legislation which we are considering on the District Calendar. For instance, here is a bill which authorizes the Congress to make it possible to take somebody who is suspected of criminal tendencies or of insane tendencies, if he has committed a felony, so that we can get him over to Gallinger Hospital. That is a matter that probably ought to be handled by the District Commissioners without having to come up here and get a bill through the committee, through the House, through the Senate committee, then the Senate, then to conference, and eventually have it signed at the White House.

In view of the rather limited housing conditions which requires an extension of time when alley dwellings can be inhabited from 1945 to 1946, and which is wholly a ministerial matter, certainly legislation of this type should not engross the attention of this or the other body. The bill reflects reference to an outbreak of rabies among dogs. There again it is the exercise of a police power here either through the police or the Commissioners of the District of Columbia. Surely there ought to be some kind of over-all authority extended through some provision or some specific authority whereby those who direct the destinies of the District would not have to come back to the Congress and get the authority to do so.

In a short while we will consider a bill reflecting conflicting jurisdiction between the Metropolitan Police and the officers of the District of Columbia. There is some question whether the Metropolitan Police can deal with felonies depending on where the crime has been committed. That is wholly within the purview of the Police Department and it is one of those things which ought not to engross and engage the attention of those who have other types of legislative business that deals with the whole country. I take this time to point out to the Congress that something must be done in regard to this matter, and I am hopeful that the reorganization committee, the joint committee which has been studying this problem, will make some recommendation which I am sure will find acceptance in this and the other body whereby we can relieve ourselves of some of this responsibility and put it where it belongs, down in the District Building.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUSTIFICATIONS FOR SALARY ADJUSTMENTS FOR MEMBERS OF THE METROPOLITAN POLICE, THE UNITED STATES PARK POLICE, THE WHITE HOUSE POLICE, AND THE FIRE DEPARTMENT OF THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 3291) to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia, and ask that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the annual basic salary of any officer or member of the Metropolitan Police, the United States Park Police, the White House Police, or the Fire Department of the District of Columbia, whose rate of compensation is governed by the act of July 1, 1930, as amended (Public Law No. 489 of the 71st Cong.; Public Law No. 297 of the 78th Cong.), is hereby increased by 20 percent of that part thereof which is not in excess of $1,200 per annum, plus 10 percent of that part thereof which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 percent of that part thereof which is in excess of $4,600 per annum.

SEC. 2. In lieu of overtime pay and night pay differential, officers and members of the Metropolitan Police, the United States Park Police, the White House Police, and the Fire Department of the District of Columbia shall be paid additional compensation at the rate of 8 percent of their annual basic salaries as provided for in section 1 of this act.

SEC. 3. This act shall take effect on July 1, 1945.

Mr. RANDOLPH. Mr. Speaker, the purpose of this legislation is to bring the members of the Metropolitan Police force, the Park Police, and the White House Police force, and also the members of the Fire Department of the District of Columbia under salary provisions similar to those now applicable to other individuals in the Government service.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Massachusetts, the distinguished Majority Leader.

Mr. McCORMACK. Is there any consideration given in the bill to men who are retired, so that they will get any benefits as a result of this increase?

Mr. RANDOLPH. Mr. Speaker, I am glad the gentleman from Massachusetts makes that inquiry because that was a subject of much discussion in the subcommittee and in the full committee. The legislation as presented provides that those who have been retired, many of them because of the hazardous type of employment and who are aged and infirm, will receive benefits. The testimony of those men was very persuasive, and although the District Commissioners opposed the giving of the benefits to these retired men, the committee thought they should be given the benefits

even though it involves some additional money.

Mr. McCORMACK. Is there any date limit set in the bill?

Mr. RANDOLPH. No, there is not.

Mr. McCORMACK. That is fine. I want to congratulate the committee. I think the committee used very, very fine judgment.

Mr. RANDOLPH. I thank the gentleman.

Mr. Speaker, I offer an amendment which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH: On page 1, strike out all of lines 7 and 8 and in line 9 down to and including the comma and insert in lieu thereof the following:

"An act entitled 'An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia, approved July 1, 1930, as amended.'"

Mr. DONDERO. Mr. Speaker, I move to strike out the last word, to ask the gentleman from West Virginia a question. I understand the Metropolitan Police and the Park Police and the Capitol Police did not come under the provision of the bill recently passed in this House regarding Federal employees.

Mr. RANDOLPH. The gentleman is correct. That is the reason for this bill.

Mr. DONDERO. This simply brings them in line with that bill? They are entitled to the increase.

Mr. RANDOLPH. The gentleman is correct in his observation.

Mr. SMITH of Virginia. Mr. Speaker, I move to strike out the last word.

This bill, as has been explained, has no purpose other than to bring the Metropolitan Police, Fire Department, and White House Police in line with the recent act increasing the pay of all civil-service employees. It is a meritorious bill. I am sure the House will adopt it.

With reference to the question asked by the majority leader, that is taken care of in this way as to retired officers: Some years ago Congress passed a bill which provided that retired officers should automatically receive the benefit of any increase that might be given by act of Congress to the active force, so that without any reference to it in the bill itself, which today we have before us, the increase of the retired employees is taken care of under the automatic provision of the act previously passed.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. May I say that the gentleman from Virginia, and all other members of the committee, without regard to party, have attempted always to see that the employees within the District of Columbia were not favored but were given equal treatment with other Federal employees. That is what we have done in this bill.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from West Virginia [Mr. RANDOLPH].

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALARIES OF METROPOLITAN POLICE FORCE AND FIRE DEPARTMENT, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2875) an act to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and Fire Department of the District of Columbia," with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 7, strike out "$3,000" and insert "$3,400."

Page 2, line 8, strike out "$3,000" and insert "$3,400."

Mr. RANDOLPH. Mr. Speaker, the Senate increased the amount beyond that which the House had given to the pilots and marine engineers by $400. The matter has been very carefully investigated. These men have to pass tests which are very severe. He must first pass the entrance examination for privates in the fire department; he must hold a master pilot's license prerequisite for which is at least 5 years' experience in handling boats. He must be a licensed officer of the U. S. Steamboat Inspection Service, and must have a restricted radio telephone operator's license. As you see they have to be able to perform many types of jobs to operate boats and handle engines as well as to know maritime law. The raise of $400 beyond that which the House had provided really brings these gentlemen into line with a salary which is comparable to other cities.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. How many positions does this bill affect?

Mr. RANDOLPH. Five positions are involved.

Mr. CASE of South Dakota. That is five positions in all?

Mr. RANDOLPH. Five positions in all, in the District of Columbia; yes, sir.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SECOND DEFICIENCY APPROPRIATION BILL

Mr. CANNON of Missouri, from the Committee on Appropriations, reported the bill (H. R. 3579, Rept. No. 785), making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes, which was read a first and second time, and with the accompanying report, referred to the Committee of the Whole House on the State of the Union, and ordered printed.

Mr. DIRKSEN reserved all points of order on the bill.

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Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 3220) to establish a boundary line between the District of Columbia and the Commonwealth of Virginia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. STEFAN. Mr. Speaker, I reserve the right to object. I do that for the reason that I want to call to the attention of the distinguished gentleman from West Virginia [Mr. RANDOLPH] that I will oppose the passage of this bill unless an amendment which he discussed with me is adopted, an amendment which will give ownership and title to all of the Washington National Airport to the United States Government.

Mr. RANDOLPH. Will the gentleman yield?

Mr. STEFAN. I yield.

Mr. RANDOLPH. The gentleman from Nebraska [Mr. STEFAN], among other Members of the House, including the gentleman from South Dakota [Mr. CASE], on previous occasions has been intensely interested in the proper passage of this legislation. It is a century-old dispute as to the proper boundary between the District of Columbia and the State of Virginia.

Mr. STEFAN. A hundred and fifty years.

Mr. RANDOLPH. I will add another 50 years. It has been before the Congress in varying approaches. I will not discuss them at this time except to say that apparently nothing has been done of an equitable nature that would bring together the various factions.

Mr. STEFAN. Will the gentleman assure us that the amendment to which I refer will be offered?

Mr. RANDOLPH. Yes. The gentleman has my assurance. I am going to offer a new section which will be 107.

Mr. STEFAN. That is the one you had in your committee?

Mr. RANDOLPH. Yes. I offered it at the last session of the Congress.

Mr. STEFAN. Mr. Speaker, with that assurance I withdraw my reservation of objection.

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, I make this reservation for the purpose of establishing for the RECORD a definite understanding as to what this amendment is going to provide.

Last year when I objected, it was with the thought that further consideration might work out some arrangement under which the Federal Government would reserve the rights in the airport area that would be consistent with the investment we were making there. I had been a member of the appropriations Subcommittee for the District of Columbia under the leadership of the

very able ranking minority Member, the gentleman from Nebraska [Mr. STEFAN]. I am no longer a member of that subcommittee nor am I entitled to credit for pursuing the matter persistently as is the gentleman from Nebraska. He has studied the problem both in its historical and practical aspects and performed a real service to the Capital City and to the Nation.

As I understand, the compromise that has been worked out between the gentleman from West Virginia [Mr. RANDOLPH] and the gentleman from Nebraska, [Mr. STEFAN] contemplates recognizing the jurisdiction of the State of Virginia as far as the river line is concerned, but providing that the airport itself shall constitute a reservation for the United States Government. Is that correct?

Mr. RANDOLPH. The gentleman is correct.

Mr. CASE of South Dakota. And that the State of Virginia, in effect, will cede that airport area back to the United States Government?

Mr. RANDOLPH. That is further correct, as I understand it. I think the amendment will cover the subject rather fully, but the gentleman's observations show the correct picture.

Mr. CASE of South Dakota. The gentleman recognizes of course, that if we once waive our right to object, we have no assurance that a satisfactory amendment will be passed unless we have made the substance of the proposal certain and established the positions of those concerned.

Mr. RANDOLPH. There was no effort to be hasty in this matter. The gentleman from Virginia, Judge SMITH, a member of the Committee on the District of Columbia, the gentleman from Nebraska [Mr. STEFAN], the gentleman from Minnesota [Mr. O'HARA], the distinguished gentleman from Illinois, the ranking minority member [Mr. DIRKSEN] and the entire committee membership have gone thoroughly into this subject. We had four extensive hearings and we believe we do have an equitable solution to present to the House today.

Mr. CASE of South Dakota. This has been a difficult problem, evidence of which is the fact that it has existed as long at it has. Now it appears an equitable adjustment has been worked out and I think the gentleman from Nebraska [Mr. STEFAN] by his continued insistance, and the gentleman from Minnesota [Mr. O'HARA], and the chairman of the committee [Mr. RANDOLPH], and the gentleman from Virginia [Mr. SMITH] are to be congratulated if they have worked out this kind of a solution that will solve a perplexing problem, as old as the Nation.

Mr. SMITH of Virginia. Will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. SMITH of Virginia. I am sure we all want to understand each other before we do go into the Committee of the Whole.

Mr. DIRKSEN. Mr. Speaker, under my reservation of objection I wish to ask the gentleman from Virginia [Mr. SMITH] whether it would be necessary to consider this bill in the Committee of the Whole. There seems to be agreement on all points, and it occurs to me in view of the fact that everybody understands the nature of section 107 that is to be offered to the bill there would be no need of prolonging the discussion by going into the Committee of the Whole.

Mr. SMITH of Virginia. I agree with the gentleman from Illinois. I just wanted to make this statement so there would be no misapprehension about it. We have had considerable difficulty in reaching an agreement on certain phases of this legislation in times past, but I believe at last we have reached an agreement so far as the Members who have heretofore interested themselves in the subject matter are concerned.

We have agreed to the adoption of section 107, which the gentleman from Nebraska wished to have in the bill, but with one reservation which I expect to offer in the form of an amendment; and the reservation will be simply to reserve to the State of Virginia the right to control the sale of ardent spirits at the airport.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. COCHRAN. I wish to know whether under the provisions of this legislation the State of Virginia will have control over the airport, especially in reference to liquor sales.

Mr. DIRKSEN. That is the very matter we were referring to. That is provided for by the amendment to be offered by the gentleman from Virginia. Jurisdiction of the airport shall remain in the United States but this amendatory proviso will be added:

And there is hereby reserved in the Commonwealth of Virginia the jurisdiction over power to regulate the manufacture, sale, and use of alcoholic beverages at the Washington National Airport.

That is the language to which the gentleman from Missouri refers.

Mr. COCHRAN. But the State of Virginia wants to run the airport so far as its liquor laws are concerned. Aside from that the State reserves nothing.

Mr. SMITH of Virginia. I am going to answer the gentleman from Missouri by saying that unless that reservation is made there will be no airport bill; and, secondly, I can see no objection.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia that the bill be considered in the House as in the Committee of the Whole?

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc.,

TITLE I—BOUNDARY LINE BETWEEN THE DISTRICT OF COLUMBIA AND THE COMMONWEALTH OF VIRGINIA

SEC. 101. The boundary line between the District of Columbia and the Commonwealth of Virginia is hereby established as follows:

Said boundary line shall begin at a point where the northwest boundary of the District of Columbia intercepts the high-water mark on the Virginia shore of the Potomac River and following the present mean high-water mark; thence in a southeasterly direction along the Virginia shore of the Potomac River to Little River, along the Virginia shore of Little River to Boundary Channel, along the Virginia side of Boundary Channel to the main body of the Potomac River, along the Virginia side of the Potomac River across the mouths of all tributaries affected by the tides of the river to Second Street, Alexandria, Va., from Second Street to the present established pierhead line, and following said pierhead line to its connection with the District of Columbia-Maryland boundary line; that whenever said mean highwater mark on the Virginia shore is altered by artificial fills and excavations made by the United States, or by alluvion or erosion, then the boundary shall follow the new mean high-water mark on the Virginia shore as altered, or whenever the location of the pierhead line along the Alexandria water front is altered, then the boundary shall follow the new location of the pierhead line.

SEC. 102. All that part of the territory situated on the Virginia side of the Potomac River lying between the boundary line as described in section 101 and the mean high-water mark as it existed January 24, 1791, is hereby ceded to and declared to be henceforth within the territorial boundaries, jurisdiction, and sovereignty of the State of Virginia: *Provided, however,* That concurrent jurisdiction over the said area is hereby reserved to the United States.

SEC. 103. Nothing in this act shall be construed as relinquishing any right, title, or interest of the United States to the lands lying between the mean high-water mark as it existed January 24, 1791, and the boundary line as described in section 101; or to limit the right of the United States to establish its title to any of said lands as provided by act of Congress of April 27, 1912 (37 Stat. 93); or the jurisdiction of the courts of the United States for the District of Columbia to hear and determine suits to establish the title of the United States in all lands in the bed, marshes, and lowlands of the Potomac River, and other lands as described by said act below the mean high-water mark of January 24, 1791; or to limit the authority to make equitable adjustments of conflicting claims as provided for in the act approved June 4, 1934 (48 Stat. 836).

SEC. 104. The "present" mean high-water mark shall be construed as the mean high-water mark existing on the effective date of this act.

SEC. 105. The United States Coast and Geodetic Survey is hereby authorized, empowered, and instructed to survey and properly mark by suitable monuments the said boundary line as described in section 101, and from time to time to monument such sections, of said boundary line as may be changed as provided for in section 101; and the necessary appropriations for this work are hereby authorized.

SEC. 106. The provisions of sections 272 to 289, inclusive, of the Criminal Code (U. S. C., title 18, secs. 451–468) shall be applicable to such portions of the George Washington Memorial Parkway and of the Washington National Airport as are situated within the Commonwealth of Virginia. Any United States commissioner specially designated for that purpose by the District Court of the United States for the Eastern District of Virginia shall have jurisdiction to try and, if found guilty, to sentence persons charged with petty offenses against the laws of the United States committed on the above-described portions of the said parkway or airport. The probation laws shall be applicable to persons so tried. For the purposes of this section, the term "petty offense" shall be defined as in section 335 of the Criminal Code (U. S. C., title 18, sec. 541). If any person charged with any petty offense as aforesaid shall so elect, however, he shall be tried in the said district court.

SEC. 107. This title shall not become effective unless and until the State of Virginia shall accept the provisions thereof.

TITLE II—MISCELLANEOUS

SEC. 201. Nothing in this act shall be construed (a) to prevent the acceptance by the United States pursuant to the provisions of section 355 of the Revised Statutes, as amended (40 U. S. C., sec. 255), of such jurisdiction as may be granted by the State of Virginia over any lands to which the United States now has, or may hereafter have, title within the boundaries of the State as established by this act; or (b) to affect any jurisdiction heretofore obtained by the United States from the State of Virginia over lands adjoining or adjacent to those herein ceded; and all jurisdiction whether partial, concurrent, or exclusive, which Virginia has ceded and which the United States has accepted over any part or parts of the ceded total is hereby expressly retained.

SEC. 202. Section 111 of the Judicial Code (46 Stat. 56; U. S. C., title 28, sec. 192), as amended, is hereby further amended to read as follows:

"The State of Virginia is divided into two districts, to be known as the eastern and western districts of Virginia

"The eastern district shall include the territory embraced on the effective date of this act in the counties of Accomac, Arlington, Amelia, Brunswick, Caroline, Charles City, Chesterfield, Culpeper, Dinwiddie, Elizabeth City, Essex, Fairfax, Fauquier, Gloucester, Goochland, Greensville, Hanover, Henrico, Isle of Wight, James City, King and Queen, King George, King William, Lancaster, Loudoun, Louisa, Lunenburg, Mathews, Mecklenburg, Middlesex, Nansemond, New Kent, Norfolk, Northampton, Northumberland, Nottoway, Orange, Powhatan, Prince Edward, Prince George, Prince William, Princess Anne, Richmond, Southampton, Spotsylvania, Stafford, Surry, Sussex, Warwick, Westmoreland, and York.

"Terms of the district court shall be held at Richmond on the first Mondays in April and October; at Norfolk on the first Mondays in May and November; and at Alexandria on the first Mondays in June and December.

"The western district shall include the territory embraced on the effective date of this act in the counties of Alleghany, Albemarle, Amherst, Appomattox, Augusta, Bath, Bedford, Bland, Botetourt, Buchanan, Buckingham, Campbell, Carroll, Charlotte, Clarke, Craig, Cumberland, Dickenson, Floyd, Fluvanna, Franklin, Frederick, Giles, Grayson, Greene, Halifax, Henry, Highland, Lee, Madison, Montgomery, Nelson, Page, Patrick, Pulaski, Pittsylvania, Rappahannock, Roanoke, Rockbridge, Rockingham, Russell, Scott, Shenandoah, Smyth, Tazewell, Warren, Washington, Wise, and Wythe.

"Terms of the district court shall be held at Abingdon on the second Mondays in April and November; at Big Stone Gap on the first Mondays in May and October; at Charlottesville on the first Monday in February and on the Wednesday next after the first Monday in August; at Danville on the fourth Monday in February and on the Wednesday next after the first Monday in September; at Harrisonburg on the third Monday in March and on the fourth Monday in October; at Lynchburg on the first Mondays in June and December; and at Roanoke on the first Mondays in January and July.

"The clerk of the court for the western district shall maintain an office in charge of himself or a deputy at Lynchburg, Roanoke, Danville, Charlottesville, Harrisonburg, Big Stone Gap, and Abingdon, which shall be kept open at all times for the transaction of the business of the court."

Mr. RANDOLPH. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH: Page 4, after section 106, insert a new section, as follows:

"SEC. 107. The State of Virginia hereby consents that exclusive jurisdiction in the Washington National Airport (as described in section 1 (b) of the act of June 29, 1940 (54 Stat. 686)), title to which is now in the United States, shall be in the United States. The conditions upon which this consent is given are the following and none others: (1) There is hereby reserved in the Commonwealth of Virginia the jurisdiction and power to levy a tax on the sale of oil, gasoline, and all other motor fuels and lubricants sold on the Washington National Airport for use in over-the-road vehicles such as trucks, busses, and automobiles, except sales to the United States for use in the exercise of essentially governmental functions: *Provided*, That the Commonwealth of Virginia shall have no jurisdiction or power to levy a tax on the sale or use of oil, gasoline, or other motor fuels and lubricants for other purposes; (2) there is hereby expressly reserved in the Commonwealth of Virginia the jurisdiction and power to serve criminal and civil process on the Washington National Airport.

"Subject to the limitation on the consent of the State of Virginia as expressed herein exclusive jurisdiction in the Washington National Airport shall be in the United States and the same is hereby accepted by the United States.

"This act shall have no retroactive effect except that taxes and contributions in connection with operations, sales, and property on and income derived at the Washington National Airport heretofore paid either to the Commonwealth of Virginia or the District of Columbia are hereby declared to have been paid to the proper jurisdictions and the Commonwealth of Virginia and the District of Columbia each hereby waives any claim for any such taxes or contributions heretofore assessed or assessable to the extent of any such payments to either jurisdiction.

"Any provision of law of the United States or the Commonwealth of Virginia which is to any extent in conflict with this act is to the extent of such conflict hereby expressly repealed."

Mr. SMITH of Virginia. Mr. Speaker, I offer an amendment to the amendment offered by the gentleman from West Virginia [Mr. RANDOLPH].

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia as an amendment to the amendment offered by Mr. RANDOLPH: "At the end of the first paragraph of the proposed new section 107, strike out the period at the end of the sentence, insert a semicolon and add the following: "(3) and there is hereby reserved in the Commonwealth of Virginia the jurisdiction and power to regulate the manufacture, sale, and use of alcoholic beverages on the Washington National Airport (as described in section 1 (b) of the act of June 29, 1940, 54 Stat. 686) "

Mr. SMITH of Virginia. Mr. Speaker, I ask for recognition because I think there should be a brief word of explanation about the very complicated situation which exists concerning the boundary between the District of Columbia and the State of Virginia. This has been a matter of controversy, as the chairman of the District Committee has said, ever since Colonial days. We have a situation there at this time where if a murder were committed tomorrow there would be grave doubt as to whether you could try the criminal because nobody knows where the boundary line is. I have been working on this matter ever since I became a Member of Congress. Recently all questions of property ownership between the Government and private property owners have been settled and adjusted so that there is no question of ownership of property. The only question here is one of convenience of jurisdiction.

The District Commissioners do not want any jurisdiction on the other side of the Potomac River for reasons which are very obvious. They do not want to keep a police force over there to police a little strip of ground along the edge of the river. Virginia has no desire in that respect either. But there it is. You are confronted with a geographical situation. We have all agreed for convenience that the sensible boundary line so far as the actual boundary is concerned is the high-water mark as of the present day on the Virginia side of the river.

Certain questions have been asked here this morning. I have offered this amendment, which would leave to the State of Virginia what is now and will be under the present condition of Federal laws in the State of Virginia; that is, the question of the control of the liquor traffic. Under the statutes of the United States as they now exist, on any Federal reservation the control of the sale of hard spirits is controlled by State laws. So today this bill would be effective without my amendment. However, the people of Virginia are somewhat sensitive on the question of the sale of hard spirits and this amendment is offered so as to reserve that question for all time within the State of Virginia rather than leaving it for disposition by the Congress in the future. That is all the amendment does.

Mr. RANDOLPH. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. The pressing importance of the passing of this legislation so as to take care of the over-all picture of the boundary dispute is because the Washington National Airport is becoming increasingly important as a great air terminal, not only from the standpoint of transportation within our own country but as between nations. We are facing in the immediate future a situation where planes will depart on regular scheduled air lines every 10 minutes to New York City; in addition planes will arrive from New York City with the same regularity. The airport itself brings this matter to a head. I trust that the membership of the House will not disagree to the amendment which I have offered and the one which the gentleman from Virginia proposes.

Mr. McCORMACK. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. What is the position of the gentleman from West Virginia in reference to the amendment offered by the gentleman from Virginia to his amendment?

Mr. RANDOLPH. The committee is going to agree to the amendment offered by the gentleman from Virginia.

Mr. SMITH of Virginia. Mr. Speaker, I want to repeat what I said before: This has been a matter of negotiation and compromise in an effort to reach a just settlement of a very troublesome ques-

tion. All of these amendments have been discussed in committee and out of committee and we have already reached this tentative agreement.

Mr. RANDOLPH. The operating air lines of the country are most desirous of seing the airport problem settled from the standpoint of traffic and those persons who fly.

Mr. SMITH of Virginia. The Department of Justice, the National Capital Park and Planning Commission, the District Commissioners, and every agency of the Government that has been concerned in this thing have agreed to this arrangement.

May I say further to the Members of the House as a matter of information that this being a boundary line between two sovereigns, namely, the Federal Government and the State of Virginia, that it cannot become final unless confirmed by the legislative bodies of both sovereigns. Several years ago we thought we had reached an agreement on this matter and Virginia passed an act confirming this act as presented, but now that Congress is going to amend it, we are going to have to pass another act by the Legislature of Virginia, when it convenes, which will confirm the act as amended if you so amend it today.

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman be allowed to proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SMITH of Virginia. So that what we do here today is not final, and we have got to do something that will conform more or less to the wishes of the Commonwealth of Virginia which is the other sovereign power in the controversy.

I have conferred with the Virginia authorities that I thought would be controlling on this subject, and they have agreed that with these amendments they will endeavor to have the State legislature confirm this bill if it is passed in the manner in which we have agreed.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman made a statement that Federal reservations are subject to State laws in the sale of alcoholic beverages. Is my understanding correct?

Mr. SMITH of Virginia. Yes, that is my understanding, because we had a representative of the Department of Justice at the hearings on this matter, and he so informed me.

Mr. McCORMACK. I want to be sure. This bill retains title to this land in the Federal Government?

Mr. SMITH of Virginia. Yes.

Mr. McCORMACK. I am sure the gentleman would not want something different for Virginia as relates to the sale of alcoholic beverages than applies to any other State of the Union where there is federally owned land; is that right?

Mr. SMITH of Virginia. We do not want somebody selling hard spirits over there on a different basis from what it is sold in the rest of the State of Virginia.

Mr. McCORMACK. The gentleman has said that in the sale of alcoholic beverages on Federal reservations in other parts of the country the law of the State applies.

Mr. SMITH of Virginia. I am so informed by the Department of Justice.

Mr. McCORMACK. I would like to know. I would like to have something definite in the RECORD in that regard.

Mr. RANDOLPH. Mr. Speaker, if the gentleman will yield, that is correct. The State parks in Virginia now operate just as the gentleman has said.

Mr. McCORMACK. Or as a national park out in any Western State?

Mr. RANDOLPH. That is right.

Mr. McCORMACK. Would the gentleman advise us for the RECORD what the State law is in Virginia on the sale of alcoholic beverages? Does it prohibit beer, for instance?

Mr. SMITH of Virginia. No; it is a dispensary system for whisky and hard spirits.

Mr. RIZLEY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. In line with what the previous gentleman has said, and the matter that the distinguished majority leader called the gentleman's attention to, down in my State we have a constitutional inhibition against the sale or manufacture of intoxicating liquor. But contrary to what the gentleman from Virginia has said, recently a Federal court down there at the Fort Sill Reservation said that my State had no jurisdiction; that they could bring in as much liquor as they wanted to and dispose of it, and that the State of Oklahoma could not do anything about it.

Mr. SMITH of Virginia. What was the name of the gentleman from the Department of Justice who appeared before us, may I ask the gentleman from West Virginia?

Mr. RANDOLPH. Alexander Holtzoff, Special Assistant Attorney General.

Mr. McCORMACK. I am not interested in the liquor situation one way or the other, but I do not think Virginia should be given any special benefit over any other State. Personally, I think the State law should govern, but I just wanted the matter clarified.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Missouri.

Mr. COCHRAN. May I say to the gentleman from Oklahoma that there is a Federal law which prohibits the sale or manufacture of whisky on any Army reservation or Navy shore station, and nobody has the right to bring whisky into Fort Sill or any other fort.

Mr. RIZLEY. That is what we told them down in Oklahoma, but they said they did have the right, and brought the liquor in, and Oklahoma tried to stop it.

Mr. COCHRAN. May I ask the gentleman this question? What other jurisdiction has Virginia over this airport aside from this amendment?

Mr. SMITH of Virginia. If this amendment is adopted?

Mr. COCHRAN. Yes.

Mr. SMITH of Virginia. The gentleman from West Virginia will correct me if I am wrong, because I did not draft the amendment, but I understand Virginia yields the right to tax any private business with the exception of gasoline to be used on over-the-road traffic.

Mr. COCHRAN. Does Virginia under the bill and the amendment have any other police jurisdiction?

Mr. SMITH of Virginia. No.

The SPEAKER pro tempore. The time of the gentleman from Virginia has again expired.

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to proceed for three additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. COCHRAN. Does Virginia have any police jurisdiction over the airport?

Mr. SMITH of Virginia. The answer is "No," under the amendment.

Mr. COCHRAN. Then why should you pick out just one law in Virginia and ask jurisdiction over that law when you concede to the Government jurisdiction over all other laws?

Mr. SMITH of Virginia. I thought I had explained that. I will undertake to A B C it again

In Virginia we have a dispensary system. In some States they have a sale-by-drink system. If we do not have control of that situation on the Virginia side of the river we will have a dispensary system in 99.99 percent of the territory of Virginia but in this one-hundredth of one percent, namely, the airport, a bar room could be established and Virginia could do nothing about it. We do not want that situation. I do not think the gentleman from Missouri, if he is fair about it, would want a situation such as that in his State. We are certainly not going to put up with it in our State and if we have to we will just simply get along without any boundary at all as we have been getting along in the past with the embarrassing situation which confronts all of us, both the State of Virginia and the Federal Government, unless we can get this reservation in the bill.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. It appears to me that the answer which has just been given ought to be amplified by calling attention to the fact that subsection (2) of section 107, the amendment proposed by the gentleman from West Virginia, which immediately precedes the amendment now sought to be offered by the gentleman from Virginia, reads, "There is hereby expressly reserved to the Commonwealth of Virginia jurisdiction and power to serve criminal and civil process in the Washington National Airport" and the additional reservation to the State of Virginia just proposed by the gentleman who has the floor simply adds the jurisdiction and power of regulating the sale of alcoholic beverages which it seems to me would be perfectly all right.

In my own State we have three different types of Federal reservations. On military reservations the State ceded jurisdiction to the Federal Government by the Constitution. But we retained jurisdiction on such reservations as National Soldiers' Homes. We have a concurrent type of jurisdiction on Indian reservations. So it seems to me what is here proposed is perfectly proper, if Congress wants to do it; that is to say, we accept jurisdiction, generally speaking, but we let a reservation stand for the State of Virginia to serve civil and criminal process, and to also regulate the sale of alcoholic beverages.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield to me for a question?

Mr. SMITH of Virginia. I yield.

Mr. COCHRAN. Is the State of Virginia going to open up one of these dispensaries in the airport if this power is given to the State?

Mr. SMITH of Virginia. I certainly have no information that they will. I do not think they will and I am sure they do not want to.

Mr. STEFAN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the membership of the House knows of my many years of interest in the matter of the boundary line problem between the District of Columbia and the State of Virginia. I take the floor at this time to apprise the membership of the House that I do not approve of the bill that is before us in its present form. Unless this bill is amended in such a way as to place the entire Washington National Airport under the jurisdiction of the Federal Government, I would recommend against its passage. I have had several conferences with the chairman of the Legislative Committee for the District of Columbia, the Honorable JENNINGS RANDOLPH of West Virginia, and he agrees with me that the bill should be amended in order that the National Airport becomes a Government reserve and becomes in toto the property of the United States.

For 150 years the question of jurisdiction has been discussed. There have been many law suits filed to clear titles. The Washington National Airport is the property of the United States almost wholly created out of the Potomac River covering 729 acres of land. This is a national airport which should be part of the Nation's Capital solely under the control of the Congress.

The cost of construction of the Washington National Airport including hydraulic fill, excavation and grading, drainage, paving of runways, taxiways and aprons, terminal building, six hangars, access roads and structures, utilities, landscaping and park areas, and other appurtenances was $16,954,417. Addditional improvements currently being made under the development of landing areas program, will cost approximately $571,000 additional. These amounts do not take into consideration the buildings and grounds of the Public Roads Administration, which buildings were the site prior to the construction of the airport. It is understood that the Public Roads Administration was allowed by the Public Works Administration the sum of approximately $2,000,000 as reimbursement for the land and buildings which the former relinquished. Since the beginning of the war additional buildings have been constructed on the airport from funds appropriated to the War Department. Their costs approximate $4,000,000.

The cost of operation of the National Airport for 1944 was $580,464; for 1945, $599,000; and the cost of operation during the next fiscal year is estimated at $651,321. The annual receipts from operation of the National Airport is approximately $516,470. If the manager of the airport is given permission to construct additional hangars and additional office space, these annual receipts, in my opinion, will equal the cost of operation. The second deficiency appropriation bill for 1945 carries $156,000 for a cafeteria at the airport. Other revenue installations are planned.

The exclusive jurisdiction of Congress will be lost unless this airport becomes in its entirety the property of the United States Government. If it is transferred to Virginia, the Federal Government would only have concurrent jurisdiction.

The bill before you today is one of the most important, in my opinion, so far as jurisdiction is concerned. There is other Government property and other Government buildings in that vicinity including the Pentagon, the Arlington Cemetery, Fort Myer, Navy Office Building No. 2, the Army Signal Corps Station at Arlington Hall, the Naval Radio Station at Arlington, the women's dormitories, and other property, the investment of which would run well over $150,000,000.

The membership of the House may be interested to know that the National Capital Airport lies almost entirely riverward of the line of 1791 and a good portion of the Pentagon Building lies riverward of the line of the same year—1791. I urge the membership of the House to vote for this bill if it is amended so that the Washington National Airport will become a Government reserve and remain in the control of the United States Congress and vote against it unless it is so amended.

Mr. COCHRAN. Will the gentleman yield?

Mr. STEFAN. I yield.

Mr. COCHRAN. As a result of the Government spending all of this money in Virginia it has already resulted in thousands upon thousands of homes being constructed in Virginia and people occupying those homes are paying taxes to the State of Virginia, which otherwise would not have accrued if it had not been that the Government had spent all this money?

Mr. STEFAN. Yes. Great prosperity has come to Virginia, especially in the neighboring counties, as the result of Federal Government activities. I agree with my colleague from Missouri. Taxation and Government construction have brought great prosperity to that part of Virginia. The gentleman will recall that many of our constituents who live there pay two taxes. The gentleman also knows that some residents of Virginia come over to the District of Columbia and have the District of Columbia taxpayers give them free tuition. Their indigents come into the District of Columbia and secure service paid for by District taxpayers. However, I am glad we have this more important boundary line question up today. I hope we can debate it to the end so we can at long last reach an equitable solution. I hope the House will sustain me in my determination that the National Airport remain the property of our Federal Government.

The SPEAKER. The time of the gentleman from Nebraska has again expired.

Mr. RANDOLPH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

The SPEAKER. The question is on the amendment as amended.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

PROVIDING FOR BETTER ENFORCEMENT OF LAW WITHIN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 2856) to provide for better enforcement of law within the District of Columbia, and for other purposes, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bills, as follows:

Be it enacted, etc., That in any case in which the Metropolitan Police force of the District of Columbia and the United States Park Police force may function in connection with the detection and solution of any felony or the apprehension of any person suspected of having committed a felony, the major and superintendent of the Metropolitan Police force, the assistant superintendent, and all members of said force assigned to the detective bureau or serving as precinct detective shall control, and any member or members of the Park Police force functioning in connection with such matter shall be subject to the direction and orders of said members of the Metropolitan Police force. Any member of the United States Park Police force who disobeys any such order or orders shall be subject to disciplinary action in the same manner and with the same penalty as for disobedience to lawful orders of his superiors in said Park Police force.

SEC. 2. No appropriation from the revenues of the District of Columbia shall be used to pay for personal services or equipment of the United States Park Police.

SEC. 3. This act shall become effective July 1, 1945.

Mr. RANDOLPH. Mr. Speaker, this legislation would provide that in any case where the Metropolitan Police and the Park Police of the Interior Department are involved in the matter of detection or solution of a felony or the apprehension of any person suspected of

committing a felony, that the major, superintendent, and assistant superintendent and members of the detective bureau or the precinct detective of the Metropolitan Police force shall be in charge of the case. As a practical proposition, in all felonies of a serious nature the Metropolitan Police are called into the picture, as the Park Police force is without a detective bureau.

Mr. Speaker, the subcommittee on Police and Firemen had extensive hearings on this subject, and then it was brought to the attention of the full committee and was favorably reported.

Mr. JENSEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENSEN: Page 2, strike out all of section 2.

Mr. JENSEN. Mr. Speaker, I do not object to any part of the bill except section 2 which in a few words seeks to transfer the financial responsibility from the District to the Federal taxpayers.

This bill was introduced by the gentleman from Louisiana [Mr. HÉBERT]. It concerns the United States Park Police under the supervision of the National Park Service, Department of the Interior. The United States Park Police is the protective force for the National Capital park system. The authorized strength of the force is 108 men, of which 30 positions are carried in the National Park Service appropriation in the Department of the Interior Appropriation Act and 78 positions in the appropriation for National Capital Parks in the District of Columbia Appropriation Act. This division of cost of policing the parks in the District of Columbia has been in effect for many years and has been predicated upon the consideration that residents of the District of Columbia obtain the majority of use and enjoyment of the facilities in the park system.

H. R. 2856 provides that "no appropriation from the revenues of the District of Columbia shall be used to pay for personal services or equipment of the United States Park Police" and further provides that the act shall become effective July 1, 1945. The author of the bill has stated that the entire cost of policing the National Capital park system should be carried in the Interior Department Appropriation Act. When it was brought to his attention during the hearings on the bill that the Interior Department Appropriation Act for the fiscal year 1946 had cleared the House and was now before the Senate and that it contained no provision for the defrayment of salaries of the 78 members of the United States Park Police force involved and that these men might find themselves without a pay roll on July 1, he stated that the matter could be taken care of by a deficiency appropriation.

This amendment is necessary because without it all of the Capitol Park Police within the District of Columbia will be on the Federal pay roll, their salaries paid by your taxpayers and mine instead of being paid for at least partially, as they are now and should be, by the people of the District of Columbia. That is the whole story.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. RICH. In order to make this a good business proposition why do we not have all the police in the District of Columbia under one head? And that head should be under the jurisdiction of the District of Columbia. They should not be divided up into two or three subdivisions.

Mr. JENSEN. I think that would be well, but it has been carried on this way now for a number of years.

Mr. RICH. It is about time we consolidated them and put them under one head.

Mr. JENSEN. The gentleman is right.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. O'HARA. Does the gentleman appreciate that these Park Police go way down into Virginia also? Why should the District of Columbia pay for policemen who operate in Virginia? These Park Police have jurisdiction down as far as Mount Vernon. They cover all of that territory.

Mr. JENSEN. The taxpayers of Virginia along with the other 47 States pay for 30 of these police; now under this bill we are deviating from the practice that has been carried on for years. If you want to unload all the salaries and expenses of the National Park Police for the District of Columbia upon your taxpayers and my taxpayers, and relieve the taxpayers of the District of Columbia that is your responsibility; but I am not ready to do it.

Mr. O'HARA. Is the gentleman positive that the State of Virginia contributes anything to the payment of the salaries of these police?

Mr. JENSEN. Yes; they pay their proportionate share. Most certainly they do because 30 of these policemen have their salaries provided for in the Interior Department appropriation bill. I am a member of both the Interior Department Subcommittee on Appropriations as well as the District of Columbia Subcommittee on Appropriations, and know whereof I speak.

I hope my amendment is adopted, because it should be adopted in all fairness to the taxpayers of the 48 States.

Mr. DIRKSEN. Mr. Speaker, I rise in opposition to the pending amendment.

Mr. Speaker, I do not care to delay this matter but the situation is that this involves 78 policemen who are members of the Park Police. They are now on the District pay roll, but they pursue Federal functions and are under Federal jurisdiction. The question is, Why should the District of Columbia be called upon to pay the salaries of Park Police who do not perform essentially and fundamentally District functions? That is the whole thing. Consequently we have provided in the bill by section 2 that those salaries should not be paid out of District revenues.

The amendment offered by the gentleman from Iowa would strike out that section so that the salaries of 78 of these policemen who are under Federal jurisdiction will be continued out of District of Columbia appropriations. In all equity and fairness, I do not think it ought to be done, and for that reason I think the amendment should be defeated.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Iowa.

Mr. JENSEN. Does not the gentleman feel that since the people of the District of Columbia, the taxpayers, derive most of the benefits from this National Park Police force, they should pay their proportionate share of its cost?

Mr. DIRKSEN. The benefit inures to everybody who uses the park system and, in addition, as pointed out by the gentleman from Minnesota, the Park Police go afield down into Virginia.

Mr. JENSEN. We are permitting 30 of these to go afield at the expense of the Federal taxpayers. The people of the Nation are paying for them.

Mr. DIRKSEN. But it is fundamentally and primarily a Federal function, and I see no reason why the people of the District should be called upon to pay that expense.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Pennsylvania.

Mr. RICH. It is a Federal function; it is a function of the people who enjoy the privileges of being protected by these police if they are in the District of Columbia, so why can we not consolidate the police forces here and get away from the dual system of trying to operate in the District with police from the park system and police from the District of Columbia? Why do we not put them all together and save a little bit of money and make a better police force for the District of Columbia by so doing?

Mr. DIRKSEN. That would be a logical answer if it were not for the difficulty we have encountered from time to time with respect to an attempted consolidation of the Capitol police force, the U. S. police force and the Metropolitan Police force. We have set the system up. You run into all sorts of difficulties where different agencies of the Government are involved. It is not a new matter. It has been discussed time and time again, yet we have never been able to work out a feasible and suitable solution.

Mr. RICH. We could work it out if the Congress would take the bull by the horns and simply lay down the law and put these three systems of police in one system. We would save the taxpayers money, we would save the District of Columbia money, and we would be doing a good job if we did it.

Mr. DIRKSEN. When this matter is next undertaken by the Committee on the District of Columbia, I am going to have my esteemed friend, for whom I entertain such deep affection, come and fellowship with the committee and give us the benefit of his thinking on the subject to see whether or not it can be worked out. Meanwhile let us not forget that the amendment here should be defeated because I do not believe these salaries should be charged up against the

District of Columbia when it is a Federal function.

The SPEAKER pro tempore (Mr. HARRIS of Arkansas). The time of the gentleman from Illinois has expired. The question is on the amendment offered by the gentleman from Iowa [Mr. JENSEN].

The question was taken; and on a division (demanded by Mr. JENSEN) there were—ayes 11, noes 41.

So the amendment was rejected.

Mr. HÉBERT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HÉBERT: On page 2, line 9, strike out all of section 2 through line 11 and substitute the following:

"SEC. 2. No appropriation from the revenues of the District of Columbia shall be used to pay the salaries or for the equipment of the United States Park Police. The Secretary of the Interior is authorized and directed to reimburse the District of Columbit on a monthly basis for medical attention rendered members of the United States Park Police by the District of Columbia Board of Police and Fire Surgeons for pension payments made from the revenues of the District of Columbia to retired members of the United States Park Police, to the extent that such benefit payments are in excess of the salary deductions of such members credited to said revenues of the District of Columbia, pursuant to section 12 of the act of September 1, 1916 (39 Stat. 718, as amended)."

Mr. HÉBERT. Mr. Speaker, this amendment is merely a clarifying one in connection with the pension and relief to be received by the Park Police and has been inserted at their request. It follows almost to the letter the language which governs the White House Police and is merely a further protection for the benefit of the Park Police service itself.

Mr. RANDOLPH. Mr. Speaker, if the gentleman will yield, this amendment is agreeable to the committee. It equalizes the retirement benefits. The committee has no objection.

The SPEAKER. The question is on the amendment offered by the gentleman from Louisiana.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RANDOLPH. Mr. Speaker, that concludes the District of Columbia business.

FEDERAL EMPLOYEES PAY ACT OF 1945

Mr. RAMSPECK. Mr. Speaker, I call up the conference report on the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The commitee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Federal Employees Pay Act of 1945.'

"TITLE I—COVERAGE AND EXEMPTIONS

"Coverage

"SEC. 101. (a) Subject to the exemptions specified in section 102 of this Act, titles II and III of this Act shall apply (1) to all civilian officers and employees in or under the executive branch of the Government, including Government-owned or controlled corporations, and in or under the District of Columbia municipal government, and (2) to those officers and employees of the judicial branch of the Government, the Library of Congress, the Botanic Garden, and the Office of the Architect of the Capitol who occupy positions subject to the Classification Act of 1923, as amended.

"(b) Title IV of this Act shall apply to officers and employees who occupy positions subject to the Classification Act of 1923, as amended.

"(c) Subject to the exemptions specified in section 102 of this Act, title V of this Act shall apply to officers and employees in or under the legislative or the judicial branch of the Government whose compensation is not fixed in accordance with the Classification Act of 1923, as amended, and to the official reporters of proceedings and debates of the Senate and their employees.

"(d) Subject to the exemptions specified in section 102 of this Act, title VI of this Act (containing miscellaneous provisions) shall apply to civilian officers and employees of the Government according to the terms thereof.

"(e) All provisions of this Act applicable to the executive branch of the Government shall be applicable to the General Accounting Office.

"Exemptions

"SEC. 102. (a) This Act shall not apply to (1) elected officials; (2) Federal judges; (3) heads of departments or of independent establishments or agencies of the Federal Government, including Government-owned or controlled corporations; (4) employees of the District of Columbia municipal government whose compensation is fixed by the Teachers' Salary Act of June 4, 1924, as amended; and (5) officers and members of the Metropolitan Police or of the Fire Department of the District of Columbia. As used in this subsection the term 'elected officials' shall not include officers elected by the Senate or House of Representatives who are not members of either body.

"(b) This Act, except section 607, shall not apply to (1) officers and employees in the field service of the Post Office Department; (2) employees outside the continental limits of the United States, including those in Alaska, who are paid in accordance with local native prevailing wage rates for the area in which employed; (3) officers and employees of the Inland Waterways Corporation; (4) officers and employees of the Tennessee Valley Authority; (5) individuals to whom the provisions of section 1 (a) of the Act of March 24, 1943 (Public Law Numbered 17, Seventy-eighth Congress), are applicable; and (6) officers and members of the United States Park Police and the White House Police.

"(c) This Act, except sections 203 and 607, shall not apply to employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose.

"(d) This Act, except sections 606 and 607, shall not apply to employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, to vessel employees of the Coast and Geodetic Survey, or to vessel employees of the Panama Railroad Company.

"TITLE II—COMPENSATION FOR OVERTIME

"Overtime pay

"SEC. 201. Officers and employees to whom this title applies shall, in addition to their basic compensation, be compensated for all hours of employment, officially ordered or approved, in excess of forty hours in any administrative workweek, at overtime rates as follows:

"(a) For employees whose basic compensation is at a rate less than $2,980 per annum, the overtime hourly rate shall be one and one-half times the basic hourly rate of compensation: *Provided*, That in computing such overtime compensation for per annum employees, the basic hourly rate of compensation shall be determined by dividing the per annum rate by two thousand and eighty.

"(b) For employees whose basic compensation is at a rate of $2,980 per annum or more, the overtime hourly rate shall be in accordance with and in proportion to the following schedule:

"Base rate of compensation per annum and overtime rate of compensation per 416 overtime hours	
$2,980	$894,000
3,090	885,554
3,200	877,108
3,310	868,662
3,420	860,216
3,530	851,770
3,640	843,324
3,750	834,878
3,860	826,432
3,970	817,986
4,080	809,540
4,190	801,094
4,300	792,648
4,410	784,202
4,520	775,756
4,630	767,310
4,740	758,864
4,960	741,972
5,180	725,080
5,390	708,955
5,600	692,831
5,810	676,707
6,020	660,583
6,230	644,458
6,440 and over	628,334

"Compensatory time off for irregular or occasional overtime work

"SEC. 202. (a) The heads of departments, or of independent establishments or agencies, including Government-owned or controlled corporations, and of the District of Columbia municipal government, and the heads of legislative or judicial agencies to which this title applies, may by regulation provide for the granting of compensatory time off from duty, in lieu of overtime compensation for irregular or occasional duty in excess of forty-eight hours in any regularly scheduled administrative workweek, to those per annum employees requesting such compensatory time off from duty.

"(b) The Architect of the Capitol may, in his discretion, grant per annum employees compensatory time off from duty in lieu of overtime compensation for any work in excess of forty hours in any regularly scheduled administrative workweek.

"Wage-board employees

"SEC. 203. Employees whose basic rate of compensation is fixed on an annual or monthly basis and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose shall be entitled to overtime pay in accordance with the provisions of section 23 of the act of March 28, 1934 (U. S. C., 1940 edition, title 5, sec. 673c). The rate of compensation for each hour of overtime employment of any such employee shall be computed as follows:

"(a) If the basic rate of compensation of the employee is fixed on an annual basis, divide such basic rate of compensation by two thousand and eighty and multiply the quotient by one and one-half; and

"(b) If the basic rate of compensation of the employee is fixed on a monthly basis, multiply such basic rate of compensation by twelve to derive a basic annual rate of compensation, divide such basic annual rate of compensation by two thousand and eighty, and multiply the quotient by one and one-half.

"TITLE III—COMPENSATION FOR NIGHT AND HOLIDAY WORK

"Night pay differential

"SEC. 301. Any officer or employee to whom this title applies who is assigned to a regularly scheduled tour of duty, any part of which falls between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian, shall, for duty between such hours, excluding periods when he is in a leave status, be paid compensation at a rate 10 per centum in excess of his basic rate of compensation for duty between other hours: *Provided*, That such differential for night duty shall not be included in computing any overtime compensation to which the officer or employee may be entitled: *And provided further*, That this section shall not operate to modify the provisions of the Act of July 1, 1944 (Public Law Numbered 394, Seventy-eighth Congress), or any other law authorizing additional compensation for night work.

"Compensation for holiday work

"SEC. 302. Officers and employees to whom this title applies who are assigned to duty on a holiday designated by Federal statute or Executive order shall be compensated for such duty, excluding periods when they are in leave status, in lieu of their regular pay for that day, at the rate of one and one-half times the regular basic rate of compensation: *Provided*, That extra holiday compensation paid under this section shall not serve to reduce the amount of overtime compensation to which the employee may be entitled under this or any other Act during the administrative workweek in which the holiday occurs, but such extra holiday compensation shall not be considered to be a part of the basic compensation for the purpose of computing such overtime compensation. This section shall take effect upon the cessation of hostilities in the present war as proclaimed by the President, or at such earlier time as the Congress by concurrent resolution may prescribe. Prior to so becoming effective, it shall be effective with respect to any designated holiday only if the President has declared that such day shall not be generally a workday in the Federal service.

"TITLE IV—AMENDMENTS TO CLASSIFICATION ACT OF 1923, AS AMENDED

"Establishment of rates for classes or positions within grades

"SEC. 401. Section 3 of the Classification Act of 1923, as amended, is amended by inserting at the end of such section a paragraph reading as follows:

"'In subdividing any grade into classes of positions, as provided in the foregoing paragraph, the Civil Service Commission, whenever it deems such action warranted by the nature of the duties and responsibilities of a class of positions in comparison with other classes in the same grade, and in the interests of good administration, is authorized to establish for any such class a minimum rate, which shall be one of the pay rates, but not in excess of the middle rate, of that grade as set forth in section 13 of this Act, as amended. Whenever the Commission shall find that within the same Government organization and at the same location gross inequities exist between basic per annum rates of pay fixed for any class of positions under this Act and the compensation of employees whose basic rates of pay are fixed by wage boards or similar administrative authority serving the same purpose, the Commission is hereby empowered, in order to correct or reduce such inequities, to establish as the minimum rate of pay for such class of positions any rate not in excess of the middle rate within the range of pay fixed by this Act for the grade to which such class of positions is allocated. For the purposes of this section the fourth rate of a six-rate grade shall be considered to be the middle rate of that grade. Minimum rates established under this paragraph shall be duly published by regulation and, subject to the foregoing provisions, may be revised from time to time by the Commission. The Commission shall make a report of such actions or revisions with the reasons therefor to Congress at the end of each fiscal year. Actions by the Civil Service Commission under this paragraph shall apply to both the departmental and field services and shall have the force and effect of law.'

"Periodic within-grade salary advancements

"SEC. 402. Subsection (b) of section 7 of the Classification Act of 1923, as amended, is amended to read as follows:

"'(b) All employees compensated on a per annum basis, and occupying permanent positions within the scope of the compensation schedules fixed by this Act, who have not attained the maximum rate of compensation for the grade in which their positions are respectively allocated, shall be advanced in compensation successively to the next higher rate within the grade at the beginning of the next pay period following the completion of (1) each twelve months of service if such employees are in grades in which the compensation increments are less than $200, or (2) each eighteen months of service if such employees are in grades in which the compensation increments are $200 or more, subject to the following conditions:

"'(1) That no equivalent increase in compensation from any cause was received during such period, except increase made pursuant to subsection (f) of this section;

"'(2) That an employee shall not be advanced unless his current efficiency is "good" or better than "good";

"'(3) That the service and conduct of such employee are certified by the head of the department or agency or such official as he may designate as being otherwise satisfactory; and

"'(4) That any employee, (A) who, while serving under permanent, war service, temporary, or any other type of appointment, has left his position to enter the armed forces or the merchant marine, or to comply with a war transfer as defined by the Civil Service Commission, (B) who has been separated under honorable conditions from active duty in the armed forces, or has received a certificate of satisfactory service in the merchant marine, or has a satisfactory record on war transfer, and (C) who, under regulations of the Civil Service Commission or the provisions of any law providing for restoration or reemployment, or under any other administrative procedure with respect to employees not subject to civil service rules and regulations, is restored, reemployed, or reinstated in any position subject to this section, shall upon his return to duty be entitled to within-grade salary advancements without regard to paragraphs (2) and (3) of this subsection, and to credit such service in the armed forces, in the merchant marine, and on war transfer, toward such within-grade salary advancements. As used in this paragraph the term 'service in the merchant marine' shall have the same meaning as when used in the Act entitled "An Act to provide reemployment rights for persons who leave their positions to serve in the merchant marine, and for other purposes', approved June 23, 1943 (U. S. C., 1940 edition, Supp. IV, title 50 App., secs. 1471 to 1475, inc.)."'

"Rewards for superior accomplishment; authorization and limitations

"SEC. 403. Subsection (f) of section 7 of the Classification Act of 1923, as amended, is amended to read as follows:

"'(f) Within the limit of available appropriations, as a reward for superior accomplishment, under standards to be promulgated by the Civil Service Commission, and subject to prior approval by the Civil Service Commission, or delegation of authority as provided in subsection (g), the head of any department or agency is authorized to make additional within-grade compensation advancements, but any such additional advancements shall not exceed one step and no employee shall be eligible for more than one additional advancement hereunder within each of the time periods specified in subsection (b). All actions under this subsection and the reasons therefor shall be reported to the Civil Service Commission. The Commission shall present an annual consolidated report to the Congress covering the numbers and types of actions taken under this subsection.'

"Rewards for superior accomplishment; responsibility of Civil Service Commission

"SEC. 404. Subsection (g) of section 7 of the Classification Act of 1923, as amended, is amended to read as follows:

"'(g) The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of this section. In such regulations the Commission is hereby empowered, in its discretion, to delegate to the head of any department or agency, or his designated representative, the authority to approve additional within-grade compensation advancements provided for in subsection (f), without prior approval in individual cases by the Commission. The Commission is also authorized to withdraw or suspend such authority from time to time, whenever post-audit of such actions by the Commission indicates that standards promulgated by the Commission have not been observed.'

"Increase in basic rates of compensation.

"SEC. 405. (a) Each of the existing rates of basic compensation set forth in section 13 of the Classification Act of 1923, as amended, except those affected by subsection (b) of this section, is hereby increased by 20 per centum of that part thereof which is not in excess of $1,200 per annum, plus 10 per centum of that part thereof which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 per centum of that part thereof which is in excess of $4,600 per annum. Such augmented rates shall be considered to be the regular basic rates of compensation provided by such section.

"(b) (1) The proviso to the fifth paragraph under the heading 'Crafts, Protective, and Custodial Service' in section 13 of the Classification Act of 1923, as amended, is hereby amended to read as follows: *Provided*, That

charwomen working part time be paid at the rate of 78 cents an hour, and head charwomen at the rate of 83 cents an hour'.

"(2) Such section is amended so as to provide the following rates of compensation for positions in the clerical-mechanical service:

"Grade 1, 78 to 85 cents an hour.
"Grade 2, 91 to 98 cents an hour.
"Grade 3, $1.05 to $1.11 an hour.
"Grade 4, $1.18 to $1.31 an hour.

"(c) The increase in existing rates of basic compensation provided by this section shall not be construed to be an 'equivalent increase' in compensation within the meaning of section 7 (b) (1) of the Classification Act of 1923, as amended.

"TITLE V—EMPLOYEES OF LEGISLATIVE AND JUDICIAL BRANCHES

"PART I—EMPLOYEES OF THE LEGISLATIVE BRANCH

"Increase in rates of compensation

"SEC. 501. Except as provided in section 503, each officer and employee in or under the legislative branch to whom this title applies shall be paid additional compensation computed as follows: 20 per centum of that part of his rate of basic compensation which is not in excess of $1,200 per annum, plus 10 per centum of that part of such rate which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 per centum of that part of such rate which is in excess of $4,600 per annum. The additional compensation provided by this section shall be considered a part of the basic compensation of any such officer or employee for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended. The additional compensation provided for by this section and section 502 shall not be taken into account in determining whether any amount expended for clerk hire, or the compensation paid to an officer or employee, is within any limit now prescribed by law.

"Temporary additional compensation in lieu of overtime

"SEC. 502. During the period beginning on July 1, 1945, and ending on June 30, 1947, each officer and employee in or under the legislative branch entitled to the benefits of section 501 of this Act shall be paid additional compensation at the rate of 10 per centum of (a) the aggregate of the rate of his basic compensation and the rate of additional compensation received by him under section 501 of this Act, or (b) the rate of $2,900 per annum, whichever is the smaller.

"Compensation for overtime

"SEC. 503. Hereafter, for overtime pay purposes, per diem and per hour employees under the Office of the Architect of the Capitol not subject to the Classification Act of 1923, as amended, shall be regarded as subject to the provisions of section 23 of the Act of March 28, 1934 (U. S. C., 1940 edition, title 5, sec. 673c), and sections 501 and 502 of this Act shall not be applicable to such employees.

"PART II—EMPLOYEES OF THE JUDICIAL BRANCH

"Increase in basic rates of compensation

"SEC. 521. Each officer and employee in or under the judicial branch to whom this title applies shall be paid additional basic compensation computed as follows: 20 per centum of that part of his rate of basic compensation which is not in excess of $1,200 per annum, plus 10 per centum of that part of such rate which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 per centum of that part of such rate which is in excess of $4,600 per annum. The limitations of $6,500 and $7,500 with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges, contained in the eighth paragraph under the head 'Miscellaneous Items of Expense' in The Judiciary Appropriation Act, 1946 (Public Law Numbered 61, Seventy-ninth Congress), shall be increased by the amounts necessary to pay the additional basic compensation provided by this section; and the changes in the rates of basic compensation in the Classification Act of 1923, as amended, made by section 405 of this Act shall not be taken into account in fixing salaries under such eighth paragraph.

"Temporary additional compensation in lieu of overtime

"SEC. 522. During the period beginning on July 1, 1945, and ending on June 30, 1947, each officer and employee in or under the judicial branch entitled to the benefits of section 521 of this Act shall be paid additional compensation at the rate of 10 per centum of (a) the rate of his basic compensation, or (b) the rate of $2,900 per annum, whichever is the smaller. As used in this section the term 'basic compensation' includes the additional basic compensation provided for by section 521 of this Act.

"TITLE VI—MISCELLANEOUS PROVISIONS

"Effect on existing laws affecting certain inspectional groups

"SEC. 601. The provisions of this Act shall not operate to prevent payment for overtime services or extra pay for Sunday or holiday work in accordance with any of the following statutes: Act of February 13, 1911, as amended (U. S. C., 1940 edition, title 19, secs. 261 and 267); Act of July 24, 1919 (U. S. C., 1940 edition, title 7, sec. 394); Act of June 17, 1930, as amended (U. S. C., 1940 edition, title 19, secs. 1450, 1451, and 1452); Act of March 2, 1931 (U. S. C., 1940 edition, title 8, secs. 109a and 109b); Act of May 27, 1936, as amended (U. S. C., 1940 edition, title 46, sec. 382b); Act of March 23, 1941 (U. S. C., 1940 edition, Supp. IV, title 47, sec. 154 (f) (2)); Act of June 3, 1944 (Public Law Numbered 328, Seventy-eighth Congress): *Provided*, That the overtime, Sunday, or holiday services covered by such payment shall not also form a basis for overtime or extra pay under this Act.

"Increase in basic statutory rates of compensation not under Classification Act of 1923, as amended

"SEC. 602. (a) The existing basic rates of pay set forth in the Act entitled 'An Act to adjust the compensation of certain employees in the Customs Service', approved May 29, 1928, as amended, and those set forth in the second paragraph of section 24 of the Immigration Act of 1917, as amended, are hereby increased in the same amount that corresponding rates would be increased under the provisions of section 405 of this Act; and each such augmented rate shall be considered to be the regular basic rate of compensation.

"(b) Basic rates of compensation specifically prescribed by statute of Congress for positions in the executive branch or the District of Columbia municipal government which are not increased by any other provision of this Act are hereby increased in the same amount that corresponding rates would be increased under the provisions of section 405 of this Act; and each such augmented rate shall be considered to be the regular basic rate of compensation.

"Limitations on reductions and increases in compensation

"SEC. 603. (a) The aggregate per annum rate of compensation with respect to any pay period, in the case of any full-time employee in the service on July 1, 1945, (1) who was a full-time employee on June 30, 1945, (2) whose per annum basic rate of compensation on June 30, 1945, did not exceed a rate of $1,800 per annum, and (3) whose compensation is fixed in accordance with the provisions of the Classification Act of 1923, as amended, or the Act entitled 'An Act to adjust the compensation of certain employees in the Customs Service', approved May 29, 1928, as amended, shall not, under the rates of compensation established by this Act, so long as he continues to occupy the position he occupied on June 30, 1945, be less than his per annum basic rate of compensation on such date, plus the rate of $300 per annum or 25 per centum of such per annum basic rate of compensation, whichever is the smaller amount.

"(b) Notwithstanding any other provision of this Act, no officer or employee shall, by reason of the enactment of this Act, be paid, with respect to any pay period, basic compensation, or basic compensation plus any additional compensation provided in this Act, at a rate in excess of $10,000 per annum, except that (1) any officer or employee who was receiving overtime compensation on June 30, 1945, and whose aggregate rate of compensation on such date was in excess of $10,000 per annum may receive overtime compensation at such rate as will not cause his aggregate rate of compensation for any pay period to exceed the aggregate rate of compensation he was receiving on June 30, 1945, until he ceases to occupy the office or position he occupied on such date or until the overtime hours of work in his administrative workweek are reduced by action of the head of his department or independent establishment or agency, or Government-owned or controlled corporation, and when such overtime hours are reduced such rate of overtime compensation shall be reduced proportionately, and (2) any officer or employee who, because of the receipt of additional compensation in lieu of overtime compensation was receiving aggregate compensation at a rate in excess of $10,000 per annum on June 30, 1945, may continue to receive such rate of aggregate compensation so long as he continues to occupy the office or position he occupied on such date, but in no case beyond June 30, 1947.

"Establishment of basic workweek; pay computation methods

"SEC. 604. (a) It shall be the duty of the heads of the several departments and independent establishments and agencies in the executive branch, including Government-owned or controlled corporations, and the District of Columbia municipal government, to establish as of the effective date of this Act, for all full-time officers and employees in their respective organizations, in the departmental and the field services, a basic administrative workweek of forty hours, and to require that the hours of work in such workweek be performed within a period of not more than six of any seven consecutive days.

"(b) Beginning not later than October 1, 1945, each pay period for all officers and employees of the organizations referred to in subsection (a), except officers and employees on the Isthmus of Panama in the service of The Panama Canal or the Panama Railroad Compny, shall cover two administrative workweeks. When a pay period for such officers and employees begins in one fiscal year and ends in another, the gross amount of the earnings for such pay period may be regarded as a charge against the appropriation or allotment current at the end of such pay period.

"(c) The following provisions of law are hereby repealed: (1) the provisions of the Saturday half-holiday law of March 3, 1931 (46 Stat. 1482; U. S. C., 1940 edition, title 5, sec. 26 (a)), and (2) the provisions of so much of section 5 of the Act entitled 'An Act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-four, and for other purposes,' approved March 3, 1893, as amended (30 Stat. 316; U. S. C., 1940 edition, title 5, sec. 29), as precedes the second proviso in such section. The first sentence of section 6 of the act of June 30, 1906

(34 Stat. 763; U. S. C., 1940 edition, title 5, sec. 84), is amended by inserting after 'United States' the following: '(except persons whose compensation is computed in accordance with section 604 (d) of the Federal Employees Pay Act of 1945)'; and the last sentence of such section 6 is amended by striking out 'Any person' and inserting 'Any such person'.

"(d) (1) Hereafter, for all pay computation purposes affecting officers or employees in or under the executive branch, the judicial branch, or the District of Columbia municipal government, basic per annum rates of compensation established by or pursuant to law shall be regarded as payment for employment during fifty-two basic administrative workweeks of forty hours.

"(2) Whenever for any such purpose it is necessary to convert a basic monthly or annual rate to a basic weekly, daily, or hourly rate, the following rules shall govern:

"(A) A monthly rate shall be multiplied by twelve to derive an annual rate;

"(B) An annual rate shall be divided by fifty-two to derive a weekly rate;

"(C) A weekly rate shall be divided by forty to derive an hourly rate; and

"(D) A daily rate shall be derived by multiplying an hourly rate by the number of daily hours of service required.

"(e) The Architect of the Capitol may, in his discretion, apply the provisions of subsection (a) to any officers or employees under the Office of the Architect of the Capitol or the Botanic Garden, and the Librarian of Congress may, in his discretion, apply the provisions of such subsection to any officers or employees under the Library of Congress; and officers and employees to whom such subsection is so made applicable shall also be subject to the provisions of subsections (b) and (d) of this section.

"Regulations

"SEC. 605. The Civil Service Commission is hereby authorized to issue such regulations, subject to the approval of the President, as may be necessary for the administration of the foregoing provisions of this Act insofar as this Act affects officers and employees in or under the executive branch of the Government.

"Vessel employees

"SEC. 606. Employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, vessel employees of the Coast and Geodetic Survey, and vessel employees of the Panama Railroad Company, may be compensated in accordance with the wage practices of the maritime industry.

"Personnel ceilings

"SEC. 607. (a) It is hereby declared to be the sense of the Congress that in the interest of economy and efficiency the heads of departments, and of independent establishments or agencies, in the executive branch, including Government-owned or controlled corporations, shall terminate the employment of such of the employees thereof as are not required for the proper and efficient performance of the functions of their respective departments, establishments, and agencies.

"(b) The heads of departments, and of independent establishments or agencies, in the executive branch, including Government-owned or controlled corporations, shall present to the Director of the Bureau of the Budget such information as the Director shall from time to time, but at least quarterly, require for the purpose of determining the numbers of full-time civilian employees (including full-time intermittent employees who are paid on a 'when actually employed' basis, and full-time employees paid nominal compensation, such as $1 a year or $1 a month) and the man-months of part-time civilian employment (including part-time employment by intermittent employees who are paid on a 'when actually employed' basis, and part-time employment by employees paid nominal compensation such as $1 a year or $1 a month) required within the United States for the proper and efficient performance of the authorized functions of their respective departments, establishments, and agencies. The Director shall, within sixty days after the date of enactment of this Act and from time to time, but at least quarterly, thereafter, determine the numbers of full-time employees and man-months of part-time employment, which in his opinion are required for such purpose, and any personnel or employment in such department, establishment, or agency in excess thereof shall be released or terminated at such times as the Director shall order. Such determinations, and any numbers of employees or man-months of employment paid in violation of the orders of the Director, shall be reported quarterly to the Congress. Each such report shall include a statement showing for each department, independent establishment, and agency the net increase or decrease in such employees and employment as compared with the corresponding data contained in the next preceding report, together with any suggestions the Director may have for legislation which would bring about economy and efficiency in the use of Government personnel. As used in this subsection the term 'United States' shall include the Territories and possessions.

"(c) Determinations by the Director of numbers of employees and man-months of employment required shall be by such appropriation units or organization units as he may deem appropriate.

"(d) The Director shall maintain a continuous study of all appropriations and contract authorizations in relation to personnel employed and shall, under such policies as the President may prescribe, reserve from expenditure any savings in salaries, wages, or other categories of expense which he determines to be possible as a result of reduced personnel requirements. Such reserves may be released by the Director for expenditure only upon a satisfactory showing of necessity.

"(e) Casual employees, as defined by the Civil Service Commission, and employees hired without compensation may be excluded from the determinations and reports required by this section.

"(f) Until the cessation of hostilities in the present war as proclaimed by the President, the provisions of this section shall not be applicable to (1) employees of the War and Navy Departments except those who are subject to the provisions of titles II and III of this Act; or (2) individuals employed or paid by or through the War Shipping Administration (A) who are outside the United States, (B) to whom the provisions of section 1 (a) of the Act of March 24, 1943 (Public Law Numbered 17, Seventy-eighth Congress), are applicable, (C) who are undergoing a course of training under the United States Maritime Service or who have completed such training and are awaiting assignment to ships, or (D) who are on stand-by wages awaiting assignment to ships. As used in this subsection the term 'United States' means the several States and the District of Columbia.

"Exemption for purposes of veterans laws and regulations

"SEC. 608. Amounts payable under the provisions of this Act, other than increases under sections 405, 501, 521, and 602, shall not be considered in determining the amount of a person's annual income or annual rate of compensation for the purposes of paragraph II (a) of part III of Veterans Regulation Numbered 1 (a), as amended, or section 212 of title II of the Act entitled 'An Act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes', approved June 30, 1932, as amended (U. S. C., 1940 edition, title 5, sec. 59a; Supp. IV, title 5, sec. 59b).

"Appropriation authorized

"SEC. 609. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

"Effective date

"SEC. 610. This Act shall take effect on July 1, 1945."

And the House agree to the same.

ROBERT RAMSPECK,
JENNINGS RANDOLPH,
HENRY M. JACKSON,
Managers on the Part of the House.
SHERIDAN DOWNEY,
KENNETH MCKELLAR,
HARRY BYRD,
WILLIAM LANGER,
GEORGE D. AIKEN,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause. The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House, with an amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment, and that the House agree to the same.

Except for the differences noted in the following statement, the conference substitute is the same as the House amendment.

The conference substitute adds to section 101 (relating to applicability of the bill to officers and employees of the Federal Government and of the District of Columbia municipal government) of the House amendment a subsection which specifically prescribes that all provisions of the bill applicable to the executive branch of the Government shall be applicable to the General Accounting Office. For pay purposes under the War Overtime Pay Act of 1943, the General Accounting Office has been treated as being in the executive branch. Therefore, this subsection is probably not necessary, but has been added to section 101 in order to remove any possible doubt as to the application of the bill to the General Accounting Office.

Section 401 of the House amendment adds a new paragraph to section 3 of the Classification Act of 1923, as amended. This new paragraph, as contained in the House amendment, provides, in part, that whenever the Civil Service Commission finds that within the same Government organization and at the same location gross inequities exist between basic per annum rates of pay fixed for any class of positions under the Classification Act of 1923, as amended, and the compensation of employees whose basic rates of pay are fixed by wage boards or similar administrative authority serving the same purpose, the Commission is empowered to establish as the minimum rate of pay for such class of positions any rate within the range of pay fixed by the Classification Act of 1923, as amended, for the grade to which

such class of positions is allocated. A similar provision contained in section 302 of the Senate bill authorizes the Commission to establish as the minimum rate of pay for such class of positions any rate not in excess of the middle rate within the range of pay fixed by the Classification Act for the grade to which such class of positions is allocated. The conference substitute adopts the limitation contained in the Senate bill.

Subsection (b) of section 7 of the Classification Act of 1923, as amended by section 402 of the House amendment, provides that all employees compensated on a per-annum basis and occupying permanent positions within the scope of the compensation schedules fixed by the Classification Act, who have not attained the maximum rate of compensation for the grade in which their positions are respectively allocated, shall be advanced in compensation successively to the next higher rate within the grade at the beginning of the next month following the completion of certain periods of service specified in the subsection. In view of the requirement in section 604 (b) that pay periods cover two administrative workweeks, the General Accounting Office believes that subsection (b) of section 7 of the Classification Act would be more easily administered if the advancements were made effective at the beginning of the next pay period (rather than the beginning of the next month) following the completion of the service period. Accordingly, the words "pay period" have been inserted in the conference substitute in lieu of the word "month."

Paragraph (4) of subsection (b) of section 7 of the Classification Act of 1923 is a new provision added to such subsection (b) by section 402 of the House amendment. It provides that any employee who has left his position to enter the armed forces or the merchant marine, or to comply with a war transfer as defined by the Civil Service Commission, and who has the right to reemployment under regulations of the Civil Service Commission or under any provision of law, shall, upon his reemployment, be entitled to within-grade salary advancements even though there may be no efficiency rating or certificate of satisfactory conduct on record with respect to his former civilian position. Paragraph (4) also provides that the reemployed individual shall be entitled to credit, toward within-grade salary advancements, service in the armed forces, the merchant marine, and on war transfer.

Such paragraph (4), as contained in the House amendment, is limited to an employee "who, under regulations of the Civil Service Commission or the provisions of any law providing for restoration or reemployment, is restored, reemployed, or reinstated in any position subject to this section." All employees under the Architect of the Capitol are employees in the legislative branch and, therefore, not subject to Civil Service regulations. Furthermore, temporary employees under the Architect are not entitled to reemployment rights under existing statutes. In order to insure the benefits of section 7 (b) (4) of the Classification Act to both permanent and temporary employees under the Architect of the Capitol, the conference substitute adds language to such paragraph designed to accomplish this result.

Part I of title V of the House amendment applies to officers and employees in the legislative branch whose compensation is not fixed in accordance with the Classification Act of 1923, as amended. Certain temporary, seasonal, intermittent, and irregular employees, such as painters, carpenters, laborers, etc., under the Architect of the Capitol would, under the House amendment, be eligible for both the permanent pay increase and additional compensation increase (temporary) provided under sections 501 and 502. Such increases would throw most of the basic wages of such employees into a much higher scale than paid in industry for similar work. For this reason, the conference substitute adds a new section (sec. 503) to such part which would make sections 501 and 502 inapplicable to such employees and make them subject to the overtime-pay provisions of section 23 of the act of March 28, 1934. This would, of course, leave the basic pay rates of these employees undisturbed.

Section 603 (a) of the House amendment was designed to protect low-paid employees from suffering pay cuts as a result of the application of the new rates, and provided in effect that the aggregate per annum rates of incumbents should not be less than their per annum basic rates on June 30, 1945, plus $300 or 25 percent of the basic rate on such date, whichever is the smaller amount. A provision was also included providing for application of the subsection to part-time employees on the basis of the proportion which their hours of work bears to full-time work.

The conference agreement retains the House provisions but restricts its application to employees whose pay is fixed in accordance with the Classification Act of 1923, as amended, and whose basic rates of compensation on June 30, 1945, did not exceed $1,800 per annum. Language was also added to make it clear that employees will be benefited only so long as they remain in their present positions. The provision of the House amendment relating to part-time employees was eliminated since all part-time employees whose full-time rate would be less than $1,800 and whose compensation cannot be adjusted administratively will receive, under the new rates provided in the bill, more than they were receiving on June 30, 1945.

Section 603 (b) of the House amendment provides that no officer or employee shall receive overtime or extra compensation in an amount which, when added to his basic compensation, would exceed a rate of $10,000 per annum.

The conference agreement modifies this restriction so as to permit officers and employees who on June 30, 1945, were receiving overtime compensation or additional compensation and whose basic compensation on such date plus such overtime or additional compensation amounted to a rate of more than $10,000, to continue to receive overtime or additional compensation so long as the rate of their aggregate compensation does not exceed the rate of aggregate compensation applicable to such officers or employees on June 30, 1945. In the event the overtime hours of any such employee are reduced, any overtime compensation to which he is entitled under this provision would be reduced accordingly. In the case of officers or employees who benefit by this section by reason of having received additional compensation in lieu of overtime under existing law, such additional compensation would be payable only until July 1, 1947. Moreover the provisions would not apply to any officer or employee after he leaves the office or position he occupied on June 30, 1945.

Section 604 (b) of the House amendment provides that beginning not later than October 1, 1945, each pay period for all officers and employees in the executive branch, including Government owned or controlled corporations, and in the District of Columbia municipal government, shall cover two basic administrative workweeks established under section 604 (a). The basic administrative workweek established under section 604 (a) is a 40-hour week. Inasmuch as the administrative workweek on account of wartime conditions may be more than 40 hours for a considerable number of officers and employees for some time to come, the conference substitute strikes out "two basic administrative workweeks established under such subsection" and inserts in lieu thereof "two administrative workweeks."

At the request of the Governor of the Panama Canal, officers and employees on the Isthmus of Panama in the service of the Panama Canal or the Panama Railroad Company are excepted from the provisions of section 604 (b) by the conference agreement. Such employees are now paid only once a month and almost entirely in cash. They are permitted to secure certain necessities, as well as many services, from Canal agencies, and charges therefor are collected through deduction on the monthly pay rolls. To make biweekly payments and at the same time continue such deductions would require increased personnel in the preparation of pay rolls as well as for their audit and payment.

Under the biweekly pay period plan required by section 604 (b), pay rolls covering the end of one fiscal year would usually cover, also, the beginning of the next fiscal year. In order to avoid the necessity of dividing the compensation of each employee according to the fiscal years in which earned, and charging each part to the appropriation for the year in which earned, the conference substitute provides in section 604 (b) that when a pay period begins in one fiscal year and ends in another, the gross amount of the earnings for such pay period may be regarded as a charge against the appropriation or allotment current at the end of such pay period.

Section 604 (d) of the House amendment provides that, hereafter, for all pay computation purposes affecting officers or employees in the executive branch of the District of Columbia municipal government, basic per annum rates of compensation shall be regarded as payment for employment during 52 basic administrative workweeks of 40 hours. The conference agreement includes the judicial branch of the Government within the provisions of this subsection. Certain technical changes are made in section 604 (c) by the conference substitute because of the inclusion of the judicial branch in section 604 (d), but there is no change in substance.

The conference substitute adds a new subsection (e) to section 604 which provides (1) that the Architect of the Capitol may, in his discretion, apply the provisions of subsection (a) of section 604 (which directs the establishment of a basic administrative workweek of 40 hours in the executive branch and the District of Columbia municipal government) to any officers or employees under his office or the Botanic Garden; and (2) that the Librarian of Congress may, in his discretion, apply the same provisions to any officers or employees under the Library of Congress. Any officers and employees to whom such subsection (a) is so made applicable are also made subject to the provisions of subsections (b) and (d) of section 604.

Section 605 of the House amendment authorizes the Civil Service Commission to issue regulations for the administration of all the provisions of the bill preceding secton 605 insofar as such provisions affect officers and employees in the executive branch or officers and employees subject to the Classification Act of 1923, as amended, who are not in the executive branch. The conference substitute limits the authority of the Civil Service Commission to the executive branch. This change conforms to section 405 of the Senate bill and preserves the authority of committees and commissions of Congress with respect to the Office of the Architect of the Capitol.

Section 607 of the House amendment contains a declaration by Congress that in the interest of economy and efficiency the heads of departments and independent establishments and agencies in the executive branch shall terminate the employment of excess personnel. In furtherance of this policy certain determinations and reports are required to be made by the Director of the Bureau of the Budget. Section 607 (e) of

the House amendment permits the Director to exclude from such determinations and reports the following employees and employment: (1) Intermittent employees who are paid on a "when actually employed" basis; (2) employees paid nominal compensation, such a $1 a year or $1 a month; (3) employees hired without compensation; (4) casual employees, as defined by the Civil Service Commission; or (5) such other employees or employment as the Director may find it impracticable to include. The conference substitute permits the exclusion from the determinations and reports required by section 607 of employees who are hired without compensation and casual employees, as defined by the Civil Service Commission. It specifically includes within the provisions of such section 607 the following: (1) Full-time intermittent employees who are paid on a "when actually employed" basis, and full-time employees paid nominal compensation, such as $1 a year or $1 a month; and (2) part-time employment by intermittent employees who are paid on a "when actually employed" basis, and part-time employment by employees paid nominal compensation, such as $1 a year or $1 a month.

ROBERT RAMSPECK,
JENNINGS RANDOLPH,
HENRY M. JACKSON,
Managers on the Part of the House.

Mr. RAMSPECK. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this represents an agreement between the House and Senate on the Federal employees' pay bill and is substantially the same bill that the House passed a few days ago. We made some clarifying amendments which we thought were valuable. One amendment would make certain that the General Accounting Office would be recognized as being in the legislative branch of the Government, and we made some changes, which were suggested by the Architect of the Capitol, removing from the overtime scope of the bill temporary employees such as painters and carpenters who are hired here when the House and Senate are in adjournment. The only substantial change which adds anything to the cost of the bill, and that is a very small cost, grew out of the situation where a few employees, like J. Edgar Hoover, for example, were getting overtime above their $10,000-a-year salaries. With respect to that we made a compromise which permits those who are in that category on June 30 of this year to continue to receive the present overtime. New employees moving into that category will not get it. If the overtime hours are reduced after July 1, then there will be a corresponding reduction in the overtime pay to Mr. Hoover and the others who come under that category.

I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. As I read this report, all employees of the legislative branch of the Government, such as policemen, the Capitol policemen, the doorkeepers, the assistant sergeant at arms, are taken care of in this measure?

Mr. RAMSPECK. Yes: they are treated as to basic wage increases just as the people in the executive branch of the Government. In lieu of overtime they get 10 percent for a period of 2 years.

Mr. BROWN of Ohio. They are included on the same basis so far as basic pay is concerned, just as other employees of the Government?

Mr. RAMSPECK. That is correct.

Mr. BROWN of Ohio. Then, in lieu of overtime as allowed the regular employees of the other branches of the Government, they receive 10 percent?

Mr. RAMSPECK. That is correct.

Mr. BROWN of Ohio. I am very glad that the committee has taken care of this particular matter because I think too often we have overlooked our own employees while taking care of the interests of others.

Mr. RAMSPECK. I yield to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. I understand that as the Senate passed the bill they allowed time and one-twelfth for overtime and the House bill allowed time and a half. Is that correct?

Mr. RAMSPECK. That is correct.

Mr. RICH. And the Senate yielded to the House on this matter?

Mr. RAMSPECK. That is correct.

Mr. RICH. I also understand there is a report which was made out by some company showing that the great increases which would take place among some Government employees were not revealed to the House at the time this bill was passed. Is that correct?

Mr. RAMSPECK. No; that is not correct. If the gentleman will refer back to the remarks I made on the floor of the House when the bill was under consideration, the matter will be clarified in his mind. I believe what he has in mind is the staff report made by the investigating staff of the House Civil Service Committee.

Mr. RICH. That is right.

Mr. RAMSPECK. That report was flatly contradicted by the people involved. The committee has not yet passed upon that report.

Mr. RICH. Then the report was not correct?

Mr. RAMSPECK. It is questionable as to whether or not it is correct. We have not determined that question as yet.

Mr. RICH. As this bill is now, if it is passed, what will that increase the salaries of the Federal employees per annum?

Mr. RAMSPECK. A little over $730,000,000, provided they continue to work a 48-hour week. Of course, when the hours are reduced the overtime cost will go down. If they go to a 44-hour week it will be reduced approximately $140,000,000, as I understand it.

Mr. RICH. Then if they work 40 hours a week it will cost how much?

Mr. RAMSPECK. I would say that would take off another $140,000,000, approximately.

Mr. RICH. What arrangement has the Congress made to raise the money in order to meet this obligation on the Treasury?

Mr. RAMSPECK. The gentleman is just as able to answer that as I am.

Mr. RICH. I will explain it to you in this way: I think they are going to pay all these things after a while with this kind of dollar. You can stretch them out but finally the Treasury is going to break. You men who have increased the salaries of Federal employees, when you get back home and find out the people back home are not getting anywhere near the salaries that compare with Federal Government employees', something is going to happen. What that will be neither you nor I nor anybody else knows. It is about time the Congress realized just what is doing.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. RAMSPECK. Mr. Speaker, I yield myself five additional minutes.

Let me say one word in answer to the gentleman from Pennsylvania, for whom I have great respect. In this bill we are only doing for the employees of the Government covered by this report what we have by law compelled private employers to do for their employees long ago, and what the Appropriations Committee of this House has done and the Senate has done for the million and a half other Federal employees who come under the wage-board procedure. We are going to pay them with just exactly the same kind of money that we have been paying those employees, and with the same kind of money we have been paying war contractors to pay their employees overtime, at the expense of the taxpayers of this country. In other words, we are treating these people just as we have treated all others.

Mr. RICH. Will the gentleman yield further?

Mr. RAMSPECK. I do not yield further. There is no use debating this any further.

Mr. PITTENGER. Will the gentleman yield to me?

Mr. RAMSPECK. I yield.

Mr. PITTENGER. I think probably the question I have in mind has been partially answered in your reply to the gentleman from Ohio [Mr. BROWN]. I want to make inquiry about the policemen in the Old House Office Building and the men in the post office in the Old House Office Building.

Mr. RAMSPECK. All legislative employees are covered.

Mr. PITTENGER. Including those two groups?

Mr. RAMSPECK. Including those two groups.

Mr. FOLGER. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. FOLGER. I am going to make inquiry along the same line as that of the gentleman from Minnesota. I remember when the appropriation bill was being considered the gentleman from Texas [Mr. LANHAM] offered an amendment to increase the pay of the Capitol Police. Perhaps other employees were included in it, but I am not sure. The gentleman from Kentucky [Mr. O'NEAL] had that bill in charge and objected to it at the time on the ground that there would be a readjustment of pay. However, I am informed that after this bill went to the Senate, the Senate did raise the Senate police and other employees that were included. I understand they will receive that raise in pay on the 1st of July but the House employees do not get it.

Mr. RAMSPECK. I cannot answer the gentleman's question as to the Senate employees, but this bill treats the employees on Capitol Hill in the legislative branch exactly like it does the employees downtown as to basic wage increases.

Mr. ENGEL of Michigan. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. ENGEL of Michigan. This bill does not apply to the District of Columbia, does it?

Mr. RAMSPECK. Just what does the gentleman mean?

Mr. ENGEL of Michigan. The District of Columbia employees.

Mr. RAMSPECK. Yes, it does; those who come under the Classification Act.

Mr. ENGEL of Michigan. But it does not apply to the police force?

Mr. RAMSPECK. No.

Mr. ENGEL of Michigan. Nor to the firemen?

Mr. RAMSPECK. That is correct.

Mr. ENGEL of Michigan. In the War Department we have numerous fire departments at the various cantonments. Was there an exception made with reference to those men who serve long hours but who sleep on the job? That is, they have beds there and they stay there 24 hours a day. Naturally if you pay them time and a half overtime it will mean a great increase.

Mr. RAMSPECK. That will be controlled by the War Department. They fix the workweek.

Mr. ENGEL of Michigan. The War Department can control that?

Mr. RAMSPECK. The War Department controls that.

Mr. ENGEL of Michigan. I was informed that this bill would raise those people more than 100 percent because of that feature. Can the gentleman give me any information on that?

Mr. RAMSPECK. I do not so understand. We are passing a basic 40-hour week. That is true.

Mr. ENGEL of Michigan. I was wondering whether the attention of the committee had been called to that class of employees who come under that classification.

Mr. RAMSPECK. You mean they are considered on duty and work 24 hours a day?

Mr. ENGEL of Michigan. Yes. If they are at home working in the garden, they are subject to call.

Mr. RAMSPECK. I think that is taken care of under the compensatory time feature.

Mr. DWORSHAK. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. DWORSHAK. The Director of the Budget, according to the press today, will likely make the recommendation that the Federal workweek be cut back from 48 to 44 hours on July 1, with the probability that an additional cut-back to the 40-hour week will take place later. Has the gentleman's committee made any effort to encourage support for the proposal to cut-back to a statutory 40-hour week for Federal employees?

Mr. RAMSPECK. The gentleman from Kansas [Mr. REES] has written the President a letter about it. I stated to the newspapers that I agreed in his recommendation.

The gentleman from Washington [Mr. JACKSON] has been interested in it; I think he originated the idea of cutting back the hours. So I say that as far as I am concerned I am in favor of it.

The SPEAKER. The time of the gentleman from Georgia has again expired.

Mr. RAMSPECK. Mr. Speaker, I yield 10 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, as ranking minority member of the committee I did not sign the report we have before us. This measure provides so-called time and a half overtime for the additional 8 hours above the 40 hours. I have no objection for real time and a half when we are actually on a 40-hour-week schedule, and when certain and necessary work has to be done when special conditions require it. This bill has a provision that gives the Civil Service Commission authority to make its own classifications. That is a prerogative of Congress and not of an executive agency.

This conferees' report brings back to the House H. R. 3393 with only a few minor changes. In view of that circumstance the bill needs little explanation on my part.

The passage of this legislation will increase the present cost of Federal employment to the Government at the rate of somewhere between $740,000,000 and $900,000,000. It means an average charge of about $20 or $25 for every family in the United States. Of course, it will be said there will be a reduction in the number of hours and in the number of employees rather soon. I hope both of those things will come about, but it may as well be understood what we are doing today in the passage of this legislation. It ought to be pointed out, too, that the total annual cost of Federal employment for more than 3,000,000 employees exceeds $8,000,000,000. If you add to this the traveling expenses and other expenses, it will amount to almost the gigantic sum of $9,000,000,000 that the people of this country are paying for civilian employment. This amounts to $65 for every man, woman, and child in this country, or about $300 for every family. I mention this only to bring home the increasing cost of Government and to call attention to the little effort that is being made in the reduction of such costs.

Insofar as this legislation is concerned, I have always been in favor of providing increases in the base pay to our Federal employees in line with the increased cost of living. I do feel, however, that it would be much better to provide fair and reasonable base pay to all Federal employees and then to provide for time and one-twelfth as we have heretofore done for whatever additional hours may be required beyond the 40-hour workweek.

It is my understanding that the payment of one and one-half overtime was intended to penalize the employer and thereby divide the work among more employees. But there could be no occasion for penalizing our own Government in order to bring that about, so overtime becomes a method of increasing compensation rather than to meet the objective for which it was intended. The difference between the computation of overtime would mean a saving to the taxpayers of this country of somewhere between $250,000,000 and $300,000,000. I had hoped this House would be willing to at least save a quarter of a billion dollars and injure no one thereby.

It was contended on the floor of the House a few days ago that those who are employed in our Government have not received increases in their pay for a long period of time. The facts are that most employees who have taken jobs with the Government during the past 4 years have really had pay increases. This because of transfers, promotions, reclassifications, and so forth. These promotions and reclassifications have not been regular in that in some agencies the increases amounted to 15 or 20 percent, while in others they were as much as 65 or 70 percent. We have employees who, if they were fortunate enough to get into a certain agency and had friends who would help them to secure salary boosts, now get two or three times as much as they received when first employed, while other employees—career men and women, if you please—have received very little increases. There are too many cases within our Government where individuals started on a salary of $2,500 2 and 3 years ago who have been boosted to $6,000 and $8,000 a year. I contend that these boosts were in many cases not because of ability but because some department head used his influence to get it done. There are too many people securing advancements in our Government because of a pull with their superiors. Many employees under the Classification Act who came into Government service in recent years have done far better than they would under the Little Steel formula and so, through transfers, unmerited promotions, reclassifications, or a blow-up of job descriptions, thousands of employees have received miraculous increases in pay that have averaged as much as 70 percent in some of our newer agencies.

Federal employees who have remained in the lower brackets have not benefited so well as those who moved out of the lower brackets into Government at higher pay. These facts are well known to the Government employees themsleves. This condition does not contribute to providing high morale in Government.

I have a schedule handed to me by an employee that shows that in his department those in higher brackets received an average of 42 percent increases in pay since 1941. One war agency increased the pay of its employees in the higher brackets 47 percent, another one 32 percent, another one 49 percent, another 51 percent, and still another 53 percent, all since January 1, 1941. In independent agencies the increases do not amount to quite so much. In old-line agencies still less.

I have tried to secure information with respect to the pay structure in our Federal Government and to find out more about how it was handled. I requested that the investigating staff of our Civil Service Committee submit a report on pay inequities which were alleged to exist

in Federal service, and being with respect to:

First, too rapid raises in Federal service, which violates existing civil-service rules; second, faulty classification of jobs by the Civil Service Commission and by the departments and agencies of the Federal Government; and third, wide variations in classifications and pay between the employees in the various departments and agencies of the Government performing the same type of work. The committee approved my request, and a report was made by the investigating staff, which, though not complete, gave what I regard as a pretty fair over-all picture with regard to the matters set out in these specifications.

Colonel McCormack, our staff director, who prepared the report, is efficient, fair, and sincere, and he has tried to do a good job even though some officials in the Civil Service Commission may not agree.

The report was withheld at the request of the chairman until the Civil Service Commission could reply thereto, and it was further withheld until after the bill pending before us could be considered. The chairman of the committee gave the committee to understand that, in his judgment, the information contained in this report was not of importance in the consideration of this legislation, and that if submitted would have a negative effect upon the consideration of the bill before us. I assume that after this bill has passed both Houses, the chairman of the Civil Service Committee will see fit to permit the release of this report.

Mr. Speaker, facts have been reported to the Nation from time to time showing the reckless disregard of the Classification Act by the Civil Service Commission and by the departments and agencies of Government with the resultant waste of millions of dollars. The Byrd committee reported these things, but little attention was accorded such report.

Mr. Speaker, there is too much totalitarianism and too much favoritism in Government agencies. There are too many places where efficiency and a good record are secondary to unmerited promotions, a "blow-up" of job descriptions, and a "pull" with the boss.

Mr. Speaker, two Senate committees in the past 2 years have issued three scorching reports which have shown without being refuted that the Civil Service Commission has conducted its operations to the detriment of career-service employees. This bill is the last straw. It contains a provision to permit the Civil Service Commission to rewrite the Classification Act. Mr. Speaker, I am convinced that the intent and purpose of a classification merit system in this Government has broken down, and it has been disregarded in too many respects.

Mr. Speaker, all of the facts set forth in the report of the investigating staff ought to be published and given to every Member of this Congress—not only that, we ought to have an immediate, complete investigation of the Civil Service Commission and the other agencies of Government without any whitewash of any kind. If there is anyone to blame who has been derelict in his duties, this House and this Congress ought to know it and proceed to see that correctness be made accordingly.

If the Civil Service Commission or its officials, or anyone who is in charge of any agency, are not performing their full duty, we ought to find it out and we ought to do it now.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Pennsylvania.

Mr. RICH. What in the gentleman's judgment is the pay of Government employees compared to people in his district doing the same kind of work?

Mr. REES of Kansas. I will say to the gentleman that the pay of employees is very favorable, especially when you further consider a month's vacation on pay, more than a half month's sick leave with pay, and retirement benefits to which the Government contributes. For example I have in my district a man who works in a bank as a teller getting a salary of $175 a month. He asked for an increase of $25 per month. The bank was willing to pay the increase of $25 but the War Labor Board stated that under the rules he could not be increased because the increase was out of line and out of compliance with the Little Steel formula. The Board decided $166 was all he should be paid for that kind of a job. This man has a wife and five children to support. Also in my district they have already fined the laundries who raised salaries, because they were paying too much salaries to employees so the claim was made. I do not think the gentleman from Pennsylvania or any one else ever heard of laundries paying too high salaries to their employees.

Mr. SCRIVNER. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Kansas.

Mr. SCRIVNER. May I ask the gentleman what the Civil Service Commission is doing to aid returning veterans?

The SPEAKER pro tempore (Mr. MILLS). The time of the gentleman from Kansas has expired.

Mr. RAMSPECK. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. SCRIVNER. Referring to the man who has gone into the military service, returns and finds that one who has not gone into the service now has a job paying three times as much as he was getting when the veteran went into the service. He goes back to his old job at his old pay. The Government should set the example for better treatment for our returning veterans.

Mr. REES of Kansas. We have legislation that is expected to take care of that situation. I will say to the gentleman we are going to need some pretty definite legislation of a compulsory nature to see that the man or woman who took his place does not have advantage over the returned veteran. The veteran is entitled to the same consideration as the fellow who worked with him and is still in Government.

In cases where a man or woman has taken over the veteran's job while he is away, the veteran is entitled to have the job with whatever advancements as have gone with it while he was in service.

Mr. SCRIVNER. May I ask the gentleman what has been done about reduction in the number of employees in the Government service?

Mr. REES of Kansas. There has not been any action that I know of to reduce the number of employees in the Government service. I have done everything I could in that direction and I shall continue to use my efforts in trying to secure a reduction in personnel wherever possible. We have too much duplication of effort as well as a lot of unnecessary services, with which, I am sure, the gentleman is familiar. I have addressed a letter to the President, asking him to reduce the work hours to at least 44 hours a week in all services except where absolutely necessary; the additional 4 hours' work on Saturday is not really worth while, and the employees themselves are very much in favor of that very thing.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman is very much interested, I know in having the nurses carried under the professional group. They are now carried as subprofessional. Will the gentleman help to get a hearing on that matter?

Mr. REES of Kansas. The gentleman from Kansas will be glad to assist in securing a hearing on that proposal. The nurses of our servicemen are entitled to everything that is fair and reasonable.

Mrs. ROGERS of Massachusetts. They are very highly trained and human life is intrusted to their care.

Mr. DWORSHAK. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Idaho.

Mr. DWORSHAK. What does the gentleman propose to do in regard to this suppressed report, the contents of which have been denied the Membership of the House? Are we going to have that information or not? The House acted on this bill without having this report.

Mr. REES of Kansas. All I can say to the gentleman is that I thought it should be released. I thought the membership of the House was entitled to it. It will probably be released later on.

Mr. RAMSPECK. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I realize that it is a fine thing to increase the salary of everybody and I would like to do it. But I am thinking of the statement that the gentleman from Kansas made that this bill is going to increase the burden on every family in the United States an additional $26. I am thinking of the people back home whom I represent. They not only have to pay for everything else that we assess against them, taxes, and so forth, but they have to pay $26 more to now pay for an increase in salary for Federal employees who today, I believe, are getting more money for like work than the people back in my district. We have a lot of people coming to Washington to see us about various things, and that is fine; I like to see them and help them, but I want to tell you that the

people back home cannot stand this very much longer. If we keep on increasing and increasing expenses here in the Government, we are going to break down the home front, and it is the people back home who are supporting the Government in Washington. I think sometimes we do not give enough consideration to our taxpayers and the fact that they are the backbone of this Nation, and that they are the ones who are supporting this Government.

I want to say to the gentleman, the chairman of the Committee on the Civil Service, that he ought to do something to get rid of about 300 or 400 or perhaps a million Government employees if you are going to increase the salaries of these other employees, because unless you do that, you will be doing something that is not right for the people back home, who cannot stand it very much longer. It is your responsibility to get some action and cut out the under-bites of Government and get more efficiency so that the people can stand it.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Washington.

Mr. JACKSON. Does the gentleman realize that two-thirds of all the employees in the Federal service today receive salaries of $2,000 and less.

Mr. RICH. I am thinking of the people back home in industry that do not get $2,000. We have people in our district who I would like to see get $2,000 and they would be happy. I would like to see them get $1,800. They are the people I am talking about now.

Mr. JACKSON. The Federal employees are not getting any greater increase than the employees in private industry received.

Mr. RICH. Oh, the people in private industry are not getting anything commensurate with what the Federal employees are getting. If they were, I would not be here talking this way, because they are the people I am interested in. I am not talking about war plants. I am talking about the average American plant that is not engaged in war industry. Hundreds and thousands of them are not getting what they should.

Mr. RAMSPECK. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MILITARY ESTABLISHMENT APPROPRIATION BILL, 1946

Mr. SNYDER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3550), making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes; and pending that motion, Mr. Speaker, I would like to hear from the gentleman from New Jersey regarding the disposition of time.

Mr. POWERS. Mr. Speaker, I have requests for about 2 hours. I suggest that we run along and see how the time is being consumed and then come to a decision after a few speakers have finished.

Mr. SNYDER. Mr. Speaker, I have requests for about 45 minutes. I ask unanimous consent that the time be equally divided and controlled by the gentleman from New Jersey [Mr. POWERS] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3550, with Mr. CRAVENS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SNYDER. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, I consider it an honor and a privilege to present the report from the Committee on Appropriations on the Military Establishment appropriation bill for fiscal year 1946.

Before going into an explanation of the provisions of this bill I wish to express my appreciation to the members of the subcommittee who have worked so diligently for the last several weeks. The work has been particularly difficult due to the fact that we are concluding a war of tremendous proportions in one theater of operations and are faced with all the details of curtailing expenditures there, while on the other hand we are faced with a full-sized war in another theater of operations and have the responsibility of providing the munitions with which to win that war. The difficulties were further increased because the estimates from the Bureau of the Budget were not available until June 11. Prior to that time the hearings of the subcommittee, which of necessity were started early in May, were based on such information as officials of the War Department could give us and were privileged to release. I do not wish to infer that anyone was at fault in the failure to have estimates available at a particular time, I do not know, but the fact that they were not available has made the work of the subcommittee most difficult.

The auspices under which we consider the military budget for the fiscal year 1946 are much brighter than a year ago. At that time we had a full-scale two-front war on our hands and the carefully laid plans of our military leaders had yet to prove their value. We had every confidence in them but realized there was much heavy fighting ahead. Our confidence has been justified. Those carefully laid plans as to one of the fronts have been executed. As to the other front they are in process of execution and, I am proud to say, with a considerable degree of success. While there is much still to be accomplished it would seem our pattern has been cut and there remains only its accomplishment.

As this appropriation bill is written the figure of victory assumes a larger and clearer place on the horizon of our hopes. The progress that has been made is a tribute to the combined efforts of our armed forces and civilian population. The victory to which we all look forward is not, however, an end in itself. It is rather an indispensable step toward what we all hope will be a lasting and stable peace, and this appropriation is but a part of the means required to carry along the momentum we have gathered against our enemies. That momentum must be continued and increased in violence until there is no more resistance to our armed forces.

The fact that our two-front war has been reduced to a one-front war has not reduced proportionately the problems of winning the war. In fact it seems some of the problems are increased if we are to keep the advantage we have gained in recent operations against the Japanese forces. Quite definitely our forces have the enemy off balance, they have been thrown back in many places onto their own territory, and in a few places we have entered on their home grounds. It would definitely be a mistake not to keep them off balance as much as possible. The only way we can do that is to provide the means to carry through the strategy of our high command which has and is proving successful. The Japanese air forces have suffered heavily at our hands, but they still fight back; her Navy has taken great punishment, but it is still a menace and must be considered in all operational plans; her productive capacity even after our many destructive air raids is still considerable; and her land forces are largely intact. It would be a very costly mistake to permit any of these forces sufficient time to rest, rebuild, recover, and regain their balance and become poised again for future efforts against our forces. To prevent this it may be necessary in some instances in taking the most strategic advantage of the situation to transport some of our Army units in the European theater direct to the Pacific theater in order to save time and prevent the enemy from having time to regroup and revise his plans. At the present time there are not sufficient communication or harbor facilities, bases or airfields to support the greatly expanded combat operations necessary to keep the enemy off balance and advance our present position. These deficiencies can be alleviated only by rushing our service forces to that theater of operations, which is now being done.

Transportation, travel, port operations, maintenance, repairs, and utilities and many other operating expenses will increase sharply during the period of redeployment. Redeployment of our Army from one side of the globe to the other is the largest-scale maneuver of its kind ever attempted and must of necessity occupy first priority. Even the reduction in the size of the Army will result in temporarily increased expenditures because of mustering-out pay.

Different problems present themselves in each theater of operations. In the Pacific the greatest problem, outside of the Japanese armed forces, is distance. While we are happy that the actual warfare is as distant from our shores as it is, it does present problems of transporting

our troops, our supplies, and munitions of war over great distances. As our battle lines advance our transportation and communication problems increase while the transportation and communication problems of the enemy are lessened. The utter lack of productive and storage facilities in the Pacific theater of operations, and the harsh climatic conditions there encountered present additional problems.

These pressing problems cause our thoughts to turn more and more toward the Pacific theater of operation, but we cannot and must not forget that in addition to the forces required for successful operations there we have to maintain occupational forces in Europe of quite sizable proportions—forces much larger in fact than our entire standing Army shortly before the attack upon Pearl Harbor, and those forces being stationed in foreign territory require an adequate base here in the United States. It would be most unwise if, after fighting a long and bitter war to gain victory in Europe, we should fail to take all steps necessary to keep order and to enforce the peace until stable conditions are established.

FUND REQUIREMENTS

This bill provides a total of $38,500,285,951 to finance our Army requirements for the fiscal year 1946. However, of this amount only $21,376,283,400 new money is required, the balance being financed by the carry-over of 1945 unobligated balances of $8,818,195,574 and $8,238,501,500 estimated to be recovered during the next year from prior year obligations resulting from contract cutbacks and terminations. The estimate for the fiscal year 1946 is a reduction of $14,997,731,476 from the $53,498,017,427 estimated obligations of the current fiscal year.

The committee has made some few reductions in the amounts requested but has made no major changes. These reductions and the reasons for them are set out in our report. We do not believe these reductions will in any way hamper the Department as they are based on changes that have occurred since the estimates were first presented to the committee. Many of the items have remained untouched.

These funds are required to pay, equip, and maintain a force that will open the fiscal year at a strength of 8,320,000 and decline to a strength of 6,968,000 on June 30, 1946. Many of our people have expressed surprise that our Army strength will not decline more rapidly with the ending of our war in Europe. I believe that a reading of the testimony of the Army's Chief of Staff will convince the most critical mind of the need of maintaining the strength of our armed forces at this figure. A man-year strength of 7,705,000 has been used in the estimates for purpose of pay and other computations. This strength compares with an estimated man-year strength in 1945 of 8,306,000. The 1946 man-year total calls for 752,000 officers, 33,000 warrant officers, 53,500 nurses, and 6,866,500 enlisted men.

A brief summation of the activities of the major organizational components of the Army should be of interest and will aid in a better understanding and appreciation of the scope of this appropriation bill.

ARMY GROUND FORCES

The Army Ground Forces is charged with the responsibility of furnishing large ground fighting units; to produce the auxiliary or supporting units needed to round out the ground combat forces; to train individual combat soldiers to replace losses overseas; and to furnish schooling for officers and enlisted men in their combat functions in addition to their basic training.

In the early days of this war the fact that the Ground Forces are our most essential force was not publicized as it perhaps should have been. There was more glamor in other branches of the service and it is only natural that they received publicity and recognition. And the importance of these other branches of the service is not to be discounted, but our victory in Europe came only after the opposing ground armies met in combat and our forces were able to push back the enemy and occupy enemy territory. I have no doubt that the same will be true in the case of Japan unless the leaders of that government, realizing that our Ground Forces will take over in spite of everything they can do to stop them, submit to our terms of unconditional surrender.

As in all wars the basic arm of the fighting forces is the infantry. The success of every campaign is measured by the ground won and held by the infantryman. In this war we have endeavored to give our infantryman, as well as all our other forces, every means provided by inventive genius to meet and conquer the enemy and to protect and give him the greatest chance of survival of any soldier in the history of warfare. The manner in which our forces have responded to their tasks indicate they realize and appreciate the efforts that have been made to aid them in their enormous job.

There are many problems for the ground forces other than those arising in actual combat. Our ground forces are, of necessity, mechanized. Training with the complicated weapons of present-day warfare, keeping the mechanized equipment in repair and available at the proper time, as well as keeping all supplies available to forces moving as rapidly as the ground forces can now move, presents problems of enormous proportions. The work of these supporting or service units as they are called is most important, and in order to achieve the highest degree of coordination between the combat and service units they are trained together, and when possible sent out to participate in large-scale maneuvers under conditions simulating those of real combat. In this way all units are trained to fit into the larger units and as actual combat has shown we have the most efficient and highly skilled Army on earth. The training given our ground forces enables them, when in the theater of actual combat where there are no permanent installations, to repair mechanized equipment in mobile ordnance shops, establish and maintain communications, and operate portable surgical hospitals close to the firing line.

For all enlisted men under 19 years of age there is provided an advanced training program to insure a minimum of 6 months' training prior to entry into combat. Other selectees are given an intensive period of 17 weeks' training under highly skilled officers and noncommissioned officers, the majority of whom have had combat experience. The training program is designed to provide the individual young soldier with all the technical and tactical knowledge necessary for him to take his place as a member of a military team.

Specialized training for the Army Ground Forces is provided in antiaircraft artillery, armor, cavalry, coast artillery, field artillery, infantry, tank destroyers, and parachute under highly trained officers and enlisted men well versed in the latest developments of training and combat.

ARMY AIR CORPS

The purpose of the Army Air Corps has been to carry the war into the heart of the homeland of the enemy and to do as much as possible to destroy his will and capacity to fight. The funds provided by the Congress has enabled it to do well-nigh that. By providing a superior air force, comprised of the most efficient and best-trained personnel and mechanically and numerically superior equipment, these forces were able to paralyze the German communications by taking out bridges, marshaling yards, and rolling stock. It deprived the German high command of its ability to maneuver troops to meet the needs of the strategic situation; it immobilized the highly trained panzer divisions and other first-line troops during the period when such divisions and troops would have effected their most telling blows against our plans to invade Normandy and the European Continent. It prepared the way for our Ground Forces to move in and complete the job. We have every reason to believe that the bombings of Japan proper and its stolen possessions are having a like effect, and that by the time our Ground Forces are redeployed and ready to make their push into the enemy homeland the Air Corps will have sufficiently performed its work to enable those forces to move in and compel the unconditional surrender.

During the hearings several days ago, convincing evidence was presented to the committee that the capacity of Japan to produce airplanes has been reduced to only 40 percent of her scheduled production for the month of May, and the almost daily bombings since that time, as reported in the press, indicate that the capacity of that nation to produce airplanes and other munitions of war is daily being curtailed.

There was one most interesting feature of the carefully prepared report of the Air Corps, which I think every Member of Congress and every citizen of this Nation will receive with satisfaction and pride. The report states that "for every man-month of American labor spent in the over-all cost of dropping each ton of bombs by B-29's, the Japanese have lost 20 man-months of war-productive

labor." In the field of bombing craft the B–29 is proving itself almost daily to be the outstanding development of this war.

AIR TRANSPORT COMMAND

Another typically American contribution to the war is the Air Transport Command of the Army Air Forces. This service has built up in a period of some 4 years the most extensive employment of air transportation in history and transcends anything thought possible a few years ago. It has been utilized to transport over one and one-half million passengers, carried 800,000 tons of freight in foreign operations, and ferried over 100,000 airplanes. By July of this year it will be returning 50,000 persons a month from the European theater of operations to the United States. Its operations over the hump to China is one of the classics of this war.

TRAINING

The number of pilots to be trained during the coming year will be approximately 1 percent of the numbers trained at the peak training periods. Likewise the number of bombardiers and navigators will be but a token number of those trained at earlier periods of the war. These facts do not, however, reflect the need for training for the coming fiscal year, except to indicate that a smaller number of new persons will be placed in the air-training forces. The theater of operations for the next fiscal year, the more extensive use of our newer and more efficient aircraft, more complicated mechanisms, and the use of greater numbers of the newer types of aircraft such as the B–29, will require more exacting training. These factors may actually increase the cost of training for a period of time sufficient to produce the number of qualified personnel to complement the additional aircraft of the newer type which will be used against the enemy.

RESEARCH AND DEVELOPMENT

Research and development in the Army Air Forces has a twofold purpose: first, to carry to a speedy conclusion development of new equipment and improvements to existing equipment which will hasten the end of the present war; and second, to insure the application and use of all inventive genius and advanced thinking in preparing for future contingencies by retaining our present position of having the best aircraft and related equipment the world has yet produced. In the purpose of leading the international field in advanced aircraft all agencies in the field of research are called upon to present their best efforts, such as the National Advisory Committee for Aeronautics, the National Academy of Sciences, the Office of Scientific Research and Development, and civilian scientific schools and laboratories.

Three relatively new fields of development are now beginning to bear fruit; they are radar, jet propulsion, and guided missiles. The Air Forces are now responsible for all radar research and development peculiar to that service. Until recently this has been the responsibility of the Signal Corps, and while the appropriation for the Air Forces is being increased to cover this increased expenditure by it, the appropriation for the Signal Corps has been reduced correspondingly. Radar is, of course, in its infancy, but the things that can be done through this medium are outstanding: Bombing through overcast, navigation in all weather conditions, aircraft fire control, advance weather information for planes, information upon which targets for artillery are located, and numerous others.

The use of jet propulsion generally at this time is to increase the speed of our planes, which will make them much more difficult targets. A large proportion of the appropriation in this item for the coming year will be devoted to research in the field of jet propulsion.

It has been the contention of the Air Forces that our air superiority has enabled us to sap the enemies' industrial and military strength by conventional bombing and aerial fighting rather than through the use of guided missiles. This is certainly true, but the fact remains that the buzz bombing of England was most destructive and, had it been perfected a little more or perfected a little earlier, it might have been a much more formidable weapon than it turned out to be in this war. From this experience it would appear that the appropriate research and development branch should make a very careful study of this weapon of warfare so that in the future, should the need arise, this Nation would not be unprepared or inferior to other nations in this item.

It is not feasible at this time to attempt to stock-pile aircraft in any quantities as the advance in this field of endeavor is so rapid that a line of aircraft now a formidable fighting force may be obsolete within a very short time. For that reason it is not the intent that any of the funds in this appropriation will be used for purchasing large numbers of aircraft not presently required in this war.

ARMY SERVICE FORCES

Operating under this major component of the Army are the several technical supply services: Ordnance, Engineers, Quartermaster, Signal, Transporation, Medical, and Chemical. In addition, the finance service of the Army is administered under this command and is responsible for paying our troops and providing for their travel expenses. These agencies provide innumerable items of supply and equipment needed by our Army. To attempt to list here the items making up the total requirements would be a hopeless task, but perhaps a brief description of the activities of each of these agencies will provide a fairly good picture of what they are accomplishing.

ORDNANCE

The fund requirements for this supply agency are directly related to actual combat. The major types of items procured by the Ordnance Department are tanks, self-propelled mounts, motor combat and transport vehicles, artillery and its various ammunition, small arms and their ammunition, bombs, grenades, and all other types of weapons and similar equipment. During the last year we were engaged in a major shooting war in which quantities of Ordnance equipment and ammunition were expended at rates never before contemplated. The cessation of hostilities in Europe and the highly developed recovery and reclamation program will enable a reduction in the funds necessary for the procurement of Ordnance items amounting to approximately 50 percent as compared with fiscal year 1945. The procurement of ammunition still represents the major part of this program. The procurement of artillery, small arms, tanks, combat, and other vehicles have been appreciably reduced. While the items included in this budget are the estimated requirements of the most modern types of equipment, there can be no question that more ingenious and more effective types will be seen on the battlefields in the future.

Our ordnance engineers are confident that our weapons, ammunition, and equipment are superior to those in the hands of our enemies, but they are never satisfied and are constantly endeavoring to develop new weapons to be sure that we are always out in front. It is impossible to predict what new conditions will be encountered before the Pacific war is ended, and for this reason a continued effort will be made to procure and develop the latest types of equipment. The end of the war in Europe has made available considerable quantities of weapons, ammunition, and other combat items no longer required in that area. These supplies will be utilized to the fullest extent possible in the Pacific war and have been given careful consideration in the preparation of requirements for the next year.

ENGINEER SERVICE

The Corps of Engineers provides the design, material, and equipment to construct war plants, boats, camps, stations, airfields, utilities, pipe lines, storage facilities, roads, docks, and others things, wherever the Army requires them. For work in the United States these activities are carried on almost entirely through contract with engineers, architects, and contractors of all kinds comprising the civilian construction industry of the country.

The Corps of Engineers is the real-estate agent for the War Department charged with leasing and buying of all War Department real estate; it is the custodian of that real estate throughout the world; it operates many homes, utilities and kindred services needed by the military population of some 6,000,000 persons. It develops and produces all maps for ground operations of the Army; develops engineer troop training policies, training manuals, supply and equipment catalogs, and equipment operating manuals; provides trained engineer officers and enlisted specialists. It tests the strength and durability of construction materials and designs; designs, develops, and standardizes engineer equipment, materials and structures for both combat and service uses. It procures from commercial sources about 30,000 items of engineer supplies and equipment and about 400,000 spare parts and other items of maintenance; provides engineer materials and equipment for our troops in this country and overseas, for both training and combat. It repairs and rebuilds critical engineer equipment and makes engineer equip-

ment available to our allies. It has been made the central procurement agency for tractors for the Army and Navy, and controls the lumber supply for all Government agencies. It stores, packs for overseas shipment, and issues these supplies in and out of 16 depots.

The shifting of the war to the Pacific will require continued construction. The fortunes of war will require the improvements to general and convalescent hospitals, and perhaps the construction of some additional facilities. Its program of storage and shipping facilities must be continued and perhaps enlarged to meet the needs of Pacific operations, especially at ordnance depots and ports of embarkation.

Information, of which I am aware, convinces me of the need for expansion of certain airfields to permit the use of larger and heavier aircraft now coming into common use, which will necessitate the acquisition of land in some areas. There is, however, under the jurisdiction of the Corps of Engineers thousands of acres of land that have been leased to private interests pending the disposition of such land, and the corps has turned into the Treasury as miscellaneous receipts some $6,000,000 as rents for such lands.

The corps is charged with maintenance and repair of buildings and grounds, roads and utilities, including water supply, sewage disposal, refrigeration, heating, and other housekeeping services for the Military Establishment in continental United States, and in many instances such costs will be increased due to the reactivation of facilities for use during redeployment of troops to the Pacific.

I was gratified to learn that through careful controls the corps had been able to reduce the price on many items of engineer supplies.

The committee has recommended an appropriation of $3,291,062,962 for this service which includes the amounts available for reappropriation.

QUARTERMASTER SERVICE

The landing of our armed forces in Europe and the expansion of our activities in the Pacific have taken a heavy toll of the material supplied by the quartermaster service. The increased tempo of the war caused a deficiency of $756,276,581 over the program authorized by the 1945 fiscal year appropriation. The committee has recommended, including the amount available for reappropriation, an appropriation of $5,611,751,847 of which $60,000,000 is for "Welfare of enlisted men," leaving a balance of $5,551,751,847 for Quartermaster Corps activities for the coming year. Throughout the coming year the plans of the Army are for a reduced force but it will not be for several months that the reduced numbers will be noticeable unless there is a cessation of hostilities in the Pacific theater of operations. The fortunes of war have moved the zones of hostilities farther and farther from our bases of supply, and the end of war in Europe has necessitated the change of plans, all of which add to the essential activities of this service and require the establishment of additional supply lines and depots as well as the expansion of existing ones. Supply channels must be filled and kept filled and the larger forces at greater distances will require the maintenance of higher stock levels than was required for the European theater. Greater distances require that more food and supplies be constantly in transit to the far distant zones.

It is a matter of pride to our people to know that our Army is the best fed Army in the world today. There is being supplied to all our armed forces about five pounds of food per day per man. It is of the best quality and except in rare instances reaches him in excellent condition and is well prepared. The increased distribution of fresh foods in the many theaters of operation is an outstanding accomplishment of ths war. Frozen foods are now shipped overseas in large quantities and stored in cold-storage plants that have been prepared for that purpose. A classic example to me of this type of service is the conversion of a Normandy cliff into a large cold storage vault from which over the past several months there has been a daily withdrawal of some 3,000 tons of frozen foods daily for field destinations. Another outstanding example of increased use of fresh foods is found in the recent Fifth Army report which showed that during the month of January 1945, the Quartermaster Corps was able to issue fresh vegetables to field troops 17 times; for the same period there were 27 issues of frozen meat and 30 issues of butter. In the Pacific zones of operation I do not expect it will be possible to equal this outstanding record but I have no doubt that within a very few months installations will be found on the major fronts of the far flung Pacific which will keep our troops just as well provided for as they were in the European theater.

The second largest requirement of the Quartermaster Service is for clothing and equipage. The term clothing needs no definition, but the word equipage is less clear. Generally speaking, equipage comprises those items other than clothing which are issued to meet the individual needs of the soldier. These include, tentage, bedding, canteens, messgear, intrenching tools, and so forth.

It now appears there will be little need for change in the basic issues of clothing when troops are shifted to the Asiatic theaters. Accustomed to thinking of our Pacific war in terms of tropical and jungle fighting, some are prone to overlook the fact that this phase of the war is largely over and that our men are now fighting in climates very similar to those of northern Italy and Europe.

Extensive efforts are made to provide clean clothing in battle areas through an exchange system. It operates in this manner: At every opportunity each soldier turns in his dirty or damaged clothing and receives clean clothing in exchange. This has been a great morale building factor. Damaged clothing turned in is sent to repair depots and reclaimed.

SIGNAL CORPS

Communications are as vital to the effective prosecution of the war as tanks, guns, and planes. Many scattered battle fronts in our first experience at fighting a world-wide war have necessitated a closely organized, highly efficient communications system to insure complete control and coordination of all military elements at all times. Army Communications Service of the Signal Corps has met every obligation for the movement of tremendous volumes of highly important diplomatic and military traffic on which may depend the success or failure of the war, the lives and welfare of our men, the very security of our country. This service now handles more than 50,000,000 words per day smoothly and efficiently. That amounts to about 8 words transmitted for every small arms bullet fired.

New and more efficient conmmunication systems are being developed all the time and put into use in support of our war activities. With some of the new developments it has been possible to send a message completely around the earth in 9½ seconds.

TRANSPORTATION

While fund requirements for the procurement of transportation supplies and equipment show a sharp reduction during fiscal year 1946, operating expenses will remain about the same. The redeployment of troops from Europe to the Pacific will, of course, make heavy demands upon this service during the coming year. Debarkations will exceed embarkations for several months during furlough and retraining periods. In addition to troops, the shift of heavy cargo shipments to the Pacific will present difficult transportation problems. Pacific receiving ports must be expanded to handle the increased volume. Our transportation system has already performed one of the greatest moving jobs ever attempted, and we feel sure will be able to carry the burdens of next year with equal efficiency and satisfaction.

MEDICAL DEPARTMENT

The past year has been satisfactory in the advancement of military medical science. The necessities of war appear to have sharpened the intellect, widened the vision, encouraged skill and resourcefulness, and impelled research developments that otherwise might have remained dormant for years. The health of the Army in continental United States was much better than in the preceding year, although the former year was classed as satisfactory. The hospital admission rate for the past year was only 77 percent of the preceding year. However, the mortality rate for troops in the United States during the year was slightly higher than during the preceding year, the death rate for disease remaining about the same while that for injury increased by about 15 percent.

Hospital admissions overseas for all causes, including battle casualties, were more than 50 percent higher than in continental United States, the battle casualties constituting about one out of every eight admissions. Progress has been made in surgery as may be shown by comparing the mortality rates for World War I with the present war. Of those who reached medical care during the present war 3.5 percent died as compared with 8 percent in the earlier war.

PREVENTIVE MEDICINE

Preventive medicine in the Army starts with the thorough and comprehensive physical examination made prior to induction. Once inducted there are few aspects of the soldier's life which are not affected, directly or indirectly, by preventive medicine. The Medical Department prescribes the basic nutritive principles of his food; is responsible for the purity of the water he drinks; and cooperates in plans for the promotion of health through space allowances and temperature and sanitary conditions of his quarters. Under certain circumstances the Medical Department is responsible, through quarantine and purification measures, for the air the soldier breathes.

The control of epidemic and infectious diseases involves not only strict immunization procedures among our troops, constant supervision and vigilance, and unceasing research, but the establishment of policies and directives for the prevention of the international spread of infectious diseases and pests in international United States military traffic. We have many troops in tropical zones where malaria is prevalent, and malaria continues to be the most important disease hazard in those areas. The special organization for malaria control continues to function with a high degree of success in all overseas theaters. On January 1, 1945, there were 59 malariologists, 68 malaria survey units, and 149 malaria control units on duty overseas. Prevention is emphasized by antimalarial educational material and discipline, and the use of the new and highly effective insecticide, DDT, has been most effective. For large-scale area control the use of airplanes to disseminate DDT was perfected. Unremitting efforts have been made throughout the past several months to increase the production of DDT. Requirements have been met and a reserve stock of DDT concentrate is now being accumulated. In addition to its use for the control of mosquitoes it is also used in the control of flies, roaches, bedbugs, and lice.

In terms of numbers of employees affected, the occupational health program of the Army is the largest single industrial medical program in the country, including about 800,000 civilian employees at nearly 600 Army-operated arsenals, plants, depots, and ports of embarkation. The conservation of the health of industrial workers is a means not only of reducing claims against the Government but also of increasing production through prevention of absenteeism. Preventive medical activities for these plants include better job assignments; preplacement physical examinations; programs for general public health, nutrition, and immunization; and mass chest X-rays, these being made through the cooperation of the United States Public Health Service and various State agencies.

The preservation of health and prevention of disease among military personnel is closely allied to civil public health in regions occupied or liberated by the Army. During the past year extensive studies of medical, sanitary, and veterinary requirements for liberated and occupied areas of Europe and the Far East were carried out. As a result the required medical items to provide for relief and prevention of disease were made available.

The increase in troops, the wide areas involved and mounting battle casualties have added greatly to medical and surgical responsibilities. Professional specialization is a prime factor in the practice of medicine and surgery and is being exploited to the fullest extent in the Army. The greatest care is exercised in the assignment of the best possible types of professional personnel for the work to be done. Consultants are located in all important centers both in this country and in foreign theaters to keep the standards high. Medical officers in the field are provided with educational stimuli and are kept abreast of the latest advances and the most acceptable practices and techniques by the issuance of current medical books and periodicals and the preparation and dissemination of technical medical bulletins.

SURGERY

The caliber of surgical care rendered throughout the Army has been maintained at a level heretofore considered impossible in military surgery despite an unprecedented number of casualties.

Centers have been established in general hospitals for the specialized care of patients such as amputees and those cases requiring plastic, vascular, chest, neurological, or opthalmologic surgery. Likewise, extensive programs have been set up and put into operation for the care of the blind and the deafened. The Army amputation program, which provides 7,250 beds for major amputation cases at seven specialized centers, exemplifies the work of one of these many types of centers.

MEDICINE

The annual death rate per thousand among patients with medical disorders in Army hospitals for all diseases, excluding surgical conditions, in the present war is 0.6, as compared with the First World War figure of 15.6. Even the influenza epidemic in the winter of 1943–44 did not increase the death rate appreciably.

Medical centers have been established throughout the country for the treatment of individuals requiring care of a highly specialized nature and these centers are manned by the most efficient doctors and technicians available. Special studies have been initiated concerning rheumatic fever, acute infectious hepatitis, trench foot, lichen planus, new antimalarial drugs, and improved methods of administering penicillin. Active support has been given to studies of methods to prolong the action of penicillin when administered to patients. These studies have resulted in a product of penicillin suspended in a bees' wax-peanut oil mixture which will accomplish in one daily treatment the same results as formerly achieved by six or eight injections daily.

Another activity is a highly specialized program of treatment of patients, the purpose of which is to return the patient to duty or civilian life in the best state of mental and bodily health as soon as possible. In this way many casualties that previously would have been discharged for disability are reconditioned for full Army duty. It is estimated that more than 100,000 men are daily benefiting from this treatment.

Nervous and mental disorders continue to be a major problem, but many patients who in prior times would have been discharged from the Army, are now capable of being returned to military duty after treatment.

NURSING

It has been necessary to inaugurate intensive campaigns to recruit an adequate number of nurses, but the effectiveness of such campaigns have aided materially in alleviating the shortage together with aid from the Red Cross and the Women's Army Corps for hospital service.

CHEMICAL

The nature of the Pacific fighting has increased the need for chemical warfare matériel. The fact that gas warfare has not been used does not materially affect the fund requirements for this agency. The great increase in the incendiary-bomb program more than offsets the reduced requirements in chemical agents. Smoke-producing apparatus, chemical mortars, flame throwers, and the various incendiaries will continue in large demand. From the evidence presented to the committee, we are recommending an appropriation for these items with the connected operating expenses amounting to $765,000,000, about 10 percent less than will be obligated during the current fiscal year.

INTERNATIONAL AID (LEND-LEASE)

Lend-lease arrangements with certain of our allies will continue in effect in order to provide military equipment for the Pacific theater, but the requirements will be sharply reduced. An appropriation of $70,641,534 is recommended for the next fiscal year as compared with appropriations totaling $4,300,000,000 for 1945, and an appropriation of $5,100,000,000 for 1944. As of April 30, 1945, lend-lease material transferred to other nations by the War Department totaled $19,000,000,000. On the other side of the ledger, however, reciprocal aid has been received from allied countries, principally United Kingdom, in the amount of $3,400,000,000, Australia $720,000,000, New Zealand $160,000,000, and India $427,000,000. These totals are only cumulative to December 31, 1944. It is difficult to estimate the total amount of reciprocal aid which will be furnished by our allies during the coming fiscal year but in the recommendations credit has been given for anticipated aid of $121,000,000 against actual requirements of the War Department.

The War Department is only one of several governmental agencies expending funds appropriated by the Congress to carry out the purposes of the Lend-Lease Act. Within the War Department the Army Service Forces and the Army Air Forces are charged with the duty of supplying munitions to our fighting allies through lend-lease. The Army Service Forces handles all items of war matériel which are used by ground forces, such as guns, tanks, quartermaster supplies, and so forth, and the Army Air Forces handle all aircraft and items peculiar to aircraft.

For the fiscal year 1946 the Army Service Forces estimates that $689,008,534 will be required to finance the international-aid program involving war matériel to the value of $752,336,792 in order to assure that the ground forces of our allies may have the implements of warfare which they need in order to employ their fighting manpower in the interest of the most effective prosecution of the war against Japan. Approximately $63,000,000 of the $752,000,000 program is for materials now on hand and procured from funds previously authorized.

International-aid programs for recent calendar years are: For 1944, $5,195,301,381; for 1945, $4,335,269,629; and estimated for 1946, $790,641,534.

Important as the international-aid program is for the prosecution of the war it is becoming a relatively small fraction of the over-all costs of the Army services which it supplements.

The $689,008,534 for the Army Service Forces and the $101,633,000 for the Army Air Forces included in the fiscal year 1946 estimates are distributed as follows:

Army Air Forces	$101,633,000
Ordnance	381,016,693
Signal Corps	33,065,535
Engineers	67,489,629
Chemical Warfare	11,620,642
Surgeon General	16,225,412
Quartermaster	156,290,573
Transportation	21,300,000
Finance	2,000,000

Thus the amount recommended for 1946 is approximately 82 percent less than the amount required for fiscal year 1945.

CIVIL AFFAIRS DIVISION

We have in this war for the first time, a Civil Affairs Division in the War Department, the duties of which is to provide supplies to civilian populations in areas affected by our operations in battle areas.

It would be offensive to friendly governments, such as France, Belgium, and the Philippines for us to go in and establish a military government, so it has been arranged through the Civil Affairs Division that our officials deal directly with local officials or with the central government. Modern warfare is such that it demands in these countries all essential elements of the economic fabric of the country, including transportation, communication, power, and other like facilities. These facilities, vital to community life, pass to military control when our forces enter the country, and as a result community responsibility ceases. Persons displaced by these military necessities must be cared for in order that the areas in the rear of the troops remain tranquil, so that disease and unrest will not jeopardize operations.

The necessity of the assumption by the military of responsibility for civilian populations was recognized by President Roosevelt, who in 1943 directed the War Department to undertake the responsibility for the initial provision of relief supplies in Europe pending completion of the plans of the civilian agencies of our Government to take over the responsibility. It was to be, and in some instances has been, terminated as soon as the civilian agencies were able to assume the burden. Because of its greater resources, the United States has contributed more in the way of supplies than its two partners. However, each has made a substantial contribution, and I believe it is fair to say that each has contributed in proportion to its ability.

The supplies are purchased wherever they may be found by the Allied Nation that finds them and are not given to the stricken country if there is a possibility of that country making payment for such supplies, which means if the country to which the supplies are delivered has the means to pay for them a charge is made. For example, a charge has been raised for the supplies that have been delivered to Italy and these charges will be taken into consideration and collected if possible in the final settlements with that country for the costs of the war. Regardless of whether payment in full is received, it was most essential that conditions behind the fighting lines be kept as peaceful as possible and that disease and unrest be kept at a minimum in order that our troops engaged in battle would not be faced on the front by the German armed forces, and by sabotage and a hostile population in the rear.

In the case of France, as in Belgium, the Netherlands and Norway, supplies furnished for the civilian population will be paid for in full.

As soon as it is possible to do so the responsibilities of this division are turned over to the United Nations Relief and Rehabilitation Authority and the Army is relieved of its responsibilities in connection with the civilian population.

PRISONERS OF WAR

The Army Service Forces is responsible for the care and employment of enemy prisoners of war in this country, and is responsible for furnishing them necessary supplies in the various theaters of operation.

As of April 30, 1945, there were 396,710 enemy prisoners of war in this country and slightly under 2,000,000 in the European and Mediterranean theaters. The number in this country, which includes 32,390 members of Italian service units, was more than double the number of a year ago.

Present plans call for the return of prisoners of war to Europe as rapidly as possible. Availabilty of shipping space, ability of the theater to receive returned prisoners, and the necessity for prisoner-of-war labor in this country will be determining factors. Priority of shipment will be assigned to the nonworkers, and every effort will be made to obtain the maximum work from those who remain until such time as they can be replaced by our own people. The utilization of prisoner-of-war labor has been effective in relieving critical labor shortages in certain areas of this country. Approximately $30,000,000 worth of work for the Army and Navy was performed during the calendar year 1944 by prisoners of war. This amount represents a saving to the taxpayer just as real as cash deposited in the Treasury.

Existing agreements between the War Department, the War Manpower Commission, and the War Food Administration provide adequate assurance that prisoner-of-war labor will not be utilized in contract work where civilian labor is available. It is also the policy that prisoners of war will be employed on construction work at Military Establishments only until the necessary number of civilian workmen can be obtained. With respect to other employment for the Military Establishment, prisoners will not be permitted to compete with available civilian labor but will be removed from jobs and returned to Europe as the need for their services disappears.

CIVILIAN EMPLOYEES

Civilian employees are found in almost every phase of the War Department's many and diverse activities, and I personally want to pay tribute to the loyalty and ability of the thousands of such civilian employees who have continued to perform their duties in a conscientious and patriotic manner. Their work has been of a most vital nature in the prosecution of the war. They are to be found in ordnance and chemical warfare arsenals, in quartermaster depots, in procurement centers, in ports of embarkation, in Army hospitals and medical depots, in Air Corps maintenance and supply depots, in Engineer Corps design, construction and maintenance work. They assist the Army in processing, training, and maintaining military personnel, in paying soldiers and officers, in handling allotments to dependents of our soldiers, in answering inquiries on casualty lists and many other similar relationships with the men in unform. In fact they are found in every activity in support of the war effort other than on the actual firing line and I have no doubt the loyalty of many would carry them to those fighting lines if regulations would permit. They are of the same warp and woof as our fighting man and except for circumstances would, I am sure, be where the fighting man is today. I would not, in any way, detract or take away one iota of praise or glory to which our fighting man is entitled but as we take up the soldier I do not propose to lay down the civilian.

Conditions are such at this particular time that it is not possible to advocate a reduction of the number of civilian personnel now employed in the War Department's many activities, although it is highly possible that the turn of events during the next 12 months will solve that poblem for us and permit such reduction. Should conditions change, the Bureau of the Budget and the War Department Manpower Board exercise general ceiling controls over the number of civilian employees and will be prompt, I feel sure, in enforcing any cut-backs necessary. Some activities will no doubt, decline, such as procurement, manufacturing and maintenance. Other activities will increase, such as the work at posts, camps, and stations through which the soldiers from the European theater will be quartered, paid, trained, equipped, furloughed, or discharged. The return of the wounded will augment the hospital and convalescent work, thereby involving increases in civilian personnel.

WOMEN'S ARMY CORPS

The Women's Army Corps came into being under the provisions of an act of

Congress approved July 1, 1943, superseding the Women's Army Auxiliary Corps, and under the provisions of the act this corps became a component of the Army for the period of the present war and for 6 months thereafter. Being a component of the Army there is set up in this appropriation no separate fund of any kind for this corps, the necessary funds being included in the regular appropriation items.

The Women's Army Corps is starting on its fourth year of service and has an approximate strength of 100,000 officers and enlisted women. It is stated that for the fiscal year 1946 it is expected that this number will be reduced by some 16,000. Reductions will be made on a proportionate basis as other units of the Army under the point system, and as in other units where the particular Wac is essential and cannot be replaced, the fact that she has sufficient points for discharge may not permit her release. However, if the husband of a Wac is discharged, the Wac may be discharged on application.

Members of the corps have performed outstanding service in more than 250 different kinds of job classifications, but perhaps their greatest contribution has been in hospitals to supplement the work of the Medical Department and the Army Nurse Corps in caring for the sick and wounded. For a time it was particularly difficult to recruit sufficient qualified personnel to adequately care for our sick and wounded veterans and to eliminate such deficiency a recruiting program was inaugurated that was quite successful.

Members of the corps are to be found in every theater of operations and in the European theater have been declared essential and are not at the moment eligible for discharge even though they may have the required 44 points.

We can point to the Women's Army Corps and its many fine members with the same pride that we have in all our soldiers and the civilians on the home front.

SPECIAL FIELD EXERCISES

Appropriations are provided for the costs of maneuvers, field exercises, and intensive training of troops, and for incidental expenses in connection with such activities.

These funds are also available to provide Federal assistance for training State Guard troops, which are about the only military forces now available for internal security purposes and for duty in local emergencies, such as floods, explosions, fires, train wrecks, and civil disturbances. Of the 44 State Guard units totaling approximately 150,000 troops, 35 held field training during 1945, and 26 of the States conducted schools of instruction.

NATIONAL GUARD

Funds for the National Guard are provided for the maintenance of camps which have not been taken over by the Government in connection with the war effort, or have been returned to the States and are available for the future use of the Guard—for the rental and maintenance of certain target ranges used by the military forces, and for others for which it is considered desirable and economical to continue the leases; for travel in connection with activities of the National Guard Bureau; and, for salary of the Chief of the National Guard Bureau.

Some of the National Guard camps and target ranges not in use by the Army may be returned by the War Department to State control. During the past year four such camps were returned to the States. Such return will require additional National Guard funds for maintenance as the current cost thereof is now paid from other funds available to the War Department. As some of these camps and target ranges, not taken over by the Government, have had only minimum maintenance since the commencement of the present war, additional maintenance funds are required and included in this appropriation to protect the investment of the Government.

With the successful conclusion of the war with Japan there will be, at least, a partial demobilization of Army units. As practically all troops of the National Guard have been in active Federal service for more than 4 years they will undoubtedly be among the first to be returned to civilian status, and unobligated balances, carried over since fiscal year 1940, now held in reserve, may have to be used in the demobilization of National Guard troops and the continued operations of the National Guard and the National Guard Bureau.

LANGUAGE CHANGES

This bill is relatively free of new language changes. They are shown in the report.

The first is to clarify the provision which authorizes travel expenses of military personnel who have served outside the continental limits of the United States or in Alaska, whether on leave or duty status, to visit their homes or other places in the United States, its territories and possessions for the purposes of recuperation, rehabilitation and recovery and to broaden the provision to include travel expenses for purposes connected with redeployment of reassignment of such personnel.

The second seeks to clarify the provision which authorizes expenditure of funds for the movement of dependents of military and civilian personnel from stations outside the continental limits of the United States or in Alaska, and to assure that such dependents may be moved where transportation was not available or used prior to the discharge or release from active service of military personnel.

The third relates to section 5 of the bill and has two parts, the first of which will make funds available for cost of living allowances, under the provisions of the act of February 23, 1931, to civilian officers and employees of the War Department, who are citizens of the United States permanently stationed in foreign countries. The second part of this provision is to clearly indicate that appropriated funds are available to procure special wearing apparel and equipment to be used by employees in carrying out the purposes of the bill.

I have every reason to believe that the bill is satisfactory as to textual content to the Committee on Military Affairs. A copy of the original draft of the bill was transmitted to the chairman of that committee as soon as available.

BUDGET OFFICER FOR THE WAR DEPARTMENT AND HIS AIDES

I would be remiss in appreciation if I did not mention the many services and courtesies which Maj. Gen. George J. Richards, Director, Budget Division, War Department, and his aides, have rendered the committee in its difficult task. General Richards and his staff are efficient, courteous, loyal, and hard working and typify the American soldier on his job. We have found this particularly true since the Budget Office has been on the general staff. It has made tremendous strides in improving and clarifying the War Department's financial position. When the history of this war is written the outstanding performance, other than personal acts of heroism, will be the performance of the entire War Department in the over-all program of recruiting, training, and supplying our forces, but none of the work performed can be considered of higher caliber than that of the Budget Division.

CONCLUSION

In concluding, Mr. Chairman, I want to leave this thought. Results are the final proof of any group or undertaking. Surely our military leaders have produced the results. Our continued confidence in them may well be expressed in our handling of this bill.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman from Ohio.

Mr. LEWIS. I want to commend the gentleman and his committee for the fine work they have done.

Mr. SNYDER. I thank the gentleman.

Mr. LEWIS. There is one matter that strikes me as though it might be inadequate, and that is the item on medical and hospital Army research and development, $1,368,000. I happen to know a little of the tremendous problems that are involved in the war in the Pacific, and in general I should say that the money we spend on research in any branch of knowledge is the best money that we can spend. That is especially true of the medical situation and the Medical Corps of the Army, and I am wondering if we should not increase that particular item.

Mr. SNYDER. May I say to the gentleman that I am glad to hear him say that. I will ask my colleague, the gentleman from New Jersey, to answer that.

Mr. POWERS. I am in full agreement with what the gentleman from Ohio has said, but I honestly do not think that the medical department of the Army needs another dollar for research and development. If you will go through our hearings you will find that we had very extensive sessions on this particular subject; in fact, we asked them off the record whether the Budget had hurt them and actually whether they wanted us to put any money in the bill for research and development, particularly in the Medical Corps, which is so important and has been all through the war and from here on out, and they said,

"No," they were perfectly satisfied with what was in the bill and they would be delighted if we would not disturb it.

Mr. LEWIS. That is reassuring.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman from Louisiana.

Mr. BROOKS. I want to compliment the gentleman and his committee upon a very able analysis of the bill. I have been especially interested in what the Chairman had to say about the air forces. I think our air forces in this war have done a superlative job. The Transport Command especially is entitled to mention. I was glad that the chairman of this committee took just a few minutes to explain in some detail the magnificent work of the Transport Command around the whole world, as well as the other work of the air forces.

Mr. SNYDER. I am very glad to have those remarks coming from our colleague from Louisiana who has just recently been on the battle fronts and saw the actual operations of the implements that we, as the Congress, provided for our fighting men.

Mr. KERR. Mr. Chairman, I yield 15 minutes to the chairman of the Committee on Appropriation, the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, I am glad to have the opportunity to follow the great chairman of this subcommittee and the distinguished minority member of the committee, the gentleman from New Jersey [Mr. POWERS]. I want to compliment them and all members of the subcommittee on the remarkable feat of reporting this bill within 11 days after the final estimates were received.

Due to rapid and unpredictable changes on the fighting front, it was necessary for the Bureau of the Budget to repeatedly revise these estimates. Because of the rapidly developing situation in Europe, it was not possible to submit the estimates until the last minute.

And yet the committee reported the bill out on June 22, in the record time of 11 days after the receipt of the long and detailed estimate which is the basis of the bill you have before you. It is one of the most satisfactory bills, I think, ever reported by this subcommittee in its long experience in reporting the bills which have provided the sinews with which the war has been fought, and with which victory has been won on the European front—and is now being won on the Asiatic front.

It is gratifying to the members of the committee, and of the House, to know there has never been a time on any battle front when material was needed or supplies were required, that the money for those materials and supplies, and all necessary armament, was not adequately provided.

I especially want to express my warm appreciation, and the appreciation which I am certain every member of the committee, as well as every Member of the House, entertains for the invaluable services rendered by the gentleman from New Jersey [Mr. POWERS]. It is a matter of deepest regret that he is leaving the committee and the House of Representatives. He has had a large part in providing the funds for the Military Establishment during the entire course of the war. His wise and diligent service and leadership have contributed materially to the success of the war program. We are sorry he is leaving the committee and the Congress. He has had as essential a part in the war as any man who has led troops upon the western or eastern front. Our good wishes go with him to his new and larger field.

Mr. Chairman, it will be noted that this bill carries reduced appropriations in practically all items provided for in the last annual supply bill. In other words, we are now past the peak and are steadily adjusting appropriations to fit the reduced requirements of the one-war front as compared with that of the two-war front for which we have heretofore had to provide in all previous war appropriation bills.

As we close one war and proceed to the rapid investure of the last battle front, postwar problems cast their rapidly shortening shadows before. Among the most pressing of those problems is the question of universal compulsory military service—proposals for peacetime conscription. Bills are now being prepared and campaigns are being planned to put through Congress measures providing for a change in the ancient national policy which has been followed by the United States ever since the Revolutionary War and to institute a divergent policy which will require the compulsory military training of every boy in the United States.

Some of these plans also include young women for training programs in auxiliary corps or nursing services. Some exclude women. But all of them include the boys of the Nation.

These tentative bills propose to take the youth from family, school, church, and community influences, at the most impressionable period of his life, and hedge him about in this formative period of disposition and character, with the highly specialized atmosphere of the Army barracks. He is to be inoculated with the inferiority complex of military caste and taught to say "Sir"; to goose-step and sleep-walk under command, without thinking. Initiative is to be destroyed and he is to be made a machine-like military robot.

Mr. Chairman, such a repressive, spirit-deadening inoculation of the youth of the land is wholly out of keeping with the letter and spirit of American citizenship. It is at variance with our national ideals and institutions. It has no place in the natural development of the free, self-reliant, independent character so essential to the maintenance of our form of government. It contradicts and maligns every page in the history of the Republic.

Of course, in a national emergency, in time of war, when the life of the Nation is at stake, men willingly sacrifice freedom of action and gladly subordinate individual rights to the national welfare. But to impose such drastic and arbitrary regimen in time of peace, would perpetuate the very injustices we have fought this war to destroy. We have discredited fascism and nazism built upon compulsory military training. It would be a confession of inadequacy of the system by which we have defeated totalitarianism—it would be a tribute to the totalitarianism which we have destroyed—to now accept and adopt one of its fundamental errors.

The advocates of this dangerous fallacy submit in support of their views their interpretation of statements from our great military leaders, such as General Marshall and Admiral Nimitz, and that other great American commander, General Eisenhower, who has so recently spoken in this Chamber. In this morning's paper General Patton is quoted as saying that military conscription is necessary to avoid World War III.

We mention the names of Marshall, Nimitz, Eisenhower, and Patton with deepest reverence. There are no greater names in American history. There are no greater authorities in the field of military science in the history of the world. No one is better qualified to pass on military problems. But conscription in peacetime is not a military problem. It is a problem of citizenship and government. And may I refer at this time to an opinion from their point of view which appeared yesterday in a magazine which carries the widest distribution of any periodical in America, This Week magazine, in which its editor, who was one of the 15 newspapers invited to take the trip to Europe to witness at first hand the modus operandi of Axis militarism and the product of compulsory military training, makes this statement:

> I brought back with me an unbounded confidence in the American GI's. They're a rangy, resourceful, competent lot. They are filled with contempt for "those dumb Krauts" who always lose out in the end because they've forgotten to think for themselves as freemen should.

And again:

> These men were America's soldiers.

With—

> overflowing energy, ingenuity, and downright intelligence in every job they tackle.
>
> To the Nazi officers with their heel-clicking, spit-and-polish ways, it must have been a baffling thing to watch this oddly informal American Army beat the living daylights out of them. But that has to happen when human robots meet men who have been trained in their homes and schools and jobs to think and feel for themselves.

The editor further notes that under the compulsory military training system in vogue in the Axis—

> discipline, order, obedience became high arts. But that same system of discipline and order and obedience destroyed the individual's ability to think for himself.

And, in conclusion, it is the opinion of the editor that—

> the Nazis had bred a race of moral robots.

Statements of various military authorities are quoted by those who advocate conscription in time of peace as "lightning from Sinai." But it is not from Sinai. It is the philosophy and practice of Berlin and Tokyo. It is the doctrine of recurring war—the sacrifice of blood and treasure every quarter of a century, if we are to judge the future by the past.

There is nothing that history teaches more conclusively than that preparation for war breeds war and that training for peace fosters peace. If we train our young men for war, war is inevitable.

America is in a position of international leadership. We are the richest and most powerful nation on earth. We control the highways, the seaways and airways of the world. Our genius is the genius of peace; all our victories and all our pre-eminence have been won along the paths of peace and without peacetime conscription. If we conscript at this late date in our history after the remarkable successes of our free armies, if we abandon the policy which has governed us in the 169 years of our history and conscript now in time of peace, then every major nation in the world must conscript. If by our practice and precept we continue the national policy followed since the birth of the Nation, and refuse to conscript, all the world must follow. To train every man for war, when there is no war, is madness, it is suicidal insanity, it is criminal encroachment upon the peace of the world.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I take it the gentleman's address is directed against the proposal for universal military conscription in time of peace.

Mr. CANNON of Missouri. The gentleman is correct. We have had, of course voluntary, military training in connection with our schools where the boys remained in their homes instead of being segreated in barracks as in Europe. Volunteer members of our National Guard have met and organized and drilled and have taken training in summer maneuvers or summer camps. That is not the universal peacetime conscription proposed here and upon which Hitler, Mussolini, and the Mikado relied to conquer the world.

Mr. KEEFE. Mr. Chairman, will the gentleman yield further?

Mr. CANNON of Missouri. I yield to the gentleman.

Mr. KEEFE. We have, of course, raised this army that the gentleman has paid such a well-deserved tribute to in connection with the process of winning the European war through a process of selective service; and in this process of selective service we have met the problems of deferment which have been tremendous under the operation of selective service; and under selective service with the very life of the Nation at stake and the country at war we have not been able to get many people into the Army. I just wonder how it could be expected that in time of peace we would be able to get that same group for which deferment has been provided under selective service into the peacetime army of preparation under the proposals which the gentleman has been discussing this afternoon.

Mr. CANNON of Missouri. The gentleman's apprehensions are well founded. To adopt military conscription in time of peace would present, give rise, as he says, to an even more difficult problem. It would not only affect profoundly the lives and character of American youth, and the national attitude towards war, but it would also, to that extent, disorganize and demoralize every American industry.

On the face of it, any competent and representative jury in the United States would resent and reject any proposition for universal military service in time of peace.

Mr. POWERS. Mr. Chairman, I yield 1 hour to my distinguished colleague the gentleman from Michigan [Mr. ENGEL].

Mr. CHENOWETH. Mr. Chairman, I make a point of order that a quorum is not present.

The CHAIRMAN. Evidently no quorum is present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 125]

Adams	Drewry	Martin, Iowa
Allen, Ill.	Durham	May
Anderson, N. Mex.	Earthman	Merrow
	Eaton	Miller, Calif.
Andresen, August H.	Fellows	Mott
	Fisher	Murphy
Andrews, N. Y.	Flood	Neely
Auchincloss	Fuller	O'Toole
Bailey	Fulton	Pfeifer
Baldwin, N. Y.	Gamble	Philbin
Barden	Gardner	Ploeser
Barrett, Pa.	Gary	Powell
Barrett, Wyo.	Gerlach	Price, Ill.
Barry	Gibson	Quinn, N. Y.
Bates, Mass.	Granahan	Rabin
Bell	Granger	Rains
Bender	Grant, Ind.	Rayfiel
Bennet, N. Y.	Green	Reed, N. Y.
Biemiller	Gwinn, N. Y.	Rivers
Bland	Hale	Robinson, Utah.
Bloom	Hall, Edwin Arthur	Rodgers, Pa.
Bolton		Roe, N. Y.
Boren	Hand	Rogers, N. Y.
Bradley, Mich.	Hart	Russell
Bradley, Pa.	Hartley	Sabath
Brumbaugh	Heffernan	Sadowksi
Buckley	Hess	Savage
Byrne, N. Y.	Hobbs	Sharp
Campbell	Holifield	Sheppard
Canfield	Hook	Sheridan
Cannon, Fla.	Izac	Short
Celler	Jarman	Sikes
Chiperfield	Jennings	Simpson, Pa.
Clark	Johnson, Calif.	Smith, Maine
Clason	Johnson, Ind.	Smith, Ohio
Clements	Kearney	Smith, Wis.
Coffee	Kefauver	Somers, N. Y.
Cole, N. Y.	Kelley, Pa.	Stigler
Cooley	Kelly, Ill.	Stockman
Corbett	Keogh	Sumner, Ill.
Curley	Kilburn	Tarver
Dawson	Kirwan	Torrens
Delaney, James J.	Lane	Vinson
	Latham	Wasielewski
Delaney, John J.	Lesinski	Weiss
	Lynch	White
Dickstein	McGlinchey	Whitten
Dirksen	McKenzie	Wickersham
Dolliver	McMillen, Ill.	Wilson
Doughton, N. C.	Maloney	Winter
Douglas, Calif.	Mansfield, Tex.	Worley
Douglas, Ill.	Marcantonio	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CRAVENS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes, and finding itself without a quorum, he had directed the roll to be called, when 283 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Michigan is recognized for 1 hour.

Mr. ENGEL of Michigan. Mr. Chairman, before I discuss the bill and the War Department expenditures I want to say a word about our colleague, the gentleman from New Jersey, Mr. D. LANE POWERS, who has served 13 years as a member of the War Department subcommittee of the Appropriation Committee. During that 13-year period, Mr. POWERS has helped to write the history of our country. I understand that he is resigning from Congress to accept a position with the State of New Jersey. During 9 of the 13 years I have served on the same committee, and have worked with him by his side. While there have been differences of opinion between us, the differences have never been important and we were always able to adjust them. Mr. POWERS gave his country 13 of the best years of his life and helped to write appropriations running into billions of dollars. The War Department appropriations during the past 5 years exceeded the sum of $214,000,000,000. Mr. POWERS, during the work of the committee in writing these tremendous bills, displayed a leadership second to none. During that period he accumulated a great fund of knowledge. He has been invaluable to the committee, to the Congress, and to his country. He has worked hard. I know of no Member who has contributed more toward the success of the war than our good friend and colleague, the gentleman from New Jersey the Honorable D. LANE POWERS. I shall miss him and I know every member of the subcommittee will miss him. He is going to take public office in the State of New Jersey. Our loss will be the gain of his native State.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ENGEL of Michigan. I yield.

Mr. BROWN of Ohio. As a member of the minority and as one who does not serve on the Committee on Appropriations, I have learned during my service in Congress to depend to a great extent upon the advice and suggestions and the knowledge of the gentleman from New Jersey [Mr. POWERS] in reference to war appropriations. I am very glad the gentleman has taken this time to pay this tribute to him.

Mr. ENGEL of Michigan. A great many Members feel the same way.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield?

Mr. ENGEL of Michigan. I yield.

Mr. PLUMLEY. I cannot permit this opportunity to pass without paying my tribute of affection and regard to the man who has sought another avenue for his activities in which he will achieve perhaps even greater success than he has here, although this would be difficult.

Mr. ENGEL of Michigan. May I say further that it is utterly impossible to measure the work that the gentleman from New Jersey [Mr. POWERS] has done. It is impossible to appreciate the work of any member of the subcommittee, and particularly that of Mr. POWERS, unless you work with him as I have done during the past 9 years.

I see present the gentleman from Oklahoma [Mr. JED JOHNSON], who has re-

ceived an appointment to the United States Customs Court and who, I assume, will also be leaving us. For years he has served as chairman of the Subcommittee of the Appropriations Committee having to do with the Interior Department. Whether he remains with us or leaves for other fields, we all appreciate the splendid, wonderful work he has done and is doing.

Mr. Chairman, I am going to discuss the War Department appropriation bill very frankly this afternoon. In doing so I want it distinctly understood that I am not casting any reflection upon any member of my subcommittee and nothing I say is to be construed as such. We have all worked together in a splendid manner. I am assuming full responsibility for my share of any action taken by my subcommittee.

I also want it understood, in discussing these War Department expenditures, that I am not criticizing anyone in the theater of operations. We all know that there is inevitable waste there. I served 27 months, including 23 months in France and Germany during the last war as an officer, and I know there can be no accountability in the theater of operations. I am not talking about General Eisenhower, I am not talking about Generals MacArthur, Clark, or Bradley; I am talking about some of these swivel-chair gentlemen who get on a plane, and in a few weeks come back with more ribbons on their chests than Eisenhower, Bradley, Clark, or MacArthur ever received.

We are confronted with a very difficult task. General Marshall appeared before our subcommittee on May 25, 1945, and discussed the policies of the Army. The first statement on this thirty-nine billion budget, was made on June 11, by General Richards. It was concluded on June 15, 4 days later, by the Under Secretary of War, Mr. Patterson. The hearings lasted 4 days. General Richards, the War Department budget officer, has done a splendid job. When General Marshall appeared on May 25, I made the statement in committee that the European war was over, and that from here on I expected the War Department to justify the expenditure of every dollar it was asking the Congress to appropriate. I made the further statement that I was going to oppose any further lump-sum appropriations unless the lump sums were justified either on or off the record. I also asked for a statement giving the unexpended balance and the unobligated balance in each fund at the end of the fiscal year.

General Richards came before us prior to June 11 and gave us a very complete statement. I want to pay my compliments to this outstanding officer. He has done perhaps the best job as budget officer of the War Department that has been done during the 9 years I served as a member of the subcommittee.

The testimony shows that each branch of the service was compelled to submit to the Budget Bureau two budgets, one for a one-front war and one for a two-front war. The unfortunate and tragic death of President Roosevelt undoubtedly delayed the matter. Our hearings were rather incomplete.

General Marshall appeared before our subcommittee at 10 o'clock in the morning and left at 12 o'clock noon for an appointment. When the majority members got through asking questions, and, of course, they have the right to take precedence over the minority members, there was very little time for Republican members to ask him any questions.

TREMENDOUS SUMS WERE APPROPRIATED

Mr. Chairman, I have before me a statement furnished the subcommittee by the War Department giving the total appropriations, obligations, and expenditures for the fiscal years 1942, 1943, 1944, 1945 and the estimated figures for the fiscal year ending June 30, 1946. I also have before me the total sums appropriated, including reappropriations, and expended during the fiscal year 1945 and the amount that will be expended during the fiscal year 1946. It is utterly impossible for one to comprehend the colossal figures and amounts involved. Back as far as 1937 and periodically since that time I sent to the tax authorities of each of the 48 States for the assessed valuation of every piece of property, real and personal, tangible and intangible as shown on the tax rolls of the State. I added it up and thus arrived at the total assessed valuation of all the property placed on the assessment roles of the 48 States. Nearly everyone owns some kind of property which is assessed for tax purposes. Assessed valuation is something that the average individual can understand. I thought perhaps by making a comparison between the assessed valuation of the 48 States and the appropriations and expenditures of the Government and particularly the War Department, it would give us some idea as to just what is happening and has happened.

The assessed valuation of the 48 States in 1941 was just a little over $150,000,000,000. I am not suggesting that this is the real value, as some States assess what they claim is 100 percent of the cash value while other States assess property as slow as 30 percent of its cash value. I simply want to use it as a yardstick with which to measure appropriations and expenditures.

WAR DEPARTMENT APPROPRIATIONS AND EXPENDITURES

The total War Department appropriations for the fiscal years 1942, 1943, 1944, and 1945 giving credit for reappropriations, amounted to $192,800,000,000. The total expenditures during these 4 years by the War Department was $150,300,000,000. At the end of the fiscal year ending June 30, 1946, we will have appropriated $214,200,000,000 and expended $189,300,000,000. The net appropriations for the War Department for the 5-year period exceeds the assessed valuation of every piece of property, real and personal, in the 48 States as it was assessed in 1941, by the colossal sum of $64,000,000,000. We find that this one Department will actually have expended during these five fiscal years an amount that exceeds the assessed valuation of all the property in the 48 States by nearly $40,000,000,000. Surely it is proper and I believe timely that we should go back over these years and see how wisely this tremendous sum was spent. How much was wasted? Did the taxpayer get value received for his hard-earned dollars?

WAR DEPARTMENT'S RECORD OF WASTE

In 1941 I went through the cantonments we were then building and studied construction costs. In 1942 I called to the attention of this House and made a report on the white elephant across the river, the Pentagon Building. I also began the study of ordnance costs and in 1943 I visited 47 defense plants and made a report to the House on ordnance costs and on the trip I had made. Next came the Alcan Highway, which I want to discuss later, then the Canol oil project. Time and again I called attention to the House of the outrageous waste of the taxpayers' money. The War Department was apparently oblivious and kept on wasting money. Now we are having our attention called to another instance of waste on the Pan-American Highway. I wonder what would happen if the public got a complete résumé of the dollars wasted by this and other departments of Government, as I hope they will some day.

DETAILED WAR DEPARTMENT APPROPRIATIONS

In 1942 the total appropriations of the War Department aggregated $75,462,593,587, or more than 50 percent of the assessed valuation of every piece of property in America. The expenditure was $12,243,000,000. In the next year, 1943, we appropriated, including reappropriations, $74,929,563,242 and expended $37,914,000,000. Again approximately 50 percent of the assessed valuation of all the property in America. In 1944 the total appropriations ran $74,211,249,961 and the expenditures $49,320,000,000.

We knew very little about prices or costs at that time. We were groping in the dark.

In 1945 we appropriated $48,192,788,264 and expended $50,890,000,000. The present bill for the fiscal year ending June 30, 1946, carries an appropriation for $38,500,000,000, with an estimated expenditure of $39,000,000,000. Let us examine this record more closely to show you how loosely this money has actually been appropriated. For the fiscal year ending June 30, 1943, the War Department had $32,109,557,877 more than they could obligate. In 1944 they had $15,176,410,288 more than they could obligate. In 1945 they had $32,757,963,469 more than they could obligate. At that time I asked them whether this sum could not be increased and they informed me as they have always informed the committee, that this was the irreducible maximum that could be reappropriated and that if we increased the amount they would run short of money because it would not be there. In spite of this statement and running true to form we find them coming back this year with $8,885,501,051 additional that they could not obligate and find that they had made additional recoveries on past obligations of $8,238,501,500, so that they had over $17,000,000,000 unobligated money this year, which was reappropriated. Despite

the fact that this budget covers $38,500,000,000, there is only $21,376,000,000 new cash in the bill. Surely this House must agree with me that with the European war over this sort of a loose policy of handling the taxpayers' money should be discontinued.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. ENGEL of Michigan. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The figures which the gentleman has given for 1942 cover the military bill plus all the supplemental and deficiency bills; do they not?

Mr. ENGEL of Michigan. They cover the military appropriation bill plus five additional supplemental appropriation bills all, of course, for the War Department.

III. WHAT BECAME OF THIS MONEY?

Mr. Chairman, the important thing is, What did we do with the money? I do not want to take the time of the House to go into the details of all the information I gathered in my investigations. Space will not permit a complete résumé of the facts. I can only give a few illustrations to show that despite the fact that the War Department had due notice they failed to do anything about it.

CANTONMENT CONSTRUCTION

On September 19, 1940, 5 years ago this September, there came before this House an appropriation bill for cantonment construction for the first 1,200,000 men. A committee clerk, Mr. Chairman, came to my office and asked me to approve a $367,000,000 appropriation bill for that purpose without a full committee meeting. This appropriation bill was shortly afterwards increased to $466,000,000. I refused to do so.

When I came on the floor of the House the bill was up for consideration. You will find my statement in the RECORD on that date. Prior to that time we were building Army housing for officers with relief money which cost $17,500 each. When we held the hearings I asked General Seaman, who was then Construction Quartermaster in charge of Army construction, how he could spend $17,500 apiece for these houses when the War Department Subcommittee on Appropriations had put a limitation of $14,500 apiece on them. He replied that the $14,500 limitation applied to the cost of the houses only to within 5 feet of the foundation line. I asked him "Who made that rule?" He replied, "We did, the War Department did." I then asked, "What did you do with the other $3,000? Go back to your office and bring me a statement." Of all the silly statements, Mr. Chairman, this was the most absurd. Remember that this was a statement by the major general who had charge of the War Department construction program at that time. Here is a sample of the items he enumerated: 150 feet of water pipe and connections at $2 a foot, 150 feet of sewer pipe and connections at $1.50 a foot. The Construction Quartermaster paid more for water pipe per foot than he paid for sewer pipe. One hundred and fifty feet of electric line at $3 a foot—from the post outside to within 5 feet of the foundation. He had telephone connections and equipment from the street line to within 5 feet of the foundation of $200. Need I say more except to repeat this was the man in charge of all Army construction.

On September 19, 1940, in calling attention of this House to what had happened I made this statement taken from the RECORD:

> When it [meaning the bill] is passed the War Department subcommittee ought to keep a periodical check on what is going on and see that we do not have a repetition of what happened before.

Mr. Chairman, I kept studying the problem and on January 16, 1941, I made my first speech on the $466,000,000 cantonment program. During that speech I made this statement:

> A study of all projects convinces me that there will be a deficit in excess of $300,000,000.

When in March 1941 the War Department came in for a $338,000,000 deficit, I had already been through the cantonments from New York to Florida. We had an investigation into wartime expenditures after World War I, by the Graham committee. The Graham committee took the War Department to task because it cost $206,000,000 to build cantonments where 4,000,000 men were housed and cantoned during World War I. It cost us during this war $800,000,000 to build cantonments where the first 1,200,000 were housed and cantoned. This is four times as much for less than one-third the number of men. Right there, Mr. Chairman, was the beginning of inflation in America.

WASTE AT CAMP BLANDING

I spent considerable time on Camp Blanding, Fla. A contour map in my possession shows that 40 percent of the building area of Camp Blanding was below the lake level. A Member of this House in speaking on Blanding said, "Why, there is not a foot of Camp Blanding that is not at least 135 feet above sea level." He was right. But Kingsley Lake was 185 feet above sea level, and drained right down to the spot he was talking about that was 135 feet above sea level. They had 9,900 feet of well point system. They had 22 units with 450 feet of well point to each unit. They had 150 miles of surface ditching. They moved 2,000,000 yards of dirt. They took out 650,000 cubic yards of black muck and replaced it with sand. I took photographs showing that as fast as the muck was taken out water came in which was replaced by sand. I have photographs showing the water mark on trees above the foundation line of the buildings.

They built sand asphalt roads that cost 65 cents a square yard at Camp Jackson. At Camp Blanding they build with rock that cost $1.15 a yard.

In January 1941 a roving construction quartermaster, formerly from my State, was sent down to bring order out of chaos.

The contractor was Starrett Bros. & Eagan, a very reputable construction firm from New York State who had built the Empire State Building, I was told. Major Cochran, the roving quartermaster, told them they had to get action. Cochran had a brother-in-law whose name was McKenzie who had built 150 miles of gravel roads in Michigan and had had a great deal of experience with muck conditions similar to those found at Blanding. The contractor had no one with such experience. McKenzie had built 21 miles of the Skyline Drive and had just completed 7½ miles of the Pennsylvania Turnpike as a subcontractor. Naturally a man with this experience did not want to take any job as superintendent on another contract. However, to satisfy his brother-in-law, Major Cochran, and at the urgent insistance of the contractor he was finally induced to take the job until it was cleaned up on condition that he was to have a free hand. Mr. Chairman, the progress sheet shows that the labor cost for the first 46 percent which was completed prior to the time McKenzie took the job as superintendent, was $6,880,000. The labor cost for the next 49 percent progress, bringing the job up to 95 percent completion was $4,100,000. He reduced the machinery rental in January $75,000 over December and brought about a $50,000 reduction in February over January. McKenzie ordered another reduction as of March 1. The contractors were building roads and parkways at Camp Jackson, S. C., with sand asphalt for 65 cents a square yard. They were building roads and parking spaces at Camp Blanding with crushed rock at a cost of $1.15 a square yard. Instead of buying the rock from the quarries delivered at the camp, they bought the rock through McLeod & Wolfe, a little one-horse concern, at least they were before they got into big-time Government money, at a cost of $2.15 per ton, 40 cents of which was freight. McLeod & Wolfe also had a great deal of machinery which was rented to the Army. I am informed that a Senate committee reported that this subcontractor made a half-million dollars on the rock contract and machinery rental. When McKenzie took over they had purchased 580,000 tons of lime rock from McLeod & Wolfe at a cost of $2.15 a ton. McKenzie ordered the rock contract canceled and began to build sand asphalt roads and parkways at 65 cents a square yard instead of $1.15 a square yard. The cancellation was effective on March 1, 1941. It will be recalled that the order for another reduction of machinery rental was also effective March 1.

On March 1, 1941, the officer in charge of the War Department construction at that time with the engineers sent the following telegram to the contractor:

> You will not approve reimbursement of the pay of Mr. McKenzie, brother-in-law of Major Cochran, on the contractor's pay roll effective this date.

Within 1 week after the sending of this telegram McLeod and Wolfe got a contract for another 60,000 tons of rock at a cost in excess of $120,000. The difference between 65 cents a square yard and $1.15 a square yard would have meant a saving of $547,000 on road and parking-construction contract alone. The man who had built 150 miles of Michigan gravel road, who had constructed 21 miles of Skyline Drive, 7½

miles of the Pennsylvania Turnpike, and who had produced 49 percent progress at Blanding at a labor cost of $4,100,000 as against a labor cost of $6,880,000 for the first 46 percent; the man who had the courage to cancel the machinery-rental contract and rock contract which brought half a million dollars profit to a couple of one-horse contractors, was fired because he was a brother-in-law of a major in the Army. I stated on the floor at that time that if the Government fired everyone on the Government pay rolls who had a brother-in-law, sister-in-law, or some other kind of an in-law on the pay roll there would be an exodus out of Washington like the children of Israel leaving Egypt, and they would not be on their way to the promised land.

The appraised value of the machinery used at Camp Blanding was $4,638,605. The actual rental paid on this machinery was $1,992,080. Approximately $850,000 of this rental was paid for heavy equipment of which McLeod and Wolfe furnished approximately 50 percent. The recent exposures regarding the machinery rentals and other matters on the Pan-American Highway are merely a repetition of what happened at Camp Blanding and other places during the past 4 years.

RAILROAD AT BLANDING

The Army bought enough 65-pound railroad rails from the Southern Railroad Co. to lay 26 miles of railroad at Camp Blanding. I reminded the construction quartermaster that the Army regulations provided for 80-pound rails and asked him why he permitted the use of 60-pound rails. Railroads now use 120-pound rails. He informed me that he had called up the Washington office and protested the use of the 60-pound rails. I knew that these people were in the habit of taking down telephone conversations with Washington over an extension phone. I obtained a transcript of the telephone conversation between Major Rundell, who was then construction quartermaster at Blanding, and a Captain Kirkpatrick, in the construction office at Washington. This conversation reads, in part, as follows:

Major RUNDELL. Have you ever looked at the specifications written in the instructions as to the weight of rail?

That was Major Rundell talking from Washington.

Captain KIRKPATRICK. No; I have not.

Major RUNDELL. It says not less than 80 pounds.

Captain KIRKPATRICK. They say to leave it like it is. O. K.

And that is how the Southern Railroad Co. unloaded 26 miles of 60-pound rails on the taxpayers of America. I wonder how long these 60-pound rails will stand up when heavy armored equipment is shipped over them.

The then construction quartermaster of the United States Army, in testifying before the Military Affairs Committee of the House, admitted that Camp Blanding cost $5,000,000 more than it should have cost because of the building site that was chosen. I have some interesting photographs of this site, some of them showing the watermark on the trees above the foundations of the buildings they were erecting.

CAMP MEADE

Camp Meade was a former World War I camp situated about 20 miles north of the city of Washington in the shadow of the very Capitol. The estimated cost of this cantonment project was $9,053,187. It cost more than $23,000,000. Approximately 43,000 men were housed, cantoned and trained there during World War I. The War Department wanted a camp for approximately 20,000 men. I found there one of the most outrageous cases of waste of the taxpayers' money. On the one side I saw a ghost town where 43,000 World War I troops had been cantoned and trained in 1917. The buildings were all gone but the site was still there intact. On the other side I saw a new camp being built on what was practically a complete new site. On the old site I saw miles of streets including some 10 miles of concrete roads where World War I buildings, barracks, and warehouses had been built. The buildings were gone but streets with a little work on them could have been put back in condition. The War Department could have started construction within 48 hours without the necessity of grading, with good roadbeds to build upon. Only a short distance from there on the new site I found new roads being built at a cost of over $931,000. On the old site were miles of main and lateral sewer lines used in World War I in excellent condition. On the new site a short distance away they were spending $600,000 constructing 146,000 feet of new sewer lines. I found acres of land on the old site where streets were layed out where World War I barracks had stood, grading and clearing complete. On the new site they were grading and clearing land for streets, roads and buildings at a cost of $536,000. I have photostatic copies of the old World War I site together with the site upon which the new camp was actually built to which I shall refer again. The old site was selected by the War Department because the type of soil, location and especially because of its drainage. The new site was built on two sides of a hill where new roads, new clearing, sewer lines, and telephone lines had to be constructed. They built a hospital unit on one side of a hill and an antitank battalion unit on the other side. Then they dug a 1,200 foot tunnel through the hill some 35 to 40 feet underground to connect the two.

I was informed that they could have saved 1,500 feet of sewer lines, electric lines and telephone lines and roads had the World War I site been selected for this unit. Forty percent of the building material for these two units had to be hauled on site in mudboats with a caterpillar tractor and I have a picture of both. The photostatic copy of the old site with the new site superimposed on it shows the location of the hospital unit and antitank battalion that was recommended by the engineer.

The engineers informed me that over a million dollars could have been saved on the new hospital unit alone had the old site been chosen. I asked the engineer why he did not build these two units on the old site. He referred me to the construction quartermaster. The construction quartermaster after some hesitancy told me that he stood there in that very spot and pleaded with the corps area commander recommending that site. He said the corps area commander cursed and replied, "Over there (pointing to the new site) is where I said it is going to be built" and that is where it was built.

On April 3, 1941, in speaking of this project I made the following statement on the floor of the House:

Mr. Chairman, speaking calmly, deliberately, and in an impersonal way, I say here and now that the officers in the United States Army who, in the face of the taxes and debt burden that is being placed on the shoulders of our people, their children, and their children's children, and in the face of the present emergency, are responsible for the willful, extravagant, and outrageous waste of the taxpayers' money ought to be court-martialed and kicked out of the Army.

Mr. Chairman, I have not changed my mind since then. Millions of dollars were wasted on this project under the cost-plus system.

COST-PLUS CONTRACTS

On June 2, 1941, in speaking on the floor of this House, I discussed the cost-plus-fixed-fee contracts and made a comparison between a number of camps, demonstrating that in a few instances where we did use a lump-sum-competitive-bid contract, construction costs were very much lower and the project actually used less manpower and advanced faster. At Camp Dix, which was built by 14 contractors under a competitive-bid system, and where the overtime came out of the contractors' lump-sum payment, the total overtime paid was $233,946. At Camp Meade, where the overtime came out of the taxpayer, it amounted to $1,808,000. I took a 63-man barracks as a typical building, because we built more of them than any other type. At Camp Dix a 63-man barracks built under a competitive-bid system, cost $9,822. At Camp Meade it cost $17,364. The wage rate at Camp Dix was higher than at Camp Meade and they were both in the same climatic zone. The 14 contractors at Camp Dix employed at the peak 5,655 men, while the cost-plus contractor at Camp Meade employed 19,990 men at the peak. Both of these camps were formerly National Guard camps in the same climatic zone. The construction cost at Camp Meade under the cost-plus system was duplicated at practically every one of the other cost-plus projects.

I made the statement on the floor of the House at the time, that in my judgment, at least $250,000,000 of the $800,000,000 cantonment expenditures was wasted. As I look back now, I think I was conservative.

ADMINISTRATION KILLS EFFORT TO ABOLISH COST-PLUS CONSTRUCTION

Mr. Chairman, on June 6, 1941, when the War Department appropriation bill was up in the House for consideration, I offered an amendment prohibiting the use of any funds in that bill for cost-plus construction. This House passed my amendment in the Committee of the

Whole on Friday, June 6. The administration leaders had the Committee arise and then adjourned the House after the bill had been read and was ready for passage. On Monday, June 9, the House went into the Committee of the Whole again on the same bill. The majority leader and the chairman of the War Department Subcommittee of the Appropriations Committee took the floor and opposed my amendment. They read letters from the construction quartermaster of the United States Army contending that the Engel amendment would delay construction 6 months, which in the face of the facts was silly. The fact was as stated by me at the time that the construction of cantonments at Camp Dix and several other camps which were constructed under a competitive bid system was far ahead of similar construction projects under cost-plus. A letter was also read by the majority leader from Under Secretary of War Patterson opposing my amendment. Every effort was made and all the pressure possible was used and they finally defeated my amendment by a vote of 179 to 175, or a narrow margin of 4 votes. The entire Republican minority voted for my amendment. Despite the pressure from the administration, I received a number of votes from my good friends on the other side of this aisle.

Mr. Chairman, if that amendment had been agreed to and if we could have eliminated cost-plus contracts at that time we would have saved the taxpayers hundreds of millions of dollars. It was defeated by the Democratic administration despite every effort the Republican Party made to abolish it, and the Democratic administration and leadership must take the responsibility for its defeat.

DEFENSE PLANTS

In 1942 I began to study ordnance production costs, and during the winter of 1943 I visited 47 defense plants, spending over 2 weeks in General Motors, Ford, and Chrysler. The companies whose plants I visited and whose reports I was able to obtain had an aggregate total pay roll in 1942 of $2,316,000,000. They had 850,522 employees, and the total man-hours worked in 1942 was 1,706,484,931. It is interesting to note that this entire group of corporations had over 800,000 stockholders, or one each for nearly every employee. I visited a number of Government arsenals, and on June 29 and July 2, 1943, I made a report of my findings to this House. I discussed both labor and industry. The War Department was giving our subcommittee cost figures that no one could contradict. They told us, for instance, that a medium tank cost $90,000; an 81-millimeter trench mortar $800; a 60-millimeter trench mortar cost $500; and we made the appropriation on that basis. I watched them turn raw ore into pig iron, pig iron and scrap iron into everything from a rifle barrel to a 16-inch gun. I got the complete breakdown as to the cost of the tank and found that a medium tank did not cost $90,000, but actually cost $60,000. I found that an 81-millimeter trench mortar did not cost $800 as represented by the Army, but cost less than $600; that a 60-millimeter trench mortar did not cost $500 as represented by the Army, but actually cost less than $300. I was amazed to learn that we had paid as high as a dollar a pound for armor plate. I went into one plant in the East, the Colt Arms Co., and asked them to give me the report they made to the Income-Tax Division of the Internal Revenue Department showing the amount paid to every employee from the president on down. I took one craft, that of machine-gun assemblers. I took the highest-paid employee and the lowest-paid employee, alternating until I had 25. I was amazed to learn that the highest-paid machine-gun assembler at this company was paid $8,741 in 1942, or $241 more than the base pay of a lieutenant general in the Army. Of the 25, 5 were paid between $8,000 and $8,741; 7 between $7,000 and $8,000; 7 between $6,000 and $7,000; and only 2 were paid below $5,000. The lowest-paid man received $4,788. Seventeen of the twenty-five men were paid over $6,000. All this while soldiers assembling machine guns in the Army were paid at that time as low as $50 a month.

I found farmer boys, after a few weeks of training, being paid from $60 to $100 a week in these plants; undertakers and lawyers after a few weeks' training being paid similar amounts. I found girls who had been working in dime stores going into factories after a few weeks of training being paid $65 to $75 a week. At Fort Devens, Mass., an Army post, the Government advertised that they were paying $55.80 a week to girls for learning how to mend shoes. On the other hand, I found corporations making exorbitant profits. Jack & Heintz, near Cleveland, Ohio, organized in November 1940 with capital stock consisting of 100 shares of no par value for which four stockholders paid in $500. They turned over the property of a defunct corporation for $99,500 giving them a total stock and surplus of $100,000. The Defense Plant Corporation furnished them $7,477,000 in money. This little corporation with $100,000 capital stock showed earnings before taxes in 1942 of $7,740,829 and showed earnings after taxes of $1,740,829 or 1,740 percent of the capital stock and surplus in 1 year. Thus in 1942 this little corporation after setting aside $173,000 for depreciation and obsolescence, after paying three top officers $116,645 each, after giving Christmas bonuses to employees of $944,000, after paying $6,000,000 in income and excess profit taxes, this little corporation showed earnings in 1942 of $1,740,839 on an invested capital of $100,000.

The High Standards Manufacturing Co. of Connecticut was organized in 1926 and issued 5,000 shares of a par value at $5 per share or $25,000. Approximately 4,700 shares of this stock was owned by one family. The stockholders paid in additional money so that on December 31, 1940, the capital stock paid in and earned surplus aggregated $65,660. The Defense Plant Corporation had advanced them up to December 31, 1942, $6,696,000. This company took 60 percent net profit before taxes on $50,771,000 machine-gun sales to the Government in 1942 after paying themselves $3,091,000 for management and engineering fees through another corporation owned by the same people, the Dixwell Corp. After refunding $23,775,000 under renegotiation, including half of the management and engineering fees, after paying approximately $4,800,000 in taxes, this little company with a capital and surplus of $65,660 showed a net profit after taxes and after depreciation in 1942 of $1,888,918, in addition to the $1,500,000 which they had left of the management fee after renegotiation. In speaking to the House on July 2, 1943, I cited case after case of similar excess profits made by corporations.

RENEGOTIATION OF CONTRACTS

Due to the excessive profits made, Republican members of the War Department subcommittee of the Appropriations Committee advocated in committee that war contracts be renegotiated and excess profits be put back into the Treasury Representative FRANCIS CASE of South Dakota offered an amendment to the War Department appropriation bill on the floor of the House which would bring about such renegotiation of these contracts. The chairman of the Committee on Appropriations made a point of order against the amendment, and the Chairman of the Committee of the Whole ruled it out of order. Mr. CASE redrafted it and offered it in a form which was not subject to a point of order, and it became a part of the bill. The Under Secretary of War Patterson opposed this clause in committee. The Senate rewrote the clause, and it was placed in final form by the conference committeee on the bill between the Senate and House. The Republican Members of Congress supported this policy almost to a man, and it was due to the persistence and insistence of Congressman FRANCIS CASE of South Dakota that it finally became a law.

On page 849 of the hearings of this year's War Department bill, the Under Secretary of War Patterson made a report which is rather interesting and which reads in part, as follows:

> As of June 1, 1945, the renegotiating agencies of the War Department has effected refunds of excessive profits totaling $4,588,231,000.

Again he says:

> These figures do not include price reductions which, as of April 30, 1945, total $3,103,374,000 and which to a substantial extent are attributable to the Renegotiation Act and its administration.

Thus we find that we saved under that act $7,690,000,000. When the matter came up in the Senate and in conference, the War Department took the attitude "we do not want it, but if we have to take it, here's the way we want it done." This provision was put into the law over the objection of the chairman of the Appropriations Committee and only through the work of Mr. CASE and the Republican Members of Congress was this tremendous saving made possible.

ALCAN HIGHWAY

Another illustration of waste and extravagance and of throwing the taxpayers' money away was the Alcan Highway. This was a road to Alaska upon which the War Department spent $140,-

000,000. The facts were brought out by me during the hearings on the 1945 War Department appropriation bill, pages 427, 428 and 429. This road cost $100,000 a mile for a gravel road with the gravel available nearby. They paid common labor $1.25 an hour, while skilled labor was paid as high as $1.75 an hour. They guaranteed labor 240 hours' pay a month, including overtime, so each worker was guaranteed from $300 to $420 a month. They got this amount even though they did not work an hour—all this according to the testimony of Maj. Gen. L. D. Worsham, chief engineer of the Alaska district. It further cost last year $8,000 a mile in trying to maintain this road. The Alaska Highway is in Canada and it is doubtful whether the Canadian Government will ever keep it up.

CANOL OIL PROJECT

Another illustration of waste and extravagance and throwing away the taxpayers' money was the Canol oil project, the facts of which were brought out by me in the hearing on the 1945 War Department appropriation bill, on pages 421 to 424. The estimated cost of this project was $134,000,000 and up to the time of the hearings last year we had actually spent $129,400,000, not including $16,000,000 they asked for in last year's appropriation. This included $14,240,000 for production of oil and exploratory work; crude oil pipe line and pumping stations, $50,635,000; 521 miles of access roads, $9,230,000; refinery, $24,980,000, and distribution pipe lines and pumping stations, $30,315,000. This was the amount spent prior to the 1945 hearings. It cost us $15.90 for a 42-gallon barrel of refined gasoline at the refinery at White Horse. The Standard Oil Co. of California was paid 33 cents a barrel fee while the Imperial Oil Co. of Canada received 20 cents a barrel. We have a $130,000,000 investment all of which with the exception of equipment will be turned over to Canada and the Imperial Oil Co. of Canada—which is the Standard Oil Co. We reserved the right to buy 30,000,000 barrels of oil inside the proven oil field and 30,000,000 more barrels outside the proven oil field if oil is discovered. The Imperial Oil Co. agreed to pay us $3,000,000 if we buy the 60,000,000 barrels of oil which at that time was costing $15.90 a barrel. In other words, if we buy $960,000,000 worth of oil from them, they will pay us $3,000,000 for the equipment. All of this according to the testimony of General Worsham, chief Army engineer of the northwest district.

On page 424 he testified as follows:

The oil field drilling equipment will go to the Imperial Oil Co. and against that we have reserved in there the possibility of 30,000,000 to 60,000,000 barrels of oil and the Imperial will pay for the equipment $3,000,000 if we take 60,000,000 barrels.

Again the testimony reads as follows:

Mr. ENGEL. You ought to be able to give us some idea of what we are doing, whether we are going to give away any portion of this $129,000,000, and the taxpayers ought to know how much we are going to give away.

General WORSHAM. Until we know how much we will get for it at the end we cannot tell.

Mr. ENGEL. We can buy from them 30,000,000 barrels of oil, which at the present time is costing us $15.90 per barrel.

General WORSHAM. That is the cost of the manufactured, refined product.

Mr. ENGEL. And it would cost us $15.90 per barrels for the refined product?

General WORSHAM. Yes, sir.

Bear in mind that we had to buy 60,000,000 barrels from the Imperial Oil Co. of Canada which would cost us $15.90 a barrel at the refinery or $960,000,000. If we did that then the Imperial Oil Co. of Canada would be so liberal as to pay us $3,000,000 for the equipment. Just another case of waste and extravagance and giving the taxpayers' money away.

TRANSFERABILITY OF FUNDS

Mr. CASE of South Dakota. Mr. Chairman, before the gentleman yields the floor may I inquire whether the gentleman is going to say something about the transferability clause?

Mr. ENGEL of Michigan. In answering the gentleman from South Dakota, I do have something to say about the transferability clause. Since 1942 we have carried a 10-percent transferability clause giving the War Department the right to transfer from one appropriation to another in a sum up to 10 percent. It was under this clause that Under Secretary of War Patterson transferred $25,000,000 from his expediting production fund to the Pentagon Building. It was under the same clause that the Chief Engineer of the United States Army, undoubtedly acting on orders, transferred $16,000,000 from the engineers' service to the same Pentagon Building. These sums together with additional sums transferred from the highway funds enabled the War Department to spend in excess of $86,000,000, including roads and bridges, on the Pentagon Building. This, after Congress had adopted a committee report advising the War Department that they could spend not to exceed $35,000,000 on this project if they would absorb $1,000,000 they had asked for in order to convert the old Hoover Airport into a parking lot. Projects such as the Canol project, Alcan Highway, and many other projects were made possible by this transferability clause. Last year the Under Secretary of War testified before our committee that he had spent $400,000,000 out of the expediting production fund on one project which had not even been discussed in committee.

Upon my questioning, he admitted that they had spent another $400,000,000 on the same project out of the engineers' service fund. When we find funds handled in such a way that the Under Secretary of War cannot come within $400,000,000 of telling us what has been spent on a project, it is time to change our system. Last year the War Department went before the Deficiency Committee and asked that the 10-percent transferability clause by increased to 20 percent, and the Deficiency Committee permitted them to do so. I insisted that the War Department insert into the record a list of the transfers made. This list will be found on page 820 of the hearings. It shows that up to the time of the hearings, the War Department had transferred from one fund to the other $2,774,734,000. It shows further that they contemplate transfering a total of $3,429,000,000. This means just one thing, and that is that the War Department was permitted last year under this clause to spend nearly three and one-half billion dollars for purposes which had never been justified before any congressional committee.

Mr. Chairman, I take the position that the War Department is entitled during this emergency and during this war to every dollar, the expenditure of which it can justify in the interest of the war before a congressional committee. I am willing to give them every dollar they need on this basis. I take the further position that the War Department is not entitled to one dime and I am not willing to give them one thin dime for any purpose which they cannot or will not justify before a congressional committee. It is this policy which has made possible the waste of the taxpayers' money and many of the extravagances referred to in this speech. If this is permitted to go on we will come back again next year as we did year after year and find other cases of waste.

The recent disclosure by a radio commentator of the waste and extravagance on the Pan-American Highway is merely a repetition of what occurred 4 years ago at Camp Blanding and other camps and has continued to occur since that time. The amount that the War Department is permitted to transfer in this bill was reduced on my motion in the committee from 20 to 10 percent. At that time I was given to understand by the budget officer that only a few items had been transferred. I did not know that the amount contemplated to be transferred would aggregate nearly three and one-half billion dollars. I shall offer an amendment in the Committee of the Whole asking this House to reduce the amount that can be transferred from 10 to 5 percent.

UNOBLIGATED BALANCES

I call attention to the fact that in 1944 the War Department had an obligated balance of $32,758,000,000 and made recoveries during prior years' obligations of $13,657,000,000. The total unobligated balance for 1944 and recoveries made in prior years amounted to over $46,000,000,000. The total unobligated balance as of June 30, 1945 and similar recoveries for the same year amount to over $17,000,000,000 for the coming fiscal year and it is my judgment that this will be increased by several more billion dollars. This bill provides for $39,000,000,000 appropriations to maintain an Army of 7,000,000 men. If we should reduce the Army 10 percent, which I have every reason to believe we will, it means nearly $4,000,000,000 will lapse to the Treasury and can be transferred under the 10-percent clause. This will mean that $4,000,000,000 can be spent by the War Department for cats and dogs or any other purpose they see fit to spend it on without justification before a congressional committee.

Mr. Chairman, this is wrong and as long as Congress continues this policy

we can expect a repetition of the Blandings, the Meades, the Canols, the Alcan projects. We can expect them to continue building white elephants like the Pentagon Building. Personally, I have become convinced that they should not have any transferability. Every dollar that is expended by any department should be justified before a congressional committee. It is difficult enough for congressional committees to hold down expenditures that they approve. Lump-sum appropriations, whether by transfer or direct, must go if we are to reduce waste and extravagance. If the War Department should run short of funds, let them do as other departments have to do, come before the Deficiency Committee, tell them what they want, make a case, and if they can justify the necessity for the appropriation, they will undoubtedly receive it. That is why we have a deficiency subcommittee of the Appropriation Committee.

Mr. Chairman, in conclusion, I want to remind the War Department again, as I have done repeatedly before, that this Nation will have a $300,000,000,000 national debt; that it will require approximately $9,000,000,000 to pay the interest on and amortize that debt in 50 years; that we will have 15,000,000 of veterans to take care of, the cost of which will run into billions more, 4,000,000 from World War I and 11,000,000 from World War II. I wish to remind them again that it has been estimated that the postwar budget required to take care of the absolute requirements of the Government will probably run from twenty-two to twenty-seven billion dollars annually. I wish to remind them again as I have done before that we have reduced the income-tax exemptions on the low-income group down to $500 for normal tax purposes and $1,000 for surtax purposes; that we had in 1944 21,600,000 income recipients, 9,000,000 of whom were heads of families and who paid over half a billion dollars in taxes. That there were 7,450,000 more married persons or heads of families with incomes of $1,000 to $1,500 who are carrying a tremendous tax burden. I am doing so in the hope that I may finally get under somebody's skin and keep them from throwing the hard-earned tax dollars down a rat hole, tax dollars which, except for this waste, might and should be spent for bread, butter, and milk for the families of this low-income group.

Mr. KERR. Mr. Chairman, I yield myself 20 minutes.

I ask unanimous consent, Mr. Chairman, to revise and extend my remarks and include therein a statement of tribute I paid to my distinguished colleague on the subcommittee, Mr. POWERS, which appears in the hearings of the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The statement is as follows:

Mr. KERR. Before we adjourn, I would be very derelict if I did not take advantage of the opportunity to put in the record my appreciation of Mr. POWERS.

Mr. Chairman, I wish to join with the other members of the War Appropriations Subcommittee in an expression of deep regret on account of the resignation of Hon. D. LANE POWERS from the membership of the House of Representatives, where he has served so long with distinction and matchless fidelity. I hazard nothing when I assert that the State of New Jersey and this Nation will lose a public servant and a Representative whose services cannot be surpassed and whose personality and character is esteemed by every Member of the House and the Senate who have had the good fortune to contact him as a public servant and as a great citizen. It has been well said that "Man is the only great thing in the universe," all the ages have been trying to produce a perfect model; only one complete man has yet evolved. The best of us are but prophecies of what is to come.

You can learn but little about your colleagues in the House of Representatives unless you intimately contact them in their duties incident to committee service; there you appraise his intellect, his character, his sense of duty, and his conscious rectitude.

I shall always be glad that I had an opportunity to serve with and know LANE POWERS. I am satisfied that I am a better man for the contact. In my opinion, he has a heart that can be turned inside out and will disclose no stain of dishonor. Fortune may remove him from us as she pleases but be assured wherever he goes or whatever he undertakes he will do his duty unafraid and with signal honor.

Mr. KERR. Mr. Chairman, it is impossible to discuss all the items which comprise a war appropriation bill, these items which we have become more or less intimate with for the last 4 years have created a composite manpower and military force greater and more powerful than any other ever organized or conceived by mankind before this present war. The plans evolved by our military and civil leaders represent the sum total of industrial equipment and human genius never equaled by any other nation or people since the dawn of creation. What we have done and will do is a force irresistible and our enemies are fast realizing the truth of this assertion.

It is impossible not to make many mistakes in the creation of a military force of such proportions as that we have now in operation throughout the world, the reaction of this world's war will be felt by generations to come. If the prayer of the world will be realized and peace made secure on this earth—then the mistakes, the cost, the burdens and the sorrows of this old world will be fully amended. We probably yet face a problem greater than mankind ever faced before.

As I sat through the hearings which our committee conducted on this bill, I could not help but marvel at the tremendous job that has been done by our Army since December 7, 1941, and at the tremendous job that still lies ahead. During the course of our hearings, the Chief of Staff, General of the Army George C. Marshall and his deputy, Gen. Thomas T. Handy, appeared before us to explain the strategical and tactical picture for the coming year as they now see it. The commanding generals of the three major commands of the Army and the chiefs of the operating agencies of the War Department also appeared before us to testify as to their requirements for funds during fiscal year 1946 and to explain the usage that had been made of the funds which were provided for fiscal years 1945.

Hon. Robert P. Patterson, the Under Secretary of War, explained the over-all procurement and facilities problems, and the budget officer for the War Department, Maj. Gen. George J. Richards, gave us an analysis of the budget estimates.

No man connected with our war activities, in my opinion, has done a better and more complicated job for the Government and for the Army than General Richards. It was his assigned duty to contact the Bureau of the Budget and lay the foundation and give the information relative to all expenditures; his approach to all war matters inspires the confidence of those whom he contacts, he is doing a great and successful job.

Fund requirements are, of course, based upon plans drawn up well in advance of the contemplated operations designed to bring us complete and final victory. Financial implementation of these plans is accomplished through our appropriations bills. After the appropriation is made, there follows the task of selecting and scheduling for production all the types and quantities of equipment needed to carry out the planned operations. Successful accomplishment of the operational plans depends in a great measure upon the superiority and adequacy of the equipment which has been provided our combat soldiers.

Also during the hearings, I found myself time and time again marveling at the stupendous job that has been accomplished by American industry. We have well proven that America can outproduce any country in the world in a shorter period of time. When the Japanese struck at Pearl Harbor on December 7, 1941, we had, as you know, but a skeleton force of men in our Army and but little of the matériel needed to wage a war. It was necessary practically overnight to convert the machinery of a peace-loving nation to the production of war goods of every type and description imaginable. From an examination of the numerous lists of articles purchased by our Army, I know of nothing that has been overlooked to provide our soldiers in the field with the very finest equipment that any soldier has ever had to combat the enemy and to protect himself. To do this has meant the establishment of a supply organization which has never been equaled in the history of the world. It is quite true that we have spent many billions of dollars to bring about the complete collapse of the German Armies and will have to spend additional billions to assure as speedy a victory as possible in the Pacific war. I feel, and I am sure you do, that every dollar has been well spent. I base this conclusion upon results achieved; they speak for themselves.

With the achievement of VE-day in Europe, I know that many of us felt that war expenditures would decrease sharply and that it might be possible to carry on the war in the Pacific with the supplies and equipment which we now have on hand. To some extent that is true. We have been assured that full utilization will be made of all the stocks on hand in this country and that the matériel which is now in Europe will be put in shape for shipment and transported to the Pacific just as rapidly as the means of transpor-

tation become available. These measures, however, will not provide all that is necessary. We will have more men in the Pacific area during this next year than we had in Europe. We have a far longer supply line to keep filled in order to insure the prompt delivery of the equipment when required. Fighting in the Pacific is of a different nature than that in Europe. Special equipment, special clothing, and, to some extent, special foods are required to fully maintain our armies in that area.

I cannot restrain from also referring to the marvelous work and accomplishment of Maj. Gen. C. R. Gross and his associates of the Transportation Corps, the work done by this corps is almost incomprehensible. The item requested for this corps, $1,785,000,000, seems small when you realize that this division has charge of the movement of the Army and its equipment by rail and water, which involves the purchase of locomotives, cars, track equipment, transport vessels, and landing boats of every description, as well as the handling of freight delivery never before equaled on earth.

A brief analysis of the War Department's program for the next fiscal year indicates that out of the approximately $38,500,000,000 requested, $18,200,000,000 is for the purchase of supplies and equipment, and $20,300,000,000 for pay of the soldier and general maintenance and operating expenses. For comparison, the presently estimated obligations for fiscal year of approximately $53,500,000,000 will be divided $33,900,000,000 for the purchase of supplies and equipment, and $19,600,000,000 for pay of the soldier and general maintenance and operating expenses. It is significant to note that for the first time during the war, procurement comprises less than half of the projected obligations. During fiscal year 1946, pay of the soldier and his travel will cost over $13,500,000,000. The largest decrease in next year's program is in the appropriation for the Air Forces. Victory in Europe has permitted drastic over-all reductions in the airplane procurement program. The ordnance program is likewise greatly reduced. While there are general reductions in practically all the appropriations, many of them are so closely related to the number of troops which must be clothed, fed, supplied, and equipped that great reductions cannot be expected at this time.

One of the outstanding feature equipment of our Army is the Ordnance Department under the command and direction of General Campbell. Our committee on many times have heard General Campbell and some of us have had opportunity to observe the magnificent equipment of guns and ammunition and every conceivable instrument of defense that unquestionably exceeds in power and efficiency any other similar coordination ever organized by mankind. We are so well equipped with Army ordnance that this year's appropriation will not be more than one-half of the sum appropriated for the fiscal year 1945. General Campbell and his associates knew what we needed to win this war and they assembled the destructive agencies that are doing the work.

Testimony before the committee indicated clearly that the Army has under way an efficient and orderly program of salvage and recovery of excess quantities of supplies and equipment in the inactive theaters. In computing production requirements for the coming year, witnesses testified that full credit was taken for supplies in the inactive theaters which will not be required either by an army of occupation or by troops awaiting shipment to the Pacific or return to this country. Our committee was told that about 70 percent of the matériel now in Europe is recoverable and can be applied to meet future demands. Actual movement of matériel from Europe was started even before VE-day. Quantities shipped are, of course, limited by available transportation facilities. For this reason, credit for this matériel must be spread over the entire period of redeployment.

This bill could be the last of our big war supply measures if we should be blessed with final victory before the end of the coming fiscal year. We cannot foresee an ending at this time, however, and we must not let optimistic thinking predominate in our consideration of this bill. While it is true that the initial equipping of our Army forces has been completed, we must now provide for the replacement of such equipment where required and the continued search for new and better items with which to equip our men. I strongly recommend the reading by each Member of this House of the printed hearings conducted by our committee. It is the best source of information of which I know to gain a well-rounded knowledge of the Army's past and contemplated activities.

It is my firm conviction that the Army of the United States has well justified the confidence which this Congress has reposed in its leaders through the medium of our appropriation acts. They have given us a full accounting of all moneys expended and have always been willing to provide us with full justifications of their requirements. I am convinced that this is no time to withhold from the Army any funds which will speed our final victory. Our committee has been assured that this appropriation bill covers all requirements necessary to a vigorous prosecution of the Pacific war. By making this appropriation we will once again be reaffirming our faith in the Army leaders who control these funds and assuring them that we are solidly behind them. Such action will certainly provide no comfort to our enemies but, conversely, will inform them that the American people stand together for one result—their complete and final defeat.

Mr. CASE of South Dakota. Mr. Chairman, I yield such time as he may desire, to the gentleman from New Jersey [Mr. TOWE].

Mr. TOWE. Mr. Chairman, I do not feel that we of the New Jersey delegation should fail at this time to add an expression of our praise and affection to what has already been said today, by Representatives from other States, about our friend and colleague, the Honorable D. LANE POWERS.

You who have known him and worked with him, possibly longer than I have, need not be told of his diligence, honesty, wisdom, and patriotism. That record will remain with you after he leaves Washington, and I am certain it will never fade.

The plain truth is that his own great State of New Jersey, having loaned him to the Nation for more than a decade, has called him back. He goes back to New Jersey to enter a greater field of service, and I know that not a Member among you doubts that he will distinguish himself in that new field as he has in this. I know, too, that your warm affection and high regard will follow him from this Chamber into his new office. The Nation is the better for having had the services of Mr. POWERS, and New Jersey will be the better for having called him back.

One more thought. There are offices in New Jersey higher than the one which Mr. POWERS will soon assume, but there is no office there or anywhere else in public life, which calls for more than he can deliver. It may well be that in a State where no governor can succeed himself, Mr. POWERS is starting on a path of public service which will lead him to the very heights.

Mr. CASE of South Dakota. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, as this War Department bill comes before the House there is a feeling of great regret that LANE POWERS, the ranking Republican member on that committee, who has so ably represented the Trenton district in New Jersey for many years, is going to retire. LANE POWERS has been a tower of strength upon that committee. He probably has had as much to do with framing the War Department bills as any individual Member, and his insight into the activities of the War Department has been deep and it has been keen. I know of no man in my day here who has given more of himself and done a better job than LANE POWERS. In the work that he has ahead of him in New Jersey I wish him Godspeed and many years of useful, active, public service.

Mr. Chairman, I want to say a word or two at this time to bring before the American people the situation with reference to the Office of War Information.

The people are getting sick and tired of our continuous appropriation of their money for needless and foolish purposes. Unnecessary and wasteful spending of the people's money cannot be justified. Yet in the OWI we see unnecessary and wasteful spending. If we permit this to continue, the blame will rest on us.

No one will stand in the Halls of Congress and attempt to justify waste, and yet, through the countenance of this Congress, waste is rampant throughout the many strange and amazing activities of OWI. It is high time we put some check on this waste and extravagance.

The money is provided by the taxpayers, who have given until it hurts while this and various other activities of the administration have been looked upon as emergency measures, and have refrained from inquiring closely how the money was being spent—how the activities were being administered. But now

that people high in OWI have given evidence of their belief that OWI, and their jobs, should be made permanent, a more severe scrutiny is justified.

OWI, may I remind you, is supposed to mean Office of War Information, though the OWI overly paid pay rollers would no doubt like for us to forget what those initials stand for.

The war in Europe is over, and there is no valid reason why OWI should not retrench; there is no valid reason why the appropriation of $18,000,000, the amount set by the House, is not ample for all justifiable activities of the Office of War Information for the fiscal year 1946.

OWI has on its pay roll 10,375 people, an enormous number of whom have nothing to do. A great many have been on the pay roll at large salaries without any job or responsibility.

Of the 10,375, there are in the city of Washington 905, and 100 could perform all the useful activities that are there performed.

In the city of New York they have an enormous plant with upward of 2,000 people presently contained in it. They are sending out short-wave broadcasts at great expense at all hours of the day and night to all sorts of places. The broadcasts have no propaganda value whatever. I have seen them. I have been over them. They are of poor quality—poorly done—and the type of people that they employ are not the tops of their profession but the poorer grade. They print magazines for sale, but those magazines are not near as useful nor as effective as the private magazines that are printed in this country and sold in other countries. They are expensive magazines and are of no propaganda value.

The Reader's Digest already has a circulation of 2,000,000 in Europe and South America, and this is paid circulation which costs the people of the United States nothing. It reaches 10 times the people that are reached by the OWI. It is prepared to increase its circulation in Great Britain by 400,000 as soon as it can get the paper; to start a new French edition as soon as it can get the paper; a German edition as soon as it can get the paper. If, by any stretch of the imagination, it is necessary to sell the United States to the people we are feeding and clothing, in the countries we have liberated, then how much better job would be done by magazines like the Reader's Digest, rather than the OWI tripe I have seen.

In San Francisco they have 895 employees, and they are planning on even more. The only thing they do out there which might be construed as having some bearing upon the war effort is the production of some broadcasts to Japan. I had those broadcasts, and they were very poorly done; they were nothing that an ordinary schoolboy could not have copied from the Army and Navy communiques. A hundred employees would be more than enough to perform all activities that should be carried on, and yet, as I said, they have 895 and plan on having more.

The OWI has a publications outfit in New York and Washington which is utterly worthless. The have an enormous set-up in 60 to 70 countries. A printing plant in Rome with 1,300 employees. Think of it. They are going to run 8 little newspapers in Germany—a 12-inch by 15-inch sheet printed on one side. That sounds like a small project, doesn't it? Six people could easily get up and print this size newspaper in any locality. But the OWI never does anything with a minimum of employees, or at minimum cost. Their set-up in Germany involves 528 people. In the liberated countries they have a request for 1,500 employees.

In the Pacific theater in the outpost section, they have a request for 1,731.

With the $18,000,000 appropriated by the House, which is one-third of the money they had this current year, they could have one-third of their present staff, and they would still be able to carry on in the Pacific theater with the full 1,731 people requested for that theater; they could have 100 to operate in their Washington office; 100 to operate in their German area; 100 to operate in San Francisco; and 1,400 to place in other sections of the United States and freed and occupied Europe. This is more than enough. Any more than this number would be utter waste. A cut from their present 10,375 employees to 3,400 employees could easily be made, and still give them plenty of margin to do anything that they ought to do.

It is about time that the OWI—the part of it which is necessary—be put to work on an efficient basis and that waste and extravagance be checked. It is about time that Congress cease to appropriate more of the people's money than is required to carry on proper activities.

Mr. SNYDER. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, 1 week ago today this Congress, the District of Columbia, and the Nation honored the returning hero, the Chief of our Armies in Europe, General Eisenhower. It was my privilege to attend the luncheon at the Statler Hotel. Sitting on my left was a retired general of the United States Army, General Frank Keefer. He told me that more than 30 years ago he had been a professor on the teaching staff at West Point. He said he had not seen General Eisenhower during that period of time between the Statler Hotel luncheon and the period when he was a professor and Eisenhower was a student at West Point. Yet General Eisenhower picked him out of several score of persons and came over and shook hands with that old professor. I thought that was a splendid act of kindness and recognition. I said to General Keefer, "Was General Eisenhower a brilliant student?" He replied, "No. He was a thorough student." To me the job that General Eisenhower and his armies have done in Europe bear out the expression of General Keefer in recognition of his thoroughness in school at West Point.

Mr. SNYDER. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, yesterday the fine community of Prestonsburg, Ky., celebrated the seventieth birthday of the chairman of the House Military Affairs Committee. It was a day of general rejoicing there, and I personally regret I was not present to join in the occasion. I know that many Members of the House of Representatives feel as I do about this. Mr. MAY has been serving as chairman of the Military Affairs Committee of the House during the entire time I have been in Congress. He has labored long and hard on the defense of America. In the prewar days, he worked that our Nation may be adequately protected and defended. After war came to our land, he had literally carried the heavy burden of the legislative war effort and in my judgment has done a magnificent job.

Mr. Chairman, I desire to felicitate with JACK MAY and with his people on this, the occasion of his seventieth birthday; and I want to wish him many, many happy returns of this occasion.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. PLUMLEY. As one who on the fourteenth day of April reached that anniversary myself, and as a former member of the committee of which ANDY MAY is now chairman, and with whom I served many years, I wish to add my congratulations to your upon his having reached that day and that celebration.

Mr. BROOKS. I extend the gentleman the same greetings.

Mr. SNYDER. Mr. Chairman, I yield to the gentleman from Texas [Mr. MAHON] 15 minutes.

Mr. MAHON. Mr. Chairman, I may not use all the time that has been yielded me. I realize the hour is growing late, but, of course, the magnitude of this bill and the importance of it cannot possibly be exaggerated. I hazard the statement that not again in this century will another appropriation bill of this size be presented to the Congress. I hope I am not too optimistic, but if the war progresses reasonably well and if the United Nations Conference at San Francisco achieves a considerable degree of success, that statement is fully justified. I think we can therefore say this is the last of the big wartime appropriation bills.

Mr. Chairman, the War Department will not spend all of the $38,500,000,000 appropriated in this bill. It did not spend all the money provided in the bill last year or the year before that. But war is a very unpredictable thing and the American people want the Congress to make it possible for the Army to meet every emergency; and that is what we have done.

Last year when we passed this military appropriation bill on June 15 we were at a very critical time—our boys had only a few days before that landed on the beaches at Normandy.

No human being knew just what the future held, and no Congress could possibly know just what the fiscal requirements might conceivably be; so we gave the military forces enough money to meet the situation. We are thankful for the fact that it is not necessary that all that money be expended in fiscal year 1945.

By the same token we are providing in "Pay of the Army" for an Army of some 7,000,000 men. It might be that a much more drastic reduction in the size of the Army could be made, but we cannot be certain of that. We earnestly hope that the services of all of these men will not be required for victory. Especially do we hope that the number of casualties may be held to the very lowest minimum. General Marshall told us that with an Army of the size proposed he thought it would be possible to win victory sooner and to reduce the cost in human lives. So in "Pay of the Army" we are providing for an Army of 7,000,000. Our fighting men have not relaxed their efforts and we cannot deny them the fullest support in the all-out effort for the final victory. That is the program we have undertaken, those of us who have brought these bills in to the Congress for your approval.

We might as well be frank about this further fact that no human being, regardless of his position and regardless of his capacity could possibly be completely familiar with all the items of appropriation contained in this bill and all of the operations of the War Department on the various fighting fronts and the continents of the world. This committee held hearings for weeks in the preparation of this bill. This study of War Department appropriations is a continuing study with us, and in cooperation with officials of the War Department we have done our best to do a good job. If we should undertake to investigate every item of expenditure we would have to go into every airplane plant, into every arsenal, into every manufacturing concern, into every training camp and into all the various theaters of war. We do as many of these things as possible and we should like to do more, yet if we should undertake to cover the whole field, it would require many months. It just could not be done. So what we have done is to use our best judgment in bringing in the type of bill which we thought would help bring victory, the thing which we all desire.

There has been a lot of mistakes, there has been much bungling in such a big operation. No one can claim perfection. What we have been seeking is not so much perfection but victory, and toward the larger objective there can be no doubt about the success which has been achieved and is being achieved.

Just a few minutes ago, and since we began the debate on this bill, it was my privilege to have a little visit in the Speaker's office with General Truscott, the commanding general of the Fifth Army. We had General Eisenhower here the other day. We are proud of our military leadership. We have had good leadership at the top. The strategy of the war has been good, as shown by the results which have been achieved. The program of training in the Army and Air Forces has been good, and it is constantly being improved. We have not been satisfied with anything less than the best. We have not only had good leadership and good training but we have had incomparable men in uniform bearing arms and fighting the enemy wherever he might be found. The fighting soldier, the incomparable GI, has fulfilled the expectation of his commanders, of his parents, and loved ones at home, of the American people, and of the freedom-loving people everywhere. So with that type of fighting man and that type of leadership we have done well and we will do better.

Not only have we had good training, good leadership, and fighting men of courage, determination, brilliance, and resourcefulness, but we have also had good weapons with which to fight. No informed man today will say that the American soldier does not have the finest fighting equipment ever devised and produced by the genius of a free people.

Mr. Chairman, this committee has constantly stressed the importance of research and development. We keep saying to the top military men who appear before us, "What about your program of research and development and improvement?" We have been unwilling to settle for anything less than the very best. We have encouraged the Army toward a program of better methods, better weapons, better training. We have given them the money, and they are getting the job done. The program of improvement is a continuing process. Greater things are yet to come before the end of this war.

We have not only made vast strides in research insofar as weapons for the Army and food and clothing of the Army are concerned, but we have also made much progress in the important field of medical research and development. This has resulted in the saving of many thousands of lives. We have demanded the best and we have asked time and again: "Have you got enough money for medical research? We want you to spend all of the taxpayers money which you may need for medical research." With that kind of attitude displayed by the Congress the Medical Department of the Army, together with the medical men of this Nation, have made strides which would not have been dreamed of back in 1939, 1940, and 1941.

The Congress has done a great work helping make possible these great achievements.

Mr. Chairman, it would be possible for one to discuss this bill for hours and still overlook many important features of the War Department program. Our hearings contain 850 pages and, in my opinion, they are more interesting this year than ever before because the military was willing to leave more of the testimony on the record this time.

We had before us the 11 volumes of justification and explanation of the various items in the bill—many thousands of pages. You will note these volumes on the desk near the Chairman. However, it all comes down finally to this: We have studied the bill, we have conferred with the proper officials of the Army, we have done our best and the time for action on the bill is at hand, as the new fiscal year is soon to begin.

As I said in the beginning, I hope that another military appropriation of this size will not again be presented to Congress during this century. That will not be an extravagant hope if we shall see to it that the United Nations Conference at San Francisco achieves success in the program for future world peace. But victory over Japan must be achieved before this great program can get into full swing. This bill is a step, and I hope a final step insofar as appropriations are concerned, toward that end.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CASE of South Dakota. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. MURRAY].

DEMOCRACY VERSUS BUREAUCRACY

Mr. MURRAY of Wisconsin. Mr. Chairman, Saturday was a great day in Congress. Democracy battled entrenched bureaucracy and won. The people made their wishes known. The people saw their wishes translated into legislative action. The extension of the OPA Act, without regard to the merits or demerits of the amendments, was a milestone and a turning point for must or machine legislation.

The Pendergastian machine formula of power politics, the propaganda of war profiteers; the gratuitous support of profiteer businesses, the unsolicited advice of federally subsidized farm organizations; the implorings of other organized groups that are in reality only a part of the New Deal political machine; the hymn of hate injected into the debate by administration leaders; all combined, did not prevent the membership of this House from following the wishes and the demands of the people. In fact, the people spoke.

The passage of this act with the amendments was an inspiring example of the "will of the people is the law of the land."

It is a privilege and an honor to be a Member of this House and see the wishes of the people respected and given consideration.

The people can look forward confidently to the time we can again become a government of laws and not a government of men. The people have added evidence that we should, will, and must give the Government back to the people.

Mr. POWERS. Mr. Chairman, I yield 30 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, owing to the lateness of the hour in relation to other matters still on the calendar for today, I shall not use the 30 minutes, but shall give my remarks on various items in this bill at the appropriate places when the bill is read tomorrow under the 5-minute rule.

I wish, however, to take a few minutes to express my personal appreciation of the service of the gentleman from New Jersey, the Honorable LANE POWERS, ranking minority member of the committee, who is leaving Congress to accept an appointment in his home State.

LANE POWERS was ranking minority member when I was assigned to the subcommittee following the death of the late Chester C. Bolton, a distinguished Member of this House from the State of Ohio. That was in January 1939. In the 6 years since that time, I have come to know the privilege it is to serve on this

particular subcommittee, where matters of the most confidential and important character are discussed with the heads of the War Department. I could eulogize the chairman and other members of the committee; I am only glad that there is no similar reason for doing so at this time; the loss of one member is enough.

And that Member, Mr. Chairman, is LANE POWERS who has been a teacher, a counselor, and friend to me. He has been my leader, so to speak, on the committee and I have yet to regret following his leadership.

When the story is told of America's preparation for the war we are winning, to LANE POWERS should be given the credit for courage to stand by his convictions when his position on the procurement of aircraft was unpopular and open to superficial attack. I refer to the time when he fought to stop the wasting of time and money on the making of obsolete aircraft and insisted that money be devoted to research and redesign so that we would have aircraft with the speed and the maneuverability necessary to outperform ships of potential enemies.

And, conversely, I recall when he had the foresight and the courage to propose that a different fund for so-called educational orders be applied directly to procurement of the actual articles. And I recall when he proposed that we increase the funds for production of heavy bombers at a time when England was placing no orders in that category.

So, the work of the gentleman from New Jersey on this committee, Mr. Chairman, will remain in my memory for its creative, constructive achievements. And I am sure that his service in his new office in the State of New Jersey will be marked by similar accomplishment. Good luck and best wishes, Lane.

Mr. Chairman, I yield back the balance of my time now and shall speak on various items in the bill, when it is read by paragraph, tomorrow.

Mr. POWERS. Mr. Chairman, we have no further requests for time.

Mr. SNYDER. Mr. Chairman, I ask that the Clerk read the bill for amendment.

The Clerk read the bill down to and including line 6, page 1.

Mr. SNYDER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. CRAVENS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes, had come to no resolution there.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

JUNE 25, 1945.

Hon. SAM RAYBURN,
Speaker, House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I hereby submit my resignation as a member of the Committee on Irrigation and Reclamation, of the House of Representatives.

Sincerely,

GEORGE B. SCHWABE.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

ELECTION TO COMMITTEE

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution (H. Res. 302) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That WESLEY A. D'EWART, of Montana, be, and he is hereby, elected to the Committee on Irrigation and Reclamation, the Committee on Mines and Mining, the Committee on the Public Lands, and the Committee on Indian Affairs of the House of Representatives.

The SPEAKER. Without objection, the resolution is agreed to.

There was no objection.

EXTENSION OF REMARKS

Mrs. LUCE (at the request of Mr. MARTIN of Massachusetts) was given permission to extend her remarks in the RECORD.

Mr. SNYDER asked and was given permission to extend his remarks in the RECORD in two instances; to include in one a statement made by Secretary of War Stimson before the Select Committee on Military Policy on Military Training and in the other an address delivered by General Marshall on the same subject.

Mr. BYRNES of Wisconsin (at the request of Mr. POWERS) was given permission to extend his remarks in the RECORD.

Mr. COLE of Missouri (at the request of Mr. CASE of South Dakota) was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. BUTLER asked and was given permission to extend his remarks in the RECORD and include a letter from the Federation of Labor, Buffalo.

DEFICIENCY APPROPRIATION BILL, 1945

Mr. BATES of Kentucky from the Committee on Rules, reported the following privileged resolution (H. Res. 301, Rept. No. 790), which was referred to the House Calendar and ordered to be printed.

Resolved, that during the consideration of the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

The SPEAKER. Under previous order of the House the gentleman from Montana [Mr. MANSFIELD] is recognized for 45 minutes.

THE UNITED STATES AND CHINA

Mr. MANSFIELD of Montana. Mr. Speaker, for many years the Pacific Ocean was the back door for both the United States and China. The former faced the Atlantic while the latter faced Inner Asia. Events gradually turned the attention of both countries to the Pacific Ocean. Traders from the nations of the west appeared along the coasts of China. The Jade Gate near the Tibetan end of the Great Wall lost its significance. The United States expanded westward across prairie, mountain, and desert to the Pacific Ocean. Alaska, Hawaii, and the Philippines came under the American flag.

The Japanese attack upon Pearl Harbor has united the American and Chinese peoples in the war against the common foe. East and West are now meeting shoulder to shoulder on the battlefields of Asia. China and the United States—allies in the waging of the war—must be associates in the keeping of the peace.

Under the Manchu dynasty, China was divided for a long time into 18 provinces or China proper and 4 dependencies of Sinkiang, Manchuria, Mongolia, and Tibet. The 18 provinces were located south of the Great Wall. In 1878 Sinkiang, or Chinese Turkestan, was raised to the rank of a province; in 1903 Manchuria was divided into 3 provinces; in 1912 Inner Mongolia was separated into 4 provinces; and in 1928 Nearer Tibet was divided into 2 provinces.

The China of today has 28 provinces and the 2 territories of Outer Mongolia and Farther Tibet. In reality Manchuria or Manchoukuo is a puppet of Japan; Outer Mongolia is closely related to the Soviet Union; Sinkiang is partly under Russian influence; and a Farther Tibet has for some time been a British protectorate. The provinces and dependencies, comprising Greater China, have an area of over 4,380,000 square miles but the provinces of China proper have about 3,386,000 square miles.

On a map of North America, China would extend for 2,500 miles or roughly from the southern shore of Hudson Bay to the Caribbean island of Cuba. China trends north and south in contrast to the United States and the Soviet Union which trend east and west. A line has sometimes been drawn between northern and southern China, halfway between the Yellow and Yangtze Rivers. However, the events of the Sino-Japanese War have served to open up the Chinese west. Chungking beyond the gorges of the Yangtze is located in Szechwan. The vast area of China has given the country defense in depth. The Chinese have been able to trade space for time in the face of the Japanese invaders. Both Hitler and Hirohito have learned the lesson of defense in depth.

One person out of every 5 in the world is Chinese. The population of Greater China is probably over 470,000,000. The natural rate of increase is very high with an additional four or five million people every year. The average population density is 120 per square mile for the whole country. On the other hand, the specific area of the Yellow Plain of the Hwang River has a population density of 978 per square mile of tilled land. China has a number of cities with a population of over 1,000,000 each—Shanghai, Peiping, Tientsin, Nanking, Hankow, Mukden, Chungking, and Canton. Shanghai alone has a population of about three and a half million. Chungking, the capital of Free China, has increased from a population of 635,000 in

1936 to about two million today. The potential manpower of China exceeds that of any other country on earth. Only the Soviet Union and Japan of the seven world powers of 1939 seem to have a higher rate of increase in population. However, the Soviet Union has a population of about 193,000,000 and Japan proper of 73,000,000.

More than 80 percent of the people of China live from farming. The average farm has 4.2 acres cultivated by an average household of 6.2 people. In the United States an average farm household of 4.2 people cultivates a farm of 157 acres. Grains provide 90 percent of the Chinese diet. In the Yellow River Delta of northern China millet, wheat, kaoliang, sweetpotatoes, corn, and soybeans are raised while in the southern part of the country rice is the principal crop. Fish is important in the seashore areas of the country.

On the Pacific coast of Asia no other region is better supplied with mineral resources than China. However, China does not have a mineral basis for industrialization as a power like the United States or the Soviet Union. China has excellent supplies of coal, ranking fourth in the world. Four-fifths of this coal is located in Shansi and Shensi. At present the leading mines are the open cut at Fusan, southeast of Mukden in Manchuria and the Kailan works north of Tientsin in north China. There is little oil production in the country and little expectation of major discoveries in the future. Kansu is the leading area in the limited production of oil. China has practically no hydroelectric power in operation, although the southern and western areas of the country have potential water-power resources.

China has many small deposits of iron ore but few are extensive in area and high in quality. The largest iron ore deposits are found in southern Manchuria. The Japanese have built big steel mills at Anshan and Penhsihu. China has most of the world's supply of tungsten, used for electric lights, and found largely in southern Kiangsi. A small production of manganese is centered at Kwangsi. China appears to have no chromium, nickel, or vanadium. On the other hand, the country has good supplies both of tin found chiefly in Yunnan and of antimony used for telephones, coming from southern Hunan. Limited supplies of copper, aluminum, lead, zinc, mercury, molybdenum, wolfram, and gold are found in the country.

Many of the resources of China are not in Japanese hands. Free China has large deposits of coal and the bulk of the reserves of the country in manganese, lead, zinc, copper, tungsten, tin, and antimony. However, very little iron ore is under the control of Free China. In 1942 about 10,000 tons of steel were produced in the free areas of the country.

Communications in China are very poor. "China's Sorrow" or the Yellow River which is 2,700 miles long is navigable only by small vessels. On the other hand, the Yangtze which is 3,200 miles long is navigable by sizable ships for over 1,500 miles. Railroad mileage in China is less than 4 percent of the United States and road mileage is less than 2 percent. Half of the less than 15,000 miles of railroads are in Manchuria. Southern China has only a few miles while western and outer China have none. The roads of the country have a mileage of some 60,000 miles; she needs a million miles.

The Burma Road and the Sinkiang Road have played an important role in the history of the free areas of the republic. China needs 100,000 miles of railroad—she has less than 1,000 miles under her control today.

The China of today is actually divided into three political units. Nationalist or Kuomintang China is headed by Chiang Kai-shek at Chungking. Communist China, head by Mao Tse-tung practically independent of the Kuomintang, is governed by Yenan. The Japanese puppet government of China, formerly headed by Wang Ching-wei, is located at Nanking. The defeat of Japan will eliminate the puppet government. However, the relations between Kuomintang and Communist China will greatly decide the strength of the Republic.

The United States is definitely interested in the future of China. In the late 1920's American trade with the country amounted to $250,000,000 annually, but in 1937 the trade decreased to only $150,000,000 exclusive of $30,000,000 with Hongkong. In 1937 American investment in China came to about $250,000,000 with the inclusion of $50,000,000 in philanthropic and missionary activities. In the same year about 12,000 American nationals were living in China. The majority of them were associated with some 400 American business firms in that country, while others were engaged in missionary activities. In the recent years before the outbreak of the Sino-Japanese War the United States held the leading position in the import and export trade of the Chinese Republic. A politically stable China would need substantial supplies of capital goods for industrial development.

American interests in China extend back into the pages of history. Contacts with the Far East actually began with the trading voyages to the Middle Kingdom toward the end of the 1700's. The famous Monroe Doctrine in 1823 contained provisions that have affected American foreign policy toward Europe, Latin America, and the Far East. Noninterference in the domestic affairs of other states and respect for established sovereignties are implicit in the Monroe Doctrine. About the second decade of the last century American missionaries began to go to the Far East, especially to China. These people not only carried the ideals of Christianity but also the knowledge of the West.

In the European conflicts with China in the 1840's and 1850's, the United States Government refused to participate or to use force against the Chinese. In 1842 the Governor of Canton was officially informed by Commodore Lawrence Kearny that he hoped American citizens engaged in commerce would "be placed upon the same footing as merchants of the nation most favored." In the Treaty of Wanghia, signed by the United States and China in 1844, the United States acquired most-favored-nation rights and a clear definition of extraterritoriality. In another treaty in 1858 the United States received further rights including religious toleration of Christians both citizens of the United States and Chinese converts. After Anson Burlingame, the American Minister in China, had faithfully represented the United States for 6 years, the Chinese asked him to represent them abroad in order to secure, if possible, a revision of the 1858 treaties with the Western Powers. In the treaty between the United States and China in 1868 the territoriality integrity of China was recognized.

The leading policies of the United States in the Far East have been the "open door" and the "integrity of China." The open door refers to the equality of states in the economic and commercial opportunities of the country while the integrity of China refers to the preservation of the territorial and administrative integrity of the country. When China appeared to be on the verge of partition by the European powers, Secretary of State, John Hay, in 1899, circulated the open door notes to the interested countries. In 1900, during the Boxer Uprising, Secretary Hay circulated the notes relative to the territorial integrity of China. Both doctrines were included in the Root-Takahira exchange of notes between the United States and Japan in 1908. In 1915, after the famous twenty-one demands were presented to China by Japan, Secretary of State, William Bryan informed both countries that the United States "cannot recognize any agreement or undertaking which has been entered into or which may be entered into" that violates the open door or the integrity of China.

At the Washington Conference in 1921–22 the doctrines of the open door and the integrity of China were written into the Nine Power Treaty which was ratified by Japan. After this, any infraction upon these policies was a violation of the treaty rights of the signatories including the United States. Following the Japanese invasion of Manchuria in 1931, the United States refused to recognize the puppet state of Manchoukuo. An American served on the Lytton commission of the League of Nations to investigate the Manchurian situation. The League of Nations accepted the solution proposed by the Lytton commission and the United States supported the conclusion of the League. Later the United States consistently refused to recognize the Chinese puppet regime of Wang Ching-wei at Nanking.

The policies associated with the Japanese new order in East Asia are a direct violation of the treaty rights of the United States. In the negotiations between the United States and Japan preceding Pearl Harbor, the United States refused to sacrifice the doctrines of the open door and the integrity of China. The fateful note of Japan handed to Secretary of State Cordell Hull on December 7, 1941, accused the United States of "always holding fast to theories in disregard of realities, and refusing to yield an inch on its impractical principles."

American friendship to China has been shown both in peace and war. A few years after the Boxer Protocol an act of

Congress placed at Chinese disposal for the purpose of educating students in the United States the remainder of the Boxer indemnity after the legitimate claims had been paid. At the Paris Peace Conference in 1919 President Woodrow Wilson fought a losing battle for the Chinese against the Japanese claims in Shantung Province. In 1928 the United States was the first power to conclude an agreement with China in which approval was given to the raising of restrictions on the tariff autonomy of the country.

With the Japanese attack on China on July 7, 1937, the United States extended aid in various ways to the Chinese people. As early as December 15, 1938, the United States gave financial help and further financial steps were taken as the crisis grew in the Far East. After the President signed the Lend-Lease Act on March 11, 1941, China was declared eligible for lend-lease. The United States had lent $670,000,000 to China up to the summer of 1944. These loans have taken the form of credits for buying needed commodities and for supporting the Chinese currency.

Before Pearl Harbor Col. Claire Chennault formed the American Volunteer Group of the Chinese Air Force. After Pearl Harbor a new and larger unit, the Fourteenth Air Force, was dispatched to China under Major General Chennault's command. Lt. Gen. Joseph Stilwell was made commander of the United States Army Forces in the China-Burma-India theater of war. He had the added task of helping in the training of the Chinese Army. Many Chinese were transported to India where they were trained and equipped for action. The reconquest of northern Burma was aided by American-trained Chinese soldiers. American air units in China give support to Chinese ground forces. B–29's aid in the destruction of the homeland of Japan. American supplies are now entering China not only by air across the Hump but also by the recently opened Ledo Road.

On the political front American-Chinese relations have been strengthened. The United States in 1943 ratified a treaty terminating extraterritoriality in China, ending the rights of the American Government in the International Settlements at Shanghai and Amoy, and giving up all rights to keep military garrisons on Chinese soil. An exchange of notes ended American rights to station naval forces in Chinese waters and to engage in Chinese coastal trade and river navigation. In 1943 Congress repealed the laws forbidding Chinese to enter the United States, provided for a yearly quota of 105, and authorized the naturalization of Chinese as American citizens.

Since the outbreak of the Second World War, China has received recognition as one of the Big Four. The Cairo Declaration released on December 1, 1943, referred to the "three great allies" in the war against Japan since the Soviet Union was still neutral in the Pacific. American interest in the future of China is evidenced by the Cairo Declaration. Prime Minister Churchill, Generalissimo Chiang Kai-shek, and the late President Roosevelt agreed that "all the territories Japan has stolen from the Chinese, such as Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China."

From a territorial point of view, I do not believe that the Chinese are interested in aggrandizement but I do know that they are very desirous of getting back all of China proper including the French lease of Kwangchow-wan, Macao, held by Portugal, and the British Crown colony of Hongkong, and Kowloon. They also have no intention of giving up Manchuria, Outer Mongolia, or Tibet. I cannot help recalling a huge Chinese map above the south gate of Kunming which read: "Let us win back our rivers and mountains." This map included all the areas mentioned above and showed them as integral parts of the Chinese Nation.

The matter of territorial integrity is going to call for the highest type of diplomacy and mutual understanding on the part of the outside powers having holdings in China under treaty arrangements, lease agreements, or otherwise. It is to be hoped that the era of imperialism which has had so many evil results in that country will, as a result of this struggle in which China has distinguished herself so greatly, be done away with once and for all, and the Chinese allowed to obtain control over territory which is without a doubt hers. I want to state that in my opinion China will in some way work out her own problems if given time. China is bound to become a strong country, however devious a path she may take. That which is best for China will in the long run win out. The troubles that China is having are but the pangs of a new birth. China is not a mere geographical expression, but a nation rich in culture and a people whose future will be linked up with ours to a considerable degree.

American-Chinese relations are, on the whole, good. We, of all the nations, have tried to give to China the status of a great power, but this has been made difficult by the tri-partite disunity so evident in the governments of Kuomintang, Communist, and Occupied China. The necessity of war has thrown the American Army into close contact with large elements of the Chinese people, and even though the Army has tried not to exert any political influence, its physical presence was bound to have some political implications. Realizing the difficult task confronting it, the Army has hoped for Chinese unity so that China can use as much of its resources and manpower as possible, thereby saving innumerable American lives.

I feel that we are especially fortunate to have such a man as Lt. Gen. Albert C. Wedemeyer in command of our forces in the China theater. As I have mentioned in previous speeches to the House, General Wedemeyer takes a realistic view of the situation, and has done, and we may be sure will continue to do, everything in his power to bring about closer cooperation and an increasing effectiveness on the part of the Chinese armies.

However, to date the possibility of achieving unity among the Chinese is very slim, indeed. Chiang Kai-shek, who would like unity, on his terms, has had to watch the Communists, who would like unity on their terms, and also dissident groups both within and out of the Kuomintang. The Generalissimo has, in fact, been a master politician in his attempts to solve the Chinese puzzle, and he has until recently been able to retain the respect, if not the confidence, of all groups in his country. In recent months, though, attacks have been made on him personally by unnamed spokesmen for Yenan and by the Moscow press.

Our dilemma lies in the fact that we cannot get the best out of China as an ally unless the internal situation is cleared up. In this respect we are powerless to do anything because the Chinese problem is one which will necessarily have to be solved by the Chinese themselves. Until this is attended to, our position in China will continue to be delicate. We are committed to Chiang Kai-shek and his Government, and we will continue to assist him to the best of our ability, but it is our sincere hope that real unity can be achieved. This is extremely important, because it will help to shorten the war, strengthen China, and insure her rightful place among the nations of the world.

The existence of three states in China creates an unhealthy suitation. The puppet state of Japan will be liquidated with Japan's inevitable defeat, but the continued growth of a strong Communist government uncontrolled by Chiang not only lowers the prestige of Chiang's Government but also creates difficulty for China in its dealings with other nations. Needless to say, the present method of trying to come to terms is not liable to produce the desired results. Chiang desires the Communists to surrender to his Government, whereas the Communists insist on ever-increasing demands which mean, in effect, the abdication of power by the Kuomintang. We would like to see a unification of all anti-Japanese military forces in China, but we believe, I repeat, that it is for the Chinese people themselves to adopt an effective method to achieve this end. The Chinese people should choose their own leadership, make their own decisions, and be responsible for their own policies. The political problem in China is so important that the peace of Asia and the Pacific, perhaps of the world, depends on its outcome.

Militarily the picture in China has brightened somewhat in recent weeks. This has been brought about through better feeding, equipping, and training of Chinese soldiers, and a marked increase in the efficiency of their commanders. Much of the credit for the internal reorganization of the Army should go to Chen Cheng, Minister of War; to Wong Wenhao, now Vice Premier, for his splendid work in the Chinese WPB; to the generalissimo for his fine spirit of cooperation with Lieutenant General Wedemeyer, Ambassador Hurley, and Donald Nelson, and to Maj. Gen. Robert McClure, commanding officer of the Chinese Combat Command, and Maj. Gen. Claire Chennault, the intrepid leader of the Fourteenth Air Force.

The Allied Forces in China have made remarkable advances in the past 2 months, and these considered in relation to our Okinawa campaign, the Allied landings in Borneo, the strikes by the B29's against the major and secondary

Japanese industrial centers, and our mopping up of the Philippines, fit into the picture soon to be discernible in the scheme of operations against Japan. Some small part of the recent successes in China has been due to the removal of combat units from India and Burma to that area. The American air combat units under Lt. Gen. George Stratemeyer, attached to Lord Louis Mountbatten's Southeast Asia Command, have been withdrawn from India as has also the Tenth Air Force, under Maj. Gen. Howard Davidson, from Burma, and it is reasonable to suppose that some of these units are now in China. The Sixth Chinese Army, under Gen. Liao Yao-Hsiang, has been flown from Burma to China. The First Chinese Army, under Gen. Sun Li-jen, has likewise returned home and the Mars Task Force, an American combat infantry division, has just recently arrived in the China theater after performing outstanding work in Burma. The B-29's, comprising the Twentieth Bomber Command, have also been transferred from their Indian bases to Saipan and Guam. All this means that in India and Burma, generally speaking, we now have only service troops and transport pilots. The fighting incident to the building of the Ledo Road and the pipe line has now been completed, and a new and greater striking force has been made available for China duty. These shifts, coupled with the fine work being done in American supervised training schools in Kunming, have played a very important part in the late victories in China. The result has been that several important ports have been captured on the Fukien coast. Some airfields formerly used by the Fourteenth Air Force have been recaptured and the link between Nanning in South China and Dong Dang in French Indo-China has been cut and the Japanese position in southeast Asia has been weakened considerably. This, coupled with Gen. Joe Stilwell's new assignment as commander of the Tenth United States Army group, indicates that big things are in the making.

All this adds up to good news, but it is only a beginning as the roads to Tokyo are many and difficult and this is only one of them. Much yet remains to be done, but the ground successes of the Chinese troops have been of such a nature that in April 1945 when the Japanese initiated a drive westward to capture some more of our airfields they were stopped cold and the losses inflicted upon them were prohibitive. This can be attributed to the factors already enumerated, to improved fighting spirit, to a better coordination between the air and ground efforts, and to the arrival of additional supplies through the use of the Ledo Road and pipe line and a steadily increased tonnage over the Hump. Today in excess of 33,000 tons monthly are going over the road and pipe line and over 48,000 tons monthly are being flown in over the Hump—more, in fact, than we transported over the Himalayas during the entire year of 1943. Incidentally, the normal monthly tonnage now going over the road, pipe line, and the Hump is more than the entire tonnage we transported into China during 1942 and 1943.

While I do not have the most recent figures on the Hump traffic I feel that the following tonnage figures will be of interest to you and will give you some idea as to just how far we have progressed in this matter since the inception of the air shipments from India to China:

Air shipments, India to China

[In short tons]	*Air Transport Command*
Months, 1942:	
May	23.9
June	22.0
July	54.4
August	335.0
September	439.8
October	723.1
November	796.9
December	1,174.6
Total	3,569.7
1943:	
January	963.1
February	2,481.8
March	2,106.2
April	1,828.3
May	2,245.1
June	2,246.0
July	3,244.3
August	4,393.2
September	5,455.9
October	7,240.0
November	8,000.0
December	12,593.0
Total	52,796.9
November 1944	35,000
January 1945	44,000
March 1945	45,000
April 1945	45,000
May 1945	48,000

In the postwar period, China's needs will be great and the opportunity for economic cooperation will offer a vast field to American business. China today is in a sorry state industrially speaking. She has only one spinning factory in operation, the rest of them are controlled by the Japanese. She is equipped to produce only one-hundredth of the steel she needs. She has no cement factories, no oil refineries, and practically no machinery. She must shift in this day and age from a country 85 percent agricultural to a nation with a sounder industrial base.

China has made a start toward this through the creation of a Chinese WPB inaugurated by Donald Nelson and functioning under Wong Wen-hao. Under date of April 25, 1945, Wong announced a 21-percent increase in the production of basic raw materials and while he did not single out any special raw material program for comment he did say that he was particularly pleased with the production of such vital war materials as steel, gas, and alcohol. The Chinese are now making turbo-generators, boilers, spinning machinery, vegetable oil, cracking plants, electrical equipment, and munitions. Hydroelectric power will, if present plans are followed out in the postwar period, be the key to much of China's future. This proposed development would take place in the vicinity of Ichang, would raise the water level above the dam by about 160 meters and would be able to generate 10,560,000 kilowatts of electricity at a cost so low it could be sold for 2 mills per kilowatt hour for firm power and one-half mill for secondary power—10 times the whole TVA power capacity. This would be enough to supply an area of roughly 1,000 miles in diameter. It is estimated that half the power could be used to electrify this area and the other half could be used for the manufacture of chemical fertilizer to replenish the soil. In addition to this, agriculture would benefit tremendously as much new land could be reclaimed by gravity flow from the reservoir and by pumping stations. The proposed dam would serve the needs of approximately 200,000,000 people, increase the output of food and raw materials, and allow sea-going vessels of 10,000 tons to go all the way up to Chungking—1,500 miles from the Pacific Ocean. China will need 80,000,000 telephones; 12,000,000 miles of telephone cable; hundreds of thousands, if not millions, or new homes; 25,000 locomotives; 300,000 freight cars; ships, planes, trucks, and numerous other items. She will need trained manpower to help in the shift bound to take place in the postwar period. She will need money—the estimate is $10,000,000,000—for economic reconstruction and she will welcome foreign capital.

Provided China has a stable government in the postwar period, there is no reason why American businessmen should not be interested, and American capital invested so that the reciprocal relationship between the two countries on an economic basis can be furthered. However, outside investors must be certain that a degree of stability and unity heretofore not evident will be the norm in China.

Because of the factors enumerated in this speech, and they are only a few of the many which should be considered, we cannot help but note that China is emerging as a more powerful ally of this country. Supply difficulties and internal disturbances connected with the make-up and maintenance of the Chinese armies have been overcome in part and decided progress in both respects is now taking place. While China's armed forces will be considerably reduced in numbers they will more than overcome this in increased efficiency and "know how." This, coupled with American guidance and lend-lease aid, is bound to build a good Chinese Army able to deal with the Japanese forces on the Chinese mainland. We should remember that the Chinese soldier is every bit as good as the Japanese soldier if he has the training, food, equipment, and leadership. If anyone has any doubt as to the ability of the Chinese soldier, given proper treatment and equipment, I need only refer him to such men as Maj. Gen. Frank Merrill, Lt. Gen. Dan I. Sultan, and Gen. Joe Stilwell, all of whom have seen him in action, and also to the record of the First and Sixth Chinese Armies in Burma during the recent campaign there.

As for China's position when the war is over and, we hope, her internal problems settled, we can, I believe, look with confidence to the statement made by Chiang Kai-shek in 1942 which, in a few

words, gives his ideas of world cooperation—an idea and an ideal of tremendous importance to us:

Among our friends there has been recently some talk of China emerging as the leader of Asia, as if China wished the mantle of an unworthy Japan to fall on her shoulders. Having herself been a victim of exploitation, China has infinite sympathy for the submerged nations of Asia, and toward them China feels she has only responsibilities—not rights. We repudiate the idea of leadership of Asia because the fuehrer principle has been synonymous for domination and exploitation, precisely as the east Asia coprosperity sphere has stood for a race of mythical supermen lording over groveling subject races. China has no desire to replace western imperialism in Asia with an Oriental imperialism or isolationism of its own or of anyone else. We hold that we must advance from the narrow idea of exclusive alliances and regional blocs which in the end make for bigger and more terrible wars, to effective organization of world unity. Unless real world cooperation replaces both isolationism and imperialism of whatever form in the new interdependent world of free nations, there will be no lasting security for you or for us.

The SPEAKER. Under previous order of the House, the gentleman from Iowa [Mr. HOEVEN] is recognized for 25 minutes.

HOLLAND—THE DUTCH AT WAR

Mr. HOEVEN. Mr. Speaker, the story of the Dutch at war is the story of a great people with the will to victory.

The words "heroism, courage, determination" and "willingness to die" are what we use to characterize the qualities possessed by our American men and their great allies in finally exacting unconditional surrender from the hordes of Nazi Germany.

Yet, in a battle of titans—such as the European conflict became—we sometimes are apt to lose sight of the role of a smaller nation.

Its citizens, too, may possess heroism, courage, and determination in fighting a common enemy. They, too, may forfeit their lives, their fortunes, their all, because they recognize instinctively the obligation a civilized man owes to civilization. But in the onrush of the armies of much larger nations it may well be months or even years before we have an appreciation of the sacrifices they have made.

In such a category, I believe, are the Dutch.

Time and our memories alike are dimmed by cataclysmic event. The bombing of Rotterdam today is more than 5 years in the past. "Dutch sink Jap ship" was a headline we read daily for more than 2 months in the desperate holding battle of the Southwest Pacific nearly 4 years ago.

We thrilled to that news then. There was little else to cheer us.

Most of the men, however, who made that news possible are no longer with us. They are dead.

It is of those Dutch dead and their living compatriots who, after more than 5 years of unparalleled sacrifice and suffering, still possess the will to victory of whom I wish to speak today.

Outnumbered 10 to 1 by the military resources of a cruel and ruthless neighbor, they chose to fight. Without warning and provocation—nay, after repeated and formal assurances up to the last moment that their neutrality would be respected—the German juggernaut of mechanized might on land and in the air swept upon them in the early dawn of that 10th day of May in 1940. Not until 2 hours after hostilities against the Netherlands had been opened did their Government receive official notification from the Germans guaranteeing them full independence with the retention of the House of Orange and their overseas territories if they would not resist. The Dutch scornfully rejected this offer and fought back as best they could. They brought down 145 German planes on the first day. Their little air force expended itself to the last plane. Their Army stood as long as was humanly possible. Their Queen and Government, knowing full well the conditions of slavery the Germans would impose, finally left in a blaze of gunfire for England, where they were to rally the rest of the Netherlands Empire for the long, long task ahead. Their Navy gave a preview of its later deeds of valor and upheld the traditions of its many seafaring heroes.

Then the darkness of an evil night descended upon Holland. A peaceful, industrious, cultured people found themselves in the grip of a monster.

The shock was profound. Rotterdam, an open and undefended city, had been devastated after the capitulation. Nazi terrorists wished Belgium and France, their next two victims, to have documentary proof, in the form of motion-picture films, of the fate of their cities should they dare resist Hitler's legions.

The same terrorists, thinking the Dutch by now had been properly intimidated, offered the hand of friendship. But the Dutch detected the bloodstains that remained upon that hand. And they vowed eternal enmity and eternal resistance. We know today they kept that vow.

They kept the vow despite concentration camps, the execution of hostages, forced labor in Germany and wherever else Hitler felt the Germans would rule for a thousand years. They kept the vow despite starvation, temptations in the form of money, high position, adequate rations, and they gave evidence of their fidelity to their vow.

Many a strutting German, after nightfall, did his final goosestep in the bottom of a Dutch canal.

The arrogance of the would-be conqueror soon changed to the fear and brutality of the interloper.

The output of factories diminished alarmingly for Gauleiter superintendents.

Machinery, once tenderly tended by real craftsmen, rusted or developed strange new ailments.

Children tauntingly called out to uniformed intruders: "What are you waiting for? Can't you swim to England?"

And no grown man, even a Nazi, can get a dividend out of chasing a child.

Young women, hungrily eyed by beribboned supermen, responded as coldly as the wind over the North Sea in January.

Now it can be told that hardly a week elapsed without the arrival in England of one or more Dutchmen. In rowboats, with muffled oars; in sailboats or anything else that would float, they had made the long and hazardous voyage across the North Sea, after eluding the tight Nazi coastal watch along their own coast and braving the mine-strewn waters. They came to join the colors.

Just one more incident: The Luftwaffe was warming up a group of planes on a Dutch air field. Suddenly two young men rushed out, each boarded a plane, gave it the gun, and soared away before the Germans realized what had happened. The planes streaked for England. Detected as they neared the coast, they roared through a barrage of ack-ack and came down through a burst of machine gun fire on the first airport they spotted.

"We're Dutch! We're Dutch!" they cried as their engines subsided and their voices could be heard. Their planes were riddled with bullets, but providentially each of the youngsters had escaped injury.

I cite all these examples for a reason.

When a barbarian, by force of numbers and superior military might, overcomes a truly civilized nation, he finds himself in a quandary.

A decadent country is an easy prey.

A nation whose heritage and practice of life encompasses the unchanging verities and the fundamental virtues of decent existence, looks on the barbarian as the Dutch looked upon him.

And the reservoir of moral strength which the Dutch possess, nurtured on nearly four centuries of freedom, plus the will to die to maintain it, represents something no barbarian even can imagine. He cannot fathom the why of the patriotic jibes of the little boy or girl; he cannot understand the disdain of the young woman he eyes upon the street; he is stopped short, through abysmal ignorance, by the simple dignity of the older man or woman he might meet.

Civilization, temporarily without arms, has weapons which barbarism never can possess.

Now that Holland is liberated and rid of the nightmare of tyranny, the Dutch are losing no time in procuring arms to assist in waging war against the barbarian of the East. Despite a ravaged and hunger-ridden homeland, the Dutchman turns ahead with whatever resources he can command to the task that lies ahead, the winning of victory over Japan. The Netherlands, be it remembered, was the first nation, after Japan's sneak attack at Pearl Harbor, to declare war against the Nipponese.

Although two parts of the kingdom suffered enemy occupation and the beautiful East Indies are still, at the moment, largely in the hands of the Japanese, the Dutch never have stopped fighting.

I have made it my business to procure some facts which detail the Dutch war effort in past, present, and future so we may realize what our gallant little ally has done, is doing, and will continue to do until Japan surrenders.

First, virtually the entire Netherlands merchant marine was placed at the disposal of the Allies when war ensued. It represented approximately 3,000,000 tons of shipping. Less than half remains afloat today and a great part of

what does remain afloat has greatly deteriorated and has suffered much physical damage. The Dutch merchant sailor has been true to his country's glorious traditions of the sea.

Immediately upon the invasion of Holland, plans were put in motion to create other Netherlands fighting units. The nucleus of the new army was formed by members of Netherlands forces which had fought through Belgium and France and had succeeded in crossing the Channel to England. Reinforcements of Dutchmen in Canada, the United States, the West Indies, South America, and South Africa were gradually added.

Thus came into being the Princess Irene Brigade, which fought side by side with the British and Canadians in the final rout of the Nazis from the Netherlands in Europe.

Meanwhile, from the very beginning of hostilities, the Netherlands East Indies had moved with speed and efficiency. A total of 18 German and two Danish ships were seized in East Indian harbors and the naval and air forces of the Indies began their patrol of the waters of the Indian and Pacific Oceans.

The production of war materials was immediately stepped up. Tin, rubber, aviation gasoline—to mention but a few of the essentials of modern warfare—started in a steady flow to England and later to the United States.

Japan, hungry for the lion's share of these commodities, began to put pressure on East Indian authorities, but this pressure was resisted. It was inevitable, the Dutch felt, that Japan soon would openly espouse the cause of nazism and fascism, and bring overwhelming military superiority into play. Yet Japan's demands were refused, and when she struck, at Pearl Harbor, the Philippines, Malaya, and elsewhere in the Orient, the Dutch accepted the gage of battle. Their navy, their air force, their ground troops—outnumbered as we Americans were in the early phases of the Pacific struggle—fought the unequal battle as only brave men can and do. And, even when the Japanese, with a 10-to-1 superiority, successfully invaded Java they found more than 200,000 Dutch men, women, and children, many of whom could have been evacuated, but who preferred to suffer the same fate as their fellow Indonesians.

The only Dutch who had left were either airmen or aboard naval units. They were ordered to go so they might rally and fight again.

The Netherlands Navy, throughout its action alongside the American and British Navies during this war, but mainly during its heroic and hopeless defense of the Netherlands East Indies, lost 50 percent of its total personnel in killed and missing.

In this connection, I should like to cite some American testimony. The American consul at Adelaide, Australia, was quoted just before leaving there to return to the United States on March 10, of this year, as saying that he felt bound to ask himself the question: "Who saved Australia—the Australians or the Americans?" and that his answer to the question was:

> The country which fought to the last man and last ship, providing time for Australia to prepare and America to help, was the Netherlands East Indies, belonging to the Dutch.

That is the end of the quotation.

Another witness is the famed war correspondent of Time magazine, Mr. Robert Sherrod. In a cabled dispatch from Australia in April 1942, Mr. Sherrod had this to say:

> When the history of World War II is written, that page belonging to the indomitable Dutch should be illuminated with the blood of heroes. For a thousand years freemen should stand and uncover whenever the Battle of Java is mentioned. They never had a chance, those Dutchmen, but they freely gave their lives in the hope that others might have a chance.
>
> Throughout Australia the Dutch are revered, especially by the Americans. The opinion is unanimous that the Dutchmen of Java fought as bravely as the Spartans at Thermopylae, or the Texans in the Alamo. "I'll fight the man who says anything against the Dutch," drawls a fierce little towheaded Kentucky mountaineer who piloted a big bomber during the Battle of Java.
>
> "Their equipment was pitiful; they had nothing except the courage of lions and some baling wire," he continued. "Some of their planes were so ancient that our oldest officers had forgotten what models they were. But they went up cheerfully. They knew they were going to die, but they knew they had a chance to knock off some Japs first. And believe me, they killed a lot of Japs."
>
> A young lieutenant not long out of Yale, a Flying Fortress bombardier, spoke up: "Let me tell you a story. After we left Java and landed at an airport in the north of Australia, we heard a single plane coming in at midnight. There was a great crash as an old box-kite biplane zoomed crazily and nearly nosed over. We rushed out and there was an old Curtis—God knows what model, but it must have been early experimental—smashed badly. None of us would have been allowed to fly it, let alone fight in it. Under the plane there lay a Dutch pilot about 40. He was beating the ground and sobbing, not because he was hurt, but because he had no more tools to fight with.
>
> "Well, we were short of pilots and we had a dive bomber we had to abandon to Jap strafers. So we told this Dutch pilot he could have it. Mind you, he had never flown one before. But the Dutchman's face lit up like the South Seas full moon. He took only 20 minutes' instructions, and then said he was ready to have the gasoline tanks and bomb bays filled because it was getting late and he had a date at dawn with some Jap transports. He took off to the north, leaving only an exhaust stream visible against the starry sky. I know he isn't alive now, but I'll bet he caused a lot of damage before he went down. He died happy.
>
> "There was a Dutchman up in Broome, where the Japs killed so many civilians," said a captain.
>
> This Dutchman had escaped from Java. During that surprise attack, which caught us on the ground without antiaircraft or pursuit, the Dutchman ran out to one of the Fortresses and wrenched a 30-caliber machine gun out of it. He started firing like mad, and shot one down. You know, it's a man-sized job even to hold a machine gun. This Dutchman had held it by the barrel, which was almost red-hot. He held up his left hand. The flesh was burned off. He just smiled and said: "But I got him, yes?"
>
> A lieutenant said soberly: "After the raid up there, a Dutchman buried his wife and three children with his own hands. I'll bet he tries to get back somehow."
>
> The Americans brought as many Dutch pilots as they could out of Java. One pilot loaded 35 men, Americans and Dutchmen, into his four-motored bomber and took off from the beach at 2 a. m. Says he: "Something besides engines lifted that plane off the ground that night." Most Dutch pilots have had 4 years of training and they can fly anything. You see them all over Australia, in small, morose, green uniformed groups. Most of them left everything they loved in Java. They ask in anguish: "When do we get something to fly?" One day last week I had lunch with some Australian officers at an airdrome. All they talked about was the Flying Fortress full of Dutchmen who had landed that morning. Long after the battle of Java, they had patched up a ship which Americans had been forced to abandon because of engine trouble, and managed to get it out. As they landed, one jumped out and said to the Australians and Americans: "Can you paint the Dutch flag on this ship and let us have some bombs and gasoline? We're going back to Java."
>
> That night I met a young lieutenant of the Dutch Navy in a downtown hotel. He limped badly from a piece of shrapnel in his thigh, a souvenir of the battle of the Java Sea. The doctor had forbidden him to leave the ship, but he hadn't been ashore for 9 months. He had to leave because his leg hurt so badly, but before leaving he told his story: Since the war started in 1939, he had seven ships shot out from under him, and the last time only 40 of his 300-man crew got away. As he started to go, the pain written deeply in his face, I asked him where his home in the Netherlands was.
>
> "In Rotterdam, sir," he said.

That concludes Mr. Sherrod's deeply sincere and moving cabled dispatch.

It leads me to say: How in the name of common sense did the Nazis ever expect to conquer and to absorb that kind of a people? And soon, we pray, the Japanese will be lamenting their inability to do so. For within the past weeks, we have been in receipt of dispatches telling of Netherlands Indies troops joining with Australians in successfully freeing Tarakan island of its onetime Japanese occupants. This is merely a prelude for plans are already being executed by which the Netherlands will put armed forces numbering 150,000 in the field against Japan. The latest figure of volunteers applies only to the first liberated part of the Netherlands with a population one quarter of the total population of 9,000,000 persons. There are approximately 45,000 men between the ages of 18 and 35 have already come forward as volunteers for military service in any part of the world. In view of the limited shipping facilities and the overwhelming response of volunteers the Netherlands Government may not even have to resort to selective service, although plans encompass this contingency. The same willingness to serve against a common enemy is found in those liberated portion of the Indies where the natives have come forward to do their bit against the Japanese.

The will to victory now is a glorious reflection of two phases of Dutch and Indonesian character, identically exemplified in the resistance movement in Holland all during the occupation, its counterpart in the Indies, and the guerrilla

warfare in the Indies after the Japanese occupation.

All during the European war, it was impossible to publish anything about the resistance movement in Holland for any reference to it would have brought instant reprisals from the Germans. It can now be stated authoritatively, however, and as an opinion of British and American observers, that the Dutch resistance movement functioned as effectively and was probably more efficiently organized than any similar movements in other occupied countries. Organized on functional rather than political lines, its leadership was both civilian and military, but throughout the occupation resistance was more civilian than military in character. It concentrated chiefly on the disruption of German political and administrative machinery and on obtaining and transmitting to the Netherlands Government in London an ever-increasing flow of extraordinarily valuable intelligence.

It was a pillar of strength and efficiency, for example, in safeguarding the more than 200,000 Dutchmen who went underground in order to escape the Gestapo and to avoid labor deportations.

Its underground press flourished from the start. The printed word bespeaking a freedom to be surely regained circulated from one end of the country to the other. Dozens of newspapers appeared regularly and were passed clandestinely to thousands of eager readers. German distribution centers were raided, ration and identity cards procured so that those active in the resistance movement could go from place to place. At least six ever-growing and efficiently organized bodies were in the forefront.

The clergy, doctors and teachers, and other professional men and women dared death to carry aloft at all times their belief in the dignity of man, and their disdain for an invader whose creed of might and bestial cruelty could never last.

Yet, last it did for 5 years. Finally, the bravest act of the resistance movement was the strike of 30,000 railway workers. Obeying their government from its London headquarters, they instituted a strike which lasted from September 17 to VE-day. They completely disrupted surface communications and hastened the day of German defeat. And they, as well as their fellow citizens, knew that carrying out the order would lead, first to starvation conditions and second to horrible Nazi retaliation. The latter came promptly. Dykes were bombed or blown up and the flood waters of the sea swept over a once fertile countryside. Hunger and disease followed. Deaths from starvation in Rotterdam during the first months of this year were estimated at between 300 and 450 weekly. In Amsterdam 20,000 to 30,000 persons were found to be suffering from hungeroedema at the moment of liberation.

Of the material damage war wrought, both in Holland and the Indies, it is hardly possible at this time to give any official figure. The enemy inflicted terrible destruction and the Dutch themselves, particularly in the Indies, blew up everything that might have helped the Japanese. Oil refineries and installations, the value of which was computed in the hundreds of millions of dollars, were dynamited and destroyed in flames so the Japanese could not utilize them. The amounts demanded by the Germans for the Nazi war machinery, their so-called civil government, and the extraordinary war damage of the past 5 years is known to exceed $3,000,000,000. This alone means a debit of nearly $400 per person, for the Netherlands in Europe is a small country with less than 9,000,000 population. It was recently estimated by a Dutch port expert that it would take $400,000,000 to reconstruct the harbor of Rotterdam, demolished by the Germans. Factories lie in ruins, machinery has been dismantled and removed to Germany, 170,000 trucks, or all there were in the country, are one item of booty—railroad cars and locomotives—the list is almost too long to recount.

Many harbors are unusable, bridges are down, canals choked with debris.

But the intentional flooding with salt water, thereby making agriculture impossible for months if not years, may be the chief crime of the Nazis. At the moment of liberation 17 percent of the total arable area of the Netherlands had been inundated. In so doing the Germans not only reduced a large part of the population to starvation level but denied them even the opportunity to farm their lands in an effort to feed themselves again in the future. This is one of the ways wherein Germany wages war after she has lost a war. We should never forget it.

The departure of the enemy from Holland now is in progress. The Dutch watch the marching men—more than 100,000 of them—in grim silence. They are returning to Germany, beaten and silent save for the sound of their scuffling boots on cobbled streets. They are the ragged remnants of the "master race" which, without warning, attacked a small, weak neighbor, and perpetrated 5 years of savagery.

Awaiting official repatriation somewhere in Germany are more than 300,000 Hollanders, the forced labor battalions. Awaiting, somewhere within Holland for a chance to return to their ruined towns and villages are another 300,000 persons, the victims of bombs and destruction and of German evacuation measures.

Already, however, the Dutch have both literally and figuratively rolled up their sleeves and begun the work of reconstruction. A people who met the challenge of the sea are not easily daunted. The rat-tat-tat of drill and hammer in Holland will be echoed by Dutch gunfire in the Pacific. The energy, the industry of the people at home will be devoted in fullest measure to the rebuilding of its fighting forces in the Pacific. For the Dutch have learned what we have learned: no civilized people anywhere on earth, can either relax vigilance or rest secure while a barbarian is on the prowl.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. STIGLER until June 28, on account of official business.

To Mr. BIEMILLER (at the request of Mr. WASIELEWSKI), for 3 days, on account of official business.

EXTENSION OF REMARKS

Mr. McCORMACK (at the request of Mr. RAMSPECK) was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

HOUR OF MEETING TOMORROW

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Gatling, its enrolling clerk, announced that the Senate had adopted the following resolution (S. Res. 145):

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. JAMES G. SCRUGHAM, late a Senator from the State of Nevada.

Resolved, That a committee of five Senators be appointed by the President pro tempore of the Senate to take order for superintending the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased, the Senate do now take a recess until 12 o'clock noon tomorrow.

The message also announced that pursuant to the above resolution the President pro tempore of the Senate appointed Mr. McCARRAN, Mr. MURDOCK, Mr. WHERRY, Mr. ROBERTSON, and Mr. TAYLOR, members of the committee on the part of the Senate.

SENATE BILLS REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 911. An act authorizing the conveyance of certain lands to the city of Cheyenne, Wyo.; to the Committee on the Public Lands.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature on enrolled bills of the Senate of the following titles:

S. 58. An act to amend an act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941, as amended, and for other purposes; and

S. 880. To provide for designation of the United States Veterans' Administration hospital at Sioux Falls, S. Dak., as the Royal C. Johnson Veterans' Memorial Hospital.

THE LATE HON. JAMES GRAVES SCRUGHAM

The SPEAKER. The Chair recognizes the gentleman from Nevada [Mr. BUNKER].

Mr. BUNKER. Mr. Speaker, it is with a heavy heart that I pause today to pay tribute to the memory of United States Senator JAMES GRAVES SCRUGHAM, of Nevada, former Member of the House of

Representatives for a decade, who died Saturay, June 23, at naval hospital, in San Diego, Calif.

The last 20 years of his life was unselfishly devoted to the service of his State and Nation—4 years as Nevada State engineer, 4 years as Governor of that Commonwealth, and then 10 years in Congress. He was elected to the Senate November 3, 1942.

Senator SCRUGHAM served as a major and lieutenant colonel in World War I, and saw active duty for short intervals during the present war as a colonel. He was active in veterans' affairs; was one of the original incorporators of the American Legion in 1919, and served as national vice commander of that organization. From 1927 to 1932 he was editor and publisher of the Nevada State Journal, at Reno.

He was a tireless worker, devoted to the well-being of his State and country always.

Almighty God has summoned him to his reward in his sixty-fifth year. We mourn his passing. His death must be a reminder to us, the living, that our days, also, are numbered. Under the Divine scheme we too have our work to do. Let us, too, do it well.

Mr. BUNKER. Mr. Speaker, I yield to the gentleman from Vermont [Mr. PLUMLEY].

Mr. PLUMLEY. Mr. Speaker, the many miles "JIM" SCRUGHAM and I have traveled in the air, over seas, across deserts, over mountains, and up ravines together in an effort to, and in the interest of, locating stock piles of strategic metals and materials for our national defense in days gone by, only cemented the bond of friendship between bitter political partisans recognizing the right of the other to differ with respect to economic and partisan policies in the Government interest.

This is a matter of record—"Jim" was a partisan—but always an American—He fought unflinchingly for what he believed to be for the best interest of the country for which he had twice offered to die, if necessary. He would say as much for me.

You can't argue theory with a man like that, who will give all he has for the principles in which he believes, except to suggest as both often did, that there might be two sides to a proposition to be considered.

As an engineer, civil, mining, and military, he always acceded to that suggestion, but frequently told me his way was the shortest and the best, both mathematically, economically, and politically. With no man I have known since early 1934 have I been so closely, intimately, and affectionately associated, as with the former Kentuckian, later Governor of Nevada and later Representative and Senator from that State: this man SCRUGHAM. I abhor and regret his taking off.

His record of achievement as a poor Kentucky boy who made that record and all the grades on ability, should be an incentive to every American boy of today. There was something about him which only those to whom he completely exposed himself and confided his dreams could properly evaluate. The House of Representatives never half recognized nor appreciated the fact of the greatness of this man among them whose memory we honor today, because he was too modest, too self-effacing to make known his capacity or what was in him.

Some few of us were permitted to slip inside the circle of his self-effacement with which he surrounded himself to learn the greatness of the man, who above all else was human, unassuming, and therefore really great.

In his death Nevada has lost a great representative in the Senate although an adopted son.

As a member of Congress from his adopted State he did for it what no man hereafter can do, or theretofore did—for no such opportunity to do for Nevada what he did will again be afforded any man.

I know whereof I speak. The country has lost one of its most modest, most all out American representatives in the Congress, and in the Senate particularly, where he will be greatly missed measured by need.

Of course, I had hoped that if the day should come when either of us should go along down the trail which leads to the bourne from which no man is heard to speak and never returns, my friend of the years, the late Senator from Nevada might say a word for me as his companion. It was not so ordered. It is difficult for many folks to know how such friendship as his and mine, between two people so emphatically and partisanly opposite can be established for perpetuity. Partisanship is only a differing of opinion as to how to best accomplish the end for which we both would fight. We might either of us be wrong.

I have lost a friend in whom I had absolute confidence; whose great ability I recognized; whose 100-percent Americanism always intrigued me and who as a genuine friend and magnet of pertinacity drew us so close together that only death has closed the contact. Requiescat in pace.

Mr. BUNKER. Mr. Speaker, I yield to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, the death of Senator JAMES SCRUGHAM strikes me as a great personal loss. He was one of the first men, if not the very first Congressman I met when I came to Congress in 1937. He was then a Member of the House. He was my chief reliance during the years we were in the House together. As a new man, I looked to him for guidance, especially in the field of mining with which he was quite familiar. He gave me good advice and instructions on what was most needed in legislation and the best way to go about getting it.

Well do I remember that Congressman SCRUGHAM pointed out to me, long before this World War began, the need of adequate stock piles of critical and strategic war metals and minerals. We made a small beginning in the Navy appropriations bill passed in 1937. After that time he led the fight to get more adequate appropriations for stock-piling materials needed in case of war. When war finally came Congressman SCRUGHAM did everything in his power to enable the United States Bureau of Mines to make inventory of mineral wealth and plan to make it available to our Nation at war in this most unusual war of machines and metals. We must leave it to the historian to assess his contribution to victory in this phase of our preparation.

As one of the founders of the American Legion, our departed comrade and colleague was ever mindful of the veterans and how best to serve them. It was he who first called my attention to the possibility of putting water from the Colorado River on some land, part of it in Arizona and part in Nevada, a few miles south of the site of the proposed Davis Dam. It was veterans of the First World War he then had in mind, for this plan was announced to me before this present war started. This plan matured in his mind even before the Davis Dam had been authorized. He had a plan to pump water out of the river some 10 miles below the dam site and put it on land for the benefit of veterans. All this he had planned for disabled veterans and the plan was worked out to the smallest detail. It has been changed by circumstances but nothing would be more fitting than for it to materialize as a monument to his care for his former comrades in arms.

Sometimes JIM SCRUGHAM spoke roughly and even crudely. He was a man of few words but his hearers always knew what he meant. I think his gruff exterior was but a front to hide a great heart. I have heard him describe the men of the mountains and the prospectors on the deserts with genuine emotion and deep admiration together with appreciation. I have seen him confront powerful administrative officials of the Government who seemed about to rule adversely to the interest of his friends in the mountains and on the deserts, and I have seen him back these hard officials into a corner and change their minds for them. No wonder the men of Nevada thought so highly of him.

And did they know him and think well of him? I was amazed one time in crossing Nevada with my colleague that he seemed to know all we met, calling them by name and they knew him and called him Jim. This happened at every wide place in the road and in remote places among stockmen and among miners. JIM SCRUGHAM may have adopted the West, but the West had adopted him and valued him as only the frontier can appraise a man. He will be missed not only in Nevada but throughout the whole West. The Nation is the loser by his going from among us.

Mr. BUNKER. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. SNYDER].

Mr. SNYDER. Mr. Speaker, I was chairman of the Subcommittee on Appropriations for the War Department and the late beloved Senator SCRUGHAM was chairman of the Naval Appropriations Subcommittee for some years. We came in contact a great many times. He was always willing to sit down and go over things that had to do with the welfare of the Nation as to appropriations. I want it on the RECORD here to show that he gave me more insight into the strategic resources of our Nation, and my belief is that he did more toward arousing the American people in research and development of strategic materials than any other one man in America.

Mr. BUNKER. Mr. Speaker, I yield to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, JAMES SCRUGHAM believed in America. He believed in the West. He was intelligent and effective in his beliefs. What he did for the development of American extends far beyond the confines of the State of Nevada. I personally found him to be very helpful, particularly in working for exploration and development of the gigantic manganese deposits in South Dakota. He was the author of a recommendation accompanying a navel appropriation bill that was the pattern I followed for a recommendation accompanying a military appropriation bill, to set aside a certain fund for experimentations in the benefication of domestic ores. We then collaborated on a program which still is going on and from which will flow, I confidently believe, true independence for the United States in this important element for the manufacture of steel.

In another instance we collaborated on a provision in an appropriation bill to make effective the Buy-American Act in the procurement of certain military and naval stores in times of peace, that subsequently had a beneficial effect in preparing America for the time of trial through which she has been passing. Until it came out in the news of his death, I had not known that Senator SCRUGHAM was a native of Kentucky. It is clear that there flowed in his veins, the heritage of the pioneers who made the early West in our Nation's history, and who successively went to the newer frontiers to live out the spirit of endeavor and enterprise which has been the genius of America. I am sorry to see see JIM SCRUGHAM go. The West and America will always be in debt to his creative, productive life.

Mr. BUNKER. Mr. Speaker, I yield to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I wish to pay tribute to the gentleman from Nevada, the late Senator SCRUGHAM. It was my pleasure to know him first when he was a Member of the House and to talk over problems with him. I knew then his great ability as a mining expert, a mining authority.

I went to him about matters concerning the Navy. I realized more and more what a great expert he was on naval matters, what a tremendous study he made of everything pertaining to the Navy. The strength and upbuilding of the Navy was vitally important to the whole country. He worked tirelessly on that subject.

Mr. Speaker, I was very much touched during a part of his severe illness that he took the trouble to take up from his hospital bed some matters concerning the Navy in which I was extremely interested. He was enormously helpful. I sent him messages to the hospital and he in turn sent me messages. Although desperately ill he wanted to help the Navy and the country.

Mr. Speaker, a great patriot and a very loyal and true gentleman in every sense has gone to his reward. We shall miss him.

Mr. BUNKER. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. POWERS].

Mr. POWERS. Mr. Speaker, I share with every Member of this House deep regret at the passing of our good friend Senator SCRUGHAM. He and I came to the House together back in 1933. We went on the Appropriations Committee together, and we served there until he was elevated to the Senate. Jim and I were extremely close. He was a fine loyal friend, and, best of all, a real American. The State of Nevada and the entire Nation have sustained an irreparable loss. We here in the House extend our sincere condolences to his family.

Mr. BUNKER. Mr. Speaker, I offer a resolution which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution (H. Res. 303).

The Clerk read as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. JAMES G. SCRUGHAM, a Senator of the United States from the State of Nevada.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee a two Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The resolution was agreed to.

The SPEAKER. The Chair appoints the gentleman from Nevada [Mr. BUNKER] and the gentleman from California [Mr. GEARHART] as members on the part of the House to attend the funeral.

The Clerk will report the remainder of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect to the memory of the deceased the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock and 46 minutes p. m.) the House, pursuant to its previous order, adjourned until 11 o'clock a. m. tomorrow, Tuesday, June 26, 1945.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Tuesday, June 26, 1945, at 10 o'clock a. m., in the committee room, 356 Old House Office Building.

COMMITTEE ON THE JUDICIARY

There will be a meeting of the Committee on the Judiciary at 10 a. m. on Tuesday, June 26, 1945, to continue hearings on the following bills with respect to Federal administrative procedure: H. R. 184, H. R. 339, H. R. 1117, H. R. 1203, H. R. 1206, and H. R. 2602. The meeting will be held in the Judiciary Committee room, 346 Old House Office Building.

There will be a meeting of the Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m. on Wednesday, June 27, 1945, to continue hearings on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

585. A letter from the Secretary, Department of Agriculture, transmitting a draft of a proposed bill to readjust the exterior boundaries of the Kaibab National Forest, the Grand Canyon National Game Preserve, and Arizona grazing district No. 1, State of Arizona, and for other purposes; to the Committee on Agriculture.

586. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to reserve certain land on the public domain in Nevada for addition to the Summit Lake Indian Reservation; to the Committee on Indian Affairs.

587. A letter from the President, United States Civil Service Commission, transmitting a draft of a proposed bill to amend section 2 of the Veterans' Preference Act of 1944, Public Law 359, Seventy-eighth Congress, approved June 27, 1944; to the Committee on the Civil Service.

588. A letter from the Acting Archivist of the United States, transmitting report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 3579. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes; without amendment (Rept. No. 785). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON of Missouri: Committee on Appropriations. House Joint Resolution 219. Joint resolution making an appropriation for the fiscal year 1946 for terminating the functions and duties of the Committee on Fair Employment Practice; without amendment (Rept. No. 786). Referred to the Committee of the Whole House on the State of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 787. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 788. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. BATES of Kentucky: Committee on Rules. House Resolution 301. Resolution waiving points of order against H. R. 3579, making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior

fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes; without amendment (Rept. No. 790). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 3580. A bill to authorize municipalities and public-utility districts in the Territory of Alaska to issue revenue bonds for public-works purposes; to the Committee on the Territories.

H. R. 3581. A bill to authorize the issuance of service medals to members of the armed forces who have served or may serve in the Aleutians or elsewhere in Alaska west of Sitka subsequent to December 7, 1941, and prior to the termination of hostilities in the present war; to the Committee on Military Affairs.

By Mr. EBERHARTER:

H. R. 3582. A bill authorizing the appointment of a committee of outstanding citizens to make recommendations with respect to the compensation of certain officers of the Government; to the Committee on the Judiciary.

By Mr. HARE:

H. R. 3583. A bill to repeal the automobile-use tax; to the Committee on Ways and Means.

By Mr. RANDOLPH (by request):

H. R. 3584. A bill to provide for voluntary apprenticeship in the District of Columbia; to the Committee on the District of Columbia.

By Mr. ANDERSON of New Mexico:

H. R. 3585. A bill to authorize the protection of life and property, water conservation, and the comprehensive reclamation of land in the Rio Grande Valley in New Mexico, by flood control, irrigation, sediment detention, drainage, and other activities; to provide for the financial rehabilitation of the Middle Rio Grande conservancy district; to provide for the disposition of surplus electrical energy, and for other purposes; to the Committee on Flood Control.

By Mr. ENGEL of Michigan:

H. R. 3586. A bill to give widows of any deceased person, entitled to wartime service-connected death, compensation or pension at the rates provided in paragraph 2 of section 5 of Public Law No. 198, Seventy-sixth Congress, approved July 19, 1939, credit for each child regardless of number, removing present top limit of $100 monthly; to the Committee on World War Veterans' Legislation.

By Mr. SUMNERS of Texas:

H. R. 3587. A bill to provide for the performance of the duties of the office of President in case of the removal, resignation, or inability both of the President and the Vice President; to the Committee on the Judiciary.

By Mr. THOMAS of Texas:

H. R. 3588. A bill to authorize the granting of a right-of-way easement to the Houston Lighting & Power Co., of Houston, Tex., over certain lands of the United States; to the Committee on Naval Affairs.

By Mr. GORE:

H. R. 3589. A bill to provide for Commodity Credit loans on tobacco; to the Committee on Banking and Currency.

By Mr. SMITH of Wisconsin:

H. J. Res. 220. Joint resolution providing for a national referendum on peacetime military training; to the Committee on Military Affairs.

By Mr. TAYLOR:

H. J. Res. 221. Joint resolution providing for a national referendum on peacetime military training; to the Committee on Military Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the legislature of the State of California, memorializing the President and the Congress of the United States to retain full control over Japanese owned or mandated islands in the Pacific which heretofore have been, or hereafter may be, captured by the United States in the course of the war; to the Committee on Foreign Affairs.

Also, memorial of the legislature of the State of Illinois, memorializing the President and the Congress of the United States to vote favorably for Senate bill 807; to the committee on the Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MORRISON:

H. R. 3590. A bill for the relief of Charles Brown and the legal guardian of Luis Mae Brown; to the Committee on Claims.

By Mr. THOMAS of Texas:

H. R. 3591. A bill for the relief of Addie Pruitt; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

997. By Mr. COCHRAN: Petition of N. T. Lane and 307 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

998. Also, petition of Charles Kersting and 319 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

999. By Mr. GWYNNE of Iowa: Petition of citizens of Nashua, Iowa, protesting the use of needed commodities, such as sugar and grains, in the making of liquor; to the Committee on Agriculture.

1000. By Mr. LUDLOW: Petition of residents of Marion County, Ind., in favor of legislation for a citation to recognize the sacrifice, privation, and torture endured by prisoners of war; to the Committee on Military Affairs.

1001. By Mr. SMITH of Wisconsin: Petition of sundry citizens of Kenosha, Wis.; to the Committee on Banking and Currency.

1002. By Mr. WELCH: Petition of California Legislature, memorializing the President and Congress of the United States concerning Senate Joint Resolution 12 and Senate Joint Resolution 23, the first, Senate Joint Resolution 12, to institute investigations concerning the advantages that would accrue to patients if one or more military hospitals were erected in mineral-spring areas in California, and the second, Senate Joint Resolution 23, on the same subject, and urging that affirmative action be taken in regard thereto; to the Committee on Military Affairs.

1003. By the SPEAKER: Petition of the board of directors of the Texas and Southwestern Cattle Raisers Association, petitioning consideration of their resolution with reference to the directive issued by the Office of Price Administration through amendment 55 to RMPR 169; to the Committee on Banking and Currency.

1004. Also, petition of various citizens of Philadelphia, Pa., petitioning consideration of their resolution with reference to the case of Margaret A. Wunderle; to the Committee on Un-American Activities.

SENATE

TUESDAY, JUNE 26, 1945

(Legislative day of Monday, June 25, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all races and nations, our best contrivings, our wisest plans will stand but as mute monuments of futility in a valley of dry bones unless upon it all Thou shalt breathe the breath of life. If, chastened by Thine immutable laws, a shattered world is to leave behind mutual slaughter, exploitation, suspicions, and hatred, and march together, no matter how long the way, toward a fairer earth in which nation shall not lift up sword against nation, neither shall learn war no more, then only Thy pillar of cloud and of fire can lead to that golden era.

In this high hour, with the eyes of the world upon a new charter of hope, we lift our fervent prayer: Send out Thy light and truth, let them lead us; from the city of destruction, let them bring us to Thy holy hill of life and peace. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, June 25, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

SAN FRANCISCO CHARTER

Mr. WILEY. Mr. President, President Truman will address the Conference at San Francisco today, and the San Francisco Charter, signed and sealed, will come into being.

The Conference at San Francisco was a success, because it spoke of man's hope for world unity. It is at least an omen that the victors can agree to work together. The American delegates did a good job. The fact that the Congress of the United States was represented among the delegates means that there will be very little opposition to a ratification of the Charter.

The real issue is: Will this express desire to work together be manifested through the years by a continuing will and purpose to work together?

To thinking people all over the world, the fact that America is "in the international picture to stay" is a source of great hope and faith that through the years there can be wrought out an international mechanism that will do away with this scourge of war. For the first time in history there will be adequate resources, consisting of armies, navies, and air forces, to put down any aggression, provided, of course, that the major nations do not engage in aggression or countenance it.

On the other hand, we must not make a fetish of this mechanism. If the peoples of earth will grow in vision and common sense and self-restraint, the mechanism will grow in effectiveness. It is a challenge for cooperation. America will render her greatest service to mankind if by her leadership she brings, through the steps of conciliation, inquiry and discussion which are provided for in the Charter, her great moral and spiritual force to bear upon those evil forces which have made for war.

One thing is certain—that the peace organization will not take care of itself. The nations of earth cannot lie back and rest on that assumption. What will happen to the world is now up to the world. The price of peace is going to be eternal vigilance. The Charter will be as helpful and useful as the nations make it.

Today in San Francisco the adoption of the Charter signifies that wisdom, courage, justice, cooperation are in the saddle. That is, a formula for peace and security has been written. With an eye to realism and an eye to the recognition of big-power responsibility, this Charter does not enforce peace by fiat, but provides a means to enforce peace with arms.

This old world of ours now has its Charter. What will happen to it is up to this world. Will it be another nine-power pact to which nations simply agreed and signed their names and then forgot their obligations? The peoples of the world must answer that question.

Mr. President, in the Washington Post of this morning there is an editorial entitled "Sage Counsel," which contains the speech of Benjamin Franklin at the conclusion of the Constitutional Convention in 1787. It seems to me that this mint of wisdom that came from the lips of Benjamin Franklin is very pertinent and pat at this time. I ask unanimous consent that it be printed in the RECORD following my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SAGE COUNSEL

We can conceive of nothing more appropriate by way of comment on today's wind-up of the San Francisco Conference than to reprint the speech of Benjamin Franklin at the conclusion of the Constitutional Convention in 1787:

"I confess that I do not entirely approve of this Constitution at present; but, sir, I am not sure I shall never approve it; for, having lived long, I have experienced many instances of being obliged, by better information or fuller consideration, to change opinions even on important subjects which I once thought right, but found to be otherwise.

"It is, therefore, that the older I grow, the more apt I am to doubt my own judgment of others. Most men, indeed, as well as most sects in religion, think themselves in possession of all truth, and that wherever others differ from them, it is so far error. Steele, a Protestant, in a dedication, tells the Pope that the only difference between our two churches in their opinions of the certainty of their doctrine is that the Romish Church is infallible and the Church of England is never in the wrong. But though many private persons think almost as highly of their own infallibility as that of their sect, few express it so naturally as a certain French lady, who, in a little dispute with her sister, said, 'But I meet with nobody but myself that is always in the right.'

"In these sentiments, sir, I agree to this Constitution, with all its faults—if they are such; because I think a general government necessary for us, and there is no form of government but what may be a blessing to the people, if well administered; and I believe, further, that this is likely to be well administered for a course of years, and can only end in despotism, as other forms have done before it, when the people shall become so corrupted as to need despotic government, being incapable of any other. I doubt, too, whether any other convention we can obtain may be able to make a better constitution; for, when you assemble a number of men, to have the advantage of their joint wisdom, you inevitably assemble with those men all their prejudices, their passions, their errors of opinion, their local interests, and their selfish views. From such an assembly can a perfect production be expected? It therefore astonishes me, sir, to find this system approaching so near to perfection as it does, and I think it will astonish our enemies, who are waiting with confidence to hear that our counsels are confounded like those of the builders of Babel, and that our States are on the point of separation, only to meet hereafter for the purpose of cutting one another's throats.

"Thus, I consent, sir, to this Constitution, because I expect no better, and because I am not sure that it is not the best. The opinions I have had of its errors I sacrifice to the public good. I have never whispered a syllable of them abroad. Within these walls they were born, and here they shall die. If every one of us, in returning to our constituents, were to report the objections he has had to it, and endeavor to gain partisans in support of them, we might prevent its being generally received, and thereby lose all the salutary effects and great advantages resulting naturally in our favor among foreign nations, as well as among ourselves, from our real or apparent unanimity. Much of the strength and efficiency of any government, in procuring and securing happiness to the people, depends on opinion, on the general opinion of the goodness of that government, as well as of the wisdom and integrity of its governors. I hope, therefore, for our own sakes, as a part of the people, and for the sake of our posterity, that we shall act heartily and unanimously in recommending this Constitution, wherever our influence may extend, and turn our future thoughts and endeavors to the means of having it well administered.

"On the whole, sir, I cannot help expressing a wish that every member of the Convention who may still have objections to it would with me on this occasion doubt a little of his own infallibility, and, to make manifest our unanimity, put his name to this instrument."

PUBLIC AND PRIVATE HOUSING

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from President Truman, dated June 1, 1945, addressed to Dr. Bryn J. Hovde, president of the National Public Housing Conference, Inc., and read at a dinner meeting sponsored by the conference in Washington on the evening of June 19. I also ask unanimous consent to have printed in the RECORD two resolutions, one of them being a memorial to Congress, and the other an expression of the membership of the National Public Housing Conference to the effect that in the postwar period we must discuss "public and private housing" not "public versus private housing."

There being no objection, the letter and resolutions were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, June 1, 1945.

DR. BRYN J. HOVDE,
President, National Public Housing Conference, Inc.,
Washington 5, D. C.

DEAR DR. HOVDE: The housing needs of our country today constitute one of our most challenging obligations, but there is ample evidence that there is a widespread awareness of those needs and a full readiness to take up the task of meeting them.

In its program of education the National Public Housing Conference can make an effective contribution to provide good homes, in good environment, for all American families. Your present meeting can help shape national objectives and I take this opportunity to express my best wishes to your board and your membership and to the leaders of the Congress who will participate in your conference.

We all recognize that housing is primarily a community responsibility. But we recognize that the Federal Government has a large share of responsibility, too. It has the obligation of helping private enterprise to do the greatest possible share of the housing job ahead and to provide communities with the aid necessary to insure adequate shelter for those whose needs cannot otherwise be met.

Very sincerely yours,

HARRY TRUMAN.

A MEMORIAL TO THE CONGRESS

The National Public Housing Conference's program of clearing the Nation's urban and rural slums and of initiating a postwar job of decent homes within the reach of those unable to pay what private enterprise must charge, depends on action by Congress. Without legislation providing necessary authorization, such a program will only be a paper program and the housing it calls for will only be paper houses.

The conference, on the eve of the introduction of a proposed measure intended to reflect needed legislation for resolving the Nation's housing problems, sends to each Member of the United States Senate and House of Representatives its earnest plea for careful, conscientious, and sympathetic attention to housing measures soon to be introduced. The tremendous postwar needs for housing for low-income families, the almost complete standstill in construction of such dwellings during the war years, the problems of housing the returning veterans and their dependents, the need for overhauling and perfecting the United States Housing Act—all these problems emphasize the importance of prompt action on national legislation.

The National Public Housing Conference is well aware of the demands upon a wartime Congress. On the domestic front, however, issues of clearing the slums and of providing decent homes for all loom large. The conference knows that Senators and Representatives will give these questions that same degree of thoughtful and speedy consideration which it is giving to other major issues of national significance.

RESOLUTION OF THE NATIONAL PUBLIC HOUSING CONFERENCE JUNE 19, 1945

PUBLIC AND PRIVATE HOUSING—NOT PUBLIC VERSUS PRIVATE HOUSING

At its annual meeting last year, the National Public Housing Conference adopted a resolution in the course of which it was stated: "We believe that public housing should function only in those fields in which true private enterprise does not adequately meet the housing needs of the population."

Nothing in the intervening year has developed which changes in any degree the sense of the conference on this important subject. The conference still believes that private enterprise should build most of the housing, with public housing doing the necessary supplementary job.

This elementary proposition is stated simply and categorically, because the conference believes that what it stands for is best expressed by it and not by an extremely vocal minority which attacks all public housing as being but the thin edge of the wedge and which closes all its songs with the where-will-you-draw-the-line theme.

The National Public Housing Conference wants it to be known that it welcomes all efforts of private enterprise to extend its operations to progressively lower- income groups which it can possible serve. The conference is equally insistent that in the fields where private housing interests have not entered and are not now entering—slum clearance and housing for those in the lowest income groups—public housing is doing and must continue to do the job.

RESIGNATION OF SENATOR HATCH FROM SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM

Mr. MEAD. Mr. President, it is my unwelcome task today to announce the resignation of the distinguished Senator from New Mexico [Mr. HATCH] as a member of the Special Committee Investigating the National Defense Program, of which I have the honor to be chairman.

Practically from the day of the committee's inception in March 1941, under the chairmanship of the former Senator from Missouri, Hon. Harry S. Truman, now President of the United States, the Senator from New Mexico has given generously of his time and great abilities to the work of our committee.

He acted as chairman of the important Subcommittee on Renegotiation of Contracts. Under his personal direction, a thorough and exhaustive study was made of the profits being made by war contractors and the methods being used to administer the renegotiation statute, the necessity for which, incidentally, was first declared by our committee in January 1942. Most of the recommendations of the subcommittee on renegotiation over which the Senator from New Mexico presided were enacted into the tax bill which was subsequently passed. It has made a major contribution by protecting the Government against improper profits and protecting businessmen against unfair treatment.

Our committee will sorely miss the services of CARL HATCH of New Mexico. His long experience in affairs of government, his great knowledge and legal skill have provided direction and rare good judgment in the conduct of many of the committee's numerous investigations of national-defense problems.

In addition to Senator HATCH's assignments on our committee, he has been active on seven other Senate committees, including the Foreign Relations Committee, and serves as the able chairman of the important Committee on Public Lands and Surveys.

CARL HATCH has always been a leading figure in promoting international cooperation for the establishment of lasting peace in the world and, as the Members of this body know, was one of the sponsors of the famous B_2H_2 Senate resolution.

The Senator from New Mexico is now desirous of devoting a greater portion of his time to the great international problems facing America, the solution of which will decide the fate of the world for generations to come. Also, he wishes to give full attention to the proposed Federal labor relations bill, which he cosponsored in the Senate a few days ago.

I say again that we will sorely miss CARL HATCH of New Mexico as a member of our investigating committee. In behalf of all the other committee members, I wish him every success in his future work and know that he will make even greater contributions to our great Nation.

Mr. McKELLAR. Mr. President, I endorse everything that the Senator from New York has said about the Senator from New Mexico, but I am not so sure that the Senator is accurate in his statement of the history of the Renegotiation Act. As every member of the Appropriations Committee will remember, the Renegotiation Act was first recommended by the Committee on Appropriations, and not by the Special Committee To Investigate the National Defense Program.

Mr. MEAD. Let me make clear what I intended to say. I meant to convey that in one of our earlier reports the necessity for it was recognized. We had nothing whatever to do with the law.

Mr. McKELLAR. However, that report was made after the law had been enacted. It was originally recommended by the Committee on Appropriations.

Mr. MEAD. As to the correct chronology, I yield to my distinguished colleague.

Mr. HATCH subsequently said: Mr. President, I understand that during my absence the Senator from New York [Mr. MEAD] made some statements concerning my withdrawal from the Mead committee. I was not present, and I do not know what the Senator from New York said, although I have a general idea about the tenor of his remarks.

I feel that at this time I should make a brief statement. I wish I had time to speak at length concerning the experiences I have had as a member, first, of the Truman committee and, afterward, as a member of the Mead committee. I wish to say that my withdrawal is simply due to the pressure of other duties. I am in no sense out of sympathy with what the committee has done or with what it proposes to do in the future.

In fact, Mr. President, my experiences as a member of that committee have been among the most pleasant I have had since I have been in the Senate. I can say, of every member of the committee, without regard to partisanship or any personal consideration, that each member of the committee has joined with the others in trying to do a good job of work for the country as a whole. Many times that job has been most difficult. The former chairman of the committee, Mr. Truman, distinguished himself to such an extent the whole Nation is aware of his accomplishments. No comment from me about those achievements is necessary.

Since Mr. Truman's retirement from the chairmanship of the committee, the present chairman, the Senator from New York [Mr. MEAD], has carried on in the same manner, in the same spirit, and with the same energy and ability. He has been and is an excellent chairman. Under him the Senate may be assured the work of the committee will continue efficiently and most ably.

I do not think it would be proper for me to mention only the chairman and the members of the committee. Every committee of this nature, as we all know, is more or less dependent on its staff, and its success or failure is often determined by quality of the staff. Fortunately, the Truman Committee had an excellent staff of employees. Under the former general counsel, Mr. Fulton, an able and brilliant lawyer, the work was carried on in such a way that I doubt whether anyone has ever questioned any legal conclusion drawn by our various reports. Mr. Halley, who succeeded Mr. Fulton, continues in the same way. He also is a most able attorney, with far more than ordinary ability.

I make this general statement, and want it to apply to each and every member of the staff from the highest employe to the most humble. I believe they have been motivated by the highest sense of patriotic duty. They have been honorable, intelligent, and their integrity has been unquestioned. Much of the success of the committee has been due to the loyalty and ability of all the members of the staff. To them I pay this slight appreciation of their efforts for the committee and the country.

Mr. President, I thank the Senator from New York for whatever he may have said about me.

Mr. MURDOCK. Mr. President, before the Senator takes his seat will he yield to me in order that I may propound a question?

Mr. HATCH. I yield.

Mr. MURDOCK. In connection with surplus war funds, and so forth, does not the Mead Committee have sufficient jurisdiction to keep in touch with the situation and keep the Senate advised of what is taking place?

Mr. HATCH. Mr. President, I think that is one of the important tasks remaining before the committee. It has jurisdiction. It has investigated, and is now investigating, many, if not all problems, connected with surplus properties both at home and abroad. The committee will keep the Senate advised from time to time through its reports.

Mr. MURDOCK. The Senate committee members believe, do they not, that under the resolution creating the committee, and inasmuch as we have now

reached the place where surplus war property is being disposed of, and surplus war plants are being disposed of, that the committee has jurisdiction to go into the questions incidental to such disposal?

Mr. HATCH. I not only believe that the committee has jurisdiction, but I have urged that the committee go into those questions, and it has done so. It will continue to do so most effectively.

I am informed my successor on the committee will be the Senator from Missouri [Mr. BRIGGS], for him I bespeak the same consideration on the part of the other committee members that I have received. I know he will make an excellent and able member. He will find most interesting experiences ahead of him.

Finally I want to add that it is with genuine regret I leave the committee and express the confident prediction its work will continue to be of real usefulness to all the country.

Mr. LUCAS. Mr. President, I wish to add one word in respect to the investigation now taking place in connection with the disposal of surplus war property.

I had always understood that the Mead committee had complete jurisdiction to conduct investigations of that important work. However, I want the Senator to understand that other committees are seeking to do the same work. As chairman of the Committee to Audit and Control the Contingent Expenses of the Senate, I may say that committees have come to us requesting money for the purpose of carrying on certain investigations. At least two other committees besides the Mead committee are getting ready to do, or have already done, some preliminary work in connection with investigations of the kind to which reference has been made.

It seems to me—and I call this to the attention of the Senate once again—that sooner or later there should be a clearing house through which one committee alone may center upon an important problem of this kind without duplication of effort, and without the necessity of persons from governmental departments being called before various committees for the purpose of giving testimony over and over again. It seems to me that everyone wishes to investigate something. Too many persons have the investigation fever.

Mr. President, I call this matter to the attention of the Senate, in view of what the Senator from New Mexico has said.

Mr. HATCH. Mr. President, what the Senator from Illinois has said is not only true with regard to this particular committee, but many other committees as well. Unfortunately, under our organization there is much duplication of effort on the part of various committees of the Senate. I assume that condition will continue at least until Congress becomes streamlined.

I wish to say, without disrespect to any other committee, and not knowing what committees are investigating the subject, that the Mead committee certainly should retain jurisdiction and continue the work which it has been doing for several months past. I hope it will continue to carry on its work.

PETITIONS AND MEMORIALS

Petitions, etc., were presented and referred as indicated:

By Mr. WALSH (for himself and Mr. SALTONSTALL):

Resolutions of the General Court of the State of Massachusetts; to the Committee on Finance:

THE COMMONWEALTH OF MASSACHUSETTS,
Office of the Secretary, Boston.

"Resolutions memorializing Congress to investigate the activities of the Federal Social Security Board with particular reference to the merit system requirements

"*Resolved*, That the General Court of Massachusetts hereby memorializes the Congress of the United States to proceed as promptly as may be in an investigation of the activities of the Federal Social Security Board with particular reference to the merit system requirements; and be it further

"*Resolved*, That the joint standing committee on civil service of the general court, or such members thereof as said committee may designate, together with the director of civil service and the attorney general, or an assistant attorney general designated by him, be authorized to travel to the city of Washington, at an expense not to exceed $1,500, for the purpose of there presenting to the Select Committee of the House of Representatives of the Congress to Investigate Acts of Executive Agencies Which Exceed their Authority, the grievances of the commonwealth in the premises; and be it further.

"*Resolved*, That copies of these resolutions be sent forthwith by the State secretary to the presiding officer of each branch of Congress and to the Members thereof from this commonwealth."

By Mr. AUSTIN:

Resolutions adopted by Champlain Aerie and St. Albans Aerie, both of the Fraternal Order of Eagles, in the State of Vermont, favoring the enactment of legislation designating the birthday of the late President Franklin D. Roosevelt as a national holiday; to the Committee on the Judiciary.

By Mr. CAPPER:

A petition, numerously signed, of sundry citizens of Junction City, Kans., praying for the enactment of legislation providing for peacetime compulsory military training; to the Committee on Military Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

S. 220. A bill to vest title to the United States ship *Wolverine* (ex-*Michigan*) in the Foundation for the Original United States Ship Michigan, Inc.; without amendment (Rept. No. 411);

H. R. 3180. A bill to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes; with amendments (Rept. No. 409); and

H. R. 3287. A bill to authorize the attendance of the Marine band at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, September 9 to 14, inclusive; without amendment (Rept. No. 412).

By Mr. BAILEY, from the Committee on Commerce:

H. R. 3266. A bill to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes; without amendment (Rept. No. 410).

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

H. R. 715. A bill to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes; without amendment (Rept. No. 413);

H. R. 2477. A bill to give recognition to the noncombatant services under enemy fire performed by officers and enlisted men of the Medical Corps of the Army; without amendment (Rept. No. 414); and

H. R. 3436. A bill providing for a medal for service in the armed forces during the present war; without amendment (Rept. No. 416).

By Mr. STEWART, from the Committee on Military Affairs:

H. R. 1647. A bill to authorize the Secretary of War to convey to the Captain William Edmiston Chapter of the Daughters of the American Revolution a certain building and tract or parcel of land situated in Montgomery County, Tenn.; without amendment (Rept. No. 415).

By Mr. KILGORE, from the Committee on the Judiciary:

H. J. Res. 23. Joint resolution to establish the first week in October of each year as National Employ the Physically Handicapped Week; without amendment (Rept. No. 417).

By Mr. PEPPER, from the Committee on Education and Labor:

H. R. 3278. A bill to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes; without amendment (Rept. No. 418).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on June 25, 1945, he presented to the President of the United States the following enrolled bills:

S. 58. An act to amend an act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941, as amended, and for other purposes; and

S. 880. An act to provide for designation of the United States Veterans' Administration hospital at Sioux Falls, S. Dak., as the Royal C. Johnson Veterans' Memorial Hospital.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introintroduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRIDGES:

S. 1189. A bill to provide for voluntary apprenticeship in the District of Columbia; to the Committee on the District of Columbia.

By Mr. GEORGE:

S. 1190. A bill for the relief of Mrs. Henry H. Hay; and

S. 1191. A bill for the relief of Camille A. Pratt; to the Committee on Claims.

By Mr. FULBRIGHT:

S. 1192. A bill to authorize the completion, by the use of Lanham Act funds, of hospital projects initiated by the Works

Progress Administration and the Work Projects Administration; to the Committee on Education and Labor.

By Mr. PEPPER:

S. 1193. A bill to amend the Canal Zone Code; to the Committee on Interoceanic Canals.

By Mr. BUSHFIELD:

S. 1194. A bill to provide for removal or restrictions on property of Indians who serve in the armed forces; and

S. 1195. A bill authorizing the Secretary of the Interior to convey certain lands in the State of South Dakota to Clarence E. Forman; to the Committee on Indian Affairs.

By Mr. O'DANIEL:

S. 1196. A bill to guarantee honorably discharged veterans their right to work regardless of whether they are members or nonmembers of any labor organization; to the Committee on Finance.

By Mr. BUSHFIELD:

S. J. Res. 79. Jont resolution establishing a joint congressional committee to make a study of claims of Indian tribes against the United States, and to investigate the administration of Indian affairs; to the Committee on Indian Affairs.

AMENDMENT OF TRANSPORTATION ACT OF 1940, WITH RESPECT TO MOVEMENT OF GOVERNMENT TRAFFIC

Mr. JOHNSON of Colorado submitted an amendment intended to be proposed by him to the bill (H. R. 694) to amend section 321, title III, part II, Transportation Act of 1940, with respect to the movement of Government traffic, which was referred to the Committee on Interstate Commerce and ordered to be printed.

RECLASSIFICATION OF SALARIES IN POSTAL SERVICE—AMENDMENT

Mr. MEAD submitted an amendment intended to be proposed by him to the bill (H. R. 3035) to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes, which was ordered to lie on the table and to be printed.

CONTINUATION OF INVESTIGATION OF MOBILIZATION OF NATIONAL RESOURCES

Mr. KILGORE, from the Committee on Military Affairs, reported an original resolution (S. Res. 146), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the provisions of Senate Resolution 107 of the Seventy-eighth Congress, continued by Senate Resolution 46 of the Seventy-ninth Congress, authorizing an investigation by a subcommittee of the Committee on Military Affairs of the possibilities of better mobilizing the national resources of the United States, be, and the same are hereby, continued in full force and effect during the remainder of the Seventy-ninth Congress.

HOUSE BILLS REFERRED TO DISTRICT OF COLUMBIA COMMITTEE

The following bills were severally read twice by their titles and referred to the Committee on the District of Columbia:

H. R. 2856. An act to provide for better enforcement of law within the District of Columbia, and for other purposes;

H. R. 2874. An act to amend the Code of Laws for the District of Columbia to authorize any corporation formed under authority of subchapter 3 of chapter 18 of such code to specify in its bylaws that a less number than a majority of its trustees may constitute a quorum for the transaction of the business of the corporation;

H. R. 2995. An act to amend an act entitled "An act to create a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes," approved June 19, 1878, as amended;

H. R. 3201. An act to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended;

H. R. 3220. An act to establish a boundary line between the District of Columbia and the Commonwealth of Virginia, and for other purposes; and

H. R. 3291. An act to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia.

INCREASED COMPENSATION FOR MEMBERS OF CONGRESS

Mr. TYDINGS. Mr. President, I should like to ask those who are trying to plan the procedure from now until the recess what the prospects are at present for getting before the Senate the bill to increase the compensation of Members of Congress. When can it conveniently be considered? A number of Senators have asked me when it is likely to come before the Senate. Several Senators who are absent have telegraphed me requesting information on the subject. I am not in a position to answer their inquiries, although I should like to be able to do so. That is why I make this request.

Mr. McKELLAR. Mr. President, the question is not addressed to me, of course; but as the acting chairman of the Committee on Appropriations, I must say, and I know the Senator from Maryland will agree with me because he is a member of that committee, that the appropriation bills must be passed first.

Mr. TYDINGS. I agree with the Senator.

Mr. McKELLAR. After we are able to dispose of them, the Senator will be able to have the Senate take up the bill.

Mr. TYDINGS. Then I should like to say that, of course, until the appropriation bills are out of the way it will not be feasible to request consideration of the bill providing for increased compensation for Members of Congress, but I shall confer with the majority and minority leaders in an effort to have the bill considered as soon as the appropriation bills are out of the way.

I make this statement so that Senators who have asked me when the bill will come up may be put on notice as to when we shall try to have it taken up.

DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT

Mr. O'MAHONEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3306) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 15, 18, and 19.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 16, 21, 22, 23, 24, 25, 26, 30, 31, 33, and 34, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert: "$225,400"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "but obligations for expenditure to be made during the fiscal year 1946 shall not be incurred for any or all of the foregoing projects which would result in a total obligation in excess of such $2,126,560"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert: "$1,788,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert: "$444,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 17, 27, 29, and 32.

JOSEPH C. O'MAHONEY,
JOHN H. OVERTON,
ELMER THOMAS,
THEO. G. BILBO,
HAROLD H. BURTON,
JOSEPH H. BALL,
Managers on the Part of the Senate.

THOMAS J. O'BRIEN,
EMMET O'NEAL,
BEN F. JENSEN,
WALT HORAN,
Managers on the Part of the House.

The report was agreed to.

TRIBUTE TO SENATOR CONNALLY BY FRANK L. MAIN

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a tribute to Senator CONNALLY by Frank L. Main, published in the Rusk Cherokeean, which appears in the Appendix.]

INTERNATIONAL INSTITUTE OF AGRICULTURE—STATEMENT BY A. S. GOSS

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a statement by A. S. Goss, master of the National Grange, before the Committee on Foreign Affairs of the House of Representatives, relative to House Joint Resolution 145, which appears in the Appendix.]

PROPOSED REGIONAL AUTHORITIES IN MAJOR RIVER BASINS

[Mr. OVERTON asked and obtained leave to have printed in the RECORD a letter from Commander Wendell Phillips Dodge addressed to him regarding proposed regional authorities in major river basins, which appears in the Appendix.]

METALLIC BASE FOR UNITED STATES MONETARY SYSTEM—STATEMENT BY SENATOR THOMAS OF OKLAHOMA

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD a statement by him before the Committee on Banking and Currency Monday, June 25, 1945, favoring a metallic base for United States monetary system, which appears in the Appendix.]

TRIBUTE TO EDWARD R. STETTINIUS, JR.—EDITORIAL FROM THE WASHINGTON STAR

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an editorial entitled "Tribute to Stettinius" from the Evening Star of Tuesday, June 26, 1945, which appears in the Appendix.]

INCREASES IN POSTAL RATES ON FIRST-CLASS MATTER

Mr. GEORGE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 184, a joint resolution to continue the temporary increases in postal rates on first-class postal matter.

An amendment has been reported by the Committee on Finance, and if the amendment shall be agreed to, the joint resolution will have to go back to the House. The present rates will expire the 30th of this month.

The PRESIDING OFFICER (Mr. HOEY in the chair). Is there objection to the request of the Senator from Georgia?

Mr. WHITE. Mr. President, does the joint resolution deal only with the extension of postal rates?

Mr. GEORGE. It deals only with the extension of postal rates, but an amendment was reported by the Senate Committee on Finance.

The PRESIDING OFFICER. The joint resolution will be reported by title for the information of the Senate.

The CHIEF CLERK. A joint resolution (H. J. Res. 184) to continue the temporary increases in postal rates on first-class matter, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Finance with amendments.

The first amendment of the committee was on page 2, after line 3, to insert a new section, as follows:

SEC. 2. Section 732 (d) of the Internal Revenue Code is amended to read as follows:

"(d) Review by special division of Board: The determinations and redeterminations by any division of the Board involving any question arising under section 721 (a) (2) (C) or section 722 with respect to any taxable year shall be reviewed by a special division of the Board which shall be constituted by the Chairman and consist of not less than three members of the Board. The decisions of such special division shall not be reviewable by the Board, and shall be deemed decisions of the Board."

The amendment was agreed to.

The next amendment of the committee was on page 2, after line 14, to insert a new section, as follows:

SEC. 3. (a) Section 162 (d) (1) (B) of the Revenue Act of 1942 (relating to employees' trusts) is amended to read as follows:

"(B) such a plan shall be considered as satisfying the requirements of section 165 (a) (3), (4), (5), and (6) for the period beginning with the beginning of the first taxable year following December 31, 1942, and ending June 30, 1946, if the provisions thereof satisfy such requirements by June 30, 1946, and if by that time all provisions of such plan which are necessary to satisfy such requirements are in effect and have been made effective for all purposes with respect to the portion of such period after December 31, 1943."

(b) Section 162 (d) (2) of the Revenue Act of 1942 (relating to employees' trusts) is amended to read as follows:

"(2) A stock bonus, pension, profit-sharing, or annuity plan—

"(A) put into effect after September 1, 1942, and prior to January 1, 1945, shall be considered as satisfying the requirements of section 165 (a) (3), (4), (5), and (6) for the period beginning with the date on which it was put into effect and ending with June 30, 1946, if all provisions of the plan which are necessary to satisfy such requirements are in effect by the end of such period and have been made effective for all purposes with respect to the portion of such period after December 31, 1943;

"(B) put into effect after December 31, 1944, shall be considered as satisfying the requirements of section 165 (a) (3), (4), (5), and (6) for the period beginning with the date on which it was put into effect and ending with the fifteenth day of the third months following the close of the taxable year of the employer in which the plan was put in effect, if all provisions of the plan which are necessary to satisfy such requirements are in effect by the end of such period and have been made effective for all purposes with respect to the whole of such period."

Mr. GEORGE. Mr. President, let me explain the amendment. It merely extends the time for 1 year in which pension trusts and profit-sharing arrangements may be approved. It is an amendment which was not favored by the Treasury, because they thought it unnecessary. However, the Finance Committee ordered the amendment reported, and I am presenting it. All it does is extend for 1 year the time in which pension trusts may be approved.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The amendments were ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

EXTENSION OF RENEGOTIATION OF CONTRACTS ACT

Mr. GEORGE. Mr. President, I ask unanimous consent for the present consideration of House bill 3395, to extend through December 31, 1945, the termination date under the Renegotiation Act.

Mr. WHITE. Mr. President, it would extend it for only a year?

Mr. GEORGE. Only until December 31, 1945.

Mr. WHITE. For only half a year.

Mr. GEORGE. The act will expire on June 30.

Mr. McKELLAR. Mr. President, this is very important, in my judgment, and I know that is the judgment of the Senator from Georgia.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia?

There being no objection, the bill (H. R. 3395) to extend through December 31, 1945, the termination date under the Renegotiation Act, was considered, ordered to a third reading, read the third time, and passed.

APPROPRIATIONS FOR THE DEPARTMENT OF LABOR AND FEDERAL SECURITY AGENCY, ETC.

Mr. McKELLAR. Mr. President, I move that the Senate proceed to the consideration of the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

Mr. BRIDGES. Mr. President, is not the war agencies appropriation bill to be taken up first?

Mr. McKELLAR. No; the war agencies appropriation bill has not yet been brought up. I will say to the Senator that I am advised that it will take only a very short time to pass the bill, the consideration of which I have moved. I am going to ask unanimous consent, as soon as the bill is taken up, that it be read for amendment and that the committee amendments be first considered. We expect that it will take only a few moments to complete the bill and then we shall take up the war agencies appropriation bill.

Mr. BRIDGES. Mr. President, I may say to the acting chairman of the committee that he is very optimistic as to the prompt passage of this appropriation bill for the Department of Labor and the Federal Security Agencies and related independent agencies. As he no doubt will recall, there were several very questionable items in the bill when it was before the committee. I am perfectly willing that the Senate should proceed to the consideration of this bill, but I am not so optimistic as is the Senator from Tennessee, about passing a tremendous bill involving $1,123,749,241 in a few moments.

Mr. McKELLAR. I am sure the Senator will agree, and I will talk to him in a few moments.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARKLEY. Mr. President, inasmuch as the fiscal year will end the 30th of this month, which will be next Saturday, and inasmuch as there are several appropriation bills still undisposed of, I venture to express the hope that during the remainder of this week, while the Senate is considering the appropriation bills which have been reported, Senators will, so far as possible, refrain from consuming time on extraneous matters, so that we may not be confronted at the end of the week and the end of the month with one or a number of appropriation bills unacted upon, which would require the passage of one or more continuing resolutions, and would embarrass a great many of the departments and agencies of the Government. I merely offer the suggestion, and feel that Senators will be glad to cooperate in carrying it out.

Mr. McKELLAR. I join the Senator from Kentucky in expressing a like hope. We must get these bills passed this week. It would be intensely embarrassing to me and to the other members of the Committee on Appropriations if the Senate did not pass each and every one of them.

Mr. President, before the first amendment is considered I should say that the senior Senator from Nevada [Mr. McCARRAN] is the chairman of the subcommittee having the pending bill in charge. He has been called to Nevada because of the death of his colleague, the late Senator Scrugham and cannot be present, so I shall have to call on the various members of the subcommittee who are present to aid me in properly presenting the bill to the Senate.

I now ask that the committee amendments be acted on.

The PRESIDING OFFICER. The clerk will state the first amendment of the Committee on Appropriations.

The first amendment of the Committee on Appropriation was, under the heading "Title I, Department of Labor, Office of the Secretary," on page 2, line 4, after the name "District of Columbia," to strike out "$385,342" and insert "$406,040."

The amendment was agreed to.

The next amendment was, on page 3, line 14 after "$1,100);" to strike out "$166,225" and insert "$168,780."

The amendment was agreed to.

The next amendment was, on page 3, line 16, after the name "Department of Labor," to strike out "$1,054,600" and insert "$1,061,800."

The amendment was agreed to.

The next amendment was, on page 4, line 2, after the name "Department of Labor," to strike out "$287,280" and insert "$302,300."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Labor Statistics," on page 7, line 9, after the word "laws," to strike out "$1,668,313" and insert "$3,045,440."

Mr. BALL. Mr. President, I think it would be well to have made at this point an explanation of the pending amendment.

This amendment makes an increase of nearly $1,400,000 in the appropriation for the Bureau of Labor Statistics. The Senate committee decided to allow this organization the budget estimate. After hearing the statement that if the appropriation were not increased the Bureau would have to cut the $1,400,000, which they are spending on occupational wage rate statistics, which are very important in determining the terms of labor-management contracts, down approximately to $400,000. The other $400,000 cut was in the collection of employment statistics by States, which, in the ensuing year, when there will be very large shifts in employment as a result of cut-backs and reconversion, are very important to policy-making officials of the Government. The Senate committee was convinced that both these items should be restored, and they form the major part of the proposed increase.

Mr. McKELLAR. I thank the Senator for the very lucid explanation he has given. I ask for action on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 7, line 9.

The amendment was agreed to.

The next amendment was, under the subhead "Children's Bureau," on page 8, line 16, after the word "periodicals", to strike out "$364,365" and insert "$438,400."

The amendment was agreed to.

The next amendment was, under the subhead "Women's Bureau," on page 12, line 7, after the word "exhibits", to strike out "$161,080" and insert "$172,580."

The amendment was agreed to.

The next amendment was, under the heading "Office of Education," on page 17, after line 19, to strike out:

Library service: For making surveys, studies, investigations, and reports regarding public, school, college, university, and other libraries; fostering coordination of public and school library service; coordinating library service on the national level with other forms of adult education; developing library participation in Federal projects; fostering Nation-wide coordination of research materials among the more scholarly libraries, inter-State library cooperation, and the development of public, school, and other library service throughout the country, and for the administrative expenses incident to performing these duties, including salaries of such assistants, experts, clerks, and other employees in the District of Columbia and elsewhere, as the Commissioner of Education may deem necessary, purchase of miscellaneous supplies, equipment, stationery, postage on foreign mail, books of reference, lawbooks, and periodicals, and all other necessary expenses, $20,965.

The amendment was agreed to.

The next amendment was, on page 18, after line 12, to strike out:

Services for the blind: For all necessary expenses, including personal services in the District of Columbia, for carrying out the provisions of the act to authorize the operations of stands in Federal buildings by blind persons and to enlarge the economic opportunities of the blind, approved June 20, 1936 (20 U. S. C., ch. 6A), $20,125.

The amendment was agreed to.

The next amendment was, on page 18, after line 18, to strike out "Salaries: For personal services in the District of Columbia, $296,955."

The amendment was agreed to.

The next amendment was, on page 18, after line 20, to strike out:

General expenses: For general expenses of the Office of Education, including lawbooks, books of reference, and periodicals; and for the operation, maintenance, and repair of one passenger-carrying automobile; purchase, distribution, and exchange of educational documents, motion-picture films, and lantern slides; collection, exchange, and cataloging of educational apparatus and appliances, articles of school furniture and models of school buildings illustrative of foreign and domestic systems and methods of education, and repairing the same, $29,650.

The amendment was agreed to.

The next amendment was, on page 19, after line 5, to strike out:

Salaries and expenses: For carrying out the provisions of section 7 of the act approved February 23, 1917, as amended by the act of October 6, 1917 (20 U. S. C. 15), and of section 4 of the act approved June 8, 1936 (49 Stat. 1488), $367,423.

The amendment was agreed to.

The next amendment was, on page 19, after line 10, to insert:

Salaries and expenses: For expenses necessary for the work of the Office of Education as provided by law, including surveys, studies, investigations, and reports regarding libraries; fostering coordination of public and school library service; coordination of library service on the national level with other forms of adult education; developing library participation in Federal projects; fostering Nation-wide coordination of research materials among the more scholarly libraries, interstate library coordination, and the development of library service throughout the country; which expenses may include personal services in the District of Columbia; contract stenographic reporting services; purchase of one, and maintenance, repair, and operation of passenger automobiles; purchase of lawbooks, books of reference, and periodicals; purchase, distribution, and exchange of educational documents, motion-picture films, and lantern slides; collection, exchange, and cataloging of educational apparatus and appliances, articles of school furniture and models of school buildings illustrative of foreign and domestic systems and methods of education, and repairing the same, $835,118.

Mr. BALL. Mr. President, I think perhaps there should be an explanation of this amendment.

Mr. McKELLAR. I hope the Senator will make an explanation.

Mr. BALL. There is no change in the language here, which is an authorization for the Office of Education. We merely combine in one paragraph the appropriations previously made under five separate paragraphs, to enable the Commissioner of Education, Dr. Studebaker, to carry out a reorganization, in the interest of efficiency and better service to education in the United States.

I believe the Budget request was for $1,327,000, which was a little over $600,000 more than was allowed this year. The committee, instead, gave the office only $100,000 more than the appropriation for this year, to carry out the reorganization referred to, and for increased services, particularly in the fields of elementary and secondary education.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 19, line 10.

The amendment was agreed to.

The next amendment was, on page 20, line 12, after the word "exceeding", to strike out "$10,000" and insert "$25,000."

The amendment was agreed to.

The next amendment was, on page 21, line 4, after the word "supplies", to strike out the colon and the following additional proviso: *"Provided further,* That no school or school system shall be required to surrender possession or use of any property or equipment for which it claims need in its educational or training programs."

The amendment was agreed to.

The next amendment was, under the heading "Public Health Service," on page 23, line 1, after the word "act", to strike out "and the development and prosecution of a program for the control of communicable diseases in Liberia in cooperation with the Liberian Government."

Mr. BRIDGES. Is the amendment on page 23 now under consideration?

The PRESIDING OFFICER. It is.

Mr. BRIDGES. The amendment is to strike out the words "and the development and prosecution of a program for the control of communicable diseases in Liberia in cooperation with the Liberian Government."

The PRESIDING OFFICER. That is the amendment under consideration.

Mr. BRIDGES. I raised a question concerning the item in the committee because I assumed that this money was appropriated to promote better health conditions around an Army base or an Army camp which was established in Liberia.

Mr. McKELLAR. An airport.

Mr. BRIDGES. Yes. I raised the question whether, when the war was over, as it is now over in that part of the world, we should continue appropriating money for such a purpose, and for how long. The committee eliminated that item and made a request for an explanation. I believe the acting chairman of the committee has received some kind of explanation from the State Department and I ask him if he will inform the Senate relative to it.

Mr. McKELLAR. Yes. The explanation which the State Department made was that the item covered two airports, one in Liberia and one at another place in southern Africa, in the neighborhood of which there existed communicable diseases such as malaria, sleeping sickness, and yellow fever. It seemed to me and it seemed to the committee with the evidence before us that this appropriation of about $300,000 should not have been made, and the item was stricken out. I suggest to the Senator from New Hampshire, who is quite familiar with the matter, and the Senator from Minnesota [Mr. BALL], who is just as familiar with it, that we adopt the amendment, take it to conference, and work it out there, and have Mr. Acheson, of the State Department, before us so the matter can be properly determined.

Mr. BRIDGES. Mr. President, that would be agreeable to me. I will say that my own investigation as to the program would indicate that there is probably a current need for completing the health work around this project, but what I object to is a continuation of the program on a permanent basis. I object to mixing into the affairs of other countries and continuing projects of this kind.

Mr. McKELLAR. There is another objection to this particular project, and full explanation has not been made in connection with it, I will say to the Senator and to the Senate, and that is that the money is not to be used by the Department, but it is to be contributed to the Government of Liberia to be used generally, as I understand. It was because of some doubt as to exactly how the money was to be used that I think this amendment and the two immediately following should now be adopted and the facts fully developed before the conferees.

Mr. BRIDGES. Very well.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The next amendment was, on page 23, line 5, after the word "automobiles", to strike out "maintenance and operation of one airplane", and in line 8, after the word "Statutes", to strike out "$2,615,000" and insert "$2,500,000."

The amendment was agreed to.

The next amendment was, on page 23, line 14, after the word "automobiles", to insert "hire, maintenance, and operation of aircraft."

The amendment was agreed to.

The next amendment was, on page 24, line 3, after the word "preparing", to insert "and transporting."

The amendment was agreed to.

The next amendment was, on page 25, line 23, after the word "buildings", to strike out "$1,588,000" and insert "$1,688,000, of which $100,000 shall be allocated to the University of Utah as a grant-in-aid in accordance with the provisions of Public Law 410, section 301 (d), for a thorough study of a paralytic disease called progressive muscular dystrophy."

Mr. BRIDGES. Mr. President, with this particular amendment, which provides for $100,000 to be given to the University of Utah as a grant-in-aid in accordance with certain provisions of the law for the study of a particular disease, we begin to operate rather in a new field. I think there should be an explanation of that item before we begin operations in the new field of awarding money to a State university.

Mr. McKELLAR. Mr. President, I will ask the Senator from Utah [Mr. MURDOCK], who is a member of the subcommittee, to explain the item.

Mr. MURDOCK. Mr. President, I regret that the senior Senator from Utah [Mr. THOMAS] is not present to explain the amendment. It is his amendment. He appeared before the subcommittee and made what I thought and what the chairman of the subcommittee, the distinguished Senator from Nevada [Mr. MCCARRAN] thought, and all members present at the presentation of the amendment thought was a very excellent justification for the amendment.

It seems that many years ago a disease known as progressive muscular dystrophy was brought to Utah from another State; that the disease is hereditary; that it has made considerable progress in the State of Utah, and it is also found now in California, New York, and North Carolina. The University of Utah has done considerable work in research and has all the facilities necessary there to continue this work.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. McKELLAR. As I recall, the testimony showed that this particular disease had developed more largely in Utah than elsewhere, and that the experts in the University of Utah had done more in aiding to eradicate it than had been done anywhere else. That is why the appropriation is provided in the form in which it is provided.

Mr. MURDOCK. The statement of the Senator from Tennessee is true. The senior Senator from Utah related to us that for many years he has been cooperating with the University of Utah in this matter, and that the university has spent considerable money—I am not advised just how much—in connection with this work. For some reason or other, however, this item was stricken from the Budget Bureau's estimate. The senior Senator from Utah did not know why that was done, and I do not now know why it was done.

I may call the attention of the Senate to the fact that at the Appropriations Committee hearings on the bill I had before me a list of appropriations or allotments made to the different universities throughout the country for similar research purposes, and this item really looks like small change when compared with the enormous appropriations which were going to other universities. I think the item is for a very meritorious purpose, and I hope the Senator from New Hampshire will have no objection to it.

Mr. BRIDGES. Mr. President, will the Senator yield to me for a moment?

Mr. MURDOCK. I yield.

Mr. BRIDGES. This is an important subject. What is particularly important to me is whether we are, by the adoption of this amendment, establishing the precedent of giving funds to State universities or to private institutions other than Federal institutions, and whether it will mean that other universities or medical schools will expect direct Federal appropriations. Perhaps in my State tuberculosis might be a major factor and perhaps in some other State it might be cancer. I simply raise the question whether, by making the proposed appropriation to the University of Utah, we are creating a precedent which we will be called upon to follow from time to time.

Mr. MURDOCK. Mr. President, I am sure we will not be establishing a precedent. The law authorizing the proposed action is cited in the amendment. I should be very much surprised to find that there are not some institutions in the Senator's own State receiving for research purposes probably two or three times the amount that is involved in this amendment. I had a list covering, as I recall, at least 50 or 60 institutions in the United States receiving allotments for similar purposes. I assure the Senator that we are not establishing a precedent.

Mr. BRIDGES. May I ask the Senator if he has at hand the list of educational institutions?

Mr. MURDOCK. I am sorry I have not. I returned it to the senior Senator from Utah [Mr. THOMAS]. He gave it to me to use in case there was any objection to the amendment in the committee. I handed it back to him.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. McKELLAR. I should like to give the authority, under the general powers and duties of the Public Health Service, subsection (d). It may—

make grants in aid to universities, hospitals, laboratories, and other public or private institutions, and to individuals, for such research projects as are recommended by the National Advisory Health Council, or, with respect to cancer, recommended by the National Advisory Cancer Council.

There is complete authority under the law for doing this. As the Senator from New Hampshire knows, my views with respect to many of these questions are very similar to his. I think I can say to the Senator that such projects will not be undertaken except in cases where it is necessary. I think the Senator will agree that a disease such as that which has occurred in Utah, North Carolina, New York, and California should be arrested.

Mr. BRIDGES. Mr. President, I have no question on the merits of the project. The question is on the point of establishing a precedent.

Mr. MURDOCK. I can assure the Senator that we are not establishing a precedent. Dr. Parran of the Public Health Service approves the project, and I hope the amendment will be agreed to.

Mr. LUCAS. Mr. President, will the Senator from Utah yield to me so that I may ask the distinguished Senator from Tennessee a question?

Mr. MURDOCK. I yield.

Mr. LUCAS. As I understand, the National Health Institute may make the grant directly to the university, if it so desires, without such a provision being written into the law.

Mr. McKELLAR. That is true.

Mr. LUCAS. That is the point I wished to make. Let me ask one further question. How is the remainder of $1,588,000 allocated for this particular study?

Mr. McKELLAR. It is allocated by the Public Health Service to the various health institutions of the country as has been done for a number of years.

Mr. LUCAS. In answer to the Senator from New Hampshire, the main point I wished to make was that we are not doing anything unusual.

Mr. McKELLAR. Oh, no.

Mr. LUCAS. In other words, the National Health Institute has the power to make this grant directly to the university if it so desires. All we are doing is substituting our judgment.

Mr. McKELLAR. It has the specific power to do so.

Mr. President, I think it is commendable of the Senator from New Hampshire to call such matters to our attention, because we do not wish to spend money except in cases in which it is very necessary that the money be spent.

Mr. MURDOCK. Mr. President, I hope the amendment will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 25, line 23.

The amendment was agreed to.

The next amendment was, under the subhead "Saint Elizabeths Hospital," on page 29, line 17, before the word "including", to strike out "$2,114,400" and insert "$2,861,000."

The amendment was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representative, by Mr. Maurer, one of its reading clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. James G. Scrugham, late a Senator from the State of Nevada.

The message announced that the House had passed without amendment the bill (S. 463) to amend section 927 of the Code of Laws of the District of Columbia, relating to insane criminals.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes.

The message further announced that the House had severally agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 688. An act to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute"; and

H. R. 2875. An act to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia."

The message also announced that the House had agreed to the amendment of the Senate to the bill (H R. 2552) to amend paragraph (c) of section 6 of the District of Columbia Traffic Act, as amended by act approved February 27, 1931.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2856. A bill to provide for better enforcement of law within the District of Columbia, and for other purposes;

H. R. 2874. A bill to amend the Code of Laws for the District of Columbia to authorize any corporation formed under authority of subchapter 3 of chapter 18 of such code to specify in its bylaws that a less number than a majority of its trustees may constitute a quorum for the transaction of the business of the corporation;

H. R. 2995. A bill to amend an act entitled "An act to create a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes", approved June 19, 1878, as amended;

H. R. 3201. A bill to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended;

H. R. 3220. A bill to establish a boundary line between the District of Columbia and the Commonwealth of Virginia, and for other purposes; and

H. R. 3291. A bill to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia.

SALARIES AND WAGES OF FEDERAL EMPLOYEES—CONFERENCE REPORT

Mr. DOWNEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Federal Employees Pay Act of 1945'."

"TITLE I—COVERAGE AND EXEMPTIONS

"Coverage

"SEC. 101. (a) Subject to the exemptions specified in section 102 of this Act, titles II and III of this Act shall apply (1) to all civilian officers and employees in or under the executive branch of the Government, including Government-owned or controlled corporations, and in or under the District of Columbia municipal government, and (2) to those officers and employees of the judicial branch of the Government, the Library of Congress, the Botanic Garden, and the Office of the Architect of the Capitol who occupy positions subject to the Classification Act of 1923, as amended.

"(b) Title IV of this Act shall apply to officers and employees who occupy positions subject to the Classification Act of 1923, as amended.

"(c) Subject to the exemptions specified in section 102 of this Act, title V of this Act shall apply to officers and employees in or under the legislative or the judicial branch of the Government whose compensation is not fixed in accordance with the Classification Act of 1923, as amended, and to the official reporters of proceedings and debates of the Senate and their employees.

"(d) Subject to the exemptions specified in section 102 of this Act, title VI of this Act (containing miscellaneous provisions) shall apply to civilian officers and employees of the Government according to the terms thereof.

"(e) All provisions of this Act applicable to the executive branch of the Government shall be applicable to the General Accounting Office.

"Exemptions

"SEC. 102. (a) This Act shall not apply to (1) elected officials; (2) Federal judges; (3) heads of departments or of independent establishments or agencies of the Federal Government, including Government-owned or controlled corporations; (4) employees of the District of Columbia municipal government whose compensation is fixed by the Teachers'

Salary Act of June 4, 1924, as amended; and (5) officers and members of the Metropolitan Police or of the Fire Department of the District of Columbia. As used in this subsection the term 'elected officials' shall not include officers elected by the Senate or House of Representatives who are not members of either body.

"(b) This Act, except section 607, shall not apply to (1) officers and employees in the field service of the Post Office Department; (2) employees outside the continental limits of the United States, including those in Alaska, who are paid in accordance with local native prevailing wage rates for the area in which employed; (3) officers and employees of the Inland Waterways Corporation; (4) officers and employees of the Tennessee Valley Authority; (5) individuals to whom the provisions of section 1 (a) of the Act of March 24, 1943 (Public Law Numbered 17, Seventy-eighth Congress), are applicable; and (6) officers and members of the United States Park Police and the White House Police.

"(c) This Act, except sections 203 and 607, shall not apply to employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose.

"(d) This Act, except sections 606 and 607, shall not apply to employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, to vessel employees of the Coast and Geodetic Survey, or to vessel employees of the Panama Railroad Company.

"TITLE II—COMPENSATION FOR OVERTIME

"Overtime pay

"SEC. 201. Officers and employees to whom this title applies shall, in addition to their basic compensation, be compensated for all hours of employment, officially ordered or approved, in excess of forty hours in any administrative workweek, at overtime rates as follows:

"(a) For employees whose basic compensation is at a rate less than $2,980 per annum, the overtime hourly rate shall be one and one-half times the basic hourly rate of compensation: *Provided*, That in computing such overtime compensation for per annum employees, the basic hourly rate of compensation shall be determined by dividing the per annum rate by two thousand and eighty.

"(b) For employees whose basic compensation is at a rate of $2,980 per annum or more, the overtime hourly rate shall be in accordance with and in proportion to the following schedule:

"Basic rate of compensation per annum	"Overtime rate of compensation per 416 overtime hours
$2,980	$894.000
$3,090	885.554
$3,200	877.108
$3,310	868.662
$3,420	860.216
$3,530	851.770
$3,640	843.324
$3,750	834.878
$3,860	826.432
$3,970	817.986
$4,080	809.540
$4,190	801.094
$4,300	792.648
$4,410	784.202
$4,520	775.756
$4,630	767.310
$4,740	758.864
$4,960	741.972
$5,180	725.080
$5,390	708.955
$5,600	692.831
$5,810	676.707
$6,020	660.583
$6,230	644.458
$6,440 and over	628.334

"Compensatory time off for irregular or occasional overtime work

"SEC. 202. (a) The heads of departments, or of independent establishments or agencies, including Government-owned or controlled corporations, and of the District of Columbia municipal government, and the heads of legislative or judicial agencies to which this title applies, may by regulation provide for the granting of compensatory time off from duty, in lieu of overtime compensation for irregular or occasional duty in excess of forty-eight hours in any regularly scheduled administrative workweek, to those per annum employees requesting such compensatory time off from duty.

"(b) The Architect of the Capitol may, in his discretion, grant per annum employees compensatory time off from duty in lieu of overtime compensation for any work in excess of forty hours in any regularly scheduled administrative workweek.

"Wage-board employees

"SEC. 203. Employees whose basic rate of compensation is fixed on an annual or monthly basis and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose shall be entitled to overtime pay in accordance with the provisions of section 23 of the Act of March 28, 1934 (U. S. C., 1940 edition, title 5, sec. 673c). The rate of compensation for each hour of overtime employment of any such employee shall be computed as follows:

"(a) If the basic rate of compensation of the employee is fixed on an annual basis, divide such basic rate of compensation by two thousand and eighty and multiply the quotient by one and one-half; and

"(b) If the basic rate of compensation of the employee is fixed on a monthly basis, multiply such basic rate of compensation by twelve to derive a basic annual rate of compensation, divide such basic annual rate of compensation by two thousand and eighty, and multiply the quotient by one and one-half.

"TITLE III—COMPENSATION FOR NIGHT AND HOLIDAY WORK

"Night pay differential

"SEC. 301. Any officer or employee to whom this title applies who is assigned to a regularly scheduled tour of duty, any part of which falls between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian, shall, for duty between such hours, excluding periods when he is in a leave status, be paid compensation at a rate of 10 per centum in excess of his basic rate of compensation for duty between other hours: *Provided*, That such differential for night duty shall not be included in computing any overtime compensation to which the officer or employee may be entitled: *And provided further*, That this section shall not operate to modify the provisions of the Act of July 1, 1944 (Public Law Numbered 394, Seventy-eighth Congress), or any other law authorizing additional compensation for night work.

"Compensation for holiday work

"SEC. 302. Officers and employees to whom this title applies who are assigned to duty on a holiday designated by Federal statute or Executive order shall be compensated for such duty, excluding periods when they are in leave status, in lieu of their regular pay for that day, at the rate of one and one-half times the regular basic rate of compensation: *Provided*, That extra holiday compensation paid under this section shall not serve to reduce the amount of overtime compensation to which the employee may be entitled under this or any other Act during the administrative workweek in which the holiday occurs, but such extra holiday compensation shall not be considered to be a part of the basic compensation for the purpose of computing such overtime compensation. This section shall take effect upon the cessation of hostilities in the present war as proclaimed by the President, or at such earlier time as the Congress by concurrent resolution may prescribe. Prior to so becoming effective, it shall be effective with respect to any designated holiday only if the President has declared that such day shall not be generally a workday in the Federal service.

"TITLE IV—AMENDMENTS TO CLASSIFICATION ACT OF 1923, AS AMENDED

"Establishment of rates for classes of positions within grades

"SEC. 401. Section 3 of the Classification Act of 1923, as amended, is amended by inserting at the end of such section a paragraph reading as follows:

"'In subdividing any grade into classes of positions, as provided in the foregoing paragraph, the Civil Service Commission, whenever it deems such action warranted by the nature of the duties and responsibilities of a class of positions in comparison with other classes in the same grade, and in the interests of good administration, is authorized to establish for any such class a minimum rate, which shall be one of the pay rates, but not in excess of the middle rate, of that grade as set forth in section 13 of this Act, as amended. Whenever the Commission shall find that within the same Government organization and at the same location gross inequities exist between basic per annum rates of pay fixed for any class of positions under this Act and the compensation of employees whose basic rates of pay are fixed by wage boards or similar administrative authority serving the same purpose, the Commission is hereby empowered, in order to correct or reduce such inequities, to establish as the minimum rate of pay for such class of positions any rate not in excess of the middle rate within the range of pay fixed by this Act for the grade to which such class of positions is allocated. For the purposes of this section the fourth rate of a six-rate grade shall be considered to be the middle rate of that grade. Minimum rates established under this paragraph shall be duly published by regulation and, subject to the foregoing provisions, may be revised from time to time by the Commission. The Commission shall make a report of such actions or revisions with the reasons therefor to Congress at the end of each fiscal year. Actions by the Civil Service Commission under this paragraph shall apply to both the departmental and field services and shall have the force and effect of law.'

"Periodic within-grade salary advancements

"SEC. 402. Subsection (b) of section 7 of the Classification Act of 1923, as amended, is amended to read as follows:

"'(b) All employees compensated on a per annum basis, and occupying permanent positions within the scope of the compensation schedules fixed by this Act, who have not attained the maximum rate of compensation for the grade in which their positions are respectively allocated, shall be advanced in compensation successively to the next higher rate within the grade at the beginning of the next pay period following the completion of (1) each twelve months of service if such employees are in grades in which the compensation increments are less than $200, or (2) each eighteen months of service if such employees are in grades in which the compensation increments are $200 or more, subject to the following conditions:

"'(1) That no equivalent increase in compensation from any cause was received during such period, except increase made pursuant to subsection (f) of this section;

"'(2) That an employee shall not be advanced unless his current efficiency is "good" or better than "good";

"'(3) That the service and conduct of such employee are certified by the head of the department or agency or such official as

he may designate as being otherwise satisfactory; and

"'(4) That any employee, (A) who, while serving under permanent, war service, temporary, or any other type of appointment, has left his position to enter the armed forces or the merchant marine, or to comply with a war transfer as defined by the Civil Service Commission, (B) who has been separated under honorable conditions from active duty in the armed forces, or has received a certificate of satisfactory service in the merchant marine, or has a satisfactory record on war transfer, and (C) who, under regulations of the Civil Service Commission or the provisions of any law providing for restoration or reemployment, or under any other administrative procedure with respect to employees not subject to civil service rules and regulations, is restored, reemployed, or reinstated in any position subject to this section, shall upon his return to duty be entitled to within-grade salary advancements without regard to paragraphs (2) and (3) of this subsection, and to credit such service in the armed forces, in the merchant marine, and on war transfer, toward such within-grade salary advancements. As used in this paragraph the term "service in the merchant marine" shall have the same meaning as when used in the Act entitled "An Act to provide reemployment rights for persons who leave their positions to serve in the merchant marine, and for other purposes", approved June 23, 1943 (U. S. C., 1940 edition, Supp. IV, title 50 App., secs. 1471 to 1475, inc.).'

"Rewards for superior accomplishment; authorization and limitations

"SEC. 403. Subsection (f) of section 7 of the Classification Act of 1923, as amended, is amended to read as follows:

"'(f) Within the limit of available appropriations, as a reward for superior accomplishment, under standards to be promulgated by the Civil Service Commission, and subject to prior approval by the Civil Service Commission, or delegation of authority as provided in subsection (g), the head of any department or agency is authorized to make additional within-grade compensation advancements, but any such additional advancements shall not exceed one step and no employee shall be eligible for more than one additional advancement hereunder within each of the time periods specified in subsection (b). All actions under this subsection and the reasons therefor shall be reported to the Civil Service Commission. The Commission shall present an annual consolidated report to the Congress covering the numbers and types of actions taken under this subsection.'

"Rewards for superior accomplishment; responsibility of Civil Service Commission

"SEC. 404. Subsection (g) of section 7 of the Classification Act of 1923, as amended, is amended to read as follows:

"'(g) The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of this section. In such regulations the Commission is hereby empowered, in its discretion, to delegate to the head of any department or agency, or his designated representative, the authority to approve additional within-grade compensation advancements provided for in subsection (f), without prior approval in individual cases by the Commission. The Commission is also authorized to withdraw or suspend such authority from time to time, whenever post-audit of such actions by the Commission indicates that standards promulgated by the Commission have not been observed.'

"Increase in basic rates of compensation

"SEC. 405. (a) Each of the existing rates of basic compensation set forth in section 13 of the Classification Act of 1923, as amended, except those affected by subsection (b) of this section, is hereby increased by 20 per centum of that part thereof which is not in excess of $1,200 per annum, plus 10 per centum of that part thereof which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 per centum of that part thereof which is in excess of $4,600 per annum. Such augmented rates shall be considered to be the regular basic rates of compensation provided by such section.

"(b) (1) The proviso to the fifth paragraph under the heading 'Crafts, Protective, and Custodial Service' in section 13 of the Classification Act of 1923, as amended, is hereby amended to read as follows: '*Provided*, That charwomen working part time be paid at the rate of 78 cents an hour, and head charwomen at the rate of 83 cents an hour'.

"(2) Such section is amended so as to provide the following rates of compensation for positions in the clerical-mechanical service:

"Grade 1, 78 to 85 cents an hour.
"Grade 2, 91 to 98 cents an hour.
"Grade 3, $1.05 to $1.11 an hour.
"Grade 4, $1.18 to $1.31 an hour.

"(c) The increase in existing rates of basic compensation provided by this section shall not be construed to be an 'equivalent increase' in compensation within the meaning of section 7 (b) (1) of the Classification Act of 1923, as amended.

"TITLE V—EMPLOYEES OF LEGISLATIVE AND JUDICIAL BRANCHES

"PART I—EMPLOYEES OF THE LEGISLATIVE BRANCH

"Increase in rates of compensation

"SEC. 501. Except as provided in section 503, each officer and employee in or under the legislative branch to whom this title applies shall be paid additional compensation computed as follows: 20 per centum of that part of his rate of basic compensation which is not in excess of $1,200 per annum, plus 10 per centum of that part of such rate which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 per centum of that part of such rate which is in excess of $4,600 per annum. The additional compensation provided by this section shall be considered a part of the basic compensation of any such officer or employee for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended. The additional compensation provided for by this section and section 502 shall not be taken into account in determining whether any amount expended for clerk hire, or the compensation paid to an officer or employee, is within any limit now prescribed by law.

"Temporary additional compensation in lieu of overtime

"SEC. 502. During the period beginning July 1, 1945, and ending on June 30, 1947, each officer and employee in or under the legislative branch entitled to the benefits of section 501 of this Act shall be paid additional compensation at the rate of 10 per centum of (a) the aggregate of the rate of his basic compensation and the rate of additional compensation received by him under section 501 of this Act, or (b) the rate of $2,900 per annum, whichever is the smaller.

"Compensation for overtime

"SEC. 503. Hereafter, for overtime pay purposes, per diem and per hour employees under the Office of the Architect of the Capitol not subject to the Classification Act of 1923, as amended, shall be regarded as subject to the provisions of section 23 of the Act of March 28, 1934 (U. S. C., 1940 edition, title 5, sec. 673c), and sections 501 and 502 of this Act shall not be applicable to such employees.

"PART II—EMPLOYEES OF THE JUDICIAL BRANCH

"Increase in basic rates of compensation

"SEC. 521. Each officer and employee in or under the judicial branch to whom this title applies shall be paid additional basic compensation computed as follows: 20 per centum of that part of his rate of basic compensation which is not in excess of $1,200 per annum, plus 10 per centum of that part of such rate which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 per centum of that part of such rate which is in excess of $4,600 per annum. The limitations of $6,500 and $7,500 with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges, contained in the eighth paragraph under the head 'Miscellaneous Items of Expense' in The Judiciary Appropriation Act, 1946 (Public Law Numbered 61, Seventy-ninth Congress), shall be increased by the amounts necessary to pay the additional basic compensation provided by this section; and the changes in the rates of basic compensation in the Classification Act of 1923, as amended, made by section 405 of this Act shall not be taken into account in fixing salaries under such eighth paragraph.

"Temporary additional compensation in lieu of overtime

"SEC. 522. During the period beginning on July 1, 1945, and ending on June 30, 1947, each officer and employee in or under the judicial branch entitled to the benefits of section 521 of this Act shall be paid additional compensation at the rate of 10 per centum of (a) the rate of his basic compensation, or (b) the rate of $2,900 per annum, whichever is the smaller. As used in this section the term 'basic compensation' includes the additional basic compensation provided for by section 521 of this Act.

"TITLE VI—MISCELLANEOUS PROVISIONS

"Effect on existing laws affecting certain inspectional groups

"SEC. 601. The provisions of this Act shall not operate to prevent payment for overtime services or extra pay for Sunday or holiday work in accordance with any of the following statutes: Act of February 13, 1911, as amended (U. S. C., 1940 edition, title 19, sec. 261 and 267); Act of July 24, 1919 (U. S. C., 1940 edition, title 7, sec. 394); Act of June 17, 1930, as amended (U. S. C., 1940 edition, title 19, secs. 1450, 1451, and 1452); Act of March 2, 1931 (U. S. C., 1940 edition, title 8, secs. 109a and 109b); Act of May 27, 1936, as amended (U. S. C., 1940 edition, title 46, sec. 382b); Act of March 23, 1941 (U. S. C., 1940 edition, Supp. IV, title 47, sec. 154 (f) (2)); Act of June 3, 1944 (Public Law Numbered 328, Seventy-eighth Congress): *Provided*, That the overtime, Sunday, or holiday services covered by such payment shall not also form a basis for overtime or extra pay under this Act.

"Increase in basic statutory rates of compensation not under Classification Act of 1923, as amended

"SEC. 602. (a) The existing basic rates of pay set forth in the Act entitled 'An Act to adjust the compensation of certain employees in the Customs Service', approved May 29, 1928, as amended, and those set forth in the second paragraph of section 24 of the Immigration Act of 1917, as amended, are hereby increased in the same amount that corresponding rates would be increased under the provisions of section 405 of this Act; and each such augmented rate shall be considered to be the regular basic rate of compensation.

"(b) Basic rates of compensation specifically prescribed by statute of Congress for positions in the executive branch or the District of Columbia municipal government which are not increased by any other provision of this Act are hereby increased in the same amount that corresponding rates would be increased under the provisions of section 405 of this Act; and each such augmented rate shall be considered to be the regular basic rate of compensation.

"Limitations on reductions and increases in compensation

"SEC. 603. (a) The aggregate per annum rate of compensation with respect to any pay period, in the case of any full-time employee in the service on July 1, 1945, (1) who was a full-time employee on June 30, 1945, (2) whose per annum basic rate of compensation on June 30, 1945, did not exceed a rate of $1,800 per annum, and (3) whose compensation is fixed in accordance with the provisions of the Classification Act of 1923, as amended, or the Act entitled 'An Act to adjust the compensation of certain employees in the Customs Service', approved May 29, 1928, as amended, shall not, under the rates of compensation established by this Act, so long as he continued to occupy the position he occupied on June 30, 1945, be less than his per annum basic rate of compensation on such date, plus the rate of $300 per annum or 25 per centum of such per annum basic rate of compensation, whichever is the smaller amount.

"(b) Notwithstanding any other provision of this Act, no officer or employee shall, by reason of the enactment of this Act, be paid, with respect to any pay period, basic compensation, or basic compensation plus any additional compensation provided by this Act, at a rate in excess of $10,000 per annum, except that (1) any officer or employee who was receiving overtime compensation on June 30, 1945, and whose aggregate rate of compensation on such date was in excess of $10,000 per annum may receive overtime compensation at such rate as will not cause his aggregate rate of compensation for any pay period to exceed the aggregate rate of compensation he was receiving on June 30, 1945, until he ceases to occupy the office or position he occupied on such date or until the overtime hours of work in his administrative workweek are reduced by action of the head of his department or indepedent establishment or agency, or Government-owned or controlled corporation, and when such overtime hours are reduced such rate of overtime compensation shall be reduced proportionately, and (2) any officer or employee who, because of the receipt of additional compensation in lieu of overtime compensation, was receiving aggregate compensation at a rate in excess of $10,000 per annum on June 30, 1945, may continue to receive such rate of aggregate compensation so long as he continues to occupy the office or position he occupied on such date but in no case beyond June 30, 1947.

"Establishment of basic workweek; pay computation methods

"SEC. 604. (a) It shall be the duty of the heads of the several departments and independent establishments and agencies in the executive branch, including Government-owned or controlled corporations, and the District of Columbia municipal government, to establish as of the effective date of this Act, for all full-time officers and employees in their respective organizations, in the departmental and the field services, a basic administrative workweek of forty hours, and to require that the hours of work in such workweek be performed within a period of not more than six of any seven consecutive days.

"(b) Beginning not later than October 1, 1945, each pay period for all officers and employees of the organizations referred to in subsection (a), except officers and employees on the Isthmus of Panama in the service of The Panama Canal or the Panama Railroad Company, shall cover two administrative workweeks. When a pay period for such officers and employees begins in one fiscal year and ends in another, the gross amount of the earnings for such pay period may be regarded as a charge against the appropriation or allotment current at the end of such pay period.

"(c) The following provisions of law are hereby repealed: (1) the provisions of the Saturday half-holiday law of March 3, 1931 (46 Stat. 1482; U. S. C., 1940 edition, title 5, sec. 26 (a)), and (2) the provisions of so much of section 5 of the Act entitled 'An Act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-four, and for other purposes', approved March 3, 1893, as amended (30 Stat. 316; U. S. C., 1940 edition, title 5, sec. 29), as precedes the second proviso in such section. The first sentence of section 6 of the Act of June 30, 1906 (34 Stat. 763; U. S. C., 1940 edition, title 5, sec. 84), is amended by inserting after 'United States' the following: '(except persons whose compensation is computed in accordance with section 604 (d) of the Federal Employees Pay Act of 1945)'; and the last sentence of such section 6 is amended by striking out 'Any person' and inserting 'Any such person'.

"(d) (1) Hereafter, for all pay computation purposes affecting officers or employees in or under the executive branch, the judicial branch, or the District of Columbia municipal government, basic per annum rates of compensation established by or pursuant to law shall be regarded as payment for employment during fifty-two basic administrative workweeks of forty hours.

"(2) Whenever for any such purpose it is necessary to convert a basic monthly or annual rate to a basic weekly, daily, or hourly rate, the following rules shall govern:

"(A) A monthly rate shall be multiplied by twelve to derive an annual rate;

"(B) An annual rate shall be divided by fifty-two to derive a weekly rate;

"(C) A weekly rate shall be divided by forty to derive an hourly rate; and

"(D) A daily rate shall be derived by multiplying an hourly rate by the number of daily hours of service required.

"(e) The Architect of the Capitol may, in his discretion, apply the provisions of subsection (a) to any officers or employees under the Office of the Architect of the Capitol or the Botanic Garden, and the Librarian of Congress may, in his discretion, apply the provisions of such subsection to any officers or employees under the Library of Congress; and officers and employees to whom such subsection is so made applicable shall also be subject to the provisions of subsections (b) and (d) of this section.

"Regulations

"SEC. 605. The Civil Service Commission is hereby authorized to issue such regulations, subject to the approval of the President, as may be necessary for the administration of the foregoing provisions of this Act insofar as this Act affects officers and employees in or under the executive branch of the Government.

"Vessel employees

"SEC. 606. Employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, vessel employees of the Coast and Geodetic Survey, and vessel employees of the Panama Railroad Company, may be compensated in accordance with the wage practices of the maritime industry.

"Personnel ceilings

"SEC. 607. (a) It is hereby declared to be the sense of the Congress that in the interest of economy and efficiency the heads of departments, and of independent establishments or agencies, in the executive branch, including Government-owned or controlled corporations, shall terminate the employment of such of the employees thereof as are not required for the proper and efficient performance of the functions of their respective departments, establishments, and agencies.

"(b) The heads of departments, and of independent establishments or agencies, in the executive branch, including Government-owned or controlled corporations, shall present to the Director of the Bureau of the Budget such information as the Director shall from time to time, but at least quarterly, require for the purpose of determining the numbers of full-time civilian employees (including full-time intermittent employees who are paid on a 'when actually employed' basis, and full-time employees paid nominal compensation, such as $1 a year or $1 a month) and the man-months of part-time civilian employment (including part-time employment by intermittent employees who are paid on a 'when actually employed' basis, and part-time employment by employees paid nominal compensation such as $1 a year or $1 a month) required within the United States for the proper and efficient performance of the authorized functions of their respective departments, establishments, and agencies. The Director shall, within sixty days after the date of enactment of this Act and from time to time, but at least quarterly, thereafter, determine the numbers of full-time employees and man-months of part-time employment, which in his opinion are required for such purpose, and any personnel or employment in such department, establishment, or agency in excess thereof shall be released or terminated at such times as the Director shall order. Such determinations, and any numbers of employees or man-months of employment paid in violation of the orders of the Director, shall be reported quarterly to the Congress. Each such report shall include a statement showing for each department, independent establishment, and agency the net increase or decrease in such employees and employment as compared with the corresponding data contained in the next preceding report, together with any suggestions the Director may have for legislation which would bring about economy and efficiency in the use of Government personnel. As used in this subsection the term 'United States' shall include the Territories and possessions.

"(c) Determinations by the Director of numbers of employees and man-months of employment required shall be by such appropriation units or organization units as he may deem appropriate.

"(d) The Director shall maintain a continuous study of all appropriations and contract authorizations in relation to personnel employed and shall, under such policies as the President may prescribe, reserve from expenditure any savings in salaries, wages, or other categories of expense which he determines to be possible as a result of reduced personnel requirements. Such reserves may be released by the Director for expenditure only upon a satisfactory showing of necessity.

"(e) Casual employees, as defined by the Civil Service Commission, and employees hired without compensation may be excluded from the determinations and reports required by this section.

"(f) Until the cessation of hostilities in the present war as proclaimed by the President, the provisions of this section shall not be applicable to (1) employees of the War and Navy Departments except those who are subject to the provisions of titles II and III of this Act; or (2) individuals employed or paid by or through the War Shipping Administration (A) who are outside the United States, (B) to whom the provisions of section 1 (a) of the Act of March 24, 1943 (Public Law Numbered 17, Seventy-eighth Congress), are applicable, (C) who are undergoing a course of training under the United States Maritime Service or who have completed such training and are awaiting assignment to ships, or (D) who are on stand-by wages awaiting assignment to ships. As used in this subsection the term 'United States' means the several States and the District of Columbia.

"Exemption for purposes of veterans laws and regulations

"SEC. 608. Amounts payable under the provisions of this Act, other than increases

under sections 405, 501, 521, and 602, shall not be considered in determining the amount of a person's annual income or annual rate of compensation for the purposes of paragraph II (a) of part III of Veterans Regulation Numbered 1 (a), as amended, or section 212 of title II of the Act entitled 'An Act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes', approved June 30, 1932, as amended (U. S. C., 1940 edition, title 5, sec. 59a; Supp. IV, title 5, sec. 59b).

"Appropriation authorized

"SEC. 609. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

"Effective date

"SEC. 610. This Act shall take effect on July 1, 1945."

And the House agree to the same.

SHERIDAN DOWNEY,
KENNETH MCKELLAR,
HARRY BYRD,
WILLIAM LANGER,
GEORGE D. AIKEN,
Managers on the Part of the Senate.

ROBERT RAMSPECK,
JENNINGS RANDOLPH,
HENRY M. JACKSON,
Managers on the Part of the House.

Mr. DOWNEY. Mr. President, as Senators will recall, about 3 or 4 weeks ago the Senate passed a new pay bill for Federal employees for the next fiscal year. The House passed a similar bill. There were some differences between the bills, but last week there was a conference between the House and Senate, and this conference report was agreed upon. The conference report was signed by all the representatives of the Senate, including the distinguished Senator from Tennessee [Mr. MCKELLAR], the distinguished Senator from Virginia [Mr. BYRD], and the two Republican conferees on the part of the Senate, namely, the Senator from North Dakota [Mr. LANGER] and the Senator from Vermont [Mr. AIKEN].

Mr. WHITE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. WHITE. Is the Senator asking for the present consideration of the report?

Mr. DOWNEY. Yes.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. MEAD. May I ask the distinguished chairman of the Civil Service Committee if the conferees agreed on the overtime provisions contained in the House bill, which grant overtime at the rate of time and a half, or 150 percent of the base pay?

Mr. DOWNEY. That is correct. We adopted the House version on that issue.

Mr. MEAD. So they will enjoy real time and a half in the future; will they?

Mr. DOWNEY. Yes.

Mr. MEAD. Was it also agreed to include provision for the automatic promotions within grades, along with the other increase which is provided for?

Mr. DOWNEY. Yes; that is correct.

Mr. MEAD. So the automatic increases are provided for, are they?

Mr. DOWNEY. Yes.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

APPROPRIATIONS FOR THE DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY, ETC.

The Senate resumed consideration of the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, under the subhead "Social Security Board," on page 32, line 17, after the word "amended", to strike out "$416,000,000" and insert "$431,000,000."

The amendment was agreed to.

The next amendment was, on page 33, line 21, after the word "elsewhere", to strike out "$545,800" and insert "$642,474."

The amendment was agreed to.

The next amendment was, on page 33, line 25, after the word "elsewhere", to strike out "$15,335,685" and insert "$15,750,000."

The amendment was agreed to.

The next amendment was, on page 34, line 4, after the word "herein", to strike out "$2,861,052" and insert "$2,928,000."

The amendment was agreed to.

The next amendment was, on page 35, line 5, after the word "automobiles", to strike out "$2,675,559" and insert "$2,751,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Vocational Rehabilitation," on page 37, line 20, after the word "periodicals", to strike out "$356,477" and insert "and purchase and distribution of educational films (not to exceed $30,000); $499,500."

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Administrator," on page 37, line 24, after the name "District of Columbia", to strike out "$160,650" and insert "$174,000."

The amendment was agreed to.

The next amendment was, on page 39, line 4, after the word "persons", to strike out "$40,000" and insert "$82,000."

The amendment was agreed to.

Mr. LANGER. Mr. President, at the bottom of page 39, in line 17 and following, I notice that the salaries for the Division of Personnel Management will amount to $113,000, if the amendment is adopted; and in lines 20 to 22, the salaries for the Division of Service Operations will amount to $243,000, if that amendment is adopted.

Then, in lines 23 to 25, I notice that the salaries for the Office of the General Counsel will amount to $528,000, if the amendment is adopted; and that amount is nearly twice as much as the amounts for the other two groups combined. I wonder why the lawyers should receive so much money. May we have an explanation?

Mr. BALL. Mr. President, the proposed increase to $528,000 for salaries for the Office of the General Counsel was brought about because of the very large increase in the legal work, due to enforcement of the Food and Drug Act. The cases arising under that act have doubled in the past several years, but there has been no increase in the appropriation for the legal staff. Also the work of the Public Health Service has tripled during the war years, and its general counsel does all the legal work for public health. If the proposed increase were not granted, we would have to appropriate more money to those particular divisions, and the money would then have to be transferred to the Office of the General Counsel, in order to get the legal work for those divisions done. The increased salary appropriation is necessary solely because of the increase in the work of those divisions.

Mr. MCKELLAR. Mr. President, will the Senator yield for a moment?

Mr. BALL. I yield.

Mr. MCKELLAR. The Senator is exactly correct in the statement he has made, as I recall the testimony. Especially is to be emphasized the great volume of business under the Food and Drug Act. As the Senator from North Dakota knows, the enforcement of that act has for a long time involved very heavy work, and it has fallen behind.

Mr. LANGER. I wish to know why that does not come under the Attorney General of the United States. Why does not he enforce the Food and Drug Act?

Mr. MCKELLAR. He does, in part. Certain cases, especially those which go to the higher courts, are handled by the Department of Justice. But in connection with the enforcement of the Food and Drug Act, it is necessary to have counsel who are especially skilled in the enforcement of the act.

Mr. LANGER. Are the counsel named by the Attorney General of the United States?

Mr. MCKELLAR. No; they are named by this agency.

Mr. LANGER. A short time ago, in a meeting of the Committee on the Judiciary, we learned that 3,000 lawyers were engaged in enforcing the OPA law. We called the Attorney General, and he said he had nothing at all to do with that. Can the Senator tell me how many other departments or agencies of government name their own lawyers without consulting the Attorney General of the United States?

Mr. MCKELLAR. Quite a number of the new departments or agencies during the war name their own lawyers. However, that is necessary because of the war. That is why these appropriations are requested and are proposed to be made.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 39, line 18, after the name "District of Columbia", to strike out "$59,000" and insert "$113,000."

The amendment was agreed to.

The next amendment was, on page 39, line 21, after the name "District of Columbia", to strike out "$220,000" and insert "$243,000."

The amendment was agreed to.

The next amendment was, on page 39, line 24, after the name "District of Columbia", to strike out "$512,582" and insert "$528,000."

The amendment was agreed to.

The next amendment was, under the heading "Title IV—National Iabor Relations Board," on page 45, line 21, after the word "law", to strike out "$1,730,000" and insert "$1,830,000."

The amendment was ageed to.

The next amendment was, on page 46, line 6, after the word "periodicals", to strike out "$450,000" and insert "$478,000."

The amendment was agreed to.

The next amendment was, on page 46, line 12, after the word "Board", to strike out "$200,000" and insert "$220,000."

The amendment was agreed to.

The next amendment was, on page 46, line 21, after the word "binding", to strike out "$400,000" and insert "$546,000."

The amendment was agreed to.

The next amendment was, on page 47, line 19, after the word "binding", to strike out "$150,000" and insert "$235,000."

The amendment was agreed to.

The next amendment was, under the heading "Title V—National Mediation Board," on page 48, line 3, after the word "periodicals", to strike out "$218,300" and insert "$243,300"; and in line 4, after the words "in all" to strike out "$159,950" and insert "$176,950."

The amendment was agreed to.

The next amendment was, under the heading "Title VII—Executive Office of the President—Office for Emergency Management—War Manpower Commission," on page 51, line 15, after the word "including", to insert "one Deputy Chairman and one Executive Director at $9,000 each per annum"; in line 18, after the word "exceed", to strike out "$1,000,000" and insert "$1,350,000"; and in line 19, after the words "in all", to strike out "$10,598,000" and insert "$14,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Apprentice Training Service," on page 52, line 8, after "$93,900)", to strike out "$520,000" and insert "$683,000."

The amendment was agreed to.

The next amendment was, under the subhead "Employment Office facilities and services," on page 54, line 7, after the word "appropriation", to strike out "$50,000,000" and insert "$65,322,000."

The amendment was agreed to.

The next amendment was, after the amendment just above stated, to strike out "of which $7,791,134 shall be for use in carrying into effect the provisions of title IV (except sec. 602) of the Servicemen's Readjustment Act of 1944."

Mr. BRIDGES. Mr. President, what amendment is now before the Senate?

The PRESIDING OFFICER. The amendment is to strike out certain language on page 54 beginning in line 7.

Mr. BRIDGES. Has the amendment in line 7 to strike out "$50,000,000" and insert "$65,322,000" been agreed to?

The PRESIDING OFFICER. It has been agreed to. Does the Senator wish to move a reconsideration?

Mr. BRIDGES. I do. The amendment is a very important one. Mr. President, I move that the Senate reconsider the vote by which the committee amendment on page 54, line 7, striking out "$50,000,000" and inserting "$65,322,000" was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Hampshire.

The motion was agreed to.

The PRESIDING OFFICER. The committee amendment is again before the Senate.

Mr. BRIDGES. Mr. President, I ask that the committee amendment be rejected, thereby restoring the amount as it was passed by the House.

Mr. BALL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Daniel
Austin	Green	O'Mahoney
Bailey	Guffey	Overton
Ball	Gurney	Pepper
Barkley	Hatch	Radcliffe
Bilbo	Hawkes	Reed
Brewster	Hayden	Revercomb
Bridges	Hill	Robertson
Briggs	Hoey	Saltonstall
Brooks	Johnson, Calif.	Smith
Buck	Johnson, Colo.	Stewart
Burton	Johnston, S. C.	Taft
Bushfield	Kilgore	Taylor
Butler	Langer	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capper	McClellan	Tobey
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Cordon	McMahon	Wagner
Donnell	Mead	Walsh
Downey	Millikin	Wheeler
Eastland	Mitchell	Wherry
Ellender	Moore	White
Ferguson	Morse	Wiley
Fulbright	Murdock	Willis
George	Murray	Young

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Alabama [Mr. BANKHEAD], the Senator from Washington [Mr. MAGNUSON], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Nevada [Mr. MCCARRAN] is absent as a member of the committee to attend the funeral of the late Senator Scrugham.

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHART] and the Senator from Iowa [Mr. HICKENLOOPER] are absent by leave of the Senate.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from Minnesota [Mr. SHIPSTEAD] and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The PRESIDING OFFICER. Seventy-eight Senators have answered to their names. A quorum is present. The clerk will state the pending amendment.

The CHIEF CLERK. On page 54, at the beginning of line 7, under the heading "Employment Office facilities and services," it is proposed to strike out "$50,000,000" and insert "$65,322,000."

Mr. BUSHFIELD. Mr. President, this is the first time an effort has been made to freeze the employment service into the Federal Government. This legislation started with the employment service under State jurisdiction. At the beginning of the war in 1941 the Governors of the States of whom I was one at that time, at the request of the President, turned over the State employment services to the Federal Government for the war emergency. Without exception, as I recall the record, every State Governor at that time made the reservation that the employment service was to be turned back to the States as soon as the war emergency was over.

The service was taken over by the Federal Government, and has been operated since that time by the Federal Government. The Council of State Governors, represented by the Governors of the various States, have adopted resolutions twice in the past year requesting that this service be returned to the States. An attempt was made 4 or 5 years ago to place this service under Federal control, and the State governments, under the leadership of the then very able Governor Frank Dixon, of Alabama, and with the help of Congress, were able to defeat that move.

This increased appropriation at a time when we are approaching the period when State governments are going to demand very definitely that this service be returned to the States seems to me to be wholly uncalled for. The additional appropriation can be used only for the purpose of spreading and increasing the Federal set-up of the employment service; in fact, as one man downtown told me this morning, Mr. McNutt desires to open an office in every county in the United States for the purpose of spreading this service under Federal jurisdiction.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BUSHFIELD. I yield.

Mr. LANGER. I recall very well the time the distinguished Senator from South Dakota mentions, because I was Governor of my State about that time. Is it not true that under the Federal Government the cost has been very much higher than under the State governments?

Mr. BUSHFIELD. That is very true, and I thank the Senator for calling it to my attention.

Mr. LANGER. How much higher has the cost been in South Dakota?

Mr. BUSHFIELD. About three times as high.

Now, Mr. President, I desire to call the attention of the Senate to some of the facts relating to my own State of South

Dakota. Here is a statement made by one of the officers of the employment service. He says:

Let me call your attention to the local condition on rentals. Previous to 1942 the State offices of the Unemployment Compensation Commission and the Employment Service had offices together at a rental of $300 per month, and a local office at $125 per month. Soon after the War Manpower took over the expansion commenced, and today our rentals are as follows: Unemployment Compensation, $250; War Manpower State office, $440; local office, $275.

This represents—

And I am quoting now an official statement—

This represents a waste of $540 per month and is entirely uncalled for.

That is in the little State of South Dakota alone.

Let me call attention to another statement of this official of that Bureau:

It is also timely that we work on this matter at once as the War Manpower Commission is now asking for a deficiency appropriation of $5,567,400 for the further expansion of their program, which we consider entirely unnecessary and as being done only for the purpose of perpetuating themselves in office.

Let me read some of the figures about the operation of this office in my State:

In 1939 the Employment Service of South Dakota cost us $75,000; in 1940 the Employment Service of South Dakota cost $93,000; in 1941 the Employment Service in South Dakota cost $92,000.

That was all State-operated, Mr. President, but what happened? We turned it over to the Federal Government, as I recall, in December 1941. I have the figures here for 1944 and an estimate for 1945.

In 1944 the United States Employment Service in South Dakota spent $233,546 to operate the same office—the same service which the State of South Dakota operated for considerably less than $100,000.

In 1945 the estimated cost of the same United States Employment Service was $289,700, as against a total of $92,000 the last year the service was operated by the State.

Mr. President, I understand that Mr. McNutt is contemplating a great expansion. I have the figures here, if I can put my hands on them. I think the total figure was approximately 4,000 additional offices scattered throughout the United States.

I am very happy to support the motion made by the distinguished Senator from New Hampshire [Mr. BRIDGES], and I think this $15,000,000 item should be stricken from the bill.

Mr. HAYDEN. Mr. President, I want to get the facts. Will the Senator yield?

Mr. BUSHFIELD. I yield.

Mr. HAYDEN. Was the ninety-odd-thousand dollars that was used, appropriated, or expended in South Dakota entirely State funds?

Mr. BUSHFIELD. No; it was not entirely State funds. That was the total expense.

Mr. HAYDEN. I understand, but who paid the expense?

Mr. BUSHFIELD. Some of it was allocated by the Federal Government, and the rest of it was paid by my State.

Mr. HAYDEN. What proportion?

Mr. BUSHFIELD. I do not recall now, but I think it was half.

Mr. HAYDEN. Is the State of South Dakota paying anything at all now?

Mr. BUSHFIELD. No.

Mr. HAYDEN. So, if the service were turned back to the State of South Dakota, would the Senator want the Government to pay some part of the cost, or would the State assume it entirely?

Mr. BUSHFIELD. There is a Federal law which provides that the Federal Government shall allocate so much money each year to the various States.

Mr. HAYDEN. The idea is that the Senator wants to maintain a State organization and have the Federal Government pay a part of the expense?

Mr. BUSHFIELD. Yes, just the same as was done before the war.

Mr. HAYDEN. I can understand very readily that the governors of States are not without political concept, perhaps, and would like to have a pay roll, name those on it, and have the Federal Government pay as much as possible of the salaries.

Mr. BUSHFIELD. I appreciate the distinguished Senator's comment, but it does not represent the situation at all. The Employment Service and the Unemployment Compensation Service are conducted on a civil-service basis, and the governors have nothing to do with the appointments.

Mr. HAYDEN. What is the excuse for the Federal Government expending any money on a State employment service if the State can operate it?

Mr. BUSHFIELD. Congress saw fit to allot some money with which to do it, and the States took it.

Mr. HAYDEN. As I recall, the reason why Congress allotted the money was that the State employment services were inefficient, that they were not carrying on the work in the way they should in order to adopt uniform standards throughout the United States, and the Federal Government was willing to contribute something toward the maintenance of the services. I do not quite understand the attitude of the governors in demanding that a function be returned to their control, and then not saying "we will pay the whole bill"; that is if they can do the job. Why is there any necessity for any Federal contribution for State services?

Mr. BUSHFIELD. This is a question for the Congress to act upon; but I disagree with the Senator entirely when he talks about inefficiency in the service as conducted by the States.

Mr. HAYDEN. The only excuse I ever heard for the necessity of a Federal contribution toward a State employment service was that the State service was not functioning in the way it should, and in order to adopt higher and better and more uniform standards throughout the United States it was necessary for the Federal Government to contribute money to the States. If a great State says, "We ourselves can perform this service better than the Federal Government can," why should not the State pay the bill? That is my question.

Mr. BUSHFIELD. I am not discussing that with the Senator. It is up to Congress, anyway. But when the Governors' Conference this year requested, by resolution, that this service be returned to the States, 46 governors wrote to the President about it, requesting that it be returned.

Mr. HAYDEN. But not one of them said, "We will do it at our own expense." They want the Federal Government to contribute.

Mr. BUSHFIELD. I do not know about that.

Mr. LANGER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LANGER. May the amendment be stated?

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 54, line 7, it is proposed to strike out "$50,000,000" and insert "$65,322,000."

Mr. LANGER. Let me ask the distinguished Senator from New Hampshire whether there is any objection to including the language that is stricken out in connection with lines 7 to 9, inclusive.

Mr. BRIDGES. No.

Mr. LANGER. Some of that is to go to servicemen. Does the Senator want that stricken out also?

Mr. BRIDGES. No; I should be very glad to accept that.

Mr. BROOKS. Mr. President, the discussion has been about whether the governors want this service restored to the control of the States. I have a telegram from the Illinois State Chamber of Commerce, as follows:

CHICAGO, ILL., *June 21, 1945.*

Hon. C. WAYLAND BROOKS,
Senate Office Building,
Washington, D. C.:

The Illinois State Chamber of Commerce, representing 4,500 Illinois business executives in all lines of endeavor, in accordance with the adopted policy of its board of directors and membership, strongly urges that loaned employment services be returned immediately to State supervision. We believe such action is essential for proper handling of employment during reconversion.

CARL SCHWEINFURTH,
President, Illinois State
Chamber of Commerce.

I also have a telegram, date June 22, which was sent to the President of the United States, by the Governor of Illinois, Hon. Dwight H. Green, in which he states:

JUNE 22, 1945.

The Honorable HARRY S. TRUMAN,
President of the United States,
The White House, Washington, D. C.:

I respectfully urge that recent developments in the manpower situation, resulting from the favorable progress of the war, make it advisable to take prompt action toward restoring the employment service to State operation and supervision. This view is supported by numerous organizations of businessmen in Illinois, who assert that the needs of both workers and employees would best be served by such action, and that the employment service, under the State director of labor, would meet even more effectively the

necessities of the war program by reason of its closer association with local industrial activity. I hope this matter will receive your early and favorable attention.

DWIGHT H. GREEN,
Governor of Illinois.

Mr. President, I should like to say further, that the legislature of Illinois passed a joint resolution asking that this service be returned to the jurisdiction of the State, and my best information is that this action was taken not because of the desire of the legislature or the Governor particularly, but it was taken upon the demand of the business people and labor in the State who wanted the service thus returned.

Mr. HAYDEN. Did the Governor, or the legislature in passing the resolution, say anything about their willingness or their ability to pay the cost and relieve the Federal Government?

Mr. BROOKS. I do not think they did. I do not think that was in question. What they wanted was the status which prevailed before the war. The Federal Government has done many things of necessity, and many of nonnecessity, under the guise of aiding the war effort. I say it was necessary and a good plan to consolidate these services during the war. But now businessmen and labor, in many instances, in the various States, perceive that the time has arrived to return this employment service to its original status, and they are asking now only that it be restored to the original status it had before the war.

Mr. HAYDEN. The Senator says they want the service restored to the status it had before the war. Before the war we did not have a prospect of a $300,000,000,000 Federal debt. The credit of the State of Illinois today is better than it has ever been. The State has reduced taxes, it has made an excellent record, and the ability of the taxpayers of Illinois to assume this burden is proportionately very much greater than it was before the war. I merely desire to say to the Senator that when the time comes to restore this service to State jurisdiction, I want to restore it entirely, every part of it, and let the States conduct their business and pay for it all themselves, and not come to the Federal Government, deeply as it is in debt today, and ask the Government to contribute at least half the expense.

Mr. BROOKS. Is the Senator going to adopt the same policy as to all Federal debt, is he going to favor shutting off all contributions when we return various activities to the States?

Mr. HAYDEN. I think the whole problem of the Federal debt has to be considered by the Congress in the light of the changed status of the debt of the Federal Government and the indebtedness of the States. I do not question at all that the municipalities, counties, and the States have better credit than they had before the war, whereas the Federal credit has been expanded to such a degree that many persons worry as to whether we can carry on. Under those circumstances, if there is something which can be handed back to the States and the States can function, I think the Federal Government should let go.

Mr. BRIDGES. Mr. President, I merely wish to say that this is the first time I have ever seen the Senator from Arizona stand on the floor and take an attitude of alarm in connection with the Federal national debt. I hope his future votes, his future actions, and his future words, will be consistent with what he has just said, because he certainly has not previously shown such an attitude.

Mr. HAYDEN. I am merely stating my opinion of the relationship of the Federal Government and the States. There is no question at all that any State can have its rights if it is willing to pay for them.

Let me state my concept of what seems to be considered States' rights. It is that a State shall reduce its taxes, reduce its own debt, and improve its credit position, but shall come to the Federal Government and ask for various types of Federal assistance. The right of the States is that the Federal Government shall do the drudgery, the dirty work of levying the taxes, and then they may come to Congress and get their share of the money. I should like to see them levy their own taxes and carry on their own business.

Mr. SALTONSTALL. Mr. President, I would respectfully answer the Senator from Arizona [Mr. HAYDEN] in this way: The State of Massachusetts had a State employment office prior to the passage of the unemployment-compensation law. When that law was passed the Federal Government said, in effect, if my memory is correct, "We will pay the expenses of the employment offices because that is a part of the unemployment-compensation system. As we pay the expenses of the unemployment-compensation office, we should see to it that those who are unemployed become employed as soon as possible." So the Government took over the administration of and paid the expenses of both offices.

Then when the war came, President Roosevelt took over all the employment offices and placed them in the control of the Federal Government. The law contained the words "the District of Columbia or elsewhere." Under those two words "or elsewhere" the President, by Executive order, took over the employment offices of all the 48 States. They are still being operated by the Federal Government. Officials of the State governments and many of the businessmen and labor leaders in the various States want the employment offices turned back to the States. As long as the Federal Government keeps the unemployment-compensation funds in the Treasury in Washington, and has all the receipts turned over to it, it must have a hand in supervising and operating the State employment and unemployment-compensation offices. So the Government does that by paying the expenses of administration of those offices, having regional directors, and saying, "You live up to certain standards—or else."

Mr. President, my definition of States' rights goes further than that of the Senator from Arizona. I should like to see many of these functions returned to the States, and to have government begin at home, where it belongs, and to have much of this Federal aid cut down. But so long as we continue to operate these employment offices, I should most respectfully say that we ought to do it on as nearly a month-to-month basis as we can.

I hope the amendment offered by the Senator from New Hampshire will be adopted, and if the Federal Government must come back to Congress for a deficiency later on, let the Federal Government do so. But if we appropriate $65,000,000 now instead of $50,000,000, it will simply permit the present system to continue to operate until a year from now. If we appropriate the lesser amount, we may have this subject up for debate at an earlier time, and cross the bridge and return these employment offices to the States to which they should be returned. But so long as the Federal Government has the unemployment-compensation fund in the Treasury in Washington, and so long as all the receipts come here to Washington, I think it is fair for the States to expect that the expenses of administration shall be paid by the Government.

In my humble judgment, many States perhaps cannot afford to pay all the expenses of this service until the plan for State operation has been more fully tried out. We have not as yet tried it out. We do not know whether it is going to succeed or not. We hope and pray it will succeed. I hope and pray we may try it out before we make experiments in connection with the act in other ways.

Mr. REED. Mr. President, I fear we have wandered away from the point of immediate importance. This debate is over an increase of $15,000,000 in the amount inserted in the bill by the House. The House allowed $50,000,000 to carry on the activities of the employment services. The Senate Committee on Appropriations improperly and unwisely, I think, and I said so in the committee, raised the figure to $65,322,000. For what is the $15,000,000 additional to be used? Mr. President, we created the War Manpower Commission as a war agency. Now that peace is in sight, it is still proposed to increase the appropriation for the War Manpower Commission. This $15,000,000 is for the purpose of opening additional employment offices in all the States.

The day after our committee took action on this bill the Kansas State Director of Unemployment Compensation called on me and said they did not need these additional offices, that they were unnecessary, that it was an extra expense which could not be justified, and that he hoped the amendment providing for an additional $15,000,000 would not be adopted by the Senate.

Mr. President, if there ever was an item in an appropriation bill which was unjustified I think it is this $15,000,000 item which is being added to the bill against the opposition of 40 governors and all the State directors, so far as I know. It is an amazing thing that in the light of our general financial situation, in the light of the opposition of the States to this additional amount, there should be insistence upon increasing the $50,000,000 to be available by $15,000,000, thus making the total

$65,000,000. It is as unjustified a thing as has come to my attention since I have been a Member of the Senate.

Mr. McKELLAR. Mr. President, no proof was taken on this subject in the House committee, as I understand, or in the Senate committee. I know there was no evidence whatever submitted on this subject in the Senate committee. The first we heard of a proposal for returning this service to the States, while we are at war, was 2 days before the bill was reported to the Senate. There was not a line of evidence brought in by any governor or anyone else. The evidence has all come in since the hearings were held. In other words, the bill was entirely prepared, ready to be voted on, and it was voted on without anything being submitted in connection with this subject until some telegrams came in.

Mr. President, we are still at war. In 1941 a bill was passed providing that the Federal Government should take over these services while the country was at war. The country is at war now. It is still at war, and very vigorously and actively at war.

I read from the committee report, as follows:

> This appropriation item provides for the local offices and State administration offices of the United States Employment Service, a regular activity which has been carried on for many years. Since its creation in 1933 by the Wagner-Peyser Act, the employment service has served both workers and employers under the varying conditions that have existed, adapting its activities to the situation that existed. During the war the entire facilities of the employment service have been concentrated on supplying workers to essential war activities. Service to other employers has been materially curtailed or eliminated so that in January of this year, 88 percent of placements were to essential war employers.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. McKELLAR. If the Senator will permit me to finish reading, I shall be glad to yield to him:

> In the coming months the employment service has two priority jobs. First, it must continue supplying workers to war industry. This will still be a huge task, made more difficult by the desire of workers to shift to employment in firms producing civilian goods. Second, it must find jobs for veterans in every type of employment in order to fulfill the requirements of the Servicemen's Readjustment Act. That act requires the United States Employment Service to provide an adequate employment counseling and job-placement service to veterans. This service must be reasonably accessible to all veterans.
>
> In addition to these priority jobs, the employment service must resume peacetime activities which have been at a minimum during the war. It will have to receive the applications of those who apply for unemployment compensation benefits as lay-offs occur in war production plants and before they can be reabsorbed in industry reconverting to peacetime production. Every effort must be put forth to find jobs for them as quickly as possible. All of this adds up to additional work for the employment service.

Before I yield, let me comment on the situation for a moment. We had State employment services. I am in favor of that system. I wish to return that activity to the States as soon as possible. Why did we take it away from the States? Because our country was at war, and war changes many things, as we have learned. The country is still at war. We have a great fight before us. The reason why we took over the activity from the States was that we were at war. The war is still in progress. Shall we now upset the system and turn the employment services back to the States while the war is still in progress?

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McKELLAR. I shall be glad to yield in a moment. The reason for the Federal Government taking over the employment services was the national necessity for carrying on this activity. I hope to heaven that it can be returned to the States as soon as possible. I hope that this enormous burden of $65,000,000 a year can be taken off the backs of the American people as soon as possible. I will join in placing this activity back in the hands of the States at the very earliest possible moment.

But, Mr. President, we are confronted by a condition, and not a theory. It is not a question of States' rights. It is a question of national right. We are in a war, and we must do certain things. Some Senators have said that this activity costs more under Federal jurisdiction than it would cost under the jurisdiction of the States. I have not the slightest doubt that that is true. Everything costs more. Can any Senator point to anything that has cost less since the war began? Everything costs more; and in just about the proportion of the figures which I have heard read today.

Mr. President, we must be reasonable. I will join any Senator in transferring this activity back to the States at the very earliest practicable moment. We cannot do it during the war.

Mr. REED. Mr. President, will the Senator yield?

Mr. McKELLAR. I promised to yield first to the Senator from South Dakota [Mr. BUSHFIELD], which I now do. Then I will yield to the Senator from Kansas [Mr. REED], and then the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. BUSHFIELD. Mr. President, let us not get away from the issue. The distinguished Senator from Tennessee, our President pro tempore, has said that we are at war. No one is proposing to take anything away from the war effort. The 40 governors who have asked for the return of this activity to the States have no intention or desire to take anything away from the Federal Government in the war effort. They are asking for the return of this function to the States immediately when the war is over.

Those of us who oppose the increase of $15,000,000 in the appropriation are opposing it because we do not want the War Manpower Commission, or whatever agency may be in control, to try to freeze this essentially State service into a Federal service.

Mr. McKELLAR. Mr. President——

Mr. BUSHFIELD. Just a moment. The distinguished Senator has said that the use of the employment service was at a minimum during the war years. Do the figures from my State which I have read to the Senator convince him that the use of the employment service is at a minimum, when the cost is three times what it was before the war? Every single employee of the employment service as it has existed under Federal jurisdiction during the past 3 years has kept his job at full pay. The pay of some of them has been increased. The service has not been operated at a minimum. On the contrary, the cost of operation is three times what it previously was.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. BUSHFIELD. I do not have the floor.

Mr. McKELLAR. Mr. President, I now yield to the Senator from Kansas.

Mr. REED. Mr. President, the very distinguished Senator from Tennessee, with his superlative legislative skill, is evading the point.

Mr. McKELLAR. Oh, no.

Mr. REED. If he is not evading it, he is ignoring it.

The question of State control or Federal control is not immediately involved in this bill. Mention is made of the time when the war emergency shall cease, when State control may possibly be resumed. The immediate question is whether the appropriation shall be $50,000,000 or $65,000,000. That is the only issue immediately before the Senate.

We established the War Manpower Commission as a war agency, principally to provide labor for war industries. In a period when there were more jobs than there were workers, it was desired to distribute labor in accordance with war needs, to the greatest extent practicable. Now, if we are not at peace, at least we are in sight of a labor surplus in the next 3 months. Having created the War Manpower Commission to distribute labor in a period of labor scarcity, when there were more jobs than there were workers, it is perfectly absurd to increase the appropriation beyond the figure fixed by the House at a time when we are entering into a period of labor surplus, in the face of the objections of 40 governors, and in the face of the objections of all the State directors of unemployment compensation, so far as I know.

That is the only issue involved. It is not a question of returning immediately to State control. It is not a question as to whether we are at peace or at war. The War Manpower Commission was established to distribute labor at a time of labor scarcity, when there were more jobs than men. We are about to enter a period when we shall have more men than jobs. The proposal before the Senate is an absurdity on its face.

I thank the Senator from Tennessee for yielding.

Mr. McKELLAR. Mr. President, of course, this amendment brings into view a difference of $15,000,000 in the appropriation. There can be no doubt about it. If the amendment is not adopted, to that extent we shall take away from the War Manpower Commission the means of carrying out what its representatives testified was necessary. There was no opposition on the part of anyone. If we repeal the law in part, we shall be repealing it on the basis of no evidence.

As I have already stated, Mr. President, the moment this war is over I will be

willing to join other Senators in returning this function to the States. I think it ought to be done. But so long as the United States Government, through its Congress, has enacted a law under which this function is taken over by the Federal Government, I think it is our duty, while we are at war, to keep it in the hands of the Federal Government. We have no evidence on the question of what to do with it. The idea of turning it back to the States is persuasive, but there is no evidence on which we could act.

On the very day on which the committee reported the bill, I received a telegram from the Governor of my own State. There has been no evidence in support of decreasing the amount. The evidence was overwhelming that the amount requested was needed, at this time of war. Are we going to take a backward step during this war? I am very much opposed to taking any step which would retard the progress of the war against Japan. We have an ugly war on our hands. It is not over. I do not know when it will be over. I pray God that before this day closes the war may be over. When this war is over, I will join any Senator in restoring this function to the States, and keeping the hands of the United States Government off it. But so long as we are at war, as God gives me the power to know the right, I believe that there is but one right view to take, and that is to wage this war, costly as it is, to the very limit.

I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I should like to make a very brief statement, and then ask the Senator in charge of the bill a question.

If my memory serves me correctly, when President Roosevelt sent telegrams to the 48 governors, 47 of them responded saying that they would be glad to turn the services over to the control of the Federal Government, but all asked that the services be returned to the jurisdiction of the States when the war was over. Since that time, at every governors' conference, I believe, at the last two, I know—the governors have adopted resolutions reaffirming that stand. After some discussion, they have asked that the agency be turned back to the States after the war is over.

I would very respectfully call to the attention of the Senator the fact that a year ago this same situation arose. If my memory is correct, it arose in the following way: The appropriation made by the Congress was not sufficient to cover these employment offices for the whole year. The question came up whether in our individual States employees should be dismissed and the services curtailed. With the approval of the authorities in Washington, the services were kept at full strength. There was some give and take and pull and haul, but that was the final result.

Then Congress passed the deficiency bill.

Mr. McKELLAR. What is known as a deficiency appropriation was made for that purpose, and that will have to be done in this instance if we do not now make the appropriation.

Mr. SALTONSTALL. Yes. I should like to ask whether the Senator has any obection to reducing the appropriation to $50,000,000, if the services are continued at full strength, as I am confident they will be, and then having them come to the Congress and request, if necessary, a deficiency appropriation at the proper time? Perhaps it would be $10,000,000 or $15,000,000 or $20,000,000, but at that time the discussion whether the services should be returned to the States could be renewed in the light of the circumstances then existing. Does the Senator have any objection to having such a procedure followed?

Mr. McKELLAR. Yes; I have, for the reason that the committee has taken the proof, and the proof shows that the amount recommended by the committee is needed.

Mr. MURDOCK. Mr. President, will the Senator yield to me?

Mr. McKELLAR. I shall be glad to yield to the Senator in a moment.

As I have said, Mr. President, this much is needed; it should be appropriated. We will not do our duty unless we do appropriate it.

I will say to the Senator from Massachusetts that if he wishes to submit an amendment providing that within 30 days after the war with Japan is over the whole business in connection with the employment services shall be turned back to the States, I shall vote for his amendment.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. SALTONSTALL. I would respectfully reply to the Senator with a smile that I once tried to have an amendment placed on an appropriation bill, and I got my fingers burned. A two-thirds vote is required.

Mr. McKELLAR. Oh, no; the Senator is mistaken. Only a majority vote is required.

I wish to say that if the Senator will offer an amendment restoring the unemployment services to the States, after the war is over—for instance, within 30 days or 60 days or some other period after the end of the war—I shall be glad to vote for it, and that in itself would place a limit upon the amount of money to be expended.

Mr. SALTONSTALL. Mr. President, will the Senator yield further?

Mr. McKELLAR. I believe I promised to yield to the Senator from Utah first. I now yield to him.

Mr. MURDOCK. Mr. President, I think the Senate should be reminded that Governor McNutt, in presenting this matter to the Senate, called attention to the fact that as late as April 25 of this year Congress directed an expansion which involved an increase to 25,765 positions and increased the number of offices to 2,100. He pointed out that they had gone ahead with the renting and remodeling of offices and getting ready to do what Congress had directed, but that immediately upon the passage of the House bill cutting down the appropriation that work had to be suspended. It is now suspended, and it cannot be resumed until the requested appropriation is made. Governor McNutt made a very forceful and persuasive presentation of this matter and left no doubt in the minds of the subcommittee as to its justification.

Mr. McKELLAR. Mr. President, the Senator is entirely correct.

At this point I should like to read a letter on the subject from Fred M. Vinson, the Director of War Mobilization:

> I am, as Director of War Mobilization and Reconversion, therefore, especially concerned with two items in the War Manpower Commission budget. The reduction of $15,322,000 made by the House in requested appropriation for the United States Employment Service threatens to reduce the staff of that service to below the level that has existed at any time since 1940. Moreover, the 600 new offices for the specific purpose of serving veterans recently authorized by Congress may not be established and there is some likelihood that the 150 offices which have already been opened will have to be closed.
>
> Of almost equal significance is the fact that the reduction in funds for general administration will probably result in closing many of the War Manpower Commission area offices. This will jeopardize the maintenance of an integrated national manpower program during the period between VE-day and VJ-day, since it is through the area offices that the War Manpower Commission coordinates the various actions that must be taken in dealing with manpower problems.
>
> I should like to respectfully recommend that the Senate Appropriations Committee give every consideration to the restoration of the War Manpower Commission 1946 appropriation to the amount specifically requested by the President.
>
> Sincerely yours,
>
> FRED M. VINSON,
> *Director.*

Mr. President, it is necessary. That is the proof. If we act on that basis, we will not be acting on the basis of telegrams. We are in a war. Are we going to back up our boys fighting Japan in the far Pacific, or are we going to let them down by saying that we will not take care of these matters which are of vital importance to them and to the entire country? I cannot believe that the Senate will do it.

Mr. BURTON and Mr. BALL rose.

Mr. McKELLAR. Mr. President, I have promised to yield to the Senator from Michigan, and then I will yield to the Senator from Ohio, and then to the Senator from Minnesota.

Mr. FERGUSON. Mr. President, will the Senator now yield to me?

Mr. McKELLAR. I yield.

Mr. FERGUSON. The acting chairman of the committee has made two points—first, that no one appeared in opposition to the requested amount; second, that there was no evidence that it was not needed.

I feel that at this time I should speak on that particular point. We must appreciate that when the representatives of an agency appear before the Senate Committee on Appropriations, their sole interest is to obtain an increase of the appropriation. Where is there a citizen in the United States who has the capacity or a knowledge of the facts sufficient to enable him to appear before our committee and show us that the increase is not in fact needed? I say to you, Mr. President, that the time has come when the Senate and the House of Representatives must have investigators whom they

can personally send to the departments to ascertain whether the employees are needed, instead of allowing the departments and agencies to appear before our committees and tell us, "Yes; they are needed."

I have neither the capacity nor the employees to enable me to ascertain whether the War Manpower Commission needs the additional $15,000,000. But I wish to say to the Senate and to the people of the country that the time has come when we must have employees directly responsible to the Senate, so that they can ascertain the facts and present them before our committees, in order that we may know whether the requested amounts are needed.

As I participate in the deliberations of the Appropriations Committee, I realize that I cannot do the job. I do not believe there is a member of that committee who feels that he can do the job, because we do not have the facilities which we need if we are to do it.

So, Mr. President, the statement of the acting chairman of the committee is true that no one appeared before the committee and stated that the amount requested was not necessary. It is not done in that way. No one has the facts except the Bureau. We must scrutinize these matters and require that those who are asking for appropriations appear before the committee and prove that they need the amount of money requested. The committee should not accept their mere statement that the money is needed.

I believe the Senator from Kansas was correct when he said that this bureau was created for the purpose of connecting employees with jobs at a time when there were more jobs than there were employees to fill them. But now we wish to use the same bureau in a reverse manner. As I sat as a member of the Appropriations Committee, and while I have been sitting here in the Senate during the consideration of this matter, I have heard exactly the same arguments. The arguments have been to the effect that we had to establish these various bureaus because we were fighting a two-front war. The arguments are now being repeated that we need to continue the existence of the same bureaus. It is said that we need to give them even larger appropriations because we are about to proceed from war to peace. The time has come when the Congress must be provided with a sufficient number of employees to enable it to engage in independent research and ascertain the facts independently in order to determine whether or not the many Government bureaus should be maintained at their present size.

Mr. President, I assert that some day we shall feel the fingers of these bureaus around our throats, and that they will also be felt around the throats of all the people throughout the country. In fact, we feel them right now, and the time has come to reduce their strength. I am in favor of appropriating every dollar which is necessary for winning the war. We will appropriate for such purpose, but I hope that we will not appropriate to such an extent that we shall defeat the very thing for which the war is being fought, namely, the independence of the American citizen. If we are not careful it will be the governmental bureaus which will take that independence from us, and not the Germans or the Japs.

Mr. President, the acting chairman of the committee [Mr. McKELLAR] stated the absolute fact when he said that no one appeared before the Appropriations Committee in opposition to this item. That is why I am fearful. That is why I have risen today to say what I have said. I want the people of the United States to know the facts. The mere statement that no one appeared before the committee in opposition to the appropriation is no reason why we should not oppose it now.

Mr. McKELLAR. Mr. President, I feel exactly as the Senator from Michigan feels about these various bureaus. I have been talking in the same way for nearly 30 years. However, I must differ with him in his opposition to this necessary expenditure during the war. I again say to him, as well as to other Senators, that if he or they will offer an amendment to the bill providing that this agency shall terminate 30 days after the cessation of hostilities with Japan, I will vote for it.

Mr. BURTON. Mr. President, as a member of the Subcommittee of the Committee on Appropriations, as well as of the main committee, I rise to support the position of the acting chairman of the committee in respect to this important item.

I am in sympathy with the argument which has been made with regard to returning these agencies to the respective States. But, as the Senator from Kansas has so well pointed out, that is not the issue now before the Senate. The issue is whether we shall approve of the additional appropriation of approximately $15,000,000.

I wish to point out that the committee gave that matter the most careful consideration. If there is any Member of the Senate who is opposed to extravagant appropriations for bureaus, I can testify that it is the senior Senator from Tennessee who is advocating this particular item.

Mr. McKELLAR. I thank the Senator.

Mr. BURTON. The item of $15,000,000 which is now under consideration involves restoration of the Budget Bureau estimate. That is the amount which it was testified was necessary to carry on the work of the Employment Service. Therefore, if the work is not being done by the States it must be done by the Federal Government. If we eliminate this item, we do so to the detriment of the returning soldier and of the recovery of industry in America.

I wish to mention the particular fact that——

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. BURTON. I will yield in a moment.

Mr. President, this issue was before the Senate in April 1945, at which time the Senate authorized an increase of offices in the Employment Service in order to meet the emergency under the so-called GI bill, and in connection with the program for the recovery of industry.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. BRIDGES. It is proposed to reinstate the provision of the bill which the committee has stricken out so that there will be a specific amount for the handling of veterans' cases. So the argument which the Senator makes does not apply.

Mr. BURTON. The argument still applies, because if we eliminate the entire $8,000,000 for the servicemen, from a reduced appropriation, there will not be a sufficient amount to carry on the other related services, and the result will be that adequate support to the job as a whole will not be given.

Mr. President, we are approaching the reconversion period. We must first carry on the Employment Service for war production plants and finish the war. Great production is vitally necessary.

The second important feature to consider is this: Under the GI bill there has been added to this Service the important responsibility of looking after the returned soldier. Between January and April of this year, it was testified, approximately 400,000 returned soldiers were handled through this agency. In the last day or two we have received testimony to the effect that 2,000,000 men are to be discharged from military service during the current year. Under those circumstances we should aid those men in receiving adequate employment service. We must not eliminate the only agency now provided for taking care of the returned soldier by directing him to employment opportunities which may be open to him.

The third point is that this item is essential to our recovery. This was considered by the committee. We were told that in our approach to reconversion the most vital thing was the redistribution of the workingmen of this Nation. I assert that nothing would be more destructive to our recovery program in America than to have idle men wandering around looking for jobs which are available to them, but with which they do not find it possible to connect. Therefore we are obligated to these workers to make the necessary appropriation of funds to carry out the policy already approved by the Congress in April of this year when we instructed the agency under consideration to increase its number of offices by 600, and thereby provide a total of 2,100 offices. So, Mr. President, I believe the position of the acting chairman of the committee should be supported. Fifteen million dollars should be added to the appropriation in order to take care of employment in the war industries, to take care of our returning soldiers, and to help make the reconversion program a success.

Mr. BALL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BALL. I desire merely to emphasize two points which the Senator from Ohio [Mr. BURTON] made in his support of the distinguished acting chairman of the Appropriations Committee.

I believe the committee amendment increasing the appropriation as it was passed by the House should prevail.

Like the Senator from Ohio, I, as a member of the subcommittee, sat through 3 or 4 days of hearings during which we questioned at length Commissioner McNutt and all of his subordinates in connection with this particular item.

Mr. President, the additional amount asked for by the committee would not mean the establishing of any new offices which have not been passed upon by Congress, because, on April 25 of this year the deficiency bill specifically provided approximately $3,000,000 for the purpose of opening 600 additional local offices for employment services primarily in smaller communities in order to service returning veterans. The testimony was, I believe, that 400 of those offices had been opened, but it was necessary to withhold action with respect to the remaining 200 offices because of the House action on this bill. If the House cut prevails, it will be necessary to close the 400 offices already opened, to say nothing of not going ahead with the other 200.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. McKELLAR. The Senator will recall that a very short time ago an appropriation of something more than $2,000,000, as I remember, was provided in a deficiency bill——

Mr. BALL. It was about $3,000,000.

Mr. McKELLAR. For the purpose of aiding returned soldiers. If the amount recommended by the committee is not allowed, we will have a deficiency. Why bring that about? It seems to me that the Senator from Minnesota is entirely right, and I wish to thank him for upholding the committee and its position, just as he did in the committee itself.

Mr. BALL. I thank the Senator. That is the deficiency item of which I was speaking. It was nearly $3,000,000, as I recall to provide for the 600 additional offices to be located close to where the veterans live.

The other point which I wish to make in support of this increase is, that while the Senator from Kansas [Mr. REED] is perfectly right that the job of the War Manpower Commission in channeling available workers into jobs where they are most needed is pretty well over, although it will continue to a degree during the war with Japan, yet it now has just as big a job in reverse. We have many cut-backs, particularly in the shipbuilding plants and the aircraft plants on the West coast, where a million and a half workers have migrated from other States, and as those plants close down it seems to me that we must provide some agency that can advise their workers where there are job opportunities, and where they can fit back into the Nation's economy. I think that is just as important a job as channeling a short supply of workers into needed jobs, and certainly it is essential to the welfare of the country. I hope the committee amendment will be adopted.

Mr. FERGUSON. Mr. President, I agree that we should do everything we can to assure that the returning veterans shall be able to find employment. Under a statute enacted by Congress they are to be returned to their old jobs. We want to see them reemployed. What I am talking about, however, is not only this amendment, but all the appropriations. I want to know what effort the War Manpower Commission has made to cut down its other activities and utilize employees who have had the job of seeing to it that workers were distributed to industries when there were more jobs than workers to fill them.

It is true that we do need some of these offices, but the question is can they not take employees from other jobs and assign them to this work. That is not the tendency upon the part of Government bureaus. The tendency is when they want new employees never to cut down the number of old ones. The Commission now asks for an appropriation of $15,000,000 for the purpose of aiding the veterans. I want to know why they have not shown some interest in taking employees who have been doing work that has now been canceled because of war effort and putting them in these new jobs.

Mr. SALTONSTALL. Mr. President, I should like to offer an amendment. I ask the clerk to read it.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). The clerk will read the amendment.

The CHIEF CLERK. On page 54, line 20, after the word "interruption", it is proposed to insert a colon and the following: "*Provided further*, That the employment service facilities, property, and personnel loaned by the States to the United States Employment Service, shall be returned to the States not later than 3 months after the termination of hostilities in the war with Japan as determined by Presidential proclamation or by concurrent resolution of Congress."

The PRESIDING OFFICER. The Chair will state the amendment is out of order at this time.

Mr. SALTONSTALL. Mr. President, I simply wish to say to the honorable Senator from Tennessee that the amendment carries out the suggestion he has just made in words on which I think we are agreed.

Mr. McKELLAR. I have no objection at all to the amendment, but it is not in order at this time. As soon, however, as the Senate votes on the pending amendment, the Senator from Massachusetts can offer his amendment, and, so far as I am personally concerned, I shall not object to it, but shall vote for it.

Mr. SALTONSTALL. Mr. President, I wish to say just a word in response to the Senator from Ohio and the Senator from Minnesota. Everything they have said is true; but it seems that in considering this appropriation and its nature, it is perfectly proper to keep the amount at $50,000,000, eliminate the $65,322,000, and, if more money is needed, then call the matter again to the attention of this honorable body. There certainly is no desire on my part to cut down the service which may be afforded the returning veterans, but there is a great desire to have this matter constantly before the Congress, so that the return of the employment services to the States may be accomplished as soon as possible.

Mr. BRIDGES. Mr. President, I should like to point out that in offering my amendment to cut the appropriation of $65,322,000 down to $50,000,000, I am accepting the amendment suggested by the Senator from North Dakota [Mr. LANGER] to retain the provision struck out by the committee which guarantees that $7,791,134 shall be used in carrying into effect the provisions of law affecting the veterans.

Mr. WHITE. Mr. President, I had no purpose to say anything about this situation, but as I have sat here two or three things have impressed me, and I desire to express myself briefly concerning them.

As I understand, this bill as reported to the Senate increases the amount carried by the House bill by approximately $38,000,000.

Mr. McKELLAR. It does.

Mr. WHITE. Of that increase of $38,000,000, $15,000,000 is included in the particular item which is now under discussion.

Mr. President, we have often heard Members of the other House, sometimes in joke, sometimes with a little acid in the suggestion, tell us that we are called the Upper House because we always "up" the appropriations recommended by the House of Representatives. That is not a reputation that I like the Senate to have; yet in this instance there is an increase of $38,000,000 over the amount carried by the House bill, and $15,000,000 of it is in this one item.

Mr. President, I think the time has come in this country when we ought to give serious consideration and ought to make every possible effort to reduce the expenditures of the Government.

I have listened with a good deal of interest to the discussions on the other side of the aisle this afternoon, and I have gathered from what has been said that at some time in the not distant future or in the distant future—it is a nebulous and uncertain time, as I gather—but at some time in the future we are to give ourselves to the task of reducing Federal appropriations.

As I listened to the distinguished Senator from Arizona, I was reminded of the policemen's chorus in one of Gilbert and Sullivan's operas—I have forgotten whether the Pirates of Penzance or Pinafore. The policemen face the task of going forth to battle; they are going out with bared breasts to meet the enemy of their social order, and they keep winding up their chorus with the words "We go, we go, we go," but they never go; they never leave the stage from the beginning of their part of the old opera to its conclusion. I have thought, as I have listened to the two Senators on the other side today, that we are going to reduce appropriations; we are going to reduce them; we are going to reduce them; but I never hear when, and I never see any efforts in behalf of reduced appropriations.

Mr. McKELLAR. Mr. President, will the Senator yield for a moment?

Mr. WHITE. I always yield to the Senator from Tennessee.

Mr. McKELLAR. The Senator will recall that I suggested to the Senator from Massachusetts that we let Federal participation in this work come to an end after the cessation of hostilities with Japan.

Mr. WHITE. Mr. President, what the distinguished Senator from Tennessee has just said to me merely emphasizes what I was trying to say, that it is always to some time in the future, and not to the present, that efforts are directed for a reduction of appropriations.

Mr. McKELLAR. Would the Senator vote now to eliminate this appropriation of $50,000,000, or $65,000,000, whichever may be adopted?

Mr. WHITE. I will vote to cut out the $15,000,000 now and stand on the $50,000,000 which the other branch of the Congress has determined as an adequate and proper amount for this activity.

Mr. McKELLAR. But the Senator does not want to cut it all out. We cannot do that; it is impossible. We are in a war. I do not criticize the Senator at all, but he cannot favor cutting out this appropriation now. I am willing to cut it all out 30 days after the cessation of hostilities, and am so going to vote.

Mr. WHITE. The Senator speaks in terms of the future; I am talking of the present. I am ready to vote now to cut out the $15,000,000 increase reported by the Committee on Appropriations of the Senate. I say it would be an example we well might set, an example to be followed by us hereafter.

I want both sides of the Chamber to give of their thought and give of their energies and efforts to place this Nation of ours on a sounder financial basis than it is now, and a much sounder financial basis than it will be on if we continue to follow the course which has been charted, which we have followed in late weeks and late months.

I say all this with some hesitation, because, as the Senator from Tennessee knows, I not only have great respect for him, but a real affection for him, and I sat here hesitant, disliking to rise to my feet and criticize any proposal which has his sanction. But I remember that in my youth I was told that certain things were good for me, and I think perhaps it may be good for the Senator from Tennessee to hear some criticism of this item at this time.

Mr. McKELLAR. It may be. I wish to say that a $38,000,000 increase in the total of the bill seems like a tremendous one. Ordinarily it is, but the Senator must remember that the bill carries $1,123,000,000. Relatively this is not so great an increase as it would seem from merely saying that there is an increase of $38,000,000. In comparison with $1,123,000,000, $38,000,000 is not relatively a great increase. This is a war-agency bill from beginning to end. Incidentally, the appropriation represents a reduction of $11,000,000 from the last year's appropriation. I do not say that by way of boasting, because I regret the reduction could not be greater. I wish the war were over.

Mr. WHITE. Mr. President, will the Senator yield further?

Mr. McKELLAR. I yield.

Mr. WHITE. I appreciate that $11,000,000 and $15,000,000 are small amounts when we think of the appropriations which the Congress has been making during the past years.

Mr. McKELLAR. For this war.

Mr. WHITE. I am reminded of what I learned also in my youth, that—

Little drops of water, little grains of sand,
Make the mighty ocean and the pleasant land.

Items of $10,000,000 and $15,000,000, a multitude of them, in their totality are responsible for the vast expenditures which our Government makes. I hope that at this time we are going to give full faith and credit to the efforts and the judgment of the other branch of Congress, and support the $50,000,000 appropriation which they have voted.

Mr. BALL. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. BALL. I should like to make just one comment on the suggestion of the distinguished Senator from Massachusetts [Mr. SALTONSTALL] that we could appropriate $15,000,000 less than we did for last year, and then let the War Manpower Commission come back for a deficiency appropriation.

The Bureau of the Budget, acting on the direction of Congress, will not permit a department to use an appropriation granted by Congress to meet its needs for 12 months on the basis of running out of funds in 8 months. So that procedure would not work. It is our task in this appropriation to decide what we think the agency needs for the whole 12 months, and I do not see how we can do anything else under the present law.

Mr. FERGUSON. Mr. President, since we have been reminded here today that this money is to be used for the returning veterans so that they may obtain employment, I think it should be called to the attention of the Senate that an examination of the law will disclose that the Selective Service, through its local boards, has this particular job to do. In fact, the 6,500 local boards, scattered all over the country, have the duty of seeing that the returning veterans get their old jobs back, or get new jobs, as the case may be.

We are building up another department to duplicate exactly what the Selective Service is supposed to do. I think it is a complete answer to say that the Senate is willing to take care of the returning veterans. All we are pleading for is that the bureaus cut down wherever it is possible.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. BRIDGES. Let me point out that if my suggestion is agreed to, which is that we disagree with the Senate committee amendment, it will keep the wording of the House, appropriating $50,000,000, and then proceed, "of which $7,791,134 shall be for use in carrying into effect the provisions of title IV", which is the veterans' aid provision. So that would meet the statement made previously that we are ignoring the veterans. I accepted the amendment of the Senator from North Dakota [Mr. LANGER].

Mr. FERGUSON. The 6,500 boards which are rendering service and have rendered it free to the people of the United States, have committees, and they are perfectly willing and perfectly competent and perfectly able to care for the veterans, and do everything that is required to be done.

The amendment of the Senator from New Hampshire and of the Senator from North Dakota would take care of this matter under the present law.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. BRIDGES. I ask for the yeas and nays.

Mr. MURDOCK. Mr. President, I make the point of no quorum.

Mr. McKELLAR. So far as I am concerned, I am perfectly willing to have a yea-and-nay vote, I shall hold up my hand for a yea-and-nay vote.

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Mahoney
Austin	Green	Pepper
Bailey	Guffey	Radcliffe
Ball	Gurney	Reed
Barkley	Hatch	Revercomb
Bilbo	Hawkes	Robertson
Brewster	Hayden	Saltonstall
Bridges	Hill	Smith
Briggs	Hoey	Stewart
Brooks	Johnson, Colo.	Taft
Buck	Johnston, S. C.	Taylor
Burton	Kilgore	Thomas, Okla.
Bushfield	Langer	Thomas, Utah
Butler	Lucas	Tobey
Byrd	McClellan	Tunnell
Capper	McFarland	Tydings
Chandler	McKellar	Wagner
Chavez	McMahon	Walsh
Cordon	Mead	Wheeler
Donnell	Millikin	Wherry
Downey	Mitchell	White
Eastland	Moore	Wiley
Ellender	Morse	Willis
Ferguson	Murdock	Young
Fulbright	Murray	
George	O'Daniel	

The PRESIDING OFFICER. Seventy-six Senators having answered to their names, a quorum is present.

Mr. McKELLAR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McKELLAR. As I understand the Senator from New Hampshire [Mr. BRIDGES] proposes that the Senate disagree to the committee amendment. It appears to me that two questions are involved, and I wonder if they cannot be divided so that we may vote first on that part of the committee amendment striking out $50,000,000 and inserting $65,322,000, and then vote on the language stricken by the Senate committee in lines 7, 8, and 9. Would that be satisfactory to the Senator from New Hampshire?

Mr. BRIDGES. My motion is that the Senate disagree to the committee amendment, and I should like to see the whole of the committee amendment voted on. I understand the parliamentary situation to be that the whole of the committee amendment shall be voted on.

Mr. McKELLAR. Very well.

Mr. BARKLEY. Mr. President, it is not necessary to move to disagree to the Senate committee amendment. Automatically the Senate votes on the committee amendment. Those who are in favor of the amendment will vote "yea"

and those who are in favor of the House provision will vote "nay."

The PRESIDING OFFICER. The Chair rules that that is the procedure to be followed.

Mr. McKELLAR. On this amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BURTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BURTON. Will the Chair state the question.

The PRESIDING OFFICER. The question is on the adoption of the committee amendment to strike out "$50,000,000" and insert in lieu thereof "$65,322,000."

Mr. BURTON. A "yea" vote is a vote to provide $65,322,000 and a "nay" vote is a vote to retain the amount provided by the House.

The PRESIDING OFFICER. The Senator's statement is correct.

Mr. LANGER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LANGER. Some time ago I moved to amend by including the language in lines 7, 8, and 9. My proposal was accepted by the distinguished Senator from New Hampshire. That has not been stated as part of the question before the Senate.

Mr. McKELLAR. Mr. President, that is not necessary, because the Senate amendment provides for $65,322,000. If that amendment is voted down the amount provided by the House remains.

The PRESIDING OFFICER. The Chair rules that if the amendment is voted down, the amount provided by the House automatically goes back into the bill.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McKELLAR (when Mr. McCARRAN's name was called). I announce that the senior Senator from Nevada [Mr. McCARRAN] is absent on business of the Senate, having gone to attend the funeral of his colleague. If present he would vote "yea."

Mr. WHITE (when Mr. VANDENBERG'S name was called). I announce that the Senator from Michigan [Mr. VANDENBERG] has a general pair with the Senator from Texas [Mr. CONNALLY]. I am not authorized to state how either would vote if present.

The roll call was concluded.

Mr. BUTLER (after having voted in the negative). I have a general pair with the senior Senator from Alabama [Mr. BANKHEAD]. I transfer that pair to the Senator from Idaho [Mr. THOMAS] and permit my vote to stand.

Mr. GUFFEY. I announce that my colleague [Mr. MYERS] is absent on important Government business. If present he would vote "yea."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Alabama [Mr. BANKHEAD] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Nevada [Mr. McCARRAN] is absent as a member of the committee attending the funeral of the late Senator Scrugham.

The Senator from Louisiana [Mr. OVERTON] is detained in one of the Government departments on business pertaining to his State.

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHART] and the Senator from Iowa [Mr. HICKENLOOPER] are absent by leave of the Senate.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from Minnesota [Mr. SHIPSTEAD] and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Maine [Mr. BREWSTER] is detained on official business.

The Senator from California [Mr. JOHNSON] is necessarily detained. If present he would vote "nay."

I announce also that the Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Idaho [Mr. THOMAS], if present, would vote "nay."

The result was announced—yeas 44, nays 31, as follows:

YEAS—44

Aiken	Guffey	Morse
Ball	Hatch	Murdock
Barkley	Hayden	Murray
Briggs	Hill	O'Mahoney
Burton	Hoey	Pepper
Chandler	Johnson, Colo.	Radcliffe
Chavez	Johnston, S. C.	Stewart
Cordon	Kilgore	Taylor
Donnell	Lucas	Thomas, Okla.
Downey	McClellan	Thomas, Utah
Eastland	McFarland	Tunnell
Eilender	McKellar	Tydings
Fulbright	McMahon	Wagner
George	Mead	Wheeler
Green	Mitchell	

NAYS—31

Austin	Gerry	Smith
Bailey	Gurney	Taft
Bilbo	Hawkes	Tobey
Bridges	Langer	Walsh
Brooks	Millikin	Wherry
Buck	Moore	White
Bushfield	O'Daniel	Wiley
Butler	Reed	Willis
Byrd	Revercomb	Young
Capper	Robertson	
Ferguson	Saltonstall	

NOT VOTING—20

Andrews	Hickenlooper	Overton
Bankhead	Johnson, Calif.	Russell
Brewster	La Follette	Shipstead
Capehart	McCarran	Thomas, Idaho
Connally	Magnuson	Vandenberg
Glass	Maybank	Wilson
Hart	Myers	

So the committee amendment was agreed to.

Mr. McKELLAR. Mr. President, there are only two more committee amendments.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 54, line 7, after the numerals "$65,322,000", to strike out ", of which $7,791,134 shall be for use in carrying into effect the provisions of title IV (except section 602) of the Servicemen's Readjustment Act of 1944."

Mr. BRIDGES. Mr. President, this particular item, which guarantees a certain sum of money for the administration so far as service to veterans is concerned, is a part of the amendment which the Senator from North Dakota [Mr. LANGER] offered when my motion was under discussion, and which I accepted. I feel that it should remain in the bill, and that the committee amendment striking it out should be rejected.

Mr. HAYDEN. Mr. President, the Senator could not offer any motion with respect to this matter, and the Senator from North Dakota could not make any suggestion about it. We were voting on a committee amendment. The Senator had no right to offer any motion. He could not do so if he wished.

Mr. BRIDGES. In building up the case, we voted on the entire committee amendment. Now I should like to see protection given to the veterans by reinstating that part of the language which the committee amendment proposes to strike out.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 54, line 7.

Mr. HAYDEN. Mr. President, let us see if we cannot do this by unanimous consent. Now that the amount is fixed by the Senate at $65,322,000, I do not think the Senator from Tennessee would have any objection to rejecting the remainder of the committee amendment.

Mr. McKELLAR. I have no objection.

Mr. BRIDGES. As I understand, then, the Senator from Tennessee now agrees to reject the committee amendment, so as to provide that $7,791,134 shall be used for carrying out the provisions of the law in regard to veterans.

Mr. McKELLAR. The language would then read: "$65,322,000, of which $7,791,134 shall be for use in carrying into effect the provisions of title IV (except section 602) of the Servicemen's Readjustment Act of 1944."

I have no objection to the rejection of the committee amendment now under consideration.

Mr. LANGER. Mr. President, I thank the Senator very much.

Mr. CORDON. Mr. President, I should like to make an inquiry before any action is taken. As I understood, the argument made in favor of the increase from $50,000,000 to $65,322,000 was justified on the ground that additional funds were needed for handling the employment of returning veterans. I should like to know whether or not that justification included an amount greater than the amount in the bill as it came from the House. If the justification was for more money than $7,791,134—and I am satisfied that the Senate agreed to the Senate

committee amendment on the basis of the need in connection with the employment of veterans—then we certainly should not limit it to $7,791,134.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. BRIDGES. I read from page 74 of the hearings before the House subcommittee. Mr. Hare made the following statement:

> In addition to that, you have a supplemental appropriation for services to veterans in the amount of $2,295,557, and to project that item on an annual basis that would be increased to $7,791,134.

The item is projected on an annual basis. It has been on only a partial basis. In projecting the item on an annual basis, the amount would be as stated. Although the House provision reduced the amount requested by the War Manpower Commission, it provided that there should be no reduction with respect to veterans. Our fight in the Senate was to reduce the appropriation, but not to reduce the amount spent for veterans.

Mr. CORDON. Was the justification submitted this year in an amount greater than $7,791,134?

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. HAYDEN. I am quite sure the Senator will find that the House of Representatives—and now the Senate—have allowed all that was requested for this purpose. The objection of the Senate committee was that, having reduced the Budget Bureau estimate, and earmarking certain sums in this way, it would so reduce other funds, such as those for the care of men discharged from factories, that the function could not be properly carried on. As now proposed, this item would do what was designed, and all that was designed, by the Budget Bureau estimate.

Mr. BURTON. Mr. President, in connection with the inquiry of the Senator from Oregon, I call attention to part 3 of the House hearings, on pages 70 and 71, where it appears that in computing the base for 1946 there was included an item of $7,791,134 by extending, on an annual basis, the supplemental appropriation of $2,295,557 that had been made for services to veterans. This item excludes overtime.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 54, line 7, following the numerals "$65,322,000."

The amendment was rejected.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, under the heading "Title VIII—General provisions," on page 56, after line 19, to insert:

> SEC. 804. Appropriations herein made available for the purchase of passenger-carrying vehicles shall be available only for the purchase of used or Federal surplus motor vehicles.

The amendment was agreed to.

The next amendment was, on page 57, line 1, to change the section number from 804 to 805.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I have several amendments which I have been authorized to offer by the Committee on Appropriations. The first was proposed by the Senator from Nevada [Mr. McCARRAN]. I offer it and send it to the desk.

The PRESIDING OFFICER (Mr. HOEY in the chair). The amendment will be stated.

The CHIEF CLERK. On page 22, after line 11, it is proposed to insert the following:

> Venereal diseases (national defense): For the operation and maintenance of centers for the diagnosis, treatment, support, and clothing of persons afflicted with venereal diseases, including travel; printing and binding; transportation and subsistence of such persons and their attendants to and from the place of treatment or allowance in lieu thereof; diagnosis and treatment (including emergency treatment for other illnesses) of such persons through contracts with physicians and hospitals and other appropriate institutions without regard to section 3709 of the Revised Statutes; fees for case finding and referral to such centers of voluntary patients; reasonable expenses of preparing remains or burial of deceased patients; furnishing and laundering of uniforms and other distinctive wearing apparel necessary for employees in the performance of their official duties; recreational supplies and equipment; leasing of facilities and repair and alteration of Government-owned or leased facilities without regard to section 3709 of the Revised Statutes and section 322 of the act of June 30, 1932, as amended (40 U. S. C. 278a); purchase of 20 passenger automobiles; and for grants of money, services, supplies, equipment, and use of facilities to States, as defined in the act, and with the approval of the respective State health authorities, to counties, health districts, and other political subdivisions of the States, for the foregoing purposes, in such amounts and upon such terms and conditions as the Surgeon General may determine; $4,644,000: *Provided*, That the Administrator of the Federal Works Agency shall, without transfer of funds by the Federal Security Agency, transfer to the Federal Security Agency all records, equipment, furnishings, and supplies under the jurisdiction of the Federal Works Agency which have been used primarily in the treatment of venereal diseases: *Provided further*, That funds may be transferred with the approval of the Bureau of the Budget to this appropriation from the appropriation "Control of venereal diseases, Public Health Service," in an amount not exceeding $356,000, and shall be consolidated with this appropriation and the whole administered and accounted for as one fund.

Mr. WHERRY. Mr. President, what is the amount requested in the amendment?

Mr. McKELLAR. $4,644,000. It is for venereal and other communicable diseases.

Mr. WHERRY. Is it for the establishment of centers throughout the country?

Mr. McKELLAR. No; they are already in existence. It is an appropriation for them.

Mr. WHERRY. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee on behalf of the committee.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I offer and send to the desk another amendment on behalf of the committee.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 38, after line 16, it is proposed to insert the following:

> Community War Services: For all expenses necessary to enable the Federal Security Administrator to carry out the functions transferred from the Offices of Defense Health and Welfare Services by Executive Order 9338, dated April 29, 1943, including personal services in the District of Columbia and elsewhere; not to exceed $15,000 for the temporary employment of persons by contract or otherwise without regard to section 3709 of the Revised Statutes and the civil-service and classification laws; acceptance and utilization of voluntary and uncompensated services; printing and binding; maintenance, operation, and repair of passenger-carrying motor-propelled vehicles; and traveling expenses, including expenses, when specifically authorized by the Administrator, of attendance at meetings concerned with the purposes of this appropriation; $900,000.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I offer another amendment which I have been authorized by the committee to offer.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 55, after line 2, it is proposed to insert the following:

> Training Within Industry Service, War Manpower Commission (national defense): For all expenses necessary to enable the Chairman of the War Manpower Commission to promote and facilitate on-the-job training and maximum utilization of workers by industries and activities essential to the war by affording training to supervisory personnel; including the temporary employment of persons by contract or otherwise without regard to section 3709 of the Revised Statutes and the civil-service and classification laws; reimbursement, at not to exceed 3 cents per mile, for official travel performed by employees in privately owned automobiles within the limits of their official stations; printing and binding (not to exceed $3,500); and travel expenses (not to exceed $200,000); $1,200,000.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I offer another amendment and send it to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 55, after line 2, it is proposed to insert the following:

> Migration of workers: To enable the War Manpower Commission to provide, in accordance with regulations prescribed by the Chairman of said Commission for the temporary migration of workers from foreign countries within the Western Hemisphere (pursuant to agreements between the United States and such foreign countries), for employment in the continental United States with industries and services essential to the war effort, including the transportation of such workers from points outside the United States to points of entry or reception centers in the United States and return (including transportation from place of employment in the United States to reception centers or point of departure from the United States in any case of default by an employer to provide such transportation to a worker, in which event the employer shall be liable to the United States for the cost thereof); cost of temporary maintenance of workers in reception centers in foreign countries and in the United States, including transportation of workers in connection

therewith when necessary; reasonable subsistence and emergency medical care of such workers from the time of reporting for transportation to the United States or return to the country of origin until arrival at the destination; necessary assistance to meet emergency health and welfare problems while in the United States, when such assistance is not otherwise available to such persons; expenses (not to exceed $125 in any one case) of preparation of remains and burial of workers dying in the United States; and guaranties of employment while in the United States to the extent agreed upon with the foreign country from which the workers are imported; $1,600,000, of which not to exceed $91,000 shall be available for all administrative expenses necessary for the foregoing, including payment for the rental of office space and utility services outside the continental United States without regard to section 3648, Revised Statutes (31 U. S. C. 529); not to exceed $20,000 for temporary employment of administrative personnel outside continental United States; not to exceed $2,000 for printing and binding outside continental United States without regard to section 3709 of the Revised Statutes and section 11 of the act of March 1, 1919 (44 U. S. C. 111); and not to exceed $18,800 for travel expenses: *Provided*, That no transportation of workers shall be allowed hereunder unless the employer and the worker have entered into a contract for employment approved by said Chairman or his designee, and unless said Chairman certifies that reasonably adequate use is being made of local labor supply: *Provided further*, That this appropriation shall remain available after June 30, 1946, for the purpose of fulfilling guaranties and other obligations theretofore incurred with respect to such foreign workers and for all other purposes connected with the protection and ultimate return of any workers theretofore transported: *Provided further*, That no part of this appropriation shall be available for the recruitment or transportation of workers for employment in agriculture (act of June 28, 1944, Public Law 373).

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I offer another amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 38, in line 12, it is proposed to strike out "$2,500" and insert "$10,000."

The amendment was agreed to.

Mr. SALTONSTALL. Mr. President, if it is now in order, I should like to offer the amendment which I have placed in the hands of the clerk. It is on page 54, in line 20. I offer it and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 54, in line 20, after the word "interruption," it is proposed to insert a colon and the following: "*Provided further*, That the Employment Service facilities, property, and personnel loaned by the States to the United States Employment Service, shall be returned to the States not later than 3 months after the terminaion of hostilities in the war with Japan as determined by Presidential proclamation or by concurrent resolution of Congress."

Mr. HAYDEN. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. HAYDEN. It occurs to me that the amendment is substantive legislation upon an appropriation bill. I wish to ask the Senator from Massachusetts if he does not think that as a matter of good practice it would be better for a legislative committee to consider this matter, rather than to have the Senate act on it hurriedly in connection with the consideration of an appropriation bill. It seems to me that we can not foretell what conditions will exist at the end of the war. The situation then may be quite different.

Mr. McKELLAR. Mr. President, even if the amendment is subject to a point of order, I hope the Senator from Arizona will not make it. In the debate which occurred a while ago, I stated to the Senator from Massachusetts that if he would offer such an amendment I would support it. I think the law should be made to read in accordance with the amendment. I hope the amendment is not subject to a point of order; but if it is, I hope my good friend the Senator for Arizona will allow the pledge I made in good faith to be carried out by having the amendment agreed to.

Mr. HAYDEN. Mr. President, I am hesitant to agree not to make the point of order because of my uncertainty as to the conditions under which the services might go back to the States.

Mr. McKELLAR. The resolution would have to come before the Congress anyway.

Mr. HAYDEN. Oh, no; the amendment provides for an automatic transfer upon the arrival of a certain date, regardless of the conditions then existing. That is why I am hesitant about it.

Mr. McKELLAR. Mr. President, I ask that the amendment be stated again, so that the Senator from Arizona can see whether it conforms to my understanding of it.

The PRESIDING OFFICER. Without objection, the amendment will be restated.

The CHIEF CLERK. On page 54, in line 20, after the word "interruption", it is proposed to insert a colon and the following: "*Provided further*, That the employment service facilities, property, and personnel loaned by the States to the United States Employment Service, shall be returned to the States not later than 3 months after the termination of hostilities in the war with Japan as determined by Presidential proclamation or by concurrent resolution of Congress."

Mr. HAYDEN. Mr. President, I think there will be time enough to consider that matter later on. In view of the statements which have been made by the acting chairman of the Appropriations Committee and by other Senators, I regret very much not to agree to have the amendment considered, but I do not think we should legislate on an appropriation bill in connection with such an important subject. Therefore, I make the point of order.

Mr. McKELLAR. Mr. President, my judgment is that the amendment is not subject to a point of order.

The PRESIDING OFFICER. The Chair is advised that the amendment is subject to a point of order.

Mr. SALTONSTALL. Mr. President, I move that the rule be suspended.

Mr. HAYDEN. I am sorry that 1 day's notice in writing is required before such a motion can be made.

Mr. BRIDGES. Then, Mr. President, the bill can be temporarily passed over. We do not have to rush it through today. If the Senator makes the point of order, so as to prevent the fulfillment of the pledge made by the acting chairman of the Appropriations Committee, we can postpone further action on the bill.

Mr. HAYDEN. Well, Mr. President, I am persuaded to withdraw the point of order.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. BURTON. Mr. President, I understand that the question is on agreeing to the amendment offered by the Senator from Massachusetts. I certainly hope the amendment will be agreed to. Even though it goes to conference and is opposed there, it would put on record the position of the Senate, which appeared in the recent debate to be practically unanimous, and I am glad to have it placed on record.

Mr. DONNELL. Mr. President, I should like to say just a word to the same effect. I very strongly favor adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 3199) was passed.

Mr. McKELLAR. I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Mr. McKELLAR, Mr. MEAD, Mr. TYDINGS, Mr. MURDOCK, Mr. HAYDEN, Mr. BURTON, Mr. BALL, and Mr. WHERRY conferees on the part of the Senate.

WAR AGENCIES APPROPRIATIONS

Mr. McKELLAR. Mr. President, I move that the Senate now proceed to the consideration of House bill 3368, making appropriations for war agencies.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. McKELLAR. I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for

amendment, and that the amendments of the committee be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered; and the clerk will proceed to state the amendments reported by the committee.

The first amendment of the Committee on Appropriations was, under the heading "Executive Office of the President, Office for Emergency Management, National War Labor Board," on page 2, line 1, after the word "the", to strike out "four" and insert "eight"; in line 2, after the word "members", to strike out "and not not to exceed $9,000 per annum each for the four alternate public members"; in line 4, after the word "exceed", to strike out "$720,000" and insert "$500,000"; on page 3, line 7, after the name "United States", to strike out "$13,320,000" and insert "$13,100,000"; in line 21, after the word "be", to strike out "constructed" and insert "construed"; and in line 22, after the word "persons", to strike out the colon and the following additional proviso: "*Provided further*, That no part of the funds appropriated in this paragraph shall be used in connection with investigation, hearings, directives or orders concerning bargaining units composed in whole or in part of agricultural laborers as that term is defined in the Social Security Act in section 409, title 42, U. S. Code."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Defense Transportation," on page 5, line 18, after the figures "$12,000", to insert a comma and "Deputy Director at $10,000, and two executive assistant officers to be designated by the Director at $9,000 per annum each"; in line 21, after the word "exceed", to strike out "$405,000" and insert "$500,000"; on page 6, line 1, after the word "exceed", to strike out "$45,000" and insert "$50,000"; in line 5, before the word "for", to strike out "$106,400" and insert "$131,400"; and in line 16, after the word "therefor", to strike out "$7,000,000" and insert "$7,700,000."

The amendment was agreed to.

The next amendment was under the subhead "Office of Scientific Research and Development," on page 9, line 16, after the word "of", to strike out "personality" and insert "personalty."

The amendment was agreed to.

The next amendment was under the subhead "Office of Inter-American Affairs," on page 11, line 16, after the name "United States", to insert a comma and "but this proviso shall not be construed to exempt said corporations from the provisions of section 5 of the act approved February 24, 1945 (Public, No. 4, 79th Cong.), or the provisions of the First Deficiency Appropriation Act, 1945, approved April 25, 1945, relative to the audit of all Government corporations by the General Accounting Office."

The amendment was agreed to.

The next amendment was, on page 12, line 1, before the word "of", to strike out "$14,000,000" and insert "$10,000,000."

Mr. BRIDGES. Mr. President, I made the motion in the committee which resulted in reducing the amount provided by the House, namely, $14,000,000 to $10,000,000. Since then the acting chairman of the committee and myself the ranking minority member of the committee, have been advised that due to obligations and commitments which have been made, particularly as the result of the Mexican conference and the San Francisco Conference, a reduction in the amount requested for the Office of Inter-American Affairs would very seriously interfere with the functioning of the agency. In spite of that, I am not in favor of complete restoration of the amount as it passed the House. I would be willing, however, to agree to a medium figure, if that be agreeable to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, the Senator from New Hampshire and I have talked about this matter. I think that he said that he would be willing to an increase in the amount from $10,000,000 to $12,000,000. I am wondering if he will not be willing to agree to $13,000,000. The service for which the money would be spent is very important.

Mr. BRIDGES. I believe, Mr. President, that the Senator from Tennessee and I agreed on a figure halfway between the amount passed by the other House and the amount reported by the committee. We thought that $12,000,000 would be sufficiently large to allow this office to carry on its work without any interference. I am willing to go that far.

Mr. McKELLAR. The Senator will go as far as——

Mr. BRIDGES. I will go as far as $12,000,000.

Mr. McKELLAR. The Senator will agree to $12,000,000. I thank the Senator. To use an ungrammatical expression, I thank the Senator for "them" kind words. I wish he would agree to $13,000,000, but if he feels he cannot do so——

Mr. BARKLEY. Mr. President, is this a matter of private agreement between the two Senators?

Mr. McKELLAR. It is not; but the two Senators are tremendously interested in it.

Mr. BRIDGES. We went into the matter very thoroughly.

Mr. McKELLAR. I was very much in favor of $14,000,000, and the Senator from New Hampshire was in favor of reducing the amount to $10,000,000. After several agonizing days—and in one respect, also a night—the Senator from New Hampshire said that he would be willing to agree to $10,000,000. He made the motion in the committee to reduce the amount from $14,000,000 to $10,000,000. That is why he is now talking about it. He is willing to accept a compromise of $12,000,000, and if the Senate agrees to it we will take the amendment to conference.

Mr. President, I move to amend the committee amendment on page 12, line 1, after "$14,000,000", by striking out "$10,000,000" and inserting "$12,000,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. BURTON. Mr. President, I believe it is appropriate to point out to the senior Senator from Maine [Mr. WHITE] that this is an instance in which the Senate has reduced an appropriation by approximately $2,000,000.

Mr. WHITE. Mr. President, I have been absent from the Chamber while attending to a long-distance telephone call, and therefore do not know what is the present subject matter before the Senate. But I am always glad to have consideration of the junior Senator from Ohio, and his approving voice. [Laughter.]

The PRESIDING OFFICER. The next amendment of the commitee will be stated.

The next amendment was, under the subhead "Office of War Information," on page 14, line 6, after the word "exceed", to strike out "$1,000,000" and insert "$1,142,855."

The amendment was agreed to.

The next amendment was, on the same page, line 11, after the word "exceed", to strike out "$56,250" and insert "$69,650."

The amendment was agreed to.

The next amendment was, on page 15, line 5, after the word "cinema", to strike out "not to exceed $250,000 for entertainment in the United States and abroad of officials and others in the fields of education, radio, press, and cinema of other countries and prior appropriations of the Office of War Information for this purpose shall be construed as having been available for expenditure in the United States."

Mr. HAYDEN. Mr. President, I do not propose to ask that any action be taken on this matter by the Senate in restoring the House language, but that the amendment may go to conference. I doubt the wisdom of such a reduction of appropriations for entertainment allowances as is here proposed.

I could cite several instances, based on my own experience, to show that a greater allowance should be made for expenses incurred by those who represent our Government.

Many Senators will remember Marcus A. Smith, former Senator from Arizona, who was appointed on the Canadian Water Commission. He told me that when he went to Canada the Canadian Government provided an entertainment allowance for the Canadian commissioners, and that the members of the group representing America were treated royally. However, when the Canadian commissioners came to Washington our commissioners, poorly paid as they were, had to take money out of their own pockets in order to cover the expenses of entertainment.

A former Governor of Arizona was once tendered the appointment as Ambassador to Mexico. He did not accept the appointment. I asked him why he did not accept it, and he said that no one but a rich man could afford to go to Mexico as Ambassador of the United States because he could not live within his salary.

I was in Spain several years ago when the American Ambassador there was

spending more money than his salary amounted to for the rental of the home of a grandee so that he could hold up his end in the diplomatic game.

I recall once meeting an Army officer in Manila who told me that he wanted to be appointed as an attaché to Spain. He was asked, "How much money do you have over and above your salary? Do you have at least $5,000 a year?" The British attaché in Madrid had an allowance of £1,000 a year, which was equivalent to approximately $5,000. Until the Army officer to whom I have referred could assure the War Department that he had sufficient private funds with which to finance himself in an office of that character he could not be appointed.

All over the world we have employees of our State Department acting in representative capacities for the United States, and our appropriations for them have in many instances been very inadequate. That is not true with regard to other governments. Even our friends, the Soviets, did not abandon the old imperial Russian Embassy in Washington. They entertain royally, and the members of the Embassy dress in the height of fashion. I merely assert that if we do not make necessary appropriations to cover expenses of the kind to which I have referred, I think it will be bad public policy.

Mr. BALL. Mr. President, I was the member of the Appropriations Committee who moved to strike out the amount which was approved by the other House, because we had heard testimony which appeared not to justify the appropriation which was twice the amount appropriated last year. It is my feeling that some funds are needed for entertainment. I realize that a certain amount of entertainment is essential to the job, but I think the expense for it can be determined. I think we will be able to determine in conference what will be an appropriate amount to allow the OWI for entertainment. Perhaps it will be the same amount it received last year, which was half of what the House proposed.

Mr. President, I ask to have printed in the RECORD at this point as a part of my remarks a statement concerning the use to which the appropriation was put last year and would be put during the next year. The information was furnished me by Mr. Elmer Davis, Director of OWI, after the Senate committee had acted.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OWI ENTERTAINMENT FUNDS

In fiscal 1946 OWI plans to have approximately 1,400 Americans overseas working out of 42 outposts, and 36 suboutposts in 37 foreign countries.

In the course of carrying out their primary function, which is to influence the minds of the peoples of these lands in favor of American aims and policies, they must necessarily entertain on a moderate scale the leading government officials, newspaper, radio, and motion picture people, and other opinion-forming leaders in these countries.

This entertainment consists of occasional teas, receptions, and small dinners, and are often arranged to enable a visiting Congressman or other American notable to be presented to influential foreign groups.

For their own particular kind of representation expense, which differs from that of OWI, the State Department has been granted an appropriation of $585,000 in 1946, an increase of $146,000 over the amount granted in 1945.

Owing to a miscalculation in the OWI request for 1945 OWI requested only $125,000 which was not enough for our purposes, but which by the most rigid economy was made to cover the needs of some 24 outposts and 25 suboutposts. The requested increase for 1946 is to cover the additional outposts for which in their initial periods entertainment is bound to be heavier.

The $250,000 requested for 1946 amounts to about $15 per month for each American overseas, or about $270 per month for each of the 78 outposts and suboutposts planned. When the high prices generally prevailing abroad are taken into consideration these allotments seem very reasonable. As a matter of fact, the limitation surrounding the expenditure of entertainment funds has caused most of our people to pay large sums annually out of their own pockets.

It is the practice of other governments to be much more generous in their use of entertainment funds, and in order to hold up the American end, some reciprocity seems absolutely necessary.

The expenditures in each outpost are under the control of the Outpost Chief.

Occasionally we find it necessary to entertain foreign officials visiting this country. Since the Comptroller General had ruled that we could not charge these to the appropriation under existing language, the House agreed to change the language in the appropriation and to make it retroactive. Expenditures in the United States under this head amounted last year to about $1,100.

The PRESIDING OFFICER. The question is on the adoption of the committee amendment on page 15, line 5.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment reported by the Committee on Appropriations will be stated.

The next amendment was, under the heading "Office of War Iinformaton," on page 15, line 14, after the word "war", to strike out "$35,000,000" and insert "$39,670,215."

Mr. TAYLOR. Mr. President, I send to the desk an amendment as a substitute for the committee amendment in line 14, page 15. I should like to have the amendment read, and then I desire to make a few remarks on the subject.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 15, line 15, it is proposed to strike out "$39,670,215" and insert in lieu thereof "$52,670,215"; on the same page, line 18, to strike out "$35,583,165", and insert in lieu thereof "$48,583,165"; and on the same page, line 20, after the word "Branch", to insert a comma and the following: "and of the sums so allocated $26,000,000 shall be available for expenditure only for the purpose of defraying the costs of the program of psychological warfare against the Japanese."

Mr. TAYLOR. Mr. President, I should like to speak on the amendment and to try to make plain why I have offered it. I am sure the Members of the Senate will agree that I have been very careful in taking the floor. It has been about 3 months since I have opened my mouth on the floor of the Senate, and I would not do so at this time if I did not feel that this is a matter of great importance. I feel that possibly an error has been made in this particular instance, and I am hopeful that, if the matter is brought to the attention of the Senate, the mistake, as I, at least, consider it to be, can be rectified before it is too late.

We are spending billions of dollars, without regard to the amount, for armament, for weapons of war, with which our young men may kill the Japanese. This appropriation calls for a modest amount for psychological warfare against the Japanese. I believe if we consider the two methods side by side from the standpoint of their efficiency and their relative cost, we will realize that the OWI should have more money instead of less money to carry on psychological warfare against Japan.

In its original estimate, the OWI asked for $42,000,000. I understand the House of Representatives cut that down to $18,000,000, but finally $35,000,000 was provided, which the Senate committee increased to $39,670,215. That was commendable, but I do not think it goes far enough. I believe OWI should have more money for psychological warfare, because if in this manner the war can be shortened even by an hour or two, the cost of the psychological warfare will many times over pay for itself.

Great Britain is spending about $99,000,000 a year, in contrast to the $42,000,000 originally asked by OWI. Germany at the height of her psychological warfare campaign, spent $540,000,000 a year. I understand that General Motors spends $42,000,000 a year—which is the amount asked for OWI originally—advertising its products in the United States. One airplane carrier cost $69,000,000, and the OWI has asked for $42,000,000.

The work of OWI has been of many different types. For one thing they have dropped leaflets to native populations telling them how to recognize our flyers and how to aid them in getting back to our lines. I understand that at least 250 American flyers have been saved in this way.

Another point I should like to call to the attention of the Senate is that in the Japanese war so far we have killed approximately 1,500,000 Japanese. Prior to the Okinawa campaign, only 10,000 surrendered. That is, about six-tenths of 1 percent surrendered. On Okinawa we have killed 100,000 Japanese, and almost 8,000, or 7 percent, have surrendered. We all know that when they surrender and do not fight to the death it saves the lives of American soldiers. So I think it is a very cheap investment. It cost us about $80,000 to kill each Japanese on Okinawa. That is a very conservative estimate, because I read some time ago that the campaign had cost $8,000,000,000, and it has probably cost considerably more since then.

So, if by spending a trifling sum of money in comparison with what is spent for armaments, if by spending on psychological warfare a fraction of the amounts expended for armaments, we can save lives and get the Japanese to surrender, and possibly shorten the war by getting the Japanese Nation to surrender, I think it would be an excellent investment.

In his statement to the committee Mr. Davis said that $13,000,000 of the $42,000,000 he had asked for would be used for direct psychological warfare against Japan proper in the Japanese war. In my amendment I have doubled that amount of $13,000,000 and asked for $26,000,000, which brings the total figure as read by the clerk up to $52,670,215. There is a stipulation in the amendment to the effect that this money is to be used for this particular purpose; that is, for psychological warfare against the Japanese. It says "of the sums so allocated $26,000,000," that is the $13,000,000 extra I am asking for and the $13,000,000 Mr. Davis said would be used for that purpose, "shall be available for expenditures only for the purpose of defraying the costs of the program of psychological warfare against the Japanese."

This matter has been brought to the attention of the American people in the past few days. I have read articles in many newspapers commenting on the fact that the House had cut the OWI appropriation, and lamenting that fact. I, too, lament it. I feel that if we should make this increased appropriation for psychological warfare against the Japanese, the House would in all probability concur in the amendment when the bill goes to conference.

So I am seriously imploring my colleagues to vote favorably upon the amendment. The total appropriation for the OWI is less than the cost of an airplane carrier. The additional $13,000,000 which I am asking to have included is less than the cost of some of the big bombers, and I feel this would be an advantageous way to spend this amount of money. We will get much more for our money than we would by sending further armaments or more soldiers.

We are in an excellent position to conduct psychological warfare. We are winning. The enemy has positive proof we are winning, because our bombers fly over his homeland daily. The Japs have lost Okinawa. They know they are losing, and therefore now is the time to put on the pressure, the psychological warfare, to the last degree.

I know from past experience in my own business career that propaganda—advertising, if any wish to call it advertising—does not take effect for a while. I dare say the proprietors of Coca-Cola spent a great deal of money advertising Coca-Cola before they obtained any tangible results. Then, when the results start to show up, they roll up like a snowball. I feel it is the same way with psychological warfare. Until the attack on Okinawa we had killed a million and a half Japanese, and captured 10,000. The psychological warfare had not gotten well under way until on Okinawa we killed 100,000 and 8,000 surrendered. I believe that as the propaganda of the OWI gets under way the number of those who surrender will increase compared with those we must kill outright.

For the reasons I have stated I am asking that the appropriation be increased by $13,000,000, the increase to be used directly in the psychological warfare against Japan.

Mr. McKELLAR. Mr. President, I wish to say to the Senator from Idaho that his amendment would bring the appropriation above the Budget Bureau estimate and above the committee's recommendation, and under the rules of the Senate I am not only authorized to make a point of order, but it is my duty to make one against his amendment.

I understand the Senator's enthusiasm for a larger amount, and his desire to shorten the war. I think every Senator feels the same way about it. At the same time, I wish to say to the Senator that the committee went into this matter in minute detail with the officials and representatives of the OWI, and if ever there was a body of men on their toes during a hearing, it was the members of the OWI at their hearing before our committee. After the most careful consideration we raised the appropriation to $39,750,000, and that was all we could get a majority of the committee to grant.

In rule XVI of the Senate, with reference to amendments to appropriation bills, the following language is used, and I call this especially to the attention of the Presiding Officer:

> All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law, or treaty stipulation, or act, or resolution previously passed by the Senate during that session; or unless the same be moved by direction of a standing or select committee of the Senate, or proposed in pursuance of an estimate submitted in accordance with law.

Mr. President, that is the language to which I call the attention of the Presiding Officer, and also to the attention of the Senator from Idaho. The amendment of the Senator from Idaho would increase the appropriation $10,000,000 above the estimate of the Budget Bureau, and therefore it is not in order, and as acting chairman of the Committee on Appropriations I am compelled to make the point of order, much as I dislike to make it against an amendment offered by my distinguished friend from Idaho, whom I admire very much. I am compelled to make the point of order, and therefore I do make it.

The PRESIDING OFFICER. The Chair sustains the point of order. The clerk will state the next amendment of the Committee on Appropriations.

Mr. EASTLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Chandler	Hill
Austin	Chavez	Hoey
Bailey	Cordon	Johnson, Colo.
Ball	Donnell	Johnston, S. C.
Bankhead	Downey	Kilgore
Barkley	Eastland	Langer
Bilbo	Ellender	Lucas
Brewster	Ferguson	McClellan
Bridges	Fulbright	McFarland
Briggs	George	McKellar
Brooks	Gerry	McMahon
Buck	Green	Mead
Burton	Guffey	Millikin
Bushfield	Gurney	Mitchell
Butler	Hatch	Moore
Byrd	Hawkes	Morse
Capper	Hayden	Murdock
Murray	Saltonstall	Tydings
O'Daniel	Smith	Wagner
O'Mahoney	Stewart	Walsh
Overton	Taft	Wheeler
Pepper	Taylor	Wherry
Radcliffe	Thomas, Okla.	White
Reed	Thomas, Utah	Wiley
Revercomb	Tobey	Willis
Robertson	Tunnell	Young

The PRESIDING OFFICER. Seventy-eight Senators having answered to their names, a quorum is present.

The clerk will state the next committee amendment.

The next amendment was on page 15, in line 14, after the word "war", to strike out "$35,000,000" and insert "$39,670,215."

Mr. GURNEY. Mr. President, a number of Senators who are interested in the amendment are not on the floor at the moment, but I expect they will return shortly. The amendment seeks to increase even the size of the appropriation made by the House of Representatives. My personal views on this matter are that this is an excellent opportunity for Congress to show in a sincere way its intention to make a reduction in the several independent war agencies when the war is over. Without question every Senator agrees that the two-front war is now over; that we have only one-half as large a job to do—I do not know that we would all agree on the percentage—as we had to do prior to the defeat of Germany. But still we find just as large an appropriation provided for this independent war agency as was provided last year. Not only that, but the Senate committee by a vote of about 12 to 8 or 12 to 9 increased the appropriation that was passed by the House.

As I remember, the House committee recommended $35,000,000; then on the floor of the House the amount was reduced to $18,000,000. The Senate committee not only reinstated the House committee's figure but added $4,670,215 to the House committee's original recommendation. Therefore, it is my belief that we should return to the final figures approved by the House of about $18,000,000, and should add to it about $2,000,000, so that the OWI could return from the European Continent such of its employees as are now there, and could liquidate the European part of its activities in, say, 30 or 60 days after the commencement of the new fiscal year.

Therefore I am glad to offer at this time an amendment to the committee amendment on page 15, line 15, to strike out "$39,670,215" and insert in lieu thereof "$20,000,000." I offer that amendment.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. GURNEY. I am glad to yield to the Senator from Mississippi.

Mr. EASTLAND. The Senator has just returned from Europe, after having spent several weeks there. Did he hear of the activities of OWI anywhere in Europe?

Mr. GURNEY. I must reply in the negative to the question asked by the Senator from Mississippi. In a hurried way we made as thorough an inspection as we could of a number of countries on the other side. The committee of which I was a member was composed of eight

Senators. All of us came to the conclusion that the war over there was ended, and that the enemy was thoroughly whipped. I think every one of us who made the trip is completely sold on the idea that if there is any public relations work to be done over there—I will at least give it that name—the Army is in very good position to do it. In fact, because of a shortage of shipping the Army and the Navy will be obliged to keep many of its very fine personnel over there a great deal longer than they would like to keep them there, and the Army can handle anything that is necessary to be done in the line of public-relations work. The OWI is not needed in that theater at all.

Mr. EASTLAND. Mr. President, will the Senator again yield?

Mr. GURNEY. I yield further to the Senator from Mississippi.

Mr. EASTLAND. I should like to know if there is not contained in the proposed appropriation an amount of $140,000 to bring visitors from abroad to this country? Is the Senator informed whether that is true?

Mr. GURNEY. I am not informed with respect to that matter. If the Senator is, I shall be glad to have him make a statement.

Mr. McKELLAR. Mr. President, if the Senator will permit me to answer, I will say that, if there is such a provision contained in the measure and the Senator will point out the item, I shall be delighted to accept an amendment to strike it out. I do not believe in one nation appropriating money to be used to bring visitors from another nation. I do not approve of such a thing in high place or in low place or in any other place. I think such a thing should not be done. I do not believe we should appropriate money to be used to bring individuals from other countries to our country.

Mr. President, while I am on my feet may I ask the Senator from South Dakota if he recalls that during the hearings before the committee and the consideration of this matter before the committee several Senators who were on the committee and who had been in Europe differed with the Senator from South Dakota as to the good that was being done by OWI over there?

Mr. GURNEY. I am quite sure the Senator from Tennessee has possibly in mind members of other committees who toured Europe.

Mr. McKELLAR. No; I have in mind my distinguished friend the Senator from Minnesota [Mr. BALL] who had been over there and had seen something of the work done by OWI.

Mr. GURNEY. I want to assure the Senator from Tennessee that the Senator from Minnesota was a member of a committee which studied communications. Our group was composed of members of the Naval Affairs Committee and the Military Affairs Committee of the Senate.

Mr. McKELLAR. The Senator from South Dakota will recall that the Representative from Illinois, Mr. DIRKSEN, came before the committee of his own accord and asked to testify before the committee. He testified that he visited OWI offices in a number of foreign countries and found them to be operating efficiently.

Mr. GURNEY. If I may interrupt the Senator from Tennessee, I stated only my own conclusion and my belief concerning the conclusions arrived at by the other members of our committee. That was my reason for offering the amendment. Other Members of the Senate who went to Europe may have arrived at a different conclusion; if so, very well.

Mr. TYDINGS. Mr. President, in the committee I supported the increase. I do not often support an increase in the Appropriations Committee. I should like to make a brief explanation as to why I think the increase is justified.

I do not believe in government by propaganda any more than anyone else does; but if we reduce this appropriation we virtually appropriate only for the Pacific area. We have spent tens of billions of dollars to win the war in Europe. Now that the war in Europe is over, it is necessary for us to keep control of many of the transportation facilities, for example, which are wanted by the people of the countries in which such facilities are located, but we must have them because we must transport food and supplies to our own troops, and we must take our own troops to the ports so that they may come back to the United States.

Nevertheless, as I get the picture, there is considerable criticism and discussion in some of the European countries of our failure to turn back transportation facilities. I am using them simply as an example. There ought to be someone abroad who could explain the American viewpoint in French, for example, in France, or in Dutch in Holland, so that the people of those countries would understand that it is not any dictatorial or power policy that is inspiring us to keep such facilities, but a matter of necessity.

Unless that is done by someone, those people will get only one side of the picture, and all the blood and money we have spent in winning the war and liberating those countries is likely to be a bad investment. When we consider the cost of the war, it would be unfortunate, in my judgment, now that it is over, to be penny-wise and pound-foolish, and have America's position misunderstood.

For that reason, considering that the House had appropriated primarily and only for the Pacific area, I felt that it was good business policy to spend a few more million dollars so that when our troops are withdrawn, we can eliminate all possible criticism of our conduct in Europe after the war is over.

Even though we are anxious to get back to our regular system of government and eliminate the war agencies, I believe that upon reflection the OWI appropriation will be found worthy of deep thought. Otherwise the huge investment in natural resources and money, as well as in human life and blood and national sacrifice, may not yield the dividends which a few extra million dollars, now that the war is over, would enable us to realize.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. MORSE. I am very happy to say that I share the views so well expressed by the able Senator from Maryland. I think he has summarized the matter on a thumbnail. I think it would be most unfortunate for our international relations in Europe to dispense with the services of OWI in Europe. I believe that a great job has been done by OWI.

When I spoke on this subject last Thursday several Senators asked me a series of questions calling for additional information. At that time when I addressed the Senate on the information program of the Office of War Information, I had occasion to cite the work of the OWI in southern France as an example of how OWI can disabuse foreign peoples of ideas and prejudices which have become fixed during the five long years of Nazi oppression.

At that time I said that thousands of people in southern France were unaware of the great part which America had played in the liberation of France and believed—what some groups would have them believe—that France was liberated not by Allied troops but by the French underground and by Russian Army pressure in the East. It was the job of the OWI, I said, to set the record straight on this.

The distinguished Senator from Wisconsin [Mr. WILEY] then asked me to specify just how OWI made such information current in southern France, since OWI had no newspaper there. I was not familiar with the actual technique of distribution, and I did not have at hand the names of the large dailies in the south of France, nor their circulation figures. But I promised the Senator from Wisconsin that I would obtain this information for him, and I have it with me today.

The first OWI office in France was, of course, set up in Paris, and the Paris office is still the headquarters for OWI activities in France. Paris is the receiving point for cable wireless, and there the material is edited, translated and tailored for its destination.

Once the Paris office was set up and functioning, arrangements were made for establishing small outposts in some of the larger provincial cities. Within the last 4 months such outposts have been set up in Lyons, Marseilles, and Toulouse in southern France.

These provincial offices have a staff of two men, one newsman who handles releases for the press and acts as contact man with French editors, and one man in charge of what is called slow media for want of a better term. It is his job to set up exhibits, make arrangements for the showing of official American films, maintain relations with scientists, educators, and officials.

The OWI in New York transmits about 9,000 words a day via Signal Corps channel to Paris. Here the material is edited and translated. For the Paris press there are daily mimeographed releases of American military news, important statements by American officials, and official documents. The OWI does not, of course, attempt to maintain a teletype service throughout France. Therefore the Paris office services the provincial outposts with 3 bulletins which are mailed. These bulletins go to 400 clients.

One of these is a daily, called Nouvelles d'Amerique, a mimeographed sheet containing news, statements, documentation, which French editors must have as soon as possible. I have here an example of Nouvelles d'Amerique for the 28th of February, if Members would like to examine it. It is devoted entirely to an official statement of the lend-lease agreement concluded on that day by the United States Secretaries of State and Treasury, FEA Administrator, Mr. Leo Crowley, and Jean Monnet, representing the provisional Government of the French Republic.

The other two are weeklies, one called Le Document de la Semaine and the other Chronique des Etats-Unis. Both of these are inexpensive printing jobs and are devoted mostly to clarifying and documenting a single subject for the information of French editors.

I have here some samples of both bulletins. If members will examine these, they will note that the issue of Chronique des Etats-Unis for the 26th of April dealt at length with the history of civilian military training in America, the Selective Service Act and its provisions. Members may be surprised at the necessity for such a detailed exposition of American conscription, but let me assure them that thousands of people in France were unaware that the United States Congress had passed a military conscription act for this war, or for that matter, that the United States Congress had enacted legislation for controlling prices and rationing food.

I note that one of the Documents de la Semaine deals entirely with the lend-lease law passed by Congress, and the extension of lend-lease to the French Committee of National Liberation. I think this is a document every French editor should have in his files as a constant reminder of what America has done for the liberation of his homeland.

Another of the weekly documents—that of April 5—is devoted entirely to Senator VANDENBERG, his speech before this Senate on January 10, the reaction of the American press to that speech, a brief summary of the Senator's speech in Detroit on February 6, and his acceptance on March 5, of President Roosevelt's invitation to be an official delegate to the San Francisco Conference.

I wish the Members of the Senate would examine these publications.

Now, I should like to give some notion of the numbers and circulation of the provincial papers which this OWI material reaches.

In Lyons there are 14 papers with a total circulation of 439,000. The 2 largest are le Progres, with a circulation of 100,000, and la Liberte, with a circulation of 85,000. Naturally, the OWI office at Lyons works most closely with the editors of le Progres and la Liberte.

In Marseilles there are 16 papers with a total circulation of 537,000. The largest are Le Provencal with a circulation of 135,000, and La Marseillaise with a circulation of 100,000. In Toulouse there are 19 papers with a total circulation of 635,000. The largest are La Republique with a circulation of 125,000, and Le Patriote with a circulation of 120,000.

These figures are those of the Public Relations Section of the Sixth Army Group as of December 22, 1944. Undoubtedly these circulation figures are much too low at the present time.

Because these provincial offices have been operating for only a few weeks, I have no copies of the provincial papers to show the Members. But I can indicate how they played material supplied to them by the OWI, and I have here several copies of Parisian papers to show how OWI has placed its material in the French press.

In April the Lyons office circulated an exclusive release from DBS, the United States Army Headquarters in Lyons, on the transport and distribution through United States facilities of foodstuffs for the population of that area. This story was given full play in the Lyons press with a circulation of 439,000.

Further articles on the United States war effort, America's aid to China were also played heavily in that month. Nine important Lyons papers based several articles on the United States and its war effort on documentation furnished by the OWI office.

Furthermore, the newspaper Le Progres, the largest Lyons daily, housed in its hall two large OWI exhibits—one on the "War in the Pacific" and another on "American Women at War."

La Liberte, the second largest daily organized a weekly OWI rolling-picture exhibit in its 17 display rooms in outlying towns. The OWI in Lyons extended to the French Etat-Major, to the local Army APO and the DBS Information Office, a circulating type of photo service.

The OWI supplied a photo-exhibit to illustrate a lecture at Lyons University on American education, after which it toured the Lyons schools.

The same pattern can be repeated for Toulouse and Marseilles, where the dailies have opened their columns to OWI material, and their halls to OWI exhibits.

This is but a small portion of OWI activities in southern France. I have said nothing about the distribution of American documentary films, such as The Jeep, nor the tremendous circulation all over France of the famous Capra Why We Fight series, which make plain to French people what the American soldier is told about the causes and aims of this war. American films and OWI newsreels reach an audience of 350,000 weekly.

I have said nothing about the OWI picture magazine with text, called Voir, a biweekly with 400,000 circulation, the largest circulation of any magazine in France today, which would be twice as large if paper were available. This magazine is distributed by the French commercial house of Hachette and brings in a profit to the United States Treasury. There is also Choix, a digest-type magazine produced in cooperation with the British with a circulation of 300,000. This joint product will shortly dissolve, possibly to be replaced by a strictly American magazine of the same type. Not one copy of Voir or Choix has ever been returned from the newsstands.

Then there are OWI booklets—Since 1939, a history of the war and America's part in it, which has sold half a million copies all over France; a reprint of Japan by the editors of Fortune magazine; Lend-Lease, by Secretary of State Stettinius; The Navy's War, by Fletcher Pratt, the distinguished naval historian.

I could go on indefinitely. But I am sure that what I have said will satisfy Members that the American story manages to get told even though OWI does not own a newspaper nor buy space in French papers.

However, I should like to add another point, if I may. I do not know of any Senate committee that went to Europe charged with the responsibility of making an official investigation of OWI on behalf of the Senate. If there is such a report, then I certainly think that the Members of the Senate should have it made available to them before they vote on this appropriation. I do not believe that such a report exists or any committee was ever given such an assignment. I do not believe that Senators who were members of the committee on which the distinguished Senator from South Dakota served made a special investigation of the OWI office. If they did, I am satisfied that they found the type of exhibits which I have on my desk, sample exhibits which I obtained over the week end from the OWI office, showing the grand job being done by the OWI in Europe, in telling what I called last Thursday the American story.

I think it is very interesting that the distinguished Representative from Illinois [Mr. DIRKSEN], who traveled in Europe, and who made as one of his objectives an investigation of the work of OWI, came back with a glowing account of the great work being done by that organization in behalf of this Government. His testimony before the appropriation committee in support of OWI has yet to be answered with any contrary facts by any Senator who has spoken against OWI.

I wish to make only one further comment to buttress the remarks of the Senator from Maryland. As I stated last Thursday, I think it would be most unfortunate if we were to turn this job, which is predominantly a civilian job, the job of serving as a civilian voice of America in Europe, over to the military authorities. It would be bad for psychological reasons, because, after all, the people in Europe are much too accustomed to taking their information and orders from the military. However, I want it understood that I hold a brief for our military, because I am satisfied that such information as it would give would be given in accordance with our democratic principles. Nevertheless, I say that it would be a mistake to use the military as the medium for dispensing the information which needs to be disseminated in Europe in telling the American story. Hence I think it is highly

important that we preserve the OWI activities in Europe, and that we see to it that the amount recommended by the Appropriations Committee is approved by the Senate.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BARKLEY. In connection with the remarks of the Senator from Oregon, let me say that I am not a member of the Committee on Appropriations, but I understand that General Marshall, General Eisenhower, and our military authorities in Europe not only recommend this amount, but do not themselves want the job of carrying on the work of OWI.

Mr. TYDINGS. Mr. President, I believe the Senator is well advised in that respect.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. TYDINGS. Let me say before I yield to the junior Senator from Kentucky that I have not been to Europe, as have many other Senators. However, the information which has come to the committee and to me is to the effect that the illustration which I used in the case of transportation could be used in many other lines which I shall not take the time to mention. Therefore I repeat that it would not be wise to spend all the lives and money necessary to win a war and liberate a country, and then be misunderstood because our side of the case is not presented. I think we owe it to the men who won this victory to see that we realize good will from it. Even though the criticism may be undeserved, we should present our side of the argument.

I now yield to the Senator from Kentucky and then I shall take my seat.

Mr. CHANDLER. Mr. President, this agency was created to be the Office of War Information. If we are to continue its activities in Europe, the name ought to be changed, because there is no war going on there now, unless we are to permit the OWI to furnish some sort of war information or news with respect to the war in the Pacific.

It is inconceivable to me that we should spend $35,000,000 in wartime to disseminate war information, and then, when peace comes, spend $39,000,000 to continue to disseminate such information.

I had an opportunity to observe in various countries during the war—not after the war—the activities of OWI. I know that the employees of OWI were sincere and earnest in trying to do what they thought the people of the United States and the Congress wanted them to do when the agency was created. However, the other day when my friend from Oregon was speaking, I felt that I had to question the wisdom of "exporting democracy" to other countries. The suggestion was made that we were to spend millions of dollars to export democracy.

In the first place, millions of people in Europe do not know what we are talking about. They cannot read the statements which are issued. They do not understand what they hear over the radio. Then someone explains to them what we mean by what we have said in the hand-outs.

I have no doubt that during the war this service was worth something. I seriously question whether it was worth the amount of money we spent for it. But if it was worth that much during the war, I cannot for the life of me understand how it is worth so much more in peacetime to send war information over there.

Mr. BALL. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. BALL. The appropriation for this agency last year was $54,000,000.

Mr. CHANDLER. That is more than $39,000,000.

Mr. BALL. I had the impression that the Senator was saying that we were increasing the appropriation this year.

Mr. CHANDLER. The Senate committee proposes to increase it. The House committee recommended $35,000,000. On the floor of the House the amount was reduced to $18,000,000, and now it is proposed to increase it to $39,000,000.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. McKELLAR. Let me say to the Senator that what he has stated is not the purpose of maintaining this organization in Europe.

Mr. CHANDLER. What is the purpose of it?

Mr. McKELLAR. Let me make a statement regarding the purpose. A great many Americans are over there. Our position, both as a Nation and as a people, is being constantly misrepresented.

Mr. CHANDLER. We do not have to explain that to our own people; do we?

Mr. McKELLAR. Oh, no.

Mr. CHANDLER. To whom are we going to explain it?

Mr. McKELLAR. We are going to explain it to the people over there, as well as to the people with whom we have been cooperating all this time. The position of the American people should be kept before the people of Europe.

I wish to say that we have a very large slice of Germany to supervise. It is not so large as the other slices, I believe; I think Russia came first and Great Britain came second and probably France came third and the United States came fourth.

Mr. CHANDLER. That is always the way it is; if there is any division, we always get short division.

Mr. McKELLAR. Yes; we get the short side.

Mr. CHANDLER. Yes, sir.

Mr. McKELLAR. But we have a very large slice of Germany under our supervision; and insofar as Germany is concerned, we must have publicity with respect to our control of it and why we, a democratic people believing in self-government, are over there.

From my knowledge of the junior Senator from Kentucky, knowing him as I do, I am sure that if he had been with the committee and had heard the testimony of all the Senators who have come back from Europe, or of nearly all those who were abroad, he would feel about the matter as I do. Among the Senators who returned from abroad there was a difference of opinion, as I remember; the Senator from South Dakota [Mr. GURNEY] differed with the other Senators. But nearly all of them testified to the splendid work which was being done by the OWI over there for the American people.

I wish to say to the Senator that since I have been here I have heard many members or representatives of organizations testify, but I never before saw so many witnesses from one organization who were so nearly on their toes every minute of the time. If they work at their job in Europe as well as they testified over here, they certainly do good work. The great preponderance of the testimony before the committee, at least, was that they do.

Mr. CHANDLER. But let me say to my friend——

Mr. McKELLAR. Mr. President, I wish to say that Representative DIRKSEN appeared before our committee. If the Senator will yield further to me, I should like to read a part of Representative DIRKSEN's statement. It is very short. I should like to show what the statement he made was.

Mr. CHANDLER. Yes; I yield.

Mr. McKELLAR. I thank the Senator. I wish to say that Representative DIRKSEN came to me as I was going to breakfast at the hotel where I live. I have known him for a long time, and I have known him very pleasantly. He is a very able man. He came up to me, and he said to me, "Senator, I want to appear before your committee this morning."

I said, "Very well, sir; we shall be glad to have you."

I did not know what he wanted to testify, I did not know what his views were at all. I just told him to come ahead.

Here is what occurred:

Representative DIRKSEN. Mr. Chairman and gentlemen of the committee, first let me say that I am very glad to be with you today. The matter that I want to be heard on is the very matter that is before the committee at the present time, Senator.

When the Budget estimate for OWI came to the subcommittee of which I am a member in the House, which had, as its duty, the consideration of this budget, it contained an estimate for $42,000,000. After we gave it careful consideration we reduced it somewhat and recommended $35,000,000. That recommendation was supported by the full committee.

ACTION TAKEN ON HOUSE FLOOR

However, when it went to the floor of the House, in my absence from the city, the amount was cut in half. I observed from reading the RECORD that I was paired in behalf of the cut, but that was an error on the part of the pairing clerk. I favor the appropriation recommended by both the subcommittee and the whole Committee on Appropriations of the House.

Listen to this, Mr. President. I hope the Senator from Kentucky will listen.

Mr. CHANDLER. I will. Go ahead.

Mr. McKELLAR. This is Representative DIRKSEN speaking, not me:

I do feel in all good conscience, after having examined so many OWI installations which I looked over personally in all parts of the world, in almost every country that I visited in my recent trip, which covered 21

countries, it is my considered opinion that they were doing a good job.

I do not care to comment on their domestic activities because I have not been sufficiently familiar with them. I would reserve comment on that.

I do want to say, however, for the record that I investigated the OWI offices in London, Paris, Cairo, Istanbul, Ankara, Beirut, Damascus, Delhi, Calcutta, Baghdad, and others the names of which escape me at the moment.

TYPE OF SERVICE BEING RENDERED BY OVERSEAS BRANCH

I can testify, therefore, as to the character and the personnel that I have seen. I think they are all a high type of men. They are doing an efficient job and I think they are deligent in the pursuit of their duties.

Certainly, I think the OWI, in the main, overseas, has done a very good job in bringing to the attention of people with whom we were not at war like, for instance, the people of Iraq and Iran, and India, and elsewhere, information as to what the objectives of this country are, and secondly, some manifestation or information to them as to why our troops are among them, and doing what they are doing. That is an important thing.

This is not the only thing that I investigated on my trip. I investigated activities in general. This is one of the branches that I took up with the general officers assigned to duty in that area, and they told me that they thought they were doing a very good job, and I found that they had a very sweet relationship between our troops and the natives in all these countries that I visited.

Then he was asked if he had visited Italy. He said he had. He was asked whether the OWI was doing a good job in Italy. He said, "I think they have done reasonably well."

Then the following occurred:

Senator BRIDGES. What about the general conditions in Italy today? Everybody else that comes back from there says that it is in a simply terrible condition.

Representative DIRKSEN. You mean the country?

Senator BRIDGES. Everything—the attitude of the people and the country.

Representative DIRKSEN. Well, let us not, Senator BRIDGES, forget one of the two things or more that have happened in Italy. Let us not forget that in the last few months several serious things have happened in Italy.

In the first place, I think they are getting in the same frame of mind as the people in Germany and Austria went through at the end of the last war.

He continued to report about the coverage of the American news in Europe and about the functions of the OWI information service abroad. If the Senator will read the testimony of Representative DIRKSEN he will find that we have done a good job in establishing the OWI.

Mr. CHANDLER. Mr. President, I am forced to conclude from the Senator's reading of Representative DIRKSEN's statement that Mr. DIRKSEN thinks they were fine gentlemen, that they were very much interested in this country, that they love this country.

Mr. McKELLAR. And they were doing a good job.

Mr. CHANDLER. Anyone should be glad to take a trip across the ocean and proclaim that this country is a grand country and proclaim that everything we stand for is all right, and any such person should be glad to be well paid and well fed and to be in comfortable surroundings and to be far away from war. Those things are very attractive, and I have no doubt that they are enjoying those places and have enjoyed them.

My point is that in wartime I do not think it was worth as much money as we spent for it. In peacetime—at least in peacetime over there—I do not think we are justified at all in continuing the appropriation of this amount of money to do what the Senator says he wishes to have them do.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CHANDLER. I ask the Senator to wait a minute, please.

Mr. McKELLAR. Mr. President, I should like to ask one more question, if the Senator will yield to me.

Mr. CHANDLER. I yield to the Senator from Tennessee.

Mr. McKELLAR. Does the Senator have any confidence in General Eisenhower, who has just returned from abroad?

Mr. CHANDLER. Yes; but he is a fighter. I have confidence in him as a soldier. There are many things about which I would hesitate to ask his advice.

Mr. McKELLAR. Will the Senator listen while I read a short statement by General Eisenhower?

Mr. CHANDLER. Did the general make the statement to the committee?

Mr. McKELLAR. Yes. It was in the form of a letter written by him to myself as acting chairman of the committee.

Mr. CHANDLER. Very well.

Mr. McKELLAR. The statement reads as follows:

DEAR SENATOR MCKELLAR: I am forwarding to you a copy of a message that has been received from General Eisenhower regarding the operation of OWI in Europe in 1946, and the effect that certain reductions in appropriations would have on this program.

The necessary OWI services in the European theater of operations could be assumed by the Army, but the War Department would prefer not to undertake the organization of a new service for this purpose.

Faithfully yours,

G. C. MARSHALL.

I now read the statement of General Eisenhower to General Marshall:

OWI has advised us that if cuts stand which are prescribed in 1946 appropriation for OWI as passed by House of Representatives, it will be necessary for OWI to discontinue all services now being rendered to my operation during the control period in Germany.

Mr. CHANDLER. Now, wait a minute. The OWI went to General Eisenhower and told him that if the cut were made it would mean that they, the OWI, would have to curtail all their services to him.

Mr. McKELLAR. He would have to take it over. If the Senator will permit me to finish——

Mr. CHANDLER. Very well.

Mr. McKELLAR. I continue reading.

Our plans for control of German information services—

He means the War Department plans—

and providing news and information to German people in United States zone, have been based on large contribution from OWI in personnel and funds, and have been worked out in close cooperation with OWI. If our operations in these fields are to go on as currently projected, it will be necessary for War Department to supply approximately equivalent personnel and funds in addition to Army personnel.

Mr. CHANDLER. Will the Senator stop there?

Mr. McKELLAR. I will stop there with pleasure.

Mr. CHANDLER. There are thousands and thousands of smart boys from this country who will not have very much to do for a while, now that the war in Europe is over. We will have two or three armies of occupation in Europe. Why should they not furnish the necessary personnel if by so doing it will save the people of the United States millions of dollars. Many of the men will have to remain in Europe for some time.

Mr. McKELLAR. What the Senator has suggested could be done. The Senator is correct about it.

Mr. CHANDLER. Well, let it be done.

Mr. McKELLAR. However, it would cost the American people infinitely more money.

Mr. CHANDLER. Let us see if it would.

Mr. McKELLAR. I continue reading:

Presumably equipment now provided by OWI could be transferred to Army as required. Extensive program for use of Radio Luxemburg—

I will digress long enough to explain what that means. Ever since we captured Luxemburg the American Government, through the OWI, has been operating a large radio station there. If the OWI were discontinued, the station would have to be taken over and operated by the War Department. By the way, Luxemburg is now asking for an increase in rental for the building which the station uses.

Mr. CHANDLER. I believe there are men in our Army forces who are just as smart and just as capable of operating radio stations as the OWI.

Mr. McKELLAR. That may be true, but the plan proposed by the Senator from Kentucky would cost more money.

Mr. CHANDLER. Why would it?

Mr. McKELLAR. Allow me to finish reading of the statement:

Extensive programs for use of Radio Luxemburg would have to be transferred to Army, together with editorial staff and technicians.

All our boys are good editors and able men. They are good fighters. They are the best fighters who ever fought in this world.

Mr. CHANDLER. Mr. President, all that is necessary in order to become an editorial writer is to have some newspaper to write for, and have a pencil and paper. [Laughter.] Any one can be an editorial writer if he has something to write about. [Laughter.]

I merely want to strip this matter down to what is necessary.

Mr. McKELLAR. I am glad the Senator has made that statement. I wish to say that when I see some of the articles which have been written about me, I am inclined to think the Senator is correct. [Laughter.]

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. CHANDLER. I will yield in a moment.

Mr. HILL. Mr. President, what the Senator from Tennessee has said, includes columnists' columns as well, does it not?

Mr. McKELLAR. Yes; they are included. [Laughter.]

I continue reading the statement.

Army would have to establish news-file operation to feed newspapers being prepared for Germans and radio network operated by this headquarters. Operations in liberated areas, transferred or being transferred to OWI would have to be resumed by PWD, or transferred to State Department or FEA in view of present large commitments in information material (films, etc.) and equipment.

If congressional policy requires termination of these activities by OWI and favors transfer to War Department, strongly recommend transition period be included in appropriation legislation which would permit necessary time to accomplish necessary transfers and adjustments. Further recommend that War Department examine need for strengthening their own organization to deal with such problems if congressional policy requires transfer.

Policy and servicing functions for this theater now being performed by OWI must be delegated to War Department agency.

That is the statement of General Eisenhower.

Mr. CHANDLER. Does the Senator understand that statement to mean that if Congress, in its wisdom, decided to transfer those communications to the War Department, General Eisenhower would object?

Mr. McKELLAR. I certainly do, because I was told by both General Marshall and General Eisenhower, after this statement had been sent to me, that that is exactly what is intended to be done. General Marshall told me further that, in his judgment, it would cost considerably more money to turn over the OWI organization to the Army because the Army was new at that kind of work and it preferred that the work be done by the OWI.

I do not regard General Marshall or General Eisenhower as gods, but I believe they have made such a wonderful success in the prosecution of this war—one of them being the best thinker and the most careful planner I have ever known, and the other being the most active, vigilant, and successful general that any nation ever had—that we should pay some attention to their opinions when it comes to managing affairs with which they are primarily concerned.

Mr. CHANDLER. Mr. President, I am willing to give whatever consideration the statements of General Marshall and General Eisenhower are entitled to, but I do not expect that they will control me in my thinking when I have obtained knowledge and information of my own. If we continue this agency after the war comes to an end we will be continuing an organization for the purpose of spreading propaganda, and it will be considered by the people of Europe to be propaganda. We will enter into a contest with Britain, Russia, France, and all the people in the areas covered by our propagandizing will be bombarded with propaganda, most of which will not be understood by the people who will receive it.

Is it to be assumed that we must enter into a contest with other nations in order to explain what we as Americans stand for? As my friend said the other day, we want to get the other peoples of the world into such a position that they can determine for themselves the kind of government they choose to live under. The only way by which to do that is to educate them. As our colleague has said, the people whom we know as slave people do not have governments of their own, but live under the domination of some powerful country such as England, Russia, or France. They want to be free, but they want to be educated, and they do not want to be bombarded with propaganda. If we are to spend millions of dollars to export democracy, then we can not have any legitimate objection if Russia spends millions of dollars to export communism; and I do not want that here. It is all right for them if they want it in Russia, but we complained bitterly when they tried to communize and bombard our people with pamphlets and radio comments.

Senators would be surprised to know how little the people over there know about what we are doing, anyway. It makes no difference how anxious we are for them to find out. In a trip I made from Iceland all the way around the world to Pearl Harbor, I found that the American people, the OWI to the contrary notwithstanding, were almost completely obliterated.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. CHANDLER. In just a moment. One might read in a paper that on a certain day the American soldiers went into a certain place behind the British, after the British had completely wiped the place out, that we moved in and occupied some inconspicuous place. We were almost completely ignored, so far as getting accurate presentation of the American position and American news was concerned. It just did not exist; one could not find it.

When I got back to Honolulu and obtained a paper with the Stars and Stripes on it, I learned we had been quite successful in some of our operations. I learned over there that the British were very, very proud of the African operation. I do not want my colleagues to think I desire to take from the British the credit for anything they did; but they said in their papers that they were so pleased with the success of the African operation. That was in 1943, and the reason why they were so pleased with it was that 90 percent of the success of the operation was due to British ingenuity, planning, and fighting qualities, according to their statements. I do not want to take a thing like that. We landed an army at Fedala, and at Casablanca, and Algiers, and went on up to Cape Bon and Bizerte, and suffered great losses in men killed and prisoners taken. We were awarded credit for 10 percent of the whole operation, and that did not sit well with me.

I have no doubt the OWI did the best they could. Their representatives were fine, patriotic Americans. They applied for their jobs because they were attractive, and gave them an opportunity to go overseas in wartime. We have spent millions of dollars in trying to do this job. It has been of some value, but I question the expense of it to the American people, and I certainly question the continuation of this large appropriation now that the war is over in Europe. Why should we keep the organization? What are we to spend the money for? In lend-lease? We have spent more than $40,000,000,000, as I recall the amount.

Mr. TAYLOR. Will the Senator yield?

Mr. CHANDLER. In just a moment. In lend-lease funds we have spent about $40,000,000,000, I believe, to help win the war. There has been today some suggestion about curtailing expenditure from men who supported the largest and greatest appropriations for everything, at all times. Some think we are going to have to draw in, and if we cannot draw in in Europe, where can we draw in? A while ago there was a move to close three or four hundred little war employment offices, which were to help in the effort to employ soldiers. Is that where the move for economy is to be made first?

I yield to the Senator from Oregon, and then I shall yield to the Senator from Idaho.

Mr. MORSE. Mr. President, I should like to make a very brief comment on a couple of points the distinguished Senator made in his criticism.

If I understood the Senator correctly, I understood him to say that these OWI releases in Europe were not understood by the people. I do not know whether I am correct in my interpretation or not, but I judge from the Senator's remarks that he thinks they are not being released in the language of the country in which they are released.

Mr. CHANDLER. The releases got to so few people. If it becomes a question of propaganda, they go to counterpropaganda. The OWI fellows have learned the language. At least they know a little of it, and they do very well, but the native people put a man on the radio, and he says, "That is propaganda. That is paid for by these people to influence you. Don't you pay any attention to it." The Arab says, "Don't do that to us. Don't bombard us with this, that, and the other."

I wish I could enumerate some of the things we sent them, which they used in the wrong place. Some of them they wear about the body, and some they wear in the wrong place, when it is supposed to be on top it is on the bottom. They do not understand those things. We spent a great deal of money.

I go back to the words used by the old pasha. He said, "If you have anything to do for us, help educate my people, and unless you are going to do that, let us die. Don't speak us to death." What we are doing is speaking them to death. We are bombarding them with pamphlets they do not understand, I repeat, and going on the radio telling them bedtime stories they do not want to hear.

Mr. MORSE. In my judgment, Mr. President, by his position on this issue, the Senator would close one of the important educational channels we have to

Europe. I have in my hand, for example, just a sample of the releases which have been issued by OWI in France, printed in French. I also have on my desk copies of French newspapers which have the largest newspaper circulation in France, and I can assure the distinguished Senator that he will not find brief paragraphs of OWI releases in these papers, he will find many columns and whole pages of OWI releases in the French papers.

Mr. CHANDLER. What the Senator says reminds me of when I was a boy in the country, and men would get out handbills and have the boys on Saturday afternoon put them in the cars, the automobiles, around the courthouse, and along about 5 or 6 o'clock in the afternoon they would be found stuffed in places at the end of the streets. It looked as if a cyclone had hit the street. All my colleagues who were country boys know what I am talking about.

In the early days of the war we made raids over enemy countries and dropped leaflets. Would anybody want to say what supreme value the leaflets had? If they had anything to do with winning the war, why did we have to send 60 divisions over there, and suffer so many casualties, and why did we have to go all the way to the Elbe River and join the Russians, and wipe out practically every city and town in Germany? What effect did the leaflets have on the people?

Mr. MORSE. The fact remains, however, that our military officials over there say that the psychological warfare was very helpful in the prosecution of the war.

Mr. CHANDLER. The record does not show it.

Mr. MORSE. In my judgment the Senator is trying to prove an argument by a false assumption. It is easy for the Senator to say these leaflets are similar to those stuck in automobiles at a county fair, but the record does not support his analogy. The record shows this material is receiving wide circulation in France, and is appearing in the newspapers in large quantity. Unless the Senator is arguing that the material is not good, or that it is not factual, or that it makes no favorable impression on the French people, then of course he will have to admit that it is having an educational value in France and is far different from the type of county fair advertising throw sheets to which he refers.

Mr. CHANDLER. The Senator says I have to admit it has an educational value?

Mr. MORSE. I think the Senator should, or else show wherein the material is not factual.

Mr. CHANDLER. But it is so little in comparison with the amount of money spent I just do not think it is worth it. That happens to be the way I feel about it. If I felt it was an important educational matter to the people of the United States to have their money spent in this way for education, I should just be delighted, but we must spend some money for education in the United States, if we really have money to spend for education. I do not like to see it wasted on propaganda of this sort.

It has been said on the floor of the Senate that one of the purposes was to export democracy overseas.

Mr. MORSE. Will the Senator yield further?

Mr. CHANDLER. I yield.

Mr. MORSE. I understand what the Senator believes, as I understood it last Thursday, and that is why I made further investigation as to the type of material being released by the OWI in France, and it is my judgment that the material, exhibits of which I have on my desk, cannot be characterized as propaganda in the sense in which the distinguished Senator is using the term. I do not think the Senator will find any distortion of fact in this material. I think if he will take it and examine it he will find that the OWI is doing a remarkable job in getting facts about America to the people abroad.

Mr. CHANDLER. What does the Senator want it to do? I know the OWI thinks it is doing a good job, and I have no quarrel with it. I know the OWI people enjoy the job. It is a very nice job, and they like the work, it is very pleasant. I am not questioning what they think they are doing. What does the Senator think those news releases and pamphlets really accomplish?

Mr. MORSE. I am glad to have the question because it goes to the next point, and the last point I want to make in this debate. The Senator from Kentucky has stated that the war in Europe is over. I want to point out that only the military phase of the war in Europe is over.

Mr. CHANDLER. I understand.

Mr. MORSE. But a great job is still to be done in Europe. What we do by way of making the peace adjustments in Europe which should be made will determine in large measure, in my opinion, whether we are going to have permanent peace in the world. We are going to keep in Germany for some time to come a considerable army of occupation.

Mr. CHANDLER. There is no question about that.

Mr. MORSE. We have a great job, to use the Senator's own language, in educating the peoples of Europe to an understanding of the motives, the objectives and the idealistic aims of America, and to do it I do not think we can justify cutting off the best agency we have now as a channel for sending the American story to Europe. I think—and I am sure the Senator from Kentucky will not take offense at the language—I think it would be a great disservice to future peace if we fail to approve the recommendation submitted to us by our Appropriations Committee.

Mr. CHANDLER. Of course, if I believed that, I would support the Senator's view, but my views are in sharp disagreement with his. I think we sent the American story over there with the 60 divisions we sent over on the western front, and we had to send it over there in that way because we had not been able to get the story over to them in 25 years. We sent the American boys over there with fixed bayonets, and they took the American story over there, because it was absolutely necessary to be done, and without our contribution in men and material the war could not have been won.

We are responsible for a section of Europe now, so we are going to organize that section. If the Senator's statement is true that we are going to educate the people there with money, then we do not furnish enough money, and we are not doing it the right way. But even so, across the line from us the French are going to do something with the German people, and the Russians are going to do something with them. We are going to divide the occupied country into four sections, and each of the occupying forces is going to bombard the people with OWI pamphlets, and each one of us will tell the people there a different story of what we expect in the world of tomorrow. If I thought that the money we are going to spend was necessary for the peace arrangements of tomorrow and if I thought it would secure the understanding we so badly need I would support every nickel of it, but I do not think so. I think it is too little to accomplish what the Senator hopes will be accomplished, and I thing it is too much to spend for what we are doing now. It is much too small an amount for what my friend wishes to have done, and it is much too much for what we are actually doing.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. MORSE. If the Senator's assumption is correct that Britain and France and Russia are going to use the type of propaganda to which he refers in accordance with his definition, then I think it all the more important that America make available factual information about America and her objectives because I know of no better way to counteract distortion than to present factual material.

Mr. CHANDLER. There cannot be any arguments about that. But the Senator says this is true. Some one else says no, it is not true. The other thing is true. If we were to be the only ones to send messages, and if we were certain the messages we send would be believed, and would have the effect my friend the Senator from Oregon wishes them to have, I would go with him. But that is not the way it would work.

Mr. MORSE. Mr. President, will the Senator again yield?

Mr. CHANDLER. I yield.

Mr. MORSE. If the Senators means to imply that OWI is not sending over factual material I think it is up to the Senator to establish it by evidence.

Mr. CHANDLER. I do not mean to imply. I said deliberately and straightforwardly what I meant. I did not mean to imply any such thing. But I say that we would tell them what we contend are the facts, and someone else would say to them over there, "Those are not the facts. That is American propaganda." I think the Russians and the British would send counterpropaganda. Then you would become embroiled in a propaganda fight. The Senator does not say it is propaganda, but people over there would say it is propaganda.

Mr. MORSE. Mr. President, will the Senator again yield?

Mr CHANDLER. Yes.

Mr. MORSE. Of course, it is basic in the whole educational process to distinguish between fact and distortion. I am perfectly satisfied if we can make available to the peoples of Europe factual data such as the OWI is sending, that their minds, as well as ours can distinguish between truth and falsity.

Mr. CHANDLER. The Senator has greater hope for them than they have ever demonstrated their capacity. The Senator has greater hope for all the world than its people have demonstrated. I have no such hope for them. If I did I would join with the Senator from Oregon. If I thought we could send them a hundred carloads of releases from OWI, and all of the material would be true, and that those to whom they were sent would believe what we said, and as a result we would not have any more trouble, the Senator and I would be right together, and we would go along together in passing out the material.

Mr. MORSE. Mr. President, will the Senator again yield.

Mr. CHANDLER. Yes, gladly.

Mr. MORSE. I wish to say to my good friend from Kentucky that I am very happy to extend to him an invitation to join the optimists club of the Senate.

Mr. CHANDLER. The Senator would have to be a supreme optimist in this case.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. FERGUSON. When I was in Europe recently I saw some evidence of the work of the OWI. I believe the OWI should receive some appropriation for the work to be done by them there. I do not suppose I will have a chance to vote on what I think OWI should receive. I think that $35,000,000 is the correct amount.

I want to say that so long as American troops are in various theaters in Europe I believe there is need for the dissemination of the truth, not only as to what was done in the war, but as to what we intend to do in the future.

Mr. President, I believe the OWI should work through the various embassies and ministries so that they will be able to give the facts to the people of Europe. The shooting war is over in Europe, but one must admit, if one travels around and makes inquiry over there, that the war is not wholly ended. There is much work to be done in Europe. I believe in psychological warfare. I believe in giving the truth to the enemy because I believe that will do more good than propaganda. I would not like to see the time come when we will spread propaganda as such in other countries. I hope the time will never come when other countries will spread propaganda to this country, whether it be true or untrue. I think we must avoid that. But the war is not over in north Africa so far as America is concerned. We are there yet. We have much property there. We have officers and enlisted men there. We have them in Italy. We have them in Germany now. We have them in France, we have them in Denmark, in Norway, and in England. I hope we will have the truth sent over there so that, until we can get our men back home, we will have the least possible trouble in those countries.

Mr. President, while I cannot agree with many things which the OWI have done, I did find evidence when I was on the other side that there is a need for demonstrating the truth as to what we have done in the past so far as the war is concerned, and what we intend to do in the future. I hope that we will come to an agreement here on $35,000,000 as a fair sum to carry on not only the psychological warfare against the Japs—for I think we need it there—but also to demonstrate the truth in Europe, that our boys over there may be benefited to the greatest possible degree.

Mr. CHANDLER. Mr. President, I am glad I had the opportunity to yield to the Senator from Michigan. What the Senator meant to say is that we send truth over there as OWI understands it to be. We will be sending it to the people over there as OWI's version of it. I repeat that if we send what we believe to be the truth to other people they will send their message to us, and a contest will arise between us.

Mr. President, I think OWI should receive whatever is a reasonable amount in order to wind up its activities in Europe. I do not know what that amount is, but I much prefer to support the $20,000,000 amendment offered by the Senator from South Dakota, because it does not seem to me to be at all just to consider allowing as much as the Senate committee proposes to allow.

With regard to making a contribution to the peace of the world, if we approve the Charter which has been agreed upon by the nations after the Conference at San Francisco, and every one in the world finds out that this time America is going to be a party to a world organization, that will do more to establish good feeling among the peoples of the earth than the money which we propose to permit the OWI to spend now to send out whatever we may call it. It is going to be construed as propaganda.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. TAFT. Does the Senator know any reason why, if we continue an appropriation of $20,000,000 for propaganda in Europe during the next year, the same arguments may not apply for all time to come? Are we not going to be interested forever?

Mr. CHANDLER. Oh, yes.

Mr. TAFT. In other words, is not propaganda of this sort justified only by the war needs?

Mr. CHANDLER. At the outset I stated that, as I understood, this was the Office of War Information. I assume that it was created to furnish war information. But it now develops, when the war is over, that it is to be continued as a propaganda agency. I do not like to use the word any more than Senators like to hear it; but we complained bitterly when the Russians propagandized the people of the United States and tried to tell us the Russian story. We had a right to complain. Other peoples do not like to have us propagandize them.

Mr. TAFT. Does not the Senator believe that such activities would create more ill will than good will in time of peace?

Mr. CHANDLER. I think there is no question about it. I think they create bad feeling. I know that the sincere young men who have been doing this work feel that they have done a good job. They believe that what they have done is what the American people and the Congress wanted them to do. I do not believe it has been worth the money spent on it. I do not believe it will be worth the money we put into it in the future; and that is the reason why I shall not support it.

Mr. TAFT. Does the Senator know how much it costs the Associated Press to conduct its entire press service all over the world for a year?

Mr. CHANDLER. I do not know.

Mr. TAFT. I am told that $12,000,000 is all the Associated Press has to spend over the entire world for all the news gathering and news distributing agencies it has; and I am informed that the figure for the United Press is $10,000,000.

Mr. CHANDLER. The Associated Press scooped everyone else in connection with the news as to the end of the war. Everyone knew that the war was over, but the news was held up so that certain ones could tell it. Everyone knew that the fighting was over, but arrangements were made for some particular individuals to tell it.

Mr. TAFT. Does not the Senator believe that the people of other countries can learn more real facts about America by reading the news dispatches from America, telling about things that are done, than by looking at pictures in a book showing American factories, and so forth?

Mr. CHANDLER. Let me say to the Senator from Ohio that I believe that the people of other countries assume, and have a right to assume, that the official hand-outs from the OWI are sent to them for the express purpose of influencing them. Therefore they back away, to keep from being influenced, whereas they might assume, and frequently do assume, that a news dispatch is something that is written with no special purpose of influencing their minds about any specific thing. An ordinary news dispatch probably does more good than one of the official releases.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. AIKEN. I was interested in what the Senator from Ohio said about letting the Associated Press and the other news-gathering agencies distribute the information which we wish distributed in foreign countries. I am wondering if the Senator knows whether the French, Belgian, and Italian newspapers are members of the Associated Press, so that they could obtain that information.

Mr. CHANDLER. I cannot answer that question.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. GURNEY. Does the Senator know whether or not the Stars and Stripes and the Yank magazine are edited by soldiers?

Mr. CHANDLER. They are.

Mr. GURNEY. Does not the Senator believe that they are doing a very fine job?

Mr. CHANDLER. They are doing a fine job. It is a patriotic job, and they are doing it voluntarily. They do it for whatever their pay happens to be, whether that of a sergeant, a corporal, or a private.

Mr. GURNEY. I believe it is the Senator's understanding, as it is mine, that the news industry of the United States, as well as the radio industry, furnished plenty of good men to the armed forces.

Mr. CHANDLER. There is no question about it.

Mr. GURNEY. Probably percentagewise, those industries furnished just as many men, and just as fine men, as were furnished by any other industry in the Nation.

Mr. CHANDLER. There is no question about it.

Mr. GURNEY Therefore there are in the armed forces at the present time educated men from the news gathering industry, the printing industry, the radio broadcasting industry, and the radio engineering industry. Is that not true?

Mr. CHANDLER. I think there is no question about it.

Mr. GURNEY. The information which we received in the Appropriations Committee this morning was to the effect that we are to bring back about 167,000 men a month for the next 12 months, or a total of approximately 2,000,000 men. We have 3,000,000 men over there. So at the end of 12 months we shall still have nearly a million men over there with nothing to do. So we have plenty of men to carry on this kind of work in France and in other European countries for the next 18 months.

Mr. CHANDLER. I think so.

Mr. GURNEY. They are competent men, and we can save money, because there is a surplus of well-educated men. I know of one man over there who was formerly in the press gallery. I believe he is a very good news man. There are plenty of men whom we must pay and feed, and they would be delighted to take on any public relations job now being handled by civilians. In my opinion, if there is anyone in Europe who knows the conditions in those countries, it is the soldier, and not the civilian. The soldier knows the people of Europe much better than does any civilian in Paris or London.

Mr. CHANDLER. I agree with the Senator. Not only can we use them, but I think we ought to use them. In the long run I believe that the job would probably be more satisfactorily done by men who know more about it than does the OWI.

Mr. BROOKS. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield to the Senator from Illinois.

Mr. BROOKS. Mr. President, I believe that we are facing the beginning of a test for which we ought now to establish a precedent. So long as there were soldiers in the front lines, or in the hands of the enemy, I do not believe that any American citizen would complain or count the cost, whether the expenditures were wise or unwise, if there were a chance to save a single American life. We were willing to go the whole hog in appropriating money for all agencies which might contribute to the safety or security of our men and the winning of the war.

With that attitude of mind, a great many agencies were established. They are multitudinous, and they have many thousands of employees. In fact, the employment register of the Federal Government is larger today than it has ever been in our history.

Many of these agencies were developed because of the war. Unless we start, step by step, to cut them down as the war progresses satisfactorily, they will continue to do what our forefathers complained about when they condemned the king for sending a swarm of agents to consume the substance of America.

We are willing to do anything for the war; but when that danger is past, we had better reappraise our talents, our expenses, and our objectives.

By virtue of the selective-service law, the finest talent was literally drained out of America. Whether those men came from the newspaper industry, the radio industry, the telegraph industry, the motion-picture industry, or any other industry they had to go. They have done a magnificent job in the service of their country. Senators who visited general after general in Europe know that the press services of the headquarters were the finest in the world, as demonstrated by the parade of generals now coming home. They have not made a mistake. They had the best talent around them to guide their destinies.

I agree with the junior Senator from Kentucky when he says that it was the 3,000,000 American boys who faced death who carried the American story to Europe. Those who remain there can tell that story better than theorists who have never faced death, and have never spent 1 hour in danger in behalf of the survival of this land. The American story can be told by the men and officers who have served in this war, and who are to remain in Europe.

As I understand, the occupation of Germany is to be a military occupation. Why should not the military authorities handle their propaganda, information, or control the way they want to handle it, and at the same time work with the State Department and establish whatever they think is essential in the area to which they are assigned? As the leading voice in behalf of this country, let them determine what they want, and let us start cutting down these war agencies. This is No. 1; and if it is continued under the guise of winning the war, we shall fail in our duty. I agree with the Senator from Kentucky when he says that if the OWI was supposed to be responsible for psychological warfare, it must face the cold, ugly fact that Germany held out longer than any nation ever engaged in war up to the present time, with the exception of Japan. If their psychological efforts meant anything, they did not show up in the hour when the Germans finally surrendered.

Mr. CHANDLER. Some persons may argue that the same effort directed against Japan might cause her to capitulate sooner.

I will go along with the Senator if he wishes to change the name of the agency to the "Office of Peace Information in Europe," instead of the "Office of War Information," because I do not think its activities have been worth a dime in connection with the war with Japan. Whatever the organization has been worth in connection with its activities in Europe, I would not vote to appropriate a single 10-cent piece to continue it against the Japanese. Whatever value it has had has been in Europe, and even there I question the amount of its value.

If there is a desire to reorganize it and call it the Office of Peace Information, and if we know what we are doing, very well.

When we create such an agency in an emergency we create it for the purpose of doing certain things. But when that situation is over the people in the organization are so smart, and so much smarter than we are, that they commence moving into another field, after the emergency is over, and commence establishing themselves in the new field, so that there will be further necessity for them. The result is that we just live from one emergency to another.

If we wish to be fair about it, let us reorganize it and make it an Office of Peace Information; and, as some Senators have suggested, then it will do a good job when the war is over. But let us find out first how much we wish to spend for that purpose, and then let us go to work and make an appropriation for it. That would be sensible; that would be all right. But, Mr. President, I will not vote to appropriate $39,000,000 to continue the Office of War Information.

Mr. MORSE. Mr. President, will the Senator yield to me?

Mr. CHANDLER. I will yield in just a minute.

Mr. President, I wish to say that in connection with the war with Japan I do not think the OWI is worth anything as an agency of propaganda or for any other purpose. I do not think the Japanese pay any attention to it. As my friend the Senator from Illinois pointed out, when we consider whether the OWI had any value in the war against Germany, we must remember that the Germans fought longer than anyone else has ever fought before; and, as far as I have been able to find out, they fought to the last town and the last cinder and the last rubbish pile. The German troops who surrendered to our troops did so only because they were more afraid of the Russians; they felt that surrender to our troops was more desirable than surrender to the Russians. So they just

came our way, instead of going the other way.

Now I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, I wish to say that if the Senator's objection is reduced to a mere matter of label, his objection is one of form, not of substance. My investigation satisfies me that the OWI is operating as a disseminator of information of peace and is operating to establish better relations between our country and the countries of Europe. If the Senator says he will go along with it if there is a mere change of label, then I think the Senator states my case.

Mr. CHANDLER. Mr. President, I did not say how large an appropriation I would favor if the name were changed. The Senator misunderstood me. I would wish to review the whole thing, and, of course, I would wish to review what General Eisenhower and General Marshall actually said. Of course, I do not blame them. I assume that they have all the jobs they want. Their job is to run an army, and our fighting men do not want to take on any extra activities. I have faced that situation many times.

Here is what General Marshall said:

The necessary OWI services in the European theater of operations could be assumed by the Army, but the War Department would prefer not to undertake the organization of a new service for this purpose.

Certainly, Mr. President, the War Department would prefer not to do anything in addition to what it already is doing. No one wishes to take on a new job if he can avoid it. But if the Congress says, "Take it on," he will take it on, and he will organize it, and he will use these smart young soldier boys. Time will hang rather heavily on their hands when they serve with an army of occupation, and they will be able to provide service at smaller cost and with more efficiency. The American story will be told by the American soldier. Our soldiers will tell those people the American story, instead of using tanks and flame throwers; and our soldiers will know how to tell it, too. That is what I prefer.

Various Senators have referred to what General Eisenhower said, and they have sought to show that he would like to have the OWI continue. I am sure he does not care whether it continues, and General Marshall does not care, either. General Marshall said:

The War Department would prefer not to undertake the organization of a new service for this purpose.

In other words, the Army would prefer not to take it over. Of course the Army would prefer not to take it over. But if we told them to do it, I think they would do it, and I think they would do it very well.

Mr. HAWKES. Mr. President, will the Senator yield to me?

Mr. CHANDLER. First I yield to the Senator from Oregon, and then I will yield to the Senator from New Jersey.

Mr. MORSE. Mr. President, I respectfully suggest that the Senator from Kentucky is putting in the mouth of General Eisenhower and in the mouth of General Marshall words which they did not speak.

Mr. CHANDLER. Oh, no, Mr. President; I will not agree with the Senator's statement, because I read from General Marshall's letter.

Mr. MORSE. I am referring to the statement the distinguished Senator just made when he ventured the suggestion that they did not care whether OWI was continued. I do not think there is anything in the record to support that conclusion.

Mr. CHANDLER. Oh, no; I ask the Senator to wait a minute; I will not permit him to misquote me.

Mr. MORSE. The record speaks for itself.

Mr. CHANDLER. Oh, no; Mr. President, the Senator must not do that.

Mr. MORSE. I always do that.

Mr. CHANDLER. What does the Senator mean, Mr. President?

Mr. MORSE. I always let the record speak for itself.

Mr. CHANDLER. Very well; let it speak.

I repeat what I previously read from General Marshall's letter:

The necessary OWI services in the European theater of operations could be assumed by the Army, but the War Department would prefer not to undertake the organization of a new service for this purpose.

That does not mean that he would not do it if we said to him to do it. He would do it if we told him to do it. He would have to do it if we told him to do it; he would have no other choice.

Mr. MORSE. Certainly; but the Senator is talking about an entirely different premise.

Mr. CHANDLER. Very well; the Senator from Oregon is talking about something that I am not talking about, so we are not in agreement as to what we are talking about. So let us back up and start again.

Mr. MORSE. I think there is no basis for an implication that anyone in the military organization thinks the OWI should not be continued.

Mr. CHANDLER. I did not say there was. I did not make the slightest implication that there was. I did say that there is nothing in General Eisenhower's statement or General Marshall's statement to the effect that they could not do it or would not do it. I do not say they are clamoring for it or that they want it. But I say that if we tell them to do it they will do it, and I think they probably will do a very good job.

Mr. HAWKES. Mr. President, will the Senator now yield to me?

Mr. CHANDLER. I yield.

Mr. HAWKES. I wish to emphasize the very thing the distinguished Senator has been pointing out. I wish to ask the Senator from Tennessee whether he has any knowledge whether either General Eisenhower or General Marshall is in favor of the continuance of the OWI. There is nothing in the record to show that they are.

Mr. McKELLAR. Both of them say so.

Mr. HAWKES. Is there anything to that effect, in addition to the letters?

Mr. McKELLAR. Both of them say it in their letters.

Mr. HAWKES. I am familiar with the letters, and I wish to read one of them, to emphasize the point the Senator has been making.

General Eisenhower does not say in his letter that the OWI is a good organization and has done a good job and should be continued, or that he hopes it will be continued. He said:

If our operations in these fields are to go on as currently projected, it will be necessary for War Department to supply approximately equivalent personnel—

And so on. He did not say he favored having the War Department do it, but he said "if" the operations were to be continued.

Mr. CHANDLER. Certainly.

Mr. President, will the Senator from Oregon pay some attention to this point?

Mr. MORSE. I have been delighted to pay attention to the Senator from Kentucky.

Mr. CHANDLER. Very well. I should like to have the Senator from Oregon listen to what General Eisenhower said. He said this:

If congressional policy requires termination of these activities by OWI and favors transfer to War Department, strongly recommend transition period be included—

General Eisenhower and General Marshall may have said to someone or they may have sent some letter or some message to the effect that the OWI had done a grand job and they wanted it continued, but I have not seen anything to that effect.

Mr. MORSE. Just what is the Senator's conclusion from that language? What is his argument based upon?

Mr. CHANDLER. That language speaks for itself; I do not have to elaborate on it. The Senator from Oregon understands what it means, and I do, too.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. CHANDLER. I will yield to the Senator from Tennessee in a moment.

Mr. President, I read again what General Marshall said in his letter:

If the congressional policy requires termination of these activities by the OWI—

I take it that we are making some congressional policy here—

and favors transfer to War Department, strongly recommend transition period be included in appropriation legislation which would permit necessary time to accomplish necessary transfers and adjustments. Further recommend that War Department examine need for strengthening their own organization to deal with such problems if congressional policy requires transfer.

That certainly leaves the field open to the suggestion that perhaps it will be brought about.

Mr. President, I repeat if General Marshall or General Eisenhower has ever said to anyone, or delivered any communication to anyone to the effect that the OWI has done a fine job and that he wants it continued, I have never seen it. If any Member of the Senate is in possession of such a communication I should like to have him produce it.

Mr. McKELLAR. A little while ago I offered to produce it, and if the Senator from Kentucky will yield to me now I will produce it. I refer him to the lan-

guage beginning near the bottom of page 41 of the hearings. It reads as follows:

Our plans for control of the German information services and providing news and information to German people in United States zone, have been based on large contribution from OWI in personnel and funds, and have been worked out in close cooperation with OWI.

That language states as clearly as any language could state——

Mr. CHANDLER. It is not clear to me.

Mr. McKELLAR. It states as clearly as any language could be stated why General Eisenhower is in favor of the OWI. So are other generals in favor of it.

Mr. CHANDLER. I can state why they are in favor of it. They are in favor of it because they do not want to undertake the work which the OWI has been doing.

Mr. McKELLAR. The Senator said, however, there was no language in the letter from which I have read, from which such a conclusion could be drawn.

Mr. CHANDLER. I do not construe the language which the Senator read in the way which he has construed it.

Mr. McKELLAR. The Senator can place his own construction upon it.

Mr. CHANDLER. Very well. The Senator may place his construction upon it, and I will place mine.

On page 42 of the hearings will be found the statement of Mr. Elmer Davis, which in part is as follows:

We perform various services for the Army. The first is our work with the military government in occupied Germany. At present that is still being conducted under the Psychological Warfare Division, but when General Eisenhower's unified command breaks up and the American Army takes over the American zone, the Americans now in the Psychological Warfare Division will continue their work as the Information Control Section of the military government. It will be under military command. General McClure will command it. It will include about 800 Army officers and men and about 200 OWI employees who will occupy most of the editorial posts.

All that language states is that the OWI will take over the editorial work which, I assume, is the choicest plum. The other boys will run presses, set type, do the work of reporters, and sweep out the office. However, the editorial writers will be the OWI boys. That is the way in which I would expect them to operate.

I wish to repeat with emphasis my reference to the communications of General Marshall and General Eisenhower. If there is anything in either one of those communications which says that those generals want the OWI to be continued, and that its continuance is necessary to their future operations, I have not seen it. As General Marshall said in his communication to the Senator from Tennessee, "The necessary OWI services in the European theater of operations could be assumed by the Army, but the War Department would prefer not to undertake the organization of a new service for this purpose." Of course the War Department would prefer not to undertake it. It has all the work it wants to do.

Mr. President, I feel that the appropriation to continue this agency is not justified. If I had an opportunity to vote for a lesser sum than the amount proposed I should do so. I believe that $20,000,000 would be entirely adequate for the OWI to do the work which it must now do, and complete the work which it will have to complete.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. GURNEY. The reason for my proposal of $20,000,000 is that the other House authorized $18,000,000, and I added $2,000,000 to cover the transition referred to by General Eisenhower.

Mr. CHANDLER. Very well. I think the OWI should wind up its affairs within a reasonable length of time. I believe that so long as we have the army of occupation in Europe we can find soldiers who are capable of handling the work which the OWI would otherwise do. If we intend to reduce expenses which have been necessary in connection with carrying on the war, we must begin somewhere. We have now reached the point where we must start reducing our governmental expenses. I think the Senate should start where no real and valid reason for not doing so can be offered.

Mr. President, I intend to support the amendment of the Senator from South Dakota [Mr. GURNEY] and I hope the amendment will be agreed to.

Mr. TUNNELL. Mr. President, I wish to say a few words in favor of the proposed appropriation for the OWI.

Like the Senator from Michigan [Mr. FERGUSON] I have had some opportunity to hear a great deal of testimony with reference to the work of the OWI. I am not an expert, and I do not know whether the suggestion of $35,000,000, $39,000,000, or any other amount is the correct one. However, the Senator from Kentucky said that he would not give 10 cents—if I understood correctly what he said—for the effect of the OWI in the Pacific. He discussed what he stated to be the fact that the Army does not want to take over the work of the OWI. I do not know why it should take over any work if it is not worth 10 cents. I do not know why the work should not be abandoned. The suggestion seems like setting up a straw man and knocking him down.

I do not know whether the OWI has been of any help in the war effort or not. Those who are familiar with the war work seem to think that it has been of great value. I have never heard of a man who stands at the head of the military forces of the country who said that it has not been valuable. The sniping attacks which we have witnessed in various quarters seem to come from those who are no more than amateurs. I do not know whether the Members of the Senate who are now opposing the appropriation are amateurs, but certainly they are not professional militarists. I know of no reason for believing that our military authorities would not object to a continuation of the OWI if the OWI has not been of some value.

Reference was made to the fact that Germany held out in the European war longer than any other nation in fighting the Allies, and therefore, as I understand, the argument is that the OWI was of no value. I believe there probably were other reasons why Germany held out so long. I think one of them was because Germany was the strongest nation, and in the best position to hold out longer than any of her allies. I think there were military reasons why she held out as long as she did. I do not think it can be said that merely because Germany held out longer than any of her allies, the OWI was of no value.

Mr. President, I can understand how certain persons may take the position that there is nothing which America can do with reference to publicity. It is said that some things are said for publicity purposes, and some only for propaganda purposes. Whatever the purpose may be, in all the traveling which I have done I found no one who said that the OWI was a useless organization. Only in the Senate have I heard a statement made of that kind, and I am not sure that I have even heard it here.

Mr. McKELLAR. Mr. President, will the Senator from Delaware yield?

Mr. TUNNELL. I yield.

Mr. McKELLAR. The Army says that if Congress does not continue the OWI in Europe, the Army will have to take it over, and it would be new at the job. They prefer to go along with the OWI just as they have been doing through the successful years of the war.

Mr. TUNNELL. That is correct. As the Senator suggests, the Army says that if the OWI does not perform this work, it will have to do so. Why should it have to perform it if it is no good? I think the whole argument proves that there is very little back of it, so far as evidence is concerned.

I recall one thing which impressed me very much. When we were in Jerusalem I took up one of the little papers that were sent around containing some information, or what was supposed to be information. That was in January. I read it very carefully, and I did not find that the Americans had done anything. I found that General Montgomery had done something, but I do not know whether he had his Army with him or not; it was all General Montgomery, and nothing about his army, and nothing about the part the United States was playing in the war.

If it is the purpose of the Congress of the United States to withdraw America from any portion of the world's business, any portion of the mercantile business which will follow the war, then let us withdraw our support of the OWI, withdraw our Armies from Europe, withdraw our support of civilization, and be isolationist fully, because that is what it amounts to. We find that there is absolutely no way of presenting the American side, the facts with reference to the United States, unless we have an organization to handle the matter.

The idea of saying the Army can do it! I must say that sound to me rather childish. The Army cannot do it without having the same kind of an organization the OWI has, or one equally as good. There must be an organization to gather news before the news is printed. There must be an organization, which would cost some money, if that is the point that is before us. It seems to me

that to attack the OWI as the one war agency which connects us with the people of the world is short-sighted.

Oh, it is said, "You cannot influence these people." It is possible to influence people. They are entitled to know our position. The people who are in contact with our armies, with our military forces and our naval forces, are entitled to know what our position is, and the OWI is the organization we have to present our side of the case.

If there is no desire to have our side presented, if there is no desire to have the United States' position known to the world, then we had better not have any position abroad; we had better withdraw. There is very much involved. It is not only what may take place now, but it is what may take place after the war is concluded. If anyone thinks the war is over, if there is anyone who thinks that the military operations of the United States in the Eastern Hemisphere are over, so far as what is generally known as the European war is concerned, he should go there and take a look at what is going on. He should see our soldier boys there now, he should see what is on the faces of the people of Europe, a determination to see that something more is done.

Let us present our argument. It is worth presenting. If we have any faith in what we are doing, if we are right, let us present our side to the world and not be ashamed of it, and let us not at the first opportunity snatch from our American forces throughout the world the only instrument they have for presenting their side of the case.

Mr. President, there is something which we must do which will have a far-reaching effect after the war, as we generally know it, is entirely over. There is a side which will be presented by our competitors in business. There is a side which the people will get as to our competitors. Are we going to sit aside and let our competitors present our case? If so, we are withdrawing not only from the situation as it now is, but we are withdrawing from future commercial activities in the Eastern Hemisphere.

I think much depends on the attitude we now take. I think it will be an indication to the nations of the world as to whether we are sincere or are not sincere, whether we are going to try to be a participant in world affairs which we must finance and world battles which we must fight, or whether we are going to walk out now, as we once did, and say to our competitors, "Take it all. We are no longer interested." That is what we are asked to do when we are asked to withdraw support from the OWI.

In all my travels I have not heard one word of criticism of the OWI. It takes a trip to the United States Senate to find an attack being made which would cripple the OWI, which has been designated as worth 10 cents in the Pacific theater.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. McKELLAR. The Senator asked about the testimony which came before the committee from the OWI. I have said before, and I wish to repeat that I have seen a great many witnesses before committees since I have been in the Senate, and even before that. I never saw witnesses more alert, who knew more concerning the matters about which they were asked, than did the witnesses produced by OWI from Mr. Davis on down to the last witness. Every particle of information that was asked for was immediately, quickly, vigorously furnished by the witnesses.

Mr. TUNNELL. I wish to say to the Senator that the OWI has used every method to present the United States case to the rest of the world. They have done so in an intelligent way, one which has brought no criticism, so far as I have been able to ascertain, from either the military or the civilian population. I believe that the most shortsighted policy which could possibly be taken at this time in the United States would be to say to our competitors "We have no further interest; go ahead"—saying that to those who are going to take the world trade if we are not interested. I think our people have an interest, and I do not think they will appreciate the attitude of the United States Senate if it has no interest in world affairs.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. MORSE. I wish to ask the Senator if it is not a fact that the OWI could not have carried on any of its work if it had not done so with the full consent and cooperation of the Army; that it could not have sent people into the war areas; could not have sent information, without the approval of the military authorities.

Mr. TUNNELL. It could not have gotten the information without the cooperation of the military.

Mr. MORSE. In other words, OWI carried on its work with the full approval of the military authorities all through the war.

Mr. TUNNELL. I never heard a military man say anything to the contrary, Mr. President.

Mr. BALL. Mr. President, I sat in the subcommittee and in the full committee during the consideration of this matter, and I wish to discuss the subject briefly from the standpoint of the amendment offered by the Senator from South Dakota [Mr. GURNEY], which would make the total appropriation for OWI in the next year $20,000,000 as compared to the approximately $54,000,000 which OWI has had to spend in this year.

Under the $42,000,000 Budget Bureau estimate submitted there is budgeted for activities in support of the Japanese war $16,562,100, and for activities directly in support of the military in Europe $3,130,932, and for activities in Europe and Asia, for overseas broadcasts and long-range strategic support of our war and peace aims, there is budgeted $14,000,000. For liquidation of the European branch—they have cut their personnel from 2,000 to 1,500 immediately, but they are slowed up in returning them because of lack of transportation—they have budgeted $1,500,000.

Under the House cut to $18,000,000, OWI would have to allow at least $6,500,000 for liquidation of the domestic branch, to pay accumulated leave, and for liquidation of the European operations. That would leave only $11,500,000 for the operations in the war against Japan, and if the amendment of the Senator from South Dakota [Mr. GURNEY] should be adopted, giving OWI $20,000,000, there would be only $13,500,000, or $3,000,000 less than the Budget estimate, for activities directed entirely in support of the war against Japan. I think it would be disastrous if that cut were made, and would result in the loss of many American lives.

Mr. President, statements made on the floor of the Senate that the OWI's psychological warfare activties have not helped directly in the war effort are not borne out by the facts. They are contradicted by the statements given to the committee by numerous military commanders. We have all read news stories of German and Japanese troops surrendering, and bringing with them into our lines surrender pamphlets prepared by OWI, which were either shot over their lines by artillery or dropped from planes. I think there is no question that the accelerated rate of surrender in Okinawa is due considerably to OWI activities.

Mr. President, I want to make two more points, and first, one in support of OWI European activities. We still have 3,000,000 American troops in the American theater. We are going to have to have some agency, as General Eisenhower and General Marshall both pointed out, to decide what kind of publications and what sort of news releases shall go into the part of Germany we occupy. As they said, if OWI does not do it, they will have to take the OWI personnel and put them in uniform to do it.

It is now 2 months since the war in Europe ended. We still have many American troops in France, and much of the redeployment will be carried on from French ports. The French people who will undoubtedly be hungry and cold next winter are going to find it difficult to understand why, unless some agency is directly concerned in getting the facts across to them. They will find it hard to understand why they should suffer for months, even for a year after the war is over. It will be because transportation which would otherwise carry supplies to them must be diverted to take care of the redeployment of American troops.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. BURTON. Would the Senator care to comment on what would happen to our story if we said nothing and the other nations kept on telling the story? We had some testimony before the committee, I believe, that the British expenditure for corresponding items ran to about $100,000,000 a year.

Mr. BALL. That is correct.

Mr. President, we spent upward of $100,000,000,000 to win victory in Europe. I think it has been very truly said that this is as much a war for men's minds as it is a war of armies. If we win on the

battlefield, but all of Europe drifts into totalitarianism in the next year or two, we will have lost. After that huge expenditure, not only in wealth but in lives in winning this war, it seems to me to be folly to refuse our Government $14,000,000 or $15,000,000 to try at least to get across to those people what we have contributed toward winning this war and freeing them, and also what we hope for in the peace; and to preach to them at least a little of the doctrine of democracy and justice and freedom. I think it is the cheapest kind of insurance we can buy against the recurrence of this kind of war.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. McMAHON. It is a fact, is it not, that the peace conference date will not be set for some time to come, and we cannot expect to sit down with the other nations of the earth for a couple of years finally to settle and determine upon the peace? Is that not true?

Mr. BALL. I do not know what the date will be, but it will be months away at least.

Mr. McMAHON. It will be at least quite some time in the future.

Mr. BALL. But we do know that we will have our own armies not only in Germany, but in the liberated countries of Europe for at least 10 or 11 months more.

Mr. President, I should like to make one comment on the domestic branch of OWI which would be completely eliminated if the amendment offered by the Senator from South Dakota should be adopted. The committee amendment would allow about $1,400,000 for the domestic branch. More than half of that, Mr. President, would be spent in coordinating the activities of the Association of American Advertisers, the Motion Picture War Activities Committee, and similar voluntary organizations of businessmen in this country who have contributed voluntarily hundreds of millions of dollars of advertising space, of motion-picture film, and other items in support of various war program in this country. A number of businessmen appeared before the subcommittee and testified that if this coordination activity of the domestic branch of OWI were eliminated they simply could not carry on those activities. I think it is essential that that activity of the domestic branch be continued.

SEVERAL SENATORS. Vote! Vote!

Mr. McKELLAR. Mr. President, I want to say to Senators that so little time remains before action must be taken, that we should make as much progress now as possible. I shall suggest the absence of a quorum, and then ask that a vote be taken on the amendment of the Senator from South Dakota [Mr. GURNEY], and after the vote is taken I shall suggest that the Senate take a recess until 12 o'clock tomorrow. I hope that will be satisfactory to the Senate.

Mr. WHITE. I hope that purpose may be carried out.

Mr. McKELLAR. I thank the Senator. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	Murdock
Austin	George	O'Daniel
Bailey	Gerry	O'Mahoney
Ball	Green	Overton
Bankhead	Guffey	Pepper
Barkley	Gurney	Radcliffe
Bilbo	Hatch	Revercomb
Brewster	Hawkes	Robertson
Bridges	Hayden	Saltonstall
Briggs	Hill	Smith
Brooks	Hoey	Stewart
Buck	Johnson, Calif.	Taft
Burton	Johnson, Colo.	Taylor
Bushfield	Kilgore	Thomas, Okla.
Butler	Langer	Thomas, Utah
Byrd	Lucas	Tobey
Capper	McClellan	Tunnell
Chandler	McFarland	Wagner
Chavez	McKellar	Walsh
Cordon	McMahon	Wheeler
Donnell	Mead	Wherry
Downey	Millikin	White
Eastland	Mitchell	Wiley
Ellender	Moore	Willis
Ferguson	Morse	Young

The PRESIDING OFFICER. Seventy-five Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. GURNEY] to the committee amendment on page 15, at the beginning of line 15, reducing the amount in the committee amendment from $39,670,215 to $20,000,000.

Mr. GURNEY. Mr. President, I ask for the "yeas" and "nays."

The yeas and nays were ordered.

Mr. GURNEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GURNEY. As I understand, a vote of "yea" is a vote in favor of a reduction to $20,000,000. Is that correct?

The PRESIDING OFFICER. That is correct.

The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. GURNEY] to the committee amendment on page 15, at the beginning of line 15, reducing the amount in the committee amendment from $39,670,215 to $20,000,000. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WHITE (when Mr. VANDENBERG's name was called). I again announce that the Senator from Michigan [Mr. VANDENBERG] has a general pair with the Senator from Texas [Mr. CONNALLY]. That pair includes this vote as well as others. I am not authorized to say how either Senator would vote.

The roll call was concluded.

Mr. GUFFEY. My colleague [Mr. MYERS] is necessarily absent. Had he been present, he would have voted "nay."

Mr. WAGNER (after having voted in the negative). I have a general pair with the Senator from Kansas [Mr. REED]. I transfer that pair to the Senator from Washington [Mr. MAGNUSON] and allow my vote to stand. I am not advised how the Senator from Washington would vote if present and voting.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from South Carolina [Mr. JOHNSTON], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Nevada [Mr. MCCARRAN] is absent as a member of the Committee attending the funeral of the late Senator Scrugham.

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHART] and the Senator from Iowa [Mr. HICKENLOOPER] are absent by leave of the Senate.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from Minnesota [Mr. SHIPSTEAD] and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The result was announced—yeas 29, nays 46, as follows:

YEAS—29

Bailey	Eastland	Robertson
Brewster	Gerry	Taft
Bridges	Gurney	Walsh
Brooks	Johnson, Calif.	Wheeler
Buck	Langer	Wherry
Bushfield	McClellan	White
Butler	Millikin	Wiley
Byrd	Moore	Willis
Capper	O'Daniel	Young
Chandler	Revercomb	

NAYS—46

Aiken	Green	Murdock
Austin	Guffey	O'Mahoney
Ball	Hatch	Overton
Bankhead	Hawkes	Pepper
Barkley	Hayden	Radcliffe
Bilbo	Hill	Saltonstall
Briggs	Hoey	Smith
Burton	Johnson, Colo.	Stewart
Chavez	Kilgore	Taylor
Cordon	Lucas	Thomas, Okla.
Donnell	McFarland	Thomas, Utah
Downey	McKellar	Tobey
Ellender	McMahon	Tunnell
Ferguson	Mead	Wagner
Fulbright	Mitchell	
George	Morse	

NOT VOTING—20

Andrews	La Follette	Russell
Capehart	McCarran	Shipstead
Connally	Magnuson	Thomas, Idaho
Glass	Maybank	Tydings
Hart	Murray	Vandenberg
Hickenlooper	Myers	Wilson
Johnston, S. C.	Reed	

So Mr. GURNEY's amendment to the committee amendment was rejected.

Mr. BRIDGES. Mr. President, on page 15, line 15, I move that the figure "$39,670,215" be stricken out, and the figure "$35,000,000" substituted. That is the figure which was recommended by the House committee before the final cut by the House to $18,000,000. I think, in

spite of everything that has been said for OWI and all its activities, $35,000,000 would amply cover the entire picture. As a matter of fact, I asked the OWI to submit a budget of its activities, distributed on the basis of a $35,000,000 appropriation; and I am satisfied, and I think anyone who examines the question will agree, that $35,000,000 would sufficiently cover the total appropriation for OWI.

Mr. McKELLAR. Mr. President, may we have a vote on the amendment right now, without further argument?

Mr. BRIDGES. Certainly. I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee, because a vote of "nay" on the committee amendment would be a vote for the adoption of the figure suggested by the Senator from New Hampshire.

Mr. McKELLAR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McKELLAR. As I understand, those in favor of the committee amendment should vote "nay," and those in favor of the amendment offered by the Senator from New Hampshire should vote "yea."

The PRESIDING OFFICER. The Chair is advised that the amendment offered by the Senator from New Hampshire is the same as the House figure. Therefore a vote of "nay" on the committee amendment would be a vote in favor of the amendment offered by the Senator from New Hampshire.

Mr. HAYDEN. Mr. President, that cannot possibly be, because the House passed the bill carrying the figure of $17,000,000, and certainly we do not want to vote for $17,000,000.

The PRESIDING OFFICER. The Chair is advised that as the bill passed the House it provided for $35,000,000.

Mr. McKELLAR. No.

The PRESIDING OFFICER. The amendment reported by the committee is to strike out "$35,000,000" and insert "$39,670,215." Therefore the amount in the bill as passed by the House was $35,000,000.

Mr. BRIDGES. Mr. President, in order to clarify the issue, would not a vote on my amendment striking out $39,670,215, and substituting $35,000,000 take care of the situation? Then we would have the question considered on that issue.

The PRESIDING OFFICER. The Chair is advised that that is exactly what the House of Representatives did.

Mr. McKELLAR. Mr. President, I ask unanimous consent that we may vote in that way.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, the vote will be taken in that way.

The question is on agreeing to the amendment offered by the Senator from New Hampshire.

Mr. McKELLAR. On this question I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All in favor of the amendment offered by the Senator from New Hampshire will vote "yea." All opposed to the amendment will vote "nay."

Mr. BURTON. Mr. President, I understand that a vote of "yea" will be a vote for the figure $35,000,000, and a vote of "nay" will be a vote for the higher figure.

The PRESIDING OFFICER. That is correct.

On this question the yeas and nays have been demanded and ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. WAGNER (after having voted in the negative). I have a general pair with the Senator from Kansas [Mr. REED]. I transfer that pair to the Senator from Washington [Mr. MAGNUSON] and allow my vote to stand. I am not advised how the Senator from Washington would vote, if present and voting.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from South Carolina [Mr. JOHNSTON], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe, visiting battlefields.

The Senator from Nevada [Mr. McCARRAN] is absent as a member of the committee attending the funeral of the late Senator Scrugham.

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHEART] and the Senator from Iowa [Mr. HICKENLOOPER] are absent by leave of the Senate.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from Minnesota [Mr. SHIPSTEAD] and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The result was announced—yeas 32, nays 37, as follows:

YEAS—32

Bailey	Gerry	Saltonstall
Bridges	Gurney	Taft
Buck	Hawkes	Tobey
Bushfield	Johnson, Calif.	Walsh
Butler	Langer	Wheeler
Byrd	McClellan	Wherry
Capper	Millikin	White
Chandler	Moore	Wiley
Cordon	O'Daniel	Willis
Eastland	Revercomb	Young
Ferguson	Robertson	

NAYS—37

Aiken	Briggs	Fulbright
Austin	Burton	Green
Ball	Chavez	Guffey
Bankhead	Donnell	Hatch
Barkley	Downey	Hayden
Bilbo	Ellender	Hill
Hoey	Mead	Stewart
Johnson, Colo.	Mitchell	Taylor
Kilgore	Morse	Thomas, Okla.
Lucas	Murdock	Tunnell
McFarland	Overton	Wagner
McKellar	Pepper	
McMahon	Radcliffe	

NOT VOTING—26

Andrews	Johnston, S. C.	Russell
Brewster	La Follette	Shipstead
Brooks	McCarran	Smith
Capehart	Magnuson	Thomas, Idaho
Connally	Maybank	Thomas, Utah
George	Murray	Tydings
Glass	Myers	Vandenberg
Hart	O'Mahoney	Wilson
Hickenlooper	Reed	

So Mr. BRIDGES' amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 15, line 14.

The amendment was agreed to.

LEGISLATIVE PROGRAM

Mr. BARKLEY. Mr. President, it is obvious that today we cannot conclude consideration of the pending bill, including all the amendments. I should like to have Senators remain for a moment while I outline, if I can, the prospects for the next few days.

As the Senate knows, the conferees are now meeting to consider the disagreeing votes of the two Houses on the price-control bill. The present price-control law expires on Saturday. We also have to complete action on the pending appropriation bill, which must be enacted and become the law by Saturday; otherwise a large number of war agencies will be without funds. There are numerous other measures on which action should be concluded by Saturday night.

As has already been announced, on Thursday the Senator from Texas [Mr. CONNALLY] will address the Senate on the work of the San Francisco Conference, and on Friday the Senator from Michigan [Mr. VANDENBERG] will address the Senate on the same subject. Of course, those addresses will take some of the time which otherwise would be devoted to completing action on bills which necessarily must be enacted. On Monday the San Francisco Charter will be submitted to the Senate.

Inasmuch as next week is the Fourth of July holiday week—the Fourth of July coming in the middle of the week—it is my hope that we may conclude action on all necessary bills before we adjourn Saturday, and that following the submission of the treaty to the Senate, Senators may feel more or less at ease next week, so that they may take a few days off, if they so desire, while the Committee on Foreign Relations determines what it will do in regard to hearings and consideration of the San Francisco Charter.

We hope that the Banking and Currency Committee will report on the Bretton Woods agreement this week, so that it will be on the calendar. If action is completed this week on the other measures I have mentioned, we hope to be able to take up the Bretton Woods agreement in the Senate on the 9th of July, and to consider it while the Committee on Foreign Relations is having hearings on the San Francisco Charter.

That is a general outline of what I hope we may be able to do within the next week or two. My purpose is to em-

phasize that if we are to do that, it will be absolutely essential, regardless of anything else, to conclude consideration of all appropriation bills before the fiscal year expires, and it will be necessary to adopt the conference report on the OPA bill before the present OPA law expires on Saturday. It will also be necessary for us to complete action on any odds and ends of legislation on our schedule. I refer to measures on which it is necessary to take final action before the expiration of the fiscal year.

Mr. McKELLAR and Mr. TAFT addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and if so, to whom?

Mr. BARKLEY. I yield first to the Senator from Tennessee.

Mr. McKELLAR. I simply wish to call attention to the necessity of having the Senate conclude action on the pending appropriation bill. If we conclude action on the pending bill tomorrow—and I use the word "if"—there will remain the Military Establishment appropriation bill, which has come to the Senate and is now being considered by the Committee on Appropriations. I hope it will soon be reported by that committee. I now ask the Senator from Oklahoma when he believes it will be reported.

Mr. THOMAS of Oklahoma. Mr. President, the bill just passed the House of Representatives this afternoon. Consequently, the Senate has 4 days in which to consider and pass an appropriation bill involving the appropriation of approximately $40,000,000,000.

Mr. McKELLAR. Of course, that is an enormous sum of money. But we hope—that is all we can say—to have the bill reported from the committee and have it passed by the Senate before the expiration of the fiscal year.

That shows what the situation is and why I have been so desirous of having final action taken on the appropriation bills.

We must pass these appropriation bills before next Saturday night. That is all there is to it. I think that inasmuch as there is a time limit in regard to the matter, we should get the bills out of the way even if we hold night sessions in order to dispose of them. I hope that it will not be necessary to hold night sessions, but I would be greatly embarrassed and humiliated if we were not able to dispose of the appropriation bills on time. I hope very sincerely that it may be done.

Mr. BARKLEY. I am sure the Senator from Tennessee will join me in asking all Senators to cooperate in completing the present legislative program, and if it necessary for us to hold longer sessions than we have been holding during the remaining days of this week, they will cooperate with their presence.

Mr. McKELLAR. I certainly join the Senator from Kentucky. I will also say that today all Senators have cooperated in a perfectly splendid manner.

Mr. CHAVEZ. Mr. President, I believe the Senate would be willing to hold night sessions. The bill which is now under consideration by the Senate is a very important one. Of course, we have spent only 1 day on it. The Senator from Tennessee [Mr. McKELLAR] expressed the opinion that he hoped the bill would be passed by tomorrow night. My understanding is that there are several Members of the Senate who wish to make extensive remarks with regard to the bill, and I see no reason for not holding a night session tonight.

Mr. BARKLEY. I would have no objection to holding a night session, but I think it is a little unwise to hold a night session without giving advance notice to the Members of the Senate.

Mr. MEAD. Mr. President, I invite the attention of the Senate to the fact that we must consider the postal salary reclassification bill. Unless it is passed by Saturday night the great Department of the Government which would be affected by this bill will not have money with which to pay the salaries of its employees.

Mr. BARKLEY. The bill to which the Senator from New York has referred is not an appropriation bill, is it?

Mr. McKELLAR. No; it is not.

Mr. BARKLEY. It is a bill which has been practically unanimously reported from the Committee on Post Offices and Post Roads, and is now on the calendar. As I understand, unless the bill is enacted into law by the end of this month the temporary increases which have been provided for will lapse. Am I correct?

Mr. McKELLAR. The Senator is correct.

Mr. MEAD. The statement of the Senator from Kentucky is correct.

Mr. BARKLEY. The increases will revert back to their prewar levels?

Mr. MEAD. Yes.

Mr. McKELLAR. Mr. President, the reasons stated for passing the postal-salary reclassification bill are some of the reasons why I have suggested the holding of night sessions. I think it is exceedingly important, just, and fair that we pass the postal-pay bill before the end of this week. I think we should hold a night session, if necessary, in order to dispose of the bill.

Mr. BARKLEY. I am sure that all Senators will cooperate in attempting to complete the legislation before the end of the week.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. The Senator spoke of the Bretton Woods agreement, and also spoke about having the Senate take it up on July 9. If Members of the Senate go away for the Fourth of July, and very few of them return by July 9, it would not be a good day on which to take up the Bretton Woods agreement. I think the agreement is a matter of great importance, and I should hope that when the committee completes its work and reports the agreement to the Senate, perhaps next Monday, if the agreement should then be taken up, its consideration would precede that of the San Francisco agreement. I think the Bretton Woods agreement should not be considered before taking up the San Francisco agreement. I do not venture to bring the subject to a point at this time, but I make that suggestion to the Senator from Kentucky.

Mr. BARKLEY. The committee hearings on the Bretton Woods agreement have been completed.

Mr. TAFT. Yes; but if Senators leave Washington for the Fourth of July they will probably not return by July 9.

Mr. BARKLEY. I hope the Senator from Ohio will not participate in any program which will discourage them from coming back. [Laughter.]

Mr. TAFT. Not at all. I expect to be present. But I think the question of whether such an important agreement should be taken up on July 9 should be held slightly in abeyance.

Mr. WHITE. Mr. President, I think the urgency of the situation is precisely as the Senator from Kentucky has stated. I think it is altogether proper, if necessary, that we hold evening sessions. If night sessions are to be held, however, I would ask that ample notice thereof be given.

Mr. BARKLEY. All Senators will do well to hold themselves in readiness for a night session tomorrow. If we do not hold it, no harm will be done. On the other hand, if we do have to hold a night session, Senators will have had notice. The chances are that a night session will be held.

Mr. CHAVEZ. Mr. President, I was going to suggest that the leaders will never have as many Senators present in the Chamber, to whom notice can be given, as there are now. Why not agree to meet tomorrow at 11 o'clock and continue for the remainder of the day, and hold a night session if necessary?

Mr. BARKLEY. Personally, 11 o'clock would suit me, but there are conferences to be held, one of which is the OPA conference, of which I happen to be a member. The Senator from New York [Mr. WAGNER], the Senator from Alabama [Mr. BANKHEAD], the Senator from Ohio [Mr. TAFT], and other Senators will perhaps wish to attend. There are seven Senators who should be present at the conference. I do not believe it will be convenient to meet at 11 o'clock tomorrow.

Mr. CHAVEZ. It has come to my attention that some of the Members of the Senate who are opposed to an amendment which will be submitted to the pending bill, intend to make extensive explanations. In order to give them ample time in which to make their remarks, I suggest that after the Senate has adjourned today it meet tomorrow at 11 o'clock.

Mr. BARKLEY. I appreciate the situation, and I express the hope that the remarks of Senators on the subject to which the Senator has alluded will not be as extensive as he thinks they will be.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. With reference to a night session, I am quite sure that inasmuch as the employees of the Post Office Department have made such a remarkable showing in bringing at least hundreds of millions of dollars into the Treasury of the United States as profit, we might well set aside tomorrow night, if it should meet with the approval of the Senate, for the purpose of taking up

the postal bill. I believe we could pass it during the evening.

Mr. CHAVEZ. Mr. President, I would object strenuously to sidetracking the pending bill in order to consider any other legislation.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MEAD. Why could we not take up the postal bill now and dispose of it before we go home? I do not believe it would require more than a few minutes.

Mr. BARKLEY. I have no objection. We may well test out the sentiment of the Senate with regard to the matter.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore.

S. 463. A bill to amend section 927 of the Code of Law of the District of Columbia, relating to insane criminals; and

S. 807. A bill to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes.

RECLASSIFICATION OF POSTAL EMPLOYEES

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of House bill 3035.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3035), to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The amendments of the committee will be stated.

The first amendment of the Committee on Post Offices and Post Roads was, under the heading "Hours of duty," on page 2, line 20, after the word "with", to strike out "the provisions of this section," and insert "this proviso."

The amendment was agreed to.

The next amendment was, under the heading "Overtime," on page 4, line 2, after the word "by", to strike out "two thousand and twenty-four" and insert "two thousand and eighty."

The amendment was agreed to.

The next amendment was, under the heading "Night differential," on page 4, in line 17, after the words "salary by", to strike out "two thousand and twenty-four" and insert "two thousand and eighty."

The amendment was agreed to.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. OVERTON. When was this bill reported to the Senate?

Mr. McKELLAR. About a week ago.

Mr. OVERTON. Senators do not have copies of the bill on their desks. Every Senator should be furnished with a copy.

Mr. McKELLAR. Yes; and copies will now be handed to Senators.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the heading "Night differential," on page 4, line 20, after the word "antemeridian", to insert the following proviso: *"Provided,* That such differential for night duty shall not be included in computing any overtime compensation to which the officer or employee may be entitled."

The amendment was agreed to.

The next amendment was, under the head "Salaries of supervisors, officers of the first class," page 13, line 22, after the words "superintendent of", to strike out "finances" and to insert the word "finance."

The amendment was agreed to.

The next amendment was, under the heading "At post offices with receipts of $9,000,000 and up," page 17, after line 2, to strike out "The postal cashier shall be superintendent of postal finance; and at offices with receipts less than $20,000,000 the money-order cashier shall be superintendent of money orders unless otherwise assigned as provided herein" and to insert "Unless otherwise assigned as provided herein, the postal cashier shall be superintendent of postal finance, and at offices with receipts less than $20,000,000 the money-order cashier shall be superintendent of money orders."

The amendment was agreed to.

Mr. OVERTON. Mr. President, I should like to ask the Senator from Tennessee a question with respect to the bill which he has in charge. What percentage of increase is contained in the bill?

Mr. McKELLAR. There is a very elaborate statement in the report.

Mr. OVERTON. Perhaps there is, but I had not any idea the bill would be brought up this afternoon, and I have not had an opportunity to read the report.

Mr. McKELLAR. I shall explain the bill to the Senator. It is within the Little Steel formula, as it is believed by the committee, and before reporting the bill we had before us not only the Senator from Oregon [Mr. MORSE], a former member of the War Labor Board, but we had another member of the Board who worked on it, and we are quite sure that it is within the Little Steel formula, and that it will be approved. Of course I cannot speak for the President, and do not attempt to do so. He may veto the bill. I do not know what he will do. But there is one thing about it, the increase is a little more than 15 percent on the average. When we take into consideration, as the War Labor Board does, that the postal employees have had no basic increase since 1925, it comes within the rule laid down by the Labor Board, and is thereby brought within the Little Steel formula, and that is all we could ask.

There is another thing which weighed very much with me, namely, the remarkable success that has attended the Post Office Department during the years of the war, and before. They are making excellent profits. They have done splendid work, they are delivering a great amount of penalty mail, a great amount of official mail, and a great amount of mail from and to soldiers. All these things taken into consideration led the committee unanimously, the members representing both sides of the aisle, to report the bill. It has passed the House unanimously, with the exception, as I recall, of one vote.

Mr. MEAD. That is correct.

Mr. McKELLAR. Under those circumstances, the committee, having the expert views of those connected with the War Labor Board, voted unanimously to report the bill, as I have stated. I wish to say that the Senator from Oregon [Mr. MORSE] was of immense benefit in helping to frame the bill. After considering it, taking days and weeks, the committee has seen fit to report it unanimously, and I should like to see the bill passed by unanimous vote of the Senate. I hope every Senator will vote for it.

Mr. OVERTON. Mr. President, I did not rise in opposition to the bill——

Mr. McKELLAR. I know the Senator did not, but I was trying to explain it.

Mr. OVERTON. I merely desire some information in connection with it. The able Senator from Tennessee says that the increases do not exceed the Little Steel formula.

Mr. McKELLAR. That is correct.

Mr. OVERTON. Again I understood him to say that they do exceed it to some extent.

Mr. McKELLAR. No; not the Little Steel formula. I said the increase did exceed 15 percent. The Little Steel formula was never confined to 15 percent. The last bill we passed contained an increase which amounted to within a fraction of 16 percent. This goes a little beyond that. But because of the fact that these employees have not received a basic increase since 1925, the experts believe—and I am inclined to the same belief—that the increase does not exceed the Little Steel formula.

Mr. BARKLEY. Mr. President, if the Senator from Louisiana will yield, it seems to me that what the Senator from Tennessee has said about this conforms to what has happened in regard to employees who were supposed to be limited even to the 15 percent, or the Little Steel formula, because the adjustments which have taken place under the Little Steel formula in a large number of cases have resulted in net increases which were more than the 15 percent which was set as the standard of the Little Steel formula. The pending bill does, in some measure, for the postal employees what has been done for employees who come under the Little Steel formula.

Mr. MEAD. Mr. President, will the Senator from Louisiana yield?

Mr. OVERTON. I yield.

Mr. MEAD. I might state, in addition to what has already been said, that the Little Steel formula goes back to January 1941, and assumes that industrial wages were stabilized at that time, while

in this case we go clear back to 1925 before we find an increase granted. So, in my judgment, this is clear of any interference with the Little Steel formula.

Mr. OVERTON. I will ask the able Senator, what is the percentage of increase over existing salaries?

Mr. MEAD. It was figured at somewhere between 17 and 18 percent, if I understand the testimony correctly.

Mr. OVERTON. Does that apply uniformly to all the postal employees?

Mr. MEAD. I would say yes. Perhaps in the higher grades the percentage is less than in the lower grades.

Mr. OVERTON. Do any exceed 18 percent?

Mr. MEAD. Not in the higher grades.

Mr. OVERTON. How about the lower grades?

Mr. MEAD. I think it would run up to 19 in some cases.

Mr. OVERTON. Not in excess of 19 percent?

Mr. MEAD. No.

Mr. OVERTON. The Little Steel formula authorizes an increase of 15 percent, does it not?

Mr. MEAD. Yes; based upon stabilization of wages in 1941 or early in 1942. But the Little Steel formula also takes into consideration inequities and so-called fringe cases, and if we take those cases into consideration, this bill squares with them in its entirety.

Mr. OVERTON. I should like to ask the Senator another question. Since some of these increases range as high as 19 percent over the present wages—and I am not opposing the bill, and even if it ran up to 50 percent I should vote for it——

Mr. MEAD. I know the Senator is going to vote for the bill.

Mr. OVERTON. I want to know whether it could be criticized as inflationary. Anything that exceeds the Little Steel formula, according to arguments made on the floor of the Senate when we had before us the congressional pay bill, was considered as being inflationary and dangerous, and I think we should be very cautious, at least we should make a proper explanation of it. I hope every Member of the Senate will vote for the bill, whether it be inflationary or not, but I want to know whether we are doing something that we so solemnly resolved here not long ago, when it came to congressional pay, we would not do, because we would not do anything that would go beyond the Little Steel formula, since it would be attended with danger from a vast inflationary movement.

Mr. MEAD. I know there is no Senator who is more enthusiastic in his advocacy of justice for the postal workers than my distinguished colleague, the senior Senator from Louisiana.

Mr. OVERTON. I claim that credit. I have always been in favor of it.

Mr. MEAD. That is correct. It squares with the record.

Mr. OVERTON. I am in favor of increasing congressional pay, too.

Mr. MEAD. The Senator is in favor of increasing congressional pay, and I know the chairman of the Committee on Post Offices and Post Roads went to great pains to make inquiry into the very subject the Senator is discussing. We had before our committee a representative from the War Labor Board, and we have on our committee a former member of the War Labor Board, and we have their word for the fact that we have very closely adhered to the philosophy of the Little Steel formula. It is my opinion that the evidence taken by our committee would lead anyone to believe that we are not even approaching the Little Steel formula, and that this bill is not inflationary. We are eliminating the $300 raise before we give the postal employees the $400 basic increase.

Mr. OVERTON. The expense allowance which was voted by the House to the House Members, and rejected by the Senate so far as Senators are concerned, represented purely an expense account, that is, it was for the purpose of defraying expenses. On the whole even if it represented increased salary it would have amounted to only 25 percent of the total compensation. Would the able Senator from New York consider that the congressional expense account provision was more inflationary than is this bill which carries as much as 19 percent increase?

Mr. MEAD. I wish to say in the first place that I admire my courageous colleague, the Senator from Louisiana. I think that the manner in which he has introduced and sponsored a congressional salary reclassification is something for which we all can compliment him. I doubt very much whether there is any inflation in this bill or in the expense bill the Senator is now discussing. I doubt very much whether there is any inflation in either of the bills.

Mr. OVERTON. I thank the Senator for his very kind reference. I wonder if the acting chairman of the Committee on Appropriations, the Senator from Tennessee [Mr. McKELLAR] takes the position that the bill now before the Senate is less inflationary than the congressional expense account bill.

Mr. McKELLAR. No; I do not take that position at all. The compensation of both classes of employees of the Government should be increased, and it depends on which measure represents the higher percentage. I do not know which one that would be. It would depend on the provisions of the bill.

Mr. BANKHEAD. Mr. President, will the Senator yield to me?

Mr. OVERTON. I yield.

Mr. BANKHEAD. Does not the question of inflation depend on the total amount of money put into circulation rather than the increase per capita?

Mr. McKELLAR. Yes; and the bill for the postal employees requires a greater amount of money than the bill dealing with Senators and Representatives.

Mr. OVERTON. I am very glad the able Senator from Alabama has suggested that point. There was involved in the proposed increase to Senators and Representatives a very small amount. I have forgotten exactly what it was. It was $1,300,000, was it not?

Mr. McKELLAR. It was a small amount.

Mr. OVERTON. What is the total increase carried by the pending bill over and above the present basic pay?

Mr. MEAD. It will run to approximately $150,000,000. But there is this to be said——

Mr. OVERTON. That is approximately 135 times as much as was represented by the congressional expense item, but that was regarded as being inflationary.

Mr. McKELLAR. Not by me. So far as the increase in the salary of Senators and Representatives was concerned, I thought the idea expressed that it would be inflationary was mere poppycock.

Mr. OVERTON. I am very glad to hear the Senator make that observation, although the vast majority of our colleagues did not agree with the position the able Senator from Tennessee and I take respecting the matter.

Mr. LANGER. Mr. President——

Mr. LUCAS and Mr. WHITE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois.

Mr. LUCAS. Mr. President, a point of order. Who has the floor?

Mr. WHITE. Mr. President, a point of order.

Mr. OVERTON. I now yield to the Senator from North Dakota.

Mr. LANGER. I think if the distinguished Senator from Louisiana——

Mr. LUCAS. Mr. President, a point of order.

Mr. WHITE. Mr. President, I make the point of order that the Senate is not in order. There are six Senators talking at the same time.

Mr. LUCAS. I join with the Senator from Maine in making the point of order.

Mr. OVERTON. The point of order is no doubt well taken, Mr. President, but I have yielded to the Senator from North Dakota.

Mr. LANGER. Mr. President, I think I can resolve the difficulty of the distinguished Senator from Louisiana by calling his attention to page 7 of the report of the Committee on Post Offices and Post Roads which was very carefully prepared by the Senator from Oregon [Mr. MORSE], and which tells all about the Little Steel formula. I take pleasure in handing the report to the Senator from Louisiana.

Mr. OVERTON. Suppose the Senator from North Dakota reads it; he has it before him.

Mr. LANGER. I wish to read from page 7 of the report:

> The Post Office and Post Roads Committee, in recommending the passage of H. R. 3035, has satisfied itself that the bill does not violate the wartime stabilization policies of the Government for the following reasons:
>
> (1) The Little Steel formula is based on the presumption that wages in general were stabilized as of January 1941.

Mr. OVERTON. May I interrupt the Senator there?

Mr. LANGER. Yes.

Mr. OVERTON. When were the wages of Senators and Representatives stabilized?

Mr. LANGER. I understand about the same time, in 1925.

Mr. OVERTON. That is correct.

Mr. LANGER. I continue to read:

In the case of postal employees it is only fair and right to go behind this presumption since the last increase granted to this group of employees prior to the wartime bonus of 1943 was in 1925.

Mr. OVERTON. That is the same time that the salaries of Senators and Representatives were adjusted.

Mr. LANGER. Yes.

A comparison of the average hourly earnings for all manufacturing employees for the years 1925–41 shows that such earnings increased during this period by 33⅓ percent—

Mr. OVERTON. May I interrupt the Senator, since I yielded to him?

Mr. LANGER. Yes.

Mr. OVERTON. The Senator will recall that I brought that point out in argument on the question of congressional expense allowance.

Mr. LANGER. The Senator did so very ably, as I remember quite distinctly.

Mr. OVERTON. I referred to the very same figures.

Mr. LANGER. Yes.

whereas the average base rate wages of the post-office employees remained stationary and unchanged during the same period. Thus, it is fair and just that Congress take note of the fact that the wages of postal employees had not advanced over the period from 1925 to 1941, to anything like the same degree as industrial employees. Hence their wages could not be said to be stabilized as of January 1941. The presumption was reasonable as to industrial employees, but not entirely applicable to postal employees.

2. The average percentage increase allowed to postal employees under H. R. 3035 has been estimated as not exceeding between 18 and 19 percent. Fifteen percent of this amount is allowable under the Little Steel formula, and the additional 3 to 4 percent is allowable under other criteria frequently applied under the wage stabilization program in adjusting and ironing out intraplant and interplant inequities, job reclassifications and evaluations, and progressions within rate ranges.

Mr. OVERTON. Does the able Senator from North Dakota subscribe to that statement?

Mr. LANGER. I do, indeed.

Mr. OVERTON. If my recollection is correct, that is contrary to the very strenuous and vehement argument the Senator from North Dakota made when we had before us the question of congressional pay increase.

Mr. LANGER. That is exactly right. And I may say——

Mr. OVERTON. I am glad the Senator from North Dakota has probably changed his views.

Mr. LANGER. I have not changed them at all. I was convinced that the statement I have read was correct by the able argument made by the distinguished junior Senator from the State of Oregon [Mr. MORSE].

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. OVERTON. I will yield in a moment. I was going to say that the distinguished Senator from Oregon also made the argument that the congressional allowance was highly inflationary. I may be in error in making that statement. And so the Senator can correct me as soon as I have yielded to the Senator from Kentucky.

Mr. BARKLEY. I merely wanted, if I could, by anything I could say, to reassure the Senator from Louisiana on the question of congressional inflation. As he knows, I voted against the bill to which he has reference. I did that in spite of the fact that the Senator from Louisiana made the ablest argument that could have been made. I do not believe there is a Senator here who could have made as able and logical an argument as the Senator from Louisiana made.

Mr. OVERTON. No argument is able unless it is convincing.

Mr. BARKLEY. I voted against the measure not because it was inflationary, but for other reasons. I doubt very much if the salaries paid to 96 men or even to 531 individuals could be inflationary so far as their effect upon the whole country is concerned.

Mr. OVERTON. I agree with the able Senator from Kentucky.

Mr. BARKLEY. I believe the vote against that bill was cast on the ground that it was inflationary, notwithstanding the Senator's argument, and I believe that is so by reason of the fact that if it were taken as an example of what would happen through the country it would be inflationary. But the mere increase of congressional salaries could not be regarded as inflationary.

Mr. OVERTON. But the inflationary argument was the predominant note sounded throughout the discussion.

Mr. BARKLEY. I doubt whether it was the predominant consideration in the vote in the Senate. It was a legitimate argument against it, by analogy only.

Mr. OVERTON. What was the predominate note, may I ask the Senator?

Mr. BARKLEY. The predominant note was "no." [Laughter.]

Mr. OVERTON. Mr. President, I stated to the Senator from Oregon [Mr. MORSE] that I would be very glad to let him make an explanation of what he said the other day. It is very difficult for me to remember definitely all the arguments which were made, and if I have misquoted the Senator from Oregon I have done so unintentionally.

Mr. MORSE. Mr. President, I do not think the Senator misquoted me so much as he misunderstood me. But I wish to thank the Senator from Kentucky for making very clear the statement of the position which I took at the time. I summarize it very quickly by simply saying two things:

My argument in regard to the inflationary effect of the $2,500 salary increase by way of an expense account for which no accounting was to be made was that it set an exceedingly bad example on the part of Congress. It was well over the 15-percent formula, and therefore, as an example, would be highly inflationary.

In the second place, I took the position, as the Senator may now recall, that I thought it was up to the Congress to lead the way in regard to its own increase, and to see to it that we did not exceed the formula.

Mr. OVERTON. Mr. President, I inquire how many employees would be affected by this bill?

Mr. McKELLAR. About 300,000.

Mr. OVERTON. That represents about 300,000 votes; and with the families, about how many?

Mr. McKELLAR. I do not know.

Mr. OVERTON. About 1,500,000 votes.

Mr. McKELLAR. As the postal employees in my State all vote for me anyway, I do not keep up very well with the statistics.

Mr. OVERTON. There are only 96 Members of the Senate; and, of course, each Senator votes for himself.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. WHERRY. I should like to ask the Senator a question. This goes beyond the congressional pay discussion. Knowing the Senator to be a constitutional lawyer of note, I ask him whether, in his opinion, an individual or group of individuals could ask for an increase on the same presumption which is indulged here, namely, that their wages had not been increased prior to 1941. I ask that in all seriousness. I intend to vote for this bill; but it goes beyond the Little Steel formula. This is what the report says:

(1) The Little Steel formula is based on the presumption that wages in general were stabilized as of January 1941. In the case of postal employees it is only fair and right to go behind this presumption since the last increase granted to this group of employees prior to the wartime bonus of 1943 was in 1925.

That is true, and I agree with it. In case after case employees have come to my office and asked me to have their wages increased, and I said no, because they were frozen. What I want to know is, Is this a precedent? Can anyone whose wages were not increased prior to 1941 say that he is entitled to have the same presumption used in his case as is used in this case?

Mr. OVERTON. In answer to the question propounded by the Senator, let me say that that is not a constitutional question, because there is nothing in the Constitution which prohibits us from increasing salaries.

Mr. WHERRY. Will the Senator tell me how he feels about this as a precedent?

Mr. OVERTON. I think the position taken by the Senator is correct. I call his attention to the confession made in the report so far as the Little Steel formula is concerned. I do not use that expression in any critical sense. Let us call it an admission—a noble, frank admission—or, shall we say, an excellent statement. The statement in the report is as follows:

Fifteen percent of this amount is allowable under the Little Steel formula, and the additional 3 to 4 percent is allowable under other criteria.

That is the statement in the report. So we must know what the "other criteria" are. I made one suggestion modestly. I intend to vote for the bill, but I made the rather naive suggestion that there are one and a half million votes behind this

increase. That may be a criterion which ought to be considered. [Laughter.]

Mr. HILL. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. HILL. I should like to ask the Senator from New York [Mr. MEAD] a question.

Mr. OVERTON. I yield so that the Senator may ask the question.

Mr. HILL. I ask the Senator from New York if this bill would reduce any salaries.

Mr. MEAD. No. There is a provision in the bill to prevent that. Certain salaries would be reduced were it not for the provision in the bill which specifically prevents the reduction of a salary as a result of the passage of this bill. However, the salaries of certain postmasters would be reduced were it not for that saving provision.

Mr. HILL. Why would the salaries of those postmasters be reduced?

Mr. MEAD. Because a new set of gradations is established, and certain postmasters in certain grades would suffer a reduction in salary based upon the formula provided in the bill, were it not for the saving clause.

Mr. HILL. To whom does the saving clause apply?

Mr. MEAD. Only to those in the grades in which salaries would be reduced. It applies to the incumbent so long as he remains in the postal service.

Mr. HILL. In other words, so long as the incumbent is in the postal service his salary will not be reduced.

Mr. MEAD. That is correct.

Mr. HILL. His salary will not be reduced by any provision in this bill, or by any regrading or reclassification brought about by this bill. Is that correct?

Mr. MEAD. That is correct.

Mr. HILL. So, any incumbent would not have his salary reduced in any way by the enactment of this bill.

Mr. MEAD. That is correct.

Mr. HILL. The only way in which the salary of any incumbent could be reduced, then, I take it, would be by having his office fall off in postal receipts in such a way that his salary would be reduced under the provisions of existing law prior to the passage of this bill. Is that correct?

Mr. MEAD. That is correct.

Mr. HILL. As I understand, the bill would not reduce the salary of any incumbent.

Mr. MEAD. No; there is a provision in the bill preventing such reductions.

Mr. HILL. Is this the provision, on page 9, line 1:

(b) The base annual compensation of an incumbent postmaster shall not be reduced in the readjustment to conform to the provisions of this act, except for a decrease in gross postal receipts to an amount for which a lower salary grade is provided.

Mr. MEAD. That is correct.

Mr. HILL. Did the committee work out the new grades, or were they worked out by someone else?

Mr. MEAD. Of course, the committee had the assistance of postal experts throughout the hearings on the bill.

Mr. McKELLAR. They were first worked out in the House, of course, and the House committee had the assistance of experts.

Mr. HILL. Did the Senate committee make any changes in the grades established by the House?

Mr. MEAD. I think the grades established by the House were left intact.

Mr. McKELLAR. There were a number of amendments.

Mr. MEAD. Yes; there were a number of amendments.

Mr. HILL. Let me ask a further question. It is indicated by a table which I have that the salaries of certain postmasters now receiving $6,000 might be reduced to $5,600. What is the Senator's answer as to that?

Mr. MEAD. They would be reduced to $5,600 under the new gradations established in the bill were it not for the provision which prevents their salaries from being reduced. So a postmaster who might otherwise have his salary reduced will not suffer any reduction while he remains in the office, unless, under existing law, the receipts of his office decrease to such an extent that his salary would be reduced under the old law.

Mr. HILL. Under existing law.

Mr. MEAD. Yes. On the other hand, if his revenues or the volume of business in his post office should increase, he would receive an increase in salary.

Mr. HILL. But the $6,000-a-year incumbent will not have his salary reduced by this bill.

Mr. MEAD. No.

Mr. HILL. He will continue to receive $6,000.

Mr. MEAD. That is correct.

Mr. OVERTON. Mr. President, the Senator from Alabama has brought out the information which I desired with reference to postmasters whose salaries are $6,000 or in excess thereof. Several of them have written to me on the subject, and are very anxious about it. As I understand, there will be no reduction in salary so long as they retain their present positions.

Mr. MEAD. That is correct, even though they are placed in a grade which might otherwise involve a reduction in salary. Their salaries will not be reduced while they remain in the postal service. If a postmaster should retire, and someone else should take his place, the new postmaster would not receive the same protection which the incumbent would receive.

Mr. OVERTON. Salaries are based to a large extent on the revenue of the office.

Mr. MEAD. That is correct.

Mr. OVERTON. Will the $6,000 postmaster still receive $6,000, notwithstanding a falling off in the revenue?

Mr. MEAD. That is correct.

Mr. OVERTON. So long as he is in office.

Mr. MEAD. That is correct. He will receive $6,000, whereas under the gradations established in the bill, his salary might otherwise revert to $5,600. But because of the saving clause in the bill preventing a reduction in the salary of an incumbent, as a result of the passage of the bill his salary will remain at $6,000.

Mr. OVERTON. Some of the postmasters have written to me. They thought it was an unjust discrimination against them, and they thought they should have an increase. Was that considered?

Mr. MEAD. Yes; it was considered.

Mr. OVERTON. I do not say it should be done.

Mr. MEAD. Two things were considered: First, the question of giving them an increase in base pay; second, the question of giving them a revenue credit of 85 percent, as provided for in existing law, or of increasing it to 100 percent. It is now proposed that they shall receive a credit of 100 percent of the revenues, as a basis for their salaries, whereas under existing law their salaries have been based upon a credit of 85 percent of the revenues of their offices. So it is now proposed that they shall receive an increase of 15 percent, insofar as concerns the revenues upon which their salaries will be based.

Mr. OVERTON. Postmasters of the third class will also receive the benefit of the 100-percent provision; will they not?

Mr. MEAD. Yes; they will. And postmasters of the fourth class will, for the first time, be placed on a salary basis, just as the third-class and other Presidential postmasters are.

Mr. OVERTON. Yes.

Mr. MEAD. Representatives of the third-class and fourth-class postmasters were very enthusiastic in recommending enactment of the bill as it passed the House.

Mr. OVERTON. What will be the minimum salary for a fourth-class postmaster?

Mr. MEAD. Under the bill the minimum salary for a fourth-class postmaster will be raised to $168.

Mr. OVERTON. Yes; and their salaries will not exceed $1,320.

Mr. MEAD. Postmasters receiving more than that will go into the third class. On page 8 of the bill the salaries of fourth-class postmasters are shown to range from $168 to $1,320 per annum. Also on page 8 the salaries of third-class postmasters are shown to range from $1,400 to $2,600, in accordance with the revenues of the office.

Mr. OVERTON. Of course, the increase will be more than 19 percent.

Mr. MEAD. Hereafter—it has not been the case heretofore—salaries will be based upon the revenue of the office. They used to be based upon the cancellations in the office on incoming mail to be distributed by the postmaster to the people in his community. Hereafter, they will be based upon the mail his people bring in to him, which is to be channeled through the postal service.

Mr. OVERTON. There is to be a credit increase to 100 percent of revenues for the fourth-class postmasters; is there?

Mr. MEAD. Yes. That will eliminate one of the inequities we have been talking about.

Mr. OVERTON. How many fourth-class postmasters are there?

Mr. MEAD. The number is being reduced rapidly. I would just have to

hazard a guess. There are more fourth-class postmasters than postmasters of the other classes. There are thousands of them.

Mr. MORSE. Mr. President, will the Senator yield to me?

Mr. OVERTON. I ask the Senator to pardon me, because I did not seek to interrupt him. It is not often that I obtain the floor, and I should like to complete my remarks at this time.

Mr. MEAD. The Senator has been referring to fourth-class postmasters. I think several thousand of them have been removed as a result of the extension of rural carrier lines within the last few years.

Mr. OVERTON. That may be, but there still remain a goodly number who receive very small compensation under existing law.

Mr. MEAD. It is my opinion that the vast number of fourth-class postmasters receiving very small salaries have been eliminated or are being eliminated rapidly by the extension of the rural carrier routes.

Mr. OVERTON. When we get down to a consideration of the classifications, we find that some of them will receive much more than a 19-percent increase.

Mr. MEAD. Yes. Some of the postmasters will receive no increase at all.

Mr. OVERTON. That is true; the Senator is referring to the ones receiving $6,000 salaries.

Mr. MEAD. That is correct.

Mr. OVERTON. They will continue to receive that salary, with no increase. So far as that goes, a $6,000 postmaster does not do much more work than a second-class postmaster does, and sometimes not as much work as a third-class postmaster does. They exercise more or less supervisory jurisdiction; is that not true?

Mr. MEAD. That is true. The fourth-class postmasters do the laborious work.

Mr. OVERTON. Will there be any increase for the rural carriers?

Mr. MEAD. Yes; they will receive the same increase that carriers in the cities will receive, and they will be placed in the same grades.

Mr. OVERTON. Mr. President, I thank the Senator very much for his explanations. I wished to obtain the information.

Mr. MEAD. Certainly; I am glad to make the explanations.

In view of some reports which have emanated from this Chamber, I wish to say to the Senator from Louisiana, if I may do so, that the Senator has, in my estimation, always been a stanch advocate of increased salaries for postal employees.

Mr. OVERTON. Nothing that I said when the bill was previously before the Senate indicated that I was opposed to it.

Mr. MEAD. That is correct.

Mr. OVERTON. On the contrary, I indicated that I was in favor of the bill. But there was a conference report of urgent necessity which had to come up.

Mr. MEAD. That is correct.

Mr. OVERTON. And, besides, there was another Senator who was absent at the time.

Mr. MEAD. That is correct. I merely wished to correct a misunderstanding which existed at that time. The Senator from Louisiana has always been a stanch advocate of salary increases for postal employees.

Mr. OVERTON. That is correct, and the voters in my State understand that.

Mr. MEAD. If they do not, they should.

Mr. MORSE. Mr. President, I wish to correct a misapprehension under which the Senator from Nebraska [Mr. WHERRY] apparently labors. In other words, I wish to say that the Little Steel formula does not freeze wages. Over and above the Little Steel formula, there have always been the criteria referred to in the report, and they permit the War Labor Board to follow the same policy the committee follows. I am very happy to join in doing justice to these employees.

Mr. OVERTON. Mr. President, I should like to have the able Senator make a full explanation of the matter he has brought up, because when I hear him speak of the criteria, I am confused. In the report I read that some of the increase is allowable under the Little Steel formula and that additional increases are allowable under other criteria. I do not understand what the other criteria are.

Mr. MORSE. They are enumerated in the report.

Mr. OVERTON. The word "criteria" is the plural form. "Criterion" is the singular form of the word; is it not?

Mr. MORSE. That is correct.

Mr. OVERTON. The able Senator is a better Greek student than I am, but I understand that "criteria" is the plural form. Therefore, "criteria" means criterion in the plural. I should like to know what the criteria are.

Mr. MORSE. They are criteria which, under the stabilization program, the War Labor Board has always been authorized to apply over and above the Little Steel formula. In the report we state that—

> 2. The average percentage increase allowed to postal employees under H. R. 3035 has been estimated as not exceeding between 18 and 19 percent. Fifteen percent of this amount is allowable under the Little Steel formula, and the additional 3 to 4 percent is allowable under other criteria frequently applied under the wage stabilization program in adjusting and ironing out intraplant and interplant inequities, job reclassifications and evaluations, and progressions within rate ranges.

That is what the committee seeks to do.

Mr. LUCAS. Mr. President, I wish to ask the Senator from New York a question.

Mr. McKELLAR. Mr. President, the hour is late. Can we not have a vote? I do not wish to interrupt the Senator from Illinois, because I want his vote on this measure. The Senator from Louisiana has already very graciously said he would vote for the bill.

Mr. LUCAS. It took him a long time to say so, though. I wish to ask just one question.

Mr. McKELLAR. I know. The Senator from Louisiana has been very gracious in the matter.

Mr. OVERTON. I said when I arose, I said in the middle of my remarks, and I said at the conclusion of my remarks that I would vote for the bill. I repeat that I will vote for the bill.

Mr. LUCAS. Mr. President, the vote will not be taken until I ask one question, but I will not take long to do it. Will the Senator yield to me?

Mr. OVERTON. Certainly.

Mr. President, I am perfectly willing to yield the floor, but I think the Senator from Illinois is entitled to an explanation of the bill. It has been brought forward at the last moment, when we have not had an opportunity to consider it. I am a member of the Appropriations Committee and of the Commerce Committee. We have had very important meetings. I have had to be in attendance on the floor of the Senate as much as I possibly could. I have had letters to answer; I have had constituents to meet. I think it comes with rather poor grace that I should be criticized because I ask for information about a bill which is suddenly brought before the Senate for consideration. Even the Senator in charge of the bill, for whom I have the highest regard and greatest affection, has impliedly criticized me for attempting to find out what the bill is about.

Mr. McKELLAR. Oh no; my good friend must not charge me with that.

Mr. OVERTON. Then I apologize to the Senator. [Laughter.]

Mr. LUCAS. Mr. President, I desire to ask the able Senator from New York one question.

The annual base compensation of postmasters and supervisory employees is based upon the annual receipts of the office. I appeared before the committee because of the discriminatory features which existed in connection with both the Chicago and New York post offices. I ask the Senator from New York if those features have been corrected in the pending bill.

Mr. MEAD. No. I may say to my able colleague, the Senator from Illinois, that several of us presented very forcefully the case of the supervisors in the Illinois post office to the committee. The committee, felt that it would be difficult for us to open up the bill for a major amendment because the bill had to be passed, in order to become law, by the last of this month. I personally felt that while justice was entirely on the side of the Chicago and other large offices throughout the country, I would introduce a bill correcting the inaccuracies to which the Senator has referred as soon as possible after this bill has been passed.

I wished to present the pending bill without major amendments which would force it into conference and probably delay its passage. The larger offices were not taken care of, in my judgment, as they should have been.

Mr. LUCAS. The Senator from New York knows that the postal employees of both the Chicago and New York offices are being discriminated against so far as the tremendous amount of money which they are compelled to handle is concerned, and that they are in the same category as many of the remaining employees are throughout the country who do not have the great responsibilities

which are carried by the employees to whom I have referred.

I shall certainly join with the Senator from New York in any effort that may be made in correcting what seems to me to be a defect in the pending bill so far as the employees to whom I have referred are concerned. I hope the Senator will introduce his bill immediately.

Mr. MEAD. I assure the Senator from Illinois that I will do so.

Mr. LUCAS. I have every reason to believe that the committee will act favorably upon it.

Mr. MEAD. I believe it will.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 27, line 7, after the word "and", to strike out "$3,100" and insert "$3,400."

The amendment was agreed to.

The next amendment was, on page 36, after line 16, to insert:

(l) Temporary employees in the custodial service shall be paid at the respective rates of pay of grade 1 provided herein for regular employees.

The amendment was agreed to.

The next amendment was, on page 46, line 11, after the word "grade", to strike out *"Provided,* That not more than one promotion to the next higher grade shall be made during any twelve month period."

The amendment was agreed to.

The next amendment was, on page 47, line 16, after the word "grade", to strike out *"Provided,* That not more than one promotion to the next higher grade shall be made during any twelve month period."

The amendment was agreed to.

The next amendment was, on page 50, line 21, after the word "handlers", to insert *"Provided further,* That there shall be not more than one increase in the rate of pay of a substitute employee within a period of 12 months."

The amendment was agreed to.

The next amendment was, on page 58, line 17, after "Sec. 20", to strike out: "During the period of the emergency and for 6 months thereafter, or until such earlier time as the Congress by concurrent resolution may designate, when the needs of the service require postmasters of the first, second, and third classes, post-office inspectors, traveling mechanicians, examiners of equipment and supplies, and officers of the railway mail and air mail services, to perform service on Saturday they shall be allowed compensatory time for such service on 1 day within 5 working days next succeeding the Saturday on which the excess service was performed: *Provided,* That postmasters of the first, second, and third classes, post-office inspectors, traveling mechanicians, examiners of equipment and supplies, and officers of the railway mail and air mail services, shall be on duty not less than 48 hours per week, and shall be paid for the additional 8 hours, as additional pay for working such additional time, as follows" and insert "During the period of hostilities with Japan and for not more than 30 days thereafter, when the needs of the service require postmasters of the first, second, and third classes, post-office inspectors, traveling mechanicians, examiners of equipment and supplies, and officers of the railway mail and air mail services, to perform service on Saturday they shall be allowed compensatory time for such service on 1 day within 5 working days next succeeding the Saturday on which the excess service was performed: *Provided,* That when and if required by the Postmaster General to be on duty more than 40 hours a week, they shall be paid as additional pay for working such additional time of 8 hours as follows."

The amendment was agreed to.

The next amendment was, on page 60, in line 18, after the word "by," to strike out "two thousand and twenty-four" and insert "two thousand and eighty."

The amendment was agreed to.

The next amendment was, on the same page, line 24, to strike out:

SEC. 21. All employees provided for in this act in automatic grades who have not reached the maximum grade to which they are entitled to progress automatically, shall be promoted at the beginning of the quarter following the completion of 1 year's satisfactory service since their last promotion, regardless of any increases granted them by the provisions of this act.

Mr. MEAD. Mr. President, I offer an amendment to the committee amendment beginning on page 60, line 24, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 60, line 24, it is proposed to insert the following:

SEC. 21. Employees who, under laws in effect June 30, 1945, are entitled to automatic promotions in salary effective July 1, 1945, and for whom automatic promotion grades are provided in this act, shall be given credit for their earned automatic promotion in salary before applying the provisions of sections 23 and 24 of this act. Employees who, under the laws in effect on June 30, 1945, would have received automatic promotions in salary on October 1, 1945, or January 1, or April 1, 1946, and for whom automatic increases in salary not exceeding $100 per annum or 5 cents per hour, are provided in this act, shall be given credit for the time served since their last promotion prior to June 30, 1945, in determining eligibility for automatic promotions under the provisions of this act.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 3035) was read the third time and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. HAYDEN, Mr. BAILEY, Mr. MEAD, and Mr. LANGER, conferees on the part of the Senate.

Mr. McKELLAR. Mr. President, in this connection I desire to have printed in the RECORD at this point as a part of my remarks the following telegram which I have just received. It is dated Washington, and reads as follows:

Deeply regret Drew Pearson broadcast of Sunday night—

I did not hear it—

June 24 which does you a great injustice. All postal organizations are thoroughly cognizant of your excellent cooperation and support in connection with postal salary reclassification bill (H. R. 3035). The organizations signing this telegram express their profound appreciation for your outstanding service to the postal employees. They know that you are doing everything humanly possible to expedite immediate passage of this meritorious legislation. You are at liberty to use this telegram in any manner that you see fit.

William C. Doherty, President, National Association of Letter Carriers; Chester M. Harvey, President, Railway Mail Association; Leo E. George, President, National Federation of Post Office Clerks; Thomas G. Walters, President, National Rural Letter Carrier Association; Harold McAvoy, President, National Association Post Office and Railway Mail Service Mail Handlers; John Wesesky, President, National Federation of Motor Vehicle Employees; George Warfel, President, National Association of Special Delivery Messengers.

I did not hear the broadcast of Mr. Pearson, but I presume that it was along the line that he is required to follow by the newspaper organizations which employ him.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

Sundry officers for appointment, by transfer or appointment, in the Regular Army of the United States; and

Sundry officers for temporary appointment in the Army of the United States, under the provisions of law.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of Harry M. Durning, of New York, to be collector of customs in customs collection district No. 10.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS—NOMINATION REPORTED ADVERSELY

The legislative clerk read the nomination of Rollin M. Meisenbach to be postmaster at Pearl, Ill., reported adversely by the Committee on Post Offices and Post Roads.

Mr. McKELLAR. Mr. President, I ask that the nomination be rejected.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The nomination was rejected.

POSTMASTERS—FAVORABLE REPORTS

The legislative clerk proceeded to read sundry nominations of postmasters favorably reported by the Committee on Post Offices and Post Roads.

Mr. BARKLEY. I ask unanimous consent that the nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

DEPARTMENT OF AGRICULTURE

The legislative clerk read the nomination of John B. Hutson to be Under Secretary.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk proceeded to read sundry nominations in the judiciary.

Mr. BARKLEY. I ask unanimous consent that the nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

ADDITIONAL POSTMASTERS CONFIRMED

The legislative clerk proceeded to read sundry additional nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that these nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. BARKLEY. I ask unanimous consent that the President be immediately notified of all confirmations of today.

The PRESIDING OFFICER. Without objection, the President will be forthwith notified.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 30 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 27, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 26 (legislative day of June 25), 1945:

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment in the Regular Corps of the United States Public Health Service:

TO BE SCIENTISTS, EFFECTIVE DATE OF OATH OF OFFICE

Wallace D. Armstrong	Heinz Specht
Floyd S. Daft	G. Robert Coatney
Howard L. Andrews	

TO BE ASSISTANT SURGEONS EFFECTIVE DATE OF OATH OF OFFICE

Gaston E. Blom	Marvin W. Evans
Robert H. High	Vincent G. Peiffer
Robert J. Bryan	Charles D. Bahl
Emory S. Moore, Jr.	Warren W. Kreft
Edwin E. Wieckowski	Ardell B. Colyar
James K. Martins	Willie G. Simpson
Louis C. Floyd	Keith F. Farr
Robert L. Smith	Stephen Fromer
Leo J. Gehrig	Charles D. Muller, Jr.
William P. Blocker, Jr.	Norman C. Morgan
Clinton C. Powell	Martin J. Ittner
Arthur L. Koven	Robert L. Cannon
Manrice A. Troncelliti	Leo P. Krall, Jr.
Charles E. Carter	Eric P. Lofgren
Irwin M. Boozer	Robert E. Staff
Leland C. Burrill	Robert J. Burleson
Lee H. des Bordes	Wade H. Etheridge
Thomas O. Dorr	John Simon, Jr.
Edward N. Maxwell	Joh W. Smillie II
Warfield Garson	Robert A. Brennan
Arthur E. Rikli	Sidney Krohn
Walter D. Richards	William P. Ramey
Junius A. Evans	Richard E. Markley
Philip T. Williams, Jr.	Elliott L. Harlow

TO BE PAST ASSISTANT SURGEONS EFFECTIVE DATE OF OATH OF OFFICE

Leonard M. Schuman	John C. Hume
Lewis E. Nolan	Harry E. Tebrock
Burnet M. Davis	Roy Hertz
Fred W. Thyng	William C. Bown
Leroy R. Allen	Mark E. Myers
John K. Stalvey, Jr.	Daniel MacKillop
Theodore E. Hynson	Lewis C. Robbins
Sol R. Baker	Raymond Hofstra
Bernard D. Davis	Charles W. Jones
Gilcin F. Meadors	Frederick C. Kluth
Emerson Y. Gledhill	Elton S. Osborne, Jr.
L. G. Johnson	Philip L. Spencer
Glenn H. Algire	Robert W. Rasor
Mary Walton	Jack A. End
Leo W. Koster	

The following-named officers for promotion in the Regular Corps of the United States Public Health Service:

ASSISTANT SURGEONS TO BE TEMPORARY PASSED ASSISTANT SURGEONS EFFECTIVE DATES INDICATED

Issac M. Zigler, April 1, 1945.
Francis S. Schwarz, Jr., May 1, 1945.
Rheim M. Jones, May 1, 1945.
Reuben B. Widmer, June 1, 1945.
George W. Gibbins, June 1, 1945.

PASSED ASSISTANT SURGEONS TO BE TEMPORARY SURGEONS EFFECTIVE DATES INDICATED

Harry F. White, Jr., May 1, 1945.
Gene B. Haber, May 1, 1945.
Albert H. Sarwold, May 1, 1945.
Curtis G. Southard, January 17, 1945.
David W. Scott, Jr., May 1, 1945.
Verne C. Waite, May 1, 1945.
Michael J. Clarke, May 1, 1945.

SURGEONS TO BE TEMPORARY SENIOR SURGEONS EFFECTIVE DATES INDICATED

Waldemar J. A. Wickman, May 1, 1945.
Eugene W. Green, May 1, 1945.
Dean A. Clark, June 16, 1945.

SENIOR SURGEONS TO BE TEMPORARY MEDICAL DIRECTORS EFFECTIVE JUNE 1, 1945

Kenneth R. Nelson
Oliver C. Wenger

DENTAL SURGEON TO BE SENIOR DENTAL SURGEON EFFECTIVE MAY 29, 1945

Allen M. Perkins

ASSISTANT SURGEONS TO EE PASSED ASSISTANT SURGEONS EFFECTIVE DATES INDICATED

David S. Ruhe, July 1, 1945.
Elmer L. Hill, July 1, 1945.
Otis W. Yeager, July 1, 1945.
Robert S. McClintock, July 15, 1945.
William H. Errgong, July 1, 1945.
Anthony J. Lund, July 1, 1945.
George A. Shipman, June 30, 1945.
James L. Elliott, July 1, 1945.
George W. Comstock, July 1, 1945.
C. Dudley Miller, July 1, 1945.
Herbert E. Pedersen, July 1, 1945.
Robert H. English, July 1, 1945.
Marion B. Richmond, July 3, 1945.
William C. Lewis, July 6, 1945.
Chester M. Sidell, July 1, 1945.
William C. Jenkins, July 1, 1945.
Robert M. Foote, July 1, 1945.
Frank A. Buell, July 13, 1945.
Randolph P. Grimm, July 1, 1945.
I. Ray Howard, July 1, 1945.
Carl R. Kunstling, July 1, 1945.
Willys M. Monroe, July 1, 1945.
Andrew P. Sackett, July 1, 1945.
Robert N. Lord, July 1, 1945.
Lloyd F. Sumners, July 1, 1945.
H. Charles Franklin, July 1, 1945.
Herbert F. Hager, May 11, 1945.
Carruth J. Wagner, July 1, 1945.
Edward T. Blomquist, July 1, 1945.
Roy A. Darke, July 1, 1945.
John C. Cutler, July 1, 1945.
John J. Davies, July 1, 1945.
Leon A. Heppel, July 1, 1945.
Eugene J. Gillespie, July 1, 1945.
Bertrand E. Bennison, July 1, 1945.
Robert M. Thomas, July 1, 1945.
John B. Spriggs, July 1, 1945.
William L. Hewitt, June 1, 1945.
Arthur Kornberg, July 1, 1945.

IN THE NAVY

Pay Director David W. Mitchell to be a pay director in the Navy, with the rank of rear admiral, for temporary service, to rank from the 18th day of June 1943.

Commodore Virgil E. Korns, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving on the staff (shipping) of the commander in chief, United States Pacific Fleet, and until reporting for other permanent duty.

Capt. Thomas J. Keliher, Jr., United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving in the service force, Pacific, and until reporting for other permanent duty.

Capt. Elmer E. Duvall, Jr., United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving in the service force, Pacific, and until reporting for other permanent duty.

Capt. Henry Hartley, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving in the service force, Pacific, and until reporting for other permanent duty.

Capt. Jasper T. Acuff, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving in the service force, Pacific, and until reporting for other permanent duty.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 26 (legislative day of June 25), 1945:

DEPARTMENT OF AGRICULTURE

John B. Hutson to be Under Secretary of Agriculture.

THE JUDICIARY

John E. Sloan to be a United States marshal for western district of Pennsylvania.

Henry Robert Bell to be a United States marshal for eastern district of Tennessee.

John S. Denise, Sr., to be a United States marshal for western district of Washington.

COLLECTOR OF CUSTOMS

Harry M. Durning to be collector of customs for customs collection district No. 10, with headquarters at New York, N. Y.

IN THE NAVY

TEMPORARY SERVICE

Norman C. Gillette to be a commodore in the Navy, for temporary service, to continue while serving as chief of staff to commander, Philippine Sea Frontier, and until reporting for other permanent duty.

Jennings B. Dow to be a commodore in the Navy, for temporary service, to continue while serving as Director of Electronics Division, Bureau of Ships, and until reporting for other permanent duty.

Bernard O. Wills, to be a commodore in the United States Naval Reserve, for temporary service, to continue while serving as port director, Twelfth Naval District.

Milton C. Jackson, to be a commodore in the United States Naval Reserve, for temporary service, to continue while serving as field representative and Assistant Director, Naval Transportation Service.

William H. Godson, Jr., to be a civil engineer in the United States Naval Reserve, with the rank of commodore, for temporary service, to continue while serving as officer in charge of a naval construction brigade.

Herbert J. Ray, to be a commodore in the Navy, for temporary service, to continue while serving as Deputy Director, Naval Division, United States Group Control Council, Task Force 124, and until reporting for other permanent duty.

POSTMASTERS

CALIFORNIA

James W. Moffitt, Guadalupe.
Eva B. Wood, Newhall.

INDIANA

Jacob C. Fleck, Cedar Lake.

KENTUCKY

Marian C. Harned, Boston.

NEW YORK

Myron D. Taylor, Laurens.

OHIO

James L. May, Mineral Ridge.
Charles W. Kaiser, New Philadelphia.

REJECTION

Executive nomination rejected by the Senate June 26 (legislative day June 25), 1945:

POSTMASTER

ILLINOIS

Rollin M. Meisenbach to be postmaster at Pearl in the State of Illinois.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 26, 1945

The House met at 11 o'clock a. m., and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, merciful and compassionate, who art ever ready to hear the prayers of those who put their trust in Thee, graciously hear us, we beseech Thee. Remembering not past mistakes, bless us with the glow of a generous mind, with brotherly consideration, and sustain us with a bracing zeal of courageous energy. Grant us strength to withstand all temptations of power, position, and pride, and may we be wise in our evaluation of the needs of our people.

Vouchsafe unto us the presence of Thy spirit. Let us not be diverted by any of the aspects or circumstances of controversy. Take away all distemperature of political bias and lead us to be true to duty and not allow failure to trail off into silence. Heavenly Father, may we adorn our estate with a world vision in which the sacrament of Christian brotherhood alone is adequate for the ills of humanity. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. STEVENSON asked and was given permission to extend his remarks in the RECORD and to include an item regarding the first GI loan made in the State of Wisconsin.

Mr. ELLSWORTH asked and was given permission to extend his remarks in the RECORD and to include an editorial from the Seattle Post-Intelligencer.

Mrs. WOODHOUSE asked and was given permission to extend her own remarks in the RECORD and to include a statement and telegram concerning amendments to the Price Control Act.

Mr. McKENZIE asked and was given permission to extend his own remarks in the RECORD.

Mr. SABATH asked and was given permission to extend his own remarks in the RECORD and to include an editorial from the Chicago Times and one from the Chicago Sun.

FEPC

Mr. SLAUGHTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a short article from the Washington Star.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SLAUGHTER. Mr. Speaker, I direct the attention of the House to the most colossal piece of impudence that has come to my attention since I have been a Member of Congress.

According to the Washington Star, on Friday last Mr. Fowler Harper, Solicitor for the Department of the Interior, at a meeting held on Government property, namely, the auditorium of the Department of the Interior, urged his hearers to put the heat on Congress on behalf of some legislation in which he was interested, to wit, the FEPC. Mr. Harper, an employee of the executive branch of the Government, had the temerity not only to advise his audience to put the heat on Congress, but he also advised his hearers to pack the galleries of the Senate this week. Mr. Harper, you understand, is no mere Government clerk. He is the Solicitor of the Department of the Interior.

On this memorable occasion he goes on to advise his hearers:

Mr. Harper, chairman of the meeting, also suggested that his listeners attend the Monday and Tuesday sessions of the Senate. "They'll know what you're there for," he said.

That, to my way of thinking, is the most outrageous piece of legislative blackjacking that has ever come to our attention, and I suggest that it might be appropriate to consider whether or not this matter should be referred to the Department of Justice as a violation of the Hatch Act.

[From the Washington Evening Star of June 23, 1945]

PUT HEAT ON CONGRESS, INTERIOR AIDE ADVISES SUPPORTERS OF FEPC

"Put the heat on the House and the Senate now," Fowler Harper, Interior Department solicitor, urged supporters of a permanent Fair Employment Practices Committee at a mass meeting yesterday in the Department's south auditorium.

* * * * * *

Mr. Harper, chairman of the meeting, also suggested that his listeners attend the Monday and Tuesday sessions of the Senate. "They'll know what you're there for," he said. The status of the House bill for a permanent FEPC, tabled in the Rules Committee, and of a Senate bill for a 1945-46 appropriation, facing a filibuster, was described in detail by six speakers.

EXTENSION OF REMARKS

Mr. HOCH asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WIGGLESWORTH asked and was given permission to revise and extend the remarks he is expected to make today on the deficiency bill and include therein extracts from hearings, letters, and newspaper articles.

SAN FRANCISCO CHARTER MUST BE RATIFIED FOR ENDURING PEACE

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. DOYLE addressed the House. His remarks appear in the Appendix.]

CALL OF THE HOUSE

Mr. ENGEL of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 126]

Anderson, N. Mex.	Biemiller	Cannon, Fla.
Andresen, August H.	Bloom	Carlson
Andrews, N. Y.	Bolton	Chelf
Barden	Boren	Clark
Barry	Bradley, Mich.	Clason
Bates, Mass.	Bradley, Pa.	Cole, Kans.
Bell	Brumbaugh	Cole, N. Y.
	Buckley	Cooley
	Byrne, N. Y.	Cox

Curtis	Hall,	O'Toole
Dawson	Leonard W.	Patman
Delaney,	Hand	Pfeifer
James J.	Harless, Ariz.	Philbin
Delaney,	Harness, Ind.	Ploeser
John J.	Hart	Plumley
D'Ewart	Hartley	Powell
Dickstein	Healy	Price, Ill.
Dingell	Hébert	Quinn, N. Y.
Dirksen	Heffernan	Rayfiel
Dolliver	Hendricks	Reed, N. Y.
Doughton, N. C.	Hobbs	Roe, Md.
Douglas, Calif.	Holifield	Roe, N. Y.
Drewry	Hook	Russell
Durham	Jarman	Sasscer
Earthman	Johnson, Calif.	Sharp
Eaton	Johnson, Ind.	Sheppard
Eberharter	Kearney	Sheridan
Elliott	Kee	Short
Elsaesser	Kelley, Pa.	Sikes
Elston	Kilburn	Simpson, Pa.
Fellows	Lane	Smith, Ohio
Fisher	Latham	Somers, N. Y.
Fuller	Lesinski	Spence
Fulton	Lynch	Stigler
Gamble	McGehee	Stockman
Gary	McGlinchey	Sumner, Ill.
Gathings	Marcantonio	Taylor
Geelan	Martin, Iowa	Thomas, N. J.
Gerlach	May	Torrens
Granahan	Miller, Calif.	Whitten
Granger	Monroney	Wilson
Grant, Ind.	Morrison	Winter
Green	Mott	Wood
Gross	Norton	Worley
Hall,	O'Hara	
Edwin Arthur	O'Neal	

The SPEAKER. On this roll call, 296 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

Mr. BLAND. Mr. Speaker, I ask unanimous consent that during the session of the House today when general debate is had in the Committee of the Whole, the Committee on the Merchant Marine and Fisheries may sit for the purpose of considering legislation.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is that agreeable to the whole Committee?

Mr. BLAND. It is agreeable to all who were present this morning, and nearly a quorum of the committee was present.

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, what was the request?

The SPEAKER. The request was that that the Committee on the Merchant Marine and Fisheries be allowed to sit this afternoon during general debate.

Mr. CASE of South Dakota. Mr. Speaker, I was wondering about that, in view of the Chair's statement the other day about sitting when bills were being read under the 5-minute rule.

Mr. BLAND. I am not asking for that, Mr. Speaker.

The SPEAKER. The gentleman is not asking for the privilege of sitting while the bill is being read under the 5-minute rule, but when the House is engaged in general debate.

Mr. CASE of South Dakota. Is it contemplated that we will proceed with the War Department bill this morning under the 5-minute rule, immediately?

The SPEAKER. Exactly, and after that there will be general debate on the deficiency bill.

Is there objection to the request of the gentleman from Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. WELCH asked and was given permission to extend his remarks in the RECORD.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington Post entitled "Sage Counsel."

Mr. O'KONSKI asked and was given permission to extend his remarks in the RECORD and include an article by the gentlewoman from Connecticut, Mrs. CLARE BOOTHE LUCE.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include an address he recently delivered in New York.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an article by John T. Flynn. I may say that the article may exceed the limit by a very small margin, but I ask that it be printed in the RECORD nevertheless.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mrs. SMITH of Maine asked and was given permission to extend her remarks in the RECORD and include a letter from the PAW.

Mr. CURLEY asked and was given permission to have printed in the RECORD an address delivered by Hon. James A. Farley, at Charlestown, Mass.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include a letter from the Costello Post, American Legion, Washington.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include a statement made by the President of the United States, at Salem, Oreg., yesterday, and also a letter from a World War veteran.

Mr. FERNANDEZ asked and was given permission to extend his remarks in the RECORD and include an article on the San Francisco Conference.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Gathing, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 3395. An act to extend through December 31, 1945, the termination date under the Renegotiation Act.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 184. Joint resolution to continue the temporary increases in postal rates on first-class matter, and for other purposes.

The message also announced that the Senate had adopted the following resolutions:

Senate Resolution 140

Resolved, That the Senate has heard with profound sorrow of the death of Hon. WARREN BARBOUR, late a Senator from the State of New Jersey.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public service.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to his memory the Senate at the conclusion of these exercises shall take a recess until 12 o'clock noon tomorrow.

Senate Resolution 141

Resolved, That the Senate has heard with profound sorrow of the death of Hon. FREDERICK VAN NUYS, late a Senator from the State of Indiana.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public service.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to his memory the Senate at the conclusion of these exercises shall take a recess until 12 o'clock noon tomorrow.

Senate Resolution 142

Resolved, That the Senate has heard with profound sorrow of the death of Hon. ELLISON D. SMITH, late a Senator from the State of South Carolina.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public service.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to his memory the Senate at the conclusion of these exercises shall take a recess until 12 o'clock noon tomorrow.

Senate Resolution 143

Resolved, That the Senate has heard with profound sorrow of the death of Hon. FRANCIS MALONEY, late a Senator from the State of Connecticut.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public service.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to his memory the Senate at the conclusion of these exercises shall take a recess until 12 o'clock noon tomorrow.

Senate Resolution 144

Resolved, That the Senate has heard with profound sorrow of the death of Hon. JOHN MOSES, late a Senator from the State of North Dakota.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public service.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to his memory the Senate at the conclusion of these exercises shall take a recess until 12 o'clock noon tomorrow.

The message also announced that the Vice President has appointed Mr. BARK-

LEY and Mr. BREWSTER members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of the Navy.
3. Federal Works Agency.
4. National Archives.
5. Office of Price Administration.
6. The Office of Censorship.

PERMISSION TO ADDRESS THE HOUSE

Mr. ERVIN. Mr. Speaker, I ask unanimous consent that after the disposition of business on the Speaker's desk and following any special orders heretofore entered I may be permitted to address the House today for 30 minutes.

Th SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

MILITARY ESTABLISHMENT APPROPRIATION BILL, 1946

Mr. SNYDER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for further consideration of the bill H. R. 3550, with Mr. CRAVENS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ARMY WAR COLLEGE

For expenses of the Army War College, being for the purchase of the necessary special stationery; textbooks, books of reference, scientific and professional papers; newspapers, and periodicals; maps, police utensils; employment of temporary, technical, or special services, and expenses of special lectures; purchase, repair, and cleaning of uniforms for guards; pay of employees; and for all other necessary expenses; $111,800.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, figures do not tell the story. The paragraph that has just been read indicates that $100 is being appropriated for contingencies of the Army. Actually, there is being appropriated $19,000,000. The explanation is that another paragraph in the bill continuing the availability of unobligated balances carries the reappropriation of $18,999,900 for this purpose.

I am taking a moment to call attention to this fact because the $100 figure is similarly used in at least 11 places in this bill. It is what the Budget people call a token appropriation, keeping the object or function alive in a legal way, and, I might add, effectively hiding the actual amount of money that is being appropriated for a given purpose.

Personally I consider this to be poor legislative practice. Those who are acquainted with the procedure can look up the committee's report which accompanies the bill and find the true state of affairs. The bill and the act, however, will not disclose the amount of the appropriation to the most diligent reader. And the RECORD of this day's proceedings would not disclose the facts were it not for remarks like these.

Now then, in order that the RECORD may suggest what is the true state of affairs, and in the hope that calling attention to the practice will discourage it in future bills, I shall list the heads for which this $100 token appropriation appears in the bill, and follow that with the amount actually appropriated by reappropriation:

The next is expediting production, $100; actually, $86,780,000.

Contingent fund, Chief of Staff, $100; actually, $97,758,451.

Special field exercises, $100; actually, $8,199,871.

Air Corps, Army—Transportation Corps—$100; actually, $5,779,798,085, which represents both reappropriation and anticipated recoveries.

National Guard, $100; actually, $32,667,524.

Seacoast defenses, general, $100; actually, $4,822,382.

Organized Reserves, $100; actually, $32,055,403.

Reserve Officers Training Corps, $100; actually, $3,865,650.

Inter-American relations, $100; actually, $443,643.

Army of the Philippines, $100; actually, $104,835,488.

These $100 items, moreover, do not tell the whole story. Many of the large items are increased by reappropriations and anticipated recoveries. The extent of this may be realized by recalling that the total new money carried in the bill is $21,963,093,400, while the total of the funds provided for the Army, 1946, amount to $39,087,095,951. The difference is explained by the reappropriation of $8,885,501,051 and the estimated aggregate of recoveries through terminated contracts, renegotiation, and so forth, is $8,238,501,500. Speed the day when an appropriation bill will tell the whole story so that "he who runs may read."

The Clerk read as follows:

Pay of the Army: For pay and allowances of the Army of the United States, including pay of Reserve officers and officers of the National Guard of the United States ordered to active duty under the provisions of section 37a and the fourth paragraph of section 38 of the National Defense Act, as amended; pay of civilian employees at military headquarters; allowances for quarters for enlisted men on duty where public quarters are not available; interest on soldiers' deposits; payment of life insurance premiums authorized by law; payment of exchange fees and exchange losses incurred by disbursing officers or their agents; payments to military and civilian personnel in and under the Military Establishment due to the appreciation of foreign currencies as provided by the Act of March 26, 1934, as amended (5 U. S. C. 118c), and for every object and purpose specified therein; repayment of amounts determined by the Secretary of War, or officers designated by him, to have been erroneously collected from military and civilian personnel in and under the Military Establishment; and losses in the accounts of Army disbursing officers in accordance with the act of December 13, 1944 (Public Law 476); $6,086,815,000: *Provided*, That the appropriations contained in this act shall not be available for increased pay for making aerial flights by nonflying officers at a rate in excess of $720 per annum, which shall be the legal maximum rate as to such officers, and such nonflying officers shall be entitled to such rate of increase by performing three or more flights within each 90-day period, pursuant to orders of competent authority, without regard to the duration of such flight or flights: *Provided further*, That, during the continuance of the present war and for 6 months after the termination thereof, a flying officer as defined under existing law shall include flight surgeons, and commissioned officers or warrant officers while undergoing flying training: *Provided further*, That section 212 of the Act of June 30, 1932 (5 U. S. C. 59a), shall not apply to retired military personnel on duty at the United States Soldiers' Home: *Provided further*, That during the fiscal year ending June 30, 1946, no officer of the Army shall be entitled to receive an addition to his pay in consequence of the provisions of the act approved May 11, 1908 (10 U. S. C. 803): *Provided further*, That provisions of law prohibiting the payment of any person not a citizen of the United States shall not apply to military and civilian personnel in and under the Military Establishment: *Provided further*, That without deposit to the credit of the Treasurer of the United States and withdrawal on money requisitions, receipts of public moneys from sales or other sources by officers of the Army on disbursing duty and charged in their official accounts, except receipts to be credited to river and harbor and flood-control appropriations and retirement deductions, may be used by them as required for current expenditures, all necessary bookkeeping adjustments of appropriations, funds, and accounts to be made in the settlement of their disbursing accounts: *Provided further*, That no collection or reclamation shall be made by the United States on account of any money paid to assignees, transferees, or allottees, or to others for them, under assignments, transfers, or allotments of pay and allowances made under authority of law where liability might exist with respect to such assignments, transfers, or allotments, or the use of such moneys, because of the death of the assignor, transferor, or allotter: *Provided further*, That no appropriation contained in this act shall be used for any expense pertaining to (1) the instruction, education, or training of class IV–E conscientious objectors in colleges, (2) the service of such conscientious objectors outside the United States, its Territories and possessions, (3) the transportation of such conscientious objectors to or from any college or any such service, or (4) the compensation of military or civilian personnel performing any services with respect to the matters set forth in (1), (2), or (3) above after the enactment of this act, except any services which may be necessary promptly to terminate any such class IV–E conscientious-objector college or foreign-service projects existing on the date of the enactment of this act.

Mr. ENGEL of Michigan. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. ENGEL of Michigan: On page 7, after the colon in line 7, insert the following: "*Provided further*, That this appropriation shall not be available after September 1, 1945, for the pay of any person in an enlisted grade or rating in the Army of the United States who is the parent of more than three surviving children and who has made application for discharge before September 1, 1945, except that where application

for discharge has been made under this provision funds may be used to pay such applicant for a period of not to exceed 30 days after date of application for discharge, but nothing herein shall require the discharge of any person undergoing medical care or treatment or of any person awaiting or undergoing disciplinary action."

Mr. ENGEL of Michigan, Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ENGEL of Michigan. Mr. Chairman, when the Army announced its plan of discharging veterans' they gave 12 points' credit for the first three children. They gave no credit whatsoever for any children subsequent to the third child.

This amendment provides that the Army cannot use any of the funds to pay any enlisted man, who has more than three children, that is, four or more, if that soldier has applied for a discharge before August 1. It gives him until August 1 to apply for a discharge and gives the Army 30 days after the application to give the discharge.

I am not basing this upon the point system. I am basing it upon two propositions. The first and primary one is the fact that fathers with four children, at this stage of the war, with the European war won, have no place in the Army. The second is upon the basis of cost. I announced that I was going to offer this amendment and I have received hundreds upon hundreds of letters, 95 percent of which favor the amendment. After the bill was marked up in the committee and the committee had voted the amendment on the bill, the War Department, for the first time during my handling of any bill during 9 years, asked for further hearings. They had General Henry come in and argue against the amendment, and it was stricken by a vote of 5 to 2.

General Henry made the statement that the servicemen were violently opposed to this amendment. I asked him if the servicemen were violently opposed to the amendment which would discharge fathers with four or more children, why was it I have had several hundred letters from veterans overseas, the Stars and Stripes having carried the article, and 95 percent of the letters from overseas veterans were favorable. He did not answer.

I want to read just one of the many letters I have received. I have received hundreds of them on this question. This letter is typical of the many, many letters I have received. This letter happens to come from Philadelphia, Pa., a mother writing it. She says:

I heartily agree with you that they should not have taken them in the first place. Take my case, for example. When we declared war with Japan my husband thought every man who could carry arms should go, and nothing I said or anyone else said would change his mind. Little did I think the Army would accept a man 43 years old with a wife and nine children, but they did. He was in the Army 18 months, overseas 10 months on the day he was killed in the invasion of Luzon, and now I am left with nine small children, ranging in age from 2 years to 13. When he was living the Government gave me $240 a month allotment, and now since he is dead they give me $100 a month.

Incidentally I introduced a bill yesterday to correct that injustice. They expect a woman to support nine children from 2 to 13 years old on $100 a month. She is rather bitter about the matter and you cannot blame her for it.

I went over the matter of cost. This man was a private. The family got $240 a month dependency benefits for 18 months. He received $50 a month of which he allocated $22 to the wife, leaving him $28. So this private cost $268 a month for 18 months. Now, if the law is left as it is with the $100 a month allotment, you are going to have to pay benefits to this family until the youngest child, who is now 2 years of age, is 18. That 18 months' service for this one private soldier is going to cost the taxpayers from $22,000 to $25,000, depending upon whether or not the widow remarries.

Mr. Chairman, I think that is pretty expensive cannon fodder even for the Army, and yet the Army refuses to do anything about it. Conscientious objectors are given full points for every child and yet a soldier is given points for only three children. When a letter was written to the War Department by my colleague from South Dakota they told him they had nothing to do with it, that it was up to Selective Service, yet Army officers are in charge of Selective Service, as is well known. Selective Service issued a directive taking the boys off the farms in defiance of the Tydings amendment. One hundred and fifty Members of Congress, including myself, met in the caucus room of the House Office Building. General Hershey was there. He issued a directive directing draft boards to recognize the Tydings amendment. A week later they sent men around to the same draft boards and told them not to pay any attention to the Tydings amendment.

In one little county of a few thousand people in my district there were 1,240 farms when the war started. Today they have 1,000 farms. That is one of the reasons for the food shortage. Selective Service took 155 young men from that country in 1 month during harvest period and there is no doubt in my mind but what General Hershey, an Army officer, was and is following the advice of the War Department. How can we justify giving conscientious objectors 12 points for each child regardless as to the number of children and give soldiers only 12 points each for the first three children regardless as to the number of children in the family. There is an advantage to being a conscientious objector when it comes to getting out of the service.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ENGEL of Michigan. I yield.

Mr. VORYS of Ohio. How much does it cost the Government for a man who has four children?

Mr. ENGEL of Michigan. I believe dependency allowance is $80 for the first child and $20 for each child thereafter; the total paid would be $140 per month.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. ENGEL of Michigan. I yield.

Mr. SPRINGER. As I understand, age has no bearing.

Mr. ENGEL of Michigan. Age has no bearing.

The man must apply. That does not place the responsibility on the Army. If he applies and shows he has four or more children they have to discharge him. That is the thing in a nutshell.

I hope the House will support this amendment. I want to say again that of all the letters I receive, and I receive hundreds of them, from 95 to 98 percent are favorable. I have received several hundred from the European theater of operations. Ninety-five percent of the veterans say they are for the proposal.

They are going to advance the argument that the soldiers over there voted on it. Stars and Stripes, the soldiers' paper published in Europe. I am informed, has been asking, "Who voted in this poll?" I think it must have been one of these polls where no one can be found who voted.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ENGEI of Michigan. I yield.

Mr. COLE of Missouri. This does not affect the soldier who does not apply for discharge?

Mr. ENGEL of Michigan. No; it does not. And may I say this: There are 35,000 veterans in the service with four or more children. Fifteen thousand will be discharged under present regulations, leaving 20,000; and out of the 20,000 it is my estimate—and it is just a guess—that not to exceed 50 percent will apply. Ten thousand discharged veterans with families are not going to make much difference in a 7,000,000-man Army, and that is what we have here and now.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. ENGEL of Michigan. I yield.

Mr. ROBSION of Kentucky. Did I understand the gentleman to say that the overseas Stars and Stripes expressed approval of the gentleman's amendment?

Mr. ENGEL of Michigan. No; the Stars and Stripes carried an item about this proposed amendment, and I received several hundred letters from individual veterans over in France supporting me on it. They run about 95 percent in favor of the amendment.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, every member of the subcommittee has so much respect for his diligence and his integrity and sincerity of purpose that we venture to disagree with him only when we check and double check.

I have worked with the gentleman from Michigan for a number of years and have every respect for the intent and good purpose in offering this amendment. I, however, will not be able to vote for the amendment; and lest my silence might be misconstrued I am going to give you the reasons therefor, not that I am going to try to persuade you

particularly one way or the other but I think you are entitled to certain information and certain observations that came to our minds in considering the matter in committee.

Under the point system 3 children give a soldier 36 points, that is 12 points per child. Personally I believe the Army should have given credit for all children, they should have given some points for all children; I do not believe they should have stopped at 3. But the amendment offered by the gentleman from Michigan has this effect, that if a soldier has a fourth child, though he be in the service but 1 month that 1 child is worth 40 points. If the soldier has been in the service 1 month and has 3 children, he has 1 point for being in service 1 month and 36 points for the 3 children; but if he were lucky enough to have a fourth child, that fourth child earns him 48 points, because he has earned enough to bridge the gap between the points he has and the 85 points required for discharge. It means that the fourth child is worth more than the combat points that a soldier may have earned overseas if they are less than 48 points. The fourth child, under this amendment, is worth whatever the gap is and becomes worth more than the other 3 children and all the combat service the overseas soldier may have had.

I have lots of sympathy for the case the gentleman suggested of the mother with 9 children. Personally I think the War Department should have given points for all of those remaining 6 children over 3, but the gentleman's amendment does not affect merely the case of 9 children. There are few of those. I have a distress case in my own district where there are 6 children. Personally I think the soldier concerned should be out. He only needs a few points more. Only 3 children are counted. Credit should be given for all of them. The Selective Service giving 12 points for every child, and the Army giving 12 points for only 3 children presents an inconsistent situation, one that should be corrected, and I have written to the Secretary of War and General Hershey about it, but because I believe the point system on the children is not right does not mean that I can assent to an amendment which gives the fourth child over 40 points, regardless of the service of the soldier.

I received a letter a few days ago from a boy who is overseas that I know very well. In the letter, which is mostly about other things, he says:

> Incidentally that point system lacks a lot of meeting with everyone's approval. Of course, everyone could devise a system that would get each of us out at the expense of the other guy, but it seems to me that they set too high a point value on children in making two children count the same as five campaigns or 1 year overseas.

A child is 12 points, as you know, the same as a year overseas. This amendment, though, would make the fourth child good for 3½ years overseas, and several campaigns. The letter goes on:

> The unfairness of it is that it is entirely possible for a man with several years at a post in the States that was finally forced overseas a few months ago and was lucky enough to get into one campaign or get the Purple Heart for catching cold is now eligible to go home, while our 36 months, 22 overseas and three or four campaigns is insufficient for consideration.

That soldier was expressing the opinion that the present point system gave too much weight in points to children. The proposed amendment would not only give an even greater number of points but would discriminate between the parent with three and the parent with four children. We cannot consider this problem in a vacuum. We face the situation as it exists. I merely present these observations and suggest that you vote carefully.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. KILDAY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan.

Mr. Chairman, it may be remembered that two or more years ago I was the author of a bill which sought to delay the induction of fathers until after all those in other categories had been inducted. I rise to oppose the amendment which has been offered by the gentleman from Michigan. My bill sought to prevent the social and economic disruption which would result from taking the heads of families out of their homes.

We are past that point now. All of that has happened with reference to those men in the service. I agree with the gentleman from Michigan that the father of the nine children should never have been taken into the service. I believe that was a mistake made by the local draft board. We are in total agreement there, but here is the situation as it exists today: We have 8,300,000 men in the Army. The Army states that it needs 7,000,000 men to bring the Japanese war to a successful conclusion, and we must accept their figure because we could no more fix the number of men necessary for the strategy in the Pacific than we could have fixed the number of men necessary to hit the Normandy beaches. So no matter what we do here, there is going to be 1,300,000 net reduction in the Army. If there are 35,000 men affected by this bill, as the gentleman from Michigan states there probably will be, you are going to let them out on an automatic discharge.

Mr. ENGEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman.

Mr. ENGEL of Michigan. It is not automatic. Fifteen thousand will be let out anyway and the other 20,000, the War Department states, will have to apply, and not over 10,000 will apply.

Mr. KILDAY. I accept the gentleman's correction. Whatever number you let out because of their application and because of parenthood, you are going to keep that many more in the service. For every man who goes out because of parenthood you are going to keep in a man who has already been told that if he has accumulated 85 points because of length of service, because of overseas service, his combat stars and his children up to 3. He now knows that he is entitled to be released. For every man you let out under the proposed amendment you are going to keep a man in the service who has won his discharge because of long, arduous service and contact with the enemy. Do not get the opinion here that you are going to be able to release parents from the Army and accomplish that purpose without any other effect. For every one that you let out you are going to keep in a combat soldier who has already been told that before June 1, 1946, he is entitled to be released from the service. What, then, is the effect of this amendment on the battle weary soldier who has already accumulated his points and is entitled to get out and who must be kept in the service in the event this amendment is adopted?

Let us consider this question now. Under the point system a man with one child gets 12 points. The Battle of Okinawa continued for almost 3 months. Those who participated will be entitled to six points for length of service and overseas service. They will receive 5 points for 1 battle star. Therefore they will get 11 points whereas the parent gets 12 points, no matter how short a period he has been in the service or whether he has seen combat or not.

You are now attempting to put legislation on an appropriation bill. True, it is within the rule. But just look at the situation which develops. The Navy appropriation bill has already been passed. There is no provision of this kind in the Navy appropriation bill; therefore they continue to draft men with children. The Army probably could not take them, it is true, but the Navy and the Marine Corps could, and I assume would accept these men and require them to serve.

Mr. ENGEL of Michigan. Mr Chairman, if the gentleman will yield, the Navy does not even have a point system yet.

Mr. KILDAY. I do not yield. The gentleman has had his time. I am trying to state the result of the amendment which has not been carefully worked out. You always have this difficulty when you attempt to legislate on an appropriation bill without full knowledge of the facts. That situation will exist and they will continue to be drafted with that many children, but they will have to go into the Marine Corps or the Navy. Another thing, your older men are entitled to be released from the service.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. KILDAY. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KILDAY. At the present time the Navy will release a man 42 years of age and the Army a man 40 years of age. I say that it is in the interest of the national economy that these older men be released from the service and be permitted to engage in private enterprise just as quickly as possible. They see their productive years running out very

rapidly. We were here during the years of unemployment, and we know the problem that confronted this Nation in seeking industrial employment for men over 45 years of age. Unless we permit these men to take advantage of the few productive years that they have, with the opportunity to establish themselves in competitive business and fit themselves to be self-sustaining citizens of the United States, we are very badly affecting the national economy. When you come to letting out men because of the number of children they have, then you are keeping these other men in because the Army is not going to move from its demand for 7,000,000 men for the strategic conduct of the war in the Pacific, and everybody who goes out on any other basis is going to keep in the service these older men and these men who have won the right to be released because of long and arduous service.

Mr. ENGEL of Michigan. Mr. Chairman, if the gentleman will yield, if it was a mistake to take them then, why is it not proper to rectify that mistake and take them out?

Mr. RABAUT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, in my opening remarks I wish to say that I believe the amendment of the gentleman from Michigan [Mr. ENGEL] is not near perfect, but as legislation from this House goes to the other body it will be put on notice that we do not affirm the present point system. There are many problems that enter into this legislation. The first and important one is family life. Your Nation is no stronger than the homes that make it. In my official position in this House as chairman of appropriations for the Justice Department, I have intimate contact with the FBI, and the prison system of this Nation. The top-notch offenders in this country today are 17-year-olds. The proposition before us concerns fathers in the service, their children unguarded at home by fatherly protection. Let us get our feet on the ground about this matter. We have a war today, but we have a Nation every day and every year, and it is for the perpetuation of this Nation that we go to war. So think about the security of the home. I realize what the gentleman from South Dakota [Mr. CASE] has said about this amendment. I agree with him. I am likewise eager to place this amendment in the bill. The parliamentary situation necessitates an action requiring a limitation on an appropriation. Under that requirement the amendment is germane. It can be corrected in the Senate and thus forcibly bring to the attention of the Army personnel the injustice being done to family life under provisions of this kind.

Who set the rule that only three shall be recognized? When they draft men for war there is no such rule. I read in the paper the other day and saw the picture of a mother with her nine children in the war—boys and girls—every last one gone from the family into the war. That is sacrifice. That is patriotism. That is love of country. But I think there is something else behind the idea of recognizing only three children in a family. Why stop at three? I am not arguing the question whether they are allowing too many points or too few points or anything else. I am not making a comparison with the allotment of points for a child, or for a star for battle. But I say why recognize only three?

Remember this—those who have families protect those who have not. We are taking it out on the mother who stays at home raising her children for the protection of this Nation, for the glory of the things for which this Nation stands. You do not lick somebody with nobody. Those who have nobody lick nobody. Those who have somebody defend those who have nobody.

I hope the gentleman's amendment will stand. I do not think it is correct but I say it can be corrected and it will be corrected when it gets to the other body. Differences between the Senate and the House can be settled in conference. But in justice to family life, the home, children, the adults of tomorrow, and the heirs of this Nation, this body should act.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, usually in the matter of military appropriations I concur in the opinions of the able and hard-working gentleman from Michigan [Mr. ENGEL]. But I do not agree with him in this case. I do not think that many of you will agree with the position which he has taken. In the first place, I am against this amendment as a member of the Appropriations Committee because, as the gentleman from Texas [Mr. KILDAY] so well pointed out, this is purely a legislative matter. It is not subject to a point of order because it happens to be a limitation on an appropriation bill. Yet it is thoroughly legislative in character.

Mr. ENGEL of Michigan. Mr. Chairman, will the gentleman yield? There are six more of the same limitations to various paragraphs of the bill.

Mr. MAHON. As all of you will recognize, this is a legislative provision which should be given great care and study. Extensive hearings should be conducted by the Committee on Military Affairs before action is taken upon a matter of this kind.

In fact, on the day when this amendment was being considered by our subcommittee, open hearings were being held by the Committee on Military Affairs of the House. So I oppose the amendment in the first place because it is legislation on an appropriation bill, and extensive hearings and consideration have not been given it.

The amendment will not stand careful analysis. I think I can demonstrate that to you in a very few moments.

The amendment says that no appropriation shall be made available from this fund for the pay of any soldier to exceed 30 days after date of application for discharge. It does not say 30 days after his application has been investigated and approved. If a man makes application for discharge he must be released in 30 days.

Here is a man in India or far-away China or some remote corner of the earth who makes application for discharge.

The commanding officer has got to investigate the situation. Perhaps he has been over there only 30 days. It is not clear how many children he does have. By the time you have communicated back and forth across the seven seas and discovered the man has to be discharged, 6 weeks may have elapsed, and he has already been off the pay roll for 2 weeks. If it takes 30 days to get him home, then he has to come home on his own time. I say such cruel mistreatment of the men in uniform could not be justified by the Congress. Certainly we could not afford to vote for an amendment which would do a thing like that. I know the gentleman from Michigan would not intend such action but I do not know how this injustice could be avoided under the wording of the amendment.

Another thing, it would say to those wounded boys in Europe, "Step back, boys. You cannot go home to better hospitalization because there are 10,000 men who have made application for discharge, and the preferential transportation is for them. We have to get them home in 30 days."

I say to you the amendment is completely unworkable from the standpoint of the practical facts of the situation.

Mr. ENGEL of Michigan. Will the gentleman yield?

Mr. MAHON. I yield.

Mr. ENGEL of Michigan. They do not have to get them home in 30 days.

Mr. MAHON. But they would not be drawing any pay. They would not be receiving any benefits.

Mr. ENGEL of Michigan. Oh, yes, they will. They will have 30 days after August 1 to get them home.

Mr. MAHON. It says 30 days after date of application for discharge.

As has already been pointed out, the Army has more or less made a contract with these boys under this point system. They have told them all over the world just what the discharge policy is. The mothers and fathers and loved ones of these soldiers are asking, "When is our son or husband going to come home?" "When will he be eligible for discharge?" If we now take a block of ten or twenty thousand out of the service without reference to the point system, that means we have got to keep a block of ten or twenty thousand in the service who had already been promised by the Army that they would be released. So to adopt the amendment would be to break faith or appear to do so, with those who have fought so long and hard in the battle campaigns of this war.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MAHON. Mr. Chairman, I ask unanimous consent to proceed for four additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Chairman, I am not so sure that four children are any more precious than three children. Any child is very precious. They are all very precious. It is unfortunate for any man to have to be separated from his child or his wife or his loved ones. But that

is war. Yet, as was so well pointed out by the gentleman from South Dakota [Mr. CASE], a man having three children gets 36 points. If he has the fourth child, then this additional fourth child means 39 additional points, and bring him up to 85 points and discharges him. He may have lived here with his family and had an opportunity to have children, which opportunity many of the boys who have been overseas for so many years have not had. So to favor those at home over those who have been abroad simply cannot be justified or defended.

By the same token, the draft law, the substantive law of the land, is not being changed, and selective service can still take these men with four children. They can keep them a short time and turn them out, with all the benefits, waste, and red tape that would follow. Now, I do not believe in drafting into the Army men with large families. I will go further than that. I am sympathetic toward the idea which the gentleman from Michigan has in mind.

But in view of all the facts and circumstances, I think the amendment is unworkable. Moreover, the subject is one for the legislative Committee on Military Affairs. It has no place in this bill. I hope the House will support the majority opinion of the committee on this subject.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. THOMASON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, regardless of the merits or demerits of this amendment, it ought not be adopted. Every Member of this House has the greatest respect for the energy and the integrity of the gentleman from Michigan [Mr. ENGEL]. He gives close study to these problems, but his timing is bad and his amendment is not offered to the proper kind of a bill. Although I believe that under the very technical Holman rule this amendment is in order, it ought not to be as a matter of justice and parliamentary procedure and it ought to be defeated. I just wonder if we are going to pass an amendment like this that goes to the very heart of the question of the discharge of several millions of men, whether there is much use having a legislative Committee on Military Affairs. This is an appropriation bill, pure and simple, and nothing else; but less than a week ago the Committee on Military Affairs, at the request of its chairman, the gentleman from Kentucky [Mr. MAY], who unfortunately is out of the city today because he has been home to celebrate his seventieth birthday—and we all wish him many happy returns of the day—he asked responsible representatives of the War Department to come before the committee and explain the entire discharge program of the War Department. General Henry, Chief of Personnel, was there that day and testified at length. He is a brilliant witness, who knows his subject. He is more than that—he is a just man, who wants every man in the Army to have fair treatment and a square deal. His testimony is now being printed and will soon be made available to every Member of this House. In response to questions, he showed that this very point system was developed after a poll was taken of the soldiers in every theater of war, as well as in this country. It is what the soldiers want, and, with few notable exceptions, it is working.

The war in Europe has been won but we still have a terrible war to win in the Pacific. Right now 200,000 men a month are being discharged under the point system; they are letting out 1,200,000 men right now before they go to the Pacific. Pick up any morning paper and you will read stories of great ships coming into New York and other harbors bringing literally thousands of men who are going to be discharged as soon as they get home. Your legislative committee is giving careful study to this whole program.

Are we, as my good friend and colleague, the gentleman from Texas [Mr. KILDAY] said, are we going here today to adopt an amendment to an appropriation bill that says to a man with three children and who perhaps has been right here near his home all the time that we are going to let him out before we do that fine fighting soldier who has been slugging it out on Okinawa these last 3 months? Mr. Chairman, it just will not work. That is not fair, and is not just to a few million men who do not have more than three children. We have a hard and long war to win in the Pacific. Seven million two hundred thousand men are going to be kept in this Army until after we whip the Japs, and more than half of them will be sent across. This is no time to be undermining the legislative committee which is giving careful study to the whole program and going into the matter seriously and in detail. It is not fair to say we will pick out one group of men who ought never to have been inducted—and I agree wholeheartedly with that proposition—but we should not say we are going to let out these men at a time when thousands have been in the Pacific for 2 and maybe 3 years with little chance of getting home soon. I have a boy over there myself who has been in the Pacific a couple of years. All of them would like to be getting back home but they have a job to do. Simply because a man's own local draft board drafted him when he had maybe four, five, or six children, and who may never have been farther than a hundred miles from home, maybe he has been home all the time and had another child born since he entered the Army—if you adopt an amendment that provides that that man shall be let out before the old fighting soldier over at Iwo Jima or up in northern Luzon—it just will not work and would not be fair. It would be discrimination and cause more discord than ever. The War Department is doing a fine job. They want to do the right and fair thing, and you have to trust somebody.

I beg and I plead with you to defeat this amendment and let the Committee on Military Affairs which is now giving study to the whole problem work it out and put every man and women in the Army on a just and equitable basis and see to it that all are treated fairly. The War Department is now discharging many men every day for hardship and compassionate reasons. They will do justice by fathers with more than three children without any law tacked onto an appropriation bill.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BENDER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I did not intend to say anything on this subject, but while listening attentively to the debate and arguments made and advanced by the gentleman from Texas in opposition to the Engel amendment, it was emphasized that these same gentlemen were mistaken in voting for the drafting of these men in the first place. But they are unwilling to rectify their mistake today. Since they frankly admit their mistake, why not rectify it here? The same gentlemen opposing this amendment urged us to draft men and women in industry under the work-or-jail bill. All of us remember the arguments made on the floor in support of that legislation, only to have Justice Byrnes a few days later emphatically state that there was no need for such legislation; in fact, he resigned because he said there was no further need for his services. These gentlemen should remember how mistaken they were at that time, and not lead us into any more blind alleys. This amendment is very much in order.

This legislation is right. I am impressed by the argument of the gentleman from Michigan [Mr. RABAUT] in support of the amendment offered by the gentleman from Michigan [Mr. ENGEL], and I sincerely hope that we may agree to this amendment

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Michigan.

Mr. RABAUT. We hear a great deal of talk about the point system. I hope the House will pardon me for a personal reference. I have a brother, Staff Sgt. Thomas B. Rabaut, who wears the maximum number of stripes on his arm for overseas service in this war. He has been in the South Pacific area either 37 or 38 months. He has four battle stars and a Presidential citation, 105 points, and he is still waiting around for release. To my mind he has done his share.

Mr. BENDER. It is time for the entire Congress to do its own thinking. Sometimes all wisdom is not to be found in one committee of the House, as we have noted on numerous occasions. We have had to reverse ourselves a number of times.

Mr. ENGEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Michigan.

Mr. ENGEL of Michigan. The members of the Military Affairs Committee should argue here and tell us why we should not agree to this amendment. They ask us not to decide whether they should report their bill out or not. May I say if this amendment is not agreed to it will be buried in the Military Affairs Committee's cemetery.

Mr. BENDER. I agree with the gentleman and I hope the committee will support the amendment.

Mr. SNYDER. Mr. Chairman, I ask unanimous consent that all debate on

this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, I was greatly moved by the appeal made by the gentleman from Texas. The boys who have been doing the fighting should get home at the earliest opportunity. On the other hand, the gentleman from Michigan [Mr. ENGEL] says that here are a group of men, fathers of three or more children, who never should have been taken in because they could have rendered a greater service at home. Many of them have reached that age where the Army and Navy say they do not make the best fighting men. It is all right for the gentleman from Texas to talk about these overseas men being returned after they have served so many months, and they should be returned. I repeat that.

This morning coming into town I picked up a couple of sailors who came up from the gentleman's State of Texas. They were hitch-hiking to their homes in Cleveland. I asked them if they were going to have time enough to go home to Cleveland and back again and they said, "Yes, we have 7 days extra." They said, "You know, there was a strike down in Houston when we came in on our boat. The fellows down there refused to repair the boat and now we get an additional 7 days leave." That is the first time I ever heard of any good that came out of a strike which held up the repair of a warship and I am not so sure that it is good. Because of the refusal of those union men to repair the ship it cannot get back overseas. It may be very badly needed—because of the delay caused by the strike men may die.

The gentleman from Texas talks about the boys who have been doing the fighting across the seas. I am glad he did. But how does it happen that from the majority side we never hear one single word about those who like the men down there in Texas today are on strike and refuse to repair a war vessel. Why do we not hear something about that? Why do we not hear something about the strikes that are holding up the repair of some of these boats? You on the majority side have a clear majority of 50. Why is it that you keep the boys fighting across the seas where their service may be lengthened because here at home the members of those organizations who vote for you during election times will not repair the ships and you will neither sponsor nor support legislation to end the practice—the injustice? Tell me sometime when you have an opportunity why you do not bring in some legislation to stop the strikes which may lengthen the war. You know they are wrong.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, someone has asked me whether or not I am in favor of releasing men with more than three children from the Army. Of course, I am in favor of releasing men with more than three children. If servicemen have four or five children, I would like to see them also out. I would like to see all men with children out. As a matter of fact, they brought up the question in the Military Affairs Committee the other day whether or not men above 38 years of age should be released from the Army. I think they, too, ought to be out. Surely they have reached an age in life when they should be allowed to go back home and reestablish themselves in business in their communities and carry on. They are needed back there and they ought to be allowed to get out.

Then there is the case mentioned by my distinguished friend from Michigan [Mr. RABAUT] of the battle scarred veteran—the man who has been in the service perhaps 1, 2, or 3 or a dozen months, perhaps 1, 2, or 3 years or perhaps he has been overseas 4 years. I think that boy ought to be out. I think we ought to let him get out and let him come back home and go back to his family and his loved ones. He is entitled to it. I am very much in favor of it.

I was touched by what my distinguished colleague, the gentleman from Michigan [Mr. RABAUT] had to say about his own brother. He will not get out immediately because there are so many others to be released. They have to be taken in a planned order and they have to be released in regular order, so as to bring about an orderly demobilization.

Then there is another group, Mr. Chairman, that appeals to me very deeply. There are the hardship cases. All of us receive letters almost every day from the people back home. Some letters say a certain serviceman's wife is very sick; that she has cancer or some other disease, and she is slowly dying. That man is needed back home. Surely he ought to be allowed to come back home to his wife or to some other loved one who needs him so badly.

We cannot let all of these groups out and still wage a war against Japan and win it. In fact, we cannot let out all of these groups of men and still have an army. I have been impressed, Mr. Chairman, very much with this problem. This is perhaps the hardest problem that the Army has at the present time. I think it is even more difficult than the induction of men into the service. I think it calls for more tact, more diplomacy, more planning and more thought than any other single problem of the Army. It is a problem which affects the operation, the morale, and the very existance of the Army itself.

The other day when General Henry and other Army officials were before the Military Affairs Committee, I asked the General to explain to us just how the Army formulated this plan for releasing 2,000,000 men from a total number of 8,000,000. He told the committee that about a year and half ago an order had been sent out to every part of the world where we have troops stationed for the purpose of letting these men themselves—the rank and file of enlisted men—decide the order in which troops should be released and returned to the civilian life. A sort of Gallup poll, they say, was conducted among the troops. The results of the poll were returned to the War Department here in Washington. The results were tabulated and the Army states it has accepted the suggestions of the great majority of the rank and file of the men in the Army itself. So when they come before you with a point plan for discharges, it represents something that is representative of the Army. I do not think it is 100 percent fair and I certainly do not say it is 100 percent perfect—but it is a plan which has the popular backing of the majority of enlisted men in the Army of the United States at the present time. When we in this Congress step in and say that this group shall be released first, or when we say that group is entitled to come out first for some other reason, we are upsetting a plan which has been in effect suggested by the rank and file of the men in the Army and which the War Department today is seeking to carry out.

Mr. SPARKMAN. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Alabama.

Mr. SPARKMAN. The gentleman from Michigan [Mr. RABAUT] raised the question that in establishing the point system the value for children was cut off at 3, and his argument was that if you had 4 children there should certainly be a point value given for that fourth one. As a matter of fact, the amendment offered by the gentleman from Michigan [Mr. ENGEL] does not attempt to do that at all, but simply makes it automatic that if a man has as many as 4 children he gets out regardless.

Mr. BROOKS. I thank the gentleman for his fine contribution.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. SNYDER] is recognized for the balance of the time.

Mr. SNYDER. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. ENGEL].

The question was taken; and on a division (demanded by Mr. ENGEL of Michigan) there were—ayes 62, noes 69.

Mr. ENGEL of Michigan. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SNYDER and Mr. ENGEL of Michigan.

The Committee again divided, and the tellers reported that there were—ayes 89, noes 115.

So the amendment was rejected.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 8, line 16, insert:

"No part of the funds appropriated in this act shall be available to pay special allowances for foreign service to civil employees of the War Department or members of the armed forces for that service performed in the State, Territory, or island of their legal residence."

Mr. SNYDER. Mr. Chairman, I accept the amendment.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent to extend my remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

FOREIGN SERVICE ALLOWANCE

Mr. CASE of South Dakota. Mr. Chairman, the amendment which has been accepted by the chairman and the committee seeks to correct an unintend state of affairs in Puerto Rico and anywhere else that it may obtain. That is the payment of 20 percent over base pay under the name of foreign service when actually the recipient is serving in his homeland.

As is generally known, our soldiers get an increase of pay while serving abroad. That was intended to offer some compensation for the hazards and discomforts of serving in a strange climate, among people of a strange language, and where articles bear unfamiliar names and are priced in unfamiliar ways. With that policy, no one has any quarrel.

It was never intended, however, I feel certain, that this special foreign service allowance should be paid from War Department funds to persons serving on their native soil. The fact that such takes place, however, was established during our hearings on this bill in the following colloquy which appears at page 331:

PAY OF PUERTO RICANS IN THE ARMY

Mr. CASE. At one time I asked the War Department about the pay of Puerto Ricans in the Army, and was told that they got 10 percent increase in pay when assigned to duty in Puerto Rico. That is, military personnel.

General CORBIN. My understanding is that native employees do not get any overtime.

Mr. CASE. What about native Puerto Ricans who are in the Army?

General CORBIN. I am talking about military personnel.

Mr. CASE. I was asking about both.

Colonel DUBBELDE. In the case of military personnel in Puerto Rico they are paid a 20-percent increase, insofar as the enlisted personnel are concerned, and 10 percent for officers.

Mr. CASE. Even though they are serving at home?

Colonel DUBBELDE. Yes, sir.

The amendment which I offered is intended to place a limitation on the funds in this bill to stop such a practice and to insure that the intent of the original Foreign Service Pay Act is carried out.

And I may add that I have just been advised that a similar position is being taken by the Appropriations Subcommittee for the Interior Department so that foreign pay adjustment will not be given to employees of the Interior Department who are employed in their native land.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota.

The amendment was agreed to.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this bill provides an appropriation of $39,000,000,000, of which $22,000,000,000 is new money, so-called. It is staggering in amount, but necessary. The Conference on International Organization is about to terminate its labors. It is hoped that the participating nations will supply the necessary will to peace. The naked charter alone will not avail. It needs bone and sinew and flesh in the form of a universal determination to deprecate and discourage war and substitute a feeling of amity and accord. Let us pray that this will be the last War Department appropriation bill of astronomical size. The San Francisco Charter, let us hope, will help make such appropriations hereafter microscopic in proportion.

Our delegates at San Francisco, who helped forge that Charter, are entitled to great credit for a work well performed. Secretary of State Stettinius has won our admiration in skillfully guiding our interests at the Golden City Conference. He was ably seconded and aided by our distinguished colleagues the gentleman from New York [Mr. BLOOM] and the gentleman from New Jersey [Mr. EATON]. We pay a tribute of respect and honor to our gallant Secretary of State, Mr. Stettinius, whose patience, forbearance, and statesmanship resolved so many difficulties that threatened and menaced.

We shall soon have the rare pleasure of welcoming home our brethren, the gentleman from New York [Mr. BLOOM] and the gentleman from New Jersey [Mr. EATON]. We hail them for their splendid achievement. They have indeed rendered yeoman service in an attempt to substitute international negotiation and peaceful conference for arbitrament of arms.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Clerk read as follows:

In all, Finance Service, Army, $6,853,139,000, to be accounted for as one fund.

Mr. RAMSPECK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I wish to call the attention of the Members of the committee to testimony in the hearings beginning on page 781 with reference to the suggestion system carried on under authority of law by the War Department. You will find by reading the testimony that they have gone into some detail about this system which I think is a very excellent one and which has paid great dividends to the Government. It is stated that during the present fiscal year over 19,000 suggestions have been adopted with savings in operational costs estimated to amount to almost $63,000,000. That is just for this fiscal year. The cash awards given to those 19,000 persons total $587,617, or an average of about $30 per person, for an average saving of $3,325 per suggestion. Since the inauguration of the plan in July 1943 more than 32,000 suggestions have been adopted and the savings have totaled more than $91,000,000 and have cost about $900,000. That relates solely to civilian employees in the War Department.

I have in my hand a clipping from War Times, dated May 11, 1945, published over in the Pentagon Building, in which mention is made of the award of $525 to Harry A. Moscowitz who suggested a plan in connection with the purchases made by the Army Air Forces which effected an annual saving of $156,000. Mention is made in this article of the fact that awards are also made to the enlisted personnel in the Army, not in cash, but by awarding the Legion of Merit or giving promotions, commendations, and so forth. Suggestions adopted by the Army Air Forces have resulted in an estimated saving of $26,000,000 a year.

I wish to suggest for the consideration of this subcommittee and the Congress the extension of the cash award plan to the military personnel. I understand there is some resentment on the part of the military personnel over the fact that they do not participate in the cash award system but that their awards are limited to merit awards, promotions, and furloughs. I believe that if this cash award system were extended to the military and naval personnel of our Government we would save many more millions of dollars and perhaps shorten the war. There is certainly no incentive like cash, and there are plenty of ideas in the bright minds of the men who are in our armed forces. While there may be difficulties which I have not thought of, I did want to take this time to suggest to the committee consideration of that proposal, because I do believe that we are overlooking a good opportunity to get suggestions from the military personnel which would effectuate great savings in the operation of the War and Navy Departments and bring about a shortening of the war.

I congratulate the War Department upon the success they have had with the suggestion system. I congratulate the committee for making the funds available, because it has paid large dividends to the taxpayers of this country. I think it has been operated in a proper manner, in a conservative manner and that the money the committee has authorized has been well spent and has brought returns to the taxpayers which otherwise could not have been received.

By unanimous consent, the pro forma amendment was withdrawn.

The Clerk read as follows:

Subsistence of the Army: Purchase of subsistence supplies: For issue as rations to troops, including retired enlisted men when ordered to active duty, civil employees when entitled thereto, hospital matrons, applicants for enlistment while held under observation, general prisoners of war, and general prisoners at posts; ice for issue to organizations of enlisted men and for cooling drinking water at such places as the Secretary of War may determine, and for preservation of stores; for the subsistence of the masters, officers, crews, and employees of the vessels of the Army Transport Service; meals for recruiting parties and applicants for enlistment while under observation; for sales to officers, including members of the Officers' Reserve Corps while on active duty, and enlisted men of the Army. For payments: Of the regulation allowances of commutation in lieu of rations to enlisted men on furlough and to enlisted men when stationed at places where rations in kind cannot be economically issued, including retired enlisted men when ordered to active duty. For payment of the regulation allowance of commutation in lieu of rations for enlisted men, applicants for enlistment while held under observation, civilian employees who are entitled to subsistence at public expense, and general prisoners while

sick in hospitals, to be paid to the surgeon in charge; advertising; for subsistence of supernumeraries necessitated by war conditions; for providing prizes to be established by the Secretary of War for enlisted men of the Army who graduate from the Army schools for bakers and cooks; and for other necessary expenses incident to the purchase, testing, care, preservation, issue, sale, and accounting for subsistence supplies for the Army; in all, $2,940,209,538: *Provided*, That none of the money appropriated in this act shall be used for the purchase of oleomargarine or butter substitutees for other than cooking purposes, except to supply an expressed preference therefor or for use where climatic or other conditions render the use of butter impracticable: *Provided further*, That no part of this or any other appropriation contained in this act shall be available for the procurement of any article of food or clothing not grown or produced in the United States or its possessions, except to the extent that the Secretary of War shall determine that articles of food or clothing grown or produced in the United States or its possessions cannot be procured of satisfactory quality and in sufficient quantities and at reasonable prices as and when needed, and except procurements by vessels in foreign waters and by establishments located outside the continental United States, except the Territories of Hawaii and Alaska, for the personnel attached thereto: *Provided further*, That none of the funds appropriated in this act shall be used for the payment of any subsidy on agricultural or other products;

Mr. SNYDER. Mr. Chairman, in four places in the bill mistakes have been made in printing certain figures. I have four correcting amendments which I ask may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. SNYDER: Page 17, line 17, after the word "all", strike out "$2,940,209,538" and insert "$2,940,000,000."

Page 20, line 15, after the semicolon, strike out "$1,615,032,027" and insert $1,615,000,000."

Page 22, line 19, after the word "Army", strike out "$5,580,471,565" and insert "$5,580,430,000."

Page 34, line 15, after the word "Army", strike out "$2,948,582,000" and insert "$2,898,582,000."

The amendments were agreed to.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Page 17, line 17, strike out "$2,940,209,538" and insert "$2,940,000,000."

Page 20, line 15, strike out "$1,615,032,027" and insert "$1,615,000,000."

On page 22, line 19, strike out "$5,580,471,565" and insert "$5,580,430,000."

Page 34, line 15, strike out "$2,948,582,000" and insert "$2,898,582,000."

The committee amendments were agreed to.

Mr. POAGE. Mr. Chairman, I offer an amendment.

The Clerk read, as follows:

Amendment offered by Mr. POAGE: On page 17, line 17, after the semicolon strike out the balance of line 17 and all of lines 18, 19, 20, and 21 and line 22 to the colon.

Mr. SYNDER. Will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Pennsylvania.

Mr. SNYDER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 35 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. POAGE. Mr. Chairman, I am disappointed that members of the Committee of the Whole have seen fit to take time to debate this issue. The chairman of the subcommittee that brought this bill in very kindly suggested that they did not want to oppose this amendment and that he would be willing to accept it without debate. It seems most unfortunate that the minority members should feel that they should defend a piece of selfish legislation which certainly has no place in a War Department bill. Surely when our country is engaged in a great war, and while the very life of the Nation is depending on actually fighting and winning the war, and using all the facilities and supplies we have, it seems rather petty to write a proviso into a bill that appropriates almost $3,000,000,000 for the purchase of food for our armies, which says in effect that those armies cannot spend any of that money to buy any food that is competitive with the food produced by a certain favored group. It seems to be especially petty when those favored producers cannot supply the needed food themselves and simply want to make sure that if our soldiers cannot have butter that they should not have anything in its place.

I can understand the attitude of the subcommittee that brought this bill in of continuing as it does these archaic phrases prohibiting the use of margarine. At least when this provision was first written, the Army could get plenty of butter. The subcommittee doubtless thought they might, by leaving the language untouched, eliminate any unnecessary discussion, but it seems to me it is much more important at a time when our very national existence is at stake, at a time when the welfare of the world for generations to come is dependent upon the successful prosecution of this war; that we devote our efforts to truly military affairs rather than writing into a bill a political and artificial prohibition for the benefit of certain favored groups in this country.

We are told we are fighting a war for America; we are told that we are fighting a war to protect free institutions throughout the world; yet we find in this very bill, which makes the appropriations for the support of our armed forces, a provision that none of this money may be spent for a food that is healthy, wholesome, and welcomed by millions of American people and, in a free economy, is purchased by people all over this country. We are told that this food must not be furnished to soldiers. No; we must not give them a bite of margarine. No; we are told our soldiers should not have a chance to eat margarine even though they cannot be supplied with butter. Evidently those who put this dog-in-the-manger proviso in this bill would rather see the men who are offering to lay down their lives for America go with a hard crust of bread without anything on it than to have a wholesome food that might be provided unless that food was sold by a member of the dairy association. I simply cannot believe that this is the attitude of any considerable number of the Members of this House toward the men who are fighting, and yet if we leave this proviso in this bill we shall indicate that that is our attitude. No reason for denying our armies the right to buy margarine has been advanced or will be advanced except the greed of certain dairy groups.

No, there is not a man or woman who has stood or will stand on this floor and point out that margarine is unwholesome. Admittedly margarine is a clean, wholesome, nutritious food. No one has pointed out or will point out wherein the use of margarine would help the Jap, and nobody has pointed out wherein the use of margarine would in any way hinder the successful prosecution of our war effort. Surely those are the only questions that should be involved in a War Department appropriation bill while the Nation is at war. But the war is not involved in this provision. It is a question of who is going to have a monopoly on a food product. It is a question whether the soldiers who are fighting for America shall have the opportunity to enjoy the technical advancements that have been made by science during the last several years in the field of food as well as in other fields. Were we to apply to ammunition the same formula that this reactionary group is applying to food, where do you think the United States would be today? Where do you think we would be if we prohibited the use of modern explosives and instead provided by law that our Army should use only black gunpowder made out of saltpeter so that those who enjoyed a monopoly in explosives a hundred years ago should be allowed to continue to make the great profit that they could thereby make during this war. Surely such legislation might be very helpful to certain people, but it would be disastrous to America, especially if there was not enough black powder. Yet you might just as logically prohibit the use of modern explosives or of modern weapons or of modern transportation as to prohibit the use of a modern and a wholesome, healthful food product that millions of American people want and that every American citizen has a right to have.

Are we really serious about wanting to give our people more food? If we are, can we expect to accomplish our aims by combatting a shortage of table spread through the method of taxing the only readily available spread when sold in civilian channels and by prohibiting its use in Army channels? Do you actually want to add our large margarine resources to our food supply or not? If you do, where do you want to add it? You are spending multiplied millions of dollars of tax money to subsidize the production of butter, and yet at the same time you tax the production of the best known substitute for butter. How can we expect the American people to have any confidence in such a procedure. Surely OPA has never invited any more inconsistent or irrational policy. I hope

we will strike this unworthy provision out of this bill and not use the need of our fighting men as a vehicle for our personal greed.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I hope that I will not become so emotional in a discussion of this character that I will attempt to make it appear that the war is going to be won or lost upon the disposition of this proposed amendment. I wish my good friend from Texas would remain. He has made a very oratorical effort here in behalf of the cottonseed-oil interests of the South, whom he represents, in the manufacture of oleomargarine, and I think he ought to remain.

This is not a question as between oleomargarine and butter, as I see it. I come from a State that produces a great deal of butter. Dairying in my State is one of the great dominant interests. I suppose cottonseed is one of the dominant interests of the State of the gentleman who has just addressed the House. He has tried to make it appear that this is a fight between cottonseed oil and milk from the dairy cow; a fight between oleomargarine and butter. He would make it appear that the men in the armed services are not getting the spread that they should have, and that they must have dry crusts of bread if this amendment is carried in the bill. Just stop and think how silly such an argument is. This amendment has been carried in the bill for years. This amendment has been carried in the bill all during the period of this war, and it does not deny the soldier a single thing. This amendment, as it is carried in the bill, will permit any soldier that wants to eat oleomargarine to eat oleomargarine, and it will permit the War Department to buy oleomargarine for any soldier that wants to eat oleomargarine, and it will permit the War Department, in the conduct of the war, to buy oleomargarine for feeding the men and the women in the armed services, for any purpose for which the men and the women in the armed services want oleomargarine used. Therefore, how silly it is for a Member of Congress to stand up here and make the type of argument that has just been made.

Let us be fair about this situation; that is all I have to say. I am not going to get into a discussion as to whether oleomargarine is preferable to butter. I wonder why it is that the people who are always advocating oleomargarine and stating how wonderful it is, whenever they get an opportunity, are buying butter? They really want to eat butter. The reason that they cannot get butter is because the point value on it is so high that they have not had red points enough to buy meat and butter at the same time.

We are shipping 99,000,000 pounds of butter to foreign countries under lend-lease at the present time. I had a letter from a soldier over in Belgium just recently saying that they had so much butter over there that they are using it to grease the wheels of the various pieces of military equipment in place of grease. The fact of the matter is there is plenty of butter available, and people want butter, and the reason that they are buying oleomargarine in such large quantities in preference to butter is because they do not have the points with which to buy butter.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Mississippi.

Mr. RANKIN. What is the purpose of this provision in the bill, then? Why is it put in the bill if it is not outlawing an agricultural product?

The CHAIRMAN. The gentleman from Wisconsin [Mr. MURRAY] is recognized for 4 minutes.

Mr. MURRAY of Wisconsin. Mr. Chairman, this is really an unnecessary amendment. As my colleague from Wisconsin pointed out, we are sending, and I have the official figures and the permission to use them, from 85,000,000 to 99,000,000 pounds of butter under lease-lend. If it is pretty good for other people who like to get butter under lease-lend, it ought to be pretty good for the American people and for the American soldiers as well.

The point is that there is nothing in the legislation at this time but what has been fair to the oleo people. Of course they are kind of worried now. Though the administration in power has complete control of the Committee on Agriculture, they have just counted noses and know they cannot put that concoction over on the American people even during the war. There is a sort of a frustration showing up in this amendment. They have a Carter spread in the Army. The Carter spread is a mixture of oleomargarine and butter. The Carter spread is used because oleomargarine does not melt as easily as butter. That is one reason why it makes a good lubricating material, and that is one reason why people can eat it without getting fat in the blood because the body cannot make much of any use of it. Any way, they use it in order to have a product that will keep in countries where the temperatures are high. For that reason there has not been any reason in the world to bring this amendment in here. As I say, the oleo people and the butter people have both had fair consideration as far as the use of their commodity is concerned in the prosecution of the war.

This amendment was originally introduced by the gentleman from Wisconsin [Mr. HULL]. But I want to say that Wisconsin is the third State in the Union. Minnesota and the Iowa people are the ones who should be out here so far as this amendment is concerned. There is nothing partisan about it. The oleo people had their field day. They have gone from one end of the land to the other and deceived the people and told them that oleo has just as many vitamins in it as butter. That is an absolute falsehood and such a statement cannot be proved.

I call to the attention of the gentleman from Texas a report by Assistant Secretary of Agriculture Grover Hill within the last 30 days showing butter in many cases has twice as much vitamin A as has oleo. Yet on the radio and in the high-priced magazines they want you to use this concoction known as oleo. I think what we should do here is to leave this the way it is. I repeat it is satisfactory to both groups. I am sure the dairy industry 3 years ago agreed to it when this was put in, with the understanding that it was to be in operation during this war.

I yield to my colleague, the gentleman from Iowa.

Mr. GWYNNE of Iowa. I represent the biggest dairy interest in the State of Iowa, which, as the gentleman says, ranks second in the production of butter. We know we have a great product. In many instances we have been discriminated against. I am thoroughly in accord with the views of the gentleman and trust that the House will take appropriate action.

Mr. POWERS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from New Jersey.

Mr. POWERS. The gentleman realizes, of course, if the amendment of the gentleman from Texas prevails and the language is stricken from the bill, that will give more butter for lend-lease and less for the Army?

Mr. MURRAY of Wisconsin. Yes; I realize that.

I have observed enough around here in the last 6 years to conclude that a certain group would make everyone eat cotton and pour cottonseed oil down everyone's throat in the land. They would shove it down them, if they had some legal way of getting it down their throats.

The CHAIRMAN. The gentleman from Texas [Mr. MAHON] is recognized for 4 minutes.

Mr. MAHON. Mr. Chairman, I hesitate to differ with some of the other members of the committee, but this amendment is so obviously proper that I would like to discuss it with you for a few moments. It merely provides we shall strike out these words which were put into this bill in 1931. The words are as follows:

Provided, That none of the money appropriated in this act shall be used for the purchase of oleomargaine or butter substitutes for other than cooking purposes except to supply an expressed preference—

I do not know whether that would have to be in writing or not—

therefor or for use where climatic or other conditions render the use of butter impracticable.

I hestitate to use the word "silly," but if that is not a silly and foolish provision I think you would have to search a long time to find one.

Does it become the Congress to tell the soldier what he can eat? The American civilian is not thus discriminated against. But the procurement officer who buys the food for our Army is compelled to deprive the soldier of the opportunity of having oleomargarine if there is no butter on the spot. Why should we try to make people eat apples or bananas, or refrain from eating them by a restrictive provision which is so utterly absurd and indefensible? This Congress ought to strike out this provision and not hamper and hamstring the Army further. The

fact is this has been in the bill a number of years. As a plain matter of decency and proper legislative process it should be taken out.

I am not here debating the merits of oleomargarine and butter. I like both of them and I feel myself fortunate to get either one of them. The people of my State produce a lot of butter and they produce a lot of oleomargarine. Let the people eat what they want, whether in the Army or out of the Army. Preferably, I like to see the soldiers given butter. That would also be my own personal preference, though I like both, but I would like to see an end to all this legislative discrimination against a good American product. You cannot regulate the diet of people under such a foolish and absurd provision as this. It should no longer be undertaken.

Mr. STEFAN. Will the gentleman yield?

Mr. MAHON. I yield.

Mr. STEFAN. Under the bill they can have whichever they want. Where conditions render the use of butter impracticable.

Mr. MAHON. Oh, that would be in some far-away climate.

Mr. STEFAN. If there is no butter there, they can eat oleomargarine.

Mr. MAHON. The gentleman would not maintain there is any real sense in this provision of the law; that it should be in the statutes of a free country?

Mr. STEFAN. It does not stop them from eating oleomargarine if they prefer it.

Mr. MAHON. It provides that none of the money shall be used for the purchase of oleomargarine except for cooking, unless there is an expressed preference, and so forth. Is that not a foolish thing to have in a $38,000,000,000 appropriation bill? If we cannot trust the people who procure food for the Army without a provision like this, we are in bad shape. We are trusting them with billions and billions of dollars, indeed with the very lives of our boys, yet we insert a legislative provision to the effect, "You cannot use any of this money for oleomargarine except under certain conditions." Why discriminate against the Army in a matter like this?

As a matter of fairness, I hope we may strike this discriminatory language from the bill.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. RIVERS].

Mr. CASE of South Dakota. Mr. Chairman, as a member of the committee, I would like to follow the other member of the committee.

The CHAIRMAN. The gentleman is next on the list.

Mr. RIVERS. I gladly yield to the gentleman from South Dakota. I will follow him if he prefers.

The CHAIRMAN. The gentleman from South Dakota [Mr. CASE] is recognized.

Mr. CASE of South Dakota. I thank the gentleman from South Carolina very much. The reason I wanted to follow the other member of the committee was that I wanted to yield to my distinguished friend from Wisconsin to call attention to a special provision in which the gentleman from Texas [Mr. MAHON] has been interested, in another appropriation bill. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I would like to call the gentleman's attention to the fact that the distinguished gentleman from Texas [Mr. MAHON] is a member of the Subcommittee on Appropriations for the Post Office Department and he was instrumental in having written into that bill a prohibition requiring the Post Office Department to use 25 percent of their requirements for string to be made out of cotton. That shows how far these boys will go to protect the cotton interests and the cottonseed-oil interests of this country.

Mr. CASE of South Dakota. It just occurred to me that in view of the remarks of the gentleman from Texas [Mr. MAHON], about a prohibition of this character appearing in an appropriation bill of this size, that the House should have recalled to its mind the solicitude of the gentleman from Texas for a special provision in the great appropriation bill for the Post Office Department.

Mr. H. CARL ANDERSEN. Will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. H. CARL ANDERSEN. Does not the gentleman from South Dakota consider it a very small thing, to say the least, to see these gentlemen from the South come in here and try to do a million or more dairy farmers out of what little they have built up in 50 years of cooperative industry? It seems to me a very selfish viewpoint on the part of these gentlemen. If we did the same thing as far as cotton was concerned you would see the roof go off of this Chamber.

Mr. CASE of South Dakota. I have always thought that this provision protected the health of the men in the service by doing the best we could to insure that they should have butter. The fact is that the remark of one of the gentlemen that it ill becomes Congress to tell the GI what he can have to eat, is wholly out of order, because the language provides that where there is an expressed preference, that is excepted from the limitation. If the GI wants oleomargarine he can ask for it and can get it.

Mr. PACE. Will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. PACE. Does not the gentleman agree with me that the distinguished gentleman from Wisconsin [Mr. KEEFE] misstated the situation? The amendment to which he referred happened to be my amendment. It simply said that 25 percent shall be from domestically produced fibers. That was the issue, between foreign produced jute and domestic fiber. It did not name cotton but it said domestically produced fibers.

Mr. CASE of South Dakota. I think the gentleman from Georgia in another instance fought for the same principle that the gentleman from Texas fought for in the consideration of the appropriation for the Post Office Department.

Mr. CURTIS. Will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. CURTIS. The gentleman from Mississippi [Mr. RANKIN] raised the question as to why this language was in this bill. The language is here in the interest of the health and well being of our soldiers. As a matter of fact, I was one who supported the amendment requiring the use of cotton fibers for twine for the Post Office Department, and I make no apology for it. Here is something that involves the health of our soldiers.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. ZIMMERMAN. May I say to the gentleman from Nebraska that about a year ago we held hearings before the Committee on Agriculture as to the value of oleo as a health-building food. All of the experts—not a word of evidence against it—testified to the effect that it was being used by our hospitals to restore sick people to health and that it had all the nutritive and body-building elements that butter possessed.

Mr. CASE of South Dakota. I notice in that connection that whenever they request butter shipments under lend-lease they specify that it is to be used for convalescent soldiers.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

The gentleman from South Carolina [Mr. RIVERS] is recognized for 4 minutes.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield.

Mr. POAGE. The gentleman just made the statement that this provision was put in for the protection of the health of the American soldiers. Will the gentleman explain or tell us where anybody has ever shown that oleomargarine is not healthful or that it is not just as healthful as an animal product that contains tubercular germs and all other kinds of germs which could not possibly be in the plant product? Will the gentleman explain to the House how it affects the health of soldiers to get butter instead of margarine?

Mr. RIVERS. I will answer in this way——

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I cannot yield. I think that both good butter and oleomargarine are healthful.

Mr. HULL. Where did that butter come from, if the gentleman will yield?

Mr. RIVERS. Just a minute. Mr. Chairman, I can yield to but one at a time.

The CHAIRMAN. To whom does the gentleman yield?

Mr. RIVERS. To the gentleman from Iowa.

Mr. JENSEN. I notice that the gentleman from Texas [Mr. POAGE] is looking very pale and has been looking pale for quite some time. It just occurs to me that the reason for it is because he has been forced to eat oleomargarine for the last 6 months. I feel very sorry for him.

Mr. RIVERS. I will answer the gentleman this way: I know that for about 8 months out of the year they have to put a certain amount of color in butter,

It may be he got hold of some butter that they did not color.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I cannot yield; I have but 4 minutes and this is the first time this year I have taken the floor.

We have a prohibition against every farmer in this Nation who grows soybeans or who grows cotton. Every cotton farmer in this Nation has the Congress of this Nation telling him that he cannot participate in this war effort to the extent of this one commodity which he grows on his farm. He cannot get the wherewithal to purchase bonds to carry this great war machine which we are now trying to finance to win the war. The Congress tells every soybean grower—you boys from the West there, Illinois, and Ohio, and the great corn country; yes, and in Iowa, where you have that fine soil which you say came down with the glaciers—why must the Congress declare war on the farmers of this Nation? Why should we let the War Department declare war and fight a war against the farmers by placing this prohibition in the bill? This is the only product grown in this Nation on which the Congress of this Nation has placed an embargo because of the Butter Trust of this Nation. Now we come in with an appropriation bill and tell them that they cannot buy this product which every scientist in the Nation has testified is healthful. They have to put butter color in butter about 8 months out of the year and yet oleomargarine contains twice as much carotene as butter; yet they come along and say that oleomargarine must be discriminated against.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield.

Mr. ZIMMERMAN. The testimony before the House Committee on Agriculture showed that the soybean is now the chief product from which oleo is made.

Mr. RIVERS. Absolutely.

Mr. ZIMMERMAN. And they require them to bleach the color out of it before they sell it. Then if the housewife wants to color it like butter she has to put the color back into it. These gentlemen from the Midwest must remember that the soybean is becoming one of our great agricultural products, and it is from the soybean that we are making the oleo today.

Mr. RIVERS. If you want to be fair let every farmer have the same treatment.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

The gentleman from Mississippi [Mr. RANKIN] is recognized for 4 minutes.

Mr. RANKIN. Mr. Chairman, it is my good fortune to represent one of the great dairy districts in this country.

A short time ago the National Jersey Association designated a few of the leading counties in the United States in the production of high-grade Jersey cattle, and Lee County, Miss., the county in which I live, headed the list.

In that district are some of the largest condenseries in the country, as well as many cheese plants and cooperative creameries. It is an ideal dairying district, with a lime soil, an ample rainfall, an abundance of dry feed, such as cottonseed meal and hulls, with a market at every door, and cattle free from Bang's disease, anthrax, tuberculosis, and other such infectious or contagious maladies. It produces the finest, purest, cleanest, richest dairy products in the world.

But it is also a cotton, corn, and hay growing district. Many of our best dairy farmers are also cotton growers, and I do not believe they would favor outlawing a perfectly wholesome commodity that is made largely from cottonseed products, soybeans, or other farm crops, merely because it comes in competition with some of their other products.

I believe it was the gentleman from Iowa [Mr. JENSEN] who said a few moments ago that they were doing this to protect the health of the soldiers, while others admit they are trying to outlaw a southern product.

Why, that is the same old story they told us when they were trying to outlaw the sale of Cottolene and other cottonseed products that came in competition with hog lard. I read a few years ago a leaflet that contained this advertisement of Cottolene:

Ah me, I gazed upon a huge and loathsome sty,
Wherein a group of wallowing swine were barred,
Whose banquet shocked the nostril and the eye,
Then spoke a voice, "Behold the source of lard."

Then I fled and saw what seemed at first
One glistening mass of roses pure and white,
Of dewy buds midst dark and green foliage nursed;
And as I lingered o'er the lovely sight,
The summer breeze that cooled that southern scene,
Whispered, "Behold the source of Cottolene."

But the gentleman from Iowa says that they are doing this to protect the health of our soldiers. They are trying to outlaw a commodity made from southern farm products that every intelligent, unbiased, well-informed doctor recommends. While it is not as fattening as butter, it is just as wholesome and in most cases, just as nourishing. Just as lean meat is more nourishing, but not as fattening as fat meat.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Nebraska.

Mr. CURTIS. Why is it that they fortify oleomargine, then?

Mr. RANKIN. They merely color it. Why do you color the butter that comes from Nebraska? If you did not get cottonseed meal or yellow corn to feed your dairy cattle your butter looks as white as cotton, unless you colored it, in order to give it that rich appearance.

Of course, if you could all get butter produced in Mississippi you would avoid many of the diseases that come from the eating of butter produced in other sections of the country. I read statistics as to tubercular cows in the various States, in 1929, and immediately they ceased publishing those statistics in the Agricultural Yearbook.

You cannot find any statistics on tubercular cows in the Agriculture Yearbook today. I showed that in Massachusetts 13.2 percent of the cows in that State were affected with tuberculosis, while only one-half of 1 percent were affected in the State of Mississippi. The district I represent was virtually free of tuberculosis among its cattle at that time, and is now.

One leading doctor said that 6,000 people in New York City alone contracted tuberculosis each year from eating butter from tubercular cows. In the State of New York at that time 9.3 percent of the dairy cows were affected with tuberculosis. When you eat oleomargine, Nuco, or other similar products made from cottonseed oil, and other vegetable oils, you do not catch any tuberculosis; you do not catch undulant fever, one of the most terrible diseases known to man, caused by drinking milk or eating butter from cows affected with Bangs disease. You do not catch cancer, that dread disease that is today spreading throughout the Nation; you do not catch anthrax, or any of the rest of those terrible diseases caused by eating butter or drinking milk from infected cows. You do not get any of the blood, pus, scabs, or corruption, or disease germs that come from diseased cows.

And yet you propose here to outlaw those wholesome foods produced from vegetable oils that come largely from the Southern States at a time when people are literally begging for those products, and cannot get them and cannot get butter to take their places. I cannot understand your attitude.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The Chair recognizes the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, I do not think there are as many dairy cows in the entire district represented by the gentleman from Mississippi [Mr. RANKIN] as in one county in my district in Minnesota.

Mr. RANKIN. That is where the gentleman is mistaken. They are getting their calves now by sending down to Mississippi for them.

Mr. H. CARL ANDERSEN. The gentleman is about 17 years behind the time when he goes back to 1928 and talks about tuberculosis in cows and in butter. He does not even know that the entire dairy region throughout the northern part of the United States, as the gentleman from Indiana [Mr. GILLIE] can testify, is virtually free from tuberculosis today.

Mr. GILLIE. Will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Indiana.

Mr. GILLIE. I would like to say for the benefit of the speaker who preceded you that no State in the Union has more than one-third of 1 percent of the bovine tuberculosis infection in all grades and breeds of cattle.

Furthermore, I wish to state in connection with the purity of oleomargarine that 35 years ago when I had charge of meat and drug inspection work in Indiana, there was a prohibition against the use of preservatives—benzoate of soda—in certain foodstuffs and condiments such as tomato catsup. I note that benzoate of soda is still being used in oleomargarine. Has there been any need for a preservative in butter?

Mr. H. CARL ANDERSEN. The gentleman is absolutely correct and his evidence, as a veterinarian of many years standing, should convince the gentleman from Mississippi [Mr. RANKIN] of the error of his ways. Butter is good enough to eat in its own right and needs no preservative to make it palatable. Oleo, on the other hand, must be made to imitate butter as much as possible even to its coloring. What a deception and fraud to practice on our people. It comes with very poor grace for these gentlemen from the South whom the taxpayers of our Nation have bailed out about five times over since the Civil War to advocate such a thing. They are not content with taking industry from the Northeastern part of the United States down to the South, but they must now come up into our great dairy region of Minnesota, Wisconsin, Iowa, Nebraska, the Dakotas, and Illinois and try to deprive us of the one great industry in that region. It comes with very poor grace to see these gentlemen from the South trying to undermine our one basic industry, an industry from which over 1,000,000 farmers are receiving their livelihood. They are here fighting presumably for their section of the Nation and its cottonseed-oil interests but incidentally and to all practical purposes mainly for the manufacturers who foist oleo on an unsuspecting public. Whom do you people in Congress want to vote for? Do you want to vote for over 1,000,000 farmers who are trying to make their living from dairy cattle, or do you want to support these big oleo manufacturers, who want to undermine and destroy the product which your children must eat to be healthy?

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Ohio.

Mr. BREHM. This seems to have developed into a fight between the boll weevil and tubercular bacillus.

Mr. H. CARL ANDERSEN. Every year the misguided gentlemen from the South seek to push oleomargarine to the forefront as a great and wonderful food. If oleo was half as good as some of its ardent supporters here today claim it to be, it would not have to be fortified with vitamins and colored to resemble butter to make it marketable. The contention of these misinformed gentlemen from the South that oleo is in the same class with good creamery butter produced in Minnesota is so absurd that only those blinded by their interests in cotton will vote for the amendment offered by the gentleman from Texas [Mr. POAGE].

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. There seems to be a mystery why so much butter was sent to Russia. Does the gentleman believe that the Russian people were responsible for that?

Mr. H. CARL ANDERSEN. The Russians would not even take oleo under lend-lease. They said, "Give us butter; we do not want your oleo." I believe the Russians are very discerning people. They know a good thing when they see it.

Mr. JOHNSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Illinois.

Mr. JOHNSON of Illinois. Is it not true that when the gentleman from Mississippi [Mr. RANKIN] goes back to 1928 to tell us about all the evils that occurred on account of disease, that that was at a time when pasteurization was coming into its own; and, further, was it not at that time when oleo was being imported from foreign countries in tank ships, when oleo was made out of coconut oil gathered by naked natives in jungles and by monkeys?

Mr. H. CARL ANDERSEN. I think the lack of knowledge on the part of the gentleman from Mississippi concerning the dairy industry would fill a great big book. The gentleman from Mississippi [Mr. RANKIN] has performed a great service for agriculture through REA and has helped the dairymen by helping provide electrical power for his dairy farm. He really is in his element in REA, but slightly out of it when trying to convince this House that oleo is a better or comparable food to butter.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does not the gentleman think he was in error in stating that the reason Russia wanted the butter was because they were discerning people? Does the gentleman not think it was because of the fact that they realized the good qualities of butter were very much more valuable than oleomargarine?

Mr. H. CARL ANDERSEN. Certainly, the Russian people are discerning. They know simply by tasting the two, that oleo is not good enough for them and that there is no substitute for good Minnesota creamery butter.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. SNYDER].

Mr. SNYDER. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. HULL] 4 minutes of my time.

Mr. HULL. Mr. Chairman, I presume this amendment by the distinguished gentleman from Texas [Mr. POAGE] may be offered as one of these unity propositions to keep the mind of the public united until we win the war. It does not serve that purpose.

Some 15 or 16 years ago there was another angle to the situation as to oleomargarine, at that time some slippery oleomargarine salesmen were approaching the people in the various public services of the country and promoting the sale of oleomargarine in competition with wholesome butter. A campaign was conducted by the dairy people in opposition to such tactics. Eventually the provision in the bill was adopted.

Shortly after that, another wave went over this country promoting the cottonseed-oil interests. At that time, 63 percent of the oleomargarine was made from coconut oil. All through the Southern States, where the cottonseed industry was strong and great, agitation was carried on to levy a tax on oleomargarine not made from domestic oils. Numerous Southern States provided for that tax. My recollection is that many of the Southern States now have that same kind of a prohibitive tax on oleomargarine when the oleomargarine is made from some foreign oil.

This provision prohibiting the use of Army funds to purchase oleomargarine was adopted in 1931. There was reason for that amendment and that was and is that butter is superior to oleomargarine. It is true that every time a committee hearing is held here, the subsidized agents and subsidized doctors engaged by some of the 18 firms who are engaged in the manufacture of oleomargarine, always appear to tell us about oleomargarine being superior to butter. If that were true, and if what the gentleman from Mississippi [Mr. RANKIN] says about butter is true, I cannot understand why they merely want to strike out this provision in the law. I cannot understand, if butter is so deleterious to the health of the people of this country, why they do not try to prevent and prohibit the use of butter in this country.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. HULL. I am sorry; my time is limited.

Mr. RANKIN. We are not trying to prohibit the use of butter.

Mr. HULL. Butter is a superior product and the Congress of the United States is endeavoring to protect the soldiers on the battle fronts, just as they do the patients in the veterans' hospitals, against the purchase of oleomargarine to be fed to the soldiers and to the soldier patients. This provision has been contained in the Army appropriation bill for 14 years. It has been slightly modified in the appropriation bills since the war started. But the old issue is there. Are we going to provide good healthful butter for the soldiers of this country and ship the oleomargarine to other countries, or are we going to let the Russian soldiers have all the butter they want and give the American soldiers oleomargarine?

That is the big issue. There is another reason for it and that is there is ample butter for every boy in the Army, Navy, Marine Corps, and Coast Guard. There is set aside in every creamery in the Northwest and practically every creamery in all Northern States a certain percentage of their total butter production which the Army demands in order that our soldiers may have an ample supply of good butter.

I hope that this amendment will be voted down.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. SNYDER] is recognized for the remainder of the time.

Mr. SNYDER. Mr. Chairman, this language has been in the bill in 1942,

1943, 1944, and 1945. Here it is in 1946. I have listened to these eulogies on Old Man Butter and Old Man Oleomargarine and they have been good. I wish the time had been extended to an hour so that we could have some more exhibitions.

Therefore, I ask this committee to vote down this amendment and let the Army proceed. The health of this country, according to statistics, is about 11 percent better in 1944 than it was in 1943. I suppose that the distribution of cow butter and olemargarine butter has something to do with it. So well will just let the balance be the way it has been. I ask that the committee vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. POAGE].

The question was taken; and on a division (demanded by Mr. POAGE) there were—ayes 54, noes 80.

So the amendment was rejected.

The Clerk read as follows:

Horses, draft and pack animals: For the purchase of draft and pack animals and horses within limits as to age, sex, and size to be prescribed by the Secretary of War for remounts for officers entitled to public mounts, for the United States Military Academy, and for such organizations and members of the military service as may be required to be mounted, and for all expenses incident to such purchases (including expenses for encouragement of the breeding of riding horses suitable for the Army, in cooperation with the Bureau of Animal Industry, Department of Agriculture, including the purchase of animals for breeding purposes and their maintenance), $1,430,000;

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

MOSTLY FOR MULES

Mr. Chairman, the bulk of this appropriation of $1,430,000 under the head of horses, draft, and pack animals is actually for mules. The Army requested funds for the purchase of 4,835 pack mules at an average cost of $225 per animal for a total of $1,087,875 and 323 draft mules at an average cost of $250 per animal for $80,750, or a total of $1,178,625 for mules. There is a small item for administration of the program and the balance is for horses, at an average cost of about $200.

It is a commentary on the times that draft mules now cost so much more than horses, and that even pack mules cost considerably more than horses.

The subcommittee heard some very interesting testimony on the use of pack mules and horses in the war and the prospective need for them in the future which should be given wider reading than it will get in the limited circulation of the printed hearings. Therefore, with permission obtained from the House, I place excerpts of that testimony in the RECORD at this point:

From statement by General Patton:

It is the considered opinion, not only of myself but of many other general officers who took their origin from the Infantry and Artillery, that had we possessed an American Cavalry division with pack artillery in Tunisia and in Sicily, not a German would have escaped, because horse cavalry possesses the additional gear ratio which permits to attain sufficient speed through mountaincus country to get behind and hold the enemy until the more powerful Infantry and tanks can come up and destroy him.

Gen. Omar Bradley was quoted in saying:

In contemplated operations in mountainous terrain, plans should include facilities for supply by pack train.

Lt. Gen. L. K. Truscott who is in command of the Fifth Army, said:

I am firmly convinced that if 1 squadron of horse cavalry and 1 pack troop of 200 mules had been available to me at San Stefano on August 1, they would have enabled me to cut off and capture the entire German force opposing me along the north coast road and would have permitted my entry into Messina at least 48 hours earlier.

And an editorial from the Stars and Stripes was submitted which said:

THE CRY FOR HORSES

Despite mechanization of modern weapons of war, the value of the horse on the field of battle has been dramatically rediscovered during the past winter and has been the difference between success and failure on the Russian front.

It is an old cavalry axiom that a horse can go wherever a man can travel, and this is still not true of the tank, truck—or even the faithful jeep. This winter on the Russian front, horses have packed men, munitions, supplies, and weapons over impossible and practically impassable terrain. Pulling wagons, sleighs, caissons, and guns, horses have kept pace with the Red Army.

In Italy the cry for horses, mules, and more horses became almost a howl during the past winter months as troops operating in treacherous mountain country faced the problem of packing in food, ammunition, and other supplies and packing out wounded men. Once again the horse filled the vital need, and many an old cavalryman watching man's beast of burden pass a column of mud-embedded motor transport smiles a knowing smile and kept his peace.

The German Army has used the horse to supplement its motor transport from the first day of war, and on the eastern front has developed the use of animal-drawn vehicles to a scale almost equaling that of World War I. In China, both the Japanese and Chinese find the military value of the horse undiminished when used to support campaigns in mountainous terrain. And the god of war, still crazy over horses, has given many a recent victory to the Army commander who has been able to assemble sufficient animals to meet the needs of the military situation—planes, trucks, and tanks notwithstanding.

The Clerk read, as follows:

MEDICAL DEPARTMENT

MEDICAL AND HOSPITAL DEPARTMENT

For the manufacture and purchase of medical and hospital supplies for military posts, camps, hospitals, hospital ships and transports, and supplies required for mosquito destruction in and about military posts in the Canal Zone; for operation of the Army Medical Library and Museum under the direct supervision of the Surgeon General for the purchase of veterinary supplies and hire of veterinary surgeons; for expenses of medical supply depots and maintenance of branch depots; for medical care and treatment of patients when entitled thereto by law, regulation, or contract, including their care, treatment and subsistence in private hospitals, whether on duty or on furlough or on leave of absence except when elective medical treatment has been obtained by such personnel in civilian hospitals or from civilian physicians or dentists; for medical care and treatment of authorized personnel of any country whose defense the President deems vital to the defense of the United States when such care and treatment cannot be obtained from medical units of their own country; for the proper care and treatment of epidemic and contagious diseases in the Army or at military posts or stations, including measures to prevent the spread thereof, and the payment of reasonable damages, not otherwise provided for, for bedding and clothing injured or destroyed in such prevention; for the care of insane Filipino soldiers in conformity with the act of Congress approved May 11, 1908 (24 U. S. C. 198); for the pay of male and female nurses, not including the Army Nurse Corps, and of cooks and other civilians employed for the proper care of patients, under such regulations fixing their number, qualifications, assignments, pay, and allowances as shall have been or shall be prescribed by the Secretary of War; for the pay of internes; for the pay of civilian physicians employed to examine physically applicants for enlistment and enlisted men and to render other professional services from time to time under proper authority; for the pay of other employees of the Medical Department; for the payment of express companies and local transfers employed directly by the Medical Department for the transportation of medical and hospital supplies, including bidders' samples and water for analysis; for the supply of Army and Navy Hospital at Hot Springs, Ark.; for advertising, and all other necessary miscellaneous expenses of the Medical Department; $329,000,000.

Mr. ANDERSON of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have asked for this time in order to direct some inquiries to the chairman of the Subcommittee on Military Appropriations. I note with interest questions directed to General Kirk on page 571 of the hearings in connection with the treatment of blind veterans. It happens there is located in my district at Menlo Park the Dibble General Army Hospital. I also note from what General Kirk says, that there are about 117 blind veterans now located at that hospital. We owe a debt of gratitude to these veterans that can never be paid, because most of them can never see again. However we can, as a grateful government should, do everything within our power to make the future as pleasant and as easy for them as it is possible to do.

Last night I received a long-distance telephone call from California which concerned me a great deal. The call came from a close personal friend. He told me that these blind patients of the Dibble General Hospital were being treated more or less like social outcasts. He said that if it were not for the activities of some of our service clubs and interested citizens of that area those blind patients would not be receiving any real recognition at all. Their ward is being referred to locally, my friend informed me, as the "forgotten ward." It occurs to me, Mr. Chairman, that this is the definite responsibility of the Federal Government. I do not see in these hearings enough to indicate what type of vocational training or special treatment our blind veterans are being given. I would like to ask the chairman of the subcommittee if he wants me to take this up direct with General Kirk in order

to ascertain what is being done for these blind patients, or if the committee will look into it for me?

Mr. SNYDER. Will the gentleman yield?

Mr. ANDERSON of California. I yield.

Mr. SNYDER. I am very glad the gentleman brought this up. General Kirk is a most remarkable surgeon and a most sympathetic man as a physician. He went into quite some detail about the different classes of hospitalized people, such as the blind soldiers about whom the gentleman has spoken. I am sure I speak for the entire committee when I say that if General Kirk would learn that such a condition existed he would be on the telephone or his aides would be on the telephone within the next hour and have that condition corrected. If the gentleman will give me the name I will see that contact is made there within the next 24 hours, and that any wrong conditions will be righted in this particular hospital or any other hospital with reference to the blind or the crippled or what not. I will be glad to do it. I will take pleasure in doing it.

Mr. ANDERSON of California. I would like to say to the gentleman from Pennsylvania I am very grateful for the attitude he has expressed. I have a high regard for General Kirk and I am sure if he were familiar with the conditions which are alleged to exist there he would take steps immediately to correct them.

Mr. MAHON. Will the gentleman yield?

Mr. ANDERSON of California. I yield.

Mr. MAHON. Would not the gentleman surmise that the condition there is not wholly bad and that upon investigation it might develop that the information which the gentleman had was to some degree in error?

Mr. ANDERSON of California. I will say to the gentleman I am hopeful that that is true. I have asked the individual who telephoned me last night to furnish me with complete detailed information, but as long as this bill was under consideration on the floor today, I thougth it might be a good time to discuss the question and to see if some corrective action could not be taken.

Mr. SNYDER. The gentleman will let me have that information, will he?

Mr. ANDERSON of California. I will be delighted to do so.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. ANDERSON of California. I yield.

Mrs. ROGERS of Massachusetts. Does the gentleman know why the War Department has rescinded the order which transferred the Army doctors to the Veterans' Administration?

Mr. ANDERSON of California. No. I have no information on why that was done.

Mrs. ROGERS of Massachusetts. I knew it several days ago and brought it out and the public announcement was made yesterday, I believe.

Mr. ANDERSON of California. The gentlewomen is a member of the Veterans' Committee of this House and I assume she is in a better position to obtain that information than I am.

Mrs. ROGERS of Massachusetts. I am trying to ascertain the reason for it now.

The CHAIRMAN. The time of the gentleman from California has expired.

The Clerk read as follows:

ORDNANCE DEPARTMENT

ORDNANCE SERVICE AND SUPPLIES, ARMY

For manufacture, procurement, storage, and issue, including research, planning, design, development, inspection, test, alteration, maintenance, repair, and handling of ordnance material, together with the machinery, supplies, and services necessary thereto; for supplies and services in connection with the general work of the Ordnance Department, comprising police and office duties, rents, tolls, fuel, light, water, advertising, stationery, typewriting and computing machines, including their exchange, and furniture, tools, and instruments of service; to provide for instruction, training, and other incidental expenses of the ordnance service; for the purchase, hire, operation, maintenance, and repair of completely equipped motor-propelled and horse-drawn freight and passenger-carrying vehicles; for ammunition for military salutes at Government establishments and institutions to which the issues of arms for salutes are authorized; for services, material, tools, and appliances for operation of the testing machines and chemical laboratory in connection therewith; for publications for libraries of the Ordnance Department, including the Ordnance Office, including subscriptions to newspapers and periodicals; not to exceed $150,000 for services of such consultants as the Secretary of War may deem necessary, at rates of pay to be fixed by him not to exceed $25 per day and for their necessary traveling expenses; $2,717,531,000.

Mr. ELLSWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this point in the consideration of the section of the War Department appropriation bill dealing with the Ordnance Department appropriation for the purpose of calling the attention of the House to a situation that exists right now. The Army Ordnance Department is buying large Army trucks, taking the chassis of the trucks from the factories out to the west coast, assembling the bodies on the trucks out there, shipping the bodies from the west-coast plants to the assembly plant at Stockton, Calif., and the trucks are then made ready for export.

The order for this equipment was placed on April 26. Contracts for 2,000 truck bodies per plant for two west-coast plants were made. Shortly after the end of the European war those contracts were increased from 2,000 to 3,645 at each plant. Just last Friday the contracts were canceled. That is quite in order with the general procedure to cut down on the Army contracts, but let me point this out: It will cost in the neighborhood of $300,000 per plant to close down the two body-manufacturing plants and it will cost something more than that to close down the complete assembly plant at Stockton, Calif.

My purpose in speaking at this time is to point out that I think this appropriation should be at least $500,000 less than it is because from the investigation I have just finished making in connection with this matter termination costs amounting to more than that amount could be avoided and should be avoided. Here was what I found: The reason given by the Army for terminating this contract was that they could ship only two big trucks out on a flatcar east to west, whereas if they finished the trucks complete in Detroit or St. Louis they could crate and prepare them for export and ship four crated trucks on a car instead of two.

I raised this question: Instead of shipping only two of those trucks out on a flatcar and having to terminate these contracts out there and spend four, five, or hix hundred thousand dollars termination money, the material is all on hand—instead of doing that why not rack the chassis up on the flatcar and ship four chassis to a flatcar, save on transportation, and complete these trucks on the west coast and save four to seven hundred thousands dollars termination money? They are today, right today, finally experimenting with the idea of shipping four chassis on a flatcar instead of two. I know it sounds ridiculous, but it is going on right now as we consider this bill; and I wanted to bring it to the attention of the House.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. DONDERO. Why not send the trucks out there knocked down and let them assemble them on the west coast? You could send more than four trucks to a car instead of the two trucks per car as at present?

Mr. ELLSWORTH. The gentleman is correct. I believe the answer that is given to that question is that the contractor furnishing the trucks would not be ready fully to guarantee the equipment if it is done in that way. He prefers to have it done in his own factory. I agree with the gentleman that it could very well be done the other way. Last fall I saw trucks being built that way in France. I merely bring this matter to the attention of the Committee because it happens to be current as of today. If the Army had developed the more efficient way of loading these trucks a long time ago it would have saved transportation costs and the use of thousands and thousands of flatcars.

The CHAIRMAN. The time of the gentleman from Washington has expired.

By unanimous consent the pro forma amendment was withdrawn.

The Clerk read as follows:

Office of Chief of Chaplains, $7,000.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time when the general paragraph is being read that relates to salaries, War Department, and under which come the office of the Secretary of War, Chief of Finance, and the offices of the various chiefs of division, to call their attention to a situation which exists right now in Czechoslovakia. I have a letter which was written in May 1945 from a boy who is over there with the Army of Occupation. He says:

In Germany we were paid in military marks at the pegged value of 10 cents per mark. On arriving in Czechoslovakia we were informed that the Czechs would accept our marks at the nominal rate of exchange of

10 kronen per mark, making the kronen worth about 1 cent.

Suddenly, and without notice, the Czechs decide the kronen is worth a mark, or rather that the mark is worth only 1 kronen. That, of course, means that if we spend any of our marks we pay 10 times the value of the stuff we buy—a 3-kronen glass of beer costs 3 marks, or 30 cents United States money for 3 cents value.

Of course, we are rather used to getting gypped over here by the Army, as well as by the civilians, and only a few squawks were registered about paying us with 2-cent francs in France, with a value of one-half cent, or 2½-cent Belgian marks worth about 1 cent, but this deal is just a little too raw to pass unnoticed.

And the Army Finance Department said today they couldn't do anything about it as they have no plans of issuing Czech money to redeem our marks.

I realize that the Army will redeem the marks in the value pegged, but we are not allowed to have or spend any currency foreign to the country we are in, so that if it was in dollars we couldn't spent it anyhow.

Mr. Chairman, I have taken this time in order to call attention to this situation in the hope that the Chief of Finance will take notice of it and take such steps as are necessary to issue some war currency to the troops stationed in Czechoslovakia.

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 3. The appropriation "Finance Service, Army" may be increased by transfer of not to exceed $6,813,185,000 of unobligated balances available on or after June 30, 1945, under the appropriations now entitled "Expediting production of equipment and supplies for national defense"; "Contingencies of the Army," "Air Corps, Army"; "Special field exercises, Army"; and "Supplies and transportation, Army" (subhead—"Army transportation"), and, in addition, not to exceed 10 percent of any of the appropriations for the Military Establishment for the fiscal year 1946 (except the appropriations "National Guard," "Organized Reserves," and "Reserve Officers' Training Corps"), may be transferred with the approval of the Bureau of the Budget to any other of such appropriations, but no appropriation or subappropriation, except the subappropriations "Claims for damage to or loss or destruction of property, or personal injury, or death" and "Claims of military and civilian personnel of the War Department for destruction of private property" shall be increased more than 10 percent thereby.

Mr. ENGEL of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ENGEL of Michigan: On page 52, line 26, strike out "10" and insert "5."

Mr. SNYDER. Mr. Chairman, we accept the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 21. The application to the requirements of the War Department by the reappropriation of unexpended balances of prior years shall be deemed to be a compliance with so much of paragraph (2) of subsection (c) of section 403, as amended, of the Sixth Supplemental National Defense Appropriation Act, 1942, as reads: "Upon the withholding of any amount of excessive profits or the crediting of any amount of excessive profits against amounts otherwise due a contractor, the Secretary shall certify the amount thereof to the Treasury and the appropriations of his Department shall be reduced by an amount equal to the amount so withheld or credited. The amount of such reductions shall be transferred to the surplus fund of the Treasury."

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 63, after line 16, insert a new section to read as follows:

"SEC. 22. As to appropriations and contract authorizations granted for the Military Establishment contained in this act, in addition to compliance with the provisions of section 303 of the Second Deficiency Appropriation Act 1944, there shall be submitted to the Appropriations Committee of the Congress on January 3, 1946, a list showing the condition of the balances of each of such appropriations and contract authorizations together with recommendations for the repeal of those funds or portions thereof as are deemed no longer required for the purposes for which they were granted."

In line 17, strike out "section 22" and insert "section 23."

Mr. SNYDER. Mr. Chairman, we accept the amendment.

The amendment was agreed to.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to make a few observations about the very fine policy that the War Department has recently announced in establishing a Clemency Board to reconsider all court-martial proceedings. Secretary Stimson and Under Secretary Patterson are particularly to be congratulated for such leadership.

The Chairman of the Clemency Board is a former United States Senator, Judge Minton. The Board is comprised of three officers and two civilians, and as I understand they are going to review all court-martial proceedings for the purpose of determining whether or not, after due reflection, there are any mitigating circumstances, or that the right disposition has been made of those who have been found guilty.

The rehabilitation program of the Army in this war has been a very excellent one. Of course, in connection with court-martials some mistakes have been made and were bound to be made with the large number of cases and having in mind the large Army we have engaged in this war. This Clemency Board is to review all court-martial proceedings and pass upon them and determine whether or not a different disposition than that made at the time of the court-martial and later confirmed should be made at this time. I want to congratulate the War Department and to express the suggestion to the Navy Department that the Navy Department might well consider the establishment of such a Clemency Board.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to the gentleman from Michigan.

Mr. MICHENER. I join with the gentleman from Massachusetts in saying a word of commendation for the policy to which he has referred. I think it is an entirely proper step. It will help much to see that where justice has not worked out as intended justice will be assured.

Mr. SNYDER. Mr. Chairman, may I say in behalf of our committee that we suggested this procedure to the War Department sometime ago and we are glad to see that they have followed our suggestion at this time.

The Clerk concluded the reading of the bill.

Mr. SNYDER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CRAVENS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. SNYDER. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. TARVER asked and was given permission to revise and extend the remarks he expected to make in Committee of the Whole on the second deficiency appropriation bill and to include a letter from M. L. Wilson, head of the Extension Service of the Department of Agriculture.

Mr. PITTENGER asked and was given permission to revise and extend his remarks in the RECORD on the subject of OPA.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two instances, and to include in each an editorial.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SECOND DEFICIENCY APPROPRIATION BILL

Mr. BATES of Kentucky. Mr. Speaker, I call up House Resolution 301 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the consideration of the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

Mr. BATES of Kentucky. Mr. Speaker, this rule waives all points of order against the second deficiency appropriation bill, H. R. 3579.

Mr. Speaker, I have no requests for time. I yield 30 minutes to the gentleman from Illinois.

Mr. ALLEN of Illinois. Mr. Speaker, I reserve my 30 minutes.

Mr. BATES of Kentucky. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue during the remainder of the day, one-half of the time to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself, and that the first paragraph be read before adjournment.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, I have requests on this side for more than 2 hours of debate. There is a great deal involved in the bill. I would question if we could finish tonight. I think we should have at least 2 hours for debate tomorrow.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that general debate continue for the remainder of the day, control of the time to be divided equally between the gentleman from New York and myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3579, the second deficiency appropriation bill, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

On motion by Mr. CANNON, and by unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Missouri [Mr. CANNON] is recognized.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the Committee on Appropriations submits the last appropriation bill prior to the recess, and the last of the regular appropriation bills for the fiscal year.

The Committee on Appropriations has worked under a handicap this session. Whereas we ordinarily begin hearings on the supply bills in December and customarily have one or two of the annual supply bills ready for the consideration of the House as soon as it convenes, we were delayed this time by the organization of the House, and we were not able to start hearings until well into the month of January.

The Committee on Appropriations has this session reported more bills than have ever been reported by the Committee on Appropriations in a like period. The result is that we find ourselves at the end of the session with barely time to get under the wire and to provide the annual appropriations by the close of the fiscal year.

This is the last bill to be submitted to the House. We should dispose of it tomorrow. The Labor and Federal Security bill, the Interior Department bill, the war agencies bill have been passed and are now before the Senate or in conference. The Labor Department bill and the war agencies bill will be ready for conference as soon as the Senate disposes of them. So we should have no difficulty in completing our work by the end of the fiscal year, notwithstanding the late start we have had and the large number of bills we have reported.

This is essentially a deficiency bill. It supplies deficiencies for three fiscal years—1944, 1945, and 1946. The estimate from the Bureau of the Budget on these deficiencies was $3,151,885,629.78. The committee has reported the bill back with the recommendation that $3,134,031,456.78 be appropriated, a reduction of $17,854,173 under the Budget estimates.

There are many routine items in the bill. I shall discuss only those of particular interest and in which some change has been made or some change is in prospect.

The appropriations for the Office of Price Administration and for the Foreign Economic Administration; the appropriation for community facilities under the classification "War public works"; the allocation for loans of the Rural Electrification Administration; the new appropriation or an additional appropriation for an enlargement of the Extension Service; the appropriation for the Bureau of Internal Revenue, and the appropriation for Lend-Lease.

The first of these, the Office of Price Administration, is on a subject which has been so thoroughly discussed here on the floor during the past week that it is hardly necessary to again refer to the purpose of the appropriation or its administration. We recommend an appropriation of $174,500,000 for OPA, a reduction of $6,000,000 under the Budget estimate.

The Foreign Economic Administration is closely allied with Lend-Lease, and for that reason I will take the two items together. The Foreign Economic Administration is a consolidation of several of the war agencies, among them the office of Lend-Lease Administration.

Mr. POWERS. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New Jersey.

Mr. POWERS. As the gentleman knows, I was not at the full Appropriations Committee meeting yesterday. I was coming to Washington by plane and was delayed and did not get here until the meeting had adjourned.

I read a little piece in the papers last night about FEPC. Is there in this bill an appropriation for FEPC?

Mr. CANNON of Missouri. No appropriation is carried in this bill for FEPC.

Mr. POWERS. How is that going to be handled from here on out?

Mr. CANNON of Missouri. The committee reported out simultaneously with this bill a joint resolution to take care of FEPC. The gentleman refers to newspaper accounts. The newspaper accounts are in some respects a little inaccurate. The newspapers report that the appropriation recommended by the committee was for liquidating purposes. On the contrary, if the resolution is examined, it will be found that it provides $125,000 for continuation of the present program.

Mr. POWERS. Then FEPC is a separate resolution.

Mr. CANNON of Missouri. Yes.

Mr. POWERS. Did the gentleman get a rule on that resolution too?

Mr. CANNON of Missouri. By instruction of the Committee on Appropriations we reported both bills simultaneously and under exactly like circumstances and similar conditions. By direction of the Committee on Appropriations we also applied to the Committee on Rules for special orders providing for the consideration of both bills. We asked for similar rules for the two bills.

Mr. POWERS. The gentleman applied for a rule upon this deficiency bill and the FEPC resolution?

Mr. CANNON of Missouri. Yes; we asked for a rule for the consideration of this bill and a rule for the consideration of the joint resolution.

The Committee on Rules acted first on the pending bill, and on Thursday morning at 10:30, will take up the recommendation of the Committee on Appropriations for a similar rule for the consideration of the joint resolution providing for FEPC.

Mr. POWERS. I thank the gentleman. I wanted to get the thing straight in my own mind.

Mr. CANNON of Missouri. Mr. Chairman, we have provided for the Foreign Economic Administration $16,548,420, $1,387,713 less than the current fiscal

year appropriation and $2,454,380 less than the Budget estimate.

In connection with the lend-lease item which is administered by the FEA there will be available, at the end of the fiscal year 1945, $1,982,100,000 in round figures, which we have continued available and have provided a new appropriation of $1,975,000,000, making a total of $3,957,-100,000. The Budget estimate this year proceeded on the assumption that there would be remaining from prior years $2,-400,000,000. They therefore asked for a cash appropriation to supplement that of $1,975,000,000, anticipating if that appropriation were made they would have available for the year 1946, $4,375,000,-000. As a matter of fact, however, as the work proceeded it developed that instead of having an unobligated balance of 2.4 billion dollars they only will have 1.9, to be exact $1,982,100,000. So that we are really providing for them in this bill $3,957,100,000.

It developed at the last minute that the Budget estimate contemplated expenditure upon land-lease objects the $500,000,000 which has been carried ever since 1941 to maintain agricultural prices after the close of the war. The Members will recall the extended discussion, covering several months, and the final agreement of the House and the Congress to a solution of the problem submitted by the able chairman of the Banking and Currency Committee the gentleman from Alabama, Mr. Steagall, under which we guaranteed the farmers 90 percent of parity for 2 years following the close of the war. This $500,-000,000 which was carried, on the shelf, so to speak, from year to year was to be used at any time it became necessary to go into the market and buy in order to maintain the 90 percent of parity which we had promised the American farmer.

Unexpectedly, at the last minute, it was found that the Bureau of the Budget had in mind instead of continuing to earmark this half a billion dollars for the purpose for which we had been carrying it all these years for the maintenance of farm prices after the war, authorizing lend-lease to use it. We therefore attached to the bill a provision to continue the existing reserve of $500,-000,000 of lend-lease funds for use as, and when necessary for the post-war price support of agricultural commodities. This necessarily reduced by half a billion dollars the amount available for the purposes for which lend-lease was expected to use its appropriation. So we come in therefore with a much reduced recommendation for lend-lease. It is reduced by the unexpected decline in the balance from prior year funds and by this half a billion dollars' decrease in the amount of reserve for the support of agricultural commodities after the war.

The statement of the FEA before the committee is very interesting and I hope the Members of the House will read the hearings on that item. The committee was assured of the determination to avoid obligations for purposes not traceable to the prosecution of the war. Under the strict interpretation made by FEA they refuse to make purchases or to use funds unless deemed usable in the prosecution of the war, and they refuse to provide lend-lease funds for any nation which is not cooperating with the United States in the prosecution of the war.

We include in the hearings a letter from the President of the United States in which he explains that if additional funds are needed, the Export-Import Bank ought to be the medium through which our allies are to be otherwise assisted.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Idaho.

Mr. DWORSHAK. This appropriation for lend-lease will bring the direct appropriations during the past 4 years, including the fifth year coming in, up to approximately $30,000,000,000. Can the gentleman inform the Committee approximately how much additional money was provided by Congress for indirect appropriations to lend-lease through the Army, the Navy, and the Maritime Commission and other agencies?

Mr. CANNON of Missouri. If the gentleman will consult the nineteenth report to the Congress on lend-lease operations for the period ending March 31, 1945 he will find on page 58 the tabulation of those amounts. We provided for the War Department in the third supplemental appropriation bill for 1942, $2,000,000,000; fourth supplemental appropriation bill for 1942, $4,000,000,000; fifth supplemental appropriation bill for 1942, $11,250,000,000; sixth supplemental appropriation bill for 1942, $2,220,000,-000; Military Appropriation Act, 1943, $12,700,000,000; for the Navy Department in the second supplemental, 1943, $3,000,-000,000; and for departments other than War in the third supplemental bill of 1942, $800,000,000.

That is a total of $35,970,000,000.

Mr. DWORSHAK. That is in addition to these thirty?

Mr. CANNON of Missouri. That is additional. But that is the amount as has been merely appropriated. That has been the amount available. We have used about $13,000,000,000 of it.

Mr. Chairman, in this connection it should also be noted that we have, in return for lend-lease grants, received from our allies nearly $5,000,000,000 worth of reverse lend-lease supplies and services. In the first quarter of 1945 we have received millions of dollars in reverse lend-lease aid, largely in the form of food and munitions supplied our armed forces in the field and overseas.

For community facilities, under the Federal Works Agency, the committee recommends the appropriation of the Budget estimate in full, in the sum of $20,000,000. This fund is to be expended largely in contributions to local agencies for the operation and maintenance of such community facilities as schools, hospitals, child-care centers, and other needs of war-congested centers of population, suddenly swollen by the expansion of war industries.

The Rural Electrification Administration reported applications for more than $200,000,000 in loans. The Budget Bureau submitted an estimate for $160,000,-000 for this purpose, and the committee further reduced the amount to a recommendation of $50,000,000. The request of REA for supplemental funds is due to the increased prospect of securing additional supplies of copper and other material as a result of the close of the war in Europe.

The Bureau of the Budget submitted an estimate in the sum of $4,500,000 for the Extension Service. The subject was exhaustively debated here last month when the bill authorizing funds for this purpose was reported to the House by the Committee on Agriculture. The practical unanimity of the vote on the bill, which is now embodied in Public Law 76, precluded any great difference of opinion in the committee and the full amount of the Budget estimate is recommended. The money is to be employed in the general-education program of the Department of Agriculture, with special reference to production, marketing, problems of the household, the home food supply, and the work of the young people through the 4–H Clubs. I refer Members to the tabulated allocation of these funds by States as found at page 639 of the hearings.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Ohio.

Mr. BENDER. I wonder if my distinguished friend would tell me what happened to the Fair Employment Practice Act. What provision was made by the committee?

Mr. CANNON of Missouri. I regret that the gentleman was not on the floor when that was discussed just now.

Mr. BENDER. I am sorry to say that I was not on the floor at that moment.

Mr. CANNON of Missouri. I have just discussed that with the ranking minority member of the committee on the military bill, the provision for the FEPC.

Mr. BENDER. You say it has been provided for?

Mr. CANNON of Missouri. I have just discussed the matter with the gentlemen from New Jersey, [Mr. POWERS].

Mr. BENDER. It has been reappropriated, then?

Mr. CANNON of Missouri. The Committee on Appropriations does not appropriate. It recommends appropriations. It has taken every step to provide on its appropriation for FEPC. It has reported out a bill for that purpose and is asking the Committee on Rules for a right-of-way on the floor. The Committee on Rules will meet Thursday.

Mr. BENDER. The gentleman means to reappropriate the money?

Mr. CANNON of Missouri. There is no money to reappropriate. The bill provides for the appropriation of new money.

Mr. BENDER. How much new money?

Mr. CANNON of Missouri. One hundred and twenty-five thousand dollars for the first 3 months.

Mr. BENDER. Is that not an appropriation for liquidating the agency?

Mr. CANNON of Missouri. Not unless the agency is discontinued.

Mr. BENDER. Is it for the continuance of the agency?

Mr. CANNON of Missouri. For the continuation of the present activities of FEPC if the agency is continued by act of Congress.

Mr. BENDER. Is it not a fact that if the House recesses it will be impossible and that it means liquidation of the FEPC in the event that $125,000 is provided in this bill or in some manner? In reality it means liquidation?

Mr. CANNON of Missouri. It is the hope of the Committee on Appropriations that it does not mean the liquidation of the agency. The Committee on Appropriations has made every effort to provide an appropriation for FEPC.

Mr. BENDER. But I am referring to the physical part of it, with Congress in recess.

Mr. CANNON of Missouri. If the Committee on Rules grants a rule when it considers our application next Thursday, we can provide the appropriation for FEPC before the recess.

Mr. BENDER. I know the gentleman is not a gullible person; I know he is an intelligent man and an able legislator. I know the gentleman does not anticipate, based on past performance of the Rules Committee that the Committee on Rules will take such favorable action so that this House might act on the matter.

Mr. CANNON of Missouri. On the contrary, I hope for favorable action. I have been assured by the chairman of the Committee on Rules of a full hearing next Thursday.

Mr. BENDER. The gentleman feels they will reverse their former position?

Mr. CANNON of Missouri. There is nothing to reverse. The resolution has never before been presented to the Committee on Rules. The chairman of the Committee on Rules this morning assured me our application would receive every consideration. He invites all who are interested to appear before the committee at 10:30 o'clock Thursday morning.

Mr. BENDER. Is it not a fact that the Committee on Rules is talking about one thing, and the gentleman is talking about something wholly different?

Mr. CANNON of Missouri. I refer to the action of the Committee on Appropriations in recommending an appropriation for FEPC and its application to the Committee on Rules for right of way on the floor of the House.

Mr. BENDER. The gentleman knows what I am talking about and knows the point I am making. The gentleman is talking about continuation and it has been represented to them, no doubt, as an appropriation for liquidation.

Mr. CANNON of Missouri. The joint resolution on which we have asked for a rule provides an appropriation for the continuation of the FEPC with all present activities if FEPC is continued. Its continuation is a legislative matter over which we have no jurisdiction.

Mr. BENDER. I will make myself very clear. The gentleman is talking about this $125,000 being for a continuance, and the gentleman knows that the Committee on Rules feels it is for liquidation.

Mr. CANNON of Missouri. The bill has been submitted to the Committee on Rules. A copy was placed in the hands of every member present at the meeting of the committee yesterday.

The resolution recommends an appropriation of $125,000 for the first 3 months and if the FEPC is continued by act of Congress will bring in a bill for the remaining $375,000 in a third deficiency bill.

Mr. BENDER I have great respect for the gentleman.

Mr. CANNON of Missouri. And that is mutual.

Mr. BENDER. The gentleman is a learned man. I know he has great knowledge of the English language and I know that I have great respect for the thing that he has in mind, but this whole thing is a matter of considerable debate and discussion and question at the moment. Your committee comes in and says that this is for a continuance, whereas the Rules Committee feels it is for liquidation. I would just like the Rules Committee to have it clearly in mind that the gentleman means what he says and the Appropriations Committee means what it says when they say they are in favor of continuing this, and have reversed their position. Is that correct?

Mr. CANNON of Missouri. That is not correct. The committee has not reversed its position. As far as the Committee on Appropriations is able to go, the bill provides for continuance. I remember, always with pleasure, my first meeting with the gentleman from Ohio. We had embarked on the *America*, a new ship which had just been launched. On the second morning out the gentleman led the prayer service before the assembled Members of Congress. I was very much impressed with the gentleman's splendid presentation. If the gentleman will be as frank with this House this afternoon as he was with his Lord that morning we will get along a little more rapidly.

Mr. BENDER. I did not lead the prayer service. I led the singing that morning. Because I believe in the sentiments of those hymns which we sang together. At the moment I would like to be frank about this. I want my yeas to be yea and my nays to be nay. I would like to know definitely just how this whole business is, eliminating all the monkeyshines. Let us be frank with each other. Let us talk straight and let us all understand what we are doing. I would like to have the Rules Committee understand that the Appropriations Committee has reversed its position and now is endorsing FEPC, as it failed to endorse it previously. They are not asking for its liquidation but are asking for its continuance. Is that correct?

Mr. CANNON of Missouri. I again assure the gentleman, as I have repeatedly assured him before, that it is not correct. The Committee on Appropriations has not reversed its opinion. It has not changed its position. The Committee on Appropriations has always been in favor of an appropriation for FEPC. We have omitted no step that could possibly be taken to secure that result.

Mr. BENDER. I have before me the House joint resolution, introduced on June 25 making an appropriation for the fiscal year 1946 for terminating the functions and duties of the Committee on Fair Employment Practice. Now, it is right in the title of the bill that it is intended to terminate it. Am I correct in that? The gentleman is stating something in so many words—I do not claim to be an English scholar like the gentleman from Missouri, but in so many words it says this is for the purpose of liquidation. I do not want to misunderstand. If the country misunderstands the gentleman, if the newspapers of the country misunderstand the gentleman, if I misunderstand the gentleman, then we owe the gentleman an apology, and as for myself I would apologize to the gentleman.

Mr. LUDLOW. I have the resolution as reported.

Mr. CANNON of Missouri. I will ask the gentleman from Indiana to read it.

Mr. LUDLOW. The resolution reads as follows:

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, $125,000 for the fiscal year 1946 for completely terminating the functions and duties of the Committee on Fair Employment Practice, including such of the objects specified in the appropriation for such agency for the fiscal year 1945 as may be incidental to its liquidation: *Provided*, That if the Committee on Fair Employment Practice is continued by an act of Congress, the amount named herein may be used for its continued operation until an additional appropriation shall have been provided.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I do not think the gentleman should be quite so harsh on the distinguished gentleman from Ohio, because I believe a reading of the bill as just read by the distinguished gentleman from Indiana will show it is in the exact language of this resolution dated June 25, 1945, which was adopted by the Appropriations Committee and adds the amendment added at the end presented by the gentleman from Michigan [Mr. RABAUT]. Now on that amendment, it is——

Mr. CANNON of Missouri. Just let me correct the gentleman there; the resolution without the amendment was not adopted by the Committee on Appropriations.

Mr. KEEFE. It was not adopted by the committee?

Mr. CANNON of Missouri. The resolution as mentioned by the gentleman——

Mr. KEEFE. It was adopted by the Deficiency Committee and submitted to the full committee and provided——

Mr. CANNON of Missouri. It was not adopted by the Committee on Appropriations in that form.

Mr. KEEFE. This resolution was presented to the full Committee on Appropriations by the Deficiency Committee of which the gentleman is chairman.

Mr. CANNON of Missouri. That is not the question. The gentleman says it was adopted by the committee. It was not adopted by the committee.

Mr. KEEFE. Let us not be captious and capricious about this. I think the public is entitled to know the facts. The Deficiency Committee reported to the full

committee this resolution dated June 25, 1945.

Mr. CANNON of Missouri. And the Committee on Appropriations rejected it.

Mr. BENDER. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Ohio.

Mr. BENDER. The fact of the matter is that there is no authority for the FEPC. It came into being as the result of an Executive order. Am I correct in that?

Mr. CANNON of Missouri. That is correct.

Mr. BENDER. This resolution provides for its liquidation unless it is continued by legislation.

Mr. RABAUT. For the purpose of clarifying the record, there was a proviso put on the joint resolution, a copy of which I hold in my hand, and it has been printed.

Mr. CANNON of Missouri. It was not adopted as a proviso to the resolution. The whole resolution was adopted at one time. No part of it was adopted separately.

Mr. RABAUT. I agree with the gentleman but the matter went through debate, and I am talking about debate on the resolution. Let me read the whole resolution. It is a joint resolution that has now been numbered H. J. Res. 219, making an appropriation for the fiscal year 1946 for terminating the functions and duties of the Committee on Fair Employment Practice.

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, $125,000 for the fiscal year 1946 for completely terminating the functions and duties of the Committee on Fair Employment Practice, including such of the objects specified in the appropriation for such agency for the fiscal year 1945 as may be incidental to its liquidation: *Provided*, That if the Committee on Fair Employment Practice is continued by an Act of Congress, the amount named herein may be used for its continued operation until an additional appropriation shall have been provided.

After the word "Provided" is the clause that was added in debate. The amount of $125,000 was arrived at because it is a quarter of the full amount originally considered or suggested of $500,000. Originally the $125,000 was to be for a 3-month period, but the resolution extended that to cover the whole of the fiscal year, giving the Congress a chance to act, if it wished to act, to provide a permanent law. Now, that is the whole story.

Mr. CANNON of Missouri. Mr. Chairman, may I take the time to briefly review the history of FEPC, the attitude toward FEPC, and the support of FEPC by the Committee on Appropriations and the administration? When the need for FEPC became evident the President, under the war powers granted him, established the Fair Employment Practice Committee to meet that need.

Every year thereafter provision was made for the support of FEPC, originally from the President's personal fund and subsequently by the House.

When the Russell amendment made it necessary to come to the House for an appropriation, the Committee on Appropriations, following the recommendation of the Bureau of the Budget, recommended the appropriation of the entire Budget estimate, and last year, when the bill was reported, I came to the floor of the House, as will be remembered, and secured unanimous consent for the consideration of the item without intervention of points of order.

Every effort was made by the administration, by the Bureau of the Budget, by the President of the United States, and by the Committee on Appropriations to provide fully, completely, and adequately for FEPC.

Again this year the Committee on Appropriations favors the administration, the President of the United States favors full provision for FEPC. But this year there was objection on the floor of the House to consideration of the item by unanimous consent. There was, therefore, no recourse but to go to the Committee on Rules. So far as the Committee on Appropriations was concerned, it did everything possible to again bring a recommendation for this appropriation before this House.

The Committee on Appropriations reported out the joint resolution which has just been read by the gentleman from Michigan [Mr. RABAUT], and this resolution makes every provision that can be made, so far as the Committee on Appropriations is concerned, for the support of FEPC, and the Committee on Appropriations is supported in that position by the administration and by the President. So any attempt to leave the impression that anything that can be done has not been done is an attempt to get away from the fact that this administration has steadily and consistently supported the purposes and functions of FEPC, and urges its continuation. If anyone can suggest any step which might be taken, any action which the Committee on Appropriations could take to provide for this agency we would be glad to have the suggestion. I will yield to the gentleman from Ohio.

Mr. BENDER. Frankly, you have appropriated for other executive agencies in the Committee on Appropriations, and we voted on such appropriations here during this session.

Mr. CANNON of Missouri. We have not appropriated. We have recommended appropriations.

Mr. BENDER. Why not recommend the full appropriation since legislation is pending on many other items? I say, why not recommend the full appropriation, and why use the language "liquidation" and a 3-months' period in connection with this resolution? There is nothing to militate against the Committee on Appropriations coming in here with a full appropriation of five-hundred-and-some-odd thousand dollars.

Mr. RABAUT. Mr. Chairman, we have appropriated for some executive agencies, but only with a rule, because they have been objecting to anything we would appropriate. In connection with this matter, it was said to the committee that it would be impossible to get a rule. I am as strong for this as any man in this House, but I want to say that everything that was done was at least done under our administration, and with respect to some others there was much talking about these people for many years, may I say that language is one thing and action quite another.

Mr. CANNON of Missouri. It is a very simple matter for the Members to sign the petition at the desk.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentlewoman from New Jersey, the author of the Norton bill.

Mrs. NORTON. Is it not a fact that the reason the appropriation was not brought in as other appropriations have been brought in in appropriation bills was because the gentleman knew that he could not get a rule to bring it to the floor? Is that not true?

Mr. CANNON of Missouri. I will say to my distinguished colleague, the gentleman from New Jersey, that we have given it the same consideration and disposition we have given every other bill we have reported. We have reported a bill recommending the appropriation. We have by vote of the committee submitted it to the Committee on Rules and asked for a rule.

Mrs. NORTON. But the gentleman will admit that the reason it was not carried in the appropriation bill was because he knew if the appropriation bill carried the item he could not get a rule on the bill.

Mr. CANNON of Missouri. The gentlewoman will understand it is carried in an appropriation bill.

I yield to the gentleman from Arkansas [Mr. NORRELL].

Mr. NORRELL. Mr. Chairman, I make the point of order that the discussion here is out of order. The FEPC is not in the pending bill. And I insist that gentlemen speak in order. I do not mind a brief discussion here and in view of the full explanation by the chairman of the committee I withdraw my point of order. But I give notice now that I am going to make the point of order unless we soon get off the subject of FEPC.

Mr. BENDER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-four Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 127]

Anderson, Calif.	Celler	Gary
Anderson, N. Mex.	Clark	Gearhart
Andresen, August H.	Clason	Gerlach
Arends	Cole, N. Y.	Gibson
Baldwin, N. Y.	Combs	Granger
Barden	Cooley	Grant, Ind.
Barrett, Wyo.	Cox	Green
Barry	Curley	Gregory
Bates, Mass.	Daughton, Va.	Gross
Bell	Dawson	Hall, Edwin Arthur
Bennet, N. Y.	De Lacy	Hall, Leonard W.
Biemiller	Delaney, John J.	Harless, Ariz.
Bland	Dickstein	Harness, Ind.
Bloom	Dingell	Hart
Bolton	Dolliver	Hartley
Boren	Durham	Heffernan
Bradley, Mich.	Earthman	Hendricks
Bradley, Pa.	Eaton	Hobbs
Brumbaugh	Ellsworth	Holifield
Buckley	Fellows	Hook
Buffett	Fisher	Howell
Byrne, N. Y.	Flannagan	Jarman
Cannon, Fla.	Fogarty	Johnson, Calif.
	Fuller	

Johnson, Ind.	Pfeifer	Sikes
Johnson, Luther A.	Philbin	Simpson, Pa.
	Phillips	Slaughter
Kearney	Pickett	Smith, Ohio
Kee	Ploeser	Sparkman
Keogh	Plumley	Stigler
Kilburn	Powell	Stockman
Lane	Price, Ill.	Sumner, Ill.
Lanham	Quinn, N. Y.	Sumners, Tex.
Lea	Randolph	Tarver
Lesinski	Rayfiel	Taylor
Lynch	Reed, N. Y.	Thomas, Tex.
McGlinchey	Rich	Torrens
McMillen, Ill.	Robertson, Va.	West
Maloney	Robinson, Utah	White
Marcantonio	Rodgers, Pa.	Whitten
Martin, Iowa	Roe, N. Y.	Wilson
May	Rogers, Fla.	Winter
Merrow	Rogers, N. Y.	Wood
Miller, Calif.	Russell	Woodruff, Mich.
Mott	Shafer	Worley
O'Hara	Sharp	Zimmerman
O'Neal	Sheppard	
O'Toole	Short	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WHITTINGTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H. R. 3579, and finding itself without a quorum, he had directed the roll to be called, when 293 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, the distinguished chairman of the Committee on Appropriations, in addressing the Committee this afternoon elected to use rather all-inclusive language in his description as to what the attitude of the Committee on Appropriations was and has been with respect to FEPC.

I happen to be a member of the Committee on Appropriations. I have no objection to the chairman's voicing what he conceives to be the action of the majority of that committee but I do not believe it is fair to have the RECORD disclose in such all-inclusive language the attitude of each and every member of the Committee on Appropriations on this very highly controversial subject. Because of that rather all-inclusive statement which the chairman made this afternoon as attempting to reflect what he conceived to be the attitude of the Committee on Appropriations and for the purpose of keeping the RECORD straight and in order that the Members of this House and the public generally may understand the truth and the facts, I believe that some statement is now in order.

I shall not go back to discuss the history in connection with this proposal as it was originally proposed in the war agencies appropriation bill. Most people are familiar with the action of the Committee on Appropriations with respect to that particular item in that bill. I do want, however, to discuss the matter with respect to the bill which is now before us.

I have before me the original Budget estimate and the original committee print of this particular second deficiency appropriation bill.

On page 9 of the committee print sent up by the Bureau of the Budget to the Deficiency Subcommittee on Appropriations there will be found a recommendation for an appropriation to continue the activities of the temporary FEPC. The same language will also be found in the committee print of this particular second deficiency appropriation bill.

I am not a member of the deficiency subcommittee and I do not know all the things that have transpired in that committee, but I have been advised by majority members of that subcommittee that due to the parliamentary situation that exists, with the necessity for securing a rule waiving points of order against this particular second deficiency bill, it was decided to eliminate this proposal for an appropriation for FEPC, in order that a rule might be obtained from the Rules Committee making other items of appropriation in this bill in order. I am advised by one of the ranking members on the majority side, a member of the deficiency subcommittee, that in a meeting of the Democratic members on that committee it was distinctly understood that when this language was deleted from the appropriation bill providing for an appropriation for FEPC, that that language would be brought back to the House in the form of a joint resolution, and that the joint resolution would include substantially the same language as was originally found in the bill. I am also advised that some members of the subcommittee on the majority side were simply amazed when there was submitted to the Deficiency Subcommittee a proposed joint resolution in language which I shall read:

Joint resolution making an appropriation for the fiscal year 1946 for terminating the functions and duties of the Committee on Fair Employment Practice.

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, $125,000 for the fiscal year 1946 for completely terminating the functions and duties of the Committee on Fair Employment Practice, including such of the objects specified in the appropriation for such agency for the fiscal year 1945 as may be incidental to its liquidation.

That resolution was brought by the deficiency subcommittee to the full committee and lay on the desk of each member of the full committee yesterday, in the form which I have just read.

I am advised by the ranking minority member on the deficiency subcommittee that the deficiency subcommittee agreed to report this resolution to the full committee for action, a resolution which is completely out of accord and completely at variance with the agreement reached among members on the majority side when they agreed to strike the item in the committee print.

All right. I was at the meeting of the appropriations committee yesterday. I know what took place. I know that the gentleman from Indiana [Mr. LUDLOW] stood up in that committee yesterday and moved to amend this resolution to make it conform to the agreement which his membership had had, namely, that the resolution would provide for the same things as were to be found in the language that was deleted from the bill. Instead of so providing, in some manner which only the chairman of the committee perhaps can explain, this resolution came out, providing a fund to terminate and wind up the affairs of the Fair Employment Practice Committee. That amendment offered by the gentleman from Indiana [Mr. LUDLOW] was voted down. I believe the vote was 22 to 11. I happen to be one of those who voted for the Ludlow amendment. As soon as that amendment was voted down the gentleman from Michigan [Mr. RABAUT] offered an amendment in the full committee and that amendment was adopted. What did it provide? Let me read it; just this simple proviso added to the exact language of the resolution which I have heretofore read. The amendment offered by the gentleman from Michigan [Mr. RABAUT] reads as follows:

Provided, That if the Committee on Fair Employment Practice is continued by an act of Congress, the amount named herein may be used for its continued operation until an additional appropriation shall have been provided.

Otherwise the resolution is identical with the original resolution submitted to the full committee by the Deficiency Subcommittee. That is the resolution which is now numbered House Joint Resolution 219 and which was adopted by the Appropriations Committee and for which the chairman was directed to make application for a rule making it in order before the Rules Committee. Thus we have this situation, shadow boxing on all sides in connection with this situation; and it seems to me without expressing any opinion for or against this proposal and without reflecting my personal views for or against this proposal, it seems to me that it is high time that we begin to meet this, as well as some other issues straightforward, head-on. I for one am willing so to meet it when the time comes. I dislike very much to have the chairman of that committee make statements on the floor of this House that can only be interpreted as reflecting the attitude of the full membership of that committee and have that information broadcast to the people when I am honored to represent. I know he did not intend by his statements perhaps to bind me or the other people who may be in opposition to his broad generalization, but I want it distinctly understood that the facts which I have now given you with respect to this situation cannot successfully be disputed unless one may want to take issue with what was stated to me to be the fact as to what transpired in the caucus of the Democratic members of the Deficiency Committee. As to that I was not present; I can rely only upon the good word and the good faith of one of the members of that majority who gave me the facts as to what did transpire.

The fact of the matter is this resolution as amended by the amendment proposed by the distinguished gentleman from Michigan [Mr. RABAUT], who I know is for this FEPC and who has indicated his attitude by signing the discharge petition and who has been four-square on the issue all the way through—I understand that he meant to try to do something to save FEPC. But if you take time to read this resolution and

try to understand what it means I believe you will find some difficulty and you will see that it is merely reflecting the same old shadow boxing that has been going on trying to shift responsibility and lay the blame over here and then to stand up in the well and take credit for fighting for FEPC. The President has indicated that he wants it, and the chairman of the Committee on Appropriations has indicated that he wants it and he is for it. Why do you not have it here then? Why is it that it is not here? Why is it not submitted? Why is it not submitted if that is the situation?

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. Not just now.

Mr. WOODRUM of Virginia. The gentleman is asking a question. Does he want it answered, or is he just making a statement?

Mr. KEEFE. I yield to the gentleman.

Mr. WOODRUM of Virginia. I have listened to the gentleman attentively, as I always do, and I was not able to understand exactly whether he is in favor of the FEPC or not. He specifically referred, without expressing any opinion, to the merits of the bill, and I was wondering where he catalogs himself in this situation.

Mr. KEEFE. The question as to where the gentleman from Wisconsin catalogs himself is not at issue, and the gentleman will well recall that I stated at the outset that what I had to say was not related in any sense to the question whether I am for or against FEPC. That question will be resolved when I am called upon to cast a vote and I am ready to cast that vote, I may say to the gentleman. Is the gentleman from Virginia ready to cast his vote?

Mr. WOODRUM of Virginia. I am ready. I may say to the gentleman that I have been opposed to it all the time, and if the gentleman will permit me to say so, the gentleman is railing about the fact that the House does not act upon it. There is a petition on the Clerk's desk there.

Mr. KEEFE. I am not railing about the fact that the House does not act.

Mr. WOODRUM of Virginia. There is a petition on the Clerk's desk, and if a majority of the Members of this House want the FEPC they can get it, and the gentleman knows it.

Mr. KEEFE. I understand that.

Mr. WOODRUM of Virginia. Has the gentleman signed that petition yet?

Mr. KEEFE. I do not yield further to the gentleman. I thoroughly understand the position of the distinguished gentleman from Virginia.

Mr. WOODRUM of Virginia. The gentleman knows everything. The gentleman even knows what goes on in the Democratic caucus.

Mr. KEEFE. I have not yielded to the gentleman. I made my position and my statement clear. Does the gentleman from Virginia deny any part of the statement which I have made?

Mr. WOODRUM of Virginia. Does the gentleman want me to answer and tell him what happened in the caucus?

Mr. KEEFE. Does the gentleman deny anything I said? Does he contend that anything I said is untrue? Of course he does not. The gentleman knows what I have stated is the truth, and he knows about the shadow boxing that has been going on about this proposition. I am sick and tired of hearing Democrats, including the chairman of the House Appropriations Committee, shadow box on this issue, and I am tired of seeing Democrats come down here in the well of the House and try and make it appear that the Republicans are the ones who are blocking the FEPC. Oh, they cry, our hearts go out to FEPC, but these Republicans are the ones who are blocking it.

You have 50 more votes in this House than have the Republicans, and any time the President of the United States wants this legislation passed, you fellows will be whipped into line, as you have in the past, and you will pass it because you have the votes to pass it. Why kid anybody any longer?

Let us get the issue clear before the American people. Consideration of this matter is being blocked, and everyone in this House knows what the situation is, by those who are opposed to FEPC, most of them from below the Mason and Dixon line, and you know that as well as I do.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Ohio.

Mr. BENDER. The gentleman has brought out a point I was trying to make, that the pious gentleman from Missouri was giving me the business.

Mr. KEEFE. Certainly. The gentleman from Missouri abused the gentleman from Ohio this afternoon because he tried to elicit the simple truth and facts and he could not get them. I have given them to you and even the distinguished gentleman from Virginia has not dared to say that a single statement I have made is not in accord with the truth, and if there is anybody who would be on his feet if I had made a misstatement it would be the distinguished gentleman from Virginia.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman.

Mr. WOODRUM of Virginia. Has the gentleman signed the petition on the Clerk's desk yet?

Mr. KEEFE. No; I have not signed the petition on the Clerk's desk. Has the gentleman?

Mr. WOODRUM of Virginia. No; and I am not parading myself around here either.

Mr. KEEFE. What difference does it make whether I have signed that petition or not? You have 250 Democrats on that side of the aisle. You do not need a petition. You could have brought this up here on Calendar Wednesday long ago if you had wanted to bring it up. You are shadow boxing with an issue, that is what is taking place, and you are trying to make it appear that the Republicans are the ones who are blocking it. I want the American people to know the truth. The blocking is coming from the New Deal side of this Democratic Party.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman from Wisconsin two additional minutes.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. I want to say to the gentleman that the issue has been made very clear. There is decidedly an unholy alliance between the Appropriations Committee and the Rules Committee.

Mr. KEEFE. I am not going to say that at all.

Mrs. NORTON. I do not think the gentleman needs to say it.

Mr. KEEFE. I will simply say that any person who is familiar with the facts, and I have given them to you, may draw their own conclusions. You can come to any conclusion that you want to, but in this great body that is so often designated as the greatest legislative body on the face of the earth, is it not about time that we are men instead of mice and that we have the courage to face this issue freely and openly and meet it on its merits on the floor of this House instead of holding up legislation, shadow boxing and trying to assess the blame over here? If the country wants FEPC, you as their representatives are bound to give it to them. If the country does not want it, then you will vote "no." But let me tell you one thing, an issue that is so hot is not going to burn out overnight by attempting to smother it with some old blanket that is taken from the archaic past. You will have to meet this issue sooner or later, and let us not cover it up any longer. Let us bring it out in the open and let us meet the issue and decide it once and for all.

Mr. CANNON of Missouri. Mr. Chairman, my good friend the gentleman from Wisconsin——

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I want to simply say to the gentleman that I have often heard him use that same terminology with respect to my good friend the gentleman from New York [Mr. JOHN TABER].

Mr. CANNON of Missouri. I would not put the gentleman in that class.

Mr. Chairman, the House has seldom seen so desperate an attempt to make political medicine as we have witnessed here today. It would have the beneficiaries of FEPC believe that the administration which originated the Fair Employment Practices Committee, and has sustained it ever since, is the worst enemy they have in the world. Since the gentleman from Wisconsin insists on injecting politics into the discussion, permit me to say that the great party to which he has referred has rendered valued services to the Nation—and though it has originated no beneficial governmental activities in recent years, it is glad to approve them when their merit has been demonstrated.

For example, when we brought in legislation for old-age pensions and unemployment insurance they fought it. But today, to listen to the debate on appropriations for the social-security items

you would think they fathered the measure. Likewise, they vigorously opposed the enactment of the law for guaranty of bank deposits, for rural electrification, the Federal Housing Act, wage-and-hour legislation, the Securities Exchange Act, legislation for farm parity and numerous other measures which have benefited the Nation and humanity. But now they have jumped up on the band wagon and grabbed the reins. They have espoused the very things they so determinedly opposed. And the FEPC is no exception to the rule. They opposed it when it was established but here this afternoon they are jumping up on the band wagon and grabbing the reins again.

Let us get the facts straight. FEPC was originated by President Roosevelt and is supported today by President Truman. President Roosevelt established it and President Truman addressed a letter to Members of the House last week urgently recommending its continuance with enlarged powers. The administration has consistently supported it. The Committee on Appropriations has reported in full every estimate which came to it from the Bureau of the Budget until this year when insurmountable parliamentary obstacles were interposed. We have reported to the House a resolution providing for the continuance of FEPC with all its present activities. We have made the same recommendation for FEPC that we have made for every other Government agency. What, then, is the basis of all this discussion?

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from South Dakota

Mr. CASE of South Dakota. I have listened to the gentleman attentively. I was hoping that the chairman of the Committee on Appropriations would make some comment with reference to the statement of the gentlewoman from New Jersey alleging an unholy alliance between the Committee on Appropriations and the Committee on Rules. Personally, I know of no such alliance. I was hoping that the distinguished chairman would defend the honor of the Committee on Appropriations.

Mr. CANNON of Missouri. Of course there is no alliance.

Mr. CASE of South Dakota. I am glad to hear the gentleman deny such a suggestion.

Mr. CANNON of Missouri. It is too absurd to merit comment.

Mr. Chairman, the Committee on Appropriations has taken every step within its power and has exhausted every resource at its command to secure an adequate appropriation for FEPC.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. If such an alliance should exist it would certainly be the Committee on Rules which would make the complaint, would it not?

Mr. CANNON of Missouri. The gentleman suggests an impossible situation. The Committee on Appropriations has at all times supported the appropriation for the FEPC.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. I think it would be appropriate to remind the Committee that the Committee on Appropriations is what the name implies, an appropriations committee, and not a legislative committee. It is not the responsibility of the Committee on Appropriations to get an appropriation for the FEPC. It is the responsibility of a legislative committee, if it can do so, and that responsibility cannot be laid at the door of the Committee on Appropriations. Year after year appropriations have been brought in here by the Committee on Appropriations and many times gentlemen of this House have very properly criticized the Committee on Appropriations for providing things which were not authorized by law. In this particular agency we came to a subject which was very definitely a very hot controversy. The Committee on Appropriations is perfectly powerless unless Congress authorizes an appropriation for FEPC.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. Is it not a fact that there have been other appropriations brought in by the Committee on Appropriations for which there was no legislative enactment?

Mr. CANNON of Missouri. But there was no parliamentary objection, such as has been interposed in this case.

Mr. WOODRUM of Virginia. If the gentleman will permit, if in this instance there were a definite issue raised, the Appropriations Committee was perfectly powerless to do anything about it.

Mrs. NORTON. The rule that was brought in waived all points of order and in the event that the FEPC was included in the Appropriation bill the chairman himself said on the floor of the House that he could not get a rule to bring in that bill. That is the reason why I said I believed there was an unholy alliance between the Rules Committee and the Appropriations Committee.

Mr. WOODRUM of Virginia. If the gentleman will permit, the suggestion of the distinguished gentlewoman from New Jersey is entirely unjustified and without foundation for this reason, that the advocates of FEPC are in this position: They are insisting upon an appropriation for FEPC when it is not authorized by law and when apparently you cannot get an act authorizing it. Now, it is very unfair to put the responsibility for that on the Appropriations Committee. The committee represented, and so ably represented, by the distinguished gentlewoman from New Jersey has that responsibility and she has labored diligently to try to get it. It is one of those cases where apparently the membership of the House is not willing to commit itself to it.

Mrs. NORTON. I will say I believe the House will debate that question in time, even though at the present time it seems to be quite a difficult matter to get the bill before the House. I also want to comment on the fact that in other years appropriations have been brought through where there was no legislation upon which it could be based.

Mr. CANNON of Missouri. The lady will recall that I personally came to the floor a year ago and secured consent for consideration of the item. That shows incontrovertibly the attitude of the Committee on Appropriations and of the chairman of the committee. That was impossible this year. But the committee has taken every step that can be taken to secure an appropriation. Can the lady suggest any step which has not been taken which could have been taken?

Mrs. NORTON. I think the only step that could be taken would be to put that appropriation back in the deficiency bill.

Mr. CANNON of Missouri. If that was done we never would have had the deficiency bill here. We are at the end of the fiscal year. It is a case of presenting them separately or not presenting them at all.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Arkansas.

Mr. NORRELL. In the previous bill providing appropriations for the FEPC, did not the chairman of the Committee on Appropriations, along with the distinguished lady from New Jersey [Mrs. NORTON] appear before the Rules Committee and ask for a rule for that bill, and was not the rule denied?

Mr. CANNON of Missouri. The gentleman has stated the situation correctly.

Mr. KOPPLEMANN. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Connecticut.

Mr. KOPPLEMANN. Assuming that what the distinguished chairman of the Appropriations Committee has told us, and what the gentleman from Arkansas [Mr. NORRELL] has said is true, the proposition before this House, as I take it, is the legislative duty of the Committee on Labor. That committee has done as good a job as it was possible to do. It is impossible for the Committee on Appropriations to continue this agency. My question is this: Is it not the business, under the rules of this House, of all of us who favor FEPC, to do the only thing that is possible at the moment, and that is to go up to the desk and sign that petition and get this bill out onto the floor and stop all this sideshow business? Let us go directly to work on the thing that is necessary to bring action on this bill.

Mr. CANNON of Missouri. We had before us a similar situation on the bill to repeal the poll tax. Members signed the petition and secured passage of the bill. The same remedy is available here. The gentleman from Wisconsin [Mr. KEEFE], who has just addressed us so emphatically on that subject, conceded that he himself had not signed the petition.

Mr. KEEFE. Will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. KEEFE. Has the gentleman signed the petition? Will the gentleman

walk up with me and sign the petition now?

Mr. CANNON of Missouri. Certainly. I helped write the discharge rule and shall be glad to avail myself of its provisions.

Mr. COLMER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Missouri yield to the gentleman from Mississippi for a parliamentary inquiry?

Mr. CANNON of Missouri. I yield.

Mr. COLMER. Mr. Chairman, am I correct in stating that under the rules of the House the names on a petition at the desk are not matters of public knowledge and are not therefore a matter of discussion upon the floor?

Mr. CANNON of Missouri. The gentleman is correct.

The CHAIRMAN. The gentleman from Missouri has answered for the Chair.

Mr. CANNON of Missouri. Furthermore, proceedings in committees of the House are not subject to discussion on the floor. Points of order could have been made at any time against the gentleman from Wisconsin.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Chairman, I am sure it has been made clear by all parties participating in this debate that the Appropriations Committee last year and the year before included an appropriation for the full year for FEPC. It seems to me a rather lame excuse to say because it happens to be a hot issue and because it is highly controversial that the Appropriations Committee is bound in some manner not to bring in the same kind of bill that was recommended in previous years. The FEPC operates not under the law but under an Executive order and there is no reason why the Appropriations Committee could not have brought in a full appropriation operating under the same Executive order.

Regarding the action of the Rules Committee much has been made of the fact that the President came forward with a statement in support of FEPC. I felt that the Rules Committee would report the bill out as a result of the President's action. I waited eagerly as did other Members of the House for the return of the gentleman from Missouri, the Representative for the President's own Missouri district, who is a member of the Rules Committee. I waited for him to return and I fully expected that he would follow his President and vote to report the bill out. This he failed to do. There are 12 members on the Rules Committee and every gentleman on that committee has a right to his own opinion, and I am sure they are acting honestly and sincerely, and I give them the same right and the same credit that I would like for myself. That is the way they feel in their hearts and they have a perfect right to feel that way and I have no quarrel with them. The fact is there are 12 members of the Rules Committee, 8 of them members of the majority party and 4 of the minority party. When the vote came the four members of the minority party voted unanimously to report this bill to the floor of the House for consideration and two of the majority members reported to report it out. That made a vote of 6 to 6, and because of the tie vote it failed of the necessary majority and it is tied up in the Rules Committee.

Regarding this petition, I know as chairman of the anti-poll-tax committee, I approached many Members on both sides of the aisle and asked them to sign the anti-poll-tax petition or asked them if they had signed it. Some of them said, "We do not sign petitions. We make it a practice not to sign petitions, but if the bill comes to the floor of the House we will vote for it." I have even had one or two Members say, "We will sign the petition but we will vote against the bill when it comes up for vote." The petition method, frankly, is most difficult. But, Mr. Chairman, we do have FEPC before us in this bill.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. TABER. Mr. Chairman, I yield the gentleman seven additional minutes.

Mr. BENDER. Mr. Chairman, we have an opportunity now to vote the full appropriation. It is obvious that we tried to wring the neck of FEPC with this language because there is reference to termination.

I believe the record should be kept straight here. I happen to be a member of the minority party. Its sins of omission and commission are many, but the minority party had a remarkably fine record for social legislation long before we ever heard of the New Deal. I say this not as a rabid partisan but in order to keep the record straight.

My father used to work 7 days a week. He worked 12 hours a day. Under the Republican administrations his hours were cut to 11 hours, then 10 hours, then 9 hours, then we got the 8-hour law. Time and again under Republican legislatures of States in the North improvements were adopted. There are many States in the Union not dominated by Republicans now that do not have workmen's compensation laws. We adopted legislation providing for protective devices on machinery so that men and women in industry would not lose their hands and arms while working in shops and factories. We passed pure-food laws and laws for proper sanitation long before the New Deal was heard of. Some people would have you believe that all social progress began on March 4, 1933.

The Republican Party, throughout its entire history, has been the real friend of labor. It was organized originally to end the most oppressive of labor abuses—slavery—which, quite apart from the moral issue involved was crucifying free American labor with the competition of slave labor. From that day to this the Republican Party has regarded nothing as more important than to help the workingman. To deny that plain fact is to be guilty of a gross and vicious slander.

The legal right of American workers to organize and to act collectively to improve their status, together with the principle that the courts could not be used to prevent the exercise of this right, was established long before the passage of the National Recovery Act or the National Labor Relations Act. Republican leadership recognized the principle of collective bargaining and corporate responsibility some 60 years ago. And it was the Republican Party which sponsored the Anti-Injunction Act of 1932 which protects labor from a discriminatory use of the injunction to break strikes.

Recognizing labor's right to collective bargaining and the need for mediation to avoid the conflict and industrial paralysis caused by the strike and the lockout, the Republican Party in its platform way back in 1896 stated:

> We favor the creation of a national labor board of arbitration to settle and adjust differences which may arise between employees and employers engaged in interstate commerce.

This declaration of policy was promptly made effective on June 1, 1898. President William McKinley signed the Erdman Act which provided for mediation and conciliation in the settlement of disputes between the railroads and their employees, and prohibited the discharge of a railroad employee because he was a member of a trade union. Again it was a Republican Congress which passed the Railroad Labor Act of 1926 which improved upon the Erdman Act and further aided the prompt settlement of railroad labor disputes.

It was the Republican Party that passed the Sherman Anti-Trust Act to protect the worker from monopolies; it was the Republican Party that enacted the so-called Prison Goods Act to protect the worker from the competition of prison policies; it was the Republican Party that brought about the enactment in 1931 of the Bacon-Davis Act providing for the payment of the prevailing rate of payment to all laborers employed on Government construction contracts.

Many years before the enactment of our present so-called Wage and Hour Law, the Republican Party fostered minimum wage legislation in the various States. Between 1912 and 1923, 15 States adopted such laws. Of these, the Republican Party was directly responsible for the enactment of 8, whereas the Democratic Party was responsible for the passage of only 4.

Between 1900 and 1913, 11 States adopted laws limiting the hours of labor of children. Two of these established a 9-hour day and a 54-hour week, while the remainder set up an 8-hour day. This represented a considerable advance since, among the 22 States which had some sort of law regulating the hours of labor for children prior to 1900, the 10-hour day and 60-hour week were the general rule. Of the 11 States which enacted these laws, the legislatures of 9 were Republican and only 1 was Democratic.

Moreover, the Child Labor Amendment, which is still before the States for ratification, was introduced in the House of Representatives, by Representative Foster, Republican, of Ohio, and Senator Shortridge, Republican, of California.

This proposal was passed by a Republican House and Senate by votes of 279 to 61, and 61 to 23, respectively.

The first workmen's compensation law was adopted by the State of Maryland in 1902, but it was not until 1910 that a Republican-dominated New York State Assembly enacted the first modern and adequate law of this kind. After 1910 various States followed the lead of Maryland and New York. By 1916 31 States had passed 35 workmen's compensation laws. Of the total, the Republican Party was directly responsible for 18, whereas the Democratic party accounted for only 8 and mixed legislatures passed 7.

The Republican Party has every reason to be proud of its achievements in the field of labor and social legislation. And it resents equally the malicious falsehoods of would-be detractors and the hypocrisy of pious frauds who smugly seek to take credit to which they are not entitled.

Mr. Chairman, we have not been in power for 12 years. We have been a minority party. Even if every Republican had voted wrong, it would have been of no importance because the Republicans have been out of power since March 1933. We have not had a majority in either House during that time and the present administration has been in full control for more than 12 years.

Let us keep the record straight. You cannot shift responsibility to the minority party for whatever has happened during the past 12 years, because our party has been out of power. I have supported the administration on numerous occasions when I thought the administration was right and I have vigorously opposed it when I thought it was wrong.

In 1932 we were told we were spending too much money and the then candidate for President on the Democratic ticket asked for a cut in expenses of 25 percent. You know what happened. In 1938, when I was elected to the Congress, in my own city of Cleveland 87,000 people were on WPA, 5 years after the gentleman who spoke of expenses being too high had occupied the driver's seat. We had a terrible depression during the entire period until the war came, and only when the war came did we have an improvement. According to the American Federation of Labor, we had 10,000,000 people out of work until the war broke out in Europe.

I believe in being fair, and it is most unfair for the majority to point an accusing finger at the minority all the while the majority party has the votes and is in complete control of the Government.

There is so much made of the fact that a Republican here and there takes a position that is in accord with some reactionary Democrat, and that is portrayed to the country as being the Republican Party view. Not at all. The Republican Party and the Democratic Party in the last Presidential election joined forces for a permanent FEPC and the principle of FEPC when the platforms were prepared. Of the titular head of the Republican Party, be it said to his everlasting credit, that when the time came for him to support the Ives bill, he not only supported it but he was its champion, and I respect him for it. I hope that the Republicans and the Democrats alike will give us the opportunity—addressing myself particularly to the majority—to a vote on this issue. I am proud of the fact that the four members of my party on the Committee on Rules voted unanimously so that we might have an opportunity here to vote on that issue.

Mr. CANNON of Missouri. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, I merely have a suggestion as well as a request that the distinguished gentleman from Ohio [Mr. BENDER] and the distinguished gentleman from Wisconsin [Mr. KEEFE] who are apparently so vitally interested in the continuation of FEPC should comprise themselves a committee of two to canvass the Republican side of the House and solicit the signatures of their fellow Republicans, because I understand that not many more than 20 Republicans have signed the petition to discharge the FEPC bill although there are almost 140 signatures on it.

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Chairman, many of us have sat here patiently for several weeks listening to rather vituperative attacks upon the Committee on Rules and upon the Republican and the Democratic Party and upon the Committee on Appropriations and upon every living, walking, or crawling creatures that did not happen to agree with the ideology of the then speaker. I think perhaps the time has come when it would not be out of order to put a little less heat and a little more light on the subject of what has happened about the so-called FEPC bill.

The fact is, as we all know, that both the Democratic and the Republican Parties in their platforms endorsed the philosophy of nondiscrimination in employment. Neither party went into details and neither party endorsed the pending bill. So we were confronted here this year with a bill which some folks assumed that just because it was called a fair employment practice bill, everybody was compelled to vote for it without doing any thinking about it. I do not see why the Members of the Republican Party or the Members of the Democratic Party should be abused and criticized because they do not happen to think that the bill which somebody else wrote and put in here and asks us to swallow whole without dotting an "i" or crossing a "t" should be voted upon.

I have no quarrel with the Republicans or the Democrats who see fit not to sign the petition, because I know that is my own policy and I believe it is the policy of a great many thinking Members of this House that if the bill does not have sufficient merits to come to the floor through the regular channels, that then it is mighty bad policy to drag it out here through a discharge petition. You will note that it has very rarely occurred that a bill has been brought in here by petition, and I believe only one bill brought out by petition in all these years has ever been enacted into law.

There was some discussion about how the members of the Committee on Rules voted or did not vote. I do not think I am disclosing anything that has not been published in the newspapers when I say that all of the four Republicans on the Committee on Rules voted to bring that bill to the floor, notwithstanding the misgivings about the merits of the measure, that everybody must have had who read the bill. I thought I would tell you a little something about what happened in the Committee on Rules as long as the Committee on Rules has been the object of this attack that has been made because the bill has not reached the floor.

If you will examine the hearings which were held before the Committee on Labor on the present bill, you will not find any hearings in opposition to the bill notwithstanding the fact that there was most vigorous opposition to the whole theory of the measure.

Now, just who drafted this measure? I do not know and have not been able as yet to definitely ascertain who drafted it, although I have had some reports which would seem to indicate that it was not drafted on Capitol Hill.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I decline to yield.

As I was saying, I have not been able to ascertain definitely who drafted this bill. Therefore, I can say something about it which I would not like to say if I knew it were drafted by a Member of Congress.

I want to say I have seen a good deal of legislation come before the Congress but I believe that I am truthful in saying that this is the greatest legislative monstrosity that has ever been presented to this House. I say that in all seriousness. Members who have studied it will say the same thing. There were no hearings in opposition to the bill before the Labor Committee. It was reported out by that committee and that committee came before the Committee on Rules to ask for a rule. As is customary in the Committee on Rules, some members of the committee were inconsiderate enough to ask some questions about the merits of the bill and the effect certain provisions of that bill might have. A great many questions arose which dsclosed that perfectly absurd and ridiculous conditions would arise under it. For instance, suppose a Japanese came into your place and wanted a job and you said, "No, I do not want to employ any Japanese. My people do not like the Japanese."

Under the terms of that bill that board would be compelled upon the complaint of that Japanese to call you up and impose the drastic penalties of the bill for discriminating.

There are hundreds of situations of that kind. We inquired into that. I remember inquiring of the chairman of the subcommittee that was supposed to have had something to do with the drafting of the bill. He was asked a series of questions along the line of what would happen under these circumstances. Then such circumstances would be related.

The question would be asked, "Well, did your committee in drafting that bill realize such a condition which is so absurd could happen under that bill?"

"Well, no, we had not."

Then another situation would be presented to him and all of these can be found in the reported hearings before the Committee on Rules. That is the only committee which has held hearings which undertook to search the meaning and intent and effect of that bill. They are the only hearings in opposition to the bill. Repeated questions were asked as to such situations.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I decline to yield.

Mr. Chairman, if I may proceed without interruption, as I was saying, repeated questions of that kind were asked of the chairman of the subcommittee whose subcommittee was supposed to have drafted the bill. He was most frank and fair in the discussions of the measure. The answers were in any number of cases practically along the lines I have stated to the effect "No, we did not contemplate that." Finally as a culmination of that line of questioning, and the hearings will bear me out, the chairman of that subcommittee was asked this question, "Don't you think you ought to take this bill back to your committee and discuss some of these questions which have never been raised so that these apparently dangerous things in your bill may be corrected before you ask the House to pass upon it?"

My recollection is that the chairman of the subcommittee after some discussion before the Committee on Rules thought it would not be inappropriate that the bill should go back to the Committee on Labor. The Committee on Rules adjourned over for a day or two on the matter. We were then informed that the chairman of the subcommittee had taken our message to the legislative Committee on Labor and had suggested that which the Committee on Rules had suggested, namely, that the measure in some of its patently and obviously defective sections be resubmitted for further consideration and that the vote in the Labor Committee was negative and they declined to do anything but say, "Give us a rule on this thing as it is written."

Subsequently the Committee on Rules declined to comply with that request.

Now I know there is a different philosophy here on the function of the Committee on Rules.

I have sympathy with both schools of thought. I can understand when I go to the trouble to draft a measure and get it through a committee I want to see it come to the floor of the House. I can see how a person can justly feel aggrieved when the Rules Committee turns down a rule for the consideration of the bill. I sympathize with them. On the other hand, I think the prevailing opinion is that the Rules Committee is put there to do a job in seeing that proper legislation comes to the floor and that improper legislation does not come to the floor. That is one of our responsibilities. We are subject to a great deal of consideration and I am not here to say that much of that criticism is not justified. I am willing to take my share of it and I have taken a great deal of it. But to make the blanket charge against all committees, the Democratic Party, the Republican Party, the Appropriations Committee, and everybody else who just does not happen to agree with us, is not justified. At this time we might well be devoting ourselves to critical matters that are essential to the welfare of the country instead of wasting the time of the House in talking about bills that are not before the House and arousing the temper and passions of Members of this House by inordinate criticism of everybody who does not happen to agree with us.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I do not yield. I yield back the remainder of my time, Mr. Chairman.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I appreciate the courtesy of the committee in giving me this time. I would like to change the subject from the one that has engrossed the committee thus far and proceed to that portion of the bill which has to do with the Civil Aeronautics Administration and air navigation facilities.

When the subcommittee on State, Commerce, and Justice came before us with a bill a while back, the hearings before the subcommittee disclosed that there had been some testimony concerning the so-called automatic posting system for air traffic between Washington and New York. I have read the testimony taken by the deficiency subcommittee from the Civil Aeronautics Administration personnel concerning this item, and it appears to me that the committee has not wholly understood just what the Civil Aeronautics Administration was requesting and why.

I do not like to see the gentleman from Missouri [Mr. CANNON], leaving the chamber, because he is the one who asked most of the questions, but I presume he has been called to the telephone.

I offered an amendment when the regular bill was before us to reinstate in the bill an amount of $790,000 for this automatic posting system between Washington and New York, because from my experience, which of course is not great, but it is enough to enable me to talk intelligently on the subject, that sort of thing is vitally important to the aviation of the United States, both commercial, private, and military. During the war, of course, military aviation constitutes the very heaviest portion of the traffic. It amounts to better than 92 percent of all the traffic. The balance of it is commercial and private flying. However, under the circumstances, where commercial air lines are carrying almost exclusively military personnel and people engaged in the war effort, the traffic is almost 99 percent military or war-effort traffic.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. CASE of South Dakota. I do not think there is any particular secret about it, but as I recall the discussion of that item it ran something like this: This is something that has been proposed for 3 or 4 years, but was not regarded as an urgency matter properly calling for consideration in a deficiency bill. It was rather felt that the committee which handled the appropriation for the Commerce Department, which deals regularly with matters pertaining to civil aeronautics, should have an opportunity to consider it and report it in a regular bill. I might mention, also, that a couple of other observations were made to this effect: One, that the war was not over yet and that the materials that would be required for this were, generally speaking, of a nature that were regarded as critical during the war. The other observation was that once we install this type of posting it will probably create considerable pressure for similar improvements in other parts of the country, and possibly it is a program that should be studied by the subcommittee in the Commerce Department because of all of its implications, rather than being reported in a deficiency bill.

Mr. HINSHAW. I appreciate the gentleman's viewpoint. This has been discussed by the Commerce Subcommittee on Appropriations on several occasions. Their hearings are full of information concerning it. The only reason I know of why the Subcommittee on State, Commerce, and Justice did not include it in the last bill was because, although the Department made the request of the Budget and has made it several times, the Bureau of the Budget did not include it in the Budget recommendation. That is the reason it should now be brought in here as a deficiency item, because the Commerce Department and the Civil Aeronautics Administration believe it is an important matter that ought to get underway at the earliest possible date. The Bureau of the Budget has at last seen the light and has included this item in its recommendations. It is now an urgent matter as it will take a year to make and install, and time is getting short.

Mr. CASE of South Dakota. May I just say for the RECORD, the gentleman referring to my remarks as expressing my point of view, that I was trying to give a summary of the committee's point of view rather than my own.

Mr. HINSHAW. I will amend it to include the entire subcommittee. But I should like to inform the subcommittee if they will permit me to do so, that the air traffic between Washington and New York has become so heavy and so congested that if some improved method is not found for the control of that air traffic there are going to be some very serious accidents, for the New York–Washington route is one of the most heavily traveled routes by aircraft.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman from California five additional minutes.

Mr. HINSHAW. As the gentlemen of the subcommittee know, I served the House some years ago as a member of a

special committee on the investigation of air accidents, along with the gentleman from Illinois [Mr. DIRKSEN], who sits over here, and certain former members of the House.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. Gladly.

Mr. TABER. Is this a matter that requires legislation?

Mr. HINSHAW. No; it is not.

Mr. TABER. Does it require action on the part of the board?

Mr. HINSHAW. No; it does not require anything like that because it is a matter of the installation of air navigation facilities for the control of air traffic; and I believe that is fully authorized in the Civil Aeronautics Act. It is a new type of air navigation facility and is simply a different one than they have had before, a modern or ultramodern device.

The gentleman from Nebraska [Mr. STEFAN] is on the floor of the House. He is a member of the Commerce subcommittee. I know he has heard the testimony. I know he is very much interested in seeing this proposition gone into; and I hope the committee will be willing to consider the request of the Civil Aeronautics Administration because I give them every assurance that this is a very necessary thing to the control of air traffic. I do not know how to make it any stronger. It is a complicated device. It is not easy to discuss or to describe; it involves all kinds of electronic devices and computing devices and posting devices. It is a very similar device, I may say, to the one that is used by so many brokerage offices in posting the prices of stocks as they are sold on the New York stock exchange and posting them all over the United States simultaneously. It is an automatic posting device that operates not very much differently than the dial telephone system; as a matter of fact, it is very akin to the dial telephone system except that it operates automatically from signals that are sent to the ground from an airplane in flight or by an air traffic controller and recorded automatically and transferred to these posting boards. It is a complicated and at the same time as simple as the dial telephone system.

With all the traffic we have and with all the traffic that is developing and the tremendous postwar traffic in civil aviation that we are about to have, if we do not test this device at some important location I am afraid that we will not have the proper facilities developed for the prevention of air accidents, for the distribution of traffic, for the separation of traffic in the air; and I hope and trust that some committee of the Congress will give this its fullest consideration and go into it with great care. I personally have gone into it with enough care to satisfy myself as to its possibilities.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. With pleasure.

Mr. KEEFE. Would the gentleman say that he has investigated this and could say it is beyond the experimental stage?

Mr. HINSHAW. Oh, no; I cannot say that it is beyond the experimental stage; no, because, of course, it is a device, a combination of devices, that has never yet been constructed as such for this purpose. But the fundamentals of it are far beyond the experimental stage; the fundamentals of it are used, as I said before, in connection with these brokerage offices throughout the country that are using the automatic stock price posting device.

Mr. CASE of South Dakota. Is it not a sort of a miniature business along this line that has been regarded as an experimental thing, that the Civil Aeronautics people still regard as in the experimental stage? It seems to me there is a question as to whether the development has reached the stage to warrant the expenditure of this large sum of money on a major installation.

Mr. HINSHAW. May I say to the gentleman from South Dakota that I do not believe the Civil Aeronautics Administration would come in and ask for this money if they did not believe it was far enough beyond the experimental stage to warrant the introduction of the system on one section, one important small section of our large airway system in the United States.

Mr. CASE of South Dakota. I wish to say to the gentleman that I am sure every member of the committee who heard the testimony on this matter is just as interested in air safety as possibly can be.

Mr. HINSHAW. I am sure they are.

Mr. CASE of South Dakota. I was trying to be helpful in commenting on some of the suggestions, some of the practical considerations that led to the omission of the item from the bill. I believe it is a fair statement to make that the members of the committee were of the opinion that this thing warranted further study by the committee rather than going in as a deficiency item.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. TABER. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. HINSHAW. Mr. Chairman, this device is so highly technical, it is such a complicated electronic and mechanical device that I do not believe any Member of Congress who has not had experience in electricity or mechanics would be competent himself to discuss the thing or to look at it intelligently. I do not claim to be a highly technical person in electronics. I am a civil engineer and have had a good deal of experience in aviation matters and I can say to the gentleman from my experience, limited as it is, that this is a great thing and ought to be done immediately, if not sooner.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Colorado who is a distinguished member of the Society of Automotive Engineers.

Mr. GILLESPIE. Is it not true that the very nature of this device makes it absolutely necessary for it to be tested on an airway? It cannot be done any other way.

Mr. HINSHAW. It has to be tested in an actual operation on an airway, otherwise you will never be able to find out whether or not it can really do the job it is designed for. If it is not installed at some place in the United States, between two terminal points, so that it can be so tested, no one will ever have the opportunity of finding out about it. There is no use postponing this thing further. Its cost is a small matter in connection with aviation. The commercial airlines of the United States in this fiscal year alone are supplying a net profit to the United States Government on handling air mail of over $50,000,000 and I cannot see that $790,000 would be out of the way to use for an important experiment of this kind when 92 percent of the total traffic using the airways is not civil, is not commercial, but military. I only wish some of you could visit and learn about the operations of a major airways traffic-control center.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. CANNON of Missouri. I yield 10 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, I have asked for this time in order that I may give my interpretation, for whatever it may be worth, of House Joint Resolution No. 219, which the Committee on Appropriations has introduced, making an appropriation of $125,000 for the FEPC. I realize that this may be more or less an academic question, due to the attitude of the Rules Committee in regard to the FEPC, but I think it may be well to clear away some of the cobwebs. The resolution referred to is a compromise of sharply conflicting views which were fused together suddenly at the final meeting of the full committee which considered the matter. The product is a rather curious combination of ideas, resulting in some apparent contradictions that need clarification.

I read the resolution as follows:

> Joint resolution making an appropriation for the fiscal year 1946 for terminating the functions and duties of the Committee on Fair Employment Practice
>
> *Resolved, etc.,* That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, $125,000 for the fiscal year 1946 for completely terminating the functions and duties of the Committee on Fair Employment Practice, including such of the objects specified in the appropriation for such agency for the fiscal year 1945 as may be incidental to its liquidation: *Provided,* That if the Committee on Fair Employment Practice is continued by an act of Congress, the amount named herein may be used for its continued operation until an additional appropriation shall have been provided.

As I was the author of the original provision which was the basis of the greatly altered provision that is before you, I think I am in a position to throw some light on the purpose of this legislation. Since immunity has been lifted here today and it is permissible to discuss affairs of the committee room, I will say that in the Subcommittee on Deficiencies I made a motion to allow the full budget estimate of $599,000 for the

FEPC for the fiscal year 1946. It was voted down. I then made a motion to allow the FEPC $125,000 to carry on for 3 months or until Congress could act in determining its will in regard to the FEPC. The appropriation for this activity for the fiscal year 1945 is $500,000. The amendment I offered provided for exactly one-fourth of the present annual appropriation, and would carry on the FEPC for 3 months with its present personnel and tempo.

I offer this amendment in order to give Congress time to find itself on the subject of the creation of a permanent Fair Employment Practice Committee by law. It seemed to me that this was entirely fair. Indeed, I thought that nothing could be fairer than that Congress should have time to decide the fate of the FEPC and that if Congress acted adversely the FEPC should proceed to liquidate. Immediate action was imperative as the end of the fiscal year was close at hand and the FEPC was right up against the gun, not knowing whether or not its funds would be cut off on June 30 or what plans it should make in regard to the future.

This is the genesis of the proposal to appropriate the sum of $125,000 for the FEPC. Because of parliamentary and strategic reasons and particularly to expedite the granting of a rule on the remainder of the second deficiency bill the Committee on Appropriations deemed it advisable to segregate the FEPC item from the bill and consider it as a separate resolution.

It is true that a straight liquidation resolution was presented to the Appropriations Committee but that perhaps is not vital, as it was not adopted. It was objectionable to those members of the Committee who desired that time be afforded for Congress to determine the fate of the FEPC before it proceeds to enforce liquidation. No action of the Appropriations Committee is complete until the full committee has acted. The Appropriations Committee, taking heed of the viewpoint referred to, then by amendment offered by Mr. RABAUT, added to the resolution these words:

Provided, That if the Committee on Fair Employment Practice is continued by an act of Congress the amount herein named may be used for its continued operation until an additional appropriation shall have been provided.

Without the addition of these words the resolution you have before you would not, in my opinion, have been reported by the committee. The chairman of our committee, the gentleman from Missouri [Mr. CANNON] has correctly stated that the only resolution the Committee on Appropriations has adopted on the subject is House Joint Resolution 219, which I read at the beginning of my remarks. I believe that the Rabaut proviso is the salvation of the resolution.

What, then, is the effect of the language of this resolution which you have before you? It does not mean the immediate liquidation of the FEPC, despite what the title says. It means, if adopted, that the FEPC will continue to operate for a time, at least, with its present personnel and in its present tempo, to give Congress further time to determine the fate of the FEPC. The sum of $125,000 is far more than is needed to liquidate the FEPC. Accrued annual leave imposes a liquidating obligation of $45,000 and there will be other liquidating expenses, but the FEPC can continue at least 5 or 6 weeks after the beginning of the fiscal year and still have enough money in reserve out of the $125,000 to cover the costs of liquidation. During that 5 or 6 weeks Congress should have time to decide what it wants to do in regard to the establishment of a permanent FEPC.

At the present time no one can foresee what the product of the legislative mill will be in regard to the Fair Employment Practice Committee. I would be glad if the restrictive language of this resolution were removed so that the FEPC could be continued on an annual basis and implemented with sufficient funds to carry on. I have felt it to be my duty to fight for the FEPC and to help it to salvage as much as possible out of the deplorable situation in which it finds itself. I believe it has done a good over-all job in smoothing racial relations and eliminating unjustifiable discriminations. After World War I, when there was no such agency, there were 26 race riots. The postwar period is certain to bring many acute employment problems and many strains on racial relations and I believe that the FEPC in the years immediately ahead will face greater opportunities for usefulness than ever before if we allow it to survive.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I only have 10 minutes.

Mr. CASE of South Dakota. I am sure the gentleman can get additional time. I would like to check with his memory on some of these things.

Mr. LUDLOW. I yield to my friend from South Dakota.

Mr. CASE of South Dakota. It seems to me it comes at this very point. It should be added that it was then suggested—I do not recall who made the suggestion—that this $125,000 should be available for operation for 3 months and if no law were passed authorizing the FEPC, that should include its liquidation. That would take care of accrued leave and so forth.

Mr. LUDLOW. That is exactly my understanding of what was intended, I will say to the gentleman. In fact I will say to the gentleman that I am the Member who made that suggestion.

Mr. CASE of South Dakota. Did not the gentleman understand that that would be recorded as one item in the deficiency bill as a whole?

Mr. LUDLOW. That was my understanding at that time, but I can see for strategic reasons, especially in view of the intransigent attitude of the Committee on Rules, that that was impracticable.

Mr. CASE of South Dakota. Mr. Chairman, if the gentleman will yield, of course, it has occurred to the gentleman if that resolution should be reported to the floor under any normal rule waiving points of order, but an open rule with amendments in order, that amendment would be germane, which would change the amount and which would also change the period of time for which the authorization of the appropriation was made.

Mr. LUDLOW. The gentleman is entirely correct, but that may be a rather "iffy" question, as President Roosevelt used to say. The gentleman describes an eventuality that is greatly to be desired, but I frankly doubt whether he or I will see his objective achieved.

Mr. CASE of South Dakota. I am not arguing the matter one way or the other, but it does raise that possibility.

Mr. LUDLOW. That is true.

Mr. CASE of South Dakota. So if that resolution is reported to the House, the whole issue would be before the House.

Mr. LUDLOW. That is true.

Mr. CANNON of Missouri. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. WINSTEAD].

Mr. WINSTEAD. Mr. Chairman, I want to call the attention of the House to a bill I introduced this afternoon which has to do with the point system set up by Selective Service to release conscientious objectors. I called the selective service board who supplied me with the administrative directive No. 24, issued May 26, 1945, and was informed by that agency that they will give to conscientious objectors one point credit for each month's service, 12 points for each child, regardless of the number of children under 18 years of age, 3 points for the wife, and deduct 1 point for each absence without leave and 1 point for each day they refuse to work.

The bill as introduced is as follows:

A bill to make the point system in effect with respect to discharge or release from the Army applicable to the release of conscientious objectors from the work to which they have been assigned

Be it enacted, etc., That in determining from time to time the order in which men assigned to work of national importance under civilian direction pursuant to section 5 (g) of the Selective Training and Service Act of 1940, as amended, shall be released from such work, the same point system, the same point values, and the same minimum number of points to establish eligibility for discharge or release, as are applicable with respect to the discharge of men from, and the release of men from active duty in, the Army, shall apply.

Under the War Department plan a man who has not been overseas, has 1 child and 5 years in the Army, cannot get out for 1 year because he only has 72 points. A man with 3 children and 2 years in the service and 38 years of age, cannot be released under the War Department plan as announced at present.

Young men who have been in service 3 years, with 2 years overseas, who have fought in 4 major battles cannot be released. Yet, Selective Service offers to release a conscientious objector under a separate plan.

It is about time we started giving special consideration to our own servicemen who are willing to offer their lives and fight to destroy our enemies instead of giving every other group in America, who is not facing the same hardships, special consideration above the fighting

soldier. Why should the conscientious objector be released with any system lower than is offered our fighting men?

If the Selective Service follows this plan, it will be one of the most demoralizing blows to this country and to the men in service we have had during the entire war. If the conscientious objectors are conscientious, then they will not want advantages over the fighting men.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose and the Speaker having resumed the chair, Mr. WHITTINGTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3306) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 807) entitled "An act to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes."

TEMPORARY INCREASE IN POSTAL RATES

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 184, to continue temporary increase in postal rates on first-class matter, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The Clerk read the title of the joint resolution.

Mr. TABER. Mr. Speaker, reserving the right to object, has that been submitted to the minority members of the committee and is it agreeable to them?

Mr. DOUGHTON of North Carolina. I suppose it is, I have not seen the minority members. I am just asking for the appointment of conferees.

Mr. TABER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. DOUGHTON of North Carolina, COOPER, DINGELL, KNUTSON, and REED of New York.

EXTENSION OF REMARKS

Mr. RANKIN (at the request of Mr. MCCORMACK) was given permission to extend his remarks in the Appendix of the RECORD on the question of rural electrification and include therein a letter from Secretary Wickard.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and include a communication from a constituent to the Secretary of State.

Mr. RABAUT. Mr. Speaker, as the result of a visit to the San Francisco Security Conference as advisers on budgetary problems I ask unanimous consent to place in the Appendix of the RECORD a report submitted by myself and the ranking minority member of the Subcommittee on Appropriations for the Department of State, the Honorable KARL STEFAN, of Nebraska.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. TAYLOR (at the request of Mr. LATHAM) was granted permission to extend his remarks in the RECORD in connection with H. R. 221, introduced by him.

SECOND DEFICIENCY APPROPRIATION BILL

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that general debate on the second deficiency appropriation bill be concluded in 3 hours, 1 hour and 45 minutes to be controlled by the gentleman from New York [Mr. TABER] and 1 hour and 15 minutes by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all those who have spoken on the deficiency appropriation bill may be permitted to extend their own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. Under previous order of the House the gentleman from Wisconsin [Mr. SMITH] is recognized for 10 minutes.

REFERENDUM ON COMPULSORY MILITARY TRAINING, HOUSE JOINT RESOLUTION 220

Mr. SMITH of Wisconsin. Mr. Speaker, the question of peacetime military training is one of the most important issues before the Nation. Hearings have just been completed by a House Committee on this question and a report may soon be expected. Each day my constituents evidence deeper concern over the prospect of forced military training for the youth of our land after winning the greatest military victories in the history of civilization. Our people are confused; they have not been told or fully advised of the need for this legislation or they have been misinformed about it. Much less do they understand the reasons for all the rush as advocated by the War Department. In view of this situation, Mr. Speaker, we should take time to study and debate this matter very thoroughly, not only in the Congress, but throughout the Nation.

I believe, Mr. Speaker, that the people of this country will respond when a showing is made that a real need exists for this program and if it can be clearly demonstrated that our national security is involved. It will be a mistake if the sponsors of this legislation and the high military authorities attempt to force this program on the people before the end of the present war. Already opposition groups have presented a formidable phalanx against the measure and specious arguments and phoney slogans are devised by some groups who have always opposed adequate military preparedness for the United States.

What are the charges for and against this legislation as we see and hear it in the press and on the radio, Mr. Speaker? I shall not take this time to fully present the pros and cons of the argument, except very briefly.

In opposition it is said that compulsory military training would create military castes and destroy our democracy; that it is contrary to the spirit of the Atlantic Charter which promised the world a reduction in armaments, not an increase in them; that Dumbarton Oaks envisages a lasting peace through world collaboration; that compulsory military training makes for world domination by force which militates against a just and lasting peace; that our young boys would suffer by virtue of camp experiences. One group says: "Shall we let Hitler set the fashion? Shall we imitate him by setting up universal conscription?" And so the argument runs against compulsory training.

On the other hand, Mr. Speaker, our military leaders say that military training is a safeguard to the Nation and an agency to insure peace; that when the next war comes it will strike at us swiftly and suddenly and for that reason we must be constantly prepared; that it has many advantages for the young men who are called to serve this 1 year, in that it will teach personal hygiene, public sanitation, neatness and promptness, respect for authority; that it will develop leadership, the ability to give and receive orders, and teach a love of country and a sense of personal obligations to his community and State.

Many more advantages and disadvantages are alleged by the contending groups, Mr. Speaker, and unless the truth is presented to the Nation as to the real need for peacetime conscription by the constituted authorities, there is a danger that the matter will become a political football. Many church groups, civic or-

ganizations, labor unions, and respected individuals have not been sold on the program. They are not satisfied with the perfunctory statement that this program is a necessity involving our national security. Such a statement is not enough. The question is: How does it involve our national security? If there is real danger, where is it located? Let's have the facts; let's be realists for I am satisfied, Mr. Speaker, that unless the true facts are revealed the American people will not approve this legisaltion. We cannot ignore the natural prejudices of our people against a compulsory military training program; it is foreign to our way of life. If the military authorities think they can impose a great standing Army and Navy upon our economy, in the absence of a showing that it is necessary, they are sadly mistaken. Any thinking person knows that commitments have been made for the postwar period. One such commitment is the policing of Europe. So why do not the authorities inform the public? All citizens will approve a reasonable program of military training if they are convinced that our national security is involved and if it is integrated with the education of our young men.

Mr. Speaker, David Lawrence, in a syndicated column a short time ago, pointed out the need for frankness and realism in our approach to this matter of military conscription. He raised a series of important questions; said he:

How big a force will America need to protect her interests in the new world of nationalism and imperialism which has emerged so clearly since the Yalta Conference? How big an army will the United States have to maintain permanently in Europe or near enough to Europe to take care of any military needs over there? What strategic bases overseas, in both the Atlantic and the Pacific will be required so that our huge air power can be employed at a moment's notice if the peace of the world is again disturbed? And how large a ground force of troops will be needed to care for the airplanes in those bases?

These are the vital questions, and it would appear that the War Department has made a mistake in arousing unnecessary antagonisms over universal military training instead of outlining frankly in advance the whole military policy of the United States.

Mr. Speaker, in order that the American people might have an opportunity to thoroughly discuss this entire matter, and with a view to enlightened discussion, on yesterday, I introduced House Joint Resolution 220, providing for a national referendum on peacetime military training, and I ask leave to insert it at this point:

Whereas it is proposed to enact a law forthwith, which would compel all physically qualified young men to submit to 1 year of military training, away from home; and

Whereas millions of citizens at home and in the armed services are deeply and vitally interested and opportunity for expression of opinion should be afforded them on this important issue, and

Whereas the present war will ultimately end in victory for our beloved Nation and the urgent need for the pending legislation has not been clearly stated and expression by the people seems highly desirable: Be it

Resolved, that upon adoption of this resolution the President of the United States shall certify to the governor of each State, for submission to the voters in the next congressional election the following question: "Do you favor the passage of a law by the Congress of the United States to compel 1 year of military training for young men in time of peace? Yes —. No. —."

In conclusion, Mr. Speaker, it strikes me that there is one group of men and women who have some knowledge as to the value of compulsory military training from the standpoint of the individual and of our Nation, and that is the group which today comprises the military forces. A delay of 1 year and a submission of the question to the respective States for an expression can do no harm. In fact it can be highly beneficial to our country. It is likely that those who serve today or a great majority of them may have returned to their homes, within the next 12 months. They can bring to bear the force of their experiences upon this important question based upon knowledge which they have gained as members of our military units. Let this entire matter be considered on a nonpartisan basis. It cannot be partisan for it possibly affects the security of our country.

I would urge upon the House Military Affairs Committee immediate consideration of this resolution so that we can assure our people that in time of war we will not endanger final military victory by becoming embroiled in an issue which could possibly affect the final outcome of the war.

The SPEAKER. Under previous order of the House the gentleman from North Carolina [Mr. ERVIN] is recognized for 30 minutes.

SHALL WE LAY THE HEAVY HAND OF THE FEPC BUREAUCRACY UPON OUR CHURCHES, SCHOOLS, AND FRATERNAL ORDERS, UPON OUR COURTS, LOCAL ELECTIONS AND LOCAL GOVERNMENTS, UPON OUR MERCHANTS AND OUR FARMERS?

Mr. ERVIN. Mr. Speaker, I would like to talk for a few minutes about our churches, schools, fraternal orders, and courts and about local supervision of elections, which are five of the bulwarks of freemen everywhere. Love of these institutions is enshrined in the hearts of Americans, because these institutions are the cornerstones, yes, the very foundations of our democracy.

I wish to talk about these five bulwarks of democracy today, because there is pending in the Congress a certain proposal which would crush the foundation stones of our temple of liberty by laying upon these institutions the heavy hand of Federal bureaucracy.

This proposal is even being advocated by some good people who are misguided by the high-sounding title of this proposal and are unaware of the novel and revolutionary form of government which would be enthroned in America by the enactment of this far-reaching and ill-conceived legislation. I believe I can best present the salient features of this proposal by asking some questions.

How would you like for the Congress to enact a law which would create a huge bureaucracy with power to select certain employees and officials, as follows:

1. All school teachers?
2. Some of the employees of your church?
3. Some of the employees of fraternal orders?
4. All local election officials?
5. The employees of our courts?
6. Employees of farmers?
7. Employees of merchants?
8. Some officers of our Army?
9. Some officers of our Navy?
10. The members of our armed forces?
11. All persons who sell war bonds for the Government?
12. The doctors and nurses in our Army and Navy hospitals?
13. All persons who produce munitions for the war effort?
14. The employees of our veterans' hospitals?
15. All inferior officers of the United States?
16. The President's private secretary?
17. The President's executive assistants?
18. All Government employees at the White House?
19. The clerk and other employees of the Supreme Court of the United States and all other Federal courts?
20. The secretaries and stenographers of your Senators and Congressmen?
21. Certain other employees of the House of Representatives and Senate of the United States including page boys, the postal employees of the post offices of the House and Senate, and the clerks of all committees of the Congress?
22. All employees of the executive departments, establishments, agencies, and corporations of the Federal Government, instead of having those employees selected by the Civil Service Commission?
23. All firemen and policemen of your city?
24. Employees of your State courts?
25. Employees of your State legislature?
26. All State employees in the office and residence of the Governor of your State?
27. All other officials and employees of your State, county, and city who are not elected or appointed pursuant to your State constitution?
28. The deputies of the sheriff of your county?
29. The professors of your State colleges and universities?
30. The employees of every corporation, regardless of the nature or scope of its business?
31. The employees of persons, firms and corporations, engaged in interstate commerce who have more than five employees—the Supreme Court having decided that practically everyone is engaged in interstate commerce?
32. The employees of all schools, colleges and universities which may receive tuition from the Veterans' Administration, for the education of the veterans of this war?
33. How would you like for the Congress to enact a law under which you could be required to employ atheists, communists, or conscientious objectors?
34. How would you like for the Congress to enact a law under which a veteran of this war could be required to give employment to a member of the German-American Bund, to any Italian Fascists, or to some Japanese who participated in the attack on Pearl Harbor?

35. If you should refuse to give employment to an undesirable applicant and if some Washington bureaucrat should decide that you should have employed such undesirable applicant, how would you like to have a Federal law under which that undesirable person could institute a lawsuit against you before that bureaucrat and require you to give him a job and pay him back time?

36. How would you like to be deprived of a jury trial in such cases?

37. How would you like to have a dozen or a hundred or a thousand such cases pending against you at one time?

38. How would you like for that bureacracy to issue all sorts of regulations, applicable to you, to hold your trial anywhere at any time, to copy your records and to act as prosecutor, judge, and jury?

39. How would you like to have the Congress pass a law which would subject you in such cases to punishment for contempt, to a fine of $5,000 or to imprisonment for 1 year?

Mr. Speaker, these are only a few of the questions which could be asked about that novel and revolutionary form of government which has been proposed by some people.

THE PROPOSED BUREAUCRACY IS THE FEPC

I know that many good people will be astounded to learn that all of the powers, suggested by the questions enumerated above, could be exercised over the American people if Congress should enact the pending proposal to create a permanent FEPC, and if all of the measure should be declared to be constitutional.

That is the reason, Mr. Speaker, that I think now is the time to call the attention of the American people to the novel and revolutionary system of government which would be established in the United States if we should establish the proposed permanent FEPC.

It is my purpose, in this brief talk, to assist in making an analysis of the FEPC bill, in order to show, by an objective analysis, that this bill would attack the foundations of liberty and give us a totalitarian government.

FEPC REGULATION OF EMPLOYMENT, WORKING CONDITIONS, PROMOTIONS, AND DISCHARGES

In order that you and all others, who may read what I have to say, may be able to follow my analysis of the FEPC bill, I would like from time to time to quote certain portions of the bill. I would like to insert the entire bill in the RECORD, but it would take too much space to do so.

The title of the bill is high-sounding. The title reads as follows:

To prohibit discrimination in employment because of race, creed, color, national origin, or ancestry.

Hid behind that high-sounding title is the heavy hand of bureaucracy to clutch our churches, schools, fraternal orders, local election machinery, and our courts.

In order that you may understand the vast powers which this bureaucracy would have in regard to the employees referred to in the questions heretofore propounded, I would like to quote a portion of sections 2 (b), 5 (a), and a part of section 7 of the FEPC bill, which reads in part as follows:

SEC. 2 (b) Individuals shall have the right to work without discrimination against them because of their race, creed, color, national origin, or ancestry.

SEC. 5 (a) It shall be an unfair employment practice for the purposes of this act for any employer—

(1) to refuse to hire any individual because of such individual's race, creed, color, national origin, or ancestry.

(2) to discharge any individual from employment because of such individual's race, creed, color, national origin, or ancestry;

(3) to discriminate against any individual in the matter of compensation with respect to, or in other terms or conditions of, employment because of such individual's race, creed, color, national origin, or ancestry; or

(4) to confine or limit recruitment or hiring of individuals for employment to any employment agency, placement service, training school or center, labor union or organization, or any other source that discriminates against individuals because of their race, color, creed, national origin, or ancestry.

SEC. 7 (a) The Commission is empowered, as provided in this section—

(1) to prevent unfair employment practices—

From the foregoing sections of this bill, it clearly appears that this over-all employment agency would not only have authority to help select employees but could also prescribe working conditions, help determine what employees should be discharged, help regulate differences in compensation, help regulate terms of employment, help to decide which employees should be promoted, and help the employer to decide every question which might arise in regard to the employment, retention, promotion, and discharge of the employees.

ANALYSIS OF IMMUNITY CLAUSE OF FEPC

Mr. Speaker, there is a belief, both in the Congress and throughout the country, on the part of some good people, that a permanent FEPC would apply only to industry, but that is a mistaken conception.

For those of you who are interested, I will now analyze the pending FEPC bills and demonstrate that the proposed FEPC bills would create an over-all Government employment agency and would apply to practically everybody and would impose upon the American people all of the procedures and punishments suggested by the questions propounded by me.

While the declared purpose of the bill is to prevent "discrimination in employment by reason of race, creed, color, ancestry or country of origin", such so-called discrimination can be prevented only by authorizing someone to require employers to give employment to applicants who seek and do not obtain employment, and practically every employer in the United States would be subjected to the jurisdiction of this over-all employment agency.

Now, let us see what employers would be regimented under this proposed bill, that is, whose employment practices would be decided by this new bureaucracy.

We can best determine this by reading sections 4, 10, and 7 (a) of the bill itself.

Section 4 of the bill reads as follows:

The right to work and to seek work without discrimination because of race, creed, color, national origin, or ancestry is declared to be an immunity of all citizens of the United States, which shall not be abridged by any State or by an (instrumentality) or (creature) of the United States or of any State.

Section 10 of the bill reads in part as follows:

The Commission shall have authority from time to time to issue such regulations as it deems necessary to carry out the provisions of this act.

Section 7 (a) (3) reads as follows:

The Commission is empowered, as provided in this section—

(3) to prevent unfair employment practices by (agencies) and (instrumentalities) of the United States, and of the Territories and possessions thereof.

By reading these sections of the bill, we see that this bureaucratic agency could prevent discrimination in employment by any "instrumentality," "creature" or "agency" of the Federal Government or by any "instrumentality" or "creature" of any State.

What are the "instrumentalities," "creatures," and "agencies" of the State and Federal Government? I think it would be helpful, at this point, to consult the dictionary.

Webster's New International Dictionary gives the following definitions:

Instrumentality: Quality or state of being instrumental; that which is instrumental; means; medium; agency.

Creature: Anything created; anything not self-existent; a creation.

Agency: Faculty or state of action or of exerting power or action; instrumentality. An establishment for executing business in behalf of others.

What, then, are the "instrumentalities," "creatures," and "agencies" of the Federal Government? They are the people who attend to the business of the Federal Government. The Federal Government is engaged in three kinds of business. The three businesses of the Federal Government are its legislative business, its judicial business, and its executive business, which are conducted by the House of Representatives, the United States Senate, the Supreme Court and inferior courts, the President of the United States, and the various executive departments and independent establishments and agencies of the Government.

Consequently, this over-all employment agency would prevent discrimination in the employment of all employees and inferior officers of the legislative, judicial, and executive branches of our Government, and, necessarily, would have authority to help select all employees and inferior officers of our Government, thereby superseding or overruling the Civil Service Commission in the selection of employees of the executive departments, establishments, and agencies of our Government. Under our law at the present time, the Civil Service Commission cannot give employment to Communists and aliens, but, under the proposed FEPC law, the FEPC would be authorized to give employment to Communists, whose beliefs are a "creed," and to aliens, regardless of their "country of origin."

From sections 4 and 10 of the bill, quoted above, we see that this over-all

Government employment agency could prevent discrimination by any "instrumentality" or "creature" of any State.

What are the "instrumentalities" of a State? What are the "creatures" of a State?

The instrumentalities of a State are those people and agencies which attend to the business of the State, as well as all subdivisions of a State, such as counties, cities, towns, townships, and school districts, school boards, boards of elections, and precinct election officials. The creatures of a State are those things created by or pursuant to State laws and would include not only all subdivisions and agencies of State and local governments but would also include purely local corporations, engaged in purely local business, because corporations are created pursuant to State law.

Therefore, we see that this over-all Government employment agency would help select all employees of the legislative, executive, and judicial branches of your State government, the faculty of your State colleges and universities, all employees of your county and city, including members of the police department and fire department of your city and county, all school teachers, and all election officials, as well as all employees of all purely local corporations.

In this connection, we should remember that many churches and many fraternal orders transact some business through corporations such as church colleges, church publications, church orphanages, and church seminaries and fraternal-order orphanages and publications.

ANALYSIS OF INTERSTATE-COMMERCE CLAUSE OF FEPC BILL

Now, let us see what powers this proposed bureaucracy would have over the employment practices of people engaged in business.

We can determine this by reading section 7 (1) of the bill, which reads as follows:

Sec. 7 (1). The Commission is empowered, as provided in this section—

(1) to prevent unfair employment practices by employers affecting commerce.

From an examination of this section of the bill we see that the FEPC would help select employees for all employers engaged in interstate commerce, or in business affecting interstate commerce, when such employers have as many as six employees. Everybody knows that, if the bill should pass, it would eventually be amended so as to include all persons in interstate commerce, or in business affecting interstate commerce, with as many as two or three employees.

While it is impossible to name all of the persons, in interstate commerce or business affecting interstate commerce, who would be regimented by this proposal, you will readily agree that this over-all employment agency would select employees for farmers, merchants, manufacturers, railroads, trucking companies, newspapers, bankers, and small business generally.

Furthermore, many States, counties, cities, and towns are engaged in interstate commerce or business affecting interstate commerce in the purchase of goods, and in the sale of goods, and the highway departments of all States, counties, cities, and towns are engaged in interstate commerce in the construction and repair of interstate highways.

ANALYSIS OF CONTRACTORS' CLAUSE OF FEPC BILL

Section 7 (a) (2) of the FEPC bill, chich may be called the contractors' clause, read as follows:

SEC. 7 (a) (2). The Commission is empowered, as provided in this section—

(2) To prevent unfair employment practices by employers who are parties to contracts with the United States or any Territory or possession thereof, or with any agency or instrumentality of any of the foregoing, and by employers performing, pursuant to subcontract or otherwise, any work required for the performance of any such contract.

From the language of this section it appears that this over-all employment agency would help select employees for everyone who has a contract with the Federal Government. This would include contractors engaged in construction work and contractors engaged in furnishing materials and supplies to the Federal Government. It would not only include persons who have formal or written contracts with the Federal Government, but it would also include those who enter into contracts which are imposed by statutes. There are many statutory contracts between the Federal Government and the States, counties, cities, and towns.

For instance, when there is any Federal financial aid to any State, county, city, or town, the money thus advanced must be expended by the employees of the State, county, city, and town and such money must be expended under conditions imposed by the statutes which authorize the Federal financial aid. This over-all employment agency would have a right to help select those employees and this would include various agencies of the State, county, city, and town which receive financial aid in the construction of highways, in the promotion of agriculture and forestry, for public health, for vocational education, for unemployment compensation, public welfare, old-age assistance, aid to dependent children, and aid to the blind.

If Congress should enact the Federal-aid-for-schools bill, this over-all employment agency would help select school teachers and other school employees, under the contractors' clause, as well as under the immunity clause, section 4.

FEPC WOULD HAVE DRASTIC PUNITIVE POWERS AND STRANGE PROCEDURES

Now, let us look at some of the portions of the bill which outline the procedures and punitive powers which would be vested in this bureaucratic employment agency.

Some of these punitive powers and procedures are set forth in sections 7 (d), 9 (a), 9 (b), 9 (e), 11 (b) and 13 of the pending bill, said sections reading as follows:

SEC. 7 (d). If upon the record, including all the testimony taken, the Commission shall find that any person named in the complaint has engaged in any such unfair employment practice, the Commission shall state its findings of fact and shall issue and cause to be served on such person an order requiring such person to cease and desist from such unfair employment practice and to take such affirmative action, including reinstatement or hiring of employees with or without back pay, as will effectuate the policies of this act.

SEC. 9 (a). For the purpose of all investigations, proceedings, or hearings which the Commission deems necessary or proper for the exercise of the powers vested in it by this Act, the Commission, or its authorized agents or agencies, shall at all reasonable times have the right to examine or copy any evidence of any person being investigated or proceeded against relating to any such investigation, proceeding, or hearing.

SEC. 9 (d). Such attendance of witnesses and the production of such evidence may be required, from any place in the United States or any Territory or possession thereof, at any designated place of hearing.

SEC. 9 (e). In case of contumacy or refusal to obey a subpena issued to any person under this act, any district court of the United States or the United States courts of any Terriory or possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which the investigation, proceeding, or hearing is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Commission shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission, its member, agent, or agency, there to produce evidence if so ordered, or there to give testimony relating to the investigation, proceeding, or hearing; any failure to obey such order of the court may be punished by it as a contempt thereof.

SEC. 11 (b). Unless the Commission shall otherwise direct, no contract shall be made by the United States, or any Territory or possession thereof, or any agency or instrumentality of any of the foregoing, with any person found pursuant to this act to have engaged in any unfair employment practice, or with any corporation, partnership, association, or other organization, in which such person owns a controlling interest, for a period to be fixed by the Commission, not to exceed 1 year from the date on which such practice was so found to have been engaged in.

SEC. 13. Any person who shall willfully resist, prevent, impede, or interfere with any member of the Commission, or any of its referees, agents, or agencies, in the performance of duties pursuant to this act, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 1 year, or both.

From said sections, we see that this over-all employment agency would have drastic powers. It would follow un-American procedures. It could issue and enforce all sorts of regulations. Any employer charged with discrimination in employment practices would have to face trial before this so-called FEPC. The trial could be held anywhere at any time. This over-all employment agency could copy your records without a court order and without an affidavit of probable cause. It could even seize your records without a court order and without any affidavit of probable cause.

This over-all employment agency would serve as prosecutor, judge and jury. Employers would have no statutory right to cross-examine adverse witnesses. There would be no appeal on questions of fact and an employer who wanted a trial by jury could not get one. This over-all employment agency would

be equipped with the instrumentality of fear. It would have drastic punitive powers.

Your local postmaster and the heads of the executive departments and agencies of the Federal Government would be afraid of losing their jobs, as they could be discharged for violating the rules of this over-all employment agency. States, counties, cities, and towns would be afraid of losing Federal financial aid, as they could be blacklisted and deprived of Federal aid, under section 11 (b) of the bill, quoted above, for violating the rules and regulations of this over-all employment agency.

Under section 11 (b), quoted above, no contract—either for supplies and materials or for Federal financial aid to States, counties, cities, and towns—shall be made by the United States with "any person" found pursuant to this act to have engaged in any unfair employment practice. The word "person" is defined in section 3 of the act to include any organized group of persons. Every State, county, city, or town is necessarily an organized group of persons, and therefore under the very language of the bill itself States, counties, cities and towns which are found guilty by this bureaucracy of unfair employment practices could be deprived of any statutory contract or statutory right to Federal financial aid.

Contractors could be blacklisted and their contracts could be canceled by this over-all employment agency. Farmers, merchants, manufacturers, newspapers, railroads, trucking companies, bankers, and small business genally, and all other persons engaged in interstate commerce or in business affecting interstate commerce, and even the purely local corporation, would be afraid of being required to employ some undesirable person or to reinstate some discharged employee with back pay. They would be afraid of being punished for contempt, for failure to obey certain orders of the FEPC, or of being fined $5,000 or of being imprisoned for 1 year or both, if they should "resist, prevent, impede, or interfere with any member of the Commission or any of its referees, agents, or agencies, in the performance of duties."

VETERANS SHOULD HAVE JOB PREFERENCES

When the Congress enacted the selective-service law, the American people through the Congress, entered into a solemn covenant with all men and women in our military forces that, upon their return, they should be entitled to preferences in retaining their old jobs. All good Americans believe that this solemn covenant should be enforced. By implication, this solemn covenant would be repealed by the enactment of the new law which would create a permanent FEPC and the veterans would have to take their chances with everyone else in obtaining employment.

JOB PREFERENCES FOR SOME UNDESIRABLES

According to Webster's New International Dictionary, the word "creed," which appears throughout the FEPC bill, is defined in part as follows:

Any formula or confession of religious faith; a summary of principles or set of opinions professed or adhered to in science or politics, or the like.

Therefore, the word "creed" includes bad creeds as well as good creeds, and we have seen that it would include political creeds as well as religious creeds.

For instance, if the proposed FEPC legislation should be enacted into law, employers who would be subjected to the act might find that they could be required to employ Communists, aliens who do not expect to seek American citizenship, atheists, conscientious objectors, members of the German-American Bund, any German Nazis or Italian Fascists who might find their way to America, any members of the Japanese military clique, or persons with other objectionable creeds. Now, upon reflection, would you be willing to create an agency which would have the power to require you and your friends to give jobs to people with undesirable creeds, when you might prefer to give such jobs to veterans or to persons with desirable creeds?

Under the law, at the present time, Communists and aliens cannot work for the Federal Government or for any agency or instrumentality of the Federal Government, but under the proposed FEPC law, both Communists and aliens could work for the Federal Government or for any agency or instrumentality of the Federal Government.

WOULD PROMOTE RACKETEERING

The proposed legislation could have a disastrous effect upon any employer who desired to select his own employees. Under the National Labor Relations Act, only one action could be brought against an employer at one time. Under this proposed legislation, an employer could have a dozen or a hundred or a thousand cases pending at one time. He could not only be subjected to a separate lawsuit by each of his employees because of some alleged discriminatory employment practice, but each employee who desired to do so could bring repeated suits against the employer by reason of any alleged failure upon the part of any employer in regard to working conditions, promotions, difference in compensation, difference in terms of employment, dismissal, early dismissal, unwarranted dismissal. Furthermore, an employer could be subjected to a lawsuit before this over-all employment agency by every person who applied for and failed to obtain a job of any sort.

It readily appears, therefore, that any pressure group who decided to put a man out of business could do so by a multiplicity of lawsuits.

RECRIMINATION AND RESISTANCE

It does not take a wise person to see that such legislation would cause a convulsion upon the part of American life generally and would bring about resistance and retaliation and recrimination instead of cooperation and friendship. It would create un-American conditions.

LOGICAL SEQUENCE

In order to enact the proposed legislation, it would be necessary for the Congress to find as a fact that the American people do not have sense enough to attend to their own business. It would also be necessary to deprive the American people of all of their rights and privileges, except the right of fighting our wars and the privilege of paying taxes. If this line of thought should be carried to its logical conclusion, it would simply mean we should also authorize the FEPC to provide escorts for the American people in order that such escorts may tell the American people where to go, what to do when they get there, and where they shall have been when they get back home.

FEPC PERSONNEL

Under the proposed law, all of the employees of the temporary FEPC would become employees of any permanent FEPC. There would naturally arise in your mind a question as to the type of personnel who administer the temporary FEPC.

I believe you would appreciate my advising you that seven of them were born in foreign lands. While we are anxious for these seven people to enjoy all of the privileges of American citizenship, we are not willing for them to deprive other Americans of their rights.

To say the least, I cannot see how the sponsors of the FEPC bill can believe that from these seven people from foreign lands could have enough intimate knowledge of your church, your school, your fraternal order, the local board of elections, or your State and local courts to select their employees.

However, in my judgment, it would be a matter of indifference as to the personnel who might be designated to operate this over-all employment agency. The success or failure of such an agency would not depend upon the personnel who tried to administer it. It would fail in the hearts and minds of the American people.

In view of the fact that there are about 60,000,000 people who belong to the labor force, and in view of the fact that the proposed permanent FEPC would help select such employees and would also help to determine when such employees should be promoted and upgraded, and when they should be retained or discharged, and in view of the fact that the FEPC would help every employer to make every decision in regard to every conceivable phase of employment, it would take an army of bureaucrats to administer the law.

From the foregoing, it clearly appears that the law could not be properly administered by the ablest men and women in our country, nor even by King Solomon, and all of the other wise men of the ages.

CLEAR AWAY UNDERBRUSH

Once upon a time, when a young lawyer was about to commence the practice of law, his father, who was an experienced lawyer, said to the young lawyer: "Son, I wish to give you some advice. In the trial of cases, if the facts are against you, argue the law. If the law is against you, argue the facts. If the law and facts are both against you, muddy the waters."

The waters have been muddied in the consideration of this proposed legislation. There is certain underbrush which should be cleared away in order that the view of the forest may not be obscured by the underbrush.

There are three erroneous impressions which are abroad in the land in regard to this proposed legislation. Some people have been led to believe that the proposed permanent FEPC would be the same as the temporary FEPC. Secondly, the statement has been made that the pending FEPC proposal was endorsed by the Republican National Convention of 1944, and, thirdly, it has been asserted that the Democratic National Platform of 1944 endorsed the proposal to create a permanent FEPC. All three of these impressions are erroneous.

The temporary FEPC, created by Mr. Roosevelt by Executive order, has limited jurisdiction and practically no enforcement powers, while the pending proposal to create a permanent FEPC would give the FEPC jurisdiction to select employees for practically every element of American life and would give the FEPC drastic powers of compulsion and punishment.

The Republican National Convention of 1944 did not endorse the pending FEPC proposal, because the pending bill was not introduced in Congress until January, 1945. The pending proposal is sponsored by the gentlewoman from New Jersey [Mrs. MARY NORTON], who is a Democrat. I do not think that the Republican Party has yet reached the point where it would permit its platform to be written by the gentlewoman from New Jersey [Mrs. NORTON]. If the Republicans endorsed anything in their 1944 convention, they must have endorsed the temporary FEPC which is weak in authority and in power.

The FEPC is not mentioned in the Democratic platform of 1944 and it cannot be said, by any stretch of the imagination, that the Democratic Convention of 1944 endorsed the proposal to create a permanent FEPC.

Now, we have gotten rid of some of the muddy water and underbrush.

WOLF IN SHEEP'S CLOTHING

The FEPC bill is a wolf in sheep's clothing. It was skillfully prepared. It is my information that it was prepared by a man who is now employed by the Department of the Interior. He should be classified as a member of the "brain trust." You will recall that in recent years the Congress has passed a good many acts, prepared by members of the "brain trust," which were administered in ways which were probably never intended. This FEPC bill, if enacted into law, would be administered in ways which would shock those Americans who are not familiar with its far-reaching proposals.

In studying this bill, I think that it is fair to say that it is impossible for a person to understand the FEPC bill by merely reading it. It requires detailed study in order to sound its depths, explore its avenues, and understand the recesses to which it would reach.

The analysis which I am outlining to you now is the result of deep and thorough study of this proposal. In view of that fact, I think it is my duty at this time to give to the Members of the House and, through the CONGRESSIONAL RECORD, to the American people the results of my study.

There are many people who do not understand the FEPC proposal, as it is clothed in disguise under a high-sounding title. The majority of those who believe that they are in favor of this bill are merely deceived by its title.

CONTRARY TO AMERICAN WAY OF LIFE

The FEPC proposal is contrary to the American way of life. It would give us a totalitarian government. There are four well-known places in the world where all of the powers, which would be vested in the FEPC, have been exercised by government bureaucrats within recent years. Those four places are Germany, Italy, Japan, and Russia.

The FEPC proposal is an imposition on the American people. It was prepared to deceive, and it has succeeded in deceiving, many good Americans who favor the American way of life and who detest every form of totalitarian government. The American people always favor the underdog. It is natural with an American to take the side of a small person who is being imposed upon by a large person or of a small boy who is engaged in combat with a large boy. It is natural with Americans to favor small nations and to be sympathetic with minority groups.

As for myself, I have in my veins some of the blood of the Quakers, some of the blood of the Huguenots, and some of the blood of the Pilgrims. With that blood in my veins, I am bound to be sympathetic with minorities who feel that they are underprivileged or imposed upon.

Under the guise of helping minorities, the FEPC bill would create a new America with a totalitarian government.

The FEPC proposal is contrary to the beliefs of George Washington, who fought a war to get rid of government by remote control and who, if here today, would be opposed to government by long-distance telephone.

The FEPC proposal is contrary to the teachings of Thomas Jefferson, who opposed centralized government and who, if he were here today, would be opposed to government by either flying squadrons or static squadrons or bureaucrats.

The FEPC proposal would be contrary to the teachings of Abraham Lincoln, who, if here today, would oppose slavery imposed upon American people by the FEPC.

The FEPC proposal is contrary to the "four freedoms," in that it would subject the American people to fear of the tremendous powers and un-American procedures which would be vested in the FEPC.

The FEPC would be contrary to the spirit, if not the letter, of article I, section 2 of the Constitution of the United States, which expresses our belief that the House of Representatives should choose its own officers; would be contrary to the spirit, if not the letter, of article I, section 3 of the Constitution of the United States, which expresses our belief that the United States Senate should choose its own officers; would be contrary to the spirit, if not the letter, of article I, section 4 of the Constitution of the United States, which expresses our belief that the times, places, and manner of election shall be prescribed in each State by the legislature thereof; would be contrary to the spirit, if not the letter of article II, section 2 of the Constitution of the United States, which expresses our belief that inferior officers of the United States shall be appointed by the President, by the courts of law, or by the heads of departments; would be contrary to the spirit, if not the letter of the ninth amendment to the Constitution of the United States, which expresses our belief that "the enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people"; would be contrary to the spirit, if not the letter of the tenth amendment to the Constitution of the United States which expresses our belief that "the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people"; would be contrary to the spirit, if not the letter of the first amendment to the Constitution of the United States, which expresses our belief in freedom of religion, freedom of the press, and the right of peaceable assembly; would be contrary to the spirit, if not the letter of the second amendment to the Constitution of the United States, which expresses our belief in the right of the people to have a State militia; would be contrary to the spirit, if not the letter of the fourth amendment to the Constitution of the United States, which expresses our belief that people should be secure from unreasonable searches and seizures; would be contrary to the spirit, if not the letter of the fifth amendment to the Constitution of the United States, which expresses our belief that no person should be deprived of property without due process of law; would be contrary to the spirit, if not the letter of the seventh amendment to the Constitution of the United States, which expresses our belief that excessive bail, excessive fines, and cruel and unusual punishments should not be inflicted upon the American people; would be contrary to the spirit, if not the letter of clause 3, of section 8, of article I of the Constitution of the United States, which expresses our belief that Congress should regulate interstate commerce in proper cases, but should not regulate intrastate or purely local business enterprise.

The FEPC proposal would be contrary to the purposes for which we are fighting World War II, in that it would subject the American people to the instrumentality of fear, which our loved ones overseas are fighting to eradicate in foreign lands and would not like to see established in the United States during their absence.

In short, the FEPC proposal is an attack upon our fortress of liberty and upon our citadel of freedom.

YOUR PART AND MINE

If you will give play to your imagination and indulge me for a moment in a flight of fancy, let us imagine that our fundamental rights are preserved and protected in a fortress, or citadel, and that the great leaders of our Nation are in charge of that fortress; that attacks, made secretly, and in disguise, may be expected on that fortress; and that all good Americans must be prepared to defend it. What could you and I, as

average Americans, do to defend that citadel? What would be your part and mine?

The average American, like myself, could only hope to serve as a private in the ranks. Some of us could stand on guard, and some could act as scouts to detect the approach of the enemy, while others could serve as buglers to awaken our garrison to man the battle stations to defend the ramparts of freedom.

Returning now to the realm of reality, and applying those lessons of imagination to the less spectacular field of legislation, I can only say that in my limited field of service, as a new Member of the House, I have given the FEPC proposal the best study of which I am capable. I have found it to be a wolf in sheep's clothing. I see in it the most far-reaching plan of attack yet devised upon the ramparts of our freedom. I see that the attack is to be a secret attack, made while the American people are off guard in the consideration of many important matters. The attack is to be made, and is being made, by people who pretend to be "friends bearing gifts." I see that many good Americans have been deceived, and are now deceived, by these enemies who pretend to be friends. I think I see some danger that our ramparts of freedom may be invaded and our citadel of liberty destroyed unless privates in the ranks, like you and myself, exert our efforts immediately to retard the clutching hand of bureaucracy.

Thus, having studied this FEPC proposal, and believing that I understand the bill's language, which would deprive us of our freedom, I am now doing the best that I can to sound the bugle call to the American people to help defeat this proposal, to beat back the enemy, before we are overwhelmed and deprived of our liberty. However, I will not be content to merely sound the bugle call to help rally our forces to resist this attack.

We must strengthen our fortress, not only to discourage attacks but to make such attacks unnecessary. The ramparts of freedom cannot be safe unless all of the American people have full employment, within the framework of the system of private enterprise and the American way of life.

It is my purpose to discuss this latter question again at a later date. Pending that time, I wish to assure those who respond to my call to repel the attack which is now being made upon the American way of life by the FEPC proposal that I shall gladly join hands with them in strengthening our economic fortress, in order that Americans of all classes, colors, and creeds, both majorities and minorities, especially the underprivileged, may enjoy a more abundant life.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ROBERTSON of Virginia, for 1 day, June 27, on account of official business.

To Mr. SASSCER, for Wednesday, June 27, on account of official business at the United States Naval Academy with Subcommittee of Committee on Naval Affairs.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 463. An act to amend section 927 of the Code of Law of the District of Columbia, relating to insane criminals; and

S. 807. An act to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes.

ADJOURNMENT

Mr. ROONEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 21 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 27, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Wednesday, June 27, 1945, at 10 o'clock a m., in the Committee Room 356, Old House Office Building.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Wednesday, June 27, 1945, at 11 a. m., at which time testimony will be heard on H. R. 1992, H. R. 2851, H. R. 3025, and S. 100.

COMMITTEE ON THE JUDICIARY

There will be a meeting of the Subcommittee No. 4 of the Committee on the Judiciary beginning at 10 a. m. on Wednesday, June 27, 1945, to continue hearings on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POAGE: Committee on Agriculture. H. R. 538. A bill to empower the Secretary of Agriculture to requisition certain material, equipment, and supplies not needed for the prosecution of the war and for the national defense and to use such material, equipment, and supplies in soil and water conservation work and to distribute such material, equipment, and supplies by grant or loan to public bodies, and for other purposes; with amendment (Rept. No. 791). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. H. R. 1765. A bill to provide for the conveyance to the State of Iowa for the agricultural byproducts laboratory on the campus of the Iowa State College of Agriculture and Mechanical Arts; without amendment (Rept. No. 792). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. Senate Joint Resolution 65. Joint resolution to transfer to the Reconstruction Finance Corporation the functions, powers, duties, and records of certain corporations; without amendment (Rept. No. 815). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PITTENGER: Committee on Claims. S. 69. An act for the relief of settlers on the International Strip at Nogales, Ariz.; without amendment (Rept. No. 793). Referred to the Committee of the Whole House.

Mr. STIGLER: Committee on Claims. S. 75. An act for the relief of Thomas C. Locke; without amendment (Rept. No. 794). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. S. 134. An act for the relief of Ida E. Laurie and Zella Rickard; with amendment (Rept. No. 795). Referred to the Committee of the Whole House.

Mr. STIGLER: Committee on Claims. S. 301. An act for the relief of Mr. and Mrs. James E. McGhee; without amendment (Rept. No. 796). Referred to the Committee of the Whole House.

Mr. BYRNES of Wisconsin: Committee on Claims. S. 501. An act for the relief of the Catholic Chancery Office, Inc.; without amendment (Rept. No. 797). Referred to the Committee of the Whole House.

Mr. BYRNES of Wisconsin: Committee on Claims. S. 512. An act for the relief of Mr. and Mrs. Arthur R. Brooks; without amendment (Rept. No. 798). Referred to the Committee of the Whole House.

Mr. HOOK: Committee on Claims. S. 672. An act for the relief of the legal guardian of Clifton R. Weir; without amendment (Rept. No. 799). Referred to the Committee of the Whole House.

Mr. HOOK: Committee on Claims. S. 712. An act for the relief of William B. Scott; without amendment (Rept. No. 800). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on Claims. S. 748. An act for the relief of Nita Rodlun; without amendment (Rept. No. 801). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. S. 784. An act for the relief of Mr. and Mrs. John T. Webb, Sr.; without amendment (Rept. No. 802). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. S. 867. An act for the relief of Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deacesed; without amendment (Rept. No. 803). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. S. 956. An act for the relief of Mr. and Mrs. Stephen E. Sanders; without amendment (Rept. No. 804). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 851. A bill for the relief of Oscar R. Steinert; with amendment (Rept. No. 805). Referred to the Committee of the Whole House.

Mr. MORRISON: Committee on Claims. H. R. 1563. A bill for the relief of Lamar Oxley, a minor; with amendment (Rept. No. 806). Referred to the Committee of the Whole House.

Mr. MORRISON: Committee on Claims. H. R. 1565. A bill for the relief of Inglis Construction Co., a corporation; without amendment (Rept. No. 807). Referred to the Committee of the Whole House.

Mr. MORRISON: Committee on Claims. H. R. 1674. A bill for the relief of Mrs. Ollie Patton; without amendment (Rept. No. 808). Referred to the Committee of the Whole House.

Mr. MORRISON: Committee on Claims. H. R. 1851. A bill for the relief of the widow and three children of Greenfield Payne; with amendment (Rept. No. 809). Referred to the Committee of the Whole House.

Mr. SCRIVNER: Committee on Claims. H. R. 2193. A bill for the relief of G. Hinders; with amendment (Rept. No. 810). Referred to the Committee of the Whole House.

Mr. HOOK: Committee on Claims. H. R. 2317. A bill for the relief of Mrs. Virginia M. Kiser; with amendment (Rept. No. 811). Referred to the Committee of the Whole House.

Mr. HEDRICK: Committee on Claims. H. R 2529. A bill for the relief of Earl J. Shows; without amendment (Rept. No. 812). Referred to the Committee of the Whole House.

Mr. STIGLER: Committee on Claims. H. R. 2545. A bill for the relief of Florida Rhone Burch; without amendment (Rept. No. 813). Referred to the Committee of the Whole House.

Mr. MORRISON: Committee on Claims. H. R. 2866. A bill for the relief of Mrs. Rita Chauvin Green; with amendment (Rept. No. 814). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H. R. 3592. A bill to facilitate the construction of dormitories and other living quarters for married veterans receiving education or training under the Servicemen's Readjustment Act of 1944; to the Committee on Banking and Currency.

By Mr. RIZLEY:

H. R. 3593. A bill relating to the disposition of public lands of the United States situated in the State of Oklahoma between the Cimarron base line and the north boundary of the State of Texas; to the Committee on the Public Lands.

Mr. ROGERS of Florida:

H. R. 3594. A bill relating to emergency hospitalization of veterans; to the Committee on World War Veterans' Legislation.

By Mr. ENGLE of California:

H. R. 3595. A bill to authorize mining, milling, or smelting loans, and for other purposes; to the Committee on Banking and Currency.

By Mr. WELCH:

H. R. 3596. A bill to amend the Canal Zone Code; to the Committee on the Merchant Marine and Fisheries.

By Mr. WINSTEAD:

H. R. 3597. A bill to make the point system in effect with respect to discharge or release from the Army applicable to the release of conscientious objectors from the work to which they have been assigned; to the Committee on Military Affairs.

By Mr. HARLESS of Arizona:

H. R. 3598. A bill authorizing annual payments to States, Territories, and insular governments, for the benefit of their local political subdivisions, based on the fair value of the national-forest lands situated therein, and for other purposes; to the Committee on the Public Lands.

By Mr. BEALL:

H. J. Res. 222. Joint resolution to amend Public Law No. 371, Seventy-eighth Congress; to the Committee on the District of Columbia.

By Mr. BLOOM:

H. J. Res. 223. Joint resolution to enable the United States to participate in the work of the Intergovernmental Committee on Refugees, and to pay its share of the expenses of the Committee; to the Committee on Foreign Affairs.

By Mr. VINSON:

H. Res. 304. Resolution authorizing additional clerical assistance and readjustment of salaries in the office of the Sergeant at Arms; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States and the Surgeons General of the United States Army and Navy to consider the advisability of, and the special advantages to be derived from, establishing one or more military hospitals in mineral spring areas of California, and urging that affirmative action be taken in regard thereto; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Alabama, rescinding their adoption of House Joint Resolution 66, petitioning the Congress of the United States to call a convention for the purpose of proposing an amendment to the Constitution of the United States which would place limitations on taxes which Congress may levy on incomes and on taxes, duties and levies which Congress may levy on transfers of property in contemplation of, at, or after death or by way of gift, except in time of war; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. ALLEN of Louisiana introduced a bill (H. R. 3599) for the relief of Ama L. Normand, which was referred to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1005. By Mr. COCHRAN: Petition of Bert Sullivan and 297 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1006. Also, petition of G. W. Cook and 320 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1007. By Mr. GOODWIN: Petition of the General Court of Massachusetts to Congress to investigate the activities of the Federal Social Security Board with particular reference to the merit-system requirements; to the Special Committee to Investigate Executive Agencies.

1008. By the SPEAKER: Petition of various citizens of the parish of Caddo, State of Louisiana, petitioning consideration of their resolution with reference to their endorsement of House bill 2082; to the Committee on the Judiciary.

1009. Also, petition of the crew of the steamship *Art Young*, Liberty ship, petitioning consideration of their resolution with reference to their endorsement of House bill 2346; to the Committee on the Merchant Marine and Fisheries.

1010. Also, petition of Stanley March and various citizens of Illinois, petitioning consideration of their resolution with reference to the extension of the Price Control Act; to the Committee on Banking and Currency.

1011. Also, petition of the York Baptist Association at Albion, Nebr., petitioning consideration of their resolution with reference to postponing action on compulsory training of youth for military service until after the end of World War II; to the Committee on Military Affairs.

SENATE

WEDNESDAY, JUNE 27, 1945

(Legislative day of Monday, June 25, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Father of all, Thou hast not forsaken us, though we pass through the fires of suffering and dwell in the valley of sorrow. As Thou hast strengthened our arm to strike with righteous force those who plot war to achieve their evil purposes, so now, we pray Thee, steel the will of united peoples to seek peace and to renounce all aggression by the sword. To all nations whose faces now turn toward a new world linked in fellowship, grant faith which removes mountains, hope which rises above frustration, patience which will bear the strain of waiting, good will which cannot be discouraged, and forgiveness for those who repent, as we ourselves ask to be forgiven. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, June 26, 1945, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the joint resolution (H. J. Res. 184) to continue temporary increases in postal rates on first-class matter, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON of North Carolina, Mr. COOPER, Mr. DINGELL, Mr. KNUTSON, and Mr. REED of New York were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes, in which it requested the concurrence of the Senate.

THE SAN FRANCISCO CHARTER—SUGGESTED DEPARTMENT OF PEACE

Mr. WILEY. Mr. President, with some of the other members of the Foreign Relations Committee of the Senate, I was privileged this morning to greet Secretary of State Stettinius, the Senator from Michigan [Mr. VANDENBERG], and the Senator from Texas [Mr. CONNALLY] on their return to Washington. There was a goodly crowd present and a band. As these gentlemen came off the plane we were glad to note they were not worn out. They looked refreshed; they looked like men who had come from a far country but who had done a good job, and therefore felt refreshed. I think that is a

natural law of living—that one who does good naturally feels good.

Mr. President, on July 7, 1943, I spoke on the floor of the Senate in relation to a Department of Peace. I stated at that time that I craved for my Government the distinction of being the first Government on earth to establish a Secretary of Peace.

The establishment of such a secretariat would be heralded throughout the world, as was Woodrow Wilson's idea for a League of Nations. His great idea brought hope, but we know that the hope died, and the Second World War ensued.

The reason I speak particularly today about this thought is that last evening I happened to note that in the Washington Star, David Lawrence, that great thinker and American philosopher, made this statement:

Yes; President Truman will sign the United Nations Charter—

And, parenthetically, of course, we know that it was signed yesterday in Frisco by the members who were there representing the nations of the earth—

the Senate will in due time ratify it—and then—

David Lawrence asks this question—

and then what? Will the nations of the earth settle down to wait for a dispute to arise before bringing the machinery of the new league into action? Is that the way to prevent war—

He asks—

to let disputes develop over the years and see positions and prejudices harden, and then, when passions are high, try to find a way to cool them down?

Mr. President, it was with that thought in mind that I suggested on July 7, 1943, the creation of a Secretary of Peace, and in this very column, under a subhead reading "Senator WILEY's Idea," David Lawrence says:

Senator WILEY, of Wisconin, Republican, had a good idea about this and made a speech about it in the Senate a year ago. He suggested that a Department of Peace be established, to concentrate and specialize on the maintenance of peace. Nothing came of it because at the time America was engrossed in war. Now the United Nations has set up an organization and the time has come for America to take the lead in establishing a special department of government to carry on the all-important work of our participation in such a league.

Mr. President, I ask unanimous consent that the entire article by David Lawrence be printed in the RECORD at this place.

There being no objection, the article was ordered to be printed in the RECORD as follows:

DEPARTMENT OF PEACE DECLARED UNITED STATES NEED—WRITER WOULD FORM COMMISSION HEADED BY STETTINIUS AND BYRNES

(By David Lawrence)

Yes; President Truman will sign the United Nations Charter, the Senate will ratify in due time—and then what? Will the nations of the world settle down to wait for a dispute to arise before bringing the machinery of the new league into action? Is that the way to prevent war—to let disputes develop over the years and see positions and prejudices harden, and then, when passions are high, try to find a way to cool them down?

Billions are spent for war and war preparations, but virtually nothing is spent to prevent war except when a crisis arises. Thus the State Department is in charge of our relations with foreign governments and has a multitude of business chores to do for American business and the individual with interests abroad, but there is no department of the Government which gives its undivided attention to the subject of peace.

SENATOR WILEY'S IDEA

Senator WILEY, of Wisconsin, Republican, had a good idea about this and made a speech about it in the Senate a year ago. He suggested that a Department of Peace be established, to concentrate and specialize on the maintenance of peace. Nothing came of it because at the time America was engrossed in war. Now the United Nations has set up an organization and the time has come for America to take the lead in establishing a special department of government to carry on the all-important work of our participation in such a league.

The American Commission to Preserve Peace might well be its name. It should consist not merely of representatives of the State Department, but also of the Treasury and Commerce Departments, as well as of both Houses of Congress. Such an over-all commission should have a special staff in the interest of efficiency, and to avoid any wires being crossed all communications should clear through the State Department. There is not the slightest reason why any duplication should occur between the State Department and the new commission. They can and should work together.

A man of Cabinet level should head up the American Commission to Preserve Peace and become thereby the head of the American delegation to the United Nations Conference. The first man to be given the post should be Edward R. Stettinius, who not only has served for nearly 2 years in the State Department and knows the background of that organization, but who has headed up the American commission at San Francisco. He now has made the acquaintance of diplomats throughout the world and knows the technique of conference and the meaning of the provisions of the new league's charter.

MORE THAN DOCUMENTS

With James F. Byrnes as Secretary of State and Mr. Stettinius as executive head of the American Commission to Preserve Peace, President Truman would be carrying into instant effect the desire of the American people to do more than just sign documents in order to prevent a third world war.

The chairmen of the Senate Foreign Relations Committee and the House Foreign Affairs Committee should be automatically members of the new commission which, of course, ought to have statutory sanction and be given a sizable appropriation by Congress. Such a department or commission with an adequate staff should constantly study and survey conditions, economic as well as political, throughout all countries in order to make reports to the American people of situations which, if aggravated, could become threats to the peace of the world.

Since moral force—and that means full publicity and a free press—is to be the chief instrument of prevention, inasmuch as major nations will not consent to be coerced by physical force or threats of such force, there is no reason why the American commission should not begin at once to exert such moral force.

Mr. WILEY. Mr. President, yesterday on the floor of the Senate I stated, in substance, that thinking people all over the world were very much heartened because they felt that now America was in the international picture to stay. That provided a source of great hope and faith to the peoples of the earth, and they felt that, perhaps, under our leadership—and pray God we are adequate to that leadership—an international mechanism—not simply a gesture, not merely a piece of human machinery inadequate because of the lack of vision—will become vitalized and do away with the scourge of war.

So I say great hope is brought to the peoples of earth, but, as David Lawrence suggests, if we have a Secretary of Peace, if it is his job—and he suggests in his articles that Mr. Stettinius be the first Secretary of Peace—if it is his job to do that which is necessary to attain peace, instead of spending his time in terms of what armaments are necessary, and if he keeps his eyes focused on the problems of earth and is adequate to seeing to it that conciliation and cooperation remain in the picture, then great and lasting good will result.

Mr. President, I repeat what I said a few moments ago when I referred to what I said back in July 7, 1943: "I crave for my Government the distinction of being the first government on earth to establish a Secretary of Peace."

When the last World War was over our purpose was as noble then as it is now; Wilson was recognized as the apostle of freedom; hope was triumphant, as it is now; the idea that the world could federate for security and peace was lodged deeply in the hearts and souls of men. It is now. The real question is whether or not there is the vital spirit in the hearts and minds and souls of the peoples of earth so that when they return home and begin thinking about commerce and rebuilding shattered lives they will not forget the antidotes to the causes of war. That, Mr. President, is why the Secretary of Peace was mentioned in this article by David Lawrence, who was kind enough in the United States News of July 16 to allow me two pages to discuss this important idea.

I only wish that some good Democrat would take hold of it and present a resolution. Perhaps it would then lodge in fertile ground where it might grow.

Mr. HATCH. Mr. President, I should like to thank the Senator from Wisconsin for intimating that there might be a "good" Democrat.

Mr. WILEY. I would not hesitate to use that adjective "good." I know only good Democrats. I associate with none others. [Laughter.]

Mr. President, I ask unanimous consent that there be printed following my remarks an article entitled "Wanted: A Department of Peace," written by me, and published in the United States News for July 16, 1943.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WANTED: A DEPARTMENT OF PEACE

(By ALEXANDER WILEY, United States Senator from Wisconsin)

There are two powerful forces in the history of mankind—the force of military might and moral force.

We are doing our utmost to apply physical force to the enemy.

But are we doing our utmost to apply moral force to achieve the beneficent ends we seek—namely, peace?

In the midst of war, human nature remains basic. Psychological influences are present in time of war as in time of peace. We admit this when we speak constantly of our own morale or of the morale of the enemy people.

Many persons believe that the only way to win a war is to apply the utmost of physical energy and to hate the enemy. Many persons think that peace of an enduring nature can be achieved by continuing to hate and by continuing to hold in subjugation a conquered people for all time.

What is little realized is that peoples who are proud and virile, peoples who are conscious of an injustice done them, will remain sullen and unconquerable. Their minds and energies will be fixed on the best way to achieve revenge. This does not permit reconciliation or rebuilding. It interferes with the resumption of normal trade and keeps alive the fires of war. It means that armaments must be constantly kept on a large scale. It means tremendous burdens of taxation.

We maintain always two departments of national defense—War and Navy. We should maintain a Department of Peace.

The chief responsibility of the War and Navy Departments is to maintain at all times the best instruments of war.

The chief responsibility of a Department of Peace would be to maintain at all times the best instruments of peace.

Many observers will say that a Department of State has this duty now, but the Department of State has many duties, including that of determining under the President the policy of the Government in relation to international problems. This Department conducts negotiations pertaining to the protection of American rights and interests and the promotion of beneficial intercourse between the United States and other countries. It must concern itself with many complicated legal questions in parts of the world whose problems do not relate to the preservation of peace. It also performs certain domestic duties.

If a separate department given over entirely to the work of maintaining peace between all nations were established, it might, of course, find itself at variance with other departments of our Government, and this would be a healthy thing because the interest of maintaining peace might conceivably supersede some national or selfish interest of a commercial nature.

We must begin to think in terms of international brotherhood rather than national selfishness. We must begin to examine the roots of discord and learn something about the seeds of international conflict and disunity, and how to antidote the causes—how to pull up the tares of war and plant the wheat of peace.

We must not wait till hostilities are over to start on this vital task. We must begin now because while we are united in the common cause of war, we see more clearly than we shall see in the future the need of common action and common purpose at all times.

We must begin to exert our moral force even now because it is now that we must recognize that a Third World War can be built on the foundations of hate and discord sown in World War II. We must begin now to prevent that Third World War. We must not assume that a simple set of treaty provisions will keep the peace.

Many people think we would have had a better era after the last World War if our forces had marched into Berlin. We have heard that comment often. Yet we forget that Germany was completely disarmed last time. And there were treaty provisions which required that she be kept disarmed. For more than 10 years after the last World War, Germany was in a state of virtual military impotence. It was not until 1933 under Hitler that she really began to rearm.

We had treaties which provided that Germany should not rearm. But the Allied Nations were too indifferent to these symptoms of war. They were preoccupied with themselves. As for us, we assumed that Britain and France were closer to Germany than we were. We took it for granted they would be alert to their own defense. But evidently everybody's business was nobody's business and today we have become involved in another World War.

Can we afford to let matters drift again? Should we not have a Department of Peace which shall fearlessly expose by means of the power of publicity and public opinion the trends toward war? Should we not have permanent, active, alert machinery of mediation and conciliation? Shouldn't we make it our business to take an interest in any dispute anywhere which might lead to bloodshed? And would the cost of a Department of Peace per year be as much as one-tenth of the cost of a single battleship? We can certainly set up a Department of Peace just as logically as we set up a system of insurance for our lives or our property.

We should organize a Department of Peace now not only to set in motion a mechanism for dealing with the problems at the peace table but to show the whole world that we mean to be energetic about peace even after the peace treaties are signed, and we should begin now to educate our people as to the basic reasons why friction between nations occurs.

A very important function of a Department of Peace would be to prevent the maintenance of any censorship of the press in times of peace. It is because peoples are misled by their own misrulers and forbidden to learn the truth about their neighbors across international boundaries that the seeds of war-hate are sown. An internationally free press is a prerequisite of peace. And since we are committed to the "four freedoms," we can start now through a Department of Peace to urge upon every nation that there be no censorship in times of peace.

We must go further even during this war. We must begin an examination nf the basic reasons why Hitler and Mussolini were able to achieve a dictatorship. We must examine the economic causes of dictatorship and determine to what extent the acts of other nations bring on economic depression in the countries that have accepted dictatorship as a desperate last resort.

We must today begin to reach the hearts of enemy peoples. We must persuade them of the futility of clinging to their dictators. But what do we hold out for them? Imprisonment? Enslavement? Will not proud men fight to the bitter end rather than surrender or overthrow their rulers if by giving up they become subjugated for life? Must we not really emancipate them from their own dictators and prove to them that we mean to deal fairly, equitably, and in a civilized manner with them when they overthrow their leaders? We must make it clear that we intend to put on trial and to execute the criminal leaders responsible for the outrages against mankind, even if the number runs into hundreds. We must ferret out the instigators of these crimes against humanity. But as for the millions of men, women, and children, whose patriotism was whipped up to untold heights, by untruth and misrepresentation—have we only bitterness and permanent hate to offer them? The world cannot be free of war so long as we institutionalize hate and discord. We must instead institutionalize peace and unity. We can do this by the power of example, by the moral force of human beings everywhere who can offer a hand of friendship to conquered peoples and ask them to build with us a new world.

Many tens of thousands of lives—our soldiers and sailors and marines, too—will be saved if this war is shortened. It can be shortened not by relaxing our physical force one moment, but by intensifying at the same time our moral force. We must reach the hearts of the German and Italian peoples. We must find in the residue of Christians in Germany and Italy—and there are many of them—the nucleus for reaching the others. We must speak to them constantly over the air, through the press, and above all, through the pronouncements of our statesmen. We must give an outline of the peace that is to come. Shall it be an outline that has in it no provision for the conquered and a division of material things only for the conquerors?

We cannot built a world of peace on the foundations of selfishness and hate. We can build a new world only on the foundations of unselfishness and friendship.

The moral force of this Nation which is at heart an unselfish Nation has not as effectively mobilized in this war as in the last war. We are behind in our program of peace. We have expressed in general terms our war aims, but we have not made definite our approach to enemy peoples. And it is to win them over—it was done before and it can be done again—that we must direct our major efforts today.

Moral force to be effective must be honest. It must not make pledges that are specious on their face. It must bring forth sincerity and genuine faith to make valid our words and our plans. We can shorten the war if we begin now to exert our moral force. And we can prevent World War III if we begin now to build the true foundations of international friendship. It is so large a responsibility that it needs the time and energy of an entire department of the Government. Let us establish a Department of Peace as a manifestation of our highest purpose for this year and all years.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, a report stating all of the facts and pertinent provisions of law in the cases of 77 individuals whose deportation has been suspended for more than 6 months under the authority vested in him together with a statement of the reason for such suspension (with accompanying papers); to the Committee on Immigration.

ADDITION OF PUBLIC DOMAIN LAND TO SUMMIT LAKE INDIAN RESERVATION

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to reserve certain land on the public domain in Nevada for addition to the Summit Lake Indian Reservation (with an accompanying paper); to the Committee on Indian Affairs.

PERSONNEL REQUIREMENTS

A letter from the Administrator of the Office of Price Administration, transmitting, pursuant to law, an estimate of personnel requirements for that Office, for the quarter ending June 30, 1945 (with accompanying papers); to the Committee on Civil Service.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate petitions and memorials, which were referred as indicated:

By the PRESIDENT pro tempore:

Resolutions of the General Court of Massachusetts; to the Committee on Finance:

"Resolution memorializing Congress to investigate the activities of the Federal Social Security Board with particular reference to the merit system requirements

"Resolved, That the General Court of Massachusetts hereby memorializes the Congress of the United States to proceed as promptly as may be may be in an investigation of the

activities of the Federal Social Security Board with particular reference to the merit system requirements; and be it further

"Resolved, That the joint standing committee on civil service of the general court, or such members thereof as said committee may designate, together with the director of civil service and the attorney general, or an assistant attorney general designated by him, be authorized to travel to the city of Washington, at an expense not to exceed $1,500, for the purpose of there presenting to the select committee of the House of Representatives of the Congress to investigate acts of Executive agencies which exceed their authority, the grievances of the Commonwealth in the premises; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the State secretary to the presiding officer of each branch of Congress and to the Members thereof from this Commonwealth."

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"Senate Joint Resolution 20

"Joint resolution relative to endorsing and urging the passage of H. R. 2081, to permit the use of live decoys in the taking of ducks

"Whereas wild ducks are doing damage to agriculture in California, such damage to rice, lettuce, and other farm crops amounting to more than $1,000,000 per year; and

"Whereas if duck hunters were allowed to use live or other decoys from blinds, the chance of obtaining a few birds would be made at least possible; and

"Whereas there is now pending before Congress H. R. 2081, to permit the use of six live decoys to each blind in the taking of ducks: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That we hereby endorse and urge the passage of H. R. 2081 of the Seventy-ninth Congress, first session, and respectfully request the Senators and Representatives from California in the Congress of the United States to give their support to this bill; and be it further

"Resolved, That copies of this resolution be forwarded by the secretary of the senate to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives of the United States, the United States Fish and Wildlife Service of the Department of the Interior, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Finance:

"Senate Joint Resolution 22

"Joint resolution relative to amendment of the Federal Social Security Act in respect to old-age assistance

"Whereas the present provisions of the Federal Social Security Act governing grants to States for old-age assistance are in need of reconsideration and liberalization, particularly that provision which requires the State agency, in determining need, to take into consideration any other income and resources of an individual claiming such assistance, including his earnings, and which is interpreted and applied to require the deduction of earnings of the recipient from the grant of assistance which he would otherwise be eligible to receive; and

"Whereas it is the consensus of the people and the Legislature of the State of California that recipients of old-age assistance ought to be permitted to supplement that assistance by their labor to a reasonable extent without deduction of their earnings, to the amount of $20 per month, from the aid or assistance provided to them; that such permission would not only improve the economic condition of the recipients, but afford them a share of the happiness and enhanced self-respect which results from participation in honest and needed work; and that it would make available, at this time when manpower is so sorely needed, an additional substantial working force; and

"Whereas we are informed that the Committee on Ways and Means of the House of Representatives in the Congress of the United States is presently engaged in an extensive social security study, and that numerous bills have been introduced in Congress directed to the liberalization of the Social Security Act in this and other desirable respects, including H. R. 65 by Mr. LANE, H. R. 637 by Mr. WICKERSHAM, H. R. 2582 by Mr. BUNKER, and H. R. 2964 by Mr. ANDERSON: Now, therefore, be it

"Resolved, by the Senate and the Assembly of the State of California (jointly), That the Legislature of the State of California hereby urges and memorializes Congress to continue the study of needed amendments to the Social Security Act, and to enact such amendments to that act as may be necessary to permit recipients of old-age assistance to earn up to $20 monthly without deduction of such earnings from the amount of assistance to which they would otherwise be entitled; and be it further

"Resolved, That the Legislature of the State of California does hereby endorse those proposals now before Congress looking to the liberalization of the Social Security Act, and urges their favorable consideration; and be it further

"Resolved, That the secretary of the senate is hereby directed to send copies of this resolution to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California; to the Committee on Foreign Relations:

"Senate Joint Resolution 27

"Joint resolution relative to current movements for a lenient peace with Japan, and memorializing the President and Congress to insist upon complete and unconditional surrender.

"Whereas rumors are now prevalent that preliminary peace overtures by Japan are in progress by way of sounding out neutral governments and, in one reported instance, by approaching an American diplomat in a neutral capital for the purpose of discussing peace possibilities; and

"Whereas there are further indications that Japan, in its efforts to obtain a more lenient peace, is attempting to sow seeds of disunity and suspicion between the United States and Great Britain on the one hand, and our great ally, Russia, on the other, by intimations that Great Britain and the United States will need a buffer against Communist Russia, and that Russia will require a like buffer against the capitalistic nations, which role Japan would be willing to assume in the so-called interests of world peace; and

"Whereas observers have detected an undertone of Japanese propaganda surrounding the United Nations Conference on International Organization, manifesting itself in the nationalistic movements and economic hopes of Asiatic contingents who are reluctant to merge with western civilization and still harbor resentment at old wrongs from Caucasion overlords; and

"Whereas these contingents, desiring freedom both from Japanese militarism and from prewar Caucasian influence, have expressed hopes of a Japan which is subdued militarily but left with industrial strength to serve as a guide for their own economic progress and as a chief source of trade; and

"Whereas if compromise terms of conditional surrender are acceded to and Japan is enabled to maintain the remnants of her economic and political strength, she will be in a position to recover quickly from the ravages of war she has instituted; and

"Whereas unless Japan is utterly crushed and broken in this war and her power to make war forever destroyed, the Japanese people will regard defeat as a temporary set-back and, in accordance with their fanatical faith that they are destined by their gods to conquer the world, will begin once again to build for another ruthless attempt at world conquest; and

"Whereas heretofore the United States Government has been adamant in its demand for a decisive and conclusive victory upon terms of unconditional surrender, so essential to the future well-being of the world: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to reject any compromise peace proposals which may be offered by or in behalf of Japan, and to insist upon complete and unconditional surrender; and be it further

"Resolved, That the secretary or the senate is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 45

"Joint resolution relative to memorializing the President, the Secretary of State, and the Congress to retain full control over Japanese owned or mandated islands in the Pacific which heretofore have been, or hereafter may be, captured by the United States in the course of the war

"Whereas numerous Japanese owned or mandated islands in the Pacific have been or hereafter will be captured by the United States in the course of the war; and

"Whereas efforts are being made by influences detrimental to the best interests of our country to transfer said islands, taken by us from the Japanese at bloody cost, to a so-called trusteeship dominated by foreign powers, thus depriving the United States of exclusive control of said islands; and

"Whereas it would be detrimental to the interests of the United States to allow the Pacific islands to be under the control of any foreign group; and

"Whereas the American people are demanding that these islands be retained as our outer line of defense and strongly resent any proposal to place these islands under foreign control: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of California hereby respectfully urges the representatives of the United States to stand firm for American rights so that no foreign power or group of powers may intervene in the management or control of said Japanese-owned or mandated islands and that the United States retain full control thereof for the protection of our country against the aggression of any foreign power or group of powers in the future; and be it further

"Resolved, That the secretary of the senate is directed to transmit copies of this resolution to the President of the United States, the Secretary of State, the President

pro tempore of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Interstate Commerce:

"Senate Joint Resolution 28

"Joint resolution relative to memorializing Congress to enact H. R. 2536, Seventy-ninth Congress, first session, relating to the regulation of transportation companies

"Whereas the National Congress in the Transportation Act of 1940 specifically declared a national transportation policy to provide for fair and impartial regulation of rail, water, and highway carriers and declared that the Interstate Commerce Commission should recognize and preserve the inherent advantages of each method of transportation and should promote safe, adequate, economical, and efficient common carrier services, foster sound, economic conditions in transportation, and maintain reasonable rates without unjust discrimination, undue preferences or, unfair, competitive practices; and

"Whereas the welfare of the State of California in a large measure depends upon the several modes of transportation thus regulated to transport from this State to eastern markets the products of its fields, fisheries, mines, and factories, and this State is therefore vitally interested in the effective administration by the Interstate Commerce Commission of the national transportation policy of Congress; and

"Whereas the specialized nature of California's productive capacities, both industrial and agricultural, can only find outlet in markets beyond the boundaries of this State; and

"Whereas some confusion and uncertainty exists as to how and by whom Federal regulations of rates and services of common carriers should be administered and whether or not common carriers and shippers, both producers and consumers may consult and confer with regard to coordinated and efficient through transportation rates and practices; and

"Whereas there has been introduced in the Congress of the United States, H. R. 2536, which will unequivocally confer upon the Interstate Commerce Commission complete jurisdiction to supervise, approve, reject, and otherwise control all joint and cooperative arrangements and agreements between common carriers and between common carriers and shippers, and between joint agencies and associations of common carriers respecting the rates and services of all such common carriers; and

"Whereas the enactment of said H. R. 2536 will remove and set at rest the confusion and uncertainty presently existing with regard to the powers of the Interstate Commerce Commission under said national transportation policy: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California hereby memorializes the Congress of the United States of America to enact H. R. 2536 in order that the powers and authority of the Interstate Commerce Commission may be clarified and confirmed without further unnecessary delay or confusion; and be it further

"*Resolved*, That the secretary of the senate is hereby directed to send copies of this resolution to the office of the President of the United States, and to each Member of the Senate and House of Representatives in the Congress of the United States from California."

Two joint resolutions of the Legislature of the State of California; to the Committee on Military Affairs:

"Senate Joint Resolution 23

"Joint resolution relative to memorializing the President and Congress of the United States and the Surgeons General of the United States Army and Navy to consider the advisability of, and the special advantages to be derived from establishing one or more military hospitals in mineral spring areas of California, and urging that affirmative action be taken in regard thereto

"Whereas as World War II continues, it becomes increasingly evident that American casualties to soldiers and sailors will be in excess of one million; and

"Whereas soldiers and sailors who have received wounds or have been otherwise physically or mentally disabled are being returned in increasing numbers to the United States for convalescent and rehabilitation treatment, to make possible their return to the armed forces or to civilian life; and

"Whereas medical experience, during many years, has demonstrated the great value of mineral spring or properly conducted spa treatment for patients suffering from nervous and other physical and mental disorders; and

"Whereas California possesses many areas easy of access, with climatic and environmental conditions of highest order, in which treatment procedures such as those carried on in Saratoga Springs in New York and in Hot Springs National Park in Arkansas could be easily established; and

"Whereas additional governmental hospitals are still being authorized and erected by the military authorities: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly) at this fifty-seventh regular session of the legislature*, That the President and Congress of the United States and the Surgeons General of the United States Army and United States Navy are hereby respectfully memorialized to consider the advisability of, and the special advantages to be derived from, establishing one or more military hospitals in mineral spring areas in the State of California, where in healthful surroundings and with appropriate spa structures and equipment, the convalescence, health, and rehabilitation of large numbers of invalided soldiers and sailors could be more effectively promoted and their return to useful military or civilian life be more definitely assured; and be it further

"*Resolved*, That as a result of such considerations, affirmative action be taken to accomplish the foregoing purposes; and be it further

"*Resolved*, That the attention of the President and Congress of the United States and of the Surgeons General of the Army and Navy is hereby called and redirected to Senate Joint Resolution No. 12, unanimously adopted by the Fifty-fifth California Legislature (Cal. Stats. 1943, Res. Ch. 52), on this same subject, copies of which resolution were transmitted to them upon its adoption; and be it further

"*Resolved*, That the chief clerk of the assembly is directed to transmit copies of this resolution, and of the senate joint resolution of the fifty-fifth legislature hereunto annexed, to the President of the United States, the Surgeons General of the United States Army and the United States Navy, to the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each Senator and Representative from California in the Congress of the United States; and that the Senators and Representatives from California be respectfully requested to urge such action."

"Senate Joint Resolution 32

"Joint resolution relative to memorializing the Congress of the United States to investigate through its appropriate committee the proposed construction by the War Department of an ammunition-loading facility in the county of Marin and to demand of the War Department that activities in connection with the said proposal be discontinued pending such investigation

"Whereas the War Department of the United States is contemplating the construction of major ammunition storage and loading depots in the central San Francisco Bay area; and

"Whereas it is planned specifically that an ammunition-loading depot with facilities for loading of four large ammunition ships at one time, will be located at California Point in the county of Marin, and that a magazine storage area will be located on 101 Highway opposite Hamilton Field Army Air Base in the said county, requiring the condemnation of 3,603 acres of the finest residential sites and 2,299 acres of the most desirable dairying lands in the State; and

"Whereas explosions such as occurred at Port Chicago, Halifax, and Calcutta, have demonstrated that such operations should be located as far as possible from major centers of population and industry; and

"Whereas the proposed location would be within 2 miles of San Quentin State Prison, within 3½ miles of major gasoline-loading docks at Point Richmond, within 4 miles of the Navy's gasoline and oil-storage depot at Point Molate, within 6 miles of major shipyards and oil refineries in Richmond, within 9 miles of Treasure Island where are stationed over 70,000 Navy personnel, within 9 miles of the San Francisco-Oakland Bay Bridge, within 5 miles of the Golden Gate Bridge, and within less than 2 miles of the Marinship plant constructing Navy tankers at Sausalito, and would adjoin two important Navy installations at California City;

"Whereas over 100,000 people reside within a radius of 6 miles of the proposed ammunition-loading side, and over 500,000 within 12 miles of the site, in addition to the war plant, transportation, and armed forces facilities mentioned above; and

"Whereas claims were paid for damage resulting from the Port Chicago disaster involving the explosion of but one ship, as far as 24 miles away, and it is plain that a major explosion at the loading sites contemplated would paralyze the central bay area with tremendous property damage and possibly great loss of life; and

"Whereas the Marin Municipal Water District, the public agency supplying the only available water for domestic use of the 78,000 population of Marin County, has by official action after thorough study notified the Army that the water necessary for the personnel and other use of such bases cannot be furnished; and

"Whereas the appropriation of approximately 10 square miles of residential and potential residential areas in this suburban district would, without considering the hazard involved, constitute a blight upon this area; and

"Whereas it has been demonstrated that other more appropriate, more convenient, and more practical sites in less hazardous locations are available, and whereas the present facilities at Benicia are accessible to three transcontinental railroads and to deep-water channels while the proposal contemplated would involve the transportation of munitions directly past the Benicia facilities and over an additional 50 miles of single-track railway on which are located two tunnels and which involve various lateral railway connections; and

"Whereas it is apparent that the construction contemplated cannot be completed in less than 1 year's time and therefore is not essential to the immediate demands of the war in the Pacific and seems to bear closer relationship to the permanent intentions of the War Department upon this subject: Now, therefore, be it

"Resolved by the Senate and Assembly of California (jointly), That the Congress of the United States is hereby memorialized to cause through its House Committee on Military Affairs, or any other appropriate committee, the immediate investigation of the proposed facilities and the reasons and need therefor and the comparative availability of other sites for the purposes contemplated, whether they be for the immediate prosecution of the war in the Pacific or for a long-term program of Army preparedness; and be it further

"Resolved, That the Congress, or the California Representatives therein, or the appropriate committee which may undertake such investigation, be and it is hereby requested to make demand upon the Secretary of War that further activity in the matter of the afore-mentioned ammunition storage and loading facilities be discontinued pending such investigation; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit copies of this resolution to the Speaker of the House of Representatives; the President pro tempore of the Senate; to the Honorable CLARENCE F. LEA, Representative from the First California District; and to every Senator and Representative from California in the Congress of the United States; and to the Honorable ANDREW J. MAY, chairman of the said House Committee on Military Affairs."

A joint resolution of the Legislature of the State of California; to the Committee on Public Lands and Surveys:

"Senate Joint Resolution 21

"Joint resolution relative to memorializing Congress to support H. R. 2867 and S. 868, authorizing annual payments to States, for the benefit of their local political subdivisions, based on the fair value of the national-forest lands situated therein

"Whereas stable income is essential to the efficient conduct of local functions of government; and

"Whereas the contributions to costs of local governments by national forest lands as presently authorized by section 500 of title 16 of the United States Code are fluctuating by reason of the basis upon which such contributions are calculated and determined; and

"Whereas, inadequacies in such contributions exist where national forest lands yield little or no current revenues pending their restoration to economic productivity or because deferment of utilization of their natural resources is necessitated by sound principles of resource management and economy; and

"Whereas, to promote stability of local income and to avert such fluctuations and inadequacies there are now pending before Congress H. R. 2867, by Representative COLMER, of Mississippi, and a companion bill, S. 868, by Senator CORDON, of Oregon, authorizing annual payments to States, for the benefit of their local political subdivisions, based on the fair value of the national forest lands situated therein; and

"Whereas under such proposal the annual payments by the United States to the States, for distribution to counties, by reason of the existence therein of areas of national forest land, would be at the rate of 2 percent of the fair value of the national forest lands as determined and certified by the Secretary of Agriculture in the manner therein provided, such fair value as initially determined to be subject to annual adjustments, with a redetermination of fair value to be made by him at 10-year intervals; and

"Whereas it is desirable that such proposal should include authorization for similar payments based on the fair market value of national parks and other lands owned by the Federal Government and so situated; and

"Whereas, such proposal, if amended to authorize similar payments on national parks and other lands owned by the Federal Government, would embody an equitable, stable and practicable basis of contribution and would avert substantially fluctuations and inadequacies in contributions as presently determined and authorized; Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That Congress is hereby respectfully memorialized to support H. R. 2867 and S. 868 of the Seventy-ninth Congress, first session, with suitable amendments to authorize similar payments on national parks and other lands owned by the Federal Government, to the end that the purposes therein sought to be accomplished may be enacted into law; and be it further

"Resolved, That the secretary of the senate is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives of the United States, to each Senator and Congressman from California in the Congress of the United States, and to the Honorable Claude R. Wickard, Secretary of Agriculture of the United States."

A resolution adopted by the national executive committee of the Twenty-ninth Division Association, Baltimore, Md., favoring retention of Gen. George C. Marshall as Chief of Staff of the United States Army at least until the termination of the war against Japan; to the Committee on Military Affairs.

BRETTON WOODS AGREEMENT—PETITIONS FROM ILLINOIS

Mr. LUCAS. Mr. President, this morning I was presented with three volumes of petitions signed by thousands of citizens of Chicago, Ill., praying for the enactment of Senate bill 540, to provide for the participation of the United States in the International Bank for Reconstruction and Development, which is now pending before the Committee on Banking and Currency. The petitions were presented to me by Mrs. EMILY TAFT DOUGLAS, Representative at Large from Illinois, and the signatures have been obtained by the Illinois Bretton Woods Committee, which is a group of independent citizens of my State who are intensely interested in this monetary movement. I ask unanimous consent to present these three volumes of petitions and that they be referred to the Committee on Banking and Currency.

There being no objection, the petitions presented by Mr. LUCAS were received and referred to the Committee on Banking and Currency.

RESOLUTIONS BY NEBRASKA STOCK GROWERS ASSOCIATION

Mr. BUTLER. Mr. President, on June 14, 15, and 16 the Nebraska Stock Growers Association held their fifty-sixth annual business meeting at O'Neill, Nebr. This is one of the most important and active cattle producers' associations in the United States. Their membership comes mainly from the famous Sand Hills section of Nebraska, where are located some of the largest cattle ranches of America. In addition to maintaining a very active association, they publish monthly one of the leading trade journals of the industry. I ask unanimous consent to present the resolutions adopted at the O'Neill meeting and that they be published in the body of the RECORD and properly referred, as they express the opinion of the leaders in the cattle industry, on such important current subjects as subsidies, ceiling and floor prices, Federal controls, and a number of other items of interest to Members of Congress.

The PRESIDENT pro tempore. Without objection, the resolutions presented by the Senator from Nebraska will be received and appropriately referred.

To the Committee on Agriculture and Forestry:

RESOLUTIONS ADOPTED AT THE FIFTY-SIXTH ANNUAL BUSINESS MEETING OF THE NEBRASKA STOCK GROWERS ASSOCIATION, HELD AT O'NEILL, NEBR., JUNE 14, 15, 16, 1945

MEAT BOARD

We endorse the work of the National Livestock and Meat Board. They have rendered a valuable service to our armed forces in teaching our Army and Navy personnel to cook, prepare, and handle meat, and have it kept in its proper place in the American diet by demonstrating its nutritional value.

We also extend our thanks to the various agencies on the central markets who have collected fees for the National Livestock and Meat Board.

To the Committee on Banking and Currency:

SUBSIDIES

Subsidies, as used in our present food-price control, are inflationary and dangerous. The United States Treasury has already paid more than three-fourths of a billion dollars, only to leave money in the hands of people to encourage black-market operations.

We urge Congress to provide a plan that will withdraw these payments in a gradual and orderly manner and at a time when there is consumer purchasing power that will keep consumption at a high point and at prices that will maintain the stability of the cattle industry.

INCREASED CEILINGS

Recent changes in the beef program have been of little benefit to the feeder as the greater portion of the payments go to the processors. We, therefore, urge a fair increase in the retail price of A and double A beef, so that feed-lot operators will be encouraged in the production of finished beef.

FEDERAL CONTROLS

Government control of meat and meat prices is now confused and impossible of understanding due to duplicating and overlapping agencies. The duplication and lack of this control authority is responsible for a complete lack of public confidence, for black-market operations, and for the shortage of meat.

We commend President Truman for his wisdom in selecting Hon. CLINTON P. ANDERSON as Secretary of Agriculture, and we urge Congress to make Secretary ANDERSON the over-all authority in matters of food distribution, processing, ceilings, prices, etc.

SUPPORT PRICES

Suggestions have been made that a support-price program would provide a means of cushioning the inevitable postwar adjustment in cattle prices. Price support and production control, of necessity, must go hand in hand. We, therefore, oppose any price-support program as further regimen-

tation of our industry which we believe to be undesirable and impractical, and we urge our members to adhere to sound business practices and forego the lure of a price-support program.

To the Committee on Finance:

TARIFF

We believe that the postwar world will look to the United States for international economic leadership. As our own economy must be preserved, we urge Nebraska's delegation in Congress to exert every effort toward the maintenance of adequate tariff protection.

NATIONAL LIVESTOCK TAX COMMITTEE

We urge the continuation and support of the National Live Stock Tax Committee in their efforts in clarifying the regulations of the Internal Revenue office applying to fixed inventory methods in connection with sales of breeding herds, and to other tax matters.

We wish to extend our appreciation to those who have given their time and served on this committee.

To the Committee on Foreign Relations:

SANITARY EMBARGO

Economic conditions in the postwar period may be conducive to renewed attempts to modify our country's sanitary embargo against the importation of meat and meat products from countries where foot and mouth disease is known to exist. The embargo does not discriminate against any country, but operates only to protect American livestock and the American public from the ruinous effects of foot and mouth disease. Our own experience and the very recent experience of England in importing meat from infected countries prove the necessity of continued vigilance and we urge Congress and all responsible Federal officials to maintain the sanitary embargo in its present form.

To the Committee on Irrigation and Reclamation:

The Nebraska Stock Growers Association is opposed to the creation of a Missouri Valley Authority, as proposed in the Murray and Gillette bills and as recommended by the President.

The sound and orderly development of the river and its tributaries can be achieved by other and less drastic steps. The Pick and Sloan plans now pending in Congress, can be reconciled to form the framework for river development through existing agencies, which we approve.

To the Committee on Interstate Commerce:

WESTERN MEAT RATE CASE

The favorable decision in the Western Meat Rate case accomplishes one of the goals of our association. We express our most sincere appreciation to Mr. Harry B. Coffee, president of the Union Stock Yards Co., and his staff for their effective and intelligent support given us during the progress of these hearings. We also express our thanks to the members of Nebraska State Railway Commission for their statesmanlike efforts on behalf of all Nebraska's people.

FREIGHT RATE CONTROL PASSED

It is extremely important to the livestock industry of this country that the railroads enjoy postwar stability and that under regulations of the Interstate Commerce Commission they shall continue to provide the Nation with efficient transportation service. The carrier-shipper method of considering rates through railroad traffic associations has been in active operation for more than 40 years, and the very essence of their operation is in giving publicity to changes in rates, charges, and practices, no matter by whom proposed, and offering opportunity for free and open discussion The arrangements thus set up for consideration of changes in rates, charges, and practices have proven satisfactory to the livestock shippers who pay the bills and have proven satisfactory to the public body to which Congress has entrusted the day-by-day exercise of its power to regulate transportation.

There is pending in Congress H. R. 2536, introduced by Representative A. L. BULWINKLE, of North Carolina. The purpose of this bill is to clarify questions raised as to how and by whom Federal regulation of rates and services of common carriers shall be administered, whether by an experienced agency of Congress, the Interstate Commerce Commission, which has a consistent and continuing policy, or the confusing and conflicting determinations of various courts under the antitrust laws: Therefore be it

Resolved by the Nebraska Stock Growers Association at their annual meeting at O'Neill, Nebr., June 14–16, 1945, That the Bulwinkle bill be enacted to further clarify the intent of Congress that regulation of carriers under the Interstate Commerce Act is the duty of the Interstate Commerce Commission and the several State regulatory commissions, to the end that the national transportation policy as set forth in the Transportation Act of 1940 shall be upheld.

Ordered to lie on the table:

WAR EFFORT

Thousands of our sons and daughters are in uniform fighting that American freedom may live on, and we again pledge our loyalty and devotion to every war effort of our Government.

EXECUTIVE COUNCIL

Be it resolved, That all the acts and proceedings of the executive council of the Nebraska Stock Growers Asscciation since the last annual meeting, held June 10, 1944, as set forth in the respective minutes of the meetings of the Nebraska Stock Growers Association, and the acts of the officers in the furtherance thereof, be and the same hereby are fully ratified, approved, and confirmed.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

H. R. 1309. A bill to provide reimbursement for personal property lost, damaged, or destroyed as the result of an explosion at the naval air station, Norfolk, Va., on September 17, 1943; with amendments (Rept. No. 419); and

H. R. 3269. A bill further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; without amendment (Rept. No. 420).

By Mr. FULBRIGHT, from the Committee on Education and Labor:

S. 714. A bill to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended; with amendments (Rept. No. 421).

By Mr. FERGUSON, from the Committee on the Judiciary:

S. 937. A bill to amend the act suspending until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws so as to continue such suspension until June 30, 1946; without amendment (Rept. No. 422).

By Mr. THOMAS of Oklahoma, from the Committee on Appropriations:

H. R. 3550. A bill making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes; with amendments (Rept. No. 423).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on June 26, 1945, he presented to the President of the United States the following enrolled bills:

S. 463. An act to amend section 927 of the Code of Law of the District of Columbia, relating to insane criminals; and

S. 807. An act to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CHAVEZ:

S. 1197. A bill to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain so-called Sebastian Martin grant lands, in the State of New Mexico; to the Committee on Public Lands and Surveys.

By Mr. FERGUSON:

S. 1198. A bill to authorize the Secretary of Commerce to sell certain property in the State of Michigan now occupied by the Weather Bureau and to acquire land in the State of Michigan for the erection of a Weather Bureau station; to the Committee on Agriculture and Forestry.

By Mr. BAILEY:

S. 1199. A bill conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon any claim arising out of the death of L. W. Freeman; to the Committee on Claims.

By Mr. MURRAY (for himself, Mr. HAYDEN, and Mr. MCFARLAND):

S. 1200. A bill to authorize mining, milling, or smelting loans, and for other purposes; to the Committee on Banking and Currency.

By Mr. TOBEY:

S. 1201. A bill for the relief of Arthur F. Downs; to the Committee on Claims.

HOUSE BILL REFERRED

The bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

INCREASES IN POSTAL RATES ON FIRST-CLASS MATTER

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the joint resolution (H. J. Res. 184) to continue temporary increases in postal rates on first-class matter, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. GEORGE. Mr. President, I move that the Senate insist upon its amendments, agree to the request of the House

for a conference, and that the Chair appoint the conferees on the part of the Senate.

Mr. WHITE. Will the Senator indicate what this legislation is?

Mr. GEORGE. This is the joint resolution extending first-class postal rates. The Senate made two amendments, which the House disagreed to, and requested a conference with the Senate on the disagreeing votes of the two Houses thereon.

The PRESIDING OFFICER. Without objection, the motion of the Sentor from Georgia is agreed to; and the Chair appoints the Senator from Georgia [Mr. GEORGE], the Senator from Massachusetts [Mr. WALSH], the Senator from Kentucky [Mr. BARKLEY], the Senator from Ohio [Mr. TAFT], and the Senator from Nebraska [Mr. BUTLER] conferees on the part of the Senate.

LEAVE OF ABSENCE

Mr. REED. Mr. President, the Seventy-seventh Congress by resolution created a Special Committee to Investigate Production, Transportation, and Use of Fuels in areas west of the Mississippi River. The committee was extended through the Seventy-eighth Congress, and was extended up to June 30 of this year by the Seventy-ninth Congress.

It is necessary for the committee to hold one further meeting so as to conclude its work, as I hope. It has held numerous meetings, of which record has been made, and has submitted an interim report. A meeting of the committee has been arranged to be held in Kansas City on June 29 to consider matters relating to Missouri and Kansas, and I ask unanimous consent of the Senate to be absent for the purpose of attending that meeting, and for a few days after the meeting in order to give attention to matters which are crowding for my personal attention. I have not been home since the last election.

The PRESIDING OFFICER. Without objection, leave is granted the Senator from Kansas.

TRIBUTE TO HON. CLINTON P. ANDERSON FROM THE SCOTTSBLUFF (NEBR.) DAILY STAR-HERALD

Mr. BUTLER. Mr. President there appeared in a recent issue of the Scottsbluff, Nebr., Daily Star-Herald, an editorial that was very commendatory of President Truman in his selection of the Honorable CLINTON P. ANDERSON to become Secretary of Agriculture. The editorial also speaks most highly of Mr. ANDERSON, and I request that the editorial, which is short, be printed in the body of the RECORD immediately following my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. ANDERSON'S OPPORTUNITY

The Truman administration has made friends for itself with a frank admission that the food situation is not good, and that most of the current evils, if not all, are attributable to bungling by Government agencies. Unfortunately, too many of those who did the bungling are still in position of power, and are working at cross-purposes with the administration's effort to untangle the snarls.

Bungling has been painfully evident in bringing on the sugar crisis with which the Nation is faced. There was bungling in forcing a decline in domestic production. There was bungling in permitting Cuban interests to reduce production in a price-juggling manipulation.

Representative ANDERSON, a westerner who will become Secretary of Agriculture July 1, as well as over-all director of food production and distribution, is asking now that the sugar-beet acreage be increased. Unfortunately, the hour is no late that few areas can do anything about it in 1945. The best thing he can do is to clean out, and quickly all of the enemies of the domestic beet-sugar industry who flourished and rose to power in the Ickes and Wallace camps of the Government. If he will do that, and keep on encouraging production of more sugar, Mr. ANDERSON will make some rapid strides in overcoming the critical situation now existing, and will also do much toward building up the prosperity of our West.

QUESTIONS ABOUT GOVERNMENTAL ACTIVITIES BY E. A. DETRICK

Mr. CAPPER. Mr. President, I received a protest today from E. A. Detrick, of Caldwell, Kans., asking me some questions that I am unable to answer. Other Senators might be interested in some of the stories which are going around the country. Probably most are rumors; some of them rumors based on facts, some on fancy. I ask unanimous consent to have the letter printed at this point in the RECORD as a part of my remarks, and I should be glad to have the answers from those agencies of the Government which know the answers.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CALDWELL, KANS., *June 23, 1945.*

Senator ARTHUR CAPPER,
Washington.

DEAR SENATOR: In going about my town of Caldwell, I hear stories related by bankers, mechanics, preachers, officials, agents, laborers, farmers, truck drivers, and others. Many may be stretched, untrue, and, again, perhaps there is a lot of foundation for many.

From reliable sources I have heard recently—

Several carloads of horse manure were shipped from Maryland to Enid, at $400 per car freight, Government expense, to fertilize ground in the air base. We are told there is lack of transportation facilities.

A Kansas port of entry is maintained here on Highway 81. A truck of frozen meat was checked through, going to a prisoner-of-war camp at Alva. They had difficulty in unloading at the camp, the reason being that their lockers were already loaded.

A truck driver going to this same camp, stopped in our store to buy a package of cigarettes. We had none. His remarks: "Beats hell; and I'm hauling a large quantity of cigarettes to the prisoner-of-war camp at Alva."

Three carloads of gasoline were shipped to a base in Nebraska; their tanks were full and the gas was forwarded to another base; they, too, could not unload it for the same reason; again it was forwarded to the third base, where it was accepted, and the freight agent, in collecting the built-up freight charges, noticed that on account of poor pipe connections in the unloading much of the gas was wasting. And though notified, the connection was not corrected.

A farmer told me, "My boy is in Germany and wrote me saying, 'Dad, you are just plain nuts; I have just finished washing my shirt in a 5-gallon can of gasoline, then dumped the gasoline out.'"

A mechanic told me, "My son is in India, military service, and wrote me that the United States was paying the English $15,000 a month rent for the first floor of a tea wareroom."

A truck driver said, "I haul gasoline to an air base in southeast Kansas, and when I cannot unload my full load, I must dump the balance."

We are told by commentators and newspapers, "Don't travel"; which goes in one ear and out the other, when we hear the famous dog story.

I heartily approve Fulton Lewis, Jr., making the exposé on certain contracts, and if the two parties representing the Government on one side and the contractors on the other do not get up and shout, then I will consider the Lewis information correct, and wonder why sweat to buy extra war bonds, when the money is poured down a rat hole.

I visit Wichita occasionally, and it's staggering to see the large number of buildings and parts of buildings the United States Government is occupying. And I firmly believe we don't need so much regulation. And I wonder why Congress, with its many capable men, puts up with tomfoolery. And then I think maybe Congress doesn't know it, or, if it does, maybe they are regulated, too, by the numerous alphabetical agencies created at the other end of the street, and are fenced in.

Certainly we must win the war. I have two grandsons now in and two more will reach 18 this summer and will go in. That's my all. If they are privileged to come back, I want them to be proud of these United States.

Sincerely,

E. A. DETRICK.

TRIBUTE TO THE LATE REAR ADM. FORREST B. ROYAL

Mr. HAWKES. Mr. President, we devoted last Monday to memorial services for Members of this body who have died while on duty in the Senate in the service of their country.

Today I rise to pay my respects and tribute to a great man in the armed forces of the United States, Rear Adm. Forrest B. Royal, who died on his flagship while on duty off Borneo in Brunei Bay.

As commander of the forces that spearheaded the recent operation against Brunei Bay, Borneo, he had just completed a most successful landing of the forces necessary to carry on against the Japs in that territory.

In the mad rush of today's world we are apt to forget what men have done and are doing, because they are out of sight, and we only hear of their exploits and accomplishments.

Admiral Forrest B. Royal was one of the finest characters I have ever known. He was a great American, with unusual talent and ability, and demonstrated a devotion to this country which could not be surpassed by anyone.

Admiral Royal, who was a native of New York, graduated from the United States Naval Academy, at Annapolis, in 1915. He served on the battleship *Wyoming* until April 1917, when he was made assistant communications officer of the battleship *Pennsylvania*, which was the flagship of the fleet during World War I.

He later served as aide and flag lieutenant to Rear Adm. Philip Andrews,

and was named gunnery officer on the staff of Vice Adm. William H. Standley at the end of World War I.

He subsequently became aide to Admiral Standley, and accompanied him to Washington in 1933, when Admiral Standley became Chief of Naval Operations.

From 1936 to 1938 he was in command of the U. S. S. *Porter*, which was a destroyer leader.

Not being satisfied with what he was learning in the regular routine of Navy service, he attended the Naval War College, senior course, in May 1939, and then served as a member of the naval mission to Brazil before the outbreak of World War II.

At the outbreak of World War II he he commanded the cruiser U. S. S. *Milwaukee*, which plied the South Atlantic, keeping shipping lanes cleared of submarines from August 1941 to December 1942.

Later, in his capacity as United States Secretary to the Combined Chiefs of Staff, he accompanied President Roosevelt to the conferences at Quebec, Cairo, and Tehran.

As commander of Group Six Amphibious Forces in the Pacific Ocean, he successfully completed five important landings, at Leyte, Lingayen, Mindanao, Tarakan, and Brunei Bay, Borneo.

For the outstanding success in the landing of amphibious task groups operating against Leyte and Luzon in the Philippines he was awarded the distinguished service medal. This medal was recently awarded by the President of the United States, and it is not known whether the Admiral received the medal and the citation before he was called into the great beyond.

Admiral Royal was born in February 1893, so that he was a very young man to occupy the important post he held in the Navy.

It is seldom that a man has the opportunity, as I had, to watch a young man develop the character and ability and accumulate the experience which are necessary to perform in the interest of our country as Admiral Royal did, and then have the great privilege that came to me to vote in the Senate for his confirmation as an admiral.

I recall a conversation I had with Admiral Royal when he was a young man in his late twenties. I was much impressed by his poise, his sound judgment, and the knowledge he had accumulated regarding the human family. He was one of the young men whom I wished to bring into my business, and I talked with him a number of times, finally making him an offer of compensation that was many times what he was receiving from the Navy and several times what he would receive if he reached the top of the Navy. I remember his well-considered answer, when he said, "I appreciate the compliment you have paid me, but, after all, I have decided to give my life to the Navy and to my country and I do not believe I would ever be happy in any other service." He further said: "After all, the making of money is a minor matter as compared with doing what one believes to be his duty and through doing that finding happiness and satisfaction."

I recall this conversation as vividly as if it had been yesterday, and I wish every American boy could understand the full importance of what it meant to him to make that choice under the circumstances because, after all, neither he nor his wife nor his family had any great amount of worldly goods.

I am going to take a moment of the Senate's time to read the citation given to Rear Adm. Forrest P Royal by the President of the United States for his services at Leyte and Luzon:

For exceptionally meritorious service to the Government of the United States in a duty of great responsibility while serving as commander of an amphibious task group during the preparation for and throughout our assault operation against the enemy Japanese-held islands of Leyte and Luzon in the Philippines from July 1944, to January 1945. A resourceful tactician and brilliant leader, Rear Admiral Royal displayed exceptional ability in organizing and training the forces under his command into a smoothly functioning unit and in formulating plans for the invasions, working tirelessly and with meticulous attention to the most minute details incident to our landing operations. A master of amphibious warfare deeply imbued with the spirit of combat, he maintained his force at the peak of battle efficiency, contributing immeasurably to the successful accomplishment of the missions assigned to his command, with minimum loss in personnel and material. His outstanding professional skill, daring aggressiveness and valiant devotion to duty throughout were essential factors in the success of our sustained drive toward a fanatic, determined enemy in the Pacific theater of war and reflect the highest credit upon Rear Admiral Royal, his gallant command and the United States naval service.

When Admiral Royal left for the Pacific he came to see me, and I told him I hoped he would be back soon. He replied, "I will be back when my duty is performed and I hope the task may be finished soon." Duty was always uppermost in his mind, just as it was uppermost in the mind of Robert E. Lee and other great men who have served their country.

Admiral Royal, as a young man, showed his excellent judgment in choosing and winning as his life partner Katherine Knight, the daughter of the famous Admiral Austin K. Knight, who had full command of the Pacific Fleet in the last war, but who passed on to his reward many years ago.

It is said a man's success in life is often measured by the kind of a wife and family he has. Admiral Royal and his wife have two daughters who are as fine young women as are to be found in this country, and those three women have taken this great sorrow just as a soldier's family should take it—with their chins up and a determination to carry on in their duty as a tribute to their husband and father.

In paying my respects and tribute, and expressing my affection for this fine soldier, who has been called into the Great Beyond at the early age of 52, I wish to express my high regard and deepest respect for all of the great men in our fighting forces who have made the supreme sacrifice in defense of their country and the justice which it seeks for all the people of the world.

I have had an opportunity recently to survey many of the men who have been doing a job on the firing line, and I can assure the Senate that every American would be proud of them if he could see what they are doing and the conditions under which they have done it.

In closing this tribute to my beloved friend, Forrest Royal, I wish to use one verse from Douglas Malloch's poem, A Comrade Rides Ahead:

Not weaker now our chain, but stronger;
In all our loss and all our ill
We now shall look a little longer
At ev'ry star above the hill
And think of him, and have him still.

James Whitcomb Riley expressed my views on death when he said:

I cannot say, and I will not say
That he is dead,
He is just away!
With a cheery smile, and a wave of the hand,
He has wandered into an unknown land,
And left us dreaming how very fair
It needs must be, since he lingers there.
And you—oh you, who the wildest yearns
For the old-time step and the glad return,
Think of him faring on, as dear
In the love of There as the love of Here;
Think of him still as the same I say:
He is not dead—he is just away!

THE FUNDAMENTAL CONFLICT—ADDRESS BY SENATOR ROBERTSON

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD a radio address entitled "The Fundamental Conflict," delivered by him at Washington, D. C., on June 26, 1945, which appears in the Appendix.]

RECLASSIFICATION OF POSTAL EMPLOYEES—EXPLANATION OF H. R. 3035

[Mr. MEAD asked and obtained leave to have printed in the RECORD a section-by-section explanation of House bill 3035 providing for the reclassification of postal employees, which appears in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT—EDITORIAL COMMENT

[Mr. HATCH asked and obtained leave to have printed in the RECORD an article by Frank R. Kent, from the Washington Star of June 25, 1945, and three editorials; one entitled "Labor's Blind Spot" from the Washington Sunday Star of June 24, 1945, one entitled "Bid for Industrial Peace" from the Washington Star of June 21, 1945, and one entitled "Faith in Union Contracts" from the Washington Daily News of June 25, 1945, all relating to the proposed Federal Labor Relations Act, which appear in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT—EDITORIAL COMMENT

[Mr. BALL asked and obtained leave to have printed in the RECORD an article entitled "Labor's Long Pants" by Thomas L. Stokes, from the Washington Daily News of June 26, 1945, and an editorial entitled "Labor Legislation" from the Washington Post of June 24, 1945, both relating to the proposed Federal Labor Relations Act, which appear in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT—EDITORIAL COMMENT

[Mr. BURTON asked and obtained leave to have printed in the RECORD an editorial entitled "Revising the Labor Laws," from the New York Times of June 23, 1945, and an editorial entitled "For Industrial Peace,"

from the Cleveland Plain Dealer of June 21, 1945, which appear in the Appendix.]

ACTIVITIES OF THE OPA—LETTER FROM JOHN W. ANDERSON

[Mr. WILLIS (for himself and Mr. CAPEHART) asked and obtained leave to have printed in the RECORD a letter, dated June 16, 1945, from John W. Anderson, president of the Anderson Co., of Gary, Ind., with regard to the activities of the OPA, which appears in the Appendix.]

QUALIFICATIONS OF MR. JUSTICE DOUGLAS FOR SECRETARY OF STATE—EDITORIAL FROM THE OREGONIAN

[Mr. CORDON asked and obtained leave to have printed in the RECORD an editorial entitled "This Is That Time," proposing the appointment of Justice W. O. Douglas, of the United States Supreme Court, to be Secretary of State, published in the Oregonian of May 29, 1945, which appears in the Appendix.]

EFFECT ON AGRICULTURE OF OPA ADMINISTRATION—LETTER FROM OMAR C. SPENCER

[Mr. CORDON asked and obtained leave to have printed in the RECORD a letter from Omar C. Spencer to the Portland Oregonian with regard to conditions in agriculture resulting from OPA administration, which appears in the Appendix.]

THE SHORTAGE OF TEACHERS—ARTICLE BY MALVINA LINDSAY

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an article by Malvina Lindsay entitled "Who Will Teach?" published in the Washington Post of June 27, 1945, which appears in the Appendix.]

POSTWAR ECONOMIC PROBLEMS—LECTURE BY THE AUXILIARY BISHOP OF CHICAGO

Mr. LUCAS. Mr. President, in recent months, the religious leaders of our Nation have been giving increased attention to our postwar economic problems. In many areas of the country they are taking a position of leadership in pointing out the need for sufficient opportunities for useful and remunerative employment for all Americans who are willing and able to work.

A few days ago my attention was called to an address by the Most Reverend Bernard J. Sheil, senior auxiliary bishop of Chicago, who is my personal friend. The address was delivered before the Social Science Forum, Siena College, Loudonville, N. Y. In view of the great significance of Bishop Sheil's address, I ask unanimous consent that it be printed in the RECORD at this point, in connection with my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A WORLD A MAN CAN LIVE IN

The war in Europe is at an end. The tribulation and the passion of Europe are over. There is gratitude; there is joy. There is only a nameless sorrow for those whose loved ones paid the supreme price for our victorious liberty.

But the war is not yet finished. In the vast reaches of the Pacific, the gods of war still rage in undiminished fury. We cannot rest, we shall not rest, until the last vestige of resistance is extinguished. We cannot rest, we shall not rest, until this hideous thing, totalitarianism, and the evil men who spawned it are forever banished from the civilized world.

Yes, the war in Europe has ended victoriously. And we are certain that, in God's good time, the war in the Pacific will be crowned with triumph. But victory shall not mark the end of the struggle. For, beneath the clash of arms, beneath the din of battle, there lies a much greater struggle: a struggle of the people of the world. It is a social revolution; this is the accepted premise for any discussion about the future. The social revolution is a very present reality. It is here, whether we like it or not. We must come to grips with it and work with it. We cannot escape it. And the central question of the revolution is whether the reconstruction of the world is to be achieved really with the people, for the people, by the people.

No one has more beautifully expressed this than Piux XII in his Christmas message of last year: "Moreover—and this is perhaps the most important point—beneath the sinister lightning of the war that encompasses them; in the blazing heat of the furnace that imprisons them, the peoples have, as it were, awakened from a long torpor. They have assumed, in relation to the state and those who govern, a new attitude—one that questions, criticizes, distrusts."

In other words, there is a yeasting among the people, a ferment in the world. The Pope notes an abhorrence of all that is past and a feverish desire for reform. He sees over the world a desperate craving for liberty and an unquenched thirst for self-determination. The awakening of the peoples is a revolt on the part of the common people against the concentration of dictatorial power that cannot be censured or touched. Restless and impatient, the people are becoming more conscious of the social order in which they live. They are criticizing all social organizations and institutions because they realize that these organizations and institutions, which they support, have a very practical bearing on their lives.

But precisely what is this revolution? What is the issue of the revolution, as of this war? It is man; his dignity and his liberty. The revolution is a popular movement for the revindication and the attainment of full human rights for all people. It is a concerted effort to reestablish the primacy of the human person, in a world dominated by selfish, cynical, and self-willed men. It is an anguished and angry protest against a world stripped of meaning and of common human decency.

But the revolution is only one part of a war which we have never won. It is a war that will not be decided by military victory. It is a war that is as old as man; a war which has been fought since the first time, so long ago, that special privilege and selfishness and greed lifted their arrogant and pompous heads. It is a war that has been carried on, with varying degrees of acuteness and bitterness by all the despots of the world against the poor, the disinherited, the dispossessed. It is the war against decency, righteousness, and freedom, waged by all the economic Bourbons of history and of the present day, against the little man, the worker, the people. It is the fight for freedom, for security; it is the fight for sufficiency and the full life. It is the war, as old as man, against man's inhumanity to man. It is the war for a world a man can live in.

Here in America the war for a world a man can live in has developed further than anywhere else. America stands today as the symbol of hope and the aspiration of freedom-loving people everywhere. Yet, even here, in the land of the free, there is a mighty tide of suffering and injustice. Even here, in the land of plenty, there is hunger and want. But all is not black, because, here in the United States, we possess today the means to overcome this injustice and oppression. Now, as always, in our history, ways and means to effect a decent social order are at hand, if we will only be wise enough to use them.

For the building of a sound social order, we must turn first to the traditional concept of man. And this is simply the Christian concept. Without this, nothing can be built. In this evaluation of man, we learn that man is made in the image and likeness of God; he is, therefore, of immeasurable value. We learn that men have been redeemed by Jesus Christ; their value is enormously increased. We learn that God is our Father; and Christ our Brother. Man is free; he is innately superior to all social, economic, or political institutions. Man is the shaper, the maker, of the state. Man is the foundation and the end of the state. We find in this Christian notion of man our strongest motivation for the rebuilding of the world.

With this idea of man as the very foundation of our desires for a new world, we can go on to ways and means of rebuilding the world. First, I offer for your consideration the concept of full employment. Let me state emphatically my belief that full employment is possible in America; secondly, that unemployment is unnecessary. I have no patience with that school of thought which maintains that business depressions and mass unemployment are inevitable. They are inevitable only because stupidity, obstinacy, greed, and fear have made them so. Depressions and widespread unemployment are not acts of God; they are produced by us through our inhuman economic practices. We believe that it is necessary to organize the world for the preservation of international peace. Why should we not organize our own society to preserve economic peace and avoid economic disaster? International peace will never be assured until we achieve economic justice for all people. The people will not accept economic and social first-aid, when economic and social surgery is required.

For this reason, I think the proposed Murray full-employment bill is a providential weapon in the building of a world a man can live in. No reasonable man can oppose its desirable goal, a goal which vitally affects the well-being of everyone in the Nation. It is important to note that the projected full-employment plan contains no hint of that totalitarianism which its opponents allege. The will of the people, expressed through their freely elected representatives, can hardly be termed totalitarianism. The bill is based upon the premise that men make depressions; and upon the further premise that men can avoid depressions, through economic daring and bold statesmanship.

What are we offered by the opponents of full employment? It is strange but true, that there are some who do not wish our representative Government to undertake such a plan. They wish to leave the postwar unemployment problem to the natural forces of private enterprise; as if the jungle tactics of unrestrained competition were natural. Nothing less than a full program of jobs for all will fill the needs of postwar America.

Closely related to the concept of full employment is the concept of the guaranteed annual wage. The annual wage is no dreamy speculation of impractical planners. It is a hard-headed and potent instrument for the construction of a world a man can live in. It is likely that no other single measure would do more to bring about the traditional American dream of a social order worthy of man. It is a very obvious means of aiding men to achieve their temporal and eternal end as human beings and children of God. This principle alone gives the annual wage sound moral justification. A very apparent benefit of the annual wage would be the increased stabilization of family life. Who can measure the good this alone will give us, since a strong family life is the basis of a strong nation? There will be a happier atmosphere in the home with a secure income; there will be a growth of self-reliance in men and hope for the future. If we have secured

security for corporations, why should we not secure security for the men who sustain the corporations? If there is security for corporate profits, surely there should be security for the men who make the profits possible.

The guaranteed annual wage in American industry can be achieved freely. The best proof of this is that, of the plans now in operation, all were undertaken at the initiative of private industry. Although the annual wage falls upon some ears with a sinister sound, it is pleasant to acknowledge that far-sighted businessmen have contributed much to the new plan. But the success of the annual wage in a few industries is a challenge to other industries to demonstrate further their vaunted initiative.

And, again, for the building of a world a man can live in, I strongly urge that labor unions extend their activities beyond a mere definition of wages and hours and the settlement of isolate grievances. These are the minimum actions of any labor union. I submit that all labor unions must participate in the management of industry. This is not a bid for anarchy; but a bid for that form of partnership which would permit a graduated share in the ownership and profits of business and also some voice in its management. Surely this is not an excessive demand on the part of labor. It is not a question of labor taking over management, lock, stock, and barrel. It is simply the workers' request that they should have a voice in things that affect them vitally.

The economic reason for such union-management cooperation need not be elaborated at length. It is the need for job protection and for proper living wages. Another reason for such cooperation is the need of the individual worker for self-expression and freedom at work. And the worker needs to feel satisfaction in his daily job, to which so much of his life is devoted.

Union-management cooperation enables the laborer to become a citizen of industry, not a subject. It is the extension of the principles of democracy into industry, and the best means of saving industry from any fear of the future. Union-management cooperation is an instrument through which all persons in industry participate at all levels in working out their mutual problems. Our fabulous wartime production is an amazing proof of the effect of unity and cooperation. If capital and labor united to preserve the ideal of freedom and equality, surely they can do the same to make freedom and equality real in our economic life.

It has been well said that we must rid ourselves of the belief that labor is an inert, impersonal commodity, and meet labor's demand for recognition as human beings. Fourteen years ago, Pius XI gave expression to this desire of labor: "In the present state of human society * * * We deem it advisable that the wage contract should, when possible, be modified somewhat by a contract of partnership, as is already being tried in various ways to the no small gain both of the wage earners and of the employers. In this way, wage earners are made sharers in some sort in the ownership, or the management, or the profits."

These are some of the things necessary for the erection of a world a man can live in. They are based upon the conviction that the industrial might of America must serve the people. Business must develop a social consciousness and be aware of its community responsibilities. Industry does not exist in a vacuum; on the contrary, it has marked and often terrible influence upon all of us. These proposals are a call to business to abandon the theory that business is an absolute, without relation to anything else. They are an invitation to business to participate in the expansion of democracy, and to assist in establishing that economic security without which democracy will surely die. A private enterprise that disregards public welfare cannot endure.

Further, a world a man can live in must be free from the deadly disease of race prejudice. If we are truly Christian, we cannot preach one thing and practice another. Nor, if we are truly democratic, can we preach equality and deny it to millions of our fellow Americans. We recoil with horror from Buchenwald and from Dachau. We cannot find words adequate to describe our revulsion. Yet, are our hands quite clean? Can we denounce the appalling atrocities in Germany and ignore our own practices? Our own hands are stained with the same brush. We decry racism and its fiendish injustices; yet we participate blandly in similar practices in our own Nation. We have not erased racism from the conscience of the world by defeating Germany. It is still a live and bitter issue to millions of Americans that very day. I am thinking of the toiling and sweating Negro; of the hated and driven Jew; of the bewildered and lonely Mexican; of the isolated, cowering Nisei.

I deplore and I disavow with all the strength of my being the hate which is deliberately fostered by persons who call themselves Americans. I hate the hate which tries to twist and pervert the American spirit into an unlovely, unlovable thing. As Jacques Maritain has said, "It is possible that in a few years this country may have to defend itself against the spiritual wave of destruction of human values which for a time submerged Europe * * * (America) would then see undisguised before her the face of evil and evil's reality." I am convinced that America already sees the face of evil in the hideous shape of race bigotry, which is the first step toward full-blown fascism. I am nauseated by our native Fascists, who use racism as a weapon of political and economic domination. I am sickened and ashamed by those religious leaders, of all beliefs, who do not use race at all, for any purpose, but simply ignore it. I despise the meagerness of spirit and the bleakness of soul represented by this monstrous thing, race prejudice.

And, for the building of a humane social order, an alert, informed citizenry is of paramount importance. We, the people, must be aware of the power we can wield. We must acknowledge that we are responsible, each to all, and all to each. This responsibility is to be exercised carefully. The most obvious means of doing this is to vote and vote intelligently. To do this, we must scan the records of all who seek public office. If they do not measure up to the tasks confronting them, they must be rejected without compunction. We must choose men of vision and imagination; men of solid Christian convictions; men of straight and steady judgment. These are extraordinarily high ideals of political leadership; but, for a democracy, the quality of leadership is a question of life and death. And let us not think that our job as citizens is finished after we have voted. Being a citizen of a democracy is an every day job, for all the year. We, the people, are the Government every day, not only on the days we mark our ballots. This means that all of us, with our elected representatives, are partners in a joint venture for the common good.

Strangely enough, there are people who oppose any such change in the existing social order. These are the men who fight fiercely for the status quo; which, by now, should be an object of curiosity for antiquarians. Every measure of social enlightenment makes them quiver with fear. And they warn us of the imminent threat of communism. But I have always believed that America need never fear communism. For communism is no danger in a society where justice and charity prevail. Communism is no threat in a decent and humane economic structure. If we work indefatigably to bring about a Christian economy in accordance with the magnificent teachings of the Popes, we shall strike the most telling blow against communism. Communism is not attractive to men and women who are well-housed, well-fed, and well-clothed. It would be no threat, if we would implement the fertile truths of the Declaration of Independence and of the Constitution; truths which we have too long regarded as oratorical flourishes; truths which we have too little regarded as seeds of dynamic democracy.

But, it is idle to think that we can pursue this objective in America alone. It is a pernicious fallacy to delude ourselves that we can build here a social order without regard to the rest of the world. It is childish fantasy to think we can pursue this end in narrow isolation. If God is our Father, then we are all brothers. The consequence of this brotherhood is an indissoluble bond, a bond which utterly precludes indifference to our fellow men. Everything we do in America has repercussions everywhere else. Full employment is impossible here if there is economic disaster in other nations. The good life in America is but a tantalizing mirage if the rest of the world languishes in slavery and want. The full life become only a macabre joke if other nations suffer from oppression and injustice. Our responsibility to do within our borders either helps or hinders other nations must be respected. What we other nations; Hitler's Germany is proof enough of this. In a world of total social and economic interdependence, it is dishonest for us to pretend that we can do as we please.

It is our national responsibility to be international in our outlook. Let us resist the siren call of isolationists who offer us a never-never land, if we will cut ourselves off from the world. They promise us security, but it is a security bought at the price of indifference to the suffering and misery of millions. They promise us freedom, an illusory freedom, bought at the price of utter disregard of the countless human beings who will be forced to live in bondage. If we yield to the isolationists, the world will become little more than an armed camp. All men will live in continual alarm. Our valued freedom and security will be mocking illusions. And we can expect with certainty a catastrophic third world war.

Events of the past years have made the arguments for or against internationalism largely academic. International organization is no utopian speculation, but a vital issue on which our lives and the existence of our civilization depend. As the Catholic bishops so clearly pointed out in November of 1944: "There is an international community of nations. God Himself has made the nations interdependent for their full life and growth. It is not, therefore, a question of creating an international community but of organizing it." I consider it mandatory for us to support the organization set up in San Francisco and to cease vicious criticism of it. If it contains imperfections, then let us work to eliminate them. But, for the preservation of civilization and Christian values, let us accept this organization, and work with all other nations, for the erection of a world a man can live in.

If ever a lesson was taught in galling and bitter experience, it is the lesson of unity, the unity of all people and of all nations. The future peace cannot endure, unless the unity of mankind is recognized. Pius XII has said: "On the recognition of this principle hangs the future of the peace. No world reform, no peace guarantee can abstract from it without being weakened and without being untrue to itself." For international order, the Pope insists upon a vivid and practical realization of human brotherhood: "* * * there is only one way of getting out of the meshes in which war and hate have wrapped the world; namely, a return to the solidarity, too long forgotten, a solidarity not restricted to these or those

peoples, but universal, founded on the intimate connection of their destiny and rights * * *." This is a splendid restatement of very Christian concepts: the union of all men under the fatherhood of God and in the brotherhood of Jesus Christ. All men are brothers; because they can trace their ancestry to God, the same God who is Father to all. This is the religious meaning of that solidarity which is the bedrock of democracy and of the international family of nations.

With this foundation, men can live through the shocks of the present and look forward with equilibrium to the uncertainties of the future. On no other foundation can mankind rebuild the world into a place fit for the sons of God, the brothers of Christ. On no other foundation can men build a world a man can live in.

In the reconstruction of the world, Catholics must take a more active part. Catholics have already done much, finding their inspiration in the unparalleled social pronouncements of the popes. But far more could be done. Priests must know that basic changes are occurring. They must recognize that solutions to the social problems cannot be found in aloof detachment. And they must realize that the social problem is all around us. The social problem is the poverty of the slums, breeding grounds of disease and crime; the social problem is the despair of a jobless father; the social problem is the gaunt face of an undernourished child; the social problem is the bewildered boy caught in the meshes of his own weak will and forces beyond his comprehension; the social problem is the spiritual emptiness of a lonely people in a dark world. The social problem is the obstinate, selfish greed of men who deny that they are their brother's keeper. The social problem is injustice wherever it exists, in whatever form. From Leo XIII to Pius XII, the popes have asked priests to win back the workingman to the church. "Go to the workingman, especially where he is poor, and, above all, go to the poor," said Pius XI. "The great scandal of the nineteenth century is that the church lost the working class." May it be the great glory of the twentieth century that the church won back the working class.

To win them back, it is increasingly clear that we of the Catholic clergy and hierarchy must take our place uncompromisingly on the side of the poor. Most of our people are poor and in ordinary circumstances. Most of our priests and bishops are from the poor. We must be the champions of the ordinary people of the world, whether they are Catholic or not. We must realistically interest ourselves in the laboring people, using whatever prestige and authority we possess to defend them against the ready onslaughts of the rich and mighty. And, if we are accused of advocating changes which favor the ordinary man, then we freely acknowledge our guilt. The balance has been too long the other way.

We cannot dismiss the world as decadent and dissolute. If we do, the world will dismiss us as irrelevant and superficial. We must know modern man and enter intimately into his problems. Men are not influenced by anything that does not enter into the very marrow of their being. Michael de la Bedoyere is especially pertinent here: "Does the church, do the Christians, do the clergy themselves make contact with the world at the level of the world's suffering; or do they stand above, hanging on to the last ridges of a world that is gone, away from the dirt and smell and blood, beckoning to those below and expecting them to rise by spiritual enchantment?"

We cannot continue to leave the reconstruction of the world to the religiously indifferent; we are bound to be in the forefront for full social justice for all. We dare not let the magnificent social doctrine of the church lie fallow, unused, perhaps, even unread, while others, more energetic and more prepared, apply truncated or even vicious social remedies. It is only through the full social teaching of the church, and the action of her priests and bishops, that the church's social doctrine can leaven the world. Inspired by the church's unending fight for the dignity and liberty of man, we can build a world a man can live in; for, the church is the unerring teacher, setting her mind and her will to leading men, God's children, out of the valleys of oppression and depression, out of the abyss of hate and rancor, onto the heights of light and understanding, into the realms of security and freedom and justice.

THE CONTINUED SHORTAGE OF FARM MACHINERY

Mr. LANGER. Mr. President, time and time again I have brought to the attention of the Senate the continued lack of farm machinery for the farmers of the Northwest. About 3 months ago the War Production Board issued this statement:

> The Senators were assured, however, that as soon as the war in Europe takes a sufficiently favorable turn Krug expects to reallocate steel to take care of the farm-machinery situation.

Mr. President, although that promise was made, nothing has been done.

I have in my hand an article which appeared in the Cando Record-Herald of a few weeks ago entitled "Less Farm Machinery for Farmers During 1945."

Of the scores of letters I have received on this subject, I will read two or three. Here is one which is typical. It is from Hamilton, N. Dak., and is dated June 19, 1945, and reads as follows:

> DEAR SENATOR: What does it take to get a little consideration in getting farm machinery? My neighbor, Mr. William Bill, has three quarters of land. He bought a third- or fourth-hand combine last fall and it just naturally was worn out. He tried to get one of the few International self-propelled ones that came to this country, but he missed out for some reason or other. One of them was sold to a man who immediately sent it down south to combine down there, and we need new ones here so badly.
>
> And that is not all. Mr. Bill has six sons in the service—

I want every serviceman in the room to listen to this:

> Mr. Bill has six sons in the service—that is what I said—six. But that is not right. It isn't six—it is five, on account one of his boys was killed in Belgium last winter while doing his part to turn Rundstedt back in the Battle of the Bulge. Billy is carrying on with his one remaining boy.
>
> Now, Senator, don't you think that Mr. Bill is entitled to a combine and swather, if anyone is?

Mr. President, I shall not read the remainder of the letter because it asks me to telephone Fowler McCormick and to beg Fowler McCormick, of Chicago, to be so good as to give this man a combine because of the fact that he has five boys in the service and has lost one.

Mr. President, I have before me several typical letters. Here is one from Langdon, N. Dak., from a man named Thomas Devaney. He writes as follows:

> DEAR BILL: I am writing this letter for Emil Lorenz, a farmer near Langdon, N. Dak. His farm is not far from here and consists of 440 acres of land. He is farming with an old tractor of the vintage of 1928 and is worn out. He has been trying for 2 years to get another, but without success. Last year he applied to the board for a permit and got one, but no tractor. The harvest will be coming on in a few weeks and he feels that his old tractor is not equal to the work and may quit entirely.

Here is one from Pekin, N. Dak. The writer says:

> What is the matter that North Dakota should be so discriminated against? How can we raise cattle and crops without machinery?

He further states:

> I shall be very pleased if you will see to it that I get a cultivator and I need it quickly. I certainly think you Senators should put your foot down on this lend-lease business and see that our own people are looked after first—we do the work and pay the taxes and buy bonds—we should come first and anything that is left over can go to the Allies. You know this nearly burns me up that here in a land of plenty—and at a time when they are laying off so many workers in the defense plants—that we can't get the necessities to produce the foods that is so badly needed all over the world.

Here is one from Nekoma, N. Dak.:

> Hon. WILLIAM LANGER,
> *United States Senator from North Dakota, Washington, D. C.*
>
> DEAR SENATOR LANGER: I have been trying for some months now to get a 12-foot combine and swather. None of the dealers around here seem to be able to get me one. Dealers I have contacted are: Smith Bros., Osnabrock, N. Dak., Minneapolis Moline; Ernie Christie, Langdon, N. Dak., Case; William Porter, Langdon, N. Dak., John Deere.
>
> I would appreciate anything you can do to help me in obtaining a combine and swather for this year's harvest. I prefer a Minneapolis Moline but would accept a Case or John Deere.

I have letters showing that farmers have tried for as long as 3 years to get a combine or a tractor. Where is this machinery going? Last week I read into the RECORD reports from the town of Portal. This machinery is going right by the North Dakota farmers into Canada. Here is one report, dated June 13:

> PORTAL, N. DAK., *June 13, 1945.*
>
> DEAR SENATOR: There were exported at Portal, on flatcars, on June 11, 12 McCormick-Deering tractors on rubber. On June 12 there were no flatcars, but I was informed that there were several boxcars of machinery. I was not informed as to the amount and kinds.
>
> NORMAN G. JENSEN.

Here is another report, dated June 16, 1945:

> PORTAL, N. DAK., *June 16, 1945.*
>
> DEAR SENATOR: On June 15 there were exported at Portal 4 flatcars of tractors (8 Allis-Chalmers tractors on rubber, 18 McCormick-Deering tractors on rubber). I was reliably informed that there have been several carloads of machinery per day in boxcars.
>
> NORMAN G. JENSEN.

Two days later, on June 18, I have the following report:

> PORTAL, N. DAK., *June 18, 1945.*
>
> DEAR SENATOR: There were exported at Portal today on flatcars: 12 Cockshutt tractors on rubber, 6 McCormick-Deering tractors on rubber, 2 large John Deere combines on rubber, 4 No. 123 self-propelled McCormick-

Deering combines on rubber. My reliable source of information says there was no other machinery today and that it was quite unusual to have boxcars without machinery.

Sincerely,

NORMAN G. JENSEN.

Mr. CAPPER. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. CAPPER. I am sure the Senator from North Dakota is fully justified in making this appeal on behalf of the farmers of his State. I receive the same kind of letters almost daily from my State, and I believe that the same condition exists throughout the Farm Belt. Something should be done to relieve the situation.

Mr. LANGER. I am very glad indeed to have the statement of the distinguished senior Senator from Kansas. I am sorry to learn that the same condition exists in Kansas that we have in North Dakota.

These reports are all within a week. They are dated June 13, June 16, June 18, June 20, and June 22. The following report is dated June 20, 1945:

PORTAL, N. DAK., *June 20, 1945.*

DEAR SENATOR: There were exported at Portal last night 25 Allis-Chalmers tractors on rubber; 4 McCormick Deering No. 62 combines on rubber.

These were on flatcars; remember, I can't see what's in boxcars.

NORMAN G. JENSEN.

Two days later, June 22, 5 days ago, at the very time when hundreds of farmers in my State were in need of machinery, and some of them had been trying for years to get a tractor, a combine, or a swather, I received the following report:

PORTAL, N. DAK., *June 22, 1945.*

DEAR SENATOR: Four more McCormick-Deering self-propelled combines have been exported to Canada on flatcars—I can't see what's in boxcars. Rumors here say lots of small machinery and tractors.

NORMAN G. JENSEN.

Mr. President, someone may say, "Why do not those farmers take the law in their own hands and grab the machinery?" They tried that over in Ohio a few months ago and this is what happened to them. I read from the Georgia Farmers' Market Bulletin of June 13, 1945:

Last fall Jim Mannix, of Greenville, Ohio, who is a member of the Farmers Guild, needed a corn picker. At that time, millions of dollars worth of farm machinery, manufactured in this country, was being shipped to Soviet Russia, England, and all over the world. Jim Mannix located a corn picker that was for sale. He paid the dealer's price in cash and with the help of some neighbors took the corn picker. He and seven of his neighbors were arrested for violating OPA regulations. They were put under bonds in the total amount of $160,000. Ultimately, Jim Mannix had to return the corn picker which he needed desperately.

That, Mr. President, is the situation in the Farm Belt. All I can say is that the farmer cannot do it himself without being arrested and placed under a $160,000 bond for taking a corn picker; but I suggest that the Governors of the Northwestern States might very well use the State militia for the purpose.

Mr. President, I ask unanimous consent to have printed in the RECORD certain letters which I have received on this subject.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

EDGELEY, N. DAK., *June 19, 1945.*

DEAR MR. LANGER: You have helped us in the past, and I am looking forward to help us again. Which I'm almost sure.

I have 240 acres of grain to cut this year. And I'm unable to get a grain binder. I bought a second-hand one last year, paid $65, the owner told me it is in good condition. I went out to try to cut my grain. One thing break after the other. Was unable to get all the parts. Had to hire a man with the binder. Paid $1 an acre.

I'd very much like to have a new binder. If it's a power binder, I need a power take-off for a 10–20 McCormick-Deering tractor, which we are unable to get here.

I can't pay all in cash, but am willing to pay some down and the rest after threshing. Or whichever it will be.

Very truly yours,

WALTER TOBOLSKI.

EDGELEY, N. DAK.

VENTURIA, N. DAK., *June 18, 1945.*

Senator WILLIAM LANGER,
Washington, D. C.

DEAR MR. LANGER: Just a friendly letter to obtain if possible some information for myself and many others.

I was discharged from the armed forces June 6, 1944. While I was farming before I left for the service in October 1941, I went back to it. I find it difficult to start which I did expect. I managed to get a tractor, but an old worn out one. There were quite a number of new ones all over the State, but when the OPA quit rationing them last fall only the fellows that were financially well fixed, and a lot of them had tractors, got them and got rid of the old ones. That's the same story on all implements now.

What really made me think of writing to you now is the fact I did manage to put out a crop and the stand is heavy, but I have no machine of no kind to harvest it. Not even a mower. Isn't there a way possible for us to figure on getting machines for veterans, and especially for harvesting this summer?

There were some new combines shipped in this spring and still are coming. But the old saying, they were sold before they ever got here. What are we going to do about this?

Sincerely yours,

GORDON J. HOFFMAN.

ROUTE 1, VENTURIA, N. DAK.

STRASBURG, N. DAK., *June 18, 1945.*

Hon. WILLIAM LANGER,
United States Senator,
Capitol Building, Washington, D. C.

DEAR MR. LANGER: A great plight exists in Emmons County, N. Dak., for tractors and harvesting machinery for the coming crop.

Our quota is low, due to the fact that in 1941 our farmers were not in a position to buy any new machinery.

Now they are handicapped by a low-quota basis, lack of the newer equipment, and labor shortage.

Most of our farmers are operating machines 15 years old, worn out, and not adapted to the conditions that now are at hand.

One dealer in South Dakota alone has delivered 50 tractors so far this year. Some of this dealer's tractors were sold in our territory. We have sold two tractors so far. Do you call this fair distribution?

We feel sure that with the aid of our Senator, and the help and cooperation of the Minneapolis Moline Power Implement Co., of Minneapolis, Minn., we will be able to help at least some of our farmers to get their crops cut in time.

We wish to submit some of the farmers' names who have had their orders with us for new machinery since last October:

Joe Neise, tractor; Al Baumgartner, tractor; Kasper J. Feist, tractor; Max Heiderich, tractor; Zashaus Backmier, tractor; Henry Plagerman, tractor; Andy Rodenberg, tractor; Sam Mitzel, tractor; Math W. Lipp, tractor; John B. Wagner, tractor; John W. Kramer, tractor; Seb. A. Selzer, tractor; Steve Zacher, tractor; Joe Zahn, tractor; Adam J. Fischer, tractor; J. J. Baumgartner and son, tractor; Frank C. Kraft, tractor; Herman L. Dykeman, tractor; Peter Mattern, tractor; Clemens Rorhrich, tractor; Pius Sterifel, tractor; Peter S. Rorhrich, tractor; Henry Van Soest, tractor; Jake Hulm, tractor; Wendlin Schumaker, tractor; Melchor Backmier, tractor; A. J. Kunz, tractor drill; Anton Krumm, tractor drill; Jacob J. Feist, tractor drill; Alfred Van Der Worste, tractor drill; Frank Volk, tractor drill; Jake Hulm, horse drill; Ludwig Schwab, horse drill; Ray Schriner, horse drill; Frank Kuss, horse drill; Theodore J. Mattern, 7-foot power mower; John L. Van Beek, 7-foot power mower; Edward Van Der Worste, 7-foot power mower; John W. Kramer, M. M. combine; Joe Goldade, M. M. combine; Al Baumgartner, M. M. combine; Damian Baumgartner, M. M. combine; Bert Borr, M. M. combine; Egnatz Reinbold, M. M. combine; A. A. Krumm, M. M. combine; A. A. Hollaar, M. M. combine; Harry Heidrich, M. M. combine; Peter Mattern, M. M. combine; Herman Heisingh, M. M. combine; Ed. G. Van Der Worste, M. M. combine; John Stom, M. M. combine; Harry De Boer, M. M. combine; Gerrit A. Haak, M. M. combine; Felix Silvernagle, M. M. combine; J. J. Baumgartner, Jr., M. M. combine.

This is a true statement as of the records on hand.

Whatever will be done to relieve this bottleneck will be in interest of the North Dakota farmer and will greatly help the War Food Administration.

May we hear your comment?

Yours respectfully,

VAL KELLER, Jr.,
Keller Hardware, Strasburg, N. Dak.

BOTTINEAU, N. DAK., *June 18, 1945.*

Hon. WILLIAM LANGER,
Washington, D. C.

DEAR SENATOR: My brother-in-law, Adelard Bibeau, and I have each been trying to buy a combine. Would you try to help us buy them? Some combines have been bought here and some have gone into Canada, but it has been impossible for either of us to buy one. We are both very much in need of one. Our old combines are obsolete. We cannot buy repairs for them. It will be impossible to harvest our crops with them this year.

Any help you could give us would be appreciated very much.

Sincerely yours,

HERMAN CARBONNEAU.

FINGAL, N. DAK., *June 17, 1945.*

Mr. WILLIAM LANGER,
Washington, D. C.

DEAR WILLIAM: We are having nice weather, but it is getting dry: The crop looks good but is short, and the corn is poor. We are feeling fine except Mother, and hope these few lines find you the same Mr. William Langer. I got a combine, but I can't get a swather, so I am writing to you if there is any chance to get one. If you could help me out with one, a McCormick or Moline or any other kind of swather, a 12-foot swather. I am farming 520 acres. Please let me know.

Sincerely,

JULIUS LANGER.

TUNBRIDGE, N. DAK., *March 30, 1945.*

DEAR SENATOR: Well, I know that you are busy, so I will make my letter as short and

brief as possible. Well, I am a farmer who is very much in need of a tractor but am not able to get one. Since our Goverment has taken off the priority, the dealers favor their good friends, and again I can't figure out why in some places there are many tractors stored and not shipped out where they are needed very bad. I and my brother are farming 500 acres and all we have is a 1927 18-36 Hart-Parr tractor, which is almost beyond repair. So, if we don't get a new tractor, our Government need not expect 100-percent production. I have been trying to get a new tractor for the past 5 months.

Yours truly,

SIMON VOELLER.

GLENFIELD, N. DAK., *March 5, 1945.*

Senator LANGER,

Washington, D. C.

DEAR SIR: I spoke to you in New Rockford, N. Dak., last summer and we corresponded back and forth in regard to my securing a grain binder for the 1944 crop. I was unable to secure one, and wasn't able properly to care for my crop last fall. I farm 640 acres and have only one old horse grain binder and therefore some of the grain shells before I can get to it. I have had my order in for a new binder with all the implement dealers in the near vicinity but there are so many orders ahead of mine that I can see no possible chance of my getting one. I would like to know if there is any chance of my securing one for the 1945 crop before I start seeding because if there isn't there is no need of my planting that much. Please let me know at once if you can give me any help or advice.

Yours truly,

FRANK PAEZKOWSKI.

LARIMORE, N. DAK., *March 16, 1945.*

Hon. WILLIAM LANGER,

United States Senator,

Washington, D. C.:

Farm equipment situation very critical especially tillage and seeding machinery for spring. We would appreciate any effort toward relief of the situation. If required crop acreages requirements by Department of Agriculture are to be met. This will mean additional equipment in June and July.

The C. E. WALSTER CO.

WELCOME TO SENATORS CONNALLY AND VANDENBERG

At 12 o'clock and 40 minutes, p. m., Mr. CONNALLY and Mr. VANDENBERG entered the Chamber and were greeted by applause, Senators rising.

The PRESIDING OFFICER. Without objection, the Senate will take a brief recess.

At the expiration of the recess, the Senate reassembled, and Mr. HOEY resumed the chair.

SUSPENSION OF STATUTE OF LIMITATIONS IN CERTAIN CASES

Mr. FERGUSON. Mr. President, I ask unanimous consent that the Senate take up a bill to amend an act suspending until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws, so as to continue such suspension until June 30, 1946.

Mr. President, this bill should be passed today in order that it may go to the House of Representatives and be passed there, because otherwise certain antitrust cases concerning which the President has asked for a suspension of the statute of limitations because the war is going on would be barred, and it would be difficult, in his opinion, to defend the cases or prepare to defend them. He has asked the Department of Justice to hold up certain proceedings in the cases.

If we do not pass the bill now it will mean that these antitrust cases will be forever barred by the statute of limitations, and I am informed and believe that there are certain cases in which the statute would run unless Congress passed the bill.

For this reason, Mr. President, I ask that the bill be now considered.

Mr. WHITE. Mr. President, I recall that the Senator from Michigan spoke to me about this matter earlier in the day and I think it is true also that the matter has been cleared with the majority leader.

Mr. FERGUSON. I spoke to the Senator from Kentucky [Mr. BARKLEY], the majority leader, and I should like to have the bill considered at this time.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 937) to amend the act suspending until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws, so as to continue such suspension until June 30, 1946.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to suspend until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws," approved October 10, 1942 (56 Stat. 781; U. S. C., Supp. III, title 15, note following sec. 16), is amended by striking out the date "June 30, 1945" where it appears in such section and inserting in lieu thereof the date "June 30, 1946."

MARITIME COMMISSION CONTRACTS

Mr. AIKEN. Mr. President, several times during the last 3 years I have called the attention of the Senate to certain questionable transactions of the United States Maritime Commission. I have called attention to the many reports of alleged irregularities by the Commission which have been brought to the Congress by the office of the Comptroller General. I have referred to the exorbitant prices paid by the Maritime Commission for obsolete ships, in defiance of the formula prescribed by the Congress for the acquisition of such ships.

I have called attention to the excessive insurance paid on ships lost at sea, in some cases amounting to over 50 times the legal valuation of the ship, as fixed by the Commission itself.

I have frequently referred to the rates paid on the Red Sea Charter contracts, whereby the owners of 81 vessels valued at $8,265,000 were able to make profits of $26,874,176.70 on a total of 90 voyages.

A year ago I called attention to the fact that out of over 20,000 contracts placed by the Maritime Commission less than 30 contained the recapture-of-excess-profits provision as required by law, and I have called attention to other transactions in which the United States Maritime Commission was involved, and which most obviously were not in the public interest.

About 2 months ago it was reported to me that several contracts for ship construction had been made with the Pennsylvania Shipyards, Inc., located at Beaumont, Tex., and that an addendum to these contracts contained provisions which, to my mind, clearly were not compatible with the public interest. I learn that the Pennsylvania Shipyards, Inc., is a wholly owned subsidiary of the American Republics Corporation, a holding company originally organized under the laws of the State of Delaware. This holding company at the end of 1944 controlled five wholly owned subsidiary companies, namely, the American Petroleum Co., organized under the laws of Texas; Pennsylvania Shipyards, Inc., organized under the laws of Delaware; Petroleum Coal & Iron Co., organized under the laws of Alabama; the Petroleum Iron Works Co., organized under the laws of Pennsylvania; and Republic Production Co., organized under the laws of Texas. Most of the income of the holding company is apparently derived from the Pennsylvania Shipyards, Inc.

I shall be glad to furnish the names of the officers of the company if anyone is interested. The directorate largely interlocks with that of the Fidelity Trust Co. of Houston. I see no good purpose to be served by stating the names here. In fact, I have had no information that the company itself has violated any law.

However, as the reports which I received were disturbing in character, I requested the Comptroller General to make an examination of contracts DA-MCc-51, MCc-2199, MCc-8215, and MCc-16309 for the purpose of ascertaining whether there is contained therein a provision denying to the Maritime Commission access to the contractor's books and records.

Under date of June 6, 1945, Mr. Lindsay C. Warren, Comptroller General of the United States, advised me that in response to my inquiry an examination had been made and—

It has been found that an agreement dated December 31, 1944, was executed by and between the Commission and the contractor, which agreement was in the form of an amendment to each of the four contracts listed above, and that article III of the said agreement provides:

"The contractor shall have no obligation to make any statements or returns of costs to the Commission or to make available to the Commission any of its books, records, or accounts pertaining to the performance of work under the vessel contracts."

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. FERGUSON. Has the Senator from Vermont made inquiry as to why such a provision would be placed in the contracts?

Mr. AIKEN. I intend to develop that point.

Mr. FERGUSON. The Senator has made inquiry in that connection, has he?

Mr. AIKEN. Yes; I have. With the consent of the Senate, I will insert in the RECORD documents which I think will clearly show why these provisions relieving the contractors from furnishing any

cost figures are inserted in the contracts in the form of amendments.

Mr. FERGUSON. I am anxious to have that information placed in the RECORD.

Mr. AIKEN. I think the committee of which the Senator is a member will be very much interested in having that information.

Mr. President, I have secured a copy of the agreement dated December 31, 1944, which was signed by Emory S. Land for the United States Maritime Commission and by L. B. Coppinger, president, for the Pennsylvania Shipyards, Inc. I ask unanimous consent to have this agreement printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. AIKEN. I further wish to call the attention of the Senate to article II of this agreement, which reads in part as follows:

ART. II. The contractor shall have no further or other obligations under the vessel contracts or on account of the performance of work thereunder, including any obligation to repair, remedy, replace, or make good any defects, break-down, or deterioration occurring in any vessel delivered under the vessel contracts.

In other words, the contractor can deliver ships which will not float or which are not fully equipped or the contractor may maintain other defects or shortages, but he will be relieved of the responsibility to make good.

Mr. FERGUSON. I should like to ask the Senator whether he will state why that provision was placed in the contract.

Mr. AIKEN. I would have no answer to that question. I think the Maritime Commission should be asked to explain the matter.

Mr. FERGUSON. The Senator has not made inquiry of the Maritime Commission as to why it inserted such a provision in the contract; has he?

Mr. AIKEN. No. My communications have been wholly with the Office of the Comptroller General. I stopped communicating with the Maritime Commission some time ago.

Mr. FERGUSON. Then, as I understand, the Maritime Commission does not give a reason for putting in the contracts the provision relieving the company from having an audit and examination made of its books, but the statement in that connection is one made by the Comptroller General; is that correct?

Mr. AIKEN. Let me say to the Senator that if he will read the document which I shall have printed in the RECORD he will find that the Maritime Commission has not given the Comptroller General's Office a good and sufficient reason or, at least, one which is satisfactory to that agency.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. LANGER. How long has this been going on?

Mr. AIKEN. The amendments to the four contracts were made on December 31 of last year. As I continue with my statement, which will take only a few minutes longer, I think I shall be able to show why it was done. The four contracts covered by the agreement total $111,213,553.

Mr. President, later on I shall ask unanimous consent to have printed in the RECORD a copy of a letter from Lindsay C. Warren to Admiral Land, dated June 7, 1945. This letter refers to another contract, MCc-34973, with the Pennsylvania Shipyards, Inc., and dated "as of January 2, 1945." The letter indicates that the sum of $802,000 deducted from the price of each ship under this contract as the value of the material, machinery, and equipment furnished by the Commission to the contractor is a purely arbitrary figure.

It will appear from a document which I shall submit for the RECORD that the contract probably was signed much later than that date, but was dated back to January 2, 1945, and was signed "as of January 2, 1945."

Mr. President, I shall now quote briefly from Mr. Warren's letter to Admiral Land:

Representatives of this Office have advised that they have been unable to locate any factual data to support the said sum of $802,000 or any records relating to the maintenance of inventories or the control thereof in the various shipyards.

Apparently the Maritime Commission does not keep records of inventories or have any accurate knowledge of the amount and value of the supplies maintained at shipyards which hold Commission contracts. It will further be observed from this letter that a net overpayment of $6,172,618 on a $35,900,000 contract is indicated.

The only conclusion one can draw is that a deliberate and utter disregard of the use of public funds exists in the Maritime Commission.

As I have said, Mr. President, I am placing these matters before this body today because I feel that the time is drawing near when the public and the Congress will be interested in correcting such conditions as have existed in the United States Maritime Commission for years, but which have grown steadily worse since the beginning of the war.

I believe that an impartial and thorough investigation would show that the wastefulness and illegal expenditures of the Maritime Commission have run, not into millions of dollars, but possibly into billions of dollars.

The matters which I have tried to bring to the attention of the Senate during the last 4 years actually only scratch the surface of the unsavory conditions which exist in the Maritime Commission. So far the Congress has neglected to take appropriate action. I am encouraged to believe, however, that even if the legislative branch of our Government does nothing about this matter, the executive branch will.

I am sure the President of the United States is quite familiar with the bad conditions existing within the Maritime Commission; and I believe that if the Congress does nothing, President Truman will take it upon himself to deal properly with those who have failed in the performance of their duties.

Mr. President, I now ask unanimous consent to have certain documents printed in the RECORD. The first is a letter from the Comptroller General of the United States, Lindsay C. Warren, to me, dated June 6.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D. C., June 6, 1945.

Hon. GEORGE D. AIKEN,
United States Senate.

MY DEAR SENATOR: Pursuant to your informal inquiry I have had examined the following contracts with Pennsylvania Shipyards, Inc., DA-MCc-51, MCc-2199, MCc-8215, and MCc-16309, for the purpose of ascertianing whether there is contained therein a provision denying to the Maritime Commission access to the contractor's books and records. It has been found that an agreement dated December 31, 1944, was executed by and between the Commission and the contractor, which agreement was in the form of an amendment to each of the four contracts listed above, and that article III of the said agreement provides:

"The contractor shall have no obligation to make any statements or returns of costs to the Commission or to make available to the Commission any of its books, records, or accounts pertaining to the performance of work under the vessel contracts."

In view of your interest in this matter I am enclosing herewith a copy of my letter of April 18, 1945 (B-37430) addressed to the Chairman, United States Maritime Commission. It will be noted that this Office has taken the position in the said letter that the involved provision of the contract does not operate to limit or otherwise affect the furnishing of evidence deemed necessary to support reimbursements made under the superseded contracts.

I trust the foregoing will serve the purpose of your inquiry.

Sincerely yours,

LINDSAY C. WARREN.
Comptroller General of the United States.

Mr. AIKEN. Mr. President, the next document is a copy of the contract with the Pennsylvania Shipyards, Inc., dated December 31, 1944, and signed by E. S. Land for the Maritime Commission, and L. B. Coppinger, for the Pennsylvania Shipyards, Inc.

The next document is a letter from the Comptroller General to Admiral Land, dated April 18, 1945.

The fourth and last document is a letter from Lindsay C. Warren, Comptroller General, to Admiral Land, Chairman of the United States Maritime Commission, dated June 7, 1945.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

EXHIBIT A

This agreement, made and entered into as of the 31st day of December 1944, by and between the United States Maritime Commission (herein called the Commission) and Pennsylvania Shipyards, Inc., a corporation organized and existing under the laws of the State of Delaware (herein called the contractor);

Witnesseth:

1. Whereas under dates of April 29, 1941, February 6, 1942, August 13, 1942, and April 20, 1943, respectively, the Commission and the contractor entered into certain contracts,

designated DA-MCc-51, MCc-2199, MCc-8215, MCc-16309, respectively (herein called the vessel contracts), for the construction of certain cargo vessels;

2. Whereas under the terms of each of the vessel contracts the Commission agreed to pay the contractor the cost of performance of the work thereunder and a fee calculated and adjusted in the manner prescribed therein;

3. Whereas the Commission has determined the cost of the performance of the contract work and has calculated the fee payable to the contractor under the terms of the vessel contracts;

4. Whereas the Commission has requested the contractor to reduce the amount of fee calculated as aforesaid;

5. Whereas the contractor is willing to accept compensation for the performance of the contract work in an amount less than that provided for in the vessel contracts upon the understanding that a fixed lump-sum amount as compensation for such performance shall be paid to it as hereinafter provided;

6. Whereas the contractor will enter into an agreement with the United States of America, represented by the Chairman of the Commission, providing for the repayment to or retention by the Commission of certain profits derived from the performance of the vessel contracts found to be excessive as a result of renegotiation pursuant to the provisions of section 403 of the Sixth Supplemental Defense Appropriation Act, 1942, as amended;

Now, therefore, the parties hereto agree as follows:

ARTICLE I. As full consideration for the performance of all the contractor's obligations under the vessel contracts the Commission will pay the contractor the sum of $111,213,553 less all payments heretofore made by the Commission to the contractor under the terms of the vessel contracts.

ART. II. The contractor shall have no further or other obligations under the vessel contracts or on account of the performance of work thereunder, including any obligation to repair, remedy, replace, or make good any defects, break-down or deterioration occurring in any vessel delivered under the vessel contracts. Nothing herein contained, however, shall have the effect of divesting the Commission of title to any vessel or any material, supplies and equipment title to which is vested in the Commission or is to be vested in the Commission pursuant to the provisions of the vessel contracts, and, in the case of the vessels constructed under the vessel contracts designated MCc-8215 and MCc-16309, the contractor will, if so requested by the Commission, assign to the Commission any rights it may have against any manufacturer or seller of material and equipment used in the performance of work under such vessel contracts on account of defects, deteriorations and break-downs in such material and equipment which have not been remedied by or at the expense of the contractor.

ART. III. The contractor shall have no obligation to make any statements or returns of costs to the Commission or to make available to the Commission any of its books, records, or accounts pertaining to the performance of work under the vessel contracts.

ART. IV. The vessel contracts are hereby amended as hereinbefore provided, and, except as hereinbefore otherwise provided, all of the terms and conditions of the vessel contracts shall remain in full force and effect, it being expressly understood and agreed that the payments to be made hereunder are to be subject to renegotiation pursuant to the provisions of section 403 of the Sixth Supplemental Defense Appropriation Act, 1942, as amended.

In witness whereof, the parties hereto have executed this agreement as of the day and year first above written.

UNITED STATES MARITIME COMMISSION,
E. S. LAND, *Chairman.*

Attest:

R. L. MCDONALD,
Assistant Secretary.

PENNSYLVANIA SHIPYARDS, INC.,
L. B. COPPINGER, *President.*

Attest:

J. E. BATTARBEE,
Secretary.

Approved as to form:

WADE H. SKINNER,
General Counsel, United States Maritime Commission.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, April 18, 1945.

CHAIRMAN, UNITED STATES MARITIME COMMISSION.

MY DEAR ADMIRAL LAND: Reference is made to my letters of November 13, 1943, January 20, 1944, December 14, 1944, and your reply to the latter dated December 28, 1944 as follows:

"Receipt is acknowledged of your letter dated December 14, 1944, requesting that you be furnished with copies of final audit reports of Pennsylvania Shipyards, Inc., Beaumont, Tex., covering contracts Nos. DA-MCc-51, MCc-2199, and MCc-8215.

"The Shipbuilder's Final Report of Cost, Form 9025, covering these contracts, has not been received by the Commission. However, there are enclosed herewith copies of Shipbuilder's Preliminary Final Report of Cost dated June 5, 1944, relating to contracts Nos. DA-MCc-51 and MCc-2199. The final report on each of these contracts, when received, will be forwarded to your office."

The reports of cost referred to in and received with the above-quoted letter apparently were prepared and submitted by the contractor, whereas my request contemplated that a copy of the audit report prepared by representatives of the Commission, pursuant to articles 15 and 16 of the contracts would be furnished.

An examination of the records of the United States Maritime Commission, relating to contracts between the Commission and the Pennsylvania Shipyards, Inc., reveals that under date of December 31, 1944, four contracts which had been completed were amended so as to provide for a lump-sum settlement thereunder in the amount of $111,213,553. The completed contracts are as follows:

Contract No.	Date	Ships	Base contract price	Vouchers paid to Feb. 28, 1945
DA-MCc-51	Apr. 29, 1941	10	$24,000,000	$26,741,691
DA-MCc-2199	Feb. 6, 1942	10	24,000,000	26,449,385
DA-MCc-8215	Aug. 13, 1942	20	48,000,000	47,166,912
DA-MCc-16309	Apr. 20, 1943	4	9,545,200	9,209,087

Articles 15 and 16 of the completed contracts provide:

"ART. 15. Payment of contract price: (a) Partial payments on account of the contract price shall be made during the progress of the work hereunder to the contractor by the Commission at semimonthly or such other intervals as the parties may mutually agree upon. Such partial payments shall be based upon the value of the portion of the work done and materials on hand which is represented by the cost thereof (inclusive of overhead), and the contractor shall accompany each voucher for such partial payment with a statement in form satisfactory to the Commission setting forth such cost. Any payment made on the basis of such voucher shall be subject to adjustment upon final audit by the Commission. The Commission may, upon such terms and conditions as it may prescribe, include, as part of the value of work and materials, work performed by any subcontractor or materials, machinery, or equipment to be installed in the vessels, although not yet delivered, if title to such materials, machinery, or equipment shall have vested in the Commission.

"(b) No payments shall be made except on bills, vouchers, or invoices in such number and form and executed and attested in such manner and supported by such evidence as shall be prescribed by the Commission. All warrants for payments hereunder shall be made payable to the contractor or order.

"(c) Upon launching of each vessel, there shall be paid to the contractor, in addition to the payments provided for in paragraph (a) hereof, the sum of $32,727, and upon delivery thereof the sum of $32,727.

"(d) In the event that the payments made under paragraphs (a) and (c) hereof shall, upon completion and delivery of all the vessels and a final audit under this contract, be found to be less than the contract price stated in article 4 and adjusted under the provisions of article 5 and paragraph (a) of article 6, the Commission shall pay to the contractor an amount equal to (i) 50 percent of the sum by which the contract price, adjusted as aforesaid, exceeds the amount paid under the provisions of paragraphs (a) and (c), less (ii) any liquidated damages payable under article 9 hereof, plus (iif) any bonuses payable under said article 9: *Provided,* That in no event shall the total amount payable under the provision of this paragraph (including bonuses payable under the provisions of article 9 hereof) exceed the sum of $1,527,272.

"(e) The payments specified in the preceding paragraphs of this article shall constitute full consideration to the contractor for all the work to be performed under the provisions of this contract.

"ART. 16. Determination of cost: (a) For the purposes of making payments under article 15 hereof the term 'cost' as therein used shall include all amounts which the Commission determines are chargeable directly to the construction, outfitting, and equipping of the vessels or to constitute items of overhead expense which are not directly chargeable thereto but are incident and necessary for the work of constructing, outfitting, and equipping the vessels. Such cost shall be determined by the Commission in accordance with the applicable provisions of its 'Regulations Prescribing the Method for Determining Profit, adopted May 4, 1939,' with such modifications as may be necessary due to the fact that the Commission will own some or all of the plant and equipment used by the contractor in the performance of the work called for by this contract.

"(b) In determining cost for the purpose of article 15 hereof the Commission will exclude therefrom (1) any expense, including (without limitation) traveling expense, deemed by the Commission to be excessive, (2) depreciation on the facilities and other property owned by the Commission, (3) the cost of remedying work and replacing materials which are defective because of the failure of the contractor to use reasonable diligence and the cost of performing any

work required under the provisions of article 14, hereof, (4) the exclusions required under paragraph 7.23 of said 'Regulations Prescribing the Method of Determining Profit, Adopted May 4, 1939,' and (5) costs incurred by the contractor in contravention of the provisions of this contract including those of article 17.

"(c) All costs shall be scrutinized by the Commission to determine that they are fair, just, and not in excess of the market price for the materials and services for which they are incurred.

"(d) Statement returns relative to expenditures shall be made as and when directed by the Commission, and all books, files, and other records in respect thereto shall at all times be open for inspection by representatives of the Commission."

Article III of the addenda to the four contracts dated December 31, 1944, provides:

"ART. III. The contractor shall have no obligation to make any statements or returns of costs to the Commission or to make available to the Commission any of its books, records, or accounts pertaining to the performance of work under the vessel contracts."

With reference to the conversation of the cost type of contracts into fixed-price contracts, attention is invited to my letter dated June 21, 1943 (B-34464), to the Secretary of the Navy, which letter, in part, is as follows:

"It appears further that the primary reason for the conversion of the cost type of contracts into fixed-price contracts, at the time the contract work is completed, or is substantially completed, is to relieve the contractor from furnishing evidence establishing that the amount which it represents to be its costs, actually was expended by it and otherwise is proper for reimbursement by the Government. In this connection, paragraph 6 of the memorandum of March 20, supra, provides expressly that the conversion of the cost type of contracts to fixed-price contracts, prior to final payment, will permit a final settlement on the basis of the total fixed amount and will assure both the disbursing officer and the contractor that all payments are within the terms of the contract and are not subject to reexamination, except to the extent of possible action by the Price Adjustment Board. Hence, the effect of converting cost type of contracts into fixed-price contracts before final payment might possibly be construed as nullifying, or rendering ineffective, any audit action this office might take to ascertain that the amounts paid to the contractor by the Navy Department as reimbursement of its actual costs were proper.

"It is recognized that, subject to certain statutory restrictions and limitations, the contract terms with respect to the basis on which payments are to be made are for determination by the administrative office, and, also, that, under the First War Powers Act, 1941, Public Law 354, 77th Congress, and Executive Order 9001, Dec. 27, 1941, the Navy Department is authorized to amend or modify the payment provisions of existing contracts. However, as you undoubtedly realize, there is nothing in the terms of the First War Powers Act, 1941, or in Executive Order 9001, which may be said to affect, in any way, the statutory duty of this office to audit the accounts of disbursing officers, including its right to require such evidence as may be deemed necessary in support of any payments made from appropriated moneys (34 Op. Atty. Gen. 446). Also, as you no doubt are aware, under a contract which provides for reimbursing a contractor its actual costs plus a fixed amount as a fee or profit, the audit function of this office is to ascertain that the amount paid to the contractor as its costs actually was expended by it in the performance of the work covered by the contract and that, under the terms of said contract, the Government is obligated to reimburse the contractor for such costs; and, in order to enable this office to perform that function, it is necessary that there be furnished by the contractor certain specific evidence from which a determination of the correctness of the payments may be made. See 20 Comp. Gen. 341."

Accordingly, you are advised that any conversation of cost-type contracts into fixed-price contracts, upon completion of the work and before final payment has been made, will not be recognized by this office insofar as such conversions purport to limit the evidence which the contractor will be required to furnish in support of vouchers covering payment under such contracts, and that, "unless vouchers covering the reimbursements to contractors are supported by evidence such as will enable this office to make a satisfactory audit thereof, credit for any such payments will be withheld in the accounts of the accountable officers concerned."

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General
of the United States.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, June 7, 1945.

CHAIRMAN, UNITED STATES MARITIME COMMISSION.

MY DEAR ADMIRAL LAND: It appears from the records of the United States Maritime Commission that contract No. MCc-34973, dated "as of January 2, 1945," was executed with Pennsylvania Shipyards, Inc., to provide for the construction of certain vessels originally covered by, and partially completed under, contracts Nos. MCc-26053, dated February 17, 1944, and DA-MCc-858, dated June 14, 1944. The schedule of work completed on the involved vessels is reported to be as follows:

Contract No.	Hull No.	Name	Keel laid	Launched
MCc-26056	2332	Athanasia	Aug. 14, 1944	Oct. 12, 1944
MCc-26056	2333	Hawser Bend	Sept. 4, 1944	Nov. 2, 1944
MCc-26056	2334	Carrick Bend	Sept. 25, 1944	Nov. 21, 1944
MCc-26056	2335	Rose Knot	Oct. 13, 1944	Dec. 6, 1944
MCc-26056	2336	Wall Knot	Oct. 16, 1944	Dec. 9, 1944
MCc-26056	2337	Spanish Bowline	Nov. 3, 1944	Dec. 29, 1944
MCc-26056	2338	Octavia [1]	Nov. 22, 1944	Jan. 18, 1945
MCc-26056	2339	Valentine [1]	Dec. 7, 1944	Feb. 3, 1945
MCc-26056	2340	Emerald Knot	Dec. 11, 1944	Feb. 9, 1945
MCc-26056	2341	Cable Splice	Dec. 13, 1944	Feb. 17, 1945
MCc-26056	2342	Blackwall Hitch	Dec. 30, 1944	Feb. 27, 1945
MCc-26056	2343	Ring Knot	Jan. 20, 1945	----------
MCc-26056	2344	Sheet Bend	Jan. 20, 1945	----------
MCc-26056	2345	Studding-Sail	Feb. 5, 1945	----------
MCc-26056	2346	Mariner's Splice	Feb. 10, 1945	----------
MCc-26056	2347	Anchor Bend	Feb. 19, 1945	----------
MCc-26056	2348	Buntline Hitch	Feb. 28, 1945	----------
MCc-26056	2349	Rolling Hitch	----------	----------
DA-MCc-858	2620	Capstan Knot	----------	----------
DA-MCc-858	2621	Hawser Splice	----------	----------
DA-MCc-858	2622	Loop Knot	----------	----------
DA-MCc-858	2623	Running Knot	----------	----------

[1] Transferred to price-minus contract MCc-19778 for delivery to the Navy Department—conversion costs of approximately $500,000 each to be paid by the Navy.

[Article 4 of the said contract MCc-34973 provides that the Commission will furnish to the contractor the principal items of material, machinery, and equipment to be incorporated in the construction of each vessel, and that the sum of $802,000 per vessel shall be deducted from the amounts otherwise payable under the contract to cover the items thus furnished. "Representatives of this office have advised that they have been unable to locate any factual data to support the said sum of $802,000, or any records relating to the maintenance of inventories or the control thereof in the various shipyards." A proper audit of the payments under the involved contract would appear to require supporting data in connection with this phase of the operations under the contract.]

Moreover, article 10 of the said contract MCc-34973 provides:

"ART. 10. Repayment of profits—Optional adjustment in contract price:

"(a) Subsequent to the completion of the work to be performed hereunder and the determination of profits derived from the performance thereof by the Contractor, the Contractor shall pay the Commission an amount equal to that by which such profits exceed the maximum profit as hereinafter defined. The amount of such profit shall be determined by the Commission pursuant to the provisions of its 'regulations prescribing the method of determining profit, adopted May 4, 1939,' including amendments and annotations to September 1, 1941, and for the purpose of such determination the contractor shall make such statements and returns to the Commission as it shall direct and shall also make available to inspection and audit by representatives of the Commission all books, files, and other records of the contractor or any parent or subsidiary company of the contractor. The present methods of accounting employed by the contractor, including methods for allocating direct and indirect costs, have been found to be satisfactory by the Commission, and the contractor agrees that it will not make any changes in such methods without the approval of the Commission. In making its determination of profits derived by the Contractor from the performance of the work hereunder, the Commission will include in the contractor's cost all proper charges and expenses incurred in connection with the performance of such work, including, but not limited to, (1) recruitment expenses incurred in connection with such recruitment plans as may be approved by the Commission; (2) losses incurred by the contractor due to the necessity of disposing of inventory items acquired for the purpose of performing work under the terms of this contract and not used for such purposes, if the purchases made of such items by the contractor were not unreasonably in excess of the anticipated requirements in respect thereto, and if the Commission shall have been given an opportunity to purchase such items at a price equal to the cost thereof to the contractor and the Commission shall not have elected to purchase such items within 10 days of the receipt of a notice of the contractor's desire to sell the same to the Commission; and (3) the cost of completion or termination of this contract, including the

cost of preserving and protecting any property of the Commission located in the shipyard and legal, accounting, clerical, office, administrative, and other expenses incidental to final settlement of this contract. In addition to the exclusions specifically provided for in the aforementioned regulations, the Commission shall exclude from the contractor's cost, in determining profits as aforesaid, ceremonial launching expenses of whatsoever nature, charitable contributions, and Federal capital stock taxes in excess of amounts approved by the Commission.

"(b) Any amounts in excess of the then unpaid portion of the contract price which may be payable by the contractor to the Commission under the provisions of this article shall be paid by the contractor within 30 days of the date of the receipt of a demand therefor from the Commission.

"(c) The maximum profit for the purposes of this contract shall be the sum of $665,000 unless and until the amount thereof shall be increased or decreased as hereinafter provided.

"(d) Prior to laying the keel of any one or more of the vessels to be constructed hereunder, the contractor may decrease or increase the unadjusted vessel price for each of the vessels the keels of which have not been laid in the sum of $50,000, or any multiple thereof, provided that no increase may be made which will cause such unadjusted vessel price to exceed the sum of $2,200,000. The contractor may thereafter from time to time in like manner and subject to like limitations decrease or increase the unadjusted vessel price for each of the vessels the keels of which have not then been laid. In the event of any such decrease or increase, the contract price shall be decreased or increased, as the case may be, by an amount equal to the decrease or increase in the unadjusted vessel price multiplied by the number of vessels, the keels of which have not then been laid. The contract price as so adjusted shall be subject to the further adjustments theretofore made or thereafter to be made, pursuant to the provisions of the preceding articles 8 and 9 hereof. Each notice of election to decrease or increase the unadjusted vessel price as aforesaid shall be given by the contractor in writing to the Commission and sent by registered mail, addressed to the secretary, United States Maritime Commission, Washington, D. C.

"(e) The term 'maximum vessel profit' as used herein shall mean an amount based on the unadjusted vessel price determined in accordance with the following table:

"Unadjusted vessel price	*Maximum vessel profit*
$2,200,000	$25,000
2,150,000	30,000
2,100,000	35,000
2,050,000	40,000
2,000,000	45,000
1,950,000	50,000
1,900,000	55,000
1,850,000	66,000
1,800,000	77,500
1,750,000	89,000
1,700,000	100,000

"In the event of a decrease in the unadjusted vessel price made pursuant to the provisions of paragraph (d) hereof, the maximum profit shall be increased by the difference between the maximum vessel profit shown on the preceding table for the unadjusted vessel price in effect prior to the decrease and that shown on such table for the unadjusted vessel price subsequent to such decrease, multiplied by the number of vessels the keels of which have not been laid. In the event of any increase in the unadjusted vessel price made as aforesaid, the maximum profit shall be decreased by an amount equal to the difference between the maximum vessel profit, shown in the preceding table for the unadjusted vessel price as so increased and that shown for the unadjusted vessel price as in effect prior to the increase, multiplied by the number of vessels the keels of which have not been laid. In no event, however, shall the maximum profit as adjusted under the provisions hereof exceed the sum of $1,900,000."

The records further show that said contract MCc-34973, although dated "as of January 2, 1945," was not transmitted to you for signature until February 15, 1945. Thus, it appears that the contractor here involved selected the unadjusted vessel price of $2,100,000 for each of the first nine vessels, although it is indicated that 12 keels had been laid and 6 hulls launched prior to the actual date of execution of the contract—February 15, 1945. It is understood that the purpose of the so-called selective-fixed price form of contract is to enable the contractor to make a profit commensurate with the risk of loss assumed in the performance of the contract work. That is to say, by the terms of such contract, the contractor is obliged to indicate a fixed price for a particular vessel prior to laying its keel, and if he selects a high price for such vessel—with the comparatively small risk that the cost of construction of such vessel will exceed the price selected—his allowable profit is correspondingly low. However, if, as indicated by the facts presently before this office, the contractor here involved had partially completed several of the vessels—under which circumstances the approximate construction cost of such vessels probably would be known to the contractor—it is difficult to perceive a logical consistency between the theory of the form of contract and the facts existing at the time the subject contract was executed. In other words, the selective-fixed-price form of contract would appear properly for use only where the contractor is required to select the vessel price prior to the laying of its keel—as the contract expressly provides in said article 10.

Article 30 of the contract provides:

"(a) The commission and its chairman have determined that the profits to be derived by the contractor hereunder can be determined with reasonable certainty when the contract price specified was established, and has exempted this contract from the provisions of subparagraphs 1 and 2 of paragraph (b) of section 405 [403] of the Sixth Supplemental National Defense Appropriation Act (Public 528, 77th Cong., 2d sess.) as amended by title VIII of Public Law 753 (77th Cong., 2d sess.) and Public Law 235 (78th Cong.). It is hereby agreed that the contract price hereunder shall not be subject to renegotiation, nor shall the Commission have any right to retain amounts otherwise due the contractor or require the repayment by the contractor of any profits, except as hereinbefore otherwise expressly provided.

"(b) In compliance with said section 405 [403], as amended, the contractor shall insert in the subcontracts specified in said section the provisions required by said section."

Presumably the said article 30 is incorporated in the subject contract pursuant to authority conferred upon the War Contracts Price Adjustment Board under section 403 (i) (4) (B) of the Renegotiation Act, as amended, which authority appears to have been delegated to the Maritime Commission and its chairman with respect to Maritime Commission contracts. (See, in this latter connection, 10 F. R. 1049.) However, in view of the range of $500,000 ($2,200,000–$1,700,000) available to the contractor under said article 10 as a fixed price for each vessel and in view of the difference of $75,000 ($100,000—$25,000) in the amount of the maximum vessel profit allowable thereunder, there is not understood the basis upon which it could have been determined—as recited in said article 30—that "the profits to be derived" under the contract "can be determined with reasonable certainty when the contract price was established."

A report dated May 1, 1945, submitted by the representatives, of this office in connection with the subject contract, reads in part:

"The following is a summary of payments and costs under Contract No. MCc-34973 through progress payment application No. 5, dated April 21, 1945 (no payments have been made under contract No. MCc-34760):

Base contract price, 9 vessels at $2,100,000, 10 vessels at $1,700,000	$35,900,000.00
Less value of materials furnished by U. S. Marine Corps as specified in art 4 of contract ($802,000 per vessel)	15,238,000.00
Adjusted contract price	20,662,000.00
Value of work performed for construction based on 61.2645 percent of completion as at Apr. 15, 1945	12,658,470.99
Less contractual hold-back (4 percent)	506,338.84
Total payments on applications	12,152,132.15
Deduct contractor's stated costs as of Apr. 15, 1945:	
Material	525,433.73
Labor	5,566,153.35
Overhead	1,333,920.37
Direct charges	1,145,372.84
	[1] 7,570,880.29
Overpayment	4,581,251.86

[1] U. S. Marine Corps exceptions not deducted.

"The huge overpayment reflected above, on the basis of 61.2645 percent of contract completion, would indicate an ultimate overpayment of approximately $7,487,618, less maximum contract profits of $1,315,000, or a net overpayment of $6,172,618."

Apparently the term "overpayment" in the above report is used in the sense that the stated amount will eventually be for repayment to the Government under the provisions of article 10. However, if the facts concerning progress payments under the contract and the amounts of the contractor's costs are as indicated, it would seem obvious that not only were the profits to be derived under the contract not determinable in advance "with reasonable certainty"—thereby raising a question as to the authority to exempt the subject contract from the provisions of the Renegotiation Act, as amended—but that the contractor is receiving under the contract amounts far in excess of what the contract provisions contemplate will be paid—or, at least, retained. It is equally obvious that such a situation is inimical to the interests of the Government even though in this situation the contractor may be financially sound. It is suggested that consideration be given to the withholding of further payments under the subject contract until such time as the contractor's costs, plus allowable profit, more closely approximate the amount of the contract payments.

I should appreciate your views with respect to the matters herein discussed.

Respectfully,

LINDSAY C. WARREN,
Comptroller General of the United States.

Mr. AIKEN. It would appear from a reading of these documents, that when the General Accounting Office became insistent in its demand for cost figures pertaining to certain contracts, the Maritime Commission first submitted reports

of cost which were prepared by the contractor himself. When these reports were not accepted by the General Accounting Office, the Maritime Commission then converted cost-type contracts into fixed-price contracts.

It is apparent that the reason for the change in the form of these contracts was to avoid furnishing evidence establishing that the amounts which were represented to be the costs of the contractor were the actual costs and were proper for reimbursement by the Government.

In plain words, the Maritime Commission in converting cost-type contracts to fixed-price contracts clearly intended to conceal the actual cost of constructing these vessels from the General Accounting Office and to prevent that agency from performing its duties as required by law.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. LANGER. Has the Senator introduced a resolution for the purpose of remedying the situation?

Mr. AIKEN. No; I have not. I am glad the Senator from Michigan [Mr. FERGUSON], who is a member of the Mead committee, is present. I think that committee has authority to go into this matter.

I further call attention of the Senate to the fact that we have a standing committee of the Senate, namely, the Committee on Expenditures in the Executive Departments. The duties of that committee should be to examine into the manner in which public money is spent by the various Government departments. The committee was established many years ago and has never been permitted to function because of the lack of funds.

Mr. LANGER. It has no funds?

Mr. AIKEN. No. I believe the committee requires a substantial staff of legal and technical experts, and having once been supplied with them it should work in cooperation with the General Accounting Office. I believe the committee should be made one of the most important committees of the Congress and if it functioned there would be no need for many of the special investigating committees which operate from time to time. I realize, also, that all the special investigating committees which are appointed from time to time have their work cut out for them and do meritorious service.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3035) to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3199) maknig appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HARE, Mr. TARVER, Mr. THOMAS of Texas, Mr. KIRWAN, Mr. ENGEL of Michigan, Mr. KEEFE, and Mr. H. CARL ANDERSEN, were appointed managers on the part of the House at the conference.

WAR AGENCIES APPROPRIATION

The Senate resumed the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDING OFFICER (Mr. HOEY in the chair). The pending amendment of the committee will be stated.

The amendment was, on page 15, line 15, after $39,670,215", to strike out "reducing the Office of War Information by $17,000,000 to apply to the estimates for activities in Europe and the United States."

Mr. BILBO. Mr. President, I may be chasing the pot of gold at the end of the rainbow; I may be indulging in fond but vain hopes, but before my distinguished and lovable friend from New Mexico [Mr. CHAVEZ] makes the motion which he announced on the 20th of June that he would make, I wish to make some observations in the hope that I may be able to convince him and his cosponsors of the FEPC that he should not press his motion at this time.

On the 20th of June 1945 the Senator from New Mexico made the following statement:

> Mr. President, at the direction of the Committee on Appropriations, I submit the following notice in writing:
>
> "In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraphs 1 and 4 of rule XVI for the purpose of proposing to the bill (H. R. 3368), making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, the following amendment, namely: On page 1, after line 8, insert the following:"

That amendment has been reduced to print, and is on every Senator's desk. Presently the Senator from New Mexico will make the motion which he announced that he would make. He is so persistent and so insistent, or has been such, that on yesterday he made several observations. Among them he expressed a desire that the Senate convene at 11 o'clock today and at the end of the day hold a night session. Few Senators wish for the Senate to convene at 11 o'clock on any day, and there is a fewer number of them who wish to be held in the Senate Chamber during the night in order to discuss weighty problems of government.

In the pending bill, if my calculation is correct, there is provision for 16 war agencies. I will name them so that the public may know just what my friend from New Mexico and his cosponsors are planning to do. The agencies to which I refer are as follows: The National War Labor Board, Office of Alien Property Custodian, Office of Defense Transportation, Office of Economic Stabilization, Office of Scientific Research and Development, Office of Inter-American Affairs, Office of War Information, War Production Board, Smaller War Plants Corporation, War Shipping Administration, Office of Censorship, Office of Strategic Services, Petroleum Administration for War, Office of War Mobilization and Reconversion, Selective Service, and War Relocation Authority—16 important war agencies.

The bill now under consideration contains appropriations for the life and maintenance of these 16 agencies as provided in the bill as it passed the House. A herculean effort was made in the House by the sponsors of the FEPC to incorporate an appropriation for the continuance of the FEPC; but all in vain. So the bill came to the Senate with 16 agencies; it went to the Senate Committee on Appropriations with 16 agencies; it came out of the committee with 16 agencies; it is now under consideration; we are practically through passing on these 16 agencies, and in a few minutes we could have a roll call and these 16 agencies would be perpetuated by an appropriation of the Congress, and there would be no trouble.

But since the 20th day of June we have been threatened by my distinguished and lovable friend from New Mexico, a gentleman from the wild and woolly West, who is coming up with his little squirt gun and is going to squirt into this bill the poison of the FEPC.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BILBO. I cannot yield now; I do not want to be disturbed.

The Senator from New Mexico is going to squirt his poison into this bill, and when he does he knows that he is going to kill these 16 war agencies in the bill, which is now ready to be consummated by a vote of the Senate.

Mr. CHAVEZ. Will my good friend yield now?

Mr. BILBO. I will not yield yet.

The PRESIDING OFFICER. The Senator from Mississippi declines to yield.

Mr. BILBO. I am afraid the Senator from New Mexico might disturb the continuity of my thoughts.

Mr. President, if the Senator from New Mexico makes the motion—and I beg of him, I pray that he will not make it; but if he makes it and a sufficient number of Senators vote to suspend the rule of the Senate, which is a necessary procedure in order to inject this poison into the bill, it will bring about the death of these 16 agencies by midnight Saturday; and I want the world to know that the responsibility of killing these 16 agencies is upon the shoulders of the sponsors of this damnable legislative monstrosity called the FEPC. Why? Because for days and weeks we have been giving the sponsors of the FEPC notice that those who believe that this is the worst and most vicious piece of legislation in the history of the American Congress were going to fight it to the death, and with extended remarks, in order that the American people might know all there is connected with the FEPC. I say that in good faith, not as a filibusterer. I am not filibustering yet, but whenever the Senator from New Mexico makes his motion to suspend the

rule, I give him warning now that the filibuster will start. This is merely a prelude, if you please.

Mr. CHAVEZ. Mr. President, will the Senator yield to me now?

Mr. BILBO. I will not yield; I am busy.

This thing they call the FEPC was born in sin and brought forth in iniquity. Some Senators possibly do not know the history of it, and I have a suspicion—indeed, I have a faith—that if the thinking people of America knew how this miserable concoction was brought about they would rise up and say, "Kill the snake, and kill it now."

I am reading from a new book, the title of which is "What the Negro Wants." It is edited by Rayford W. Logan, who is a gentleman of color, and the contributors to this book are Mary McLeod Bethune, Sterling A. Brown, W. E. Burghardt Du Bois, Gordon B. Hancock, Leslie Pinckney Hill, Langston Hughes, Rayford W. Logan, Frederick D. Patterson, A. Philip Randolph—do not forget that name—George S. Schuyler, Willard S. Townsend, Charles H. Wesley, Doxey A. Wilkerson, and Roy Wilkins—the worst of them all.

I find in the book, on page 16, where the true story of the origin of the FEPC is set forth.

Mr. CHANDLER. Mr. President, if the Senator from Mississippi will yield, how many pages are there in the book?

Mr. BILBO. For the Senator's information, I will say there are 352 pages, but I shall read only one of them now.

Mr. CHANDLER. Is the Senator on page 16?

Mr. BILBO. I am about to read from page 16.

Mr. TYDINGS. Mr. President, if the Senator will yield, I understand there are 16 volumes in the set, and the Senator is reading from only one volume. Is that correct?

Mr. BILBO. That is correct.

Mr. President, if you want to know how this thing was brought about in American life, listen to this Negro by the name of Logan, who edits this book:

> In recent years some Negroes have adapted an old American technique for the solution of the problem, namely, the march on Washington.
>
> Since—

Listen to this—this is Logan talking—

> Since I sat with Mr. A. Philip Randolph and Mr. Eugene Davidson in the all-day conference with Mayor LaGuardia, of New York, and Mr. Aubrey Williams—

Members of the Senate have heard of him, I believe—

> that culminated in the President's Executive Order 8802 of June 25, 1941, I can bespeak the power—

Listen—

> I can bespeak the power—

Power of what?—

> the power of a threatened march.

What march? A march on Washington.

Mr. HATCH. Mr. President, will the Senator yield for a moment?

Mr. BILBO. No.

Power of the threatened march is what brought about the signing and issuance of Executive Order 8802 on June 25, 1941.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BILBO. I will ask the Senator to wait until I get through, and I will yield to him then. The article continues:

> There are, however, definite limitations on this power.

Mr. HATCH. Mr. President——

Mr. BILBO. I trust the Senator will not insist. I have the floor. I very courteously refused to yield. When I get through I will yield. So I shall ask the Senator just to be quiet until I get through. I read further:

> There are, however, definite limitations on its power. Restrictions on travel have nullified it for the duration of the war and will probably curtail it in the crucial period when the European peace conference is held. Housing conditions in Washington and in many other "boom" cities during these same periods further restrict the number who would "march." Even under the best conditions, the march can be used only occasionally unless such a small number participate as to make the march appear to be a bluff. Constant vigilance would have to be exercised against agents, provocateurs, or outside hoodlums determined to create disorder or a riot. I definitely favor the March-on-Washington or on other cities only as a rare, dramatic, powerful weapon which should be used only when all other methods have failed.

In other words, A. Philip Randolph, president of the Pullman Car Porters Union, along with his confederates, with the aid and assistance of the NAACP—

Mr. President, a note has just been handed me by the Senator from New Mexico, and I will just have to yield to him. [Laughter.]

LEAVE OF ABSENCE

Mr. HATCH. Mr. President, on account of previous engagements, I ask unanimous consent that I may be excused from attending sessions of the Senate today and tomorrow, and until I return sometime on Friday.

The PRESIDING OFFICER. Without objection, the leave is granted.

Mr. HATCH. I thank the Senator from Mississippi.

Mr. BILBO. It was a pleasure. One vote gone. [Laughter.]

A. Philip Randolph, with the aid and assistance of the NAACP, under the administration of Walter White, had organized 200,000 Negroes, and had announced they were going to march on Washington, and remain here until they had obtained what they wanted. In those days we were preparing for war; we were busy, and the President did not want any such tragedy to happen in the city of Washington. He knew it meant a riot, he knew it meant trouble, he knew it meant bloodshed. All day long Eugene Davidson, Randolph, Aubrey Williams, and LaGuardia, wrestled with the President, and they finally persuaded him, and under this threat, as this Negro said, of the march on Washington and the disastrous results and consequences of 200,000 Negroes being thrown into Washington all in a day, the President signed, under force, under threat, Order No. 8802, to satisfy and pacify and to stop this insistent minority that proposed to do by force what they had been unable to do through regular legislative channels in a free government.

Mr. President, that was the birth of the movement. Later they insisted that the President go further, and he issued a second order. I have forgotten the number of it, but the effect was the same. It is under this set-up, under these two Executive orders, that the FEPC has been operating.

Mr. President, I wish to read an editorial from the News and Courier of Charleston, S. C., which gives one excuse for the FEPC:

> For the passage by Congress of a bill perpetuating the FEPC, at least one argument can be advanced. It would make the issue plain. Were the bill to become law and attempt to enforce it were made, it would and it should be disobeyed and resisted in the South. The South should put those who would enforce it on notice that they would need send an army of coercion to occupy the South—even as armies are this day occupying Germany.
>
> The proponents of the measure would as well understand that the right of a textile corporation, of a newspaper corporation, a bank, or any other corporation or employer, to discriminate between races will be upheld by force, in the South, if necessary, that nothing short of military coercion will prevent the South from nullifying an FEPC bill if it shall become a law.
>
> The FEPC bill is a preliminary step toward compelled racial amalgamation, and the News and Courier is convinced that the overwhelming majority of northern white people are opposed to it. It is convinced that the rational leaders of colored people in the South are also opposed to it.
>
> If another reconstruction is to be attempted in the South, the sooner that the issue shall be understood, the better for the American people. Passage of the FEPC bill by Congress would uncover the designs of the politicians who would sell out the white race for the Negro vote in a dozen great American cities.

If we abstract and take away from the FEPC issue its value as a vote-getting proposition, there will not be enough votes for this bill in the Congress to conduct a funeral.

Mr. President, I am not filibustering, but I intend to if the motion is made to suspend the rule.

With reference to filibustering, I do not think it is so bad, after all. I received the following telegram from New York:

JUNE 22, 1945.

Senator THEODORE G. BILBO:

Organized newspaper men and women—

I hope the boys in the Press Gallery are not organized—

> Organized newspaper men and women object to any attempt to filibuster FEPC measure. Certain all advocates of democracy agree such technique strikes at the heart of American traditions.
>
> JOHN F. RYAN,
> *General Organizer, Newspaper Guild of New York.*

Well, I am not going to step on anybody's toes in the newspaper world—un-

less they are organized. This is what I wired in reply:

General Organizer John F. Ryan.

I could not tell whether he was white or black. I just called him organizer.

Your audacious telegram of June 22 was received today and I note your observations on the right of a Senator to filibuster against rotten and communistic proposed legislation. The right, righteousness, and privilege of a Senator to speak without limit against vicious, un-American, and unconstitutional legislative monstrosities like the FEPC are honored with greater age than either you or any of your Newspaper Guild members. I know I am a better Democrat than any member of your organization. I do not have to prove it. I admit it. I am fighting for and in behalf of true American democracy, American freedom, and the American way of life, all of which is denied in the damnable FEPC proposed legislation. The legislative history of the American Senate shows that every successful filibuster has in after years proved the wisdom and virtue of the right of filibustering. When you question the technique of so-called filibustering and charge that it strikes at the heart of American traditions you lay yourself wide open to the indictment that you neither know nor understand anything about American traditions.

I want all to hear this:

Let me tell you and your organization that if these pinkish, communistic, off-brand, minority pressure groups keeps on trying to force their foolish, un-American and unconstitutional conceptions upon free America you will eventually arouse the wrath of the great majority of liberty-loving free Americans to such a point that they will figuratively liquidate the whole miserable and conglomerate gang or gangs. Yours for good old America in the same good old way.

THEO. G. BILBO,
United States Senator.

Mr. President, I wish to repeat what is in that telegram. If these minorities which are coming to the Congress with all sorts of communistic, foolish, absurd, unconstitutional, and un-American propositions, in what they call a New Deal or a New Order, or whatever they want to call it, continue their present activities, by-and-by the American people, the great rank and file of the thinking, stable, and reliable American people, are going to become fed up on it, there will be a revolution in this country, and the people will put this bunch out of business. For a while we had government by bureaus—a bureaucratic government. Now an effort is being made to have a government by minorities.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. JOHNSTON of South Carolina. Does not the Senator from Mississippi believe that the States themselves can handle this problem?

Mr. BILBO. Certainly I do. Governor Dewey and the Legislature of New York think they can handle it, because the legislature has already passed a very strong FEPC law. The State of New Jersey has also passed one. The telegram of opposition which I just read comes from the great State of New York, which already has an FEPC law. I wonder what will happen to the poor people of New York State when they are faced with two regiments or two armies—one representing the State of New York and the other representing the Federal Government, if Congress were to pass FEPC legislation? I wonder what will happen to the people of that State when military units are authorized to go into every man's private business in New York to see if he has hired a certain Jew, to see if he has hired a certain Negro, or a certain Pole, or a certain Italian, or a certain Catholic, or a certain someone else.

Mr. JOHNSTON of South Carolina. Does not the Senator believe that we should permit the States which already have passed a law dealing with the subject to try it out and see how it works with them before we try to enact a national law?

Mr. BILBO. Precisely.

A few days ago I placed in the CONGRESSIONAL RECORD a petition signed by members of the bar of the State of Massachusetts begging the Legislature of Massachusetts to withhold any action until it was seen how the law would work in the State of New York. I understand the Legislature of Massachusetts did not pass the proposed measure. If I am wrong I wish someone would correct me.

Mr. JOHNSTON of South Carolina. I believe the Senator feels as I do. The Senator resents, as I do, someone 3,000 miles away from the South or from our State telling us how to conduct the affairs of our State.

Mr. BILBO. I certainly believe in local self-government, and the less government we have on the banks of the Potomac the happier and better the people of this country will be. We have too much of it, anyway.

The other day I received a telegram from the State of Georgia signed by a lot of Negroes and white Quislings of that great State in the South. I replied to it. I shall not take the time of the Senate to read what I said to them on that occasion, but I ask that it may be printed at this point in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
June 19, 1945.

Rev. WILLIAM HOLMES BORDERS,
Dr. M. ASHBY JONES, and
ARMAND MAY,
Atlanta, Ga.

DEAR GEORGIANS: Your letter of June 19, enclosing an alleged petition from the citizens of the State of Georgia addressed to the Members of the Congress of the United States and a list of the national groups supporting a permanent Fair Employment Practice Commission, was received today.

I note that you state that your petition was circulated for a period of only 4 days, but it is strange and mystifying that you did not give the address of any petitioner; so it is natural to presume that the great majority of these petitioners, representing Negroes, quislings of the white race, and other racial minorities hail from the city of Atlanta, the hotbed of southern Negro intelligentsia, Communists, pinks, Reds, and other off-brands of American citizenship in the South.

In your letter you make the following statement: "We had thought for some time there was widespread misunderstanding of the provisions of this bill." You never uttered a greater truth than you have in these words. If the American people—North, South, East, and West—really understood the provisions of the so-called FEPC bill, there would be a Nation-wide revolution against its perpetuation.

You or someone for you have drafted a petition that contains more misinformation—or shall I say downright misrepresentations—erroneous conclusions, and mischievous impressions than I have seen in any one document in a lifetime. I am sure that persons of really intelligent, informed, and analytical minds would not have signed this petition because it is wholly fraudulent on its face.

I note with special interest the incomplete list of national groups supporting the so-called permanent Fair Employment Practice Commission. The names of these groups unquestionably reveal the two outstanding groups of American citizens who are urging the passage of this most communistic legislative monstrosity ever presented to the Congress. Of course, there are many good, well-meaning citizens who are members of the organizations that you list, but those who control the policies of these minority groups are totally and wholly unmindful of the definite provisions of the Constitution of the United States, the rights of the American people, and in general the American way of life.

You state in your petition: "Today two schools of thought are in conflict: Democracy with its philosophy of individual rights and dignity; fascism, with its ideology of force built on discrimination against racial and religious minorities."

The whole conception of the proposed FEPC legislation is most certainly in violation of the American doctrine of individual rights and dignity. The whole scheme of this communistic conception of government is to use force instead of education, training, and culture to attain the evident ends and purposes of the sponsors of this un-American and unconstitutional legislative monstrosity.

This legislation is entirely foreign to the principles of American democracy and philosophy of the dual system of our great scheme of constitutional government. This proposed legislation is a studied and planned scheme of the communistic minds of this country to drive the entering wedge that will eventually split and destroy the unity that should obtain in every part of our country and with our American people regardless of race, color, creed, or national origin.

I did not mean to refer in this statement to our late lamented President Roosevelt who issued his directive No. 8802 under the threat and force of the "On to Washington movement" of 200,000 Negroes who, under the leadership of A. Phillip Randolph, threatened to overrun Washington in the midst of our war preparation with these 200,000 Negroes. The President had to do something to avert this tragic scene and disruption at the time.

The purposes and results of the FEPC will be discontent, dissatisfaction, and innumerable race conflicts not alone in the South but in every community and State of our Nation. The principles of equality, justice, fair dealings, and guaranty of the rights of the individual citizen regardless of race, creed, color, religion, or national origin must be brought about by the processes of education, training, and culture.

Many of the sponsors of this "damnphool" legislation have been led to believe that by its enforcement they will break down the social, cultural, and color lines that are naturally drawn because of the traits, creeds,

peculiarities, and nationalities of our cosmopolitan population. These wild pink-eyed liberals or socialistic dreamers, knowing that by nature water and oil will not mix, propose by force and through an act of Congress to do the impossible.

The intelligentsia of the Negro race believes that through the FEPC they will hasten the day of destroying the color line and bring about social equality between the white man and the black man by which the wise ones hope eventually, by the process of miscegenation and mongrelization, to destroy both the white and black races.

No good citizen wants to deny equal and exact justice to any citizen because of race, creed, color, religion, or national origin. Neither does a good citizen want to rob other citizens of an equal opportunity to live and to make a living for themselves and their loved ones, but when the unthinking and uninformed minority leaders think that by a mere act of the Congress they can rob free American citizens of the right to employ such labor as best suits their businesses and their environments and their customers, we have forgotten the American ideals and ways and adopted the communistic concepts of totally un-American and foreign ideologies.

You do the Democratic Party a great injustice when you charge that in its platform of 1944 it pledged the support of the party to a permanent Fair Employment Practice Committee or Commission. There is not one word in the Democratic platform of 1944 that would justify any such unreasonable conclusion.

The right-thinking people of the United States everywhere, as they begin to understand the meaning of the FEPC legislation and its invasion of the individual rights of the American citizen and American businessman, are now registering their opposition to this fantastic and communistic un-American and unconstitutional ideology.

A few States have been driven by threats and intimidation of pinkish minorities to enact laws along these un-American lines but I think I am safe in saying that in the fields of trial these States will regret and repent of their error and gradually drift back to the good old free American way of life.

Speaking for myself, I will leave nothing undone this side of heaven or hell to defeat this damnable legislative scheme.

Yours truly,

THEO G. BILBO.

Mr. BILBO. Mr. President, the petition from Georgia was signed, among others, by Lillian Smith. Have Senators ever heard of her? She is the author of the book entitled "Strange Fruit." If Senators have not read that book I hope to God they never will. It is one of the dirtiest pieces of literature that has ever been printed and circulated. It is so rotten that even the city of Boston drove it out. Boston would not have it. There are words and pen pictures in that book that are enough to corrupt American minds. It is not surprising that the colored ladies and gentlemen rush to the bookstores to buy Lillian Smith's Strange Fruit, because the theme of the book is the glorification of a love affair between a white man and a Negro woman.

Last night I received through the mail copy of a speech entitled "The White Christian and His Conscience," by Lillian Smith. I notice that the speech has been delivered—and one can tell what it is by where it was delivered—at Ford Hall Forum in Detroit, the Institute of International Relations, Columbus, Ohio, the Community Church in New York, and in several other places. I am not going to reply to this speech now, but it was delivered in the interest of the FEPC. I am saving that for the filibuster—do Senators understand?

The next day, after I had made some observations on the petition sent from Georgia, a certain lady in this country, who writes an article in the Washington Daily News under the head of My Day, proceeded to rush to the defense of these folks down in Georgia. Let me read to the Senate what she said:

HYDE PARK, Sunday.—I have just received from Georgia a copy of a petition which some citizens of that State have sent to Members of Congress, urging enactment of the Fair Employment Practice Commission bill.

"Establishment of a permanent Fair Employment Practice Commission is supported by some sixty-odd national organizations," the petition states. "Both the Republican Party and the Democratic Party are committed to such legislation by their party platforms"—

Many Senators believe that Mrs. Roosevelt is intelligent, but here she is making that kind of a statement in the public press, and I defy any man to take the Democratic Party platform and find where, in one line, we endorsed the FEPC.

Mr. CHAVEZ. Mr. President——

Mr. BILBO. I ask the Senator to keep his seat. I am not ready for him yet.

"by their party platforms, as well as by the fact that the Presidential nominees of both parties promised support to this legislation in the last national campaign."

That might be true. A man on the hustings running for office and trying to secure votes is likely to say anything. I have been a candidate myself.

"We are approaching the end of our military war. Events are moving swiftly."

She is quoting from the petition. Then she proceeds at length to try to defend the stand taken in the petition:

The petition is signed by many of the finest and most progressive white citizens of Georgia, as well as by many highly respected colored citizens. Mass meetings have been held in favor of the enactment of this legislation in both Washington and New York, and, I imagine, in other places.

A little mass meeting was held in Washington the other night. Walter White came down from New York, and he succeeded in having a few offcolors come and they held a meeting.

From our domestic point of view, I think it is of great importance to us that we establish once and for all the principle that there shall be no discrimination in economic opportunity among our citizens. It is not only the colored people who are concerned. We have many other minority groups who have felt the pressure of discrimination when it came to the question of employment. We have fought a war to establish the dignity of the individual—his freedom and his equal rights as a human being.

Mr. President, I agree with most of those statements. But when I say that I believe in the Negro having his rights I do not mean that it is his right to walk into my home and to associate with my family, or marry my daughter, or go to school with my children. I do not mean that. But he has his rights. And while Governor of Mississippi for 8 years, when I found that there had been a miscarriage of justice against the poor Negro I did not hesitate to release him from the penitentiary or save his neck by executive order.

We cannot very well permit at home conditions which would curtail, or make more difficult, that freedom from want which is one of the basic freedoms that must exist side by side with political and religious freedom.

The minute Mrs. Roosevelt read my attack on the people of Georgia, she said they were great people, wonderful people, outstanding people.

Let me read something from Georgia. I have heard from Georgia again. This is from Atlanta:

DEAR SENATOR: Congratulations on your reference to Atlanta's Communist in today's Atlanta Journal; you are quite right. I hope you fight this iniquity and urge others to do so.

The signers of that petition are Negroes, negrophiles, and a cheap grade of Communist.

Let me repeat that because I want my friend from North Dakota [Mr. LANGER] to hear it:

The signers of that petition are Negroes, negrophiles, and a cheap grade of Communist.

He names them in that order.

I name them in the order of their importance. The reason they did not give addresses it would have indicated who the signers were and would have exposed some forged or fake names.

I received the following letter in reference to a telegram which was sent to me:

Last night you were sent a telegram pertaining to the FEPC. Here are the names, addresses, and phone numbers of the men who came to my office to send the message to you.

This letter is from one of the outstanding lawyers of Atlanta. He gives a list of approximately 40 names, with the addresses and telephone numbers. But in connection with the list of signatures to the petition about which I spoke, and which Mrs. Roosevelt is trying to defend, no addresses were given. We all know how that petition was drawn up. I find Lillian Smith's name on it, but her address is not given. Her address is Clayton, Ga.

The minute I tried to show the character of the petitioners and the motives behind the petition from Georgia, my good friend Mrs. Roosevelt rushed into public print to defend them, and say that they were the cream of the crop.

No family in the history of America has had more honors bestowed upon it than the family of Franklin D. Roosevelt. No man in American history deserves more honor than Franklin D. Roosevelt himself, and there has been no stronger Roosevelt admirer or supporter than the speaker on this occasion. But I had hoped that when Mrs. Roosevelt, the wife of this great and good man,

had returned to the quiet shades of the ancestral home on the historic Hudson, she would be perfectly willing, after more than 12 years of full and active life, trying in her way to run the Government, to call it a day and leave it to others to carry on I had hoped that she would cancel her contract for My Day and keep her proboscis out of controversial questions which Members of Congress are trying to settle in the interest of their constituents and for the welfare of the Nation as a whole.

In this connection I have another thought. If this good woman had given one-half the attention to rearing and directing the lives and affairs of her own brood that she has given to trying to force recognition and social equality of the American Negro, she would not today be embarrassed with headline stories about some of her offspring.

That is enough about the lady from Hyde Park for the present.

I wish to read a letter from Georgia. I shall not give the names of the writers of these letters, because I have not had time to communicate with them and obtain their permission to use their names. I do not care to put their names in the CONGRESSIONAL RECORD without the permission of the writers. This writer states, as follows:

The white people of Atlanta and all Georgia should be, and I'm sure they are, most thankful that you put your finger on the sore spot of disunity—Atlanta. Your statement as reported by AP and carried in Atlanta papers was timely and correct.

For many months we have been bedeviled with nagging editorials—pseudo uplifters—slanted radio commentators, and what not. All Georgia is just as sick and tired of being driven around like dumb cattle as I am sure you in Washington must be.

Newsstands are loaded with pro-Negro propaganda. Churchmen have been roped in on the deal to soften the South and, just as you say, every variety of propink radical imaginable seems to feel that we are ready to turn over southern tradition to the slick schemers for a brown America.

It is the hope of this writer that you will continue to be the fearless foe of deviltry that you have always been; that you will keep on exposing the malefactors of the FEPC and its allies, to the end that we may some day have peace and harmony, and not civil war when our boys come home.

Here is another letter, just received this morning. I am almost tempted to give the name of the writer, but I shall not do so:

JUNE 25, 1945.

Hon. THEODORE G. BILBO,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Please permit me to congratulate you on possessing that fine type of Americanism enabling you to write such a clear and convincing letter to a committee of local citizens (blacks, white, and radicals), who asked you to assist in putting over the FEPC bill. The men with your courage are all too few. What will become of our beloved country if it is to be administered in the interest of minorities? Minorities have their rights, but the right to rule is not included.

Please urge our good President to administer the United States of America in the interest of the great majority, that is the good men and women of both parties. Unfortunately they are unorganized, but they total millions. If he will do this he will draw unto himself millions, and he will not have to worry about reelection. He will reenter the White House with thirty-odd million votes.

A very good friend of yours who was with me here recently, gave me the good report that you had entirely regained your full strength and health. I was mighty glad to hear it. You are needed to battle for America in this very critical hour.

My best wishes go out to you.

Here is a letter from a good woman. It is on the letterhead of the Henry Grady Hotel, Atlanta:

MY DEAR MR. BILBO: I know that I am echoing the feelings of thousands of southerners when I express my unbounded thanks for your stand against the FEPC and for your courage to reply as you did to the leaders of the recent petition sent you from this city.

Lillian Smith—

She knows her.

Lillian Smith, Ashby Jones—

A defunct ex-Baptist preacher—

and their coworkers have openly declared their fight "to the death" against all segregation of the races and have stated that the only solution of the race problem lies in the dissolution of one race into the other.

Let me digress at this point to say that the sum and substance of the hope, prayer, and desire of every one of the 18 spokesmen for the Negro race in the United States led by Dr. Boas as appears from the book, What the Negro Wants, is social equality and intermarriage of the races. There are 19 States in America which do not prohibit the marriage of Negroes and whites. The District of Columbia is also in that category. Any one who has no more regard for the integrity of the white race than to encourage, permit, or insist upon intermarriage of the races ought to be liquidated, deported, or put out of business in some way.

I continue reading from the letter:

Their battle cry is miscegenation, and four times within recent months I have seen in their papers the following quotation from an article by one D. G. Croly, who coined the words: "All that is needed to make us the finest race on earth is to engraft upon our stock the Negro element which Providence"—

And all the time I thought it was the slave traders—

"has placed by our side on this continent. We must become yellow-skinned, black-haired people if we would obtain the fullest results of civilization."

That is the dream of most of the Negro intelligentsia—not all of them, thank God.

Lillian Smith was a student at Columbia University, and fell under the tutelage of that distinguished anthropologist, Dr. Boas, a German Jew, from Germany, who thought that interbreeding of the whites and blacks was the proper solution of the race question. The Senator from North Dakota did not fall under his teachings; I am sure of that.

I read further from the letter:

In an address last week, one of the speakers for FEPC used these phrases, which I was able to take down: "The organic universality of the human race"; "the physical and biological unification of mankind"; "the necessity for the merging of the races in the United States."

At a gathering of business people the other evening mention was made of the Negro petition sent you. One executive of a business firm here stated that he could find 7,000 opponents to FEPC in less time than Ashby Jones et al., got their 700 signers, but that they, like him, hesitated to have their names published because of fear of recriminations and labor trouble. All those present expressed apprehension over the snooping of Negro organizations and white radicals in their efforts to ascertain the attitudes of employers and record in their black book the names of those who oppose their philosophy and schemes.

It seems to me that our democracy has suffered a severe blow when the threats of a powerful minority group can stifle the freedom of expression of another group. I know that thousands of your fellow southerners support you in your fight to prevent the passage of the unfair employment practices legislation. Thank you and more power to you.

Now I read a letter from Atlanta, Ga.:

ATLANTA, GA., *June 23, 1945.*

Senator BILBO of Mississippi,
Washington, D. C.

DEAR SENATOR: I want to congratulate you on your stand against M. Ashby Jones, William Borders, and Armand May, of Atlanta, because they certainly do not represent the people generally of Atlanta. Jones quit as a Baptist minister, and has been working for the Negroes, Jews, and Catholics with the general belief prevailing he is being paid by the Rosenwald fund; so I have no confidence in anything he says.

I do not know about that; I am just reading the letter. It continues as follows:

The Lord would not have made the Negroes black and other race white if He had intended them to be equal socially, so all attempts to equalize the races socially is directly against divine intentions and nature in my opinion.

I have just finished reading—and I recommend it to the scholars and students of the Senate—a book by Dr. W. E. B. DuBois. The title is "Color and Democracy." The writing of the book was finished on the 1st day of January 1945. In the book Dr. DuBois takes the position that all the work which has been done at San Francisco is null and void, and that we are headed for another war, and that the next war will be a race war. He says it will not be long in coming. He says that the way in which the colonials of all the empires and countries of the world will be treated under the San Francisco Charter is such that there will be dissatisfaction and unrest and a rebellion of the colored people of all the nations of all the earth against the white man and his rule.

Mr. CHAVEZ. Mr. President, will the Senator yield to me now?

Mr. BILBO. Not yet. I am just getting started, and I do not want to be bothered.

Dr. DuBois says in his book that there is no question that there will be a race war. He tells how it will come about. He says that the San Francisco Charter does not do anything about it because it does not give recognition or any hope to the colonials or to the minorities within the free countries, including the United

States. Therefore, he says, they are under his leadership, ready to be led into an all-out world race war and conflict. His book is calculated to do more harm and to twist and corrupt and mislead the brains of more Negroes in the United States than any book which has been written in a century. That was the purpose of the book. The author not only prophesies a world war between the races but he really wants it to occur, because he thinks the members of the colored races outnumber the whites, and that when the war comes it will be his day. Dr. DuBois is a Massachusetts Negro. He was born in Massachusetts. He went south, and was educated at Fisk University. He went back north and went to Harvard College, and later was educated in Germany. He says he had to run away from Germany to keep from marrying a white woman.

Now he is the head research man of the NAACP, Walter White's organization in New York, and this book is one of the fruits of the NAACP, for the support of which some of you philanthropists are contributing your money.

There is another book which should be taken off the book racks of the Nation; it should be removed from the book stores; its sale should be stopped. It is the recent book of the month, which has had such a great sale. Senators can understand why it has had such a sale if they will read it. It is entitled "Black Boy," by Richard Wright. Richard Wright is a Mississippian. He was born and reared near Natchez, Miss. He went from Natchez to Jackson, from Jackson to Memphis, from Memphis to Chicago, and from Chicago to Brooklyn, N. Y., where he is married to a white woman and is living happily, he says. He wrote the book Black Boy ostensibly as the story of his life. Actually it is a damnable lie from beginning to end. It is practically all fiction. There is just enough truth to it to enable him to build his fabulous lies about his experiences in the South and his description of the people of the South and the culture, education, and life of the southern people. The purpose of the book is to plant the seeds of hate in every Negro in America against the white men of the South or against the white race anywhere, for that matter. That is the purpose. Its purpose is to plant the seeds of devilment and trouble-breeding in the days to come in the mind and heart of every American Negro. Read the book if you do not believe what I am telling you. It is the dirtiest, filthiest, lousiest, most obscene piece of writing that I have ever seen in print. I would hate to have a son or daughter of mine be permitted to read it; it is so filthy and so dirty. But it comes from a Negro, and you cannot expect any better from a person of his type.

Now I wish to read another letter. It comes from Georgia:

JUNE 22, 1945.

Senator BILBO, of Mississippi,
Washington, D. C.

DEAR SENATOR: I enclose the clipping from last night's Journal. I felt you would be interested in having it.

I have just had lunch with a leading citizen who holds the same view I have and that is that we agree fully with your statement and yet though we do know what a lot of sorry folks we have here, yet they are a very small majority. As an actual fact we have some mighty fine folks here and we are all proud of our State.

What impressed me most was a statement made by this friend I ate luncheon with and it was this:

"They had 736 signatures on that petition, but if they had taken the signatures of those who are against that petition and against the FEPC they would have had over 10,000 names on that one to the 736 names that had for it."

That proportion you see is a ratio of 7.3 for and 92.7 percent against it. So you can let your constituents and associates know that regardless of that petition they represent a mighty small ratio. I bet further, too, that of the majority of those who signed it, that they do not even know what it is all about.

More strength to you. Just please keep my name out of the picture, please.

Cordially yours.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. BAILEY. The amendment under discussion refers to certain Executive orders. Have they been printed in the RECORD?

Mr. BILBO. I did not understand the Senator's question.

Mr. BAILEY. The amendment under discussion refers to certain Executive orders. I wish to know if those orders have been printed in the RECORD.

Mr. BILBO. No; they have not been printed in the RECORD.

Mr. BAILEY. I had great difficulty in getting them, but I now have them. I think they should be printed in the RECORD.

Mr. BILBO. I also think they should be printed in the RECORD.

Mr. BAILEY. At this point, or at the conclusion of the Senator's speech——

Mr. BILBO. I shall be glad to have them included now.

Mr. BAILEY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point Executive Order 8802, and Executive Order 9346.

There being no objection, the Executive orders were ordered to be printed in the RECORD, as follows:

EXECUTIVE ORDER 8802—REAFFIRMING POLICY OF FULL PARTICIPATION IN THE DEFENSE PROGRAM BY ALL PERSONS, REGARDLESS OF RACE, CREED, OR COLOR, OR NATIONAL ORIGIN, AND DIRECTING CERTAIN ACTION IN FURTHERANCE OF SAID POLICY

Whereas it is the policy of the United States to encourage full participation in the national defense program by all citizens of the United States, regardless of race, creed, color, or national origin, in the firm belief that the Democratic way of life within the Nation can be defended successfully only with the help and support of all groups within its borders; and

Whereas there is evidence that available and needed workers have been barred from employment in industries engaged in defense production solely because of consideration of race, creed, color, or national origin, to the detriment of workers' morale and of national unity:

Now, therefore, by virtue of the authority vested in me by the Constitution and the statutes, and as a prerequisite to the successful conduct of our national defense production effort, I do hereby reaffirm the policy of the United States that there shall be no discrimination in the employment of workers in defense industries, or Government because of race, creed, color, or national origin, and I do hereby declare that it is the duty of employers and of labor organizations, in furtherance of such policy and of this order, to provide for the full and equitable participation of all workers in defense industries, without discrimination because of race, creed, color, or national origin;

And it is hereby ordered as follows:

1. All departments and agencies of the Government of the United States concerned with vocational and training programs for defense production shall take special measures appropriate to assure that such programs are administered without discrimination because of race, creed, color, or national origin.

2. All contracting agencies of the Government of the United States shall include in all defense contracts hereafter negotiated by them a provision obligating the contractor not to discriminate against any worker because of race, creed, color, or national origin.

3. There is established in the Office of Production Management a Committee on Fair Employment Practice which shall consist of a chairman and four other members to be appointed by the President. The chairman and members of the Committee shall serve as such without compensation but shall be entitled to actual and necessary transportation, subsistence, and other expenses incidental to performance of their duties.

The Committee shall receive and investigate complaints of discrimination in violation of the provisions of this order and shall take appropriate steps to redress grievances which it finds to be valid. The Committee shall also recommend to the several departments and agencies of the Government of the United States and to the President all measures which may be deemed by it necessary or proper to effectuate the provisions of this order.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1941.*

EXECUTIVE ORDER 9346—FURTHER AMENDING EXECUTIVE ORDER NO. 8802 BY ESTABLISHING A NEW COMMITTEE ON FAIR EMPLOYMENT PRACTICE AND DEFINING ITS POWERS AND DUTIES

In order to establish a new Committee on Fair Employment Practice, to promote the fullest utilization of all available manpower, and to eliminate discriminatory employment practices, Executive Order No. 8802 of June 25, 1941, as amended by Executive Order No. 8823 of July 18, 1941, is hereby further amended to read as follows:

"Whereas the successful prosecution of the war demands the maximum employment of all available workers regardles sof race, creed, color, or national origin; and

"Whereas it is the policy of the United States to encourage full participation in the war effort by all persons in the United States regardless of race, creed, color, or national origin, in the firm belief that the democratic way of life within the Nation can be defended successfully only with the help and support of all groups within its borders; and

"Whereas there is evidence th t available and needed workers have been barred from employment in industries engaged in war production solely by reason of their race, creed, color, or national origin, to the detriment of the prosecution of the war, the workers' morale, and national unity:

"Now, therefore, by virtue of the authority vested in me by the Constitution and statutes, and as President of the United States and Commander in Chief of the Army and Navy, I do hereby reaffirm the policy of the United States that there shall be no discrim-

ination in the employment of any person in war industries or in Government by reason of race, creed, color, or national origin, and I do hereby declare that it is the duty of all employers, including the several Federal departments and agencies, and all labor organizations, in furtherance of this policy and of this order, to eliminate discrimination in regard to hire, tenure, terms, or conditions of employment, or union membership because of race, creed, color, or national origin.

"It is hereby ordered as follows:

"1. All contracting agencies of the Government of the United States shall include in all contracts hereafter negotiated or renegotiated by them a provision obligating the contractor not to discriminate against any employee or applicant for employment because of race, creed, color, or national origin and requiring him to include a similar provision in all subcontracts.

"2. All departments and agencies of the Government of the United States concerned with vocational and training programs for war production shall take all measures appropriate to assure that such programs are administered without discrimination because of race, creed, color, or national origin.

"3. There is hereby established in the Office for Emergency Management of the Executive Office of the President a Committee on Fair Employment Practice, hereinafter referred to as the Committee, which shall consist of a Chairman and not more than six other members to be appointed by the President. The Chairman shall receive such salary as shall be fixed by the President not exceeding $10,000 per year. The other members of the committee shall receive necessary traveling expenses and, unless their compensation is otherwise prescribed by the President, a per diem allowance not exceeding $25 per day and subsistence expenses on such days as they are actually engaged in the performance of duties pursuant to this order.

"4. The Committee shall formulate policies to achieve the purposes of this order and shall make recommendations to the various Federal departments and agencies and to the President which it deems necessary and proper to make effective the provisions of this order. The Committee shall also recommend to the Chairman of the War Manpower Commission appropriate measures for bringing about the full utilization and training of manpower in and for war production without discrimination because of race, creed, color, or national origin.

"5. The Committee shall receive and investigate complaints of discrimination forbidden by this order. It may conduct hearings, make findings of fact, and take appropriate steps to obtain elimination of such discrimination.

"6. Upon the apopintment of the Committee and the designation of its Chairman, the Fair Employment Practice Committee established by Executive Order No. 8802 of June 25, 1941, hereinafter referred to as the old Committee, shall cease to exist. All records and property of the old Committee and such unexpended balances of allocations or other funds available for its use as the Director of the Bureau of the Budget shall determine shall be transferred to the Committee. The Committee shall assume jurisdiction over all complaints and matters pending before the old Committee and shall conduct such investigations and hearings as may be necessary in the performance of its duties under this order.

"7. Within the limits of the funds which may be made available for that purpose, the Chairman shall appoint and fix the compensation of such personnel and make provision for such supplies, facilities, and services as may be necessary to carry out this order. The Committee may utilize the services and facilities of other Federal departments and agencies and such voluntary and uncompensated services as may from time to time be needed. The Committee may accept the services of State and local authorities and officials, and may perform the functions and duties and exercise the powers conferred upon it by this order through such officials and agencies and in such manner as it may determine.

"8. The Committee shall have the power to promulgate such rules and regulations as may be appropriate or necessary to carry out the provisions of this order.

"9. The provisions of any other pertinent Executive order inconsistent with this order are hereby superseded."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 27, 1943.*

Mr. BAILEY. If the Senator will yield further to me, I will read from the amendment. It appears to me that the appropriation which is being requested is a most extraordinary one. The appropriation is not for a definite sum. The amendment states in part: "For all expenses necessary to enable the Committee on Fair Employment Practice to carry out any functions," and so forth. I do not think it is customary for the Senate to authorize a bureau of the Government to enter into contracts necessitating "all expenses necessary."

The expenditure could be $10,000,000 or $100,000,000. The appropriation provided in the amendment is a blanket appropriation.

I thank the Senator for allowing me to make my statement.

Mr. BILBO. I appreciate the Senator's observations. They are very timely and right to the point.

It would require $25,000,000 to enforce this damnable measure if it should ever become law, and it would require an army as well.

I continue reading from the communications which I have received. Here is a letter from Atlanta:

DEAR SENATOR: I have read with interest an article on the front page of one of our Atlanta papers of yesterday regarding the proposed FEPC bill.

I would dislike very much to see this proposed bill become a law; we certainly do not need any such national legislation, in my opinion, and I trust you will continue your fight against it as other southern Senators and Representatives are doing.

With kindest regards, I am yours very truly.

Here is a letter from Hapeville, Ga.:

DEAR SENATOR: Just a line of hearty commendation on the stand you are taking on this most disgusting and damnable FEPC.

Regardless of the State any United States Senator represents, I think all real white men should let him know he appreciates his stand. I think I know the real reason behind this dastardly scheme and anything I can do or say in my feeble way I stand ready and willing at any time. Keep up the good fight, Senator, and I think from my State you will have backing.

Yours very truly.

Here is a letter which must be all right, because it is written on the stationery of the Young Men's Christian Association.

DEAR SENATOR: Thank God we have men like you in Washington.

I have read in the Atlanta Constitution of your letter to the three "reverends" who are advocating the passage of the damnable FEPC bill.

Senator, I am a discharged veteran of World War II, having served 29 months, 17 overseas. I can tell you that 95 percent of the white, gentile veterans will not tolerate the FEPC bill if passed. Also I can tell you that the petition sent you by the Negro and two Quisling ministers is certainly not representative of the people of Atlanta, nor Georgia. The servicemen who signed it are undoubtedly Negroes. Frankly, I do not believe that over 2 percent of the men in the service who live in the North would sign such a petition. I spent 3 months in Deshon General Hospital at Butler, Pa., and there was plenty of time and opportunity to discuss the race problems in America. It is hard to find a white gentile soldier who is willing to allow the Negro equality either socially, economically, or politically. The northern politicians are afraid to speak out and oppose the Negro demands. Are the southern politicians leaning toward this "gutless" course or are they going to continue to uphold the honor and political integrity of the South?

We southerners and veterans can count on you, Senator, and Congressman RANKIN, the two great statesmen from Mississippi, to fight to the last ditch for the preservation of the white race in America. It remains to be seen if we can depend upon the others.

Eventually the show-down will come. It may mean another call to arms. You know there will be millions of southerners ready and willing to answer that call.

Respectfully yours.

The writer of this letter states, "Frankly, I do not believe that over 2 percent of the men in the service who live in the North would sign such a petition." I believe he is correct. The question involved here is not a southern one. It is a national question. If an attempt is made to enforce the law after the first day of July that old expression, "Hell will break loose in Georgia," will be changed; it will break loose in New York.

Here is a post card from an old friend of mine at Atlanta, Ga.:

ATLANTA, GA., *June 22, 1945.*

DEAR SENATOR BILBO: I continuously travel the United States and give my word from close examination that the birds behind all this social race equality stuff are Jews—from that rat Winchell to the most illiterate second-hand man. They all have the same line. And they are always nagging about it.

Also, the majority of Americans (white), both North and South, ask nothing more than to be let alone by these others who are trying to break into their social and/or economic life.

The American is not articulate because he is afraid of economic reprisals or worse. He usually has a family to think of. And the sly Jew ingratiates himself with the fool Christian minister.

Sincerely.

Mr. President, I am reminded of what happened in New York the other day. A manufacturer who had a contract with the Government, and who employed many women in his organization, received a notice from Washington of a cut-back which resulted in a discharge of between 75 and 100 of his women employees. He had employed Negro women, Jewish women, and gentile white women.

He proceeded to discharge the white Christian gentiles and keep the Negroes and the Jews on the job. When he was accosted with regard to what he had done he replied, "I do not want to get mixed up in the toils of the law by having to fight with the FEPC. The first Negro woman I let out I will be charged with letting her out because of her color. If I discharged a Jewish woman, I shall be charged with discharging her because she is a Jewess. I will not take any chances. I will discharge the white gentile Christians and keep the Jews and the Negroes."

Mr. President, that will take place all over the country because the average businessman does not want to become involved with the law. It is true that the present committee does not have any power to enforce pains or penalties. They cannot put anyone in jail. But the organization goes all over the country and finds the conditions about which they report. They threaten people and intimidate them. One of the penalties is to send the names to the President. The business people are led to believe that the word will be passed down to the War Production Board, and a process of what might properly be called sanctions, such as the denial of priorities, will be put into effect, and in that way the business interests of the country will be crucified. I want the American people to know that the present FEPC has not any authority.

By the way, we are indebted to Representative RANKIN, of Mississippi, who has given us a picture of the set-up we are talking about. Let us see who they are. This is authentic; it came from official records of the Committee on Fair Employment Practice here in the city of Washington. Who are they? This is the committee:

COMMITTEE ON FAIR EMPLOYMENT PRACTICE, WASHINGTON, D. C.

Office of the Chairman

Incumbent	Title	Race	Salary
Ross, Malcolm	Chairman	White	$8,000
Johnson, George M.	Deputy Chairman.	Colored	8,000
Hubbard, Maceo	Hearings examiner.	do	5,600
Bloch, Emanuel	do	White	5,600
Cooper, Evelyn	do	do	5,600
Berking, Max	Assistant to Chairman.	do	3,800
Alexander, Dorothy	Secretary to Chairman.	Colored	2,600
Clifton, J. Jeanne	Secretary to Deputy.	do	2,000
Brooks, Mary	Clerk-stenographer.	do	1,800
Banting, Myra	do	White	1,800

So, in the head office in Washington there are 10 people, 5 Negroes and 5 whites, most of whom have foreign names. It will be noticed that one of the white stenographers receives the smallest salary of anyone on the list. Remember that the members of this group preside over the destiny of every business enterprise in America and are using their assumed powers to harass white Americans, and put them out of business.

Now, let us look at the Field Operations Division in Washington:

Field operations

Incumbent	Title	Race	Salary
Maslow, Will	Chief	White	$6,500
Mitchell, Clarence	Principal fair-practice examiner.	Colored	5,600
Davidson, Eugene	do	do	5,600
Beall, W. Hayes	Senior fair-practice examiner.	White	4,600
Mercer, Inez	Fair-practice examiner.	do	3,800
Rogers, Eleanor	Clerk-stenographer.	Colored	1,800
Saito, Otome	do	Japanese-American.	1,800
Thompson, Mildred	do	Colored	1,800
Cornick, Emma	do	do	1,620

So in the set-up in the Division of Field Operations, there are nine people, five Negroes, one Japanese-American, and three others, two of whom have records of affiliation with Communist-front organizations according to the reports of the Dies committee. That is the statement made by Mr. RANKIN in giving this list.

Now let us take a look at the Review and Analysis Division. It is made up as follows:

Review and Analysis Division

Incumbent	Title	Race	Salary
Davis, John A	Chief	Colored	$5,600
Lawson, Marjorie	Research analyst.	do	3,800
Golightly, Cornelius.	Compliance analyst.	do	3,200
Hemphill, India	do	do	2,600
Coan, Carol	do	White	2,600
Davis, Joy P	do	Colored	2,600
Hoffman, Celia	Clerk-stenographer.	White	1,800
Spaulding, Joan	do	Colored	1,800

It will be noted that office consists of six Negroes and two whites, one of whom is named Carol Coan, and the other Celia Hoffman, a white stenographer who receives the lowest salary on the list.

Now let us look at the Legal Division:

Legal Division

Incumbent	Title	Race	Salary
Reeves, Frank D	Attorney	Colored	$4,600
Stickgold, Simon	do	White	4,600

If there is anything in names, I would be rather afraid of that fellow, Simon Stickgold.

Gordon, Jernevive, clerk-stenographer, colored, $1,800.

It will be noted that the Legal Division consists of two Negroes and Simon Stickgold.

Information Division

Incumbent	Title	Race	Salary
Bourne, St. Clair	Information specialist.	Colored	$3,800
Whiting, Margaret	Clerk-stenographer.	do	1,800

In other words, the Information Division of the FEPC in Washington is made up of two people, and they are both Negroes. They furnish the information to the hungry, thirsting public.

Then we come to the Division of Budget and Administration. This is the Division that spends the money:

Budget and Administration

Incumbent	Title	Race	Salary
Jones, Theodore	Chief	Colored	$5,600
Jeter, Sinclair	Assistant administrative officer.	do	3,200
Baker, Vivian D	Clerk-stenographer.	do	2,000
Jackson, Bosales A	Clerk-typist	do	1,620
Paynter, Minnie A	do	do	1,620
Hollomon, Irving	Clerk	do	1,440
Selby, Ralph R	Chief, fiscal	do	2,600
Ross, Sylvia B	Voucher auditor	do	2,000
Nelson, Otelia	Accounting clerk	do	1,620
Carpenter, Elizabeth.	do	do	1,620
Brent, Pearl T	do	do	1,620

That is the outfit, composed of 11 Negroes, which not only makes up the budget for financing this aggregation, but seems to have the power of administration. I hope all Senators will read this list to their white businessmen constituents at home when they return and ask for renomination and reelection. The whole caboodle in the Budget and Administration Divisions are colored.

I now come to the Mail and Files Division:

Mail and files

Incumbent	Title	Race	Salary
Douglas, Lela	Chief, Mail and Files.	Colored	$2,000
Welch, Selena	Docket clerk	do	1,800
Gamble, Jessie	File clerk	do	1,620
Phillips, Rose	do	do	1,440
Reed, Charles	Messenger	do	1,380
Mitchell, Regina	File clerk	do	1,440

In that list there are six and they are all colored. We next come to the regional office, New York. This is where business is going to pick up shortly:

Regional office, New York

Incumbent	Title	Race	Salary
Lawson, Edward H.	Regional director.	Colored	$5,600
Jones, Madison S	Fair-practice examiner.	do	3,800
Jones, Robert G	do	do	3,800
Donovan, Daniel R	do	White	3,800
Irish, Miriam	Clerk-stenographer.	Colored	2,000
Asepha, Tillie	do	White	1,620
Schwartz, Sonia	do	do	1,620

That is the New York organization that is going to vie and compete with Governor Dewey's new set-up on the 1st day of July in the great State of New York.

I now come to the set-up in the regional office in Philadelphia:

Regional office, Philadelphia

Incumbent	Title	Race	Salary
Fleming, G. James	Regional director.	Colored	$5,600
Greenblatt, Mildred.	Fair-practice examiner.	White	3,800
Manly, Milo A	do	Colored	3,800
Risk, Samuel R	do	White	3,800
Grinnage, Willard	do	Colored	3,200
Gorgas, Helen	Clerk-stenographer.	do	1,800
Klinger, Karyl	do	White	1,800
Brown, Grayce	do	Colored	1,440

It will be noted that the Philadelphia regional office is composed of eight individuals, five Negroes and three whites.

There will be some brotherly love when that crowd gets together on business in Philadelphia.

Regional office of Washington. Here is the regional office located in the Nation's Capital. That ought to be interesting to us Washingtonians, where there has been so much interference with gentiles in the last few years:

Regional office, Washington, D. C.

Incumbent	Title	Race	Salary
Evans, Joseph	Regional director.	Colored	$5,600
Houston, Theophilus.	Fair-practice examiner.	do	3,200
Kahn, Alice	do	White	2,600
Chisolm, Ruby	Clerk-stenographer.	Colored	1,800
Urback, Dorothy	do	do	1,620

Now the regional office at Cleveland, Ohio:

Regional office, Cleveland

Incumbent	Title	Race	Salary
McKnight, William.	Regional director.	Colored	$4,600
Abbott Olcott R.	Fair-practice examiner.	White	3,800
Glore, Lethia	do	Colored	3,200
Kelley, Berniza	Clerk-stenographer.	do	1,620
Wasem, Edna	do	White	1,800

It will be noted that the Cleveland office is composed of three Negroes and two whites.

The Cincinnati regional office—this is interesting:

Cincinnati

Incumbent	Title	Race	Salary
James, Harold	Fair-practice examiner.	White	$4,600
----------	Clerk-stenographer.	----------	1,800

The examiner has no stenographer. They could not find a Negro stenographer conveniently, so he is without a stenographer now, I think.

As to the regional office in Detroit, Mich., I find the following:

Detroit

Incumbent	Title	Race	Salary
Swan, Edward	Examiner in charge.	Colored	$4,600
Sese, Doris K	Clerk-stenographer.	Japanese-American.	1,620

The record of the regional office in Chicago is interesting. These are the employees, and I quote from the speech:

Incumbent	Title	Race	Salary
Henderson, Elner	Regional director.	Colored	$5,600
Gibson, Harry H. C.	Fair-practice examiner.	do	3,800
Schultz, Joy	do	White	3,800
Williams, Le Roy	do	Colored	3,200
Zeidman Penny	Clerk-stenographer.	White	1,800
Ingram, Marguerite S.	do	Colored	1,620

You will note it is composed of five Negroes, two whites, Joy Schultz and Penny Zeidman. I am told that a representative of this group went into the office of Swift & Co. and asked how many Negro members they had on their board of directors. The answer was, "We have no negro members on our board of directors." Then the answer came back, "Why haven't you?" This just shows what this supergovernmental set-up is driving at. They want to communize America and destroy everything which our glorious ancestors have left us, and for which our boys are now fighting and dying all over the world.

REGIONAL OFFICE, ATLANTA

Here is a list of the Atlanta office:

Regional office, Atlanta

Incumbent	Title	Race	Salary
Dodge, Witherspoon.	Regional director.	White	$4,600
Hope, John	Fair-practice examiner.	Colored	3,800
McKay, George D.	do	White	3,200
Chubb, Sally	Clerk-stenographer.	do	2,000
Ingram, Thelma	do	Colored	1,800

You will note that it consists of two Negroes and three whites. I wonder how the people of Georgia enjoy the domination of this group.

In the regional office in Kansas City there are Roy A. Hogland, white, $5,600; Eugene Ormabee, white, $3,800; Mildred Jones, colored, $1,620; and Helene G. Schliene, white, $1,620.

St. Louis

Incumbent	Title	Race	Salary
Theodore Brown	Examiner in charge.	Colored	$3,800
Morris Levine	Examiner	White	3,200
Armatha Jackson	Clerk-stenographer.	Colored	1,620

You will note that it consists of two Negroes and one white. Just how they came to select these particular individuals to preside over the destiny of the white businessmen of the great State of Missouri I cannot understand.

REGIONAL OFFICE, DALLAS, TEX.

The members of the regional office at Dallas are as follows:

Regional office, Dallas

Incumbent	Title	Race	Salary
Castenada, Carlos	Regional director.	White	$4,600
(Vacancy)	Fair-practice examiner.	----------	3,200
Gutleben, Willetta	Clerk-stenographer.	White	1,800

You will note there is one vacancy. Last year that position was held by a Negro, namely, Roy V. Williams. The other two members, Carlos Castenada, the regional director, and Willetta Cutleben, seems to be in charge of the office at the present time. This is the regional office that attacked the Dallas News last year for carrying an advertisement for a Negro janitor. This fellow Castenada, director, held the same position he holds now. If this set-up is made permanent, then I presume the rest of the white American businessmen in Texas may expect to be harassed just as the Dallas News was.

REGIONAL OFFICE, NEW ORLEANS

The regional office at New Orleans consists of the following members:

Regional office, New Orleans

Incumbent	Title	Race	Salary
Ellinger, W. Don	Regional director.	White	$3,800
Morton, James H.	Fair-practice examiner.	Colored	3,200
Ronning, Evelyn	Clerk-stenographer.	White	1,800

You will note that there are two whites and one Negro in this office. As the Negro is the Fair Practice examiner, just what the decent white people of Louisiana may expect at the hands of this outfit is something to contemplate.

REGIONAL OFFICE, SAN FRANCISCO

The San Francisco office consists of the following individuals:

Regional office, San Francisco

Incumbent	Title	Race	Salary
Kingman, Harry L.	Regional director.	White	$5,600
Rutledge, Edward	Fair-practice examiner.	do	4,600
Ross, Bernard	do	do	3,800
Seymour, Virginia	Administrative assistant.	do	2,000
Mazen, Jewel	Clerk-stenographer.	do	1,800

This is the only office we have found yet that consists entirely of white people. Just what the background of each one of them is I am unable to say.

LOS ANGELES REGIONAL OFFICE

The Los Angeles regional office consists of the following:

Los Angeles

Incumbent	Title	Race	Salary
Hunt, A. Bruce	Hearings examiner.	White	$5,600
Brown, Robert E.	Fair-practice examiner.	Colored	3,600
Lopez, Ignacio	do	White	3,800
Vetter, Vera G	Clerk-stenographer.	do	1,800
Lerna, Marie	do	do	1,620

Mr. President, from the tabulation of this set-up we find that there are 115 employees in this organization, covering the whole Nation, and of that number 66 are Negroes. There are two American-Japanese, about 12 or 15 Jewish people, and the rest are gentiles.

In the United States there are 12,800,000 Negroes out of a population of 138,000,000. There are approximately, in round numbers, 5,000,000 Jewish people out of a population of 138,000,000. Here is an organization set up to see that there is no discrimination of any sort or kind anywhere in the United States, and we find this man, Malcolm Ross, when he gathers his brood together, notwithstanding the fact that there are 10 white people to every Negro in the United States and 20 gentiles to every Jew in the United States, placing 66 Negroes, about 12 or 15 Jews, and even going over and getting a couple of Japs. That is

the organization to which we are asked to give $446,000, to pursue its activities throughout this country.

They say they have no power—and here is the testimony of Ross—except to conciliate, and to report in extreme cases to the President, and then by the process of sanctions they propose to punish those who will not observe their good wishes in hiring and firing their employees.

They are conciliators. In other words, they are the "sugar boys" of the New Deal. They are the "lollypop" boys going around pacifying everybody who is dissatisfied because he could not get a job. Do Senators propose that we spend $446,000 of the people's money for 66 Negroes, 12 Jews, a few gentiles, and two Japs, just to be "lollypops" for this country, "sugar boys" going around pacifying? They admit that.

Are they doing any good? No; they are not doing any good. Of course, when brother Ross and his aides come before the committee they paint a wonderful picture of the service they render, but as a matter of fact, they have created more friction, they have brought about more dissatisfaction in this country, than the good they have done, and there is no excuse for the organization.

Moreover, it is not right for the Congress to pass a Federal law covering all the 48 States when some of the States have seen fit to pass laws of their own making, because we cannot have a conflict of jurisdiction. Certainly we do not want that.

I think the thing for us to do is to proceed at once to liquidate and close out this organization, to take an inventory and get rid of this FEPC as a part of the Federal set-up, an agency of the Government, and let the States which want and think they need this kind of legislation pass their own State laws. It is a State matter. Most certainly we could not afford to impose this kind of law on the State of New Jersey or the State of New York, which pass their own laws. That would result in a serious situation. I do not see what those engaged in business would do.

People should get it out of their systems that this is a matter of southern opposition to the bill. The business people of this Nation from Maine to San Francisco, from the Great Lakes to the Gulf of Mexico, are opposed to the proposed Federal legislation. They do not want it. They see the harm it would bring about, and we in the South know what would happen. It would mean no end of trouble and no end of friction.

I am a friend of the Negro, but instead of this being the way to help the poor Negro, those who are sponsoring this proposal are fixing to do him more harm than good. The sensible Negroes of this Nation do not want this kind of legislation, because they know what the result would be.

Let me read another letter from Georgia:

I have just read your reply to the Atlanta group who foolishly wrote you in the interest of the FEPC and you turned them up just right.

I am completing a book that I hope to have published, Is the Negro the South's Problem? and I am anxious for all the information that I can get on FEPC.

Would it be asking too much if I request an exposition of you of the facts and possibilities of this bill—what it could lead to?

All I have to do, Mr. President, is to wait until this fight is over, and send him a copy of the CONGRESSIONAL RECORD, which will answer his letter and I think will satisfy him. Before we get through I believe we shall have developed all the facts in the case.

Here is a post card from Atlanta, from a good, old white gentleman who writes:

Please pardon card, but I have nothing else today, and wish to hasten to tell you how we all rejoice at your declaration in the Senate yesterday. That is the opinion of the better classes, but we, alas, are in the hopeless minority—so much so, that there will be trouble here soon. The Negro has been spoiled by Eleanor clubs, and we are suffering from the taint. The names you mentioned are Reds, Jews, and fanatics.

Your utterance is hailed with thanksgiving, for Atlantans seem to be asleep, at least many of them. We are in hands of hucksters ing politicians, and never was there such crimes among delinquents as now. Manners and morals have reached their nth degree and anything you say may begin a crusade for the rights of people.

We are all listening to you. Go ahead. Wishing you every success in your missionary work and with heartfelt gratitude.

That is what I am trying to do, Mr. President. I am trying to perform missionary work today. I am trying to persuade my colleagues not to push this appropriation at this time.

I read from another letter from Atlanta, Ga.:

Let me be one person from Atlanta to congratulate you on your stand to "leave nothing undone this side of heaven or hell to defeat this damnable legislative scheme," referring, of course, to the legislation to create a permanent FEPC. We southerners must stand together for States' rights and against further usurpation of power, constitutionally delegated to the individual States, by the Federal Government. The Negro problem is our own and we know how to handle it. Enough has already been said and done in recent years to build up class hatred between the whites and blacks without having this vicious act forced upon us.

May you and our other representatives of the South stand firmly together in defeating the passage of a permanent FEPC.

For your information I might add that I am a southern Democrat.

Here is another letter from Atlanta, Ga.:

The 800 who signed a petition urging Congress to create a permanent Fair Employment Practice Act do not represent the masses of four or more millions of Georgians. I am insisting on your continuing your fight against this proposed pernicious legislation.

The "800" do not represent the rank and file of Georgia; they do not even represent the businessmen of this State; they do not represent the rank and file of the various posts of the American Legion of this State; nor the Disabled War Veterans, nor any other patriotic organization. These men should talk to the "man of the streets" if they wish to learn the truth.

Even date, one of my neighbors and a personal friend and a businessman, became so mad when we talked about the "800" and what they were stirring up that he declared he did not wish to discuss it as the subject makes him become "too hot in the collar."

I'll tell you what they are doing—they are breeding great trouble between the whites and blacks in the South; we know the Negro and are his friends, but we shall not bow down to the unrest that such as these "800" are brewing. If they haven't enough judgment to let well enough alone, there are multi-thousands right here in Fulton who have kept this a white man's country, and we intend to keep it thus.

Today we are having much trouble with Negroes as servants; they demand much more than they are worth; they are trifling, untrustworthy, undependable; lay off their jobs; expect one to carry them to and from their homes in cars; are dishonest, wasteful, immoral, and all this fuss by such as the "800" and others of their ilk in this county is engendering trouble between the races.

Ralph Magill of the Atlanta Constitution is eternally harping on this subject. That "race creed", etc., stuff that he publishes assists greatly in creating false ideas in the heads of the "niggers" and will result in more trouble in the South than anything since the days of reconstruction if the propaganda is not curbed.

Newspapers and magazines do not voice the opinion of the masses—not today. We are not living in days when we had a Henry Grady, Henry Watterson, a Horace Greely, a Charles Dana, a Charles Pendleton, a Tom Loyless, a Colonel Estill; these men were leaders and the people followed, but the people do not follow the press any more.

Keep up the fight.

Sincerely yours.

That letter was not written to me but was sent to me. It was written to the junior Senator from Georgia [Mr. RUSSELL], and I have read it for the information of the Senate.

I read another letter from Georgia:

We Georgia "crackers," common folks, are backing you with all our might in the great fight you and your colleagues in the House and Senate are making to save the whites of the United States from annihilation, degradation, and Negro rule.

I am taking the liberty of sending you a little booklet which I hurriedly wrote, if you have time to read it, just to see how some of us feel, and see that some of us are helping to stay the knife thrust. I have gratuitously sent these booklets all over Florida, Georgia, Alabama, Mississippi, and hundreds to the Negro organizations in New York, Pennsylvania, and Chicago. Our common folks can understand what I have written, and I have received approval, and many comments from all southern people. Some favorable comments from prominent people North. I am preparing another booklet which is more interesting and pointed, and containing much more criticism than this one.

This FEPC bill seems to be the great political pie for the Negro. If it ever becomes a law the southern white man may as well admit his defeat and acknowledge the Negro and the Communists and Jews as the masters of destiny of America.

The southern daily papers have been strangely silent during the progress of this controversy over this measure, while northern advocates have turned heaven and earth to secure its passage.

All Negro organizations and religious fanatics have appeared before committee hearings advocating its passage. Now, to my surprise, southern (Georgia men) white men, and Negroes are actively engaged in advocating its passage. Even while they know and realize its dire effect on future generations of America.

I will put my shoulder to the wheel and do what I can to help save America although I am 80 years old I still have some life and Confederate white blood left to shed for our ancestors.

I am starting a petition against its passage, and am writing an article for publication asking every town and city in Georgia to prepare petitions against the measure so that they may be sent to you or other Senators opposing it.

My booklet is no biological study, it's a plain statement written so the common citizen can understand what I have written.

I am with high regards.

The letter is signed "Jno. R. Irwin." He is 80 years old.

I have another letter from Oxford, Ga., as follows:

I notice in the press that some people are criticising your stand on FEPC. I am not competent to judge this bill; however, I am inclined to think you are right.

My object in writing this note to you is to express my appreciation to you for your support of President Roosevelt's war measures. It is my impression that you supported most, if not all, of them. Your service to the Nation and the world in taking this stand far outweighs the effect of all the mistakes you have ever made—I assume that you have made many because you are a human being.

I want the Senator from New Mexico to notice the full content of this letter before he makes his note.

Mr. CHAVEZ. Will the Senator give me the name of the writer?

Mr. BILBO. I am not permitted to give the name. The letter is from Oxford, Ga. The writer appreciates the fact that I was a supporter of President Roosevelt's measures; and I have been. But I have just finished assuring the Senate that the FEPC was the result of intimidation by 200,000 Negroes who expected to march on Washington. By the way, the other day the Negroes said in a statement that they were getting ready to do so again, because they have learned the advantage and the virtue of force, and they want to march on Washington. I should like to be appointed as a member of the reception committee when they come.

I wish to read another letter from Georgia:

AUGUSTA, GA., *June 22, 1945.*

Senator THEODORE BILBO,
Washington, D. C.

DEAR SENATOR: I wish to express to you my personal thanks the way you voted upon that special bill that was trying to get by in the Senate—FEPC—a few days past. I am sure with such men as you from the deep South, no such bill will ever pass. Someone started the poll-tax bill and see what happened to that, though I do trust and pray that there will always be enough real southern gentlemen in office to take care of what we of the real South have always been use to. I wish to thank you, and add that I do believe this is my first letter I have ever wrote to a Senator or Congressman thanking them for fighting for or against a bill. I feel like you really need a pat on the back more than a letter.

I am enclosing one of my old cards you can destroy it or send back if you wish. Its only to show you my standing. I am quite sure none of the ones who signed that petition ever have had the real pleasure of being a member in such.

Best of luck to you always.

I am, most sincerely.

P. S.—I am an executive committeeman, white, democratic, Richmond County, primary committeeman, Augusta, Ga.

Here is another letter from Atlanta, Ga.:

ATLANTA, GA., *June 22, 1945.*

The Honorable THEODORE BILBO,
United States Senator from Mississippi,
Washington, D. C.

DEAR SENATOR: Unfortunately your indictment of the people of Atlanta is true, as it applies to a certain percentage of them. Atlanta's population consists of 45 percent Negroes, 25 percent white carpetbaggers, Jews, etc., and 30 percent of southern white people from Georgia and many Southern States. The 30-percent minority has to bear the blame for the acts of the others.

Please allow me to say that you have the admiration and complete support of this 30 percent in your efforts to defeat this infamous FEPC bill, and we sincerely hope you will stick with your program so well expressed in the last paragraph of your article attached. We do not believe that the sentiment of this 70-percent mixture in Atlanta is representative of Georgia.

Please try to defeat this FEPC bill by every means in your power.

Sincerely yours.

Here is still another letter from Atlanta, Ga.:

I have been reading with a great deal of interest and satisfaction your statements about the FEPC. Especially was I delighted with the swing you took at the Atlanta petition gotten up by black and white preachers here in Atlanta and signed by niggers and our lowest white trash. I do not wonder sometimes at our citizenry turning away from Christianity, as preached by some of our lazy, too-no-account-to-work ginks calling themselves preachers.

He must be referring to Gerald K. Smith. He continues:

We here in Georgia are being fed a lot of blooey by the two biggest newspapers in the State. They have them a hand-picked Governor, and they are lining up the Negro voters in order to reelect him. As you will notice from enclosed clipping, I am also enclosing a clipping involving a big shot Army Negro (no relation of mine, I assure you).

If these FEPC troublemakers were having our country's best interest at heart in times like these they would be lending their feebleminded efforts toward ending a war instead of laying the foundations for one here at home. My observance is that the educated nigger breeds trouble. The ignorant ones are the only ones to be trusted, so I say, keep them ignorant.

More power to you, Senator BILBO, is my heartfelt wish. I do wish I could vote for you for anything. Your stand in this FEPC marks you as a southern gentleman, statesman, and hero. I read the Pittsburgh and Detroit Negro dailies, and get the greatest kick in the world out of their antics against you and Honorable Talmadge. I'm so sorry Truman has picked up the F. D. R. cross of such good will toward the black race, but can't be helped.

Again I say, more power to you, and the best wishes in the world toward and to ye. Fight on and on and on. Southern "yes" newspapers, along with the nigger press will try to crucify you, but stick in there with them is my 3 cents worth of advice and encouragement.

Yours truly.

Here is another letter from Georgia:

Senator THEODORE G. BILBO,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: I was very much interested in your remarks before the Senate, contained in the June 20 CONGRESSIONAL RECORD. As a native Georgian, I want you to know that the petition received does not represent the feelings of the real Georgians and with the exception of one or two names the rest is of unknown denomination, probably sidewalk nobodies. You will recall when the iniquitous poll-tax legislation was in discussion a year or so ago, I wrote you my feelings in the matter and expressed my appreciation of our attitude at that time. I wish to repeat this and tell you that we real Georgians are proud of the position you have taken in regard to the so-called FEPC legislation. Will you kindly accept my sincere congratulations on your attitude in the matter.

With expression of my highest personal esteem, believe me, I am.

Here is another letter from Georgia:

Honorable Senator BILBO,
United States Senate,
Washington, D. C.

DEAR SENATOR BILBO: Have just finished reading your article in the Atlanta Journal in regard to the FEPC. We are grateful to you on your stand in the matter. When I refer to "we," I have the authority to speak for 30,000 tax-paying voters who have, and now are, working under me in construction engineering. These men are from various States. Atlanta does have a few off-brands of American citizens, but they are like M. Ashby Jones, a cheap minister from the Gospel. Reds, Blacks, and Greens are a credit to such people. Now, this statement is no secret. Ashby Jones well knows that I am able and glad to back up my statement. I am sorry that we have people who will advocate revolution, riots, and bloodshed. They should be chased out of a peace-loving nation. Mr. Jones says he wants the FEPC because the late President Roosevelt asked for it and that President Truman wants it. They are just human and are subject to mistakes, and have made plenty.

Though we believe we have enough American blood in the Senate and Congress to halt and correct such mistakes, any Senator or House Member who supports such un-American act we are prepared to campaign for his defeat in his own State when he is up for reelection.

Any time we may be of value, please feel free to call on me.

Yours truly.

Here is a very interesting letter from the city of Washington:

JUNE 25, 1945.

Senator THEODORE BILBO,
Senate Office Building,
Washington, D. C.

DEAR SENATOR BILBO: The great silent majority of the people, both North and South, do not wish Mrs. NORTON and the National Association for the Advancement of the Negro Race to force them to work beside a Negro. An overwhelming silent majority of industry resent the National Association for the Advancement of the Negro Race attempting to force them to hire Negroes.

This antiwhite scheme for getting black votes is dishonest even in its name. It is not fair employment practice when it is forced employment practice and those of us who have served our country in two wars against German nazism will continue to serve by fighting against this white-hating minority of Negro nazism. Forced employment in a free democracy must go.

Very truly yours.

In other words, if a man is forced to employ someone he does not want or need or cannot use, it is idle to talk about this being a free country. When the time comes when the Government undertakes to run a man's private business by telling him that he has to hire this man or that man and this woman

or that woman and put them in his office or in his place of business, to work with people he has willingly employed, and put such persons there against the will of the other employees and against their protests and against their wishes, there will be no freedom left. You need not talk to me about the great democracy and freedom of America and the American way of life when you try to cram this kind of legislation down the throats of the American people.

Here is a letter from New York:

Senator THEODORE G. BILBO,
Washington, D. C.

DEAR SIR: I'm just a southern boy on what will probably be a short business visit in the north—to New York City. Due to overcrowded conditions I have been living on the westside where New York has made such an "ideal" solution to the race problem.

Of course, that is irony. I read further:

My purpose in writing is to commend your stand on the race issue and to urge that you continue to insist on the South solving the problem as a southern problem and not as some northern social workers think the South should solve its problems.

The situation here is far from ideal. I saw a white man pushed around and beaten by several Negro bus riders recently—and no person dared come to his defense. Harlem—glamorous Harlem—is so lawless that my guide on a drive through it one Sunday said, "Be careful how you drive, there's many cases where a white man has had his car completely wrecked by Negro gangs here after being involved in a small accident." The crowded condition would suggest some friction, but my observation has been that the Negroes always consider the words "liberty," "rights," and "license" as synonyms.

The operation of the antidiscrimination law is that many apartment building owners hesitate to put out signs announcing vacancies because they cannot refuse to rent to Negroes, even in the best sections if a Negro can pay the rent.

So, please insist on the South's rights to solve its own problems—a situation in the South like that in New York City would be intolerable with our large concentrations of Negroes. Do not disclose my name to anyone, please. One should not be in New York unless he can see the situation here is ideal as regards the race question.

Yours very truly.

Here is a letter from Georgia:

It is a pity we haven't a few more Americans like yourself. I want to congratulate you on your letter to that May.

That is the Georgia petition.

I read further from the letter:

The X are trying to get control of our country, and I can't understand how loyal Americans can let them pull the wool over their eyes as they are trying to do with their dollars. God help the South if the men in politics don't get this mess we are in straightened out soon. There's going to be bloodshed, and plenty of it, right in this county, which I have always loved.

I wish Senator Maybank would join with you in this fight for the right to keep our self-respect.

You know who is back of all this. They are not even putting their money in war bonds, now that Germany has folded up. They have other unfinished business in this country now. Thousands of Americans think as I do, but dare not express themselves. That FEPC is an insult to an American. Why should we turn our country over to—and actually the people are afraid to come out as you did and say a word.

Mr. President, it is useless to talk to me about a free country if this kind of legislation is to be passed. If I have a store and have 6 people working for me, and if my store is located in a white community, where I have a select trade, if I have a vacancy and 1 of the 66 Negroes of the Malcolm Ross outfit comes to my office and asks, "Have you a vacancy in your store?" and I reply "Yes," and then I am asked, "Do you have any Negroes clerking for you?" and I reply "No," and then I am told, "Well, I have a Negro girl, or a Negro boy, I want you to hire. You must hire him. If you do not hire him, I will report you and I will punish you." As the operator of that store, I know that my clientele do not want to patronize a store which uses Negro clerks. They will not buy goods from a Negro clerk. Yet I will be forced to employ someone who will destroy my business.

Mr. President, in the city of Washington arrangements have been made with Gallinger Hospital to have doctors from George Washington University Hospital and other institutions in this city go there and treat patients. They do a great deal of work at Gallinger Hospital, and they are not being paid anything for it. Some of the best medical talent in the city is doing that kind of work. Do you know, Mr. President, that the crazy FEPC bunch demands that the doors of Gallinger Hospital be thrown wide open to Negro doctors, and that Negro doctors be allowed to engage in that practice? Georgetown University Hospital and other institutions in this city have given notice that if that is done their doctors will not continue with the work; and the patients at Gallinger Hospital, both whites and Negroes, say they do not want to have Negro doctors there. But that is the kind of thing the FEPC is doing, and that is the way it is sticking its nose into other people's business.

And then, Mr. President, we have the bill which the gentlewoman from New Jersey [Mrs. NORTON] has introduced in the House. God knows what we can do with that.

Here is another letter from Georgia:

JUNE 24, 1945.

Hon. THEODORE G. BILBO,
Washington, D. C.

MY DEAR SIR: I admire the stand you are putting up to defeat the uncalled for and I might say the very dangerous FEPC bill or act and just can't refrain from writing you and letting you know that there are thousands of Georgians who share the same belief.

The people everywhere to whom I have talked are against this infamous act and it should not have been instituted in the first place and I now pledge that I will do all I can against it and have already contacted my Senators and Representatives in Georgia to do all to delay action and kill it forever.

This means the renewing of the race question in my opinion and will only lead to trouble if allowed to be written on the statute books of the United States of America.

I join you and other fellow Americans in the fight and I don't believe you will let this act be put on the records of our great American government. May you be successful and, may our great God of all not let this become a law. Yours for a better USA.

Your admirer and friend.

Mr. CHAVEZ. Mr. President, will the Senator yield to me for a moment?

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Mississippi yield to the Senator from New Mexico?

Mr. BILBO. I do not yield yet; I will let the Senator loose after a while.

Here is another letter from Georgia:

JUNE 24, 1945.

Hon. THEODORE BILBO,
United States Senator from Mississippi, Washington, D. C.

MY DEAR SENATOR: I read an Associated Press article in the June 22 issue of the Atlanta Constitution. It mentions Atlanta is a center of "offbrands of American citizenship." You are more than right. There are more scalawags in Atlanta today than there was in the entire South from 1865 to 1875, by a ratio of approximately 10 to 1. It would be difficult to determine the number of Rosenwalders, Communists, CIO-gangsters, scalawags, et al., who infest this city.

That is the crowd Mrs. Roosevelt was bragging about in My Day.

I have been here since 1907, and still camping out, and have never called the place home. It is because I am from Augusta, Ga., and it will always be home to me. We have some southern people there like you have in heavenly Mississippi.

The Atlanta newspapers have become nothing much more than propaganda sheets. The Atlanta Constitution is in the good graces of the Rosenwald fund outfit, and the Atlanta Journal that died when Jack Cohen died is influenced by the "rotten dealers" who call themselves "New Dealers", also the CIO, et al.

I should have mentioned we have plenty of "liberals" or so-called progressives, who are nothing short of being weak-kneed Communists who have not the courage to say they are Communists.

To sum it all up they have practically one and the same object, that is to bring about social recognition of the "nigger", and if that came about it would be natural for miscegenation to follow, and we would then become "brown America", which in the final analysis would be against all laws of God and decency—a Nation in complete decay. What we need, a million more like Senator BILBO, and may God help you to win this fight against the Unfair Employment Practice Committee bill. More power to you and God bless you for all time.

Yours very truly.

I hope the prayer will be answered.

Mr. President, here is another letter from Georgia:

DEAR SENATOR: I wish to thank you for blasting the little group of renegade whites and "niggers" (FEPC) up in Atlanta. Being an outsider you just don't know how strong the vicious Yankee influences are in that town. Both the papers published there read like they were owned by "niggers."

But, Senator, why is it we can't find a man in the American Congress who has the moral courage, or as it is called out in the corn fields, "guts," to stand up and put a finger on the chief apostles of this proposed degradation? Everybody knows that F. D. R. was the daddy of this villainy. Truman being nothing at heart but a plain stooge is the foster parent of this treachery. Is it because Truman is a Democrat that you will not speak out? Or that F. D. R. was one? Well, if Franklin Roosevelt was a Democrat then I am a "nigger" washwomen. I hope later on you will have the courage to speak out and call a spade a spade. If we have any hope of preserving the white race as it is today it lies in Eugene Talmadge, Senator Lee O'Daniel, and men like yourself. If such men shirk

their duty we might as well give up. If we could get our southern leaders to put Truman and the Roosevelts in their place we would not have so much trouble with the little scum like that up in Atlanta.

With many good wishes for your continued success in Washington, I am,

Very sincerely yours.

The writer of that letter speaks his mind. He has his preferences. I do not agree with him in what he has said about President Truman.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. BILBO. The Senator is on the wrong side of the Chamber.

Mr. TOBEY. I am willing to be for a moment. Will the Senator yield to me for a question?

Mr. BILBO. Yes.

Mr. TOBEY. Does the speech of the Senator from Mississippi constitute what we call a filibuster?

Mr. BILBO. Oh, no. As yet, I do not have anything to filibuster about.

Mr. TOBEY. Very well.

Mr. BILBO. A filibuster may not take place until after a motion has been made to suspend the rule. I am now merely talking. [Laughter.]

Here is a letter from a soldier boy:

DEAR SENATOR BILBO: Although not a constituent of your State, I want to thank you for your proposed opposition to the FEPC.

The FEPC is definitely a waste of the people's money as far as I'm concerned. Furthermore, I can see nothing practical in such an idea. It is certainly not democracy when some "peckerwood" with a brief case of red tape under each arm can go into a man's business and tell him how many of this race and that race he must hire.

Give them "extended explanation" from now on if necessary.

Respectfully yours.

The writer of the letter does not say "filibuster"; he says "extended explanation."

Mr. President, I will now read what a certain prominent Negro educator has to say with regard to this matter. He is Floyd Brown, president, Fargo Agricultural School, Fargo, Ark.; and I read from a letter which he wrote to the Arkansas Democrat at Little Rock. His letter is as follows:

As so much is being said within and without about the race problem in the South, and as I was born and reared in the South, and being a colored man, I feel justified in expressing my views about the race problem as I see it.

In my travels in Arkansas and the South, I am convinced that the race problem is not so acute as many would have it.

Mr. President, the problem may not be very acute at the present time, but it will become so if there shall be enacted the damn-fool legislation which is now being proposed.

I continue reading from the letter:

I am opposed to anyone, colored or white, of North or South, at all times exposing the bad side of and neglecting to say anything about the brighter side of race relationship. I do not believe the welfare of the two races should be left in the hands of the radicals.

After all is said and done, until the southern white people and the southern Negro people seek to adjust their misunderstandings and solve their own problems, our relationship will not be what it should be. I do not believe people living two or three thousand miles away are in a position to solve local problems as we ourselves are.

Mr. President, this is a Negro professor, an educated leader of the South, who is speaking. Let me read again what he has said:

I do not believe people living two or three thousand miles away are in a position to solve local problems as we ourselves are.

Yet, Mr. President, we find Members of the Senate, and of the House of Representatives, who are a thousand miles removed from where the whites and blacks are forced to live together. The Members of Congress to whom I have referred do not have to cope with the race problem in their own States, counties, or communities. However, they try to tell us in the South what we must do and what we must not do. It would seem that we do not know anything on earth about the problems with which we are confronted.

I continue reading from the letter:

Whether we believe, or whether we like it, statistics will prove that the colored people of the South own more property, operate more business, own more farms, and have built more institutions than those of any section of the United States.

Let us all say more about the better and more substantial contributions that both of us have contributed to our beloved South and it will do much to help solve our race problem.

As I have already said, that letter is from Floyd Brown, president, Fargo Agricultural School, Fargo, Ark., and was written to the Arkansas Democrat at Little Rock. Floyd Brown is a very sensible and splendid Negro leader.

Here is an encouraging piece of news from the Washington Post of June 26, 1945:

The fight over continuing the Fair Employment Practice Committee hit new intensity yesterday with the agency's head saying it may continue operating on a volunteer basis even if Congress gives it no money.

Mr. President, think of the audacity of Malcolm Ross, with his employees numbering approximately 115—66 Negroes, 12 Jews, and 2 Japs, as well as a few gentiles—saying that he does not give a rap whether we make an appropriation for him or not, but that he will continue to operate regardless. In other words, he is deriving so much kick, so much pleasure, and so much satisfaction out of his work that he is willing to continue with his program of harassing the American businessman, and is willing to remain on the job and function for nothing. If he feels that way about it, we should let him do his work for nothing.

I continue reading from the newspaper article:

Chairman Malcolm Ross said the FEPC may go ahead regardless, and another member, a Negro, reported plans for a demonstration "more dramatic than a march on Washington."

Logan has said in his book that the Negro has learned the technique of force. It was that force behind the suggestion that 200,000 Negroes would march into Washington that led the President to sign the Executive order which brought the FEPC into existence.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. LANGER. Does the Senator see anything wrong in the march of the soldiers a few years ago into Washington when they wanted a bonus, and they were starving and needed help?

Mr. BILBO. That was quite different.

Mr. LANGER. I should like to have the Senator state the difference.

Mr. BILBO. Well, Mr. President, it would not do the Senator any good if I were to show him the difference. If a man who has been to Columbia University, as the Senator has been, cannot differentiate and evaluate the difference between a group of minority Negroes marching out of New York under the leadership of men like A. Philip Randolph and others, and the American soldier marching to Washington after he had helped fight for his flag, and asking for a bonus and other privileges, the Senator will be unable to see the difference, and I would waste my time in trying to educate him. [Laughter.]

I continue reading from the article:

This member, Milton P. Webster, international president of the AFL Brotherhood of Sleeping Car Porters, told a news conference he couldn't disclose the nature of the demonstration now, but "we are not going to take it lying down."

In other words, they are bluffing; they are trying to intimidate; they are trying to bulldoze, as they did the President to get the damned thing signed. That is what they are trying to do. "Oh, we are going to do something; we are going to do something awful. It is going to be more awful than 200,000 Negroes marching down on Washington from New York and Philadelphia at one time. I think it is about time we were having a demonstration."

I had two or three of them in my office yesterday morning. They said they wanted to talk to me about a filibuster; that I had no right to filibuster, that it was not the thing to do. They said they wanted to talk to me about it. They talked to my secretary. They told him, "If we do not get to see the Senator, and if we cannot stop him, he will be stopped by an act of God." Trying to threaten me or bluff me with the righteous indignation of God. That is all right; I am willing to take my medicine so long as God wants to punish me for filibustering, but I do not want some peckerwood who has nothing to do with God messing around with it.

He referred to slow action on legislation for a permanent FEPC. The House Appropriation Committee approved yesterday a $125,000 fund earmarked for liquidation of the agency in the 3 months after July 1.

Senators understand what happened. It went to the Rules Committee, and was not given a rule, in other words the House committee was willing to put up $125,000 to liquidate this piece of communistic conception and foolishness, but the Rules Committee was not willing to spend 5 cents on it, and it is not worth that much.

Southerners in Congress, meanwhile, girded for a filibuster to talk to death any attempt to give FEPC a congressional appropriation.

Further on the article recites:

Boris Shishkin, FEPC member and AFL economist, said the Army has discovered

widespread use by the Japanese of racial prejudices in this country in an attempt to persuade Asiatic peoples that this is a white man's war.

Ross said regardless of whether Congress votes FEPC any money the Committee will hold its regular meeting July 7 and decide then on its future. He said that the Committee, without funds, could not operate generally in industry but could continue to insist on nondiscrimination by government and contractors doing business with the Government.

Webster said the move to abolish FEPC leaves Negroes feeling "like we're being double-crossed—that this thing called democracy doesn't mean us at all."

"There probably will be the greatest upsurge of Negro opinion in history if the Committee (FEPC) is knocked down," he declared.

Bulldozing again, intimidating, threatening that, if this or that is not done as they want it done, they are going to do so and so, and so and so.

In New York, Representative ADAM CLAYTON POWELL, Democrat, New York, accused the House of "double dealing" in refusing to pass legislation providing for FEPC.

"I charge that there has been double dealing on both sides of the aisle as regards FEPC," he said in an address prepared for the annual Negro Freedom Rally in Madison Square Garden.

"I further charge that if the Republican Party had supported the FEPC the same as it supported the abolition of the poll tax, legislation today would be enacted on the FEPC."

In other words, the Negroes, as represented by their spokesmen, their leaders, are not satisfied with either the Democrats or the Republicans. We cannot do enough to satisfy them, and we do not know today what they will do tomorrow. The politicians who are expecting to control the Negro vote can just put it in their pipes and smoke it that if they do control it they are going to give the Negroes their houses and homes because they want more and more and more, and then more.

I just received through the mail yesterday a very interesting little booklet on the relationship of the Negroes and the whites. I think that question is certainly pertinent and germane in the discussion of this proposed legislation, because behind the whole scheme is the dream of the colored intelligentsia to break down what is known as the color line which exits both in the North and in the South, in the East and in the West, and force an intimacy and an association between the two races in business. In other words, if they can force a colored girl into a white man's office to be his secretary, they are making progress. If they can force a Negro into a machine shop where white women are working and put him in between two white women working on a machine or at a desk, they are making progress. That is what they call progress. The underlying scheme of the FEPC is to compel men and women of this country who have some regard for racial integrity, who believe in segregation, and who do not believe in social equality, to accept Negroes and put them in together with the whites and let them work side by side whether one likes their odor or not, to get them on the job and work together. Breaking down the line is what is behind it; and if, through this instrumentality, they can force association and force connection then they are making progress. Old Dr. DuBois says in the book that he has just printed, "we have got to have the association, we have got to have the contact, we have got to bring them together," and he says the Charter at San Francisco is a failure, it is not going to get anywhere, because it does not declare in favor of the participation of the colonials of Great Britain, Russia, France, and the United States, and it is not going to take care of the cases of discrimination within the territorial limits of the smaller countries of the United Nations. That is why he says that the third world war is in the offing, and will come in a very short while, and the effort at world peace is going to be a failure, because it is not going to satisfy the colored people of America, and so war is coming. He not only prophesies it, but he wants it. One who reads his book will find that to be so. He may have been at San Francisco trying to help write the Charter of peace and democracy, because it is an inherent instinct in the average Negro in this country to want to put his bill into everything; he wants to go everywhere.

I had an experience with the Negroes of Washington as chairman of the Committee on the District of Columbia. They called on me. I said, "Stop your fooling around, put your cards on the table. What do you want? How far do you want to go?" They spilled the beans. They said, "We want to use your hotels, we want to use your barber shops, we want to use your restaurants, your cafes, your swimming pools, your schools. We want complete mixing, social equality." And nothing short of that will satisfy them. If one will take the book to which I have been calling attention, What the Negro Wants, and what these 18 contributors representing outstanding Negroes of the United States say, it will be found that every one of them wants the same thing, and the FEPC is one of the instruments or means they are trying to use to break down the line, as a kind of entering wedge. In other words, they are going to force the white people.

One of the Representatives in Congress—I am not permitted to give his name, but he is a Representative—went to one of these hybrid, mongrel organizations in Washington and said, "Send me a stenographer." When she came she darkened the door. She was as black as the ace of spades. He did not take her. That is what they want.

The Civil Service Commission, with its contamination and its lack of fairness and square dealing between the white race and the black race, has even done away with the requirement that every applicant should furnish a photograph on his application blank. So one cannot tell whether an applicant is black or white. That was another great victory for the Negro.

The politicians, knowing that there are a thousand, or five thousand, or twenty thousand, or a hundred thousand votes of colored people in his State or in his district is shaking in his boots all the time, afraid of anything and everything the Negro does or says, and they have not the manhood to stand up and say, "No; that is not the right thing, not the proper thing, not the patriotic thing, not the best for the country, not the best for you." They will not say that, because they are afraid they will lose votes.

I was talking to one of these Negro-loving politicians in the Congress a few days ago and I said, "What in the hell are you going to do when I get through sending the Negroes to West Africa? You will not have anybody to 'politic' with. There will not be anybody to vote for you. You will be out of business." And that is true.

I wish to call attention to another matter. I quote from The Racial Problem Discussed. Let Us Keep the United States White, by John R. Irvin, Centerville, Ga.:

Is the United States soon to become a hybridized Nation through governmental legislation, controlling the social and economic life of the citizen?

That is the purpose. That is what we are discussing. This is an attempt through legislative enactment to break down the color line in order to aid the day of miscegenation and mongrelization between the races.

That day is coming if we do not do something about it, because every student of history knows that the records of 30,000 years of known history show that whenever the white man and the black man have tried to live side by side, in the end miscegenation and mongrelization and hybridization take place, both the white race and the black race are destroyed, and nothing is left but a yellow race. That was the doctrine old Dr. Boas taught in Columbia University. He taught it to his students, and that damnable doctrine and poison has been scattered all over the United States through Columbia University and his teaching. Today he has students posing as teachers of ethnology and anthropology and trying to teach the American people that there is no difference between the white race and the black race, that they are the same, and had the same common origin.

At Howard University here in Washington there is a professor of anthropology teaching Negroes that the white race descended from the Negro race. And he proves his case! [Laughter.] He says that in the early days, when, through the processes of the years, the northern portion of Africa, which was covered with Negroes at the time, began to dry up and people had to leave that section of Africa as the great Sahara Desert was formed, the part of the Negro race which went north up into Europe became bleached out; that that is the origin of the white race, and that those who stayed south of the Sahara Desert are still black. He said he proved his case, because skeletons of African Negroes have been found buried in the northern part of Europe, which shows that the white man descended from the Negro race. The fool Negroes at Howard University believe that, and the very same folks who are catering to and coddling and fooling and messing around with the Negro in order to get his vote sometimes believe it also, I think. Sometimes I have seen and heard such expressions

and such things done that I am inclined to think they are a little bit kin to some of them. There might be a little mixture.

The chosen process to bring about what is desired is Federal legislation. As soon as they got Executive Order 8802, creating this damnable organization, what happened? They went down into all the departments in Washington, and tore out the partitions which separated the white dining rooms and cafeterias from the colored. Everything had been all right. They were segregated. One was good as the other, but they were separated. They tore out the partitions, they destroyed and tore out all the closets, and forced the white employees in the departments in Washington to eat with them and use the same toilet facilities. That is brotherly love. That is getting the program of social equality over by legislation. The most disgusting thing in Washington life is to see nice sweet girls from North Dakota being forced to use the same stools and toilets used by the Negroes who come from the slums of Washington, a large percentage of them affected by Negro diseases, as the records show.

Somehow some men have not any regard for their own race, no concern about their own blood. For the sake of political gain or political votes they would sacrifice their white blood and their white race—some of them.

The Negro is smart. He knows that in 12 States he holds the balance of power between the white Democrats and the White Republicans, and in Presidential election years there are enough votes in those States to elect a President. They know how to play the game, and they are going to elect a President who favors them. That explains the conduct of certain people in public life.

I read further from Mr. Irvin's book:

During the past decade magazines, newspapers, writers, professors, philanthropists, and fanatical reformers have flooded the country with discussions of racial relations, and with propaganda, teaching the public that there is no difference between the various races, and that they are all the same flesh and blood and equal in refinement, culture, accomplishments, and civilization, and are physically and mentally alike excepting in color and that intermarriage is unharmful.

The southern people are concerned over racial and social relations between the whites and the Negroes because the Negro population in the South is by far the largest bloc of farmers, and differ most in color, refinement, civilization and character. If social barriers are destroyed, and all segregation eliminated, social equality enforced by government edict and law so that schools, churches, hotels, restaurants, parks, recreation centers and picture shows, clubs, busses and Pullmans must be open to all persons of every creed, color, character, or station in life, then indeed is racial integrity a thing of the past, and the white people of the United States would be transferred into a hybrid yellow or brown nation within the next several generations.

That is not a wild statement, Mr. President. The history of 30,000 years shows that to be exactly what will happen.

Human experience teaches that social association and intimacies between people of different races certainly will bring about, and lead to, intermarriage, even between those who differ in racial affinity, culture or color.

God saw fit to segregate and separate the different races by placing them in different lands. He located the white race in the middle northern hemisphere and placed the Negro in Africa, and the brown and yellow peoples in other spheres, as far as possible from each other. He divided them by color lines as well as by territorial lines so that each race would maintain its racial integrity.

Isolation and segregation, and racial purity and integrity appear to have been the divine plan and intent when He divided mankind by giving to them a distinct varied coloring. There are many misguided Christians and fanatics who think that God made a mistake when He made the black man, and now seek to bleach him by absorption, and by amalgamation.

And I may add—speaking of FEPC—by legislation.

Some of the Southern States have been criticized severely for the passing of laws segregating the whites and Negroes. Since God set the example why should southerners be so severely criticized for following His footsteps?

At this point let's quote a passage from a booklet being circulated in the South.

"Always different races moved about and intermarried. As far as we know there is no immutable law of nature which makes racial intermarriage harmful."

That is what all these Negro professors are teaching, believing, thinking, and dreaming about.

Here is clearly stated that marriage between whites, yellows, Japanese, or Negroes, or other races, is unharmful. Any student knows that there is not a hybrid nation of the present day, or of the past, which occupies a position of prominence, and excels in statesmanship and civilization.

Because when the two are mixed both are destroyed, and the product is a bad egg.

There may be no immutable law of nature against intermarriage between different races, but the only way to promote human progress is by maintaining racial purity. Hybrid nations and peoples in all parts of the world show less progress and are the least civilized in all social and civil accomplishments than nations which have maintained racial integrity. Notable examples may be seen in Egypt, Cuba, Haiti, Liberia, Mexico, north Africa, some Balkan states, and some South American countries. These have never established stable government or advanced civilization. Wherever is found a hybrid nation always you find it to be in a social degenerate condition, replete with revolutions and nothing more than a third- or fourth-rate power.

However, there are many individual half-breeds and hybrids, among men who inherit all the mental genius and good qualities of an ancestor; many instances of brilliant intellectual development in crosses, but when applied to a nation as a whole, most generally the crossing is deleterious and lowers the mental and physical standing of the original strain.

There never was a truer statement of facts than is announced by those words.

Again we quote from a professor at Columbia College:

The races of mankind are what the Bible says they are: "Brothers. In their bodies is the record of their brotherhood."

The physical make-up of every human being and their body formation is identical. So is the the body and physical make-up of animals of the same class. Every breed of dog, whether a setter, a pointer, a Newfoundland, or pug, is physically alike. Who would breed a setter and a pug expecting an improved dog? Who would expect an improved colt from breeding a thoroughbred racer to a Texas pony? Who would expect to look for a better milk cow from the breeding of a whiteface to a scrub? Hybrid children and animals are usually inferior to either parent.

That is where God and nature take care of the situation, and the same rule applies.

In a family of brothers there are always superiors and inferiors, physically, mentally, and morally. "By your fruits shall ye be known." The superior brother can be determined by comparison. Which of them has contributed the greatest benefits to the world and mankind? He is the superior who has done most for humanity. By comparison then, we shall determine which of the races have dominated and elevated humanity. And thus demonstrate which are to be considered superior and which inferior.

The superior must be those who have succeeded in elevating and adding to man's happiness, enlightenment, and civilization.

Those whose influence and example and accomplishments have added nothing to civilization must be considered inferior.

When comparison is made, their rank can be demonstrated.

Shem, Ham, and Japheth were reputed to be the fathers of the three principal divisions of mankind—white, yellow, black.

I do not believe that.

From these three brothers have come all the different races and peoples that now inherit the earth. Through intermarriage there have developed many and various subdivisions in color and racial traits, and diversified habits and customs, which differentiate and make up a variety of many nationalities of the present day.

It is most surprising to me, Mr. President, to find intelligent people insisting that there is mental and cultural equality of the white race and the black race, of the white man and the black man. The white Caucasian race in the United States is a product in part of the culture and education and growth and development and training of three or four thousand years. In everyone of us is a part of that growth and culture and development throughout all these centuries.

When the Negro is taken from the wilds of Africa, behind him lies the hisory and the accomplishment and the culture and the education of Africa for 3,000 years, and what is it? A blank. Do Senators then expect the product of the growth and the evolution of three or four thousand years of the highest type of civilization to be on the same basis and of the same quality as this product which has only been exposed to civilization for two or three hundred years? Such an argument would be most absurd. It would not make good sense.

Mr. CHAVEZ. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Mississippi yield for that purpose?

Mr. BILBO. I yield for that purpose.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Bankhead	Bridges
Austin	Barkley	Briggs
Bailey	Bilbo	Brooks
Ball	Brewster	Buck

Burton	Hoey	Pepper
Bushfield	Johnson, Calif.	Radcliffe
Butler	Johnson, Colo.	Reed
Byrd	Johnston, S. C.	Revercomb
Capper	Kilgore	Robertson
Chandler	La Follette	Saltonstall
Chavez	Langer	Stewart
Connally	Lucas	Taft
Cordon	McClellan	Taylor
Donnell	McFarland	Thomas, Okla.
Downey	McKellar	Thomas, Utah
Eastland	McMahon	Tobey
Ellender	Mead	Tunnell
Ferguson	Millikin	Tydings
Fulbright	Mitchell	Vandenberg
George	Moore	Wagner
Gerry	Morse	Walsh
Green	Murdock	Wheeler
Guffey	Murray	Wherry
Gurney	Myers	White
Hawkes	O'Daniel	Wiley
Hayden	O'Mahoney	Willis
Hill	Overton	Young

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. HATCH] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Nevada [Mr. MCCARRAN] is absent as a member of the committee attending the funeral of the late Senator Scrugham.

Mr. WHERRY. The Senator from Indiana [Mr. CAPEHART] and the Senator from Iowa [Mr. HICKENLOOPER] are absent by leave of the Senate.

The Senator from Connecticut [Mr. HART] is absent because of the death of his son.

The Senator from New Jersey [Mr. SMITH], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The PRESIDING OFFICER (Mr. HOEY in the chair). Eighty-one Senators having answered to their names, a quorum is present.

Mr. BILBO. Mr. President, I repeat that I am not now attempting to filibuster. I have merely been elaborating on the faults, sins, inadequacies, viciousness, and foolishness of the FEPC, in the hope that I could convince my very good friend from New Mexico [Mr. CHAVEZ] that he ought not to make a motion to suspend the rule and inject this FEPC poison into a perfectly good appropriation bill carrying appropriations for the life of 16 war agencies. If he does so, he will do it with notice to him and to the world that opposition will be registered continuously in explanation of the amendment, to prevent the waste of $446,000.

The great majority of the American people, through every means available to test out their will, have expressed their disapproval of this type and character of legislation. Why should the Congress listen to pressure groups which are trying, with ulterior motives, to obtain enactment of the legislation? It cannot result in good to the people. It cannot result in good to the relationship between the races in the United States. It will most certainly interfere and hamper the orderly processes of commerce and business throughout the United States. Mr. President, why they would listen to and be influenced by these minority groups is beyond my ability to comprehend, for I can assure them that the sober, correct-thinking, straight-thinking element of both the Negroes and the Jews, who are alleged to be behind this legislation, do not favor it and do not want it.

Mr. President, it is not so much what is done to the business world or to the businessmen that hurts, but it is the influence of dread and fear which exists at all times in connection with the conduct of business. If such a law is passed the businessman will be in constant fear of violating some red-tape rule established or sponsored by cracked-brained persons who sometimes are in responsible positions.

When the quorum call was had a while ago, I had been reading to the Senate from a very able presentation of this very question, namely, the influence of race. I now read further from it:

> In order to determine which nations and races are superior and which inferior, it will be necessary to compare each with the other, and ascertain which brought the greatest blessings and which contributed most to human civilization and which has been foremost in giving to mankind the greatest economic and social advancement.
>
> The sons of Shem are supposed to be and constitute the white people of the world, and it is a fact that the white man has been first and foremost in promoting civilization. The descendants of Shem were white and are supposed to be the first to emerge from the savage cave age, and begin to grope in the darkness of the dim past for a higher and brighter light. God selected this race as the medium through whom He would make Himself known, and through whom He communicated with His people here on earth, and through whom a Saviour was born. They were the first to worship a true and a living God, and first to establish religion based on faith, hope, and a Supreme Creator.
>
> They gave mankind the Bible and the laws of Moses, the Ten Commandments, and established laws of health and hygiene, and provided the rules of conduct which administered to man's health and welfare.
>
> The white races produced Abraham, Isaac, Jacob, and the judges of Israel, Moses, Aaron, and the prophets. Through the white people came Matthew, Mark, Luke, John, Constantine, and the popes of Rome, whose influence and attainments saved civilization through the Dark Ages.
>
> They were the first to build homes and great cities, parthenons, coliseums and monuments, amphitheaters and cathedrals. They had written language which encouraged learning, and the making of books; they practiced the arts and sciences with which mankind is now blessed. They built ships and became the greatest navigators of the sea; discovered new continents and distant islands, and to all of them they brought the blessings of their discoveries. They have dominated all other people of the world, the yellows and the blacks, and now hold protectorates and concessions over seven-eighths of the population of the earth. They were the first to prohibit slavery and to bring freedom to the ordinary man.
>
> The foregoing contains but a brief sketch of the contributions and service which the white man has rendered and brought to the world. A great and a glorious record.
>
> A superior race in the family of nations, and his superiority is evidenced and shown forth in his wonderful achievements.

But after the accomplishments and records of the human race over a period of several thousand years, as outlined in this very striking and concise statement, we find some white quisling, some sorry specimen of this race which has had such a glorious history, who is ready to sell the whole race, its whole record and its attainments in the course of history down the river, for the sake of a few votes or for a little office or sometimes for the sake of the almighty dollar. Sometimes it is a case of fanaticism, a case of a twisted brain, a case of an unholy and unrighteous influence on their lives. There is a quirk somewhere in their heads which accounts for these exceptions to the rule.

Lillian Smith, the daughter of one of the old, leading families of Georgia, went to school at Columbia University. She became tainted with the doctrine of Dr. Boas, the German Jew who came to this country from Germany. He did not come to the United States until he was between 20 and 30 years of age, I believe. He taught that the solution to the race problem was for the whites and the blacks immediately to intermarry. He said that would solve all the trouble. That is what the Spanish did when they settled in Puerto Rico. Back yonder in the olden days of the success of Spain as an empire, the Spaniards settled in Puerto Rico. They wanted to export the resources of that semitropical land which was very rich at that time. They sent their colonists to Puerto Rico, and they instructed them—and they taught it and urged it and caused it to happen—that the thing to do was to intermarry with the members of the Negro race living in Puerto Rico. I am told that today there are only 12 of the original Spanish families on the island of Puerto Rico that are of all white blood. All the others are mongrels.

Mr. President, what do we find? What is the condition? What are their successes? What are their attainments? They are a charge upon the Treasury of the United States. That is the penalty the white race pays when it attempts to bring about miscegenation, intermarriage, mixing.

I read further from the pamphlet:

> We may now direct our attention to the descendants of Jepheth, who is reputed to be the father of many varied types of Oriental races or nations, which are now occupying Oriental Asia, China, Japan, Egypt, and many other smaller divisions throughout the Eastern Hemisphere.
>
> These peoples together constitute the second great division of mankind. No scientist has yet told how or when or what produced the brown, yellow, or dark-colored races. It is asserted, however, that certain chemicals, known as carotane and melanin, which is contained in the skin, produces, or causes, various colors.
>
> In the Bible it is related that in the olden times man had multiplied and had grown great upon the earth, and had assembled to build a great tower to heaven. While at work on Babel, God confounded their language and dispersed the builders into all foreign countries.
>
> The whites emigrated to the Western Hemisphere, those who are now brown and yellow went eastward, and the Egyptians and Africans settled in the great continent of Africa. In order to find homes, these people neces-

sarily traveled slowly and with great difficulty, and when they finally established in foreign countries, were overlooked and forgotten until in later years when they had achieved national existence.

The Egyptians, in the Valley of the Nile, seem to have been the first to establish a great and flourishing civilization, which they transmitted to all other adjoining peoples.

The African tribes failed to profit by or adopt the civilization and enlightenment of the Egyptians, who were their next door neighbors, and they still remain a stationary, mysterious, barbarous people to this day.

The colored Asiatics, Chinese, Japanese, and other lesser divisions of mankind, by their own initiative, isolated and separated, developed a civilization equal to other nations. Measured by their accomplishments they must be classed with and be denominated a worthy brother in the family of nations of a superior quality.

On the preceding pages we have outlined and tried to show what has been a few of the accomplishments of the white and the yellow nations and races.

We will now briefly give an idea of what the African Negro race has accomplished and what it has done during its existence to improve humanity, and what this people has accomplished as one of the brothers in the families of mankind.

In all the pages of history, we do not find any account of a movement initiated by the Negro or African race, which was of benefit to the world.

Mr. President, that is a very strong statement.

We might well close this narrative and go no further in comparing the Negro with the nations mentioned herein, the comparison would be odious and unprofitable and we can, with propriety and truth, bring this discussion to an end by stating that the African Negro races have been "weighed in the balances and found wanting."

From the beginning of time up to the year 1865 they neither had a god nor a religion. They never established a national existence, they never had a government, a kingdom nor a king, never a court of law, nor a legislative body. They never produced a statesman, an inventor, never had a language, never produced a writer nor a book, never built a pyramid or a monument or a shrine, and have left no mark or lasting evidence that there ever existed in the African Continent such a people or a race. Their accomplishments and their existence have added nothing to humanity and to the world.

What I have read represents the history of the race now dominating the majority—shall I say?—of the United States Congress. That is apparently the situation. If this minority can come forward and say to Senators and Representatives, "If you do not vote this way or that way we will vote against you as a group," and Members of Congress listen to them, and become guilty of passing such absurd and absolutely idiotic and trouble-making legislation as is here proposed, the Negro who, with three or four thousand years behind him, now stands with nothing to his credit will be operating and controlling the Senate and the House of Representatives of the United States and will have his own way. That is the direction toward which we are heading. I think it is time that we called a halt in the name of the white men of this country.

I continue reading:

Now, from the beginning of time the African Continent has been only a great black spot from which no spark of intellectual, social, or economic light has ever emanated, which tended to raise mankind, or their teeming millions, above the brute and animals among whom they lived. The people of the South cannot be forced to believe and consider that this race, and the people of these tribes are equal brothers in the brotherhood of mankind.

Since 1865, the improved hybrids among them, and many full-blooded Negroes, have taken on a veneer of civilization and education which encourages the belief that in time they may become worthy citizens of the country. There are many living examples today of respected and appreciated men and women among them.

In the preceding pages it is apparent to any young student that intermarriage between dissimilar races is contrary to natural laws and is harmful, and that it does not improve but rather deteriorates the original stock.

It is further shown that if all men are brothers and are alike physically, they differ mentally, morally, and socially in their make-up. Some are superior and some are inferior when measured by their accomplishments.

Furthermore, God in His wisdom saw fit to segregate and separate different races by placing each color and class in different lands, removed from intercourse and contact in order to preserve racial integrity.

In the following chapter we will review the accomplishments of the Negro since he became a free citizen of the United States, in the year 1865, and thus ascertain if his accomplishments and social status entitles him to demand equal social privileges with the white citizens of the United States.

In other words, the efforts of the modern ethnologists and anthropologists in endeavoring to get the idea across that there is no difference between the white man and the Negro may suit other Senators who are willing to swallow it, but, so far as I am concerned, I am not ready to swallow such tommyrot. If other Senators wish to accept it, very well; if they wish to believe it, very well; but there is nothing to it.

I continue reading:

Other nations of the world have a background of a thousand birthdays to their credit; marked by effort, sacrifice, bloodshed, and tears, through which they secured, and worked out for themselves, civilization. The 1st day of January 1865 is the first birthday of the American Negro. Then his citizenship became effective in the United States.

That was when Abraham Lincoln said in his Emancipation Proclamation that the Negro should be segregated and sent to a country of his own.

I continue reading:

So it may be observed that he has had just 80 years of civilization conferred on him by the white people of America. Some white people in America are advocating and advising that absorption may be the final solution and settlement of the race issues. Such a process and solution would be most welcomed by the Negro and certain social organizations.

No other people in the history of the world have had thrust upon them a perfected civilization. By the stroke of a pen seven or eight million barbarians were handed a complete, a matured, a perfected civilization upon a silver platter. They were given a government, a national home, a citizenship, free schools, religion, language, books, art and science, with helpful hands to instruct them in all economic and civic relations.

Mr. President, we are still doing that for the Negroes. In the bill which the Senate passed yesterday there was an appropriation of nearly a million dollars to a school in Washington called Howard University, the only school or college in the United States which is being supported by Federal tax money. That school was established in 1867. Not until 1879 did Congress even think about appropriating money for the support of Howard University. The first appropriation was for $10,000. It has since been increased to approximately a million dollars. Furthermore, that institution has 26 beautiful buildings, and we have spent several million dollars recently to equip those buildings.

I think that in justice, if we are to play the game fairly, the Negro has made so much progress, there are so many Negro-lovers preaching and speaking and teaching and writing in his behalf, and he is so smart, why should we continue to spend the taxpayers' money for this college, when it is a discrimination against the Poles of this country? The Poles should have a college supported by the Federal taxpayers. They should have a university. Then why not provide one for the Jews? Let us have a great Jewish university, and let Uncle Sam support it. Incidentally, we might have one for the Christian whites of this country, supported by the Federal taxpayers.

I think it is about time we should establish and give each group or race in the United States a university supported by appropriations by the Federal Government, a million dollars a year, or we had better close out Howard and let the Negroes, with all their money and all their progress and all their wealth—they certainly have a lot of folks fooled and willing to put up money for them—provide for the care of their own school. We have already given them the equipment for the institution, and it has a library worth more than a million dollars, new buildings, and a good Baptist preacher at the head of it, Dr. Mordecai Johnson. I think it is time we were serving notice on the board of trustees and the faculty and students and alumni of Howard University that the Congress of the United States does not feel justified in going any further in spending a million dollars a year for the support of this Negro school, when it does not appropriate for any other race or any other class or group in the United States.

Mr. McKELLAR. Mr. President, will the Senator from Mississippi yield to me for a few moments?

Mr. BILBO. I yield.

Mr. McKELLAR. I wish to talk for about 5 minutes.

Mr. BILBO. I will yield if I do not lose the floor.

Mr. McKELLAR. It is understood that the Senator will not be taken from the floor.

Mr. President, I wish to call the attention of all Senators to the great importance of passing the pending bill. It contains appropriations for the National War Labor Board, the Office of the Alien Property Custodian, the Office of National Defense Transportation, the Office of Economic Stabilization, the Office of Scientific Research and Development, the Office of Inter-American Affairs, the Office of War Information, the Smaller

War Plants Corporation, the War Shipping Administration—the latter amounting to $367,000,000, a very important matter—the Office for Emergency Management, and the general provisions. The entire amount appropriated in the bill to operate these agencies of our Government is $976,613,730, nearly a billion dollars.

Mr. President, this is the 27th day of June. The bill should be passed and become the law by July 1. There is but one item now which is really in dispute.

Mr. President, I think I can safely say that no man ever worked harder, more assiduously, or more vigorously than have I to get this appropriation bill and all the appropriation bills passed by next Saturday, June 30, when they must be passed unless these governmental agencies are to stop functioning. The whole amount involved in the matter now pending, which is an intensely controversial question, is less than half a million dollars. The exact amount is $446,200.

I realized that there might take place what is happening now in these closing days, when the bill must be passed, if possible. There are seven amendments still undetermined. They are not important amendments, but every one of them can be debated. If we adopt the amendment now being discussed, there will be another to follow. New speeches can be made and time taken.

Furthermore, tomorrow the senior Senator from Texas [Mr. CONNALLY] will make a report on the San Francisco Conference, and that will take some time. On the next day the distinguished senior Senator from Michigan [Mr. VANDENBERG] is to make a report on the San Francisco Conference, which will also take time.

Mr. President, I am trying to point out that if this debate continues as it is now proceeding, there will not be a chance to pass the bill and keep these agencies of Government running as they should continue.

Under those circumstances, for several days I have tried vigorously, earnestly, and honestly to work out some compromise between the rival factions, in order to get the matter adjusted so as to let these operations of the Government continue, and let the appropriation bills be passed.

Mr. President, I have done everything I possibly could do to have the pending bill passed. The only thing that stands in the way of its passage is the FEPC, and knowing of course intimately the rival factional situation and how intense the feeling is, it has been extraordinarily difficult even to talk about a compromise. But such was my desire to get these appropriations through at the appointed time that I have done everything I could do to bring about a compromise. I thought we had succeeded in bringing one about this morning.

Mr. President, I ask to have printed at this point in the RECORD the amendment prepared by the Senator from New Mexico [Mr. CHAVEZ] as it will be offered if that point is ever reached, and an amendment to it which I have prepared as the compromise which I sought to have agreed to. I ask that my compromise be printed in the RECORD immediately after the printing of the amendment proposed to be offered by the Senator from New Mexico.

The PRESIDING OFFICER. Without objection, the amendment intended to be proposed by the Senator from New Mexico will be printed in the RECORD, and the amendment suggested by the Senator from Tennessee will be printed and lie on the table.

The amendments are as follows:

Amendment intended to be proposed by Mr. CHAVEZ to the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, the following amendment, namely: On page 1, after line 8, insert the following:

"COMMITTEE ON FAIR EMPLOYMENT PRACTICE

"Salaries and expenses: For all expenses necessary to enable the Committee on Fair Employment Practice to carry out any functions lawfully vested in it by Executive Orders Nos. 8802 and 9346, including salary of a chairman at not to exceed $8,000 per annum and six other members at not to exceed $25 per diem when actually engaged; travel expenses (not to exceed $63,800); expenses of witnesses in attendance at committee hearings, when necessary; printing and binding (not to exceed $4,800); purchase of newspapers and periodicals (not to exceed $500); not to exceed $694 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); and the temporary employment of persons, by contract or otherwise, without regard to section 3709 of the Revised Statutes and the civil-service and classification laws (not to exceed $8,900); $446,200: *Provided*, That no part of the funds herein appropriated shall be used to pay the compensation of any person to initiate, investigate, or prosecute any complaint against any defendant where such defendant does not have the same right to appeal an adverse decision of the Committee on Fair Employment Practice to the President of the United States, or to refer said complaint to the President of the United States for final disposition, as is asserted by or allowed the said Committee on Fair Employment Practice in cases where persons complained against refuse to abide by its orders: *Provided further*, That no part of this appropriation shall be used to pay the compensation of any person to initiate, investigate, or prosecute any proceedings against any person, firm, or corporation which seeks to effect the seizure or operation of any plant or other property of such person, firm, or corporation by Federal authority for failure to abide by any rule or regulation of the Committee on Fair Employment Practice, or for failure to abide by any order passed by the Committee on Fair Employment Practice: *Provided further*, That no part of the funds herein appropriated shall be used to pay the compensation of any person employed by said Committee on Fair Employment Practice who issues or attempts to enforce any rule, regulation, or order which repeals, amends, or modifies any law enacted by the Congress."

Amendment intended to be proposed by Mr. MCKELLAR to the amendment intended to be proposed by Mr. CHAVEZ to the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, viz:

Page 1, line 6, strike out "not to exceed" and insert in lieu thereof "the rate of."

Page 1, line 7, after the word "at" insert "the rate of."

Page 1, line 8, strike out "$63,800" and insert in lieu thereof "$31,266."

Page 2, line 2, strike out "$4,800" and insert in lieu thereof "$2,400."

Page 2, line 3, strike out "$500" and insert in lieu thereof "$250."

Page 2, line 4, strike out "$694" and insert in lieu thereof "$231.33."

Page 2, line 10, strike out "$8,900" and insert in lieu thereof "$4,450."

Page 2, line 10, strike out "$446,200" and insert in lieu thereof "$250,000."

Page 3, line 9, after the word "Congress" insert a colon and the following: *"And provided further*, That this appropriation is for the sole purpose of carrying out the functions of the Committee on Fair Employment Practice created by Executive order until 6 months from July 1, 1945."

Mr. MCKELLAR. Mr. President, my substitute suggestion would simply cut the various subsidiary amounts in half. The proposed appropriation for FEPC is $446,200. My proposal would substitute $250,000 for that amount, and cut in half the individual amounts provided in the amendment proposed to be offered by the Senator from New Mexico. My amendment further provides:

And provided further, That this appropriation is for the sole purpose of carrying out the functions of the Committee on Fair Employment Practice created by Executive order until 6 months from July 1, 1945.

Mr. CHAVEZ. Mr. President——

Mr. MCKELLAR. I will yield to the Senator in one moment.

Mr. President, the purpose of that is to adjust and compromise so that these very necessary appropriation bills can be passed. If the matter comes up for vote every Senator will vote as he sees fit, of course. I do not know whether my good, generous and kindly friend, the Senator from New Mexico, has with him two-thirds of the Members of this body who will vote with him in his attempt to have his amendment adopted. Adoption of his amendment requires a two-thirds majority. To my mind it is a toss-up whether two-thirds of the membership of the Senate are with him, or whether those on the other side can muster one-third of the membership of the Senate. I think it is a very doubtful question.

Mr. President, under those circumstances, with $1,000,000,000 of Government work in danger of being absolutely stopped, it is absolutely necessary, it seems to me, that we should all drop any feelings we may have about the matter.

Mr. CHAVEZ. Mr. President——

Mr. MCKELLAR. I will yield to the Senator from New Mexico in a moment. We should drop any feelings we have about the matter and agree simply to postpone this subject for 6 months. Certainly the proponents of the amendment have a great deal to gain because it is very doubtful whether the amendment would receive the necessary two-thirds majority. On the other hand, as I look at it, those of us who are not so much concerned with the amendment as we are concerned with carrying on the Government as it should be carried on should have reason to believe, and I think both sides should have reason to feel that they have done a fair and a just thing under the circumstances if the compromise is adopted.

Mr. President, the war is still going on and we might well agree to let the matter go over 6 months. Bills are pending in both Houses to establish a legal FEPC. Fights on those measures are yet to come. If the efforts to have such bills passed should fail then what I now pro-

pose would not make any difference. If they should succeed, appropriations will have to be made under legislation to be enacted hereafter. Appropriations would not be made under Executive order, because the Executive order expires when the war is over. For that reason I plead with my two friends. I almost implore them—for heaven's sake, let us come to an agreement so that the appropriations contained in the pending measure may be made.

Mr. CHAVEZ. Mr. President, why get after me? I have not been delaying this matter.

Mr. McKELLAR. Will the Senator wait one moment, please, and I will yield to him. I simply wish to implore both the Senator from Mississippi and the Senator from New Mexico, for heaven's sake, let us agree to a compromise and pass the bill. It is absolutely necessary that it should be passed. If the bill is not passed it will be one of the most embarrassing things that has ever happened to me. I have been acting chairman of the Committee on Appropriations for several years. It has never happened to me before that necessary appropriations bills were not passed before July 1. I want to have the pending bill passed now. I am disregarding any feeling I have in the matter. I am disregarding any position I may want to take in the matter, any purpose I may have in the matter, for the purpose of seeing if we cannot reach an agreement honorable to each side that will allow us to pass the pending appropriation bill, which is so necessary in carrying on our Government.

I now yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, neither the Senator from New Mexico nor any other Senator interested in the amendment concerning FEPC has delayed the passage of the bill. The delay has been caused by those who probably do not want the amendment regarding FEPC to be adopted in any form. I have been anxious to compromise. I have compromised. The agency in question was created under as much authority of law as was OWI, for which the Senate approved an appropriation of $39,000,000. This agency was created under as much authority of law as was the Office of Inter-American Affairs. It was created under as much authority of law as was the War Relocation Authority. The majority of Senators are trying to continue an agency that was created for war purposes, and simply because some Senator delays the vote on the amendment we are accused of delaying action on the bill.

Mr. President, I will now make a proposition to the Senator from Tennessee. The Bureau of the Budget approved $599,000 for this agency. In order to try to compromise I agreed to ask only for the amount that was provided last year. This morning Senators came to us with a proposition to cut the amount to $250,000. I will agree with the proposal made by the Senator from Tennessee if he can get his friends who are opposing the amendment to withdraw their proviso, and we can pass the bill in 3 minutes. If a desire exists to be fair, let us try to be fair.

Mr. McKELLAR. Mr. President, I thought we had agreed this morning on this compromise, but I find that we are not now agreed. There was a misunderstanding about it. But surely the Senator from New Mexico cannot accuse me of trying to delay. I have not delayed this measure one moment. I have been trying to have it passed ever since the bill was reported last Wednesday. I find myself against almost an impenetrable wall. I am stopped right in the middle of my effort. I want it understood that I offer this proposal in the spirit of friendly, genuine compromise. I say to the Senator from New Mexico that I had the greatest difficulty in getting the Senator from Mississippi to agree. The Senator from New Mexico will recall that he doubted whether the Senator from Mississippi would agree to the proposal when he presented it to him, and he was not willing to take my word for it, so I went to the Senator from Mississippi and asked him again and he told me that he would agree to it, and I thought it was all over. Then some question arose as to the language. This language simply postpones the question for 6 months. There is nothing in this language to which any reasonable person could object. It merely postpones the question for 6 months. We could not appropriate the money and allow the agency to operate for the whole year. The language is as follows:

And provided further, That this appropriation is for the sole purpose of carrying out the functions of the Committee on Fair Employment Practice created by Executive order until 6 months from July 1, 1945.

Under the terms of the original amendment the agency would have been continued until June 30, 1946. Under the terms of this amendment it would be continued until January 1, 1946—a difference of 6 months. That is all there is to it. There cannot be anything else to it. There is no suggestion of liquidation.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CHAVEZ. In order to be consistent, would the Senator be willing to adopt the same provision with respect to the OWI, the WRA, and the Office of Inter-American Affairs?

Mr. McKELLAR. No one has advocated that course. The Senator from New Mexico has not advocated it. He is a member of our committee. It is not advocated by anyone else.

I am merely trying, in the utmost kindness and friendship, to adjust the differences between friends of mine on both sides of the question; and like the usual peacemaker, I am being mauled very extensively here this afternoon.

I should dislike to see the pending bill fail. It would be a shame. It would be a discredit to the Senate if a reasonable compromise were not entered into and the bill allowed to pass.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CHAVEZ. I dislike to disagree with my friend from Tennessee; but I deny that it is a disgrace to the Senate when an amendment is approved in the Committee on Appropriations by a vote of 14 to 4, and is held up merely because some Senator is filibustering against it. I do not think it is fair for the Senator from Tennessee to accuse the Committee on Appropriations, which by a vote of 14 to 4, instructed me to present the amendment to the Senate. In my opinion, what is a disgrace is to have talk instead of voting on the amendment. Why do not the opponents get ready to vote and defeat the amendment?

Mr. BANKHEAD. Mr. President——

Mr. McKELLAR. Just a moment. Let me answer what has been said.

I am afraid that my friend has allowed his interest in the matter to carry him a little too far. I have made no charges against the Appropriations Committee of the Senate. I have been a Member of the Senate for a long time, and I think the Appropriations Committee of the Senate is one of the grandest bodies of men with whom I have ever associated. I feel honored every time I look at them. Not long ago I had a picture of them taken. If I should ever retire, I certainly will have that picture framed and placed in my home. I am very proud of it. It is a striking picture of a wonderful group of men. I am glad to say that the distinguished Senator from New Mexico is one of them. It is a splendid group of men, and I would not reflect on any one of them for anything in the world.

We have before us, as we all know, one of the most inflammatory contentions that could possibly exist among humankind. I am merely trying to adjust the differences between my friends. I am trying to relieve myself of any preconceived notions. So far as I am concerned, I am perfectly willing to vote on the amendment at any time. A two-thirds vote is necessary to suspend the rule. We cannot help that. There is no authority of law for this agency. I cannot help that. Heretofore appropriations for the agency have been made by unanimous consent; but this time there is a contention with respect to the agency, and I am trying to adjust the differences.

Notwithstanding the statement which has been made by my distinguished friend from New Mexico, I hope he will think the matter over. I ask him to consider our relationship on the committee. I would very much dislike to break the record which we have established and maintained for so long, of always passing our appropriation bills by June 30. I made the same appeal to my friend from Mississippi [Mr. BILBO]. I must say that it took him a long time to agree to my suggestion, but he finally agreed to it. I hope the Senator from New Mexico will also agree.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. McMAHON. I find myself somewhat confused. What has the Senator from Mississippi agreed to?

Mr. McKELLAR. He has agreed to the suggested amendment, which would reduce the appropriation to $250,000, and permit the agency to continue to operate until January 1.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BILBO. The Senator has overlooked one item. I agreed to it provided it was understood that at the end of the 6 months' period the FEPC would be liquidated.

Mr. McKELLAR. I fear that I am getting into deeper water all the time.

Mr. BILBO. That is the meat in the coconut.

Mr. McKELLAR. It seems that all my efforts toward adjustment and compromise are getting nowhere because of the differences between my two friends.

Mr. BILBO. I will leave it to any Member of the Senate. The way the Senator states the case, there is no compromise.

Mr. McKELLAR. There may not be.

Mr. BILBO. The Senator is proposing to give the FEPC 6 months in which to organize, fatten, and get ready to obtain passage of permanent legislation.

Mr. McKELLAR. While we are on that subject let me explain. There is no way to keep a Senator from introducing any bill he wishes to introduce—for a permanent FEPC, a permanent alliance with Great Britain, a permanent alliance with Russia, or any other bill he wishes to introduce. We cannot agree that he may not introduce it. The question arises on the passage of the bill.

Mr. BANKHEAD. Mr. President——

Mr. McKELLAR. The Senator from Alabama is a warm friend of mine. He is a member of the committee, and I know that he sympathizes with me in the distress which I feel at not being able to have the pending bill passed promptly.

Mr. BANKHEAD. I always sympathize with the Senator when he is disturbed and distressed.

Mr. McKELLAR. I am disturbed and distressed about this bill——

Mr. BANKHEAD. I admire the Senator from Tennessee for his righteous efforts. I merely wish to ask him a question.

The Senator from New Mexico stated that he was instructed by the committee to present this amendment.

Mr. McKELLAR. Yes.

Mr. BANKHEAD. I wonder if that was an accurate statement, or whether it was merely an authorization.

Mr. McKELLAR. It was an authorization, but a vote was taken, and my recollection is that a large majority of the Appropriations Committee voted to authorize the Senator from New Mexico to offer his amendment on the floor. That was the only way it could be done. There is no authority of law for the agency. It is necessary first to suspend the rule of the Senate in order to offer the amendment. The Senator from New Mexico was authorized by a large majority of the committee—I have forgotten the number—to make the motion to suspend the rule and offer the amendment. That is the way we must ordinarily proceed in matters of this kind.

I felt that we should come to an agreement. I have interrupted the Senator from Mississippi, and I apologize to him. I was merely making an effort in the hope that I could get the two rival factions to come to an agreement. I still feel that we should pass all the appropriation bills before the end of the fiscal year. My old friend WALLACE WHITE is looking at me. I know he feels exactly the same way; and I believe that nine-tenths of us feel the same way. I hope the rival factions will get together.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CHAVEZ. On the question of compromise, let me make a proposition: I will agree to the language of the amendment prepared by the Senator from Tennessee to reduce the appropriation to $250,000, provided the other side agrees to eliminate the proviso.

Mr. McKELLAR. Of course, as I told the Senator, the other side has not agreed to do so. That may necessitate further negotiations; and the first thing we know this bill will be in the discard, because there are seven committee amendments remaining to be disposed of, and one man can talk the bill to death between now and Saturday night.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. I hope the Senator will not give up hope of obtaining action on the bill. I do not believe that the situation is hopeless.

Mr. McKELLAR. I am glad to hear the Senator talk that way. From the way he talked to me a while ago, I did not think there was a chance in the world, and I have just been appealing to both factions.

Mr. BARKLEY. I have been doing the same thing all day. I have consulted many times with the Senator from Tennessee. He has been cooperative, as I have tried to be. I hope we can adjust the difficulty. I think it is not hopeless, and I trust the Senator will not lose heart and courage. We have 3 or 4 days yet.

Mr. McKELLAR. I have just 3 days in which to use all the courage I have.

Mr. BARKLEY. The Senator is noted for his courage, and I hope he will not become faint-hearted now. I do not think he will.

Mr. McKELLAR. I am becoming very pessimistic about the chances of the passage of this bill.

Mr. BARKLEY. Frequently we have these situations at the end of the fiscal year, but usually we work them out.

Mr. McMAHON. Mr. President, will the Senator yield to me?

Mr. McKELLAR. I yield.

Mr. McMAHON. I should like to ascertain whether the Senator from Mississippi has agreed to the following arrangement:

And provided further, That this appropriation is for the sole purpose of carrying out the functions of the Committee on Fair Employment Practice created by Executive order until 6 months from July 1, 1945.

The Senator from Mississippi has agreed to that; has he not?

Mr. BILBO. If that means the termination of the agency and a period of liquidation——

Mr. McMAHON. Of course, if I know the meaning of the English language, it does not mean any such thing.

Mr. BILBO. Then, I did not agree to it.

Mr. McMAHON. Does the Senator agree to it only if it is interpreted as meaning the liquidation of the agency?

Mr. BILBO. Yes.

Mr. McMAHON. Of course, that is not written into the proposed amendment.

Mr. McKELLAR. Mr. President, I wish to be perfectly frank, and I wish to say that I thought the meaning was perfectly plain. I usually am as plain as a man can be in the use of language. Certainly I am as plain in the use of language as I am able to be, because it is never my purpose to use language which cannot be understood. When I read the language, I thought the Senator from Mississippi agreed to it. I believe that, upon reflecting, he will recall that that is the fact.

Mr. BILBO. No; I have never seen that.

Mr. McKELLAR. The copy which has just been read is a different copy. The copy I had was written out in my own handwriting. The Senator may have misunderstood it.

Mr. BILBO. The Senator will remember that I insisted that it meant the termination and liquidation of the FEPC, and as a further consideration I asked that the agreement be that there be no effort to pass the bill—which is now pending and on our calendar—providing for the creation of a permanent agency. The Senator said I was asking for too much, so I withdraw that part of it.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. BILBO. I yield.

Mr. McKELLAR. I believe the Senator is a good Baptist or a good Methodist; is he not?

Mr. BILBO. I am in perfect standing.

Mr. McKELLAR. In what church?

Mr. BILBO. In the Baptist Church.

Mr. McKELLAR. Will not the Senator be good enough to go home tonight and pray over the matter, and then see if we cannot come to an agreement with our distinguished friend from New Mexico? I know he is a good Catholic.

Mr. CHAVEZ. In good standing.

Mr. McKELLAR. Yes; in good standing.

Mr. BARKLEY. If we can get those two denominations together we shall have no trouble.

Mr. McKELLAR. I hope the Senator from Mississippi will pray over it and will reach a proper decision.

Mr. BILBO. I will keep on praying that the Lord will help me to end the FEPC.

But I wish to say to my friend from New Mexico that I am sure the Senator from Tennessee did not mean to charge him with delaying action on the bill, because in all fairness it must be said that the Senator from New Mexico has not done a thing up to this hour to delay passage of the war agencies appropriation bill, and I do not want that charge placed against him. But I am afraid the Senator will be guilty of delaying action on the bill if he makes a motion to suspend the rule in order that he might use that little squirt gun from Mexico to inject poison into this bill.

Mr. CHAVEZ. Of course, Mr. President, the Senator will permit me to take that responsibility, if I wish to do so.

Mr. BILBO. Of course. But I wish to give the Senator and the world notice that if the bill providing appropriations for these 16 agencies is not passed, it will be because the sponsors of the FEPC would prefer to see those agencies fail, rather than to have the FEPC appropriation fail.

Now I wish to say to the Senator from Tennessee, who is a very delightful character, and of whom I am very fond—in fact, I love him, and we have many matters in common which make us of one mind.

Mr. McKELLAR. Mr. President, my attention was diverted for a moment, but I understand that the Senator has been complimenting me. I receive so few compliments that I should like to know just what it was the Senator said.

Mr. BILBO. I was telling the Senator how very fond I am of him; in fact, I love him. We have things in common; we are both bachelors, you understand. [Laughter.]

I wish to say in reference to the proposition the Senator from Tennessee has offered, that insofar as its being a compromise is concerned, there is no compromise.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. BILBO. I yield.

Mr. McKELLAR. Let me make a suggestion. The Senator from Kentucky [Mr. BARKLEY] has assured me that he will do everything in the world he can do to bring about a settlement of this matter.

Mr. BILBO. Yes.

Mr. McKELLAR. Will not the Senator from Mississippi be kind enough not to discuss it further this afternoon and let us see if we can get together tomorrow? If the Senator will do that, I shall be greatly obliged to him.

Mr. BILBO. I will just make the statement that the Senator's proposed compromise is not a compromise.

Mr. President, when I was interrupted a short time ago I was beginning to read, for the information of my friend, the Senator from New Mexico, and others, a pamphlet entitled "The Birthday of the American Negro." It is very interesting. The citizenship of the American Negro dates from 1865, when he was made a citizen by the proclamation of Lincoln, followed by the adoption of the amendments to the Constitution of the United States. I read further from the pamphlet:

> So it may be observed that he has had just 80 years of civilization conferred on him by the white people of America, although he had been exposed to it as a slave for a longer period than that. Some white people of America are advocating and advising that absorption may be the final solution and settlement of the race issue. Such a process and solution would be most welcome by the Negro and certain social organizations.

If Senators will read this book to which I have been calling their attention, and if they will then read it a second time, and if they will read the recent writings of some of the Negro intelligentsia, some of the educated class of Negroes, they will find that those Negroes are boldly preaching and advocating the intermixing of the races in America, and they advocate it as the only solution of the race problem.

Let us consider for a moment Richard Wright, who came from my State. In all his writings, he is preaching the intermarriage of the races. In fact, he has gone to Brooklyn, N. Y., and has married a white woman, and he is living there now. Many other Negroes are preaching the same doctrine. There are a number of associations which are advocating the intermarriage of the races, and I am sorry to say that there are some so-called white people who are advocating the same thing.

Senators would be surprised to know the number of white people today who are married to Negroes. There are a great many persons in Michigan who are married to Negroes. The same situation prevails in Illinois. It prevails also to a large extent in New York, Philadelphia, and in the District of Columbia. It might be interesting to Senators to know that some of the white girls who work in governmental departments are married and living with Negro men. There is no law against a situation of that kind in the District of Columbia. Since I became a Member of the Senate I have introduced bills which would prohibit intermarriage in the District of Columbia. I shall reintroduce a similar bill later on. I did not introduce one during the last session of Congress because I did not wish to interfere with any war program while the war was going on.

Mr. President, I do not believe any of the suggestions which have been made for solving problems between the races are worth very much. We may try to stopgap them, but the effect will remain for only a short while. We have kept the white race pure in the South for 150 years. We have drawn the line between intermarriage of the white and colored races. However, in the sections of the country where the line has been broken down, it may be seen what the result has been.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. McKELLAR. I have been informed that the Senator from Mississippi is willing that with the exception of the pending amendment, the remaining committee amendments to the pending bill which have not yet been acted upon may be agreed to this afternoon.

Mr. BILBO. No; that is not my understanding. I will agree to let the bill go over and be taken up again tomorrow.

Mr. CHAVEZ. Mr. President, last evening the majority leader gave notice that, if necessary, a night session would be held——

Mr. McKELLAR. Mr. President, I do not wish to take the Senator from Mississippi off the floor.

Mr. BILBO. If the Senator desires that the Senate take a recess, it is all right with me. I am not tired, however.

Mr. McKELLAR. I was hoping that we could bring the amendments in number down to one by tomorrow.

Mr. BILBO. Oh, no.

Mr. McKELLAR. The Senator is not willing that that be done?

Mr. BILBO. No; I am willing to quit just as we are.

Mr. McKELLAR. I see that we are not making any progress. I had understood that a prayer would be made tonight if we could narrow the amendments to only one.

Mr. BILBO. I am willing to stop now, but I want the floor tomorrow.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

Sundry officers for promotion in the Regular Corps of the United States Public Health Service; and

Sundry persons for appointment in the Regular Corps of the United States Public Health Service.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads;

Elbert W. Franklin, to be postmaster at Floresville, Tex., in place of B. T. McDaniel, transferred.

CONFIRMATION OF ARMY NOMINATIONS

Mr. McKELLAR. Mr. President, as in executive session I ask that the Army nominations on the calendar be confirmed.

The PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc, and, without objection, the President will be notified forthwith.

WAR AGENCIES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

Mr. BILBO. Mr. President, may I have an understanding with the Senator from Tennessee that I am yielding for the purpose of making a motion to adjourn?

Mr. McKELLAR. Not to adjourn, but I expect to move that the Senate take a recess until 12 o'clock noon tomorrow.

Mr. BILBO. May it be understood that I may have the floor tomorrow when the Senate convenes?

Mr. McKELLAR. I do not know whether an agreement has been reached or not, but the Senator from Texas [Mr. CONNALLY] expects to make a speech tomorrow in the nature of a report to the Congress with regard to the recent Conference held at San Francisco.

Mr. BILBO. I most certainly will yield in a case of that kind, but I want the floor when the Senate convenes again tomorrow.

Mr. McKELLAR. Will the Senator from Mississippi yield to the Senator from Texas in order that he may make his statement?

Mr. BILBO. Certainly; with the understanding that I will not lose the floor.

Mr. CHAVEZ. Mr. President, is it the purpose of the Senator from Tennessee to make a motion at this time to recess until tomorrow?

Mr. McKELLAR. Yes.

Mr. BILBO. Yes; and give us a chance to pray.

Mr. CHAVEZ. I think the Senator from Mississippi needs a lot of prayer, and needs to agree to a decent kind of a compromise.

Mr. McKELLAR. I hope he will take his problem to a higher power and come to a conclusion which will be just and right.

Mr. CHAVEZ. Yes. I suggest also that he read the speech delivered by President Truman in San Francisco yesterday. It might help the prayer.

Mr. McKELLAR. I am quite sure it would.

Mr. CHAVEZ. Last evening the majority leader gave notice to the Senate of the possibility of holding a session tonight.

Mr. McKELLAR. There cannot be a meeting of the Senate tonight. The majority leader [Mr. BARKLEY] has been called to Chicago, where he expects to make a speech tonight at 8 o'clock. He will return in the morning. He will not be present in Washington tonight.

Mr. CHAVEZ. I am afraid that would interfere with the extended explanation of the FEPC which the Senator from Mississippi is making, but I wished to give him an opportunity to consume the time between now and 6 o'clock tomorrow morning. I was hoping that the Senate would hold a night session.

Mr. BILBO. I will be glad of the opportunity to remain here if the Senator from New Mexico will also remain.

RECESS

Mr. McKELLAR. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 46 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 28, 1945, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 27 (legislative day of June 25), 1945:

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

To be lieutenant generals

Matthew Bunker Ridgway
Alvan Cullom Gillem, Jr.
Troy Houston Middleton
Willis Dale Crittenberger
Nathan Farragut Twining
Charles Philip Hall
John Reed Hodge
Raymond Stallings McLain
LeRoy Lutes
Robert Charlwood Richardson, Jr.
John Edwin Hull
Ennis Clement Whitehead

To be major generals

Ewart Gladstone Plank
Lauris Norstad
Clovis Ethelbert Byers
Donald Weldon Brann
Lawrence Carmel Jaynes
Ray Tyson Maddocks
Edward Michael Powers
Stanley Lonzo Scott
George Henry Decker
Harold Mark McClelland

To be brigadier generals

Joseph Pringle Cleland
George Irving Back
Orlando Clarendon Mood
James Thomas Loome
Francis Hill
Robert Quinney Brown
Rinaldo Van Brunt
George William Rice
James Clyde Fry
George Allan Miller
Harvey Edward
Carl Amandus Brandt
Edward Haviland Lastayo
Armistead Davis Mead, Jr.
Lawrence Joseph Carr
Laurence Knight Ladue
Eugene McGinley
Frederic Lord Hayden
Walter Robertson Agee
Louis Wilson Maddox
George Stanley Smith
Robert Whitney Burns
John Henry Woodberry
Vincent Joseph Esposito
John Forest Goodman
Frank Sayles Bowen, Jr.
Gordon Edmund Textor
Milton Wylie Arnold
Edward Lyman Munson, Jr.
Orlen Nelson Thompson
John Simpson Guthrie
William Wesley Wanamaker
Charles Moore Walson
William Preston Corderman
Harry McKenzie Roper
Edwin William Chamberlain
Yantis Halbert Taylor
Leonard Dickson Weddington
Andrew Daniel Hopping
Warren Henry McNaught
Woods King
F. Trubee Davison
Hugh Meglone Milton 2d
Elliott Carr Cutler
Frank Richard Denton
Harold Ross Harris
Edward Reynolds
Harry H. Vaughan

To be major generals

Edward Peck Curtis
John Merryman Franklin

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

To be second lieutenants, Air Corps, with rank from June 5, 1945

Elmer Resides Haslett
Bernard Moran James

APPOINTMENTS, BY TRANSFER, IN THE ARMY OF THE UNITED STATES

TO FINANCE DEPARTMENT

Capt. Joseph Cobb Stancook

TO SIGNAL CORPS

Lt. Col. Chester Arthur Carlsten

TO CAVALRY

First Lt. John Fuller Davis, Jr.

TO INFANTRY

Lt. Col. William Leonard Ritter
First Lt. William Robert Hughes
First Lt. Joseph Barry Yost

TO AIR CORPS

Second Lt. David Mortimer Falk

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 27, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. McCORMACK.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication which was read by the Clerk:

WASHINGTON, D. C., *June 27, 1945.*

I hereby designate the Honorable JOHN W. McCORMACK to act as Speaker pro tempore today.

SAM RAYBURN.

PRAYER

Rev. J. Warren Hastings, minister of the National City Christian Church, Washington, D. C., offered the following prayer:

Our Father, which art in Heaven, we thank Thee that we can be here today to give of the best of our abilities to the solving of national problems which confront us.

We thank Thee that men and women have always been helped when they have called upon Thee. We thank Thee, dear Father, that we are aware of the fact that in ancient times men were directed by Thy Spirit. Thou didst lead Abraham; Thou didst open the way for Jacob; Thou didst lead and strengthen Elijah. The rays of Thy love and leadership ever shone before the footsteps of Paul. Thou didst lead Thine own Son to the peaks of glory. We thank Thee, Lord, that Thou art a God who will help to guide us if we call upon Thee.

We are thankful, dear Lord, that Thou hast brought us to this Nation in a day like this. In the Old Book we read the message, "Esther, thou didst come to the kingdom for such a day as this"; and in the New Book we read the message, "In the fullness of time God sent forth His Son." We believe that we have been called by Thee to undertake tremendous responsibilities in this most critical period of our Nation's life. Each one of us, dear Father, has a sense of destiny in our hearts.

Our Father, as we look to the duties of this day and of the days ahead, we pledge Thee of our every talent and ability. We will reach out our hands and place them in Thine and will abide by the leadership of Thy Spirit. We know that Thy presence near us will quicken our own thinking and will empower our wills.

Help us to so carry on for this Nation and for the world in which we live that the life of the individual on this planet will become a happier, finer experience; that poverty and ignorance and suffering will sink into the background, and that the happiest day that man has ever known will come to pass in this earth.

And may the glory for this achievement be not ours primarily, and those who labor with us, but may the glory and the honor and the praise be Thy Son's whose we are and whom we serve. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3199. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. MEAD, Mr. TYDINGS, Mr. MURDOCK, Mr. HAYDEN, Mr. BURTON, Mr. BALL, and Mr. WHERRY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in

which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3035. An act to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. HAYDEN, Mr. BAILEY, Mr. REED, and Mr. LANGER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the joint resolution (H. J. Res. 184) entitled "Joint resolution to continue the temporary increases in postal rates on first-class matter, and for other purposes"; disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GEORGE, Mr. WALSH, Mr. BARKLEY, Mr. TAFT, and Mr. BUTLER to be the conferees on the part of the Senate.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

Mr. BLAND. Mr. Speaker, on behalf of the Committee on the Merchant Marine and Fisheries, I ask unanimous consent that that committee may sit today during the period of general debate in the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

THE SAN FRANCISCO CONFERENCE

Mr. CURLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include the address delivered by President Truman at the San Francisco Conference.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[Mr. CURLEY addressed the House. His remarks appear in the Appendix.]

SALARIES OF POSTMASTERS, OFFICERS, AND EMPLOYEES OF THE POSTAL SERVICE

Mr. BURCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3035) to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 20, strike out "the provisions of this section" and insert "this proviso."

Page 4, lines 2 and 3, strike out "two thousand and twenty-four" and insert "two thousand and eighty."

Page 4, lines 16 and 17, strike out "two thousand and twenty-four" and insert "two thousand and eighty."

Page 4, line 19, after "antemeridian", insert ": *Provided*, That such differential for night duty shall not be included in computing any overtime compensation to which the officer or employee may be entitled."

Page 13, line 19, strike out "finances" and insert "finance."

Page 16, strike out lines 22 to 25, inclusive, and insert "Unless otherwise assigned as provided herein, the postal cashier shall be superintendent of postal finance, and at offices with receipts less than $20,000,000 the money-order cashier shall be superintendent of money orders."

Page 26, line 23, strike out "$3,100" where it occurs the second time and insert "$3,400."

Page 36, line 5, strike out all after "months." down to and including "employees." in line 7.

Page 36, after line 14, insert:

"(1) Temporary employees in the custodial service shall be paid at the respective rates of pay of grade 1 provided herein for regular employees."

Page 46, line 7, strike out all after "grade" down to and including "period" in line 9.

Page 47, line 12, strike out all after "grade:" down to and including "period:" in line 14.

Page 47, line 15, strike out "further."

Page 50, line 18, after "handlers" insert ": *Provided further*, That there shall be not more than one increase in the rate of pay of a substitute employee within a period of 12 months."

Page 58, line 13, strike out all after "20." over to and including "follows:" in line 9, page 59, and insert "During the period of hostilities with Japan and for not more than 30 days thereafter, when the needs of the service require postmasters of the first, second, and third classes, post-office inspectors, traveling mechanicians, examiners of equipment and supplies, and officers of the Railway Mail and Air Mail Services, to perform service on Saturday they shall be allowed compensatory time for such service on 1 day within five working days next succeeding the Saturday on which the excess service was performed: *Provided*, That when and if required by the Postmaster General to be on duty more than 40 hours a week, they shall be paid as additional pay for working such additional time of 8 hours as follows."

Page 60, line 1, strike out "two thousand and twenty-four" and insert "two thousand and eighty."

Page 60, strike out lines 7 to 13, inclusive, and insert:

"SEC. 21. Employees who, under laws in effect June 30, 1945, are entitled to automatic promotions in salary effective July 1, 1945, and for whom automatic promotion grades are provided in this act, shall be given credit for their earned automatic promotion in salary before applying the provisions of sections 23 and 24 of this act. Employees who, under the laws in effect on June 30, 1945, would have received automatic promotions in salary on October 1, 1945, or January 1, or April 1, 1946, and for whom automatic increases in salary not exceeding $100 per annum or 5 cents per hour, are provided in this act, shall be given credit for the time served since their last promotion prior to June 30, 1945, in determining eligibility for automatic promotions under the provisions of this act."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. HARTLEY. Mr. Speaker, reserving the right to object, and I shall not object, I understand that most of these amendments are very minor and I am also told that they have the complete concurrence of all the postal organizations. As far as the minority side is concerned we are in full accord. Of course, I expect the chairman to explain the Senate amendments.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the amendments?

Mr. BURCH. Mr. Speaker, there is only one amendment that amounts to anything. The other ones are clarifying amendments. The bill, passed here a day or two ago for Federal employees as a whole, made 260 days the time for calculating overtime payment for employees. In the House bill, H. R. 3035, which passed some days ago, that was 253 days. The Senate amendment changes that to 260 days or 2,080 hours. That is practically the only change.

Mr. HARTLEY. Mr. Speaker, will the gentleman yield?

Mr. BURCH. I yield to the gentleman from New Jersey.

Mr. HARTLEY. This morning I talked with Mr. Dougherty, national head of the Postal Carriers Association, who informed me that they had a meeting this morning and that they all agreed with the Senate amendment and hoped that the House would accept it.

Mr. BURCH. That is correct.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BURCH. I yield to the gentleman from Pennsylvania.

Mr. RICH. I realize that you have increased the salaries of the Members of Congress; we have increased the salaries of the postal employees; you have increased the salaries of the Government employees, but what is Congress going to do in reference to the people back home in order that they might be enabled to pay this great burden that is going to be put on the backs of the taxpayers of this country of ours, when we find that on June 23 we had an indebtedness according to Treasury statement of $255,689,911,043.93? I just ask you, Where are you going to get the money? Yes; that may be a question that the Members of Congress laugh at, but you will find out that it is not going to be a laughing matter very long. This Nation is going to bog down financially because this administration has been too free a spender and squanderer for those who are working in the Government and for the Government. Now, remember this: It is the people back home who will have to pay the bill, and it is about time that this Congress wakes up. I hope that the people back home will wake up and if they do, you will find out then what they think about the actions that this Congress is taking. You better cut down on departments and eliminate about a million and a half of Government employees that we can do without. Let them be producers with the taxpayers and not a liability to the taxpayers.

Mr. HARTLEY. Mr. Speaker, if the gentleman will yield, may I say in answer to my colleague, the gentleman from Pennsylvania, that this Congress has never granted a raise that has met with more universal approval with the folks back home than the raise we have given the postal employees.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. BURCH. I yield to the gentleman from Mississippi.

Mr. RANKIN. Whenever they take the pressure off of farm prices and allow the farmer a fair price for the commodities which he produces, we will have prosperity all over the Agricultural Belt and then we will have no trouble feeding the gentleman from Pennsylvania [Mr. RICH], as well as all the rest of the Nation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

HON. ROBERT L. DOUGHTON

Mr. COOPER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, I have requsted this recognition to call to the attention of the House a resolution unanimously adopted by the Committee on Ways and Means at a meeting this morning. I am sure every Member of the House joins in the sentiment expressed in this resolution by the Committee on Ways and Means. The resolution reads as follows:

Resolved by the Committee on Ways and Means, That it has heard with great pleasure and satisfaction that its distinguished chairman, the Honorable ROBERT L. DOUGHTON, of North Carolina, has just had conferred upon him the honorary degree of doctor of laws from the University of North Carolina, and conveys to him hearty congratulations, and expresses to the university its gratitude for this great honor so well bestowed, which is so richly deserved.

EXTENSION OF REMARKS

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include a weather report issued by the Department of Agriculture.

Mr. WOODRUFF of Michigan asked and was given permission to extend his remarks in the RECORD and include an article entitled "Full Employment—Dream or Possibility," by John W. Scoville, economist, Chrysler Corp., Detroit.

REDUCING THE WORKWEEK

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, a few days ago I addressed a letter to President Truman requesting that he issue an Executive order that would reduce the workweek to not more than 44 hours, except where public necessity demands, for all Government employees included under the bill that was approved by the House and Senate this week. I hope the President will approve my proposal.

In order to further sustain and strengthen my proposal, I have today introduced a House joint resolution whereby the Congress would request the President to execute such order and make it effective as of July 1, 1945. I feel very sure this resolution will meet with the approval of the vast majority of Government employees affected by this resolution.

Mr. Speaker, I am convinced that very little good or work is accomplished during the last 4 hours of the workweek. It would give the employees a chance to have a few hours off from work, and at the same time will save Government expenses amounting to several hundred million dollars.

I trust the House and Senate will give immediate approval to my resolution.

DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY, AND RELATED INDEPENDENT AGENCIES APPROPRIATION, 1946

Mr. HARE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3199) entitled "An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes," with Senate amendments thereto, disagree with the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. HARE, TARVER, THOMAS of Texas, KIRWAN, ENGEL of Michigan, KEEFE, and H. CARL ANDERSEN.

THE BUTTER SITUATION

Mr. JONKMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JONKMAN. Mr. Speaker, in my district is located the town of Conklin, Mich., which makes a high-grade dairy butter, which we know as Conklin butter. In the district we are able to get but very little butter, and such as we do get is 48 cents a pound. I am told a constituent went into Windsor, Canada, and bought Conklin butter at 38 cents a pound, which was stamped "Lend-lease." Not only that, but butter seems so plentiful they offer a discount of 2 cents on 3 pounds. I ask you, What has Canada got that we have not got?

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

EXTENSION OF REMARKS

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include an editorial from the St. Paul Farmer, a farm paper. The editorial covers the question of the tenth anniversary of the REA.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a speech he made at the Nebraska stock growers convention at O'Neill, Nebr.

CARTELS AND GERMANY'S WAR-MAKING POWER

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is three objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, on May 21 I addressed the House at some length on the subject of the revival of Germany's war-making potential and the place of cartels in that picture.

This morning in the Post there is an article which recites the testimony of Administrator Leo T. Crowley, of the Foreign Economic Administration, before the Senate committee on this same subject in which he emphasizes many of the same points I made in my speech. I still most earnestly hope for a declaration of policy on the part of the Congress with regard to cartels and the revival of Germany's warmaking potential. I believe if we fail to do this and follow it with appropriate action, we will fail in a more important respect from the point of view of future peace than we would have failed had we made no provision for the punishment of war criminals.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

REPORT OF COMMITTEE ON APPROPRIATIONS ON INVESTIGATION OF WAR FOOD ADMINISTRATION

Mr. TARVER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. TARVER. Mr. Speaker, I have today submitted by direction of the Committee on Appropriations a report of the investigation of the War Food Administration conducted by the Subcommittee on Agriculture Appropriations. The report of the committee and the hearings upon which the report is based are available in the office of the Commitee on Appropriations for those who may be interested.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I do commend to all the Members of the Congress the report to which the gentleman from Georgia, Judge TARVER, has just alluded. It is factual, it is restrained, and it constitutes in my judgment a very good job. Incidentally, I want to commend Judge TARVER for the very fair and impartial way in which he conducted the hearings. I think he has made an outstanding contribution and deserves the commendation of the Congress.

FEPC

Mr. WEISS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. WEISS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON asked and was given permission to extend his remarks in the RECORD and include therein a letter and a statement from Hon. Cordell Hull concerning the San Francisco Conference.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include therein an article from the Centerville (Md.) Record on the food shortage.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD on two subject matters and to include a newspaper article in connection with each.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include a speech which he made over the radio last Saturday.

Mr. OUTLAND (at the request of Mr. BIEMILLER) was granted permission to extend his remarks in the RECORD and include certain data on rent control.

Mr. GROSS asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Gettysburg Times on the subject of compulsory military training.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD and include a letter from the Rotary Club of Anaconda, Mont., and also a copy of the speech given by Hon. Edward R. Stettinius at the closing plenary session of the San Francisco Conference last night.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Restaurant Advisory Committee and to include certain exhibits the cost of which I am informed by the Public Printer will be $416.

The SPEAKER pro tempore. Notwithstanding and without objection, the request is granted.

There was no objection.

Mr. KELLEY of Pennsylvania asked and was given permission to extend his remarks in the RECORD concerning the late Lt. Gen. Simon Bolivar Buckner.

THE SAN FRANCISCO CONFERENCE

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, the signing on yesterday in San Francisco of the charter by 50 nations of the United Nations Conference will cause that to go down as one of the landmarks in the world's history. It is simply marvelous that delegates from 50 countries, speaking different languages, and with different viewpoints, could finally harmonize their views into a charter of this kind. I think it speaks well for the coming peace of the world.

I especially want to commend the United States delegation, composed of Secretary of State Stettinius and our colleagues, the gentleman from New York [Mr. BLOOM], and the gentleman from New Jersey [Mr. EATON], Senator CONNALLY, Senator VANDEBERG, Dean Gildersleeve, and Lieutenant Commander Stassen for the magnificent job they have done. They are entitled to the thanks and gratitude of the American people.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, it was my great pleasure in company with the gentleman from Texas, Mr. LUTHER A. JOHNSON, ranking Democratic member of the Foreign Affairs Committee, and other members of the committee to greet the Secretary of State and his party at the Army transport airfield and to congratulate and commend the work of Mr. Stettinius and other members of our delegation at San Francisco during the postwar conference and its successful outcome. Certainly no one has ever had a more difficult task than has our Secretary of State at San Francisco. With difficulties at home and difficulties out there, he brought into agreement the representatives of 49 other nations. I sincerely congratulate him and commend him. I rejoice that at least a blueprint of a pattern for future peace was drawn at San Francisco. I hope it will succeed and grow and grow until it becomes a strong structure for a real and durable peace. It was my privilege to attend at Mexico City the Inter-American Conference which passed the now famous Chapultepec resolution and which has been recognized as the most successful and harmonious inter-American conference ever held. That conference also was under his leadership. May he always succeed.

The SPEAKER pro tempore. The time of the gentlewoman from Massachusetts has expired.

JURISDICTIONAL DISPUTES AMONG LABOR UNIONS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks and include certain newspaper articles, to be printed in the Appendix.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. HOFFMAN addressed the House. His remarks appear in the Appendix.]

COMMITTEE ON THE JUDICIARY

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on the Judiciary be permitted to sit this afternoon during general debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE LATE JAMES R. BUCKLEY

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois [Mr. O'BRIEN].

Mr. O'BRIEN of Illinois. Mr. Speaker, it is my sad duty to announce to the Members the death of one of our former colleagues, the Honorable James R. Buckley, who served the Sixth Congressional District of Illinois, the district I now have the honor to represent, with outstanding ability from March 4, 1923, to March 3, 1925.

Jim, as he was affectionately known to his host of friends was in public life in his home town of Chicago for a number of years before he became a Member of this body. Upon completion of his service here he returned to private life to resume his business connections. And so today it comes about that with a heavy heart I must announce his passing. Personally, I feel his loss keenly, and am sure that all of you who knew him share this feeling.

EXTENSION OF REMARKS

Mr. KEOGH asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein an editorial which appeared in the Brooklyn Eagle on June 23.

RURAL ELECTRIFICATION ADMINISTRATION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, one of the items that is going to be contested in the pending bill is that for funds for rural electrification for the coming fiscal year. It should be raised to $160,000,000 at least.

The Rural Electrification Administration asked for $230,000,000; the Bureau of the Budget cut it down to $160,000,000; it was reduced by the Subcommittee on Appropriations to $120,000,000; and I now understand it has been reduced to $50,000,000 by the full committee.

That is not enough, with what funds we have to meet the demands for rural electrification throughout the country during the coming year.

On yesterday I received a letter from Secretary Wickard on this subject that explains the situation fully. You will find it on page A3068 of the Appendix. I hope you will all familiarize yourselves with it because while we are arguing about UNRRA to do something for somebody abroad, for heaven sake, let us support this "INRA" and do something for American farmers.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

SECOND DEFICIENCY APPROPRIATION BILL

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3579, the second deficiency appropriation bill, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. By unanimous consent, on yesterday time for debate on the pending bill was fixed at 3 hours; 1 hour and 45 minutes to be controlled by the gentleman from New York [Mr. TABER] and 1 hour and 15 minutes by the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Missouri is recognized for 15 minutes.

Mr. CANNON of Missouri. Mr. Chairman, the work of the Committee on Appropriations for the last two Congresses has been exceptional in many respects. The committee has not only reported more bills, carrying larger sums than have ever been reported by an Appropriations Committee of the House or of other legislative body in a like period; it has not only sat more continuously than in previous sessions but it has introduced notable innovations in its procedure, to two of which I desire to call attention at this time.

The first of these is found in the second proviso on page 8 of the bill. It is a reaffirmation and a reenactment of a similar provision, namely, section 303, adopted as a part of the second deficiency bill of 1944. It provides for continuous scrutiny and examination by the Bureau of the Budget of every appropriation, contract, with contractual authorization provided for the support of the war, with the requirement that it shall report at regular intervals to the President any surpluses found in any of these items, and that the President shall, in turn, report them to the Congress with the recommendation that they be repealed.

No provision of this kind has ever been carried in the procedure of any parliamentary body, as far as I am advised, and no provision has ever operated more successfully and more beneficially. Under this requirement the Bureau of the Budget has been in continuous examination of appropriations and has kept all bureaus under constant notice that they were under scrutiny and supervision, and under it the Committee on Appropriations has reported to the House in two bills decisions of appropriations and contract authorizations aggregating in excess of $350,000,000. We have not yet realized the full benefit which eventually will flow from this provision because up to this time, following the established policy of the committee adopted at the beginning of the war, in case of every doubt, we have resolved that doubt in favor of too large an appropriation rather than too small an appropriation. We have preferred to take the risk of providing too much money for arms, ammunition, and armament rather than to run the risk of providing too little and have some American unit in an exposed position without needed ammunition and supplies. Wherever there has been any doubt we have left the money available. Only when we had positive assurance that the money was no longer needed have we brought in bills for repeal. This situation will necessarily obtain until the close of the Japanese war, but promptly upon conclusion of the war in the Pacific area the committee, under the provisions of this requirement, proposes to move promptly upon every agency and to comb every appropriation and contract with the view to returning to the Treasury every dollar that can be salvaged from war expenditures.

The second provision introduced by the committee was in response to criticisms appearing in the press and voiced on the floor, to the effect that the Committee on Appropriations lacked facilities for securing information; that the departments and agencies of Government before the Committee on Appropriations asking for funds were always in an ex parte position and the Committee on Appropriations in no position to sift the merits of their estimates. To meet such criticism or contention, we asked and secured, through action of the House, a resolution providing $100,000 for the maintenance of a system of investigation which has proved most effective.

Under this system the Committee on Appropriations is authorized to requisition from any department of the Government investigators, accountants, operatives, detectives, physicians, scientists, lawyers, and others, and to use them to inquire into any matter within the jurisdiction of the committee and then return them to their agency, the committee paying the amount of their civil-service salary during the time they were in the service of the committee.

Within the last 2 years no member of the committee, and no Member of the House, has ever indicated his desire to secure information but what we have secured through this system. There has never been any instance in which there has been a request for information within the jurisdiction of the committee that has not been promptly investigated and a complete report submitted to the entire satisfaction of the committee.

The new Secretary of Agriculture who had occasion a few days ago to examine one of the reports which had been secured through this method expressed the utmost satisfaction with the method of conducting the investigation and the materials secured and said that it supplied him with invaluable information which would be of immediate use to him and which he could have secured in no other way. In all the 2 years of the operation of this system there has never been a criticism of it either from the members of the committee or from the Members of the Congress or from the departments, and under it we have saved vast sums of money for the Treasury.

The chairman of the Subcommittee on the Interior Department reported that on the bill now pending in conference in the Senate, through information secured by this method of investigation, he was able to save $1,000,000 on one item alone. It has not only saved large sums of money, but it has enabled us to effect better administration in the departments. Through our investigations we have been able to locate points of inefficiency, or inadequacy, and maladministration. In that way we have been able to remedy situations of which we could not have been even apprised but for this method of investigation.

There has been much talk in connection with the special committee appointed to consider the reorganization of the Congress, and one of the questions most frequently raised is some method of providing facilities for securing information for committees and Members of the House. I earnestly recommend that they investigate this system, a system which has answered every need, supplied adequately all information requested, and against which there has not been lodged a single criticism. Invariably the proposals which have been submitted pertaining to such reorganization contemplate the establishment of a permanent staff either in the House or in the General Accounting Office. Let me say that this system now in use is infinitely superior to any such mode of procedure. It has every advantage over a permanent staff. In the first place it is elastic. If 10 committees want to investigate, we can supply anywhere from 10 to 50 investigators, and we can secure them immediately. If one committee wishes to investigate we supply the men and we send the rest home. If you had a permanent staff you would have to have the staff here all the time, and you would have men sitting around here and doing nothing when there were no investigations on, or, when you had a large number of investigations on you would not have a sufficient number of investigators. Whereas under our system you always have the number required and no more. That in itself should be conclusive.

In the second place, we secure men specially qualified for the purpose. If you need a scientist, if you need an accountant, if you need a physician, if you need a detective or any kind of specially qualified investigator, we can select from the different departments of the Government men especially trained for that particular mission. Take the FBI alone. We have there, and in other departments, the finest and the most expert and best-trained operatives to be secured any place in the world.

The men we would have on a permanent staff here in the House would be appointed largely on political grounds and recommendations. An agency that was contemplating that method came to me

and told me that they would appoint two men from my district—any men I wanted to name. Now, that is not the kind of men we want. We want men specially trained, with no personal interest, who come here and do the job and go back to their departments when it is done. They are not men who come up here to serve a political purpose and to keep their jobs running. We have had men up here on the pay roll of special committees who sat here month after month and prolonged their work as long as possible. They had pleasant, air-cooled offices, with every office facility at their command, and getting a good salary, and they naturally wanted to perpetuate it.

They want to make the investigations last as long as possible. We do not do that sort of thing. We go to the Treasury Department or to the Public Health Service or the Department of Agriculture or the FBI or the Department of Justice and we get the best trained men that can be found anywhere in the Nation and bring them up here at their civil-service salary to do the job and then send them back. Their only business and principal anxiety is to get the job done and get back to the department.

If we had a permanent staff close to the members of the committee, they would get their salaries raised every session. They would sit around with their feet on the desk a large part of the time. They would grow old and careless in the service. Everybody down in the Government departments would know them. When they come in the front door word would run throughout the Department, "Here comes that fellow from the House of Representatives. Watch your step."

When we send a man down there we send a new man they have never seen before. They do not know who he is. He walks through and has the information before they know he is there. We send a new man every time. We send a different man every time. There is no comparison with the results secured.

Also, our system is more economical.

When we first started this system, we asked the General Accounting Office to make an estimate of what they would charge us to maintain such a bureau, they sent us a proposed budget of practically $1,000,000 a year. We have done this work on less than $50,000 a year. We have men equally as good certainly, and we get better service. No one has ever criticized the service. No one has ever found our reports inadequate.

There are many other reasons which could be given. But I cannot take the time. I earnestly hope all who are interested in securing such a service to consider well the advantages of our system. It is not theoretical. It is not an experiment. It has been in force for 2 years. It has answered every need.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield? What agency told the gentleman it would take $1,000,000 a year to do the work?

Mr. CANNON of Missouri. The General Accounting Office.

Mr. COCHRAN. I remember sitting in on a meeting, together with the gentleman and the Comptroller General, on the question of setting up the investigating agency in the General Accounting Office, and that gentleman told you as he told me that it would take $275,000 a year.

Mr. CANNON of Missouri. We had them submit a detailed budget. It amounted to almost a million dollars a year. And that was only the beginning.

Mr. COCHRAN. Now, what the gentleman's committee has really done is to assume the jurisdiction of the Committee on Expenditures in the Executive Departments. I think if you are going to continue this practice you should go to the Committee on Rules and have them transfer to your committee the jurisdiction that now lies with the Committee on Expenditures in the Executive Departments to make these investigations. You have assumed the jurisdiction of the Committee on Expenditures in the Executive Departments which was set up in this House about 15 years ago. I have been a member of that committee ever since it was set up. We could never get anything out of the Committee on Rules to enable us to make these investigations. I did not happen to be here when the resolution was brought in by the gentleman to set up this agency in the Committee on Appropriations. But what the Committee on Appropriations is doing is assuming the jurisdiction of the Committee on Expenditures in the Executive Departments, just exactly as you did on the legislative appropriation bill where you assumed the jurisdiction of the Committee on Accounts.

Mr. CANNON of Missouri. I regret that I must differ with my colleague, the gentleman from Missouri. We are not taking over the jurisdiction of the Committee on Expenditures in the Executive Departments to which the gentleman refers, and which has jurisdiction over all investigations. In the English House of Commons it is the most important committee in that body. We are exercising jurisdiction only over appropriations. We do not go outside of that. I tell you what we are doing, my friends, we are saving millions of dollars every year. We are getting all information our members want or that any Member of the House wants. Now who criticizes that? What is wrong about that? What is wrong about saving money? I thoroughly agree with the gentleman from Missouri [Mr. COCHRAN] but this committee to which he refers ought to function. Why has it not functioned? The Committee on Appropriations has not interfered.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CANNON] has again expired.

Mr. TABER. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, this bill involves a total reappropriations and new appropriations, of approximately $5,500,000,000; a little over $3,000,000,000 in direct appropriations, and $2,500,000,000, or almost that, in reappropriations.

It contains a great many items that are subject to criticism.

Mr. PITTENGER. Will the gentleman yield?

Mr. TABER. I yield.

Mr. PITTENGER. Has it got an item for OPA?

Mr. TABER. Oh, yes; for $174,000,000. That is $6,000,000 below the Budget estimates. On the other hand, as I understand, it is about $12,000,000 above the current year's appropriation.

They tell us they are in great difficulties, but the reason they are in difficulties is because they have a lot of impractical people down there and have not followed the requirement that was placed upon them by legislation that was passed by the Congress, to put practical business people in there to do business, and because they are running around in their enforcement activity, racketeering and doing things that were absolutely unconscionable.

You will remember the story that was in the local paper last week how they tried to prosecute a lawyer who had 10 or 12 cases against the OPA right here in the District of Columbia. If I remember rightly his name was O'Connell, because they claimed he had not filed proper papers with reference to some property he was renting. They found out that not only had he filed them but he submitted a letter, of which he had a copy. They went into court and he had to force them to trial to get rid of it.

Then we can remember this prosecution of the Hecht Co., where the OPA admitted that the Hecht Co. could not possibly have complied with their regulations, and that they had spent over $300,000 trying to comply and still were unable.

Now, that is just a sample. Their rent persecutions have been quite considerable. I was in one place and was led by a friend of mine to a house where the OPA had, by dilatory tactics in court, kept the landlord out of possession of the House for 3 or 4 months, where they had torn the stove all to pieces, torn the bannister off the stairway and burned it up, and all that sort of thing. Still the OPA had gone into court and wanted time and money that was appropriated to the OPA for the proper enforcement of the law. That is the reason we get so little cooperation on the part of the public—because they do so much racketeering.

Mr. PITTENGER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. PITTENGER. Do I understand the gentleman that if anyone criticizes the OPA or any of their agents they immediately start an investigation of the party to see if they can find some irregularity on his part in some other endeavor?

Mr. TABER. I do not know; I just cited a couple of cases; that is all I have done.

Mr. PITTENGER. Has the Committee on Appropriations given attention to these practices and the fact that the money that is appropriated is going to be used for purposes of such investigation?

Mr. TABER. I have felt that it was necessary for me to do so. When the motion was offered to cut it I therefore voted for that motion.

Now in the field of prices, they do not put out prices in time so that they can be effective. They do not put prices out that have been properly analyzed. They have kept the rent picture in such shape that it is absolutely impossible for people to build houses with private funds and operate them. They have refused properly to price things that factories want to start to make so that the factories can operate and not lose money. Somebody came in here the other day when the OPA bill was up and said that a manufacturer ought to be willing to go ahead and lose money. Let me tell you that the small manufacturers are all going out of business when it comes to operating a plant and losing money. Some great big factory that made a lot of war profits and has a lot of excess profits tax returns coming to them might survive, but no small plant is going to be able to go into business unless it is given a fair chance to operate at a profit. Nobody can do it. I believe that is one of the most serious situations we have to contend with in the OPA at the present time. If they continue in the course they have presently outlined they are going to prevent reconversion and they are going to prevent the reemployment of our people. I do not like to see that done but unless this Congress and the public generally insist upon an honest administration of that law we are going to have a lot of trouble; it is going to prevent reconversion absolutely.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. RICH. Yesterday I received a letter from one of my constituents, a meat packer. He has quite a number of employees and does quite a business—or he did. He said that last month they went in the red over $5,100; and he asked how long he could keep that up.

OPA has strangled this meat packer so he cannot continue in business. Now he asks how long it will be before he will have to stop and close up his shop. That is the question small business people the country over are thinking about because of Government red tap and regulations.

Mr. TABER. We have spent our time providing loans for small business which most of them do not need, but we have throttled small business by the wild crazy operations of the OPA. I do not know how we are going to stop it; frankly, we cannot stop it by the type of legislation that the Congress can enact. The only way it can be stopped is through proper administration, and that we have never had in the OPA.

The OPA regulations with reference to clothing are wild. They talk about prices not going up. Anybody who has been to a store or market knows a great deal better than to believe that. The other day my wife told me about finding a cheap cotton dress priced at $29.50 that 3 years ago she used to buy for $8.50. Everything of that character is in about the same category. They have done worse with the low-priced stuff than they have with the high-priced because they have forced the low-priced stuff off the market by strict regulations and strict prices.

I know of a shoe factory that has been obliged to close. They made a cheaper grade of shoe. They were in trouble because the people demanded a little higher grade of shoe and when they put better stuff in they could not get an increase in price that compared with the extra cost of the better stuff. That has put them where they cannot do business. That is the way the whole thing is operating. That is the way the whole thing is operated.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. RICH. The OPA froze prices in 1941 for a period and those prices are still in existence for the old-line manufacturers. I know a manufacturer who sold garments at $3.50 wholesale, which retailed for $6.50. The OPA permitted new manufacturers to come in and manufacture a garment which is less valuable than that and they are allowed to retail them for $9. Just because it was a new manufacturer starting in business and making something new that he had never made before he may ask $9 for the garment that the other manufacturer who has been in business for years can only ask $6.50 for.

Mr. TABER. That is not a fair way to do business.

Mr. RICH. That is according to the OPA regulations.

Mr. TABER. Mr. Chairman, I have covered the OPA as far as I am going to be able to do so today.

There are items in here for housing, and continuing the funds already available, about $30,000,000 or probably a little more, by reappropriating those funds. This housing outfit has gone ahead and built housing that was not needed, it has built housing that was not well enough built so that it could be used. There have been some situations that they should have stepped into, but there are many situations that they stepped into that the local people would have taken care of if they had kept out of there. The way they have operated has been a menace to the whole housing situation throughout the Nation.

There is an item in here for community facilities. There are Federal contributions all over the country for that purpose. The information I get about the way that is operated is that these people are insisting upon about twice as much money being spent as should be spent on these things and that it costs twice as much to operate as if it were done locally, which is one of the curses of Federal contribution. The longer we continue that kind of business the worse shape the country will be in.

Mr. Chairman, I want to speak for a little while about this lend-lease situation. There has been appropriated altogether, including the amounts made available in the war bill passed yesterday, approximately $65,000,000 that can be used for this purpose. Of that amount $28,222,498 was appropriated directly by the Congress to the Lend-Lease Administration under the President. The other amount, $37,000,000,000, was appropriated to the War and Navy Departments, and there were some items, I expect, got into the picture through the War Shipping Administration. They will have in direct appropriations on the first of July about $6,500,000,000 in cash left and they will have outstanding approximately $4,000,000,000 of obligations, according to the figures they gave us. Out of that $4,000,000,000 of obligations there probably will be about half delivered and the other half will not have been delivered, so that with the amount carried in this bill as it stands now they will have available to ship out of the direct appropriations the carry-over and the obligations, approximately $6,400,000,000 to the different countries.

How that will be divided and how it will go, it is absolutely impossible to tell. May I say here that they brought in a program of how they proposed to use $4,300,000,000, but they brought in no program that showed the requirements of these other countries in any way or how they would build up to the $6,400,000,000 of goods that they will deliver with the money that is carried in this bill.

The only way that we can make any operation here is on faith. This operation was handled for a long time very loosely. It was impossible to tell very much about it. I think that with the advent of Leo Crowley as Lend-Lease Administrator there has been some order in connection with it. I think what statements we were able to get directly from Mr. Crowley have been in fairly good shape, although they have not presented a justification for what they propose that they would have available to ship; in other words, they will have available to ship practically six and one-half billion dollars, and they are asking for $4,375,000,000 in cash and reappropriations. They justify the $4,375,000,000, but they do not justify or indicate what they are going to do with the other $2,000,000,000 worth of goods that is going out.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. RICH. Take this money that we are appropriating for lend-lease, how long are we going to continue lend-lease in the European countries, especially those countries who are not interested in aiding us in fighting the battle of the Pacific? When will it stop?

Mr. TABER. I hope it will stop pretty quick. I think that this lend-lease operation ought to wind up as soon as we can get our troops out of France, Holland, and Belgium and the rest of the European theatre, except insofar as those countries are contributing to the Japanese war.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield myself 10 additional minutes.

Insofar as the other countries are concerned, with reference to the countries that are not participating in the Japanese war, I hope that the operation will be wound up very promptly. I can

see that there are a great many cases where we have not yet gotten our troops out of a country and where, perhaps, we are under some obligation to carry on.

Frankly, it was very difficult to get any satisfactory answers out of a great many of the people who were connected with the lend-lease outfit. Mr. Cox, Deputy Administrator, was very evasive. He would make a statement that he would have to take back after further questioning. He is a smart lawyer, and he ought to know better than to handle himself in that way. The situation is exceedingly difficult, and the only bright spot on the whole horizon is what intelligent administration we might get out of the picture by Mr. Crowley.

I have some tables here indicating the total amount that has been shipped out of this country down to the 30th of April. I am not going to put the detail of it in the RECORD. It runs practically forty billion of delivered goods, leaving about $25,000,000,000 appropriated but not delivered. How much of that $25,000,000,000 will be delivered I would not want to say, but probably $20,000,000,000 out of $25,000,000,000 is for war implements and munitions and that sort of thing, and it is impossible to tell how much of that might be delivered to other countries until the operations in the field show what has been done.

The $20,000,000,000 in the war item probably will not be delivered as rapidly as has been the case in the past year. The total deliveries last year were something like $12,000,000,000, if I remember correctly. I would not expect the deliveries to equal that this coming year. Of course, the largest amount goes to the British Empire. Last year, that is in this current fiscal year, there was delivered to Russia about nine and one-half billion dollars. There was delivered a small amount comparatively to China and smaller amounts to other countries. It is a very difficult situation. On the other hand, there is not any sense in Congress appropriating more money than could possibly be used on that kind of activity.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. RICH. As I understand the term "lend-lease" it means we either lend it to foreign countries or lease it to them. If that is the interpretation of lend-lease then what obligations have those countries given us for what we have loaned them or leased to them?

Mr. TABER. I do not think there have been any substantial obligations entered into by any other country with reference to repayment. There are some but not too many.

Mr. RICH. Then that is a misnomer, is it not?

Mr. TABER. Well the word "give" is in the list of verbs that relate to the operation of the proposition.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. WOODRUFF of Michigan. Will not the gentleman agree with me that from the very first time this pseudo or so-called lend-lease was brought to life it has been generally known by every Member of the House of Representatives that there never was any intent to collect any part of it, to either get back what we loaned or to collect for the things that we gave?

Mr. TABER. I do not think anybody ever expected any of these countries to repay us for anything which was used in the war effort. I never had any idea that there would be. On the other hand, there have been some counter operations. That is, the other countries have contributed something toward our war effort. The countries that have so contributed very largely have been Great Britain, Australia, New Zealand, and one or two of the other small countries. The French and Belgians and Dutch are paying or are expected to pay back a considerable part of what is turned over to them at this time.

Mr. WOODRUFF of Michigan. I have had a report from the Treasury Department within the last 3 or 4 weeks which shows that 18 of the nations to whom we loaned our money following the First World War, which nations repudiated all of their debts to us, are today in arrears $14,500,000,000. It has been proposed that we lend our money to various nations with whom we have been allied during this war in order to enable them to rehabilitate their industries, and so forth. I want to say for the RECORD that it is my opinion that history will repeat itself, and that any money we lend to them for that or any other purpose will not be repaid, just as the loans which we made to them following the First World War, when we loaned them billions upon billions of dollars, were also not repaid. Because if there is anything that has been demonstrated it is the fact that if we make these loans to foreign countries we must not expect repayment because there will be no repayment.

Mr. TABER. I do not think we will have any loans paid back to us. That has never been the record of any governmental loan, and it just gets us into a worse position with those peoples. The worst thing we did after the last war was to permit loans to be made to certain people who spent their money on building armaments rather than raising their own standards of living and getting themselves fixed up. Now we have got to be very careful how we proceed on any loans this time or we will get into the same trouble and indirectly result in arming some other country to make trouble for us. I think that is something we must guard against very carefully as we go. We must not expect that any money is going to be paid back to us except what is paid on current turn-overs, just like we were in the grocery business. That is about the only way we can get anything back.

Mr. WOODRUFF of Michigan. I agree entirely with what the gentleman says we should and should not do, but I think while probably it is necessary for these countries to have much money in order to rehabilitate themselves——

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield myself one additional minute.

Mr. WOODRUFF of Michigan. The point I want to make is this, that while they are borrowing money, is there any reason in the world why they should not get the money they need from their own people, exactly as we have to get our money, not only for our own needs, but for everything we have done for these other people? As a result of that policy we are faced with a debt of more than $300,000,000,000. It is a debt that is greater than all the debts of all of our allies combined.

Mr. TABER. The trouble is, if we create any more debt on our people to hand out to these other people and they are not given the idea that they have to take care of themselves and do their own rehabilitation job with such help as they can get from German prisoners and that sort of thing, we are going to create a situation where we will have the ill will instead of the good will of those countries.

Mr. WOODRUFF of Michigan. All of which indicates that if we do those things we will mark ourselves as utterly incapable of properly safeguarding the resources and the welfare of the people of this country.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. TABER. I yield myself one additional minute in order to yield to the gentleman from Nebraska.

Mr. STEFAN. Will the gentleman please tell the House how much new money we are appropriating in this deficiency bill for lend-lease?

Mr. TABER. The way the bill stands now, it is $1,975,000,000. I understand there is to be an amendment offered that would raise it $500,000,000. What is going to happen, I do not know.

Mr. STEFAN. What is the total lend-lease up to this time?

Mr. TABER. The total appropriations prior to this date are $65,000,000,000. That is rough. It may be $100,000,000 either way.

Mr. STEFAN. The $40,000,000,000 you have been referring to were deliveries?

Mr. TABER. Those were deliveries down through the 30th of April, to other countries.

Mr. STEFAN. And what was the $25,000,000,000?

Mr. TABER. That is the balance of the appropriation that has been made that has not yet been delivered.

Mr. STEFAN. What is the use appropriating additional funds?

Mr. TABER. Because 25 of that is in the War and Navy Departments, and is not available here, and of the other $5,000,000,000 and more, $4,000,000,000 is obligated.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. RABAUT. Mr. Chairman, I yield 13 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, again we hear the chairman of the Committee on Appropriations, my colleague the gentleman from Missouri [Mr. CANNON] tell the House of the great work that is being

done by the investigators of his committee. On several occasions he has made speeches along that line. I think it would be well for some of the investigators of the Appropriations Committee to be assigned to make a little investigation of the Appropriations Committee to determine why that committee continues to assume jurisdiction of other committees of this House, and when they propose to stop it.

The rules of the House provide that jurisdiction over the character of investigations being made by the Appropriations Committee lies with the Committee on Expenditures.

Since January 3 this year this House has created 25 investigating committees, and the members of those investigating committees have been traveling all over the world.

They have not been confining themselves to the continental United States but they have been traveling all over the world making investigations; a great majority of them are investigating expenditures. The authority for that resulted from the Rules Committee bringing in resolutions and the House passing them. I was opposed to all such special committees.

Now, I have something else I want to talk about. It so happens that when I was in the hospital a few weeks ago this House passed the legislative appropriation bill. In that bill as it went to the President there were 14 items each and every one of them normally subject to a point of order that were put in that appropriation bill without any authorization at all from the committee having jurisdiction, the Committee on Accounts. In order to get one paragraph in that bill considered, and that was the paragraph that extended to the Members of the House an expense account of $2,500, the Appropriations Committee went to the Rules Committee and secured a rule waiving points of order on that bill, not only waiving the point of order in reference to the $2,500, but also waiving all points of order on the bill. That, however, would not have prevented me or any other Member if he had desired from opposing the increases in salaries and the creation of new positions that the Appropriations Committee had placed in the bill. I always felt as chairman of the Accounts Committee that I had a distinct understanding with the chairman of the legislative Subcommittee of the Appropriations Committee that no legislation would go into that bill unless passed upon by the Committee on Accounts.

Hidden in that bill—I say hidden—were items increasing salaries and creating positions. For instance, the Appropriations Committee took pretty good care of itself. It increased some of the salaries of the employees of the Appropriations Committee but it likewise struck out the figure "4" and inserted in lieu thereof the figure "12", which created 8 additional positions, thus adding 8 new stenographers.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. RICH. Have not the Congress and the administration been creating position after position, after position for the last 10 or 12 years?

Mr. COCHRAN. That is true, but is no excuse for what I complain of.

Mr. RICH. Until now we have three and one-half million Government employees where we used to have but 500,000 before the administration came into power.

Mr. COCHRAN. I am talking about something else.

Mr. RICH. But the whole thing works out to the result that instead of the taxpayers of this country having a modest Government to get along with they have an over-burdening Government and it is going to break the backs of the taxpayers of this country; they are not able to bear it.

Mr. COCHRAN. I think the gentleman from Pennsylvania should agree with me because the Appropriations Committee ran roughshod over him as well as they did over me, as he is a member of the Committee on Accounts.

When the bill reached the floor, amendments were offered from the floor. I was greatly surprised to have several Members I spoke to when I came back tell me that a point of order would not lie against those amendments because of the rule. Anyone who knows anything about the parlimentary procedure of the House knows that a rule waiving points of order against items in a bill does not apply to amendments offered from the floor; and if any Member of the House had made a point of order against those amendments that were offered from the floor they would have been sustained. Had I been here I would have made a point of order against each one of them and when the bill was under consideration I also would have opposed the items that were placed in the bill by the Appropriations Committee that were protected by the rule. An amendment to strike out would have been in order. No point of order was made; and to my astonishment the amendments even offered from the floor were passed. They were uncalled for, and the action has ruined the morale of the personnel of the House of Representatives. Since that bill passed have had hundreds of requests from chairmen of committees and employees wanting to know why if the Congress should take care of certain individuals they should not take care of the others.

The legislative riders on the legislative appropriation bill for the fiscal year ending June 30, 1946, were the provision granting an expense allowance of $2,500 to each Member; an increase for two reading clerks and a tally clerk of $2,000 each; an increase of $500 for the assistant enrolling clerk; an increase of $1,400 for the assistant tally clerk; increasing the number of stenographers for the Committee on Appropriations from 4 to 12; increasing the salary of the superintendent of the folding room $420; increasing the salaries of two floor managers of telephones $300; increasing the number of pages from 47 to 50, and increasing the salaries of all pages from $4 to $5 per day; increasing the salary of one minority employee $450; increasing the salary of the legislative clerk to the majority floor leader $300; increasing the salary of the clerk to the minority conference $300. The argument of other employees of the House is sound. Those increases should have rested until either the Monroney committee brought in its report or the whole subject of the personnel of the Congress was taken up by the Accounts Committee.

Mr. Chairman, one of the amendments offered on the floor provided for the raising of the salaries of certain employees at the desk. We now have three reading clerks. We formerly had two, but on account of the illness of one we created a temporary position of assistant reading clerk. An amendment was offered raising the salaries of two reading clerks from $5,000 to $7,000 and the other one from $3,500 to $5,000. In addition, pursuant to the bill we passed last week, now, at the White House, there will be an addition to those salaries of around $800 making two of the reading clerks' salaries $7,800, and the other one $5,800 or $5,900. Two of the reading clerks have only been here 2 or 3 years. Prior to their appointment they were not getting $3,000, yet you have raised their salaries until now they are above two of the elective officials of this House, the Doorkeeper and Postmaster.

An amendment was offered on the floor raising the salaries of the pages, but nothing was done for the veterans on the doors who are working as doorkeepers and who, in many instances, have control over pages. The veterans are married, some of them disabled, but you did nothing for them. They have a right to complain and demand that something be done for them.

There is only one individual at the desk who was recognized who is entitled to an increase in salary, and he was going to get it. The Accounts Committee had already indicated it was willing to give him a raise. I refer to the assistant tally clerk. That man has been carrying the whole load for over 2 years, due to the sickness of the tally clerk. I regret to say word just reaches us the senior tally clerk, Hans Jurgensen, died this morning.

Last Saturday we had six roll calls. There were three reading clerks calling the roll, but you had only this man tallying the result. Out of all the roll calls there was not one mistake, which proves his efficiency, and I feel he is entitled to an increase in salary.

In the old days when a man had to be able to throw his voice from one corner of this hall to the other, we had to have men as reading clerks that you could not pick up every day, but with this loudspeaker system, by which the attendant in the gallery can throw your voice from one end of this hall to the other, no matter how low you speak, reading clerks are not hard to obtain. Formerly one had to take an examination, a test, to get that job. All you have to be able to do now to be a reading clerk is to be able to read the English language. If you can do that, you can be a reading clerk of this House. They do nothing at that desk other than what they are told to do. It is the Parliamentarian who tells them what to do.

Mr. Chairman, as long as I am here every time an opportunity presents itself, when an amendment is germane to the legislation I am going to offer an amendment to put those salaries back where they belong because it is absolutely foolish to pay the salaries provided in the legislative bill.

I wanted to go over the personnel of the House of Representatives and consider giving additional assistance to all committees of the House needing it and paying our employees in keeping with the raises that have been secured by Government employees in the executive branch. But I have not had the green light. I do not want to bring in a bill unless I know that the majority and minority are both going to support it. I am waiting for the report of the Monroney committee to see what it recommends. For instance you had most important legislation here the other day from the Banking and Currency Committee. Important legislation has been coming out of that committee right along, yet the basic salary of the clerk of that committee is only $2,790. The clerk of that committee works 12 and 14 hours a day as do clerks of other major committees, while the employees of this House on an average all the year round do not work over 4 hours a day. You have any number of other committees whose clerks receive less than $3,500 basic salaries, I repeat what I said that whenever the opportunity comes, and an amendment will be germane to legislation, I am going to try to undo part of what was done here about 2 weeks ago.

Now here is a situation I call to your attention. I went before the Committee on Appropriations and told them about what happened in the Senate. The Senate raised the salaries of the policemen on the Senate roll. There was no corresponding increase for the members of the Capitol police on the House roll. They are all working under the same captain and under the same lieutenants. They are working side by side and doing the same work. So I called my committee together and they gave clearance for an authorization to be put on this bill to equalize that salary. In all it will amount to $12,500. I think it should be done. I am going to offer the amendment. But I am going to advise the House that it is subject to a point of order, and if any one wants to make the point of order, make it. And I will further advise the House that if any other amendment is offered to this bill under the heading of "House of Representatives" that is not authorized by law, I am going to make a point of order against it.

I can bring in a privileged resolution equalizing the pay of the police and pay it out of the contingent fund of the House, but if I do you will have to have two separate pay rolls, two separate bookkeeping accounts, and you will have to give them two checks; one from the Treasury and one out of the contingent fund of the House. The easiest way for you to do it, after it has been authorized by the Committee on Accounts, is to put it on this bill. But I am telling you in advance, if you want to make the point of order, you can make it. It is subject to a point of order. I want to play fair with you.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. I would not agree to anything like that, because for 10 years you have been duplicating all these things, and that is what I want to get away from. I want to know who voted for this increase that you have been talking about. Where did you get the votes?

Mr. COCHRAN. The gentleman must have voted for it. I did not, because I was in the hospital. Further, the gentleman is talking about something else.

Mr. RICH. I voted "no."

Mr. RABAUT. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, there is included in the pending bill a provision of four and one-half million dollars to make effective the authorization contained in the Bankhead-Flannagan Act recently enacted by the Congress for additional funds for the Extension Service. I supported the Bankhead-Flannagan Act. I am one of those who is very deeply interested in the work of the Extension Service, but I think it my duty to call the attention of the House to certain facts with relation to this appropriation as related to the appropriation carried in the Agricultural Appropriation Act for 1946, for emergency funds for the Extension Service, those emergency funds having been appropriated to the War Food Administration for transfer to the Extension Service. The amount of that appropriation was $2,708,530. It was not authorized by law. It was not supported by a Budget recommendation. But as chairman of the Subcommittee on Agricultural Appropriations, I felt upon the basis of the evidence which had been submitted before our subcommittee that that additional provision for the Extension Service should be made and the subcommittee agreed. However, subsequent to the enactment of the Agricultural Appropriation Act of 1946, the Bankhead-Flannagan Act was enacted proposing an additional authorization for the next fiscal year for this work of four and one-half million dollars. It was, to my mind, manifest that the Extension Service would not require the additional four and one-half million dollars and at the same time utilize the $2,708,530 which had been carried as an emergency matter in the Agricultural Appropriation Act for 1946.

I, therefore, took up the matter with Mr. M. L. Wilson, head of the Extension Service, who agreed with my conclusions in the matter and who said that he could not, in his judgment, effectively use in excess of $7,000,000 more money for the Extension Service, although he did hope to be able to use effectively $4,500,000 authorized by the Bankhead-Flannagan Act.

Subsequently, when some controversy arose as to his position regarding the subject matter, I had occasion to contact him again in order to be assured that I had not misunderstood his position, and I was again assured by him that there would be no necessity for the use of the $2,708,530 except as to a possible amount of $150,000 which might be utilized in Puerto Rico and in connection with victory gardens. In order to be sure there is no misunderstanding concerning this matter, I have secured under date of yesterday from Mr. Wilson a letter stating his position, which letter I secured permission on yesterday from the House to insert in the RECORD at this point in connection with my remarks and which I shall insert in full:

UNITED STATES DEPARTMENT
OF AGRICULTURE,
June 26, 1945.

Hon. MALCOLM C. TARVER,
Chairman, Subcommittee on Agriculture Department, Committee on Appropriations, House of Representatives

DEAR MR. TARVER: In response to your inquiry regarding our telephone conversation concerning the use of emergency War Food moneys in relation to funds made available under the Bankhead-Flannagan Act, I beg to state the following:

1. It has been my understanding that the State directors of extension are anxious to get started on the basis of using the funds available under the Bankhead-Flannagan Act for the fiscal year 1946. We think this wise policy.

2. Since we have had available $4,070,000 during the current fiscal year for emergency War Food work, most State extension directors will make an adjustment whereby the regular money will be substituted for the emergency money that has been received during the current fiscal year.

3. Additional personnel of a competent character is difficult to secure. There are approximately 1,500 county agents and extension workers who are now in the armed forces. A considerable number of these are in the upper age group, and we anticipate that many of them will be available during the coming year.

4. Some confusion has arisen out of the language in the Bankhead-Flannagan Act: "The sums appropriated pursuant to this section shall be in addition to and not in substitution for sums appropriated under such act of May 8, 1914, as amended and supplemented, or sums otherwise appropriated for agricultural extension work." Some of the State directors of extension and others have interpreted this to mean that the $4,500,000 was in addition to the regular appropriations and the funds made available to the War Food Administrator to be allocated by him.

We hope that the amount made available to the War Food Administrator, to be used if a future emergency requires, to be allocated by him to the Extension Service for the coming fiscal year will remain available, but it is our judgment that only a very modest sum will be needed unless special conditions arise that have not been considered thus far.

As we see it now, $150,000 of this emergency money will be needed. Under the Bankhead-Flannagan Act no money is available for Puerto Rico. We recommend allotting Puerto Rico $60,000 of War Food emergency funds for the fiscal year 1946. It is our judgment that $90,000 will be needed for special activities in connection with Victory gardens, War Food preservation, and special postwar agricultural programs by the Federal Extension Service in its cooperative work with the States and in special State activities in this field.

Sincerely,

M. L. WILSON,
Director of Extension Work.

Mr. TARVER. You will observe from this letter that Mr. Wilson states that

only $150,000 of this $2,708,000 plus provided in the Agricultural Appropriation Act of 1946 will be needed.

I have placed the letter in the RECORD for the purpose of placing before the Congress at the time it enacts the pending bill this statement from the Director of the Extension Service. I wish to state in this connection that our Subcommittee on Agricultural Appropriations and the Congress in the passage of the pending measure has the right to rely upon this statement and to believe that not more than $150,000 of these emergency funds carried in the Agricultural Appropriation Act for 1946 will be used. In my judgment, the matter ought to have been more definitely handled. The emergency appropriation ought to have been canceled or at least all of it except the $150,000; or the pending appropriation ought to be reduced by an amount equal to the amount not needed of the emergency fund. But I believe that the administrative people having charge of this program will carry out the statements which are made in the letter of Mr. Wilson and that its insertion in the RECORD as indicative of the Department's position in the matter will be sufficient to assure no more of the $2,708,530 will be used than the $150,000 to which reference is made in his letter.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, in my remarks with reference to the war agencies appropriation bill I called attention to the fact that the bill carrying $770,000,000 and was marked up by the committee in 2 hours and 35 minutes. It was marked up in the absence of printed hearings and in the absence of four majority members of the committee whose places were taken by two other members of the majority who had not heard a word of the evidence in the hearings.

That record, Mr. Chairman, has been eclipsed in connection with this bill which carries not $700,000,000 but $5,534,000,000. This bill being marked up by the committee in 1 hour and 30 minutes by the clock. It was marked up in the absence of printed hearings and in the absence of important material requested from two major agencies. The marking up began within 20 minutes after the conclusion of the hearings, despite the request of the minority for a reasonable time to consider the material. It was marked up so fast that four or five items were completely overlooked, were not passed upon by the committee, and were later inserted in the bill presumably by the chairman of the committee after the committee had adjourned.

Mr. Chairman, I do not think that this type of consideration is the type of consideration desired by this House. I do not think it is the type of consideration to which the country is entitled.

This bill is the last appropriation bill of the year. It carries not only $3,134,000,000 in direct appropriations, but something over $2,400,000,000 in reappropriations. The committee action reflects a cut of $17,400,000, or about one-half of 1 percent.

If time permits, I shall comment briefly on three or four items included in the bill.

OFFICE OF PRICE ADMINISTRATION

The Office of Price Administration, as you will note, requests an appropriation of $180,500,000. That, on a comparable basis, is about $18,500,000 more than the Office of Price Administration had for the current year, which was $10,000,000 more than the appropriation for the preceding year. It represents an increase of over 5,000 man-years. It represents an increase of more than $5,800,000 in the other obligations of the agency.

It contemplates paid workers to a total of 67,897, and, in addition, volunteer workers to a total of 205,000, or a total over-all force of 272,897 people.

When you look at the offices that the request contemplates you find 1 office here in Washington, 9 regional offices, 93 district offices, 4 territorial offices, 283 area rent offices, 219 branch rent offices, 437 rent stations, and 5,600 local boards, a total of 6,646 offices.

The enormous cost of this agency is emphasized by the fact that the record indicates the administrative expenditure on price control and rationing in Great Britain is something over $28,000,000.

The committee has reduced the request $6,000,000, providing $12,500,000 above the current year appropriation.

You will find an increase in respect to price control of 190 positions; with respect to rationing of 228 positions; with respect to rent control of 815 positions; and substantial increases in the enforcement division, in the local boards, and in the other obligations of the agency.

You will find that the request includes a staff of 14 for congressional correspondence; a staff of 7 for congressional and executive aids; some 417 economists, 819 attorneys, and some 15 special projects to be carried on by other agencies, some of them to my mind of questionable value.

The report indicates that the agency has been engaged in such activities as investigating postwar employment, taking a census to see how many people think rationing should be continued after the war, and various other Gallup polls, a list of which I insert at this point in the RECORD:

Information department surveys, July 1, 1944, to May 10, 1945

Survey subject matter	Date	Conducted by	Cost
Survey of gasoline filling-station proprietors on knowledge of gasoline-supply situation and reasons for rationing of gasoline.	November 1944	National Opinion Research Center, Denver and New York.	$301.83
Survey of 1,800 grocers on extent and sources of information about OPA regulations with particular reference to the OPA trade bulletins.	do	National Opinion Research Center (interviewing).	3,489.69
		(Bureau of Labor Statistics tabulation).	1,518.30
Radio audience surveys to determine extent and character of audiences for Bowles and district director broadcasts for purpose of (a) evaluating these informational activities and (b) guiding preparation of scripts.	do	Special Surveys Division, Bureau of the Census.	606.32
Consumers' compliance survey—3870, housewives—on rationing, rent, and enforcement items designed to (a) check the effects of general and specific informational, enforcement, and other programs operated in past 6-month period, (b) provide an informed basis for similar programs in coming period, (c) provide a basis for evaluating various operations in different localities and give a basis for improved internal organization and direction.	February-March 1945.	National Opinion Research Center, Denver and New York.	9,773.00
Survey of gasoline filling-station proprietors on knowledge of gasoline-supply situation and reasons for rationing of gasoline.	March 1945	do	[1] 600.00

[1] Estimated.

You will find also an enormous informational set-up, 545 people, costing $2,600,000, with a complete Editorial Division and a complete Radio Division.

Mr. CURTIS. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. CURTIS. The gentleman is speaking now of the Office of Price Administration?

Mr. WIGGLESWORTH. I am.

Mr. CURTIS. What does the gentleman mean by "informational force"? What is the difference between that and a Government propaganda agency?

Mr. WIGGLESWORTH. Well, it is used for all kinds of publicity. I wish the gentleman would look at pages 126 to 129 of the hearings and read the list of the so-called informational activities during the past fiscal year. I think it is the most expansive presentation of that kind I have ever seen presented to the Congress by any agency of the Government. I include the statement at this point in the RECORD.

Public support, based on full information, is necessary if the Office of Price Administration is to carry out its program of action, both as to holding prices at legal ceilings and fairly distributing available supplies of war-scarce commodities.

A well-planned series of information programs, reaching all the people through all available media, is of vital importance in getting understanding and compliance from the public. Such programs must be flexible, because of the changes that occur from time to time in the Office of Price Administration's programs and problems.

The Department of Information is operated on the principle that factual material explaining the "why" as well as the "how" of the Office of Price Administration actions should be the basis of its activities.

This factual material is distributed through the Office of Price Administration facilities in Washington and in the field, through facilities of the Office of War Information and other cooperating agencies, through groups and organizations, through the media made available by publishers, radio stations, outdoor advertisers and others, and through the business organizations cooperating to carry out the Office of Price Administration administrative programs in various fields.

Radio time and much of the space and materials used are provided as public services without charge to the Government. In other instances, the Department of Information provides printed material and services to utilize other facilities, such as billboard

space which is contributed through the Office of War Information.

Continuing programs have been carried through the year on stabilization of prices in various fields. Others have been added to meet new programs and new problems, such as those in clothing and meat prices. Rationing has been a continuing information program in respect to each of the rationed goods, with special efforts required to spread information about changes from time to time. Information disseminated on Office of Price Administration enforcement activities has been aimed at deterring potential violators.

The Department of Information has increased emphasis on the dissemination of information through local people in each community through volunteer workers in the war price and rationing boards, and has provided fact sheets and other materials for their use.

A list of major information activities of the Department during the current fiscal year (July 1, 1944–June 30, 1945) follows:

Press releases: To inform the public and the trade about Office of Price Administration actions and explain its price, rationing, rent, and enforcement activities, 2,030 press releases were written by the national office staff and released to the press through the Office of War Information in Washigton during the first 10 months of the fiscal year, July 1944 through April 1945.

These national office press releases also were issued to the local press and to weekly papers through the field information staff of the Office of Price Administration. The national office staff also prepared several hundred press releases specifically for local release through the field information staff.

In addition, each week a total of about 7,000 individual trade associations, trade publications, and large corporations were reached directly with press releases processed especially for them and with other material prepared and distributed through the Information Department. This tradepress activity included weekly bulletins to some 5,000 associations and publications in the fields of food, clothing, textiles, and consumer durables, plus about three mailings each week to an average of 700 individual organizations in other fields.

Magazines: During the past year over 60 magazines have been supplied with information, and assisted in the preparation of articles on problems of rationing, price, and rent control.

At least 60 magazine articles and special features have been published, some of them prepared by the Information Department's Magazine Branch, or by the magazine's own writers with information provided by the Department.

Magazines in which articles or features have appeared represent a total readership of more than 65,000,000 persons.

Radio: Radio is a particularly effective informational method—because 90 percent of the American people have radios and listen to them on an average of about 5½ hours a day. Radio is particularly suited to the Office of Price Administration's information problems, most of which are geared to developing an understanding of the reasons for our wartime rules and regulations.

Each week the Office of Price Administration Administrator reports to the people over the air. These scripts are prepared in the Department of Information and are broadcast over 361 stations. Similarly, the district directors report locally over 173 stations. Material for these speeches is prepared by the Department.

Newsbriefs and background stories in radio style for commentator and women's programs are a regular part of the Department's output. Scripts are also written for the Office of Price Administration guest speakers on commercial programs, national and local. Likewise, several scripts are written each week for regional and local Office of Price Administration radio programs, broadcast over 500 stations.

Working with the Office of War Information, the Department of Information prepares material for the Office of Price Administration messages on network commercial programs, which averaged from one hundred and fifty to two hundred million listener-impressions per week during 1944.

The bimonthly 15-minute transcribed program, Hasten the Day, is planned by the Department of Information. This broadcast is heard over more than half the radio stations in the country—time value estimated at $12,000 weekly.

Advertisements: In response to requests from a large number of merchants and local trade groups throughout the country who have asked for an opportunity to sponsor Government information in their advertising, more than 50 advertisements on price control and rationing have been furnished.

Local sponsors, such as merchants, banks, gasoline dealers, chambers of commerce, etc., have used this material with good results for the Office of Price Administration programs.

Six advertisements have been furnished for use in the shopping newspapers, two for foreign press, and two for the Negro press.

All of these advertisements have been published in newspapers at the sponsor's expense.

Car cards: Through arrangements with the Office of War Information, many transit companies furnish, free of charge, valuable advertising space in which price control, rent control, and rationing messages are brought before the public. In the first 10 months of this fiscal year, the Department of Information has prepared copy, lay-out, and art work for five car cards.

Posters: War plants, banks, office buildings, local organizations, stores, libraries, and others have agreed to carry messages on rationing and price control, through arrangement with the Office of War Information. These messages, in poster form, are prepared by the Department of Information. In the first 10 months of this year the Department has prepared copy, lay-out, and art work for 12 such posters, others are in preparation, and will be completed before the end of the fiscal year.

Motion-picture shorts: The Story with Two Endings, a film short on price control, was prepared at no expense to the Office of Price Administration. The Office of War Information arranged for distribution to 16,000 motion-picture theaters through the facilities of the War Activities Committee of the motion-picture industry. The Office of Price Administration purchased 16 millimeter prints of this film for nontheatrical distribution through groups and organizations, local war price and rationing boards, etc.

Highballing to Victory, produced by the Army, shows the great use of tires by the armed services. The Office of Price Administration purchased 16-millimeter prints of this film also, to be distributed nontheatrically as indicated above.

News reels: The Office of Price Administration has participated in 1-minute shorts locked into news reels. These are timely news shots, arranged for by the Office of War Information.

Sound-slide films: The Department of Information has written and supervised production of five slide films for training purposes. These films are used to provide visual instruction on price, rent, and rationing programs. The films are furnished to the Office of Price Administration field staff and used by them with local board personnel, and at trade and group meetings.

The Department of Information has furnished the field staff with an up-to-date list of slide-film projectors which may be borrowed from their owners at no cost.

The following is a list of the films:

Gasoline Black Market.

Meat Black Market.

It Can Be Done.

It Pays Dividends.

Your Job as a Price Panel Assistant.

Display material: Two billboard posters have been prepared by the Department of Information on Price Control. Through arrangements with the Office of War Information these posters are displayed on billboards throughout the country, and also in railroad stations.

Other display material includes a kit of five pieces for use by grocers in the grocer-consumer anti-inflation campaign. Another such kit is now in preparation and will be distributed this month.

Publications: A limited number of leaflets have been printed to meet the demand from community service members, groups, clubs, labor unions, schools, merchants, chambers of commerce, etc., for printed information concerning various phases of the price, rent, and rationing programs. A list of the more important ones follows:

Facts You Should Know (a series on Office of Price Administration regulations): Rent, Used Cars, Malt and Other Beverages, Ready Made Farm Construction, Automotive Repair Services.

A Fact Sheet on Price Control is issued each month.

A Guide to Ceiling Prices on Used Goods.

The Extent of Office of Price Administration's Responsibility in Wartime Programs Affecting the American Farmer. Farmers in the War. Farmers and the Fight Against Inflation.

Other fact sheets as follows:

Facts About the Gasoline Black Market.

Facts About Sugar.

Facts About Petroleum.

Facts About Gasoline Rationing.

Facts About Army Uses of Rationed Commodities.

Facts About Tires.

Facts About Shoes.

Facts About Car Sharing.

Facts About Evictions.

In the Fight Against Inflation—Clothing Retailers Play an Important Part.

Home Canning Sugar.

The Story of Wartime Rationing.

A People's Program; Rationing, Price Control, Rent Control.

Hard Facts About Meat.

Hard Facts About Civilian Supplies of Rationed Goods.

Group, educational, and community service: To meet requests for Office of Price Administration information from women's organizations, men's civic clubs, Negro groups, schools, colleges, and educational associations, the Department of Information has worked actively to provide informational materials and other program assistance to these groups and educational institutions.

Through contact with some 150 men's and women's national organizations, specially prepared informational materials have been distributed to the leading officials of these organizations.

At their request, special articles have been prepared for widely circulated publications of national organizations for distribution among their memberships. In addition, important national religious, fraternal, and welfare organizations (both white and Negro) have been kept supplied with current facts on price and rent control, food supplies, and rationing.

The Department of Information has prepared and distributed Office of Price Administration information leaflets for schools and groups, which covered such wartimely subjects as inflation, rationing, price control, rent control, fuel oil, clothing, savings, and reconversion pricing. These leaflets were designed to carry brief, factual, and to the point stories, and to save paper, printing, and distribution costs.

Special educational publications such as the Record of OPA and study and speech outlines on reconversion pricing and the 1945 meat situation were also prepared.

The Department of Information supplied articles for United States Office of Education publications which go to key school people and college officials. Staff members have worked in the field with regional and district information officers in the development of State, city, and college educational programs, at the specific request of school and college officials.

Through preparation of materials and field work, the Department of Information has helped organize, stimulate, and strengthen the local informational work of the community service panels at the local war price and rationing boards. These panels work to build widespread public understanding of and voluntary compliance with Office of Price Administration's wartime price and rationing regulations.

Mr. CURTIS. What is its purpose? Is it to mold public opinion?

Mr. WIGGLESWORTH. That I assume is a matter of opinion. It is ostensibly designed to bring to the people knowledge of what OPA is doing.

Mr. CURTIS. I cannot understand how the people are ever going to be able to rid themselves of bureaucratic control as long as these bureaus spend millions and millions of dollars annually for propaganda to continue themselves in existence.

Mr. WIGGLESWORTH. As the gentleman knows, I have tried for years to cut down what has seemed to me unnecessary and unjustified work in this general field.

Mr. CURTIS. The gentleman has done some very fine work along that line and my inquiry was not in any way critical of the fine efforts the gentleman has put forth.

Mr. WIGGLESWORTH. I thank the gentleman. I agree with his point of view in respect to unnecessary publicity.

I may mention in passing that the report indicates that this agency has put out during the past year official documents and questionnaires to the number of 45,259.

This is in connection with their work summarized as control over 6,000 farms, over 3,000,000 establishments, and over 135,000,000 consumers.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. VORYS of Ohio. Does the gentleman mean 45,000 different individual forms?

Mr. WIGGLESWORTH. That is my understanding.

I do not believe any extended comment is necessary for me at this time because the agency has been fully discussed in connection with the bill to extend its life.

We are all familiar with its glaring faults in the past and with the dislocations in the national economy by which we are confronted at this time to which it has contributed.

The Smith committee, as the Members will recall, criticized the activities of this agency very severely. The record in connection with this bill reflects difficulties and hardships by which the country is confronted today, interminable delays experienced in obtaining important decisions, and the inability of the agency to obtain compliance and cooperation with its policies.

I call your attention particularly to the evidence of large-scale counterfeiting of food-ration stamps and gas-ration stamps, to the practice of overdrawing ration accounts, and to the fact that OPA was forced to institute no less than 51,186 sanctions, or legal proceedings of one kind or another, during the past fiscal year.

I think the food situation by which we are now confronted is typical of what we have encountered so often in this and other agencies in recent years due to faulty administration, conflicting authority, and lack of proper centralization. OPA cannot escape responsibility.

Personally I have always believed that the original law was fundamentally unsound. Personally I believe that the administration of the law in the past has been even worse and oftentimes without justification.

Price control is, of course, vital with the menace of inflation. I hope that the amendments adopted by the House last week will be enacted into law and that they will result in improved operation of the agency.

The responsibility is squarely on the shoulders of those who administer OPA.

LEND-LEASE

Now a word, Mr. Chairman, in reference to lend-lease.

Lend-lease requests $4,375,000,000 for the next fiscal year, of which $2,400,000,000 according to the estimates of the Bureau of the Budget will be provided by unexpended balance at the end of the current fiscal year.

This compares with an expenditure in the current year of $5,342,000,000. In other words, the request is about a billion dollars less than expenditure in the current year, or 80 percent of that expenditure.

A break-down for the next fiscal year shows $111,700,000 for tanks and other vehicles, $720,400,000 for vessels and other water craft, $3,364,500,000 for agriculture and industrial commodities, $96,000,000 for servicing and repair of ships, $79,400,000 for services and expenses; and $3,300,000 for administrative expenditure.

Lend-lease funds, as you know, can be made available in any one of three ways: First, by direct appropriation to the President; second, by appropriation to the Army, Navy, and Maritime Commission, with authority to transfer up to a specified figure; and, third, by the leasing of ships by the Maritime Commission upon which there is no limitation.

The record indicates that as of March 31, 1945, $28,222,000,000 have been made available by appropriation to the President; $35,970,000,000 by appropriation to the Army, Navy, and Maritime Commission with authority to transfer; and some $3,000,000 by the leasing of ships by the Maritime Commission; an over-all total of $64,195,000,000, of which $39,942,000,000 have actually been transferred.

Reverse lend-lease is given as $4,656,000,000.

The committee was furnished with a confidential document about 16 inches long and 10 inches wide, containing 52 pages, purporting to give the number of units, the dollar value, the country of destination, the over-all totals, and the impact upon our own domestic production in respect to lend-lease commodities for the fiscal year 1946. About 12 countries are included.

The statement, although detailed, is not adequate. It is based on estimated needs. There is no satisfactory estimate furnished of anticipated obligations or transfers. There is no comparative table for the fiscal year 1945. There is great confusion in accounting for funds appropriated directly to the President and funds made available through the Army, Navy, and Maritime Commission. There is no satisfactory inventory statement. Several requests for information apparently have not been complied with.

It is impossible to obtain an accurate picture of the financial operations of this agency under these circumstances, and I think it is almost impossible to escape the conclusion that neither the Lend-Lease Administration nor the Bureau of the Budget has an accurate picture at this time.

VE-day having come and gone raises the broad question of policy as to lend-lease in the future. The testimony presented to the committee may briefly be summarized as follows: Lend-lease funds are to be made available to about 12 countries. Since VE-day programs have been reviewed and substantial reductions made. Several agreements have been concluded, three to be exact, with France, Belgium, and the Netherlands, under section 3 (c) of the act contemplating payment in funds for commodities over a period of 30 years, when those commodities have been determined to be no longer necessary for war purposes. Commodities for several of the countries to which I have referred it is contemplated will be terminated by the end of the calendar year and the hope is expressed that the Export-Import Bank with broadened powers will take over from that point on.

Mr. Crowley estimated that lend-lease as a whole ought to be capable of being wound up within a very short time, perhaps 30 days after VJ-day.

The agency indicates that it is operating under the terms of the applicable statute, the test in any given case being whether or not a given commodity can be considered as necessary for the prosecution of the war.

Under present conditions, however, there appear to be many borderline cases. Mr. Crowley stated very frankly that there were bound to be borderline cases, many of them, and that he could only hope that the number of these cases will become less and less as time goes on.

I am going to support the committee recommendation in respect to lend-lease, first, because of the war in the Pacific and, second, because of the critical conditions in Europe today in which so many of our troops are located.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. WIGGLESWORTH. I want, however, to make this observation, Mr. Chairman. If we look at the picture from an over-all standpoint we find numerous agencies operating in the field of relief. First, there is the Army to which, as you

will recall, we gave $562,000,000 last year for operations before UNRRA could get into the picture. Second, there is UNRRA to which we gave $450,000,000 outright and $350,000,000 in addition by transfer authority.

Incidentally, some of us thought a year ago that the $350,000,000 was unnecessary and it has so proved only $272,000,000 has been allocated—only $41,000,000 has been spent.

In addition to the Army and UNRRA there is lend-lease with its billions of dollars operating in many instances in borderline cases.

In addition there is the Intergovernmental Committee on Refugees which has been working in this field.

In the offing is the Export-Import Bank and the institutions contemplated under the Bretton Woods agreement.

In my judgment, Mr. Chairman, the entire picture ought to be reviewed by the proper committee of this Congress with a view to consolidation and efficient operation.

There is a tremendous problem of relief in Europe at the present time. Leaving aside the long-term problem, the immediate short-term problem is a problem of the most critical character. In terms of fuel, in terms of transportation, in terms of food, the situation is critical, if not desperate, in certain countries, and we are approaching another winter.

America, Mr. Chairman, must do its share in this connection. Even on the basis of self-interest we cannot afford to permit starvation and revolution in the countries of Europe. To do so might well serve to lose many of the fruits of victory that we have won at such a terrible cost in this war.

On the other hand, Mr. Chairman, it is perfectly obvious that America cannot finance the entire world. What we do, in my judgment, should be done as efficiently and as economically as possible with the maximum of self-help by the nations in Europe concerned. I think the problem is one of vital importance. I think it is one of immediate concern. I think that the Congress should deal with it at the earliest possible opportunity.

FOREIGN ECONOMIC ADMINISTRATION

The Foreign Economic Administration, Mr. Chairman, embodies functions originally performed by some 14 agencies. The picture is not entirely clear because of the lack of distinction financially between functions and constituent agencies.

It may be said, however, that included in its functions are the following:

Export control, estimated to be necessary for at least another year.

The procurement of strategic materials estimated to continue at about the same level until VJ-day.

Economic warfare with its operations in the Pacific.

Allocations to and procurement for UNRRA.

The reconstruction of trade in the liberated areas, including the Philippine Islands.

Commercial transactions for the Army in neutral countries, and

Studies of economic and industrial disarmament and technical and industrial intelligence with a view to the control of the war-making power of Germany.

Particular attention is called to the testimony commencing at page 846 of the hearings in reference to the latter. A force of 650 civilians and 6,500 from the Army is in contemplation for supervisory work in this field. A break-down by projects will be found at page 865 of the hearings.

The request for FEA is $18,949,000. The comparable figure for the current fiscal year, excluding overtime and unexpended balances is $17,000,000. The request, therefore, reflects an increase of $1,900,000 with increases in both personnel and other obligations.

Fifty field offices are to be maintained overseas with a personnel of 198 in England, 196 in the Middle East, and 93 in Italy. No reduction in the total request was made in the light of VE-day.

The committee recommends an appropriation of $16,500,000.

EMERGENCY FUNDS OF THE PRESIDENT

Mr. Chairman, I do not want to take up too much time. I may just mention in closing that this bill carries with it the reappropriation of emergency funds for the President in the amount of $58,946,000. This compares with an actual expenditure of the current year of $34,460,000.

I insert at this point in the RECORD the most recent allocations of these funds:

Statement of allocations made from the current appropriation "Emergency fund for the President, national defense, 1942–45," during the period June 1, 1944, to May 31, 1945

Balance available for allocation as of June 1, 1944	$72,310,965.05
Rescission of portions of previous allocations	20,994,213.13
Transferred from war contributions fund, Treasury Department	101,374.21
Total available for allocation	93,406,552.39
Allocations:	
Executive Office of the President:	
For procurement of special reports and handling of special problems	100,000.00
For confidential purposes	25,000.00
Office for Emergency Management:	
Foreign Economic Administration	61,898.89
Office of Defense Transportation:	
For operation of certain motortruck lines	5,000,000.00
War Refugee Board:	
Transferred from war contributions fund	101,374.21
Pursuant to Public Law 529	150,000.00
Independent offices:	
Office of War Mobilization and Reconversion:	
For general expenses	40,000.00
For expenses of Office of Contract Settlement	250,000.00
Federal Security Agency:	
Relocation of aliens	30,000.27
Civilian war aid	393,000.00
Allocations—Continued	
Department of Agriculture:	
For prevention of insect pests	$469,000.00
Department of Commerce:	
Bureau of the Census:	
For population census in certain congested areas	71,000.00
For census of manufactures	290,000.00
For survey of consumers' incomes	1,236,000.00
Department of the Interior:	
Bureau of Indian Affairs: For rehabilitation of Aleut Indians	200,000.00
Surplus property functions	60,000.00
Department of Justice: For confidential purposes	1,175,000.00
Navy Department:	
Overtime pay for certain employees	640.80
Confidential purposes	528.16
Department of State:	
For procurement of special reports	102,800.00
For confidential purposes	16,231,515.00
For relief and rehabilitation operations	200,000.00
For Monetary and Financial Conference	12,000.00
Expenses incident to determining amount due Americans as a result of Mexican expropriation of oil	194.09
Expenses of special diplomatic representatives of the President	71,000.00
Committee to Demarcate Boundary, Peru and Ecuador	9,000.00
Expenses, Anglo-American Caribbean Commission	45,000.00
Conference of Allied Ministers of Education in London (pursuant to Public Law 529)	43,000.00
Cultural relations with China, Near East, and Africa (pursuant to Public Law 529)	1,300,000.00
Intergovernmental Committee on Refugees	1,500,000.00
United Nations Conference, San Francisco	284,000.00
Treasury Department: For procurement of special reports	8,498.20
War Department: For operation of seized plants	5,000,000.00
Total allocations to May 31, 1945	34,460,449.62
Balance available for allocation as of June 1, 1945	58,946,102.77

I simply want to say, Mr. Chairman, that in my judgment the table shows again the same story that we have heard so often and which we have tried to correct so often without success.

It shows item after item which should have been brought to the Congress for justification before any expenditure was made.

I do not think it is conducive to economy, I do not think it is conducive to sound administration for the Congress to make these moneys available year after year for purposes of emergency character and then have the Bureau of the Budget come up here again and again

and show that the funds have been used for other purposes.

I sincerely hope, Mr. Chairman, that under President Truman this practice of the past will be terminated.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, some years ago a rather distinguished statesman, who had sought high office in this country, made a remark which has persisted in my memory for a long time. He said, speaking as a lawyer, there was an axiom in the law to the effect that you must always get your fee while the tears are hot. It is excellent axiom and had it been practiced in the first instance with respect to lend-lease, this country and the world would have been infinitely better off. I voted against the lend-lease bill in 1941. If that situation were to recur, I would do in the light of hindsight precisely what I did before. Since that time, however, I think I have supported every appropriation for lend-lease. They have done a superb job. Lend-lease has done an excellent job. In my judgment, it has been in very capable hands in the person of Mr. Leo T. Crowley, the Administrator. It has been referred to as a weapon of victory. I refer to it as being more than that. I regard it as the indispensable ingredient in victory. One need only to have sojourned in this world to ascertain how important lend-lease was in the scheme of things.

I remember surveying the docks of Khorramshahr, along the Persian Gulf, where the temperature right now is 150 degrees, which probably breaks down the mentality of a great many of our GI's; there you saw lend-lease materials and supplies being taken from liberty vessels, placed in an engineer or supply dump, and then subsequently loaded on a railroad which was operated by American GI's. It traveled over desert and mountains to transfer lend-lease equipment to the Russian border. I saw great trains and trucks wending their way across the desert taking the product of the genius of American production and American labor, and the diligence and toil of American agriculture in order that one of our allies might not only stay in the conflict but bring victory the sooner.

As I saw the jeeps going to London, Paris, and Italy, as I saw great quantities of material amassed along the coast of north Africa and Egypt, as I saw other materials and supplies and equipment on the Levantine coast, where difficulties have already arisen between a people under mandate and those who exercise the mandate, I saw then what lend-lease meant when they spoke of it as a weapon of victory. But lend-lease is soon to come to an end. Pray God it could come to an end today. But it will not come to an end until the day when VJ is written in the sky. But it will come to an end, and the administrator of lend-lease has assured the committee that he will carry out the mandate of the law.

I think for the refreshment of the Congress and the country I want to read Mr. Crowley's language as it appears in the hearings. First he gave us an assurance "that lend-lease was not to be used directly or indirectly as an aid to postwar rehabilitation."

In that respect he follows out the mandate which this Congress gave to him in the administration of lend-lease.

Secondly, with respect to the termination of lend-lease he said this:

> It should be discontinued within a very short time, perhaps 30 days after the end of the Japanese war.

Thus the future of lend-lease is pretty well determined. The final date for this kind of defense aid is coming closer. That of course will direct our attention to policies of postwar credit in the future. That is the thing about which I want to speak particularly this afternoon. Obviously, there are going to be demands upon this Government for credit from other countries in the postwar period. When lend-lease is over exactly what line do we propose to pursue? That is a matter, after all, for the Congress to determine.

We created an Export-Import Bank. You will find reference to it in this bill as well as to the administrative expenses for its operation. We should have more agencies such as the Export-Import Bank, which is one of the rather few agencies which has made a profit and has sent a little money into the Treasury at one time and another for the relief of the genus homo known as the American taxpayer. Export-Import Bank was created in 1934. Since that time it has committed about $1,250,000,000 and it has disbursed roughly $500,000,000 for all sorts of enterprises. A great many of those loans have been made to our neighbors in South America. Others have been made elsewhere; but the purpose of the Export-Import Bank was to facilitate and to make possible the export of merchandise to those countries where credit facilities were lacking. So it is going to be important in the postwar period to get our share of the foreign trade of this world. But I want any instrumentality of credit in the days to come to be tied to something more important. I do not want it to fail as the objective of lend-lease has failed in that respect, and that is the same object for which young men are fighting and dying today in all corners of the earth. I hope that we can put a tag upon our credit instrumentalities in the postwar period to make inexorably certain that there is going to be no more frustration in the hearts and the souls of the soldiers who come back and in the hearts and souls and minds of the people who stay home as to whether or not we are going to achieve this elusive ideal of freedom for which almost 400,000 GI's and junior officers have already died.

In that respect what we do with reference to postwar credit is going to be as important and perhaps more important than what is emanating from the San Francisco Conference at the present time. I recognize that the charter of San Francisco represents an intense human hope on the part of hundreds of millions of people scattered in every corner of the earth. But let us not forget that it is only the first step. Let us not make the mistake of believing it is more than the first step. I find disillusionment about some provisions in the San Francisco Charter. I am thoroughly disillusioned about this whole veto provision. I spent most of Sunday examining the charter to see whether I could get any comfort or hope out of it. But as you spell out its implications and you think of difficulties that will arise in the future, it becomes necessary, before any one of the big five powers can be investigated with respect to any kind of an aggressive or coercive method, that it has to be voted by 7 of the 11 members of the Security Council, and then before any remedial action can be taken it is necessary for the representative of one of the big five powers to concur in any remedial action.

So that today while little nations, of course, are brought under all the provisions of law and international law, the representatives of a large nation can thwart any effort to move against that nation, irrespective of how just and equitable the cause might be. You have to read that in connection with the provision in the San Francisco Conference on trusteeships. Fine, pious platitudes are carried there, but tucked away down in the corner is a proviso, which in my considered judgment fairly nullifies most anything that was recited before. You will find it in chapter 12, article 80, of the charter. It says this:

> Nothing in this chapter shall be construed in or of itself to alter or in any manner modify the rights whatsoever of any states or any peoples or the terms of existing international instruments to which members may respectively be parties.

Now, there is a familiar ring to that provision in the charter. It is not unlike a good many of the delimiting provisions that have been offered to appropriation bills on this floor year after year. It sets forth the beautiful objective and then says:

> Nothing herein contained shall be construed to modify anything that is today under existing international instruments.

I want to relate all of this in a moment to the theme that I started out to pursue, namely, postwar credit when lease-lend is done.

Only in proportion as this discussion is related to the subject matter that is before us will it have any real value. The provisions of the charter relating to trusteeships for non-self-governing areas in the world plus the veto power must be examined. Let me illustrate what I mean. I saw some folks in the diplomatic gallery this morning. I do not know whence they came. The costume was familiar. They looked to me like Jebel Druses who had come from Syria—and for all I know perhaps they had—in that rather characteristic costume. I saw some of them who were serving as members of Congress in Syria and in Lebanon. Elected from the western reaches of those countries they were taking their place there to deliberate legislation for their own country. When I saw them this morning I thought also of the difficulty that is evidenced right now on the Levantine coast at the end of the Mediterranean Sea. Here are two small countries, Syria and Lebanon, with perhaps four and one-half million peoples altogether, mostly businessmen, people of character, people of capacity, people of business not unlike our own people.

In the First World War they fought on the side of the Allies. They were given a solemn assurance that in so doing they would have their independence at the end of the war. When that day came they marched themselves to London for a keeping of the covenant and there they were told by high authority that the covenant could not be kept because conditions were different now; and so for another 25 years they were placed under a mandate. They are among the people who are referred to now in this whole trusteeship provision of the San Francisco Charter and they come under that provision which says:

Nothing herein contained shall be construed to modify relationships under existing international agreements.

You can readily understand why they have been killing people over in Syria and in Lebanon in recent weeks. I talked to their President. I had lunch with him. I had a cocktail with the President of the Chamber of Deputies. I sat in a garden party with members of their Cabinet. I know how they think, and I know that under that kind of proviso that freezes the lack of freedom of small peoples in the world you can talk until doomsday about security and about peace but the ferment of freedom is going to be there.

And so we go back then to lend-lease and we go back to the statement made by a great American that the thing to do always "is to get your fee while the tears are hot." We failed to do that in 1941. It is too late now with respect to lend-lease; it is going to run out pretty soon. But there looms before us, however, the responsibility of postwar credit and whether or not there will be attached thereto the same provision that will prevent frustration on the part of youngsters scattered to all the four quarters of the world who are engaged in the cause of freedom. I sat on the balcony with a cabinet minister of Egypt overlooking the old Nile and for hours we discussed the history of his country and the future, and then at long last he said: "The whole story is very simple, we surrendered half of our freedom in 1936 under a treaty that we might preserve the other half." And if you want to know what he meant you need only go through Alexandria, you need only walk through the streets of Cairo and count the soldiers from various nations and from certain nations in particular and then you will understand what this former cabinet minister, who was a member of the cabinet when the Nazis were moving along north Africa meant. They want their own soldiers to patrol the Suez Canal; they want something to say about their own country, and yet here is an existing international instrument that cannot be disturbed under article 80 of the treaty or under the charter. And so I recite to you here and now that that is the sort of thing that disillusions me a great deal because I was led to believe long ago that what we were engaged in even then was a crusade for freedom. I remember going up the hilltop from the port of Colombo to Kandy in Ceylon where Lord Montbatten was the supreme commander and where Lieutenant General Wheeler, our own beloved commander, was carrying on the business of that command. There was a little girl along the roadside selling cocoanuts, but she knew enough to recite the "four freedoms" and the provision for self-determination in the Atlantic Charter. I talked with the humble proprietor of a butcher shop in Ankara, Turkey, and humble as he was, lacking literacy as he did, he could still talk about freedom and self-determination in the Atlantic Charter. I talked to GI's in every section of the world. When I asked them what they were fighting for they rather sheepishly scratched their heads and said, "Well, I think I'm fighting for freedom and for the 'four freedoms.'"

Yes, we made it very plain when the disunity in the thinking of our country resolved itself at Pearl Harbor, that this was a crusade for freedom. The "four freedoms" gradually became a lively phrase. It is the thing that sustained and stimulated them in those anxious hours when they were in the fox holes in all corners of the earth. The novelty of a machine gun or a 75-millimeter field piece, or a 105-millimeter howitzer wears off pretty quickly. There has got to be some spiritual force to sustain them in those anxious hours. So they found it, in the fact that they were crusaders in the cause of freedom. But already the ugly head of aggression begins to lift its head in other sections of the world and you wonder what is going to happen to freedom. We know now that lend-lease as an instrument did not have the tag on it when it was passed here in March 1941, whereby we could make certain that this thing called freedom would be preserved. Why, Mr. Chairman, in my judgment, it is the greatest issue in the world today. Make no mistake about that. The ferment is there.

I can remember talking to the leaders in India. I had tea with them one afternoon in the patio of the Indian Congress. They were not content or satisfied, at least, but grateful for the concessions that had been made over a period of years. But when all is said and done the ferment of freedom among 500,000,000 people in that oriental country is still at work and nothing short of freedom will bring possible serenity and contentment.

You may say that of Bulgaria and Rumania today. You can say that of Iran and Iraq; you can say it of Tunis, Algiers, and Morocco. Wherever there is a mandate today that is frozen, there is going to be no peace and there is going to be no security unless it comes by force from the top down. How much better and how much more durable it would be if it came from the bottom up.

That, in my judgment, is the issue in the world today. I try not to be a superidealist, but I do not propose to be laughed off in this matter by some of these suppreme realists who think that after all you must stymie freedom in this world, because then you will have to find the answer to this question of why 400,000 GI's are already sleeping in the sod and another 800,000 are on the casualty list, either as missing or wounded or in some other status.

They are going to ask questions one day when they come back home. They are going to take inventory when they can compare notes, when they get back to the old homestead with their families. They will ask, What have we been fighting for? Then, if they lift their eyes and begin to understand that freedom is not an accomplished fact after a little of the fever has gone out of the world, there comes frustration and then look out once more for isolationism to rise in every section of the country. Do not make any mistake about that.

So, Mr. Chairman, I want to raise my voice here today on this issue, even though it may provoke some comment, even though it may provoke a challenge; because it will not be too long before the whole question of postwar credit, in addition to Bretton Woods, in addition to the International Bank, in addition to the International Fund, and those other instrumentalities, will come before us for discussion. Already it has been urged upon us that the Johnson Act must be repealed, and I favor that, just like I am for the San Francisco charter, but I will not blink at the realities of the situation and seek to hide my head in the sand where I cannot see the great moving resurgent force that is operating in the world today with which we must contend because it is the thing for which the young men of America and the young men of other nations have so freely died.

We get back then to the question of postwar credit when lend-lease runs out. Do we as a country, do we as a Congress, propose to permit a single American dollar of credit to be used for the purpose of aggression, the same type of aggression for which young Americans have died on foreign battlefields?

Do we propose to permit the use of a single American dollar to freeze a situation of that kind, the very kind of aggression, as it were, for which American GI's have died? If so, then my friends let us prepare for frustration of a mass variety and let us conclude that so many of those youngsters that we find in all corners of the earth may have some doubt about the crusade in which they were engaged, because then one cannot say that freedom in truth and in fact has become an accomplished fact in the corners of the earth. You read your newspapers critically today and you see the selfish reaching out now for advantages here and there. How imperative it becomes upon us in connection with this whole question of postwar credit to make sure that it shall be an instrumentality for freedom, even as lend-lease has been an indispensable weapon for victory. I leave that thought with you because it is a matter that we, who have been entrusted with the power of the purse, must meet, that responsibility in the postwar period. Let me reiterate once more so that there can be no misunderstanding about my position. I favor the San Francisco Charter. I only regret that it did not go further and I only regret that provisions were not written into it that would nail down the very thing for which so many GI's have died and for which the economy of the whole world has been so sadily dislocated. But if we fail in this crusade for freedom now, it will remain then for another generation to wipe out the derelictions of this generation.

Mr. BALDWIN of New York. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. BALDWIN of New York. Mr. Chairman, I want to compliment the gentleman for I am not in disagreement with much that he has said.

But I think it is important for all of us to understand one thing. I ask the gentleman now whether under the Vandenberg amendment the machinery for improving the charter does not exist? I have not finished reading it, but as I understand it, that is true.

Mr. DIRKSEN. Yes; it is quite true that machinery for improvement exists, but as I examine the amendment and the clauses in the charter, we are confronted with the practical question of securing those improvements only over a long period of time, and it is within that period of time when the world is so feverish that the deviltry is going to be contrived and the damage is going to be done.

Mr. BALDWIN of New York. Is it not a fact that the world is not quite ready for some of the things that we are talking about? I submit, for instance, that I think very few Americans would be willing to give the people of Panama complete freedom, which would involve our turning over to them the Panama Canal, and the same thing could be said for the Suez Canal in Egypt. These things have got to be worked out over a period of years. I am speaking now as an American looking at the picture realistically.

Mr. DIRKSEN. Well, let us examine that for a moment. Nearly 17 months ago this country recognized the independence of Syria and Lebanon. I was advised of that fact when I was in Damascus and also in Beyrouth. But notwithstanding that fact the armies of two outside powers are in that country today, and since they are under one of these existing international agreements placed in chapter XII, I ask my friend, the gentleman from New York, what is going to be done in a situation of that kind in the light of the limiting proviso in the charter?

Mr. BALDWIN of New York. My own opinion is that under the power granted in the charter the independence of Syria and Lebanon will be recognized and will be made effective. But the fact remains if American troops protecting the Panama Canal had any question, we will say, with troops of a neighboring state who entered the Canal, I am sure we would take some action.

Mr. DIRKSEN. Just leave out the Panama Canal.

Mr. BALDWIN of New York. I cannot leave it out.

Mr. DIRKSEN. Let us consider, for instance, two countries that are potential trouble spots in this modern world because of geography and resources—countries where people are already being killed, where French soldiers are already being slaughtered, and where, as the result of that difficulty, a remonstrance has already been filed at San Francisco before the treaty was even signed. I ask my friend what he would do about a difficulty of that kind, because there is no canal involved? There is involved only a modest number of people who were assured their independence after the last war, and the Covenant was not kept. They have been recognized by this country, but their freedom today is not an accomplished fact. They are under one of these existing instrumentalities under which they have been frozen in a mandated status by the provisions of the charter.

Mr. BALDWIN of New York. I do not think, Mr. Chairman, they have been frozen in that condition and I would be willing to give some odds that in a comparatively short time both Syria and Lebanon will have complete freedom. There is not a canal involved but there are raw materials involved; and religious questions involved which can stir this country to its depths, as the gentleman himself has pointed out. We want to see this thing properly settled, and I claim under the charter it can be settled.

Mr. DIRKSEN. Let us examine that position. I said at the outset, when you consider for instance the circumstances of these nongoverning peoples, you must consider it also in the light of the veto power. Who are the five who compose the security council today? They are Russia, Great Britain, the United States, China, and France. Who has the mandate over Syria today? France has the mandate. Suppose France votes in the Security Council that there shall be no remedy. This thing that was done in San Francisco says unless France does concur no action can be taken by the Security Council. There is the freeze. There freedom lies in the lap of an outside power and the charter keeps it there.

Mr. BALDWIN of New York. Oh, Mr. Chairman, France has recognized the independence of Syria and Lebanon. She also wants to protect her rights to go through their territory. That is something that can be easily solved without the charter.

Mr. DIRKSEN. It cannot be solved easily under the charter. It begins to appear it is not going to be solved. If one critically reads the statements on the front pages today, Britain and France are already at odds over this dispute in the Middle East. But France, like the rest of the big powers, can resist every effort to remedy the matter because she can exercise her veto power after the charter becomes effective. What we witnessed in San Francisco with reference to the cleavage between the big powers and the little powers was nothing more than the reaching up of little powers for freedom which has been so long denied them. I am not too hopeful about modifying the charter at an early date. The big powers have, in fact, a kind of vested interest against modification. It may not be 1 or 2 or 3 years before you can get people in and get them to amend this thing. If it is not done, not only will these situations be frozen but there will be other situations added to them which are already beginning to engross the attention of the people of this country, and have already come into public print. So what other conclusion can one reach in a very realistic world than the fact that a world condition has been frozen by the charter and it will be a long time perhaps before it is undone. And again I ask: What of this business of freedom?

I add this one parenthetical thought because I try to be realistic and because I believe I can see what is ahead. It is one of the reasons why I marched myself over to the Committee on Postwar Military Policy and there made a statement in behalf of compulsory military training in the hope that in the days that lie ahead for whatever eventualities may develop, this country may be ready in a world that has not yet lost its fever.

But, Mr. Chairman, this discussion should really end where it began. It began with lend-lease and its ultimate termination. It sought to spell out the problem of postwar credits after lend-lease comes to and end, and it seeks only to make the point that it will be a mockery of the holy dead who died for freedom if American dollars or dollars credits are permitted to frustrate the very thing for which they died.

Once more I commend Mr. Crowley and his staff for an excellent job in administering lend-lease and in making a constant and diligent endeavor to administer it in accord with the intent of Congress.

THE SAN FRANCISCO CHARTER

Mr. RABAUT. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS. Mr. Chairman, I have been inspired, as always, by the words of our friend from Illinois [Mr. DIRKSEN], who speaks with clarity and eloquence and with a great store of information.

It is not my purpose to question his observations regarding independence and self-determination, but I hope he will agree with me that it would be well for the emphasis to be placed not upon any disappointing features of the San Francisco Conference, but upon the great achievements which have undoubtedly resulted from that meeting.

This was a political conference, and political conferences, according to history, have never been entirely successful. Even the Convention which framed the Constitution under which we operate and under which we have enjoyed such blessings was fraught with great dissension. I am not sure of the exact language, but I recall that in substance no less a patriot than Patrick Henry said of the instrument produced by that Convention:

> I regard it as the most iniquitous plan ever devised by the mind of man whereby the freedom of a people can be destroyed.

So if my distinguished colleague has this feeling of disappointment and if he concludes that the greater weight in this delicate issue between power and ideals has been upon the side of power, cannot he be consoled by the fact of our own history that the fears which Patrick Henry and his contemporaries entertained were removed and that we came to realize the greatest liberties that men have enjoyed on this earth.

We recognize two competing forces, the quest for power, and the innate desire for freedom. The drive for power, if unchecked and if unrestrained, leads, as a wise man said, to absolute power, and "absolute power corrupts absolutely."

Against that is the desire for freedom and self-determination. But the desire for freedom, unrestrained, leads to license, chaos, and anarchy. So, after all, is not the eternal fight of democracy to find a balance between those two competing forces, the one for power and the other for freedom? I am coming around to the point, Mr. Chairman, that, in my judgment, the San Francisco Conference has come just about as close to that delicate balance between the two forces as it is possible for imperfect man to come.

I should hope that the gentleman, in spite of his disappointment, would agree that yesterday was a notable day, a tremendously important day in the long history of man's upward climb toward freedom.

The world is going to be organized. It will be organized by people who believe as we do, in freedom, or by those who believe in aggression and power for power's sake. So we, as one of the great powers, must accept our share of responsibility. It is surely a grave time for us; it is a time to accept responsibilities in world relationships that America has never had before, but to accept them with great hope and with the assurance that we are going to be equal to those responsibilities.

I wanted to say this, not in the way of violent disagreement, because as a matter of sentiment I feel strongly with the gentleman from Illinois [Mr. DIRKSEN] that ideals are important, and when the so-called practical men, the realists, speak of the necessity for employing force to preserve or freeze the status quo, then the idealists, who in the long run are the more practical, are entitled to be heard. Certainly America's sympathy will always be with those who want self-determination and who are determined to have it. My hope is that in the arrangements authorized by the San Francisco Charter there will be a gradual admission of the small nations and peoples aspiring to independence to a greater share in determining world policy, and that the element of universality will be as characteristic of world government as the element of stability which is the more immediate aim.

I appreciate the indulgence of the House in this observation upon the very interesting remarks of the gentleman from Illinois.

APPROPRIATION FOR OPA

Now, very briefly in the closing minutes I have, may I speak of the purpose I had in mind when I asked for this time to discuss one feature of the bill under consideration. I believe, Mr. Chairman, that the House improved the bill for an extension of price control, although I supported only two of the amendments. I believe that we will all generally approve of the conferees' report. I am satisfied that they anticipated from the outset that there would be no irreconcilable differences between the two bodies when the results were compared.

We have decided one thing, and we have decided it over and over again, that fundamentally and primarily the problem of OPA is an administrative problem. Congress first laid out broad legislative policies. Then on the basis of experience, we wrote certain restraints, certain new instructions for administrative officials, but we are agreed that fundamentally the weaknesses in this program have been administrative weaknesses. In view of that we want to equip the administrative officers to do the job and then we are going to hold them to a strict accounting.

Consequently I had hoped that the request of the Budget Bureau for OPA would be approved by the Appropriations Committee, but the figure was reduced by $6,000,000, so that the bill as it now stands carries an appropriation for OPA of $11,000,000 less than for the current year and $6,000,000 less than the budget request.

Mr. TABER. Will the gentleman yield?

Mr. HAYS. I yield.

Mr. TABER. When you come to figure this overtime business and everything else, it is away above the current year, probably $12,000,000.

Mr. HAYS. May I say to the gentleman from New York, that surely with the new responsibilities in connection with the enforcement—for we have said in no uncertain terms, individually and collectively, that we expect a more vigorous program of enforcement by the OPA, and in the light of the second necessity, of a program that will make reconversion more expeditious, every dollar of this requested amount is needed. I would be interested in hearing the gentleman comment on that.

Mr. TABER. I spoke of that a little while ago and pointed out where they were wasting money that they should use for proper operation.

Mr. HAYS. I am not sure, if I may say so to the gentleman from New York, that they can possibly do the job with the reduced amount, because businessmen who are interested in reconversion and who must have approved price schedules for new products are entitled to expeditious action. I have been as critical as any Member of the House on specific situations. I think, no matter who is responsible, these long delays are very unfortunate.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield.

Mr. MILLER of Nebraska. Have we any assurance that the amendments the House put in the bill will stay in the bill?

Mr. HAYS. I think we can be reasonably sure they will remain in the bill in substance.

Mr. MILLER of Nebraska. If that be the situation we can transfer some of the activities of OPA to Agriculture and in that respect they would probably need less money.

Mr. HAYS. But they will need more money made available to them in the matter of pricing our new production and other services.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield.

Mr. MONRONEY. I want to compliment the gentleman from Arkansas on the very constructive analysis he has given of the subject. The problem that faces the country today is a speedy and expeditious pricing of few items coming in under reconversion. If we deny them sufficient funds for this purpose then the Congress must accept responsibility for any administrative failure. They cannot do it unless they have enough money to do that which we expect them to do.

Mr. HAYS. Would not the gentleman agree with me that it would be better for us to err on the side of giving them a little too much rather than on the side of withholding from them the money they might desperately need for hastening reconversion steps?

Mr. MONRONEY. I might add that over a week's period of time a black market of 10 cents a pound on potatoes would more than offset practically this full amount.

Mr. HAYS. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. RABAUT. Mr. Chairman, I yield 10 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Chairman, I am a little doubtful whether I should speak concerning the difficulties I have had in getting facts in connection with the bill before us, or to devote my time to analysis of lend-lease. If there is anything the need of which a Congressman feels more than anything else, it is statistical information or help to get statistical information.

Yesterday we passed the War Department bill appropriating $38,000,000,000. We have a deficiency bill before us at the present time appropriating several billions more, and I do not believe there is a Member of the House who has had an opportunity with the help at his command to do the necessary research to obtain factual information concerning the items in the bill and make any comparison with the record and dig out the facts so that we can vote intelligently on this bill. I am going to talk to you about a few facts that I have been able to dig out concerning our lease-lend transactions.

If there was ever a time that this country has been a big brother to the British Empire it has certainly been demonstrated by the things in this bill and other appropriations we have passed in our dealings with the British. One of the things I am interested in in this bill is the item on page 40, line 9, reading as follows:

> Vessels, ships, boats, and other water craft, including the hire and temporary use thereof, and equipage, supplies, materials, spare parts, and accessories, $666,912,000.

This brings to mind the fact that when British boats pass through the Panama Canal they go through toll free. It brings to mind the further fact that when American boats want to go through the Suez Canal to prosecute the war they must pay the full tolls. We are reliably informed that when our boats carrying British munitions or British troops go through the Suez Canal Uncle Sam must pay the toll. I am wondering why we cannot deal with our allies in a rational and businesslike manner in handling

lend-lease transactions. This bill carries an over-all appropriation for lend-lease of $1,975,000,000. We are told that with the authorized use and reappropriation of unexpended balances it amounts to $4,375,000,000.

I wonder how many of us realized when we passed the Silver Purchase Act back in 1934 that we were creating the means of building up a British war chest? I wonder how many know what is being done with silver under this lend-lease arrangement? We are reliably informed from the Treasury that we have furnished the British under lend-lease for coinage purposes 300,000,000 ounces of silver. The British have coined this silver into money that is worth from $1.60 in India and $2 an ounce in Australia and in the British Empire. By this silver transaction we are financing the British with an additional half a billion dollars of lend-lease that has been furnished to the British Government in the form of silver without any expense to the British whatever; and if the gentleman from New York is right that none of this lend-lease material is to be returned, or paid for, then we are making the British a present not counted in these appropriations of over half a billion dollars.

Mr. TABER. If the gentleman will yield, it is way beyond that.

Mr. WHITE. I am talking about the item of silver alone.

Mr. TABER. Yes.

Mr. WHITE. That is not calculated or brought out in the testimony or in other calculations that are before the House.

We have lent the British under the lend-lease program 300,000,000 ounces of silver for coinage purposes, which they have coined into money, with a purchasing power of around $2 an ounce. If that is not a gift of over half a billion dollars I would like to know what it is.

Mr. Chairman, I said that we have been a big brother to the British Empire. While we have shut down our gold mines and put our gold-mining business out of business, the British and the South African Purchasing Commissions have been permitted to come into this country and buy materials and supplies to operate their gold mines, while the gold mines of South Africa have been running full force and to full capacity without rationing. The British are operating their mines in Canada at full capacity while our mines are shut down.

What is the reason that our administration officials cannot deal with this lend-lease thing in a businesslike manner?

I would like to recite a little history. Silver has always proved a valuable war metal, one that has been of stabilizing influence in time of war and stress. In the last war when the British credit was about to collapse in India, they found a silver horde in the United States and came over here and bought 200,000,000 ounces, which was sent to India to bolster the British credit. We sold that silver to the British for $1 an ounce. There was a law passed by the Congress later that the silver would be repurchased and redeposited in the Treasury at $1 an ounce from domestic sources. It was one of the most invigorating influences in our prosperity of that period.

I want to bring another fact to the attention of the Members who are talking about the money situation. The British have reduced the silver in the rupee of India to 500 fine. The British some 2 years ago withdrew from legal tender the pure silver rupee, which is 925 fine, and put in its place a rupee of 500 fine, a half-alloy coin which in effect results in a blocked currency for India, because when India comes to this country to purchase from our exporters we value their money on a bullion basis. That results in their purchasing power being cut in half. Everything that we are doing for our ally seems to be adverse to the good, sound business principles of our own country. I feel that this 300,000,000 of silver that we have lent the British will be returned and will be thrown on the bullion market to break down the price of silver and destroy the purchasing of our oriental customers just as the 200,000,000 ounces were thrown on the market after the last war to break down the price of silver and destroy the purchasing power of our Asiatic customers. This in turn had a serious effect on prices in this country and was largely responsible for the depression that we went through in the 30's.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, seldom has an appropriation bill been considered by the House that carries such large sums of money and affects so many different items which Members of the House will be called upon to explain to their constituents, where so much time has been spent in general debate with so little on the items in the bill, itself. Yesterday afternoon we witnessed the spectacle of most of the time being devoted to the discussion of an item that was not in the bill. I refer to the discussion of the FEPC. Today a great deal of discussion has been relative to other appropriation bills, legislative or otherwise, and to other subjects rather than items in this bill.

Mr. Chairman, this is a general deficiency bill and carries items for a great many activities, including an appropriation for two particular activities concerning which every Member will be called upon to understand and explain when he makes a report to his people. I refer to the item in here of approximately $175,000,000 for the Office of Price Administration and the item in here for defense aid or lend-lease, which is approximately $4,400,000,000.

The defense-aid item consists of $1,975,000,000 in new money and the balance in appropriation or whatever new money may be necessary to make up a reappropriation of approximately $2,400,000,000.

The discussions by the gentleman from Illinois [Mr. DIRKSEN] and the gentleman from Arkansas [Mr. HAYS] on the charter and the question of freedom as related to defense aid, were very interesting. I want to venture the observation, however, that the greatest disappointment is going to come to the peoples of the world if they are led to believe that freedom can be assured by writing a charter and then forgetting the thing.

The problem of freedom is a continuing problem. The problem of liberty is a problem of eternal vigilance. We cannot buy freedom by dollars. We cannot buy freedom by defense aid alone. It is going to call for continuous study and devotion to the problems of day-to-day government in the world in the days to come. So whatever we may hope may be the general result of the war, we cannot escape being realistic about such matters as defense aid.

When the gentleman from Kansas, whom I see over there, goes back to his people this summer, they may want to know how much of this defense aid of $4,400,000,000, approximately, is going to foreign countries in the form of agricultural products. The gentleman from New York, who confronts a meat shortage in his city, may be called upon to explain why this bill provides for sending meat and fish to a great many countries of the world in the amount approximately 10 percent of the entire four billion four hundred million fund in the bill.

The total agricultural products carried in this bill, such as dairy products and eggs, meat, fish, fruits, and vegetables, grain and cereal products, sugar, lard, fats, and oils, vitamins, and other foodstuffs amount to over one-third of the $4,400,000,000 defense aid carried in the bill. Machine tools, agricultural machinery, road-building equipment, electrical equipment, railroad equipment, other machinery, and items of that character amount to more than one-tenth of the $4,400,000,000. Phosphates, petroleum, coal, textiles, chemicals, mineral products, and timber products amount to over one-fourth of the $4,400,000,000 carried for defense aid in this bill.

I think I can say that the committee was impressed by the intent and integrity of men like Mr. Crowley who appeared before us, but when it is remembered that this $4,400,000,000 worth of material is going to be distributed to such countries as the Soviet Republic, the United Kingdom colonies, Australia, New Zealand, India, China, France, Belgium, Norway, the Netherlands, Saudi Arabia, and the Middle East, many of your people will want to know what those people are doing in the war. For instance, what is Saudi Arabia doing in the war against Japan? What is Norway doing in the war against Japan? What is Belgium doing in the war against Japan? I hope those of you who are interested in wanting to attempt to answer those questions will read the hearings as they appear at page 700 and following.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Tennessee.

Mr. JENNINGS. What could they do to help this country in the war against Japan except to send some soldiers and let them get out on the firing line where it is dirty and dangerous? Of course, they will always be hungry. They have an insatiable appetite, and they can eat not only what we are sending them but perhaps what others send in addition.

Mr. CASE of South Dakota. I said during the hearings that I thought a better case had been made for relief than

was made for defense aid. I asked Mr. Cox, the chief counsel, about the limitations upon the allotments of these supplies. Mr. Cox replied—and I read from the hearings, page 721:

That in the first place the President has to make a finding that a particular country's defense is vital to the defense of the United States; second, a finding has to be made by Mr. Crowley, who has the powers delegated to him by the President, that the particular supply is a defense article within the meaning of the Lend-Lease Act and is furnished to a country whose defense is vital to the defense of the United States.

With respect to some of these food items I raised the question which the gentleman from Tennessee has just raised. The reply was that there is a great deal of social unrest in some of these countries, and that if we do not keep them quiet it will complicate our problems in fighting against Japan.

I wish there was more time remaining for general debate than there is. I am going to drop the subject of defense aid and turn to the Office of Price Administration for the time remaining to me.

Personally, I think the Office of Price Administration is getting more money in this bill than it will be able to spend wisely or effectively. It is my personal feeling that instead of asking the OPA to put on more agents we should tell them to drop some of their activities and simplify their regulations, thereby reducing their work load.

My mail is getting heavier and heavier with instances of picayunish persecution by the OPA of people who have no opportunity to know some minor or minute regulation of the OPA which they are charged with having violated.

Here is a letter which came to me which says:

One of our citizens came in the other day and asked about 5-year bonds. He said he wanted to buy $5,000 worth. But the next day he attended a local trial by the OPA and then he came back to the bond committee and said, "Forget it. I am through buying bonds if citizens are going to be bullied by the OPA with money that might be paid out of the bonds I would buy."

Last night the Star carried a survey by the Associated Press of instances throughout the country where regulations of the OPA were causing tremendous resentment.

At Houston, Tex.—and I do not suppose anyone will want to say that the people of Houston, Tex., are unpatriotic, disloyal, or that they are lawbreakers. But the Associated Press reports that yesterday nearly 1,000 meat markets were closed on the second day of what the operators declared to be a shut-down protest against over-ceiling wholesale prices and tie-in sales regulations by the OPA.

One letter that I have received says:

No one ever wants to contact the local or district OPA office for any reason. They want to keep out of the OPA limelight. If they ask about something they may find that they will be persecuted and prosecuted. The same party of which I spoke in the above paragraph stated his views about OPA tactics and actions. This was overheard by an OPA official, who stated: "I'd sure love to get something on him."

At another point, he says:

One of the things that I, and many others, cannot understand are the differences in the amount of food to be distributed and the actual amount will be distributed through ration points, as an example, let us take the red ration points for meats and fats and fish and cheese:

Each person is allocated, and has been since the first of this year, 50 points a month, a total of 600 for the year, out of which each family is supposed to purchase the items noted. On this basis each person would receive about:

	Points
10 pounds of butter at 24 points	240
6 pounds of fats at 12 points	72
36½ pounds of meat (average 8 points)	288

This equals 600 points and the year's allotment—but daily we read that we are not being treated so bad—we are supposed to get:

	Points
10 pounds of butter at 24 points	240
28 pounds of fats at 12 points	336
120 pounds of meat at 8 points	960
Fish? Canned milk? Cheese?	?

Here we have actual total of 1,536 plus. Difference: Short 936 points.

Mathematically it just won't check with what a person is supposed to receive and what he is able to obtain with his ration book.

Of course, I know it will be stated that restaurants and industrial agencies will process foods and that the individual will obtain the remainder of his ration in that manner. That may be true of a person who has no home and eats at restaurants—or a person who eats out twice daily. It will not add up when considering the folks who live at home for three meals daily—or the wife and children who live and eat at home, nor the farmer and small-town folks who seldom if ever eat out, and who process their own food—bake their own bread and pastries, and generally process all their foods at home, purchasing the raw ingredients.

I'd personally like to hear the answer to that one, and I mean a logical answer that will fit our people. * * * As I have written you previously, we must have price control, but it must be managed with discretion and a bit of common sense.

I close by offering a most pertinent letter written by one of our most respected merchants to the South Dakota Retail Merchants Association. The letter follows:

APRIL 14, 1945.

SOUTH DAKOTA RETAIL MERCHANTS' ASSOCIATION,
Huron, S. Dak.

DEAR SIR: There has been considerable publicity lately, sent out by the Office of Price Administration, relative to cases to be held against certain merchants within the State, for alleged violating certain OPA regulation. I have never read or heard whether or not these allegations have been upheld, and the suspensions ordered, although I did read a few of the many alleged violations.

It is my belief that your office should ask the Office of Price Administration to discontinue this publicizing of allegations prior to a hearing before authorized local boards or the courts of our Nation's tribunals; and then only in case of a guilty finding by that court, should any publicity be given the case.

My reason for this utterance is that the person is accused, not formally, but informally. He has not been indicted by a court or a jury, but by a board. A board who has only the same authority as any other agency of the Federal Government. Any other agency would place the case before a formal jury—a secret jury—who would bring out their findings, and who then would decide if there was sufficient evidence to bring the case to court or to drop the case and all its allegations.

This alleging something that someone has done, through fraud, in a premeditated conspiracy against the people in time of war, is a serious allegation. It reduces the respect of all our peoples in the patriotic works we are trying to do. It reduces the respect of all peoples for distributive trades who are doing a tremendous task in supplying peoples with their daily food and clothing needs.

It is breaking down the morale of merchants—honest merchants—all over the Nation. They are asking themselves: "Why should I try to work under this burden of unjust and constant accusation of dishonesty and dispatriotism, trying to make a very meager living, while others work in war plants, make a better living, and a constant pat on the back for their patriotic work. Am I, too, not doing a patriotic job in trying to comply with these masses of regulations—I guess I'll quit."

A letter from your office should not name individual merchants as they may then be persecuted by those offices, and under constant surveillance. You know what and how to do the job.

Sincerely,

ART SVENDBY.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Chairman, we are all inspired by the return of the delegates from the United Nations Conference in San Francisco today. I was at the national airport to greet them as they returned to the Capital. Their work is on a high plane of broad principles in planning for peace. We have a workaday job before us here in the House of making peace work; it is involved in this bill, in the lend-lease appropriations.

This Congress wrote in an amendment to the lend-lease extension law this spring which provided that lend-lease was not to be used for postwar relief, rehabilitation, or reconstruction, but provided machinery for the transition period from war to peace. President Truman, then Vice President, voted on that amendment, as it was a tie vote, signed the bill as Vice President, and signed it as President. A group of us were very much interested as to what he intended to do post-VE-day as to lend-lease under the new law and wrote the President a letter. This is part of his answer:

I am, of course, in full agreement with you that the Lend-Lease Act does not authorize aid for purposes of postwar relief, postwar rehabilitation, or postwar reconstruction, and that in the liquidation of any lend-lease war supply agreements, articles transferred after they are no longer necessary for the prosecution of the war should be disposed of only on terms of payment.

I find in this bill before us in the lend-lease appropriation a complete repudiation and violation of that principle which Congress has recently laid down, which the President voted for in the Senate, and approved as President. Remember that this $4,000,000,000 of lend-lease is not for military supplies or munitions. None of it is for munitions. Oscar Cox, soon to be Lend-Lease Administrator, said so in the hearing.

Yesterday we passed a $790,000,000 lend-lease appropriation in the bill for military supplies. This appropriation today is all for nonmilitary lend-lease. It includes $1,495,000,000 of food and over a billion dollars of food is to go to European countries.

We set up the United Nations Relief and Rehabilitation Administration to take care of postwar relief.

The House of Representatives has voted for the Bretton Woods agreements which will finance postwar reconstruction. We are ready to implement further the Export-Import Bank. But what we have before us now is the proposition to furnish over a billion dollars' worth of food free under lend-lease to postwar Europe. I contend that every one of us knows enough about military affairs to realize when we furnish a billion dollars' worth of food to Europe now that it is not connected with the Japanese war. That is a postwar European relief project that should not be in lend-lease at all.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. CASE of South Dakota. I should just like to point out in that connection that there is more in this bill in the defense-aid item for France than there is for China.

Mr. VORYS of Ohio. And there is more for lend-lease food than there is for lend-lease guns.

Mr. CASE of South Dakota. Yes. This is mostly all food.

Mr. VORYS of Ohio. Now here is the argument made before the committee, that there will be social unrest and political unrest in Europe if we do not feed them. Of course, there will be, but if that is ground for furnishing stuff as a matter of defense, then lend-lease, which we attempted to prohibit from entering the postwar-relief field, has become a postwar free-lunch counter for the world and we have no control over it.

UNRRA was set up to take care of postwar relief, both for countries that cannot pay for, and those who can pay but still need, food. UNRRA has broken down, but that is no excuse to substitute lend-lease for UNRRA. We furnish two-thirds of the money and also the top management of UNRRA. We should get UNRRA going, to handle relief to starving Europe, instead of violating the lend-lease law.

This appropriation does not pretend to care for the neediest countries—Greece, Poland, and so forth. It covers countries that need food but have resources, such as Britain, France, Belgium, and Holland.

Now, should we cut off food to those countries? No. We should write into this appropriation the same sort of amendment that we wrote into the lend-leasc law, a provision that when we furnish lend-lease food to those European countries they pay for it. If they do not have the cash we will take credit, but the issue is just this simple, either Britain, France, Norway, Belgium, and Holland pay for their postwar food—and every one of them except Britain are paying countries under UNRRA, and Britain did not even want to come under UNRRA—either those countries pay for their groceries and add it to their own national debt, or we add it to our national debt. It seems to me that a very simple amendment would take care of this situation and would carry out the principle that our President has just approved in this letter that I have just read. We should write into this bill a provision that those countries that receive postwar food from lend-lease, not for use in the Japanese war, should pay for it on terms provided by the President.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. MURRAY].

FOOD IN RELATION TO LEND-LEASE

Mr. MURRAY of Wisconsin. Mr. Chairman, in response to a recent request, the Office of Foreign Agricultural Relations on June 7 furnished me with various statistics, but stated that "that part of the export table which shows a break-down of lend-lease data remains confidential, as you will note, and may not be published without prior clearance by the Foreign Economic Administration."

In a letter dated June 26, Mr. Alfred E. Davidson, General Counsel of the Foreign Economic Administration, stated that "although the Foreign Economic Administration has no objection to your use of this information, we wish to point out that the figures are not our own, and, in addition, are designated as 'preliminary,' as you will observe in the upper right-hand corner of each page."

I have tried to secure the facts as to the foreign and domestic food picture. I hope to present it at a future time. The following table indicates the foods exported during the war period:

Exports (domestic) of major food products from the United States under lend-lease as compared with total exports of food products, Mar. 11, 1914–Dec. 31, 1944 (preliminary)

Commodity exported	Quantity, year ended Dec. 31—			Value, year ended Dec. 31—		
	Mar. 11, 1941–42 [1]	1943	1944	Mar. 11, 1941–42	1943	1944
Meats, fresh and pickled (pounds): [2]						
Lend-lease exports	193,790,000	724,215,000	822,895,000	$39,595,000	$152,579,000	$210,746,000
Total exports	247,206,000	745,933,000	849,331,000	41,675,000	156,554,000	214,819,000
Pork, cured (pounds): [3]						
Lend-lease exports	395,249,000	258,823,000	202,023,000	84,417,000	65,651,000	51,239,000
Total exports	417,115,000	262,612,000	206,299,000	89,298,000	66,778,000	52,389,000
Meats, canned (pounds): [4]						
Lend-lease exports	842,159,000	1,012,347,000	591,922,000	295,199,000	380,359,000	228,205,000
Total exports	851,035,000	1,015,037,000	594,880,000	138,135,000	382,097,000	229,653,000
Other meats (pounds): [5]						
Lend-lease exports	16,863,000	21,444,000	73,329,000	3,861,000	5,864,000	27,936,000
Total exports	27,413,000	22,060,000	75,359,000	6,277,000	6,078,000	28,466,000
Lard, including neutral (pounds):						
Lend-lease exports	815,635,000	664,258,000	700,242,000	101,998,000	110,228,000	120,880,000
Total exports	991,634,000	736,357,000	858,387,000	121,623,000	121,083,000	143,821,000
Oleomargarine (pounds):						
Lend-lease exports	28,732,000	96,886,000	77,451,000	3,972,000	15,933,000	14,414,000
Total exports	31,339,000	97,719,000	79,010,000	4,336,000	16,080,000	14,708,000
Other animal oils (pounds): [6]						
Lend-lease exports	15,298,000	34,818,000	5,069,000	1,942,000	4,631,000	707,000
Total exports	56,971,000	70,579,000	43,486,000	6,725,000	8,065,000	4,913,000
Condensed and evaporated milk (pounds):						
Lend-lease exports	815,866,000	467,789,000	558,258,000	67,034,000	54,923,000	67,051,000
Total exports	1,014,877,000	574,028,000	593,083,000	86,790,000	57,052,000	71,729,000
Dried milk, including infants' foods (pounds):						
Lend-lease exports	168,557,000	259,013,000	223,611,000	22,124,000	38,510,000	43,834,000
Total exports	202,278,000	272,579,000	244,876,000	32,910,000	44,468,000	52,810,000
Butter (pounds):						
Lend-lease exports	13,347,000	99,182,000	86,690,000	5,196,000	41,847,000	47,885,000
Total exports	17,647,000	99,634,000	87,558,000	6,855,000	42,072,000	48,317,000
Cheese (pounds):						
Lend-lease exports	387,333,000	156,289,000	295,087,000	93,059,000	41,849,000	89,172,000
Total exports	396,217,000	157,743,000	296,914,000	95,354,000	42,399,000	89,818,000
Eggs, dried, etc. (pounds): [7]						
Lend-lease exports	232,427,000	232,004,000	243,102,000	197,057,000	267,167,000	299,430,000
Total exports	235,124,000	234,017,000	244,933,000	199,547,000	269,480,000	301,574,000
Rice, milled (pounds):						
Lend-lease exports	31,928,000	220,226,000	65,650,000	1,799,000	13,998,000	4,644,000
Total exports	654,871,000	540,159,000	454,684,000	34,470,000	36,561,000	32,582,000
Wheat flour (barrels):						
Lend-lease exports	2,116,000	3,124,000	3,192,000	5,775,000	18,965,000	23,612,000
Total exports	8,967,000	6,758,000	8,507,000	39,989,000	39,644,000	58,902,000
Wheat, grain (bushels):						
Lend-lease exports	1,076,000	499,000	967,000	1,038,000	1,459,000	1,850,000
Total exports	17,625,000	11,841,000	10,381,000	16,365,000	16,196,000	16,898,000

[1] Total exports include the period Apr. 1, 1941, to Dec. 31, 1942.
[2] Includes beef, veal, mutton, lamb, and pork, fresh and pickled. (In 1941–42, total exports included 18,000 pounds of horse meat.)
[3] Includes bacon, hams, shoulders, Cumberland and Wiltshire sides.
[4] Includes beef, pork, sausage, chicken, and other canned meats.
[5] Includes poultry and game, fresh, sausage, not canned, tongues, kidneys, livers, sausage ingredients, and other meats, fresh, frozen, pickled, or cured.
[6] Includes also oil, oleo stock, oleo stearin, tallow, neat's-foot oil, fish oils, grease stearin, stearin acid, oleic acid or ned oil, and other animal oils, fats, and greases.
[7] Includes eggs, dried, frozen, or otherwise prepared; except albumen.

Exports (domestic) of major food products from the United States under lend-lease as compared with total exports of food products, Mar. 11, 1941–Dec. 31, 1944 (preliminary)—Continued

Commodity exported	Quantity, year ended Dec. 31—			Value, year ended Dec. 31—		
	Mar. 11, 1941–42	1943	1944	Mar. 11, 1941–42	1943	1944
Corn, grain (bushels):						
Lend-lease exports	10,846,000	1,124,000	852,000	$9,875,000	$1,153,000	$1,338,000
Total exports	27,831,000	5,133,000	10,231,000	24,772,000	6,157,000	14,565,000
Biscuits and crackers (pounds):						
Lend-lease exports	6,840,000	43,538,000	6,439,000	750,000	5,519,000	1,091,000
Total exports	15,530,000	47,215,000	13,854,000	2,599,000	6,265,000	3,079,000
Other prepared grain foods (pounds): [8]						
Lend-lease exports	65,928,000	113,873,000	123,532,000	2,564,000	5,361,000	6,077,000
Total exports	133,841,000	146,426,000	171,918,000	7,147,000	7,912,000	10,366,000
Beans and peas, dried (pounds):						
Lend-lease exports	313,147,000	441,553,000	359,465,000	16,203,000	25,261,000	24,821,000
Total exports	419,994,000	470,853,000	394,838,000	22,060,000	27,290,000	27,713,000
Vegetables and juices, canned (pounds):						
Lend-lease exports	167,006,000	136,475,000	258,135,000	9,371,000	8,964,000	25,393,000
Total exports	349,422,000	150,084,000	273,078,000	23,125,000	12,114,000	27,266,000
Vegetables, dehydrated (pounds): [9]						
Lend-lease exports		29,025,000	54,606,000		9,451,000	23,216,000
Total exports		30,875,000	55,564,000		10,049,000	23,818,000
Soya flour [9] (pounds):						
Lend-lease exports		73,873,000	53,969,000		3,522,000	2,712,000
Total exports		74,407,000	56,615,000		3,550,000	2,839,000
Fruits, dried and evaporated (pounds):						
Lend-lease exports	404,132,000	292,484,000	292,631,000	25,918,000	27,819,000	19,975,000
Total exports	550,562,000	337,209,000	513,277,000	36,604,000	32,592,000	60,743,000
Fruits, canned including pulp (pounds):						
Lend-lease exports	69,994,000	72,785,000	110,290,000	6,806,000	7,733,000	13,258,000
Total exports	104,929,000	80,020,000	118,087,000	9,939,000	8,652,000	14,266,000
Fruit juices (gallons):						
Lend-lease exports	1,310,000	4,814,000	4,057,000	3,530,000	13,537,000	16,762,000
Total exports	9,352,000	7,209,000	9,020,000	7,431,000	15,273,000	21,167,000
Expressed oils (pounds): [10]						
Lend-lease exports	88,308,000	409,273,000	380,468,000	12,200,000	61,939,000	57,169,000
Total exports	213,176,000	460,764,000	416,976,000	25,662,000	69,296,000	63,479,000
Cornstarch and corn flour (pounds):						
Lend-lease exports	305,385,000	176,164,000	104,490,000	10,302,000	7,393,000	6,399,000
Total exports	387,975,000	182,266,000	120,914,000	13,165,000	7,687,000	7,167,000
Sugar, refined (pounds):						
Lend-lease exports	211,665,000	[11] 1,144,923,000	501,628,000	10,116,000	50,750,000	29,160,000
Total exports	393,831,000	[11] 1,180,933,000	538,678,000	16,903,000	52,233,000	30,789,000
Canned fish (pounds, nonagricultural):						
Lend-lease exports	255,224,000	228,963,000	95,291,000	35,458,000	41,711,000	28,757,000
Total exports	333,401,000	235,890,000	107,952,000	43,678,000	42,677,000	30,726,000
Soybeans (pounds):						
Lend-lease exports	32,325,000	71,755,000	10,370,000	1,412,000	2,975,000	587,000
Total exports	39,213,000	79,731,000	30,027,000	1,636,000	3,251,000	1,307,000
Total above food products:						
Lend-lease exports				1,068,571,000	1,487,051,000	1,518,320,000
Total exports				1,155,070,000	1,609,605,000	1,700,689,000
Total other food products: [12]						
Lend-lease exports				40,481,000	37,241,000	37,085,000
Total exports				300,918,000	89,694,000	169,280,000
Total food products:						
Lend-lease exports				1,109,052,000	1,524,292,000	1,555,405,000
Total exports				1,455,988,000	1,699,299,000	1,869,969,000

[8] Includes oatmeal, groats, and rolled oats, hominy and corn grits, corn cereal foods ready to eat, macaroni, spaghetti and noodles, wheat cereal foods, ready to eat and to be cooked, wheat semolina, and other cereal foods.

[9] Not separately classified prior to Jan. 1, 1943.

[10] Includes edible and inedible oils.

[11] Includes 400,000,000 pounds of raw sugar exported from the port of Puerto Rico to the United Kingdom.

[12] Other food products include items not listed separately, such as fresh fruits, other grains and vegetables, nuts, molasses, etc. Compiled from official records, Foreign Economic Administration and Bureau of the Census.

Total exports of food products were released for publication VE-day. Data on lend-lease exports by commodity remain confidential and may not be published without prior clearance by the Foreign Economic Administration.

Before any hasty conclusions are drawn from these tables it should be pointed out that other factors should be taken into consideration. One of these is the general agricultural imports and exports as shown in the testimony of Mr. William Clayton before the Ways and Means Committee, shown on page 187 of the hearings on H. R. 2652. The table inserted by Mr. Clayton follows:

Value of United States exports and imports of total agricultural products, 1920–44 [1]

[Millions of dollars]

Year	Exports of agricultural products [2]	Imports of agricultural products [3]		
		Total agricultural imports	"Supplementary" agricultural imports [4]	"Complementary" agricultural imports [5]
1920	3,443	3,249	2,157	1,092
1921	2,114	1,319	735	584
1922	1,884	1,607	834	773
1923	1,820	2,028	1,094	934
1924	2,110	1,911	984	927
1925	2,136	2,340	1,001	1,339
1926	1,817	2,416	973	1,443
1927	1,885	2,221	996	1,225
1928	1,863	2,100	955	1,145
1929	1,693	2,218	1,017	1,201
1930	1,201	1,469	701	768
1931	821	1,008	447	561
1932	662	668	296	372
1933	694	732	365	367
1934	733	821	413	408
1935	747	1,072	589	483
1936	709	1,242	695	547
1937	797	1,579	868	711
1938	828	956	477	479
1939	655	1,118	526	592
1940	517	1,285	543	742
1941	669	1,668	785	883
1942	1,179	1,274	820	454
1943 [6]	2,073	1,513	1,059	454
1944 [6]	2,089	1,818	1,229	589

[1] In order to make the data comparable for all years figures for agricultural products during 1935 and 1936 as published by the Department of Commerce have been adjusted to exclude trade of alcoholic beverages, candy, moss, and dogs for breeding and to include trade of live silver foxes.

[2] Exports of United States merchandise.

[3] General imports through 1933; imports for consumption thereafter.

[4] Includes all agricultural commodities more or less similar to those produced commercially in the United States and all others that are interchangeable in use to any significant extent with those produced commercially in the United States. These agricultural products are imported because of deficient domestic supplies, special quality or use, differences in marketing seasons, or other economic considerations. Many of them are subject to high import duties.

[5] Includes all others (compare footnote 4). About 95 percent of the imports in this category consists of rubber, coffee, raw silk, cacao beans, carpet wool, bananas, tea, and spices.

[6] Preliminary.

Source: Compiled from records of the Department of Agriculture.

I include at this point a letter from the general counsel together with a condensed statement on lend-lease and reverse lend-lease:

Footnotes at end of table.

Lend-lease food exports compared with food received under reverse lend-lease, cumulative from beginning of program to Jan. 1, 1945

[Thousands of pounds]

	Lend-lease exports	Foods received under reverse lend-lease
Meat and fish [1]	5,209,802	691,942
Dairy products	2,991,225	383,640
Fruits and vegetables	1,979,052	1,164,412
Sugar	[2] 477,430	561,912
Grain and cereal products	1,777,642	564,659

[1] Including total lend-lease deliveries of beef and veal during the period of 281,000,000 pounds. Beef and veal received during the same period from Australia and New Zealand alone under reverse lend-lease totaled 252,102,000 pounds.

[2] Exports from continental United States only. Does not include lend-lease shipments made from Caribbean area and South America.

FOREIGN ECONOMIC ADMINISTRATION,
Washington, D. C., June 26, 1945.

Hon. REID F. MURRAY,
House of Representatives,
Washington, D. C.

DEAR MR. MURRAY: Your request to have the Foreign Economic Administration release the confidential document in your possession, entitled "Exports (Domestic) of Major Food Products from the United States Under Lend-Lease as Compared With Total Exports of Food Products—From March 11, 1941, Through December 31, 1944," has been referred to me by Mr. Crowley.

It is my understanding that you wish to use these figures in connection with a proposed speech on the floor of the House and in connection with current debate on food questions. Although the Foreign Economic Administration has no objection to your use of this information, we wish to point out that the figures are not our own and, in addition, are designated as "preliminary," as you will observe in the upper right hand corner of each page. This means that, while the figures may be useful as approximations of what has been exported, they are subject to considerable adjustment and cannot be deemed accurate.

As I indicated to you in my earlier letter of June 20 and as Mr. Howard has said in his conversations with you, we feel that the less detailed but more up-to-date and reliable data we furnished you will be more helpful in presenting the facts on lend-lease food shipments.

I trust that you will find the information useful. If there is anything further I can do to be of assistance to you in this matter, please do not hesitate to call upon me at any time.

Sincerely yours,

ALFRED E. DAVIDSON,
General Counsel.

One must not only take the total imports of food in consideration but also keep in mind the reverse lend-lease and purchases of food by the Army and Navy in other countries.

The general imports are also shown in the following table from the Office of Foreign Agricultural Relations:

Imports (for consumption) of major food products into the United States as compared with total imports of food products, 1941–44 (preliminary)

Commodity imported	Unit	Quantity, year ended Dec. 31—				Value, year ended Dec. 31—			
		1941	1942	1943	1944	1941	1942	1943	1944
SUPPLEMENTARY [1]									
Cattle (dutiable)	Number	733,000	653,000	615,000	341,000	$21,458,000	$22,943,000	$18,687,000	$15,848,000
Butter	Pounds	3,724,000	20,081,000	3,264,000	1,731,000	737,000	3,250,000	782,000	404,000
Casein or lactarine	Pounds	41,518,000	16,819,000	28,426,000	47,225,000	3,802,000	3,500,000	2,867,000	4,561,000
Cheese	Pounds	20,013,000	24,217,000	25,200,000	9,045,000	3,899,000	4,577,000	4,389,000	1,863,000
Honey	Pounds	3,337,000	20,049,000	36,654,000	23,633,000	83,000	1,221,000	2,979,000	2,163,000
Beef, canned, including corned	Pounds	104,334,000	91,557,000	105,540,000	87,220,000	13,154,000	14,152,000	18,643,000	15,245,000
Other meats	Pounds	58,376,000	35,615,000	25,277,000	35,488,000	6,293,000	5,068,000	5,474,000	8,949,000
Sausage casings	Pounds	22,004,000	18,097,000	14,537,000	16,854,000	5,897,000	6,640,000	7,826,000	7,662,000
Tallow, edible and inedible	Pounds	34,381,000	77,356,000	40,741,000	76,310,000	1,132,000	4,283,000	2,804,000	5,478,000
Fruits and preparations (excludes bananas) [2]		[3]	[3]	[3]	[3]	13,406,000	10,804,000	20,102,000	24,038,000
Barley, grain	Bushel	898,000	6,387,000	44,607,000	42,113,000	520,000	4,276,000	31,366,000	39,008,000
Oats, grain	do	6,021,000	9,528,000	76,784,000	80,554,000	2,251,000	4,026,000	39,790,000	59,690,000
Wheat, including flour [4]	do	15,826,000	9,861,000	58,760,000	136,226,000	10,957,000	7,146,000	65,877,000	181,263,000
Other grains and preparations		[3]	[3]	[3]	[3]	6,999,000	1,938,000	6,973,000	20,265,000
Oils and fats, expressed		[3]	[3]	[3]	[3]	54,961,000	32,840,000	37,835,000	44,848,000
Sugar	Short ton	3,738,000	2,007,000	3,361,000	3,863,000	153,364,000	108,487,000	186,905,000	212,237,000
Molasses	Gallon	412,885,000	222,288,000	152,970,000	307,550,000	23,903,000	30,411,000	27,067,000	59,025,000
Turnips and rutabagas	Pound	132,156,000	145,171,000	197,306,000	157,527,000	1,179,000	1,468,000	3,014,000	2,072,000
Tomatoes, fresh	do	132,230,000	129,913,000	174,438,000	187,565,000	3,485,000	3,895,000	7,235,000	12,772,000
Tapioca	do	326,084,000	81,830,000	50,284,000	48,403,000	7,737,000	2,776,000	2,507,000	2,503,000
Potatoes, certified seed	do	44,693,000	46,203,000	63,389,000	116,484,000	549,000	857,000	1,434,000	2,739,000
Beans, peas, and chickpeas, dried	do	27,340,000	28,964,000	124,026,000	70,357,000	1,118,000	1,264,000	4,866,000	2,760,000
Other vegetables and preparations		[3]	[3]	[3]	[3]	5,565,000	3,806,000	13,189,000	14,351,000
Nuts and preparations		[3]	[3]	[3]	[3]	18,797,000	8,142,000	5,644,000	22,794,000
Wines	Gallon	1,660,000	1,024,000	4,186,000	8,173,000	4,081,000	2,556,000	9,433,000	19,204,000
Fish [5]	Pound	305,875,000	277,111,000	324,056,000	339,374,000	28,040,000	28,953,000	43,536,000	53,311,000
Salt [5]		30,864,000	15,507,000	2,515,000	11,107,000	59,000	29,000	13,000	32,000
Total above food products (supplementary).						393,426,000	319,308,000	571,237,000	835,085,000
COMPLEMENTARY [1]									
Cacao beans and shells thereof	Pound	692,922,000	239,651,000	574,642,000	682,308,000	39,086,000	18,534,000	39,237,000	46,067,000
Coffee (except into Puerto Rico)	do	2,254,682,000	1,714,655,000	2,198,177,000	2,606,683,000	177,385,000	205,362,000	273,348,000	325,980,000
Tea	do	107,081,000	49,573,000	89,089,000	90,244,000	29,160,000	18,343,000	28,834,000	30,274,000
Bananas	Bunch	51,662,000	27,199,000	24,729,000	31,686,000	29,725,000	16,181,000	15,397,000	21,049,000
Spices	Pound	144,811,000	46,807,000	19,777,000	27,520,000	17,470,000	12,120,000	8,936,000	11,340,000
Total above (complementary)						292,826,000	270,540,000	365,752,000	434,710,000
Other food products [6]						13,759,000	11,532,000	23,926,000	27,206,000
Total all food products						700,011,000	601,380,000	960,915,000	1,297,001,000

[1] In the classification of agricultural imports into supplementary and complementary groups, all those similar to agricultural commodities produced commercially in the United States and all others that are interchangeable in use to any significant extent with such United States commodities are considered supplementary. Complementary include all others.

[2] See complementary group.

[3] Value only.

[4] Includes wheat for milling in bond and export.

[5] Nonagricultural food.

[6] "Other food products" include items not listed separately such as live poultry, maple sirup, confectionery, etc.

Source: Office of Foreign Agricultural Relations. Compiled from official records, Bureau of the Census.

When the domestic production of food products, agricultural imports, direct food purchases by the Army and Navy and reverse lend-lease are all taken into consideration, the amounts of food shipped through lend-lease can be fairly and properly appraised.

Let us all be sure to get all of the facts about the over-all war food problem before we make any statements that are not for the best interests of the war effort.

It appears that—

First. The imports of foods, reverse lend-lease foods, the direct purchases of food by the Army and Navy exceed our food exports, and this includes the lend-lease exports.

Second. The facts appear to be that instead of boasting about feeding the world, we have not fed the people of the United States in pounds, bushels, or tons.

Third. When the imports are figured on the point of origin, and when the exports are figured on declared value, one can see that the dollar imports and exports do not give the true or factual picture.

Fourth. A glance at table 4 indicates the point I am making. You will note

that in 1942, 20,000,000 pounds of butter were imported, costing and tabulated at 16 to 25 cents per pound. Table 1 shows that in the same years we exported from eighty-seven to ninety-nine millions of pounds at a declared value of about 41 cents per pound. In other words, for $1, 6 pounds of butter were imported but only 2½ pounds of the same butter could be exported.

Fifth. In table 3 we see two billions in exports and one billion eight hundred thousand in agricultural imports. This is in dollars. However, it is evident that using these same figures, no doubt more pounds, bushels, and tons of agricultural products were imported than were exported. When the reverse lend-lease are added to the imports, and they should in fairness be done if the lend-lease are to be figured as exports; and when the agricultural purchases in other countries is added to these, it appears to me we have secured more food outside the United States than has been shipped out of the United States. This may not coincide with the Washington propaganda, but if I am in error, please have someone correct me.

In the meantime, let us have more factual information on this food problem. There is no reason to continue to deceive the consumers of America, and there is no reason to be a party to deceiving the world about feeding them when the food we send them or its equivalent must be purchased in some other country in order to furnish food for our own people.

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. LATHAM].

Mr. CANNON of Missouri. Mr. Chairman, I yield 1 minute to the gentleman from New York.

The CHAIRMAN. The gentleman from New York is recognized for 4 minutes.

Mr. LATHAM. Mr. chairman, there is not a Member of this House who is more willing than I to supply the necessities of life to the people of Europe who are starving.

I was somewhat startled, however, the other day when I was shown the reprint of an ad in the New York Sun on May 31, which was inserted by Macy's Department Store in New York City.

This ad reads in part:

Beginning tomorrow, June 1, you can send 11 pounds of food and necessities to civilians in France * * *. No ration points needed. * * * Delivery is guaranteed. And we will be glad to take a standing order for packages to be shipped at regular intervals. * * * Orders in any quantity will be filled for corporations, organizations, clubs. One package per person each week is permissible.

What surprised me, Mr. Chairman, were the contents of these packages which were being shipped, point free, and in any quantity to these civilians in France.

There are several combinations of food which make up the various packages. One of them which has been designated as "F–8," and which sells for $7.73, contains, among other articles, one pound of sugar, 12 ounces of luncheon meat, chocolate bars, three pairs of women's hose, and bobby pins. Other packages, which cost less, contain articles such as one pound of butter, 13 ounces of Pabst cheese, and four cakes of soap.

Now, I have been under the impression, Mr. Chairman, that these things which I have enumerated are really scarce, and that the available supply is strictly limited. I know that in my home we frequently go without butter and sugar, and in a recent release the OPA has indicated that the supply of canning sugar for home use will be cut even further. For a long time our people have had great difficulty in obtaining either Pabst cheese or luncheon meat at the corner store. I have also observed that a good portion of our female population these days manages to struggle along without hose of any kind, and I would not call three pairs a week an absolute necessity for even the famous beauties of France.

This ad says that orders will be filled in any quantity for corporations, organizations and clubs. How easy it would be for two or three of us to get together and call ourselves a club and ship unlimited amounts of high priority food and material to some distant cousin on the other side.

The ad says that one package may be sent each week per person. In other words, without forming ourselves into a club, each of us could send to a family of five in France every week 5 pounds of butter or sugar, 60 ounces of luncheon meat, and 15 pairs of women's hose.

Mr. Chairman, I have not checked into the operation of this plan, but I was assured today on the telephone from New York that these packages are still available for shipment. It would seem to me to be quite obvious that someone in the Office of Price Administration or the Foreign Economic Administration has left the door wide open to perpetrate a fraud on the American people.

I reiterate that I am perfectly willing that we share our food with our needy European friends, but I am not willing to agree that it is either fair or just to send over these articles, point free in wholesale quantities, irrespective of need, when they are not available to our own people.

It is high time that someone in this administration closed this gap which would permit some of our French friends, with relatives or friends over here, setting themselves up in the butter-and-egg business, or retail hosiery business.

In this connection I set forth Macy's ad. It reads as follows:

MACY'S: BEGINNING TOMORROW, JUNE 1, YOU CAN SEND 11 POUNDS OF FOOD AND NECESSITIES TO CIVILIANS IN FRANCE AT PARCEL-POST RATES

We've special parcels ready for you. No ration points needed. The Macy low price includes everything—food, packing, shipping, insurance. Delivery is guaranteed. And, we'll be glad to take a standing order for packages to be shipped at regular intervals. Gift-package canteen, fifth floor.

No. F–5, $5.34: 1 pound of sugar, 1 pound powdered milk, 1 pound orange marmalade, 1 pound of French roast coffee, 1 pound of split peas, 8 ounces breakfast sausage, 2 packages chicken noodle soup, 1 pound dried figs, 2 cakes of soap.

No. F–6, $5.96: 1 pound of butter, 1 pound orange marmalade, 2 pounds French roast coffee, 1 pound instant cocoa, 1 pound of split peas, 5 ounces dried eggs, 3½-ounce chocolate bar, 1 cake of soap.

No. F–7, $6.98: 1 pound butter, 1 pound rice, 13 ounces Pabst-Ett cheese, 2 pounds of French roast coffee, 7-ounce chocolate bar, 5 ounces dried eggs, 14 ounces farina, 1 pound honey, 4 cakes of soap.

No. F–8, $7.73: 1 pound of sugar, 2 pounds of French roast coffee, 12 ounces luncheon meat, 4 ounces tea, one-half pound instant cocoa, 7-ounce chocolate bar, 2 packages bouillon cubes, 4 cakes of soap, 6 pairs of men's hose or 3 pairs of women's hose, 1 sewing kit, 10 razor blades or bobby pins.

Orders in any quantity will be filled for corporations, organizations, clubs.

One package per person each week is permissible.

Mrs. NORTON. Mr. Chairman, on yesterday, the gentleman from Virginia [Mr. SMITH] refused to yield to me to set him straight on some of the obviously unfair and untrue statements he addressed to the House. Therefore, I think in justice to the House Committee on Labor, I should correct him. He seems to be in doubt as to the authorship of H. R. 2232. I would advise him that it is a bill which is a composite of 13 separate bills introduced by an almost equal number of Democrats and Republicans. The final bill is the result of consideration by the full Labor Committee with the assistance of the legislative counsel. The principle upon which the bill is built is that written by our late President Roosevelt in his three Executive orders setting up the FEPC.

If the House had an opportunity to debate this bill, any Member would have the right to offer amendments. What the Committee on Labor objects to is the "little dictatorship" of the Rules Committee which denies the House its right to debate this bill or any bill.

I have always understood that the Rules Committee is set up merely to pass upon the advisability of granting various types of rules for the consideration of bills and the method of bringing them to the floor. It most certainly is not the province of the Rules Committee to encroach upon the functions of standing committees of the House and rewrite legislation which is brought before it. That is the function of the House itself if it so desires, not the privilege of 12 men making up one of the very smallest committees of this House.

The gentleman from Virginia [Mr. SMITH] states also that the only hearing in opposition to this measure which was held, was held in the Rules Committee. Hearings were held in the Labor Committee from June 1 through June 16, 1944, at which time the proponents had concluded their testimony. The House was in recess shortly thereafter and I announced in the press that on November 16, hearings would resume and opponents would then be heard. I restated this several times later publicly in the press and in answer to letters, and I also advised the members of the committee, but no opponents appeared although we would have been glad to hear the opposition and take under consideration any suggestions made in good faith. Why did not the gentleman from Virginia ask to be heard at that time? Could it be that he knew he had a way

open in the Rules Committee to kill the bill when a rule was sought?

About the suggestion made to the chairman of the subcommittee, that the bill be resubmitted, I have no knowledge. What I do know is, that no such suggestion was made to me or to the committee. As to the expressed opinion of the gentleman from West Virginia, he is quite capable of replying to your statements himself.

As to the admitted view of the Member from Virginia that the Rules Committee is judge and jury of all bills to be considered, I heartily disagree. Every standing committee of the House has its own responsibility to see that proper legislation comes to the floor, but I regret to say a few members of the Rules Committee can and have made it impossible for normal and proper legislation to be considered by the Membership of the House.

In conclusion, let me say, I believe it would be unthinkable to allow the FEPC to die. Great progress has been made under the Executive order of the President to protect minorities in their jobs. That is all H. R. 2232 seeks to do. Racial and religious intolerance and prejudice should have no place in America, particularly in view of the great and tragic sacrifices that have been made to secure freedom and justice throughout the world.

Mr. CANNON of Missouri. Mr. Chairman, I have no further requests for time. The gentleman from New York has exhausted his time. I ask that the Clerk read the bill.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

SALARIES, OFFICERS AND EMPLOYEES

Committee employees: For an additional amount to pay the second assistant clerk, Committee on Claims, additional compensation at the rate of $1,000 per annum so long as the position is held by the present incumbent, as authorized by House Resolution 290, of June 8, 1945, fiscal year 1946, $1,000.

Mr. COCHRAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN: On page 2, after line 20, insert a new paragraph as follows:

"Capitol Police force under the Sergeant at Arms. The compensation rates named under this head in the Legislative Branch Appropriation Act, 1946, are hereby increased from $1,740 each to $2,000 each for lieutenants; from $1,680 each to $1,920 each for sergeants; and from $1,620 each to $1,800 each for privates and for payment of such increases, fiscal year 1946, $12,780."

Mr. BRADLEY of Pennsylvania. Mr. Chairman, when another amendment is proposed somewhat along the line of the amendment suggested by the gentleman from Missouri, I hope he will not raise a point of order.

Mr. COCHRAN. Mr. Chairman, as I told the Committee earlier in the day when the legislative appropriation bill went to the Senate, increases of less than 15 percent were given to the members of the Capitol Police force on the Senate pay roll. The situation is that the members of the Capitol Police on the House pay roll work under the same captain as the Senate, they work under the same lieutenant and under the same sergeants, and they do identically the same work, but unless this amendment is agreed to they will receive less salary than the men on the Senate pay roll.

This matter was taken up by the Committee on Accounts and I am authorized to bring in a resolution which is privileged, placing the House police on the same basis as the Senate police. If that is not done you will have two checks, you will have two pay rolls, you will have a lot of bookkeeping and accounting like withholding of taxes and withholding of retirement, and so forth. The easiest way to do it is to place it in this bill.

I went before the Appropriations Committee and I advised that committee of the action of the Committee on Accounts.

I am frank to say to the House that this amendment is subject to a point of order. If anybody desires to make it, well and good. I stated to the House today in a speech I made complaining about the action that was taken in connection with the legislative appropriation bill where 14 different items were placed in that bill which had never been authorized by a legislative committee, that if any other amendment is offered to this bill under the heading "House of Representatives" that has not been authorized by the Accounts Committee I will make a point of order against it. I want the gentleman from Pennsylvania to understand that. If he makes a point of order against this amendment, all well and good.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. May I say to the distinguished gentleman from Missouri that I think he is being most unfair. Of course, he knows that because I think he will be doing wrong I do not propose to do a wrong, too. I could not with any fair-mindedness offer a point of order to the amendment he proposes. He is proposing to do something that corrects a situation which should be corrected. But the gentleman is very inconsistent, knowing, as he does, that I and other Members of the House, wanting to do justice to the policemen, would not make a point of order against this proposal. I repeat he is very unfair when he will not extend to the other employees of the House the same justice we want to give to the policemen.

Mr. COCHRAN. I may say to the gentleman from Pennsylvania that there are hundreds of employees in the House complaining about their salaries, but the Committee on Accounts has not authorized me to accept any other amendment but this one and for the protection of that committee I will be forced to make a point of order against any amendment that is offered.

Mr. BRADLEY of Pennsylvania. Without indulging in undue criticism of the gentleman, because he knows what I think of him personally and the position he has assumed in this House on many questions, may I say that if it is true, as he states, that there are hundreds of other employees complaining about the injustice done to them because of their low salaries, then his committee has been derelict in its duty because it has not thoroughly examined the whole question and brought a proposal before this House many months ago.

Mr. COCHRAN. I will say to the gentleman that if he had been here and listened to the speech I made about an hour ago he would understand the situation that exists and what I said about the doorkeepers.

Mr. CANNON of Missouri. Mr. Chairman, this is a legislative item, but due to the fact that the Committee on Accounts, the legislative committee having jurisdiction of the subject, has taken official action, and that the gentleman from Missouri, Chairman COCHRAN, of the Committee on Accounts, has, by their direction, submitted the matter to the Committee on Appropriations, with their approval the Committee on Appropriations waives the point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. COCHRAN].

The amendment was agreed to.

The Clerk read, as follows:

Doorkeeper's office: For payment of 50 pages, including 10 pages for duty at the entrances to the Hall of the House, from July 1 to December 31, 1945, both dates inclusive, at $5 per day each, fiscal year 1946, $46,000.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I offer an amendment.

The Clerk read, as follows:

Amendment offered by Mr. BRADLEY of Pennsylvania: Page 2, after line 24, insert:

"That there shall be paid out of the Treasury until otherwise provided by law, to the 30 messengers whose compensation is fixed at $1,740 per annum each in the Legislative Branch Appropriation Act, 1946, additional compensation at the following rates:

"To 8 messengers assigned to duty at the doors leading to the House floor, $760 per annum each, in addition to the compensation fixed in such act.

"To 8 messengers assigned to duty at the doors leading to the family galleries of the House, $360 per annum each, in addition to the compensation fixed in such act.

"To 2 messengers assigned to duty at the doors leading to the tourist galleries of the House, $300 per annum each, in addition to the compensation fixed in such act.

"To 12 messengers assigned to duty at the doors leading to the public galleries of the House, $300 per anum each, in addition to the compensation fixed in such act."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

Mr. COCHRAN. Mr. Chairman, due to the fact that the Committee on Accounts has not authorized this increase in salaries, I am forced to make a point of order against it on the ground that it is legislation on an appropriation bill, and not authorized by law.

The CHAIRMAN. Does the gentleman from Pennsylvania desire to be heard?

Mr. BRADLEY of Pennsylvania. No, Mr. Chairman. Quite obviously the amendment is out of order in the same manner as the previous amendment offered by the gentleman from Missouri.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

OFFICE OF PRICE ADMINISTRATION

Salaries and expenses: For all necessary expenses of the Office of Price Administration in carrying out the provisions of the Emergency Price Control Act of 1942, as amended by the act of October 2, 1942 (50 U. S. C. App. 901), and the provisions of the act of May 31, 1941 (55 Stat. 236), as amended by the Second War Powers Act, 1942 (50 U. S. C. App. 622), and acts amending or supplementing such acts, and all other powers, duties, and functions which may be lawfully delegated to the Office of Price Administration, including expenses of in-service training of employees, including salaries and traveling expenses of instructors; not to exceed $55,000 for the employment of aliens; not to exceed $30,000 for the temporary employment of persons or organizations, by contract or otherwise, without regard to section 3709, Revised Statutes, or the civil-service and classification laws; contract stenographic reporting services without regard to said section 3709; witness fees; printing and binding (not to exceed $1,470,000, which limitation shall not apply to the printing of forms prescribed for use of trade or public, instructions, regulations, coupon books, price lists, and printing required for the conduct of litigation); not to exceed $100,000 for test purchases, without regard to section 3648, Revised Statutes, and the act of December 29, 1941 (31 U. S. C. 529 and 82b), of commodities, services, or ration currency for enforcement purposes, authorization in each case to have approval prior to purchase of the Administrator, regional administrator, or the district director in the region or district in which the purchase is contemplated; traveling expenses (not to exceed $7,949,700), including reimbursement, at not to exceed 3 cents per mile, of employees for expenses incurred by them in official travel in privately owned automobiles within the limits of their official stations, and expenses of appointees from point of induction in continental United States to their first post of duty in the Territories and return; hire of motor-propelled passenger-carrying vehicles; not to exceed $5,210,550 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); firscal year 1946, $174,500,000: *Provided*, That no part of this appropriation shall be used for the compensation of any officer, agent, clerk, or other employee of the United States who shall divulge or make known in any manner whatever to any person the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any questionnaire, report, return, or document, required or requested to be filed by order or regulation of the Administrator or to permit any questionnaire, report, return, or document or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; nor for any person who shall print or publish in any manner whatever, except as hereinafter provided, any questionnaire, report, return, or document or any part thereof or source of income, profits, losses, expenditures, or methods of doing business, appearing in any questionnaire, report, return, or document: *Provided further*, That the foregoing provisions shall not be construed to prevent or prohibit the publication or disclosure of studies, graphs, charts, or other documents of like general character wherein individual statistics or the source thereof is not disclosed or identified directly or indirectly nor to prevent the furnishing in confidence to the War Department, the Navy Department, or the United States Maritime Commission, such data and information as may be requested by them for use in the performance of their official duties: *Provided further*, That no part of this appropriation shall be available for making any subsidy payments: *Provided further*, That no part of this appropriation shall be used to enforce any maximum price or prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity, including milk and its products and livestock, unless and until (1) the Secretary of Agriculture has determined and published for such agricultural commodity the prices specified in section 3 (a) of the Emergency Price Control Act of 1942, as amended by Public Law 729, approved October 2, 1942, as amended; (2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said act as amended; and (3) the Secretary of Agriculture has determined after investigation and proclaimed that the maximum price or prices so established on any such agricultural commodity, including milk and its product and livestock, will reflect to the producer of such agricultural commodity a price in conformity with section 3 (c) of said act as amended: *Provided further*, That such maximum price or prices shall conform in all respects to the provisions of section 3 of Public Law 729 approved October 2, 1942, as amended: *Provided further*, That any employee of the Office of Price Administration is authorized and empowered, when designated for the purpose by the head of the agency, to administer to or take from any person an oath, affirmation, or affidavit when such instrument is required in connection with the performance of the functions or activities of said Office: *Provided further*, That none of the funds appropriated in this act shall be used to pay the salary or expenses of any person fixing maximum prices for different kinds, classes, or types of processed fruits and vegetables which are described in terms of specifications or standards, unless such specifications or standards were, prior to such order, in general use: *Provided further*, That as to appropriations and contract authorizations granted for the national defense, war agencies, and the prosecution of the war contained in this act and other appropriation acts, in addition to compliance with the provisions of section 303 of the Second Deficiency Appropriation Act, 1944, there shall be submitted to the Congress on January 3, 1946, a list showing the condition of the balances of each of such appropriations and contract authorizations together with recommendations for the repeal of such of those funds or portions thereof as are deemed no longer required for the purposes for which they were granted.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 8, line 19, strike out the period, insert a colon and the following: "*Provided further*, That not more than $1,000,000 shall be expended for promotional propaganda and information purposes."

Mr. TABER. Mr. Chairman, I have offered this amendment to cut down the operations on publicity in the Office of Price Administration from $2,600,000 to $1,000,000.

Perhaps one of the things that brings the Office of Price Administration into great disrepute in this country are the broadcasts that they continually send out containing so-called information which is not correct. If we could get away from the idea that the only thing the Chief of the Office of Price Administration has to do is to propagandize the United States to support foolish regulations and operations that are inflationary and beyond the range of the law it would help the enforcement of the Price Control Act. At present they are spending $2,600,000 a year. They have 546 people working and over 100 of them are editorial writers. It is a perfectly ridiculous situation. You can see enumerated on four or five pages, beginning on page 126 of the hearings, the activities to which I refer. It is in the interest of proper administration, it is in the interest of providing these people with plenty of money to do the things that ought to be done and keeping them from doing the things that get them into trouble.

I hope this amendment will be adopted.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

Mr. CURTIS. Reserving the right to object, would that give us an opportunity to be heard in favor of the amendment?

Mr. CANNON of Missouri. Mr. Chairman, I modify the request. I ask unanimous consent that all debate on this paragraph and all amendments close in 15 minutes, the last 5 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, I hope the amendment offered by the gentleman from New York will prevail.

There is no chance that this Government can be restored to the people so long as we, year after year, appropriate millions and millions of dollars to these boards and bureaus for propaganda purposes. There is no chance that public issues can be fairly discussed by the citizens of this country and correct conclusions arrived thereon as long as the people are fed by propaganda and the source of their news is Government hand-outs.

We have a very able press in this country. In the city of Washington there are many, many able reporters. They can go to the source of the news and ascertain the facts and write the story as they see it. Instead of that, the last 12 years we have followed the policy of the Government, by using the taxpayers' money, writing what they think should be said and what they want said and handing it to the newspapers. There is no reason in the world why any Government function that is doing a good job should have funds to advertise that job. The people will find it out in due course.

A long time ago someone said, "Woe is the man who must be defended with words." Likewise we might say, "Woe is that Government board, bureau, or agency which must have millions and

millions of dollars to prove to the American people that it has some reason to exist."

We live in a time when people are confused about the tremendous problems facing the country and the world. They are entitled to the facts and all the facts. They are entitled to get both sides of the questions. But so long as their information consists solely of hand-outs from Government press agencies they get but a part of the story. They get propaganda; they get catch phrases and slogans, and real issues and real facts are obscured from the people.

Mr. Chairman, the OPA will use this propaganda money to sell the idea of a postwar OPA. It ought to end with the ending of the war. Let us take the Government off the necks of the people and give freemen a chance.

The CHAIRMAN. The gentleman from South Dakota [Mr. CASE] is recognized.

Mr. CASE of South Dakota. Mr. Chairman, I take this time to call the attention of the House to a proviso on page 8, because it applies not merely to the OPA appropriation but it applies generally to appropriations granted for national defense, not only in this bill but in all other appropriation acts.

Lest you have missed it, I want to read it. It is not long. The proviso reads:

Provided further, That as to appropriations and contract authorizations granted for the national defense, war agencies, and the prosecution of the war contained in this act and other appropriation acts, in addition to compliance with the provisions of section 303 of the Second Deficiency Appropriation Act, 1944, there shall be submitted to the Congress on January 3, 1946, a list showing the condition of the balances of each of such appropriations and contract authorizations together with recommendations for the repeal of such of those funds or portions thereof as are deemed no longer required for the purposes for which they were granted.

A similar provision was carried yesterday on the War Department appropriation bill. This language here is broad enough to cover not merely this bill, not merely the OPA appropriation, but it covers all other items in this bill and all other national defense, war agency items, items for the prosecution of the war, both appropriations and direct authorization acts, and other appropriation acts.

In other words, by the enactment of this paragraph Congress is establishing the principle that on the 3d of January 1946, we shall have a mid-year review of all these appropriations; and the agencies are called upon to submit that report of their balances and to submit with that recommendations for the repeal of any funds which at that time appear no longer required for the purpose for which they were granted.

It is only because of a proviso like that that I believe the Congress can justify the large appropriations carried in this bill for OPA, for defense aid, and some of the other activities without more detailed consideration than they are getting today. Without this provision you might be asked embarrassing questions about the total for defense aid in this bill. The Appropriations Committee has provided you with an escape provision under which you can say: "Well, we are going at least to get a mid-year check on this with an opportunity to recapture some of the appropriations if we have overappropriated or if the developments of the war are such that we have over-appropriated."

Now then, in the amendment offered by the gentleman from New York [Mr. TABER] we have an opportunity immediately to recapture for better uses $1,600,000. The estimates submitted to the committee contemplated $2,600,000 for propaganda and publicity by the Office of Price Administration. The amendment presently pending offered by the gentleman from New York places a limitation of $1,000,000 for that purpose thereby saying that the other $1,600,000 may be used for better purposes by the Office of Price Administration.

It would be a most salutary thing if the country should learn that we are going to get news on the basis of news. Some day the country will learn that by encouraging a policy of government news handouts we have undermined the character of the free press of this country. Here is an opportunity to limit the amount that may be used for propaganda purposes and let that money be used for better purposes.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. RABAUT. The gentleman knows there has been a cut established now of about $6,000,000 that must be divided and allocated among the different funds.

Mr. CASE of South Dakota. Yes; I recognize that, but I recognize also that the House has already voted the transfer to the Department of Agriculture of responsibility for licensing slaughterhouses——

Mr. RABAUT. But the House is only one part of the legislative establishment of this country.

Mr. CASE of South Dakota. That has been one of the major activities of the Office of Price Administration.

If the gentleman is worried about the cut that has already been made, he should certainly support the amendment offered by the gentleman from New York, because it releases from purposes of propaganda $1,600,000 that could be assigned to some other activity in the Office of Price Administration.

The CHAIRMAN. The gentleman from Missouri [Mr. CANNON] is recognized to conclude debate on the pending amendment.

Mr. CANNON of Missouri. Mr. Chairman, this is one of the most dangerous amendments that could be offered. OPA is the one barrier between the Nation and unbridled inflation. Our diplomatic representatives returning from foreign countries reporting to our committee say that in practically every other country in the world inflation has created such havoc that the cost of living is rising to incredible figures. No greater economic danger menaces the country today than the advance of uncontrolled inflation, and every resource at our command must be utilized to forstall it. The agencies implemented by the appropriation carried in this bill provide the only practical method we have of preventing a situation that would bring an explosive upswing in the price of necessities that would involve an economic crash from which we would not recover in the next decade.

It must be remembered, Mr. Chairman, that the only way OPA can operate is through the force of public sentiment. If the people themselves were not back of the enforcement of OPA, black markets and runaway prices would sweep this country in 24 hours. It must be enforced solely and wholly through public opinion. Mr. Chairman, how can we reach the public? How can we mold public sentiment? How can we instruct the people? How can we educate except through the medium provided by this appropriation? We should not forget, Mr. Chairman, that in the process of keeping the people informed, in the process of keeping inflation in hand, that the appropriation which the gentleman seeks to reduce is the smallest expense involved. The magazines, newspapers, and radio channels over the country are willing to contribute their facilities. They are willing to give us millions of dollars worth of space and time—from the small weekly newspaper to the metropolitan dailies and Nation-wide radio networks. How can we utilize it?

We must have this money in order to formulate the messages to be carried in the papers and over the radio.

Mr. Chairman, this amendment affects not only the prosecution of the war but the orderly reconversion of the postwar period.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. Is it not true that this fund which it is suggested be cut 50 percent is the only medium which the Office of Price Administration has to let the people of the country know about their program, what their rules and regulations are, and what the changing economic situation is, and that to cripple it by this amendment would leave a most serious sort of situation so far as their whole enforcement program is concerned?

Mr. CANNON of Missouri. The whole program is affected by this proposal. This fund is indispensable to the effective administration of OPA regulations.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. RABAUT. I note in the hearings on page 52, Mr. Bowles said:

A part of our problem, an important part, is to keep them, the public, informed. I feel that the money spent in that way is wisely spent. We have tried to spend it very carefully. We cut our paper use 50 percent last year. We have tried not to do anything unusual during this period but I do feel that the publicity dollar is probably the best dollar that the agency spends in getting compliance.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Minnesota.

Mr. KNUTSON. What is the budget for OPA at the present time?

Mr. CANNON of Missouri. The budget was $6,000,000 more than we provided. The committee cut the budget $6,000,000.

Mr. KNUTSON. I cannot understand this. I am told on this side that the budget was $174,000,000.

Mr. CANNON of Missouri. The budget was $180,500,000. On the representation of a majority of the members of the committee and without assigning any specific reason, we made a blanket cut. The OPA people told us, and if you will read the hearings I think you will find that the testimony justifies that conclusion, that they needed every cent of the amount of the estimate. If you must cut it, apply the reduction anywhere but to this item. This is the item that must be retained intact.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 68, noes, 82.

So the amendment was rejected.

Mr. CANNON of Missouri. Mr. Chairman, by direction of the Committee on Appropriations, I offer an amendment, which I send to the Clerk's desk.

The Clerk read, as follows:

Amendment offered by Mr. CANNON of Missouri: On page 8, at the end of line 2, insert *"Provided further,* That no part of this appropriation shall be directly or indirectly used for the payment of the salary or expenses of any person who directs the formulation of any price policy, maximum price or price ceiling with respect to any article or commodity unless in the judgment of the Administrator such person shall be qualified by experience in business, industry or commerce; but this limitation shall not apply to the Administrator or acting Administrator, as the case may be, in considering, adopting, signing and promulgating price policies, maximum prices or price ceilings formulated and prepared in compliance herewith."

Mr. CANNON of Missouri. Mr. Chairman, this amendment is self-explanatory and is carried in the current law.

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from Missouri.

The committee amendment was agreed to.

Mr. JENSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendments offered by Mr. JENSEN:

Page 5, line 5, after the word "Administrator", insert the words "or state."

Page 5, line 6, after the word "Administrator", strike out the word "or the District Director in the region or district."

Page 5, line 18, after the figure "$174,500,000", insert *"Provided,* That no funds herein appropriated shall be used in maintaining regional or district offices or personnel."

Mr. JENSEN. Mr. Chairman, I offer this amendment for a very definite reason. If you will remember when OPA was first organized we had 48 State directors under the National Administrator, and OPA operated much more efficiently than after it was regionalized. A lot of us criticized Leon Henderson, but I think it can be said now that Leon Henderson did a pretty good job as long as we had no regional or district offices and Mr. Bowles will do a better job if and when he gets rid of all these cocky little czars. Leon Henderson made some appointments which were not pleasing to the New Deal higher-ups. So, in order to render the State directors helpless and powerless, they regionalized OPA. They cut across State lines and created districts and ever since that time we have had trouble no end in the OPA and a lot of it. They put part of my congressional district under the Omaha office, and we have had nothing but trouble and turmoil ever since. I am sure I voice the sentiments of most of the Members of this House and of the American people when I say that we should get back to State authority in OPA, and by so doing the Office of Price Administration will again function like it did before it was thoroughly cut up and regionalized. That is the purpose of my amendment. Someone may take the floor and say that these regional and district offices are now set up and that they cannot be tampered with at the present time. But I say to the Members of this House that if you want to make OPA function properly again, my amendment will at least help a lot to do the job. I hope my amendment will be adopted. At present the OPA has too many strangers from some other States laying the lash on good citizens in your State and mine.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Michigan.

Mr. RABAUT. There are nine regional offices today. Does the gentleman want to set one up in every State?

Mr. JENSEN. No. Let the State offices take care of it like they did before. They did a good job then.

Mr. RABAUT. If the set-up was so good they would not have made a change.

Mr. JENSEN. Oh, the gentleman knows why the change was made. They wanted to render the States helpless. The gentleman knows that as well as I do. If you believe in State rights, if you believe at all in State rights, certainly you should support my amendment.

Mr. CANNON of Missouri. Mr. Chairman, as the gentleman has said, this is a States' rights amendment. But the States cannot be uniformly administered or supervised with equal efficiency. It is impractical to set up offices of this character in each State. The disparity between conditions within the States is too great. Some States have greater populations and consequently greater volumes of business than 8 or 10 other States combined. It is obviously impossible to junk the present system and administer it by States and do it effectively. The gentleman's amendment is unworkable. It would interfere not only with the efficient administration of OPA but with the economic administration of OPA.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

It would interfere with the inefficiency of the OPA. That is what it would interfere with.

Mr. CANNON of Missouri. I hardly believe the gentleman will find many here who agree with him in that hasty estimate.

We must not only provide the funds for OPA but we must refrain from handicapping the business set-up with unreasonable limitations. I sincerely hope the amendment will not be agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. JENSEN].

The question was taken; and on a division (demanded by Mr. JENSEN) there were—ayes 68, noes 79.

So the amendment was rejected.

Mr. OUTLAND. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we in this House have been debating for the past several days the continuance of the price-control program. We have added some amendments, some of which, I am afraid, may seriously impair the fight against inflation. If we are really going to hold the line here on the home front, it is absolutely imperative that we do nothing more than will directly or indirectly assist in breaking the line.

Now we are considering the appropriation bill which is taking care of the funds which continue the work of this agency over the next year. Today we have a serious responsibility—the responsibility to see that adequate funds are provided for a fair and just administration of the price-control program.

The chairman of the Committee on Appropriations mentioned a few moments ago that some $6,000,000 had been taken indiscriminately away from this organization, and if I am using his own language correctly, and I think I am, he used the phrase "without rhyme or reason." I have the greatest admiration for the chairman and the other members of the great Appropriations Committee. But why should any funds be indiscriminately removed? Why should action be taken without rhyme or reason?

When I discovered that there had been $6,000,000 taken away from the budget of the Office of Price Administration, I called the Administrator, Mr. Bowles, to ask him just what effect that would have on the price-control program. Without reading his letter in detail, I should like to quote two of the principal points that Mr. Bowles mentioned, because in the days ahead many of us are going to be asked rather pertinent questions on these two points.

Mr. Bowles said first:

It will deny us the opportunity to expand our enforcement staff to carry on the war against the black market. I doubt if the black marketeers receive any better news this year than the information that $6,000,000 has been eliminated from our budget.

Mr. Chairman, I hope very much when this measure goes to the other body they will restore this $6,000,000 so that we will not have to bear any of the blame here for taking funds away which would have helped to stop the black market. I for one do not wish to be recorded as one that helped to encourage this most dastardly of home-front offenses. But yet, if we do not appropriate sufficient funds for the proper administration of price control, that is exactly what we in this House will be doing.

Let me continue on Mr. Bowles' second point. Again I quote Mr. Bowles:

Elimination of this sum from our appropriation will sorely cripple us in promptly providing prices required by reconverting manufacturers. As you know from our testimony before the Banking and Currency Committee, we have set up a program calling not only for industry price adjustments to meet new situations of the reconversion period, but also for individual firm price adjustments. Unless we are able to employ added personnel these important undertakings will be delayed with serious results to the Nation's reconversion program.

In other words, Mr. Chairman, when we take $6,000,000 from the budget of the Office of Price Administration, we are taking away funds which would help eliminate the black market, and we are taking away funds which would be used to help speed up and expedite the reconversion program. These are two vital functions that we have vested to the OPA. Without sufficient money they cannot be adequately performed. Mr. Chairman, we have a most solemn obligation here today; the obligation to do everything in our power to see that the Office of Price Administration is not so throttled by crippling budget cuts that they will not be able to do the job that we have entrusted to them.

I trust sincerely that these funds will be restored when the bill reaches the Senate. Partisanship, which has been demonstrated so frequently on this floor during this fight, should for once be made secondary to the interests of America. I feel certain that Republicans as well as Democrats are truly interested in an effective price-control program. I hope that that point of view will be demonstrated here today.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent that I may extend my remarks at the conclusion of the general debate on this bill.

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. VOORHIS of California. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I join with my colleague from California [Mr. OUTLAND] in protesting against a cut in the OPA appropriation. I have not felt that the OPA was doing a perfect job. I supported some of the amendments to the bill and I offered one myself, but at the same time it seems to me the worst procedure that can possibly be followed is to have a law upon the statute books, particularly one that so intimately affects all the business dealings of the people of the Nation, and then not to effectively enforce that law. I think it is patent that in some instances it has not been effectively enforced. But the only way it can be effectively enforced is to have sufficient personnel to do the job. I am not in a position to judge exactly how much money would be required to do that, but I do know that $180,000,000 is the amount approved by the Bureau of the Budget as necessary for the OPA. I frankly believe that that amount should be carried in the bill.

I understand the OPA has about one enforcement officer for each county in the Nation. I do not believe that is enough. I think to do justice and fairness by the millions of people of this Nation who have earnestly sought to abide by this law, both consumers and producers, we ought at the very least to spare not one dime nor one bit of effort that we can put into the job of seeing to it that those who have not seen fit to obey and abide by that law should be brought to time and made to do so. To my mind, it has been one of our primary duties from the very beginning of OPA to try to hold up as an example the patriotic action on the part of the people of this Nation, the way in which a great majority of the citizens have made their action be in line with the law as they understood it. I believe it has been downright disloyal for people to illegally profiteer, as has been done wherever black-market dealings exist, and I think the Congress should provide every cent of money that the Budget recommended for this purpose.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. CASE of South Dakota. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the way this $6,000,000 is being talked of and I am afraid that undue importance will be put upon it. That is a cut of less than 3 percent from the Budget estimates. The bill still carries $174,500,000 for OPA.

And the final amount will give OPA more than they had last year. Remember that in addition to that we shall be called upon in due time to make a supplementary appropriation to care for the war overtime pay of the OPA employees. That will come later.

As far as having money for enforcement activities is concerned, I picked up three letters from my mail today. The gist of these letters is that if OPA would attend to its major job and not spend so much time with little, picayunish activities and minor matters, it would do a better job; it would not need more employees.

Here is a letter from a man who has been chairman of the rationing and price control board in his county. It is a copy of his letter of resignation, going to the State office He says:

I have been and still am in sympathy with rationing and price control, but in the past months I have found myself so far out of sympathy and in disagreement with certain policies that I do not feel that I can continue to effectively and conscientiously enforce the intention of the regulations on the public. To be explicit, the policy of restricting legitimate conventions, meetings, and conferences, and rationing A-book holders to the limited ration of gas while at the same time opening race tracks and encouraging attendance at them (at least from what I read in the papers and that is influential with the public): The policy of restricting stoves and fuel oil for homes while at the same time the ban is lifted on night clubs, places of amusement and recreation; the policy in price control that continuously checks legitimate retail establishments and puts on them a burden of reports, invoicing, and price-ceiling charts, while at the same time black markets increase and the public is encouraged to bring complaints against the local retailer, to look for trouble, that the OPA may inflict fines and penalties.

Then I have a letter from an old man whom I happen to know personally, a respected man, a good citizen in every respect.

He says:

The past week I had a man hired to do some work around the yard. While he was here he started talking on the OPA. He has a rather good-sized family, and his plaint was that whenever the OPA hiked points on any food production they just forced more buyers into the black market to get what they needed.

Asked how he explained it, the workman explained that he was convinced they sought to stimulate the black market in order that a larger force might be kept on the pay roll to watch the market and make more arrests to show that more employees were necessary.

I am sure that every Member of Congress is getting letters along this line. It is my belief that if the OPA addresses itself to major policies and eliminates some of its confusing regulations it will have more than enough money to do the job.

Here is a letter from a retailer who points out that he had been asked to set three different price schedules on shirts that he sold. He points out further that while he is not permitted to use his own price history as a base, yet the restaurant next door to him is told to use as a ceiling the prices they had in a certain month back in 1942.

I venture to suggest that if the OPA were to address themselves to eliminating some of its complex price regulations and getting away from some of its picayunish work it would find that the over-all job would be simplified and there would be plenty of money in the amount the committee has recommended.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. SABATH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SABATH: Strike out in line 18, page 5, the figures "$174,500,000" and insert "$180,500,000."

Mr. SABATH. Mr. Chairman, in view of the statement of the Chairman of the Committee on Appropriations, and those made by the gentleman from California and others I could not resist offering this amendment. The bill brings this item to us already reduced from $180,000,000 to $174,000,000 without any rhyme or reason, as the gentleman from Missouri stated.

I concede that the administration of OPA is not perfect. I too have received a great many letters complaining because OPA has refused to increase price ceilings, but in most cases my investigation shows that OPA has acted wisely, fairly and honestly trying to safeguard the best interests of the Nation from inflation and at the same time to protect the consumer.

I believe OPA should have this amount and even a larger amount to enable them properly to administer the law and stop the black market. I think what is going on is outrageous. The farmers and those of you from country districts have plenty of everything, including meat, poultry,

butter, milk and eggs, but unfortunately, the people in the large cities are deprived of those food commodities and I am constrained to believe that it is because many farmers dispose of whatever surpluses they may have to the black markets. Is that the reason why you do not want rigid enforcement? Between this situation on the farms on the one hand and that existing in the cities where the clubs, restaurants and hotels and the big boys with plenty of money can afford to pay black market prices two and three times above OPA ceiling prices, the plight of the common consumer is most trying and hard to bear. Consequently, I feel that with an additional amount of money the OPA, although not perfect, can bring about a more orderly distribution of the much needed meats and other food items and with better enforcement will put the black marketeers out of business. It is with this intent that I have offered my amendment. In view of the fact that it is believed that the Senate will increase the amount from $174,000,000, why should we not have the courage to do likewise, especially since the appropriation will be expended in the right direction for the protection of the consumers, the bulk of whom are white-collar workers and wage earners. A vote against my amendment is a vote in the interest of racketeers. A vote for it is a vote in favor of enforcement of the law as it should be enforced.

No one, regardless whether possessing greater ability, could administer the arduous and trying duties of Price Administrator without being subjected to the same criticism and, perhaps, even more, than is the present incumbent, Mr. Chester Bowles. From the very inception of the Office of Price Administration we heard complaints as to the administration of the law by Mr. Leon Henderson, its first Administrator. Now the gentleman from Minnesota and others state that he did a good job. In a year or two we will hear praise and commendation of the man who today is zealously trying to safeguard and protect the consumers of our country from avaricious manipulators and black-market racketeers. He has a tough job to do because day in and day out he is pressured by representatives of various industries who demand higher, higher, and still higher price ceilings. He is standing four-square in an honest and just administration of this law to prevent inflation and, consequently, is subjected to their criticism in refusing to comply with their requests and wishes. We have listened to the reading of letters of complaint and censure from persons who have been denied higher price ceilings, but, taking everything into consideration, no man can do better than he in carrying out the provisions of the law. I am of the opinion that he is doing a splendid job and he should have the necessary funds. I wonder whether you will be fair and just and give the Office of Price Administration the funds that are actually needed for the proper administration and enforcement of the law.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 15 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, I rise in support of this amendment. I do not think we should treat lightly or in a passing way the observation made by the chairman of the Committee on Appropriations who is handling this bill at the present time to the effect that price control is a vital activity of the Government. We are fortunate in this country, perhaps more fortunate than any country in the world, in that we have not suffered disastrous runaway inflation and high prices.

I call attention to the letter which Mr. Bowles wrote the gentleman from California [Mr. OUTLAND] in which he put his finger on two of the most important considerations. In that letter the Director pointed out two of the most important requirements for an increase of this appropriation to $180,000,000. I beg the committee to give some attention to the statement made by the Director.

I do not care how much we may have complained about the OPA, and we all have complained, when you come down to the seriousness of what we are about, we are legislating for all the people of the United States. I have received letters, and you have too, asking us to retain price control and to appropriate a sufficient amount of money to enable the Administrator to carry out price control.

There are several things right now that are not adequately cared for, one of which is control of the black market. The Administrator needs more money to do that and he points out that fact in his letter to the gentleman from California [Mr. OUTLAND]. I know we want Mr. Bowles to see to it that people are not harassed by 25-cent mistakes out of million-dollar sales or mistakes of 2 or 3 cents that are made, the flippant, inconsequential things, and I hope he will read in the RECORD that I am appealing to him to leave that part of it alone. However, Mr. Chairman, the black market is becoming serious in this country and there is no way to handle it except by control and putting those who are willing to profit by it at the expense of all the people of this country in jail or somewhere else. But you have to find them before you can do that.

The other thing which he points out, Mr. Chairman, is that while there is an industry-wide ceiling policy which has been adopted, the lack of funds to go forward with individual ceilings where just, in itself is a breeder of trusts and monopolies in this country. That means to say that because of the lack of funds no adequate consideration can be given to the man of small means who is trying to manufacture or carry on his business, and no hearing accorded him in his problems because they have not the force to handle it. The second point that he makes in his letter to the gentleman is this: If one goes to him and says, "Mr. Bowles, here is a man who is manufacturing 40 different articles, he has his brand and I have mine, I want to make honest goods at an honest price, but I cannot live under that industry-wide ceiling that is fixed for these great concerns. I want you to hear what I propose to put in my goods and I want you to hear what my honest and reasonable costs are, and give me a chance to live." Mr. Bowles says if you give him the money, he will do that thing. I ask you to adopt this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, the trouble with the OPA is inefficient management. The way to get efficient management is to cut out foolish operations and devote yourself to the real business of the job. That is what we have tried to make them do.

Let us look at the picture that is presented to us. I have in front of me the hearings and the statement of Mr. Bowles: To carry on the present force of OPA would call for $174,000,000. That appears on page 32 of the hearings.

We have repeatedly called attention to various things. When I was on the floor in general debate I called attention to the prosecution of a lawyer here in town last week, which was utterly vicious, and which wasted a great deal of the time of the enforcement section of the OPA. That occurred and came to a head and was published in the papers in the latter part of last week, right while the OPA bill was up. We have a terrible situation with reference to meat. We have a terrible situation with reference to the pricing of commodities that are coming out of the factories that are permitted to reconvert. If we do not cut down this amount and see that they are brought up short and tell them that they must be more efficient in their management, we will get no efficiency and we will have no reconversion. Let me say to you that if you really want them to do a good job you should cut them down to the point where they wil lget rid of these superfluous employees and put them on a business basis. The Administrator must stop running around the country and abusing people and saying things that are not so. He must stop making promises to industry which he does not live up to. He must put his own house in order, and the only way that he can be made to do that is by cutting down this appropriation and making him do a decent job. When he says that $174,000,000 will let him carry on his present force, it is perfectly ridiculous to try to increase it. You are working in favor of inflation and in favor of destroying your Office of Price Administration when you raise him and give him more money.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. GROSS. May I say to the gentleman that I talked with probably a hundred people in my district yesterday, and more people expressed a feeling of relief over the amendments adopted to the OPA bill than I have ever heard

expressed in all the years I have been in public life.

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from California.

Mr. OUTLAND. Mr. Bowles stated in his letter to me that the cutting down of this fund would seriously impair the fight on the black market.

Mr. TABER. The only thing to do is not to permit him to go on and do the foolish things that he has been doing. We must stop it and prevent the inefficiencies in the OPA, and the only way you can do that is by cutting out these activities that ought not to be indulged in.

Mr. OUTLAND. Does the gentleman favor the black market?

Mr. TABER. Let me say you are promoting the black market when you give them more money with which to do these foolish things. I yield to the gentleman from Illinois [Mr. MASON].

Mr. MASON. The theory upon which this demand for an increased appropriation for OPA is based is the theory that more money will remove the inefficiency that has existed in that office. That is a false premise.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, I regret that the gentleman from Illinois has offered this amendment for the reason that the vote on it will not be a test of the merits of the proposition. The committee must necessarily oppose the amendment, not because its members may not be in sympathy with it but because we have reported this amount carried in the bill and must adhere to it. I cannot agree, however, with any statement that the gentleman from New York made. No conclusion he has drawn is justified by the testimony which was adduced before the committee. His strictures on the personnel and administration are especially unfortunate. There are over 200,000 voluntary employees engaged with this activity, who are contributing their work, sacrificing time and energy in an effort to hold the home front, and the reflection upon them and upon Administrator Bowles and his exceptionally able staff is not only unwarranted but is based upon no evidence submitted to the committee.

In view of the fact that we reported the amount carried in the bill, the committee must adhere to that figure. I ask that the amendment be defeated. But the vote on the amendment should not be taken as an expression of the attitude of the House.

The CHAIRMAN. All time for debate on the pending amendment has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. SABATH].

The question was taken; and on a division (demanded by Mr. SABATH and Mr. OUTLAND) there were—ayes 47, nays 93.

So the amendment was rejected.

The Clerk read as follows:

Loans: For an additional amount for "Loans", Rural Electrification Administration, fiscal year 1946, $50,000,000, which sum shall be borrowed from the Reconstruction Finance Corporation in accordance with the provisions of section 3 (a) of the Rural Electrification Act of 1936, as amended.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Oklahoma: Page 24, line 9, strike out "$50,000,000" and insert in lieu thereof "$120,000,000."

Mr. JOHNSON of Oklahoma. Mr. Chairman, the purpose of the pending amendment is clear. It proposes to make available for REA loans the exact amount that was agreed upon by the Subcommittee on Appropriations that heard all the evidence. And I might add that the committee was unanimous in reaching its decision. So that there will be no misunderstanding about the status of the situation, here are the facts. The subcommittee of which I am a member considered a Budget estimate of $160,000,000. The REA had requested, so I understand, over $200,000,000, but that request had been reduced by the Budget to $160,000,000. Let me say that some of us, after hearing the evidence, felt that the REA would need the full $160,000,000 and more, if it anything like took care of the applications now on file and the applications that are certain to come in during the remainder of 1945; yet, I was one of those who reluctantly agreed to reduce the sum to $120,000,000 in order to reach a unanimous agreement. Then to our surprise in the full committee an amendment was offered by the distinguished gentleman from Georgia, who, incidentally, did not hear the evidence, to reduce the amount from $120,000,000 to $50,000,000 on the definite assurance that there was sufficient money on hand now to take care of the needs for loans of the Rural Electrification Administration. Now an investigation discloses that only $40,000,000 is actually available for these much-needed loans. It will be recalled that $80,000,000 was allowed by the regular Appropriations Committee early last spring while we were still at war with Germany, and at a time when very little materials were available. But of that $80,000,000, $40,000,000 is needed to take care of short extensions caused by the war. All of those extensions, so I am advised, have been completed or are in process of completion. So I repeat that actually only about $40,000,000 is left and available to take care of $239,000,000 of applications, with new applications coming in at the rate of a million dollars a day. Let me give you these figures that speak for themselves.

On May 1 last there were applications for only $140,000,000. On June 1 the figure had grown to $214,000,000. This figure is the figure given in Mr. Neal's testimony before our committee. As of yesterday, however, Rural Electrification Administration advises me that applications totaled $239,000,000. So it is obvious that unless my amendment is adopted a lot of those applications are going to be turned down or drastically reduced.

I have before me here one of many letters from Rural Electrification cooperatives in Oklahoma. Here they tell me they have approved applications of 500 farm families. Some of those farmers have been waiting patiently since before Pearl Harbor. These 500 farm families are as much entitled to electricity as any of those now receiving it, regardless of where they happen to live. Another co-op has had poles up on all or a part of their project since 1941 and they do not quite understand how the Congress quibbles over funds for loans to REA that will be paid back in full, and yet be lavish with other funds that no one pretends to say will be repaid. What I say of the plight of these farmers in the Sixth Congressional District of Oklahoma is also true of millions of others in other rural districts.

Bear in mind that there are 800 co-operatives in the country. They have been patient and long suffering. But these farm people who are feeding the world want electricity and they know they are entitled to it. Moreover, they are willing to pay for it. Within the next few weeks and months there will be an avalanche of applications from all or practically all of the 800 co-ops for hundreds of thousands of miles of extensions. If this unreasonable cut in funds should stand, a vast majority of those applications will be denied. But I am sure that when Members know the full facts they will vote to restore the amount agreed upon by the only committee that heard the evidence.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. RANKIN. The gentleman calls attention to the fact that the Budget recommended $160,000,000. The Rural Electrification Administration had asked for $230,000,000.

Mr. JOHNSON of Oklahoma. That as I recall is correct.

Mr. RANKIN. When the testimony was supplied to the subcommitee on appropriations I understand they agreed on $120,000,000.

Mr. JOHNSON of Oklahoma. That also is correct.

Mr. RANKIN. So that is the irresistible minimum that the cooperatives can get by with in the next year.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. HORAN. Is it not true that when we had the agricultural supply bill before us we told them that if the REA could get the priorities they could come back and we would give them the money?

Mr. JOHNSON of Oklahoma. That was my understanding and I am quite certain it was the understanding of many others. It is also true that they are now getting many more priorities than last spring before Germany fell.

Mr. HORAN. And is not this true that this is a loan and not an expenditure?

Mr. JOHNSON of Oklahoma. Yes, that is a fact that many Members seem to forget. It is a loan and not an expenditure. This is one of very few appropriations made wherein every dollar is repaid with interest. Not only is it a loan; it, in my judgment, is the best investment ever made. It will do more to keep farm boys and girls on the farm than any other investment that this Congress can make.

Mr. COLE of Missouri. I wonder if the gentleman will tell the House how long

these loans are for, over what period of time they extend?

Mr. JOHNSON of Oklahoma. I believe they may extend over a period not to exceed 35 years.

Mr. RANKIN. The limit is 35 years.

Mr. COLE of Missouri. And they carry 2 percent interest.

Mr. JOHNSON of Oklahoma. Yes; they carry 2 percent interest and the loans are being repaid.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. TARVER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Georgia is recognized.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. RANKIN. Mr. Chairman, reserving the right to object, why not just go ahead and accept the amendment and then let us go to doing something else?

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes. The committee will not use any time.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. HINSHAW. Mr. Chairman, I object.

Mr. CANNON of Missouri. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 30 minutes.

Mr. TARVER. Mr. Chairman, I have not yielded the floor for the purpose of a motion.

The CHAIRMAN. The gentleman will have 5 minutes.

Mr. TARVER. I understand that, but I have been recognized by the Chair and I make the point of order, because I do not yield.

The CHAIRMAN. The gentleman from Georgia does not yield for the purpose of offering a motion at this time.

Mr. CANNON of Missouri. Will not the gentleman cooperate with us?

Mr. TARVER. I will be glad to cooperate, but there are $70,000,000 involved and somebody has the right to talk about it a little bit.

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes.

Mr. TARVER. Mr. Chairman, I yield to no Member in this House in my support of the REA. I represent a district which is predominantly agricultural. I believe in the REA, I think it has accomplished and is accomplishing a very fine work, but that is very far from saying that I am in favor of making available any astronomical amount of money that anybody might suggest as being appropriate for its use.

Let me review briefly the situation. This House has already voted twice on this question this year. In the agricultural appropriation bill which was brought to the House by the subcommittee of which I serve as chairman there was provision made for $60,000,000 for loans by REA for the next fiscal year, and the House approved it. The gentleman from Mississippi [Mr. RANKIN] sought to increase that to $150,000,000. The House voted that down overwhelmingly. Then the gentleman sought to increase it to $100,000,000, and that was voted down overwhelmingly. The Senate increased the amount to $125,000,000, and $80,000,000 was agreed upon in conference and you approved the conference report.

Now the proposal is to add $120,000,000 to that amount, making available for the next fiscal year $200,000,000 in addition to in excess of $100,000,000 allocated during previous years but not expended; $26,000,000 was available for the present fiscal year, $25,000,000 plus the unexpended balance of $1,000,000 approximately, and as of the time of the hearings on the agricultural appropriation bill only $22,000,000 plus of that $26,000,000 had been allocated. A little over $2,000,000 of it had been actually expended. As of the time of those hearings $111,000,000 of allocations made prior to this year had not been spent.

Mr. Neal testified before the Deficiency Committee a few days ago that since that time that amount of allocated funds unexpended had been reduced to approximately $100,000,000. At any rate, they have $100,000,000 allocated from previous years that have not been expended. They have $80,000,000 in addition to that, provided in the Agricultural Appropriation Act for 1946. They have in this bill, if it is not amended, $50,000,000 in addition to that, making a total of $230,000,000 for use during the next fiscal year as against the $26,000,000 which was available during the present fiscal year.

There is no reason in the world for assuming they are going to be able to expend any such huge amount of money. I believe in providing them every cent of money they need, but the mere fact they are hopeful that they will be able to get copper and aluminum and that they are going to be able to get materials to wire the houses and barns of farmers is no reason for increasing by almost 10 times the amount of funds to be given them in the next fiscal year what they have available by authorization made for the present fiscal year. To do that is simply to follow the lead of enthusiasts who would probably as readily support an allocation of $500,000,000 as $120,000,000. There ought to be some reasonableness about this thing.

Mr. Chairman, I do not think we are helping the cause of rural electrification any when we provide money largely in excess of its needs or of any reasonable claim which can be imagined. They say they can get materials. They cannot get materials in my district; at least, they are not building the extensions. They claim they can get the materials to wire the houses, but even if they get the materials to build extensions, the fact that the WPB has relaxed its regulations does not mean these farmers are going to get all the copper and aluminum they want.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman said that these figures are astronomical. That is exactly the position the gentleman took in 1938 when I asked for the first $100,000,000.

Mr. TARVER. Oh, the gentleman is absolutely mistaken.

Mr. RANKIN. We can use every dollar of this $120,000,000 in this country now.

Mr. TARVER. Mr. Chairman, I do not yield further. The gentleman's statement is absolutely incorrect. Not only that, but the gentleman's efforts in the past for getting funds for REA have been responsible for the procurement of this $111,000,000 that they could not spend. This amendment ought not to be agreed to. The provision of funds in excess of any necessity, which can reasonably be anticipated, has never helped REA in the past and will not now.

Mr. CANNON of Missouri. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 30 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BULWINKLE].

Mr. BULWINKLE. Mr. Chairman, I will take but 1 minute. Mr. Chairman, I thought that probably the Members might want to know what the President's announcement was, and this is what was handed me by the Associated Press. It says:

> Truman announced today he had accepted the resignation of Edward R. Stettinius, Jr., as Secretary of State, and was appointing him as American representative on the Postwar Security Council and chairman of the United States Delegation in its General Assembly.
>
> The President announced he would appoint a successor to Stettinius as State Secretary next Monday or Tuesday but laughed off attempts of reporters to make him say it would be James F. Byrnes, of South Carolina.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, the bill proposed by the gentleman from Texas [Mr. POAGE] has been assigned to a subcommittee of the House Committee on Interstate and Foreign Commerce of which the gentleman from Arkansas [Mr. HARRIS] is chairman, and on which I have the honor to serve. This bill will provide for a 3-year authorization of $200,000,000 a year for expenditures by the REA. The money is to come from the RFC. Hearings are proceeding on this bill.

I do not intend to discuss the pending amendment, but I want to call the attention of the Committee to one very important fact, and that is, that these loans from the RFC are expected to be not greater than 85 percent of the amount of the collateral consisting of loans that are made by REA.

We have appropriated these funds for the REA from two sources, one by direct appropriation from the Treasury and the other through loan authorizations by the RFC. The direct appropriations from the Treasury Department amount to something like $146,000,000, which would make an authorization to the RFC to loan something like nine

hundred and fifty or nine hundred and seventy-five million dollars for those purposes in accordance with section 3 (a) of the act referred to as authorization in this measure.

There is a very peculiar thing involved here. That is that this money, whether it comes directly from the Treasury or through the RFC, all comes from the Treasury. That money which comes from the RFC is loaned to the Administrator at 1¾ percent and is in turn loaned to these cooperatives at 2 percent, whereas the RFC itself borrows that money from the Treasury at the rate of 1 percent. Therefore, there is a clear three-quarters of 1 percent profit to the RFC in making these loans. For one thing, it makes the RFC look very good in its annual statement and the gentlemen on the Committee on Banking and Currency who have had that organization under their legislative supervision should make an investigation of it.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, the noise and confusion in the Chamber, I believe, is somewhat comparable to the confusion that exists in the House as to the REA situation. The Bureau of the Budget sent to the Congress a request for a $160,000,000 authorization for the REA. The Deficiency Appropriations Subcommittee, made up of the gentleman from Missouri [Mr. CANNON] and the gentleman from New York [Mr. TABER], and others, scaled that down to a $120,000,000 authorization. In that form the proposal was submitted to the whole committee.

The gentleman from Georgia has objected to this sum of money for the REA, and unfortunately the whole committee reduced the amount from $120,000,000 to $50,000,000. I was among those opposing the reduction.

Mr. Chairman, the REA program is paying its own way and paying it in a big way. It is one of those vital programs which must help forge this link between the end of the war and our entry into the postwar period. The REA should be able to make loans to enable this program to go forward rapidly as we end the war and as we begin the postwar period.

Yes; we need the $120,000,000 authorization. Two hundred and thirty-nine million dollars' worth of applications are now pending today. Additional REA applications are coming in at the rate of 1,000,000 per day. Therefore, the $50,000,000 authorization, if applied to the new applications, would last at that rate for only 50 days. Of course, that would not be the actual procedure that would be followed. Let me urge the friends of REA, and I believe the great majority of the Members of this House are friends of REA, let me urge you to go down the line with the Deficiency Appropriations Subcommittee as they presented the bill to the whole committee. In other words, let us support the bill with the Johnson amendment, and provide this authorization of $120,000,000, which, at that, is $40,000,000 below the Budget estimate. The money is needed. The money will not come out of the taxpayer's pocket. The money will stimulate industry. It will help the food program. It will help the farmer. The money will help everyone and hurt no one.

I sincerely trust that the Johnson amendment will receive your support and that the additional $120,000,000 for Rural Electrification Administration will be provided.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, I hope that the amendment will be adopted. For the last 3 or 4 years, as everyone knows, the REA program has been practically suspended except in a very limited class of cases. There has been no material available and for that reason the money authorized for loans has been very small. As a result a big backlog of projects has accumulated.

During the last 2 months the War Production Board has issued two orders which have relaxed the restrictions upon materials for rural electrification, and in all probability there will be further increases in available material. This will make it possible to go ahead with a large number of projects which have been held up by a lack of material.

As has already been said here, there are now pending applications for loans amounting to over $200,000,000. More applications are coming in every day. In addition you will recall that last year the Congress passed a bill which reduced the interest rate and extended the time for repayment of REA loans. That legislation has made it possible for the Rural Electrification Administration to extend its lines into many areas where that service could not have been made available under the old law. This has further increased loan applications. More material is becoming available. I think much more will be available, but if we authorize the money and the material is not available, no harm will be done. We are merely authorizing the RFC to make the loans. If they cannot be made this year, they will be made next year. In no event can any possible harm be done by approving this amendment.

The CHAIRMAN. The gentleman from Mississippi [Mr. RANKIN] is recognized.

Mr. RANKIN. Mr. Chairman, I agree with what the distinguished gentleman from Kansas [Mr. HOPE] has said. If you will turn to page A3068 in the Appendix of the RECORD, you will find a letter from Hon. Claude R. Wickard, Secretary of Agriculture, who is to be the new REA Administrator, setting out the facts with reference to the need for the appropriation of an additional $120,000,000 for the next fiscal year, which this amendment would provide. This money is badly needed, and the farmers are pleading for it all over the country.

The gentleman from Georgia [Mr. TARVER] talks about what a great friend he is of rural electrification. I happen to know his record; I checked it up this morning. He not only offered the amendment to cut this $120,000,000 down to $50,000,000, but he tried to cut it out altogether.

Mr. TARVER. Will the gentleman yield?

Mr. RANKIN. Yes; I yield.

Mr. TARVER. The statement of the gentleman is absolutely correct as to what happened in the Appropriations Committee.

Mr. RANKIN. The gentleman has verified what I have said. I do not yield any further.

Mr. TARVER. But somebody violated the rules by telling what happened in the committee.

Mr. RANKIN. But you admit they gave us the facts. I am talking for the farmers of America. The gentleman from Georgia has opposed our rural-electrification program for years.

Mr. TARVER. That is not true. That is absolutely false.

Mr. RANKIN. I will show you it is true by the RECORD.

Mr. TARVER. I say it is absolutely false.

Mr. RANKIN. In 1938 when we were trying to get the first $100,000,000 appropriation for rural electrification the gentleman voted against it.

Mr. TARVER. That is not true.

Mr. RANKIN. Oh, yes; it is; I will cite the RECORD. In 1938 when we were trying to get the first $100,000,000 appropriation he voted against it.

Mr. TARVER. That statement is not true. I have only voted against excessive amounts.

Mr. RANKIN. The RECORD shows he voted against it. Turn to page 6833 of the CONGRESSIONAL RECORD of Thursday, May 12, 1938, roll call No. 74. On the amendment providing $100,000,000 for rural electrification for the next fiscal year and you will see that one of the Members who voted "nay" on that roll call was the gentleman from Georgia [Mr. TARVER].

It was my amendment, as you will see from reading the RECORD of that day, that raised the amount to $100,000,000. The adoption of that amendment really started rural electrification on its way. And I might add that this amendment we are on now is the most important provision, or amendment, so far as rural electrification is concerned, that has been proposed from that day to this; and I do not propose for the gentleman from Georgia to defeat it, or emasculate it, if I can prevent it.

Last year when we tried to raise the amount provided for rural electrification from $20,000,000 to $30,000,000 he fought that. Yet he comes here and says he is as good a friend of rural electrification as I am. I will take the RECORD on roll calls.

Mr. TARVER. The gentlemen's statement as made is not correct.

Mr. RANKIN. The gentleman can rant all he wants to. But the RECORD of June 23, 1943, shows on page 6361, roll call No. 113, that the gentleman from Georgia [Mr. TARVER] voted against concurring in the Senate amendment which would have increased the amount provided for rural electrification from $20,000,000 to $30,000,000. And the same RECORD shows that he led the fight against it.

What we are trying to do is to offset the opposition of the gentleman from

Georgia who seems to be trying to kill the appropriation for rural electrification in this bill.

Mr. TARVER. That is not true.

Mr. RANKIN. All right. You just admitted it.

Mr. TARVER. I have not.

Mr. RANKIN. You just admitted you voted in committee to strike out the entire appropriation.

Mr. TARVER. Oh, no, no.

Mr. RANKIN. You voted to strike out even the $50,000,000.

Mr. TARVER. Because it is not needed.

Mr. RANKIN. I am afraid that if we waited until the gentleman from Georgia thought funds were "needed" for rural electrification before we provided them, our rural-electrification program would be at an end. He does not think we need even $50,000,000 now while the Administration thinks we need $160,000,000. The subcommittee thinks we need $120,000,000, and that is what we are asking for in this amendment.

I have neither the time nor the desire to quarrel with the gentleman from Georgia; but I am not going to let him kill this amendment if I can help it.

The war in Europe is over, and we can get the materials for building these lines. We are ready to go forward with this program, and I, for one, am not willing for the gentleman from Georgia to stand here and say that he is as good a friend of rural electrification as I am, and at the same time reduce this amount below the danger point or strike this needed and necessary item from the bill.

After all the fighting I have gone through here with Senator Norris and other friends of the REA, to build up this rural-electrification program from the beginning, I cannot sit idly by and see it destroyed or paralyzed by cutting off the necessary funds.

Mr. TARVER. You have been tied to the tail of the kite of George Norris.

Mr. RANKIN. Senator Norris and I fought for this program during the hard, trying years when he was in the Senate. I am doing now just what Senator Norris would do if he were alive and here today to help me. In his autobiography, Senator Norris gives me credit for saving the REA in 1935.

The power question is one issue on which Senator Norris and I always agreed. He led the fight in the Senate, and I led it here in the House; and as a result of our efforts we have a public power program the like of which our people had scarcely dreamed 12 years ago. By our joint efforts we succeeded in passing the bill creating the TVA, which has proved to be the greatest single development of all time. It has provided the American people with a yardstick, showing what electricity should cost them, and in that way has brought about reductions in light and power rates amounting to hundreds of millions of dollars annually.

If it had not been for the fights we waged, there would have been a rising tide of power rates all over the country, and the average family would have been denied the use of many of those electrical appliances they now enjoy.

If it had not been for the fights I waged, and won, here on this floor in 1938, there would be more than a million farm homes throughout this country dark tonight, that are now enjoying the benefits of rural electrification—the greatest economic blessing that has ever come to the farmers of America, and which we are now trying to extend to reach every farm home in the United States. Without Senator Norris' help, I feel sure we would have lost that amendment in the Senate, even after we had won it in the House.

The gentleman from Georgia may call me the tail of the kite if he wants to; but my answer is that it was a glorious kite—one that lifted the farmers of this Nation into a brighter existence and a higher standard of living than they had ever enjoyed before in all the history of mankind.

Senator Norris is gone; God bless his sacred memory! The work he did for this power program and for rural electrification will live forever, and his name will remain enshrined in the hearts of a grateful people for centuries to come.

In his name, and in the names of the millions of farm men and women who are pleading for electricity in their homes, I appeal to you to vote for this amendment and help us to carry this great program forward until we electrify every farm home in America at rates the farmers can afford to pay.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The CHAIRMAN. The gentleman from Iowa [Mr. HOEVEN] is recognized.

Mr. HOEVEN. Mr. Chairman, Iowa farmers want electricity. Iowa has already applied for some $8,000,000 authorization beginning the 1st of July. In fact, in my own congressional district of 12 counties we have applications pending for over $1,000,000. In the proposed allocation in this bill, $50,000,000, it would allow a little better than $1,000,000 for each of the 48 States. In my own congressional district there are requests for over a million dollars. It seems to me the issue is not one of grants. We have heard so much about grants in Congress, the UNRRA and lend-lease, which is a misnomer, but here we are only asking for a loan. In my judgement, the Iowa farmer is a pretty good risk. We are for electricity. We want to extend this program.

As has been said, the war is over in Europe. These applications are piling in every day. When the material becomes available we want to extend our lines. In my county alone they are getting ready to build 85 miles of high line right now. So it seems to me this is a practical proposition. It is a question of a loan. If the money is not expended nobody will be at a loss. The money will be in the Treasury.

This is a progressive movement. The Iowa farmer, together with all farmers throughout the midwest, have done a great job in helping to win the war by the production of food. The people on the farms are just as much entitled to these electrical facilities as the people in the cities. One great problem we will have is to keep young men on the farms when the war is over. You have got to make agriculture attractive and you have got to do something to bring that young man back from the Army that will make him want to stay on the farm.

Mr. JENSEN. And the Iowa farmers will pay back every dollar with interest.

Mr. HOEVEN. The gentleman is correct. The record of the Iowa farmer is very fine in that respect, paying what he owes.

Mr. RANKIN. And according to the statement of the gentleman from California [Mr. HINSHAW] the Government will make a profit on that interest.

Mr. HOEVEN. There is no doubt about that. This is a good investment that will make for the betterment of the entire country.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

The gentleman from Georgia [Mr. PACE] is recognized.

Mr. PACE. Mr. Chairman, not one penny of this money is a gift, but every dollar is a loan, and the REA co-ops, farmer owned and farmer controlled, have proven to be safe borrowers. Listen to this: During the 10 years $40,930,000 interest has become due, on which $40,600,000 has been paid. During the same period $27,300,000 of principal has accrued while $45,300,000 has been paid on principal. Not only have these loans been safe investments for the Government, but they have made it possible for the farmer, his wife, and children to enjoy the comforts and blessings of modern conveniences and the efficiency of electric power. Those are things you cannot measure in dollars and cents, but have been of great benefit to the Nation. Here is what I wanted to say to you:

Do not let word go out this afternoon to the farmers of this Nation that you are appropriating in this bill $1,900,000,000 to give away under lend-lease, and that you refused to make your own people a safe loan of less than 7 percent of that amount. Do not let word go out to the farmers of this Nation that you are appropriating seven or eight billions for the Export-Import Bank to lend to foreign people and you cannot let your own farmers have a loan of $120,000,000. Do not let the word go out to this country that you have this week spent $700,000,000 to increase the pay of Government employees, for which you and I voted, and that you cannot lend the farmers of this Nation $120,000,000 to build their own electric lines to their homes.

Mr. RABAUT. And on good security.

Mr. PACE. I say to you that in my judgment the most helpful thing this Congress has ever done for the farmers of this Nation is to give them the blessings of rural electrification and the benefits of soil conservation and soil building. We now have the system partly completed and I appeal to all of you to join with those of us who realize the benefits of this program to make it possible to see that there is an REA line to every farmhouse in this Nation within 5 years. That is what we are working for, and this amendment to authorize these additional loans of $120,000,000 is a part of that program. I call upon you to stand with us.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

The gentleman from Nebraska [Mr. STEFAN] is recognized.

Mr. STEFAN. Mr. Chairman, I rise to say a good word for the REA. Not only its work all over the Nation but especially the work it has done in Nebraska. My feeling after some exhaustive study in that Mr. Neal and his associates have done a splendid job with the funds which this Congress has provided them for the Rural Electrification Administration. Many of the districts in my State are rated as the outstanding REA district in the country. We have many applications in Nebraska for REA extensions but we have been unable to complete them because the Administration has not had sufficient funds on hand for loaning purposes and also because war necessarily prohibited the release of critical material. The war is over in Europe now and I have ben informed that REA material is no longer frozen. The Administration has on hand now applications for $239,000,000 REA extensions and new work. There is no reason why sufficient funds should not be allowed for this purpose now. This money does not represent grants. It costs the taxpayers no money. In fact it represents a loan on which these borrowers pay an interest. The record shows that the principal and interest on most REA loans have been paid. In many cases the loans have been paid far ahead of the due date. This is a remarkable record and the program should be encouraged. It means a great contribution to the plan to solve our postwar economic problem. It will bring prosperity to our farming districts. It has already brought much comfort and happiness to the American farm home. In Nebraska we have an excess of electric power. We want these rural electric lines extended as soon as possible so we can put this electric power to work. I shall oppose amendments which would reduce the funds necessary to complete the REA program in our country. Not one penny will be lost in making these loans to our REA districts. In fact, it is my belief that a profit will be shown.

Only a short time ago I interrogated the ranking minority member of the Appropriations Committee on lend-lease. You will recall that I brought out the fact that we have already appropriated $65,000,000,000 for lend-lease. Also that over $40,000,000,000 has already been delivered in lend-lease to foreigners. You will also recall statements made on this floor today that very little of this lend-lease money will ever come back to us. Then why quibble over this REA loan which the farmers of America need so badly now and which they will pay back with interest? I oppose the amendment offered by the gentleman from Georgia to reduce these REA loans and urge the committee to accept the amendment of the gentleman from Oklahoma which would give to the REA at least a portion of the funds necessary to construct these badly needed rural-electrification lines.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. MURDOCK. I agree with the sentiments just expressed. Does the gentleman feel, then, that Nebraska has profited greatly by the extension of REA projects and lines?

Mr. STEFAN. There is no question about it. The REA program in our State has been of very great benefit. We now have excess power and are trying to find an outlet for it in Nebraska even paying dividends to bring industry to the agricultural country. It is going to mean that we are going to process more of our products out there rather than shipping them to the East or the West to be processed.

Mr. MURDOCK. In that respect it does create wealth.

Mr. STEFAN. Absolutely.

Mr. MURDOCK. We want REA to do the same thing in my State of Arizona as the gentleman says it has done in Nebraska. It not only energizes the power lines to America's farms, but it helps to energize the productive processes of our whole economic life. I also favor this type of investment.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, there are gray heads in this House and some without hair, who can remember when grandmother used to have a candle in order to secure light. Some of you may have helped grandmother make candles. Certainly we can all remember the lamp shade that mother used to clean every night about sundown so that we would have a little light for dinnertime. It has not been very many years ago when we used to build fires on the hilltop to signal to our neighbors across the way. But today electricity and communications have changed that picture. There is only one thing wrong with this appropriation bill and that is, there is not enough in it for rural electrification.

I make that statement because in my own State we have hundreds of applications for extension of rural electrification. It brings contentment, it brings security, it brings a new life, it brings a pleasure to living on the farm. If this House can vote billions of dollars for Bretton Woods, lend-lease, and other agencies of Government from which we may never get a penny back, we should not forget our farmers who are asking for a loan here that will be repaid to the Government with interest.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, in the past few months there has been much unwarranted criticism of those who have been charged with the administration of the REA. Those criticisms have all been vague, they have been the whispering type of criticism without any specific charges being made, they have been unfair, they have been cowardly, they have been the backhanded kind of criticism. When boiled down this criticism simply amounts to a charge that those in charge of REA have not done as much as we would like to have seen done. And, of course, that is true. They have not done as much as I would like to have had done. They have not energized the poles in front of my own farm. No, they have not built the lines through my district I would like to have seen built. But whose fault is it that lines have not been built? Much of this lack of construction has been the result of shortages due to the war. The rest of the responsibility must rest on the Congress.

With the means at its command the administration of REA has been good. Bill Neal has done a good job with everything he has had and there is not a man or woman in this Chamber or in the other Chamber who has dared rise and point to a specific instance where he has done any wrong. There has been nothing but back-alley scandal, nothing but unworthy insinuations. After all, if REA has not had enough money to carry on as we would like for them to carry on, whose fault is it? As material began to become available REA came to us and asked for the deficiency appropriations we had promised. We did not make them in sufficient amount to enable the program to move forward even during the period of restricted construction. Now practically all restrictions have been removed. Transmission wire is plentiful. The farmers' cooperatives are sending in applications at the rate of $1,000,000 per day. We have provided only $80,000,000 for next year and yet we enter the year with a backlog of nearly $240,000,000 of applications for loans by local cooperatives.

This amendment does not attempt to provide all the money needed. It does not try to provide enough to enable REA to finance all the applications it now has—much less all those it will receive. It only attempts to provide for the more pressing needs within the ability of the cooperatives to buy the needed equipment. This amendment simply makes good in part on the promise made that we would provide more money as building material became available.

Unless we are willing to give the Administrator of REA reasonable funds with which to do the job, I hope that we will hear no more complaint that REA is not doing the job. And, remember that when you give him the money provided in this amendment you only give him about one-half the amount for which he has asked.

If you really want the job done as your road program is handled you should pass the bill to which the gentleman from California [Mr. HINSHAW] referred and put the REA on the same kind of long-term planning basis that you have put the Bureau of Public Roads. That bill, H. R. 1742, was introduced in January. It is still being considered by the committee as explained by the gentleman from California. It seems improbable that the committee can get the measure to the House before late fall. Under these circumstances we simply cannot wait for that legislation for this year's program. The best we can do is to use it next year. I think that we should have enacted that bill into law months ago, but we did not. In the absence of

an all-over, long-term program for REA it is necessary that we give it the funds provided in the amendment if we want to deal fairly with the new Administrator of REA, and if we want to keep faith with the farmers of America who only ask the privilege of borrowing money on a basis that pays the Government a nice profit.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Chair recognizes the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, let me say to the gentleman from Texas that not all criticism of REA has been vague. At least mine has been so specific that I got an assistant administrator removed. But that does not gainsay the fact that I am for the amendment that is on the desk. I hope this does not become a contest between the 100 percenters for REA, the 90 percenters and the 50 percenters. I have been one of the most severe critics and every administrative official in REA will bear that out. In every case my criticism was designed to improve its operation. I think that in all the welter of discussion we lose sight of the essential point. It does not make any difference how many applications they have.

The question that we tried to resolve in the subcommitee is, What is the availability of material? What difference does it make whether they have a billion dollars in applications, if there is no copper, if there is no steel, if there is no aluminum? That was the one consideration that dictated the reduction of this item in the subcommittee from $160,000,000, which was the Budget estimate, to $120,000,000.

I voted for the $120,000,000, as I think most of the members of the subcommittee did, and that is why I am for the amendment that is on the desk at the present time.

I did want to say before leaving the floor, however, in justice to and in defense of my chairman the gentleman from Georgia [Mr. TARVER]—if he needs any defense, and I do not believe he does—that the observations which he made on this floor are exactly right. The testimony before the Subcommittee on Agricultural Appropriations was that REA spent only a very small sum of money, and that information was in the possession of the Bureau of the Budget at the time; so the judge is right. But I do not agree with him on $50,000,000, because if perchance the material should now become available as priorities are released, then certainly let us go ahead with this program. This is, after all, loan money, and I thoroughly agree that we should do something for the farmers of this Nation to see that they get all the benefits of electricity.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Mississippi.

Mr. RANKIN. That report of the Agricultural Subcommittee on Appropriations was rendered before Germany was knocked out of the war, was it not?

Mr. DIRKSEN. Yes; but the point is that the information was available to the Bureau of the Budget at the time when the $160,000,000 estimate was prepared and sent to the Subcommittee on Deficiencies.

Mr. RANKIN. And they gave that estimate on the theory that there would be materials available now.

Mr. DIRKSEN. That is right. I raised that question very specifically, so if the materials are available, I wanted to take a chance on the extension of this program, and for that reason I shall vote for Mr. JOHNSON'S amendment for $120,000,000. If the material is not available, they cannot spend the money and there will be an unobligated authorization for next year.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. JOHNSON].

The question was taken; and on a division (demanded by Mr. TARVER) there were—yeas 102, nays 29.

So the amendment was agreed to.

The Clerk read as follows:

Establishment of air-navigation facilities: For an additional amount for "Establishment of air-navigation facilities," fiscal year 1946, including the objects specified under this head in the Department of Commerce Appropriation Act, 1946, $27,000.

Mr. HINSHAW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HINSHAW: Page 27, line 7, strike out "$27,000" and insert "$817,000."

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HINSHAW. Mr. Chairman, this item came before the House in the form of an amendment when the regular Commerce Department appropriation bill was before the House some time ago. The committee handling that matter, which is headed by the gentleman from Michigan [Mr. RABAUT] made some inquiry concerning this item and then did not include it because it was not then included in the Budget. I had discussed the matter subsequent to that time with the gentleman from Michigan [Mr. RABAUT] and he indicated when the Budget brought in the item he would not disapprove it. Now the Budget has brought in the item but the Deficiency Committee has disapproved it.

This is for the purpose of establishing special mechanical means of handling airway traffic control over a short segment of the airways of the United States, namely, between Washington and New York. It is a very important item to the future of aviation. It is a very important item from the standpoint of testing a new device.

I have discussed this matter before on the floor of the House. I hope the committee will agree to the item because of its great importance to the future of aviation. It is also important from the standpoint of safety. These heavily traveled air routes are going to have to have some better means of traffic control than that which is presently in effect. I know that the committee gave it consideration. I hope that they will give it favorable consideration because of its vital necessity.

I would be glad to answer any question concerning this amendment so far as I am able to within the time allotted to me.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Washington.

Mr. HORAN. Will this experimental line solve some of our control tower problems all over the Nation?

Mr. HINSHAW. It will very materially aid in solving the control tower problems in due course, yes; but at the present moment it will be only between Washington and New York. I hope that the gentlemen of the committee will accept the amendment and allow this item to go through because I know it is greatly desired by all concerned in military and naval aviation and in the Department of Commerce, as well as in the Bureau of the Budget who now thoroughly understand the matter.

I hope the gentleman from Missouri will accept the amendment and allow this item to go through in order that it may be firmly established in the system. If we do not put it through now it will have to wait another year. If we wait any longer it will take more than that because it takes a year to install this equipment and another year to test it. It is a postwar project which needs to be started now and is of vital importance to aviation.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, according to the testimony submitted by the departmental representatives appearing before the committee, this amendment is the proverbial camel's nose beneath the tent. In attempting to justify this expenditure, they have been frank to say their ultimate program provides for the establishment of this system between New York and Washington for the year and then next year, if it proves successful, as it of course will, they then propose to extend it to all trunk routes throughout the United States.

The cost of such installation would be fabulous.

To install facilities for this one line between Washington and New York will cost in excess of three quarters of a million dollars. You can imagine what the total cost will be when installed on all major lines throughout the country. I may also say that the facilities proposed to be provided by this amendment have no relation to the war program whatever.

I trust, Mr. Chairman, that the amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HINSHAW].

The amendment was rejected.

The Clerk read, as follows:

General expenses, Marine Corps, 1946, $48,680,000.

Mr. CANNON of Missouri. Mr. Chairman, at the request of the gentleman

from Georgia [Mr. VINSON], chairman of the Committee on Naval Affairs, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CANNON of Missouri: Page 32, after line 24, insert a new paragraph, as follows:

"GENERAL PROVISION

"The appropriations of the Naval Establishment for the fiscal year 1946 shall be available for traveling expenses (including subsistence while awaiting transportation at west coast ports) in connection with the recruitment and placement of civilian personnel for naval facilities at Pearl Harbor and in the States of Washington, Oregon, California, Nevada, Utah, Nebraska, and Oklahoma."

Mr. CANNON of Missouri. Mr. Chairman, this amendment is offered at the request of the gentleman from Georgia, Mr. VINSON, chairman of the Committee on Naval Affairs, who had expected to submit the amendment but was called away before the paragraph could be reached in the reading of the bill.

The need for this provision is indicated in the following letter received from the Assistant Secretary of the Navy:

THE SECRETARY OF THE NAVY,
Washington, May 29, 1945.

HON. CLARENCE CANNON,
Chairman, Committee on Appropriations, House of Representatives,
Washington, D. C.

MY DEAR CHAIRMAN CANNON: Section 113 of the Naval Appropriation Act for the fiscal year 1945 contained authority to recruit and transport civilian employees in order to keep up the production and repair programs of the Navy. The estimates for the fiscal year 1946, as transmitted to Congress by the President, contained a similar provision, which was omitted by the House in reporting out the 1946 bill. As a result of this action, the Department has been placed in a critical situation, as the labor turn-over in west coast plants has been very large: and although considerable numbers of men are leaving other industrial activities in that area, they are not applying at the naval plants in sufficient numbers to carry on the work. It is a matter of vital importance to the war effort that the west coast repair yards and certain ammunition depots and ordnance plants in isolated places, such as Hawthorne, Nev., Hastings, Nebr., Inyokern, Calif., McAlester, Okla., and the supply depot at Clearfield, Utah, be kept up to strength. As a matter of fact, even now with the authority to do such recruitment, the Department is having difficulty in keeping these plants going at the level required. I don't know of any matter which is more urgent than this.

As indicated above, the Bureau of the Budget had already approved this provision for the fiscal year 1946, and have indicated they approve of the request herein made.

In order to meet the wishes of the Congress, that no unnecessary recruitment take place, language has been prepared which restricts such recruitment to be for those places where critical conditions exist.

It is requested, therefore, that the following language be included in the second deficiency bill, now under consideration by your committee:

"GENERAL PROVISION

"The appropriations of the Naval Establishment for the fiscal year 1946 shall be available for traveling expenses (including subsistence while awaiting transportation at west coast ports) in connection with the recruitment and placement of civilian personnel for naval facilities at Pearl Harbor and in the States of Washington, Oregon, California, Nevada, Utah, Nebraska, and Oklahoma."

Sincerely yours,

H. STRUVE HENSEL.

The amendment is legislative in character and for that reason the committee declined to include it in the bill but has no objection to its adoption if approved by the chairman of the Committee on Naval Affairs which has legislative jurisdiction of the subject matter.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. CANNON].

The amendment was agreed to.

The Clerk read as follows:

TITLE II—DEFENSE AID—LEND-LEASE

SEC. 201. To enable the President, during the fiscal year ending June 30, 1946, through such departments or agencies of the Government as he may designate, further to carry out the provisions of an act to promote the defense of the United States, approved March 11, 1941, as amended, and for each and every purpose incident to or necessary therefor, the following sums for the following respective purposes:

(a) For the procurement, by manufacture or otherwise, of defense articles, information, and services, for the government of any country whose defense the President deems vital to the defense of the United States, and the disposition thereof, including all necessary expenses in connection therewith, as follows:

Vessels, ships, boats, and other watercraft, including the hire and temporary use thereof, and equipage, supplies, materials, spare parts, and accessories, $666,912,000.

Agricultural, industrial, and other commodities and articles, $1,305,228,000.

(b) For administrative expenses, not specified or included in the appropriation for "Salaries and expenses, Foreign Economic Administration, 1946", $2,860,000.

(c) In all, $1,975,000,000.

(d) Each of the foregoing appropriations shall be additional to, and consolidated with, the appropriations for the same purposes, contained in the same respective categories of appropriation in the Defense Aid Supplemental Appropriation Act, 1941, the Defense Aid Supplemental Appropriation Act, 1942, the Second Defense Aid Supplemental Appropriation Act, 1942, the Defense Aid Supplemental Appropriation Act, 1943, and the Defense Aid Appropriation Act, 1945, and the appropriations contained in the foregoing acts are hereby continued and shall be available until June 30, 1946, except that $500,000,000 of the total amount thus made available shall be continued to be reserved for expenditure, as and when necessary, for the postwar price support of agriculture: *Provided*, That with the exception of the appropriation for "Administrative expenses," not to exceed 20 percent of any of the foregoing appropriations may be transferred by the President to any other of such appropriations, but no such appropriation shall be increased more than 30 percent thereby: *Provided further*, That notwithstanding the foregoing proviso (1) balances, unobligated as of June 30, 1945, and balances subsequently released from obligation, of appropriations contained in the foregoing acts for "Ordnance and ordnance stores, supplies, spare parts, and materials, including armor and ammunition and components thereof," and for "Miscellaneous military equipment, supplies, and materials," may be transferred by the President to and consolidated with the appropriation provided above for "Agricultural, industrial, and other commodities and articles"; and (2) balances, unobligated as of June 30, 1945, and balances subsequently released from obligation, of appropriations contained in the foregoing acts for "Necessary services and expenses" may be transferred by the President to and consolidated with any of the appropriations provided above, except the appropriation for "Administrative expenses."

Mr. CANNON of Missouri. Mr. Chairman, by direction of the committee I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CANNON of Missouri: On page 40, line 13, strike out "$1,305,228,000" and insert "$1,805,228,000"; and on page 40, line 17, strike out $1,975,000,000" and insert "$2,475,000,000."

Mr. CANNON of Missouri. Mr. Chairman, this amendment proposes an increase in the lend-lease funds carried in the bill by $500,000,000 in excess of the Budget estimate. The additional half billion dollars is to replace the half billion dollars earmarked by the committee for allocation to the Department of Agriculture for the postwar price support of agricultural commodities. The Steagall act authorizes the support of agricultural prices at 90 percent of parity for 2 years following the close of the war. Under this authorization, a reserve of $500,000,000 has been carried in lend-lease funds since 1941. It has never been necessary to use any of this money as farm prices have remained consistently above 90 percent of parity since the enactment of the authorization. But the reserve of half billion dollars has been maintained subject to the order of the Secretary of Agriculture for the purchase, under his direction, of sufficient commodities to sustain the price of farm products at the minimum ratio specified in the statute—90 percent of parity.

This year, however, after the estimates had been submitted the Bureau of the Budget, in a confidential letter addressed to the Foreign Economic Administration, directed that the reserve of $500,000,000, instead of being kept on the shelf, as in former years, should be made available for general use in the lend-lease program. The result of such dissipation of the fund in the general program would have left the Secretary of Agriculture without means to maintain farm prices had market quotations dropped below the floor of 90 percent of parity. In other words, the covenant which the Government had entered into with the farmers of the country, under the Steagall act, to maintain prices in return for expanded production for war purposes, would have been repudiated without notice.

Accordingly, the committee restored the reserve by earmarking half billion dollars of lend-lease funds for the purpose, thereby reducing by that amount the total amount available for the lend-lease program. The pending amendment restores the $500,000,000 thus sequestered and raises the amount available for lend-lease to the $1,975,000,000 originally recommended by the Bureau of the Budget for the purpose.

In this way the committee proposes to continue the reserve of half billion dollars necessary to support postwar farm prices and at the same time provide the full amount of the Budget estimate for the lend-lease program.

Mr. TABER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I cannot bring myself to vote for this amendment. The justifications for the lend-lease operations are in such shape I cannot do it. They do not show what it is proposed will be sent over next year, and the unexpended balances are up in the air in such shape that I do not believe I can support the amendment. With the deliveries they will have coming out of prior obligations they will have at least $6,500,000,000. In my opinion, that gives them all they can ship, and I do not see why they need this additional $500,000,000. There is no Budget estimate for it.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in order that the members of the committee may understand the situation clearly, let me call to your attention the fact that the lend-lease budget was set up for the minimum amount possible; I think it was a little over $4,000,000,000, about $4,300,000,000 or thereabouts. In past bills the committee always reported out $500,000,000 for postwar prices for farmers to meet the support prices, but they have always added that $500,000,000 to the amount reported out for lend-lease so that if the conditions arose where the support price program started into operation the $500,000,000 would be available to carry out our legislative commitments to the farmers of the country. I approve of that and I think it is a very wise thing to do; but they always added the $500,000,000 in past bills to lend-lease appropriations. In the bill reported out they failed to do that. They provided for the $500,000,000 as a fund to meet our postwar obligations to the farmers but they took it from the lend-lease appropriations. All the committee amendment does is to safeguard the farmers' interest but not at the expense of lend-lease appropriations and to provide just the same as we have in the bills of past years. It would add it on to lend-lease rather than take it from it. I know my good friend the gentleman from New York [Mr. TABER] is opposing this more on principle than in fact.

Mr. TABER. If the gentleman will yield, it is because I think they have plenty of money without it.

Mr. McCORMACK. The fact remains, I believe my friend from New York will agree, that without this amendment there would be a reduction of $500,000,000 taken out of lend-lease this year to carry out obligations to the farmers, whereas in past years it was added to the bill. I do not think we want to have this bill enacted with the present provision as reported by the committee, which includes this amount at the expense of lend-lease. We are all in favor of the $500,000,000 as a reserve for farmer support prices, but it should be added to the lend-lease appropriation. The adoption of the pending amendment will accomplish that fact and do what the Congress has done in bygone days; that is, add the $500,000,000 to the lend-lease appropriation and have it there to protect the farmers of the country in case the situation arises where our support program has to go into operation.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes, to be allotted to the gentleman from Illinois [Mr. DIRKSEN].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, I rise in support of the pending amendment. I can endorse everything that the majority leader has said. Then I believe it would be interesting to amplify exactly how this situation is provoked.

When the Foreign Economic Administration appeared before the subcommittee their top figure for operations during 1946 was $4,375,000,000. In order to determine what their direct appropriation should be, you first ascertain, if you can, the unobligated balances, deduct that amount, then make a direct appropriation accordingly, which, of course, would give them the necessary amount. That was done.

After the bill had been completed, it was discovered that $500,000,000 which heretofore had been in this fund and which was earmarked for shoring prices in the postwar period for agricultural commodities, had suddenly at the instance of the Budget Bureau been made available in this balance and, as a result, this money would not have been available for the purposes Congress had in mind when it passed the Steagall bill several years ago. So the subcommittee thereupon simply took out this $500,000,000. I objected at the time. I thought it was entirely unfair, for the very good reason that it would leave the Foreign Economic Administration short $500,000,000 with which to carry on its work. The subcommittee at another meeting this morning, and on the basis of the testimony of Mr. Crowley and some members of his staff, determined that the $500,000,000 should be restored.

In consequence the amendment has been offered by the gentleman from Missouri and I hope it will be adopted, because it serves two purposes. The first purpose is to keep on the shelf the $500,000,000 that has been earmarked to stabilize farm prices and put a floor under them in case the impact on our postwar economy is such that it will force the prices down; and, secondly, it will give the Lend-Lease Administration the money it will need during the fiscal year 1946.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Arkansas.

Mr. HARRIS. Do I understand the gentleman to say that heretofore $500,000,000 has been appropriated for this purpose for the postwar and since it was not used it reverts to the Treasury unless it is reappropriated?

Mr. DIRKSEN. Yes.

Mr. HARRIS. So it has to be reappropriated if it is to be used in case it is needed?

Mr. DIRKSEN. Yes.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Idaho.

Mr. DWORSHAK. Is any of this money to be used for postwar rehabilitation and relief purposes in Europe?

Mr. DIRKSEN. Is the gentleman speaking of the general terms of the bill or the $500,000,000?

Mr. DWORSHAK. The $500,000,000.

Mr. DIRKSEN. This $500,000,000 has been earmarked for a very specific purpose. It was set out in the Steagall bill. We devised a formula under which within a given period of time after the war ends a floor shall be kept under basic commodities and a comparable price under those commodities that may not be regarded as basic. Maybe it will take $500,000,000, maybe it will not, maybe no money will be required for that purpose, but we did not want to be put in the position of coming back to the House and Senate at some future time, if that situation should arise, and asking for this money. It is far better to leave it on the shelf and if it is not used it will revert to the Treasury.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Ohio.

Mr. VORYS. Why is it that this is carried in lend-lease? If it has to do with our domestic program why is it carried in lend-lease and administered by FEA?

Mr. DIRKSEN. That has been a matter of some speculation and curiosity. My own answer is that the Foreign Economic Administration carried on a number of operations in foreign fields, including a stabilization endeavor and all those sorts of things. So there was no other appropriate place to put the money, and I suppose if it became necessary to operate in foreign fields for the purpose of stabilizing prices, this would be as good a place as any. I can think of no other reason for it.

Mr. VORYS of Ohio. Is this to stabilize foreign or domestic prices?

Mr. DIRKSEN. Domestic prices.

Mr. VORYS of Ohio. This House has just voted to centralize all of that in the Department of Agriculture. To one not on the Appropriations Committee, this is the most cock-eyed idiotic proposition I ever heard of, to stick into lend-lease, which has life of 1 year, something that is to be used in the future. It is one of those things that if you want to do it, do it. I certainly think the amendment should be defeated and the Appropriations Committee told to go back and bring in here something right.

Mr. DIRKSEN. My friend from Ohio ought to remember that we have carried this in the bill for at least 3 years; so it does no harm to carry it in this bill now. I urge adoption of this amendment.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The question is on the amendment offered by the gentleman from Missouri.

The amendment was agreed to.

The Clerk read as follows:

SEC. 202. Any defense article, information, or service procured from funds appropriated by this title or prior acts appropriating funds to the President for the purpose of carrying out the provisions of said act of March 11, 1941, as amended, shall be retained by or transferred to and for the use of such department or agency of the United States as the President may determine, in lieu of being disposed of to a foreign government, whenever in the judgment of the President the defense of the United States will be best served thereby: *Provided further*, That none of the funds appropriated in this title shall be used for the payment of any subsidy on agricultural products produced in the continental United States nor for the purchase or distribution of any food products for use in Puerto Rico or the Virgin Islands.

Mr. VORYS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS of Ohio: Page 42, after line 17, strike out the period, insert a comma and the following: "*Provided, further*, That no part of any appropriation contained in title II shall be used for the procurement of food for any European country not paid for on terms and conditions of sale prescribed by the President."

Mr. VORYS of Ohio. Mr. Chairman, this amendment would carry out the principle contained in the lend-lease amendment which we put in the bill this year which was passed by both Houses, and which President Truman while Vice President voted on in the Senate because it was a tie vote, and which he signed as Vice President and later as President. He expressed the principle of this amendment in the letter to a group of us recently, which I mentioned earlier today, in this language:

I am, of course, in full agreement with you that the Lend-Lease Act does not authorize aid for purposes of postwar relief, postwar rehabilitation, or postwar reconstruction, and that in the liquidation of any lend-lease war supply agreements, articles transferred after they are no longer necessary for the prosecution of the war should be disposed of only on terms of payment.

That principle is written into the French, the Belgian, and the Dutch agreements. Those three countries are getting lend-lease food under this bill and presumably are paying for it under this principle. According to the hearings there is about a billion dollars' worth of food to be distributed in Europe under this appropriation we are voting on today. This amendment would provide that such food, being obviously not for use in the Japanese war but being a postwar supply, to prevent discontent and political unrest in Europe, shall be paid for by the countries receiving it. The countries who receive it are France, Belgium, Holland, and Norway, all of which are labeled under UNRRA as being countries who said that they could pay for their own relief. The United Kingdom will receive about $775,000,000 worth of food. Possibly not all of it is to be delivered to Europe as this amendment would provide.

This amendment simply provides that when food is delivered to these countries who need the food and who have the resources to pay for it, that they shall pay for it on terms and conditions of sale prescribed by the President. That language is copied from the lend-lease amendment which we passed this year. There is this simple proposition: Either these countries are going to pay for it or go in debt for it or we are going to pay for it or go in debt for it. If postwar food for these countries is a legitimate project of lend-lease after the amendment we have made to the law, then there is no limit to lend-lease and it becomes a postwar lunch-counter system. These nations should be too proud to accept their grocery bill from the United States even though they may have to get their groceries here. We should, in rehabilitating Europe, help to rehabilitate not only their diet but their self-respect, and these countries that can afford to pay for this food should be required to pay for it. As far as European Russia is concerned, the hearings developed that food shipments to European Russia have been stopped. So we come down to a very simple proposition under this amendment and that is merely whether the countries that need food of some kind for postwar purposes should pay for it or whether we should pay for it. UNRRA, which this House helped to create, has fallen down on its relief job. Since we contribute two-thirds of the supply and have the head management of UNRRA, we should get busy and make UNRRA work and carry on its relief job rather than using the loophole in the Lend-Lease Act, which was deliberately left in there for transition purposes, as a method of turning lend-lease into a postwar relief mechanism.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, this amendment is so out of place in the pending bill, would so disrupt diplomatic negotiations now pending, that I am certain no one here would want to act on it on such superficial consideration as we are able to give it here on the floor. The committee should insist on it being taken up at some more appropriate time and place. I ask that the amendment be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The amendment was rejected.

Mr. CANNON of Missouri. Mr. Chairman, the remainder of the bill is purely stereotype matter. I therefore, ask unanimous consent that the remainder of the bill be considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments thereto, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WHITTINGTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes, had directed him to report the bill back to the House with sundry amendments thereto, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that further consideration of the bill be postponed until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 937. An act to amend the act suspending until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws, so as to continue such suspension until June 30, 1946.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 11 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TEMPORARY INCREASE IN POSTAL RATES

Mr. DOUGHTON of North Carolina submitted a conference report and statement on the joint resolution (H. J. Res. 184) to continue temporary increases in postal rates on first-class matter, and for other purposes.

CONFERENCE REPORT ON SENATE JOINT RESOLUTION 30

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House on Senate Joint Resolution 30 may have until 12 o'clock midnight tonight to file a conference report and statement for printing under the rule.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. HAVENNER asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. MANSFIELD of Texas was given permission to extend his remarks in the RECORD.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and include an article which appeared in the Washington Evening Star and comments made by Foreign Economic Administrator, Leo Crowley.

COMMITTEE ON THE JUDICIARY

Mr. BRYSON. Mr. Speaker, by direction of the chairman of the Committee on the Judiciary, I ask unanimous consent to have until midnight tonight to file a report on H. R. 3587.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

WAR FOOD ADMINISTRATOR, MARVIN JONES AND FIRST ASSISTANT TO THE WAR FOOD ADMINISTRATOR, GROVER B. HILL

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and revise and extend my remarks and include some statements by Marvin Jones and Grover B. Hill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, this week two of the most popular men in the Government service will leave the War Food Administration. I refer to Hon. Marvin Jones and his assistant, Hon. Grover B. Hill. This morning they had their last staff meeting. Each made a statement at this meeting, as follows:

STATEMENT BY MARVIN JONES AT LAST WAR FOOD ADMINISTRATOR'S STAFF MEETING, WEDNESDAY, JUNE 27, 1945

This is the last staff meeting I shall attend as War Food Administrator.

It has been an interesting experience and I have enjoyed the responsibilities and the work which you have shared with me during these two great war years.

It is with sincere regret that my intimate association with the truly remarkable men who compose this staff is to be ended.

We have had difficulties, we have had problems, we have had headaches, we have had differences of opinion.

But almost without exception when decisions have been made, we have had teamwork in carrying out our programs.

On the brave shoulders of you men has rested the responsibility for our wartime food supplies during the greatest war in all history, and of helping to solve some of the gravest problems that ever met human intelligence. These arose not only in connection with the planting, cultivating, and harvesting of crops, but also with storing, processing, transporting to shipside, repacking, and loading on ships.

Then, too, we have had the problems of requirements, allocations, lend-lease and support price purchases and combined food board operations.

Few people outside our own organization have any conception of the many difficulties involved. The fact that we have had the best-fed Army that ever marched to battle and the best-fed Navy that ever sailed the seas, a well-fed civilian population, and at the same time have sent millions of tons to our fighting allies, is abundant proof of a well-done job.

In the aftermath the hardships will be forgotten and only the fine memories will remain. I assure you of my deep affection for each of you.

We have all endeavored to fit our programs into changing conditions and demands. Changes are especially significant in wartime. We meet and mingle together as human beings, each with his own peculiar whims, talents, and philosophy. These must all be woven into a pattern of harmony in a spirit of tolerance if worthwhile results are to be attained.

There is nothing static in nature. We go forward or we deteriorate and die. All nature is growth and decay and regrowth sometimes in finer form.

We do best when we master material things and bend them to the higher spiritual purpose.

When a man lifts up his eyes and looks beyond the mechanics of the universe, he truly begins to grow. He looks back over the receding road of the past and then forward through the clouds that overhang the future. Beneath and above things he seeks the law—not temporary, man-made rules, but the universal law. He wants to know how the earth was formed and the stars were made. He knocks at the very gates of heaven and asks why.

Some of you may think that I have been too insistent in these staff meetings. But I have only sought to light the torch of worthwhile things in which you are privileged to play a vital part. I am proud of this staff membership. I have great faith in your ability and integrity as individuals and as a group. You have been generous to me personally, but what is far more important, you have been faithful to the cause of agriculture—to the men and women in distant places who produce the basic wealth of our country.

May I express the hope that down the long lane of the future, when transportation facilities are less limited, you may take every opportunity of close contact with the people of the farm and ranch—and listen to the philosophy of the men and women who live close to nature, who in their daily work meet her face to face, and who somehow seem closer to the stars. You can learn much from them.

Then, too, they are the people we represent. It is easy to listen to the siren voices of those who would have us forget that fact. Farm people are in faraway places, but the future of our country is anchored in their heart purposes. "When tillage begins, the other arts follow; the farmers, therefore, are the founders of human civilization."

All through my life I have tried to remain close to the soil, for there is found the setting for wisdom's jeweled ring. There is something in contact with the earth that tends to build character—and I have needed a good deal of building. Farm people live close to nature and therefore close to God. Of all people, they come nearest to being free. They believe in liberty, equality, manhood, fair play, and freedom from every form of new and old world caste and privilege, and from the tyranny of wealth and birth. They swung the first axe that rang in the wilderness of this country. They have helped make it great. They have fought in its battles from the beginning.

Throughout my legislative career and in my administrative experience, I have wanted to consult them and to leave the largest possible discretion and management in their hands. I have fought for the local committee systems in connection with all major policies, and in my judgment this is why they have lived.

The Department of Agriculture will remain great only so long as it remains true to the farmers.

In the processes of free government, you have been trusted with their interests. I have every confidence you will prove faithful.

I came to this organization on leave of absence to do a wartime assignment. I did not seek the place. I did not wish it. I came as a soldier would go at the request of his commander. I am proud of the record of the War Food Administration. It will compare favorably with that of any other war agency. With an Army and Navy fighting in hundreds of places on land, on sea, and in the air all over the world, with the hundreds of problems arising from the grass roots all the way to the battle fronts, with the feeding of our people who have forged the weapons for that Army and Navy, and with the necessity of helping to feed our allies, the liberated areas and war prisoners, not a single battle has had to be postponed for want of food, and no one in our country has gone hungry. On that record we stand ready at all times to be judged.

May I say again how much I appreciate this fine group of men. You have been long suffering and kind to me. You have covered my mistakes with the mantle of charity and carried on. You are the annointed people in a great mission. The scepter of authority is passing from my grasp to what I hope may prove to be more worthy hands. I know you will continue to be loyal to your great calling. I wish for each of you the most of the best of everything that is worthwhile in the years to come.

My first assistant has been Grover B. Hill, my friend since boyhood days.

Few men know agriculture and livestock as does Grover Hill. No one knows the organization of the Department of Agriculture better than he does. He has been with it 11 years. He has more friends in and out of the Department than any man I know. The people out in the far stretches of this country who are engaged in the actual production of food have complete confidence in him. Expressions of regret that he is leaving have been many.

STATEMENT BY GROVER B. HILL AT LAST WAR FOOD ADMINISTRATOR'S STAFF MEETING, WEDNESDAY, JUNE 27, 1945

It has been a real opportunity and privilege to have served in as great and as important an undertaking as the War Food Administration at a time when civilization itself was hanging in the balance and when so much depended on food.

The production of food has been our primary objective. That objective has been achieved. No one has gone hungry. Not a single battle has had to be postponed on account of food. Our fighting forces have been the best fed that ever fought a war. Our task has been far from easy. All the difficulties incident to a great war have had to be met and surmounted.

There were no blueprints or maps to follow. There was no one to ask who knew. There was no time for trial and error. We were sailing unchartered seas, and had to steer by dead reckoning. We have been most fortunate that our ship was captained by a man of judgment and courage. Yes; we have been fortunate to have had Marvin Jones

for our captain. Leadership is always important, but when you are doing something new it becomes all the more important. Marvin Jones took the wheel on June 28, 1943. He chartered the course and pointed the way. He avoided details until over-all policies could be determined. His first step was to remove all restrictions, with the one exception of tobacco, that might hamper production. He called for all-out production of food. He got it. His watchword has been production. He has fought waste. He has called on everybody to share scarce food with others. He not only has asked for all-out production but he has worked hard to make it possible.

He has asked for and obtained appropriations for support prices. He has been successful in this. The $5,000,000,000 appropriation for Commodity Credit Corporation is eloquent testimony to his work. He has fought for prices that have made it possible for the farmers to continue to produce. He has never faltered nor looked back. He has never considered how a decision would affect him personally. His only yardstick has been "Is it to the best interest of the war effort?"

The production of food does not consist altogether of growing it in the fields, it must be processed, transported, and distributed. When you consider that all this had to be done for a fighting force of 13,000,000 men fighting all around the world, for a Nation of 130,000,000 people, and in addition supples for our allies, then we begin to realize the importance of the undertaking that you and I have been connected with and have had a part in. You have been the generals who have put the plans into effect and made them work. The best evidence that you have done a good job is the fact that today nearly everything that could have been done has been done. The greater majority of things you have fought for and worked for during the past 2 years are now in effect. You can well be proud of your record. The best proof of your success is that each year has been an all-time high in production. To be sure, someone might contend that things could have been different, but does anyone know whether that way would have been better or produced more food? The organization is in good shape. It is a great organization with as fine a personnel as could be found anywhere. I am proud to have had the privilege of serving with you. The road should be easier from here out. With the wealth of experience and information that you have, you are no longer sailing on uncharted seas. Farm machinery will be more plentiful, labor easier to obtain, more fertilizer available, insecticides in better supply, rubber and gasoline easier to get. I don't mean that our troubles are over. Far from it. The people will be more restless at restraints. They will be less patient when shortages occur. Yes, there will be headaches, but you will know how to handle them. And looking back, I have no regrets. If I had the same road to travel again, I think I would do the same things that I have done under similar circumstances.

EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin asked and was given permission to extend the remarks he made in Committee of the Whole and to include certain tables and a letter.

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. LATHAM asked and was given permission to revise and extend the remarks he made in Committee of the Whole and to include a reprint from the New York Sun.

Mr. WOODRUFF of Michigan (at the request of Mr. CASE of South Dakota) was granted permission to extend his remarks in the RECORD and to include a letter.

Mr. CASE of South Dakota asked and was given permission to include in his remarks made in Committee of the Whole today an excerpt from a letter.

Mr. HAGEN asked and was given permission to extend his remarks and to include a speech by Roy F. Henderson of Chicago on the food problem in Europe.

The SPEAKER. Under previous order of the House the gentleman from California [Mr. VOORHIS] is recognized for 15 minutes.

PUBLIC LAW NO. 361

Mr. VOORHIS of California. Mr. Speaker, the Seventy-seventh Congress passed a law known as Public Law 361, which reads as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is hereby authorized and directed to include in the regulations pertaining to service connection of disabilities additional provisions in effect requiring that in each case where a veteran is seeking service connection for any disability due consideration shall be given to the places, types, and circumstances of his service as shown by his service record, the official history of each organization in which he served, his medical records, and all pertinent medical and lay evidence.

In the case of any veteran who engaged in combat with the enemy in active service with a military or naval organization of the United States during some war, campaign, or expedition, the Administrator of Veterans' Affairs is authorized and directed to accept as sufficient proof of service connection of any disease or injury alleged to have been incurred in or aggravated by service in such war, campaign, or expedition, satisfactory lay or other evidence of service incurrence or aggravation of such injury or disease, if consistent with the circumstances, conditions, or hardships of such service, notwithstanding the fact that there is no official record of such incurrence or aggravation in such service, and, to that end, shall resolve every reasonable doubt in favor of such veteran: *Provided*, That service connection of such injury or disease may be rebutted by clear and convincing evidence to the contrary. The reasons for granting or denying service connection in each such case shall be recorded in full.

Approved, December 20, 1941.

It happens that I was the author of this bill in the House and I have perhaps more than the usual interest in seeing that the law is carried out by the Veterans' Administration in accordance with the intent of Congress.

I have asked for this time in order to state that on the basis of extensive inquiries of service officers connected with various veterans' organizations and investigation of a large number of individual cases, I can come to only one conclusion: That the Veterans' Administration has fallen far short of carrying out the intent of Congress with regard to the operation of Public Law 361.

The principal purposes of Congress in enacting Public Law 361 was to require by statute that due consideration be given to the service record of the military organization in which each veteran has served. For the law states in effect that if that organization passed through experiences in war which could reasonably have caused the disability from which the veteran suffers, then that disability should be rated as service connected in the absence of positive proof to the contrary on the part of the Government. However, I find that generally service records have not been considered, that the histories of the military units in which veterans served in war are hardly ever included in the files of the veterans whose cases are under consideration. One national service officer of a veterans' organization who daily handles dozens of veteran cases informed me that he had never seen any record or notation of the type of service through which a man had passed, nor had he known an instance where a service record of a veterans' unit was given real consideration. Another service officer told me that he had never seen in a veteran's case file any history of his outfit, nor had he heard of a rating board indicating intention to consider it.

I shall only say that in this case the procedure of the Veterans' Administration is clearly not in accord with the intent of Congress in passing this law. Someone in the Veterans' Administration, indeed someone connected with every rating board in the country, should be made responsible for seeing that the histories and service records of military organizations involved should be included in the files of veterans whose cases are under consideration.

Beyond this Public Law 361 aimed to strengthen and make more definite the right of disabled veterans to present evidence in their own cases in addition to evidence developed by the staff of the Veterans' Administration. It was the intent of Congress to be of assistance to those veterans whose official medical records are not complete and to give to them an opportunity to more readily establish service connection in cases where examinations by the Veterans' Administration may not be as thorough as they should be. It is the clear intent of the law to require that all lay or medical evidence properly substantiated in connection with the case be given due consideration in determination of service connection, which is another way of stating that such evidence must be accepted at its face value. In practice, however, we find that statements of physicians, however competent, who are not on the staff of the Veterans' Administration are frequently almost completely disregarded and at the very least are discounted in an unwarranted fashion, compared to the findings of Veterans' Administration doctors themselves. The actual practice of rating boards seems to be to virtually ignore outside medical affidavits and to give consideration to the opinions of Veterans' Administration doctors alone.

I am informed by men who have been daily in contact with the adjudication of veteran cases that affidavits made from memory are frequently ruled out even though made by a man who served right next to a veteran in combat and actually saw him fall before the fire of the enemy. Under the law, in my opinion, acceptance of such affidavits as evidence is mandatory. But it appears that the only kind of affidavits that are being generally accepted in cases under Public Law 361 are those bearing upon specific dates and events which are generally known. Obviously this so delimits the field in which a veteran can present effective evidence

from those with whom he served or from those who treated him immediately after service as to virtually nullify the intent of Congress as to this law. Again the controlling evidence is always that furnished by the medical staff of the Veterans' Administration.

Perhaps the explanation of what has happened to Public Law 361 is not far to seek, however. For the instructions to the local rating boards from the central office of the Veterans' Administration were calculated, whether intentionally or not, to cause any self-respecting board to do next to nothing about the act and to go about its business as if Congress had never done anything at all. The text of the service letter sent out with regard to Public Law 361, dated April 24, 1942, is as follows:

1. In order that the adjudicating agencies of the Veterans' Administration may have the fullest possible knowledge of the reasons for and intent of Public, No. 361, Seventy-seventh Congress, there is attached hereto a copy of the report of the Committee on World War Veterans' Legislation, which accompanied H. R. 4905, enacted into law as Public, No. 361, Seventy-seventh Congress.

2. It will be seen that the report, which was quoted in full in the report of the Senate Finance Committee on the same bill, indicates the purpose and intent of the act to place in brief legislative form the policies of the Veterans' Administration governing determination of service connection, with particular reference to those persons who engaged in combat with the enemy during a war, campaign, or expedition. These include the acceptance of satisfactory lay and other evidence consistent with circumstances and conditions of such service notwithstanding absence of official record of injury, the resolution of reasonable doubt, and the recordation in writing of the reasons for granting or denying service connection in each such case. This does not contemplate or require a general review, but individual cases will be reviewed at the request of the claimant or his representative.

3. Upon receipt of a request for review of a claim under the amended regulations, the case will be referred to the rating agency, whose decision will be in conformity with R. and P. R–1009 (A), or paragraph 14 (b) (1) Veterans' Administration service letter, Administrator's office, dated March 1, 1941, on the subject Decentralization of Authority to Adjudicate Claims * * * in the event it is determined that a reversal of the prior decision is obviously warranted by clear and unmistakable error shown by the evidence in file at the time the prior decision was rendered. In cases where clear and unmistakable error is not found and the rating agency is, nevertheless, of the opinion that a revision or an amendment of the previous decision is warranted on the facts of record, the case will be submitted to the director of the service concerned, under R. and P. R–1009 (B) or paragraph 14 (B) of the service letter, supra; if the director of the service concerned is in agreement with the rating agency of original jurisdiction, monetary benefits authorized by virtue of such determination made pursuant to the provisions of this service letter shall, if otherwise in order, be made effective as of the date of submission of the claim to the director of the service concerned.

4. The veteran and his representative will be informed of the decision rendered by the rating board and of the right to appeal therefrom notwithstanding the fact that the previous rating of record has become final. In those cases where the right of appeal is exercised timely and a favorable decision is rendered by the Board of Veterans' Appeals, pursuant to the provisions of this service letter, monetary benefits if otherwise in order shall be authorized effective in accordance with existing procedure.

5. Particular attention is invited to R. and P. R–1031 (D) requiring a complete explanation of the reasons for granting or denying service connection, in cases where the veteran engaged in combat with the enemy, to R&P 1101 (A), or paragraph 14 (B) of the service letter, supra, and other instructions governing the preparation of decisions of rating agencies of original jurisdiction and of the Board of Veterans' Appeals. Full compliance will be had with these instructions, and, in addition, rating sheets and decisions of the Board of Veterans' Appeals will bear the notation, "Considered under Public, No. 361, Seventy-seventh Congress."

In simple language therefore the instructions were, and are, about as follows: First, that passage of Public Law 361 amounted to no more than enactment into law of a policy which the Veterans' Administration has followed all along; second, that if, however, any local rating board believes it has not followed that policy, then third, it can in effect declare it has failed in the past to do its duty, but fourth, the local board is not in such a case to correct its own error but instead is to send the case to the central office in Washington for review.

It is quite clear, is it not, that the local boards are going to have to be pretty courageous people to tell central office that they have been violating an established policy and since that policy is now enacted into law they are sending a certain case up to central office so it can correct the wrong action of the local rating board. It is also true that cases which were sent up to central office by the local rating boards in the early days just after this act was passed were almost universally turned down—that is central office refused to make any adjustment in such cases. After this had happened a certain number of times it was only natural that the local boards should seek to save themselves the embarrassment of being further rebuffed by central office on cases referred to it under the terms of Public Law 361 and the service letter covering it. To some of the other results of this policy on the part of the Veterans' Administration I have previously referred.

Of course the fact is that there were decidedly new elements in Public Law 361, elements which anyone familiar with procedure in these service-connection cases from the veteran's side readily recognizes. Had the boards been given any leg to stand on, such as even a simple statement to the effect that this was a new law passed by Congress and that past procedure must be reconciled with it, then veterans might have benefited substantially from the action of Congress. As it is the benefits have been few and far between.

And yet this very measure fits perfectly certain circumstances arising out of the present war. Many a discharged airman has been told by the doctors examining him at the time of discharge that medical science does not yet know what the effect of flying at high altitudes may be upon a man's subsequent physical condition. These men are told upon discharge from the Air Corps to report for periodic check-ups. But there have been cases where the Veterans' Administration has held it cannot accept one of these men into a hospital because there is no official evidence of a service-connected disability. Now up to the time of discharge, perhaps, no disability has appeared, but the doctors themselves say that they do not know what physical difficulties may afflict these men in the future. Unless their type of service, the experiences they have passed through in service, are taken into consideration exactly as Public Law 361 requires, these Air Corps veterans will have a hard time indeed in establishing their right to service connection for disabilities that may show up in the future and be directly traceable to high-altitude flying. If they do, it will be because we have failed to insist upon carrying out the clear intent of Public Law 361 and have permitted the presence or absence of official notations on medical records to be almost the sole factor in the determination of service connection. Few of these flyers will have any such notations on their records.

Mr. Speaker, I feel very strongly about this matter and unless it is possible to obtain correction of this situation so that this law will be administered as Congress intended, I shall press for enactment of further legislation which will achieve the results which we thought we were achieving in the passage of Public Law 361. At least one such bill that I have already introduced is H. R. 150, the text of which I ask consent to include herewith. It will be seen that under the terms of this bill the local rating board would itself have the power to review claims where service connection of disability has been denied. And if the local board determined that in any such cases service connection should be and is established under present laws and regulations, then it could on its own motion correct the previous denial and make appropriate awards to the veterans. This bill would also, it will be seen, give the veteran an appeal to the United States district court in the district wherein he resides from a decision of the Veterans' Administration which he believed to be contrary to law or in violation of his rights under the law.

A bill to authorize such procedure as to the adjudication of claims for benefits administered through the Veterans' Administration as is designed to assure an equitable evaluation of all facts and factors pertinent to the claim, and for other purposes

Be it enacted, etc., That the Administrator of Veterans' Affairs is hereby authorized and directed to promulgate regulations decentralizing authority to the adjudicative agencies in the field whereby upon request by a veteran or his representative such field agency shall be authorized to review any claim wherein service connection of disability has been denied and if determination is made by such field agency that in their opinion, service connection is established under the laws and regulations, in accordance with the intent underlying enactment of the act of December 20, 1941 (Public Law No. 361, 77th Cong.), monetary benefits shall be awarded without regard to previous denial and without the necessity for securing approval of central office.

SEC. 2. The Administrator of Veterans' Affairs is hereby authorized and directed to promulgate regulations governing procedure

on appeal from denial of claims for benefits under laws administered by the Veterans' Administration which shall require preparation by each rating agency of the Veterans' Administration of original jurisdiction of a brief on appeal in each compensation or pension claim, prepared for submission to the Board of Veterans' Appeals. Each brief on appeal shall contain a complete résumé of the records and other evidence in the particular claim relating to the issue or issues involved on appeal, and such résumés shall not incorporate any statement of opinion or conclusion on any or all of the evidence by any person preparing any such résumé, but shall constitute a factual digest of the contents of each such record, and other evidence.

SEC. 3. (a) That any veteran of the United States Army, Navy, or Marine Corps who shall have served honorably and received an honorable discharge and who is suffering from disability incurred in, or aggravated by, said military service, or who is permanently and totally disabled by reason of non-service-connected disability, who shall have made application for compensation or pension under the laws as administered by the Veterans' Administration and been denied all or any part of such compensation or pension may appeal from the decision of the Veterans' Administration to the United States district court in the district wherein he resides, which court shall hear such appeal under the rules and regulations thereof. The said Veterans' Administration, through their own attorneys, shall have the right to present the evidence on file with them in the veteran's claim and contest the case in the regular manner. The said veteran, in person or through any person or organization of his own choosing, shall have the right to present his side of the case on appeal before said court, in the regular manner.

(b) The veteran, in the event the court gives judgment in his behalf, shall receive the same compensation which the law sets forth as due him under the laws governing the Veterans' Administration and shall be entitled further to the sum of $100 as attorney's fee.

(c) The attorney representing said veteran shall have no claim on any compensation allowed said veteran except the sum of $100, and any agreement looking toward further compensation for the attorney of record in the case shall be a misdemeanor and punishable by a fine not to exceed $500 or by imprisonment not to exceed 2 years, or both, in the discretion of the court.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. REED] is recognized for 45 minutes.

RAILROAD REORGANIZATIONS UNDER SECTION 77 OF THE BANKRUPTCY ACT

Mr. REED of Illinois. Mr. Speaker, on February 14 of this year the House, with only one dissenting vote passed and sent to the Senate the Hobbs bill (H. R. 37), a measure designed to eliminate abuses in railroad reorganizations under section 77 of the Bankruptcy Act. This measure, you will recall, provides among other things, for a judicial review of plans of reorganization as submitted by the Interstate Commerce Commission and it sets up a standard to guide the Commission in determining the total capitalization of reorganized companies. It provides that total capitalization shall not be reduced if it does not exceed either the actual investment in the property or the findings of value made by the Commission itself under the physical valuation provisions of section 19–a of the Interstate Commerce Act. It likewise contains what is generally referred to as the "raincheck" feature, providing that any part of the capitalization in excess of the value of the debtor's property may be converted into no-par stock at the rate of one share for each $100 of such excess. This would give stockholders who were wiped out or "liquidated" an opportunity to participate in the future earnings if any, of the reorganized company without in any way jeopardizing the rights of the bondholders.

The unanimity with which the House acted on this measure is an indication of its realization that abuses do exist and that they should be remedied. It was likewise an expression of confidence in the Committee on the Judiciary, which gave this intricate measure many months of arduous study and as the result thereof had unanimously recommended its passage to the House of Representatives of the Seventy-eighth and Seventy-ninth Congresses, respectively. On the day of its passage, about 4 months ago, it was my privilege to address this House for the purpose of explaining some of its features and commenting on some of the gross inequities which, to me, seemed destined to occur in railroad reorganizations unless the Hobbs bill became law. Among other things, I, at that time, said:

> The large bondholding institutions which are able to get together and protect their interests throughout these proceedings, have reaped a rich reward, for they will own the reorganized companies. They have appeared in every case—sometime separately, more generally as a group consisting of a dozen to a score—never more than 25. The result has been victory for them—for the property is being turned over to them, while little stockholders—more than a hundred thousand in number—have been left out in the cold.

Mr. Speaker, I am neither a prophet nor the son of a prophet. Those words were neither predictions nor extravagant allegations. They were merely reasonable deductions of what would inevitably happend based upon what was then taking place. It is now possible to bring forth specific proof. The exhibit A that I now offer in evidence is that of the reorganization of the Chicago and North Western Railway which was completed on June 1 of last year.

On April 30 of this year, the reorganized railroad issued its annual report as of December 31, 1944, from which we may now accurately survey the rank injustice that was perpetrated upon the stockholders of that railroad. During the decade of 1931–40, American railroads to the extent of fully one-third of our total railroad mileage eventually found themselves in the hands of the courts. This was not due to overcapitalization, or higher wages or even to decreased earnings. It came about because of their inability to market new securities to replace bond issues which had matured during the dark days of the depression. The Chicago & North Western was one of the railroads thus adversely affected and, being unable to meet its obligations on their due date, was forced to file a petition in the United States District Court setting forth the fact that its bonds were in default and asking for relief under the provisions of section 77 of the Bankruptcy Act. This statute you will recall was enacted in 1933. Though attached to and a part of the Bankruptcy Act, it is in nowise a bankruptcy statute. It was enacted to expedite reorganizations of railroads whose property, unlike other properties, cannot be sold and the proceeds distributed among the creditors. The Chicago & North Western was not bankrupt, and, as a matter of fact, neither are any of the other railroads now in the process of reorganization. Its assets exceeded its liabilities by a wide margin. So, also do theirs. Its earnings and theirs, even while in the hands of the courts exceeded respective interest requirements. Ironically section 77 of the Bankruptcy Act is entitled, "An act for the relief of debtors." Such was the intent of Congress. It has, however, served as a bludgeon for the extermination of debtors, the confiscation of their property and the enrichment of their creditors. Had temporary emergency conditions not forced the Chicago & North Western Railway to take refuge in the courts, it would still be owned by its old stockholders who would now be receiving the benefit of its earnings.

A plan of reorganization of this railroad was drafted by the Interstate Commerce Commission and submitted to the United States district court in 1940. The plan cut the capitalization for the reorganized railroad to $450,000,000 and by so doing failed or refused to recognize its assets by nearly $200,000,000. Accordingly, certain of its junior creditors were forced to suffer a loss of approximately $40,000,000 and the stockholders, preferred and common, were entirely denied participation in the securities to be issued in the reorganization proceedings. The Commission made a finding that for reorganization purposes, "the equities of both classes of stockholders have no value." In 1943, while the plan of reorganization was still before the court, there had accumulated in the hands of the trustee, a tremendous amount of idle cash—approximately $100,000,000—enough to pay off a large portion of the senior obligations. Had it been so employed, the remaining senior obligations still outstanding would have been so reduced that there would have been available capitalization—even under the Commission's low figure of $450,000,000—to allot new securities of the reorganized railroad to the old debenture holders in full, the old preferred stockholders in full and still leave something for the old common stockholders.

This situation was brought to the attention of the Interstate Commerce Commission by the railroad in its petition to them to request of the court a return of the original plan, whereby the opportunity might be accorded of paying off a large amount of debts, principal, and interest, at 100 cents on the dollar and the drafting of a new plan which would reapportion the approved capitalization of $450,000,000. Thus the senior creditors and the debentures would have been satisfied in full and the remaining available capitalization could have been apportioned among the old preferred and common stockholders on an equitable basis. Although this simple procedure would have prevented the irreparable loss of more than $100,-

000,000 to the debenture holders and old stockholders, the Commission held that it could not grant the railroad's petition because the law did not permit it to reconsider or modify a plan after it had been submitted to the district court, unless the court had subsequently disapproved it and, on its own initiative, returned it to the Commission. On the other hand, the court, like the Commission, was unable to accord relief, for the Supreme Court had held in *Ecker* v. *Western Pacific R. Corp.* (318 U. S. 448) and *Group of Institutional Investors* v. *Chicago Milwaukee, St. Paul & Pacific Railroad Co.* (318 U. S. 523) that a finding by the Commission that the stocks of a railroad are without value is final and cannot be altered or reviewed by the courts. Hence, under an act for the relief of debtors, the 17,000 stockholders of the Chicago and North Western Railway suffered the confiscation of their property because the Commission's hands were tied by the statute and the court's hands by the decisions of the high tribunal. It was among other things to cure that defect in the law that this House passed the bill (H. R. 37) of which the eminent gentleman from Alabama [Mr. HOBBS] is the author. While in 1943 the unfairness of the situation was clearly apparent, it was not until a month ago that the extent of these gross inequities could be accurately measured in dollars and cents. Although the North Western's petition for reconsideration of the plan was made in 1943, the reorganization was not concluded until June of last year.

The balance sheet of the newly organized railroad as of December 31, 1944, truly reveals the appalling injustice perpetrated upon the Chicago and North Western stockholders. That annual report was published late in April and I hold in my hand a copy. It discloses that as of December 31, 1944, the reorganized North Western Railway had assets of nearly $650,000,000, which are capitalized at only $344,000,000. We can wholly disregard the asset value of $650,000,000 but we cannot but observe that over and above the present capitalization of $344,000,000 and the low capitalization of only $450,000,000 fixed by the Commission, there is a margin of $106,000,000. That margin could have been utilized to allot new securities in full to the old debentures saving them $40,000,000, apportion new securities in full to the old preferred stockholders and still leave a substantial balance per share of available capitalization for the old common stockholders—and this, after the railroad paid $20,000,000 in taxes during the year 1944. Promptly after reorganization, however, and largely from great accumulations of cash which had accrued during reorganization, the railroad paid dividends of $20 per share on the new preferred stock and $5 per share on the new common stock. These dividends, of course, were paid, not to the thousands of stockholders who had held their stock for many years and believed it a valuable investment that would protect them against economic adversity, or provide them with necessities in their old age, but largely to a handful of America's largest bondholding corporations—the new owners of the Chicago and North Western Railway.

Even after the payment of these generous dividends, the railroad still had tremendous amounts of cash on hand, and, I am informed, has already, during the early part of this year, reduced its indebtedness by many millions, has retired all of its 4 percent first mortgage bonds amounting to $54,000,000 and issued new 3 percent bonds to take their place. The annual interest saving from this refunding operation will amount to more than $800,000 annually and will swell, by that amount, the high earnings which the new North Western stocks are making for their new owners. Even before these added annual profits from refunding, earnings available in 1944 for its new preferred stock were $16.56 per share and for its new common, $12.95. This situation was not unforeseen. It was freely predicted by several witnesses who testified before our subcommittee in 1943 when the Hobbs bill was being considered. In November of 1944, 5 months after the reorganization was consummated, and 6 months before the publication of the first annual report of the reorganized corporation, the Investment Bankers Association of America received a report from its Committee on Railroad Securities. One paragraph of its 20 pages is devoted to the North Western. It is rather interesting. It reads as follows:

> The Chicago & North Western might be termed almost grotesque in financial strength. Through reorganization and debt retirement, fixed charges have been reduced from $16,000,000 to $3,000,000. So rapid has been the pace of debt and capital reduction that it is hard to determine exactly what the working capital is at any one time but it would appear to be about $50,000,000, or equivalent to the fixed charges for 17 years.

Perhaps the term "grotesque" is the best way of describing the whole reorganization scheme of this railroad. At any rate the thousands of small stockholders of this railroad, who have seen their property thus confiscated are certainly justified in regarding as "grotesque" the act of Congress which served as the weapon for their destruction rather than the vehicle for their conveyance over an era of depression.

Although I participated in the hearings on the Hobbs bill, it was difficult for me to believe that inequities so glaring in character and so prodigious in magnitude could have occurred. After studying the North Western report, I undertook an investigation on my own behalf. It took me to New York, where I talked to bankers, brokers, railroad executives, attorneys, and newspapermen. I was amazed when I learned of the unconscionable and unbelievable profits of Wall Street speculators at the expense of small stockholders whose investments had been declared worthless by the Commission, and the action of the Commission in so declaring them worthless had been upheld by the United States courts because they were without legal power to accord relief. Shrewd Wall Street speculators with great statistical organizations and corps of experts were quick to realize the value of property represented by railroad stocks which the Commission had decreed should be wiped out. Their astute legal staffs were cognizant of the fact that the courts were without power to override the findings of the Commission. The profits made by these astute speculators is beyond belief. "Grotesque" in this case is a word too mild for application. These profits were not within the limits of 10, 25, 50, or even 100 percent. No. They were not within the limits of 1,000, 3,000, 5,000, or 8,000 percent. My investigation shows that they have reached the amazing figure of 9,800 percent, and are still mounting.

Speculators purchased the preferred stock which was to be issued in the Chicago & North Western Railway at figures as low as $2.25 per share. Soon after reorganization was completed a dividend of $20 per share was paid on that stock and its present market price is $75 per share. Thus these speculators, on a $2.25 investment, own a share of stock worth $75, upon which they have already, in their first dividend check, received back, not only the purchased price of the stock, but $17.75 to boot. In other words, they have made a neat profit of 4,222 percent. Common stock to be issued in the same reorganized railroad sold as low as 50 cents per share. Upon completion of reorganiation a dividend of $5 per share was paid on that stock and its present market price is $44.37½ per share. Thus common stock speculators, on 50-cent investments, received each a share of stock worth $44.37½ upon which they have already, in their first dividend check, realized a return of their original purchase price and $4.50 to boot. These astute financiers have made a profit of 9,800 percent.

Of course, these mathematical calculations are based upon the lowest market position of the "to be issued" Chicago & North Western stocks during reorganization. Nonetheless, the profits realized by Wall Street speculators on these stocks have been unconscionable, and—yes, perhaps more aptly characterized—"grotesque."

It may be asserted that the North Western is an extreme case and other reorganizations will not result in the same or similar injustices. That contention may be entirely correct. I have but scant information relative to the conditions prevailing in other reorganizations. Neither have I the time or the facilities for obtaining that information. I do know that there are now pending before the Commission and the courts plans for the reorganization of many of our most serviceable railroads, including the St. Louis Southwestern; Denver & Rio Grande Western; Chicago, Milwaukee, St. Paul & Pacific; New York, New Haven & Hartford; St. Louis-San Francisco; and Missouri Pacific. While I have no way of ascertaining, I am inclined to the belief that many of the holders of senior securities in these roads are the same persons and corporations who held similar securities in the North Western and are now its new owners. In that connection I cannot but be somewhat perplexed at the anomalous situation prevailing in the St. Louis Southwestern reorganization, wherein stock which actually earned $50 per share per annum during reorganization was declared worthless by the Commission and

its value awarded to bondholding institutions. In the absence of clarifying language as embodied in the Hobbs bill, the stockholders of this railroad are denied recourse to the courts, because the highest tribunal in the land has said:

> Congress apparently intended to leave the determination of valuation "of any property for any purpose under this section" to the Commission. The language chosen leaves to the Commission, we think, the determination of value without the necessity of a reexamination by the court, when that determination is reached with material evidence to support the conclusion and in accordance with legal standards (*Ecker et al. v. Western Pacific* (318 U. S. 448)).

Mr. Speaker, I think most of the Members of this House share with me in their high regard for excellent accomplishments down through the years of the Interstate Commerce Commission, but, after all, it is not a court, neither is it an arm of the executive, it is an independent agency created by Congress to perform functions which, but for its existence, must needs be performed by Congress itself. It is our prerogative, as representatives of the people, to delegate powers and functions to this body to determine the limits of its jurisdiction and to fix standards by which it must govern its activities. Of course, the Commission ought at all times to carry into effect the intent of Congress, and it is when Congress is satisfied that it is not so doing that the enactment into law of specific directives and standards must be resorted to. The Commission is not infallible; it is made up of honest, intelligent, well-meaning men subject, however, to the faults, weaknesses, and frailties with which all human beings are endowed. So, also, is the judiciary. But the decisions of judges are subject to review. So, likewise, should be the decisions of the Commission, particularly when, as the direct result thereof, people are peremptorily deprived of their property.

The bill (H. R. 37), introduced by the distinguished gentleman from Alabama [Mr. HOBBS] and passed by this House on February 14 will, if enacted into law, remedy this defect in the existing statute and accord to the stockholders of railroads under reorganization the right to their day in court such as is enjoyed by other litigants throughout the length and breadth of this Republic.

In May of this year an opinion was handed down by the United States Circuit Court of Appeals for the Tenth Judicial Circuit in the case of the Denver & Rio Grande Western Railroad reorganization. Judge Orie L. Phillips, speaking for the court, said:

> The broad language of the Supreme Court in the Western Pacific case and the Milwaukee case compels me to conclude that we cannot disturb the Commission's finding of valuation nor the finding of the Commission, confirmed by the trial court, that the equities of the unsecured creditors and the preferred and common stockholders have no value. Nevertheless, I feel impelled respectfully to suggest that the elimination of a substantial portion of the claim of the holders of the general mortgage bonds and all of the claims of stockholders and unsecured creditors, on the basis of a valuation resting wholly on an estimate of future earnings, is harsh treatment of such claims. I say this because, while according expertness to the Commission, it is my opinion that such future earnings cannot be estimated with a degree of certainty that is not likely to result in grave injustice. The injustice to junior security holders which may result from a valuation based solely on an estimate of future earnings has aroused the attention of Congress, and corrective legislation has been introduced. H. R. 4960 has already passed the House and is pending before a Senate committee.

H. R. 4960 referred to by the Judge was the title number of the Hobbs bill as introduced in the Seventy-eighth Congress. With his opinion, Judge Phillips quotes in full the report of your Committee on the Judiciary which accompanied this measure when it was submitted to this House for consideration. He concludes with this significant statement:

> But as suggested above, it is my conclusion that only through corrective legislation or a more liberal attitude on the part of the Commission can the junior security holders obtain relief.

It was in the spring of 1943 during the Seventy-eighth Congress that Representative HOBBS first introduced his bill. Had it been promptly enacted, the stockholders of Chicago's oldest railroad would not have been ravished; more than $100,000,000 of value would not have been handed on a silver platter to a group of rich bondholding corporations, and Wall Street speculators would not have succeeded in making profits at a rate which makes Ponzi seem a piker. Delay was the effective weapon that blocked consideration of that legislation in the Seventy-eighth Congress—delay occasioned mostly by opponents of the bill who, time and again, requested opportunity to prepare and submit additional data in support of their contentions and were invariably accorded that privilege by the subcommittee who believed that they were acting in good faith and desired to give full consideration to their views. The bill was finally favorably acted upon by the committee and reported to the House, but the Seventy-eighth Congress adjourned before it could receive consideration. It was reintroduced, reconsidered by the committee, and passed by this House early this year. But by that time the North Western reorganization was completed and the new owners in possession of the railroad.

A perusal of the hearings on this bill discloses the significant fact that from among those who appeared before the committee or expressed opposition to the bill, three are now directors or voting trustees of the reorganized North Western Railway. Just how many of these same opponents of the Hobbs bill have a similar financial interest in other pending railroad reorganizations I do not know but I am satisfied that a great many of them do. The dozen or more reorganizations that are now pending before the Commission and the courts are juicy morsels yet to be plucked. More than one hundred thousand stockholders face a fate that may be as tragic as that experienced by the late owners of the Chicago & North Western Railway. Indeed the Commission itself in its report submitting the plan of reorganization of the Chicago & North Western Railway, to the United States district court said:

> All the commissioners subscribing to this report and order are deeply sympathetic with an attempt to find some method by which the present stockholders might be lawfully afforded a continuing interest in this property, whether in the way of subscription warrants or a subordinate class of common stock, despite the necessitous condition of the debtor requiring early and drastic reorganization. We reluctantly express the view that this is here impossible, for the law as it stands is inexorably against such a course.

The enactment of the Hobbs bill (H. R. 37) which passed this House almost unanimously, will with its raincheck feature, correct the defect in the law as deplored by the Commission and will furnish a means by which adequate protection may be accorded stockholders against the looting of their savings by powerful creditors.

It will be a definite expression and outspoken mandate by Congress that the statute intended to relieve debtors of their burdens shall not be utilized as a vehicle to relieve them of their properties. It will lock the barn door before the remaining horses are stolen.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DREWRY, Mr. SASSCER, Mr. IZAC, and Mr. ANDERSON of California (at the request of Mr. VINSON), for Wednesday, June 27, 1945, on account of official business.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 378. An act authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes;

H. R. 688. An act to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute";

H. R. 802. An act for the relief of Camp No. 1, Alaska Native Brotherhood, Sitka, Alaska;

H. R. 892. An act for the relief of Madeline J. MacDonald;

H. R. 912. An act for the relief of William H. Shultz;

H. R. 993. An act for the relief of Mrs. Ellen C. Burnett;

H. R. 1038. An act for the relief of Daniel B. Johnson;

H. R. 1044. An act for the relief of Marlin-Rockwell Corp. with respect to the jurisdiction of The Tax Court of the United States to redetermine its excessive profits for its fiscal year ending December 31, 1942, subject to renegotiation under the Renegotiation Act;

H. R. 1055. An act for the relief of the Realty Bond & Mortgage Co. and Robert W. Keith;

H. R. 1058. An act for the relief of W. A. Smoot, Inc.;

H. R. 1059. An act for the relief of Leonard D. Jackson and Elsie Fowkes Jackson;

H. R. 1091. An act for the relief of Harold J. Grim;

H. R. 1243. An act for the relief of Mrs. C. J. Rhea, Sr.;

H. R. 1320. An act for the relief of M. Elizabeth Quay;

H. R. 1328. An act for the relief of Mrs. Cecilia M. Tonner;

H. R. 1453. An act for the relief of Edith M. Powell;

H. R. 1482. An act for the relief of the legal guardian of Samuel Wadford;

H. R. 1488. An act for the relief of Austin Bruce Bowen;

H. R. 1599. An act to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc.;

H. R. 1611. An act for the relief of Charles E. Surmont;

H. R. 1617. An act for the relief of Hugh M. Gregory;

H. R. 1677. An act for the relief of Hires Turner Glass Co.;

H. R. 1678. An act for the relief of Mrs. Ada Vert Illinico;

H. R. 1756. An act for the relief of the estate of the late Demetrio Caquias;

H. R. 1792. An act for the relief of the White Van Line, Inc., of South Bend, Ind.;

H. R. 1812. An act to authorize an award of merit for uncompensated personnel of the Selective Service System;

H. R. 1891. An act for the relief of the Grandview Hospital;

H. R. 2001. An act for the relief of Betty Ellen Edwards;

H. R. 2002. An act for the relief of Joseph Wyzynski;

H. R. 2003. An act for the relief of the legal guardian of Stewart Martin, Jr., a minor;

H. R. 2113. An act to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes;

H. R. 2125. An act to amend the Canal Zone Code;

H. R. 2158. An act for the relief of the Cowden Manufacturing Co.;

H. R. 2286. An act for the relief of Jane Thayer;

H. R. 2322. An act to provide for the issuance of the Mexican Border Service Medal to certain members of the Reserve forces of the Army on active duty in 1916 and 1917;

H. R. 2552. An act to amend paragraph (c) of section 6 of the District of Columbia Traffic Act, as amended by act approved February 27, 1931;

H. R. 2700. An act for the relief of Alice Walker;

H. R. 2721. An act for the relief of the Tobey Hospital;

H. R. 2727. An act for the relief of the estate of Herschel Adams, deceased, and Pleas Baker;

H. R. 2730. An act for the relief of Mrs. Jane Strang;

H. R. 2754. An act to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes and to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma," approved January 27, 1933, and to validate State court judgments in Oklahoma and judgments of the United States District Courts of the State of Oklahoma;

H. R. 2875. An act to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia";

H. R. 2839. An act to increase the salary of the executive secretary of the Nurses' Examining Board of the District of Columbia;

H. R. 2925. An act for the relief of Nelson R. Park;

H. R. 2944. An act to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities;

H. R. 2949. An act to extend 5-year-level-premium-term policies for an additional 3 years;

H. R. 3059. An act authorizing the Postmaster General to continue to use post-office clerks and city letter carriers interchangeably;

H. R. 3074. An act for the relief of the heirs of Henry B. Tucker, deceased;

H. R. 3193. An act to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes;

H. R. 3232. An act to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect;

H. R. 3233. An act to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances.

H. R. 3234. An act to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purposes of continuing it in effect;

H. R. 3306. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3395. An act to extend through December 31, 1945, the termination date under the Renegotiation Act; and

H. J. Res. 136. Joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt fund.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 27 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, June 28, 1945, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, Thursday, June 28, 1945, at 10 a. m., in the committee room 356, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

589. Under clause 2 of rule XXIV, a letter from the Administrator, Office of Price Administration, transmitting an estimate of personnel requirements, for the quarter ending June 30, 1945, was taken from the Speaker's table and referred to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XXII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TARVER: Committee on Appropriations. Report pursuant to House Resolution 50. A report on War Food Administration spoilage of food; with amendment (Rept. No. 816). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'HARA: Committee on Interstate and Foreign Commerce. S. 233. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River; without amendment (Rept. No. 817). Referred to the House Calendar.

Mr. O'HARA: Committee on Interstate and Foreign Commerce. S. 234. An act authorizing the construction of a free highway bridge across the Yellowstone River near Fairview, Mont.; without amendment (Rept. No. 818). Referred to the House Calendar.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. S. 454. An act to revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes," approved May 17, 1939; without amendment (Rept. No. 819). Referred to the House Calendar.

Mr. O'HARA: Committee on Interstate and Foreign Commerce. S. 527. An act to extend the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis.; without amendment (Rept. No. 820). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. S. 574. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg.; with amendment (Rept. No. 821). Referred to the House Calendar.

Mr. RABIN: Committee on Interstate and Foreign Commerce. H. R. 476. A bill to revive and reenact the act entitled "An act creating the St. Lawrence Bridge Commission and authorizing said Commission and its successors to construct, maintain, and operate a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.," approved June 14, 1933, as amended; with amendment (Rept. No. 822). Referred to the House Calendar.

Mr. O'HARA: Committee on Interstate and Foreign Commerce. H. R. 3150. A bill to revive and reenact the act entitled "An act to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes," approved August 7, 1939; with amendment (Rept. No. 823). Referred to the House Calendar.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 3373. A bill authorizing the reconstruction of the Spring Common Bridge on Mahoning Avenue, across the Mahoning River in the municipality of Youngstown, Mahoning County, Ohio; with amendment (Rept. No. 824). Referred to the House Calendar.

Mr. PETERSON of Georgia: Committee on Rivers and Harbors. H. R. 3477. A bill for the improvement of Savannah Harbor, Ga.; without amendment (Rept. No. 825). Referred to the Committee of the Whole House on the State of the Union.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 3549. A bill to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.; without amendment (Rept. No. 826). Referred to the Committee of the Whole House on the State of the Union.

Mr. BRYSON: Committee on the Judiciary. H. R. 3587. A bill to provide for the performance of the duty of the office of President in case of the removal, resignation, or inability both of the President or the Vice President; without amendment (Rept. No. 829). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JACKSON (by request):

H. R. 3600. A bill to authorize the use of the funds of any tribe of Indians for insurance premiums; to the Committee on Indian Affairs.

H. R. 3601. A bill to reserve certain land on the public domain in Nevada for addition to the Summit Lake Indian Reservation; to the Committee on Indian Affairs.

By Mr. RANKIN:

H. R. 3602. A bill to amend the Servicemen's Readjustment Act of 1944 to provide for a readjustment allowance for all veterans of World War II; to the Committee on World War Veterans' Legislation.

By Mr. BLAND:

H. R. 3603. A bill to provide for the sale of surplus war-built vessels, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. PATTERSON:

H. R. 3604. A bill to confer jurisdiction on the United States Court of Claims to hear and determine the claims of the Indians of California who were not parties to certain 18 unratified treaties; to the Committee on Indian Affairs.

H. R. 3605. A bill to provide for a roll of the Indians of California and for the pro rata distribution of funds in the Treasury of the United States to the credit of said Indians, and their disbursement, and for other purposes; to the Committee on Indian Affairs.

H. R. 3606. A bill to provide procedure for the Indians of California to engage an attorney or attorneys to represent them, take such collective action as they deem proper, and for other purposes; to the Committee on Indian Affairs.

By Mr. SPARKMAN:

H. R. 3607. A bill to authorize the President to appoint Gen. Omar N. Bradley to the office of Administrator of Veterans' Affairs, without affecting his military status and perquisites; to the Committee on Military Affairs.

By Mr. REES of Kansas:

H. J. Res. 224. Joint resolution to provide that certain officers and employees in or under the executive branch of the Government shall be employed for no more than 44 hours a week; to the Committee on the Civil Service.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to support House bill 2867 and Senate bill 868, authorizing annual payments to States, for the benefit of their local political subdivisions, based on the fair value of the national-forest lands situated therein; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to investigate the activities of the Federal Social Security Board with particular reference to the merit-system requirements; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN of New York:

H. R. 3608. A bill for the relief of E. Waterman & Co.; to the Committee on Claims.

By Mr. ANDREWS of Alabama:

H. R. 3609. A bill to include as Spanish-American War service under laws administered by the Veterans' Administration certain service rendered by Stephen Swan Ogletree during the Spanish-American War; to the Committee on Military Affairs.

By Mr. McGEHEE:

H. R. 3610. A bill to authorize payment of certain claims for damage to or loss or destruction of property arising from activities of the War Department or of the Army; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1012. By Mr. COCHRAN: Petition of James A. Morris and 311 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1013. Also, petition of Charles R. Mason and 314 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1014. By Mr. RICH: Petition of Lycoming County Pomona Grange of Pennsylvania, No. 28, urging that the production of alcoholic beverages be discontinued; to the Committee on the Judiciary.

1015. By Mr. WELCH: California Senate Joint Resolution 28, relative to memorializing Congress to enact House bill 2536, Seventy-ninth Congress, first session, relating to the recognition of transportation companies; to the Committee on Interstate and Foreign Commerce.

1016. Also, California State Senate Joint Resolution 21, relative to memorializing Congress to support House bill 2867 and Senate bill 868, authorizing annual payments to States, for the benefit of their local political subdivisions, based on the fair value of the national-forest lands situated therein; to the Committee on the Public Lands.

1017. Also, Senate Joint Resolution 22, California Legislature, relative to amendment of the Federal Social Security Act in respect to old-age assistance; to the Committee on Ways and Means.

1018. Also, California Senate Joint Resolution 27, relative to current movements for a lenient peace with Japan, and memorializing the President and Congress to insist upon complete and unconditional surrender; to the Committee on Foreign Affairs.

1019. Also, California Senate Joint Resolution 32, relative to memorializing the Congress of the United States to investigate through its appropriate committee the proposed construction by the War Department, that activities in connection with the said proposal be discontinued pending such investigation; to the Committee on Military Affairs.

1020. Also, California Assembly Joint Resolution 45, relative to memorializing the President, the Secretary of State, and the Congress to retain full control over Japanese-owned or mandated islands in the Pacific which heretofore have been, or hereafter may be, captured by the United States in the course of the war; to the Committee on Foreign Affairs.

1021. By the SPEAKER: Petition of the National Adjutant, Twenty-ninth Division Association, petitioning consideration of their resolution with reference to urging General of the Army George C. Marshall to retain his present position as Chief of Staff of the United States Army at least until the termination of the war against Japan; to the Committee on Military Affairs.

SENATE

THURSDAY, JUNE 28, 1945

(Legislative day of Monday, June 25, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty and everlasting God, our Heavenly Father, at the white altar of peace where all divisive boundaries are forgotten, we bow in reverence and humility, praying for the enthronement of brotherhood in all the earth. May the institutions of justice, mutual understanding, and cooperative endeavor devised in these anxious yet hopeful days be but the instrument of Thy providence bringing to fulfillment at last the prophet's dream: "Violence shall be no more heard in thy lands, wasting nor destruction within thy borders."

Through the lips that speak in this forum of freedom may there be heard by a listening world the solemn summons to men of good will, of all colors and all nations, to a new commonwealth of all peoples in which power shall be administered as a sacred trust dedicated to the common good. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, June 27, 1945, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 378. An act authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes;

H. R. 688. An act to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute";

H. R. 802. An act for the relief of Camp No. 1, Alaska Native Brotherhood, Sitka, Alaska;

H. R. 892. An act for the relief of Madeline J. MacDonald;

H. R. 912. An act for the relief of William H. Shultz;

H. R. 993. An act for the relief of Mrs. Ellen C. Burnett;

H. R. 1038. An act for the relief of Daniel B. Johnson;

H. R. 1044. An act for the relief of Marlin-Rockwell Corp. with respect to the jurisdiction of The Tax Court of the United States to redetermine its excessive profits for its fiscal year ending December 31, 1942, subject to renegotiation under the Renegotiation Act;

H. R. 1055. An act for the relief of the Realty Bond & Mortgage Co. and Robert W. Keith;

H. R. 1058. An act for the relief of W. A. Smoot, Inc.;

H. R. 1059. An act for the relief of Leonard D. Jackson and Elsie Fowkes Jackson;

H. R. 1091. An act for the relief of Harold J. Grim;

H. R. 1243. An act for the relief of Mrs. C. J. Rhea, Sr.;

H. R. 1320. An act for the relief of M. Elizabeth Quay;

H. R. 1328. An act for the relief of Mrs. Cecilia M. Tonner;

H. R. 1453. An act for the relief of Edith M. Powell;

H. R. 1482. An act for the relief of the legal guardian of Samuel Wadford;

H. R. 1488. An act for the relief of Austin Bruce Bowen;

H. R. 1599. An act to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc.;

H. R. 1611. An act for the relief of Charles E. Surmont;

H. R. 1617. An act for the relief of Hugh M. Gregory;

H. R. 1677. An act for the relief of Hires Turner Glass Co.;

H. R. 1678. An act for the relief of Mrs. Ada Wert Illinico;

H. R. 1756. An act for the relief of the estate of the late Demetrio Caquias;

H. R. 1792. An act for the relief of the White Van Line, Inc., of South Bend, Ind.;

H. R. 1812. An act to authorize an award of merit for uncompensated personnel of the Selective Service System;

H. R. 1891. An act for the relief of the Grandview Hospital;

H. R. 2001. An act for the relief of Betty Ellen Edwards;

H. R. 2002. An act for the relief of Joseph Wyzynski;

H. R. 2003. An act for the relief of the legal guardian of Stewart Martin, Jr., a minor;

H. R. 2113. An act to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes;

H. R. 2125. An act to amend the Canal Zone Code;

H. R. 2158. An act for the relief of the Cowden Manufacturing Co.;

H. R. 2286. An act for the relief of Jane Thayer;

H. R. 2322. An act to provide for the issuance of the Mexican Border Service Medal to certain members of the Reserve forces of the Army on active duty in 1916 and 1917;

H. R. 2552. An act to amend paragraph (c) of section 6 of the District of Columbia Traffic Act, as amended by act approved February 27, 1931;

H. R. 2700. An act for the relief of Alice Walker;

H. R. 2721. An act for the relief of the Tobey Hospital;

H. R. 2727. An act for the relief of the estate of Herschel Adams, deceased, and Pleas Baker;

H. R. 2730. An act for the relief of Mrs. Jane Strang;

H. R. 2754. An act to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes and to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma," approved January 27, 1933, and to validate State court judgments in Oklahoma and judgments of the United States District Courts of the State of Oklahoma;

H. R. 2839. An act to increase the salary of the executive secretary of the Nurses' Examining Board of the District of Columbia;

H. R. 2875. An act to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia;

H. R. 2925. An act for the relief of Nelson R. Park;

H. R. 2944. An act to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities;

H. R. 2949. An act to extend 5-year-level-premium-term policies for an additional 3 years;

H. R. 3059. An act authorizing the Postmaster General to continue to use post-office clerks and city letter carriers interchangeably;

H. R. 3074. An act for the relief of the heirs of Henry B. Tucker, deceased;

H. R. 3193. An act to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes;

H. R. 3232. An act to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect;

H. R. 3233. An act to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances;

H. R. 3234. An act to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purposes of continuing it in effect;

H. R. 3306. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3395. An act to extend through December 31, 1945, the termination date under the Renegotiation Act; and

H. J. Res. 136. Joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt fund.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE, OFFICE OF PRICE ADMINISTRATION

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Office of Price Administration, fiscal year 1946, in the amount of $6,430,000, in the form of an amendment to an amendment to the Budget for that fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PERSONNEL OF THE LAND FORCES

A letter from the Secretary of War, transmitting, pursuant to law, a confidential report of the number of men in active training and service in the land forces on April 30, 1945, under section 3 (b) of the Selective Training and Service Act of 1940; to the Committee on Military Affairs.

FREE IMPORTATION OF CERTAIN SUBSTANCES BY BOARD OF TRUSTEES OF UNITED STATES PHARMACOPOEIAL CONVENTION AND COUNCIL OF AMERICAN PHARMACEUTICAL ASSOCIATION

A letter from the Administrator of the Federal Security Agency, transmitting a draft of proposed legislation to provide for the free importation of certain substances by the board of trustees of the United States Pharmacopoeial Convention and the Council of the American Pharmaceutical Association (with an accompanying paper); to the Committee on Finance.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as follows:

By the PRESIDENT pro tempore:

A telegram in the nature of a petition from the National Association for Advancement of Colored People, New York City, N. Y., praying for the prompt ratification by the Senate of the United Nations Charter as drafted at the recent San Francisco Conference; to the Committee on Foreign Relations.

By Mr. TYDINGS:

A resolution adopted by the Baltimore (Md.) Association of Credit Men, favoring the enactment of legislation to provide for financial control of Government corporations; to the Committee on Banking and Currency.

A resolution adopted by the Bethesda (Md.) Chamber of Commerce, favoring the enactment of legislation to combine the War and Navy Departments into a Department of National Defense; to the Committee on Military Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Claims:

S. 401. A bill for the relief of sundry fruit growers of the State of Delaware who sustained losses as the result of the fumigation of apples with methyl bromide in order to comply with the requirements of the United States Department of Agriculture relating to the Japanese beetle quarantine; with an amendment (Rept. No. 424); and

H. R. 259. A bill for the relief of Leo Gottlieb; with an amendment (Rept. No. 425).

By Mr. O'DANIEL, from the Committee on Claims:

H. R. 1007. A bill for the relief of Mrs. Beatrice Brown Waggoner; without amendment (Rept. No. 426);

H. R. 1008. A bill for the relief of Mrs. Harriette E. Harris; without amendment (Rept. No. 427); and

H. R. 1917. A bill for the relief of John R. Jennings; without amendment (Rept. No. 428).

By Mr. ELLENDER, from the Committee on Claims:

S. 694. A bill for the relief of Dan C. Rodgers; with amendments (Rept. No. 429);

S. 729. A bill for the relief of William Andrews Evans; with amendments (Rept. No. 430);

S. 762. A bill for the relief of Mr. and Mrs. Everett McLendon, Sr., Everett McLendon, Jr., and Nadine McLendon; with amendments (Rept. No. 431);

S. 787. A bill for the relief of Oliver Jensen; without amendment (Rept. No. 434);

S. 909. A bill for the relief of Hugh Egan; with an amendment (Rept. No. 437);

S. 994. A bill for the relief of the Central Leaf Tobacco Co.; with amendments (Rept. No. 432);

S. 1007. A bill for the relief of Edward P. Standley; with amendments (Rept. No. 433);

H. R. 852. A bill for the relief of Betty Jane Ritter; without amendment (Rept. No. 435); and

H. R. 1601. A bill for the relief of Dorothy M. Moon; without amendment (Rept. No. 436).

By Mr. McMAHON, from the Committee on Claims:

H. R. 2060. A bill for the relief of D. W. Key; without amendment (Rept. No. 438); and

H. R. 2515. A bill for the relief of Harland Bartholomew and Associates; without amendment (Rept. No. 439).

By Mr. WALSH, from the Committee on Naval Affairs:

S. 559. A bill to amend the act entitled "An act to provide for reimbursement of officers, enlisted men, and others, in the naval service of the United States for property lost, damaged, or destroyed in such service," approved October 27, 1943, so as to make the provisions thereof effective with respect to losses occurring on or after October 31, 1941; with an amendment (Rept. No. 440); and

S. J. Res. 76. Joint resolution authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1; without amendment (Rept. No. 441).

By Mr. TYDINGS, from the Committee on Naval Affairs:

S. 1139. A bill for the relief of the residents of Guam through the settlement of meritorious claims; with an amendment (Rept. No. 442).

By Mr. BILBO, from the Committee on the District of Columbia:

H. R. 2856. A bill to provide for better enforcement of law within the District of Columbia, and for other purposes; without amendment (Rept. No. 443);

H. R. 3201. A bill to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended; without amendment (Rept. No. 444);

H. R. 3257. A bill to remove restrictions to the appointment of retired officers of the United States Public Health Service or retired civilian employees of the United States Government or District of Columbia government as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes; without amendment (Rept. No. 445); and

H. R. 3291. A bill to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia; with amendments (Rept. No. 446).

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—CIVILIAN EMPLOYMENT IN EXECUTIVE BRANCH

Mr. BYRD. Mr. President, from the Joint Committee on Reduction of Nonessential Federal Expenditures, I ask unanimous consent to submit a report on civilian employment in the executive branch of the Federal Government for the month of March 1945.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. BYRD. The total number of paid employees for March 1945, is 3,014,019, excluding 429,173 employees of the War Department stationed outside the continental United States as of December 31, 1944. The grand total of employees within and outside the continental United States is 3,443,192, for the month of March this year.

The grand total of employees stationed outside continental United States on March 31, 1945, is 548,542. Of this figure, 429,173 are employees of the War Department and the remaining 119,369 employees are employed by other departments and agencies.

During the month of March 1945, 32 departments and agencies decreased the number of their employees by 35,682, while 29 departments and agencies increased the number of their employees by 7,216, making a net decrease of 28,466 for this month.

The main reason for the net reduction for March is due to the exclusion of 13,141 employees of a terminal leave status. Due to the enactment of Public Law 525, Seventy-eighth Congress, these terminal-leave employees were excluded from the March total. The War and Navy Departments are largely responsible for this reduction, having 12,568 employees in the terminal-leave category.

The following departments and agencies reflect the respective reductions: War Department, 22,437; Navy Department, 10,938; Tennessee Valley Authority, 476; National Housing Agency, 412; and Selective Service System, 300.

The departments and agencies which increased in the month of March are as follows: Veterans' Administration, 1,260; Agriculture Department, 1,154; Post Office Department, 997; Commerce Department, 800; Office of Price Administration, 571; and Interior Department, 499.

The committee desires to commend those departments and agencies which have made bona fide reductions during the month of March, and expresses the hope that in the near future other bureaus of the Federal Government will from time to time curtail their functions as they become nonessential, so that a maximum reduction of unnecessary Federal employees may be brought about in the interest of economy in Government.

I ask unanimous consent that the report may be printed in the RECORD.

There being no objection, the report submitted by Mr. BYRD was ordered to be printed in the RECORD, as follows:

REDUCTION IN NONESSENTIAL FEDERAL EXPENDITURES

Civilian employment of the executive branch of the Federal Government, by departments and agencies, for the month of May 1945, showing the increases and decreases in number of paid employees

Department or agency	April 1945	May 1945	Increase or decrease
EXECUTIVE OFFICE OF THE PRESIDENT			
Bureau of the Budget	581	578	−3
DEPARTMENTS			
Agriculture Department	80,411	81,817	+1,376
Commerce Department	29,267	33,731	+4,464
Interior Department	42,259	43,401	+1,142
Justice Department	27,004	26,643	−361
Labor Department	6,135	6,612	+477
Navy Department	753,775	748,297	−5,476
Post Office Department [1]	379,007	377,596	−1,411
State Department	10,291	11,640	+1,349
Treasury Department	96,037	91,211	−4,826
War Department [2]	1,164,641	1,150,778	−13,863
NATIONAL WAR AGENCIES			
Committee on Fair Employment Practice	140	136	−4
Foreign Economic Administration	6,457	6,366	−91
National War Labor Board	3,703	3,795	+92
Office of Alien Property Custodian	773	769	−4
Office of Censorship	8,981	8,320	−661
Office of Civilian Defense	102	77	−25
Office of Contract Settlement	66	70	+4
Office of Defense Transportation	3,462	3,394	−68
Office of Economic Stabilization	13	15	+2
Office of Inter-American Affairs	1,262	1,213	−49
Office of Price Administration	63,381	64,056	+675
Office of Scientific Research and Development	1,326	1,308	−18
Office of Strategic Services	2,925	2,590	−335
Office of War Information	9,679	10,021	+342
Office of War Mobilization	188	207	+19
Petroleum Administration for War	1,008	989	−19
Selective Service System	18,980	18,916	−64
Smaller War Plants Corporation	1,874	1,857	−17
War Manpower Commission	28,393	28,709	+316
War Production Board	12,667	12,607	−60
War Shipping Administration	5,383	5,371	−12
INDEPENDENT AGENCIES			
American Battle Monuments Commission	1	1	
Civil Aeronautics Board	336	336	
Civil Service Commission	7,696	7,758	+62
Employees' Compensation Commission	507	500	−7
Export-Import Bank of Washington	58	59	+1
Federal Communications Commission	1,539	1,531	−8
Federal Deposit Insurance Corporation	1,438	1,414	−24
Federal Power Commission	648	642	−6
Federal Security Agency	31,850	32,322	+472
Federal Trade Commission	436	437	+1
Federal Works Agency	20,485	20,359	−126
General Accounting Office	13,143	13,311	+168
Government Printing Office	6,976	6,918	−58
Interstate Commerce Commission	1,991	1,997	+6
Maritime Commission	11,464	11,145	−319
National Advisory Committee for Aeronautics	6,646	6,564	−82
National Archives	323	328	+5
National Capital Housing Authority	226	223	−3
National Capital Park and Planning Commission	17	16	−1
National Gallery of Art	254	258	+4
National Housing Agency	15,769	15,607	−162
National Labor Relations Board	792	811	+19
National Mediation Board	97	107	+10
Panama Canal	29,693	30,177	+484
Railroad Retirement Board	1,886	1,885	−1
Reconstruction Finance Corporation	11,258	12,048	+790
Securities and Exchange Commission	1,154	1,138	−16
Smithsonian Institution	412	412	
Tariff Commission	288	290	+2
Tax Court of the United States	119	120	+1
Tennessee Valley Authority	13,112	12,780	−332
Veterans' Administration	61,445	63,439	+1,994
Total [3]	3,602,258	[4]2,988,023	{+14,277 / −28,512}
Net decrease			−14,235
War Department [5]	429,173	429,173	
Grand total	3,431,431	3,417,196	

[1] Includes several thousands employees who work only a few hours daily.

[2] Does not include 429,173 employees stationed outside continental United States.

Civilian employment of the executive branch of the Federal Government, etc.—Con.

[3] Includes employees stationed outside continental United States as reported by various departments and agencies excepting the War Department; totals, April 1945, 119,404; and May 1945, 121,885.

[4] Does not include 2,097 employees reported as having left the Federal service during May and who, prior to the Lane bill, Public Law 525, would have been in a terminal leave status, and included.

[5] Employees stationed outside continental United States reported quarterly as of Dec. 31, 1944.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by

unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Colorado:

S. 1202. A bill to amend the act entitled "An act to provide Federal Government aid for the readjustment in civilian life of returning World War II veterans," known as the Servicemen's Readjustment Act of 1944, approved June 22, 1944; and

S. 1203. A bill to liberalize and clarify the laws pertaining to hospital treatment, medical care, domiciliary care and related services, and for other purposes; to the Committee on Finance.

By Mr. BREWSTER:

S. 1204. A bill to amend subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, to require that the approval in writing of the Secretary of Agriculture be obtained before any action is taken under such act with respect to fish or other sea food or with respect to any regulation, order, price schedule, or other requirement applicable to any processor with respect to any food or feed product processed or manufactured in whole or substantial part from fish or other sea food; to the Committee on Banking and Currency.

By Mr. MYERS:

S. 1205. A bill to amend section 209 (k) of the Social Security Act; to the Committee on Finance.

S. 1206. A bill to amend the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, as amended; to the Committee on Patents.

By Mr. McKELLAR (for himself and Mr. STEWART):

S. 1207. A bill to repeal the requirement of existing law that the Tennessee Valley Authority maintain its principal office in the vicinity of Muscle Shoals, Alabama; to the Committee on Agriculture and Forestry.

By Mr. JOHNSON of California:

S. J. Res. 80. Joint resolution to provide for a naval academy on the Pacific coast; to the Committee on Naval Affairs.

CONTINUATION OF INVESTIGATION OF THE WAR PROGRAM

Mr. MEAD submitted the following resolution (S. Res. 147), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the limit of expenditures under Senate Resolution 71, Seventy-seventh Congress, first session, agreed to March 1, 1941; Senate Resolution 6, Seventy-eighth Congress, first session, agreed to January 25, 1943; and Senate Resolution 55, Seventy-ninth Congress, first session, agreed to January 29, 1945 (relating to the investigation of the war program), is hereby increased by $100,000.

INCREASES IN POSTAL RATES ON FIRST-CLASS MATTER—CONFERENCE REPORT

Mr. GEORGE submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 184) to continue the temporary increases in postal rates on first-class matter, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 2.

That the House recede from its disagreement to the amendment of the Senate numbered 1; and agree to the same.

WALTER F. GEORGE,
DAVID I. WALSH,
ALBEN W. BARKLEY,
ROBERT A. TAFT,
HUGH BUTLER,
(Per R. T.),
Managers on the Part of the Senate.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
HAROLD KNUTSON,
DANIEL A. REED,
Managers on the Part of the House.

Mr. WHITE. Mr. President, will the Senator from Georgia indicate what this report deals with?

Mr. GEORGE. It deals with the temporary extension of the postal rates on first-class mail matter for 2 years.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

SALARIES OF POSTAL EMPLOYEES

[Mr. STEWART asked and obtained leave to have printed in the RECORD an excerpt from a bulletin issued by the National Association of Letter Carriers, referring to passage of House bill 3035, the postal salary increase bill, which appears in the Appendix.]

EDWARD R. STETTINIUS, JR.

The PRESIDENT pro tempore. The Senator from Mississippi has the floor.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BILBO. I yield gladly to the Senator from Virginia.

Mr. BYRD. Mr. President, the Secretary of State, Mr. E. R. Stettinius, Jr., in cooperation with the American delegation to the United Nations Conference, performed a monumental service at San Francisco for the good of the world.

On an appropriate occasion, I desire to address the Senate on the remarkably fine service rendered by Mr. Stettinius as Secretary of State, but today, for the purpose of the RECORD, I want to insert, first, a resolution or statement adopted by his colleagues in the American delegation to the United Nations Conference which was presented to Mr. Stettinius by Chairman CONNALLY, of the Senate Foreign Relations Committee.

I ask further permission, Mr. President, to insert, as a part of my remarks, a letter written to Mr. Stettinius by the President of the United States.

At the same time, I want to express my gratification that the work performed by Mr. Stettinius has been recognized by his appointment as the American member of the Security Council and as chairman of the United States delegation in the General Assembly. This affords an opportunity to Mr. Stettinius to implement and complete his work in effecting a plan for permanent world peace.

There being no objection, the statement of the United States delegation to the San Francisco Conference and the letter addressed to Mr. Stettinius by the President of the United States were to be printed in the RECORD, as follows:

(Statement of United States delegation to San Francisco Conference)

The parchment was inscribed:

"TO EDWARD R. STETTINIUS, JR., SECRETARY OF STATE OF THE UNITED STATES OF AMERICA

"We who have worked as your comrades under your leadership at the San Francisco Conference wish to thank you with all our hearts for what you have done here for our country and for mankind.

"We have been very proud of your courage, your determination to achieve a new world order, your unfailing persistence through moments of dark perplexity, your poise and good temper, your tactful reconciliation of those who have differed and doubted.

"We are confident that in the future you will continue to render distinguished service to the United States and the United Nations and for all these years to come we offer our warmest good wishes to the chief who has led us to the charter through the city of the Golden Gate."

(Letter addressed to Mr. Stettinius by the President of the United States)

INDEPENDENCE, MO., *June 27, 1945.*

DEAR ED: On the day after the death of President Roosevelt, you submitted to me your resignation as Secretary of State, I asked you to continue at your post and to carry out the vitally important assignment for which you were then completing the last preparations—to act as chairman of the United States delegation at the United Nations Conference.

You accepted that responsibility. It was a very grave responsibility. Upon the success of the San Francisco Conference depended first of all, the hope that from this war the United Nations could build a lasting peace.

The San Francisco Conference has now fulfilled its purpose. The charter of a permanent union has been written. You have every reason to be proud of your part in this achievement from the beginning.

After the request of Mr. Hull at the Moscow Conference in 1943 you, as Undersecretary of State, organized and directed the preparations for Dumbarton Oaks. You were the representative of the United States and acted as the chairman of the Dumbarton Oaks Conference, where the proposals were written and became the basis of the charter. You were at your President's right hand at Yalta, where further decisions on the world organization were made and agreement to hold the United Nations Conference was reached.

All the preparations for the San Francisco Conference were under your direction. During its deliberation you served not only as chairman of the United States delegation but as president of the Conference, charged with the conduct of its business. The task of guiding the work of this Conference of 50 different nations toward unanimous agreement upon the charter was a difficult one. You accomplished it with skill, unfaltering courage, and success.

But the task of fulfilling the promise of the San Francisco Conference has only just begun. The charter must be ratified and the United Nations organization brought into being and put to work. It is necessary to the future of America and the world that the words of this charter be built into the solid structure of peace for which the world is waiting and praying.

I can think of no better way to express the confidence of the United Nations than to choose as the American representative in that task a man who has held with distinction the highest appointive office in the Government and has been more closely associated with the creation of the charter than any other.

I have asked if you would accept nomination as the representative of the United States to the United Nations, when the organization is established. As such you would

be the United States member of the security council and chairman of the United States delegation in the general assembly.

You have told me that you would accept that great responsibility.

I therefore now accept your resignation as Secretary of State.

I intend to submit the United Nations Charter to the Senate on Monday and to ask for its prompt ratification. You have told me that you feel it is of the utmost importance for you, as chairman of the United States delegation, to be immediately available to the Senate for whatever assistance and information it needs in connection with its consideration of the charter.

I wanted you to come with me to the meeting with Marshal Stalin and Prime Minister Churchill which will take place next month. But, since I shall be away during the congressional hearings, I have reluctantly agreed to your suggestion that you remain in Washington while I am away. In that capacity you will represent me before the Senate in all matters relating to the charter.

I also ask you to supervise, as the personal representative of the President, the work of the United Nations members of the preparatory commission pending ratification of the charter and your nomination as the representative of the United States to the United Nations.

I am confident that you will continue to fulfill with honor to yourself and with benefit to America and the cause of peace the high trust which your country reposes in you.

Very sincerely yours,

HARRY S. TRUMAN.

CALL OF THE ROLL

Mr. CONNALLY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Texas?

Mr. BILBO. I will be glad to yield to the Senator from Texas.

Mr. HILL. Mr. President, will the Senator from Texas yield to me?

Mr. CONNALLY. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Murdock
Austin	Gerry	Murray
Bailey	Green	Myers
Ball	Guffey	O'Daniel
Bankhead	Gurney	O'Mahoney
Barkley	Hart	Overton
Bilbo	Hawkes	Pepper
Brewster	Hayden	Radcliffe
Bridges	Hill	Revercomb
Brooks	Hoey	Smith
Buck	Johnson, Calif.	Stewart
Burton	Johnson, Colo.	Taft
Bushfield	Johnston, S. C.	Thomas, Okla.
Butler	Kilgore	Thomas, Utah
Byrd	La Follette	Tunnell
Capehart	Langer	Tydings
Capper	Lucas	Vandenberg
Chavez	McClellan	Wagner
Connally	McFarland	Walsh
Cordon	McKellar	Wheeler
Donnell	McMahon	Wherry
Downey	Mead	White
Eastland	Millikin	Wiley
Ellender	Mitchell	Willis
Ferguson	Moore	
Fulbright	Morse	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Missouri [Mr. BRIGGS], the Senator from Kentucky [Mr. CHANDLER], the Senator from New Mexico [Mr. HATCH], and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Idaho [Mr. TAYLOR] are absent as members of the committee attending the funeral of the late Senator Scrugham.

Mr. WHERRY. The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate.

The Senator from Kansas [Mr. REED], the Senator from New Hampshire [Mr. TOBEY], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Massachusetts [Mr. SALTONSTALL] is necessarily absent.

The Senator from Wyoming [Mr. ROBERTSON] is absent on official business by direction of the President pro tempore of the Senate.

The Senator from North Dakota [Mr. YOUNG] is absent on official business of the Senate attending the funeral of the late Senator Scrugham.

The PRESIDENT pro tempore. Seventy-six Senators having answered to their names, a quorum is present.

REPORT ON UNITED NATIONS CHARTER

Mr. CONNALLY. Mr. President, a few hours before the Senator from Michigan [Mr. VANDENBERG] and I were to leave for San Francisco, I made a statement in the Senate respecting our mission to the United Nations Conference on International Organization for peace and security. I expressed the fervent hope that we should be able to participate in the drafting of a charter subscribed to by the participating governments and carrying the hopes of mankind for world peace. It is now my happy privilege to announce to the Senate that we have brought back to the President a comprehensive charter which we trust will meet the approval of the Senate and the people of the United States, as well as the people of all of the United Nations whose representatives were assembled at San Francisco. It is my confident belief that with ratification by the United States Senate the charter will be overwhelmingly approved by the United Nations.

It is not my purpose, today, to launch upon a formal presentation of the document to the Senate, or to take part in extended debate. It is rather my purpose to advise the Senate that the labors of the United Nations Conference at San Francisco have been concluded, and that the terms of the charter will soon be before the Senate for its formal action.

In the remarks which I shall make today, rather hastily prepared, I shall not go into great detail, or make any effort to launch a full-dress debate upon the charter. I shall be followed within a short time by the eminent Senator from Michigan, who will also address the Senate upon the outstanding features of the charter.

From the dawn of modern civilization eminent men have in vain advanced plans to eliminate the scourge of war. Great thinkers like Dante, Grotius, William Penn, Rousseau, Bentham, and Kant, have risen to magnificent heights to formulate charters, which, in their own times, might have been effective designs for world peace. But these plans came to naught, because man lacked the imagination and the daring necessary to put them into practical effect.

In 1919 the Covenant of the League of Nations was submitted to the United States Senate. It did not receive the sanction of this body. The noble conception of that towering leader, President Woodrow Wilson, was, however, rejected. His exalted vision, his heroic efforts toward world peace and his eloquent speeches in its behalf will remain indelibly inscribed on the annals of the centuries.

Now we are confronted with another great opportunity. This time, however, the charter was not struck off by the brain of a single individual. This time the charter was conceived in the best tradition of American democracy. It has been discussed for many months throughout the length and breadth of the land. Now, finally, it has emerged in its completed form from the deliberative efforts of the representatives of 50 nations met in solemn conclave.

It is believed by numerous observers that the failure of the United States to ratify the League of Nations Covenant enfeebled the League and rendered it impotent from the beginning. Without the prestige and influence of the United States, powerful in war and powerful in peace, to many the League seemed doomed to failure from its inception. The League performed many useful acts. It composed many disputes and disagreements among the nations. It encouraged and stimulated international cooperation. Yet, on the whole, its power became weakened, not alone because of defects in its structure, but because member nations failed to utilize its opportunities. Its existence, however, was not without value to the people of the world. Its experience, its weaknesses, and even its failures have served to light the way for the organization which we are now endeavoring to establish.

The United States of America has a high and solemn responsibility with respect to the new world organization. Franklin D. Roosevelt, our late beloved and lamented President, led the way in creating the cohesive spirit of harmony and unity which has characterized the United Nations battle for freedom against the Axis Powers. And it was President Roosevelt who early conceived the plan of transforming this spirit of unity and cooperation into a positive, dynamic force for world peace and security.

The Atlantic Charter, the United Nations declaration, the Moscow declaration, and the Conferences at Cairo, Tehran, and the Crimea, together constitute a magnificent background for the calling of the Conference at Dumbarton Oaks and the Conference at San Francisco. These documents and the results of these Conferences express the hopes and expectations of the United Nations. They reflect the noble purposes and high objectives which we have in mind. Our

gallant fighting men are on the battlefields of the world today to establish and maintain these principles.

The San Francisco Conference was in session for a period of 9 weeks. Those historic days were crowded with detailed and meticulous consideration in 12 committees and 4 commissions of the Conference of the text of Dumbarton Oaks and proposals to change its terms. Literally hundreds of amendments presented by large and small states alike were carefully examined in relation to the experiences under the League of Nations and the powers and functions of the new organization. When it is remembered that delegates from 50 nations with varying historical backgrounds, speaking many tongues, and representing divergent views with respect to international problems, sat in the Conference, it is a remarkable tribute to the common ideals of the United Nations that final and unanimous agreement upon the entire document was achieved. The overwhelming desire to create an international organization for peace and security overcame such differences as arose, and they were adjusted in a spirit of conciliation and concord and unity toward the lofty objectives of the Conference.

I am confident that the American people overwhelmingly support the new charter. During the course of our deliberations thousands upon thousands of letters and telegrams poured into San Francisco demanding the effective collaboration of the United States in a world organization strong enough to keep the peace. These letters and telegrams came from every corner of these United States, from business and professional men, farmers, labor organizations, church groups, educators, young people in their teens—yes; and from mothers and fathers whose boys have poured out their blood on foreign soil in order that civilization may survive. They came from men in the armed services who are facing the embattled enemy—from men who know the sacrifices and miseries and sufferings of war and desire that their sons and their country may be spared its horrors.

Any doubt that may have existed as to the attitude of the people of the United States toward international cooperation to prevent war has long since been dispelled by the resolutions passed by both the House and the Senate and by the declaration embodied in the platforms of both the Republican and Democratic Parties. They reflect the widespread sentiments of our people.

The United States delegation also received inspiration and assistance from our advisers and consultants in San Francisco. The consultants represented the interests of some 50 of our great national organizations—groups like the American Bar Association, the League of Women Voters, the Service clubs, farm and labor organizations, the Federal Council of Churches, and other church organizations. The consultants not only kept us in close touch with public opinion, they also advanced a number of excellent ideas, some of which were later incorporated in the charter.

The international organization which the charter establishes will include a general assembly of all member nations, in which the smallest and the weakest state will have equal power and authority with the mightiest and strongest. The assembly will constitute a democratic forum in which freedom of debate is practically unlimited and in which all of the matters within the scope of the charter or relating to any of its organs may receive the scrutiny and the discussion of the member states. It will form a world forum for the discussion of matters whatever their origin that may relate to international peace and security. Here will be hammered out on the anvil of debate the problems that may confront the organization throughout its career. Here will be formed a mighty public opinion which shall exert a tremendous influence upon the solution of all questions that relate to international peace and security. Here may be formulated recommendations to the Security Council and to the member states.

It was necessary that the executive power of the world organization should be vested in a relatively small, powerful body with authority to act speedily and decisively whenever aggression raises its ugly head. The Security Council will fulfill that function. It is endowed with wide authority in the settlement of international disputes. It will consist of 5 permanent members representing the United States of America, the United Kingdom, the Union of Soviet Socialist Republics, China, and France. Six nonpermanent members will be elected by the Assembly to serve for terms of 2 years. It will be noted that while the great powers have five permanent seats on the Council, a majority of six nonpermanent members will be elected by the Assembly. When it is remembered that the population of the five permanent members is greater than that of all the remaining nations signatory to the charter, it will be perceived that a well-maintained balance is provided.

The Security Council may receive and consider a complaint by any member or nonmember state in respect to an international dispute. Under the charter it may freely discuss and consider any such dispute. Upon this point there was for a considerable time sharp difference of opinion, but it was finally resolved in behalf of the freedom of discussion and consideration. However, with a single exception, any action of an affirmative or positive character by the Security Council requires a majority of seven votes, including the concurring votes of the five permanent members.

The Security Council has very wide powers with respect to recommending to the parties to a dispute its adjustment through peaceable measures, by negotiation, diplomacy, judicial procedure, conciliation, or arbitration. It may also suggest the particular procedure which should be adopted to compose the quarrel.

The Security Council may decide what measures short of armed force are to be employed to give effect to its decisions, and it may call upon members of the United Nations to apply such measures. Let me here observe that by the signing of the charter every nation assumes the solemn and serious obligation to exert all its efforts toward peace, to contribute to the work of the council, and to assume the solemn obligation which the charter imposes. These measures may include complete or partial interruption of economic relations and of rail, sea, air, postal, telegraphic, radio, and other means of communication and the severance of diplomatic relations. These are the economic sanctions. If peaceable measures fail, if the parties are unable to settle their disputes by negotiation, arbitration, or conciliation, if the Security Council deems it necessary to employ other measures, it may impose, first, economic sanctions. As I have stated, these may include complete or partial interruption of economic relations and of rail, sea, air, postal, telegraphic, radio, and other means of communication, and the severance of diplomatic relations. The pressure and power of such measures and the consequent formation of a concentrated world opinion will exert a compelling influence toward settlement of the dispute.

If measures for peaceful settlement fail the Security Council may impose military sanctions. Should the Security Council consider that measures above mentioned would be inadequate or have proved to be inadequate, it may take such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security. Such measures may include demonstrations, blockade, and other operations by air, sea, or land forces of members of the United Nations.

It was the solemn judgment that while this great endeavor is in behalf of peace, while peaceful measures should be first invoked, and pressure of opinion and peaceable influences should be exerted, in order to have real authority to compose disputes there must reside somewhere in the organization the right to use military and naval forces if that should appear to be the only remedy possible under the circumstances.

In order to provide necessary naval and military forces, the charter prescribes that there shall be established a Military Staff Committee under the control and direction of the Security Council. The Military Staff Committee, consisting of the Chiefs of Staff of the five permanant members of the Council, shall, under the direction and control of the Council, initiate the negotiation of agreements between the various nations of the organization or between groups of the nations and the organization, for supplying contingents of armed forces to be used in emergency. It is expressly stipulated that provision shall be made for the maintenance by members of the organization of air contingents which may be readily employable in case of emergency. I may observe here that agreements to provide military forces must be ratified by the respective governments; so if the charter is adopted, such agreements will ultimately come back to the Senate for action.

It was felt to be necessary that the Security Council should have wide authority with the ability to act speedily

and effectively. Here lies one of the essential differences between the old League of Nations and the new world organization. The present charter proposes to combine might and right through an authority strong enough to keep the peace. The League of Nations could recommend, it could propose, it could suggest, but it was unable to take effective action to stamp out aggression.

One issue that was vigorously contested was the so-called veto in the Security Council. The provision that in all cases except procedural matters, the Security Council should act by vote of at least seven members, including all five of the permanent members, aroused substantial opposition. However, after long and thorough debate and consideration, it was determined that this provision should be maintained. This voting procedure is much more liberal than that which obtained in the League of Nations. There complete unanimity of all members of the Council on all important questions was required. Even the weakest member of the League Council could veto any action proposed.

At the historic meeting in the Crimea, President Roosevelt proposed what has become known as the Yalta voting formula for the Security Council. That formula was agreed to at Yalta. It was also approved at San Francisco. It was there embodied in the Dumbarton Oaks text, which was the basis of our consideration and study. It will be recalled that the original Dumbarton Oaks text did not deal with that subject. It was omitted. But when we took it up in San Francisco, the steering committee had the voting formula inserted into the body of the Dumbarton Oaks text, so it was considered as though it were a part of the original Dumbarton Oaks text. The United States delegation consistently and continuously supported the formula until its final adoption. The vision and courage of President Roosevelt were justified and vindicated.

The basic thesis of the rule of unanimity—that is the term which we employ rather than "veto"—of the five permanent members of the Security Council is that so long as the great powers remain united, they shall be able to preserve the peace of the world. If the great powers should be divided—if discord should arise among them—they could not successfully preserve international peace. So long as the great powers, possessing ample material resources and military and naval might, are charged solemnly by the charter with the high responsibility of preserving the peace of the world, and remain conscious of their high duties and obligations, peace can be preserved. It must be borne in mind that the mere existence of the veto does not mean that it will be used frequently. In all likelihood it will be seldom employed. It is not believed that it will be exercised capriciously or arbitrarily. The charter places the primary responsibility upon the Security Council and upon the five permanent members, to adopt peaceful measures to preserve the peace of the world. If there is any conscience in nations, if there is any feeling within the hearts of great powers of responsibility to the peoples of the world, I do not believe the veto will be employed capriciously or arbitrarily. A recalcitrant member of the Security Council would be faced with the opinions of four other permanent members and perhaps six nonpermanent members. The pressure of their views would create a compelling world opinion that would make it very difficult for a single member of the Security Council alone to veto the peaceful settlement of a dispute.

I am aware of criticism leveled at the rule of unanimity. It must be remembered that the United States itself will be a permanent member of the Security Council. Our country will have the right to exercise the veto whenever in our opinion it is wise and just to do so. Our armies and navies cannot be sent into a foreign war without the consent of the United States.

The veto is something which we of the Senate must examine and approach with great candor. An effort may be made to lead our people to believe that the veto is in the charter wholly because of our allies—that they alone demand it. Were the veto not in the charter, what would some of the critics say? Would they not use the argument that American troops could be committed to combat in foreign lands without the consent of the American people? We must recognize that the Yalta formula not only gives the other great powers a veto over military action; it gives the United States of America that same veto.

The United Nations Charter is based on the fundamental assumption that in the shrinking world in which we live world peace is indivisible. We all realize, however, that under certain circumstances it may prove desirable to have disputes of a regional or local character settled by regional peace machinery. The charter makes ample provision for such regional arrangements to function under the general supervision of the Security Council. Thus the ground work is laid so that the Act of Chapultepec and our inter-American peace machinery in general can be properly integrated into the over-all world organization. Neither the effectiveness of the inter-American system nor the authority of the United Nations organization will be impaired.

While I have dwelt at some length on the Security Council, I desire to make it clear that we should not place all our emphasis on the security functions of the new organization. For no matter how carefully we build the machinery for the peaceful settlement of disputes, we cannot ignore constructive steps to consider the social and economic causes of war.

To that end the charter provides for an Economic and Social Council, which is authorized to set up a number of commissions to aid in the solution of international social, economic, cultural, and humanitarian problems and to promote regard for human rights and fundamental freedoms. In their respective fields the commissions will initiate studies and make reports. They may also make recommendations in respect to such matters to the General Assembly and to the member states. Neither the commissions nor the Economic and Social Council will have any authority or power to impose upon any state any regulation or provision whatsoever. The final choice and decision in respect to all such recommendations will remain with each individual state.

The old mandates system under the League of Nations has been abandoned and a system of trusteeships created. Distinction is made between territories within strategic areas and those in nonstrategic areas. It is also provided that the welfare of the dependent peoples in such areas shall be taken into account and measures adopted looking to their improvement and ultimate self-government.

Great care was exercised in protecting the interests of the United States in territories from which our savage enemies were expelled at the cost of so many lives of our gallant and intrepid soldiers and sailors. It was our earnest endeavor to safeguard and protect the security and vital defense of the United States and world peace. I may here allude to the fact that we had constantly sitting at our side admirals and generals from the Army and Navy, counseling with us with respect to these matters; and it was with their assurance that our vital interests in self-defense were protected that we consented to these provisions.

The International Court of Justice constitutes the fifth great arm or agency of the new organization. Whereas the Security Council is primarily designed to handle political disputes, the Court will be called upon to adjust differences of a legal or justiciable nature. The new Court is patterned closely after the old Permanent Court of International Justice which functioned so satisfactorily during the two decades prior to the outbreak of World War II. Jurisdiction will be optional on the part of any party to a dispute. On the other hand, where disputes are referred to the Court or where a state accepts the compulsory jurisdiction of the Court in certain categories of cases, its decisions are, of course, binding upon the parties. I may say here that a nation may file a consent to accept the compulsory jurisdiction of the Court in a case, as in all cases, or it may reserve that right, and only file its consent in particular cases, or not accept the jurisdiction at all, unless it so desires.

The American people have traditionally stood for the great ideal involved in the settlement of disputes according to the principles of law and justice. They will, I am sure, wholeheartedly approve the new Court as a vital and essential part of the world organization. The statute of the Court has already received wide approval among the members of the American Bar.

The United Nations organization must be allowed to grow and develop. It must possess sufficient flexibility to meet the changing needs of the time.

The charter wisely contains provisions for the submission and adoption of amendments to the charter and for the calling of a constitutional conference for its general review.

Any modification of the present charter recommended by a two-thirds vote of the conference shall take effect when ratified in accordance with their respective constitutional processes by two-

thirds of the members of the organization, including all the permanent members of the Security Council. There can be no valid claim that we are becoming a member of an organization which may assume new and unforeseen powers binding upon us without our consent.

At San Francisco there was splendid unity and harmony within the United States delegation. On all matters the delegation voted as a unit. Such minor differences as existed were adjusted within the delegation, and we presented a united front.

Hon. Edward R. Stettinius, Jr., Secretary of State and head of the United States Delegation, was elected president of the Conference and presided with much distinction and efficiency. His leadership and management were outstanding and he deserves high credit and praise for the masterly manner in which he led the United States delegation and in which he directed the affairs of the entire Conference.

Secretary Hull, who was designated as senior adviser, unfortunately could not attend the sessions at San Francisco. We sorely missed him. Over the years he has rendered heroic service in the cause of peace. He aided in drawing the Dumbarton Oaks document, and it was a source of real and abiding regret on the part of the United States delegation that he was unable because of illness to take part in our deliberations. However, his counsel and advice were often conveyed by telephone, to the great benefit of the delegation. We were frequently in contact with him over the long-distance telephone.

Senator ARTHUR H. VANDENBERG, a high-ranking member of the Committee on Foreign Relations, worked diligently as a member of the subcommittee of the Foreign Relations Committee which conferred frequently with Secretary Hull in laying the foundations of a world organization for peace. He supported heartily the resolution calling for international cooperation adopted by the Senate in 1943 by a vote of 85 to 5.

At San Francisco, Senator VANDENBERG contributed his great abilities to the success of the Conference. The freedom of debate secured to the General Assembly was achieved through his labors. He was influential and forceful in securing the provisions establishing regional arrangements. He gave to the general work of the Conference his large experience in public affairs and in the field of foreign relations. He deserves the thanks of his countrymen for his fine and valuable service.

Representative SOL BLOOM, chairman of the House Committee on Foreign Affairs, discharged his duties with fine ability and zeal. His extensive service and experience in parliamentary processes contributed substantially to the work of the Conference. On the committees and commissions dealing with the General Assembly and trusteeships, he rendered signal service.

Representative CHARLES A. EATON, ranking Republican member of the House Committee on Foreign Affairs, approached his duties in a fine spirit and a lofty view. Although suffering from illness at various times during the Conference, he gave unsparingly of his wisdom and experience in the work of the Conference. He gave particular attention to the committee dealing with the general provisions of the charter. They related to the amendment, withdrawal processes, the international secretariat, and the other principal organs of the United Nations organization.

Commander Harold Stassen, former Governor of Minnesota and on leave from the Navy, gave generously of his splendid abilities. The provisions relating to trusteeships were primarily shaped and fashioned through his efforts. With industry and energy he gave attention to many parts of the charter. He made valuable suggestions and contributions to the work of the Conference and is entitled to much praise and credit for his achievements.

Dean Virginia Gildersleeve, of Barnard College, brought to her work at the Conference a veritable wealth of experience in the field of economic and social activity. She rendered outstanding service with regard to the social and economic council, and in connection with the preamble to the charter. She made a distinct contribution to the Conference, and the women of the United States have just cause for pride in her accomplishments.

Of course, I also took part in the Conference from time to time. [Laughter.] That statement is an interlineation. It adds nothing to my earlier remarks. I merely thought at this time that I should mention it. [Laughter.]

Our delegation leaned heavily on the experience and wisdom of our former great colleague and leader, President Harry Truman, who so recently assumed the heavy responsibilities of the Presidency. Though the conference was held at the time when he was laboring with huge new problems that confronted him, his breadth of vision and his keen insight into world problems were a constant source of inspiration and encouragement. His superb leadership guided us in our deliberations. Not a day passed but what the delegation conferred with President Truman by telephone.

The scope of agreement reached at San Francisco has been remarkable, and notwithstanding divergent views and earnest attachment to differing concepts, final and complete agreement was reached on the entire charter. This was true because all the 50 nations at San Francisco aspired to the same sublime goal which called the Conference into being.

Its adoption marks an epochal period in international affairs. It creates an agency of tremendous influence and power. The future course of history may be affected by its conduct and by its heroic efforts in behalf of peace. However, it creates no superstate. The rights and powers of individual states are not impaired, except to the extent of the obligations and duties which they voluntarily assume when they sign the charter.

Its strength rests upon cooperation and a community of interest in providing collective security. A heavy responsibility rests upon every member of the organization not only to use its own powers and efforts to promote the interests of the organization, but it assumes a duty to further the purposes and principles of the organization. This sense of responsibility, this compelling duty, will generate a desire for peace, a will to live on terms of amity with the other peoples of the earth.

While the completed charter reflects the united opinion of the peace-loving nations of the earth, I do not proclaim it as embodying perfection. It could not be expected that 50 nations could agree upon a document whose every line and paragraph and phrase would meet universal approval. However, the charter marks a significant beginning. It will grow and develop in the light of experience and according to the needs of nations under international law and justice and freedom. These principles are embodied in the charter in luminous and moving words. The charter must be judged not in its dissected parts, not in its dismembered and mutilated clauses and phrases, but it must be judged as an integrated body, complete in its organs and functions. Judged by that standard, it is a monumental performance.

Mere documents, language, and phrases cannot themselves prevent war and preserve peace. They must rest upon the will and the purpose and the desires of the peoples and nations of the world. Organization, however, promotes these objectives. It stimulates and quickens high purposes by the knowledge that others share those ends. Enlightened and compelling world opinion in behalf of law and justice and freedom and peace will give life and vigor to documents and charters.

The charter cannot have vitality, it cannot breathe, it cannot act until ratified by the Senate of the United States. The fate of the charter rests here in the Senate. No treaty can attain the force of law for our people until it passes the scrutiny and receives the sanction of this body. When it votes, it votes by authority of the people. Its action is not the individual action of each member. Its action is that of the entire citizenship of the Republic. President Truman will soon submit the treaty to the Senate and urge its early ratification. Without any desire to limit or curtail legitimate debate, I earnestly hope that the Senate will proceed to the consideration of the treaty at the earliest possible moment. It is my earnest hope that the Senate in its wisdom, with a high purpose to preserve the peace, not only our own peace but the peace of the world, and with a desire to serve all humankind, will give its speedy approval to the charter and thus give it impulse among the other nations of the earth.

Early ratification here will stimulate and encourage ratification by other nations. The eyes of the entire world are centered on what we do here. Foreign nations know that the United Nations Organization for Peace and Security will face failure and futility unless the United States is a member. We face a high and solemn responsibility. The fate of world peace may depend upon our decision.

Senators who object to international cooperation for any purpose will vote "no." Those who prefer that we go alone will reject the charter. It is my sincere

belief that those who believe in cooperation with other nations in an effort to avert the horrors and miseries of war, to suppress aggression and conquest, and to enthrone the rule of law and reason and justice in international relations will vote to ratify the treaty.

While we never lost sight of the supreme objective of world peace and security, we do not neglect our national interests. The rights and sovereignty of the United States are not imperiled. We must remember, however, that world peace will cost something. It is worth something. It will cost cooperation. It will cost the will to peace. The charter is not automatic. It must be supported. It will cost our constant efforts and influence in the cause of peace.

Twice in the span of a lifetime the world has been cursed by global wars. Millions of lives of the gallant and the brave have been sacrificed upon red and blazing battlefields or have been engulfed in the oceans' depths. Other millions have suffered privations, hardships, and starvation. Countless children have been orphaned, and misery and suffering have reached out into many lands. Some of the fairest regions of earth have been devastated. Unnumbered homes have been laid in ashes, and billions of dollars of wealth have been destroyed. The tragic war in which we are now engaged has spread its horrors to distant parts of the earth. There have been more marching men than composed the combined armies of Alexander, Hannibal, Caesar, Genghis Kahn, Napoleon, and all of the other gory conquerors of the past.

We have crushed Nazi Germany at a terrible cost in blood and treasure. Our heroic fighting men are now carrying victory over our brutal and savage enemy, Japan. Complete triumph is assured. Our banners shall wave over Tokyo. Such another world tragedy must not occur again. Our sons must not be sacrificed upon an altar of blood. War must be prevented before it breaks upon us in its bloody fury. Aggressors must be chained. The monster with a sword must be dethroned. The methods of peace must be enthroned.

War can be prevented by international cooperation. In the charter we have endeavored to construct the mechanism to create that cooperation for peace. The 50 nations who have signed the United Nations Charter have pledged their honor to promote the cause of peace and to support the organization. The general assembly is an open forum for discussion and the formation of world opinion with power to make recommendations. The Security Council is a compact and powerful body charged with the duty of first invoking judicial and other peaceable measures in the settlement of disputes.

Finally, it is invested with authority, if necessary, to preserve or restore international peace, to impose economic or military sanctions. The charter is the best document that the wisdom of the peace-loving nations of the world could devise. It is a noble beginning. It offers the world's best hope to outlaw war and to ordain peace. It is a star in the night. It is a gleaming beacon in a troubled and gloomy sky.

The United States, our country, my country, your country, Mr. President, has been singularly blessed by a generous Providence. Rich in material resources which have been marvelously developed by a free and enterprising people, living under the institutions of liberty, and possessing tremendous naval and military power, she stands in the forefront of the nations of the earth.

But our strength does not lie alone in material things. Our power in the world does not depend alone upon the might of our Armies and Navies. Moral and mental and spiritual resources may influence and direct the course of human history. In these fields we have achieved mightily. For 150 years our Constitution and its institutions of freedom and democracy have quickened aspirations for liberty wherever men have hungered for freedom. In international affairs, we have never followed the course of aggression or conquest. We assured Cuba her freedom. The Philippines are witnesses to their independence. We came out of World War I with no added territory, guiltless of indemnities and reparations.

With such a noble heritage, the United States has a supreme destiny. We have the opportunity to lead the nations of earth away from the cruel wager of battle into the ways of peace. The United States must employ its tremendous national power to lead and cooperate with other nations to curb aggressors and to crush and overwhelm savage attacks upon peaceful peoples.

May the Senate proceed with ratification immediately. The United Nations have fought as comrades in the mightiest war in the long and bloody annals of the centuries. Our manpower and material resources have been marshaled upon the land and in the air and on the sea until our banners have waved in triumph.

The central idea of the charter is that the comradeship of war must be carried forward in a comradeship of peace. If we have been able to fight side by side in killing and destroying, why shall we not league together to save millions of human lives and permit the peoples of the earth to rebuild their tortured lands and to recreate wasted wealth and shattered homes.

We leagued our armed might for war. Now let us league our moral and material might for peace.

The United States will not reject the clear and challenging call to this high duty. Let us rise to our lofty destiny. Let us be among the architects of a structure more marvelous than one built of steel and stone. Let us create a temple of law and reason and justice and peace to serve the peoples of the world.

The world charter for peace is knocking at the doors of the Senate. We shall not turn it away.

There come ringing down through a century and a half the inspired words of Washington as he stood before the Constitutional Convention of 1787 and blessed the new Republic that was being launched upon the earth. Washington said:

> Let us raise a standard to which the wise and the honest can repair; the event is in the hands of God.

[Prolonged applause, Senators rising.]

NOTICE OF ADDRESS BY SENATOR VANDENBERG

The PRESIDENT pro tempore. The Senator from Mississippi has the floor.

Mr. VANDENBERG. Mr. President, will the Senator from Mississippi yield to me for just a moment?

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Michigan?

Mr. BILBO. I do.

Mr. VANDENBERG. I should like to give notice that, if I may be recognized tomorrow noon when the Senate meets, I should like to continue the discussion of the San Francisco Charter.

WAR AGENCIES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

Mr. BILBO. Mr. President——

The PRESIDENT pro tempore. The Senator from Mississippi.

Mr. BILBO. Mr. President, yesterday evening at the time the Senate took a recess——

The PRESIDENT pro tempore. The Senate will be in order.

Mr. GUFFEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HOEY in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Murdock
Austin	Gerry	Murray
Bailey	Green	Myers
Ball	Guffey	O'Daniel
Bankhead	Gurney	O'Mahoney
Barkley	Hart	Overton
Bilbo	Hawkes	Pepper
Brewster	Hayden	Radcliffe
Bridges	Hill	Revercomb
Brooks	Hoey	Smith
Buck	Johnson, Calif.	Stewart
Burton	Johnson, Colo.	Taft
Bushfield	Johnston, S. C.	Thomas, Okla.
Butler	Kilgore	Thomas, Utah
Byrd	La Follette	Tunnell
Capehart	Langer	Tydings
Capper	Lucas	Vandenberg
Chavez	McClellan	Wagner
Connally	McFarland	Walsh
Cordon	McKellar	Wheeler
Donnell	McMahon	Wherry
Downey	Mead	White
Eastland	Millikin	Wiley
Ellender	Mitchell	Willis
Ferguson	Moore	
Fulbright	Morse	

The PRESIDING OFFICER. Seventy-six Senators having answered to their names, a quorum is present.

The Senator from Mississippi [Mr. BILBO] has the floor.

Mr. LUCAS. Mr. President, will the Senator from Mississippi yield to me in order that I may report and have considered several resolutions from the Committee to Audit and Control the Contingent Expenses of the Senate?

Mr. BILBO. Mr. President, before responding to the request of the Senator from Illinois, I wish to make an observation and have an understanding. I am fully aware of the parliamentary rule that if, while a Senator is speaking, he yields to another who desires to have a measure passed or to introduce something, or even for a quorum call, he loses the floor. Heretofore we have been fol-

lowing the practice of giving our consent to have such things done and permitting the Senator having the floor to retain it after the requests have been fulfilled. I wish to know whether, if I yield for these different matters, I shall retain the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator will retain the floor after yielding for a specific purpose.

Mr. BILBO. The Chair will hold that, will he?

The PRESIDING OFFICER. Yes.

Mr. GUFFEY. I shall object any time the Senator yields. If I have the right to object to this, I object.

Mr. BILBO. Object to what?

Mr. GUFFEY. The request the Senator is yielding to now.

The PRESIDING OFFICER. The Chair has already ruled. The Chair asked whether there was objection, and said that without objection the Senator would retain the floor.

Mr. BILBO. I would rather have the ruling of the Chair than the objection of the Senator from Pennsylvania, and I yield to the Senator from Illinois.

EXPENSES OF HEARINGS BEFORE COMMITTEE ON APPROPRIATIONS

Mr. LUCAS. Mr. President, I thank the Senator from Mississippi for yielding. There are a few resolutions which are important which I desire to have agreed to, and I think the Senate should consider them at this time.

From the Committee to Audit and Control the Contingent Expenses of the Senate I report favorably Senate Resolution 132, submitted on June 7 last by the senior Senator from Tennessee [Mr. McKELLAR], acting chairman of the Committee on Appropriations, seeking an additional appropriation to carry on the general work of the committee. I ask for the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution (S. Res. 132) was read, considered, and agreed to, as follows:

Resolved, That the Committee on Appropriations, authorized by Senate Resolution 9, agreed to January 6, 1945, to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject referred to said committee, hereby is authorized to expend from the contingent fund of the Senate, for the same purposes, during the Seventy-ninth Congress, $10,000 in addition to the amount of $5,000 heretofore authorized.

EXPENSES OF HEARINGS BEFORE COMMITTEE ON FOREIGN RELATIONS

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report favorably Senate Resolution 133, submitted on June 7, 1945, by the senior Senator from Georgia [Mr. GEORGE], acting chairman, at the time, of the Committee on Foreign Relations. The resolution requests an additional $5,000 to carry on the work of the committee. I ask for the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution (S. Res. 133) was read, considered, and agreed to as follows:

Resolved, That the Committee on Foreign Relations, authorized by Senate Resolution 9, agreed to January 6, 1945, to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject referred to said committee, hereby is authorized to expend from the contingent fund of the Senate, for the same purposes, during the Seventy-ninth Congress, $5,000 in addition to the amount of $5,000 heretofore authorized.

CONTINUATION OF INVESTIGATION OF MOBILIZATION OF NATIONAL RESOURCES

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report favorably Senate Resolution 146, reported from the Committee on Military Affairs by the Senator from West Virginia [Mr. KILGORE] on June 26, 1945. The resolution seeks merely to continue the provisions of Senate Resolution 107 until the present Congress shall adjourn. It asks for no money. I request immediate consideration for the resolution.

There being no objection, the resolution (S. Res. 146) was read, considered, and agreed to, as follows:

Resolved, That the provisions of Senate Resolution 107 of the Seventy-eighth Congress, continued by Senate Resolution 46 of the Seventy-ninth Congress, authorizing an investigation by a subcommittee of the Committee on Military Affairs of the possibilities of better mobilizing the national resources of the United States, be, and the same are hereby, continued in full force and effect during the remainder of the Seventy-ninth Congress.

EXPENSES OF HEARINGS BEFORE SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably Senate Resolution 147, submitted today by the Senator from New York [Mr. MEAD], which increases the limit of expenses under Senate Resolution 71, which was adopted in the 77th Congress. This request comes from the Senator from New York and his committee, which is a special committee set up by the Senate, requesting an additional $100,000 to carry on its work. I ask for the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution (S. Res. 147) was read, considered, and agreed to, as follows:

Resolved, That the limit of expenditures under Senate Resolution 71, Seventy-seventh Congress, first session, agreed to March 1, 1941; Senate Resolution 6, Seventy-eighth Congress, first session, agreed to January 25, 1943; and Senate Resolution 55, Seventy-ninth Congress, first session, agreed to January 29, 1945 (relating to the investigation of the war program) is hereby increased by $100,000.

MARY A. MURPHY

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report favorably Senate Resolution 137, submitted by the senior Senator from Massachusetts [Mr. WALSH] on June 19, 1945. It authorizes and directs the Secretary of the Senate to pay out of the contingent fund 1 year's compensation to the widow of the late Edward V. Murphy, Jr., who was for some 24½ years clerk on journal work for the CONGRESSIONAL RECORD.

Mr. President, this is not quite in line with precedent, because we usually pay the widows of deceased clerks only 6 months' compensation, but due to the long and unusual and fine service rendered by Mr. Murphy, the committee thought it was desirable to pay the full year's compensation. Not later than January 20, 1938, the Senate went on record by paying Mrs. Nellie S. Wick, the widow of James R. Wick, a full year's salary, and as I recall, Mr. Wick's service was of about the same length as Mr. Murphy's. Also on May 28, 1942, we took the same course for the widow of the late Percy E. Budlong, who was one of the official reporters of debates of the Senate for more than 25 years. So I feel that we are within our rights so far as precedent is concerned in asking that the widow of Mr. Murphy be paid a full year's compensation.

I ask unanimous consent for the present consideration of the resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution was read, considered, and agreed to as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Mary A. Murphy, widow of Edward V. Murphy, Jr., late clerk on journal work for the CONGRESSIONAL RECORD, a sum equal to 1 year's compensation at the rate he was receiving from the Senate and from the Official Reporters of Debates at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PAYMENTS FROM THE CONTINGENT FUND IN CONNECTION WITH INQUIRIES AND INVESTIGATIONS

Mr. LUCAS. From the Committee to Audit and Control the Contingent Expenses of the Senate I report favorably Senate Resolution 77. I respectfully request the attention of the Senate to this resolution. It was submitted by the junior Senator from Nebraska [Mr. WHERRY], who is a member of the Committee to Audit and Control the Contingent Expenses of the Senate, on February 15, 1945. In substance the resolution provides that when an investigation is requested to be made, and money to conduct the investigation is requested from the contingent fund, if the expenses are in excess of $5,000 there shall be submitted to the committee a budget, in such form as the committee may require, setting forth the estimate of expenses proposed to be incurred for personal services, hearings, and travel, and such other information as the committee may

require. That, briefly, is what section 1 provides.

Section 2 of the resolution deals with the personnel employed at present by committees, which is loaned or borrowed from Government departments or agencies. The section specifically provides that when a special committee borrows personnel from a Government department or agency it shall be the duty of such special committee to reimburse the Government department or agency out of the funds which have been appropriated by the Senate for the investigation before such personnel is authorized to work for the special committee. This takes effect January 1, 1946.

I ask for immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution (S. Res. 77), submitted by Mr. WHERRY on February 15, 1945, was considered and agreed to, as follows:

Resolved, That the Senate shall not (1) authorize the payment from the contingent fund of the Senate of the expenses, in excess of $5,000, of any inquiry or investigation hereafter authorized, or (2) increase the amount heretofore authorized to be paid from the contingent fund of the Senate in connection with any inquiry or investigation, unless, prior to adoption of the resolution authorizing such payment or providing for such increase, the committee or subcommittee thereof authorized to conduct such inquiry or investigation shall have submitted to the Committee to Audit and Control the Contingent Expenses of the Senate a budget, in such form as the committee may require, setting forth its estimates of expenses proposed to be incurred for personal services, hearings, and travel, and such other information as the committee may require.

SEC. 2. Whenever the head of any department or agency of the Government shall have detailed or assigned personnel of such department or agency to the staff of any Senate committee or subcommittee thereof, the appropriations of such department or agency from which the personnel so assigned or detailed is paid shall be reimbursed from funds available to the committee or subcommittee prior to the detail or assignment in the amount of the salaries of such personnel while on such detail or assignment; and the services of any personnel so detailed or assigned shall not be accepted or utilized unless, at the time of such detail or assignment, funds are available to such committee or subcommittee for the reimbursement of appropriations, as herein provided, for the period of such detail or assignment.

SEC. 3. The foregoing provisions of this resolution shall become effective on January 1, 1946.

SEC. 4. The Committee to Audit and Control the Contingent Expenses of the Senate is authorized to make such studies as may be necessary to enable it to prescribe uniform requirements as to the form and content of budgets required to be submitted under the first section of this resolution and otherwise to carry out its functions under such section.

INVESTIGATION OF DISPOSAL OF SURPLUS GOVERNMENT PROPERTY AND RELATED SUBJECTS

Mr. LUCAS. Mr. President, I report one more resolution from the Committee to Audit and Control the Contingent Expenses of the Senate. I report favorably Senate Resolution 129, and ask unanimous consent for its immediate consideration. The resolution was reported from the Committee on Military Affairs by the Senator from Wyoming [Mr. O'MAHONEY] on May 31, 1945. I desire the Senator from Wyoming to explain the resolution to the Senate. It provides for an appropriation of $25,000. The resolution was passed over temporarily by our committee, but we believe the Senate ought to consider it now. I may say that there may be some slight misapprehension with respect to this resolution. That is why I request that the Senator from Wyoming make explanation of it.

When the resolution came before our committee we were advised that a subcommittee of the Small Business Committee, of which the Senator from Montana [Mr. MURRAY] is chairman, had been engaged last year in the investigation of surplus property in the Midwest. We were also advised at the time that the Mead committee had full authority to make every conceivable kind of investigation with respect to surplus property, and was so engaged at the present time. It appeared to the members of the Committee to Audit and Control the Contingent Expenses of the Senate that the resolution in question sought authority for another committee to engage in the investigation of surplus property. It seemed to the committee that three committees should not be investigating surplus property.

I may say, Mr. President, that some day the Senate must determine whether it will permit various committees to investigate the same subject over and over again. I submit that the time has arrived when some committee of the Senate will have to determine what committee has jurisdiction over a particular subject matter involved in a resolution, and if the committee which has authority to make such determination finds that another committee is then investigating the subject matter which it is sought to have reinvestigated by another committee, that that committee should rule that only one committee may investigate the subject matter in question.

The PRESIDING OFFICER. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 129), as follows:

Resolved, That the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized and directed to continue the study and investigation with respect to war contracts, the termination of war contracts and related problems authorized by Senate Resolution 198, of the Seventy-eighth Congress, as heretofore supplemented and extended, to be conducted by a subcommittee of the Committee on Military Affairs, and is further authorized and directed to make a full and complete study and investigation with respect to the disposal of surplus Government property and related problems. The committee shall report to the Senate, from time to time, the results of its studies and investigations under this resolution, together with such recommendations as it may deem desirable.

The powers and duties conferred or imposed by Senate Resolution 198, of the Seventy-eighth Congress, with respect to the study and investigation under that resolution shall also be applicable with respect to the studies and investigations under this resolution. The subcommittee of the Committee on Military Affairs heretofore authorized to make the study and investigation under Senate Resolution 198, of the Seventy-eighth Congress, shall be deemed to have been continued as a subcommittee duly authorized to make the studies and investigations under this resolution until the Committee on Military Affairs shall otherwise direct.

For the purposes of this resolution, the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee or the chairman of the subcommittee.

Mr. LUCAS. I now yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I am glad that the Senator from Illinois has given me this opportunity to set forth on the floor of the Senate the views of the Committee on Military Affairs with respect to this resolution. I may say that I agree completely with everything the Senator from Illinois has stated. There should not be a multiplicity of special committees investigating and reinvestigating the same or similar matters.

Perhaps a word or two of explanation with respect to what has happened in regard to surplus property may be worth while at this point. Members of the Senate will recall that long before the Congress passed a law dealing with the disposal of surplus property, agencies of the Government were engaged in such disposal. Complaints were coming from all parts of the country with respect to the manner in which disposal was being carried on. There was, however, no law dealing with the subject. It was a perfectly natural thing then, in those circumstances, that complaints of this character should go to what was then the Truman committee, a special committee appointed by the Congress for the very laudable purpose of surveying and investigating the expenditure of war funds. The Truman committee, and later the Mead committee, conducted these investigations and did excellent work. I think the Senator from New York [Mr. MEAD] is to be complimented on the results of the work of that committee in preventing the activities of fly-by-night organizations which were created to deal speculatively in Government surplus property.

However, while all this was going on, as the result of the studies of the Special Committee on Postwar Economic Policy and Planning, of which the distinguished Senator from Georgia [Mr. GEORGE] is the chairman, and as the result of the work of the Military Affairs Committee operating through a subcommittee on war contracts, a bill was drafted and introduced. It was discussed in the committee and was passed by both Houses

of Congress. The Military Affairs Committees of the Senate and of the House were instrumental in bringing a certain amount of order out of chaos by writing a surplus property act. That act provided, among other things, that the Surplus Property Board, which was set up in the law as a policy-making agency, should make report to Congress with respect to the disposal of Government plants and facilities of various kinds and charter. It was the feeling of the Committee on Military Affairs that the handling of such plants in the postwar period might make or break the economic system of the United States. The committee felt that unless these plants were kept in a reasonable degree of continuous operation we might be confronted with the closing down of plants and the creation of a serious problem of unemployment.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WALSH. Does the Surplus Property Disposal Board have jurisdiction over the disposition of plants under the control of the Army?

Mr. O'MAHONEY. It has the power to dispose of all plants which were built by Government money, including Army and Navy plants, when they are declared to be surplus.

Mr. WALSH. I so understood. This subject has been under consideration by the Committee on Naval Affairs, and there is a bill pending to require the Navy Department to submit to the Naval Affairs Committees of the House and Senate its declaration of plants as surplus. It is not intended to interfere with the Surplus Property Board, but the bill provides that the information that particular plants which have been under the jurisdiction of the Navy or have been financed by the Navy have been declared to be surplus shall be furnished to the Naval Affairs Committees of the House and Senate before authority is given the Surplus Property Board to dispose of the property. I wonder if there is such a provision with respect to the Army.

Mr. O'MAHONEY. No such bill has come to my attention.

Mr. WALSH. As the Senator knows, no acquisition of property by the Army or Navy can be made without the consent of Congress; and there is a feeling on the part of the House and Senate Committees on Naval Affairs that no disposition of property should be made without the approval of Congress.

Mr. O'MAHONEY. That was precisely the feeling of the Committee on Military Affairs.

Mr. WALSH. The bill to which I have referred does not go quite so far as that; but it goes so far as to require information as to the disposition of property. I thought the Senator might be interested in that recently proposed legislation.

Mr. O'MAHONEY. I am very much interested, because what the Senator from Massachusetts says illustrates the concern of the Naval Affairs Committees of the House and Senate in having full knowledge of what is being done.

Mr. WALSH. We do not attempt to control disposition of the property once it gets into the hands of the Surplus Property Board, but we are seeking to require that Congress shall be informed when any property is declared to be surplus.

Mr. O'MAHONEY. Precisely. That indicates the point which I am trying to emphasize, namely, the supreme importance to the economy of this country of Congress knowing what is being done with the tremendous investment of public money in the construction of plants. More than $16,000,000,000 out of the Treasury of the United States has been invested in the construction of facilities in a dozen different categories, including synthetic fuel plants, high octane gasoline plants, aluminum and magnesium plants, radio facilities, and other categories of plants built by the money of the people of the United States. If those plants are disposed of without the knowledge of the people of the United States, who knows what danger may be involved?

It was with that thought in mind that section 19 was written into the Surplus Property Disposal Act. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the entire text of section 19. I shall read only a portion.

There being no objection, section 19 was ordered to be printed in the RECORD, as follows:

DISPOSAL OF PLANTS

SEC. 19. (a) The Board, in cooperation with the various disposal agencies, shall prepare and submit to the Congress within 3 months after enactment of this act, a report as to each of the following classes of surplus property (not including any plant which cost the Government less than $5,000,000): (1) Aluminum plants and facilities; (2) magnesium plants and facilities; (3) synthetic-rubber plants and facilities; (4) chemical plants and facilities; (5) aviation-gasoline plants and facilities; (6) iron and steel plants and facilities; (7) pipe lines and facilities used for transporting oil; (8) patents, processes, techniques, and inventions, except such as are necessary to the operation of the plants and facilities herein listed; (9) aircraft plants and facilities and aircraft and aircraft parts; (10) shipyards and facilities; (11) transportation facilities; and (12) radio and electrical equipment:

(A) Describing the amount, cost, and location of the property and setting forth other descriptive information relative to the use of the property;

(B) Outlining the economic problems that may be created by disposition of the property;

(C) Setting forth a plan or program for the care and handling, disposition, and use of the property consistent with the policies and objectives set forth in this act.

(b) In the event that it is not possible within such period to prepare and submit a complete report to the Congress as to any class of property, the Board shall submit an interim report 3 months after the enactment of this act, and shall submit a complete report as soon thereafter as possible. If the Board determines that it is desirable to alter or change any such plan or program or to prepare a report on any other class of property, it shall prepare in accordance with the provisions of this subsection and submit to the Congress an additional report, setting forth the altered or changed plan or program or a plan or program relating to the new class of property.

(c) Whenever the Board may deem it to be in the interest of the objectives of this act it may authorize the disposition of any surplus property listed in classes 9 to 12, inclusive, of subsection (a) of this section. With respect to the property listed in classes 1 to 8, inclusive, no disposition shall be made or authorized until 30 days after such report (or additional report) has been made while Congress is in session, except that the Board may authorize any disposal agency to lease any such property for a term of not more than 5 years.

(d) The Board may authorize any disposal agency to dispose of any materials or equipment related to any surplus plant covered by this section, if such materials and equipment are not necessary for the operation of the plant in the manner for which it is designed.

(e) This section shall not apply to any Government-owned equipment, structure, or other property operated as an integral part of a privately owned plant and not capable of economic operation as a separate and independent unit.

Mr. O'MAHONEY. I read a portion of section 19 of the Surplus Property Disposal Act:

The Board—

Meaning the Surplus Property Board—

in cooperation with the various disposal agencies, shall prepare and submit to the Congress within 3 months after the enactment of this act, a report as to each of the following classes of surplus property (not including any plant which cost the Government less than $5,000,000):

Then there are listed 12 categories, namely, aluminum plants, magnesium plants, synthetic-rubber plants, chemical plants, aviation-gasoline plants, iron and steel plants, pipe lines, patents, aircraft plants, shipyards, transportation facilities, and radio and electrical equipment.

It is provided in section 19 that these reports shall contain information describing the amount, cost, and location of the property, outlining the economic problems which may be created by the disposition of the property, and setting forth a plan or program for the care and handling, disposition, and use of the property.

I invite the attention of the Senate to the fact that that law became effective on October 3, 1944. The report provided for in the act has not yet been submitted. I do not blame the Surplus Property Board, because there were great difficulties involved in the creation of that Board. Two members of the Board were nominated. Their nominations were referred to the Committee on Military Affairs. The Committee on Military Affairs spent weeks in a careful examination of the qualifications of the nominees. I invite attention particularly to the fact that it was the standing Committee on Military Affairs which had jurisdiction over those nominations, just as it was the standing Committee on Military Affairs which reported the bill.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. The resolution which is under consideration directs the committee "to make a full and complete study and investigation with respect to the disposal of surplus Government property and related problems. The committee shall report to the Senate, from time to time, the results of its

studies and investigations under this resolution, together with such recommendations as it may deem desirable."

What I wish to ask the able Senator is whether he believes that under that language the Committee on Military Affairs, which is one of the standing legislative committees of the Senate, would have full power or authority to make any type or kind of investigation with respect to the disposition of surplus property?

Mr. O'MAHONEY. Under that language it certainly would have. The resolution was drafted by the drafting service of the Senate. The purpose was, of course, to continue the powers which had been previously vested in the special subcommittee headed by the distinguished junior Senator from Montana [Mr. MURRAY]. At the beginning of this session the Senator from Montana resigned as chairman of that subcommittee, and without solicitation upon my part I was made chairman of the subcommittee. It was the express desire of the chairman of the subcommittee and of the chairman of the full committee, as fell as of other members, that I accept the responsibility of continuing this work.

I should like to call the attention of the Senate to the fact that, in conformity with what I understood to be the desire of the leadership of the Senate, and in conformity with what I deemed to be sound practice in senatorial committee work, I directed that this resolution be drafted in such form that the subcommittee should not be an independent entity, but should operate under the authority of the full Committee on Military Affairs. Moreover, it was so drafted that all expenditures would have to be made by authority of the chairman of the committee, or the chairman of the subcommittee, if he were designated for that purpose by the chairman. In other words, every care was taken in drafting this resolution to place in the hands of the standing committee, which has jurisdiction over such legislation, the responsibility of keeping in touch with the policy of disposal of surplus property. If any amendment of the act is suggested, it will be referred to the Committee on Military Affairs.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. I agree with what the Senator says with respect to a standing committee pursuing any investigation of this kind which it undertakes. I believe that is the way the Senate intended these investigations to be conducted—rather than by special committees, unless something unusual is involved or is developed.

My last observation in connection with the resolution is that if the resolution is adopted and the Military Affairs Committee takes jurisdiction over the investigation of all matters pertaining to surplus property, it seems to be that the special committees which have heretofore been taking jurisdiction ought to confer with the Senator's committee and inform it what they have done up to the present time, the special committees should then cease and desist, and permit the Committee on Military Affairs to have complete jurisdiction over surplus property disposal. Witnesses from the various departments should not be brought here one day to testify before one committee, the second day to testify before another committee, and the third day to testify before the subcommittee of the Senator from Wyoming. I think the Senator will agree with me on that matter.

Mr. O'MAHONEY. I quite agree that we should so conduct our affairs in the Senate as to conserve the time and the energy of the various agencies.

Let me say, furthermore, with respect to the amount of money which was provided for in the resolution as reported by the Committee on Military Affairs—namely, $25,000—that the purpose of writing that provision into the measure was to enable the Committee on Military Affairs to stand upon its own feet and to employ its own staff, not to be dependent on any agency outside the Senate.

Mr. LUCAS. Let me say to the Senator that what he has just said expresses my sentiments. It is in line with the resolution, adopted a moment ago, which was offered by the Senator from Nebraska [Mr. WHERRY]. Certainly the Senate should have the courage, when it adopts a resolution of this kind, to appropriate sufficient money to enable the employment of the staff which is needed if the investigation is to be carried on, rather than to have to depend upon an agency of the executive branch of the Government.

Mr. GEORGE. Mr. President, will the Senator yield, to permit me to make a statement?

Mr. O'MAHONEY. I am very happy to yield to the Senator from Georgia.

Mr. GEORGE. With regard to this resolution, I should like to make a brief statement. The Special Committee on Postwar Economic Policy and Planning, of which I have the honor to be chairman, early undertook three rather exhaustive studies. The first relates to contract termination, plant clearance, and so forth; the second relates to surplus property disposal; and the third relates to reconversion and demobilization.

I introduced jointly with the Senator from Montana [Mr. MURRAY], who at that time was head of a subcommittee of the Committee on Military Affairs, two or three bills. The legislation which was recommended by the Special Committee on Postwar Economic Policy and Planning found expression in the first bill, namely, the bill providing for contract termination and settlement, plant clearance, and so forth. Controversy arose over the second bill, which reached the floor of the Senate, but finally a bill which was reported by the Finance Committee was in substance passed. It related to demobilization and reconversion. The third bill related to surplus property disposal, the matter now under discussion. That bill, of course, went to the legislative committee having jurisdiction, to wit, the Committee on Military Affairs, as the first-mentioned bill likewise did. The bill relating to surplus property disposal, which actually passed the Senate, was in many respects unlike the bill I introduced, but I still assumed that the special committee—not being a legislative committee, but a policy committee—retained its interest in the general subject, and I urge upon the distinguished senior Senator from Wyoming that when he becomes chairman of the subcommittee of the Committee on Military Affairs, he likewise being a member of the Special Committee on Postwar Economic Policy and Planning, he follow this subject of surplus-property disposal, because I realized when we passed the bill, Mr. President—I think I may say frankly as expressing my own view—that the legislation was by no means perfect. It was so recognized by the proponents of the particular measure which passed the Senate and finally came out of conference, because it provided expressly for reports from the Board when it should be set up and organized.

So it was at my request, in part, acting with the distinguished Senator from Wyoming, the chairman of the subcommittee of the Committee on Military Affairs, that the legislative committee renewed its interest in this particular phase—and it is a very important one—of our general economic picture.

I should have gladly placed at his disposal any staff which was available to me as chairman of the special committee, but that committee has never organized a large staff; in fact, it has followed a policy of not organizing a regular staff, but of simply organizing temporarily a very meager staff to do special jobs.

Mr. O'MAHONEY. Mr. President, will the Senator permit me to interrupt him, so that I may point out that the Senator designated me to be chairman of a Special Subcommittee on Industrial Reorganization of his full committee.

Mr. GEORGE. That is correct.

Mr. O'MAHONEY. That subcommittee, upon which sit the distinguished senior Senator from Illinois [Mr. LUCAS] and the distinguished senior Senator from Vermont [Mr. AUSTIN], has on several occasions held joint sessions with the subcommittee of the Military Affairs Committee for the precise purpose of avoiding duplication of demands upon the time of executive officers of the Government.

Mr. GEORGE. The Senator from Wyoming is correct.

Mr. O'MAHONEY. I should also add that the staff of the Special Committee on Postwar Policy and Planning has participated in all those hearings and has contributed materially to the work of the two subcommittees.

Mr. GEORGE. I was about to add that, Mr. President. I should like to say that the legislative committee which has charge of this general subject is the Committee on Military Affairs, and that is where the legislation has to be shaped, of course. I do not think there is any more important question before the Congress, or any more important question, really, before the country at this time, than the proper disposition of the vast amount of surplus property accumulating in connection with the prosecution of this war. Therefore, I was particularly interested, with the chairman of the

subcommittee of the Committee on Military Affairs, in not only pursuing but in keeping in constant touch with the developments, because my own view now is that some additional legislation undoubtedly will be enacted before the surplus property problem can properly be handled.

Mr. O'MAHONEY. I thank the Senator from Georgia.

Mr. President, I may add that the members of the Surplus Property Board have indicated to me their desire to have an opportunity to come before this committee at intervals for the purpose of laying before the Congress and the country the plans and methods they have in mind.

Let me add one more word, Mr. President, and I shall be through. I wish to have the Senate understand that the Committee on Military Affairs and this subcommittee do not conceive their duty to be of an inquisitorial character. There is no purpose on the part of this committee to hale officers of the executive branch of the Government before it for the purpose of creating a Roman holiday. Nor is there any purpose on the part of the committee, or any member of it, to bring before it members of industry for the purpose of harassing or intimidating them. The whole concept of the study is a constructive one and not an investigatorial one. We are looking toward the prevention of evils and mistakes rather than to the investigation of mistakes which have already been made. So, Mr. President, the committee should not be regarded as one which will only investigate. It is a committee which will study the proper policy which the Government should follow. I believe that although the duties are onerous, and I should personally very much welcome being shorn of responsibility in connection with them; nevertheless, I conceive of no duty which the Congress owes to the people of the United States to be greater than that of making sure that the policy which controls the disposal of surplus war property shall be wise and fully understood by the people of the United States.

Mr. THOMAS of Utah. Mr. President, I believe it to be advisable on my part to make a few remarks in regard to the work of this subcommittee, inasmuch as it was my responsibility not to have appointed it originally, but to have appointed it since the adoption of the Surplus Property Act.

It will be remembered that a long time ago, when the defense program was established, and when the Munitions Control Board was set up, the Senate adopted a provision for the purpose of enabling Congress to be kept informed with reference to what the Munitions Control Board was doing, and to have on the Board the chairman of the Foreign Relations Committee of the Senate, and the chairman of the Foreign Affairs Committee of the House. In the conference that provision was disagreed to, and a substitute adopted to the effect that the Board should report from time to time to Congress.

When the strategic materials bill became law many persons were frightened at the possible accumulation of stock piles and the storing of supplies, because they believed they might be used by some Government agency in a way which would upset the economy of our country. Popular as the Strategic Materials Act has become, it should be remembered that it was not popular in its early stages; that industry was frightened by it, and that the very persons who are strongly in favor of the act today, and who understand it, opposed the measure when it was originally introduced.

The technique of requiring reports to be made to Congress cannot be as young as some believe it to be, because it has been invoked ever since our Government was founded, and the method of keeping track of the agencies of government whose functions affect the economy of the American people was written into many acts.

The committee, under the chairmanship of the Senator from Georgia [Mr. GEORGE], which had to do with the postwar economic problems, is not a legislative committee, but it is thinking in exactly the same way that the Congress of the United States thought, namely, that it should be kept informed with reference to what was being done by governmental agencies which might affect the economy of all the people. That is the great broad concept which is involved.

Mr. President, in connection with the two laws which have been mentioned today, namely, the contract settlement law and the surplus property law, there has been placed upon a Senate committee the responsibility of receiving reports from time to time from the agencies which are administering those laws. All those reports have been sent to the Military Affairs Committee. The chairman of that committee has asked each agency to summarize its report, and the report has been put into the RECORD so that all Members of the Senate could follow exactly what was being done. It seemed to the chairman of the committee that if we could, by wise appointment of committee members, bring about a sort of dovetailing of the legislative activities with the activities of the postwar planning group, it would be wise to do so. Originally the committee dealing with contract settlements and with other problems, was composed of only three members. When the Surplus Property Act came into being, the committee was enlarged to five members because it was realized how important its work could be. The chairman of the subcommittee of the Military Affairs Committee is a member of the George committee. In that way there is constantly in the minds of all concerned the economic condition of all the people.

Now, a word or two with reference to surplus property. Contract settlements have been progressing to the satisfaction of Congress, the administrators, and industry generally. Progress has been satisfactory primarily because every person who takes part in the negotiation of a contract settlement realizes that it is a public affair, and that something will be said to the Congress about what is being done. So far so good.

Then came the Surplus Property Act. Mr. President, there were lengthy hearings held on the original surplus property bill. In one of those hearings a question was asked about how surplus property would be distributed. Such property belongs to the people of the United States. It represents such a great quantity that if it were suddenly dumped on the market it would result in upsetting practically every going concern in the United States. The committee was told that it would be the objective of the Administrator of Surplus Property to convert the surplus property into cash as soon as possible and liquidate it. Mr. President, that property was estimated to amount to approximately $100,000,000,000 in value. It consists of nearly everything imaginable. Some persons believe that practically all the articles embraced in the term "surplus property" are worth while in the economy of our country. For example, there is land, in connection with which veterans preferences must be considered. An attempt will be made to reintegrate veterans into civilian life. There are great plants which have been established primarily for war purposes. I am thinking now of one plant, for example, which was built for one single purpose, namely, to manufacture one type of airplane which was to be used in wartime. A great amount of money was spent on the plant, but the purposes for which the plant was constructed have already been fulfilled, and the plant is to be liquidated.

There are other kinds of plants the operation of which affects the basic economy of our country, and which involves the use of strategic materials, so that in case of an attack we can carry on under the theory of—to use a military term—defense in depth. It was realized that in case of an invasion of the United States our industries had not been developed in a strategic way, but had been developed basically with the understanding that they would be peacetime plants quite as well as wartime plants.

The point I desire to make is that each plant probably presents a different problem and each type of surplus property present a different problem. There will have to be a board set up, as a board has been set up, to handle these affairs from day to day, but the responsibility to see that they are administered properly rests with the Congress of the United States and the reports have been made to our committee.

Mr. President, it has been said that the Surplus Property Act was not a particularly good act. The conference committee consisting of members of the Military Affairs Committee and members of the House committee which had charge of the matter—it was not the Military Affairs Committee, if I may correct the Senator from Wyoming—worked not for 1 week, not for 2 weeks, but for several weeks. All the time basically in our minds was the thought that this property belonged to the people of the United States and was to be disposed of in such a way that it would be helpful to the people of the United States and not ruin them. We all took our work seriously, Mr. President, and we felt that we had done a pretty good job.

Now I wish to emphasize the point that if this subcommittee of the Military

Affairs Committee, which is now one of the strongest subcommittees of the Military Affairs Committee, thinks of its job as one of trying to hinder the proper transfer of this property, of course it is carrying on its work in the wrong way, and the chairman of the Military Affairs Committee would want to correct that, and would put the matter up to the whole committee to see that it was corrected. If it is not the sense of the Senate of the United States that a standing committee should keep track of—I will put it in that way rather than to say supervise or investigate—and be informed so that when a question is asked, what about this and what about that, someone with the background and knowledge may answer, that is one thing.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Illinois?

Mr. THOMAS of Utah. I yield.

Mr. LUCAS. I think the statement just made by the able Senator from Utah is exceedingly constructive. It is well that we have now a clear understanding of what the committee expects to do. It is my belief that those who are going to sell and those who are going to buy surplus property will shun negotiation if there is a continuous investigation. I believe the committee should do just exactly what the Senator says, that is supervise and not intimidate and investigate and interrogate constantly. Both the Senator from Utah and the Senator from Wyoming have told the Senate and the country that this is not going to be an inquisitorial group, but rather an approach from the standpoint of aiding the Government agencies and aiding the industries in order that the taxpayers of America may get the most out of the salvage which may be possible. This is the kind of cooperation which will bring results.

Mr. THOMAS of Utah. That is true. To show what happened after the last war, I might mention that practically every person who had to do with the retail sale of blankets in the United States at that time was put out of business. He could not sell blankets. Why? Because the Army and Navy dumped blankets onto the market. Stores which were called Army and Navy Stores, or some name of that kind, grew up in every part of the United States. Sheets needed by hospitals were disposed of to such stores. It was extremely hard for a school to get an airplane engine which had become obsolete, so far as its use in an airplane was concerned, in order that the school might use it for study in its automotive engineering course and courses of that kind.

All these things are in the minds of the committee today. We do not want business hurt; we want it helped. I am sure the chairman of the subcommittee knows that during the next few years the problems facing the country will be greater than they have been during the period of mobilization for war. War activity is simple compared with getting back to peace activity, and our country will be wrecked if we are not careful.

Mr. O'MAHONEY. Mr. President, and I so reported to the committee.

Mr. THOMAS of Utah. The committee gets all the reports. It receives verbal reports and presents written reports to the Senate.

I wish to emphasize again that in the disposal, for instance, of plants we have a special injunction put upon us, and Congress is going to know about such things, regardless of how they may be disposed of. If there is conflict in administration I do not know of any other way it can be straightened out.

In an investigation the other day it was not certain whether the Defense Plant Corporation could do certain things without consulting the Surplus Property Board. In my opinion it is clear; I know what to do; and it seems to me that the place to come to get a sanction, so to speak, for some action is to a committee of Congress, a committee that is more or less informed.

Mr. President, those are the idealistic considerations for the continuation of this subcommittee. If the subcommittee should get out of rein, if it should propose something which would interfere, then, of course, it should be stricken down. That is contrary, however, to what is in the minds of the Military Affairs Committee. If it cannot be helpful to the Government, if it cannot be helpful to the people, no one wants a committee of that kind, and no one would accuse the chairman or a Member of the Senate of the United States with having any idea of that kind. Above all, this committee should not take sides in regard to the disposal of property.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. One more point, and I shall be glad to yield. There are also the requirements of the law which bring into the picture another great institution of government, and that is the Department of Justice. Those are the types of things which make it necessary for us to have a clearinghouse here. I am glad now to yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, the comment of the Senator from Utah about the course that should be followed by the committee prompts me to ask him if, while he has been chairman of the Military Affairs Committee and the present chairman of the subcommittee has occupied that position, the subcommittee has said or done anything which in his judgment could be interpreted as hindering or obstructing either the executive power or industry.

Mr. THOMAS of Utah. I know of nothing of that kind having been done by the subcommittee, but all sorts of statements have been made about the subcommittee as, of course, they are made about all of us at all times. Questions are raised which are antagonistic instead of constructive, destructive instead of constructive; and then, of course, we all know that there are editorial writings—I do not refer to the press—editorial thinking and, above all, editorial gossip about what should be done. I think that the necessity of constructive action and the need of keeping these committees properly functioning outweigh any criticism which may be made.

Mr. MURDOCK. Mr. President, I am rather reluctant to speak on this matter, in view of the fact that the distinguished Senator from Wyoming [Mr. O'MAHONEY] and my distinguished colleague the senior Senator from Utah [Mr. THOMAS] both made such eloquent and persuasive pleas for the adoption of Senate Resolution 129.

We are told that there is not to be an investigation; that there is not to be an inquisition; that the committee is to be a supervisory committee. But one word stands out very significantly in the text of the resolution as to what the committee is going to do, and the word that is used, notwithstanding the rather angelic promises made by the sponsors of the committee, is the word "investigation."

Mr. President, as has been stated this afternoon time and again, the Congress of the United States passed a surplus property disposal bill, and in that bill the Congress outlined the procedure which the administrative and executive department of the Government should follow in disposing of what is proclaimed to be surplus property. Even before the Surplus Property Board got under way, before they had ever taken a step in the work of following the directions of the Congress as contained in the legislation, they were haled before this committee.

Mr. President, I attended a session of the committee. I do not know whether it was the first one or not, but it was one of the early sessions held this year. Members of the Surplus Property Board were present, and an expert who had been employed by the Board to go into the steel plants which had been erected for war purposes was present. Regardless of what has been said here today, those present were given to understand, if I could comprehend the attitude of the committee, that the committee was going to have a great deal to do with even preliminary negotiations for the disposal of surplus property.

It has been stated here this afternoon time and again by my distinguished colleague the senior Senator from Utah, that these plants belong to the people of the United States. They do belong to the people of the United States, and the people of the United States are interested in their disposal, and the Congress of the United States, representing those people to whom reference has been made many times this afternoon, has already outlined the policy. We have given the directives by legislation to the Surplus Property Board, and to other Government agencies, as to how they shall proceed in the disposal of this property.

It was stated here by the distinguished Senator from Wyoming, I think, that the report called for in the surplus property legislation has not yet been filed. It has not been filed, and in my opinion one of the principle reasons why it has not been filed is the activity of this committee already taken, and I say that advisedly. I know that the very fact that this committee is created, the very fact that it has already begun its activities, is hampering, is impeding he disposal of

surplus war plants and other surplus property.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. AIKEN. I heard the Senator make reference to steel plants. If I recall correctly, the Defense Plant Corporation constructed a large steel plant in the Senator's State, and I have heard that such high freight rates were established from that steel plant to the places where the steel might be used as to make the plant itself impracticable under the present freight rates. Can the Senator tell us anything about that, whether it is a fact or not, that almost exorbitant freight rates are charged on the products of this steel plant?

Mr. MURDOCK. I would not say they are exorbitant, but they are too high. They should be reduced, and the Congress of the United States should see that they are reduced, so that a great industrial plant out there, a great industrial unit, around which the entire heavy industry of the Pacific coast can be built and function in the postwar period, is disposed of while it is a going concern, and that it is disposed of under the legislation we have written on the statute books of this country.

Mr. AIKEN. Is my understanding correct that unless the freight rates were reduced the plant would have difficulty in competing with plants owned by companies in the eastern section of the country?

Mr. MURDOCK. I think that without any question the freight rates must be reduced. I do not mean by that that the plant cannot compete even under present freight rates, but it is my opinion that fairness and equity in freight rates demand that there be a reduction, a reduction to make the rates consistent with the freight rates throughout the entire counry, so that the plan, so far as freight rates are concerned, will be placed on a competitive basis with eastern plants.

Mr. AIKEN. Does the Senator know why such high freight rates were fixed on the products of that plant?

Mr. MURDOCK. I do not think the freight rates have been specifically imposed on the products of this plant, I believe they were the rates which have prevailed over a long period of time; but I am satisfied that the railroads will eventually put the rates on an equitable basis with other rates throughout the country.

Mr. WHITE. Mr. President, will the Senator from Utah yield?

Mr. MURDOCK. I yield.

Mr. WHITE. I should like to submit a parliamentary inquiry. I understand the Senators are discussing Senate resolution 129.

Mr. MURDOCK. That is correct.

Mr. WHITE. It is my understanding that that resolution was reported only this morning, and in the ordinary course, under the rules of the Senate, it would go over. How does it come before the Senate at this time?

The PRESIDING OFFICER. It is before the Senate by unanimous consent.

Mr. WHITE. Was unanimous consent asked and given?

The PRESIDING OFFICER. Not as to this particular resolution.

Mr. WHITE. That is what I want to know.

The PRESIDING OFFICER. There were five or six resolutions presented, and the others were adopted without objection. I think the Chair ruled that this would be open to objection.

Mr. WHITE. Was unanimous consent given for the present consideration of Senate resolution 129?

The PRESIDING OFFICER. Not as to this particular resolution. Therefore it would be open to objection.

Mr. WHITE. I should like to know what has become of the appropriation bill that is supposed to be before the Senate? Has that been laid aside?

The PRESIDING OFFICER. It was not. The Chair will state what happened with reference to it. The Senator from Mississippi had the floor, and he yielded to the Senator from Illinois [Mr. LUCAS] for the specific purpose of reporting some resolutions, with the understanding that he would not lose the floor.

Mr. WHITE. Mr. President, I think it is so important that we should continue to work upon and reach a conclusion with respect to the pending appropriation measure that I shall object to any unanimous-consent request for consideration of other matters. I object to the consideration of the resolution at this time.

The PRESIDING OFFICER. Under the Senator's objection, the resolution will go to the calendar.

Mr. THOMAS of Utah. Mr. President, I trust that no objection will be made now which will take my colleague off the floor.

Mr. MURDOCK. Mr. President, I have no objection to being taken off the floor. I think it is highly important that the Senate continue with the appropriation bill now before it, instead of being detoured into consideration of an appropriation for a special committee to conduct a special investigation.

The PRESIDING OFFICER. The resolution will go to the calendar.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed without amendment the following bill and joint resolution of the Senate:

S. 937. An act to amend the act suspending until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws, so as to continue such suspension until June 30, 1946; and

S. J. Res. 65. Joint resolution to transfer to the Reconstruction Finance Corporation the functions, powers, duties, and records of certain corporations.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 184) to continue the temporary increases in postal rates on first-class matter, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 937. An act to amend the act suspending until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws, so as to continue such suspension until June 30, 1946;

H. R. 3035. An act to reclassify the salaries of postmasters, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes; and

H. J. Res. 184. Joint resolution to continue the temporary increases in postal rates on first-class matter, and for other purposes.

WAR AGENCIES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDING OFFICER. The Senator from Mississippi [Mr. BILBO] has the floor.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield to me?

Mr. BILBO. For what purposes, may I ask?

Mr. THOMAS of Oklahoma. Mr. President, without taking the Senator from Mississippi from the floor, and without interfering in any way with his present status, I ask unanimous consent that the pending bill be temporarily laid aside and that the Senate proceed to the consideration of House bill 3550 making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes.

Mr. WHITE. Mr. President, reserving the right to object, will the Senator state again the nature of the bill?

Mr. THOMAS of Oklahoma. It is the bill making appropriations for the Military Establishment, and if it is not passed by Saturday night there will be no money at all to support the military.

Mr. WHITE. Is it the military appropriation bill?

Mr. THOMAS of Oklahoma. Yes.

Mr. WHITE. I shall not object.

Mr. THOMAS of Oklahoma. Unless the bill is passed by midnight Saturday, Mr. President, there will not be a penny to support the armed forces throughout the world.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma?

Mr. CHAVEZ. Mr. President, unless the bill we are now considering is passed by the same date, there will not be a penny for the many war agencies provided for in House bill 3368. I object for the moment.

The PRESIDING OFFICER. Objection is made.

The Senator from Mississippi has the floor.

Mr. BILBO. Mr. President I am sorry but not surprised because the Senator who objected to the request just made is planning to defeat a measure providing for 16 other agencies and why not 1 more. So I am not surprised.

Mr. President yesterday evening when the Senate recessed the Senator from New Mexico and I were sent away with the injunction from our beloved friend the Senator from Tennessee [Mr. McKELLAR] to pray—to pray that the Lord might direct us in some way to extricate ourselves from the present complications which confront us. I do not know what my friend the Senator from New Mexico did, but I did pray. The only response I had or have is that still small voice that seems to say to me, "Well done, thou good and faithful servant. Go on and do not weary in well-doing." Therefore, I shall proceed.

I call the attention of Senators to a statement made by the National Economic Council of New York City telling us what is behind this bill:

The past year or two a wave of propaganda has demanded the enactment by Congress and the several States of so-called antidiscrimination laws.

The assumption of many persons is that these measures are a generous and timely effort that will bring contentment to all the people. But there is impressive evidence that they are, instead, merely one more attempt of the Communists to stir up trouble.

I told the Senate yesterday where this movement originated. It came from the brain of A. Philip Randolph, and Eugene Davidson, and Mayor LaGuardia, and Aubrey Williams, and it is well known what influences that crowd has been operating under.

There undoubtedly is some discrimination against many Negroes—

That, Mr. President, has been happening for 300 years, and I am wondering if those behind this movement think they are going to stop it overnight with the enactment of the kind of legislation they propose.

There is no one in the Senate who sympathizes with the Negroes more than I do. I know that for 300 years, since they have been on the American soil, they have been discriminated against. They were discriminated against sorely before Abraham Lincoln's Emancipation Proclamation, and since then they have been discriminated against, and they will be discriminated against for the next 500 years or 1,000 years, if permitted to live or if they decide to continue to live side by side with the white men in this country. There is only one way that the Negro can escape this discrimination, and that is by voluntarily returning to his fatherland, west Africa.

Oh, but it is said that this move is in the interest of the war effort. I have a petition signed by a number of Negroes from the South, as well as by a few quisling whites. They say that this legislation is necessary for the war effort. Why? How does it affect the war effort? Mr. Ross, the head of the organization, admits that he has no power. He admits that his 115 employees are just a bunch of happy sugar boys going out over the country dishing out lollypops. They cannot do any good. They have not done any good. They have done nothing but stir up friction, and they have been responsible for some of the worst strikes we have had in the country. I know of some of the disturbances they have brought about in the South, and I shall read about them to the Senate later. Instead of helping the war effort they have injured the war effort.

It is said that the enactment of the proposed legislation will give us more labor to manufacture more machinery, munitions, and tools of death. Mr. President, there has been no shortage anywhere of labor to carry on except recently we had a shortage of shipbuilders on the Pacific coast, and that was brought about by reason of the idea that was entertained prematurely that the war was about over, and a number of workers went back to their old jobs to obtain employment which was more or less permanent. But even that situation has been resolved.

Today in Detroit and in Chicago strikes are in progress. There is an abundance of labor. There is no shortage of labor in any of the essential industries of the country engaged in making the materials necessary to complete the job in which we are engaged in the South Pacific and in Japan.

There is undoubtedly some discrimination against many Negroes and to a certain extent against many Jews.

That is natural, that is true, and it will continue to be true on and on, regardless of any fool communistic concept of legislation such as the FEPC.

But such discrimination is in large part merely the expression by the 117,000,000 non-Negroes and non-Jews of their choice of employees or fellow employees, or companions or associates. Such choice is, in the very nature of things, a part of liberty itself.

Let me read that again:

But such discrimination is in large part merely the expression by the 117,000,000 non-Negroes and non-Jews of their choice of employees or fellow employees, or companions or associates. Such choice is, in the very nature of things, a part of liberty itself.

Is any Member of this body so foolish as to think that we can legislate and control the tastes, appetites, wishes, and preferences of the people? It is a fool proposition. Under the terms of the bill sponsored in the House by Mrs. NORTON, the powers are so far reaching that if the bill were passed, enforcement agents would come up to Capitol Hill and make the rounds of the Senate Office Building. They might come into some Senator's office and say, "You are violating the anti-discrimination law. You have no one employed in your office except white persons. You are discriminating against Negroes. You do not employ any Jews. You are discriminating against Jews. You had better get a colored girl for a stenographer, and you had better slip in a few Jews, too, or you will suffer the pains and penalties of the law, even if you are a Senator." Senators are supposed to obey the laws they make.

You may pass this fool law if you so desire, and you may attempt such an enforcement as I have outlined; but if such enforcement is undertaken, I do not believe there will be found to be as many law-abiding Senators as one might think.

Negroes and Jews in the United States have had greater opportunities than in any other country on earth.

Let that sink in.

Negroes and Jews in the United States have had greater opportunities than in any other country on earth. On the day the New York legislative committees held a hearing on an antidiscrimination bill the New York papers carried long articles telling of the election of a Negro as president of the Bar Association of Dutchess County, N. Y., and mentioning incidentally that his daughter is a justice of the domestic relations court in New York City.

Since I have been a Member of the Senate we have confirmed the nominations of many members of the Federal judiciary who were Negroes; yet we talk about discrimination. They are receiving great consideration in this country.

But that is not what this measure is intended to do. It is not intended to do away with discrimination. It is a smooth deliberate plan and scheme to integrate the Negro race into the life of the American laboring world. It is one step in the great drive for social equality, social commingling, social intermingling, intermarriage—interbreeding, if you please.

It is said that there is a noted Negro church in this city in which no Negro is welcome as a member of that flock if he is coal-black. He must be a "high brown" to be welcome as a member. That shows the dream and the scheme behind it all.

Increasing numbers of Negroes are constantly attaining distinction in many fields. There is less reason now for antidiscrimination laws than there might have been 10, 20, or 30 years ago.

I wonder why somebody did not think about this damn-fool law in the First World War. The Communists had not yet obtained control of this country. Their influence was not strong during the other war, and no one thought about it.

The situation has been steadily improving in that slow but sure way which is the soundest way of all, but which apparently annoys the zealots and fanatics who wish to see any situation they think wrong righted overnight.

As I told the Newspaper Guild the other day in a telegram, if they continue trying to promote these fool communistic concepts and crank ideas through Congress, the American people will become fed up with it, there will be a revolution, and we will liquidate the whole damnable crowd.

And many good citizens, who have lacked opportunity really to study the matter, are today being misled by these very fanatics, and by an alien-minded element with aims and purposes of its own.

It would be interesting to examine the pay rolls of some of the New Deal bureaus, including the FEPC, and determine the genealogy of the employees on the pay roll, and where they come from. We could then understand why it is a

fertile field for such alien ideas and concepts.

Most Americans regret the existence of any discrimination.

I think that is true. I do not like to see the Negro discriminated against. But when I say that I think the Negro ought to be segregated, Judge Hastie, Roy Wilkins, Dr. DuBois, and many of the white quislings say that segregation is discrimination. They lie. It is not. Segregation is a natural law. It is the natural way of doing things. We practice segregation in connection with many things. On the floor of the Senate we segregate Senators. We make the Republicans sit over yonder, and the Democrats over here. Are we discriminating? According to Judge Hastie, Roy Wilkins, Dr. DuBois, and all the intelligentsia Negroes and their newspapers, that is discrimination. Are we discriminating against Republicans, or are the Republicans discriminating against the Democrats? Inasmuch as the Democrats are in the majority and in control, I suppose we are guilty of discrimination, and I apologize to my friends on the opposite side of the aisle for discriminating against them because we have segregated them over on that side. But many Negroes and white quislings go crazy when we say that Negroes shall eat here and whites shall eat there. They call that discrimination. That is not discrimination. I want to see the Negroes have the best churches in the country. I want them to have good schools. I want them to have good colleges and universities. I want them to have good homes. I like to see them own their own homes and lands. I am glad to see them have their own playgrounds, ball parks, and swimming pools; but I do not want them to be messing around and puddling around in the water in my swimming pool.

Mr. President, there was a great meeting the other day in New York, for the purpose of inaugurating a campaign to compel the admission of Negro players into the major league baseball teams—the outfit which HAPPY CHANDLER is going to run. I think one of the most disgraceful things that we tolerate in American life is prize fights between Negroes and white men. I do not want to say it publicly, but I will state it as a fact, that when I see a white man go into the ring with a Negro, in a boxing contest, I am for the Negro; I want him to win every time; I want him to knock hell out of the white man. It is purely a question of physical strength, and the Negro has behind him the strength of giants in Africa for 3,000 years, and he is supposed to be strong and stout and able to knock a home run. The white man, through his culture, his education, and his training, has not put so much stress upon the physical side as he has upon the mental and moral side, for the last 3,000 years.

I now read further from the pamphlet:

True education, patience, and greater emphasis on the Christian quality of charity (that is, good will) will accelerate the improvement in race relations that has long been noted, but to resort to compulsion by legislation is not the remedy. That will set the clock back—and will probably do worse. The eighteenth amendment proved that.

The eighteenth amendment was the one by which we tried to make the whole darn country sober overnight, by taking whisky away from the people. The thing would not work. Now we have a lot of these so-called liberals and fanatics who think they are going to revolutionize the conceptions and culture and ideals of the American gentile white man which have existed for a thousand years, and they think they will do it overnight by an act of Congress. Why, Mr. President, it is getting so that every alley rat and town rat and field rat—a lot of fanatics—will come to Washington and will say, "Let's introduce a bill in Congress." A lot of them think they have a Supreme Court which will sustain anything they want.

To the Senators who favor the campaign which now is under way, I say, "If you succeed in the campaign you are now making, I will have to meet it. I will have to fight fire with fire, and I will have to have the legislative counsel prepare a bill, which I will introduce, to prohibit the intermarriage of whites and blacks in all the States of the Union."

I think my friend the Senator from New York [Mr. WAGNER] and other Senators will vote for it. I have as much right to go to New York and tell the white people there that they should protect the integrity and blood of their race by not permitting intermarriage between the whites and the blacks, rather than to permit the destruction of both races, as they have to come to Mississippi and tell me, "You cannot have a poll tax." What is the difference?

Now they are coming down to Mississippi and are going to tell every man who is employing six or more persons that he must employ some Jews, some Catholics, some Negroes, some Poles, and some Italians. Employers will be told, "You must not discriminate; give them all a break." In other words, they are going to regulate our taste and our smell, if you please; I will put it that way.

I read further from the pamphlet:

We submit herewith an offset copy of a pamphlet published in 1935 by the Workers Library Publishers.

That is the publishing concern of the Communist Party in the United States.

I read further from the pamphlet:

A perusal of this suggests the likelihood that the antidiscrimination campaign for which many good people, including church organizations, have fallen is of wholly alien origin.

This National Economic Council of New York insists that the campaign is of alien origin, and I think the council is right about it.

By the way, there is another bill which I wish to introduce in the Congress if we are going to have a wave of fanatical legislation. I do not think Congress has any right to do it, but I think I should introduce the bill. It is along another line. I am not going to let the Negroes and whites marry anywhere in the United States, under my law. There are 19 States which permit it today. My State has a law prohibiting the intermarriage of members of the white Caucasian race with members of the Mongolian race. We do not propose to mix with the Japs or the Chinese. Yet we have a noted lady going around the country preaching the intermarriage of the Mongolians and the white Caucasians of America—Miss Pearl Buck; all of you have heard of her. That is her idea; she thinks that is one way to straighten out the Chinese question.

The other bill which I am thinking of introducing is a bill to prohibit the education of whites and blacks in the same schools. We do not permit it in the District of Columbia, and there are no States south of the Mason and Dixon's line which permit the mixing of the races in the schoolrooms. Why not pass a national law prohibiting any of the States from doing it? Certainly those who have been trying to cram these ideas down the throats of my people will not object; they will be good sports about it. If they are going to do this to me in Mississippi, then let me walk into their States and tell them that they are not going to send their children to a Negro school; they are not going to mix them; they are not going to seat a sweet little white girl of 10 or 15 years of age on a bench in a schoolroom with a young Negro boy 10 or 15 years old.

Of course, in Philadelphia, they have Negro teachers over white children. At that impressionable, tender age, Mr. President, you understand, the white children have Negro teachers standing over them and teaching them. We know how natural it is for the young child to love and admire and worship and make a hero out of the teacher, and when that child goes out into life, we know what its attitude will be; and we know how easy it is to break over the line, socially, with the result of intermarriage and interbreeding.

I read further from the pamphlet:

"The Negroes in a Soviet America," as the reader will see, is a direct incitement by the Communists to bloody revolt against the white people of the United States, urging them to set up a Soviet form of government and affiliate with Soviet Russia. The foreword on page 2 urges social equality as "a minimum desire" of the Negro.

That is urged as a minimum desire.

I read further:

On page 35 is the statement "The Negro people can find inspiration in the revolutionary attempts of Gabriel, Denmark Vesey, Nat Turner * * *" etc.; and upon consulting volume XIV of Albert Bushnell Hart's History of the American Nation, it will be found that two at least of these Negroes were the leaders in Negro revolts in which scores of white men, women, and children were mercilessly slaughtered.

I have before me a copy of the Communistic document to which he refers. It will be interesting to read; Senators should read it. Perhaps they would find out something about what they are doing and what they are supporting here.

On page 38 is the statement that "any act of discrimination or of prejudice against a

Negro will become a crime under the revolutionary law?

That is what some would say now. I repeat:

Any act of discrimination or of prejudice against a Negro will become a crime under the revolutionary law.

The antidiscrimination bills carry out this idea precisely.

At the present moment, of course, the Communist technique has changed—it would not aid in securing a continuance of lend-lease or the expected help in Russian reconstruction if so crude a pamphlet were circulated now. Nevertheless, as David J. Dallin points out in his book, The Real Soviet Russia (published by the Yale University Press, 1945), this current attitude of the Communists is merely a phase from which the Communists will return to their ruthless Communist program when the current need has passed.

In other words, they will not be so bold. The Comintern has been adjourned for the present. Later on, as they move in step by step with their Communist ideas of government, the good old American Constitution about which we have bragged so much, with its Bill of Rights, will be no longer of any consequence. It will not satisfy some of the persons who are trying to change our educational and economical scheme of government by fool concepts of law.

We got along for 150 years, I may say to my good friend from New Mexico, without the FEPC. I think we can get along without it for a while longer.

I continue reading:

James W. Ford, one of the authors of the pamphlet has been several times the candidate of the Communist Party for Vice President. "James S. Allen," the other author, is the alias for Sol Auerbach whose activities were a matter of record before the Dies Committee.

This special offset edition of "The Negroes in a Soviet America" has been brought out in order that the people may form a true understanding of what is back of the present hullabaloo about race equality.

Mr. President, here is a copy of a document entitled "Antidiscrimination Laws and the FEPC" which was written by James W. Ford and James S. Allen. It was circulated by the Communists all over the United States in 1935. It did more to poison the minds and arouse the viciousness of the southern Negroes than anything else which had taken place within a quarter of a century. It is the origin of the FEPC. It merely represents a difference in approach.

Mr. President, much has been said about compromising this matter. I wish to read what the Southern Watchman of May 26, 1945, says about compromising on a question of this character when principles are involved. I read:

From Washington this week comes the news that efforts in the Senate Education and Labor Committee to work out "some compromise acceptable to southern Senators" on legislation for a permanent FEPC have "all but collapsed."

Is it any wonder?

A compromise by southern Senators on such an issue as this is unthinkable. Either you order employers to hire so many Negroes and so many whites, or you don't. Either you fasten Federal interference on the employer's right to hire whom he pleases, or you don't. Either you compel the industrial admixture of insoluble labor elements, or you keep them apart. Either you control the Nation's industrial personnel practices by blanket edict from Washington, or you permit local conditions and customs to prevail. There can be no compromise.

The South got its belly full of FEPC medicine, concocted during the height of the New Deal by Executive order, back in 1942—

It was 1941—

when the present "temporary" and "emergency" agency by the name was created.

The first Executive order was in 1941, and the other Executive order was in 1942.

I continue reading:

This strife-stirring Commission conducted a notorious inquisition of southern employers in Birmingham's Federal courtroom and, using its own prosecutor to dictate the hiring practices of numerous industries which were forced to take time out from their production of vital war materials to try to maintain satisfactory, untroubled working conditions in their plants.

The proceeding was sensational in Birmingham where an attempt was being made to control the personnel lists of the industries located there.

I continue reading:

Southerners have not forgotten that a Negro member of this FEPC, sitting on the bench at the Alabama institution, declared that "Executive Order 8802 (creating the agency) supersedes the traditions of the South."

In other words, if any Senator wishes to know something about what is being done today in Congress, and wishes to know the details of it, as well as all about the other side of the question in regard to the FEPC, all he needs to do is to go to a newsstand and buy a copy of the Africo-American. Here is a copy of it. It has references to the FEPC scattered all over it. For example, here is one headline: "FEPC filibuster looms." The next headline is, "Byrnes unfit for Secretary of State. Statement on Negro reveals attitude."

One time when Senator Byrnes was in the Senate he said, "Neither political equality nor social equality is essential to the happiness of a Negro."

Mr. OVERTON. Mr. President, will the Senator yield to me in order that I may send a resolution to the desk?

Mr. BILBO. I will be delighted to yield providing that I do not lose the floor.

The PRESIDING OFFICER. Is there objection?

Mr. TAFT. I object.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. OVERTON. Can an objection be made to one Senator yielding to another Senator?

The PRESIDING OFFICER. If the distinguished Senator from Mississippi is willing to yield temporarily without losing the floor, an objection will lie, if made.

Mr. OVERTON. Does the Chair mean that unanimous consent is required?

The PRESIDING OFFICER. That is correct.

Mr. BILBO. I am very sorry, I may say to the Senator from Louisiana. I should like to accommodate him.

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Louisiana?

Mr. BILBO. I do not wish to yield if I am to be taken off the floor.

Mr. OVERTON. I do not wish to take the Senator off the floor.

Mr. BILBO. I yield to the Senator from Louisiana with the understanding that I retain the floor. If any Senator wishes to object, let him speak now.

Mr. TAFT. If the Senator from Mississippi yields for any purpose except for being asked a question, I object to him yielding the floor.

The PRESIDING OFFICER. That is the Senator's right.

Mr. BILBO. That is the strict application of parliamentary practice, but this morning the question was raised, and there was an understanding at that time that the rule would not be invoked then.

The PRESIDING OFFICER. Objection has been heard. The Senator from Mississippi will proceed on the pending measure.

Mr. BILBO. That suits me all right. [Laughter.]

You have started your monkey business before the filibuster starts. I am not filibustering; I am merely trying to educate you.

There is a new and more moderate President in office now. The trend toward left-wing reforms against an unwilling public appears to be abating. Mutual trust and cooperation between Congress and the Executive is in the air. The Senate is apparently anxious to avert a prolonged filibuster—a certain and necessary eventuality if FEPC advocates persist in forcing a show-down.

I want to read that to my friend from Mexico again:

The Senate is apparently anxious to avert a prolonged filibuster——

Mr. CHAVEZ. Mr. President——

Mr. BILBO. The article continues—

a certain and necessary eventuality if FEPC advocates persist in forcing a showdown.

Mr. CHAVEZ. Mr. President——

Mr. BILBO. I have the floor.

Mr. CHAVEZ. I know the Senator has the floor, but I do not want him to be confused. If he has any friends from Mexico, I want him to say so. If he refers to me I want him to say "New Mexico."

The PRESIDING OFFICER (Mr. WHERRY in the chair). Does the Senator from Mississippi yield to the Senator from New Mexico?

Mr. BILBO. I thought the Senator was going to ask me a question, but instead of asking a question, it was just an explosion.

Mr. CHAVEZ. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from New Mexico?

Mr. BILBO. No; I do not yield.

The PRESIDING OFFICER. Very well. The Senator from Mississippi will proceed in order.

Mr. CHAVEZ. I insist to the Senator that I am from New Mexico and not from Mexico.

Mr. BILBO. I insist I know just as much about Mexico as I do about New Mexico, and I do not know a darn thing

about New Mexico, and the Senator does not know anything about Mississippi.

Mr. CHAVEZ. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from New Mexico?

Mr. BILBO. I yield for a question only.

Mr. CHAVEZ. Does the Senator know where New Mexico is?

Mr. BILBO. I know a little about my country.

Mr. CHAVEZ. I am satisfied that "little" is correct.

Mr. BILBO. Well, with what Mexico sends over here, I have not much chance to learn much more.

The article continues:

Even Alabama's junior Senator LISTER HILL declares he cannot swallow the permanent FEPC bill. Coming from a legislator who has jumped through the left-wing hoop quite consistently for a long time, his opposition ought to discourage even the most intemperate reformer.

No, the South does not want a permanent FEPC. It doesn't want a "compromise," either. Its deep-seated feeling on this question was well expressed in the resolution of Senator Lawson, of Greensboro, which both branches of Alabama's Legislature adopted unanimously just a few days ago. That resolution roundly denounced FEPC as a disrupter of friendly and normal relationship now prevailing between the races in this State and called upon their Representatives and Senators in the Congress of the United States to bestir themselves and make sure that it and all other such Federal nostrums are kept out of this State.

If the South's Senators do their full duty, there will be no such thing as a permanent FEPC. This journal is confident that the line will be firmly held.—Alabama News Magazine.

Let them record the fact whether the South holds the line or not.

Mr. LANGER. Mr. President, may we have order?

The PRESIDING OFFICER. Let there be order in the Senate. Senators desiring to converse will please retire to the cloakrooms, and the Chair asks the galleries, please, to cooperate in keeping order. The Senator from Mississippi will now proceed.

Mr. BILBO. Mr. President, I desire to read the resolution referred to in the article I have just read from the Alabama News Magazine. Here is the resolution of State Senator L. J. Lawson, of Greensboro, Ala., on the establishment of a permanent FEPC as passed unanimously by both the House and Senate of Alabama:

Be it resolved by the Senate of Alabama (the house concurring), That it has been the boast of Americans that our form of government permitted local self-government, thereby making it possible for the widely separated sections of our country to live together in peace and harmony by making allowances for local conditions and situations.

That might be the reason why Alabama and Mississippi cannot get together with New Mexico, which is so far away, and where conditions are different, populations are different, and climate and soil are different.

That in Alabama there exist conditions with respect to relationship between the races which are not general to the country as a whole, as, for instance, that in certain counties of this State the colored population very greatly exceeds in number the white population;

That the experience of this State in Reconstruction times and since has shown that no good can come from changing the normal course of evolution and development of a race by arbitrary legal means, and that such attempts lead only to violence, misunderstanding, and destruction of the normal and happy relationship now prevailing between the races in this State, and which will continue to prevail here if they are left in peace and harmony to work out their mutual problems: Therefore, be it

Resolved, That we do now call upon our Representatives and Senators in the Congress of the United States, by every means within their power, to oppose the enactment of such Federal legislation as the so-called permanent fair employment practice law, the welfare of Alabama, in our opinion, demanding that they do so; be it further

Resolved, That copies of this resolution shall be forwarded to the President of the United States and to the Members of Congress from Alabama.

There is a great sovereign State, through its legislative branch, calling on its representatives in Congress to do everything in their power to oppose the passage of this damnable legislative measure, upon which there could be no compromise.

I desire to read a little article which is interesting, or ought to be, to some people. It is entitled "When 'Liberals' Become Fascists"; and there is such a thing as a liberal becoming a Fascist.

WHEN "LIBERALS" BECOME FASCISTS

One of these days, our American "liberals" will discover that the essence of freedom—the real liberalism—is the right to love whom we please, to hate whom we please, and to say as much publicly, if so inclined. These "liberals" will discover that it is far more difficult to legislate effectively in behalf of love, or against hate, than for the prohibition of alcoholic beverages. When these "liberals" advocate the establishment of an iniquity such as the Fair Employment Practices Committee, they are playing hand in glove with the identical totalitarian ideas which they profess to despise. They are being Fascists, in the meanest sense of the word.

That is rather hard on the sponsors of the FEPC. I will read part of it again to my dear friend:

American "liberals" will discover that the essence of freedom—the real liberalism—is the right to love whom we please, to hate whom we please, and to say as much publicly, if so inclined. These "liberals" will discover that it is far more difficult to legislate effectively in behalf of love, or against hate, than for the prohibition of alcoholic beverages.

Mr. OVERTON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Louisiana?

Mr. BILBO. I yield for a question.

Mr. OVERTON. Would there be any objection on the part of the Senator from Mississippi if I were to ask permission to send to the desk and to have printed a resolution which would read as follows:

Resolved, That when the United Nations Charter to maintain international peace and security, signed at San Francisco, Calif., on June 26, 1945, shall be laid before the Senate for ratification, the injunction of secrecy shall be removed, it shall be read a first time, and the Senate shall thereupon proceed to consider the same in open executive session.

The purpose of the resolution would be that the Senate should immediately proceed to consider the Charter and ratify it without amendment or reservation.

Mr. WHITE. Mr. President——

The PRESIDING OFFICER. Just a moment.

Mr. OVERTON. That is a question I am asking.

Mr. BILBO. I yield for the asking of a question, but not for the discussion of business, thereby taking me off the floor.

Mr. OVERTON. I am asking if there would be any objection——

The PRESIDING OFFICER. The Senator from Mississippi objects to the introduction of a resolution.

Mr. OVERTON. All I am asking is whether there would be any objection on the Senator's part, or on the part of any other Senator on the floor——

Mr. WHITE. Mr. President, I shall object——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Maine for a question?

Mr. BILBO. I do not yield to anybody if it will take me off the floor. [Laughter.]

Mr. WHITE. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. WHITE. I make the point of order that if the Senator from Mississippi yields for sending to the desk, for the reading, for the reporting of a resolution, or the consideration of a resolution, or any action whatsoever with respect to a resolution, the Senator from Mississippi will have forfeited his right to the floor.

Mr. BILBO. I did not yield for that purpose, and the Senator is correct in his interpretation of the parliamentary situation.

The PRESIDING OFFICER. The Senator from Mississippi has the floor. He will proceed.

Mr. OVERTON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Louisiana?

Mr. BILBO. I yield for a question. The Senator merely asked me a question. He may ask another if he desires.

Mr. OVERTON. The question I asked was propounded not only to the Senator from Mississippi—at least it was so intended—but was propounded to all Senators who may be upon the floor, whether there would be any objection to a unanimous consent request that I may send this resolution to the desk to lie on the table.

Mr. WHITE. If the Senator——

The PRESIDING OFFICER. Just a moment. What is the answer of the Senator from Mississippi?

Mr. BILBO. I object to the Senator from Louisiana asking anyone else a question but myself.

The PRESIDING OFFICER. The objection is sustained, and the Senator

from Mississippi will proceed on the pending matter.

Mr. BILBO. That is a strict construction of the parliamentary law, and we will stand by it. If my friends on the other side wish to become technical, we will conduct our lives accordingly.

The PRESIDING OFFICER. The Senator from Mississippi will proceed on the pending measure.

Mr. BILBO. Mr. President, I wish to read a statement by a Representative from North Carolina, which has been answered by the publication which I hold in my hand. This is the answer to the question, The White Man's Role.

THE WHITE MAN'S ROLE

Representative ERVIN, of North Carolina, in his speech to the House last week, opposing the establishment of the FEPC on a permanent basis, pointed out that while the Negro population of America is less than 9.8 percent of the whole, the last quarterly inquiry of the FEPC shows that the Negro personnel in all of the departments and agencies of our Federal Government constitutes 19.2 percent of all the Federal departmental employees, while the Negro personnel in departmental and field work constitutes 11.9 percent of the total civilian employment of our Federal Government.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. BILBO. I yield.

Mr. LANGER. That includes most of the charwomen, does it not, who do all the heavy work?

Mr. BILBO. It does not.

Mr. LANGER. How many of them are there in the departments?

Mr. BILBO. If the Senator will go to any of the Government departments today and walk through the large halls which the girl stenographers are using, he will find it looks like a black cloud arising.

Mr. LANGER. All the charwomen are Negroes.

Mr. BILBO. Some of the charwomen are Negroes, but some of them are white. We have had some white women working around in the Capitol. We have some porters who are white. We have some messengers who are white. But I say that in all the departments of the Government, under the New Deal down town, the Senator will find that 19.2 percent are Negroes, although they are not entitled, under this rule of discrimination, to more than 9.9 percent in employment. In other words, they have already twice as many on the job as they are entitled to, according to the pro rata of the population in the United States. Yet, they come around here bellyaching about the situation. I read further:

There are no statistics available on this score, but we do know that, by education and ability, there are far more white people capable of holding down these Federal jobs than there are Negroes, on a percentage basis. Considered on the basis, the advantage of the Negroes, already better than two to one, takes on even greater proportions.

When will some southern Congressman introduce a bill guaranteeing to the white people of this country, and especially to those of the South, equality in treatment by the Federal Government? That is the real, crying need of today in the field of fair employment practices.

I am wondering if my friend from North Dakota catches the point. Some one should introduce a bill making it obligatory on the Federal Government to see to it that these minorities which are raising so much hell are permitted to get only their pro rata share of the Federal jobs. If that were done, it would be necessary at once to dismiss half the Negroes who are on the pay roll, because they have more than half of the number to which they are entitled. That would open the way for several thousand white girls and white boys to get these good, fat Government jobs in Washington. If the desire is to do away with discrimination in this country, let us have another bill to go along as a companion to the pending bill, and we will straighten the thing out. But some do not want to straighten it out. They like for it to be crooked.

Here is a message to the southern Members of the United States Senate.

Mr. LANGER. Mr. President, will the Senator yield for the purpose of calling a quorum?

Mr. BILBO. I refuse to yield for the call of a quorum because it would take me off the floor.

The PRESIDING OFFICER. The Senator from Mississippi is correct. He may proceed.

Mr. BILBO. I read:

We support you to the hilt in the plans which we presume you are already making to filibuster as long as it takes to defeat the antisouthern bill to establish a permanent Fair Employment Practice Committee. We understand why no compromise on this radical proposal was possible in the Education and Labor Committee. Even the Senator from Florida, Mr. PEPPER, a consistent supporter of the old Roosevelt left-of-center movement, could not stomach this one. The 12 to 5 vote in committee to report it favorably was a geographical vote. The FEPC bill is an intolerable assault upon the South's patient, practical, increasingly successful treatment of its racial problem.

The advocates of this legislation are reformer-agitators from other areas who face no such concerns as we do. This bill represents dictation-from-afar at its worst. It is discriminatory, because no other section would suffer as would the South. It is dangerous, because it courts violence.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BILBO. I yield for a question.

Mr. LUCAS. How long does the Senator expect to speak?

Mr. BILBO. How long do I expect to speak?

Mr. LUCAS. Yes.

Mr. BILBO. Until the FEPC is dead.

Mr. LUCAS. I am glad I understand the Senator.

Mr. BILBO. Yes.

The hard-handed sponsors of this evil scheme to force whites and Negroes to consort, regardless of sex, regardless of local custom, regardless of segregation laws, regardless of everything but the furious flirting with the northern Negro vote—these meddlers have had ample notice of your determination that this shall not come to pass.

They know they are faced with a filibuster. They have asked for it. Let them have it.

We are getting ready to do that very thing.

You will be criticized by pinkish pundits for holding up the wheels of lawmaking while we are at war. Let that not deter you. You didn't start this fight. But we are depending upon you to be in at its finish.

Southern Senators, organize your ranks for this vital show-down. The South is squarely behind you. You know all too well that this is one thing we won't take.—Alabama News Magazine.

That statement from an Alabama newspaper states the case exactly. We are here face to face this afternoon with two bills on the calendar which ought to be passed. One contains an appropriation of $38,000,000,000 for the war. After next Monday the Army will have no money unless the bill is passed. We also have the other bill which is now under consideration, known as the war agencies bill, which provides $777,000,000 to support 16 war agencies. Unless the bill is passed this week, next Monday they will not have a cent to spend. That bill came from the House without any FEPC in it. There was not a line in it concerning FEPC. There was not a suggestion in it about FEPC. The bill was referred to the Senate Committee on Appropriations, and was reported by that committee and placed on the Senate Calendar and it is now here before us ready for passage without containing one word about FEPC, without having in it 1 cent for FEPC.

What happened, Mr. President? My good friend, the Senator from New Mexico, who has been very active since last year in this campaign—and I have before me a copy of the hearings before the subcommittee of which he was chairman—makes public announcement that he is going to make a motion to suspend the rule of the Senate in order to put into the bill which heretofore has been clean, which heretofore has had nothing to do with FEPC, which has not been tainted, which has not been touched, which is ready to be passed in 3 minutes—he insists on suspending the rule and putting in this bill this piece of poison, knowing that when he does so it will kill the bill. Not only that, Mr. President, it will result in killing all the other bills on the calendar.

I reason this way about the matter. Insistence on the motion to suspend the rule, which requires a two-thirds vote of the Senate, in order to put this damnable communistic appropriation in the bill, will result in killing the bill, for we will maintain a filibuster against it until midnight Saturday. Therefore, the Senator who makes the motion and Senators who vote to suspend the rule are responsible for the death of the bill. That is the reason I am speaking now before the filibuster starts. [Laughter.]

Mr. President, I am trying to show the Senate that the FEPC is a damnable thing, that it is an unrighteous thing, that it is an unholy thing, that it is a trouble-breeding thing, that it will bring about confusion, trouble, and even bloodshed in the Nation, especially in the South. I am trying to get that over, to get that into the minds of Senators, and to let them know that we cannot stand for it and we will not stand for it. We cannot even compromise on the matter.

Mr. President, I beg Senators, I plead with them not to make such a motion. I have been trying to show them why, in the interest of our Government, they should not do it. I have been trying to show that they should not make it because it will defeat the bills which are on the calendar. Senators cannot justifiably say that we who oppose FEPC are responsible if the bills are defeated, that the filibuster has killed them, because we put other Senators on notice, and we present the Senate with a clean bill which has passed through the House, which has been reported by the Appropriations Committee and is in the Senate now ready to be passed. But other Senators try to stop the bill on its way and fill it full of poison.

Mr. LANGER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Nebraska?

Mr. BILBO. I yield for a question.

Mr. LANGER. No, I have no question.

The PRESIDING OFFICER. The Senator from Mississippi may proceed.

Mr. BILBO. That proves that a Senator can change his mind, and I hope other Senators will.

I have before me a copy of the hearings before a subcommittee of the Committee on Education and Labor on Senate bill 2048. I want Senators to listen to this. I read from page 122:

Statement of Prof. James H. Sheldon, chairman, New York Metropolitan Council on Fair Employment Practice, New York, N. Y.

That council is composed of the following:

New York Urban League. That is Negro.

National Association for the Advancement of Colored People. That is Negro.

Greater New York CIO Council. That is either Negro or mixed.

New York Council of Church Women. Ah, that is Negro.

Loyal Americans of German Descent. That is hybrid.

City-wide Citizens Committee for Harlem. That comes from a black section. I guess it is colored too.

Federation Employment Service. I do not know what that is.

Brotherhood of Painters. I do not know what that is.

Common Council for American Unity. That sounds communistic.

Non-Sectarian Anti-Nazi League. That is communistic too.

Brotherhood of Railway Carmen of America. I cannot say what that is.

Joint Council of Dining Car Employees of New York. I know that is black.

The YMCA, various branches; YWCA, various branches, and so on.

National Council of Jewish Women, and many other similar well-established and responsible institutions.

Those are the members of the council for whom Professor Sheldon speaks. I will not bore the Senate by reading all the testimony, but will read one sentence; that will be sufficient:

The passing of this kind of law is just as important as signing a peace treaty. We have not won the war as long as there is a residue of Hitlerism, conscious or unconscious, operating in the minds of the men who run the employment offices of American industry. We might as well face the facts now that although Hitler is clearly losing the war—

He lost it since—

and losing it badly, he has nevertheless, won a certain phase of it, to the extent that he has succeeded in leaving many of the worst doctrines of Mein Kampf scattered about the minds of millions of thoughtless Americans. Democracy in this country—

Listen, Senators—

will not be safe until we have adopted the necessary devices to get rid of this last loathsome evidence of the nazism, and a permanent FEPC is one of the very first medicines to be prescribed for this purpose.

Mr. President, Professor Sheldon is a wise old boy. He knows what it is all about. He knows what he is doing. He knows the scheme behind FEPC.

He dares to come before the committee and say "This is the first dose we are going to give you. We have other doses waiting for you when you swallow this one," to get rid of what he considers anti-Communists. It can be seen, from the bunch he represents, what his sentiments are.

I have before me a copy of the CIO News of June 25, 1945.

Mr. CHAVEZ. Mr. President, will the Senator yield for a question?

Mr. BILBO. I yield for a question.

Mr. CHAVEZ. Did the Senator from Mississippi ever hear of a Catholic Communist?

Mr. BILBO. Yes.

Mr. CHAVEZ. Does he consider Monsignor Ryan, of the Catholic Church, a Communist?

Mr. BILBO. I do not know the gentleman.

Mr. CHAVEZ. I wish the Senator would read what he says about the FEPC, from the pamphlet which the Senator has just been reading.

Mr. BILBO. I do not know him, but I do know that there are a few Catholic priests in this country who, along with some Jewish rabbis, are trying to line up with the Negroes in teaching social equality.

Mr. CHAVEZ. Mr. President, will the Senator yield for a question?

Mr. BILBO. I yield for a question.

Mr. CHAVEZ. Would the Senator be willing to submit to the Senate the names of the priests to whom he refers?

Mr. BILBO. I will make a list of them and let the Senator have it.

Mr. CHAVEZ. I wish the Senator would do so.

Mr. BILBO. I believe I have some of the names here, on a petition from Atlanta, Ga.

Mr. CHAVEZ. The Senator may have the names on a petition, but that does not prove that they are Communists. The Senator said they were Communists.

Mr. BILBO. No; I did not say they were Communists. I said they were trying to bring about social equality with the Negro race. Some Baptist preachers, as well as some Methodist preachers, are doing the same thing. I am not reflecting on the Catholics. Some of my best friends are Catholics. I admire them greatly. Down in my home State there is a Catholic priest of whom I am very fond. I send him a birthday present every year. He is my "pal."

Mr. CHAVEZ. I am sure he appreciates it.

Mr. BILBO. But that does not do away with the fact that some of them are rotten, just as some Baptists and some Methodists are rotten. There is something wrong in every organization.

I read from the CIO News of June 25, 1945:

Eighty-one percent of discrimination cases were against Negroes, Ross found, 9 percent against Jews, and 10 percent against foreign-born, mostly Mexicans.

Private industry was responsible for 69.4 percent of the cases; Government agencies, 24.5 percent, and labor unions, 6.1 percent. These labor unions, incidentally, are AFL since the CIO does not permit discrimination.

In other words, the American Federation of Labor is against this measure. That is one of the great labor organizations of the Nation. But the CIO, another great labor organization, is for it.

Mr. CHAVEZ. Mr. President, will the Senator yield for a question?

Mr. BILBO. I yield for a question.

Mr. CHAVEZ. Has the Senator looked at the statement in the hearings from which he was reading, showing the position of the American Federation of Labor?

Mr. BILBO. Oh, yes. There are some traitors in the American Federation of Labor; but I am talking about the great body of the American Federation of Labor. They are opposed to this kind of Communist-concept legislation. The CIO is for it. It was the CIO in Washington which staged a famous dance, where Negroes were invited to come and dance with the white daughters of CIO members. So I am not surprised to find the CIO lined up in support of this kind of fool legislation.

Mr. O'DANIEL. Mr. President, will the Senator yield?

Mr. BILBO. I yield for a question.

Mr. O'DANIEL. Will the Senator yield to me for the purpose of submitting an amendment to the Chavez amendment?

Mr. BILBO. That would take me off the floor. I decline to yield.

Mr. O'DANIEL. I certainly would not want to take the Senator off the floor.

Mr. BILBO. There will be time for the Senator to offer his amendment when the Senator from New Mexico makes his motion to suspend the rule, and while we are discussing that motion. I think that would be the proper time for the Senator to offer his amendment.

Let us see what my old friend, Westbrook Pegler, says about the FEPC. He is a pretty good authority. I do not always agree with him, but as a rule he is right. This is hot off the bat:

NEW YORK, June 25.—As soon as I can get around to put the bite on John Hartford, the president of the Atlantic & Pacific grocery chain, for a couple of hundred thousand dollars, I am going to start in business with a wonderful idea I had just this very minute. I feel pretty confident that Mr. Hartford will let me have the money because, to me, the idea seems a much better proposition than Elliott Roosevelt's radio thing. And if John figured that Elliott was handicapped in a

business way because his old gent was President of the United States, then his heart ought to bleed for me because my pop is a game warden by trade. You know how everybody hates those guys who come around with a caliper and measure a bass fish that you have just caught by the face and it is a sixteenth of an inch short.

And before you can even throw it back he nabs you, and the judge—he makes a bum of you by saying it is louses like you who make it so nobody can snag a perch or knock off a duck any more, and him with a whole cooler full of illegal fish and birds that the warden grabbed from a lot of poor innocent saps like you for under-size or out-of-season or last year's license and all this and that, and divvied with the honorable court.

Well, like I say, this is a wonderful idea of mine because I have been looking into this antidiscrimination thing—

That is, the FEPC—

where they want a Federal law so if you are running a business—say like a hotel and you want to hire a room clerk and naturally you want one of those good-looking personality types but the first guy to hit you for the job is the oneriest bum you ever laid eyes on and he chews tobacco and picks his teeth with a nail file and he starts off by insulting you, just for a sample of how he is going to treat the guests.

So, of course, you give him the brush and you are just about to interview some nice-looking, well-mannered guy who is reeking with class when the slob that you have just turned down hollers:

"Wait a minute, you dirty rat, because if you don't give me the job I am going to get the antidiscrimination board after you—

That is, the FEPC—

and we will slap you in the booby for about a year and a day and it will cost you $10,000 even, because I am one of those downtrodden minority muggs and it is against the law to discriminate against me on account of my race, color, religious belief, or country of origin."

"I don't give a damn about your race, color, religious belief, or what country you came from, except I would be glad to pay your way back there," you say to the guy, "and I am discriminating against you because you are a knock against the whole human race—and you don't smell any too fresh."

But, nevertheless, your lawyer says, absolutely, you have got to give him the job, so in about 10 days your hotel is a haunted house and the sheriff takes over.

So this is where my wonderful idea begins to operate and I certainly hope Mr. Hartford will appreciate what a handicap it is to have a game warden for your old man because with a couple of hundred thousand I am confident I could make a million and I will give him quite a slab of stock in the concern and if it should fold up, why I will get my old gent to get some friend or his to buy it back for $4,000 and he can call it a bad debt and he isn't exaggerating when he says bad.

My idea is to get in a big supply of burnt cork, like Lew Dockstader and Honey Boy Evans used to put on their faces for the old-time minstrel shows, and some good dialect comedians like Moran and Mack for the colored sound effects and maybe Peter Mack for the Jewish and Italian dialects and open up a school where a guy by the name of say, like, for instance, Smith or Jones, he can point a minority and get a job.

Here is where business is going to pick up.

So then if a fellow doesn't happen to belong to any particular minority and his religion is just some ordinary American Sunday-go-to-meeting sect, and he doesn't have any other country of origin except the United States, why then he can stand an even chance with the minorities.

I think we would have to charge about $100 a semester for the course but we would have examinations at the end and we would have commencement exercises where the graduates would give demonstrations of their training as they stand under the ceremonial arch with a motto in paper flowers reading something like Beyond the Alps Lies Italy, or The Bay Is Crossed; the Ocean Lies Before.

Like, for instance, a fellow who took the colored course, he would stand up there looking like Eddie Cantor and give an imitation of how he would apply for a job as floor-walker in some swell store and he would say, "Ah sho nuff gotta git me dis flo-walkin' job 'cause ifn Ah don' get it, yeah bo', Ah sho am gonna call de law and you-all gonna rest yo'se'f in de can, hot diggity dog. What say, bo'?"

The student going out for the Jewish minority would speak about the same piece, excepting he would use Milt Gross' dialect, on which I suppose we might have to pay Milt a little royalty, and lay it on a little thick like this saying, "Oy, gevalt, I vant you should giff me already de job wot I am walking on de floor yat."

I am not so hot on Italian, Polish, Ukrainian, and Macedonian but with all that capital we could hire experts from the OWI when the exodus starts and I am going to beat John Hartford over the ears with the argument that the great majority in the United States are going to need this course in order to join the minorities and get a fair break. Handicapped as I am, through my pop, I will just about break John's heart and I am a dead cinch to walk out with the scratch.

Mr. Pegler has a great idea there and a great scheme. He is going to establish this school which will teach gentiles how to ape members of the minorities which some Senators are trying to take care of in the bill, so that gentiles can get jobs, because, as the law is written, they cannot get jobs. When there is a vacancy, the industrialist or the businessman who does not want to become enmeshed in the toils of the law is afraid to give the job to a white man or to a gentile, I should say, because a Negro or a Jew would come around and would say to him, "You should have given me that job. I want the job, and I am qualified. I have been discriminated against, and I will report you," and then he will start the wheels of the machinery of Government moving, and the poor industrialist will be fined, his business will be hurt, his time will be lost, and hell will break loose generally.

So it is a great scheme. Of course, Pegler is trying to be funny; but it is a great scheme, when the 125,000,000 of the people of the United States who are gentiles will not have a chance under this law to get jobs. But they can take Pegler's course and can learn how to imitate a Negro or how to imitate a Jew or how to imitate a Pole, and then they can get a job, and after they once get the job they need not conceal their true identity any longer.

Here is an editorial which I should like to read. It is entitled "The FEPC and Hell":

THE FEPC AND HELL

The alphabet has assumed major portions in the pattern of the new order, together with seemingly innocent titles, it has passed much damaging legislation. The FEPC means nothing to the average man unless he takes time out to investigate it; then he will run into another innocent-sounding name for it, "Fair Employment Practice Commission." Nothing wrong with that. Who doesn't want to be fair? That, of course, is as it was designed, catchy, implying one thing while meaning entirely to the contrary. The only chance we have to find the nigger in the wood pile is to look for him.

There's nothing fair about the bill nor the practice. It was designed with a twofold purpose; to entice the Negro vote, and to appease the Communist elements that are operating within the Nation.

No white gentile American can support the measure with any degree of honor. If the FEPC is made permanent, these United States will then have a mandate for the second revolutionary war.—The Southern Outlook.

There is a lot of sense in that editorial.

Mr. President, last night I received a letter which I should like to read at this time. It comes from Kansas City:

JUNE 25, 1945.

DEAR SENATOR BILBO: FEPC is an iniquitous institution, and I am surprised that President Truman favors it. I hope he does not ape Roosevelt.

FEPC is one of the symptoms of national disorder; it is a frontal assault upon the decent social order which has existed in America since it was founded; it menaces the foundations of this Republic; it is the weapon of "red" fascism.

FEPC is part of a movement which threatens gentile white preservation.

I am proud that you have the courage to fight FEPC and resist the tremendous pressure which is being put on legislative representatives.

FEPC is an atrocious evil which assaults the social principles which have made our country great. In fighting it you exhibit the courage which one must have in this terrible time.

God bless you Senator. More power to you.

Sincerely.

That is from Kansas City. I wish I had had time to communicate with the writer of the letter, to get his permission to have his name printed in the RECORD, but unfortunately I have not had time to do so. Therefore, I ask the reporter not to have his name printed.

Here is a letter from good old Mississippi, from one of the leading businessmen in the State:

HOWISON (FOREST LODGE), MISS.,
June 23, 1945.

HON. THEODORE G. BILBO,
Senior Senator From Mississippi,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Just noticed in yesterday's press how some Atlanta (Ga.) Baptist preacher lambasted you for your remarks with reference to the class of folks in Atlanta who signed the petition to Congress asking that the Fair Employment Practices Act be made permanent. I am writing you simply to state that I fully concur with you in any adjective you see fit to apply to those signers in Atlanta or to similar signers in any other portion of this Nation, and for the reason that I am unable to see how any sane, sensible white man in this country, either in the South or in the North, can be in favor of such legislation. It is, of course, easy for any man to get signers to any type of petition. It is my belief that if the opponents in Congress to this monstrosity of a measure could get before the American people its real meaning and the demoralizing results that would come from it, the advocates would vanish. For the Lord's sake, what in the name of God is this country coming to, anyway. All three of my sons are in the service, but if they are fighting and sacrificing for the type of freedom and type

of life as it appears now we are doomed for, then I wish I could call them all home, as I feel they are fighting for a lost cause.

Very sincerely yours,

P. N. HOWELL.

To my mind, this good citizen has the right slant on the whole picture. If we do not put a stop to all these so-called liberal Communist ideas of a republican and democratic form of government, we will be headed for trouble.

Here is another letter from Atlanta, Ga.:

Senator BILBO, OF MISSISSIPPI,
Washington, D. C.

MY DEAR SIR: Your very recent statement in a letter to a certain Atlanta clique regarding the FEPC pending legislation, is the whole truth and nothing but the truth and you are to be commended and supported by every true America-loving citizen. The fact is, you did not state the condition existing in Atlanta half strong enough. The truth is, Senator, Atlanta is a hotbed of communistic-minded people in high places. It is permeating the atmosphere of our churches, colleges, and schools, and the Government bureaus are saturated with it. This condition, as you well know, exists in every State, county, city, and village in the United States and if you red-blooded Americans in the Congress let legislation like the FEPC be enacted into the laws of the land, then I say, God pity us as a nation.

Yours truly,

Mr. President, I now read an editorial from the Mobile Register, which is one of the influential papers of the South. The title of the editorial is "Prospective New Move for More FEPC Funds Should Be Defeated." I will read it because the editor has made a very strong argument which should convince any doubting Thomas.

I read:

When the Senate takes up the war agencies appropriation bill this week a fight apparently is going to be made on the floor to add an appropriation for the so-called Fair Employment Practice Committee. The Senate will serve the interests of domestic harmony if it defeats the maneuver.

The legislative picture on the FEPC is quite complicated. The agency has never been authorized by Congress but was created by an Executive order of President Roosevelt on June 21, 1941, then recreated by another Executive order of May 23, 1943.

Last year Congress inserted a provision in the independent offices appropriation bill by which no appropriation may be used to pay the expenses of any agency after it has been in existence for more than a year, unless Congress specifically appropriates money for it or has authorized it to expend funds. That means the end of the FEPC after this fiscal year unless Congress puts more money in its hands, which Congress should not do.

In other words, this writer is trying to get over the idea that at midnight next Saturday the FEPC will be dead, and will be ready for interment. I would be very glad to serve as a pallbearer.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Mississippi yield to the Senator from Oklahoma?

Mr. BILBO. I yield for a question.

Mr. THOMAS of Oklahoma. If the Senator's status will not be changed, I ask him to yield to me in order that I may move that the pending bill be temporarily laid aside and that the Senate proceed to the consideration of House bill (H. R. 3550), the War Department appropriation bill.

Mr. CHAVEZ. Mr. President, reserving the right to object, I wish to ask the Senator from Oklahoma a question. Is the bill to which the Senator from Oklahoma refers the war appropriation bill?

Mr. THOMAS of Oklahoma. Yes. It provides for funds for the military establishment for the fiscal year ending June 30, 1946, and for other purposes.

Mr. CHAVEZ. Does the bill contain any items which would be controversial?

Mr. THOMAS of Oklahoma. There are five or six amendments which were unanimously agreed to by the subcommittee, and by the main committee as well. The bill was reported unanimously to the Senate by the committee.

Mr. CHAVEZ. So far as the pending business is concerned, I have no objection.

APPROPRIATIONS FOR THE MILITARY ESTABLISHMENTS

Mr. THOMAS of Oklahoma. Mr. President, I move that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 3550, making appropriations for the Military Establishment.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3550), making appropriations for the military establishment for the fiscal year ending June 30, 1946, and for other purposes.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. THOMAS of Oklahoma. Mr. President, before the amendments are taken up I desire to submit for the RECORD a very brief explanation of the bill. In order to save the time of the Senate, I ask unanimous consent that the statement be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

As passed by the House of Representatives, H. R. 3550 provides total available funds during the fiscal year 1946 of $38,500,285,951 for military activities of the War Department. However, unanticipated increases in construction requirements have forced the War Department to request an increase of $120,618,630 for this purpose and this increase has been approved and incorporated in the Senate bill.

The total amount is made up of two parts. Prior year funds in the sum of $17,124,002,551 were reappropriated. This represents the unobligated balance or carry-over, as well as the anticipated recoveries to be made as a result of deobligation of funds after July 1. The sum of $21,496,902,030 in new money is appropriated, and the total of new money and reappropriated funds is $38,620,904,581.

For the sake of comparison, I wish to show here the amount of new money and reappropriated funds provided by Congress each year since 1942 and the proposed amounts recommended in the present bill.

Year	New money	Reappropriated	Total funds
1942	$75,462,593,587		$75,462,593,587
1943	42,820,006,365	$32,109,556,877	74,929,563,242
1944	49,034,839,673	15,176,410,288	74,211,249,961
1945	15,434,814,795	32,757,963,469	48,192,778,264
1946	21,496,902,030	17,124,002,551	38,620,904,581

Not only has there been an over-all decrease in the dollar requirements of the War Department amounting to more than 20 percent, when compared with the current program, but the emphasis has shifted as regards the elements of this program. Formerly the fund requirements for supplies and equipment represented the major part of the War Department program. For 1946 this element is reduced to only 54 percent of the 1945 requirement and, for the first time, purchase of supplies and equipment will represent less than half of the total fund requirements.

On the other hand, funds required for pay and travel of the Army show an increase. This is due to the fact that the planned decrease in strength of the Army from an average of 8,100,000 to 7,700,000 is more than offset by mustering-out payments increased longevity pay and increased travel. It is estimated that 2,067,432 officers and enlisted men will be entitled to mustering-out payments, ranging from $100 to $300. The increased travel in the United States is due to the redeployment of our troops.

In general, then, it may be said that those items like pay, subsistence, clothing, etc., which relate directly to the strength of the Army, show minor changes from the current year, while procurement of equipment and supplies, such as planes, tanks, guns, and ammunition, carry drastic reductions. The termination of hostilities in Europe has made it possible to substantially reduce outstanding orders for a wide range of equipment, thereby effecting extensive savings and reductions in obligations.

A further reduction is made possible through completion of the industrial facilities expansion program of the War Department. Production capacity is now adequate to meet present requirements and no additional plants are contemplated, except as required to produce newly developed items for which existing facilities are unsuitable or inadequate.

In considering the plans of the Army for the coming year as they affect fund requirements, the following points should be stressed. The paramount aim is the defeat of Japan as quickly as possible. A quick victory will save American lives and is economical of matériel and national war effort. It will also impress the result most forcibly on the Japanese. It is the desire of the War Department to bring back through the United States, with a 30-day furlough home en route, the maximum number of soldiers consistent with this paramount aim of swift and powerful operations in the far Pacific. It is also the desire of the Army to demobilize, under its point system, men who have earned the right to discharge at the maximum rate permitted by redeployment operations. It is estimated that an average discharge rate of 167,000 per month can be attained.

The program contemplated that a division redeployed from Europe to the Pacific will practically dissolve upon reaching the United States east-coast port, whence solid train loads of soldiers will move within 24 hours to distribution points nearest their homes. From there the soldiers go as individuals to their homes, returning after completion of the 30-day leave to the distribution point.

From here, solid trains move to the designated training area where the division is reconstituted, built up to strength with replacements, and trained prior to departure for the Pacific.

Turning to certain specific appropriations, subsistence estimates are based upon the continued supply of about five pounds of food per man per day, and reflect an increased distribution of fresh foods in our theaters of operation. These are shipped frozen and stored in cold storage plants overseas. Estimates for clothing and equipage provide for the supply of woolen clothing in Europe and cotton and woolen clothing in the Pacific. Under an exchange system, recently initiated, a soldier may turn in clothing too damaged or dirty for wear and receive clean, fresh clothing in exchange.

Signal Corps estimates cover development, procurement and maintenance of communications, and meteorological equipment and supplies other than those peculiar to the Army Air Forces. The defeat of Germany is reflected in a decrease of some 38 percent below the current year for supplies and equipment. Construction in connection with the installation of such equipment is off more than 40 percent, but maintenance and operations show a decline of only 10 percent from the current year, due to repackaging requirements for the Pacific war.

The bombing operations against the Japanese Islands are daily news. These operations are being stepped up and, although Japan's industrial targets are spread over an area one-tenth the size of the German target area, it is planned to drop three times as many bombs as were dropped on Germany in any 1 year. Termination of the war in Europe has released thousands of first line aircraft for redeployment against Japan and has enabled the Air Forces to cut back its production schedule by more than 40,000 planes.

Fund requirements of the medical department will remain at about the same level as in the current year. The committee hearings developed the fact that our sick and wounded, in hospitals at home and overseas, are receiving the best of care and medical attention. While every effort is being made to return the maximum number of doctors to civilian life, the Army is unable to reduce such personnel, in proportion to reduction in over-all military personnel, since only the physically well are discharged. The Army is, however, keenly aware of the serious situation in civilian communities and is doing all in its power to help.

Under engineer activities, the planned reconditioning and transshipment of engineer equipment to the fullest practicable extent will make it possible to reduce procurement of new equipment and supplies by 40 percent. Construction will continue to be limited to actual war requirements, the new program being reduced to approximately 45 percent of that of the current year. Due to the large redeployment through the United States, there will be some increase for maintenance of barracks and quarters.

The victory in Europe and the full utilization of existing stocks in all inactive theaters for prosecution of the war in the Pacific make it possible to effect a sizable reduction in the program of ordnance service and supplies. On the other hand, our chemical-warfare requirements remain about the same, due to the increased production of incendiary bombs for use against Japan. Stepped up incendiary raids from the air and the increased use of portable and tank-mounted flame throwers on the ground will characterize our forthcoming operations.

The cessation of hostilities in Europe has permitted a substantial reduction in our lend-lease programs. The total for next year is only 18 percent of the amount appropriated last year for this purpose. Similarly, requirements for civilian relief for the coming year are only some 50 percent of the current appropriation for this purpose.

As stated above, the man-year strength of the Army for the coming fiscal year is set at a planned figure of 7,700,000. The strength on July 1, 1945, is estimated to be 8,300,000, which will be reduced to 6,968,000 by June 30, 1946.

The total amount appropriated, which consists of new funds and reappropriated prior year funds, is broken down substantially as follows:

Pay and travel	$13,620,000,000
Subsistence	2,940,209,538
Clothing and equipage	1,615,032,027
Regular supplies	771,000,000
Transportation Corps	1,785,000,000
Signal Corps	1,020,151,000
Air Forces	5,779,798,185
Medical Department	395,231,223
Engineer Service	3,411,681,592
Ordnance Department	5,731,450,000
Chemical Warfare Service	765,000,533
Expediting production	86,780,000
Special service schools, departments, and miscellaneous	699,570,483
Total	38,620,904,581

Mr. THOMAS of Oklahoma. Mr. President, there are only five or six amendments which have been reported by the committee. The first one is with respect to conscientious objectors. The House took the position that conscientious objectors should not be given any consideration whatever, and that no part of the funds provided in the bill should be used to educate them, or to transport them to any place except for the purpose of keeping them in some concentration camp. The position of the Senate committee was that those men should be used wherever they could be efficiently employed. So the committee has stricken from the bill the prohibition which was placed in it by the House. That is one amendment.

Amendment number 2 is known as the Case amendment. At the present time employees who work for the Government in places such as the Panama Canal and Hawaii receive a differential in compensation of 25 percent. The House provided in the bill that no part of the funds could be used to pay that differential. If the provision remains in the bill it will result in conditions such as the following:

The Navy and other agencies could still pay a differential in other countries, but the War Department could not. For that reason the Senate committee recognized that the prohibition should be stricken from the bill.

The third amendment relates to the education of medical students. The House position is that no part of these funds should be used for the education of medical students following a certain period of time. The Senate committee's recommendation is to strike out the provision and permit the War Department to continue the education of medical students to the end that when the war is over, or as soon as possible thereafter, we may have an increased number of doctors in order to attend to the health requirements of the people of our country.

The next amendment is one which came to the committee after the House had acted on the bill. It relates to additional funds for engineers. The engineers of the War Department made a showing before the committee, and justified their request that the bill be amended by adding $120,000,000. The break-down is shown in the committee report which Members may examine, if they so desire.

The other amendment relates to the percentage of funds which may be transferred from one department to another. Heretofore, under the law, as much as 10 percent could be transferred from one fund to another. The House adopted a provision reducing it to 5 percent. The Senate committee is of opinion that 5 percent is too small, and recommends that the 5-percent limitation be stricken, and that the limitation of 10 percent be restored.

Those were the amendments reported by the committee.

The PRESIDING OFFICER. The clerk will proceed to state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Military Activities—Finance Department—Finance Service, Army," on page 7, line 24, after the word "allotter", to strike out the colon and the following additional proviso: "*Provided further*, That no appropriation contained in this act shall be used for any expense pertaining to (1) the instruction, education, or training of class IV–E conscientious objectors in colleges, (2) the service of such conscientious objectors outside the United States, its Territories and possessions, (3) the transportation of such conscientious objectors to or from any college or any such service, or (4) the compensation of military or civilian personnel performing any services with respect to the matters set forth in (1), (2), or (3) above after the enactment of this act, except any services which may be necessary promptly to terminate any such class IV–E conscientious objector college or foreign-service projects existing on the date of the enactment of this act."

The amendment was agreed to.

The next amendment was, on page 8, after line 12, to strike out:

No part of the funds appropriated in this act shall be available to pay special allowances for foreign service to civil employees of the War Department or members of the armed forces for that service performed in the State, Territory, or island of their legal residence.

The amendment was agreed to.

The next amendment was, under the subhead "Quartermaster Corps—Quartermaster Service, Army," on page 21, line 22, after the figures "$200,000,000," to strike out the colon and the following proviso: "*Provided*, That no appropriation contained in this act shall be available for any expense incident to educating persons in medicine (including veterinary) or dentistry if any expense on account of their education in such subjects was not being defrayed out of appropriations for the Military Establishment for the fiscal year 1944 prior to June 7, 1944, except that nothing herein shall interfere with compliance with the provisions of law authorizing the detail

of officers and enlisted men of any component of the Army of the United States as students, observers, and investigators as contemplated by section 127 (a) of the National Defense Act, approved June 3, 1916, as amended."

The amendment was agreed to.

The next amendment was, under the subhead "Corps of Engineers—Engineer Service, Army," on page 32, line 21, after the word "facilities", to strike out $37,879,000" and insert "$158,497,630."

The amendment was agreed to.

The next amendment was, on page 34, line 21, after the word "Army", to strike out "$2,898,582,000" and insert "$3,019,200,630."

The amendment was agreed to.

The next amendment was, under the subhead "Printing and binding, War Department," on page 53, line 1, after the word "exceed", to strike out "5" and insert "10."

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 3550) was read the third time and passed.

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate insist on its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. THOMAS of Oklahoma, Mr. HAYDEN, Mr. OVERTON, Mr. RUSSELL, Mr. THOMAS of Utah, Mr. GURNEY, Mr. BROOKS, and Mr. BURTON, conferees on the part of the Senate.

WAR AGENCIES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LUCAS. Mr. President, will the Senator yield to me that I may present another resolution to the Senate?

Mr. BILBO. I shall be happy to yield if there is no objection.

Mr. LANGER. I object.

Mr. WHITE. May I inquire what the resolution is?

Mr. LUCAS. It is a short resolution, to continue a committee which has been in existence heretofore. I overlooked it a moment ago when I was presenting a number of resolutions to the Senate. It will take but a short time, and if the Senator from Mississippi will yield to me, with the understanding that he shall not forfeit the floor, and I can get unanimous consent, I shall present the resolution.

Mr. WHITE. Will the Senator withhold his request for the time being? I wish to speak to another Senator who has some interest in the resolution.

Mr. LUCAS. This resolution is not controversial at all.

Mr. WHITE. So far as I am personally concerned, I have no objection, but if the Senator will withhold the request——

Mr. LUCAS. I withdraw my request.

Mr. WAGNER. Mr. President, will the Senator from Mississippi yield?

Mr. BILBO. For what purpose?

Mr. WAGNER. I wish to ask a question.

Mr. BILBO. Very well.

Mr. WAGNER. I wanted to ask whether the Senator would object if I submitted the report of the conference committee on the price control bill. I think its consideration will not take very long. The report is unanimous on the part of the conferees of both Houses.

Mr. BILBO. Is that the bill taking care of the people so far as meat is concerned?

Mr. WAGNER. Yes.

Mr. BILBO. And giving the victims of the OPA the right to appeal to the judiciary of the country?

Mr. WAGNER. No; the Patman amendment, which dealt with the meat situation, is accepted.

Mr. BILBO. I will not yield for a conference report which does not give the American citizen a right to appeal from the arbitrary imposition on the American people through the fool regulations of the OPA.

Mr. WAGNER. The citizen has a right to appeal.

Mr. BILBO. I did not know he had it.

Mr. WAGNER. Yes, he has; he may appeal to the Emergency Court.

Mr. BILBO. Does any one object?

Mr. LANGER. I object.

Mr. WHITE. I make the same request with respect to this matter that I made with regard to the other.

Mr. BILBO. The Senator from North Dakota objects.

Mr. WHITE. There is a Senator who wishes to say something about the OPA conference report. If the Senator from New York will wait for 15 minutes, I know that Senator I have in mind will be in the Chamber, and I presume the Senator from Mississippi would yield then as readily as now.

Mr. BILBO. I am very sorry I cannot yield. My colleagues object. I do not, but they do.

Mr. WHITE. Mr. President, I withdraw my objection.

Mr. WAGNER. Mr. President——

Mr. BILBO. Objection is made. I am not yielding for the purpose of making a report unless it is unanimous.

Mr. WHITE. The report is unanimous.

Mr. BILBO. Does the Senator from North Dakota object?

Mr. LANGER. I object.

Mr. BILBO. North Dakota objects. [Laughter.]

I wish now to go back to the editorial in the Mobile Register, and I shall read it from the beginning. It is as follows:

PROSPECTIVE NEW MOVE FOR MORE FEPC FUNDS SHOULD BE DEFEATED

When the Senate takes up the war agencies appropriation bill this week, a fight apparently is going to be made on the floor to add an appropriation for the so-called Fair Employment Practices Committee. The Senate will serve the interests of domestic harmony if it defeats the maneuver.

The legislative picture on the FEPC is quite complicated. The agency has never been authorized by Congress, but was created by an Executive order of President Roosevelt on June 21, 1941, then re-created by another Executive order of May 23, 1943.

Last year Congress inserted a provision in the independent offices appropriation bill by which no appropriation may be used to pay the expenses of any agency after it has been in existence for more than a year, unless Congress specifically appropriates money for it or has authorized it to expend funds. That means the end of the FEPC after this fiscal year unless Congress puts more money in its hands, which Congress should not do.

A bill introduced in the House, seeking to establish the FEPC on a permanent basis, gained a favorable report by the Labor Committee, but has been unable to get beyond the Rules Committee. Representative MARY NORTON, New Jersey Democrat, chairman of the Labor Committee, is circulating a petition in an effort to discharge the Rules Committee from the bill, but the petition is far from the requisite 218 signatures.

The House Appropriations Committee this year refused to include an item for the FEPC in the war agencies appropriation bill, taking the position that the future of the outfit should be decided by the separate FEPC bill. No attempt to add an FEPC appropriation was made on the floor of the House when the war agencies bill was passed.

Mr. President, I have read that over for emphasis. The House takes the position that before any appropriation can be made the question as to whether this agency is going to be a permanent organization, should first be settled by the Congress. Then, if Congress sees fit to establish the FEPC as a permanent agency, there will be no trouble in getting an appropriation through because deficiency bills are coming in all the time, and the money can be obtained with which to operate the machine if the machine can be established.

The feeling of the House is, and the feeling of many people who are favorable to the FEPC is, that the right and proper and sequential thing to do is to wait and let the friends and sponsors of the FEPC fight it out, and ascertain whether they can persuade the Congress to make this a permanent organization. If they can, then we will provide the money with which to operate it. If they cannot, then call it a day and quit, and quit on this appropriation right here. I mean, let it go dead next Monday.

The editorial in the Mobile Register continues:

The Senate appropriations committee on Thursday made a gesture about such an appropriation, but did not add it to the bill. The Constitution requires that appropriations originate in the House. Too, an FEPC appropriation, since the agency has not been authorized by law, if added by the Senate, would constitute new legislation in an appropriation bill, forbidden by the Senate rules.

That is why, before we can take up the question of the appropriation of this $446,000, a motion must be made and adopted by two-thirds of the Senate, and before that motion could be made there would have to be notice put on file, all of which has been complied with by the Senator from New Mexico. Of course, he did it at the behest of some members of the Committee on Appropriations; but any Member of the Senate could have filed notice before this bill came up, and could have gotten the same result as a

Senator from the committee. That is a right we all have. But the conditions have been complied with. When the amendment is called up for action it is subject to a point of order, and the Senator will have to make a motion to suspend the rule, and when that motion is made, if it is ever made, is when the filibuster on the pending bill is going to start.

The editorial concludes:

Actually what the Senate Appropriations Committee did was to authorize one of its members, Senator CHAVEZ, Democrat from New Mexico, to move to suspend the Senate rules so that the FEPC appropriation could be added. But a motion to suspend the rules requires a two-thirds vote. The chance of that happening appears remote.

I do not know whether it is remote or not. If I knew that there was one more than a third of the Senate present and voting who would vote against the suspension of the rules, then I would not take longer. Speaking is hard work, and one has to be tired and hungry and mad to make a speech worth a darn. I do not like to speak, and if I knew we had the necessary votes to keep the rule from being suspended, I would say, "Let us vote now"; but I do not know.

Mr. LUCAS. The Senator is not tired and hungry right now, is he?

Mr. BILBO. No. I have not warmed up in my speech-making yet. I am neither tired nor hungry, and I am not mad either.

Thirty-three Senators are more than a third of the total when all Members are recorded. Because of its strife-creating aspects, the FEPC is widely disapproved in the South and a distinct sentiment of disapproval is also found in the border States on the Pacific coast. These areas together have 36 Senators.

Last year the House Appropriations Committee put an appropriation for the FEPC in the war agencies bill. The House first voted by 141 to 103 to delete the appropriation, but later acted by a margin of four votes—123 to 119—to restore it. A motion in the Senate to delete the appropriation failed by 39 to 21. That, however, did not quite constitute a two-thirds pro-FEPC alinement.

On June 5 President Truman took the unusual step of asking the House Rules Committee to give clearance to the bill setting up a permanent FEPC. The committee declined a week later, by a six to six vote, to clear the bill.

Mr. President, I am not criticizing my good friend, the President, but he did an unusual, an extraordinary thing, when he wrote a letter to the committee and tried to influence the committee in its action. That is something I do not think President Roosevelt ever did.

Congress, as we have said before, should devote its attention to pressing worthy matters, not to the unworthy FEPC. The FEPC already has wasted too much public money in its meddlesome carryings-on. It should be discontinued before it has opportunity to do more damage.

Mr. President, in this connection I desire to read an amendment which I intend to offer on behalf of my friend the Senator from Texas [Mr. O'DANIEL] to the amendment which the Senator from New Mexico is going to offer, which is now on the desks of Senators. The proposed amendment is as follows:

Before the period at the end of the amendment, insert a colon and the following: *"Provided further*, That no part of the funds appropriated in this act or in any other act shall be available for expenditure to carry out the functions vested in the Committee on Fair Employment Practice by Executive Orders Nos. 8802 and 9346 until, and then only so long as, such Executive orders are so amended as to impose the same prohibitions upon, and remedies to prevent, discrimination against any person because of his membership or nonmembership in, or affiliation or nonaffiliation with, any labor organization as are imposed by such Executive orders with respect to discrimination against any person because of his race, creed, color, or national origin."

Mr. President, I ask that the amendment be received and printed, and placed on the desks of Senators.

There being no objection, the amendment was received and ordered to be printed.

Mr. BILBO. Mr. President, I now wish to read to Senators a most surprising and unusual story concerning what is taking place in this country—the most surprising story I have read in many a day. This comes from the wife of the editor of the Washington Post, Mrs. Eugene Meyer:

WRITER PLEADS CASE OF SOUTH'S NEGRO GI'S

PRINCETON, N. J., June 26.—Mrs. Eugene Meyer, writer and wife of the publisher of the Washington Post, sounded a warning today—

I wish Senators would listen to this—

that unless economic and social measures are taken immediately in the South—

Mark this, Senators—

in preparation for the returning Negro soldier, there will be another influx of Negroes into the North that would be "disastrous for the North and for the Nation."

Think of it, Senators. The wife of the editor of the Washington Post, Mrs. Eugene Meyer, speaking before a gathering in New Jersey, makes the statement that if something is not done in the South, and done at once, to change economic and social measures, when the Negro soldiers come back from this war they will not stay in the South but will make their way to the North, and she says this "will be disastrous for the North and for the Nation."

If I am not mistaken, Mr. President, the Washington Post has been a defender of all those who have been interested in this kind of legislation. I want to be fair. I know that the Post has taken occasion to lambast the devil out of me concerning my racial views.

Mr. LUCAS. Mr. President, will the Senator yield in order that I may present a short resolution and ask for its adoption, with the understanding that the Senator from Mississippi will not lose the floor?

Mr. BILBO. Does anyone object, Mr. President?

Mr. LANGER. I object.

Mr. BILBO. I am very sorry. Then I will proceed.

Mr. LUCAS. Mr. President, will the Senator yield for a question.

Mr. BILBO. I will.

Mr. LUCAS. Are the Senator from Mississippi and the Senator from North Dakota now carrying on a filibuster?

Mr. BILBO. That is a military secret.

Mr. President, I wonder why Mrs. Meyer, speaking in New Jersey, thinks that if these Negroes should come north it would be so disastrous. I thought a great deal of money had been spent by some people, and time and effort spent as well, in trying to educate the southern people how to handle the race question and how to treat the Negro. Now when the Negro is on the way to come up and pay them a visit and live with them they consider that to be disastrous. I should like to see every Negro in Mississippi move to Wisconsin. I wish they would all appear on the same day in Wisconsin.

I continue to read from the article:

Speaking at an all-day institute on migratory labor problems held at the Nassau Tavern under the sponsorship of Princeton Surveys and the industrial relations department of Princeton University, Mrs. Meyer said about the Negro soldiers who return to the South.

"When they return they are not going to put up with unemployment and political disenfranchisement, and lack of educational and health facilities they had to endure in the past. Either we move quickly to see to it that the South overcomes its economic handicap and its meager social provision for the Negro, or we shall see another Negro migration from the South to the slums of the North which will make the one that took place after the last war look like a mere trickle."

In other words, she is saying to the South, "You must get busy and do something about the Negro. You must improve his economic conditions, his social conditions, and his educational conditions, and do it quickly, or when the Negroes come back they are all going north, and they will lodge in the slums of New York, Philadelphia, Washington, Chicago, and Detroit, and there will be no Negroes left in the South."

I hope they will all come north; if there is anything I can do or say that would cause them to come north, I will do it. I want the Negro to have his way. If he does not want to stay in the South, let him come north. His condition in the South is growing worse because all the farms of the South are being mechanized, and in the large prairie and delta sections of the South there will be no further use for him. He cannot be used as farm labor. Unfortunately, our industrial life has not yet been developed to the point where we can take care of the rural population if they decide to go to the cities and seek labor in industry. Therefore, if the Negro wants to come north, God bless him. I wish him well. If he does, when this war is over and I introduce my bill for the voluntary resettlement of the Negro in West Africa, we shall find Senators and Representatives from the North helping BILBO to make arrangements for the Negro to go back voluntarily to his homeland.

Prof. Paul S. Taylor, in the department of economics at the University of California, proposed that President Truman appoint an interdepartmental committee of Federal agencies to deal with problems of migratory labor. The meeting was attended by

representatives of Federal, State, labor, religious, and civic organizations.

I am surprised that anyone should object to the Negro's coming north. I am sure my friends from New York [Mr. WAGNER and Mr. MEAD] would not object, because they know how to handle the Negroes. The Negroes vote for them, and I am sure they would be glad if all the Negroes of Mississippi were to move to New York. They would be glad to have them. It would increase their majorities when they run for office.

I should like to read an editorial from the Washington Post entitled "FEPC Filibuster." These things are synchronized logically and sequentially—from Mrs. Meyer to the editorial columns, from the wife to the editor. This is the editorial:

Filibusters are never threatened by men willing to trust to majority rule.

That is a fundamental statement. In other words, it is never necessary to filibuster if one has a majority with him; but if the majority is against him, it becomes necessary to filibuster.

Mr. CHAVEZ. Mr. President, may I ask the Senator from Mississippi a question?

Mr. BILBO. But the mere fact that the majority is on one side of the question and the minority on the other is not conclusive proof that the majority is right, in a legislative body such as the United States Senate.

Mr. CHAVEZ. Mr. President, will the Senator yield for a question?

Mr. BILBO. I yield for a question.

Mr. CHAVEZ. In this particular instance, instead of a majority, my motion would require two-thirds.

Mr. BILBO. That is correct.

Mr. CHAVEZ. Is not the Senator from Mississippi willing to take a chance on one-third?

Mr. BILBO. In the case of a measure such as this, involving the question of votes and more votes, I can readily understand that it might be possible for two-thirds to be wrong.

Mr. CHAVEZ. But the Senator is not willing to take a chance that they might be right.

Mr. BILBO. I am afraid the two-thirds would be like the Senator from New Mexico. I hope not.

Continuing with the editorial:

The die-hard foes of the FEPC, for example, know that their colleagues in the Senate, if given an opportunity, would vote for funds for continuance of the agency.

I know that; but let me say this about filibusters and majorities. There has never been a filibuster successfully conducted in the history of the United States Senate with respect to which time did not prove that the filibuster was right. The founding fathers knew what they were doing when they made this the one forum in the world where debate is unlimited. In times like these, and at other times in the history of the country, sentimental, emotional waves sweep over the country; and it is only here in the United States Senate that we can get together cool, able men willing to stand against the storm, and even to protect Members from other parts of the country against their own constituents. When I stand here to fight and kill this damnable piece of legislation, I am protecting Senators from New York or Illinois, who know in their hearts that I am right, who know in their hearts that this is a damnable piece of legislation, who know in their hearts that it is wrong, but for political reasons cannot afford to say so. Their political lives are at stake. They want to come back to the Senate. I am their friend in the hour of their distress.

Mr. CHAVEZ. Mr. President, will the Senator yield for a question?

Mr. BILBO. I yield for a question.

Mr. CHAVEZ. Would the same political reasons apply to Senators on the other side of the question?

Mr. BILBO. They do not apply in my case, because I can be elected in Mississippi regardless of the FEPC.

Mr. CHAVEZ. I hope the Senator can, but I am wondering whether or not some reasons of that kind might not be in mind once in a while.

Mr. BILBO. I do not claim perfection. I confess my limitations and weaknesses. There might be situations in which I would have to yield, as the Senator from Mexico has yielded.

Mr. CHAVEZ. Mr. President, will the Senator please say "New Mexico"? I am afraid there will be confusion. People will not know what he is talking about, and will say, "The good Senator from Mississippi confuses New Mexico with Mexico."

Mr. BILBO. I think the Senator is quite right, and I apologize for not saying "New Mexico" every time, because, the Senator being the sponsor of a measure of this character, people are likely to believe that it comes from Mexico, and not New Mexico. Hereafter I will protect the Senator.

Mr. CHAVEZ. I am trying to protect the Senator from Mississippi, because I think he is making a good statement according to his own ideas, but if the people get the idea that he is confusing the State of New Mexico with the Republic of Mexico, they will say, "He is probably confused about the merits of FEPC."

Mr. BILBO. It is possible that something good could come out of New Mexico.

Mr. McMAHON. Mr. President, will the Senator yield for a question?

Mr. BILBO. I yield for a queston.

Mr. McMAHON. May I inquire when the extended explanation is to stop and the filibuster commence?

Mr. BILBO. When I am convinced that one more than a third of the Senate will vote against the FEFC. Does that answer the Senator's question?

Mr. McMAHON. Yes.

Mr. BILBO. I continue to read from the editorial:

So they propose to frustrate the will of the majority by a species of legislative blackmail—not scrupling to hold up matters of vital national and international concern which await congressional action.

I wish to say that is an unjustifiable indictment by the Washington Post editorial, because I stand here ready to yield the floor at any time, as I did a while ago, for the passage of a bill appropriating $38,000,000,000 for the war effort, and I was glad to yield the floor earlier today in order to hear the distinguished Senator from Texas [Mr. CONNALLY] give us his thrilling account of the fight made at San Francisco in the interest of permanent world peace, and I will yield again tomorrow to my good friend the Senator from Michigan [Mr. VANDENBERG], provided some sponsor of the FEPC does not object. There will be no trouble about that; and I am ready to yield for the passage of the bill carrying appropriations for the 16 Government agencies if my friend the Senator from New Mexico will just kindly announce that he will not try to have the rule suspended and have this damnable poison of FEPC injected into the appropriation bill.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BILBO. I yield for a question.

Mr. CHAVEZ. The question is this: Under the motion we are asking——

Mr. BILBO. Is the Senator asking me a question?

Mr. CHAVEZ. Yes; I am going to. Under the motion, if agreed to, we will offer an amendment providing that an item of $446,000 for FEPC be included. Is the Senator willing to jeopardize the appropriations for the 16 agencies to which he has referred, merely because he does not like the darky of the South?

Mr. BILBO. I am not. But the Senator from New Mexico is, because he is seeking to make a motion to inject into the bill an outside, extraneous matter which has never shown up in the bill in the House of Representatives or in any committee. The Senator is planning to move to suspend the rule and to put this poison into the bill, when he knows he will be killing the 16 agencies if he attempts to do so.

Mr. CHAVEZ. Mr. President, will the Senator yield for another question?

Mr. BILBO. I yield.

Mr. CHAVEZ. This item was included in last year's appropriation bill; was it not?

Mr. BILBO. I regretfully say "Yes."

Mr. CHAVEZ. This item was included in the Budget as approved and submitted by the President of the United States to the Congress this year; was it not?

Mr. BILBO. I have not looked at the Budget, but I presume it is in there.

Mr. CHAVEZ. My motion is based upon instructions or authority from the Committee on Appropriations.

Mr. BILBO. It is not based on any authority; the committee just told the Senator to do it, and he was willing.

Mr. CHAVEZ. They voted 14 to 4 to ask me to do it.

Mr. BILBO. Yes.

Mr. CHAVEZ. Well, they did.

Mr. BILBO. Yes.

Mr. CHAVEZ. That is also correct; is it not?

Mr. BILBO. I was not there; I do not know.

Mr. CHAVEZ. The Senator from Mississippi now feels, does he not, that the reason why he does not want to let it go to a vote is that he feels the opponents cannot get at least one-third; is not that correct?

Mr. BILBO. I am not going to take any chances on having it passed, because I am going to a funeral on Monday.

Mr. CHAVEZ. I hope the Senator takes carnations. He will need them.

Mr. BILBO. I am preaching the funeral sermon in advance, but we are going to have the funeral on Monday. The FEPC is dead.

Mr. CHAVEZ. By that same means the Senator will kill 16 other agencies. If that satisfies his state of mind, it is all right with me.

Mr. BILBO. They will be dead if the Senator from New Mexico attempts to offer his motion or amendment. The Senator from New Mexico must make the choice. He can kill them by offering the amendment, or he can hold up the amendment and let the appropriations for the 16 agencies pass. I have been putting the Senator from New Mexico on notice for 2 days about what he is doing. He is committing suicide.

Mr. CHAVEZ. I assure my good friend the Senator from Mississippi that he can filibuster until doomsday, but that motion will be made.

Mr. BILBO. Does the Senator mean the motion will be offered?

Mr. CHAVEZ. It certainly will be offered. Talk never did scare me.

Mr. BILBO. Well, if the Senator from New Mexico is so hell bent on doing it anyway, I may decide not to let him have a chance to put it on.

Mr. CHAVEZ. All right; if that is the case, the Senator can talk.

Mr. BILBO. I have the floor, and I am holding it.

Let me read further from the editorial:

> This is the pattern they followed in the House as well as in the Senate. In the House, legislation to establish a statutory Fair Employment Practice Commission was kept bottled up by the Rules Committee, so that Members could not vote on it. And now in the Senate, a handful of bankrupt men propose to forbid even an appropriation for the existing FEPC created by Executive order 4 years ago.

I wonder what the editor of the Washington Post means by "handful of bankrupt men."

Mr. CHAVEZ. Mr. President, will the Senator permit me to ask a question.

Mr. BILBO. The Senator may ask me a question.

Mr. CHAVEZ. Very well; I thank the Senator.

Mr. BILBO. Does the Senator know what the editor of the Post meant?

Mr. CHAVEZ. I have a very definite idea.

Mr. BILBO. I will take the Senator's answer and will work on it.

Mr. CHAVEZ. Well, when the Senator and I pray this evening, I will confess what the idea is.

Mr. BILBO. I am not a Catholic; I do not confess.

Mr. President, I repeat what I just read from the editorial:

> And now in the Senate, a handful of bankrupt men propose to forbid even an appropriation for the existing FEPC created by executive order 4 years ago.

Here is a Republican newspaper which fought the Roosevelt New Deal administration all these years, and fought it bitterly. This newspaper denounced everyone who had anything to do with the New Deal; but now, at the eleventh hour, this newspaper denounces a Senator who happens to be in opposition to a measure which was brought into existence by threat and intimidation by a Negro by the name of A. Philip Randolph, who threatened to bring to Washington 200,000 Negroes to cause riot and trouble. That was the beginning of this damnable outrage.

Mr. CHAVEZ. Mr. President, will the Senator permit an interruption for a question?

Mr. BILBO. I ask the Senator to let me conclude reading the editorial, and then he may ask his question.

The editorial says that they are "bankrupt men." In other words, there are approximately 25 or 30 Members of the Senate whom the Washington Post has denounced as being bankrupt men. I do not know whether the Washington Post means those Senators are bankrupt financially, bankrupt morally, bankrupt politically, or bankrupt intellectually. I do not know what kind of bankruptcy the writer of the editorial is talking about. If he is talking about a condition of financial bankruptcy, I do not think that is true. I do not think there is a Senator on this side of the Chamber who is opposing this fool legislation who is in a bankrupt condition. Such Senators may not be wealthy, but they are not bankrupt. If, by chance, any of them are financially bankrupt, they are preparing to remedy the situation, because I understand that the bill by which the salaries of Members of Congress will be increased to $15,000 a year is ready to be passed, and it will straighten out that situation.

So far as mental bankruptcy is concerned—a condition of being bankrupt in respect to mental conceptions of good government—I think I am a good Democrat. I am not a Democrat just because I come from Mississippi. I am a Democrat in conviction because I believe in the principles of democracy. I certainly do not believe what Eugene Meyer believes. I do not believe in his policies or philosphy of government. If I must agree with Eugene Meyer's notion that the FEPC is his idea or concept of Federal law, in order for me to escape the denunciation of being bankrupt from a governmental or intellectual standpoint, then I will remain a bankrupt.

> With a small staff and limited funds, the FEPC has worked effectively to break down the barriers of bigotry in American industry and to open up job opportunities for the members of disadvantaged minority groups.

Mr. President, it has just occurred to me what is the matter. I had forgotten that the editor of the Washington Post is a Jew, and I presume that his wife is a Jewess.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BILBO. They have been lined up from the very beginning with this minority called the Negro race in the fight which it is waging. There are exceptions, of course.

Mr. CHAVEZ. Mr. President——

Mr. BILBO. The Negroes, and the Jews in New York, as well as others who are working with them hand in hand—those are the minorities which the politicians fear—are the ones who have been back of this vicious legislation. Therefore, we find the editor of the Washington Post, a Jew, fighting against me, accusing me, and denouncing me and any other man who dares to disagree with him with regard to this proposed legislation, and calling us bankrupt men. I resent it.

Mr. CHAVEZ. Mr. President, may I ask my colleague a question?

Mr. BILBO. Yes.

Mr. CHAVEZ. Has the Senator ever heard of a boy named Levine, who died in the Philippine Islands in the early days of the war? Has the Senator from Mississippi ever heard of him?

Mr. BILBO. I think I have.

Mr. CHAVEZ. Was he a Jew?

Mr. BILBO. I do not know.

Mr. CHAVEZ. Has the Senator heard of thousands and thousands of men who were Jews who made the supreme sacrifice, and are lying in graveyards in Tunisia, Africa, Sicily, Italy, Okinawa, Iwo Jima, and other places, side by side with boys from Mississippi?

Mr. BILBO. Yes.

Mr. CHAVEZ. Is there anything in the Constitution which says that a Jew cannot be a good American?

Mr. BILBO. Sit down a minute; I want to talk to the Senator. I am not saying anything against the Jew. I am not denouncing the Jews. I am a member of the Baptist Church, in good standing.

Mr. CHAVEZ. I am a member of the Catholic Church, in good standing.

Mr. BILBO. Wait a minute, wait a minute, wait a minute.

Mr. CHAVEZ. I just want to tell you that I am a good Catholic.

Mr. BILBO. You cannot get that on the RECORD. Wait a minute. You cannot talk now. I have the floor. I say that I am a Protestant in good standing.

Mr. CHAVEZ. I am a Catholic in good standing.

Mr. BILBO. Yes; and we both believe in Jesus Christ, who was a Jew.

Mr. CHAVEZ. I also hope that we both believe in American institutions.

Mr. BILBO. Moses was a Jew, Paul was a Jew, and Peter was a Jew also. They were all Jews. Do not intimate that I am trying to denounce the Jews. Some of the best friends I have in the world are of the Jewish faith. I am saying that Eugene Meyer is a Jew, and has denounced me as a bankrupt man because I am opposed to the pet scheme which the Negroes and the Jews in this country are trying to put over on the American businessmen, and the business enterprises of this country. That scheme would affect the North, South, East, and West. The question involved here is not a southern one. The petition which I have received from Atlanta has been referred to. One-fifth the persons referred to are Jews and Rabbis. If we examine this list of national organizations we will see that they sponsor a membership consisting of approximately 90 percent of Negroes or Jews.

Mr. CHAVEZ. Will my good friend yield to me for a question?

Mr. BILBO. Not until I am through reading this editorial.

I repeat:

With a small staff and limited funds, the FEPC has worked effectively to break down the barriers of bigotry in American industry and to open job opportunities for the members of disadvantaged minority groups.

In doing this the agency helped significantly toward full mobilization of the Nation's manpower for prosecution of the war.

Mr. President, there is not a word of truth in that statement. It is the same kind of rot which appears in many other statements regarding the FEPC to the effect that the FEPC has brought together the labor of the country and made it possible for the great production program which was put into effect. I assert, Mr. President, there is not a word of truth in it. We had an excess of labor which would have done the job anyway, but the FEPC has been given the credit. The FEPC should not be given the credit. They had no power. They were merely a group of "sugar" boys with "lollypops" going around the country. They said they were negotiating and were pacifying. As you know, Mr. President, we pacify with lollypops.

I continue reading:

It was intolerable that racial prejudice should have kept men out of mines and mills when men were desperately needed to carry on vital war work. And it remains intolerable today. The war is not ended, and the fullest use of manpower on our production lines is necessary to bring it to its speediest possible conclusion.

Mr. President, the only shortage of manpower of which Mr. McNutt has furnished any evidence has been on the Pacific coast. As I said awhile ago, that shortage was caused by the premature idea that the war was over when we finished with wiping up the Germans. It was not realized by many persons the amount of material, men, time, and munitions which would be required to carry on the war against Japan. A great many of us believe that the war with Japan will last from 1 to 3 years. I have always believed that it will last at least 2 years after VE-day. It must be a fight to the finish because the Japs have decided upon national suicide. We must kill them in order to get rid of them. I do not know as killing them off would be a mistake. Personally, I think the Jap is a heathen. He is an animal. He is a mongrel. He is an off-breed. I think he is hopeless. If I had my way about it I would enforce sterilization of the whole damn race.

I continue reading:

In the reconversion problems that will beset us with the war's end, the FEPC will be no less urgently needed.

The writer of this editorial wants the FEPC to be continued. Well, he is true to the gang he has organized.

It will be needed if the change-over from war to peace production is to be accomplished with minimum dislocation and with a decent regard for minority rights. It will be needed as a symbol of the Government's concern if we are to preserve the faith of minority groups in the democratic process.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Illinois?

Mr. LUCAS. Mr. President, if the Senator from Mississippi will yield to me, I should like to present a short resolution with the understanding that he will not lose his rights.

The PRESIDING OFFICER. Is there objection?

Mr. CHAVEZ. I object.

Mr. BILBO. I am very sorry. I would not treat the Senator in that way if I were on the other side, but I am sorry. I wish I could yield to the Senator.

Mr. CHAVEZ. The Senator can yield.

Mr. BILBO. There are great stakes involved. I am sorry.

Mr. President, we thought the war was practically won. We once went through a reconversion period. We made a good job of it. We never heard anything about discriminations then. Seventy-five or 100 years have passed during which we had no law to regulate so-called discriminations. After 150 years of the Nation's life we suddenly find that the Washington Post, Walter White, Judge Hastie, Roy Wilkins, Governor Dewey, and other distinguished leaders—what a bunch—think that it is absolutely necessary that we have the FEPC and that we spend half a million dollars for 66 Negroes, 15 Jews, and a few white gentiles to galavant over the country with lollypops in order to pacify people, keep everybody at work and keep down discrimination. We have not had that in the past, and we have been getting along all right. There is nothing in it except that this is a concept arrived at back yonder in the corrupt center of New York, with Browder and a lot of others, Communists and Socialists. They conceived the idea of the FEPC, and it was carried to the waiting politicians, and they said, "We want this. Go after it."

I am told that this FEPC involves about 750,000 votes in the State of New York. In other words, if you do not play your cards right here, my Brother WAGNER, there are at least 750,000 voters in New York State who will vote against you the next time you run, if you do not keep your record straight on FEPC. That is a minority vote. There are the votes of the minorities in New York, that is, the Negroes, and the Jews, and the Italians, and a few Poles in the State of New York. There are about five or six hundred thousand Negroes in New York, most of them in Harlem, and about a million and a half or two million Jews. There are only 5,000,000 Jews in the United States and about 1,175,000 or 2,000,000 Jews in the State of New York. The rest of them are scattered around over the country. There are some in my State, and, by the way, they are the finest people in the world. They are fine citizens, they are exemplary citizens; and they all vote for BILBO. [Laughter.] They are good people.

Mr. CHAVEZ. May I ask the Senator a question?

Mr. BILBO. Yes.

Mr. CHAVEZ. I think I shall let the Senator proceed. I withdraw my question.

Mr. BILBO. Mr. President, while we are marking time, I wish to call attention to a petition from the State of California. Where did the Senator from California go? I received a petition from San Francisco, from the National Association for the Advancement of Colored People, San Francisco branch, reading as follows:

Senator THEODORE G. BILBO.

DEAR SENATOR BILBO: Enclosed is a copy of a resolution passed by the membership of our organization. Because you placed Mayor Lapham's position regarding fair employment legislation in the CONGRESSIONAL RECORD, we would appreciate your giving our statement the same courtesy.

Very truly yours,

VIRGINIA R. SEYMOUR.

Senators will remember that a few days ago the board of aldermen of the city of San Francisco drafted a resolution to be approved by the mayor, to be sent to the legislature at Sacramento, urging them to pass an FEPC measure for the State of California, and Mayor Lapham vetoed the action of his local city board and wrote a very strong, statesmanlike veto message giving his reasons why this is a fool piece of legislation and should not be passed by the State Legislature of California. I have not heard whether the legislature passed it or not.

The NAACP, which is a Negro organization, wrote a resolution in which they denounced "the man BILBO"—just like this editorial from the Post—and said some mean things about me, and asked me to put it in the CONGRESSIONAL RECORD. I shall not put it in the RECORD, certainly not, but I shall read my reply to them telling them why. I wrote them as follows:

JUNE 26, 1945.

VIRGINIA R. SEYMOUR,
Secretary,
San Francisco, Calif.

DEAR SECRETARY: I am just in receipt of your letter of June 22 enclosing a resolution passed unanimously by the San Francisco branch of the National Association for the Advancement of Colored People, and I also note your audacious request that I insert your puny, untrue, ill-advised, partisan, mongrel resolution into the CONGRESSIONAL RECORD of the United States.

Your branch of the NAACP of San Francisco must be very ignorant and must think that I am a perfect idiotic fool. Why, you and your organization are so low and uncultured that you even refer to me in your so-called resolution as just "BILBO, of Mississippi, democracy's worst enemy." Just ordinary well-breeding and culture would have compelled you to refer to me by my title as a Senator from Mississippi.

And when you say that I am democracy's worst enemy you admit your ignorance because you know nothing about my record as a public official even if I have been State senator, lieutenant governor, governor of my State for 8 years, and 12 years in the United States Senate. Your whole outfit knows absolutely nothing about democracy. It is my guess that your only concept of democracy is social equality between the white man and the Negro.

If your gang is going to follow this line of attack, let me warn you now that you are headed for wreck and ruin. You have got a

great mayor of San Francisco and he is a straight thinker and gives evidence of knowing something about governmental affairs and what is good for his people.

By the way, I am busy in fostering a program that will take care of folks of your intelligence and caliber. For sometime I have been following the leadership of Presidents Jefferson, Monroe, Madison, Lincoln, and Grant and other great statesmen of the past in trying to provide for the voluntary resettlement of the American Negro in west Africa, the richest country on earth, where you will have a country of your own and where you can aspire and ascend to the skies above.

No, I will not dignify your insulting and miserable little resolution by placing it in the archives of our great white American Republic. I am sorry.

Yours truly.

Mr. President, I received another letter, one from Georgia, which I wish to read. It is as follows:

DALTON, GA., *June 26, 1945.*

Hon. T. G. BILBO,
United States Senate,
Washington, D. C.

DEAR SENATOR: Just recently I received from Senator RUSSELL'S office a copy of the speech you made on the FEPC Act some time ago in Congress.

Again, in yesterday's paper, I read of your stand on that contemptible act, and want to tell you how proud I am of your fight against it.

Today's papers carry a threat made by the president of the Pullman Porters' Union, which alone points the way to the danger of such a measure.

How comforting and encouraging is the fact that you, together with Senator JOHNSTON and other southern statesmen, have promised to see that it never comes to a vote in the Senate.

With every good wish, I am.

I cannot give the name of the signer for the present. Here is a message from Houston, Tex.:

HOUSTON, TEX., *June 25, 1945.*

Senator THEO. G. BILBO,
Senate Office Building,
Washington, D. C.

DEAR SENATOR BILBO: * * * I am enclosing for your information Eleanor's letter appearing in today's Houston Press, which kindly read.

Please note she says the petition in behalf of FEPC is signed by many of Georgia's finest and most progressive citizens. I do not believe that.

If the petition has been filed with someone in Washington, would it be possible for you to get a copy of same? Please advise.

Also please note they hook it up with the war effort, which they are trying to use to put the "nigger-sponsored" bill over. It has no connection with the war effort, the bill and report I have and have read, but is a law they want on the statute books after the war is over, to lord it over the white citizens, with Government sanction. And they want to do that before our boys get back from overseas.

Good luck to you in your work, and best wishes, and I hope to hear from you again.

Mr. President, these individuals desire to take advantage of the war situation and have FEPC legislation passed, get the law on the statute books, so the FEPC may become permanent, in order that they may use it as an instrument of punishment when the war is over.

Here is a hot letter from Jellico, Tenn., not from Jericho, but from Jellico:

DEAR SENATOR BILBO: We most earnestly urge you to use every means at your command to block the vicious FEPC bill. All the free white people of the land of Alvin York, Sergeant Huff, Old Hickory Jackson, Sam Houston, and Davy Crockett are behind you 100 percent.

Pretty good company, Mr. President.

Some of the persons pushing this bill, no doubt are sincere. However, the implications of the whole lay-out stink to the high heavens.

Your duties in this matter in safeguarding our sacred rights and traditions are heavy. However, we know you shall, with God's help, win your fight. If there is any way we can help you, call on us.

Sincerely yours.

I believe I will have the name of the writer of that letter printed in the RECORD. It comes from C. E. Mills, national president, Free White Americans, Inc.

I have a telegram from dear old Kentucky—from Louisville—as follows:

Thanks for your unremitting efforts on behalf of South. Obviously countless thousands of southerners also fight for their way of life, a way which seeks a practical solution and precludes use of FEPC to create needless animosities.

If ever a truth was told, it was told in that telegram, which says that needless animosities will be created by this damn fool legislation.

I think it would be interesting at this juncture to tell the Senate of a little incident that happened last year. I read from an Associated Press dispatch from Washington, under date of June 17, as follows:

RUSSELL HITS AT F. D. R. FOR SETTING UP FEPC—GEORGIAN CONTENDS PRESIDENT EXCEEDED AUTHORITY—RACIAL ISSUE AT STAKE

WASHINGTON, June 17.—Senator RUSSELL, Democrat, Georgia, Friday asserted in the Senate that President Roosevelt exceeded his wartime authority in setting up by Executive order the Fair Employment Practice Committee to deal with racial discrimination in war plants and Government.

"I am a Democrat—proud of many of the accomplishments of my party, but I have never believed that the President of the United States was vested with a scintilla of authority to create an administrative agency such as this without the approval of Congress," RUSSELL said.

He seeks to abolish the FEPC by striking its $500,000 appropriation out of the war agencies bill, already through the House and now before the Senate.

CRITICAL OF CONGRESS

"The committee has sought to exercise powers that could be given to it only by legislative action," RUSSELL continued. "The people have been critical of Congress for allowing bureaucratic agencies to assume power in Washington," he said, describing the FEPC as one evidence "of this tendency of the executive branch to encroach upon the legislative branch of the Government."

The Senate adopted an amendment cutting the salary of Malcolm Ross, FEPC chairman, from $10,000 to $8,000 a year.

Ross told the House Labor Committee that to his knowledge FEPC policies do not circumvent southern racial segregation laws.

The witness called the committee's attention to a letter he sent Governor Stevenson of Texas in which he asserted that the FEPC is not advocating social equality but is concerned only with obtaining maximum efficiency in the war effort by eliminating racial discrimination.

Mr. President, he would force social equality upon those who have to work in the offices and the plants. Yet, he says he is not encouraging that.

PRAISED AND REBUKED

In the Senate meanwhile, where southern Democrats are seeking to block a $500,000 appropriation to finance the FEPC, Ross drew both praise and criticism.

Senator DANAHER, Republican, of Connecticut, said the chairman had "strugged manfully" toward the "laudable objective" of preventing discrimination "on a racial basis, on the basis of creed or a national origin."

Senator BILBO, Democrat, of Mississippi, interrupted to ask how DANAHER explained what BILBO termed "discrimination" on the committee itself. The Mississippian said there were twice as many Negro employees of FEPC although Negroes constitute less than 15 percent of the population.

"I assume he, Ross, sought qualified men and women among those colored employes who could work among their people," DANAHER said.

BILBO asked if he meant white people were not qualified to fill some of the posts.

DANAHER replied that he did not.

Mr. President, one of the strongest organizations of the FEPC clique in the South is the Southern Conference for Human Welfare. I have just received a letter from Miss Patricia Murphy Frank, the Washington representative of the Southern Conference for Human Welfare, as follows:

WASHINGTON, D. C., *June 20, 1945.*

MY DEAR SENATOR: We take pleasure in sending you the enclosed pamphlet by the Committee of Editors and Writers of the South, summarizing the voting restrictions in the 13 Southern States.

The growing demand by all Americans for a less restricted franchise is a concern of every citizen of the South and every southern organization.

The interest of the South's leading editors and writers is evidenced in the enclosed pamphlet.

Sincerely yours,

PATRICIA MURPHY FRANK,
Washington Representative.

To that letter, enclosing the pamphlet, I made the following reply:

JUNE 23, 1945.

MRS. PATRICIA MURPHY FRANK,
Washington Representative,
Southern Conference for
Human Welfare,
Washington, D. C.

MY DEAR MRS. FRANK: I was indeed surprised to receive your letter of June 20 enclosing me a copy of the "Voting Restrictions in the 13 Southern States," prepared by the Committee of Editors and Writers of the South. The most gratifying thing about this report that seems to have been sponsored by the mongrel organization known as the Southern Conference for Human Welfare is that not one single Quisling white editor who appears on the Committee of Editors and Writers of the South is from Mississippi. That is something to be really proud of.

By the way, this mongrel conference, operating under the misleading title of Human Welfare, had a "get-together" dinner in Washington not long ago at which you had about 75 or 100 Negroes, Jewish people, and politicians and racketeers and so forth and several speeches were made.

Several Senators who were anxious to know just why this mongrel organization was awarding a Jefferson plaque to a member of the Supreme Bench employed a representative from one of the outstanding stenographic organizations of the Capital City and sent him down to this dinner to make a record of these speeches. We thought that someone

among the speakers would "spill the beans" and tell the real reason why this memento was being bestowed upon a judge of the Supreme Court of the United States. The gentleman that went down representing the reporting agency was very promptly ushered out of the dinner or banquet hall and he reported that he was asked to leave by a man by the name of Frank. I am just wondering if you happen to be related or in any way connected with this man Frank who was actively in charge of the arrangements and admissions at this dinner.

A gentleman from the Department of the Interior was supposed to have been in charge but when I called him he said that a Mr. or Mrs. Frank or both were taking charge of the affair. I merely recite these facts in order to find out from you if possible if a stenographic report was made of the speeches on this occasion and if so could you assist me in securing a copy of all the speeches made. The group of Senators that I represent will be glad to pay a fair and reasonable price for a copy of these speeches.

We have learned since this unfortunate affair took place that one of the speakers really did "spill the beans" and told the assembled crowd just what it was that this judge had helped to do that caused the Southern Conference for Human Welfare to bestow this award on him. I trust you will write me at your earliest convenience.

I am sure you will be glad to help me get at the truth about the plans, motives, and objectives of the Southern Conference for Human Welfare because in a short while I am going to make a speech on the floor of the Senate discussing this organization and all of its activities and its objectives. The people need to know the truth about it. It is universally true that when a bunch of the alleged intelligentsia of the Negro race with a number of white Quislings, both from the South and the North, organize they have some very definite objectives to put over.

I regret to note that the purpose of your letter and the brochure that you sent me seem to be sponsoring the movement of the Negro minority to compel the Congress to pass a most definitely unconstitutional measure to repeal the poll-tax laws that obtain now in seven Southern States. I can very easily understand why some want to do this for political reasons and at the same time I know that quite a number of folks who are very active in this movement are just plain racketeers—they are out for the money they can get out of the organization of the movement to repeal the poll tax. My information has been that quite a sum of money has been extracted from unthinking and designing people throughout the United States.

Now I trust that you will take no offense in anything that I have set out or said in this letter because I have been very frank and I want you to answer me with the same frankness and tell me all you know about this organization since you subscribe yourself as being the Washington representative of this organization. And please do not forget about the speeches made at the banquet when your organization did the most unethical thing in the history of our country by rewarding a Justice of the Supreme Court for his opinions on the bench.

I trust I will be able to hear from you before the Senate is called upon to pass upon the anti-poll tax repeal bill that is now being considered by the Judiciary Committee of the Senate.

Yours truly.

Afterward I amended the letter by adding another paragraph, with the suggestion that I was sure that when the judge received his award, knowing that the same award had been bestowed upon an outstanding Negro woman from Florida, he would not be so proud of it.

Here is a very interesting telegram from Houston, Tex.:

HOUSTON, TEX., *June 25, 1945.*

Senator BILBO,

Democrat, Mississippi, Washington, D. C.:

We have information Senate Appropriations Committee recommendations for funds to support FEPC for coming fiscal year will come up for action on Senate floor. We have four to one strike vote pending against FEPC directive Shell Refinery, Deer Park, Tex., employing 1,600 workers. Doing everything possible to avoid shut-down of refinery; situation is becoming a racial problem and can be controlled if FEPC is eliminated. Urge that you and your colleagues do everything possible to eliminate the dissention and discord among industrial workers by continuing your fight against the appropriation of funds for the activities of this committee.

A. J. ENGLISHBY,
Member Conciliation Committee.

This is from a member of the conciliation committee of a large organization employing 1,600 persons in Houston, Tex. He says that the FEPC has butted in and caused friction and disturbance, and he is praying that we kill this organization at the earliest possible moment, to save them from further trouble.

I have just received the following very interesting letter from my home State:

JUNE 20, 1945.

Hon. THEODORE G. BILBO,
United States Senator,
Washington, D. C.

DEAR SENATOR: Am writing this to congratulate you on your stand on two matters recently brought up in the Senate.

1. Your speech published in CONGRESSIONAL RECORD of June 13, 1945, page 6027. Appealing for deferment of action on the fair employment bill, also veto of action by Hon. Roger Lapham, mayor of San Francisco, an article from Boston Traveler of June 4, 1945, on same subject.

Your expressions before the Senate on this matter were absolutely correct. The passage of this bill with the creation of conditions affected by its operations would do untold harm. The principal objection being the fact that it places in the hands of five commissioners too much power.

The authority to punish offenders against its provisions for exercising their God-given right of freedom in choice, with the negation of use of free individual judgment, in selection of the men and women to serve or work, for the pay which is owned by the employing person or company. This bill gives abundant openings for frameups, witch hunting, intangible, unsupported accusations, which will cause constant conditions of mental insurrection against a law which has neither justice or plain "hoss sense" is not in any sense or way advisable.

There are too many laws already. The Congress should have more important things to do than to mess with this stuff. Imposing on our country a law which punishes both employees and employers will eventually cause thousands of cases of injustice, imposition, also financial losses.

2. The other case is the meddling of the Senate with private affairs of the A. & P. chain store president and those of Brig. Gen. Elliott Roosevelt. Another comment on this case is that A. & P. chain stores are getting back from the public every few days more than the loss of the $200,000.

The writer of the letter seems to rejoice that Elliott put it over.

I read further:

The present combination of circumstances is causing the payment by the public "through the nose" to all chain stores, extravagant and in some instances extortionate prices—a very small portion of which is received by the producer.

The universally mourned President Franklin D. Roosevelt, like many other fathers, should not be held either morally, legally, or financially responsible for the mistakes of their adult progeny. Especially should this be the case as the facts are that his sons have acquitted themselves wonderfully in the military service of their country, have been honored, decorated, and promoted for bravery beyond the call of duty, with meritorious service in battle. The whole matter is no more business of the Congress than it is of mine.

The matter of income tax by Mr. Hartford's making the deduction of the loss would seem to be the same as any other bad-debt loss. The revenue officials have passed on this.

There should be a decent respect for the dead. President or pauper, the columnists should let our Nation's idol rest in peace. We have troubles enough. Thank you for standing up for the right repeatedly, with every expression of esteem.

Cordially yours.

Here is a letter from Houston, Tex.:

JUNE 22, 1945.

Hon. THEODORE G. BILBO,
Washington, D. C.

DEAR SIR: The most inconceivable plan ever concocted by the human mind is busy at work in bringing our great country a step nearer to the state of communism. I speak of the advocates who are attempting to force the FEPC upon our citizens.

This law represents that which is venomous to our American way of life and free enterprise. It represents regimentation of the people as were the peoples of Nazi Germany and like governments. It will foment hardships and racial strifes that will be an eyesore for years to come.

We have seen the probable results of such a statute as this committee was empowered to investigate discrimination during wartime, and each time we were encountered with strikes, race riots, and other disorders. Disturbances in Los Angeles, Philadelphia, and Detroit attest to this fact. Well-informed persons need not refer to history books to ascertain how the South reacted to edicts handed down by this kangaroo court.

I trust that you will do everything in your power to eradicate the evil by its very roots.

Sincerely yours.

That letter has hit the bull's eye, because that is exactly what has happened and is going to happen.

If there is any virtue in the FEPC, we should have seen it by now. Today it is going full blast, and it has been for years; yet today we are having more strikes, more lay-offs, and more trouble in the industrial plants throughout our country than we have had at any time since the war began. The FEPC is not doing anything about it, because it cannot do anything about it.

The lollypops or the sugar boys—the boys who are complaining—are not satisfied. Therefore it will not do any good.

Here is a telegram from good old Philadelphia, Pa.:

PHILADELPHIA, PA., *June 25, 1945.*

Senator THEODORE G. BILBO,
Senate Office Building:

Urge you continue fight against Fair Employment Practices Commission.

Here is another telegram from Philadelphia:

PHILADELPHIA, PA., *June 25, 1945.*

Senator THEODORE G. BILBO,
Senate Office Building:

More power to you in your fight against Fair Employment Practices Commission.

I submit those telegrams for the RECORD for the benefit of my friend the Senator from Pennsylvania [Mr. GUFFEY].

You know, Mr. President, the most interesting thing that has happened in the last few days since this fight has been going on, and during the time that our colored brethren are complaining and have been complaining about the discrimination of the white man against the Negro, is that just a few days ago the War Department removed a general from a field of operations in Kentucky—a general who is a white man—and appointed Colonel Davis to take his place. It is interesting to note what happened when the change was made. The first order which Colonel Davis issued when he became head of the organization was to discharge every white officer in that field. Let me read what happened:

COLONEL DAVIS TRANSFERS ALL WHITE PERSONNEL

GODMAN FIELD, KY.—Less than 30 minutes after the final ceremony had ended here last Thursday, Col. B. O. Davis, Jr., had transferred all of the white personnel out of the Four Hundred and Seventy-seventh, and was busy at his desk reorganizing and shifting his Negro personnel into important positions. The colonel had gone to work with his traditional exactitude and brevity.

The order—transferring the white personnel—clearly demonstrated how Colonel Selway, at the instigation of General Hunter, commanding officer of the First Air Force, had usurped the cream of all of the important positions on the post for his white personnel.

IMPORTANT POSTS HELD BY WHITES

Under Colonel Selway not a single Negro held a position of importance, or any other kind, in the headquarters of the Four Hundred and Seventy-seventh. Besides Colonel Selway there were two lieutenant colonels, five majors, and one captain—all white—transferred out of headquarters. There was only one Negro major on the whole field and he was a medical officer.

All four of the bombardment squadrons were headed by white personnel.

And so forth. In other words, that shows exactly what is in the heart, mind, conscience, subconscience, and so forth of the Negro race. Whenever they have the opportunity and the power to oppress, destroy, or defeat the white man anywhere, their inborn hatred is such that they do not fail to use it. Here is a case where the Negroes have been complaining for months because the War Department and the Navy Department are not giving them a square deal, so they say. Yet the minute that Negro got control of that field in Kentucky he fired every white officer in the organization and filled the positions with Negroes.

All Senators know the history of Liberia. Liberia was settled by 30,000 or 40,000 American Negroes who migrated from this country. The land in Liberia was owned by the American Colonization Society. In 1847 when the Negroes wanted to establish a republic of their own the American Colonization Society turned over to the Republic of Liberia all the land of Liberia, reserving half of it for the resettlement of other American Negroes in the years to come—it is there now, waiting for my friends the colored people—and they adopted the Constitution of the United States as the basis of their new government. The Negro was smart. He showed his spirit, his attitude, and what he would do when given the power. Only two amendments were made to the Constitution of the United States which the Republic of Liberia adopted in toto. Liberia has a president, vice president, a cabinet, and two houses, just as we have in the United States. However, the constitution was amended in two respects. First, no white man could ever vote in the Republic of Liberia. That is a constitutional prohibition. Second, no white man in Liberia could ever own a foot of land. With those two amendments to the constitution, there was established the Republic in Liberia, which has the identical form of government which we have here.

The Negro had his opportunity. He had his day in court. He was the boss of the situation. He said to the white man in effect, "You may not vote in the Republic of Liberia. You may not own a foot of land in Liberia. You are swept off the face of the earth." That is the history of Negro action in all such cases.

Mr. President, I make the prophecy that the party which is responsible for the enactment of the FEPC, if it is ever enforced, will eventually pay the price. That price will be in the form of a defeat at the polls when the next election rolls around. We are all waiting for New York to begin enforcement of its FEPC law on July 1. The necessary machinery is organized and ready to operate. Appointments of commissioners have been made. They are traveling throughout the State of New York and are harassing, tantalizing, sniping, and snooping upon the business people of that State. The people of New York will be told whom they may hire and whom they may fire. I predict that when the law has been tried out it will become so unpopular, and will bring about so much dissatisfaction and cause such urgent protests that by the time the following election rolls around the men who are responsible for putting the FEPC upon the State statute books will be politically out of luck. The effect will be felt in the Congress. Some of the Members of Congress who are sponsoring this proposed legislation will find out that on the political judgment day the American people will not be so easily fooled as it had been thought they could be. In other words, Senators and Representatives will find out that, after all, a great majority of the voters of America are Christian white gentiles.

Mr. President, here is a letter which I received from Alabama:

DEAR SENATOR BILBO: I want to thank you for your prompt reply to my recent letter regarding Forest Douglass Herrington; also your assistance in this matter.

I and several other Mississippians, who are here only temporarily, heartily approve the stand you have taken with reference to the anti-poll-tax measure and the FEPC. The Communist and radical labor element here are trying to foster social and political equality. The CIO union has a Negro on their negotiation committee with the yard here, and Negroes and whites sit in the same meeting hall together.

Trusting that you and others will be able to defeat the anti-poll tax and FEPC, I am,

Yours truly.

Here is a letter from Houston, Tex.:

DEAR SENATOR BILBO: Congratulations on your stand against the nigger-sponsored Fair Employment Practice Committee bill, and I hope that you and your colleagues succeed in preventing the bill from coming up for a vote, or becoming a law, and from its appropriation being revived.

I have read a copy of the act, and Report 187 to accompany H. R. 2232, and as you say, it is so impossible, it is hard to understand how an intelligent person, if he has read the act, could sponsor it.

You, of course, know it is just a part of the nigger encroachment and social-equality program, taking advantage of anything they can during the absence of our boys overseas. It is not an economic measure in any respect, as they would have you believe it is.

I believe that you will agree with me, that Congress has many more important matters to give attention in behalf of our war effort, than to spend their time in behalf of the niggers, and squandering taxpayers' money in support of such a nonessential committee.

You know, too, Mr. BILBO, that there is a lot of things that Congress could find to do in behalf of our white citizens, and I think they should come first. Don't you?

Good luck in your work, and I wish you and your colleagues success in blocking the passage of this measure.

Respectfully.

I believe it will be refreshing to read a letter from Chicago. Here is one which reads as follows:

CHICAGO, *June 14, 1945.*

DEAR SENATOR BILBO: Hearty congratulations on your courageous stand against the destructive forces that would cause trouble in the South and elsewhere.

That each individual State should deal with the poll tax is just plain common sense.

The killing of the Fair Employment Practice Committee in committee was indeed gratifying. Ninety percent of the people here are against it, and the country's thanks are due to you and your esteemed southern colleagues for your determined and successful stand in the matter.

The FEPC is, of course, unconstitutional, as it seeks to give special privileges in employment to the Negroes. The bill is a vicious one in every way and would stir up a lot of racial trouble throughout the land.

All good wishes to you, sir.

Yours sincerely.

That letter, Mr. President, is from Chicago, Ill. It represents the way people there feel about the situation.

I repeat, this is not a southern question; it is a national question.

Here is a letter from Baton Rouge, La.:

DEAR SIR: You doubtless do not recall the writer, but I have known you from a young man, having been a resident of Hancock County, Miss., myself until was grown. No doubt you remember the family of the late Geo. W. Brown, of Pearlington, and you were living at or near Poplarville, Miss.

Having followed your record in the Senate, especially in the poll-tax fight, however, we do not have one in this State, Louisiana, and have no trouble with the Negro, as they know where to stop, but do not think it is fair for the Government to try to take away any rights of the State or political party of the State, as that is an interference with State's rights, and hope that the bill before Congress will fail of passage.

The main reason for this latter is in regard to the bill to come up, the FEPC, which is about the same control as Congress would

impose in our elections. This FEPC bill is very obnoxious to our people and some of the northern Representatives and Senators are again trying to press this thing down our throats, and, in other words, place the Negro on an equality with the whites, and we do not, in the South, intend to stand for it. We believe in the Negro being given a chance to make something of himself, give him an education, and equal facilities with which to do this, however, we will handle this question better by the States themselves, than having it forced on us by the Government, as you are well aware what the results will be if it is forced on us, and this one thing will do more to open the wounds between the North and South, which it has taken over 60 years for us to try and heal, than any one thing that could be done. If the North will let us alone and keep that Yankee Civil Liberties League out of the South, we will work this thing out for the best to all concerned, as the Negro knows that we southerners are their best friends, and will treat them well, as long as they stay in their places, but if this bill is passed by both Houses, we will, without doubt, have trouble with the younger set of Negroes, and will again have to take matters in our own hands for settlement, and understand me, Mr. BILBO, this is not a threat, but from expressions I have heard from all sides it will not set well with the southerner. Am just a little surprised that President Truman would ask for the passage of such a bill as he knows it will make trouble later on, and Congress would do well to let the States handle this question in their own way, as we will work it out satisfactory to all concerned, without any trouble afterwards, and it is my earnest request that you, as a southerner and a Mississippian do your utmost to keep this bill from being passed, and if you cannot do that, keep it from passing as long as possible.

Have not written the Senators from Louisiana, Messrs. OVERTON and ELLENDER, but you may take it up with them and discuss it with them, as conversations with a great many of their constituency, they feel as I do about this bill and want it killed, as they think it will later breed trouble with the Negro, as was had in carpet-bagger days, which I hope will not occur, and whatever you do, kill this bill.

Would be glad to have an expression from you as to the prospects of this bill passing, and if there is any possibility of getting enough votes to kill it. We do not need or want this bill forced on us.

With best regards and wishes for your success, I am,

Yours very truly,

W. A. BROWN.

BATON ROUGE, LA.

Mr. President, I know the writer of this letter, and he is telling the Congress of the United States, through this letter, the truth about what will happen in the South if this proposal shall be enacted. Senators should begin to understand the reason for our great anxiety to put the bill out of business.

Here is a letter from the capital of my State:

We are opposed to the FEPC bill as we think it will be a troublemaker if enacted, and it will be harmful to all business, especially those located in the South. We trust you will vote against the passage of this bill when it comes up for a vote, as the FEPC will do more harm than good.

He did not tell me to do more than vote, but I am sure he will not object to what I am doing.

Here is a letter from North Little Rock, Ark.:

DEAR SENATOR: It seems to me that now, of all times, we must subordinate sectional prejudices in favor of the national welfare and give to all citizens regardless of race, creed, or religion, equal opportunity to the basic rights of citizenship. Likewise, I am convinced that discriminations in employment on the same grounds form a real barrier to world peace and to future harmony and cooperation among the people here in the United States.

I do not believe we can afford any longer to pay the terrific price required to maintain these discriminations. Their cost to the people in terms of the ill will which they breed toward one's neighbors is too great.

For these considerations and many others, all in the general welfare, I hope you will give your support to the anti-poll-tax bill and to the bill for a permanent Fair Employment Practice Committee, adequately financed.

I make this request of you with full knowledge of the South's traditions, for I am a southerner by birth, by residence, and by choice.

If you cannot support the two measures described above, then I would appreciate having your reasons for not doing so.

I replied as follows:

Your letter of June 9 has been received. I have read it with much concern. You state in your letter that you are a southerner by birth, by resident and by choice, but you did not say whether you belong to the white race or the colored race.

Please let me know a little more about your origin and the race to which you belong and I will take pleasure in telling you why I am not going to support either the FEPC or the anti-poll-tax bills.

Here is a letter from Bay Springs, Miss.:

DEAR SENATOR: While listening at the radio today, I heard that our President is pushing Congress to pass the Fair Labor Employment Practice Act. Was very much surprised at this because I thought that inasmuch as he lived in Missouri that he would at least understand the labor and race problems we are having in the South. He is doing a very unwise thing. The fact is, I think that if this becomes a law there will be many more lynchings in the South than heretofore.

Just after the last war it looked like we would have trouble with our Negroes, but in a few years everything passed over and it worked out all right. Am sure we will have trouble with our Negroes after this war and with a law of this kind passed by the Federal Government will certainly multiply our troubles.

Do you think this bill has a chance to become a law?

Would like to hear from you about this.

I am sure the writer is sounding a note of warning that my colleagues should pay attention to if they love their country.

Here is a letter from the president of the American Farm Bureau Federation. Let us see what the head of the greatest farm organization in America says about the FEPC:

DEAR SENATOR: The board of directors of the American Farm Bureau Federation, at its meeting in Chicago on June 1, 1945, adopted a resolution against the proposed Fair Employment Practices Act (S. 101).

Racial and religious prejudices should not be a part of the American system of enterprise, but the proposed legislation is the wrong way to correct such evils. This measure, in our opinion, would have the opposite effect from what its proponents claim. It would stir up—instead of allay—racial and religious prejudices, and would result in unhappy disturbances everywhere, which would interfere with—instead of promote—unity and maximum production.

The bill itself delegates to a Federal agency dangerous powers of regimentation over millions of citizens, and the decisions and orders of this Federal agency would be supreme. It strikes right at the fundamentals of free enterprise.

We therefore respectfully urge that you oppose the enactment of S. 101.

Sincerely yours.

That letter is signed by Edward A. O'Neal, president, American Farm Bureau Federation.

Here is a postcard from Topeka, Kans., under date of June 6, 1945, as follows:

TOPEKA, KANS., *June 6, 1945.*

DEAR SENATOR: In the RECORD May 31 we read, which you inserted, Mayor Lapham's opinion of the FEPC. We must agree with the mayor that FEPC would completely destroy all individual freedom of the citizens, and would also destroy our American constitutional law form of government. Surely, those who advocate FEPC are seeking to give aid and comfort to enemies of our basic Constitution. Such persons should be apprehended. The FEPC is contrary to the immutable law of nature, that birds of a feather shall flock together. The FEPC would be a most terrible thing for the American Negroes.

Also we are glad to note you are again pushing your righteous idea of paying the expense of Negroes who desire to migrate to Liberia. It might be a good idea to fix a yearly quota for Negroes migrating. What is the matter with Congress? Why is the strange logic of the economy of scarcity tolerated?

Sincerely.

Mr. President, the writer of that card asks the question, "What is the matter with Congress?" I shall not undertake to answer that question.

I have here a telegram from Osceola, Ark., as follows:

Block the FEPC bill. Help Senator RANKIN. Counting on you.

Your friend.

I have a letter from one of the largest business concerns of my State, the Clark Manufacturing Co., as follows:

DEAR SIR: The writer wishes to take this opportunity to express his opposition to the above act, and we believe that you will agree with us that if this act is passed the white workers in the South will have every justification in revolting. We further believe that the white workers in the South positively will not under any circumstances submit to this type of law.

We want to take this opportunity to express our most emphatic opposition to this law, and to ask that you put forth every effort to defeat it.

Mr. President, the writer of that letter tells the Senate the truth when he says that the South will not observe such a law. It would take an army as large as the one used against Hitler to make us submit to it.

Here is a telegram from New York calling on me to support FEPC:

NEW YORK, N. Y., *June 6, 1945.*

Hon. THEODORE BILBO,

United States Senate,

Washington, D. C.:

On behalf of 20,000 laundry workers in greater New York we urge you to restore to war agencies appropriations bill the item for FEPC. The future of American democracy rests upon true equality for all its people, regardless of race, creed, or color, who gave their sons to preserve this democracy.

Mr. President, I suppose we did not have any democracy in the United States after the First World War, or during all the 150 years of our history when we did not have such a fool law as this.

The telegram is signed: "Laundry workers' joint board of Greater New York, ACWA; William Baron, manager, Roy Soden, assistant manager, Lewis Simon, secretary-treasurer."

I knew a Jew would show up in it before we got through with the matter.

This is my answer:

JUNE 7, 1945.

Manager WILLIAM BARON,
Assistant Manager ROY SODEN,
Secretary LOUIS SIMON,
Laundry Workers Joint Board of Greater New York ACWA, New York, N. Y.

DEAR SIRS: Your telegram of June 6 has been received and it was indeed a surprise to me. I had been informed that the State of New York had passed a FEPC bill under the pressure and support of Governor Dewey, who was making a bid for the Negro and Jew vote in New York with his support of this bill.

If you have it in New York and like it and want it, then keep it, but what right have you to try to cram this damnable un-American, unconstitutional, legislative monstrosity down the throats of all the people of this country? You are sowing to the wind and you will reap the whirlwind if you ever succeed in passing this damnphool legislation through the Congress.

Yours truly.

Let them keep that law in New York if they want it.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BILBO. I yield for a question.

Mr. OVERTON. I should like to submit a matter, if I may obtain unanimous consent that by so doing the Senator from Mississippi will not be taken from the floor. I should like formally to submit a resolution, and read it into the RECORD.

Mr. MORSE. Mr. President, I object.

Mr. OVERTON. No action is to be taken upon it. It is simply a resolution which I shall ask to have printed and to lie on the table.

Mr. MORSE. Mr. President, I object.

The PRESIDING OFFICER. The Senator from Oregon objects.

Mr. BILBO. The Senator from the wild and wooly West objects. If the Senator from Louisiana wants the resolution submitted, hand it to me, and I will submit it for the Senator.

Mr. OVERTON. I hand the resolution to the Senator from Mississippi with pleasure.

Mr. BILBO. I have the floor, and I will help my brother in a pinch. I am glad to. The resolution is as follows:

Resolved, That when the United Nations Charter to maintain international peace and security, signed at San Francisco, Calif., on June 26, 1945——

Mr. MORSE. Mr. President, I object.

Mr. BILBO (continuing reading):

shall be laid before the Senate for ratification, the injunction of secrecy shall be removed, it shall be read a first time, and the Senate shall thereupon proceed to consider the same in open executive session.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. I inquire whether or not a Senator may submit a resolution at this time without the unanimous consent of the Senate?

The PRESIDING OFFICER. He may not.

Mr. BILBO. Mr. President, I have just read the resolution at the request of and on behalf of the distinguished Senator from Louisiana, and I ask that it lie on the table and be printed.

Mr. MORSE. Mr. President, I object.

Mr. CHAVEZ. Mr. President, a point of order.

The PRESIDING OFFICER. The Chair sustains the objection. The resolution may not be received except by unanimous consent.

Mr. MORSE. I object.

The PRESIDING OFFICER. The Senator may read it, but it may not be received without unanimous consent.

Mr. BILBO. Does the Chair rule that I may not submit the resolution?

The PRESIDING OFFICER. It may not be received without unanimous consent. The Senator may read it, which he has done, but it may not be received without unanimous consent.

Mr. BILBO. I am submitting the resolution on behalf of a friend.

Mr. OVERTON. Mr. President, the resolution was merely sent to the desk.

The PRESIDING OFFICER. It has not been received.

Mr. OVERTON. It was sent to the desk to be printed and lie on the table.

Mr. MORSE. I object to that.

The PRESIDING OFFICER. The Chair is advised by the Acting Parliamentarian that the resolution may not be received.

Mr. BILBO. I am sorry to take issue with the Chair; but having the floor, I thought I could use it in any way I saw fit in the interest of my country.

The PRESIDING OFFICER. Under the rule, the introduction of bills and joint resolutions and the submission of resolutions are out of order at this time. It requires unanimous consent, so the Senator may not submit the resolution at this stage.

Mr. BILBO. The Senate is in session following a recess.

The PRESIDING OFFICER. The introduction of bills and joint resolutions and the submission of resolutions are in order only during the morning hour.

Mr. BILBO. We have no regular order at this time, and there is no question of germaneness. The Senate does not recognize the rule of germaneness.

The PRESIDING OFFICER. Under the rule, the resolution may not be received at this time.

Mr. BILBO. Mr. President, I am pleased to read to the Senate at this time a letter from Washington, D. C., on the FEPC:

WASHINGTON, D. C., *June 6, 1945.*

HON. THEO. BILBO,
United States Senate Office.

DEAR SENATOR: Knowing your valiant fight for true Americanism, which southerners know better than any others, I call attention to the vigorous Negro propaganda for "equality," etc., etc. I wish some Congressmen could see the Negro supervisors with white stenographers, or vice versa, and see a smart-Alec Negro multigraph operator "visiting" and lounging on the drafting table of a young, pretty white girl, who thinks she must be polite to the black.

Why not ridicule the clever name the FEPC uses? Call it Forcing Ethiopian Practices on Caucasians, or in private conversation, even more bestial designation.

May God add to your strength.

That is a sad commentary from my standpoint. Of course, to some who have different tastes, or no sense of taste or smell, it is all right.

Mr. President, I wish to read a letter from Detroit, Mich. There has been some trouble out there recently. The letter is as follows:

JUNE 1, 1945.

The Honorable THEODORE G. BILBO,
United States Senate, Washington, D. C.

DEAR SENATOR BILBO: The writer read with great interest in the CONGRESSIONAL RECORD, date, May 24, 1945, the senatorial proceedings and the discussion on the FEPC between you and Senator CHAVEZ.

It need not be stated that the writer's sympathies, of course, are with your opinion.

Indeed, the FEPC should be called the UEPC—

Or Unfair Employment Practice Committee—

The tragedy reigns in the fact that only the legislators of the South seem, so far, to have raised their voices against this monstrosity of a law which might be forced upon the American people. All others, either because they are afraid or because of previous commitments, political or otherwise, either show a favorable attitude to the FEPC or keep silent about it.

This, of course, is evidently directly attributable to the large number of African voters that have penetrated and infiltrated themselves in the political structure of their various districts. The labor organizations, oddly enough, are going the limit by advocating openly and brazenly such exophrenities as "unsegregated housing," "civil rights," the latter to the tune of one's having to serve members of the African race in one's restaurant, dance hall, tavern, jewelry store, or what there be.

The newspapers of the members of the African race are most highly inflammatory, if not actually seditious. Protests are registered, for example, "against a white man's kind of peace. One such magazine once had a most cleverly worded article about how the Japanese asked for racial equality at Versailles, and it was thrown overboard by the "lily-white tower dwellers."

Our country, Mr. BILBO, is in danger, grave danger. Our well-being, our racial integrity, likewise. This is the way in which it will come about. It is plain to be seen now that the African minority is fast becoming a majority through its prolificness. The Caucasian race is not. In 50 to 100 years the racial character of this country will not be the same as it is now. Therefore, something should be done now to avert the danger. "Back to Africa" is a fine slogan, regardless of what the avaricious, piteously temporary opportunists say.

Enclosed find also a cartoon clipping from one of the above-mentioned newspapers.

He is right in everything he says except as to the time he fixes for the change in complexion in the population of this country. We shall all be yellow after a while unless there is a separation of the races. The only reason I have not been able so far to arouse the American people over that issue is that they know it will not happen in their lifetime or in

the lifetime of their children; but as sure as there is a God in heaven it is going to happen. Since it does not happen to you or yours, you do not seem to give a continental dried apple whoop.

Here is another letter:

MAY 18, 1945.

Hon. THEO. G. BILBO,
United States Senator,
Washington, D. C.

DEAR SIR: We certainly hope that you will oppose to the very last bill H. R. 2232, the Fair Employment Practice Act. We think this is a most vicious bill and we believe that, at least, our southern representatives will oppose it to the very last.

Another thing, we wish, at the same time, if it is at all possible, that you could do away with the Committee on Fair Employment Practice, as we notice from a list we have the salaries that are being paid in the different departments. We think you could save the Government a whole lot of money if you would do away with this committee entirely as we can see no good that they are doing, or will do. This is a good place to economize and we certainly think we need it wherever it is possible.

Anyway, we are certainly in hopes that you will fight this bill to the very last.

With kindest regards, we are,

Yours very truly.

He shall not be disappointed.

Here is a letter from a very fine gentleman and a very fine businessman. He is not a wild, easily agitated character, but he is quiet, sober, and thoughtful:

MAY 15, 1945.

Senator THEO. G. BILBO,
Washington, D. C.

DEAR SENATOR BILBO: We have given considerable thought and study to measure H. R. 2232 pending in Congress. To us it seems that this measure if allowed to become a law might result in something that would be very disastrous to any employer of six or more people.

It would seem that the purpose of this measure is to prevent discrimination against other races than white. Frankly, as much as 50 percent of our labor over a period of years has been colored. We have never experienced any trouble or dissatisfaction to mention with our colored labor. We hope that nothing will ever come about that would interfere with out colored labor.

If this bill should pass, it appears to us it would be an opening to racketeers to come in and create disturbance and dissatisfaction, and would definitely disrupt labor.

We would appreciate it if you would make a close investigation of this bill, and if in your good judgment you would see our point in writing you regarding this, you would register your disapproval in Congress of the bill.

Very truly yours.

Well, Mr. President, I have done all those things, and now I am registering my disapproval.

Here is a letter from one of the largest lumber companies in my State. It is signed by a very high-class thinking man:

MAY 15, 1945.

Hon. Senator THEODORE BILBO,
Washington, D. C.

DEAR SENATOR: After some study of bill H. R. 2232, which is now pending in Congress, known as the Fair Employment Practice Act, we can see no good in this form of legislation if passed.

We understand the bill delegates tremendous legislative and judicial powers to a bureau whose decisions would be supreme. This would affect the private property rights of the people, and is a departure from the traditional American system of free enterprise in that a man will no longer be free to pass judgment on the choice of his employees, to surround himself with men of ability and integrity for the successful operation of his business and the protection of his investment.

This measure will not be defeated unless we fight it with every means at our command! To this end we solicit your untiring effort in behalf of, especially, southern businessmen's interest, for the defeat of this new type of Fascist regulation.

We sincerely hope that you give this measure your close study and join us in the defeat of same.

Yours very truly.

There is no wild, radical denunciation in a letter of that type. That letter was written by an outstanding, successful businessman who knows the situation, who know the races, and who knows the issue. He tells frankly what is going to happen to the business interests of our country. What he says will happen in Mississippi and will happen throughout the Nation; it will even happen in New Mexico.

Now I wish to read some observations from a very interesting publication from Mr. Merwin K. Hart, of New York. I am going to read it without knowing where he is going to land, but I invite attention to it:

THE ANTI-RACE-BIAS BILLS

Because bills more or less similar to the New York antidiscrimination bill will be pressed in most States and in Congress, and because it is so controversial, we devote this letter to the pending New York measure.

In 1935, the Workers Library Publishers (50 communistic book shops operated in 40 American cities) published a 48-page pamphlet entitled "The Negroes in a Soviet America," by James W. Ford and James S. Allen. Ford, a prominent Harlem leader, was several times Communist candidate for Vice President. Regardless of how many Communist organizations are said to have been "abolished"—regardless of how many official denials or evasions may come from Communist sources—this pamphlet sets forth clear Communist doctrine.

It starts out by announcing a "great crisis."

"The Negro people can find inspiration in the revolutionary attempts of Gabriel, Denmark Vesey, Nat Turner * * *."

Albert Bushnell Hart's History of the American Nation, volume XVI, says two of these three were leaders of bloody revolts in which white men, women, and children were mercilessly slaughtered.

So, in 1935 the Communist Party of the United States of America was inciting the Negroes to revolution as bloody as any Russia ever saw.

Of course, the authors of the Negroes in a Soviet America did not expect to attain this bloody revolution immediately. So they set forth certain minimum desires of the Negro masses, and these they define as:

"1. A decent and secure livelihood;

"2. The rights of human beings;

"3. An equal, honorable, and respected, status in all public and social life."

Since the Communists throughout their history have made full use of the tactic of fomenting discord and ill-feeling, racial and religious, it is fair to believe the proposed law against discrimination, commonly known as the anti-race-bias bill, had its inspiration in Communist policy. By this law it is proposed in New York that public and social equality be assured the Negroes by statute.

In other words, by that statute the Negro would get what he is not entitled to get and what he cannot get otherwise because of his traits and his character and his race, and so forth. In other words, it is proposed that we legislate equality and that we legislate social conditions, and that we make the world over, without letting our people exercise any choice or preference. This is the new idea. It is Communist stuff.

I read further from the publication:

The law against discrimination was drafted by a commission appointed by the Governor and the legislature. Hearings were held in November and December in several cities, including New York. On the next to the last day of the hearings the president of the National Economic Council appeared in opposition. The New York Times, in its account of that hearing, stated he was the sixty-ninth witness on the bill and the first one to appear against it.

I have not examined the matter thoroughly. I do not know whether any witnesses appeared in opposition or not. I doubt it.

I continue reading:

The commission asserted business organizations had been notified of the hearings, but none appeared against the bill. The fact most businessmen are occupied in the phenomenally successful effort of private enterprise to produce war and other material for our fighting forces, may perhaps explain why the bill escaped their notice.

The New York bill received momentum because the Governor and certain leaders of the legislature felt constrained to vie with one another in the effort to sponsor the bill and gain the credit for passing it.

The bill sets up a commission of five men at $10,000 a year; and it has all the usual provisions for attorneys, clerks, and other employees and agents as it may deem necessary. This commission will have power, under penalty of fine and imprisonment, to compel employers to accept as employees persons of any race, creed, color, or national origin; and to compel employees to accept as fellow employees persons of the same types. It allows the commission to issue orders commanding an employee or a fellow employee to be accepted, not on a preponderance of the evidence, but on "sufficient evidence on the record considered as a whole"—whatever that may mean. This opens the door to injustices like those under the one-sided National Labor Relations Act.

Mr. Garet Barrett, in The Revolution Was, has pointed out that the various New Deal measures of recent years, viewed from the standpoint of American and general human experience, are in their totality completely cockeyed; but if viewed from the standpoint of revolution, they form a perfect pattern.

This bill looks toward revolution in the State of New York. Social race equality is a cardinal point in Communist doctrine. The passage of such an act at any time would be a greater trouble breeder than the eighteenth amendment. But to pass it now, when national unity is vital, when employers and employees alike should have their attention undiverted by friction, is a move which the American people from coast to coast will do well to note and ponder—and wherever they can to prevent.

The hatching of this idea, as of so many others, undoubtedly took place among alien-minded elements in New York City. If any people in the country are not already warned against these mischievous or misguided New Yorkers, they should be warned now. Not by any means are these activities confined to aliens, however. They have been taken up

as a cult or fad by some of our best people. In many social, professional, and even business circles, more thought seems to be given to appeasing communism than to the support of the American Nation itself.

New York and Washington are close together in this apparent conspiracy to sell the United States out. There have been many disquieting incidents. Our readers will recall the mysterious efforts months ago to destroy the Communist records of our Military and Naval Intelligence. Only a few days ago it was announced the War Department had rescinded restrictions against the commissioning of Communists as officers in the armed services—this when our men are dying by the thousands and tens of thousands, supposedly for the cause of freedom.

In the New York Herald Tribune of February 22, 1945, we found no reference in editorial or news columns to the fact it was the birthday of George Washington. We did find a column article with the headline "3,000 in tribute to Red army at Carnegie Hall." We found an article by Maurice Hindus with the headline "Reds' prime goal called death of fascism in all disguises"—and we recall that Fascist, in this country, means anybody opposed to communism.

On the very day of the hearing on the law against discrimination at Albany, where leftist orators and others implied that Negroes in the United States have no chance, a New York paper published a column article stating that Gaius C. Bolin, a Negro lawyer 80 years of age, had the previous day been elected president of the Dutchess County Bar Association. Almost the same day Smith College announced the appointment of a Negro to its faculty. We attended some years ago one of the sessions of a 3-day meeting at Lake Placid, N. Y., of Negroes who came from all sections of the country to pay tribute to John Brown on the anniversary of his birth; and the attendants included scores of lawyers, doctors, businessmen, and other Negroes, all of whom, with credit to themselves, had climbed well up the ladder of success.

We are concerned for the condition of the Negroes and of any group in this country that is discriminated against. Undoubtedly there are cases of discrimination. But the way to aid them is not by statutory compulsion either by legislature or by Congress. Fines and imprisonments under this law will anger the vast majority of Americans and will stir up serious trouble for the very people the law is intended to benefit.

The problem of how these people can be better assimilated could be aided if a State legislature by joint resolution authorized the mayor of any city, in his discretion, to appoint a small committee of discreet, tactful, able, and high-minded citizens whose business it would be, by private conference behind the scenes, to smooth out some of the difficulties involved. Such a proposal would cost practically nothing. It may not appeal to certain politicians—for they can see no votes or jobs in it. But it would genuinely help to reduce race discrimination. And, if Communist agitators and professional do-gooders would pipe down, and give us a rest, it would make for the greater peace of the country.

We commend this whole matter to the thoughtful consideration of persons throughout the United States.

MERWIN K. HART,
President, National Economic Council, Inc.

Mr. President, what I have been reading originated in the State of the senior Senator and the junior Senator of New York [Mr. WAGNER and Mr. MEAD].

Mr. BANKHEAD. Mr. President, I think there should be more Senators in attendance in order that they may hear these wonderful arguments, and if the Senator will yield to me, I will suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Mississippi yield for that purpose?

Mr. BILBO. I yield.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ellender	McMahon
Austin	Ferguson	Mead
Bailey	Fulbright	Millikin
Ball	George	Mitchell
Bankhead	Guffey	Morse
Barkley	Gurney	Murdock
Bilbo	Hayden	Myers
Brewster	Hill	O'Mahoney
Brooks	Hoey	Overton
Burton	Johnston, S. C.	Radcliffe
Byrd	Kilgore	Stewart
Capper	La Follette	Taft
Chavez	Langer	Thomas, Utah
Cordon	Lucas	Tunnell
Donnell	McClellan	Wagner
Downey	McFarland	Wherry
Eastland	McKellar	White

The PRESIDING OFFICER. Fifty-one Senators having answered to their names, there is a quorum present.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS — CONFERENCE REPORT

Mr. WAGNER. Mr. President, I submit the conference report on Senate Joint Resolution 30, extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The Chief Clerk proceeded to read the conference report.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. I wish to object to the presentation of the report. Is this the proper time to raise the objection?

Mr. BARKLEY. Mr. President, in that connection let me say that a conference report is a privileged matter and an objection will not avail, because the Senator from New York can move to take it up, and that motion is not subject to objection.

The PRESIDING OFFICER. The clerk will read.

The Chief Clerk resumed and concluded the reading of the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That section 1 (b) of the Emergency Price Control Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "June 30, 1946."

SEC. 2. Section 6 of the Stabilization Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "June 30, 1946."

SEC. 3. Section 2 (b) of the Emergency Price Control Act of 1942, as amended, is hereby amended to read as follows:

"(b) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he shall issue a declaration setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for any defense-area housing accommodations within a particular defense-rental area. If within sixty days after the issuance of any such recommendations rents for any such accommodations within such defense-rental area have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations, the Administrator may by regulation or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of this Act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about April 1, 1941 (or if, prior or subsequent to April 1, 1941, defense activities shall have resulted or threatened to result in increases in rents for housing accommodations in such area inconsistent with the purposes of this Act, then on or about a date (not earlier than April 1, 1940), which in the judgment of the Administrator, does not reflect such increases), and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs within such defense-rental area. In designating defense-rental areas, in prescribing regulations and orders establishing maximum rents for such accommodations, and in selecting persons to administer such regulations and orders, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area. Whenever the Administrator shall find that, in any defense-rental area or any portion thereof specified by him, the availability of adequate rental housing accommodations and other relevant factors are such as to make rent control unnecessary for the purpose of eliminating speculative, unwarranted, and abnormal increases in rents and of preventing profiteering, and speculative and other disruptive practices resulting from abnormal market conditions caused by congestion, the controls imposed upon rents by authority of this Act in such defense-rental area or portion thereof shall be forthwith abolished; but whenever in the judgment of the Administrator it is necessary or proper, in order to effectuate the purpose of this Act, to reestablish the regulation of rents in any such defense-rental area or portion thereof, he may forthwith by regulation or order reestablish maximum rents for housing accommodations therein in accordance with the standards set forth in this Act. Before issuing any regulation or order under the foregoing provisions of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order, and shall give consideration to their recommendations. The Administrator shall, at the request of any substantial portion of the industry subject to such regulation or order of the Administrator, appoint a national industry advisory committee, or committees,

in the same manner and form and with the same powers and duties as provided in subsection (a) for industry advisory committees relating to price."

SEC. 4. Section 2 of the Emergency Price Control Act of 1942, as amended, is amended by inserting at the end of such section a new subsection as follows:

"(n) In establishing or maintaining maximum prices under this Act or otherwise in the case of collect-on-delivery sales of any commodity where under established practices of the seller a uniform charge is added to the price to cover mailing costs, an increase in maximum prices shall be allowed equivalent to any increase in such costs heretofore or hereafter resulting from increased postal rates or charges."

SEC. 5. (a) Subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"(e) Notwithstanding any other provision of this or any other law, no action shall be taken under this Act by the Administrator or any other person, without prior written approval of the Secretary of Agriculture, with respect to any agricultural commodity or with respect to any regulation, order, price schedule or other requirement applicable to any processor with respect to any food or feed product processed or manufactured in whole or substantial part from any agricultural commodity; except that (1) the foregoing provisions of this subsection shall not apply in the case of any individual adjustment making an increase in a maximum price, and (2) the Administrator may take such action as may be necessary under section 202 and section 205 to enforce compliance with any regulation, order, price schedule, or other requirement, which is lawfully in effect."

(b) Section 302 of the Emergency Price Control Act of 1942, as amended, is amended by inserting after paragraph (k) thereof a new paragraph as follows:

"(l) The term 'agricultural commodity' includes livestock."

SEC. 6. Section 204 (e) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"(e) (1) Within thirty days after arraignment, or such additional time as the court may allow for good cause shown, in any criminal proceeding, and within five days after judgment in any civil or criminal proceeding, brought pursuant to section 205 of this Act or section 37 of the Criminal Code, involving alleged violation of any provision of any regulation or order issued under section 2 or of any price schedule effective in accordance with the provisions of section 206, the defendant may apply to the court in which the proceeding is pending for leave to file in the Emergency Court of Appeals a complaint against the Administrator setting forth objections to the validity of any provision which the defendant is alleged to have violated or conspired to violate. The court in which the proceeding is pending shall grant such leave with respect to any objection which it finds is made in good faith and with respect to which it finds there is reasonable and substantial excuse for the defendant's failure to present such objection in a protest filed in accordance with section 203 (a). Upon the filing of a complaint pursuant to and within thirty days from the granting of such leave, the Emergency Court of Appeals shall have jurisdiction to enjoin or set aside in whole or in part of the provision of the regulation, order or price schedule complained of or to dismiss the complaint. The court may authorize the introduction of evidence, either to the Administrator or directly to the court, in accordance with subsection (a) of this section. The provisions of subsections (b), (c), and (d) of this section shall be applicable with respect to any proceeding instituted in accordance with this subsection.

"(2) In any proceeding brought pursuant to section 205 of this Act or section 37 of the Criminal Code, involving an alleged violation of any provision of any such regulation, order or price schedule, the court shall stay the proceeding—

"(i) during the period within which a complaint may be filed in the Emergency Court of Appeals pursuant to leave granted under paragraph (1) of this subsection with respect to such provision;

"(ii) during the pendency of any protest properly filed by the defendant under section 203 prior to the institution of the proceeding under section 205 of this Act or section 37 of the Criminal Code, setting forth objections to the validity of such provision which the court finds to have been made in good faith; and

"(iii) during the pendency of any judicial proceeding instituted by the defendant under this section with respect to such protest or instituted by the defendant under paragraph (1) of this subsection with respect to such provision, and until the expiration of the time allowed in this section for the taking of further proceedings with respect thereto. Notwithstanding the provisions of this paragraph, stays shall be granted thereunder in civil proceedings only after judgment and upon application made within five days after judgment. Notwithstanding the provisions of this paragraph, in the case of a proceeding under section 205 (a) the court granting a stay under this paragraph shall issue a temporary injunction or restraining order enjoining or restraining, during the period of the stay, violations by the defendant of any provision of the regulation, order, or price schedule involved in the proceeding. If any provision of a regulation, order, or price schedule is determined to be invalid by judgment of the Emergency Court of Appeals which has become effective in accordance with section 204 (b), any proceeding pending in any court shall be dismissed, and any judgment in such proceeding vacated, to the extent that such proceeding or judgment is based upon violation of such provision. Except as provided in this subsection, the pendency of any protest under section 203, or judicial proceding under this section, shall not be grounds for staying any proceeding brought pursuant to section 205 of this Act or section 37 of the Criminal Code; nor, except as provided in this subsection, shall any retroactive effect be given to any judgment setting aside a provision of a regulation or order issued under section 2 or of a price schedule effective in accordance with the provisions of section 206."

SEC. 7. Section 3 of the Stabilization Act of 1942, as amended, is further amended by inserting at the end thereof the following: "*Provided further*, That on and after the date of the enactment of this proviso, no maximum prices shall be established or maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species."

SEC. 8. The Stabilization Act of 1942, as amended, is amended by inserting after section 3 thereof a new section as follows:

"SEC. 3A. (a) While this Act is in effect, no quota or other slaughtering limitation shall be imposed upon any slaughterer of animals, under authority of this or any other law, if the Secretary of Agriculture has certified that the slaughtering plant is operated under sanitary conditions and that the meat produced therein is clean, wholesome, and suitable for human consumption; but certification under this section shall not be made with respect to any slaughtering plant (1) at which inspection is maintained under the Act of March 4, 1907 (34 Stat. 1260), with respect to all its slaughtering operations, or, (2) at which such inspection under such Act was previously maintained if, in the judgment of the Secretary of Agriculture, the slaughterer withdrew such plant from such inspection for the purpose of applying for certification under this section.

"(b) As a condition of making certification in the case of any such slaughterer, the Secretary of Agriculture may require that such slaughterer make available to the armed services of the United States, or for Government purchase, such percentage of the meat slaughtered and processed as he may deem necessary or advisable.

"(c) The Secretary of Agriculture may make the certification provided for under subsection (a) with respect to a designated part of a slaughtering plant without making such certification with respect to the remainder of such slaughtering plant, in which event the provisions of this section shall apply only to meat produced in such designated part of the slaughtering plant.

"(d) In order that he may make the certifications provided for under subsection (a), the Secretary of Agriculture may provide for inspection in such manner and by such persons as he may deem advisable.

"(e) Meat which is produced under the circumstances specified in this section shall have the same status for transportation in interstate or foreign commerce, when properly identified in accordance with regulations issued by the Secretary of Agriculture, as meat produced in plants at which inspection is maintained under the Act of March 4, 1907 (34 Stat. 1260).

"(f) The Secretary of Agriculture may refuse or revoke certification in any case when he is not satisfied that the meat made available hereunder will be disposed of in legitimate trade channels in accordance with law.

"(g) The Secretary of Agriculture may revoke any certification under subsection (a) if it is found at any time that the slaughterer does not meet each of the conditions required under this section.

"(h) Nothing in this section shall prevent the termination, suspension, or limitation of the right of any person to slaughter if such person fails to comply with the price, rationing, or slaughter control requirements imposed under the authority of this or any other law."

And the House agree to the same.

ROBERT F. WAGNER,
ALBEN W. BARKLEY,
J. H. BANKHEAD,
GEORGE L. RADCLIFFE,
CHARLES W. TOBEY,
ROBERT TAFT,
HUGH BUTLER,
Managers on the Part of the Senate.

BRENT SPENCE,
PAUL BROWN,
Per M. M.
WRIGHT PATMAN,
MIKE MONRONEY,
JESSE P. WOLCOTT,
FRED L. CRAWFORD,
RALPH A. GAMBLE,
Managers on the Part of the House.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. I wish to make inquiry as to whether the Senator from Mississippi has lost the floor.

The PRESIDING OFFICER. The Senator from New York [Mr. WAGNER] now has the floor.

Mr. WAGNER. Mr. President, I ask for the adoption of the report.

The PRESIDING OFFICER. The question is on agreeing to the report.

Mr. WAGNER. Before the report is agreed to I wish to speak of some of the

changes which have been made. The first two sections are exactly the same as the first two sections of the joint resolution as it passed the Senate. These sections extend the effective period of the Emergency Price Control Act of 1942 and the Stabilization Act of 1942 for 1 year, from June 30, 1945, until June 30, 1946. That was agreed to by both Houses, so there is no change in that.

Section 3 of the conference agreement is a modified form of the provision in the joint resolution as it passed the House which is known as the Baldwin amendment. This section amends section 2 (b) of the Emergency Price Control Act by adding two new sentences at the end of that section. These new provisions require that the Price Administrator, before issuing any maximum rent regulation or order, shall, insofar as practicable, advise and consult with representative members of the rental industry, and shall give consideration to their recommendations. The new provisions also provide for the appointment by the Price Administrator of a national advisory committee, or committees, for rent. These new provisions provide for consultation with the rental industry with respect to rent control matters in a manner comparable to that which is already provided in the price control provisions of the law for industries subject to price control. As a matter of fact, the Price Administrator already has an advisory rent committee with which he has been consulting on an informal basis; so the effect of this amendment, in large measure, is to give statutory recognition to an administrative policy which is already being followed.

Mr. President, I believe the method I am following permits an easier and more accurate presentation of the explanation of the report.

Section 4 of the conference agreement is the same as the Senate provision which is known as the Wiley amendment. This section amends the Price Control Act so as to require that in the case of certain cash-on-delivery sales, increases in maximum prices shall be allowed to compensate for increases in postal rates or charges. The Senate adopted this amendment, which was offered by the Senator from Wisconsin [Mr. WILEY]. It was agreed to in the conference.

Section 5 of the conference agreement is a modification of the House provision known as the Andresen amendment. This section amends section 3 (e) of the Price Control Act, which now provides that no action shall be taken under that act with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WAGNER. I should like to finish what I am now speaking of and then I shall be glad to yield.

Mr. BREWSTER. I wanted to speak about the section to which the Senator is now referring.

Mr. WAGNER. I have not yet finished my explanation of that section. Perhaps I should finish it before I yield.

As agreed to in conference, this provision, which now applies only to unprocessed agricultural commodities, is extended so as to require the prior approval of the Secretary of Agriculture in the case of actions taken under the Price Control Act affecting the prices received by processors for food or feed products derived from agricultural commodities. The amendment expressly requires that the approval of the Secretary of Agriculture in these cases be given in writing. The amendment does not make any change in existing law with respect to procedures for settling differences between the Secretary of Agriculture and the Price Administrator and for coordinating their actions with the stabilization program as a whole.

I now yield to the Senator from Maine.

Mr. BREWSTER. I wanted to point out that considerable concern has been expressed regarding the fisheries not being taken care of. I think it is true that it probably was not parliamentarily possible for the conferees to consider that subject, but I simply wanted to serve notice that if it shall appear that the fisheries industry is entitled to similar consideration that we may at least be assured of a sympathetic hearing and possibly consideration of an amendment which may be proposed, not in connection with this report, but subsequently to the committee.

Mr. WAGNER. The Senator from Maryland dealt with that subject, and will make reply to the Senator.

Mr. RADCLIFFE. Mr. President, I can inform the Senator from Maine that as a conferee I took up the matter of the fish industry with the other conferees, and we explored and discussed it quite fully in conference. The Senator from Maine was quite correct in saying that for various reasons—and I will not take the time of the Senate to explain them now—it was considered not really suitable or even possible from a parliamentary standpoint to provide for the insertion of such a provision in the conference agreement. I regret it could not be provided for at that time. I heartily desire to see the substance of a plan such as the Senator has just suggested, and which was discussed from many angles at considerable length in coference, carried into successful operation.

Mr. BREWSTER. I may say that today I submitted a proposed amendment, which will go to the committee, and I hope there may be opportunity for its consideration at an early date.

Mr. WAGNER. I may say to the Senator that we discussed his proposal, and we were all in sympathy with it, but there was a situation which we could not control in conference.

Mr. BREWSTER. I very much appreciate the Senator's consideration.

Mr. WAGNER. Mr. President, some concern has been expressed about the possibility that the amendment made by this section would impose too great an administrative burden upon the Secretary of Agriculture by requiring him to approve every single individual pricing order with respect to any processed food commodity. However, the Secretary can reduce this administrative burden to the extent that he deems desirable by giving general advance approval to individual or area pricing orders which are issued pursuant to and in accordance with a general pricing regulation. Furthermore, the section expressly provides that the Secretary's approval is not required in the case of individual adjustment orders which increase maximum prices.

Section 6 of the conference agreement amends subsection (e) of section 204 of the Emergency Price Control Act. This subsection now provides that in any enforcement proceeding brought pursuant to section 205 of the Price Control Act, the defendant may obtain leave to institute a special proceeding to test the validity of the regulation or order he is alleged to have violated, and also provides for a stay of the enforcement action during the pendency of the special proceeding testing the validity of such regulation or order. However, the subsection now applies only in the case of actions brought under section 205 where an actual violation of a regulation or order is alleged. It does not apply in cases where the action is brought under the general conspiracy statute, section 37 of the Criminal Code, and the offense charged is conspiring to violate a regulation or order issued under the Price Control Act.

The effect of the present amendment is to extend the application of this subsection to prosecutions for conspiracy to violate price-control regulations or orders, so that the defendants in such cases will have an opportunity to test the validity of the regulations or orders which they are charged with having conspired to violate, just as defendants in cases under section 205 are given an opportunity to test the validity of the regulations or orders which they are charged with actually having violated.

Section 7 of the conference agreement is the same as the Senate provision known as the Barkley amendment, and corresponds to the House provision known as the Bates amendment. This section amends the existing law so as to require that the maximum prices applicable to the meat processing industry must allow a reasonable margin of profit to the industry as a group from the processing of each of the three major species of meat animals, cattle and calves, hogs, and lambs and sheep, the profits from the processing of each such species being considered separately.

The Senate will remember that the Senator from Kentucky [Mr. BARKLEY] offered that amendment, and it was agreed to by a divided vote. The House placed a similar provision in the bill, so the question was considered in both Houses.

Section 8 of the conference agreement is the House provision known as the Patman amendment. The purpose of this section is to provide for the greater utilization of the facilities of meat slaughterers whose plants are not federally inspected, but are nevertheless operated under proper and sanitary conditions. The meat produced by these slaughterers cannot, under the prosent law, be shipped across State lines and is not purchased by the armed forces. Consequently, quotas have been placed upon these slaughterers limiting the number of animals they may slaughter, in an effort

to channel the flow of more meat away from these slaughterers and to the federally inspected slaughterers whose products could be utilized by the armed forces and could also be shipped in interstate commerce to the large centers of population.

This section of the conference agreement will prevent the imposition of quotas on these nonfederally inspected slaughtering plants, subject to the following conditions:

First. The Secretary of Agriculture must certify that the slaughtering plant is operated under sanitary conditions and that the meat produced therein is clean, wholesome, and suitable for human consumption.

Second. The slaughtering plants must make available to the armed services, or other Government purchase, such percentage of their production as the Secretary of Agriculture deems necessary or advisable.

Third. The Secretary of Agriculture must be satisfied that the meat produced in these slaughtering plants will be disposed of in legitimate trade channels in accordance with law.

The section also provides that meat which is produced in this plants, if it is clean, wholesome, and suitable for human consumption may be shipped in interstate commerce even thought it has not been inspected under the Federal Meat Inspection Act.

While this section involves some relaxation of the requirements heretofore prevailing with respect to the shipment of meat in interstate commerce, is seems justified as an emergency measure which offers some hope of aiding materially in relieving present meat shortages.

Those are the provisions which have been discussed. I ask that the conference report be agreed to.

SEVERAL SENATORS. Vote! Vote!

Mr. WHERRY. Mr. President, I heard several Senators say "Vote!" I should like to say that I did not object to the consideration of the conference report. I feel that the only thing we should do at this late hour is to attempt to pass the appropriation bills, and also extend the Price Control Act. However, inasmuch as I was deeply interested in an amendment which affects the Middle West, and especially the livestock producers, I feel that it ought to be explained to Members of the Senate that the bill is coming back for our approval without the so-called Wherry amendment being adopted by the conferees.

There was not very much said about the Wherry amendment when it was agreed to by the Senate by a vote of 37 to 32. I feel that the amendment did not have the consideration by the conferees that it should have had, in attempting to get maximum production of livestock, meat, and agricultural products.

I suppose we should not attempt to block this legislation, or even ask for a record vote on the adoption of the conference report; but I feel that I and other Senators who supported this amendment should have a right at least to object that the conferees came back without the Wherry amendment.

To my knowledge there was only 1 vote on the Wherry amendment in the conference. The Senate conferees did not fight for the amendment as they should have fought for it, whether they agreed with it or not. The Senate adopted it. I understand that the Senator who made the motion to delete the Wherry amendment from the bill is on this side of the aisle.

The Wherry amendment was a good amendment. There was talk to the effect that it would raise prices, and that it was dangerous and inflationary. That was only a part of the pressure brought to defeat it.

What would the Wherry amendment do? It would simply make it unlawful to establish or maintain, against the producers of any livestock, grain, or any other agricultural commodity, a maximum price for such commodity which does not equal all costs and expenses, including all overhead expenses, a return on capital and an allowance for the labor of the producer and his family incurred in the production of such commodity, plus a reasonable profit thereon. The amendment simply means that no Government agency or administrator would be permitted to place an unlawful price on the production of meat, that is, a price which would not reflect to the industry a reasonable profit. An unlawful price would be contested by great segments of the industry. Probably the cattle feeders in a group would contest an unlawful price in the production of meat. Mr. President, the reason why we do not have meat today, and the reason why we shall not have meat 6 months from now, is that there is nothing in the provisions of the present OPA Act, or in the bill as it comes from conference, which would induce one cattle feeder to put another head of cattle or hogs in his feed lot.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LANGER. I ask the distinguished Senator whether it is not true that industry refused to go ahead when the war started until it was assured of cost-plus contracts. Is not that correct?

Mr. WHERRY. I will answer the Senator in this way: It is my understanding that industry does operate on the cost-plus system of doing business, and that industry throughout all sections of the country receives a guarantee.

Mr. LANGER. Labor has also received its increase, has it not?

Mr. WHERRY. Yes.

Mr. LANGER. Is it not true that the forgotten man in this entire war, so far as being guaranteed a profit is concerned, has been the farmer raising livestock and grain?

Mr. WHERRY. I think there is no doubt about it.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from Ohio.

Mr. TAFT. It is my recollection that a few weeks ago I heard the Senator from North Dakota say that North Dakota was the richest State in the United States per capita, and that the farmers of North Dakota had never been so prosperous. Is that correct?

Mr. LANGER. That is absolutely true. Mr. President, will the Senator from Nebraska yield to me so that I may reply to the Senator from Ohio?

Mr. WHERRY. I yield.

Mr. LANGER. That is absolutely true. I will tell the Senator why it is true, inasmuch as the distinguished Senator from Ohio has mentioned it. It is true for the reason that Almighty God has been giving us crops for 5 years. Prior to that time, for nearly 10 years, we did business at a tremendous loss in North Dakota.. The result was that 21 percent of our population left the State, and the majority were broke. We want to get those people back to North Dakota. They went to California, Oregon, and the State of Washington.

The result is that the population of our State is 21.6 percent less than it previously was. Our people are the richest people of the United States, per capita, according to bank deposits. We have no way of knowing what will happen this year or next year, and no one knows that better than the distinguished senior Senator from Ohio [Mr. TAFT], because in the last war his boss, Mr. Herbert Hoover, entered the picture when our wheat got up to about $3.50 a bushel. It was the distinguished Mr. Herbert Hoover who sent his representative, the now distinguished senior Senator from Ohio, to North Dakota; and, believe it or not, we were the only industry in World War I which had to take a reduction. They reduced the price of wheat to $2.26 a bushel. They did not reduce the price of cotton; they did not reduce the prices received by any other industry anywhere in the United States; but they made the farmers in North Dakota and elsewhere in the Northwest take $2.26 a bushel for wheat. The farm machinery which the farmers had to buy went up and up and up in price. Finally, when the war was over, the index for farm machinery was 198. Mind you, Mr. President, when the war was over the prices paid for the products of the farming industry went down and down, but from the time when World War ended, 27 years ago now, the price of farm machinery has been going up and up and up. One reason why we have the largest bank deposits per capita in the United States is that the farmers in the Northwest have not been able to purchase farm machinery. Day after day after day I have put into the CONGRESSIONAL RECORD statements showing that the farmers in North Dakota and elsewhere throughout the Northwest have been unable to purchase farm machinery. Some of our farmers have farm machinery which is 25 or 30 years old. They have tried to replace it, but they have been unable to do so. The result is that they are still using the old machinery, with the result that in one county, Hettinger County, in 1943, the farmers lost, according to the sworn testimony of the county agent, $1,000,000 in wheat which they were not able to harvest.

That is the situation there. It is true that we have some money in the bank now; but certainly we are entitled, just as the distinguished Senator from Nebraska said the other day, to have the

feed lots filled; we are entitled to have the cattle fattened, and the farmers are entitled to a price which at least, as the amendment provides, would cover the cost of production, plus a reasonable profit. The farmers have not been getting that, so far as cattle are concerned and so far as hogs are concerned. No one knows better than the distinguished Senator from Nebraska that last year we gave hogs away. One farmer came to Washington to tell us about 200 hogs he had in North Dakota. He said he could not sell them, and he wanted to know what to do with them. I told him to put them in a railroad car and ship them to the President of the United States, and make a gift of them to him. One Member of the Senate had 80 hogs in Virginia, weighing 80 pounds apiece. At that time barley was selling at $1.05 in Virginia, as I understand. He did not even fatten them; I understand he gave them away.

All the amendment of the distinguished Senator from Nebraska asks for is that the farmer shall receive the cost of production, plus a reasonable profit. I certainly wish to go on record as saying that the Senate conferees should have put up a battle to see that the farmers would receive a price which would return to them the cost of production plus a reasonable profit.

Mr. WHERRY. Mr. President, I thank the Senator from North Dakota for his contribution and his very timely statement. I think it answers the question asked by the distinguished senior Senator from Ohio [Mr. TAFT]; but if it does not answer it, I should like to read from the RECORD of June 11, at page 5866, a letter which the distinguished majority leader placed in the RECORD. The letter was sent by the Office of Price Administration to the Senator from Oklahoma [Mr. THOMAS]. I wish to read only the first paragraph of the letter. This is what Chester Bowles, head of the Office of Price Administration, wrote to the Senator from Oklahoma:

> Recognizing the critical shortage of meat and the imperative need of avoiding any impediment to maximum production and even distribution, this Office, in addition to satisfying all the various mandatory requirements of the present law, will see that the products of each of the three main groups of livestock—cattle and calves, hogs, and lambs and sheep—are each, separately considered, on a profitable basis.

The Office of Price Administration recognizes that there is a scarcity of meat. I think it is silly for Members of the Senate to continue to stand on this floor and say there is plenty of meat and that the farmers are making all kinds of money. If today the farmers were making money the feed lots would be filled with cattle, and there would be meat on the meat counters. But everyone knows that the reverse is actually the fact.

Most of the meat that is being sold is being sold on the black market. No one will deny that. I sat on the special committee with the Senator from Oklahoma and reams of testimony were taken. about black-market operations throughout the entire country, and the situation is getting worse and worse. I tell you, Mr. President, the food situation in this country is a real threat.

Now the Office of Price Administration recognizes that fact. It is in the record. The Office of Price Administration says that the meat situation is critical. It is critical, Mr. President. The only way in the world we are going to obtain maximum production of meat—and I have said this to the distinguished chairman of the committee, for whom I have the highest respect—is to make sure that more cattle and hogs are raised and fattened. If we do that, we will have more meat. If we do not do it, we will not get the meat we need.

The pending OPA legislation will not increase meat production to the extent of one steer in the feed lots. There is not a provision in the conference report which promises the farmer anything.

There was some talk to the effect that the farm organizations were against my amendment, and the press and Ed O'Neal and the Farmers Union were said to be against it. I agree that some of the eastern newspapers disagreed with my amendment, and they had a perfect right to do so; but I tell you, Mr. President, that in the section of the country from which I come there has been unanimous support behind my amendment. The farmers in that section understand the Wherry language and the Wherry amendment. They may not understand parity or base prices or the language which comes from the House of Representatives relative to section 5. I think it would take a Philadelphia lawyer to understand that. The farmers in my section cannot understand it, but they do understand that they should be paid fair wages and a decent profit for the labor they put into feeding cattle.

I hold in my hand an editorial which appeared in the Columbus Daily Telegram. I read it because the Columbus Telegram is published in the heart of one of the finest cattle-feeding sections in my State. I refer to the Columbus Telegram for another reason. The editor is the distinguished Edgar Howard, one of the most famous Democrats Nebraska has ever produced. For many years he served in the House of Representatives. Now he is a writer of editorials. He backed the Democratic administration during the lifetime of President Roosevelt, and today he backs the Truman administration. He believed in the late President Roosevelt, and today he believes in President Truman. The editorial reads as follows:

> Senator WHERRY thinks the American farmer is just as much entitled to a cost-plus price for his farm produce as the manufacture who makes things for the Army or the Navy. Accordingly Senator WHERRY has offered and secured favorable action on an amendment to a Senate bill looking to that end. Why not cost plus for the farmer in providing farm products for prosecution of the war?

I ask the Members of the Senate, "Why not?"

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. BREWSTER. What is the Senator's understanding from his study of the black market which he has made, as to whether or not the prices received in the black market should result in a return to the farmer of the cost of production plus a fair profit?

Mr. WHERRY. If the farmer could receive prices for which meat is being sold in the black market, there would be all kinds of cattle in the feed lot.

Mr. BREWSTER. The reason I ask the question is that I recall reading the report of the mayor of New York covering a very careful survey of conditions existing in New York City. In the report the mayor stated, I believe, that from 75 to 80 percent of all the meat moving into New York City was black-market meat.

Mr. WHERRY. Yes.

Mr. BREWSTER. So the consumers of New York are paying the extra price.

Mr. WHERRY. Yes.

Mr. BREWSTER. The main difficulty is that illegal dealers, instead of honest dealers, receive the money.

Mr. WHERRY. That is correct.

Mr. BREWSTER. I assume that the committees which have considered this matter thought that there was no way to avoid the conditions about which there has been so much complaint. I am sure the distinguished chairman of the committee from the State of New York does not desire to encourage outrageous violations of the law, although the result is that, instead of the farmers in Nebraska and in Maine receiving the prices which they should be receiving, those who are willing to violate the law are the ones who are profiting by the illegal transactions.

Mr. WHERRY. I thank the Senator for his observations. He is absolutely correct.

Mr. President, I have talked with the chairman of the committee, and I know that he is just as anxious as the rest of us are to make sure that meat is sold at legal prices. But when the product becomes scarcer and scarcer, it is exactly what the bootlegger of meat wants in his operations. He wants the product to be scarce. He wants the laws to be enforced so that the legitimate dealer is not allowed to obtain meat. The black-market operator buys the meat, takes his profit, and the producer does not receive a profit. At the same time the consumer is sometimes compelled to pay for what he receives as much as three times the legal price.

The testimony before the committee was that 90 percent of the meat going into New York City was black-market meat, and that some of it had cost $1 a pound.

The testimony with regard to eggs was that every legitimate dealer who purchased eggs was compelled to pay 10 cents a dozen as a black-market profit before they could be sold at the legal price. Yet, some Senators assert that the farmer is making a great deal of money and that he is getting rich. It is self-evident that if there was a large profit to be derived from feeding cattle there would be no difficulty today in obtaining meat. There are today in this country more than 10,000,000 surplus head of cattle, and there is plenty of corn with

which to feed them. It is only because of the inability to make a reasonable profit that livestock is not being put into the feed lots. The Wherry amendment attempts to do in a legislative way, relative to the meat situation, what the administration should have done 2 years ago.

Mr. President, permit me to continue further with the editorial. The editor asks, "Why not a cost-plus for the farmer in providing farm products for the prosecution of the war?" The editorial continues:

Sure the foods which the farmer produces cannot shoot the enemy. But a soldier without food in his belly would not shine as a marksman. There was quite an uproar in the Senate when WHERRY put that amendment across. Oddly enough the big boys who love the farmer only for his vote had no trouble in bringing to their aid such "professional" farmers as President O'Neal, of the Farm Bureau, and President Patton, of the Farmers' Union. Both the "professionals" joined the "cost-plus" manufacturers in denouncing WHERRY for trying to tie the American farmer in with the sure-thing profit which cost-plus guarantees to them. You are on the right track, my Senator. Don't let them push you into the ditch.

Mr. President, the editorial from which I have been reading is from a newspaper which has been one of the strongest supporters of the present and prior administration in the Middle West. Its editor is a man of distinction, a statesman, and one whom the chairman of the committee has known for many years.

I will not burden the Senate at this late hour by reading the various editorials which I have before me. However, here is one from the Omaha World Herald, formerly owned by the late Gilbert M. Hitchcock, one of the outstanding statesmen of all time. He was a product of Nebraska. Mr. President, I ask unanimous consent that the editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A GUARANTEED PROFIT?

"The farmer ought to be guaranteed his cost of production."

Out here in the midlands that was a political battlecry during the depression. Henry Wallace and the other thinkers who made policy in the heyday of the New Deal rushed about plowing under pigs and corn. The avowed aim was to raise prices to the point where the farmer would make a profit.

Just the other day, by one of those flukes which occasionally occur in Congress, Senator WHERRY managed to slip a "cost of production" amendment into the OPA extension bill.

When the members found out later what they had done, cries of alarm sounded throughout the Capitol. Republican Senator TAFT thought the amendment was so ridiculous that nobody would pay any attention to it, and New Deal Senator LUCAS admitted he didn't know what he was voting for until after he had approved the Wherry amendment.

But just how ridiculous is the Wherry amendment?

It provides that OPA cannot set a price ceiling for the farmer's products that does not equal his cost of production plus a reasonable profit.

Loosely worded perhaps. It may not be able to operate as written. The reasonable profit needs definition and someone is going to have to decide what the costs of production are.

Yet, isn't the principle consistent with what manufacturers, processors and distributors have been demanding ever since price control went into effect?

Or look at it from the standpoint of war production. Many war plants holding Government contracts are guaranteed their costs and they are guaranteed profits based on costs. The farmer with his food production factory is not. He is subject to floors and ceilings that fluctuate with the whims of Washington officialdom. These fluctuations cause uncertainty and confusion. They result in crops decreases, fewer pigs, fewer chickens, fewer cattle in the feedlots.

It is almost as if there were a conspiracy to hinder the farmer in making a profit. He is supposed to do it the hard way. Never is he allowed to plan for the full year of operations ahead. Never is he told, "We need your products now, so go ahead and produce and the Government will take the risk and guarantee your profit."

Subsidies may change, prices may rise and fall before his products get to market, policies may switch in Washington, there may be gluts and famines. The farmer is certain only of uncertainty.

So Senator WHERRY proposes that farmers be guaranteed their costs and a profit. Maybe it won't work. But the proposal deserves no such ridicule and abuse as have been heaped upon it.

It is entirely consistent with the current policy of encouraging abundance, as outlined here this week by the man who is soon to be Secretary of Agriculture, Representative ANDERSON.

It is no more inflationary than any other variation of the cost-plus principle.

It is a way out of the wilderness of directives, the jungle of restrictions that bewilder and dismay the farmer. It may not be the best way, and the House of Representatives may kick it out of the OPA bill, but Senator WHERRY has suggested a solution and it is far from ridiculous.

Mr. WHERRY. Mr. President, it has been said that professional farmers are against the Wherry amendment. I have received approximately 150 telegrams from farm organizations. The telegrams have not come merely from individual farmers. I have before me a telegram from the Nebraska Farm Bureau Federation, the national organization of which Mr. O'Neal is president. The telegram is as follows:

LINCOLN, NEBR., *June 14, 1945.*

Senator KENNETH S. WHERRY,
Senate Office Building,
Washington, D. C.

Please send complete copy of your amendment by wire to me at Fort Kearney Hotel, Kearney, tomorrow. Send copy to Lincoln office. Your amendment appears to put agriculture in its right place.

HOWARD L. PETERSON,
Nebraska Farm Bureau Federation.

Let us also consider the National Grange. It has been said that the farm organizations are all against my amendment. That is not true. President Albert S. Goss is not against the principle of the Wherry amendment. He differs only with the mechanics of it. I ask unanimous consent that a letter which I have received from the president of the National Grange, Mr. Albert S. Goss, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE NATIONAL GRANGE,
Washington, D. C., June 19, 1945.

Hon. KENNETH S. WHERRY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: I told you last week that I was in sympathy with the purpose you sought to attain in your amendment to the OPA bill, but that I did not think it would work, because it would so tie the hands of the Director that he would lose all control of food prices. We do not want to handicap him in his operations. We want to help him, and I am sure you have the same purpose. You asked if I could suggest any amendment which would meet our objection to the Wherry amendment and still accomplish your purpose. This I promised to try to do.

Our objection to your amendment lies in the fact that as worded, every farmer could claim the right to a ceiling to meet his individual costs, plus a profit, no matter how outlandish those costs might be, and the whole operation of OPA, so far as it pertained to food, could be tied up in the courts and become useless.

We believe no ceilings should be set which would yield returns below a fair and equitable price, and that such a price should include production costs of the reasonably efficient farmer under reasonably favorable production conditions. We believe it is right to figure on a return on the farmers' investment plus a reasonable wage for his labor and that of his family, but if these items are fairly considered, we doubt the equity of adding an additional profit. Some may differ with this view, but we have held that a reasonable return on the investment plus compensation for services is all that should be expected during such an emergency, whether it relates to agriculture or any other industry. However, we do not consider this a major issue one way or the other.

In our judgment some one must be charged with the responsibility of determining what is "cost" under reasonably efficient farming practices and reasonably favorable production conditions. I think this is the job of the Secretary of Agriculture. I believe it is the responsibility of the Congress to lay down the policies, that, is to tell the OPA how Congress wants to see the job done, and then insist on their doing it.

I am perfectly aware that in some instances the OPA has not carried out the intent of Congress, expressed in Section 3 of Public Law 729, Seventy-seventh Congress (October 2, 1942), which ordered that ceilings be modified where necessary "to increase the production of such commodity for war purposes" or where the ceilings would "not reflect such increased cost." If Congress feels that the law is not being obeyed, one way to get compliance is to cut off appropriations. I don't think the remedy is to amend the law so as to make it unworkable. Neither do I think it possible to spell out complete instructions for the thousands of kinds of cases which are constantly arising.

As you know we are greatly concerned over the failure of the OPA to recognize the need to maintain and increase production as the basic remedy for inflation. We have recommended to the Banking and Currency Committee of the House that there be incorporated in the bill a statement of basic policy so clear that it could not be misunderstood, yet so general that there would be plenty of elbow room for operation, then tell the OPA that Congress means business. We feel that the emphasis in this inflation fight must be shifted from the punitive type of control to

increasing production. We even suggested wording which we felt would do the job. If we continue to pursue policies which retard production and distribution, we feel that we are headed for plenty of trouble. We favor placing the emphasis on production and believe it should apply to all industry including agriculture. We would prefer this to singling out agriculture and giving it special treatment. If you feel that, because agriculture has been signaled out as the principal spot for holding the line some special legislation is needed to compel compliance with the intent and purpose of the Congress, I suggest that you give consideration to an amended Wherry amendment about as follows:

"It shall be unlawful to establish or maintain a maximum price on any agricultural commodity, or on any commodity processed or made in whole or substantial part therefrom, which is insufficient to return to the producers a fair and equitable price therefor. As used herein a fair and equitable price shall be determined by the Secretary of Agriculture after due hearings and investigation and shall be one which will yield to the reasonably efficient producer, under reasonably favorable production conditions, a return sufficient to meet all production costs including overhead expenses, a return on the investment, and an allowance for the labor of the producer and his family."

I believe such an amendment could be administered, and would probably attain the results you seek.

We are vigorously opposed to passing the measure extending the life of the OPA without amendment, for we believe such action would be considered by the OPA as an endorsement of everything they have done. While they have held inflation well in check in some lines, for which they are to be commended, in other lines, shortages, inferior goods, and black markets have brought very substantial inflation upon us which does not show in the index of living costs. This is largely due to a mistaken policy of ignoring the producer and the actual living conditions in the field, and building a policy around a cost-of-living index which is largely meaningless under present conditions.

We believe the time has come for the Congress to make it amply clear that it expects a changed course in the matter of encouraging production and protecting producers. I don't believe your amendment, even modified as I have suggested, is broad enough to do the job alone. I also feel that reasonable and sensible controls are more needed than ever before, so the Congress should not tie the director's hands, but should give him very definite marching orders and see that he follows them. Congress should not make his job tougher. It should help him to do what has to be done if we are to avoid trouble.

Yours truly,

A. S. Goss,
Master, the National Grange.

Mr. WHERRY. Mr. President, I invite attention to one paragraph of the letter. The writer implies, in effect, that if the mechanics of the Wherry amendment were modified he would go along with it. He suggests a modification which he had no way of getting before the conferees.

I asked Mr. Goss to present it to them. I do not know what happened. He has said that he agrees in principle with the amendment.

I have before me a copy of the Western Nebraska Observer. I will not put these various articles in the RECORD, but I assert that almost all the farm organizations are in favor of the amendment 100 percent. It is true that some of them want a modification of the amendment, and that would be perfectly agreeable to me. If the conferees had wished to consider anything of that kind, maximum production might be attained. However, it will not be attained under the provisions of the conference report bill.

Let us consider the cotton growers. I call the attention of the distinguished Senator from Alabama [Mr. BANKHEAD] to the fact that no Member of the Senate worked harder than did I in order to assure that the cotton growers of the South would receive parity, and a profit on what they produced. I do not know whether the last paragraph on page 9 of the report was brought to the attention of the Senate.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. TAFT. The report to which the Senator has referred is a report of the House conferees. The Senate conferees never agreed to it.

Mr. WHERRY. I understand that they have agreed, and the Senator has a letter in his pocket which contains——

Mr. TAFT. No; I think the Senator is mistaken.

Mr. WHERRY. Mr. President, I will read into the RECORD what I have before me. I may have to withdraw my statement that both the Senate and the House agreed. I know the Senator from Alabama agreed, and he is the person who tells the conferees what should be done about cotton. I read:

The conferees have given consideration to the operation of the Bankhead-Brown amendment to the Stabilization Act of 1942 relating to the pricing of cotton textiles.

With that, I want the distinguished Senator from Alabama to know that I absolutely agree. Attention should have been paid to it. The cotton growers should receive a profit just as every other farmer should receive a profit on the commodities which he produces. I am just as much in sympathy with seeing that they get a profit as that any other farmer in the United States shall get a profit, and I have acted in accordance with that idea.

The conferees are in agreement with the conclusion of the Senate and House committees, that the purpose of that amendment will not be carried out.

I want the Senators to get this—

Unless the maximum price for each major cotton textile item is fixed and maintained at not less than the sum of the following:

1. The cotton cost (which must be computed at not less than the landed mill parity equivalent for the grade and staple of cotton used; except that, after the initial adjustments required under the amendment have been made, the amendment does not require the continued use of cotton cost figure which is, and for a representative period has been, above or below the actual cotton cost);

2. A weighted average of mill conversion costs; and—

That permits the textile operator to operate at a profit, so that he does not take it out of the farmer—

3. A reasonable profit.

The conferees are advised that the Price Administrator has informed the chairman of the Senate Banking and Currency Committee that the policy which he intends to follow in administering the amendment will be in full accord with this opinion as to its requirements.

What does that mean? It means that there has been a definite understanding by the conferees on the part of the House and the Senator from Alabama that from here on, even though they have done to the cotton farmers just what they have done to the cattle producers, they are going to see that he is paid on the three bases I have mentioned.

I ask, if it can be done for the cotton farmer, why can it not be done for the beef producers, the sheep producers, the producers of hogs? Why cannot the processor be paid such a price so that when he buys the farmer's cattle and hogs and sheep he can sell them at a price which will reflect a profit to those who feed?

It is said that it is impossible to make the Wherry amendment workable.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. GURNEY. Has the Senator from Nebraska, who has done such a magnificent job in explaining the situation of the farmers regarding the feeding of livestock, considered the idea of asking for a further conference? Certainly, with the backing of the majority of the Senators who voted to adopt the Wherry amendment, we are entitled not merely to good efforts, but to excellent efforts on the part of our conferees and those of the House.

Mr. WHERRY. As I stated in the beginning, I desire to be constructive in the United States Senate; I do not wish to injure the chances of the passage of any bill. I realize that the hour is late. I should like very much to have the conferees go back and reconsider the Wherry amendment, or a modification of it, and I am about to offer a modification of it, if they would take it back. But, because of the lateness of the hour and the fact that three or four appropriation bills are yet to be disposed of, I did not wish to be in the position of standing in the way of their passage.

Mr. GURNEY. If I may suggest to the Senator, a couple of days of the month of June still remain in the present fiscal year, and so far as I know, the people of our section do not feel too happy about the treatment they have received under OPA for the past 2 years.

Mr. WHERRY. That is correct.

Mr. GURNEY. Certainly the farming interests of the country would welcome at least another chance for their "white alley" in this magnificent effort on the Senator's part.

Mr. WHERRY. Mr. President, I wish to thank the distinguished junior Senator from South Dakota for his contribution. I want the committee to know, and I want the distinguished chairman to know—because I think we are all trying to accomplish the same thing, but we are not getting anywhere with the proposed legislation—that there is going to be a serious meat shortage. Oh, yes; there will be a seasonal run of grass-fed cattle in the next few months, but the grass-fed cattle are not the ones we want in A and AA and B, and my colleague the senior Senator from Nebraska [Mr. BUTLER], a

feeder of long standing, knows that to be so. He knows that a little later the cattle on the feed lot will be the best supply.

Mr. President, this is a serious matter. I have discussed it on the Senate floor, and I hope I have not worn out my welcome. The distinguished Senator from Illinois [Mr. LUCAS] said that every time beef was mentioned I saw red. I regret that. I have tried my level best to be constructive, and to offer advice to the administration, to help them bring about production of meat.

Senators may talk about enforcement legislation, they may talk about everything there is in the bill, but there is nothing that will enable me to go to the farmer in Nebraska and say, "Come on; put your cattle in the feed lot." There is not a thing in the bill that is going to change the situation.

Some may say, "Oh, yes; Mr. ANDERSON is about to become the head of the Department of Agriculture." Mr. President, I do not know Mr. ANDERSON'S history. It is said he is a very fine gentleman. But I cannot go to Nebraska and say, "Yes; put your cattle in the feed lot. We have a new Secretary of Agriculture." If the farmers there judge the future by the past, they are going to think of the violations of ceilings, they are going to think about the hogs they lost money on in 1943 and 1944, they are going to think about the times when parity was not even maintained in the sale of their livestock. We have to bring about production of meat. That is the only solution of the problem.

Mr. President, this one-man administration is all right, but I should like to call the attention of the distinguished chairman of the committee to the fact that this is not a new thing. Away back in May 1944, 24 Senators joined in offering a resolution, which I ask unanimous consent to have printed in the RECORD. It is Senate Resolution 309.

The PRESIDING OFFICER. It there objection?

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete investigation with a view to determining—

(1) the conditions prevailing in the production, processing, distribution, and marketing of livestock, livestock feed, poultry, eggs, milk, and the products thereof;

(2) the effects of regulations, orders, and directives issued by governmental agencies upon the production, processing, marketing, distribution, and supplies of such commodities;

(3) any practices wherein processors and distributors of such commodities are circumventing the purposes and objectives of price floors, price ceilings, and subsidies at the expense of the producers and the Public Treasury;

(4) reasons for the failures to support prices to producers as required by existing law;

(5) alleged adverse effects of maladjustments in maximum prices established on different grades of meat and particularly the extent to which livestock feeders have been penalized because of an inadequate allowance on the better grades of meat to encourage the feeding of livestock;

(6) alleged adverse effects upon the livestock, poultry, and dairy industries of the price and other policies relative to corn and other feed grains and the maladjustments resulting therefrom;

Such committee shall report to the Senate as soon as practicable the results of its investigation, together with its recommendations for any necessary legislation.

For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-eighth Congress, to employ such experts, and such clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000 shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. WHERRY. Mr. President, we offered the resolution asking for an investigation of the entire meat situation, from the producer to the feeder, to the nonprocessor and the processor, on through to the distributor and the consumer. One of the things we asked for was a consolidation and to have a one-man food administrator. If there was any advantage in having a one-man food administrator, certainly that was the time to authorize it.

I feel that if we can have one man in charge of prices, without interference from above, so that he can set the producers' level, the feeders' level, and go through to the consumer, that is the way to handle the meat situation; and if that can be done, and he has unrestricted authority, we can straighten out price levels. But every time I have tried to bring that about, the War Food Administrator, or the OPA, or some other agency was overruled by the Price Stabilizer, and we went right back to where we started.

Mr. President, we submitted a similar resolution again this year, Resolution 96, and it met the same fate. By the way, the first resolution was adopted by the Committee on Agriculture and Forestry unanimously, but was held up in the Committee to Audit and Control the Contingent Expenses of the Senate, and never got out of that committee. Resolution 96 was offered and went to the Committee on Agriculture and Forestry, and the committee adopted a resolution offered by the Senator from Oklahoma [Mr. THOMAS]. They voted for a food investigation, and a great deal of valuable information we have received came from the subcommittee of the Committee on Agriculture and Forestry, on which the Senator from Oklahoma did such magnificent work in gathering data to show the administration the exact situation relative to meat.

But the proposal for a one-man administration is not something new, that is, not something that can be carried by the press and have the feeders say, "Yes; we have a one-man Food Administrator, now we will put cattle in the feed lot." It will not get one more steer in the feed lot. But I am hopeful that if this one-man Food Administrator goes into office, he will go in without restriction.

If I read section 5 of the report correctly, I think all in the world the conferees have done is to reenact the present law, which possibly will require the President to issue directives to his price stabilizer, giving authority to override or veto anything the Secretary of Agriculture might do. In other words, the only one who can do anything in the meat situation will be the President himself.

One more thing, and then I shall be through. I have a modification to the Wherry amendment which I should like to read, if the conferees feel they cannot accept the Wherry amendment because it is too broad. The Wherry amendment as it was originally adopted by the Senate goes through the production of all agricultural commodities. If for any reason the conferees of the Senate and the conferees of the House feel that that should not be adopted, that it is too broad, then I am asking the Senate conferees, if the conference report is not agreed to and there is a further conference, to take this modification, with the instruction, if possible, that they stand by the Wherry amendment, but if that can not possibly be carried, then modify it to the extent that it shall apply only to the feeding of livestock, cattle, calves, sheep, and hogs, provided for by the processor under the amendment of the distinguished Senator from Kentucky.

Mr. President, I said in the beginning that I thought I would not ask for a vote on the question of disagreeing to the conference report, because of the lateness of the hour, but since I began speaking several Senators have said to me that they would like to be recorded on this question. I do not want the distinguished chairman of the Committee on Banking and Currency to think that I would violate any implied agreement I may have made. When I rose to my feet I did not intend to make a motion to disagree, by reason of the lateness of the hour, but I think a vote could be had quickly now.

I should like to move now that the Senate disagree to the conference report, and ask for a further conference.

The PRESIDING OFFICER. The Chair will state to the Senator from Nebraska that the question is on agreeing to the conference report.

Mr. TAFT. Mr. President, I think the conference report should be agreed to. I have sympathy for much of what the Senator from Nebraska has said. I agree fully that the bill does not cure the meat trouble, and it does not cure any of the problems of the OPA. In my opinion, the OPA is rapidly running into a complete failure. But I do not think that has anything to do with the conference report.

In the first place, so far as the Wherry amendment is concerned, every single conferee on the part of the House said that under no circumstances would he ever agree to it. As a matter of fact, the

Senator from Nebraska and I voted for it to the last.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from South Dakota.

Mr. GURNEY. I wish to interrupt the Senator now for the reason that the Senator just made the statement that the OPA was rapidly running into a position where it would not be effective at all. I want to call the attention of the Senator to the fact that the Appropriations Committee is now being asked to appropriate $191,000,000 to keep OPA in being for the coming year. So if OPA is not going to be effective, that is quite a large amount of money to pay for a dead horse.

Mr. TAFT. Mr. President, I agree with the Senator. I do not think that money is going to help the OPA. I do not think people can be forced to comply. I think there will be the same break-down in respect to OPA as there was in respect to prohibition. In connection with prohibition there was also demand after demand for stricter enforcement, to put people in jail. The difficulty with OPA is that its regulations are too stringent and unreasonable. I presented that argument to the Senate with all the strength I could; but I was defeated in the Senate. The Senate thought I was mistaken on that question.

So far as the Wherry amendment is concerned, the objection raised to it was that we have based all price control, so far as farmers are concerned, on parity. It was said the farmers do not know what parity is, but the list is published every day. Under the operations of the parity system there has been in the past 2 years an automatic increase of about 12 percent in the price of farm products under that control, whereas there has been no change in the price of retail products, or a change of only 1 or 2 percent. So, many farmers prefer the parity system.

Furthermore, if we change now, without a great deal of reconsideration, and put the whole thing on a cost-of-production basis for the farmer, it will require a complete reorganization of the whole pricing system. Some farmers get more on the parity basis apparently, and some get more on the cost-of-production basis. It is not easy to make that change overnight. I think it may be that the whole thing should be considered by the Senate. Perhaps the cost-of-production basis is a better basis than the parity basis; but to change the whole price control system by shifting in that way seems to me to be an unreasonable thing to do and a very difficult thing to do.

The Senator from Nebraska is really not concerned about the farmer. His problem is the same problem I presented to the Senate for the packers and also for all the manufacturers in the country. He is concerned with the feeder, who really is a processor. So far as I know there is today no complaint—I do not think there is—over the price of range cattle. The charge is that the OPA does not allow sufficient margin for the feeder. I do not think OPA does allow a sufficient margin. I do not think OPA allows enough for the processor in many industries, and I tried to get that situation changed, but was unsuccessful.

The manufacturer does not obtain any cost-plus. I cited many cases of processors and manufacturers on the floor of the Senate selling their products at a loss today, as the feeder does. I think the theory now in operation is a mistaken one, but the Senate voted down my proposal.

The Wherry amendment is not confined simply to feeders. It affects every farm product. There are hundreds of farm products throughout the United States, and the amendment would change the basis on which prices are controlled.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHERRY. I cannot go along with the Senator's argument that I am attempting to change the measuring stick by which the price control of agricultural products is based on parity. The amendment simply provides that if parity does not reflect a profit, or if the base period basis does not reflect a profit, then it is mandatory upon whoever is responsible—the Price Administrator—to set a price that will reflect a profit. If parity will do it, very well. If the base period basis will do it, very well. But if neither reflects a profit to the producer of livestock or grains, then I think the only way we are going to obtain maximum production is to straighten the price level. By my amendment I do not supplant the parity base nor the base period basis as a measuring stick. My amendment would simply supplement the methods so in the event a profit is not made, the level will be straightened out so the price will be profitable.

Mr. TAFT. Mr. President, if processors are assured a profit I think the feeders of cattle should be allowed a profit. But the Senate voted down that principle. I do not think this bill does anything substantial. But that is not due to any action of the conferees. It is because the Senate voted down any substantial change. The amendments adopted in the House, while touted rather highly, I do not think made a substantial change in the OPA operations. However, I cannot see how, by going back to conference, we can obtain anything. We are not going to get the House to accept the Wherry amendment, at least not with the present House members of the conference committee. We could not get one of them to begin even to consider adopting the Wherry amendment.

Mr. WHERRY. My understanding is that the proposition was made by the Senate conferees that if they took out the the Wherry amendment, the House conferees would take out the Andresen amendment. Am I correct, I will ask the Senator from Ohio?

Mr. TAFT. After a long discussion of the amendments, the motion was made by a Member of the Senate that the Senate recede on the Wherry amendment and that the House recede on the Dirksen amendment. I voted against that motion, but it was carried by a majority of the Senate conferees. We could have stayed there until doomsday, in my opinion, and the House Members would never have agreed to the Wherry amendment. That developed from the discussion that took place, and the argument made against it that I have described.

Mr. President, I do not think the conference bill does anything except to continue the same old OPA, and I think we are going to have the same trouble that we have always had with the OPA.

I agreed with the Senator from Nebraska. But the whole trouble lies in the fact that neither the House nor the Senate adopted an amendment which really went to the heart of the trouble, dealing with the fixing of prices and the processing of food and the feeding of cattle, if you please.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. I do not care to reveal any confidential discussions that took place in the conference committee, any of the give-and-take that always takes place in such discussions, but one of the first things the Senate conferees did after a reasonable discussion of the amendments of the House and the Wherry amendment, and the Wiley amendment which was put on the bill in connection with cash on deliveries and so forth, was to state to the House conferees that we insisted on the Wherry amendment.

The Senator knows what my attitude was with respect to his amendment. I do not wish to deceive him or anyone else. I doubted the wisdom of it at the time, and I thought if it had been discussed it probably would not have been included in the bill. But it was included, and we took the position that we were for the Wherry amendment. If I recall my own language, I believe I said that we were standing by the Wherry amendment. After 2 or 3 days of full discussion, morning and afternoon, it became obvious that the House would not yield in its opposition to the Wherry amendment. Not a single one of the House conferees would agree to it under any circumstances. We had to come to an understanding. Finally a motion was made. I think probably I made the suggestion that if the House would yield on the Dirksen amendment and also on the Andresen amendment with a modified amendment as a substitute, the Senate would recede on the Wherry amendment. It was on that basis that we obtained an agreement. We would have been in session until now if we had not yielded on that amendment.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. GURNEY. Was there any indication that the House might accept the Wherry idea for livestock only? Was that question considered by the House?

Mr. TAFT. Does the Senator mean for the feeding of livestock?

Mr. GURNEY. Yes.

Mr. TAFT. That was not suggested.

Mr. GURNEY. I mean the cost of production for livestock only, as has been suggested by the junior Senator from Nebraska as a modification of the original Wherry amendment.

Mr. TAFT. Does the Senator mean for the feeding of cattle only.

Mr. GURNEY. Yes.

Mr. TAFT. That never was suggested. There is no objection that I know of to the price of range cattle. In fact, as I understand, the cost of production of range cattle is well below the present price. The question is whether the margin for the feeder is enough. That has been the whole objection of the Senator from Nebraska.

Mr. GURNEY. May I ask if the conferees considered the idea?

Mr. TAFT. No; the conferees did not consider confining it to feeder cattle, because that suggestion was not made. Such a suggestion has never been made until today. I just made it. I thought of it myself.

Mr. GURNEY. I should like to ask the Senator from Ohio if he did not hear the Senator from Nebraska make the suggestion of a modified Wherry amendment. That was before the Senator from Ohio took the floor.

Mr. TAFT. It would belong in the Barkley amendment, if it went anywhere. Let me read the Barkley amendment:

Provided further, That on and after the date of the enactment of this proviso, no maximum prices shall be established or maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species."

I suppose it could almost be said that the feeder is a processor, but I do not suppose it would be so held.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHERRY. There is no subsidy given to the processor. There is only one subsidy being paid to the feeder, and that is 50 cents a hundred. On a 1,000-pound steer that is $5. I think there is no dispute about that. If we can get down to business and consider this question constructively, I should like to suggest to the conferees the following amendment:

That no maximum prices shall be established or maintained on cattle and calves, lambs and sheep, and hogs, or on products resulting from the processing thereof, each species being separately considered, which taken together, do not allow for a reasonable margin of profit to the livestock feeding industry as a group on each such species.

That is in almost the identical language of the Barkley amendment, and would do the same thing for the feeder of livestock as I thought the original Wherry amendment would do. It would do the same thing for the feeder of livestock as is done for the processor under the Barkley amendment.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The Barkley amendment was not in conference. It would have been in order, when that amendment was pending here, to have offered the amendment now suggested by the Senator.

Mr. WHERRY. I know that.

Mr. BARKLEY. But it was not offered. The House adopted a provision identical in language with the Barkley amendment, so it was not even in conference. We could not have changed a word in it if we had desired to do so.

Mr. WHERRY. The language was changed when various amendments in the bill were modified.

Mr. BARKLEY. We did not change the language of any amendment which was in both bills in identical terms.

Mr. WHERRY. That may be true.

Mr. BARKLEY. We changed the language of the so-called Andresen amendment, which was in conference. I may say that the House conferees felt that they could not yield entirely on the Andresen amendment, and that they ought not to be asked to go back with it entirely stricken out, and we modified it by agreeing to a substitute which reenacted the Bankhead amendment, which was adopted a year or two ago, and enlarging it to include all food products processed from agricultural products, and to give the Secretary of Agriculture the same right as to them which he had in the Bankhead amendment with respect to agricultural products.

Mr. WHERRY. I appreciate that, and I think it is all right.

Mr. President, will the Senator from Ohio further yield so that I may ask the distinguished majority leader a question?

Mr. TAFT. I yield.

Mr. WHERRY. I should like to ask the distinguished majority leader, in case there should be another conference, whether he would be faborable to a modification of the Wherry amendment in the language which I read, and whether he would try his level best as a conferee to see that we do the same thing for the cattle feeder that we are doing for the packer.

Mr. BARKLEY. I am not in a position——

Mr. WHERRY. I am asking the Senator personally.

Mr. BARKLEY. I understand; and I will answer the Senator personally. I am not in a position to make any statement which would encourage another conference. I think we have obtained the best conference report we can get. I think it would be a futile thing to reject this conference report and send the bill back to another conference, because after 3 days of the most intense discussion, when the question was thrashed out between conferees on the part of both Houses, we arrived at an agreement. We brought in men from the outside who were familiar with the problem. We did not always agree with them; but I think the Senator from Ohio is accurate when he states that, in view of the situation, we got the best conference report that was possible among these conferees. If new conferees were appointed, we might get something different, but I do not think there is any guarantee of it, and I doubt very much if new conferees would be appointed. In my judgment it would be a futile thing to reject this conference report. The result might be no law at all, because we have only two more days in which to act.

Mr. TAFT. Mr. President, I believe that if the bill were sent back to conference, the amendment would be rejected. I do not know what would have happened if someone had thought of this in the beginning; but I do not think we are to blame for not thinking of something entirely different from what the Senator has proposed in his amendment. I believe that the House conferees—and I presume they would be the same conferees—would refuse to accept any further Senate amendments. I think that would be the inevitable result of a further conference. I should be glad to support the Senator's modified amendment in lieu of his original amendment; but if he asks whether I think we would get it, I will say that in my judgment we would not get it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator will recall that the House Committee on Banking and Currency reported the bill without any amendments. It even eliminated the Barkley amendment, which was put back in the bill on the floor of the House.

I believe that it would be idle to expect to get any better conference report than we have brought back. In the conference, and in discussions among Members of the House, and with others concerned, no one raised any great complaint about the prices now being obtained by those who produce cattle. The whole meat fight, and the situation which delayed the bill in the first place, was the situation which arose among the processors, the packers. That is why the Committee on Banking and Currency of the Senate held up the bill for nearly 2 months after it had completed hearings and was ready to report the bill.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHERRY. I always like to agree with the remarks of the distinguished Senator from Kentucky; but when he states that the whole trouble was with the processors, I only have to refer him, and at least 24 other Members of the Senate, to meeting after meeting which we had with feeders, attempting to get a price level which would be profitable.

Mr. BARKLEY. Those meetings were held before the OPA established the subsidy for feeders. I still insist that what delayed consideration of the bill in the Senate was the furore raised about meat processing and the losses being sustained by packers all over the country. In an effort to deal with that situation and try to solve the problem, the whole bill was held up.

Mr. WHERRY. I agree with the distinguished Senator from Kentucky that an effort was made to help the processors. I voted for it. The distinguished Senator will recall that I asked him whether he thought there would be any reflection back to the farmer, and he said yes, and I agreed with him.

Let me repeat that we have before us a motion to disagree.

Mr. TAFT. No, Mr. President. If the Senator will yield to me, let me say that the question is on the agreeing to the conference report. The only thing which can be done is to vote for or against acceptance of the conference report.

Mr. WHERRY. I should like to say again that I did not anticipate when I started that I would endeavor to have a vote taken on the amendment. But those who have supported the amendment believe there should be a vote on it. I will make the motion. I shall only ask for a division. I shall not try to cause any long waiting, unless some other Senator wishes to do so. But, Mr. President, I say most respectfully to the distinguished majority leader and the Chairman of the Committee on Banking and Currency that, while I appreciate what they have done, I cannot hold out any hope for any increase in meat production by holding cattle in the feed lots. When the Office of Price Administration itself admits there is a critical shortage of meat, we do not need to go further. We are told that there is no difficulty with prices, but that is just a misnomer. We are running head-on into a meat shortage. I hope it does not come to pass.

I hope the Senate will vote not to accept the conference report, and I hope it will be sent back for a further conference, in an effort to do something practical to get meat on the meat counters of the country.

Mr. TAFT. Mr. President, I think it is a futility to vote against acceptance of the conference report. I think the conference report should be agreed to, much as I agree with many of the things the Senator from Nebraska has said.

CONSIDERATION OF THE UNITED NATIONS CHARTER

Mr. OVERTON. Mr. President, I send to the desk a resolution, and I ask unanimous consent for its present consideration.

Mr. TAFT. I object.

Mr. OVERTON. Mr. President, I ask the Senator to withhold his objection. I am not taking the floor from anyone.

Mr. TAFT. I object at the request of a Senator who is not now present.

Mr. OVERTON. Very well; I shall wait. Later I shall submit the resolution in my own time.

Mr. TAFT. I wish to tell the Senator that I was requested to object to the presentation of the resolution at this time, when it is out of order.

Mr. OVERTON. Very well.

Mr. TAFT. The Senator who requested that the objection be made is not present at this time. I am not making the objection on my own behalf.

Mr. OVERTON. Mr. President, who has the floor?

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana.

Mr. OVERTON. Mr. President, I do not see why anyone who has the interest of world peace at heart can object to the introduction of a resolution, solely for the purpose of having it printed and lie on the table, in order that the Senate and the people of the United States at large may be informed as to the real purpose of the resolution. The resolution is not to be acted upon tonight. It is not to be acted upon until the United Nations charter has been submitted to the Senate by the President of the United States and until it comes up in the Senate for consideration.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Ellender	McMahon
Austin	Ferguson	Mead
Ball	Fulbright	Millikin
Bankhead	George	Mitchell
Barkley	Green	Morse
Bilbo	Guffey	Murdock
Brewster	Gurney	Myers
Brooks	Hayden	Overton
Burton	Hill	Radcliffe
Butler	Hoey	Stewart
Byrd	Johnston, S. C.	Taft
Capper	Kilgore	Tunnell
Chavez	La Follette	Wagner
Cordon	Langer	Wherry
Donnell	McClellan	White
Downey	McFarland	
Eastland	McKellar	

The PRESIDING OFFICER. Forty-nine Senators having answered to their names, a quorum is present.

Mr. OVERTON. Mr. President, the resolution I desire to have printed and lie on the table is not submitted for any action by the Senate at the present time. My sole purpose is to inform the Senate of the contents of the resolution, and to inform the people of the United States of what the purpose of the resolution is. I do not see why any Senator, unless he is violently opposed to the ratification of the United Nations Charter for World Peace, should be opposed to the mere filing of a resolution to be acted upon at some time in the future.

Mr. President, at the proper time I shall ask for action upon the resolution. While it is a matter which is to be submitted under the resolution, for the consideration of the Senate, I do not think personally that the Charter adopted at the San Francisco Conference requires any hearing by a committee of the United States Senate. The Charter had its origin back at the time when Churchill and our late beloved President, Franklin D. Roosevelt, met in midocean and promulgated the "four freedoms." In truth, it had its origin beyond that; it had its origin in the League of Nations, for which President Wilson strove immediately following the World War.

There were those who were opposed to the adoption of the Covenant of the League of Nations. There were those who fought it bitterly, and conspired on the floor of the Senate to fight it, and they fought it with success. The result is, in my judgment—I may be mistaken, and I hope to God I am—that thousands upon thousands of American youths have gone to their death because there was no league for world peace.

Mr. President, I think it would be a magnificent gesture on the part of the United States to take the foremost part in the ratification of this Charter. I think that prompt action by the Senate of the United States would have its effect upon other nations composing the United Nations. I think that it would have a world-wide influence. I believe it would have effect upon the morale of our boys who are fighting to secure and maintain the very purpose for which the Charter has been signed by the 50 nations composing the Conference at San Francisco, that is, world peace and world security.

Mr. President, I think it would have a further effect. I believe it would have an adverse effect upon the morale of the Japs, who are fighting the United States of America and our allies. I believe that prompt action on the part of the United States Senate would be an indication to our Japanese foes that we are determined not only to bring this war to a conclusion, but to take up arms, as united nations, against Japan or any other aggressor which seeks to throw the world again into another holocaust or world conflict.

The Charter adopted at San Francisco denounces aggression. It is a Charter which is inimical to the very purpose of our Japanese foes. It is a Charter which is not only a repudiation of but is a direct criticism against the dastardly attack of aggression made by the Japanese upon the people of the United States on December 7, 1941.

Mr. President, could there be anyone in these United States of America who would object to the mere filing and mere printing of a resolution that submitted to the Senate of the United States the question whether or not it should proceed immediately to the consideration of this Charter upon its submission to the Senate by the President of the United States?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. OVERTON. I am very glad to yield.

Mr. BARKLEY. I appreciate the sincerity and the good faith and the nobility of purpose behind the Senator's resolution. So far as I am personally concerned, I myself am ready to vote on the Charter. I, along with all other Senators, and I think most of the public in the United States, have kept up with the proceedings from the inception of the Dumbarton Oaks Conference.

When that Conference had been concluded, the result of it was published in full throughout the country, and it has been discussed in editorials and speeches, and the public is thoroughly familiar with it. It has been modified to some extent, and I think improved, by the deliberations in San Francisco.

Likewise the public has kept current on the proceedings in San Francisco, and the result has been published in full in the press. The Senator from Texas [Mr. CONNALLY] made a great speech in the Senate this morning, and I am satisfied the Senator from Michigan [Mr. VANDENBERG] will make a great speech tomorrow.

I myself am thoroughly satisfied, and would like to vote, and I think it would be a wonderful thing for the morale of the whole world if the United States Senate should be the first to ratify the treaty. Notwithstanding all that, I doubt the wisdom of the Senate saying to anyone who has the right to be heard for a reasonable length of time that he will be denied that opportunity.

Mr. OVERTON. May I interrupt the Senator?

Mr. BARKLEY. Certainly.

Mr. OVERTON. That is not the purpose of the resolution. It opens it to de-

bate for any Senator who desires to debate it.

Mr. BARKLEY. I understand it opens it to debate in the Senate, but it does not open it to hearings on the part of the general public. The Committee on Foreign Relations, according to my information, is to be called together Saturday to determine its procedure in regard to hearings, when they will begin, and how long they will last. I do not know that it is possible to fix the time at the first meeting. I have very definite ideas about a limitation on the length of the hearings, and while I would not wish to shut out any Member of the Senate who desired to debate the subject, I have very definite ideas as to how long the debate should last in the Senate.

I am afraid that the adoption of such a resolution as that which the Senator has offered might give the impression, notwithstanding our own good faith in the matter and our readiness to vote, that we were unwilling to allow anyone who either favored or opposed the treaty to have his day in court and make his views known. While I am satisfied that the discussion probably will not change any Senator's vote, in the interest of democratic processes it might be unwise to shut out any opportunity at all to those on the outside who might wish to appear and be heard before the committee.

For that reason I would not be able to support the Senator's resolution, certainly not until the committee had had an opportunity to weigh the situation and canvass it and determine as a committee what it thought its duties would be in regard to hearings. But I want to reiterate my thorough sympathy with the purposes of the Senator from Louisiana, for whom, as he knows, I have a profound respect and a very abiding and deep affection. And I always question the rightness of my own position when I find it to be contrary to that of the Senator from Louisiana.

Mr. OVERTON. The Senator is very flattering. I appreciate his statement.

Mr. BARKLEY. It causes me to search my own heart to see if I am right when the Senator is on the other side.

Mr. OVERTON. I thank the Senator.

Mr. BARKLEY. But I think it would be misconstrued if we should say to the country and even to the committee to which the Charter must be referred when it is submitted to the Senate, that we will not give anyone an opportunity to be heard.

Mr. OVERTON. Mr. President, I have a very high respect for the Senator's views and his opinion, as he well knows, and I cherish and must necessarily cherish for him a far greater admiration than he can possibly possess for me. Yet, I must repeat that the sole purpose of my rising from my seat on this occasion was merely to have a simple resolution filed. It is very short. Before I conclude I shall read it into the RECORD. It does not call for any action at the present time. It is purely informative. I merely ask that it be printed and lie on the table.

Mr. President, with further reference to what the able Senator from Kentucky has had to say, it is to be borne in mind that the principles underlying this great Charter, which has been signed by the representatives of the 50 United Nations, and is to be submitted on next Monday to the United States Senate by the President of the United States, were considered at the Dumbarton Oaks Conference. Vast publicity was given to all that occurred at that conference, and the results of that conference were published far and wide throughout the United States and throughout the world.

For the last 9 weeks, as I recall the number, in San Francisco there have been assembled the representatives of 50 nations of the world, and they have gone over this Magna Carta with a fine tooth comb. They have analyzed it. They have considered it in all its aspects, and wide publicity has been given to it. The magazines, the newspapers, and the radio have carried the publicity. There is no question I think before the United States Senate or before the people of the United States that is more thoroughly understood than is this Charter.

It is not my purpose, if it be the will of the majority of the Senate to hold hearings, to prevent them from doing so. My sole purpose is to ask that the resolution be printed, and to submit the question to a majority vote of the Senate as to whether there should be any hearings conducted and whether we should not consider and debate and vote upon the Charter without its being submitted to any committee.

Mr. President, I cannot conceive that there would be any one who would care to appear before a committee having under consideration this Charter, unless he is an implacable foe to it and wants reservations attached to it, or unless he be a publicity seeker wanting to have his name appear in the headlines in the newspapers. And I have such a high regard for my colleagues in the United States Senate that I do not think that any of them who are in favor of the ratification of the Charter would want to consume the time of the Senate in debating the matter, with which all Senators are thoroughly familiar and with which the people of the United States at large are familiar.

Of course, if there be those who have reservations which they desire to propose to the Charter they ought to be heard, and permitted to present their reservations, if any there be, and submit the question to a vote of the Senate at the time.

I now go back to what my purpose is, and that is simply for the information of the Senate to have the resolution printed. I will read the resolution. It is as follows:

Resolved, That when the United Nations Charter to maintain international peace and security, signed at San Francisco, Calif., on June 26, 1945, shall be laid before the Senate for ratification, the injunction of secrecy shall be removed, it shall be read a first time, and the Senate shall thereupon proceed to consider the same in open executive session.

That is all that the resolution proposes be done. It is not to be acted upon, I repeat, at the present time. My request is merely that my colleagues permit me to file this resolution at the desk and to have it printed. I renew that request.

Mr. President, I ask unanimous consent that I may send this resolution to the desk and that it be printed and lie on the table.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. If the Senator were permitted to file his resolution and to let it lie on the table, would it be in order to take it up at any time except during the morning hour, if we have another one, and then only on motion?

The PRESIDING OFFICER. That is correct.

Mr. LA FOLLETTE. Mr. President, I have listened to the eloquent statement of the Senator from Louisiana, but I should like to say that I think the Senate could do nothing which would do more harm to the San Francisco Charter than to proceed to its consideration without committee consideration. A small unimportant bill could be passed through the Senate under the procedure which the Senator from Louisiana proposes.

I say, Mr. President, in all sincerity, that if the Senate of the United States were to consider this measure in the cavalier manner which is proposed by the Senator from Louisiana it could only have the effect upon the country and upon the world of creating the impression that we do not regard the document of sufficient importance to give it the consideration which its importance merits.

Furthermore, Mr. President, as has been stated by the able majority leader, the Foreign Relations Committee of the Senate, two of whose most able members have been delegates to this Conference, has been called to meet on Saturday to determine the procedure which it will follow in the consideration of this most important matter. It seems to me that with neither of those Senators present, to propose a resolution which undertakes to short-circuit that committee and deny it the opportunity to decide upon its procedure is an indication that the Senate does not have confidence in its own committee, which has jurisdiction over this subject.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I make this statement, Mr. President, as one who intends to support the Charter which has been brought back from San Francisco, but I wish to say that I think this document is of sufficient importance to merit careful consideration, and that it should go through the usual procedures, so that Senators as well as the country may be informed as to what the document itself contains. It has been greatly altered since it was drafted at Dumbarton Oaks.

I have made some study of the Charter since it has been made available to the public, but I venture the assertion that there is not a Senator present who can indicate and properly outline all of the intricate matters which are contained in the procedures involved in this document. I think it would be unfortunate if the people of this country did not have

the benefit of hearing the interpretations which will be placed upon the language of the document by those who participated in its framing. The United States will assume important obligations under this Charter, and the Members of the United States Senate and the public should have full knowledge and understanding of the interpretation of the language contained in the Charter by those who helped to frame it.

So, Mr. President, in the absence of the chairman of the Committee on Foreign Relations and of the able Senator from Michigan, who discharged his responsibilities with such outstanding achievement, I could not give my consent to the introduction of the resolution. If the Senator wishes to submit the resolution after the Committee on Foreign Relations has had an opportunity to meet and decide upon what procedure it is to follow, I shall not interpose objection; but I believe this is a proposal for a snap judgment which I believe would be most unfortunate from the standpoint of the most ardent advocates of the Charter.

Mr. BARKLEY, Mr. OVERTON, and Mr. BROOKS addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. BARKLEY. Mr. President, in connection with the question as to whether the Senator from Louisiana should be permitted to submit his resolution, let me say that tomorrow is Friday. It would be impossible for him to move that it be considered tomorrow. In all likelihood the same situation will prevail on Saturday. So there would be no opportunity whatever even to make a motion or an attempt to get it before the Senate before the committee meets. The question I rose to propound is whether, in view of that situation, the Senator feels that it is necessary to object to the submission of the resolution.

Mr. LA FOLLETTE. Mr. President, the Senator from Kentucky well knows that under the rule, if the Senator from Louisiana should obtain unanimous consent to submit his resolution today, and there should be an adjournment of the Senate, it would be in order for him to move to proceed to the consideration of the resolution at any time thereafter.

The only thing to which I object is that the resolution should be submitted at this hour of the night, when very few Senators are present, and especially when the Senator from Texas and the Senator from Michigan are not present.

Mr. OVERTON. Mr. President, will the Senator yield to me?

Mr. LA FOLLETTE. I yield to the Senator from Louisiana.

Mr. OVERTON. I wish to state to the Senator from Wisconsin that I conferred with the Senator from Texas, chairman of the Committee on Foreign Relations, before I first undertook to have the resolution printed, and he stated to me that he had no objection to it.

Mr. LA FOLLETTE. Of course, I accept the Senator's statement in that regard, but I do not think the Senator from Michigan should be ignored on this important question of procedure. The Foreign Relations Committee should not be foreclosed from considering this important document.

Mr. OVERTON. Mr. President, will the Senator further yield?

Mr. LA FOLLETTE. I yield.

Mr. OVERTON. It is not my purpose to seek to have the Committee on Foreign Relations discharged. If the Committee on Foreign Relations meets on Saturday and determines to hold hearings, and sets a date for hearings, I shall not press the resolution. I do not ask that the committee be discharged. My thought at the time was that the committee did not intend to take any action until the Charter has been submitted to the Senate, and that the Charter would be referred to the committee, or else the Senate would act upon a resolution similar to mine. However, if the committee meets in advance of submission of the Charter, and determines to hold hearings, I shall certainly not press the resolution.

Mr. LA FOLLETTE. If I can have an understanding with the able Senator from Louisiana that if the Committee on Foreign Relations meets on Saturday and determines to hold hearings, the Senator will then not press his resolution, I shall not interpose any further objection.

Mr. OVERTON. I certainly agree to that. I will do better than that. I will now submit the resolution and ask that it be referred to the Committee on Foreign Relations.

Mr. LA FOLLETTE. That is entirely satisfactory to me. I wish the Senator to understand that my only desire in this matter is to see that this important question receives the consideration which I believe its importance merits.

Mr. OVERTON. Mr. President, I now submit the resolution and ask that it be referred to the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection——

Mr. GEORGE and Mr. BROOKS addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. GEORGE. Mr. President, of course I have no objection to the reference of the resolution to the Committee on Foreign Relations. I was about to give notice that I would move, when the resolution was submitted, to refer it to the Committee on Foreign Relations.

I rather regret that the resolution has been submitted, because it raises an issue which to my mind ought not to be raised under existing conditions. I have the greatest respect for the proponent of the resolution, and so far as I am concerned I think I know enough about the Charter, perhaps, to enable me to cast an intelligent vote on it at this time. I was a member of a committee on which approximately 8 Senators served, which collaborated with the State Department for many months before the Dumbarton Oaks Conference, when the foundations of the Dumbarton Oaks charter itself were being laid. I am reasonably familiar, I hope, with the changes which have been made at San Francisco. But, Mr. President, I think it would be regarded throughout the world as a flippant act if the Senate of the United States were to vote its ratification or adherence to the Charter without very thorough consideration.

This is no trivial matter. This is no matter of small import or importance. The Charter presents a most significant and in many respects a most drastic change in the whole history of the foreign policy of this Government, and it ought to be most carefully considered. Not in the entire history of this Republic has any proposal of this kind, with all its vast implications, even been submitted to the Congress with a fair chance of ratification. I am very thoroughly in favor of international cooperation, and I think I could vote, with full assurance of safety, for ratification of a treaty embodying the deliberations and conclusions reached at San Francisco. But hearings should be held upon this matter. The interpretations placed upon it by our own State Department and by those who have represented us in the conference should be of record.

To my mind, Mr. President, this is one of the most important steps the United States Senate has ever been called upon to take. I know that it is by all odds the most important declaration of foreign policy that our Nation has ever made, if this Charter be ratified. Certainly there should be hearings; there should be opportunity for anyone who might oppose it to be heard. But even if no one opposes it, and if all are agreed to its ratification—as I hope they will be when the final vote is taken—it is still of the utmost importance that the clear meaning and intent and the far-reaching implications of this undertaking on the part of our country, an undertaking that will affect not us alone now, or the generation immediately ahead, but perhaps all succeeding generations of America, should be definitely and clearly stated of record.

So, Mr. President, while, of course, I do not resist, and I am very happy that my distinguished friend the Senator from Louisiana has himself asked that his resolution go to the Committee on Foreign Relations, I think the matter is of such great importance that I should give some expression of my feelings upon it. I do so the more readily because the distinguished chairman of the Committee on Foreign Relations is not now present in the Chamber; and during his absence in San Francisco I have, at his request, served as acting chairman of the committee. If no other member of the Foreign Relations Committee had asked for reference of the resolution to that committee, I certainly would have done so.

Mr. WHITE and Mr. BROOKS addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. WHITE. Mr. President, I wish to express my complete concurrence in what has been said by the distinguished Senator from Wisconsin [Mr. LA FOLLETTE] and the distinguished Senator from Georgia [Mr. GEORGE]. Notwithstanding the understanding which has been reached with respect to this matter, I still regret the presentation of the resolution and the consideration which we have had of it up to this time in the Senate itself. Mr. President, it seems to me that the document which has been brought back from San Francisco will take its place in history as one of the

four greatest documents in the whole history of our Nation. It is unthinkable to me that there should be a suggestion or a desire that a document of such transcendent importance, so vital to the interests of this Nation, and of such concern to the whole world, should not be considered by the standing committee of the Senate which by the rules of the Senate is required to give study to all matters which relate to our foreign relations.

Mr. President, the greater the importance of the subject matter, the greater the reason why the Committee on Foreign Relations should have the documents before it, should hear the testimony, and should have its members search their own minds and search the minds of those who come before the committee, and the greater the reason why the members of the committee should pass ultimate judgment and should make ultimate recommendation to the Senate itself.

If this matter were a trivial one, similar to matters which are passed upon every day in the Senate, I still would not wish to see a committee of the Senate to which the subject matter rightly belonged deprived of its jurisdiction, deprived of an opportunity to make a study and to make recommendations to this body.

As I said, in the absence of the Senator from Texas [Mr. CONNALLY], the chairman of our delegation to San Francisco and the chairman of the Committee on Foreign Relations, and in the absence of the Senator from Michigan [Mr. VANDENBERG], who throughout the long years has made mighty contributions to the cause of international peace and international understanding, it is—and I say it again—unthinkable that we should proceed as was first suggested.

Mr. President, I hope the Foreign Relations Committee will speedily meet, and I hope it will provide for hearings. I hope those hearings will be of sufficient length to enable the thinking minds of America to have opportunity to express themselves regarding this subject.

When that has been done, and when that committee reports to the Senate, I hope the Senate in like spirit and with like diligence will give consideration to the problems presented.

Mr. President, I am one of those who have long favored an international undertaking in behalf of justice and peace and good will among nations; but we make no contribution to ultimate good of such a proposal when we undertake to deal with a matter of this great import without every consideration which our minds can bring to bear on the subject.

So I hope study will be had, I hope thought will be had, I hope prayer will be had with respect to this instrument. When thorough consideration has been given to it by the Senate committee, I hope the committee will voice its sanction, and I hope the Senate itself will voice its approval, and the whole world will think and know that we have done rightly. But I would not cut a corner anywhere with respect to this matter.

Mr. BROOKS. Mr. President, I rose originally to object to the filing of the resolution. I do not wish to object to it, since request has been made that it be referred to the Committee on Foreign Relations. I subscribe to the sentiments expressed by the distinguished senior representative of the majority of the Committee on Foreign Relations and by the minority leader.

I wish to voice this thought as a warning; I say this now, and probably I will say it again; I doubt if there is any Member of the Senate today serving by the suffrage of his people who longs and yearns for peace more than does the junior Senator from Illinois. I have seen two wars,, and in one of them I faced in the front lines the same enemy we have just conquered.

I served in the Senate when I heard the dramatic appeals for help step by step. We were then urged to act hurriedly, and we were told that it would keep us out of war. I finally saw it take us into war. We heard the claims that it would keep us out of war. I was subject to denunciation because I objected to it at the time. I was charged with acting to obstruct the road which would keep us out of war. Still I heard the call from across the sea, "Give us tools." They said they did not want our men. Then, later, I saw our men go; I, with the other Members of the Senate, saw them go abroad. All Members of the Congress say them go there. Our country supplied 75 percent of the men who fought on our side of the Allied lines. I saw them in the prison camps. I saw them in the concentration camps. I never wish to see it again.

Now I say that I rather think I shall vote for ratification of the Charter; but if there is any attempt to hurry it through, I must say that we have just had a demonstration from one Member of the Senate today and yesterday; and I am younger, and I think I might talk longer, until we hold this matter up long enough for the American people to get an understanding of it.

Let me review it quickly. When the Dumbarton Oaks Conference was held in the historic old park in Washington, and Senators sought to ask questions, they were hushed, and it was said, "That is on a lower level. You will have plenty of opportunity." Now comes the dress parade, and now our distinguished colleagues of the Senate have returned. I applauded them when they came in, and I applauded the distinguished chairman of the Committee on Foreign Relations this morning, and if the Senator from Michigan [Mr. VANDENBERG] will do tomorrow what I think he will, I shall applaud him. I shall applaud the President when he comes. He is a great President of the United States, and I am sure he hopes to do right.

But I say to my colleagues, Mr. President, and I join the senior Senator from Georgia in saying it, that this will be the most drastic step taken within our lifetime for the future of the world, and unless the people of America believe in it, unless we give them a chance to examine it, unless we have an understanding of it, and unless whatever questions there may be are asked both in the hearings and then in this forum, we will be a mockery to the tradition that was handed down to us from the founding fathers.

With all sincerity, as one who hopes for peace and will probably vote for this document for peace, I ask those in charge to see that adequate time is taken. There is no rush about this matter. We are leading the way now. We led the way on the battle fronts. We saved Russia with our implements. We saved England, we saved France, and if we are to save humanity, we can do it best and only if the people of America believe that we honestly and sincerely want them to know that we are aware of what we are doing, and welcome an opportunity to hear from them.

I say to the senior Senator from Georgia, with whom I went to Europe, and in whom I have a great and abiding faith, do not let anyone rush this matter. It is moving all right. Even if we adopt the Charter, it is only the first step, it is merely the beginning. It is a little bit of a Charter upon which we may build and grow. Any suggestion that when the Constitution was adopted by this country it was an imperfect instrument has no relation to the present situation. At least it was adopted then by the people who came to this continent to get away from the Old World. We on this continent surely are not going again to adopt something in the hope that the people abroad may follow, with their animosities, with their hatreds, with their racial distinctions and their cruelties, which we have seen, which we never would endure here.

Mr. President, this is a profound proposal, and I am wondering if we should hurry it to a conclusion even in a month. I should not object if we should do it that fast, but I shall object to anything that would speed it to a conclusion within that time. We must have the opportunity to discuss it together and meet our responsibilities. Then we can say, as we go on through life, that we have conscientiously, earnestly, honestly, and intelligently tried to lay the foundation for a future world in which we will have at least more peace than we have had before.

Mr. AUSTIN. Mr. President, I am very happy to see the evidence of harmony which prevails here tonight with respect to the procedure upon this great proposal. I feel interested to express my view about that procedure because it might be supposed that my record in this matter would bear the interpretation that I should like to see this Charter agreed to at the earliest moment, whereas the truth is that I should like to have it agreed to at the earliest practicable moment according to the word and the spirit of the Moscow declaration and of the Connally resolution.

In this case it happens that the treaty comes back to us differing in substance and form from the Dumbarton Oaks proposals, and the differences are material and substantial. In my judgment, founded upon one reading and a little bit of review of the treaty, some of the changes are very great. The form and style of the organization have been changed, and the public has never been able to obtain, even from the current

very able reports which have been published in the newspapers, what is now visible in this definite form of treaty.

Therefore I think that it is wise for us to agree that we should proceed with all the deliberation that is necessary in order that the public may have an opportunity to know what the charter now contains. What has gone before in publicity is useful, it will help a great deal in leading up to the knowledge that is necessary to form an intelligent opinion upon the proposals on which we will have to pass. I speak of the opinion of the public.

Therefore, as a practical thing, it seems to me that the announcement made of a tentative program by the Senate leader, the distinguished Senator from Kentucky, that we take up on the 9th of July the hearings in the committee on this proposal, is a practical proposition, a tentative plan to proceed after a week's notice, giving the public ample time in which to get ready to come here with any proposal they wish to make, to file petitions if they desire to do so, and giving Senators an opportunity to arrange their affairs also if they desire to appear before the committee. The proposal to proceed on the 9th of July it seems to me is as practicable a one as has been presented.

Mr. President, I hope it will be the general feeling in the Senate that we should not plunge into this matter with great intemperance and haste, but that we should give ample notice and then sit down and work diligently and with as good speed as the questions involved permit.

Mr. President, I am glad the resolution which provoked this discussion is to be referred to the committee, and that the discussion has disclosed what it has shown with respect to the harmony of feeling in the Senate regarding the substance of the treaty and regarding the proceedings in respect to it.

Mr. KILGORE. Mr. President, I believe that this Charter should be considered by the Senate in Committee of the Whole, but inasmuch as it is customary to have treaties go before the Committee on Foreign Relations, it is my urgent hope that the committee will see fit to publish daily records of the proceedings before the committee, so that all Members of the Senate may familiarize themselves with the hearings. All too frequently that is not done, and it is impossible for all of us to attend the hearings and listen to what is going on. I think this is a matter of such importance that every Member of the Senate should be familiar with the proceedings, and it is my hope that the hearings may be published currently so that all Members of the Senate may have an opportunity to read them.

The PRESIDING OFFICER. The resolution submitted by the Senator from Louisiana [Mr. OVERTON] will be referred to the Committee on Foreign Relations.

The resolution (S. Res. 148) was referred to the Committee on Foreign Relations, as follows:

Resolved, That when the United Nations Charter to maintain international peace and security, signed at San Francisco, Calif., on June 26, 1945, shall be laid before the Senate for ratification, the injunction of secrecy shall be removed, it shall be read a first time, and the Senate shall thereupon proceed to consider the same in open executive session.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SNYDER, Mr. KERR, Mr. MAHON, Mr. NORRELL, Mr. HENDRICKS, Mr. POWERS, Mr. ENGEL of Michigan, and Mr. CASE of South Dakota were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 16, 17, 19, 21, 22, 57, 61, 103, 107, 114, 115, 121, 125, 134, 135, 140, 147½, 158, 159, 164, 214, 217, 219, 221½, 222, 228, 229, 232, 233, 236, 237, 238, 241, 242, 243, 244, 245, 248, 250, 251, 253, 257, 260, 265, 268, 270, 275, 278, 279, 287, 300, 306, 311, and 321 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 5, 11, 50, 64, 65, 123, 129, 145, 155, 156, 160, 165, 176, 177, 178½, 181, 258, 264, 280, and 320 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate, and that the House receded from its disagreement to the amendment of the Senate numbered 154 to the bill, and concurred therein with amendments, in which it requested the concurrence of the Senate.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS — CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. BARKLEY. Mr. President, I hope we can get a vote on the pending question.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. BARKLEY. I do not wish to address the Senate. I was merely saying I hoped that we might vote on the conference report, which is the pending question. I do not wish to shut any Senator off.

Mr. GURNEY. Mr. President, there are quite a few Members of the Senate now present who were not here at the time the junior Senator from Nebraska [Mr. WHERRY] was making such an impassioned appeal for reconsideration by the conferees of the conference report which would extend the life of the OPA for another year. His plea was based entirely on the fact that the cost of production was not provided for, especially for the livestock interests, and more specifically for those livestock interests which feed cattle, hogs, and sheep.

It is the contention of the Senator from Nebraska [Mr. WHERRY], joined in by me, that there is only one reason for the people of the United States not having sufficient beeksteak, pork, and mutton on their tables daily. The reason is that critters are being sent to market which are weighing approximately 400 pounds less than they should weigh.

If I may, I should like to have the attention of Senators for only a few moments. We in the West, who live among livestock men, know the conditions which prevail. It breaks our hearts to see the feeding plants on our large farms not operating. Many of them are in bad repair. It is bad for the morale of a traveler to ride through the prosperous farming country of the West and see large feed lots unused. Their lack of use is not economical. The corn should not be shipped to market. It should be fed. There can be no question about that. I believe that we in the West understand the situation a little more clearly than do many persons who live in the eastern and southern sections of the country. I do not believe that many persons living in those sections have ever seen a feeding lot where 2,000 cattle are being fed. We have feed lots capable of taking care of that many head of cattle. So we are making a last plea for putting beefsteak on the tables of the people who have a right to have it.

Mr. President, there are only three questions which are being asked throughout the country today. The number one question is with regard to the war situation. Discussions are being held with reference to what is happening to our boys who are in the military forces.

The No. 2 question is with reference to the San Francisco Charter. However, if one wishes to get into a real argument all he needs to do is to talk to some person with reference to whether he would like to have some pork chops or beefsteaks on his table. There is no reason in the world why he should not have them.

Those of us who know the livestock feeding business do not believe that the conferees handling this matter exercised the same degree of imagination which we have exercised in the West. We should like to have them make one more effort to reach an agreement providing cost of production under the modified form of the Wherry amendment as suggested by the Senator from Nebraska. That would improve the morale of the American more than anything else would. In the conference report there should be a provision that the livestock feeder—not the range man, the processor, or the packing house, but the man who feeds corn and other grains—be given a profit for his efforts. If that were done meat would be provided for

civilian use throughout the United States, and plenty for the military forces as well.

Mr. President, I join the Senator from Nebraska in his request that the Senate conferees have a further conference and make one real effort. I believe if they tell the story to the House conferees, those conferees will see the light and go along with the proposal.

Mr. President, I think the matter is important. Therefore, I ask for the yeas and nays.

The yeas and nays were not ordered.

CONSIDERATION OF UNITED NATIONS CHARTER

Mr. BREWSTER. Mr. President, I ask that we revert for a moment to the discussion which preceded the statement of the Senator from South Dakota, and call attention to one point which, it seems to me, we should all bear in mind.

Associating myself completely, as I do, with the sentiments expressed by the Senator from Georgia, the Senator from Illinois, the Senator from Vermont, and the Senator from Maine, I may point out that the popular revulsion to polls is now being directed to the Senate of the United States. I have been asked, as I presume many other Members of this body have, to pass judgment upon a matter which we are now approaching in the solemnity of this occasion and which, it seems to me, involves a question of a quasijudicial nature. However much our hearts are moved by this appeal, and our minds inclined to its support, it will be very much more conducive to appropriate and democratic consideration of the matter if Senators will show deference even to the smallest minority of this country which may desire to come before the Senate Committee on Foreign Relations and discuss the situation which, as the Senator from Vermont has pointed out, is in many material respects different from what has ever previously been presented.

Mr. President, I have confidence in those who have represented us in connection with this great issue. Yet, out of deference to even the smallest minority of this country, I venture to assert that we shall render our country a service if we will at least defer, so far as practicable, our own decisions until the matter may be given that appropriate consideration which has been so earnestly urged. I hope that while the subject is being considered there will not go out through the country today or tomorrow the word that 40, 50, 60, or 70 Senators have already passed judgment upon the matter, and that is is a closed book. I assert that we will do little service to the dignity of this body if we thus anticipate in advance the decisions resulting from the deliberations which will be held in connection with this very important subject at such a solemn time as the present.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS — CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

Mr. LANGER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ellender	McMahon
Austin	Ferguson	Mead
Ball	Fulbright	Millikin
Bankhead	George	Mitchell
Barkley	Gerry	Morse
Bilbo	Green	Murdock
Brewster	Guffey	Myers
Brooks	Gurney	Overton
Burton	Hill	Radcliffe
Butler	Hoey	Stewart
Byrd	Johnston, S. C.	Taft
Capper	Kilgore	Tunnell
Chavez	La Follette	Wagner
Cordon	Langer	Wherry
Donnell	McClellan	White
Downey	McFarland	
Eastland	McKellar	

The PRESIDING OFFICER. Forty-nine Senators having answered to their names, a quorum is present.

The question is on agreeing on a conference report.

Mr. BARKLEY. Mr. President, a while ago when request was made for the yeas and nays, I did not raise my hand. I have no objection to a yea-and-nay vote on the question if it will accommodate Senators. I thought we might save time by not having a yea-and-nay vote, but we might not, so I now ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. WAGNER (when his name was called). I have a general pair with the junior Senator from Kansas [Mr. REED]. I transfer that pair to the senior Senator from Washington [Mr. MAGNUSON], and will vote. I vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Texas [Mr. CONNALLY], the Senator from Arizona [Mr. HAYDEN], the Senator from Colorado [Mr. JOHNSON], the Senator from Illinois [Mr. LUCAS], the Senator from Montana [Mr. MURRAY], the Senator from Texas [Mr. O'DANIEL], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], the Senator from Massachusetts [Mr. WALSH], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

The Senator from Missouri [Mr. BRIGGS], the Senator from Kentucky [Mr. CHANDLER], the Senator from New Mexico [Mr. HATCH], and the Senator from Washington [Mr. MAGNUSON] are detained from the Senate on public business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Idaho [Mr. TAYLOR] are absent as members of the committee to attend the funeral of the late Senator Scrugham.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Michigan [Mr. VANDENBERG] has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from Delaware [Mr. BUCK], the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Indiana [Mr. CAPEHART], the Senator from Connecticut [Mr. HART], the Senator from New Jersey [Mr. HAWKES], the Senator from Oklahoma [Mr. MOORE], the Senator from West Virginia [Mr. REVERCOMB], the Senator from New Jersey [Mr. SMITH], the Senator from Wisconsin [Mr. WILEY], and the Senator from Indiana [Mr. WILLIS] are unavoidably detained.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate.

The Senator from Kansas [Mr. REED], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Massachusetts [Mr. SALTONSTALL] is necessarily absent.

The Senator from Wyoming [Mr. ROBERTSON] is absent on official business by direction of the President pro tempore of the Senate.

The Senator from North Dakota [Mr. YOUNG] is absent on official business of the Senate attending the funeral of the late Senator Scrugham.

The result was announced—yeas 40, nays 8, as follows:

YEAS—40

Aiken	Ellender	McMahon
Austin	Fulbright	Mead
Ball	George	Millikin
Bankhead	Gerry	Mitchell
Barkley	Green	Murdock
Bilbo	Guffey	Myers
Brewster	Hill	Overton
Brooks	Hoey	Radcliffe
Burton	Johnston, S. C.	Stewart
Byrd	Kilgore	Taft
Capper	La Follette	Tunnell
Chavez	McClellan	Wagner
Downey	McFarland	
Eastland	McKellar	

NAYS—8

Butler	Ferguson	Morse
Cordon	Gurney	Wherry
Donnell	Langer	

NOT VOTING—47

Andrews	Johnson, Colo.	Smith
Bailey	Lucas	Taylor
Bridges	McCarran	Thomas, Idaho
Briggs	Magnuson	Thomas, Okla.
Buck	Maybank	Thomas, Utah
Bushfield	Moore	Tobey
Capehart	Murray	Tydings
Chandler	O'Daniel	Vandenberg
Connally	O'Mahoney	Walsh
Glass	Pepper	Wheeler
Hart	Reed	White
Hatch	Revercomb	Wiley
Hawkes	Robertson	Willis
Hayden	Russell	Wilson
Hickenlooper	Saltonstall	Young
Johnson, Calif.	Shipstead	

So the conference report was agreed to.

WAR AGENCIES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. What is the pending business?

The PRESIDING OFFICER. The war agencies appropriation bill, which was temporarily set aside.

Mr. BARKLEY. Mr. President, I wish to make a brief statement in regard to the bill and the controversy which has arisen in connection with it.

I have no political purpose to serve in any statement which I may make on the subject of the Fair Employment Practice Committee, or in any vote which I expect to cast upon it. My political fortunes will not in any way enter into any statement which I may make or any vote which I may cast. I have supported the Fair Employment Practice Committee from the day when it was created by Executive order by President Roosevelt. If given an opportunity, I intend to vote for the $446,000 provided in the amendment which the Senator from New Mexico [Mr. CHAVEZ] has given notice he will offer.

Around that proposal, however, has arisen a situation which in my judgment is doing no service to the Senate. We have just had a great gathering of the nations in San Francisco. It must have been a moving ceremony on last Tuesday when the President witnessed the signature of 50 nations and addressed the final session of the conference. We heard a great speech this morning from our colleague the Senator from Texas [Mr. CONNALLY], Chairman of the Committee on Foreign Relations. I am sure that we shall hear a great speech tomorrow by the Senator from Michigan [Mr. VANDENBERG].

We are in the atmosphere of democratic thought—freedom, liberty, and justice. In my judgment it is unfortunate that that happy mood and posture on the part of the Senate should in any way be marred by a controversy which may lead to feeling and to dissipation of the high mood in which we find ourselves over a world situation and over our own national participation in that world situation as a result of the greatest war in history.

The appropriation bill which is now pending before the Senate involves more than the FEPC. It involves the operating expenses of 12 or more war agencies which will be without funds on next Monday morning unless the bill is passed.

While I intended to vote for the amount involved in the amendment of the Senator from New Mexico, and probably might say a few words in behalf of the amendment, I take the responsibility of saying that in my judgment funds for the other war agencies are more important than any one particular organization which is involved in this appropriation bill. That means that I think they are more important than the amount of money that may be appropriated for the Fair Employment Practice Committee.

There are pending in the Senate and in the House bills which have been reported by the respective committees to make that organization permanent. I do not know whether either of those bills has any prospect of being enacted into law. I shall not now debate that question.

For the past 48 hours I have been more or less of a messenger boy between the contending forces, to see if we could arrive at some conclusion with respect to this controversy, pass the bill providing the necessary funds for the war agencies, and extricate the Senate from a situation which seems to me to be unfortunate.

It has been suggested that the amount involved be reduced from $446,000 to $250,000; and I think in all likelihood that agreement would have been entered into except for some difference as to the language proposed, by which it had been suggested that the $250,000 be earmarked for 6 months, with the provision that the appropriation should expire on the 31st day of December, and should not be available beyond that date, on the theory that if funds were not made available beyond that date, the Fair Employment Practice Committee would expire and could no longer function.

I think we may as well concede what is the fact, namely, that this organization was set up by Executive order, and it will endure until the Executive order is rescinded or until the war has ended and 6 months have elapsed thereafter.

So, Mr. President, if we were to cut off all the funds of the FEPC tomorrow night or Saturday night, the organization would not go out of existence. The Executive order would not be rescinded. We would deny funds to the organization, but it could continue to function with all the power it now enjoys, except it would have no money with which to pay its expenses, and it would have to function without funds or compensation.

Mr. TAFT. Mr. President, will the Senator yield to me for a moment?

Mr. BARKLEY. I yield.

Mr. TAFT. Is there not a provision in an appropriation bill to the effect that any agency for which funds are denied shall automatically be discontinued, and that it shall be illegal for it to continue?

Mr. BARKLEY. There was a provision to that effect in an appropriation bill passed last year, but I believe that provision was contained in the independent offices appropriation bill, and it would not apply to this agency.

Mr. President, the organization could continue to function; it would not be liquidated, in the sense that it would go out of business, if we were to deny it an appropriation now. It might be entirely possible for people interested in its continuance to make contributions to pay its expenses. Certainly that would be a most unfortunate thing, namely, for Congress to deny appropriations to an agency set up by the President by Executive order, in compliance with his authority under the Constitution and under the statutes, and to have that organization pass the hat around, to obtain funds with which to continue to function.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. BARKLEY. I yield.

Mr. KILGORE. Is it also possible that if a skeleton organization could be maintained, it might appeal to already existing governmental agencies to assist it in carrying on its functions, and thus create a somewhat embarrassing situation?

Mr. BARKLEY. I think that is possible. But, Mr. President, as I understand the situation, the President could not allocate to the organization funds at his disposal, because in an appropriation bill passed last year we provided by the Russell amendment, I believe, that the President could not take out of funds available to him any allotment for this purpose.

Mr. KILGORE. I agree with the Senator. But would not such a situation be embarrassing to the Department of Justice or to any other departments which might be asked to assist?

Mr. BARKLEY. Yes. Such a request could be made, and it might be embarrassing.

Mr. President, someone must take the responsibility for making a concrete suggestion to get us out of this situation, and I am going to take that responsibility. I have no feeling of animosity in any way in regard to this matter. I do not wish to see any such feeling or animosity injected into the situation if it can be avoided, and I believe it can be. I know that Senators on both sides of the matter are patriotic and reasonable, and I know they wish to do their duty as they see it. I believe that under these circumstances those who are asking for the entire $446,000 for the fiscal year could well afford to agree to the appropriation of $250,000, which has been discussed in efforts to bring about an agreement. I believe that those who are opposed to the appropriation of any amount of money at all for the agency could well agree to the appropriation of that sum of money. I also believe—and I hope the suggestion will not fall on unfertile soil—that in view of the existing facts, the agency can continue to function anyway.

So, Mr. President, I hope the appropriation of $250,000, which has been suggested as a solution of the problem, will be agreed to by both sides—and it will not be limited to expenditure in the first 6 months, for the very reason that the organization could continue to function beyond that time, even if we were to provide a 6-month limit, during which the funds could be used.

There is another suggestion I wish to make. The appropriation of this limited sum of money would necessarily compel the organization to cut down its personnel to about one-half of what it is now, especially if it undertook to spread out the funds over the 12-month period. The organization would have to spread the $250,000 over the period during which it was intended to use the $446,000. In the meantime, there would be on the calendar the bill providing for the permanent setting up or continuance as a permanent organization of the Fair Employment Practice Committee; and if that bill could not pass through

Congress, I certainly would feel that no one would have any right to insist or could with propriety insist, beyond that, that Congress appropriate for an organization which it was unwilling to set up as a permanent agency of Government.

This organization has been a war organization. On the whole, I think it has done good. It has settled approximately 5,000 controversies. I think 3,500 controversies were dismissed because they had no merit. It now has pending approximately 1,500 controveries which have been filed before it.

I believe that during the remainder of the war—and, if the war should end before the end of the fiscal year, during the interim—this committee might serve a good purpose, certainly in certain sections of the country where, as a result of the war, a large number of people have migrated from one section to another, and will present a problem to those communities when the war is over and when the war activities have ceased.

So, Mr. President, in order to form the basis for an agreement, and not run the risk of having to consider the appropriation bill after the end of the month, and thus embarrass these agencies which are so essential, I earnestly appeal to those who have been arguing for the entire amount to agree to a reduction to $250,000, and I earnestly appeal to my friends who are opposed to any appropriation at all to agree that that amount may be used during the fiscal year, because even if it is denied the organization can continue to function, anyway.

I believe that would be a fair solution of this problem, and I appeal to the sincerity and good faith of Senators on both sides, in order that we may extricate the Senate from a situation which, in view of all the conditions, it seems to me should not be perpetuated.

I offer that suggestion. I, myself, am willing to take the responsibility. If the Senator from New Mexico, in view of his attitude, does not feel that he can do it, I, myself, am willing to take the responsibility of offering the amendment, namely, to reduce the appropriation to the amount I have suggested.

I make that suggestion, not because I wish to take the amendment out of the hands of the Senator from New Mexico, but because I do not wish to embarrass him.

If that can be agreed to—of course, it would have to carry with it the understanding that no point of order would be made against that kind of an amendment—I believe we can arrive at a solution of this matter which will be in the interest of the Senate, and the country, and both sides of the controversy.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from New Mexico if he wishes me to do so.

Mr. CHAVEZ. I thank the Senator.

Mr. President, our beloved majority leader has suggested that he will assume full responsibility. I want this body and the whole world to know that I have never avoided a responsibility or neglected a duty. I feel that I have a duty to perform and a responsibility to assume in connection with this particular matter.

The suggestion made by the Senator from Kentucky appeals to me immensely. I have been ready to compromise right along, but I will not compromise with any Tory idea that the Declaration of Independence was a mistake. I will not compromise with any idea that the Constitution of the United States means nothing. I will not compromise with any idea that Lincoln's Gettysburg Address was a mistake and that it does not now live. I will not compromise with any idea that we should allow less than a third of the Members of this body to control legislation and impose their wills by talk upon more than two-thirds of the Members of this body. I will not compromise with any idea that we should do away with the noble thoughts which the Senator from Kentucky has stated were expressed at San Francisco. I feel that the Senator from Kentucky was correct in what he said about San Francisco. If we are being asked to compromise now on something which will do away with the very idea of the charter of San Francisco, I do not feel like compromising.

Mr. President, allow me to tell the Senator from Kentucky and other Members of this body what the President of the United States said at San Francisco about the San Francisco Charter in connection with the history-making point which has to do, so far as I am concerned, with the very issues which we are now discussing. The President said:

Under this document—

Speaking of the United Nations Charter—

we have good reason to expect the framing of an international bill of rights—

Is there anything wrong in this body having at least a recognition and a conception of the fact that we do have a Bill of Rights, that we do have a Constitution, and that we do fight and die for our rights?

I continue reading:

acceptable to all the nations involved. That bill of rights will be as much a part of international life as our own Bill of Rights is a part of our Constitution. The Charter is dedicated to the achievement and observance of human rights and fundamental freedoms.

What are we asking for outside of that, Mr. President, except as it may pertain to our domestic problems?

I continue reading:

Unless we can attain those objectives for all men and women everywhere—without regard to race, language, or religion—we cannot have permanent peace and security.

The President was speaking of the international aspect. I repeat:

Unless we can attain those objectives for all men and women everywhere—without regard to race, language, or religion—we cannot have permanent peace and security.

I wish to make another observation in reference to what the President of the United States said about this particular matter. The President sent a message from San Francisco to a gathering in New York. It was referred to in the Evening Star on June 26, 1945, as follows:

President Truman, in a message to the rally, extended "hearty greetings to all who gather to reaffirm the faith in the policies and principles of my lamented predecessor, firm in the conviction that the Fair Employment Practices Committee which he brought into being is an instrument to promote national unity."

Mr. President, in view of all those facts, as well as the fact that more than two-thirds of this body now wishes to vote on the matter, I am susceptible to the suggestion of the Senator from Kentucky. He knows that no Member who has proposed any amendment, whether it be for $1, $250,000, or $446,000 has delayed consideration of this measure. What is the record? The bill was reported by the Committee on Appropriations approximately the middle of last week.

Mr. BARKLEY. If the Senator will permit me to interrupt him, let me say that I have made my suggestion in the hope that something could be accomplished. If the Senator is willing to accept it, the best thing to do is to accept it and not get into a controversy as to who has caused any of the delay which has taken place. I hope we will not try to keep books against one another so as to show who has occupied most of the time during this debate.

Mr. CHAVEZ. Very well; but the Senator from Kentucky has perhaps forgotten what he said at the time he started to make his statement. He intimated that the delay had been caused on our side of the Chamber.

Mr. BARKLEY. Oh, no; I made no such intimation.

Mr. CHAVEZ. I will accept $250,000 and allow the amendment to be agreed to without any language being added to it.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield for a question.

Mr. JOHNSTON of South Carolina. If the Senator's amendment should be adopted, would it prevent any of the proponents of the FEPC from asking for more money at any time during the year?

Mr. BARKLEY. Of course, the answer is "No." There is no way by which one Congress can bind another Congress or itself not to appropriate more funds if additional funds should be requested. I think, if the understanding which has been suggested shall be entered into, it will be observed by both sides of the controversy.

Mr. JOHNSTON of South Carolina. The reason I asked the question——

Mr. BARKLEY. From a parliamentary and legal standpoint, the answer to the Senator's question is "No." Any Senator may at any time move to increase any appropriation. The same situation, however, would exist which now exists unless an appropriation bill should hereafter come to the Senate containing an item on this subject. No Senator could offer an amendment except under the circumstances which surround the offering of this amendment, which require

a motion to suspend the rule, and a two-thirds vote to suspend the rule would be necessary in order that the amendment might be offered.

Mr. JOHNSTON of South Carolina. If it were limited to 6 months, that is, to December 31, it would give it a different status, however, would it not?

Mr. BARKLEY. I beg the Senator's pardon. My attention was distracted for the moment.

Mr. JOHNSTON of South Carolina. If we limited the appropriation to December 31, 1945, under the law which is now in existence, this agency having been created by an Executive order, they could not demand any money after that, unless the Senate and the House appropriated it?

Mr. BARKLEY. Absolutely; that is true.

Mr. JOHNSTON of South Carolina. But they could——

Mr. BARKLEY. Just a moment, if the Senator will allow me to answer his question clearly, if I can. No additional amount of money could be appropriated, or could be obtained, because the law now prevents the President from allocating, out of any funds at his disposal, any amount whatever for this purpose. So that when the $250,000 is expended, there will be no additional funds available to them, and no additional funds could be allocated to them except by appropriation, which would mean both Houses and the President.

Mr. KILGORE. Mr. President, the same would apply if no limitation were put on; no money could be used unless additional funds were appropriated.

Mr. BARKLEY. As I tried to explain, the situation is practically the same, so far as the life of this organization is concerned, whether we limit the $250,000 to 6 months or allow it to be spread out over the 12 months. There is no practical difference in effect.

Mr. President, I hope that we may, by the time we resume our session tomorrow, arrive at an understanding on this matter. I now move that the Senate take a recess until 12 o'clock noon tomorrow.

Mr. TAFT. Mr. President——

Mr. CHAVEZ. Mr. President——

Mr. TAFT. A parliamentary inquiry.

Mr. BARKLEY. The Senator from New Mexico desires to ask a question.

Mr. CHAVEZ. I do not think it is quite correct to get an agreement from me and let the other side go on talking during the evening as to what they are going to do tomorrow. I want to find out what they are going to do tomorrow.

Mr. BARKLEY. Let me say to the Senator from New Mexico, the proposal I have made has been made here rather late. So far as I am concerned, I appreciate the frankness of the Senator in agreeing to accept this amount under the circumstances which I have indicated. If it is desired that other Senators confer about the matter until tomorrow, I think there is nothing unreasonable about that, and I believe it will aid in getting an agreement.

Mr. CHAVEZ. Mr. President, I hope the Senator from Kentucky will withdraw his motion. I tried a little while ago to make clear the position of the proponents of the FEPC, that it was not our fault that the bill was being delayed. I think leadership is more at fault than those who are proposing the legislation.

Mr. BARKLEY. I do not know just what the Senator means by that.

Mr. CHAVEZ. I will tell the Senator, if he will give me an opportunity.

Mr. BARKLEY. I do not want to get into a debate here over my shortcomings.

Mr. TAFT. Mr. President, on this vote I ask for the yeas and nays.

Mr. McCLELLAN. On the vote for recess?

Mr. TAFT. On the vote for a recess.

Mr. BARKLEY. Very well; let us give them the yeas and nays.

Mr. TAFT. A parliamentary inquiry.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. The Senator from Kentucky has the floor.

Mr. BARKLEY. What right has the Senator from Ohio to demand the yeas and nays on the motion which I have made, but on which I have not yielded the floor?

The PRESIDING OFFICER. The Senator from Kentucky has the floor.

Mr. TAFT. The motion is not debatable.

The PRESIDING OFFICER. No other motion can now be made.

Mr. TAFT. The yeas and nays——

Mr. BARKLEY. I have not yielded the floor.

Mr. TAFT. When the Senator makes a motion to recess, that ends the thing; that is not debatable.

Mr. BARKLEY. I withheld the motion in order that I might yield to the Senator from New Mexico.

Mr. CHAVEZ. But the Senator never gave me an opportunity to say anything. [Laughter.]

Mr. BARKLEY. I give the Senator the opportunity now.

Mr. CHAVEZ. I will tell the Senator from Kentucky why I think the leadership was at fault in delaying this particular matter.

The Committee on Appropriations reported this bill the middle of last week. It was in charge of the chairman of the subcommittee, the Senator from Tennessee. He had charge of the bill, but for reasons better known to himself—and no intimation that anything wrong is being done is made—the bill was not called on Friday or Saturday, and we adjourned until Monday.

Mr. BARKLEY. Mr. President, in connection with that, now, since the Senator from New Mexico has brought it up, last Thursday we had before us a matter which was disposed of, and were about to go into executive session to consider the nomination of Mr. Wickard to be Administrator of REA, and it had been my purpose on that day, and on the day previous, to hold a session on Friday to consider this appropriation bill. The Senator from New Mexico came to my desk here and suggested on Thursday that the acting chairman of the Committee on Appropriations desired that this matter go over until Monday. I asked the Senator from New Mexico what his attitude was about it, and he said he did not feel that any time would be gained by holding a session on Friday; and feeling that it was the understanding and agreement between the Senator from New Mexico and the acting chairman of the committee that a session not be held on Friday, I said, "I will agree that the bill go over until Monday."

Mr. CHAVEZ. Of course, I was not doubting the attitude of the chairman of the subcommittee handling the bill, and when he said it would take until Monday, of course I agreed to it.

Mr. McKELLAR. Mr. President——

Mr. BARKLEY. I do not want the Senator from New Mexico to accuse me——

Mr. CHAVEZ. I am not accusing anyone.

Mr. BARKLEY. Of being responsible for this delay, because I was anxious to have a session on Friday, but it was represented to me that it had been generally understood that the matter would go over until Monday, and not being in charge of the bill myself, and not being in charge of the Senator's amendment, I did not feel it was incumbent upon me to object to an adjournment until Monday.

Mr. McKELLAR. Mr. President——

Mr. BARKLEY. I yield.

Mr. McKELLAR. I feel that an unjust statement has been made in reference to me.

Mr. BARKLEY. If the Senator will permit me just there, I wish to remind the Senator that we had intended to take up this bill on Monday, but the Senator from Nevada [Mr. SCRUGHAM] had died in the meantime, and on Monday we had to recess on that account. That caused another delay.

Mr. McKELLAR. I think I should have opportunity to say what the facts were.

Mr. BARKLEY. I yield.

Mr. McKELLAR. We reported this bill on Wednesday. I intended to take it up on Thursday. Instead of doing that, the REA matter came up and took most of the afternoon, as I recall, and the Senate was adjourned. I was not consulted; I did not ask that the bill go over. I was not consulted about it going over until Monday. I was very anxious to have the appropriation bills passed. I am not reflecting on the Senator from Kentucky. Someone must have told him I wanted it to go over. I had never said a word to a human soul about it going over. I would have preferred to have a session on Friday, because I knew that what has taken place was going to take place, that we were going to get into a controversy, and I was very fearful that the appropriation bills would not be passed by Saturday night. So I am not in the slightest degree responsible for any order of business, or any adjourning over, or anything of the kind. My entire purpose was to get this bill and every other appropriation bill passed before next Saturday night.

Mr. BARKLEY. I acquit the Senator from Tennessee, because I did not myself talk to him, but when the Senator from New Mexico came and told me that the Senator wanted it to go over, I assumed that he had talked with the Senator and when I asked the Senator if it was agree-

able to him and he indicated that nothing could be gained, under the circumstances, by a session Friday, I did not object to its going over. But that is all water over the dam. We do not gain anything by trying to fix responsibility for the fact that we have not passed this bill up to now. We are facing a situation which everyone understands. I appreciate the attitude of the Senator from New Mexico in his willingness to accept my suggestion. I think we might make time now by taking a recess, and therefore that is why I made the motion, and I now renew the motion.

Mr. TAFT. Will the Senator yield?

Mr. BILBO. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Mississippi.

Mr. BILBO. Not having had much to say about this question up to the present time, I want to respond to the expression from my good friend the Senator from New Mexico who insisted that others agree to the proposition made by the Senator from Kentucky. I want to make it clear that I am not in a position to do any horse trading at this time. I am under obligation to certain Members of the Senate and of the other House to make this fight, and I am not in position to make any agreement at this time. However, I have agreed to meet with quite a number of my colleagues tomorrow morning at 10 o'clock, when we will discuss the Senator's proposition. I want it understood that nothing has been agreed to, but we appreciate the Senator's kindly interest in the matter.

Mr. TAFT. Mr. President, will the Senator yield for a few remarks?

Mr. BARKLEY. For what purpose?

Mr. TAFT. Merely that I may make a statement of my views concerning the present situation.

Mr. BARKLEY. I will yield for that purpose. I will not yield for any motion.

Mr. TAFT. I understand.

Mr. President, it seems to me the Senate is not a helpless body. The rule provides the method by which we may bring any measure to a vote. That is a perfectly valid rule. That one or two Members, or a small minority of the Senate, should be able to block an appropriation bill the day before the end of the fiscal year, is, frankly, outrageous.

I have sympathized with many filibusters, but I have no sympathy with a filibuster that attempts to hold up a general appropriation bill appropriating money for Government agencies and in effect saying, "We will not pass this particular measure, and we will block all money for certain Government agencies until our particular wishes are complied with." I do not think the majority leader ought to be compromising with such a position. It seems to me the Senate has the right to vote on every item in an appropriation bill which at least two-thirds of the membership of the Senate wants to vote on.

Furthermore, I believe that unless a cloture petition is presented today it cannot be voted on until Monday. We will then go over the end of the fiscal year and leave some of the Government agencies without funds. I think that a cloture petition ought to be presented, and if the Senator's motion to take a recess is defeated I propose to present such a petition. That would bring up the measure for vote under cloture on Saturday, and we could dispose of the bill on that day. We have gone on with this idea of compromising day after day, and I see no reason why the Senate should compromise with anyone on the question of whether or not we have the right to vote on a general appropriation bill.

Mr. BARKLEY. Mr. President, I appreciate the sudden enthusiasm of the Senator from Ohio about this subject; but in regard to the matter of cloture, there is a complication involved here in that matter, and the Senator from Ohio and I have discussed that question privately during the day. There is a question of interpretation, as to whether, even if a cloture motion were filed today the Senator from New Mexico could thereafter offer his amendment so that it could be voted upon. I do not want to place the Senator from New Mexico in a situation where he cannot offer his amendment in any form, even in the reduced amount, and because of that, and because of the prospect that we may reach an understanding about the matter, I think the better thing to do now is to recess. If we cannot reach a decision tomorrow and the matter has to go over until Monday, that is only one day beyond Saturday. I hope that will not be the result, but in the interest of speed and in order that we may take no chances on doing the Senator from New Mexico any injustice in connection with offering his amendment, I think we should now recess until 12 o'clock noon tomorrow.

I make the motion that the Senate take a recess until 12 o'clock noon tomorrow.

Mr. TAFT. Mr. President, on that question I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Texas [Mr. CONNALLY], the Senator from Arizona [Mr. HAYDEN], the Senator from Colorado [Mr. JOHNSON], the Senator from Illinois [Mr. LUCAS], the Senator from Montana [Mr. MURRAY], the Senator from Texas [Mr. O'DANIEL], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Louisiana [Mr. OVERTON], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], the Senator from Massachusetts [Mr. WALSH], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

The Senator from Missouri [Mr. BRIGGS], the Senator from Kentucky [Mr. CHANDLER], the Senator from New Mexico [Mr. HATCH], and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Idaho [Mr. TAYLOR] are absent as members of the committee to attend the funeral of the late Senator Scrugham.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Michigan [Mr. VANDENBERG] has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from Delaware [Mr. BUCK], the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Indiana [Mr. CAPEHART], the Senator from Connecticut [Mr. HART], the Senator from New Jersey [Mr. HAWKES], the Senator from Oklahoma [Mr. MOORE], the Senator from West Virginia [Mr. REVERCOMB], the Senator from New Jersey [Mr. SMITH], the Senator from Wisconsin [Mr. WILEY], and the Senator from Indiana [Mr. WILLIS] are unavoidably detained.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate.

The Senator from Kansas [Mr. REED], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Massachusetts [Mr. SALTONSTALL] is necessarily absent.

The Senator from Wyoming [Mr. ROBERTSON] is absent on official business by direction of the President pro tempore of the Senate.

The Senator from North Dakota [Mr. YOUNG] is absent on official business of the Senate attending the funeral of the late Senator Scrugham.

The roll call resulted—yeas 19, nays 28, as follows:

YEAS—19

Bankhead	Fulbright	McFarland
Barkley	George	McKellar
Bilbo	Gerry	Millikin
Byrd	Hill	Radcliffe
Downey	Hoey	Stewart
Eastland	Johnston, S. C.	
Ellender	McClellan	

NAYS—28

Aiken	Donnell	Mitchell
Austin	Ferguson	Morse
Ball	Green	Murdock
Brewster	Guffey	Myers
Brooks	Gurney	Taft
Burton	Kilgore	Tunnell
Butler	La Follette	Wagner
Capper	Langer	Wherry
Chavez	McMahon	
Cordon	Mead	

NOT VOTING—48

Andrews	Johnson, Colo.	Shipstead
Bailey	Lucas	Smith
Bridges	McCarran	Taylor
Briggs	Magnuson	Thomas, Idaho
Buck	Maybank	Thomas, Okla.
Bushfield	Moore	Thomas, Utah
Capehart	Murray	Tobey
Chandler	O'Daniel	Tydings
Connally	O'Mahoney	Vandenberg
Glass	Overton	Walsh
Hart	Pepper	Wheeler
Hatch	Reed	White
Hawkes	Revercomb	Wiley
Hayden	Robertson	Willis
Hickenlooper	Russell	Wilson
Johnson, Calif.	Saltonstall	Young

The PRESIDING OFFICER. On this question the yeas are 19, the nays are 28. A quorum is not present. The clerk will call the roll to establish the presence of a quorum.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Downey	Langer
Austin	Eastland	McClellan
Ball	Ellender	McFarland
Bankhead	Ferguson	McKellar
Barkley	Fulbright	McMahon
Bilbo	George	Millikin
Brewster	Gerry	Mitchell
Brooks	Green	Morse
Burton	Guffey	Murdock
Butler	Gurney	Myers
Byrd	Hill	Radcliffe
Capper	Hoey	Taft
Chavez	Johnston, S. C.	Tunnell
Cordon	Kilgore	Wagner
Donnell	La Follette	Wherry

The PRESIDING OFFICER. Forty-five Senators have answered to their names. A quorum is not present. The clerk will call the names of absent Senators.

The Chief Clerk called the names of absent Senators, and Mr. MEAD answered to his name when called.

Mr. BARKLEY. Mr. President, may I inquire whether the last call has developed a quorum?

The PRESIDING OFFICER. It has not so far.

Mr. BARKLEY. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay Mr. WILLIS and Mr. JOHNSON of Colorado entered the Chamber, and answered to their names.

The PRESIDING OFFICER. Forty-eight Senators having answered to their names, a quorum is present.

Mr. BARKLEY, Mr. JOHNSTON of South Carolina, and Mr. TAFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. The question before the Senate is the motion of the Senator from Kentucky to take a recess. That has never been disposed of.

Mr. BARKLEY. I thought it was, but that the announcement had not been made as to the vote.

The PRESIDING OFFICER. No; there was not a quorum present.

Mr. BARKLEY. Mr. President, may I at this time withdraw the motion?

Mr. GEORGE. Mr. President, it is not in order to withdraw the motion. The motion is still pending.

Mr. BARKLEY. I could withdraw it by unanimous consent.

The PRESIDING OFFICER. The Senator could withdraw it by unanimous consent. Is there objection to the Senator's request to withdraw his motion to take a recess? The Chair hears none. The Senator from Kentucky is recognized.

Mr. BARKLEY. Mr. President, a while ago, when we were discussing this proposition, and the Senator from Ohio was seeking to get recognition for the purpose of offering a cloture motion, I made the statement that I did not desire that the Senate take any step which would bar the Senator from New Mexico from the right to offer his amendment if cloture should be ordered and he had not offered it prior to the vote on cloture.

The rule uses language which is not ordinarily used in regard to offering amendments. We have a practice of Senators sending amendments to the desk and having them read for the information of the Senate, and then have them lie on the table. They may lie there until the vote on the bill is cast and may never be offered, and therefore they are not pending and are never pending unless they are actually offered at the time when they are in order.

Mr. President, the rule provides a little different method, it seems. I should like to read it, and if possible get a ruling of the Chair. It is rule XXII, providing for the closing of debate, and after some preliminary provisions it says:

> Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time.

The point upon which I should like the Chair to rule is whether, if any Senator, prior to the vote on a motion to close debate sends an amendment to the desk and it is read and lies on the table, if the vote is successful and two-thirds vote in favor of cloture, is that a compliance with the rule that he has presented his amendment and had it read?

The PRESIDING OFFICER. The Chair rules that it is.

Mr. BARKLEY. That it is a compliance with the rule?

The PRESIDING OFFICER. That it is.

Mr. BARKLEY. Although the amendment has not been offered actually, because it would not be in order to offer one, under the present circumstances, if any Senator sent an amendment to the desk and had it read. That is a presentation within the meaning of the rule which would entitle him to offer it after the vote is taken, if the vote is successful?

The PRESIDING OFFICER. That is the ruling of the Chair.

Mr. BARKLEY. I thank the Chair.

The PRESIDING OFFICER. The Chair rules that if a petition is presented for cloture at any time before Saturday at 1 o'clock, any Senator could present an amendment.

Mr. BARKLEY. And that thereafter it would be in order to offer it?

The PRESIDING OFFICER. Yes.

Mr. LA FOLLETTE. Mr. President, will the Senator from Kentucky yield for just one question?

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. It seems to me there is one other question involved which, so far as I can recall, has not been ruled upon. The amendment which the Senator from New Mexico is sponsoring requires a motion to suspend the rule, and it seems to me that we should have a ruling from the Chair as to whether the cloture rule, assuming that two-thirds vote in the affirmative to invoke cloture, would apply to the motion to suspend the rule which must precede the offering of the amendment sponsored by the Senator from New Mexico.

Mr. BANKHEAD. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BANKHEAD. What is before the Senate?

The PRESIDING OFFICER. The Senator from Kentucky. [Laughter.]

Mr. BANKHEAD. I make the inquiry in the abstract.

Mr. GEORGE. Mr. President, I desire to make a motion.

Mr. BARKLEY. I have the floor.

Mr. GEORGE. The Senator cannot hold the floor after having made an inquiry of the Chair.

Mr. BARKLEY. I am not attempting to hold the floor to prevent any Senator from making a motion.

Mr. GEORGE. Mr. President, I suggest the absence of a quorum.

Mr. BARKLEY. I do not yield for that purpose.

The PRESIDING OFFICER. The Senator from Kentucky has the floor.

Mr. GEORGE. I am suggesting the absence of a quorum.

Mr. BARKLEY. I have not yielded.

The PRESIDING OFFICER. The Senator from Kentucky has the floor at present.

Mr. BARKLEY. I yielded to the Senator from Wisconsin to propound an interrogatory in regard to the parliamentary situation, upon which the Chair has not ruled. If the Chair is ready to rule——

Mr. GEORGE. The Chair did rule on the question.

The PRESIDING OFFICER. The Chair ruled upon the question submitted by the Senator from Kentucky.

Mr. GEORGE. The Chair ruled on the question, and I made the point of no quorum.

Mr. BARKLEY. The Chair ruled on the question as to whether cloture would apply to a motion to suspend the rule which must be made preceding the offering of the amendment by the Senator from New Mexico.

The PRESIDING OFFICER. No; the Chair has not ruled on that.

Mr. BARKLEY. That is the inquiry which I thought the Chair had ruled upon.

The PRESIDING OFFICER. The Chair ruled upon the question submitted by the Senator from Kentucky.

Mr. BARKLEY. The Senator from Wisconsin asked a question. I do not know whether the Chair desires to rule on that now or not.

The PRESIDING OFFICER. The Chair is not prepared to rule on that just now.

Mr. BARKLEY. I yield the floor.

Mr. GEORGE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ferguson	McMahon
Austin	Fulbright	Mead
Ball	George	Millikin
Bankhead	Green	Mitchell
Barkley	Guffey	Morse
Brewster	Gurney	Murdock
Brooks	Hill	Myers
Burton	Hoey	Radcliffe
Butler	Johnson, Colo.	Stewart
Capper	Kilgore	Taft
Chavez	La Follette	Tunnell
Cordon	Langer	Wagner
Donnell	McFarland	Wherry
Ellender	McKellar	Willis

The PRESIDING OFFICER. Forty-two Senators have answered to their names. There is not a quorum present. The clerk will call the names of absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. EASTLAND answered to his name when called.

The PRESIDING OFFICER. Forty-three Senators have answered to their names. There is not a quorum present.

Mr. BREWSTER. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. MCCLELLAN entered the Chamber and answered to his name.

Mr. WHERRY. Mr. President, is it in order to ask for a report from the Sergeant at Arms relative to the absent Senators?

The PRESIDING OFFICER. The Sergeant at Arms is not present at this time. He is out, carrying out his duties under the order of the Senate.

After a little further delay,

Mr. WHERRY. Mr. President, may we now have a report from the Sergeant at Arms about the absent Senators?

The PRESIDING OFFICER. The Sergeant at Arms will report.

The SERGEANT AT ARMS. I have contracted as many Senators as I could. Most of them are not at home. I think three Senators will be here in a short time. In other words, they said they would come. I told them I would come after them, and they said they would come here.

The residences of a number of other Senators have been telephoned, but they have not answered. I have a list here of those who have been telephoned.

Mr. BARKLEY. Mr. President, I should like to inquire how many are needed to make a quorum.

The SERGEANT AT ARMS. Three.

Mr. BARKLEY. If those three keep their word, we shall have a quorum; is that correct?

The SERGEANT AT ARMS. Yes. However, some of them live at Wardman Park Hotel; they are that far from the Senate.

Mr. BARKLEY. That is no reason why they cannot get here.

The SERGEANT AT ARMS. No; of course not. When I said I would come for them, they said they would come without that, and I have taken them at their word.

At 11:25 o'clock p. m. Mr. SMITH entered the Chamber and answered to his name.

At 11:30 o'clock Mr. WILEY entered the Chamber and answered to his name.

Mr. WHERRY. Mr. President, I move that the Sergeant at Arms be directed to compel the attendance of the absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

At 11:41 Mr. CAPEHART entered the Chamber and answered to his name.

Mr. STEWART. Mr. President, let me observe that it is now past midnight, and Friday morning has arrived.

The PRESIDING OFFICER. The Senator is correct; it is a new calendar day.

Mr. STEWART. I say, "Good morning."

Mr. BREWSTER. Mr. President, will the Chair also note in the RECORD that all of the Senators who have presented themselves since the order to the Sergeant at Arms was issued have apparently been on this side of the Chamber.

Mr. STEWART. We say to those on the other side of the Chamber, "Good morning." [Laughter.]

Mr. BREWSTER. We appreciate the diligence with which those in authority have sought to produce a quorum.

After a little delay,

Mr. BREWSTER. Mr. President, may we have a report from the Sergeant at Arms?

The PRESIDING OFFICER. The Sergeant at Arms is not now in the Chamber. He is absent, enforcing the order of the Senate.

Mr. BREWSTER. May it be noted in the RECORD that he has been absent one-half hour in traveling from the Senate Chamber to the Methodist Building and returning. I think it is approximately 100 yards away, across the park.

The PRESIDING OFFICER. The Sergeant at Arms was directed to bring the absent Senators to the Chamber. The Chair believes the Sergeant at Arms is now performing that duty.

Mr. BREWSTER. I believe the Sergeant at Arms also has assistants to aid him in the performance of that duty.

The PRESIDING OFFICER. The Chair is advised that all of the assistants of the Sergeant at Arms are likewise engaged in endeavoring to locate the absent Senators.

Mr. BREWSTER. It has been a very unsuccessful quest.

Mr. STEWART. Mr. President, I should like to observe that it is now two minutes after midnight.

Mr. MCKELLAR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Tennessee will state it.

Mr. MCKELLAR. Is a motion to adjourn now in order?

The PRESIDING OFFICER. A motion to adjourn is in order at any time.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. I should like to ask if the 22 Republicans present at this time will constitute a quorum.

The PRESIDING OFFICER. A quorum is not now present.

Mr. STEWART. Mr. President, I submit the Senator's inquiry was not a parliamentary inquiry.

The PRESIDING OFFICER. The Chair is not advised as to the complexion of the absent Senators.

Mr. HILL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HILL. I should like to ask whether, if the Republican leader, the Senator from Maine [Mr. WHITE], together with the chairman of the Republican conference, the Senator from Michigan [Mr. VANDENBERG], were present, a sufficient number of Senators would be present to constitute a quorum?

The PRESIDING OFFICER. The Chair is not passing on that proposition.

Mr. WILEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILEY. Would it be in order to pour a little oil on the smoldering fire? [Laughter.]

Mr. BUTLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUTLER. I wish to inquire where the majority leader is. I wonder if we would have a quorum if he were present.

The PRESIDING OFFICER. He is on the list.

Mr. KILGORE. Mr. President, may I inquire what we are going to do the rest of the night?

The PRESIDING OFFICER. That is for the Senate to decide at its pleasure.

At 12:12 a. m., Friday, June 29, 1945, Mr. O'MAHONEY entered the Chamber and answered to his name.

The PRESIDING OFFICER. Forty-eight Senators having answered to their names, a quorum is present.

Mr. TAFT. Mr. President, under rule XXII of the Standing Rules of the Senate, I present a petition and ask that the Chair read it.

The PRESIDING OFFICER. The petition is as follows:

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes.

The clerk will read the names of Senators who have signed the petition.

The Chief Clerk read the following names:

SHERIDAN DOWNEY, BRIEN MCMAHON, JOSEPH F. GUFFEY, HARLEY M. KILGORE, HUGH B. MITCHELL, FRANCIS J. MYERS, JAMES M. TUNNELL, H. ALEXANDER SMITH, HOMER E. CAPEHART, ALEXANDER WILEY, ROBERT A. TAFT, WALLACE H. WHITE, JR., HOMER FERGUSON, ROBERT F. WAGNER, C. WAYLAND BROOKS, JOSEPH H. BALL, OWEN BREWSTER, HAROLD H. BURTON, HUGH BUTLER, RAYMOND E. WILLIS, RORREST C. DONNELL, ARTHUR CAPPER, CHAN GURNEY, GUY CORDON, KENNETH S. WHERRY, WARREN R. AUSTIN, GEO. D. AIKEN, WILLIAM LANGER, WAYNE MORSE, ROBERT M. LA FOLLETTE, JR., JAS. M. MEAD, DENNIS CHAVEZ.

Mr. BURTON. Mr. President, did the clerk read my name?

The PRESIDING OFFICER. The Chair is informed that the name of the Senator from Ohio was read.

Mr. MORSE. Mr. President, did the clerk read my name?

Mr. BARKLEY. Mr. President, it does not make any difference whose names are signed to the petition if the required number of 16 have signed. That is a sufficient number.

The PRESIDING OFFICER. There are more than the required number.

Mr. BARKLEY. The petition will speak for itself as to who signed it.

The PRESIDING OFFICER. The petition will be filed under the rules of the

Senate, and the clerk will note the time at which the petition was presented.

Mr. BARKLEY. Has the petition been officially filed?

The PRESIDING OFFICER. The Chair has ordered it filed, and the time has been noted.

Mr. BARKLEY. Mr. President, the time now being a quarter past 12 midnight, we are still operating under the legislative day of last Monday, as I recall. The petition being filed, I inquire when will the Senate be required under the rule to vote upon it? Will it be at 1 o'clock on Saturday or Monday?

The PRESIDING OFFICER. At 1 o'clock p. m. on Monday.

Mr. BARKLEY. It could not be voted upon earlier than Monday except by unanimous consent?

The PRESIDING OFFICER. That is correct. The present calendar day began 1 minute after 12 o'clock.

Mr. BARKLEY. If that is the ruling of the Chair, and I do not question it, in view of the fact that the President of the United States is scheduled to appear in the Senate next Monday at 1 o'clock in the afternoon, it would be necessary, by unanimous consent to waive that part of the rule which requires the Senate to vote at 1 o'clock. I am sure no Senator wishes to interfere with the program of the President's presentation of the charter which was agreed to in San Francisco. For that reason I ask unanimous consent that the vote upon the cloture motion be taken immediately following the President's appearance and his presentation of the San Francisco Charter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BILBO. Mr. President, what is the unanimous-consent request which has been made? I did not understand it.

Mr. BARKLEY. The Senator from Mississippi understands that the President is to appear in the Senate at 1 o'clock in the afternoon of next Monday.

Mr. BILBO. Yes.

Mr. BARKLEY. Under the rules of the Senate we would have to vote at 1 o'clock on Monday on the motion which has been presented.

Mr. BILBO. Yes.

Mr. BARKLEY. I am asking unanimous consent that the vote upon the petition be taken following the President's appearance in the Senate and his presentation of the San Francisco Charter.

Mr. CHAVEZ. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

Mr. BARKLEY. I yield for that purpose.

The CHIEF CLERK. On page 1 of the bill, after line 8, it is proposed to insert the following:

COMMITTEE ON FAIR EMPLOYMENT PRACTICE

Salaries and expenses: For all expenses necessary to enable the Committee on Fair Employment Practice to carry out any functions lawfully vested in it by Executive Orders Nos. 8802 and 9346, including salary of a Chairman at not to exceed $8,000 per annum and six other members at not to exceed $25 per diem when actually engaged; travel expenses (not to exceed $63,800); expenses of witnesses in attendance at committee hearings, when necessary; printing and binding (not to exceed $4,800); purchase of newspapers and periodicals (not to exceed $500); not to exceed $694 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); and the temporary employment of persons, by contract or otherwise, without regard to section 3709 of the Revised Statutes and the civil-service and classification laws (not to exceed $8,900); $446,200: *Provided*, That no part of the funds herein appropriated shall be used to pay the compensation of any person to initiate, investigate, or prosecute any complaint against any defendant where such defendant does not have the same right to appeal an adverse decision of the Committee on Fair Employment Practice to the President of the United States, or to refer said complaint to the President of the United States for final disposition, as is asserted by or allowed the said Committee on Fair Employment Practice in cases where persons complained against refuse to abide by its orders: *Provided further*, That no part of this appropriation shall be used to pay the compensation of any person to initiate, investigate, or prosecute any proceedings against any person, firm, or corporation which seeks to effect the seizure or operation of any plant or other property of such person, firm, or corporation by Federal authority for failure to abide by any rule or regulation of the Committee on Fair Employment Practice, or for failure to abide by any order passed by the Committee on Fair Employment Practice: *Provided further*, That no part of the funds herein appropriated shall be used to pay the compensation of any person employed by said Committee on Fair Employment Practice who issues or attempts to enforce any rule, regulation, or order which repeals, amends, or modifies any law enacted by the Congress.

Mr. BARKLEY. The Chair will understand that earlier in the evening I secured a ruling from the Chair that the presentation and reading of a proposed amendment complied with rule XXII, so that if the cloture motion were adopted by the two-thirds vote necessary it would then be in order to offer the amendment. This presentation and reading of the amendment is in compliance with the Chair's ruling, so as to preserve the right of the Senator from New Mexico to offer the amendment in the event the Senate by the required two-thirds votes to close debate.

Mr. McKELLAR. Mr. President, I understand the amendment cannot be offered until after the committee amendments have been acted on. Is that the understanding?

Mr. CHAVEZ. I only wish to preserve the right to offer the amendment.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

Mr. BARKLEY. Just a moment. Under the parliamentary situation, committee amendments have not yet been disposed of, and no amendment from the floor is in order until they have been disposed of. The presentation of this amendment and its reading complies with the rule, so that the Senator from New Mexico can offer it in the event the Senate votes by two-thirds majority to close debate.

Mr. TAFT. Will the Senator yield?

Mr. McCLELLAN. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arkansas will state his parliamentary inquiry.

Mr. McCLELLAN. I take it that what has been read does not change the parliamentary situation. If it does, I want to know what the change is.

The PRESIDING OFFICER. The Chair will announce that the RECORD will show that the Senator from New Mexico presented the amendment, that it was read, and that it now lies upon the table.

Mr. BARKLEY. And may be offered by him.

Mr. McCLELLAN. The amendment is now on the table, and not before the Senate?

The PRESIDING OFFICER. It is not before the Senate, but can be offered at the proper time after committee amendments have been disposed of.

Mr. TAFT. I think it will be necessary also to offer all the committee amendments which have not yet been considered.

Mr. BARKLEY. Of course, they may be presented and read at any time before we are required, under the rule, to vote, which would be 1 o'clock on Monday, or following the President's appearance here. Tomorrow and Saturday the committee could present its amendments under the rule, and have them read, so that we could vote upon them after a vote on the motion of the Senator from Ohio to close debate.

Mr. McKELLAR. Mr. President, I wish to say to the Senator from Ohio that committee amendments have been offered and will be offered, and will be urged at every possible moment.

Mr. BARKLEY. As a matter of fact, they are already before the Senate, and will be taken up in their order prior to the vote on the motion of the Senator from Ohio.

The PRESIDING OFFICER. The committee amendments will be first in order, to be followed by others.

Mr. STEWART. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STEWART. The motion for cloture having just been filed affects only the pending business?

The PRESIDING OFFICER. Only the bill, and amendments which may be offered.

Mr. STEWART. The rule, as I understand it, provides that it affects the pending measure. Rule XXII provides:

If at any time a motion, signed by 16 Senators, to bring to a close the debate upon any pending measure is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate.

The PRESIDING OFFICER. That has been done.

Mr. STEWART. The motion is to close the debate upon the pending measure.

The PRESIDING OFFICER. The pending measure.

Mr. STEWART. What is the pending measure?

The PRESIDING OFFICER. The pending measure is the appropriation bill, together with the committee amendments, and with the amendment presented by the Senator from New Mexico.

Mr. STEWART. This is the inquiry I wish to propound. How can the amendment of the Senator from New Mexico be a portion of the pending business affected by the cloture motion when

it requires a two-thirds majority to place that amendment on this bill?

Mr. BARKLEY. If the Chair will permit, I will say to the Senator from Tennessee that the proposal for closing debate applies to the pending measure, that is, the appropriation bill and all amendments thereto, and all amendments thereto must be presented and read prior to the vote on the motion.

Mr. STEWART. I do not so understand.

Mr. BARKLEY. The question whether the two-thirds requirement for suspension of the rule would still be applicable was presented to the Chair earlier in the evening, and the Chair was not prepared to rule. I might say that I do not think that the adoption of the cloture rule would abrogate the requirement of the two-thirds rule insofar as an amendment otherwise not in order is concerned, because the two-thirds rule applies to an amendment otherwise not in order, and on a motion to suspend the rule, so that the two-thirds rule would still apply, even after the cloture vote, to the amendment offered by the Senator from New Mexico.

Mr. STEWART. Then the amendment of the Senator from New Mexico cannot be considered until after the vote on the cloture motion has been disposed of?

Mr. BARKLEY. That is correct, and if a point of order should be made it could not be considered, except after a motion to suspend the rule, which would have to be carried by two-thirds vote.

Mr. STEWART. A motion to suspend the rule is necessary in order to consider the amendment.

Mr. BARKLEY. In other words, the cloture motion does not interfere with the rule of the Senate requiring that a suspension of the rule requires a two-thirds vote.

Mr. STEWART. Suspension of the rule, of course, is necessary, because the proposed amendment would be legislation on an appropriation bill. I quite understand that. But there is a distinction between the amendment of the Senator from New Mexico and committee amendments, which must be adopted by a mere majority. Of course, the same majority is required to suspend the rule to make it possible to adopt the motion of the Senator from New Mexico, as is required to adopt the cloture motion, namely, two-thirds.

The PRESIDING OFFICER. The only purpose in filing the amendment by the Senator from New Mexico now is to comply with rule XXII. It does not change anything else.

Mr. STEWART. I do not yet understand why it is necessary for the Senator from New Mexico to offer his amendment at this time.

Mr. BARKLEY. If I might clarify that situation, inasmuch as the Chair has ruled that the motion to close debate cannot be voted on until Monday, any Senator who has an amendment to offer to the bill, who presents the amendment and has it read prior to the time the vote is taken on Monday, will be in order if he offers his amendment after the vote, provided it does not violate the rule that requires a two-thirds vote, and in the event it does require a two-thirds vote, we have to vote upon it as if the cloture motion had not been made.

The PRESIDING OFFICER. That is a correct statement of the rule.

Mr. STEWART. If I understand the situation correctly, an amendment not offered at this time cannot be considered.

Mr. BARKLEY. No. If the Senator has an amendment to the pending bill he can offer it tonight, or tomorrow, or Saturday and have it read, and it will lie on the table, and he can bring it up at any time after the vote on the question of cloture.

Mr. STEWART. I will ask the Chair to bear with me while I read the concluding portion of rule XXII:

> Thereafter no Senator shall be entitled to speak in all more than 1 hour on the pending measure—

Which is, as I understand it, after we have voted on the cloture motion.

Mr. BARKLEY. If there is a two-thirds vote, no Senator can speak more than 1 hour.

Mr. STEWART. The rule continues:

> the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time.

It is in order to comply with that provision, as I understand it, that the Senator from New Mexico offered his amendment at this time.

Mr. BARKLEY. The Senator could have offered it tomorrow or on Saturday, because the Chair has ruled that the vote will be taken on Monday.

Mr. STEWART. So far it is partially clear, at least. The rule continues:

> No dilatory motion, or dilatory amendment, or amendment not germane shall be in order.

May I inquire of the Chair if that means that such amendments shall not be in order at this time, or not in order after the vote on the cloture?

The PRESIDING OFFICER. After the vote on cloture.

Mr. STEWART. The rule as to germaneness would not apply then to the amendment offered by the Senator from New Mexico which has just been read from the desk?

The PRESIDING OFFICER. The Chair would not say that. The Chair is not prepared to rule on that proposition yet. The question has not yet come up.

Mr. STEWART. It seems to me that is a matter which could be disposed of—possibly not at this time but at the proper time, and I propound that as a parliamentary inquiry.

The PRESIDING OFFICER. The Chair does not decide questions of relevancy. They are determined by the Senate.

Mr. STEWART. But, of course, the question must be submitted to the Senate.

The PRESIDING OFFICER. Yes.

Mr. JOHNSTON of South Carolina. Mr. President, is it not true with respect to an amendment offered not by a committee but by an individual Senator that a two-thirds majority is required to waive the rule before it can be acted on?

The PRESIDING OFFICER. Not every amendment. That applies only to amendments which are contrary to the provisions of rule XVI.

Mr. BARKLEY. If it is an amendment that increases an appropriation or provides for an appropriation not in the bill the two-thirds rule would apply.

The PRESIDING OFFICER. That would be an amendment contrary to rule XVI.

Mr. BARKLEY. That is correct. I think, Mr. President, the situation is now made clear.

Mr. BURTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BURTON. I wish merely to inquire, in order to make sure that I understand the nature of the procedure after cloture, whether the limitation on debate takes effect after the vote on next Monday?

The PRESIDING OFFICER. It does.

Mr. BURTON. And therefore between now and next Monday we may proceed in the usual manner, and it may be that the whole thing may be disposed of in the usual manner without all the procedure which has been under discussion, and we may get it all over by tomorrow?

The PRESIDING OFFICER. Yes.

Mr. BARKLEY. In that connection, Mr. President, I express the further hope that we may be able to dispose of the whole problem before we have to vote on the motion of the Senator from Ohio [Mr. TAFT].

ADDITIONAL REPORT OF A COMMITTEE

Mr. BARKLEY, from the Committee on the Library, to which was referred the bill (H. R. 44) to amend the act entitled "An act to provide for the disposal of certain records of the United States Government," reported it without amendment and submitted a report (No. 447) thereon.

ADDITIONAL BILL INTRODUCED

Mr. BARKLEY introduced a bill (S. 1208) to authorize the President to appoint Gen. Omar N. Bradley to the office of Administrator of Veterans' Affairs, without affecting his military status and perquisites, which was read twice by its title and referred to the Committee on Finance.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Sundry aviators and citizens to be second lieutenants in the Regular Marine Corps.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Lester J. Williams, to be postmaster at Canastota, N. Y.

By Mr. BARKLEY, from the Committee on the Library:

Luther H. Evans, of Texas, to be Librarian of Congress:

RECESS

Mr. BARKLEY. I now move that the Senate take a recess until 12 o'clock noon today.

The motion was agreed to; and (at 12 o'clock and 33 minutes a. m. Friday, June 29, 1945), the Senate took a recess until 12 o'clock noon today.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 28, 1945

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord and Master, Thou who hast glorified all that is of earth and sea and sky, to Thee we offer our tribute of praise. On Thee we base our comfort and our hope and rejoice that our faith is not in vain. By our awareness of Thy presence, we pray Thee to reveal unto us the hidden things of the soul by which despondency is relieved through the ministry of the spirit.

Almighty God, the source of all life and power, bring honor, peace, and brotherhood to this weary earth. Whatever hinders concord among the nations, grant that we may see the beginning of a new day in which righteous and just achievement shall overcome unrighteous ambitions; then we shall behold the fruition of the prophetic vision: "Instead of the thorn shall come up the fir tree and instead of the briar shall come up the myrtle tree, and it shall be unto the Lord for a name, for an everlasting sign that shall not be cut off." We pray for Heaven's blessing to be on our President and all his immediate advisers. In the name of Him who is the Light of the World. Amen.

The Journal of the proceedings of yesterday was read and approved.

SECOND DEFICIENCY APPROPRIATION BILL

Mr. CANNON of Missouri. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CANNON of Missouri. I wish to ask if the previous question is pending on the second deficiency appropriation bill.

The SPEAKER. It is.

Mr. CANNON of Missouri. And is the unfinished business and the first order of business today.

The SPEAKER. The unfinished business is the passage of the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years; to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946; to provide appropriations for the fiscal year ending June 30, 1946; and for other purposes.

The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. CANNON of Missouri. Mr. Speaker, I object to the vote on the ground that a quorum is not present. I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—ayes 318, nays 14, not voting 102, as follows:

[Roll No. 128]

AYES—318

Abernethy	Elston	Kerr
Adams	Engel, Mich.	Kilday
Allen, Ill.	Ervin	King
Allen, La.	Fallon	Kinzer
Andersen, H. Carl	Feighan	Kirwan
Anderson, Calif.	Fenton	Knutson
Andresen, August H.	Fernandez	Kopplemann
Andrews, Ala.	Fisher	Kunkel
Andrews, N. Y.	Flannagan	Landis
Angell	Flood	Latham
Arends	Fogarty	Lea
Bailey	Forand	LeCompte
Baldwin, Md.	Fulton	LeFevre
Barrett, Pa.	Gallagher	Lemke
Bates, Ky.	Gamble	Lewis
Bates, Mass.	Gardner	Link
Beall	Gary	Luce
Beckworth	Gathings	Ludlow
Bennett, Mo.	Gavin	Lyle
Biemiller	Gearhart	McConnell
Bishop	Geelan	McCormack
Blackney	Gerlach	McCowen
Bland	Gibson	McDonough
Bolton	Gifford	McGehee
Bonner	Gillespie	McGlinchey
Boren	Gillette	McGregor
Boykin	Gillie	McKenzie
Brehm	Goodwin	McMillan, S. C.
Brooks	Gordon	McMillen, Ill.
Brown, Ga.	Gore	Madden
Brown, Ohio	Gorski	Mahon
Braumbaugh	Gossett	Maloney
Bryson	Graham	Manasco
Buck	Granahan	Mansfield, Mont.
Bulwinkle	Grant, Ala.	Mansfield, Tex.
Burch	Green	Marcantonio
Burgin	Gregory	Martin, Mass.
Camp	Griffiths	Mason
Campbell	Gross	May
Canfield	Gwinn, N. Y.	Michener
Cannon, Mo.	Gwynne, Iowa	Miller, Calif.
Carlson	Hagen	Miller, Nebr.
Carnahan	Hale	Mills
Case, N. J.	Halleck	Monroney
Case, S. Dak.	Hancock	Morgan
Chapman	Hand	Morrison
Chelf	Hare	Mott
Chenoweth	Harless, Ariz.	Mundt
Church	Harness, Ind.	Murdock
Clark	Harris	Murphy
Clements	Hartley	Murray, Tenn.
Cochran	Havenner	Murray, Wis.
Coffee	Healy	Neely
Cole, Mo.	Hedrick	Norrell
Colmer	Henry	O'Brien, Ill.
Combs	Herter	O'Brien, Mich.
Cooper	Heselton	O'Konski
Corbett	Hess	O'Neal
Courtney	Hill	O'Toole
Cox	Hinshaw	Outland
Crosser	Hoch	Pace
Cunningham	Hoeven	Patman
Curley	Holmes, Mass.	Patrick
Curtis	Holmes, Wash.	Patterson
D'Alesandro	Hope	Peterson, Fla.
Daughton, Va.	Horan	Peterson, Ga.
Davis	Howell	Philbin
De Lacy	Huber	Phillips
Delaney, John J.	Hull	Pickett
D'Ewart	Izac	Plumley
Dirksen	Jackson	Poage
Dolliver	Jenkins	Powers
Domengeaux	Jennings	Priest
Dondero	Jensen	Rabaut
Doughton, N. C.	Johnson, Ill.	Rabin
Douglas, Calif.	Johnson, Luther A.	Ramey
Douglas, Ill.	Johnson, Okla.	Ramspeck
Doyle	Jonkman	Randolph
Drewry	Kean	Rankin
Durham	Kee	Reece, Tenn.
Eberharter	Keefe	Reed, Ill.
Elliott	Kefauver	Reed, N. Y.
Ellsworth	Kelley, Pa.	Rees, Kans.
	Kelly, Ill.	Resa
	Keogh	Richards
	Kerr	Trimble
	Kilday	Vinson
	King	Voorhis, Calif.
	Kinzer	Vorys, Ohio
	Kirwan	Vursell
	Knutson	Wasielewski
	Kopplemann	Weaver
	Kunkel	Weichel
	Landis	Weiss
	Latham	Welch
	Lea	West
	LeCompte	White
	LeFevre	Whittington
	Lemke	Wigglesworth
	Lewis	Winstead
	Link	Wolcott
	Luce	Wolfenden, Pa.
	Ludlow	Wolverton, N. J.
	Lyle	Wood
	McConnell	Woodhouse
	McCormack	Woodrum, Va.
	McCowen	Zimmerman
	McDonough	
	McGehee	
	McGlinchey	
	McGregor	
	McKenzie	
	McMillan, S. C.	
	McMillen, Ill.	
	Madden	
	Mahon	
	Maloney	
	Manasco	
	Mansfield, Mont.	
	Mansfield, Tex.	
	Marcantonio	
	Martin, Mass.	
	Mason	
	May	
	Michener	
	Miller, Calif.	
	Miller, Nebr.	
	Mills	
	Monroney	
	Morgan	
	Morrison	
	Mott	
	Mundt	
	Murdock	
	Murphy	
	Murray, Tenn.	
	Murray, Wis.	
	Neely	
	Norrell	
	O'Brien, Ill.	
	O'Brien, Mich.	
	O'Konski	
	O'Neal	
	O'Toole	
	Outland	
	Pace	
	Patman	
	Patrick	
	Patterson	
	Peterson, Fla.	
	Peterson, Ga.	
	Philbin	
	Phillips	
	Pickett	
	Plumley	
	Poage	
	Powers	
	Priest	
	Rabaut	
	Rabin	
	Ramey	
	Ramspeck	
	Randolph	
	Rankin	
	Reece, Tenn.	
	Reed, Ill.	
	Reed, N. Y.	
	Rees, Kans.	
	Resa	
	Richards	
	Rivers	
	Rizley	
	Robertson, N. Dak.	
	Robinson, Utah	
	Robsion, Ky.	
	Rockwell	
	Roe, Md.	
	Rogers, Fla.	
	Rogers, Mass.	
	Rogers, N. Y.	
	Rooney	
	Ryter	
	Sabath	
	Savage	
	Scrivner	
	Sheridan	
	Simpson, Ill.	
	Slaughter	
	Smith, Maine	
	Smith, Va.	
	Smith, Wis.	
	Snyder	
	Sparkman	
	Spence	
	Springer	
	Starkey	
	Stefan	
	Stewart	
	Stockman	
	Sullivan	
	Sumners, Tex.	
	Sundstrom	
	Taber	
	Talbot	
	Talle	
	Tarver	
	Thomas, Tex.	
	Thomason	
	Tibbott	
	Tolan	
	Torrens	
	Towe	
	Traynor	

NAYS—14

Arnold	Ellis	Schwabe, Okla.
Barrett, Wyo.	Jones	Shafer
Buffett	O'Hara	Short
Clevenger	Pittenger	Thomas, N. J.
Dworshak	Schwabe, Mo.	

NOT VOTING—102

Anderson, N. Mex.	Folger	Powell
Auchincloss	Fuller	Price, Fla.
Baldwin, N. Y.	Granger	Price, Ill.
Barden	Grant, Ind.	Quinn, N. Y.
Barry	Hall, Edwin Arthur	Rains
Bell	Hall, Leonard W.	Rayfiel
Bender	Hart	Rich
Bennet, N. Y.	Hays	Riley
Bloom	Hébert	Robertson, Va.
Bradley, Mich.	Heffernan	Rodgers, Pa.
Bradley, Pa.	Hendricks	Roe, N. Y.
Buckley	Hobbs	Rowan
Bunker	Hoffman	Russell
Butler	Holifield	Sadowski
Byrne, N. Y.	Hook	Sasscer
Byrnes, Wis.	Jarman	Sharp
Cannon, Fla.	Johnson, Calif.	Sheppard
Celler	Johnson, Ind.	Sikes
Chiperfield	Johnson, Lyndon B.	Simpson, Pa.
Clason	Judd	Smith, Ohio
Cole, Kans.	Kearney	Somers, N. Y.
Cole, N. Y.	Kilburn	Stevenson
Cooley	LaFollette	Stigler
Cravens	Lane	Sumner, Ill.
Crawford	Lanham	Taylor
Dawson	Larcade	Thom
Delaney, James J.	Lesinski	Wadsworth
Dickstein	Lynch	Walter
Dingell	Martin, Iowa	Whitten
Earthman	Merrow	Wickersham
Eaton	Norton	Wilson
Elsaesser	Pfeifer	Winter
Engle, Calif.	Ploeser	Woodruff, Mich.
Fellows		Worley

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Walter with Mr. Taylor.

Mr. Lynch with Mr. Clason.

Mr. Pfeifer with Mr. Rodgers of Pennsylvania.

Mr. Quinn of New York with Mr. Baldwin of New York.

Mr. Riley with Mr. Eaton.

Mr. Hobbs with Mr. Bennet of New York.

Mr. Heffernan with Mr. Fuller.

Mr. Sasscer with Mr. Elsaesser.

Mr. Bunker with Mr. Bradley of Michigan.

Mr. Roe of New York with Mr. LaFollette.

Mr. Price of Illinois with Mr. Edwin Arthur Hall.

Mr. Bloom with Mr. Kilburn.

Mr. Whitten with Mr. Ploeser.

Mr. Holifield with Mr. Martin of Iowa.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Jarman with Mr. Grant of Indiana.

Mr. Byrne of New York with Mr. Judd.

Mr. Somers of New York with Mr. Wadsworth.

Mr. Rowan with Mr. Stevenson.

Mr. Powell with Mr. Fellows.

Mr. Rayfiel with Mr. Hoffman.

Mrs. Norton with Mr. Woodruff of Michigan.

Mr. Barry with Mr. Sundstrom.

Mr. Rains with Mr. Cole of New York.
Mr. Cravens with Mr. Auchincloss.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

The SPEAKER. The Chair will recognize Members to extend their remarks but prefers not to recognize Members who ask to speak for 1 minute.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that on July 5 the gentleman from Colorado [Mr. HILL] may address the House for 30 minutes after the legislative business of the day and other special orders.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. JONKMAN asked and was given permission to extend his remarks in the RECORD.

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD in two instances.

EDWARD R. STETTINIUS, JR.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the resignation of the Secretary of State, Mr. Stettinius.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MUNDT. Mr. Speaker, on November 28, 1944, I took a minute on the floor of this House to congratulate President Roosevelt on his good judgment in selecting Edward R. Stettinius, Jr., as his new Secretary of State. Passing events have demonstrated that the President chose wisely and well in making that selection.

I regret that the exigencies of politics have now impelled President Truman to accept the resignation of Mr. Stettinius on almost the very day marking his crowning achievement of steering the San Francisco Conference through to a harmonious and promising conclusion.

In my opinion, had the President continued him as Secretary of State, Ed Stettinius would have become one of the greatest and most distinguished statesmen ever to serve this country in that capacity.

In the short 6 months he has been permitted to serve, he has gone far in reorganizing and revitalizing the State Department; he has created an almost unprecedented relationship of friendly consultations between his Department and Congress; he has added efficiency to a Department which normally specializes only in diplomacy; and he has demonstrated a unique capacity for winning friends and influencing human behavior in his conferences and negotiations with foreign statesmen. The Act of Chapultepec and the San Francisco Conference are lasting tributes to his energy and ability.

As the United States representative on the World Security Council he will have further opportunities to exemplify his capacity for leadership. I predict that he will meet them well and I congratulate him upon his decision to remain in the public service.

EXTENSION OF REMARKS

Mr. PITTENGER asked and was given permission to extend his remarks in the RECORD on the subject of lend-lease and to include a newspaper item from the Times-Herald of today; also to extend his remarks in the Appendix of the RECORD and to include a communication from a CIO organization at Ely, Minn., and also to extend his remarks in the RECORD and to include a communication from the Federated Trade and Labor Assembly of Duluth, Minn., the latter two communications dealing with the OPA.

Mr. HAND asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an editorial.

Mr. DOLLIVER asked and was given permission to extend his remarks in the RECORD and to include a letter from R. L. Hudson, chairman of Rationing Board, No. 76, of Pocahontas County, Iowa, and to include a newspaper statement about the rationing of canning sugar.

Mr. GROSS asked and was given permission to extend his own remarks in the RECORD on renegotiation of contracts, and so forth, and to include a letter written by a businessman.

Mr. RANDOLPH asked and was given permission to extend his remarks in the RECORD in three instances and to include certain material with each of them.

Mr. HARLESS of Arizona asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a letter.

Mr. BAILEY asked and was given permission to extend his remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. FULTON. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes today after disposition of business on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes on July 6 after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1946

Mr. JOHNSON of Oklahoma. Mr. Speaker, I call up the conference report on the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the full report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3024) "making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 4, 26, 33, 35, 36, 37, 41, 51, 58½, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 104, 105, 106, 108, 131, 136, 138, 148, 149, 150, 152, 167, 168, 170, 173, 186, 188, 193, 194, 195, 197, 200, 201, 202, 212, 213, 223, 224, 225, 226, 227, 246, 249, 252, 262, 266, 269, 282, 285, 302, 307, 309, 310, 312, 314, 318, and 319.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 12, 13, 23, 30, 32, 39, 40, 43, 44, 45, 46, 49, 53, 55, 62, 63, 112, 117, 122, 124, 127, 128, 137, 161, 166, 179, 184, 199, 208, 209, 210, 218, 254, 271, 281, 284, 292½, 299, 301, 303, 315, 316, and 317, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,079,740"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$118,980"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$86,626"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,200,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$12,500"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$203,860"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$212,500"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$3,600,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by the said amendment insert the following: "twelve"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$105,950"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"Appropriations herein made for the Grazing Service for 'Salaries and expenses', 'Range improvements', and 'Fire fighting' shall be available for the hire, maintenance, and operation of aircraft."

And the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$450,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "fifteen"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$354,695"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$310,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$150,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "one hundred"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$600,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$250,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$125,000"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$125,000"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$125,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$341,500"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$87,500"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$115,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$566,750"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$310,000"; and the Senate agree to the same.

Amendment numbered 102: That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,414,910"; and the Senate agree to the same.

Amendment numbered 109: That the House recede from its disagreement to the amendment of the Senate numbered 109, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$375,000"; and the Senate agree to the same.

Amendment numbered 110: That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$37,500"; and the Senate agree to the same.

Amendment numbered 111: That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$15,000"; and the Senate agree to the same.

Amendment numbered 113: That the House recede from its disagreement to the amendment of the Senate numbered 113, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$80,000"; and the Senate agree to the same.

Amendment numbered 116: That the House recede from its disagreement to the amendment of the Senate numbered 116, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$170,000"; and the Senate agree to the same.

Amendment numbered 118: That the House recede from its disagreement to the amendment of the Senate numbered 118, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$99,985"; and the Senate agree to the same.

Amendment numbered 119: That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$30,000"; and the Senate agree to the same.

Amendment numbered 120: That the House recede from its disagreement to the amendment of the Senate numbered 120, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$8,000"; and the Senate agree to the same.

Amendment numbered 126: That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$25,000"; and the Senate agree to the same.

Amendment numbered 130: That the House recede from its disagreement to the amendment of the Senate numbered 130, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"The following appropriations herein made for the Indian Service shall be available for hire, maintenance, and operation of aircraft: 'Administration of Indian forests'; 'Suppressing forest fires on Indian reservations'; 'Education of natives of Alaska'; 'Medical relief of natives of Alaska'; and 'Reindeer service, Alaska'."

And the Senate agree to the same.

Amendment numbered 132: That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "two hundred and eighty"; and the Senate agree to the same.

Amendment numbered 133: That the House recede from its disagreement to the amendment of the Senate numbered 133, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "hire, maintenance, and operation of aircraft with funds provided for 'General investigations' and the 'Missouri River Basin', and all sums appropriated in this Act to such Bureau shall be available for such hire, maintenance, and operation to meet unforeseen emergencies due to fire, flood or storm;"; and the Senate agree to the same.

Amendment numbered 139: That the House recede from its disagreement to the amendment of the Senate numbered 139, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$121,000"; and the Senate agree to the same.

Amendment numbered 141: That the House recede from its disagreement to the amendment of the Senate numbered 141, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$140,000"; and the Senate agree to the same.

Amendment numbered 142: That the House recede from its disagreement to the amendment of the Senate numbered 142, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$67,750"; and the Senate agree to the same.

Amendment numbered 143: That the House recede from its disagreement to the amendment of the Senate numbered 143, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "Ten"; and the Senate agree to the same.

Amendment numbered 144: That the House recede from its disagreement to the amendment of the Senate numbered 144, and agree to the same with an amendment, as follows: In lieu of the figure stricken out and the figure inserted by said amendment, insert the following figure: "10"; and the Senate agree to the same.

Amendment numbered 146: That the House recede from its disagreement to the amendment of the Senate numbered 146, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$3,000,000"; and the Senate agree to the same.

Amendment numbered 147: That the House recede from its disagreement to the amendment of the Senate numbered 147, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$550,000"; and the Senate agree to the same.

Amendment numbered 151: That the House recede from its disagreement to the amend-

ment of the Senate numbered 151, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$200,000"; and the Senate agree to the same.

Amendment numbered 153: That the House recede from its disagreement to the amendment of the Senate numbered 153, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 157: That the House recede from its disagreement to the amendment of the Senate numbered 157, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,050,000"; and the Senate agree to the same.

Amendment numbered 162: That the House recede from its disagreement to the amendment of the Senate numbered 162, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$349,750"; and the Senate agree to the same.

Amendment numbered 163: That the House recede from its disagreement to the amendment of the Senate numbered 163, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$500,000"; and the Senate agree to the same.

Amendment numbered 169: That the House recede from its disagreement to the amendment of the Senate numbered 169, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$450,000"; and the Senate agree to the same.

Amendment numbered 171: That the House recede from its disagreement to the amendment of the Senate numbered 171, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 172: That the House recede from its disagreement to the amendment of the Senate numbered 172, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,000,000"; and the Senate agree to the same.

Amendment numbered 174: That the House recede from its disagreement to the amendment of the Senate numbered 174, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$325,000"; and the Senate agree to the same.

Amendment numbered 175: That the House recede from its disagreement to the amendment of the Senate numbered 175, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$17,275,000"; and the Senate agree to the same.

Amendment numbered 178: That the House recede from its disagreement to the amendment of the Senate numbered 178, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$3,200,000"; and the Senate agree to the same.

Amendment numbered 180: That the House recede from its disagreement to the amendment of the Senate numbered 180, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$112,500"; and the Senate agree to the same.

Amendment numbered 182: That the House recede from its disagreement to the amendment of the Senate numbered 182, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$95,000"; and the Senate agree to the same.

Amendment numbered 183: That the House recede from its disagreement to the amendment of the Senate numbered 183, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "thirty"; and the Senate agree to the same.

Amendment numbered 185: That the House recede from its disagreement to the amendment of the Senate numbered 185, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "and purchase (not to exceed $10,000) of office furniture and equipment for use in the District of Columbia in addition to that which may be purchased from the appropriation for contingent expenses of the Department;"; and the Senate agree to the same.

Amendment numbered 187: That the House recede from its disagreement to the amendment of the Senate numbered 187, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,146,560"; and the Senate agree to the same.

Amendment numbered 189: That the House recede from its disagreement to the amendment of the Senate numbered 189, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$356,000"; and the Senate agree to the same.

Amendment numbered 190: That the House recede from its disagreement to the amendment of the Senate numbered 190, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$263,000"; and the Senate agree to the same.

Amendment numbered 191: That the House recede from its disagreement to the amendment of the Senate numbered 191, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,187,500"; and the Senate agree to the same.

Amendment numbered 192: That the House recede from its disagreement to the amendment of the Senate numbered 192, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$466,000"; and the Senate agree to the same.

Amendment numbered 196: That the House recede from its disagreement to the amendment of the Senate numbered 196, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,795,800"; and the Senate agree to the same.

Amendment numbered 198: That the House recede from its disagreement to the amendment of the Senate numbered 198, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$200,000"; and the Senate agree to the same.

Amendment numbered 203: That the House recede from its disagreement to the amendment of the Senate numbered 203, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$101,500"; and the Senate agree to the same.

Amendment numbered 204: That the House recede from its disagreement to the amendment of the Senate numbered 204, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$404,340"; and the Senate agree to the same.

Amendment numbered 205: That the House recede from its disagreement to the amendment of the Senate numbered 205, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$7,313,760"; and the Senate agree to the same.

Amendment numbered 206: That the House recede from its disagreement to the amendment of the Senate numbered 206, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$70,300"; and the Senate agree to the same.

Amendment numbered 207: That the House recede from its disagreement to the amendment of the Senate numbered 207, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$165,700"; and the Senate agree to the same.

Amendment numbered 211: That the House recede from its disagreement to the amendment of the Senate numbered 211, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,004,860"; and the Senate agree to the same.

Amendment numbered 215: That the House reeede from its disagreement to the amendment of the Senate numbered 215, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$320,000"; and the Senate agree to the same.

Amendment numbered 216: That the House recede from its disagreement to the amendment of the Senate numbered 216, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$83,750"; and the Senate agree to the same.

Amendment numbered 220: That the House recede from its disagreement to the amendment of the Senate numbered 220, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "five"; and the Senate agree to the same.

Amendment numbered 221: That the House recede from its disagreement to the amendment of the Senate numbered 221, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$7,000,000"; and the Senate agree to the same.

Amendment numbered 230: That the House recede from its disagreement to the amendment of the Senate numbered 230, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$40,000"; and the Senate agree to the same.

Amendment numbered 231: That the House recede from its disagreement to the amendment of the Senate numbered 231, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,250,000"; and the Senate agree to the same.

Amendment numbered 234: That the House recede from its disagreement to the amendment of the Senate numbered 234, and agree to the same with an amendment, as follows: In lieu o fthe sum proposed insert "$16,000"; and the Senate agree to the same.

Amendment numbered 235: That the House recede from its disagreement to the amendment of the Senate numbered 235, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$450,000"; and the Senate agree to the same.

Amendment numbered 239: That the House recede from its disagreement to the amendment of the Senate numbered 239, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$29,200"; and the Senate agree to the same.

Amendment numbered 240: That the House recede from its disagreement to the amendment of the Senate numbered 240, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$650,000"; and the Senate agree to the same.

Amendment numbered 247: That the House recede from its disagreement to the amendment of the Senate numbered 247, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,100,000"; and the Senate agree to the same.

Amendment numbered 255: That the House recede from its disagreement to the amendment of the Senate numbered 255, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$468,890"; and the Senate agree to the same.

Amendment numbered 256: That the House recede from its disagreement to the amendment of the Senate numbered 256, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$323,000"; and the Senate agree to the same.

Amendment numbered 259: That the House recede from its disagreement to the amendment of the Senate numbered 259, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$411,900"; and the Senate agree to the same.

Amendment numbered 261: That the House recede from its disagreement to the amendment of the Senate numbered 261, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$160,000"; and the Senate agree to the same.

Amendment numbered 263: That the House recede from its disagreement to the amendment of the Senate numbered 263, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$68,512"; and the Senate agree to the same.

Amendment numbered 267: That the House recede from its disagreement to the amendment of the Senate numbered 267, and agree to the same with an amendment, as

follows: In lieu of the sum proposed insert "$115,000"; and the Senate agree to the same.

Amendment numbered 272: That the House recede from its disagreement to the amendment of the Senate numbered 272, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: ", including traveling expenses,"; and the Senate agree to the same.

Amendment numbered 273: That the House recede from its disagreement to the amendment of the Senate numbered 273, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$206,190"; and the Senate agree to the same.

Amendment numbered 274: That the House recede from its disagreement to the amendment of the Senate numbered 274, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$27,000"; and the Senate agree to the same.

Amendment numbered 276: That the House recede from its disagreement to the amendment of the Senate numbered 276, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,100,000"; and the Senate agree to the same.

Amendment numbered 277: That the House recede from its disagreement to the amendment of the Senate numbered 277, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$511,800"; and the Senate agree to the same.

Amendment numbered 283: That the House recede from its disagreement to the amendment of the Senate numbered 283, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$624,700"; and the Senate agree to the same.

Amendment numbered 286: That the House recede from its disagreement to the amendment of the Senate numbered 286, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$181,550"; and the Senate agree to the same.

Amendment numbered 288: That the House recede from its disagreement to the amendment of the Senate numbered 288, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$875,000"; and the Senate agree to the same.

Amendment numbered 289: That the House recede from its disagreement to the amendment of the Senate numbered 289, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$300,000"; and the Senate agree to the same.

Amendment numbered 290: That the House recede from its disagreement to the amendment of the Senate numbered 290, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "two"; and the Senate agree to the same.

Amendment numbered 291: That the House recede from its disagreement to the amendment of the Senate numbered 291, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$142,585"; and the Senate agree to the same.

Amendment numbered 292: That the House recede from its disagreement to the amendment of the Senate numbered 292, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$625,200"; and the Senate agree to the same.

Amendment numbered 293: That the House recede from its disagreement to the amendment of the Senate numbered 293, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$55,100"; and the Senate agreed to the same.

Amendment numbered 294: That the House recede from its disagreement to the amendment of the Senate numbered 294, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$5,219,325"; and the Senate agree to the same.

Amendment numbered 295: That the House recede from its disagreement to the amendment of the Senate numbered 295, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,000,000"; and the Senate agree to the same.

Amendment numbered 296: That the House recede from its disagreement to the amendment of the Senate numbered 296, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$6,219,325"; and the Senate agree to the same.

Amendment numbered 297: That the House recede from its disagreement to the amendment of the Senate numbered 297, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$704,828"; and the Senate agree to the same.

Amendment numbered 298: That the House recede from its disagreement to the amendment of the Senate numbered 298, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "seventy-two"; and the Senate agree to the same.

Amendment numbered 303: That the House recede from its disagreement to the amendment of the Senate numbered 303, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,038,900"; and the Senate agree to the same.

Amendment numbered 304: That the House recede from its disagreement to the amendment of the Senate numbered 304, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"The following appropriations herein made shall be available for the hire, maintenance, and operation of aircraft: 'Salaries and expenses, Governor and secretary, Territory of Alaska'; 'Construction and maintenance of roads, bridges, and trails, Alaska'; 'Reconstruction and improvement of Richardson Highway, Alaska'; and 'Alaska Railroad appropriated fund'."

And the Senate agree to the same.

Amendment numbered 305: That the House recede from its disagreement to the amendment of the Senate numbered 305, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$196,450"; and the Senate agree to the same.

Amendment numbered 313: That the House recede from its disagreement to the amendment of the Senate numbered 313, and agree to the same with an amendment, as follows: In lieu of the amount named in said amendment insert "$300"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 11, 14, 16, 17, 19, 21, 22, 50, 57, 61, 64, 65, 103, 107, 114, 115, 121, 123, 125, 129, 134, 135, 140, 145, 147½, 154, 155, 156, 158, 159, 160, 164, 165, 176, 177, 178½, 181, 214, 217, 219, 221½, 222, 228, 229, 232, 233, 236, 237, 238, 241, 242, 243, 244, 245, 248, 250, 251, 253, 257, 258, 260, 264, 265, 268, 270, 275, 278, 279, 280, 287, 300, 806, 311, 320, and 321.

JED JOHNSON,
MICHAEL J. KIRWAN,
W. F. NORRELL,
JOHN J. ROONEY,
ROBERT F. JONES,
BEN F. JENSEN,
HENRY C. DWORSHAK,
Managers on the Part of the House.

CARL HAYDEN,
KENNETH MCKELLAR,
ELMER THOMAS,
JOSEPH C. O'MAHONEY,
THEODORE FRANCIS GREEN,
CHAN GURNEY,
HAROLD H. BURTON,
KENNETH S. WHERRY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill, H. R. 3024, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

No. 1: Appropriates $1,079,740 for salaries, office of the secretary, instead of $1,064,140, as proposed by the House, and $1,130,200, as proposed by the Senate. The increase of $15,600 in the House bill is to provide $8,200 for three employees in the office of the Budget and $7,400 for two positions in the office of the Safety Engineer.

No. 2: Appropriates $210,926 for personal services, office of the Solicitor, instead of $220,700, as proposed by the Senate.

No. 3: Appropriates $118,980 for personal services, Division of Territories and Island Possessions, instead of $112,440, as proposed by the House and $142,920, as proposed by the Senate.

No. 4: Appropriates $173,212, as proposed by the House, instead of $195,000, as proposed by the Senate, for salaries and expenses, Petroleum Conservation Division.

Nos. 6, 7, and 8, relating to soil and moisture conservation operations: Provides $86,626 for departmental personal services, instead of $86,000, as proposed by the House, and $92,000, as proposed by the Senate; permits the hire, maintenance, and operation of aircraft, as proposed by the Senate; and appropriates $1,200,000 for all purposes, instead of $1,056,882, as proposed by the House, and $1,500,000, as proposed by the Senate.

Nos. 9 and 10: Provides $12,500 for payment of awards, instead of $20,000, as proposed by the Senate, and appropriates $208,860 for contingent expenses, instead of $189,960, as proposed by the House, and $224,500, as proposed by the Senate. The reduction of $15,640 in the bill as passed by the Senate is due to the denial of $1,500 for the law library, $3,740 for the Division of Budget and Administrative Management, $8,500 in connection with the suggestions system, $200 for the Grazing Service, and $1,700 for supplies, Bureau of Indian Affairs.

Nos. 12 and 13, relating to the High Commissioner to the Philippine Islands, provides for the purchase of three automobiles, as proposed by the Senate; and appropriates $278,900 for maintenance of the office of the High Commissioner, as proposed by the Senate, instead of $200,000, as proposed by the House.

No. 15, relating to the Office of Fishery Coordination: Appropriates $212,500 for salaries and expenses, instead of $200,000, as proposed by the House, and $225,000 as proposed by the Senate.

No. 18, relating to the Solid Fuels Administration for War: Appropriates $3,600,000 for salaries and expenses, instead of $3,500,000, as proposed by the House, and $3,730,000, as proposed by the Senate.

Nos. 20, 23, 24, and 25, relating to the Grazing Service: Authorizes the purchase of 12 automobiles, instead of 10, as proposed by the House, and 17, as proposed by the Senate; authorizes "construction and purchase" in connection with range improvements, as proposed by the Senate; appropriates $105,950 for range improvements, instead of $80,000, as proposed by the House, and $200,000, as proposed by the Senate; and authorizes the use of appropriations to the Grazing Service for hire, maintenance, and operation of aircraft, as proposed by the Senate.

GENERAL LAND OFFICE

No. 26: Appropriates $735,070 for personal services in the District of Columbia, as proposed by the House, instead of $765,500, as proposed by the Senate.

No. 27: Appropriates $450,000 for surveying public lands, instead of $430,750, as proposed by the House, and $500,000, as proposed by the Senate.

Nos. 28 and 29: Authorizes the purchase of 15 automobiles, instead of 10, as proposed by the House, and 20, as proposed by the Senate; and appropriates $354,695 for salaries and expenses, branch of field examination, instead of $346,395, as proposed by the House, and $463,000, as proposed by the Senate.

No. 30: Appropriates $237,000 for salaries and expenses of land offices, as proposed by the Senate, instead of $235,875, as proposed by the House.

No. 31: Appropriates $310,000 for timber operations on the Oregon and California grant lands, instead of $296,000, as proposed by the House, and $317,500, as proposed by the Senate.

No. 32: Authorizes "construction and purchase" in connection with range improvements on public lands, as proposed by the Senate.

Nos. 33 and 34: Appropriates $150,000 for fire protection and timber management, instead of $137,045, as proposed by the House, and $175,000, as proposed by the Senate, of which $18,000 is made available for personal services in the District of Columbia, as proposed by the House, instead of $20,220, as proposed by the Senate.

BUREAU OF INDIAN AFFAIRS

No. 35, relating to departmental personal services: Appropriates $691,760 for such purpose, as proposed by the House, instead of $791,760, as proposed by the Senate.

No. 36: Appropriates $80,900 for travel and other expenses of departmental employees, as proposed by the House, instead of $90,287, as proposed by the Senate.

No. 37: Appropriates $272,600 for maintaining law and order on Indian reservations, as proposed by the House, instead of $291,500, as proposed by the Senate.

No. 38: Authorizes the purchase of 100 automobiles for the Indian Service, instead of 50, as proposed by the House, and 250, as proposed by the Senate.

Nos. 39 and 40: Clarifies the text of the paragraph relating to the purchase and lease of lands, as proposed by the Senate.

No. 41: Strikes out the provision of the Senate appropriating $100,000 for the acquisition of lands in the Turtle Mountain Reservation in the State of North Dakota.

No. 42: Appropriates $600,000 for agriculture and stock raising, instead of $579,545, as proposed by the House, and $680,800, as proposed by the Senate. The sum of $7,310 for classification of ungraded positions has been specifically disallowed.

Nos. 43, 44, 45, 46, 47, 48, and 49, relating to the revolving loan fund for Indians: Corrects United States Code references, as proposed by the Senate; and appropriates $250,000 for such purpose, instead of $100,000, as proposed by the House, and $500,000, as proposed by the Senate; and provides that $125,000 shall be available for administrative expenses, instead of $110,000, as proposed by the House, and $140,000, as proposed by the Senate.

No. 51: Strikes out the proposal of the Senate to insert $20,500 for expenses of the National Indian Institute of the United States.

Nos. 52, 53, 54, 55, and 56, relating to the San Carlos irrigation project, Arizona: Appropriates $125,000 from operation and maintenance collections, instead of $117,585, as proposed by the House, and $135,000, as proposed by the Senate; appropriates $216,500 from power revenues, as proposed by the Senate, instead of $193,800 as proposed by the House; and corrects the total of the items in the paragraph accordingly.

Nos. 58, 58½, 59, 60, 62, and 63, relating to construction, repair, and rehabilitation of Indian irrigation systems: Appropriates $87,500 for the Colorado River project, Arizona, instead of $175,000, as proposed by the Senate; strikes out the provision of the Senate proposing an appropriation of $8,500 for the Standing Rock project in North Dakota; appropriates $115,000 for surveys, investigations, and so forth, instead of $90,000, as proposed by the House, and $190,000 as proposed by the Senate; corrects the total amount of such items; and provides for the use interchangeably of not more than 10 percent of the amounts appropriated for projects, as proposed by the Senate, instead of 5 percent, as proposed by the House.

No. 66: Appropriates $310,000 for lease, purchase, and repair of buildings at Indian schools not otherwise provided for, instead of $299,000, as proposed by the House, and $320,000, as proposed by the Senate.

Nos. 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, and 101, relating to Indian nonreservation boarding schools: Eliminates, as proposed by the House, a total of $30,147 inserted by the Senate, to provide funds for the classification of ungraded Indian positions.

Nos. 102 and 104: Appropriates $1,414,910 for support, education, and relief of natives in Alaska, instead of $1,374,910, as proposed by the House, and $1,584,750, as proposed by the Senate, the increase of $40,000 in the House figure being allowed for the furnishing of school lunches to native school children. The proposal of the Senate to authorize the transfer by the Secretary of War to the Secretary of the Interior of War Department facilities at Fort Raymond, Seward, Alaska, for school purposes, has been deferred.

No. 105: Appropriates $5,085,965 for conservation of health, as proposed by the House, instead of $5,309,600, as proposed by the Senate.

No. 106: Appropriates $844,150 for medical relief in Alaska, as proposed by the House, instead of $866,500, as proposed by the Senate.

No. 108: Appropriates $2,791,410, as proposed by the House, instead of $3,120,550, as proposed by the Senate, for general support and administration of Indian property, all increases proposed by the Senate being eliminated, and a reduction of $4,800 proposed by the Senate in connection with the elimination of an attorney, being restored to the bill.

Nos. 109, 110, 111, and 112, relating to relief and rehabilitation of Indians: Appropriates $375,000, instead of $200,000, as proposed by the House, and $739,700, as proposed by the Senate; provides that $37,500 shall be available for administrative expenses, instead of $25,000, as proposed by the House, and $72,000, as proposed by the Senate, of which $15,000 is made available for departmental services, instead of $10,000, as proposed by the House, and $29,000, as proposed by the Senate; the limitation of $40,000 on rehabilitation of needy Indians being eliminated with the understanding that appropriations provided under this item shall be used for relief purporposes and not for construction.

No. 113: Appropriates $680,000 for the Alaska reindeer service, instead of $77,180, as proposed by the House, and $85,800, as proposed by the Senate.

No. 116: Appropriates $170,000 for administration of Indian tribal affairs, instead of $160,000, as proposed by the House, and $183,050, as proposed by the Senate.

No. 117: Appropriates $206,530 for support of the Klamath Agency, Oreg., as proposed by the Senate, instead of $199,030, as proposed by the House.

Nos. 118, 119, and 120: Appropriates $99,985 for support of the Menominee Agency, instead of $92,985, as proposed by the House, and $106,985, as proposed by the Senate; provides that $30,000 shall be for relief of needy Indians, instead of $25,000, as proposed by the House, and $35,000, as proposed by the Senate; and provides that $8,000 shall be available for payment of salaries and expenses, instead of $6,000, as proposed by the House, and $10,000, as proposed by the Senate.

No. 122: Provides $5,000 for improvement of Choctaw buildings and grounds, as proposed by the Senate.

No. 124: Appropriates $177,140, as proposed by the Senate, instead of $172,640, as proposed by the House, to provide funds for an Osage tribal attorney.

No. 126: Appropriates $25,000 for expenses of tribal councils, instead of $20,000, as proposed by the House, and $35,000, as proposed by the Senate.

Nos 127 and 128: Strikes out the date of approval of a contract for an attorney for the Colorado River Tribe, Arizona, proposed by the House, and inserts the "to be", as proposed by the Senate, the contract to be approved at a future date.

No. 130: Provides, as proposed by the Senate, that certain appropriations to the Indian Service shall be available for hire, maintenance, and operation of aircraft, amended to eliminate the extension of such authority in connection with the appropriation "Administration of Indian property."

No. 131: Strikes out the proposal of the Senate providing that hereafter certain appropriations shall remain available for two fiscal years following the fiscal year for which made.

BUREAU OF RECLAMATION

Nos. 132, 133, and 136, relating to administrative provisions: Authorizes the purchase of two hundred and eighty automobiles, instead of seventy-five, as proposed by the House, and four hundred end eighty-five, as proposed by the Senate; amends the proposal of the Senate making all appropriations to the Bureau of Reclamation available for the hire, maintenance, and operation of aircraft so that only appropriations for "General investigations" and the "Missouri River Basin" shall be available, except that all appropriations to the Bureau shall be available to meet unforeseen emergencies due to fire, flood, or storm; and strikes out the proposal of the Senate that certain appropriations to the Bureau shall be available for two fiscal years following the fiscal year for which made.

Nos. 137, 138, 139, 141, 142, 143, 144, 146, 147, 148, 149, 150, 151, 152, 153, relating to appropriations from the reclamation fund: Authorizes the use of $420,000 from power revenues for operation of the Parker Dam power project, as proposed by the Senate, instead of $350,000, as proposed by the House, appropriates $200,000, as proposed by the House, instead of $210,000, as proposed by the Senate, for operation and maintenance of the Owyhee project; appropriates $121,000 for operation and maintenance of the Klamath project, instead of $116,000, as proposed by the House, and $126,000, as proposed by the Senate; authorizes the use of $140,000 from power revenues for operation and maintenance of the power system, Kendrick project, instead of $135,000, as proposed by the House, and $144,000, as proposed by the Senate; appropriates $67,750 for operation and maintenance, Riverton project, instead of $65,500, as proposed by the House and $70,000, as proposed by the Senate; authorizes the interchange of appropriations for operation and maintenance to the extent of 10 percent of such amounts, instead of 5, as proposed by the House, and 15, as proposed by the Senate; appropriates $3,000,000 for salaries and expenses, other than for project offices, instead of $2,500,000, as proposed by the House, and $4,000,000, as proposed by the Senate; appropriates $550,000 for continuation of construction of the Gila project, instead of $500,000, as proposed by the House, and $950,000, as proposed by the Senate; appropriates $800,000 for the Colorado-Big Thompson project, as proposed by the House, instead of $1,400,000 as proposed by the Senate. The action of the conferees in eliminating funds for the proposed transmission from Brush to the Sterling Holyoke area in Colorado was taken because it

was the opinion of the conferees that this line should be constructed with funds loaned by the Rural Electrification Administration rather than with funds appropriated to the Bureau of Reclamation, and the conferees so recommend. Appropriates $450,000 for the Palisades project, as proposed by the House, instead of $500,000, as proposed by the Senate; appropriates $60,000 for the Sun River project, as proposed by the House, instead of $66,000, as proposed by the Senate; appropriates $200,000 for the Hungry Horse project, instead of $100,000, as proposed by the House, and $475,000, as proposed by the Senate; appropriates $450,000 for the Deschutes project, as proposed by the House, instead of $500,000, as proposed by the Senate; and appropriates $2,000,000 for the Provo River project, instead of $1,750,000, as proposed by the House, and $2,219,000, as proposed by the Senate.

No. 157: Authorizes the use of not to exceed $1,050,000 from revenues for operation and maintenance of the Boulder Canyon project, instead of $1,000,000, as proposed by the House, and $1,100,000, as proposed by the Senate.

Nos. 161, 162, and 163, relating to the Colorado River Development Fund: Appropriates $500,000 for plans and investigations in connection with the Colorado River system, instead of $400,000, as proposed by the House, and $900,250, as proposed by the Senate; of which $150,250 is made available for studies in connection with a plan for utilization of waters of the Colorado River, as proposed by the Senate, instead of $120,250, as proposed by the House; and $349,750 for investigations of projects for such utilization in the four States of the upper division, instead of $279,750, as proposed by the House, and $750,000 as proposed by the Senate.

No. 166. Provides that the appropriation heretofore made for the Davis Dam project shall be available for construction of Davis-Parker substation and interconnecting transmission lines.

No. 167. Appropriates $4,500,000 for the Central Valley project, California, as proposed by the House, instead of $4,715,300, including $215,300 for plans for a steam plant and transmission lines, as proposed by the Senate. The action of the conferees in the elimination of funds for plans for a steam plant and transmission lines in connection with the Central Valley project, California, was taken in view of the fact that there is an agreement between the Bureau of Reclamation and the Pacific Gas & Electric Co. whereby their power is pooled for the period of the war and a reasonable time thereafter which provides for the recapture, without prejudice, of any temporary advantage to either party. In view of this situation the conferees are of the opinion that the existing arrangements should be retained without projudice to those in favor of or opposed to the construction of a steam plant or transmission lines by the Bureau of Reclamation.

No. 168: Strikes out the proposal of the Senate to appropriate $300,000 for plans, specifications and other work in connection with the Kings River project, California. The amendment was eliminated because, in the opinion of the conferees, the requirements of the Secretary of the Interior with respect to this project under sections 5 and 8 of the act of December 22, 1944 (58 Stat. 887) should be held in abeyance during the continuance of the existing emergency.

No. 169: Appropriates $450,000 for the San Luis Valley project, Colorado, instead of $400,000, as proposed by the House, and $500,000, as proposed by the Senate.

No. 170: Appropriates $3,000,000 for the Boise project, Idaho, Anderson Ranch, instead of $3,041,000, as proposed by the Senate.

No. 171: Appropriates $2,000,000 for the Tucumcari project, New Mexico, instead of $1,400,000, as proposed by the House, and $2,500,000, as proposed by the Senate.

No. 172: Appropriates $1,000,000 for the Lugert-Altus project, Oklahoma, instead of $600,000, as proposed by the House, and $1,300,000, as proposed by the Senate.

No. 173: Appropriates $6,000,000 for the Columbia Basin project, Washington, as proposed by the House, instead of $8,332,000, as proposed by the Senate.

No. 174: Appropriates $325,000 for the Yakima project, Washington, Roza division, instead of $300,000, as proposed by the House, and $350,000, as proposed by the Senate.

No. 175: Corrects a total.

Nos. 178 and 179: Appropriates $3,200,000 for the Missouri River Basin, for surveys, investigations, and so forth, instead of $1,440,000, as proposed by the House, and $4,680,000, as proposed by the Senate; and strikes out the proposal of the House that no part of the appropriation shall be available for transfer to other bureaus of the Department, as proposed by the Senate. Two hundred thousand dollars of the amount recommended is for transfer to the Bureau of Mines for work in connection with manganese in the Chamberlain, S. Dak., area.

Nos. 180 and 182: Appropriates $112,500 for the Colorado River front work and levee system, of which $95,000 may be used for the purchase of lands, instead of $100,000, of which $85,000 might be used for such latter purpose, as proposed by the House, instead of $125,000, of which $100,000 would be available for such purpose, as proposed by the Senate.

GEOLOGICAL SURVEY

Nos. 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, and 205, relating to the Geological Survey: Authorizes the purchase of 30 automobiles, instead of 10, as proposed by the House, and 50, as proposed by the Senate; authorizes the purchase of not to exceed one, and the hire, maintenance, and operation of aircraft, as proposed by the Senate; amends the proposal of the Senate to authorize the use of $10,000 from available funds for purchase of office furniture and equipment; appropriates $208,160 for salaries and expenses in the District of Columbia, as proposed by the House, instead of $252,000, as proposed by the Senate; appropriates $2,146,560 for topographic surveys, instead of $2,046,560, as proposed by the House, and $2,775,000 as proposed by the Senate; strikes out the proposal of the Senate making $100,000 of such sum immediately available; provides that not to exceed $356,000 of such sum may be expended for personal services in the District of Columbia, instead of $350,000, as proposed by the House, and $415,000 as proposed by the Senate; and makes $263,000 available for cooperation with States, instead of $260,000 as proposed by the House, and $275,000, as proposed by the Senate; appropriates $1,187,500 for geologic surveys, of which $150,000 is for surveys of areas containing deposits of petroleum and strategic minerals by geophysical methods, instead of $1,000,000, as proposed by the House, and $1,337,500, as proposed by the Senate, of which $466,000 may be used for salaries in the District of Columbia, instead of $425,000, as proposed by the House, and $506,000, as proposed by the Senate; appropriates $157,500 for mineral resources of Alaska, as proposed by the House, instead of $232,500, as proposed by the Senate, of which $60,000 may be used for salaries in the District of Columbia, instead of $85,000, as proposed by the Senate; appropriates $1,795,800 for gaging streams, instead of $1,635,800, as proposed by the House, and $1,995,800, as proposed by the Senate; provides $200,000 for salaries in the District of Columbia, instead of $190,000, as proposed by the House, and $215,000, as proposed by the Senate; provides $1,300,000 for cooperative stream-gaging work, as proposed by the Senate, instead of $1,240,000, as proposed by the House; strikes out $100,000 proposed by the Senate for stream-gaging work in Alaska, and provides $100,000 for postwar surveys, instead of $200,000, as proposed by the Senate; appropriates $213,400 for classification of lands, as proposed by the House, instead of $248,400, as proposed by the Senate; strikes out the proposal of the Senate to make $35,000 immediately available for development work in Alaska, and provides $60,000 for salaries in the District of Columbia, as proposed by the House; appropriates $101,500 for printing and binding, instead of $87,500, as proposed by the House, and $115,000 as proposed by the Senate; and corrects the total for the Geological Survey.

BUREAU OF MINES

Nos. 206, 207, 208, 209, 210, 211, 212, 213, 215, 216, 218, 220, 221, 223, 224, 225, 226, 227, 230, 231, 234, 235, 239, 240, 246, 247, 249, 252, 254, relating to various items for the Bureau of Mines: Appropriates $165,700 for salaries and expenses, instead of $152,800, as proposed by the House, and $180,400, as proposed by the Senate, the increase of $12,900 being provided for the assistant director and his staff; authorizes the use of funds under the appropriation for operating mine-rescue cars for attendance at meetings, as proposed by the Senate, appropriates $1,004,860 for coal-mine inspections, which will provide for 25 additional inspectors, instead of $939,910, as proposed by the House, and $1,024,720, as proposed by the Senate, and authorizes the use of funds under the appropriation for attendance at meetings; appropriates $100,000, as proposed by the House, instead of $454,800, as proposed by the Senate, for enforcement of the Federal Explosives Act; appropriates $320,000 for testing fuel, instead of $300,000, as proposed by the House, and $341,000, as proposed by the Senate; appropriates $7,000,000 for demonstration plants in connection with synthetic liquid fuels, instead of $6,000,000, as proposed by the House, and $10,000,000, as proposed by the Senate, provides $50,000 for the temporary employment of engineers and architects, as proposed by the Senate, and authorizes the purchase of five automobiles for use in connection with the synthetic fuel program, instead of one, as proposed by the House, and 10, as proposed by the Senate; appropriates $382,700 for mineral mining investigations, as proposed by the House, instead of $447,700, as proposed by the Senate; appropriates $579,000 for oil and gas investigations, as proposed by the House, instead of $583,000, as proposed by the Senate; appropriates $962,200 for mining experiment stations, as proposed by the House, instead of $1,027,200, as proposed by the Senate; appropriates $515,000 for economics of mineral industries, as proposed by the House, instead of $540,000, as proposed by the Senate, of which $397,500 may be expended for salaries in the District of Columbia, as proposed by the House, instead of $420,000, as proposed by the Senate; appropriates $1,250,000 for investigation of raw-material resources for steel production, instead of $1,000,000, as proposed by the House, and $2,795,000, as proposed by the Senate, of which $40,000 may be used for personal services in the District of Columbia; appropriates $450,000 for manganese beneficial pilot plants, instead of $400,000, as proposed by the House, and $475,000, as proposed by the Senate, of which $16,000 may be used for personal services in the District of Columbia; appropriates $650,000 for production of alumina from low-grade bauxite, aluminum clays, and alunite, instead of $600,000, as proposed by the House, and $675,000, as proposed by the Senate, of which $29,200 may be used for salaries in the District of Columbia; appropriates $2,100,000 for investigation of deposits of critical and essential minerals, of which $100,000 is for a special survey of the Coosa coal field in Alabama, instead of $2,000,000, as proposed by the House, and $2,610,000, as proposed by the Senate, of which $55,000 may be used for salaries in the District of Columbia; strikes out the proposal of the Senate to appropriate $485,000 for continuing construction of the drainage tunnel, Leadville, Colo.; appropriates $78,400 for helium utilization and research, as proposed by the House, instead

of $80,000, as proposed by the Senate; and authorizes the use of funds under certain appropriations for hire, maintenance, and operation of aircraft, as proposed by the Senate.

NATIONAL PARK SERVICE

Nos. 255, 256, 259, 261, 262, 263, 266, 267, 269, and 271, relating to various items for the National Park Service: Appropriates $468,890 for salaries and expenses, departmental, instead of $429,900, as proposed by the House, and $507,875, as proposed by the Senate; appropriates $323,000 for regional offices, instead of $298,000, as proposed by the House, and $676,925, as proposed by the Senate; appropriates $411,900 for national monuments, instead of $402,286, as proposed the House, and $676,95, as proposed by the the Senate; appropriates $160,000 for national historical parks and memorials, instead of $150,117, as proposed by the House, and $170,000, as proposed by the Senate; appropriates $249,028 for national military parks, battlefields, and cemeteries, instead of $265,200, as proposed by the Senate; appropriates $68,512 for the Boulder Dam National Recreational Area, Arizona and Nevada, instead of $63,512, as proposed by the House, and $70,000, as proposed by the Senate; appropriates $213,100 for forest protection and fire prevention, as proposed by the House, instead of $217,800, as proposed by the Senate; appropriates $115,000 for recreational demonstration areas, instead of $106,105, as proposed by the House, and $125,000, as proposed by the Senate; appropriates $400,000 for salaries and expenses, National Capital parks, as proposed by the House, instead of $500,000, as proposed by the Senate; and authorizes the use of certain appropriations to the National Park Service for hire, maintenance, and operation of aircraft.

FISH AND WILDLIFE SERVICE

Nos. 272, 273, 274, 276, 277, 281, 282, 283, 284, 285, 286, 288, 289, 290, 291, 292, 292½, 293, 294, 295, 296, 297, 298, and 299, relating to various items for the Fish and Wildlife Service: Authorizes the use of funds for traveling expenses for the Service; appropriates $206,190 for general administrative expenses, instead of $198,780, as proposed by the House, and $213,600, as proposed by the Senate, of which sum $27,000 may be used for printing and binding; appropriates $1,100,000 for propagation of food fishes, instead of $1,046,200, as proposed by the House, and $1,194,500, as proposed by the Senate; appropriates $511,800 for investigations respecting food fishes, instead of $489,300, as proposed by the House, and $581,800, as proposed by the Senate, an increase of $22,500 in the House bill being provided for a study of salmon spawning facilities on the Pacific coast; appropriates $105,700 for the fishery market news service, as proposed by the Senate, instead of $86,000, as proposed by the House; appropriates $624,700 for Alaska fisheries, instead of $593,700, as proposed by the House, and $666,000, as proposed by the Senate, the increase in the House bill providing $15,000 additional for reserve stocks of foodstuffs for the population of the Pribilof Islands, and $16,000 for replacement of property; appropriates $18,000 for enforcement of Black Bass and Whaling Treaty Acts, instead of $12,000, as proposed by the House; appropriates $115,500 for fur-resources investigations, as proposed by the House, instead of $143,000, as proposed by the Senate; appropriates $181,550 for biological investigations, instead of $169,550, as proposed by the House, and $198,500, as proposed by the Senate, the increase of $12,000 in the House bill being added to permit resumption of financial cooperation with wildlife research units in Alabama, Iowa, and Pennsylvania; appropriates $875,000 for control of predatory animals, instead of $753,000, as proposed by the House, and $1,000,000, as proposed by the Senate; appropriates $300,000 for protection of migratory birds, instead of $294,600, as proposed by the House, and $312,400, as proposed by the Senate; appropriates $142,585 for enforcement of Alaska game law, instead of $138,170, as proposed by the House, and $242,000, as proposed by the Senate, the increase of $4,415 in the House bill being provided for one additional airplane, including operation; appropriates $625,200 for maintenance of mammal and bird reservations, instead of $549,875, as proposed by the House, and $687,400, as proposed by the Senate, the increase of $75,325 in the House bill providing $2,200 for replacement of trucks, $66,325 for administration of seven newly created wildlife refuges, and $6,800 for fire protection on refuges, and an unexpended balance of $40,000 is continued available for lowering the level of the lake on Little Medicine Creek in the Wichita Mountain Wildlife Refuge, or, in the event such work is not necessary, for such other improvements as may be deemed desirable; appropriates $55,100 for migratory bird conservation refuges, of which $5,100 is for the Crescent Lake Refuge, Nebr., instead of $50,000, as proposed by the House, and $99,000, as proposed by the Senate; corrects the totals for salaries and expenses and the grand total for such Service; appropriates $1,000,000 for Federal aid in wildlife restoration, instead of $900,000, as proposed by the House, and $1,500,000, as proposed by the Senate; authorizes the use of $704,828 for personal services in the District of Columbia (departmental), instead of $642,840, as proposed by the House, and $768,782, as proposed by the Senate; authorizes the purchase of 72 automobiles, instead of 22, as proposed by the House, and 122, as proposed by the Senate; and authorizes the use of funds for hire, maintenance, and operation of aircraft, as proposed by the Senate.

TERRITORY OF ALASKA

Nos. 301, 302, 303, and 304: Appropriates $44,000 for expenses of the office of the Governor and the Secretary, as proposed by the Senate, instead of $39,175, as proposed by the House; appropriates $1,038,900 for construction, repair, and maintenance of roads, instead of $1,000,000, as proposed by the House, and $1,127,800, as proposed by the Senate, the increase of $38,900 in the House bill being provided for construction, repair, and maintenance work only; and authorizes the use of certain funds for the hire, maintenance, and operation of aircraft, as proposed by the Senate, amended to eliminate the items "Care and custody of insane," and "Wagon roads, bridges and trails."

GOVERNMENT OF THE VIRGIN ISLANDS

Nos. 305 and 307: Appropriates $196,450 for salaries of the Governor and other employees, instead of $179,965, as proposed by the House, and $224,750, as proposed by the Senate, the increase in the House bill providing $6,985 for a government secretary, $7,000 for a legal counsel, and $2,500 for the purchase of automobiles; and strikes out the provision of the Senate proposing an appropriation of $51,000 to defray the deficit in the treasury of the municipal government of St. Croix.

MISCELLANEOUS

No. 308: Provides that automobiles may be purchased from the Federal surplus stock, as proposed by the Senate.

No. 309: Restores the provision of the House, stricken out by the Senate, which places limits on the amounts available for telephone tolls and telegrams and cablegrams.

No. 310: Corrects a section number.

Nos. 312, 313, 314, 315, 316, 317, and 318, relating to the purchase of books: Authorizes the use for such purposes of the following amounts:

Office of the Secretary	$2,250
Division of Geography	300
Grazing Service	625
General Land Office	1,000
Bureau of Reclamation	2,500
Geological Survey	6,000
Bureau of Mines	1,250

No. 319: Corrects a section number.

AMENDMENTS IN DISAGREEMENT

The following amendments are reported in disagreement:

No. 5, relating to the Division of Geography: The House managers will recommend concurrence in the Senate amendment with an amendment.

No. 11, relating to the Bonneville Power Administration: The House managers will move to recede and concur with an amendment.

No. 14, relating to the High Commissioner, Philippine Islands: The House managers will move to recede and concur with an amendment.

Nos. 16 and 17, relating to the Solid Fuels Administration for War: The House managers will move to recede and concur.

Nos. 19, 21, and 22, relating to the Grazing Service: The House managers will move to recede and concur. It is the understanding of the conferees that funds to be made available under amendment 22 are for actual fire-fighting.

No. 50, relating to the revolving loan fund for Indians: The House managers will move to recede and concur with an amendment.

No. 57, relating to settlement of claims to water rights in the Gila River, Arizona: The House managers will move to recede and concur.

No. 61, relating to the appropriation of Indian irrigation construction funds to be available until completion of projects: The House managers will move to recede and concur.

No. 64, relating to an appropriation of $25,000 for cooperation with the State of Oklahoma in the construction of an Indian arts and crafts building. The House managers will move to recede and concur with an amendment.

No. 65, relating to the appropriation for support of Indian schools: The House managers will move to recede and concur with an amendment.

Nos. 103, 107 and 114, providing that appropriations for education of natives in Alaska, medical relief in Alaska, and the reindeer service, Alaska, shall remain available until June 30, 1947: The House managers will move to recede and concur.

No. 115, relating to expenses incident to fulfilling the Atoka agreement: The House managers will move to recede and concur.

No. 121, providing for expenditures without regard to certain statutes: The House managers will move to recede and concur.

No. 123, relating to the appropriation of funds for an attorney for the Osage Tribe of Indians in Oklahoma: It is the intention of the conferees that the Indians shall initiate the negotiation of the contract for employment of a tribal attorney who meets with their approval and that the contract shall be subsequently submitted to the Secretary for final approval. The House managers will recommend concurrence in the Senate amendment with an amendment.

No. 125, relating to payment of travel and other expenses to the Shoshone and Arapahoe Tribes: The House managers will move to recede and concur.

No. 129, relating to the appropriation for Indian roads: The House managers will move to recede and concur with an amendment.

Nos. 134 and 135, relating to the payment of damages and rewards by the Reclamation Service: The House managers will move to recede and concur.

No. 140, relating to payment to school districts, Grand Coulee Dam, Washington: The House managers will move to recede and concur.

No. 145, relating to the period of availability of construction funds from the reclamation fund: The House managers will move to recede and concur with an amendment.

No. 147½, relating to the Gila project, Arizona: The House managers will move to recede and concur.

Nos. 154, 155, and 156, relating to general investigations and totals from the reclamation fund. The House managers will move to recede and concur with amendments.

No. 158, relating to payment to the Boulder City School District: The House managers will move to recede and concur.

Nos. 159 and 160, relating to the All-American Canal: The House managers will move to recede and concur in No. 159, and to recede and concur with an amendment in No. 160.

Nos. 164 and 165, relating to the period of availability of funds appropriated to the Colorado River Development Fund and funds for construction, Reclamation Service, general fund: The House managers will move to recede and concur in No. 164, and to recede and concur with an amendment in No. 165.

No. 176, relating to the period of availability of water conservation funds. The House managers will move to recede and concur with an amendment.

No. 177, relating to the Fort Peck project, Montana: The House managers will move to recede and concur with an amendment.

No. 178½; relating to the period of availability of funds for the Missouri River Basin: The House managers will move to recede and concur with an amendment.

No. 181, relating to the period of availability of funds for the Colorado River front work: The House managers will move to recede and concur with an amendment.

No. 214, inserting the words "wearing apparel and", in the appropriation for testing fuel. The House managers will move to recede and concur.

Nos. 217, 219, 221½, and 222, relating to synthetic liquid fuels: The House managers will move to recede and concur in the Senate amendments.

Nos. 228, 229, and 232, relating to investigation of raw-material resources for steel production: The House managers will move to recede and concur in the Senate amendments.

Nos. 233 and 236, relating to manganese beneficiation pilot plants and research: The House managers will move to recede and concur in the Senate amendments.

Nos. 237 and 238, relating to production of alumina from low-grade bauxite: The House managers will move to recede and concur in the Senate amendments.

Nos. 241, 242, 243, 244, 245, and 248, relating to legislative provisions in connection with appropriations for investigation of bauxite and alunite ores, magnesium pilot plants and research, and investigation of deposits of critical minerals: The House managers will move to recede and concur in the Senate amendments.

Nos. 250 and 251, relating to helium utilization and research: The House managers will move to recede and concur in the Senate amendments.

No. 253, excepting the appropriations for helium production from section 3709, Revised Statutes: The House managers will move to recede and concur.

Nos. 257 and 258, relating to national parks: The House managers will move to recede and concur in No. 257 and to concur with an amendment in No. 258.

No. 260, authorizing the use of funds to maintain the former Cape Hatteras Light Station Reservation. The House managers will move to recede and concur.

No. 264, relating to Lake Texoma Recreational Area, Texas and Oklahoma: The House managers will move to recede and concur with an amendment.

No. 265, providing transportation and subsistence to persons attending fire-protection training camps, National Park Service: The House managers will move to recede and concur.

No. 268, inserting the words "Chesapeake and Ohio Canal" in the appropriation paragraph "Salaries and expenses, National Capital parks": The House managers will move to recede and concur.

No. 270, inserting the words "and vicinity" in connection with educational lectures outside national parks, etc.: The House managers will move to recede and concur.

No. 275, relating to the propagation of food fishes: The House managers will move to recede and concur.

Nos. 278, 279, and 280, relating to the appropriation for commercial fisheries: The House managers will move to recede and concur in Nos. 278 and 279, and with an amendment in No. 280. The amount to be proposed will not include any funds for a survey in connection with the "Development of Alaska."

No. 287, relating to the purchase of bags, tags, and labels in connection with control of predatory animals: The House managers will move to recede and concur.

No. 300, relating to acquisition of 10 surplus airplanes by the Fish and Wildlife Service: The House managers will move to recede and concur.

No. 306, relating to the appointment of certain personnel by the Governor of the Virgin Islands: The House managers will move to recede and concur.

No. 311, authorizing the use of funds for library membership: The House managers will move to recede and concur.

No. 320, authorizing the Secretary to delegate power to authorize changes in official stations and payment of expenses: The House managers will move to recede and concur with an amendment.

No. 321, correcting a section number: The House managers will move to recede and concur.

JED JOHNSON,
MICHAEL J. KIRWAN,
W. F. NORRELL,
JOHN J. ROONEY,
ROBERT F. JONES,
BEN F. JENSEN,
HENRY C. DWORSHAK,
Managers on the Part of the House.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from California.

Mr. MILLER of California. May I ask the gentleman if the two items pertaining to the Central Valley relating to the planning for the steam plant and the transmission lines, which were left out of the bill, were left out without prejudice as to future consideration?

Mr. JOHNSON of Oklahoma. Yes; that is the situation as it stands.

Mr. MILLER of California. There is no prejudice against those items with reference to future consideration?

Mr. JOHNSON of Oklahoma. That is plainly stated in the report.

Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. LUTHER A. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Speaker, in this 1 minute I want to pay tribute to the Honorable Edward R. Stettinius, Jr., who, on yesterday, resigned as Secretary of State and was immediately selected by President Truman to be the United States member of the Security Council and chairman of the American delegation in the General Assembly of the United Nations when that organization is established.

No one has served his country with more ability and fidelity than Edward R. Stettinius. As Administrator of Lend-Lease, he made an outstanding record which met with the approval of the American people; as Under Secretary of State he made good, and as successor to Cordell Hull, he has made a very able Secretary of State, and in his new position, which is one of vast importance, and for which he is splendidly well equipped, I predict that he will render distinguished service to his country and the nations of the world in this great organization to preserve peace.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am glad to report to the House that your conferees on the Interior Department appropriation bill, after several days of conference with the Senate conferees, have actually reached a complete agreement. Although there are some 76 amendments which, under the rules of the House, must be reported in disagreement, actually there is no controversy over them, and at the appropriate time I shall submit a unanimous consent request in connection with most of these amendments in order to conserve the time of the House.

It is also a real pleasure and with considerable satisfaction to report that the House conferees were able to secure a very satisfactory agreement on the bill. There were 326 amendments inserted by the Senate. The House receded on 44 amendments, the Senate receded on 92 amendments, the House receded on 114 amendments, with amendments, and there are 76 amendments in technical disagreement. But of far more importance than the number of amendments that the House or Senate receded on is the total amount of funds on which the conferees finally agreed. The total of the bill as approved by the conferees is $111,690,258. This is a reduction of $32,148,889 under the Budget estimates. The Senate conferees have yielded on a total reduction of $28,702,174 in conference, and the House conferees have approved an increase of only $10,447,630 in the bill as it passed the House.

These figures speak for themselves. It is by all odds the greatest saving ever made in an Interior Department appropriation bill. Possibly, there are some members of both Houses who are not entirely satisfied with every item in this bill. But, considering the fact that there were 326 amendments that were added by the Senate, and the further fact that the total appropriations were increased by that body from $101,242,000 to more than $140,000,000, the fact that your conferees were able to secure an agreement reducing that figure to $111,690,258, or $32,000,000 below the Budget estimates, is no small accomplishment, and I express the hope that the report of your conferees will meet with the approval of this House.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from California.

Mr. VOORHIS of California. Mr. Speaker, as most of the Members of the House know, some of us from California have been deeply concerned about the Central Valley project. The report does not provide appropriations for making studies for the transmission line and the steam plant which we believe to be necessary in order to give that project integrity from an economic point of view, to guard the public investment, and to prevent all that power having to be sold to just one customer, namely, the Pacific Gas & Electric Co. But what the report does do is to leave us in a position where the House has said that the failure to make these appropriations is without prejudice to the future consideration of appropriations for actual construction of those items.

Now, in the near future two huge generators are going to be transferred from Grand Coulee to Shasta Dam, which will step up greatly the production of electricity at Shasta. This conference report is our go-ahead sign to do the best we can when that time comes to secure the building of the transmission lines and steam plant that will be necessary to carry that additional power to the centers of consumption and to carry it there under such circumstances that the public investment can be protected and the people of our State can get the maximum benefit from it.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. OUTLAND].

Mr. OUTLAND. Mr. Speaker, I was very sorry to note that the conferees had removed from the bill the $215,300 for a steam plant and transmission line in the Central Valley project of California. This appropriation was vitally important if the people of our State are to have low-cost power in the future. I note that the conference report in its explanation of this action states "the conferees are of the opinion that the existing arrangements should be retained without prejudice to those in favor of or those opposed to the construction of a steam plant or transmission lines by the Bureau of Reclamation."

Mr. Speaker, by this action in refusing this appropriation I hope nobody infers that Congress opposes public power development in California. I assume that the committee action this year is based on the shortage of critical materials, and not on the assumption that this Congress prefers private utility companies to public power. Consequently I assume that as soon as this shortage is over, it will be proper to come before the House again and request the funds necessary for the steam plant and transmission lines. That we certainly intend to do.

This issue has sometimes been confused as being limited to California, but that is not the case. True, Central Valley is a California project, but the basic issue is that of public versus private control of power, and that is Nation-wide. Those in this House from other States have in the long run as deep an interest in this problem as do we in California. I hope that next year when this matter is again before us that all of you who believe that power should not be privately controlled, but should be administered in the public interest, will join us in this fight.

If you had a gold mine in your back yard and someone charged you extra for every ton of ore you took through your back gate, you would not sit back and let him get away with it, would you?

Now, the people of California have the equivalent of a new gold mine in low-cost power from Shasta Dam, key feature of the great Central Valley reclamation project. But as things now stand these people will have to pay a heavy toll for every kilowatt-hour which travels through the transmission lines of the Pacific Gas & Electric Co.

The Bureau of Reclamation, operating on the policy of conserving and making wise use of western waters for the benefit of the greatest number, did not plan the Central Valley project or any feature of it to serve the stockholders of a particular private utility company.

The Bureau included in its 1946 budget plans at a cost of $115,300 for building transmission lines from the dam to load centers in the Central Valley project area and $100,000 for planning a steam power plant in the delta region. This power plant would increase the firm power available from Shasta Dam threefold. It is essential that these items be included for the successful development of Central Valley. Without plans for a distribution system, the Government will be forced to continue using the transmission facilities of the P. G. & E.

Unfortunately, the House Subcommittee on Appropriations, after hearing testimony of President James B. Black of the P. G. & E., slashed these two small but important items from the appropriations bill. Mr. Black's company offers very kindly to let the Government deliver 1¾ kilowatt-hours of energy for every 1 kilowatt-hour of current it transmits to the point of usage for the Government.

This is a very nice plan for the P. G. & E., but not for the people whose prosperity depends on getting lower rates for electricity. Fortunately, the Senate recognized that the P. G. & E., not the people, would benefit from the omission of the two items from the Budget and promptly restored them. However, these items were again stricken out in conference.

If the transmission lines and Delta steam-power plant are not eventually included in plans for distributing Shasta power, Central Valley will be shackled with the chains of a monopolistic private utility.

The Central Valley project was built for the people. Shasta Dam can give them, among other multiple-purpose benefits, low-cost power to light their homes, to make their work easier, to attract new industries offering job opportunities to returning servicemen and others.

In areas like the State of Washington and the Tennessee Valley, where the Government markets the power from its great plants, the people share in the profits.

If the industrial and agricultural regions of California can get Shasta power without paying at the toll gate of P. G. & E., the energy will be delivered to them at charges that compare well with the low rates for electric energy in the rest of the United States.

It is up to the Congress to decide whether to favor the few or to help the many. I hope that next year we restore this cut. Those of us in California who realize how vitally important this power issue is intended to continue our efforts here in behalf of the great mass of our people.

Mr. GEARHART. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from California.

Mr. GEARHART. The gentleman from California should be commended for his statement. At the same time it would be appropriate to point out at this point in your remarks that the two items to which you have referred were authorized by the Congress in the original Central Valley authorizing legislation. In asking for appropriations to cover their construction cost we are merely asking for the financing of that which was within the contemplation of the membership at the time the Central Valley project was first presented to the Congress. I am delighted to receive the assurances of the managers of the conference that they will not oppose appropriations for the steam stand-by plant, the transmission lines, and the Kings River project at the proper time.

Mr. OUTLAND. I thank the gentleman. He is quite correct in his statement.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. Yes; I yield.

Mr. RANKIN. These items should be put in this bill at this time. The longer you delay it the harder it is going to be for the people of northern and central California to benefit from the Shasta Dam power.

Mr. OUTLAND. I agree with the gentleman. But I was trying simply to point out that as long as they were not included I wanted it very clearly understood it is not an action which is prejudicial to the future consideration of it. The sooner appropriations are made, the better so far as the interests of the people as a whole are concerned.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield such time as she may desire to the gentlewoman from California [Mrs. DOUGLAS].

Mrs. DOUGLAS of California. Mr. Speaker, we are not asking that the report be recommitted or that the action of the conferees be rejected because of the shortness of time and because the report makes it possible to bring the matter up again before the Deficiency Subcommittee of the Appropriations Committee or the Interior Subcommittee for reconsideration without prejudice.

I reiterate that to complete and make useful the Central Valley project there must be built a transmission system and stand-by steam plant as soon as possible. California must have these facilities as a necessary part of her development. Cheap water and cheap power will provide for California a basis for achieving the essential balance of industry and agriculture necessary to a

healthy postwar economy. We cannot have jobs for all just by wishing for them. We must take the necessary measures to create new basic wealth.

One hundred and thirty-five million dollars has been invested in the Central Valley project by the Government. This money must not become merely a contribution by the taxpayers of the United States to the capital of any one company. It must be an income-producing investment of the United States, from which the Treasury of the United States will derive the greatest possible return, and which will bring the greatest possible benefit to all of the people of California and finally to the people of the whole Nation.

In order to do that, the project must be finished as soon as possible. Finishing the project means building transmission lines and a steam plant in order to bring the power that will be generated at Shasta and Keswick at the cheapest possible cost to the places where it can be used. What we have done so far is to build a house without building the roads leading to it.

When the two generators belonging to Shasta Dam, which have been put into Grand Coulee for the war emergency are returned to Shasta Dam, and when the Keswick Dam is completed and the authorized generators installed we will have a power installation of 350,000 kilowatts at the two plants or more than double the capacity now installed.

The transmission facilities, public and private, that are now available cannot carry this additional power. Before the Shasta units are brought back to California, where they belong, and before Keswick is completed, more transmission lines must be built. And a steam plant must be built.

These facilities should be built by the Federal Government if power is to play its vital role in providing work for the more than 8,000,000 people in California. There can be no question about the necessity for the facilities. The only issue is whether the facilities should be built by a single private monopoly to be used for its own purposes and for the purpose of deriving an unearned margin from a huge Federal investment, or whether they should be built by the Federal Government, acting as a prudent businessman, to realize a maximum return for the taxpayers and maximum benefits for the people.

Not only will the Government transmission system in the Central Valley assure to the Government a sound businesslike power operation that will return its investment with interest but it will also make it possible for municipalities and other public agencies that have been paying to the P. G. & E. from 7.7 mills to 11.2 mills for power to get it for one-third less—between 4.8 and 6.8 mills. In Redding today the Central Valley power would bring that city's cost of wholesale power down from 7½ mills to about 5 mills. Other municipalities that already own their own distribution systems are eager to get this public power at wholesale at these lower rates. By law and equity, they have a right to get it.

The Government will also make substantial savings if the power system is built. It will get more for its power than it gets from the P. G. & E. It will also be able to use large quantities in its own pumping operations necessary to bringing water to the land in California. The Delta Mendota Canal and the Delta Cross Channel will be operated by pumps that will require more than 400,000,000 kilowatt-hours of energy annually to bring Sacramento River floodwaters to the thirsty lands of the San Joaquin Valley. Why should the Government sell its own power 150 miles up at Shasta to a private utility company and at the same time buy 400,000,000 kilowatt-hours to operate its pumps in the Delta region from the same company? To do this makes no sense. The cost of pumping this water will bear directly upon the water users. The water users—farmers—have a right to be assured that the operating costs of these great pumps that will supply them with life-giving water will not be padded by unnecessary profits to a private utility.

We feel confident that when this issue is squarely presented to the Members of Congress, as is permitted by the conferees' report, the Members will vote for the additional investment which will really determine the usefulness of the expenditure that has already been made and will determine to a large measure the future economic development of California.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I regret that the conferees on the Interior Department Appropriation bill for 1946, H. R. 3024, did not see fit to accept the amendment of the Senate to item 167 of the conference report, and include in it the appropriation to carry out the Central Valley project of California. The recommendations were for advance planning of a steam plant and transmission line as proposed by the Bureau of Reclamation and approved by the Bureau of the Budget.

There seems to be a great deal of confusion as to the necessity for these two integral parts of the Central Valley project. This confusion stems from sources without the Federal Government.

The Central Valley project has been studied for many years by both State and Federal agencies and they have prepared a well-integrated plan in which reclamation, flood control, irrigation, salinity control, and power development and sale, each plays its part.

The Central Valley project is of vital economic interest to all of California, north of Techachapi Mountains. It contemplates the irrigation of land in the San Joaquin and Sacramento Valleys, the control of floods, the constant release of water to aid navigation and to hold back the encroachment of salt water and on top of these, the development of cheap hydroelectric energy as a source of revenue to help pay for the costs of the structures incident to the project and to furnish a cheap source of heat and power so vital in the economy of the West.

The necessity for a steam power plant to firm the hydroelectric energy and make it salable is self-evident and the necessity for a publicly owned transmission line from Shasta Dam to a point in the San Francisco-Oakland metropolitan area is also self-evident. The Pacific Gas & Electric Co. now exercises a monopoly in the metropolitan bay area and until this monopoly is broken, the industrial development so essential to support the new populations in that area will not take place.

Shortly after the cessation of the war in the Pacific, we will be looking for jobs for our returning veterans and those out of employment, due to the shut-down of war work, and if we are to employ these people at standard wages on important work, we must have the plans prepared for this work. Let me call your attention to the fact that in northern California where much war work has been done, where a great many men have gone to the armed services, no provision is presently made for a public-works program of this magnitude to take up the slack in employment; and we in that section of the State had looked to the Central Valley project for this purpose.

The failure of the Congress to appropriate $215,300 for advance plans will retard full employment in this area.

The Central Valley projects effects all of northern California, and is not limited to any one political subdivision or any one specific area, an argument that seems to have gained credence in the House.

In closing, I am happy to say that the conferees removed the impediments placed on this project in the original report of the House committee, and in lieu thereof, wrote into the report on this item the following words:

> In view of this situation, the conferees are of the opinion that the existing arrangements should be retained without prejudice to those in favor or opposed to a steam plant or a transmission line by the Bureau of Reclamation.

The people of California and the people affected by this great over-all project have spoken at the polls and they know what they want and they want the steam plant and the cheap electricity that can only be delivered on a publicly owned transmission line.

Mr. WELCH. Mr. Speaker, I sincerely regret that the committee which has this bill in charge has failed to recommend to the House an appropriation sufficient to continue the Central Valley program.

The Central Valley project was inaugurated in 1933 through a referendum election. The State of California was unable to finance this great development, the cost of which has been estimated at one-third of a billion dollars. I was one of a group of Representatives who took the initiative in advancing this project. We took the matter up with the late President Roosevelt, who gave it his wholehearted support.

The Central Valley project embraces a vast empire equal to the combined area of Massachusetts, Connecticut, Rhode Island and one-half of New Jersey, and is traversed by two great navigable rivers flowing into the bay of San Francisco. One of the primary objects of the project is to save over 1,000,000 acres of the most fertile land in the world from salt-water erosion. Before the Federal Government

undertook this project over 50,000 acres of land had already been destroyed.

The importance of this great fertile valley is attested by the fact that it has been the breadbasket of the Pacific war effort. Immediately adjacent to the port of San Francisco which is today the greatest port of embarkation in the world, it has furnished huge quantities of fresh foods for our fighting forces in the Pacific and our tremendously increased civilian population engaged on war production.

It is essential that Congress continue the appropriation for this well-planned program which was carefully studied over a long period of years. It is false economy to hastily discontinue a work so well started and which has proven its importance to the entire United States.

Mr. ENGLE of California. Mr. Speaker, Shasta Dam, the principal unit of the Central Valley project, is in my district, through which the great Sacramento flows. The Shasta power plant and the Keswick Dam and power plant are only partly installed at the present time. Two 75,000-kilowatt units have been installed at Shasta Dam; none at Keswick Dam. Two more 75,000-kilowatt generators have been constructed for Shasta Dam but are temporarily installed at Grand Coulee Dam in the State of Washington. These generators are expected to be returned to Shasta Dam to aid northern and central California in meeting the growing power demands of our region. I hope these units may be released at Grand Coulee Dam in the very near future and that they then can be brought back to Shasta Dam.

They were placed in Grand Coulee Dam before Shasta Dam was completed when the war emergency was such that these units were needed critically in the Northwest, where open places for generators still were available at Grand Coulee Dam.

I give you this information as background. I am disappointed that the conference committee on the Interior Department bill did not see fit to include the $215,300 estimate for studies for transmission lines and a stand-by plant on the Central Valley project. I am most gratified, however, that the House managers have taken the position in presenting the conference report to the House that the omission of these relatively small items for studies is without prejudice to later action on requests of the Bureau of Reclamation for funds to construct transmission lines. These lines will be needed to carry the power from Shasta Dam to load centers and to the project pumps in the San Joaquin Valley and along the Contra Costa Canal, and they should be built when they are needed.

The situation is that the Bureau of Reclamation has been denied funds by the Congress to make the studies for the transmission lines and a steam plant this coming fiscal year of 1946. This will not affect the authority of the Bureau of Reclamation to build the lines and necessary stand-by plants, which are a part of the Central Valley project. These facilities can be built when needed, provided the Congress appropriates money for them at that time. I am assured by the Bureau of Reclamation that, since the action we are taking today is without prejudice, the Bureau will submit estimates for the Congress to consider when these facilities are required. The Appropriations Committee, through its spokesmen, the House managers on this Interior Department appropriation bill for 1946, has assured the Congress that it will give due and unprejudiced consideration to those estimates of the Bureau of Reclamation when they are submitted at a later time.

I want to thank the members of the Interior Subcommittee for the conscientious consideration they have given, individually and collectively, of the needs of the Central Valley project and of this matter of the transmission lines and the stand-by plant.

Mr. JOHNSON of California. Mr. Speaker, when this appropriation bill was up before the House I commented on the failure of the committee to allow a small appropriation of $215,000 for purposes of studying the requirements and preparing necessary plans for transmission lines and a steam plant.

At that time I expressed the hope that the elimination of this item would not indicate that the Appropriation Committee was determined not to provide for the building of these transmission lines and the steam plant.

No one knows exactly what will be needed in this line. But we do know that we have $150,000,000 in the CVP and perhaps $200,000,000 more will be required to complete it. The biggest source of revenue from this vast expenditure will be the sale of power. With such a large output we need our own transmission lines; we may need a steam plant. At any rate, I want the Reclamation Bureau to have enough money to determine what we need and when they have determined what is needed I want to help support a plan to get it built. In my district is the first big public customer for this public power, the Sacramento Municipal Utility District. It serves 60,000 customers. We want to be in a position to give them their electricity over our own lines. This is only the beginning, as other public bodies and units will want this power, and in the end it will be the feature of the CVP which will make the whole project solvent and a money maker. Therefore, I am glad that the conference report indicates that we still will have a chance to get the necessary money for a study of the need for transmission lines and for the lines and the steam plant if they are necessary.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Speaker, it is evident that as there are only about 2 days left of this fiscal year and that the decisions made by the conferees will prevail.

There is, however, a matter which I must call to your attention because it is going to result in a very serious situation. I refer to the item in this appropriation which, if it were appropriated, would not be spent in my district or even in my State, but it does vitally affect some producers in the district that I have the honor to represent.

In the western end of Nebraska, particularly in the western end of Chase County, we have a rural-electrification district that has been securing its power from the city of Holyoke, Colo. Those farmers have installed water pumps and irrigation systems. They have purchased cream separators, sewing machines, and countless other things because they have been using electricity. The city of Holyoke has notified them that they cannot take on any additional customers and that their present contract, when it expires, cannot be renewed.

Farther to the west in Colorado the taxpayers have spent a great deal of money to build the Big Thompson project. It is being completed. It took your money to build it. They have power for sale. The sale of that power will materially help to pay for the cost of the project. The Bureau of Reclamation has plans to extend lines from Brush, Colo., to Sterling, and then to Holyoke where it would supply these rural-electrification districts, particularly the one to which I referred.

The Bureau of the Budget approved this item. I appeared before the House Committee on Appropriations in behalf of this project. It was not put in the bill. I appeared before the Senate Appropriations Committee. They did put it in the bill. It passed the Senate. The conferees have taken it out.

Mr. Speaker, this is a matter that is not one of those things where somebody is trying to get a new project started. We have a rural-electrification district that has been in operation. Individuals have spent their money, and their power is going to be shut off. It definitely relates to the food situation. I have in mind one farm unit in the territory that is served by this district where the farmer last year produced in excess of 25,000 pounds of beef, in excess of 25,000 pounds of pork, and 10,000 bushels of wheat, as well as other food products. Other farmers produce great amounts of food also.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield the gentleman one additional minute.

Mr. CURTIS. I find some language in the statement of the managers on the part of the House to the effect that this item was rejected, and the conferees recommend that the REA build this line. If the chairman of the committee would inform me a little bit about the intention of the conferees I would appreciate it very much.

Mr. JOHNSON of Oklahoma. Let me say to the distinguished gentleman that the conferees of both the House and the Senate considered and discussed the situation at great length. The committee understands and appreciates the very serious shortage of power in that great rich farm area and the further fact that there is apparently no private company in a position to supply the power. But the committee felt it was an REA project so far as the rural area is concerned. For that reason the committee rejected the item. The gentleman recalls that on yesterday I offered an amendment to the deficiency bill to restore the amount

of $70,000,000 that had been stricken from the appropriation for rural electrification loans. If the Rural Electrification Administration can possibly take care of this project so far as the rural areas are concerned, then the committee feels it should be given the opportunity to do so.

Mr. CURTIS. And I supported the gentleman's amendment for an increase of $70,000,000 for REA. I think it is a serious question whether the REA has lawful authority to build a line of this kind. They perhaps have, and I hope they have.

The SPEAKER. The time of the gentleman from Nebraska has again expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield the gentleman one additional minute.

Mr. RANKIN. Will the gentleman yield to me?

Mr. CURTIS. I yield.

Mr. RANKIN. I have investigated this proposition, and I find that the Rural Electrification Administration—that is, the cooperative power association that borrows its money through the REA—has the right to build this line to serve these cooperatives only. However, it would not have the right to build a high-power line to serve a municipality in which it did not own the distribution system.

So, if the municipality is to be served you will have to get the line built by the Bureau of Reclamation. If there is no one to be served except the people in the cooperative power associations, whether they are farmers or not, then the REA has a right to loan the money to the cooperative power association to build this high-power line.

Mr. CURTIS. The extension of this power line will definitely hasten the day when the Big Thompson project will be paid for and the taxpayers will have their money. We want to help pay for it. I hope that this serious mistake can be rectified at an early date.

The SPEAKER. The time of the gentleman from Nebraska has again expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. BIEMILLER].

Mr. BIEMILLER. Mr. Speaker, I take this time to compliment the Senate and House conferees on their wisdom in restoring the appropriation to continue the employee-award system in the Interior Department. The gentleman from Georgia [Mr. RAMSPECK], the gentleman from Texas [Mr. LANHAM], and myself had evidenced interest in this question when the bill was debated in the House. I think the conferees were wise in restoring that item and I am confident that in future years the Congress will want to continue the appropriation, and probably increase it. Both in private industry and government, awards systems have shown their value in promoting individual initiative and improving employee morale. Those in the Interior Department responsible for inaugurating this system should also be commended.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 7 minutes to the distinguished and active and able member of this committee the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, I probably will not use all my time, but I do wish to explain as best I can the reason why the committee took the action they did on the transmission line in eastern Colorado and western Nebraska to furnish power to the farmers of that area. The REA is in reality the farmers' own organization; they feel that it is their business; and since this project would accommodate farmers generally we felt they should get the appropriation from the REA, especially since an appropriation of $200,000,000 for REA was in the making and was quite sure of being passed by Congress. In fact, since that time it has passed the House.

Relative to the Central Valley, about which a few of our colleagues from California are so greatly concerned, as I said when this bill was before the House before, the Congress has been very liberal with California and the other Western States. Here is the story in a nutshell.

The Interior Department operates mostly west of the ninety-seventh meridian and the taxpayers of the Nation have spent a lot of money to develop the Western States. They have spent a lot of money to provide electric power to California and to some of the other Western States as well as to provide needed water. The taxpayers of this Nation have been willing to do that as long as the war is in progress. The electric rates on the west coast are about half again as cheap because of Federal power as they are in other sections of the country. So the committee is trying to get your house in order so that when the war is over other Members of Congress will continue to help develop the Western States.

Now if the eastern and middle western part of the United States is to pay a share of the electric power bill of the people of the west coast and of the Western and Southwestern States after this war is over they simply will say, "No; you don't get a dime, because your revenues from the federally supported power projects are not paying out as was agreed under the basic acts."

I hope you can understand that this committee is not fighting the battle for the private power companies. To the contrary, we have absolutely done the things we thought were best not only for California and the Western States, but for the United States as a whole. May I remind you that I am personally interested in the development of the Missouri River Basin but I want it to be a sound undertaking.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield to my good friend.

Mr. RANKIN. Let me say to my good friend from Iowa that the cheapest rates on the Pacific coast are at Tacoma and Seattle, Wash., neither one of which receives a dime from the Federal Government for their power systems; and both of them generate their electricity with water power.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield to my distinguished friend from Massachusetts.

Mr. BATES of Massachusetts. The gentleman made the statement that the taxpayers of this Nation are building these transmission lines and generating plants on the west coast and that the taxpayers on the east coast are paying for at least part of the cost of these installations. Does the gentleman really mean that?

Mr. JENSEN. At the present time, under the present rate charges, the people of the East have been paying part of it in my studied opinion, and so have the people of my State.

Mr. BATES of Massachusetts. The Members of the House have always been informed that these Federal power projects were self-liquidating. What are the facts about the matter? We want to know whether we are being fooled or not; we want to know whether these projects are self-liquidating.

Mr. JENSEN. What we are trying to do is get the Federal powerhouse in order in the Western States, so that it will pay operation, maintenance, and amortize the Government loan in the course of the years, which the law provides; and if we do that then the folks of other States will have no complaint and you will have no argument against the continuation and the completion of these Federal power and reclamation projects. Certainly that is our responsibility as members of this subcommittee, and we accept it.

Mr. BATES of Massachusetts. I think it is most important that we clear this question up as to whether or not these transmission projects throughout the West, about which the gentleman speaks, are self-liquidating or not. The gentleman implies that the people on the eastern seaboard are paying for them and at the same time we ourselves are paying twice as high a power rate. I would like to have that thing cleared up for the record.

Mr. JENSEN. Under the present setup, I can tell the gentleman that his people are paying for part of it, according to the best information available to us.

Mr. BATES of Massachussetts. Does the gentleman from Mississippi agree in that?

Mr. RANKIN. No; I do not.

Mr. HAVENNER. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. HAVENNER. Is it not true that there is no hope of amortizing the Federal investment in the Central Valley project within any reasonable period of time unless we have a maximum revenue from power.

Mr. JENSEN. That is right; and we are not going to get the maximum revenue from the power part of the project, because the rates are not high enough as presently set up.

The gentleman from California was chairman of the committee that set the rates in California. The gentleman assisted in preparing and setting up the power rates in California under which all the private industries had to charge. Certainly the gentleman does not want to come here now and say that the power

rates are wrong out there for private power after he helped to set them up.

Mr. HAVENNER. The gentleman does not say that, but the gentleman believes in the philosophy of abundance rather than in the philosophy of scarcity. The gentleman wants to make this power available to all the people of the State, and that will increase the revenues of the project.

Mr. JENSEN. I am in thorough accord with the gentleman, for whom I have the highest regard, but certainly, the gentleman cannot defend a position on this thing against the fact that the power rates out there of $17.50 per kilowatt-year, or less than 2 mills per kilowatt, which does not and cannot pay its share of operation, maintenance, and amortization. It may have been able to do it during the war, because of the great demand for power by the war plants, although that has not even been proven, due to the fact we cannot get the facts and figures out of the Interior Department to prove it to our satisfaction. After the war, when the power consumption goes down, then you are going to come in here crying and asking us to appropriate more money to make up the difference, then the real trouble will start.

Mr. HAVENNER. I disagree with you on that. We will be able to sell all the power we can generate.

Mr. JENSEN. I hope you will be able to do so, at a price that will pay the freight.

The SPEAKER. The time of the gentleman from Iowa has again expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from California.

Mr. VOORHIS of California. I would like to say to the gentleman that of course our western projects include flood control and a number of other aspects, and you cannot necessarily be expected to liquidate all the charges and costs out of the power revenues alone; but Boulder Dam certainly proves that a western power project will pay the entire cost and that a project can do that with the revenues allocated to power expenditures. It has done so and at a higher rate of interest than has been charged on other projects.

Mr. JENSEN. Would the gentleman be in favor of changing all of the laws which govern all the Federal power and reclamation projects to comply and to coincide with the basic law of Boulder Dam and the rates they charge? Would the gentleman be satisfied with that? Let me say that is exactly what Congress should do, and do it now.

Mr. VOORHIS of California. I think the Boulder Dam rates have been discriminatorily high in many instances.

Mr. JENSEN. The gentleman just indicated they were satisfactory.

Mr. VOORHIS of California. I said they paid the entire cost, and they paid it at a higher rate than charged on other projects.

Mr. JENSEN. And nobody getting power from Boulder is crabbing about the rates.

Mr. VOORHIS of California. That is true, and every one of these projects should be set up on a basis where they will pay back to the Government every cent that can be properly allocated to power expense. I think every one of them are going to do just that.

Mr. JENSEN. They will have to change their ways and their rates, or they will not do it. I am glad to know the gentleman favors the Boulder Dam set-up, because it has as near a perfect set-up as can be, paying its own way, meeting every obligation, because their rates are right and fair.

Mr. VOORHIS of California. I do not know of any project that is not paying its own way.

Mr. HORAN. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Washington.

Mr. HORAN. The gentleman understands that all rivers are different. That is all the more reason for having a complete study of each river as an entity.

Mr. JENSEN. Yes. We need a complete study in order to get all the facts in black on white.

Mr. HORAN. And allocating those costs according to the benefits that the Nation derives from them?

Mr. JENSEN. That is right.

Mr. HORAN. On the basis of the Shipshaw contract with Canada, does the gentleman know the Nation has saved over $200,000,000 alone because of Bonneville in the production of aluminum?

Mr. JENSEN. I know that it has done a good job, but I want the rates properly adjusted, so it can stand on its own feet.

Mr. HORAN. Those are direct savings to the taxpayers of the Nation.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. GEARHART].

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. GEARHART. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. I want to ask the chairman of the committee whether or not what the gentleman from Iowa said is true that these power dams on the western seaboard are being paid for out of the money of the taxpayers of the Nation and are not self-liquidating? May I ask the chairman of the committee if he intends to inform the committee on that?

Mr. GEARHART. The gentleman should not be concerned about the taxpayers of the Nation. California is one of the States that pays into the Federal Treasury more in taxes than is ever appropriated back to it. When money is appropriated for expenditures in California the Congress merely appropriates money collected from the taxpayers of the State of California. The taxpayers of the Nation are riding on our coattails, not California on theirs.

Mr. BATES of Massachusetts. That applies to the people of the eastern seaboard also.

Mr. GEARHART. It is true in respect to seven or eight, or, possibly, to nine States of the Union. Reclamation in California is no burden upon the taxpayers of the Nation. Let the gentleman from Massachusetts be at ease.

Mr. BATES of Massachusetts. I would like to have the chairman of the committee say whether or not he is going to inform the House as to the fact, whether or not these are self-liquidating projects?

Mr. JOHNSON of Oklahoma. Generally speaking, I will say that all of these projects will be paid back to the Government over a period of 40 years.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. GEARHART. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Is it not a fact that California gets credit for the Home State Mine, the property of which is located in my State, but its office is now in San Francisco?

Mr. GEARHART. California is one of the seven or eight States which pays into the national coffers more than it receives back. Though but one of the 48 States of the Union, California pays into the Treasury more than one-twentieth of the total tax collections. If proper credit were given for its proportionate share of the excise taxes actually collected within its boundaries, the record would show, I am quite sure, that California pays as much as one-fifteenth of all the taxes from whatever source received.

Mr. CASE of South Dakota. But it does get credit for the Home State Mine, as I said.

Mr. GEARHART. That is as nothing when compared to the tobacco excise taxes actually collected in California but credited to other States, North Carolina, for instance.

The SPEAKER. The time of the gentleman from California has expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield to the gentleman from California [Mr. WELCH] such time as he may desire.

Mr. WELCH. Mr. Speaker, I ask unanimous consent to extend my remarks at the point in the RECORD following the remarks of the gentleman from California [Mr. MILLER].

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. ENGLE].

Mr. ENGLE of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at a point following the remarks of the gentleman from California [Mr. WELCH].

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend

my remarks and include some tables that I have prepared.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, at this time I want to answer the argument that has been advanced here to the effect that these power projects are not self-liquidating but are paid for by the taxpayers of the East.

The two finest power projects in the West are located at Tacoma and Seattle, Wash. They have lower power rates than they have even in Los Angeles, Calif. They are water-power projects and are paying for themselves. The Seattle system is competing with a private concern.

Remember this: You are not going to increase revenue by increasing the cost of power to the ultimate consumer. We found that the lower the rates are the more power people use and the greater revenue is derived therefrom. Exorbitant rates cut down consumption and reduce the revenues.

You can produce power in Pennsylvania, or anywhere else where there is an abundance of coal, and distribute it at the TVA rates without loss to legitimate investors. You can distribute at the rates Boulder Dam power is distributed, or at the Tacoma or Seattle rates without loss to legitimate investors.

You can produce power for 1 mill a kilowatt-hour for every dollar a ton you pay for your coal. You can produce power in Pennsylvania with Pennsylvania coal and distribute it profitably at the TVA rates, the Tacoma rates, the Seattle rates, or at the rates the consumers in Los Angeles have to pay for Boulder Dam power. But you are not doing it. You are permitting them to charge you unreasonably high rates all over the Northeastern States.

You can transmit power—and you will find this statement by the very finest engineers in the hearings on the St. Lawrence project—at a cost of a little less than one-half mill per kilowatt-hour for every 100 miles; therefore you can generate this power at the mouth of the mine and transmit it and deliver it anywhere within 300 miles at the rates Boulder Dam power is laid down in the city of Los Angeles, 268 miles from Boulder Dam, or TVA power is laid down wholesale throughout the TVA area.

Power is being generated in Louisiana by the use of natural gas, transmitted up into Arkansas several hundred miles, and sold wholesale at 2.6 mills a kilowatt-hour, or about half what we are paying for wholesale power from Muscle Shoals, 100 miles from the dam; and at a little more than half what we are paying for power from Muscle Shoals at Florence, Sheffield, and Tuscumbia, in sight of Muscle Shoals.

These power projects in the West will liquidate themselves if you permit the people to get this power at rates they can afford to pay, because they will use so much more of it and it will bring so much more revenue that those dams will never cost the people of Massachusetts or Pennsylvania or New York one dollar.

The same thing applies to the St. Lawrence project. I went over it in the hearings with the engineers on both sides. I went entirely through the hearings and cross-examined those engineers. You can develop power on the St. Lawrence and transmit it to cover that entire area, including Massachusetts, and distribute it at the same rates that the people of the West are receiving Boulder Dam power or power from the Columbia River, at the same rates we are receiving power throughout the Tennessee Valley area, and pay every dollar that is invested in less than 50 years.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. The question of the determination of power rates in most of the States of the Union is in the hands of what we call public-service commissions, and the only question I am interested in is whether or not the gentleman from Iowa is correct when he said the taxpayers of this country are paying for these power set-ups throughout the country.

Mr. RANKIN. No; he is not correct.

Mr. JENSEN. I beg the gentleman's pardon.

Mr. RANKIN. No; he is not correct.

Mr. BATES of Massachusetts. If he is correct, we want to know about it.

Mr. RANKIN. I will take every one of those projects and go through them from top to bottom and I can show that they are self-liquidating. It may take 40 or 50 years, but in that time they will pay back every dollar that is invested, and it will not cost the taxpayers of this country one penny. The whole Tennessee Valley Authority will pay every dollar invested for flood control and navigation and power, within less than 50 years at the present rates, and never cost the taxpayers of this country a dollar.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Iowa.

Mr. JENSEN. I wish the gentleman would get from the Department of the Interior, from the Bureau of Reclamation, or from the Federal Power Commission the facts and figures showing that his statement is right.

Mr. RANKIN. I have already had those figures. I have gone over them with the engineers in every department of government that knows anything about power, and I can say to the gentleman from Iowa he was never worse wrong in his life. I have heard that argument before.

Mr. JENSEN. They will not even submit it to us.

Mr. RANKIN. But I have gone into it with engineers who know. Remember, that the reclamation feature is paying its own way.

I now yield to the gentleman from Oregon.

Mr. ANGELL. I ask the gentleman if it is not true that the Bonneville power at the present rate of $17.50 a kilowatt year is paying out?

Mr. RANKIN. Why, certainly.

Mr. ANGELL. And it will continue to pay out?

Mr. RANKIN. Yes; it will. As I said, within anywhere from 30 to 50 years it will pay every dollar we have invested out there and it will not cost the taxpayers a nickel.

Mr. BATES of Massachusetts. Of course the gentleman knows that at the Bonneville Dam only one-third is charged to power. Of course, if that is the case rates can be low. But the taxpayers of Massachusetts are not going to pay the bill. We do not want to pay the bill.

Mr. RANKIN. I will make this statement in reply to the gentleman from Massachusetts: I will guarantee that within 50 years, at the present rate, Bonneville will pay every dollar which has been invested in the Bonneville Dam in power rates alone. And it will not cost the American people a dime. Why do we stand here and quibble about the development of our water power, the greatest natural resource in all the world outside of the soil from which we live? Why do we not go ahead and develop it now and let this generation get the benefit of it? Why quibble over these power lines and stand-by plants for which the people are pleading, and which would be one of the greatest services that Congress could render them at this time?

The SPEAKER. The time of the gentleman from Mississippi has again expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield such time as he may desire to the gentleman from Colorado [Mr. ROCKWELL].

Mr. ROCKWELL. Mr. Speaker, the decision of the House conferees on this Interior appropriation bill to delete the appropriation to continue the drainage tunnel at Leadville, Colo., is very disappointing. When this bill was considered by the House Committee on Appropriations, we did not have the approval of the Bureau of the Budget for the $485,000 requested, and therefore, we could not properly present our case to the committee.

This drainage tunnel was requested by the War Production Board about 2 years ago to drain the water from the great lead and zinc mines around Leadville. There was fear of a serious shortage of these ores for the war effort and it was felt that if this known body of ore at Leadville were not tapped, the result might be disastrous to our continued production of war material. It was intended that the total cost for the drainage tunnel would not exceed one and one-half million dollars and with reasonable progress, it would be completed by July 1, 1945. A bill to provide these funds was approved by the House committee and passed Congress at that time. Unforeseen difficulties and the manpower shortage have delayed the completion of the tunnel in the estimated time and the costs have advanced proportionately.

The tunnel has now been constructed about 1¼ miles. The Bureau of Mines believes that there are 3,000,000 pounds of lead and zinc that this tunnel can tap. By appropriating $485,000, the amount of the rejected amendment—or about one-third the amount already spent—the tunnel can be driven to the Hayden shaft where these great bodies of ore can be recovered.

Should work stop at this time, it will be a dead-end tunnel, because it is still a half mile from the sources of lead and zinc and copper ore. However, if it is completed to the Hayden shaft, the lead, zinc, and copper that may be so important before the war is over will be released for any present or future need. It will open up metal mines long since closed, and thereby provide employment in the postwar period. Through the voluntary offer of 80 owners of these mines to pay on a royalty basis for the ore so opened up, the Bureau of Mines anticipates the repayment of much of this total cost to the Government. Therefore, while we are disappointed at the decision of the House conferees in refusing to accept the Senate amendment to continue this tunnel, the reasons for its continuance are so all-important and desirable that we shall at a later date request that the appropriation for its continuation be cared for in a deficiency appropriation bill.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield to the gentleman from South Dakota, a member of the committee, 1 minute.

Mr. CASE of South Dakota. Mr. Speaker, first of all I want to compliment this subcommittee on handling the bill in conference, so quickly and completely, coming to an agreement on some 326 amendments and bringing in a report of this sort which can be acted upon today.

Mr. JOHNSON of Oklahoma. Mr. Speaker, my good friend, the distinguish gentleman from South Dakota is very generous in his praise of the work of our committee. Let me assure him that his kind remarks are deeply appreciated.

Mr. CASE of South Dakota. Mr. Speaker, it is a remarkable achievement. I should like to ask the distinguished gentleman from Oklahoma, chairman of the committee, a question with respect to the effect of the conference agreement on amendments Nos. 178 and 179 which relate to the Missouri River Basin.

As I understand it, the House figure was $1,440,000 which the House committee very kindly put in, on short notice, to get the proposition started. The Senate proposed $4,680,000. But the compromise conference agreement is $3,200,000. Is that correct?

Mr. JOHNSON of Oklahoma. Yes; that is correct.

Mr. CASE of South Dakota. Two hundred thousand dollars of that is available for transfer to the work on the manganese project by the Bureau of Mines at Chamberlain?

Mr. JOHNSON of Oklahoma. That is also correct.

Mr. CASE of South Dakota. I thank the gentleman.

Mr. JOHNSON of Oklahoma. May I say that was done largely because of the interest of the gentleman from South Dakota [Mr. CASE].

The SPEAKER. The time of the gentleman from South Dakota has expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield such time as he may desire to the gentleman from Arizona, chairman of the great Committee on Irrigation and Reclamation of the House [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, while I want to congratulate the conferees of the House on holding this report more nearly to the will as expressed by the House, I am not entirely satisfied with the total appropriations for the Reclamation Service. Some of the items are satisfactory and some far from being so, in my judgment. The item for general surveys and investigation, while listed as subject to amendment, is likely to be less than what I think the Bureau of Reclamation should have for that all-important work at this critical time. However, I shall have more to say about that when we reach it, among the amendments in disagreement.

Of course, it will be pointed out that the appropriation this year in some respects is more than was appropriated for the same purposes heretofore. To my mind that is not an adequate view to take. During the 43 years in which the Bureau of Reclamation has been doing the splendid work in reclaiming Western lands from the desert, it has spent nearly $1,000,000,000 and reclaimed about 4,000,000 acres of land. However, in less than half that time in the future I expect to see more than twice that number of acres irrigated, perhaps by an expenditure of four or five billion dollars. This may seem staggering to some but to me anything short of this result in the next 20 years will be a dismal failure on our part and will mean our selling America short. I wish the appropriation for the Bureau of Reclamation today might reflect more adequately the beginnings on the great possibilities to which I have just referred.

During the past 9 years, when I have annually appeared before the subcommittee on this bill, they have seen the word "Gila" written all over my face, for I have invariably put in a plea for the Gila project. This year, as chairman of the Committee on Irrigation and Reclamation, I broadened my interest and took in reclamation in all of the 17 Western States. I am not unmindful of the fact that the conferees have raised the amount for the Gila project somewhat over the House figure, but again I do not believe that the increase was enough when we consider the immediate possibilities of that project in Yuma County, Ariz. Why is it not enough?

I have already received more than a hundred letters from persons in uniform, men and women, soldiers and sailors, who would like to own a piece of land in that project. I am glad to say that the bill which the House passed on April 17, that is, H. R. 2742, will go a long way toward making homes available for veterans if sufficient money is appropriated to put water on the land. I judge that the amount written into the bill will make it possible, within the next 12 months, to make available a considerable block of this land on the outskirts of Yuma, Ariz. Having worked hard to get this appropriation, I shall needle the Bureau of Reclamation to see that all the land that may be watered is quickly made available for our returning veterans. I wish the conferees had been even this generous in appropriating for other projects where land could be made available quickly for the Nation's defenders.

Lately I have heard some discussion about the relative parts of irrigation and hydroelectric power production in the reclamation program. Some of my colleagues are inclined to be critical. One said to me the other day, "The Bureau of Reclamation would be better off if it confined its work to putting water on the land and did not go in for power production." Now that sentiment seems to me to reveal a lack of understanding of our problem in the West. Power production must go hand in hand with irrigation or we cannot have either. The easiest irrigation projects have already been developed, where handling the water was the chief question and power production was relatively less significant, but that is no longer true. The big jobs which are expensive and which tax the ingenuity of the hydraulic engineer to the uttermost are the jobs which remain to be done by the Bureau of Reclamation. In such jobs power production must play an important part.

This is what is meant by multiple purpose dams. A given project may involve besides irrigation, power production, flood control, possibly navigation, and other features by no means insignificant, such as conservation, wildlife protection, and the like. Manifestly, it would be unfair to charge the cost of the construction to any one of these benefits alone. It is the acme of economic statesmanship to allocate the cost properly to the various benefits so that each may bear its proper proportion of cost. If too great a share is assessed against the land, it foredooms the reclamation project to failure. If, in the new and scarcely developed portions of the West, a major share of the cost is assessed against power production—especially with a view of making power rates in the new West comparable to existing rates in the old East—the project is not likely to be feasible for lack of adequate market and with slim prospects of developing industry to create such market. All of these costs must be very delicately balanced with the ultimate good of the project and the whole country held in view.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. JONES], a member of the committee.

Mr. JONES. Mr. Speaker, I am heartily in favor of this conference report. I think the members of the conference on the House side should be congratulated for bringing in a report that all the conferees on both sides of the aisle can

agree upon. I think it is a forward-looking and constructive report and provides a constructive program for the Interior Department with all of its many and varied functions.

The statement of the chairman of the subcommittee and the chairman of the House conferees at the conference is correct in every respect. I would like for you to consider the total amount of restorations and additions that have been made on the other side of the Capitol on all appropriation bills, as follows:

Restorations and additions made by the Senate in appropriation bills, 1945–46

Departments and agencies:	Restorations and additions
Department of Agriculture	$18,291,827
District of Columbia	715,200
Department of the Interior	39,149,804
Legislative-judicial	623,480
State, Justice, and Commerce	9,671,138
Treasury-Post Office	281,580
War Department — Civil functions	13,285,000
First deficiency	273,837,952
Total to date	355,855,981
If the Senate Appropriation Committee's restoration and addition to the war agencies bill stands up, there will be a further sum of	21,500,000
Or total restorations and additions of	377,355,981

The Interior bill conferees have whittled away a sizable sum from this over-all total of raises in the Senate above the House figures in the various appropriation bills above. I think the unanimous action of your conferees has been a substantial saving to the Government that ought to be supported on both sides of the aisle. We might as well be practical and realize that the House conferees have done well to cut $28,702,174 from the above total of $377,355,981 that the Senate has added to appropriation bills so far for the 1946 fiscal year.

The following tabulation speaks for itself and is a worthy recommendation of the conferees to hold down public spending of money:

Interior Department appropriation bill, fiscal year 1946

Total amount of Budget estimates	$143,839,147
Amount of bill as agreed to by conferees	111,690,258
Reduction under Budget estimates	32,148,889
Amount of bill as passed Senate	140,392,432
Amount of bill as agreed to by conferees	111,690,258
Reduction in bill as passed by Senate	28,702,174
Amount of bill as agreed to by conferees	111,690,258
Amount of bill as passed House	101,242,628
Increase in bill as originally passed by House	[1] 10,447,630

[1] A portion of the increase, $2,493,100, was estimated for by the Bureau of the Budget after the bill had passed the House and was sent to the Senate in supplemental estimates.

I think the House will agree and go along with the conference report and the amendments in technical disagreement to hold the total amount of the bill as agreed upon by your conferees.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Speaker, I have been sitting here listening to a lot of statements that have been made about the Central Valley water project, the transmission lines, and steam plants. I have heard a lot of loose talk from time to time regarding the activities of the members of the Interior Appropriations Subcommittee. I personally had the opportunity on several occasions to go over the Central Valley water project with the members of the Interior Appropriations Subcommittee. According to some of the statements that have been made, they would have one believe that these Members of Congress have not been fair to the people of California. I want to commend them and thank them for the many hours of consideration which they have given to California in the past several years. The proof of that is that during that period of time there never has been a shortage of funds at the end of each year for the Department of the Interior for the Central Valley water project.

In 1936 they had a carry-over of $4,200,000.

In 1937 a carry-over of $10,000,000 or over.

In 1938 they had over $20,000,000 carry-over.

In 1939 they had over $17,000,000.

In 1940 they had over $6,500,000.

In 1941 they had $1,431,000.

In 1942 they had $3,423,000.

In 1943 they had over $12,500,000.

In 1944 they had over $18,500,000.

And in 1945 they had over $10,800,000.

Certainly no one could criticize this committee for seeing to it that there was ample money at all times to carry on the work of this great project. We have had a lot of conversation about the power features and the transmission lines.

I come from a congressional district that will pay for a large portion of the water cost of this project. I think I can truthfully say I am the only member of the California delegation who has had to pay power bills to pump water out of the ground, in the amount of $400 a month and more for a great many years, to get water on his farm in order to operate. Is there any member of the California delegation who has been paying $400 a month or more for power? If so, I would like to have them stand so I might see him or her. There is no one. Yet no one can say I am not interested in cheap power. The truth of the matter is the more money we tie onto this project the more the water is going to cost my people.

This project was set up in the first place for the irrigation farmers, where the water had left them. Little consideration has been given to the cost of this project. Some people are interested only in serving themselves selfishly. I say that with emphasis. My people want cheap power just the same as the people in San Francisco or in Mississippi or any place else, but under this power project of Central Valley we cannot get any of that power in the San Joaquin Valley. It is too far distant from where the power is generated. Had this project been built like it was explained to the people when we voted on it in the State and when this Congress approved it, 50 percent of the power we are now using to pump water would be released for other purposes. In the San Joaquin Valley we have about 15,000 pumping plants ranging from 10 to 150 horsepower each. Do we want cheap power? Certainly we do. But no one has ever attempted to give my farmers cheap electric energy. Time and again my people and I appeared before the Railroad Commission and the power companies in the interest of getting some relief.

Mr. HAVENNER. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I decline to yield. You served as chairman of that board and did not do anything about it, so do not try to take up my time here.

My people suffered but did anybody give them relief? No.

Mr. HAVENNER. Will the gentleman yield?

Mr. ELLIOTT. I decline to yield. My people time and time again pleaded for assistance while we were spending our last dollar to go down farther into the ground after water. Our power bills increased every time we went farther into the ground after that water. How many of you Members realize that we have spent about $163,000,000 on this project? What did Mr. Page, head of the Reclamation Bureau say to Mr. RICH back in 1937? I quote the record:

> And you figure, Mr. Page, the total cost of all of the dams and all of the power projects is going to be $170,000,000?
>
> Mr. PAGE. Yes, sir. That has been carefully checked.

Back in 1937 he told the people the project would cost only $170,000,000. And my people, the San Joaquin Valley people, are going to help pay for the cost of this project. We thought the cost was going to be $170,000,000. What is now proposed as the cost? It is now said the cost will be about $350,000,000 or $360,000,000. Who is going to pay the bill? Who do you think is going to make up the difference? The taxpayers of the Nation or the water users? The irrigation water users of the southern San Joaquin Valley cannot receive project power on account of distance. They are asked to pay high water rates, to subsidize large users of power in the San Francisco Bay region where most of it must be sold.

The law says power shall be sold to financially aid the project. When those people advocate discounting rates in advance of knowing what the water costs are to be, and what the project costs are to be, they are also advocating that the water users make up the difference or that the taxpayers outside of the project power service area make up the difference.

Oh, I am telling you it is a sad day when Members stand here on the floor and speak, or extend their remarks in the RECORD trying to convince my people they have not been misled. My people

have been misled from time to time, they have been lied to. I did not believe the Congress of the United States or the Department ever would turn around and deliberately deceive the taxpayers, especially not the number of experienced farmers we have in the San Joaquin Valley; who have been doing their utmost over a period of years to keep their head out of the dirt.

We hear complaints about the cost of power in the city of San Francisco. Utility rates in San Francisco for average family use are the cheapest of 25 large cities in the United States. The average monthly bill in San Francisco is $7.20; in New York it is $15.30.

Now, Mr. Speaker, do not get me wrong. Whenever it is necessary to construct this steam plant and transmission line there is not a Member of this House who will work any harder for that than I, but first I want to know and my people want to know who is going to pay for that increased cost. My people cannot get any of it. So if the people in the bay area are going to receive the benefit from the power project and steam plant then they should say to Congress and the rest of the people in California that they are willing to build the transmission lines from the power plant to the bay area where the power is to be used, the way power is being distributed from Boulder Dam into Los Angeles. Los Angeles utilities have constructed the transmission lines to get the power to the Los Angeles area. Why ask the people of some other place to pay for benefits they do not receive? My people are going to pay for the water they get from the canals when they are constructed; and we are going to have to pay for the laterals and all the ditches to get it over to our farms. We are not asking the people in the San Francisco and the bay area, and Los Angeles to pay the cost.

Should it become necessary at any time to protect the interests of the Government or the people under the project, the Interior Department has an open door to come to the Congress and justify the need. Until that time can be shown to be even in the probable near future, expenditure of money on plans and surveys would be impractical, unwise and a waste of money. For with the lapse of a few years before any work could be undertaken, new surveys and new plans would undoubtedly have to be made. There is not now and there has not been shown any justifiable need for the Government to spend money on these project features in the forseeable future.

Page 1062 of Senate hearings statement of State Engineer Hyatt says:

> There appears to be no immediate necessity for further construction of transmission lines for the project in the near future. The present position of the authority—

California Water Authority—

> is unchanged, and the authority desires to reaffirm its position in support of the construction of transmission lines and a steam electric plant as integral units of the project, as and when needed.

There should be no more money appropriated for additional power features until such time as the Reclamation Bureau submits an accurate schedule showing the total cost of the project, the amount to be repaid by the water users, the amount to be repaid from power revenues, and the amount of the cost of the project that is nonreimbursable. That should show the rates for power, what it will return, net to apply on the project costs, what amount, if any, is to be allocated to the local counties in lieu of taxes and compare that with the present tax paid by the private company. It should show the tax paid in by the private company and what equivalent amount from the project will be paid to the Federal Treasury. It is time that this power propaganda is "debunked." Let us have the clear picture before us. Then, if it is necessary to build transmission lines or a steam plant or any other power features, I will be more than willing to advocate them. But, first, before we go any further, I think Congress and the people under the project are entitled to know where we get off on this huge power program planned by the Interior Department brain trusters. The House committee is right in its efforts to protect the people of the project and the Federal taxpayers from unnecessary and very expensive duplication of power lines and plants.

Mr. Speaker, I do not know of anything that has so disturbed me in this Congress as the remarks I have heard about the Central Valley project from time to time, criticizing the members of the Appropriations Committee when they refused to pay attention to somebody trying to pile costs on us. The more they pile on to this project the more the water will cost my people; and I say to you no farmer in the United States can pay a lot for his irrigation water. At the present time we are paying through the nose to the power companies on account of the high-water lift.

How many of you here would have the intestinal fortitude to tell a power company when you were using 60, 70, or 80 horsepower: "To hell with your power; take it off my ranch" in the middle of the summer. That is what I did; and I put in two natural gas engines, and we are still pumping water out of the ground, but we are not getting it from the power companies. So nobody can say I am identified with private power companies. I defied the power company in my own home town. Oh, yes! How many of you would get up and fight them, tell them to take the poles off the ranch or you would chop them down? That is what I did. I did not get shot for it and I did not get defeated when I ran for reelection to this Congress.

I am pleading with you people here not to put any more money into this great project out there until we know what is going to be done with it in the way of transmission lines and steam plants. Mr. Ickes' last report on natural gas and oil in California indicates that more steam plants should not be established there. His report indicates that we may not have enough oil out there, certainly not for another war. Do we want to spend money for a steam plant, fifty or sixty million dollars, to sit idle, something that cannot be used?

Farming this power should wait until we know what the program is to be. We do not know what the program is. The Department of the Interior has been running up and down the San Joaquin Valley misrepresenting the project, lying to the people; and you taxpayers back here have been paying for those propagandists running up and down the San Joaquin Valley for the last several years putting out lies and misrepresentations. What are you doing about it? Not a thing. You permit them to spread their political philosophy, even to the extent of sending reports back here to the Department of the Interior describing who were at the meetings, whether he was a Democrat or a Republican, whether he was a dairyman or a fruit grower. That is what they have been doing.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I yield to my colleague from Iowa.

Mr. JENSEN. Is it not a fact that whenever the Federal Government produces power and sells it for less than cost that the farmers who are trying to get some water out there are going to have to pay a great deal more for that water than they should; and the project will take possibly a hundred years to pay for and maybe never under the present situation?

Mr. ELLIOTT. That is correct. I want to say to the membership of the House when the time comes and we know what this project is all about, I am for firming the power, but I think it should be done by hydroelectric plants. We have other streams that should be developed, so let us use hydroelectric and not use up our gas and oil. When the people of San Francisco can agree with the Federal Government whether they want to purchase the power privately or through the company, then that is plenty of time to determine whether we want to spend millions of dollars for a transmission line.

Mr. GAVIN. Will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. If there is a question in the gentleman's mind as to what benefits the people of his part of the country are going to derive, what benefits does he think my State, that is paying 10 percent of the Federal taxes on a $300,000,000 job which will cost us $30,000,000, what will my State of Pennsylvania get out of this thing?

Mr. ELLIOTT. I will answer the gentleman by saying that the people of California will pay for it. This project will be self-liquidating over a period of 40 years if it is run right. It will not cost your people 5 cents, but it is costing your people money now for these propagandists to run up and down through the San Joaquin Valley out there spreading all of this propaganda.

The action of the conferees in striking the item of $300,000 inserted in the bill by the Senate for the Kings River project was a particularly wise one at this time. The Kings River project is fully authorized for construction by the Corps of Army Engineers and is a flood-control project. The amount of money requested by the Bureau of Reclamation at this time for the purpose of making studies on this project is entirely unnecessary and is greatly in excess of any possible

requirement that would be needed for them to make the studies they are authorized to do on this project.

There is no need for any funds for Bureau studies on this project until such time as the Corps of Engineers completes its plans and awards a contract for the construction. This is a postwar project and the interest of the Reclamation Bureau is solely to assist in the determination of the amount of the cost of the dam which should be charged to the farmers owning the water rights for the storage of flood waters that they will incidentally benefit from.

Mr. GAVIN. We have 250,000 coal miners in Pennsylvania who are mining coal and they have no jobs and will have no work after the war. Every time one of these hydroelectric projects is put in, so many thousands of miners are thrown out of employment.

The SPEAKER. The time of the gentleman from California has expired.

Mr. PATTERSON. Mr. Speaker, I have reviewed that portion of the report on the hearings held by the Senate Committee on H. R. 3024 concerning appropriations for the Bureau of Reclamation, with especial attention to the section beginning on page 813 and extending to page 914, relating to the Bureau of Reclamation request for funds to develop plans for a transmission line from Shasta Dam and a steam power plant in the Delta Region.

I was quite impressed with the statement and testimony of Mr. Black, president of the Pacific Gas & Electric Co., until I read the statements and testimony of representatives of the Bureau of Reclamation.

I should like to review briefly some of the controversial issues as they appear to me:

Mr. Black stated: First, that the company's system is the natural outlet for the Central Valley Project's power unless wasteful duplicating lines and other facilities were constructed—page 865. Second, the company is now taking all of the output of the Government's power plant at a rate satisfactory to the Secretary, pages 867 and 869, and third, the Federal Government would receive more money through disposal of its power through the company—page 870.

As to the first point, Mr. Black later stated that the company will add additional facilities for serving the area and has been spending from $20,000,000 to $30,000,000 annually on new construction—page 884. Mr. Kenneth Markwell, Assistant Reclamation Commissioner, on page 894, stated that the company's present system is not adequate to deliver power to the sites of the new pumping plants. It is clear from this that new facilities must be built to handle Shasta power, which leads to the conclusion that the transmission line proposed by the Bureau of Reclamation is not a wasteful duplication.

As to the second point, Mr. Markwell stated on page 895, that the power company was unable to use some 42,000,000 kilowatt hours of potential power in a 3-month period. It was revealed that the present contract is only a temporary measure and would not be satisfactory over a long period, page 895.

As to the third point, under the existing contract the company will use about 800,000,000 kilowatt-hours at a cost of $2,700,000 or an average rate of about 3.4 mills—page 868. The Bureau is desirous of delivering an estimated 400,000,000 kilowatt hours of power annually to the pumping plants at a rate of 2.5 mills—page 896. The company is now receiving 5 mills per kilowatt-hours for similar power—page 901. The Bureau's rate would result in a saving of $1,000,000 annually to the water users. Apparently the company has offered to deliver Government power to these new pumping plants at the rate of 1 kilowatt-hour for each 1¾ kilowatt-hours received—page 883. Mr. Black stated that the line loss would be about 10 percent—page 876. Under such a plan the company would receive 700,000,000 kilowatt-hours and deliver only 400,000,000 to the pumping plants. Using a loss figure of 10 percent the company would require only 440,000,000 kilowatt-hours to deliver 400,000,000 kilowatt-hours to the pumps, leaving the company with 260,000,000 kilowatt-hours of power to pay for its cost of operation, and so forth. At a value of 5 mills this would be worth $1,300,000 annually.

In addition the company would be the only potential purchaser of power not needed by the Bureau and would be in an advantageous position to acquire the remaining power at a low rate.

Mr. Black stated that the company has a total installation of some 2,000,000 kilowatts—page 886. The combined Government installation will have an ultimate capacity of about 600,000 kilowatts, or less than one-third of the company's. As a large portion of this will be required for pumping plants not now operating, the over-all conflict with the company's present operation will be some lesser value.

In view of the statements by Mr. Black and Mr. Markwell that the normal power load is constantly increasing and that operation of these huge pumping plants is a load created by construction of the Central Valley project, I cannot see that the Bureau's plan will interfere materially with the normal business of the power company.

The Bureau of Reclamation has an enviable record in the development of power facilities in connection with the construction of multiple-purpose projects and I think that its engineers can be relied upon to recommend only that plan which will be to the best advantage of the Central Valley project water users and to the United States.

Congress in the past has given approval to the Central Valley project, including power plants and transmission lines, and I suggest that the appropriation contain funds for investigations and preparation of plans and designs for such transmission lines and power plants as are necessary to complete the project.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 1 minute to the gentleman from West Virginia [Mr. RANDOLPH].

SYNTHETIC FUELS PROGRAM

Mr. RANDOLPH. Mr. Speaker, in 1944 this Congress passed the synthetic liquid fuels legislation for an authorization of not to exceed $30,000,000 for construction and operation of demonstration plants. Of that amount $5,000,000 was appropriated later in that year. We have an additional amount of $6,000,000 appropriated for the Interior Department in the House bill, which was raised to $10,000,000 in the Senate bill. I understand a compromise of $7,000,000 has been reached in the pending conference report. Is that correct?

Mr. JOHNSON of Oklahoma. That is correct, with a $15,000,000 contract authorization.

Mr. RANDOLPH. I am glad that the contract authorization is placed in the measure. Such action is necessary. We are going to need 200,000 barrels of petroleum daily to fight this one-front war in the Pacific in excess of what we needed to fight even a two-front war. It is interesting to know that a B–29 bomber gassed for flight uses more fuel than a railroad tank car can hold. Our oil and gas reserves are being drained by a demand that increases, not alone for war but for essential civilian needs and I hope these synthetic plants shall be built and operated without delay.

The SPEAKER. The time of the gentleman from West Virginia has expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield such time as he may desire to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Speaker, this conference report leaves many items in an inconclusive state. For one thing it is apparent that we need a real study of the allocations of costs on multiple-purpose projects.

I am also sorry to see the several instances where power-transmission lines have been either denied or restricted. It should be apparent to all that power, once generated, must be sold if the Government's investment is protected. To be sold it must be transmitted. Such lines, then, become the very basis of our security as well as progress.

I am likewise disappointed that the revolving fund of $2,000,000 for use in the land-purchase program for Columbia Basin has been taken out in conference.

Under the Antispeculation Act of 1943, passed by this House, it is necessary for the large tracts of land to be bought up by the Government and resold, as smaller tracts as provided for under that act. That program should be underway now if we are to adequately prepare for the returning veterans.

I am also sorry to see the cut made in the preconstruction survey fund. I hope that that fund will stay at the $5,500,000 amount allowed by the Senate.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first Senate amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 2, after line 22, insert:

"DIVISION OF GEOGRAPHY

"Salaries and expenses: For all necessary expenses of the Division of Geography in

performing the duties imposed upon the Secretary by Executive Order 6680, dated April 17, 1934, relating to uniform usage in regard to geographic nomenclature and orthography throughout the Federal Government, including personal services in the District of Columbia, stationery and office supplies, and printing and binding, $70,000."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in Senate amendment numbered 5 with an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 5, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"DIVISION OF GEOGRAPHY

"Salaries and expenses: For all necessary expenses of the Division of Geography, during the emergency declared by the President on May 27, 1941, and for a period not exceeding 30 days thereafter, in performing the duties imposed upon the Secretary by Executive Order 6680, dated April 17, 1934, relating to uniform usage in regard to geographic nomenclature and orthography throughout the Federal Government, including personal services in the District of Columbia, stationery and office supplies, and printing and binding, $25,000."

The SPEAKER. The question is on the motion offered by the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: Page 5, beginning in line 23, strike out down through line 7 on page 6, and insert the following:

"For all expenses necessary to enable the Bonneville Power Administrator to carry out the duties imposed upon him by the Bonneville Act (16 U. S. C., ch. 12B), and Executive Order 8526, August 26, 1940, and to provide for partial surveys and design of transmission lines for the Hungry Horse Dam project (Public Law 329, 78th Cong.), including not to exceed $20,850 for personal services in the District of Columbia; printing and binding; and purchase (not exceeding 30), maintenance and operation of passenger automobiles; hire, maintenance, and operation of aircraft; $3,500,000, together with the unexpended balance of funds heretofore made available to the Administrator, to be available until expended, of which amounts not to exceed $4,206,690 shall be available during the fiscal year 1946 for expenses of marketing, operation of transmission facilities, and administrative costs in connection therewith."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 11, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following:

"Not to exceed $3,487,110 of the unobligated balance of the appropriation 'Construction, operation, and maintenance, Bonneville power transmission system', shall be available under the account for said appropriation in the fiscal year 1946 for expenses of marketing and operation of transmission facilities, and administrative costs in connection therewith, including $20,850 for personal services in the District of Columbia, the purchase (not exceeding 30), maintenance, and operation of passenger automobiles, and hire, maintenance, and operation of aircraft: *Provided*, That funds available for construction of transmission lines shall be available only for the construction of such lines as have been previously authorized by Congress."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from Montana [Mr. MANSFIELD].

Mr. MANSFIELD of Montana. Mr. Speaker, I have been receiving a good many telegrams and communications from northwestern Montana about this amendment which would evidently cut off the proposed Hungry Horse project from the Bonneville and Grand Coulee Grid Systems under the Bonneville Power Administration. I have been informed by these constituents of mine that such an amendment, if adopted, would isolate the Hungry Horse Dam, and that we would not get credit for downstream use of waters, and the project would become less economic and the results less beneficial to the people of our area.

May I ask the chairman of the committee just what his interpretation of this particular amendment is, and if it coincides with what I just said, or if it is something different?

Mr. JOHNSON of Oklahoma. May I say to the distinguished gentleman from Montana that I am very definitely of the opinion that his people are unduly disturbed about the amendment in question. As the gentleman knows, the Committee on Appropriations allowed $100,000 for plans for the Hungry Horse project. Of course, he knows that $100,000 would not complete all of the plans. The Senate raised the amount to $475,000. The House and the Senate conferees agreed on a compromise of $200,000 which, of course, was twice the amount allowed by the House. But I am sure the gentleman knows that not all the preliminary work and planning for the Hungry Horse project can be done with that amount; therefore by no stretch of the imagination could there be any need for funds for construction or even for plans and specifications for a transmission line as proposed by the bill as it passed the Senate. Therefore the committee is not turning thumbs down, as we might say, on the transmission line, but merely postponing the construction of it in the present bill.

Mr. MANSFIELD of Montana. I thank the chairman of the committee. I am sorry that the committee did not see fit to accept the Senate amendment concerning the Hungry Horse as outlined in amendment No. 11 and I am also disappointed that the full sum of $475,000 requested by both the Bureau of Reclamation and the Budget Bureau was not agreed to. Is it your opinion then that it might be possible next winter to ask for a deficiency appropritaion if the need is shown?

Mr. JOHNSON of Oklahoma. May I say to the gentleman that no Member of this House knows his way to the deficiency committee any better than does the distinguished gentleman, and no man is more effective in securing funds than is the able gentleman from Montana. I happen to a be a member of the deficiency committee and am very sympathetic with the Hungry Horse project. But I, of course, am in no position to speak for that great committee or predict what action it would take on this or any other matter.

Mr. ANGELL. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. ANGELL. May I ask the distinguished chairman of the committee in just what respect his motion modifies the position taken by the Senate with respect to Bonneville?

Mr. JOHNSON of Oklahoma. As I explained to the gentleman from Montana the committee simply eliminated that proposal in the Bonneville item which would provide for plans and specifications for transmission lines, which the committee felt was not actually needed at this time.

Mr. ANGELL. That would apply also to any other transmission line in addition to those of the Hungry Horse project?

Mr. JOHNSON of Oklahoma. Oh, no, it has reference only to the Hungry Horse project and those not heretofore authorized by Congress.

Mr. ANGELL. What is the amount of money which will be available during the next fiscal year for the marketing of the power from the Bonneville Dam?

Mr. JOHNSON of Oklahoma. I will say to the gentleman there is now on hand a surplus of more than $17,000,000 any part of which can be used for construction if made available. Three million four hundred and eighty-seven thousand dollars has been made available in this bill for operation and maintenance which the committee felt was ample.

Mr. ANGELL. How does the motion which the gentleman has offered differ from the amount which was provided in the Senate amendment?

Mr. JOHNSON of Oklahoma. We simply eliminated that amount for transmission lines for the Hungry Horse project which no one contends is needed at this time, and prohibit the construction of lines not heretofore authorized by Congress.

Mr. ANGELL. Is that the only change?

I would like to say to our distinguished chairman that Columbia River power, marketed through the Bonneville administration, is making a tremendous contribution to the war effort. After the war ends there will be need for much work to provide markets for this power in postwar civilian industries and for farm and domestic uses. It would be unwise to deny to the Bonneville administration sufficient funds to expand its marketing facilities and its distribution lines. I trust the committee has not made any material cut in the funds that will be available for these purposes.

Mr. Speaker, I urge that we approve the Senate amendments with respect to the Bonneville administration items.

Mr. JOHNSON of Oklahoma. I believe the Senate recommended a larger

amount, but they compromised on the House figure.

Mr. COFFEE. Was not the compromise $200,000?

Mr. JOHNSON of Oklahoma. That is the compromise we reached on the Hungry Horse reclamation item. The compromise on funds for operation and maintenance of the Bonneville Power Administration was $3,487,000. The Senate figure was $4,206,690.

Mr. HOLMES of Washington. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Washington.

Mr. HOLMES of Washington. Then it is the statement of the chairman of the committee that this particular money was refused in conference and that this amendment which you are making is taking from the construction of transmission lines to the Hungry Horse area only?

Mr. JOHNSON of Oklahoma. Only; that is correct. That applies, of course, to this appropriation only.

Mr. HOLMES of Washington. And in turn it can be reconsidered when the need is made obvious?

Mr. JOHNSON of Oklahoma. Oh, yes. I will say that all of the gentlemen now standing also know their way to the Deficiency Appropriations Subcommittee and usually get the money when they can show real need.

Mr. COFFEE. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman.

Mr. COFFEE. Are there any other amendments; that is, are there any other points in dispute with respect to the Bonneville Power Administration in this bill?

Mr. JOHNSON of Oklahoma. I believe not.

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. SAVAGE. With respect to the question concerning Bonneville, which the gentleman from Washington [Mr. COFFEE] asked, what is allowed for advance research and marketing?

Mr. JOHNSON of Oklahoma. I believe $127,000 is allowed.

Mr. SAVAGE. That is only one-half of 1 percent for advance marketing. I think most progressive private organizations allow around 3 percent for advance marketing.

I understand the Department asked for 1½ percent. It seems to me one-half percent is liable to jeopardize the Bonneville project. It was enough in the last year because all the power was going into the war effort. But now I feel that since some of the great war industries are shutting down, such as the Kaiser shipyard, for example, it may result in a tremendous surplus on our hands with no place to market the surplus power.

Mr. JOHNSON of Oklahoma. May I say to the gentleman, as I have indicated, this is the same amount which was allowed last year. Now, if the situation should change within the next few months or several months, I will say the gentleman also knows his way to the Deficiency Appropriation Subcommittee.

I yield to the chairman of the Committee on Irrigation and Reclamation, the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. The gentleman has made a clear statement, and has indicated that the men who are on their feet seeking recognition are men from the Northwest who know their way to the Deficiency Appropriations Subcommittee. That is largely correct. However, I want to say the chairman of the House Committee on Irrigation and Reclamation is also vitally interested in this measure and also this item in it.

Mr. JOHNSON of Oklahoma. And the gentleman also knows his way to the Deficiency Appropriations Subcommittee, and comes there very frequently.

Mr. HOLMES of Washington. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. HOLMES of Washington. Will the distinguished gentleman from Oklahoma comment upon the question about the withdrawal of $2,332,000 of appropriations in the conference for the Columbia River Basin, which is very much needed for the purpose of getting the Columbia River Basin land program under way? I am definitely in favor of the entire Budget recommendation of $8,332,000 and regret that the conference agreed to an appropriation of $6,000,000. If this sum had not been agreed to and was left in controversy by the conference, I would immediately offer an amendment to restore the $8,332,000. This, of course, is impossible now without rejecting the entire conference report. Parliamentary procedure does not permit the opportunity.

Mr. JOHNSON of Oklahoma. I have been tremendously interested in that project, that is, the land-acquisition project, but because of the fact that we are still at war and we cannot assume that this war will be over within the next year the committee felt that now was not the time to make that money available.

Mr. HOLMES of Washington. Is it primarily the element of time and not necessarily prejudice on the part of the committee? Is that true?

Mr. JOHNSON of Oklahoma. I feel sure that is true. It is certainly true as far as the chairman of the subcommittee is concerned. I think it is one of the most desirable locations for this purpose. I have never visited the area, but, judging from the evidence I have heard, I am sure there will be hundreds of veterans for every acre that is available. They will be clamoring to get to that area to settle.

Mr. HOLMES of Washington. Of course, we who are very much interested in that project are aware of the fact that the veterans will be coming into that area and we are much interested in getting this program under way.

Mr. JOHNSON of Oklahoma. The thing that disturbed the committee was this: It seems that under the present plans the cost of putting water on he lands is going to be tremendous, considering the leveling of the land and all of the expenses necessary to getting the land in shape for homesteading. I sincerely hope that the expenses will not be as large as present indications would seem.

Mr. MURDOCK. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MURDOCK. I have seen that land in the eastern part of the State of Washington. I regard it as one of the few prize spots in America which can quickly be converted into homes for the benefit of veterans. I want to call to mind the fact that a recent survey among the armed forces shows that 850,000 men in our armies today want homes on the land. This is one of the places for them. We ought to develop it adequately and quickly.

Mr. JOHNSON of Oklahoma. I will say to the chairman of the Committee on Reclamation who I understand, actually believes that Arizona is the garden spot of the world, that when he makes such an admission as he has just made, that the eastern part of the State of Washington must be a real garden spot.

Mr. HOLMES of Washington. I think it shows the astute judgment of the chairman of the Committee on Reclamation and Irrigation.

Mr. JENSEN. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. JENSEN. Regarding the $2,000,000 which the committee withheld for the purchase of land in the Columbia Valley Basin, I wish to add this, that because of the fact there is such an enormous charge against the water rights, we had hoped that within the next year the Reclamation Bureau would level out their rates and charges to such a degree that you people in that valley can make that land available for returning veterans so that they can go on a farm and have a chance to pay out, instead of having such an enormous amount charged against your irrigation projects.

Mr. HOLMES of Washington. We think that the maximum of $85 per acre contemplated construction cost for bringing water upon the land is written on a sound financial basis.

Mr. JENSEN. I might say in answer to that statement that we are afraid your $85 an acre will be defeated unless we can get the Federal power rates in order, because we do not see how it can pay out under the present rate structure.

Mr. HOLMES of Washington. I thank the gentlemen from Oklahoma and Iowa for their comments.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I always yield to the distinguished chairman of the Rules Committee, the much beloved and able gentleman from Illinois, who also has the distinction of being the dean of the House.

Mr. SABATH. In view of that compliment and in view of what has been stated by the gentleman relative to reclamation, I wish to say that an application has been made for a rule on a bill that would bring about increased reclamation

and much needed reclamation, that will take care of a great many of the returning brave and courageous men. What I am interested in is to know just what is being provided. If I am not correctly informed I hope I will be corrected. The original bill called for about $101,000,000?

Mr. JOHNSON of Oklahoma. Yes, that is approximately the correct figure as the bill was originally passed by the House.

Mr. SABATH. And it has been increased by the Senate, and in the conference report now before us it is about $111,000,000, being increased by about $10,000,000?

Mr. JOHNSON of Oklahoma. Yes; that also is approximately correct.

Mr. SABATH. I shall not object to the increase or to the appropriation because I believe it will be under the jurisdiction of one of the most capable gentlemen, the Secretary of the Interior, in whom I, and I know the country, has the most confidence. I would like to know, as I have been away for a little while and did not have a chance to study the bill, how much of the $111,000,000 in the bill has been allocated or appropriated or provided for the State of Illinois or for the city of Chicago.

Mr. JOHNSON of Oklahoma. The gentleman usually asks interesting, and of course, appropriate questions, but in this instance he has propounded a rather complicated, three-pronged question. The gentleman's first inquiry was about the original bill called for. He asked if it did not call for about $101,000,000, and I answered that that was approximately correct. The fact is that the Budget estimates called for over $141,000,000. This House committee reduced the estimate to $102,000,000. Then the gentlemen at the other end of the Capitol increased the appropriation to more than $140,000,000. For the past week or 10 days the House and Senate conferees have been in long daily conferences. As a result of that the Senators receded on nearly $29,000,000, an unheard of thing as far as Interior Department appropriation bills are concerned. So the bill is now $32,000,000 below Budget estimates. And then my good friend the gentleman from Illinois pays a glowing tribute to one of his distinguished constituents, who is still holding down the job as Secretary of Interior.

As to whether the gentleman from Illinois and I agree in all particulars in reference to the gentleman who is presently Secretary of the Interior, there may be a slight question; but the gentleman from Illinois and I can agree wholeheartedly as to the importance of that particular office.

Mr. SABATH. We should.

Mr. JOHNSON of Oklahoma. Finally, I may say that the question of what funds, if any, will go to the great State of Illinois and the city of Chicago is a matter that is problematical; but the gentleman usually gets his part of any funds due to the great State of Illinois that he so ably represents.

Mr. SABATH. If the gentleman will yield for another minute, I want to congratulate the gentleman for the splendid work he and his fellow conferees have done. They have succeeded much better with the Senators than most conference committees. For that reason I regret very much that we may not in the future have the gentleman from Oklahoma to fight for the rights of the House in trying to hold down appropriations.

Mr. JOHNSON of Oklahoma. May I say that I am profoundly grateful to my good friend for his overgenerous reference to my activities in Congress. Perhaps I should remind my friend from Illinois that I have not yet sung my swan song. This bill does not ring down the curtain on my rather extended congressional activities. I still have a considerable amount of unfinished congressional business, and I feel a deep obligation to the people of the Sixth Congressional District of Oklahoma, who have been so good to me.

Mr. SABATH. I do not want to say good-by. I hope the gentleman will not accept the proferred judgeship, because I believe he can render greater service here. What I have in mind is this: I am going to vote for the bill with a great deal of pleasure and satisfaction, knowing that the rights of the House and the country have been protected.

What I want to know is how these gentlemen who will be benefitted by these provisions will vote when we ask a small appropriation to take care of the children of the country who are sadly in need of fresh milk, which I am told now is plentiful, especially since we have permitted an increase in price to the farmer. The cows have taken notice of it; they are giving more milk. In some instances it is claimed that milk is being poured into the sewers. We do not want to see that waste; we want some of it at least to go to the children, who should have it. We will have a bill here shortly providing a small sum of money for the so-called lunch milk for the children of our schools and I hope those gentlemen whom we help on this bill by our support will in return for our cooperation vote with us when the matter comes up.

Mr. JOHNSON of Oklahoma. Let me say to the gentleman that he has made a very serious appeal on a very serious subject. I cannot speak for the members of my committee on the bill to which he refers; but I am glad to tell the gentleman that I have always supported the hot-lunch program in which he is so deeply interested. I am glad to say that my people in Oklahoma and throughout the West want to help feed his hungry and starving citizens in Chicago and elsewhere.

Mr. SABATH. Children.

Mr. JOHNSON of Oklahoma. Yes; hungry children anywhere.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 14. Page 7, line 21, after the word "household;" add the following: "; and the appropriation contained in the First Deficiency Appropriation Act, 1945, for the United States High Commissioner to the Philippine Islands is hereby continued available for the same objects until June 30, 1946."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 14, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "; and the appropriations contained in the Interior Department Appropriation Act, 1945, and the First Deficiency Appropriation Act, 1945, for the United States High Commissioner to the Philippine Islands are hereby continued available for the same objects until June 30, 1946."

The amendment was agreed to.

Mr. JOHNSON of Oklahoma. Mr. Speaker, let me say at this point that there are quite a number of amendments which technically are in disagreement although in fact there is no controversy whatever as to their disposition. Nevertheless as I have said, under the rules they must be shown in disagreement.

Actually, the conferees are in agreement on all of these amendments. In order to expedite action on those amendments on a motion to recede and concur, I ask unanimous consent that they may be considered together. My request applies to the following Senate amendments: Nos. 16, 17, 19, 21, 22, 57, 61, 103, 107, 115, 121, 125, 134, 135, 140, 147½, 158, 159, 164, 214, 217, 219, 221½, 222, 228, 229, 232, 233, 236, 237, 238, 241, 242, 243, 244, 245, 248, 250, 251, 253, 257, 260, 265, 268, 270, 275, 278, 279, 287, 300, 306, 311, and 321.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, I tried my best to tally the amendments as the gentleman from Oklahoma read them off. As near as I can tell his request covers only those where the motion will be to recede and concur, and included none of those where it is proposed to concur with an amendment?

Mr. JOHNSON of Oklahoma. That is correct.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendments referred to.

The Clerk read as follows:

Senate amendment No. 16: Page 8, line 23, insert the following: ", including the employment, without regard to civil-service and classification laws, of a Deputy Administrator at not to exceed $10,000 per annum and not to exceed 28 technical employees."

Senate amendment No. 17: Page 9, line 6, insert "reimbursement at not to exceed 3 cents per mile of employees for expenses incurred by them in official travel in privately owned automobiles within the limits of their official stations; contract stenographic reporting services; newspapers; office supplies; furniture and equipment; maintenance, repair, and operation of passenger-carrying automobiles; and the acceptance nd utilization of voluntary and uncompensated services."

Senate amendment No. 19: Page 10, line 14, insert "contract stenographic reporting services."

Senate amendment No. 21: Page 10, line 23, insert ": *Provided*, That this appropriation shall be available for expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Grazing Service, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed, to the appropriation for "Salaries and expenses, Grazing Service," current at the time additional supplies, materials, or equipment are procured, from the appropriations chargeable with the cost or value of such supplies, materials, or equipment."

Senate amendment No. 22: Page 11, line 10, insert:

"Fire fighting: For fighting and preventing fires on or threatening lands under Grazing Service administration, $50,000, which amount shall also be available for meeting obligations of the preceding fiscal year."

Senate amendment No. 57: Page 34, line 11, insert:

"For settlement of claims to water rights in the Gila River, Ariz., $114,400, reimbursable, of which amount $104,400 shall be paid to the Buckeye Irrigation Co. and $10,000 shall be paid to the Arlington Canal Co.: *Provided*, That no part of the sum herein appropriated shall be paid until appropriate contracts shall have been executed by and between the Secretary of the Interior and the Buckeye Irrigation Co. and the Arlington Canal Co.: *Provided further*, That no part of the sum herein appropriated shall be paid until (a) an appropriate contract providing for repayment of the proportionate amount properly chargeable to non-Indian lands in the San Carlos Irrigation and Drainage District shall have been executed by the San Carlos Irrigation and Drainage District and approved by the Secretary of the Interior, and (b) an appropriate resolution shall have been adopted by the Gila River Pima-Maricopa Indian Community Council consenting to the charge of the proportionate amount of the sum herein appropriated as construction costs against all Indian lands within the San Carlos Indian irrigation project, subject to the provisions of the act of July 1, 1932 (25 U. S. C. 386a)."

Senate amendment No. 61: Page 34, line 11, insert "and to remain available until completion of the projects: *Provided*."

Senate amendment No. 103: Page 44, line 1, insert "and to remain available until June 30, 1947."

Senate amendment No. 107: Page 45, line 22, insert "And to remain available until June 30, 1947."

Senate amendment No. 114: Page 46, line 24, insert "And to remain available until June 30, 1947."

Senate amendment No. 115: Page 46, line 25, insert:

"Expenses incident to fulfilling the Atoka agreement: For all necessary expenses in connection with negotiation of a contract (including holding of an election) with the Choctaw and Chickasaw Nations of Indians in Oklahoma for purchase by the United States of present right, title, and interest of such Indians in the land and mineral deposits reserved from allotment in accordance with the provisions of section 58 of the act entitled 'An act to ratify and confirm an agreement with the Choctaw and Chickasaw Tribes of Indians, and for other purposes,' approved July 1, 1902, $20,000; to remain available until expended; including $2,000 for printing and binding, and $5,000 for transfer to the Geological Survey for appraisal expenses."

Senate amendment No. 121: Page 49, line 23, insert *"Provided*, That expenditures hereunder may be made without regard to section 3709, Revised Statutes, or to the act of May 27, 1930 (46 Stat. 391), as amended."

Senate amendment No. 125: Page 52, line 5, insert "except that the Shoshone and Arapahoe Tribes of Wyoming may not exceed $8 per diem and when in the District of Columbia or Chicago, Ill., $10 per diem as heretofore provided."

Senate amendment No. 134: Page 58, line 11, insert "payment of damages caused to the owners of lands or other private property of any kind by reason of the operations of the United States, its officers or employees, in the survey, construction, operation, or maintenance of irrigation works."

Senate amendment No. 135: Page 58, line 18, insert "payment of rewards, when specifically authorized by the Secretary, for information leading to the apprehension and conviction of persons found guilty of the theft, damage, or destruction of public property."

Senate amendment No. 140: Page 61, line 19, insert "and the payment to the school district or school districts serving Mason City and Coulee Dam, Wash., as reimbursement for instruction during the 1945–46 school year in the schools operated by said district or districts of each pupil who is a dependent of any employee of the United States living in or in the vicinity of Coluee Dam, in the sum of $25 per semester per pupil in average daily attendance at said schools, payable after the term of instruction in any semester has been completed, under regulations prescribed by the Secretary."

Senate amendment No. 147½: Page 64, line 20, insert "from which expenditures may be made for land leveling, construction of farm ditches on units of public lands, production of soil-building crops, and the preparation of raw public lands for irrigation farming, any such expenditures to be charged into the construction costs to be repayable by the lands benefited, and any sums received from the sale of crops or otherwise as a result of these operations to be credited to such construction costs."

Senate amendment No. 158: Page 66, line 21, insert ", and payment to the Boulder City School District as reimbursement for instruction during the 1945–46 school year in the schools operated by said district of each pupil who is a dependent of any employee of the United States, living in or in the immediate vicinity of Boulder City, in the sum of $45 per semester per pupil in average daily attendance at said schools, payable after the term of instruction in any semester has been completed, under regulations to be prescribed by the Secretary."

Senate amendment No. 159: Page 67, line 16, insert "; for land leveling, construction of farm ditches on units of public lands, production of soil-building crops, and other necessary expenses in the preparation of raw public lands for irrigation farming, any such expenditures to be charged into the construction costs to be repayable by the lands benefited, and any sums received from the sale of crops or otherwise as a result of these operations to be credited to such construction costs, to be immediately available."

Senate amendment No. 164: Page 68, line 12, insert "to remain available until expended."

Senate amendment No. 214: Page 80, line 11, insert after the word "special" the words "wearing apparel and."

Senate amendment No. 217: Page 81, line 2, after the word "expenses" insert "without regard to section 3709, revised statutes."

Senate amendment No. 219: Page 81, line 12, after the word "otherwise" insert ", without regard to civil-service and classification laws."

Senate amendment No. 221½: Page 81, line 21, insert "to remain available until expended."

Senate amendment No. 222: Page 82, line 14, after the word "shared", insert a colon and the following: ": *Provided further*, That, in addition to the amount herein appropriated, the Secretary of the Interior is hereby authorized to enter into contracts for additional work not exceeding a total of $15,000,000 during the period covered by the aforesaid act, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and appropriations hereafter made for the construction and operation of demonstration plants to produce synthetic liquid fuels shall be considered available for the purpose of discharging the obligations so created."

Senate amendment No. 228: Page 85, line 8, after the word "expenses", insert "without regard to section 3709, Revised Statutes."

Senate amendment No. 229: Page 86, line 7, insert "not to exceed $75,000 for temporary employment of engineers, architects, or firms or corporations thereof, by contract or otherwise, without regard to civil-service and classification laws, necessary to carry out the provisions of this appropriation."

Senate amendment No. 232: Page 86, line 18, insert "to accept buildings, equipment, and other contributions from public or private sources."

Senate amendment No. 233: Page 87, line 6, after the word "expenses", insert a comma and the following: ", without regard to section 3709, Revised Statutes."

Senate amendment No. 236: Page 87, line 25, after the word "authorized", insert "to accept buildings, equipment, and other contributions from public or private sources offering to cooperate in carrying out the purpose of this appropriation."

Senate amendment No. 237: Page 88, line 8, after the word "necessary", insert ", without regard to section 3709, Revised Statutes."

Senate amendment No. 238: Page 88, line 15, after the word "units", insert "not to exceed $30,000 for temporary employment of engineers, architects, or firms or corporations thereof, by contract or otherwise, without regard to the civil-service and classification laws, that are necessary to design and construct the buildings and plant units."

Senate amendment No. 241: Page 89, line 3, insert "without regard to section 3709, Revised Statutes."

Senate amendment No. 242: Page 89, line 22, after the word "expenses", insert "without regard to section 3709, Revised Statutes."

Senate amendment No. 243: Page 90, line 7, after the word "plants", insert 'including not to exceed $30,000 for temporary employment of engineers, architects, or firms, or corporations thereof, by contract or otherwise, without regard to the civil-service and classification laws necessary to design and construct the buildings and pilot plants."

Senate amendment No. 244: Page 90, line 22, after the word "authorized", insert "to accept buildings, equipment, and other contributions from public or private sources for the purposes hereof."

Senate amendment No. 245: Page 91, line 3, after the word "expenses", insert "without regard to section 3709, Revised Statutes."

Senate amendment No. 248: Page 91, line 19, insert "to accept lands, buildings, equipment, and other contributions from public or private sources for the purposes hereof."

Senate amendment No. 250: Page 92, line 8, strike out the word "Federal."

Senate amendment No. 251: Page 92, line 8, insert "public or private."

Senate amendment No. 253: Page 93, line 11, after *"Provided"*, insert "That section 3709, Revised Statutes, shall not be construed to apply to this appropriation, or to the appropriation for development and operation of helium properties (special fund) in section 3 (c) of the act of September 1, 1937 (50 U. S. C. 164)."

Senate amendment No. 257: Page 96, line 17, after "California" insert "maintenance of approximately 2¼ miles of roads comprising

those portions of the Fresno-Kings Canyon approach road, Park Ridge Lookout Road, and Ash Mountain-Advance truck trail, necessary to the administration and protection of the Sequoia and Kings Canyon National Parks."

Senate amendment No. 260: Page 97, line 14, after the word "improvement", insert "including the maintenance of structures on the former Cape Hatteras Light Station Reservation within the Cape Hatteras National Seashore Recreational Area project."

Senate amendment No. 265: Page 99, line 8, after the word "measures", insert "including necessary local transportation and subsistence in kind of persons selected for employment or as cooperators, serving without other compensation while attending fire-protection training camps in connection with the fire-control programs of the National Park Service."

Senate amendment No. 268: Page 100, line 12, after the word "Area", insert "Chesapeake & Ohio Canal."

Senate amendment No. 270: Page 101, line 6, after the word "therein" insert the words "and vicinity."

Senate amendment No. 275: Page 103, line 2, after the word "mussels;", insert "development, recommendation, and application of means, including the construction of devices, to assure natural propagation and maximum survival of hatchery and other fishes."

Senate amendment No. 278: Page 104, line 4, after the word "thereof", insert "including investigations, study and research with respect to the utilization of packed sardines and the development of methods and procedures which should be employed in improving the quality and appearance of packed sardines."

Senate amendment No. 279: Page 104, line 8, insert "maintenance, repair, alteration, improvement, equipment, and operation of laboratories and vessels."

Senate amendment No. 287: Page 106, line 4, after the figures "426", insert "including not to exceed $3,000 for the purchase of printed bags, tags, and labels."

Senate amendment No. 300: Page 110, line 4, insert "In addition to the airplanes authorized for purchase in the foregoing items, the Fish and Wildlife Service may acquire not to exceed 10 surplus airplanes from any disposal agency of the Government without reimbursement or transfer of funds."

Senate amendment No. 306: Page 115, line 4, after the word "Governor", insert ": *Provided*, That the executive assistant to the Governor and the legal counsel shall be appointed by the Governor."

Senate amendment No. 311: Page 119, line 8, insert ", and payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members."

Senate amendment No. 321: Page 120, line 13, strike out "11" and insert in lieu thereof "12."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendments.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50: Page 25, line 3, insert "; and the authorization of $600,000 in the Interior Department Appropriation Act, 1944, for loans from said revolving fund to individual Indians and Indian organizations otherwise ineligible to participate therein is hereby increased to $1,000,000."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 50, and agree to the same with an amendment, as follows: In lieu of the sum named in line 6 of said amendment, insert "$750,000."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 64: On page 37, after line 9, insert "not exceeding $25,000 for cooperation with the State of Oklahoma for the construction, equipment, and maintenance of an Indian arts and crafts building at Anadarko, Okla."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 64, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "not exceeding $25,000 for cooperation with the State of Oklahoma for the construction and equipment of an Indian arts and crafts building at Anadarko, Okla."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Amendment No. 65: Page 37, line 16, strike out "$5,392,190" and insert "$5,540,765."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 65, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$5,417,190."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 123: Page 51, line 4, after the word "Council", insert the following: "and no other funds appropriated or otherwise available to the Interior Department shall be expended for the compensation or expenses of an attorney for the Osage Tribe of Indians in Oklahoma."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 123, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "under a contract to be entered into between said tribal attorney and the Osage Tribal Council, which contract shall be approved by the Secretary of the Interior."

Mr. SCHWABE of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Oklahoma.

Mr. SCHWABE of Oklahoma. Mr. Speaker, I am anxious to know if I understand correctly that the amendment the chairman has just offered results in one thing, and that is there will be an attorney representing the Government the same as in the past and an attorney to be employed and paid for out of the Osage tribal funds resulting from a contract by the Osage Tribal Council, to be approved by the Secretary of the Interior or the Commissioner of Indian Affairs.

Mr. JOHNSON of Oklahoma. I will say to the gentleman that that is exactly what this amendment provides. He understands the situation correctly.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 129: Page 54, line 20, strike out "$588,190" and insert "$1,890,000, to remain available until expended, of which $150,000 shall be a part of the authorization contained in section 10 (c) of the Federal Aid Highway Act of 1944 (Public Law 521, 78th Cong., approved December 20, 1944)."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate numbered 129, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "$900,000, to remain available until expended."

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. What was the reason for the proposal by the Senate that $150,000 shall be a part of the appropriation contained in the Federal Highway Act and why was it dropped?

Mr. JOHNSON of Oklahoma. As I recall, $150,000 was the amount available across the Klamath Indian Reservation. It made it available for that purpose only.

Mr. CASE of South Dakota. And the amendment that we are now to adopt leaves that out and makes no charge against the new authorization?

Mr. JOHNSON of Oklahoma. That is right.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 145: Page 63, line 19, insert "and to remain available until expended."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate numbered 145, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ", to remain available until expended for carrying out projects (including the construction of transmission lines) or investigations previously or herein authorized by Congress."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 154: Page 65, line 15, strike out all of lines 15, 16, 17, and 18, and insert the following:

"General investigations: For engineering and economic investigations of proposed Federal reclamation projects and surveys, investigations, and other activities relating to reconstruction, rehabilitation, extensions, or financial adjustments of existing projects, and studies of water conservation and development plans, such investigations, surveys, and studies to be carried on by said Bureau either independently, or in cooperation with State agencies and other Federal agencies, including the Corps of Engineers, and the Federal Power Commission, $5,500,000, which may be used to execute detailed surveys, to prepare construction plans and specifications, and to perform work preliminary to construction of authorized projects: *Provided*, That the expenditure of any sums from this appropriation for investigations of any nature requested by States, municipalities, or other interests shall be upon the basis of the State, municipality, or other interest advancing at least 50 percent of the estimated cost of such investigations."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate numbered 154, and agree to the same with an amendment, as follows:

In line 10 of said amendment, strike out the sum of "$5,500,000", and insert "$2,250,000."

In line 11, after "surveys", insert "and" and in lines 12 and 13, strike out ", and to perform work preliminary to construction of authorized projects."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, I regret to see this cut below the Senate appropriation of $5,500,000—a cut to less than half of that amount. I think this is a key item for the Reclamation Service. I think the service will be hampered in the great work that lies ahead for the Bureau of Reclamation with only the amount offered in the amendment.

Why do I think this is such a significant item in all of the lists of items for the Bureau of Reclamation? Because the widely expanding scope of reclamation in the postwar period depends upon more surveys and a far more detailed study of the physical possibilities throughout the West. There can be no doubt that a greatly expanded program is imperatively needed, as well as being proposed, at this time by the Department. I can give some indication of that expanded program, which I should like to do.

As chairman of the House Committee on Irrigation and Reclamation, I asked the Commissioner of Reclamation some weeks ago to furnish the committee an inventory of possible reclamation projects suitable for development in the postwar period. Such an inventory is found in part I of the hearings on H. R. 520, a bill for settlement of returning veterans on farms in reclamation projects, these items being furnished in hearings held last April. And what do these tabulations show?

This information furnished reveals that the Bureau has listed 415 possible projects in the 17 Western States, arranged in 3 different classifications, according to their condition. It is revealed that the Bureau officials believe that by developing our water resources to the uttermost it would be possible to irrigate and additional 21,000,000 acres of land in the 17 Western States. Without their being definite as to how long a period of time might be required to complete such a development, it is estimated that these 415 projects might cost between four and five billion dollars. Now, the great majority of these projects are in the first, or so-called "study" stage, which means that they are very far from the "blueprint" stage. Of course, any presentation today is merely tentative. Much engineering study and investigation, and some that is not purely engineering, will have to be done before development work can proceed. From this it may be seen that money for general investigation is the basis of further progress in carrying out the program.

And why is this a critical time? Because the Nation is confronted with some of the most pressing economic problems—and social problems—greater than it has ever faced before. It makes every responsible person shudder to think what could happen after this war. We know that there must be a relatively high degree of employment here for the very safety of our country. I prefer to call it full employment and to think of it as an absolute necessity, if we are not to have an economic collapse. Hundreds of thousands of persons in uniform will be returning to civilian life, to all of whom we have promised jobs and to many of whom we have promised homes on the land. Unless we handle this problem in a big way, these promises will fail of fulfillment. There never has been a time in the pioneering history of America where so much is expected by so many as is expected of us in the right kind of legislation and appropriation for this reclamation development. I beseech you not to take a narrow view of our opportunities and responsibilities in this work.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield such time as he may desire to the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Speaker, I do not know what the parliamentary situation is at the present time. I do not know whether the motion has been carried or not. I saw the gentleman from Arizona standing by the gentleman from Oklahoma and I thought he was to be recognized to make some inquiries which we wanted to make of the chairman with respect to this amendment. Of course, if the motion has carried then I should like to have unanimous consent to inquire into this amendment.

Mr. JOHNSON of Oklahoma. I will be glad to answer any question I can.

Mr. FERNANDEZ. Mr. Speaker, may I inquire whether the amendment has been passed?

The SPEAKER pro tempore. The amendment has not been passed.

Mr. FERNANDEZ. Then may I inquire of the chairman of the committee: As I understand, the Bureau of the Budget had approved $5,500,000 which the Senate put in; is that correct?

Mr. JOHNSON of Oklahoma. The Bureau of the Budget approved a higher figure. I believe that is the correct figure; yes.

Mr. FERNANDEZ. And in offering this amendment which the committee has offered, I was wondering whether the committee had taken into consideration the situation which confronts at the present time with respect to investigations of these various projects. If the amount is cut down then the projects must be taken piecemeal and the purpose of putting in that figure as approved by the Budget Bureau was to permit the Bureau of Reclamation to make an investigation of all the projects up and down the Rio Grande, for example, so that the people of Colorado and Texas and the people below and above certain projects may be protected. As I understand the law, when a project is finally approved by the Bureau of Reclamation they are then authorized to proceed unless the Governor of the State or the State, through its officials, makes objection. Now, the Governor of my State, for example, cannot make objections until certain other projects are investigated. Yet, if we do not have enough money to investigate these projects, we are stymied. That is the reason for requesting this amount. For example, in the San Joaquin River there is a project proposed which was pretty well along as to investigation for the diversion of water from the San Juan River over to the Rio Grande. The people below that proposed project have certain projects investigations on which have also been started but which cannot be finished unless we have sufficient money to carry on the work at the same time the work of investigation on the San Juan diversion dam is carried on.

I believe if these thngs were taken into consideration we should be allowed a little higher amount so that that can be done. Also if the projects are to be put in readiness the work preliminary to construction should be provided for. Perhaps that can be delayed until all the projects have been investigated, but if that is done, then, when they are ready to proceed, there will be considerable delay because plans and specifications and drillings and borings will have to be made, which means that at that period which is the time when our boys will be coming back and needing immediate work there will be a further de-

lay until the planning work preliminary to construction can be done before we can put them to work. I would like to inquire if those things have been taken into consideration, Mr. Speaker, and whether there will be a possibility of permitting us to have at least $3,500,000 for this work.

Mr. JOHNSON of Oklahoma. The gentleman has made a very splendid statement. I am going to answer his inquiry frankly and somewhat in detail.

Yes; I will say to the gentleman from New Mexico, the committee did take those things into consideration.

Let us go back a little bit. Because of the fact that we are still at war and do not know how long the war is going to last, and being afraid that it will not end as soon as we hope it will, the House Appropriations Committee made available $1,485,000 for this particular matter of investigation on a point of order in the House that amount was reduced to $125,000. The Senate increased that to something like $5,500,000. In addition to that it also increased another item for the Missouri Valley which we did not have in the bill last year.

Let me say that the amount in the bill now for this item of $2,250,000 is about twice as much as the Bureau of Reclamation had for the current year for the same purpose. Now, add to that the Missouri Valley project, for which there is also included in this bill, $3,200,000; also $500,000 for surveys and investigations from the Colorado River development fund; and add to that the portion of the unexpended balance of $1,645,000 for water-conservation projects which will be available and we have a grand total, not of $2,250,000, but nearly $7,000,000 which will be expended for reclamation investigations during the next fiscal year, which is more than five times the amount that it had during the current year. Therefore I will say that considering the grand total which we have for investigation throughout the West, the committee has been more liberal on this item than any other item in the entire bill. The commitee did take into consideration what the gentleman said and it took into consideration these other matters also.

Mr. HOLMES of Washington. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. HOLMES of Washington. I am deeply concerned about this matter. I listened with a great deal of attention and interest to what the gentleman has just said. Do I understand the gentleman correctly that in addition to this $2,250,000 which you are offering as an amendment for perconstruction survey moneys there is an unexpended balance of $1,640,000?

Mr. JOHNSON of Oklahoma. There is an unexpended balance of $1,645,000, but that comes under water utilities conservation. A substantial portion of it can be used for surveys.

Mr. HOLMES of Washington. Can that be used for preconstruction survey money by the Bureau of Reclamation.

Mr. JOHNSON of Oklahoma. It is also for construction purposes.

Mr. HOLMES of Washington. Can it be used for the purpose of making studies of projects to get them from the study stage over into the approved and authorized stage?

Mr. JOHNSON of Oklahoma. If they come under water-conservation projects it is my understanding it can be.

Mr. HOLMES of Washington. I feel that the preconstruction-survey money as outlined by the Bureau of the Budget and recommended by the Bureau of the Budget to the House committee, and replaced in the bill by the Senate, was forthcoming on a sound basis. This is the procedure, is it not, resorted to by the Rivers and Harbors Committee and other committees handling large-scale construction programs like the Bureau of Reclamation in the Interior Department?

Mr. JOHNSON of Oklahoma. Oh, yes; I think that is correct.

Mr. HOLMES of Washington. Does the gentleman think the preconstruction survey fund of $5,500,000 is excessive?

Mr. JOHNSON of Oklahoma. I do not think it is excessive, but there are many things we would like to put into this bill that were not excessive. However, the committee took other things into consideration and felt it was very liberal when it gave several times as much money as it had during the current year.

Mr. MURDOCK. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MURDOCK. The gentleman's statement is rather comforting to me, yet I am puzzled. I wonder whether the case is as favorable as indicated. Is the chairman correct in saying that about $7,000,000 of unexpended balance, including this amendment, is available to the Bureau of Reclamation for this purpose? If so, I am almost satisfied.

Mr. JOHNSON of Oklahoma. No. I do not say it is all available to the Bureau of Reclamation, but it is for the purpose of water conservation in the West.

Mr. HOLMES of Washington. Is it for preconstruction survey moneys for the Bureau of Reclamation?

Mr. JOHNSON of Oklahoma. Oh, no. I did not say that.

Mr. FERNANDEZ. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. FERNANDEZ. Here is the situation: Up to this time the money has been so restricted that the Bureau of Reclamation cannot carry on all of these projects so that they can all be considered in toto. It has to limit itself to certain main projects as money is available. The result is that when they get through with that, the people up and down the river, above or below such proposed project, are unable to determine whether or not that should be approved. My State has to make an expression before a project is approved within New Mexico. Yet that State will not be able to do so until other projects are investigated. The amount that the Missouri Valley will have will not help us any on that proposition. The amount of over a million dollars carry-over mentioned by the chairman is not available for that purpose. Only a small amount is available for that purpose. It is the investigations up and down the river on the various projects, and how they will correlate, that is necessary so that the people in the West may be advised, so that the rights of the people in Colorado, the people in Texas, and the people in Arizona may be protected before one or two or more projects are approved and others left out. I know it is hard to do, but it must be done if we are going to get anywhere with that work in the West. We are already behind. New Mexico, Arizona, and Colorado are behind on these projects because they have been taken up piecemeal. I think that is the reason why the Senate allowed the amount that the Bureau of the Budget approved. I believe we ought to have at least $3,500,000, if not the $5,500,00.

Mr. JOHNSON of Oklahoma. There were some Members who felt we were going entirely too high. It was nearly twice as much as the House Appropriations Committee gave originally, but this was the best agreement that we could reach. This was a compromise. It is almost twice what they had for the current year.

Mr. HORAN. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. HORAN. Will the gentleman tell me what the original Budget estimate was?

Mr. JOHNSON of Oklahoma. Five million five hundred thousand dollars.

Mr. HORAN. The Budget allowed $5,500,000?

Mr. JOHNSON of Oklahoma. Yes, sir.

Mr. FERNANDEZ. We think we need that, but in a spirit of compromise we would be willing to agree to $3,500,000. That will not do what we want to do, but it will give us enough information so that the people in New Mexico, for example, through their Governor, can speak with respect to the projects which they are required to speak about before they are submitted for consideration.

Mr. JOHNSON of Oklahoma. The gentleman has made a very splendid statement. I will say to the gentleman the committee has given very serious consideration to this item.

Mr. HOLMES of Washington. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. HOLMES of Washington. I wish to say to the gentleman from Oklahoma that I think it is very important that we consider this $5,500,000 Budget-approved fund to take care of the tremendous amount of preconstruction survey that has necessarily got to take place in the postwar program. I for one want to go very definitely on record in favor of the $5,500,000 and not $3,500,000 or $2,250,000. I think this is the time we should understand that the preconstruction survey moneys are exceedingly necessary to the postwar program to enable us to bring these projects into the approved and authorized stage.

Mr. HORAN. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. HORAN. Were there several categories of Budget estimates, one based on VE, one on VJ, and one "war over" and that sort of thing?

Mr. JOHNSON of Oklahoma. As I recall, the original estimates were submitted on the basis of a two-front war.

Mr. HORAN. We people out in the West have a feeling that when the war is over reclamation is going to enter into the picture very much, and therefore we will have to come back and ask for additional funds for this survey work; and I wondered if it had been considered by the gentleman's committee in several categories.

Mr. JOHNSON of Oklahoma. I imagine all members of the committee have suspected that the distinguished gentlemen who are standing, and some who have been standing, who are interested in reclamation would probably be back again and again and again.

Mr. HOLMES of Washington. I wish to tell the distinguished chairman of the subcommittee that I will be one of those who will be back on these matters for deficiency appropriations.

Mr. JOHNSON of Oklahoma. And the gentleman is usually very effective when he comes before the committee.

Mr. HOLMES of Washington. I thank the gentleman.

Mr. FERNANDEZ. Mr. Speaker, in spite of the fact the gentleman has been somewhat liberal, I offer an amendment to the amendment.

The SPEAKER. Does the gentleman from Oklahoma yield to the gentleman from New Mexico?

Mr. JOHNSON of Oklahoma. If the gentleman desires to offer an amendment it is his privilege.

The SPEAKER. It is not his privilege unless the gentleman yields for that purpose.

Does the gentleman from Oklahoma yield to the gentleman from New Mexico for the purpose of offering an amendment?

Mr. JOHNSON of Oklahoma. Mr. Speaker, I have not the privilege from my committee to yield for that purpose.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 155: Page 66, line 13, strike out "$6,758,500" and insert "$15,633,500."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 155, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$9,783,500."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 156: Page 66, line 15, strike out "$7,588,300" and insert "$16,487,800."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 156, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$10,620,550."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 160: Page 67, line 23, strike out "$3,000,000" and insert the following: "and to remain available until advanced to the Colorado River Dam fund, $3,327,000."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 160, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "and to remain available until advanced to the Colorado River Dam fund, $3,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 165: Page 68, line 17, strike out the word "available" and insert "to remain available until expended."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 165, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "to remain available until expended for carrying out projects (including the construction of transmission lines) previously or herein authorized by Congress."

The motion was agreed to.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made yesterday.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 176: Page 70, line 12, strike out "June 30, 1946" and insert in lieu thereof the word "expended."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 176, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "June 30, 1947."

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman from Oklahoma tell us the reason for making that kind of change in this project. Was there any evidence before the conferees to indicate that the money would be expended by June 30, 1947?

Mr. JOHNSON of Oklahoma. I may say the committee changed the date in several places in the bill; we made the money available for 2 years at the suggestion of some of the conferees, and I might add, it seems to this committee to be a wise provision.

Mr. CASE of South Dakota. This is in harmony, then, with the principle that the committee has applied to all funds of this sort under the Bureau of Reclamation?

Mr. JOHNSON of Oklahoma. Yes. There are several places in the bill wherein we thought it would be advantageous to have the funds remain available for 2 years.

Mr. CASE of South Dakota. I presume that in this particular instance these funds will be exhausted before the date fixed?

Mr. JOHNSON of Oklahoma. That of course is possible.

Mr. CASE of South Dakota. Generally speaking, they have to allocate these funds for specific programs and projects, and if the projects should not be completed, I would see no reason for holding up a small balance.

Mr. JOHNSON of Oklahoma. The idea was that the Congress would have a chance to review them after a period of two years. We thought that by this 2-year provision Congress will be able to hold a check on some of these projects.

The SPEAKER. The question is on the motion offered by the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Senate No. 177: Page 20, line 13, insert:

"Fort Peck project, Montana: For construction of transmission lines, substations, and other facilities as may be required by the Bureau of Reclamation, as authorized by the act of May 18, 1938 (16 U. S. C. 833), $200,000, to be immediately available and to remain available until expended."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 177, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"Fort Peck project, Montana: For construction of transmission lines, substations, and other facilities as may be required by the Bureau of Reclamation, as authorized by the act of May 18, 1938 (16 U. S. C. 833), $155,800, to be immediately available and to remain available until June 30, 1947."

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 178½: Page 70, line 23, after "$4,680,000", insert the words "to remain available until expended."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate No. 178½, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ", to remain available until June 30, 1947."

The SPEAKER. The question is on the motion offered by the gentleman from Oklahoma [Mr. JOHNSON].

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 181: Page 71, line 19, strike out "June 30, 1946" and insert the word "expended."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate numbered 181, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "June 30, 1947."

Mr. DWORSHAK. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Idaho [Mr. DWORSHAK].

Mr. DWORSHAK. Mr. Speaker, I have not participated in the debate on the conference items contained in this appropriation bill for the Bureau of Reclamation, which will be completed with disposition of this particular item; however, in view of the fact that I have resided for the past 20 years on one of the most successful Federal reclamation projects in the West and, further, that I happen to be the only member of the subcommittee who comes from the arid western section of our country, I should like to allay the fears of some of my colleagues who have participated in this debate. Coming from the Western States, as I do, and having been profoundly interested in the reclamation development of our country, I can assure the Members of the House that this subcommittee has been diligent in the consideration of the program for reclamation development.

It was 43 years ago this month that the first reclamation act was passed by the Congress and throughout these four decades there has been just a little less than $1,000,000,000 of Federal funds appropriated for this development program. Recently Secretary Ickes and Commissioner Bashore, of the Bureau of Reclamation, appeared before the House Committee on Irrigation and outlined an extensive postwar reclamation program which will entail approximately $5,000,000,000, or five times as much as has been appropriated for reclamation in the past 43 years.

May I say to the Members of the House from the Western States that there has been no hostility displayed at any time during the exhaustive hearings by the members of this committee who live in the middle western part of the country or in the East. There has been no disposition whatsoever to interfere with the Bureau of Reclamation. However, there has come a realization to the members of the committee—which I share—that it is no longer the sole responsibility of the Federal agency, the Bureau of Reclamation, to take over complete jurisdiction for the expenditure of these millions of dollars which are appropriated out of the Federal Treasury by the Congress.

As Members of this great lawmaking body we have a joint responsibility to cooperate and to reconcile the various suggestions and proposals and recommendations made by the Bureau of Reclamation, the Bonneville Power Administration and other Federal agencies, because it is only in that way that we can force adherence to and compliance with the reclamation acts which have been enacted by Congress during the last 40 years. Under this program no interest is charged on the funds which are reimbursable in reclamation development by the water districts and they have approximately 40 years to make those repayments. You probably also know that the reimbursable portions of these projects charged to power revenue have 50 years within which to be repaid, with a provision for a 3-percent interest charge.

It seems to me that it is the responsibility of your subcommittee on Interior appropriations and the entire Congress to see that the Bureau of Reclamation follows the reclamation pattern which you have outlined. I have the highest regard for Commissioner Bashore and his associates—but this program is your responsibility and the responsibility of this subcommittee on appropriations.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield? First for a question and then for an observation?

Mr. DWORSHAK. I yield to the gentleman from Arizona.

Mr. MURDOCK. The gentleman believes, does he not, that the Bureau of Reclamation has done a splendid piece of work during the 43 years of its existence?

Mr. DWORSHAK. Yes. May I answer that by saying that is the reason I believe the subcommittee has a responsibility to see that reclamation is carried along in the postwar period without any tragic blunders; and it is only by retaining a check upon this executive power and giving the agency our cooperation in providing these funds that we can assure a continuation of the program which you are now commending.

Mr. MURDOCK. As a Member from the West and chairman of the Committee on Irrigation and Reclamation, I want to join with the gentleman and others in checking carefully on this great agency in its work and at the same time support it fully in its necessary program. Now is the time for the exhibition of real statesmanship in the development of the West.

The SPEAKER. The question is on the motion offered by the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 258: Page 97, line 4, strike out "$1,895,675" and insert "$1,939,000, including $30,000 for the acquisition of the Ovington properties within the Olympic National Park."

Mr. ROONEY. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. ROONEY moves that the House recede from its disagreement to the amendment of the Senate No. 258, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "$1,925,675, including $30,000 for the acquisition of the Ovington properties within the Olympic National Park."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 264: Page 98, line 7, insert the following: "Lake Texoma Recreational Area, Texas and Oklahoma: For administration, protection, improvement, and maintenance in cooperation with the Chief of Engineers of the War Department of recreational areas devoted to recreational use within the Denison Dam and Reservoir projects, $44,800."

Mr. ROONEY. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. ROONEY moves that the House recede from its disagreement to the amendment of the Senate No. 264, and agree to the same with an amendment, as follows: In the last line of said amendment, strike out "$44,800", and insert in lieu thereof "$40,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 280: Page 104, line 13, strike out "$262,750" and insert "$543,000."

Mr. ROONEY. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. ROONEY moves that the House recede from its disagreement to the amendment of the Senate No. 280, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$328,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 320: Page 120, line 8, insert the following:

"SEC. 10. Hereafter the Secretary may delegate to subordinates the power to authorize changes in official stations of officers and employees and the payment of expenses of travel and transportation of household goods in connection with such change of official stations."

Mr. ROONEY. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. ROONEY moves that the House recede from its disagreement to the amendment of the Senate No. 320, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"SEC. 11. During the fiscal year 1946, the Secretary may delegate to the Under Secretary and the Assistant Secretaries the power to authorize changes in official stations of officers and employees and the payment of expenses of travel and transpotration of household goods in connection with such change of official stations."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 184) entitled "Joint resolution to continue the temporary increases in postal rates on first-class matter, and for other purposes."

TEMPORARY INCREASE IN POSTAL RATES

Mr. DOUGHTON of North Carolina. Mr. Speaker, I call up the conference report on the joint resolution (H. J. Res. 184) to continue the temporary increases in postal rates on first-class matter, and for other purposes.

The Clerk read the title of the joint resolution.

The Clerk read the report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 184) to continue the temporary increases in postal rates on first-class matter, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 2.

That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
HAROLD KNUTSON,
DANIEL A. REED,
Managers on the Part of the House.

WALTER F. GEORGE,
DAVID I. WALSH,
ALBEN W. BARKLEY,
ROBERT A. TAFT,
HUGH BUTLER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 184) to continue the temporary increases in postal rates on first-class matter, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: This amendment corrects a technical error in section 222 of the Revenue Act of 1942, by which the provision in section 222 (c) for review by a special division of the Tax Court of questions arising under section 721 (a) (2) (C) and section 722 of the Internal Revenue Code was made applicable only to taxable years beginning after December 31, 1941. The effect of the amendment is that the review provision will apply to all taxable years beginning after December 31, 1939. The House recedes.

Amendment No. 2: This amendment extends to June 30, 1946, the time in which plans adopted prior to January 1, 1945, may be adjusted to meet the requirements of paragraphs (3), (4), (5), and (6) of section 165 (a) of the Internal Revenue Code. These paragraphs deal with requirements as to coverage, contributions, and benefits and prohibited discriminations in favor of officers, stockholders, and highly paid and supervisory employees. The Senate recedes.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
HAROLD KNUTSON,
DANIEL A. REED,
Managers on the Part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

RECONSTRUCTION FINANCE CORPORATION

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. J. Res. 65) to transfer to the Reconstruction Finance Corporation the functions, powers, duties, and records of certain corporations.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman from Kentucky explain this legislation?

Mr. SPENCE. Mr. Speaker, this is a resolution which was reported out unanimously by the Senate Committee on Banking and Currency and passed unanimously by that body. It has been reported unanimously by the Banking and Currency Committee of the House. It provides for the dissolution of the Defense Plant Corporation, the Defense Supplies Corporation, the Metals Reserve Company, the Rubber Reserve Company, and the Disaster Loan Corporation.

The Reconstruction Finance Corporation asks that this resolution be passed in order to effect certain economies and in order to secure the orderly dissolution and settlement of the affairs of these corporations.

Mr. MARTIN of Massachusetts. It merely provides for the dissolution of a number of agencies?

Mr. SPENCE. That is correct.

Mr. MARTIN of Massachusetts. It provides for nothing else?

Mr. SPENCE. It provides for nothing else.

Mr. MARTIN of Massachusetts. I congratulate the gentleman, and I hope he will continue the good work and bring in a few more resolutions of the same character.

Mr. SPENCE. I think it meets with the approval of everyone. It merely transfers certain rights, duties, authority, and assets of these corporations to the Reconstruction Finance Corporation for the orderly dissolution of the corporations and the continuation of such functions as are required to be continued. Mr. Speaker, under leave to extend my remarks I insert the report of the banking and Currency Committee on the resolution:

The Committee on Banking and Currency to whom was referred the joint resolution (S. J. Res. 65) to transfer to the Reconstruction Finance Corporation the functions, powers, duties, and records of certain corporations, having considered the same, report favorably thereon without amendment and recommend that the joint resolution do pass.

The purpose of this joint resolution is to provide for the dissolution of certain subsidiary corporations of the Reconstruction Finance Corporation, and to provide for the transfer of their functions, powers, and duties to the Reconstruction Finance Corporation. The subsidiary corporations affected are the Defense Plant Corporation, the Metals Reserve Company, the Rubber Reserve Company, the Defense Supplies Corporation, and the Disaster Loan Corporation.

All of these subsidiary corporations, except the Disaster Loan Corporation, were created by the Reconstruction Finance Corporation pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended. This section was amended by an act of June 25, 1940, so as to authorize the Reconstruction Finance Corporation, acting through subsidiary corporations to be created by it for such purposes, to build and operate plants and facilities for the manufacture of matériel, and to procure supplies equipment, etc., and to buy materials declared by the President to be strategic and critical. The act provided that activities under this authority should be undertaken at the request of the Federal Loan Administrator, and with the approval of the President. Pursuant to this authority, the Rubber Reserve Company and the Metals Reserve Company were created on June 28, 1940, primarily for the purpose of buying a stock pile of rubber, tin, and other materials. Later, the Rubber Reserve Company established and is now operating the synthetic-rubber program. The Defense Plant Corporation was created on August 22, 1940, primarily to build and operate plants and facilities for the production of war matériel and to otherwise aid in the national defense. The Defense Supplies Corporation was created on August 29, 1940, to purchase and stock-pile strategic and critical materials other than rubber, minerals, and metals, and to do other things necessary to the production and procurement of essential materials.

Thus, it is apparent that the corporations dissolved by this resolution, with the exception of the Disaster Loan Corporation, were created to perform certain functions arising out of the present emergency. The function of these corporations has been substantially that of procurement of strategic and critical materials and other supplies and equipment essential to the successful prosecution of the war. This has for the most part been accomplished and, therefore, some administrative reorganization at this time is desirable. The transfer to the Reconstruction Finance Corporation of the functions, powers, duties, and authority of these corporations would simplify operations and it may reasonably be expected that some economy in operation can be effected.

This joint resolution will have the effect of vesting in the Reconstruction Finance Corporation such title and interests in property, both real and personal, of the designated corporations as such corporations have as of the effective date of the joint resolution, and of giving the Reconstruction Finance Corporation all rights and authority necessary to

convey such title and interests, or any part thereof, to the same extent as the designated corporations could have conveyed such title and interests had this joint resolution not been passed. Further, the Reconstruction Finance Corporation as a result of the resolution will have all the powers, functions, authority, and duties vested in its subsidiary corporations under the Renegotiation Act, both as to contracts previously entered into by those subsidiaries and as to contracts which the Reconstruction Finance Corporation after July 1, 1945, may enter into under the authority transferred by the resolution. These, as well as other functions, powers, duties, and authority of the designated subsidiaries, whether conferred specifically by statute or otherwise, will, under the resolution, be vested in the Reconstruction Finance Corporation whose Board of Directors will act with respect thereto in the place of the board of directors of the subsidiaries.

The enactment of this resolution will not result in any interference with the procurement of supplies necessary to the successful prosecution of the war against Japan. Management would remain where it is now, in the Board of Directors of the Reconstruction Finance Corporation, the members of which at the present time are also directors of these subsidiary corporations. In addition all outstanding contracts and new contracts which may be necessary would be administered by substantially the same personnel as at the present time, although acting directly for the Reconstruction Finance Corporation. These subsidiary corporations now utilize Reconstruction Finance Corporation personnel in performing their functions, having no employees of their own; consequently, the same personnel will be available to perform the functions transferred to the Reconstruction Finance Corporation, without the necessity of transferring such personnel.

While the Disaster Loan Corporation was created not for national-defense purposes, but to provide loans necessitated by floods or other catastrophes, nevertheless since it is managed by Reconstruction Finance Corporation officers and agents under rules and regulations prescribed by the Board of Directors of the Reconstruction Finance Corporation, there is no sound basis for having these functions performed by a separate corporate entity.

The War Damage Corporation, the Reconstruction Finance Corporation Mortgage Company, and the Federal National Mortgage Association, all subsidiaries of the Reconstruction Finance Corporation, are not included in the resolution. The War Damage Corporation, while wholly owned and managed by the Reconstruction Finance Corporation, was created for a highly specialized purpose, and it is believed that it should continue as a separate corporate entity until its insurance program directly related to the war has been completed. Undoubtedly it should and will at that time be liquidated.

The Reconstruction Finance Corporation Mortgage Company was organized under the laws of Maryland, and while its capital stock is owned by and it is subject to the management of the Reconstruction Finance Corporation, it is believed undesirable at this time to include within the resolution a State-chartered corporation.

The Federal National Mortgage Association was organized pursuant to the provisions of title III of the National Housing Act, as amended, to provide a ready market for insured mortgages, and operates within the limitations and restrictions imposed by that act. Because of the nature of these restrictions it is considered inadvisable to include the Association in this resolution.

The U. S. Commercial Company and the Petroleum Reserves Corporation, although originally organized for national-defense purposes by the Reconstruction Finance Corporation pursuant to the authority contained in the Reconstruction Finance Corporation Act, as amended, and Rubber Development Corporation, established for the purpose of procuring natural rubber from outside the United States, are not included in the resolution for the reason that they have been transferred to and are subject to the supervision of the Foreign Economic Administration.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That, nothwithstanding any other provision of law, all functions, powers, duties, and authority of the corporations hereinafter designated, are hereby transferred, together with all their documents, books of account, records, assets, and liabilities of every kind and nature, to Reconstruction Finance Corporation and shall be performed, exercised, and administered by that Corporation in the same manner and to the same extent and effect as if originally vested in Reconstruction Finance Corporation, and the designated corporations are hereby dissolved: Defense Plant Corporation, Metals Reserve Company, Rubber Reserve Company, and Defense Supplies Corporation, created by Reconstruction Finance Corporation pursuant to the act of June 25, 1940 (54 Stat. 572), and Disaster Loan Corporation, created by the act of February 11, 1937 (50 Stat. 19), are hereby designated as the corporations to which this joint resolution applies.

SEC. 2. The Reconstruction Finance Corporation shall assume and be subject to all liabilities, whether arising out of contract or otherwise, of the corporations dissolved by this joint resolution. No suit, action, or other proceeding lawfully commenced by or against any of such corporations shall abate by reason of the enactment of this joint resolution, but the court, on motion or supplemental petition filed at any time within 12 months after the date of such enactment, showing a necessity for the survival of such suit, action, or other proceeding to obtain a determination of the questions involved may allow the same to be maintained by or against the Reconstruction Finance Corporation.

SEC. 3. This joint resolution shall take effect on July 1, 1945.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BOYKIN (at the request of Mr. MURRAY of Tennessee) was given permission to extend his remarks in the RECORD.

Mr. POWELL (at the request of Mr. MARCANTONIO) was given permission to extend his remarks in the RECORD and include a speech delivered by him.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to incorporate in connection with my remarks the report of the committee on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

AMENDING THE NATIONALITY ACT OF 1940

Mr. MASON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 511, to amend the Nationality Act of 1940.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1137), is hereby amended by adding, immediately following section 304 thereof, a new section to be numbered 304A and reading as follows:

"SEC. 304A. An alien, if eligible to naturalization, 50 years of age or over, who has resided in the United States continuously since prior to July 1, 1924, and who, on or prior to the effective date of this section, has made a declaration of intention to become a citizen which is not more than 7 years old, or who, within 2 years from the effective date of this section, shall make a declaration of intention, may thereafter file petition for naturalization and be admitted to citizenship upon full and complete compliance with all requirements of the naturalization laws, except that he shall not be required to speak the English language, sign his declaration or petition in his own handwriting, or meet other educational requirements: *Provided*, That this section shall apply only to petitions for naturalization filed within 4 years after the date of the enactment of this act."

SEC. 2. Section 326 of the Nationality Act of 1940 (54 Stat. 1150; 8 U. S. C. 726), is hereby amended by adding a new subsection, to be known as subsection (e) and reading as follows:

"(e) The provisions of this section shall not apply to any alien whose son or daughter is a citizen of the United States and has served or is serving honorably in the military or naval forces of the United States during the present war and who, if separated from such service, was separated under honorable conditions. For the purpose of this section, the present war shall be deemed to have commenced on December 7, 1941, and to continue until the termination of all hostilities in the present war."

SEC. 3. The Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1137), is hereby amended by adding, immediately following section 331 thereof, a new section to be numbered 331A and reading as follows:

"SEC. 331A. A declaration of intention to become a citizen shall not be required of any alien whose son or daughter is a citizen of the United States and has served or is serving honorably in the military or naval forces of the United States during the present war and who, if separated from such service, was separated under honorable conditions. For the purpose of this section, the present war shall be deemed to have commenced on December 7, 1941, and to continue until the termination of all hostilities in the present war."

Mr. REES of Kansas. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, H. R. 511 is here with the approval of the Committee on Immigration and Naturalization. It contains three provisions. I do not think there is any particular objection to this bill, but I will explain it briefly.

The first section provides that aliens who have been in this country prior to July 1, 1944, and who are more than 50

years of age, and who otherwise comply with all the nationality laws, rules, and regulations, may file petitions for citizenship and waive the educational requirements now provided by law. That is to say, if a man were 50 years of age or more and he cannot sign his name, but is otherwise a good citizen, he may file his petition; and if the court sees fit, he may recommend him for citizenship and if approved be admitted to citizenship. He must comply with all requirements, however, as far as being a good citizen, length of residence, filing of declaration, and so on, is concerned. Only educational requirements are waived, and only to this particular group.

I do not know the exact number, but there are several men and women who have been here a great many years who are too old now to meet these requirements. I am informed by the Bureau of Naturalization that the average age is probably 65 years.

If there are any questions that affect this particular section, I will be very glad to attempt to answer them.

The next section of the bill provides that in petitioning for citizenship aliens who come under what is technically known as the Alien Enemy Act, may file petitions for citizenship without the necessity of securing what is called a Presidential order, provided they have children, boys or girls who are serving or who have served honorably in the armed forces of the United States. That is to say at the present time if an alien has filed a petition for citizenship prior to December 7, 1941, and his former country is at war with the United States, before he may be considered by a court, he must secure this Presidential order which waives the fact that he is technically an alien. He may waive that order under this bill, provided he has a son or daughter now serving, or who has served, honorably in the armed forces.

He must, of course, comply with all rules and regulations with regard to period of residence, good character, loyalty to our Government, and so forth. Only the so-called Presidential order is waived under this section.

The third provision is a further amendment to the Nationality Act which provides that an alien who desires to become a citizen of the United States may have the filing of a declaration of intention waived provided he has a son or daughter now serving or who has served honorably in the armed forces of the United States.

As a matter of fact, about 70 percent of those who file petitions at the present time have their declarations waived anyway, because they can do it if their spouse is a citizen of the United States. If having a spouse who is a citizen of the United States is ground for a waiver of declaration of intention, then this requirement would seem to be sufficient to waive the declaration. This section provides that if the petitioner has a son or daughter serving honorably in the armed forces of the United States, or who has so served, then he will not have to file a declaration. It does not waive any other provisions of the law. The petitioner must comply with all other requirements of the law as in other cases. The court will have to pass on the petition the same as on the petition of any other applicant, except that this gives these petitioners the right to waive the declaration if they can show they have a son or daughter now serving or who has served honorably in the armed forces.

If there are any questions with respect to any of these provisions I will be glad to attempt to answer them.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. MILLS. Was the bill reported unanimously by the Committee on Immigration and Naturalization?

Mr. REES of Kansas. I am not quite sure whether it was a unanimous report. There may have been one or two opposed to it. I am not sure. I do not want to make any mistake. I do know there was very little, if any objection to this measure.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to proceed for two additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HANCOCK. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. HANCOCK. Does the Department of Justice approve these three amendments?

Mr. REES of Kansas. Yes, sir. The Department of Justice approves this bill as it is.

Mr. HULL. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. HULL. Is section 2 broad enough to include alien Japs?

Mr. REES of Kansas. It does not include the Japs; not at all; absolutely not.

Mr. HULL. Not under any circumstance?

Mr. REES of Kansas. Not under any condition or circumstance.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. MARCANTONIO. Mr. Speaker, I wish to compliment the committee for having reported out this legislation. It benefits really the parents of men and women in our armed services.

Mr. REES of Kansas. That is the purpose of the last two sections of the bill.

Mr. MASON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, the bill under consideration, H. R. 511, is my bill. It was introduced by me as a result of 30 years' experience as a superintendent of schools in a small city, Oglesby, Ill., an industrial city with a mixed population composed of 17 different European nationalities. The problem of Americanization naturally was a vital problem, a pressing problem, confronting the schools and the community. In trying to solve that problem we organized night-school classes for adult aliens to try to help them meet the educational requirements of our naturalization laws.

Because I was personally interested in this problem and in these hard-working, earnest aliens, who had come to America with their families seeking a place where their children at least might have opportunities that were out of the question in their native countries, I taught some of these night classes myself so that I could observe at first hand the effect of the work we were offering to these adult pupils. On many occasions these men, 40 and 45 years old, after working hard all day in the cement mills—and a day's work then was a 10- and 12-hour shift—would fall asleep over their work. Utterly worn out with the day's work they were in no condition to do mental work. As a result many became discouraged and dropped out of the night classes.

As superintendent of schools, I noticed how eager these foreign parents were for their children to acquire an education; how cooperative they were with the schools in seeing to it that their children attended regularly; and what sacrifices they were willing to make in order that their boys and girls might go through high school. It is because of this first-hand experience with these worthy people that I feel very strongly that the educational requirements of our naturalization laws should be removed, at least for these elderly aliens, most of whom are past 60 years of age—too old to learn to read and write English acceptably. Therefore, I introduced H. R. 511.

I believe in the educational requirements of our naturalization laws. I think they should be retained and enforced in connection with all aliens applying for citizenship, if those aliens are under 50 years of age. They should be required to make a real effort to qualify themselves for citizenship. But for these old people—most of whom have been here for over 30 years, who have worked hard, bought a home, paid taxes, sent their children through school, and are respected residents of the communities they have helped to build—I, for one, feel that if they can meet all other requirements for citizenship, we should, in their case, waive the educational requirements of our naturalization laws.

Mr. D'ALESANDRO. Mr. Speaker, this legislation is needed more now than ever before. It would take care of the forgotten people who came to this great America in the 1890's, young, honest, industrious people who never really had the time or the opportunity to learn how to read and write. They married, had large families, and have given their best years in honest labor. Many are property owners and taxpayers. Many had sons and daughters who served our great country in World War I and are today giving their lives in the great battle in which we are now engaged for the preservation of our free institutions. The sons and daughters of others are today in the vanguard of America's progress. Yet, these same clean-living people of America cannot become citizens unless they pass an examination that would

probably flunk a high-school graduate or perhaps a college graduate. If the only requirements for citizenship were contributions to national wealth through honest labor and love for democracy, almost all of our noncitizens could easily become citizens.

There are thousands of people in the United States who have made application for their first and second papers, but who failed to pass the examination. In making application they renounced allegiance to their native countries, and yet they are not citizens of the United States. They love America, they belong to America, they are willing to fight to defend America and keep it democratic and free, so why deny them citizenship? What is needed as well as tanks and planes is a united people. I wish to state that I am heartily in favor of this legislation which would give relief from stringent naturalization laws and would encourage naturalization.

The SPEAKER. Without objection the bill will be read a third time and passed.

There was no objection.

A motion to reconsider was laid on the table.

By unanimous consent, a similar House bill (H. Res. 227) was laid on the table.

THE STATUTE OF LIMITATIONS

The SPEAKER. The Chair recognizes the gentleman from Texas.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 937, an act to amend the act suspending until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws, so as to continue such suspension until June 30, 1946, and pass the bill. I make this request by direction of the Committee on the Judiciary.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to suspend until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws," approved October 10, 1942 (56 Stat. 781; U. S. C., Supp. III, title 15, note following sec. 16), is amended by striking out the date "June 30, 1945" where it appears in such section and inserting in lieu thereof the date "June 30, 1946."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NAVAL PETROLEUM RESERVE NO. 1

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 215 authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Georgia explain the bill?

Mr. VINSON. Mr. Speaker, I appeared before the Rules Committee this morning by direction of the Committee on Naval Affairs and was advised by the chairman and other members of the Rules Committee that a rule was granted to make in order House Joint Resolution 215. Instead of calling up the rule to bring the matter before the House I am asking unanimous consent because there is no controversy on the subject matter of the resolution.

Mr. Speaker, this resolution repeals the resolution passed last year as Public Law 344, approved June 17, 1944.

The resolution of last year provided that during the 18-month period from and after June 1, 1944, the Secretary of the Navy could develop and operate Naval Petroleum Reserve No. 1 to permit a daily rate of production of 65,000 barrels but not in excess of that rate, with a further restriction that not more than 30,000,000 barrels of oil could be drawn from this reserve during this 18-month period.

With the limitation of 65,000 barrels per day it resulted that an average of something in the neighborhood of only 62,500 barrels could be produced per day, as under no circumstances could the 65,000 barrels per day be exceeded.

The resolution now under consideration does three things: First, it permits an average of 65,000 barrels to be produced, averaged over each calendar month; second, it extends the period over which oil can be withdrawn to December 31, 1946, or a period of 13 additional months; and third, it permits the withdrawal of, in round numbers, 26,000,000 barrels of oil during this 13-month period.

This House Joint Resolution 215 is necessary at this time in order to provide the full 65,000 barrels per day to get the oil that the Joint Chiefs of Staff need for the prosecution of the war, and also so that the Navy can go ahead with making the necessary plans for withdrawing this additional oil from the reserve.

Under existing law they cannot average the 65,000 barrels every day. The actual production is running around 62,000 barrels. What we propose to do is to permit the Navy to draw the oil necessary, during a calendar month, to average 65,000 barrels a day.

Mr. Speaker, the Committee on Naval Affairs is deeply concerned with the preservation of the oil in the ground and we have been fighting for years to hold it, but the national emergency is of such character that the joint Chiefs of Staff have advised that in the prosecution of the war in the Pacific it is absolutely essential that we continue to draw from our Naval Reserve No. 1 the oil authorized in this resolution based upon an average of 65,000 barrels per day for a period to December 31, 1946.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. VINSON. I yield to the gentleman from California.

Mr. VOORHIS of California. Of course, I can understand the reason for making it a monthly average, and I am also ready to follow the advice of the joint Chiefs of Staff so far as the length of time it is necessary to draw oil out of the reserve. But why is it necessary to repeal the whole measure that the gentleman's committee previously brought in?

Mr. VINSON. We are not repealing the whole measure, I may say to the gentleman from California; we are merely repealing the joint resolution which Congress authorized. We are merely repealing that which we permitted them to draw at the rate of 65,000 barrels but not to exceed that rate for any one day for 18 months from June 1, 1944, and the time limit.

Mr. VOORHIS of California. May I see if I can get it clear. As I recall it, we passed two different measures.

Mr. VINSON. That is right.

Mr. VOORHIS of California. The first of which was a measure laying down the methods and the restrictions that would have to be included in any agreement which might be entered into.

Mr. VINSON. Now, we are not repealing that part of it.

Mr. VOORHIS of California. That is what I want to know. What you are repealing is the second resolution which the gentleman's committee brought in stating, as I recall it, that production could be at the rate of 65,000 barrels a day?

Mr. VINSON. That is all.

Mr. VOORHIS of California. And that would extend until December 1?

Mr. VINSON. That is all. We are not repealing the basic law upon which the contract was entered into. We are merely repealing that permission that was set forth in the joint resolution. You must have a joint resolution to carry out the basic law.

Mr. VOORHIS of California. But this only affects the length of time?

Mr. VINSON. That is right; and it permits an average of 65,000 barrels to be withdrawn daily.

Mr. VOORHIS of California. And it makes a slight adjustment in the amount of oil that can be produced?

Mr. VINSON. It means that 26,000,000 barrels of oil can be taken out of the ground during this 13-month period.

Mr. VOORHIS of California. Does the gentleman mean 26,000,000?

Mr. VINSON. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There being no objection, the Clerk read the joint resolution, as follows:

Whereas the act of June 4, 1920, as amended (41 Stat. 813; 52 Stat. 1252; 58 Stat. 280), directs the Secretary of the Navy, among other things, to use and operate all properties within the naval petroleum reserves as are or may become subject to the control and use by the United States for naval purposes for the production of petroleum whenever and to the extent the Secretary, with the approval of the President, finds required for national defense: *Provided, however*, That no petroleum shall be produced pursuant to such a finding unless authorized by the Congress by joint resolution; and

Whereas such a finding of the necessity for such production to the extent authorized herein has been so made and approved: Therefore be it

Resolved, etc., That the production of petroleum (including crude oil and associated gas and other hydrocarbons) from Naval Petroleum Reserve No. 1 is hereby authorized at a rate not in excess of 65,000 barrels of

crude oil produced and saved per day, averaged over each calendar month beginning with and including the month in which this joint resolution shall be approved by the President, such production (to the extent in excess of that otherwise authorized by the act above cited) not to extend beyond December 31, 1946; and that the joint resolution approved June 17, 1944 (Public Law 344, 78th Cong., 2d sess, 58 Stat. 283), is hereby repealed: *Provided*, That such repeal shall not operate to affect existing contracts relating to the production of petroleum nor the availability of funds from the appropriation "Naval emergency fund" for carrying out such contracts.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. PLUMLEY (at the request of Mr. ARENDS) was given permission to extend his remarks in the RECORD.

CALL OF THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 129]

Anderson, N. Mex.	Hall, Edwin Arthur	Ploeser
Barden	Hall,	Plumley
Barry	Leonard W.	Powell
Bell	Hand	Powers
Bender	Hart	Rains
Bloom	Hartley	Rayfiel
Bradley, Mich.	Hays	Rich
Buckley	Hébert	Riley
Buffett	Heffernan	Rizley
Bunker	Hobbs	Rodgers, Pa.
Burgin	Hoffman	Roe, N. Y.
Butler	Holifield	Sasscer
Cannon, Mo.	Hook	Shafer
Case, S. Dak.	Hope	Sheppard
Celler	Jarman	Sikes
Chiperfield	Johnson, Ind.	Simpson, Pa.
Clason	Judd	Smith, Ohio
Combs	Kearney	Smith, Va.
Cooley	Kee	Somers, N. Y.
Crawford	Kilburn	Stigler
Dawson	LaFollette	Sumner, Ill.
Dickstein	Lane	Taber
Doughton, N. C.	Lanham	Taylor
Earthman	Lea	Thom
Eaton	Lesinski	Thomas, Tex.
Elsaesser	Link	Vursell
Fenton	Lynch	Walter
Flannagan	McGlinchey	White
Fogarty	Martin, Iowa	Whitten
Folger	Merrow	Wickersham
Fuller	Norrell	Wilson
Geelan	O'Neal	Winter
Granger	Pfeifer	Worley
Grant, Ind.	Phillips	Zimmerman

The SPEAKER. On this roll call 326 Members have answered to their names.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION TO FILE CONFERENCE REPORT ON LABOR-FEDERAL SECURITY BILL

Mr. HARE. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House may have until midnight tonight to file a conference report and statement on the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1946, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. ANDERSON of California asked and was given permission to extend his remarks and include a telegram.

Mr. CROSSER asked and was given permission to extend his remarks in the RECORD by printing an editorial from the Cleveland Plain Dealer on June 3 in regard to a speech by former Postmaster General James A. Farley.

READJUSTING RATES OF POSTAGE ON CATALOGS, ETC.

Mr. BATES of Kentucky. Mr. Speaker, I call up House Resolution 292 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3238) readjusting the rates of postage on catalogs and similar printed advertising and other matter of fourth-class mail, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Post Office and Post Roads, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BATES of Kentucky. Mr. Speaker, this resolution, when adopted, makes in order the consideration of the bill (H. R. 3238) which is a bill to increase the postage on catalogs I understand about 20 percent. The rule provides 1 hour of general debate, after which it will read under the 5-minute rule.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself as much time as I desire.

Mr. Speaker, I am opposed to H. R. 3238, a bill readjusting the rates of postage on catalogs and similar printed advertising and other matter of fourth-class mail. For some reason which many do not understand this bill is before us. The Committee on Post Office and Post Roads has hurriedly passed it out of the committee. Yes, brought it out in a piecemeal way instead of correctly and thoroughly going into the entire mail rates of all classes of mail. By taking this course they have us all in confusion. It is my hope that this bill not pass, that it go back to the committee and that the committee have further hearings taking up all classes of mail with the expectation of properly adjusting all classes.

Much will be said about this class of mail being carried at a loss. As a whole, our Post Office Department is running at a profit. I do not think anyone will contradict me when I state that it is not contemplated that our Post Office Department be a profit-making institution. It was originally inaugurated to give the people of our country a service. If this bill passes the Post Office Department will make an even greater profit. Such a course is not any more justifiable than if we attempted to run all our governmental agencies and departments at a profit. That would mean to run the Rural Electrification, the Bureau of Mines, the agriculture service, our Federal courts at a profit and I am certain that none of us want that.

If this bill becomes a law an attempt will be made to make a profit out of mailing service for newspapers, libraries, and schools who are now through the proper theory of enlightenment and educational purposes obtaining a service which is running at a loss.

So in conclusion I would submit that there is not any need or justification for a further profit to an agency intended to give our people a service, not a revenue producing department.

Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I, too, am opposed to this rule and to the bill. I opposed the rule in the Committee on Rules because I believe that all legislation pertaining to postal rates should be considered at the same time, thus giving an opportunity to the Members of the House to get an over-all picture of the postal rate structure.

I am especially opposed to this measure because it does increase the postage on the fourth-class mail for catalogs and for advertising literature, not in the first zone or in the large city areas where such literature may be printed, but rather in the far-distant zones, the rural areas, as it were. This will work to the disadvantage of the individuals who live out on the farms or in the States far distant from the great centers of population. Either they will not be able to receive this advertising literature and material or it will cost more to send it to them, and the cost to the concern doing business in such areas will be considerably increased. I am opposed to the bill, because I do not believe this is the time, right now, when we are ready to enter into the reconversion period, to place any greater handicap or any greater cost upon business. Within the next few months, and certainly within the next year or so, there is going to be an expansion of business throughout the country as the result of reconversion to peacetime production. There will be all sorts of new enterprises started; small enterprises, if you please, which will be dependent upon this type of advertising. It will certainly place a handicap upon all business.

I might add that in my opinion the postal-rates structure was not set up to be profit-making. As an over-all matter the Post Office Department of the Government does make a profit. This will not reduce the rates materially on some classe of mail, but will simply increase, as I understand, the cost of the transportation of this class of mail to the users thereof. This is but the first step.

I want the House to understand. There are other bills to come in, which will follow this bill, that will increase the postal rates all along the way, and in all classifications, and in the end the Post Office Department will be converted into a gigantic profit-making institution.

Mr. COLE of Missouri. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. May I call the gentleman's attention to the schedule on page 2 of the report?

Mr. BROWN of Ohio. Yes; I have seen that schedule.

Mr. COLE of Missouri. Therein, the gentleman will see that the postal rates are reduced on long-haul packages of more than 2 pounds.

Mr. BROWN of Ohio. On some weights it is reduced, but many of the rates are increased by 1 cent.

Mr. COLE of Missouri. I mean packages of 2 pounds or more.

Mr. BROWN of Ohio. Yes; but most of this mail comes under the 1-pound provision. As the gentleman well knows, the entire purpose behind this bill is to increase the total income of the Post Office Department from this class of mail.

Mr. COLE of Missouri. To make this class of mail stand on its own bottom, and thereby enable us to reduce the postage on first-class mail.

Mr. BROWN of Ohio. But the gentleman knows as well as I that the postage rates will not be reduced on first-class mail, except for local delivery, which means practically nothing. The gentleman also knows that the over-all effect of this bill is to increase revenues.

Mr. COLE of Missouri. On fourth-class mail only.

Mr. BROWN of Ohio. On this class of mail, so that the gentleman's interjection that it actually reduces it was not correct.

Mr. ELSTON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. ELSTON. As a matter of fact, this is just another method of increasing taxes and imposing them on a particular group of people.

Mr. BROWN of Ohio. Certainly. Let me say to the gentleman that this is just another imposition of increased governmental cost on business.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. BROWN of Ohio. Someone has said that this places a slight burden on the Treasury. That perhaps could be argued if it were not for the fact the Post Office Department as a whole makes a profit. But I want to remind you again the cost of this Government is being borne by business and by the people who receive these communications, so that it is just as broad as it is long.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Virginia.

Mr. GARY. May I ask the gentleman if he voted for the bill increasing the compensation of postal employees which was passed by the House recently?

Mr. BROWN of Ohio. Yes, and as I understand, the gentleman from Virginia also voted for it. I also understand that the present postal rates will permit the payment of those salaries contained in the new schedule of pay.

Mr. GARY. The gentleman is misinformed.

Mr. BROWN of Ohio. If I am misinformed, I certainly have been misinformed by the members of the gentleman's committee, because that was the understanding given to me as a member of the Committee on Rules, when the pay increase measure came before us.

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Tennessee.

Mr. REECE of Tennessee. As in the case of all other taxes, if this bill is passed the increase will ultimately be passed on to the consuming public.

Mr. BROWN of Ohio. It will mean an increase to the consuming public, or they will have to do without the service heretofore furnished to the people.

Mr. REECE of Tennessee. If the gentleman will yield further. I was interested in what the gentleman said that this might be followed by other bills making increases on other pieces of postal matter.

Mr. BROWN of Ohio. The gentleman from Tennessee can rest assured there is no "might" about it. It is certain, I think, that this bill will be followed by a number of other measures from the Committee on the Post Office and Post Roads for the purpose of increasing postal rates in different classifications; in fact, the members of that committee have so informed the Members of the Committee on Rules.

Mr. REECE of Tennessee. I understand this bill originally included books and would have carried an increase on books. But that has been eliminated and will be included in one of the other bills to which the gentleman refers. I hope, however, it will not come before the House.

Mr. BROWN of Ohio. There is another bill pending in the Post Office and Post Roads Committee, which I am sure will be brought to the floor of the House if this bill is enacted, which will increase the rate on books.

Mr. REECE of Tennessee. I hope that will not be the case.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield another minute to the gentleman from Ohio.

Mr. BROWN of Ohio. Of course, to further answer the gentleman from Tennessee, I, too, hope that the legislation to increase the postal rates on books will not be brought before the House. But I do believe, if this measure which is now before us is enacted, it will undoubtedly be followed by legislation to increase the postal rates on books.

Mr. REECE of Tennessee. The gentleman does not think some of them are in favor of placing a tax upon learning, does he?

Mr. BROWN of Ohio. No, a little learning would not hurt now and then.

Mr. PATRICK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Alabama.

Mr. PATRICK. May I state to the gentleman that I am also opposed to this legislation. Was there any agreement when they voted for the postal increase that it would be followed by this particular legislation?

Mr. BROWN of Ohio. Not to my knowledge.

Mr. PATRICK. Would that not be a reason, if that is the way this legislation is carried on, why it should not be referred to the committee and all kindred legislation be brought out for consideration at one time?

Mr. BROWN of Ohio. It is my opinion that all of it should be considered at the same time.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Speaker, it is well known that the distribution of catalogs increases the postal revenue from first-class mail. Catalogs should not be penalized. This bill does just that.

I have really asked for this time in order to read into the RECORD this release:

Postmaster General Frank C. Walker last night sent to the Treasury Department a check for $51,102,579—the largest single payment to the Treasury for postal surpluses he has made.

The check brought to the $150,000,000 mark payments from surpluses for the fiscal year which will end on Saturday, June 30, when Mr. Walker retires as Postmaster General.

For the fiscal year which ended June 30, 1943, the Post Office Department had a surplus of $1,334,551. This was the first surplus in 24 years. It was followed by a $37,768,028 surplus in 1944.

The sums with which the postal service was dealing became so large that Mr. Walker, during the present fiscal year, inaugurated the practice of paying surpluses into the Treasury at the end of each quarter.

The check mailed yesterday brought to $189,102,579 payments to the Treasury from postal surpluses during the time that Mr. Walker has served as Postmaster General.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. MCGREGOR].

Mr. MCGREGOR. Mr. Speaker, I am certainly opposed to House Resolution 292, which makes in order the consideration of H. R. 3238.

May I say I think it is unfair for any committee of this Congress to bring in such a bill as this without giving us an opportunity to review the hearings. I have just returned from the Clerk's desk and I find that the hearings have not been printed or at least they are not at the Clerk's desk and available to the Members. Yet we are asked to vote this afternoon for a new tax, because, Mr. Speaker, this is a new tax on the people of the United States. If we are going to have a new tax let us have the intestinal fortitude to come out with a bill and say that it is a new tax rather than to come

out with this form of legislation. Personally I am for reduction in taxes—not additional taxes.

Mr. GALLAGHER. Mr. Speaker, will the gentleman yield?

Mr. McGREGOR. I yield.

Mr. GALLAGHER. This bill affects just one class of mail, the big mail-order business.

Mr. McGREGOR. I hate to disagree with the gentleman but I most assuredly disagree with him on this particular issue and I am sure that if he will carefully analyze and study the bill he will agree with me that this legislation affects thousands of small business people and really a new tax that will have to be paid by millions of people of this country.

Mr. BATES of Kentucky. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. MASON) there were—ayes 85, noes 80.

Mr. ALLEN of Illinois. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 194, nays 142, not voting 97, as follows:

[Roll No. 130]

YEAS—194

Abernethy	Dworshak	LeFevre
Allen, La.	Eberharter	Lemke
Andrews, Ala.	Elliott	Link
Barrett, Pa.	Engle, Calif.	Lyle
Bates, Ky.	Ervin	McCormack
Bates, Mass.	Feighan	McDonough
Beckworth	Fernandez	McGehee
Bennet, N. Y.	Fisher	McKenzie
Biemiller	Flannagan	McMillan, S. C.
Bland	Flood	McMillen, Ill.
Bonner	Fogarty	Madden
Boren	Forand	Maloney
Boykin	Gallagher	Manasco
Bradley, Pa.	Gamble	Mansfield, Mont.
Brehm	Gardner	
Brooks	Gary	Mansfield, Tex.
Brown, Ga.	Gathings	Marcantonio
Buck	Geelan	Mason
Bulwinkle	Gibson	Michener
Burch	Gordon	Miller, Calif.
Burgin	Gorski	Mills
Byrne, N. Y.	Gossett	Monroney
Camp	Granahan	Morgan
Cannon, Mo.	Grant, Ala.	Murdock
Carnahan	Green	Murphy
Case, N. J.	Gregory	Murray, Tenn.
Chapman	Hagen	Neely
Chelf	Hancock	Norrell
Clark	Hare	Norton
Clements	Harris	O'Brien, Ill.
Cochran	Havenner	O'Brien, Mich.
Coffee	Healy	O'Neal
Cole, Mo.	Hedrick	Pace
Cooper	Heselton	Patman
Corbett	Hoch	Patterson
Courtney	Hope	Peterson, Fla.
Cox	Huber	Peterson, Ga.
Cravens	Izac	Philbin
Crosser	Jackson	Pickett
Curley	Jennings	Poage
Daughton, Va.	Johnson,	Price, Fla.
De Lacy	Luther A.	Price, Ill.
Delaney,	Johnson,	Priest
James J.	Lyndon B.	Quinn, N. Y.
Delaney,	Jones	Rabaut
John J.	Kean	Rabin
Dolliver	Kee	Ramspeck
Domengeaux	Kelley, Pa.	Randolph
Doughton, N. C.	Kelly, Ill.	Rankin
Douglas, Calif.	Kerr	Resa
Douglas, Ill.	King	Richards
Doyle	Kirwan	Rivers
Drewry	Larcade	Robertson, Va.
Durham	Lea	Robinson, Utah
Roe, Md.	Stevenson	Wadsworth
Rogers, Fla.	Stewart	Weaver
Rogers, N. Y.	Sullivan	Weiss
Rooney	Sumners, Tex.	West
Rowan	Sundstrom	Whittington
Ryter	Tarver	Wickersham
Sadowski	Thomas, Tex.	Winstead
Savage	Thomason	Wood
Slaughter	Torrens	Woodhouse
Snyder	Traynor	Woodrum, Va.
Sparkman	Vinson	Zimmerman
Spence	Voorhis, Calif.	
Starkey	Vorys, Ohio	

NAYS—142

Allen, Ill.	Gillie	Mott
Andersen,	Goodwin	Mundt
H. Carl	Graham	Murray, Wis.
Anderson, Calif.	Griffiths	O'Hara
Andresen,	Gross	O'Konski
August H.	Gwinn, N. Y.	Outland
Andrews, N. Y.	Gwynne, Iowa	Patrick
Angell	Hale	Phillips
Arends	Halleck	Pittenger
Arnold	Harless, Ariz.	Powers
Auchincloss	Harness, Ind.	Ramey
Baldwin, N. Y.	Hendricks	Reece, Tenn.
Barrett, Wyo.	Henry	Reed, Ill.
Beall	Herter	Reed, N. Y.
Bennett, Mo.	Hess	Rees, Kans.
Bishop	Hill	Rizley
Blackney	Hinshaw	Robertson, N. Dak.
Bolton	Hoeven	
Brown, Ohio	Hoffman	Robsion, Ky.
Bryson	Holmes, Mass.	Rockwell
Buffett	Holmes, Wash.	Rogers, Mass.
Byrnes, Wis.	Horan	Schwabe, Mo.
Campbell	Howell	Schwabe, Okla.
Canfield	Hull	Scrivner
Case, S. Dak.	Jenkins	Shafer
Chenoweth	Jensen	Sheridan
Church	Johnson, Calif.	Short
Clevenger	Johnson, Ill.	Simpson, Ill.
Cole, Kans.	Johnson, Okla.	Smith, Maine
Cunningham	Jonkman	Smith, Wis.
Curtis	Keefe	Springer
D'Alesandro	Kefauver	Stefan
D'Ewart	Keogh	Stockman
Dirksen	Kilday	Taber
Dondero	Kinzer	Talbot
Ellis	Knutson	Talle
Ellsworth	Kunkel	Thomas, N. J.
Elston	Landis	Tibbott
Engel, Mich.	Latham	Trimble
Fallon	LeCompte	Vursell
Fellows	Lewis	Weichel
Fenton	Luce	Welch
Fulton	Ludlow	Wigglesworth
Gavin	McConnell	Wolcott
Gearhart	McCowen	Wolfenden, Pa.
Gerlach	McGregor	Wolverton, N. J.
Gifford	Mahon	Woodruff, Mich.
Gillespie	Martin, Mass.	
Gillette	Miller, Nebr.	

NOT VOTING—97

Adams	Gore	Ploeser
Anderson,	Granger	Plumley
N. Mex.	Grant, Ind.	Powell
Bailey	Hall,	Rains
Baldwin, Md.	Edwin Arthur	Rayfiel
Barden	Hall,	Rich
Barry	Leonard W.	Riley
Bell	Hand	Rodgers, Pa.
Bender	Hart	Roe, N. Y.
Bloom	Hartley	Russell
Bradley, Mich.	Hays	Sabath
Brumbaugh	Hébert	Sasscer
Buckley	Heffernan	Sharp
Bunker	Hobbs	Sheppard
Butler	Holifield	Sikes
Cannon, Fla.	Hook	Simpson, Pa.
Carlson	Jarman	Smith, Ohio
Celler	Johnson, Ind.	Smith, Va.
Chiperfield	Judd	Somers, N. Y.
Clason	Kearney	Stigler
Cole, N. Y.	Kilburn	Sumner, Ill.
Colmer	Kopplemann	Taylor
Combs	LaFollette	Thom
Cooley	Lane	Tolan
Crawford	Lanham	Towe
Davis	Lesinski	Walter
Dawson	Lynch	Wasielewski
Dickstein	McGlinchey	White
Dingell	Martin, Iowa	Whitten
Earthman	May	Wilson
Eaton	Merrow	Winter
Elsaesser	Morrison	Worley
Folger	O'Toole	
Fuller	Pfeifer	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Tolan for, with Mr. Kilburn against.

Mr. Lynch for, with Mr. Hook against.

Mr. Pfeifer for, with Mr. Brumbaugh against.

Mr. Sabath for, with Mr. Kopplemann against.

Additional general pairs:

Mr. Hébert with Mr. Butler.

Mr. Lane with Miss Sumner of Illinois.

Mr. Russell with Mr. Adams.

Mr. Stigler with Mr. Leonard W. Hall.

Mr. Dingell with Mr. Crawford.

Mr. Cannon of Florida with Mr. Plumley.

Mr. Smith of Virginia with Mr. Carlson.

Mr. Colmer with Mr. Towe.

Mr. Lesinski with Mr. Wilson.

Mr. Bailey with Mr. Taylor.

Mr. Davis with Mr. Winter.

Mr. Morrison with Mr. Simpson of Pennsylvania.

Mr. Worley with Mr. Hartley.

Mr. May with Mr. Smith of Ohio.

Mr. Folger with Mr. Bender.

Mr. Hays with Mr. Chiperfield.

Mr. Granger with Mr. Kearney.

Mr. Buckley with Mr. Merrow.

Mr. D'ALESANDRO changed his vote from "yea" to "nay."

Mr. FALLON changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

Mr. BURCH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3238) readjusting the rates of postage on catalogs and similar printed advertising and other matter of fourth-class mail, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of H. R. 3238 with Mr. CLARK in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Virginia [Mr. BURCH] is recognized.

Mr. BURCH. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, H. R. 3238, to readjust the rates of postage on catalogs and similar printed advertising and commercial mail matter, has been carefully considered and favorably reported by the Committee on the Post Office and Post Roads, after extensive public hearings. The committee had before it the recommendations of the Post Office Department, which made a thorough and detailed study of such rates over a considerable period of time.

The bill applies to catalogs and other similar advertising matter as one type of mail, and to directories, lists, tariff schedules, industrial manuals, and other bound volumes, similar in character, as another type. Both types, however, are treated jointly since they do not differ materially, and both belong to the fourth-class mail matter. The handling of such types of mail is a service to patrons engaged in business for profit and a need for a revision of the rate structure is apparent.

Public Law 566, approved May 29, 1928, contemplated and provided that all fourth-class mail should produce revenue in keeping with the cost of handling. The general relationship between total costs incurred and total revenues derived should be the primary consideration. It is proper that those who use the mails for transportation of this purely business type of mail should pay postage rates that cover the cost of the service rendered to them. The annual recurring deficits not only show that the mandate of the Congress is not being complied with but that an unwarranted subsidy is being granted to the users of this type of mail service.

This bill proposes a schedule which will increase rates on certain weights and hauls and decrease rates for other weights and hauls of catalogs and advertising matter, and decrease the rates generally for the remaining types of mail covered. A comparison of existing rates with those proposed is found on page 2 of House Report No. 648, which accompanies the bill. More than 99 percent of catalogs weigh 5 pounds or less and the average haul for catalogs is about 175 miles. For poundages from 1 to 5 mailed to the several zones the bill provides increases in some instances ranging from one-half cent to 3 cents and decreases in other instances ranging from 1 cent to 7 cents.

Based on substantially the same volume of mail handled during the year ended March 31, 1944, the new rates proposed by this bill are estimated to produce additional revenue of approximately $886,000, over existing rates. At the same time, the temporary rate increases provided by the Revenue Act of 1943 will be repealed when the permanent schedule of rates proposed is made effective.

In connection with the proposed schedule there have been developed computed costs by weight of parcel, for each zone. This computation aims to spread the total costs incurred over the entire field of this mail business in accordance with a carefully developed formula, which gives recognition to a piece cost, a pound cost, and a pound-mile cost for each parcel.

To summarize briefly—this bill has three principal objectives:

First. To provide revenue in an amount sufficient to absorb the present deficit and place this part of the postal service on a self-sustaining basis.

Second. To enlarge the policy of fixing rates on fourth-class mail matter so as to apply them not only on the assumption that they are designed to promote the service to the public but that the revenue derived be commensurate with cost of handling.

Third. To discontinue the unwarranted subsidy in the transportation, handling, and delivery of purely commercial mail.

Mr. Chairman, in brief, this bill only increases the postage on catalogs. Catalogs are sent out by mail-order houses, advertising their wares; sent out advertising their wares, sent out in competition with the merchants scattered all over the country, the smaller merchants and the independent merchants, and those merchants cannot understand why this Congress should sit here and subsidize the big mail order houses to their detriment and why they should be required to pay taxes to meet those subsidies.

Mr. MASON. Mr. Chairman, I yield myself such time as I may take.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. MASON. Mr. Chairman, briefly stated, the question that is brought before this House by H. R. 3238 is simply this: Do we want to subsidize the mail-order houses of the Nation to the tune of a million dollars a year at the expense of the taxpayers of the Nation? That is exactly the proposition that is before this House.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. MASON. No; I do not yield at this time. The opposition has had their field day on the rule. This is the time really to get down to brass tacks and to discuss the real problem that is before the House.

I have before stated the question: Do we want to subsidize the mail-order houses at the expense of the taxpayer to the tune of a million dollars a year? That is the question before the House that this bill presents to us.

As we all know, this side of the aisle has been, all through the years since I have been in Congress, supposedly opposed to subsidies.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. MASON. Not at this time.

I was rather surprised that the bulk of the Members on this side of the aisle in voting on this rule voted "No." They do not even want to consider the question of subsidies in connection with the catalog houses of the Nation. I was rather amazed and surprised because that shows that some of my colleagues are very inconsistent in their attitudes. Personally, I feel that I must be consistent. I have always opposed subsidies, and I am opposing subsidies in this particular question that is before us, that is the problem and there is no getting around it. They say this increase in the postal rate on catalogs is a tax, another tax, an increased tax. I believe you gentlemen know this deficit has got to be made up from somewhere and that it is being made up in taxes. This is not an increased tax, but it is a tax upon those who are getting the benefit of the postal service and removing that much at least from those who are paying taxes to make up all Government deficits. Now, that is a simple statement of the whole matter.

Now, I will be glad to yield.

Mr. HARRIS. I was just going to remark in addition to what the gentleman said a moment ago with reference to the adavntage to the large publishing houses, that it is to the disadvantage of the small business people.

Mr. MASON. That is right.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MASON. No; the gentleman had his field day before.

Mr. BROWN of Ohio. The gentleman does not like to have the facts brought out.

Mr. MASON. Mr. Chairman, I do not yield to the gentleman from Ohio. The gentleman from Ohio did not yield to me when he was having his field day on the rule.

Now, Mr. Chairman, seriously speaking, this Congress in 1928 passed a law which makes it mandatory upon the Post Office Department to see to it that all fourth-class mail pays its way. That law has been ignored all through these years, and the Post Office Committee in connection with the Post Office Department is at least making an attempt to live up to the mandate this Congress placed upon the Postal Department way back in 1928. This is just one of the steps to see to it that they do live up to the mandate.

I have heard that we should bring this matter of postal rates before the House all at one time. There is no mandate as to making either second- or third-class mail pay its way; that is entirely at the discretion of the Congress; they can do that or they do not need to do that; but since this law is on the books requiring that all fourth-class mail pay its way then it seems to me there is nothing left for us to do but to see to it that all subsidies on the different types of fourth-class mail are removed.

Mr. BURCH. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. ROE].

Mr. ROE of Maryland. Mr. Chairman, I think this proposition has been put very plainly and simply before you and I am going to try to approach the subject from a slightly different angle.

The Post Office Department advises your committee that it costs roughly $5,000,000 to handle the catalogs that go through the Post Office Department, that they receive for handling those catalogs $4,000,000; in other words, the catalogs of the country are being handled by the Post Office Department at a loss of $1,000,000, or, to look at it in another way, the catalog people are paying 80 percent for handling the catalogs and the general public is paying the other 20 percent.

Why the taxpayers and why the businessmen of this country should pay 20 percent of the costs of handling the catalogs of the catalog houses is beyond my understanding. The proposition is very simple and, as the gentleman from Illinois [Mr. MASON] said, we are just carrying out the law.

We have already passed a parcel post law that has been adopted by the House and we are trying to see that all of these different classes of mail in the fourth-class department are put on a self-sustaining pay-as-you-go basis which is certainly sound for the Congress and the Nation to do.

Mr. Chairman, gentlemen on the other side of the aisle made the statement that the committee should bring in one bill. That suggestion was also made before our committee. But we are trying to approach this matter in a sane, sensible businesslike manner. We are holding hearings on every proposition. We have given everybody a chance to be heard and after we have heard those in favor and those opposed, we tried to bring in a balanced program.

Mr. Chairman, I therefore hope the bill will be passed by a large majority.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MASON. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. McGREGOR].

Mr. McGREGOR. Mr. Chairman, I am opposed to this bill for a number of reasons, but first I want to bring to your attention the statement of the chairman of the committee in which he said that extensive hearings have been held on this bill. I asked each and every Member of this body to go to the Clerk's desk and see if he can get a copy of these hearings. They are not available for our consideration.

Mr. BURCH. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Virginia.

Mr. BURCH. May I say to the gentleman that the hearings were promptly printed and if the gentleman had gone to the document room he could have obtained a copy of the hearings. We do not circulate the hearings to every Member of Congress. If the gentleman had asked at the document room he could have received one. We sent them to each member of the committee, and that is as far as any committee goes.

Mr. McGREGOR. Now, the distinguished chairman should know better than that; never can you find committee hearings in the document room.

Is it not true that the hearings are not available at the Clerk's desk for the Members of Congress?

Mr. BURCH. That is up to the officials here, not up to the committee.

Mr. McGREGOR. The gentleman does not deny that the hearings are not available where we can get them and study them, in order that we might learn just what consideration was given to this bill.

Mr. BURCH. Yes; they are where you can get them. You can get them from the document room.

Mr. McGREGOR. I take the position that the hearings are not available to us. And they are not in the document room. I ask the chairman to check, and he will see that he is in error.

Mr. BURCH. May I say that the chairman of the committee is not responsible for the hearings after they are distributed.

Mr. McGREGOR. They have not been distributed, but I am not criticizing the chairman of the committee, and I do not think he should criticize me for raising the point that the committee hearings on this bill are not available and insisting they should be made available to the membership when a bill is brought up for consideration.

The argument has been presented here that each one of the separate departments of the Post Office Department should be self-sustaining. Let me ask those Members who are putting forth that argument, are they willing to increase the rates on newspapers? Let them bring in a bill on newspapers; then we will know whether or not they are in favor of the various departments paying their own way.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Illinois.

Mr. MASON. One thing at a time. We are going to have hearings on the first, second, and third covering newspapers, and there will be a bill brought in to change the rates on newspapers.

Mr. McGREGOR. That is the very thing I want to bring out. This bill is simply sticking the camel's nose under the tent. You are going to continue to bring on legislation which is an indirect tax on the people. Has not the time come when we should consider a reduction of taxes instead of an increase in taxes? Who pays postage—the people, of course—and is it not time we reduce the taxes of our people instead of increasing them?

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. May I advise the gentleman that I have conferred with the Clerk of the House and I am informed that the reports he mentioned are not in the document room and are not available.

Mr. McGREGOR. I thank the gentleman for his contribution.

There seems to be a move—or a drive by some Members of Congress to put additional taxes on our people. I venture to say before many months this Committee on Post Offices and Post Roads will bring out other bills that will increase the rates on other postal items. This bill is just a starter—a trial balloon—if you please. Let us defeat this measure and give warning that we do not favor increased taxes but favor a policy of a reduction of expenditures which will mean a reduction of taxes.

Mr. MASON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. McGREGOR. May I say to you that this is going to affect every small business in the United States. Let us analyze it. Do you think the big mail order houses are going to absorb this tax? No. They are going to put it on the cost of their products, and every individual in the United States, all of us, are going to pay this tax. What is the result then? We are simply taxing our people more and more every day and putting more money into our Federal Treasury.

Again I say, Mr. Chairman, I think it is time that we call a halt to the increased tax program and give consideration to a program that means reduction in taxes.

Mr. BURCH. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. MURRAY].

Mr. MURRAY of Tennessee. Mr. Chairman, the whole crux of this situation is whether or not Congress is going to continue to subsidize the large mail-order houses at the expense of the little local independent businessman in the carriage of catalogs through the mail. It is an undisputed fact that for years the Post Office Department has been carrying and delivering catalogs for the large mail-order houses at a loss of a million dollars or more per year. Is it fair to continue to subsidize these large mail-order houses in the carriage of their catalogs through the mails?

Here is what happens to your catalogs that go through the mails. These large mail-order houses send their catalogs by freight or by truck to the various centers of the United States and there deposit them in the post offices for local delivery, on rural routes, or for delivery within zones 1 and 2. They do not send their catalogs more than 175 miles through the mails because of the cost. If this bill is adopted it will only mean a cost of about 2 cents on every catalog. Catalogs are the advertising media of the mail-order houses. No mail-order house can exist today without catalogs. Why in the world should the Post Office Department be called upon to continue to subsidize these large mail-order houses? It is not fair to the local businessman for the Post Office Department to pay a subsidy of a million dollars per year to the large mail-order houses in the carriage of their catalogs. I cannot see how any Member could be opposed to this legislation. It provides enough revenue to make the carriage and the delivery of catalogs self-sustaining. I know that you are not in favor of a subsidy for sending catalogs through the mail.

May I say to the gentleman on my left that the Committee on the Post Office and Post Roads is making a study now of first-, second-, and third-class matter, and expects to bring in bills readjusting the rates on those classes of mail. But we cannot do it all in one bill. I appeal to the Members of this House to support this measure because it is good, sound legislation.

Mr. MASON. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, may I say to the gentleman from Illinois that I rise again in order to correct some of the misunderstandings which have resulted from some of the speeches that have been made since I spoke the first time on this measure. I was very much interested in the remarks of the distinguished gentleman from Tennessee, who was entirely correct when he told the House the large mail-order houses ship their catalogs by freight into the local communities and distribute them there at the low postage rate, which is not changed in the first bracket, except on the second pound or more.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Illinois.

Mr. MASON. May I call the gentleman's attention to the fact that we have doubled the rate on the second, third, fourth, and fifth pounds, and all of those catalogs weigh that much. Therefore it is that big catalog that is going to carry the burden even in the local deliveries.

Mr. BROWN of Ohio. The gentleman from Illinois, coming as he does from the State known as the home of the great mail-order houses, should know that practically all of their large catalogs are no longer being distributed by mail.

Perhaps such was not the case when he was a boy and was more familiar with the catalogs which he received by mail.

But in recent years there has been developed a new system of shipping these catalogs into various local areas and distributing them by individual door-to-door carriers, rather than by mail, in order to save money.

However, I want to go to another point which the distinguished gentleman from Tennessee failed entirely to mention.

There are two or three large mail-order houses in this country that may possibly get a small advantage here. But there are literally thousands upon thousands, if you please, of small manufacturers who are sending out their small catalogs to the small businessmen, over whom some have been crying here today, for that is the way the small businessmen purchase the commodities and goods they sell. They buy from the catalogs sent to them by the small manufacturers.

What you are actually doing by this type of legislation is to place a burden upon the small manufacturers of this Nation at the very time when we are trying to reconvert back to peacetime production.

I am not interested in the large mail-order houses, these three or four concerns that the gentleman has in mind and which he knows so well. Instead, I am interested in the thousands upon thousands of little manufacturers and small businessmen over the country who use their service and who will be penalized by this bill.

Remember the postal service as a whole is a profit-making venture today. Remember that the small manufacturers are also using first-class postage, and by the passage of this bill the first-class postage of this country will in no way be reduced but will simply increase, if you please, the profits of the Post Office Department.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BURCH. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. McKENZIE].

Mr. McKENZIE. It seems to happen so often when a matter of this kind comes up that there is a lot of misunderstanding. It is bound to be a misunderstanding, because I do not believe there is a Member of this House who would be guilty of a deliberate misstatement.

A few minutes ago the gentleman from Ohio made reference to the fact that the small businesses were the ones who were going to be affected by this particular piece of legislation. I do not think I can agree with the gentleman. Perhaps he draws his information from sources different from what I do. But I must assure him that rather than retarding the activities of small business I am pretty sure that this particular bit of legislation will give small businesses a reasonable chance to do business. If he will look at the schedule he will notice in the local zone, which is the place that small business is going to circularize its trade, the rate has not changed. It is the same rate. Then, as you go on out into the several zones, there is some increase in the rate. It so happens that most of the pepole who make the most use of catalogs, in spite of all my friend has said, are the big mail order houses and the big corporations who are sending out their prospectuses and price lists and what have you all over the country. It is true they do send a lot of that stuff by truck and by rail. Of course, that which they do send by truck and by rail does not affect the Post Office Department. Therefore, whether the rate is increased or cut in half does not make any difference to the Post Office Department and neither would it make any difference to that particular type of user.

So that argument does not carry any weight at all. I just simply cannot see it. If we want to protect small business, the boy who is coming back from the service and going into business, the chap who only has a few thousand dollars, a part of which he has probably borrowed from some bank on his GI guarantee and the rest of which he has saved during the many months he has been overseas in the South Pacific or perhaps on board some ship where he does not get to shore more than once every 2 or 3 months and then on some coral island, if you want to help out that poor kid who needs help and cooperation and give him a chance to do business in his local community, he should be protected from these big chain organizations. Let those big mail order houses pay the freight on what they are sending. It is common sense.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. BURCH. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. McKENZIE. I want to answer the charge that was made a little while ago that we had a considerable surplus at this time in the Post Office Department. Let us face this thing fairly. We do have a surplus today. We had one of $5,000,000 in the previous fiscal year, but this is the first surplus in 14 years. If you will take the Post Office Department statement for the past 14 years you will find the Post Office Department has lost more than a quarter of a billion dollars. Where did that money come from? It came from the pockets of the taxpayers, because every one of those annual deficits was made up by a deficit appropriation which you Members of the House had to vote. Therefore it so happens that over a normal period of time there is a deficit in the Post Office.

The reason that first-class mail today is making a profit is because you raised the local rate from 2 cents to 3 cents, and because of the fact that so many people are dislocated, working in war industries and places like that and they are writing back home and the folks at home are writing to them. The boys in the service write back home free, but the letters going to them are either going by air mail or by first-class mail and paid for. That has built up an artificial volume of mail, which will not pertain when we get back to normal times.

Now, if we are going to be factual about this thing, this is the time to adjust it while we do know what we can do. It will not be half as bad as when you get into the hole and business has gotten bad and you try to raise the rates.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. I yield.

Mr. GARY. Is it not true that the amount added to the cost of the Post Office Department by the recent increase in the salaries which we adopted a few weeks ago will more than offset the surplus we have in the Department at the present time?

Mr. McKENZIE. Not quite, for this reason: The surplus is roughly today $150,000,000. When we revert back to normal times under the salary bill and eliminate the overtime it will probably cost somewhere in the neighborhood of eighty-five or ninety million dollars. So that it is not quite used up. But when we revert to normal times the volume of first-class mail will drop off, too, because people will be back home and not writing. I urge the Members to face the facts and vote for this bill so as to put the burden of transporting this strictly business mail on the business firms who use it and profit by it. It is unfair to put this burden on the taxpayer. He has more than he can carry now.

The CHAIRMAN. The time of the gentleman from Louisiana has again expired.

Mr. MASON. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. COLE].

Mr. COLE of Missouri. Mr. Chairman, getting back to small business and what effect this bill would have on it, I would like to call the attention of the gentleman from Ohio [Mr. BROWN] to the fact that in the local zones there is no increase on 1-pound catalogs or pamphlets or booklets sent out by small business. In the second zone there is a 1-cent increase. In the third zone there is only a 1-cent increase, and so on to the eighth zone, a 1-cent increase over-all on 1-pound packages.

Mr. BROWN of Ohio. Will the gentleman yield?

Mr. COLE of Missouri. Gladly.

Mr. BROWN of Ohio. The gentleman from Ohio was accenting the use of this service by the small manufacturer who has national distribution; not the small manufacturer who mails only in his local community.

Mr. COLE of Missouri. Then I would like to call the gentleman's attention to the fact that on the 1-pound catalog mailed by the small manufacturer to the eighth zone there is only a 1-cent increase in the present postage rate. Suppose that same manufacturer mails a 5-pound package. In the local zone the postage is increased one-half cent for each additional pound. In the first and second zones it is increased one-half cent. In the third zone it is the same as the present rate. In the fourth zone it is decreased one-half cent; in the fifth zone it is decreased 1 cent for each additional pound; in the sixth zone it is decreased 1½ cents, and in the seventh zone it is decreased from 6 cents to 4½ cents, and in the eighth zone it is decreased 2 cents.

Mr. BROWN of Ohio. I am very glad the gentleman brought that out because the large shipment is the one that is sent out by the large catalog house and not by the small manufacturer. So actually you are helping the very people that so many persons have said we do not want to help.

You are helping the large mail order houses.

Mr. COLE of Missouri. The large mail order houses who have the large catalogs usually ship those catalogs into an area and send them in the local, first, second, and third zones of that area.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. MASON. Mr. Chairman, I yield the gentleman two additional minutes. Will the gentleman yield now?

Mr. COLE of Missouri. Gladly.

Mr. MASON. I wish to state that the gentleman from Ohio himself said that the large catalogue houses took advantage of the opportunity of trucking to the distant places, so they could not get the advantage that we are giving in those distant zones. Now, he cannot be both fish and fowl, he has got to keep his argument consistent; he cannot argue against himself in this matter and argue the other way in the other matter.

Mr. COLE of Missouri. And the provisions of this bill are to take care of a situation of just that kind.

Mr. BROWN of Ohio. Will the gentleman yield long enough for me to comment that that is just exactly what I said? That I simply quoted the argument of the gentleman from Missouri, not mine. If the large companies continue to use it on that basis——

Mr. COLE of Missouri. If the large companies continue to use the mail service to distribute their catalogues.

Mr. BROWN of Ohio. We make it possible for them to use it again by your reduction.

Mr. COLE of Missouri. Let me finish my sentence, please. If the large mail order houses continue to use the mail up to the third zone in distributing their catalogs they are going to pay the increased cost of distribution, they are going to make up this amount that we have been subsidizing.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. BURCH. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. LYLE].

Mr. LYLE. Mr. Chairman, there is a refreshing and unusual situation in the Committee on the Post Office and Post Roads. It has been rather shocking and gratifying to me, being a committeeman from Texas, to find that the Republicans on the committee and the Democrats usually agree. It is rather shocking to some people, at times, but there seems to be good reason for it and I think you ought to consider it from this standpoint: That your committee feels the responsibility of recommending to this House sound legislation based upon this proposition—that the Government owes no debt either to big or small business from the standpoint of hauling around their catalogs and their other matériel except on a basis of what it costs; no more, no less. I am sure we did not consider whether it would help big business or small business or whether it would hurt them; it was simply the proposition that we felt we owed it to the people of the United States to recommend to the best of our ability constructive and nonpartisan legislation—there may be something wrong with it—we all agreed on it, however, taking a cost-ascertainment system that we believed was good. I must say frankly that I believe it is impossible to bring in a complete bill at one time including all of the subjects some of the gentlemen desire. We feel that this was the best way to do it. There is a lot of talk about subsidies. Perhaps they are good, perhaps they are bad; but we felt it was the sense of this House that we should not use subsidies in our postal system, that the people of America, individuals and business, were desirous of paying exactly what it cost to transmit their mail.

There is a considerable surplus, I understand, in first-class postage. I hope that will be considered soon by the committee and that we can recommend a reduction in those rates to make it purely upon a cost basis.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. LYLE. I yield.

Mr. DONDERO. If I understand the proposition, it means this: We are simply asking big business and small business to pay their way as they go.

Mr. LYLE. As one member of the committee, that is all I ask.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LYLE. I yield.

Mr. ALLEN of Illinois. I would ask the gentleman if he feels the same about newspapers.

Mr. LYLE. I certainly do.

Mr. ALLEN of Illinois. The gentleman feels that newspapers should pay their way also?

Mr. LYLE. I do.

Mr. ALLEN of Illinois. And the gentleman is diligently working to bring out a bill to make newspapers pay their own way?

Mr. LYLE. I attend every meeting of the committee and do my small share.

Mr. ALLEN of Illinois. Can the gentleman give the House any assurance when that bill is coming before the House for consideration?

Mr. LYLE. As a very low-ranking member I would not dare do that. The gentleman from Virginia [Mr. BURCH] or the gentleman from Illinois [Mr. MASON] can probably enlighten the gentleman on that.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. LYLE. I yield.

Mr. COLE of Missouri. I understand that hearings on first, second, and third-class mail rates will start immediately after the recess.

Mr. BURCH. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. STARKEY].

Mr. STARKEY. Mr. Chairman, I have listened to the debates in the House and I am somewhat confused by the arguments that have been made on the other side. They talk about profits and they talk about taxes. One minute they refer to the income from the Post Office Department as profits and then if you want to increase the rates it becomes no longer a matter of loss or profit, it becomes a matter of taxes.

It appears to me that what we are doing is taking the profits on first-class mail, because that is actually run at a profit, it is over and above cost, and giving it to some other group of citizens who use another class of postal service. We are actually taxing the users of first-class mail and when it is turned into the Treasury Department you refer to it as a profit. So we are taking the profit that the Government makes on this venture and actually giving it to another group of citizens. I do not think that is very democratic. I think all groups of citizens ought to be treated the same way. To whom are we giving this profit or overcharge that we are making from the citizens who use the first-class mail? We are not giving it to all the people, nor to all people engaged in the sale and distribution of consumer goods. We are subsidizing the mail-order houses who are the competitors of the independent local merchants. So that the farther you go into it the more undemocratic the whole affair seems to be.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. STARKEY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. As I understand the gentleman, his argument is that all users of mail should be treated exactly alike and that the same rate should be applied to all in each classification.

Mr. STARKEY. I did not say that.

Mr. BROWN of Ohio. Just what was the gentleman's statement?

Mr. STARKEY. I said that you were overcharging a certain group of citizens who are using a certain type of mail and giving it to another group within a group. Frankly, I say that the committee did absolutely right when it brought in these different classifications one at a time, and I will say further that the bill and the increase in rates does not wholly cover the cost, and there is still being paid some subsidy to the catalogers.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. MASON. Mr. Chairman, I yield the gentleman 1 minute in order that I may ask him a question. It is not true that our Post Office and Post Roads Committee voted this bill unanimously?

Mr. STARKEY. Yes.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. STARKEY. I yield to the gentleman from Ohio.

Mr. BREHM. Is it not also true that the Post Office and Post Roads Committee is simply carrying out a mandate of Congress enacted in 1928, which says "that all fourth-class mail matter should produce revenue commensurate with the cost of the service"?

Mr. STARKEY. That is written right into the law.

Mr. BREHM. And until we repeal that act, there is nothing else we can do if we are going to carry out the mandate of the Congress.

Mr. STARKEY. That is right.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BURCH. Mr. Chairman, I yield 2 minutes to the gentleman from Delaware [Mr. TRAYNOR].

Mr. TRAYNOR. Mr. Chairman, as a member of the Committee on the Post Office and Post Roads, may I say that I believe each and every department of the Post Office should be self-sustaining. We should be just before we are generous.

I am opposed to the Government subsidizing these mail-order houses that are in competition with the small merchants in the rural districts who are carrying a stock and giving service. I was very much surprised at statements made by the representatives of the large mail-order houses through their claim of educating the public. I am a man of letters and I did not get my education out of catalogs. I paid for it by going through a university.

The railroads charge the Government by weight and space; therefore the catalogs should pay their just carrying charges.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. TRAYNOR. I yield to the gentleman from New York.

Mr. HANCOCK. If a man is required to pay the cost of an actual service rendered and no more, does the gentleman think that could properly be called a tax?

Mr. TRAYNOR. That is very debatable as to whether the service is rendered or whether it is not rendered.

Mr. HANCOCK. If we pay the actual cost of the service to the Government, that is not a tax by any possible stretch of the imagination.

Mr. TRAYNOR. That is the gentleman's idea.

The CHAIRMAN. The time of the gentleman from Delaware has expired.

(Mr. TRAYNOR asked and was given permission to revise and extend his remarks.)

Mr. BURCH. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

Mr. BURCH. Mr. Chairman, I ask unanimous consent that the reading of the bill be dispensed with, that it be printed in the RECORD, and that the bill be open to amendment in its entirety.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Be it enacted, etc., That upon the first day of the third month following the date of approval of this act the rate of postage on parcels, other than publications entered as second-class matter, weighing more than 8 ounces but not exceeding 10 pounds, containing catalogs and similar printed matter in bound form consisting of less than 50 percent of reading matter other than advertising matter, with or without samples of merchandise affixed thereto, and incidental related enclosures; directories or lists of individuals, firms, or organizations; reports or prospectuses of corporations, organizations, and institutions; price lists or tariff schedules; industrial manuals and bound volumes of publications and volumes of printed matter similar in character, when mailed under such regulations as the Postmaster General may prescribe, shall be as follows: On all such matter mailed at the post office from which a rural route starts, for delivery on such route, or mailed at any point on such route for delivery at any other point thereon, or at the office from which the route starts, or on any rural route starting therefrom, and on all such matter mailed at a letter-carrier office, or at any point within its delivery limits, for delivery by carriers from that office, or at any office for local delivery, 5 cents for the first pound or fraction of a pound and 1 cent for each additional pound or fraction of a pound.

For delivery within the first or second zone, except as provided in the next preceding paragraph, 6 cents for the first pound or fraction of a pound and 1.5 cents for each additional pound or fraction of a pound, and except where the distance by the shortest regular mail route from the office of origin to the office of delivery is 300 miles or more, in which case the rates of postage shall be the same as for delivery within the third zone.

For delivery within the third zone, 7 cents for the first pound or fraction of a pound and 2 cents for each additional pound or fraction of a pound.

For delivery within the fourth zone, 8 cents for the first pound or fraction of a pound and 2.5 cents for each additional pound or fraction of a pound.

For delivery within the fifth zone, 9 cents for the first pound or fraction of a pound and 3 cents for each additional pound or fraction of a pound.

For delivery within the sixth zone, 10 cents for the first pound or fraction of a pound and 3.5 cents for each additional pound or fraction of a pound.

For delivery within the seventh zone, 11 cents for the first pound or fraction of a pound and 4.5 cents for each additional pound or fraction of a pound.

For delivery within the eighth zone and between the Philippine Islands and any portion of the United States, including the District of Columbia, and the several Territories and possessions, 12 cents for the first pound or fraction of a pound and 5 cents for each additional pounds or fraction of a pound:

Provided, That a fraction of a cent in the total amount of postage on any parcel shall be computed as a full cent: *And provided further,* That for parcels in this classification of mail matter weighing in excess of 10 pounds and up to 70 pounds the rates shall be the same as those charged for books.

SEC. 2. Effective as of the first day of the third month following the date of approval of this act, section 403, title IV, of the act of February 25, 1944 (58 Stat. 69), insofar as it pertains to mail matter the rates of postage upon which are revised by the first section of this act, is hereby repealed.

With the following committee amendments:

Page 2, line 2, after the semicolon, insert, "or containing bound volumes, with or without incidental related enclosures, of."

Page 2, line 7, strike out, "of publications and volumes."

Page 4, beginning with line 1, strike out, "*And provided further,* That for parcels in this classification of mail matter weighing in excess of 10 pounds and up to 70 pounds the rates shall be the same as those charged for books."

The committee amendments were agreed to.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am exceedingly interested in this legislation, but it seems to me that the problem has been very greatly oversimplified by the statement made by the distinguished gentleman from Illinois and by numerous other statements made by members of the Committee on the Post Office and Post Roads. When the statement is made that the question involved here is a simple question as to whether or not we propose to subsidize the users of fourth-class mail in the mailing of catalogs to the extent of $1,000,000, I believe that is an overstatement of simplification of the problem.

I call your attention to this fact. While it is true that the senders of catalogs who may be operating in my town or your town in a small business and sending them out into only the first zone are not paying any additional rates under this bill, I want you to understand and I believe we have had some discussion of it in the Post Office Subcommittee on Appropriations, of which I happen to be a member, that the problem is not as simple as the gentleman from Illinois has stated.

I would like to have the gentleman from Illinois show me where in his report or in the hearings consideration has been given to the profit to first-class mail resulting from the mail that flows from the use of these catalogs to the mail-order houses? As a matter of fact, I recall that when the soldiers were given the free-mailing privilege, dire distress signals went up and they said that that was going to cause a great burden on the Post Office Department if you gave to the soldiers the right of free mail.

Oh, what a burden was going to be put on the Post Office Department! As a matter of fact, after they checked the record, it now appears that for practically every letter that is sent free by the soldiers there have been seven letters going to the soldiers upon which first class mail privileges have been paid. The fact of the matter is that you cannot disassociate in the post-office operation the fourth-class mail from the first-class mail or second-class mail, and simplify the thing as easily as that, because when you send a catalog out to a customer, the customer has to write to that person to send in an order. That letter carries first-class mail. The postage is paid at first-class rates. He usually buys a money order and he pays for that at the post office. Then, the company that issues the catalog delivers the article by parcel post, and parcel post is paid, and if they make a mistake there will be a continuation of correspondence upon which letters first-class postage will be paid. So when you attempt to simplify this matter and say that you can on a cost ascertainment basis demonstrate that the carrying of catalogs carries a subsidy of a million dollars, I defy anybody in the Post Office Department Cost Ascertainment Division to come before this or any other committee and demonstrate to a nicety that his facts are accurate. I know they are not, because in order to demonstrate the subsidy that must be paid and is paid—a million dollars to the great mail-order houses—you have to take into consideration the profit that accrues to the Post Office Department from the first-class mail that is generated by the issuance of those catalogs.

I want to say to the committee that I think they are trying to do a good job.

I think this problem should be approached but I dislike to have the word go out to the small catalog issuers in my district who do cover more than a local area that they are being subsidized to the extent of a million dollars a year and that therefore we should take it away from them. They are stimulating the first-class mail that causes that profit and that surplus in the Post Office Department that comes from the issuance of these catalogs, if you please.

Mr. MASON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the gentleman from Wisconsin says the problem has been oversimplified when it has been stated solely as a matter of subsidizing the catalog houses, and he goes ahead to prove his point that it is oversimplified by bringing up the point that catalogs generate a profit in the first-class mail business and causes parcel-post packages to be sent and money orders to be bought and all of these things that are natural consequences or the result of the use of the catalog. But the gentleman from Wisconsin also oversimplifies the point because on parcel post we have been losing some seven million dollars a year, and on the money-order business we have been losing money. Therefore, when we generate that kind of business we are just increasing the losses rather than making up for the losses. The only thing that we have made a profit on in the Post Office Department over the last 20 years has been the one class of mail, that is, first-class mail.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield.

Mr. BREHM. The gentleman from Wisconsin also referred to the vast amount of revenue derived from first-class mail being sent to the soldiers. This war is going to be over someday and we cannot anticipate that in the future you are going to have that revenue. We hope those boys will be home one of these days. We are not just legislating for the day. This is permanent legislation.

Mr. MASON. Oh, yes. I want to call the attention of the House to the fact that while mail has gone to the soldier boys at the ratio of 7 to 1, it was not the one free letter coming back from the soldier boy that generated the seven letters to him, because at least six of those letters would have gone to him anyway. So it is a matter of oversimplification perhaps on both sides.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield.

Mr. GARY. Is it not a fact that in carrying these seven or eight letters which have been generated supposedly by this one letter from a serviceman that those letters are from the mothers, wives, and relatives of the serviceman and we should realize the Government is making a profit on the carrying of that mail, whereas the Government is carrying the catalogs for the mail-order houses at less than cost?

Mr. MASON. I want to thank the gentleman for his pertinent remarks on this question.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. MASON. Yes; I yield.

Mr. HANCOCK. If the argument of the gentleman from Wisconsin is sound, we ought to send catalogs free of charge and thus produce that much more first-class mail.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CLARK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3238) readjusting the rates of postage on catalogs and similar printed advertising and other matter of fourth-class mail, and for other purposes, pursuant to House Resolution 292, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en grosse.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. ALLEN of Illinois. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 187, nays 148, not voting 98, as follows:

[Roll No. 131]

YEAS—187

Abernethy	Cravens	Hagen
Allen, La.	Crosser	Hale
Andrews, Ala.	Curley	Hancock
Auchincloss	De Lacy	Hare
Bailey	Delaney, James J.	Harris
Barrett, Pa.	Delaney, John J.	Havenner
Bates, Ky.	Dolliver	Healy
Beckworth	Domengeaux	Hedrick
Biemiller	Dondero	Hoch
Blackney	Doughton, N. C.	Huber
Bland	Douglas, Calif.	Izac
Bolton	Douglas, Ill.	Jackson
Bonner	Doyle	Johnson, Luther A.
Boykin	Drewry	Kean
Bradley, Pa.	Durham	Kee
Brehm	Dworshak	Kelley, Pa.
Brooks	Eberharter	Kelly, Ill.
Brown, Ga.	Elliott	Kerr
Buck	Engle, Calif.	King
Bulwinkle	Ervin	Kirwan
Burch	Feighan	Kopplemann
Burgin	Fisher	Larcade
Byrne, N. Y.	Flannagan	Lea
Camp	Flood	LeFevre
Cannon, Fla.	Fogarty	Link
Cannon, Mo.	Forand	Lyle
Carlson	Gallagher	McCormack
Carnahan	Gamble	McDonough
Case, N. J.	Gardner	McGehee
Chapman	Gary	McKenzie
Chelf	Gathings	Madden
Clark	Geelan	Maloney
Cochran	Gibson	Manasco
Coffee	Gore	Mansfield, Mont.
Cole, Mo.	Gossett	Mansfield, Tex.
Colmer	Granahan	Marcantonio
Combs	Grant, Ala.	Mason
Cooper	Green	May
Corbett	Gregory	Michener
Courtney	Hall, Edwin Arthur	Miller, Calif.
Cox	Hall, Leonard W.	Mills
Cravens	Hand	Monroney
Crosser	Hart	Morgan
Curley	Hartley	Murdock
De Lacy	Hays	Murphy
Delaney, James J.	Hébert	Murray, Tenn.
Delaney, John J.	Heffernan	Neely
Dolliver	Hendricks	Norrell
Domengeaux	Hinshaw	Norton
Dondero	Hobbs	O'Brien, Mich.
Doughton, N. C.	Holifield	Pace
Douglas, Calif.	Hook	Patman
Douglas, Ill.	Jarman	Patterson
Doyle	Jennings	Peterson, Ga.
Drewry	Johnson, Ind.	Pickett
Durham	Jones	Poage
Dworshak	Judd	Price, Fla.
Eberharter	Keogh	Price, Ill.
Elliott	Kilburn	Priest
Engle, Calif.	LaFollette	Quinn, N. Y.
Ervin	Lane	Rabaut
Feighan	Lanham	Rabin
Fisher	Lesinski	Ramspeck
Flannagan	Lynch	Randolph
Flood	McGlinchey	Resa
Fogarty	McMillen, Ill.	Richards
Forand	Martin, Iowa	Robertson, N. Dak
Gallagher	Merrow	Robertson, Va.
Gamble	Morrison	Robinson, Utah
Gardner	O'Toole	Robinson, Ky.
Gary	Peterson, Fla.	Roe, Md.
Gathings	Pfeifer	Rogers, Fla.
Geelan	Ploeser	Rogers, N. Y.
Gibson	Plumley	Rooney
Gore	Powell	Rowan
Gossett	Rayfiel	Ryter
Granahan	Rich	Sasscer
Grant, Ala.	Riley	Savage
Green	Rivers	Sikes
Gregory	Rodgers, Pa.	Slaughter
Hagen	Roe, N. Y.	Smith, Maine
Hale	Russell	Snyder
Hancock	Sabath	Sparkman
Hare	Sadowski	Spence
Harris	Starkey	Stevenson
Havenner	Sullivan	Sumners, Tex.
Healy	Sundstrom	Tarver
Hedrick	Thomas, Tex.	Torrens
Hoch	Traynor	Trimble
Huber	Voorhis, Calif.	Vorys, Ohio
Izac	Wadsworth	Wasielewski
Jackson	Weaver	Weiss
Johnson, Luther A.	West	Whittington
Kean	Wickersham	Winstead
Kee	Wood	Woodhouse
Kelley, Pa.	Zimmerman	
Kelly, Ill.		
Kerr		
King		
Kirwan		
Kopplemann		
Larcade		
Lea		
LeFevre		
Link		
Lyle		
McCormack		
McDonough		
McGehee		
McKenzie		
Madden		
Maloney		
Manasco		
Mansfield, Mont.		
Mansfield, Tex.		
Marcantonio		
Mason		
May		
Michener		

NAYS—148

Adams	Gillie	Mahon
Allen, Ill.	Goodwin	Martin, Mass.
Andersen, H. Carl	Gordon	Miller, Nebr.
Anderson, Calif.	Gorski	Mott
Andresen, August H.	Graham	Mundt
Angell	Griffiths	Murray, Wis.
Arends	Gross	O'Brien, Ill.
Arnold	Gwinn, N. Y.	O'Hara
Baldwin, N. Y.	Gwynne, Iowa	O'Konski
Barrett, Wyo.	Halleck	O'Neal
Bates, Mass.	Harless, Ariz.	Outland
Beall	Harness, Ind.	Patrick
Bennet, N. Y.	Henry	Philbin
Bennett, Mo.	Herter	Phillips
Bishop	Heselton	Pittenger
Bradley, Mich.	Hess	Powers
Brown, Ohio	Hill	Rains
Brumbaugh	Hoeven	Ramey
Bryson	Hoffman	Rankin
Buffett	Holmes, Mass.	Reece, Tenn.
Byrnes, Wis.	Holmes, Wash.	Reed, Ill.
Campbell	Hope	Reed, N. Y.
Canfield	Horan	Rees, Kans.
Case, S. Dak.	Howell	Rizley
Chenoweth	Hull	Rockwell
Church	Jenkins	Rogers, Mass.
Clason	Jensen	Schwabe, Mo.
Clevenger	Johnson, Calif.	Schwabe, Okla.
Cole, Kans.	Johnson, Ill.	Scrivner
Cunningham	Johnson, Lydon B.	Shafer
Curtis	Johnson, Okla.	Sheridan
D'Alesandro	Jonkman	Short
Davis	Kearney	Simpson, Ill.
D'Ewart	Keefe	Smith, Wis.
Dirksen	Kefauver	Springer
Ellis	Kilday	Stefan
Ellsworth	Kinzer	Stockman
Elston	Knutson	Taber
Engel, Mich.	Kunkel	Talbot
Fallon	Landis	Talle
Fellows	Latham	Thomas, N. J.
Fenton	LeCompte	Tibbott
Fulton	Lemke	Vursell
Gavin	Lewis	Weichel
Gearhart	Luce	Wigglesworth
Gerlach	Ludlow	Wolcott
Gifford	McConnell	Wolfenden, Pa.
Gillespie	McCowen	Wolverton, N. J.
Gillette	McGregor	Woodruff, Mich.
	McMillan, S. C.	

NOT VOTING—98

Anderson, N. Mex.	Fernandez	Kilburn
Andrews, N. Y.	Folger	LaFollette
Baldwin, Md.	Fuller	Lane
Barden	Granger	Lanham
Barry	Grant, Ind.	Lesinski
Bell	Hall, Edwin Arthur	Lynch
Bender	Hall, Leonard W.	McGlinchey
Bloom	Hand	McMillen, Ill.
Boren	Hart	Martin, Iowa
Buckley	Hartley	Merrow
Bunker	Hays	Morrison
Butler	Hébert	O'Toole
Celler	Heffernan	Peterson, Fla.
Chiperfield	Hendricks	Pfeifer
Clements	Hinshaw	Ploeser
Cole, N. Y.	Hobbs	Plumley
Cooley	Holifield	Powell
Crawford	Hook	Rayfiel
Daughton, Va.	Jarman	Rich
Dawson	Jennings	Riley
Dickstein	Johnson, Ind.	Rivers
Dingell	Jones	Rodgers, Pa.
Earthman	Judd	Roe, N. Y.
Eaton	Keogh	Russell
Eisaesser	Kilburn	Sabath
		Sadowski

Sharp	Sumner, Ill.	Welch
Sheppard	Taylor	White
Simpson, Pa.	Thom	Whitten
Smith, Ohio	Thomason	Wilson
Smith, Va.	Tolan	Winter
Somers, N. Y.	Towe	Woodrum, Va.
Stewart	Vinson	Worley
Stigler	Walter	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Tolan for, with Mr. Kilburn against.
Mr. Lynch for, with Mr. Hook against.
Mr. Woodrum of Virginia for, with Mr. Morrison against.

Additional general pairs:

Mr. Cooley with Mr. Allen of Illinois.
Mr. Vinson with Mr. Jennings.
Mr. Clements with Mr. Fuller.
Mr. Keogh with Mr. Campbell.
Mr. Sadowski with Mr. Andrews of New York.
Mr. Peterson of Florida with Mr. McMillen of Illinois.
Mr. Daughton of Virginia with Mr. Welch.
Mr. McGlinchey with Mr. Taylor.
Mr. Barden with Mr. Wilson.

Mr. CASE of New Jersey changed his vote from "no" to "aye."

Mr. ADAMS changed his vote from "aye" to "no."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Gatling, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3550. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THOMAS of Oklahoma, Mr. HAYDEN, Mr. OVERTON, Mr. RUSSELL, Mr. THOMAS of Utah, Mr. GURNEY, Mr. BROOKS, and Mr. BURTON to be the conferees on the part of the Senate.

MILITARY ESTABLISHMENT APPROPRIATION BILL, FISCAL YEAR 1946

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes, with Senate amendments, disagree to the Senate amendments and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania? [After a pause.] The Chair hears none and appoints the following conferees: Mr. SNYDER, Mr. KERR, Mr. MAHON, Mr. NORRELL, Mr. HENDRICKS, Mr. POWERS, Mr. ENGEL of Michigan, and Mr. CASE of South Dakota.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD and include therein one newspaper article and three newspaper editorials on the part Montana has played in the present bond drive.

Mr. JUDD (at the request of Mr. H. CARL ANDERSEN) was granted permission to extend his remarks in the Appendix and include therein a letter from the Northwest Lumbermen's Association containing constructive criticism of the OPA.

PERMISSION TO ADDRESS THE HOUSE

Mr. HAVENNER. Mr. Speaker, I ask unanimous consent that on tomorrow, after the conclusion of the legislative business and any other special orders, I may address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

OUR AMERICAN GOVERNMENT: WHAT IS IT?—HOW DOES IT FUNCTION?

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein an index to a volume I have prepared.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker. At the request of several Members of Congress and many officials of public schools and colleges throughout the country who are using the booklet as a textbook, I have revised and brought up to date House Document No. 619 of the Seventy-seventh Congress, Second Session, on Our American Government—What Is It? How Does It Function? and it will be ready for printing and distribution within the next week or 10 days. It contains 64 pages, 279 questions and answers and has been referred to as a comprehensive story of the history and functions of our American Government interestingly and accurately portrayed.

House Concurrent Resolution No. 60 unanimously passed the House on May 31, 1945, and unanimously passed the Senate on June 1, 1945, authorizing the printing of the revised booklet as a public document, and each Member of Congress will receive without cost about 100 copies for free distribution which will probably be enough to fill individual requests.

In the event a Member should desire additional copies, if the order is placed for the printing to be done when a supply is being printed for sale at the Government Printing Office, the cost will be $17.50 per thousand; the order should be placed with Mr. Ralph L. Harris, CONGRESSIONAL RECORD Clerk in Statuary Hall of the Capitol. If anyone not a Member of Congress desires to place such an order, it will be necessary for the order to be placed through a Member of Congress, or it will not be recognized by the Government Printing Office. These booklets will be available for sale through the Superintendent of Documents, Government Printing Office, at 10 cents per copy when they are printed and made available.

This booklet has been revised four times and there has been a big demand for each edition. More than a million copies of one edition of this booklet were sold. It is strictly nonpartisan and nonpolitical. In order that those who are interested may know its contents, I am inserting herewith the index to the document for insertion in the daily CONGRESSIONAL RECORD, but not to be included in the permanent bound volumes, as follows:

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PERSONAL EXPLANATION

Mr. STEVENSON. Mr. Speaker, this morning when the roll call was taken on the bill H. R. 3579, the second deficiency appropriation bill, I was unavoidably detained by a constituent in the office and did not arrive until after my name had been called. Had I been present I would have voted "aye."

PRESIDENTIAL SUCCESSION LAW

Mr. MONRONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MONRONEY. Mr. Speaker, I want to take this occasion to compliment the Committee on the Judiciary and the Committee on Rules on the speed they have shown in reporting a very important and necessary bill at this time, the Presidential succession bill, making the Speaker of the House next in line for the Presidency should the present occupant of the White House die or become incapacitated.

As further proof of the need of revising this antiquated and uncertain line of succession, I would like to call the attention of the House to the fact that within 5 days, in this critical hour when the world looks to America, we will have had three different men as "heir apparent" to the Presidency.

Yesterday we had Mr. Stettinius. Today we have the Secretary of the Treasury. Perhaps by Monday or Tuesday or Wednesday we may have somebody else. Neither the country, nor we, know with any certainty who it will be.

If we are going to afford the necessary safety and security for this country in this critical hour, the mantle of power must fall on some certain office in this Government that has a more certain continuity. It should also fall upon an officer who holds his position of authority as a result of the greatest possible exercise of elected representatives expression of the voters of this country. Such an officer is the Speaker of the House.

I hope the Congress will pass this bill.

The SPEAKER. Under a previous order of the House the gentleman from Pennsylvania [Mr. MURPHY] is recognized for 30 minutes.

HON. FRANK C. WALKER

Mr. MURPHY. Mr. Speaker, it is a pleasure and a privilege for me to be allotted this time to address the members of this great body on the subject of the departure from the Federal service of one of the greatest Americans of our time, the honored, distinguished, beloved Postmaster General of the United States, Frank Comerford Walker.

While Frank Walker is being succeeded by an able, honest, industrious, energetic, in fact, a great American and a worthy successor who will bring laurels and credit to the Office of Postmaster General, and prove to be a worthy, able, faithful assistant to a great President, and while I have a warm regard and a kind affection for Bob Hannegan, I do feel that because General Walker is from my congressional district and is known and loved by everyone back home that I should take this occasion to make a review of his stewardship.

General Walker in many respects may be said to be a citizen of the Union, with close personal ties in New York State, with fond close personal ties in the State of Montana, and with warm devoted friendships as well as active business interests in the great State of Pennsylvania, and particularly in my congressional district, where the Postmaster General casts his ballot at the general and municipal elections.

For the record I would like, Mr. Speaker, to insert at this point what Who's Who has to say of Frank Comerford Walker:

Frank Comerford Walker, Postmaster General; born Plymouth, Pennsylvania, May 30, 1886; son of David and Ellen (Comerford) Walker; student Gonzaga University, 1903–06, LL.D. 1937; LL.B. University of Notre Dame, 1909, LL.D. 1934; LL.D. Montana School of Mines, Butte, 1934, Georgetown University, 1942, Manhattan College, 1943; married Hallie Boucher, November 11, 1914; children—Thomas Joseph, Laura Hallie. Admitted to Montana bar, 1909; lawyer; member of Walker and Walker; formerly president and general counsel Comerford Theaters, Inc., Meco Realty Co., Comerford Publix Corporation; director First National Bank of Scranton. Member of Montana Legislature, 1913; assistant district attorney Silver Bow County, Montana, 1909–12; became treasurer Democratic National Committee 1932 (resigned); executive secretary President's Executive Council, 1933; excutive director National Emergency Council to December 1935; Postmaster General United States since September 1940. Chairman Democratic National Committee January 1943-January 1944. Commissioned first lieutenant United States Army World War I. Trustee Notre Dame University; regent University of Scranton. Member American, Montana State, and New York State bar associations. Democrat. K. C. Home: Scranton, Pennsylvania. Address: Post Office Department, Washington, D. C.; and 1600 Broadway, New York, N. Y.

In the city of Scranton, Pa., the name Frank Comerford Walker stands for everything that is good, clean, pure, and

wholesome. It stands for the highest in moral, spiritual, ethical, economical, and political conduct. Frank Walker's middle name, Comerford, is a name loved, honored, and respected in our community.

M. E. Comerford, the uncle of Frank C. Walker, was a pioneer in the business sense in northeastern Pennsylvania. M. E. Comerford was born on May 10, 1868, in Minersville, Schuylkill County, Pa. He received his schooling in the local public schools and business college. In 1919 he commenced the organization of a chain of theaters which has grown to be one of the leading theater chains in northeastern United States. He was also associated with a number of other business enterprises. In this work he had the able assistance of the great M. B. Comerford, a nephew, who for many years had worked as an educator in Plymouth Township, Luzerne County, Pa. He applied the skill of the educator, the training and good judgment he had developed over the years to the business interests of his uncle and in many ways contributed toward making the several organizations initiated by M. E. Comerford great business enterprises.

In the course of time Frank C. Walker became closely identified and affiliated with these interests. He loved his uncle, M. E. Comerford, as we in Pennsylvania unanimously loved him.

It is, therefore, an honor for me to state to this distinguished body and through the RECORD and the press that the Nation's loss, insofar as national greatness and active service is concerned, is our gain in Scranton, Pa. To you, Mr. Postmaster General, we say a thousand welcomes. We are glad to have you with sufficient time so that we may see more of you in our home community.

A man tied by birth and upbringing to areas where people must work very hard and where great numbers receive few of the good things of life. He himself early attained success in the practice of the law and in private business. He has never forgotten those less fortunate than himself.

He is a workman and a very capable workman. He has a reputation of being able to work with anyone. He is cooperative, conciliatory, tolerant of others, quick to give a word of recognition for success, ready to take the blame himself when a common enterprise encounters difficulties.

He is truly a charitable man. He has a genuine respect for his fellows, wishes them well, and does what he can to help them. This charity, I think, flows from the fact that in a humble and quiet way he is a deeply religious man. He knows that the success which has come to him imposed new responsibilities upon him. Those of us who know him best rejoice that he meets those responsibilities, that in his private and public life he is a model of what an American gentleman should be.

He is a thoughtful man, concerned for his country's welfare. His public addresses are never of a flamboyant character, but they reveal a man who stands on the rock of principle. Time and again in those addresses he shows himself deeply concerned with the problem of the peace. "Men whose homes have been saddened by war must unite to banish war from the earth." And he has quoted with ringing effect the words of Pope Pius XII:

> If ever a generation has had to appreciate from the depths of its conscience the call "war on war" it is the present generation.

And Mr. Walker declared:

> The God who gave us talents has promised that He will hold us to an accounting of our talents. We have the capacity to achieve peace. We are summoned to labor for peace. We must heed the call.

Mr. Walker's administration of the postal service has been a most notable one. It is not too much to say that it will long be referred to as a golden era in the history of the postal establishment. The payment into the Treasury of large surpluses attracted attention but in these days military news naturally attracts the greatest attention. The people have not seen the complete picture of Mr. Walker's accomplishment.

Total surplus, over $189,000,000.

Net surplus total is almost as much as the sum total of all surpluses ever paid into the Treasury by the Post Office Department.

The Walker regime has been a service regime. The postal establishment, under the most adverse conditions, was operated at high efficiency. That efficiency, however, was not won by being unjust to employees. Fair treatment and recognition of the men and women who make the postal service what it is was the keynote of Mr. Walker's policy.

America has many men who have great administrative skill. The country was fortunate, however, in having at the helm of this great enterprise during the war years, a man rarely gifted as an administrator who was also a thoughtful student of what should be the public policy of the Postal Service.

I am glad to announce that it was during the Walker regime that the postal workers received as a result of the action of Congress on yesterday the raise which they so richly deserve. A raise which was coming to them since 1925.

Frank Walker was a loyal, devoted, close personal friend of one of the greatest of Americans, the late beloved President Franklin D. Roosevelt. When President Roosevelt came to Washington to assume his duties as President of the United States, he was accompanied by Frank Walker, and some few weeks ago the Postmaster General had the sad experience of returning to Hyde Park to see laid at rest the mortal remains of that noble American. May I quote from a recent address of the Postmaster General on Decoration Day relative to President Roosevelt:

> He had a simple faith in God, and where his beloved head really rests God's hand will smooth his pillow.

Throughout the early days of the Roosevelt administration, when the country—yes, the world—was on the brink of chaos, the President found a true, devoted, energetic, sincere, loyal friend at his side handling many of the intricate and involved problems of those days.

In July 1933 Mr. Walker became executive secretary of the Executive Council, sometimes known as the Super Cabinet. In those days the papers referred to Mr. Walker as the coordinator, the central point of contact with the Cabinet and the new recovery agencies. It was his duty to decide question of function, jurisdiction, duplication, and administration. Liberals thought of him as an enlightened conservative; conservatives thought of him as a sort of brakeman who would keep one eye on excesses, and almost everybody thought of him as Assistant President.

In December 1933 Mr. Walker was given an even more important coordinating position as head of the National Emergency Council. Said the London Evening Standard:

> He will be more powerful than any Cabinet Minister. His real function will be that of Lord High Coordinator.

Codes needed to be coordinated, information furnished, consumers' councils set up all over the country, the Central Statistical Board created. To perform this task Mr. Walker commuted from New York to Washington for a stay of 3 or 4 days each week, devoting the rest of his time to his business interests. Shortly thereafter he left Government service.

In 1935 while he and Mrs. Walker were in Atlantic City in April, Mr. Walker was called to Washington unexpectedly again, this time to serve as head of the Division of Application and Information of the $4,000,000,000 works relief program.

Mr. Walker was chairman of the committee that raised funds to establish the memorial library at President Roosevelt's Hyde Park estate which houses his personal papers.

After resigning in December 1935 as works relief chief to return to private life, Mr. Walker was later appointed by President Roosevelt to succeed Postmaster General James A. Farley. The announcement came as a surprise at the annual meeting of the Franklin D. Roosevelt Club at Hyde Park on August 31, 1940, although actually Mr. Walker had been mentioned for years as Mr. Farley's probable successor. Said President Roosevelt of his old friend:

> He came from Montana and lived in New York and then, because of his interests, became a citizen of Pennsylvania, which is a pretty good record. In other words, he knows the country and is going to know a lot about the mails and communications of the country from now on.

When Mr. Walker was appointed the New York Times greeted his appointment with approval, finding him a "cool-headed pioneer" in the New Deal who nevertheless "has no share in the fads and fanaticisms of some of its acolytes."

According to Current Biography in 1940, Mr. Walker first encountered Franklin Delano Roosevelt in 1920 when, as head of a local committee, he received the Democratic Vice Presidential candidate. In 1925 Mr. Walker came to New York City with his wife and two children to be general counsel and manager of Comerford Theatres, Inc., a chain of

movie houses in New York and Pennsylvania owned by his uncle. There Mr. Walker met Roosevelt once more and became a Roosevelt booster. One of the inner circle of friends and advisers even before the 1932 Democratic nominating convention, Mr. Walker was one of those who helped promote the Roosevelt boom. He helped to organize the Northwest for Roosevelt, and in 1932 served as treasurer of the Democratic National Committee. In 1943 he served as chairman of the Democratic National Committee. At the Chicago convention in July 1940, Mr. Walker was one of those who was largely responsible for the third term acceptance by our late President. Mr. Speaker, I speak from personal experience when I stated that at the Chicago convention in 1944 Mr. Walker was one of those largely responsible for the conduct of the convention, particularly as it applied not alone to the nomination of the late President for the fourth term but as it applied to the selection of the then Vice Presidential candidate, the distinguished and beloved President of today, Harry S. Truman.

Few men in our times have rendered such distinguished, unselfish, national service as Postmaster General Walker. Not once, but time after time, he deserted his private pursuits to answer appeals of the Chief Magistrate of the Nation to fill roles in national emergencies for which he was peculiarly fitted through character, personality, adaptability, and administrative experience. In each and every instance he measured up to the high confidence reposed in him by the Chief Executive.

Such outstanding service is only consonant with the man. His training, his philosophy, his business creed, his personal values are such as to honor the integrity of the individual, treat with his fellows fairly, deal honestly with the other party and the public. It was not by accident that Postmaster General Walker made a success of all the governmental tasks he undertook. He merely applied those basic rules of fairness and understanding to his public work that characterized his private life. He always pitted the real spiritual values against the purely material. He recognized the dignity and sovereignty of the human personality and accorded men equity and right.

It was because of all these things that Postmaster Walker was on such safe and sure ground when he entered the field of foreign affairs for any comment or suggestion. His was a mighty voice for good and right in the high councils of the Nation. He was an uncompromising foe of evil no matter what form of social, political or economic exploitation it took. At the outset he branded nazism for what it was, an ungodly totalitarian rule that degraded men and poisoned the fountain springs of humanity. He ever insisted that there could be no compromise with such a foe—that Hitlerism and all its works must be uprooted and destroyed forever. In like manner, he addressed himself forthrightly to the enemy in the Pacific. Mr. Walker knew that the things the Axis stood for must be blotted out of our contemporary world if there was ever to be any hope for the establishment of a peaceful, equitable order of security in the future. It was no wonder that the late Commander in Chief, President Roosevelt, valued Mr. Walker's counsel almost beyond that of any other living individual.

In a similar way, President Truman sets a high value of Mr. Walker's views and experience. It was only after the most urgent persuasion that President Truman consented that Mr. Walker withdraw to public life, and then only with the understanding that he would be always available for consultation and emergency drafting. Frank Walker, friend, counsellor and confident of President Roosevelt, an early booster and ardent advocate of President Truman for the second place on the 1944 Democratic ticket, today stands as the medium through which the Truman administration can best give effective continuity to the Rooseveltion policies. I know that Mr. Walker's official departure will not mean the end of his influence in Washington.

It would be unfortunate if it did, for Frank Walker had represented one of the most wholesome influences in our national life and in our National Capital in the past dozen years. In these trying times, when the call is for qualified leadership, it would be regrettable if this profound influence for good were to be lost to our Government and, in turn, to the world.

Frank Walker knew Big Business and Wall Street, and yet he knew how the average man feels about them and was more inclined to share that opinion. Mr. Walker is a man of the Tom Walsh—"Teapot Dome" Walsh—type, tenacious, patient, and scrupulously honest. While he may be seen cheering at prizefights and football games, he is as phlegmatic as a Joffre or a Marshall in the face of trouble. His mode of conduct in public life seems to have been that the best slogan is "No publicity is good publicity."

Yet, I feel it would be a disservice to the Nation, a disservice to the Postmaster General, a disservice to Mrs. Walker and the Walker family, and a disservice to the young men and women of the coming generation if I were not to outline today for the RECORD an appraisal of a great and noble American.

A quiet, diffident, unassuming, and yet courageous, strong, energetic character is about to depart from the public service; Mr. Speaker, I hope not for long.

Mr. Speaker, in the days ahead, in the period of the victory yet to be a final one, in the period of reconversion with its vast, intricate, difficult, heartbreaking problems, it is good that our great President has men of the type of Frank Walker, who upon the call of the President will leave their desks, their busy desks and daily assignments, to journey back to Washington to help relieve the burdens of the busy day, to help to rest the head, the mind, the soul, and the spirit at eventide.

Few men have been privileged to retire from public life, after a dozen or more years in the national spotlight, with such an unblemished record as our distinguished citizen from Scranton, Pa. He has set a high standard for public conduct. He has been an inspiration to all who have had the privilege of working with him. By his daily zeal, devotion to his tasks, and unflinching loyalty to what we may best describe as the ideals of true good government, he has not only advanced the common weal but has strengthened and fortified the structure of democracy. His public work stands out as a bulwark of patriotic service and devotion. I know I bespeak the sentiments of this House, this Congress, his fellow Americans, when I say well done, General Walker; God grant you good health, long life, and the rich rewards to which your unselfish service to your fellows and your country entitles you.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MURPHY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman's statement is absolutely correct. I know that based upon knowledge and experience and I also know that the late President had a very high regard for Postmaster General Walker. On a number of occasions when I had conferences with the President, he expressed the high regard that he had for Frank Walker and the complete confidence that he had in him. I am glad to hear the gentleman from Pennsylvania [Mr. MURPHY] pay this very fine tribute to not only a great public official and a great American, but a fine fellow personally. Frank Walker is one of the finest men I have ever met. He is possessed of a nobility of character and an inspiration to everyone, setting an example for all to follow.

Mr. MURPHY. I thank the distinguished majority leader.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. MURPHY. I yield to the gentleman from Wisconsin.

Mr. KEEFE. May I say to the gentleman from Pennsylvania that I have listened with great interest to the splendid eulogy that he has delivered to Frank Walker relating to the services which he has rendered and will render to his country.

I became acquainted with Frank Walker as a member of the Post Office Subcommittee of the Committee on Appropriations, and I eulogized him upon two separate occasions on the floor of this House for the magnificent management which he put into the postal service.

May I also say to the gentleman that I have a rather personal reason for my interest in the statement that the gentleman has made because his uncle, Mr. Mike Comerford, to whom the gentleman has referred, and who for so many years owned and operated Comerford Theatrical Enterprises in Pennsylvania and New York, was one of the most intimate friends of a late deceased brother of mine who was associated with Mr. Mike Comerford in those enterprises. Upon the death of Mr. Comerford and the accession of Frank Walker to the management of those enterprises my brother was interested with him for a period of some 20 years. He has told me repeatedly that no man of greater moral character ever lived than Frank Walker. I think it is entirely proper that the gentleman from Pennsylvania has seen fit to place this

very fine tribute to a great American in the RECORD at this time.

Mr. MURPHY. I thank the gentleman.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. MURPHY. I yield to the distinguished Speaker.

Mr. RAYBURN. I cannot let this occasion pass without saying that I endorse fully everything that the gentleman from Pennsylvania [Mr. MURPHY], the gentleman from Massachusetts [Mr. MCCORMACK], and the gentleman from Wisconsin [Mr. KEEFE], have said about our distinguished friend, Frank Walker. He has been a great public servant. He is a great patriot. He is a noble man, and God never made a better man than Frank Walker.

Mr. MURPHY. I thank the distinguished Speaker.

Mr. MANSFIELD of Montana. Mr. Speaker, will the gentleman yield?

Mr. MURPHY. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. I want to compliment the gentleman on the fine address he is making in behalf of our mutual friend, the Postmaster General, Frank C. Walker. While you speak for him from Pennsylvania, I would like to speak for him from Montana, because Frank, after he left school, came out West to Butte, made a name for himself in Silver Bow County, and we of the State of Montana still look upon Frank as one of our own, and we know that Frank still looks with a good deal of consideration and kindness upon us. We hate to see Frank leave the Postmaster Generalship, but we know that he has other duties which are calling him.

We know also that he has made a splendid record as Postmaster General, and we want to join with the gentleman from Pennsylvania, with the people of Pennsylvania, and for that matter with the people of the United States in wishing our present Postmaster General all the happiness it is possible for him to achieve in this world.

Mr. MURPHY. I thank the gentleman.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. MURPHY. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I would like to say that I am delighted to hear my neighbor, the distinguished gentleman from Pennsylvania [Mr. MURPHY] from the county of Lackawanna, which is in the district adjoining mine, the county of Luzerne, say these very fine things in tribute to one of Pennsylvania's leading citizens.

I am glad to hear our distinguished Speaker, the majority leader, the gentleman from Montana, and the gentleman from Wisconsin add their splendid words of tribute.

During the course of the remarks of the gentleman from Pennsylvania [Mr. MURPHY] he referred to the Comerford family and to the fine and distinguished Walker family. In my district, where the Postmaster General was born in the little borough of Plymouth, there with his parents and relatives he first became the beloved figure which has endeared him to all of us Americans. The homestead still stands there. The Comerford family and the Walker relatives are there today. I am sure their hearts will be warmed by these words spoken in the great House of Representatives. Certainly America is proud to know, and the people of my district in Luzerne, and of your district, sir, of Lackawanna, are glad to know that we have been so close for so many years to America's great citizen, Postmaster General Walker. I hope that his services to our country and to the people of the world will continue for many, many years.

Mr. MURPHY. I want to thank my friend and neighbor from Pennsylvania for his splendid remarks. I yield to the distinguished lady from California [Mrs. DOUGLAS].

Mrs. DOUGLAS of California. I am very happy for this opportunity to express the sentiment of the State of California. California loves Frank Walker. The people of California placed their trust in Frank Walker and he never failed them. He is a good, honorable gentleman.

Mr. MURPHY. I thank the distinguished lady from California.

Mr. WEISS. Mr. Speaker, will the gentleman yield?

Mr. MURPHY. I yield.

Mr. WEISS. We from western Pennsylvania wish to join in the splendid tribute given to Postmaster General Walker, a great public official, a man of great moral character, a fine citizen, and an outstanding American.

Mr. MURPHY. I thank the gentleman for his contribution.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a rule.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Under previous order of the House the gentleman from Pennsylvania [Mr. FULTON] is recognized for 10 minutes.

CHINA-INDIA-BURMA THEATER

Mr. FULTON. Mr. Speaker, I am rising today to speak upon the recent operations in the China-India-Burma theater, where the eyes of America have now turned to examine what kind of a job has been done in preparation for the gigantic task which lies ahead of us.

As a serviceman who has recently returned from service on a Navy carrier in the Pacific to take his seat in Congress, I feel that there should be outlined the aspects of the tremendous problems in the Pacific which have faced our Army Service Forces while the spotlight was turned on the European theater during the magnificent campaign led by General Eisenhower.

Because of the great distances, the varied climates and characters of the countries, the problems in the Orient are so much different from the European theater and are of so great a diversity, that we should pause to let the American people know the fine accomplishments and devotion to duty which have been so far demonstrated in this theater of the war.

Supplies of all kinds have been poured into the China-India-Burma theater under the direction of the Service Forces of our Army.

The three principal jobs with which the command of our Army Service Forces were entrusted were: First, the operation of the ports in India so that today all American ships coming into Indian ports are unloaded under American supervision. The second of these jobs was the operation of the railway lines in India and China, which are vital links in the Allied communications. The third job was the building of roads and pipe lines from China to India, so that now we have the Ledo Road, officially called the Stilwell Highway, and also the longest pipe line in the world, which is now in operation from Calcutta to China.

All of these immense jobs were necessary to be completed in order to bring our strength against the Japanese, and to keep China in the war in the early phase, as well as to fulfill the purpose of amassing the huge amounts of supplies and stores to service the present phase upon which we are now entering.

It should be pointed out that the American Services of Supply have conducted many varied operations closely coordinated under a single command. These operations included the actual supply operation, requisitioning, as well as the shipping and handling of supplies.

The work does not end there. The Services of Supply are responsible for construction, transportation, communication. They build airfields and they build roads. They assemble and maintain motor vehicles. They operate ports. They run railroads. They are responsible for the many administrative matters in connection with the discipline of troops and also have charge of the Chaplain Corps.

With this amazing diversity of duties, it is a pleasure to comment today upon the smoothness of operation and the success which the Services of Supply of the American Army have achieved up to this date in the China-India-Burma theater.

The efficiency of operation has been so high that the American public has pretty much taken it for granted that our troops in the China-India-Burma theater will naturally be supplied with all the equipment that is necessary to carry on the campaigns on the widespread fronts now in operation against the Japs. The absence of any friction in this theater and the absence of delays, which would have cost months of extended warfare and hundreds of thousands of lives, are especially to be noted.

It has been said of the operation that the secret of its success was the building of men into teams and the guiding of successful and efficient teams rather than the handling of individual men. This policy developed in teams the sense of responsibility and accomplishment, and gave the good old American virtues of initiative and speed their full opportunity for development.

The morale problem in this theater has been one of the greatest problems which had to be faced. And the problems which had to be faced were certainly unique in history as far as America is concerned. Maj. Melvyn Douglas, husband of the gentlewoman Member of Congress from California, played a large part in building up and maintaining the splendid morale now obtaining in this theater.

We have all heard of the building of the Stilwell Highway from China to India, and have heard of the mountain ranges through which construction had to be made, to get the vital supplies to China from India. We have heard of the flying of the supplies across the "Hump" so that China would be kept in the war.

The pipe line that I have spoken of previously, which now carries gasoline for China and services the Fourteenth Air Force bases in India, is especially to be commented upon as one of the outstanding engineering accomplishments of our generation. To cite one example of the difficulty of the work, the pipe line was laid for 1,200 miles through winding gorges, swamps, and marshes, and climbs over the rocky crags of the Eastern Himalayas.

One section in Burma where the Ledo Road crosses mountain ranges at an elevation over 5,000 feet, the road was so crooked and twisting that it was impossible to parallel it with the pipe line. The engineers decided to put the pipe line over the mountains by the shortest possible route. The access road and pipe line were laid directly across the mountainous terrain regardless of the difficulties which were encountered. There was some question whether the project would not have to be abandoned because it seemed impossible to be done—but the Americans did it.

It is peculiarly appropriate at this time to stop to comment upon the officer in charge of this command, as I am advised that at a ceremony in the Pentagon Building on Tuesday, 26 June last, Gen. Brehon Somervell, Chief of all Army Service Forces, decorated with his second Distinguished Service Medal of this war that officer, Maj. Gen. W. E. R. Covell.

General Covell has had the responsibility of operating the most extensive and difficult land supply lines in this global war and certainly deserves the thanks of a grateful country as evidenced by the decoration by General Somervell on Tuesday. Far-flung projects have progressed smoothly and ahead of schedule under his watchful eye. America welcomes General Covell and his staff on their return from India, and a grateful country echoes with General Somervell a sincere well done.

Because of my interest in attempting to explain the method of operations that has produced such results, I have checked to find what the China India Burma Theater newspaper has said about the Services Organization. Under an article entitled, "Find It—Furnish It—Fix It Covell's SOS Creed," it states:

> The port installations under Covell's command moved more cargo faster than any other United States Army port installations in the world. * * * General Covell is one of the shrewdest coordinators in the Army. He is a product of both West Point and big business, and he has brought a combination of the best features of the military and industry to the number one supply job in the China-India-Burma Theater. He hates red tape, and more than once has shown an impatience with procrastination, official or otherwise.

It is interesting to note that General Covell was graduated from the United States Military Academy at West Point with a bachelor of science degree in 1915, standing No. 1 in his class. He was graduated in the now famous class of 1915 which includes such outstanding men as General Eisenhower, General Bradley, and General McNarney.

General Covell first came to military notice in World War I when he served as assistant to colonel, now General George C. Marshall in the operations section of the First Army headquarters in France.

The general is known to the District of Columbia, for 4 years having been assistant engineer commissioner of the District, having written and put into effect the Washington plan for public utilities.

In closing, permit me to quote from one of the general's own statements which I have read recently, where he states in essence the spirit which typifies our troops in the China-India-Burma theater:

> Our service of supply troops in this part of the world have caught the true Army Service Forces spirit. Their job is to help other troops, not just to take care of themselves. Many of them are out in the jungle, but even there they have maintained this fine spirit of service. We feel we are doing a good job. Our motto is: "Find it—furnish it—fix it," and all our efforts are directed toward carrying this out.

In looking ahead to the tremendous tasks which we now face in the second phase of the operations to crush Japan as a military power, the supply operations which have now reached such amazing proportions in the China-India-Burma theater can be said to have laid the firm and deep foundations of the Army's expected successes.

We in Congress, whether from the Army or the Navy, therefore today salute the fine Army Service of Supply Forces wherever they are, working in teeming jungle or flying over rocky crags.

Mr. HARRIS. Will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Arkansas.

Mr. HARRIS. I would like to join the gentleman in paying a fine and deserving tribute and compliment to General Covell for the splendid and outstanding service he has performed in the Army Service Forces.

Mr. FULTON. I believe the gentleman is the general's home town Congressman, is that correct?

Mr. HARRIS. May I observe that General Covell came to Arkansas several years ago as manager of the Crossett lumber industries, which is one of the most outstanding businesses of its kind in the United States, and I may say in the world. He came to Crossett as manager of that great industry and inaugurated a program of better cooperation between labor and management. The type of leadership that he gave to the people there is an example of the fine service he has performed in this war. Though he was not in Arkansas long before he was called into the service, he became endeared to the hearts of the people of our State and we all have the highest esteem for him. We know that when he was called into the service he was a colonel, and the progress that he has made in these few years in this war demonstrates the type of leadership that General Covell possesses.

Mr. MANSFIELD of Montana. Mr. Speaker, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. I want to compliment the gentleman from Pennsylvania on the remarks he made concerning the service forces in the CBI area. I feel that that part of the world has been forgotten by too many Americans and for too long a time. Now, with the combat troops, both air and ground, out of India and Burma, we have only the service troops left to keep the port of Calcutta open, to keep the railroads open, to keep the barge lines open, to keep the pipe lines open, and the roads, and also to keep the traffic over the Hump moving. I am delighted that these people who are at the end of the line in more ways than one are getting this recognition in the House today.

Mrs. DOUGLAS of California. Will the gentleman yield?

Mr. FULTON. I yield to the gentlewoman from California.

Mrs. DOUGLAS of California. First of all, I want to thank the gentleman from Pennsylvania for his mention of my husband, Major Douglas, and for the very nice things he said about him. I wish also to commend the gentleman for bringing to the attention of this House the India-Burma-China theater, a theater about which we know too little, I think.

I agree with the gentleman, that from all we have heard, the foundations have been well laid in this theater for the last half of the war and that will probably mean the speeding up of the war. From what I know of that theater they have been working under an unbelievable handicap there. First of all, there is the climate, a kind of heat that our people here are not prepared to meet. When you take a boy out of Brooklyn and another boy out of Pennsylvania and you drop them into the middle of India, you have a morale job to do. There is the fact that the people are strange, the boys do not know their language, and there is not an intimate contact that they may have immediately with them. Mail takes a long time to arrive at that field far away. All of these things make the morale job difficult. Added to that, there is no entertainment of any kind except a few movie shows and a very few theaters.

I thank the gentleman for bringing the attention of the House to this theater.

Mr. WEISS. Will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Pennsylvania.

Mr. WEISS. I knew General Covell as Colonel Covell. When he was head of the Army engineers in the Pittsburgh district, I sponsored flood-control legislation in the House of Representatives to prevent recurrence of those devastating floods in the Pittsburgh area.

Mr. FULTON. The gentleman was then Senator Weiss; is that correct?

Mr. WEISS. Yes. I had been working in close conjunction with Colonel Covell, and it was his engineering genius and pattern of the dams and locks throughout the entire northern Pennsylvania area that prevented the recurrence of floods in recent years. He deserves great credit, and I commend the gentleman for his tribute to Colonel Covell.

Mr. TIBBOTT. Mr. Speaker, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Pennsylvania.

Mr. TIBBOTT. I desire to join with the distinguished gentleman from Pennsylvania [Mr. FULTON], in his very fine commendation of Major General Covell. It has been my privilege to know General Covell for a number of years. During the time in which he was district engineer for western Pennsylvania, the United States Army engineers, under his efficient leadership, built the largest channelization project for flood control in the country at Johnstown, Pa. The completion of this channel has brought great happiness to the people of this vicinity. The city is now known as flood-free Johnstown. General Covell has many, many friends in Johnstown, and they join with me in expressing our gratitude to him.

Mr. CORBETT. Mr. Speaker, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. I want to compliment the gentleman from Pennsylvania for his very splendid tribute to General Covell and to tell him that I know the people of Pittsburgh join in this recognition of the very fine work he did to prevent destruction and suffering and loss of life in our area. It is certainly a fitting tribute to an able man.

EXTENSION OF REMARKS

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD following the remarks of my colleague the gentleman from California [Mr. GEARHART] on the Central Valley project.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. POWELL (at the request of Mr. MARCANTONIO), indefinitely, on account of illness.

To Mr. KEARNEY (at the request of Mr. MARTIN of Massachusetts), for 10 days, on account of official business.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3035. An act to reclassify the salaries of postmasters and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes; and

H. J. Res. 184. Joint resolution to continue the temporary increases in postal rates on first-class matter, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 937. An act to amend an act suspending until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws, so as to continue such suspension until June 30, 1946.

ADJOURNMENT

Mr. WEISS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 44 minutes p. m.) the House adjourned until tomorrow, Friday, June 29, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Friday, June 29, 1945, at 10 o'clock a. m., in the committee room 356, Old House Office Building.

COMMITTEE ON THE JUDICIARY

There will be a meeting of Subcommittee No. 4 of the Committee on the Judiciary beginning at 10 a. m., on Monday, July 2, 1945, to continue hearings on the bill, H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

590. Under clause 2 of rule XXIV a letter from the Administrator, Federal Security Agency, transmitting a draft of a proposed bill to provide for the free importation of certain substances by the board of trustees of the United States Pharmacopoeial Convention and the council of the American Pharmaceutical Association, was taken from the Speaker's table and referred to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PITTENGER: Committee on Claims. H. R. 1634. A bill for the relief of the city of Council Bluffs, Iowa; with amendment (Rept. No. 830). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLAND: Committee on the Merchant Marine and Fisheries. H. R. 3603. A bill to provide for the sale of surplus war-built vessels, and for other purposes; without amendment (Rept. 831). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON of Florida: Committee on the Public Lands. H. R. 1992. A bill to authorize the sale of certain public lands in Alaska to the Catholic bishop of Alaska, in trust for the Roman Catholic Church; with amendment (Rept. No. 832). Referred to the Committee of the Whole House on the State of the Union.

Mr. CHENOWETH: Committee on the Public Lands. S. 100. An act to authorize an exchange of certain lands with William W. Kiskadden in connection with the Rocky Mountain National Park, Colo.; without amendment (Rept. No. 833). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARRETT of Wyoming: Committee on the Public Lands. S. 911. An act authorizing the conveyance of certain lands to the city of Cheyenne, Wyo.; without amendment (Rept. No. 834). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 306. Resolution providing for the consideration of H. R. 3587, a bill to provide for the performance of the duties of the office of President in case of the removal, resignation, or inability, both of the President and Vice President; without amendment (Rept. No. 835). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CAMP:

H. R. 3611. A bill to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes; to the Committee on Ways and Means.

By Mr. RANDOLPH:

H. R. 3612. A bill to amend section 12 of the act entitled "An act to provide for the recording and releasing of liens by entries on certificates of title for motor vehicles and trailers, and for other purposes," approved July 2, 1940, to the Committee on the District of Columbia.

By Mr. BAILEY:

H. R. 3613. A bill to provide pension for cooperative observers of the Weather Bureau; to the Committee on Invalid Pensions.

By Mr. FARRINGTON:

H. R. 3614. A bill to ratify and confirm Act 33 of the Session Laws of Hawaii, 1945, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945; to the Committee on the Territories.

By Mr. LEA:

H. R. 3615. A bill to provide Federal aid for the development of public airports and to amend existing law relating to air navigation facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. KNUTSON:

H. R. 3616. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at Mill Street in Brainerd, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. SUMNERS of Texas:

H. J. Res. 225. Joint resolution to quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles; to the Committee on the Judiciary.

H. Res. 305. Resolution to provide for further expenses of investigation authorized by House Resolution 138, Seventy-ninth Congress; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred, as follows:

By Mr. ANDERSON of California:

H. R. 3617. A bill for the relief of San Jose Manufacturers, Inc.; to the Committee on Claims.

By Mr. CURTIS:

H. R. 3618. A bill for the relief of Mrs. Vannas H. Hicks; to the Committee on Claims.

By Mr. GROSS:

H. R. 3619. A bill for the relief of Harry D. Koons; to the Committee on Claims.

H. R. 3620. A bill for the relief of Leslie A. Fry; to the Committee on Claims.

By Mr. McGEHEE:

H. R. 3621. A bill for the relief of the J. M. Jones Lumber Co.; to the Committee on Claims.

By Mr. PHILLIPS:

H. R. 3622. A bill for the relief of Mrs. Hazel M. Skaggs; to the Committee on Claims.

H. R. 3623. A bill for the relief of William A. Pixley; to the Committee on Claims.

By Mr. ROGERS of New York:

H. R. 3624. A bill to authorize the cancellation of deportation proceedings in the case of Apostolos Vasili Percas; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1022. By Mr. COCHRAN: Petition of C. E. Hildebrand and 325 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1023. Also, petition of Spencer Salisbury and 297 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1024. By Mr. GEELAN: Petition submitted by Thomas J. Reardon of Hartford, Conn., urging the enactment of legislation concerning the extension and maintenance of credit for the purchase and carrying of securities; to the Committee on Banking and Currency.

1025. Also, petition of Thomas J. Reardon, of Hartford, Conn., urging the enactment of legislation to prohibit the United States from joining with other nations of the world for the purpose of political and economic cooperation unless and until the proposition is submitted to the citizens of the United States for a vote thereon and that affirmative action must be by a two-thirds vote by the voters of the United States; to the Committee on the Judiciary.

1026. Also, resolution submitted by Lawrence P. Spellacy, secretary of Meriden Aerie, No. 720, F. O. E., Meriden, Conn., June 26, 1945, memorializing Congress to designate the birthday of the late President Franklin Delano Roosevelt as a national holiday; to the Committee on the Judiciary.

1027. Also, resolution passed by the General Assembly of the State of Connecticut on June 6, 1945, submitted by Charles J. Prestia, secretary of state, memorializing Congress in favor of the passage of the Bretton Woods bill with the stabilization included; to the Committee on Foreign Affairs.

1028. By Mr. GOODWIN: Petition of Albert S. Conrad and sundry other residents of the Eighth Massachusetts Congressional District, favoring the Bryson bill, H. R. 2082; to the Committee on the Judiciary.

1029. By Mr. HOLMES of Washington: Resolution of eastern Washington public utility district, urging Congress to authorize construction of Foster Creek Dam and hydroelectric plant on the Columbia River; to the Committee on Flood Control.

1030. By Mr. THOMAS of New Jersey: Petition signed by approximately 67 owners of automobile repair shops in Sussex County, N. J., protesting RMPR 165, OPA regulations, and recommending that RMPR 165, amendment No. 49, be abolished for the reasons outlined in the petition; to the Committee on Banking and Currency.

1031. By the SPEAKER: Petition of the secretary, Hudson County Republican Committee, petitioning consideration of their resolution with reference to calling public attention to various laws enacted in the State of New Jersey; to the Committee on Ways and Means.

1032. Also, petition of Vergil D. McMillan, petitioning consideration of his resolution with reference to redress of grievance; to the Committee on the Judiciary.

SENATE

FRIDAY, JUNE 29, 1945

(Legislative day of Monday, June 25, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, from whom all holy desires, all good counsels and all just works do proceed, as the torch of a new day lights afresh the path of duty, we bow before Thee in humility and hope. We thank Thee for public servants who, in the darkened valleys of these tragic times, have failed not to lift unto the hills of help the eyes of this stricken generation, messengers of good will who from mountaintops of vision are now heralding a dawning day.

So guide by Thy wisdom the deliberations of this body, entrusted with vast power that awes and solemnizes our hearts, that here, in the fires of a great passion for healing peace, the sacrifices for freedom may be sanctified. Dedicate us anew to the yet unfinished task that we may win the peace for which brave men have died: And Thine shall be the kingdom and the power and the glory forever. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, June 28, 1945, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 511. An act to amend the Nationality Act of 1940;

H. R. 3238. An act readjusting the rates of postage on catalogs and similar printed advertising and other matter of fourth-class mail, and for other purposes;

H. R. 3579. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes; and

H. J. Res. 215. Joint resolution authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 65) to transfer to the Reconstruction Finance Corporation the functions, powers, duties, and records of certain corporations, and it was signed by the President pro tempore.

ADDRESS BY THE PRESIDENT AT THE FINAL SESSION OF THE SAN FRANCISCO CONFERENCE

Mr. BARKLEY. Mr. President, I intended yesterday to ask that the address delivered by the President at San Francisco on Tuesday be printed in the body of the CONGRESSIONAL RECORD. Other things intervened, and the request was not made. I now make that request.

The PRESIDENT pro tempore. Without objection, the address delivered by the President will be printed in the RECORD.

The address is as follows:

Mr. Chairman and delegates to the United Nations Conference on International Organization, oh, what a great day this can be in history.

I deeply regret that the press of circumstances when this Conference opened made it impossible for me to be here to greet you in person. I have asked for the privilege of coming today to express on behalf of the people of the United States our thanks for what you have done here and to wish you Godspeed on your journeys home.

Somewhere in this broad country, every one of you can find some of our citizens who are sons and daughters, or descendants in some degree, of your own native land. All our people are glad and proud that this historic meeting and its accomplishments have taken place in our country. And that includes the millions of loyal and patriotic Americans who stem from the countries not represented at this Conference.

We are grateful for your coming. We hope you have enjoyed your stay and that you will come again.

You assembled in San Francisco almost 9 weeks ago with the high hope and confidence of peace-loving people the world over.

Their confidence in you has been justified.

Their hopes for your success have been fulfilled.

CALLS CHARTER A VICTORY

The Charter of the United Nations which you are now signing is a solid structure upon which we can build for a better world. History will honor you for it. Between the victory in Europe and the final victory in Japan, in this most destructive of all wars, you have won a victory against war itself.

It was the hope of such a charter that helped sustain the courage of stricken peoples through the darkest days of the war. For it is a declaration of great faith by the nations of the earth—faith that war is not inevitable, faith that peace can be maintained.

If we had had this charter a few years ago—and, above all, the will to use it—millions now dead would be alive. If we should falter in the future in our will to use it, millions now living will surely die.

It has already been said by many that this is only a first step to a lasting peace. That is true. The important thing is that all our

thinking and all our actions be based on the realization that it is in fact only a first step. Let us all have it firmly in mind that we start today from a good beginning, and, with our eye always on the final objective, let us march forward.

The Constitution of my own country came from a convention which—like this one—was made up of delegates with many different views. Like this charter, our Constitution came from a free and sometimes bitter exchange of conflicting opinions. When it was adopted, no one regarded it as a perfect document. But it grew and developed and expanded. And upon it there was built a bigger, a better, and a more perfect Union.

This charter, like our own Constitution, will be expanded and improved as time goes on. No one claims that it is now a final or a perfect instrument. It has not been poured into a fixed mold. Changing world conditions will require readjustments—but they will be the readjustments of peace and not of war.

That we now have this charter at all is a great wonder. It is also a cause for profound thanksgiving to Almighty God, who has brought us so far in our search for peace through world organization.

DIFFERENCES IN VIEWS RECALLED

There were many who doubted that agreement could ever be reached by these 50 countries differing so much in race and religion, in language and culture. But these differences were all forgotten in one unshakable unity of determination—to find a way to end wars.

Out of all the arguments and disputes, and different points of view, a way was found to agree. Here in the spotlight of full publicity, in the tradition of liberty-loving people, opinions were expressed openly and freely. The faith and the hope of 50 peaceful nations were laid before this world forum. Differences were overcome. This charter was not the work of any single nation or group of nations, large or small. It was the result of a spirit of give-and-take, of tolerance for the views and interests of others.

It was proof that nations, like men, can state their differences, can face them, and then can find common ground on which to stand. That is the essence of democracy; that is the essence of keeping the peace in the future. By your agreement, the way was shown toward future agreements in the years to come.

This Conference owes its success largely to the fact that you have kept your minds firmly on the main objective. You had the single job of writing a constitution—a charter for peace. And you stayed on that job.

In spite of the many differences and distractions which came to you in the form of daily problems and disputes about such matters as new boundaries, control of Germany, peace settlements, reparations, war criminals, the form of Government of some of the European countries—in spite of all these, you continued in the task of framing this document.

These problems, and scores of others which will arise, are all difficult. They are complicated. They are controversial and dangerous.

SOLUTION OF PROBLEMS IS SEEN

But with a united spirit we met and solved even the more difficult problems during the war. And with the same spirit, if we keep to our principles and never forsake our objectives, the problems we now face, and those to come will also be solved.

We have tested the principle of cooperation in this war and have found that it works. Through the pooling of resources, through joint and combined military command, through constant staff meetings, we have shown what united strength can do in war. That united strength forced Germany to surrender. United strength will force Japan to surrender.

The United Nations have also had experience, even while the fighting was still going on, in reaching economic agreements for times of peace. What was done on the subject of relief at Atlantic City, food at Hot Springs, finance at Bretton Woods, aviation at Chicago, was a fair test of what can be done by nations determined to live cooperatively in a world where they cannot live peacefully any other way.

What you have accomplished in San Francisco shows how well these lessons of military and economic cooperation have been learned. You have created a great instrument for peace and security and human progress in the world.

The world must now use it.

If we fail to use it, we shall betray all those who have died in order that we might meet here in freedom and safety to create it.

If we seek to use it selfishly—for the advantage of any one nation or any small group of nations—we shall be equally guilty of that betrayal.

The successful use of this instrument will require the united will and firm determination of the free peoples who have created it. The job will tax the moral strength and fiber of us all.

SPECIAL PRIVILEGES ARE OPPOSED

We all have to recognize—no matter how great our strength—that we must deny ourselves the license to do always as we please. No one nation, no regional group, can, or should expect, any special privilege which harms any other nation. If any nation would keep security for itself, it must be ready and willing to share security with all. That is the price which each nation will have to pay for world peace. Unless we are all willing to pay that price, no organization for world peace can accomplish its purpose.

And what a reasonable price that is.

Out of this conflict have come powerful military nations, now fully trained and equipped for war. But they have no right to dominate the world. It is rather the duty of these powerful nations to assume the responsibility for leadership toward a world of peace. That is why we have here resolved that power and strength shall be used not to wage war, but keep the world at peace, and free from the fear of war.

By their own example the strong nations of the world should lead the way to international justice. That principle of justice is the foundation stone of this charter. That principle is the guiding spirit by which it must be carried out—not by words alone but by continued concrete acts of good will.

The time for action is here now. Let us, therefore, each in his own nation and according to its own way, seek immediate approval of this charter—and make it a living thing.

EXPECTS SPEEDY SENATE APPROVAL

I shall send this charter to the United States Senate at once. I am sure that the overwhelming sentiment of the people of my country and of their representatives in the Senate is in favor of immediate ratification.

A just and lasting peace cannot be attained by diplomatic agreement alone, or by military cooperation alone. Experience has shown how deeply the seeds of war are planted by economic rivalry and by social injustice. The charter recognizes this fact, for it has provided for economic and social cooperation as well. It has provided for this cooperation as a part of the very heart of the entire compact.

It has set up machinery of international cooperation which men and nations of good will can use to help correct the economic and social causes for conflict.

Artificial and uneconomic trade barriers should be removed—to the end that the standard of living of as many people as possible throughout the world may be raised. For freedom from want is one of the basic "four freedoms" toward which we all strive. The large and powerful nations of the world must assume leadership in this economic field as well as in all others.

Under this document we have good reason to expect the framing of an international bill of rights, acceptable to all the nations involved. That bill of rights will be as much a part of international life as our own bill of rights is a part of our Constitution. The charter is dedicated to the achievement and observance of human rights and fundamental freedoms. Unless we can obtain those objectives for all men and women everywhere—without regard to race, language or religion—we cannot have permanent peace and security in the world.

With this charter the world can begin to look forward to the time when all worthy human beings may be permitted to live decently as free people.

The world has learned again that nations, like individuals, must know the truth if they would be free—must read and hear the truth, learn and teach the truth.

SAYS IDEAS STILL LIVE

We must set up an effective agency for constant and thorough interchange of thought and ideas. For there lies the road to a better and more tolerant understanding among nations and among peoples.

All fascism did not die with Mussolini; Hitler is finished—but the seeds spread by his disordered mind have firm root in too many fanatical brains. It is easier to remove tyrants and destroy concentration camps than it is to kill the ideas which gave them birth and strength. Victory on the battlefield was essential, but it was not enough. For a good peace, a lasting peace, the decent peoples of the earth must remain determined to strike down the evil spirit which has hung over the world for the last decade.

The forces of reaction and tyranny all over the world will try to keep the United Nations from remaining united. Even while the military machine of the Axis was being destroyed in Europe—even down to its very end—they still tried to divide us.

They failed. But they will try again.

They are trying even now. To divide and conquer was—and still is—their plan. They still try to make one ally suspect the other, hate the other, desert the other.

But I know I speak for every one of you when I say that the United Nations will remain united. They will not be divided by propaganda, either before the Japanese surrender or after.

This occasion shows again the continuity of history.

By this charter you have given reality to the ideal of that great statesman of a generation ago—Woodrow Wilson.

By this charter you have moved toward the goal for which that gallant leader in this second world struggle worked and fought and gave his life—Franklin D. Roosevelt.

By this charter you have realized the objectives of many men of vision in your own countries who have devoted their lives to the cause of world organization for peace.

Upon all of us, in all our countries, is now laid the duty of transforming into action these words which you have written. Upon our decisive action rests the hope of those who ave fallen, those now living, and those yet unborn—the hope for a world of free countries—with decent standards of living—which will work and cooperate in a friendly, civilized community of nations.

This new structure of peace is rising upon strong foundations.

Let us not fail to grasp this supreme chance to establish a world-wide rule of reason—to create an enduring peace under the guidance of God.

PRINTING OF SENATOR CONNALLY'S SPEECH ON UNITED NATIONS' CHARTER (S. DOC. NO. 58)

Mr. BARKLEY. Mr. President, I send to the desk the following order and ask that it be agreed to.

The PRESIDENT pro tempore. The order will be read.

The Chief Clerk read as follows:

Ordered, That the remarks of Senator TOM CONNALLY, delivered in the Senate on June 28, 1945, on the charter of the United Nations, be printed as a Senate document and that 10,000 additional copies be printed for the use of the Senate document room.

The PRESIDENT pro tempore. Without objection, the order is entered.

CALL OF THE ROLL

Mr. VANDENBERG obtained the floor.

Mr. WHITE. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Murdock
Austin	Green	Murray
Bailey	Guffey	Myers
Ball	Gurney	O'Daniel
Bankhead	Hart	O'Mahoney
Barkley	Hatch	Overton
Bilbo	Hawkes	Pepper
Brewster	Hayden	Radcliffe
Bridges	Hill	Revercomb
Brooks	Hoey	Smith
Burton	Johnson, Calif.	Stewart
Bushfield	Johnson, Colo.	Taft
Butler	Johnston, S. C.	Thomas, Okla.
Byrd	Kilgore	Thomas, Utah
Capehart	La Follette	Tunnell
Capper	Langer	Tydings
Chavez	Lucas	Vandenberg
Connally	McClellan	Wagner
Cordon	McFarland	Walsh
Donnell	McKellar	Wheeler
Downey	McMahon	Wherry
Eastland	Mead	White
Ellender	Millikin	Wiley
Ferguson	Mitchell	Willis
Fulbright	Moore	
George	Morse	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Missouri [Mr. BRIGGS], the Senator from Kentucky [Mr. CHANDLER], the Senator from Washington [Mr. MAGNUSON], the Senator from Florida [Mr. PEPPER], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] are absent in Europe visiting battlefields.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Idaho [Mr. TAYLOR] are absent as members of the committee attending the funeral of the late Senator Scrugham.

Mr. WHERRY. The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate.

The Senator from Kansas [Mr. REED], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Delaware [Mr. BUCK] and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Wyoming [Mr. ROBERTSON] is absent on official business by direction of the President pro tempore of the Senate.

The Senator from North Dakota [Mr. YOUNG] is absent on official business of the Senate attending the funeral of the late Senator Scrugham.

The PRESIDENT pro tempore. Seventy-six Senators having answered to their names, a quorum is present.

REPORT ON UNITED NATIONS CHARTER

Mr. VANDENBERG. Mr. President, I take this immediate opportunity to make this preliminary report to the Senate upon my 2 months official absence as a member of the American delegation at the San Francisco Conference to create an international organization for peace and security. It has been a difficult and burdensome assignment. But it has had its compensations not only in its privilege of association with earnest peace-seeking pilgrims from every corner of the globe, but also in its promise of a better world. I shall not here undertake a discussion of the vast detail of considerations which must be explored in subsequent debate. I am content today to state my general conclusions and the reasons that impel them.

First, Mr. President, I wish to present my compliments to my fellow delegates and our advisers and our staff. We have labored together in good spirit and good will. We have had healthy differences of opinion; but we have ultimately acted in substantial unanimity from start to finish. We have had the generous confidence and helpful cooperation of the President of the United States. We have had the advice of former Secretary of State Cordell Hull, to whose vision and wisdom this institution will stand as an eternal monument. Particularly I wish to commend the Secretary of State, Edward R. Stettinius, Jr. He has been an able and inspiring leader. He has been equal to every emergency we faced. Not only as chairman of our delegation but also as Chairman of the Conference and its key committees, he has been as tireless as he has been efficient in driving to our goal. I am particularly happy to testify that he constantly sustained the best American tradition. He has richly earned the grateful good opinion of his country.

I want also to pay my particular tribute of affectionate appreciation to the distinguished Senator from Texas, the chairman of the Senate Foreign Relations Committee [Mr. CONNALLY]. Without the faintest hint of partisanship at any time, he made it constantly possible for each one of us, representing the minority, to play our full role in these deliberations. He carried some of the heaviest burdens of the Conference with patience, fidelity, and eminent success. He was a tower of strength to this great undertaking in every aspect of its labors. He, too, has put the Nation greatly in his debt.

Mr. President, I have signed the San Francisco Charter. I believe it represents a great, forward step toward the international understanding and cooperation and fellowship which are indispensable to peace, progress, and security. If the spirit of its authors can become the spirit of its evolution I believe it will bless the earth. I believe it serves the intelligent self-interest of our own United States which knows, by bitter experience in the Valley of the Shadow of two wars in a quarter century, that we cannot live entirely unto ourselves alone. I believe it is our only chance to keep faith with those who have borne the heat of battle. I have signed the charter with no illusions regarding its imperfections and with no pretensions that it guarantees its own benign aims; but with no doubts that it proposes an experiment which must be bravely undertaken in behalf of peace with justice in a better, happier, and safer world.

I shall support the ratification of this charter with all the resources at my command. I shall do this in the deep conviction that the alternative is physical and moral chaos in many weary places of the earth. I shall do it because there must be no default in our oft-pledged purpose to outlaw aggression so far as lies within our human power. I shall do it because this plan, regardless of infirmities, holds great promise that the United Nations may collaborate for peace as effectively as they have made common cause for war. I shall do it because peace must not be cheated out of its only collective chance.

I think, Mr. President, that I now know rather intimately what was in Benjamin Franklin's soul when, at the end of the American Constitutional Convention in 1787, he put his signature to that immortal document and said:

I consent, sir, to this Constitution because I expect no better and because I am not sure it is not the best. The opinions I have had of its errors I sacrifice to the public good. On the whole, sir, I cannot help expressing a wish that every member of the Convention who may still have objections to it would, with me, on this occasion doubt a little of his own infallibility and, to make manifest our unity, put his name to this instrument * * * and turn our future thoughts and endeavors to the means of having it well administered.

Franklin never had cause to regret his act of faith. I pretend no authentic parallel in the present instance. But in kindred faith I am prepared to proceed with this great adventure. I see no other way. In the event of its unexpected failure, I should prefer to have been associated with its hopeful trial than with a refusal to permit it to prove its expected success.

I revert briefly to Franklin. He also said:

I doubt whether any other convention we can obtain may be able to make a better Constitution; for, when you assemble a number of men, to have the advantage of their joint wisdom, you inevitably assemble with those men all their prejudices, their

passions, their errors of opinion, their local interests, and their selfish views. From such an assembly can a perfect production be expected? It therefore astonishes me, Sir, to find this system approaching so near to perfection as it does.

Mr. President, if that was true in a limited area among our relatively close-knit colonial States, how much more true is it when we contemplate the San Francisco Conference, where 50 nations, gathered from the opposite poles and from the seven seas, separated from each other by race, language, and tradition, representing 85 percent of the world's population, and dealing with a problem which spans the globe, sought a meeting of minds and found a common denominator to express their common purpose. Only those who have engaged in such a universal Congress—veritably the parliament of man—can wholly understand the complications and the difficulties. But they must be obvious to any thinking mind. It is no wonder we had many a troublesome day and many a critical night. It is no wonder that none of us can say that he wholly approves the net result. The wonder is that we can all approve so much.

Within the framework of the charter, through its refinement in the light of experience, the future can overtake our errors. But there will be no future for it unless we make this start. I doubt if there could ever be another or a better start. I commend this over-all consideration to all of my colleagues who have any interest in collective security as an instrument of collective peace. I commend it to all who are listening to the prayers for peace which rise from the hearthstones of our land.

You cannot plant an acorn, Mr. President, and expect an oak from it the morning following, but you will never have an oak unless you plant the acorn. In the San Francisco Charter we undertake to plant the roots of peace. No one can say with finality how they will flower, but this I know: Without roots there will be no flowers. I prefer the chance rather than no chance at all.

My own view regarding collective security is well known. I have repeatedly stated it upon this floor. While I want a powerful Army and an invincible Navy to make our national defense as impregnable as possible, pending the time when mutual arms limitations can be made dependably effective, I believe that no nation can hereafter immunize itself by its own exclusive action. I say again, as I said on January 10, that since Pearl Harbor, World War II has put the cruel science of mass murder into new and sinister perspective. I say again that the oceans have ceased to be moats which automatically protect our ramparts. I say again that flesh and blood now compete unequally with winged steel. War has become an all-consuming juggernaut. I say again that if World War III ever unhappily arrives, it will open new laboratories of death too horrible to contemplate. I say again that I propose to do everything within my power to keep those laboratories closed for keeps; and, Mr. President, they must be kept closed all around the earth because neither time nor space any longer promises to shield the victims of treacherous attack. We must have collective security to stop the next war, if possible, before it starts; and we must have collective action to crush it swiftly if it starts in spite of our organized precautions.

That vital aspiration, Mr. President, is the object of the San Francisco Charter. The charter is not content merely with this latter sanguinary assignment to meet force with force when there is nothing left to do but fight. It seeks, above all else, to cure the underlying causes of wars; to correct the frictions which lead to wars; to resolve disputes by peaceful means before they take on the suicidal magnitudes of war; in a familiar metaphor, to "lock the barn before the horse is stolen."

You may tell me that I speak of the millennium. I reply, in the words of Holy Writ: "Where there is no vision the people perish." We dare not fail to try. We dare not fail to strive in this direction no matter how far we fall short of the goal.

Here, Mr. President, are 50 sovereign nations each one of which is under the most solemn pledge that can be made under God among the peoples of the earth—under pledge to do what? Listen:

> To maintain international peace and security; and to that end to take collective measures for the prevention and removal of threats to the peace and the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which may lead to a breach of the peace.

Under pledge to do what else?

> To develop friendly relations among nations based on respect for the principles of equal rights and self-determination of peoples and to take other appropriate measures to strengthen universal peace.

Under pledge to do what else?

> To achieve international cooperation in the solution of international problems of an economic, social, cultural or humanitarian character and promotion and encouragement of respect for human rights and fundamental freedoms for all without distinction as to race, language, religion, or sex.

You may tell me that I have but to scan the present world with realistic eyes in order to see these fine phrases often contemptuously reduced to a contemporary shambles. You may tell me that some of the signatories to this charter practice the precise opposite of what they preach even as they sign. You may tell me that the aftermath of this war seems to threaten the utter disintegration of these ideals at the very moment they are born. I reply that the nearer right you may be in any such gloomy indictment, the greater is the need for the new pattern which promises at least to try to stem these evil tides. The nearer right you are, the greater becomes the importance of this new self-denying ordinance which promises a chastened view in 50 capitals of this earth. The nearer right you are, the greater is the urgency for invoking the emancipations which the San Francisco Charter contemplates. If the effort fails, we can at least face the consequence with clean hands.

Now, Mr. President, I briefly sketch the charter's working structure. It will function through four major instruments: First, a general assembly in which each signatory nation has one vote—tomorrow's "town meeting of the world"; second, a security council—the executive agency for action—in which Britain, Russia, America, France, and China have permanent seats, together with six other nations chosen periodically by the assembly; third, an international court of justice where all nations will have the option of seeking juridical decisions; fourth, a social and economic council, consisting of 18 nations chosen periodically by the assembly, which will explore those social and economic dislocations, in the family of nations, that too often breed the wars which might otherwise be avoided through voluntary readjustments.

The security council will have at its ultimate potential disposal, when all other recourses have failed to maintain peace and security, an armed force to which the signatory states will be prepared to contribute upon call and in such proportions as shall be determined by collateral agreements made between the Security Council and these states. These agreements will not be negotiated until the new organization is in being. Their detail is not involved in the discussion of this primary treaty. But this treaty guarantees that these agreements shall be "subject to ratification by the signatory states in accordance with their constitutional processes." Hence the Senate need have no fear that this separate obligation will not subsequently be available to its full scrutiny and consent.

There are those, Mr. President, who look upon this final availability of force to keep the peace as the real value of this enterprise. They argue that the aggressor of tomorrow, like the brutal aggressors of yesterday and today, will understand no language except guns and ships and planes. They may be right. Certainly I do not disagree that the United Nations must possess the potential power to fight to keep the peace which they have won by kindred means. I agree that we must "keep our powder dry" and be prepared to "pass the ammunition." But I would not agree that force is the real genius of this new institution. On the contrary, it is my conviction that the great hope which is here held out to humankind stems largely from the solemn formula which the San Francisco Charter creates for the pacific settlement of disputes before they ever reach a fighting stage. It is my profound belief that the pacific contacts and consultations which will constantly be maintained by the powers—and particularly by the great powers—plus the pacific routines which every dispute must hereafter exhaust before it is subject to any sort of sanctions, can and will resolve most, if not all, of the controversies which otherwise might lead once more to war. Mind you, Mr. President, these routines must be consulted, under the solemn pledge of these nations; and I venture the assertion and the hope and the prophecy that they

will be consulted, in view of the nature, character, and extent of this new obligation, which stands in a degree of sacred trust which has never heretofore been approached by an international obligation in the history of humankind. What are these pacific routines to which resort must be made by the large as well as by the small powers before there can be any consideration, thought, or suggestion of resort to force? First, solution by negotiation; second, solution by inquiry; third, solution by mediation; fourth, solution by conciliation; fifth, solution by arbitration; sixth, solution by judicial settlement; seventh, solution by resort to regional arrangements; eighth, other peaceful means chosen by the disputants themselves; ninth, appropriate procedures or methods of adjustment recommended by the Security Council.

This procedure, among other things, will be a "cooling off" process. It will temper and discourage impetuous wrath which too often flames out of sudden national hysteria. It allows time for rules of reason to reendow our sanities. It promises justice as a substitute for force. And all the time it invokes the moral pressures of the organized conscience of the world, functioning through this organization, upon any nation, big or little, which ignores this pacific routine and draws its ruthless sword. You have heard much about a big-power veto to which I shall presently refer. There is no veto—no self-administered immunity bath—which can void this primary obligation which every member of the United Nations takes when it signs the San Francisco Charter. There will be no doubt about the record. The self-confessed criminal of tomorrow will stand condemned. I admit that the Security Council itself cannot go as far against one of the five big powers as it can against the middle and lesser powers. I shall discuss that in a moment. But I assert that there is no escape for any power, however great, from the clear responsibility which it will unavoidably assume before an outraged world if it takes to the warpath before it has exhausted these paths of peace. In my view, the spiritual forces of this earth—when once thus universally aroused and organized and given a mighty oracle for militant expression—will prevail against all enemies. In my view, this is the San Francisco Charter's rendezvous with destiny.

I should like further to illuminate this point, Mr. President. The other day, in a radio quiz, I was asked the following question:

> Will you trace the steps of procedure in the event of a problem? Taking the most unlikely case I can think of, supposing we and Canada were to become involved in a boundary dispute?

This certainly would be "the most unlikely case," because the unfortified 3,000 miles of Canadian-American boundary has been an area of total peace for more than a century. I wish that were all we and the world have to worry about. Nevertheless, let me answer the question. Canada and America have their own treaties, plus a permanent Boundary Commission, to settle such disputes. This would continue to be the first recourse. If it failed, Canada and America would be further obligated under the United Nations Charter to seek a settlement by (1) negotiation, (2) inquiry, (3) mediation, (4) conciliation, (5) judicial settlement, (6) other means either on their own initiative or on the suggestion of the Security Council. It is inconceivable that this routine would not succeed. But if it failed, the Security Council would call on the other United Nations to use sanctions against the designated offender—such sanctions as complete or partial interruption of economic relations and of rail, sea, air, postal, telegraph, radio, and other means of communication, and the severance of diplomatic relations. If, finally, even this procedure should fail, the Security Council could call upon the United Nations for armed force against the aggressor. It is, of course, unthinkable that any possible dispute between Canada and the United States could reach such an extreme. Further, considerations of the famous "veto" also enter this particular equation. But it nonetheless illustrates the general routine. You can apply the same routine to any other dispute. In my opinion, it is a routine which will stop almost every dispute short of the necessity for the consideration either of sanctions or of force. Here, I repeat, in my opinion, is the great practical value of the formula which we propose.

As a result of the San Francisco Conference, Dumbarton Oaks has been given a new soul. As originally drawn, it avoided any reference to justic—without which there can be no stable peace. San Francisco's Charter fills that void. The charter names justice as the prime criterion of peace. It repeatedly dedicates itself to human rights and fundamental freedoms. It declines to accept a static world in which yesterday's inequities are frozen in a strait-jacket. It tells the general assembly that it is empowered—and I beg of you, Senators, to listen to these words. Here is the heart and core of humanity's hope for tomorrow. The general assembly is empowered—to recommend measures for the peaceful adjustment of any situations, regardless of origin, which it deems likely to impair the general welfare or friendly relations among nations, and of situations resulting from a violation of the purposes and principles set forth in this charter.

Mr. President, this can be a new emancipation proclamation for the world. You may tell me that it is calculated to "keep the word of promise to the ear and break it to the hope." I reply that I know no better hope. I reply that it certainly will be broken if you insist upon denying it a chance, or if you cripple it at birth.

I have had great sympathy, Mr. President, with those among my colleagues who have earnestly argued that we should know the pattern of the final peace before we undertake to create the mechanism that shall sustain it. As the Dumbarton Oaks proposal was originally drawn, this viewpoint was particularly persuasive because the proposal failed to envision any subsequent possibility of peaceful change to overtake error or injustice, in the vast and ramifying decisions and settlements affecting our allies and our friends, which may creep into the liquidation of this war. But I submit that the San Francisco Charter completely alters this conception. I speak with great feeling on this phase of the subject because it is one to which, if I may be allowed to say so, I devoted my persistent efforts. Frankly, I am one of those who look with anxiety upon many of these settlements and decisions, past, present, and prospective. But my anxiety, Mr. President, will be less acute, if I know that the United Nations, meeting periodically in a free and untrammeled general assembly can "recommend measures for the peaceful adjustment of any situations, regardless of origin, which it deems likely to impair the general welfare."

That is indeed a glorious assignment for tomorrow's "Town meeting of the world."

In this and other aspects, I repeat, the San Francisco Charter proposes to avoid a static world. In this and other aspects, the Dumbarton Oaks plan has been greatly liberalized by the progressive labors of this Conference. I submit that justice is thus guaranteed its hearing under the healthiest possible auspices available to this distraught and tangled world. I submit that justice is infinitely better off with such a forum than it would be if such a forum were refused. I suggest that the more one fears the nature of the final peace, speaking not of our enemies but of our friends, the warmer should be one's welcome to an institution which can promise some element of orderly correction. Under such circumstances, the quicker this institution begins to function the quicker justice may hope to find its voice and mobilize its friends.

I am definitely not saying, Mr. President, that a good league can compensate for a bad peace. I am not diluting for a single instant the dreadful responsibility which will rest upon those who chart the final peace. But I am saying that, whatever the final peace may be, the protections for human rights and fundamental freedoms inherent in the San Francisco Charter will inevitably make a better, a wiser, and a safer job of it in its ultimate impacts upon humankind. We could wish for more assurance than this charter gives, but we would desert our own ideals if we should permit our desire for the unattainable to blind us to the wisdom of embracing the boon which is at hand.

It is said, by way of assault upon this scheme of things, that the San Francisco Charter virtually delivers the world to the domination of a five-power alliance—America, Russia, Britain, France, and China—since these nations permanently exercise major authority in the Security Council which we here create. It is said that this arrangement, in stark reality, becomes a three-power military alliance between Russia, Britain, and the United States, since they will become its chief instruments of peace enforcement when the need for force arises. So far as peace enforcement is concerned, I agree that there is substance to this contention. But I hasten to assert that so far as force is

concerned, the world is at the mercy of Russia, Britain, and the United States, regardless of whether we form this league or not. Those happen to be the facts of life. But I submit that the world is even more at their mercy without the San Francisco Charter than with it. Without the charter there is no curb upon these great military powers except the rivalry between them—and military rivalry has never yet been the harbinger of peace. With the charter there is at least the restraint of a peaceful contract, for whatever that may be worth, and the grim assurance, Mr. President, that the aggressor of tomorrow who breaks this contract will stand in naked infamy before the embattled conscience of an outraged world.

I wish we might have a different plan in which there could be more decentralization of enforcement power. But that is simply equivalent to saying that I wish we might have a different kind of world. The truth of the matter is that we confront a condition, not a theory. The San Francisco Charter deals with this condition. If it did not deal with the condition it would not be worth the paper it is written on. The "condition" is that Britain, Russia, and America control the dominating force-factors of the earth, and are calculated to thus continue for the foreseeable years ahead. To ignore this realism in our peace plans would be to wander in a wishful dream. To accept this realism and then to seek to harness it—to thus make a virtue of necessity—is to embrace the only concrete hope which logic can defend. Never forget, furthermore, my thesis that the use of force is wholly secondary to the use of the pacific tools which this charter primarily provides. That is the vital point at which all the United Nations stand at par. Force is only the last resort. If needed, it obviously must be found where it exists.

You may say this will not work. I answer that I do not know; but I think it will, at least so long as this charter holds the major powers in harmony. I answer that I propose to try the only chance.

You may say that 2,000 years of history deny this military theme. I answer, Mr. President, that there was no precedent for World War II. There is no precedent for the peace-challenge we confront. We must make our own precedents in seeking to stop World War III.

The so-called Yalta voting formula is part and parcel of this same contemplation. I can understand the critic who, in ethical and moral grounds, condemns a voting system which permits each of these five Great Powers to enjoy the special privilege of a "veto" in the Security Council to protect itself against condemnation and collective restraint if it threatens aggression. I can sympathize with the critic who protests this discrimination. But I cannot understand the critic who permits his disappointment upon this one score to sweep him into total opposition to this entire enterprise and into total abandonment of all its precious values. I cannot understand it because, upon examination, we must admit; first, that this veto formula substantially reflects the world's realities; second, that the so-called special privilege of the Great Powers is matched by its equivalent in special responsibilities; third, that there is no alternative basis upon which to launch this great adventure; and, last but far from least, Mr. President, because this veto, which we share with others and which we could not enjoy alone is a protection against American involvements which many millions of our citizens would require as the indispensable price of our adherence to this treaty.

I say this system reflects the world's realities because if these Great Powers ever face a war with each other, the world's dream of peace is shattered, regardless of any league the wit of man might devise. It will not be shattered because of the veto. It will be shattered because of the facts. It would be idle to cherish any illusions upon this score. Peace depends, in the final analysis, upon the attitudes of these Great Powers and upon their mutual relationships. But I assert, beyond any shadow of a doubt that this United Nations organization can minimize the frictions and stabilize the international friendships and channel the orderly contacts which can go infinitely far in saving all of us from any such disaster. If, in spite of everything, the disaster comes upon us, the veto will simply have been the next war's first casualty. At least, the rest of us will have the incalculable advantage of our own collective unity in moving swiftly to our own and the world's collective defense.

I said, secondly, that there is no alternative opportunity to launch this great adventure. There is no other plan available. There was no other basis available to the American delegation at San Francisco. The late President Roosevelt pledged his country to this formula at Yalta. We Americans have a habit of keeping our country's word—a habit, by the way, which needs to become contagious if any sort of world order shall survive. The late President exempted from the formula the right of a great power to veto an inquiry by the Security Council into its own dereliction; and we, at San Francisco, successfully resisted an extreme interpretation which would have permitted the use of the veto against full hearing and discussion of any other threats to peace and security. Otherwise, the Yalta formula was clear. To have denied it at San Francisco would have been to kill the Conference before it ever got under way. I doubt whether there ever would have been another Conference. The hope for organized peace would have died—what irony—at the Golden Gate. The vast advantage which the San Francisco Charter—regardless of its infirmities—holds for the hopes of humankind would have perished in the wreckage of a broken pledge. I would not have been able to square that tragedy with our promises to our fighting sons and to their mothers. And that, Mr. President, is the choice which, in my humble opinion, Congress and the country now confronts.

I have also said, Mr. President, that there is a strong substantive argument to be made for this Yalta formula. In any effective organization for peace and security in the world as it is and as it is going to be for some time to come—whether we like it or not—the Great Powers must assume special and particular responsibilities. There is no other way. To meet these special and particular responsibilities the Great Powers obviously must have special and particular authority. Without the latter, the former are impossible. This special and particular authority may be looked upon as special and particular privilege. But, in the last analysis, it is the privilege of serving the world. If it ever becomes a selfish privilege, an exploited privilege, this organization will die of cancer. For myself, I decline to write any such obituary in anticipation of a funeral which never need occur. But I do not for an instant blind myself to the overriding fact that these responsibilities, these authorities, these privileges which the Great Powers thus accept are the most sacred public trust ever created in the affairs of men. It is indispensable that this obligation be accepted in this spirit by all concerned.

If you tell me that I have no warrant in today's status of the world, for optimism upon this score, I answer that unless you develop this, or a better peace prospectus, the drums of another war may thunder in your ears as a consequence of our cynical failure at least to try to silence them.

I have also said that this veto problem invites many deeply devoted Americans to inspect our own American position before they attack this formula. Let it never for an instant be forgotten that this veto granted to the five great powers includes a veto for our own United States. It is our protection against our involvement in any use of our forces against our will. It is our defense against what I venture to believe would be bitterly condemned in many quarters as our "involuntary servitude" if our veto power did not exist. It is the complete answer to any rational fears that we may be subordinating our destiny to alien commands. It is the warrant that, though we cooperate wholeheartedly with the United Nations for peace and security, we remain the captains of our own souls. It guarantees our perpetuated independence of international dictation. If the veto is viewed by some of our citizens as a cloud upon the idealism of the San Francisco Charter, let us recognize the vivid fact that for others of our citizens the cloud has a silver lining. Indeed, for millions of our people it will be all "silver lining" and no cloud at all.

In my view, Mr. President, we sacrifice none of our essential American sovereignty and none of our essential American rights when, exercising intelligent self-interest, we join ourselves in this international enterprise to seek a peace and a security which are as essential to our welfare as the air we breathe. For example, the San Francisco Charter has found a practical way to integrate regional arrangements with the over-all authority of the United Nations League, and thus to put the international organization in gear with the great inter-American system—once symbolized by

the Monroe Doctrine and recently endowed with new vitality at Chapultepec. For 50 years this inter-American Union has been the most successful instrument for peace and security the world has ever seen. We do not surrender its mutual advantages. We build them into the new foundations of the larger system. We integrate them with the larger plan.

Another example—we preserve the right of individual and collective self-defense, inherent in every sovereign state, in the event of summary attack. Another example—we exempt all essentially domestic matters from the jurisdiction of the new international authority. Another example—commended to those who want American freedom of postwar action in respect to far Pacific island bases—we have written a trusteeship chapter in the San Francisco Charter which sets up a splendid optional program that shall lift mandates to new levels of respect for human rights and fundamental freedoms; but—and I quote from the Charter—"It would be a matter for subsequent agreement as to which territories would be brought under a trusteeship system and upon what terms." Here again that which falls short of the compulsory idealism which some of our citizens desire, is an assurance to others of our citizens that America reserves complete freedom of action to herself in this regard.

In a word, we have not created a superstate. We have not organized a "world government." We have not hauled down the stars and stripes from the dome of the Capitol. We have simply agreed to cooperate effectively with 49 other sovereign states in the mutual pursuit of peace and security. Our own American self-interest in that objective, as demonstrated by two world wars in a quarter century, is as keen and as intimate and as universal as that of any other nation on this globe. Indeed, I know of no land on earth which has a greater stake in this world peace than our own United States of America.

Mr. President, in this brief report I have touched only the rim of this tremendous subject. I have presented only a sketchy outline. It fails any sort of adequate attention to many of the useful functions which the United Nations League will serve. I particularly have in mind the enormous potentialities of the proposed Social and Economic Council which will persistently facilitate "the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations, based on respect for the principle of equal rights and self-determination of peoples." This is one of the most significant and most promising improvements on the old Geneva Covenant. I also particularly have in mind the new emphasis which is put upon international law as an institution for human service, substituting orderly justice for the jungle-creed that might makes right. I also have in mind the certainty that, with this organized vigilance, which we here mobilize, no Axis Powers nor any counterpart thereof shall ever rise again.

These and many other considerations will be the appropriate subjects of full investigation by the Senate Foreign Relations Committee and of full debate on the Senate floor. I am proud to say that I believe the San Francisco Charter can withstand such scrutiny. I have no disposition to urge precipitous haste in this consideration. I want Congress and the country to know all there is to know about this mighty enterprise. On the other hand, I should deeply regret any needless or undue delay in proceeding with reasonable expedition to register the Senate's will. None of us can be unaware of the importance which will attach to our decision, nor of the impact which our attitudes will have upon the life of the world in this moment of its greatest flux. History is writing with a rushing pen and we, Mr. President, must accommodate its pace. If America is to assume the moral leadership of a better world in which we have fought our way to glorious eminence, we can scarcely be content to be among the last who care or dare to speak when this United Nations' roll is called.

Mr. President, I was still at my Conference tasks in San Francisco when Washington had the great privilege of pouring out its tumultuous welcome to General Eisenhower a few days ago. It was a source of deep regret to me that I could not be here with you to join the grateful throng which greeted him up and down our avenues and yonder in the Chamber of the House. When I read the text of his modest, moving speech and came upon his devoted tribute to the precious memory of those brave, young martyrs who have given up the last full measure of devotion, and when I found he had said that "the blackness of the grief of those who mourn can be relieved only by the faith that all this shall not happen again," it seemed to me that the San Francisco Charter has a responsive mission which this great commander must have had in mind as he went on to say:

> The soldier knows that in war the threat of separate annihilation tends to hold allies together; he hopes we can find peace a nobler incentive to produce the same unity. He passionately believes that, with the same determination, the same optimistic resolution and the same mutual consideration among the Allies that marshalled in Europe forces capable of crushing what had been the greatest war machine of history, the problems of peace can and must be met. He sees the United Nations strong but considerate; humane and understanding leaders in the world to preserve the peace that he is winning.

That, Mr. President, is the aspiration and the dedication of the San Francisco Charter. None of its authors will certify to its perfection. But all of its authors will certify to its preponderant advantages. It is the only plan available for international cooperation in the pursuit of peace and justice. It is laden with promise and with hope. It deserves a faithful trial. America has everything to gain and nothing to lose by giving it support; everything to lose and nothing to gain by declining this continued fraternity with the United Nations in behalf of the dearest dream of humankind. I recommend the San Francisco Charter to Congress and the country. [Prolonged applause, Senators rising.]

ORDER FOR PRINTING OF ADDRESS BY SENATOR VANDENBERG ON UNITED NATIONS CHARTER (S. DOC. 59)

Mr. WHITE. Mr. President, I send to the desk an order and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will read.

The Chief Clerk read as follows:

Ordered, That the remarks of Senator ARTHUR H. VANDENBERG, delivered in the Senate on June 29, 1945, on the Charter of the United Nations, be printed as a Senate document and that 10,000 additional copies be printed for the use of the Senate document room.

The PRESIDENT pro tempore. Without objection, the order is entered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

WESTERN STEEL PLANTS AND THE TIN PLATE INDUSTRY

A letter from the Attorney General, transmitting, pursuant to law, his fourth report dealing with western steel plants and the tin-plate industry (with an accompanying report); to the Committee on Military Affairs.

REPORT OF DIRECTOR OF WAR MOBILIZATION AND RECONVERSION—THE ROAD TO TOKYO AND BEYOND

A letter from the Director of the Office of War Mobilization and Reconversion, transmitting, pursuant to law, his quarterly report entitled "The Road to Tokyo and Beyond" (with an accompanying report); to the Committee on Finance.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the President pro tempore and referred as indicated:

Resolutions adopted by the Hudson County (N. J.) Republican Committee, commending Hon. Walter E. Edge, Governor of New Jersey, and former United States Senator, for his efforts in sponsoring legislation beneficial to veterans, liberalizing the workmen's compensation laws, reorganization of the various State departments and agencies, and postwar planning in the State of New Jersey; to the Committee on Finance.

The petition of Earl McCracken, of New York City, N. Y., praying that he be discharged from the Army; to the Committee on Military Affairs.

A letter in the nature of a petition from the chairman and several members of certain committees of the Filipino Territorial Council Delegation, and the Washington representative of the Filipino Inter-Community Organization of the Western States, Washington, D. C., praying for the enactment of legislation for the security of certain Filipino seamen during the postwar period; to the Committee on Commerce.

A resolution adopted by the interim committee of the American Jewish Conference, New York City, N. Y., favoring prompt ratification of the San Francisco Charter for Peace; to the Committee on Foreign Relations.

The petition of F. M. Eugene Blass, of Long Valley, N. J., and sundry other citizens of the United States, relating to the patent case of F. M. Eugene Blass (with accompanying papers); to the Committee on Patents.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

S. 1117. A bill to authorize the Secretary of the Navy to convey Casa Dorinda Estate in Santa Barbara County, Calif., to Robert Woods Bliss and Mildred B. Bliss; with amendments (Rept. No. 448).

By Mr. BILBO, from the Committee on the District of Columbia:

H. R. 2995. A bill to amend an act entitled "An act to create a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes," approved June 19, 1878, as amended; without amendment (Rept. No. 449).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on June 28, 1945, he presented to the President of the United States the enrolled bill (S. 937) to amend the act suspending until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws, so as to continue such suspension until June 30, 1946.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BYRD:

S. 1209. A bill to amend sections 44 and 38 of the Longshoremen's and Harbor Workers' Compensation Act; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 1210. A bill for the relief of Charles H. Craig; and

S. 1211. A bill to permit settlement of accounts of deceased officers and enlisted men of the Army without administration of estates; to the Committee on Military Affairs.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills and joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 511. An act to amend the Nationality Act of 1940; to the Committee on Immigration.

H. R. 3238. An act readjusting the rates of postage on catalogs and similar printed advertising and other matter of fourth-class mail, and for other purposes; to the Committee on Post Offices and Post Roads.

H. R. 3579. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes; to the Committee on Appropriations.

H. J. Res. 215. Joint resolution authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1; ordered to be placed on the calendar.

ADDRESS BY SENATOR WAGNER AT TESTIMONIAL DINNER TO HON. FRANCES PERKINS

[Mr. WAGNER asked and obtained leave to have printed in the RECORD the address delivered by him at a testimonial dinner in tribute to Hon. Frances Perkins, at Washington, D. C., on June 27, 1945, which appears in the Appendix.]

POEMS BY NICK KENNY ON THE LATE PRESIDENT ROOSEVELT AND PRESIDENT TRUMAN

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD two poems by Nick Kenny, one on the late President Franklin D. Roosevelt and the other on President Truman, which appear in the Appendix.]

POLAND'S SUN FADES AGAIN—ARTICLE BY WILLIAM PHILIP SIMMS

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "Poland's Sun Fades Again," written by William Philip Simms and published in the Washington Daily News of June 28, 1945, which appears in the Appendix.]

INTERIOR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. EASTLAND obtained the floor.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. EASTLAND. With the understanding I shall not lose the floor.

Mr. HAYDEN. I merely wish to ask for the consideration of the Interior Department appropriation conference report. I send the report to the desk and ask for its immediate consideration.

There being no objection, the Chief Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 4, 26, 33, 35, 36, 37, 41, 51, 58½, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 104, 105, 106, 108, 131, 136, 138, 148, 149, 150, 152, 167, 168, 170, 173, 186, 188, 193, 194, 195, 197, 200, 201, 202, 212, 213, 223, 224, 225, 226, 227, 246, 249, 252, 262, 266, 269, 282, 285, 302, 307, 309, 310, 312, 314, 318, and 319.

That the House recedes from its disagreement to the amendments of the Senate numbered 7, 12, 13, 23, 30, 32, 40, 43, 44, 45, 46, 49, 53, 55, 62, 63, 112, 117, 122, 124, 127, 128, 137, 161, 166, 179, 184, 199, 208, 209, 210, 218, 254, 271, 281, 284, 292½ 299, 301, 308, 315, 316, and 317, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,079,740"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$118,980"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$86,626"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,200,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$12,500"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$208,860"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$212,500"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,600,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by the said amendment insert the following: "twelve"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$105,950"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Appropriations herein made for the Grazing Service for 'Salaries and expenses,' 'Range improvements,' and 'Fire fighting' shall be available for the hire, maintenance, and operation of aircraft."

And the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$450,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreements to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "fifteen"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$354,695"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$310,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$150,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "one hundred"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$600,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$250,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$125,000"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$125,000"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$125,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$341,500"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$87,500"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$115,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$566,750"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$310,000"; and the Senate agree to the same.

Amendment numbered 102: That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,414,910"; and the Senate agree to the same.

Amendment numbered 109: That the House recede from its disagreement to the amendment of the Senate numbered 109, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$375,000"; and the Senate agree to the same.

Amendment numbered 110: That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$37,500"; and the Senate agree to the same.

Amendment numbered 111: That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$15,000"; and the Senate agree to the same.

Amendment numbered 113: That the House recede from its disagreement to the amendment of the Senate numbered 113, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$80,000"; and the Senate agree to the same.

Amendment numbered 116: That the House recede from its disagreement to the amendment of the Senate numbered 116, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$170,000"; and the Senate agree to the same.

Amendment numbered 118: That the House recede from its disagreement to the amendment of the Senate numbered 118, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$99,985"; and the Senate agree to the same.

Amendment numbered 119: That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$30,000"; and the Senate agree to the same.

Amendment numbered 120: That the House recede from its disagreement to the amendment of the Senate numbered 120, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$8,000"; and the Senate agree to the same.

Amendment numbered 126: That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$25,000"; and the Senate agree to the same.

Amendment numbered 130: That the House recede from its disagreement to the amendment of the Senate numbered 130, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"The following appropriations herein made for the Indian Service shall be available for hire, maintenance, and operation of aircraft: 'Administration of Indian forests'; 'Suppressing forest fires on Indian reservations'; 'Education of natives of Alaska'; 'Medical relief of natives of Alaska'; and 'Reindeer service, Alaska'."

And the Senate agree to the same.

Amendment numbered 132: That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "two hundred and eighty"; and the Senate agree to the same.

Amendment numbered 133: That the House recede from its disagreement to the amendment of the Senate numbered 133, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "hire, maintenance, and operation of aircraft with funds provided for 'General investigations' and the 'Missouri River Basin', and all sums appropriated in this Act to such Bureau shall be available for such hire, maintenance, and operation to meet unforeseen emergencies due to fire, flood or storm"; and the Senate agree to the same.

Amendment numbered 139: That the House recede from its disagreement to the amendment of the Senate numbered 139, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$121,000"; and the Senate agree to the same.

Amendment numbered 141: That the House recede from its disagreement to the amendment of the Senate numbered 141, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$140,000"; and the Senate agree to the same.

Amendment numbered 142: That the House recede from its disagreement to the amendment of the Senate numbered 142, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$67,750"; and the Senate agree to the same.

Amendment numbered 143: That the House recede from its disagreement to the amendment of the Senate numbered 143, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "Ten"; and the Senate agree to the same.

Amendment numbered 144: That the House recede from its disagreement to the amendment of the Senate numbered 144, and agree to the same with an amendment as follows: In lieu of the figure stricken out and the figure inserted by said amendment insert the following figure: "10"; and the Senate agree to the same.

Amendment numbered 146: That the House recede from its disagreement to the amendment of the Senate numbered 146, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,000,000"; and the Senate agree to the same.

Amendment numbered 147: That the House recede from its disagreement to the amendment of the Senate numbered 147, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$550,000"; and the Senate agree to the same.

Amendment numbered 151: That the House recede from its disagreement to the amendment of the Senate numbered 151, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$200,000"; and the Senate agree to the same.

Amendment numbered 153: That the House recede from its disagreement to the amendment of the Senate numbered 153, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 157: That the House recede from its disagreement to the amendment of the Senate numbered 157, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,050,000"; and the Senate agree to the same.

Amendment numbered 162: That the House recede from its disagreement to the amendment of the Senate numbered 162, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$349,750"; and the Senate agree to the same.

Amendment numbered 163: That the House recede from its disagreement to the amendment of the Senate numbered 163, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$500,000"; and the Senate agree to the same.

Amendment numbered 169: That the House recede from its disagreement to the amendment of the Senate numbered 169, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$450,000"; and the Senate agree to the same.

Amendment numbered 171: That the House recede from its disagreement to the amendment of the Senate numbered 171, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 172: That the House recede from its disagreement to the amendment of the Senate numbered 172, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,000,000"; and the Senate agree to the same.

Amendment numbered 174: That the House recede from its disagreement to the amendment of the Senate numbered 174, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$325,000"; and the Senate agree to the same.

Amendment numbered 175: That the House recede from its disagreement to the amendment of the Senate numbered 175, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$17,275,000"; and the Senate agree to the same.

Amendment numbered 178: That the House recede from its disagreement to the amendment of the Senate numbered 178, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,200,000"; and the Senate agree to the same.

Amendment numbered 180: That the House recede from its disagreement to the amendment of the Senate numbered 180, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$112,500"; and the Senate agree to the same.

Amendment numbered 182: That the House recede from its disagreement to the amendment of the Senate numbered 182, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$95,000"; and the Senate agree to the same.

Amendment numbered 183: That the House recede from its disagreement to the amendment of the Senate numbered 183, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "thirty"; and the Senate agree to the same.

Amendment numbered 185: That the House recede from its disagreement to the amendment of the Senate numbered 185, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "and purchase (not to exceed $10,000) of office furniture and equipment for use in the District of Columbia in addition to that which may be purchased from the appropriation for contingent expenses of the Department";" and the Senate agree to the same.

Amendment numbered 187: That the House recede from its disagreement to the amendment of the Senate numbered 187, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,146,560"; and the Senate agree to the same.

Amendment numbered 189: That the House recede from its disagreement to the amendment of the Senate numbered 189, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$356,000"; and the Senate agree to the same.

Amendment numbered 190: That the House recede from its disagreement to the amendment of the Senate numbered 190, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$263,000"; and the Senate agree to the same.

Amendment numbered 191: That the House recede from its disagreement to the amendment of the Senate numbered 191, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,187,500"; and the Senate agree to the same.

Amendment numbered 192: That the House recede from its disagreement to the amendment of the Senate numbered 192, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$466,000"; and the Senate agree to the same.

Amendment numbered 196: That the House recede from its disagreement to the amendment of the Senate numbered 196, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,795,800"; and the Senate agree to the same.

Amendment numbered 198: That the House recede from its disagreement to the amendment of the Senate numbered 198, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$200,000"; and the Senate agree to the same.

Amendment numbered 203: That the House recede from its disagreement to the amendment of the Senate numbered 203, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$101,500"; and the Senate agree to the same.

Amendment numbered 204: That the House recede from its disagreement to the amendment of the Senate numbered 204, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$404,340"; and the Senate agree to the same.

Amendment numbered 205: That the House recede from its disagreement to the amendment of the Senate numbered 205, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$7,313,760"; and the Senate agree to the same.

Amendment numbered 206: That the House recede from its disagreement to the amendment of the Senate numbered 206, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$70,300"; and the Senate agree to the same.

Amendment numbered 207: That the House recede from its disagreement to the amendment of the Senate numbered 207, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$165,700"; and the Senate agree to the same.

Amendment numbered 211: That the House recede from its disagreement to the amendment of the Senate numbered 211, and agree to the same with an amendment as follows: In lieu of the sum propoced insert "$1,004,860"; and the Senate agree to the same.

Amendment numbered 215: That the House recede from its disagreement to the amendment of the Senate numbered 215, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$320,000"; and the Senate agree to the same.

Amendment numbered 216: That the House recede from its disagreement to the amendment of the Senate numbered 216, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$83,750"; and the Senate agree to the same.

Amendment numbered 220: That the House recede from its disagreement to the amendment of the Senate numbered 220, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "five"; and the Senate agree to the same.

Amendment numbered 221: That the House recede from its disagreement to the amendment of the Senate numbered 221, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$7,000,000"; and the Senate agree to the same.

Amendment numbered 230: That the House recede from its disagreement to the amendment of the Senate numbered 230, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$40,000"; and the Senate agree to the same.

Amendment numbered 231: That the House recede from its disagreement to the amendment of the Senate numbered 231, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,250,000"; and the Senate agree to the same.

Amendment numbered 234: That the House recede from its disagreement to the amendment of the Senate numbered 234, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$16,000"; and the Senate agree to the same.

Amendment numbered 235: That the House recede from its disagreement to the amendment of the Senate numbered 235, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$450,000"; and the Senate agree to the same.

Amendment numbered 239: That the House recede from its disagreement to the amendment of the Senate numbered 239, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$29,200"; and the Senate agree to the same.

Amendment numbered 240: That the House recede from its disagreement to the amendment of the Senate numbered 240, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$650,000"; and the Senate agree to the same.

Amendment numbered 247: That the House recede from its disagreement to the amendment of the Senate numbered 247, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,100,000"; and the Senate agree to the same.

Amendment numbered 255: That the House recede from its disagreement to the amendment of the Senate numbered 255, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$468,890"; and the Senate agree to the same.

Amendment numbered 256: That the House recede from its disagreement to the amendment of the Senate numbered 256, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$323,000"; and the Senate agree to the same.

Amendment numbered 259: That the House recede from its disagreement to the amendment of the Senate numbered 259, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$411,900"; and the Senate agree to the same.

Amendment numbered 261: That the House recede from its disagreement to the amendmen of the Senate numbered 261, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$160,000"; and the Senate agree to the same.

Amendment numbered 263: That the House recede from its disagreement to the amendment of the Senate numbered 263, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$68,512"; and the Senate agree to the same.

Amendment numbered 267: That the House recede from its disagreement to the amendment of the Senate numbered 267, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$115,000"; and the Senate agree to the same.

Amendment numbered 272: That the House recede from its disagreement to the amendment of the Senate numbered 272, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: ", include traveling expenses," and the Senate agree to the same.

Amendment numbered 273: That the House recede from its disagreement to the amendment of the Senate numbered 273, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$206,190"; and the Senate agree to the same.

Amendment numbered 274: That the House recede from its disagreement to the amendment of the Senate numbered 274, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$27,000"; and the Senate agree to the same.

Amendment numbered 276: That the House recede from its disagreement to the amendment of the Senate numbered 276, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,100,000"; and the Senate agree to the same.

Amendment numbered 277: That the House recede from its disagreement to the amendment of the Senate numbered 277, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$511,800"; and the Senate agree to the same.

Amendment numbered 283: That the House recede from its disagreement to the amendment of the Senate numbered 283, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$624,700"; and the Senate agree to the same.

Amendment numbered 286: That the House recede from its disagreement to the amendment of the Senate numbered 286, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$181,550"; and the Senate agree to the same.

Amendment numbered 288: That the House recede from its disagreement to the amendment of the Senate numbered 288, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$875,000"; and the Senate agree to the same.

Amendment numbered 289: That the House recede from its disagreement to the amendment of the Senate numbered 289, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$300,000"; and the Senate agree to the same.

Amendment numbered 290: That the House recede from its disagreement to the amendment of the Senate numbered 290, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "two"; and the Senate agree to the same.

Amendment numbered 291: That the House recede from its disagreement to the amendment of the Senate numbered 291, and agree to the same with an amendment as

follows: In lieu of the sum proposed insert "$142,585"; and the Senate agree to the same.

Amendment numbered 292: That the House recede from its disagreement to the amendment of the Senate numbered 292, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$625,200"; and the Senate agree to the same.

Amendment numbered 293: That the House recede from its disagreement to the amendment of the Senate numberd 293, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$55,100", and the Senate agree to the same.

Amendment numbered 294: That the House recede from its disagreement to the amendment of the Senate numbered 294, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$5,219,325"; and the Senate agree to the same.

Amendment numbered 295: That the House recede from its disagreement to the amendment of the Senate numbered 295, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,000,000"; and the Senate agree to the same.

Amendment numbered 296: That the House recede from its disagreement to the amendment of the Senate numbered 296, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$6,219,325"; and the Senate agree to the same.

Amendment numbered 297: That the House recede from its disagreement to the amendment of the Senate numbered 297, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$704,828"; and the Senate agree to the same.

Amendment numbered 298: That the House recede from its disagreement to the amendment of the Senate numbered 298, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "seventy-two"; and the Senate agree to the same.

Amendment numbered 303: That the House recede from its disagreement to the amendment of the Senate numbered 303, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,038,900"; and the Senate agree to the same.

Amendment numbered 304: That the House recede from its disagreement to the amendment of the Senate numbered 304, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"The following appropriations herein made shall be available for the hire, maintenance, and operation of aircraft: 'Salaries and expenses, Governor and secretary, Territory of Alaska'; 'Construction and maintenance of roads, bridges, and trails, Alaska'; 'Reconstruction and improvement of Richardson Highway, Alaska'; and 'Alaska Railroad appropriated fund'."

And the Senate agree to the same.

Amendment numbered 305: That the House recede from its disagreement to the amendment of the Senate numbered 305, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$196,450"; and the Senate agree to the same.

Amendment numbered 313: That the House recede from its disagreement to the amendment of the Senate numbered 313, and agree to the same with an amendment as follows: In lieu of the amount named in said amendment insert "$300"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 11, 14, 16, 17, 19, 21, 22, 50, 57, 61, 64, 65, 103, 107, 114, 115, 121, 123, 125, 129, 134, 135, 140, 145, 147½, 154, 155, 156, 158, 159, 160, 164, 165, 176, 177, 178½, 181, 214, 217, 219, 221½, 222, 228, 229, 232, 233, 236, 237, 238, 241, 242, 243, 244, 245, 248, 250, 251, 253, 257, 258, 260, 264, 265, 268, 270, 275, 278, 279, 280, 287, 300, 306, 311, 320, and 321.

CARL HAYDEN,
KENNETH MCKELLAR,
ELMER THOMAS,
JOSEPH C. O'MAHONEY,
THEODORE FRANCIS GREEN,
CHAN GURNEY,
HAROLD H. BURTON,
KENNETH S. WHERRY,
Managers on the Part of the Senate.

JED JOHNSON,
MICHAEL J. KIRWAN,
W. F. NORRELL,
JOHN J. ROONEY,
ROBERT F. JONES,
BEN F. JENSEN,
HENRY C. DWORSHAK,
Managers on the Part of the House.

Mr. WHITE. Mr. President, is this a complete agreement?

Mr. HAYDEN. It is a complete agreement.

Mr. WHITE. Is it signed by all the members of the conference, both on the part of the House and the Senate?

Mr. HAYDEN. All the conferees signed the report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 3024, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 28, 1945.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 16, 17, 19, 21, 22, 57, 61, 103, 107, 114, 115, 121, 125, 134, 135, 140, 147½, 158, 159, 164, 217, 219, 221½, 222, 228, 229, 232, 233, 236, 237, 238, 241, 242, 243, 244, 245, 248, 250, 251, 253, 257, 260, 265, 268, 270, 275, 278, 279, 287, 300, 306, 311, and 321 to the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 5 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"DIVISION OF GEOGRAPHY

"Salaries and expenses: For all necessary expenses of the Division of Geography, during the emergency declared by the President on May 27, 1941, and for a period not exceeding 30 days thereafter, in performing the duties imposed upon the Secretary by Executive Order 6680, dated April 17, 1934, relating to uniform usage in regard to geographic nomenclature and orthography throughout the Federal Government, including personal services in the District of Columbia, stationery and office supplies, and printing and binding, $25,000."

That the House recede from its disagreement to the amendment of the Senate numbered 11 to said bill and concur therein with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert:

"Not to exceed $3,487,110 of the unobligated balance of the appropriation 'Construction, operation, and maintenance, Bonneville power transmission system,' shall be available under the account for said appropriation in the fiscal year 1944 for expenses of marketing and operation of transmission facilities, and administrative costs in connection therewith, including $20,850 for personal services in the District of Columbia, the purchase (not exceeding 30), maintenance, and operation of passenger automobiles, and hire, maintenance, and operation of aircraft: *Provided*, That funds available for construction of transmission lines shall be available only for the construction of such lines as have been previously authorized by Congress."

That the House recede from its disagreement to the amendment of the Senate numbered 14 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert: "and the appropriations contained in the Interior Department Appropriation Act, 1945, and the First Deficiency Appropriation Act, 1945, for the United States High Commissioner to the Philippine Islands are hereby continued available for the same objects until June 30, 1946."

That the House recede from its disagreement to the amendment of the Senate numbered 50 to said bill and concur therein with an amendment as follows: In lieu of the sum named in line 6 of said Senate engrossed amendment insert "$750,000."

That the House recede from its disagreement to the amendment of the Senate numbered 64 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert: "not exceeding $25,000 for cooperation with the State of Oklahoma for the construction and equipment of an Indian arts and crafts building at Anadarko, Okla."

That the House recede from its disagreement to the amendment of the Senate numbered 65 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert: "$5,417,190."

That the House recede from its disagreement to the amendment of the Senate numbered 123 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert: "under a contract to be entered into between said tribal attorney and the Osage Tribal Council, which contract shall be approved by the Secretary of the Interior."

That the House recede from its disagreement to the amendment of the Senate numbered 129 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert: "$900,000, to remain available until expended."

That the House recede from its disagreement to the amendment of the Senate numbered 145 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert: "to remain available until expended for carrying out projects (including the construction of transmission lines) or investigations previously or herein authorized by Congress."

That the House recede from its disagreement to the amendment of the Senate numbered 154 to said bill and concur therein with amendments as follows:

In line 10 of the matter inserted by said Senate engrossed amendment, strike out "$5,500,000" and insert "$2,250,000."

In line 11, after "surveys", insert: "and."

In lines 12 and 13, strike out ", and to perform work preliminary to construction of authorized projects."

That the House recede from its disagreement to the amendment of the Senate No. 155 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert: "$9,783,500."

That the House recede from its disagreement to the amendment of the Senate No. 156 to said bill and concur therein with an amendment as follows: In lieu of the sum

inserted by said amendment insert: "$10,620,550."

That the House recede from its disagreement to the amendment of the Senate No. 160 to said bill and concur therein with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert: "and to remain available until advanced to the Colorado River dam fund, $3,000,000."

That the House recede from its disagreement to the amendment of the Senate No. 165 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert: "to remain available until expended for carrying out projects (including the construction of transmission lines) previously or herein authorized by Congress."

That the House recede from its disagreement to the amendment of the Senate No. 176 to said bill and concur therein with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert: "June 30, 1947."

That the House recede from its disagreement to the amendment of the Senate No. 177 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"Fort Peck project, Montana: For construction of transmission lines, substations, and other facilities as may be required by the Bureau of Reclamation, as authorized by the act of May 18, 1938 (16 U. S. C. 833), $155,800, to be immediately available and to remain available until June 30, 1947."

That the House recede from its disagreement to the amendment of the Senate No. 178½ to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert: "to remain available until June 30, 1947."

That the House recede from its disagreement to the amendment of the Senate No. 181 to said bill and concur therein with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert: "June 30, 1947."

That the House recede from its disagreement to the amendment of the Senate No. 258 to said bill and concur therein with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert: "$1,925,675, including $30,000 for the acquisition of the Ovington properties within the Olympic National Park."

That the House recede from its disagreement to the amendment of the Senate No. 264 to said bill and concur therein with an amendment as follows: In the last line of the matter inserted by said Senate engrossed amendment strike out "$44,800" and insert: "$40,000."

That the House recede from its disagreement to the amendment of the Senate No. 280 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert: "328,000."

That the House recede from its disagreement to the amendment of the Senate No. 320 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"SEC. 11. During the fiscal year 1946, the Secretary may delegate to the Under Secretary and the Assistant Secretaries the power to authorize changes in official stations of officers and employees and the payment of expenses of travel and transportation of household goods in connection with such change of official stations."

Mr. HAYDEN. I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 5, 11, 14, 50, 64, 65, 123, 129, 145, 154, 155, 156, 160, 165, 176, 177, 178½, 181, 258, 264, 280, and 320.

The motion was agreed to.

CONTINUATION OF AUTHORITY TO INVESTIGATE THE USE OF PUBLIC LANDS

Mr. LUCAS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Illinois?

Mr. EASTLAND. I yield.

Mr. LUCAS. I wish to have two resolutions agreed to, with the understanding that the Senator from Mississippi shall not lose the floor.

Mr. EASTLAND. With unanimous consent that I do not lose the floor, I yield.

Mr. LUCAS. I ask unanimous consent that I may proceed with that understanding.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably Senate Resolution 139, reported on June 19, 1945, by the senior Senator from Nevada [Mr. MCCARRAN] from the Committee on Public Lands and Surveys.

Mr. WHITE. Mr. President, I ask the Senator from Illinois, what is the resolution?

Mr. LUCAS. This is a resolution which came from the Committee on Public Lands and Surveys, and merely continues authority to that committee, without requesting any additional funds.

Mr. WHITE. I have no objection.

The PRESIDENT pro tempore. Is there objection to the consideration of the resolution?

There being no objection, the resolution (S. Res. 139) was read, considered, and agreed to, as follows:

Resolved, That the authority conferred by Senate Resolution 241, Seventy-sixth Congress, agreed to May 24, 1940, and Senate Resolution 147, Seventy-seventh Congress, agreed to September 8, 1941, and Senate Resolution 39, Seventy-eighth Congress, agreed to May 23, 1944, and Senate Resolution 18, Seventy-ninth Congress, agreed to January 29, 1945 (relating to the investigation of the use of public lands), is hereby continued during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress.

INVESTIGATION OF DISPOSAL OF SURPLUS GOVERNMENT PROPERTY AND RELATED SUBJECTS

Mr. LUCAS. Mr. President, yesterday we discussed Senate resolution 129, which was offered by the Senator from Wyoming [Mr. O'MAHONEY] and sent to the calendar. I move that the Senate proceed to consider the resolution. It relates to the disposal of surplus Government property and related problems.

The PRESIDENT pro tempore. It will require unanimous consent.

Mr. LUCAS. I ask unanimous consent that the Senate proceed to consider the resolution.

The PRESIDENT pro tempore. Is there objection?

Mr. WHITE. This is resolution 129, now on the calendar, is it not?

Mr. LUCAS. It is.

Mr. WHITE. The one which was discussed somewhat yesterday?

Mr. LUCAS. The Senator is correct.

Mr. WHITE. At this time I know of no objection to the resolution.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection the Senate proceeded to consider the resolution (S. Res. 129), which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment. On page 3, line 1, after the words "not exceed", it is proposed to strike out "$25,000" and to insert in lieu thereof "$15,000", so as to make the resolution read:

Resolved, That the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized and directed to continue the study and investigation with respect to war contracts, the termination of war contracts, and related problems authorized by Senate Resolution 198 of the Seventy-eighth Congress, as heretofore supplemented and extended, to be conducted by a subcommittee of the Committee on Military Affairs, and is further authorized and directed to make a full and complete study and investigation with respect to the disposal of surplus Government property and related problems. The committee shall report to the Senate, from time to time, the results of its studies and investigations under this resolution, together with such recommendations as it may deem desirable.

The powers and duties conferred or imposed by Senate Resolution 198 of the Seventy-eighth Congress, with respect to the study and investigation under that resolution shall also be applicable with respect to the studies and investigations under this resolution. The subcommittee of the Committee on Military Affairs heretofore authorized to make the study and investigation under Senate Resolution 198 of the Seventy-eighth Congress, shall be deemed to have been continued as a subcommittee duly authorized to make the studies and investigations under this resolution, until the Committee on Military Affairs shall otherwise direct.

For the purposes of this resolution, the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $15,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee or the chairman of the subcommittee.

The amendment was agreed to.

The resolution, as amended, was agreed to.

Mr. HILL subsequently said: Mr. President, I wish to make comment with reference to the resolution which the Senate has just approved, providing funds for a subcommittee of the Committee on Military Affairs dealing with surplus property.

A few moments ago the Senate approved a resolution reported from the Committee to Audit and Control the Contingent Expenses of the Senate, making an appropriation of funds so that a subcommittee of the Senate Commit-

tee on Military Affairs might carry on its survey and investigation of the disposal of surplus property.

A few days ago this subcommittee, which is headed by the distinguished and able Senator from Wyoming [Mr. O'MAHONEY], made a report to the Senate, Senate Report 199. Part III of that report dealt particularly with the subject of iron and steel. That report contains so much valuable information, so much that is striking and challenging, and that throws light on our postwar situation, particularly with reference to iron and steel, that the Iron Age, which we know is perhaps the most authentic leading publication of the country on the subject of iron and steel, has devoted 14 pages to the report of the subcommittee in the issue of June 21, 1945.

In view of the action of the Senate in providing additional funds for the subcommittee, I felt that the Senate would be gratified to know just how the report of the Subcommittee on Iron and Steel had been received, particularly by the Iron Age. As one member of the Senate Committee on Military Affairs, I wish to extend my congratulations to the distinguished Senator from Wyoming [Mr. O'MAHONEY] and his colleagues for the very fine work which the subcommittee has been doing, and for its very able and challenging report.

Mr. O'MAHONEY. Mr. President, I very much appreciate what the Senator has said. I should like to add that the staff of the committee, together with Mr. H. B. McCoy, Chief of the Division of Industrial Economy of the Department of Commerce, played a major role in collecting and preparing this material. Mr. Kurt Borchardt was in charge of collecting the material.

Mr. HILL. As usual, the Senator from Wyoming is generous, and appreciative of the services and good work of his staff and those who helped him in connection with this report.

WAR AGENCIES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

Mr. EASTLAND. Mr. President, I am not engaging in a filibuster. It was my earnest desire that a fair and reasonable compromise could be reached upon the question which is now before the Senate. I must confess that I believe in filibusters when we have the votes, and I think we will have the votes when the filibuster on FEPC starts in the next few days.

Mr. President, for the past few years this country has been torn by agitators, by Communists, by fellow travelers, who have incited racial hatreds, who have made classes in this country racially conscious, who have made them class conscious, in order to divide our country and in order to weaken American democracy.

The Communist Party is behind this agitation. The Negro group in the United States is the greatest minority, the largest minority, the most powerful minority politically, that we have. The Communist Party has been behind and has promoted legislative measures such as the one now pending, and I submit the Communist Party is behind the present FEPC, for two reasons, and I shall give the reasons in a moment. It is all a part of the Communist program to destroy America, to destroy the American system of economy, to destroy the American system of government, which we love, in order to sovietize our country.

Mr. President, I shall read from a book entitled "I Confess," by a former Communist named Benjamin Gitlow. Gitlow at one time was a high official in the Communist Party; in fact, he was Communist candidate for Vice President of the United States in 1924 and 1928. He was formerly a member of the ruling political committee of the American Communist Party and of the executive committee, and president of the Communist International. This man Gitlow wrote a book in which he gave the Communist plans to dominate America, and in which he stated that the racial program of the Communist Party in this country was one of their leading programs to take over America. I read from Mr. Gitlow's book:

> The same story was repeated with the instruction by the Communist International to organize and lead the Negro masses of the United States, for which the Comintern provided a lot of money.

Mr. President, the Comintern provided a lot of money. I have noticed organizations, Communist-front organizations, organizations which have been condemned by the Attorney General of the United States as subversive, spending huge sums of money for FEPC, for measures which will make the Negro race in the United States race conscious, in an attempt to divide our country. I wonder if these organizations are spending money received from Russia.

Let me say now that the facts about Russia have not come out. The American people—and God knows they should know the facts—do not know what is happening abroad. They do not know the plans of Communist Russia. If this debate shall proceed long enough I shall discuss in detail the Communist program for world supremacy.

I read further from Mr. Gitlow's book:

> The attitude of the Communists was based upon the belief that the Negroes constituting * * * a section of our population, a section which has special * * * grievances and if once properly organized and led, would be the front-rank fighters in a revolution to replace our present Republic with a Soviet form of government.
>
> Hence the party created a special Negro department, built special Negro organizations, issued Negro papers and periodicals, made every inducement for Negroes to join the party, took advantage of every opportunity to penetrate existing Negro organizations, and to participate in Negro movements, for the purpose of bringing its program before the Negro masses. The party membership was impressed with the importance of Negro work. Every new Negro member brought into the party was looked upon as a Communist achievement, and the Negro Communists were actually accorded special privileges.

Mr. President, there is the proof from one of the leading Communists in America, from one of the high officials of the Communist Party, that this organization is behind the Negro movement in this country and that the party is exploiting the Negroes by making special promises such as FEPC, such as social equality, such as racial amalgamation, in an attempt to line the Negroes up under the red banner of Communism and to destroy the United States.

I read further from the same book by Mr. Gitlow:

> The Negro question was injected into every situation, in every campaign.

Was not Gitlow right about that, Mr. President? Is it not true that in every situation and in every campaign the Negro question is injected? Just as Gitlow says, the injection of the question comes from the Communist Party.

> The Negroes were looked upon as the chosen people who were to be the vanguard of the Communist revolution. Party members were urged to make every effort to establish personal as well as social relations with the Negroes. Negroes were brought into the party, not on the basis of their Communist convictions, but on the promise that in the party they could enjoy a sociable evening together with whites on the basis of equality. Negroes who had recently joined the party were pushed into places of leadership simply because they were Negroes and as a demonstration that the Negroes enjoyed preferred treatment in the party. This was done not out of sympathy or consideration for the Negro masses, but for purely political reasons.
>
> Behind the Negro agitation and the stress laid on exploiting the Negro issue was the desire—

Listen to this, Mr. President—

> to comply with the orders from Moscow.

I wonder if those in the Senate who support legislation such as this realize that in the last analysis they are following orders from Moscow, because, as Gitlow says, the Communist Party is behind these measures. I read further:

> It was hoped through a Negro minorities movement in the United States to give leadership to a colored nationalist movement of world proportions in the countries of South and Central America, Africa, Asia, and the Antipodes. The American nationalist Negro movement, Moscow believed, would provide the leadership for such a world movement. Besides, the Communist Party could dominate the American Negro movement, because it was believed possible for a small handful of American Communists to organize and control the 2,000,000 Negro workers in American industry, which force could be the most decisive in the broader world-wide Negro movement.

Mr. President, that book shows the plan of the Communist Party to control the United States. Gitlow states in it, and I state now, that every prediction he made has come true. We see the same pattern behind all similar measures, to use the Negro, to make him class conscious, to give him special privileges, in order to bring him into the Communist Party.

The argument is made that the temporary FEPC is a war measure. It was stated in the Executive order setting up this agency that FEPC was created to mobilize the full manpower resources of America into the war movement, into the production of arms and ammunition for the purposes of war. That is the reason

this organization was created in the first instance.

Let us see if those same reasons hold true today. In connection with the very bill under consideration now, on day before yesterday speeches were made in favor of an appropriation of $13,000,000, as I remember, in order to find jobs for Negroes who were let out of war plants which closed down, in order to find employment for workers who were thrown out of employment in war industries which were reconverted, and statements were made time and again that in a few months there would be a surplus of labor in the United States. If that is true, and if the purpose of FEPC is to mobilize all the manpower for war purposes, then why is it necessary to set up this agency on a temporary basis, when we admit that within the next few months there will be a surplus of labor in the United States?

Furthermore, Mr. President, 1943 was the peak year in employment in the munitions industry in America. In that year there were 10,000,000 workers employed. In May, 1945, there were roughly only eight and one-half million workers employed in the same industry, or a decrease of 14 percent. While I cannot give the figures, as they are confidential, of the future decrease, or the rate of shut-down of war industry, I say by authority of my office as a Member of the United States Senate that within 12 months there will be 41 percent less labor in munition industries in the United States than there was 2 years ago.

In addition to that, 1,000,000 men will be discharged from the American Army to go into American industry within the next 12 months' period. That being true, what is the necessity to continue this agency? It is not to mobilize every last ounce of our manpower and scrape the bottom of the barrel in order to produce guns and munitions of war. We do not need that labor. We have passed that peak. We are on the down grade. We face a surplus of labor in American industry within the next 12 months.

Mr. President, what is the idea behind this bill? It is argued that this organization is set up to give to the Negro race and other minority groups economic equality. Of course, everyone believes in equal pay for equal work. I certainly would not argue for discrimination against any workingman because of race. But that is most certainly not the question involved here. We cannot legislate against discrimination. We cannot legislate to stamp out of one's heart the prejudices which are contained therein.

What is the object of the FEPC? Economic equality? Then why has it devoted its time to tearing down partitions between white and colored lavatories in Government buildings and war factories? Why has it gone into industry and taken measures to bring about social equality? I will tell the Senate why. It is a part of the Communist program for racial amalgamation in the United States.

I should like to read a statement as to what racial amalgamation means. This statement was made in an article written several years ago by a great American, a former President of the United States, Hon. Franklin D. Roosevelt. I read:

> Anyone who has traveled in the Far East knows that the mingling of Asiatic blood with European or American blood produces, in 9 cases out of 10, the most unfortunate results. There are throughout the East many thousands of so-called Eurasians, men and women and children partly of Asiatic blood and partly of European or American blood. These Eurasians are, as a common thing, looked down on and despised both by the Europeans and Americans who reside there, and by the pure Asiatics who live there.

That is exactly what happens when there is a commingling of the white race and the Negro race. If, as the late President Roosevelt said, that is bad in the case of Asiatics, Eurasians, and Americans, how much worse is it in the case of white and black peoples? The Negro race is an inferior race.

The Negro organizations which are supporting this measure know that today all the power in the world could not bring about social equality, and could not force the white people of this country to associate on terms of equality with the Negro race. So there is agitation by them for a gradual tearing down, one at a time, over a long period of time, of the safeguards which have been erected to maintain the purity and racial integrity of the white race.

I know that the intentions of Senators who support this measure are of the highest; but I say that the organizations to which I have referred realize full well that FEPC is a long step in that direction. As the record shows, the FEPC has devoted its energies toward that end. Take the case of the seamen's union, in which white boys were recruited and placed on merchant ships, and this organization attempted to force them to sleep and eat with Negro seamen, over the protests of the union.

Mr. President, we must have racial harmony in the United States. We must have racial tolerance in the United States. A great rift has been driven in American life. Our country has been divided and weakened, in accordance with Hitler's doctrine of divide and conquer, and Stalin's doctrine of making the races and classes in each country race-conscious and class-conscious in order that the state may be weakened. Has this agitation helped the Negro? Has it helped any minority group? Mr. President, whom has it helped, except the cause of communism in the United States?

There is another question which goes to the very heart of the free-enterprise system in America, involving a right which is at stake in connection with the consideration of FEPC. By establishing this organization and giving it the right to say who can be hired and who can be fired, by permitting a Government bureau—as I shall show in a moment, a bureau composed largely of Communists—to substitute its judgment as to the qualifications of an employee for the judgment of the employer, we have taken a long step toward the destruction of the American system of private enterprise. By voting for the appropriation to continue this organization we endorse a policy which deprives the employer of the right of selection of his employees.

There are several rights which go with the ownership of property in America. It is fundamental that the owner is the boss of his property so long as he does not illegally step upon the toes of someone else. Ownership makes the owner supreme so long as he does not infringe upon the rights of others. The principle of this organization deprives him of that fundamental right. Mr. President, the right of ownership to the full control of property, and the untrammeled right of selection of employees are recognized in the Constitution of the United States. They are recognized in the Declaration of Independence. They are recognized in the statutes of our country.

We are asked, under the guise of fair employment practices, to deprive business of a fundamental and sacred right, and to deprive American laboring men organized in unions of the right to say with whom they shall be associated in a union, and who shall belong.

If this agency can say that one man can have a job, it can also say that another man cannot have a job. We have established one of the most powerful agencies in the history of government, an agency which, unless it is checked, will control the business and industry of America. We have made real the dream of Sidney Hillman and the CIO Political Action Committee to take over American business, because such organizations control the Fair Employment Practice Committee and, through it, they control management in the United States. I submit that in the last analysis that is the principal objective of the leadership of the CIO, a leadership which is shot through and rotten with communism.

Mr. President, I make another statement at this time, and I will prove it in a few moments: In the interest of the future well-being of our country, Sidney Hillman should be deported, because he is one of the Communists and one of the lowest kinds of Communists we have in this country.

Mr. President, what does this agency do? We say we are not changing the American system. Let us examine the order setting up this agency; let us see what it says:

> 2. All departments and agencies of the Government of the United States concerned with vocational and training programs for war production shall take all measures appropriate to assure that such programs are administered without discrimination because of race, creed, color, or national origin.

Of course, Mr. President, there is nothing to that section; it does not mean anything. But let us go further:

> 3. There is hereby established in the Office for Emergency Management of the Executive Office of the President a Committee on Fair Employment Practice, hereinafter referred to as the Committee, which shall consist of a Chairman and not more than six other members to be appointed by the President. The Chairman shall receive such salary as shall be fixed by the President not exceeding $10,000 per year. The other members of the Committee shall receive necessary traveling

expenses and, unless their compensation is otherwise prescribed by the President, a per diem allowance of not exceeding $25 per day and subsistence expenses on such days as they are actually engaged in the performance of duties pursuant to this order.

That section does not mean anything. But I read further, and now we get down to the meat of the coconut:

4. The Committee shall formulate policies to achieve the purposes of this order and shall make recommendations to the various Federal departments and agencies and to the President which it deems necessary and proper to make effective the provisions of this order.

What does that say? It says that the world is the limit. This agency can formulate its own policies, without regard to statute; it is an agency backed by no legislative authority. I submit that because of that provision, this order is clearly unconstitutional and, further, that the Congress of the United States, if it makes this appropriation and places its stamp of approval upon that order, would violate the Constitution. We have no constitutional authority to do such a thing, because that is a delegation of legislative power. No safeguards, no standards are placed there.

Mr. President, that provision violates article I of the Constitution of the United States.

But I read further:

The Committee shall also recommend to the Chairman of the War Manpower Commission appropriate measures for bringing about the full utilization and training of manpower in and for war production without discrimination because of race, creed, color, or national origin.

Well, that is bad, but it seems it does not go far enough. I read further:

5. The Committee shall receive and investigate complaints of discrimination forbidden by this order. It may conduct hearings, make findings of fact, and take appropriate steps to obtain elimination of such discrimination.

Mr. President, what could be more sweeping? What could go further than that provision? The order states that the Committee shall receive complaints—not complaints filed by the aggrieved party, it should be noted. I submit it is fundamental under the Anglo-Saxon system of jurisdiction that the courts only hear complaints filed by or on behalf of the aggrieved part.

I repeat a portion of what I have just read:

It may conduct hearings, make findings of fact, and take appropriate steps to obtain elimination of such discrimination.

What does that do? It gives authority, without checks, without balances, without any bridle, to take any steps this organization may deem necessary to obtain elimination of such discrimination.

Mr. President, that is a wide, sweeping grant of authority by Executive order, and I submit that the Congress of the United States has no authority under the American Constitution to set up this agency or to approve it by an appropriation—which we would do if we make an appropriation—for the reason that it is a delegation of legislative authority, something which we do not have the constitutional authority to do. No standards are provided; no checks are imposed; no formula is fixed. We cannot delegate unbridled discretion and unbridled authority, free from checks or balances, to any Government agency.

Mr. President, the Congress of the United States, as the American people full well know, is the last safeguard of free government in America. When we follow this procedure without any bridle, without any standards, and attempt to delegate legislative authority, we destroy the United States.

But I read further:

6. Upon the appointment of the Committee and the designation of its Chairman, the Fair Employment Practice Committee established by Executive Order No. 8802 of June 15, 1941, hereinafter referred to as the old Committee, shall cease to exist.

Mr. President, if the old Committee had ceased to exist and a new one had not been appointed, in my judgment there would have been won a great victory for American democracy.

I read further:

All records and property of the old Committee and such unexpended balances of allocations or other funds available for its use as the Director of the Bureau of the Budget shall determine shall be transferred to the Committee. The Committee shall assume jurisdiction over all complaints and matters pending before the old Committee and shall conduct such investigations and hearings as may be necessary in the performance of its duties under this order.

The same objections which apply to other sections of the order apply to what I have just read. I continue:

7. Within the limits of the fund which may be made available for that purpose, the Chairman shall appoint and fix the compensation of such personnel and make provision for such supplies, facilities, and services as may be necessary to carry out this order.

What is the effect of that language? It gives to the Chairman unlimited authority to hire as many persons as he may desire to hire. There is provided no legislative standard. He may hire an unlimited number of persons. He may molest decent business and decent labor organizations throughout the United States.

I read further:

The Committee may utilize the services and facilities of other Federal departments and agencies and such voluntary and uncompensated services as may from time to time be needed.

In other words, under that language, volunteers, trouble makers, and agitators are authorized to go into a factory, cause strife and discord, and file complaints before the Committee. Men who are working their hands raw in the war effort may be subpenaed from their work to attend a hearing before the Committee which, as I shall later show, may be composed of Negro Communists. Workers must appear before the Committee and be imposed upon and mistreated. This, I submit, may be done in the name of politics, because if it were not for political considerations, this appropriation would not receive 10 votes in the Senate of the United States.

I continue reading:

The Committee may accept the services of State and local authorities and officials, and may perform the functions and duties and exercise the powers conferred upon it by this order through such officials and agencies and in such manner as it may determine.

Mr. President, that is a sweeping delegation of authority. We have no constitutional right to make an appropriation for, and place our stamp of approval upon, such authority. We cannot delegate legislative authority. Yet, that is what we attempt to do when we approve this appropriation.

I now read section 8:

The Committee shall have the power to promulgate such rules and regulations as may be appropriate or necessary to carry out the provisions of this order.

That is another sweeping grant of authority. What does the agency do? The FEPC at its hearings, is not bound by any rules of evidence. It is not bound by those time-tested rules of evidence which mankind has found necessary throughout the centuries for the protection of human liberty and justice. Incompetent evidence may be admitted. Hearsay evidence is admissible. Any kind of evidence which a Negro Communist desires—and in the last analysis, that element controls this organization—is admitted at the hearings.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. BANKHEAD. Is there any definition in the order of what constitutes an unfair employment practice?

Mr. EASTLAND. No.

Mr. BANKHEAD. There is provided no standard?

Mr. EASTLAND. No.

Mr. BANKHEAD. That situation has been condemned, has it not, by numerous decisions of the courts?

Mr. EASTLAND. It has been condemned. I have sent for a copy of a speech which I delivered last year against the FEPC. In that speech I cited several court decisions on the subject.

Mr. President, the FEPC could make its own rules of conduct, it could establish its own rules of behavior, and no appeal would lie to the courts from its findings of fact.

I submit that the right of appeal is inherent in the American system. Yet that right is denied legitimate business and legitimate labor organizations throughout the United States merely for the purpose of reaching out and obtaining a few Negro votes.

Both sides of a controversy are not, under this order, guaranteed by law equal opportunity for the presentation of their cases. In fact, there are no rules of law, and no rules of justice which would guide this organization in reaching its decisions. In other words, anything which the examiner or the FEPC desires to do, or any decision which either may wish to make, is final and binding. If the decision is not complied with an appeal may then be made to the President. If that is not legal hijacking I do not know the meaning of the word. As I have already said, the findings of fact of the Commission are final even

though they are not supported by proper evidence, and no court has the right to examine into the question of whether or not a case was made out.

Mr. BANKHEAD. Is any appeal allowed from the decisions of the FEPC?

Mr. EASTLAND. There may be no appeal whatever. The FEPC's decision is absolutely binding and final. No court may pass upon the credibility of witnesses or examine into the findings of fact, even though evidence to support the findings may have been flimsy, and the proof on the other side may have been overwhelming. I assert that ordinary justice, ordinary decency, and mere fundamental elements of justice demand that a right of appeal be granted, and that the rules of law be followed in accordance with Anglo-Saxon principles of justice.

No higher authority than the FEPC may determine whether or not it acted with bias or prejudice in reaching its decisions. It files its own complaints, it acts as its own grand jury, it acts as its own prosecutor, it acts as its own judge, it acts as its own jury, and its findings of fact are final and no appeal may be taken therefrom. If that situation does not rape American justice I cannot conceive of the proper word to apply.

I submit that never before in the history of the Republic has any attempt been made to set up an agency with such far-reaching and sweeping powers, an agency which would absolutely and utterly destroy the fundamental principles of justice and equality and humanity on which our Government was founded.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. EASTLAND. In just a second I will yield.

Mr. President, it was to get away from procedures such as these that the *Mayflower* sailed from Southampton, England, and that the forefathers created this Republic; and it was by living under principles of justice such as prevail in America, but of which we would be deprived by agencies such as the FEPC, that our country has been made great. America has been built because industry and labor were guaranteed certain rights of justice, but by this agency every single one of those rights, in cases of discrimination, is taken away. There is the opening wedge; men can be deprived of their rights in cases of discrimination, and it will be much easier a little later to set up another agency that will proceed, perhaps, even further, until finally the entire fabric of human liberty in America is destroyed. Now I yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, will the Senator state to the Senate what power or authority this agency has under the Executive orders? Can the agency enforce an order it issues?

Mr. EASTLAND. Yes.

Mr. CHAVEZ. How?

Mr. EASTLAND. Ross, the head of this agency, testified last year that if an order was not complied with there was a right of appeal to the President, who could take over a plant and operate a plant and take it away from the management; and further that the agency, by appeal to the War Department and other Government departments involved, could deprive war industries of their Government contracts, which would shut them down and force them into bankruptcy.

Mr. CHAVEZ. The FEPC cannot enforce a single order; they cannot force anyone to do anything whatsoever. The only authority they have now is to try to conciliate and to persuade by peaceful means in order that fair employment practices may be followed.

Mr. EASTLAND. Mr. President, the head of this organization testified, as the Senator well knows, that they had authority and that it could be exercised.

Mr. CHAVEZ. I do not recall such testimony.

Mr. EASTLAND. I do not recall instances, but, as I remember, there was proof of efforts to cancel war contracts held by industries.

Mr. CHAVEZ. By this agency?

Mr. EASTLAND. Well, by appealing to another Government agency. It is legal hi-jacking.

Mr. CHAVEZ. Will the Senator indulge me very briefly?

Mr. EASTLAND. I yield for a question.

Mr. CHAVEZ. Yes; for a question.

I will ask the Senator if, when he was talking about authority and power, he was not thinking of proposed pending legislation or a basic law, and not of the particular agency we are discussing.

Mr. EASTLAND. No; I am thinking about this organization set up under the Executive order I have just read.

Mr. CHAVEZ. It is immaterial what the Chairman of the Board testified to; my understanding is that they have no authority whatsoever under the Executive orders.

Mr. EASTLAND. It is not immaterial if a claim is asserted to authority and it is used to hi-jack industries into complying with the orders of this organization. As I told the Senator, as I remember, there were cases where war contracts would have been canceled had not the orders of this organization been complied with.

Mr. CHAVEZ. I do not agree with the Senator.

Mr. EASTLAND. That statement was made during the debate a year ago time and time again.

Mr. CHAVEZ. I happen to know that this agency under the Executive order has no authority to enforce any of its rulings.

Mr. EASTLAND. The agency has not, but it can go to the War Department, the Navy Department, and the Maritime Commission, and those Departments have authority to impose economic sanctions. If that is not punishment without right of appeal, without right of trial, I cannot conceive what punishment is.

But let us go further. By setting up this agency we grant an unfair preference to the Negro soldier or to the soldier of a minority group over the returning white soldier. We set up an organization to see that the returning Negro soldier gets a job, to help him get a job, and to see that there is no discrimination in giving jobs to the white soldier. Who has won this war? Why should the white soldier, the warrior who has returned home after having achieved the greatest victory in history be penalized for political reasons?

What is the history of the Negro soldier in the American Army? Mr. President, I recently returned from Europe. While there I talked to numerous high-ranking generals of the American Army, some of them in a peculiar position to know the facts. Later I shall discuss the record of other Negro soldiers, the service troops behind the lines; but, first, what is the combat record of the Ninety-second Division the only Negro division that has seen service in Europe?

To begin with that division—and I state it authoritatively—had the best equipment of any division in the American Army; it had the best training of any division in the American Army. For political reasons—and when I say "political reasons" I quote American generals—they were forced to commission some Negro officers for that division. In not one instance, Mr. President, could they place a Negro officer in a responsible position. In not one instance could they place upon his shoulders the responsibility of combat, and I tell you now, Mr. President, that division could not be placed in an important position in the line. Had we depended upon it, the German Army would have gone south to the toe of the Italian boot and destroyed our armies in Europe. The Negro soldier was an utter and dismal failure in combat in Europe. When I make that statement, it is not from prejudice. I am not prejudiced against the Negro.

[Laughter in the galleries.]

Mr. MORSE. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). The Chair admonishes the occupants of the galleries that they are here at the invitation of the Senate. If they do not keep order, the Chair will order the galleries to be cleared.

Mr. EASTLAND. Mr. President, I merely state facts as given to our committee by high ranking generals of the American Army, who are in a peculiar position to know the facts.

In a number of instances these soldiers would desert their posts of duty, officers would desert their posts of duty, without cause, and the whole division would, without cause, rhyme, or reason, quit fighting. The officers told us the soldiers had no initiative, no sense of responsibility, very low intelligence, and were a failure. Yet we are asked to set up an unfair preference against the white soldier for the benefit of the returning Negro veteran, solely because he is a member of a minority group which sells its vote to the highest bidder in political campaigns.

Mr. President, I understand a Negro from the War Department went to Italy, and after coming back gave out a statement that the division had not been so "hot," that it had failed in combat, and he made the excuse that it was because of discrimination in the United States and because of segregation here. Ac-

cording to his statement, that was why it failed.

Everyone knows, Mr. President, that the races will of themselves live separately. They live together in separate sections of cities. Birds of a feather flock together. Members of the black race desire to live with those of the black race. Members of the white race desire to live with those of the white race. Discrimination and segregation could not be the reason for the failure of the Negro soldier in combat.

Let us consider the Japanese-Americans. Ah, they were moved from their homes by the necessities of this war. I have read accounts in the press of instances when they were insulted in various sections of the country. They tried to work in Illinois, they tried to work in New Jersey, but, oh, no, the people did not want them there. But take the record of their sons on the battlefields of Italy. I say frankly, Mr. President, the Japanese-American division, trained in my State, distinguished itself in combat, and, further, saved a Negro regiment from annihilation. So there could not be anything to the argument that segregation was responsible for the Negroes' inability to fight, and for their tendency to run when the show-down came.

In Europe Negro soldiers are used principally as service troops behind the lines, and I state now, on the authority of many American officers, that they were lazy; that they would not work; that it was a mistake to send them to Europe, and furthermore, that they should be returned from Europe and sent to the Pacific, where there are races of color. I make that assertion by virtue of statements made by a number of high-ranking American generals. Moreover, of a committee of nine Senators who went abroad, I think practically all will back up my statement.

Mr. President, I dislike going into these things, but by the pending measure we are actually asked to discriminate against the white war veteran, and give the Negro preference over him. Let us consider what happened in Normandy. Nothing has been said in this country about this, it has all been "hush, hush," and a great deal of propaganda has been put out about the great war record and the great fighting of the Negro troops.

It was necessary during the Normandy invasion to disarm a good many Negro soldiers, I was reliably informed by a high-ranking general in Paris. Negro soldiers would go to farm houses and holler "Boche! Boche!" as if they were looking for Germans, call the men of the families out into the yards, and hold guns on them while they went in and criminally assaulted the women members of the family. In the small Normandy peninsula, from invasion date to May of this year, there were 33 cases of criminal assault, 26 by Negroes, 7 by whites.

Mr. President, how does that compare with what happened during 4 years under German occupation? During 4 years while the German Army was there there were two cases of criminal assault, and in each case the man guilty was apprehended and shot the very day the assault happened, while in the cases of American culprits files would have to come back to Washington, the opposition of the Organization for the Advancement of Colored People would have to be faced, a fight against the infliction of the penalty would be made by the Communist Party, this group and that group, so that it would take 7 or 8 months before any sentence was carried out, and by that time the entire effect of the punishment would be lost.

Mr. President, I state that the conduct of the Negro soldier in Normandy, as well as all over Europe, was disgraceful, and that Negro soldiers have disgraced the flag of their country. They constitute roughly one-twelfth of the American Army, yet they are guilty of more than half the crime in the Army. Now it is proposed to give the Negro soldier a preference over the white veteran; it is proposed to discriminate against the returning white soldier in favor of the Negro soldier in order to get the Negro vote at the next election. That is all it means. I say again, if it were not for political considerations this proposal would not receive 10 votes in the Senate of the United States.

Yes, Mr. President; we have a color line in America, and it is in the North as well as in the South. Down in Dixie we are a little more open about it than people are in other sections of the country, but high racial pride, one of the finest attributes of mankind, is in the breast of the white man everywhere, no matter whether he comes from the North or from the South. In Europe the Negro has crossed the color line. He has gone with white girls of the very lowest caliber, and I know how the northern white boy feels about that. Thank God, the white soldier from Pennsylvania, the white soldier from New York, feels about the racial question today just as does the veteran from Mississippi or Georgia or South Carolina or Tennessee.

FEPC might be good politics now, but I have talked to literally hundreds of soldiers from every section of the country, and I know what they think about it. I know what is going to happen when the soldier returns home.

Mr. President, I state further that the conduct of the Negro soldier in Europe, the soldier to whom it is proposed to give preference, has caused the United States to lose prestige; he has caused hatred for our country and for our people. I was told in any number of cities that decent white girls could not go out on the street because they would be accosted by groups of drunken Negro soldiers. I know from conversations with Army officers, with generals in the American Army, and with civilians, that in England, in France, in Belgium, that feeling exists in a very intense degree. He has disgraced the flag of his country. He will not fight. He will not work. Yet we give him a preference. We discriminate against the white soldier in order to get some Negro votes.

Mr. President, I stated that I knew how the white soldier felt. I stated that the soldier from the North felt exactly like the soldier from the South felt. The CIO has been permitted to go to Europe and attempt to propagandize the soldiers, but it was like pouring water on a duck's back. The soldiers are mad. We talk of racial tolerance. This agitation for social equality has destroyed racial tolerance; and I state frankly that the white soldier is openly and avowedly waiting for his chance when he returns to the United States.

There was a keen interest among the soldiers in public affairs in this country. There was a deep hatred among them of Sidney Hillman, of the leadership of the CIO, and of John L. Lewis. Many of them thought Lewis was at the head of the CIO. They did not know the difference, but they thought that by the agitation, by the raising of the racial question, and by pampering labor racketeers, the soldiers had been let down. There is a deep and great fire burning to correct that situation when they get back home.

It is no wonder, Mr. President, that these organizations desire to rush FEPC through. It is no wonder they want to pass the legislation now. There will be no FEPC when the soldier gets back home, and I make that statement as one who has visited many of our armies and talked to literally hundreds of American soldiers.

I spoke to a young man from Altoona, Pa., who broke down and cried when he told me that he realized there would be serious trouble in the United States in the postwar era, that the racial question would be the great domestic issue to be settled, and he said he was fearful of the results. He said he did not like the attitude of the Negro soldiers. That they had been taught they could cross the color line, and he said that under no conditions would they be permitted to do so.

There will be no FEPC, there will be no social equality, there will be no such un-American measures, Mr. President, when the soldier returns. Thank God, there still burns in his breast the fire of real Americanism. Thank God, he is going to put a stop to this agitation, to this attempt to destroy his country, when he gets back home.

Mr. President, I say it is nothing but simple justice that a measure such as this, which would fundamentally change our Government, should go over until the man who has fought for and save America can return to take part and cast his vote on such an issue.

Mr. President, who is the leading light in this matter? I stated that Sidney Hillman was a Communist. I stated that Hillman, one of the principal men behind this measure, was one of the leading Communists in this country, and that Sidney Hillman should be deported. What is his record?

Hillman was born on March 23, 1887, in Zagare, Lithuania, where his father was a merchant. He was educated in a seminary there and came to the United States when he was 20 years old. Listen to this: In his early years in New York Hillman was acquainted with and associated with Morris Hillquist and Leon Trotsky. This great political leader, who is attempting to communize and sovietize America, and who it seems controls one wing of the Democratic Party and

of the Republican Party, associated with Trotsky before the Russian Revolution, when Trotsky lived in this country. And I state from an authoritative source that at that time Mr. Hillman was a member of the Socialist Party.

In 1910 Hillman marshaled his followers in a successful strike against Hart Schaffner & Marx, and under the agreement which followed the winning of the strike he represented his organization as business agent from 1911 to 1914. His policy was clearly indicated in an editorial statement on March 9, 1917, in the Advance. Listen to what Hillman said in 1917, and tell me whether he is a Communist:

We have unfurled the crimson banner of the Amalgamated Clothing Workers of America for the tens of thousands of workers who rally around it. It is bearing a message of hope and salvation for the workers. Our banner will never be furled before we reach the goal of emancipation of the working class.

Mr. President, that is a typical Communist statement. "We have unfurled the crimson banner," says Mr. Hillman. Communism? Hillman not a Communist? He is one of the leading Communists in America today. His language then was the same as the language of Lenin, Marx, Stalin, and other Communists in the world.

In 1922 Hillman went to Russia. Let me read what Pravda had to say on October 26, 1922, about Comrade Hillman, the man who is the boss of one wing of my party and from the looks of things is the boss of the Republican Party. This is what Pravda said about him:

Comrade Hillman expressed his confidence that the Russian-American Industrial Corporation—

Which Hillman founded in order to handle money from Russia—

is but the first step toward a real practical help of the international proletariat of Soviet Russia, and that the corporation will play a great political role in the future.

A political role, said Mr. Hillman in Russia, as reported in the official news publcation in 1922.

Mr. President, a suit was filed to deport Harry Bridges. The Supreme Court said that there was not sufficient evidence against Bridges to deport him. I submit that there is more evidence against Hillman than there ever was against Bridges, and I cannot understand for the life of me why an attempt has not been made to send him back to Russia and stop the agitation and the attempts to destroy our country.

In 1922 Comrade Hillman also visited Italy. It should be remembered that at that time there was a strong Communist movement in Italy. Northern Italy is industrialized, and in areas there the Communist Party had taken over industries and had raised the Red flag, with the hammer and sickle, above factories, and was attempting to set up a Communist government. What did Hillman say in Rome?

I was doubly welcomed. The secretary of the metal workers' union gave me a letter, the only key to open the gates of the factories. With my Italian comrades I landed in front of the factory, which looked attractive—

Why did it look attractive?—

because of the fine Red flag which adorns the building and the Red sentinel—

The Communist sentinel—

who was keeping watch.

My God! if that is not communism, what is the name for it? Does anyone tell me that a man who would openly and avowedly support the Communist cause should not be deported? Instead, he is giving orders to the Congress of the United States.

Listen further:

I stayed for lunch with the members of the factory council. The council then took me through the factory. The first thing that attracted my attention was a series of inscriptions on the walls, including the Soviet emblem.

Let me read that again.

The first thing that attracted my attention was a series of inscriptions on the walls, including the Soviet emblem.

Sidney Hillman, the Communist, is the leading supporter of this measure. Sidney Hillman controls the organizations which are putting on the heat, and which have hundreds of representatives here to do his bidding in order to rape the American Constitution and change our way of life.

I repeat that when communism enters a country it makes the classes class-conscious. It makes races race-conscious, in order to weaken the internal structure of the country and pave the way for communism. Sidney Hillman is doing that in America today. Many God-fearing, patriotic American citizens belong to the CIO; but I state that they are being used by a rotten Communist leadership bent upon the destruction of America and the creation of a Communist state.

I spoke a few moments ago of the conduct of Negro soldiers in Europe. They disgraced the American flag. They constituted only one-twelfth of our Army, yet they had committed more than half the crimes. By the proposed measure we are giving them a preference in employment and are discriminating against the white worker.

There happened recently another thing about which I think the American people should know. It was not American Negroes who were involved. They were not constituents of any Member of this body. However, all races have certain racial characteristics, wherever their members may be found. I relate this incident to show that the Negro race is most assuredly an inferior race.

I was informed by generals and high ranking Government officials—and other members of the committee were so informed—that in the city of Stuttgart, when the French Army moved in, several thousand Christian German girls from good families were rounded up and placed in the subway, and for 4 or 5 days they were kept there and criminally assaulted by Senegalese soldiers from Africa. It was one of the most horrible occurrences of modern times. White soldiers would not have been guilty of such a thing. The white soldier has attempted to maintain American standards in the American Army. Another bad feature of the occurrence which I have just mentioned was that those French Negroes were in American uniforms, and the population of that section of Germany thought that American soldiers were involved. I bring that into this debate because, as I said, racial characteristics are common to the members of the same race, no matter where they reside. We are dealing with an inferior people, and yet we are discriminating against the white soldier, in favor of the inferior person, and under this measure we are giving the inferior person a preference in securing employment.

Mr. President, consider Liberia. Liberia is a great monument to the capacity of the Negro race. In fact, it is a typical monument to the capacity of the Negro race. I shall go into this matter a little, to read what the League of Nations found in its report on conditions in Liberia:

For 10 years the august Council in Geneva has had a peck of trouble with those carefree "Americoes" of freedom's own republic. They are so far off—between Sierra Leone and the French Ivory Coast. Their realm has no port—luckily, seeing that yellow fever is rife and all ships liable to contagion. The powers have been haunted by this Liberia. After all, it is a "sovereign state." It has a 4-year president; a Senate, too, and a Lower House, as well as a Supreme Court and an army. America has from the first served as model and pattern for the "Americoes."

Anyhow, here is all the panoply of a "nation." It was launched (from the United States) over a century ago, apparently with the blessing of James Monroe—whose historic name an unimaginable capital bears unto this day. And yet dreadful whispers have floated overseas from harried and hunted savages of Liberia's hinterland.

Mr. President, how they ever heard of the League is a mystery; and from the facts of ignorance and disease and pestilence there, how they ever heard of anything is a mystery. But I proceed:

But their long wails boil down to this: That President King—

The president of the country—

was a "blackbirder" and a slave-raider; that his "administration" was a gang of murderous robbers; his armies (both native and hired) a merciless Attilahorde—burning and looting, raping the tribal women, and driving these "inferior" pagan blacks into the African waste, there to starve or fall a prey to prowling beasts.

The leading castes in Monrovia are yellow; they are mixed-bloods. A similar crowd in the United States is attempting to cross the color line and bring about social equality and racial amalgamation.

I read further:

The powers—

In other words, the League of Nations—

were staggered at this indictment of Liberia. One of their own League members, too. Even an "ally" who had "declared war"

upon Germany and suffered a salvo or two in consequence from the five-inch gun of a submarine—until its amazed commander realized he was shooting at a tropical zero and withdrew for very shame. Yet a Christian country was his target, one settled in the long ago by dusky Puritan exiles who set up a proud Lone Star banner that bore this device: "Love of liberty has brought us here."

So the League scouted as slander all the evil tales that came from heathens of the bush frontiers. In Geneva's Council Chamber, State Secretary Grimes and Mr. Sottile gave the "facts" a different tinge. Liberia (her delegates vowed) had nothing to hide but her own lack of loans. There was a growing shyness on the part of Americans to help the "Americoes" * * *.

Moreover, if white snoopers were to be sent there to inquire, they must respect the President's office, and also "the political, intellectual, and political independence of Liberia." All such investigators should be under the chief executive. It a white adviser were named by the League, he must take his advice from the "palace," from Monrovia's learned Congress, or from courts of justice of spotless Periclean purity. Furthermore, any experts in accounts and finance which the powers might send must pass Liberian examinations on landing to make sure they were up to west African standards in their several jobs.

Mr. President, I shall show in a minute what west African standards were. Those west African standards are about the same as African standards in the United States today.

I read further:

Foreign Minister Grimes made quite a hit as he laid down the republic's law to these foreigners in Geneva.

But who was to pay the expenses of the investigation?

Mr. President, there the League of Nations was. It had proof that the King of Liberia was a robber, a murderer, and was engaged in the slave trade, and the League was sending investigators there to investigate. But who was to pay the expenses of the investigation? I read further:

Why, the League itself, Mr. Grimes said with surprise. It was a League idea—

This investigation—

and the League was rich, whereas Liberia * * *! But, in fact, all the republic needed was "adjusting"; then she could go at any mileage to the gallon.

The Secretary-General demurred at this. The League could not advance funds for a commission without "an assurance of reimbursement." At last Mr. Grimes agreed to cable Monrovia on this delicate matter—"But I haf' no much hope of success." At his black elbow sat Mr. Sottile, who now hopped up with fluent pidgin English:

"No use a promise. If we gave, we may not keep." Even their state officials had not had a dollar of pay for the past 8 months.

Think of that, Mr. President. Liberia had been selected as the richest part of Africa. It consisted of the most fertile soil which could be found in Africa. The most intelligent slaves in America were selected to conduct an experiment in Liberia, to demonstrate whether the Negro possessed capacity for self-government and for self-advancement or, when taken from under the influence and control of the white man, he would fall back into savagery. We have a typical example of that situation in the Negro Republic of Liberia.

I continue reading:

To me it was highly humorous to see men like Sir John Simon and Viscount Cecil, with Barthou of France and Oloisi of Italy, debating gravely about Liberia as though that tragi-comic pest-hole were a civilized, or even a semicivilized land.

After Liberia was founded the white man ruled it for a period of from 25 to 30 years. It was doing well under white control. But 80 years after the white man withdrew, as the League of Nations found, it had not become even semicivilized. Yet, Mr. President, we talk about racial equality. I assert that the Negro race is an inferior race. The doctrine of white supremacy is one which, if adhered to, will save America.

I continue reading:

When the truth flamed out later on in the Christy Commission's report, even State Secretary Stimson found it a "shocking indictment."

Yes; the present Secretary of War found the League of Nations report a shocking indictment of the conditions existing in the only Negro republic in which a great experiment had been conducted in order to test the capacity of the colored race for self-government and self-advancement.

New facts came rolling year after year. Gradually Liberia was seen as a sort of jungle patch as big as England or New York State. Here some 15,000 black "Americoes"—

Those are yellow-skinned Negroes—

lorded it over heathen and Moslem tribes, about 2,000,000 in all. The main industry seemed to be collecting taxes—

Listen to that, Mr. President—

from those primitive folk.

That is the main industry today, as found by the League of Nations.

And the process used was simple. A ragged (but well-armed) frontier force swooped down upon tribal villages under a black general who was all medals and gold braid. Some of the victims were meek, and paid up in foodstuffs, ivory, and cattle. Other clans were meeker still, and parted twice over under threats of burning their huts and wholesale shooting of the "rebels."

In that great civilized country the monument to the capacity of the Negro race is the collection of taxes, burning, and looting.

The report continues:

But some of the Kru-coast men could fight; and often Liberia's prowling Foch had his black hands full in a hornet's nest of desperate resistance.

Then that general would hire Mendi mercenaries to help him; warrior looters from the Sierra Leone border.

He would hire others to assist him in burning the homes of the people of his own country.

I continue reading:

The havoc of a typical tax collection was conveyed to the League of Nations by Dr. M. D. Mackenzie, of its own health section. He found fierce battues going on in the Sasstown area. Forty-four native villages had been set ablaze by President King's brigand army. Over a hundred natives had been killed, and 12,000 unwilling taxpayers—men, women and children—of the Borroh, Dio, and Wissepo clans had been chased out of their flaming huts into tropic and waterless wilds beyond, there to die of hunger and thirst in an unmapped region of gorillas and pigmy elephants.

Mr. President, what I have been reading represents some of the governmental policies of Liberia which stands as an example of the incapacity of the Negro race to govern itself and advance. From the conditions which exist there we can see quite clearly what will happen in this country unless the present drive for social equality between the races in the United States is stopped.

I continue reading:

After these raids, the army of freedom's state marched home to hand over its booty to the chief executive, his senate, congress, and treasury. Besides payments in mind, our golden general rounded up every hefty male he could get chains upon. For "black birding" and tax gathering went together as part of Liberia's national defense. Money the state must have—not for any public works, but mainly for executive and ministerial pockets.

In other words, Mr. President, that is just a nice way of saying "graft." This man was capturing members of his own race and selling them in the slave trade for money. That is what the League of Nations officially found to be taking place.

I continue with the reading:

It was there the various American loans had melted. And the sale of slaves at $300 each formed a tidy presidential perquisite besides.

Slaves were being sold for $300 apiece. That took place, according to the League of Nations, only a few years ago.

After all, what were these outlying pagans for if not to provide revenue for the superior "Americo-Liberian" administration which all the world knew, was molded on George Washington's own ideal policy?

I take a very grave issue with the statement that any of the conditions about which I have been reading were modeled after policies of George Washington. Our Government established Liberia. White men wrote its constitution, and for a time controlled it. But, when the white man withdrew and allowed the colored race to assume control, the colored race did not become civilized.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. TUNNELL. As I understand, the Senator is condemning the selling of slaves at $300 each. Is that an unheard of thing in the United States?

Mr. EASTLAND. The Senator is absolutely wrong. I am reading a League of Nations report concerning conditions which in the Republic of Liberia, as found there during the 1920's.

Mr. TUNNELL. I am asking the Senator about conditions in the United States as found therein during an early period of its history. Slavery during those times was not unheard of in this country, was it?

Mr. EASTLAND. It was unheard of in this country in the 1920's. Eighty years ago my State and the State from which the Senator comes, were slave States, if that is what the Senator means; but the Senator certainly would

not say anything that would uphold slavery at the present time?

Mr. TUNNELL. Oh, no. But what the Senator is condemning is the sale of slaves in Africa because it was done by Negroes, as I understand.

Mr. EASTLAND. I am simply showing, as I told the Senator, the conditions in Liberia today.

Mr. TUNNELL. But that is not any worse than the whites did with the slaves in the United States when slavery was permitted.

Mr. EASTLAND. The white people of the United States have never embarked on a program of robbery, murder, rape, and looting, as Liberia did, as she is now doing; and I shall show in a moment many worse things than that.

Mr. TUNNELL. Mr. President, will the Senator yield again?

Mr. EASTLAND. Yes; I yield.

Mr. TUNNELL. We hear of murder and rape and lynching and a great many other crimes in this country.

Mr. EASTLAND. Is that an official Government policy in the United States?

Mr. TUNNELL. It is something that happens.

Mr. EASTLAND. Will the Senator answer my question? Is that an official Government policy.

Mr. TUNNELL. I think that I can say that it is in some places.

Mr. EASTLAND. It is?

Mr. TUNNELL. Yes.

Mr. EASTLAND. The Senator has been told that. I know he is sincere, and he knows I have a great confidence in him, but I do not believe that is the policy anywhere in the United States. I know it is not the policy in Mississippi, and I know it is not the policy of the South, if that is what the Senator is talking about.

Mr. TUNNELL. I am talking about the fact that there are crimes that are winked at by Government in every section of the United States.

Mr. EASTLAND. Yes. But there is no State that will send an army out for the purpose of murder and robbery and loot.

Mr. TUNNELL. I am not so sure about that.

Mr. EASTLAND. I am sure of it; I am very confident that is not the American system—God help America if it is—and, Mr. President, it is not my idea and my opinion of my country.

I read further from the League's report:

So these hapless savages were periodically rounded up, just as the native princes of India coral their jungle elephants for labor in the teak forests of Burma. President King had an ever-ready market for his army's catch. He took bids for his slaves, body and soul, from the coco planters of the Portuguese Isles of São Thomé and Principe. At one time this arrogant Negro was selling 300 captives a month at the figure I named above.

What they had done was in accordance with their official government policy, under the guise of collecting taxes, to go out and burn villages, murder people, capture men, sell them into slavery at $300 apiece and then embezzle the money.

There is a typical example from our own knowledge of what is done in that country without the influence of the white man.

Well might the League ask what was to be done about Liberia? Britain's House of Lords gave a full-dress debate to the future of a "black baby" that nobody cared to nurse. I was in the gallery of that Scarlet Chamber and caught exclamations of horror from the Archbishop of Canterbury. To His Grace, the Lone-Star Republic was "one of the most lamentable tragedies of history."

Think of it! The Archbishop of Canterbury, one of the world's great churchmen, says that Liberia under its Negro government is one of the most lamentable tragedies of history. Here is what he said further:

Neither "could we rest while this blot on civilization remained."

The Archbishop of Canterbury said that Liberia is a blot on civilization, in addition to being one of the most lamentable tragedies in history.

Both Viscount Cecil and Earl Buxton—

Two great British statesmen, by the way, Mr. President—

were for pitching Liberia out of the League forthwith. And as Sir John Simon's spokesman in the Lords, Earl Stanhope wound up the sitting with a call for "drastic action." Misery and misrule had long been Liberia's lot—

Misery and misrule—

and in the past 2 years—

Two years before this report—

"things had gone from bad to worse." The republic was riddled with a plague: "Not only was she thus a danger to herself and the rest of West Africa, but also to the whole world."

Because of the plague there, and disease, the League said Liberia was a danger to all West Africa and all the world—this shining example of the capacity of the Negro race.

Yet this monstrosity, Lord Stanhope grieved to say, was "a foundation member of the League," together with Great Britain, France, and Italy. Truly, the irony of Voltaire is justified on the crazy governance of human affairs.

How does the Monrovian government take this torrent of scathing? With injured pride, blocking every measure of reform, and only asking for more and yet more "loans."

In other words, the League found these conditions and would demand that they be remedied, and the only action was typical of the Negro race, who want to borrow more money, and I will venture to say there never was paid a dollar of that money back.

Listen:

Dr. Cuthbert Christy's report spoke of "tragic" finances. Britain's Lord Privy Seal could assure the League Council that this shabby wreck of a state "had no budget, no accounts, no money."

Think of it! A government with no budget, no accounts, and no money.

Yet, we will discriminate against white boys, who raised Old Glory on Iwo Jima, who have just won the most magnificent victory in the world's history, who have conquered the beast of nazism, we will discriminate against those returning heroes, in order to give jobs to such people as these jobs so as to obtain a few votes at the next election.

Listen to this:

Not only did Liberia take no steps to control yellow fever and plague—she couldn't be bothered even to notice them.

No public-health system at all; no money, no budget, no tax-gathering system.

And so continued to wallow in vileness, more than pleased with her own estate.

Listen:

Did not this "abysmal" Republic break off relations with the United States over a default on a loan? And to the French Chargé d'Affairs President Barkley——

Who is President of Liberia—

complained of insult to his high office and person on the part of a very rude American Minister.

He claimed an insult by the French because the French wanted them to repay a loan.

Mr. President, let us see about the capital of that great country.

What is the metropolis of Monrovia like? It is a nightmare; a foul, yet funny, purgatory of sickening smells and obscenity. Yet what a book that dreadful warren would make; a true best seller, if done by a master hand. Why has no great newspaper put a correspondent there?

That is another thing; there is not a newspaper in the world which has a correspondent in this great and shining example of Negro culture, where they show their capacity to govern themselves. There is a black Communist in New York named Robeson, an actor or a singer, who holds forth at great length about colored culture. Here are typical examples of that, which would show, if their drive in this country for social equality is not stopped, that our country will be destroyed and we will sink down into the depths, as Egypt did.

I digress a little. At one time Egypt was a leader in world civilization, when its citizenship was Caucasian. Sitting on the bank of the placid Nile, next to the Mississippi delta the most fertile soil in all the world, they imported slaves, and later took them into their governmental affairs, and they had to cater to them, as the politicians cater to the Negro vote today. Then there was amalgamation. For 3,000 years the Nile has flowed as it always did, the same resources have been there, but in that time there has not been one single contribution to world culture, there has not been one single contribution to civilization, there has not been one single progressive accomplishment, and I say, Mr. President, the American soldier in Europe, thank God, knows of the dangers, and he will save America internally, as he saved her upon the battlefields of the world.

Let us find out more about the capital, Monrovia. I have said that no newspaper had a correspondent there, but the League of Nations said that if they had, they would tell "droller and madder tales than were ever flashed" over the world.

An army mutiny, for instance, raging outside the tumbledown treasury to get

a few dollars in exchange for soiled and tattered I O U's. A battered door opens presently, and the Minister steps out in a well-cut suit and high hat.

Now let us see the Liberian system. Soldiers have mutinied in front of the door of the treasury of the republic, and the treasury minister comes out, and what does he say?

"Soldiers of the republic," he bawls at the swaying mob. "Haf' courage, once! Practiss-ss the patience yet-t-t."

Those hungry troops shamble off to "practiss" it.

Listen to this:

Four machine-gun barrels are now poked out of the broken windows.

The treasury of the country has not even panes of glass in the windows.

Weeks drag on into months. Another siege threatens. The palace itself is in peril. (A shove would overturn that ugly barn.)

That is what the treasury of Liberia is—just a barn, in a country which is a great example of Negro culture.

This time two glib Americoes hustle around among the desperate men.

"We buy yo' vouchers! Five percent of face value."

Because of graft, and because money they get from the slave trade and from robbery, which is their source of income, is embezzled, the Liberians do not even pay their army. They do not pay the army and public officials, and then when there is a mutiny, when they cannot stop it, when the people cannot be pacified in any other way, they offer 5 percent of face value for their I O U's. But the League of Nations says:

The offer is meaningless to these Negro dupes. But when it is made clear that real money is meant, there is a wild stampede to sell scraps of paper for silver dollars. Those same vouchers a grafting Chancellor—

Now listen to this—

promptly redeems at par, in the true Liberian system.

Now, what is the Liberian system? They refuse to pay the armed forces, they refuse to pay the public officials, then, when there is armed mutiny, they send men out and offer 5 cents on the dollar, and let the treasury redeem the paper from the grafters at 100 cents on the dollar.

The League says more. I am not nearly through with this League of Nations report:

And then the law court scenes and cases.

I want the lawyers who are present to listen to how the lawyers in that country, in that monument to Negro culture and capacity, handle their law courts.

One day a giant Americo had words with a real American—who was a noted boxer. The native pressed for a bare-fist fight; it was very brief and brought trouble in its wake. In the first round the huge Liberian was knocked out, and he lay lifeless for 20 minutes. The white man was at once arrested for murder.

Senators, listen to this. The white man knocked the Negro out. The Negro was out for 20 minutes, unconscious, and the white man was arrested for murder. The League report said:

Court hearings were a screaming farce. The black judge, above all, with his pompous English and still wrangle with his "prisonaire." The latter was given 20 years in jail for his heavy uppercut, plus a fine of $20,000.

Mr. President, the white man knocked the Liberian unconscious, and he was convicted of murder and given 20 years in jail and fined $20,000. What happened? How do they enforce their judgments there?

The condemned man strolled home laughing with his consul, and the case at least was dead and buried.

It does not say so in the report, but one can read between the lines and see that a little something passed—the payoff on the side.

Then an Englishman was haled up for exceeding the speed limit in his car on Liberia's one and only public road.

Mr. TUNNELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Delaware?

Mr. EASTLAND. I yield.

Mr. TUNNELL. In view of the terrible conditions which he has pictured in Liberia, I should like to ask the Senator from Mississippi if he thinks it would be a good place for the Negroes to be sent, as is suggested by his colleague?

Mr. EASTLAND. That is an argument in which I am not involved. I am quoting from the League of Nations report respecting conditions in Liberia.

Mr. TUNNELL. But the Senator's colleague has urged that the Negroes be sent to Liberia, as I understand.

Mr. EASTLAND. That is his business.

Mr. TUNNELL. It would be the business of the United States Government if the Negroes should accept that proposal, would it not?

Mr. EASTLAND. That bill is not before the Senate.

Mr. President, I continue to read:

When he (the Englishman) proved he was doing only 10 miles an hour, the magistrate nearly choked.

Listen to this, Senators. This is in a country with a population of more than four million, in the richest section of Africa, which per square mile has more natural resources than any other portion of Africa, selected because it had greater natural resources than any other part of Africa for settlement by Negroes, and yet it has but one public road. This is what the judge said:

Haf' silence, sah; I mastah hee-yer! Nevah yo' unnahstan' Republic's law? Haf' yo' no culta?

Of course he did not, by Liberian standards.

Hed yo' no fat'er, no mo'ter to gif' yo' culta? Max'mum speed hee-yer is 15 miles, sah!

That is the speed limit on the Republic's only road, which I understand runs for 8 or 10 miles and is impassable most of the year.

An' yo' espec' me let yo' off by confessin' 10?

The judge said, "You confess you were going 10 and the speed limit is 15. And because of that confession I am not going to acquit you." That is typical African judgment.

No, sah. Twenty dollars fine. Soldiers of the Republic!

This is what the League reports.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. LUCAS. Is the Senator making an argument that there ought to be greater speed in Liberia or on the floor of the United States Senate?

Mr. EASTLAND. I am presenting the conditions in Liberia to show the incapacity of the Negro race.

Mr. LUCAS. I understand that, but the Senator was talking directly about the speed allowed there.

Mr. EASTLAND. So far as speed on the floor of the Senate is concerned, I will tell my distinguished friend, the Senator from Illinois, that I think we are making fine progress toward the passage of this bill.

Mr. LUCAS. I regret I cannot agree with my distinguished friend, but it occurred to me that he is making about the same speed with this bill that people make in Liberia on the road he speaks of.

Mr. EASTLAND. I hope so. We have plenty of time. We can continue till Christmas. We can continue for 15 more months or 18 more months. There is no filibuster.

Mr. LUCAS. Of course, I know there is no filibuster.

Mr. EASTLAND. No.

Mr. LUCAS. But compared with the speed which is being displayed in the Senate at this time in connection with the pending legislation, driving on the road in Liberia at 15 miles per hour would seem quite fast.

Mr. EASTLAND. The Senator thinks I might be convicted by that Liberian for speeding?

Mr. LUCAS. The Senator might be so far as I am concerned.

Mr. EASTLAND. When the judge called the soldiers, what was said?

At this stern call, four scarecrows moved upon the victim—who promptly moved out, leaving 50 cents as a douceur for his prospective jailers.

A 50-cent tip. That is the court procedure in that country, a country in which there are no roads, no health system, no budget, no system of tax collection, but the system of justice we find is that set forth in this report, and then there is all this talk about equality. Listen to this, Senator:

Seen from the sea, this awful town showed nothing but a flimsy customs shed, flying the Lone Star flag which not one in a million could identify.

That is correct, Mr. President. There is not one person in a million who would know the flag of this country, which for its area has as great natural resources as has any other country in the world.

Your ship lies afar off, safe from all contact with a poisonous coast. The newcomer is aghast at Monrovia's "Broadway." Broad it is, a wide swathe cut in a jungly place, with a narrow strip in the center, trampled flat by slouching, half-naked Americoes.

Mr. President, a modern liner will not even call it a port. A modern passenger ship will not even go within the breakwater because of the contagious diseases there. And the main street of town is just a path cut down through the jungle where a bunch of half-naked people walk back and forth. And, remember, they were selected as the very cream of the African race in America and sent there under a white government and under white control, to see if they were capable of development and of improving their conditions. And here we find a report of those conditions officially made by the League of Nations, which I submit conclusively shows what the capacity of this people is.

The sides form thickets of rank weeds and noisome gutters bridged here and there with broken gin cases. Even big rocks crop out on Monrovia's main street as when the world began.

No improvements, no pavement on the main street of the capital of the country—not even gravel—and a road on which, a part of the time, a speed of 15 miles an hour can be attained—perhaps.

What kind of houses do the people have in that country, which is so rich in natural resources, an area which God has blessed with natural resources to a greater extent than almost any other area of the earth? Listen to this:

Abject huts of rubble or unhewn stone, crumbling to bits and with yawning thatch, form teeming lanes full of black humanity and fearsome smells.

Cleanliness? Self-improvement? Plenty of water? No. Why? Inferiority. The people simply do not have the creative genius and capacity of the white race.

We hear a great deal of talk about racism, and condemnation of the idea of racism in America. It is said to be bad. It is said that when one is a racist he is a fascist. Mr. President, a man bereft of racial pride is weak. There is something wrong with him. I say frankly that I am proud of the white race. I am proud that the purest form of white blood flows in my veins. I know that the white race is a superior race. It has ruled the world. It has given us civilization. It is responsible for all the progress on earth. When we lose racial pride, when we tear it down and destroy it, as the Communists, the CIO, and other radical organizations and minority groups are attempting to do in this country, America will be destroyed, and the end of our civilization will be at hand.

History has always shown that when races are brought in close contact one with another, unless they are absolutely segregated, amalgamation results. Step by step, yard by yard, attempts are being made concertedly by the Hillman group, by the CIO Political Action Committee, by the Negro Walter White's organization, by the Communists, and by various other groups, to tear us down, and to bring political pressure to bear, through appropriations for agencies such as this, to destroy the white race in America.

Thank God, Mr. President, I do not subscribe to such a doctrine. You can take your FEPC; you can enact your permanent legislation; you can strike down by law every safeguard, but all the fires of hell cannot force the people of the South to permit the crossing of the color line. As a southerner I am proud of racial consciousness. I am proud that it is part of the culture of the South. As a Senator from a Southern State, I am proud to uphold those doctrines upon the floor of the United States Senate, against the radicalism of all the negroid groups from New York, Philadelphia, and other metropolitan areas of the East.

What about the houses in Liberia? When America was only 100 years old we had cities with great streets, fine public buildings, and beautiful homes. In my own State the finest houses in the world were in the city of Natchez. I have been down the Mississippi River from Baton Rouge to New Orleans. I have seen there evidences of the great pre-Civil War civilization. Great homes were built. There was culture and refinement. There was the creative genius of the white man. Compare that situation with conditions in Liberia. There the houses are of rubble and unhewn stones.

What else was there? Said the League of Nations:

Here and there a bloated carcass or a heap of filth clogs up the sewage and putrid pools overflow to invade wretched hovels in which one could not house swine.

These absolutely horrible conditions existed in the capital of the country. But the League said more:

Larger dwellings lean this way and that, as though about to collapse in the reeking lanes. Through these shuffle Liberian citizens, more indecent than any nudist—

Think of such conditions on the main street of the capital of a country. The League of Nations says that the citizens are more indecent than if they were nudists—

and partly covered with dirty rags of evil suggestion.

That is a most horrible indictment against the culture and accomplishments of the black race. I know that I will be criticized for discussing race, but I do not care. It is time for someone to talk frankly to the people of America as to where this agitation will lead. It will result in the destruction of our country.

Upon holed and rotting porches loll other Liberians, hailing the stranger boldly in a lingo which is hard to make out at first. There are no railroads here—

Think of it. Not a railroad in the country—

no lights, no sanitation, or decent water supply.

Think of it—no railroads, no lights, no sanitation, and no decent water supply in the capital of a country with a population of more than 2,000,000 people, with unparalleled natural resources; and yet we talk about their capacity to govern. What more proof does any one want?

Mr. President, the position which the South takes is right; and I predict that when there is a greater migration to northern sections the white people there will have the same feeling we have, and will take the same position we take. I thank God that we do not have in the South conditions such as those which exist in the city of New York, a mongrel city composed largely of aliens, which is attempting to foist its will and doctrines upon the Anglo-Saxon citizenship of other sections of the United States.

Besides this capital of a League of Nations member, a village of Hottentots or Zulus is a model settlement.

As for the "White House" of this black inferno—

Listen, Mr. President, to the description of the "White House" of this country, the home of its president—

And the Congress, Treasury and the public offices—

Listen to this—

These depressed me even more than the bestial squalor of the streets. How consular foreign officers, as well as American and European traders, can live there and keep their reason is an eloquent tribute to the soul-strength of civilized man.

Now let us see about the school system which exists under this great African culture:

The mission schools—

Said the League of Nations—

form a bright spot in this darkling hell. Where is the white visitor to stay? What shall he eat, how escape these frightful odors, from which our house dogs would flee?

The odors are so bad on the main streets of the town, Mr. President, that the house dogs of America or of any other country, says the writer of the article, would flee; they would not stay in such a place.

I read further:

The consular corps are very kind to callers, and so are the missionaries. And always there is the nearby jungle—

So, to get away, they have to go out into the jungle, the writer says—

And always there is the nearby jungle, where at least one can breathe without retching. One may even encounter wild beasts that are clean, and stark savages who are not "Americoes", but men and women of self-respect and poise.

Truly this Liberia is a haunting memory; it is also proof positive—if any were needed—that the Negro nation is a contradiction in terms. Look at Haiti's incredible record since Napoleon's legions sickened and died there long ago. I was in Port-au-Prince in 1915 when raging citizens dragged their President limb from limb, and then paraded past the legations, waiving bits and scraps of their late Chief Executive, who had fled for refuge to the Minister of France.

So, Mr. President, the writer of the article proceeds to tell of conditions in another typical example, the Republic of Haiti. I read further:

Yet, how beautiful a land is Haiti; a tropic Switzerland, where coffee and cotton grow wild. But if that Carib paradise is hopeless, what shall I say of freedom's own realm, which calls itself Liberia?

As a political problem—

Just as the Negroes have become the great political problem of America, the League of Nations says that on the world scene Liberia is a political problem—

As a political problem, this lurching republic persists, the League wants to wash it out of Geneva, once and for all. But where?

In other words, they are like we in the United States are; the League has Li-

beria on its hands, and wants to get rid of it. But where? We have 12,000,000 of them on our hands, and we would like to get rid of them. But where?

I read further:

All signs point to the custody of the United States. But surely Washington will have a say to that. The League Council has withdrawn assistance from the Black Baby whose tantrums have disturbed its harmony these many years—just as they jarred on Theodore Roosevelt in 1909 over the endless debt adjustment.

Great Britain—after a recital of misdeeds for which her Lord Privy Seal finds it hard to apply terms sufficiently strong—seeks to dump this foundling into somebody else's arms.

Mr. President, that is typically English. England has loaned them money; she has financed them. She has found that she cannot get back any of the funds she has advanced, and now she is in trouble there, so she wants to give Liberia to the United States. The British usually do those things.

Now, listen to what the British said:

"It is the view of His Majesty's Government," Mr. Eden told the full Council in Geneva, "and I state it with the utmost earnestness—that Liberia has so grossly failed in her obligations as a member of the League of Nations, that the League is quite entitled to consider her expulsion under paragraph 4, of article XVI."

Very well. But the Black Orphan—like the dead cat in the cistern—is still there. Who is going to care for it? The British Minister goes on to tell us. "On humanitarian grounds" it was proposed "to approach the United States Government."

Mr. President, there is always some ground for turning to us when England gets her hands full. When she has something she wants to get rid of, on humanitarian grounds or business grounds or some other grounds, she approaches the United States, and we are generally gullible enough to do whatever the British want.

The writer said further:

Since that power—

Talking about us—

appeared to be most closely associated, both historically and economically, with Liberia.

Of course, Mr. President, no country can be economically associated with Liberia, because Liberia has absolutely no economy. Its principal industry is the collection of taxes by murder, robbery, loot, and the sale of human beings into slavery.

I read further:

There you have it. A back door is to be found in the White House for a black waif that nobody wants. The French Foreign Minister agreed to this.

Oh, yes; Mr. President, the French Foreign Minister agreed with the British that we could take over Liberia and put up several million dollars a year to run it.

I read further:

So did Baron Aloisi on Italy's behalf. The League Rapporteur said ditto, and the entire Council concurred. So Europe was through with this clinging curse. To America these "Americoes" properly belonged. Over there was their open door. State Secretary Grimes and Mr. Sottile put in a strong Monrovian protest at this slur upon their sovereignty. Nobody heard them. Neither has anybody heard from President Roosevelt about a new code of conduct for the foundling which the League would push into his all-embracing arms!

Mr. President, what more proof could be required of the incapacity for self-government, for advancement, for social relationships, than the experiences of the Republic of Liberia?

I have no prejudice against the Negro. I believe in economic equality for him. I believe in equal pay for equal work. I believe that every Negro is entitled to kind, just, and considerate treatment. I have defended Negroes in court on numerous occasions. Several of them are personally employed by me in my business. I know their shortcomings. I know what they can do. I am speaking in behalf of racial harmony in America. There is an attempt being made by the Communist Party, which knows the desire of the Negroes for social equality, to inflame them, and, step by step, tear down the safeguards and segregation practices which have been established in the United States. I know that my country is in danger. I have discussed Liberia not for the purpose of criticizing the Negro race, but for the purpose of warning the American people of the limited capacities of the Negro race and what will happen to us if the safeguards to which I have referred are destroyed, and if the races in this country are constantly brought into contact with each other. History will repeat itself in America as it has in every country of the world which has permitted the crossing of the color line.

Mr. President, the very first step down the road to amalgamation and social equality is the granting of political equality. The Negroes vote as a unit. They place their votes upon the auction block and sell them to the politicians who promise them social rights and social privileges. We talk about economic privileges and economic rights.

Those are secondary with the agitators and with the colored leaders. They seek social equality in America.

A few minutes ago the Senator from New Mexico, my good friend [Mr. CHAVEZ] asked me if I could cite a single case on the question of constitutionality in connection with this subject, and of our inability, because of the Constitution, to make the requested appropriation. We do not have the constitutional authority to appropriate money to the agency established under the Executive order to which reference has been made because, as I have already said, no legislative safeguards were provided, and no standards set up. The authority granted was a pure delegation of legislative authority, and therefore it was unconstitutional.

The case of the *Wichita Railroad and Light Company* v. *the Public Utilities Commission* (260 U. S., p. 48) is a case in point. I read from the decision. The Supreme Court of the United States said:

In creating such administrative agency, the legislature, to prevent its being a pure delegation of administrative power, must enjoin upon it a certain course of procedure and certain rules of decision in the performance of its functions. It is a wholesome and necessary principle—

Listen to this, Mr. President—

that such agency must pursue the procedure and rules enjoined, and show a substantial compliance therewith, to give validity to its action.

The Court further said:

That to prevent there being a pure delegation of legislative authority which violates article I of the American Constitution, we must enjoin upon it a certain course of procedure and certain rules of decision in the performance of its functions.

A certain course of procedure and rules of decision. The Supreme Court of the United States has said that that is necessary. Otherwise we would be delegating legislative authority. However, by making the appropriation which we have been requested to make, we would be attempting to give validity to an Executive order which clothes a commission with blanket authority to write any rules, follow any course of procedure, prescribe any punishment, or do anything which it desires to do just so long as its acts result in taking white men out of jobs and giving them to members of minority groups so that votes may be obtained next November. That is the bug under the chip. It is the vote; it is politics. This is a long step toward the destruction of the American system, and by giving Government the control of management we take a long step down the road to communism.

The success of any business, Mr. President, depends upon the ability of the management to select competent, loyal employees. On that principle we have built the greatest industries in the world; we have created the greatest industrial machine in the history of the world. And now, in order to get Negro votes, we are destroying it and turning over to a board here in Washington controlled by Sidney Hillman, and crackpots like this fellow Ross, the power to say who is qualified for a certain job. Now we are transferring that authority; we are taking it away from management. We are depriving the labor unions of the right to say who can belong to them and lodging it in this board.

Mr. President, let us see who these employees are, let us see what kind of people they are. In the first place, the very least thing we could do would be to see that the white man, the Anglo-Saxon, the American, should get justice. Justice is all he wants; but under this set-up, could he get justice?

I have to hold my nose when I read some of these names.

Washington office. Malcolm Ross, chairman, $8,000 a year.

No one knows anything about Ross except that he associates with Communist groups, and we can judge him by his associates. He went to New York a few nights ago and made a speech to a radical rally in order to bring pressure on Congress, to control us from New York.

Deputy chairman, George M. Johnson, colored, salary, $8,000 a year.

Mr. President, I am reading the personnel of the Committee on Fair Employment Practice:

Maceo Hubbard, $5,000 a year.
Emanuel Bloch.

I shall have something to say about this Bloch later. We are placing Communists over every business and every labor organization in the United States. Bloch gets $5,000 a year. He is a hearings examiner.

Evelyn Cooper, hearings examiner, $5,600.
Max Berking, assistant to chairman, $3,800.
Dorothy Alexander, secretary to chairman, a Negro, $2,600.
J. Jeanne Clifton, secretary to deputy, $2,000.
Mary Brooks, clerk-stenographer, $1,800.
Myra Banting, white, $1,800.

Dorothy Alexander, J. Jeanne Clifton, and Mary Brooks are Negroes, and Johnson is a Negro.

The Washington office is just a mixed up affair, and I am going to show in a few minutes that it is a menace to American industry and American labor.

Field operations.

They go out in the field and stir up complaints, send Communists out, send troublemakers to go out and get complaints, to subpena people before them.

Of course, under the American system of government, and under our system of jurisprudence, the aggrieved party must file a complaint, but, ah, we have to get some Negro votes next November, so we will please them, and let anybody file a complaint. A person belonging to a minority group can be satisfied with conditions, yet a troublemaker will come forward, file a complaint, and have a trial in his behalf, even though the member of the minority group does not want it, even when he is against it, even if he should ask that the complaint be dismissed. Is that American? Must I stand on the floor of the Senate of the United States, Mr. President, and protest against procedures such as that?

Now let us take "Field operations."

Will Maslow, chief, white.

I shall have more to say about Maslow in a moment. He receives $6,500.

Clarence Mitchell, principal fair practice examiner, Negro, $5,600.
Eugene Davidson, principal fair practice examiner, Negro, $5,600.
W. Hayes Beall, senior fair practice examiner, white, $4,600.
Inez Mercer, fair practice examiner, $3,800.
Eleanor Rogers, clerk-stenographer, Negro, $1,800.
Otome Saito, Japanese, $1,800.

Then there are a couple of Negro stenographers at $1,800 apiece.

Now I read the personnel of the Review and Analysis Division:

John A. Davis, Negro, at the head, $5,600.

He is in an important position. Am I to be told he would give white business justice? Am I to be told he would not be biased, when I say that without exception every claim that comes before them, every complaint that comes before them, will be against a white Anglo-Saxon? The white Anglo-Saxon is the forgotten man in America today. He is discriminated against, he is mistreated, and we have a country which, in my judgment, is owned—lock, stock, and barrel—and run, by minority groups and for the benefit of minority groups, solely because they are organized, and the great masses of our people are unorganized.

Here is another Negro:

Marjorie Lawson, research analyst, $3,800.
Cornelius Golightly, compliance analyst, $3,200.

Another Negro.

India Hemphill, Negro, compliance analyst, $2,600.
Carol Coan, white, compliance analyst, $2,600.
Joy P. Davis, compliance analyst, another Negro, $2,600.
Celia Hoffman, clerk-stenographer, white, $1,800.
Joan Spaulding, clerk-stenographer, colored, $1,800.

Mr. President, in that organization, in the Review and Analysis Division, there are six Negroes and two white persons.

In the Field Operations Division there are five Negroes, one Japanese-American, and three white persons.

In the Committee on Fair Employment Practice, in Washington, there are five Negroes and five white persons.

Let us consider the Legal Division of this organization.

Mr. MORSE. Mr. President——

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Mississippi yield to the Senator from Oregon?

Mr. EASTLAND. I yield.

Mr. MORSE. I asked the Senator to yield to me for the purpose of having inserted in the RECORD an article which appeared in this morning's Post under the heading——

Mr. EASTLAND. I yielded only for a question. If the Senator secures unanimous consent that I do not lose the floor by yielding I shall be glad to yield.

Mr. MORSE. I certainly do not want to have the Senator lose the floor by yielding to me. I merely wish to insert something in the RECORD.

Mr. EASTLAND. Will the Senator ask for unanimous consent that I not lose the floor by yielding?

Mr. MORSE. I make that request.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. MORSE. Mr. President, I ask to have printed in the RECORD an article which appeared in this morning's issue of the Washington Post under the heading "Negro Troops Wipe Up Japs on Marianas."

GUAM, Friday, June 29.—Reconnaissance——

Mr. EASTLAND. Mr. President, I yielded to the Senator so he might have something inserted in the RECORD. I did not yield for the purpose of permitting the Senator to read something.

Mr. MORSE. I ask that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEGRO TROOPS WIPE OUT JAPS ON MARIANAS

GUAM, Friday, June 29.—Reconnaissance landings on six small northern Marianas Islands by American Negro troops were disclosed Thursday.

These were scouting operations in the backwash of the American advance on Japan.

Only one shot was fired during these landings. A native guide used his pistol to eliminate a Japanese who refused to surrender.

After clearing about 24 Japanese civilians and 38 natives from the six islands—Anathan, Sairgan, Alamagan, Agrihan, Ascuncion, and Maug—the two platoons of Negro Infantry and their guides returned south to Saipan.

The small islands were scouted for possible emergency landings by Marianas-based B–29's, now operating from Saipan, Tinian, and Guam. The Japanese still have forces on Rota and Pagan Islands, also in the Marianas.

Data on the survival possibilities offered by the six islands is being distributed to all Army and Navy commands operating planes in the area.

Mr. EASTLAND. Mr. President, let us now consider the legal division.

Frank D. Reeves, attorney, colored, $4,600.
Simon Stickgold, attorney, white, $4,600.
Jernevive Gordon, clerk-stenographer, colored, $1,800.

Senators will note that in the Legal Division there are two Negroes and one white man to pass upon the validity of complaints.

Let us now consider the Information Division. Here is where one may obtain information concerning this outfit.

St. Clair Bourne, information specialist, colored, $3,800.
Margaret Whiting, clerk-stenographer, colored, $1,800.

This is the Information Division, Mr. President, which helps to propagandize Congress. It is handling the propaganda which is sent over the country. Both individuals employed in that division are Negroes. The white race is not represented. Here we have the Fair Employment Practice Committee, a committee to prevent discrimination, and yet the committee itself discriminates against the white race. Mr. President, an Anglo Saxon does not have a chance there. And, seriously, that is becoming truer every day in Government departments in Washington. We are discriminated against in most departments. Frequently young ladies, Government employees, come to my office with complaints of discrimination and say they are mistreated, that they do not obtain a square deal because some minority group wants special privilege. The way things are handled by the Civil Service Commission works in their favor, and the CIO has a union—I do not know what it is called, a union of Federal employees, which always steps in against a white person in disputes which arise in the department. I make that statement seriously and I will say that down deep in the hearts of two-thirds of us we know that to be true from our own experience and information we have received from employees in the department.

Let us take the budget and Administrative Division of FEPC. This Division not only makes up the budget but administers the regulations. It is a very important Division. A white person does not have a chance there. Listen to this:

Theodore Jones, chief, colored, $5,600 a year.
Sinclair Jeter, assistant administrative officer, colored, $3,200.
Vivian D. Baker, clerk-stenographer, colored, $2,000.

Bosales A. Jackson, clerk-typist, colored, $1,620.
Minnie A. Paynter, clerk-typist, colored, $1,620.
Irving Hollomon, clerk, colored, $1,440.
Ralph R. Selby, chief, fiscal, colored, $2,600.
Sylvia B. Ross, voucher auditor, colored, $2,000.
Otelia Nelson, accounting clerk, colored, $1,620.
Elizabeth Carpenter, accounting clerk, colored, $1,620.
Pearl T. Brent, accounting clerk, colored, $1,620.

There we have seven employees, and not a white person among them. And yet the object of the agency is to prevent racial discrimination. Justice? Fair play? Oh, no. Mr. President, these minority groups are not seeking justice. They are not seeking fair play. They are seeking and securing special privilege. And when we provide this appropriation and set up this agency it will result in discrimination against every white soldier who returns from the war. As I have said several times this afternoon—and a number of Senators are now present who were not present when I said it before—there exists an agency to see that the Negro or other minority individual gets a job, but what have we to help the white boy who is the boy who won the war, the boy who did the fighting?

Let me digress a moment from reading the list of employees of that agency. The other day I read an article from the city of New York. A manufacturer there was fearful of the State set-up. He had cut back. He had to fire some employees. whom did he fire? Did he fire Negroes? Did he fire Jews? No. Why? He was afraid of the FEPC. He fired Anglo-Saxons. That is the effect of this law. We are asked to set up and condone a similar system for all America. We are asked to do it in the name of freedom and democracy. The Democratic Party is founded on the basic principle of equal rights for all and special privileges for none. Here we have a group of Democrats supporting a mesaure to give special privileges to minority groups.

We come now to the Mail and Files Division of this agency which is to prevent racial and religious discrimination. The mail and files division has six employees, as follows:

Lela Douglas, chief, mail and files, colored, $2,000.
Selena Welch, docket clerk, colored, $1,800.
Jessie Gamble, file clerk, colored, $1,620.
Rose Phillips, file clerk, colored, $1,440.
Charles Reed, messenger, colored, $1,380.
Regina Mitchell, file clerk, colored, $1,440.

All six employees are Negroes. Why was the white race discriminated against in setting up these two powerful branches of this organization?

We now come to the New York office, the office which will largely have control and supervision of the great business and industrial enterprises of the world's metropolis. Let us see what kind of persons are at the head of that organization. Let us see in whose hands we are reposing this tremendous power and authority.

Edward H. Lawson, regional director, colored, $5,600.
Madison S. Jones, fair-practice examiner, colored, $3,800.
Robert G. Jones, fair-practice examiner, colored, $3,800.
Daniel R. Donovan, fair-practice examiner, $3,800.

He is a white man. God help him in that organization, with that association.

Miriam Irish, clerk-stenographer, colored, $2,000.
Tillie Asepha, clerk-stenographer, $1,620.

The list states that she is white. I do not believe it.

Sonia Schwartz, clerk-stenographer, white, $1,620.

That is the group which is to assist Governor Dewey, a man who has betrayed his race, the weakest man ever nominated for the Presidency.

I come now to the Philadelphia regional office of this organization. Philadelphia is the city of brotherly love, the Quaker City, the city where everyone can get a square deal. Let us see if the white race gets a square deal through this organization in Philadelphia, a great industrial metropolis, in the State which is the industrial heart of America, a State operating under the American private enterprise system, which has built up sufficient industry in that one State to produce arms and implements of war to defeat the Japanese. Industry in Philadelphia is a monument to the genius of the American people. It is a monument to the genius of the white race in America. It is a monument to the American system of private enterprise which brought it into being.

Let us see who are the members of the crowd which, in the last analysis, will have control of all that industry. They are going to have the right to say who can be hired and who can be fired. When they say that one man can have a job, they necessarily say that another man cannot have a job. Let us look at the list:

James G. Fleming, regional director, colored, $5,600.
Mildred Greenblatt, fair-practice examiner, white, $3,800.

Well, I would hate to trust my case in Mildred's hands.

Milo Manly, fair-practice examiner, colored, $3,800.
Samuel R. Risk, fair-practice examiner, white, $3,800.
Willard Grinnage, fair-practice examiner, colored, $3,200.
Helen Gorgas, clerk-stenographer, colored, $1,800.
Karyl Klinger, clerk-stenographer, white, $1,800.
Grayce Brown, clerk-stenographer, colored, 1,400.

Out of eight individuals, five are Negroes and three are whites—Mildred Greenblatt, Samuel R. Risk, and Karyl Klinger.

Mr. President, I imagine there is a great deal of brotherly love when that crowd gets together in Philadelphia.

Now, let us see whom they have down at Washington:

Joseph Evans, regional director, colored, $5,600.
Theophilus Houston, fair-practice examiner, colored, $3,200.
Alice Kahn, fair-practice examiner, white, $2,600.
Ruby Chisolm, clerk-examiner, colored, $1,800.
Dorothy Urback, clerk-stenographer, colored, $1,620.

In the Washington office of this agency to remove and prohibit economic discrimination, they have four Negroes and one white person. Is the white race discriminated against? Oh, no; they say! As I have said before, the object of this agency is not to remove discrimination, but to grant special privileges to a certain group in this country. Regardless of what anyone may say about it, that is the way it will work. From the reports, that is the way it has already worked in the city of New York.

Mr. President, I predict that if there is a filibuster and if cloture is voted—I do not think it could happen under any conditions, provided there was a filibuster—and if this agency is set up, and is set up in other northern States, all these acts will be repealed in a few years. Say what you please, sentiment against the FEPC is much stronger in America today than it was a year ago. Why is that? Why is it growing? It is growing because labor, the industrial workers, and the masses of the people are becoming wise as to what is behind these measures.

Mr. President, I am proud of my country. We have a great country. I am proud of her system of government. I am proud of her guaranties of human liberty. I am proud of her court system. I have seen much of the world; and, thank God, America is the greatest Nation known in history. Our system, with all of its faults, is much superior, much finer, much better than the governmental and economic systems of any other nation. I hate to see all that swept away. I hate to see serious encroachments made that will destroy the system which has made my country great. Thank God, Mr. President, the man who has faced death, the man who has smelled blood, the man who has smelled the odor of decaying bodies, the man who has seen his friends offer the supreme sacrifice for his country, the man who has gone through all that hell of hells to bring glory to America—our white soldier—thank God he thinks about it just as I do.

It is proposed to rush through this measure. Oh, yes, Mr. President; I say again that the organizations behind it are afraid to wait until the soldier returns home. They want to change our government, they want to have the fact accomplished, before he gets back.

But I go on. I digressed for a moment, for which I am sorry. Now I shall proceed to discuss the Cleveland office of the FEPC. Let us see what this nondiscrimination crowd has in Cleveland:

William McKnight, regional director, colored, $4,600. Olcott R. Abbott, fair-practice examiner, white, $3,800. Lethia Glore, fair-practice examiner, colored, $3,200. Berniza Kelley, clerk-stenographer, colored, $1,620. Edna Wasem, clerk-stenographer, white $1,800.

Mr. President, in Cleveland they have three Negroes and two whites—Olcott R. Abbott and Edna Wasem. How will the great people of Ohio feel about being dominated by a group such as that? In a few moments I shall show, Mr. President, the connection of some of these

people with radical organizations, subversive organizations, that are enemies of my country.

Now let us consider the Cincinnati office, the city from which comes my good friend the able senior Senator from Ohio [Mr. TAFT]. I am sure the office there is not his patronage. I will bet he would have made better appointments than these:

Harold James, fair-practice examiner, white, $4,600.

There is a vacancy there for a clerk-stenographer at $1,800. I am going to show some matters, in a few minutes, about the background of Harold James—at least, I think I am. As I remember, he has quite a background, although I might be mistaken about that.

But let us consider now the Detroit office:

Edward Swan, examiner in charge, colored, $4,600.

Doris K. Sese, clerk-stenographer, Japanese-American, $1,620.

So they have a colored man and a Jap there. I certainly know that the business and labor men of Detroit are grateful for the consideration which they receive from those two individuals. So far as I have gone in reading the names of the employees in those regional offices, and in the office in Washington, it will be noted that not one of them would give a white man a chance. Not one of them would give an Anglo-Saxon a chance. The offices are established for the purpose of granting special privileges to minority groups and to discriminate against and mistreat the members of the white race in order that a few Negro votes may be won next November.

Mr. President, let us consider the Chicago office:

Elner Henderon, regional director, colored, $5,600.

Harry H. Gibson, fair-practice examiner, colored, $3,800.

Joy Schultz, fair-practice examiner, white, $3,800.

LeRoy Williams, fair-practice examiner, colored, $3,200.

Penny Zeidman, clerk-stenographer, white, $1,800.

Marguerite S. Ingram, clerk-stenographer, colored, $1,620.

Yes; the Chicago office has five Negroes and two whites, and I may say that I know at first hand something about the functions of the Chicago office. Today I talked to a friend of mine from the city of Chicago who has had trouble with the organization there. He was compelled to discharge some white employees in order to afford jobs to members of a minority group which he did not wish to employ, and about whose loyalty he felt rather dubious. Yet, the FEPC is an organization which, according to some, is for the purpose of eliminating discrimination. It is an organization for the purpose of taking employment from white persons and giving it to members of minority races. It is an organization for the purpose of discriminating against the white race, a movement which is under way to win some Negro votes next November.

Let us consider Atlanta, Ga., a city of the South. Mr. President, it was disgraceful to put this agency in a Southern State. I digress long enough to state there is no discrimination in the South against the Negro. I make that statement on the strength of what has been said by a man by the name of Ross, who is the head of the FEPC. He stated that less than 10 percent of the complaints which were made to the FEPC came from the South. Many persons stated that it is a group of Negro-hating southern Democrats who are fighting the FEPC. Yet, the head of the FEPC stated that that agency had experienced very little trouble in the South, and had received few complaints from the South. Most of the complaints come from the North. What we of the South are doing, Mr. President, is to fight in order that we may preserve the American system.

Let us consider the disgraceful conditions existing in the Atlanta office. The first thing which was done there was to provide equal lavatory and washroom facilities. The crowd in control there insisted upon tearing out the partition separating the whites from the blacks and bringing the two races into contact with each other. It was claimed that the tearing out of the partition was done on the ground of economic equality and the elimination of discrimination. Why, Mr. President, such a program as the one established in Atlanta, Ga., has followed the Communist line from the very start.

I ask Senators to listen to the names of those who constitute the personnel of the office in Atlanta:

Witherspoon Dodge, regional director, white, $4,600.

John Hope, fair practice examiner, colored, $3,800.

George D. McKay, fair practice examiner, white, $3,200.

Sally Chubb, clerk-stenographer, white, $2,000.

Thelma Ingram, clerk-stenographer, colored, $1,800.

Mr. President, what was done in Atlanta, in the heart of good old Georgia, that great American State which is one of the seats of southern culture? I am proud of southern culture, and I believe it is superior to the culture of people anywhere else. Those in authority at Atlanta established a mongrel outfit consisting of two Negroes and three whites, and then tried to fly in the face of social customs of the southern people.

Let me read the names of the personnel at Kansas City:

Roy A. Hoglund, regional director, white, $5,600.

Eugene Ormabee, fair practice examiner, white, $3,800.

Mildred Jones, clerk-stenographer, colored, $1,620.

Helen G. Schlien, clerk-stenographer, white, $1,620.

Kansas City has been treated better than has any other city. In the office there three whites and one Negro are employed. It will be noted, however, that, generally speaking, the Negroes compose more than half of the employees of this organization. In fact, they compose approximately two-thirds of the total number of employees. However, in relation to the total population of the United States, the Negro race comprise approximately one-twelfth.

It will also be noted, as my friend the distinguished Senator from Arkansas has pointed out, the Negroes have good jobs, some of which are the cream of the office. In spite of that fact, some will say that the FEPC does not practice discrimination against the white race.

Now let us go to St. Louis. Theodore Brown is in charge, a Negro, $3,800.

Levine Morris, examiner, white, $3,200.

Armatha Jackson, clerk-stenographer, Negro, $1,620.

There are two Negroes and one white, who have been selected, I do not know where, but I have been troubled as long as I have been in the United States Senate about this.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield for a question.

Mr. JOHNSTON of South Carolina. I wish to ask consent of the Senate that I be recognized the first thing tomorrow, provided the Senator from Mississippi has finished with his speech this evening or tonight.

Mr. EASTLAND. I shall be through.

The PRESIDING OFFICER (Mr. SMITH in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. EASTLAND. There is somewhere in this Government a powerful unseen force that places Communists and fellow travelers in key positions, and what has troubled me is who constitutes it and where is it located. I know it exists, and I say that in all seriousness and in all candor to my colleagues in the Senate.

I think I know what the source is, but I should dislike to make an irresponsible statement here and charge someone who is not guilty, but somewhere in this Government, in some dark and secret place, there is a powerful force which fills the departments with Communists and fellow travelers, and that fact is known, in my judgment, by a majority of the membership of the United States Senate.

Those people could not get in these places in any other way. A good part of the employees of FEPC belong to subversive organizations. Who hired them? It was some powerful, radical force. In my judgment, the greatest service the Senate of the United States could render the American people would be to ferret out that source, turn the light on that power, and see that it is exterminated.

I digress again from reading the list and turn to the current appropriation for the OWI. That organization is absolutely filled with Communists. Why? How did they get there? There is a powerful unseen force somewhere.

Mr. President, two Communists wrote a book entitled "The Races of Mankind," every page of which is false. The Army began to circulate that book, but, because of opposition on the part of the Committee on Military Affairs of the House of Representatives, withdrew it. It was written by Communists—a book on social equality and racial amalgamation. Then what happened? One of the authors of the book turned up in a responsible position in OWI. I protested to the Director of OWI, and from conferring with him

I could see that his hands were tied. Down through devious lengths, from what source I do not know, the orders came that she was to be protected, and she is there today in the Overseas Branch.

Mr. President, I have stated time and again, and I repeat, there is a drive on in this country for social equality. The statement was made that OWI had never put out false information. That statement was made repeatedly on the floor of the Senate. Their representatives come before the committee and talk about the fine work they are doing, work free from communism, and no controversial subjects being discussed. Yet they did not tell of a picture they are circulating all over Europe entitled "A Better Tomorrow." During the speech on the Charter this morning I heard some reference to the better tomorrow. I saw OWI's conception of a better tomorrow, and a good part of it was entitled "An Academy of Democracy." It was nothing in the world but false propaganda for social equality, showing an alleged mixed school and horrible conditions in the city of New York, holding that out as typical of America.

Mr. President, let us get back to the Dallas office of this organization. I have been digressing.

Carlos Castenada, regional director, white, $4,600.

There is a vacancy in the office of fair practice examiner at $3,200. I venture to assert that it will not be filled by a white person, but that it will go to some radical Communist.

Willetta Gutlehen, clerk-stenographer, white, $1,800.

Mr. President, that is some crowd to control the business and labor destiny of the great Southwest, the fastest growing and fastest developing section of America. This organization is a disgrace, its personnel is a disgrace, and as a high public duty, in my judgment, we should deny this appropriation.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield provided I do not lose the floor. I ask unanimous consent that I do not lose the floor by yielding.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Cordon	Johnson, Calif.
Austin	Donnell	Johnson, Colo.
Bailey	Downey	Johnston, S. C.
Ball	Eastland	Kilgore
Bankhead	Ellender	La Follette
Barkley	Ferguson	Langer
Bilbo	Fulbright	Lucas
Brewster	George	McClellan
Bridges	Gerry	McFarland
Brooks	Green	McKellar
Burton	Guffey	McMahon
Bushfield	Gurney	Mead
Butler	Hart	Millikin
Byrd	Hatch	Mitchell
Capehart	Hawkes	Moore
Capper	Hayden	Morse
Chavez	Hill	Murdock
Connally	Hoey	Murray
Myers	Stewart	Walsh
O'Daniel	Taft	Wheeler
O'Mahoney	Thomas, Okla.	Wherry
Overton	Thomas, Utah	White
Pepper	Tunnell	Wiley
Radcliffe	Tydings	Willis
Revercomb	Vandenberg	
Smith	Wagner	

The PRESIDING OFFICER. Seventy-six Senators having answered to their names, a quorum is present.

The Senator from Mississippi [Mr. EASTLAND] has the floor.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. EASTLAND. I yield.

Mr. BARKLEY. I see no point in continuing the session at this time or in attempting to run it into the night. Under the rules of the Senate there must be a vote Monday on the cloture petition, and I see nothing to be gained by remaining in session and simply talking. It is my purpose, therefore, to move that the Senate take a recess, but before that is done, the Senator from Alabama [Mr. HILL] desires to have action taken on a bill.

Mr. EASTLAND. I have not concluded, Mr. President, but a recess is satisfactory to me.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. McMAHON. I send to the desk an amendment to House bill 3368, under rule XXII, and ask that it may be received, printed, and read at the desk.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. On page 4, line 18, it is proposed to strike out "$2,500,000" and to insert in lieu thereof "$3,370,000."

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

NATIONAL DEFENSE HOUSING

Mr. HILL. Mr. President, a few days ago the Senate Committee on Education and Labor, with almost the full membership of the committee in attendance, unanimously reported House bill 3278, which provides an additional authorization of $30,000,000 for carrying on essential public services under the original Lanham Act. The bill was unanimously reported to the House by the House committee, and passed the House unanimously. It carries no authorization of money for additional construction of any kind under the Lanham Act, but only for essential public services such as child care, some health work, schools, and things of that kind.

I ask unanimous consent that the unfinished business be temporarily laid aside, and that House bill 3278 be considered at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama?

Mr. WHITE. Mr. President, reserving the right to object, let me say that since the Senator from Alabama spoke to me about the bill I have talked with all the minority members of the Committee on Education and Labor, and I find no objection voiced to the bill by any one of them.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 3278) to amend section 204 of the act entitled "An act to expedite the provision of housing in conection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

PAUL T. THOMPSON—CONFERENCE REPORT

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 905) for the relief of Paul T. Thompson, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the figures "$2,750" insert the figures "$2,000"; and the Senate agree to the same.

ALLEN J. ELLENDER,
OLIN D. JOHNSTON,
Managers on the Part of the Senate.
DAN R. McGEHEE,
EUGENE J. KEOGH,
CLIFFORD P. CASE,
Managers on the Part of the House.

Mr. WHITE. Is this a claim bill?

Mr. ELLENDER. It is.

I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

GASOLINE RATIONING

Mr. WALSH. Mr. President, recently I asked the Petroleum Administration for War for a statement concerning the present gasoline situation and what the outlook was for the future. I ask unanimous consent that the statement prepared by the Petroleum Administrator for War on this subject be printed in the body of the RECORD for the information of Members of Congress.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Gasoline rationing can be neither ended nor further liberalized. There is no surplus of civilian grade motor gasoline as is demonstrated by the fact that stocks at refineries and terminals throughout the Nation fell from 53,487,000 barrels on May 24 to 46,370,000 barrels on June 16. On June 30 of 1941—some 5 months before Pearl Harbor—civilian grade motor gasoline stocks totaled 75,070,000 barrels.

So far as petroleum products generally are concerned, the stocks are critically low in the producing areas of the Midwest and Southwest on which the Atlantic seaboard and other sections of the country rely heavily for their supplies. These petroleum stocks have declined from levels of a year ago despite the fact that the industry is producing at the highest rate in its history.

Intensified fighting in the war against Japan will mean that longer distances will have to be traversed by naval units; that heavier equipment must be used and that land, sea, and air operations must be stepped up vastly—all requiring immense quantities of petroleum products.

These factors point to restricted civilian supplies of petroleum products until after

VJ-day, and it is a situation which may grow worse before it gets better.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Pay Director David W. Mitchell to be a pay director in the Navy, with the rank of rear admiral, for temporary service, to rank from the 18th day of June 1943;

Commodore Virgil E. Korns, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving on the staff (shipping) of the commander in chief, United States Pacific Fleet, and until reporting for other permanent duty; and

Sunday captains to be commodores in the Navy, for temporary service.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Pearl C. Flinders, to be postmaster at Albertson, Montana, in place of I. G. Nichols, resigned.

The PRESIDING OFFICER (Mr. HOEY in the chair). If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTER

The legislative clerk read the nomination of Elbert W. Franklin to be postmaster at Floresville, Tex.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. BARKLEY. I ask that these nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the United States Public Health Service are confirmed en bloc.

LIBRARIAN OF CONGRESS

The legislative clerk read the nomination of Luther H. Evans to be Librarian of Congress.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

ADDITIONAL POSTMASTER NOMINATION

The legislative clerk read the nomination of Lester J. Williams to be postmaster at Canastota, N. Y.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Marine Corps are confirmed en bloc.

That completes the calendar.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 12 minutes p. m.) the Senate took a recess until tomorrow, Saturday, June 30, 1945, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 29 (legislative day of June 25), 1945:

LIBRARIAN OF CONGRESS

Luther H. Evans to be Librarian of Congress.

UNITED STATES PUBLIC HEALTH SERVICE

APPOINTMENTS IN THE REGULAR CORPS

To be scientists, effective date of oath of office

Wallace D. Armstrong	Heinz Specht
Floyd S. Daft	G. Robert Coatney
Howard L. Andrews	

To be assistant surgeons, effective date of oath of office

Gaston E. Blom	Marvin W. Evans
Robert H. High	Vincent G. Peiffer
Robert J. Bryan	Charles D. Bahl
Emory S. Moore, Jr.	Warren W. Kreft
Edwin E. Wieckowski	Ardell B. Colyar
James K. Martins	Willie G. Simpson
Louis C. Floyd	Keith F. Farr
Robert L. Smith	Stephen Fromer
Leo J. Gehrig	Charles D. Muller, Jr.
William P. Blocker, Jr.	Norman C. Morgan
Clinton C. Powell	Martin J. Ittner
Arthur L. Koven	Robert L. Cannon
Manrico A. Troncelliti	Leo P. Krall, Jr.
Charles E. Carter	Eric P. Lofgren
Irwin M. Boozer	Robert E. Staff
Leland C. Burrill	Robert J. Burleson
Lee H. des Bordes	Wade H. Etheridge
Thomas O. Dorr	John Simon, Jr.
Edward N. Maxwell	John W. Smillie 2d
Warfield Garson	Robert A. Brennan
Arthur E. Rikli	Sidney Krohn
Walter D. Richards	William P. Ramey
Junius A. Evans	Richard E. Markley
Philip T. Williams, Jr.	Elliott L. Harlow

To be passed assistant surgeons, effective date of oath of office

Leonard M. Schuman	John C. Hume
Lewis E. Nolan	Harry E. Tebrock
Burnet M. Davis	Roy Hertz
Fred W. Thyng	William C. Bown
Leroy R. Allen	Mark E. Myers
John K. Stalvey, Jr.	Daniel MacKillop
Theodore E. Hynson	Lewis C. Robbins
Sol R. Baker	Raymond Hofstra
Bernard B. Davis	Charles W. Jones
Gilcin F. Meadors	Frederick C. Kluth
Emerson Y. Gledhill	Elton S. Osborne, Jr.
L. G. Johnson	Philip L. Spencer
Glenn H. Algire	Robert W. Rasor
Mary Walton	Jack A. End
Leo W. Koster	

To be temporary passed assistant surgeons, effective date indicated

Isaac M. Zigler, April 1, 1945.
Francis S. Schwarz, Jr., May 1, 1945.
Rheim M. Jones, May 1, 1945.
Reuben B. Widmer, June 1, 1945.
George W. Gibbins, June 1, 1945.

To be temporary surgeons, effective date indicated

Harry F. White, Jr., May 1, 1945.
Gene B. Haber, May 1, 1945.
Albert N. Sarwold, May 1, 1945.
Curtis G. Southard, January 17, 1945.
David W. Scott, Jr., May 1, 1945.
Verne C. Waite, May 1, 1945.
Michael J. Clarke, May 1, 1945.

To be temporary senior surgeons, effective date indicated

Waldemar J. A. Wickman, May 1, 1945.
Eugene W. Green, May 1, 1945.
Dean A. Clark, June 16, 1945.

To be temporary medical directors, effective June 1, 1945

Kenneth R. Nelson
Oliver C. Wenger.

To be senior dental surgeon, effective May 29, 1945

Allen M. Perkins

To be passed assistant surgeons, effective date indicated

David S. Ruhe, July 1, 1945.
Elmer L. Hill, July 1, 1945.
Otis W. Yeager, July 1, 1945.
Robert S. McClintock, July 15, 1945.
William H. Errgong, July 1, 1945.
Anthony J. Lund, July 1, 1945.
George A. Shipman, June 30, 1945.
James L. Elliott, July 1, 1945.
George W. Comstock, July 1, 1945.
C. Dudley Miller, July 1, 1945.
Herbert E. Pedersen, July 1, 1945.
Robert H. English, July 1, 1945.
Marion B. Richmond, July 3, 1945.
William C. Lewis, July 6, 1945.
Chester M. Sidell, July 1, 1945.
William C. Jenkins, July 1, 1945.
Robert M. Foote, July 1, 1945.
Frank A. Buell, July 13, 1945.
Randolph P. Grimm, July 1, 1945.
I. Ray Howard, July 1, 1945.
Carl R. Kunstling, July 1, 1945.
Willys M. Monroe, July 1, 1945.
Andrew P. Sackett, July 1, 1945.
Robert N. Bord, July 1, 1945.
Lloyd F. Summers, July 1, 1945.
H. Charles Franklin, July 1, 1945.
Herbert F. Hager, May 11, 1945.
Carruth J. Wagner, July 1, 1945.
Edward T. Blomquist, July 1, 1945.
Roy A. Darke, July 1, 1945.
John C. Cutler, July 1, 1945.
John J. Davies, July 1, 1945.
Leon A. Heppel, July 1, 1945.
Eugene J. Gillespie, July 1, 1945.
Bertrand E. Bennison, July 1, 1945.
Robert M. Thomas, July 1, 1945.
John B. Spriggs, July 1, 1945.
William L. Hewitt, June 1, 1945.
Arthur Kornberg, July 1, 1945.

IN THE MARINE CORPS

TO BE SECOND LIEUTENANTS

James E. Johnson	Albert E. Bailey
Julian Willcox	George S. Walz
Henry Brzezinski	Keigler E. Flake
Ross V. Swain	Bruce G. Warren
John D. McLaughlin	Welby W. Cronk
Theophilus A. Pierce	

POSTMASTERS

NEW YORK

Lester J. Williams, Canastota.

TEXAS

Elbert W. Franklin, Floresville.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 29, 1945

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Beneath Thy mighty hand, Almighty God, we humble ourselves and praise Thee that Thy sway is not over a broken humanity, but over free and loving hearts. How marvelous is Thy providence; each day it dawns upon us with the beauty and promise of the morning. Thou hast spoken through holy men of

old; as Thy spirit directed them, do Thou invigorate the purposes of our souls, adding sincerity to sincerity, earnestness to earnestness, and endeavor to endeavor.

Keep us far from that barren existence which is devoid of any great objective other than self. Grant that the decisions of the Congress may be born of a genuine, generous spirit of cooperation, protecting the claims of a just and a free people. Do Thou each day set before us the goal of high character which is the true achievement of life. Create within us a greater determination to build up our spiritual natures with the sentiments of love, fidelity, and brotherhood. We commend unto Thee our notable Speaker, the leaders and the Members and all who are associated with this Chamber. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. J. Res. 30) entitled, "Joint resolution extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3024) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 5, 11, 14, 50, 64, 65, 123, 129, 145, 154, 155, 156, 160, 165, 176, 177, 178½, 181, 258, 264, 280, and 320 to the foregoing bill.

ADDITIONAL COPIES OF HEARINGS RELATIVE TO UNIVERSAL MILITARY TRAINING

Mr. BULWINKLE. Mr. Speaker, I present a privileged resolution (H. Res. 307) from the Committee on Printing and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Select Committee on Post-War Military Policy of the House of Representatives, be, and is hereby, authorized and empowered to have printed for its use 500 additional copies of part 1 of the hearings held before said committee during the current session, relative to universal military training.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD and include an article from the Washington Evening Star of yesterday.

TWO THOUSAND FIVE HUNDRED DOLLAR EXPENSE ALLOWANCE FOR MEMBERS OF THE HOUSE TAXABLE INCOME

Mr. ROBERTSON of Virginia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON of Virginia. Mr. Speaker, I recently wrote the collector of internal revenue to know whether or not the $2,500 expense allowance for Members of the House of Representatives would be treated as taxable income. He advised me that the allowance will be taxable on the same basis as our $10,000 salary, which is, of course, the answer which I expected.

Next week the Treasury Department will send me a letter outlining the deductions which Members of Congress are authorized to make against gross income, and when that letter is received, I shall publish it in the RECORD. The biggest item of expense for a Member of Congress which is allowed all businessmen who come to Washington to transact business will not be included in the items that can be deducted, and that item is living expenses.

EXTENSION OF REMARKS

Mr. TRIMBLE asked and was given permission to extend his remarks in the RECORD and insert excerpts from a letter.

Mr. HEFFERNAN. Mr. Speaker, I ask permission to extend my remarks in the RECORD and to include therein a copy of a citation Sgt. Loring M. Black, Jr., received when he was awarded the Bronze Star. Sergeant Black is the son of former Congressman Loring M. Black, who represented the Fifth Congressional District of New York, several years ago. I wish to also include an address by Maj. Gen. George F. Lull, Deputy Surgeon General, United States Army, to the graduating class of the Jewish Hospital of Brooklyn School of Nursing, Brooklyn, N. Y., on June 4, 1945.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STEWART asked and was given permission to extend his remarks and include therein a radio broadcast made on June 24 by Upton Close over the National Broadcasting Co.

Mr. PLUMLEY asked and was given permission to extend his remarks and include an editorial.

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an editorial written by John O'Donnell, one of the outstanding newspapermen of Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ELLIS asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a fine speech made by Dr. John W. Scoville, economist for the Chrysler Corp. His subject was: Full Employment, Dream or Possibility.

Mr. Speaker, I have referred this matter to the Government Printing Office and find it exceeds the limit established by the Joint Committee on Printing. I am advised it will take three pages and cost $156.

The SPEAKER. Notwithstanding the cost, without objection the extension may be made.

There was no objection.

Mr. THOMAS of New Jersey asked and was given permission to extend his remarks in two particulars, in one to include an editorial from the Paterson Evening Sun, and in the other an editorial from the Delaware Valley News.

Mr. FORAND asked and was given permission to extend his remarks in the Appendix and include therein a resolution.

A MODERN MIDNIGHT RIDE BY PAUL REVERE

Mr. ERVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

[Mr. ERVIN addressed the House. His remarks appear in the Appendix.

PRICE CONTROL

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

[Mr. ELLIS addressed the House. His remarks appear in the Appendix.]

RESTORATION OF BILL S. 311 TO PRIVATE CALENDAR

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent that the bill, S. 311, may be reinstated on the Private Calendar. I have contacted the other objectors, as well as the leadership, and they concur in this request.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE WAR MANPOWER COMMISSION

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. VURSELL addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SCRIVNER asked and was given permission to extend his remarks in the RECORD on the subject of the plight of older soldiers, and to include excerpts.

Mr. PRICE of Illinois asked and was given permission to extend his remarks

in the RECORD and to include a resolution on the late President Franklin Delano Roosevelt adopted by the Fraternal Order of Eagles at Granite City, Ill.

PERMISSION TO ADDRESS THE HOUSE

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to address the House for 20 minutes on July 5 after disposition of business on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PRESIDENTIAL SUCCESSION

Mr. SABATH. Mr. Speaker, I call up House Resolution 306 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H. R. 3587) to provide for the performance of the duties of the office of President in case of the removal, resignation, or inability both of the President and Vice President. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. SABATH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 132]

Baldwin, Md.	Hand	Roe, N. Y.
Baldwin, N.Y.	Hart	Russell
Barden	Hays	Savage
Barry	Hébert	Sharp
Bell	Hobbs	Sheppard
Bloom	Hook	Simpson, Pa.
Bradley, Mich.	Jarman	Smith, Ohio
Buckley	Johnson, Ind.	Snyder
Bunker	Johnson, Okla.	Somers, N. Y.
Burgin	Kearney	Stigler
Butler	Keogh	Sumner, Ill.
Cellar	Kilburn	Taylor
Cole, N. Y.	Lane	Thom
Cooley	Lesinski	Weiss
Cox	Luce	White
Dawson	Lynch	Whitten
Dickstein	McGlinchey	Wilson
Earthman	Merrow	Winter
Eaton	Morrison	Wood
Fernandez	O'Neal	Worley
Geelan	Ploeser	
Granger	Powell	
Grant, Ind.	Rayfiel	
Hall, Leonard W.	Rich	
	Rodgers, Pa.	

The SPEAKER. Three hundred and sixty-two Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. RANDOLPH asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. JUDD asked and was given permission to extend his remarks and include a statement made on the radio broadcast Town Meeting of the Air.

Mr. BATES of Massachusetts asked and was given permission to extend his remarks and include an excerpt showing official temperatures in the Persian Gulf area.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a speech delivered on June 26 at the Food Forum in Chicago, Ill., on the subject of Europe's food and health situation, by Roy F. Hendrickson, Deputy Director General of the United Nations Relief and Rehabilitation Administration.

I am advised by the Government Printing Office that this exceeds the limit established by the Joint Committee on Printing and that it will cost $208. Notwithstanding the cost I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding the cost, without objection the extension may be made.

There was no objection.

PRESIDENTIAL SUCCESSION

The SPEAKER. The gentleman from Illinois [Mr. SABATH] is recognized.

Mr. SABATH. Mr. Speaker, later on I shall yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, this resolution makes in order the immediate consideration of the bill H. R. 3587, known as the Presidential succession bill, which provides for the performance of the duties of the office of President in case of the removal, resignation, or inability both of the President and Vice President. The rule provides for 2 hours general debate, after which it will be read under the 5 minute rule for amendment. This rule has been reported by unanimous vote of the Rules Committee, although there was some division in the Judiciary Committee that considered and reported the bill originally.

The legislation is recommended by the President of the United States. It is important legislation, and I know that it will be thoroughly explained to the House by the able chairman of the Committee on the Judiciary, the gentleman from Texas [Mr. SUMNERS].

Mr. Speaker, personally I hope that the time will never come when there will be need for this legislation, but life is uncertain and we can never tell what will happen. In the past the country has been deprived from time to time of the services of its Chief Executive, the President. Only a few short weeks ago we lost one of the greatest Presidents of the United States, but the country was indeed fortunate to have a Vice President, who, I am sure, being of the people, will continue to be with the people and serve the people as he has in the past. I know it is the united sentiment of the people of America that he continue not only in the present term but when the term is over his achievements will be such that he will be called upon to serve again for another term. But, as I stated, life is uncertain.

May I also say at this time that we are extremely fortunate in having one of the outstanding Speakers of the House, a most beloved, capable, and experienced Speaker who has ever served this House. I know it is our fervent wish that he will not relinquish his service here and that he will continue to serve as our Speaker for many, many years to come. We hope that our great President will continue in his capacity for the present term and to continue beyond this term to serve the Nation.

If misfortune should befall our country and a vacancy should occur in the Presidency, under the provisions of this bill, a successor is provided. In such event, our capable and experienced Speaker, as I have stated, would fill such vacancy, and his place, I am sure, would be taken by our able, efficient, and well-informed majority leader of the House, the gentleman from Massachusetts, JOHN W. MCCORMACK.

Mr. Speaker, I hope that none of these things will happen, and that the necessity for the provisions of this bill will not arise. May the Almighty protect and guide President Truman in carrying out his manifold duties and to give him health and strength in shouldering the heavy responsibilities of his office.

Since all of the Members are thoroughly familiar with what this resolution aims to do. I shall not detain the House any longer. I hope that the resolution will be adopted and that the bill will pass by the unanimous vote of this House.

I now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, it is very enlightening to know that even though one has reached the age of nearly fourscore years that they admit they have made many previous statements which were not exactly correct. My good friend the gentleman from Illinois [Mr. SABATH], for 12 long years said that there was only one man indispensable to the United States of America. He made that statement practically every week and now he admits that President Truman is doing a good job, and that after all America can survive, regardless of the life of one individual.

Like my congenial chairman, I also am supporting this rule. It provides for the performance of the duties of the office of President in case of the removal, resignation, or inability of both the President and the Vice President.

As the chairman has stated, this is an open rule. It provides for 2 hours' debate and then the bill is open for amendment. I have studied this bill carefully. In my opinion the Committee on the Judiciary has done a splendid job. It may be that there are some things in regard to the constitutionality of it that

may be necessary to be ironed out, but we will have that opportunity when we are considering the bill itself. I am proud to vote for this bill because I am of the belief that about the only chance in the world a Member of the Democratic Party from the solid South would have of becoming President would be through the election of the Speaker, caused by the removal, resignation or inability of the President and Vice President. Our Speaker does come from the solid South. In my opinion there is not a person in the United States that is more honest, reliable and trustworthy than Mr. RAYBURN. There is not anyone who would be better qualified to be President.

I question very much whether New England will ever furnish another President. That takes care of our able minority leader, the gentleman from Massachusetts, JOSEPH W. MARTIN, JR., who also has all the necessary qualities to make a great President. The reason I say that in my opinion the Democratic Party will never nominate one from the solid South as President is because the minority groups are now running the United States. The minority groups of five or six of the larger States will control all national elections in the future. Therefore I would urge you Members, particularly those who are desirous of ever having a President from the solid South, and the Republicans of ever having one from New England, as the result of the minority groups from these larger States, that you support this bill.

Mr. NORRELL. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Arkansas.

Mr. NORRELL. As I understand the bill, in case of the death of the President, the next in line would be the Speaker.

Mr. ALLEN of Illinois. The Vice President.

Mr. NORRELL. I mean, after the Vice President, then the next in line of succession would be the Speaker of the House.

Mr. ALLEN of Illinois. That is true.

Mr. NORRELL. After that, where does the line of succession go?

Mr. ALLEN of Illinois. The President pro tempore of the Senate.

Mr. NORRELL. The question I wanted to ask was this: In the event the succession reached the Speaker and he should become President, and we should then elect another Speaker of the House, and later the Speaker who had become President should die, then how would the succession ever reach the President of the Senate?

Mr. ALLEN of Illinois. It never could reach the President of the Senate as long as the House of Representatives had a regular qualified Speaker.

Mr. NORRELL. I may say to the gentleman that I am in favor of the succession always remaining in the House, but I was puzzled to know how it would ever reach the President of the Senate.

Mr. ALLEN of Illinois. In the event there is no Speaker, that would be about the only opportunity that the President of the Senate could ever be reached. Of course, it is unlikely that we will ever be without a regular qualified Speaker for any extended period.

Mr. NORRELL. We would immediately elect another Speaker, so in case of a vacancy the new Speaker that we elected certainly would become President.

Mr. ALLEN of Illinois. The gentleman is correct.

Mr. HANCOCK. I may say it is not likely that the new Speaker would be elected right before the death of the Vice President.

Mr. NORRELL. We could elect another Speaker within a few days' time.

Mr. ALLEN of Illinois. The gentleman is correct.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. SABATH. The gentleman from Illinois has made some very favorable and deserved remarks concerning the minority leader who comes from New England. You have heard me say this before many times, I really am for him and hope he will continue to be the minority leader for many years.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, it is to be hoped that if the House votes to adopt this legislation its action will not be misconstrued.

Not so long ago, in speaking against some of the provisions of the FEPC, I took occasion to praise members of the Jewish race because of their attainments, their outstanding positions in the arts, the professions, in the business, and financial structure of our country. Much to my surprise—perhaps I should say to my astonishment—in two Jewish publications within a month I found those remarks referred to as being anti-Semitic. No reasonable man reading those remarks can by any stretch of the imagination find anything in them which in any way reflects upon anyone merely because he is a member of the Jewish race. Those who use them in an effort to prove that they indicated that I am anti-Semitic are merely themselves endeavoring to create racial feeling. Those who place such a distorted construction upon the statements of others are themselves doing exactly what they charge others with doing and if they continue they will finally succeed in creating and spreading national intolerance which may lead to civil war.

Now, for many years I have never mentioned the word "Jew" or "Jewish" on the floor for fear that some political enemy or someone might wilfully misconstrue what I said. I find that the first time I do mention them that is what happened. I can conceive of no reason for such an attack, for such misconstruction, unless it be that those indulging in it are either Communists or tools of Communists desiring to create discontent to prepare the soil for a revolution here in America. We all know as a matter of common knowledge that next in succession to the presidency in case of the death of President Truman at the present time is a Jew, Mr. Morgenthau, Secretary of the United States Treasury. I am wondering if we pass this bill and make it impossible, should the great calamity of the death of the President fall upon this country, for this member of the Jewish race to succeed to the presidency—I repeat, if we now make it impossible for that to happen, will someone say that the House or some Members of the House conceived and brought about this change in order to prevent a Jew, in this particular case Mr. Morgenthau, from becoming the President of the United States? I wonder, too, if those who are so eager to put this FEPC across will not get up and say, "Oh, well, here you are discriminating against a person because of his race or creed."

I hope that those ardent advocates of FEPC, which provides that there shall be no discrimination against any individual in employment because of race, creed, or color, will not cite the passage of this bill as an example of racial discrimination.

I hope that they will not be so unfair as to say that the bill is aimed at keeping Mr. Morgenthau out of the Executive Mansion in the event that the Nation, through death, should lose Mr. Truman.

When a member wishes to go along with a New Deal measure which may have merit and few of them do, he finds himself in a position where he may subsequently, by members of that party, be charged with racial prejudice. If Republicans, generally, as I assume they will, support this measure when amended, let no one refer to that action as being anti-Semitic.

I hope they will not do that. I hope this legislation can be considered and acted upon on its merits without the thought that in subsequent days it may be charged that those of us who support it and who honestly believe that an elected Member, a Member of a House elected by the people, the people's representative, instead of someone chosen by the President or some other officer, should become President of the United States upon the death of a former Vice President who is President, were doing so because Mr. Morgenthau is a member of the Jewish race.

May I leave that thought with you, may I say to my friends on the majority side, to my friends who are advocating FEPC: Will you kindly for once in your lives just make it possible for a man to vote for something without being accused of an improper motive? May we support this bill without being charged with being anti-Semitic, even though in the unfortunate event of the President's death it would prevent a Jew becoming President?

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Speaker, this bill was reported by the Committee on the Judiciary, of which I am a member, by a vote of 10 to 9. One of the serious objections to the bill is found on pages 4 and 5. If you have the bill before you I wish to invite your attention to it, because it involves something which you very likely will not want in any legislation which you pass.

Section (f) on pages 4 and 5 provides that in the event of the death of the President and Vice President, and the

Speaker becomes President and that contingency occurs 90 days or more immediately preceding a regular Congressional election, in the off years a special election must be called to elect a President. Now that raises a serious question. You will find that you do not have the machinery in any State of the Union to make nominations for President and Vice President and for electors within 90 days before such an election. In many States you elect your delegates to a national convention, nominees for electors in primaries, and in other States by conventions, and in some of the States, these selections are made in May. The State laws provide that. Of course, if this section remains in the bill you would have to change nomination and election laws of the States. In some States they would have to change the constitution to meet those requirements and to hold this special election.

At the proper time I shall offer a motion to strike that part of the bill or at least to amend it so as to make it workable without every State of the Union changing its laws and some States changing their constitutions.

Mr. TALBOT. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. TALBOT. Does not the Constitution of the United States now provide that the term of the office of the President and Vice President shall be 4 years?

Mr. ROBSION of Kentucky. Yes.

Mr. TALBOT. And does not section (f) of this bill set up machinery whereby a special election will be held for the election of a President and Vice President for only 2 years?

Mr. ROBSION of Kentucky. Yes.

Mr. TALBOT. Is not that section contrary to the Constitution?

Mr. ROBSION of Kentucky. That presents another serious objection. I shall come to that section in the bill in a moment. And there is another reason, a practical, serious reason why there should not be a special election. For instance, when the President of the United States dies the country tries to adjust itself to the new situation. Then before this act can operate the Vice President must die or become disqualified, and the country would adjust itself to that situation. And then the Speaker would succeed to the Presidency. After nearly 2 years of the term has expired, this section would project a presidential election. The country would have only a few months after the death of the President and Vice President and the Speaker became President to adjust itself to the new situation and new conditions.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. ROBSION of Kentucky. Now if you would bring on a presidential election with these three contingencies happening close together you would disrupt this country in such way as would affect it socially, politically, and, more important still, its industrial and commercial life. Why put something in this bill that would require the 48 States to change their laws and some States their constitutions?

Why put something in here, the constitutionality of which would be doubtful, and would be a very serious objection to the bill itself? Why put something in here that may cause three great upsets, the death of the President, the death of the Vice President, make the Speaker President and, in addition to those, a national election—all in a brief period?

So I think that section is unwise and unworkable and it ought to come out.

Mr. ELSTON. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. ELSTON. I think the gentleman's amendment would be an excellent one for another reason. Section (f), as it is now written, would only have about a year and 7 months to operate.

Mr. ROBSION of Kentucky. That is right. Here you are going to elect a President for 1 year and 7 months, and go through several months of election contest when business is more or less closed down, waiting, waiting what may be the result of that special election.

Mr. SABATH. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. SABATH. I presume the gentleman is aware of the fact that the bill will be taken up under the 5-minute rule and he will have an opportunity to move to strike out that section?

Mr. ROBSION of Kentucky. Yes, I am aware of that fact. I will say I intend to vote for the rule. I think the bill should be considered. I was simply giving notice now of my intention to strike this particular section from the bill when it is read for amendments. I urge each Member to read carefully this bill, and especially read section (f) on pages 4 and 5.

The SPEAKER. The time of the gentleman from Kentucky has again expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, in the beginning, let me say I am in hearty accord with the succession as provided in this bill. Personally, I am not disturbed about the constitutional provisions of the bill.

Few bills pass through Congress where some persons cannot point out some provisions which they might possibly consider unconstitutional. That is a general ground that is often talked about. I presume that in the debate there will be those who will argue that every section of the bill is unconstitutional, and possibly some might even go so far as to say that the bill was conceived in iniquity and born in sin.

Eliminating subsection (f), beginning on page 4, which section provides for the special election to which the gentleman from Kentucky [Mr. ROBSION], who has just preceded me, referred, I can hardly conceive of other constitutional objections being advanced.

The gentleman from Kentucky is always convincing, always informed, and usually correct in his conclusions. However, as I listened to him, I was reminded of the debate in the House in the last Congress bearing upon the constitutionality of the Federal soldier vote ballot. I preferred the State ballot, but did vote for the Federal ballot as an alternative, and in doing so I did not feel that I was violating the Constitution. The objective was desirable and, while it interfered with the laws made by some of the States, yet the action of the States alone did not prevent the Congress from operating in its proper legislative sphere. Anyway, the boys who could not get a State ballot were, in the wisdom of the Congress, provided with a Federal ballot, and we have not heard anything about the constitutionality of the law since.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. ROBSION of Kentucky. In case we undertook to have our boys overseas vote, this 90-day limitation would be of tremendous importance, would it not?

Mr. MICHENER. Yes.

Mr. ROBSION of Kentucky. It would be of very great importance in getting the set-up and the canvass made and getting the ballots overseas.

Mr. MICHENER. Undoubtedly some will insist that under the Constitution the Speaker of the House is not an officer of the Government and, therefore, not constitutionally able to act as President. Well, the Blount case in the Senate, as well as Supreme Court cases, will be discussed by the chairman of the Judiciary Committee and others. In my opinion, the holdings in these cases fully justify this bill.

There has been too much haste in bringing this legislation before the House; that is, the time between the introduction of the bill and its consideration on the floor has been too short. Even those members of the Judiciary Committee, who have never considered similar legislation before the committee, have had insufficient time to familiarize themselves with the history of presidential succession legislation. Suffice it to say that for more than 100 years the law of the land was that the Speaker of the House of Representatives should, under certain contingencies, succeed to the Presidency in case of the disqualification or inability of the President and Vice President to serve. In the light of this circumstance, it seems a little strained on the part of some of the members of our committee to insist now that there is no precedent and no constitutionality for this bill. Yes, the succession was changed by the Congress, but not because the former law was considered unconstitutional.

Be it remembered that this bill only attempts to provide who shall serve as President when there is no President and no Vice President, and only for the expiration of the term to which a President had been elected. Surely if the Congress has the authority to write the formula as to who shall succeed to the Presidency in these cases, then it also has the authority to write the formula as to how the successor shall be selected.

To me it is untenable that if the Congress writes a law making it possible for the people of the country to select a

President for the unexpired term, because the Constitution fixes the regular term of a President at 4 years, the new President elected to fill a vacancy would of necessity have a 4-year term. There is a difference between the 4-year term provided in the Constitution and the right of the Congress to permit the people by their vote to fill an unexpired term rather than for the Congress to do the same thing by its legislative fiat.

The provision in the bill providing for the election for the unexpired term is not clear. It is pregnant with difficulties. To carry it out will require legislation on the part of many of the States. It therefore is objectionable in many ways but I do not believe it is unconstitutional.

President Truman has asked for this legislation. However, it is clear that the idea did not originate with him. The proposal has been made by writers and columnists on numerous occasions. The concensus of editorial opinion seems to be that it would be much better to permit the people in a representative democracy to select their own President for an unexpired, as well as a full term. Undoubtedly the majority of our people have no conception of the difficulties confronted in an effort to write a law of this type. Nevertheless the principle of such a procedure is in keeping with the American way.

This rule should prevail and this bill should be brought before the House for consideration and amendment. If it is the will of the majority to eliminate the section providing for a special election, then that can be readily done, in which case the person becoming acting President will hold his term until the next regular Presidential election. For instance, if President Truman were to die today, under the present order of succession the Secretary of the Treasury would be our President until January 20, 1949. Possibly Mr. Morgenthau might make a good President. Nevertheless, even though he is an expert in financial matters, he naturally would not possess the qualifications of a Speaker, who is always a man who has on numerous occasions been elected by the people, a man with legislative as well as executive experience, a man in a position to cooperate with the Congress, a very essential factor in the picture of Government at all times.

Mr. Speaker, when any individual has stood for election in a community, in a State, or in a nation for a period of years, if he is incompetent or if there are any spots on his character anywhere, they have been brought to public view. As between being governed by a bureaucrat or an "heir apparent to the throne" selected by any Executive, I much prefer as our President a man elected by the people themselves. This is representative democracy and should be adhered to in this particular case, unless there is constitutional prohibition, and I do not believe there is.

I am including as a part of these remarks an excerpt from the committee report, which is as follows:

The bill provides in subsection (a) that in the event there is neither a President nor a Vice President to discharge the powers and duties of the office of President, the Speaker of the House of Representatives shall, upon his resignation, as Speaker and as Representative in Congress, act as President until the disability be removed, or a President shall be elected. The Speaker, upon succeeding to the Presidency, would continue to act until the expiration of the unexpired current Presidential term or until a President is elected at a special election pursuant to the provisions of subsection (f). It is provided, however, that if the occasion for the succession of the Speaker to be Acting President is the failure of the President-elect and Vice President-elect to qualify, or to the inability of the President or Vice President, the Acting President shall continue as such only until the President or Vice President qualifies or until the removal of the disability.

In the event there is no Speaker or the Speaker fails to qualify as Acting President, it is provided in subsection (b) that the President pro tempore of the Senate shall, upon his resignation as such and as Senator, discharge the powers and duties of the office of President until the President is elected pursuant to subsection (f) or until the expiration of the current Presidential term, but in no case after a qualified and prior entitled individual is able to act. Thus the President pro tempore of the Senate would not continue to serve after a duly qualified Speaker is available to serve as Acting President. For this reason subsection (b) describes the function of the President pro tempore in relation to the Presidency as simply the discharge of the powers and duties of the office of President.

In the event there is no President pro tempore of the Senate to serve pursuant to subsection (b), it is provided in subsection (c) that the powers and duties of the office of President shall be discharged by the officer of the United States who is highest on the following list and who is not under disability: Secretary of State, Secretary of the Treasury, Secretary of War, Attorney General, Postmaster General, Secretary of the Navy, Secretary of the Interior, Secretary of Agriculture, Secretary of Commerce, Secretary of Labor. As in the case of the President pro tempore, a member of the Cabinet thus discharging the powers and duties of President is to serve until the expiration of the current Presidential term, or until a special election is held pursuant to subsection (f), but in no event after a qualified Speaker of the House is able to serve.

Provision for special election is contained in subsection (f). It is therein provided that in the event by reason of which the Speaker is required to act as President occurs more than 90 days immediately preceding the regular congressional election in November, in a year in which there is no regular Prseidential election, a special election is to be held on the Tuesday after the first Monday in November in the year of the next regular congressional election. This provision for an election at the usual time for congressional elections would apply in the event of a vacancy occurring in the period between the beginning of a Presidential term and 90 days prior to the next regular November congressional election. Should a vacancy occur during the second biennium of a Presidential term, no special election is provided. If a vacancy should occur less than 90 days prior to a regular congressional election in November, there is likewise no provision for a special election, in the view that there would be inadequate time to hold such election in conjunction with the next regular congressional election, and hence the individual succeeding to the Presidency would continue to serve until the next regular Presidential election.

The procedure to be followed in relation to a special election is to conform to the procedure for regular Presidential elections. The term of the President and Vice President chosen at a special election is to begin on the 20th of January immediately following their election and is to end with the close of the unexpired term for which the special election was held.

CONSTITUTIONALITY OF THE BILL

The Constitution provides in article II, section 1:

"In case of the removal of the President from office, or of his death, resignation, or inability to discharge the powers and duties of the said office, the same shall devolve on the Vice President, and the Congress may by law provide for the case of removal, death, resignation, or inability, both of the President and Vice President, declaring what officer shall then act as President, and such officer shall act accordingly, until the disability be removed, or a President shall be elected."

In designating the Speaker as the "officer [who] shall then act as President" in the contingencies described in the Constitution, the bill resembles the original statute governing succession to the Presidency. That statute, enacted by the Second Congress on March 1, 1792, provided that in the contingencies stated "the President of the Senate or, if there is none, then the Speaker of the House of Representatives for the time being, shall act as President until the disability is removed or a President is elected." This statute remained in force almost a century until 1886, when the present law was enacted. The act of 1792 thus represents a construction by an early Congress, whose views of the Constitution have been long regarded as authoritative, of the provision empowering Congress to designate the "officer" who shall act as President. The act of 1792 reflects also a long-continued acquiescence in the construction of the Constitution under which the Speaker and the President pro tempore of the Senate are deemed to be officers within the meaning of article II. Their resignation as a condition of serving as President is required by the provision in article I, section 6, that no person holding any office under the United States shall be a member of either House during his continuance in office.

The provision of the bill for a special election is founded upon the provision of article II, section 1, that the officer acting as President shall so act "until the disability be removed, or a President shall be elected." It is quite clear that this constitutional clause was intended to authorize a special Presidential election. The original proposal in the Constitutional Convention was that the designated successor should act "until the time of electing a President shall arrive." This wording was changed to the present form on motion of Madison on the ground that the original proposal "would prevent a supply of the vacancy by an intermediate election of the President." While the Constitution is not explicit on the question whether a special election may be for the unexpired term rather than for a full 4-year term, it does not provide that the term of each incumbent shall be 4 years, but that the President shall hold his office "during the term of 4 years." This language appears to have reference to a fixed quadrennial term, permitting the filling of an unexpired portion thereof by election. The tradition of special elections for unexpired terms of other officers also supports the provision of the bill in this regard.

Mr. Speaker, I ask unanimous consent to extend my remarks and include excerpts from the committee report.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

RESIGNATION

The SPEAKER laid before the House the following letter which was read by the Clerk:

WASHINGTON, D. C., *June 29, 1945.*
Hon. SAM RAYBURN,
Speaker, House of Representatives.

SIR: I beg leave to inform you that I have this day transmitted to the Governor of New Mexico my resignation as a Representative in the Congress of the United States from the State of New Mexico at large, effective June 30, 1945, at 4 o'clock p. m.

Respectfully,

CLINTON P. ANDERSON.

PRESIDENTIAL SUCCESSION

Mr. SUMNERS of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3587) to provide for the performance of the duties of the office of President in case of the removal, resignation, or inability both of the President and Vice President.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3587, with Mr. GORE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 15 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I do not believe the House in recent years has considered a bill of more lasting importance than the one that is before the committee today for discussion and action. As you know, the bill reported by the House Judiciary Committee changes the law regarding the line of succession to the Presidency from the Cabinet officers, including the Secretary of State, then the Secretary of the Treasury, and so on, to the Speaker of the House of Representatives. Since it is almost identical, except in respect to the special-election provision, with a bill I introduced in the House on May 14 of this year, I appreciate the chairman permitting me this time to discuss its provisions. It presupposes that in almost every case, excepting the one case out of a million, the House will always have a Speaker and that the Speaker will be eligible to assume the duties of the Presidency.

PROVIDES FOR ANY EVENTUALITY

In order though to take care of that one case in a million that may happen, the bill provides that if the Speaker of the House is not eligible or if he should die while the House is not in session, at about the same time the Vice President should die, then temporarily the power of the President's office goes to the President pro tempore of the Senate. If there be no President pro tempore the line of succession continues down through the Cabinet.

However, the first succession always reverts back to the Speaker of the House of Representatives as we qualify a Speaker of the House who is eligible for the Presidency.

VICE-PRESIDENCY VACANT 15 TIMES

Mr. Chairman, to determine how important this law is I believe we should realize that out of the 34 men who have served as Vice Presidents of the United States, the office has been vacant 15 times in our history. That is almost 50 percent of the cases. It was vacated seven times because of the succession of the Vice President to the Presidency, it was vacated seven times by the death of the Vice President, and it was vacated once because of the resignation of the Vice President to take the position of Senator from his own State. That was the case of Calhoun when he resigned.

I agree with President Truman that the philosophy of our Government needs to place the tremendous, gigantic powers of the Chief Executive nearest the people. I believe he was very wise in recommending that the Speaker of the House is the nearest possible officer to express the maximum representative choice of the people at the most recently held national election that it is possible to find in our Government.

CONSTITUTION DIRECTS CONGRESSIONAL ACTION

The question whether the Congress has the right to change this law of succession is very definite and clear. The Constitution of the United States apparently left almost a void there because of varying disagreements over what was thought might be a minor issue. The Constitution is not very clear on that subject, but the Constitution does provide that in the case of the death of the President and Vice President the Congress shall then decide what officer of the United States shall exercise the duties of the Presidency.

The first law on this subject was passed in 1792, only a few years after the Constitution had been adopted. The law that was passed by the Congress I shall read. It was section 9 of the Presidential elector bill that provided for the setting up of the election of the presidential electors, and this section reads as follows:

That in the case of removal, death, resignation or inability of the President and Vice President of the United States, the President of the Senate pro tempore, and in case there shall be no President of the Senate, then the Speaker of the House of Representatives for the time being, shall act as President of the United States until the disability be removed or a President be elected.

It will be interesting to the House to examine the issues that were involved at that time. The Senate proposed that section 9 of this law make the succession go through the President pro tempore of the Senate.

When the matter came up in 1791 the House wanted the succession to go through the Cabinet as is now provided by the later law of 1886. It seems, although the records of the debates are not complete, that the House resisted the Senate's position and amended the act so that the line of succession would go through the Secretary of State rather than to the President pro tempore of the Senate. One influence in this difference was the apparent preference of leaders of the House for the then Secretary of State, Thomas Jefferson. The Senate, under Federalist influence of Alexander Hamilton, resisted this position.

However, after voting—and this is a very interesting proposition—on three occasions in the House in 1791 when the matter of succession going to the President pro tempore of the Senate was discussed, the vote was very close. It was generally about 25 to 24 in that early-day House—the House insisting on its position of the Cabinet Member being in line of succession.

HOUSE FINALLY YIELDS

The Senate refused to yield on the issue and the House finally by a vote of 31 to 24 yielded to the Senate on the line of succession go to the President pro tempore of the Senate and then to the Speaker of the House.

It is also interesting to note in this debate in the early days of the House that the men who served in the Constitutional Convention were rather vigorous against sending the line of succession through the House of Representatives or through the Senate of the United States. Voting against this line of succession were Thomas Fitzsimmons, Hugh Williamson, Abraham Baldwin, and Madison; Madison was the most vocal; and voting in favor was one member of the Constitutional Convention, Nicholas Gilman.

But I think the fact that the Congress of the United States, only a few short years after the Constitution had been written, and had been thoroughly discussed by the people of the United States, found through their duly elected Representatives that it was possible from a constitutional standpoint to send the line through the officers of the Senate and the House of Representatives that that rather clearly resolved that issue.

DECISION STOOD FOR 100 YEARS

The fact that their decision stood for almost 100 years of our history, I think, also rather clearly resolves the issue in favor of the right of a legislative officer to be declared an officer of the United States to qualify under the Constitution in the line of succession.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Kentucky.

Mr. MAY. I was rather interested in the statement made by the gentleman that in the event there was no President and no Vice President, that the Congress should determine the officer who should succeed to the Presidency. Does that mean that the Congress is without power to determine that some private citizen might become President?

Mr. MONRONEY. Undoubtedly it does.

ELIGIBILITY IS CERTAIN

The argument has been going on for a dozen years whether a member of the legislative branch qualifies as an officer. But it seems almost inconceivable to me that the framers of the Constitution would have intended to prohibit the services of a Member of Congress and permit maybe a secretary or a clerk in a Government office, or an assistant United States district attorney to be eligible for the Presidency, and to deny

an elected Member, an officer of the Congress, that right.

It is also interesting to note that the first officer mentioned in the Constitution is the Speaker of the House of Representatives. He is designated as the first officer that is mentioned in our Constitution.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. Is it not possible, though, for one who is not a Member of the Congress to be elected Speaker of the House?

Mr. MONRONEY. That is true; but being an officer of the House of Representatives he thus is an officer of the Congress, so he qualifies fully in that regard.

Mr. GWYNNE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Iowa.

Mr. GWYNNE of Iowa. The only reference to the Speaker is this: The House shall choose its speaker and other officers.

Mr. MONRONEY. "And other officers" surely qualifies the Speaker to be an officer of the House and of the Government.

Mr. GWYNNE of Iowa. An officer of the House.

Mr. MONRONEY. Yes; and the House is part of the Government, so it must necessarily follow that he is an officer.

SPECIAL ELECTION UNCERTAIN

The greatest degree of uncertainty that you find in this historical matter is whether we can have a special election for the Presidency. It is a very difficult question, because the Constitution specifies that the person elected as President shall serve 4 years. That has always made it a very difficult question among the lawyers. If you have a special election for President, must you elect for the full 4-year term or can you specify an election for the unexpired term of office. It is a very difficult and constitutionally uncertain question.

I think Madison clearly expressed this problem, and I would like to read his remarks in that regard:

The question as to the tenure of the acting President later arose in the Virginia convention called to ratify the Constitution. In answer to an objection by Mr. Mason that there was no provision in the Constitution for a speedy election of another President, when the former is dead or removed, Mr. Madison replied:

I quote:

"When the President and Vice President die the election of another President will immediately take place, and suppose it would not, all that the Congress could do would be to make an appointment between the expiration of the 4 years and the last election, and to continue only to such expiration. This can rarely happen."

SPECIAL ELECTION DOUBTFUL

The question of the election of the interim President is filled with some of the most difficult constitutional questions.

I believe, although I disagree with that part of the bill which is now before us that provides for a special election, that the Congress would be very wise to pass this bill and get it over to the Senate.

The reasons as expressed by the gentleman from Kentucky and others are the reasons I feel the power should pass for the entire unexpired term to the Speaker of the House whenever the Vice President dies. I feel that the Speaker should continue to fill that unexpired term of the Presidency in order to avoid creating disunity and division which always occurs in a national election at a time when we would need the greatest unity in our country.

TWO GREAT NATIONAL SHOCKS

Further, bear in mind that under this bill if the President dies within the first 22 months of his term and the Vice President dies within the same period, you have thus lost two Chief Executives within 22 months and the country has undergone two very serious shocks.

Then, to go to the country in a Nationwide election under our party system, would undermine and shake the confidence of the people in the security of this Nation.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

WAR ELECTION A POSSIBILITY

Mr. REED of New York. Would that not be particularly true in case we should be faced with the possibility of war or be engaged in war?

Mr. MONRONEY. Very definitely so. I appreciate the gentleman's bringing that point out.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. HINSHAW. As I remember the provisions of the Constitution, if the Presidential electors are not able to choose a President by a majority vote, then the matter of choosing a President directly comes to the House of Representatives. Is that not correct?

Mr. MONRONEY. That is correct to this degree: The House of Representatives votes on the basis of one vote for each State. Therefore, New York and Nevada would have the same vote. We do not vote on the basis of our numerical representation in the Congress in such an election.

Mr. HINSHAW. Nevertheless, the House in that form is given the privilege of choosing the President.

Mr. MONRONEY. I grasp the gentleman's point. I thank him very much.

Mr. HINSHAW. Consequently, it is quite proper that the House, having the choice of the Speaker of the House, should likewise be able to choose the President.

REPRESENTATION NEAR ELECTORAL COLLEGE

Mr. MONRONEY. That is true. I might add that the membership of the House in its process of choosing its Speaker more nearly represents the composition of the electoral college than any other body that you could have. The electoral college is composed on the basis of the membership of the House plus the membership of the Senate. It elects as do we in choosing a Speaker, only on a majority—not a plurality vote. So it would seem to me, if we provide that the Speaker of the House shall serve the unexpired term of the Presidency, we would best solve the problem in the long run. If the country changes parties in mid-term and the Vice President should die in the last half of his term, then, obviously, the Speaker of the House, elected by the party in power, would become the President for the unexpired term.

Mr. HINSHAW. As I understand the matter further, although I do not have the Constitution before me at the moment, the House is not confined in its choice of a President in the event just mentioned, to any Member who has been a candidate for President theretofore but can choose anyone. Is that not correct? That is, in the event the electors have not agreed on one to serve by a majority vote.

Mr. MONRONEY. They are confined in their choice to the three highest.

May I refer to the Succession Act of 1886, the law that we are now operating under, because I am trying to get some of the background picture before the committee.

Mr. TALBOT. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. TALBOT. I take it the distinguished gentleman from Oklahoma would prefer that section (f) be stricken from this bill?

Mr. MONRONEY. My personal preference would be to strike out the special election provisions.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield five additional minutes to the gentleman from Oklahoma.

PRESENT LAW UNCERTAIN

Mr. MONRONEY. The law we are operating under at the present time is subject to misinterpretation and uncertainty. I would like to read it. It provides that—

Whenever the powers and duties of the President of the United States shall devolve upon any of the persons named here—

That means the Cabinet officers of the President—

if Congress be not in session or if it would not meet in accordance with the law within 20 days thereafter, it shall be the duty of the person upon whom such powers and duties shall devolve to issue a proclamation convening Congress in extraordinary session, providing 20 days' notice of the time of meeting.

This obviously intended to provide for the Congress to set up a special election after the death of the Vice President, and the Cabinet member to serve only as an interim President.

ACTING PRESIDENT COULD VETO

Let us see where that leads us, if we continue to operate under the present law. The Congress must pass an act setting up a special election for the Presidency. The Acting President is empowered to veto that act and it would be entirely possible for the Acting President to veto it in order to remain as President.

Unless we could muster a two-thirds vote in both Houses to override the veto, then the law, so far as the Congress

setting up a special election is concerned, would be nullified. You could run into a great deal of trouble and we cannot possibly foresee all the consequences of the uncertainties of our present law and its many loopholes.

It was pointed out in the Harvard Law Review not only that such veto could occur but that by making deals on the basis of patronage or through Executive favors that the Acting President might be able, if he so chose and could find Members of either House to cooperate, to persuade Members of Congress to oppose the calling of a special election. It is this grave uncertainty that we have that we must look to, and must find some degree of correction.

I would like to read from the Harvard Law Review:

> The act of 1886, therefore, leaves the question of the constitutionality and expediency of any special election absolutely unsettled. The Acting President under the law must call Congress together and that body will then decide whether it deems a special election desirable and, incidentally, constitutional. If it decides in the affirmative it will frame an act which might speedily oust the Acting President from office. Such act the Acting President can veto, and if vetoed the usual two-thirds vote will be necessary to overcome the veto. Even a death blow might be administered by a pocket veto.

UNCERTAINTY IN A CRISIS

Here is your country at this critical hour, having lost two Chief Executives in a row, facing the uncertainty of whether the man exercising the powers of the Presidency is acting in compliance with the will of the people and the will of the Congress. No corner grocery store would dare try to run its business as the country has been run under the law of succession.

It is a terrible risk we have taken over these 160 years, without any degree of certainty as to whom the mantle should fall upon. I think it is highly important that the House today pass this bill and send it to the Senate and try to work out as best we can ways of meeting this contingency that may, through misfortune, face this Nation at any moment.

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. CASE of South Dakota. Did the committee give any consideration to the possible reconvening of the Electoral College?

Mr. MONRONEY. Historically that has been discussed, but apparently no one has been able to decide whether their power terminates with the casting of the first vote for the Presidency or whether it continues. So that in itself is uncertain.

Mr. DONDERO. Will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. DONDERO. Has any provision been made in case the elected official in line of succession should not be native-born who might succeed to the Presidency?

PROVISION SAFEGUARDS ELIGIBILITY

Mr. MONRONEY. That is a very fine point. That is one of the reasons why in my bill and in the bill which the gentleman from Texas, Judge SUMNERS, has introduced we provide that if the Speaker of the House is not qualified, the power passes to the President pro tempore of the Senate only temporarily until the House qualifies another Speaker. If the House does not wish to qualify another Speaker for the Presidency, then it remains in the President pro tempore of the Senate.

Somebody is going to ask, Why should the House elect its Speaker as the line of succession? In addition to the obvious fact that he more nearly represents the will of all the people, expressed through their most recently elected representatives, there are other compelling reasons for this choice.

I think one very important point I should bring out is that in actual practice for many years the President pro tempore is not the top office in the Senate, but is actually the No. 2 office, passed on more or less to the senior statesman.

You all know that the majority leader of the Senate represents the prime choice of the majority party in power and more nearly corresponds to the power that is exercised by the Speaker of the House.

I hope that the House will pass this bill and get action, because as I pointed out yesterday in a brief address, within 5 days' time we have seen the heir apparent to the presidency fall on Mr. Stettinius day before yesterday, today it is on the Secretary of the Treasury, and next Tuesday or Wednesday it may be on somebody else that none of us knows who it will be.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. COCHRAN. I happened to look in the Biographical Directory this morning and under the head of "Information" it stated that a Cabinet officer holds office until his successor is nominated. Now what surprised me more than anything else was in that same paragraph was a statement to the effect that approval of the information contained therein was given by Secretary of State, Mr. Kellogg, who was recognized during that period as one of the greatest lawyers in the United States.

Mr. MONRONEY. The gentleman brings up a most interesting point, because if that is one holding, here we have President Truman announcing day before yesterday that he had accepted the resignation of Mr. Stettinius and that Mr. Grew would be Acting Secretary of State until his successor was appointed. You thus get another bad crisscross uncertainty that may face this country.

PREPARE FOR CONTINGENCIES BEFOREHAND

I think the time to prepare for these contingencies is before they happen. If we should be so unfortunate as to lose our Vice President, this country would undergo a most severe shock.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. FLOOD. Did the committee give any consideration to handling this entire problem by constitutional amendment rather than by act of Congress?

Mr. MONRONEY. I thank the gentleman for asking that question. The original bill I introduced set up a commission of 12 members, 4 appointed by the President, 4 to be appointed by the Chief Justice of the Supreme Court, and 2 each from the Congress, to study these constitutional questions and probably to report back to the country after a year's study, a satisfactory constitutional amendment. Such a study would clear up many of the difficult constitutional questions, still uncertain, that might arise in our electorial processes for choosing a Presidency and in qualifying a successor. The best you can do now is to draw a law of succession to meet with reasonable certainty the tests of constitutionality that may be raised against it. By dropping out Section F proposing the special election for the unexpired term, you will at least remove one very serious constitutional doubt.

Mr. FLOOD. The gentleman would pursue the idea of a constitutional amendment?

Mr. MONRONEY. I would like to pursue that, but I do not wish to delay the Judiciary Committee on this important action. I am going to press again for a resolution setting up this special commission later and I hope the House will support it.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. HANCOCK. Mr. Chairman, I yield myself 10 minutes.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield for a brief question?

Mr. HANCOCK. I yield.

Mr. CASE of South Dakota. In view of the question just raised about the possibility of the Acting Secretary of State being considered eligible, would not the gentleman from New York agree with me that the Acting Secretary of State is not eligible in view of the fact that the present law states that in the case of the removal, death, resignation, or inability of the Secretary of State, then the Secretary of the Treasury succeeds?

Mr. HANCOCK. Mr. Grew could not succeed to the Presidency under the present law because he is not Secretary of State. He is Acting Secretary of State. The next in line is the Secretary of the Treasury.

Mr. Chairman, this important and far-reaching bill to change the organic law of the land was introduced last Monday, June 25. On Wednesday the Judiciary Committee had a meeting, and without any discussion, without any hearings, without any study it reported the bill favorably. Yesterday the Committee on Rules very promptly granted a rule, and the bill is here today. Those opposed to it have had little time to study it. I hope there will be adequate discussion by those who have taken the time and burned the midnight oil to explore the implications of the bill, find a few precedents, and look into the constitutionality of this very interesting bill and subject.

In my judgment the bill is unconstitutional from start to finish, and it is wrong in principle. I will try to demonstrate it to you. The second article of the Constitution, section 1, provides this:

> In case of the removal of the President from office, or of his death, resignation, or inability to discharge the powers and duties of the said office, the same shall devolve on

the Vice President, and the Congress may by law provide for the case of removal, death, resignation, or inability, both of the President and Vice President, declaring what officer shall then act as President, and such officer shall act accordingly, until the disability be removed, or a President shall be elected.

First, let me call your attention to the fact that the man who is made eligible to succeed to the Presidency by act of Congress must be an officer, a civil officer of the Government. I believe the Constitution plainly implies that he must be an officer of the executive branch. That raises the question whether the Speaker or any Member of the House or Senate is an officer within the meaning of the Constitution. This matter was discussed at considerable length when the present order of succession was debated and adopted by Congress in 1886. Let me read you a quotation from a statement made at that time by the Senator from Texas, Mr. Maxey, who made an exhaustive study of this question. He said this:

Now, I desire to state that the investigation I made of this subject—

That is the question of whether a Member of Congress is an officer of the Government—

satisfies me that the clause of the Constitution of the United States which declares that in the event I have mentioned—

That is the disability, removal, or death of the President and Vice President—

the Congress shall designate by law the officer who shall discharge the duties of President until an election can be had.

That the President of the Senate is not an officer of the United States was definitely settled in the Blount case, cited by Senator Maxey.

By the same reasoning, the Speaker of the House is not an officer of the United States. Therefore the designation of the Speaker of the House or the President pro tempore of the Senate is not in compliance with the provision of the Constitution I have quoted. Senator Blount was impeached by the House of Representatives in the year 1797 and a plea against jurisdiction was filed by him in which he said in substance that the clause that the President and Vice President and all civil officers of the United States shall be liable to impeachment did not apply to him because he was not the President, the Vice President, nor a civil officer of the United States; that he held his commission from the State of Tennessee and not from the United States, and in no sense was he an officer of the United States. That plea to the jurisdiction was sustained and the articles of impeachment were dismissed. That was a conclusive settlement of the proposition that a Senator is not an officer of the United States; and, for a like reason, the Speaker of the House is not an officer of the United States but an officer who holds his position in his district and State.

Senator Maxey, in the course of his argument, said:

That was the view I had on that subject and it was proper to observe that the decision in the Blount case nearly 90 years ago has never been overturned. It is entirely plain from the Constitution itself which prohibits an officer of the United States from being a Member of either House.

That is the first constitutional question. I have cited merely the Senator from Texas, Mr. Maxey. I have other quotations here from great statesmen of that day and generation, including one from Senator Hoar, of Massachusetts, who reached the same conclusion. That is constitutional question number one.

The second question that occurs to me is that when a man succeeds to the Presidency he does not become President. He simply assumes the duties of the office ex officio. He is acting President. He still remains an officer of the Government. The bill provides that upon the death or disability of the President and the Vice President, or their removal, the Speaker of the House shall resign both as Speaker and as Member of the House. When he does that he is neither an officer of the House nor Federal Government and is, therefore, no eligible to succeed to the office of President.

That Senator Hoar believed that the Speaker or the President pro tempore of the Senate succeeding to the Presidency could not resign but would necessarily hold two great offices, is made abundantly clear by this statement of his in debating the issue:

The present arrangement is bad, first, because during a large portion of the term there is no officer in being who can succeed. That was the case during the whole of the last vacation after the expiration of the last Congress.

It is inconvenient, also, because it would be almost impossible for the President of the Senate to continue to perform the functions of his office, which is the principal office, to which the Presidency of the United States is made a mere adjunct or appendix in the contingency which is provided for by law. Nothing can be conceived more awkward, more repugnant to our sense of propriety, than for the President of the United States to sit in the chair of the Senate and preside over and listen to discussions in regard to his own nominations, voting upon them himself as an equal in the Senate, and presiding over and listening to the severe criticisms of executive policy which in times of high party antagonism must be always heard in this Chamber.

Then, the political functions are devolved by the present arrangement upon an officer changeable at the will of this body. The President of the Senate may be removed from time to time by the majority of the Senate, after the Presidential functions have devolved upon the office as before; and that suggests many very grave and doubtful constitutional questions as to the title in certain contingencies to the Chief Executive Office, a matter which should be removed by every possible legislative precaution from any question whatever.

A third constitutional question has been touched on by the gentleman from Kentucky and he is clearly right. The bill provides for a special election if the President dies less than 2 years before the expiration of his term. That is a plan to go through the elaborate machinery of holding conventions, nominating candidates, selecting electors, and holding elections. Clearly this is unconstitutional. The law provides machinery for electing a President, and that is all exclusive. We cannot change it by a mere act of Congress and, as the gentleman from Kentucky pointed out, the first section of article II states this:

The Executive power shall be vested in a President of the United States of America. He shall hold his office during a term of 4 years and together with the Vice President chosen for the same term be elected as follows:

Then it sets up the machinery for conducting a Federal election. Clearly we have no right by an enactment of Congress to amend that provision of the Constitution and make possible the election of a President for a period of 2 years. I do not think that can be disputed. There may be a difference of opinion regarding the first two constitutional questions I have raised. Furthermore, the plan would create a great many practical difficulties. The election laws and in some cases the Constitution would have to be amended in every State in the Union.

Historically the Vice President pro tempore was made first in order of succession and the Speaker of the House second. That was the result of a bitter dispute between the followers of Alexander Hamilton and Thomas Jefferson. Thomas Jefferson was Secretary of State and the Hamilton people vigorously opposed the proposal of the House of Representatives in 1791 and 1792 that the succession should go first to the Secretary of State. It was plain politics that prevented the succession of the Secretary of State and the other members of the Cabinet in the order of their rank when the question was before Congress in 1792.

In 1886 the question was presented rather forcibly to the Congress because of the death of Garfield and because of the fact that at about that time there was neither a Speaker of the House nor a President pro tempore of the Senate. I think the Members of Congress were influenced also by the fact that Benjamin Wade, when he was President of the Senate, voted to impeach President Johnson. He voted to remove Johnson so that he could become President. If this bill is passed it will be possible for a Speaker of the House to use his influence to impeach a President and for the President pro tempore of the Senate to exert pressure to obtain a conviction.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HANCOCK. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, I will have to hurry along because several Members want to speak on this subject, and I shall later ask unanimous consent to extend my remarks.

Let us not approach consideration of this bill from the standpoint of personalities. We are all inclined to vote for this bill because of our deep affection for the present Speaker; we have unbounded confidence in his ability and integrity, but we are considering a bill here that, if passed, is likely to remain on the statute books for many years to come. May I say, without referring to any individual, that when we elect a Speaker we do not select him because of his being Presidential timber. We select him by virtue of his many terms of service in the House, because he has reached a position of prominence in his party, because he is popular, because he is a good

debater and because he knows the rules of the House. We have had very few Speakers who were well qualified to be President of the United States. In the history of the United States there was but one and that was James K. Polk. On the other hand, it is interesting to look at the caliber of men who have served as Secretary of State.

Let me give a few names to you. There is Jefferson, Randolph, Madison, Monroe, Adams, Clay, Van Buren, Calhoun, Webster, Buchanan, Seward, Evarts, Blaine, and, coming down to modern times, Root, Hughes, Stimson, and Hull. We had several Secretaries of State who have become Presidents and many others of Presidential stature.

They have been selected from among the great men of the prevailing party in the United States by the President; selected to be their confidential advisers, and they are men best qualified to carry on the policies and organization of the President if, unfortunately, the President and the Vice President should be removed from office.

One other quotation and I am through. This is on the policy of making the Secretary of State the first in line of succession. This comes from Senator Hoar:

> It was intended by the framers of the Constitution that the process by this great and free people of changing its mind should be a process which should take place but once in 4 years; and when a man is elected to the Presidency it is not so much the purpose of the American people to confer honor and authority upon an individual, or to put confidence in an individual, as it is to pronounce that certain policies, certain tendencies, certain opinions on great public questions in which the country has an interest shall prevail and have the ascendency in its administration for 4 years.

In conclusion let me say this: I think this bill, and every provision of it, is unconstitutional, and I regard it as wrong in principle. I hope but do not expect that it will be defeated.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Chairman, I think it is timely that the Congress consider this matter of amending the succession law. Undoubtedly, article II of section 1 of the Constitution contemplates that we should, if possible, have a President who has been elected. In the event the President and the Vice President die or become disqualified, the closest you can come to following the intention of article II of section 1 of the Constitution in naming some one to act as President, who has been elected within the meaning of the Constitution, is to provide for the Speaker to become Acting President.

I shall not elaborate upon the arguments which we are all familiar with; that he is closer to the people; that he has much governmental experience; that he has been honored by his colleagues who are the direct representatives of the people. I think we should also bear in mind that the Speaker of the House of Representatives is an official who, if he should become Acting President, would know how to get along with the Congress. He is bound to have experience in government which would qualify him for that position. A President might select a Secretary of State who would be an excellent Secretary, but who would have no especial capacity for President.

The argument has been made that the Constitution, article II, section 1, provides that the person who shall act as President in the event the Vice President is disqualified or dies shall be an officer, and that the Congress shall have the right to determine which officer shall be selected. The argument is made that a Member of Congress is not an officer.

In 1792 when the Congress at that time was discussing the succession, and Mr. Madison and others who had been in the Constitutional Convention were participating in the debate about the Succession Act, it is true that Mr. Madison and others were not in favor of the President pro tempore of the Senate being next in line of succession, but they did not base their argument on the theory that the President pro tempore of the Senate and the Speaker of the House are not officers within the meaning of article II of the Constitution. I think that is very significant, because if anyone would be able to interpret the Constitution it would certainly be those eminent men who participated in that debate. I have here the proceedings of the debate in Congress at that time, and I do not think anybody who was connected with the Constitutional Convention made the argument that has just been made by the gentleman from New York [Mr. HANCOCK] that the Speaker of the House and the President pro tempore of the Senate were not officers within the meaning of the Constitution. I do not think they could have made that argument because the Constitution itself provides that the Speaker of the House is an officer.

Mr. HANCOCK. Mr. Chairman, if the gentleman will yield, the Speaker is an officer of the House, but a civil officer of the Government.

Mr. KEFAUVER. The Constitution does not say that he must be an officer of the executive branch in order to be eligible to be named in the line of succession. Is not Congress a part of the Federal Government? The same instrument created the executive and the Congress.

Mr. HANCOCK. The House itself has said so.

Mr. KEFAUVER. I differ with the gentleman; the House has not said so. I will get to that matter in a minute.

The Constitution, article I, section 2, says:

> The House of Representatives shall choose their Speaker and other officers.

What can be clearer than that this clause of the Constitution makes the Speaker an officer? It says, "The House of Representatives shall choose their Speaker and other officers."

Then we come to the next provision, section 3 of article I:

> The Senate shall choose their officers and aso a President pro tempore in the absence of the Vice President or when he shall exercise the office of President of the United States.

So the section to which the gentleman from New York [Mr. HANCOCK] referred just says it shall be in the power of Congress to determine what officer shall act as President and it does not say he has to be an officer of the executive branch of the Government. I have always been very strongly of the opinion that we had as much right to have our officers of the legislative branch qualify for the positon as the officers of the executive branch. If the Constitution writers had meant the officers eligible for succession had to be of the executive branch they would have said so.

Mr. MONRONEY. Mr. Chairman will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. MONRONEY. Might it not also have been true that Mr. Madison was very anxious to see the line of succession go to his very dear friend and fellow statesman, Thomas Jefferson, the then Secretary of State?

Mr. KEFAUVER. That is correct. The proceedings of the Convention bear this out.

They also discussed the matter of the Chief Justice of the Supreme Court being in line. He is an officer of the judicial branch. Nowhere in the debate in 1792 was the argument made that the Speaker of the House and the President pro tempore were not officers within the meaning of the Constitution.

Mr. ANDREWS of New York. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. ANDREWS of New York. I understand the House might choose as a Speaker some person who is not elected from any district of the United States in the same way it can choose a Doorkeeper?

Mr. KEFAUVER. That is probably true, but it is a very academic question, of course. In any event it specifically says that the Speaker is an officer in that section of the Constitution.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Indiana.

Mr. SPRINGER. Does not the pending bill contain the provision that the Speaker would succeed if he were otherwise qualified? That means as to age and citizenship, and so forth, he must possess those requirements before he can advance to the Presidency?

Mr. KEFAUVER. Yes. I thank the gentleman. The bill does provide that. I think if we want to make this change, this is a very excellently prepared bill for that purpose. I have studied it closely. It provides for every contingency that could possibly arise.

The Blount case is cited as evidence that a Member of the Legislature is not an officer. Of course, that was a Senate decision to the effect that he was not an officer under the impeachment section. Of course, Senator Blount was not the President pro tempore of the Senate. He was not the Speaker of the House. Therefore, taking the Senate decision that he was not subject to impeachment as a Senator to mean what the gentleman from New York [Mr. HANCOCK] says it means, it is quite

another thing to say that a Speaker and a President pro tempore are not officers within the meaning of the impeachment section. When you read the other parts of the Constitution it says the Speaker of the House is an officer and the President pro tempore is an officer. There can be no serious doubt about the constitutionality of this measure. The Supreme Court in the *Lamar case* (241 U. S. 107), held a Member of Congress to be an officer of the Federal Government.

Furthermore, may I call your attention to the fact that this House has long since recognized the desirability of having the Speaker of the House the next in line of succession after the Vice President. On April 19, 1940, I filed a bill, H. R. 9462, which provided that in the event the President-elect or the Vice President-elect failed to qualify or if they died or if an election contest came about so that there was no one to act as President on Inauguration Day the Speaker of the House of Representatives should act as President, and if no Speaker had been elected at that time, the President pro tempore should act until a Speaker had been elected.

That is a hiatus which must be taken care of. We are not involved with that at this time in this bill.

The Committee on the Judiciary by a unanimous vote reported that bill and on April 23, 1941, the measure was debated on the floor of the House and was gone into thoroughly. Without a dissenting vote the House named the Speaker as next in line to act as President in the event no President- or Vice-President-elect qualified. Then the bill went over to the Senate where no action was taken on it.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. ROBSION of Kentucky. Did the bill to which the gentleman just referred provide for a special election for President?

Mr. KEFAUVER. May I say to the gentleman that that bill took care of the situation only where nobody qualified to act as President by inauguration day. The bill did not have to do with the succession after we had a President who qualified.

Mr. ROBSION of Kentucky. It had nothing to do with the question of special elections?

Mr. KEFAUVER. It had nothing to do with the matter of a special election.

Therefore, Mr. Chairman, this House of Representatives has recognized that the Speaker of the House is the one who should succeed to the Presidency. The House has recognized the constitutionality of placing him in line for succession to the Presidency.

I think this bill ought to be adopted.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. CURTIS. Will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. CURTIS. I would like to have the gentleman express himself as to the constitutionality of section (f), which calls for a special election for a 2-year term.

Mr. KEFAUVER. In the first place, I will say that in the committee I made a motion to strike out section (f) because I agree with the gentleman from Kentucky [Mr. ROBSION] that it probably would upset things too much within a period of 4 years to have four people fill the office of President—the President, the Vice President, the Speaker of the House—and then have an election to get the fourth person. But I do not think there is any objection to it on the grounds of constitutionality.

Mr. CURTIS. Is is not apparent that the true intent is that after you set up a plan for succession, that person serves the unexpired term?

Mr. KEFAUVER. There is nothing in the Constitution to say that Congress may not provide for a special election.

Mr. CURTIS. But it does say after they are elected they will serve for 4 years.

Mr. KEFAUVER. At a regular election, yes. But we have the right under the Constitution to provide an officer to fill out the unexpired term, and if we want to make him an officer by having a special election I see no constitutional objection to it. The person elected would be the officer provided for in the Constitution.

However, I agree with the gentleman from Kentucky that it should be stricken from the bill.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. HANCOCK. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GWYNNE].

Mr. GWYNNE of Iowa. Mr. Chairman, I am not for this bill. I believe it is unconstitutional, and wrong and dangerous in principle. However, I shall confine my remarks to the unconstitutional feature of it.

The section of the Constitution which is in question will be found in article II, section 2:

> The Congress may by law provide for the case of removal, death, resignation or inability, both of the President and Vice President, declaring what officer shall then act as President, and such officer shall act accordingly.

Now the question is, Are the Speaker of the House and the President pro tempore officers within the meaning of that term as used in the Constitution? In my judgment they are not. I would like to call to your attention the use of the word "officer" in the Constitution. For example it is used in article I, section 6:

> And no person holding any office under the United States shall be a Member of either House during his continuance in office.

How can you construe that provision to mean anything if a Member of the Congress is an officer under the meaning of the Constitution?

Mr. WALTER. Mr. Chairman, will the gentleman yield at that point?

Mr. GWYNNE of Iowa. I yield.

Mr. WALTER. Does not the gentleman think that disability is removed through the provision in the act that requires the Speaker to resign as Speaker before he becomes President?

Mr. GWYNNE of Iowa. Oh, no, I do not think so.

Not only do they recognize that a Member of Congress is not an officer but they recognize that the two positions are incompatible and cannot be joined.

Again in article II, section 2:

> He—
>
> The President—
>
> may require the opinion, in writing, of the principal officer in each of the executive departments.

Obviously, "officer" there refers only to an officer in the executive departments.

Now go to article II, section 2:

> He—
>
> The President—
>
> shall appoint Ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States.

The President does not appoint a Member of Congress. Obviously the word "officer" was meant to apply to others than those who were in the Senate or the House.

Article II, section 1. This has to do with electors:

> But no Senator or Representative, or person holding an office of trust or profit under the United States shall be appointed an elector.

Under the ordinary use of the word "office" a position in Congress would be an office of trust at least, and theoretically of profit? How can you construe that section if you assume that a Member of Congress is an officer?

Let me read it again:

> But no Senator or Representative, or person holding an office of trust or profit under the United States shall be appointed an elector.

Article 2, section 3:

> And he—
>
> That is the President—
>
> shall commission all officers of the United States.

A Member of the House is not commissioned by the President. He receives his commission from the governor of his State. A Member of the Senate is not commissioned by the President. His commission comes from the State.

The only time the Speaker is mentioned in connection with the word "office" occurs in article 1, section 2; and that seems to indicate that he is not an officer of the Government, but an officer of the House.

> The House of Representatives shall choose their Speaker and other officers.

Another important section is article 2, section 4:

> The President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for and conviction of treason, bribery, or other high crimes and misdemeanors.

The question was squarely presented in this Congress in the Blount case as to whether or not a Senator was a civil officer and therefore subject to impeachment, and the Senate expressly decided—they did not go into the merits of the case—they expressly decided they had no jurisdiction. After considering all of these sections I refer to, they decided they had no jurisdiction for the impeachment of a Senator because he was not an officer.

Another feature of the bill that I think is clearly unconstitutional is the one having to do with the special election. There are some provisions in the Constitution for special elections. For example, here is one, article I, section 2:

> When vacancies happen in the representation from any State, the executive authority thereof shall issue writs of election to fill such vacancies.

That is the House.

In the case of the Senate the seventeenth amendment to the Constitution provides:

> When vacancies happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancies: *Provided*, That the legislature of any State may empower the executive thereof to make temporary appointment until the people fill the vacancies by election as the legislature may direct.

Now you come to the President. Article II, section 1; and not only is there no provision for a special election but the wording is such as to indicate that they intended there should be none. Here is what it states:

> The executive power shall be vested in a President of the United States of America. He shall hold his office during the term of 4 years.

In other words, there is no provision in the Constitution for a President elected for other than 4 years. If this bill should be adopted and a President should be elected at one of these special elections grave doubt would be cast upon the term of his office, whether it would be 2 years or 4 years.

Then there is another feature in the Constitution having to do with electors:

> The State shall appoint in such manner as the legislature thereof may direct a number of electors.

Let us assume that we pass this bill and this Congress undertakes to promote a special election and some State guided by the advice of its attorney general—rightly, I think, if he did give them that advice—ignored this provision about choosing the electors. You can see the confusion to which this country might be subjected.

Mr. Chairman, I have thought for some years that some committee of this Congress might well look over the entire election laws of the country with a view to eliminating some difficulties in them; but it should be done carefully. I regret now that we bring in a bill like this on which we spent only 45 minutes in the committee, heard one witness, and on which we take only 2 hours to debate it in the House.

What are we doing? We are ignoring the present law which was passed after careful consideration and going back to the original law which that careful consideration repealed. I trust this will be voted down.

Now, Mr. Chairman, I shall be glad to yield to those persons who have indicated that they wanted to ask questions.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE of Iowa. I yield.

Mr. ROBSION of Kentucky. The gentleman some time ago made an observation touching the provisions of section (f), the holding of a special election provided this vacancy should occur within 90 days or more next before the next regular congressional election. What would have to be done in the country? What election machinery would have to be set up in order to carry out such an election?

Mr. GWYNNE of Iowa. I could not answer the gentleman.

Mr. ROBSION of Kentucky. There would have to be lots of changes made.

Mr. GWYNNE of Iowa. There would have to be tremendous changes made and in some cases the legislatures of the States would have to be called into special session and in some cases the Constitution would have to be amended.

Mr. HANCOCK. The election laws of the 48 States would have to be amended.

Mr. GWYNNE of Iowa. The election laws of all the States would have to be amended possibly. I know in my State they would have to be amended.

Did the gentleman from Massachusetts [Mr. GIFFORD] wish to ask me a question?

Mr. GIFFORD. I did not care to ask a question but I wanted to remind the gentleman that the twentieth amendment to the Constitution was adopted in the House after 3 days of debate. In what form? I happened to have charge of that debate on this side. I just want to ask the gentleman if that had anything to do with his argument?

Mr. GWYNNE of Iowa. No. The twentieth amendment gives no authority for this proposed legislation. That amendment covers only a President-elect.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HANCOCK. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, in approaching this question, which to me is a very important one, may I say at the outset that if it is possible for the Speaker of the House of Representatives to succeed to the presidency as provided in this measure that meets with my entire approval. All think of our present Speaker and his eminent qualifications for any office in the Government of this great Nation. Speaker RAYBURN is eminently qualified to serve as President. But there is a very serious question, which has just been presented, as to whether or not any Member of the Congress or the Speaker of the House of Representatives is an officer of the Government, and there is the provision of the Constitution which has been cited by our distinguished colleague from Iowa [Mr. GWYNNE] by which Members of the House and the Speaker of the House of Representatives are expressly excluded from that classification of civil officers of the Government.

The Members of Congress are commissioned by their States. They are officers of that commonwealth from which they come, representing the particular district which sent them here and under that provision of the Constitution which was cited they are expressly excluded from that classification of civil officers of the Government.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Idaho.

Mr. WHITE. Does not the gentleman look upon the Congress and the membership of the Congress as the board of directors of this great corporation called the United States of America?

Mr. SPRINGER. Be that as it may, when the Constitution expressly excludes them from that classification, by which the civil officers of the Government are mentioned and provided, it certainly excludes the Members of Congress and it certainly excludes the Speaker of the House of Representatives from that particular class of people.

Mr. WHITE. Would the gentleman accept the designation of a policeman as an officer? He is a policeman, but at the same time we call him an officer. Could not the same interpretation be applied to these elected officers of the Government called Congressmen?

Mr. SPRINGER. Of course, the example which the gentleman presents has no application whatsoever here because we are dealing with the provisions of the Constitution of the United States.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Tennessee.

Mr. JENNINGS. Following that line of thought, the Constitution sets up three separate and distinct departments of government. The provisions of the Constitution evidently were designed to keep the legislative branch from stepping over into the domain of the executive branch. All the legislation that has heretofore been passed with reference to a successor to the presidency has been confined to the executive branch of the Government.

Mr. SPRINGER. The gentleman is precisely correct, and I thank him for his timely suggestion.

There is another thought that comes to me. I am thinking about what might happen in the event of the death or inability of both the President and Vice President to serve in the capacity of President of the United States of America and the Speaker being elevated immediately, under the provisions of this bill, to that high office. The House would immediately thereafter, or as soon as it is in session, elect a Speaker who would act as Speaker of the House of Representatives. Then let us suppose within a short space of time—and, of course, everyone hopes that contingency may never arise—the Speaker should die, who has ascended to the Presidency, I wonder whether or not the gentlemen who propose this bill can explain whether or not the President pro tempore of the Senate would ever have an opportunity to succeed to the Presidency because

this measure provides specifically that the Speaker of the House of Representatives shall succeed to the Presidency in the event of that occurrence.

There is another thought that comes to my mind in this connection, and this matter has been mentioned by our distinguished colleague the gentleman from Tennessee [Mr. KEFAUVER], that the Speaker of the House of Representatives would merely succeed to the office, he would not really be President if he were elected for a term of less than 4 years.

Let us see what the provisions in the pending bill for this special election are as shown on page 5 under section (f):

> The Secretary of State shall forthwith cause a notification of such event to be made to the executive of every State, and shall specify in such notification that electors of a President and Vice President to fill the unexpired term shall be appointed in the several States on the Tuesday next after the first Monday in November in the year in which the next regular election of Representatives to the Congress is to be held.

That means but one thing, and that is we are electing a President, and that also means we are electing a Vice President but not for a term of 4 years as is provided by article II, section 1, of the Constitution, which contains the provision that he shall hold office during the term of 4 years, referring to both the President and the Vice President; in other words, this measure is in complete contravention and violation of section 1 of article II of the Constitution of the United States of America. We cannot elect a President and we cannot elect a Vice President for a term less than that which is provided by the Constitution of the United States of America. The Constitution provides the President "shall hold his office during the term of 4 years."

Let us see what would happen if this bill should be passed and become existing law. Let us see what would happen in the several States of our Nation. In my own State, all Presidential electors are elected in May of each year at the convention. There is no other provision of law for their selection. It would require a special session of the legislature in which that legislature would be compelled to provide for the selection of the delegates to nominate a candidate for President of the United States of America to make this race in the off-year or biennial election. Confusion would reign, I am certain, and the great expense entailed would be enormous. In the case of the death of a President or Vice President we would be seeking then to fill that office for a term less than four full years as provided in the Constitution. The chaos and confusion that would reign throughout the country, because of the requirements made upon the several States, and the officers thereof, would be appalling, in my opinion.

I think we are approaching one of the most serious and important questions that can come before us. This will become permanent legislation if this bill should be enacted into law. No one can tell what the future will bring with respect to involved matters of this character, but I do know that if this special emergency should develop, at any time, it would cause great confusion and much chaos in the various States of the Union. The several States would receive the notification to select these electors for the purpose of choosing candidates for President and Vice President to be elected for a less term than that provided by our Constitution, and the States would have to comply, if possible. It is my considered judgment that the provision contained in this measure is entirely in violation of the Constitution, it is unconstitutional, and that provision in this measure should be stricken out and eliminated. It is my intention to offer an amendment to this measure to strike out the section which provides for the election of a President for a less term than 4 years, as provided by the Constitution of the United States.

Mr. HANCOCK. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. REED].

Mr. REED of Illinois. Mr. Chairman, when President Truman sent his message to Congress concerning the succession to the Presidency, I felt somewhat elated. I have always felt that second to the President himself the most important official of our Government is the Speaker of the House of Representatives, and to my way of thinking he would be the proper person to succeed to the Presidency rather than the respective Members of the Cabinet. I regret exceedingly that the Committee on the Judiciary of this House had so little time to consider this important subject. The chairman of our committee, who introduced the pending bill, has, I know, made a very thorough study of the subject during the limited time at his disposal.

That part of section 1 of article II of the Constitution which deals with succession to the Presidency contemplated a contingency wherein both the President and the Vice President might die, resign, be removed from office or be unable to act and empowered Congress to provide by law "declaring what officer shall then act as President, and such officer shall act accordingly until the disability be removed, or a President shall be elected."

The records will show that seven times in the history of our Nation Vice Presidents have succeeded to the Presidency. Twice there has been situations wherein Presidents are said to have been unable to fulfill the duties of their office: Once when President Garfield had been shot and for many weeks was on a sick bed. Hovering between life and death, he was obviously unable to perform the functions of Chief of State. Yet Vice President Arthur was loath to assume those responsibilities and did not until after the death of President Garfield.

Again in 1919, when President Wilson occupied the White House it was asserted, and not without considerable justification, that his physical and mental condition was such that he, too, was unable personally to exercise his constitutional duties as President of the United States. Again, however, no attempt was made by Vice President Marshall to assume the office, and Mr. Wilson served until the conclusion of his term.

The pending bill provides on page 1 that the Speaker of the House shall, upon his resignation as Speaker and as Representative in Congress, act as President until the disability of the President is removed. That means if the President is unable to perform the duties of his office, whether by death or otherwise—and I refer particularly to the word "otherwise"—then the Speaker shall become the Acting President.

Section (f), appearing on page 4 of this bill, provides that "if the event by reason of which the Speaker is required by subsection (a) to act as President" shall have occurred more than 90 days immediately preceding the Tuesday next after the first Monday in November in the year in which the next regular election of Representatives to the Congress is to be held, but in which there is to be held no regular quadrennial election of a President and Vice President, the Secretary of State shall forthwith notify the executives of the several States and specify that electors be appointed or elected at such election who shall thereafter meet and elect a President and a Vice President to fill the unexpired term. The action of the Secretary of State and of the governors of the several States in this regard is made mandatory in the pending bill. Political parties must necessarily make nominations, electors must be chosen, and a President and Vice President elected.

Suppose, however, the originally elected Vice President who is serving out the Presidential term has not died or resigned or been removed from office, but is merely incapacitated and is in such a serious mental or physical condition that he cannot perform the functions of his office. Suppose, for instance, that he has made a trip to Europe, as President Truman is now planning, and that while in Europe he is so stricken that he cannot be removed to this country for many months. Certainly his mental or physical condition, coupled with his presence in a foreign country, would preclude him from acting in a Presidential capacity. He would be unable to direct the executive branch of the Government; he would be unable to consider, approve, or veto legislative enactments. Obviously, if the pending bill were the law, the Speaker, very properly, would become Acting President and all branches of the Government would continue to function. However, under section (f) of the pending bill, the Secretary of State would be required to call an election and a new President would be required to be elected. If the incumbent President in the meantime recovered his health and returned to the United States, what would be the situation? Would he be entitled to serve the balance of his term, or would his term be cut off abruptly and would the newly elected President serve for 2 years? No doubt the courts would be called upon to decide these questions. Some will say that such a state of affairs is far-fetched and not likely to happen. But it almost happened with Garfield and Wilson, and it might happen again.

This bill, Mr. Chairman, is being considered by us for the purpose of eliminating contingencies. Why create them? I am heartily in favor of its objective in making the Speaker of the House next in line to the Vice President. But I believe that when he is called upon to act

as President he should so act throughout the balance of the Presidential term or until the disability of the elected Vice President is removed. I believe section (f) should be wholly eliminated. It is impractical; it is cumbersome; it is expensive and of doubtful constitutionality. I shall support the amendment which will be offered by the gentleman from Kentucky [Mr. ROBSION] striking this section from the bill.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Chairman, in determining the intention of the framers of the Constitution in the selection of the language adopted in several sections thereof it always seemed to me to be important to examine the discussions that took place at the time of the adoption of that particular language. With that in mind I have examined the discussions at the time of the writing of the section which my distinguished friend, the gentleman from Iowa [Mr. GWYNNE], discussed at some length, the section with respect to the filling of the office of President in the event of vacancy.

The section provides what officer shall act as President and "such officer shall act accordingly until the disability be removed or a President shall be elected."

That language is not the language originally suggested. That language was adopted upon the insistence of Madison who said, in urging that this language be adopted: "Originally it was provided until the time of election of a President shall arise."

Madison said because the original proposal would prevent a supplying of the vacancy by an intermediate election of President. Certainly there could be nothing clearer than that language "would prevent the filling of the office by an intermediate election." It was clearly within the contemplation of the men who selected this language that there would be an intermediate election if it became necessary to fill the vacancy.

It has been argued with some force that the Speaker of the House is not an officer, but bear this in mind, that in 1792 when the first succession act was written, the Speaker pro tempore of the Senate was the officer who, under that statute, would become President of the United States in the event that the President and Vice President were removed or for other reasons could not continue to serve.

If in 1792 it was decided that the President pro tempore was an officer, and the question of the constitutionality had not been raised, then it certainly seems to me that within the minds of those men at least, the President pro tempore of the Senate is an officer.

In that connection it is very important to bear in mind the fact that when the Succession Act of 1792 was written, it was written by many of the men who wrote the Constitution. I do not think there is anything whatsoever to the argument that the Speaker of the House is not an officer. Of course, he is an officer, as is a Senator an officer, and it follows that the President pro tempore and the Speaker of the House are officers of the Government.

Mr. HANCOCK. Will the gentleman yield?

Mr. WALTER. I yield.

Mr. HANCOCK. In 1797 the Senate decided that one of their Members was not an officer of the Government. That is the Blount case.

Mr. WALTER. No. In the Blount case that was not the decision. The decision held that he was an officer and decided he was an officer of the United States.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HANCOCK. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, if we have a Democratic President, I know of no Democrat I would prefer to see President of the United States more than the distinguished gentleman who now occupies the Speaker's chair because of his long experience, character, ability, and training. But no one can say now whether this legislation, if adopted, will benefit Republicans or Democrats. Our first and great concern is to do the thing that is best for our country.

Some Members say the bill is unconstitutional. Others say it is constitutional. I believe the bill as now written is unconstitutional. I shall not take up your time to discuss those features that have been discussed by both sides. I am interested in the practical operation of this bill should it become law.

I regret that a bill of this tremendous importance was introduced on one day, brought before our Judiciary Committee the next day, with only one witness appearing before the committee, and then the bill reported out, and a rule granted to bring it before the House. The matter before us is one of great importance.

I am looking at the practical aspects of it; that is, the election of a President at a special election. Bear in mind you would first have to have these contingencies happen before that came up for consideration: The President dies or becomes disqualified, the Vice President must die or become disqualified, the Speaker of the House must become President. If all these three contingencies occur within 90 days before the regular congressional election in any off year—and that is the reason we are passing this bill—there must be a special election for President of the United States. This will require the changing of the election laws of every State in the Union, and the constitutions of many of them. Think about the shock to the country of the loss of a President, then the Vice President, and then a new President in the Speaker, and on top of that to call upon the American people to elect a President perhaps for 2 years or perhaps for less, maybe for only 22 months. The country would be so upset and disturbed as to amount to almost a calamity. Therefore, as I said in my few remarks on the rule, when the bill is read for amendment I shall offer an amendment to strike out that part of the bill that provides for this special election for the President. I think it is bad; I think it is unconstitutional. But let it be constitutional; we do not want to have the country thrown into the chaos of a special election after the death of the President and Vice President and the induction of the Speaker as President. It cannot help the country but must result in harm. The President and the Secretary of State do not have to go to Europe in the same plane or on the same ship, as the press and many people tell us. They can go on separate planes or ships. It is much easier for them to change boats and planes than it is for us to change the law.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. HANCOCK. Mr. Chairman, I yield 13 minutes to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM. Mr. Chairman, by way of contrast, may I say that when this bill was before our committee the other day, we were called into session at 11:15. We were on the floor of the House at 12 o'clock. We spent 45 minutes in the consideration of the bill. One witness appeared.

When the bill of 1886, which is now the law of the land, was considered in the Forty-ninth Congress, December 15, 16, and 17 were given over entirely to discussion of that bill. It was carried over into January of the next year, and January 13, 14, and 15 were given to a discussion of the bill. In other words, Senator Hoar and other Senators of that day, men of that caliber, thought that 6 days were not too long to discuss such a bill. We discussed it in 45 minutes.

I cite this to you to show the speed with which we are working today. I emphasize to you that speed is not always for certainty, for clarity, or for good results.

We were told the other day in committee that this is the first time the situation occurred where there was a vacancy in the Vice Presidency and one about to be created in the office of the Secretary of State. I took the trouble to look this up, and I find it is not the fact. Watch these statements closely as I give them to you.

William Henry Harrison was inaugurated on March 4, 1841. He served until April 4, 1941, 30 days, and died, much less time than Franklin Delano Roosevelt served from January 20 to April 12.

Daniel Webster was appointed Secretary of State on March 5, 1841, and he resigned on May 8, 1841. Abel P. Upshur received an interim appointment to succeed Webster on June 23, 1843, but his nomination was not confirmed by the Senate until January 2, 1844. Therefore, for 6 months in one period of the history of our country we had neither a Vice President nor Secretary of State.

The second instance, curiously enough, occurs also in connection with Daniel Webster. On the death of President Zachary Taylor on July 9, 1850, he was succeeded by Millard Fillmore, of New York.

On July 22, 1850, Daniel Webster was appointed Secretary of State and continued as such until his death on October 24, 1852. This left the Cabinet position open a second time until November

6 of the same year when Edward Everett was appointed. So the argument that is made here to increase our momentum and accelerate our speed because this is something unusual that has never occurred before, is not correct. This is the third time it has occurred, and each of the other two instances were longer in period of time.

Another thing, I have taken the trouble to look up the Vice Presidents of the United States. Here are some singular things in connection with the office of Vice President. When James Madison became President of the United States, George Clinton, Vice President, of New York died on April 20, 1812, and Madison served his first term without a Vice President. When Madison was elected the second time, Elbridge Gerry, of Massachusetts was elected Vice President, and he died November 23, 1814, so Madison served two terms without a Vice President for a large part of the time. When John Quincy Adams was elected President, John C. Calhoun resigned as Vice President on December 28, 1832, and stepped down, and there was no Vice President then. Here is another case, and I am not going through the whole list. When James A. Garfield was shot, he died on September 19, 1881, and Chester A. Arthur became President. Arthur was succeeded by Grover Cleveland, and Thomas A. Hendricks, of Indiana was Vice President, and he died November 25, 1885, so out of 8 years that those two men were to serve, for 7 there was no Vice President of the United States.

Who is in a good position to discuss there matters? President Truman has made his statement, and we appreciate it, even though we are members of another political faith and party. As has been said, every Member of this House, irrespective of party, has the utmost confidence in the integrity of our Speaker. Personally I do not know of a man that I would rather see President of the United States from the other party than he, but that is not the point. We are building for time and for the future. Why are we seeking to set aside a law that has been in existence for 59 years? Why the emergency and why the haste? The one man in the United States in his day who could talk on this subject was Andrew Johnson, who was impeached, although it failed in the Senate, and Andrew Johnson took the exact opposite position of President Truman in a message to Congress on July 18, 1868. This is what he said:

> The duties of the office should devolve upon an officer of the executive department of the Goverment, rather than one connected with the legislative or judicial departments. The objections to designating either the President pro tempore of the Senate or the Chief Justice of the Supreme Court, especially in the event of a vacancy produced by removal, are so obvious that they need not be stated in detail. It is enough to state that they are both interested in producing a vacancy, and * * * are members of the tribunal by whose decree a vacancy may be produced.

That is an unanswerable argument. Let me show you some of the inconsistencies that will arise in this situation if this bill becomes the law. Now think of this. Henry Clay was born on April 12, 1777. He was a Member of this House in 1803 and a Member of the Senate from November 19, 1806, to March 3, 1807. The constitutional requirement is that a Senator must be 30 years of age, but Henry Clay was not 30 years of age, yet he served in the Senate of the United States. Then he came back here and became a Member of this House and served as Speaker from November 4, 1811, to January 19, 1814, and at the time he was Speaker of this House he was 34 years of age, and to be the President of the United States you would have to be 35 years of age under the Constitution.

Then I took a lot of trouble to look up other things. I sat up many a night on this matter. Do you know that at the present time there are in this House 11 men who were born in foreign countries, who are eligible to become Speaker of this House but who after being elected Speaker, could not serve as President of the United States if this bill became law? I will not mention names, for obvious reasons, but we have one man born in Poland, one in Czechoslovakia, one in Sweden, one in Bohemia, one in Ireland, one in Poland, one in Wales, one in Scotland, another in Scotland, one in Poland, one in Vilna, Russia, and two of those men head two of the most important committees of this House. Now think of the unworkable situation of electing a man who is elegible to be elected to the position of Speaker of this great House and then say to the world, "You cannot serve as President."

Why, it is within the memory of some of you Members here that just a few years ago from Pittsburgh, Pa., there came a man elected to this House who could not take his seat because he had not been a resident of this country for 7 years at the time he was elected.

Now what did the framers of our Constitution intend? See what they did intend. Watch their language. People who scoff at the Constitution will some day live to regret it. I have been jeered at and had fun poked at me. Yesterday a Member said, "Here comes the Constitution itself." Be that as it may, the Constitution is not only the sheet anchor of our liberty, but it has been the protection of our Government and our citizens in the creation of this form of free Government.

What does it say? It says:

> All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

What does it say further? It says:

> Section 2. The House of Representatives shall be composed of Members chosen every second year—

Now, closely watch this language from this point on—

> No person shall be a Representative—

A Member of Congress—

> who shall not have attained to the age of 25 years, and been 7 years a citizen of the United States.

It says also:

> The House of Representatives shall choose their Speaker and other officers; and shall have the sole power of impeachment.

A man who sits in this Chamber as Speaker of the House can vote for an impeachment and oust a man from the Presidency and he can succeed him.

That is an unanswerable argument.

Now, with reference to the Senate the Constitution provides:

> The Senate of the United States shall be composed of two Senators from each State—

Elected for 6 years.

The House of Representatives is elected for 2 years and the Members of the Senate are elected for 6 years.

The Constitution further provides:

> No person shall be a Senator who shall not have attained to the age of 30 years, and been 9 years a citizen of the United States.

And it provides:

> The Senate shall choose their other officers, and also a President pro tempore, in the absense of the Vice President, or when he shall exercise the office of President of the United States.

The Constitution provides:

> The Senate shall have the sole power to try all impeachments.

The President pro tempore of the Senate can vote for impeachment and oust the President. You cannot answer that argument.

Consider this situation. Suppose we were in the second session of this Congress and adjourned sine die. Who then is your Speaker? Who is your President pro tempore of the Senate? Why, this is the most peculiar thing that has ever been proposed in this Congress. It was contended in this Senate in 1886 that there was no Speaker or President pro tempore at the time of the assasination of President Garfield and that at the time when Mr. Hendricks died there was no President pro tempore of the Senate, and there was no Speaker of the House.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. I yield.

Mr. HANCOCK. There was a President pro tempore, Ben Wade, who voted to impeach Andrew Jackson.

Mr. GRAHAM. Yes.

When you adjourn sine die you have no Speaker and you have no President pro tempore. There is no succession there.

The Constitution provides with reference to the executive branch that:

> The executive power shall be vested in a President of the United States of America. He shall hold his office during the term of 4 years, and together with the Vice President, chosen for the same term, be elected, as follows.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, we approach the determination of legislative policy with regard to this matter of Presidential succession recognizing that it is a difficult question. It has always been a difficult question. It was a difficult question when the Congress first began to consider it in its first session. It was a difficult question when the first legislation was enacted in the Second Congress.

The Second Congress, resolving questions in favor of the provision that

the Speaker of the House and the President of the Senate should hold the positions of succession in the event of the death or disability of the President and Vice President. As has been stated to you, a number of people were in that Congress who had sat in the Constitutional Convention.

For nearly a hundred years we operated under what those Members who now oppose this bill, claim was an unconstitutional arrangement. It was again a difficult question in 1888 when the existing legislation was enacted. It becomes a difficult question now when the President is deceased and the Vice President is acting as President and there is no Secretary of State. Not only a difficult question but a serious question confronts the House. I may repeat, you are not going to resolve this question either way without difficulty. There are difficulties arising out of the language of the Constitution, difficulties in providing for an interim election, difficulties in every direction.

I do not hold with the gentlemen who seem to feel it is a violation of the fundamental provisions of our Constitution if instead of arranging, as provided in this bill, for the first in the order of succession, the Speaker of the House and the President of the Senate, somebody away down the line appointed by the President to do an entirely different job from that of general government, the Secretary of the Treasury, the Secretary of the Navy, or the Secretary of War or somebody who has not had anything to do with the general operation of the Government, shall come now in an emergency and assume responsibility as the Chief Executive of this great Nation, assume it in a time like this. That is difficult, too. We are not going to resolve any of these questions without difficulty. We have got a situation which we have to meet. The President is deceased, the Vice President, now acting, is exposed to unusual dangers, and there is no Secretary of State. We might meet it as the Second Congress met it and as is provided in this bill. For almost a hundred years that arrangement remained the law of the land. We can meet it by defeating this bill and leaving the possibility of the succession to some appointed person down the line, we do not know where.

Now, let us look at the objections to which the opposition points. The first is the suggestion that the Speaker of the House and the President of the Senate are not eligible for appointment; that they are not officers within the meaning of the Constitution; not officers of the Federal Government. Well, what are they? Is not the legislative branch of the Government a part of the Federal machinery, and do they not operate that machinery, and does not that make them in fact officers of the Federal Government?

This question came before the Supreme Court of the United States several times. The last time it came the opinion was written by Mr. Chief Justice White, one of the greatest Chief Justices who ever sat on the bench. Mr. Palmer, a Member of Congress at that time had been impersonated, and a man by the name of Lamar was under prosecution. He raised the question directly, having been indicted for impersonating an officer of the United States, that he was not guilty; that the indictment should be quashed, because as it was contended Mr. Palmer, a Member of the House, was not an officer of the United States.

I quote from the opinion. The Court held that at the time of the enactment of the statute under which Lamar was being prosecuted it was "common understanding that a Member of the House of Representatives was a legislative officer of the United States was clearly expressed in the ordinary, as well as legal, dictionaries," quoting from Webster, Bouvier, and Black, and that "when the relations of Members of the House of Representatives to the Government of the United States are borne in mind and the nature and character of their duties and responsibilities are considered, we are clearly of the opinion that such Members are embraced by the comprehensive terms of the statute," and the statute made penal impersonating "an officer of the United States."

A Member of Congress officiates in operating the legislative machinery of the Federal Government; of course he is an officer; he officiates; he is an officer.

My distinguished friend, the gentleman from Pennsylvania, who just addressed the House said that when the House adjourned sine die there is no Speaker. I believe if my friend will examine the precedents he will discover the fact that the Speaker remains the Speaker of the House of Representatives until the expiration of the Congress, under the terms of the Constitution.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. VORYS of Ohio. Does the gentleman feel that the Speaker must be a Member of the House of Representatives and that therefore this bill is devoted to an exclusive class?

Mr. SUMNERS of Texas. In the first place, this bill provides that nobody may take under the succession who is not qualified to be President. But to say that the Speaker of the House does not have to be a Member of Congress is very far-fetched and purely academic. Insofar as I know the history of legislative government extending through the whole period of our history and that of the House of Commons for more than a thousand years, I have never heard of anybody's being elected Speaker of this House, of the House of Commons, of any State legislature, who was not a member of the body electing him; and I suppose that nobody drafting a constitution or statute under a Constitution would ever imagine or conceive that a situation would arise under which it would be necessary to guard by legislative enactment or constitutional provision against somebody other than a member of a legislative body being elected its presiding officer.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. DIRKSEN. Would the gentleman comment on the qualifying age limit and also on the requirement that the President must be a native-born citizen?

Mr. SUMNERS of Texas. Nobody can become acting President unless he has all the qualifications required of an elected President that is provided in this bill.

Mr. DIRKSEN. So that is taken care of.

Mr. SUMNERS of Texas. That is taken care of.

I am not trying to make a speech. I want to be as helpful as I can and yield during the remainder of my time for questioning from those who may wish to interrogate me.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Tennessee.

Mr. COOPER. For information I wish to ask the gentleman whether there is any constitutional provision with respect to age and length of residence in this country for Cabinet officers?

Mr. SUMNERS of Texas. Not that I know of. They could not be appointed under the provisions of this bill, however, unless they meet the qualification requirements for President.

Mr. COOPER. Then under the law as it now stands, if a Secretary were not of constitutional age or were not a native-born citizen of this country he would not be eligible and you would have to pass over him and go to the next man who was eligible.

Mr. SUMNERS of Texas. That is true. There is this interesting thing—I take just a moment for it—the Constitution provides in this line of succession, including the Vice President, that persons who come to assume the responsibilities of the Presidency, do not become the President. The Vice President does not become the President, under the Constitution. He assumes the duties and possesses the power.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield.

Mr. SUMNERS of Texas. I yield.

Mr. HANCOCK. Anyone acting as President has all the powers, privileges, emoluments, and salary of the Presidency.

Mr. FOLGER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from North Carolina.

Mr. FOLGER. Is it not true that subsection (d) on page 4 of the bill reads as follows:

> Subsection (a), (b), and (c) shall apply only to such officers as are eligible to the office of President under the Constitution.

Mr. SUMNERS of Texas. Yes.

Mr. FOLGER. Does that not answer the question?

Mr. SUMNERS of Texas. Yes.

Mr. GWYNNE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Iowa.

Mr. GWYNNE of Iowa. Does not the present succession law provide that if the Secretary of State should not be eligible for some reason it passes over to the next one?

Mr. SUMNERS of Texas. Yes; that is true. May I make a further observation, and I want to be very candid. This bill embodies as near as draftsmen can

make it the recommendations of the President in his recent message and who contemplates a somewhat hazardous journey soon. The bill is, of course, under an open rule and subject to amendment.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from New York.

Mr. HANCOCK. We have had at least one foreign-born Secretary of State, Carl Schurz. He would not have been eligible to succeed to the Presidency.

Mr. SUMNERS of Texas. That is right.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. Will the gentleman tell us, would there be a Speaker or a President pro tempore if the House and Senate adjourns sine die?

Mr. SUMNERS of Texas. I think there would be.

Mr. COLE of Missouri. He would carry over to the next term?

Mr. SUMNERS of Texas. The Speaker would be Speaker until the end of the Congress, the end of the period of the existence under the Constitution.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Tennesee.

Mr. COOPER. The Speaker would continue to draw the Speaker's salary until the end of the Congress?

Mr. SUMNERS of Texas. Yes.

Mr. COOPER. Not as a Member but as Speaker.

Mr. SUMNERS of Texas. He would be the Speaker, there is no doubt about that.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Ohio.

Mr. LEWIS. I would like the gentleman to comment on certain of these provisions. What does he have to say concerning the succession coming to the legislative branch instead of going to the executive branch of Government as to its constitutionality?

Mr. SUMNERS of Texas. I do not believe there is any constitutional question involved. I do not think that is involved at all.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Indiana.

Mr. HARNESS of Indiana. I wonder if the gentleman would give us his view as to what constitutional provision, if any, would authorize us to legislate a special election in order to fill a vacancy?

Mr. SUMNERS of Texas. That is a very close question and a very difficult one, but when you consider the general philosphy of the system we are operating under, which contemplates that it would be better to have somebody elected by the people act as President than an appointive person, the power I believe rests in the Congress to provide for a special election.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Michigan.

Mr. MICHENER. Some stress has been placed on the allegation that if a special election is held and a President elected, he would serve for 4 years rather than until the end of the unexpired term. Does not the gentleman feel that the Constitution provides a set 4-year term, and if it is also legal for the Congress to provide for the filling of a vacancy, when the Congress sets up the machinery to fill a vacancy by way of succession or otherwise, it has complete jurisdiction, but its jurisdiction cannot go beyond the end of the unexpired term? Is not that the answer to this 4-year proposition?

Mr. SUMNERS of Texas. I think the weight is in favor of the position indicated by the gentleman from Michigan. The weight is in favor of Congress being able to do that.

Mr. MICHENER. Along the line of the decisions of the Supreme Court which hold that where the Congress is permitted to enter a certain field to accomplish a certain purpose, it can accomplish that purpose unless it violates some law in so doing?

Mr. SUMNERS of Texas. I repeat, the question is not free from difficulty, but I think we have that power.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from New York.

Mr. TABER. The Constitution provides that whoever might be selected for succession must be an officer. This bill provides that the Speaker cannot become President or Acting President without first resigning as Speaker.

Mr. SUMNERS of Texas. Yes.

Mr. TABER. Then he would not be an officer.

Mr. SUMNERS of Texas. I believe he would.

Mr. TABER. He would cease to be an officer when he resigns.

Mr. SUMNERS of Texas. The thing will be simultaneous. I think that is in conformance with our general philosophy.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read, as follows:

Be it enacted, etc., That (a) (1) if, by reason of death, resignation, removal from office, inability, or failure to qualify, there is neither a President nor Vice President to discharge the powers and duties of the office of President, then the Speaker of the House of Representatives shall, upon his resignation as Speaker and as Representative in Congress, act as President until the disability be removed, or a President shall be elected.

(2) The same rule shall apply in the case of the death, resignation, removal from office, or inability of an individual acting as President under this subsection.

(3) An individual acting as President under this subsection shall continue to act until a President shall be elected in the manner prescribed in subsection (f), or, if no President shall be so elected, then until the expiration of the then current Presidential term, except that—

(A) if his discharge of the powers and duties of the office is founded in whole or in part on the failure of both the President-elect and the Vice-President-elect to qualify, then he shall act only until a President or Vice President qualifies; and

(B) if his discharge of the powers and duties of the office is founded in whole or in part on the inability of the President, Vice President, or individual acting under this subsection, then he shall act only until the removal of the disability of one of such individuals.

(b) If, at the time when under subsection (a) a Speaker is to begin the discharge of the powers and duties of the office of President, there is no Speaker, or the Speaker fails to qualify as Acting President, then the President pro tempore of the Senate shall, upon his resignation as President pro tempore and as Senator, discharge the powers and duties of the office of President until a President shall be elected in the manner prescribed in subsection (f) or, if no President shall be so elected, then until the expiration of the then current Presidential term, but not after a qualified and prior entitled individual is able to act.

(c) (1) If, by reason of death, resignation, removal from office, inability, or failure to qualify, there is no President pro tempore to discharge the powers and duties of the office of President under subsection (b), then the officer of the United States who is highest on the following list, and who is not under disability to discharge the powers and duties of the office of President, shall discharge such powers and duties: Secretary of State, Secretary of the Treasury, Secretary of War, Attorney General, Postmaster General, Secretary of the Navy, Secretary of the Interior, Secretary of Agriculture, Secretary of Commerce, Secretary of Labor.

(2) An individual discharging the powers and duties of President under this subsection shall continue so to do until a President shall be elected or until a Speaker is qualified in the manner prescribed in subsection (f) or, if no President shall be so elected, then until the expiration of the then current Presidential term, but not after a Speaker of the House is qualified and prior-entitled individual is able to serve, except that the removal of the disability of an individual higher on the list contained in paragraph (1) or the ability to qualify on the part of an individual higher on such list shall not terminate his service.

(3) The taking of the oath of office by an individual specified in the list in paragraph (1) shall be held to constitute his resignation from the office by virtue of the holding of which he qualifies to serve as President.

(d) Subsection (a), (b), and (c) shall apply only to such officers as are eligible to the office of President under the Constitution. Subsection (c) shall apply only to officers appointed, by and with the advice and consent of the Senate, prior to the time of the death, resignation, removal from office, inability, or failure to qualify, of the President pro tempore, and only to officers not under impeachment by the House of Representatives at the time the powers and duties of the office of President devolve upon them.

(e) During the period that any individual serves as President under this act, his compensation shall be at the rate then provided by law in the case of the President.

(f) (1) If the event by reason of which the Speaker is required by subsection (a) to act as President shall have occurred more than 90 days immediately preceding the Tuesday next after the first Monday in November in the year in which the next regular election of Representatives to the Congress is to be held but in which there is to be held no regular quadrennial election of a President and Vice President, the Secretary of State shall forthwith cause a notification of such event to be made to the executive of every State, and shall specify in such notification that electors of a President and

Vice President to fill the unexpired term shall be appointed in the several States on the Tuesday next after the first Monday in November in the year in which the next regular election of Representatives to the Congress is to be held. Electors appointed pursuant to such notification shall be appointed in the same manner as is provided by law for the appointment of electors for a regular quadrennial election of a President and Vice President, and shall meet and give their votes on the first Monday after the second Wednesday in December following their appointment, at such place in each State as the legislature of such State shall direct. Except as otherwise provided in this subsection, all provisions of law relating to the choosing of a President and Vice President at a regular quadrennial election shall apply with respect to the choosing of a President and Vice President to fill the unexpired term as provided in this subsection; and the terms of the President and Vice President so chosen shall begin on the 20th day of January immediately following their election.

(f) Sections 1 and 2 of the Act entitled "An act to provide for the performance of the duties of the office of President in case of the removal, death, resignation, or inability both of the President and Vice President", approved January 19, 1886 (24 Stat. 1; U. S. C., 1940 edition, title 3, secs. 21 and 22), are repealed.

Mr. ROBSION of Kentucky. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBSION of Kentucky: After the word "President" in line 18, page 4, strike out subsection (f) on pages 4 and 5, beginning with line 19 on page 4 and ending with line 22 on page 5.

Mr. ROBSION of Kentucky. Mr. Chairman, my amendment proposes to strike from the bill that provision calling for a special election for President in the event of the death or disability of the President, the Vice President, and the elevation of the Speaker as President.

You will observe that if those three contingencies arise, and some say it may not arise, but I say that if we did not have that in mind there would then be no necessity for this bill; we do think that it might happen, that we may lose the President, the Vice President, and the Speaker become President and then we would have to have a special election under the bill as it now stands.

The bill says if that contingency occurs 90 days immediately preceding the Tuesday next after the first Monday in November in the year in which the next regular election of Representatives to the Congress is to be held but in which there is to be held no regular quadrennial election of a President and Vice President, then we would have a special election.

Just think what that would mean. The President, Vice President, may pass away or be disqualified sometime in August, early in August, before the regular election in November for Members of the House. That would be 90 days before the regular election. Therefore, in those 90 days we must prepare and hold a Presidential election. We realize what a shock it would be to the country upon the death of a President. Then soon thereafter, if this bill is enacted, in the event of the death of the Vice President, and the change to the new President in the person of the Speaker, then within 90 days the Nation must be called upon to elect a President. It may not be the Speaker. Some other person may be elected President because the people might not elect and continue in office the Speaker.

The bill says these electors must meet on the first Monday after the second Wednesday in December and pass upon the question of electing a President.

You have the possibility here of four Presidents in a few months.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. ROBSION of Kentucky. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. There is the possibility under this bill of having four Presidents in a few months. Why, that is enough to upset this country from its center to its most outlying border. Such a provision cannot serve any useful purpose, because the country would be more or less in a turmoil and stirred up between the time the election is called and the time the election is held. The Speaker, the man who is occupying the Presidential office, may be defeated, and the country is held up until the end of December, when the newly elected President takes office under this act.

I believe in real representative government by the people. I have always favored a constitutional amendment to do away with the Electoral College and let the American people vote directly for President and Vice President. But after you have gone through all of this, perhaps the man finally elected would not have an opportunity to serve more than 22 months, or less than 2 years.

Mr. SHORT. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. SHORT. I was going to ask the gentleman suppose the Speaker of the House, under the proposed legislation, should die 60 days before election, would we go 60 days without any President?

Mr. ROBSION of Kentucky. Now the gentleman has raised another question. If it would be 90 days we would have to have a special election.

Mr. SHORT. But suppose the Speaker dies only 89 days before the next election?

Mr. ROBSION of Kentucky. Well, you would not have a special election.

Mr. SHORT. Who would be President?

Mr. ROBSION of Kentucky. Well, the succession would go on down the line as provided in this bill.

Of course, one of the objections to this bill is that it was introduced on one day, brought before the committee in executive session the next day, and we did not have any hearings, except a brief statement from one witness. We should have had hearings and we should have had a full report covering all of these questions for the benefit of the Members of the House.

Of course, Mr. Chairman, if this amendment prevails there are two other minor amendments to the bill to clarify and bring the whole bill in harmony with this amendment.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I rise in opposition to the amendment.

This provision, like all other provisions in this bill, is not free from difficulty. The President's notion seemed to me to be a pretty good notion, that the country ought not to go perhaps 3 years without the people at least having an opportunity to select their Chief Executive. I believe that is a very wholesome attitude. It is better than to take a chance on the Secretary of War or the Secretary of the Navy, or even the Speaker of the House or President pro tempore of the Senate, or anybody else. The President and Vice President are to be elected at this election.

I do not believe it is true that in the history of this country the President and Vice President, elected at the same time, became deceased. Yet it might be so. This very bill proposes to take care of that situation in no small degree, due to the peculiar hazards under which it is contemplated the President and the Secretary of State are to live and work in behalf of the country during the coming weeks and perhaps months.

I hope the amendment offered by my distinguished friend from Kentucky will not prevail. I think this provision in the bill is worth doing something about. As a matter of fact, to be candid with you about it, and you know it yourselves, this bill is going to be worked out in conference.

Mr. HANCOCK. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. HANCOCK. I was wondering if the gentleman from Texas has any idea that this bill will ever reach conference.

Mr. SUMNERS of Texas. It might. I am just trying to get it through the House.

Mr. VORYS of Ohio. Mr. Chairman, I rise in support of this amendment. What we are voting on here is an emergency piece of legislation, the emergency having been created by various circumstances which had not been properly foreseen by preceding Congresses. We do not have time, in order to put through legislation to take care of this emergency, to change the Constitution. We are therefore faced with the proposition that any election for President which would be held in 1946 would be under the present Constitution; and electors are State officials governed by State laws in 48 different States. This special election that might be called 90 days before the election of 1946, if the President and Vice President should both be dead or disabled, could not in my opinion be legally held in my State of Ohio because of the provisions of our election laws as to the nomination of candidates for President, placing their names on the ballot, bids for the ballots, printing of the ballots. You would have an election that would at very best be fraught with great uncertainty.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. EBERHARTER. Exactly the same thing is true in the Pennsylvania

situation; it would be impossible to have a legal election under State law.

Mr. VORYS of Ohio. I thank the gentleman for reminding us that the same thing is true in Pennsylvania as in Ohio.

Mr. ROE of Maryland. The same thing is true of Maryland.

Mr. VORYS of Ohio. The same thing is true of Maryland and I think it would be found to be true in every State.

What are we trying to do here? We have no responsibility for what some other body, the Senate, does; we must draft the best law we can to take care of the situation. Then I hope the Committee on the Judiciary will proceed to review all this thing more deliberately and prepare possible constitutional amendments to take care of it.

What we want to do now is to avoid certain combinations of circumstances that we believe would be, to put it mildly, disastrous for our country in the matter of the Presidential succession. Therefore we put through the first part of this law that puts in office a man we are sure of, that the country is sure of; that is, the present Speaker. If anything happens to him the people can depend upon their elected representatives to choose a proper successor. We can operate under that until we get a better law or a constitutional amendment; and if we have made no change then the people in 1946, will realize clearly what they always ought to realize that in electing a Congressman they are electing a possible Presidential elector in case of emergency. The House now has the responsibility under the Constitution of selecting a President if the electors fail to do so. I hope, therefore, that this amendment will prevail, so that we will get away from this highly unsatisfactory special Presidential election which will be sure to cause great confusion and uncertainty, with technicalities arising as we have heard right now from three States, and I feel sure in all 48 with respect not only as to the election but as to the nomination of a Presidential candidate for the special election. Let us vote this thing down. Remember this, that if we pass the bill carrying this special election provision the conditions would be such that the candidates and the final President would be hand-picked by a small group far more unrepresentative than the House of Representatives. It would have to be done that way in order to get past the difficulties connected with nominating Presidential candidates and getting their names on the ballots. I feel certain that up until 1946 we can depend upon this House, which has already chosen a qualified Speaker, to carry out the succession, to choose another one if dire emergency should arise. In any case, we ought not to pass the buck by creating a special election that will really not be a legal or reliable representation of the people's will.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. WHITE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, since the question has been raised as to the meaning and application of the word "officer" in the bill and in the United States Constitution, I take this time to give the definition of the word "officer" as defined in Webster's International Dictionary which is kept here in the House of Representatives floor library for the use of the Members.

Mr. Chairman, the definition of "officer" as given in Webster's is, "(1) Charged with a duty; an agent; a minister. (2) One who holds an office: (a) person lawfully invested with an office, whether civil, military, or ecclesiastical, and whether under the State or a private corporation."

I believe that that definition, together with the construction that has been placed on the word "officer" in the dictionary would sustain the interpretation of the Judiciary Committee of the House with reference to a Member of the House of Representatives or the Speaker of the House of Representatives being an officer of the Federal Government.

There is one other thing I want to call attention to. I refer to page 4, line 19, reading as follows:

(f) (1) If the event by reason of which the Speaker is required by subsection (a) to act as President shall have occurred more than 90 days immediately preceding the Tuesday next after the first Monday in November in the year in which the next regular election of Representatives to the Congress is to be held but in which there is to be held no regular quadrennial election of a President and Vice President, the Secretary of State shall forthwith cause a notification of such event to be made to the executive of every State, and shall specify in such notification that electors of a President and Vice President to fill the unexpired term shall be appointed in the several States on the Tuesday next after the first Monday in November in the year in which the next regular election of Representatives to the Congress is to be held. Electors appointed pursuant to such notification shall be appointed in the same manner as is provided by law for the appointment of electors for a regular quadrennial election of a President and Vice President, and shall meet and give their votes on the first Monday after the second Wednesday in December following their appointment, at such place in each State as the legislature of such State shall direct. Except as otherwise provided in this subsection, all provisions of law relating to the choosing of a President and Vice President at a regular quadrennial election shall apply with respect to the choosing of a President and Vice President to fill the unexpired term as provided in this subsection; and the terms of the President and Vice President so chosen shall begin on the 20th day of January immediately following their election.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. WHITE. If the gentleman from Michigan can explain the language in that section I shall be pleased to yield to him.

Mr. RABAUT. That is the language in the Constitution.

Mr. WHITE. Mr. Chairman, it seems rather strange to me that a narrow interpretation is placed on the word "officer" in the language of the bill as brought out by the Judiciary Committee of the House, yet we are accepting the language of the Constitution. It is clearly stated in the amendment "appoint" when it should be "elected." If we can take one definition from the Constitution, why can we not take the definition from Webster's Unabridged International Dictionary as to what the word "officer" indicates and signifies?

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I ask unanimous consent to make a brief statement at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I feel I should make the statement to the committee. In my judgment this arrangement in reference to the election of a President would not work without very substantial amendment of State laws due to the reasons which have been assigned. The President favors an election and I favor an elected rather than an acting President. I have had in mind this might go over to the Senate and we would see what could be worked out. But if this bill is passed it will go to the Senate anyway of course. After giving the matter further consideration, I am not in a position to oppose the amendment offered by the gentleman from Kentucky.

Mr. HANCOCK. Would it not be well to recommit the entire bill to the Committee on the Judiciary for more mature study?

Mr. SUMNERS of Texas. No; I do not think it would.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. ROBSION].

The amendment was agreed to.

Mr. SPRINGER. Mr. Chairman, I offer a perfecting amendment.

The Clerk read, as follows:

Amendment offered by Mr. SPRINGER: Page 2, line 6, after the word "prescribed", strike out "in subsection (f), or, if no President shall be so elected then" and insert "by law and."

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I approve the amendment offered by the gentleman from Indiana, but there are some things about this situation that I feel must be impressed upon the Members of this House and must be called to their attention. May I read to you from the Constitution that gives us our authority and that is article II, found at page 52 of the House Rules and Manual?

The Congress may by law provide for the case of removal, death, resignation or inability, both of the President and Vice President, declaring what officer shall then act as President—

Listen to this —

and such officer shall act accordingly, until the disability be removed, or a President shall be elected.

On page 30 we find this language:

No person holding any office under the United States, shall be a Member of either House during his continuance in office.

The provision which gives us the power to provide for succession provides that the officer whom we designate shall continue to be that officer while he acts as President. That is just what it says.

Mr. RABAUT. No.

Mr. TABER. That is just what it says, and the gentlemen who feel the other way about it could not have followed me.

Mr. RABAUT. Will the gentleman please read that again?

Mr. TABER. Yes—

declaring what officer shall then act as President, and such officer shall act accordingly, until the disability be removed, or a President shall be elected.

The minute the Speaker resigns as a result of swearing in, under that provision he ceases to be an officer, if he was such officer before, and he has no authority whatever, and this bill would be an entire nullity. I hate to see the Congress get into that situation. It is absolutely indisputable that we are getting nowhere and establishing nothing.

Mr. RABAUT. Mr. Chairman, if the gentleman will yield, is it the gentleman's opinion, if it were to take place today under the system we have that should the Secretary of State become President of the United States the office of Secretary of State could not be filled?

Mr. TABER. It would have to be that way if this language continues in the Constitution as it does.

Mr. RABAUT. I do not think that is anybody's thought.

Mr. TABER. That is what it says.

Mr. TALBOT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Connecticut.

Mr. TALBOT. When the President of the United States dies the Vice President does not resign. He becomes President when he is sworn in and automatically resigns as Vice President by the swearing in. The Speaker would not resign, may I say to the gentleman from New York. He would be sworn in as President and the swearing in of him as President would automatically resign him as Speaker of the House.

Mr. TABER. Then he would cease to be acting as an officer under this provision of the Constitution. That is the way the Constitution reads. It is the way the thing stands, and if we vote for this bill we are voting for an absolute nullity and something that cannot possibly work.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. SPRINGER].

The question was taken; and on a division (the Chair being in doubt) there were ayes 105, noes 0.

So the amendment was agreed to.

Mr. SPRINGER. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER: On page 3, line 19, after the word "prescribed", strike out the remainder of line 19, all of lines 20 and 21, down to and including the word "term" and insert "by law."

Mr. SPRINGER. Mr. Chairman, may I say that this amendment is merely a clarifying amendment. In view of the striking out of section (f), this amendment merely clarifies that portion of the bill.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. SUMNERS of Texas. I understand from my colleague who has been examining the matter that that is true, it is purely amendatory.

Mr. SPRINGER. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. SPRINGER].

The amendment was agreed to.

Mr. LEWIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEWIS: Amend by striking out the words in lines 7 and 8 on page 1 as follows: "Upon his resignation as Speaker and as Representative in Congress," and insert in lieu thereof the following: "as hereinafter provided."

Mr. LEWIS. Mr. Chairman, the language of this amendment, I believe, helps to correct a little of the criticism which the gentleman from New York made about this situation when he said we would have an anomalous situation of a Speaker having to resign before becoming President. The language which would take care of that situation is already in the bill provided we strike out the words that this amendment would strike out in lines 7 and 8. The language that covers this is found on page 4, lines 3 to 6, inclusive, and reads as follows:

The taking of the oath of office by an individual specified in the list in paragraph (1) shall be held to constitute his resignation from the office by virtue of the holding of which he qualifies to serve as President.

I should like to point out to my friends on this side of the aisle who were impressed by the reading of the Constitution by the gentlemen from New York that the purpose of that language in the Constitution is merely to designate the person, and once the person is designated by the Congress then, when he takes the oath of office as President, he is the President of the United States. That language in the Constitution is merely to authorize and limit the Congress in designating the line of succession.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. LEWIS. I yield to the gentleman from Minnesota.

Mr. JUDD. I do not believe it is true that he then is the President. The Constitution states he "shall then act as President" but he is not the President. It says "such officer shall act" as President, but if he has resigned how can he still be "such officer"?

Mr. LEWIS. My point is that the designation of the man as such officer is merely to point out upon whom the succession shall fall.

Once it has fallen, the mere fact that he has resigned that particular office has no effect upon what occurred when he thereupon took the office of President.

Mr. TABER. The trouble with that argument is this: It says that such officer shall act accordingly. It does not say he shall become President. That is an altogether different proposition.

Mr. LEWIS. That has been pointed out by the gentleman from Minnesota [Mr. JUDD]. I think that is merely a splitting of hairs.

Mr. HANCOCK. Will the gentleman yield?

Mr. LEWIS. I yield.

Mr. HANCOCK. Suppose a man is designated to act as President during the disability of the President. Are there then two Presidents of the United States? During a temporary disability are there two Presidents?

Mr. LEWIS. A temporary disability?

Mr. HANCOCK. Then we would have two Presidents of the United States.

Mr. LEWIS. We would have an Acting President of the United States and a real President who would resume his office when the disability was removed.

Mr. HANCOCK. The Acting President, in my view, never becomes President.

Mr. LEWIS. That is a mere splitting of hairs, I believe. The intent of the Constitution, it seems to me, is plain.

Mr. GEARHART. Will the gentleman yield?

Mr. LEWIS. I yield.

Mr. GEARHART. Suppose the case of a Vice President who has become President, being seized with a disease such as pneumonia and going to the Naval Hospital a few months. The Speaker is called from his chair and he resigns as Speaker. Then the Vice President gets well. What becomes of the Speaker?

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LEWIS. That is a very interesting question which the gentleman from California has raised. When he assumes the office of President he does resign, as this language provides, as Speaker of the House. In all probability the House would then have to designate a new Speaker.

Mr. GEARHART. How about the President who recovers?

Mr. LEWIS. That is all right, but the Speaker of the House is out as Speaker. The House would then have to deal with that question. That does not affect the constitutionality of what we are doing here at all. It would merely be an embarrassing situation for the man who was Speaker.

Mr. GEARHART. Will the gentleman yield for one further question?

Mr. LEWIS. I yield.

Mr. GEARHART. Suppose the Vice President who became President did not get along with the Speaker and wanted to get rid of him. So when he got the flu or pneumonia or something and went to the hospital he draws the Speaker to the White House, and then he immediately gets well and comes back and sends the Speaker into oblivion.

Mr. LEWIS. Yes; that is a possibility.

Mr. JUDD. Will the gentleman yield?

Mr. LEWIS. I yield.

Mr. JUDD. I do not believe the language in section 6 of article I of the Constitution, where it says "No person holding any office under the United States shall be a Member of either

House," really means what many assume. Would this "officer," acting as the President, be a "person holding office under the United States"? No; he is merely acting as President. Why should he have to resign from Congress or from the Speakership? It is clear a man cannot hold two offices, but he would be holding only one, his seat in Congress, while acting as President. Does acting as President mean he is "holding" that office or not?

Mr. LEWIS. He would resign, by the language of this act.

Mr. JUDD. But if we did not leave that language in the act I do not think he would need to resign as Speaker, or as Member of Congress, under the Constitution.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Will the gentleman yield?

Mr. LEWIS. I yield.

Mr. McCORMACK. There are many speculative situations that may be created, but the main purpose of this bill is to provide a line of succession.

Mr. LEWIS. That is right.

Mr. McCORMACK. Assuming that in the ordinary course of events in the future, the same things may happen which relate to permanent departure, a permanent vacancy in the office of President?

Mr. LEWIS. That is correct.

Mr. McCORMACK. So we have to keep the substance and the importance of the bill in mind.

Mr. LEWIS. That is correct.

Mr. McCORMACK. Now, coming to the amendment offered by the gentleman, the gentleman is fearful if this language remains in the bill, "upon his resignation as Speaker and as a Member of the House of Representatives," that the act of resignation is first, and then he becomes a private citizen.

Mr. LEWIS. That is correct.

Mr. McCORMACK. Whereas the language on page 4 adequately protects that transition situation in the interests of the country.

Mr. LEWIS. That is exactly the point.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. LEWIS. I yield.

Mr. SUMNERS of Texas. I agree with the gentleman that it would be good strategy if not good legislation to take that language out. But the language which the gentleman is proposing to have inserted, I hope the gentleman has thought about it. "Herein provided." I question the wisdom of putting that language in, because the language with reference to which this deletion is to take place is the language which creates the powers of the Speaker of the House to assume that responsibility. Now, the "hereinafter provided," as our distinguished leader has just indicated, is included in the language.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. SUMNERS of Texas. Mr. Chairman; I rise in opposition to the amendment.

Mr. Chairman, I propound a question to my distinguished friend from Ohio as to whether or not the words "as hereinafter provided" in his mature judgment should remain as a part of the proposed amendment?

Mr. LEWIS. I believe so; I believe it clarifies, because it points out there is a provision hereinafter to take care of the situation. I shall not be a stickler on that point. If the gentleman feels that that language should not be contained in the amendment, I will ask that the amendment be modified accordingly.

Mr. SUMNERS of Texas. Suppose the gentleman deletes it now and we look into it a little further.

Mr. LEWIS. Mr. Chairman, will the gentleman yield to permit me to submit a unanimous-consent request?

Mr. SUMNERS of Texas. I yield.

Mr. LEWIS. Mr. Chairman, I ask unanimous consent that the amendment may be modified by striking out the words "as hereinafter provided."

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Clerk will read the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. LEWIS: Strike out the words in lines 7 and 8 of page 1, as follows: "Upon his resignation as Speaker and as Representative in Congress."

Mr. FOLGER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if I understand the object of the two amendments, I am of the opinion they do not accomplish what is sought. On page 4, section 3, we find this language:

The taking of the oath of office by an individual specified in the list in paragraph 1 shall be held to constitute his resignation.

Paragraph 1 does not refer to the Speaker nor does it refer to the President pro tempore of the Senate; it refers exclusively to members of the Cabinet.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was agreed to.

The CHAIRMAN. Does the gentleman from Ohio, the author of the amendment just adopted, wish to offer the other part of his amendment?

Mr. LEWIS. No; I will not offer the remainder of the amendment.

Mr. VORYS of Ohio. Mr. Chairman, we have been worrying here about whether we might have too many officers at one time. The real concern of this bill is to make sure that we have a President all the time.

March 4, 1877, happened to come on Sunday and the people in those days did not feel they should have an inauguration on Sunday. There had been some difficulties about the election of President Hayes, so President Grant called President-elect Hayes to the White House on Saturday evening, March 3, and swore him in as President; and the two of them continued as President all Saturday evening and Sunday up until President Grant's time ran out and they formally and publicly swore in President Hayes on Monday, March 5. I do not know that either of them got in the other's hair those 2 days or that we had any terrific crisis. It seems to me that in preparing for this matter of succession we are safe if we make sure that we have a President and we do not need to be overly concerned as to whether the President we put in, in case some former President should again become qualified will lapse back and get his old job, whether it be Secretary of State, Secretary of the Treasury, or even Speaker of the House of Representatives.

Mr. DONDERO. Mr. Chairman, will gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Michigan.

Mr. DONDERO. I notice on page 52 of the Manual it is stated that the Congress may provide by law what officer shall act is President.

Now, who is an officer of the United States? Is it the Speaker of the House or is it such people as are appointed by the President as Members of his Cabinet?

Mr. VORYS of Ohio. I think that has been rather thoroughly discussed. The able chairman of the Judiciary Committee pointed out a decision by Chief Justice White, in which it was held, as I understand it, that Congressman A. Mitchell Palmer was an officer and impersonating him violated a penal statute forbidding impersonation of an officer. That decision would seem to me to be persuasive, although I know that earlier in the debate other views have been expressed.

Mr. GWYNNE of Iowa. As a matter of fact the holding in that case was that a Member of Congress is an officer within the meaning of that statute. Our claim is a Member of Congress is not an officer within the meaning of the word as used in the Constitution. That has also been decided by the Supreme Court and never reversed at any time.

Mr. VORYS of Ohio. In reference to this constitutional question I happen to be one of those who agrees with the view that when the President dies the Vice President never does become President, but Acting President. However, from a practical and historic standpoint, it is a distinction without a difference and I do not think we need to worry about that distinction. If events should transpire making the Speaker President of the United States under this law we do not need to worry about having two Speakers any more than we do about the fact that we had two Presidents on Saturday, March 3, and Sunday, March 4, 1877.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. Is is not also persuasive that only a few years after the adoption of the Constitution, the Congress of the United States with many many members of the Constitutional Convention serving therein, did make the

line of succession go through the Senate and House of Representatives respectively and that that law stood for almost a hundred years on the statute books without question?

Mr. VORYS of Ohio. That would be persuasive to me.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. KEFAUVER. Mr. Chairman, I offer a clarifying amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. KEFAUVER: On page 2, line 25, and page 3, line 1, strike out the words "until a President shall be elected in the manner prescribed in subsection (f)."

Mr. KEFAUVER. Mr. Chairman, I ask unanimous consent that the amendment be amended so as to include line 2, page 3, down to the word "then."

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as corrected.

The Clerk read as follows:

Amendment offered by Mr. KEFAUVER: Page 2, line 25, and page 3, lines 1 and 2, strike out the words "until a President shall be elected in the manner prescribed in subsection (f) or, if no President shall be so elected."

Mr. KEFAUVER. Mr. Chairman, this amendment is necessary in view of the fact that the election provision as contained in subsection (f) has been changed by the committee through an amendment offered by the gentleman from Kentucky [Mr. ROBSION]. This clarifies the bill in conformity with that amendment.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I thought the gentleman from Indiana [Mr. SPRINGER] introduced perfecting amendments which took that language out?

Mr. KEFAUVER. He overlooked one place.

Mr. ROBSION of Kentucky. This simply perfects the bill?

Mr. KEFAUVER. Yes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. KEFAUVER].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union reported that that Committee having had under consideration the bill H. R. 3587, to provide for the performance of the duties of the office of President in case of the removal, resignation, or inability both of the President and Vice President, pursuant to House Resolution 306, he reported the bill back to the House with sundry amendments in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. HANCOCK. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HANCOCK. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read, as follows:

Mr. HANCOCK moves to recommit the bill to the Committee on the Judiciary.

Mr. SUMNERS of Texas. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. HANCOCK) there were—ayes 32, noes 167.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

HOUR OF MEETING TOMORROW AND PROGRAM FOR NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 o'clock tomorrow, it being the intention to bring up the OPA conference report at that time.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman tell us what the program for next week is?

Mr. McCORMACK. I will be very glad to. I have nothing assigned for Monday.

I shall ask unanimous consent that the Consent Calendar and the Private Calendar may both be called up on Tuesday.

Wednesday, July 4, there will be no session.

On Thursday we will bring up a tax bill, coming out of the Committee on Ways and Means.

Friday and Saturday business is as yet undetermined. Of course, there may be some unfinished business that we may not be able to complete today and tomorrow, some of which might go over to Monday. But there is no major legislation that I know of.

Mr. MARTIN of Massachusetts. That would depend a good deal on what action is taken in the Senate?

Mr. McCORMACK. Exactly.

Mr. MARTIN of Massachusetts. Will the Carden bill come up on Tuesday?

Mr. McCORMACK. I understand it will not, and that information comes to me from people interested in the bill. That information was conveyed to me subsequent to the talk that I had with the gentleman from Massachusetts [Mr. MARTIN] a little while ago.

That has been done at the request of some who are interested in the bill.

Therefore, there is no reason why the House should not complete its business by the latter part of next week so that it can take a very substantial adjournment. I am hopeful it will be for at least 2 months.

Mr. MARTIN of Massachusetts. I hope the gentleman's wish comes true.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK] that when the House meets tomorrow it meet at 10 o'clock?

There was no objection.

PRIVATE CALENDAR AND CONSENT CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it be in order to call the Consent Calendar on Tuesday next instead of Monday, and also that the Private Calendar be called on Tuesday.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts

There was no objection.

MILITARY ESTABLISHMENT APPROPRIATION BILL, 1946—CONFERENCE REPORT

Mr. KERR submitted the following conference report and statement on the bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3550) "making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 3.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 4, 5, and 6, and agree to the same.

J. BUELL SNYDER,
JOHN H. KERR,
GEORGE MAHON,
W. F. NORRELL,
JOE HENDRICKS,
D. LANE POWERS,
ALBERT J. ENGEL,
FRANCIS H. CASE,
Managers on the Part of the House.

ELMER THOMAS,
CARL HAYDEN,
JOHN H. OVERTON,
ELBERT D. THOMAS,
CHAN GURNEY (except amendment No. 3),
C. WAYLAND BROOKS,
HAROLD H. BURTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1: Restores the House provision barring expenditures upon class IV-E conscientious objectors under certain specified conditions.

Amendment No. 2: Strikes out the House provision denying payment of special allowances to War Department personnel, civil

or military, for performance of service in the State, Territory, or island of legal residence, as proposed by the Senate.

Amendment No. 3: Restores the House provision barring expenditures upon educating persons in medicine (including veterinary) or dentistry if not receiving such education as an expense to military appropriations prior to June 7, 1944.

Amendments Nos. 4 and 5, relating to the appropriation "Engineer Service, Army": Appropriates $158,497,630, as proposed by the Senate, instead of $37,879,000, as proposed by the House.

Amendment No. 6: Provides for a 10-percent appropriation interchange as to certain appropriations, subject to a 10-percent increase of any appropriation thereby, as proposed by the Senate, instead of a 5-percent interchangeability subject to a 10-percent increase of any appropriation thereby, as proposed by the House.

J. BUELL SNYDER,
JOHN H. KERR,
GEORGE MAHON,
W. F. NORRELL,
JOE HENDRICKS,
D. LANE POWERS,
ALBERT J. ENGEL,
FRANCIS H. CASE,
Managers on the Part of the House.

Mr. KERR. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 3550) making appropriations for the Military Establishment for the year ending June 30, 1946, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KERR. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

Mr. KERR. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL of Michigan. Mr. Speaker, had it not been for the fact that this conference report has to be adopted by both the House and the Senate, and the bill signed by the President before tomorrow night, the end of the fiscal year, I would not have signed the report and would have opposed its adoption.

The reason I would have opposed the report is because of the fact that the Senate restored the 10-percent transferability clause and the House conferees concurred in the Senate amendment. In other words, this bill now gives the War Department the power to transfer 10 percent at will from any fund to another fund instead of 5 percent as passed by the House. Last year they had transferability up to 20 percent. They actually transferred up to the time of the consideration of the bill under that clause, $2,774,000,000, and they anticipated they would transfer before the end of the fiscal year a total of nearly $3,500,000,000. Mr. Speaker, that means that the War Department had $3,500,000,000 to spend for purposes which were not justified before any congressional committee. This is the first time since I have been a Member of Congress than an Under Secretary of War appeared before a conference committee. He told the conferees that they had had 10 percent transferability since 1942. He is right. It was under that 10-percent clause that the Under Secretary of War, Mr. Patterson, transferred $25,000,000 out of the fund we gave him to expedite production, to the building of the Pentagon, the white elephant across the river.

Under that same clause the Army transferred $16,000,000 more from the Engineer Service fund to build the same building. That money, together with $10,000,000 taken from the highway fund, enabled them to spend $86,000,000 on the Pentagon Building in spite of the fact that the Congress had adopted a report by our committee limiting them to $35,000,000.

I have before me their expenditures. In 1945 they came before our committee and said they had $32,000,000,000 more than they could obligate. I asked them at that time whether they could not transfer two or three billion more. They said, "Oh, no. We cannot do that," but they came back that year and had $13,000,000,000 more, making a total of approximately $46,000,000,000 which they could not obligate. I was willing to give them 5-percent transfer clause. This bill carries $39,000,000,000. The Army has made provision for 7,000,000 men. If the Army is reduced 10 percent or 700,000 men they will have a potential $4,000,000,000 to play with.

It is time that Congress insist that these departments, War Department and Navy Department included, come before some congressional committee and justify every dollar that we are giving them to spend.

It was the 10 percent transferability clause that the Under Secretary referred to that made it possible for them to spend part of that money which was transferred to the Canadian Canol oil project, where they spent $140,000,000 for oil they never got and which they are now turning over to the Standard Oil Co. of Canada and the Canadian Government free. It was the same clause that enabled them to transfer money to the Alaskan Highway, where they paid $300 a month for common labor, without regard to whether the man worked a day or not, and where they spent $100,000 a mile to build gravel road and were spending $8,000 a mile for maintaining it. These are only a few of the instances where the Army has used this clause to throw money down a rat hole. I shall continue to oppose this sort of thing as long as I am in Congress. The European war is over. I am getting sick and tired of voting lump sums and watching this outrageous waste of the taxpayers' money.

I told the Under Secretary of War, both in committee and in conference this morning, "I am willing to give you every dollar the expenditure of which you can justify in this war. I am not willing to give you one dime, the expenditure of which you will not or cannot justify."

It is only because of the fact that this bill must be signed by the President by tomorrow night that I signed the conference report.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. KERR. Mr. Speaker, I yield 3 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, the gentleman from Michigan [Mr. ENGEL] has made a vigorous and a hard fight to eliminate the 10 percent transferability carried in the military appropriation bill. Personally, I think the gentleman from Michigan is right and should be respected for the fight he has made. It is certainly a step in the direction of closer appropriations by the Congress. In signing the report, however, we were impelled by the practical consideration cited by the gentleman from Michigan, the fact that the end of the fiscal year comes tomorrow and that action on the bill should be completed.

In connection with the matter, however, the RECORD should probably show that the bill as a whole represents closer appropriating for the War Department than has been the case hitherto. The heads of the various branches of the War Department originally asked for approximately $52,000,000,000. The War Department itself cut these requests down to approximately $41,000,000,000, and then the Bureau of the Budget cut them down to approximately $39,000,000,000, and the Committee made still further cuts of approximately half a billion dollars so that the total funds available for the new fiscal year are about $38,500,000,000. The bill was increased in the Senate slightly to provide for some emergency hospital construction and ammunition storage. We have concurred in that. Now, out of the $38,500,000,000, only twenty-one billion some-hundred-million are new money. About $8,000,000,000 represents anticipated recoveries and $8,000,000,000-plus represent reappropriations.

The reason the War Department gave for asking continuation of the 10-percent transferability was that the $8,000,000,000 of anticipated recoveries is not a certainty. Of course, no one can predict absolutely that the War Department will be able to recover the $8,000,000,000-plus in repricing of contracts, in termination of contracts, or through renegotiation. The fact that the War Department was willing to accept a charge-off in the amount of these anticipated, but uncertain, recoveries indicates an attempt at closer appropriating now that the theaters of operation are reduced. It will be understood, I am sure, that the greater the number of operating zones, the larger the number of finance pools in which reserves must be maintained.

Mr. ENGEL of Michigan. Mr. Speaker, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. ENGEL of Michigan. In case of a deficiency if they should run out of money is there any reason why they could not come before the Deficiency Subcommittee on Appropriations? I am sure they would be treated just like any other department.

Mr. CASE of South Dakota. I have agreed with and supported the position of the gentleman from Michigan, and do.

The War Department should be able to come before the Deficiency Committee in an emergency and would get the additional funds they might need. I merely wish the RECORD to show the plausibility of the position of the War Department which led us to sign the conference report although we were outvoted on the 10-percent proposition.

The SPEAKER. The time of the gentleman from South Dakota has expired.

Mr. KERR. Mr. Speaker, I yield one additional minute to the gentleman from South Dakota.

Mr. CASE of South Dakota. It also should be mentioned that as a result of the amendment adopted here in the House, and which was accepted by the Senate, the War Department will come before the Congress with a report at the middle of the fiscal year, on the 3d of January, showing the state of their funds at that time. That would give them an opportunity to justify any changes needed and, in all probability few if any transfers would be needed in the first half of the year. The 5 percent should cover that, it would seem. In view of the fact, however, that the war is still going on and that war is fluid and often unpredictable, a majority of the conferees did assent to the Senate's position and agreed to continue the 10 percent transferability; but I believe I state a fair proposition when I say that the House Committee is opposed to the 10 percent transferability as a general rule and when the war is over we shall all insist upon limiting transferability to 5 percent, or eliminating it entirely. This should be the last bill that permits 10 percent transferability.

Mr. KERR. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mrs. NORTON asked and was given permission to extend her remarks and include an article from the New York Times.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks and include a newspaper article.

LABOR, FEDERAL SECURITY APPROPRIATION BILL, 1946—CONFERENCE REPORT

Mr. HARE. Mr. Speaker, I call up the conference report on the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

Mr. HARE (interrupting the reading of the statement). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3199) "making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 9, 12, 13, 19, 34, and 35.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 14, 18, 20, 21, 23, 24, 25, 26, 27, 30, 31, 36, 42, 43, 52, and 53, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$395,691"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$167,502"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,058,200"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$294,790"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,356,876"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "379,365"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Salaries: For personal services in the District of Columbia, $386,955."

And the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows:

"General expenses: For general expenses of the Office of Education, including lawbooks, books of reference, and periodicals; and for the operation, maintenance, and repair of one passenger-carrying automobile; purchase, distribution, and exchange of educational documents, motion-picture films, and lantern slides; collection, exchange, and cataloging of educational apparatus and appliances, articles of school furniture and models of school buildings illustrative of foreign and domestic systems and methods of education, and repairing the same, $39,650."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: ": *Provided further*, That no school or school system shall be required to surrender possession or use of any property or equipment which it is using in its educational or training programs"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: "and the development and prosecution of a program for the control of communicable diseases,"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "$1,688,000, of which $100,000 shall be available for grants-in-aid in accordance with the provisions of Public Law 410, section 301 (d)"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,735,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "and purchase and distribution of educational films (not to exceed $30,000); $427,988"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$61,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,780,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$464,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$210,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$473,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$192,500"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows:

In lieu of the sum proposed insert "$1,116,666"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$11,732,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$550,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 16, 32, 44, 48, 49, 50, and 51.

BUTLER B. HARE,
M. C. TARVER,
ALBERT THOMAS,
MICHAEL J. KIRWAN,
ALBERT J. ENGEL,
FRANK B. KEEFE,
H. CARL ANDERSEN.
Managers on the Part of the House.

KENNETH MCKELLAR,
JAS. M. MEAD,
ABE MURDOCK,
CARL HAYDEN,
HAROLD H. BURTON,
JOSEPH H. BALL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying report, as to each of such amendments, namely:

DEPARTMENT OF LABOR

Office of the Secretary

Amendment No. 1. Salaries: Appropriates $395,691, instead of $406,040 proposed by the Senate and $385,342 proposed by the House.

Amendment No. 2. Contingent expenses: Appropriates $167,502, instead of $168,780 proposed by the Senate and $166,225 proposed by the House.

Amendment No. 3. Traveling expenses: Appropriates $1,058,200, instead of $1,061,800 proposed by the Senate and $1,054,600 proposed by the House.

Amendment No. 4. Printing and binding: Appropriates $294,790, instead of $302,300 proposed by the Senate and $287,280 proposed by the House.

Amendment No. 5. Salaries and expenses (national defense): Appropriates $2,345,440, instead of $3,045,440 proposed by the Senate and $1,668,313 proposed by the House.

Children's Bureau

Amendment No. 6. Salaries and expenses, maternal and child welfare: Appropriates $379,365, instead of $433,400 proposed by the Senate and $364,365 proposed by the House.

Women's Bureau

Amendment No. 7. Salaries and expenses: Appropriates $172,580, as proposed by the Senate, instead of $161,080 proposed by the House.

TITLE II—FEDERAL SECURITY AGENCY

Office of Education

Amendment No. 8. Library service: Reinstates language carried in House bill which the Senate proposed to eliminate.

Amendment No. 9. Services for the blind: Reinstates language carried in House bill.

Amendment No. 10. Salaries: Reinstates language carried in House bill; appropriates $386,955 instead of $296,955 proposed by the House.

Amendment No. 11. General expenses. Reinstates language carried in House bill; appropriates $39,650 instead of $29,650 proposed by the House.

Amendment No. 12. Salaries and expenses: Reinstates language carried in House bill.

Amendment No. 13. Salaries and expenses: Eliminates all language proposed by the Senate to replace language mentioned in amendments Nos. 8, 9, 10, 11, and 12, above.

Amendment No. 14. Permits expenditure as proposed by the Senate up to $25,000 for traveling expenses of WAE employees at not to exceed $10 per diem, instead of $10,000 for the same purpose as proposed by the House.

PUBLIC HEALTH SERVICE

Amendment No. 16. Venereal disease (national defense): Reported in disagreement.

Amendment No. 17. Health and sanitation activities, war and defense areas (national defense): Provides for the carrying out of section 604 of the act approved July 1, 1944, Public, No. 410, but eliminates the designation of Liberia since there is authority in the law to perform work outside the limits of the United States.

Amendment No. 18. Health and sanitation activities, war and defense areas (national defense): Provides for the deletion of the words "maintenance and operation of one airplane;", which are restated under the item for "Malaria and diseases of tropical origin (national defense)" where the airplane is to be used.

Amendment No. 19. Health and sanitation activities, war and defense areas (national defense): Appropriates $2,615,000 proposed by the House instead of $2,500,000 as proposed by the Senate.

Amendment No. 20. Malaria and diseases of tropical origin (national defense): Restates the wording "hire, maintenance, and operation of aircraft" which was eliminated under Amendment No. 18.

Amendment No. 21. Hospitals and medical care: Proposed to add the words "and transporting" in connection with expenses of preparing remains for burial of a patient dying away from home.

Amendment No. 22. National Institute of Health, operating expenses: Appropriates $1,688,000 instead of $1,588,000 proposed by the House, and includes the provision that "of which $100,000 shall be available for grants-in-aid in accordance with the provisions of Public Law 410, section 301 (d)," in lieu of the wording, "of which $100,000 shall be allocated to the University of Utah as a grant-in-aid in accordance with the provisions of Public Law 410, section 301 (d) for a thorough study of a paralytic disease called progressive muscular dystrophy."

Saint Elizabeths Hospital

Amendment No. 23. Salaries and expenses: Appropriates $2,861,000 proposed by the Senate in lieu of $2,114,400 as proposed by the House.

SOCIAL SECURITY BOARD

Amendment No. 24. Grants to States for old-age assistance, aid to dependent children, and aid to the blind: Appropriates $431,000,000 proposed by the Senate instead of $416,000,000 as proposed by the House.

Amendment No. 25. Salaries, Bureau of Employment Security: Appropriates $642,474 proposed by the Senate instead of $545,800 as proposed by the House.

Amendment No. 26. Salaries, Bureau of Old-Age and Survivors Insurance: Appropriates $15,750,000 proposed by the Senate instead of $15,335,685 as proposed by the House.

Amendment No. 27. Salaries, offices of the Social Security Board: Appropriates $2,928,000 proposed by the Senate instead of $2,861,052 as proposed by the House.

Amendment No. 28. Miscellaneous expenses, Social Security Board: Appropriates $2,735,000 instead of $2,751,000 proposed by the Senate and $2,675,559 proposed by the House.

Amendment No. 29. For general administrative expenses: Appropriates $427,988 instead of $499,500 proposed by the Senate and $356,477 as proposed by the House, and includes the following language, "and purchase and distribution of educational films (not to exceed $30,000);".

Office of the Administrator

Amendment No. 30. Salaries: Appropriates $174,000 proposed by the Senate instead of $160,650 as proposed by the House.

Amendment No. 31. Salaries: Proposes $10,000 for use by the Administrator for temporary employment of persons, in lieu of $2,500 proposed by the House.

Amendment 32. Community War Services: Reported in disagreement.

Amendment 33. Temporary aid to enemy aliens and other restricted persons: Appropriates $61,000 instead of $82,000 proposed by the Senate and $40,000 as proposed by the House.

Amendment 34. Salaries, Division of Personnel Management: Appropriates $95,000 proposed by the House instead of $113,000 as proposed by the Senate.

Amendment 35. Salaries, Division of Service Operations: Appropriates $220,000 proposed by the House instead of $243,000 proposed by the Senate.

Amendment 36. Salaries, Office of the General Counsel: Appropriates $528,000 proposed by the Senate instead of $512,582 as proposed by the House.

NATIONAL LABOR RELATIONS BOARD

Amendment No. 37. Salaries: Appropriates $1,780,000 instead of $1,830,000 proposed by the Senate and $1,730,000 as proposed by the House.

Amendment No. 38. Miscellaneous expenses: Appropriates $464,000 instead of $478,000 proposed by the Senate and $450,000 as proposed by the House.

Amendment No. 39. Printing and binding: Appropriates $210,000 instead of $220,000 proposed by the Senate and $200,000 as proposed by the House.

Amendment No. 40. Salaries and expenses (national defense): Appropriates $473,000 instead of $546,000 proposed by the Senate and $400,000 as proposed by the House.

Amendment No. 41. Salaries and expenses: Appropriates $192,500 instead of $235,000 proposed by the Senate and $150,000 as proposed by the House.

NATIONAL MEDIATION BOARD

Amendment No. 42. Salaries and expenses: Appropriates $243,300 proposed by the Senate instead of $218,300 as proposed by the House.

Amendment No. 43. Salaries and expenses: Proposes a limitation of $176,950 for personal services in the District of Columbia instead of $159,950 as proposed by the House.

WAR MANPOWER COMMISSION

Amendment No. 44. General administration: Reported in disagreement.

Amendment No. 45. General administration: Proposes limitation of $1,116,666 for travel expenses instead of $1,350,000 proposed by the Senate and $1,000,000 as proposed by the House.

Amendment No. 46. General administration: Appropriates $11,732,000 instead of $14,000,000 proposed by the Senate and $10,598,000 as proposed by the House.

APPRENTICE TRAINING SERVICE

Amendment No. 47. Apprentice training service: Appropriates $550,000 instead of $683,000 proposed by the Senate and $520,000 as proposed by the House.

EMPLOYMENT OFFICE FACILITIES AND SERVICES

Amendment No. 48. Reported in disagreement.

Amendment No. 49. Employment office facilities and services: Reported in disagreement.

Amendment No. 50. Training within Industry Service, War Manpower Commission (national defense): Reported in disagreement.

Amendment No. 51. Migration of workers: Reported in disagreement.

GENERAL PROVISIONS

Amendment No. 52. Restricts the purchase of passenger-carrying vehicles to used or Federal surplus motor vehicles.

Amendment No. 53. Corrects section number from 804 to 805.

AMENDMENTS REPORTED IN DISAGREEMENT

Following is a statement of the amendments reported in disagreement and such motion as may have been authorized by the managers on the part of the House to be made in regard to each:

Amendment No. 16. Venereal diseases (national defense): A motion to concur in the Senate amendment will be offered.

Amendment No. 32. Community War Services: A motion to concur in the Senate amendment, with an amendment reducing the amount proposed from $900,000 to $450,000, will be offered; the amount of $450,000 to be used for services for the United Service Organization and for the Social Protection Division.

Amendment No. 44. General Administration, War Manpower Commission:

A motion to concur in the Senate amendment will be offered.

Amendment No. 48. Employment offices: A motion to concur in the amendment with an amendment to appropriate $54,091,363 in lieu of the sums proposed by the House and Senate will be offered.

Amendment No. 49. Employment office facilities and service: A motion to concur in the Senate amendment will be offered.

Amendment No. 50. Training Within Industry Service, War Manpower Commission (national defense): A motion to concur in the Senate amendment, with an amendment on page —, line —, after the semicolon insert the following: "including the final liquidation of the service by December 31, 1945", and a further amendment reducing the amount proposed from $1,200,000 to $600,000, will be offered.

Amendment No. 51. Migration of workers: A motion to concur in the Senate amendment, with an amendment reducing the amount proposed from $1,600,000 to $800,000, and a further amendment at the end of the section as follows: *"Provided*, That no part of the funds herein appropriated shall be available for any transportation of railroad workers", will be offered.

BUTLER B. HARE,
M. C. TARVER,
ALBERT THOMAS,
MICHAEL J. KIRWAN,
ALBERT J. ENGEL,
FRANK B. KEEFE,
H. CARL ANDERSEN,
Managers on the Part of the House.

Mr. HARE. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Speaker, I take this time because many questions have been asked members of the conference committee on this bill with respect to a few of the items in the report. I think the Members should understand just what the conference has done. I shall not attempt to discuss in this brief time any of the inconsequential items.

I have had a good many questions asked by Members of Congress as to the action taken with respect to the Office of Education in reference to its program of expansion. You will recall it was stated when this bill was before the House originally that the Office of Education had made a proposal which was grandiose in character for the reorganization of the Office of Education. The subcommittee of the Appropriations Committee took the position that before we would make appropriations to carry that 5-year plan into operation we should have the advice of the legislative Committee on Education of the House. So we refused to provide the funds, when the bill was before the House, as contemplated by the Office of Education to carry into effect this proposed reorganization scheme which, if carried out, would have meant a tremendous expansion in the Office of Education.

If you are acquainted with this bill you will know that the House has for years carried various items for the Office of Education, all specifically appropriated for. Under the amendment offered in the Senate and adopted by that body, there was stricken out all of the language that the House had put in the bill and there was a lot of new language inserted which in effect would have permitted the carrying out in part, at least, of this reorganization plan which the Office of Education submitted to the House committee.

After considerable discussion in conference it was agreed that the language of the House bill is more preferable and that if the amendment offered by the Senate had been adopted, a lump sum appropriation would have been made to the Office of Education, which would have permitted the Commissioner of Education to even handle the funds in his own discretion as he wanted to that have always been set up for the administration of vocational education.

Reference to page 19 of the bill will disclose that we have always set up in a separate fund for the protection of vocational education in this country the money to administer the Federal grants. Had the Senate amendment been carried through, it would have wiped out that allocation and designation of funds from the bill, and would have given a lump-sum appropriation to the Commissioner so that he could have used his discretion in the utilization of funds for the administration of vocational education.

Those of you who are interested in the vocational education system of this country as operated in the various States ought to be pleased to know that your subcommittee has been alert enough to see to it that in bringing this bill back to you we have protected very definitely the administrative funds for the vocational education system of the country and there is no possibility of those funds being transferred or used for some other purpose.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I think the House as a whole will appreciate the attention that the gentleman has given to this and the action taken. Will the gentleman tell us something with reference to the amendment placed in the bill by the Senate making specific proviso that within 90 days after the close of the war employment offices shall close?

Mr. KEEFE. I will be glad to come to that. That is in another part of the bill. I am answering these questions that have been submitted.

You will recall that the Public Health Service is now in charge of the venereal control activities of this country, directly but largely in cooperation with the States. The House of Representatives, and especially the subcommittee in charge of this appropriation, has been very much impressed by the work of the Public Health Service in this field. As a matter of fact, the Public Works Agency, in cooperation with the Public Health Service, has established a large number of rapid treatment centers throughout the country that have been carried on and paid for from so-called Lanham Act funds. Under this bill, pursuant to an amendment put in by the Senate which reached us too late for our committee to consider, we have turned over to the Public Health Service the operation of these rapid treatment centers that heretofore have been carried on by the Public Works Agency and we have provided funds in this bill so that the Public Health Service may carry on that very great work.

Many people were interested in that provision of the bill. May I say also that there are one or two little changes in the bill that we agreed to. One of them is that we have provided some further and additional funds in this bill over what were provided in the original House bill for St. Elizabeths Hospital. Without going into a great deal of detail, may I say that the burden upon this hospital has been so tremendous and so large that they have been compelled to send some of their patients out to other hospitals in the country, for which St. Elizabeths must remunerate and reimburse these other hospitals. Because of that their funds ran low, and in order that those patients may be properly taken care of we have provided additional funds in this bill, and that is amendment 23 as it will be presented to you.

In connection with the question that was asked by the gentleman from South Dakota with respect to the employment offices, let me discuss that for just a moment. You will recall that the request of the Federal Security Agency was for about sixty-five million to run the employment offices of this country. Some fifteen or sixteen million dollars of that was to be devoted to a program of expansion by which they were to open some 600 new offices scattered throughout the country. I have a complete list of them in the United States. It is the most ridiculous program, in my judgment, that I have ever heard of. I went to the trouble to get communications from the Director of Employment Security from every State in the Union, and from many Governors and with few exceptions they were unanimous in the expression of their opinion that this would be the most unwarranted expenditure of money that could be conceived of. The establishment of employment offices under the jurisdiction of the Federal Security

Agency in many towns of this country of 500 population, out at the crossroads cannot be justified. I can say to you that the matter was thoroughly discussed in the conference yesterday. The Senate gave them the money. We, in the House, refused to go along with that program, and in conference yesterday the Senate receded and adopted the House provision.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. HARE. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Speaker, I would like to have the RECORD show at this point that it was due largely to the intensive study made by the gentleman from Wisconsin relative to the proposed establishment of employment centers that he was able to convince the members of the conference from the other body to the effect that we could justifiably knock $11,000,000 out of this particular appropriation.

Mr. KEEFE. I want to thank my good friend from Minnesota for his courtesy. May I say in return that the gentleman, because of his great modesty, has not credited himself with masterful efforts and support in this very important matter. He has rendered most conspicuous service to the people of the country in connection with this entire bill.

I may say in further answer to the gentleman from South Dakota that the Senate unanimously placed an amendment in this bill which requires the return of these employment offices to the States from which they were taken within 90 days after the termination of hostilities, as evidenced by proclamation issued by the President or the adoption of a concurrent resolution by the Congress. That will carry out the will of the people of this country as has been expressed by 44 Governors who have asked the President of the United States to turn these offices back to the States and let them operate under the only authority of law, and that is the Wagner-Peyser Act. Under that act these offices were and are intended to be under State control. You can be assured they will operate with efficiency and economy when they are turned back to the States.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The conference action confirms that position.

Mr. KEEFE. The conference action confirms that amendment. We have a unanimous report, and we will ask for concurrence in the Senate amendment.

There is one other item in this bill that I have received many questions about, and that is the Community War Service facilities in the Federal Security Agency. The House cut that item out completely. That was the organization that had two branches, one sending people out through the country to aid in the establishment of community facilities; the other part of its activities being the so-called social protection in the venereal disease field. The House cut it out entirely and said it ought to be suspended. As the result of the conference yesterday on the Senate amendment which restored the funds asked for by the Federal Security Agency, it was unanimously agreed that we would give them $450,000 to enable the Office of Community War Services to carry on the social-protection work which they are presently engaged in.

I personally have come to the belief that perhaps that appropriation can be well expended in view of the fact that millions of soldiers are coming back home and coming to those cities.

Fifty thousand dollars of the sum has been put into the appropriation to enable the Federal Security Agency to audit, inspect, and look after USO funds, which is a very necessary thing to be done.

Another particular item in which people were interested in connection with this bill was the training-within-industry service. If you will recall, we cut out all of this training program in the House bill, including the training-within-industry service. It was felt that these war-training programs ought to cease; that they served their purpose and had performed more or less efficiently. But they have cost untold sums of money.

We felt, in view of the present status of the war, that the training-within-industry service ought to be stopped. The Senate disagreed. They put in an amendment giving them $1,200,000 to continue their work for the next fiscal year. The action of the conference was to cut that sum in two, to wit, to $600,000, and a provision at the suggestion of my good friend the gentleman from Georgia [Mr. TARVER] was written into the bill which requires that service to be terminated or liquidated by December 31, 1945. I think that is perhaps a good solution to the situation.

Those are the principal things except this question of migration of workers. You will recall that there was a proposal submitted to the committee which would have asked the Congress of the United States to pay to the railroads running into Mexico the cost of transporting these workers. These railroads have for years hired their employees in Mexico and the proposal would have required the taxpayers of the United States to pay the transportation cost of all of these workers, most of whom are carried over the lines of the railroads themselves which run down into Mexico. We just refused to do it. It is not going to be done under the terms of this bill.

Mr. Speaker, I have covered all of the important points, I believe, in the entire bill, so that there ought not to be many questions arising on the conference report.

Mr. HARE. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, the principal matters contained in this conference report have been ably discussed. There is only one thing I wish to direct the attention of the House to, and that is amendment No. 15 in the paragraph providing for the liquidation of the program for education and training of defense workers. In that program millions of dollars worth of machinery and equipment has been furnished to the schools throughout the United States. The subcommittee were kind enough to insert in the bill a provision which I suggested, reading as follows:

Provided further, That no school or school system shall be required to surrender the possession of or the use of any property or equipment for which it claims need in its educational or training program.

The purpose of that amendment, of course, as you can readily observe, was to see to it that these schools which had been furnished with this machinery and equipment shall be allowed to retain it where they have need for it, or, as that proviso stated, "for which it claims need."

The Senate struck out that proviso. In conference it was restated in this language:

Provided further, That no school or school system shall be required to surrender the possession or use of any property or equipment which it is using in its educational or vocational training programs.

I thought I ought to call your attention specifically to this amendment as all of you have schools in your districts which have been furnished with this machinery and equipment and in order that you may advise them upon their communicating with you that they have the right to retain it provided they are using it in their vocational or educational programs.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I think it should be stated to the House and it should appear in the RECORD that the distinguished gentleman from Georgia is personally responsible for the original suggestion in putting this language in this bill. It is one of the finest things and will be of the greatest benefit to the entire school system of this country and to the schools that have had this large amount of equipment in their vocational schools through this training program which they are now using, and which under the language suggested by the gentleman from Georgia they will be permitted to keep. Thus, if this bill becomes law, this equipment will not be taken away from them.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. HARE. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. SUMNERS] to make a unanimous-consent request.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that the enrolling clerk be authorized to strike out the words "in the list in paragraph 1" on page 4, line 4, of the bill H. R. 3587, and insert the word "herein."

I have spoken to the Republican leader about it, and it is necessary because of another amendment that was made on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HARE. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL of Michigan. Mr. Speaker, I am taking this time to keep the record straight.

It is not my purpose to criticize and it is not permitted by the rules of the House to criticize the other body, but we continuously read press reports giving the other body credit for savings made in appropriation bills.

An investigating committee on the other side of the Capitol published a report recently in which they used the following language:

The following savings were made as a direct result of the recommendation of this committee.

Then followed a page of items showing savings to the Government. In looking over those items I found that practically every item which they enumerated was cut by the Appropriations Committee in this House and a great majority of them were restored by the other body. The saving was only made after a fight in conference.

Mr. Speaker, this bill is typical. The House Appropriations Committee cut this bill $39,000,000 below the Budget estimate. The Senate restored $37,000,000 of the cut made by the House. After a conference which continued for several hours we finally brought back a bill with a net cut of approximately $25,000,000 instead of $39,000,000 below the Budget estimate and $23,000,000 below what the Senate had provided. After some argument we were able to restore $23,000,000 of the $39,000,000 savings which the House had made and compromised and concurred to Senate increases in the amount of $14,526,585.

When these House appropriation bills come up on the floor of the other body I often wonder where, oh, where, are the members of the famous Senate committee who claim credit for every cut made in appropriation bills.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. HARE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

Amendment No. 16: Page 22, line 12, insert: "Venereal diseases (national defense): For the operation and maintenance of centers for the diagnosis, treatment, support, and clothing of persons afflicted with venereal diseases, including travel; printing and binding; transportation and subsistence of such persons and their attendants to and from the place of treatment or allowance in lieu thereof; diagnosis and treatment (including emergency treatment for other illnesses) of such persons through contracts with physicians and hospitals and other appropriate institutions without regard to section 3709 of the Revised Statutes; fees for case finding and referral to such centers of voluntary patients; reasonable expenses of preparing remains or burial of deceased patients; furnishing and laundering of uniforms and other distinctive wearing apparel necessary for employees in the performance of their official duties; recreational supplies and equipment; leasing of facilities and repair and alteration of Government-owned or leased facilities without regard to section 3709 of the Revised Statutes and section 322 of the act of June 30, 1932, as amended (40 U. S. C. 278a); purchase of 20 passenger automobiles; and for grants of money, services, supplies, equipment, and use of facilities to States, as defined in the act, and with the approval of the respective State health authorities, to counties, health districts, and other political subdivisions of the States, for the foregoing purposes, in such amounts and upon such terms and conditions as the Surgeon General may determine; $4,644,000: *Provided*, That the Administrator of the Federal Works Agency shall, without transfer of funds by the Federal Security Agency, transfer to the Federal Security Agency all records, equipment, furnishings, and supplies under the jurisdiction of the Federal Works Agency which have been used primarily in the treatment of venereal diseases: *Provided further*, That funds may be transferred with the approval of the Bureau of the Budget to this appropriation from the appropriation "Control of venereal diseases, Public Health Service," in an amount not exceeding $356,000, and shall be consolidated with this appropriation and the whole administered and accounted for as one fund."

Mr. HARE. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 16 and agree to the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 32: Page 40, line 8, insert:

"Community War Services: For all expenses necessary to enable the Federal Security Administrator to carry out the functions transferred from the Offices of Defense Health and Welfare Services by Executive Order 9338, dated April 29, 1943, including personal services in the District of Columbia and elsewhere; not to exceed $15,000 for the temporary employment of persons by contract or otherwise without regard to section 3709 of the Revised Statutes and the civil-service and classification laws; acceptance and utilization of voluntary and uncompensated services; printing and binding; maintenance, operation, and repair of passenger-carrying motor-propelled vehicles; and traveling expenses, including expenses, when specifically authorized by the Administrator, of attendance at meetings concerned with the purposes of this appropriation; $900,000."

Mr. HARE. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. HARE moves that the House recede from its disagreement to the amendment of the Senate No. 32, and agree to the same with an amendment, as follows: In lieu of the sum of "$900,000" proposed in said amendment insert "$450,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 44: Page 50, line 12, after "including", insert "one Deputy Chairman and one Executive Director at $9,000 each per annum."

Mr. HARE. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 48: Page 53, line 1, strike out "$50,000,000" and insert "$65,322,000."

Mr. HARE. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. HARE moves that the House recede from its disagreement to the amendment of the Senate No. 48, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$54,091,363" and in lines 2 and 3, page 53 of the engrossed bill, strike out "(except section 602)" and insert in lieu thereof ", section 602."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 49: Page 57, line 5, after the word "interruption", insert ": *Provided further*, That the Employment Service facilities, property, and personnel loaned by the States to the United States Employment Service, shall be returned to the States not later than 3 months after the termination of hostilities in the war with Japan as determined by Presidential proclamation or by concurrent resolution of Congress."

Mr. HARE. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50: Page 57, line 18, insert:

"Training Within Industry Service, War Manpower Commission (national defense): For all expenses necessary to enable the Chairman of the War Manpower Commission to promote and facilitate on-the-job training and maximum utilization of workers by industries and activities essential to the war by affording training to supervisory personnel; including the temporary employment of persons by contract or otherwise without regard to section 3709 of the Revised Statutes and the civil-service and classification laws; reimbursement, at not to exceed 3 cents per mile, for official travel performed by employees in privately owned automobiles within the limits of their official stations; printing and binding (not to exceed $3,500); and travel expenses (not to exceed $200,000); $1,200,000."

Mr. HARE. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. HARE moves that the House recede from its disagreement to the amendment of the Senate No. 50, and agree to the same with an amendment, as follows: In the sixth line of said amendment, after the semicolon, insert the following: "including the final liquidation of the service by December 31, 1945," and a further amendment that in lieu of the sum of $1,200,000 proposed in said Senate amendment that there be inserted "$600,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51, page 58, line 7, insert:

"Migration of workers: To enable the War Manpower Commission to provide, in accordance with regulations prescribed by the chairman of said Commission for the temporary migration of workers from foreign countries within the Western Hemisphere (pursuant to agreements between the United States and such foreign countries), for employment in the continental United States with industries and services essential to the war effort, including the transportation of such workers from points outside the United States to point of entry or reception centers in the United States and return (including transportation from place of employment in the United States to reception centers or point of departure from the United States in any case of default by an employer to provide such transportation to a worker, in which event the employer shall be liable to the United States for the cost thereof); cost of temporary maintenance of workers in reception centers in foreign countries and in the United States, including transportation of workers in connection therewith when necessary; reasonable subsistence and emergency medical care of such workers from the time of reporting for transportation to the United States or return to the country of origin until arrival at the destination; necessary assistance to meet emergency health and welfare problems while in the United States, when such assistance is not otherwise available to such persons; expenses (not to exceed $125 in any one case) of preparation of remains and burial of workers dying in the United States; and guaranties of employment while in the United States to the extent agreed upon with the foreign country from which the workers are imported; $1,600,000, of which not to exceed $91,000 shall be available for all administrative expenses necessary for the foregoing, including payment for the rental of office space and utility services outside the continental United States without regard to section 3648, Revised Statutes (31 U. S. C. 529); not to exceed $20,000 for temporary employment of administrative personnel outside continental United States; not to exceed $2,000 for printing and binding outside continental United States without regard to section 3709 of the Revised Statutes and section 11 of the Act of March 1, 1919 (44 U. S. C. 111); and not to exceed $18,800 for travel expenses: *Provided*, That no transportation of workers shall be allowed hereunder unless the employer and the worker have entered into a contract for employment approved by said chairman or his designee, and unless said chairman certifies that reasonably adequate use is being made of local labor supply: *Provided further*, That this appropriation shall remain available after June 30, 1946, for the purpose of fulfilling guaranties and other obligations theretofore incurred with respect to such foreign workers and for all other purposes connected with the protection and ultimate return of any workers theretofore transported: *Provided further*, That no part of this appropriation shall be available for the recruitment or transportation of workers for employment in agriculture (Act of June 28, 1944, Public Law 373)."

Mr. HARE (interrupting the reading of the amendment). Mr. Speaker, I ask unanimous consent that the further reading of the amendment be dispensed with, and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HARE. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. HARE moves that the House recede from its disagreement to the amendment of the Senate No. 51, and agree to the same with an amendment, as follows: In lieu of the sum of "$1,600,000" proposed in said amendment insert "$800,000" and at the end of the amendment insert the following: *"Provided*, That no part of the funds herein appropriated shall be available for any transportation of railroad workers."

Mr. HARE. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, I take this time in order that there may appear in the RECORD a statement of the agreement that was reached in conference and which was to have been included in the conference report but was inadvertently omitted therefrom by the clerks preparing the report.

The gentleman from Wisconsin [Mr. KEEFE] has already explained the very valid objections which exist to the carrying on of this program, particularly the part thereof which relates to the importation of railroad workers. That, of course, has been eliminated by the express language of the amendment. However, in the estimate of $1,600,000, $800,000 was proposed for the supervision of and expenses incurred in connection with the further importation of various types of workers in industry, and it is that $800,000 which has been eliminated. There was to have been included in the conference report a statement that none of this $800,000 which is carried in the amendment offered by the gentleman from South Carolina [Mr. HARE] should be used for the importation of any additional workers into the United States. I read to you the items which were sent up from the Budget that have been allowed and which constitute the $800,000 which it is proposed to spend: Administration, $70,200; printing and binding, $2,000; travel, $18,800; to continue laborers already at work in the United States, $709,000; making a total of $800,000.

It is expected this money will be used for these purposes and for these purposes only, and that the further importation of labor into the United States will not be had. Our subcommittee of the House Appropriations Committee was very strongly of the opinion that employment conditions which are likely to exist in the country after the discharge of 2,000,000 or more men from the armed services will not be such as to justify continuance of this program.

Mr. KEEFE. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The gentleman has made a very clear, distinct statement as to the agreement reached, and I am glad that he has placed these items in his statement showing just what is covered by this $800,000; however, because there might exist in the minds of some present on the floor misapprehension as to the question of restricting the further importation of workmen, I think it should be made to appear that the restriction applies only to those workers who are being brought in pursuant to the provisions of this appropriation, and those are industrial workers, not agricultural workers.

Mr. TARVER. The gentleman is entirely correct. That program is carried under the appropriation for the Department of Agriculture.

May I ask the chairman of the subcommittee whether or not the statement I have made is in his judgment correct and whether it does represent the agreement reached in conference?

Mr. HARE. With the understanding expressed by the gentleman from Wisconsin, I am sure that that was the intention of the committee.

Mr. TARVER. I thank the gentleman.

The SPEAKER. The question is on the motion offered by the gentleman from South Carolina.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 3278. An act to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 905) entitled "An act for the relief of Paul T. Thompson."

EXTENSION OF REMARKS

Mr. RANDOLPH asked and was given permission to extend his remarks in the RECORD and to include certain material in connection with a bill that he presented today to create a Department of Peace within the Government of the United States.

Mr. SADOWSKI asked and was given permission to extend his remarks in the RECORD on two different subjects and to include a letter and some resolutions.

Mr. REES of Kansas asked and was given permission to extend his remarks in the RECORD and to include copies of two letters he has written.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD on two subjects and to include certain excerpts.

Mr. BROWN of Ohio asked and was given permission to extend his remarks in the RECORD and to include an editorial which appeared in the Council Bluffs Nonpareil, written by A. M. Piper, editor, who is one of the most outstanding editors of America.

PERMISSION TO ADDRESS THE HOUSE

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 20 minutes tomorrow after disposition of business on the Speaker's desk

and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

COMMITTEE TO INVESTIGATE FOOD SHORTAGE

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent that the special House Committee to Investigate Food Shortages may have until midnight tonight to file its third report.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

AUTOMOBILE USE STAMP

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Mr. Speaker, the present automobile use stamp which must be purchased by July 1 is one of those nuisance taxes for which there is no justification whatever. Today, with hundreds of thousands of automobile drivers strictly limited to A-card driving, the tax adds insult to injury. There is neither revenue or a supervisory purpose behind this tax. Federal officials openly admit that they lack the means of enforcing it. Under the circumstances, I am calling upon Congress to act at once for the repeal of this utterly unnecessary nuisance tax. It would take up only a few minutes to end a burden which is totally unjustifiable. We should not hesitate to take this step.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I agree with the gentleman 100 percent. I think we would be serving the cause of good government if we repealed this tax immediately.

Mr. BENDER. That bill is now pending, and I trust it will pass.

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. HAVENNER] is recognized for 10 minutes.

CALIFORNIA POWER RATES

Mr. HAVENNER. Mr. Speaker, yesterday the gentleman from California [Mr. ELLIOTT] made a statement to the House during the debate on the Conference Report on the Interior Department appropriation bill. In the course of his remarks the gentleman from California, Representative ELLIOTT, made certain statements concerning my record when I was a member of the California Railroad Commission. I quote from the CONGRESSIONAL RECORD of June 28, 1945, page 6946:

> No one has ever attempted to give my farmers cheap electric energy. Time and again my people and I appeared before the railroad commission and the power companies in the interest of getting some relief.

At this point I asked the gentleman to yield.

The gentleman from California [Mr. ELLIOTT] replied as follows:

> I decline to yield. You served as chairman of that board and did not do anything about it and my people suffered; but did anybody give them relief? No.

Again the gentleman from California [Mr. ELLIOTT] declined to yield to me.

So, Mr. Speaker, I am taking this time to make a statement on this subject which I was not permitted to make during the debate yesterday.

Further on in his remarks the gentleman from California [Mr. ELLIOTT] made the following statement, and I quote from the CONGRESSIONAL RECORD containing the official proceedings of yesterday:

> The irrigation water users of the southern San Joaquin Valley cannot receive project power on account of distance. They are asked to pay high water rates, to subsidize large users of power in the San Francisco Bay region where most of it must be sold.
>
> We hear complaints about the cost of power in the city of San Francisco. Utility rates in San Francisco for average family use are the cheapest of 25 large cities in the United States. The average monthly bill in San Francisco is $7.20; in New York it is $15.30.
>
> My people are going to pay for the water they get from the canals when they are constructed; and we are going to have to pay for the laterals and all the ditches to get it over to our farms. We are not asking the people in the San Francisco and the bay area, and Los Angeles to pay the cost.
>
> My people have been misled from time to time. They have been lied to.

Mr. Speaker, the gentleman from California [Mr. ELLIOTT] is either in ignorance of the long established policy of the California Railroad Commission in fixing electric rates for the farmers and agricultural users of electricity in California, or for some other reason he has misinformed the Members of the House concerning the commission.

According to the Edison Electric Institute in the year 1943 rural users of electric service throughout the Nation paid an average of more than 2½ cents a kilowatt hour while in California the rural users paid less than 1¾ cents, a difference of 30 percent in favor of California.

For agricultural pumping service, to which the gentleman from California [Mr. ELLIOTT] referred, the average rate is still lower in our State, as compared to the national average. It should be known by the gentleman from California [Mr. ELLIOTT] that the favorable gas rates for his pumping engines were fixed by the same railroad commission that fixed electric rates in his district.

Every dollar invested in transmission lines and a standby plant will augment the earnings of the Central Valley project as a whole, and the additional earnings may be reflected either in lower electric rates to the consumers, or assigned in part to reduce irrigation water rates. In any event the users of Central Valley service will be the beneficiaries.

In order that the statements which I have made today may not be considered as mere personal opinions, and therefore subject to challenge on the ground of inaccuracy, I desire to quote from a very eminent authority on the subject of utility rates in California, namely, the California State Supreme Court.

About a decade ago the city of Tulare, Calif., which happens to be the home city of the gentleman from California, Representative ELLIOTT, asked the California Railroad Commission to fix a valuation upon the distribution properties of the Southern California Edison Co., located in the city of Tulare, which the city at that time was proposing to acquire. The Southern California Edison Co. disputed the value fixed by the railroad commission and carried the case to the State supreme court on the ground that the commission's value of the distribution system was too low.

The State supreme court sustained the value fixed by the commission in its decision, which was unanimous, made the following statement concerning the commission's policy in fixing electric rates for urban and rural consumers of electricity:

> In over 20 years of regulation the commission has developed a very definite policy of rate fixing for such utilities, under which electric rates are not fixed for each unit of the system, but are fixed for the system as a whole, including both urban and rural territory. There have been minor variations from this general policy, but they are relatively unimportant. It has apparently been the theory of the commission that it is sound State economics to require that the city consumers of an electric utility should bear a greater portion of the burden than the rural consumers. In other words, the commission in fixing rates has determined what the rates must be on the system as a whole, in order to give the utility a fair return on its investment. Consideration has been given by the commission in the past to the fact that under this method the rate of return on the investment in the cities will be very high, while the rate of return on the rural investment will be very low. Thus, in many cases the commission has fixed rates for a utility system under which the rate of return on the investment in urban property is, as here, as much as 20 percent per annum in order to make up the loss or lower rate of return on the investment in rural property. Apparently the basis of this theory of rate fixing is that the extension of electrical service to the rural territory surrounding the cities, even at the expense of the urban consumers, is to the benefit of the cities and the State as a whole.

Mr. Speaker, a careful analysis of the statements made by the gentleman from California [Mr. ELLIOTT] yesterday discloses many fantastic contradictions. On the one hand, he complains that the electric rates paid by the farmers of California are inordinately high, and on the other he asserts that the utility rates in San Francisco are the cheapest of 25 large cities in America.

Let us contrast these statements with the declaration of the California Supreme Court:

> It has apparently been the theory of the commission that it is sound State economics to require that the city consumers of an electric utility should bear a greater portion of the burden than the rural consumers. Consideration has been given by the commission in the past to the fact that under this method the rate of return on the investment in the cities will be very high, while the rate of return on the rural investment will be very low.

In other words, if the statement of the California Supreme Court is correct, the electric rates in San Francisco, which the gentleman from California [Mr. ELLIOTT] describes as the cheapest of 25 large cities in America, would be still lower if they were not arbitrarily maintained at the present level in order to subsidize low rates for the farmers of California.

Mr. Speaker, if my colleague the gentleman from California [Mr. ELLIOTT] intends to lead the farmers of his district into a rate war against the cities of our State, in my opinion, he will be leading them into a campaign fraught with grave danger to their own economic and financial interests.

Because, Mr. Speaker, the cities of California do have a very costly stake in the rates presently charged for electricity in the rural areas of our State. And if the question is ever raised in court in the manner in which the gentleman from California [Mr. ELLIOTT] has presented it to this House, the result might be that the city rates would be further reduced, while the rural rates would have to go up if the utility companies are permitted to earn their present rate of return.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Messrs. REED of Illinois, KEFAUVER, GWYNNE of Iowa, TALBOT, and CRAVENS, for 1 week, on account of official business.

To Mrs. DOUGLAS of California, for 1 week, on account of important business.

To Mr. WEISS (at the request of Mr. EBERHARTER), for an indefinite period, on account of illness in the family.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 65. Joint resolution to transfer to the Reconstruction Finance Corporation the functions, powers, duties, and records of certain corporations.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 378. An act authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes;

H. R. 688. An act to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute";

H. R. 802. An act for the relief of camp No. 1, Alaska Native Brotherhood, Sitka, Alaska;

H. R. 892. An act for the relief of Madeline J. MacDonald;

H. R. 912. An act for the relief of William H. Shultz;

H. R. 993. An act for the relief of Mrs. Ellen C. Burnett;

H. R. 1038. An act for the relief of Daniel B. Johnson;

H. R. 1044. An act for the relief of Marlin-Rockwell Corp. with respect to the jurisdiction of The Tax Court of the United States to redetermine its excessive profits for its fiscal year ending December 31, 1942, subject to renegotiation under the Renegotiation Act;

H. R. 1055. An act for the relief of the Realty Bond & Mortgage Co. and Robert W. Keith;

H. R. 1058. An act for the relief of W. A. Smoot, Inc.;

H. R. 1059. An act for the relief of Leonard D. Jackson and Elsie Fowkes Jackson;

H. R. 1091. An act for the relief of Harold J. Grim;

H. R. 1243. An act for the relief of Mrs. C. J. Rhea, Sr.;

H. R. 1320. An act for the relief of M. Elizabeth Quay;

H. R. 1328. An act for the relief of Mrs. Cecilia M. Tonner;

H. R. 1453. An act for the relief of Edith M. Powell;

H. R. 1482. An act for the relief of the legal guardian of Samuel Wadford;

H. R. 1488. An act for the relief of Austin Bruce Bowen;

H. R. 1599. An act to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc.;

H. R. 1611. An act for the relief of Charles E. Surmont;

H. R. 1617. An act for the relief of Hugh M. Gregory;

H. R. 1677. An act for the relief of Hires-Turner Glass Co.;

H. R. 1678. An act for the relief of Mrs. Ada Wert Illinico;

H. R. 1756. An act for the relief of the estate of the late Demetrio Caquías;

H. R. 1792. An act for the relief of the White Van Line, Inc., of South Bend, Ind.;

H. R. 1812. An act to authorize an award of merit for uncompensated personnel of the Selective Service System;

H. R. 1891. An act for the relief of the Grandview Hospital;

H. R. 2001. An act for the relief of Betty Ellen Edwards;

H. R. 2002. An act for the relief of Joseph Wyzynski;

H. R. 2003. An act for the relief of the legal guardian of Stewart Martin, Jr., a minor;

H. R. 2113. An act to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes;

H. R. 2125. An act to amend the Canal Zone Code;

H. R. 2158. An act for the relief of the Cowden Manufacturing Co.;

H. R. 2286. An act for the relief of Jane Thayer;

H. R. 2322. An act to provide for the issuance of the Mexican Border Service Medal to certain members of the Reserve forces of the Army on active duty in 1916 and 1917;

H. R. 2552. An act to amend paragraph (c) of section 6 of the District of Columbia Traffic Act, as amended by act approved February 27, 1931;

H. R. 2700. An act for the relief of Alice Walker;

H. R. 2721. An act for the relief of the Tobey Hospital;

H. R. 2727. An act for the relief of the estate of Herschel Adams, deceased, and Pleas Baker;

H. R. 2730. An act for the relief of Mrs. Jane Strang;

H. R. 2754. An act to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes and to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma," approved January 27, 1933, and to validate State court judgments in Oklahoma and judgments of the United States district courts of the State of Oklahoma;

H. R. 2839. An act to increase the salary of the executive secretary of the Nurses' Examining Board of the District of Columbia;

H. R. 2875. An act to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia";

H. R. 2925. An act for the relief of Nelson R. Park;

H. R. 2944. An act to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities;

H. R. 2949. An act to extend 5-year-level-premium-term policies for an additional 3 years;

H. R. 3035. An act to reclassify the salaries of postmasters and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes;

H. R. 3059. An act authorizing the Postmaster General to continue to use post-office clerks and city letter carriers interchangeably;

H. R. 3074. An act for the relief of the heirs of Henry B. Tucker, deceased;

H. R. 3193. An act to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes;

H. R. 3232. An act to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect;

H. R. 3233. An act to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances;

H. R. 3234. An act to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect;

H. R. 3306. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3395. An act to extend through December 31, 1945, the termination date under the Renegotiation Act;

H. J. Res. 136. Joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt Fund; and

H. J. Res. 184. Joint resolution to continue the temporary increases in postal rates on first-class matter, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 32 minutes p. m.), under its previous order, the House adjourned until tomorrow, Saturday, June 30, 1945, at 10 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10 a. m. on Monday, July 2, 1945.

COMMITTEE ON THE JUDICIARY

There will be a meeting of Subcommittee No. 4 of the Committee on the

Judiciary beginning at 10 a. m., on Monday, July 2, 1945, to continue hearings on the bill, H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, House Office Building.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAY: Committee on Military Affairs. Report pursuant to House Resolution 20. A report on investigations of the National War Effort (Rept. No. 839). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDERSON of New Mexico: Special Committee to Investigate Food Shortages. Additional report pursuant to House Resolution 195. A resolution to investigate food shortages (Rept. No. 842). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CHENOWETH: Committee on Claims. H. R. 1955. A bill for the relief of the Revere Sugar Refinery; with amendment (Rept. No. 837). Referred to the Committee of the Whole House.

Mr. HEDRICK: Committee on Claims. S. 311. An act for the relief of Philip Kleinman; without amendment (Rept. 838). Referred to the Committee of the Whole House.

Mr. SPARKMAN: Committee on Military Affairs. H. R. 3607. A bill to authorize the President to appoint Gen. Omar N. Bradley to the office of Administrator of Veteran's Affairs, without affecting his military status and perquisites; without amendment (Rept. No. 840). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of New York:

H. R. 3625. A bill to amend the Mustering-Out Payment Act of 1944, as amended, to provide mustering-out payments for certain persons discharged or relieved from active service in the armed forces to accept employment; to the Committee on Military Affairs.

By Mr. LANDIS:

H. R. 3626. A bill providing direct Federal old-age assistance at the rate of $40 per month to citizens 60 years of age or over; to the Committee on Ways and Means.

By Mr. RANKIN:

H. R. 3627. A bill to amend parts VII and VIII of Veterans Regulation No. 1 (a), as amended, to liberalize and clarify vocational rehabilitation and education and training laws administered by the Veterans' Administration, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. RANDOLPH:

H. R. 3628. A bill to create a Department of Peace; to the Committee on Foreign Affairs.

By Mr. MALONEY:

H. R. 3629. A bill to authorize the erection of a Veterans' Administration general medical and surgical hospital and domiciliary facility in or near New Orleans, La., for women veterans of any war; to the Committee on World War Veterans' Legislation.

By Mr. SIKES:

H. R. 3630. A bill to amend the definition of "Veterans' Administration facilities" to authorize generally hospital care under contract; to the Committee on World War Veterans' Legislation.

H. R. 3631. A bill relating to the applicability of the War Labor Disputes Act to railroads and railroad employees; to the Committee on Interstate and Foreign Commerce.

H. R. 3632. A bill to repeal the Hatch Act; to the Committee on the Judiciary.

By Mr. DOUGHTON of North Carolina:

H. R. 3633. A bill to facilitate reconversion, and for other purposes; to the Committee on Ways and Means.

By Mr. RANDOLPH:

H. R. 3634. A bill to prohibit any Government agency from entering into any contract for construction in the United States with an alien or with any corporation, partnership, or other business association any officer of which is an alien; to the Committee on the Judiciary.

By Mr. SIKES:

H. R. 3635. A bill to provide that certain former widows of veterans of World War I and World War II shall be entitled to compensation or pension under the laws administered by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. SMITH of Virginia:

H. R. 3636. A bill relating to the sale in the District of Columbia of certain small rockfish; to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY:

H. R. 3637. A bill for the relief of Irving Goldberg, a minor; to the Committee on Claims.

By Mr. HARRIS:

H. R. 3638. A bill to confer jurisdiction upon the United States District Court for the Western District of Arkansas to hear, determine, and render judgment upon the claim of Gordie M. Herren; to the Committee on Claims.

By Mr. HÉBERT:

H. R. 3639. A bill for the relief of Alexander D. Irwin and Archibald O. Leighton, trading as Irwin & Leighton; to the Committee on Claims.

By Mr. LESINSKI:

H. R. 3640. A bill for the relief of Joaquim Santos Valente; to the Committee on Immigration and Naturalization.

By Mr. THOMAS of New Jersey:

H. R. 3641. A bill for the relief of Mr. Martin Turpanjian; to the Committee on claims.

By Mr. WICKERSHAM:

H. R. 3642. A bill granting a pension to J. F. Perfect; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1033. By Mr. ADAMS: Petition from Dorothy J. Littlefield and sundry other residents of New Hampshire, urging the passage of House bill 2082 introduced by Hon. JOSEPH R. BRYSON, of South Carolina; to the Committee on the Judiciary.

1034. By Mr. COCHRAN: Petition of Roy A. Mitchell and 317 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1035. Also, petition of Eldon Maddox and 298 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1036. By Mr. GOODWIN: Petition of Peter A. Meister and sundry other residents of the Eighth Massachusetts Congressional District favoring the Bryson bill, H. R. 2082; to the Committee on the Judiciary.

SENATE

SATURDAY, JUNE 30, 1945

(Legislative day of Monday, June 25, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Most high God, who givest unto every people its heritage to enrich the commonwealth of mankind, at the day's beginning we would bow in humble penitence for our part in the fiery terror of the world's tangled tragedy fed by greed and pride and lust for power. Make pure our motives, ridding us as a nation of all base desire for self-advantage which does not include the weal of all lands. Be Thou the companioning Presence of our daily lives, going with us where we go, sustaining, guiding, correcting, empowering until our day's work is over and sunset comes to find us undishonored, undefeated, and unashamed. In the dear Redeemer's name. Amen.

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, June 29, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 23, 1945, the President had approved and signed the act (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes.

NOTICE OF PROCEDURE IN THE CONSIDERATION OF THE UNITED NATIONS CHARTER

Mr. BARKLEY. Mr. President, I wish to make an announcement to the Senate as a result of the meeting of the Committee on Foreign Relations this morning pertaining to the San Francisco Charter. The committee was in session to determine the program to be followed so far as hearings are concerned in connection with the treaty signed at San Francisco, which will be submitted to the Senate next Monday by the President.

In that connection, I wish to state that the President will personally present the treaty to the Senate at 1 o'clock on Mon-

day, in a very brief talk. He wishes to come here, not only in his capacity as President but as a former Member of the Senate, and submit the treaty to his former colleagues without any fanfare or any of the usual appendages of publicity. In a very modest, and what seems to me to be a very appropriate and commendable spirit, he wishes to present it in person in a very brief talk.

In accordance with his wishes, it has been decided that there will be no radio broadcast of what he is to say, and, in order that the newspapers and news reel organizations may also understand, let me say that in accordance with that decision no pictures will be taken of the proceedings when he submits the treaty to the Senate.

The Committee on Foreign Relations decided to begin hearings on the 9th of July, which is a week from next Monday. It was impossible for the committee at its session this morning to determine in advance how many days would be consumed in the hearings, but the committee authorized the appointment of a subcommittee of five to make the necessary arrangements and determine the order in which the hearings would be held. It was the unanimous view of the committee that hearings should be held and concluded as speedily as possible consistent with proper consideration of the treaty.

I wish further to announce, inasmuch as there has been considerable speculation about it, that no recess of the Senate is contemplated or will be taken until the San Francisco Charter has been disposed of by the Senate of the United States. I feel that I should make that statement in order that those who are interested in the matter may understand that we will remain in session until the treaty has been disposed of.

Further than that, Mr. President, I am not able to announce the program of legislation at this time.

LEAVE OF ABSENCE

Mr. AUSTIN. Mr. President, I ask unanimous consent to be absent from the Senate next Monday and for a few days following that.

The PRESIDENT pro tempore. Without objection, leave is granted the Senator from Vermont.

THIRD QUARTERLY REPORT OF UNRRA—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States of America:

I am transmitting herewith the third quarterly report on United States participation in the work of UNRRA and on expenditures and operations under the act of March 28, 1944.

On May 8, 1945, the long, dark years of Nazi tyranny ended and the liberation of millions of Europeans became a reality. The victory in Europe marks the close of a militaristic and barbarous era that enslaved most of the continent and threatened free nations throughout the world.

Millions of the liberated peoples are emaciated, hungry, and sick, and they are without means of livelihood. Other millions who were ruthlessly commandeered into the Wehrmacht or forced into labor battalions to work on military projects and in the Nazi war factories and farms have been freed by United Nations forces only to find themselves destitute, far from home and country, and without food and shelter.

Even before VE-day, and under the most adverse conditions of supply and shipping shortages during the final offensives against Germany, UNRRA had begun to deliver supplies. UNRRA's year of planning and preparation was paying dividends in the form of mounting supplies and personnel services for the liberated areas, and assistance to our own military authorities in the care and repatriation of the millions of displaced persons.

UNRRA's shipments are now going forward in an increasing volume to Greece, Poland, Yugoslavia, Czechoslovakia, and other nations to relieve the victims of war who have no other source of assistance. With the redeployment of Allied troops in Europe to other theaters of operation and the resulting decrease in European military demands for supplies and shipping, it is now possible for UNRRA to begin to accelerate the flow of needed supplies to the liberated countries. What has been accomplished is only the beginning. This coming winter will be the period of greatest need. The people will require food until their farms can be restored and their food production increased. Clothing and medical supplies will be urgently required. In addition, limited quantities of agricultural, industrial, and transportation equipment will be necessary to enable the liberated peoples to utilize more effectively the resources at their disposal and to assist them in commencing the immense task of repairing the destruction and devastation of the war and to produce for themselves. The United States as a member of UNRRA is determined to do its part in furnishing the ships and supplies required to meet these critical needs.

The period covered by this report preceded the victorious thrust of the Allied armies and the complete defeat of Germany. Today, with hostilities at an end, UNRRA is moving to meet the task for which it has been preparing and putting its plans into operation. UNRRA can now accomplish the purpose for which it was established. The degree of that accomplishment will be a measure of the extent to which we keep faith with those who fought and died in order to bring freedom and relief from suffering to the liberated peoples and a secure peace to the world.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 29, 1945.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes; that the House receded from its disagreement to the amendments of the Senate Nos. 16, 44, and 49 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate No. 32 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate, and that the House receded from its disagreement to the amendments of the Senate Nos. 48, 50, and 51 to the bill, and concurred therein, severally with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes.

The message further announced that the House had passed a bill (H. R. 3587) to provide for the performance of the duties of the office of President in case of the removal, resignation, or inability both of the President and Vice President, in which it requested the concurrence of the Senate.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE—WAR DEPARTMENT (S. DOC. NO. 60)

A communication from the President of the United States, transmitting an estimate of appropriation submitted by the War Department to pay claims for damages to or loss or destruction of property or personal injury or death, amounting to $50,210.65, and which require an appropriation for payment (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, PUBLIC ROADS ADMINISTRATION (S. DOC. NO. 61)

A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Public Roads Administration to pay claims for damage to roads and highways of States or their subdivisions, amounting to $33,439.50, and which require an appropriation for payment (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE—JUDGMENTS AGAINST UNITED STATES GOVERNMENT BY DISTRICT COURTS (S. DOC. NO. 62)

A communication from the President of the United States, transmitting, pursuant to law, an estimate of appropriation for payment of judgments rendered against the Government by United States district courts, amounting to $14,779.86, together with an indefinite appropriation to pay interest (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE—JUDGMENT AGAINST THE GOVERNMENT BY A UNITED STATES DISTRICT COURT (S. DOC. NO. 63)

A communication from the President of the United States, transmitting, pursuant to law, a record of judgment against the Government by a United States district court, as submitted by the Department of Justice to the Treasury Department, and which requires an appropriation of $5,842.50, together with an indefinite appropriation to pay interest (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE — JUDGMENTS RENDERED BY COURT OF CLAIMS (S. DOC. NO. 64)

A communication from the President of the United States, transmitting, pursuant to law, a schedule of judgments rendered by the Court of Claims which has been submitted by the Treasury Department and requires an appropriation for payment, amounting to $360,980.86 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES—CLAIMS FOR DAMAGES TO PRIVATELY OWNED PROPERTY (S. DOC. NO. 65)

A communication from the President of the United States, transmitting, pursuant to law, estimates of appropriations submitted by the several executive departments and independent offices to pay claims for damages to privately owned property, amounting to $16,348.21, and which require appropriations for their payment (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES OF APPROPRIATION—CLAIMS ALLOWED BY GENERAL ACCOUNTING OFFICE (S. DOC. NO. 66)

A communication from the President of the United States, transmitting, pursuant to law, estimates of appropriation amounting to $142,818.43 to cover claims allowed by the General Accounting Office and for the services of the several departments and independent offices (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE—EXECUTIVE OFFICE OF THE PRESIDENT (S. DOC. NO. 67)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal years 1945 and 1946, amounting to $14,500, for the Executive Office of the President, the White House Office (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE—UNITED STATES SENATE (S. DOC. NO. 68)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, fiscal year 1945, amounting to $6,000, for the legislative branch, United States Senate (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE—DEPARTMENT OF THE INTERIOR (S. DOC. NO. 69)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of the Interior, amounting to $490,000, for the fiscal year 1946 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

COMPENSATION OF CERTAIN POSTMASTERS

A letter from the Postmaster General, transmitting a draft of proposed legislation to amend section 2 of the act of May 29, 1928, and section 3 of the act of March 29, 1944, affecting the compensation of postmasters (with an accompanying paper); to the Committee on Post Offices and Post Roads.

PERSONNEL REQUIREMENTS

A letter from the Administrator of the Veterans' Administration, transmitting, pursuant to law, a supplemental estimate of personnel requirements for the Administration for the quarter ending June 30, 1945 (with an accompanying paper); to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the President pro tempore and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Illinois; to the Committee on Banking and Currency:

"Senate Joint Resolution 28

"Whereas oil is one of the critical materials absolutely required for the successful prosecution of the war effort of the United States and its allies against Germany and Japan; and

"Whereas the war cannot be prosecuted successfully without an adequate supply of oil for the United States and its allies; and

"Whereas the supply of oil for operations within the continental United States is dependent, at least in considerable part, upon the ability of oil operators to produce the same without sustaining a financial loss; and

"Whereas the price of oil as posted in the continental United States remains, with few exceptions, at the same level existing prior to the entry of the United States into the present war, notwithstanding the fact that drilling costs, labor costs, and all other costs incident to the drilling, completing, and equipping of oil wells (with the exception of a few controlled material prices) have increased to such an extent that the cost of developing properties for oil and gas purposes has almost doubled without any corresponding increase in the price of oil; and

"Whereas it appears that the visible and available petroleum resources of the United States are being rapidly diminished without a proper increase in new discoveries and in production with the result that, in the absence of renewed and bigger operations, the United States may shortly be without an adequate supply of oil for itself and its allies in this critical area which would result in disastrous delay in the prosecution of the war, and irreparable injury to the domestic economy of the United States, lessening the ability of the civil population to bear the burdens of taxation for war purposes: Therefore be it

"Resolved by the Senate of the Sixty-fourth General Assembly of the State of Illinois (the House concurring herein), That the Congress of the United States and the President are hereby urged and requested immediately to review and reconsider the necessity of fixing a price for crude petroleum commensurate with the increased cost of obtaining new production and to place the industries on a position of fair equality or parity with other industries of the United States which have enjoyed substantial increases in the price of manufactured or crude products, in order to stimulate increased activity in the search for new petroleum reserves and in the effort to increase the production of oil in the United States to meet the growing demand of the Nation's war effort and to prevent the hampering of the war effort and the injury to the domestic economy of the United States which would result from the loss of a sufficient supply of petroleum products for the Nation's need in its civil activities and in the prosecution of its war effort.

"It is the belief of the General Assembly of the State of Illinois that the solution of the problem presented in petroleum prices is of paramount importance to the entire Nation and not one confined simply to petroleum-producing States, and that the importance of the solution of this question immediately cannot be minimized.

"The President and the Congress are further requested to give due consideration to the relaxation of the rules affecting the drafting of persons engaged in the oil industry, due to the fact that, in addition to the lack of proper adjustment of prices, the industry is being deprived continuously of valuable employees whose services are absolutely essential to the proper prosecution of the war effort, to the end that the industry may not only be stimulated to greater activity by proper adjustment of prices but may be enabled to train the manpower necessary to continue the search for new petroleum reserves and the development of existing and known reserves, with the proper relaxation of priority regulations concerning the furnishing of materials for the drilling of additional wells to increase the present productive capacity of the oil fields of the United States; and be it further

"Resolved, That suitable copies of this preamble and resolution be prepared by the secretary of state and forwarded to the President of the United States and to KENNETH MCKELLAR, President of the Senate; SAM RAYBURN, Speaker of the House of Representatives; Senator C. WAYLAND BROOKS and Senator SCOTT W. LUCAS."

A resolution adopted by the Intelligent American Voters League, of Cleveland, Ohio, favoring the enactment of the Bretton Woods agreement; to the Committee on Banking and Currency.

A resolution adopted by the Intelligent American Voters League, of Cleveland, Ohio, protesting against the enactment of legislation providing peacetime universal military training; to the Committee on Military Affairs.

FAIR EMPLOYMENT PRACTICE COMMITTEE

Mr. CAPPER. Mr. President, in connection with the consideration of House bill 3368, and more particularly that item in the bill providing funds for the Fair Employment Practice Committee, I ask unanimous consent to present for printing in the RECORD and appropriate reference a telegram dated Washington, D. C., June 24, 1945, signed by 30 organizations representing some 8,000,000 members, in support of the appropriation for the FEPC.

There being no objection, the telegram presented by Mr. CAPPER was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

WASHINGTON, D. C., *June 24, 1945.*

Hon. ARTHUR CAPPER,
Washington, D. C.:

Thirty organizations representing 8,000,000 members have met today in Washington in emergency session concerned about the fate of FEPC. We respectfully ask you to go to the floor of the Senate at the opening of the session on Monday when the war agencies appropriation bill is taken up and to remain throughout each session at all times to vote for restoration of the appropriation of the temporary Fair Employment Practice Committee and to resist any and all legislative trickery to kill or emasculate the present agency.

The record and vote of this measure will be one of the chief determinants of our support in future elections.

Mary McLeod Bethune, National Council of Negro Women; Dr. Charlotte Hawkins Brown, Palmer Memorial Institute; Dr. William M. Boyd,

Fort Valley State College; John H. Sengstacke, the Chicago Defender; Charles A. Collins, Negro Labor Victory Committee; Charles P. Browning, National Nonpartisan League; Eunice Hunton Carter, Lambda Kappa Mu; Benjamin J. Davis, Jr., National Communist Political Association; Mae Wright Downs, Delta Sigma Theta Sorority; Dorothy K. Funn, National Negro Congress; William H. Hastie, National Lawyers Guild; Anna Arnold Hedgeman, National Council for a Permanent FEPC; Perry W. Howard, I. B. P. O. Elks of the World; Thomasina W. Johnson, Alpha Kappa Alpha Nonpartisan Council on Public Affairs; Rayford W. Logan, Alpha Phi Alpha Fraternity; Z. Alexander Looby, Omega Psi Phi Fraternity; Ralph Matthews, Afro-American Newspapers; Harry McAlpin, National Bar Association; J. E. Mitchell, St. Louis Argus; Adam Clayton Powell, Peoples Civic Committee; Gertrude A. Robinson, Phi Delta Kappa Sorority; Mabel K. Staupers, National Association of Colored Graduate Nurses; Mary Church Terrell, National Association of Colored Women; Channing H. Tobias, Social Action Committee of the C. M. E. Church; Robert W. Williams, Interdenominational Ministerial Alliance of D. C.; George L. P. Weaver, Antidiscrimination Committee, C. I. O.; Walter White, National Association for the Advancement of Colored People; Max Yergan, Council on African Affairs; Rosa Gragg; Detroit Association of Women's Clubs; Mordecai W. Johnson, Howard University.

UNITED NATIONS CHARTER—RESOLUTION OF AMERICAN VETERANS COMMITTEE

Mr. CAPPER. Mr. President, I have received from Charles G. Bolte, chairman of the American Veterans Committee, with headquarters at New York, a letter embodying a resolution urging prompt ratification of the United Nations Charter recently adopted in San Francisco. I am heartily in accord with the appeal made by this organization. I ask unanimous consent to present Mr. Bolte's letter and that it be appropriately referred and printed in the RECORD.

There being no objection, the letter was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

THE AMERICAN VETERANS COMMITTEE, INC.,
New York, N. Y., June 27, 1945.

Hon. ARTHUR CAPPER,
The Senate Building,
Washington, D. C.

DEAR MR. CAPPER: Whereas the absolute necessity of the international security organization to prevent war and promote justice has been recognized for many years by all thinking Americans, including the Members of the United States Senate; and whereas the representatives of the United Nations meeting in San Francisco under conditions permitting the utmost freedom of discussion have drafted and unanimously approved the Charter of such an organization; and whereas the United States has been represented at the Conference by:

(1) A bipartisan delegation of national leaders including the Democratic chairman and a Republican member of the Foreign Affairs Committee.

(2) By advisers from all departments of the Government, from all branches of the armed forces and from private institutions, and

(3) By consultants representing 42 national organizations.

And whereas the above mentioned delegates and other representatives have fully debated all the issues, stood fast for American ideals and then unanimously agreed to the Charter as finally drafted, now, therefore: Be it

Resolved, That the American Veterans Committee considers it to be of utmost importance that the United States Senate promptly ratifies the United Nations Charter by a unanimous vote without reservation and prior to the meeting between President Truman, Prime Minister Churchill, and Marshal Stalin in mid-July.

CHARLES G. BOLTE,
Chairman, American Veterans Committee.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. O'DANIEL, from the Committee on Commerce:

S. Res. 128. Resolution to investigate problems of the commerce of the United States during the postwar period; without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on June 29, 1945, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 65) to transfer to the Reconstruction Finance Corporation the functions, powers, duties and records of certain corporations.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BILBO:

S. 1212. A bill to amend section 12 of the act entitled "An act to provide for the recording and releasing of liens by entries on certificates of title for motor vehicles and trailers, and for other purposes," approved July 2, 1940; to the Committee on the District of Columbia.

By Mr. WHEELER:

S. 1213. A bill relating to the sale of passenger transportation accommodations; to the Committee on Interstate Commerce.

(Mr. JOHNSTON of South Carolina introduced Senate bill 1214, which was referred to the Committee on the Judiciary and appears under a separate heading.)

By Mr. WALSH:

S. 1215. A bill to reimburse certain Marine Corps personnel and former Marine Corps personnel for personal property lost in the disaster to the steamship *Maasdam* on June 26, 1941; to the Committee on Naval Affairs.

By Mr. CAPPER:

S. 1216. A bill to establish a National Library of Motion Pictures; to the Committee on the Library.

AMENDMENT OF PERNICIOUS POLITICAL ACTIVITIES ACT

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill entitled "An act to amend an act to prevent pernicious political activities," approved August 2, 1939, as amended. It is better known as the Hatch Act.

I do not believe any person should be penalized because he holds a position with the Government and, therefore, should not be allowed to act freely in connection with governmental activities and the selection of persons to hold political office in the United States. I wish to have some of the persons who are appointed to political office in my State have political influence during my term of office.

There being no objection, the bill (S. 1214) to repeal the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, as amended, introduced by Mr. JOHNSTON of South Carolina, was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. HATCH subsequently said: I call the attention of the Senator from South Carolina [Mr. JOHNSTON] to what I am about to say. I have just been furnished a transcript of the remarks of the Senator regarding the repeal of the so-called Hatch Act.

Apparently the bill which the Senator has introduced would repeal the act in its entirety. I am quite sure the Senator from South Carolina would not want to do that if he had read the Hatch Act in full. He is striking at one particular feature. The Hatch Act covers many things.

The point I make, Mr. President, is that the Senator asked that the measure be referred to the appropriate committee, and it was sent to the Committee on the Judiciary. The original Hatch Act was considered by the Committee on Privileges and Elections.

I ask unanimous consent that whatever measure the Senator from South Carolina may have introduced, be referred to the committee which considered the original legislation.

Mr. JOHNSTON of South Carolina. Mr. President, I did not ask that it be referred to any particular committee. I shall be delighted to have it referred to the committee the Senator suggests, as I am a member of that committee.

Mr. HATCH. I am very happy the Senator consents, as I am also on the committee.

The PRESIDING OFFICER (Mr. HOEY in the chair). Without objection, the reference will be changed and the bill introduced by the Senator from South Carolina will be referred to the Committee on Privileges and Elections.

HOUSE BILL REFERRED

The bill (H. R. 3587) to provide for the performance of the duties of the office of President in case of the removal, resignation, or inability both of the President and Vice President, was read twice by its title and referred to the Committee on Privileges and Elections.

AIRPLANE ACCIDENTS

Mr. LANGER. Mr. President, on the 11th day of January 1945, I first brought to the attention of the Senate the matter

of defective, dishonest, and crude inspection of airplanes for use by our armed forces.

I stated then that Gen. H. H. Arnold, Chief of the Army Air Corps, had reported in a War Department release dated October 2, 1944, that up to that time there had been a loss of 17,500 planes in training in this country, which was three times as many as were lost on battle fronts all over the world.

In other words, Mr. President, I stated then that 17,500 air pilots had been killed in this country which was a number three times as great as the number of all air pilots who were killed in the war fronts all over the world. Let me repeat 17,500 Army planes crashed while in training while but 5,600 were lost in actual combat. How many planes crashed while in combat because of faulty construction and defective parts we will never know.

Later on February 1, 1945, and again on April 18, on April 23, on April 25, on May 3, on May 10, on May 17, and on May 31, in pursuance of what I conceived to be my duty to the fathers and mothers and sons and daughters of our beloved country, to the best of my ability I brought the matter to the attention of the Senate and to the Truman-Mead committee as the CONGRESSIONAL RECORD will testify.

Particularly have I emphasized that President Truman, while still a member of the Senate, himself over the radio on the night of October 5, 1943, told the American people the shocking story of his investigation of the Curtiss-Wright plant at Lockland, Ohio.

Again and again—and I cannot emphasize it too strongly—I stated and restated, iterated, and reiterated that on July 11, 1943, Senator Truman while chairman of the Truman committee promised the Senate a report on these airplane crashes. I quote from his report on Aircraft Accidents, page 30:

> In addition to the foregoing the committee has been engaged in a study of military plane crashes and at a subsequent date will report on this subject. The committee is concerned about the large number of such casualties, particularly in noncombat operational flights in this country.

And on October 19, 1943, Senator Truman promised me in a letter that he would make a report on his findings. I read his letter as follows:

> DEAR SENATOR LANGER: Thank you for your letter of October 14 inquiring concerning the report of my committee on military airplane accidents. The committee has been studying this matter for some time, but due to the difficulty which it has encountered in assembling the necessary information, this inquiry has not been completed. Consequently there will be no report in the immediate future. As soon as the committee's material is fully assembled it will, of course, make a report. I will be glad to advise you as to the approximate time as soon as it is possible to do so.
>
> Sincerely yours,
>
> HARRY S. TRUMAN,
> *United States Senator.*

Mr. President, I wish to point out that this letter was dated October 19, 1943, and up to the present time the Senate War Investigating Committee has not released an aircraft accident report and the American people have been kept in abysmal ignorance of the testimony that Senator Truman, now President Truman, promised would be released at a subsequent date. He promised that report approximately 2 years ago, and still we have heard nothing from him regarding this most important matter.

Now, Mr. President, I rise again to state that various inspectors in aircraft plants have testified to conditions. One of them who left the service after several years at a South Pacific base testified that he was horrified at the conditions in which he found planes were being delivered, so when he came home he obtained a job at the Douglas Aircraft Co., near Chicago, Ill., but after he saw what was taking place there he resigned in utter disgust. Needless to say, men and women doing inspection work in our aircraft plants wrote to me from all sections of the Nation corroborating the affidavits furnished me by the brave and courageous men who witnessed this sinister type of sabotage in our war factories.

Of course, there are not as many witnesses as I should have liked to have, but the trouble was that most of them are dead. Thousands upon thousands of them are dead, and, needless to say, they can no longer testify. All they did was to take these death traps and attempt to fly them, and when they crashed their lips were sealed forever.

Mr. President, these young boys are dead, and how many more have died since July 11, 1943, when we were promised this report by the Truman committee, we may never know. This has become one of the top secrets in official Washington.

Mr. President, since the report was promised me, from newspapers in Washington, D. C., I have clipped a few headlines showing how many more pilots of bombers and Navy planes have died. Here are the headlines:

Virginian among 10 killed in bomber crash, San Rafael, Calif., July 26, 1944.

Bomber hits house, two children killed, Kansas City, Mo., July 26, 1944.

Aviation Cadet Rowland killed in Texas crash, Washington, D. C., August 2, 1944.

Army identifies four dead in bomber crash, Alexandria, La., August 2, 1944.

Eight fliers killed in Army bomber crash, Lake Charles, La., August 4, 1944.

Officer and two cadets killed in Colorado crash, La Junta, Colo., August 11, 1944.

Two Navy fliers killed, Boston, Mass., August 4, 1944.

Air cadet dies in crash, Williams Field, Ariz., August 24, 1944.

Twenty-two killed in Scotland as plane crashes with wounded Yanks, London, July 28, 1944.

Hospital plane lost at sea, Washington, D. C., July 30, 1944.

Pilot sticks to plane and dies in crash, Lunenburg, Mass., August 9, 1944.

Lieutenant Know killed in plane crash at Texas field, Washington, D. C., August 27, 1944.

Twenty-four pilots listed among 28 dead in plane crash, Atkinson, Nebr., August 4, 1944.

Air crash kills husband of train murder victim, Seattle, Wash., September 29, 1944.

Two Army fliers die in Nebraska crash, Fairmont Army Airfield, Nebr., September 25, 1944.

Bomber crashes near Potomac River, Washington, D. C., September 21, 1944.

District of Columbia marine flier killed in North Carolina crash, Norfolk, Va., September 16, 1944.

Instructor and student killed in plane crash, Huntington, W. Va., September 11, 1944.

Eight 'chutists, four fliers killed in C-47 crash, Camp Mackall, N. C., September 25, 1944.

Air victims unidentified, Wilmington, N. C., September 30, 1944.

Two Army fliers killed, Pocatello, Idaho, September 30, 1944.

Wasp killed, one hurt in Arizona plane crash, Tucson, Ariz., October 4, 1944.

Ex-navy-yard worker dies in Navy plane crash, Norfolk, Va., October 7, 1944.

Fourteen Army fliers killed in Texas plane crash, Dallas, Tex., October 8, 1944.

Instructor and British cadet killed in plane crash, Bunker Hill, Ind., October 12, 1944.

General Ent hurt in plane crash, Fort Worth, Tex., October 13, 1944.

Two Army fliers killed in Virginia crash, Camp Lee, Va., October 14, 1944.

Army plane crash kills officer, New York, N. Y., October 16, 1944.

Fourteen airmen killed in Louisiana plane crash, Lake Charles, La., October 17, 1944.

Navy reveals pilot died in crash in home town, Seattle, October 17, 1944.

Helicopter expert, four others die in crash, Dayton, Ohio, October 19, 1944.

Six fliers die, four others parachute to safety in plane crash, El Paso, Tex., October 21, 1944.

Corporal Smith, Gonzaga athlete, among those killed in crash, Russel, Kans., October 22, 1944.

Flight Officer Gilbert, architect's son, killed, Greenwich, Conn., November 4, 1944.

Two Camp Springs fliers killed in plane crash, Washington, D. C., November 7, 1944.

Army identified two dead, two lost, three hurt in crash, Homestead, Fla., November 10, 1944.

Sons of legislator, general die in crash, Washington, D. C., November 13, 1944.

This referred to the son of Representative BALDWIN of Maryland.

Seventeen killed in crash of big Army transport, Honolulu, November 15, 1944.

Five Army fliers die in Mississippi crash, Monroe, La., November 16, 1944.

Twenty-six Americans killed as troop plane falls, London, November 20, 1944.

Army identified two killed in plane crash, Madison, Wis., November 28, 1944.

Three in Ferry Command die in bomber crash, Memphis, November 28, 1944.

Fourteen men, three women killed in ferry pilot plane crash, Omaha, December 8, 1944.

Five killed, two hurt in crash of Army medium bomber, Raleigh, N. C., December 15, 1944.

Bomber wrecks train, Amarillo, Tex., December 19, 1944.

Mamaddad Navy pilot injured in crash, San Francisco, December 23, 1944.

Nine soldiers killed, 18 injurey in Army plane disaster, Harrisburg, Pa., December 25, 1944.

Two killed in bomber crash in California, Long Beach, Calif., January 1, 1945.

Five killed, two hurt in crash, Indianapolis, Ind., December 26, 1944.

Plane explodes in air, two fliers die, Norfolk, Va., January 11, 1945.

Army list six killed in crash, Indianapolis, January 9, 1945.

Five missing, seven rescued in bomber crash, Grand Island, Nebr., January 17, 1945.

Wake Forest coach's son killed in plane crash, Wake Forrest, N. C., January 19, 1945.

Six Army fliers killed in crash, Memphis, Tenn., January 8, 1945.

Boy is hero in pilot's rescue as crash kills three and injures three, Memphis, December 18, 1944.

Army cargo plane crash kills three veteran fliers, Romulus, Mich., January 27, 1945.

Four fliers are killed in Army transport crash, Birmingham, January 27, 1945.

Five fliers are killed, one hurt in South Carolina crash, Greenville, S. C., February 3, 1945.

Crash in England kills veteran test pilot, Dayton, Ohio, February 3, 1945.

Two Navy fliers killed in Maryland crash, Washington, D. C., February 3, 1945.

Two die as bomber crashes in Cuba, Habana, February 8, 1945.

Pilot gunner killed in light bomber crash, Florence, S C,. February 10, 1945.

Pilot killed, five of crew injured in B–29 crash, Oklahoma City, February 10, 1945.

Aircraft engineer died in Maryland crash, Washington, D. C., February 10, 1945.

Mother sees hero son killed when plane crashes, Morgantown, W. Va., January 12, 1945.

Seventeen bodies recovered in C–47 plane, Yuma, Ariz., January 3, 1945.

Thirteen die in crash of plane returning from Aleutians, Adak, Aleutians, January 4, 1945.

Bomber crash in Georgia kills four fliers, injures six, Savannah, Ga., January 20, 1945.

Two marine fliers die, January 20, 1945, Norfolk, Va.

Lieutenant Doyle, flier, killed, son of House Member, Myrtle Beach, S. C., January 25, 1945.

Crash kills Lieutenant Coleman, son of Federal judge, Melborne, Fla., January 26, 1945.

Six killed, four injured in bomber crash, Salina, Kans., January 12, 1945.

Seven marine planes crash, 8 die, 9 rescued, San Diego, February 16, 1945.

Lieutenant Helfrich killed in Navy bomber crash, Washington, D. C., February 18, 1945.

District of Columbia airman dies in crash, Washington, D. C., January 28, 1945.

Crash injures Virginia airmen, Washington, D. C., January 28, 1945.

Maryland fliers killed in crash, January 30, 1945, Washington, D. C.

Twenty-four killed in Navy plane crash, Alameda, Calif., February 13, 1945.

Army captain and five others die in crash, Atlanta, Ga., February 17, 1945.

Missing bomber found with 10 aboard dead, Walla Walla, Wash., February 20, 1945.

Two from District of Columbia area die in Alabama crash, Washington, D. C., February 25, 1945.

Memorial mass arranged for bomber-crash victim, Hartsville, Ala., March 1, 1945.

Commander Harrel killed in Florida plane crash, Miami, Fla., March 8, 1945.

Six Army fliers killed, three hurt in bomber crash, Grand Island, Nebr., March 8, 1945.

Captain Foster, Navy expert, killed in plane crash, Washington, D. C., March 9, 1945.

Instructor saves eight from burning plane, Fort Worth, Tex., March 8, 1945.

Three killed, nine missing in New York bomber crash, Montauk Point, Long Island, March 12, 1945.

Ten bomber crewmen die in crash in Louisiana, Alexandria, La., March 12, 1945.

Two killed, 12 hurt, in bomber crash, Clovis, N. Mex., March 22, 1945.

Five Navy fliers lost in crash off coast, Marthas Vineyard, Mass., March 20, 1945.

Seven killed in Navy crash, San Francisco, March 15, 1945.

Flier's body, wreckage of three Navy planes found, Philadelphia, March 16, 1945.

Son of Colonel Rich, two other fliers killed, Washington, D. C., March 27, 1945.

Ensign Sturtevant, 20, dies in plane crash, Washington, D. C., March 27, 1945.

Ryan chief test pilot dies in crash, San Diego, March 27, 1945.

Navy bomber crashes, killing three fliers, San Francisco, April 4, 1945.

Two Navy fliers killed, Pensacola, Fla., April 4, 1945.

Eleven officers, 14 men die in plane crash, Sweetwater, Tex., April 20, 1945.

Observer dies in crash of bomber in Potomac, Washington, D. C., April 7, 1945.

Mr. President, all these individuals were killed in Army or Navy planes within the last few months.

The Mead committee took no action in the matter of plane crashes until I protested on the floor of the Senate and then on the 24th day of April 1945, the Mead committee announced that they were sending some of their personnel to make a preliminary investigation at the Curtiss-Wright plant at Buffalo, N. Y. Whatever investigation they made, as far as I know, has been kept secret. I do know this, however, that their chief investigator went to Buffalo and set himself up in a suite of rooms in a downtown hotel and announced through the local press that he was in town and urged Curtiss-Wright employees or anyone else who had pertinent information regarding conditions at this plant to call upon him.

Imagine, Mr. President, how many of these workers felt free to transmit information to the Mead committee inspector. I have been informed that the hallways leading to the chief inspector's hotel suite were lined with Curtiss-Wright spotters, and no Curtiss-Wright employee would have dared go near that hotel unless he was a man of extraordinary courage. The Mead committee was under no obligation to consult me, because, after all, I am only a Senator representing a lot of poor fathers and mothers and sons and daughters and could not be expected to be taken into their confidence.

By a strange coincidence on the very day when I, as ranking Republican member of the Senate Civil Service Committee, had a conference on Senate bill 807 dealing with the livelihood of millions of Federal employees—the committee set their hearings at that hour; and whether or not they knew that on the next day I was attending a conference of the Committee on Post Office and Post Roads at which time the livelihood of 357,000 postmasters, messengers, rural carriers, clerks, and other postal employees was at stake, I was notified that I might attend an executive session of the committee to hear witnesses from the War Department and Curtiss-Wright.

Shortly thereafter I received a letter from the Mead committee inviting me to attend meetings of the Mead committee to be held at Buffalo on the 5th and 6th of July. I accepted the invitation—only to be notified that the date had been changed to the 9th of July, because one of the committee members had a speaking engagement on the Fourth of July and that it would be very inconvenient for him to be at Buffalo the next day. I talked with that Senator and found that to be the case. When I endeavored to make arrangements to attend the Buffalo sessions on the 9th of July I was late notified by Mr. Flannagan, chief inspector of the Mead committee, that I would be expected to pay all my expenses. He told me that there was no money available to pay my rail fare or my hotel bill. Upon informing committee members that I expected to go up there 2 days ahead of the time to interview nine witnesses whom I wished to produce, I was told that the Army was going to fly a plane to Buffalo on the 9th and that I could get a ride up there and a ride back; but, that they were not going up there on the 6th or 7th of July. Remembering that the Senate had appropriated a hundred thousand dollars presumably for this investigation, among others, I was frankly nonplussed that a Member of this body wishing to produce witnesses should be obliged to pay his own expense. In addition, I would like to add that Mr. Flannagan brought me a message that the distinguished senior Senator from Illinois [Mr. LUCAS] had stated that as chairman of the Committee to Audit and Control the Contingent Expenses of the Senate he would not approve the necessary expense involved.

The Mead committee was perfectly willing to have me come to the hearing. The distinguished junior Senator from Michigan [Mr. FERGUSON] gave me a warm personal invitation to attend, but, of course, in view of the fact that he is not a member of the Committee to Audit and Control the Contingent Expenses of the Senate, it was impossible for him to arrange to pay my expenses in connection with the hearing.

Of course, Mr. President, being a man of simple tastes, I had not expected to occupy a huge senatorial suite in any of the leading hotels in Buffalo, nor had I expected to go to Buffalo on a special train or eat in a special car. It is even possible that I might have gotten a room for two or three dollars a day at the YMCA, or it might have been that the Salvation Army would have donated a room where I could have spent the nights. But, to me, this entire procedure of a Senator paying his railroad fare from Washington to Buffalo and back, and providing for his hotel bill and meals, while there seems to be so insignificant as to cost, that I have accepted the attitude of the Mead committee at its full value and will not intrude myself upon the distinguished members of that committee, fully confident that after 2 long years of preparation they will ultimately make their report to the American people.

In response to Mr. Flannagan's request that I give him the names of the nine witnesses, I very regretfully had to decline because they were names that had been given me in confidence, as men who were willing to testify in corroboration of the allegations and charges previously made by numerous workers and inspectors whom I named on the floor of the Senate.

Mr. President, I have received a letter which in a way is an anonymous letter and in a way is not. It is a most interesting letter. It is dated June 28 and is as follows:

JUNE 28, 1945.

The Honorable WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR: As a New York-Washington newspaper correspondent, I've followed closely your exposé of Curtiss-Wright production

of defective planes in Senator MEAD's home town of Buffalo. This past week I read in Wayne Parrish's American Aviation Daily that Col. Robert L. Scott had testified before the Mead committee—and I laughed like hell. (For Scotty is a personal friend of Curtiss-Wright's Burdy Wright and has press agented the P-40 with two books and a movie.)

If somebody hasn't already told you, Senator, C. W. is all set to battle you. At the aviation writers association's convention on June 7 to 9 in Chicago, Curtiss-Wright must have had 10 press agents circulating; and its cocktail party for the press must have cost the taxpayers at least $1,000. Ask your Chicago Tribune press reps.

Right after President Truman (then Senator) took Curtiss-Wright to the cleaners for producing defective planes and engines, President Vaughan of C–W fired his longtime public relations director, Larry Lawrence and employed Jess W. Sweetser, the ex-golf champion and Wall Street bond salesman "because Jess knows and plays golf with everybody who is anybody in Washington."

Sweetser was and is reported to be getting between $25,000 and $30,000 a year—all because he knows a lot of your colleagues and because he knows his way around Washington's offices and golf courses.

At the same time Curtiss-Wright employed Sweetser they also employed T. J. "Tom" Ross of the famous public relations specialists of T. J. Ross and Ivy Lee (who represents the Pennsylvania Railroad, Chrysler, etc.) in a consulting capacity. From all the signs, these are the boys who are masterminding against you.

Under Sweetser's direction, Curtiss-Wright cocktail parties and flying junkets have been something to talk about. For example, he lined up at least 40 Washington and New York newspaperman and magazine writers last October and flew them from New York out to St. Louis and back in an Army C–46 transport plane for the fanciest 2-day brawl I've ever seen, all to mark the announcement of Curtiss' new peacetime Commercial Commando plane.

In St. Louis we stayed at the Jefferson Hotel where Curtiss gave us a full dress party—12 course dinner—a rare demonstration of strip tease art by one Dawn Carroll imported from Chicago—made feminine companions available, and as Sid Fish of the New York Journal of Commerce said "provided us with everything except '———.'"

Bob Wood, editor of Aviation News; Bob Farr, of Science Service; Cliff Guest, of the American Aviation Daily, or for that matter, anybody covering aviation in New York, Washington, Buffalo, etc., can tell you quite an interesting story about Curtiss-Wright.

In fact, Senators, when you tire of investigating Curtiss-Wright's production of planes—defective or not—I'm sure the Curtiss-Wright public relations department—ranging from Sweetser right down to its Washington representative, Richard Cowell, formerly of the St. Louis Globe-Democrat—will provide you and the American taxpayer a real story.

Since I make my living by working for a newspaper which carries Curtiss-Wright advertising, I'm sure you'll understand my reluctance to identify myself as anything but

AN AMERICAN NEWSPAPERMAN.

So, Mr. President, I hand this letter also to the Mead committee, and suggest that in connection with the Curtiss-Wright investigation, the committee also investigate whether Curtiss-Wright, in order to advertise a peacetime commercial plane to be sold after the war is over, used an Army plane, at the expense of the taxpayers of this country, to take 40 newspaper and magazine writers to St. Louis and give them the kind of a time described. I have the original of that letter in my hand, and will be glad to hand it to the distinguished Senator from Michigan [Mr. FERGUSON], who is one of the members of the Mead committee.

Mr. President, I make these observations here today so that the record may be complete, and so that in my own conscience I can feel that I have given the Members of this body the full record as it stands as of this date. This is the eleventh time I have spoken on the matter of airplane accidents. I will speak again whenever I feel I can render service to this body.

To provide for an investigation of the alleged use of an Army transport plane by Curtiss-Wright at the expense of the taxpayers, I send to the desk a resolution providing that the Committee on Military Affairs shall ascertain, either directly or through a subcommittee thereof, whether the plane was used, as alleged in the letter which I have received, at the expense of the American taxpayer.

The PRESIDING OFFICER (Mr. HOEY in the chair). Without objection, the resolution will be received and appropriately referred.

The resolution (S. Res. 149) submitted by Mr. LANGER was read and referred to the Committee on Military Affairs, as follows:

Resolved, That the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to the use of an Army transport plane to carry a group of newspaper and magazine writers from New York City to St. Louis, Mo., in October 1944, in connection with the announcement of a new peacetime commercial Curtiss-Wright airplane, including the manner in which such Army transport plane was made available for such purpose, the source from which gasoline was obtained for such trip, the manner in which and the persons by whom the expenses were paid for such trip, and all other pertinent facts and circumstances; and such committee or subcommittee is further authorized and directed to make a full and complete investigation with respect to any other similar incidents of the use of Army transport planes. The committee shall report to the Senate as soon as practicable the results of its investigation, together with such recommendations as it may deem desirable.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

JEFFERSON DAY DINNER ADDRESS BY SENATOR TUNNELL

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a Jefferson day dinner address delivered by Senator TUNNELL, at Fort Wayne, Ind., on June 23, 1945, which appears in the Appendix.]

EDITORIAL ENDORSEMENT OF WAGNER-MURRAY-DINGELL SOCIAL SECURITY BILL

[Mr. WAGNER asked and obtained leave to have printed in the RECORD three editorials endorsing provisions of the Wagner-Murray-Dingell social security bill, which appear in the Appendix.]

THE WAGNER LABOR ACT—EDITORIAL FROM THE CLEVELAND NEWS

[Mr. BURTON asked and obtained leave to have printed in the RECORD an editorial entitled "At Last—The Needed Wagner Law Reform," on the subject of the Wagner Act, from the Cleveland News of June 21, 1945, which appears in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT—EDITORIAL FROM THE CLEVELAND NEWS

[Mr. BURTON asked and obtained leave to have printed in the RECORD an editorial entitled "A Phony Argument," on the subject of the so-called Burton-Ball-Hatch bill, from the Cleveland News of June 25, 1945, which appears in the Appendix.]

SPECIAL STUDY OF BLACK-MARKET CONDITIONS BY STANLEY KREUTZER

[Mr. MEAD asked and obtained leave to have printed in the RECORD a report of a special study of black-market conditions, by Stanley Kreutzer, chairman of the Committee to Investigate Black Markets of the New York Board of Trade, which appears in the Appendix.]

ARTICLE FROM MAGAZINE PM IN TRIBUTE TO COL. BENJAMIN O. DAVIS, JR.

[Mr. MEAD asked and obtained leave to have printed in the RECORD an article from the June 27, 1945, issue of PM in tribute to Col. Benjamin O. Davis, Jr., which appears in the Appendix.]

CITATION TO HON. FRANK C. WALKER, POSTMASTER GENERAL OF THE UNITED STATES

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a citation to the Honorable Frank C. Walker, Postmaster General of the United States.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

UNITED STATES TREASURY DEPARTMENT,
Washington.

CITATION TO HON. FRANK C. WALKER, POSTMASTER GENERAL OF THE UNITED STATES (SEPTEMBER 11, 1940, TO JUNE 30, 1945)

This citation is awarded in recognition of outstanding public service as Postmaster General of the United States.

Through watchful care and prudent management of the postal revenues and expenditures, the postal service, during your term of office, has covered into the Treasury of the United States a net surplus of $169,147,319.64. During your administration as Postmaster General the amounts paid into the Treasury as surplus revenue exceeded the sum total of all previous postal surplus revenue deposited in the United States Treasury since the formation of the Government.

Given under my hand and seal, the 30th day of June 1945.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

ACHIEVEMENT OF GRAVES COUNTY, KY., IN SEVENTH WAR LOAN DRIVE

Mr. BARKLEY. Mr. President, the Senate will recall that heretofore I have announced with some pride that my native county in Kentucky, Graves County, was the first county in the State to attain and exceed its quota in the war bond drives which heretofore have been made.

I have received a telegram from Mr. Jess Anderson in connection with the Seventh War Loan drive in that county, and I should like to read it:

MAYFIELD, KY.

United States Senator ALBEN W. BARKLEY:

I am pleased to announce that Graves County was again first in the State to exceed war-loan quotas in seventh drive. Over-all quota nearly doubled and E quota substantially oversubscribed.

JESS ANDERSON.

I make this announcement and I request that the telegram be printed in the RECORD at this point, not only as a matter of pride in the achievement of my native county, but as a further encouragement to them in any other similar drives which may be made.

TRIBUTE TO DR. HARRY A. MILLIS

Mr. WAGNER. Mr. President, I rise to pay brief tribute to a great public servant, Dr. Harry A. Millis, who retires today from his post as Chairman of the National Labor Relations Board. From 1934 to 1935, Harry Millis served as a member of the old National Labor Relations Board. His thorough knowledge of the problems that faced the country in the field of labor relations at that time, his distinguished competence as one of the leading economists of the country, and his mature wisdom enabled him to contribute in an outstanding manner to the work of that Board. When he was appointed Chairman of the National Labor Relations Board in 1940, all of us who knew Dr. Millis were confident that he would administer the National Labor Relations Act during the troublesome times that lay ahead with great ability, wisdom, and vision. His distinguished record during the 4½ years in which he has served in that post confirmed the confidence that was placed in him.

Now that Dr. Millis is retiring from public life he carries with him the good wishes of all his friends and the gratitude of his fellow countrymen for the great service he has rendered to the Nation in his capacity as chairman of one of our most important Government agencies. I hope that after he has enjoyed the rest which he so richly deserves, Dr. Millis will be consulted from time to time and his great abilities enlisted in the solution of the difficult problems of industrial relations which may face us in the future.

Mr. President, I ask unanimous consent to have printed in the RECORD as part of my remarks a letter addressed by Dr. Millis to the members of the staff of the National Labor Relations Board on the occasion of his retirement.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL LABOR RELATIONS BOARD,
Washington, D. C., June 25, 1945.

To Each and Every Member of the NLRB Staff:

I write this letter to each member of the NLRB staff, including those on transfer to serve Uncle Sam under the colors or as civilians. I write it because I cannot see and talk to all of the members of the team, due to travel limitations and health conditions, personal and otherwise, which alone have caused me to sever my connection with the NLRB prior to August 26. Of course, everyone has known or could readily have guessed that I never had any interest in continuing beyond that date when I was all but conscripted out of my retirement in 1940 and when young, vigorous men are needed as Board members if the act is to have the timely, considerate, objective, and neutral administration it calls for in troubled as well as at other times.

The same letter to each of hundreds of team mates cannot, of course, include those purely individual observations I would insert in individual notes as circumstance, emotion, and personal association would dictate in many, many cases. To supply these Frank (perpetually youthful) Bowen, Howard Myers, Ben Schauffler, Jim Shields, Hugh Sperry, Dr. Elliott, Tommy Graham, my five legal assistants beginning with Ivar Peterson and now ending with Mervin Bachman, my secretaries, Meta Phillips and Bessie Sweet, and several score of others, I must leave to memories or imaginations to write in. Of many things on my mind, which reach occupationally from bat boy to the General Counsel and the Director of the Field Division, and geographically from the Atlantic to the Pacific and on to Honolulu and Puerto Rico as well, I limit myself to two matters of first importance to me.

The first of these may be introduced by reference to the nausea I had more than 53 years ago when at 18, with high school and 2 years of country school teaching behind me, I left the family home on a farm to ride 58 miles to enter college. I was homesick before I reached the front gate. My present feeling is akin to that. For, in spite of the great turn-over in its personnel that the Board has experienced since 1941, familiar faces disappearing and new ones appearing, I feel a closer and more appreciative bond than I have ever developed in any other relationship, though my connections through the years have been fortunate, indeed.

Of course, at times some of you and I have disagreed on certain matters; most important, that of seniority as a factor in Board consideration. I may have at times spoken in Board conferences in very, possibly too, strong language concerning the necessity of keeping off any highway tending to lead to mediocrity, whether it be the result of emphasis on seniority, influence, or personal favoritism. In any event, the area of agreement has been overwhelmingly larger. You and I, with an occasional exception of someone in a hurry who has desired to use his own devices, have agreed to the fundamental assumptions of the Civil Service Act, under which all of us, save the three Board members, have been placed. We have had a statutory and representative merit-rating system with the right of appeal, and further appeal, even to the Commission itself. We have agreed that tried and approved service with the Board stoutly supports the principle of promotion from within so long as the best manpower and service can thus be obtained.

It has been with general acceptance of this scheme of things and with careful instruction and training in jobs, most of which call for professional training, plus the neutrality and objectivity inculcated and generally observed, that we have had a wonderful team, in spite of drafts into this and that, a changing job with defense and then war, and now the early stages of reconversion. We have worked courageously as a heads-up team in an exceedingly difficult branch of administration. You have helped me, as one of your leaders, to remain young in spirit and zeal, though I have now surpassed the allotted threescore years and ten. Thus it is with regret that I must write "Auf Wiedersehen" to all, and perhaps farewell to most of you, and, after an ordered rest, spend my working hours at my desk in my library at the University of Chicago, with perhaps some arbitration cases if and when I am consulted about problems of industrial relations it is desired to resolve.

The other, a matter of greater significance, relates to the Wagner Act as it fits into industrial relations and has within its operations the possibility of far-reaching byproducts in this land of the free.

The National Labor Relations Act is without precedent in scope or promise in the history of our Nation. In fact, there has been no similar enactment on the statute books of any other country. It is the product of experience, a fertile mind, and social vision. Both mind and vision belong to Senator ROBERT F. WAGNER and those he selected to work with him. It is indeed proper and fitting that this law is popularly known as the Wagner Act.

While this most significant piece of legislation was without precedent, it was not foreign to our American way of life. On the contrary, it was in close harmony with the historical traditions of our land. Even the date of its passage demonstrates its basic kinship to these traditions: In 1935, the lights of freedom were going out all over the world. Life and liberty were either being suppressed or surrendered in behalf of promised gains. Our government might have then decided, as others did, that official fiat was the means to eradicate our industrial ills; it could have decreed that improper conditions or lack of standards must be remedied by official regulation. After all, would not administrative bounties distrbuted by a friendly government be best calculated to serve the needs of workers? Or, the Government could choose to risk the perils of self-determination by the workers themselves as to what those standards should be. This course would neither eliminate costly mistakes, nor the danger of false leaders; it might also mean that the fruits of self-determination might weigh less than government largesse. This was the choice to be made. And, as we now know, the proposal of Senator WAGNER and his associates avoided the Charybdis of liberty's surrender and instead patterned itself after Magna Carta, a magna carta for American labor.

The Wagner Act, like all charters, was a promise, a foundation. I like to think of it as a foundation—a foundation on which can be built either a rude shanty or a beautiful edifice. Either structure will be largely of our own making.

The edifice, however, is again in the best American tradition. The Wagner Act, with its full endorsement of collective bargaining and freedom of association, if and when desired, contemplates an edifice designed and buttressed by the best that freemen can contrive. True, there are the dangers of accidents of construction—self-perpetuating overseers, self-seeking leaders, those who will attempt makeshift short-cuts, also noncooperative employers, as well as honest mistakes in figuring stresses and strains. However, the history of our Nation shows, if it shows anything at all, that the common man, once given full opportunity to construct, will usually plan and build well. That is the story of America—whether you turn to Plymouth, the Declaration of Independence, the

Jacksonian era, Gettysburg, the Westward trek, or TVA.

The edifice premised on the foundation of the Wagner Act normally houses values to our Nation in economic, social, and communal terms. For this law, to be fully appreciated, must be assessed in the light of a developmental, remedial, and educational instrument. Its ramifications are, at any rate, with imagination, courage, and good faith, many and varied.

As an economist, I am fully aware of the body of literature on the economic implications of the Wagner Act and will not deign to add to it. Suffice it to point out in passing that the operation of the law—through its remedy of unfair labor practices and determination of collective bargaining representatives—leads to collective bargaining and collective bargaining is ordinarily concerned with better wages, shorter hours, protection in matters of discipline, and good working conditions in general. The collective agreement, however, means more than wages, hours, and working conditions. It means diminished turn-over, increased stability, and job security. And, beyond this, industrial democracy or real representative government in industry, when workers and employers leave off talking "rights" and talk of, measure, and resolve their plant and industrial problems. Progress is made only by solving problems, with insight and in good faith.

This participation of the worker in the government of his industry is a basic fruit of collective bargaining. It is a fruit which must accompany the blossoming and continued growth of our industrial and democratic society. For, in our political life, stable and efficient representative government cannot be realized and maintained unless the great mass of the electorate become experienced in a joint solving of the many common problems. In our economic life, where lie the most immediate and continuous interests of the common man, collective bargaining through trade-unionism can contribute mightily in training and in seeking for the democratic way. In short, unless collective bargaining is developed and is successful in industry. it is unlikely that the masses of the people will receive that training in discussion, patience, tolerance, and acceptance of majority decision necessary for the development of a stable and efficient representative government.

This edifice, thus, is not concerned with economic ends alone; it is training and experience in representative government. Collective bargaining does not halt here: Once the working force is assured of economic security, as it matures in the ways of representative government, just as soon will it express itself on community problems—stability of population, strong neighborhood groups, good schools, good streets, places of worship, recreation centers, and meaningful elections to office. These are the concern of freemen in a democratic society, and these are the things unreachable unless we stand and build on the foundation which exiles the labor spy from the industrial community, rejects antiunion discrimination, and encourages collective-bargaining covenants openly and honestly arrived at.

And, I venture, where collective bargaining is the accepted rule and the trade union is an accepted institution in the community, public officials will find this to be true: Whenever they will honestly try to do their duty and make war upon a labor racketeer, they will find such action popular among the mass of union people. Moreover, public officials will soon learn that trade unions are one of the most important political supports of representative government. Labor organizations have a stake in the perpetuation of a free-enterprise economy and in the perpetuation of the democratic process. A free-enterprise economy is, in fact, the only kind in which they can really bargain with employers and function as the representatives of the workers' free choosing; and a democracy is the only form of government in which they can have effective voice in securing political and social gains for themselves and their members. In a well-organized, well-led, and experienced trade unionism and successful collective bargaining with forward-looking and able employers, I see the chief bulwark of the mode of life and the type of government we cherish and are determined to maintain and improve.

With these two thoughts, the one largely personal, the other quite different, I wish you young folks every success merited by ability, industry, and conscience and that you will live to see many more impossibles accomplished than I have seen in the several decades in which I have lived and tried to do my bit.

H. A. MILLIS.

FUNCTIONS OF OFFICE OF WAR INFORMATION

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement of mine relative to the OWI, dealing particularly with the fact that the OWI does not formulate or interpret American policy, and also dealing with the men and women of the staff of OWI who hold key positions with it.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. LISTER HILL ON OWI

A serious misunderstanding and an even more serious injustice manifested themselves several times during the Senate debate on the appropriation for the Office of War Information.

The misunderstanding involved the notion that the OWI somehow "formulated" and "interpreted" according to its own lights and prejudices; American policy.

The injustice was the repeated intimation that OWI was staffed with men who were not "the type of people" nor the "American type of men," to be entrusted with the task of conducting American propaganda toward our enemies or disseminating American information to our friends.

The record should be set straight on both these matters.

OWI is an operating agency. It does not make, formulate, devise or control policy. In its character of a Government propaganda agency it is at all times under the immediate and final direction of the Chiefs of Staff and their responsible deputies. In its character of a Government information agency abroad, it is at all times under the immediate and final direction of the Department of State and its experts on various desks.

OWI officials make daily visits to the War, Navy, and State Departments for guidance. War, Navy, and State Departments have officers who act as constant liaison with the top officials of OWI. Representatives of these three Departments sit on the Overseas Planning Board which finally reviews and clears every weekly directive under which OWI operates. On every issue of policy which arises—as it arises—OWI officials go immediately to these Departments for guidance.

As for the character and qualifications of OWI's top personnel, the Senate can be satisfied that these men are "the type of people" to put out such information under the direction of the responsible heads of the War, Navy, and State Departments.

The reputation of Mr. Elmer Davis as one of America's foremost newspapermen and radio commentators is too well known to enlarge on his qualifications or the esteem in which he is held by his profession.

The Associate Director of OWI is Mr. Edward Klauber. Mr. Klauber achieved his reputation in the newspaper world as night city editor of the New York Times. He came to OWI—on a dollar-a-year basis—from his post as executive vice president of the Columbia Broadcasting System.

The Director of the Domestic Branch is Mr. Neil Dalton, one-time managing editor and later assistant to the president of the Louisville Courier-Journal, one of the most distinguished of American newspapers.

The Director of all overseas operations is Mr. Edward W. Barrett, one-time Washington correspondent and national-affairs editor of Newsweek magazine and later an associate editor of that publication.

The Executive Director of the Overseas Branch is Mr. Thurman L. Barnard, who came to OWI from the N. W. Ayer Advertising Agency, of which he was vice president.

The Overseas Branch is subdivided into three areas, each under the direction of a deputy director. The Deputy Director for area 1—comprising western and central Europe, north Africa, and the Balkans—is Mr. Wallace Carroll. Mr. Carroll was formerly manager of the London bureau of the United Press, a post for which he was eminently well qualified by long service as UP foreign correspondent throughout Europe.

The Deputy Director of area 2—embracing the United Kingdom, the British dominions, Russia, the Near and Middle East—is Mr. Ferdinand Kuhn, Jr., formerly a member of the editorial board of the New York Times and before that chief of the Times London bureau.

Area 3—comprising the Far East, exclusive of British regions—is under the direction of Mr. George Taylor, who was formerly professor and executive officer of the far eastern department in the University of Washington. Mr Taylor has also served on the faculties of both Yenching University and the Central Political Institute at Nanking, and knows his area and its problems intimately.

The chiefs of outposts abroad have equal qualifications in past experience for the responsible positions which they hold. Mr. Herbert Agar is not only Chief of the British Division in the London outpost but serves also as assistant to Ambassador Winant. Mr. Agar was formerly editor of the Louisville Courier-Journal and is the author of several distinguished books on American history and politics.

Mr. Cass Canfield, Chief of the Paris outpost, is president of the publishing house of Harper & Bros. Mr. Canfield has also had Government experience as Chief of the Blockade and Supply Branch in the Bureau of Economic Warfare.

Mr. Francis Fisher, Chief of outpost at Chungking, knows the Orient at first hand through his experience as chief of the United Press bureau in Free China. Mr. Frederic S. Marquardt, Chief of OWI operations in the Southwest Pacific area, was for years associate editor of the Philippines Free Press.

This brief list does not nearly exhaust the roll of highly competent officials whom Mr. Davis has selected to carry out OWI operations in conformity with policies laid down by the Chiefs of Staff and the State Department, but it will suggest the caliber and professional standing of the men who have been responsible for achieving what the House Committee on Appropriations termed "a remarkably efficient administration on one of the most difficult assignments in connection with the war program."

A good part of OWI personnel is made up of trained newspapermen, and it might be well to cite a newspaperman's opinion on the efficiency of OWI. One of the jobs which Supreme Headquarters assigned to OWI was to arrange the coverage of the western front

during those first days following D-day, until communications were set up to handle all press copy. The arrangements for this "pooled" copy were made by Mr. George Lyons, OWI liaison with SHAEF. Before going to London, Mr. Lyons had been Chief of OWI's Domestic News Bureau. Previously he had been editor-in-chief of the Buffalo Times and city editor of the New York World-Telegram.

Mr. Lyons not only won the praise of Brig. Gen. T. J. Davis, Chief of SHAEF Public Relations Division, for his "assistance and guidance in handling press matters;" he also earned the commendation of newspapermen in London who were responsible for seeing that news of the Normandy landings reached the American people. Mr. Robert Bunnelle, head of the London Bureau of the AP and president of the Association of American Correspondents in London, conveyed to Mr. Davis the appreciation of the AP and the American correspondents for the "untiring efforts" of Mr. Lyons "in behalf of assuring that this great story might be adequately and promptly reported to the American people."

It was largely due to the "able operation" of Mr. Lyons, wrote Mr. Bunnelle, that "many a difficulty was composed with a minimum of fuss," and that the pooling of news copy—"a distasteful thing to every real newspaperman"—was "quickly discontinued so that initiative and individual enterprise in journalism could be restored."

It was this kind of operation that led Brendan Bracken, former Minister of Information in the British Cabinet and now First Lord of the Admiralty, to say at a press conference in New York that, while he was not acquainted with OWI operations as a whole, he could say its London office was the most efficient organization he had ever seen. That estimate would hold wherever OWI men are working with our armed forces against the enemy, or telling the American story to our friends.

The Senate need have no fear that the American bill of goods is not in safe hands.

This recital, however, would not be complete without giving the Senate some idea of the character of those OWI men in the lower ranks, who have worked directly under the military command in the field—often under combat conditions. To single out for special mention some of those men who have been variously labeled "crackpots," "do-gooders," "draft-dodgers," and "fifth-rate newspapermen":

There were four OWI men—Willard Hess, Robert Kleiman, Neil McIntyre and Edward Paxton—among the assault troops who hit the beaches on D-day at Leyte. Kleiman went in at H-hour plus one, and the LST on which he rode was shelled and hit six times. McIntyre was pinned down in a beach fox hole when Jap shells set off an ammunition dump. Hess was wounded in the Jap bombing attack which killed Asahel Bush of the AP, Stanley Gunn of the Fort Worth Star Telegram, and John Terry of the Chicago Daily News. Hess got the Purple Heart. Yet this OWI team put the Voice of Freedom on the air in a daily radio news program the first week, and 9 days after they went ashore the first copies of "Free Philippines" came off a captured press.

There is Charles P. Rockwood, a specialist in the preparation and dropping of leaflets. Rockwood received the Air Medal for 25 combat missions in all kinds of weather over Jap-held territory in Burma without escort protection. Mr. Rockwood incidentally is lame and a IV–F.

There is John Caldwell. For more than a year in Fukien Province Caldwell dodged the Japanese who were on three sides of him. On the fourth side was the sea from which came some of his supplies—delivered by Chinese pirates in the pay of the Japanese. Caldwell, among other things, put up news posters within two blocks of the Jap military headquarters. He received his pay by radio.

There is Robert Morris Pierce, radio technician, who conceived the plan and rigged the radio which called in the Italian fleet—a story you are all familiar with. The same Pierce, after preliminary reconnoitering in a jeep, had tanks detailed to him for the capture of the powerful Luxemburg radio station. It was captured very nearly intact, and in a short time it was on the air with tactical propaganda to the German troops and SHAEF messages to the German people. Pierce was commended by the military commander.

At Salerno OWI men went in with the troops, and on the third day, before the beachhead was secure, were publishing papers in English and Italian. At Bari six OWI men with 20 Rangers captured the radio station, persuaded the mayor that the city was surrounded and held the city for 3 days until the Army arrived. At Palermo OWI men captured the radio station and repaired the station in 12 days.

Col. C. R. Powell, assistant for psychological warfare to Gen. Robert A. McClure, commended OWI man Robert Colwell for "outstanding meritorious service" as Chief of the Radio Section, Psychological Warfare Branch, of the Twelfth Army Group. The work of the radio unit under Colwell, Colonel Powell wrote, has "had a profound effect upon enemy soldiers and civilians as is amply proven by interrogation reports." To this commendation Brigadier General McClure, Chief of the Psychological Warfare Division, added his own appreciation for a job well done.

Lt. Gen. Hoyt S. Vandenberg commended Leo Hochstetter and John Rawson for their assistance to the Ninth Air Force. Hochstetter, incidentally, is still in a serious condition in an Army hospital. The cub plane in which he was making an observation flight over the lines in Germany was shot down by Nazi antiaircraft fire. Maj. Gen. Samuel Anderson, Commanding General of the Ninth Bombardment Division, ETO, commended Arnold K. Beauchemin, William A. Brady, and William I. Elliott for helping in setting up radio-telephoto transmissions which "greatly facilitated our operational activities."

In a ceremony attended by George Merrell, United States Commissioner to India, seven OWI men received the Asiatic-Pacific campaign ribbon for their assistance to the military. Six were members of the Assam Psychological Warfare team. The seventh was Victor Rankin, whose body lies in the Burma jungle, where he died after a plane crash on May 25, 1944, while on a military mission. Rankin also received the Bronze Star, awarded posthumously.

It is the work of men like these which has led American military commanders to praise the effectiveness of psychological warfare against the Italians and Germans and to ask that it be stepped up—as it is being stepped up—against the Japanese.

THE HUNGRY HORSE PROJECT, FLATHEAD RIVER, MONT.

Mr. WHEELER. Mr. President, the past Congress authorized the postwar construction of the Hungry Horse project on the South Fork of the Flathead River in Montana. This project will be of tremendous importance to the development of the State of Montana, and I have done much work in connection with it. But this is not merely a Montana project. It was made clear in the hearings on the bill authorizing the project that the Hungry Horse Dam and Reservoir will make an important contribution to the entire Columbia River system and will be of great benefit to the other States of the Northwest. In other words, the Hungry Horse Dam is not an isolated project which should be treated as a separate entity; it is part and parcel of a plan for the unified development of the greatest irrigation and power river in the country. It should not be considered separately, any more than Norris Dam in the headwaters of the Tennessee River system should be considered as a single independent project. That type of thinking on our watersheds has, fortunately, been outgrown. Hungry Horse Dam is a sound unit of a sound multiple-purpose treatment of the Columbia.

For that reason the Secretary of the Interior has wisely requested funds for making studies and for scheduling power lines that would link Hungry Horse Dam with the other projects on the Columbia River so that the Northwest may have an integrated power grid connecting all the projects and making low-cost power available throughout the region, just as the various dams on the Tennesee River system are linked together in a common transmission system. This is sound planning and good business for the Government and for the people of the Northwest. This is what we in Montana want to see done, and what the people and representatives of the other States of the Northwest want to see done.

The Senate has repeatedly expressed itself regarding the necessity of providing for the integration of public power facilities and for outlets from Government power plants to market in order to effectuate our historic policy of giving preference to public agencies and cooperatives in the sale of power and of preventing monopolization of publicly financed power developments by a few big corporations. Only last fall we settled that policy with respect to the dams built by the Army engineers throughout the country.

We cannot legislate such sound public policies and then negative them by withholding funds that are necessary to carry them out. That is nonsense. It is not playing fair with the people who have applauded the sound policies we have enunciated.

I am aware that the distinguished Senator from Arizona [Mr. HAYDEN] and his committee have done their best to hold to the Senate's position in this matter, and I compliment him on the courage and vigor with which he has upheld his responsibilities. But I am chagrined that action in the House of Representatives, at a time when this appropriation must be passed, makes it impossible for the Senate to demand that the funds for continuing the work on the interconnection of Hungry Horse with the other dams on the Columbia be retained in this appropriation bill. We in Montana will insist that a deficiency appropriation be sought in order to rectify this terrible mistake, and I am sure that the members of the committee who voted for this item in the current bill will uphold our request again. But I cannot help being concerned that the delay, short as it may be, will only give aid and

comfort to the interests which seek to destroy the soundness of our Federal developments by isolating them and by interfering with their integration and with the building of transmission outlets. I know that selfish and powerful interests do not want to see these Government plants handled on the sound businesslike basis that the Congress has repeatedly directed. I want them to realize that we know what their game is, and we will vigorously uphold the position we have taken. The appropriation for transmission-line studies of the Bonneville Power Administration must be augmented at the appropriate time by supplemental funds to assure the integration of Montana's Hungry Horse project with the other plants on the Columbia River. This must be done soon, so that this great project in my State can make its proper contribution to the solution of the postwar economic problems of the Northwest.

SUGGESTED AMENDMENTS OF SURPLUS PROPERTY ACT BY CHAIRMAN GILLETTE

Mr. O'MAHONEY. Mr. President, approximately a week ago a subcommittee of the Committee on Military Affairs held a hearing at which all the members of the Surplus Property Board were present. The committee was considering the affairs of the Surplus Property Board, and the manner in which the Surplus Property Act has been functioning. During the course of the hearing I asked the Chairman of the Surplus Property Board whether he had any suggestions to make with respect to an amendment to the act. He said he did have some personal suggestions to make, and would submit them to me. I am now in receipt of a letter from Chairman Gillette of the Surplus Property Board, enclosing a list of suggestions which he has submitted in his personal capacity, and not at all in the capacity of speaking for the Board. I ask unanimous consent that his letter, which has been addressed to me, together with the list of suggestions, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter, and the suggested recommendations, were ordered to be printed in the RECORD, as follows:

SURPLUS PROPERTY BOARD,
Washington, D. C., June 29, 1945.

Hon. JOSEPH C. O'MAHONEY,
United States Senate, Washington, D. C.

MY DEAR JOE: I had promised you and two or three of the other Senators that I would send them some thoughts that I personally had been thinking in connection with possible amendment of the Surplus Property Act.

I am enclosing such a list of suggestions for thought. These, of course, do not go into the detailed amendment of the act such as would pertain to the field of application of priorities and preferences to be accorded but deal with matters which seem to me to be basic and foundational. In any event, I am sending them for any consideration they may merit. These suggestions are sent on my own personal responsibility and may or may not reflect the opinions of the other members of the Board. In any event, you are free to use them in any way you see fit.

With personal greetings, I am,

Very sincerely,

GUY M. GILLETTE,
Chairman.

SUGGESTIONS FOR CONSIDERATION IN CONNECTION WITH POSSIBLE AMENDMENT OF THE SURPLUS PROPERTY ACT OF 1944

I have had numerous requests from Members of the Congress on both sides of the Chamber for suggestions with reference to amendment of the Surplus Property Act, passed October 3, 1944.

The act was a comprehensive piece of legislation and went into new fields of legislative thought while covering a wide area of administrative needs. There are many provisions in the act which seem to the members of the Surplus Property Board to require clarification and possible change. However, in view of the fact that the Board did not complete its membership and actually start functioning until about the first of February 1945, it seemed illogical for the Board to suggest amendment without having available the guiding experience on which recommendations for amendment could be predicated. It seemed to the Board that their immediate duty was to try to apply and administer the act as it had been passed by the Congress, and at a later date possibly, in the light of some maturity of experience, make suggestions to the Congress, if requested to do so.

Because, however, my resignation from the Board has been filed and accepted and becomes effective July 15, 1945, it seems that I am justified in complying with the request made of me and call attention to a few matters which I believe should be carefully considered with a view to possible amendatory action. The matters which I shall list seem to me to be fundamental to the success of the legislation and basic enough to be discussed now. It must be understood, however, that these suggestions are made by me personally and do not purport to represent the opinion of the Board membership.

1. I was one of those who concluded that the provisions of the act should be administered by a Board, rather than by one Director or Administrator. This conclusion was based on the very logical premise that the combined thought and judgment of several individuals would be more democratic in procedure and more sound in conclusion than the judgment of one man. I also felt that no one man was omniscient enough to reach judgments in the wide field of activity envisioned by the act. In the light of my few months' experience as a member of the Board, however, I am forced to the conclusion, and I am convinced, that the act should be administered by one person as its head. This head does not need to be omniscient, because he can and must surround himself with division advisers competent to bring him the factual information and technical guidance on which he can base his decision. The decisions made in the administration of the act are of such vital import to the national economy that there should be highly centralized authority to make the decisions, and equally centralized responsibility for those decisions. Under Board procedure there will certainly be in the future, as there have been in the past, differences of opinion, and many of these great decisions will be made by divided vote of the Board membership. It can readily be seen that the import of some of these decisions will be so far reaching that there will be a temptation on the part of minority opinion to disclaim responsibility for decisions made, and this would be especially true if the decisions proved to be faulty in application. Whatever faults might be inherent in a single head for this agency, it seems to me that they would be far offset by the advantages of centralized authority and responsibility.

2. The Surplus Property Act of 1944, following the pattern set by the late President when he created the Surplus War Property Administration by Executive order in February 1944, established this agency subordinate to the Office of War Mobilization and Reconversion. Section 5 (a) of the Surplus Property Act of 1944 and Section 101 (b) of the War Mobilization and Reconversion Act of 1944 established the Surplus Property Board "in the Office of War Mobilization, and in its successor" and provided that it should "exercise their functions subject to the general supervision of the Director."

This immediately brings the query as to congressional intent embodied in the words, "exercise their functions subject to the general supervision of the Director." Was it the intent of the Congress that such supervision should simply be of such a general nature as to be negligible in its effect, or was it the intention of the Congress that, if a Director so desired, all decisions, all rules, all regulations, and all activities of the Surplus Property Board, including its personnel and financial needs, should be channeled through the Office of War Mobilization and Reconversion and be subject to veto there? The present Director, Judge Vinson, and his predecessor, Judge Byrnes, have been painstakingly considerate in their interpretation of this supervisory function, but even with this attitude on their part, there have been numerous instances where plans and policies of the Board have been vetoed or changed in the Office of War Mobilization and Reconversion. It is needless to cite specific instances, for the fact is apparent that in the disposal of surplus property, the whole transaction is handled on three levels of activity. First is the disposal agency level, which carries out the actual operations of sale and distribution of surplus goods. Over and above this activity level is the Surplus Property Board, clothed by the Congress with broad powers of direction, supervision, and control. Over and above the Board is the Office of War Mobilization and Reconversion, supervising the Board in its turn. If this situation is allowed to continue, some future Director of the Office of War Mobilization and Reconversion might well insist that all activities be channeled through his office and be subject to his absolute supervisory control. It seems to the undersigned that this three level structure is particularly unfortunate, and it might be well to thoughtfully weigh the advantages of creating the Board as an independent agency of the Government.

3. One of the serious problems in connection with the disposal of Federal property has seemed to me to be the sale of property by owning agencies. Section 11 of the act provides that each owning agency has the obligation to survey property under its control and to "determine which of such property is surplus to its needs and responsibilities." It is then provided that the owning agency shall promptly report to the Board such surplus property. Surplus property is defined by the act as "property which has been determined to be surplus to the needs and responsibilities of the owning agency in accordance with section 11," referred to above. The question arises as to when property becomes surplus. The above language states that it becomes such when it is "determined" to be surplus to the needs of the owning agency, and the declaration is another step to be taken after the determination. There have been instances brought to the attention of the Board where owning agencies had advertised property for sale to the public without declaring it surplus to the Board. In some of these instances, several months had elapsed after a decision had

been made that the property was no longer needed, but no declaration had been made to the Board. The question has been discussed by the Board membership and the Legal Division, and there certainly should be clarification as to what particular action brings to property the quality of "surplus." Does such quality adhere only after the property has been declared to the Board, or does it adhere to the property when it is an inchoate conclusion in the minds of the heads of the owning agency? Put more succinctly, what evidence is necessary to show that a determination has been made other than a mental conclusion? Until the property has become surplus property within the definition of the act, it does not come within the supervision of the Board or under the controls and restrictions of the provisions of the act.

4. Numerous statutes make provision for the disposal of Federal property by owning agencies. These statutes are other than the Surplus Property Act of 1944. In addition, the Surplus Property Act itself provides three situations in section 14 whereby owning agencies may make disposal of Federal property without declaring it surplus and bringing it under the provisions of the act. This has led to some confusion and will inevitably lead to more confusion. It is true that section 34 (a) of the act provides that authority conferred by the act is "in addition to any authority conferred by any other law and shall not be subject to the provisions of any law inconsistent herewith." However, the same section provides further that "this act shall not impair or affect any authority for the disposition of property under any other law, except that the Board may prescribe regulations to govern any disposition of surplus property under any such authority to the same extent as if the disposition were made under this act, whenever it deems such action necessary to effectuate the objectives and policies of this act." Attention is directed to two phrases in this saving clause. First is that the regulations to be prescribed by the Board govern only disposition of surplus property under the provisions of these other acts. Again the question arises: What is surplus property? Is it property that they have merely determined to be surplus, or is it property that has been declared to the Board? The second phrase to which attention is directed is that this control of property sold under these other statutes is only when the Board deems it necessary to effectuate the objectives and policies of the act. The Board has, through its Legal Division, tried to list the multitude of statutes under which disposals can be made by owning agencies. Unless such a list is readily available and there can be some knowledge on the part of the Board of disposals under these other statutes, or intended disposals, there cannot very well be a determination by the Board that such disposals or contemplated disposals contravene the objectives of the act. The whole situation is thus left in a condition where, unless fully clarified, the first knowledge that the Board may have of disposals under these other statutes is when they are an accomplished fact and it is too late to formulate regulations and restrictions.

5. Under the act there has been a failure to legislate clearly in the field of the disposal of industrial real estate and industrial plants. Section 23 of the act legislates in detail relative to the disposal of nonindustrial real property, but in this section, war housing, industrial plants, factories, and the sites thereof, or land which the Board determines is essential to the use of any of the foregoing are expressly excluded from the provisions of this section. There is a dearth of legislation to guide in this most important field.

Substantially the only provisions in the act applying to this class of property are contained in section 19. In this section it was the obvious intent of the Congress to stipulate that no sales of certain classes of industrial plants there enumerated should be made prior to a general report to the Congress and a 30-day period of waiting. It seems equally obvious in reading the list of 12 categories of plants there set forth that the Congress had in mind the retention of some degree of control over the disposal of these plants which might lend themselves to the establishment or continuance of monopolistic control in the specific industry. It would seem that Congress should probably reexamine the legislation safeguarding the disposal of industrial plants and associated real property and should particularly note that the report to Congress provided for by section 19 simply refers to a report as to "the following classes of surplus property" and not to specific plants. Subsection (c) of section 19 clothes the Board with authority to lease plants in these listed categories for a term of not more than 5 years. Thought might well be given to the possible effect of such authority. A lease of these plants for a period of years could very well give an opportunity for the lessee to destroy or curtail the value of the plants by letting it stand idle or changing its physical character or by changes in processes. While provisions could be embodied in the lease terms providing for cancellation by the lessor under certain contingencies, it can readily be seen that unless a strict surveillance is maintained, the damage could well be done before there was knowledge sufficient to justify cancellation, or a situation develop where cancellation would simply be locking the stable door after the horse is stolen.

It would be well also to consider lowering the minimum of $5,000,000 fixed by section 19 as the cost yardstick to govern the reporting of plants. It might well be lowered to $1,000,000, which is the figure fixed in section 20 relative to the reporting of contemplated sales to the Attorney General.

6. Careful thought should be given to legislation dealing more specifically with sales of surplus property in foreign areas. Surplus property of the Federal Government will be declared in practically every part of the world. Markets and buyers are strictly limited, as are currency-exchange facilities. The Board has been constrained to make use of an agency known as the Office of the Army-Navy Liquidation Commissioner. It is readily recognized that there are new Federal agencies with offices and personnel and organization comprehensive enough to act as a disposal agency in the various parts of the world. The device of the joint Army-Navy office above referred to seemed to be the only readily available agency to do an immediate job in these fields. But the fact remains that, through the use of this device, owning agencies declare property to themselves as disposal agencies. As a consequence we have a situation where such departments as the War and Navy Departments are disposing of goods in foreign areas, and in these disposals, some sales are made by the owning agency as such under authority of general statute, and other sales are made after the owning agency has declared property to itself as a disposal agency. I think it will be readily conceded that the whole machinery of surplus disposal as contemplated by the Congress envisioned and provided for declarations by an owning agency to the Board and sales under Board supervision by another and different agency of the Federal Government as a disposal group. A reexamination of legislation for sales in these foreign fields would seem to be desirable.

7. The Congress, through the enactment of section 27 of the act, sought to protect the machinery of surplus property disposal from the temptations which would surround personnel previously employed by the Board or a disposal agency from the use of the knowledge and experience gained as such employee for the advantage of private concerns interested or involved in the disposition of Federal surplus property. Section 27 therefore provides that no person employed by any Government agency shall, during the period in which the person is so engaged or for a period of 2 years thereafter, "act as counsel, attorney, or agent * * * in connection with any matter involving the disposition of surplus property by the agency in which such person was employed, if such person during his employment with such agency ratified, approved, or authorized the disposition of any surplus property pursuant to the provisions of this act or recommended any such approval, authorization, or ratification as part of his official duties." This would seem to be an indequate safeguard. For instance, it would seem that this language would not apply to numerous personnel on the staff or in the employ of the Surplus Property Board, since their employment does not involve the ratification, approval, or authorization of the disposal of surplus property. Neither would it apply to thousands of employees of disposal agencies who might nevertheless be in a position to use knowledge gained through their employment by the disposal agency to the advantage of some later nonofficial employer. Indeed, it would appear that a strict construction of the language employed in this section would not prohibit me, as a former Chairman of the Surplus Property Board, from active participation in many sales of surplus property in the future, because I have not been employed by any of the disposal agencies. It is readily conceded that the congressional purpose was not to curtail future employment of minor employees of the disposal organization, but the fact remains that the abuses which the Congress sought to anticipate and prevent would not be successfully met without amendatory language to this section.

8. Various Members of the Congress have expressed the fear of a repetition of the situation following World War I whereby unscrupulous business houses falsely advertised and misrepresented the sale of goods as being governmental surplus when such was not the case. These Members of Congress have suggested that the act be amended to guard against this possibility. It should be borne in mind, however, that most States have statutes for protection against fraud and misrepresentation of this type. If transactions in interstate commerce are involved, the Federal Trade Commission would of course have jurisdiction in most cases. It would not seem to be a proper obligation of the Surplus Property Board to undertake the task of policing advertisement of all types of property with a view to determining its truth or falsity. It is suggested that Congress might give thought to amendatory provisions relative to the use of such trade names as Army and Navy Stores or trade names indicating that the stock for sale is surplus Government property when in fact it is not. There can be little question that such provisions might be useful where interstate commerce is involved.

G. M. GILLETTE.

JUNE 29, 1945.

MESSAGE FROM THE HOUSE

A message from the House of Represenatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of

conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the President pro tempore:

H. R. 3278. An act to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes; and

S. J. Res. 30. Joint resolution extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

WAR AGENCIES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes.

Mr. O'DANIEL. Mr. President, on the 28th of this month I endeavored to submit an amendment to the pending bill, House bill 3368. The parliamentary situation at that time prevented me from submitting the amendment, because the Senator from Mississippi [Mr. BILBO] had the floor and could not yield for that purpose without losing the floor. I did not wish to take him off the floor. I therefore postponed action. However, later on the same day, out of the kindness of his heart, and in his desire to hasten the enactment of House bill 3368 uncontaminated, the Senator from Mississippi agreed to submit the amendment for me, which he did.

I appreciate the fact that the Senator from Mississippi also thought my amendment was so good that he joined me as a coauthor. I now send the amendment to the desk and ask that it be read and considered at the proper time.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following: "*Provided further*, That no part of the funds appropriated in this act or in any other act shall be available for expenditure to carry out the functions vested in the Committee on Fair Employment Practice by Executive Orders No. 8802 and 9346 until, and then only so long as, such Executive orders are so amended as to impose the same prohibitions upon, and remedies to prevent, discrimination against any person because of his membership or nonmembership in, or affiliation or nonaffiliation with, any labor organization as are imposed by such Executive orders with respect to discrimination against any person because of his race, creed, color, or national origin."

Mr. MEAD. Mr. President, under rule XXII I send to the desk, to be read, an amendment which I intend to offer in connection with the consideration of House bill 3368. A similar amendment is on the desk.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. On page 1, after line 8, it is proposed to insert the following:

COMMITTEE ON FAIR EMPLOYMENT PRACTICE

Salaries and expenses: For all expenses necessary to enable the Committee on Fair Employment Practice to carry out any functions lawfully vested in it by Executive Orders No. 8802 and 9346, including salary of a chairman at not to exceed $8,000 per annum and six other members at not to exceed $25 per diem when actually engaged; travel expenses (not to exceed $63,800); expenses of witnesses in attendance at committee hearings, when necessary; printing and binding (not to exceed $4,800); purchase of newspapers and periodicals (not to exceed $500); not to exceed $694 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); and the temporary employment of persons, by contract or otherwise, without regard to section 3709 of the Revised Statutes and the civil-service and classification laws (not to exceed $8,900); $446,200: *Provided*, That no part of the funds herein appropriated shall be used to pay the compensation of any person to initiate, investigate, or prosecute any complaint against any defendant where such defendant does not have the same right to appeal an adverse decision of the Committee on Fair Employment Practice to the President of the United States, or to refer said complaint to the President of the United States for final disposition, as is asserted by or allowed the said Committee on Fair Employment Practice in cases where persons complained against refuse to abide by its orders: *Provided further*, That no part of this appropriation shall be used to pay the compensation of any person to initiate, investigate, or prosecute any proceedings against any person, firm, or corporation which seeks to effect the seizure or operation of any plant or other property of such person, firm, or corporation by Federal authority for failure to abide by any rule or regulation of the Committee on Fair Employment Practice, or for failure to abide by any order passed by the Committee on Fair Employment Practice: *Provided further*, That no part of the funds herein appropriated shall be used to pay the compensation of any person employed by said Committee on Fair Employment Practice who issues or attempts to enforce any rule, regulation, or order which repeals, amends, or modifies any law enacted by the Congress.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was under the subhead "Office of War Information," on page 15, line 15, after "$39,670,215", to strike out "reducing the office of War Information by $17,000,000 to apply to the estimates for activities in Europe and the United States."

The amendment was agreed to.

The next amendment was, on the same page, line 18, after the word "than", to strike out "$31,135,270" and insert "$35,583,165."

The amendment was agreed to.

The next amendment was, on the same page, line 20, after the word "than", to strike out "$1,297,500" and insert "$1,482,855."

The amendment was agreed to.

The next amendment was, on the same page, line 25, after the word "exceeding", to strike out "$36,840" and insert "$42,105."

The amendment was agreed to.

The next amendment was, on page 16, line 11, after the word "exceed", to strike out "$250,000" and insert "$285,715."

The amendment was agreed to.

The next amendment was, on page 17, line 7, after the word "and", to strike out "other" and insert "others."

The amendment was agreed to.

The next amendment was, under the subhead "War Production Board," on page 18, line 24, after the word "exceed", to strike out "$186,300" and insert "$210,000"; and on page 19, line 4, after the word "airplane", to strike out "$35,000,000" and insert "$35,623,700."

The amendment was agreed to.

The next amendment was, under the subhead "Smaller War Plants Corporation," on page 19, line 14, after the word "exceed", to strike out "$7,000,000" and insert "$8,000,000"; in line 22, after the figures "$12,000", to insert "and the salaries of four members of the Board at not exceeding $9,000 each per annum"; on page 20, line 11, after the word "exceed", to strike out "$43,750" and insert "$50,000"; and on page 21, line 5, after the word "said", to strike out "$7,000,000" and insert "$8,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "War Shipping Administration," on page 22, line 22, after the word "their" where it occurs the second time, to strike out "first post of duty in a foreign country" and insert "posts of duty outside continental United States (excluding Alaska) and return; payments to employees of per diem allowances in lieu of subsistence during periods after December 7, 1941, while on temporary duty or in training outside continental United States pending assignments to permanent duty stations; necessary advance payments in foreign countries; payment of any final judgment rendered in any suit arising out of the activities of said Administration, under the Suits in Admiralty Act (46 U. S. C. 741–752), the Public Vessels Act (46 U. S. C. 781–789), and section 902 of the Merchant Marine Act, 1936 (46 U. S. C. 1242), including payment of any compromise authorized by law of any such suit."

The PRESIDING OFFICER. That concludes the committee amendments. The bill is before the Senate and open to further amendment.

Mr. JOHNSTON of South Carolina. Mr. President, are there any amendments now pending?

Mr. CHAVEZ. I understand there is an amendment now lying on the desk.

The PRESIDING OFFICER. No amendment is now pending. The Senator from New Mexico [Mr. CHAVEZ] has an amendment now on the desk which has not been offered.

Mr. MEAD. Mr. President, only a moment ago I offered an amendment similar to the amendment which my colleague the Senator from New Mexico [Mr. CHAVEZ] presented.

Mr. BILBO. Mr. President, a parliamentary question.

The PRESIDING OFFICER. The Senator from Mississippi will state it.

Mr. BILBO. Has the amendment to which the Senator from New Mexico referred been offered?

The PRESIDING OFFICER. The amendment was presented but not offered.

Mr. BILBO. I make a point of order.

Mr. BARKLEY. The presentation of an amendment is not an offer of the amendment.

The PRESIDING OFFICER. The Chair rules that the amendment has been presented but not offered.

Mr. CHAVEZ. Mr. President, I offer the amendment which I have presented, and ask that it be read.

The PRESIDING OFFICER. The amendment will be read.

The CHIEF CLERK. On page 1, after line 8, it is proposed to insert the following:

COMMITTEE ON FAIR EMPLOYMENT PRACTICE

Salaries and expenses: For all expenses necessary to enable the Committee on Fair Employment Practice to carry out any functions lawfully vested in it by Executive Orders Nos. 8802 and 9346, including salary of a Chairman at not to exceed $8,000 per annum and six other members at not to exceed $25 per diem when actually engaged; travel expenses (not to exceed $63,800); expenses of witnesses in attendance at committee hearings, when necessary; printing and binding (not to exceed $4,800); purchase of newspapers and periodicals (not to exceed $500); not to exceed $694 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); and the temporary employment of persons, by contract or otherwise, without regard to section 3709 of the Revised Statutes and the civil-service and classification laws (not to exceed $8,900); $446,200: *Provided*, That no part of the funds herein appropriated shall be used to pay the compensation of any person to initiate, investigate, or prosecute any complaint against any defendant where such defendant does not have the same right to appeal an adverse decision of the Committee on Fair Employment Practice to the President of the United States, or to refer said complaint to the President of the United States for final disposition, as is asserted by or allowed the said Committee on Fair Employment Practice in cases where persons complained against refuse to abide by its orders: *Provided further*, That no part of this appropriation shall be used to pay the compensation of any person to initiate, investigate, or prosecute any proceedings again any person, firm, or corporation which seeks to effect the seizure or operation of any plant or other property of such person, firm, or corporation by Federal authority for failure to abide by any rule or regulation of the Committee on Fair Employment Practice, or for failure to abide by any order passed by the Committee on Fair Employment Practice: *Provided further*, That no part of the funds herein appropriated shall be used to pay the compensation of any person employed by said Committee on Fair Employment Practice who issues or attempts to enforce any rule, regulation, or order which repeals, amends, or modifies any law enacted by the Congress.

Mr. JOHNSTON of South Carolina. Mr. President, I make the point of order that inasmuch as the amendment was not submitted by the Committee on Appropriations, it would be necessary, by a two-thirds vote of the Senate, to suspend rule XVI before the amendment could be considered. I raise that point of order.

The PRESIDING OFFICER. The point of order is well taken.

Mr. MEAD. Mr. President, a moment ago I presented an amendment to the desk, and I wonder if I may ask to have it read.

The PRESIDING OFFICER. The amendment will be read.

The CHIEF CLERK. On page 1, after line 8, it is proposed to insert the following:

COMMITTEE ON FAIR EMPLOYMENT PRACTICE

Salaries and expenses: For all expenses necessary to enable the Committee on Fair Employment Practice to carry out any functions lawfully vested in it by Executive Orders Nos. 8802 and 9346, including salary of a chairman at not to exceed $8,000 per annum and six other members at not to exceed $25 per diem when actually engaged; travel expenses (not to exceed $63,800); expenses of witnesses in attendance at Committee hearings, when necessary; printing and binding (not to exceed $4,800); purchase of newspapers and periodicals (not to exceed $500); not to exceed $694 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); and the temporary employment of persons, by contract or otherwise, without regard to section 3709 of the Revised Statutes and the civil-service and classification laws (not to exceed $8,900); $446,200: *Provided*, That no part of the funds herein appropriated shall be used to pay the compensation of any person to initiate, investigate, or prosecute any complaint against any defendant where such defendant does not have the same right to appeal an adverse decision of the Committee on Fair Employment Practice to the President of the United States, or to refer said complaint to the President of the United States for final disposition, as is asserted by or allowed the said Committee on Fair Employment Practice in cases where persons complained against refuse to abide by its orders: *Provided further*, That no part of this appropriation shall be used to pay the compensation of any person to initiate, investigate, or prosecute any proceedings against any person, firm, or corporation which seeks to effect the seizure or operation of any plant or other property of such person, firm, or corporation by Federal authority for failure to abide by any rule or regulation of the Committee on Fair Employment Practice, or for failure to abide by any order passed by the Committee on Fair Employment Practice: *Provided further*, That no part of the funds herein appropriated shall be used to pay the compensation of any person employed by said Committee on Fair Employment Practice who issues or attempts to enforce any rule, regulation, or order which repeals, amends, or modifies any law enacted by the Congress.

Mr. McKELLAR. Mr. President, I want to know what is the difference between the amendment offered by the Senator from New York and the amendment offered by the Senator from New Mexico.

The PRESIDING OFFICER. They are identical, the Chair is advised.

Mr. McKELLAR. They are identical. The Mead amendment has not been passed upon by the committee.

Mr. BILBO. The Mead amendment cannot be offered until the Senate votes on the special rule.

The PRESIDING OFFICER. The Chair rules the same point of order would apply to the amendment offered by the Senator from New York as to the amendment offered by the Senator from New Mexico.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. The Senator from New Mexico having given written notice under the rules that he would move to suspend the rule in regard to the amendment which he proposed, and no such notice having been filed, so far as I am informed, with regard to the amendment now offered by the Senator from New York, is it or not true that the Senator from New Mexico is the only Senator who is in position to move to suspend the rule in order that consideration may be given to the amendment he has offered, and which the Chair declared out of order.

The PRESIDING OFFICER. That is correct.

Mr. MEAD. Mr. President, a parliamentary inquiry. It is my opinion that the Presiding Officer in ruling the other evening when we were discussing the cloture rule held that Members could present amendments up until 1 o'clock on Monday, when the cloture petition would be voted upon, and that those amendments would be in order, and pending.

Mr. BARKLEY. Mr. President, I think the Senator from New York, much as I sympathize with what he is attempting to do, is mistaken about the effect of the Chair's ruling. The Chair ruled that any Senator who contemplated offering an amendment must present his amendment and have it read prior to the vote on the cloture motion, but that did not waive other rules in regard to the amendment when offered. In other words, if it would be subject to a point of order now, it would be subject to a point of order after the vote on the cloture motion. So the Chair, as I recall, did not rule that the mere presentation and reading of an amendment prior to 1 o'clock on Monday waived the rule as to the ability of the amendment to be offered without a suspension of the rule. I say that because I think that is the effect of the Chair's ruling.

Mr. MEAD. Mr. President, therefore in order to clear up this situation the amendment now before the Senate is the amendment offered by my distinguished colleague from New Mexico [Mr. CHAVEZ].

The PRESIDING OFFICER. The amendment has been ruled out of order. However, the Chair has stated that the Senator from New Mexico can move to suspend the rule on his amendment, but the Senator from New York cannot make such a motion on his amendment. The Senator from New York can present his amendment to be voted on after cloture, but it cannot be voted on before that.

Mr. MEAD. Therefore, it will remain on the desk and be acted upon after the adoption of the cloture petition.

The PRESIDING OFFICER. Yes.

Mr. RUSSELL. Oh, no; Mr. President. Let us have no confusion about this matter. The mere fact that a cloture motion has been adopted does not in any wise waive the provisions of

rule XVI or the other rules of the Senate.

Mr. BARKLEY. The Chair has so held, and that is the position I am taking.

Mr. RUSSELL. I do not like to have any confusion in regard to that matter, because the mere fact that a cloture motion has been adopted on an appropriation bill, does not waive any other rule which prescribes procedure by which other amendments may be brought before the Senate.

Mr. BARKLEY. I think there is no doubt about that at all.

Mr. RUSSELL. Very well.

The PRESIDING OFFICER. The Chair ruled the other day that the action on the cloture motion would not abrogate rule XVI, and while amendments could be offered, they would still be subject to a point of order. The Chair so holds now.

Mr. MEAD. I desire to speak on the point of order which has been made.

The PRESIDING OFFICER. The Chair has already ruled on that point of order.

Mr. CHAVEZ. I have no objection; but the Chair ruled on the point of order before it could be discussed, and no Senator had an opportunity to discuss it.

Mr. JOHNSTON of South Carolina. Mr. President——

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Is it not true that the Chavez amendment is before the Senate for discussion now, and not other amendments?

The PRESIDING OFFICER. The amendment is not before the Senate, but the Senator from New Mexico has a right to move to suspend the rule.

Mr. CHAVEZ. That is not what I had in mind at all. I know I have the right to make a motion to suspend the rule, but the fact that I can put in my amendment after cloture does not prevent me before that time from presenting an amendment and having the Chair rule whether it is subject to a point of order or not. I presented my amendment so that the Chair could rule on it, but I believe we are entitled to discuss whether or not the point of order properly lies. The Chair did not give an opportunity to anyone on our side to discuss the point of order.

The PRESIDING OFFICER. The Chair stated that the Senator from New Mexico had a right to move to suspend the rule. The Chair has no disposition to prevent any Senator who may wish to speak, but the Chair did rule on the point of order and said the amendment was subject to the point of order, and, therefore, would require a two-thirds vote in order to be considered.

Mr. CHAVEZ. From that decision, I appeal.

The PRESIDING OFFICER. The Chair stated that he would recognize any Senator to discuss this question, and for that purpose the Chair withholds his decision if the Senator wishes that to be done.

Mr. CHAVEZ. I do not wish to discuss it, but since the Chair has ruled, I appeal from the decision.

Mr. MEAD. Mr. President, I should like to discuss briefly the question of the point of order.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. MEAD. Mr. President, in the past 2 days I have made a study of the question now before the Senate, and I should like to have the Chair consider the views which I am about to make on the pending question.

I realize the Standing Rules of the Senate forbid the Committee on Appropriations to "report an appropriation bill containing amendments proposing new or general legislation"—rule XVI, paragraph 2. Another paragraph of the same rule—paragraph 4—provides that "no amendment which proposes general legislation shall be received to any general appropriation bill."

Paragraph 4 apparently refers to amendments offered by individual Senators as distinguished from those offered by the Appropriations Committee.

The rule further provides with respect to committee amendments that "a point of order may be made against the bill"—that is, a bill which contains such new or general legislation—"and if the point is sustained the bill shall be recommitted." Apparently, therefore, the inclusion of forbidden matter jeopardizes the entire bill and not merely the offending portion, as is the rule in the House.

Paragraph 4 which seems to me to refer to amendments offered by individual Senators—not to committee amendments—contains no such sanction except apparently the exclusion of the proposed irregular amendment.

While, according to rule XX, all points of order are decided without debate by the Presiding Officer of the Senate, it is also specifically provided that "the Presiding Officer may submit any question of order for the decision of the Senate."

A question of order which is submitted to the Senate is debatable, as stated in Gilfrey's Precedents of the United States Senate, page 407, which I have before me.

When such a question is submitted to the Senate, it is decided by a simple majority vote. That is found in Gilfrey's Precedents on page 67, page 76, page 87.

Although the rules are silent about the size of the vote necessary to overturn a decision of the Chair, the precedents indicate that a simple majority is sufficient. That is found in Gilfrey's Precedents, page 122.

Mr. President, whether a particular amendment is "new or general legislation" under the rule is difficult to determine although the discussion in Gilfrey covers scores of pages on the subject. In 1909, one Presiding Officer, after observing that there "was no well-defined line of decision" on the point, stated—Gilfrey's Precedents, page 120:

Mr. President, in that decision by the Chair is found this language:

> The impression created upon the mind of the present occupant of the chair, after a somewhat careful and thorough examination of the subject, is that the Senate has been largely controlled in its interpretations of the rule for more than a third of a century by a consideration of the public interest involved at the time being, rather than by any regard for its technical meaning or strict application.

Mr. President, an analysis of the precedents is difficult; first, because the latest treatise on the Senate rule was published in 1915; second, because the Senate apparently never, prior to 1915, had to deal with the problem of wartime Executive order agencies—they are something new—and finally, because the various analogous decisions are contradictory.

Yet for what light they may throw upon the question, the following rulings rejecting points of order are noted:

First. In 1912, it was held that an amendment was not general legislation where it simply called for an appropriation. (Gilfrey, p. 169; the details are not given.)

Second. In 1913 the Senate held in order and not general legislation an item authorizing the Secretary of Agriculture to issue regulations protecting wild birds and making violation of any such regulations a misdemeanor—Gilfrey, page 62.

Third. In 1912 an amendment fixing the salaries of the District Commissioners for the fiscal year at $6,000 was held not general legislation, although their salaries were established by general law at $5,000. That was an increase, a raise in salary, and that was appropriating additional money. That is found in Gilfrey's Precedents, page 79.

Fourth. In 1913 an amendment creating an excise board for the District of Columbia to issue licenses for saloons was held not general legislation—Gilfrey, page 80.

If the Senate has deemed in order the items above listed, then a mere appropriation for an existing agency should not be deemed legislation. Legislation is more in the nature of a command of the State forbidding the commission of certain acts or directing the performance of certain acts. The proposed appropriation for FEPC does not forbid discrimination or any other act; it merely provides funds to enable the FEPC to carry out functions lawfully vested in it by Executive Order 9346. The "legislation" is contained and will continue to remain in the Executive order, no matter what we do with the amendment offered by my distinguished colleague the Senator from New Mexico [Mr. CHAVEZ].

Therefore, Mr. President, our action here does not repeal, modify, or amend the legislation. Therefore, it is not new legislation, and it is not general legislation.

Mr. President, as I have said, the Executive order will remain in existence regardless of our action on the proposed amendment, and our failure to appropriate funds for the FEPC will not affect the legislation. The statutory authority will remain.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. MEAD. As soon as I finish this statement, I shall be glad to yield.

Mr. President, the committee and its staff could theoretically function without

any funds, using voluntary help exclusively.

One provision of the Executive order directs the procurement agencies to include nondiscrimination clauses in all Federal contracts. That obligation continues to exist, it will remain, whether or not the funds carried by the amendment are provided.

In 1901, in overruling a point of order made against an appropriation for rural carriers, the Presiding Officer made this statement:

Clearly it is simply a provision appropriating money—

That is what we are doing—

Clearly it is simply a provision appropriating money for the maintenance of various arms of the service for the next fiscal year. It will be disbursed in accordance with law and in no other way.

And that is the way these funds will be disbursed. The Presiding Officer continued:

This makes no law, but simply makes an appropriation.

The same principle of procedure could, I believe, apply in the pending case. Thus, I hold that our granting FEPC funds does not ipso facto alter any private person's legal rights or duties and is not new or general legislation.

That can be vindicated, in my judgment, Mr. President, by any number of precedents which can be found in the most reliable treatise on the subject.

I now wish to sum up, and in view of the fact that we are dealing with the new subject matter in this amendment, Executive orders growing out of the war, Executive orders which were not acted upon when the last precedents of the Senate were published, back in 1912, in my judgment it is high time that the Senate should guide the Chair in his deliberations, and what I am saying has that in view, and is not because of a desire to appeal from the decision of the Chair or to supplement the request made by my distinguished colleague from New Mexico to take issue with the Chair. It is to guide and assist the Chair by having an expression of the Senate with regard to the rule on this particular subject.

To sum up, let me say that the amendment to the war agencies bill (H. R. 3368), to restore the FEPC appropriation in the amount contained in the Senator's amendment, does not conflict with the Senate rules. Such an amendment is not "new or general legislation" within the meaning of Senate rule XVI, paragraph 2, for the reasons I shall state, and I should like to have the attention of the Senate while I state them.

First. The appropriation item is not "new" since a similar appropriation was voted last year by this body.

Second. The appropriation is not "general legislation," since the appropriation itself does not direct the performance of or prohibit the doing of any act.

Third. The appropriation is not legislation since it in no way affects or impairs the rights or duties of any person.

Fourth. The provisions of Executive Order 9346, establishing the FEPC, retain their theoretical effect whether or not an appropriation is granted, and so the appropriation itself does not legislate.

I state one more reason why I believe this is not new or general legislation within the meaning of Senate rule XVI, paragraph 2.

Fifth. If it is argued that FEPC has no statutory authority, the same argument can be made against the following war agencies for which appropriations are listed in the bill:

Office of War Information.

We have passed on that approvingly.

War Relocation Authority.

That has received our approval.

Mr. President, it seems to me we are selecting one agency created by the same authority, appropriated for time and again by the same body, and we are going to set it up for particular care and attention, and that, in my judgment, is not following a rule of consistency.

Finally, Mr. President, there is no clear-cut, well-settled line of decisions forbidding appropriations to agencies like the FEPC, and therefore I think it would be eminently fair and right and helpful to the Presiding Officer if the Senate in its wisdom passed upon this matter, which it can do now as a result of the appeal made by the Senator from New Mexico from the decision of the Chair. I urge that that be done, with all respect and in all friendship to the present occupant of the chair.

Mr. BARKLEY and Mr. RUSSELL addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kentucky, but before the Senator proceeds let the Chair say that he was going to make a statement about the matter.

The Chair has listened with a great deal of interest to the argument of the Senator from New York [Mr. MEAD]. The Chair considered the matter fully before a ruling was made. The amendment, in the opinion of the Chair, does provide new legislation. The Senator has made reference to other amendments. They were amendments which were approved by the committee, and no point of order was made against them. The amendment in question is not a committee amendment, was not adopted by the committee, and was offered from the floor. Therefore the Chair is of the opinion that unquestionably this amendment does come under rule XVI. In order to reassure himself the Chair has consulted the Acting Parliamentarian, and is advised by him that that is so.

The question now arises upon the appeal of the Senator from New Mexico [Mr. CHAVEZ], and the question to be decided by the Senate is: Shall the decision of the Chair stand as the judgment of the Senate?

The Chair recognizes the Senator from Kentucky.

Mr. RUSSELL. Mr. President, I shall not appeal from the recognition made by the Chair, but I am quite sure I addressed the Chair and asked for recognition some time ago.

The PRESIDING OFFICER. The Chair recognized the Senator from Kentucky, and then the Chair proceeded to state his decision.

Mr. BARKLEY. Mr. President, I wish to discuss in just a word the appeal from the decision of the Chair. I think I need not reiterate the fact that I have supported from its inception the Fair Employment Practice Committee. I approved of the action of the previous President, the late lamented President Roosevelt, when he created the Committee. I felt that it was created for the purpose of serving a worthy and laudable and, in my judgment, a necessary function as a part of the war program. I think it has done excellent work. I think there is much that it can still do, and I hope that Congress will, regardless of the controversies that now prevail, provide it with funds so that it may continue to function, at least as a war agency.

The question of providing by legislation for its permanent status beyond the war is another matter, and will be, I presume, discussed here on its merits when it is taken up. If it comes to a vote I intend to vote for the full $446,000 provided for in the amendment offered by the Senator from New Mexico.

Mr. President, I made an effort the other night in the Senate, in all good faith, to reach an understanding with respect to an appropriation in an amount that would permit this Committee to function during the coming fiscal year, and I said, as I recall, and as I think the RECORD will show, that if those on both sides would be willing to accept that suggestion, that it should involve the proposal that no point of order would be made against the amendment. Of course that part of the suggestion no one was bound to agree to, and we recognize the fact that any Senator has the right to make a point of order, and it has been made. The Chair has sustained it.

Rule XVI, paragraph 1, provides:

All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill, the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation—

Which this amendment does—

unless it be made to carry out the provisions of some existing law or treaty stipulation.

The only way by which I could justify myself—let me have the attention of the Senate, please, because what I am about to say goes to the merits of the Chair's ruling—the only way I could justify myself in voting to overrule the decision of the Chair would be to convince myself that the Executive Order No. 8802, as amended by a subsequent Executive order, constitutes "the provisions of some existing law." If the Executive order does not constitute what this rule speaks of as "the provisions of some existing law", then the Chair's ruling is correct. If the Executive order can be construed to constitute "the provisions of some existing law", then the Chair would be in error in his ruling.

The President in the Executive order set out the fact that he was issuing the order in accordance with the Constitution and the statutes of the United States,

without stipulating the provision of the Constitution and without stipulating the statutes. We have assumed here that all Executive orders which set up agencies such as the War Labor Board, the War Production Board, the Office for Emergency Management and in the beginning the Office of Price Administration, were issued in consequence of some inherent authority possessed by the President in time of war.

No one has contested that theory except the Senator from Ohio, I think, when a year or two ago we had under consideration legislation dealing with the OPA.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I will yield in a moment if the Senator will permit me to finish the sentence. The Senator from Ohio took the position that he had some doubt whether the President had authority to issue the order creating the Office of Price Administration; that although there might have been color of authority under the Second War Powers Act, there was never any decision with respect to it.

I yield now to the Senator from Ohio.

Mr. TAFT. I only want to say that I think the President has power to do this, but not under the War Powers Act; simply because of the fact that when we give the President very extensive powers at different times he is entitled to have assistants. So far as I can see, the only justification for a committee of this kind is that it is composed of individuals whom he appoints to assist him in the exercise of his duty. I do not think the committee was created by authority of law. The members of the committee are no more than the President's executive assistants in the White House. It seems to me that is his justification for appointing them. Consequently, in my judgment, such a thing can be done in time of peace as well as in time of war. I certainly would hesitate to set aside rule XVI of the Senate simply because I think it would open up a means of creating an indefinite number of executive agencies in time of peace as well as in time of war.

Mr. BARKLEY. I appreciate the force of the Senator's argument, and I am not disagreeing with him about the matter.

Mr. President, I suppose I might as well come to the crux of my attitude on this question. As I have said, much as I sympathize with this amendment, much as I favor the total amount provided in the amendment of the Senator from New Mexico, I do not believe——

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. BARKLEY. I will yield in a moment. I do not believe that Executive Order No. 8802, or the order issued by the President modifying that order, Order No. 9346, are to be interpreted as provisions of law coming under this rule. And because I do not believe that the Executive orders can be substituted for a statute passed by Congress, which no doubt this rule contemplated, I cannot vote to overrule the decision of the Chair. I am not willing to vote to overrule the decision of the Chair made in harmony with decisions and precedents of the Senate in order that we may accomplish by a majority vote what we would be required to accomplish by a two-thirds vote. In consonance with that viewpoint, for my part I am compelled to vote to sustain the ruling of the Chair, however much I sympathize with and favor the appropriation involved in the amendment.

I wanted to make that explanation, because I intend to vote to sustain the ruling of the Chair.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. BARKLEY. I yield.

Mr. O'MAHONEY. I desire to ask the Senator if I correctly understand him to contend that the Senate or the Congress cannot pass an appropriation to make it possible for the Government to carry out an Executive order unless there is a specific statute dealing with the precise subject-matter contained in the Executive order.

Mr. BARKLEY. Or unless it appears from the general terms of the statute that there is no doubt about the intention of Congress to authorize the President to create the agency referred to.

Let me say in that connection that if a point of order had been made heretofore against appropriations or against amendments offered on the floor of the Senate in cases in which no item was contained in the bill sent over by the House with respect to any of the agencies created by the President under his general authority, the Chair would have been compelled, under the precedents, to have ruled as he has ruled in this case. However, no points of order were made; but the fact that no points of order were made does not in any way affect the decision we must reach with regard to this point of order.

Mr. O'MAHONEY. The question I am asking the Senator are prompted by the fact that it seems to me that the inevitable result of the position which the Chair has taken, and which the Senator from Kentucky now takes, is that no Executive order can be made effective by an appropriation if a point of order is raised against it. That is tantamount to a declaration that Executive orders are not law. It is not at all clear to me that this rule was intended to provide that only statute law should be supportable by an appropriation reported by the Appropriations Committee, or by an appropriation moved by a Member from the floor. I believe its purpose was to prevent the establishment of new policy by appropriation bill except by two-thirds vote.

Mr. BARKLEY. In that connection I will say to the Senator that if this bill or any other bill providing appropriations had come over from the House of Representatives containing an item in support of any of the war agencies created by general authority of the President, an an amendment had been offered from the floor to increase the amount, I think this rule would have applied; and I think that when the Senate made this rule it undoubtedly contemplated the provisions of a law which had been enacted by Congress. That law need not necessarily stipulate that the President may create a Fair Employment Practice Committee; but it would have to be in such terms as to make it possible to feel that the Congress contemplated the creation of such an agency under his general authority.

Mr. O'MAHONEY. But the Senator does not deny that the President has the right to issue an Executive order, does he?

Mr. BARKLEY. Certainly I think the President has the right to issue Executive orders.

Mr. O'MAHONEY. If the President issues an Executive order, does he not act in accordance with law?

Mr. BARKLEY. He may act in accordance with a law specifically enacted by Congress, or he may act in accordance with his general authority as President or Commander in Chief. In a general way, that may be said to be in accordance with statute.

Mr. O'MAHONEY. If the President has lawfully issued an Executive order, is it not altogether lawful for the Congress, by ordinary appropriation, to give him the money to carry out his Executive order?

Mr. BARKLEY. In my judgment, it is lawful for Congress to appropriate money for any purpose; and frequently it appropriates money for a purpose which is not necessarily lawful, because no point is made against the appropriation. But when a point is made, my position is that we in the Senate must decide, in determining whether we shall overrule or sustain the ruling of the Chair, not whether we have the right to appropriate money for the agencies which the President might create by Executive order, but whether, if the point is made, the creation of the agency is in pursuance of a provision of law, which I think the Senate contemplated when it adopted the rule.

Mr. O'MAHONEY. Does not the Senator agree that from the position which he takes, the ruling of the Chair can be sustained only on the contention that this amendment proposes new or general legislation?

Mr. BARKLEY. No; I do not. It does not propose new or general legislation. To my mind new or general legislation constitutes general law—not necessarily an appropriation. If an amendment were offered authorizing the creation of 6, 8, or 10 new positions of secretaries to the President, not now authorized by law, a point of order might lie against it. If on an appropriation bill it were desired to provide for the enactment of a statute dealing with some other subject—we have never adopted the rule of germaneness in the Senate, and I think this rule was adopted in order to keep extraneous matters out of appropriation bills—such an amendment would be subject to a point of order. But the point I make, and the consideration which controls my vote—of course other Senators will vote as their own consciences dictate—is that an Executive order made in pursuance of the general powers of the President in time of war does not constitute "provisions of some existing law," which are supposed to be permanent, in such a way as to relieve the amendment from the requirements of rule XVI.

Mr. O'MAHONEY. Will the Senator be good enough to point out to me the precise language in the rule on which he bases his conclusion?

Mr. BARKLEY. I attempted to do so at the outset, but I shall be glad to do so again. This rule provides that unless the appropriation—whether it be an increase of some item in the bill or whether it be a new appropriation, as this is—is made to carry out the provisions of some existing law, it is subject to a point of order. My own conviction is that the creation of this or any other commission to aid the President in the war effort does not constitute an existing law within the terms of the rule, because in my judgment an existing law is permanent law, until it is repealed by Congress.

Mr. O'MAHONEY. Mr. President, I renew my request of the Senator to cite the specific paragraph to which he refers. I wish to have this question clearly before the Senate.

Mr. BARKLEY. I am referring to the clause which says that "unless it be made to carry out the provisions of some existing law——"

Mr. O'MAHONEY. To what paragraph of rule XVI is the Senator referring?

Mr. BARKLEY. I am referring to the middle of paragraph 1, which provides that an amendment shall not be in order if its effect will be "to increase an appropriation already contained in the bill or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law." My belief is that there is no existing law on this subject.

Mr. O'MAHONEY. I thank the Senator for responding.

Mr. BARKLEY. That is all I have to say. That is the position I take. For that reason I feel compelled to vote to sustain the ruling of the Chair.

Mr. O'MAHONEY. Mr. President, in response to my question, the Senator from Kentucky stated that the position which he takes is based upon the provision of paragraph 1 of rule XVI, which provides that—

> No amendment shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law, or treaty stipulation, or act, or resolution previously passed by the Senate during that session.

It seems to that the position which the Senator from Kentucky takes leads inevitably to the conclusion that no amendment may be received to carry out a lawful Executive order. It seems to me clear that that is an utterly untenable position, because it compels us to say that Executive orders issued by the President are illegal.

Mr. BARKLEY. No.

Mr. O'MAHONEY. It also constitutes a threat to every single Executive order which has been issued by the President in this emergency.

We should not forget, Mr. President, that long before we got into the war, when we were struggling with the effects of the depression, many Executive orders were issued and Congress sustained those Executive orders by voting appropriations.

There has not been any challenge to the lawful character of such activities. Of course, there have been occasions when Members have asserted that Executive orders were going beyond the proper power of the Executive, and that great care should be exercised in the issuance of Executive orders. But it seems to me that the inevitable result of the action taken here today will be to draw into question the legal effectiveness of every Executive order that cannot be sustained by a two-thirds vote. I do not believe that should be done, and I do not believe that the rule should be so interpreted. A lawful Executive order, in my opinion, can be supported by an appropriation without violation of this rule. Congress can refuse funds to carry out such an order just as it can refuse the money to carry out a law by a mere majority. It can support a lawful Executive order in the same manner.

Mr. BARKLEY. Mr. President, I do not wish to argue the point made by the Senator from Wyoming. My position is simply that the rules of the Senate are supposed to be of permanent and consistent application. The precedents of the Senate, insofar as I have been able to examine them, sustain the Chair in his ruling. Much as I favor the continuation of this organization, much as I favor the appropriation of the total amount involved in the amendment, nevertheless, looking to the future application of the rule, as we must go on in the future, I am not willing to attempt to override the ruling of the Chair and the precedents in order that I may vote on the amendment. Such an action might arise to plague us in connection with other matters in the future.

Mr. President, I did not wish to take up so much time, and I now yield to the Senator from Maine.

Mr. WHITE. Mr. President, I have a very modest idea of my knowledge as a parliamentarian; nevertheless, I should like to say that under the circumstances I think the Chair is sound in his ruling, and that the views expressed by the Senator from Kentucky and the Senator from Ohio are founded in good sense and the real purpose of rule XVI. I think we should not overlook the fact—and this is what I intended to call to the attention of the Senator from Kentucky—that this rule has been in the Manual of the Senate for probably half a century or more, and these modern Executive orders, now issued with great frequency and in great numbers, were almost unheard of in the day when this rule was written into the Manual. I do not believe the drafters of the rule ever had in contemplation, when they wrote the rule, or that the Senate of the United States had in mind when it adopted the rule, the practice of the issuance of Executive orders, or that Executive orders were to be legislation, as is now claimed.

I think the Senator has been absolutely correct in his interpretation of the rule.

Mr. BARKLEY. Mr. President, I thank the Senator from Maine. I wish merely to state in conclusion that in my judgment the Senate of the United States, when it framed this rule, contemplated some existing law which had been passed in the process of legislation by both Houses of Congress and been signed by the President of the United States. I do not believe an Executive order issued either in this case or in other cases complies with that requirement, namely, that it is existing law.

The fact that points of order have not heretofore been made has no bearing, it seems to me, upon the legitimacy of the Chair's ruling or the action of the Senate at this time on the appeal.

The PRESIDING OFFICER. The Senator from Georgia is entitled to the floor if he wishes it.

Mr. RUSSELL. Mr. President, I appreciate the consideration of the Chair.

I think perhaps it would be very unwise for me to undertake to debate this subject, because I have been so staggered by the contentions of those who have argued that with propriety the Senate by majority vote might not only repeal the rules of the Senate but, in effect, might set aside the Constitution of the United States, that I fear I might not express myself altogether clearly.

However, I must express my utter amazement that Members of the Senate would take the position that any Chief Executive, any President of the United States might have the power by Executive order to create an action agency, vested with all the rights and powers of an agency which might be created by the Congress of the United States through the method of legislation which our country has always known. If the President of the United States could create an action agency and could endow it, by Executive order, with statutory authority, this Congress should adjourn sine die, should forever close down, and should go back home, because it would be an utterly useless expense to the American taxpayers. If the President of the United States has the power to create an action agency endowed with all the powers with which the Congress has a right to vest an agency, the President has the right by Executive order to create courts, and to appoint judges, and to prescribe the penalties to be imposed on those who might be punished in those courts for any violation of those Executive orders. It is utterly the most amazing contention that I have ever heard made on the floor of the Senate.

Mr. President, the President of the United States has wide powers; but the Congress, until the last few years, has had sufficient self respect to undertake to reserve to itself the power to pass laws affecting the American people, proceeding upon the basis of the old idea that there were three coordinate branches of the Government and that the legislative branch might be recognized as somewhere in the proximation of the judicial, which has a tendency in these days to legislate, and the Executive. We find now the Members of the Senate contending that the President has the power to legislate by Executive order and some Members of the Congress are disposed to favor such a contention. That would seem to me to be an utter confession before the American people of our impotency and our uselessness.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. RUSSELL. I yield.

Mr. O'MAHONEY. I wish to be sure that the Senator's statements which have just been made are not based on the opinion which I attempted to make clear a while ago. I am not one of those who would contend that the President of the United States by Executive order has the right to set up any sort of an action agency which he might decide would be for the welfare of the people.

Mr. RUSSELL. The Senator would not blind himself to the fact that an action agency is involved in the pending amendment; would he?

Mr. O'MAHONEY. Certainly not; there is no question about that.

Mr. RUSSELL. Very well.

Mr. O'MAHONEY. But I wish to make my position perfectly clear. I think there are boundaries—certainly, there are boundaries—to the authority of the President to act by Executive order. I myself have challenged Executive orders upon the floor of the Senate.

Mr. RUSSELL. Mr. President, if the Senator will pardon me at this juncture, I should like to say that I almost fell out of my chair—to use the colloquial expression—when the Senator made his statement a moment ago with respect to the position of the Senator from Kentucky on the appeal from the point of order, because I have observed with pride that the Senator from Wyoming has at all times undertaken to maintain the dignity, prestige, and power of the Congress of the United States, and that he has not lent his counsels and advice to those, even in this body, who have constantly attempted to whittle away the powers of the Congress within the last decade.

Mr. O'MAHONEY. And I hope I shall continue to do so.

Mr. RUSSELL. I share that hope.

Mr. O'MAHONEY. My only point is that there are lawful Executive orders.

Mr. RUSSELL. There is no question about that.

Mr. O'MAHONEY. I contend, and it seems to me to be a matter of common sense, that where this rule uses the word "law," it must be interpreted to include a lawful Executive order. That is the whole gist of my position, Mr. President. A lawful Executive order should not be handicapped by a ruling that would deny it an appropriation save by a two-thirds vote.

Mr. RUSSELL. Of course, Mr. President, Executive orders are of two types. There are Executive orders which are issued by the President of the United States to implement laws which have been passed by the Congress. The Congress often directs that such orders be issued in the administration of a law by the Chief Executive.

The legality of such an Executive order, of course, cannot be successfully challenged. But, to assert that the Chief Executive of this Nation has any power, however remote, to issue an Executive order endowing any agency with plenary powers in the absence of an act of Congress authorizing him to do so would strike down the system of government which our forebears founded, and which some of us fear is already being jeopardized. No Member of the Senate can assert that this Executive order was predicated upon any legislative authority. An attempt may be made to hang it onto some of the war powers. However, the attempt must be futile.

Mr. President, I feel very keenly with regard to this matter, but I shall not belabor the Senate with further remarks. I know that the specific issue before the Senate is one with regard to which any remarks which I might make on any phase of it would not appeal very strongly to Members of the Senate who view the merits of the controversy from a different standpoint than that from which I view them. However, I ask my colleagues who will vote on the amendment please to look carefully at both sides of the controversy before they vote. If they strike down the rules of the Senate which have applied to the deliberations of the Senate for many years in connection with appropriation bills coming before it for consideration, their act will plague us not only in the years to come but in the weeks to come. If we say by our vote that a Member of the Senate may offer from the floor of the Senate an amendment which is legislation on an appropriation bill we will open the floodgates to all kinds of legislation which may be proposed, and to all manner of useless appropriations. If the Senate wishes to change its rule which, to my mind is a very clear one—and I never heard it challenged until just recently when the Senator from New York referred to a long treatise by some man named Gilfrey, whom he has selected as his expert with regard to parliamentary law—then it may do whatever it wishes about changing the rule.

No Member of the Senate who has served here for more than 3 or 4 years can say conscientiously that a vote to override the ruling of the Chair would not mean the abrogation and the striking down of rules of the Senate which have governed it in connection with appropriation matters for at least the past four or five decades.

APPROPRIATIONS FOR THE DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY, ETC.—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit the conference report on the Department of Labor and Federal Security Agency appropriation bill, and ask for its immediate consideration.

The legislative clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 9, 12, 13, 19, 34, and 35.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 14, 18, 20, 21, 23, 24, 25, 26, 27, 30, 31, 36, 42, 43, 52, and 53, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the State numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$395,691"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$167,502"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,058,200"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$294,790"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,356,876"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$379,365"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Salaries: For personal services in the District of Columbia, $386,955."

And the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows:

"General expenses: For general expenses of the Office of Education, including lawbooks, books of reference, and periodicals; and for the operation, maintenance, and repair of one passenger-carrying automobile; purchase, distribution, and exchange of educational documents, motion-picture films, and lantern slides; collection, exchange, and cataloging of educational apparatus and appliances, articles of school furniture and models of school buildings illustrative of foreign and domestic systems and methods of education, and repairing the same, $39,650."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: ": *Provided further*, That no school or school system shall be required to surrender possession or use of any property or equipment which it is using in its educational or training program"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: "and the development and prosecution of a program for the control of communicable diseases,"; and the Senate agree to the same.

Amendment Numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "$1,688,000, of which $100,000 shall be available for grants-in-aid in accordance

with the provisions of Public Law 410, section 301 (d)"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,735,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "and purchase and distribution of educational films (not to exceed $30,000); $427,988"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$61,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,780,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$464,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$210,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$473,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$192,500"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,116,666; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$11,732,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$550,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 16, 32, 44, 48, 49, 50, and 51.

KENNETH MCKELLAR,
JAS M. MEAD,
ABE MURDOCK,
CARL HAYDEN,
HAROLD H. BURTON,
JOSEPH H. BALL,
Managers on the Part of the Senate.

BUTLER B. HARE,
M. C. TARVER,
ALBERT THOMAS,
MICHAEL J. KIRWAN,
ALBERT J. ENGEL,
FRANK B. KEEFE,
H. CARL ANDERSEN,
Managers on the Part of the House.

Mr. MCKELLAR. I move the adoption of the conference report.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. MCKELLAR. I yield.

Mr. LA FOLLETTE. I hope the Senator from Tennessee will explain what was done with reference to the Senate amendments.

Mr. MCKELLAR. The conferees of the House accepted all Senate amendments with the exception of Nos. 32, 48, 50, and 51. In other words, the appropriation with regard to community war service was reduced from $900,000 to $450,000.

With regard to the United States Employment Service, the appropriation was reduced from $65,332,000 to $54,091,363.

The item in relation to the program for training within industry was reduced from $1,200,000 to $600,000.

In regard to the migration of workers the appropriation was reduced from $1,600,000 to $800,000.

Mr. President, I move that the conference report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 3199, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 29, 1945.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 16, 44, and 49 to the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 32 to said bill and concur therein with an amendment as follows: In lieu of the sum of $900,000 proposed in said amendment insert "$450,000";

That the House recede from its disagreement to the amendment of the Senate numbered 48 to said bill and concur therein with amendments as follows: In lieu of the sum inserted by said amendment insert "$54,091,363"; and in lines 2 and 3, page 53, of the House engrossed bill, strike out "(except section 602)" and insert "section 602,";

That the House recede from its disagreement to the amendment of the Senate numbered 50 to said bill and concur therein with amendments as follows: In the sixth line of the matter inserted by said Senate engrossed amendment after "personnel;" insert: "including the final liquidation of the service by December 31, 1945"; and in lieu of the sum of "$1,200,000" proposed in said amendment insert "$600,000";

That the House recede from its disagreement to the amendment of the Senate numbered 51 to said bill and concur therein with amendments as follows: In lieu of the sum of "$1,600,000" proposed in said amendment insert "$800,000"; and in the last line of the matter inserted by said Senate engrossed amendment, after "373)" insert *"Provided,* That no part of the funds herein appropriated shall be available for any transportation of railroad workers."

Mr. MCKELLAR. I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 32, 48, 50, and 51.

The motion was agreed to.

MILITARY ESTABLISHMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. HAYDEN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3550) making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses, as follows:

That the Senate recede from its amendments numbered 1 and 3.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 4, 5, and 6, and agree to the same.

ELMER THOMAS,
CARL HAYDEN,
JOHN H. OVERTON,
ELBERT D. THOMAS,
CHAN GURNEY (excepting amendment No. 3),
C. WAYLAND BROOKS,
HAROLD H. BURTON,
Managers on the Part of the Senate.

J. BUELL SNYDER,
JOHN H. KERR,
GEORGE MAHON,
W. F. NORRELL,
JOE HENDRICKS,
D. LANE POWERS,
ALBERT J. ENGEL,
FRANCIS CASE,
Managers on the Part of the House.

Mr. HAYDEN. This is a complete report. The Senate was compelled to yield on two amendments relating to conscientious objectors and attendance in medical schools.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

WAR AGENCIES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	Mitchell
Austin	Gerry	Moore
Bailey	Green	Morse
Ball	Guffey	Murdock
Bankhead	Gurney	Murray
Barkley	Hart	Myers
Bilbo	Hatch	O'Daniel
Bridges	Hayden	O'Mahoney
Brooks	Hill	Overton
Burton	Hoey	Radcliffe
Bushfield	Johnson, Calif.	Russell
Butler	Johnson, Colo.	Smith
Byrd	Johnston, S. C.	Stewart
Capehart	Kilgore	Taft
Capper	La Follette	Thomas, Utah
Chavez	Langer	Tunnell
Connally	Lucas	Vandenberg
Cordon	McClellan	Wagner
Donnell	McFarland	Walsh
Downey	McKellar	Wheeler
Eastland	McMahon	Wherry
Ellender	Maybank	White
Ferguson	Mead	Wiley
Fulbright	Millikin	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Missouri [Mr. BRIGGS], the Senator from Washington [Mr. MAGNUSON], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Idaho [Mr. TAYLOR] are absent as members of the committee attending the funeral of the late Senator Scrugham.

Mr. WHERRY. The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate.

The Senator from Kansas [Mr. REED], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Maine [Mr. BREWSTER], and the Senator from Delaware [Mr. BUCK] are necessarily absent.

The Senator from Wyoming [Mr. ROBERTSON] is absent on official business by direction of the President pro tempore of the Senate.

The Senator from North Dakota [Mr. YOUNG] is absent on official business of the Senate attending the funeral of the late Senator Scrugham.

The Senator from West Virginia [Mr. REVERCOMB] is necessarily absent from Washington.

The PRESIDING OFFICER. Seventy-one Senators having answered to their names, a quorum is present.

Mr. JOHNSTON of South Carolina. Mr. President, I did not know that the fact that rule XVI was being enforced would call for so much discussion especially when it is so plainly written and has been ruled upon time and time again in the Senate of the United States.

Mr. CHAVEZ. Mr. President, will the Senator yield to me for a moment?

Mr. JOHNSTON of South Carolina. I yield to the Senator from New Mexico.

Mr. LA FOLLETTE. Mr. President, I ask that debate be suspended until order can be obtained in the Chamber.

The PRESIDING OFFICER. Let there be order in the Chamber. Senators will please cease conversation.

Mr. CHAVEZ. The Senator from South Carolina has yielded to me.

Mr. JOHNSTON of South Carolina. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I withdraw the appeal from the decision of the Chair, and send to the desk a motion of which I gave notice in writing heretofore, and ask that it be read.

Mr. WHITE. Mr. President, I renew the request of the Senator from Wisconsin that debate be suspended until order is restored in the Senate.

The PRESIDING OFFICER. Senators will please take their seats and cease conversation. The Senate cannot transact business until there is order in the Senate.

The Senator from New Mexico has withdrawn his appeal from the decision of the Chair, and now moves, in accordance with notice previously given by him, that the rule be suspended so as to make in order the amendment which he has previously offered and which requires a two-thirds vote for adoption.

The Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, things being in that position, of course, it is not necessary for me to make any further remarks.

Mr. CHAVEZ. Mr. President, I demand order.

The PRESIDING OFFICER. The Senate will please be in order. Senators will kindly take their seats. If they desire to converse they will please retire to the cloakrooms. The business of the Senate will not proceed until there is order.

The Senator from New Mexico.

Mr. CHAVEZ. Mr. President, the pending matter has been debated now for 3 or 4 days. Both Senators from Mississippi have occupied the floor on this question.

Mr. President, I demand order.

The PRESIDING OFFICER. Senators will please take their seats and cease conversation.

Mr. CHAVEZ. Mr. President, for 3 or 4 days both Senators from Mississippi have taken the time of the Senate in order to express their views, but it appears that every bit of their effort was along the line of opposing pending basic legislation and not devoted or addressed to the item under discussion, namely, whether or not there shall be placed in the pending appropriation bill an item for the continuation of an agency which was created by Executive order. That is the question before the Senate. The basic legislation, its merits or demerits, is not a topic of discussion. But inasmuch as both the Senators from Mississippi did discuss the basic legislation, I also might desire to do so. The reason that I shall do so is that I happen to be one of those who like a united country. I happen to be one of those who feel that legislation should not be based upon sectionalism or the caprices and whims of anyone from any particular section of the United States.

When the casualty lists come from the War Department, when a telegram is sent to a worrying and grieving mother about the death of her child on a foreign field of battle—a boy who perhaps may have had his throat cut by a Japanese bayonet—it matters not whether he happens to have been from the South or the North or anywhere else. Death on the battlefield does not differentiate between the Jew, the Negro, the Mexican, and the so-called Anglo-Saxon.

Mr. President, we are in a great war, and it is not over. I wish it were over for many reasons, including personal reasons, but it is not over. We still have much work to do. This agency, which was created by President Roosevelt, has done very fine work for the war effort. It has done well without having any authority whatsoever to enforce its orders. It has helped the manpower situation, and we know that it was necessary to obtain all the help possible in order to produce munitions and materials of war. But due to the intolerance of people who call themselves Americans, due to the hatreds of humans, war manpower was practically at a standstill, and thousands of Americans—indeed, millions—who do not have to ask anyone else's permission to be an America, and who were willing to toil and work and sweat, could not obtain employment because they happened to be of Jewish extraction, or possibly Mexican extraction, or possibly because they happened to come from an area where Negroes live.

Mr. President, that was not a good condition. We had to produce arms and ammunition; we had to construct airplanes; we had to construct ships, naval vessels, submarines, and many other things. But some persons were so intolerant that they were willing to jeopardize the boys in the front lines in order to keep a Negro or a Jew, and in places a Catholic, from working in the war effort.

As a result, the conditions became so acute that the President, in carrying out his duty as the head of the Government, found it necessary to issue the Executive order which created the Fair Employment Practice Committee, which has been objected to so strenuously and violently, and at times without that characteristic of fair play and chivalry which we in the South all love so much.

Mr. President, when one of my colleagues, the senior Senator from Mississippi [Mr. BILBO] was addressing this body day before yesterday, I heard him make some remarks about Mrs. Roosevelt, and I was tempted to ask a question, but the Senator at that time was not in a mood to answer questions. If he had yielded to me at the time I would have asked him whether if the late President had still been alive he would have made the remark about Mrs. Roosevelt he did make, and if he had said "yes," I would have asked him if southern chivalry in some instances had not been forgotten.

Mr. President, I am one of those who believe in America for all of us. I do not happen to be of Anglo-Saxon extraction, I am not even a Nordic, but I am not asking anyone's permission to be an American. I just happen to be one, and and I believe I understand and know what an American is. I know the history and the background of this country. I know why the Huguenots left Europe, I know why the Pilgrims left Europe, I know why the Dutch left Europe, and why they came to what is now the United States. They were trying to get away from intolerance, the effects of which we are trying to avoid by a little appropriation of $446,000.

Talk about Americanism, talk about English civilization, and the culture of the white race. I believe in it, and I deny that all the white race is intolerant. This body shows that. Let us have a straight vote. The majority of my colleagues happen to be of Anglo-Saxon stock. Oh, no; the opposition want to wait until they have possibly one more than a third, I do not think they have.

and we are going to give them an opportunity to show whether they have at least one more than a third.

Before proceeding to call the attention of my colleagues to the petition from Georgia, which the Senator from Mississippi discussed, let me digress for a moment. I have just stated that I think I know what an American is. As the result of the coming of the Pilgrims, the Dutch, the English, and many other races from the European theater, we finally created a Government in this country. We all love to go to Philadelphia and see the Liberty Bell, and we talk about the Declaration of Independence. Why was the Declaration of Independence signed? Why did the people of the American Colonies want to form a union? In order to create a good world, to follow the pursuit of happiness, not for one race of people here, but for Americans, if they were Americans, irrespective of their racial background or their religious background.

Was the Revolutionary War fought by Protestants only? Have we ever heard of Commodore John Barry? Was it fought by English only? An examination of the history of the Revolutionary War will disclose that Jews died for that cause, and that Irishmen died for that cause, Irish Catholics, at that. I know that once in a while some think that an Irish Catholic cannot be a good American, but they are good enough to fight for the country. There are English of all classes, Catholics and Protestants. Then the Constitution of this country was conceived. Was it for one section of the country, or was it for the United States? Was it applicable to New York and Rhode Island, the Providence Plantations, or was it applicable also to Virginia and the Carolinas? It was for all of us.

Some folks did not believe in that idea, as the country progressed, and as the years passed, with the result that in the best of faith, but with enthusiasm, a great war was fought, a war which was to decide whether we were to have a united country or whether we were to have sectionalism. Senators know the result of that war. They know who was President of the United States at the time that war was fought. The great Lincoln did not carry on filibusters, he would not speak for 2 or 3 days at a time because he did not like a particular group of people in the country. In a very few words he would announce the philosophy of a great people, of a free people. After the Battle of Gettysburg, Mr. Lincoln went to that shrine and made a little talk, not a filibuster, just a short talk that will live forever. But there are those who think that Lincoln's Gettysburg speech is dead. It is not dead, Mr. President.

I desire to read it now, and I only wish that those who are opposed to fair employment practice in this country would be here and listen to it. This is what Mr. Lincoln said in a few words—and I again commend his speech to those who would have a divided country. I would not commend it to any tory; I would not commend it to anyone who thinks that white civilization is helped, or that its greatness is proved by the fact that one might read in some newspaper "Unknown Negro lynched last night." I do not think that proves a thing. Mr. Lincoln spoke as follows:

Four score and seven years ago—

Speaking about the origin of the country—

our fathers brought forth on this continent a new nation, conceived in—

What, Mr. President? In sectionalism, in racial discrimination, in intolerance? No—

conceived in liberty, and dedicated to the proposition that all men are created equal.

Now we are engaged in a great civil war, testing whether that nation, or any nation so conceived and so dedicated, can long endure. We are met on a great battlefield of that war. We have come to dedicate a portion of that field as a final resting place for those who here gave their lives that that nation might live. It is altogether fitting and proper that we should do this.

But, in a larger sense, we cannot dedicate, we cannot consecrate, we cannot hallow this ground. The brave men, living and dead, who struggled here, have consecrated it far above our poor power to add or detract. The world will little note nor long remember what we say here, but it can never forget what they did here. It is for us, the living, rather, to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion; that we here highly resolve that these dead shall not have died in vain; that this Nation, under God, shall have a new birth of freedom, and that government of the people, by the people, for the people, shall not perish from the earth.

Mr. President, the words of Lincoln were inspired by God. The words of Lincoln will live forever. And now, just about the time when we are to begin our work in an effort to carry out his basic idea, by considering the San Francisco Charter, we find people in this country who would object to and who would not themselves permit fair play to the relatives of those who died in Tunesia, of those who died on Anzio Beach, or at Salerno. There was no discrimination as the boys got off the ships and tried to reach the beaches. There is no discrimination or separation in the military graveyards all over the world. There is no discrimination by the Jap when he is trying to reach an American boy, be that boy Hebrew, Mexican, Irish, Negro, or what. The Jap would cut the throat of that boy if he had a chance to do so.

In this our own country, a country which preaches decency for all the world, which preaches fair play for all the world, which wants to adopt the San Francisco Charter, in this country we still find those, as was stated on the Senate floor yesterday, who object to doing something which would provide that a Negro, or a Pole, or a Catholic might have a job after the war. Remember the words of Lincoln—and he was murdered a long while ago.

Mr. President, a few days ago the Senator from Mississippi read to the Senate a letter he had written in reply to one received from the Reverend William Holmes Borders. I do not know that gentleman. He comes from Georgia. The name indicates that his ancestors could not have come from the southern Mediterranean area. It was also signed by a man named Armand May. But what the Senator from Mississippi did not do was to read the petition, and tell the Senate what was wrong with it. I am going to read that petition so that Senators and others who read the CONGRESSIONAL RECORD will not only be acquainted with the letter which the Senator from Mississippi answered, but also with the petition itself. Why should not Americans petition the Congress of the United States? Denial of the right of petition would be opposed by many people in this country including some from the Southern States.

This is the petition to which the Senator from Mississippi so much objected:

To the Members of the Congress of the United States;

With farsighted vision, the founders of our Republic laid for its foundation stone the divine principle of human dignity.

That is all we are trying to maintain by the use of the small amount of money contained in this measure. We are trying to carry out the very idea of recognizing the principle of human dignity.

In a shrine in the Library of Congress—

The Senator from Mississippi did not mention that—

revered by all the people of the United States, rests that document which enunciates the basic philosophy of this Nation.

That is the Declaration of Independence, to which I referred a short while ago. That document reads in part as follows:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness."

In support of that declaration is pledged "our sacred honor."

The signers of the Declaration of Independence pledged their sacred honor.

Within a generation, two devastating wars fought in defense of democracy have impressed its meaning and implications upon the people of the world.

Today, two schools of thought are in conflict: democracy with its philosophy of individual rights and dignity; fascism with its ideology of force, built on discrimination against racial and religious minorities.

Such discrimination has no place in American life; by its very nature it is fascistic. Yet such discrimination exists in our country and mocks our words before the world. It has handicapped us in making maximum use of our manpower for war production. It has been used effectively in the propaganda of our enemies. If continued, it will weaken our leadership in the council of nations; it will lessen the chances for a durable peace.

The petition continues:

Here in the South we have experienced the unwholesome consequences of discrimination in employment. A large segment of our people held at a low wage level has depressed the income of all and has stunted the progress of the area.

In 1941, the late Franklin D. Roosevelt, in order to make full use of the Nation's manpower and to demonstrate on the home front the principles of democracy for which we are fighting abroad, created by Executive order, under the war powers granted him by the Congress, the President's Committee on Fair Employment Practice as a temporary war agency. It is a significant fact that in his last campaign for office, Mr. Roosevelt singled out by name the Committee on Fair Employment Practice from among all the war agencies, and advocated its continuance in peace.

Legislation to establish a permanent Fair Employment Practice Commission is now before the Congress. The act recognizes that in matters of employment the practice of discriminating against properly qualified persons because of race and creed "forces large segments of the population permanently into substandard conditions of living, thereby creating a drain upon the resources of the Nation."

So spoke the late President of the United States.

Passage of the act would be in line with other Federal legislation, for in the past 10 years Congress has enacted 23 laws which forbid discrimination in their administration, and the Supreme Court of the United States has repeatedly condemned discriminatory employment practices. Furthermore, the administrative procedure of the proposed commission is not new, since it would be like that of the Interstate Commerce Commission, the Federal Trade Commission, and a number of other administrative agencies, with orders enforceable only by the courts.

Establishment of a permanent Fair Employment Practice Commission is supported by some sixty-odd national organizations. Both the Republican Party and the Democratic Party are committed to such legislation by their party platforms, as well as by the fact that the Presidential nominees of both parties promised support to this legislation in the last national campaign.

We are approaching the end of our military war. Events are moving swiftly. We cannot afford to permit our actions to lag behind the tempo of irresistible forces.

We join with President Truman in calling upon the Congress to fulfill the pledges of their parties by enacting S. 101–H. R. 2232, setting up a permanent Fair Employment Practice Commission to prevent economic discrimination based on race, creed, national origin, or ancestry.

Mr. President, that is the petition to which the Senator from Mississippi referred. That is the petition which he answered, but he did not read the petition to the Senate so that the Senate might come to some conclusion as to whether or not there was any necessity for the kind of letter which the Senator wrote in reply.

Mr. President, that petition came to Members of Congress from the State of Georgia. The people of that State have their representatives in this body. I do not know a single signer of that petition, but there are several hundred of them. In looking over the names I find names which sound familiar to me, names of some of the finest old families of the South, names such as Gaillard, Cox, Spencer, Montgomery, Mason, Alexander, Ballard, Folger, Stephens, Spears, Livingston, Hightower, Overstreet, Van Buren, Pope, and so forth. They include members of all the various faiths and denominations—Baptist, Methodist, Jewish, Catholic, and so forth. They form a cross section from all walks of life—leading businessmen, members of school and college faculties, clergymen, authors, editors, and radio commentators. In short, the signers of this petition are typical representatives of the sound progressive thinking of the now rapidly advancing progressive South.

Mr. President, not only are thousands and thousands of fine citizens of the South in favor of the idea discussed by Lincoln, the idea of the Declaration of Independence, but there also are newspapers in the South which are trying to unite this country by showing that we are all Americans. I am not acquainted with the newspapers of North Carolina, but I hold in my hand an editorial published in the Asheville Times of June 20, only last week, entitled "A Necessary Mediator." It reads as follows:

A NECESSARY MEDIATOR

Because in the past the Fair Employment Practice Committee has made some mistakes of judgment, President Truman's appeal for the extension of the committee's legal life has not been sufficient as yet to bring the bill out of the House and Senate committees for a vote.

Southern legislators particularly have uneasy memories of FEPC policies in the South that at one time stirred up no little controversy. The Committee claimed that its attitude had been misunderstood, but the breach in good feeling had been made.

But regardless of blunders, the record of this Committee in abating tension in race relations during the wartime period of tremendous mingling of racial groups on war jobs—this, on the whole, fine record justifies the extension of the Committee's work. Testimony before congressional committees is impressive, for it reveals that FEPC as a mediator in the adjustment of difficult relationships has much more than a little on the plus side of its account.

In the coming postwar period there may be for a while a competition for jobs which might result in the bitter race conflicts and race riots that occurred in 1919. FEPC or a similar mediating and persuading agency will be imperatively necessary when that period of industrial reconversion arrives.

Mr. President, that is the whole question on this item of appropriation. The question whether we should have a permanent Fair Employment Practice Commission has nothing whatsoever to do with the pending matter. There are two schools of thought which would differentiate as to the necessity of having a permanent Fair Employment Practice Commission, but in the present instance this agency which was created by Executive order has its appropriation included in a bill which also carries an item of $39,000,000 for OWI, which was created by Executive order. Many persons are now surprised, and they wish to keep the Committee from functioning, because it was created by Executive order. However, the same bill also carries an item of several million dollars for the Committee on Inter-American Relations, which was created by Executive order. The same bill also carries an item of several million dollars for the War Relocation Authority, which was created by Executive order.

Now, there are those who would object to the appropriation of $446,000 for an agency which is described in the editorial I just read from a southern newspaper as one which gave "testimony before congressional committees," which "is impressive, for it reveals that FEPC as a mediator in the adjustment of difficult relationships has much more than a little on the plus side of its account."

That is all it can do, Mr. President. It can mediate; it can try to persuade a group which is likely to make trouble—whether such group be made up of white people or colored people, those of the Jewish faith or those of the Catholic faith, or those who belong to any of the so-called minority groups in the country. All this agency and its representatives can do is to go to the place of trouble, try to make peace, and get those people to work in the interest of unity and good government. Mr. President, the record of the FEPC is extremely impressive.

The Chairman of the Committee on Fair Employment Practice is a person by the name of Malcolm Ross. I did not recommend the appointment of Mr. Ross as Chairman of the Committee. Probably I would not recommend a single one of the personnel connected with the agency. But merely because some persons do not like the personnel of a particular agency which is doing good work is no reason whatsoever for denying it an appropriation. The agency has done good work. I shall read to the Senate some of the statements made by Mr. Ross before the Committee on Appropriations. First I read a letter which Mr. Ross wrote to the acting chairman of the Committee on Appropriations:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE FOR EMERGENCY MANAGEMENT,
PRESIDENT'S COMMITTEE ON
FAIR EMPLOYMENT PRACTICE,
Washington, D. C., June 9, 1945.

Hon. KENNETH MCKELLAR,
Chairman, Committee on Appropriations, United States Senate, Washington, D. C.

DEAR SENATOR MCKELLAR: On March 21, 1945, an estimate for appropriations for the national war agencies was submitted by President Roosevelt. Included in this estimate was an item in the amount of $599,000 for the Committee on Fair Employment Practice. The House Appropriations Committee, in reporting the bill, noted that legislation was pending before that body to create a permanent Fair Employment Practice Commission and omitted all appropriations for the Fair Employment Practice Committee on the ground that "the only logical course is to await legislative development before making a recommendation."

In his letter of June 5, 1945, to Chairman SABATH, of the House Rules Committee, President Truman said:

I quote now from the letter written by President Truman:

The war is not over. In fact, a bitter and deadly conflict lies ahead of us. To abandon at this time the fundamental principle upon which the Fair Employment Practice Committee was established is unthinkable.

I wish my colleagues to listen to what President Truman said in that connection:

Even if the war were over, or nearly over, the question of fair employment practices during the reconversion period and thereafter would be of paramount importance. Discrimination in the matter of employment against properly qualified persons because of their race, creed, or color is not only un-American in nature but will lead eventually to industrial strife and unrest. It has a

tendency to create substandard conditions of living for a large part of our population. The principle and policy of fair employment practice should be established permanently as a part of our national law.

Mr. Ross continued in his letter, as follows:

In view of the expressed desire of the President, I feel it my duty to request your committee that it restore the item of $599,000 appearing in the Budget estimate. I also respectfully request the opportunity of appearing before your committee to justify the budgetary request.

Respectfully yours,

MALCOLM ROSS, *Chairman.*

The committee held its hearings. Even then the proponents of an appropriation for the FEPC were willing and anxious to bring about some kind of understanding and compromise.

I agreed in the committee to reduce the item from $599,000, which had been approved by the Bureau of the Budget, to approximately $446,000, as provided in the bill last year. I agreed in an attempt to come to a meeting of the minds with some of the members of the committee who apparently did not wish to agree. Nevertheless, on a recorded vote the members of the committee voted 14 to 4 to include this item in the appropriation by the proper parliamentary method.

Mr. Ross made a statement before the committee. I ask my colleagues to listen to what he said as applying to the result of the FEPC activities in stabilizing labor matters. I read:

We feel that the FEPC during this period has been a great stabilizing force to keep relations with industry on an even keel.

The situation of hundreds of thousands of Negroes migrating to congested industrial centers, where wartime conditions are likely to fray nerves, is one where anything might happen.

Mr. Chairman, it has not happened. There was some dire prophecies last year when the question of giving this committee an appropriation was debated. It was thought that the committee's activities would disrupt war industry. Nothing of the kind has happened. Negroes and Mexican-Americans have given their best to the war effort. Among American minorities they are the largest economic groups that have been trained for the use of their skills in war industry. Their contribution has been of great advantage to the war.

The Army and Navy are realists in those matters. Where working difficulties have arisen we have been invited by them into the situation, and we have settled situations which otherwise might have been dangerous.

The Army and the Navy have called upon the Fair Employment Practice Committee to settle, by persuasion and by proper handling of labor matters, the questions involved.

Mr. Ross stated further:

I think there is an assumption that there has been a change since the surrender of Germany which would make the work of this committee unnecessary. We feel to the contrary. We feel the next few months will be very critical, because a large proportion of Negro war workers, and to a lesser degree Mexican-Americans, are being concentrated in these four prime industries, making them very vulnerable to cut-backs.

I call your attention to this because, when they are cut back, they will have less seniority. They will be in competition for jobs in the permanent consumer-goods reconverted plants.

It so happens we are still at war with Japan, and our Executive order only extends to the war industries. When a plant is wholly reconverted we will not assume jurisdiction; but that is just the point where the minority workers will most need help. In this siphoning-off process many hundreds of thousands of minority group workers, released from prime war industry, will find that there are barriers of discrimination against them in the reconverted plants. I fear that there is going to be trouble during the hot weather of this summer; I think we should look forward with some degree of anxiety and take some precautions to see that these things are done in an orderly way.

We have been orderly, sir. We have some 15 regional offices around the country. We only act on complaints.

I believe there is some confusion on the part of various Members of this body with regard to that particular point. They think that the agency acts on its own initiative. It does not. It acts only after a complaint has been made.

Mr. Ross continued:

During the last year there were some 1,400 complaints made to us which, on their face, we did not feel had any validity.

And yet, some think that this agency tries to impose upon others its slight power and authority.

We did not carry them through. We did not go out aggressively seeking trouble. Trouble is in the situation and comes to us.

Whenever trouble arises the War Department, the Navy Department, management, or perhaps labor, makes a complaint before this agency and only then does it try to do something with reference to the condition about which a complaint has been made. That is as far as it can go. It can only try. The record of its accomplishments shows that it has done a very fine piece of work.

I continue reading:

Of those 1,400 complaints, there were some 800 employers who never knew the complaints were filed because the committee in screening them saw there was no merit in them and so dismissed them without giving notice to the employers.

That is one purpose in having a Government agency on hand to screen complaints and prevent needless controversy.

Merely because the agency had received a complaint it did not rush in to make trouble. It first endeavored to ascertain the facts, and whether there was a real basis to the complaint which had been made.

Last year a number of cases were dismissed for lack of evidence. On this point Mr. Ross said:

Of the 5,000 cases docketed last year, 64 percent were dismissed for lack of merit, insufficient evidence, lack of jurisdiction, or other causes.

Of the 36 percent satisfactorily adjusted cases, all were settled by informal persuasive methods. We have no penalties to assess on anyone. Our people talk to trade-unions, workers, and employers, and they managed to settle those cases.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. TUNNELL. So far as the Senator knows has any complaint been made with reference to the fairness of this committee at any time?

Mr. CHAVEZ. No complaint whatsoever has been made with regard to the fairness of the committee except that based on hearsay. So far as actual cases are concerned which have been acted upon by the committee, no complaints have been made.

Mr. TUNNELL. I have received mail from persons who protested against the passage of a permanent FEPC bill on the ground that it would result in many lawsuits. Has any legal proceeding been instituted at any time with reference to the subject?

Mr. CHAVEZ. There have been no legal proceedings of any kind whatsoever. At best, if this agency cannot get the parties together, if it cannot get both sides to agree to settle their difficulties, all it can do, if it finds one side has merit, is to report the case to the President of the United States; but in the entire history of the Committee's work only two cases have been reported to the President. The others have been settled without any trouble.

Mr. TUNNELL. So, out of 5,000 different cases, there have been only two taken to the President, as I understand the Senator?

Mr. CHAVEZ. No. Five thousand cases were docketed last year alone. The only two cases that went to the President occurred during the entire history of the agency.

Mr. TUNNELL. I listened to the Senator from Mississippi, and I gathered from his statement that a part of this Committee were Communists and part were Negroes, and, I do not know, but I suppose the rest must be Hottentots, from what he said.

Mr. CHAVEZ. Mr. President, I dislike to inject religion into any debate. I hate to talk about my own religion or discuss it.

Mr. TUNNELL. I do not think there has been much religion in this discussion so far.

Mr. CHAVEZ. There has not been. But in order to answer the question properly, let me say that I happen to be a Roman Catholic. I never complain about the religion of anyone else. Some of the finest people in the world are not of my own faith, and I never doubt their sincerity of purpose or discuss their religion. That is their business. I feel that Americanism and religion are very personal. Either a man has religion and Americanism or he has not. But if there is any one group of people who are against communism, if there is one religion that is bitterly opposed to communism, as the Senator knows, it is the Catholic church, and some of the finest testimony given before the Committee on Education and Labor was given by persons such as Monsignor Ryan, Archbishop Lucey, of San Antonio, Tex.; Archbishop Byrne of my own diocese, the Diocese of Santa Fe, which is the oldest Catholic diocese in the entire country. Not only that but Bishop Oxnam, of the American Council of Churches, representing millions of the Protestant faith, who are bitterly opposed to communism, are in favor of the philosophy of the legislation. The

legislation which we shall debate in due time probably needs amending, but its general philosophy is endorsed by Catholics, Protestants, Jewish rabbis, women and women's organizations from the South, the Council of Churches, a Protestant organization, none of whom are communistic.

I am not defending communism at all; I could not do so; but this is what happens: Once in a while, when someone dares to take sides with a class of people who might need help under the law, when he undertakes to work for the little fellow, and to help the man who is hungry and who is trying to support his family on $15 a month, he is accused of being a Communist. If such a person is a Communist, then I must be one.

Mr. TUNNELL. As the Senator knows, I am not a member of the particular committee that makes appropriations. I was asking for information—and the Senator from New Mexico has given it to me—along this line, as to whether or not past experiences would lead us to believe that there would be either unfairness or a great deal of litigation and confusion growing out of this Committee. The Senator does not think there would be.

Mr. CHAVEZ. No; there has been no litigation; everything has been settled by persuasion, mediation, and conciliation, the way I tried to settle this matter here.

Mr. JOHNSTON of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from South Carolina?

Mr. JOHNSTON of South Carolina. We are ready to vote on the amendment of the Senator from New Mexico.

Mr. CHAVEZ. I want my colleagues, including my good friend from South Carolina, to be fully informed as to the merits of my amendment.

Mr. JOHNSTON of South Carolina. We would like to vote now.

Mr. CHAVEZ. I know you would.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. TUNNELL. Is not this desire for a vote a rather newborn eagerness?

Mr. CHAVEZ. I do not know what causes the Senator to be so desirous of having a vote.

Mr. TUNNELL. I wonder if the Senator from South Carolina has been consulting the two Senators from Mississippi as to haste.

Mr. JOHNSTON of South Carolina. I should like to answer that by saying that never in my life have I seen a man who wanted to pass anything who was not willing to go ahead and vote if he had the votes.

Mr. CHAVEZ. Much has been said about the South being against this measure. I want to read from the committee hearings—and this is especially dedicated to my good friend from South Carolina.

Here is the statement of Rev. Charles McCoy, United States Navy. To me his does not sound like a Jewish name, nor it does not sound Mexican or Polish.

Statement of Rev. Charles McCoy, United States Navy, Duke University, Durham, N. C.

He does not come from Brooklyn College.

Said Reverend McCoy before the Appropriations Committee:

Reverend McCoy. I am, Mr. Chairman and gentleman of the committee, a minister of God.

Ministers from the Southern States who do not think we are doing the right thing by our fellow men by giving them $15 a month and a little pork on the side and perhaps something more, feel a little different about this question.

My name is Charles McCoy, and I am in training to be a Navy chaplain at Duke University, Durham, N. C.

I represent only myself here this morning. But, I have talked to a good many men in the service, Navy and Army, Negro and white. And I wanted to tell you some of the things that they told me.

First of all, I may tell you that I live in the South, my home is in the small town district of North Carolina, Laurinsburg, where the race ratio is about half and half, white and Negro, so I do not come from a background that would make me naturally nonprejudicial.

But, from having studied the principles of democracy, and having studied the plain teachings of the Christian faith, the teachings of Jesus—as I understand them—I have come to see that there can be no racial discrimination of any sort by any group with the principles that our country and our faith holds to be true.

Mr. McKELLAR. Mr. President, I am going to ask the able Senator from New Mexico to yield to me for the purpose of reporting to the Senate House bill 3579, the second deficiency appropriation bill, of course without taking him off the floor, and without interfering with the pending bill.

Mr. CHAVEZ. Reserving the right to object—and I shall not object—I should like to have an understanding. After listening for 3 or 4 days to the wonderful addresses which have been delivered, I have an urge this afternoon to proceed, and I wish to proceed.

Mr. McKELLAR. I shall not interfere with the Senator.

Mr. BANKHEAD. How long does the Senator from New Mexico think his urge will continue?

Mr. CHAVEZ. If necessary, I shall continue until we can prove to the entire country that we have only one country.

Mr. BANKHEAD. Two sets of filibuster, one on each side.

SECOND DEFICIENCY APPROPRIATIONS

Mr. McKELLAR. Mr. President, I ask unanimous consent that I may report from the Committee on Appropriations H. R. 3579 the second deficiency appropriation bill.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and the report will be received.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. McKELLAR. Mr. President, I ask that the formal reading of the bill be dispensed with, that it be read for amendment, and that committee amendments be first considered.

The PRESIDING OFFICER. Is there objections? The Chair hears none, and the clerk will proceed to state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Title I—General appropriations—Legislative," on page 2, after line 5, to insert:

SENATE

For payment to Julia M. Scrugham, widow of James G. Scrugham, late a Senator from the State of Nevada, $10,000.

The amendment was agreed to.

The next amendment was, on page 2, after line 5, after the amendment just above stated, to insert:

For the payment of 21 pages for the Senate Chamber, at $5 per day each, for the period July 1, 1945, to December 31, 1945, both dates inclusive, fiscal year 1946, $19,320.

The amendment was agreed to.

The next amendment was, on page 2, after line 5, after the amendment just above stated, to insert:

The Legislative branch Appropriation Act for the fiscal year 1946 hereby is amended by inserting "and $1,400 additional so long as the position is held by the present incumbent" immediately following the words "Postmaster, $3,600," and the necessary amount hereby is authorized to be expended from the appropriation for "Salaries of officers and employees of the Senate," beginning July 1, 1945.

The amendment was agreed to.

The next amendment was, on page 2, after line 5, after the amendment just above stated, to insert:

For an additional amount for expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers of committees, at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate, but not exceeding 25 cents per hundred words, fiscal year 1945, $50,000: *Provided*, That no part of this appropriation shall be expended except in accordance with the provisions of the Subsistence Expense Act of 1926, approved June 3, 1926, as amended.

The amendment was agreed to.

The next amendment was, on page 2, after line 5, after the amendment just above stated, to insert:

Senate restaurants: For payment to the Architect of the Capitol in accordance with the act approved September 9, 1942 (Public Law No. 709, 77th Cong.), fiscal year 1945, $6,000.

The amendment was agreed to.

The next amendment was, on page 3, after line 3, to insert:

COMMITTEE ON FEDERAL EXPENDITURES

For an amount which is hereby authorized to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, $10,000; to enable the committee to perform the additional duties required of it for economy studies incident to the reorganization of the executive branch, $10,000; in all, $20,000, one-half to be disbursed by the Secretary of the Senate and the other half by the Clerk of the House on vouchers approved by the chairman of the committee.

The amendment was agreed to.

The next amendment was, on page 3, after line 3, after the amendment just above stated, to insert:

NATIONAL MEMORIAL STADIUM COMMISSION

For carrying out the provisions of Public Law No. 523 of the Seventy-eighth Congress, entitled "Joint resolution to consider a site and design for a National Memorial Stadium to be erected in the District of Columbia", approved December 20, 1944, fiscal year 1945, $5,000, to remain available until June 30, 1946, and to be disbursed by the Secretary of the Senate on vouchers approved by the chairman of the commission.

The amendment was agreed to.

The next amendment was, on page 3, after line 3, after the amendment just above stated, to insert:

GOVERNMENT PRINTING OFFICE

Working capital and congressional printing and binding, 1945: The amount available for the printing, binding, and distribution of the Federal Register is hereby increased to $520,000 for the fiscal year 1945: *Provided*, That no increase is thereby made in the existing appropriation for working capital and congressional printing and binding.

The amendment was agreed to.

The next amendment was, under the heading "Executive Office of the President," on page 3, after line 4, to insert:

THE WHITE HOUSE OFFICE

For all expenses incident to the death and burial of Franklin Delano Roosevelt, including undertakers' charges and expenses of transportation from Warm Springs, Ga., to Washington, D. C., and thence to Hyde Park, N. Y., fiscal years 1945 and 1946, $14,500, to be expended under the direction of the President: *Provided*, That no payment shall be made from this appropriation to any officer or employee of the Government for personal or professional services.

The amendment was agreed to.

The next amendment was, under the subhead "Office of Price Administration", on page 5, line 10, after the word "exceed", to strike out "$7,949,700" and insert "$7,000,000"; and in line 20, after the numerals "1946", to strike out "$174,500,000" and insert "$176,050,300."

The amendment was agreed to.

The next amendment was, under the subhead "Office for Emergency Management—Foreign Economic Administration," on page 9, line 20, before the word "and", to insert "one Deputy Administrator at $10,000 per annum."

The amendment was agreed to.

The next amendment was, on page 10, line 18, after the word "exceeding", to strike out "$90,000" and insert "$115,000", and in the same line, after the numerals "1946", to strike out "$16,500,000" and insert "$17,000,000."

The amendment was agreed to.

The next amendment was, under the heading "Federal Works Agency—Public Roads Administration," on page 18, after line 15, to insert:

For carrying out the provisions of the Federal Highway Act of November 9, 1921, as amended and supplemented, $25,000,000, being a part of the $100,000,000 authorized to be appropriated by section 2 of the Federal-Aid Highway Act of 1944 (Public Law 521), and to become available in accordance with said section 2 and to remain available until expended; and in addition thereto authority is hereby granted to enter into contracts in an amount not to exceed $75,000,000 for the purposes hereof.

The amendment was agreed to.

The next amendment was, on page 18, line 24, after the word "in", to insert "Senate Document No. 61, and"; and in line 25, after the name "Congress", to strike out "$178,674.60" and insert "$212,114.10."

The amendment was agreed to.

The next amendment was, under the heading "Department of Agriculture," on page 24, after line 13, to insert:

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

For an additional amount for conservation and use of agricultural land resources, fiscal year 1946, for compliance with programs under the Agricultural Adjustment Act of 1938, as amended, including the measurement of burley tobacco acreages, to be consolidated with the sum of $22,911,200 made available for salaries and other administrative expenses under this head in the Department of Agriculture Appropriation Act, 1946, $408,000.

The amendment was agreed to.

The next amendment was, under the subhead "Rural Electrification Administration," on page 24, line 20, after the word "newspapers", to strike out "$400,000" and insert "$650,000."

The amendment was agreed to.

The next amendment was, under the heading "Department of the Interior—Bureau of Reclamation," on page 29, after line 16, insert:

Reclamation fund, special fund, Rio Grande project, New Mexico-Texas: Rio Grande project, New Mexico-Texas, $490,000, to be expended from the reclamation fund, special fund, construction, and to remain available until expended.

The amendment was agreed to.

The next amendment was, under the heading "Department of State," on page 36, after line 6, to insert:

FOREIGN SERVICE

Contingent expenses, Foreign Service: The appropriation "Contingent expenses, Foreign Service," for the fiscal year 1946, is hereby made available for the maintenance and operation of not to exceed two airplanes: *Provided*, That the State Department may acquire not to exceed two surplus airplanes from any disposal agency of the Government without reimbursement or transfer of funds.

The amendment was agreed to.

The next amendment was, on page 36, after line 19, to insert:

Arbitration of claim, by the United States and the Netherlands: For the expenses of the arbitration under the convention between the United States and the Netherlands, signed March 18, 1938, of a claim which arose in November 1917, as a result of the requisition by the Government of the United States of certain military supplies of the Government of the Netherlands, including the share of the United States of the honorarium of the neutral arbitrator and of other joint expenses of the two governments; stenographic reporting and translating services, by contract if deemed necessary without regard to section 3709 of the Revised Statutes; books and documents; official cards; fiscal year 1946, $17,000.

The amendment was agreed to.

The next amendment was, under the heading "War Department—Office of the Secretary," on page 39, line 15, after the word "in", to insert "Senate numbered 60, and"; and in line 17, after the name "Congress", to strike out "$212,553.59" and insert "$262,764.24."

The amendment was agreed to.

The next amendment was, under the heading "War Department—Flood control," on page 40, line 6, before the word "For", to insert "Flood control, general."

The amendment was agreed to.

The next amendment was, on page 40, after line 10, to insert:

Flood control, Mississippi River and tributaries: For an additional amount, fiscal year 1946, for "Flood control, Mississippi River and tributaries," including the objects specified under this head in the War Department Civil Appropriation Act, 1946, to be available until expended, $12,500,000: *Provided*, That this sum shall be available for the prosecution of work when materials, equipment, and manpower become available.

The amendment was agreed to.

The next amendment was, under the heading "Title III—Judgments and authorized claims—Property damage claims," on page 43, line 15, before the word "for", to insert "(a)."

The amendment was agreed to.

The next amendment was, on page 44, after line 20, to insert:

(b) For the payment of claims for damages to or losses of privately owned property adjusted and determined by the following respective departments and independent offices, under the provisions of the act entitled "An act to provide a method for the settlement of claims arising against the Government of the United States in the sum not exceeding $1,000 in any one case," approved December 28, 1922 (31 U. S. C. 215), as fully set forth in Senate Document No. 65, Seventy-ninth Congress, as follows:

Executive Office of the President;
Office for Emergency Management;
War Shipping Administration, $484.36.
Office of Price Administration, $15;
Federal Security Agency, $114.09;
Department of Agriculture, $150;
War Food Administration, $221.50;
Department of Commerce, $60.34;
Department of the Interior, $211.48;
Navy Department, $15,091.44;
In all, $16,348.21.

The amendment was agreed to.

The next amendment was, under the subhead "Judgments, United States courts," on page 45, line 3, after the word "in", to insert "Senate Document numbered 63, and"; in line 7, after the word "Administration", to strike out "$1,000" and insert "$6,842.50"; in line 15, after the word "In all", to strike out "$13,653.87" and insert "$19,496.37"; on

page 46, line 2, after the word "in", to insert "Senate Document numbered 62, and"; in line 6, after "Navy Department", strike out "$996.10" and insert "$15,775.96"; and in line 8, after the words "In all", to strike out "$5,332.10" and insert "$20,111.96."

The amendment was agreed to.

The next amendment was, under the subhead "Judgments, United States Court of Claims," on page 46, line 22, after the word "in", to insert "Senate Document numbered 64, and"; and on page 47, line 2, after the word "Administration", to strike out "$5,667.50" and insert "$18,422.75."

The amendment was agreed to.

The next amendment was, on page 47, after line 2, to insert:

National Housing Agency, Federal Public Housing Authority, $9,636.44.

The amendment was agreed to.

The next amendment was, on page 47, after line 3, to insert:

Agriculture, $3,575.40.

The amendment was agreed to.

The next amendment was, on page 47, line 4, after the word "Interior", to strike out the colon and "Fish and Wildlife Service, $1,361.29" and insert a comma and "$4,611.84."

The amendment was agreed to.

The next amendment was, on page 47, line 5, after "Navy", to strike out "$10,963.85" and insert "$11,009.76."

The amendment was agreed to.

The next amendment was, on page 47, after line 6, to insert:

Treasury, $331,433.13.

The amendment was agreed to.

The next amendment was, on page 47, line 7, after the word "Establishment", to strike out "$28,335.32" and insert "$28,619.50."

The amendment was agreed to.

The next amendment was, on page 47, line 9, after the words "in all", to strike out "$69,562.71" and insert "$430,543.57."

The amendment was agreed to.

The next amendment was, under the subhead "Audited claims," on page 48, line 2, after the word "in", to insert "Senate Document No. 66, and"; in line 3, after the word "of", to strike out "$2,041,481.81" and insert "$2,178,988.57"; in line 8, after the word "and" where it occurs the second time, to strike out "$2,275.65" and insert "$7,587.32"; and in line 9, after the words "in all", to strike out "$2,043,757.46" and insert "$2,186,575.89."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. McKELLAR. Mr. President, by direction of the committee I offer an amendment, which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 50, after line 8, it is proposed to insert the following:

SEC. 405. The amount of funds authorized to be expended by Commodity Credit Corporation pursuant to section 3 of the act of April 12, 1945 (Public Law 30, 79th Cong.) shall be increased by such amounts as may from time to time be determined by the Secretary of Agriculture, as follows: (1) not to exceed with respect to livestock and livestock products, $595,000,000; (2) not to exceed with respect to wheat and wheat products, $190,000,000; and (3) not to exceed with respect to butterfat and butter, $100,000,000: *Provided*, That the amounts authorized to be expended pursuant to section 1 of the act of June 23, 1945 (Public Law 88, 79th Cong.) for subsidy payments on meat, butter, and flour shall be reduced correspondingly.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 3579) was ordered to a third reading, read the third time, and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist on its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. OVERTON, Mr. BROOKS, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

WAR AGENCIES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes.

The PRESIDING OFFICER. The Senator from New Mexico [Mr. CHAVEZ] has the floor.

Mr. BILBO. Mr. President, will the Senator yield to me for a moment?

Mr. CHAVEZ. If the Senator addresses me as the Senator from New Mexico, I will.

Mr. BILBO. Will the Senator from New Mexico yield to me?

Mr. CHAVEZ. I yield.

Mr. BILBO. Mr. President, I have spoken to the majority leader and the minority leader about bills pertaining to the District of Columbia. There are four District bills which should be passed before the end of the fiscal year. They are emergency measures. One is of particular importance. They are all House bills. House bill 3201 is a bill passed by the House. I have introduced a similar measure in the Senate. The House bill is now on the Senate Calendar. It would extend for another year the law to prohibit the Commissioners from carrying out their duty of throwing out of the alley dwellings of Washington about 30,000 people which they morally would be obliged to do beginning Monday morning if we do not pass this measure. And I ask that the four bills dealing with the District of Columbia be acted on at the present time.

Mr. BARKLEY. Mr. President, I hope the Senator from Mississippi will wait until we dispose of the matter now before the Senate.

Mr. BILBO. That is perfectly all right.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I shall yield after I have made an observation respecting what the Senator from Mississippi has just stated. If the Senator from Mississippi has any legislation he desires to have passed today, I am willing to compromise with him and let it be passed, provided he does something which I have heretofore suggested.

Mr. BARKLEY. The bills referred to by the Senator from Mississippi are important, but I should like to have the Senator wait with them until we can dispose of the matter now pending.

Mr. BILBO. Will the Senator permit me to respond to the Senator from New Mexico before he proceeds?

Mr. BARKLEY. Certainly.

Mr. BILBO. I appreciate the kindness and interest of the Senator from New Mexico in helping to have passed the bills dealing with the District of Columbia, but, so far as compromising on another measure is concerned, I cannot do it, because I cannot compromise with wrong, since that would make me wrong.

Mr. BARKLEY. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. BARKLEY. I hope that a suggestion I wish to make to my friend the Senator from New Mexico and other Senators who are interested in this subject will not be regarded as an effort to induce anyone to compromise with wrong or to do anything that is wrong. We are all anxious to dispose of this appropriation bill which is now the pending business, the only one now left undisposed of, which ought to pass before tonight in order that none of the agencies affected shall find themselves without funds.

Night before last I made a suggestion which I thought was fair to both sides and to every one. I am going to repeat that suggestion, if the Senator from New Mexico will permit me, and I do not believe that it involves any unwise yielding on the part of either side or on the part of anyone. It is in the interest of legislation. All of us or any of us cannot always have our way here in regard to legislation. My suggestion is still that we accept the proposal I made the other night of $250,000 for this agency for the fiscal year. In order that that may be offered the Senator from New Mexico would have to withdraw his motion to suspend the rule, which he can renew at any time immediately if we cannot accomplish anything by my suggestion.

If the Senator from New Mexico will withdraw his motion to suspend the rule, I myself will offer, if he does not wish to do it—if he does not feel like he can do it—I myself will take the responsibility of offering an amendment in the language of his amendment, except to change the amount from $446,000 to $250,000. If no point of order is made against that amendment, we can immediately obtain a vote on it, and I can assure Senators on both sides that we will have a yea-and-nay vote on that amendment and dispose of it.

I still feel that that proposition is fair and that it will enable us to dispose of this bill tonight, and we will have no hiatus with respect to the agencies that need the funds which the bill appropriates.

Would the Senator from New Mexico be willing to withhold or to withdraw his motion to suspend the rule temporarily while I can offer such an amendment, and I will say that if a point of order is made against the amendment, I will immediately withdraw it?

Mr. CHAVEZ. Yes, Mr. President. The same kind of a proposition was made night before last, to which I agreed, provided that the proponents of different ideas would also agree. I am inclined to feel that something should be done about this matter, but before I withdraw my motion I should like to have the strict understanding that I would not lose any rights under the parliamentary situation by which, if the proposal is not agreed to by the other side, I can again submit my motion to suspend the rule.

The PRESIDING OFFICER. The Senator from New Mexico has that right.

Mr. CHAVEZ. This is the second time there has been an indication from our side that we are willing to do the right thing. I should like to obtain an indication from some of our opponents——

Mr. BARKLEY. If the Senator will permit me, I think the Senator from New Mexico can rely on my assurance that if the point of order is made I will withdraw the amendment.

Mr. CHAVEZ. Unless something else is compromised here, I will withdraw my motion.

The PRESIDING OFFICER. The Senator from New Mexico withdraws his motion.

Mr. BARKLEY. Mr. President, I offer the amendment which I send to the desk, with the change in line 10, on page 2, that instead of $446,200, the amount be fixed at $250,000. Inasmuch as the amendment has already been read, and the Senate understands it, I ask merely that that part of it changing the amount be read, and not the entire amendment.

The PRESIDING OFFICER. The clerk will read the change which the Senator speaks of.

The CHIEF CLERK. On page 2 of the amendment, in line 10, it is proposed to strike out "$446,200" and to insert in lieu thereof "$250,000."

Mr. BARKLEY's amendment is as follows:

COMMITTEE ON FAIR EMPLOYMENT PRACTICE

Salaries and expenses: For all expenses necessary to enable the Committee on Fair Employment Practice to carry out any functions lawfully vested in it by Executive orders Nos. 8802 and 9346, including salary of a chairman at not to exceed $8,000 per annum and six other members at not to exceed $25 per diem when actually engaged; travel expenses (not to exceed $63,800); expenses of witnesses in attendance at committee hearings, when necessary; printing and binding (not to exceed $4,800); purchase of newspapers and periodicals (not to exceed $500); not to exceed $694 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); and the temporary employment of persons, by contract or otherwise, without regard to section 3709 of the Revised Statutes and the civil-service and classification laws (not to exceed $8,900); $250,000: *Provided*, That no part of the funds herein appropriated shall be used to pay the compensation of any person to initiate, investigate, or prosecute any complaint against any defendant where such defendant does not have the same right to appeal an adverse decision of the Committee on Fair Employment Practice to the President of the United States, or to refer said complaint to the President of the United States for final disposition, as is asserted by or allowed the said Committee on Fair Employment Practice in cases where persons complained against refuse to abide by its orders: *Provided further*, That no part of this appropriation shall be used to pay the compensation of any person to initiate, investigate, or prosecute any proceedings against any person, firm, or corporation which seeks to effect the seizure or operation of any plant or other property of such person, firm, or corporation by Federal authority for failure to abide by any rule or regulation of the Committee on Fair Employment Practice, or for failure to abide by any order passed by the Committee on Fair Employment Practice: *Provided further*, That no part of the funds herein appropriated shall be used to pay the compensation of any person employed by said Committee on Fair Employment Practice who issues or attempts to enforce any rule, regulation, or order which repeals, amends, or modifies any law enacted by the Congress.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Kentucky.

Mr. BARKLEY and Mr. BILBO asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. WAGNER (when his name was called). I have a general pair with the junior Senator from Kansas [Mr. REED]. I transfer that pair to the senior Senator from Washington [Mr. MAGNUSON] and will vote. I vote "yea."

Mr. CAPEHART (when Mr. WILLIS' name was called). My colleague [Mr. WILLIS] is necessarily absent from the Senate today. If he were present he would vote "yea."

The roll call was concluded.

Mr. BRIDGES. I have a general pair with the Senator from Utah [Mr. THOMAS]. I understand that if present he would vote as I intend to vote. Therefore I am at liberty to vote. I vote "yea."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Missouri [Mr. BRIGGS], the Senator from Kentucky [Mr. CHANDLER], the Senator from Washington [Mr. MAGNUSON], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Idaho [Mr. TAYLOR] are absent as members of the committee to attend the funeral of the late Senator Scrugham.

I further announce that the Senator from Florida [Mr. ANDREWS] is paired with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting I am informed that the Senator from Florida would vote "nay" and the Senator from Massachusetts would vote "yea."

The Senator from Missouri [Mr. ERIGGS] is paired with the Senator from Idaho [Mr. THOMAS]. If present and voting the Senator from Missouri would vote "yea" and the Senator from Idaho would vote "nay."

I am advised that if present and voting the Senator from Washington [Mr. MAGNUSON], the Senator from Florida [Mr. PEPPER], the Senator from Maryland [Mr. TYDINGS], the Senator from Idaho [Mr. TAYLOR], the Senator from Utah [Mr. THOMAS], and the Senator from Nevada [Mr. MCCARRAN] would vote "yea."

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN], who would vote "yea," has a pair on this question with the Senator from Wyoming [Mr. ROBERTSON], who would vote "nay."

The Senator from Massachusetts [Mr. SALTONSTALL], who would vote "yea," has a pair on this question with the Senator from Florida [Mr. ANDREWS], who would vote "nay."

The Senator from Missouri [Mr. BRIGGS], who would vote "yea," has a pair on this question with the Senator from Idaho [Mr. THOMAS], who would vote "nay."

The Senator from Minnesota [Mr. SHIPSTEAD] and the Senator from Iowa [Mr. WILSON] are absent on official business. Both of these Senators would vote "yea" if present.

The Senator from Maine [Mr. BREWSTER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent. Both of these Senators would vote "yea" if present.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate.

The Senator from Delaware [Mr. BUCK], the Senator from New Jersey [Mr. HAWKES], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from West Virginia [Mr. REVERCOMB] is necessarily absent from Washington.

The Senator from Kansas [Mr. REED] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from North Dakota [Mr. YOUNG] is absent on official business of the Senate attending the funeral of the late Senator Scrugham.

The Senator from Wyoming [Mr. ROBERTSON] is absent on official business by direction of the President pro tempore of the Senate.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Vermont [Mr. AUSTIN] is absent by leave of the Senate.

The result was announced—yeas 42, nays 26, as follows:

YEAS—42

Aiken	Gerry	McFarland
Ball	Green	McMahon
Barkley	Guffey	Mead
Bridges	Gurney	Mitchell
Brooks	Hart	Murdock
Burton	Hatch	Murray
Butler	Hayden	Myers
Capehart	Johnson, Colo.	O'Mahoney
Capper	Kilgore	Radcliffe
Chavez	La Follette	Smith
Cordon	Langer	Taft
Downey	Lucas	Tunnell

Vandenberg	Walsh	White
Wagner	Wherry	Wiley

NAYS—26

Bailey	Ferguson	Maybank
Bankhead	Fulbright	Millikin
Bilbo	George	Moore
Bushfield	Hill	Morse
Byrd	Hoey	O'Daniel
Connally	Johnson, Calif.	Overton
Donnell	Johnston, S. C.	Russell
Eastland	McClellan	Stewart
Ellender	McKellar	

NOT VOTING—27

Andrews	McCarran	Thomas, Idaho
Austin	Magnuson	Thomas, Okla.
Brewster	Pepper	Thomas, Utah
Briggs	Reed	Tobey
Buck	Revercomb	Tydings
Chandler	Robertson	Wheeler
Glass	Saltonstall	Willis
Hawkes	Shipstead	Wilson
Hickenlooper	Taylor	Young

So Mr. BARKLEY'S amendment was agreed to.

Mr. MORSE. Mr. President, I wish to make a statement in explanation of my vote on the appropriation for the FEPC. The RECORD shows that I voted "nay." I did so because in my opinion the compromise was a most unjust one and violated some basic principles of fairness and right. The issue in connection with the FEPC appropriation involves some very fundamental questions of civil rights, and minority group rights, which the people of America are going to have to face realistically in the years immediately ahead.

I think it most unfortunate, Mr. President, that the Senate saw fit with one hand to pay a gesture to those principles, and then with the other hand to strike a blow which makes it impossible for the FEPC to do the work which must be done if it is to handle successfully the important job which has been assigned to it. I, for one, will never be a party to the type of compromise agreed to by a majority of the Senate this afternoon, because I am satisfied that the RECORD is perfectly clear that the FEPC made out a case for every dollar for which it asked in the appropriation bill.

By decreasing the appropriation for FEPC to the amount which finally was granted in the unreasonable compromise proposed by leaders on the other side of the aisle, I think the FEPC was dealt a mortal blow. That is what was done by the compromise. I speak about it in order to make perfectly clear for the record and to the people of the country the true nature of this compromise.

I will not be a party to such a compromise, because I would rather meet this issue head on. I prefer to do what I can to see to it that we give adequate support during the critical adjustment period ahead to FEPC in its great work of maintaining and protecting in America economic justice for all our people. The compromise just adopted is the product of a type of expediency which I will never support.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. FERGUSON. I should like to have my remarks—and I ask unanimous consent for that purpose—printed in the RECORD immediately following the vote taken on the FEPC.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FERGUSON. Mr. President, it is not often that I rise in the Senate to explain my vote. But in this particular case I wish to explain why I voted "nay" on the amendment.

I agree with the Senator from Oregon that it was not a case in which I could agree to a compromise. After hearing the testimony before the Appropriations Committee, I believe that this particular agency is entitled to the full amount which was proposed in the committee, namely, $446,000; that to give it only the compromise amount of $250,000 is a death blow to the agency; and that we have in effect compromised principle in order to obtain a vote today.

I do not believe we can afford to face issues in this way at this critical time in America. In my humble opinion, the time has come when we must stand firm and must vote according to our conscientious beliefs, instead of compromising upon the issues. My vote "nay" was not a vote that I did not want this agency to continue. I voted "nay" merely because I would not compromise and vote for an appropriation of $250,000 for the agency when, in my opinion, the evidence clearly showed that the agency was entitled to an appropriation of $446,000. For that reason I voted "nay." I did not do so because I did not want to continue the agency. I wanted to continue it. I wanted it to continue, so that it could perform the function it was supposed to perform and has to perform.

Mr. MORSE. Mr. President, I wish the RECORD to show that I share completely the views expressed by the Senator from Michigan. I also ask unanimous consent to have my remarks appear in the RECORD immediately after the recording of the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MEAD. Mr. President, in connection with the parliamentary situation which confronted this body in the consideration of the amendment presented by my distinguished colleague the Senator from New Mexico [Mr. CHAVEZ], we must take into consideration the fact—as well as the rulings of the Chair in respect to it—that no item of appropriation came to this body from the other House. Therefore, according to the ruling of the Chair, if a point of order had been made, it would have been necessary for the Senate to vote by two-thirds majority to suspend the rule before the Senate could consider the amendment on this subject. If there had been a failure to secure a two-thirds majority vote, the amendment could not have been considered, and the life of the FEPC, together with all the appropriation for it, would have been eliminated.

I think the sponsor of the amendment, after consideration and conference, had in mind keeping the FEPC alive by securing for it the maximum appropriation which he could secure under present circumstances, and I think he had in mind the necessity of receiving the approval of this body, either by way of a two-thirds vote to suspend the rule or by way of a majority vote upon a question which would not be challenged under the rule.

Mr. LUCAS. Mr. President, may we have order? It seems to me this matter is rather important, in view of the statements made by the two preceding speakers.

The PRESIDING OFFICER. The Senate will be in order. Conversations will cease.

Mr. MEAD. Mr. President, my distinguished colleague the Senator from New Mexico went as far under parliamentary procedure as he could go. He challenged the rule. He even attempted to overrule the Chair in one of his decisions.

This can be said in favor of the position taken by the Senator from New Mexico: He secured an appropriation without jeopardizing his chances by an attempt to secure a two-thirds vote of the Senate. He has now secured legislative authority to continue the FEPC for 12 months.

From time to time there will be deficiency appropriation bills which will be considered in the House of Representatives; and if this amendment stands, the inclusion in such an appropriation bill of an item for this agency will be in order. In that event, only a majority vote of both Houses of Congress will be required, either to support such an item of appropriation which comes here from the House of Representatives or to increase the amount of the appropriation.

So, Mr. President, we are better off by far than we were when this measure came to the Senate. We have an appropriation and, better than that, Mr. President, we have authority continuing the FEPC for the next fiscal year. Therefore we have not forfeited any of our rights because, with every deficiency appropriation we shall be afforded another opportunity to increase the amount in order to maintain the existence of the agency.

Moreover, there is on the calendar of the Senate a measure which would authorize the permanent establishment of the FEPC, and under the rules of the Senate that measure may be called up at any time.

So, Mr. President, I commend the Senator from New Mexico for the able and courageous fight which he made. I regret that he did not succeed in obtaining the full appropriation which had been requested by the Bureau of the Budget. I myself favor the full appropriation. If the amendment shall not be retained in conference, when it comes back to the Senate I for one will not support any conference report which will eliminate the appropriation. I can see where our chances are enhanced because we have an appropriation, and we have authority to continue the agency for the next fiscal year. The fight has just begun, and we will eventually succeed in getting the remainder of the money.

Mr. BILBO. Mr. President, I shall not try to explain my vote. It does not need explanation because I have spent considerable time in endeavoring to make clear my position with regard to the measure. Personally I would not vote for 1 cent for a temporary or a permanent FEPC. I express the belief that the distinguished Senator from Oregon, and the distinguished Senator from

Michigan not only are gentlemen of veracity, but are prophets of the Isaiah type. Both of them declared that the passage of the bill containing the amount which has been agreed to will mean the end of the FEPC. The Senator from Oregon said that it was a mortal blow. That means death. The Senator from Michigan said that it meant a death blow. So I have derived a great deal of consolation from the explanation of their votes.

Mr. President, I think our fight on the floor of the Senate has not been in vain. We have saved the taxpayers of the country $196,000. For my 2 days' work, that means $98,000 a day. I am satisfied with that rate of compensation.

I do not want the country to believe for one minute that the statement made by the distinguished Senator from New York [Mr. MEAD] is true, namely, that any attempt to obtain additional appropriations through the deficiency bill for the fiscal year 1945–46 will not be subject to a point of order, and will not require a two-thirds vote of the Senate. He made a statement which will go out to the country that at any time a desire is felt to make provision in a deficiency bill for an additional appropriation on behalf of the FEPC it can be accomplished without submission to the rule of the Senate which requires a suspension of the rules by a two-thirds vote of the Senate. I do not want such erroneous information disseminated among the friends and foes of this un-American, unconstitutional, unthinkable, and unreasonable legislative monstrosity.

I have further remarks which I shall make within the next day or so. I am now anxious to have the bill passed and sent to conference.

Mr. BARKLEY. Mr. President, before the bill is disposed of, I have a technical amendment to which I think the Senator from Tennessee will agree.

The House reduced the appropriation for travel expenses for the War Labor Board, and the Senate committee reduced the amount carried in the House text from $720,000 to $500,000. I have a letter from the Secretary of the Navy and the Secretary of War in which it is stated that such a reduction would cripple the War Labor Board in dealing with labor matters which are now very important. The War and Navy Departments emphasize the fact that the appropriation for this purpose is needed now and will be needed during the remainder of the year, even to a larger extent than heretofore. The Senator from Tennessee has read the letters.

I move that the vote by which the committee amendment on page 2, line 4, reducing the amount from $720,000 to $500,000, was agreed to, be reconsidered, and also that the vote by which the committee amendment on page 3, line 7, reducing the amount of $13,320,000 to $13,100,000 was agreed to, be reconsidered.

Mr. McKELLAR. Mr. President, I shall not object to the Senator's motion. One of the reasons for my action is the splendid work which the Senator from Kentucky and other Senators have done today in bringing about an adjustment so that we could pass this much-needed bill. So far as I am personally concerned—I cannot speak for the whole committee—I have no objection.

The PRESIDING OFFICER. Without objection——

Mr. McMAHON and Mr. OVERTON addressed the Chair.

Mr. BARKLEY. Mr. President, I ask the Senators to wait just a moment until the motion is disposed of.

Mr. OVERTON. I wish to object to it.

Mr. BARKLEY. I have moved that the votes by which the amendments were agreed to be reconsidered.

Mr. OVERTON. I have no objection to having the votes reconsidered.

Mr. BARKLEY. Very well.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the votes by which the amendments were agreed to.

The motion was agreed to.

Mr. BARKLEY. Mr. President, I now ask unanimous consent that at this point in the RECORD there be printed a letter signed by Judge Robert P. Patterson, Acting Secretary of War, and by Mr. H. Struve Hensel, Acting Secretary of the Navy.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 23, 1945.

Hon. ALBEN W. BARKLEY,
United States Senate.

DEAR SENATOR BARKLEY: Because of the War and Navy Departments' strong interest in the work of the National War Labor Board, we are addressing this letter to you concerning the appropriation requested by the Board for the fiscal year 1945.

As you know, the effect of labor disputes on war production is a matter of deep concern to our Departments. Industrial disputes have seriously threatened the production and distribution of items which are critically needed by the armed forces. This threat is far greater now than it ever has been in the past and we are concerned about the possibility that current and future disputes may materially interfere with war procurement.

The War Labor Board is one of the principal agencies of Government charged with the responsibility for the setlement of such disputes and its effective discharge of this responsibility is essential if the War and Navy Departments are to meet their procurement schedules. Without its timely intervention, many difficult situations which have endangered war production in the past months could not have been solved. Moreover, it prevented the development of acute situations as well as settling them. In the absence of an effectively operating War Labor Board in the coming year, we are convinced that the ability of the Army and Navy to procure materials vitally needed by our troops will be seriously jeopardized.

For these reasons, the War and Navy Departments are very disturbed over the prospective inability of the War Labor Board thoroughly to discharge its important functions as a result of serious curtailment in funds available to it for travel purposes. Such a reduction is now threatened by the action of the House of Representatives and the Senate Appropriations Committee which have reduced the travel allotment requested by the Board for the fiscal year 1946 by a very large amount. The Board's request merely provided for the continuance of a travel allotment which would permit the Board to operate under substantially the same conditions as at present, but the House of Representatives and the Senate Appropriations Committee have taken action which would necessarily result in a substantial curtailment of travel by Board personnel. Even assuming that the present heavy work load of the Board does not increase, and we are confident that it will substantially increase, we believe that any such reduction would make it impossible for the Board adequately to carry out its work.

Under these circumstances, the War Department and the Navy Department urge that you take steps to secure a restoration of the amounts for official travel which have been cut from the Budget estimate of the War Labor Board for the fiscal year 1946.

Sincerely yours,

ROBERT P. PATTERSON,
Acting Secretary of War.
H. STRUVE HENSEL,
Acting Secretary of Navy.

Mr. BARKLEY. Mr. President, the amount involved is $220,000, to restore the War Labor Board travel expenses appropriation to the figure carried in the bill as it was passed by the House.

Mr. OVERTON. Mr. President, I stated that I would object to the proposal suggested by the Senator from Kentucky; but after reconsidering it, and inasmuch as only $220,000 is involved, I do not raise any objection.

Mr. BARKLEY. I thank the Senator.

Mr. President, I now move that the committee amendments on page 2, in line 4, and on page 3, in line 7, be rejected.

The amendments were rejected.

Mr. BURTON. Mr. President, as a matter of information, I wish to understand whether the rejection of the amendments means that on page 2 of the bill the allowance for travel expenses shall not exceed $720,000, which is the figure contained in the bill as it was passed by the House.

The PRESIDING OFFICER. That is correct.

Mr. BARKLEY. That is true.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment.

Mr. McMAHON. Mr. President, I now call up for consideration the amendment which I presented a few days ago and ask to have it read.

The PRESIDING OFFICER. The amendment will be read.

The CHIEF CLERK. On page 4, line 18, it is proposed to strike out "$2,500,000" and insert in lieu thereof "$3,000,000."

Mr. McMAHON. Mr. President, the Senate may rest assured that I shall not indulge in any extended explanation of the amendment. It was with considerable reluctance, and only after much deliberation, that I decided to submit it.

Mr. McKELLAR rose.

Mr. McMAHON. Does the Senator from Tennessee wish me to yield?

Mr. McKELLAR. I suggest to the Senator that if the amendment may be agreed to at this time I shall be glad to take it to conference.

Mr. McMAHON. Very well.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 3368) was read the third time and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. OVERTON, Mr. BROOKS, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

LEAVE OF ABSENCE

Mr. HATCH. Mr. President, in a very few minutes the New Secretary of Agriculture will take his oath of office. Mr. Anderson comes from my State. I am very anxious to attend that ceremony. Therefore, I ask unanimous consent that I may absent myself from the Senate from now until that ceremony is completed. I hope the Senate will have completed its labors and recessed by that time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the request of the Senator from New Mexico is granted.

LEGISLATIVE PROGRAM

Mr. BARKLEY. Mr. President, in order that the two appropriation bills which have just been passed, being the bill making appropriations for war agencies, and the deficiency bill, may be referred to the conference committees, I may say that in the hope that the conferees may agree and that we may dispose of both bills before we adjourn today, it will be necessary for the Senate to take a recess until some hour which will be fixed later. The House has recessed until 5 o'clock this afternoon for the same purpose, and it may be necessary for us to recess until some time later. I shall fix the hour when I make the motion. I merely wish Senators to understand that these measures must go to conference, and that necessary time must be afforded the conferees in which to consider the amendments. I hope their work may be completed without too much delay.

REDUCTION OF CERTAIN APPROPRIATIONS

Mr. McKELLAR. Mr. President, from the Committee on Appropriations I ask unanimous consent to report favorably, without amendment, the joint resolution (H. J. Res. 202) reducing certain appropriations available in the fiscal year ending June 30, 1944, and I ask unanimous consent for its present consideration.

Mr. WHITE. Mr. President, I inquire of the Senator from Tennessee what is the joint resolution.

Mr. McKELLAR. It is a joint resolution which has been passed by the other House. A few days ago objection was made to the joint resolution by my distinguished friend, the Senator from South Dakota. The matter was brought up before the committee this afternoon, the Senator from South Dakota withdrew his objection, and the entire committee expressed itself as being in favor of the joint resolution. The measure is for the purpose of carrying out the recommendation which the President made a short time ago with reference to saving large amounts of money in connection with various appropriations which had already been made. I am sure Senators will not object.

Mr. WHITE. I should be the last Senator to object in a matter of that kind.

Mr. McKELLAR. I am sure of that.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A joint resolution (H. J. Res. 202) reducing certain appropriations available in the fiscal year ending June 30, 1945.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

ENFORCEMENT OF LAW IN THE DISTRICT OF COLUMBIA

Mr. BILBO. Mr. President, I renew my request for the immediate consideration of several emergency bills relating to the District of Columbia. I express the hope that the bills may be considered. I am sure no Senator would have any objection, because the bills were investigated and passed upon by the entire Committee on the District of Columbia, and reported unanimously. They are House bills, and were acted on favorably by the House.

Mr. WHITE. Mr. President, I understand the Senator is asking unanimous consent for the consideration of these five bills at this time.

Mr. BILBO. Yes.

Mr. WHITE. I have been in contact with such minority members of the Committee on the District of Columbia as are present on the floor of the Senate, and I find no objection to the bills.

Mr. BILBO. I thank the Senator. I now ask for the present consideration of Calendar No. 442, House bill 2856, to provide for better enforcement of law within the District of Columbia.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 2856), to provide for better enforcement of law within the District of Columbia, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

USE AND OCCUPATION OF ALLEY DWELLINGS

Mr. BILBO. Mr. President, I ask that the Senate now proceed to the consideration of Calendar No. 443, House bill 3201, relating to alley dwellings in the District of Columbia.

There being no objection, the bill (H. R. 3201) to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended, was considered, ordered to a third reading, read the third time, and passed.

REMOVAL OF RESTRICTIONS ON APPOINTMENT OF SUPERINTENDENT OF GALLINGER MUNICIPAL HOSPITAL

Mr. BILBO. I ask unanimous consent for the present consideration of calendar No. 444, House bill 3257, relating to restrictions on the appointment of certain persons as Superintendent of Gallinger Municipal Hospital in the District of Columbia.

There being no objection, the bill (H. R. 3257) to remove restrictions to the appointment of retired officers of the United States Public Health Service or retired civilian employees of the United States Government or District of Columbia government as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

SALARIES OF POLICEMEN AND FIREMEN

Mr. BILBO. Mr. President, I ask unanimous consent for the consideration of Calendar No. 445, House bill 3291, relating to salaries of policemen and firemen in the District of Columbia.

There being no objection, the Senate proceeded to consider the bill (H. R. 3291) to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia, which had been reported from the Committee on the District of Columbia with an amendment, on page 2, after line 14, to insert a new section, as follows:

SEC. 3. The provisions of this act shall not apply to pilots and marine engineers of the Fire Department whose salaries were increased by an act entitled "An act to amend an act entitled 'An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia,' approved June —, 1945."

The amendment was agreed to.

The amendment was ordered to be engossed and the bill to be read a third time.

The bill was read the third time and passed.

TAXES ON DOGS

Mr. BILBO. Mr. President, I ask unanimous consent for the consideration of Calendar No. 449, House bill 2995, relating to taxes on dogs.

There being no objection, the bill (H. R. 2995) to amend an act entitled "An act to create a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes," approved June 19, 1878, as amended, was considered, ordered to a third reading, read the third time, and passed.

PRESIDENTIAL SUCCESSION

Mr. LUCAS. Mr. President, even though the hour is rather late, I ask the indulgence of the Senate to listen to me for a few moments while I refer to the message regarding the question of Presidential succession which was re-

cently sent by the President of the United States to the Congress.

Mr. President, the American people are in accord with President Truman when he suggests that in the interest of orderly democratic government there should be certainty with respect to the succession to the Presidency.

The proposal suggested by the distinguished President of the United States is thoroughly democratic and a most unselfish one. There remains, however, a serious doubt that the remedy proposed by the President will remove the shortcomings of basic law. From my study and knowledge of this acute and important question, I am convinced that the President's proposal, if enacted, will lead to greater uncertainty, more confusion, and in all probability a contest that might be extremely disturbing to the peace and welfare of a free people in time of peace and surely disquieting to a nation in the midst of a mighty war.

Try as I may, I cannot be convinced that the Speaker of the House of Representatives and President pro tempore of the Senate are officers of the United States within the meaning of the Constitution. They are officers commissioned by the governors of the respective States, and no more. This is the same view that was taken by Mr. Madison, and others, who took a prominent part in the formation of the Federal Constitution. Their position was restated when the law of 1792 was passed, giving the President pro tempore of the Senate the first right of succession to be followed by the Speaker of the House of Representatives in the event a further vacancy occurred. This is the same position taken by the Supreme Court of the United States in 1798 in deciding that Senator Blount was not an officer of the United States and therefore not subject to impeachment. What would be the constitutional situation when the Speaker of the House is discharging as an annex to his office the duties of President? Could he be impeached as acting President?

I submit that if the framers of the Constitution had contemplated that the Speaker of the House and the President pro tempore of the Senate should succeed to the Presidency, they would have specifically designated them in the Constitution. Certainly, these offices are incompatible. Certainly, if the executive functions supersede the legislative, then both must fail, as the former depends upon the latter.

Then again, there may be neither a Speaker of the House of Representatives nor President pro tempore of the Senate at the time a vacancy occurs in the Presidency. The individuals holding these two positions in the Congress may not have the qualifications required by the Constitution of the United States for the Presidency with respect to age or birth. In addition, the proposal opens the door to unnecessary pernicious political activities. Andrew Johnson, when serving as President of the United States, lacked impeachment by one vote, and the President pro tempore of the Senate at that time, who would have succeeded him as acting President had Johnson been impeached, voted for impeachment. It has always been understood that our Government is a system of checks and balances. It seems to me that this proposal neither checks nor balances.

Again, the Constitution provides that the executive power shall be vested in the President of the United States, who shall hold his office during a term of 4 years. I submit it is against the public interest in our traditional system of tenure to make possible that two or more members from different political parties of the legislative branch of Government should serve as President during that time.

The framers of the Constitution intended that the process by free people of changing their leadership in government should take place but once in 4 years. While we confer honor and confidence upon any individual who is elected President, the most important thing is that the people vote for a Presidential candidate according to the policies and opinions upon great public questions for which he stands. The framers definitely said that when the people of this Nation had thus spoken through a national election, the policies thereby endorsed should prevail and have the ascendancy in the administration of the Federal Government for a period of 4 years.

What is the remedy?

Admittedly, it is a most difficult one. It has been debated over and over in the Senate by some of the best legal minds in America. The President in his message would have the Speaker of the House of Representatives fill out the unexpired term, and in case of his death, then the President pro tempore of the Senate. He says, however, that if the Congress decided that a special election should be held, the method and procedure for holding such special election should be now provided by law, so that the election could be held as quickly as possible should the contingency arise. Obviously, this is a plausible suggestion, but immediately we run into constitutional questions of the greatest import. I doubt seriously that either of these proposals can be followed. I do not believe in legalistic hairsplitting upon ordinary questions, but this is an extraordinary proposal upon a question of such vital importance to the peace and happiness of the country it is dangerous even to leave room for doubt, if the same can be removed.

There is not a single word in the Constitution giving to the Congress the power to call a special election in case there is removal, death, resignation, or inability to serve of both the President and Vice President. Neither is there anything in the Constitution that definitely precludes such an election. The Congress would have to use the implied power of the Constitution to lay down the procedure through legislation for a Presidential election under these circumstances. If and when that happens, many questions will arise.

The Constitution requires that each State appoint, in such manner as the legislature thereof may direct, electors, who later choose the President and Vice President of the United States. The manner with respect to time and other matters is probably different in every State. The Congress would have no power to supersede the Constitution on this point. Therefore, delay and confusion are imminent. Certainly no special election could be called immediately.

If it were possible to hold an immediate election, the term of those elected would have to be for 4 years as the Constitution requires. An election could not be held for the unexpired term. It would be a dangerous threat to public peace and welfare to pass legislation which conceivably might permit the changing of the President through election as often as once a year. That is exactly what is proposed, Mr. President, and such a thing could happen under certain contingencies and circumstances.

There is another possibility fraught with much difficulty. Should the President and Vice President die before the Congress could prescribe the method and procedure for the special election, the then Secretary of State would become the acting President, and as acting President of the United States he would have the veto power over such legislation, and certainly Congress would be influenced either in calling or denying the special election because of the personality then holding the office of Secretary of State.

Certainly the succession to the Presidency was never so important as it is today. I submit that the element of time is the essence. The American people are entitled to legislative course that will act as a minimum disturbance to the business and social life of this Nation.

With a full realization of the intricacy of the problem at hand and cognizant of its great importance to our democratic form of government, it is my studied opinion that the Senate of the United States should give serious and exacting attention to the difficulties that are involved, to the end that there be certainty as to succession.

The law of 1886 should be amended to the end that in the case of the double vacancy through death, resignation, inability to serve, or removal, Cabinet officers, headed by the Secretary of State, should be in line to serve for the balance of the regular unexpired term, thus continuing in power the party which had succeeded in the last election, and insuring administration of government according to the policies endorsed by the majority of the people. Some seem to think that the present law does that very thing. Many eminent authorities hold otherwise. It should be definitely settled by legislation.

There is nothing unusual about the President of the United States selecting his successor under such circumstances. Whoever the Secretary of State and other Cabinet officers may be, they would be subject to confirmation by the Senate. Then again, everyone knows that no Vice President is ever elected unless he has the approval of the Presidential candidate. No candidate for the high

office of President desires to have a running mate whose theories and philosophies are utterly opposed to his. If the Vice President succeeds to the office of the President through death or otherwise, he should be able to exercise the same privilege exercised by his predecessors in the determination of a successor in harmony with the policies upon which he stood for election.

In conclusion let me say I believe the people ought to be consulted whenever practicable on a matter so important as the selection of the President and Vice President. The people are the safe depositories of power in a republic. However, if there is any fault to be found with holding Presidential elections more often than every 4 years, it is the fault of the Constitution.

We are in the midst of war. We look forward to the postwar period with a full realization of the significant and tremendous social and economic problems with which we are faced. Nothing should be done through legislation that will in any way unsettle business and disturb the peace of the country. We need certainty and stability at this hour in the solution of the succession problem. We can obtain it through the course I have suggested.

During all the years that legislation dealing with this problem has been on the statute books Congress has not prescribed what constitutes inability to serve upon the part of the President and Vice President, nor has any procedure been provided for determining whether or not inability to serve exists. This lack of orderly legal procedure which could be followed in the event of inability to serve is also fraught with danger and it seems to me the Senate of the United States should also study the question of enacting legislation which will definitely deal with the disability clause in the Constitution.

Mr. President, I call the attention of the Senate to two instances when a disability existed, or at least it was said that a disability existed. One was after Garfield was shot, when for 3 months he was practically helpless insofar as carrying on the administration of government was concerned. Then there was the time during the latter part of Woodrow Wilson's term, when the same question arose.

Mr. President, I shall submit in the near future a bill which will deal with this entire problem.

Mr. BANKHEAD. Mr. President, it is not my purpose at this time to go into a full discussion of the subject presented by the Senator from Illinois. The very able Senator, as Chairman of the Committee on Privileges and Elections, will doubtless have jurisdiction of bills dealing with this subject.

I am not in full accord with his views, though I agree with them in part. I do not think the Speaker of the House should by law be designated successor to the President of the United States in the event there is a vacancy in that office and also in the office of Vice President, for the reason that was stated by the Senator. On several occasions during the time intervening between the death of a Vice President and the next presidential election there has been a change in the political complexion of the House of Representatives which, as stated, would bring to the Presidency a person who was not in accord with the will of the people as shown in the previous election.

I am not going into the question of succession by the President pro tempore of the Senate. There are objections to that proposal.

Mr. President, I have a suggestion to make for the consideration of the Senator from Illinois and others who are interested in the subject. I have not heard this thought presented. I believe, however, it is worthy of consideration. To my way of thinking the best thing to do would be to select a new Vice President in the event of a vacancy in the Office of Vice President, so as to have him ready to assume the Presidency in case there should be a vacancy in the office of President by death, resignation, or for any other reason. Then we would have selected a person to succeed the President in the manner in which the Vice President is regularly selected. Then in the event of the death of the President there would be a Vice President to succeed him.

I do not know of any reason either in law or in fact why it should not be provided that the electoral college, which was elected to elect a President and a Vice President, should not be reassembled and elect another Vice President. That would guarantee a successor to the President who was in full accord with the political philosophy of the President, because the electoral college is the body which had selected the President. They had instructions from the people, of course, but they were the constitutional body that was chosen and which had elective powers. Of course, we would have to enact a law making that body a continuing body from the time of its election in the regular Presidential election until a new Presidential election was held 4 years later. A number of details would have to be arranged, of course, but I know of no reason why they could not be arranged. Then we would have a body elected by the people to elect a President. While at present the spirit and letter of the law is that they are to elect only one, and then their functions expire, still, the philosophy which caused their election, and the political sentiment in the country which brought the election, would still prevail, and the only thing necessary would be to continue their power for 4 years, with the power given them, whenever there was a vacancy in the office of Vice President, to have the electors assembled in their respective State capitals to select another Vice President.

I have not had an opportunity to prepare a bill. I plan to do so at an early date and have it presented to the Committee on Privileges and Elections for its consideration.

Mr. GREEN. Mr. President, I have listened with great interest to the remarks of the Senator from Alabama. I think he has unwittingly made a mistake in one instance. I believe he referred to the Senator from Illinois, who has just presented a very interesting address on the subject of Presidential succession, as chairman of the Committee on Privileges and Elections. As I happen to be chairman of that committee, perhaps I should take this opportunity to inform the Senate that at a meeting of that committee yesterday it voted to have a subcommittee of five appointed to consider bills already introduced, and which have been referred to it, and any other bills on this subject which have been introduced or may be introduced in either House of Congress, and other related matters, with power to hold hearings if desirable. The chairman of the committee was given authority to appoint a subcommittee, and I have appointed as members of that subcommittee the Senator from West Virginia [Mr. KILGORE], chairman; the Senator from Delaware [Mr. TUNNELL]; the Senator from South Carolina [Mr. JOHNSTON]; the Senator from New Hampshire [Mr. BRIDGES]; and the Senator from New Jersey [Mr. SMITH].

I believe that with those able Senators acting as the subcommittee, our colleagues may rest assured that all bills on the subject will be very carefully considered, and that any advice which may be offered will be welcomed.

Mr. BANKHEAD. Mr. President, I regret that by inadvertence I stated that the Senator from Illinois was chairman of the Committee on Privileges and Elections. I gained that impression because at one time he appeared before the Senate as chairman of a subcommitee in a celebrated election contest.

Mr. LUCAS. I was chairman of a subcommittee.

Mr. BANKHEAD. The recollection of it has not been erased from my memory. However, I know that the very able Senator from Rhode Island is chairman of the committee, and I am sure that he is a good chairman.

Mr. LUCAS. Mr. President, I rose in the Senate today primarily with a view of attempting to stimulate some interest in the proposal submitted by the distinguished President of the United States. With all due deference to my good friends in the House of Representatives, it seems to me, from the record which was made, that a question so vital to the welfare and happiness of the people of this country was touched upon in a very light fashion on the other side of the Capitol.

Mr. President, I am delighted that my distinguished friend from Rhode Island is chairman of the Committee on Privileges and Elections at this time, because I know what a scholar he is, and with what a penetrating mind he undertakes to consider a subject of this kind. I do not say that flippantly, because I sat with the distinguished Senator for a good many weeks in the soldiers' vote fight which we had in the Senate. I know the kind of mind he has. He has demonstrated his capacity to serve upon a number of serious questions.

I say advisedly that there is no more important question now pending unless it be the San Francisco Charter. Aside from that, there is no more important question pending in the Congress than the solution of the problem of succession to the Presidency, which problem has been with us for all these years. As I

previously stated, its solution has been attempted time and time again, but we are still having our troubles.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FULBRIGHT. Why does the Senator from Illinois believe that it would be unconstitutional to provide for succession by a special election?

Mr. LUCAS. Let me say to the able Senator from Arkansas that paragraph 6 of article II of the Constitution provides as follows:

> In case of the removal of the President from office, or of his death, resignation, or inability to discharge the powers and duties of the said office, the same shall devolve on the Vice President, and the Congress may by law provide for the case of removal, death, resignation, or inability, both of the President and Vice President, declaring what officer shall then act as President, and such officer shall act accordingly, until the disability be removed, or a President shall be elected.

When we turn to section 1, of article II, we find that it provides as follows:

> The Executive power shall be vested in a President of the United States of America. He shall hold his office during the term of 4 years, and, together with the Vice President, chosen for the same term, be elected, as follows:

My position is that that provision means exactly what it says, that is, the acting officer whom the Congress may designate shall hold office until the next Presidential election; and the only way to cure the defect—

Mr. FULBRIGHT. However, it does not say that.

Mr. LUCAS. The Senator is implying, and I am implying. I have a right to my implications, just as the Senator has a right to his. That is my best judgment about it. In the past a great many fine lawyers have taken the same position. There is no doubt that others take the position that there is the implied power to call a special election.

Let us assume that a special election is called. In my statement a few moments ago I tried to discuss the difficulties which we would encounter. The President of the United States says that we could have an immediate election, which would be probably within 60 days. I undertake to say that under the Constitution of the United States that could not be done. I do not believe that under the Constitution we could enact legislation which would provide an election within 60 days. So what would happen is that the Acting President would take over, and in my opinion he would hold office at least until the next congressional election. If he is to serve that length of time, he might as well be left in office for the full term.

Mr. WHITE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHITE. What is before the Senate at the moment?

Mr. LUCAS. Only a few Senators. Does the Senator wish to make a point of order against that?

Mr. WHITE. I understand that the Senator from Illinois is in charge during the temporary absence of the majority leader. I wonder if he can tell us the program for the remainder of the day.

Mr. LUCAS. As soon as I have finished speaking, I shall move that the Senate take a recess until 6 o'clock. So many Senators have been speaking during the past few days that I thought I might continue speaking until 6 o'clock.

Mr. WHITE. It is a very bad habit to contract.

Mr. LUCAS. It may be; but many Senators seem to have contracted it. [Laughter.]

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BANKHEAD. The Senator was referring to the expiration of the term of office, and the possibility of the Acting President remaining in office until the next election. Would there be anything unconstitutional about that? Could not the expiration date be fixed by statute at the end of the term for which the vacancy was to be filled?

Mr. LUCAS. That is my point exactly. That is what should be done; and that was what was tried in 1886, when there were long debates in the United States Senate; but it was not possible to do anything.

Mr. BANKHEAD. Does the Senator mean that Members of Congress could not agree, or could not find suitable language?

Mr. LUCAS. They could not agree upon the question.

The point I made—and it seems to me to be very serious at the present time—is that we are now engaged in a war, and in the next 2 or 3 years we shall enter upon the postwar period. Everyone is looking forward to that period, especially those who are interested in the social and economic life of this Nation. They are doing everything they can in the way of postwar planning to prevent unemployment and to maintain the standard of living. In the event that the emergency to which I have referred should occur, we should not permit the occurrence of anything which would disturb the effects to keep down unemployment and to keep up the standard of living. In other words, we should take steps to insure that there will be the least possible disturbance to the social and economic life of the Nation.

Mr. BANKHEAD. That is exactly the reason why I have suggested the continuance of the electoral college. If that were done, there would be no disturbance at all.

Mr. LUCAS. I do not go into that matter at this time.

Mr. BANKHEAD. I am not seeking a statement on it from the Senator at this time, and I doubt whether such a step could be taken at this time.

Mr. LUCAS. No; and I am not discussing it now. My position is that when the electoral college reports that "John Jones and Bill Smith have been elected," that is the end of its duties.

Mr. BANKHEAD. That is my position, and I should like to know whether it will be possible to make the electoral college a continuing body.

Mr. LUCAS. I seriously question whether that can be done.

Mr. BANKHEAD. I do not understand that there is any constitutional prohibition of it.

Mr. FULBRIGHT. Mr. President, I understand that the view of the Senator from Illinois is that even though there could be a special election for President, it would be an impractical thing to do, even though it might be constitutional. Do I correctly understand the Senator's view?

Mr. LUCAS. The Senator is entirely correct in that respect. I first take the position that it could not be done; but assuming that it could be done under the Constitution, I take the position that it would be a very impractical thing to do, and especially so at this particular time.

Mr. FULBRIGHT. In that connection, Mr. President, I think it is very unwise, under the circumstances, for the President and the Secretary of State to travel on the same train or on the same boat until this matter is settled. Does not the Senator from Illinois think so?

Mr. LUCAS. I may be unduly alarmed in this question, but I do not think I am. The more I read about the problem and the more I study it, the more convinced I am that there is nothing so important to the well-being of a free people, in the continuous functioning of government as it should function, as a proper solution of this problem.

I certainly do not want to tell the President of the United States or the Secretary of State what to do. But in this connection, I may point out that I once knew of a married couple who would never even ride together on the same train or travel together in the same automobile, if they could possibly avoid doing so. They had a family of five children, and they felt that in the interest of their children they should not travel together, for fear that if an accident occurred they both might be killed.

That point of view corresponds to the thought of the Senator from Arkansas.

Mr. FULBRIGHT. It is a perfectly legitimate interest; I do not think it is presumptuous to say that the President and the Secretary of State should not travel together. I do not think it is at all presumptuous to have an interest in this matter.

Mr. LUCAS. I do not think so, either. It seems to me that we have a very proper interest in such matters.

Mr. FULBRIGHT. Very much so. I agree with the Senator that this matter is one of the utmost importance. But I am not at all clear as to how we should determine it.

Mr. LUCAS. I am not at all clear, either, about that, and I do not think anyone is. That is why I have made this suggestion today. I did so because the matter was so lightly treated in the House of Representatives, it seemed to me.

LEGISLATIVE PROGRAM

Mr. BARKLEY. Mr. President, the conferees on the deficiency appropriation bill and the conferees on the war agencies appropriation bill must be given an opportunity to work out the conference reports on those bills, if possible.

The House of Representatives has taken a recess for that purpose, and it will be necessary for the Senate to do the same. I do not know just how long it will take the conferees to agree upon the reports. If by the time the Senate reassembles, following the recess, the conferees have not finished their work, it will be necessary for the Senate to take a further recess. But in order to give the conferees an opportunity to formulate their reports, it is my purpose to move that the Senate take a recess until 6 o'clock. I do not yet make a motion to that effect; before doing so, I believe it would be well to conclude any other business which remains before us.

The PRESIDING OFFICER. There are no other matters, except the nominations on the Executive Calendar.

EXECUTIVE SESSION

Mr. BARKLEY. I now move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HOEY) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

Charles C. Gidney, Jr., of Texas, and Charles Gilbert, of New York, to be foreign-service officers, unclassified, vice consuls of career, and secretaries in the diplomatic service;

Henry S. Waterman, of Washington, to be a consul general;

Herbert P. Fales, of California, to be a consul; and

F. Lester Sutton, of New Jersey, to be a consul.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

POSTMASTER

The legislative clerk read the nomination of Pearl C. Flinders to be postmaster at Alberton, Mont.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Navy nominations are confirmed en bloc.

Mr. BARKLEY. I ask unanimous consent that the President be immediately notified in all cases of nominations which have been confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

That completes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 6 o'clock p. m.

The motion was agreed to; and (at 4 o'clock and 36 minutes p. m.) the Senate took a recess until 6 o'clock p. m.

At the expiration of the recess the Senate reassembled, and Mr. HOEY resumed the chair.

ADDITIONAL JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 30, 1945, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON of Missouri, Mr. WOODRUM, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. RABAUT, Mr. JOHNSON of Oklahoma, Mr. TABER, Mr. WIGGLESWORTH, Mr. DIRKSEN, and Mr. CASE of South Dakota were appointed managers on the part of the House at the conference.

Mr. WHITE. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to; and (at 6 o'clock and 1 minute p. m.) the Senate took a recess subject to the call of the Chair.

The Senate reassembled at 7:20 o'clock p. m., when it was called to order by the Presiding Officer (Mr. HOEY in the chair).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes.

SECOND DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 10, 11, 15, 21, 26, and 48.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 8, 9, 12, 16, 17, 18, 19, 20, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, and 47; and agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$102,500"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$16,750,000"; and the Senate agree to the same.

KENNETH MCKELLAR,
CARL HAYDEN,
JOHN H. OVERTON,
C. WAYLAND BROOKS,
CHAN GURNEY,
Managers on the Part of the Senate.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMETT O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,
Managers on the Part of the House.

The report was agreed to.

LEAVE OF ABSENCE

Mr. WHITE. Mr. President, in behalf of the senior Senator from Wisconsin [Mr. LA FOLLETTE], I ask leave of absence for him from attendance on sessions of the Senate during the entire coming week.

The PRESIDING OFFICER. Without objection, the leave is granted.

ADJOURNMENT

Mr. BARKLEY. Mr. President, there being nothing further that we can dispose of tonight, I move that the Senate adjourn until 12 o'clock noon Monday.

The motion was agreed to; and (at 7 o'clock and 23 minutes p. m.) the Senate adjourned until Monday, July 2, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received June 30 (legislative day of June 25), 1945:

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment in the Regular Corps of the United States Public Health Service:

TO BE SURGEONS EFFECTIVE DATE OF OATH OF OFFICE

Frank F. Furstenberg
H. van Zile Hyde

TO BE SENIOR SURGEON EFFECTIVE DATE OF OATH OF OFFICE

Alonzo F. Brand

TO BE MEDICAL DIRECTOR EFFECTIVE DATE OF OATH OF OFFICE

James A. Doull

TO BE JUNIOR ASSISTANT NURSE OFFICERS EFFECTIVE DATE OF OATH OF OFFICE

Florence J. Ullman	Mary F. Callan
Emile E. Wilson	Dorothy L. Connors
Eunice Pace	Jennie H. Rakich
Lois J. Anderson	Rita A. Foy
Geraldine D. Pass	Ursula K. Kengla
Palma M. Goodnough	Roberta C. Brave
Mary E. Becker	Jannine A. Djiejowski
Adele L. Henderson	Doris E. Porter
Vivian L. Gibson	Agnes M. Cullen
Mary E. Evans	Mildred Kinney
Irene Evans	Margaret M. Cahalan
Frances L. Tiller	Mary C. Larkin
Anne K. Buck	Frances A. Vogel

TO BE ASSISTANT NURSE OFFICERS EFFECTIVE DATE OF OATH OF OFFICE

Madeline Roller	Viola E. Householder
Loretta M. Schroll	Mary A. Rice
Edith M. Hettema	Lena V. Boothe
Rose Guralnick	Hazel E. Owen
Mary A. Brimberry	Aileen E. Hughes
Edna L. Easterday	Edwyna D. Draper
Rose V. Fortuna	Lucile B. Ross
Gladys M. Crissman	Caroline T. Bemberg
Mary Raprich	Florina T. Thieman
Jeannette E. Westlake	Gladys M. Ray
Josephine T. Lamb	Ella E. Hanke
Marion D. Moellenberg	Madge Neill
Edith K. Davenport	Ruth Henton
Mildred A. Logan	Anne J. Lello
Alice L. Fladeland	Loretta C. Parsons
Amy L. Cawley	Ruth N. Crawford

TO BE SENIOR ASSISTANT NURSE OFFICERS EFFECTIVE DATE OF OATH OF OFFICE

L. Dorothy Carroll	E. Doris Johnson
Agnes B. Bowe	Emily M. Smith
Margaret F. Knapp	Frances E. Taylor
Clarice M. Russell	Prudence J. Kowalske
Margaret J. Nichols	Grace I. Larsen
Dorothy Wittington	Amy E. Biglione
Lillian A. Gardner	Catherine M. McDerm
Martha M. Ball	Genevieve Soller
Evelyn E. Johnson	Elizabeth W. Carrico
Esther Finley	Alma Marlin
Mabelle J. Markee	Fern M. Dunn
Vivian A. Hayes	

TO BE NURSE OFFICERS EFFECTIVE DATE OF OATH OF OFFICE

Lucile Petry	Mary E. Corcoran
Mary D. Forbes	Marie E. Wallace
Alice L. Rorrison	Florence H. Callahan
Pearl McIver	Jessie MacFarlane
Marion Ferguson	Lily C. Hagerman
Rosalie I. Peterson	Rosemary McCann

POSTMASTERS

The following-named persons to be postmasters:

ALASKA

Everell R. Sharnbroich, Wrangell, Alaska, in place of L. M. Williams, resigned.

ARIZONA

Julia S. Story, Bagdad, Ariz. Office became Presidential January 1, 1945.

CALIFORNIA

James A. Adrian, Jr., Banning, Calif., in place of J. E. White, deceased.

Mary B. Chaim, Byron, Calif., in place of I. E. Reynolds, resigned.

Gladys M. Tolbert, Dorris, Calif., in place of E. M. Shelley, resigned.

Scott K. Wood, Fresno, Calif., in place of J. S. L. Royle, resigned.

GEORGIA

Emma L. Slater, Brooklet, Ga., in place of Ruth Parrish, deceased.

Myron R. Leard, Colbert, Ga., in place of B. S. Hickman, resigned.

Zelan T. Wills, Smyrna, Ga., in place of A. B. Caldwell, deceased.

ILLINOIS

James D. Gilley, Centralia, Ill., in place of P. C. Puffer, resigned.

Clara E. Jenkins, Lerna, Ill., in place of G. H. Hayes, resigned.

IOWA

Bert E. Fry, Adel, Iowa, in place of H. L. Mann, deceased.

KANSAS

Arthur H. Poundstone, Anthony, Kans., in place of R. R. Couch, resigned.

Arvel J. Mueller, Hudson, Kans. Office became Presidential July 1, 1942.

KENTUCKY

Emanuel Combs, Combs, Ky. Office became Presidential July 1, 1943.

William A. Marshall, Sadieville, Ky. Office became Presidential July 1, 1943.

LOUISIANA

Eda P. Durio, Forest Hill, La., in place of G. D. Mizell, resigned.

Louise W. Beebe, Lena Station, La. Office became Presidential July 1, 1944.

MAINE

Lyda B. Carter, Seal Harbor, Maine, in place of E. A. Atwood, resigned.

MISSISSIPPI

Myrtle I. Duncan, East Tupelo, Miss. Office became Presidential January 1, 1945.

Thelma Keown Fisher, Louise, Miss., in place of E. O. Barnes, resigned.

MISSOURI

Albert P. Carr, California, Mo., in place of Leonard Moore, resigned.

William V. Mullies, Hume, Mo., in place of T. F. Herndon, transferred.

Glen H. Rozell, Sparta, Mo. Office became Presidential July 1, 1944.

NEBRASKA

Ruth H. Carlson, Loomis, Nebr., in place of G. F. Carlson, retired.

James L. McCarty, Red Cloud, Nebr., in place of C. H. Miner, resigned.

NEW JERSEY

Matthew Travalgio, Richland, N. J. Office became Presidential July 1, 1944.

NEW MEXICO

Agnes C. McNally, Dawson, N. Mex., in place of Josephine Lorenzo, deceased.

Elbert L. Wallace, Mosquero, N. Mex., in place of V. M. Cason, resigned.

NEW YORK

Raymond E. Byrne, Firthcliff, N. Y., in place of J. P. Barton, deceased.

Arthur E. Pellerin, Saranac, N. Y. Office became Presidential July 1, 1944.

NORTH CAROLINA

Floyd Yeomans, Harkers Island, N. C. Office became Presidential July 1, 1944.

Maude C. Peeler, Misenheimer, N. C. Office became Presidential July 1, 1944.

OHIO

Clifford A. Belknap, Sherrodsville, Ohio. Office became Presidential July 1, 1944.

Forrest Shaffer, Trotwood, Ohio, in place of O. W. Kerschner, deceased.

OREGON

Charles C. Kelly, Mill City, Oreg., in place of A. P. Groblebe, resigned.

PENNSYLVANIA

Nellie E. Breslin, Drifton, Pa. Office became Presidential July 1, 1944.

Paul G. Shultz, Dublin, Pa. Office became Presidential July 1, 1944.

S. Robert Wilson, Millsboro, Pa. Office became Presidential July 1, 1944.

Helen C. Keitzer, Venetia, Pa. Office became Presidential July 1, 1944.

Ernest G. Aucker, Selinsgrove, Pa., in place of M. S. Schoch, resigned.

James R. Dolan, South Fork, Pa., in place of J. M. Gates, transferred.

Frances E. Ainey, South Montrose, Pa., in place of G. H. Fish, resigned.

Warren H. Jones, Youngsville, Pa., in place of F. A. Crippen, deceased.

SOUTH DAKOTA

Percy G. Houghton, Willow Lake, S. Dak., in place of L. D. Batien, transferred.

TENNESSEE

Frank Ensley, Neubert, Tenn. Office became Presidential July 1, 1944.

William W. Taylor, Trenton, Tenn., in place of C. A. Boone, resigned.

TEXAS

Oscar P. Spiegelhauer, Coupland, Tex. Office became Presidential July 1, 1944.

Andy P. Box, Llano, Tex., in place of W. B. Collins, deceased.

Gussidell Buckner, Rochester, Tex., in place of I. M. Matheny, resigned.

Domingo Garcia, San Diego, Tex., in place of H. M. Garcia, resigned.

UTAH

Ephia E. Foster, Columbia, Utah. Office became Presidential Juy 1, 1943.

VIRGINIA

Muriel M. Crews, Madison Heights, Va., in place of L. C. Johnson, resigned.

WASHINGTON

Lars Sagen, East Stanwood, Wash., in place of M. L. Wenberg, resigned.

Dorothy M. Julian, Hartford, Wash. Office became Presidential July 1, 1944.

Mabel M. Gavin, Malott, Wash., in place of H. A. B. Gavin, removed.

WISCONSIN

Robert E. Lynch, Green Bay, Wis., in place of J. J. Brogan, Jr., resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate, June 30 (legislative day of June 25), 1945:

IN THE NAVY

APPOINTMENTS IN THE NAVY FOR TEMPORARY SERVICE

David W. Mitchell to be a pay director, with the rank of rear admiral, to rank from June 18, 1943.

Virgil E. Korns to be a commodore, to continue while serving on the staff (shipping) of the commander in chief, United States Pacific Fleet, and until reporting for other permanent duty.

Thomas J. Keliher, Jr., to be a commodore, to continue while serving in the Service Force, Pacific, and until reporting for other permanent duty.

Elmer E. Duvall, Jr., to be a commodore, to continue while serving in the Service Force, Pacific, and until reporting for other permanent duty.

Henry Hartley, to be a commodore, to continue while serving in the Service Force, Pacific, and until reporting for other permanent duty.

Jasper T. Acuff, to be a commodore, to continue while serving in the Service Force, Pacific, and until reporting for other permanent duty.

POSTMASTER

MONTANA

Pearl C. Flinders, Alberton.

HOUSE OF REPRESENTATIVES

SATURDAY, JUNE 30, 1945

The House met at 10 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Unto thee, O God, do we ascribe glory and honor, dominion and power, both now and forever. O Spirit of Truth,

move upon us that under all circumstances we may be God-fearing men and women, always abounding in good works. Take from us everything that is false or insincere and that which is alien to the divine will. Bind us together by the holy sanctions of religion, increasing in knowledge and power. Open our eyes that we may understand that whenever we fail to be loving we fail to be wise, and whenever we have been blind to our neighbor we have been blind to ourselves, and when we have pained others we have hurt our own souls. Thou who art our repose in labor and our comfort in affliction, let those blessings which make heaven rich and earth musical be with us today. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

HELEN JURGENSEN

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 308) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Helen Jurgensen, widow of Hans Jurgensen, Jr., late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed $250 toward defraying the funeral expenses of the said Hans Jurgensen, Jr.

The resolution was agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent that on Thursday, July 5, 1945, after the disposition of business on the Speaker's desk, I may address the House for 1 hour.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent that at the conclusion of business on the Speaker's desk today I may address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

EXTENSION OF REMARKS

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include an editorial from the Portland Oregonian on the lamb question.

Mr. SPRINGER asked and was given permission to extend his remarks in the RECORD and to include therewith an address by Clement T. Malan, superintendent of public instruction of the State of Indiana, at Purdue University on June 19.

Mr. MASON asked and was given permission to extend his remarks in the RECORD on the subject of the suppressed report of the Civil Service Committee and to include therein a part of a letter from the chief investigator, Mr. McCormack, summarizing that report.

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix and include a newspaper article and tables.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include a set of resolutions from the Masonic Grand Lodge of the State of North Dakota.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include a resolution from the Land-Grant College Association of the State of North Dakota.

TAXING OF BONDS IN CANADA

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks and include a letter and an article from the Detroit Free Press.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. MICHENER addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HOEVEN. Mr. Speaker, in this morning's news our esteemed colleague, Representative CLINTON P. ANDERSON, who this afternoon will become Secretary of Agriculture, says that one of his first objectives will be to establish agriculture on an equal footing with other war agencies.

Let me assure the new Secretary of Agriculture that in this endeavor he will have the support of many on the Republican side of the aisle. For a long time, the Republican Congressional Food Study Committee, of which I am a member, has advocated that all food production be classified as a war industry—equal with munitions production itself. On the recommendation of the committee, the Republican conference adopted and forwarded to the President such a proposal.

In a spirit of helpfulness, therefore, may I suggest to the new Secretary of Agriculture that he turn his attention first to the War Production Board—and to the task of somehow convincing the industrialists in WPB that if farmers are to produce the food the world needs so much, they must be given the tools—the farm machinery—with which to do the job.

EXTENSION OF REMARKS

Mr. BARTLETT asked and was given permission to extend his remarks in three particulars and to include editorials from the Alaska Times and an article by Captain Neuberger.

Mr. FLOOD asked and was given permission to extend his remarks and include therein three articles.

Mr. BAILEY asked and was given permission to extend his remarks in the RECORD and include therein an article by State Commissioner of Agriculture J. B. McLaughlin, of West Virginia.

THE AIRCRAFT CARRIER "BUNKER HILL"

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, at this time I should like to pay tribute to the heroic conduct of the carrier *Bunker Hill* and its great and brave crew in a recent action in the Pacific. At the same time I wish also to pay tribute to the cruiser *Wilkes-Barre* and its brave crew which, when the *Bunker Hill* was sorely stricken, went to its rescue. Their conduct resulted in the saving of many hundreds of lives and was in the best traditions of the city of Wilkes-Barre and the United States Navy.

OPA AND THE DAIRY INDUSTRY

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I, like my colleague from Iowa, also wish our new Secretary of Agriculture well. I am sorry to see that the Democratic leadership in its wisdom is not going to let him get a chance to prove what he can do. If you insist on emasculating the Andresen amendment, you are putting the gentleman from New Mexico [Mr. ANDERSON] on the spot where he cannot deliver the goods.

As far as the dairy industry is concerned, we represent some 20 to 25 percent of American agriculture. Neither the gentleman from New Mexico [Mr. ANDERSON] nor anyone else can straighten this out under the present set-up if we are going to have a policy of cream for the few and skim milk for the many. If we are going to have a policy whereby the OPA goes ahead with its persecutions and prosecutions, its seizings and findings of people who produce manufactured dairy products, but do not even ration cream, we are not getting a war food dairy program and we have not had one up to this minute. The gentleman from New Mexico, Mr. CLINTON ANDERSON, will not give us one because he will not have the power to do so. The Democratic leadership will not even give him a chance and people can expect some more of the same brand of medicine.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

UNEMPLOYMENT

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Mr. Speaker, when I reached my office this morning there

were a thousand telegrams on my desk from citizens of St. Louis urging that the Congress not recess until some action is taken that will provide a Federal law which will assist to alleviate an unemployment situation that is already developing.

We all pray that the day is not far off when the war in the Pacific will end, but no one knows when that day will arrive. It will be then that the real situation will confront us, but within the last 10 days concellation of contracts in St. Louis will result in at least 25,000 employees being separated from their position within 60 days. The President, realizing that some congressional action will be necessary, urged the Congress in a special message to act, suggesting in part unemployment compensation for 25 weeks at the rate of $25 a week. Other plans have been suggested.

What I urge is that Congress should go to work now and not wait until the critical period arrives. It is reasonable to assume that cancellation of contracts will continue because of the ending of hostilities in Europe but when the war with Japan ends the 75 percent of those employed in war work will find themselves out of jobs over night. You can see the critical situation that will confront the country. Let us not wait, but do something now.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I can sympathize with the gentleman from Missouri. I should like to know what he suggests in the way of legislation. Does he believe we should make unemployment compensation available to all these who are out of work?

Mr. COCHRAN. I am willing to do anything along that line or any other line that will alleviate an unemployment situation such as seems to be developing.

Mr. HOFFMAN. Does the gentleman from Missouri feel that the United States Treasury can give everybody a job? Or in lieu of a job unemployment benefits? Now, if that is the policy and some magician can make it work, all right; I am willing to follow it provided it takes care of everyone, including Congressmen who are old and decrepit and lack the ability to make a living in any other way, if they are put on the pension roll. But there will be hundreds of thousands of white-collar workers who will not have jobs and if that is to be our policy they as well as all others should be aided. And what about the businessmen who fail? Should not provision be made for all?

I do not know why men are out of jobs in St. Louis unless it be that they flocked to St. Louis to take high-level war jobs which are now no longer so numerous. You might send some of those fellows up to Detroit where just last week some fifty or sixty thousand men refused to work because they could not get the compensation they wanted, or because there was a quarrel between unions. Note this editorial from the Detroit News:

MOBOCRACY

Richard T. Frankensteen chose the word exactly descriptive of the so-called wildcat strikes here, "mobocracy."

Fifty-six thousand CIO union members were on strike in seven plants Wednesday morning, because ridiculously small groups in each case were involved in the AFL-CIO jurisdictional fight. These small groups defied their union law—all law and war need—and the many thousands followed a few hundreds like sheep.

We confront mobocracy in an acute form when a little mob may any time be the nucleus of a big mob.

We have witnessed parades on our streets, putting to scorn and derision the efforts under law—war law—to provide the community with sufficient food at reasonable prices. We didn't see a parader who looked hungry.

What was sought?

It is nothing else than no law—mobocracy.

Frankensteen ought to know. In the past he was interested in many a strike where the peace officers were defied, the orders of the courts flaunted. Private property was seized and destroyed, city streets and highways taken over, workers driven from their jobs. Farmers who wanted to truck food into Detroit have been compelled time and again to stand and deliver until the hands of the union representative was crossed with silver.

Union teamsters driving trucks into Detroit have been denied the right to unload their cargo and the producers of food have been forced to pay union men for either unloading it or to sit idly by while the driver from out of the city or his helper unloaded the food.

I wonder what some of these union men who live in the city would say and do if the farmers should organize and tell them that if they wanted food they should come out to the farm and get it and pay for the privilege of entering the farmer's barnyard?

Now here is an editorial from the Dowagiac (Mich.) Daily News of June 28, which puts the situation in a nutshell:

But while some areas do have labor surpluses there are many which are still short of manpower. Also workers are faced with the liquidation of the high wages which are paid as a premium during the height of the war effort and those wages certainly cannot be maintained under ordinary production schedules. There will be a steady reduction to a reasonable and fair pay, accompanied, it may be assumed, by lessening living costs. If anyone thinks that Detroit or any other similar industrial area is going to be able to keep up the inflationary labor situation which has been geared to unlimited Federal spending, such a person should reexamine the facts. What can best be done is to ease out of this extreme condition into a stable and regular economy based on civilian production. Such a situation will still be one of high wages because of the effect of the present inflation. Strikes and quarrels or attempts by management to take advantage of the condition certainly cannot be expected to help such a change over. We might also remember that we still are fighting a war with Japan, still are bringing men home from Europe, discharging some, reconditioning others, and are a long way from liquidating either the war or its effects. Labor leaders will do well to counsel and enforce stability of employment, early reemployment in civilian enterprise, and resumption of the sound ways of life. The ability of the labor organizations to function under these conditions will be the best proof of their economic necessity and soundness.

Perhaps we should let those who stage these strikes go out on the farm and dig in the dirt a little and raise something to eat. Maybe they will have to do some of the work that does not pay so well. You know everybody cannot live in the city with electric lights, hot and cold water, and steam heat in the winter, with a picture show just around the corner. Everybody in the city cannot receive high wages—step out and buy what food they need—work 40, 44, and 48 hours a week with pay and one-half for all work over 40 hours per week. Somebody has to work sometime and I suggest that it may become necessary for some of the people in the city to go out and get started digging in the dirt, for, after all, someone must plow, plant the crops, till the soil, milk the cows. It will not hurt anyone to get his hands dirty, it will not hurt anyone to sweat a little down next the earth, it will not hurt anyone to have a little dust fall on them as they toil. My point is that it may be that more people will have to return to the farms, to Mother Earth, the source upon which we all depend for our existence. The Federal Government cannot forever give an ever-increasing number greater compensation or aid by way of subsidies or benefit payments. It is doubtful if a 30-hour week will solve the problem, for men who are not working must eat. We cannot continue giving more people more when there is an ever-diminishing number of producing workers working ever fewer hours.

The SPEAKER. The time of the gentleman from Michigan has expired.

RECESS OF THE HOUSE DURING THE DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time during the day for the Speaker to declare a recess subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SUSPENSION OF THE RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order during the coming week for the Speaker to recognize Members for the purpose of suspending the rules.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

RECEIPT OF MESSAGES FROM THE SENATE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Clerk of the House may, during the recesses of the House today, receive messages from the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SIGNING OF ENROLLED BILLS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding any recesses or adjournment of the House today the Speaker may sign enrolled bills.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, can the gentleman give us any idea what it is expected to consider today?

Mr. McCORMACK. The OPA conference report is the first order of business. What we do after that is dependent to a great extent on what might happen in the other body.

Mr. COCHRAN. Is this Carden bill on the Private Calendar going to be called up today?

Mr. McCORMACK. That will not come up until fall.

Mr. HOFFMAN. Mr. Speaker, reserving the right to object, in view of what the gentleman from Missouri [Mr. COCHRAN] said about unemployment and what the gentleman from Massachusetts said about OPA, I wonder if there is going to be any change in this legislation so that the canners and processors of fruit in Michigan, in the Northeast and the Central West, may have an opportunity to go ahead and process berries and fruits that are now coming on the market that will be entirely wasted or sold on the market at high prices. If the order of which there is so much complaint is rescinded it will give employment to some of the people the gentleman from Missouri talks about, also to some people in Arkansas who normally come to Michigan to harvest fruit and berries. They can come up and help us. If OPA will relax a little bit and let our canneries and processors go on instead of putting prices on processed products so low—in some instances a maximum price 6 cents a pound less for the processed fruit than for the fresh—that is cannot be sold, if you can do that, change that order of OPA, it will give employment and help relieve the situation in the cities. Is there anything like that coming out of conference on OPA? That is the end of my question.

Mr. McCORMACK. Is that all?

Mr. HOFFMAN. That is the stopping point, right now.

Mr. McCORMACK. May I say to the gentleman that I have listened with interest to the remarks the gentleman made in which he referred to the people in cities living the "life of Riley." Of course, that is a rather rash conclusion.

Mr. HOFFMAN. Many of my conclusions are.

Mr. McCORMACK. I am not talking about others.

Mr. HOFFMAN. Would you mind answering what I asked you?

Mr. McCORMACK. Just a minute. You went ahead and did a lot of talking.

Mr. HOFFMAN. I will probably do some more.

Mr. McCORMACK. It is regrettable to hear anyone from the city attack anyone on the farm, and it is regrettable to hear anyone from an agricultural district attacking anyone from the city.

Mr. HOFFMAN. I agree with the gentleman in that statement.

Mr. McCORMACK. It is not in the best interest of the country. Everyone in the city does not live the life of Riley, and the gentleman in the future ought to be a little more temperate in expressing his thoughts. That is a sufficient answer.

Mr. HOFFMAN. Now that the gentleman has finished his lecture, why does not the gentleman tell me about the OPA?

Mrs. ROGERS of Massachusetts. Mr. Speaker, reserving the right to object, I know the gentleman from Massachusetts agrees with me, and it is generally conceded that, for one reason or another, the east coast is being discriminated against in the distribution of food. We have taken it. The gentleman, with me, wants to do everything he can for Mr. ANDERSON, our new Secretary of Agriculture.

Mr. McCORMACK. There is no question about that, and I think every effort is being made along that line. We are trying to improve conditions, and we hope the improvement will be more marked in the future.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON asked and was given permission to extend his remarks in the RECORD and to include a radio address delivered by War Food Administrator Marvin Jones.

Mr. BARRETT of Wyoming asked and was given permission to extend his remarks in the RECORD and to include a resolution adopted by the Public Service Commission of Wyoming.

Mr. CAMPBELL asked and was given permission to extend his remarks in the RECORD and to include an address of Mr. Samuel K. Cunningham, a constituent of mine and a brother of one of our colleagues in the House, the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. KOPPLEMANN asked and was given permission to extend his remarks in the RECORD and to include a printed article.

EXTENDING PRICE CONTROL AND STABILIZATION ACTS

Mr. SPENCE. Mr. Speaker, the rules of the House provide that there shall be 1 hour of debate on conference reports. I am perfectly willing that the senior minority Member the gentleman from Michigan [Mr. WOLCOTT] may designate as to how 30 minutes of that time shall be allocated. I understand there has been a request for additional time.

Mr. WOLCOTT. Mr. Speaker, if the gentleman will yield, I have several requests for time from Members who are vitally interested in the amendments which were adopted by the House and which were considered in conference, especially with respect to the Andresen amendment and the Dirksen amendment. I wonder if we could not agree on an additional hour. I think that would be sufficient. We would try to keep ourselves within that time.

Mr. SPENCE. I do not want to be unreasonable, but I think that is too long under the circumstances. I would be willing to agree to an additional half hour if the gentleman would agree that at the expiration of that time the previous question would be considered as ordered.

Mr. WOLCOTT. Reserving the right to object, the gentleman from Kentucky has very graciously allowed me to designate the allocation of half of the time. I wonder if that would apply to the additional time as well?

Mr. SPENCE. That applies to the additional time as well.

Mr. Speaker, I ask unanimous consent that debate on the OPA conference report be extended an additional 30 minutes, the time to be equally divided and controlled by the gentleman from Michigan [Mr. WOLCOTT] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

CALL OF THE HOUSE

Mr. FOLGER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 133]

Anderson, N. Mex.	Granger	Neely
Baldwin, Md.	Grant, Ind.	Norrell
Baldwin, N. Y.	Gwinn, N. Y.	O'Toole
Barden	Hall, Edwin Arthur	Pfeifer
Barry	Hall, Leonard W.	Ploeser
Beall	Halleck	Powell
Bell	Hand	Powers
Bennet, N. Y.	Harless, Ariz.	Price, Fla.
Bloom	Hart	Rayfiel
Boren	Hays	Rivers
Bradley, Mich.	Hendricks	Robsion, Ky.
Buck	Hobbs	Rodgers, Pa.
Buckley	Hook	Roe, N. Y.
Bunker	Jarman	Rowan
Butler	Jennings	Russell
Cannon, Fla.	Johnson, Ind.	Sabath
Celler	Johnson, Okla.	Sharp
Clark	Kearney	Sheppard
Cole, Kans.	Kee	Simpson, Pa.
Cole, N. Y.	Keogh	Slaughter
Cooley	Kilburn	Smith, Maine
Cox	Kinzer	Smith, Ohio
Cravens	Kirwan	Smith, Va.
Curley	Kunkel	Snyder
Dawson	Landis	Somers, N. Y.
De Lacey	Lane	Taylor
Dingell	Lesinski	Thom
Douglas, Calif.	Lynch	Thomas, N. J.
Earthman	McGlinchey	Tolan
Eaton	McKenzie	Towe
Ellsworth	May	Traynor
Fuller	Merrow	White
Gathings	Morgan	Whitten
Geelan	Mott	Wilson
Gillette		Winter
		Worley

The SPEAKER. On this roll call 321 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENDING PRICE CONTROL AND STABILIZATION ACTS

Mr. SPENCE. Mr. Speaker, I call up the conference report on the joint resolution (S. J. Res. 30) extending the ef-

fective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agreed to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That section 1 (b) of the Emergency Price Control Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "June 30, 1946."

SEC. 2. Section 6 of the Stabilization Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "June 30, 1946."

SEC. 3. Section 2 (b) of the Emergency Price Control Act of 1942, as amended, is hereby amended to read as follows:

"'"(b) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he shall issue a declaration setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for any defense-area housing accommodations within a particular defense-rental area. If within sixty days after the issuance of any such recommendations rents for any such accommodations within such defense-rental area have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations, the Administrator may by regulation or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of this Act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about April 1, 1941 (or if, prior or subsequent to April 1, 1941, defense activities shall have resulted or threatened to result in increases in rents for housing accommodations in such area inconsistent with the purposes of this Act, then on or about a date (not earlier than April 1, 1940), which in the judgment of the Administrator, does not reflect such increases), and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs within such defense-rental area. In designating defense-rental areas, in prescribing regulations and orders establishing maximum rents for such accommodations, and in selecting persons to administer such regulations and orders, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area. Whenever the Administrator shall find that, in any defense-rental area or any portion thereof specified by him, the availability of adequate rental housing accommodations and other relevant factors are such as to make rent control unnecessary for the purpose of eliminating speculative, unwarranted, and abnormal increases in rents and of preventing profiteering, and speculative and other disruptive practices resulting from abnormal market conditions caused by congestion, the controls imposed upon rents by authority of this Act in such defense-rental area or portion thereof shall be forthwith abolished; but whenever in the judgment of the Administrator it is necessary or proper, in order to effectuate the purpose of this Act, to reestablish the regulation of rents in any such defense-rental area or portion thereof, he may forthwith by regulation or order reestablish maximum rents for housing accommodations therein in accordance with the standards set forth in this Act. Before issuing any regulation or order under the foregoing provisions of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order, and shall give consideration to their recommendations. The Administrator shall, at the request of any substantial portion of the industry subject to such regulation or order of the Administrator, appoint a national industry advisory committee, or committees, in the same manner and form and with the same powers and duties as provided in subsection (a) for industry advisory committees relating to price."'"

SEC. 4. Section 2 of the Emergency Price Control Act of 1942, as amended, is amended by inserting at the end of such section a new subsection as follows:

"(n) In establishing or maintaining maximum prices under this Act or otherwise in the case of collect-on-delivery sales of any commodity where under established practices of the seller a uniform charge is added to the price to cover mailing costs, an increase in maximum prices shall be allowed equivalent to any increase in such costs heretofore or hereafter resulting from increased postal rates or charges."

SEC. 5. (a) Subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"(e) Notwithstanding any other provision of this or any other law, no action shall be taken under this Act by the Administrator or any other person, without prior written approval of the Secretary of Agriculture, with respect to any agricultural commodity or with respect to any regulation, order, price schedule or other requirement applicable to any processor with respect to any food or feed product processed or manufactured in whole or substantial part from any agricultural commodity; except that (1) the foregoing provisions of this subsection shall not apply in the case of any individual adjustment making an increase in a maximum price, and (2) the Administrator may take such action as may be necessary under section 202 and section 205 to enforce compliance with any regulation, order, price schedule, or other requirement, which is lawfully in effect."

(b) Section 302 of the Emergency Price Control Act of 1942, as amended, is amended by inserting after paragraph (k) thereof a new paragraph as follows:

"(l) The term 'agricultural commodity' includes livestock."

SEC. 6. Section 204 (e) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"(e) (1) Within thirty days after arraignment, or such additional time as the court may allow for good cause shown, in any criminal proceeding, and within five days after judgment in any civil or criminal proceedng, brought pursuant to section 205 of this Act or section 37 of the Criminal Code, involving alleged violation of any provision of any regulation or order issued under section 2 or of any price schedule effective in accordance with the provisions of section 206, the defendant may apply to the court in which the proceeding is pending for leave to file in the Emergency Court of Appeals a complaint against the Administrator setting forth objections to the validity of any provision which the defendant is alleged to have violated or conspired to violate. The court in which the proceeding is pending shall grant such leave with respect to any objection which it finds is made in good faith and with respect to which it finds there is reasonable and substantial excuse for the defendant's failure to present such objection in a protest filed in accordance with section 203 (a). Upon the filing of a complaint pursuant to and within thirty days from the granting of such leave, the Emergency Court of Appeals shall have jurisdiction to enjoin or set aside in whole or in part the provision of the regulation, order, or price schedule complained of or to dismiss the complaint. The court may authorize the introduction of evidence, either to the Administrator or directly to the court, in accordance with subsection (a) of this section. The provisions of subsections (b), (c), and (d) of this section shall be applicable with respect to any proceeding instituted in accordance with this subsection.

"(2) In any proceeding brought pursuant to section 205 of this Act or section 37 of the Criminal Code, involving an alleged violation of any provision of any such regulation, order or price schedule, the court shall stay the proceeding—

"(i) during the period within which a complaint may be filed in the Emergency Court of Appeals pursuant to leave granted under paragraph (1) of this subsection with respect to such provision;

"(ii) during the pendency of any protest properly filed by the defendant under section 203 prior to the institution of the proceeding under section 205 of this Act or section 37 of the Criminal Code, setting forth objections to the validity of such provision which the court finds to have been made in good faith; and

"(iii) during the pendency of any judicial proceeding instituted by the defendant under this section with respect to such protest or instituted by the defendant under paragraph (1) of this subsection with respect to such provision, and until the expiration of the time allowed in this section for the taking of further proceedings with respect thereto.

"Notwithstanding the provisions of this paragraph, stays shall be granted thereunder in civil proceedings only after judgment and upon application made within five days after judgment. Notwithstanding the provisions of this paragraph, in the case of a proceeding under section 205 (a) the court granting a stay under this paragraph shall issue a temporary injunction or restraining order enjoining or restraining, during the period of the stay, violations by the defendant of any provision of the regulation, order, or price schedule involved in the proceeding. If any provision of a regulation, order, or price schedule is determined to be invalid by judgment of the Emergency Court of Appeals which has become effective in accordance with section 204 (b), any proceeding pending in any court shall be dismissed, and any judgment in such proceeding vacated, to the extent that such proceeding or judgment is

based upon violation of such provision. Except as provided in this subsection, the pendency of any protest under section 203, or judicial proceeding under this section, shall not be grounds for staying any proceeding brought pursuant to section 205 of this Act or section 37 of the Criminal Code; nor, except as provided in this subsection, shall any retroactive effect be given to any judgment setting aside a provision of a regulation or order issued under section 2 or of a price schedule effective in accordance with the provisions of section 206."

SEC. 7. Section 3 of the Stabilization Act of 1942, as amended, is further amended by inserting at the end thereof the following: "*Provided further*, That on and after the date of the enactment of this proviso, no maximum prices shall be established or maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species."

SEC. 8. The Stabilization Act of 1942, as amended, is amended by inserting after section 3 thereof a new section as follows:

"SEC. 3A. (a) While this Act is in effect, no quota or other slaughtering limitation shall be imposed upon any slaughterer of animals, under authority of this or any other law, if the Secretary of Agriculture has certified that the slaughtering plant is operated under sanitary conditions and that the meat produced therein is clean, wholesome, and suitable for human consumption; but certification under this section shall not be made with respect to any slaughtering plant (1) at which inspection is maintained under the Act of March 4, 1907 (34 Stat. 1260), with respect to all its slaughtering operations, or, (2) at which such inspection under such Act was previously maintained if, in the judgment of the Secretary of Agriculture, the slaughterer withdrew such plant from such inspection for the purpose of applying for certification under this section.

"(b) As a condition of making certification in the case of any such slaughterer, the Secretary of Agriculture may require that such slaughterer make available to the armed services of the United States, or for Government purchase, such percentage of the meat slaughtered and processed as he may deem necessary or advisable.

"(c) The Secretary of Agriculture may make the certification provided for under subsection (a) with respect to a designated part of a slaughtering plant without making such certification with respect to the remainder of such slaughtering plant, in which event the provisions of this section shall apply only to meat produced in such designated part of the slaughtering plant.

"(d) In order that he may make the certifications provided for under subsection (a), the Secretary of Agriculture may provide for inspection in such manner and by such persons as he may deem advisable.

"(e) Meat which is produced under the circumstances specified in this section shall have the same status for transportation in interstate or foreign commerce, when properly identified in accordance with regulations issued by the Secretary of Agriculture, as meat produced in plants at which inspection is maintained under the Act of March 4, 1907 (34 Stat. 1260).

"(f) The Secretary of Agriculture may refuse or revoke certification in any case when he is not satisfied that the meat made available hereunder will be disposed of in legitimate trade channels in accordance with law.

"(g) The Secretary of Agriculture may revoke any certification under subsection (a) if it is found at any time that the slaughterer does not meet each of the conditions required under this section.

"(h) Nothing in this section shall prevent the termination, suspension, or limitation of the right of any person to slaughter if such person fails to comply with the price, rationing, or slaughter control requirements imposed under the authority of this or any other law."

And the House agree to the same.

BRENT SPENCE,
PAUL BROWN,
Per M. M.
WRIGHT PATMAN,
MIKE MONRONEY,
JESSE P. WOLCOTT,
FRED L. CRAWFORD,
RALPH A. GAMBLE,
Managers on the Part of the House.
ROBERT F. WAGNER,
ALBEN W. BARKLEY,
J. H. BANKHEAD,
GEORGE L. RADCLIFFE,
CHARLES W. TOBEY,
ROBERT TAFT,
HUGH BUTLER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Except as explained below, the conference substitute is the same as the House amendment.

SECTION 3

Section 6 of the House amendment contained a provision amending section 2 (b) of the Emergency Price Control Act so as to provide that before regulations or orders as to rents were issued the Administrator should advise and consult, so far as practicable, with members of the affected industry. The amendment also provided for the establishment, at the request of any substantial portion of the industry, of an "industry advisory committee, or committees, either national, regional, or area-wide, or all of them" in the same manner and form and with the same powers and duties as provided in subsection (a) of section 2 of the act for industry advisory committees relating to price. This section is retained in the conference substitute as it was in the House amendment, except for a change that the committee or committees required to be established are to be national committees.

SECTION 4

The Senate resolution contained the following provision which was not contained in the House amendment:

"SEC. 5. Section 2 of the Emergency Price Control Act of 1942, as amended, is amended by inserting at the end of such section a new subsection as follows:

"'(n) In establishing or maintaining maximum prices under this act or otherwise in the case of collect-on-delivery sales of any commodity where under established practices of the seller a uniform charge is added to the price to cover mailing costs, an increase in maximum prices shall be allowed equivalent to any increase in such costs heretofore or hereafter resulting from increased postal rates or charges.'"

This provision has been included as section 4 of the conference substitute.

SECTION 5

Section 5 of the House amendment rewrote subsection (e) of the Emergency Price Control Act. It provided that nothwithstanding any provision of that act or any other law or Executive order, no regulation, order, directive, or allocation should be issued or made, or any action taken, with respect to any agricultural commodity, including livestock, or for any food product processed in whole or in substantial part from any such commodity, either by the Administrator or by any agency of the Government or the head thereof, without prior written approval of the Secretary of Agriculture; and also provided that no regulation, order, directive, allocation, price schedule, or distribution order with respect to any such commodity, or for any such food product, heretofore issued or made by the Administrator or any agency of the Government or head thereof, should be valid or binding unless approved in writing by the Secretary of Agriculture within 90 days after the enactment of the amendatory section. An exception was made in the case of action taken to enforce compliance with requirements which had been previously approved by the Secretary of Agriculture.

This section has been included as section 5 of the conference substitute, but has been modified so that the limiting words "under this act" contained in the existing subsection (e) have not been changed; but such subsection (e) is changed to require that the approval of the Secretary of Agriculture be given in writing, and the approval of such Secretary (which is at present required only in the case of action taken with respect to agricultural commodities) will be required also in the case of any regulation, order, price schedule, or other requirement applicable to any processor with respect to any food or feed product processed or manufactured in whole or substantial part from any agricultural commodity. It is provided, however, that the subsection shall not apply in the case of an individual adjustment making an increase in a maximum price. The provision preserving the power of the Administrator to take action to enforce regulations, orders, price schedules, or other requirements which have been approved and are lawfully in effect has been preserved. Section 5 also contains an amendment to the Price Control Act, defining the term "agricultural commodity" to include livestock for the purposes of all the provisions of the act.

Section 7 of the House amendment proposed amendments to section 204 of the Emergency Price Control Act the principal effect of which would have been to enable the district courts, as well as the Emergency Court of Appeals, to review action of the Administrator in denying a protest filed under section 203 of the act with respect to a maximum price order or regulation. This provision has not been included in the conference substitute.

SECTION 6

There has been included in the conference substitute, as section 6, a provision amending subsection (e) of section 204 of the act, so as to give additional rights to persons who are prosecuted, under certain circumstances, on account of alleged violations of regulations or orders issued under the act. Subsection (e) provides for a procedure by which, in any civil or criminal proceeding brought pursuant to section 205 of the act, involving alleged violation of any provision of any regulation or order issued under section 2, the defendant may obtain judicial determination of the validity of the regulation or order in question. In the case of *Taub* v. *Bowles*, in the Emergency Court of Appeals, decided on June 6, 1945, it was held that the provisions of subsection (e) do not apply in the case of a criminal proceeding brought under section 37 of the Criminal Code, alleging conspiracy to violate a regulation or order issued under the act.

Section 6 of the conference substitute makes the amendments in such subsection (e) which are necessary to give to persons prosecuted under section 37 of the Criminal Code, on account of alleged conspiracy to violate any such regulation or order, the rights provided by subsection (e) in the case

of civil or criminal proceedings brought under section 205 of the act.

SECTION 7

Section 3 of the Senate resolution and section 4 of the House amendment contained provisions which were identical (except that the Senate provision amended the Stabilization Act and the House provision amended the Price Control Act) amending existing law to provide that no maximum prices shall be established or maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species. The Senate provision, amending the Stabilization Act, is incorporated in the conference substitute.

SECTION 8

Section 3 of the House amendment contained a provision adding a new section 3A to the Stabilization Act of 1942. Subsection (a) of this section provided that while the Stabilization Act of 1942 is in effect no quota or other slaughtering limitation should be imposed upon any slaughterer of animals, under authority of any law, if the Secretary of Agriculture had certified that the slaughtering plant was operated under sanitary conditions and that the meat produced therein was clean, wholesome, and suitable for human consumption. Subsections (b) to (f), inclusive, authorized the Secretary of Agriculture as a condition of making certification, to require that the slaughterer make available to the armed services of the United States, or for Government purchase, such percentage of the meat slaughtered and processed as he might deem necessary or advisable, authorized the Secretary of Agriculture to provide, for the purposes of the section, for inspection of slaughtering plants in such manner and by such persons as he might deem advisable; provided that meat produced in certified slaughtering plants could be transported in interstate or foreign commerce, notwithstanding any law to the contrary; authorized the Secretary of Agriculture to refuse certification when he was not satisfied that the meat made available would be disposed of in legitimate trade channels in accordance with law; authorized revocation of certification if it was found at any time that the slaughterer did not meet any of the required conditions; and provided that nothing in the section should prevent the termination, suspension, or limitation of the right of any person to slaughter if such person failed to comply with the price, rationing, or slaughter control requirements imposed under authority of any law.

This provision of the House amendment appears in the conference substitute as section 8. As incorporated into the conference substitute, the substantive changes made in it are as follows:

(1) A provision has been included to provide that certification shall not be made with respect to a slaughtering plant at which inspection is maintained under the Meat Inspection Act of March 4, 1907, with respect to all its slaughtering operations; or with respect to any slaughtering plant at which such inspection was maintained prior to application for certification if, in the judgment of the Secretary of Agriculture, the slaughterer withdrew such plant from such inspection for the purpose of applying for certification.

(2) A new subsection has been included which will permit the Secretary of Agriculture to make certification with respect to a designated part of a slaughtering plant without making certification with respect to the remainder thereof.

(3) In the provision relating to the transportation in interstate or foreign commerce of meat produced in such certified plants, a modification has been made so that such meat will have the same status, when properly identified in accordance with regulations of the Secretary of Agriculture, as meat which is produced in plants at which Federal inspection is maintained under the Meat Inspection Act of March 4, 1907.

(4) The provision with respect to refusing certification in case the Secretary of Agriculture is not satisfied that the meat made available will be disposed of in legitimate trade channels has been modified so that revocation of a certificate may also be made on the same ground.

COTTON TEXTILES

The conferees have given consideration to the operation of the Bankhead-Brown amendment to the Stabilization Act of 1942, relating to the pricing of cotton textiles. The conferees are in agreement with the conclusion of the Senate and House committees, that the purpose of that amendment will not be carried out unless the maximum price for each major cotton textile item is fixed and maintained at not less than the sum of the following:

1. The cotton cost (which must be computed at not less than the landed mill parity equivalent for the grade and staple of cotton used; except that, after the initial adjustments required under the amendment have been made, the amendment does not require the continued use of a cotton cost figure which is, and for a representative period has been, above or below the actual cotton cost);

2. A weighted average of mill conversion costs; and

3. A reasonable profit.

The conferees are advised that the Price Administrator has informed the chairman of the Senate Banking and Currency Committee that the policy which he intends to follow in administering the amendment will be in full accord with this opinion as to its requirements.

BRENT SPENCE,
PAUL BROWN,
Per M. M.
WRIGHT PATMAN,
MIKE MONRONEY,
JESSE P. WOLCOTT,
FRED L. CRAWFORD,
RALPH A. GAMBLE,
Managers on the Part of the House.

Mr. SPENCE. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, this is the conference report on the continuation of the Price Control and Stabilization Acts from June 30, 1945, to June 30, 1946. A complete agreement has been reached in conference after a full 2 days discussion by the unanimous action of the Members on both sides of the Capitol. Undoubtedly there will be much criticism of the report, but I believe we have brought back a conference report that will meet many of the objections that were voiced on the floor of the House and that will assure the effective continuation of the Price Control and Stabilization Acts.

I will not discuss the report section by section. We might just as well meet the issue now. The two questions that are involved and which were most controversial in the House are the Dirksen amendment and the Andresen amendment.

In regard to the Dirksen amendment, I want to say we considered it in committee and refused to report it. The House twice voted in the amendment and twice the conferees have taken it out of the bill.

What does the Dirksen amendment do? It is an easy thing to talk about constitutional rights and the invasion of individual liberties. That always makes a powerful appeal to all of us who love liberty and believe in the Constitution. But there is no constitutional question involved here. The Constitution of the United States provides for one court, the Supreme Court of the United States, and such inferior courts as the Congress may from time to time ordain and establish. The Congress established the district courts and Congress established the Emergency Court of Appeals. The Emergency Court of Appeals was organized for the orderly enforcement of the regulations and orders issued pursuant to the Price Control and Stabilization Acts and to give relief to those who filed complaints in regard to the rules and regulations. It was established under the same section of the Constitution as the District courts.

Now what does the Dirksen amendment do? I am sure we all believe that if price regulations are to be enforced they ought to be enforced uniformly as to all citizens, and that they ought to be enforced in one judicial district just as they are enforced in every other district. There are 85 district courts in the United States. There are 10 circuit courts of appeals, and if we include the Circuit Court of Appeals of the District of Columbia there are 11. There is no uniformity of decision in the different appellate districts. One Circuit Court of Appeals may decide a case one way and another appellate circuit court may decide it in an entirely different manner. Can you not see what chaos might result if you permitted litigants to go into the district court to enjoin a Nation-wide regulation of the OPA? If you permit every litigant to bring his suit in any district court and enjoin the enforcement of the OPA orders, you will have no enforcement of price control. The doors of the black market will be opened wide.

I am sure you are not going to be led astray by specious arguments and thus vote to legalize any such condition as would inevitably result.

Now, what does the Dirksen amendment provide? It provides that any litigant can go into a district court and obtain an injunction against the enforcement of an order the operation of which is Nation-wide, and it provides the judgment or decree of a district court, final or interlocutory, may be reviewed by certiorari to the Supreme Court. It has been my understanding that the ordinary procedure requires the same finality of judgment in the lower court for review by certiorari as by appeal. Yet this amendment provides that while the lower court still has control over the judgment and still may change its ruling from day to day, one may petition the Supreme Court for a writ of certiorari to review this interlocutory decree.

The granting of certiorari is in the discretion of the court and in all probability the Court, in almost all cases, would refuse to review an interlocutory judgment or decree.

So it does not give the right that it professes to give to the litigant to have his case reviewed immediately by the Supreme Court. The Supreme Court

has other business to attend to, and the Supreme Court could not try all of these cases that may be petitioned to be brought before it by certiorari.

The Emergency Court of Appeals is not an OPA court as has been often said. The Emergency Court of Appeals was created, it is true, to enforce the orders of the OPA in order that they might be enforced uniformly. Who appoints the judges of the Emergency Court of Appeals? The man best qualified in the Nation to appoint them, the Chief Justice of the Supreme Court of the United States. He appoints them from the circuit and district benches. He knew them and he knew their qualifications before he appointed them. He appointed men whom he knew would discharge their duties faithfully and impartially. Judge Meris, the Chief Judge, has appeared before our committee and he impressed the members of the committee as a man of fine judgment and ability.

They say that litigants must follow the Emergency Court of Appeals wherever it may be or they must come to Washington to present their cases. They do not have to do anything of the kind. The Emergency Court of Appeals holds its sessions throughout the the United States at the convenience of the litigants and has held sessions in almost every section of our country.

In the light of these facts, where is the great constitutional question that is involved? The right of the individual, when the national interest is at stake, must bend a little in all matters. The sole issue is whether you will maintain the present practice of enforcement of these orders as they are now enforced, or whether you will have no enforcement at all. I realize that the House has twice voted this amendment in the bill, but I think the House voted it without sufficient consideration. I think the Members did not understand fully the implications of what might occur if the amendment were placed in the law. I want to leave this thought with you; this is not a comparable question of one having his legal rights in peacetime invaded. In war we must give up some individual rights and liberties in order that the administration of our emergency wartime regulations may be effective. It is a question of whether we will continue to enforce price regulations.

The SPEAKER. The gentleman has consumed 10 minutes.

Mr. SPENCE. Mr. Speaker, I yield myself 2 additional minutes.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. JENKINS. The gentleman from Kentucky lives directly across the river from Cincinnati, Ohio. I live in that judicial district. A situation has arisen there about which I have been informed. I am not sure of the facts, but I want to ask the gentleman if he knows anything about it, and if it is a fact, both he and I should look into it during the recess. I understand that somebody in Cincinnati who is supposed to enforce the OPA regulations has been sending out notices to people who may have violated the regulations or he thinks they have violated them; perhaps he has made some investigation, but he has been sending out notices, "You owe me $50; send us the money." I understand that is the practice. If that is the practice, I think it is a shame.

Mr. SPENCE. If that is the practice it is reprehensible and there is no excuse or justification for it in the law.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. SPENCE. I yield.

Mr. VORYS of Ohio. The selective service law has gone on the basis that each board is a supreme court in itself, but as to any review, it goes through the regular Federal courts. Would the gentleman say we have had confusion and a break-down in the selective-service law because of that procedure?

Mr. SPENCE. Oh, that is an entirely different matter. Here is a regulation that is general in its scope. That is an individual matter. That applies to an individual. In this case there would not be any uniformity of enforcement under any other system than the one adopted.

The SPEAKER. The time of the gentleman has again expired.

Mr. SPENCE. Mr. Speaker, I yield 10 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, on June 23, I went on record and voted for the continuance of the Price Control Law, with the amendments adopted in the House. In view of the scarcities developing in food and other commodity lines, I consider it vital to continue the right kind of price control so as to prevent a disastrous inflation in this country. The stage is now set for inflation. It will take more than the passage of a law to stop it. In fact, due to the scarcity of meats, poultry, and eggs, inflation is in full bloom in a Nation-wide black market. To stop inflation effectively and prevent soaring prices, we must remove the causes which have created scarcity, and again return to the road of abundant production. This is the only remedy.

A substantial majority of the Members of this House have joined with me in the opinion that the cause of our present scarcity of meat, poultry, fats, and oils is largely due to ill-advised orders issued by the OPA and other governmental agencies. Such regulations and orders are largely responsible for the breakdown in our normal and legitimate channels of distribution. The black market has taken over and consumers in many places are paying far in excess of ceiling prices fixed by the OPA. This situation will continue as long as existing orders remain, and until such time as abundant production is secured with distribution restored to legitimate channels.

On Saturday last, the House went on record by a vote of 211 to 155 in favor of the amendment which I proposed to require a review of all existing food orders by the Secretary of Agriculture within the next 90 days. My amendment was not for the purpose of increasing prices, but for the sole objective of bringing order out of chaos and to secure a restoration of confidence among producers and a return of equitable distribution to consumers. I sincerely believe that my amendment would achieve this objective without materially changing existing OPA price levels. At the present time, there are 22 Government agencies which can restrain or veto food policies.

The amendment adopted by the House last Saturday required the Secretary of Agriculture to give his written approval to all food orders, as well as to review all food orders heretofore issued. The conferees agreed to the first part of the amendment, and in the future, the Secretary of Agriculture is given the authority to approve, in writing, all food orders issued by the OPA. I am pleased that the conferees at least agreed to this part of my amendment.

However, the conferees refused to agree to the last half of my amendment which required the Secretary of Agriculture to review all food orders and regulations heretofore issued. At stated before, I feel that existing orders are largely responsible for the situation in which we find ourselves with reference to scarce foods, and therefore, I am proposing the House be given an opportunity to vote on my amendment in its entirely so that the necessary instructions may be given to the managers on the part of the House should an additional conference be agreed to.

Under the rules of the House, the only procedure that can be followed in order to get a vote on my motion to instruct the conferees will be to vote down the conference report, which I am urging today. This is the only opportunity we will have to vote on my original amendment which was adopted last Saturday. I feel that I would be derelict in my duties if I did not attempt to secure such a vote. Voting against the conference report cannot be construed to be a vote against price control, as the membership will again have the opportunity to vote on the conference report when it comes back to the House after another conference. Furthermore, I and a large majority of the membership went on record last Saturday for the continuance of price control when the price control bill was up for consideration. It is to be regretted that the rules do not permit a vote on my motion before the final vote is taken on the conference report.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. ROBSION of Kentucky. Is there any way for us to get rid of the orders and directives that have been the source of a great deal of our trouble from the OPA if the gentleman's amendment is not written in the bill?

Mr. AUGUST H. ANDRESEN. I do not see any other way that they can get rid of existing orders; and I maintain that unless my amendment is adopted or the conferees of the House insist on having it included in the law, that they will still have continued chaos as far as food is concerned to the detriment and suffering of the American people and in curtailment of the commitments we have made to feed the hungry people in the rest of the world.

The only way we can get a vote on whether or not the conferees are to be instructed to adopt my amendment is to vote down the conference report. If

the conference report is voted down then I shall offer the motion which will instruct the managers on the part of the House to insist on standing for section 5 which is the amendment that was passed in the House last Saturday and offered by me.

I recognize that many here today feel that this is June 30, the last day of the fiscal year, and that if we do not pass the law today or adopt the conference report then OPA will cease to function. You do not need to worry about that. We will have a vote on this conference report by 1:30 and the Senate conferees are here. The Senate is in session today, and there is ample time to approve the report after the conferees reach an agreement. The main thing that we should consider and I feel it is definitely our responsibility as a Congress to do so, is to adopt a policy that will correct the food situation and provide food for the American people. If we shirk that responsibility then we are subject to criticism from the American people, because the food situation is going to get worse before it gets better. All of you have complaints from your constituents about their inability to get meat, sugar, poultry, and eggs. We have a duty to perform when it comes to these necessities of life.

We have an opportunity now to correct the mistakes of the past by giving a member of the President's Cabinet the power to pass on the orders and regulations that are issued with reference to food. In other words, we centralize the authority in the hands of one man who will see to it, I hope, that these regulations and orders are in conformity with the law and intent of Congress, so as to bring about an abundance of production and the restoration of the distribution of the food supplies through legitimate and normal channels.

The black market which now exists on a Nation-wide scale when it comes to meat and poultry must be stopped. It is worse in the large consuming sections of the country, but it is gradually taking over every consuming area of the United States. If you vote down this conference report that does not mean you are against price control or against the OPA. You are against the policies which have brought about shortages, which are a very serious threat so far as inflation in this country is concerned. Whenever you have shortages here you are sure to get inflation. The present regulations of the OPA have brought about these shortages which are causing inflation and breaking the price line.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Nebraska.

Mr. STEFAN. I agree with the gentleman, but I think he ought to explain to the House what is left of the Andresen amendment.

Mr. AUGUST H. ANDRESEN. I will be glad to explain that. The existing law which has been on the statute books since 1942 provides that notwithstanding any other provisions of this or any other law, no action shall be taken under this act by the Administrator or any other person without prior approval of the Secretary of Agriculture. That is existing law.

The conferees have written in before the word "approval" the word "written" so that now the Secretary must give his written approval instead of just approval. How a Cabinet member or some other official in another agency can approve something else done by another agency without giving written approval is beyond my comprehension. So the word "written" has been placed in existing law, which will require the Secretary of Agriculture to give written approval on all food orders to be issued in the future with reference to food.

Mr. STEFAN. Not existing law.

Mr. AUGUST H. ANDRESEN. No. That part of my amendment was left out of the conference report. In addition, the conference report has included certain processed food and feed as being subject to the written approval of the Secretary of Agriculture, processed meat or any other food that is processed in whole or in substantial part from an agricultural commodity.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Michigan.

Mr. CRAWFORD. May I ask the gentleman a question with reference to the 90-day approval dealing with orders and regulations previous to this? Does the gentleman believe that from a practical point of view the new Secretary of Agriculture could possibly review those orders within 90 days? In other words, would not the practical effect be that the old orders would simply pass out of existence?

Mr. AUGUST H. ANDRESEN. Well, I do not know. I have considerable confidence in the new Secretary of Agriculture. I feel his intentions are to clear up the food situation, and I am willing to back him as long as he does the right thing. He knows what is right. I want to give him the authority to remove the obstacles in existing orders and regulations so that this food situation may be cleared up. I recognize that there are thousands and thousands, maybe tens of thousands, of orders relating to food and it may be a difficult thing, but certainly the Secretary of Agriculture will be in a position to substitute new orders with his written approval to take the place of those that are causing present food difficulties. The troubles confronting the people are largely due to too many orders issued by people who know nothing about the production and distribution of food.

Mr. Speaker, I urge, therefore, that the House vote down the conference report so that I may have the opportunity of offering my amendment to instruct the conferees to insist on the amendment that was previously agreed to.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Speaker, in the first price-control bill we delegated certain powers to the Secretary of Agriculture. I am frank to say that that law has not been fully carried out, and I expect to prove it before I take my seat. The purpose of the Andresen amendment and the only purpose was to carry out the law delegating certain powers to the Secretary of Agriculture.

The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] is mistaken when he said the Secretary of Agriculture cannot revise any previous orders he has approved. He can revise any and all orders when it is necessary to increase production.

The best evidence I know of to show what is the intent of the amendment are the words of the author himself. What did he say? After he introduced his amendment, he said:

> Mr. Chairman, this amendment simply spells out existing law which requires as provided in paragraph (e) of section 3, that the Secretary of Agriculture shall approve orders with reference to agricultural commodities.

I agree with him. That must be done. He further said:

> My amendment does not destroy any order; it only requires the OPA to take their proposals to the Secretary of Agriculture as provided in section 3 of the existing law.

In presenting his amendment he said further:

> It simply requires submission to the Secretary of the Agriculture for his approval. That is what the law requires today.

Further, he said:

> There is nothing in my amendment that affects price. It just requires the approval of the Secretary of Agriculture before these orders are placed into effect.

Mr. ANDERSON, the newly appointed Secretary, was called upon by the conferees to explain what he wanted. He said, "All that I want to do is to carry out the Bankhead amendment contained in section 3 (e). I do not need the Andresen amendment to carry that out."

That question was propounded by the Senators, and it was the Senators who offered this substitute amendment. More than that, in the substitute amendment, we give him more power. We not only continued his authority with respect to agricultural commodities, but we gave him the same authority on all processed food and fee dcommodities. We also specifically designated livestock as an agricultural commodity. In addition, we required that the prior approval of the Secretary must be in writing instead of an oral approval. This will prevent from now on any misunderstanding as to what the Secretary said or did, and no one can assume the powers of the Secretary of Agriculture which are specifically delegated to him by Congress in section 3 (e), and no one can take any action under price-control legislation affecting these commodities without his approval in writing.

Let us see what is in the present act. When we passed the Stabilization Act, several months after we passed the Emergency Price Control Act of 1942, we delegated certain authority to the President, the Commander in Chief. We delegated to him authority to issue orders to stabilize prices and wages, but we reserved in this delegation certain

functions and powers of the law at that time, and certain of these functions and powers were contained in section 3 (e), and that is in effect today. I ask the question, Why reenact the Bankhead amendment, section 3 (e)? The conference committee decided to reenact that because the officials administering price-control policy took the position that this section was repealed by the Stabilization Act of October 2, 1942. By means of Executive orders certain procedures were established wherein certain powers of the Secretary of Agriculture were assumed by the Director of Economic Stabilization. These officials were mistaken in their construction of the Stabilization Act. Section 3 (e) of the first Price Control Act was not repealed by the Stabilization Act. Therefore, under these circumstances, the conferees decided it was better to reenact the Bankhead amendment, section 3 (e), referred to so it would be clarified once and for all. At the same time we gave the additional authority to the Secretary of Agriculture which I have heretofore mentioned. Section I of the Stabilization Act empowers the President to issue Executive orders to stabilize prices and wages.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Mr. SPENCE. Mr. Speaker, I yield the gentleman two additional units.

Mr. BROWN of Georgia. In addition to that, section 2 of the Stabilization Act gave the President the following powers:

> The President may, from time to time, promulgate such regulations as may be necessary and proper to carry out any of the provisions of this act; and may exercise any power or authority conferred upon him by this act through such department, agency, or officer as he shall direct. The President may suspend the provisions of sections 3 (a) and 3 (c), and clause (1) of section 302 (c), of the Emergency Price Control Act of 1942 to the extent that such sections are inconsistent with the provisions of this act, but he may not under the authority of his act suspend any other law or part thereof.

I will never forget how much our departed friend, Henry Steagall, was disturbed about the delegation of authority and its possible effect on the provisions of section 3 (e). He wanted to make certain that Congress did not delegate any authority to anyone that would take away any powers given to the Secretary of Agriculture in section 3 (e). He put that section in there deliberately so that the Secretary of Agriculture would always have the authority, regardless of the delegation of power in this act to the President of the United States. We are doing more than Mr. CLINTON ANDERSON asked us to do.

We have not only retained all of the powers given to the Secretary of Agriculture in the original Bankhead amendment, section 3 (e), but we have given the Secretary of Agriculture additional powers as I just explained. In the substitute amendment we are carrying out the intention of the Andresen amendment and I believe in a more practical and workable manner. I want to state further that I believe we are in better position when we reenact and strengthen an old statute which reaffirms the intention of Congress than we would be to scrap it entirely and adopt an entirely new provision.

I cannot see why there should be a single vote against this report on account of the change in the Andresen amendment.

I think the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] deserves a lot of praise for his efforts which have helped to bring about action to clarify and strengthen the position of the Secretary of Agriculture. Now that we have a substitute amendment which carries out practically everything he advocated, I certainly hope he and all those who have similar views relative to the Andresen amendment will vote for the report.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, this is indeed a strange situation. The gentleman who has just preceded me, the gentleman from Georgia [Mr. BROWN], is recognized as one of the finest, ablest, and most honorable men in the Congress. He stands here in the well of the House, and in his first sentence, says the law has not been carried out. He means the law applicable to the control of foods by the OPA. That is exactly what I have been complaining about for more than two and a half years. I have steadfastly maintained that the OPA has usurped the rights and powers of the Department of Agriculture and that the President or the Secretary of Agriculture should have asserted themselves. The President, Mr. Roosevelt, did not do it because it was by grace of his Executive orders that the OPA became so tyrannical. And the Secretary of Agriculture did not dare to do it against the President's wishes. The President and the Secretary of Agriculture can do it now, but it is likely that they will continue in the New Deal course and continue to violate the law as my good friend the gentleman from Georgia [Mr. BROWN] indicates.

The gentleman from Georgia [Mr. BROWN] read the law to you. The distinguished gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] read it to you. It is worth hearing—let me read it to you again.

The law says:

> Notwithstanding any other provision of this or any other law, no action shall be taken under this act by the Administrator—

That means Mr. Bowles or any of his many minions or any other person—

> with respect to agricultural commodities, without the prior approval of the Secretary of Agriculture.

That is what we have been complaining about, that the Secretary of Agriculture has not been permitted to perform. The Andresen amendment seeks to spell that out in more emphatic language, if possible. The amendment seeks to bring order out of chaos, and those on the conference committee, however fair they thought they were, have put us back where we were. In fact, they do us a great disservice, for now Mr. Bowles and his gang will claim that Congress has in effect repudiated the law and approved the action of Bowles in usurping the law.

I repeat, the Secretary of Agriculture has not been permitted to perform. Who has supplanted him? Who has taken his place? He has been supplanted by Bowles and a great retinue of lawyers, inspectors, agents, and many other different satellites all over this country. How many tens or hundreds of thousands there are I do not know. By their unlawful actions these men, acting contrary to the law, according to the gentleman who just preceded me, have built up in our country this great oligarchy that has by threats and duress brought our Nation into virtual slavery, as far as food is concerned. Talk about the four freedoms. Talk about freedom from fear. My observation has been, and I boldly assert that the greatest fear that the American people face, is the fear of the arrogant power of many Government officials and agents.

Not only has it stifled the voices of producers and merchants distributing food until they must adopt dark and devious ways or go out of business as many thousands have done, but it has deceived the housewives of the Nation and fearing to openly protest they have come to the point where they are compelled to stand in line by the hour, day after day, in order to get a bite to eat.

It may seem to be a bold statement on my part but I make it and say the fallacious policies and incompetent administration of the OPA is directly responsible for this situation. Some of you speak slightingly of Mr. Hoover but you must not forget that the present President was very glad to call him into consultation immediately after coming into office. And please do not forget that there were no black markets when Mr. Hoover administered our food program in the First World War. Also please remember that there were no local famines then and there was no troublesome card rationing system then, and that when the First World War came to an end we had an enormous surplus of food to send to the starving children in Europe.

May I say to you, apologizing to the House for being personal, the best way to have solved this problem would have been to have adopted the Jenkins amendment which passed the House on a teller vote and before the administration had cracked its whip. The Jenkins amendment would have taken Mr. Bowles and his whole group out of all food activities. It would have uprooted them and thrown them aside and would have permitted the Secretary of Agriculture to have pursued his course as the law provided and would have given him full authority over the production, processing, and distribution of all foods. Practically every person and organization handling food or food products has been in favor of one-agency control. The President has impliedly approved it, but the trouble is, the President has not as yet had the courage to do what he knows should be done.

The new Secretary of Agriculture has impliedly approved such a program, but I will venture a guess that he will be here yet today to vote against the effort of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] to have this conference report amended. He voted for

the Andresen amendment a few days ago. I am anxious to know how he votes today.

Going back to the report of the conferees: I challenge anybody to read the complicated report which has been brought in by the committee and to find any real relief or promise of relief, except that provision which provides that the slaughterers may have a little more liberty. That is the only provision that gives any real relief. I am sure that none of us will deceive our people by going back into our districts and saying, "We have amended the OPA law so as to remove all food worries." We have done nothing that will honestly enable us to give any assurance of relief to the millions of people who are asking and demanding relief. The fight that I am trying to make is to give the people some relief from their troubles with reference to food. We all know that the gasoline sellers and those who sell clothing and those who sell many other commodities have a just complaint against the OPA and I hope that they may succeed in getting relief, but I am afraid theirs is a hopeless case, too. The trouble is that the OPA has made so many serious mistakes that it is ashamed and afraid to make an honest confession.

Let us take a look at what this law will do if amended as this conference report recommends. Let me read you what one of the distinguished Members of the other body, who was a member of the conference committee, says. He says that these amendments do not make any change in existing law. Let me quote him exactly:

> The amendment does not make any change in existing law with respect to procedures for settling differences between the Secretary of Agriculture and the Price Administrator and for coordinating their actions with the stabilization program as a whole.

That means the new proposed provisions do not invade Bowles' rights and do not supplant Bowles in any way.

Then he goes further and makes a very pitiful admission. I believe it is a dangerous admission if it is carried to its ultimate conclusion and is carried clear through to its fair implications. He says:

> Furthermore, the section expressly provides that the Secretary's approval is not required in the case of individual adjustment orders which increase maximum prices.

That is exactly what we are complaining about. An individual is given no consideration. The Secretary of Agriculture cannot protect him against Bowles and his crowd. He cannot go to court because the legal impediments are difficult to surmount. They boast about the Emergency Court of Appeals. I dare say that not one person in 20,000 ever has been able to get into any court for relief.

The conference committee threw out the Dirksen amendment, although it had been passed by a roll-call vote of this House. The New Dealers were in the majority in the committee. Free and easy access to courts for redress of grievances is not consistent with New Deal philosophy and practice. One of the fundamental principles of the New Deal has been to keep people out of the courts as much as possible.

Now, Mr. Speaker, I should like to review the history of this legislation. This bill to extend the life of the OPA was considered first in the Senate. That distinguished body spent much time on it. The Senate debates were exhaustive and learned. The bill was passed and came to the House. The House Banking and Currency Committee threw out the whole Senate bill and adopted a dinky little bill of about five lines. The House bill did nothing but extend the present law for another year. By this action the House committee took the position that the work of the Senate was not worth considering. It took the position that the OPA Administration had done a job which should be approved, and that there should be no amendments of any kind added to the present law. the committee by its action told the American people that it approved all the actions of the OPA as they applied to the present food crisis. They in effect told the American housewife to go on home and quit complaining. They told the American farmer and the American groceryman and the American canner and packer to go on home and attend to your business if you have any, for the mighty Bowles and his army of economic marauders should not be interfered with, for they are the only defense against inflation. In their blindness they refused to see that the persistent black markets which are plying their trade in almost every commodity is the rankest kind of inflation and if continued will cause trouble. Inflation comes when people have plenty of money and no merchandise to buy. They then go into the black markets and pay what the seller requires. And, my friends, be not deceived, the OPA by its inefficiency is absolutely responsible for the black market in food.

Now, Mr. Speaker, I don't think I ever saw such a complete change of front as that which was made by the distinguished members of the Banking and Currency Committee when the House, by a teller vote, adopted the Jenkins amendment on Friday, the 22d of June. Up to that time the gentleman from Texas [Mr. PATMAN] and the gentleman from Oklahoma [Mr. MONRONEY] had beaten their breasts in horror at the apparent political paganism of anyone who would dare to amend this apparent sacrosanct piece of legislation. Time after time did they remind us that the flaming fires of inflation would consume us all if we dared to amend their dinky little bill, and when the House adopted the Jenkins amendment they were so consternated that they immediately moved an adjournment. And the next day they came back singing an entirely different song. And, too, I would remind you that the Republican membership came back determined to further amend this legislation, and proceeded to do so almost at their will, for they had been encouraged by a large number of Democrats who realized that the situation as to food was serious. To the Republicans and the patriotic Democrats who assisted them goes the credit of whatever amendments that have been made. Without their efforts the little dinky bill would have been passed. While we cannot take much back to the people, we can feel the satisfaction of having given the OPA a scare which would cause reasonable men to recant and to change their ways.

On the day that the Jenkins amendment was adopted by the House in committee, representatives of the cattle producers of Texas, North and South Carolina and some other States held a meeting in Washington. According to the press, our colleague, the distinguished gentleman from Virginia [Mr. ROBERTSON] acted as chairman and probably as spokesman for that group. They protested vigorously against the actions of the OPA in its methods of handling meat. The gentleman from Virginia [Mr. ROBERTSON] brought an amendment to the House Chamber which I understood represented the views of those cattlemen. He showed me that prepared amendment. The gentleman from Texas [Mr. PATMAN] took that amendment and gave it to the world as his own amendment. That amendment provided that some restrictions on small slaughterers should be relieved. That amendment does bring some relief.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I do not yield for my time is about expired.

Mr. PATMAN. That is not true.

Mr. JENKINS. That is true. That is true.

Mr. PATMAN. It is not true, not a word of it; I wrote that amendment myself.

Mr. JENKINS. I know it is true, because I saw the gentleman from Virginia [Mr. ROBERTSON] have it and I saw it before the gentleman from Texas got it, because the gentleman from Virginia [Mr. ROBERTSON] told me he was going to give it to the gentleman from Texas to have him introduce it.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. SPENCE. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, the House must keep in mind one important fact, and that is, unless this conference report is accepted today there will be no price control legislation on our statute books. At midnight tonight the present law expires.

That is all right on the part of those who believe in inflation. I respect the opinions of those who may believe in inflation, but I am opposed to it. Anyone who votes against this conference report now, whether they intend it or not, places himself in a position where, the law expiring tonight, their vote can justifiably be construed as a vote that produces inflation. The gentleman from Minnesota [Mr. ANDRESEN], has taken a position which seems very strange to me. If I were in his place I would be down here claiming credit for what has been done. I would claim credit for the fact that my amendment was adopted in the House. I would claim credit that the substance of my amendment was written in the conference report. If I were in his place I would not put myself in the position today, when the law expires unless we

accept this conference report, of trying to defeat the conference report when I knew in my own mind that the important parts of my amendment adopted by the House heretofore had been retained in the conference report. The important part was the approval by the Secretary of Agriculture. I think that the insertion of the word "written" strengthens the word "approval." You and I can approve something without doing it in writing, but the conferees have put in the word "written." That means the Secretary of Agriculture has got to approve these orders and directives in writing in the future.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman is a great constitutional lawyer and I wanted to ask his opinion on that language.

Mr. McCORMACK. In what way?

Mr. AUGUST H. ANDRESEN. Does the gentleman construe that language to mean that he can approve all orders relating to food?

Mr. McCORMACK. In accordance with the language herein contained, whatever he must approve must be in writing. That is an entirely different proposition than mere approval. It seems to me that with the situation the way it is now, with midnight tonight being the expiration date of the present law, with a conference report that is unanimously agreed upon by all conferees, the managers on the part of the House, both Republicans and Democrats, the managers on the part of the Senate, both Republicans and Democrats, with the important elements of the Andresen amendment written into the conference report, the only thing the House should do and can do is to accept the conference report. If anyone has an argument, the gentleman from Illinois [Mr. DIRKSEN] has it, because his amendment was practically eliminated by the conferees. I think they did it wisely. He may, in his honest judgment, think the other way. He is the one who would be justified, rather than the gentleman from Minnesota in coming down here and urging that the conference report be defeated. The fact remains that unless this conference report is accepted today, not Monday, but today, the present law expires, and inflation will be on the run. We cannot very well pass a resolution continuing the present law. The time is too short. It is too dangerous. In the interest of preventing inflation, with a satisfactory conference report, not agreeable to everyone, but satisfactory, I urge its adoption.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, on the last day of the fiscal year 1944 we were urged to adopt a conference report on OPA because it was the last day. In 1945, on the last day of the fiscal year, we are urged to a similar course, and to junk these amendments. I say to you frankly that justice is not measured by the clock or the calendar. Equity is not a matter of the last day of the fiscal year. I urge the rejection of the conference report because there is still time to work out something better.

Contrary to what the chairman of the committee said, the amendment that I offered for court review and for concurrent jurisdiction on review by district courts along with the Emergency Court of Appeals, is in my judgment not based on constitutional grounds. It is based on a higher ground. You will find that ground inscribed over the Supreme Court Building in marble, where it says "Equal Justice Under Law." That is something infinitely higher than the Constitution. I believe there should be justice for the humblest litigant in the land. Justice ought to be made accessible. It is a matter of history how much struggle there has been for that right. This month is the seven hundred and thirtieth anniversary of the Magna Carta, and one of the great remonstrances there was that the king took the court along with him in his travels and the people could not get justice. One of the things that the great red-haired Virginian wrote into the Declaration of Independence was that the king had caused legislative bodies to meet in unusual, distant and in incommodious places "for the purpose of fatiguing the people into compliance with those measures."

In 1945 it is a case all over again of "fatiguing the people into compliance and making justice difficult."

Is it not interesting that no member of the Committee on Banking and Currency has ever undertaken to give us the record of the Emergency Court of Appeals which was created by and operates under the act? I have it. It is very fresh. I got it 30 minutes ago.

How many cases have been filed in the Emergency Court of Appeals since 1941? These are the figures of the clerk of the court: 241 in 3 years. That is 80 cases a year, at the rate of 7 cases a month. Is anything else necessary to persuade this House that that court is not accessible and that the 85 district courts in the country ought to be permitted to give the litigant a chance to be heard when his very business life is in jeopardy as a result of an OPA order.

They say chaos would result. It has never been tried. Are you willing to say to Mr. Sewell Avery of Montgomery Ward when the President of the United States seizes his plant—the biggest merchant in the world—that he can go into the regular court system and recapture his property and not give the same right to the smallest merchant in the land? I am contending today for the regularity of the courts and for a chance for the humblest citizen to go into the district court. We have impressed nearly 10,000,000 young men and women into the military and naval service. Not one of them has ever been taken by selective service who could not go into the district court of the United States and there ventilate his case if he felt aggrieved. We ask for no such power for the National Labor Relations Board; they must test out all their orders in a regular court. We ask no such power for the War Production Board that has authority over all the essential and critical materials in the land; and yet here it is contended there must be a special court to hear and determine the rights of a citizen who has a grievance. Is that justice? There are the figures; 241 litigants got into the Emergency Court of Appeals in 3 years at the rate of 7 a month.

The OPA, on the other hand, by their own figures, taken out of their own primer, have brought over 16,000 people into the courts in the fiscal year 1944. Is that justice? Is that equity? Is that giving the little fellow a chance to accessible justice? I doubt it very much, and I urge upon you that the conference report here and now be rejected, sent back, and if this amendment, in the judgment of the conferees, goes a little too far, let them sit down with the skillful lawyers of the OPA and modify it. Mr. Field, general counsel of OPA, is a fine man of high integrity; he is an able lawyer; I have great faith in him. Let them sit down with him and work out any modification of language they think may be needed; but in the name of justice for the little fellow, let him not be denied in the regular courts of the land. Today justice is a one-way street. OPA can take a citizen into any Federal court for an alleged violation; but no equal right is enjoyed by the citizen.

To me the strangest thing of all is that the administration has appointed about 9 out of every 10 judges who today occupy distinguished positions on the Federal benches of this country and does not have sufficient faith in those judges to permit them to hear the grievances of the citizens. Instead it insists upon a special court consisting of only five judges who are expected to do this work and who, in addition thereto, conduct regular court work in their respective jurisdictions. Of course, the answer is quite plain. The citizen knows at the outset that it is difficult for him to secure adequate attention to his case under the present appeal set-up and is, therefore, discouraged from making an attempt. Perhaps this accounts for the fact that in January 1945 only six cases were filed with the Emergency Court of Appeals. In February there were but seven. In March there were but six. In April there were but seven. In May there were 9 and in June there were 12. Thus the total number of cases filed for the first 6 months of 1945 was 47 which is an average of about 8 cases per month. It remains now for the House to determine whether this conference report shall go back to the committee for further attention or whether it shall be approved in its present form.

Mr. SPENCE. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

MEAT AMENDMENT

Mr. PATMAN. Mr. Speaker, the statement was made a few minutes ago by the gentleman from Ohio [Mr. JENKINS] that the amendment which I introduced on Saturday last, concerning the slaughtering of meat, was written by the gentleman from Virginia [Mr. ROBERTSON], introduced and claimed by me. That statement is wholly untrue; there is not a part of it that is true. The truth is that the amendment was written by me

in my own handwriting in the early morning of last Saturday. I immediately got in touch with Mr. Vinson, the War Mobilizer, Mr. Marvin Jones, the War Food Administrator, and Mr. Chester Bowles, Administrator of OPA, and discussed it with them. Then they sent their counsel to my office, and the final draft of the amendment was written in my office. No one can state anything to the contrary, because that is the truth, and anything that is contrary to that is absolutely untrue.

COURT AMENDMENT FATAL

The gentleman from Illinois [Mr. DIRKSEN] is urging his amendment. I will just pass it off with this one statement: If you want price control you cannot afford to adopt that amendment; if you do not want price control you can vote for it with the knowledge that it will effectively scuttle all price control. In time of war we do not have things done just exactly as we do in time of peace. The 13,000,000 servicemen are not allowed to go into the district courts of this country or into the Supreme Court; no. This is wartime. Charges are filed before a court-martial and they are quickly dealt with. Can we not as civilians agree that we can make just a little sacrifice and have things done the way that we can have effective price control even though it is going outside of the ordinary channels? That is what our servicemen do. We have an Emergency Court of Appeals that goes to any section of the United States to try these cases, right to your own front door. No accusation has ever been made to the contrary. We have a good court now, but if you leave it up to every Federal judge in the country there are almost as many Federal judges who would be passing upon price control as there are Members of this House. You would find one Federal judge who would enjoin every order that was issued and you would have no price control at all.

Mr. SPENCE. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Kentucky.

Mr. SPENCE. Is it not a fact that there is an appeal, as a matter of right, to the Emergency Court of Appeals?

Mr. PATMAN. The gentleman is correct.

Mr. SPENCE. Anyone may appeal to that court.

Mr. PATMAN. As brought out by the distinguished chairman of the Committee on Banking and Currency, the judges of this court are appointed by the Chief Justice of the United States, so, certainly, they are fairly appointed. What fairer court could you expect? Why should you not be satisfied with it in time of war?

ANDRESEN AMENDMENT BAD

Mr. Speaker, I want to speak a moment about the Andresen amendment. The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has in his amendment as brought back by the conferees, everything that he said his amendment would do if adopted on the floor of the House. But let me read you the language of the last part of the Andresen amendment, which appears on page 6605 of the CONGRESSIONAL RECORD of last Saturday:

> No regulation, order, directive, or allocation shall be issued or made, or any other action taken (including directives for distribution or price schedules), with respect to any agricultural commodity, including livestock or for any food product processed in whole or in substantial part from any agricultural commodity, including livestock, by the Administrator or by any agency of the Government or the head thereof, without prior written approval of the Secretary of Agriculture, and no regulation, order, directive, allocation, price schedule, or distribution order with respect to any agricultural commodity, including livestock, or for any food product processed in whole or in substantial part from any agricultural commodity, including livestock, heretofore issued or made by the Administrator or any agency of the Government or head thereof, shall be valid or binding unless approved in writing by the Secretary of Agriculture within 90 days after the enactment of this amendment.

There is an exception there in reference to the enforcement of orders which are valid up to this time and not rescinded.

But what is the effect of that? What orders will it affect? It affects the Executive orders of the President of the United States; it affects orders of the War Production Board because the same kind of steel that is used to make a plow is used to make a machine gun, and if the War Production Board were to decide we needed more machine guns and fewer plows, why, the Secretary of Agriculture, under this amendment, could say, "No; I veto that; we are not going to have more machine guns."

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. PATMAN. I cannot yield to the gentleman. My time is limited.

Mr. AUGUST H. ANDRESEN. It does not apply to anything but food.

Mr. PATMAN. I cannot yield to the gentleman. So the WPB would be vetoed, the war effort would be interfered with. It would definitely destroy every order of OES, the War Mobilizer, the OPA, Office of Defense Transportation—because transportation enters into this problem—and very probably it would affect the War Manpower Commission and Selective Service as well.

How far does this go? It would affect thousands, thousands, and thousands of orders. How long has the Secretary of Agriculture got to personally approve every one of them? Ninety days.

We had no hearings on this amendment. You have no testimony before you to guide you. That shows that far-reaching proposals like this should not be quickly agreed to on the floor of the House. It is obviously impossible for that to be done and, therefore, in 90 days there would be consternation, there would be chaos, there would be no price control.

That is what the people want who are against price control. I am not going to criticize or condemn any person who has a contrary view to mine. If you are opposed to price control, that is your privilege. It is not for me to criticize you and I shall not. But let us go into this thing with our eyes open. Let us be realistic. A vote for the Andresen amendment as the gentleman from Minnesota [Mr. ANDRESEN] wants it is a vote to scuttle the OPA law, it is a vote for chaos, it is a vote for confusion, it is a vote for runaway or ruinous inflation. Who will be hurt the worst by reason of such an amendment? Why, the people who live on fixed incomes and fixed salaries will be destroyed first.

Ask these people who have been to Greece, our own colleagues, who have been to France, who have been to India, who have been to Russia, who have been to China, who have been to Mexico, just south of the Rio Grande. Ask them what they think about inflation and they will tell you.

They will tell you if inflation gets hold we will pay $120 in United States money for an automobile tire like they do over in Mexico that costs us $16 over here. True, you do not have to stand in line; you do not have to have any coupons; you do not have to have any order or any board to pass on it, but you pay $120 for a commodity that costs you $16 over here. That is going on all over the world.

It is necessary to have price control, and we might just as well be practical and realistic about it. If we want price control we must vote for this conference report. If we do not want it, if we are against it, our vote can only be construed that way by voting against this conference report. There is no other issue. The issue is clear-cut and well defined. I do not see how any one could take any other position. We have the largest backlog of purchasing power of any nation in the civilized world. We have $121,000,000,000 of stored-up purchasing power in the hands of the people of America. If we do not have price control, and if you permit these people to compete with one another in the markets of the country for the scarce and limited supplies of goods and services, no one can say that we would have anything else but runaway and ruinous inflation. We must deal with those factors. We must be realistic. Just imagine what would happen in the event we did not have proper and adequate control.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. SPENCE. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. PATMAN. There is one other point I wanted to bring out. You should put all food under the Secretary of Agriculture, so says the gentleman from Minnesota. I am willing to agree with Mr. Hoover, if I believe he is right, and that is the Hoover proposal. It is the same as the Jenkins proposal, which was the Hoover amendment. This is a Hoover amendment, too.

Let us see what is a food commodity and what is an agricultural commodity. Here is a grain of corn. Two hundred and fifty commodities are made from a grain of corn. Some of you consider them plastics, some industrial products, and some food. Who is going to determine which is food and which is an industrial product? Talk about confusion and chaos. You would have nothing in

any country on earth compared to what you would have over here if we adopted an amendment like that.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield.

Mr. MURRAY of Wisconsin. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman from Texas who has just spoken said that this would bring about inflation. My amendment deals exclusively with food and will bring about an abundance of production and stop inflation.

Mr. MURRAY of Wisconsin. I thank the gentleman and I agree with him.

Let us get one thing straight here today. Let us remove some of the many cobwebs. May I say to the distinguished gentleman from Texas that when he stands up here and calls this the Hoover amendment, evidently the leadership of this body does not know what their own committees are doing. The Fulmer bill was passed by the Agriculture Committee 2 years ago, on June 24, 1943, to be exact. That bill included everything that the gentleman from Minnesota [Mr. ANDRESEN] is trying to do in his amendment, regardless of Mr. Hoover, Mr. Jenkins, Mr. Andresen, or anyone else. Mr. Fulmer and 17 other members of the Agriculture Committee well knew the confusion that resulted from the confusing policy of the OPA and WFA. The Agriculture Committee tried to eliminate the buck passing and the silly position taken by the OPA. So if a Democrat, a chairman of a committee, can have a bill passed by his committee for 2 years and not have the leadership know that it has ever been passed, they surely are getting into a confused state of affairs. As to this particular Andresen amendment, it is a question of whether you want these things handled by this outfit known as the OPA or whether you want food produced under the leadership of the Secretary of Agriculture. I would like to ask the majority where they were a year ago last winter when they allowed eggs to sell for 50 percent of parity; yes, where they were when week after week and month after month they allowed hogs to sell for 50 percent of parity in 1943 and 1944? Now they say we have the Steagall amendment that provides for 90 percent of parity. How was that corrected? That situation was corrected by members of the Agriculture Committee who were not even members of the Democratic Party.

I have a letter right here, dated June 26, 1945, that shows where 15 responsible reliable citizens secured food under a plan under which the WFA official gave his approval in writing. Later the OPA comes along and says they violated the OPA rules. The OPA had them arrested, dragged into court, fingerprinted, and compelled to furnish a $500 bond. These people did not wish to have anything to do with a black market. They would not have been in this trouble if we had not had so many or at the best too many agencies handling the meat situation.

The time to correct procedures is when we have the bill under consideration. There is not much use of criticizing the OPA unless we are willing to vote to put them in their rightful place.

Mr. SPENCE. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Speaker, the conference report on the OPA which is presently before us is not satisfactory to me.

The Congress has attempted to place some skin grafts upon the OPA. These skin grafts will not take. I predict that the OPA will remain a festering, nauseating sore, and the stench from it will be offensive to the American people.

This conference report was really written by the lawyers of OPA in conference with the Economic Stabilizer, the Agriculture Department, and Mr. Vinson's office. In the past the OPA has not administered the law as passed by Congress. They have ignored the law. That is freely admitted even by Members on the majority side of this House. I do not believe they will follow the law that we passed today. They have exhibited a bureaucratic arrogance which is so common among the growing governmental agencies. Bureaucracy must grow and feed upon itself.

Now, Mr. Bowles has complained about not having enough money to carry out the provisions of the law. I would call the attention of the House to the fact that just yesterday he stated that it was his belief that we could get rid of many of the present controls very soon. Now, if he meant what he said, it should require a smaller number of individuals in the OPA. Personally, I do not believe he meant what he said. He frequently talks for public consumption, but his actions belie his words.

There is a mounting shortage of all kinds of food in this country. A monthly survey of independent grocers in 56 large cities found 4 out of 10 stores without even a frankfurter or baloney. Meat was available in fewer big cities than at any corresponding time in the last 15 months.

Cafes and restaurants have been forced to close because they lack the necessary red points to buy meat, butter, and cheese.

Hunger stalks across Europe. The great problem is food and how to get it. Money means nothing. The pockets of even the poor in Europe are crammed with money; bright pieces of paper that will not buy enough food because there is no food. I predict, Mr. Speaker, that in our own country we will see lengthening food lines. Bread and pastries may even be rationed before frost comes this fall. This is not a pretty or cheering picture in this country when we do have the ability to produce.

All of the food shortages in this country cannot be laid entirely to OPA. A part of this shortage is due to the National and State selective-service boards when they fail to follow the Tydings amendment which defers experienced farm help unless replacements are available. The experienced farm help was the last to be drafted. They have the fewest points. They continue to draft them. Therefore, the farms are being drained of experienced help. This can have but one effect and that a continued shortage of food in this country. It is such a short-sighted policy because the people need food. It is my humble opinion, Mr. Speaker, that the policy of the National and State selective-service boards has been delaying peace. The policy has even cost the lives of American boys. I say this because all of us realize that frantic starving people who are grievously undernourished cannot find peace. When peace is delayed, it means American lives must be sacrificed.

Mr. Speaker, I cannot vote for this conference report. It is my humble opinion that what we need in this country is less regulation, less red tape, and more production. The people have $120,000,000,000 in their pockets. We must have a great production if we are to prevent scarcity, black markets, and inflation. This present bill, if passed by Congress, in my opinion actually encourages inflation.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman from Kentucky yield himself a moment to answer a question?

Mr. SPENCE. Mr. Speaker, I yield myself such time as may be necessary to answer the gentleman's question.

Mr. BATES of Massachusetts. Will the gentleman kindly inform the Members of the House whether the so-called Barkley-Bates amendment is kept in the bill?

Mr. SPENCE. It is in the bill.

Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Speaker, I wish to get this clear to my friend from Texas [Mr. PATMAN] and other Members of the House, that inflation is caused by the cheapness of money. If he will stop the printing presses from printing money in the United States, he will not need to worry about inflation—the cheapness of money. Prices will then be normal. We now have twenty-six and one-half billion in circulation where we never had over five and one-half billion before.

I also wish to correct the numerous, erroneous statements made as to high prices of products in Mexico, Europe, or other nations. The prices that Members keep presenting here on the floor are not the prices in American money. They are the result of foreign worthless money.

The other day we heard the statement that a woman's nightgown cost $86 in Paris. What the Member meant was that in worthless francs it cost considerable, but I am sure the gentleman could have bought the nightgown, if he were interested, for about 50 cents or $1 American money.

It is true that our Government is imposing upon our soldiers and compelling them to pay 2 cents for a franc that is not worth 1 cent.

Again when the gentleman talks about paying enormous prices in dollars in Mexico, what he really means is, he pays enormous prices in pesos, and he mistakes the peso for a dollar. The peso was never worth $1. When Diaz was President, it was worth about 50 cents. Ever since then it has been worth about 20 cents, but the gentleman can go to Mexico at any time and purchase the

same article with the same number of dollars as here, if he will use dollars in place of pesos.

I was in Mexico City in 1917 and an ordinary dinner cost 22 pesos. That was when the peso was cheaper than it is today, but I could always buy the same dinner with $1 American money. I hope that in the future Members of the House will not use the dollar so irrationally and incorrectly and will not confuse the dollar with a franc or a peso or any other kind of foreign money.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. LEMKE. I do not yield.

Mr. PATMAN. That is on the basis of United States dollars.

Mr. LEMKE. Yes; and you have fearfully confused it with the peso. You can still buy the same price article for the sa still buy the same articles for the same number of dollars in Mexico as you can in the United States.

I am for voting down the conference report and instructing the conferees of the House to insist upon the Andresen and the Dirksen amendments.

A great deal has been said about the OPA keeping prices down—cost of living. I wish to repeat that the OPA has not kept down the cost of living but increased it. In its ignorance it placed ceilings so low as to interfere with and reduce production. Then when it accomplished that, it raised the ceiling and increased cost of living.

The OPA has used millions of dollars of public money to misrepresent facts, it has tried to fool the people into believing that the cost of living during this war is lower than the cost of living during the First World War. The figures given in their publications are faked and manipulated. They are downright dishonest.

In order to keep the record straight, I look up my home-town paper, the Fargo Forum, published October 4, 1918. This was shortly before World War I ended and here are the retail prices on a few articles. I can give at least 100 other items not only in food but in wearing appareal which prove that the cost of living was lower in World War I than in World War II by a considerable percentage.

Here are some of the retail prices as of October 4, 1918:

OCTOBER 4, 1918

Large Colorado celery, 10 cents per stalk.
Tomatoes, red ripe, 35 cents per basket.
Pears, fine eating, 35 cents per basket.
Peaches, fancy Alberta, 40 cents per basket.
Fancy Jonathan apples, $3 per box.
Concord grapes, 50 cents per basket.
Raisins, fancy, 35 cents per package.
Potatoes, $1 per bushel, 60 pounds.
Onions, $1.40 a bushel, 60 pounds.
Rutabagas, $1 a bushel, 60 pounds.
Carrots, $1 a bushel, 60 pounds.
Cabbage, $2.50 a hundred pounds.
Picnic hams, 25 cents a pound.
Fresh roast pork, 25 cents a pound.
Bacon, 35 cents a pound.
Eggs, 40 cents a dozen.
Lard, 25 cents a pound.
Creamery butter, 60 cents a pound.
Dry beef, 55 cents.
Green and red peppers, 30 cents a dozen.
Cauliflower, 30 cents each.
Gunmetal men's shoes, $4.50 a pair.
Ladies' shoes, $4.95 to $6.85.
Extra fancy Swiss cheese, 60 cents a pound.
Ham, 36 cents a pound.
Pork chops, 40 cents a pound.
Round steak, 31 cents a pound.
Sirloin, 34 cents a pound.

At the same time the farmer on October 4, 1918, got higher prices as a whole for his products than he is getting today. At that time he got $1.30 for corn, 70 cents for oats, $19.45 per hundred for hogs, $19.60 per hundred for beef cattle, $1.57 for rye, and $2.26 for wheat at the terminal markets.

In fact, the OPA, in the same fraudulent pamphlets that it has been sending out trying to fool the public, boasts of the fact that it has kept the farm prices down. So we have this situation: the cost of living has been increased because of the blunders of the OPA interfering with and causing reduction in production, and at the same time the farmer has been made the goat and has received less for his products than he did on October 4, 1918, in World War I. In fact, both he and the consumer have been cheated and defrauded by the OPA.

I repeat that OPA should be abolished. Its functions should be transferred to the Department of Agriculture and the War Production Board, where they belong. The enforcement of these functions should be transferred to the Department of Justice and the Federal Trade Commission.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. GILLIE].

Mr. GILLIE. Mr. Speaker, I take the floor at this time for the purpose of asking the chairman of the committee a few questions.

I am deeply interested in the matter of the inspection of meat and the part it is going to play in our quest for more meat and for better sanitation in our community slaughterhouses, and so forth, and how they will be affected by the inspection of meats. I know something about this meat-inspection work and its value to public health because I had charge of it in Indiana for several years.

May I ask the chairman of the committee if the Federal meat inspection as it is today will be frozen?

Mr. SPENCE. It does not interfere with the Federal inspection of meat. It merely gives to nonfederally insepcted meat which is produced in sanitary slaughterhouses and which is clean and wholesome the same status with reference to foreign and interstate commerce that the federally inspected meat has.

Mr. GILLIE. Of course, the gentleman realizes there might be a fine sanitary slaughterhouse or packing house but that would not mean we would have good clean wholesome meat.

Mr. SPENCE. It must be certified by the Secretary of Agriculture that the meat is produced under sanitary conditions and that it is clean and wholesome. And if it is identified properly it may have the same status in interstate and foreign commerce as federally inspected meats.

Mr. GILLIE. Then, it is my understanding that we will have inspection of meat just as we had before?

Mr. SPENCE. Absolutely.

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mr. SPENCE. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Speaker, I desire to ask the chairman of the Banking and Currency Committee one question so as to be clear on this conference report.

This conference report has been agreed to by all the Republican and Democratic conferees of the House and Senate; is that correct?

Mr. SPENCE. Absolutely; they have all agreed.

Mr. ROBSION of Kentucky. The Barkley-Bates amendment was kept in the bill?

Mr. SPENCE. The Barkley-Bates amendment was not a subject of consideration in the conference. It was in the bill and as passed by the House and the Senate.

Mr. ROBSION of Kentucky. It was kept in the bill?

Mr. SPENCE. It was kept in the bill; yes.

Mr. ROBSION of Kentucky. The Baldwin amendment was also kept in the bill?

Mr. SPENCE. The Baldwin amendment was changed somewhat.

Mr. ROBSION of Kentucky. But, it is in the bill?

Mr. SPENCE. Yes; it is in the bill.

Mr. ROBSION of Kentucky. And the Andresen amendment was substantially kept in the bill?

Mr. SPENCE. It is the opinion of the committee that the Andresen amendment was substantially kept in the bill.

Mr. ROBSION of Kentucky. So that under the bill the Secretary of Agriculture must approve in writing all of the orders of the OPA. Is that correct?

Mr. SPENCE. Yes.

Mr. ROBSION of Kentucky. And he may review any order that has been issued heretofore?

Mr. SPENCE. No, he cannot.

Mr. ROBSION of Kentucky. I mean he can amend any order.

Mr. SPENCE. It has no retroactive effect.

Mr. ROBSION of Kentucky. He can amend if he so desires.

Mr. SPENCE. No. He has no retroactive powers.

Mr. ROBSION of Kentucky. But he can suggest and initiate amendments.

Mr. SPENCE. Certainly.

Mr. ROBSION of Kentucky. Mr. Speaker, the purposes of the adoption of the Price Control Act by Congress in 1942 were: First, to aid in the successful prosecution of our war against the Axis Powers; second, to aid in the production, processing, and distribution of ample foods and other commodities to take care of our civilian population, and in the necessary aid of our allies; third, to insure as nearly as possible an equitable distribution of the food and other products among the civilian population of the Nation; fourth, to prevent the unnecessary rising of prices of food and other commodities, avoid black markets and prevent uncontrolled inflation. The Congress then believed in these objectives and passed a law to accomplish

them. An overwhelming majority of the Members of Congress still adhere to those desirable purposes. The administration set up the OPA. One of the complaints against it is that much of its personnel is made up of untrained and inexperienced persons who are not familiar with the subjects with which they deal. It is also urged that the OPA, in issuing approximately 45,000 regulations and directives, have involved the farmers, business people, and the American people generally in a maze of uncertainties, contradictions and obstructions in their efforts. There appears to be no general complaint about the law. It is the manner in which the OPA has administered the law. They have discouraged production by their policies and bungling, and have encouraged the black markets. These policies and black markets have prevented a fair and equitable distribution of food as well as other commodities. Price increases have been encouraged instead of held down, and the net result is that we have a real threat of uncontrolled inflation, a Nation-wide famine, and the black markets reaching their tentacles into every byway and highway of the land. Unless vigorous and effective action is taken at once in relieving the scarcity of food, the control of the black markets, as well as unfair price increases, the entire price-control structure of the country will break down, and the country will be faced with uncontrolled inflation.

SCARCITY AND INFLATION

There are approximately $150,000,000,000 of available cash in the hands of the consumers of the Nation. They desire food and other products. They have this great sum of money with which to buy the food and other products. The food and other products at this time are not available, and hence we have the strong urge of millions of people with a lot of cash to spend with a great need and desire for consumer goods. To prevent inflation, we must increase the production of food and other consumer goods and, at the same time, have such reasonable controls as will make possible a fair and equitable distribution of these goods to the people of the Nation. Of course, when the supply of consumer goods are sufficient to meet the demands of the consuming public, then there will be no need of any such controls. The policies and bungling of the OPA and other Federal agencies, instead of increasing production of the amount of consumer goods, have decreased the production of these products and, at the same time, the amount of cash in the hands of the consuming public is on the increase.

One of the chief reasons that is keeping down the production of foods and other consumer products is the policies of the OPA and other Federal agencies. Instead of encouraging the production of cattle, sheep, and hogs, they have discouraged their production. These millions of meat animals are still on the farms instead of being processed and distributed to the people. Under present policies tens of thousands of small slaughterers, processors, and distributors of meats and the producers of other products have been put out of business. These private enterprises must be encouraged to again enter the field and produce again, and the bungling of the OPA cease and food activities be placed under the Secretary of Agriculture.

Mr. Speaker, two or three persons from my congressional district have urged me to extend the life of the OPA for another year without any amendments to the act. Some individuals and groups outside of my congressional district have made a like request.

I pointed out in my speech on the Jenkins amendment to the OPA bill that there was general dissatisfaction among all classes and groups of the Nation as to the manner in which the OPA is being administered. Tens of thousands of small business concerns have been forced out of business. The scarcity of food, especially of meat and meat products, sugar, and so forth, has increased from day to day, and black markets have grown by leaps and bounds so that as a matter of fact black markets appear to be in control, not only in many of the big cities but in towns, villages, and rural communities in every section of the country and these black markets have broken down price control and the people are forced to pay exorbitant prices in order to secure meats, butter, lard, sugar, canned fruits, and so forth.

These conditions have grown worse constantly and consistently. The thousands of regulations and directives and other restrictions of the OPA have upset business, agriculture, and other activities of the American people and have unnecessarily disturbed the people generally of the whole country. If there is not a change, price control will become more of a farce day by day. Scarcity of food will increase and the danger of inflation will be greatly aggravated.

The Jenkins amendment, sponsored by Mr. JENKINS, Republican, of Ohio, who was chairman of the food study committee of the House, was adopted in the House the other day. The amendment submitted by Senator BARKLEY, of Kentucky, Democrat, and Mr. BATES of Massachusetts, Republican, was adopted by the House and the Senate.

The Patman amendment, submitted by Mr. PATMAN, Democrat, of Texas, was adopted by an overwhelming majority in the House and so was the amendment of Mr. ANDRESEN, Republican, of Minnesota, and the amendment by Mr. BALDWIN, Republican, of New York and the Dirksen amendment by Mr. DIRKSEN, Republican, of Illinois.

The bill, with all of these amendment in it, was passed by the House by a vote of 310 for and 12 against. As we know, the bill went to conference, to a committee made up of five Members of the Senate and five of the House. Six of these conferees were Democrats and four were Republicans, and all were members of their respective committees on Banking and Currency in the House and Senate that made a study of price control and OPA.

The committee of conferees considered the bill and all of these amendments, and finally submitted their unanimous report. This report has been approved by the Senate by a vote of about 5 to 1 and if approved by the House, which I am sure it will be, by a vote of approximately 3 to 1, it will then go to the President for his signature and will then become the law of the land for the next 12 months.

This conference report, although it is the unanimous action of the conferees, is not entirely satisfactory to me or to a majority of the Members of the House; but as the law expires today and action must be had, and it appearing that this is the best bill that can be written at this time, an overwhelming majority of the House as well as myself will vote for the bill.

The amendments that will be most helpful in my opinion in relieving substantially the shortage of meat, lard, and other foods, are:

First: The Patman amendment. This will permit local and small slaughterers and processors of meat, as well as other food products to kill and process animals; encourage the production of food animals and the slaughtering, processing and distribution of meat products and other foods locally, and the meat will be allowed to flow in interstate commerce and not subject to quotas. Of course, these meats will be inspected to insure healthy, wholesome meats were processed under sanitary surroundings, and in that way protect the health of the people. This should give a greatly increased amount of meat and meat products in the near future.

Second. I think the Andresen amendment, although it has been modified since it passed the House the other day, will greatly improve the food situation. Instead of many agencies issuing thousands of regulations and directives, hindering the production, processing, and distribution of food, each and all of these directives will have to be approved in writing by the Secretary of Agriculture. The President is transferring the War Food Administration to the Department of Agriculture. The Patman and Andresen amendments and transfer of WFA to Department of Agriculture will centralize the control and production of food in the Department of Agriculture. The Department of Agriculture has a well organized and well trained personnel which deals with the production, processing, inspection, and distribution of foods. One of the things that has hindered production of meat animals has been the rules and regulations of the OPA and affiliated agencies, many of which conflict.

Third. The Barkley-Bates amendment would require the Secretary of Agriculture to fix such prices for the production and processing of meat products as will enable producers and processors to make a fair return on their investment. We cannot expect farmers who produce these foods or processors who prepare them for market to do so when they lose money and become bankrupt by reason of OPA prices and the restrictive and conflicting regulations and rules issued by the OPA and other Federal agencies. In other words, the producers and processors are given encouragement and a real chance to produce and process to their full capacity.

These amendments are not amendments especially for the benefit of producers, processors, and distributors of

foods. The main objective is to get food and more food. We must have these foods for our war effort and we must suppress black markets.

The OPA under its operation has not realized the great objectives of the price-control law. Its policies have hurt the war effort. The black markets are growing in number and activities. Food is not equitably distributed and inflation has not been properly curbed.

The President has appointed a new Secretary of Agriculture. He has had experience in the production of meat animals. He has served ably for a number of years in the House of Representatives. He should prove to be a capable executive. Under these amendments he has the power to approve or veto any order or regulation that may be issued by OPA or any other agency of the Government relating to food activities. Congress has provided the money. With these powers and money it is hoped that he may bring order out of the chaotic conditions that now exist and that the American people may have foods to carry on our war to a successful conclusion, that the civilian population may have sufficient food, and that it may be equitably distributed and at reasonable prices.

MUST NOT NEGLECT OUR OWN PEOPLE

Another source of our shortage in foods is the overgenerous attitude of our country in the stripping of our own Nation and sending these commodities to foreign lands. We have sent great quantities of meats and meat products, butter, sugar, eggs, fruits, and other meat products to countries that have not been aiding us in the war. A recent report from the Government indicated that this year we will give to Russia approximately 41,000,000 pounds of butter and perhaps a billions' worth of other lend-lease products, and I have seen no indication that Russia intends to aid us in prosecuting the war in the Pacific. We have sent billions of dollars' worth of lend-lease to other countries that have not sent a man or fired a gun at our enemies. We were surprised recently to know that our country had sent to Spain, that has been sympathetic and active most of the time in behalf of the Axis Powers, 60,000 tons of sugar. Secretary of War Stimson stated that our country furnished more than 75 percent of the men who fought on the western front. We have furnished approximately 95 percent of the men and materials fighting in the Pacific, and President Truman stated recently that we plan to have at least 10,000,000 American men fighting in the Pacific. Great Britain, Russia, France, and Holland have greater interests in the Pacific than we have. We hear of no fighting in the Pacific on the part of any of these countries except Great Britain, and she is fighting in North Borneo, a British colony. Prime Minister Churchill said in a speech the other day that Great Britain was living largely on the bounty of the United States. Is it fair for the American people to be deprived of the necessary meat, lard, sugar, butter, and so forth, and the American taxpayers to continue to send billions of lend-lease to foreign countries, in view of the great need of these things for our own country to supply our own armed forces and to feed the civilian population that must take care of the home front, and to provide the equipment with which American boys must win the war in the Pacific? Should not our President and others in charge of our administration point out to our allies that we cannot continue to carry all of their load and our own besides? I am willing to help in a substantial and reasonable way all those nations that are and will continue to aid our boys in winning the war in the Pacific. The lack of food is slowing down our war effort very much. Some coal mines and other plants have closed down because of the lack of food for the workers.

I am voting for these amendments in the hope that we can and will encourage and improve production in this country and in that way aid our war effort, provide food for our civilian population, prevent black markets and inflation, but if we continue to consume and give away more food and other commodities than we are producing, with the large amount of consumer spending money and without reasonable and proper regulations, we may expect inflation.

The SPEAKER pro tempore (Mr. THOMASON). The time of the gentleman from Kentucky has expired.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Speaker, this conference report should be rejected and sent back to the committee for the reason that the amendment providing for court review of decisions of the OPA was stricken from the bill as passed last week by the House. In my opinion the time is here when Congress can no longer blame the many abuses in administering this law upon incompetent OPA officials—we must assume a share of this responsibility ourselves. We are certainly charged with the obligation of writing into the Price Control Act such regulations as are necessary to protect the rights and liberties of those who are engaged in business in this country.

Last year the House adopted a similar amendment when the Price Control Act was extended for 1 year. In the conference that followed the amendment was deleted, just as in the present situation. The OPA seems to start out on the principle that everyone engaged in business is dishonest and corrupt. Any person in business is under constant suspicion, and in some cases zealous OPA investigators have made constant and repeated checks of certain stores until some petty violation is found. In such instances the storekeeper, although entirely innocent of any intentional violation of price ceilings, is taken before price panels and fined $25, even though the overcharge may have been only 1 cent. The OPA is doing this under subsection (e) of section 205 of the Emergency Price Control Act of 1942, wherein we instruct OPA that if any merchant proves that the violation of the regulation, order, or price schedule was neither wilful nor the result of failure to take practicable precautions against the occurrence of the violation he must still be fined $25 as a minimum.

I offered an amendment to correct this situation when the bill was before the House. Due to the anxiety of those in charge of the bill to get it through without amendments the time for debate was so limited that it was impossible for me to explain my amendment to the House. I proposed to give any person accused by the OPA the same rights and benefits a citizen enjoys when he is accused of a crime—that he be considered innocent until proven guilty, and that if he does prove the violation was unintentional no fine should be assessed. It is my considered judgment that if my amendment had been adopted it would have prevented the persecution of many businessmen in this country.

Those charged with enforcing price control should seek the cooperation of the people, the overwhelming majority of whom are good, law-abiding citizens, and who want to obey the law. Instead they resort to coercion and compulsion, and apparently base the success of their efforts upon the number of merchants who are found guilty of some insignificant and petty violation. There is a legal maxim that "The law does not concern itself with trivials." However, this seems to have no application whatever with OPA, and storekeepers who innocently overcharge even one cent are branded as criminals and compelled to pay $25 under threat of prosecution, and the attendant publicity.

I am greatly disappointed that it now appears the law will be extended for another year without being amended as I have suggested. Our only hope now is that the OPA will use better judgment and more common sense in administering this law during the coming 12 months.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Michigan [Mr. SHAFER] such time as he may desire.

Mr. SHAFER. Mr. Speaker, I voted against the resolution to continue OPA, and I shall vote against this conference report.

My opposition is based on a sincere conviction that price controls can never work in a free society. Only by abandoning our free enterprise system, and by accepting autocracy, can we make such controls work. Price controls are destructive to initiative, honor, morale, and productive capacities. They have no place in America.

Keep this planned economy, Mr. Speaker, and we will surely lose many things we have been fighting for in this war.

Supporters of the OPA are attempting to create a fear of inflation if this legislation is not passed. That is pure bunk and any thinking person knows it. There is still the law of supply and demand that even job-socketed bureaucrats cannot repeal. We will have less production and higher prices the longer we continue OPA.

America, under a free enterprise economy, has always been a great producing nation. American enterprise has always been able to meet every demand where it has not been controlled. It would do so today and we would have no shortages if OPA controls were removed.

OPA's well-oiled propaganda machine boasts of keeping prices down but it fails to tell about the good business it has developed for those who find ways to sell apart from the controlled markets. They

take great credit for saving housewives of the Nation millions of dollars but they neglect to tell the American people how many billions of dollars have been made by the black marketeers. They also fail to tell the people of the billions of dollars that have been spent in subsidies under their fallacious program—subsidies that must be paid for by future generations.

Our current food problems reveal the vices of price control, Mr. Speaker. In spite of all their claims OPA has not fairly distributed foodstuffs and it is almost impossible for anyone to buy in regular channels at ceiling prices. The OPA has succeeded in establishing the greatest black market in history. If it is continued, black marketeers will rule America in another year or so. In other words, we will be ruled by gangsters. It is a known fact that the great percentage of meat now being consumed by the American public has come through the black market.

During debate on this legislation we have seen amendments voted down that would force officials of OPA to consider costs of production before fixing ceiling prices. OPA has brought pressure to bear on Members of Congress to defeat such amendments. I know this to be a fact. Now, Mr. Speaker, it is just plain silly for anyone to believe that our farmers or manufacturers are going to produce to sell their goods at a loss. But in order to make a record the OPA has insisted upon just that. They have given the producer three choices:

First. To go out of business.

Second. To lose money until he goes broke.

Third. To sell on the black market. Is it any wonder that the food situation in America has become chaotic?

Low prices mean nothing when one cannot get the things he wants because they are being sold at a higher price on the black market. If prices cannot be obtained in regular channels, some way will be found to outwit the law. That the inducement to outwit the law is great is proven by the fact that this Congress recently voted funds to the Treasury Department to place 10,000 additional agents on the Government pay roll to uncover black marketeers.

The idea of the OPA seems to be that they are more intent upon putting the stamp of dishonesty on citizens of America than in righting an evil practice. As a matter of fact, only the basically corrupt and dishonorable will violate self-determined or Government-determined principles of honor and patriotism.

Mr. Speaker, I believe Americans who hold dear what they have inherited from their forefathers are anxiously looking to Congress to restore their rights and their freedom. They are looking to Congress to protect their American economy, their industries, the workers and farmers, and to preserve their constitutional Government and way of life. We are not doing that today if we continue OPA.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. McCOWEN].

Mr. McCOWEN. Mr. Speaker, I am opposed to the conference report. The conference report under consideration is to accompany Senate Joint Resolution 30, and is the agreement reached by the Senate and House conferees on the disagreeing votes of the two Houses on the amendments of the House to the said joint resolution extending the effective period of the Emergency Price Control Act of 1942, as amended and the Stabilization Act of 1942, as amended for a period of 1 year. I voted for the amendments and for the resolution as amended when they were passed by the House, last Saturday. I, therefore, very definitely supported price control. I doubt if any Member of the House is opposed to a law for price control that is fair, equitable, and will provide for proper distribution. The amendments to the bill gave a protection to the people of the United States from abuses and maladministration and it could, therefore, be supported with good conscience. No one contends that all is bad in the administration of the OPA; but there have been so many bad practices and so much wrong administration in many respects that those things ought to be stopped—and stopped now. Under the Andresen amendment directives, orders, and edicts could not go into effect on the responsibility of OPA officials alone; for almost all of the entire responsibility was placed on the Secretary of Agriculture. It was the opinion of many that this would stop the arrogance of OPA officials and produce only such controls as are necessary to the war effort. Much freedom would have been restored to the people. The conference report also removes the Dirksen amendment which gave people the right to go into the Federal district court when aggrieved. Under the conference report no such right exists.

But the conference report has changed the Andresen amendment and the people may be sure that no improvement in administration may be expected.

In view of these changes in the law which offer the people no relief and which provide them no protection, I cannot support the conference report.

Mr. SABATH. Mr. Speaker, I feel the conference report before us should be adopted. Although there are many provisions that I had hoped would be embodied in the bill and some that I cannot subscribe to but realizing that legislation after all is a compromise, I feel that there is nothing for us to do but vote for the conference report. Otherwise, the entire purpose of the OPA organization, especially the good that has been accomplished, will be nullified.

Mr. Speaker, a few minutes ago, the gentleman from Texas [Mr. PATMAN] called attention to the splendid work of the OPA and how they held prices down and prevented inflation. A moment thereafter, the gentleman from North Dakota [Mr. LEMKE] arose and read a price list that was published in his town newspaper in 1918 on many food articles. I cannot recollect what prices were quoted but I am satisfied that they were about only one-third the prices that the farmer is receiving for these products today.

I believe both of these gentlemen are right to some extent, but I cannot understand in view of the high prices the farmers are receiving for cattle, hogs, and in fact everything they raise, which if time would permit I could show that they are from 200 to 400 percent higher than they were not only in 1918 but in 1940, why they continue to clamor for and demand higher and higher prices. Do not the gentlemen representing these agricultural districts realize that there is a limit as to the benefits, extensions of credit, subsidies, and parity prices that the Government may extend to the farmers? Do they not realize that the consumers, especially the low paid wage earners and the millions of white collar workers who are earning less than $1,300 per year, cannot stand the ever-increasing cost of living? If the prices will continue to be forced upwards, the country will again have on hand a surplus which is bound to work to the disadvantage of the farmers as the wage earners will not be able to buy on account of the high prices for these commodities.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I would like to ask the gentleman this question. The gentleman is a distinguished member of this committee. Does the gentleman feel that under the language of the conference report, wherein it requires that the Secretary of Agriculture give written approval to the orders, that the Secretary of Agriculture can approve existing orders that have been in operation for some time?

Mr. CRAWFORD. As I understand it, the Secretary of Agriculture now has nothing to do with orders issued previously. I mean with respect to approving or disapproving.

Mr. AUGUST H. ANDRESEN. That is wherein the conference report differs from the suggestion that I made in my amendment, which requires approval within 90 days or the orders are not valid.

Mr. CRAWFORD. The gentleman is correct.

Mr. Speaker, as the committee knows, I have signed this report and, of course, I shall support the conference report. I regret that the House denied the OPA funds which they claim will be necessary to finance the personnel which the OPA must have in order to pass on the price formulas which American industry must obtain before it can solicit sales orders for goods incident to reconversion.

The OPA made it very clear to our committee that they would need $92,000,000 for the first 6 months of the coming fiscal year and about $91,000,000 for the second 6 months. We have a situation here where we gave them $174,000,000 for the full year and start them out with American industry absolutely dependent upon the common sense, you might say, of OPA; and I understand they will, with the limited funds, be unable to obtain the personnel to machine these price formulas. So if hesitation is continued in connection with giving industry

the green light I think the responsibility can be largely placed right here on this body. I am opposed to what the House did the other day. I did not have a chance to express myself at that time. I hope when that bill comes back from conference it will carry the necessary funds for OPA to expedite this work. Why do I say that? I say it because OPA is a part of the economic fabric of the country and you are not going to get rid of it today, or next week, or next month, or next year. You might just as well smoke that in your pipe. We have entrenched the proposition of these controls to a point where if you support OPA today in the name of inflation prevention, what are you going to do as long as our people have from one-hundred and fifty to two hundred and fifty billions of excess buying power? You are not ever going to get rid of it with such vast buying power present, if that is to be your philosophy, and that is the philosophy today accepted by the American people. I did not follow them except that I have pointed out all the time that was the course we were following; and my vote supports what I am now saying. But we have put this thing in as an American institution and perhaps 80 percent of the people of this country, if they could vote on it today, would vote to continue it for an indefinite period; and, therefore, this Congress is going to approve this proposition. There is no question about it.

This report is not perfect by any means; it is not entirely satisfactory to me. You have interwoven OPA into our complicated economic fabric in such a way that you have got to follow it for an indefinite period, and if we are to continue this deficit financing and continue to pour these inflationary dollars into the hands of the people, you will never get rid of these controls. My mail is heavy today with complaints from people of my own district of individual cases of persecution of the people in my district by OPA. It is just all nauseating; yet I have got to go along with this proposition. I am going to vote for the report. I hope with these amendments, OPA will somewhat reform.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

CALL OF THE HOUSE

Mr. FRIEST. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (after counting). One hundred and forty-five Members are present, not a quorum.

Mr. FRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 134]

Anderson, N. Mex.	Buckley	De Lacy
Baldwin, N. Y.	Bunker	Dingell
Barden	Cannon, Fla.	Douglas, Calif.
Barry	Carnahan	Eaton
Beall	Celler	Fuller
Bell	Clark	Geelan
Bennet, N. Y.	Cochran	Granger
Bloom	Cole, Kans.	Grant, Ind.
Bradley, Mich.	Cole, N. Y.	Gwinn, N. Y.
Buck	Cooley	Hall, Leonard W.
Halleck	Curley	Sharp
Hand	Lynch	Sheppard
Hart	McCormack	Simpson, Pa.
Hays	McGlinchey	Smith, Ohio
Hobbs	McKenzie	Smith, Va.
Hook	Merrow	Snyder
Jarman	Morgan	Somers, N. Y.
Jennings	O'Toole	Taylor
Johnson, Ind.	Pfeifer	Thom
Johnson, Okla.	Ploeser	Thomas, N. J.
Kearney	Powell	Tolan
Keogh	Powers	Towe
Kilburn	Price, Fla.	Traynor
Kinzer	Rayfiel	Vursell
Kirwan	Reece, Tenn.	Whitten
Kunkel	Rivers	Wilson
Lane	Rodgers, Pa.	Winter
Larcade	Roe, Md.	Worley
Lesinski	Roe, N. Y.	Zimmerman
	Russell	

The SPEAKER pro tempore. Three hundred and forty-five Members are present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENDING PRICE CONTROL AND STABILIZATION ACTS

The SPEAKER pro tempore. The gentleman from Kentucky has 18 minutes remaining.

Mr. SPENCE. Mr. Speaker, I yield 11 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Speaker, it has been quite often said on the floor that all legislation is necessarily the result of the compromising of divergent views which have been considered by the House in committee and in the House; and this is another very fair example of the fact that after the discussion of the divergent views on this particular act by the conferees on the part of the House and the Senate the conference report was agreed to. All of the Members on the part of the House, including the three minority Members, signed the conference report because we felt that there was ever so much more in the bill as it was reported out of conference than before the matter had been presented to the House. I will try to cover as rapidly as I can the amendments which were agreed to, those which stayed in the bill and those which were agreed to.

The so-called Baldwin amendment set up a National Advisory Council for Rent Control. The bill as it left the House provided that this advisory council should be on a national and area basis. We would have to set up a council for each rental area. It was the intention of the sponsor of the amendment, as I understood him, that it would be on a national basis. Therefore, we confined it to a National Advisory Council, thereby putting rents in that respect on the same basis as the advisory councils in respect to any other industry.

The Wiley amendment, which was a Senate amendment, provided that the prices of commodities sold on cash-on-delivery orders could be increased by the amount of the cash-on-delivery charges. That remains in the bill.

The so-called Barkley-Bates amendment, having to do with meats, stayed in, as it originally passed the House and Senate.

The so-called Patman amendment stays in in substance. There were a few changes made to make certain that the Food and Drug Act applied to prevent the probability of any contaminated meat moving in interstate and foreign commerce, and also removed some administrative difficulties, but in substance it remains the same.

To clarify a point which has been raised in that respect, after the Secretary of Agriculture certifies that a certain slaughtering house is clean, wholesome and suitable, then there is to be no quota on the amount of meat slaughtered in that packing house. So, if the OPA has heretofore licensed nonfederally inspected slaughtering houses and has given those slaughtering houses a quota, if the slaughterer is certified by the Secretary of Agriculture then that quota is lifted and there is no longer any quota against the slaughtering of meat in that particular slaughtering house; but the quotas still apply to those slaughtering houses licensed by the OPA which do not qualify under the Patman amendment to receive a certificate by the Secretary of Agriculture and it is provided also that the Secretary of Agriculture may make such provision as he sees fit for the inspection of the slaughterhouses so that there is more assurance that contaminated meat and meat products will not pass in interstate commerce.

The Dirksen amendment was taken out. You will recall that last year the Dirksen amendment was taken out of the bill in conference because in consequence of the battle which the gentleman from Illinois put up here in the House, the language which now exists and which is now in the act, was written in. Many of us had very much to do with that language and the amendment was taken out after some of us thought that sufficient consideration to it was given. The Senate, however, insisted that if that language stayed in the bill then there would be no price-control act. I hope you will conclude from that remark that inasmuch as the House had written in the review provisions last year, the yielding by the House was not because of any desire to prevent review of anybody's legal rights in a regularly established court.

If I may, I would like to discuss for a moment the so-called Andresen amendment.

First, I want to call attention to the fact that existing law, subsection (e) of section 3 of the Emergency Price Control Act provides in part as follows:

> Notwithstanding any other provisions of this or any other law no action shall be taken under this act by the Administrator or any other person with respect to any agricultural commodities without prior approval of the Secretary of Agriculture.

One of the reasons why the Andresen amendment was introduced, as I understood it, was to prevent the by-passing of the Secretary of Agriculture in the fixation of prices on agricultural commodities. I understand that the War Food Administrator, in private conversation, called attention to the fact that he had been by-passed; that matters had gone directly from the OPA to the Office of Emergency Stabilization without him being consulted. It is true that about the only effective approval that he could give it would be in writing, but there is

no assurance in the law that he was being consulted at all, and so we very wisely provided that the approval of the Secretary of Agriculture must be in writing. Why did we put that in? Because without the written approval by the Secretary of Agriculture there is no legal maximum price. That is the reason why.

We also provided two other things. There has been a great deal of discussion as to whether livestock and the products of livestock were agricultural products; so in the revised Andresen amendment we have clarified that by adding to the definition language which reads as follows:

The term "agricultural commodity" includes livestock.

So that there can be no bypassing of the War Food Administrator in the fixation of maximum prices on livestock. There was also some question as to whether the Secretary of Agriculture had any control over the prices set on processed food. Some had interpreted the words "agricultural products" to mean the raw products as it left the farm, and that the minute it was cooked or canned or otherwise processed it did not come within the category of an agricultural product. So to make very definite and certain that the processor's prices should be considered by the Department of Agriculture, we added to the language of the law that the written approval of the Secretary of Agriculture must be had in order to make the price legal; also with respect to any regulation, order, price schedule, or other requirement applicable to any proposal with respect to any food or feed. You understand we also added feed.

I believe it is ever so much better than it was before we gave consideration to it, and I hope that the conference report will be adopted.

Mr. SPENCE. Mr. Speaker, I yield the remaining time to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Speaker, this is the last step in the enactment of inflation control for the coming year if the House chooses in its wisdom to vote for the conference report.

The bill has passed both Houses of Congress. It has come from the conferees with a unanimous report. This conference report has passed the Senate of the United States. The engrossed bill has been prepared, and if the House adopts this conference report it will reinstate the effective control of inflation for the coming year.

BILL SIMILAR TO HOUSE VERSION

All legislation is a compromise, but I say to you that this bill more nearly represents the opinion of this House than any bill that I have recently seen. I would like to detail a little of it.

We kept every substantial amendment that was placed in the bill by the House with the exception of the Dirksen amendment. The Senate yielded to us on several items of new matter. It yielded to us on matters that they had in their amendments and I think we bring back a bill that is now entirely acceptable.

TWO PRINCIPAL AMENDMENTS

There are two amendments that I would like to particularly discuss; one is the Andresen amendment. A move is going to be made to recommit this to the conferees because we did not maintain in complete entirety the Andresen amendment.

We retained three out of four things contained in the Andresen amendment. Those three things are, first, written approval of price ceilings on farm commodities by the Secretary of Agriculture; second, we specify that this price control that the Secretary of Agriculture exercises would be on livestock in addition to other farm commodities; third, we wrote into the act specifically that it applies also to all processors of food. Thus you get three out of the four provisions in Mr. ANDRESEN'S amendment. What is the one that you do not get?

DOES NOT SUSPEND PRESIDENT'S POWER

The one you did not get is the power which was given by the original Andresen House amendment to allow the Secretary of Agriculture to suspend any action or directive by the President of the United States. Now, that is out of the amendment.

Mr. HERTER. Mr. Speaker, will the gentleman yield?

Mr. MONRONEY. I yield briefly.

Mr. HERTER. Does the gentleman agree with the interpretation which is given to the conference committee's change in the Andresen amendment that there is no way of bypassing the Secretary of Agriculture?

Mr. MONRONEY. There is no way of bypassing it by the OPA, but the power remains in the President with regard to carrying out the Stabilization Act as this Congress by specific direction has placed it in the President.

I should like to clear up this point by reading what Senator BANKHEAD, who wrote the original amendment, had to say in the CONGRESSIONAL RECORD of January 9, 1942:

> Who is the boss of these men? Who is the outstanding commander of all these departments? How long does the Senator think the President would permit the Secretary of Agriculture to adopt a capricious and arbitrary position with reference to price fixing on agricultural commodities?

There is the author of the original amendment speaking, and he admitted we have no right to expect a man appointed by the President to defy the will of the President in final action in case of dispute.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. MONRONEY. I yield just for a question.

Mr. AUGUST H. ANDRESEN. It is the Executive orders creating another agency like the Office of War Mobilization which are affected by this.

Mr. MONRONEY. The Congress cannot take away from the President the right to delegate this to a secretary or to another agency. You cannot suspend those powers by an act of Congress, because such powers are inherent in the Presidency. Furthermore, they are specifically inherent because of the act of October 2, 1942 which this Congress has passed and today repasses for another full year.

The question of these 90-day approvals by the Secretary of Agriculture has been mentioned. Approval of all the hundreds of thousands of food prices now in effect would be impossible. The Secretary would have to examine and approve, from the lowest to the highest level, every district, regional, and city price on every processed food.

CAN INITIATE ACTION

But the gentlemen of the Congress should know, and must know, that under the act as written, the Secretary of Agriculture has the right at any time to initiate a revision of any price schedule on food that does not bring out the maximum production of foodstuffs.

With reference to the Dirksen amendment. I feel that unconsciously, the gentleman from Illinois [Mr. DIRKSEN] in attempting to change the act, is dealing a death blow to price control.

The Dirksen amendment, if it had been allowed to remain in the bill, would have given every one of eighty-five-odd Federal courts the right to suspend a Nation-wide price ceiling.

I am in sympathy with him as he argues for the little man to have his day in court. But I say to you that we must protect that little man and millions of other little men. If one man goes into court on his own particular matter he should not expect the suspension of a Nation-wide price in that one district court. Such power would jeopardize business as no other amendment possibly could, because no trading could take place in any commodity across the length and breadth of the country should one or two or three decisions be made by local district courts ruling out a Nation-wide price.

WOULD DAMAGE ALL TRADING

No seller is going to sell on an uncertain market where he could have no way of knowing what the legal price was. Thus you would throw into confusion confounded throughout the business world this uncertainty of many price ceilings.

TIME IS SHORT

I close my remarks by saying it is later than we think. Already there is an airplane warming up and waiting to take this bill to Kansas City for the signature of the President. If the Congress does not act today, if the President does not put his signature on this bill today, there will be no effective ceiling in existence on any commodity or any foodstuffs in this Nation.

If we allow this act to expire by our failure to vote up this conference report, we seriously jeopardize the validity of every price ceiling in existence today. Already this machinery to get this bill rushed to the President is in effect. The enrolled bill is written up and printed and waiting for the message from this House to the Senate that we have accepted the conference report.

From there it will be sent to the airport for the signature of the President. To vote at this late hour against the conference report under all the circumstances that exist today is to vote against price control. No one can deny it.

The SPEAKER. The time of the gentleman from Oklahoma has expired. All time has expired.

The question is on agreeing to the conference report.

Mr. SPENCE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 255, nays 94, not voting 84, as follows:

[Roll No. 135]

YEAS—255

Abernethy	Gardner	Murdock
Allen, Ill.	Gary	Murphy
Allen, La.	Gavin	Murray, Tenn.
Anderson, N. Mex.	Gearhart	Neely
	Gerlach	Norton
Andrews, Ala.	Gifford	O'Brien, Ill.
Andrews, N. Y.	Gillie	O'Brien, Mich.
Angell	Gordon	O'Neal
Auchincloss	Gore	Outland
Bailey	Gorski	Pace
Barrett, Pa.	Granahan	Patman
Bates, Ky.	Grant, Ala.	Patrick
Bates, Mass.	Green	Patterson
Beckworth	Gregory	Peterson, Fla.
Bender	Hale	Philbin
Bennett, Mo.	Hall, Edwin Arthur	Pickett
Biemiller		Plumley
Blackney	Hancock	Poage
Bland	Hare	Price, Ill.
Bolton	Harless, Ariz.	Priest
Bonner	Harris	Quinn, N. Y.
Boykin	Hartley	Rabaut
Bradley, Pa.	Havenner	Rabin
Brooks	Healy	Rains
Brown, Ga.	Hedrick	Ramspeck
Brumbaugh	Heffernan	Randolph
Bryson	Hendricks	Resa
Bulwinkle	Herter	Rich
Burch	Heselton	Richards
Burgin	Hinshaw	Riley
Byrne, N. Y.	Hoch	Robertson, Va.
Camp	Hoeven	Robinson, Utah
Campbell	Holifield	Robsion, Ky.
Canfield	Holmes, Mass.	Rogers, Fla.
Cannon, Mo.	Holmes, Wash.	Rogers, Mass.
Carnahan	Huber	Rogers N. Y.
Case, N. J.	Hull	Rooney
Chapman	Izac	Rowan
Chelf	Jackson	Ryter
Church	Johnson, Calif.	Sabath
Clason	Johnson, Luther A.	Sadowski
Clements		Sasscer
Cochran	Johnson, Lyndon B.	Savage
Coffee		Sheridan
Colmer	Johnson, Okla.	Sikes
Cooper	Judd	Simpson, Ill.
Corbett	Kean	Slaughter
Courtney	Kee	Smith, Maine
Cox	Keefe	Sparkman
Crawford	Kefauver	Spence
Crosser	Kelley, Pa.	Springer
Cunningham	Kelly, Ill.	Starkey
D'Alesandro	Kerr	Stevenson
Daughton, Va.	Kilday	Stigler
Davis	King	Sullivan
Dawson	Kopplemann	Sumners, Tex.
Delaney, James J.	LaFollette	Sundstrom
	Landis	Talbot
Delaney, John J.	Lanham	Talle
	Latham	Tarver
Dickstein	Lea	Thomas, Tex.
Dolliver	LeCompte	Thomason
Domengeaux	LeFevre	Tibbott
Dondero	Lewis	Torrens
Doughton, N. C.	Link	Trimble
Douglas, Ill.	Luce	Vinson
Doyle	Ludlow	Voorhis, Calif.
Drewry	McConnell	Wadsworth
Durham	McCormack	Walter
Earthman	McDonough	Wasielewski
Eberharter	McGregor	Weaver
Ellsworth	McMillan, S. C.	Weiss
Engel, Mich.	Madden	Welch
Engle, Calif.	Mahon	White
Ervin	Maloney	Whittington
Fallon	Manasco	Wickersham
Feighan	Mansfield, Mont.	Wigglesworth
Fenton		Winstead
Fernandez	Mansfield, Tex.	Wolcott
Fisher	Marcantonio	Wolfenden, Pa.
Flannagan	Martin, Iowa	Wolverton, N. J.
Flood	Martin, Mass.	Wood
Fogarty	May	Woodhouse
Folger	Michener	Woodruff, Mich.
Forand	Miller, Calif.	Woodrum, Va.
Fulton	Mills	Zimmerman
Gallagher	Monroney	
Gamble	Mott	

NAYS—94

Adams	Arends	Brown, Ohio
Andersen, H. Carl	Arnold	Buffett
	Barrett, Wyo.	Butler
Anderson, Calif	Bishop	Byrnes, Wis.
Andresen, August H.	Boren	Carlson
	Brehm	Case, S. Dak.
Chenoweth	Hess	Ramey
Chiperfield	Hill	Rankin
Clevenger	Hoffman	Reece, Tenn.
Cole, Mo.	Hope	Reed, Ill.
Combs	Horan	Reed, N. Y.
Cravens	Howell	Rees, Kans.
Curtis	Jenkins	Rizley
D'Ewart	Jensen	Robertson, N. Dak.
Dirksen	Johnson, Ill.	
Dworshak	Jones	Rockwell
Elliott	Jonkman	Schwabe, Mo.
Ellis	Knutson	Schwabe, Okla.
Elston	Lemke	Scrivner
Fellows	Lyle	Shafer
Gathings	McCowen	Short
Gibson	McGehee	Smith, Wis.
Gillespie	McMillen, Ill.	Stefan
Goodwin	Mason	Stewart
Gossett	Miller, Nebr.	Stockman
Graham	Morrison	Sumner, Ill.
Griffiths	Mundt	Taber
Gross	Murray, Wis.	Vorys, Ohio
Gwynne, Iowa	Norrell	Vursell
Hagen	O'Hara	Weichel
Harness, Ind.	O'Konski	West
Hébert	Phillips	
Henry	Pittenger	

NOT VOTING—84

Baldwin, Md.	Gwinn, N. Y.	Ploeser
Baldwin, N. Y.	Hall, Leonard W.	Powell
Barden		Powers
Barry	Halleck	Price, Fla.
Beall	Hand	Rayfiel
Bell	Hart	Rivers
Bennet, N. Y.	Hays	Rodgers, Pa.
Bloom	Hobbs	Roe, Md.
Bradley, Mich.	Hook	Roe, N. Y.
Buck	Jarman	Russell
Buckley	Jennings	Sharp
Bunker	Johnson, Ind.	Sheppard
Cannon, Fla.	Kearney	Simpson, Pa.
Celler	Keogh	Smith, Ohio
Clark	Kilburn	Smith, Va.
Cole, Kans.	Kinzer	Snyder
Cole, N. Y.	Kirwan	Somers, N. Y.
Cooley	Kunkel	Taylor
Curley	Lane	Thom
De Lacy	Larcade	Thomas, N. J.
Dingell	Lesinski	Tolan
Douglas, Calif.	Lynch	Towe
Eaton	McGlinchey	Traynor
Elsaesser	McKenzie	Whitten
Fuller	Merrow	Wilson
Geelan	Morgan	Winter
Gillette	O'Toole	Worley
Granger	Peterson, Ga.	
Grant, Ind.	Pfeifer	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Pfeifer for, with Mr. Halleck against.

General pairs until further notice:

Mr. Whitten with Mr. Ploeser.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Jarman with Mr. Grant of Indiana.

Mr. Rivers with Mr. Taylor.

Mr. Celler with Mr. Baldwin of New York.

Mr. Hart with Mr. Beall.

Mr. Curley with Mr. Towe.

Mr. Douglas of California with Mr. Kunkel.

Mr. McGlinchey with Mr. Thomas of New Jersey.

Mr. Lane with Mr. Elsaesser.

Mr. Barry with Mr. Bennet of New York.

Mr. Larcade with Mr. Jennings.

Mr. Bloom with Mr. Fuller.

Mr. Lynch with Mr. Eaton.

Mr. Roe of New York with Mr. Cole of New York.

Mr. Rayfiel with Mr. Bradley of Michigan.

Mr. Buckley with Mr. Kilburn.

Mr. Somers of New York with Mr. Rodgers of Pennsylvania.

Mr. O'Toole with Mr. Kinzer.

Mr. Powell with Mr. Smith of Ohio.

Mr. Keogh with Mr. Wilson.

Mr. EDWIN ARTHUR HALL changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed a bill and a joint resolution of the House of the following titles:

On June 23, 1945:

H. R. 3322. An act to amend the act entitled "An act to expedite the provisions of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended.

On June 29, 1945:

H. J. Res. 206. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

PARTICIPATION OF UNITED STATES IN UNRRA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Foreign Affairs and ordered to be printed with illustrations:

To the Congress of the United States of America:

I am transmitting herewith the third quarterly report on United States participation in the work of UNRRA and on expenditures and operations under the act of March 28, 1944.

On May 8, 1945, the long, dark years of Nazi tyranny ended and the liberation of millions of Europeans became a reality. The victory in Europe marks the close of a militaristic and barbarous era that enslaved most of the continent and threatened free nations throughout the world.

Millions of the liberated peoples are emaciated, hungry, and sick and they are without means of livelihood. Other millions who were ruthlessly commandeered into the Wehrmacht or forced into labor battalions to work on military projects and in Nazi war factories and farms have been freed by United Nations forces only to find themselves destitute, far from home and country, and without food and shelter.

Even before VE-day, and under the most adverse conditions of supply and shipping shortages during the final offensives against Germany, UNRRA had begun to deliver supplies. UNRRA's year of planning and preparation was paying dividends in the form of mounting supplies and personnel services for the liberated areas, and assistance to our own military authorities in the care and repatriation of the millions of displaced persons.

UNRRA's shipments are now going forward in an increasing volume to Greece, Poland, Yugoslavia, Czechoslovakia and other nations to relieve the victims of war who have no other source of assistance. With the redeployment of Allied troops in Europe to other theaters of operation and the resulting decrease in European military demands for supplies and shipping, it is now possible for UNRRA to begin to accelerate the flow of needed supplies to the liberated countries. What has been accomplished is only the beginning. This coming winter

will be the period of greatest need. The people will require food until their farms can be restored and their food production increased. Clothing and medical supplies will be urgently required. In addition, limited quantities of agricultural, industrial, and transportation equipment will be necessary to enable the liberated peoples to utilize more effectively the resources at their disposal and to assist them in commencing the immense task of repairing the destruction and devastation of the war and to produce for themselves. The United States as a member of UNRRA is determined to do its part in furnishing the ships and supplies required to meet these critical needs.

The period covered by this report preceded the victorious thrust of the Allied armies and the complete defeat of Germany. Today, with hostilities at an end, UNRRA is moving to meet the task for which it has been preparing and putting its plans into operation. UNRRA can now accomplish the purpose for which it was established. The degree of that accomplishment will be a measure of the extent to which we keep faith with those who fought and died in order to bring freedom and relief from suffering to the liberated peoples and a secure peace to the world.

HARRY TRUMAN.

THE WHITE HOUSE, *June 29, 1945.*

SAVANNAH HARBOR, GA.

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3477) for the improvement of Savannah Harbor, Ga.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I understand this is an authorization for a harbor improvement that was inadvertently left out of the House bill, and it is desired to pass it at this time so that it will become a part of the general program. Is that correct?

Mr. PETERSON of Georgia. That is correct.

Mr. MARTIN of Massachusetts. Further, it is to bring the harbor into parity with other harbors in that vicinity?

Mr. PETERSON of Georgia. That is correct.

Mr. MARTIN of Massachusetts. It is a unanimous report from the Committee on Rivers and Harbors?

Mr. PETERSON of Georgia. That is true.

Mr. MARTIN of Massachusetts. And it has the approval of the Army Engineers?

Mr. PETERSON of Georgia. That is correct.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following work of improvement for navigation is hereby adopted and authorized, to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers, in accordance with the plans recommended in the report hereinafter designated and subject to the conditions set forth in said document:

Savannah Harbor, Ga., in accordance with the report submitted in House Document No. 227, Seventy-ninth Congress, first session.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mrs. LUCE asked and was given permission to extend her own remarks in the Appendix of the RECORD.

Mr. KEFAUVER asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an editorial from the St. Louis Post-Dispatch and in the other an article by Mr. George F. Milton.

Mr. PITTENGER asked and was given permission to extend his remarks in the Appendix of the RECORD on two subjects and to include editorials and news items in each instance.

GEN. OMAR N. BRADLEY, ADMINISTRATOR OF VETERANS' AFFAIRS

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3607) to authorize the President to appoint Gen. Omar N. Bradley to the Office of Administrator of Veterans' Affairs, without affecting his military status and perquisites.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ANDREWS of New York. Mr. Speaker, reserving the right to object, and I shall not object, will the gentleman from Alabama be good enough to outline the purposes of and the necessity for this bill?

Mr. SPARKMAN. Mr. Speaker, the purpose of this bill is to authorize the appointment of General Bradley as Administrator of Veterans' Affairs without disturbing his military status or his military pay. As a matter of fact, the pay he is now getting is greater than that of the office of Administrator of Veterans' Affairs. He would not be under the control of the military. He is taken completely out from under the control of the military. He will still continue to draw his pay and the War Department will be reimbursed by the Veterans' Administration for the amount of his pay.

The bill is requested by the Director of the Budget in a letter that was referred to our committee.

Mr. BENNETT of Missouri. Mr. Speaker, reserving the right to object, does the bill provide that he shall not be subject to the jurisdiction or control of the Army as long as he retains this office?

Mr. SPARKMAN. As far as the administration of this office is concerned, that is correct. I will read from the bill:

SEC. 2. In the performance of his duties as Administrator of Veterans' Affairs, General Bradley shall be subject to no supervision, control, restriction, or prohibition (military or otherwise) other than would be operative with respect to him if he were in no way connected with the War Department, the Military Establishment, or the Army of the United States, or any component thereof.

Mr. BENNETT of Missouri. Mr. Speaker, it seems reasonably clear that under the language the gentleman has quoted, the War Department would not be running the Veterans' Administration. That is what I was afraid of. The Department has not always played fair with the Veterans' Administration, and I would hate to see the brass hats in the Pentagon entangle the veterans' affairs worse than they are already.

I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

The being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 1222 of the Revised Statutes (U. S. C., title 10, sec. 576), or any other provisions of law, the President, acting by and with the advice and consent of the Senate, is authorized to appoint Gen. Omar N. Bradley, a general officer in the Army of the United States, to the office of Administrator of Veterans' Affairs, and General Bradley's appointment to, acceptance of, and service in that office shall in no way affect any status, office, rank, or grade he may occupy or hold in the Army of the United States or any component thereof, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade: *Provided,* That so long as he holds the office of Administrator of Veterans' Affairs, General Bradley shall retain the rank and grade of general which he now holds in the Army of the United States and he shall receive the pay and allowances (including personal money allowance) payable to an officer serving on active duty with the rank and in the grade of general in the Army of the United States, or any component thereof; and in the event the salary prescribed by law for the office of Administrator of Veterans' Affairs exceeds such pay and allowances, General Bradley shall receive directly from Veterans' Administration the difference between such pay and allowances and such salary.

SEC. 2. In the performance of his duties as Administrator of Veterans' Affairs, General Bradley shall be subject to no supervision, control, restriction, or prohibition (military or otherwise) other than would be operative with respect to him if he were in no way connected with the War Department, the Military Establishment, or the Army of the United States, or any component thereof.

SEC. 3. The appropriations of the Veterans' Administration shall be available for reimbursement to the War Department of all pay and allowances received by General Bradley from the War Department or its agencies while he is serving in the office of Administrator of Veterans' Affairs.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. JUDD asked and was given permission to extend his remarks in the Appendix on two different subjects and in each to include an editorial.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include as a part thereof a bill I am introducing regarding a little more adequate compensation for the amputees.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. GAMBLE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HOEVEN and Mr. FARRINGTON asked and were given permission to extend their own remarks in the RECORD.

Mr. HOFFMAN asked and was given permission to extend his remarks on three subjects.

Mr. ROONEY asked and was given permission to revise and extend his remarks in two particulars and in each to include a letter.

Mr. WEICHEL asked and was given permission to extend his remarks and include a resolution from the Tiffin Aerie, Fraternal Order of Eagles, of Tiffin, Ohio, memorializing Congress to designate the birthday of the late President Franklin Delano Roosevelt as a national holiday.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that on Monday next I may address the House for 15 minutes following the legislative business of the day and other special orders.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from Vermont [Mr. PLUMLEY] is recognized for 10 minutes.

DIESEL PROPULSION

Mr. PLUMLEY. Mr. Speaker, the late Senator Scrugham, while a Member of the House was particularly interested in providing for necessary research and experimentation to the end that the so-called Diesel engine might be made more usable and serviceable and be perfected for use in and by the Navy and elsewhere. This interest he maintained so long as he lived.

He had the hearty cooperation of those in the Navy chargeable with such responsibility and the Members of the House supported his requests for necessary appropriations.

I have recently read Shadows of Two Great Leaders, Rudolph Diesel and Alexander Winton, written by George Codrington, and delivered as an address and a tribute during the 1945 Cleveland dinner of the Newcomen Society of England, held at Cleveland, Ohio, May 16, 1945.

This address is descriptive of the Diesel engine and pays a tribute to the originators of that type of power generation. It is so valuable a treatise, which otherwise would reach only a limited public, let me read to you therefrom, as follows:

DIESEL PROPULSION

American industry and the mighty American production program of the Second World War owe a debt to the lifework and inventive achievements of two great leaders in the field of engineering—two men whose shadows and influence can be detected today. It is my purpose tonight, here at Cleveland, to pay tribute to these two men and to the heritage they have left us.

The two men are: Rudolph Diesel and Alexander Winton.

I came under the shadows of these two great men when I met Alexander Winton for the first time in New York City more than 30 years ago. With his inquiring turn of mind, Mr. Winton was then greatly interested in the Diesel-type engine. In fact, he had a plant in Cleveland which had already produced the first all-American type Diesel engine ever built. We found a common interest in the general subject of marine engines of all types and, in our conversation, we eventually found ourselves discussing the practicability of building Diesel engines for general marine service.

Several years elapsed before I became actively engaged with Mr. Winton in building engines of this type, and in the meantime, I familiarized myself with the activities of Dr. Rudolph Diesel, the inventor of the type of engine which bears his name. From the day that I joined the Winton Engine Works in 1917, my activities have been devoted to the development and building of the Diesel-type engine, invented by Dr. Diesel and nurtured by Alexander Winton. With such an experience, I could not fail to have a profound respect for their achievements. The dramatic performances of the Diesel engine, both in peace and war, again emphasize the tremendous importance of their work.

I know, of course, a great deal about Alexander Winton, because of many years of close personal association with him. My information about Dr. Diesel comes from the written record and from his friends. From both these sources, I am assured that in important respects he was like Alexander Winton. Both were seekers for better ways of doing things and both had the persistence which characterizes most men who devote their lives to the development of engineering advances which promote the welfare of mankind. As their shadows continue to lengthen as the years roll by, we may, with profit to ourselves, review their careers and the effects of their work.

Rudolph Diesel was born in 1858 of German parents living in Paris. He went to school in Paris until the war of 1870 between Germany and France forced his family to move to England. Later, he went to the Munich Technical College, where he graduated as an engineer when he was 21.

While attending college, his professor in thermodynamics was the famous von Linde, the first man to liquefy air. Listening to von Linde's description of the low efficiency of the steam engine, he determined to develop a better engine. After proving mathematically that such an engine was practical, he built the first engine in 1892. When he tried to start it, the first explosion wrecked the engine. The experiment did prove that the compression-ignition engine would work. By 1897, he had constructed the first successful Diesel engine which immediately attracted world-wide attention.

Unlike many inventors, Dr. Diesel gained a fortune from his engine. Everywhere he went, he was honored and acclaimed. In the spring of 1912, he visited the United States and gave a paper on the Diesel engine before the American Society of Mechanical Engineers. Among other things, he said: "The Diesel engine has doubled the resources of mankind as regards power production, and has made new and hitherto unutilized products of nature available for motor power." He finished by saying: "And I must call to your mind the fact that nowhere in the world are the possibilities for this prime mover as great as in America." This prophecy is now coming true, over a quarter of a century after it was made

When Dr. Diesel returned to Europe, he was again busy consulting with the English and German Diesel-engine manufacturers. In the fall of 1913, only a few months before the beginning of the great war, he was called to England to attend an important meeting of English manufacturers.

On September 29, 1913, Dr. Diesel boarded the cross-channel steamer, *Dresden*, at Antwerp, bound for London. It was a clear evening and the water was calm. He had many important papers with him. Dr. Diesel himself was in good health and at the height of his fame. Diesel engines were being used more and more. As far as is known, he strolled around the deck in the early evening and then retired to his cabin.

When the *Dresden* docked the next morning Dr. Diesel was missing with all his important documents. His bed had not been slept in. No one had seen him during the night. Passengers and crew could give no information.

And now, let us leave Dr. Diesel in the security of his undying fame and consider the other man: Alexander Winton. He was born in Scotland in 1860 and died at his home in Lakewood, Ohio, in June 1932.

The story of his colorful, interesting career might well have found a place in one of Horatio Alger's books. Bridging the gap from poverty to riches and from an unknown Scottish lad struggling for a living in New York City to a world-famous inventor and bicycle builder, as well as pioneer builder of motor cars and marine and industrial power plants, Alexander Winton's life epitomizes what initiative and ability can achieve under the spur of the inventor's turn of mind. For Alexander Winton was, first of all, a searcher for new and better ways of doing things. Like many of the select fraternity of which he became a distinguished member—the fraternity of the few who have helped in the world's progress—he trod a difficult path, and because the way was long and hard, his success, when attained, was rewarded richly.

Alexander Winton was 19 when he landed in New York City in 1879. He had turned his back on his beloved Scotland to try his hand in the new world. His mechanical cleverness soon placed him in charge of a marine engine shop in New York City. Subsequently, he served as an engineer aboard vessels that went their way to famous ports the world over. In the late eighties, he came to Cleveland and secured a job with the Brown Hoisting and Engineering Corp. But in the back of his mind was the idea of giving the world the pleasure of self-propulsion in the form of what later became the modern two-wheel bicycle. And so we find him in the early nineties engaged in founding the Winton Bicycle Co., which became world-famous as the builder of Winton bicycles, sold and used in all parts of the world. About 1893, he started his work on a "horseless carriage," and his efforts in this direction were eventually to place him securely in the front rank of the world's industrial pioneers.

The first motor car sold in this country was a single cylinder phaeton built by Mr. Winton. It was sold to Robert Allison, a mechanical engineer of Port Carbon, Pa., on April 29, 1898, and in this connection, it is interesting to know that Mr. Allison drove Winton cars for many years, in fact, until his death just a few years ago. This bona fide sale establishes Mr. Winton as the builder of the first commercially successful motor car and also as the pioneer who really founded the motor-car industry in this country. The first sale was followed by others within a few weeks, and by the following year, Mr. Winton's new company, the Winton Motor Carriage Co., found its chief problem was building enough cars to meet the demand. From then on, Mr. Winton devoted his efforts chiefly to development work; that is, effecting improvements in his products and organizing a company capable of building, servicing, and selling them satisfactorily.

Mr. Winton was the first American automobilist to volunteer to build and drive a machine in the Gordon-Bennett Cup Races, the famous blue ribbon automobile racing classic. In 1900, he represented the Automobile Club of America in this race, which that year was run from Paris to Bordeaux. After 125 miles of racing, he ripped a tire off in rounding a corner, but continued for 25 miles farther on the rim before stopping. On September 16, 1902, in Cleveland, Ohio, he established a world's mile track record of 1:02¼, as well as new records for all distances up to 10 miles, which was made in 10:50, the world's record for 10 miles in a motor car up to that time.

In a straightaway trial on the Ormond, Fla., beach in March 1903, he drove the Winton Bullet, a famous early racing car, a mile in 0:52⅕, the fastest mile made by a motor car up to that time.

As a matter of fact, however, Mr. Winton's first love all his life was the sea. This is not strange, in view of the Scotch blood that flowed in his veins, and his early experiences as a boy working in the shipyards along the Clyde.

And so we find him, in 1912, again turning his attention to marine engines. During the quarter of a century in which he had won a definite place as inventor, mechanical engineer, and manufacturer, he had kept in touch with marine engine problems, both in theory and practice. Thirty-four years ago he was in the market for the best marine gasoline engine power plant obtainable, to be used in his motor yacht *La Belle*, then under construction. He visited various yachts equipped with gasoline engines, but was disappointed in their performance, so after exhaustive investigation of different types of marine gasoline engines then in use, he decided to design and build the *La Belle's* power plant himself, and this decision was the foundation upon which was built the Winton Engine Co. of Cleveland. When the *La Belle* was launched, her power plant consisted of three six-cylinder Winton marine gasoline engines, 9-inch bore, 12¾-inch stroke, each rated at 150 horsepower. In its uniformly satisfactory performance, its smoothness, quietness, cleanliness, and dependability, this new Winton power plant proved a revelation to marine architects and engineers. Many of them pointed out to Mr. Winton the broad field for such an engine, and consequently, he began seriously to consider designing and building marine gasoline engines for the market.

Early in 1912 the Winton Gas Engine & Manufacturing Co. was organized and incorporated under the laws of the State of Ohio, and in July of that year began to develop the first Winton marine gasoline engines for the market. In the meantime, prior to the formation of the new company, Mr. Winton had devoted considerable attention to the possibilities of the Diesel-type engine, which then was coming to the front rapidly in Europe. So we see that more than 30 years ago he had caught the inspiring challenge of Dr. Diesel. From that time until the day he died, Alexander Winton's life was devoted to the development of Rudolph Diesel's brain child. In the results accomplished, evidenced most strikingly by the important role played by Diesel engines in global warfare, the shadows of the two men are intertwined forever.

In the fall of 1913 the first Winton Diesel engine was completed. This engine was the first all-American Diesel ever built, and its successful use as an industrial power plant for many years has fully justified Mr. Winton's early decision to strike out along original lines in developing Diesel engines for the American market, instead of following practices then prevailing in Europe.

I met Alexander Winton for the first time in 1913. At that time, I was 27 years old. Alexander Winton was a man of 53, vigorous and alert, with many years of productive activity ahead of him. I joined his company, the Winton Engine Works of Cleveland, Ohio, as superintendent, in 1917. In 1919, I was made general manager; in 1925, vice president and general manager; and, in 1928, president of the company.

When I joined the company in 1917, I found that Winston Diesel engines were in use in a number of freight schooners, ranging from 230 to 305 feet in length. My immediate problem was to extend the field of application, and this I did by continuing to develop and install engines of this type in other commercial vessels, and at the same time secure a foothold for our products in the navies of some of the Allied Nations, who were then engaged in the First World War. I was successful in this endeavor, particularly with the Russian Navy, and it is interesting now to look back and remember that our present great ally was using gasoline engines built in our Cleveland plant more than 25 years ago.

With the end of the First World War, we found a rather substantial market awaiting us in the field of fine pleasure craft. In the decade from 1920 to 1930, I not only succeeded in greatly expanding our commercial vessel business, but also secured for our company a dominating position in the field of powering oceangoing yachts. Only a limited number of such vessels have been built since 1930.

In 1930, General Motors acquired the Winton Engine Co., which now is known as the Cleveland Diesel engine division, General Motors Corp. I was retained as general manager, and since have been made a vice president of General Motors. And you may be quite certain that the shadows of Rudolph Diesel and Alexander Winton continue to challenge my efforts to make the most of the rich heritage which they left behind them.

Today, we witness the importance of their work in the service rendered by Diesel engines in a vast fleet of United States Navy and Army vessels in all parts of the world. And this brings us to a consideration of Diesel-electric drive in marine service. In this type of drive, an electric generator is direct-connected to the Diesel engine, and this generator supplies the electric current to the motor which operates the propeller.

Our company has been interested in the development of this type of drive for more than a quarter of a century. Back in 1919 we installed a Diesel-electric drive propulsion unit in the yacht *Elfay*, owned by Russell A. Alger, Jr., and this installation was the forerunner of the Diesel power plants that now are being installed in United States Navy and Army vessels, as well as in America's streamlined trains and locomotives.

In the intervening years many intricate and perplexing problems have had to be solved. But tonight, I believe I can say with all modesty but with assurance, that our Diesel-powered war vessels are being powered with engines that have demonstrated their thorough dependability and suitability for the most exacting service at sea. Let us consider submarine service for a moment. Submarining is a slow job, dangerous always, and there is never any gallery watching the show. It is not spectacular, even in its results, which usually are known to none until the submarine returns after a cruise of weeks. Sometimes they don't return, and then we never know. A submarine fights by stealth and dies in solitude, but the results are there, piling up, week after week. And these results are possible only because our submarines are equipped with the right kind of power plants, part of the heritage left by Rudolph Diesel and Alexander Winton.

Since our country made the first Diesel-electric drive in 1919, which I mentioned a moment ago, many individuals have contributed to the development and refinement of Diesel-electric drive power plants for the Unitd States Navy. Not the least of these are the officers and men of the Navy, who have consistently supported and encouraged the efforts of American engine builders to provide the most suitable power plants for vessels needed by our Navy and Army. Many private individuals also have contributed to this effort.

After many years of untiring experimental work, the Cleveland Diesel Engine Division received a contract in 1932 from the Navy Department for a 12-cylinder, 2-cycle, 900-horsepower Diesel engine, designed especially for submarine service. This engine was shippd to Annapolis in December 1933, where it was subjected to exhaustive tests and study by the Navy.

Prior to the shipment of the engine, it had passed its type approval tests at the Cleveland Diesel plant, and the Navy placed a contract, dated November 4, 1933, for sixteen 16-cylinder, 2-cycle, 1,300-horsepower Diesel engines for use in the United States submarines *Shark, Pike, Tarpon,* and *Porpoise.* The engines for the *Shark* were shipped in December 1934, and became the first application of General Motors Diesel-electric drive propulsion equipment in a United States submarine.

The Cleveland Diesel 2-cycle engine was displayed at the Century of Progress Exposition in Chicago in 1933. The following year, General Motors Diesel engines, built by Cleveland Diesel, were installed in the first Diesel-powered American streamlined train, the Burlington Zephyr. The Winton organization had been active in the 1920's in building gasoline and distillate-burning engines for rail cars for many of the leading railroad systems.

America's first Diesel-electric-powered streamlined train, the first of several Burlington Zephyrs, went into service in 1934, inaugurating a new daytime schedule from Kansas City, Mo., to Omaha and Lincoln, Nebr., replacing two steam trains. The new train was christened at the plant of the builder, the Edward G. Budd Manufacturing Co. in Philadelphia, on April 18, 1934, as a prelude to a coast-to-coast tour covering 16,000 miles with exhibition appearances in 182 cities. On May 26, the reopening day of the Century of Progress Exposition, the train made the now historic dawn-to-dusk dash from Denver to Chicago, covering 1,015 miles in 13 hours and 5 minutes, and breaking all long-distance, nonstop railroad records.

The original Burlington Zephyr was powered by a 600-horsepower General Motors Diesel, direct connected to an electric generator, and marked the introduction to American railroading of a Diesel-powered, high-speed passenger train. The power unit in this train was built in our Cleveland plant. Diesel-powered passenger trains, freight trains, and various types of locomotives have greatly assisted the railroads of the country in transporting the tremendous wartime traffic. These Diesels in railroad service have been a distinct justification of the foresight that brought them into being at a time when this country's great transportation systems so urgently needed the best possible prime movers. Cleveland Diesel has built more than a thousand engines for rail cars, streamlined trains, and locomotives.

Two engineering improvements which were developed by the Cleveland Diesel Engine Division had a material bearing on the success of these engines. The first was the unit system of fuel injection. By employing a separate fuel-injection pump for each cylinder, the smooth, dependable performance necessary in marine and railroad service was insured. The development of this fuel-injection pump is one of the major advances of the Diesel engine industry, and an entire lecture could be devoted to its development. I will only say in passing that it has clearances which are about the same as $\frac{1}{120}$th of the thickness of a human hair, and it provides pressures which reach 20,000 pounds per square inch. It forces the fuel through the small holes in the spray tip at a speed of 780 miles an hour.

The second improvement was a radically new technique in the formation of the structural frame which is known as welded steel-type construction. Late in 1930, Cleveland Diesel submitted blueprints of the top and bottom halves of a Diesel engine to Lukenweld, Inc., with the suggestion that our company would be glad to cooperate with their engineers in redesigning the two halves in welded steel. This was done to eliminate

breakage of case sections which had occurred in the past, and also to secure weight reduction.

It soon was demonstrated to be a most successful improvement. These welded structures comprised the first welded steel Diesel-engine frame in which the gas load from the cylinder head and crankshaft were tied together through the weld. This frame, developed by Cleveland Diesel, as become the type of engine frame now used in modern Diesel engines.

Both of these advances—the unit fuel injector and welded steel-type construction—were effected under the direction of Alexander Winton. He lived to witness their success in actual service. His shadow, as well as that of Dr. Diesel, hovers over our transportation activities, both on land and sea.

To summarize briefly:

1911: Alexander Winton designed the power plant for the yacht *La Belle*. This consisted of three 4-cycle gasoline engines, rated at 150 horsepower each.

1912: The Winton Gas Engine & Manufacturing Co. was organized and incorporated under the laws of the State of Ohio.

1913: The first Winton Diesel engine was completed. This was the first all-American Diesel built.

1915. The Winton Gas Engine & Manufacturing Co. produced the first V-type, 12-cylinder Diesel engine ever built.

1916: A 6-cylinder full Diesel-type marine engine, designed strictly for workboat service, was produced. These were installed in vessels ranging from 230 to 250 feet in length. These engines developed 225 horsepower. Shortly after, the 8-cylinder Diesel engine, developing 500 horsepower, was offered to the marine field. These engines were installed in vessels from 286 to 305 feet in length.

1919: First Winton Diesel-electric drive installation.

1921: First Winton Diesel engines installed in United States Government vessels.

1923: Diesels installed in United States Engineers vessel.

1924: Gasoline engine installed in rail car.

1925: Diesel engines installed in United States Coast Guard vessels.

1926: First Diesel installed for fireboat service.

1927: Distillate engine installed in a rail car.

1929: Two Diesel engines, equipped with unit fuel injectors, were installed in the yacht *Olive K* for Mr. C. F. Kettering, vice president of General Motors Corp. This was the first practical application of the unit injector, one of the most important factors in the efficient and dependable operation of General Motors Diesels. Prior to this, we had been working with the unit injector for several years. Mr. Kettering is responsible for bringing it to its present high state of development.

1930, June 30: The Winton Engine Co. was acquired by General Motors Corp. The Winton Engine Co. was the outgrowth of the Winton Gas Engine & Manufacturing Co.

1930: General Motors Diesel installed in a railroad switcher.

1930: Thirty-three General Motors Diesel engines installed as boosters in Great Lakes Pipe Line—Barnsdall, Okla., to Chicago, Ill.

1931: Adoption of welded steel Diesel crankcases. General Motors was the first to make this advance, which permitted marked reductions in weight and size.

1933: General Motors 2-cycle Diesel displayed at the Century of Progress Exposition in Chicago.

1934: General Motors Diesel engine installed in first Diesel-powered American streamlined train, the Burlington Zephyr.

1934: A training school for officers and enlisted men of the United States Navy was established at Cleveland Diesel.

1935: First application of General Motors Diesel-electric drive propulsion equipment in a United States Navy submarine.

1935: Powered four United States Navy submarines with Diesel-electric drive.

1936 to 1940: Constantly broadening application of General Motors Diesel engines in naval vessels, with special attention to towboats and other commercial vessels.

1940 to 1944: Concentration on Diesel engines for the United States Government.

With the receipt of the initial order for defense matériel from the United States Navy in June 1940, it immediately was apparent that the Cleveland Diesel Engine Division of the General Motors Corporation would be called upon to increase tremendously its production of Diesel engines. This expansion of production involved two major problems, namely, the elimination of commercial business as quickly as possible and the extension of our engineering experience over the widest possible range of productive facilities. All commercial orders were thenceforth refused, and, with the prompt completion and shipment of commercial engines then in process, the decks were cleared for action.

Even though there was considerable discussion over the advantages and disadvantages of subcontracting, the Cleveland Diesel Engine Division at once took steps to engage as many subcontractors as possible. This was the only solution by which industry could hope to cope with the urgent demand of the Navy for more Diesel engines. This is quite apparent now. It was not so evident in June 1940, when we made our decision. The results obtained speak for themselves. Within 1 year from the date of the first defense order, the Cleveland Diesel Engine Division had stepped up its production to 12 times the normal output. By December 31, 1942, the figure stood at 24 times normal. Today, we are producing 50 times our normal output. For many months, our war deliveries have averaged well over a million dollars per day. The increased production has been our problem, but the thing produced—the Diesel engine, so vital to our war effort—will always be a tribute to two men, Rudolph Diesel and Alexander Winton.

From all section of the United States come materials and parts to Cleveland, which finally are assembled into Diesel engines to take their place in that vast organization which forms the first line of attack of the United States of America—the Navy. This program of subcontracting reaches out to 24 States and the District of Columbia. It involves 191 communities; and approximately 100,000 men are directly or indirectly employed by subcontractors in this war effort. To keep pace with the flow of parts and materials from outside companies, our plant facilities were greatly augmented by the construction of a new plant and additions to the two peacetime plants.

Aside from the remarkable increase in production which has been secured, the smoothness with which the subcontractors and the direct contractor are functioning is, in itself, an outstanding achievement. Innumerable United States Navy and Army vessels are in service today which would now be idly awaiting the installation of power plants were it not for the splendid cooperation which we have secured from outside companies to meet the emergency demands.

It is our privilege to be prime contractor to the Navy for Diesel engine machinery for submarines, minesweepers, fleet tugs, motor minesweepers, destroyer-escorts, submarine tenders, special ship's service machinery, tank lighters, PC boats, SC boats, British rescue vessels, British harbor tugs, and various vessels of other types. We also furnish the Navy with complete tug boats and rescue vessels, and the Army with numerous vessels of the cargo-carrying type.

We are subcontractor to several shipbuilding companies for both main and auxiliary Diesel machinery.

All of the Diesel-engine builders in this country are now devoting much attention to the effect which the widespread use of Diesel engines in our Navy and Army will have on the design and powering of vessels for commercial service after the war is over. In this connection, I may say that the Diesel engine was well on its way to a much wider commercial application when the war started, and it is our belief that the trend in this direction simply has been interrupted, and that it will be greatly accelerated in the postwar period. In view of the proved advantages of the Diesel engine, it undoubtedly will be applied to many new vessels of larger size than were heretofore considered within its range.

In addition to the commercial possibilities, we believe that this country, from now on, will maintain the strongest Navy in the world. This is essential to our safety and to the possibility of carrying out a reasonable economic or any other program. It is necessary, too, in order that American citizens may feel that they can go about their business without the constant fear of possible disturbances which come from wars. This can only be done by the maintenance of an adequate system of defense.

I believe that this great Republic of ours now has the chance to make a distinct contribution to world civilization—but it is only an opportunity, not a necessity. If we do not enter the open door, it will be closed to us, and this means that we must face courageously and fearlessly the problems that now confront us, not only as a Nation, but as individuals. In short, we must face our tasks with the same dauntless courage and never-say-die spirit that placed Rudolph Diesel and Alexander Winton in the vanguard of industrial leaders of the twentieth century. The war has simply emphasized the importance of their work. Somebody has said that a great man never dies. Surely Diesel and Winton live today in the great and enduring shadows which they cast over many of our most important activities.

THE LATE HANS JURGENSEN, JR.

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to say a few words of eulogy to Hans Jurgensen.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BYRNE of New York. Mr. Speaker, we had a very faithful clerk in this House for over 12 years, who passed away on day before yesterday, Hans Jurgensen. He had been one of our tally clerks for 12 years. He was an outstanding man in his particular field; in fact, he had so reduced the work at the desk of this House that it was possible at the end of the session to do in a week what in olden times took a month or 6 weeks.

Hans was a very lovely character. Like all men at the desk, he was exceedingly friendly, exceedingly anxious to aid, and always willing to see that everybody was kept happy. He received some honors, by the way, from his party. He was a member of the Democratic Party. He had been assistant tally clerk at the Democratic Convention in Philadelphia in 1936; assistant tally clerk at the Democratic National Convention in Chicago

in 1940. He had been a Democratic leader in the county of Queens for many, many years.

He leaves surviving him a widow and three children.

RECESS

The SPEAKER. Under consent previously given, the Chair declares the House in recess until 5 o'clock p. m. today.

Thereupon (at 1 o'clock and 40 minutes p. m.) the House stood in recess until 5 o'clock p. m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 5 o'clock p. m.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 2856. An act to provide for better enforcement of law within the District of Columbia, and for other purposes;

H. R. 2995. An act to amend an act entitled "An act to create a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes," approved June 19, 1878, as amended;

H. R. 3201. An act to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended;

H. R. 3257. An act to remove restrictions to the appointment of retired officers of the United States Public Health Service or retired civilian employees of the United States Government or District of Columbia government as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes; and

H. J. Res. 202. Joint resolution reducing certain appropriations available in the fiscal year ending June 30, 1945.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3291. An act to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3368. An act making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. OVERTON, Mr. BROOKS, Mr. BRIDGES, and Mr. GURNEY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3579. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. OVERTON, Mr. BROOKS, Mr. BRIDGES, and Mr. GURNEY to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3199) entitled "An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 32, 48, 50, and 51 to the foregoing bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3550) entitled "An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes."

The SPEAKER. Under previous order of the House the gentleman from Illinois [Mr. VURSELL] is recognized for 20 minutes.

CIVIL SERVICE COMMISSION INVESTIGATION

Mr. VURSELL. Mr. Speaker, I rise today to give my support and to pay a tribute to a humble, but courageous Tennessee Democrat who, like our President, served his country in World War I as a captain of artillery in Europe, the recent staff director of the Civil Service Committee, Col. Edward J. McCormack, who is about to become a casualty here on the home front to big government and bureaucracy in Washington.

Mr. Speaker, I regret very much that I must today call into question the recent action of our chairman of the Civil Service Committee, for whom I have a personal friendship, in separating from the service the staff director of our committee, Colonel McCormack.

I have considered this move and attempted to convince myself that I should not do so but my conscience has impelled me to take such action. I have noted, with satisfaction and pride, the courage, intelligence, character, and energy of Colonel McCormack in the discharge of his duties now for the past year. I believe I speak the sentiment of most of the members of the Civil Service Committee when I say, I believe, down deep in their hearts, they join with me in their confidence in his resolute purpose, high character, courage, and the efficiency of his work.

Colonel McCormack was employed by the whole committee and he was directed by the committee to carry on this investigation and to bring in the facts as he found them. I believe every member of the committee who heard him defend his report, believes in his heart that he took great care in trying to bring in the facts and further that they do believe that he is absolutely sincere in the belief that he has brought in the facts to our committee. I have absolute confidence that as nearly as it is possible he has brought in the facts, and I am sure he believes that his investigation was fair, impartial, and that his report brings the facts of the situation that now prevails in the departments of Government now operating under civil-service classification.

We caused him to make this investigation. He made it under our orders. He was courageous enough to challenge one of the most powerful departments of government existing in Washington today, those in charge of directing the Civil Service who write the classifications and direct the advancement under such classifications of 1,400,000 people who work for the Government. I feel it is the duty of the committee to stand behind and give proper support to their staff director, Colonel McCormack, who made this investigation, until it has been proven beyond a question of a doubt that his findings are wrong or that he has brought in a prejudicial report.

I do not believe that Colonel McCormack has had the support from the committee and particularly from the chairman of the committee, the gentleman from Georgia [Mr. RAMSPECK] to which he is entitled.

After sending him into this investigation which has brought him in conflict with Mr. Flemming of the Commission, it is plain to me that some members of the committee have failed to fully support the investigator but, to the contrary, have swung their support to the one who is being investigated before there was sufficient grounds upon which such a decision should be made. This, to my mind, should be a matter of deep concern to the entire membership of this House. It sets a precedent that is destructive to good government and which will cause honest and courageous men who may later be asked to accept such service in the Government, to ponder and to question whether or not they can afford to take employment as an investigator for a committee of Congress for fear their motives will be impugned, their character brought into question, and their possibilities for success and future services in the Government ruined.

It raises the question whether or not a committee of Congress representing the people with an efficient investigating staff, with honest investigators employed, can cope with entrenched bureaucracy here on Capitol Hill.

I rise in support of Colonel McCormack because I realize that if this matter goes unchallenged a conscientious, patriotic ex-captain of World War I, the father of two fine officer sons who have been long serving in most dangerous positions on the front lines of Europe, a family man with a wife; that there is a great possibility of his character being impugned, that his opportunity in the Federal service

in the future or in any other capacity will be greatly harmed. I cannot sit idly by and allow this thing to happen without uttering the strongest protest of which I am capable.

Already I note a headline in the Washington Daily News on Friday, June 29, "RAMSPECK fires investigator over letter on promotions." I note in the same article that the gentleman from Georgia [Mr. RAMSPECK] is quoted as having replied that he had been empowered to hire and fire the committee's investigating staff but said he would call a meeting within a reasonable time to discuss the matter.

I take the position that the chairman of our committee, the gentleman from Georgia [Mr. RAMSPECK], has exceeded his authority. It is a known fact that while Colonel McCormack was recommended to the commitee by the gentleman from Georgia [Mr. RAMSPECK] that Colonel McCormack insisted that he would prefer to meet with the committee, answer any questions they desired to ask him and be hired by the full approval of the committee so that they would have the confidence that they were all employing him for the nonpartisan job of serving the whole committee.

In this connection I want to quote a part of the letter referred to which was directed by Colonel McCormack to the gentleman from Georgia, Congressman RAMSPECK, our chairman, on June 24, a copy of which letter was mailed to each member of the committee. The gentleman from Georgia [Mr. RAMSPECK] complained in his dismissal letter to Colonel McCormack of his having circulated this letter and to some extent, seems to base his letter of dismissal to the staff director on this fact.

Colonel McCormack, I think, should be complimented upon having the courage to address this letter to the chairman and to all of the members of the committee who had had his report for some 2 weeks now and who had delayed further consideration of the report.

Colonel McCormack had a right to believe that his integrity, his character, and to some extent, his opportunities for the future were hanging in the balance. He wanted this report finally acted upon and if possible, reported to the Congress and the people as a vindication of his integrity and the courageous position he had taken in making the investigation.

Let me read to you a part of his letter to the committee, and I quote:

At the time of my appointment as staff director I stated to you, and you agreed—

1. That the appointment of the staff director would be made by the committee as a whole;

2. That I would be in charge of the investigations; and

3. That I would have complete charge of the personnel of the investigating staff and the direction of their activities.

My insistence that the appointment be approved by the committee as a whole was due to the fact that the committee was composed of majority and minority Members of the House, and I wished it to be thoroughly understood that I would conduct the investigation of the civil service with fairness, objectivity, and without regard to political or personal consideration.

During the course of our extensive conversations I am sure that you had every opportunity to ascertain my background, philosophy, and attitude toward better government, particularly in the Federal establishment. You stated quite frankly, and it was a matter of previous knowledge to me, that investigation had been made of my character, reputation, and experience, and that you had satisfied yourself thoroughly that I was the proper individual to undertake this important assignment.

In the meeting with the committee you stated, as I remember, that you had assiduously sought for a staff director to replace Mr. Dillard Lasseter, who had resigned. I was questioned by various members of the committee as to my experience, attitude, and philosophy. Several of the minority members inquired directly as to whether I would carry out a complete and thorough investigation.

I stated that if I accepted the appointment I would pledge an honest investigation.

You joined me in the statement that this investigation would not be a whitewash and that the facts as found would be reported to the Congress.

These facts clearly indicate to me that the chairman did not have the authority to fire Colonel McCormack and disregard the committee.

On December 31, 1945 (H. R. 2084), we were privileged to report to the Congress that the committee had saved $471,006,685, with probable additional savings in public funds of $726,184,060. Estimated expenditures over the period were $72,500.

On January 18, 1945, following adoption of H. R. 66, I was continued as staff director without change or alteration of any of the above-stated understandings.

Owing to the developments of the past fortnight, it is obvious that the time has again arrived when it is both desirable and necessary that I again discuss directly with each member of the committee my understanding and status as staff director of this most important national investigative program. The developments which make this conference-by-memorandum necessary are as follows.

It is apparent that Colonel McCormack, acting under the direction of the committee in the expenditure of $72,500, saved the Government close to a billion dollars. There was never any apparent question as to his fairness or ability until he brought in this report after having investigated the actions of the Civil Service Commission which charged the administration of the Civil Service Commission with inefficiency, waste, and that Commissioner Flemming was in error in his figures when he made the statement to our committee in considering the pay raise bill that the increase in base salaries of the civil-service employees, as a whole, were only about 4.5 percent.

While under the rules of the committee, at least for the present time, I do not desire to divulge the facts, I do believe that I should say the findings of Colonel McCormack and his staff indicate that the pay raises as conducted with ingrade promotions, transfers, and so forth, of civil-service employees have been many times that amount.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. MILLER of Nebraska. Some of us in the House have been wondering if there was not something wrong with the Civil Service Committee, the way it has been working. As I understand it, Colonel McCormack has turned in a report which was not agreeable to the committee, and for that reason the committee saw fit to discharge him, and the House will not get the benefit of his report. I am not clear about it.

Mr. VURSELL. I may say that Colonel McCormack did turn in a report. Commissioner Flemming had a chance to answer, and McCormack answered Mr. Flemming. The report has as yet not been given to the House. Now, if I may proceed.

Mr. Speaker, I ask unanimous consent that I may include as part of my remarks a table recently obtained from the Civil Service Commission as to some certain pay raises which were not gotten by Colonel McCormack or from his report.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, this table shows the rapid pay raises of just a few people in the Civil Service Commission. For the benefit of the Members I will read to you how rapid these advances have been to substantiate the report of Colonel McCormack that there had been too rapid promotion in the civil service.

It was the thought of Colonel McCormack and some of us who supported him that we should find out who had not had sufficient pay raises in an effort to equalize and grant more pay to those who should have it but, at the same time, not voting an additional 15 percent base pay raise and time and a half overtime to those who had already received such rapid promotions.

Now, I will give you a sample of what has been happening which has been closely checked with the Civil Service Commission recently and which I am informed is accurate:

RAPID PAY RAISES IN CIVIL SERVICE COMMISSION

1. Fordyce W. Luikart: 1940, $2,600 investigator; 1944, $6,500 Chief, Investigations Division. (Salary increase in 4 years, $3,900.)

2. Robert G. Hailey: 1942, $2,000 examiner; 1944, $5,600 civil-service representative. (Salary increase in 2 years, $3,600.)

3. Miriam S. Rubinstein: 1940, $1,440 clerk; 1944, $4,600 Chief Economics Examining Unit. (Salary increase in 4 years, $3,200.)

4. Clayton V. Taylor: 1941, $3,200 examiner; 1944, $6,500 Chief Social Science Examining Section. (Salary increase in 3 years, $3,300.)

5. Kimball Johnson: 1941, $2,600 investigator; 1944, $5,600 investigations expert. (Salary increase in 3 years, $3,000.)

6. William E. Byram: 1941, $1,620 clerk, Securities & Exchange Commission; 1944, $4,600 Assistant Chief, Service Records Division. (Salary increase in 3 years, $3,000.)

7. Catherine Fredricks: 1943, $3,800 recruiting representative; 1944, $5,600 member, Loyalty Rating Board. (Salary increase in 1 year, $1,800.)

8. Henry Willard: 1943, $3,200 examiner; 1944, $5,600 Chief, Administrative Examining Unit. (Salary increase in 1 year, $2,400.)

9. Evan H. Dixon: 1940, $1,250, messenger; 1944, $3,800 position classifier. (Salary increase in 4 years, $2,600.)

10. Bobbie M. Snoddy: 1940, $2,600 clerk: 1944, $5,600 Director of Ninth Civil Service Region. (Salary increase in 4 years, $3,000.)

11. Evelyn Harrison: 1940, $2,000 examiner; 1945, $5,600 Unit Chief, Examining Division. (Salary increase in 5 years, $3,600.)

12. Catherine East: 1940, $1,800 clerk; 1945, $4,600 Asistant Unit Chief. (Salary increase in 5 years, $2,800.)

In addition to that, we have voted a base pay raise to these people, plus time and a half overtime. Do not misunderstand me. What we were trying to do and what Colonel McCormack was to do, was to find out who are entitled to pay raises, so that we could give them the proper raise.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I appreciate the statements of the gentleman from Illinois regarding the conditions in the Civil Service Commission, but I should like to add that the Commission's activities and functions with respect to veterans are equally deplorable. Under the rules and regulations of the Commission prescribing the manner in which reductions in force are to be carried out, the veteran whether he be a veteran of World War I or II, is not fully protected. Also, with respect to the rehiring of returning veterans who were formerly career employees in the Federal Government, I find conditions equally alarming. I ask that President Truman now appoint an outstanding veteran to one of the top policy-making positions of the Civil Service Commission in order that the interests of our veterans who are returning to or just entering the Federal service are properly protected.

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Washington briefly.

Mr. SAVAGE. Are these people who have had these raises doing the same work for the higher salary, or have they been advanced?

Mr. VURSELL. Oh, they have been advanced, and that is the question. That is the trouble. There has been favoritism, in my judgment, in advancements all along. The report shows that so far as the 279 are concerned who have had advances the increases are terrific, but I do not want to go into that now.

Mr. SAVAGE. Are they doing the same work?

Mr. VURSELL. No, they are doing different work. It is my judgment that we Members of Congress, on the committee, who are supposed to protect the interest of the people who pay for Government should at least not act hastily and fire the Director of our investigating staff until we have exhausted every avenue to determine whether or not his findings are right or whether the figure as submitted by Commissioner Flemming of the Civil Service Commission is right.

It is my further belief that this investigation should have been continued under Colonel McCormack well into next fall, if necessary, in an effort to deflate bureaucracy here and in an effort to determine whether or not, as Senator BYRD charges in the paper this week, that there are 300,000 people who are on the Federal pay roll who could be spared without any detriment to the public service. I think the chairman has acted hastily and without authority necessary under the rules of the committee to take such action.

The gentleman from Georgia [Mr. RAMSPECK] and the members of this committee proudly signed the reports indicating that under Colonel McCormack's efficient direction over $500,000,000 were saved the taxpayers, and I believe if Colonel McCormack had been continued with the confidence and support of this committee that he was on the threshold of saving the Federal Government billions of dollars and that is another reason why I have asked for time to discuss this matter today.

May I ask the question, Will we ever or can we ever deflate bureaucracy here after this? Is it to be a precedent for the future?

When the Congress appropriated the money for this investigation, do you think it wanted us to stop the investigation and fire the investigator when his facts and figures did not agree with the commission or department being investigated? Can we afford to continue to expend the balance of some $30,000, that Congress appropriated for this investigating committee in the light of what has happened? Frankly, in the light of what has happened, I believe that all investigations during the Seventy-ninth Congress by the Civil Service Committee should be stopped and the unexpended residue covered back into the Treasury, unless Colonel MCCORMACK is reinstated and directed to continue it.

There are two big entities in government. There are big government of authority here in Washington, and the humble citizen in his home.

And, let me say to you that the humble citizen in his home is not only the cornerstone foundation of this Government but he is the biggest one of these two entities in government. He, collectively, with others, pay the taxes and select us, the servants of the people, who sometimes disregard his interest and his importance and who sometimes assume to ourselves that we are the masters and not the servants of these little people.

The human side of this matter appeals to me most strongly as I am sure it appeals to other members of the committee who had come to admire and respect the courage, intelligence, and high patriotism of Colonel McCormack. They do not want to see him become a casualty to big government and, in my judgment, that is exactly what has happened. When he sought to carry out his orders and sought to defend the Government here on the home front against waste and extravagance while his two sons were risking their very lives in the defense of their country in Europe, he becomes a casualty to big government.

Some 30 days ago, one of his sons from a prison camp in Germany surprised Colonel McCormack and his wife here in Washington by appearing at their front door unexpected. Later, 3 days before this dismissal order came, his other son, a fine upstanding lieutenant in the Army, came back to the family here in Washington. They discussed his work and I am told they applauded his courage in making this investigation. Fortunately, in their long service, both sons were permitted to return home from the fields of active battle and destruction without being wounded, returning home to find their father who had fought in France as a captain in the Artillery in World War I and who was fighting for better government on the home front had become a casualty to big government here in Washington.

In view of the present situation, I hope and I believe the chairman of the Civil Service Committee will immediately call the committee together and allow the committee to decide as to whether or not Colonel McCormack should be reinstated and continue the investigation or whether his services should be terminated by a majority vote of the whole committee. This is a matter, in my judgment, of such importance if we are ever able to deflate bureaucracy here in Washington, that it is worthy of the serious thought and personal attention of President Truman.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, I do not think there is anything about this matter for anybody to get excited about. We still have majority rule in the House Committee on the Civil Service. Mr. McCormack has not been fired. He has been relieved of his authority and put on leave with pay. Notices have gone out for a meeting of the committee to be held next Tuesday at which time this matter will be discussed. We discussed the so-called report about which the gentleman has just talked when the pay bill was on the floor. He is talking about individual salaries, and we passed a bill here dealing with the value of jobs under a system of classification.

The other day I had the privilege of sitting at a luncheon with the wife of a general of the United States Army whose name is well known to every Member of this House if I should mention it. They have two sons in the Army. She said to me that one of her sons is now a lieutenant colonel; that he had obtained that rank in 4 years, whereas it took her husband 30 years to get there. Both of them are graduates of West Point.

Of course, that is what has happened in your civil government. We had 900,000 employees 5 years ago. In the continental limits of the United States today we have approximately 2,900,000. With the expansion of the various agencies some employees have been promoted many times during that period, and it is true that quite a number are getting considerably higher pay today because they are doing more responsible work. The question whether or not they are qualified for the more responsible position is one that I am not attempting to pass on at this time. That is a matter of management within the agencies, and that is what caused the controversy that arose within the committee.

The report to which reference has been made dealt with individuals. The testimony of Commissioner Flemming dealt with the over-all pay structure of the Government. They were different matters entirely. The reasons for the action which I have taken with reference to Colonel McCormack will be set forth before the committee on next Tuesday and the matter will be settled there where it belongs.

I want to assure the Members of this House that if you will go to the document room and get the reports filed by this committee, you will find that the Committee on the Civil Service of the House has not hesitated to criticize any agency of the Government which they thought needed criticism when it files reports, and that includes the Civil Service Commission. As long as I have the privilege of serving as chairman of that committee, that will be the policy, but it will not be the policy to take the word of any staff investigator about any individual in the Government without giving an opportunity to the people who are criticized to present their side of the question to the committee.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Kansas.

Mr. REES of Kansas. On the last point, the gentleman appreciates the fact that he did bring in a member of the Commission, a Mr. Flemming, who read a 25- or 28-page reply to the staff investigator's report, and it was suggested to the committee that we just report the whole thing, that is, bring out the staff report and bring out his reply. But, of course, that was not done.

Mr. RAMSPECK. No; it was not done. We still have majority rule in the committee, and whenever the committee or a majority of it wants to send that report to the House, they can do so.

Mr. REES of Kansas. The committee has not had a chance to vote on whether to bring it out or not; that is the difficulty.

Mr. RAMSPECK. No; they have not, but they will have a chance to vote on it.

Mr. REES of Kansas. One more question. The gentleman said he has not fired Colonel McCormack, if I understood correctly. I have a copy of the letter here and as I remember it is says, "You are hereby relieved from all duties in connection with the investigating staff of this committee."

Mr. RAMSPECK. Yes; "and put on leave with pay." That is also contained in the letter.

Mr. REES of Kansas. Yes; "you will be on leave with pay." His release from duty would not do much good without receiving pay.

Mr. RAMSPECK. I will say to the gentleman quite frankly that I do not think he ought to have anything to do with directing the staff. The matter will be taken up by the committee on next Tuesday. That is where it ought to be taken up and not on the floor of this House as yet.

WAR AGENCIES APPROPRIATIONS, 1946

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. COLMER, Mr. MURRAY of Tennessee, Mr. WINSTEAD, Mr. PICKETT, and Mr. ALLEN of Louisiana objected.

The SPEAKER. Objection is heard.

Mr. SABATH. Mr. Speaker, it appears to me there is some objection to the unanimous-consent request, and therefore it will be necessary for me to call a meeting of the Committee on Rules Monday morning.

Mr. RANKIN. Mr. Speaker, I object.

DEFICIENCY APPROPRIATIONS, 1946

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. RANKIN. Mr. Speaker, reserving the right to object, since the revival of righteousness in the House the other day with respect to rural electrification which also spread to the other end of the Capitol, and since the Senate has approved our amendment for $120,000,000 for rural electrification for the next fiscal year, I wonder if the gentleman from Missouri [Mr. CANNON] would not be willing to ask unanimous consent to take the bill from the Speaker's table and agree to the Senate amendments.

Mr. CANNON of Missouri. Mr. Speaker, there are a great many other amendments to which I am certain the House would not wish to agree. I am certain the amendment in which the gentleman is particularly interested will be taken care of.

Mr. RANKIN. It should not be disturbed, of course. It is the best thing in the bill.

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, may I inquire of the gentleman from Missouri, for the information of the Members of the House, if the conferees expect to come to an agreement this afternoon.

Mr. CANNON of Missouri. Mr. Speaker, we expect to report back by 6 o'clock, or 6:30, to be more certain.

Mr. TABER. I think 6:30 might be a better time.

Mr. CANNON of Missouri. We expect to report back by that time.

Mr. BROOKS. Reserving the right to object, Mr. Speaker, does this bill have a small appropriation for flood control which was placed in it by the Senate?

Mr. CANNON of Missouri. Yes; there is a Senate amendment for flood control.

Mr. BROOKS. Is that one of the amendments which the gentleman wants to object to?

Mr. CANNON of Missouri. Does the gentleman from Louisiana direct his question to me?

Mr. BROOKS. Yes.

Mr. CANNON of Missouri. I cannot say. It will have to be handled on its merits. There are many Senate amendments and naturally I am not in position to discuss any one of them individually.

Mr. PICKETT. Reserving the right to object, Mr. Speaker, does this bill have any appropriation for the FEPC in it?

Mr. CANNON of Missouri. There is no provision in this bill for FEPC.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON of Missouri, WOODRUM of Virginia, LUDLOW, SNYDER, O'NEAL, RABAUT, JOHNSON of Oklahoma, TABER, WIGGLESWORTH, CASE of South Dakota, and DIRKSEN.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, last evening many Members of the House had the privilege of hearing one of the most informative and challenging addresses on the part that air power played in the defeat of Germany that I believe we have ever been privileged to listen to since the Nazi defeat. I want that placed in the RECORD so that the Members of Congress can really read it and dig into its facts. It will cost $130, according to the estimate of the Public Printer. I ask unanimous consent that I be allowed to extend my remarks and include this address of Gen. Frederick Anderson, of the Army Air Forces, notwithstanding the additional cost.

The SPEAKER. Notwithstanding and without objection, the extension may be made.

There was no objection.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that I may insert in the RECORD a letter which no doubt has been received by each and every Member of the House from the American United World Organization, wherein they urge that any of us who make speeches on the 4th of July should also call attention to the United Nations Charter. This is recommended by nearly all patriotic organizations in America.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. HOFFMAN. Reserving the right to object, do they send on a speech for us, too?

Mr. SABATH. No, no; they do not.

There was no objection.

Mr. ANGELL asked and was given permission to extend his remarks and include an article on the Portland Depot Canteen.

Mrs. LUCE asked and was given permission to extend her own remarks in the RECORD.

Mr. RYTER asked and was given permission to extend his remarks in the RECORD and include an article by Francis J. Bassett, consultant, veterans' affairs, State department of education, bureau of youth services.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington Post.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include a report of the Committee on Military Affairs on the subject of Communist activities directed toward United States armed forces.

RECESS

The SPEAKER. The bells will be rung 15 minutes before the House reconvenes. The House will stand in recess subject to the call of the Chair.

Thereupon, at 5 o'clock and 32 minutes p. m., the House stood in recess subject to the call of the Speaker.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 6 o'clock and 50 minutes p. m.

SECOND DEFICIENCY APPROPRIATION ACT, 1945

Mr. CANNON of Missouri submitted the following conference report and statement on the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3579) "making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 10, 11, 15, 21, 26, and 48.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 8, 9, 12, 16, 17, 18, 19, 20, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, and 47, and agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$102,500"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$16,750,000"; and the Senate agree to the same.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
JOHN H. OVERTON,
C. WAYLAND BROOKS,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendments Nos. 1 to 5, relating to the Senate: Appropriates $10,000 for payment to widow of a deceased Senator; appropriates $19,320 for payment of compensation of Senate pages for the first half of the fiscal year 1946; provides for an increase in the compensation of the Postmaster of the Senate, at the rate of $1,400 per annum; appropriates an additional amount of $25,000, fiscal year 1945, for expenses of inquiries and investigations ordered by the Senate; and appropriates an additional amount of $6,000, fiscal year 1945, for Senate restaurants, all as proposed by the Senate.

Amendment No. 6: Appropriates an additional amount of $20,000 for defraying the expenses of the so-called Byrd committee, as proposed by the Senate.

Amendment No. 7: Strikes out the appropriation of $5,000, fiscal year 1945, proposed by the Senate, toward the expenses of the National Memorial Stadium Commission.

Amendment No. 8: Increases from $500,000 to $520,000 the amount available for the printing, binding, and distribution of the Federal Register, fiscal year 1945, as proposed by the Senate.

Amendment No. 9: Appropriates $14,500 for expenses incident to the death and burial of the late President Roosevelt, fiscal years 1945 and 1946, as proposed by the Senate.

Amendments Nos. 10 and 11, relating to the Office of Price Administration: Appropriates $174,500,000, as proposed by the House, instead of $176,050,300, as proposed by the Senate, and limits travel expenses to $7,949,700, as proposed by the House, instead of $7,000,000, as proposed by the Senate.

Amendments Nos. 12, 13, and 14, relating to the Foreign Economic Administration: Provides for one Deputy Administrator at $10,000 per annum, as proposed by the Senate; limits printing and binding expenses to $102,500, instead of $115,000 as proposed by the Senate, and $90,000, as proposed by the House, and appropriates $16,750,000, instead of $17,000,000 as proposed by the Senate, and $16,500,000, as proposed by the House.

Amendments Nos. 15, 16, and 17, relating to the Public Roads Administration: Strikes out the proposal of the Senate to appropriate $25,000,000, pursuant to the provisions of the Federal Highway Act of November 9, 1921, as amended and supplemented and to enter into contracts, besides, to the extent of $75,000,000; and appropriates for damage claims $212,114.10, as proposed by the Senate, instead of $178,674.60, as proposed by the Senate.

Amendments Nos. 18 and 19, relating to the Department of Agriculture: Appropriates an additional amount of $408,000 for conservation and use of agricultural land resources, fiscal year, 1946, as proposed by the Senate, and appropriates $650,000 for salaries and expenses, Rural Electrification Administration, as proposed by the Senate, instead of $400,000, as proposed by the House.

Amendment No. 20: Appropriates $490,000 under the Bureau of Reclamation for the Rio Grande project, New Mexico-Texas, to be expended from the reclamation fund, special fund, construction, as proposed by the Senate.

Amendments Nos. 21 and 22, relating to the Department of State: Strikes out the proposal of the Senate to make the appropriation "Contingent expenses, foreign service", fiscal year 1946, available for the operation and maintenance of two airplanes to be supplied from surplus sources; and appropriates, as proposed by the Senate, $17,000 for the arbitration of a claim of the Government of the Netherlands.

Amendments Nos. 23 and 24: Appropriates $262,764.24 for damage claims, War Department, as proposed by the Senate, instead of $212,553.59, as proposed by the House.

Amendments Nos. 25 and 26, relating to Civil Functions, War Department: Inserts a side head to an appropriation, as proposed by the Senate, and strikes out the additional appropriation of $12,500,000 proposed by the Senate for flood control, Mississippi River and tributaries.

Amendments Nos. 27 to 47, both inclusive, relating to judgments and authorized claims: Appropriates $90,199.59 for property damage claims, as proposed by the Senate, instead of $73,851.38, as proposed by the House; appropriates $39,608.33 for judgments, United States courts, as proposed by the Senate, instead of $18,985.97, as proposed by the House; appropriates $430,543.57 for judgments, United States Court of Claims, as proposed by the Senate, instead of $69,562.71, as proposed by the House; and appropriates $2,186,575.89 for audited claims, as proposed by the Senate, instead of $2,043,757.46, as proposed by the House.

Amendment No. 48: Strikes out the proposal of the Senate authorizing an increase in the amount the Commodity Credit Corporation is authorized to expend upon food-subsidy programs now being handled by the Defense Supplies Corporation.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,
Managers on the Part of the House.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 3579) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

Mr. CANNON of Missouri. Mr. Speaker, I never see a conference report brought to the floor but I am reminded of the long and arduous road over which the bill has traveled before it reaches this final stage.

Under authorization of legislation—which in itself has occupied the atten-

tion of both Houses for months or years—the Department submits to the Bureau of the Budget its recommendations. After hearings by the Budget, the estimate comes to the House, where further hearings and investigations are had and the bill runs the gantlet of committee and House consideration. In the Senate the same procedure is followed, and eventually managers on the part of both Houses agree on a conference report which comes up for final disposition.

The morning that Speaker Clark died he lay in a coma—his breathing hardly perceptible. In the last moment he stirred feebly, and lifting his hand, said, "The question is on the conference report."

It is easy to understand how, in that supreme moment, in the rapidly darkening recesses of his mind he realized dimly that the end of some momentous occurrence was at hand—and once again in the Speaker's rostrum—with the gavel in his hand, he put the last motion: "The question is on the conference report."

We submit here this afternoon not only the last report on the pending bill but the last report which will reach the floor this fiscal year. The bill as it came back from the Senate carried 48 Senate amendments, increasing the amount of the appropriations provided in the bill by something over $41,000,000.

In the course of the conference the Senate receded on approximately $39,000,000, in round numbers. So, out of the $41,000,000 added by the Senate to the bill, only two million are incorporated in the bill as we bring it back for final approval.

As will be recalled, the three principal items in the bill provide for the Navy, the Office of Price Administration, and lend-lease. The Senate made no change in the Navy appropriations. It left the lend-lease items unchanged. And it eventually agreed to the House figures on OPA.

Along with these major items were smaller items, such as an appropriation of $20,000 for continuation of the work of the Committee on Nonessential Federal Expenditures, which the conferees retained in the bill, and an appropriation in connection with the proposed Memorial Stadium to be constructed at the terminus of East Capitol Street, which was eliminated.

Also, two items in the Department of Agriculture, $408,000 for soil-conservation service, relating to acreage control of tobacco, and the item of $120,000,000 for Rural Electrification Administration loans, both of which were agreed to.

Mr. RANKIN. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. RANKIN. I understood the Senate also exceeded the amount for administrative expenses in the REA. Is that correct?

Mr. CANNON of Missouri. Yes. In view of the amendment by the House increasing the amounts available for loans from $50,000,000 to $120,000,000, the Senate increased our figure for administrative expenses from $400,000 to $650,000.

Mr. BROOKS. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Louisiana.

Mr. BROOKS. With reference to the flood-control item, regarding which I addressed the distinguished gentleman earlier in the day, did the conferees wipe out all of the additional funds which the Senate put in for flood control?

Mr. CANNON of Missouri. We eliminated all unbudgeted items. The Senate inserted an item for flood control for which there was no budget estimate. On that figure the Senate finally yielded and the item was stricken from the bill.

The gentleman understands that there is $30,000,000 for this purpose in the regular bill.

Mr. BROOKS. How much of the Senate amendment on flood control was allowed to remain?

Mr. CANNON of Missouri. The entire item was eliminated.

Mr. BROOKS. I would like to say that I regret this very much. Some of the items were very worthy, and some projects have been partially constructed. There was one project which had been 94 percent constructed. It is an unfinished proposition. There is only about 6 percent of the work yet to be done on it. Now it is being allowed to go to pieces in the interim. As I understand it, all of the conferees agreed on the elimination of the flood-control items?

Mr. CANNON of Missouri. The gentleman will understand the fact that it is asking a great deal of the conference committee to include in a bill an item for which there is no Budget estimate, on which there is no report from the department of engineers, a matter which they have had no opportunity to debate either on the floor or in the committee. It is a very bad precedent, I am certain the gentleman will agree, to put unbudgeted items in these appropriation bills.

Advocates of such items have opportunity to appear before the Bureau of the Budget and if there is merit in their contention the Bureau of the Budget will always give them a hearing and usually send up an estimate. You know, we necessarily deny many items for which there are Budget estimates. In view of the fact we have denied items which had such merit that the Bureau of the Budget sent up an estimate it would be inconsistent, to say the least, to include items on which the Bureau of the Budget had refused to send us an estimate.

Mr. BROOKS. Some of the projects had already been taken up by the Army engineers; they have been fully examined and fully inspected and at one time passed the Bureau of the Budget. So there is no doubt about the worthiness of those projects. It is very bad business to partially construct a worthwhile project and then allow it partially constructed to go to ruin.

Mr. CANNON of Missouri. But conditions had so changed in the meantime that the Bureau of the Budget this time refused an estimate.

I yield to the gentleman from New York such time as he may require.

Mr. TABER. Mr. Speaker, there was not only yielding on the part of the Senate from direct appropriations but from legislative provisions.

The conference report as it stands is probably the best result coming out of the conference from the standpoint of the House of any bill that we have had before us this session. The Senate has yielded more of its increases in proportion.

I think we should agree to the conference report.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MEMBERS INVITED TO ATTEND SESSION OF SENATE MONDAY TO HEAR THE PRESIDENT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I have received information in relation to Monday that I desire to transmit to the House.

The President will address the Senate at 1 o'clock. No formal invitations are extended, of course, except to two Members of the House, the gentleman from New York [Mr. BLOOM] and the gentleman from New Jersey [Mr. EATON] who were delegates to the San Francisco Conference; but I have been asked to extend an invitation to the Members to attend this session and have been advised that every accommodation possible will be made for the Members of the House who go to the Senate.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MARTIN of Massachusetts. Where will the Members of the House be placed?

Mr. McCORMACK. That, of course, will depend on the facilities of the Senate Chamber. But I am announcing to the House the fact that I was called and told that every accommodation possible would be extended to enable Members of the House to hear the President.

ADJOURNMENT FROM TUESDAY TO THURSDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday next it adjourn to meet the following Thursday.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. MARCANTONIO asked and was given permission to extend his remarks in the RECORD and include a petition.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KEOGH (at the request of Mr. ROONEY), indefinitely, on account of official business.

To Mr. SMITH of Virginia, for 1 day, on account of official business.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3278. An act to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes.

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 30. Joint resolution extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

BILL PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 3278. An act to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 8 minutes p. m.) the House adjourned until Monday, July 2, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

There will be a meeting of Subcommittee No. 4 of the Committee on the Judiciary beginning at 10 a. m., on Monday, July 2, 1945, to continue hearings on the bill, H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10 a. m. on Tuesday, July 3, 1945.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

591. A letter from the Administrator, Veterans' Administration, transmitting a copy of the information furnished the director of the Bureau of the Budget for the purpose of making a supplemental determination of the Veterans' Administration personnel requirements for the fourth quarter of the 1945 fiscal year; to the Committee on the Civil Service.

592. A letter from the Postmaster General, transmitting a draft of a proposed bill to amend section 2 of the act of May 29, 1928, and section 3 of the act of March 29, 1944, affecting the compensation of postmasters; to the Committee on the Post Office and Post Roads.

593. A letter from the Acting Secretary of the Interior, transmitting a volume comprising the acts of the first special session of the Sixteenth Legislature of Puerto Rico, January 11, 1945, and the acts of the first regular session of the Sixteenth Legislature of Puerto Rico, February 12 to April 15, 1945; to the Committee on Insular Affairs.

594. A letter from the Director, Office of War Mobilization and Reconversion, transmitting his quarterly report in accordance with the requirements as set forth in the War Mobilization and Reconversion Act (H. Doc. No. 250); to the Committee on Ways and Means and ordered to be printed with illustrations.

595. A letter from the Attorney General, transmitting the fourth report of the Attorney General, entitled "Western Steel Plants and the Tin Plate Industry"; to the Committee on Expenditures in the Executive Departments.

596. A letter from the Chairman, Federal Trade Commission, transmitting the report of the Federal Trade Commission, entitled "Distribution Methods and Costs, Part VIII—Cost of Production and Distribution of Fish in New England"; to the Committee on Interstate and Foreign Commerce.

597. A letter from the Chairman, Federal Trade Commission, transmitting the report of the Federal Trade Commission, entitled, "Distribution Methods and Costs, Part VII—Cost of Production and Distribution of Fish in the Great Lakes Area"; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COCHRAN: Committee on Accounts. House Resolution 308. Resolution granting 6 months' salary and $250 funeral expenses to Helen Jurgensen, widow of Hans Jurgensen, Jr., late an employee of the House, without amendment (Rept. No. 843). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 3615. A bill to provide Federal aid for the development of public airports and to amend existing law relating to air navigation facilities; with amendment (Rept. No. 844). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COMBS: Committee on Claims. S. 693. An act for the relief of the Saunders Memorial Hospital; without amendment (Rept. No. 845). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolution were introduced and severally referred as follows:

By Mr. FARRINGTON:

H. R. 3643. A bill to enable the people of Hawaii to form a constitution and State government to be admitted into the Union on an equal footing with the original States; to the Committee on the Territories.

By Mr. RANKIN:

H. R. 3644. A bill to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability; to the Committee on World War Veterans' Legislation.

By Mrs. ROGERS of Massachusetts:

H. R. 3645. A bill to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability; to the Committee on World War Veterans' Legislation.

By Mr. DIRKSEN:

H. Res. 309. Resolution creating a select committee to make certain investigations with respect to American personnel employed by the United Nations Relief and Rehabilitation Administration; to the Committee on Rules.

By Mr. WHITE:

H. Res. 310. Resolution authorizing the Committee on Coinage, Weights, and Measures to make an investigation of plans for the beneficial use of gold and silver; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States immediately to review and reconsider the necessity of fixing a price for crude petroleum commensurate with the increased cost of obtaining new production and to place the industries on a position of fair equality or parity with other industries of the United States which have enjoyed substantial increases in the price of manufactured or crude products; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FENTON:

H. R. 3646. A bill for the relief of Agostino Polidoro; to the Committee on Immigration and Naturalization.

By Mr. O'NEAL:

H. R. 3647. A bill for the relief of Robert R. Rowe, Jr.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII.

1037. Mr. McGREGOR presented a petition of the members of the New Moscow WCTU, Coshocton, Ohio, petitioning the Congress of these United States to cancel the July holiday for the manufacturing of liquor in the interest of the war effort; to the Committee on Agriculture.